

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	<u>912</u>	
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	<u>250</u>	
Total		16,773
.03 - Supplies:		
Parts, Tires and supplies	80,500	
Gas, Oil & Diesel Fuel	75,450	
Heating Fuel	8,000	
Janitorial Supplies	<u>350</u>	
Total		164,300
.04 - Other Expenses:		
Depreciation - Vehicles	82,025	
Depreciation - Buildings	<u>8,933</u>	
Total		90,958
.06 - Total Operating Expense		\$ 371,908
Less: Estimated Rentals to Other Departments		\$ <u>(371,908)</u>

1957 WORK PROGRAM - CENTRAL GARAGE - WORKING CAPITAL FUND

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.