CITY OF LANGLEY

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF LANGLEY,
WASHINGTON adopting a Policies and Procedures for the City’s Capital Assets.

WHEREAS, it is in the City’s best interest to establish and maintain accountability, ensure adequate stewardship and control and comply with all statutory requirements and recommended practices of the State Auditor’s Office regarding the City’s Capital Assets;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY LANGLEY that:

Exhibit A, City of Langley Capital Asset Policies and Procedures attached hereto and incorporated herein by this reference is hereby adopted.

Passed by the City Council of the City of Langley and approved by the Mayor at a regularly scheduled public meeting this ____ day of __________, 2012.

________________________
LARRY KWARSICK, Mayor

ATTEST:

________________________
DEBBIE L. MAHLER, Director of Finance/Clerk

Exhibit A: City of Langley Capital Assets Policy & Procedure

Resolution No. ___  1
City of Langley

Capital Assets

Policy and Procedure

This policy is established to maintain accountability, ensure adequate stewardship and control and comply with all statutory requirements and recommended practices of the State Auditor’s Office regarding the City’s Capital Assets.

1. It is the policy of the City to maintain accountability and control over all tangible fixed assets having a life expectancy exceeding one year and having a cost/value of $5,000 or more. The value of the fixed asset includes the purchase price plus sales tax, as well as costs to acquire (shipping and handling) and installation. The City’s Finance Department shall maintain asset records which shall be supplied by each department. Assets in the system include all land, buildings, machinery, vehicles and equipment. Small tools and equipment or attractive items under $5,000 are maintained under the City’s Small & Attractive Asset Policy.

2. The Director of Finance will establish an inventory listing of real estate and vehicles. Each City department will supply the Finance Department with an inventory of other assets in their department by September 01, 2012. The inventory list shall contain:

   a) Location of the asset
   b) Cost/value of the asset (source of funding if by grant or donation)
   c) Estimated life of the asset
   d) Condition of the asset
   e) Disposal – date, means of disposal and method used to determine disposal value

Each department/fund will notify the Finance Director of any additions, deletions, interdepartmental transfers or modifications that were not reflected on the preliminary list. Deletions from the inventory should include items that were sold, scrapped, disappeared mysteriously, or damaged beyond salvage. Any disposal of property must be follow the process in Langley Municipal Code Chapter 3.80 Disposal of Surplus Property. Before an asset is sold or otherwise disposed of, it must first be determined if the asset had originally been purchased with grant monies. If this is the case, the City must refer to the grant agreement and follow prescribed procedures for disposition.

When suspected or known losses of capital assets occur, staff should conduct a search for the missing property. If the property is not found, staff shall:

- Notify the Director of Finance;
- The individual deemed to be primarily responsible for the asset, and his/her supervisor will complete and sign a statement to include a
description of events surrounding the disappearance of the property, who
was notified of the loss and the steps taken to locate the property;
• The Director of Finance shall report known or suspected losses of capital
assets to the State Auditor’s office in accordance with RCW 43.09.185
and a copy of the report shall be provided to the City Council.

3. Where practical, all fixed assets that can be labeled shall have an identifying
number stating that the asset is the property of the City of Langley. Numerically assigned
labels will by supplied by the Finance Department for all assets.

4. Annually, each department will receive inventory listings of all fixed assets under
their control. At that time each department is to update the inventory listings and return
them to the Finance Department. All discrepancies shall be reported and explained. Each
department’s inventory shall be signed and attested to by the department head.