

Sandy City Council
Legislative Policies and Procedures

Original Approval Date: New Policy

Revision: A - draft

Chapter:

Section:

Date Council Approved:

SUBJECT: Infrastructure Stewardship

BACKGROUND:

Sandy City has a significant investment in capital assets and infrastructure. It takes its stewardship of the public assets seriously and desires to maintain them in a condition that provides a benefit to its businesses and residents in an improved quality of life.

The City provides financial and other information according to standards promulgated by the Government Accounting Standards Board (GASB). GASB 34 – Basic Financial Statements provides a framework for managing the City’s infrastructure stewardship. Because the City has some flexibility in classifying and reporting infrastructure assets, this framework has been used mainly for surface transportation infrastructure (roads, sidewalks, street signs, etc.) The City Council sees values in extending the application of this framework to all infrastructure investments the City manages. By doing so, the City Council believes information will be made available that its citizens, City administration, itself (the City Council) and interested outside parties will find useful for decision-making, and will demonstrate the City’s appropriate discharge of its stewardship duties with respect to the infrastructure assets.

POLICY:

1. Regardless of their current treatment for financial statement reporting purposes, City Administration shall implement the Modified Approach for capital asset reporting as described in GASB 34. Specifically, each fund or department with capital asset responsibilities shall
 - a. Develop an inventory of its infrastructure assets and categorize them in a manner that facilitates meaningful condition assessments;
 - b. Develop condition assessment parameters and criteria for determining “percent good”;
 - c. Develop condition maintenance standard(s) that may be implemented as policy;
 - d. Develop annual estimates of the amount necessary to maintain the capital assets at the policy condition level, or to raise the condition level if necessary.
2. The condition assessments and maintenance estimates shall be incorporated into the City’s budget document by the second budget year after adoption of this policy.