



BOARD OF COUNTY COMMISSIONERS

POLICY

NUMBER:	BCC-23
CANCELS:	August 30, 2022
APPROVED:	August 4, 2026
ORIGINATOR:	Central Services
REVIEW:	August 4, 2029

TITLE: Safeguard of County-Owned Property

I.OBJECTIVE

The Objective of this Policy is to safeguard and maintain effective controls to manage Brevard County's real and tangible personal property and to maintain proper records relating to the use and disposition of County assets.

II. DEFINITIONS

- A. Attractive Item – Items of tangible personal property used in operations that have a cost less than an established capitalization threshold, but have a heightened risk of theft or may hold public records that require retention for an applicable records retention period. Attractive Items shall include but are not limited to: handheld radios residing on the County's MHz Radio System, and other items identified on a case-by-case basis by Central Services and the custodial department and office of the property as meeting this definition.
- B. Board – The Brevard County, Florida, Board of County Commissioners.
- C. Building – A structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls, and is not intended to be transportable or moveable.
- D. Building Improvements – Are capital events that materially extend the useful life of a building or increase the value of a building, or both. A building improvement should be capitalized and recorded as an addition of value to the existing building if the expenditures for improvement meet or exceed the capitalization threshold.
- E. Capital Asset – Real or tangible personal property that has a cost equal to or greater than the established threshold adopted by the Board and has an estimated useful life extending beyond one-year.
- F. Capitalization Threshold – The dollar threshold established for each capital asset category for financial reporting and safeguarding of the County's assets.

- G. Computer Device – A computer device is a server, desktop computer, laptop computer, tablet or peripheral able to connect to a computing device such as a storage device that is capable for storing, porting or extracting data files and objects.
- H. Construction Work in Progress – Reflects the economic construction activity status of buildings and other structures, infrastructure, additions, alterations, reconstruction, and installation, which are substantially incomplete.
- I. County – Brevard County, Florida
- J. Custodian - The person to whom the custody of the real and tangible personal property has been delegated by the Board.
- K. Custodian Delegate – A person under the supervision of the Custodian, to whom the Custodian may delegate the use and immediate control of the real and tangible personal property and from whom the Custodian should require Custody Receipts.
- L. General Ledger Control Accounts for Fixed Assets – Accounts maintained for financial reporting purposes of the County’s real and tangible personal property.
- M. Elected County Officers – Elected County Officer is defined in Article 4, Section 4.1, Brevard County Home Rule Charter, and includes the offices of Sheriff, Property Appraiser, Tax Collector, Clerk of Circuit Court, and Supervisor of Elections.
- N. Improvements Other than Building – An asset that is permanently attached to the land, may or may not have a roof or be enclosed by walls. The Asset is not intended to be transportable or movable.
- O. Infrastructure and Infrastructure Improvements – Long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. The most common assets under this category are the County’s roads.
- P. Intangible Asset – An asset that does not have a physical existence/substance, such as intellectual property, certain land use rights, and certain computer software code.
- Q. Land – Surface or crust of the earth, which can be used to support structures, and may be used to grow grass, shrubs, and trees.
- R. Land Improvements – Consist of betterments, site preparation not already captured under original land acquisition, and site improvements that ready land for its intended use.
- S. Law Enforcement Firearms – Law Enforcement Firearms are an assembly of a barrel and action from which a projectile(s) is discharged by means of a rapidly burning propellant. Also called a weapon, gun, handgun, long gun (e.g., rifle), pistol, and revolver.
- T. Other Fixed Capital Assets – Other fixed capital assets are long –term assets that are not otherwise classified in another capital asset category, and their cost or value exceeds the canalization threshold. Examples of “Other Fixed Capital Assets” include works of art and historical treasures.
- U. Real Property – Real property is land and improvements to land, affixed to or built upon land.
- V. SAP – The County’s Financial System
- W. Tangible Personal Property – Property owned by the County of a non-consumable nature, including, but not limited to, furniture, equipment, fixtures, and other tangible personal property with a normal expected life of one-year or more. Tangible personal property includes surplus fill dirt with commercial value.

II. REFERENCES

- A. Section 125.35, Florida Statutes, "County authorized to sell real and personal property and to lease real property."
- B. Section 125.38, Florida Statutes, "Sale of county property to United States, or state."
- C. Section 125.37, Florida Statutes, "Exchange of County Property."
- D. Section 125.379, Florida Statutes, "Disposition of County Property for affordable housing."
- E. Section 125.39, Florida Statutes, "Nonapplicability to county lands acquired for specific purpose."
- F. Section 73.013, Florida Statutes, "Conveyance of property taken by eminent domain"
- G. Section 125.411, Florida Statutes, "Conveyance of land by county."
- H. Section 197.592, Florida Statutes, "County delinquent tax lands; method and procedure for sale by county; certain lands conveyed to municipalities; extinction of liens"
- I. Section 273.01(3), Florida Statutes, "Private nonprofit agency"
- J. Chapter 274, Florida Statutes, "Tangible Personal Property Owned by Local Governments."
- K. Rules of the Chief Financial Officer, Chapter 69I-73, Tangible Personal Property Owned by Local Governments.
- L. Brevard County Code Article VIII, "Surplus Real Property and Modular Structures Transactions."
- M. Administrative Order 24: "Accountability of County-Owned Property"
- N. Governmental Accounting Standards Statement Number 34: "Basic Financial Statement – And Management's Discussion And Analysis – For State And Local Governments" Issued June 1999.
- O. Governmental Accounting Standards Statement Number 51: "Accounting and Reporting for Intangible Assets"
- P. Office of the Attorney General Opinion 082-18, March 19, 1982, "Re: Counties – Sale or disposal of dirt severed from property owned by county."
- Q. Office of the Attorney General Opinion 081-99, December 29, 1981, "Florida Contraband Forfeiture Act."

IV. THRESHOLD

- A. The Board establishes the following capitalization thresholds. Purchases or acquisitions at or above the thresholds below will be classified as a County capital asset:
 - a. Building and Building Improvement, Capitalization Threshold is $\geq$ \$35,000
 - b. Computer Device, Capitalization Threshold is $\geq$ \$500.00
 - c. Furniture, Equipment, and Fixture, Capitalization Threshold is $\geq$ \$1,000
 - d. Improvements Other Than Buildings, Capitalization Threshold is $\geq$ \$5,000
 - e. Infrastructure and Infrastructure Improvements, Capitalization Threshold is $\geq$ \$35,000
 - f. Intangible Asset, Capitalization Threshold is $\geq$ \$5,000
 - g. Land is Capitalized Regardless of the Value
 - h. Land Improvements, Capitalization Threshold is $\geq$ \$5,000
 - i. Law Enforcement Firearms, is Capitalized Regardless of the Value

- j. Leasehold Improvements, Capitalization Threshold $\geq$ \$35,000
 - k. Other Fixed Assets, Capitalization Threshold is $\geq$ \$1,000
- B. The Board establishes that purchases or acquisitions of an item that has been identified as an Attractive Item will be classified as an operation expense within SAP and be maintained within a designated custodian's Attractive Items records and accountability established.

V. DIRECTIVES

- A. The Board specifically designates:
- a. Each Elected County Officer within the County is the custodian of tangible personal property within their office and has custody, control, and use of said property. Each Elected County Officer may delegate the duties of the custodian to designated individual(s) within their office.
 - b. Each County department and office supervised by either the County Manager or the County Attorney as the custodian of the County's real and tangible personal property within their respective custody, control, and use. Each custodian is authorized to delegate the duties of the custodian to designated individual(s).
- B. The County will record the County's assets in accordance with Rules of the Chief Financial Officer, Chapter 69I-73, Tangible Personal Property, including, but not limited to:
- a. The County shall maintain records of the property in its custody in a separate property record; and
 - b. The cost, value at the date of purchase or acquisition; and
 - c. Identification number; and
 - d. Description of the asset and its physical location; and
 - e. Depreciation shall be recorded; and
 - f. Physical inventory will be completed on all capitalized property with an established threshold or identified as an Attractive Item
 - g. The disposal of the County's assets must be recorded in the property record.
- C. Acquisition, supervision, accountability, control, transfer, and disposal of the County's tangible personal property shall follow Chapter 274, Florida Statutes, including, but not limited to:
- a. Each custodian is responsible for the safekeeping and proper use of the County's property entrusted in their care.
 - b. The custodian has the discretion to classify property as surplus when that property is obsolete or when continued use is uneconomical or inefficient, or when the services have no useful function.
 - c. Within the reasonable exercise of discretion and having consideration for the best interest of the County as well as the value and condition of surplus property, the County Manager or designee may offer such surplus property to
 - i. Other governmental unit (city, special taxing district) by sale or donation; or
 - ii. Nonprofit private agency as defined in Section 273.01(3), Florida Statutes, holding active status with the State of Florida Division of Corporations, and

- whose activities demonstrate a benefit to the health, education by sale or donation; or
- iii. May sell such surplus property for commercial value to the highest bidder.
- iv. The Board may designate whether the cost of transferring the property shall be paid by the County or the receiving entity.
- d. Tangible property personal which the custodian determines to be surplus, and which is either over five (5) years old, or with a depreciated value of less than \$5,000, may be approved for sale or disposal by the County Manager or designee. Any property above these thresholds must be approved by the Board.
- e. The County Manager or designee may approve the donation of property that is determined to be surplus, that is obsolete or the continued use of which is uneconomical or inefficient, or which serves no useful function, may be transferred to a nonprofit private agency as defined by Section 273.01(3), Florida Statutes.
- f. Unaccounted for property which is either over five (5) years old or has a depreciated value of less than \$5,000 may be approved for removal from inventory by the County Manager.
- g. Canceled Construction in Progress (CiP), with a value in SAP of \$200,000 or less, requires the County Manager's approval to be removed from the General Ledger Fixed Assets Account. Board approval is required for canceled CiPs greater than \$200,000.
- D. At least annually, Asset Management will reconcile the County's asset records within SAP maintained by County Finance. If any record may not be reconciled, with SAP, Asset Management will research the record that was unable to be reconciled and work with County Finance and the department or office to determine appropriate action.
- E. Donation of Real Property
 - a. It is the Policy of the Board not to donate real property owned by the County, with the exceptions below:
 - i. The requesting agency is providing a service to local residents under a contract with the County; or
 - ii. The agency is providing a service to local residents that the County would otherwise have to provide; or
 - iii. It is determined that an agency or organization is the sole provider of a community service which the Board deems critical/necessary to the public safety, and/or welfare; or
 - iv. It is cost-effective to the County to transfer the maintenance costs of a facility to any agency that is meeting a public purpose.
 - b. Any donation should contain a reverter or value recovery clause should the agency discontinue the service which justified the donation, unless the Board specifies otherwise.
- F. Disposal of Surplus Property
 - a. Upon the Board's determination that it is in the best interest of the County to do so, the Board shall sell, convey, or lease real property in accordance with applicable Florida Statutes when it becomes surplus and unneeded for current or future County use.

- b. Prior to disposal, staff will evaluate the applicability of section 125.39, section 73.013, and 197.592(3) Florida Statutes to the particular real property.
- c. The sale or lease of County-owned real property or modular structures shall be conducted in accordance with Brevard County Code Article VIII, "Surplus Real Property and Modular Structures Transactions."

VII. RESERVATION OF AUTHORITY

The authority to issue and/or revise this Policy is reserved to the Board of County Commissioners.

Rachel Sadoff, Clerk

Thad Altman, Chair
Board of County Commissioners
Brevard County, Florida

As approved by the Board on
