

# BULLETIN



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Of The United States and Canada

*Alberta Chapter*

## Alberta GFOA Special Release Bulletin #5 – November 3, 2006

### **Tangible Capital Asset Project**

Over the past several months Alberta GFOA members have become increasingly aware of the change in the accounting and reporting requirements for Tangible Capital Assets (reference PSAB revised Section PS3150 and Sections PS1000, PS1100 and PS1200). The new requirements will apply to local governments for fiscal years beginning on or after January 1, 2009.

The purpose of this Information Bulletin is to provide Alberta GFOA members with a quick update on the status of the Tangible Capital Asset (TCA) project. It is intended that regular information updates will be provided in the future.

**Alberta Municipal Affairs** (AMA) has initiated the TCA project and is taking a lead role in coordinating the TCA process for Alberta municipalities. AMA wishes to ensure that all matters related to the TCA project are addressed in a timely manner with a collaborative approach to research, documentation, training and implementation. AMA has engaged Harold Johnsrude Consulting to facilitate the TCA project process (identification of the issues and the completion of the requirements).

To assist with the TCA project process a Liaison Committee and a TCA Ad Hoc Committee have been established. The purpose of the **Liaison Committee** is to provide opportunity for dialogue between the stakeholders (elected officials, CAOs, Alberta GFOA, finance staff and professional accounting associations and auditors) and AMA regarding the TCA project. Liaison Committee membership includes representation from AUMA, AAMD&C, Alberta GFOA, ARMAA, LGAA and AMA. The Liaison Committee meets monthly.

The **TCA Ad Hoc Committee** began as a sub-committee of the Alberta GFOA Research Task Force and is presently comprised of approximately a dozen Alberta GFOA members under the chairmanship of Glen Jarbeau (Spruce Grove). The role of the TCA Ad Hoc Committee is to research, review and prepare reports to recommend parameters for asset reporting, an implementation guide and training requirements.

The role of the **Alberta GFOA Board of Directors** is to provide oversight to the TCA Ad Hoc Committee and communicate with GFOA members throughout the process. The Board's oversight role will be accomplished by providing guidance, setting process and structure, approving the TCA Ad Hoc Committee terms of reference and providing resources. Alberta GFOA has received a \$50,000 grant from AMA to help fund these activities.

A **critical path** has been established and is in place for the TCA project. Research activities (including asset ownership; classification, valuation and amortization; PSG-7 note; reporting and balanced budget legislation; audit implications, resources and training required) currently being undertaken by the TCA Ad Hoc Committee are planned to be completed by December 31, 2006. A draft implementation guide (for the requirements of PS3150) is targeted for completion by December 31, 2006, with the final version of the guide tentatively scheduled for May 30, 2007 completion. With respect to the new reporting requirements, a draft revised "Sampleford" is targeted for September 30, 2007. Training activities (possibly in the form of workshops) are planned for Spring 2007.

George Huybregts,  
President, Alberta GFOA  
November 2006

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**Alberta GFOA's Special Release Bulletins**

*Alberta GFOA, through the Communications Task Force, augments its Quarterly Newsletter Publications with Special Release Bulletins that will be distributed from time to time to all Members. These Bulletins are intended to provide information pertinent to various aspects of municipal finance. They will also be utilized to profile upcoming professional development and training opportunities. The Bulletins are intended to outline information on a specific topic in a brief and concise manner. In some cases, contact references will be provided in order that readers can obtain more detailed information from specific sources.*

*If you are interested in contributing to the preparation of future Bulletins, please contact Tracey Burkholder at [bburkholder@shaw.ca](mailto:bburkholder@shaw.ca) via phone at (403)-934-4765.*