

## SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	3250 – SEWER SYSTEM CONTRIBUTIONS AND BILLS OF SALE		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	11/02/17
Resolution No.	15-23 17-34	Revised:	

### **PURPOSE**

The purpose of this policy is to provide a mechanism for the acceptance of developer installed and contributed sewer assets and capitalization of said assets as part of the District's financial management process.

### **POLICY STATEMENT**

#### Section 1: General

The District may accept from a Developer any amount of money or other property contributed to the District so long as the purpose of the contribution is to provide for the expansion, improvement or replacement of the District's sewer collection system. After acceptance, the contributed assets will be added to the District's fixed assets and depreciated in accordance with Generally Accepted Accounting Principles (GAAP).

#### Section 2: Bill of Sale

Upon completion of a developer-funded, installed and contributed project, the Board may accept a Bill of Sale from said developer for the contributed capital. Staff will present said Bill of Sale for acceptance during a regularly scheduled meeting of the Board of Directors. Said Bill of Sale will recognize the book value of the assets to be contributed. The book value of the assets will be determined from a schedule of values calculated in accordance with Policy 3251 – Recordation of Assets for Depreciation Purposes and recorded in the financial management system so that it may be depreciated.

#### Section 3: Acceptance of Irrevocable Offers of Dedication or Easements

Per Policy No. 3215, Real Property Acceptance, the General Manager is authorized by the Board of Directors to accept all the conveyance of real property, including all Rights-of-Way, Fee Title and Easements and to consent to the recordation thereof.

#### Section 4: Refund, Credit or Reimbursement Agreements

All Refund, Credit or Reimbursement Agreements for the cost of construction of the trunk sewer upgrades and expansion facilities that have been identified by the District as necessary to serve new development within the District's service area boundaries shall be approved by resolution or motion of the Board of Directors at the time of the Bill of Sale. No Refund, Credit or Reimbursement Agreements will be allowed after the assets have been contributed and a Bill of Sale has been accepted by the Board.