

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: _____

Topic:

Approve Amendment to Administrative Policy No. 17, entitled “General Fixed Assets Policies and Procedures”

Background:

Administrative Policy No. 17 – “General Fixed Assets Policies and Procedures” was amended by City Council on September 20, 2021. The amendment changed the capitalization threshold, both the minimum useful life and cost of the asset. The useful life was increased from one to three years and the cost was increased from \$5,000 to \$50,000.

Staff recommends changing the capitalization threshold cost from \$50,000 to \$20,000. Decreasing the threshold to \$20,000 will ensure that items above the threshold are tracked by Finance and the respective department. This will allow for improved financial reporting and increased transparency for capital purchases. It will also provide for better budgeting of the future replacement of capital items.

For consistency in financial reporting, this change will be retroactively effective September 30, 2021. The General Fixed Assets Policies and Procedures will be reviewed and updated in its entirety later this fiscal year.

Origination: Finance

Recommendation:

Approve the changes to Administrative Policy No. 17

Party(ies) responsible for placing this item on agenda: Katherine DuBose, Finance Director

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed	<u>Katherine DuBose</u>	Approved by	_____
	Staff Member		City Manager
	Date		Date