

EXHIBIT A

NORTH BEACH WATER DISTRICT

SMALL AND ATTRACTIVE ASSET INVENTORY POLICY

The following policies and procedures document a small and attractive asset inventory system designed to ensure controls over items that might not be noticed immediately if they become missing. The intent of this policy is to obtain accountability over purchases that do not meet the criteria of a fixed asset and would NOT be noticed immediately upon disappearance or replacement.

SECTION 1. POLICY

It is the policy of North Beach Water District to maintain accountability over all tangible items and equipment that may have the likelihood of going missing without being noticed. The District's shall maintain records to be verified by a physical inventory at minimum once per year and provide such list to the General Manager for monitoring differences between years.

SECTION 2. PURPOSE

A Small and Attractive Asset Inventory System gathers information creating an investigation process for items or equipment missing that would otherwise not be noticed. The System should provide adequate stewardship over its resources through control and accountability.

A. General

A small and attractive asset is an item and/or equipment with: 1) asset value cost between two hundred (\$200) and five thousand dollars (\$5,000), 2) a useful life of one or more years and 3) considered sensitive and requiring property control. Examples include, but are not limited to: portable cameras, laptops, scanners, small tools and equipment.

B. Responsibility of Department Supervisors

1) Each Department Supervisor, or their designee, shall prepare an inventory of record annually of all small and attractive assets. A record of the inventory shall be provided to the General Manager by January 31st each year. The General Manager shall present the record for review by the Board of Commissioners for review at the February Regular Meeting.

2) Items or equipment that cannot be accounted for through the annual monitoring process should be reported to the General Manager and Pacific County Sheriff's Department or designated law enforcement service provider.

SECTION 3. PROCEDURES

A. Additions to the Small and Attractive Asset Inventory of Record:

The District may acquire small and attractive items or equipment through purchase, construction, donation or lease. Once a small and attractive item is received, Department Supervisor, or designee, shall add the item to the respective small and attractive asset inventory of record as follows:

1) The record of inventory shall contain a written description of the item(s) and a serial number, model number or other identifying information.

2) Whenever feasible, each item shall be engraved or marked with North Beach Water District's name. Such marking shall be removed or obliterated only when the item has been discarded, destroyed, no longer property of the District's or otherwise disposed of.

B. Deletions from the Small and Attractive Asset Inventory of Record:

If a previously acquired item is discarded, destroyed, no longer property of the District's or otherwise disposed of; the item should be deleted from the Small and Attractive Asset Inventory of Record as follows:

1) The Department Supervisor is the only one in position to trigger removal from the Small and Attractive Asset Inventory of Record.

2) If removed, the Department Supervisor must record the reason and/or means of the item deletion on the record of inventory.

3) Deletions due to a loss from natural disasters should be reported to the District's insurance provider for potent