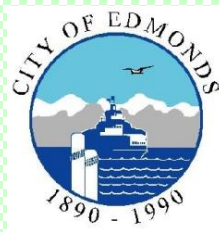


City of Edmonds



Small and Attractive Asset Policy

January 2, 2019

Resolution # 1423

Attachment A

1.0 PURPOSE:

To establish a Policy providing stewardship over the City's small and attractive assets.

2.0 FUNDS AFFECTED:

All City funds.

3.0 REFERENCES:

RCW 43.09.200

Budgetary, Accounting, and Reporting System (BARS) Manual, Part 3, Chapter 3, *Capital Assets*

Budgetary, Accounting, and Reporting System (BARS) Manual, Part Three, Chapter 7, *Capital Assets and Internal Service Funds*

Edmonds City Code, Chapter 3

4.0 DEFINITIONS:

4.1 "Assets" – All land, buildings, improvements, infrastructure, permanent works of art and historic collections, and equipment purchased, donated, constructed, or acquired by the City.

4.2 "Capital Assets" – Land and improvements to land, including right of ways and easements; permanent artwork and historic collections of any value; improvements and infrastructure; buildings, their furnishings, fixtures, and furniture; equipment, machinery, vehicles, and tools; intangible assets such as water rights, and computer software; with a value of \$5,000 or more for non-infrastructure, or \$50,000 or more per item for infrastructure, or \$100,000 or more for repairs or replacements to components of the Wastewater Treatment Plant, and having a useful life exceeding one year from the date of acquisition.

4.3 "Control" – Being in charge of, and having the authority to manage the asset. Having custodial responsibility of the asset includes but is not limited to the caring, keeping, safeguarding and protecting the asset.

4.4 "Small and Attractive Assets" – Assets that are particularly at risk or vulnerable to loss and cost less than the capitalization threshold of \$5,000 and have a life expectancy of more than one year. Small and attractive assets are those that may not be missed immediately if stolen, or may expose the City to liability if lost. Due to their sensitive nature, all guns that cost less than \$5,000 are included in the definition of small and attractive assets, as well as all computer equipment that cost less than \$5,000. Other assets are included in this definition only when their cost is greater than \$1,000 but less than \$5,000. Examples of these other assets include photographic equipment, tools, equipment, Unmanned Aircraft Systems (drones), and small machinery.

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5.0 SMALL AND ATTRACTIVE ASSET POLICY:

- 5.1 It is the policy of the City to maintain accountability over all tangible items that may be susceptible to loss without being noticed. All Departments shall maintain records to be verified by a physical inventory at least once per year and provide this inventory list to the Finance Director for monitoring year to year changes.
- 5.2 Small and attractive items are assets that are easily moveable, desirable items with a cost between \$1,000 and \$5,000, and have an expected useful life of more than one year. These are items that are either easy to conceal or are portable, and are not likely to be missed immediately if stolen. Each Department Director or their designee will prepare and update at least annually their inventory of small and attractive assets, including the asset's purchase price, its custodian, and its location. This list will also contain, when possible, the asset's serial number, model number, or some other identifying information. This inventory list will be provided to the Finance Director no later than January 31 of each year for monitoring. If an asset has been removed from the inventory list, the reason for and means of disposal must be noted. Whenever possible, all small and attractive assets should be tagged in such a way that they can be clearly identified that they are property of the City of Edmonds.
- 5.3 Small and attractive assets are not to include more permanent fixtures or equipment such as desks, tables, and shelving, or items that are acquired for the purpose of accomplishing tasks that are small or of minimal monetary value, like minor equipment, shovels, wrenches, hand tools, and the like. The small and attractive inventory list should not include items that are consumed or used up, such as asphalt, bottled water, or copy paper. They also do not include items that are used as an accessory for a larger capital asset such as light bars for police vehicles, cages, sirens, or other capital equipment. Small and attractive assets are often things like cameras and video/photographic equipment, laptops, tablets, and notebook computers, and shop equipment like welders, portable drill presses or compressors, as long as their original cost is greater than \$1,000 and less than \$5,000. At their discretion, the Department Director may include assets that cost less than \$1,000, if they desire. An inventory listing of desktop computers, laptops, and telephone equipment shall be maintained by the Information Technology department.
- 5.4 When it has been determined that a small and attractive asset is missing, the controlling department's Director shall notify the Finance Director, who will file a police report and a report for insurance purposes when necessary. In addition, the Finance Director shall notify the State Auditor's Office any time an asset is determined to be missing.

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- 5.5 All departments will complete an inventory of all small and attractive assets no later than January 31st for the previous calendar year. The inventory list shall be retained by the department according to State records retention requirements or completion of the relevant State audit, whichever is longer. Any adjustments to the Inventory List (e.g. additions, transfers, or disposals) must be communicated to the Finance Director no later than February 15th. Separation of duties procedures shall be followed in maintaining the inventory lists. For example, the person conducting the annual inventory should not be the same person who is responsible for maintaining the asset schedule, and the person responsible for maintaining the asset schedule should not be the same person who orders and receives new assets.
- 5.6 Transfers of any assets, including small and attractive assets, between departments or funds are allowed by mutual agreement of the departments. The department transferring the assets must notify the Finance Director of the transfer within thirty days of the transfer.
- 5.7 When a department decides to dispose of an asset in any manner, the department Director must notify the Finance Director and the City Council of their intent to dispose of the asset. In accordance with Edmonds City Code, any such sale or disposal must be approved by the City Council prior to disposal.