

# ***Local Government Capital Asset Management Guideline***

**Local budgeting serves important functions that include setting priorities, planning, financial control over inputs, management of operations and accountability to citizens. These objectives give rise to technical and policy issues that require open discussion and debate. The format of the budget document can facilitate this debate. This book provides a comprehensive treatment of all aspects of local budgeting needed to develop sound fiscal administration at the local level. Topics covered include fiscal administration, forecasting, fiscal discipline, fiscal transparency, integrity of revenue administration, budget formats, and processes including performance budgeting, and capital budgeting.**

**Fiscal health of local governments and municipalities has remained an important issue since the crises of the 1970s in places like New York, Philadelphia and Cleveland. More recently, the bankruptcy of Orange County California raised the possibility of a different type of financial failure than earlier ones. The beginning of the 21st century has witnessed two major economic bubbles including the dotcom and housing bubbles. These economic cycles combined with increasing health care, pension and other structural costs continue to challenge the fiscal viability of many jurisdictions. In particular, the economic and financial crisis of 2007-2008 is likely to result in potentially serious fiscal challenges for local jurisdictions.**

**Infrastructure is the foundation of modern economies. A robust, efficient, and well-maintained infrastructure system is critical to support the nations economy, improve quality of life, and strengthen global competitiveness. The serious infrastructure deficit in the U.S. is well-known. State and local governments are struggling to finance the needed expansion, upgrades, and repairs. Meeting the infrastructure financing challenge has emerged as one of the most urgent issues facing the country. Despite the growing number of innovations in state and local infrastructure financing, current information on innovative infrastructure financing is scattered and time-consuming to find. Until now, there was no detailed, comprehensive assessment of current knowledge and practice in innovative infrastructure financing. This book fills that gap and offers policy suggestions for state and local government managers who are considering the adoption and implementation of innovative infrastructure financing. It provides detailed case studies and rich examples that describe innovative approaches to fund state and local infrastructure development. These experiences and lessons in applying these innovations will be particularly useful for state and local government practitioners, professors, applied policy analysts,**

and students in public administration, policy, and public finance. Can Chen is an Associate Professor in the Andrew Young School of Policy Studies at Georgia State University. His main research interest is state and local infrastructure finance and policy. He serves as the chair for the American Society of Public Administration (ASPA) Section on Transportation Policy and Administration (STPA) for 2021-2023. He is a certified research associate at Mineta Transportation Institute. His Bachelors degree is from Harbin Engineering University, MPA from Xiamen University, and Ph.D. from the University of Nebraska at Omaha. He has published widely in journals on Public Budgeting and Finance, Public Management and Policy, and Transportation. His research was supported by grant funding from the Governmental Accounting Standards Board (GASB), International City/County Management Association (ICMA), Lincoln Institute of Land Policy, and Open Government Partnership. John R. Bartle is the Dean of the College of Public Affairs and Community Service at the University of Nebraska at Omaha and a Professor of Public Administration and Urban Studies. He is a Fellow of the National Academy of Public Administration, a Congressionally chartered advisory group to the federal government. He has published numerous journal articles in Public Budgeting and Finance, Journal of Public Budgeting, Accounting, and Financial Management, Municipal Finance Journal, Public Works Management and Policy, Journal of Public Administration Research and Theory, State and Local Government Review, and Public Administration Review. He is the co-author or editor of three other books: Management Policies in Local Government Finance, Sustainable Development for Public Administration, and Evolving Theories of Public Budgeting. His Bachelors degree is from Swarthmore College, MPA from the University of Texas, Ph.D. from The Ohio State University, and an honorary Doctorate of Humane Letters from the State University of New York. He worked in city and state government in Minnesota and for state and national research organizations on tax policy issues. He leads an initiative to provide policy research for the Nebraska state legislature.

## **Capital Assets**

### **Transformational Strategies**

#### **A Guide for State and Local Governments**

#### **Using Public Expenditure Tracking Surveys to Monitor Projects and Small-scale Programs**

#### **Comparative Issues in Local Government Accounting**

Dedicated to the audit professional who wants to conduct audits of local governments in a more practical manner, this book is based on years of discussions with fellow practitioners who have requested an easier method of performing an audit of a local

governmental entity. It includes information on Office of Management and Budget Circular A-133, better known as single audits. The forms and checklists in the book identify the specific professional requirements. The practice aids are included on a free companion CD.

Chinese municipalities have developed a large stock of capital assets during a period of rapid growth and urbanization, but have yet to modernize asset management practices. Cities face challenges such as premature decline of fixed assets and spiking liabilities related to operating and maintaining assets. This paper evaluates the asset management practices in three selected small cities and towns in China, using a benchmarking assessment tool followed by an in-depth field assessment. The paper finds that overall performance is below half the international benchmark for good practice in all three cities. Management practices are considerably more advanced for land than for buildings and infrastructure. Key deficiencies in data availability and reporting, governance, capacity, and financial management indicate increased risks for local government finance and the delivery of public services. For small cities and towns where public revenues are often uncertain and limited, urban public services will be at risk of deterioration unless good asset management practices are put in place. The paper recommends strategic actions for upper and lower levels of government, to advance local asset management practices and facilitate the reform agenda.

The first book to comprehensively discuss both governmental and nonprofit financial management! *Governmental and Nonprofit Financial Management* makes it easy for both nonprofit and governmental managers to understand essential governmental and nonprofit financial management topics and their various subfields.

- Understand the similarities and differences between governmental and nonprofit financial management standards and procedures
- Learn multiple cost-saving techniques
- Explore highly technical financial management subfields, from auditing and financial analysis to capital budgeting and risk management
- Use over 40 applications to calculate everything from T-bill yield to lost cash discounts
- Benefit from the in-depth coverage — an excellent primer for the non-accountant

**Bonus!** Apply what you have learned by completing problems, cases, and report writing exercises at the end of each chapter.

**Managing Government Property Assets**

**Core Competencies for Federal Facilities Asset Management Through 2020**

**Public Investment Management Reference Guide**

**Managing Infrastructure Assets for Sustainable Development**

**Financial Management Training Series: Managing performance**

**International Experiences**

*Federal, state, and local investment in transit has grown over the years, resulting in the expansion of the nation's public transit systems. FTA works in partnership with states and local grant recipients, such as transit agencies, to administer federal transit programs, and provide financial, technical, and other assistance. FTA administers federal grant programs that transit agencies can use to rehabilitate and replace assets to help meet ridership demand by, for example, modernizing rail systems and purchasing buses. Federally owned capital assets include some 500,000 buildings and similar facilities worldwide acquired during*

200 years of government operations. Government facilities are used to defend the national interest; conduct foreign policy; house historic, cultural and educational artifacts; pursue research; and provide services to the American public. These buildings and structures project an image of American government at home and abroad, contribute to the architectural and socioeconomic fabric of their communities, and support the organizational and individual performance of federal employees conducting the business of government. Federal facilities embody significant investments and resources and therefore constitute a portfolio of public assets. At least 30 separate agencies manage these facilities. As stewards of this public investment, federal facilities program managers face a number of challenges. In the 1990s Congress and the Executive Branch took a number of initiatives to improve capital asset decision making in the federal government. These include enacting the Government Performance and Results Act of 1993, the Federal Acquisition Streamlining Act of 1994, the Clinger-Cohen Act of 1996 and a series of federal financial accounting standards; developing the Capital Programming Guide (1997); and appointing the President's Commission to Study Capital Budgeting (1997). Senior and mid-level agency officials are now seeking ways to implement these initiatives efficiently and effectively. The Federal Facilities Council (FFC) sponsored a conference entitled "Capital Asset Management: Tools and Strategies For Decision Making" to highlight strategies and ideas for capital asset management so that federal and other public agencies can improve decision making for facilities investment. Held at the National Academy of Sciences in Washington, D.C., on September 13, 2000, the conference featured speakers from the public, non-profit, and private sectors. Capital Asset Management: Tools and Strategies For Decision Making: Conference Proceedings summarizes the presentations made at that conference. The speakers focused on trends and best practices in capital budgeting; capital asset decision making processes in three federal agencies; building a case for capital reinvestment; and new tools for federal agencies. Online resources referred to by the speakers are listed in Appendix A. Appendix B contains the speakers' biographies. The U.S. government is faced with growing challenges to managing its facilities and infrastructure. A number of

*factors such as shrinking budgets, an aging workforce, and increasing costs demand new approaches to federal facilities management. The Federal Facilities Council of the NRC has sponsored a number of studies looking at ways to meet these challenges. This fourth study focuses on the people and skills that will be needed to manage federal facilities in the next decade and beyond. The book presents a discussion of the current context of facilities management; an analysis of the forces affecting federal facilities asset management; an assessment of core competencies for federal facilities management; a comprehensive strategy for workforce development; and recommendations for implementing that strategy.*

*Capital Asset Management*

*Simplified Asset Management Systems*

*Investments in Federal Facilities*

*International Infrastructure Management Manual*

*Capital Projects*

*The Public Wealth of Nations*

Public Expenditure Tracking Surveys help identify delays in financial and in-kind transfers, leakages, and other inefficiencies in government programs. This guidebook provides a starting point for civil society and other organizations interested in taking a closer look at government spending processes, both on a small and a larger scale.

An up-to-date, comprehensive, and detailed how-to manual for planning and financing successful capital projects, written by a nationally known and award-winning expert on capital budgeting, A. John Vogt. Clearly explains capital budgeting approaches and methods, especially for local jurisdictions under 200,000 in population. Indispensable to managers, assistant managers, finance and budget officials, planning directors, public works administrators, and elected officials for choosing wisely among various approaches, using capital budgeting tools, and analyzing trade-offs during the process. Gathers together and clearly presents the accepted and successful policies, practices, and procedures from across the country and describes in detail every step; from selecting projects, to planning how to pay for them, to structuring and selling debt. Provides an abundance of local government documents, working papers, charts, checklists, and examples from successful jurisdictions. Approach and recommendations consistent with the National Advisory Council on State and Local Government Budgeting, emphasizing goal setting and planning. Tips on prioritizing projects, winning political support for projects, and selling debt successfully. A book for every manager's bookshelf.

We have spent the last three decades engaged in a pointless and irrelevant

debate about the relative merits of privatization or nationalization. We have been arguing about the wrong thing while sitting on a goldmine of assets. Don't worry about who owns those assets, worry about whether they are managed effectively. Why does this matter? Because despite the Thatcher/Reagan economic revolution, the largest pool of wealth in the world – a global total that is much larger than the world's total pensions savings, and ten times the total of all the sovereign wealth funds on the planet – is still comprised of commercial assets that are held in public ownership. If professionally managed, they could generate an annual yield of 2.7 trillion dollars, more than current global spending on infrastructure: transport, power, water, and communications. Based on both economic research and hands-on experience from many countries, the authors argue that publicly owned commercial assets need to be taken out of the direct and distorting control of politicians and placed under professional management in a 'National Wealth Fund' or its local government equivalent. Such a move would trigger much-needed structural reforms in national economies, thus resurrect strained government finances, bolster ailing economic growth, and improve the fabric of democratic institutions. This radical, reforming book was named one of the "Books of the Year".by both the FT and The Economist.

New Strategies for Planning, Management, and Finance

Republic of Belarus

District of Sechelt

Capital Budgeting and Finance

Asset Management Strategies for the 21st Century

Physical Asset Management

All businesses and utilities face the challenge of how to keep their assets working at lowest whole life cost. That 's why increasingly complex asset management systems implemented by expensive consultants have flourished. It doesn ' t have to be that way - you can achieve the results you need through following a series of simple logical steps and you can do it without costly outside help. That ' s the capability that SAMS, Simplified Asset Management Systems gives you and it is relevant to any industry. It presents a complete system for water facilities and then illustrates how the same procedures are easily adapted using highways and social housing as worked examples.

This book tells a fascinating story on municipal finances for local government practitioners with rich examples, global practices, and good and bad experiences the authors gained in decades of field work.

This series is designed to cover all aspects of sound financial management for local governments in developed and developing countries and economies in transition. Concepts of good governance, transparency and accountability are woven into the text of every chapter, and the needs and potential obstacles to greater decentralization and democracy are highlighted. Each volume is self-contained with its own Trainer's Guide, exercises and web resources. Chapters are divided into basic

and advanced concepts and the detailed relationship of each topic to the others covered in the series is explained.

Guide to Municipal Finance

Accounting for Capital Assets

Findings and Strategies Ahead

Transit Asset Management

City of Rossland (part 1 Or 2) : a Performance Audit Carried Out by the Auditor General for Local Government of British Columbia

Technical Assistance Report-Work of Mission on Development of Potential in Area of Government Finance Statistics

In recent years there have been a number of significant reforms in local government accounting practices around the world. While the specific reasons for these changes vary, a common factor is the increasing need for governments to measure the efficacy and efficiency of their performance. This trend is more apparent than at the local government level. This book aims to give a comparative international perspective on local government accounting innovations, and offers specific case studies involving different economic, political and cultural conditions. Countries receiving extended technical assistance include Belgium, China, Italy, Japan, Malaysia, The Netherlands, New Zealand, Russia, Spain, the United Kingdom and the United States. Together, the essays offer a state-of-the-art take on current practices and identify key issues for future research.

In consultation with the Republic of Belarus Ministry of Finance (MoF), a government finance statistics (GFS) technical assistance (TA) mission from the IMF's Statistics Department (STA) visited Minsk from November 13 through 24, 2017. The main objective of the mission was to take stock of the current state of government finance statistics in the Republic of Belarus and to provide assistance to the MoF in improving the quality of statistical data. Government finance statistics provide a comprehensive conceptual and accounting framework suitable for the analysis and evaluation of fiscal policy, and in particular the performance of the general government sector of any country. One of the biggest advantages of the introduction of GFS methodology into budgeting is the achievement of consistency between budgeting, financial reporting, and statistics. Use of the same terminology by those engaged in budgeting, reporting, and statistics should ensure common understanding among all of the stakeholders. The comparability of numbers, tables, and accounts is significantly enhanced, which means an overall improvement in productivity and in the timely availability of data.

Physical asset management is the management of fixed or non-current assets such as equipment, vehicles, and plant. Physical Asset Management presents a systematic approach to the management of the physical asset from concept to disposal. The general principles of physical asset management are discussed in a clear manner which makes them accessible to a wide audience, and covers all stages of the asset management process, including: initial business appraisal; identification of fixed asset needs; financial evaluation; logistic support analysis; life cycle costing; maintenance strategy; outsourcing; cost-benefit analysis; disposal; and renewal. Physical Asset Management addresses the needs of existing and potential asset managers, and provides an introduction to asset management for professionals in related disciplines such as finance. The book provides both an introduction and a convenient reference work, covering the main areas of physical asset management.

Additional Research on Capital Investment Effects Could Help Transit Agencies Optimize Funding Sources

A Handbook for Local Governments

Tools and Strategies for Decision Making: Conference Proceedings

Municipal Asset Management in China's Small Cities and Towns

Local Government and Single Audits

*Facilities now owned by the Federal Government are valued at over \$300 billion. It also spends over \$25 billion per year for acquisition, renovation, and upkeep. Despite the size of these sums,*

*there is a growing litany of problems with federal facilities that continues to put a drain on the federal budget and compromise the effectiveness of federal services. To examine ways to address these problems, the sponsoring agencies of the Federal Facilities Council (FFC) asked the National Research Council (NRC) to develop guidelines for making improved decisions about investment in and renewal, maintenance, and replacement of federal facilities. This report provides the result of that assessment. It presents a review of both public and private practices used to support such decision making and identifies appropriate objectives, practices, and performance measures. The report presents a series of recommendations designed to assist federal agencies and departments improve management of and investment decision making for their facilities.*

*Governments own a vast array of real property--from large stretches of land to public housing projects, from water distribution systems and roads to office buildings. Typically, management of public property is highly fragmented, with responsibility for each type of asset falling within a different agency or bureaucracy. In almost all countries, different classes of property are managed according to their own rules, often following traditional practices rather than any assessment of what type of management is appropriate. Over the past decade, however, a new discipline has emerged that examines this important component of public wealth and seeks to apply standards of economic efficiency and effective organizational management. *Managing Government Property Assets* reviews and analyzes this recent wave of activity. The authors draw upon a wide variety of national and local practices, both in countries that have been leaders in management reforms and in countries just beginning to wrestle with the problem. This comparison reveals that the issues of public property management are surprisingly similar in different countries, despite striking differences in institutional contexts and policy solutions.*

*In Pursuit of Performance is an invaluable tool for government leaders and the scholars who study them.*

*Investment Budgeting in Foreign, State and Local Governments*

*Municipal Finances*

*A Guidebook*

*A Guide for Local Governments*

*City of Dawson Creek*

*Management Systems in State and Local Government*

Physical asset management is the management of fixed or non-current assets such as equipment and plant. Physical Asset Management presents a systematic approach to the management of these assets from concept to disposal. Historically, asset management has not been seen as a specific professional activity, but now perceptions are changing. Many organizations are introducing senior positions in asset management, and universities are introducing courses in asset management at graduate and advanced undergraduate level. The broad reach of this book means that it will be applicable to professionals and future professionals across a wide variety of industries, ranging from manufacturing and distribution, to local government. The general principles of physical asset management are discussed in a manner which makes them accessible to a wide audience, and covers all stages of the asset management process, including: initial business appraisal; identification of fixed asset needs; financial evaluation; logistic support analysis; life cycle costing; maintenance strategy; outsourcing; cost-benefit analysis; disposal; and renewal. Physical Asset Management addresses the needs of existing and potential asset managers, and provides an introduction to asset management for professionals in related disciplines, such



as finance. The book provides both an introduction and a convenient reference work, covering all the main areas of physical asset management.

Learnings from Local Government Capital Procurement Projects and Asset Management Programs  
City of Dawson Creek  
Capital Asset Management Tools and Strategies for Decision Making: Conference Proceedings  
National Academies Press

"This series is designed to cover all aspects of sound financial management for local governments in developed and developing countries and economies in transition. Concepts of good governance, transparency and accountability are woven into the text of every chapter, and the needs and potential obstacles to greater decentralization and democracy are highlighted. Each volume is self-contained with its own Trainer's Guide, exercises and web resources. Chapters are divided into basic and advanced concepts and the detailed relationship of each topic to the others covered in the series is explained"--Publisher's description.

Handbook of Local Government Fiscal Health

Financial Accounting for Local and State School Systems

Learnings from Local Government Capital Procurement Projects and Asset Management Programs

Innovative Infrastructure Finance

How Management of Public Assets Can Boost or Bust Economic Growth

Governmental and Nonprofit Financial Management

**Manual provides guidelines for best management practices for all infrastructure assets in the public and private sectors at the lowest life cycle cost.**

**This publication provides guidance for national and local policymakers on the management of their assets in support of the 2030 Agenda for Sustainable Development.**

**The Public Investment Management (PIM) Reference Guide aims to convey country experiences and good international practices as a basis for decisions on how to address a country-specific PIM reform agenda. The country references are drawn largely from previous diagnostics and technical assistance reports of the World Bank. The application of country diagnostics and assessments has revealed a need to address the following issues when undertaking a country reform in PIM:**

- Clarification of the definition and scope of public investment and public investment management
- Establishment of a sound legal, regulatory, and institutional setting for PIM, making sure it is linked to the budget process
- Allocation of roles and responsibilities for key players in PIM across government
- Strengthening of guidance on project preappraisal, appraisal, and selection-prioritization procedures and deepening of project appraisal methodologies
- Integration of strategic planning, project appraisal-selection, and capital budgeting
- Management of multiyear capital budget allocations and commitments
- Efforts to address effective implementation, procurement, and monitoring of projects
- Strengthening of asset management and ex post evaluation
- Integration of PIM and public-private partnership (PPP) in a unified framework
- Rationalization and prioritization of the existing PIM project portfolio
- Development of a PIM database and information technology in the form of a PIM information system.

**The PIM Reference Guide does not seek to provide definitive answers or standard guidance for the common PIM issues facing countries. Nor does it seek to provide a detailed template for replication across**

**countries: this would be impossible given the diversity of country situations. Instead, each chapter begins with an overview of the specific reform issue, lists approaches and experiences from different countries, and summarizes the references and good practices to be considered in designing country-specific reform actions.**

**Local Budgeting**

**Federal Acquisition Circular**

**In Pursuit of Performance**

**An Elected Official's Guide to Performance Measurement**

**Joint Hearing Before the Committee on Government Reform and Oversight and the Subcommittee on Government Management, Information, and Technology of the Committee on Government Reform and Oversight, House of Representatives, One Hundred Fourth Congress, First Session, June 29, 1995**

**City of Cranbrook : a Performance Audit Carried Out by the Auditor General for Local Government of British Columbia**