NOTE 6 - ACCOUNTS PAYABLE

Accounts payable at June 30, 2014, consisted of the following:

	General Fund	Building Fund	Special Reserve Capital Outlay Fund	Non-Major Governmental Funds	Total	Proprietary Funds
Vendor payables	$ 2,025,143	$ 1,659,914	$ 383	$ 525,896	$ 4,211,336	$ 17,342
Salaries and benefits	1,877,835	-	-	-	1,877,835	-
Total	$ 3,902,978	$ 1,659,914	$ 383	$ 525,896	$ 6,089,171	$ 17,342

NOTE 7 - UNEARNED REVENUE

Unearned revenue at June 30, 2014, consists of the following:

	General Fund	Special Reserve Capital Outlay Fund	Total
Federal financial assistance	$ 59,947	$ -	$ 59,947
State categorical aid	881	6,245	7,126
Total	$ 60,828	$ 6,245	$ 67,073

NOTE 8 - LONG-TERM OBLIGATIONS

Summary

The changes in the District's long-term obligations during the year consisted of the following:

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014	Due in One Year
General obligation bonds	$ 162,436,387	$ 31,770,000	$ 4,092,814	$ 190,113,573	$ 4,741,011
Bond accreted interest	4,569,960	1,737,661	-	6,307,621	-
Subtotal	167,006,347	33,507,661	4,092,814	196,421,194	4,741,011
Bond premiums	112,463	726,621	63,272	775,812	63,272
Certificates of participation	765,746	-	178,609	587,137	186,901
Note payable	1,250,000	-	100,000	1,150,000	68,936
Qualified Zone Academy Lease	-	5,130,000	-	5,130,000	-
Accumulated vacation - net	337,762	31,973	-	369,735	-
Capital leases	1,115,505	-	73,284	1,042,221	75,179
Other post employment benefits	522,958	114,079	-	637,037	-
Total	$ 171,110,781	$ 39,510,334	$ 4,507,979	$ 206,113,136	$ 5,135,299

Payments on the general obligation bonds are made by the Bond Interest and Redemption Fund with local revenues. The Capital Facilities Fund makes payments for the Certificates of Participation and the Qualified Zone Academy Lease. The capital leases payments are made by the Adult Education Fund. The accrued vacation and Other Post Employment Benefits will be paid by the fund for which the employee worked.

Bonded Debt

The outstanding general obligation bonded debt is as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2013	Issued	Redeemed	Bonds Outstanding June 30, 2014
2/21/2007	8/1/2031	4.30%	29,000,000	$ 22,335,000	$ -	$ 1,045,000	$ 21,290,000
2/21/2007	8/1/2028	4.15%	39,210,000	35,030,000	-	1,395,000	33,635,000
3/18/2009	8/1/2033	4.00-6.25%	30,000,000	29,800,000	-	150,000	29,650,000
2/13/2010	8/1/2040	6.38-6.98%	19,999,043	24,568,903	1,737,661	-	26,306,564
5/1/2010	2/1/2026	4.55%	18,327,344	18,327,444	-	302,814	18,024,630
5/24/2011	8/1/2041	3.00-5.75%	30,000,000	30,000,000	-	600,000	29,400,000
10/19/2011	8/1/2022	2.00-3.125%	7,560,000	6,945,000	-	600,000	6,345,000
7/10/2013	8/1/2026	0.55-4.00%	11,670,000	-	11,670,000	-	11,670,000
7/10/2013	8/1/2038	3.00-5.00%	20,100,000	-	20,100,000	-	20,100,000
				$ 167,006,347	$ 33,507,661	$ 4,092,814	$ 196,421,194

Debt Service Requirements to Maturity

The bonds mature through August 2043 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2015	$ 4,741,011	$ 7,859,011	$ 12,600,022
2016	4,763,959	7,697,268	12,461,227
2017	5,184,825	7,513,980	12,698,805
2018	5,625,720	7,303,265	12,928,985
2019	6,238,998	7,054,533	13,293,531
2020-2024	44,125,181	30,533,210	74,658,391
2025-2029	38,376,567	22,122,187	60,498,754
2030-2034	36,710,585	18,413,463	55,124,048
2035-2039	18,965,562	19,485,452	38,451,014
2040-2043	25,381,165	31,026,235	56,407,400
Subtotal	190,113,573	$ 159,008,604	$ 349,122,177
Accretions	6,307,621		
Total	$ 196,421,194		

Certificates of Participation

In February 1997, the District issued certificates of participation in the amount of $2,670,000 with interest rates of 4.5 percent. As of June 30, 2014, the principal balance outstanding was $587,137.

The certificates mature through February 2017 as follows:

Year Ending June 30,	Principal	Interest	Total
2015	$ 186,901	$ 24,829	$ 211,730
2016	195,578	16,152	211,730
2017	204,658	7,072	211,730
Total	$ 587,137	$ 48,053	$ 635,190

Notes Payable

On February 26, 2013, the City of San Leandro loaned the District $1,250,000 with interest rates of 1.5-5% for the purchase of a property in the City that will be used by the District to directly support education and administrative functions of the District. The loan matures on August 1, 2028.The principal and interest payments are as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2015	$ 68,936	$ 17,250	$ 86,186
2016	69,970	16,216	86,186
2017	71,020	15,167	86,187
2018	82,003	28,202	110,205
2019	84,463	25,742	110,205
2020-2024	461,879	89,146	551,025
2025-2029	311,729	48,279	360,008
Total	$ 1,150,000	$ 240,002	$ 1,390,002

Accumulated Unpaid Employee Vacation

The long-term portion of accumulated unpaid employee vacation for the District at June 30, 2014, amounted to $369,735.

Capital Leases

The District has entered into agreements to lease various facilities and equipment. Such agreements are, in substance, purchases (capital leases) and are reported as capital lease obligations. The District's liability on lease agreements with options to purchase is summarized below:

	Adult Education Zion Bank
Balance, July 1, 2013	$ 1,115,505
Additions	-
Payments	73,284
Balance, June 30, 2014	$ 1,042,221

The capital leases have minimum lease payments as follows:

Year Ending June 30,	Lease Payment
2015	$ 101,485
2016	101,485
2017	101,485
2018	101,485
2019	101,485
2020-2024	507,423
2025-2026	202,969
Total	1,217,817
Less: Amount Representing Interest	175,596
Present Value of Minimum Lease Payments	$ 1,042,221

Leased land, buildings, and equipment under capital leases in capital assets at June 30, 2014, include the following:

Buildings	$ 1,530,197
Less: Accumulated depreciation	(94,362)
Total	$ 1,435,835

Amortization of leased buildings and equipment under capital assets is included with depreciation expense.

Other Postemployment Benefits (OPEB) Obligation

The District's annual required contribution for the year ended June 30, 2014, was $599,996, and contributions made by the District during the year were $513,843. Interest on the net OPEB obligation and adjustments to the annual required contribution were $27,926 and $0, respectively, which resulted in an increase to the net OPEB obligation of $114,079. As of June 30, 2014, the net OPEB obligation was $637,037. See Note 10 for additional information regarding the OPEB obligation and the postemployment benefits plan.