

RESOLUTION 11-21

A RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PLANTERSVILLE,
TEXAS, OF GRIMES COUNTY, ADOPTING WRITTEN POLICIES FOR CAPITALIZATION
AND DEPRECIATION OF CITY ASSETS

WHEREAS, the Governmental Accounting Standards Board has released Statement No. 34 (GASB-34);

WHEREAS, GASB-34 requires that all capital assets, including infrastructure assets, be reported in a statement of net assets at historical costs, including ancillary charges, net of accumulated depreciation;

WHEREAS, accumulated depreciation for general fixed assets was not reported under the previous reporting model, and it is necessary for the District to adopt policies for capitalization and depreciation of District assets in order to enable compliance with GASB-34;

NOW, THEREFORE BE IT RESOLVED BY HONORABLE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PLANTERSVILLE, TEXAS (THE "CITY") THAT:

I.

Except as otherwise provided in this Resolution, all City infrastructure assets with a useful life of at least two (2) years and a total cost of \$20,000 minimum and other capital assets with a total cost of \$5000 or more (including installation costs, if any, and associated professional fees) shall be capitalized and depreciated using no salvage value and the straight line method of depreciation based on the estimated useful life of the asset in question as reflected on Exhibit A to this Resolution.

II.

Expenditures that extend the useful lives of capital assets beyond their initial estimated useful lives (preservation costs) or that improve their efficiencies (improvements) or increase their capacity (additions) shall be capitalized in accordance with these policies unless, in the opinion of the District's engineer, a different useful life is appropriate.

III

This Resolution shall be effective immediately. The Mayor or members of City Council are authorized to do all things necessary and proper to evidence the Board's adoption of this Resolution and to carry out the intent hereof.

PASSED AND ADOPTED THIS 11 day of January, 2021.

Mayor of City of Plantersville, Texas

ATTEST:

Secretary, Board of Aldermen

EXHIBIT A: DEPRECIATION YEARS

Capitol Asset Classifications	Depreciation Years
Administrative Facilities and Equipment	
Land	0
Buildings	
Office	40
Storage	40
Warehouse	40
Furniture	5
Equipment	
Communication	5
Computers	3
Construction	15
Generators	20
Office	5
Software	3
Vehicles	5
Other	As required
Infrastructure Assets	
Distribution/Collection Lines by Section	
Clearing and grubbing	45
Water distribution	45
Sewer collection	45
Stormwater collection	45
Water Production	
Land	0
Buildings	40
Electrical package	
Controls	20
Generators	20
Chemical system	10
Wells	20
Booster pumps	20
Pressure tanks	20
Storage tanks	
Ground	40
Elevated	40
Yard piping	45
Lift Stations	
Structure	45
Electrical controls	20
Yard piping	45
Pumps	20
Fences	25
Sanitary Sewer Trunk Lines	
Lines	45
Pumps	20
Wastewater Treatment Plants	
Land	0
Buildings	40
Structures	40
Electrical package	
Controls	20
Generators	20
Equipment	
Bar screens	20
Blowers	20
Chemical system	10
Clarifiers	20
Pumps	20
Yard piping	45
Fences	25
Stormwater Pumping Facilities	
Land	0
Buildings	40
Pumps	20
Electrical package	
Controls	20
Generators	20
Stormwater Collection System (not in Sections)	
Land (including detention ponds and channels)	0
Clearing and grubbing	0
Land improvements (excavation and earth moving)	0
Equipment	20