NOTE F—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, 2023.

	Balance July 1, 2022, as restated	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Public placement debt					
General obligation bonds	$ 28,360,000	$ -	$ 1,920,000	$ 26,440,000	$ 1,815,000
Net premium (discount)	822,630	-	67,367	755,263	-
Lease obligations	72,057	-	24,620	47,437	25,497
SBITA	1,906,059	218,042	731,204	1,392,897	691,801
Compensated absences	3,193,736	1,284,466	1,244,093	3,234,109	808,527
	$ 34,354,482	**$ 1,502,508**	**$ 3,987,284**	**$ 31,869,706**	**$ 3,340,825**

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.

Public placement debt consists of the following as of June 30, 2023:

	Interest Rate	Date of Maturity	Balance
Public placement debt:			
General obligation bonds			
2013 Community College Facility Bonds	4-5%	May 2038	$ 7,220,000
2014 Community College Facility Bonds	2.5-4%	May 2039	10,455,000
2016 Refunding Bonds	2-3%	May 2025	1,075,000
2017 College Facility Bonds	3-3.125%	May 2037	7,690,000
			$ 26,440,000

Annual debt service requirements to maturity for debt outstanding as of June 30, 2023 follow:

Year Ending June 30,	Public Placement Debt	
	Principal	Interest
2024	$ 1,815,000	$ 990,222
2025	1,865,000	932,222
2026	1,370,000	867,672
2027	1,420,000	817,622
2028	1,475,000	765,722
2029-2033	8,245,000	2,976,925
2034-2038	9,250,000	1,294,868
2039	1,000,000	40,000
	$ 26,440,000	**$ 8,685,253**

NOTE G—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, 2023 follows:

Year Ending	Leases		SBITA	
June 30,	Principal	Interest	Principal	Interest
2024	$ 25,498	$ 1,293	$ 691,801	$ 68,104
2025	21,939	386	609,517	34,474
2026	-	-	30,193	3,970
2027	-	-	31,734	2,429
2028	-	-	29,652	1,009
	$ 47,437	**$ 1,679**	**$ 1,392,897**	**$ 109,986**