

HOLLY CITY DEVELOPMENT CORPORATION  
RESOLUTION 2011 - \_\_\_\_\_

**Approving the Holly City Development Corp.  
Capitalization Policy**

**WHEREAS**, the Holly City Development Corporation a New Jersey Non-Profit corporation formed through a Certificate of Incorporation executed the 26<sup>th</sup> day of August 1998, has determined a need for a Capitalization Policy to safeguard assets, enhance accountability and to provide for more accurate and uniform financial reporting;

AND WHEREAS, a Capitalization Policy will distinguish between those items that are to be expensed and those items that are to be capitalized on the general ledger;

AND WHEREAS, there is a need to provide and account for non-expendable equipment owned by the Holly City Development Corp. valued at \$1,000 or more;

AND WHEREAS, there is an ongoing need for a subsidiary ledger accounting for all listed capitalized equipment;

NOW THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF MILLVILLE that:

1. All non-expendable items with a value of \$1,000 or more and a service life of one year or more shall be capitalized on the general ledger of the authority.
2. A subsidiary ledger shall be maintained with a current status.
3. The attached Capitalization Policy is hereby adopted.

\_\_\_\_\_  
Brian Tomlin

\_\_\_\_\_  
Paula Ring

\_\_\_\_\_  
Larry Miller

\_\_\_\_\_  
James Parent

\_\_\_\_\_  
Dianne McCarthy

\_\_\_\_\_  
  
\_\_\_\_\_

Date:

\_\_\_\_\_

Attest:

\_\_\_\_\_  
Paul F. Dice, Secretary

# Holly City Development Corp

## Capitalization Policy

This Capitalization Policy is established to safeguard assets, enhance accountability and to provide for more accurate and uniform financial reporting.

1. All non-expendable equipment purchases in excess of \$1,000 for equipment, which shall be in service for one year or more shall be capitalized.
2. A record of all equipment purchases, which are to be capitalized, shall be maintained. A composite of these equipment records shall constitute a subsidiary ledger. Each equipment record shall record the manufacturer, serial number, model or type, date of purchase, inventory equipment number, source and original price.
3. All items or non-expendable equipment shall be tagged. The tag shall serve as a link between the actual piece of equipment and the equipment record to identify the equipment.