

CITY OF HIGHLAND HEIGHTS, KENTUCKY

ORDINANCE NO. 06-2004

**AN ORDINANCE ESTABLISHING A PROCEDURE
FOR THE ACCOUNTING OF CAPITAL ASSETS OF
THE CITY.**

WHEREAS, it is the policy of the City of Highland Heights, Kentucky to utilize general accounting procedures to record and account for the capital assets of the City and its agencies, offices, and operating departments.

WHEREAS, This policy shall apply to all assets of the City Government and shall be complied with by all employees, officials, agencies, offices and departments of the City.

BE IT ORDAINED BY THE CITY OF HIGHLAND HEIGHTS, KENTUCKY AS FOLLOWS that the capital assets for the City of Highland Heights shall be recorded and accounted for according to the following principles:

SECTION I

Both tangible and intangible assets will be capitalized using the following criteria:

- a.) Land assets will always be capitalized: will be capitalized without regard to costs: and will not be depreciated.
- b.) Infrastructure will be capitalized if it has a life expectancy of five (5) years or greater and a designated value exceeding \$100,000.00.
- c.) Assets other than land or infrastructure, including leases on assets, will be capitalized as follows:

Buildings:

Building/Office	\$15,000.00	50 yrs
Building/Other	\$15,000.00	20 yrs.
Building/Improvements	\$15,000.00	20 yrs.

Administration:

Furniture	\$ 2,000.00	7 yrs.
Computers/Copiers	\$ 1,000.00	5 yrs.
Other Equipment	\$ 1,000.00	5 yrs.

Police:

Vehicles	\$ 5,000.00	5 yrs.
Equipment	\$ 1,000.00	5 yrs.

Maintenance:

Vehicles	\$ 5,000.00	4 yrs.
Equipment	\$ 1,000.00	5 yrs.

Park:

Equipment	\$ 5,000.00	10 yrs.
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- d.) Assets which are acquired with grant funding or other committed revenues and which do not meet the criteria for capitalization will nonetheless be capitalized whenever the (appropriate city official) determines it to be necessary or advisable.

SECTION II

All capitalized assets shall be recorded and inventoried on forms established by the (appropriate city official), and periodic physical inventories will be required. The separate agencies, departments, and offices shall maintain records and a physical inventory of assets in its possession which have a cost of \$1,000.00 to \$5,000.00. Assets with a value of less than \$1,000.00 should be inventoried as needed for the prudent care of City funds and property.

SECTION III

Capitalized assets, other than land, will be depreciated using the straight-line method.

SECTION IV

Capitalized assets will not be written off from the records or accounts of the City until the asset is disposed of physically.

SECTION V

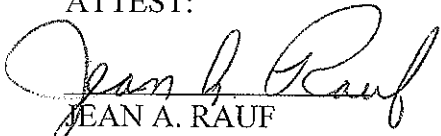
This Ordinance shall be signed by the Mayor, attested by the City Clerk/Treasurer, recorded and published. Same shall be in effect at the earliest time provided by law.

First reading this 1st day of June, 2004.

Passed on second reading this 15 day of June, 2004.


MAYOR CHARLES ROETTGER, III

ATTEST:


JEAN A. RAUF
CITY CLERK/TREASURER

Ord04.06