

RESOLUTION NO. 2016-07-582R

A RESOLUTION DEFINING FIXED ASSETS IN THE  
CITY OF TONTITOWN, ARKANSAS

**WHEREAS**, the City Council finds it to be in the best interest of the City to define fixed assets, also referred to as capital assets;

**NOW, THEREFOR, BE IT RESOLVED** by the City Council of the City of Tontitown, Arkansas;

Section One: A fixed asset, also referred to as a capital asset, is hereby defined as an asset of durable nature, which is expected to have a useful life of five years or more, and includes such assets as land, land improvements, including infrastructure, buildings, equipment, furniture, tools, ext., but not including computer software;


Section Two: Historical cost is hereby defined as the usual basis for valuing fixed assets, and is measured by the cash price of obtaining the asset and getting it ready for its intended use;

Section Three: The purchase price, freight, sales tax, and installation costs are all considered part of the cost of a fixed asset;

Section Four: Assets acquired by gift are valued at their fair market value or appraised value on the date of acquisition;

Section Five: A record of assets having a purchase price of fair market value of \$1,000.00 or more will be maintained in the City's accounting fixed asset inventory

PASSED AND APPROVED this 5th day of July, 2016

  
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Paul Colvin Jr., Mayor

ATTEST:

  
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Rhonda Ardemagni, Recorder/Treasurer