

JOHNSON COUNTY, TEXAS*Notes to the Financial Statements*

For The Year Ended September 30, 2014

NOTE 7 - LONG-TERM DEBTGeneral Obligation Bonded Debt

General obligation and certificates of obligations payable at September 30, 2014, are summarized as follows:

	Interest Rate %	Series Dates			Bonds Outstanding 09-30-14
		Issued	Maturity	Callable	
General Obligation Refunding Bonds, Series 2007	4.00 - 5.00	2007	2020		\$ 10,792,359
General Obligation Refunding Bonds, Series 2010	2.00	2010	2014		<u>-0-</u>
Total					<u>\$ 10,792,359</u>

General obligation and certificates of obligation bond transactions for the year ended September 30, 2014 were as follows:

Bonds outstanding, October 1, 2013	\$ 11,996,322
Accreted	101,037
Maturities	<u>(1,305,000)</u>
Bonds outstanding, September 30, 2014	<u>\$ 10,792,359</u>

The \$ 102,641 difference between the general obligation and certificates of obligation bonds outstanding at September 30, 2014 of \$ 10,792,359 and the general obligation and certificates of obligation bond principal requirements of \$ 10,895,000 represents the amount of capital appreciation bonds to be accreted as interest over the life of these bonds.

The bond ordinances require that a tax be levied sufficient to pay current interest and create a sinking fund of not less than the amount to pay current principal and interest. For the year ended September 30, 2014, the amount of ad valorem taxes collected for interest and sinking was \$ 1,794,478, while the debt service requirements for principal and interest were \$ 1,664,100. The bond resolutions provide no express remedies in the event of default and make no provision for acceleration of maturity of the bonds.

General Obligation Bonded Debt

The following is a summary of general obligation bond requirements by year as of September 30, 2014:

Year Ending September 30,	Principal	Interest	Total Requirement
2015	\$ 1,415,000	\$ 340,712	\$ 1,755,712
2016	1,520,000	340,713	1,860,713
2017	1,675,000	298,838	1,973,838
2018	1,880,000	219,362	2,099,362
2019	2,090,000	138,918	2,228,918
2020	<u>2,315,000</u>	<u>48,036</u>	<u>2,363,036</u>
Total	<u>\$ 10,895,000</u>	<u>\$ 1,386,579</u>	<u>\$ 12,281,579</u>