



Legislation Text

File #: 15-1030, Version: 1

ITEM: AUTHORIZATION OF DISPOSITION OF SURPLUS TANGIBLE PERSONAL PROPERTY

REQUEST: Authorization to approve FY 2016 disposition of surplus tangible personal property and removal of non-capitalized assets in preparation for upcoming annual audit for the year ending September 30, 2016.

EXPLANATION: Wellington conducts an annual inventory as part of the preparation for the yearly audit. The following is a summary of twenty-three (23) surplus items of tangible personal property (TPP) or fixed assets meeting disposition criteria per the Village's Purchasing and Procurement Policy Chapter 13, Section D, Exhibit A attached. The initial total purchase cost of these items was \$489,779.50 with an accumulated total depreciation of \$436,474.28, resulting in a current value of \$53,305.22.

Seven (7) assets (technical and heavy equipment) will be sold through GovDeals, the Village's approved public auction vendor. Sixteen (16) assets (computer equipment) will be recycled, utilizing a state certified recycling vendor.

METHOD OF DISPOSAL			
	By Selling	By Recycling	Total Surplus
Acquisition Cost of Items	\$103,253.26	\$386,526.24	\$489,779.50
Accumulated Depreciation	\$69,670.07	\$366,804.21	\$436,474.28
Total Net Value	\$33,583.19	\$19,722.03	\$53,305.22

In addition, the Village's capital existing asset listing was reviewed and fully depreciated assets that are considered not capitalizable were identified. This review resulted in the removal of four (4) items with a cost of \$3,987,227.53, Exhibit B attached. These assets have been fully depreciated and the book value for these assets is \$0, so there is no fiscal impact to the fund financial statements.

Surplus TPP or fixed assets are identified annually as part of a Village-wide departmental inventory and condition assessment. A master list of these fixed assets, verified by OFMB, is categorized as no longer useful or to be exchanged for a new purchase/replacement.

Staff requests authorization to approve the FY 2016 disposition of surplus tangible personal property and removal of non-capitalized assets as part of our preparation for the annual audit.

BUDGET AMENDMENT REQUIRED: NO

PUBLIC HEARING: NO

QUASI-JUDICIAL:

FIRST READING:

SECOND READING:

LEGAL SUFFICIENCY: YES

FISCAL IMPACT: Revenues are anticipated as a result of surplus tangible personal property sold. Proceeds are posted as miscellaneous revenue. The review leading to these recommendations is part of our preparation for the annual audit.

WELLINGTON FUNDAMENTAL: Responsive Government

RECOMMENDATION: Authorization to approve FY 2016 disposition of surplus tangible personal property and removal of non-capitalized assets in preparation for upcoming annual audit for the year ending September 30, 2016.