

Adopted: December 16, 2013

Revised: September 25, 2017

Washington County, Tennessee

Asset Accounting Policy

Accounting policies address the capitalization policy, controllable assets, and classes of property. A capital asset is defined as assets having a useful life of more than one year and a historical cost of \$10,000 or more (fair market value of donated assets). These assets will be included in the property inventory. Major additions, including those that significantly prolong a fixed asset's economic life or expand its usefulness, should be capitalized. Normal repairs that merely maintain the asset in its present condition should be recorded as expenses and should not be capitalized. Washington County does not currently own any historical art or treasures. If in the future the County acquires historical art or treasures, they will be recorded at historical costs. However, depreciation will not be required as they do not depreciate in value. The fixed asset class schedule clearly states the useful lives for each class of capital asset that will be used to determine the depreciation charge annually. These assets will be tagged according to tagging procedures laid out in the Asset Tagging Procedure.

Controllable assets are those assets that do not meet the criteria for a capital asset, usually because their historical cost is between \$1,000.00 and \$9,999.00 (fair market value of donated assets). Controllable assets are maintained for tracking purposes only. The County is responsible for including the controllable assets in the physical property inventory; however, they will not be included as depreciable assets reported in the Comprehensive Annual Financial Report. Exceptions to this rule are computers and firearms, which should be tracked regardless of historical cost. These assets will be tagged according to tagging procedures laid out in the Asset Tagging Procedure.

Assets with a historical cost less than \$1,000.00 or with a useful life of less than one year will not be included in the property inventory (fair market value of donated assets). However, if a department head feels like it is necessary to track the assets due to the sensitive, portable and/or theft-prone nature of the asset, they may keep their own listing separate from the property listing within the fixed asset system. Departments may choose to tag these items with a sticker stating Property of Washington County which must be obtained by said office.

Infrastructure assets with a value equal to or greater than \$50,000.00 will be capitalized and depreciated over their useful lives.

WASHINGTON COUNTY, TENNESSEE BOARD OF COUNTY COMMISSIONERS

RESOLUTION NO. 17-09-14

RESOLUTION AMENDING THE ASSET ACCOUNTING POLICY FOR WASHINGTON COUNTY, TENNESSEE

WHEREAS, pursuant to Resolution No. 13-11-17, the Board of County Commissioners previously adopted an Asset Accounting Policy for Washington County, Tennessee to address asset capitalization, controllable assets, and classes of property; and

WHEREAS, Washington County has historically capitalized infrastructure expenditures equal to or greater than \$50,000.00, but the Asset Accounting Policy was silent as to the capitalization of infrastructure assets; and

WHEREAS, the Tennessee Comptroller of the Treasury requests that Washington County amend its Asset Accounting Policy to provide that infrastructure assets with a value equal to or greater than \$50,000.00 will be capitalized and depreciated over their useful lives; now therefore

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF WASHINGTON COUNTY, TENNESSEE THAT:

SECTION 1. The revised Asset Accounting Policy for Washington County, Tennessee attached as Exhibit A is hereby adopted.

SECTION 2. This Resolution shall take effect from and after the date on which it is approved by the County Mayor or as indicated by certification of the County Clerk, as hereinafter set forth.

Introduced by Commissioner: *Hensley*

Seconded by Commissioner: *Carriger*

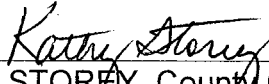
Commissioners Voting FOR: *Matherly, Storey, Hodge, McGuire, Oldham, England, Meredith, Carriger, Williams, Johnson, Chase, McAllister, Grandy, Stanton, Krieger, Ford, Larkey, Davenport, Wolfe, Light, Hensley, Boring*

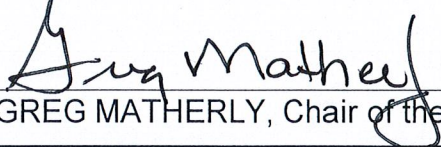
Commissioners Voting AGAINST: *None*

Commissioners Abstaining: *None*

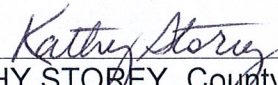
Commissioners Absent: *Humphreys, Tester, Edens*

ADOPTED BY THE COUNTY LEGISLATIVE BODY, in session duly assembled, on this the 25th day of September, 2017.

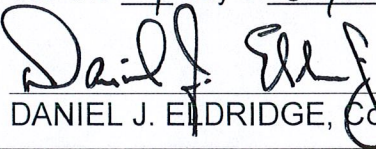

KATHY STOREY, County Clerk


GREG MATHERLY, Chair of the Board

REFERRED to County Mayor this the 29 day of Sept. 2017.


KATHY STOREY, County Clerk

APPROVED by County Mayor on this the 4 day of OCTOBER 2017.


DANIEL J. ELDRIDGE, County Mayor

The County Mayor having declined to approve this Resolution, the same became effective on the ___ day of _____ 2017, pursuant to Tennessee Code Annotated § 5-6-107(b)(5).

KATHY STOREY, County Clerk

Approved as to form by the County Attorney this 26th day of September 2017.


THOMAS J. SEELEY III, County Attorney