

BULLETIN

GOVERNMENT FINANCE OFFICERS ASSOCIATION



Of The United States and Canada

Alberta Chapter

Alberta GFOA Special Release Bulletin #6 – January 25, 2007

Tangible Capital Asset Project

Over the past many months Alberta GFOA members and Alberta municipalities have continued to become increasingly aware of the change in the accounting and reporting requirements for Tangible Capital Assets (TCA). 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 brief update on the status of the (TCA) project and to request feedback to three (3) TCA recommendations. It is intended that regular information updates will continue to be provided in the future.

Special Release Bulletin #5 (November 6, 2006) advised of the working partnership between Alberta Municipal Affairs (AMA) and Alberta GFOA (primarily through the TCA Ad Hoc Committee) to develop an implementation 'how to' guide by the end of May 2007. In this regard, three (3) recommendations have been developed by the TCA Ad Hoc Committee and recently adopted by the Alberta GFOA Board (on January 18, 2007). These recommendations are as follows:

- Asset Classification
- Useful Life and Amortization Methods
- Capitalization Thresholds

These draft recommendations are posted on www.gfoa.ab.ca (click on "What's New") for your information and review, and to provide the opportunity for Alberta GFOA members and Alberta municipalities, as well as the accounting profession, to provide input. We request that you review these recommendations and provide any comments that you would have on the recommendations to christina.parkins@gov.ab.ca by Thursday, February 8, 2007.

Any changes resulting from the feedback received will be made and the recommendations finalized. The final recommendations will be posted on the GFOA website and utilized in the upcoming training workshops.

Alberta GFOA (Training Task Force) is in the process of organizing regional training workshops planned for late March/early April. TCA Project information will be included on the workshop agendas. Information about these workshops will be distributed shortly.

In addition to the specific TCA project recommendations (above), the Alberta GFOA Board also adopted (on January 18, 2007) a draft guideline 'Determining Resource Needs for TCA Implementation'. This guideline is posted on www.gfoa.ab.ca for information and reference, and provides Alberta municipalities with guidance as to what is required to implement the TCA requirements.

The critical path for the TCA project continues to be monitored and updated as required. Research activities being undertaken by the TCA Ad Hoc Committee are ongoing. As noted, an implementation 'how to' guide (for the requirements of PS3150) is targeted for completion by the end of May 2007. With

respect to the new reporting requirements, a draft revised "Sampleford" continues to be targeted for September 30, 2007.

George Huybregts
President, Alberta GFOA
January 25, 2007

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.

Current and archived Special Release Bulletins can be viewed on the Alberta GFOA Website at www.gfoa.ab.ca.

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