

GLEN OAKS COMMUNITY COLLEGE

Notes to Financial Statements

6. LONG-TERM OBLIGATIONS

Long-term obligation activity for the years ended June 30, 2021 and 2020, was as follows:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Current Portion
<i>Direct borrowings</i>					
USDA loan - Student housing	\$ 6,036,000	\$ -	\$ (162,000)	\$ 5,874,000	\$ 166,000
USDA loan - Concourse	2,118,000	-	(43,000)	2,075,000	45,000
Total direct borrowings (equals to total debt)	\$ 8,154,000	\$ -	\$ (205,000)	\$ 7,949,000	\$ 211,000
	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Current Portion
<i>Bonds</i>					
Bonds payable 2010 Community College Facilities Bonds	\$ 355,000	\$ -	\$ (355,000)	\$ -	\$ -
<i>Direct borrowings</i>					
USDA loan - Student housing	6,194,000	-	(158,000)	6,036,000	162,000
USDA loan - Concourse	2,027,500	132,500	(42,000)	2,118,000	43,000
Total direct borrowings	8,221,500	132,500	(200,000)	8,154,000	205,000
Total debt	\$ 8,576,500	\$ 132,500	\$ (555,000)	\$ 8,154,000	\$ 205,000

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USDA Loans

In September 2016, the College obtained a Community College Facilities Loan from the United States Department of Agriculture in an amount not to exceed \$6.5 million, which was used to fund the construction costs of the student housing, which was completed during fiscal 2018. The loan matures serially through 2046, with principal payments ranging from \$155,000 to \$297,000 due each December 1. Interest is charged at 2.375% and is payable semi-annually.

In August 2018, the College obtained a Community College Facilities Loan from the United States Department of Agriculture in an amount not to exceed \$2.2 million, which was used to fund the construction costs of the concourse, which was completed in fiscal 2021. The loan matures serially through 2048, with principal payments ranging from \$40,000 and \$121,000 due each June 17. Interest is charged at 3.875% and is payable semi-annually.

Community College Facilities Bonds, 2010

Bonds were issued in 2010 in the amount of \$2,955,000. Interest on the bonds ranged from 2.00 percent to 3.50 percent and was payable semiannually in May and November. The proceeds from the bonds were used for capital projects. The bonds were unsecured. The bond obligation was paid in full in fiscal 2020.

Total principal and interest maturities on the direct borrowing obligations as of June 30, 2021 are as follows:

Year Ending June 30	Direct Borrowing Obligations		
	Principal	Interest	Total
2022	\$ 211,000	\$ 219,914	\$ 430,914
2023	217,000	214,228	431,228
2024	222,000	208,369	430,369
2025	228,000	202,376	430,376
2026	234,000	196,212	430,212
2027-2031	1,272,000	882,119	2,154,119
2032-2036	1,455,000	698,776	2,153,776
2037-2041	1,665,000	487,643	2,152,643
2042-2046	1,911,000	243,840	2,154,840
2047-2048	534,000	20,927	554,927
Totals	\$ 7,949,000	\$ 3,374,404	\$ 11,323,404