

**TOWN COUNCIL  
TOWN OF DAYTON, INDIANA  
ORDINANCE NO. 2624-5**

**AN ORDINANCE ESTABLISHING A CAPITAL ASSET POLICY**

**WHEREAS** Indiana Code § 36-1-3-4 provides a municipality all powers necessary to conduct its affairs, even if not expressly granted by statute;

**WHEREAS, it has been determined by the Town Council of the Town of Dayton, Indiana** (hereinafter the “Town Council”) that the Town of Dayton, Indiana’s (hereinafter the “Town”) capital asset records are not currently up to date and adequate to meet the requirements of the State Board of Accounts;

**WHEREAS**, the Town Council has determined it is the best interest of the Town to compile and update the Town’s inventory of capital assets; and

**WHEREAS** it is in the best interest of the Town to create a Capital Asset Policy for such compilation of the Town’s inventory of capital assets.

**NOW THEREFORE BE IT RESOLVED**, by the Town Council of the Town of Dayton, Indiana, hereby adopts a Capital Asset Policy as described herein.

**1. General Information**

The Town adopts this Capital Asset Policy effective May 21, 2024 to establish and maintain accountability for capital assets owned by the Town.

**2. Definitions of Capital Assets**

Capital assets include but are not limited to: land, easements, rights-of-way, land improvements, buildings, building improvements, construction in progress, machinery and equipment, vehicles, infrastructure, works of art and monuments with a useful life of more than one year (including acquisitions by lease-purchase agreements and donated items) with an original cost or estimated value of Five Thousand and 00/100 Dollars (\$5,000.00) or more.

**3. Valuation of Capital Assets**

Capital assets should be recorded at actual cost, if known. If the original cost is not known, an estimate should be made of the asset’s original cost. This valuation should be of the asset’s original or estimated original cost, not the current replacement cost of the asset. Normally the cost recorded is the purchase price or construction costs of the asset, but also included is any other reasonable and necessary costs incurred to place the asset in its intended location and intended use, that can be directly related to the asset. Donated or contributed assets should be recorded at their fair market value on the date donated or acquired.

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#### **4. Asset Definitions by Major Category**

It is important for the maintenance of accurate records that each asset category be precisely defined and that all persons responsible for records maintenance be fully aware of the categorization system. This section further clarifies the asset definitions by major category.

##### ***Land, Easements and Right of Ways:***

Specified land, easements, rights-of-way, lots, parcels, or acreage owned by the unit or its various departments, boards, or authorities, regardless of the method or date of acquisition.

##### ***Improvements Other Than Buildings:***

Examples of unit assets in this category are walks, parking areas and drives, fencing, retaining walls, pools, fountains, planters, underground sprinkler systems, and other similar items.

##### ***Buildings:***

All structures designed and erected to house equipment, services, or functions are included. This includes systems, services, and fixtures within the buildings, and attachments such as porches, stairs, fire escapes, canopies, areaways, lighting fixtures, flagpoles, and all other such units that serve the building.

Plumbing systems, lighting systems, heating, cooling, ventilating and air handling systems, sprinkler systems, alarm systems, sound systems, and surveillance systems, passenger and freight elevators, escalators, built-in casework, walk-in coolers and freezers, fixed shelving, and other fixed equipment are included with the building, if owned. Communications antennas and/or towers are not included as buildings. These are parts of the equipment units that they serve.

##### **Equipment:**

Equipment includes all other types of physical property within the scope of the Capital Asset Policy not previously classified. Included within this category are office mechanical equipment, office furniture, appliances, furnishings, machinery items, maintenance equipment, communication equipment, police, fire, sanitation and park department equipment, laboratory equipment, dogs, horses, vehicles, road equipment, aircraft, emergency equipment, earth moving equipment, text equipment, civil defense equipment, data processing equipment, and zoo wildlife. All supplies are excluded.

##### ***Infrastructure:***

Infrastructure assets are long-lived capital assets that normally can be preserved for a significantly greater number of years than most capital assets and are normally stationary in nature. Examples include roads, bridges, sidewalks, streetlights, traffic signals, street signs, drainage systems, and water systems. Infrastructure assets can include structures directly related

to the infrastructure. Examples would include rest area facilities and road maintenance structures such as shops and garages associated with a highway system, and water pumping buildings associated with water systems.

**5. Asset Transfers and Dispositions**

Property should not be transferred, turned-in for auction, or disposed of without prior approval of the appropriate Department Head and approval by the Town Council. A Capital Asset Notification form should be sent to the Town Clerk-Treasurer in all cases. Invoices for new purchases will not be paid unless this form is attached. Deletions for any reason must be reported to the Town Clerk-Treasurer or his or her designee.

Transfers are defined as any movement of an asset by virtue of change in location, either by account, department, building, floor, or room. If an asset is stolen, the Department Head should ensure that a police report is promptly filed and that the police report be forwarded to the Town Clerk-Treasurer along with the Capital Asset Notification form.

**6. Periodic Inventories**

A physical inventory of capital assets shall be conducted by each department as near as practical to year-end. Assets which are observed during the physical inventory which are not on the inventory list should be noted. Omission of assets included on the inventory list should also be noted, and the reasons for such omissions should be documented to the extent possible. The physical inventory and related documentation will be forwarded to the Town Clerk-Treasurer who will compare the results of the physical inventory to the capital asset records and make necessary adjustments to the capital assets.

PASSED AND RESOLVED this 21 day of May, 2024.

**TOWN COUNCIL  
TOWN OF DAYTON, INDIANA**

By: [Signature]  
President

By: [Signature]  
Member

By: [Signature]  
Member

By: [Signature]  
Member

By: \_\_\_\_\_  
Member

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*August Cadwalla*  
Clerk-Treasurer