

Augsburg University
Debt Covenants - MHEFA Bonds
5/31/2024

Revenue/Expenditure Test must be met in 2 of 3 years - Adjusted change in URNA shall not be less than zero Adjusted increase in URNA Increase (decrease) in URNA per SOA Change allowed Add back depreciation and amortization Add back loss on disposal of plant assets (b) Subtract NA released from restrictions for PPE (c) Exclude extraordinary items (d) Exclude gains/losses on refinancing (e) Exclude unrealized gains/losses on unrestricted investments Net Revenues (Expenditures) Not Less than Zero? Debt coverage ratio - Only required to be met if taking on additional debt Additional debt: n/a Adjusted increase in URNA Plus interest payments on funded debt Net Income Available for Debt Service Interest paid Scheduled principal payments Total debt service Annual principal and interest payments (calculation below) Historical Debt Service Coverage Ratio (Must be >=120% for 2 yr avg. OR >=125% for current yr) Not Less than 120% for two yr avg OR 125% for current yr ? * The adjusted increase in URNA includes a one-time \$2.8M faculty early retirement program accrual.	2022	2023	2024
	(4,020,064)	(6,324,574)	(4,633,009) *
	6,315,674	6,053,164	6,053,828
	18	10,892	433,679
	-	(1,642,943)	-
	468,319	85,229	-
	2,763,947	(1,818,232)	1,854,498
	In compliance	Not in compliance	In compliance
	2022	2023	2024
	2,280,407	436,668	243,364
	2,763,947	(1,818,232)	1,854,498 *
	2,509,935	2,442,544	2,442,544
	5,273,882	624,312	4,297,042
	2,509,935	2,442,544	2,470,551
	2,494,791	2,623,104	2,610,212
	5,004,726	5,065,648	5,080,763
	5,004,726	5,065,648	5,080,763
	105.38%	12.32%	84.57%
	In compliance	Not in compliance	Not in compliance