CENTRAL GARAGE FUND BUDGET

City of Anchorage
1957
1957 BUDGET
CENTRAL GARAGE
WORKING CAPITAL FUND

.01 - Personal Services:
   Labor $ 87,969
   Accrued Leave 10,738
   Workmens Compensation 258
   Social Security 912
   Total $ 99,877

.02 - Contractual:
   Insurance - License Fees 6,723
   Electricity and Water 6,300
   Equipment Rental - City owned 1,600
   Repairs 1,900
   Telephone 250
   Total 16,773

.03 - Supplies:
   Parts, Tires and supplies 80,500
   Gas, Oil & Diesel Fuel 75,450
   Heating Fuel 8,000
   Janitorial Supplies 350
   Total 164,300

.04 - Other Expenses:
   Depreciation - Vehicles 82,025
   Depreciation - Buildings 8,633
   Total 90,658

.06 - Total Operating Expense $ 371,908

Less: Estimated Rentals to Other Departments $ (371,908)
The 1957 budget provides for establishment of a working capital or revolving fund for the operation of the City's shops. The cost of operating the central garage are obtained through rental charges for the use of vehicles by each department or activity. The rental rates support not only the cost of maintaining and operating the equipment but also support the overhead costs of operating the garage. Some advantages in the use of a revolving fund are proper maintenance and use of the municipally owned equipment, proper accounting for the expense by charging a rental to the activity in which the equipment is used and more efficient utilization of existing equipment. Unlike other capital items belonging to the general fund, depreciation is charged as an operating expense thus building up a cash reserve from which future replacements may be made. Rentals on equipment which belong to Public Works motor pool have produced sufficient revenue during the past three years to provide an estimated replacement fund as of December 31, 1956, of $120,526. The general fund account (Municipal Garage) illustrates the use of this replacement fund in the purchase of the 5 Ton Cab-Chassis which shows a $5,000 replacement cost less the two years accumulated depreciation reserve for net appropriation of $4,000. As the replacement reserve is increased through the accumulation of rental rates, replacements for existing equipment can be purchased when the useful life of the equipment has been depleted without an appropriation from the general fund. The garage is operated on a two shift basis, five days per week from 7:30 to midnight. The work is scheduled for the two shifts to enable most of the City equipment to be serviced and repaired in time for assignment to crews the next day. The rental rates for all City equipment have been reviewed and hourly or daily rates set for each piece of equipment which will produce rental rates in an amount equal to the 1957 operating cost of the central garage.