

RESOLUTION NO. 2012-003

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEER PARK,
WASHINGTON, ADOPTING A SMALL AND ATTRACTIVE ASSETS
POLICY AND RELATED PROCEDURES.

WHEREAS, the City Clerk/Treasurer has researched the issues associated with tracking small and attractive assets and recommends the adoption of this Resolution; and

WHEREAS, the following policies and procedures documents a small and attractive assets system designed to ensure controls over items that might not be noticed immediately after their disappearance; and

WHEREAS, the intent of this policy is to obtain accountability over items that do not meet the criteria of a fixed asset and would not be noticed immediately upon disappearance or replacement; and

WHEREAS, the Mayor and City Council have reviewed this Resolution and concur that it is in the best interests of the City; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF DEER PARK, WASHINGTON, HEREBY
RESOLVE AS FOLLOWS:

Section 1. The small and attractive assets policy as set forth below is hereby approved:

PURPOSE

A small and attractive assets system gathers information allowing investigation of items missing that would otherwise not be noticed. The system should provide adequate stewardship over its resources through control and accountability.

I. POLICY

It is the policy of the city to maintain accountability over all tangible items that may have the likelihood of disappearing without being noticed. The Departments shall review and update records to be verified by a physical inventory at least once a year and provide such list to the City Clerk for monitoring differences between years.

A. GENERAL

A small and attractive item is an item that is priced between \$1,000 and the \$5,000 criteria for fixed assets and has a useful life expectancy of more than one year. This item also is not likely to be missed immediately upon disappearance and could be replaced without suspicion during voucher audits. Examples include, but are not limited to: cameras, laptops, mobile public works power equipment, etc. This would not include more permanent fixtures such as desks, tables and shelving and specifically excludes small tools and minor equipment in the public works shop such as shovels, hand tools, supplies, etc.

B. RESPONSIBILITY OF DEPARTMENT HEADS

The City Clerk will prepare a list at least annually of the small and attractive items for distribution and review by each department head. Each department head or their designee shall review, update, delete, and add new items to the list within 30 days of distribution. Typically this review will occur in January of each year. If an item is deleted, the Department Head will note the reason and/or means of disposal.

C. ASSET IDENTIFICATION The list will contain the serial number, model, or other identifying information for each item as identified in the spreadsheet. Whenever feasible, each piece of property will be engraved or marked with the city's name. Such markings will be removed or obliterated only when the item is sold, scrapped, or otherwise disposed of.

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II. PROCEDURES

A. ADDITIONS

The City may acquire property via purchase, construction, donation, or lease. Regardless of how it is acquired, when the property is received, the department purchasing the item should notify the City Clerk or keep a list for annual updating in the database (typically these items are coded as object code 35 according to the BARS manual for small tools and minor equipment, but are occasionally purchased as capital outlays under 594-595.)

B. DELETIONS

Items previously acquired will eventually be disposed of and need to be deleted from the department's list. Deletion may be required due to a sale of the asset, scrapping, mysterious disappearance (lost or stolen), or involuntary conversion (fire, flood, etc). The department head controlling the item is the only one in position to trigger removal from their list. Items disappearing mysteriously may require additional reports to the City's law enforcement agency, Mayor, and insurer. Deletions brought about as a result of natural disasters require reporting to the City insurer for an eventual reimbursement claim.

C. TRANSFERS

Occasional transfers of property between departments will occur. The original controlling department is accountable for all items and for initiating a notice of transfer. Interdepartmental transfers involving a proprietary fund (i.e. Water/Sewer, Garbage, etc.) shall include a transfer of money. The sale price (transfer of money) will be based upon fair market value. Interdepartmental transfers do not require the city to declare the item surplus.

D. LOST OR STOLEN ASSETS

Whenever an item has mysteriously disappeared and all efforts have failed to recover it, the controlling department head shall notify the City Clerk and the Mayor in writing. The Mayor shall determine whether a report to the City law enforcement agency should be filed and determine whether notice should be provided to the City's insurer. The clerk shall delete the missing item from the small and attractive items list for the department.

E. DONATED ASSETS

Assets are sometimes donated to the City and should be added to the list of small and attractive assets for the appropriate department if valued between \$1,000 and \$5,000. If the donation is cash to be used in conjunction with the construction of a specific asset, the donation shall be reported as revenue (367 contribution and donations from private sources) in governmental funds. In proprietary funds, such donations shall be treated as contributed capital.

Section 2. Severability. If any section, sentence, clause or phrase of this Resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Resolution.

Section 3. This Resolution shall be effective immediately upon passage by the City Council.

RESOLVED the 4 day of January, 2012.

APPROVED:


MAYOR ROBERT WHISMAN

ATTEST/AUTHENTICATED:


DEBY CRAGUN, CITY CLERK/TREASURER