



**CAPITALIZATION AND DEPRECIATION OF INFRASTRUCTURE**

**OFFICE OF THE STATE AUDITOR  
Division of Technical Assistance**

Presentation to:

**Mississippi Association of Governmental Purchasing and Property Agents**

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## Capitalization and Depreciation of Infrastructure

This handout contains information and examples that should be helpful in the implementation of GASB 34 requirements for capitalization and depreciation of county assets. Appendix C of this handout provides capital asset thresholds, useful lives and salvage values for all county assets including infrastructure. Since county assets other than infrastructure are already accounted for, our focus will be placed on infrastructure. The methodology for depreciation of infrastructure assets presented in the examples is also applicable for assets other than infrastructure. Land is not a depreciable asset. Land acquisition costs for infrastructure assets such as rights-of-way are included in the cost of the infrastructure asset and are not shown separately as an asset of the county.

We believe that the easiest and most cost effective way to implement the requirements of GASB 34 as it applies to infrastructure is to limit retroactive reporting to major classes of infrastructure assets, to define major classes of infrastructure assets as narrowly as possible, to use estimates whenever possible and use composite approaches to calculate depreciation expense. These basic guidelines may be applied to infrastructure assets acquired after the implementation of GASB 34; however, actual costs for acquisition should be available and estimates are not necessary. Remember that infrastructure reporting is limited to assets acquired during fiscal years ending after June 30, 1980.

For purposes of determining asset values, it will be necessary to know the cost of the asset or improvement to the asset in the year that acquisition was made. Appendix D provides infrastructure costs for years 1980 through 2001. As you can see we have grouped infrastructure assets into several major classes. Roads are classified as: Paved State Aid Roads, Unpaved State Aid Roads, Paved Non-State Aid Roads and Unpaved Non-State Aid Roads. Bridges are classified as Concrete State Aid, Concrete Non- State Aid and Timber. The information included in Appendix D was compiled by the Association of County Engineers. These estimates are acceptable for audit purposes. If you wish to use a costing mechanism that you feel is more reliable, you are free to do so. You must be able to provide documentation as to how the cost estimates you use were determined if you choose not to use Appendix D. If you wish to account for infrastructure assets that have an average acquisition year earlier than 1980, you must determine an acquisition cost for that class of asset for the earlier year and depreciate the asset up to the implementation year, October 1, 2002.

Examples 1 and 2 of this handout show how to capitalize and depreciate infrastructure assets acquired prior to the implementation period. As you can see, roads retain a residual or salvage value of 30% of original cost, while bridges retain no salvage value. Salvage values must be considered when calculating depreciation expense for roads. Infrastructure values and depreciation rates used in these examples are taken from Appendices C and D.

Example 3 explains how to capitalize and depreciate infrastructure assets acquired after the year of implementation. This example illustrates capitalization of non-state aid paved roads. The methodology used in this example is applicable to other classes of infrastructure assets. After much discussion, we believe the most effective way to capitalize and depreciate assets acquired after implementation is to capitalize infrastructure assets by classes by year of acquisition at actual cost and to depreciate each one of those year's classes of assets over the useful life of the asset taking into consideration any salvage values. Example 4 presents a method for determining depreciation expenses and infrastructure asset values for balance sheet presentation purposes.

Infrastructure assets are normally acquired through county construction contracts, state aid projects or in house projects. Information on asset acquisition costs for state aid projects may have to be obtained from outside sources such as your state aid engineer. The last page of this handout provides a schedule that may be used to account for county personnel, equipment, material and all other costs incurred on in house projects. This schedule may be tailored as you see fit to meet your needs as long as the basic information required in this schedule is available.

## APPENDIX C

### Capital Asset Thresholds, Useful Lives, and Salvage Values for County Governments

**Legal Compliance Threshold:** \$500

\* Exceptions are listed in the Capital Assets Manual.

**Capitalization Thresholds:**

Land	N/A
Infrastructure	N/A
Furniture, Vehicles, & Equipment	\$ 5,000
Improvements other than Buildings	\$25,000
Buildings	\$50,000

**Useful Lives:**

Computer Equipment & Peripherals	3 years
Vehicles and Equipment	5 years
Heavy Equipment (backhoes, dozers, front-end loaders, tractors, etc)	10 years
Furniture and Fixtures	7 years
Improvements other than Buildings	20 years
Buildings	40 years
Infrastructure:	
Roads	20 years
Concrete bridges	50 years
Timber bridges	30 years

Note Capital assets are to be depreciated using the straight-line method of depreciation. A full year's depreciation expense should be taken for all purchases and sales of capital assets during the fiscal year.

**Salvage Values**

Computer Equipment	1 %
Furniture	10%
Vehicles and Heavy Equipment	10%
Improvements other than Buildings	20%
Buildings	20%
Roads	30%
Bridges	0%

# APPENDIX D

## INFRASTRUCTURE COSTS COSTS 1980-2001

### ROADS (per lane mile)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Paved (State Aid)	\$93,002	\$102,595	\$108,916	\$112,415	\$117,269	\$121,445	\$123,702	\$128,217	\$133,521	\$139,955	\$147,517
Unpaved (State Aid)	\$58,126	\$64,122	\$68,073	\$70,260	\$73,293	\$75,903	\$77,314	\$80,135	\$83,451	\$87,472	\$92,198
Paved (Non-State Aid)	\$44,176	\$48,733	\$51,735	\$53,397	\$55,703	\$57,686	\$58,758	\$60,903	\$63,423	\$66,478	\$70,071
Unpaved (Non-State Aid)	\$39,526	\$43,603	\$46,290	\$47,777	\$49,839	\$51,614	\$52,573	\$54,492	\$56,747	\$59,481	\$62,695

### ROADS (per lane mile)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Paved (State Aid)	\$153,725	\$158,352	\$163,093	\$167,269	\$172,009	\$177,088	\$181,151	\$183,973	\$188,036	\$194,470	\$200,000
Unpaved (State Aid)	\$96,078	\$98,970	\$101,933	\$104,543	\$107,506	\$110,680	\$113,220	\$114,983	\$117,523	\$121,543	\$125,000
Paved (Non-State Aid)	\$73,019	\$75,217	\$77,469	\$79,453	\$81,704	\$84,117	\$86,047	\$87,387	\$89,317	\$92,373	\$95,000
Unpaved (Non-State Aid)	\$65,333	\$67,300	\$69,314	\$71,089	\$73,104	\$75,262	\$76,989	\$78,188	\$79,915	\$82,650	\$85,000

## BRIDGES (per sq. ft.)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Concrete (State Aid)	\$20.93	\$23.08	\$24.51	\$25.29	\$26.39	\$27.33	\$27.83	\$28.85	\$30.04	\$31.49	\$33.19
Concrete (Non-State Aid)	\$18.60	\$20.52	\$21.78	\$22.48	\$23.45	\$24.29	\$24.74	\$25.64	\$26.70	\$27.99	\$29.50
Timber (Non-State Aid)	\$13.95	\$15.39	\$16.34	\$16.86	\$17.59	\$18.22	\$18.56	\$19.23	\$20.03	\$20.99	\$22.13

## BRIDGES (per sq. ft.)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Concrete (State Aid)	\$34.59	\$35.63	\$36.70	\$37.64	\$38.70	\$39.84	\$40.76	\$41.39	\$42.31	\$43.76	\$45.00
Concrete (Non-State Aid)	\$30.74	\$31.67	\$32.62	\$33.45	\$34.40	\$35.42	\$36.23	\$36.79	\$37.61	\$38.89	\$40.00
Timber (Non-State Aid)	\$23.06	\$23.75	\$24.46	\$25.09	\$25.80	\$26.56	\$27.17	\$27.60	\$28.21	\$29.17	\$30.00

**EXAMPLE 1**  
**CAPITALIZATION AND DEPRECIATION : ROADS**  
**Implementation Period: FYE September 30, 2003**

1. Number of lane miles of paved state aid roads in county: 1000 lane miles
2. Estimated useful life of roads: 20 years (30% salvage value)
3. Average age of roads: 15 years old
4. Acquisition year: 1987 (2002 minus 15 years)
5. Estimated cost per lane mile in 1987: \$128, 217 (from Appendix D)
6. Estimated historical cost: \$128,217,000 ( $\$128,217 \times 1000$ )
7. Annual depreciation rate: 5% per year
8. Accumulated depreciation as of October 1, 2002: \$67,313,925  
Calculation:  
 $\$128,217,000 - \$38,465,100$  (30% salvage value) = \$89,751,900  
 $\$89,751,900 \times 5\%$  per year  $\times 15$  years = \$ 67,313,925
9. Depreciation expense recorded at FYE 2003 and each following year: \$4,487,595  
Calculation:  
 $\$89,751,900 \times 5\% = \$4,487,595$   
NOTE: This class of roads should not be depreciated beyond salvage value.

**EXAMPLE 2**  
**CAPITALIZATION AND DEPRECIATION : BRIDGES**  
**Implementation Period: FYE September 30, 2003**

1. Number of square feet of concrete non-state aid bridges: 100,000
2. Estimated useful life of concrete bridges: 50 years (no salvage value)
3. Average age of bridges: 20 years
4. Acquisition year: 1982 (2002 minus 20 years)
5. Estimated cost per sq. ft. in 1982 = \$21.78 (from Appendix D)
6. Estimated historical cost: \$217,800,000 ( $\$21.78 \times 100,000$ )
7. Annual depreciation rate: 2% per year
8. Accumulated depreciation as of October 1, 2002: \$87,120,000  
Calculation:  $\$217,800,000 \times 2\% \text{ per year} \times 20 \text{ years} = \$87,120,000$
9. Depreciation expense recorded at FYE 2003 and each following year:  
 $\$217,800,000 \times 2\% = \$4,356,000$

**EXAMPLE 3**  
**CAPITALIZATION AND DEPRECIATION : ROADS**  
**Constructed and Capitalized After October 1, 2002**

1. Number of lane miles of paved non-state aid roads capitalized in 2003: 100  
2004: 200
2. Estimated useful life of roads: 20 years (30% salvage value)
3. Actual cost per lane mile in 2003: \$100,000  
2004: \$105,000
4. Total cost of roads capitalized in 2003: \$10,000,000  
2004: \$21,000,000
5. Depreciation of roads capitalized in 2003 recorded at FYE 2003 and each following year:  
\$350,000  
Calculation:  $\$10,000,000 - \$3,000,000$  (30% salvage value) X 5% = \$350,000
6. Depreciation of roads capitalized in 2004 recorded at FYE 2004 and each following year:  
\$740,000  
Calculation:  $\$21,000,000 - \$6,200,000$  (30% salvage value) X 5% = \$740,000

**EXAMPLE 4**  
**INFRASTRUCTURE ASSET AND DEPRECIATION VALUES**

<b>October 1, 2002</b>		<u>Accumulated</u>	<u>Annual</u>
<u>Asset</u>	<u>Acquisition Cost</u>	<u>Depreciation</u>	<u>Depreciation</u>
Paved (State Aid)			
Paved (Non-State Aid)			
Unpaved (Non-State Aid)			
Concrete Bridges (State Aid)			
Concrete Bridges (Non-State Aid)			

<b>September 30, 2003</b>		<u>Accumulated</u>	<u>Annual</u>
<u>Asset</u> (List)	<u>New Construction</u>	<u>Depreciation</u>	<u>Depreciation</u>

<b>September 30, 2004</b>		<u>Accumulated</u>	<u>Annual</u>
<u>Asset</u> (List)	<u>New Construction</u>	<u>Depreciation</u>	<u>Depreciation</u>

For example:

The total cost at September 30, 2003 of the infrastructure asset Paved (State Aid) would be determined by adding old acquisition costs from the October 1, 2002 listing and new construction from the September 30, 2003 listing. Total depreciation expense for Paved (State Aid) at September 30, 2003 would be determined by adding the annual depreciation costs for that class of asset from the October 1, 2002 listing and the annual depreciation cost for that class of asset from the September 30, 2003 listing.

The total cost at September 30, 2004 of the infrastructure asset Paved (State Aid) would be determined by adding old acquisition costs at October 1, 2002, construction costs for October 1, 2002 through September 30, 2003 and construction costs for October 1, 2003 through September 30, 2004. Depreciation expense for that class of asset at September 30, 2004 would be obtained by adding the annual depreciation costs for that class of asset from the October 1, 2002 listing, the September 30, 2003 listing and the September 30, 2004 listing.

As depreciation is charged each year for each class of asset, accumulated depreciation is credited each year for the amount of the depreciation. Accumulated depreciation is a contra account to the particular class of asset which incurs the depreciation.

## IMPLICIT PRICE DEFLATOR

Index Numbers, 1996= 100

Quarter Year:	I	II	III	IV	Annual
2001	108.65	109.21	109.80		
2000	106.22	106.81	107.31	107.78	107.04
1999	104.12	104.45	104.80	105.22	104.65
1998	102.76	103.01	103.38	103.65	103.20
1997	101.34	101.82	102.12	102.49	101.95
1996	9.39	99.74	100.22	100.63	100.00
1995	97.45	97.86	98.30	98.78	98.10
1994	95.28	95.71	96.28	96.74	96.01
1993	93.32	93.82	94.24	94.79	94.05
1992	91.16	91.67	91.97	92.55	91.94
1991	88.76	89.40	89.99	90.47	89.66
1990	85.18	86.16	86.99	87.74	86.51
1989	82.20	83.01	83.62	84.24	83.27
1988	78.98	79.79	80.71	81.33	80.21
1987	76.70	77.27	77.84	78.46	77.58
1986	74.68	75.05	75.51	76.01	75.31
1985	73.00	73.50	73.85	74.39	73.69
1984	70.59	71.16	71.73	72.24	71.44
1983	67.95	68.56	69.16	69.77	68.88
1982	64.99	65.83	66.75	67.45	66.25
1981	60.66	61.76	62.95	64.10	62.37
1980	55.11	56.34	57.60	59.13	57.04
1979	50.55	51.71	52.81	53.90	52.25
1978	46.86	47.77	48.60	49.59	48.23
1977	43.97	44.69	45.23	46.16	45.02
1976	41.50	41.92	42.50	43.27	42.30
1975	39.08	39.63	40.33	41.05	40.03
1974	35.20	36.02	37.09	38.20	36.62
1973	32.71	33.25	33.86	34.58	33.60
1972	34.41	31.61	31.92	32.32	31.82
1971	30.00	30.40	30.71	30.96	30.52
1970	28.55	28.94	29.18	29.56	29.06

Implicit Price Deflator, continued  
 Index Numbers, 1996= 100

Quarter Year:	I	II	III	IV	Annual
1969	27.03	27.39	27.79	28.15	27.59
1968	25.88	26.14	26.39	26.76	26.30
1967	24.89	25.05	25.31	25.59	25.21
1966	24.13	24.32	24.58	24.79	24.46
1965	23.61	23.71	23.81	23.97	23.78
1964	23.22	23.28	23.37	23.49	23.34
1963	22.91	22.94	22.98	23.16	23.00
1962	22.67	22.71	22.76	22.83	22.74
1961	22.35	22.40	22.46	22.53	22.44
1960	22.08	22.15	22.23	22.30	22.19
1959	21.83	21.83	21.88	21.98	21.88

Source: United States Department of Commerce, Bureau of Economic Analysis.

## FIXED ASSET DATA ELEMENTS

Data elements consist of identifying characteristics that will be recorded for fixed assets. It is important that the county initially identify the data elements to satisfy both internal and external reporting requirements.

The county must capture the following required data elements for all fixed assets:

- Major asset class
- Fund number
- Acquisition date
- Description of asset (Manufacturer, year model, model number, etc.)
- Vendor
- Serial number
- Property control number
- Location
- Warrant number
- Method of Acquisition (Purchased, constructed, donated, etc.)
- Acquisition cost or value
- Method of disposition
- Minute book and page number authorizing purchase or disposition
- Date of disposition
- Trade-in Amount/Sale Proceeds
- Special conditions
- Other relevant information

In addition to the required data elements listed above, the county must capture the following required data elements for assets that exceed capitalization thresholds:

- Useful life of asset
- Salvage value of asset
- Function
- Percentage of use by function if not 100%
- Current year depreciation expense
- Accumulated depreciation

## FIXED ASSET CLASSIFICATION

Governmental accounting pronouncements and the Office of the State Auditor recommend the following accounting classifications for fixed assets:

- Land
- Infrastructure
- Buildings
- Improvements Other Than Buildings
- Construction-in-Progress
- Mobile Equipment
- Other Furniture and Equipment
- Leased Property Under Capital Leases

These classifications are used to report fixed assets, and prescribed records are designed to provide this information. A discussion of each of these classifications follows:

### Land

All land owned by the county is recorded at cost. If land is donated or if cost cannot be determined, it is recorded at fair value when acquired. Cost includes expenditures in connection with the purchase, including

- Purchase price
- Appraisal and negotiation fees
- Title search fees
- Surveying fees
- Cost of consents
- Payment of damage claims
- Clearing land for use
- Demolishing or removing structures
- Filing costs

All land is to be included in this classification regardless of its value for both legal compliance and reporting purposes. Right-of-way and easements are not considered land for purposes of this classification.

### Infrastructure

Infrastructure includes long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems.

Acquisition cost for infrastructure includes the following expenditures:

- Construction costs (i.e. contract amounts, payroll, fringe benefits, rental value for equipment, etc.)
- Legal fees
- Engineering fees
- Right of way costs
- Payment of damage claims connected with construction
- Materials

All infrastructure is to be included in this classification regardless of its value for both legal compliance and reporting purposes. The straight line method should be used to calculate depreciation expense for roads based on a useful life of 20 years and a 30% salvage value. The straight line method should be used to calculate depreciation expense for concrete bridges based on a useful life of 50 years and no salvage value and timber bridges based on a 30 year useful life and no salvage value.

The Supervisor/Road Manager should prepare records throughout the year to document all costs of infrastructure that are to be capitalized. Items to be capitalized should include new roads or bridges, changes in types of roads (i.e. paving a gravel road) and improvements to existing infrastructure that either extends its useful life or increases its load capacity. These records should be prepared for each individual project. Projects that are constructed through the use of county owned equipment and county personnel should include at a minimum the information on forms E-41 and E-42. Projects that are constructed through the use of outside contractors should include at a minimum the information on forms E-43 and E-44. State Aid Road Projects should include at a minimum the information on forms E-45 and E-46. Adjustments should be made to the financial accounting records and capital asset records to properly record these expenditures as infrastructure.

### Buildings and Building Improvements

The classification Buildings and Building Improvements includes all permanent, portable, and temporary building structures regardless of value. Buildings are recorded at acquisition cost, which includes:

- Purchase price or cost of construction
- Permanently installed fixtures
- Professional fees (architect and/or engineering fees, etc.)
- Cost of permits and licenses connected with acquisition
- Payment of damage claims connected with acquisition
- Insurance premiums connected with acquisition
- Other acquisition costs

Donated buildings should be recorded at fair value at the time of donation. Extensions of existing buildings or new and separate units added to a building complex are capital outlay and should be assigned a separate identity and depreciable life. Renovations, repairs and alterations should not be added to the value of the existing building, unless they materially increase the value or extend the life of the building.

The cost of buildings should be reduced by the sale or salvage of materials initially capitalized as part of the cost. These would include discounts, allowances and rebates secured, and amounts recovered through the surrender of liability and/or casualty insurance.

All buildings and building improvements are to be included in this classification regardless of value for legal compliance purposes. Buildings and building improvements with a cost in excess of \$50,000 should be capitalized for reporting purposes. The straight line method should be used to calculate depreciation expense based on a useful life of 40 years and a 20% salvage value. Any building or building improvement with a value less than the required capitalization threshold will be expensed in the year of acquisition. A memo amount should be recorded in the fixed asset records to document cost.

### Improvements Other Than Buildings

Improvements Other Than Buildings records the acquisition cost of permanent improvements, other than buildings, which add value to land. The following items on county-owned land are included: fences, retaining walls, sidewalks, parking lots and lighting.

Acquisition cost for Improvements Other Than Buildings includes the following expenditures:

- Purchase price, contract price or job order cost
- Professional fees (architects, engineers, appraisers, attorneys, etc.)
- Payment of damage claims connected with acquisition
- Insurance premiums connected with acquisition

The cost of Improvements Other Than Buildings should be reduced by the sale or return of any materials initially capitalized as part of the cost.

All Improvements Other Than Buildings are to be included in this classification regardless of value for legal compliance purposes. Improvements Other Than Buildings with a cost in excess of \$25,000 should be capitalized for reporting purposes. The straight line method should be used to calculate depreciation expense based on a useful life of 20 years and a 20% salvage value. Improvements Other Than Buildings with a value less than the required capitalization threshold will be expensed in the year of acquisition. A memo amount should be recorded in the fixed asset records to document cost.

### Construction-in-Progress

Construction-in-Progress records construction costs of projects incurring costs, but not complete. The cost is accumulated the same as Buildings cost, Improvements Other Than Buildings cost or infrastructure costs. When the project is complete, the amount in Construction-in-Progress is moved to Buildings, Improvements Other Than Buildings or infrastructure.

## Mobile Equipment

Mobile equipment generally includes large machinery and equipment, and road working equipment with an expected useful life of at least one year. Items included are

- Automobiles, including installed radios and lights
- Trucks
- Tractors
- Heavy equipment, including scrapers, bulldozers, backhoes, loaders, cranes and draglines
- Attachments such as bushhogs, clippers, mowers, blades and sprayers
- Trailers for transport of equipment
- Fire trucks
- Jaws of life

Items included regardless of value are

- Lawnmowers and lawn maintenance equipment
- Chain saws
- Air compressors, welders, generators and similar type items

*NOTE: These lists are not all-inclusive.*

Acquisition cost of Mobile Equipment includes the following expenditures:

- Purchase price
- Delivery charges
- Installation cost
- Initial expenditures required to place the equipment in its intended operating state

Donated Mobile Equipment is recorded at fair value when acquired. All Mobile Equipment acquired from the Department of Finance and Administration, Surplus Property is included at fair value. The county may include items not in these guidelines, provided the policy is applied consistently.

All Mobile Equipment with a value of \$500 or more and those items required to be included regardless of value are to be included in this classification for legal compliance purposes. Mobile Equipment with a cost in excess of \$5,000 should be capitalized for reporting purposes. The straight line method should be used to calculate depreciation expense based on a useful life of 5 years for vehicles and equipment and 10 years for heavy equipment and a 10% salvage value. Mobile Equipment with a value less than the required capitalization threshold will be expensed in the year of acquisition. A memo amount should be recorded in the fixed asset records to document cost.

## Other Furniture and Equipment

Other Furniture and Equipment generally includes other assets with an expected useful life of at least one year. Items included are

- Computers, including original software
- Furniture
- Voting equipment
- Filing equipment
- Appliances
- Office equipment

Items included regardless of value are

- Portable air conditioners
- Guns and weapons
- Cameras and camera equipment
- Tape recorders
- Dictating equipment
- Two-way radio equipment
- Typewriters and wordprocessors
- Refrigerators
- Televisions

- Calculators and adding machines
- Mobile/cellular phones
- Computer and computer equipment

*NOTE: These lists are not all-inclusive.*

The acquisition cost of Other Furniture and Equipment includes the following expenditures:

- Purchase price
- Delivery charges
- Installation cost
- Initial expenditures required to place the asset in its intended operating state

Donated items are recorded at fair value when acquired. All property acquired from the Department of Finance and Administration, Surplus Property is included at fair value. The county may include property not in these guidelines, provided the policy is applied consistently.

All Other Furniture and Equipment with a value of \$500 or more and those items required to be included regardless of value are to be included in this classification for legal compliance purposes. Other Furniture and Equipment with a cost in excess of \$5,000 should be capitalized for reporting purposes. The straight line method should be used to calculate depreciation expense based on a useful life of 3 years for computer equipment, 5 years for other equipment and 7 years for furniture and fixtures. A 1% salvage value should be used for computer equipment and a 10% salvage value should be used for furniture and other equipment. Other Furniture and Equipment with a value less than the required capitalization threshold will be expensed in the year of acquisition. A memo amount should be recorded in the fixed asset records to document cost.

## Leased Property Under Capital Leases

Capital leasing authority for county government is found in Section 31-7-13(e), Mississippi Code Annotated (1972, amended). This transaction is commonly known as a *lease-purchase*.

All property acquired under a lease-purchase agreement is recorded in this classification. When the lease agreement has been fulfilled and all payments made, the property is removed from Leased Property Under Capital Leases and placed in the proper classification (usually Mobile Equipment or Other Furniture and Equipment).

The contract and amortization schedule for the capital lease shall be obtained (the lessor can provide this) and entered on the minutes of the Board of Supervisors. Capital leases must be included in the Long-Term Debt account.

\_\_\_\_\_ COUNTY  
**ROAD \ BRIDGE IMPROVEMENT REPORT FOR PROJECTS USING COUNTY EMPLOYEES AND EQUIPMENT**

Road \ Bridge Name: \_\_\_\_\_

District \_\_\_\_\_

Select one of the following:

New Road \_\_\_\_\_ Old Road \_\_\_\_\_ New Bridge \_\_\_\_\_ Old Bridge \_\_\_\_\_

Select one of the following:

County Road (paved) \_\_\_\_\_ County Road (unpaved) \_\_\_\_\_ State Aid Road (paved) \_\_\_\_\_ State Aid Road (unpaved) \_\_\_\_\_  
 State Aid Concrete Bridge \_\_\_\_\_ Non-State Aid Concrete Bridge \_\_\_\_\_ Non-State Aid Timber Bridge \_\_\_\_\_

Description of Project: \_\_\_\_\_

Location\Length of Project: \_\_\_\_\_

Date(s): \_\_\_\_\_

Note: This form should be completed for the construction of any new roads or bridges and any changes in types of roads (i.e. paving a gravel road). It should also be completed to account for expenditures to improve existing infrastructure that either extends its useful life or increases its load capacity.

<b>COUNTY PERSONNEL WORKING ON PROJECT</b>				
To be completed by Supervisor \ Road Manager			To be completed by Office Personnel	
Name of Employee	Employee No.	Hrs Worked on Proj.	Total Hourly Rate	Total Cost
			Total	

<b>COUNTY EQUIPMENT USED ON PROJECT</b>			
To be completed by Supervisor \ Road Manager		To be completed by Office Personnel	
Description of Equipment	Hrs Used on Proj.	Rate per Hour	Total Cost
Total			

<b>MATERIALS USED ON PROJECT</b>				
To be completed by Supervisor \ Road Manager			To be completed by Office Personnel	
Materials	How Much	Vendor	Unit Price	Total Cost
Total				

<b>OTHER (Right of way, engineering fees, attorney fees, etc.)</b>			
To be completed by Supervisor \ Road Manager		To be completed by Office Personnel	
Description	Vendor		Total Cost
Total			

\_\_\_\_\_  
Signature of Supervisor or Road Manager

Project Ongoing \_\_\_\_\_  
Project Complete \_\_\_\_\_

Date Journal Entry Posted: _____
Journal Entry Posted By: _____