



An overview of the effective dates and objectives of GASB statements for fiscal years ending June 30, 2020, and later:

GASB IMPLEMENTATION PLANNER FOR STATE AND LOCAL GOVERNMENTS



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GASB 2020 MID-YEAR UPDATE

Issuers of generally accepted accounting principles (GAAP) financial statements — as set by the Government Accounting Standards Board (GASB) — have much to prepare for in the coming years. Since not all statements issued affect each entity the same, it is critically important that the issuer work closely with their auditor to understand the timing and extent of the impacts. This planning tool can help you start that discussion.

Since the last publication of the *GASB Implementation Planner for State and Local Governments* in 2019, which covered the recent statements released through GASB No. 91, *Conduit Debt Obligations*, the following statements have been released by GASB:

- GASB No. 92, *Omnibus 2020*
- GASB No. 93, *Replacement of Interbank Offered Rates*
- GASB No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- GASB No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*
- GASB No. 96, *Subscription-Based Information Technology Arrangements*

As a result of the COVID-19 pandemic, the GASB issued statement No. 95 in May 2020 to provide temporary relief to governments and other stakeholders by postponing the effective dates of certain provisions in statements and implementation guides that first became effective (or were scheduled to become effective) for periods beginning after June 15, 2018. The effective dates of certain provisions contained in GASB pronouncements have been postponed by either one year or 18 months. GASB No. 95 is effective immediately, and as a result has been excluded from the implementation table.

To help you see the full scope of GASB's impact on your compliance activities and to structure your planning and preparation accordingly, here's a table of effective dates for implementation based on fiscal year-ends through 2024.

The table has been updated for the impact of GASB No. 95. Following the table is a brief summary of each of the GASB statements. Be sure to communicate with your governance, management, and auditors on the possible and likely impacts on your financial statements, financial ratios, financial covenants, and other significant metrics.

GASB STANDARDS EFFECTIVE DATES BY FISCAL YEAR-END

FISCAL YEAR-END	2020	2021	2022	2023	2024
January 30		83, 84, 88, and 90	89	87, 91, 92, and 93	94 and 96
February 28		83, 84, 88, and 90	89	87, 91, 92, and 93	94 and 96
March 31		83, 84, 88, and 90	89	87, 91, 92, and 93	94 and 96
April 30		83, 84, 88, and 90	89	87, 91, 92, and 93	94 and 96
May 31		83, 84, 88, and 90	89	87, 91, 92, and 93	94 and 96
June 30	83 and 88	84 and 90	87, 89, 92, and 93	91, 94, and 96	
July 31	83 and 88	84 and 90	87, 89, 92, and 93	91, 94, and 96	
August 31	83 and 88	84 and 90	87, 89, 92, and 93	91, 94, and 96	
September 30	83 and 88	84 and 90	87, 89, 92, and 93	91, 94, and 96	
October 31	83 and 88	84 and 90	87, 89, 92, and 93	91, 94, and 96	
November 30	83 and 88	84 and 90	87, 89, 92, and 93	91, 94, and 96	
December 31	83, 84, 88, and 90	89	87, 91, 92, and 93	94 and 96	

GASB NO. 83: CERTAIN ASSET RETIREMENT OBLIGATIONS

- **Effective date** — Fiscal years beginning after June 15, 2018 (amended to June 15, 2019). Early adoption is allowed.
- **Objective** — To address accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement.

GASB NO. 84: FIDUCIARY ACTIVITIES

- **Effective date** — Fiscal years beginning after December 15, 2018 (amended to December 15, 2019). Early adoption is allowed.
- **Objective** — To improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB NO. 87: LEASES

- **Effective date** — Fiscal years beginning after December 15, 2019 (amended to June 15, 2021). Early adoption is allowed.
- **Objective** — To better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB NO. 88: CERTAIN DISCLOSURES RELATED TO DEBT, INCLUDING DIRECT BORROWINGS AND DIRECT PLACEMENTS

- **Effective date** — Fiscal years beginning after June 15, 2018 (amended to June 15, 2019). Early adoption is allowed.
- **Objective** — To improve the information that is disclosed in notes to government financial statements related to debt, which includes direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

GASB NO. 89: ACCOUNTING FOR INTEREST COST INCURRED BEFORE THE END OF A CONSTRUCTION PERIOD

- **Effective date** — Fiscal years beginning after December 15, 2019 (amended to December 15, 2020). Early adoption is allowed.
- **Objective** — To (1) enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) simplify accounting for interest cost incurred before the end of a construction period.

GASB NO. 90: MAJORITY EQUITY INTERESTS – AN AMENDMENT OF GASB STATEMENTS NO. 14 AND NO. 61

- **Effective date** — Fiscal years beginning after December 15, 2018 (amended to December 15, 2019). Early adoption is allowed.
- **Objective** — To improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

GASB NO. 91: CONDUIT DEBT OBLIGATIONS

- **Effective date** — Fiscal years beginning after December 15, 2020 (amended to December 15, 2021). Early adoption is allowed.
- **Objective** — To provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

GASB NO. 92: OMNIBUS 2020

- **Effective date** — Fiscal years beginning after June 15, 2020 (amended to June 15, 2021), except for provisions effective immediately as noted below. Early adoption is allowed.
- **Objective** — To address a variety of topics, including:
 - Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan.
 - The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended*, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits.
 - The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements.
 - Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition.
 - Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, effective upon issuance of statement.
 - Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature.
 - Terminology used to refer to derivative instruments, effective upon issuance of statement.

GASB NO. 93: REPLACEMENT OF INTERBANK OFFERED RATES

- **Effective date** — Removal of the London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate is effective for fiscal years ending after December 31, 2021. All other requirements of this statement are effective for fiscal years beginning after June 15, 2020 (amended to June 15, 2021). Early adoption is allowed.
- **Objective** — As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. This statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR).

GASB NO. 94: PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIPS AND AVAILABILITY PAYMENT ARRANGEMENTS

- **Effective date** — Fiscal years beginning after June 15, 2022. Early adoption is allowed.
- **Objective** — To improve financial reporting by addressing issues related to public-private and public-public partnership (PPP) arrangements and for availability payment arrangements (APAs).

GASB NO. 95: POSTPONEMENT OF THE EFFECTIVE DATES OF CERTAIN AUTHORITATIVE GUIDANCE

- **Effective date** — Requirements of this statement are effective immediately.
- **Objective** — To provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in statements and implementation guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018.
- The effective dates of certain provisions contained in the following pronouncements are postponed by one year:
 - Statement No. 83, *Certain Asset Retirement Obligations*
 - Statement No. 84, *Fiduciary Activities*
 - Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
 - Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
 - Statement No. 90, *Majority Equity Interests*
 - Statement No. 91, *Conduit Debt Obligations*
 - Statement No. 92, *Omnibus 2020*
 - Statement No. 93, *Replacement of Interbank Offered Rates*
 - Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
 - Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
 - Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
 - Implementation Guide No. 2019-2, *Fiduciary Activities*
- The effective dates of the following pronouncements are postponed by 18 months:
 - Statement No. 87, *Leases*
 - Implementation Guide No. 2019-3, *Leases*



GASB NO. 96: SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

- **Effective date** — Fiscal years beginning after June 15, 2022. Early adoption is allowed.
- **Objective** – To provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

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