



VEHICLE REPLACEMENT FUND

CITY OF SOUTHLAKE
ADOPTED BUDGET 2023



VEHICLE REPLACEMENT FUND

This fund accounts for the resources needed to manage the purchase of vehicles for the City's fleet. The establishment and funding of the vehicle replacement program was designed to even out expenses for the City's fleet from year to year and provide a logical method for purchasing and retiring vehicles.

| | 2021 Actual | 2022 Adopted | 2022 Amended | \$ Increase/ (Decrease) Adopted | % Increase/ -Decrease | 2023 Proposed | \$ Increase/ (Decrease) Adopted | % Increase/ -Decrease |
|-----------------------------------|-----------------------------|-----------------------------|---------------------------|---------------------------------------|--------------------------|-----------------------------|---------------------------------------|--------------------------|
| REVENUES | | | | | | | | |
| Miscellaneous | \$3,988 | \$60,000 | \$0 | (\$60,000) | -100.0% | \$60,000 | \$0 | 0.0% |
| Interest Income | <u>\$87,574</u> | <u>\$58,000</u> | <u>\$64,000</u> | <u>\$6,000</u> | 10.3% | <u>\$58,000</u> | <u>\$0</u> | 0.0% |
| Total Revenues | \$91,562 | \$118,000 | \$64,000 | (\$54,000) | | \$118,000 | \$0 | |
| EXPENDITURES | | | | | | | | |
| Capital | <u>\$1,511,828</u> | <u>\$2,077,000</u> | <u>\$850,000</u> | <u>(1,227,000)</u> | -59.1% | <u>\$4,957,000</u> | <u>2,880,000</u> | 138.7% |
| Total Expenditures | \$1,511,828 | \$2,077,000 | \$850,000 | (\$1,227,000) | -59.1% | \$4,957,000 | \$2,880,000 | 138.7% |
| Net Revenues | <u>(\$1,420,266)</u> | <u>(\$1,959,000)</u> | <u>(\$786,000)</u> | <u>\$1,173,000</u> | | <u>(\$4,839,000)</u> | <u>(\$2,880,000)</u> | |
| Transfers In-General Fund | \$2,000,000 | 1,500,000 | 2,500,000 | 1,000,000 | | 3,000,000 | \$1,500,000 | |
| Transfers Out -Debt Service | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | | <u>0</u> | <u>\$0</u> | |
| Total Other Sources (Uses) | <u>\$2,000,000</u> | <u>\$1,500,000</u> | <u>\$2,500,000</u> | <u>\$0</u> | | <u>\$3,000,000</u> | <u>\$0</u> | |
| Beginning Fund Balance | \$5,890,029 | \$6,469,763 | \$6,469,763 | | | \$8,183,763 | | |
| Ending Fund Balance | <u>\$6,469,763</u> | <u>\$6,010,763</u> | <u>\$8,183,763</u> | | | <u>\$6,344,763</u> | | |

FY 2023 HIGHLIGHTS:

- A five-year purchase plan has been developed to detail future capital investment needs related to vehicles and heavy equipment. For FY 2023, we are planning a transfer from the General Fund to the Vehicle Replacement Fund of \$3,000,000.
- Expenditures are estimated at \$4,957,000 to replace aging vehicles coming off-line.
- The projected ending fund balance is \$6,344,763, which provides adequate reserves for the program.
- In the next five years, more than 114 vehicles and heavy machinery at an estimated cost of more than \$11.9 million are planned to be replaced in accordance with the vehicle replacement schedule. The vehicle replacement schedule may vary due to maintenance or exceeding the useful life. Vehicles included in the vehicle replacement plan include: fire trucks, police cars and motorcycles, and other heavy equipment.

