


INDOT GASB 34



GASB 34
Requirements
and INDOT Policy

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GASB 34

- INDOT Executive Staff --- Feb 15
- Overview of GASB 34 Requirements
- INDOT Plans and Policies
- Future Tasks and Recommendations

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Total Endorsement !!!

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Significant Issues




-  Reporting Method (Modified Approach)
(Asset Management System)
-  Capitalization Policy
-  Condition Level
-  Implementation Tasks

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Reporting Method




Modified Approach (Asset Management System)

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Transportation Network Reporting by Sub-System



- Interstate roads & bridges
- Non-I, NHS roads & bridges
- Non-NHS roads & bridges
- Other State Facilities: roads & bridges

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Reporting Requirements



- Financial data summarized and reported for each Sub-System
 - FY Activity Reported to Auditor each July
- Condition data and trends reported for each Sub-System
 - Annual Assessment Reported to Auditor

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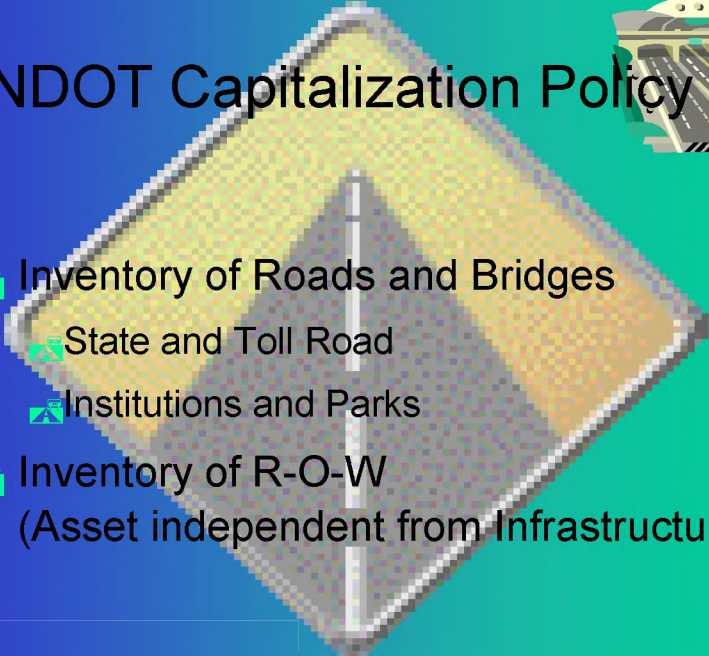
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Capitalization Policy

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INDOT Capitalization Policy

-  Inventory of Roads and Bridges
 -  State and Toll Road
 -  Institutions and Parks
-  Inventory of R-O-W
(Asset independent from Infrastructure)

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INDOT Capitalization Policy Major Consideration




Capital Project vs. Preservation Project

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Capital Project (GASB Definition)




Capital Project:





- New facility or new alignment where none have existed before
- Projects adds new centerline miles to the system (or new bridges)

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Non-Capital Project (GASB 34 Definition)



-  Preservation is an expense
-  Maintenance is an expense
-  Planning Studies are an expense
-  PE and Design are an expense

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Preservation Projects (Maintain Capacity & Condition)



-  Preservation for GASB purposes
 -  Pavement resurface
 -  Pavement rehabilitation
 -  Bridge rehabilitation
 -  Lane widening
 -  Bridge widening
 -  Geometric improvements
 -  Urban Traffic improvements
 -  Safety Programs
 -  Interstate Modernization
 -  Reconstruction

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Relinquishments



- Reduces INDOT Road Mileage
- Deducts from inventory
 - Infrastructure - at book value
 - R-O-W - rarely removed from inventory (remains as State property)

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Initial Capitalization



- All infrastructure to be capitalized
- All R-O-W to be capitalized
- No threshold limit

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Initial Capitalization (continued)



➤ Current inventory will be valued at Year 2000 cost averages:

- Roadway - dollars / lane mile
- Bridges - dollars / sq ft of bridge surface
- R-O-W - dollars / acre (estimated)

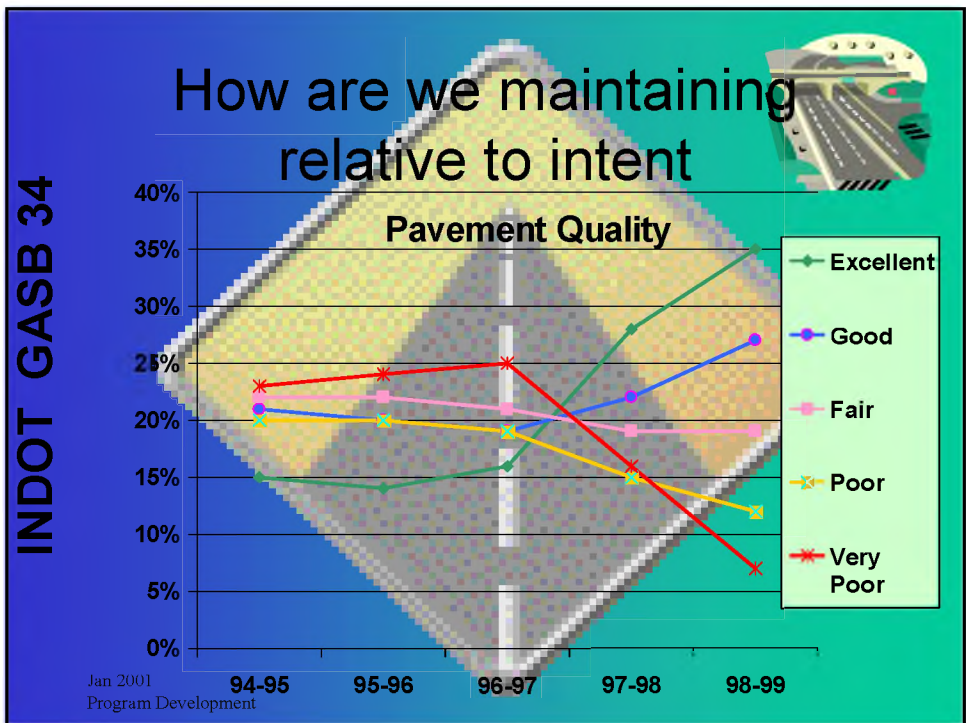
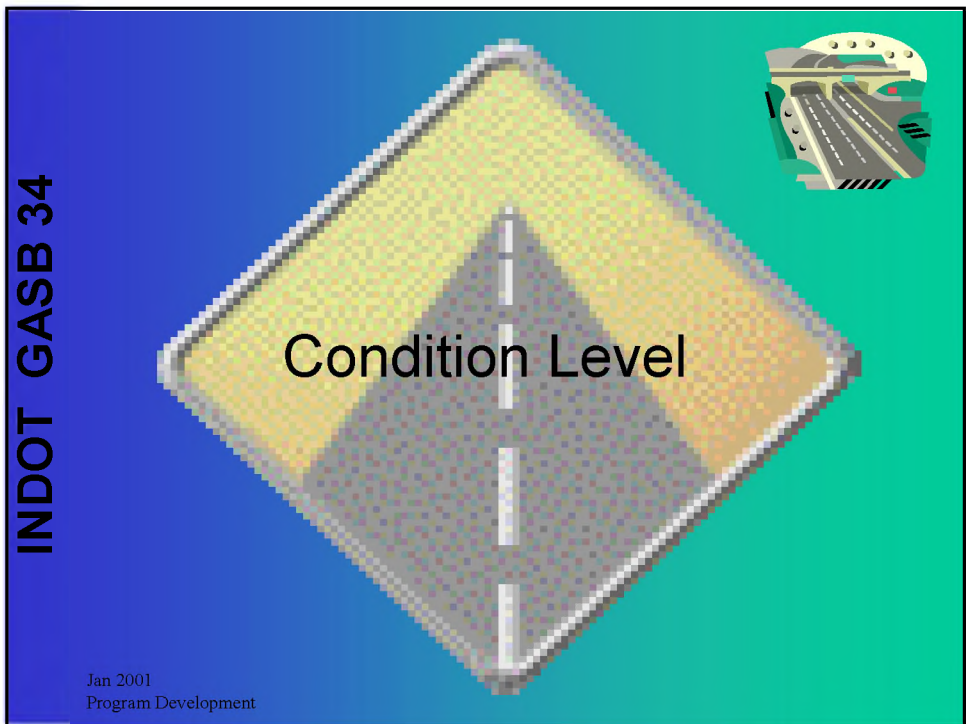
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Estimation of Cost



System	Cost
Pavement	\$12.4 Billion
Bridge	\$4.7 Billion
ROW	\$1.2 Billion
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TOTAL	\$18.3 Billion

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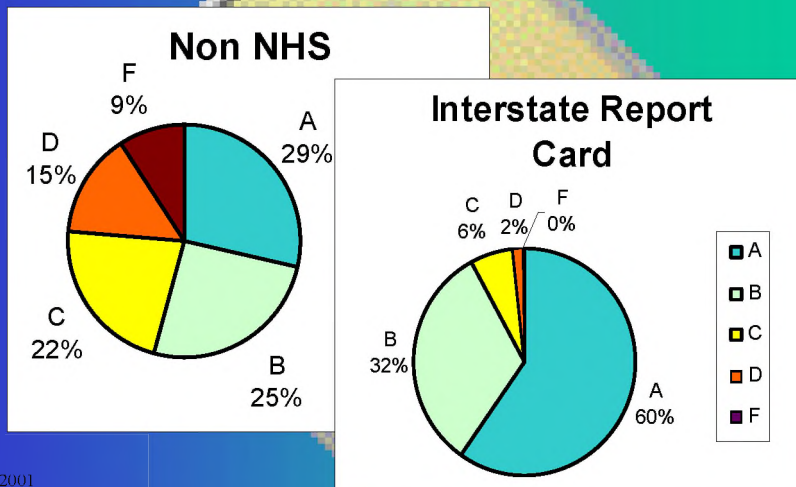
At what level do we intend to maintain pavements



- For Interstate:
Maintain average at "B" or Better
- For Non-Interstate, NHS:
Maintain average at "C" or Better
- For Non NHS:
Maintain average at "C" or Better


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What is the "current" conditions of pavements



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Sub System		Rural	Urban	Grand Total
INT NHS	Pavement Quality	91	84	B
	LENGTH (mi)	839	333	1172
	COST	\$3,429	\$1,890	\$5,319
NHS	Pavement Quality	83	77	B
	LENGTH (mi)	1180	415	1595
	COST	\$1,706	\$1,198	\$2,904
Non-NHS	Pavement Quality	79	74	C
	LENGTH (mi)	6973	1435	8409
	COST	\$2,500	\$1,699	\$4,199
Total Average Pavement Quality		81	76	C
Total Sum of LENGTH		8993	2183	11176
Total Sum of COST		\$7,634	\$4,787	\$12,421

Billion

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At what level do we intend to maintain bridges



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- ▶ For Interstate:
 Maintain average at "B" or Better
- ▶ For Non-Interstate, NHS:
 Maintain average at "C" or Better
- ▶ For Non NHS:
 Maintain average at "C" or Better

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Future Tasks





-  Documentation of policies
-  Review with State GASB Team
-  Refine and set costs
-  Coordinate with DNR and others

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Future Tasks (Continued)



 Internal Procedures:

Capture Costs and Update Inventory

-  Work-in-Process -- Capital Projects
-  Completed Projects
-  R-O-W Acquisitions

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