



**CITY OF KING  
RESOLUTION NO. 2026-11**

**RESOLUTION TO RAISE CAPITALIZATION THRESHOLD**

**WHEREAS**, the City of King currently records capital fixed asset purchases at \$5,000 or higher for an individual item; and

**WHEREAS**, the Federal Uniform Guidance increased the standard capitalization threshold for equipment from \$5,000 to \$10,000 for new federal awards; and

**WHEREAS**, this change would apply prospectively, and all current assets being depreciated would remain unchanged, with the new threshold being effective beginning with the financial reporting and audit for FY 2025–2026; and

**WHEREAS**, the City’s auditors are in support of this increase;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of King that the capitalization threshold for fixed asset purchases is hereby increased to \$10,000 or higher for an individual item.

**Adopted this on the 28th day of April 2026.**

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Richard E. McCraw, Mayor

ATTEST:

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Nicole Branshaw, City Clerk