

**Function:**  
Transfers

**Department:**  
City Administrator

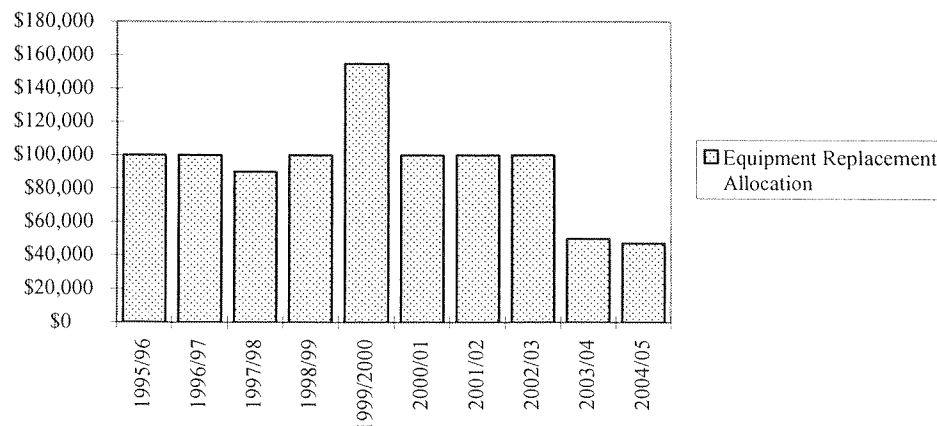
**Activity:**  
**Equipment Replacement Subsidy**

**GENERAL INFORMATION**

The Equipment Replacement Special Revenue Fund was established in an effort to provide a more systematic method of replacing equipment and leveling the cost of replacing such equipment. This activity has funded equipment replacements in the General Fund with the exception of equipment eligible for Road Use Tax funding. Equipment to be replaced in the Enterprise Funds is funded directly from each Enterprise activity.

A comprehensive inventory of all equipment currently owned by the City including autos, pickup trucks, dump trucks, heavy equipment and various miscellaneous equipment has been completed in an effort to assess the overall condition of the City's inventory. Staff has developed a replacement and cost schedule for each piece of equipment. This information has been placed on the City's computer system. An equipment maintenance cost program has also been developed and is used in conjunction with the replacement schedule to determine the most cost effective and economical time to replace City equipment.

Funding transfers have been made annually from the General Fund to fund current requirements and to anticipate and prepare for future equipment replacement needs. Over the last ten years these amounts have ranged from \$50,000 in 2003/2004 to \$155,000 in 1999/2000. Due to budget constraints, this allocation has been reduced to \$47,300 for 2004/2005. A history of funding levels is shown in the following chart:



**CURRENT TRENDS AND ISSUES**

The amount appropriated from the General Fund to the Equipment Replacement Fund for fiscal year 2003/2004 was \$50,000 and this allocation has been reduced to \$47,300 for 2004/2005. Additional information on the Equipment Replacement Fund is included in the Special Revenue Funds section of this document.

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**Equipment Replacement Subsidy**

	Actual 2001/2002	Actual 2002/2003	Budget 2003/2004	Revised Estimate 2003/2004	Budget 2004/2005	Percent Change
<b>Expenditure Summary</b>						
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Commodities	-	-	-	-	-	
Contractual Services	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	
Transfers	100,000	100,000	50,000	50,000	47,300	-5.40%
<b>Total Expenditures</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 47,300</b>	<b>-5.40%</b>
<b>Funding Sources</b>						
General Revenues	\$ 100,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 47,300	-5.40%

