

RESOLUTION #:

RESOLUTION AMENDING THE ASSET CAPITALIZATION  
THRESHOLD FOR INTANGIBLE ASSETS

---

WHEREAS, in 2002, Buncombe County implemented the use of GASB (Governmental Accounting Standards Board) Statement No. 34 which sets \$5,000 as a minimum capitalization threshold for capital assets for ACFR (Annual Comprehensive Financial Report) reporting purposes and which threshold the County has utilized since that time; and

WHEREAS, in 2014, Resolution 14-09-07 increased the minimum capitalization threshold for capital assets to \$10,000; and

WHEREAS, the budget ordinance for fiscal year 2016-2017 increased the minimum capitalization threshold for capital assets to \$25,000 with the following exceptions: 1) All vehicles acquired by the County shall continue to be recorded as capital assets regardless of the cost; and 2) All assets acquired with award/grant monies, in part or in whole, required to be recorded as capital assets in order to fulfill the requirements set out in the Code of Federal Regulations or other applicable award/grant contracts; and

WHEREAS, GASB requires the capitalization of intangible assets, such as software, and it is a common practice among governmental units to have a higher capitalization threshold for such assets; and

WHEREAS, the Finance Department recommends that this Board adopt a policy establishing \$100,000 as the minimum capitalization threshold for intangible assets effective for year end calculations beginning FY2021; and

WHEREAS, this Board is of the opinion that it is in the best interests of the citizens and residents of the County to accept this new threshold.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County of Buncombe as follows:

1. That this Board hereby approves an amendment to the County's Capital Asset policy to increase the asset capitalization threshold for intangible assets from \$25,000 to \$100,000.
2. All acts and doings of officers, employees and agents of the County, whether taken prior to, on, or after the date of this Resolution, that are in

conformity with and in the furtherance of the purposes and intents of this Resolution as described above shall be, and the same hereby are, in all respects ratified, approved and confirmed.

3. Any prior resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.
4. That this resolution is effective as of July 1, 2020.

This the 15<sup>th</sup> day of June, 2021.

ATTEST

BOARD OF COMMISSIONERS FOR THE  
COUNTY OF BUNCOMBE

\_\_\_\_\_  
Lamar Joyner, Clerk

By: \_\_\_\_\_  
Brownie Newman, Chairman

APPROVED AS TO FORM

\_\_\_\_\_  
County Attorney