



Legislation Details (With Text)

File #: 19-0877 **Version:** 1

Type: Agenda Item **Status:** Approved

File created: 5/28/2019 **In control:** Board of Supervisors

On agenda: 6/25/2019 **Final action:** 6/25/2019

Title: Auditor-Controller recommending the Board receive and file the attached memo notifying the Board of the capitalization thresholds set by the Auditor-Controller effective July 1, 2019.

FUNDING: N/A

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Capitalization Thresholds JHarn Memo 05-31-19B

Date	Ver.	Action By	Action	Result
6/25/2019	1	Board of Supervisors	Approved	Pass

Auditor-Controller recommending the Board receive and file the attached memo notifying the Board of the capitalization thresholds set by the Auditor-Controller effective July 1, 2019.

FUNDING: N/A

DISCUSSION / BACKGROUND

Pursuant to GASB 51 the County must establish a threshold for the capitalization of intangible assets such as software. As of the end of Fiscal Year 2019 we will be capitalizing the value of the new MUNIS accounting software, the MEGABYTE property tax software and the TRAKIT land management software.

As the County's chief accounting officer, the Auditor-Controller has the authority to set the County's Capitalization Thresholds.

After reviewing the limits that several other counties are using, it has been determined that \$100,000 would be appropriate.

In addition we looked at the limits being used for the capitalization of structures and improvements, leasehold improvements and infrastructure. We are recommending that we increase our current standard from \$10,000 to \$25,000. We will maintain our current standard for equipment at \$5,000.

We will be returning to your Board with a detailed fixed asset policy handbook that will be made available for departmental use.

ALTERNATIVES

N/A

PRIOR BOARD ACTION

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

N/A

CLERK OF THE BOARD FOLLOW UP ACTIONS

Receive and file attached Memo.

STRATEGIC PLAN COMPONENT

N/A

CONTACT

Joe Harn