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## Board of Commissioners Policy

### **Fixed Assets**

Adoption Date: March 5, 2003

Updated: June 4, 2003

Updated: March 1, 2017

Updated : March 14, 2018

Capital assets are defined as assets with an initial, individual cost of more than a certain cost and estimated useful life in excess of five years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at acquisition value. Minimum capitalization costs are as follows:

- Land, \$1, not depreciated
- Artwork, \$5,000, not depreciated
- Buildings \$20,000, useful life 10 to 40 years
- Improvements, \$5,000, useful life 5 to 40 years
- Infrastructure, \$100,000, useful life 5 to 40 years
- Equipment, \$5,000, useful life 5 to 20 years
- Vehicles, \$5,000, useful life 5 to 10 years
- Other capital assets, \$5,000, useful life 5 to 20 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the yearly straight-line method based on the estimated useful life of each assets class.

It is appropriate to track certain expenditures even when the cost does not meet the requirements for capitalization. Some examples of these assets would include but not be limited to: ATV's, jet skis, boats, trailers, computer equipment, and weapons.