

# **Section 3**

## **Schedule in Changes in Long-term Notes, Other Loans, and Bonds**

**Source: June 30, 2011 Annual Financial Report**

Exhibit K-1

Loudon County, Tennessee  
 Schedule of Changes in Long-term Notes, Other Loans, and Bonds  
 Primary Government and Discretely Presented Loudon County School Department  
 For the Year Ended June 30, 2011

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-10	Paid and/or Matured During Period	Outstanding 6-30-11
<b>PRIMARY GOVERNMENT</b>							
<b>NOTES PAYABLE</b>							
<u>Payable through General Debt Service Fund</u>							
Highway Capital Projects	\$ 330,000	4.43%	3-29-06	3-29-11	\$ 54,269	\$ 54,269	\$ 0
Total Payable through General Debt Service Fund					\$ 54,269	\$ 54,269	\$ 0
<u>Payable through Education Debt Service Fund</u>							
Capital Outlay Note - HVAC and Safety	3,000,000	2.77	4-15-08	4-15-11	\$ 858,981	\$ 858,981	\$ 0
Local Government Energy Efficiency Loan Program	499,981	0	10-20-05	12-1-12	214,277	71,426	142,851
Capital Outlay Note - Construction Drawings for Schools	900,000	2.62	4-12-10	4-12-13	851,832	293,461	558,371
Capital Outlay Note - Architect and Engineering for School Project	1,912,627	3.4	7-22-09	8-30-12	1,349,946	635,913	714,033
Total Payable through Education Debt Service Fund					\$ 3,275,036	\$ 1,859,781	\$ 1,415,255
Total Notes Payable					\$ 3,329,305	\$ 1,914,050	\$ 1,415,255
<b>OTHER LOANS PAYABLE</b>							
<u>Payable through General Fund</u>							
City of Loudon - Highlands Business Center	475,000	0	5-1-00	(1)	\$ 401,420	\$ 10,341	\$ 391,079
Total Payable through General Fund					\$ 401,420	\$ 10,341	\$ 391,079
<u>Payable through General Debt Service Fund</u>							
Montgomery County PBA Loan	5,000,000	Variable	5-8-03	5-25-18	\$ 2,970,000	\$ 331,000	\$ 2,639,000
Blount County PBA Loan, Series E-3-C - Refunding	2,570,000	Variable	7-31-08	6-1-20	2,235,000	180,000	2,055,000
Total Payable through General Debt Service Fund					\$ 5,205,000	\$ 511,000	\$ 4,694,000
<u>Payable through Education Debt Service Fund</u>							
Blount County PBA Loan, Series E-3-C - Refunding	12,265,000	(2)	7-31-08	6-1-25	11,890,000	510,000	11,380,000
Qualified Zone Academy Bonds - Energy Efficiency	4,129,500	0	12-28-05	12-1-20	3,215,817	211,684	3,004,133
Total Payable through Education Debt Service Fund					\$ 15,105,817	\$ 721,684	\$ 14,384,133
Total Other Loans Payable					\$ 20,712,237	\$ 1,243,025	\$ 19,469,212

Exhibit K-1

Loudon County, Tennessee  
Schedule of Changes in Long-term Notes, Other Loans, and Bonds  
Primary Government and Discretely Presented Loudon County School Department (Cont.)

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-10	Paid and/or Matured During Period	Outstanding 6-30-11
<b>PRIMARY GOVERNMENT (CONT.)</b>							
<b>BONDS PAYABLE</b>							
Payable through General Debt Service Fund							
General Obligation Refunding Series 2004	5,225,000	1.8 to 4	3-31-04	4-1-20	4,680,000	320,000	4,360,000
Total Bonds Payable					\$ 4,680,000	\$ 320,000	\$ 4,360,000

DISCRETELY PRESENTED LOUDON COUNTY  
SCHOOL DEPARTMENT

<b>NOTES PAYABLE</b>							
Payable through General Purpose School Fund							
Energy Efficiency Note - Borrowed from Primary Government	499,981	0	10-20-05	12-1-12	\$ 214,277	\$ 214,277	(3) \$ 0
Energy Efficiency QZAB - Borrowed from Primary Government	4,129,500	0	12-28-05	12-1-20	3,215,817	3,215,817	(3) 0
Total Notes Payable					\$ 3,430,094	\$ 3,430,094	\$ 0

- (1) The county has pledged its incremental tax revenues (excess of current taxes over base year amounts) from properties within the development toward the retirement of this obligation. The agreement requires only the payment of the tax increment each year (with no interest accruing on the unpaid balance). Therefore, no maturity date can be established.
- (2) A previous issue, Series IV-H-1, was swapped from variable to synthetic fixed rate by execution of a swap agreement. That issue was refunded with proceeds of the E-3-C issue. The swap agreement was retained.
- (3) Loudon County adopted resolution to appropriate funds for debt service payments through the Education Debt Service Fund associated with the QZAB and Energy Efficiency notes without reimbursement from Loudon County Board of Education.