

TOWN of LYSANDER
8220 LOOP ROAD
BALDWINSVILLE, NEW YORK 13027
315-638-4264

May 19, 2022

Supervisor Robert A. Wicks &
Lysander Town Councilors
8220 Loop Road
Baldwinsville, NY 13027

Re: Town of Lysander Highway Department

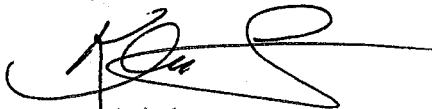
Subj: 2022 Equipment Replacement Plan

Dear Supervisor Wicks & Lysander Town Councilors:

The Highway Committee is please to present the attached 2022 Equipment Replacement Plan. This plan will continue to move the Highway Department forward on our long term goal of keeping trucks less than 9 years, which will significantly lower our annual cost of ownership of each truck. The plan as presented will allow us to start to see the annual cost of truck ownership go down once the truck ordered in 2025 is delivered and we see the increased revenue of selling a truck that is less than 9 years old. This plan will also allow us to lower our annual repair budget by 10% annually over the next 5 years.

As shown the updated Equipment Replacement Plan will use funds from the equipment reserve account in years 2022-2025 and be able to start to replenish that account in 2026. Using the equipment reserve account funds slowly over the next 4 years to provide funding for the Equipment Replacement Plan will reduce the amount of revenue that will need to be used raised annually through the tax rolls to fund the plan and carry us over until we start to see the increased revenue of selling trucks that are less than 9 years old.

Regards



Ken Svitak
Town of Lysander Highway Superintendent

cc: Lysander Town Clerk

Town of Lysander
2022 EQUIPMENT REPLACEMENT PLAN

Assumptions

1. Price of trucks will increase by 15% annually
2. Trucks will be purchased with a 7 year bumper to bumper warranty
3. The annual equipment budget will increase by 15% in 2023 & 2024 and by 10% annually through 2026

Budget Year	Planned Equipment Purchases	Purchase price	Annual Equipment Budget	Annual Repair Budget	Total Equipment Budget with Reserve Account Expenditure	Equipment Reserve Account Balance	Equipment Reserve Expenditures
2022	1 - 10 wheel plow truck Equipment Trailer for Mowers 2020 Truck Purchase Payment 2020 Truck Purchase Payoff Equipment Purchase Total =	\$253,000 \$7,400 \$45,000 \$90,000 \$395,400	\$356,000	\$115,000	\$395,400	\$340,000	\$39,400
2023	2 - 6 Wheel plow truck (paid in full) Crew Truck with dump box and lift gate Equipment Purchase Total =	\$505,890 \$55,000 \$560,890	\$409,400	\$103,500	\$560,890	\$300,600	\$151,490
2024	1 - 6 Wheel plow truck (paid in full) Rubber Tire Loader Equipment Purchase Total =	\$287,500 \$275,000 \$562,500	\$470,810	\$93,150	\$562,500	\$149,110	\$91,690
2025	1 - 6 Wheel plow truck 1 - Rubber tire back hoe 1 - 3500 Dump Body Work Truck with Plow Equipment Purchase Total =	\$330,625 \$170,000 \$65,000 \$565,625	\$517,891	\$83,835	\$565,625	\$57,420	\$47,734
2026	1 - 10 Wheel plow trucks (paid in full) 1 - 3500 Dump Body Work Truck with Plow 1 - Iron Drum Roller Equipment Purchase Total =	\$395,219 \$71,000 \$75,000 \$541,219	\$569,680	\$75,452	\$541,219	\$9,686	-\$28,461