




RETIREMENT BOARD POLICY AND REFERENCE MANUAL

SUBJECT: FIXED ASSET INVENTORY POLICY	Section: 2-19 Date Adopted/Revised: 4/13/2022
SYSTEM(S): JOINT	Approved:  Retirement Administrator

PURPOSE

To ensure that investments in fixed assets are properly managed, controlled and recorded, the Boards established this Policy.

POLICY

A fixed asset is any item of equipment or furnishings purchased with a value of \$500 or greater and \$5,000 or greater for land, buildings and infrastructure and a useful life of more than two years.

A. CAPITALIZATION AND DEPRECIATION

1. Capitalization

All equipment or furnishings purchased with a value of \$500 or greater and \$5,000 for land, buildings, and infrastructure with a useful life of greater than two years shall be capitalized. Capital assets will be recorded at historical cost as of their acquisition date.

2. Depreciation

Assets will be depreciated over their estimated useful life in compliance with generally accepted governmental accounting standards. If it is determined at the time of acquisition that an asset may have an estimated life longer or shorter than the stipulated policy, the Retirement Administrator may assign an estimated useful life for the purposes of recording depreciation.

All assets will be depreciated using the straight-line method of depreciation and depreciation shall be calculated and recorded in the general ledger at the end of the fiscal year as a part of the financial statement preparation.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Furniture & Fixtures	15 years
Office Equipment	15 years

B. RESPONSIBILITY, IDENTIFICATION AND PERIODIC INSPECTIONS

1. Responsibility

Each Retirement Office staff member or Retirement Board member will act as the authorized custodian for any fixed assets located in his/her office or otherwise assigned to his/her custody.

2. Identification of Moveable Fixed Assets

All eligible and moveable fixed assets shall be identified with an inventory tag. The Retirement Office accountant/auditor will ensure that new items are tagged and placed on the Fixed Asset Inventory Record before they are assigned to a staff member or Board member.

3. Periodic Inspection of Fixed Assets

An annual physical inventory will be conducted by the Retirement Administrator and staff at the end of the fiscal year.

4. Annual Report to Retirement Boards

Capital Assets are included within the Annual Comprehensive Financial Report reported to the Retirement Boards.

C. DISPOSALS

1. Disposals of Fixed Assets

A Disposal Report which includes the original cost, accumulated depreciation and the current carrying cost shall be submitted for review, and approval by the Retirement Boards. Upon Board approval, these fixed

assets will be discarded, donated, or made available to other City Departments as surplus items.

2. Documentation

For all fixed asset disposals, a Fixed Asset Disposal Form must be completed and authorized. The form will then be submitted to accounting staff to properly record disposals of fixed assets.

-
1. *Adopted 02/11/2004*
 2. *Annual Review, administrative changes, revised 11/12/2008*
 3. *Amended deleting Committee structure, revised 2/8/2012.*
 4. *Review, administrative changes, revised and adopted 7/10/2019.*
 5. *Review, administrative changes, revised and adopted 4/13/2022.*