

HARBOR SPRINGS PUBLIC SCHOOLS  
HARBOR SPRINGS, MICHIGAN

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

Bonds payable at June 30, 2013, are comprised of the following issues:

General Obligation Serial Bonds

2012 School Building and Site Bonds Due in Annual Installments of \$495,000 to \$565,000 through May 1, 2018, Interest at 0.80% to 2.00%	\$ 2,690,000
2010 Refunding Bonds Due in Annual Installments of \$1,250,000 to \$1,295,000 through May 1, 2015, Interest at 1.50% to 2.00%	2,545,000
2006 Refunding Bonds Due in Annual Installments of \$20,000 to \$2,145,000 through May 1, 2026, Interest at 4.00%	10,000,000
2007 Refunding Bonds Due in Annual Installments of \$175,000 to \$1,715,000 through May 1, 2022, Interest at 4.00% to 5.00%	9,445,000
 <u>Other</u>	
Accrued Compensated Absences	<u>189,297</u>
Total general obligation debt	<u>\$ 24,869,297</u>

The compensated absences are generally liquidated by the General Fund.

The annual requirements to service the bonds outstanding (not including accrued compensated absences) to maturity, including both principal and interest, are as follows:

<u>Year Ending June 30,</u>	Bonds Payable		Amounts Payable
	Principal	Interest	
2014	\$ 1,870,000	\$ 888,415	\$ 2,758,415
2015	1,900,000	862,785	2,762,785
2016	1,900,000	829,635	2,729,635
2017	2,000,000	753,400	2,753,400
2018	2,090,000	669,500	2,759,500
2019-2023	8,725,000	2,315,600	11,040,600
2024-2026	6,195,000	502,000	6,697,000
	\$ 24,680,000	\$ 6,821,335	\$ 31,501,335

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SCHEDULE OF BONDS PAYABLE  
JUNE 30, 2013

<u>TITLE OF ISSUE</u>	2006 Refunding Bonds	
<u>PURPOSE</u>	To refund a portion of the 2001 bonds to take advantage of lower interest rates.	
<u>DATE OF ISSUE</u>	December 20, 2006	
<u>INTEREST PAYABLE</u>	May 1, and November 1, of each year	
<u>AMOUNT OF ISSUE</u>		\$ 10,000,000
<u>AMOUNT REDEEMED</u>		
Redeemed Prior to Current Year	\$	0
Redeemed During Current Year	0	0
<u>BALANCE OUTSTANDING - June 30, 2013</u>		<u>\$ 10,000,000</u>

<u>DUE DATES</u>	<u>INTEREST RATES</u>	<u>REQUIREMENTS</u>		
		<u>TOTAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>
November 1, 2013		\$ 200,000	\$ 200,000	
May 1, 2014	4.000%	260,000	200,000	\$ 60,000
November 1, 2014		198,800	198,800	
May 1, 2015	4.000%	238,800	198,800	40,000
November 1, 2015		198,000	198,000	
May 1, 2016	4.000%	243,000	198,000	45,000
November 1, 2016		197,100	197,100	
May 1, 2017	4.000%	232,100	197,100	35,000
November 1, 2017		196,400	196,400	
May 1, 2018	4.000%	221,400	196,400	25,000
November 1, 2018		195,900	195,900	
May 1, 2019	4.000%	215,900	195,900	20,000
November 1, 2019		195,500	195,500	
May 1, 2020	4.000%	215,500	195,500	20,000
November 1, 2020		195,100	195,100	
May 1, 2021	4.000%	220,100	195,100	25,000
November 1, 2021		194,600	194,600	

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<u>DUE DATES</u>	<u>INTEREST RATES</u>	<u>REQUIREMENTS</u>		
		<u>TOTAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>
May 1, 2022	4.000%	1,819,600	194,600	1,625,000
November 1, 2022		162,100	162,100	
May 1, 2023	4.000%	2,072,100	162,100	1,910,000
November 1, 2023		123,900	123,900	
May 1, 2024	4.000%	2,108,900	123,900	1,985,000
November 1, 2024		84,200	84,200	
May 1, 2025	4.000%	2,149,200	84,200	2,065,000
November 1, 2025		42,900	42,900	
May 1, 2026	4.000%	2,187,900	42,900	2,145,000
		<u>\$ 14,369,000</u>	<u>\$ 4,369,000</u>	<u>\$ 10,000,000</u>

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SCHEDULE OF BONDS PAYABLE  
JUNE 30, 2013

<u>TITLE OF ISSUE</u>	2007 Refunding Bonds		
<u>PURPOSE</u>	To refund a portion of the 2001 bonds to take advantage of advantage of lower interest rates.		
<u>DATE OF ISSUE</u>	March 20, 2007		
<u>INTEREST PAYABLE</u>	May 1, and November 1, of each year		
<u>AMOUNT OF ISSUE</u>		\$	9,445,000
<u>AMOUNT REDEEMED</u>			
Redeemed Prior to Current Year	\$	0	
Redeemed During Current Year		<u>0</u>	<u>0</u>
<u>BALANCE OUTSTANDING - June 30, 2013</u>		<u>\$</u>	<u>9,445,000</u>

<u>DUE DATES</u>	<u>INTEREST RATES</u>	<u>REQUIREMENTS</u>		
		<u>TOTAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>
November 1, 2013		\$ 202,900	\$ 202,900	
May 1, 2014		202,900	202,900	
November 1, 2014		202,900	202,900	
May 1, 2015		202,900	202,900	
November 1, 2015		202,900	202,900	
May 1, 2016	5.00%	1,562,900	202,900	\$ 1,360,000
November 1, 2016		168,900	168,900	
May 1, 2017	5.00%	1,608,900	168,900	1,440,000
November 1, 2017		132,900	132,900	
May 1, 2018	4.00%	1,652,900	132,900	1,520,000
November 1, 2018		102,500	102,500	
May 1, 2019	4.00%	1,687,500	102,500	1,585,000
November 1, 2019		70,800	70,800	
May 1, 2020	4.00%	1,720,800	70,800	1,650,000
November 1, 2020		37,800	37,800	
May 1, 2021	4.00%	1,752,800	37,800	1,715,000
November 1, 2021		3,500	3,500	
May 1, 2022	4.00%	178,500	3,500	175,000
		<u>\$ 11,695,200</u>	<u>\$ 2,250,200</u>	<u>\$ 9,445,000</u>

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SCHEDULE OF BONDS PAYABLE  
JUNE 30, 2013

<u>TITLE OF ISSUE</u>	2010 Refunding Bonds	
<u>PURPOSE</u>	To refund a portion of the 2001 bonds to take advantage of lower interest rates.	
<u>DATE OF ISSUE</u>	November 23, 2010	
<u>INTEREST PAYABLE</u>	May 1, and November 1, of each year	
<u>AMOUNT OF ISSUE</u>		\$ 4,445,000
<u>AMOUNT REDEEMED</u>		
Redeemed Prior to Current Year	\$ 1,000,000	
Redeemed During Current Year	<u>900,000</u>	<u>1,900,000</u>
<u>BALANCE OUTSTANDING - June 30, 2013</u>		<u>\$ 2,545,000</u>

<u>DUE DATES</u>	<u>INTEREST RATES</u>	<u>REQUIREMENTS</u>		
		<u>TOTAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>
November 1, 2013		\$ 22,325	\$ 22,325	
May 1, 2014	1.50%	1,272,325	22,325	\$ 1,250,000
November 1, 2014		12,950	12,950	
May 1, 2015	2.00%	<u>1,307,950</u>	<u>12,950</u>	<u>1,295,000</u>
		<u>\$ 2,615,550</u>	<u>\$ 70,550</u>	<u>\$ 2,545,000</u>

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SCHEDULE OF BONDS PAYABLE  
JUNE 30, 2013

<u>TITLE OF ISSUE</u>	2012 School Building and Site Bonds	
<u>PURPOSE</u>	To acquire and install technology, technology infrastructure, safety and security improvements, furnishings and equipment in school facilities and purchasing new school buses.	
<u>DATE OF ISSUE</u>	February 23, 2012	
<u>INTEREST PAYABLE</u>	May 1, and November 1, of each year	
<u>AMOUNT OF ISSUE</u>		\$ 2,690,000
<u>AMOUNT REDEEMED</u>		
Redeemed Prior to Current Year	\$ 0	
Redeemed During Current Year	<u>0</u>	<u>0</u>
<u>BALANCE OUTSTANDING - June 30, 2013</u>		<u>\$ 2,690,000</u>

<u>DUE DATES</u>	<u>INTEREST RATES</u>	<u>REQUIREMENTS</u>		
		<u>TOTAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>
November 1, 2013		\$ 18,983	\$ 18,983	
May 1, 2014	0.80%	578,982	18,982	\$ 560,000
November 1, 2014		16,743	16,743	
May 1, 2015	1.00%	581,742	16,742	565,000
November 1, 2015		13,918	13,918	
May 1, 2016	1.30%	508,917	13,917	495,000
November 1, 2016		10,700	10,700	
May 1, 2017	2.00%	535,700	10,700	525,000
November 1, 2017		5,450	5,450	
May 1, 2018	2.00%	550,450	5,450	545,000
		<u>\$ 2,821,585</u>	<u>\$ 131,585</u>	<u>\$ 2,690,000</u>