

**NOTE E—LONG-TERM OBLIGATIONS**

The College issues bonds, notes and other contractual commitments to provide for the acquisition, construction and improvement of major capital facilities and for the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the College.

The following is a summary of long-term obligations activity for the College for the year ended June 30, 2024.

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Public placement debt					
General obligation bonds	\$ 26,440,000	\$ 15,100,000	\$ 18,660,000	\$ 22,880,000	\$ 1,720,000
Net premium (discount)	755,263	2,054,999	577,362	2,232,900	-
Lease obligations	47,437	-	25,498	21,939	21,939
SBITA	1,392,897	518,022	393,950	1,516,969	1,160,487
Compensated absences	3,234,109	1,386,013	1,214,691	3,405,431	851,358
	<u>\$ 31,869,706</u>	<u>\$ 19,059,034</u>	<u>\$ 20,871,501</u>	<u>\$ 30,057,239</u>	<u>\$ 3,753,784</u>

The general obligation bonds are secured by future state aid and property tax revenues of the College. If the College defaults the bonds are callable.

**NOTE E—LONG-TERM OBLIGATIONS—Continued**

Public placement debt consists of the following as of June 30, 2024:

	Interest Rate	Date of Maturity	Balance
Public placement debt:			
General obligation bonds			
2024 Refunding Bonds	5%	May 2039	\$ 15,100,000
2016 Refunding Bonds	2-3%	May 2025	540,000
2017 College Facility Bonds	3-3.125%	May 2037	7,240,000
			<u>\$ 22,880,000</u>

Annual debt service requirements to maturity for debt outstanding as of June 30, 2024 follow:

Year Ending June 30,	Public Placement Debt	
	Principal	Interest
2025	\$ 1,720,000	\$ 989,232
2026	1,225,000	923,332
2027	1,280,000	871,582
2028	1,335,000	817,382
2029	1,395,000	760,732
2030-2034	7,935,000	2,857,810
2035-2039	7,990,000	1,012,546
	<u>\$ 22,880,000</u>	<u>\$ 8,232,616</u>

**NOTE F—LEASES AND SUBSCRIPTION-BASED IT ARRANGEMENTS (SBITA)**

The College leases the right to use assets from various third parties. These assets include equipment under lease agreements and IT subscription assets under SBITAs. Payments on leases and SBITAs are generally fixed annual amounts. The lease term 5 years and has a discount rate of 3.5 percent. The SBITA terms vary from 13 months to 5 years and have a discount rate of 5 percent.

Right-to-use leased vehicle assets and right-to-use subscription-based IT assets are included in Note E. Lease and SBITA obligations are included in Note F.

The annual requirements of principal and interest to amortize the lease and SBITA obligations outstanding as of June 30, 2024 follows:

Year Ending June 30,	Leases		SBITA	
	Principal	Interest	Principal	Interest
2025	\$ 21,939	\$ 386	\$ 1,160,487	\$ 102,676
2026	-	-	112,291	18,539
2027	-	-	119,906	12,483
2028	-	-	124,285	6,213
	<u>\$ 21,939</u>	<u>\$ 386</u>	<u>\$ 1,516,969</u>	<u>\$ 139,910</u>