

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Annual Comprehensive Financial Report
Notes to Basic Financial Statements
August 31, 2023 and 2022

NOTE 9. BONDS PAYABLE

Bonds payable as of August 31, 2023 and 2022 consisted of the following:

Bond issue	Purpose	Date Issued	Amount Issued and Authorized	Revenue Source	Outstanding Balance August 31, 2023	Outstanding Balance August 31, 2022
Series 2018 Limited Tax Bonds	Constructing, renovating, improving and equipping school buildings and purchasing necessary sites	4/12/2018	\$ 252,308,336	Ad valorem taxes	\$ 209,556,723	\$ 219,399,838
Series 2020 Limited Tax Bonds	Constructing, renovating, improving and equipping school buildings and purchasing necessary sites	4/7/2020	\$ 352,084,877	Ad valorem taxes	\$ 325,433,259	\$ 337,123,744
Total					\$ 534,989,982	\$ 556,523,582

Bonds payable are due in annual installments varying from \$17,445,506 to \$23,506,200 with interest rates of 3.00% to 5.00% and the final installments are due in 2040.

On January 23, 2018, the Board approved the sale of Limited Tax Bonds, Series 2018 with the following parameters:

- Maximum principal amount not to exceed \$250 million
- Maximum borrowing cost as measured by the True Interest Cost not to exceed 4.25%
- Final maturity on or before August 15, 2038

The sale of the bond issue closed on April 12, 2018 with an average coupon rate of 3.95%. Proceeds from the sale totaling \$252,308,336 included a net premium of \$18,058,336. The bonds are payable over 20 years, and the net premium is amortized over the life of the bonds using the straight-line method. The District paid and expensed as Other non-operating expenses in fiscal year 2018 a total of \$2.3 million for bond issuance cost and underwriter's discount in connection with the Series 2018 bond issuance.

NOTE 9. BONDS PAYABLE-continued

On February 25, 2020 the Board approved the sale of Limited Tax Bonds, Series 2020 with the following parameters:

- Maximum principal amount not to exceed \$350 million
- Maximum borrowing cost as measured by the True Interest Cost not to exceed 4.0%
- Final maturity on or before August 15, 2040

The sale of the bond issue closed on April 7, 2020 with an average coupon rate of 4.11%. Proceeds from the sale totaling \$352,084,877 included a net premium of \$49,419,877. The bonds are payable over 20 years, and the net premium is amortized over the life of the bonds using the straight-line method. The District paid and expensed as Other non-operating expenses in fiscal year 2020, a total of \$2.1 million for bond issuance cost and underwriter's discount in connection with the Series 2020 bond issuance.

The tax rates authorized and assessed to pay principal and interest on the Series 2018 and Series 2020 bonds are discussed in Note 17.

General Obligation Bonds Debt Schedule

Debt service requirements as of August 31, 2023, were as follows:

Year Ending August 31,	General Obligation Bonds		
	Principal	Interest	Total
2024	\$ 20,485,000	\$ 20,363,156	\$ 40,848,156
2025	21,615,000	19,338,906	40,953,906
2026	22,695,000	18,258,156	40,953,156
2027	23,825,000	17,123,406	40,948,406
2028	25,020,000	15,932,156	40,952,156
2029-33	144,355,000	60,398,831	204,753,831
2034-38	177,380,000	36,819,969	214,199,969
2039-40	44,975,000	2,033,850	47,008,850
Subtotal	<u>480,350,000</u>	<u>190,268,430</u>	<u>670,618,430</u>
Net Premium/ Discount	54,639,982	-	54,639,982
Total	<u>\$ 534,989,982</u>	<u>\$ 190,268,430</u>	<u>\$ 725,258,412</u>