



TOWN OF BARRINGTON

NEW HAMPSHIRE

Office of the Select Board

Fixed Assets Policy

I. PURPOSE

This policy outlines the qualifications and depreciation guidelines for capital assets.

II. POLICY

The following table depicts the balance sheet of classifications of capital asset items, the dollar level at which the items will be capitalized, and whether the item is depreciated.

Fixed Asset Classification	Capitalize	Depreciate
Land	All	No
Buildings	All	Yes
Building Improvements	\$10,000	Yes
Building Systems	\$10,000	Yes
Machinery & Equipment	\$10,000	Yes
Heavy Equipment	\$10,000	Yes
Vehicles	\$10,000	Yes
Furniture/Fixtures	\$10,000	Yes
Computers/Communications	\$10,000	Yes
Infrastructure	Yearly	Yes
Construction in Progress	All	No

1. Exceptions:

There are some items that, due to their nature, should be treated differently.

- Normal maintenance, even over \$10,000, should not normally appear on asset listing unless there is a substantial change in value of the asset. Examples are engine replacement to keep a truck working or normal roof replacement that does not substantially increase the value of the item.
- Assets can be restated downward due to a substantial unexpected loss of value, for example from wind, fire, or flood.

2. Depreciation:

Straight-line method will be used when calculating depreciation, taking into consideration salvage value at the end of the asset's life. No asset can depreciate to \$0 except infrastructure. This would include the annual paving line since this has an expected life when it will be redone in the future. The following table depicts the depreciable life of capital assets.



TOWN OF BARRINGTON

NEW HAMPSHIRE

Office of the Select Board

Category	Example	Depreciable Life
Buildings	Town Hall, Barn, PSB, Recycling, Fuel, Pole Barn	30-50 Years
Building Upgrades	Boilers, counters, etc	10-30 Years
Land	Price when acquired never changes (should be marked map and lot)	None
Dams		30 Years
Infrastructure	Calculated by Finance Administrator- yearly (based on Engineer's recommendation) Depreciates to \$0 then is removed.	13 Years
Ambulance		10 Years
Code Enforcement Vehicle		10 Years
Police Cruisers		6 Years
Dump/Plow Truck		10-25 Years
Fire Truck	Van, forestry truck, fire engine	20-25 Years
1-Ton Pickup Truck		10 Years
Motorcycle		6 Years
Heavy Equipment	Backhoe, tractor, chipper	15-25 Years
Compactors		10 Years
Misc Equipment	Thermal imaging, cardiac monitors, hurst tool, furniture, generators, etc.	Expected life & salvage value by department head

3. Inventory Data

Inventory data will be kept by the departments and is to be reconciled with the Financial Department for the purpose of the year end audit.