

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: Local Government Officials
FROM: Timothy J. Rushenberg, Commissioner *TJR*
DATE: December 1, 2009 *12/1/09*
SUBJECT: Debt Reporting and Constitutional debt limit

This memorandum will outline a more active role taken by the Indiana Department of Local Government Finance ("Department") to assist local units in managing their Constitutional debt limit. The Department respectfully requests the partnership of representatives of each taxing unit in this effort.

I.C. 5-1-18-9 requires local units to submit to the Department a list of all bonds, leases, and other debt currently outstanding before March 1st of each year. Statute requires that this be submitted electronically in a format specified by the Department. As such, the Department will be introducing a new template for 2010 that is designed to allow the Department to better assist units in calculating debt and comparing it against the Constitutional limit.

The template and instructions for completing the form can be found at <http://www.in.gov/dlgf/4699.htm>. Please complete this report and submit it to Cathy Kates at ckates@dlgf.in.gov no later than March 1, 2010.

On May 1st of each year starting in 2010, the Department will issue a report comparing each unit's debt to the Constitutional limit. The Department will notify each unit of the unit's debt relative to the cap. This report will also be made available on the Department's Web site and provided to the members of the Indiana General Assembly and the Indiana Bond Bank.

The Department will offer guidance to units in the event that the unit needs to reduce its debt to get under the Constitutional limit.

Please direct questions about the debt report and template to Deputy Commissioner Sarah Ancel at sancel@dlgf.in.gov or 317.234.4376