The Charlevoix Public Library shall maintain a record of general fixed assets, which will be reported by the auditors on the Library’s balance statements. Fixed assets, as defined by the Government Accounting Standards Board, typically refer to land, buildings, equipment and improvements acquired for the provision of services to the citizens.

The Director shall annually add appropriate expenditures to the assets group and remove any assets that are sold, retired or otherwise disposed. Proceeds from any disposition shall be recorded as revenue to the General Fund.

Assets are acquired through library expenditure, donation, or construction. Donations shall be recorded at estimated fair market value. Cost of constructed assets will include both the materials used and cost of labor involved.

The following guidelines establish capitalization thresholds for fixed assets:

- Estimated useful life of at least two years following the date of acquisition.
- Applied to individual fixed assets, rather than to groups, with the exception of the library’s collection and personal computers.
- Inclusion of individual items with a cost of $2,500 or more.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

- Building and building improvements: 20 years
- Library shelving: 20 years
- Furniture and equipment: 15 years
- Library collection: 7 years
- Personal Computers: 4 years

The collection of library materials, including books, audio-visual items, microforms, and any other holdings deemed part of the collection, are material assets due to the library’s mission and purpose to the community.

A physical inventory of the fixed assets shall be performed at least once every five years.