ANNUAL OPERATIONAL REPORT
for
Highway & Street Departments &
HOUSE BILL 1290

County Auditor’s
Spring Conference 2018

Background

Annual Operational Report:

• Required by Indiana Code 8-17-4.1

• Disclose information to reflect the financial condition and operations of a county highway or city/town street department

• We will refer to it as “Report” for this presentation
Background

House Bill 1290:

- Changes in wording regarding the 50% restriction on what MVH distributions can be used for
- Changes who files the Report

Overview

- Requirement per Indiana Code – who files Report & when
- Changes in legislation – for current Report
- Importance of the Report
- Getting the Report - filing the Report
- Report changes – current year
Overview - continued

- Changes in legislation – future reporting; 2019 & beyond
- Pilot program
- More information

CURRENT Requirement per Indiana Code

Indiana Code 8-17-4.1 contains the following:

4.1-1 Report to be completed by all counties and municipalities with populations of at least 20,000
4.1-5 Prepared by April 15
4.1-7 Filed by June 1
4.1-8 SBOA provides a list to Auditor of State of counties and cities/towns that have not filed the report. AOS “shall withhold” the distribution of MVH monies
CHANGES in Legislation

House Bill 1290

- Changed SBOA reporting to AOS
  from March 1 to June 15
  (effective January 1, 2018)

Importance of the Report

1. To ensure your MVH distributions are not withheld
2. INDOT uses Report for federal reporting – can impact grant funding to counties
3. Increases transparency – will demonstrate compliance with 50% restriction in future
4. Provide information to citizens, legislators, media, etc.
Getting and Filing the CURRENT Report

1. Getting the Report:
   - www.in.gov/sboa
   - Political Subdivisions
   - Cities (or Towns)
   - Electronic Forms
     - Highway (Local Road & Street) Annual Report
     - Instructions for Highway Annual Report

Getting and Filing the CURRENT Report

Electronic Forms

Contractor's Bid for Public Work (Form 96)

Petition for Waiver or Reduction of Property Taxes Against a Brownfield - County Form 137BR

Highway (Local Road and Street) Annual Report

Instructions for the Highway Annual Report
Getting and Filing the CURRENT Report

2. Filing the Report:
   - Complete the Report (debt added)
   - Print certification page
     *sign and keep it locally*
   - Type names in spreadsheet report
   - Before June 1, email completed Report to:

     HighwayReport@sboa.in.gov

CURRENT Report Changes

Current Year Changes:

- Added section on debt specific to road funding

- Spreadsheet tab “section 8”

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Changes in Legislation

House Bill 1290

• Changes population requirement for cities and towns from 20,000 to 15,000

  (effective July 1, 2018)
Changes in Legislation –
FUTURE Reporting

House Bill 1290:

Effective July 1, 2018:

• Removes “maintenance” - inserts “preservation”
  “... the county shall use at least 50% of the money for the
  construction, reconstruction, and preservation of ... highways.”

• Defines “preservation” in Indiana Code 8-14-1-1(7)

Changes in Legislation
(continued)

(7) The term "preservation" means the preventative
treatment, nonstructural treatment, rehabilitation, or
structural repairs made to transportation infrastructure and
related drainage that are included in an asset management
plan approved by the Indiana department of transportation
in collaboration with the local technical assistance program at
Purdue University.
**FUTURE Report Changes – for 2019**

**Reasons:**
- Indiana Code 8-14-1-5 ------ 50% restriction
- SBOA reintroduced forms to document cost allocation
- Local officials wanted the Report to show compliance with 50%
- Committee was formed:
  - SBOA, LTAP, INDOT, Associations, Street & highway representatives

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**FUTURE Report Changes – for 2019**

**Deleted sections:**
- Classification of Employees (current report section 4)
- Equipment inventory (current report section 5)
- Report of Federal Aid (current report section 7)

**Additions:**
- Instructions page (current report is separate document)
- Debt information (will be section 4 in revised report)
Future Report Changes – for 2019

Filing revised Report in 2019:
• Same as this year
  ✓ You will save the Excel file
  ✓ Email it to us at HighwayReport@sboa.in.gov

• LTAP working on an online data base for submission

Future Report Changes – for 2019

Instructions
Cover
Instructions
Section 1 - Financial Stmt*
Section 2 - Receipts*
Section 3 - Disbursements*
Section 4 – Roads and Bridges
Section 5 – Debt*
Section 6 - Mileage Changes
Section 7 - Certification

*Pertinent information
Draft Revision to Future Annual
Operational Report –
Filed in 2019 for 2018 Data

INSTRUCTIONS

Instructions for the completion of each Section of the report follow. We recommend that you begin your preparation of the Annual Operational Report by completing the standard information as in Section 2 - Detail of Operating Receipts and Section 3 - Detail of Operating Disbursements. The totals from these sections are then electronically carried forward by the spreadsheet to the appropriate portions of Section 1 - Financial Statement.

Cover Sheet
The cover sheet is used for both county and city/town versions of this report. Counties may have their own information tabs. The calendar year being reported should be shown at the bottom of the report.

Section 1: Financial Statement
Financial statement information including beginning and ending cash balances, for the most common funds reported by LPA's are included in the first five columns of Section 1. Receipts and disbursements for other less common funds used for road, street, and bridge expenses are reported in the 'Other Funds' column. The 'Total All Funds' column will show the total revenue/expense for all funds including those not designated with revenue or expense.

The common funds included in Section 1 are Motor Vehicle Highway, Local Road and Street, and the Cumulative Bridge Fund. The Cumulative Bridge Fund column will apply only to counties. Any other less common funds used by the LPA's may include, but are not limited by; Barn, Dep. Community, Crossing, LID/ST, Street/Parking, Local Mayor/Municipal Control Fund, Federal and State Grants, etc. These LPA's may operating fees into the bridge fund as appropriate and these funds should be reported as a part of the "Other Funds" column.

Beginning Cash Balance:
Cash in the cash balance of Motor Vehicle Highway, Local Road and Street, and Cumulative Bridge Fund at January 1 of the reporting year. It is not necessary to enter the cash balances in other funds. For counties, the cash balance entered in this report should agree with the cash balance in the Auditor's funds ledger. For cities or towns, the cash balance entered in this report should agree with the cash balance in the city/town's ledger held by the Cashier or Chamber of Commerce (as applicable).

Receipts:
Category of receipts include operating (taxes, intergovernmental, charges for services, etc.) as well as proceeds from bonds, loans, taxes, and sale of investments. Operating receipts will be automatically entered here from information entered in Section 2. Bond proceeds, loan proceeds, interest and dividends, and investment sales and purchases, respectively, are entered in the 'Other Funds' column. The amounts entered in this report should agree with the 'Other Funds' column in Section 1.

Draft Revision to FUTURE
Annual Operational Report –
Filed in 2019 for 2018 Data

Section I – Summarized financial information. Very similar to the current form.
Draft Revision to FUTURE Annual Operational Report – Filed in 2019 for 2018 Data

Section 1 – Summarized financial information. Very similar to the current form

Section 2 – Detail of receipts.

Draft Revision to FUTURE Annual Operational Report – Filed in 2019 for 2018 Data

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Draft Revision to FUTURE
Annual Operational Report –
Filed in 2019 for 2018 Data

Section 3 - Detail of disbursements

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<th>Cumulative Bridge</th>
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Annual Operational Report –
Filed in 2019 for 2018 Data

Section 5 - Debt Information

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8 Pilot units were selected:
5 Counties
2 Cities
1 Town

They completed the draft form for the current period.
Responses have been generally positive

More Information – SBOA Website

- Highway Annual Operational Report (under Counties)
  - Report Submissions
  - Link to Training on YouTube
  - Link to PowerPoint presentation
  - Questions and Answers from Webcasts
Questions

What can I help you with?