

Instructions Statement of Indebtedness FY2014

Massachusetts General Laws Ch. 44, §28 requires the Director of Accounts to maintain complete and accurate records of indebtedness incurred by cities, towns and districts. This statute also requires Treasurers to furnish any other information requested by the Director in respect to the authorization and issuance of loans. This Statement is the annual report required from Treasurers to accomplish this purpose.

Treasurers should reconcile their debt records with the Accountant/Auditor before filing the Statement of Indebtedness to ensure that the Statement and balance sheet are in agreement. The Statement has specific sub-categories for the most common borrowing purposes. Treasurers should use the most specific category available to report all outstanding debt **including no-interest and subsidized loans from state and federal agencies (i.e. MWPAT, MWRA, HUD loans)**. When a specific category is not applicable the "Other Inside" and "Other Outside" categories may be used. Please note that the "inside" and "outside" categories refer to the debt limit (c.44, s.10), not to the property tax levy limit (c.59, s.21C).

Once again, for FY2014 reporting purposes, the form includes additional pages for reporting issuances in detail. Please complete the detail and reconcile the issuances to the total debt reported in each category. Use of a separate printout in lieu of the additional pages will be permitted.

In review of last fiscal year's forms, the Bureau noted, in several instances, that this form was not completed correctly because either:

- 1.) debt authorized in the following fiscal year was indicated (only debt authorized and issued or unissued through FY2014 is reported on this form);
- 2.) debt authorized and unissued was mistakenly left blank;
- 3.) MWPAT or similar debt was not properly included;
- 4.) debt authorized and unissued for which bond anticipation notes were issued was reflected in gross **(debt authorized and unissued should be reduced by the amount of anticipation notes issued for purposes of this Statement – it does not mean that there is a reduction to the gross amount of long-term debt which may be authorized)**;
- 5.) detail was not submitted with the Statement as requested.

Please review the completed form carefully prior to submission to the Bureau.