



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.18.

12/10/2019

Subject:

Amended Tangible Personal Property Policy BCC-23 to update the effective dates and signature blocks.

Fiscal Impact:

No fiscal impact

Dept/Office:

Central Services

Requested Action:

It is requested that the Board approve the amended Tangible Personal Property Policy BCC-23.

Summary Explanation and Background:

BCC-23 was last approved on July 8, 2014 and was scheduled for review on July 8, 2017. A thorough review was conducted and the language as written is still relevant and effective today. A revised version of BCC-23 updating the effective dates and signature block is attached.

Clerk to the Board Instructions:

Upon recording, please return a fully executed copy of the Policy to Steven Darling in Central Services.



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Tammy.Rowe@brevardclerk.us

December 11, 2019

M E M O R A N D U M

TO: Frank Abbate, County Manager

RE: Item F.18., Amended Tangible Personal Property Policy BCC-23 to Update the Effective Dates and Signature Blocks

The Board of County Commissioners, in regular session on December 10, 2019, approved the amendment of Board Policy BCC-23, Tangible Personal Property. Enclosed is the original Policy.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe

Tammy Rowe, Deputy Clerk

/ds

Encl. (1)

cc: Central Services Director
Asset Management Director

TITLE: Tangible Personal Property

NUMBER: BCC-23
CANCELS 07/08/2017
APPROVED: 12/10/2019
ORIGINATOR: Asset Management
REVIEW: 12/9/2022

I. OBJECTIVE

To delegate the custody of tangible personal property owned by the Board, establish capitalization thresholds and the Board's intent for responsibility of tangible personal property within the custody, control, and use of Constitutional/Charter Officers.

II. REFERENCES

- A. Chapter 274, Florida Statutes – Tangible Personal Property Owned by Local Governments.
- B. Rules of the Chief Financial Officer, Chapter 691-73, Tangible Personal Property Owned by Local Governments.

III. DEFINITIONS

- A. Board – The Brevard County Board of County Commissioners.
- B. County – Brevard County, Florida
- C. Constitutional/Charter Officers – All County officers described in article VIII, Section (1)(d) of the constitution of the State of Florida or in the Brevard County Charter.
- D. Tangible Personal Property – furniture, equipment, fixtures, and other tangible personal property of a nonconsumable nature and a normal expected life of one year or more.
- E. Custodian – the person to whom the custody of property has been delegated by the Board.
- F. Custodian Delegation – a person under the supervision of the custodian, to which person the custodian may delegate the use and immediate control of property and from whom the custodian may require custody receipts.
- G. Capital Asset – Real or personal property that has a cost equal to or greater than established threshold established by the Board and has an estimated useful life extending beyond one year.
- H. Land – Surface or crust of the earth, which can be used to support structures, and may be used to grow grass, shrubs, and trees.
- I. Land Improvements – Consist of betterments, site preparation not already captured under original land acquisition, and site improvements that ready land for its intended use.
- J. Buildings – A structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls, and is not intended to be transportable or moveable.

- K. Improvement Other Than Building – Capital asset that is permanently attached to the land, may or may not have a roof or be enclosed by walls. Asset is not intended to be transportable or moveable.
- L. Building Improvements – Capital events that materially extend the useful life of a building or increase the value of a building, or both beyond one year. Improvements will be tracked and capitalized if improvements are greater than or equal to \$35,000. Examples of building improvements include roofing projects, major energy conservation projects, or remodeling and replacing major building components if such improvements extend the useful life and/or increase the value of the building. In kind replacements of existing equipment or fixtures that maintain the existing building are not considered capital events.
- M. Infrastructure and Infrastructure Improvements – 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.
- N. Construction Work in Progress – Construction work in progress reflects the economic construction activity status of buildings and other structures, infrastructure, additions, alterations, reconstruction, and installation, which are substantially incomplete.
- O. Other Fixed Assets – Other fixed assets that are long –term assets that are not otherwise classified in another capital asset category.
- P. Intangible Assets – Intangible assets are assets that do not have a physical existence. (Note: An intangible asset may be contained within an asset having a physical presence or associated with other assets having a physical presence. Examples are software contained on a compact disc or right-of-way easements.) Intangible assets include computer programming or coding language that provide the necessary instructions for the computer hardware to perform a desired task or series of tasks. Software intangible assets include commercially available off-the-shelf software, software specifically developed by an outside contractor, and software developed internally by agency personnel. Intangible assets also include land-use rights such as easements, right-of-ways, and water rights, that provide specific benefits related to the real property upon which the right applies. (GASB 51)
- Q. General Ledger Control Accounts – Accounts maintained for financial reporting purposes.
- R. Capitalization Threshold – Dollar threshold established for each capital asset category for financial reporting and safeguarding of small value assets.

IV CAPITALIZATION THRESHOLD

Capital Asset Category	Financial Statement Capitalization Threshold
Land	Capitalize All
Land Improvements	≥\$5,000
Buildings and Building Improvements	≥\$35,000
Improvements Other Than Buildings	≥\$5,000
Infrastructure and Infrastructure Improvements	≥\$35,000
Leasehold Improvements	≥\$35,000
Intangible Assets	≥\$5,000
Construction Work In Progress	Accumulate all costs over \$1,000.00(R) (Effective 10/1/14)
Computers (A)	≥\$750.00(A) (Effective 10/1/14)
Furniture and Equipment	≥\$1,000.00(R) (Effective 10/1/14)
Other Fixed Assets	≥\$1,000.00(R) (Effective 10/1/14)
General Ledger Control Accounts	Adjustments to Fixed Asset General Ledger Control Accounts by County Finance require Board approval if \$35,000 or over. Adjustments under \$35,000 do not require Board approval if proper backup support is available

V. DIRECTIVES FOR CONSTITUTIONAL OFFICERS' TANGIBLE PERSONAL PROPERTY

- A. The Board of County Commissioners hereby specifically designates each Constitutional Officer within the County as custodian of tangible personal property within the officer's custody, control and use.

- B. The Constitutional Officers may designate custodians for control of tangible personal property within the officer's custody, control and use.
- C. The Board may provide administrative support and control for tangible personal property of other constitutional officers when mutually agreed upon and in compliance with this policy and Administrative Order AO-24 Accountability of County Owned Property. Each officer shall follow the directives set forth in Ch.274, Florida statutes, and regulations adopted thereunder, as amended from time to time.

VI. DIRECTIVES FOR THE BOARD'S TANGIBLE PERSONAL PROPERTY

- A. The Board hereby specifically designates each Board department/office as custodian of tangible personal property within the respective department/office's custody, control and use. This tangible personal property shall herein after be referred to as the "Board's tangible personal property."
- B. Each Board custodian is authorized to designate custodian delegates.
- C. Acquisition, supervision, accountability, control, transfer, and disposal of the Board's tangible personal property shall be in compliance with Chapter 274, Florida Statutes, and records shall contain information as specified in the Rules of the Chief Financial Officer. The Board directs compliance with the following requirements for disposal of tangible personal property.
 - 1. Property that the custodian determines is obsolete or the continued use which is uneconomical or inefficient, or which serves no useful function may be classified by the custodian as surplus property.
 - 2. Within the reasonable exercise of discretion and having consideration for the best interests of the County as well as the value and condition of surplus property, the Board may offer such surplus property to (1) other governmental units (cities, special taxing districts); (2) not for profit agencies as defined by Chapter 273.01(3), Florida Statutes, holding active status with the State of Florida Division of Corporations, and whose activities demonstrate a benefit to the health, education, and/or social needs of the general population of the County; or (3) may sell such surplus property for commercial value to the highest bidder. The Board may donate, destroy, or abandon surplus property with no commercial value. The disposal of the Board's tangible personal property shall be recorded in records required by the Chief Financial Officer under Chapter 274.02, Florida Statutes.
 - 3. Property which the custodian determines to be surplus, and which is either over five (5) years old, or with a depreciated value of less than \$5,000.00 may be approved for sale or disposal by the County Manager or his designee.
 - 4. The County Manager or designee may also approve the donation of property that is determined to be surplus, has no commercial value, or scheduled to be junked to not for profit agencies, as defined by Chapter 273.01 (3), Florida Statutes, holding active status with the State of Florida Division of Corporations, and whose activities demonstrate a benefit to the health, education, and/or social needs of the general population of the County.
 - 5. Unaccounted for property which is either over five (5) years old or has a depreciated value of less than \$5,000.00 may be approved for removal from inventory by the County Manager.
- D. Board custodians and custodian delegates shall comply with Administrative Order AO-24 Accountability of County Owned Property concerning Tangible Personal Control and Accountability.

VII. RESERVATION OF AUTHORITY

The authority to issue and/or revise this policy is reserved to the Board of County Commissioners.



SCOTT ELLIS, CLERK



Bryan Lober, Chair
Board of County Commissioners
Brevard County, Florida

As approved by the Board on December 10, 2019