

POLICY TITLE: CAPITAL ASSET POLICY

POLICY NUMBER: 2018-03

APPROVAL DATE:

April 9, 2018

Policy Statement

This capital asset policy is established to give directives/guidelines on the life cycle and amortization of capital assets belonging to the Rural Municipality of Victoria.

Criteria and Conditions Guidelines

1. All expenditures of a capital nature with an expected useful life of 3 years and greater with a cost of \$2,000 or greater will be recorded as a capital asset.
2. All capital assets will be amortized on the straight line basis over their expected useful lives using the following guidelines.
  - Buildings 40 years
  - Land Improvements (incl.new parks) 20 years
  - Fire trucks and heavy equipment 15 years
  - Fire and general equipment 10 years
  - Park and Playground equipment 15 years
  - Office and computer equipment 5 years
  - Motor vehicles 10 years
  - Water & Sewer Systems (as outlined in Island Regulatory & Appeals Commission guidelines)
3. The costs and accumulated amortization will be deducted from balance as follows:
  - For Fire trucks, heavy equipment, motor vehicles, land and buildings when sold or disposed of.
  - For all other equipment after 15 years

This capital asset policy, Policy #2018-03, dated April 9, 2018 replaces any existing capital asset policy on file with the Rural Municipality of Victoria.