

## MEMORANDUM

**To:** Grace Merkes, Assembly President  
Members, Kenai Borough Assembly

**Thru:** John Williams, Borough Mayor

**From:** Craig Chapman, Finance Director

**Date:** September 4, 2008

**Subject:** Ordinance 2008-19-20, appropriating \$38,500 in the Equipment Replacement Fund for purchase of a heavy-duty one-ton truck for the maintenance department

A maintenance heavy-duty one-ton truck, while parked at Mountain View Elementary School, was damaged in an accident and was considered totaled by the driver's insurance carrier. The Borough will receive \$30,500 from the driver's insurance carrier as settlement for the truck, which will be deposited into the Equipment Replacement Fund.

The estimated replacement cost of the truck is \$38,500, and the Equipment Replacement Fund has fund balance of \$8,000 that is available to supplement the insurance proceeds to support the purchase of a replacement truck.

An appropriation is necessary to authorize the purchase of a replacement vehicle.