

# Livermore Area Recreation and Park District

## Staff Report

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TO: Chair Palajac and Board of Directors

FROM: Jeff Schneider, Administrative Services Manager

PREPARED BY: Marilyn Youngman, Accounting Assistant

DATE: March 11, 2020

SUBJECT: Consent Item - Board Resolution Deleting Certain Fixed Assets

COMMITTEE: On March 2, 2020, the Finance Committee Recommended Approval

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**RECOMMENDATION:** That the Board of Directors adopt Resolution \_\_\_\_\_ to delete certain fixed assets, documented herein, from District inventory.

**BACKGROUND:** Periodically, staff reviews the District's capital equipment inventory to confirm that it is in good operating condition. In cases where equipment is beyond economic repair, staff will recommend that the Board approve disposing of such assets per Board Policy No. FIN-98-52798 (Deaccession Policy, attached).

In this case, and in line with the Board's July 10, 2019 approval of the District's proposed fleet management program with Enterprise Fleet Management (EFM), the District is recommending the disposal of 20 vehicles that have been replaced by new, leased vehicles based on the agreed-upon terms of the District's EFM agreement.

The District proposes to delete these vehicles from inventory and to utilize EFM's resources to sell them at a cost of \$500 per vehicle (the District will realize the net proceeds from these sales).

<u>Vehicle/Equipment</u>	<u>Date Purchased</u>	<u>Original Cost</u>	<u>Net Book Value</u>	<u>Reason</u>	<u>Out of Service Date</u>	<u>Disposition</u>
2000 Ford Taurus Wagon V093	03/1/2000	\$17,719.54	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
Reman 3.0L Engine for V093	09/15/2015	\$6139.62	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2000 Chevrolet C-2500 Ext. Cab V095	06/22/2000	\$20,857.57	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2000 Chevrolet C-2500 Ext. Cab V096	07/06/2000	\$21,284.45	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2001 Chevrolet Silverado V003	01/03/2002	\$27,053.61	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM

<u>Vehicle/Equipment</u>	<u>Date Purchased</u>	<u>Original Cost</u>	<u>Net Book Value</u>	<u>Reason</u>	<u>Out of Service Date</u>	<u>Disposition</u>
2002 Dodge Ram 3500 V004	06/25/2002	\$24,057.93	\$0.00	Age/Condition; Replaced by Leased Vehicle	Pending	To be sold by EFM
2003 Chevrolet S10 Ext. Cab V008	05/07/2003	\$13,664.73	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2003 Ford Bi-Fuel F150 Ext-Cab V010	08/01/2003	\$22,934.06	\$0.00	Age/Condition; Replaced by Leased Vehicle	10/07/2019	To be sold by EFM
2003 Ford Bi-Fuel F150 Ext. Cab V011	08/01/2003	\$22,934.06	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2007 Ford F250 4x2 SUPERCAB V013	11/13/2006	\$25,560.53	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2007 Ford F250 4x2 SUPERCAB V014	11/13/2006	\$25,560.53	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2007 Ford F250 4x2 SUPERCAB V015	11/13/2006	\$25,560.53	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2007 Ford F250 4x2 SUPERCAB V016	11/13/2006	\$25,560.53	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2007 Ford F250 4x2 SUPERCAB V017	11/13/2006	\$25,560.53	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2007 Chevrolet Colorado Mini-Pick Up V018	12/27/2006	\$16,334.49	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2008 Ford F250 4x2 SUPERCAB V019	02/20/2008	\$26,224.10	\$0.00	Age/Condition; Replaced by Leased Vehicle	10/07/2019	To be sold by EFM
2008 Ford F250 4x2 SUPERCAB V020	02/20/2008	\$26,224.10	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2009 Ford Escape & Stereo Kit V024	11/24/2008	\$21,310.36	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2009 Ford F250 SUPERCAB V025	01/06/2009	\$26,129.36	\$0.00	Age/Condition; Replaced by Leased Vehicle	12/01/2019	To be sold by EFM
2008 Ford Van E-350 XLT V021	03/11/2008	\$25,825.68	\$0.00	Age/Condition; Replaced by Leased Vehicle	Pending	To be sold by EFM
2008 Ford Van E-350 XLT V022	03/11/2008	\$25,825.68	\$0.00	Age/Condition; Replaced by Leased Vehicle	Pending	To be sold by EFM
<b>TOTALS:</b>		\$472,321.99				



**Livermore Area  
Recreation & Park District**  
*An independent special district*

Policy No. FIN-98-52798

## DEACCESSION POLICY

PURPOSE OF POLICY	To provide for the permanent removal of an item from the District's collection
POLICY SUMMARY	This policy establishes criteria, procedures and methods of disposal and governs the use of monies realized from deaccession of items.
APPROVAL	Board of Directors, May 27, 1998

Deaccessioning is the process by which an item may be permanently removed from the District's collection. An object or group of objects may be considered for deaccession if it meets one or more of the following criteria:

### Criteria

1. The object creates danger to the health, safety or welfare of the general public, District staff or other objects in the collection of the District.
2. The object is one which the District is unable to store, exhibit or preserve properly.
3. The object is beyond repair, or proper repairs either are not feasible or will render the object essentially false.
4. The object cannot be properly preserved or restored without unreasonable expense to LARPD.
5. The object is duplicated in the collection, and the number of duplicate objects exceeds the foreseeable requirements of the District.
6. A similar but superior example exists in the collection.
7. The object is a fragment or portion of a set that could only be used meaningfully as a whole.
8. The object is not associated with the history of Livermore, the Livermore Valley, or does not pertain to the proper time period for the site.
9. The object is not appropriate for interpretive needs in the foreseeable future.

10. The object is one for which possession is found to be inappropriate for ethical or legal reasons, such as stolen work, work illegally exported or imported, or work acquired in violation of applicable state and federal laws.

### **Procedures**

1. The District staff identify a potential deaccession object.
2. The District staff ascertain, with the advice of legal counsel if necessary, that no legal restriction prevents disposal.
3. The District staff consult with appropriate experts in the field to determine fair market value of the object and assess its condition.
4. The District staff submit a recommendation to the General Manager in writing stating reasons for deaccession.
5. The General Manager shall review the recommendation and, if he/she concurs with the recommendation, do one of the following:
  - a) For items with a fair market value of less than \$500, authorize staff to continue with the deaccession process and dispose of items according to the disposal guidelines set forth in this policy.
  - b) For items with a fair market value of greater than \$500, present the recommendation for approval by the Board of Directors before proceeding with disposal of the object.

### **Method of Disposal**

Staff is authorized to dispose of objects approved for deaccession according to the following guidelines:

1. The District staff will attempt to return the object to its donor family if the name and current address thereof are known or ascertainable.
2. Attempt to either sell the object to another museum or educational institution, or exchange with another museum or educational institution, objects having approximately equal intrinsic and monetary value.
3. If an exchange cannot be made, in special cases where the public interest would be better served, an object may be transferred to another museum or educational institution.
4. If placement at another museum or educational institution is not possible, the object may be offered for sale through a reputable dealer and/or auctioneer at public auction.
5. Staff shall diligently attempt to sell or exchange the object in accordance with the provisions relating to sale and exchange unless, in the exercise of sound discretion, the staff determines that a) the object has absolutely no value whatsoever for sale or exchange purposes or b) that administrative cost or expense of attempting to sell or exchange the object equals or exceeds the value which may otherwise be derived.
6. An object which has deteriorated beyond repair, has no further value to the collections or educational programs, and which cannot be exchanged, transferred or sold will be destroyed.

7. No object deaccessioned by the District may be acquired directly or indirectly at the time of the deaccession by any member of the District staff or board of directors or their immediate families except at public auction.

**Disposition of Funds**

Monies realized from deaccession of items will be placed in restricted accounts and must be used to acquire other works for the same department or area. No other use of deaccession funds will be allowed.

Board of Directors  
May 27, 1998

**THE BOARD OF DIRECTORS  
OF THE  
LIVERMORE AREA RECREATION AND PARK DISTRICT**

**RESOLUTION NO. 2684**

**A RESOLUTION APPROVING THE DELETION  
OF CERTAIN FIXED ASSET EQUIPMENT FROM THE DISTRICT'S RECORDS**

*WHEREAS*, the Livermore Area Recreation and Park District owns fixed assets; and

*WHEREAS*, it has been determined that certain District fixed assets are surplus to District needs,

*NOW THEREFORE BE IT RESOLVED* that the Board of Directors, as the governing body of the Livermore Area Recreation and Park District, does hereby authorize the deletion from the District records of certain surplus fixed assets as attached hereto and made a part hereof.

*ON MOTION* of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing resolution was passed and adopted this 11<sup>th</sup> day of March, 2020 by the following roll call vote:

**AYES:**

**NOES:**

**ABSTENTIONS:**

**ABSENT:**

Approved this 11th day of March, 2020,

\_\_\_\_\_  
Jan Palajac  
Chair, Board of Directors

ATTEST:

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Mathew L. Fuzie  
General Manager and ex-officio Clerk  
to the Board of Directors