

RESOLUTION 2004-03

A RESOLUTION ESTABLISHING A THRESHOLD THAT DICTATES WHEN EXPENDITURES MAY BE CAPITALIZED

Whereas this Resolution establishes a threshold that dictates when expenditures may be capitalized in accordance with Generally Accepted Accounting Principles (GAAP).

Whereas the City needs to establish a threshold for each fixed asset class in order to maintain effective managerial control.

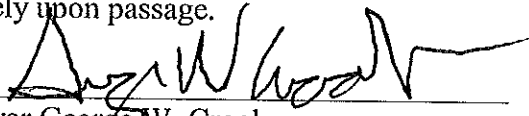
Therefore the City resolves that these dollar levels set the thresholds that apply to these fixed classes:

Land	\$ 500
Buildings	\$10,000
Improvements Other than Buildings	\$ 5,000
Equipment	\$ 5,000
Infrastructure	\$10,000
Sewer System	\$ 5,000 *
Construction in Process	Tied to asset class

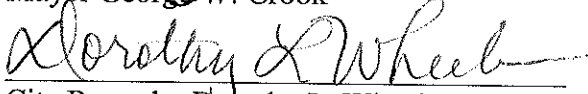
This resolution will take effect immediately upon passage.

Date of Adoption:

8/4/04



Mayor George W. Crook



City Recorder Dorothy L. Wheeler

* Although sewer grinder pumps do not qualify individually, the aggregate cost of units can be capitalized when the total purchase exceeds the threshold.