

**WEST OTTAWA PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 - LONG-TERM OBLIGATIONS (Continued)

Long-term obligations at June 30, 2019 is comprised of the following issues:

1992 refunding bonds - \$51,425,000, due in annual installment of \$1,286,416 through May 1, 2020 with interest at 6.400%; including accreted interest on capital appreciation bonds of \$2,410,141.	\$ 3,696,557
2012 Series A refunding bonds - \$76,745,000, due in annual installments of \$1,470,000 to \$2,665,000 through May 1, 2032 with interest from 3.500% to 5.000%.	23,530,000
2012 Series B refunding bonds - \$34,940,000, due in installment of \$2,040,000 through May 1, 2020 with interest from 3.000%.	1,720,000
2014 building and site bonds - \$42,500,000, due in annual installments of \$1,225,000 to \$3,775,000 through May 1, 2039 with interest from 3.250% to 5.000%.	35,600,000
2015 refunding bonds - \$6,580,000, due in annual installments of \$680,000 to \$2,000,000 through May 1, 2022 with interest at 3.000%.	3,680,000
2016 refunding bonds - \$5,715,000, due in annual installments of \$200,000 to \$965,000 through November 1, 2026 with interest at 1.690%.	5,715,000
2017 refunding bonds - \$12,835,000, due in annual installments of \$825,000 to \$1,620,000 through November 1, 2032 with interest from 4.000% to 5.000%.	12,835,000
2018 building and site bonds - \$13,795,000, due in annual installments of \$300,000 to \$3,075,000 through November 1, 2038 with interest from 4.000% to 5.000%.	11,525,000
2019 building and site bonds - \$21,190,000, due in annual installments of \$460,000 to \$4,400,000 through May 1, 2044 with interest from 4.000% to 5.000%.	22,190,000
Issuance premium	11,814,186
Total general obligation bonds	132,305,743
Compensated absences	164,220
Total general long-term obligations	\$ 132,469,963

On May 7, 2019, the District issued general obligation bonds of \$22,190,000 with an interest rate of 4.0% to 5.0%. The bonds mature at various times through May 1, 2044. The general obligation bonds were issued at a premium of \$3,887,940 after paying issuance costs of \$188,319.

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NOTE 5 - LONG-TERM OBLIGATIONS (Concluded)

The District has defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2019, \$75,775,000 of bonds outstanding are considered defeased.

The annual requirements to amortize long-term obligations exclusive of compensated absences payments as of June 30, 2019 are as follows:

Year ending June 30,	Principal	Interest	Compensated absences	Total
2020	\$ 7,281,416	\$ 10,932,366	\$ -	\$ 18,213,782
2021	14,190,000	4,868,198	-	19,058,198
2022	9,445,000	4,271,967	-	13,716,967
2023	7,150,000	3,855,080	-	11,005,080
2024	7,230,000	3,548,909	-	10,778,909
2025 - 2029	28,910,000	13,458,813	-	42,368,813
2030 - 2034	21,650,000	7,871,502	-	29,521,502
2035 - 2039	17,225,000	3,461,500	-	20,686,500
2040 - 2044	5,000,000	1,165,000	-	6,165,000
	<u>118,081,416</u>	<u>53,433,335</u>	<u>-</u>	<u>171,514,751</u>
Accreted interest on capital				
appreciation bonds	2,410,141	-	-	2,410,141
Issuance premium	11,814,186	-	-	11,814,186
Compensated absences	-	-	164,220	164,220
	<u>\$ 132,305,743</u>	<u>\$ 53,433,335</u>	<u>\$ 164,220</u>	<u>\$ 185,903,298</u>

Accumulated compensated absences and termination benefits typically are liquidated by the general fund. Interest expense for the year ended June 30, 2019 was approximately \$4,700,000.