

YELLOWSTONE COUNTY
FIXED ASSET POLICY
POLICY NO. 25-140

The purpose of this policy is to establish an identification, control, and capitalization guideline for the County's fixed assets. The individual departments are responsible for the accountability and safeguarding of assets obtained and/or used by the County. This policy supersedes any previous policy.

1. Property acquisitions of individual items or inseparable items exceeding \$5,000 will be **budgeted** as capital expenses.
2. Items obtained by the County which include equipment, building or land improvements, computer hardware, computer site licenses, and all other tangible property are to be properly tagged, identified, and capitalized for financial reporting purposes in the County's records if they meet the following criteria:
 - a. An individual item, or group of items that comprise an inseparable asset other than land improvements, buildings and improvements, and infrastructure, costing \$5,000 and over (including freight and installation), **or**
 - b. Any donated item, or group of inseparable items other than land improvements, buildings and improvements, and infrastructure, with an estimated fair market value as of the date of the gift of \$5,000 and over, **or**
 - c. Land costing \$1 and over, **or**
 - d. Land improvements costing \$25,000 and over, **or**
 - e. Buildings and improvements costing \$50,000 and over, **or**
 - f. Infrastructure costing \$250,000 and over, **and**
 - g. Has a minimum useful life of two (2) years, **and**
 - h. Ownership is maintained by the County.
3. The county will not capitalize for financial reporting purposes property valued at less than \$5,000, but will continue to tag, identify, and maintain control on all equipment, building or land improvements, computer hardware, computer site licenses, and all other tangible property with a value between \$1,500 and \$5,000. Items less than \$1,500 may be tagged for control purposes at the discretion of the Finance Department. Notify the Finance Department if you have items that you think would be appropriate to be tagged. All equipment and machinery, buildings and improvements other than buildings, that have a cost below the significant values, will be expended at the time of purchase.
4. At a minimum, the asset database shall include: date of purchase; make, model, or description; serial number/VIN if applicable; location of item and department responsible; item value; purchase order number or donating party.
5. Equipment installed in vehicles or machinery shall be included in the value of the vehicle or piece of machinery. Additions and betterments to existing capital assets that significantly prolong a capital asset's life, or expand its usefulness, should be capitalized. Normal repairs that merely maintain the asset in its present condition should be recorded as expenditures and should not be capitalized. A building remodel that does not increase square footage or improve building efficiency are considered to be repair and maintenance expenditures (i.e. caulking windows, repainting, carpeting, etc.)

6. All appropriate property shall be assigned tags by the Finance Department. Tags shall be placed in a visible location by the appropriate department.
7. Annually, the Finance Office will furnish each department with a detail listing of their assets and custodial property. The departments are responsible for taking a physical inventory of their property. The departments are to follow the instructions to complete the inventory and return it to the Finance Department.
8. Departments shall notify the Finance Department of any permanent transfer to another department.
9. Board of County Commissioners' approval is required by state statute to dispose of any asset in the County inventory. Any Elected Official or Department Head possessing assets excess to their needs are required to first verify if an asset was purchased using grant money. If an asset was acquired via a grant, the item should be disposed of according to Federal or State requirements per the specific grant's conditions. Otherwise, Department Heads are to submit in writing the description, asset tag number, if applicable, value, etc., of the asset to the Finance Department. The Finance Department will coordinate disposition by checking with other departments for possible use and consolidate a list to the Board to declare excess for sale, trade-in, or donation.
10. Annually, the Finance Department will place a listing of all capital assets onto an agenda.
11. This policy is passed and adopted by the Board of County Commissioners of Yellowstone County, Montana, this 30th day of December, 2025. Effective date is December 30, 2025.

BOARD OF COUNTY COMMISSIONERS
YELLOWSTONE COUNTY, MONTANA

ATTEST:
(Seal)

Jeff Martin, Clerk and Recorder

Mark Morse, Chairman

Michael J. Waters, Member

Chris White, Member