

## MEMORANDUM

**TO:** Governing Board Members  
**FROM:** Douglas Bergstrom, Division Director, Administrative Services  
**DATE:** January 12, 2012  
**SUBJECT:** 2011 Disposition of Fixed Assets Report

### **Background:**

In accordance with Florida Statutes, the Governing Board has the authority and responsibility over the acquisition, management, and disposal of all District fixed assets. A "fixed asset" is defined as any item of property that is tangible in nature, costs \$1,000 or more, and has a useful life of more than one year.

The Governing Board has delegated control over District fixed assets to the Executive Director and the Division Director of Administrative Services. Throughout the year, the Division Director authorizes the disposal of fixed assets that have been reviewed and evaluated by the District's fixed asset managers under the supervision of the General Services Section Administrator.

In fiscal year 2011, a total of 328 fixed assets were retired from the District's inventory records. Disposed assets this year include the King Air plane, antiquated computer related items and peripherals, vehicles, communications equipment, various monitoring devices, and miscellaneous small equipment. A detailed schedule of all fixed assets retired in FY2011 is available on CD in the District's Clerk's Office.

### **How this helps meet the District's 10 Year Strategic Plan:**

The timely removal of obsolete, damaged, lost, or stolen assets from the District inventory records is an agency "best practice" and is required in accordance with statutory guidelines and District policies and procedures.

### **Funding Source:**

In fiscal year 2011, 328 fixed assets with a depreciated value of \$449,425 were disposed. The District received value of \$1,079,393 on the disposal of these assets resulting in a net gain of \$629,968.

### **This Board item impacts what areas of the District, both resource areas and geography:**

Each year, assets are retired throughout the District's sixteen county region from each of the District's resource/program areas. The process of asset retirement is centralized within the General Services Section.

### **What concerns could this Board item raise?**

Maintaining a complete and accurate accounting for fixed assets is fundamental to sound financial management. Without proper safeguards, standards, and policies in place over the acquisition, management, and disposal of District property, the Governing Board would be at risk of jeopardizing public trust and taxpayer resources.

### **Why should the Governing Board approve this item?**

The Governing Board has the ultimate authority and responsibility for the acquisition, management and disposal of District fixed assets. Chapter 274.07, Florida Statutes and the District fixed asset policy (Article V, Section 110-66) require the disposition of all fixed assets to be recorded in the minutes of the Governing Board on an annual basis.

If you have any questions, please do not hesitate to call me at ext. 6214.

Attachment - Resolution