

**TOWN OF MORINVILLE**

**POLICY**

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TITLE:	ADOPTED BY:	NUMBER:
Capital Asset Write-off Policy	Council	

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PREPARED BY:	DATE:	SUPERSEDES:
Colleen Nahernik	September 7, 2004	

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**PURPOSE OF THIS POLICY:**

To set guidelines for writing off capital assets

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**POLICY STATEMENT:**

1. The Finance Manager will prepare a list of capital items to be deleted annually.
2. This list will be reviewed by Administration for comment.
3. This list will then be presented to Council for comments and approval.

Attachment #1

Capital Write-offs in 2003

Year Purchased	Year Obsolete (best guest)	Year deleted from GL	Item	Reason for Write-off	Amount
1997-2000	2000 & 2003	2003	old computers	obsolete – destroyed	11,313.14
1997	2001	2003	old power surge protector	obsolete not working	3,500.00
1997	2001	2003	old cannon fax machine	obsolete – not working	3,501.28
1997	2000	2003	EDB computer	obsolete – not working	2,675.54
1995	1997	2003	Haarrison Murhead program immediately flawed		85,000.00
1997	2000	2003	Bellamy first computers bought with new system including server		68,160.96
1997	2001	2003	computer & scanner	obsolete not working	1,041.51
1999	2000	2003	old shop roof repairs	new roof in 2000	3,537.03
1997	1998	2003	obsolete computer equipment prior 1997	obsolete not working	1,478.05
1997	1999	2003	work done on monument prior 1997	relocated to park	1,432.50
1997	2000	2003	obsolete folding machine	obsolete – nor working	1,405.95
1997	2000	2003	computer	obsolete – not working	2,828.34
1997	2002	2003	old parking lot at arena	prior 1997 new in 2003	3,854.21
1997	2000	2003	meeting room reno's prior 1997	prior 1997 redone	566.96
1994	immediate	2003	old - arena ice plant & lights – energy conservation project – Bentley Park	everything has been replaced	150,786.08
		total			341,081.55

## ADMINISTRATIVE REPORT

Item: Policy on Capital Assets Write-offs

Policy Statement: To set guidelines for writing off capital assets.

Recommendation: That the Town of Morinville adopt the policy to eliminate obsolete items from equity

Rationale:

1. In the past only items that were sold were deleted from equity. Other items that were obsolete or destroyed were not taken off
2. Council have moved for more accountability to the rate payer and this would be presented to Council every year or if something is deigned obsolete.
3. Administration will work on obsolescence qualifiers and requisite performance measurements for capital investments.

Financial Impact: None

Suggested Resolution:

WHEREAS In the past only items that were sold were deleted from equity. Other items that were obsolete or destroyed were not taken off

WHEREAS Council have moved for more accountability to the rate payer and this would be presented to Council every year or if something is deigned obsolete;

WHEREAS Administration will work on obsolescence qualifiers and requisite performance measurements for capital investments.

NOWTHEREFORE be it resolved that the Town of Morinville adopt the policy to eliminate obsolete items from equity

Date: September 10, 2004

Meeting Date: September 14, 2004

Prepared By: Finance Manager