



Yolo County Housing

Lisa A. Baker, Executive Director

147 W. Main Street
WOODLAND, CA 95695

Woodland: (530) 662-5428
Sacramento: (916) 444-8982
TTY: (800) 545-1833, ext. 626

BOARD OF COMMISSIONERS

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DATE: August 7, 2008
TO: YCH Board of Commissioners
FROM: Lisa A. Baker, Executive Director
PREPARED BY: Mark Stern, Finance Director
SUBJECT: **APPROVE WRITE-OFF OF CAPITALIZED ITEMS THAT FAIL TO MEET THE CAPITALIZATION THRESHOLD**

RECOMMENDED ACTIONS:

That the Board of Commissioners:

1. Approve the write-off of items included in the Fixed Asset Schedule that do not meet the cost threshold established by the amended policy.
2. Approve the write-off of assets included in the Fixed Asset Schedule that were previously disposed but not removed from the Fixed Asset Schedule.

BACKGROUND / DISCUSSION

Staff is recommending the write-off of two groups of fixed assets – those that don't meet the capitalization threshold of the amended Fixed Asset Capitalization Policy and those that are no longer owned by the Agency:

1. The current fixed asset listing includes many items that do not meet the individual threshold for cost established by policy. Most of these items were purchased several years ago and are fully depreciated. Removal of the items will result in a more manageable Fixed Asset Schedule that complies with the amended Asset Capitalization Policy. The list of items staff recommends for write-off is attached. The recommended list of assets includes only those in the LIPH program. As of June 30, 2008 YCH is required to record fixed assets by AMP to comply with the regulations that created the Asset Management Program. This write-off will aid in our compliance with the HUD Asset Management requirements.
2. In July, 2001 YCH completed a deal that swapped ownership of developments 44-03 and 44-09 in exchange for the Las Casitas development in West Sacramento. After this deal was completed, all of the assets of the 44-03 and 44-09 developments should have been removed from the Fixed Asset Schedule. This write-off will remove those improvements that YCH no longer owns.

FISCAL IMPACT

1. The effect on the 2007-2008 financial statements will be loss on disposal of assets of \$5,199.
2. The effect on the 2007-2008 financial statements will be a prior period adjustment of \$267,398. There will be no effect on the 2007-2008 operating results but there will be a negative impact on the LIPH fund balance.

CONCLUSION

Staff recommends that the Board approve the June 30, 2008 write-off of the assets described above and itemized on the list attached.

**Yolo County Housing
Fixed Assets Proposed for Write-Off
As Of 6/30/2008**

Site	Category	Description	Book Date	Life in years	Life in Months	Adjusted Historical Costs	Accumulated	Net Book
							Depreciation as of 6/30/2007	Value as of 6/30/2007
44-99	Computers	computer training table (8)	08/27/99	5	60	1,994	1,994	0
44-99	Computers	hp laser jet printer (9)	07/25/00	3	36	3,472	3,472	0
44-99	Computers	computer equ	09/21/00	3	36	3,523	3,523	0
44-99	Computers	(update and expand computer system)	09/30/00	5	60	38,183	38,183	0
44-99	Computers	digital camera	10/01/00	3	36	566	566	0
44-99	Computers	computer equ winters	10/23/00	3	36	697	697	0
44-99	Computers	computer equ west sac	10/23/00	3	36	3,837	3,837	0
44-99	Computers	computer hard drive	10/23/00	3	36	5,963	5,963	0
44-99	Computers	hp laser jet printer (6)	11/06/00	3	36	2,262	2,262	0
44-99	Computers	external key board	02/05/01	3	36	761	761	0
44-99	Computers	digital camera	08/08/01	3	36	451	451	0
44-99	Computers	digital camera	08/08/01	3	36	451	451	0
44-99	Computers	(update and expand computer system)	09/30/01	5	60	53,784	53,784	0
44-99	Computers	hp laser jet printer	12/21/01	3	36	0	0	0
44-99	Computers	2 Dell Computer Stations	01/28/02	3	36	2,665	2,665	0
44-99	Computers	Sony Digital Camara	04/08/02	3	36	291	291	0
44-99	Computers	hp laser jet printer	07/01/02	3	36	431	431	0
44-99	Computers	6 computer station conn	09/09/02	3	36	2,335	2,335	0
44-99	Computers	power pack for computer system	09/09/02	3	36	3,101	3,101	0
44-99	Computers	15 connect cojputer stations	09/09/02	3	36	5,015	5,015	0
44-99	Computers	software for scanner	09/09/02	3	36	8,988	8,988	0
44-99	Computers	14 dell computer stations	09/09/02	3	36	16,907	16,907	0
44-99	Computers	(update and expand computer system)	09/30/02	5	60	0	0	0
44-99	Computers	Sony Mavica Digital Camarea	04/02/03	3	36	329	329	0
	Computers	Wireless Printer	04/20/05	3	36	818	818	0
	Computers	Computers	06/28/05	3	36	1,124	1,124	0
	Computers	Computers	06/28/05	3	36	1,124	1,124	0
	Computers	Computers	06/28/05	3	36	2,247	2,247	0
44-02	Improvements	(tree trimming)	09/30/93	3	36	3,950	3,950	0
44-06	Improvements	(tree trimming)	09/30/93	3	36	2,240	2,240	0
44-99	n/a-write off	(30 ref units)	09/30/95	7	84	0	0	0
44-99	n/a-write off	(33 ref units)	09/30/96	7	84	13,513	13,513	0
44-99	n/a-write off	(63 range units)	09/30/96	7	84	20,789	20,789	0
44-99	n/a-write off	(26 range units)	09/30/97	7	84	8,590	8,590	0
44-99	n/a-write off	(52ref units)	09/30/97	7	84	20,022	20,022	0
44-18	n/a-write off	Structure Imp.	09/30/98	15	180	5,924	3,456	2,468
44-99	n/a-write off	(9 range units)	09/30/98	7	84	2,923	2,923	(0)
44-99	n/a-write off	(10 ref units)	09/30/98	7	84	2,924	2,924	0
44-99	n/a-write off	tools	09/30/98	5	60	3,103	3,103	0
44-99	n/a-write off	desk cornerstone collection	07/15/99	5	60	329	329	0
	n/a-write off	brush cutter	08/17/99	5	60	350	350	0
	n/a-write off	chain saw	08/17/99	5	60	252	252	0
	n/a-write off	trimmer mower	08/18/99	5	60	780	780	0
44-99	n/a-write off	(6 range untist)	09/09/99	7	84	1,718	1,718	0
44-99	n/a-write off	(8 ref units)	09/30/99	7	84	3,472	3,472	0
44-99	n/a-write off	(10 ref units)	09/30/99	7	84	4,129	4,129	0
44-99	n/a-write off	(8 range units)	09/30/99	7	84	7,851	7,851	0
44-99	n/a-write off	tools	09/30/99	5	60	2,500	2,500	0
44-99	n/a-write off	(12 range units)	01/21/00	7	84	3,067	3,067	0
44-99	n/a-write off	(12 ref units)	01/21/00	7	84	4,505	4,505	0
44-99	n/a-write off	(12 range units)	02/01/00	7	84	3,385	3,385	(0)
44-99	n/a-write off	(21 refrigerators)	07/01/00	7	84	7,937	7,934	3
44-99	n/a-write off	tools	09/30/00	5	60	1,430	1,430	0
44-99	n/a-write off	legal file cabinet	08/08/01	5	60	161	161	0
44-99	n/a-write off	20 chairs	08/08/01	3	36	177	177	0
44-99	n/a-write off	desk cornerstone collection	08/08/01	5	60	177	177	0
44-99	n/a-write off	storage cabinet black	08/08/01	5	60	193	193	0
44-99	n/a-write off	(30 range units)	09/30/01	7	84	7,202	5,916	1,286
44-99	n/a-write off	(30ref units)	09/30/01	7	84	8,068	6,627	1,441
44-99	n/a-write off	maintenance equiptment	09/30/01	5	60	8,096	8,096	0

44-99	n/a-write off	back pack blower	10/18/01	5	60	0	0	0
44-99	n/a-write off	deluxe edger	10/18/01	5	60	408	408	0
44-99	n/a-write off	office chair	10/30/01	5	60	106	106	0
44-99	n/a-write off	15 " commercial vacuum	12/31/01	5	60	965	965	0
44-99	n/a-write off	fax machine	02/28/02	3	36	215	215	0
44-99	n/a-write off	10 banquet tables	04/02/02	5	60	526	526	0
44-99	n/a-write off	Back Blower	04/08/02	5	60	431	431	0
44-99	n/a-write off	file cabinet	04/10/02	10	120	0	0	0
44-99	n/a-write off	4 drawer vertical file cab	07/01/02	5	60	108	108	0
44-99	n/a-write off	2 drawer legal file cab	07/01/02	5	60	129	129	0
44-99	n/a-write off	17 " 175r floor machine	09/09/02	3	36	649	649	0
44-99	n/a-write off	walk mown	09/09/02	3	36	662	662	0
44-99	n/a-write off	overhead projector	09/09/02	3	36	1,152	1,152	0
44-99	n/a-write off	(12 range units)	09/30/02	7	84	(0)	(0)	(0)
44-99	n/a-write off	(12 ref units)	09/30/02	7	84	0	0	0
44-99	n/a-write off	Pallet Truck	04/01/03	5	60	432	432	0
44-99	n/a-write off	Sti ms250 Chain Saw	06/18/03	5	60	294	294	0
	n/a-write off	Refrigerator	03/17/05	3	36	858	858	0
						<u>318,012</u>	<u>312,813</u>	<u>5,199</u>

44-03	Improvements		09/30/95	15	180	376,212	294,699	81,513
44-03	Improvements		09/30/96	15	180	947	947	0
44-03	Improvements		09/30/96	15	180	370,793	265,735	105,058
44-09	Improvements		09/30/95	15	180	53,474	41,888	11,586
44-09	Improvements		09/30/95	15	180	319,574	250,333	69,241
						<u>1,121,000</u>	<u>853,602</u>	<u>267,398</u>