

**LAMONT COUNTY
POLICY**

TITLE : TANGIBLE CAPITAL ASSETS

AUTHORITY : PUBLIC SECTOR ACCOUNTING BOARD AND THE MUNICIPAL GOVERNMENT ACT

POLICY STATEMENT : ONLY ITEMS WHICH THE COUNTY HAS TITLE TO AND MEET THE REQUIREMENTS LISTED WILL BE RECORDED AS TANGIBLE CAPITAL ASSETS.

PURPOSE TO DEFINE THE PARAMETERS THAT WILL MAKE UP THE TANGIBLE CAPITAL ASSETS TO BE RECORDED IN THE COUNTY FINANCIAL STATEMENTS IN ACCORDANCE WITH PUBLIC SECTOR ACCOUNTING BOARD STANDARD 3150

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POLICY RESOLUTION : 07-476

DEFINITION :

1. **Tangible Capital Assets:** are non-financial assets having physical substance that:
 - 1.1. Are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets.
 - 1.2. Have useful economic lives extending beyond an accounting period.
 - 1.3. are to be used on a continuing basis; and
 - 1.4. Are not for sale in the ordinary course of operations.

2. Tangible Capital Assets will be defined under the following:
 - 2.1. **Land:** Land includes land purchased or acquired for value for parks and recreation, building sites, infrastructure (highways, dams, bridges, tunnels, etc.) and other program use but not land held for resale.

 - 2.2. **Land Improvements:** All improvements of a permanent nature to land such as parking lots, landscaping, lighting, pathways, and fences.

- 2.3. **Buildings:** Permanent, temporary or portable building structures, such as offices, garages, warehouses, and recreation facilities intended to shelter persons and/or goods, machinery, equipment and working space.
- 2.4. **Engineered Structures:** Permanent structural works such as roads, bridges, canals, dams, water and sewer, utility distribution and transmission systems including plants and substations.
- 2.5. **Machinery and Equipment:** Equipment that is heavy equipment for constructing infrastructure, smaller equipment in buildings and offices, furnishings, computer hardware and software. This class does not include stationary equipment used in the engineered structures class,
- 2.6. **Vehicles:** Rolling stock that is used primarily for transportation purposes.
- 2.7. **Cultural and Historical:** Works of art and historical treasures that have cultural, aesthetic or historical value that is worth preserving perpetually. These assets are not recognized as tangible capital assets in the financial statements, but the existence of such property should be disclosed.

3. TRANSFERRED CAPITAL ASSETS

- 3.1. **Transferred Capital Assets** are assets which are transferred or donated from third parties and meet the requirements will be capitalized.

4. CONDITIONAL GRANTS

- 4.1. Where a conditional grant is given by the County to another municipality or organization for the acquisition of an asset, the asset will **not** be considered a capital asset of the County unless the County retains custody, maintenance and control.
- 4.2. If the County does not maintain or manage the asset, costs associated with the asset will not be capitalized.