

**Approving the Millville Housing Authority's
Capitalization Policy**

WHEREAS, the Housing Authority of the City of Millville, a public body created and organized pursuant to and in accordance with the provisions of the laws of the State of New Jersey, 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 Housing Authority of the City of Millville valued at \$1,000 or more, and all ranges and refrigerators;

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

Housing Authority of the City of Millville

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 (with the exception noted in #4) 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.
4. All ranges and refrigerators owned by the Authority will be capitalized. A schedule of ranges and refrigerators shall be maintained indicating manufacturer, serial number, model number, date of purchase, original purchase price and location of each range / refrigerator.