

NASACT

GASB Update—What Does the Future Hold?

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Recently Issued GASB Pronouncements

The Basics

The views expressed in this presentation are those of Messrs. Attmore and Bean. Official positions of the GASB are determined only after extensive due process and deliberation.

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Recent Pronouncements

- Statement No. 44, *Economic Condition Reporting: The Statistical Section*—May 2004
- Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans*—June 2004
- Statement No. 46, *Net Assets Restricted by Enabling Legislation*—December 2004
- Statement No. 47, *Termination Benefits*—June 2005

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Other New Documents

- Concepts Statement No. 3,
*Communication Methods for Reports that
Contain Basic Financial Statements—April
2005*
- User guide—notes and supporting
information—May 2005
- Implementation guide—OPEB—
Statements 43 and 45—July 2005

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Forthcoming Documents

- Implementation guides
 - Comprehensive—2005 edition—October
 - Statistical section—Statement 44—December
- Sales and pledges of receivables and
future revenue—exposure draft—October
- Pollution remediation—exposure draft—
January 2006
- Derivatives—preliminary views—February

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Effective Dates

- June 30, 2005
 - Statement 40
 - TB 2004-2
- June 30, 2006
 - Statement 34, Retroactive infrastructure—Phase I
 - Statement 42
 - Statement 44
 - Statement 46
 - Statement 47
- June 30, 2007
 - Statement 43—Phase I
- June 30, 2008
 - Statement 45—Phase I

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Challenges for the Future

Conceptual
Practical
Political

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Conceptual

- Does the government environment create different financial reporting needs from those found in business enterprises?
 - White paper
- What should be the role of fair value in governmental reporting?
 - Investments
 - Derivatives
 - Should fair value be applied to other financial instruments or to all assets and liabilities or does historical cost still provide valuable information?

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Practical

- What effect will electronic financial reporting have on GASB standards?
- What role should the GASB have in reporting nontraditional financial and nonfinancial performance measures?
 - Economic condition reporting
 - Service efforts and accomplishment reporting

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Political

- What will happen if a major governmental unit declares bankruptcy in the future?
- Is there support for broader compliance with GASB standards?
- How important is it to maintain GASB as an independent, private-sector standards setting organization?
- How should the GASB be funded in the future?

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Questions?

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