



RUSH FIRE DISTRICT

Capital Asset Policy 15.5

Original 04/18/2025
Last Reviewed xx/xx/xxxx
Revised xx/xx/xxxx

This policy incorporates by reference the recommendations of the New York State Office of the State Comptroller as set forth in the Capital Assets module of the Local Government Management Guide.

The purpose of this policy is to adopt an internal control system of policies and procedures to properly account for all capital asset transactions defined herein, including additions, deletions, transfers and periodic physical counts in accordance with the recommendations contained in the Local Government Management Guide. The intent of this policy is further to maximize the value received from the district's investment in capital assets, and ensure adequate safeguards exist to minimize risks due to loss, waste, misuse and obsolescence.

For this policy, capital assets are defined as tangible or intangible assets that are used in fire protection operations of the Rush Fire District such as land and improvements to land, buildings and building improvements, vehicles, machinery, equipment which meet certain thresholds of useful life and cost as described below.

A property control officer (PCO) shall be designated to be responsible for tracking the capital assets of the RUSH Fire District as defined herein and for the accuracy and usefulness of the asset records. Subject to the approval of the RUSH Fire District Board of Fire Commissioners (BOFC), the PCO shall establish detailed written procedures with respect to capital asset protection which should be distributed to personnel who will be involved in the control and inventory of assets to ensure accuracy of detailed records and proper accountability for assets. The PCO shall also be responsible for the design and distribution of the documents to be used to record assets, and for training personnel who use them. Periodic physical inventories are the responsibility of the PCO.

The focal point of the district's capital asset accounting is the individual property record (IPR). The IPR for each piece of property meeting the criteria for inclusion in the capital asset inventory of the district should be complete, accurate and up to date. Two types of records shall be maintained: 1) a real property record and 2) a personal property record. All IPR's are maintained by the PCO.

Real property records should include the following:

- a diagram showing the location of any building
- a copy of deed
- a picture of the property
- date of purchase
- cost
- assessed and appraised values
- copy of board resolution authorizing acquisition
- correspondence or other documents pertaining to parcel

Personal property records should include the following:

- description of the item, including make, model, serial number
 - assigned identification number (where appropriate);
 - date, amount, vendor and voucher number for the purchase;
 - district unit having custody and location;
 - source of funds used to purchase item and any adjustments to initial cost;
 - trade-in allowances;
 - disposition of item should be noted.

While any asset that benefits two or more years potentially could be classified as a capital asset and depreciated, as a practical matter, only higher value items shall be reported in the financial statements of the district. Therefore, to meet the requirements of the RUSH Fire District, the BOFC adopts the following capitalization thresholds by asset class:

Real estate & buildings – all

Vehicles - all

Fire protection equipment – having an individual cost of \$1,000 or more except for computers, radios, pagers, turnout gear, and air bottles shall all be inventoried and accounted for on an annual basis.

Any assets not meeting the above criteria are to be expensed in the period purchased.

Capital assets under this policy are recorded at historical (actual) cost unless acquired through gift, in which case, the fair market value at the time of acquisition is used. Estimated cost based on direct, standard, or normal costing may be used where historical cost is not available. The costing method used is to be noted in the records for that asset. The established cost of the capital asset is maintained in the district's records until it is disposed of.

The RUSH Fire District is audited using GAAS (Generally Accepted Auditing Principles) and therefore depreciation is not necessary, as advised by the District's financial auditing firm (MMB & Co). It was noted by them that most municipalities do not depreciate, although the firm does review all of the District's assets.

The RUSH Fire District insurance company, Walsh Duffield Insurances, Inc. provides the district with the replacement value of buildings and vehicles prior to the preparation of the Rush Fire District budget each year around the month of August. A copy of this is available for the POC to review.

The adoption of the foregoing policy in the form of a resolution was duly put to a vote and upon roll call the vote was as follows:

Chairman Scott Goodman	) AYE/NAY/NOT PRESENT
Commissioner Douglas Platt	) AYE/NAY/NOT PRESENT
Commissioner Robert Faugh	) AYE/NAY/NOT PRESENT
Commissioner Dale Sweet	) AYE/NAY/NOT PRESENT
Commissioner Michael Terzo	) AYE/NAY/NOTPRESENT

The resolution was thereupon duly adopted.

Dated: Rush, NY

June 17 2025