TOWN OF MINTO
MEETING DATE: June 4, 2024
REPORT TO: Mayor and Council
SERVICE AREA: Finance
SUBJECT: FIN 2024-009 Tangible Capital Assets Policy

RECOMMENDATIONS:

THAT Council of the Town of Minto receives report FIN 2024-009 regarding the Tangible Capital Assets Policy and adopts the Policy as attached.

BACKGROUND:

The Chartered Professional Accountants of Canada approved Public Sector Accounting Board (PSAB) Handbook Section 3150 relating to the accounting treatment of a municipality's tangible capital assets. Beginning on January 1, 2009 all municipalities in Canada must record and report their tangible capital assets on their financial statements. These assets must be valued at historical cost and amortized over their expected useful life. The Town of Minto implemented this policy fifteen years ago. Over the years, the threshold for capitalization have become out of date. Many legislative changes have been implemented which govern the field of Asset Management which add to the need for an updated Tangible Capital Asset (TCA) Policy.

COMMENTS:

As part of the Town of Minto's Asset Retirement Obligations (ARO) project, the need for a new TCA Policy quickly became evident. The development of this Policy utilized internal staff and PSD Citywide who were already working on the ARO project.

The draft Policy was circulated to Department Heads and our Municipal Auditor whose comments were incorporated into the final draft which is attached to this report.

FINANCIAL CONSIDERATIONS:

There are no direct financial implications arising from this report. The treatment of expenditures as Operating or Capital will affect the reporting of these transactions.

STRATEGIC PLAN:

GOAL 5: Responsible Government
Deliver services in an open, accountable, and transparent manner while providing an outstanding working environment for employees and community.

PREPARED BY: Gordon Duff, Treasurer

RECOMMENDED BY: Mark Potter, Interim Chief Administrative Officer