

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

NOTE 5 - LONG-TERM OBLIGATIONS (Continued)

Long-term obligations at June 30, 2020 is comprised of the following issues:

General obligation bonds

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
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%.	2,680,000
2016 refunding bonds - \$5,715,000, due in annual installments of \$870,000 to \$965,000 through November 1, 2026 with interest at 1.690%.	5,515,000
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 \$1,000,000 through November 1, 2038 with interest from 4.000% to 5.000%.	8,450,000
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
2020 building and site bonds - \$7,350,000, due in annual installments of \$2,175,000 to \$2,750,000 through May 1, 2030 with interest of 4.000%.	7,350,000
Issuance premium	<u>12,737,711</u>
Total general obligation bonds	130,887,711
Compensated absences and termination benefits	<u>207,068</u>
Total general long-term obligations	<u><u>\$ 131,094,779</u></u>

On June 25, 2020, the District issued general obligation bonds of \$7,350,000 with an interest rate of 4.0%. The bonds mature at various times through May 1, 2030. The general obligation bonds were issued at a premium of \$1,682,204 after paying issuance costs of \$96,022.

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, 2020, \$71,195,000 of bonds outstanding are considered defeased.

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

NOTE 5 - LONG-TERM OBLIGATIONS (Concluded)

The annual requirements to amortize long-term obligations exclusive of compensated absences payments as of June 30, 2020 are as follows:

Year Ending June 30,	General Obligation Bonds		Compensated absences and termination benefits	Total
	Principal	Interest		
2021	\$ 14,190,000	\$ 5,118,098	\$ -	\$ 19,308,098
2022	9,445,000	4,565,967	-	14,010,967
2023	7,150,000	4,149,080	-	11,299,080
2024	7,230,000	3,842,909	-	11,072,909
2025	7,285,000	3,532,849	-	10,817,849
2026 - 2030	33,930,000	13,434,089	-	47,364,089
2031 - 2035	20,145,000	6,873,127	-	27,018,127
2036 - 2040	14,775,000	2,777,750	-	17,552,750
2041 - 2044	4,000,000	832,000	-	4,832,000
	118,150,000	45,125,869	-	163,275,869
Issuance premium	12,737,711	-	-	12,737,711
Compensated absences and termination benefits	-	-	207,068	207,068
	<u>\$ 130,887,711</u>	<u>\$ 45,125,869</u>	<u>\$ 207,068</u>	<u>\$ 176,220,648</u>

Compensated absences and termination benefits typically are liquidated by the general fund. Interest expense for the year ended June 30, 2020 was approximately \$10,932,000.

NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES

Interfund payable and receivable balances at June 30, 2020 are as follows:

Receivable Fund		Payable Fund	
General fund	\$ 2,519	General fund	\$ 63,944
Food service fund	63,406	Food service fund	54
Debt service fund	44,971	Debt service fund	43,971
Building transfer fund	538	Student/school activities	2,465
2014 capital projects fund	1,029,761	Sinking fund	39,828
		2014 capital projects fund	44,971
		2019 capital projects fund	945,962
	<u>\$ 1,141,195</u>		<u>\$ 1,141,195</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.