

## Department 22 – Public Works Equipment

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### Overview

This department is used to record all of the revenues generated by internally charging out the Township Public Works equipment. Likewise, it records all of the costs of maintaining and replacing the public works fleet and related equipment.

Each piece of equipment is charged out at an hourly rate, save and except the pick-up trucks that are charged out on an annual basis. The hourly rate is intended to fund, not only the repairs, licensing, insurance and fuel to operate the equipment, but also the eventual replacement of that equipment.

### Revenues

Revenues noted as generated by Public Works Equipment, can be found in other cost centers, primarily roadways and winter control and are internal rental charge outs based on actual hours spent in maintenance, construction and winter control operations.

### Expenditures

Typical annual operating costs are included for 2020. Insurance costs have been included based on the appropriate allocation of the 2020 premium as provided by our insurance carrier. Vehicle licenses have been increased to coincide with Ministry increases. The replacement of the 2009 tandem plow truck as per the equipment replacement schedule is provided for in the budget.

### Activity Update – Beyond Budget and Dollars and Cents

As noted during the capital budget discussion, it does not appear that the hourly rate being utilized for the equipment charge out is sufficient to provide for the 10-year capital replacement program. While the rates have not been increased in this budget, staff will be undertaking a detailed review of this area in 2020 to determine what the appropriate charge-out rates should be to ensure sufficient reserves are in place to support the replacement program.

The slide water tank will also be replaced in 2020. Pictured adjacent is the old water tank.

It will be replaced with a new plastic slip-in tank.



