Policy 5.8: Capital Assets

Updated and Approved by Board of Trustees 4/11/2025

General Capital Assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the Governmental Activities column of the government-wide statement of net position but are not reported in the fund financial statements.

Capital Assets are defined by the Library as assets with an initial individual cost of more than **$1000** and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Right-To-Use Assets are initially measured at an amount equal to the initial measurement of the related lease/subscription-based information technology arrangement (SBITA) liability plus any lease/SBITA payments made prior to the lease/SBITA term, less incentives, and plus ancillary charges necessary to place the lease/SBITA into service.
Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.
Capital assets are depreciated using the straight-line method over the following useful lives:

Descriptions	*Estimated Lives*
Library Materials	7 years
Furniture, Fixtures, and Equipment	5 – 7 years
Vehicles	5 years