

Ordinance No. _____

AN ORDINANCE ESTABLISHING A VEHICLE AND EQUIPMENT
REPLACEMENT PROGRAM

WHEREAS, it is imperative that cities have up dated vehicles and equipment to provide the highest level of municipal services; and

WHEREAS, failure to maintain up to date vehicles and equipment often means that the city is unable to provide a high level of municipal services due to excessive maintenance cost and down time, when vehicles are being repaired; and

WHEREAS, serviceable equipment is necessary in responding to police and fire emergencies, utility maintenance, garbage collection, street maintenance and repairs and other services to ensure the health and safety of the citizens of the city; and

WHEREAS, it is also desirable that equipment funds be reserved in a separate fund to avoid high tax increases to make expensive equipment purchases; and

NOW, THEREFORE, BE IT ORDAINED by the City of _____ that the following vehicle and equipment replacement program is hereby established:

Section 1. There is hereby established a vehicle and equipment fund for the City of _____. Funds deposited therein shall be used for no other purpose than the purchase of new vehicles and equipment. To provide for an operational fund, \$_____ is hereby deposited in the equipment fund. Any interest accumulated in the fund shall become a part of the equipment reserve fund.

Section 2. Upon purchase of a car or pickup truck, the annual depreciation value shall be deposited in the equipment replacement fund. At such time that the accumulated maintenance value equals 80% of replacement cost, the car or pickup truck shall be sold, in accordance with city purchasing and disposal policies and procedures, and the sales proceed along with the accumulated depreciation value in the replacement fund shall be used toward the purchase price of a new car or pickup truck.

Section 3. Fire equipment, garbage trucks, and other specialized equipment shall be replaced as follows:

- (1) A 10-year usable life is hereby established for fire trucks. Upon the purchase of a new fire truck, the annual depreciated value over 10 years is deposited in the equipment replacement fund established in Section 1. The fire truck is sold, in accordance with city purchasing and disposal policies, and the sales proceeds and accumulated depreciation value is paid out of the equipment replacement fund toward the purchase price of a new vehicle.
- (2) A seven-year usable life is hereby established for garbage trucks. Upon the purchase of a new garbage truck, the annual depreciated value over seven

years is deposited in the equipment replacement fund established in Section 1. The existing garbage truck is sold, and the sales proceeds and accumulated depreciation value is paid out of the equipment replacement fund toward the purchase price of a new garbage truck.

- (3) The City Board/Council shall establish a usable life for other types of equipment, and the equipment shall be replaced in the same manner as provided in (1) and (2) above.

Section 4. This ordinance shall become effective upon final passage, the public welfare requiring it.

Passed this:

First Reading: _____

Second Reading: _____

Third Reading: _____

Mayor: _____

Attest: _____

City Recorder