

**LAMONT COUNTY
POLICY**

TITLE : ASSET CLASSIFICATION

AUTHORITY : PUBLIC SECTOR ACCOUNTING BOARD

POLICY STATEMENT : ASSETS WILL BE CLASSIFIED INTO MAJOR AND MINOR GROUPINGS AS PER THE GUIDELINES LISTED

PURPOSE : TO ESTABLISH MAJOR AND MINOR ASSET CLASSIFICATIONS TO BE TRACKED FOR ASSET MANAGEMENT PURPOSES

POLICY RESOLUTION : 07-476

GUIDELINES :

1. Major, minor and sub-classes of tangible capital assets will be defined as:
 - 1.1. **Major:** A group of tangible capital assets that is significantly different in design and use.
 - 1.2. **Minor:** A classification within a major class that has unique characteristics.
 - 1.3. **Sub-class:** A further classification that may be required due to unique tangible capital asset criteria, applications, methodologies and asset lives. There is the option to further classify into sub-class one, sub-class two, sub-class three, etc.

2. Tangible Capital Assets recorded in the Major classification will be as defined in **Policy _____**: **Tangible Capital Asset Definition**:

- Land
- Land Improvements
- Buildings
- Engineered Structures
- Machinery and Equipment
- Vehicles
- Cultural and Historical

3. Minor Tangible Capital Asset Classification recorded under the Major Capital Asset Classification: Engineered Structures will be as follows:

- Roadway System
- Water System
- Wastewater System

Building and Machinery and Equipment will be grouped in a sub-class for the minor classes of water, wastewater, storm water, and electric. This treatment is an exception to the recommended approach to classifying tangible capital assets in order to better report the cost of distribution and transmission systems.

4. Definitions of **Engineered Structures** minor classes:

- 4.1 **Roadway System:** Assets intended for the direct purpose of vehicle or pedestrian travel or to aid in vehicle or pedestrian travel. This includes roads, bridges, overpasses, ramps, parkades, lights, sidewalks and signage.
- 4.2 **Water System:** A system for the provision of water for human consumption through pipes or other. It is comprised of assets for the intake, distribution, storage and treatment of water. This includes mains, services, pump and lift stations, plants and equipment, reservoirs and fire hydrants.
- 4.3 **Wastewater System:** Wastewater is defined as water after it has been used for household, business and other purposes which flows from private plumbing systems to public sanitary sewers and on to a treatment plant. This system is comprised of assets used for the collection and treatment of non-potable water intended for return to a natural to a natural water system or other originating water source. Includes mains, services, pump and lift stations, plants and equipment and lagoons.

5. Minor Tangible Capital Asset Classification recorded under the under the Major Capital Asset Classification: Machinery and Equipment will be as follows:

- Heavy Equipment: equipment for constructing or maintaining infrastructure.
- Other Equipment: all remaining Machinery and Equipment.