

~~Resolution No. 08-11~~
City of Brookings Capital Asset **Management Policy**
Amended: ~~January 25, 2011~~ May 26, 2026

NOTE: The redlined and highlighted sections below show the significant changes to this policy. The overall policy was re-formatted and updated to reflect current operations, standards, and terminology.

~~**Objective:** Whereas, the City of Brookings is required to be accountable for all property under its control.~~

~~Whereas, it is necessary to provide a standard method of maintaining records for the cities owned capital that city departments must follow.~~

~~Now, Therefore, Be It Resolved the following Capital Assets Policy be adopted to provide control and accountability over all city capital assets.~~

(Changed to approving resolution and stand-alone policy)

Purpose: The purpose of this capital asset policy to: 1) to provide control and accountability over capital assets, 2) to provide uniform procedures for furnishing information needed for effective analysis and control of capital expenditures, and 3) to provide a data base of inventory information to meet the reporting needs for the preparation of the Cities financial statements.

(Reformatted to a separated, numbered list.)

The Benefits of Inventory System:

1. Property control and accountability through a comprehensive citywide inventory system.
2. Improved equipment utilization through control and identification of capital assets.
3. Database to meet the GAAP, Federal grants and City of Brookings requirements.
4. Database to meet requirements of proper risk management and provide basis for identifying equipment for the City's insurance.
5. Basis for management to project and budget future capital replacement requirements.

The Finance Department is required to:

1. Establish a Generally Accepted Accounting Principles (GAAP) based accounting system and procedures to ensure the cities assets, including capital assets, are properly accounted for.
2. To provide a standard method of maintaining records for the cities owned equipment that city departments must follow.
3. To provide for the maintenance of an inventory of city owned or controlled land resources by the City.

(Added/updated this section to include Ownership, Control, and Lease-Related Assets)

Policies differ in cases of absolute title and residual title.

1. When an external entity, such as the federal government retains residual title to a capital asset it will be included in the capital asset inventory (title remains at the disposal of the governmental authority after a delegation).
2. This includes capital on lease or long-term loan.
3. Temporary custodial responsibility or title shall not be considered absolute and should not be included as the cities capital asset.

Component units of the city must designate, in writing, one or more persons to be responsible for maintaining and safeguarding the component unit's capital assets. The component unit is responsible for developing internal policies and procedures to protect and control the use of all capital assets.

Capital projects will be tracked within a work in progress number assigned by the Finance Department. At the completion of the project the department in charge will:

- a) Break down the project into the proper categories to be added into the capital assets inventory.
- b) The Finance Office enters the above information in the Capital Assets Management System.

1) General Guidelines/Applicable Policies

The City of Brookings requires all departments to be accountable for all property under its control.

- a) In accordance with state and federal guidelines, the current threshold for which an inventory of capital assets is maintained is ~~\$5,000~~ **\$10,000** unless conditions of a grant require a lower threshold or assets of less value are subject to high rate of theft.
- b) The enterprise funds will continue to depreciate equipment purchased prior to 2003 in the same manner as previous to this policy until the equipment is fully depreciated.
- c) The City's Departments responsibilities are to be accountable for all property under its control.

(Increased capitalization threshold to \$10,000)

2) Department Responsibilities

The departments have an important role in the maintenance of an accurate, up-to-date inventory system. Adherence to the following guidelines helps to ensure that departmental inventory records are as accurate and complete as possible.

- a) Entering correct information on purchases through the Accounts Payable (AP) system. Most of the data recorded on the Capital Assets system is taken directly from the vouchers. Correct coding by departments avoids the need for later corrections.
- b) Proper coding of capital assets expenditures. Equipment purchases must be coded with a "5" and "900" expenditure object. Use of an object code outside the 5-900 ranges increases the possibility that the asset will be omitted from the CAP system.
- c) Entering correct asset location, serial numbers, make, etc on voucher saves considerable time and effort.

3) Capital Assets-Additions

This statement explains the procedures for the addition of assets to the Capital Assets Management System.

- a) All capital equipment, regardless of whether the items are loaned to or owned by the City, must be included on the Capital Assets Management System. Additions of capital assets are generated by accounts payable, donations to the City, or equipment loans or private sources.
- b) The Finance Office is provided with copies and documents relating to the equipment purchases. (i.e. cost, fair market value, serial numbers, model numbers, building/room location of assets)
- c) The Finance Office enters the above information in the Capital Assets Management System.

4) Capital Assets-Retirement

- a) Property unfit for use by reason of age, wear, tear, or otherwise and is beyond repair will be determined by City Manager. A note shall be given to the Finance Office to be entered into the Capital Assets Management System for that year of the condemnation of such property.
- b) Auctions or sealed bids for sale of unfit property is required. The property described on page 2 in 4 a) shall be sold only for cash at public auction or upon opening of sealed bids
 - (1) The notice of the sale shall be published in the newspaper stating the following:
 - A day on which the sale is to be made (at least fifteen days after first publication)
 - Location where such auction will be held, or a place where offers or bids will be received (which day shall be at least fifteen days from the first publication of the notice).
 - The right to reject any or all bids shall be reserved.
- c) All money derived from the sale of public personal property shall be deposited to the City.
- d) Record retention. Departments should retain copies of surplus property forms, assets transfer form, stolen property reports and any other documentation regarding equipment dispositions. The information must be retained by the department for verification purposes until the Finance Office removes the item from the department's inventory. Lost or destroyed property is to be noted in the inventory. An item is considered stolen when it has been illegally removed from its designated location. Send the Finance Office a copy of the stolen property report.

5) Capital Assets-Transfers

This statement explains the procedures for the transfer of assets in the Capital Assets Management System. Transfers are recorded on the City's inventory when there is a permanent change in asset location or physical custody. (i.e. from one department to another). If the equipment is temporarily loaned or relocated and the intention is to reclaim the item in the near future, the asset record need not be changed

- a) The physical custody of equipment is the responsibility of the department. All transfer data submitted to Finance Office must be accurate in order to ensure the reliability of the City's inventory.

- b) Fill out the Equipment Transfer Disposition Request Form showing the old location and the new location. The form must be signed and dated by department head for the new location.

~~6) Capital Assets-Home Use of Equipment~~

~~This statement explains the procedures for notifying the Finance Office of equipment being used at home by management and staff. City management and staff may use equipment that is the property of the City at home, provided the following criteria are met:~~

- ~~a) Use of the equipment at home will not interfere with the operational needs of the department.~~
- ~~b) The appropriate department head approves home use.~~
- ~~c) The equipment is used for City business only.~~
- ~~d) Individuals who receive approval to remove equipment from the City for use at home for a period greater than 30 days should complete the Equipment Tracking Home Use Authorization Form. This form must be completed on any piece of equipment that is taken home regardless of the cost of the equipment or whether the asset is tagged.~~
- ~~e) The first half of the form should be filled out when an employee is approved to use City equipment in his or her home for a period greater than 30 days. The original should be kept in the department's files and a copy should be given to the employee. Once the equipment has returned to the City, the department should complete the bottom half of the original form that was retained in the departmental files.~~
- ~~f) If the use of City equipment is less than 30 days, then department should keep an internal record of equipment that has been approved for use off city property. The list should include a description of the equipment, the asset number, serial number, and the individuals name using the equipment, where the equipment is being used and the expected return date.~~

~~7) Capital Assets-Storage of Equipment on Privately Owned/Leased Premises~~

~~This statement explains the procedures for requesting storage of assets at off-city locations that are privately owned or leased to the City.~~

- ~~a) In order to maintain accurate inventory records and comply with asset control procedures, the Finance Office must be aware of approved storage of equipment at off-city locations. City personnel should anticipate storage needs in advance in order to obtain the proper approvals before removing the assets from the City.~~
- ~~b) Fill out request storage of assets form for locations that are privately owned or leased to the City. The form must be signed by the City Manager and the Department Head and forwarded to the Finance Office.~~

(Removed home use and storage sections – this is not tracked by the Finance Department and is at the discretion of the department.)

8) Capital Assets-Gifts-in-kind

This statement explains the procedures for reporting equipment and other assets donated to the City.

- a) All capital assets that are donated to the City must be included in the Capital Assets System inventory. It is the responsibility of each department head to notify the Finance Office when equipment and other assets are donated to the City.

- b) When donated items are received by departments, the pertinent sections of the Notification of Gift For must be completed and forwarded to the Finance Office. The Finance Office will record the information on its Capital Assets System.

9) Capital Assets-Annual Equipment Inventory

This statement provides policies and procedures relating to the annual physical inventory of capital assets conducted by departments. **(Updated/Simplified this section to match current operations.)**

- a) State regulations require the City to take an annual equipment inventory. Each department is responsible for verifying information about its own inventory and making all changes and corrections and forwarding them to the Finance Office.
- b) The Finance Office distributes annual inventory reports and instructions to departments in December of each year. All inventory reports are due back to Finance by January 11th.
- c) All changes and corrections should be made directly on the inventory printout. The department should keep a copy and send the original of the completed printout to the Finance Department.
- d) Use the departmental inventory printout to conduct a room-by-room equipment verification. Please verify all information on the report.

10) Capital Assets-Useful lives

- a) Depreciation is the systematic and rational allocation of the historical cost of a capital asset over its estimated useful service life. The estimated useful service life as listed will be for assets added in the year of 2011 and future years. **(Referenced the DLA Capital Asset Useful Life table rather than providing a comprehensive list in the policy.)**

(1) Buildings/Permanent structures	50 years
(2) Buildings/Permanent structures/wood/pole	25 years
(3) Buildings/Permanent structures/steel	35 years
(4) Buildings/Portable structures	25 years
(5) Buildings/Excavation	50 years
(6) Buildings/Foundation	50 years
(7) Buildings/Frame/masonry	50 years
(8) Buildings/Frame/wood or pole	25 years
(9) Buildings/Frame/steel	35 years
(10) Buildings/Floor structure	50 years
(11) Buildings/Floor covering	15 years
(12) Buildings/Carpeting	10 years
(13) Buildings/Computer flooring	10 years
(14) Buildings/Exterior walls/masonry	50 years
(15) Buildings/Exterior walls/wood or pole	25 years
(16) Buildings/Exterior walls/steel	35 years
(17) Buildings/Roof cover	15 years
(18) Buildings/Roof cover/EDPM	20 years
(19) Buildings/Interior construction	15 years

(20)	Buildings/Interior renovation	10 years
(21)	Buildings/Ceiling finish	10 years
(22)	Buildings/Plumbing	20 years
(23)	Buildings/HVAC	20 years
(24)	Buildings/Electrical/masonry	15 years
(25)	Buildings/Electrical/wood or pole	25 years
(26)	Buildings/Electrical/steel	35 years
(27)	Buildings/Elevator	20 years
(28)	Roadways/Dirt	10 years
(29)	Roadways/Gravel	15 years
(30)	Roadways/Concrete	35 years
(31)	Roadways/Asphaltic Concrete	30 years
(32)	Roadways/Brick or Stone	50 years
(33)	Alleys/Concrete	40 years
(34)	Alleys/Asphaltic Concrete	25 years
(35)	Alleys/Dirt	10 years
(36)	Alleys/Gravel	15 years
(37)	Alleys/Brick or Stone	50 years
(38)	Sidewalks/Concrete	30 years
(39)	Sidewalks/Asphalt	25 years
(40)	Sidewalks/Gravel	10 years
(41)	Sidewalks/Brick or Stone	45 years
(42)	Parking Lots/Concrete	35 years
(43)	Parking Lots/Asphalt	20 years
(44)	Parking Lots/Gravel	10 years
(45)	Parking Lots/Brick or Stone	45 years
(46)	Airport Runways	30 years
(47)	Bridges/Continuous Concrete	50 years
(48)	Bridges/Pre-stressed Concrete	45 years
(49)	Bridges/Steel with Truss	50 years
(50)	Bridges/Steel Without Truss	45 years
(51)	Bridges/Timber/wood	30 years
(52)	Bridges/Pedestrian/Steel	30 years
(53)	Bridges/Pedestrian/Concrete	30 years
(54)	Bridges/Pedestrian/Wood	25 years
(55)	Major Culverts/Concrete	40 years
	(i) Precast box, precast elliptical	
	— Cast in place	
(56)	Major Culverts/Concrete pre stress	40 years
(57)	Major Culverts/Timber log treated	30 years
(58)	Major Culverts/Steel	30 years
	(i) Corrugated round, Corrugated	
	— Bottomless arch	
(59)	Small Culverts/Plastic	25 years
(60)	Small Culverts/Cast Iron	30 years
(61)	Small Culverts/Metal corrugated	30 years

(62)	Small Culverts/Concrete	50 years
(63)	Storm Drains/Plastic	25 years
(64)	Storm Drains/Cast Iron	30 years
(65)	Storm Drains/Metal Corrugated	30 years
(66)	Storm Drains/Concrete	40 years
(67)	Storm Drains/Ditch/Trench	100 years
(68)	Moveable Equipment	
(i)	Athletic equipment	10 years
(ii)	Audio-visual equipment	7 years
(iii)	Books	7 years
(iv)	Multi-media materials	7 years
(v)	Business machines	7 years
(vi)	Contractors/construction equipment	12 years
(vii)	Furniture	20 years
(viii)	Machinery and tools	15 years
(ix)	Outdoors recreational equipment	15 years
(x)	Stage and auditorium equipment	20 years
(xi)	Custodial equipment	15 years
(xii)	Photocopiers	5 years
(xiii)	Sculptures/Wood	20 years
(xiv)	Sculptures/Stone	30 years

Capital assets by department

SOLID WASTE LANDFILL AND COLLECTION

Landfill—Excavation of Cells	(estimated # of years to fill excavation)
Landfill—Leachate System	(estimated life of landfill)
Landfill—Liners	(estimated life of landfill)
Landfill—Test Wells	(estimated life of landfill plus 30 years)
Landfill large crawler loader	5 years
Landfill large compactor	5 years
Landfill large wheel loader	5 years
Landfill small wheel loader	10 years
Landfill blade	15 years
Landfill grader	15 years
Landfill pickups	10 years
Landfill trucks	12 years
Landfill tractors	10 years
Collection—Garbage truck—rear loader	10 years
Collection—Garbage truck—automated loader	8 years

STREET DEPARTMENT

Pickup	10 years
Pickup for special use	20 years
Tandem Trucks	12 years
Skidsteer	10 year

Loader	12 years
Backhoe	20 years
Street Sweeper	6 years
Snow Blower	12 years
Grader	12 years
Blade	12 years
Air compressor	15 years
Fuel computerized system	15 years
Underground tanks	30 years
Electronic Street Signals	15 years
Road Signage	10 years

RECREATION

Buildings	50 years
Parking lot	20 years
Vehicle-Van	20 years
Vehicle	20 years

PARKS

Buildings	50 years
Restrooms	50 years
Shelters	50 years
Prefab shelters	50 years
Pool	40 years
Pool heaters	10 years
Spectator heaters	15 years
Irrigation system	40 years
Parking lot	20 years
Sidewalks	30 years
Steel bridge	45 years
Outdoor lighting	20 years
Fencing, gates	35 years
Retaining walls	20 years
Bleachers	30 years
Scoreboard	20 years
Fountains	40 years
Playground equipment	20 years
Recreational equipment	15 years
Landscaping	10 years
Septic systems	15 years
Underground tanks	30 years
Athletic Field	40 years
Soccer Fields	40 years
Stadiums	45 years
Skate Park	20 years
Tennis courts	40 years
Running track	30 years
Disc Golf Facility	20 years
Bike-Jogging Paths/Dirt	10 years
Bike-Jogging Paths/Gravel	15 years
Bike-Jogging Paths/Concrete	30 years
Bike-Jogging Paths/Asphalt	20 years
Grounds equipment	10 years
Mowers	10 years
Other motorized equipment	15 years
Tractor/compact skidsteer	15 years
Tractor/standard	20 years
Non-motorized equipment/attachments	20 years

Ice re-surfacer	15 years
Generator	15 years
Pickups & trucks	10 years
Seasonal Vehicles	20 years

FORESTRY

Buildings	50 years
Loader/compact	15 years
Motorized equipment	15 years
Aerial trimming device	20 years
Season vehicles	20 years
Trucks and pickups	10 years

GOLF COURSE

Buildings-permanent	50 years
Buildings-portable	25 years
T-stands	40 years
Driving range	40 years
Executive nine	40 years
Chipping green	40 years
Concrete cart paths	30 years
Mowers-Rough	15 years
Mowers-Green	7 years
Mowers-Fairway	10 years
Tractors/compact	15 years
Tractors/standard	20 years
Motorized equipment	15 years
Non-motorized equipment	20 years
Irrigation system	40 years
Pumps	25 years
Storm drainage improvements	25 years
Pickups	10 years
Pickups seasonal	20 years

FIRE DEPARTMENT

Fire Trucks (Structural Pumpers, Aerials, Rescue)	16 years
6F1 and 6F2 Command Vehicles	5 years
Breathing air compressor	15 years
Self Contained Breathing Apparatus (SCBA)	10 years
Safety House	25 years
Extrication equipment	10 years
Brush/Utility Trucks & Slide-in units	12 years
Thermal Imagers	12 years

POLICE DEPARTMENT

Patrol Vehicles	3 years or 100,000 miles
SRO Vehicle	7 years
Unmarked Police Vehicles	8 years
Animal Control Vehicle	5 years or 100,000 miles
Sirens	15 years
In-vehicle video system	6 years
Z-tron system	10 years
Portable radios in vehicles	10 years
Portable hand radios	8 years

SWIFTEL CENTER

Panels	20 years
Window treatments	8 years
Tradeshow equipment	12 years
Food and beverage equipment	10 years
Scoreboard & Electronic signs	10 years
Scrubbers	5 years
Battery back-up	5 years
Parking lots	20 years
Concrete sealing	5 years
Catwalk	50 years
Air Conditioning Units	20 years
Portable dance floor	10 years
Portable stage	12 years
Portable stalls	20 years
Vehicles	20 years
Skidsteer	10 years

AIRPORT

Building	50 years
Grounds equipment	10 years
Snow removal equipment	10 years
ARFF truck (Fire truck)	20 years
Fencing	30 years
Gate opener	10 years
Above ground fuel tanks	20 years
Landscaping	10 years
Runway lighting	10 years
Taxiway lighting	10 years
Runway asphaltic concrete	25 years
Runway concrete	40 years
Runway overlay	10 years
Beacon	20 years
Security system	7 years
Vehicles	10 years

INFORMATION TECHNOLOGY

Desktop computer	5 years
Laptop computer	5 years
Servers	6 years
Networking (switches, firewalls, etc)	7 years
Backup equipment	5 years
Security system	7 years
Small printers	6 years
Large printer/copiers	5 to 10 years

CODE ENFORCEMENT

Vehicles	10 years
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II) Forms

- a) Capital Asset Purchases
- b) Equipment Transfer Disposition Request
- c) Storage of Equipment on Privately owned/Leased Premises
- d) Equipment tracking home use authorization

Capital Purchase

(PLEASE attach a copy of the invoice to this form)

DATE _____

DEPARTMENT _____

VENDOR NAME & NO.

INVOICE DATE _____

ACCOUNT NO. _____

AMOUNT \$ _____

RESPONSIBLE PARTY _____

(Job Title)

LOCATION _____

SERIAL # _____

*LIFE OF ASSET _____

***Refer to the Capital Asset Policy ~ use Article 10 ~ Identify category and useful life per policy**

COMPLETE DESCRIPTION

List only ONE Capital Asset per form please.

CITY OF BROOKINGS
Capital Asset System
Equipment Transfer Disposition Request

Asset Number:

Date:

Equipment Description:

Department:

Name of Person Submitting Request:

I. TRANSFER SECTION: To transfer asset to another department (requires dual signatures).

II. DISPOSITION SECTION: To permanently remove assets from Capital Asset System. Please provide a brief narrative describing when and under what circumstances the asset was removed from inventory. If the equipment is returned or located in the future, the Finance Office must be notified as soon as possible to add the item(s) back into the inventory.

Disposal Method (please check box and give explanation)

Lost

Destroyed

Altered

Hazardous Other

Explanation:

Both signatures below are required certifying the asset has been transferred to another department, or permanently removed from City Property by some other means.

Department Head Signature

City Manager Signature

CITY OF BROOKINGS
Capital Asset System
Storage of Equipment on Privately owned/Leased Premises

(Removed form and references – Department Responsibility)

OFF-SITE STORAGE FACILITY

Building Name: _____

Address: _____

Length of time equipment will be store at this facility: _____

Reason for off-site storage: _____

Description of Equipment: _____ Asset Numbers: _____

Department Head

City Manager

Please forward completed form to the Finance Office.

~~Passed and approved this 25th day of January, 2011.~~

~~City of Brookings~~

~~Tim Reed, Mayor~~

ATTEST:

~~Shari Thornes, City Clerk~~

~~Passed: September 25, 2007~~

~~Amended: January 25, 2011~~

(Separated approving Resolution from policy.)