

MID MICHIGAN COLLEGE

DEBT SERVICE OBLIGATIONS

June 30, 2020 and 2019

Note 6 - Long-term Liabilities

Long-term obligations activity for the years ended June 30, 2020 and 2019 can be summarized as follows:

	2020				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
2006 Community College Facilities Bonds	\$ 580,000	\$ -	\$ (285,000)	\$ 295,000	\$ 295,000
2020 Community College Facilities Bonds	-	6,575,000	-	6,575,000	330,000
Unamortized bond premium	-	97,062	-	97,062	4,853
Other	120,163	-	(83,976)	36,187	36,187
Total long-term obligations	\$ 700,163	\$ 6,672,062	\$ (368,976)	\$ 7,003,249	\$ 666,040

	2019				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
2006 Community College Facilities Bonds	\$ 850,000	\$ -	\$ (270,000)	\$ 580,000	\$ 285,000
Other	220,877	-	(100,714)	120,163	83,976
Total long-term obligations	\$ 1,070,877	\$ -	\$ (370,714)	\$ 700,163	\$ 368,976

The College issued 2020 Community College Facilities Bonds (General Obligated-Limited Tax) totaling \$6.575 million on February 19, 2020 to fund the Harrison campus renovation. Principal payments ranging from \$325,000 to \$330,000 are due annually in May through maturity. Interest on bonds ranges from 2.00 percent to 2.25 percent, payable semiannually, maturing in May 2040.

The College issued 2006 Community College Facilities Bonds (General Obligated-Limited Tax) totaling \$5.5 million on August 31, 2006 to fund a 50 percent match required by the State of Michigan for capital outlay projects. Principal payments are due annually in May through maturity. Interest on bonds ranges from 3.80 percent to 3.95 percent, payable semiannually, maturing in May 2021.

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above bonds are as follows:

Years Ending June 30	Principal	Interest	Total
2021	\$ 625,000	\$ 145,603	\$ 770,603
2022	330,000	127,350	457,350
2023	330,000	120,750	450,750
2024	330,000	114,150	444,150
2025	330,000	107,550	437,550
2026-2030	1,640,000	439,050	2,079,050
2031-2035	1,645,000	274,950	1,919,950
2036-2040	1,640,000	107,475	1,747,475
Total	\$ 6,870,000	\$ 1,436,878	\$ 8,306,878

Cash paid for interest was \$75,932 and \$41,766 for the years ended June 30, 2020 and 2019, respectively.