

Wexford	Hanover	Greenwood	Liberty
Springville	Antioch	Collfax no zoning	Cedar Creek zoned
Slagle	Boon	Selma	Haring zoned
South Branch	Henderson no zoning	Cherry Grove	Clam Lake zoned

Planning and zoning by the Wexford Joint Planning Commission

Wexford Joint Planning Commission

c/o Cherry Grove Township
4830 E. M-55
Cadillac, Michigan 49601

www.wexfordjpc.org

Email: planningandzoning@wexfordjpc.org
(231)775-1138x6

WEXFORD JOINT PLANNING COMMISSION FIXED ASSET CAPITALIZATION POLICY

Adopted: December 18, 2017

The Wexford Joint Planning Commission will regard fixed assets as capitalized when all of the following criteria are met:

- (1) Assets purchased, built or leased have useful lives of one year or more.
- (2) The cost of the asset (including installation) is \$1,000 or more. Multiple assets whose cost is less than \$1,000 but the aggregate requestor total is \$1,000 or more are capitalized.
- (3) The cost of repairing or renovating the asset is \$1,000 or more and prolongs the life of the asset.

The Wexford Joint Planning Commission will regard the purchase software programs as fixed assets subject to the above capitalization policy, and will amortize over an estimated useful life of 3 years. Costs associated with software maintenance and customer support are considered expenditures and will not be capitalized.

Other Considerations:

- (4) REPAIR is an expenditure that keeps the property in ordinary efficient operating condition. The cost of the repair does not add to the value or prolong the life of the asset. All repair expenditures are charged to the appropriate department and fund.
- (5) IMPROVEMENTS are expenditures for additions, alterations and renovations that appreciably prolong the life of the asset, materially increase its value or adapt it to a different use. Improvements of the nature are capitalized.

Examples of Repairs vs. Improvements

Repairs = Expenditures

All items—life less than one year

All items under \$1,000

Property maintenance, wall repair

Improvements = Capitalized Assets

Life of more than one year

All items \$1,000 or more

Property rebuilding

Replacement of machine parts to keep machine in normal operating condition

Property restoration (rebuilding) for normal operations

Existing building repairs

Replacement of small sections of wiring, lighting, Pipes or light fixtures

Patching walls, minor repair of floors, wall-painting, etc.

Patching driveways

Cleaning drapery, carpet, furniture

Replacement of motor and parts that prolong the useful life

Property restoration for something

different or better

Building regulation conformity

Major replacement of wiring,

Pipes or sewer

Installation of floor, wall, roof,

covering, etc.

New driveway or major repair

New drapery, carpets, furniture

Depreciation Method—Straight Line over the following useful lives:

Buildings	40-60 years
Building Improvement	15-30 years
Water and Sewer Lines	50-75 years
Roads	10-30 years, see State Recommendations attached
Infrastructure	See State Recommendations attached
Vehicles	3-5 years
Office Equipment	3-5 years
Computer Equipment	3-5 years

Moved by _____, Supported by _____, and therefore adopted by the Wexford Joint Planning Commission at a regular meeting on December 18, 2017.

Ayes:
Nays:
Absent:
Abstained:

Beverly Monroe,
Secretary

David Schroeder,
Chair

Approved on December 18, 2017

Certification

I, Beverly Monroe, Secretary of the Wexford Joint Planning Commission, hereby certify that the foregoing is a true copy of a resolution duly adopted by the Wexford Joint Planning Commission at a regular meeting thereof held December 18, 2017 and of the whole thereof from the records of the minutes of the meetings in my possession.

Beverly Monroe,
Secretary - WJPC

[December 13, 2017 (2:39pm); C:\Users\NMPlanning\Desktop\WJPC-FIXED ASSET CAPITALIZATION POLICY.wpd]