



Section: Inventory Policy *NEW*

Date Approved: April 21, 2026

PURPOSE:

The purpose of this policy is to ensure that inventory is properly tracked, safeguarded, and reported in a cost-effective and practical manner.

SCOPE:

The policy applies to all municipal inventory, primarily managed by:

- Public Works
- Utilities

DEFINITIONS OF INVENTORY:

Inventory includes items held for municipal operations, such as:

- Fuel
- Small parts and maintenance supplies

Inventory does not include equipment or assets recorded under the Tangible Capital Asset Policy.

POLICY STATEMENT:

The Municipality will:

- Maintain simple, reliable inventory records
- Conduct regular physical checks of key inventory items
- Avoid overstocking while ensuring critical supplies are available
- Follow practical controls appropriate to the size of the organization

INVENTORY VALUATION:

- Inventory will be recorded at cost (purchase price)
- Inventory will be written down if it becomes obsolete or unusable
- Due to operational simplicity, the Municipality will use:
 - Weighted average cost or
 - Most recent purchase price (for low-value items)

INVENTORY CONTROL PROCEDURES:

Record Keeping:

- A simple tracking method can be used
le: Spreadsheet, log book, etc.
- Only material inventory items such as fuel must be tracked formally
- Minor supplies may be expensed when purchased

PHYSICAL COUNTS:

- A physical count shall be performed:
 - At least once per year
 - Preferably before financial statement preparation
- High use items (ie: fuel, road materials) should be visually checked periodically

STORAGE AND SAFEGUARDING:

- Inventory should be stored in designated areas (yard, shop, sheds)
- Access should be limited to authorized staff
- Reasonable precautions should be taken to prevent:
Theft, Weather damage and Contamination

PURCHASING AND STOCK LEVELS:

- Departments should avoid excessive stockpiling
- Bulk purchasing is encouraged when cost-effective
- Critical items should be maintained at sufficient levels

OBSOLETE OR SURPLUS INVENTORY:

- Damaged or obsolete items should be:
Written off, or disposed of in an appropriate manner
- Usable surplus items may be repurposed

ROLES AND RESPONSIBILITIES:

Council:

- Approves the policy

Chief Administrative Officer

- Oversees implementation
- Ensures appropriate controls are in place

Administration:

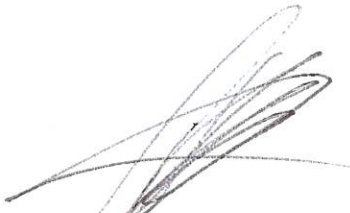
- Records inventory values for financial reporting
- Assists with year-end adjustments

Public Works Foreman:

- Maintains inventory records
- Conducts the physical counts
- Monitors usage and stock levels

AUDIT AND REVIEW:

- Inventory will be reviewed as part of the Municipality's annual audit



Mayor



Dianne Roshuk
Chief Administrative Officer