

# GLEN OAKS COMMUNITY COLLEGE

## Notes to Financial Statements

### 6. LONG-TERM OBLIGATIONS

Long-term obligation activity for the years ended June 30, 2023 and 2022, was as follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Current Portion
<i>Direct borrowings</i>					
USDA loan -					
Student housing	\$ 5,708,000	\$ -	\$ (170,000)	\$ 5,538,000	\$ 174,000
USDA loan -					
Concourse	2,030,000	-	(2,030,000)	-	-
<b>Total direct borrowings (equals to total debt)</b>	<b>\$ 7,738,000</b>	<b>\$ -</b>	<b>\$ (2,200,000)</b>	<b>\$ 5,538,000</b>	<b>\$ 174,000</b>

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Current Portion
<i>Direct borrowings</i>					
USDA loan -					
Student housing	\$ 5,874,000	\$ -	\$ (166,000)	\$ 5,708,000	\$ 170,000
USDA loan -					
Concourse	2,075,000	-	(45,000)	2,030,000	47,000
<b>Total direct borrowings (equals to total debt)</b>	<b>\$ 7,949,000</b>	<b>\$ -</b>	<b>\$ (211,000)</b>	<b>\$ 7,738,000</b>	<b>\$ 217,000</b>

#### **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 year 2018. The loan matures serially through fiscal year 2047, 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.

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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 year 2021. The College repaid the balance of this loan in full during fiscal year 2023. The loan was scheduled to mature serially through 2048, with principal payments ranging from \$40,000 and \$121,000 due each June 17. Interest was charged at 3.875% and was payable semi-annually.

Total principal and interest maturities on the direct borrowing obligations as of June 30, 2023 are as follows:

Year Ending June 30	Direct Borrowing Obligations		
	Principal	Interest	Total
2024	\$ 174,000	\$ 131,528	\$ 305,528
2025	178,000	127,395	305,395
2026	182,000	123,168	305,168
2027	187,000	118,845	305,845
2028	191,000	114,404	305,404
2029-2033	1,026,000	501,742	1,527,742
2034-2038	1,153,000	374,039	1,527,039
2039-2043	1,296,000	230,494	1,526,494
2044-2047	1,151,000	69,089	1,220,089
<b>Totals</b>	<b>\$ 5,538,000</b>	<b>\$ 1,790,704</b>	<b>\$ 7,328,704</b>