

RESOLUTION # 2014/15 - 01
Dated Aug 26, 2014

RESOLUTION ADOPTING CAPITALIZATION POLICY

WHEREAS, it is the policy of the District to report capital assets in its financial statements when the useful life is greater than one year,

WHEREAS, purchased or constructed capital assets are to be reported at cost or estimated historical cost,

WHEREAS, depreciation is to be reported over the estimated useful lives of the capital assets,

THEREFORE BE IT RESOLVED that the District shall report capital assets having an individual cost of \$5,000 or greater, costs incurred for ordinary repairs and maintenance are expensed as incurred and are not capitalized.

Depreciation shall be recorded on the straight-line basis over the estimated useful lives as follows:

Land	Capitalize only
Buildings & building improvements	20 to 40 years
Sewer plant and plant upgrades	40 years
Sewer lines	30 years
Vehicles	5 to 10 years
Equipment	5 to 10 years

This resolution was adopted at a regular board meeting of the Sundown Sanitary District on Aug 26, 2014.



Mark Schacher, Board Chair