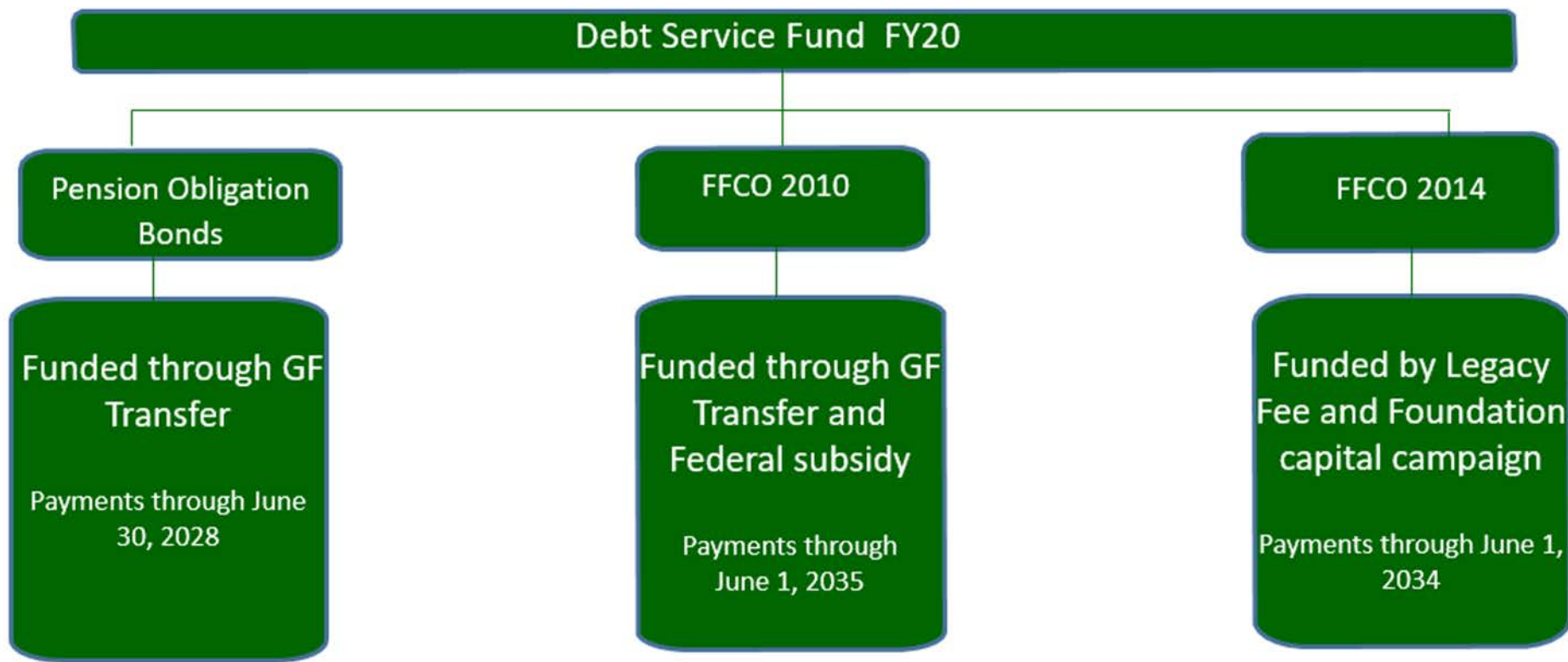




Debt Service Update

Presented by Natalya Brown, CFO
December 11, 2019





Balance as of June 30, 2020:

Pension Obligations - \$7,995,000; FFCO 2010 - \$2,835,000; FFCO 2014 - \$2,070,000 (repaid \$5.5M in December 2019)





Debt Service Fund Payment Summary

FY20

| Accounts | Pension Obligation Bonds | FFCO 2010 | FFCO 2014 | Total Debt Service Fund |
|----------------------------|-----------------------------|----------------|------------------|-------------------------|
| Beginning Fund Balance | 2,330,928 | 31,660 | 5,431,651 | 7,794,239 |
| Interest | 10,000 | - | 253,057 | 263,057 |
| Federal Subsidy | - | 70,890 | - | 70,890 |
| Legacy Fee | - | - | 469,106 | 469,106 |
| Transfer In - General Fund | 993,196 | 250,000 | 145,269 | 1,388,465 |
| Total Resources | 3,334,124 | 352,550 | 6,299,083 | 9,985,757 |
| Debt Service Payment | 1,126,965 | 316,649 | 5,806,250 * | 7,249,864 |
| Ending Fund Balance | 2,207,159 | 35,901 | 492,833 | 2,735,893 |

* \$5,500,000 Series FFCO 2014A called December 1st, 2019.

FFCO 2014A series repayment provided \$990,000 in interest savings between now and FY 2024.





Legacy Fee

- Established effective FY16 through FY20 by Board resolution to support repayment of debt service for FFCO 2014 or deferred maintenance once debt service payments are satisfied

| 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| <i>\$7/credit hr</i> | <i>\$7/credit hr</i> | <i>\$8/credit hr</i> | <i>\$8/credit hr</i> | <i>\$8/credit hr</i> |

- Board is requested to approve \$8 per credit after FY20





FFCO 2014 Projections

| | | | | | | | | FFCO 2014 Series B Payoff |
|----------------------------|------------------|----------------|----------------|------------------|------------------|------------------|--|---------------------------------|
| FFCO 2014 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | | FY25 |
| Cash on hand | 5,526,427 | 122,080 | 447,236 | 755,619 | 1,048,951 | 1,332,792 | | 1,332,792 |
| Interest | 2,000 | - | - | - | - | - | | - |
| Legacy Fee | 204,634 | 469,106 | 455,033 | 441,382 | 428,141 | 415,296 | | 415,296 |
| Transfer in - General Fund | 145,269 | | | | | | | |
| Transfer In - Foundation | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | | 50,000 |
| Total Cash on Hand | 5,928,330 | 641,186 | 952,269 | 1,247,001 | 1,527,092 | 1,798,088 | | 1,798,088 |
| Debt Service Payment | 5,806,250 | 193,950 | 196,650 | 198,050 | 194,300 | 1,649,300 | | 1,649,300 |
| Ending Cash on hand | 122,080 | 447,236 | 755,619 | 1,048,951 | 1,332,792 | 148,788 | | 148,788 |

**For legacy fee, 3 percent decline in enrollment is projected*





Questions

Thank you!

