



VEHICLE REPLACEMENT PRESENTATION

JUNE 13, 2022



FIXED ASSET POLICY



OBJECTIVES OF FIXED ASSET POLICY:

- Maintain City's single largest asset
- Promote Stewardship of City's assets
- Plan and schedule Preventive Maintenance of assets
- Maintain City's Risk Management Program
- Aid the City's Capital Budgeting Process
- Assure compliance with Grant requirements
- Assure the City is promptly disposing of Surplus Property



MAIN COMPONENTS OF FIXED ASSET POLICY:

- Level of Capitalization
- Controllable Assets
- Useful Life
- Depreciation
- Types of Assets



CURRENT SUMMARY OF LARGE VEHICLES AND ROLLING STOCK

VEHICLE SUMMARY																
Apr-22																
EQUIPMENT DESCRIPTION	RANGE OF	AIRPORT	BLDG/CE	CEMETERY	COUNCIL	CVB	FIRE	GOLF	HEALTH	PARKS	POLICE	PW	SIGN	STREETS	WW	TOTAL
	YEARS												SHOP			
AERIAL BOOM TRUCK	2017												1			1
BACKHOE	1998	1														1
BRUSH TRUCK	2012						1									1
CARGO VAN	2019-2020		1				1				5	1				8
CRIME SCENE VAN	1999										1					1
DOZER	2005													1		1
DUMP TRUCK	2002-2021	1		1						4				15	5	26
EXCAVATOR	2013													2		2
F150 PICKUP TRUCK	2001-2020	3	1	1				1	1	8	4	5		1	9	34
F250 PICKUP TRUCK	2009-2020	1		1					3	6	1		1	4	1	18
F350	2002-2019			1			2					1	2		1	7
F450	1990-2016	1						1		1					1	4
F550	2013-2020						1							5	2	8
F650	2022									1						1
FIRE ENGINE	1995-2012						5									5
FIRETRUCK	1992	1														1
HAZMAT	2002						1									1
LADDER TRUCK	2010-2021						4									4
LOADER	1992-2021	2		1										5	4	12
MINIVAN	2004-2019					1	1		1							3
POLICE CHARGER	2017-2019										19					19
POLICE EXPLORER	2014-2018										10					10
POLICE TAHOE	2018-2022										42					42
POTHOLE PATCH TRUCK	2000													1		1
RESCUE TRUCK	2013-2019						2									2
ROAD GRADER	2013													1		1
RODDER TRUCK	2007														2	2
SEDAN	2001-2014		1						4		6					11
SMALL PICKUP TRUCK	2008-2010		3									3			1	7
STREET SWEEPER	2017-2020													3		3
SUV	2004-2012						1					2				3
TANKER TRUCK	2014						1									1
TRACTOR	2007-2021	3					1	6					1	4	1	16
VACTOR TRUCK	2001-2021														4	4
GRAND TOTAL		13	6	5	1	1	20	8	9	20	88	12	5	42	31	261

SUMMARY OF VALUE OF LARGE VEHICLES AND ROLLING STOCK

VALUE OF VEHICLE SUMMARY															
Apr-22															
EQUIPMENT	AIRPORT	BLDG/CE	CEMETERY	COUNCIL	CVB	FIRE	GOLF	HEALTH	PARKS	POLICE	PW	SIGN	STREETS	WW	TOTAL
DESCRIPTION												SHOP			
AERIAL BOOM TRUCK												\$106,423			\$ 106,423
BACKHOE	\$ 54,160														\$ 54,160
BRUSH TRUCK						\$ 32,376									\$ 32,376
CARGO VAN		\$ 34,914				\$ 38,480				\$ 151,703	\$ 24,264				\$ 249,361
CRIME SCENE VAN										\$ 70,174					\$ 70,174
DOZER													\$ 61,510		\$ 61,510
DUMP TRUCK	\$111,616		\$ 42,514						\$248,274				\$ 1,804,204	\$ 342,971	\$ 2,549,579
EXCAVATOR													\$ 507,726		\$ 507,726
F150 PICKUP TRUCK	\$ 71,683	\$ 14,456	\$ 26,162				\$ 18,745	\$ 14,501	\$193,248	\$ 97,786	\$ 86,063		\$ 25,471	\$ 186,235	\$ 734,350
F250 PICKUP TRUCK	\$ 21,807		\$ 27,644					\$ 70,923	\$147,196	\$ 34,782		\$ 25,533	\$ 104,197	\$ 23,271	\$ 455,353
F350			\$ 27,772			\$ 59,166					\$ 29,364	\$ 81,251		\$ 30,000	\$ 227,553
F450	\$ 62,752						\$ 28,034		\$ 32,774					\$ 37,351	\$ 160,911
F550						\$ 43,260							\$ 193,800	\$ 135,651	\$ 372,711
F650									\$ 60,315						\$ 60,315
FIRE ENGINE						\$2,100,135									\$ 2,100,135
FIRETRUCK	\$225,788														\$ 225,788
HAZMAT						\$ 100,000									\$ 100,000
LADDER TRUCK						\$3,451,834									\$ 3,451,834
LOADER	\$ 86,286		\$ 72,000										\$ 573,294	\$ 275,933	\$ 1,007,513
MINIVAN				\$ 20,263	\$22,011			\$ 20,844							\$ 63,118
POLICE CHARGER										\$ 453,833					\$ 453,833
POLICE EXPLORER										\$ 265,048					\$ 265,048
POLICE TAHOE										\$1,496,254					\$ 1,496,254
POTHOLE PATCH TRUCK													\$ 82,637		\$ 82,637
RESCUE TRUCK						\$ 691,645									\$ 691,645
ROAD GRADER													\$ 231,000		\$ 231,000
RODDER TRUCK														\$ 191,559	\$ 191,559
SEDAN		\$ 19,883						\$ 71,515		\$ 125,930					\$ 217,328
SMALL PICKUP TRUCK		\$ 39,246									\$ 41,334			\$ 14,403	\$ 94,983
STREET SWEEPER													\$ 653,508		\$ 653,508
SUV						\$ 36,682					\$ 45,892				\$ 82,574
TANKER TRUCK						\$ 211,350									\$ 211,350
TRACTOR	\$144,535					\$ 20,500	\$278,683					\$ 36,400	\$ 216,793	\$ 49,680	\$ 746,591
VACTOR TRUCK														\$1,089,841	\$ 1,089,841
GRAND TOTAL	\$778,627	\$108,499	\$196,092	\$ 20,263	\$22,011	\$6,785,428	\$325,462	\$177,783	\$681,807	\$2,695,510	\$226,917	\$249,607	\$4,454,140	\$2,376,895	\$19,099,041

BUDGET PROCESS



BUDGET PROCESS FOR VEHICLE AND ROLLING STOCK REPLACEMENT

- Joint Process between Department and Central Garage based upon available resources as determined during budget process
- At Budget time, Department assesses their equipment based on:
 - ✓ Age
 - ✓ Condition
 - ✓ Recent Repair History
 - ✓ Proper Equipment required to do jobs effectively and efficiently
 - ✓ Timing of Future Capital Replacement Items



BUDGET PROCESS



BUDGET PROCESS FOR VEHICLE AND ROLLING STOCK REPLACEMENT

- Based upon these criteria, through budget process, Department Head requests replacement of *or* upgrade to existing vehicles and rolling stock or new equipment
- Central Garage then assesses the current condition and recent repairs of each vehicle or rolling stock replacement request and makes a recommendation for replacement in the upcoming year or to postpone to a future year
- During the budget meetings, information provided by the Departments and Central Garage are utilized when reviewing the available resources within each fund as compared to total capital budget requests



BUDGET PROCESS



BUDGET PROCESS FOR VEHICLE AND ROLLING STOCK REPLACEMENT

- Much like street resurfacing and microsurfacing, Vehicles and Rolling Stock are not replaced based merely on age or the depreciable useful life
- Some equipment needs to be replaced before the end of its' depreciable useful life, while other equipment remains in good condition past its' depreciable useful life
- The replacement of Equipment, including vehicles and rolling stock, must be balanced with the prudent and fiscally responsible stewardship of taxpayer funds, along with other budget priorities



BUDGET PROCESS



BUDGET PROCESS FOR VEHICLE AND ROLLING STOCK REPLACEMENT

- While employees are an Organization's greatest asset, employees require the proper equipment and tools to provide cost effective and efficient services to citizens and visitors of Joplin
- Based upon the combined efforts of the Department, the Central Garage, available resources and budget priorities, a final list of replacement or new vehicles and rolling stock are included in the proposed budget document



BUDGET PROCESS



BUDGET PROCESS FOR VEHICLE AND ROLLING STOCK REPLACEMENT

- From time to time, equipment is transferred within the City across departments
- This occurs only in certain situations:
 - ✓ When department with equipment currently needs to upgrade due to a change in type of work and another department can use existing piece of equipment
 - ✓ When the usage of the equipment dictates an older/used piece of equipment
 - ✓ Financial Constraints within a Fund
 - ✓ Any equipment proposed to be transferred is evaluated with a recommendation by Garage



EQUIPMENT REPLACEMENT FUNDING



FUNDING FOR VEHICLE AND ROLLING STOCK REPLACEMENT

- In evaluating available resources to fund vehicle and rolling stock replacements, equipment is categorized as “recurring” vs. “non-recurring”
- “Recurring” equipment is less expensive with shorter useful lives than “non-recurring”
- Examples of “recurring” equipment are police squad cars, mowers, tractors, etc.
- Examples of “non-recurring” equipment are fire trucks, large dump trucks, street sweepers, etc.



EQUIPMENT REPLACEMENT FUNDING



FUNDING FOR VEHICLE AND ROLLING STOCK REPLACEMENT

- “Recurring” equipment is financed by ongoing revenue rather than one-time fund balance reserves due to the ongoing nature of that type of equipment vs. using limited one-time funds
- “Non-recurring” equipment is typically financed through one-time fund balance reserves due to the longer useful life and the cost of the equipment
- Some cities use different methods for equipment replacement, such as utilizing an Asset Replacement Fund
- Both methods are acceptable with the same end result



EQUIPMENT REPLACEMENT PROCESS



EQUIPMENT REPLACEMENT PROCESS FOR VEHICLES AND ROLLING STOCK

- Typically, new equipment is purchased utilizing the State Bid
- If State Bid is not utilized, the City issues an RFP
- Since the pandemic, vehicles and rolling stock have been limited and difficult to receive
- As a result, the City is still using equipment that has been approved for replacement as we await the ability to order and receive new vehicles and rolling stock



EQUIPMENT REPLACEMENT PROCESS



EQUIPMENT
REPLACEMENT
PROCESS FOR
VEHICLES AND
ROLLING
STOCK

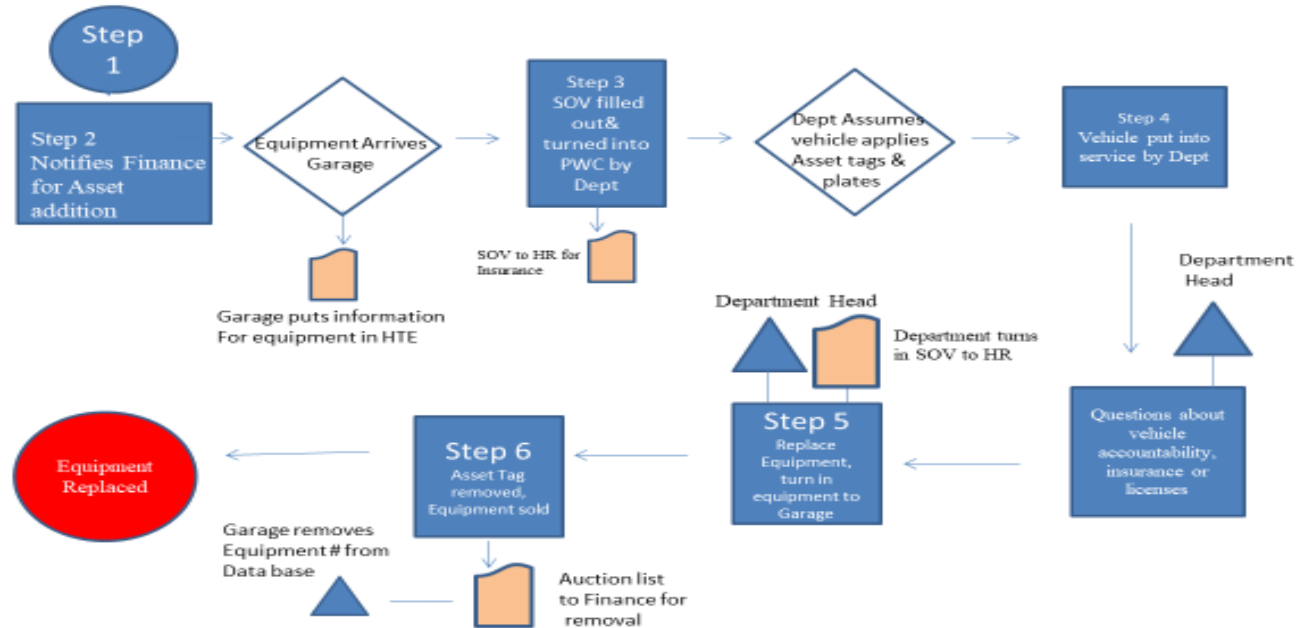
- After budget approval for replacement or new equipment, there is an established process for departments to follow as shown in the following flow chart:



EQUIPMENT REPLACEMENT PROCESS

→ EQUIPMENT REPLACEMENT PROCESS FOR VEHICLES AND ROLLING STOCK

Department Head Equipment Flow Chart To replace equipment



VEHICLE AND ROLLING STOCK LIFE CYCLE



SUMMARY OF VEHICLE AND ROLLING STOCK LIFE CYCLE

- In order to properly maintain an entire fleet of vehicles, rolling stock and other equipment, an Organization must follow established policies and procedures
- As shown, City has long-standing policies and processes that have been updated and improved over time



VEHICLE AND ROLLING STOCK LIFE CYCLE



SUMMARY OF VEHICLE AND ROLLING STOCK LIFE CYCLE

- Process is constant and ongoing:
 - ✓ Budget
 - ✓ Purchase
 - ✓ Maintain
 - ✓ Evaluate
 - ✓ Dispose
- This has resulted in providing quality equipment in a fiscally prudent manner



Thank You!
Questions?

