# Chapter 18

Indebtedness

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## **CTAS User Manual**

#### **Indebtedness: Introduction**

The Indebtedness module is designed to track an entity's Indebtedness. By entering the principal payments, CTAS will track the outstanding indebtedness.

<u>Note</u>: the Indebtedness module is not integrated with the Accounting module. When you enter information regarding indebtedness, a corresponding transaction is <u>not</u> recorded in the receipts or disbursements.

#### **Accessing the Indebtedness Section**

To access the Indebtedness module, click on the Indebtedness, radio button at the bottom of any module's home screen. The Debt Details screen, as shown below, will appear.



You can Add, Edít, or Deleté an Indebtedness Record from the Indebtedness main menu screen. In addition, by clicking on the Reports button you can print an Indebtedness Activity Report or a Schedule 6 – Statement of Indebtedness. Chapter 19 of this manual, Indebtedness Reports, describes each report and illustrates how to create and print the two reports.

#### **Indebtedness: Entering a Debt Issued**

To begin entering Indebtedness, click on the Add button on the bottom of the Debt Details screen.

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	С <u>7</u> ) Маtı	urity Date						
	ID	Туре		Description		Issue Amount	Int. Rate Issue Da	te Final Maturity Date
	OLT002	Other Long T	erm Debt	Truck		\$14,400.00	7.340 04/12/20	05 04/12/2012
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	<ul> <li>Accounti</li> </ul>	ng OPa	yroll C Inv	/estments	Indebtedne	ess C Accr	ual	

After the Add option is selected, a New Debt Instrument screen will appear, allowing you to enter the information regarding the debt. An example of the New Debt Instrument screen is shown on the next page.

### **Indebtedness: Entering a Debt Issued (continued)**

New Debt Instrument								
Indebtedness ID:	PLT001	Type: Other Long Term [	Debt •					
Description:	own Hall							
Issue Amount (\$)	\$120,000.00	Current Interest Rate (%)	3.500					
Issue Date:	3/31/2011 👻	Final Maturity Date:	03/31/2026					
Payment History Payment Date 03/31/2011	Amount \$0.00	Summary     Total Principle     Remaining Bala	ance:					
Note: To delete a payment, enter "0.00" for the amount.								
	Save and Add	Save and Exit	Cancel					

When the New Debt Instrument screen appears, complete the following steps:

- Enter an Indebtedness number in the Indebtedness ID field. <u>Note</u>: There is no predetermined numbering system for this. You will assign the Indebtedness ID.
- Select the type of Indebtedness by clicking on the down arrow at the end of the Type field. The options for the type are: General Obligation, General Obligation Revenue, Other Long Term Debt, Revenue Bonds, Short Term Debt, Special Assessment Bonds and Tax Increment Bonds.
- Type a brief explanation of the Indebtedness in the Description field. A description should identify why the indebtedness was issued. For example, town hall, paving Elm Street, etc.
- Enter the amount borrowed in the Issue Amount (\$) field.
- Enter the interest rate in the Interest Rate field. This is for your information: CTAS does not calculate the interest payments.
- Enter the date the money was borrowed in the Issue Date filed.
- Enter the maturity date in the Final Maturity Date field.
- Click the "Save and Add" button to continue to enter new debt instruments. When all the Indebtedness records have been entered, click the "Save and Exit" button.

#### **Indebtedness: Changing a Debt Record**

To change a debt record, highlight the record to change and click the Edit, button.

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Debt Details	1		8:49 AM
Search By: © 5) All Outstanding	C 8) Debt Type	Search by All Outstanding	<u>S</u> earch
C 6) Issue Date	9) Issue Amount (\$)		1
C Z) Maturity Date	;		1
ID Type	Description	Issue Amount Int. Rate Issue De	te Final Maturity Date
OLT002 Other Long Te	erm Debt Truck	\$14,400.00 7.340 04/12/20	05 04/12/2012
GO002 General Oblig	ation Fire Hall	\$180,000.00 5,250 02/12/20	04 02/12/2024
OLT001 Other Long Te	erm Debt Town Hall	\$120,000.00 3.500 03/31/20	11 03/31/2026
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<u>1</u> ) Add	<u>2</u> ) Edit <i>i</i>	3) Delete	<u>4</u> ) Reports
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After the Edit option is selected, the Updating Debt Instrument screen will appear:

Issue Amount (\$)         \$180.000.00         Current Interest Rate (%)         5.250           Issue Date:         02/12/2007         Final Maturity Date:         02/12/2024           Payment History	Issue Amount (\$)         \$180.000.00         Current Interest Rate (%)         5.250           Issue Date:         02/12/2007         Final Maturity Date:         02/12/2024           Payment History          02/12/2014            Payment History           02/12/2024           102/12/2009          \$9.000.00            2/12/2010         \$9.000.00          \$27.000.00           2/11/2011         \$9.000.00         \$153.000.00            2/11/2011         \$9.000.00         \$153.000.00         \$153.000.00           Note: To delete a payment, enter "0.00" for the amount.	Indebtedness ID:	GO002	Type: General Obligation
Issue Date: 02/12/2007  Final Maturity Date: 02/12/2024  Payment History Payment Date D2/12/2009 \$9,000.00 2/12/2010 \$9,000.00 2/11/2011 \$9,000.00 Remaining Balance: \$153,000.00 \$155,000 \$155,000 \$155,000 \$155,	Issue Date: 02/12/2007  Final Maturity Date: 02/12/2024  Payment History Payment Date Amount 93,000.00 2/12/2010 93,000.00 2/12/2011 93,000.00 Remaining Balance: \$153,000.00 \$153,000.00 \$153,000.00 S153,000.00 S153,000 S15	Issue Amount (\$)	\$180,000.00	Current Interest Rate (%) 5.250
	Note: To delete a payment, enter *0.00* for the amount.	Issue Date: Payment History Payment Date 02/12/2009 2/12/2010 2/11/2011	2/12/2007   Amount  \$9,000.00	Final Maturity Date: 02/12/2024    Summary  Total Principle  \$27,000.00  Remaining Balance: \$153,000.00

On this screen, you can change any field. In addition, you can enter principal payments in the Payment History section. To enter a principal payment, complete the following steps:

- Enter the date of the payment in the Payment Date field of the Payment History section. You can also select a date using the calendar by clicking the down arrow at the end of the date field.
- Enter the amount of the principal payment in the Amount field.
- CTAS will then calculate a new remaining Balance.

Click the "Save and Add" button to continue changing debt records or entering principal payments. When you are finished, click the "Save and Exit" button.

#### **Indebtedness: Deleting a Indebtedness**

The need to delete a debt record could result if an error was made when the indebtedness was entered. To delete a debt record, highlight the record on the Debt Details screen and click the Delete Button.

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ID Type	Description `	Issue Amount	Int. Rate Issue Date	Final Maturity Date	
OLT002 Other Long Term Debt GO002 General Obligation OLT001 Other Long Term Debt	Truck Fire Hall	\$14,400.00 \$180,000.00 \$120.000.00	7.340 04/12/2005 5.250 02/12/2007 3.500 03/31/2011	04/12/2012 02/12/2024 03/31/2026	
<u>1</u> ) Add	<u>2</u> ) Edit	3)	Delete	<u>4)</u> Reports	
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fter the delete option is selected, the Confirm Debt Delete screen will appear (below, left).

- • Click on the Yes button to delete the Indebtedness.
- A CTAS screen will appear, indicating that the debt record was deleted (below, right). Click the OK button to complete the process.

Confirm Debt Delete 🛛 🛛	CTAS	×
Are you sure you want to delete this debt?		The debt was successfully deleted.
Yes No		

#### **Indebtedness: Using the Search Feature**

In the Indebtedness section, you can choose from a number of options to search for Indebtedness. The first and default option is to search by All Outstanding.

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	C 7) Mat	urity Date						
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		Type		Description		Issue Amount	Int Bate Issue Dat	te Final Maturity Date
	OLT002	Other Long T	erm Debt	Truck		\$14,400.00	7.340 04/12/200	05 04/12/2012
	GO002	General Obli	gation	Fire Hall		\$180,000.00	5.250 02/12/200	07 02/12/2024
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Using this option, any Indebtedness record that has a balance will be listed.

To select Indebtedness not sold:

- Click on All Outstanding radio button on the Debt Details screen.
- Click the Search button.
- The indebtedness records will be displayed.

#### **Indebtedness: Using the Search Feature (continued)**

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(\$) Issue Date (\$)	01/01/2005 To 03/31/2011
C 1) Maturity Date	
ID Type Description	Issue Amount Int. Rate Issue Date / Final Maturity Date
OLT002 Other Long Term Debt Truck	\$14,400,00 7.340 04/12/2005 04/12/2012 \$180,000/00 5,250,02/12/2007 02/12/2024
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The second option is to search by Issue Date.

To search by issue date: `

- Click on the Issue Date radio button on the Debt Details screen. The screen will then display the "Search by Issue Date" fields.
- Click on the first date field and enter a new beginning date, or use the calendar by clicking on the down arrow at the end of the field.
- Click on the second date field and enter a new ending date, or use the calendar by clicking on the down arrow at the end of the field.
- Click the Search button.
- Indebtedness matching the selected criteria will then be displayed.

#### **Indebtedness: Using the Search Feature (continued)**

CTAS (Indebtedness Module) \_ 🗆 × File Accounting Payroll Investments Indebtedness Accrual Help ₽, נפו 녩 Reports Admin E⊻it **Debt Details** 9:00 AM Search By: O 5) All Outstanding C 8) Debt Type Search by Maturity Date Search O 6) Issue Date C 9) Issue Amount (\$) Ŧ 01/01/2011 ▼ To 12/31/2025 ♠7) Maturity Date ID Туре Description Issue Amount Int. Rate Issue Date Final Maturity Date Other Long Term Deb 7.340 04/12/2005 GO002 **General** Obligation Fire Hall \$180.000.00 5.250 02/12/2007 02/12/2024 1) Add 2) Edit 3) Delete 4) Reports C Accrual Accounting C Payroll C Investments Indebtedness

Another option is to search by Maturity Date.

To search by maturity date:

- Click the Maturity Date radio button on the Debt Details screen. The screen will then display the "Search by Maturity Date" fields.
- Click on the first date field and enter a new beginning date, or use the calendar by clicking on the down arrow at the end of the field.
- Click on the second date field and enter a new ending date or use the calendar by clicking on the down arrow at the end of the field.
- Click the Search button.
- Indebtedness matching the selected criteria will then be displayed.

#### Indebtedness: Using the Search Feature (continued)

You can also search by Debt Type.

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ID Type OLT002 Other Long Term Debt GO002 General Obligation	Description Truck Fire Hall	Revenue Bonds Short Term Debt Special Assessment Bonds Tax Increment Bonds	Final Maturity Date 04/12/2012 02/12/2024
<u>1</u> ) Add	2) Edit	<u>3)</u> Delete	<u>4</u> ) Reports
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To search by debt type:

- Click the Debt Type radió button on the Debt Details screen. The screen will then display the "Search by Debt Type" fields.
- Click on the down arrow at the end of the debt type field and select the type of debt.
- Click the Search button.
- Indebtedness matching the selected criteria will then be displayed.

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#### **Indebtedness: Using the Search Feature (continued)**

CTAS (Indebtedness Module) \_ 🗆 × File Accounting Payroll Investments Indebtedness Accrual Help P, Ø 뮕 Reports Ad<u>m</u>in E⊻it **Debt Details** 9:07 AM Search By: <u>S</u>earch ○ <u>5</u>) All Outstanding Search by Amount (\$) O 8) Debt Type C 6) Issue Date Support (\$) \$10,000.00 \$200,000.0 То Exact Amount C 7) Maturity Date Final Maturity Date DI. Туре Description Issue Amount Int. Rate Issue Date 5.250 02/12/200 OLT002 Other Long Term Debt \$14,400.00 7.340 04/12/2005 04/12/2012 Truck <u>1</u>) Add (3) Delete 2) Edit 4) Reports C Accounting C Payroll C Investments Indebtedness Accrual

The last option is to search by Issue Amount (\$).

To search by issue amount:

- Click the Issue Amount (\$) radio button on the Debt Details screen. The screen will then display the "Search by Amount (\$)" fields.
- Click on the first amount field and enter the lowest amount.
- Uncheck the Exact Amount box to search for indebtedness within a range.
- Click on the second amount field and enter the highest amount.
- Click the Search button.
- Indebtedness matching the selected criteria will then be displayed.