

STAFF REPORT: Finance and Administration Committee



REPORT TO: Finance and Administration Committee
MEETING DATE: September 23, 2008
REPORT NO.: FS.08.46
SUBJECT: Tangible Capital Assets Project Status Update
PREPARED BY: Lynn Whitbeck, Financial Analyst – Tangible Capital Assets

A. Recommendations

THAT Council receive Staff Report FS.08.46 “Tangible Capital Asset Project Status Update” for information.

B. Background

The project of gathering and processing the information on all tangible capital assets (TCA) owned by the Municipality is well underway.

Most departments have finished the initial collection of the information on their assets, and we are now working on ensuring that the data is accurate and complete. The remaining departments will have their initial collection completed by the end of October. After all of the information is collected it will be reviewed to ensure that all assets have been recorded and that each type (i.e. buildings, vehicles, land improvements) has been consistently treated across all departments.

The next step of assigning a value to the assets will be completed by the end of the year. Recently acquired assets will be easy to value as there will be invoices and tender documents available. The issue of valuing older assets that have no available documentation will be addressed by an accepted method of using current replacement cost and an industry deflator index.

After completing the above we will have the opening balances required for the financial reporting for 2009 and beyond. In the first few months of 2009, acquisitions and disposals that occurred throughout 2008 will have to be valued and documented. All assets will then have to be amortized to December 31, 2008. The assets under construction at the end of the year will have to be documented, valued, and included in the financial reporting.

After the initial compilation of the tangible capital asset register and documentation is complete, it will need to be maintained. All new assets, either purchased or donated, will have to be documented and added to the register. Assets that are disposed of will have to be removed from the register and the

gain or loss recorded. Amortization will have to be calculated and recorded annually.

C. The Blue Mountains' Strategic Plan

Ensure the long-term financial sustainability.

D. Environmental Impacts

Supporting environmentally sound decisions

E. Budget Impact

Assist in providing information on the full cost of delivering services and the future infrastructure requirements.

F. Attached

1. Tangible capital asset project timeline.

Respectfully submitted,

Signature

For more information, please contact:

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