

SHA Resolution No. 2321

A RESOLUTION AMENDING THE HOUSING AUTHORITY CAPITALIZATION POLICY

Whereas, the Housing Authority of the City of Salem, Oregon, last revised its Capitalization Policy on October 1, 2018, through adoption of resolution No. 2235; and

Whereas, in accordance with Generally Accepted Accounting Principles (GAAP) require the Housing Authority to establish and follow criteria for the capitalization of non-expendable assets for purposes of inventory control and systematic allocation of the depreciable amount of an asset over its useful life; and

Whereas, the Housing Authority's current policy defines a "non-expendable capital" asset as having a unit cost of \$3,000 or more;

Whereas, the Housing Authority financial auditor review has recommended increasing "non-expendable capital" limits to \$5,000 as a more useful threshold for inventory purposes, to better capture the true costs of capital expenditures and eliminate the capitalization of items such as unit flooring;

NOW, THEREFORE, THE HOUSING AUTHORITY OF THE CITY OF SALEM, OREGON,
RESOLVES AS FOLLOWS:

Section 1. Resolution No. 2235 is hereby rescinded upon the effective date set forth in section 3 below.

Section 2. The attached Capitalization Policy, Exhibit A, replaces all prior versions of the Housing Authority's Capitalization Policy.

Section 3. Effective Date. This resolution shall become effective on February 1, 2026.

ADOPTED by the Commission of the Housing Authority of the City of Salem this 26th day of January, 2026.

ATTEST:

Recording Secretary

Approved by City Attorney: _____

Checked by: N. Utz