

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: All Political Subdivisions
FROM: Brian E. Bailey, Commissioner **BEB**
RE: Gateway Debt Management in 2013
DATE: January 11, 2013

The Department of Local Government Finance (“Department”) utilized Gateway Debt Management for reporting in 2012. Gateway Debt Management is an application that allows units to file debt reports to the Department as required by IC 5-1-18. In its first year of operation, counties, cities, towns, townships, schools, libraries, and special districts reported outstanding debt through Gateway Debt Management. For the first time, debt information is available to the Department, taxpayers, and researchers in one database at <http://gateway.ifionline.org>.

Gateway Debt Management modernized and streamlined the way local units of government report debt. While entering all outstanding indebtedness was a considerable challenge in the first year, local officials and the Department will now benefit from this accomplishment. Because each debt has previously been submitted to the database, the annual debt-reporting requirement is significantly easier to complete. Local officials will simply need to report new debt as it is incurred and verify annually that the debt information reported is accurate and complete.

As previously prescribed, when new debt is incurred, units must complete a report in Gateway Debt Management no later than one month after the date on which the bonds are issued, the loan is closed, or the lease is executed. The Department published a memo on July 11, 2012 describing this requirement in more detail: [http://www.in.gov/dlgf/files/120711 -
_Bailey_Memo_-_Debt_Reporting.pdf](http://www.in.gov/dlgf/files/120711_-_Bailey_Memo_-_Debt_Reporting.pdf).

Pursuant to IC 5-1-18-9(b), the Department will require units to complete an annual review and verify the accuracy of the debt information in Gateway. For 2013, units are required to complete this verification by March 1, 2013. To fulfill this requirement, local officials will need to log in to Gateway, enter the Debt Management application, review the debt reports previously submitted, and sign the affirmation statement indicating that all debt information is current and correct. Any missing or incomplete debt reports must be submitted before signing the affirmation statement. Similarly, any submitted debt reports with errors must first be unlocked, corrected, and resubmitted before the affirmation statement can be signed. Debt reports can be unlocked by contacting the Department at gateway@dlgf.in.gov. Any reports for debts that have been fully refinanced or repaid must be marked as “retired” prior to signing the affirmation statement. If the unit has no debt outstanding, local officials must sign the affirmation statement to indicate their units of government have no outstanding debt.

Under IC 5-1-18, the following debts must be reported in Gateway Debt Management:

- All bonds issuances.
- All loans, with the exception of temporary loans payable from current revenues.
- Lease rentals of real property (buildings and other permanent structures).
- Any piece of equipment that is under a lease-to-own arrangement. Short-term leases of equipment such as copiers and vehicles do not need to be reported.

Additionally, any debts incurred by municipal utilities or redevelopment commissions must be reported under the establishing city, county, or town.

Full amortization schedules must be entered for all existing debt, including lines that pertain to past payments. For leases, please enter the principal and interest payments on the underlying debt, in addition to the lease payment. For a State Revolving Fund (SRF) loan, the amortization schedule must be based on the amount that has currently been drawn. If the loan is reported in Debt Management before being fully drawn, then the form must be updated when the next draw occurs.

For new debt issuances after January 1, 2013, certain supporting documentation also must be uploaded under the “File Upload” section of Gateway Debt Management. Statute requires that a copy of the official statement and bond covenants, if any, must be supplied.

Full instructions on completing a debt report and uploading supporting documentation in Gateway Debt Management can be found at http://www.in.gov/dlgf/files/User_Guide_-_Gateway_Debt_Management.pdf.

If you need help accessing or utilizing Gateway Debt Management, or if you have any questions concerning this memo, please contact Colby Shank at cshank@dlgf.in.gov or 317-234-4480, or Ryan Burke at rburke@dlgf.in.gov or 317-234-7987.