



# RESOLUTION No. 25-020

## OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

### RESOLUTION TO UPDATE COUNTY CAPITALIZATION THRESHOLDS AND USEFUL LIVES BY ASSET CLASS EFFECTIVE JULY 1, 2025

WHEREAS, Nevada County Resolution 98-482 established a capitalization threshold of \$2,500 for personal property capital assets; and

WHEREAS, Nevada County Resolution 02-063 revised the personal property capital asset threshold to \$5,000 and established the real property capital asset threshold at \$25,000; and

WHEREAS, Nevada County Resolution 10-020 further updated the thresholds, setting them at \$50,000 for real property, improvements, and infrastructure, and introduced a threshold of \$25,000 for intangible assets; and

WHEREAS, the Auditor-Controller recommends increasing the capitalization threshold of personal property to \$10,000, and increasing real property, improvements, infrastructure, and intangible assets (including right-to-use assets) to \$100,000, which would enhance accounting efficiency with minimal impact on asset values; and

WHEREAS, these updated thresholds comply with Government Accounting Standards Board requirements and adequately protect County property from theft or loss; and

WHEREAS, capital assets used in operations are depreciated or amortized using the straight-line method over the assets estimated useful life and right-to-use assets are amortized over the shorter of the lease term or the useful life of the underlying asset; and

WHEREAS, it is necessary to periodically review and document the estimated useful life of assets classes.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Supervisors direct the Auditor-Controller to amend County capitalization thresholds and the useful lives by type of assets effective July 1, 2025, as follows:

1. Increase the capitalization threshold for personal property to \$10,000.
2. Increase the capitalization thresholds for real property, improvements, infrastructure, and intangible assets (including right-to-use assets) to \$100,000.

3. Establish the useful lives by asset type as follows:

<u>Depreciable Asset Type</u>	<u>Estimated Lives</u>
Equipment	2 to 25 Years
Structures and Improvements	5 to 50 Years
Infrastructure (Except for the Maintained Road System)	20 to 75 Years
Intangibles (Except for Right-to-Use Assets)	3 to 10 Years
Intangible Right-to-Use Assets	Shorter of Agreement Term or Useful Life of Underlying Asset

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 14th day of January 2025, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Robb Tucker, Lisa Swarthout, Susan Hoek, and Hardy Bullock.

Noes: None.

Absent: None.

Abstain: None.

Recuse: None.

ATTEST:

TINE MATHIASSEN  
Chief Deputy Clerk of the Board of Supervisors

By: 

  
Heidi Hall, Chair