March 12, 2025

Outstanding Long-term Debt Reporting

Dear Reader:

The following document was created from the CTAS website (ctas.tennessee.edu). This website is maintained by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

The University of Tennessee
County Technical Assistance Service
226 Anne Dallas Dudley Boulevard, Suite 400
Nashville, Tennessee 37219
615.532.3555 phone
615.532.3699 fax
www.ctas.tennessee.edu

Table of Contents

Outstanding Long-term Debt Reporting

Reference Number: CTAS-1991

County management will need to prepare a schedule that breaks down the percentage of the county's long-term debt (bonds, notes, loans, and capital leases) between the county and the school department and/or other component units. Management also should obtain or prepare a schedule of the dates for semi-annual or annual payments for principal and interest on each outstanding long-term debt issue. Amortized debt payment schedules should be provided to the county when any debt (including capitalized leases) is issued. County management should compare their outstanding debt schedules with amounts that will be reported by the county's independent auditors to ensure all outstanding debt is reported accurately.

> Example 1:
> Black County issues bonded debt for jail improvements. Management notes on the long-term debt schedule the bond issue, amount, and that the debt was issued for 100-percent use with primary government operations. Management makes a copy of the debt amortization schedule as well as keeping all paperwork related to the debt issue in a central location.
>
> Example 2:
> Blue County issues $10 million in refunding debt for two previous debt obligations. Management prepares a schedule that details the various individual debt obligations that were refunded and notes that $3 million of the refunded debt came from the purchase of ambulances and stations for county EMS, and $7 million of the original debt was for some renovations at the high school. Management retains all information related to the debt issue in a central location for use by financial statement preparers.

Source URL: *https://www.ctas.tennessee.edu/eli/outstanding-long-term-debt-reporting*