

RESOLUTION #3219

A RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF SAN ANSELMO ADOPTING A CAPITALIZATION POLICY
AND PROCEDURE

WHEREAS, The Town Council of the Town of San Anselmo has determined that the adoption of a capitalization policy is necessary to properly account for its fixed and non-fixed assets, and

WHEREAS, the Town Council has directed the Town Administrator to develop a procedure by which the Council's policy shall be carried out, and

WHEREAS, that procedure is indicated as follows:

1. The Department Head who has added or deleted a Town capital asset shall retain a copy of the description of the capital asset, the purchase order and the invoice in department files.

2. If an asset has been deleted, the Department Head shall remove the pre-numbered asset inventory sticker, and attached it to a description of the capital asset and invoice (if available) along with a description of the disposition of the asset.

3. The Department Head shall send two (2) copies of the description of the capital asset, including identification numbers (if any) and two (2) copies of the invoice which have been approved for payment (or deletion) by the Department Head to the Accounting Specialist in Administration.

4. The Accounting Specialist or her/his designee shall use one set of the capital asset description and invoice to prepare a warrant for payment if the asset has been purchased, and these materials shall be filed with the warrant payment record in the Town's accounting files.

5. If an asset has been purchased, the Accounting Specialist shall place the second set of the capital asset description and invoice in the fiscal year capital asset file, i.e., "1992-93 Capital Assets", issue a pre-numbered inventory control sticker to the Department Head to affix to the capital asset, and record the inventory date in the fiscal year file.

6. If an asset has been deleted, the Accounting Specialist shall record the information about the deletion in the fiscal year capital asset file, i.e., "1992-93 Capital Assets".

7. At the close of each fiscal year, the Accounting Specialist shall reconcile that year's Capital Asset file, and update the Town's fixed and non-fixed asset inventory in preparation for the Town's annual audit.

NOW, THEREFORE, BE IT HEREBY RESOLVED, THAT this policy and procedure of the Town of San Anselmo shall be carried out under the direction of the Town Administrator.

The foregoing resolution was duly passed by the Town Council of the Town of San Anselmo at its regularly scheduled meeting of February 9, 1993, by the following vote:

AYES: BREEN, CHIGNELL, YARISH, ZAHAROFF, KANIS

NOES: (NONE)

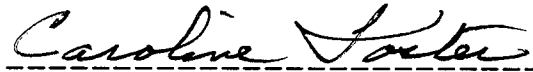
ABSENT: (NONE)

SIGNED:

ATTEST:



GUS KANIS, MAYOR



CAROLINE FOSTER, TOWN CLERK

TOWN OF SAN ANSELMO
Staff Report

February 5, 1993

TO: San Anselmo Town Council

FROM: Jean A. Bonander, Town Administrator

SUBJECT: CAPITALIZATION POLICY

Recommendation

That Council adopt the attached resolution which outlines the capitalization policy for the Town of San Anselmo.

Background

In the management letter for 1991-92 prepared by our auditors, Lindquist, von Husen & Joyce, it was recommended that we have a formal capitalization policy adopted by Council. This policy is designed to document the Town's intention to properly record and post capital assets to our fixed asset inventory. In this way, the Town is able to maintain a complete and accurate record of its capital asset acquisitions and deletions.

Staff will be pleased to comment on any questions Council may have.

Respectfully submitted,



Jean A. Bonander
Town Administrator

Attachment