

**SILVER LAKE WATER AND SEWER DISTRICT  
SNOHOMISH COUNTY, WASHINGTON  
RESOLUTION NO. 796**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SILVER LAKE WATER AND SEWER DISTRICT, SNOHOMISH COUNTY, WASHINGTON, AMENDING CHAPTER 4.15 ENTITLED “GENERAL FIXED ASSETS” OF THE DISTRICT CODE.**

**WHEREAS**, the Board of Commissioners adopted Resolution No. 755, establishing General Fixed Asset Policies on March 8, 2018; and

**WHEREAS**, the Washington State Auditor’s Office has applied new auditing approaches to the District’s investment in General Fixed Assets and Accumulated Depreciation with respect to water services (water meters) and hydrants; and,

**WHEREAS**, the Washington State Auditor’s Office has written a Management Letter opinion that the District would have to change accounting and tracking purposes with respect to the District’s reporting of water services (water meters) and hydrants with respect to replacements that would require individual fixed asset tracking of each water service and hydrant within the District’s fixed asset subsidiary ledger; and,

**WHEREAS**, such tracking would incur significant expense beyond the value of the specific assets being tracked; now, therefore,

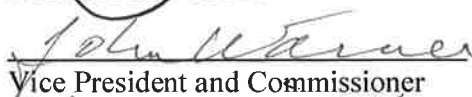
**BE IT RESOLVED** by the Board of Commissioners of the Silver Lake Water and Sewer District, Snohomish County, Washington as follows:


**Section 1:** Chapter 4.15 of the District’s Code, entitled “General Fixed Assets” is hereby amended as set forth in Exhibit 1 attached hereto and incorporated by reference.

**Section 2:** This resolution shall be effective on May 14, 2020, with the new Accounting Fixed Asset Policies applied to the District’s General Purpose Financial Statements, for the fiscal year ended December 31, 2019.

**ADOPTED** by the Board of Commissioners at a regular meeting of the Silver Lake Water and Sewer District, Snohomish County, Washington this 14<sup>th</sup> day of May, 2020.

  
\_\_\_\_\_  
President and Commissioner

  
\_\_\_\_\_  
Vice President and Commissioner

  
\_\_\_\_\_  
Secretary and Commissioner

## **CERTIFICATION**

I, the undersigned, Secretary of the Board of Commissioners of Silver Lake Water and Sewer District, Snohomish County, Washington (the "District"), hereby certify as follows:

1. The attached copy of Resolution No. 796 (the "Resolution") is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board of Commissioners of the District, held at the regular meeting place thereof on February 13, 2020, as that Resolution appears on the minute book of the District; and the Resolution will be in full force and effect immediately following its adoption; and

2. A quorum of the members of the Board of Commissioners was present throughout the meeting and a majority of those members present voted in the proper manner for the adoption of the Resolution.

**IN WITNESS WHEREOF**, I have hereunto set my hand this 14<sup>th</sup> day of May, 2020.

**SILVER LAKE WATER AND SEWER DISTRICT,  
SNOHOMISH COUNTY, WASHINGTON**

A handwritten signature in cursive script, reading "Shauna Willner", written over a horizontal line.

Shauna Willner, Secretary

## **EXHIBIT 1 TO RESOLUTION NO. 796**

### **Amended Subsections: 4.15.010 General Fixed Assets** Section 6

### **4.15.070 Depreciation of General Fixed Assets** Sections 1 through 12

#### **4.15.010 General Fixed Assets**

(6) New water meters, water service, and hydrants included as a component part of a District capital project or included as a component part of a donated water system by a Developer (Bill of Sale) has been considered as part of the capital project/donated system and depreciated with the respective infrastructure. New water meters or water service with a value of less than \$5,000 shall not be considered a capital asset. Water meter, water services, and hydrants that are replacing existing infrastructure, shall be expensed.

~~(6) Water meters and services initially purchased by the District shall be a General Fixed Asset and capitalized over their respective useful life~~

#### **4.15.070 Depreciation of General Fixed Assets**

All assets shall be depreciated using the straight line method of depreciation. The District shall use the IRS Publication 946 Table of Class Lives and Recovery Periods or as such publication is updated, modified, or amended, to determine the life of acquired assets. The estimated life of District assets at the time of acquisition is set forth below:

Computer Software	3 years
Office Equipment, Electrical	5 - 7 years
Office Furniture, Fixtures, and Equipment, Non-Electrical	10 years
Shop Tools	10 years
Telemetry/SCADA	10 years
Vehicles	10 years
Lift Station, Electrical & Mechanical	20 years
Lift Station Structures	30 years
Water Pump Equipment	40 years
Wastewater Services	50 years

Wastewater Concrete Mains	50 years
<del>Water Hydrants</del>	<del>50 years</del>
Wastewater Cast Iron, Ductile Iron, and PVC Mains	75 years
<del>Water Services</del>	<del>75 years</del>
Reservoir Structures and Improvements	75 years
Water Cast Iron, Ductile Iron, and PVC Mains	75 years