

**Metropolitan Domestic Water Improvement District  
Board or Directors Meeting**

**September 14, 2015**

**Fixed Asset Policy**

**Synopsis**

The Board of Directors is requested to approve an updated Fixed Asset Policy.

**Report**

Staff would like to propose a few revisions to the Fixed Asset Policy, which was approved by the Board in July 1998 and has not since been revised. The main change is an increase from \$1,000 to \$3,000 as the unit cost for assets other than lands and buildings. This will result in a more realistic accounting of direct expenses less than \$3,000 rather than capitalizing the item and recording depreciation over its estimated life. In Fiscal Year 2015, seven assets were acquired within this dollar range and three of the seven items were computer equipment. Another revision to the policy is to have the period of time when physical inventory is counted changed from “at least every three years” to “every other year”. Both of these changes were discussed with our Auditing Partner, who was supportive of the changes. The other changes were non-substantive including providing contact information for disposed, stolen, or vandalized assets.

**Recommendation**

It is recommended that the Board of Directors approve the revised Fixed Asset Policy, which is attached.

**Suggested Motion**

I move to approve the revised Fixed Asset Policy effective as of September 14, 2015.

Respectfully submitted,

I concur with the above-noted report.

Respectfully submitted,

Diane Bracken, M.Adm.  
Chief Financial Officer

Joseph Olsen, P.E.  
General Manager