

Dunlap Public Library District Capitalization Policy

Adopted 24 October 2011

Updated 19 May 2025

I. The Dunlap Public Library District (the “Library”) has established a capitalization policy in compliance with the Governmental Accounting Standards Board Statement 34. The purpose of this policy is to set forth the accounting policy as to how capital assets are to be accounted for and reported.

II. Capital assets purchased or constructed by the Library represent a major investment by the taxpayers. Capital assets are major assets that benefit more than a single accounting period. They include such items as land, buildings, furnishings and equipment, and vehicles.

III. The minimum capitalization (depreciation) amount for individual equipment is \$5,000 (per piece when purchased); and for buildings (including additions to the building and building renovations) is \$10,000. The following depreciation method is established:

<u>Capital/Infrastructure Assets</u>	<u>Threshold</u>	<u>Life (Years)</u>
Land	Not Depreciated	
Buildings	\$10,000	40
Building Renovations	\$10,000	20
Office Furniture and Equipment	\$5,000	7
Computer Equipment	\$5,000	3