

## **CITY OF TORRINGTON VEHICLE AND EQUIPMENT REPLACEMENT POLICY SCOPE**

This policy defines the concept of the Vehicle and Equipment Replacement Fund and establishes the procedures and responsibilities of Department Heads utilizing the fund.

### **PURPOSE**

The Vehicle and Equipment Replacement Fund is established to replace existing City of Torrington vehicles and equipment at the end of their projected life expectancy, to minimize the impact of large capital expenditures in a single budget year, and to project expected replacement costs. It is intended that by contributing a percentage of the expected replacement costs to the vehicle replacement account each year, the replacement funds will be available to the department when needed to replace their vehicles and equipment.

### **BENEFITS**

1. To avoid spending unnecessary money on repairs to older vehicles.
2. To receive best value for trade-in/sale/auction of vehicles and equipment.
3. To avoid leasing expenditures.
4. Long range budgetary planning.

### **APPLICATION**

This policy applies to all City Departments, with the exception of the Board of Education. This policy applies to all vehicles and equipment, which individually cost \$5,000. or more and which are acquired from any source i.e., purchases, grants, donations, etc.

### **PROCEDURE**

#### **City of Torrington Vehicle and Equipment Master List**

A master list of all City of Torrington vehicles and equipment will be established and serve as the official inventory, by department, of all City owned vehicles and equipment. This list shall be maintained in a spreadsheet format and will contain information categorized by: unit number, description, year, projected life expectancy, and projected replacement cost. The list will also contain:

1. Only City vehicles and equipment, which cost \$5,000. or more.
2. Only those vehicles and equipment presently in the City OfTorrington's inventory.

Maintenance and updating of the spreadsheet shall be the responsibility of the Superintendent of Equipment Maintenance. Updated spreadsheets will be provided upon request to Department Heads prior to each new budget year.

### **REVISIONS TO MASTER LIST**

Replacement of an existing vehicle or piece of equipment with a different type of vehicle or piece of equipment than what is presently on the Master list requires the Department Head to follow the same procedure used for new vehicle acquisitions. Budgeting is handled in the same manner as a new vehicle. The funds in the Vehicle Replacement Account that were to be used for the scheduled replacement may be applied to the substituted vehicle, provided the Department Head receives the approval of the appropriate boards.

### **FUNDING**

#### **FUNDING APPROVAL**

Funding will be the amount necessary to maintain the City's existing vehicle and equipment inventory. This amount will be set with the assistance of an actuary. The Torrington City Council and the Torrington Board of Finance approves all funding for the Vehicle Replacement Account.

### **PROJECTED REPLACEMENT COSTS**

Projections of replacements costs for funding of the Vehicle Replacement Account will be conducted by the Superintendent of Equipment Maintenance. An actuary will review these

projections on a three-year cycle and will make recommendations to ensure proper funding is applied to meet projected vehicle replacement requirements.

#### **NEW VEHICLE/EQUIPMENT ACQUISITIONS**

##### **DEFINITION OF NEW VEHICLE/EQUIPMENT:**

1. New vehicle/equipment are vehicles or equipment that are ~ presently in the City's inventory or listed on the City of Torrington Vehicle and Equipment Master List. Vehicles acquired through grants, donations, or transfers fall into the new vehicle/equipment definition.
2. There are no funds already identified and allocated in the Vehicle Replacement Fund to purchase new vehicles or equipment.
3. Purchases of new vehicles/equipment must receive the prior approval of all appropriate boards.
4. Funds for the purchase of new vehicles/equipment must be budgeted and approved as a separate line item. When the vehicle/equipment is to be acquired from a grant or outside funding source; all appropriate boards must approve the acquisition.
5. Department Heads seeking new vehicles/equipment must complete the City of Torrington New Vehicle/Equipment Purchase Request Form and obtain all necessary approvals. This form identifies the actual costs of acquiring a new vehicle or piece of equipment, including the costs to properly maintain, train the operator(s) and store the vehicle/equipment. Any necessity for additional manpower to operate the vehicle/equipment will also be identified.

#### **VEHICLE DISPOSAL RESPONSIBILITY**

The City Purchasing Agent with the assistance of the Superintendent of Equipment Maintenance shall dispose of replaced vehicles. Replaced vehicles may NOT be retained unless the Department Head completes the Vehicle Retention Form to justify the retention request. This request will be reviewed and must receive the approval of the Superintendent of Equipment Maintenance and the Purchasing Agent. If approved, the vehicle will be brought back into the system with a limited and specific life expectancy and with no future replacement. The Purchasing Agent must notify the Comptroller's office of all vehicle disposals.

#### **CONTINGENCY ACCOUNT**

Proceeds from vehicle sales, all interest from the account shall be deposited into a separate Vehicle/Equipment Replacement Contingency Account to offset the costs of projected vehicle replacements or if an emergency purchase is needed. WPCA proceeds shall be kept separate and controlled by the WPCA. Approvals from the appropriate governing body, ie. City Council, Board of Finance, WPCA, is required before funds can be drawn from the contingency account.

#### **POLICY AND PROGRAM REVIEW**

##### **TIME INTERVALS FOR REVIEW**

A committee appointed by the Mayor shall review this Policy, the City of Torrington Vehicle and Equipment Master List and the subsequently established accounts on an annual basis. The committee will file any revision of the City of Torrington Vehicle and Equipment Master List with the City Clerk's Office.