



Capitalization and Depreciation Policy

Capitalization

Equipment, furniture, buildings and other non-expendable goods purchased for a cost in excess of \$5,000 shall be capitalized and depreciated annually according to the Association's Schedule of Depreciation. Donated items valued in excess of \$5,000 also shall be capitalized and depreciated annually, with an initial value determined through reasonable means. All items purchased for a cost of \$5,000 or less shall be expensed in the year purchased.

Schedule of Depreciation

Trail Equipment	20% of initial cost annually
Office Equipment	25% of initial cost annually
Furniture	10% of initial cost annually
Buildings	5% of initial cost annually
Other Depreciable Items	20% of initial cost annually

Background

The Capitalization Policy and Schedule of Depreciation shall be applied to all acquisitions of the Association effective January 1, 1999. Assets that were previously capitalized but would no longer be capitalized under this new policy were adjusted to match the new policy.