

CITY OF MERRIAM
CITY COUNCIL POLICY MANUAL

POLICY NO. 113

CAPITALIZATION OF ASSETS

- 1.01 The general policy of the City of Merriam shall be to capitalize any fixed asset item with an actual cost of \$5,000 or more.
- 1.02 For purchases under \$5,000 and at the discretion of department heads, items may be capitalized at zero cost basis for purposes of accountability.
- 1.03 City infrastructure will be capitalized according to the following thresholds:
- Streets and bridges: \$100,000
 - Sidewalks, parking lots and jogging trails: \$25,000
 - Streetlights, traffic signals and road signage: all acquisitions for the year will be added in a lump sum at year-end.
 - Drainage structures: \$25,000
 - City facilities will continue to be recorded as fixed assets and would therefore have a threshold of \$5,000.
- 1.04 Any variations of this process must be approved by the City Administrator.

APPROVED BY THE GOVERNING BODY ON FEBRUARY 20, 1989
APPROVED BY THE GOVERNING BODY ON JANUARY 24, 2000
APPROVED BY THE GOVERNING BODY ON JANUARY 27, 2003