FY2008 Vehicle Depreciation Rates

June 8, 2007

Required by Chapter 8A.365, Code of Iowa: The director shall maintain a depreciation fund for the purpose of replacement of motor vehicles and additions to the fleet.

OMB Circular A-87 states that the federal government will only reimburse state programs for the actual cost of an existing asset. Rates based on estimated future cost are not allowed.

Formula

Original purchase price minus current salvage value divided by months of service equals monthly rate.

Highlights of FY2008 Depreciation Rates

- No change in rates for full size enforcement sedans
- Change from discontinued mid-size Taurus sedan to up scaled mid-size Impala sedan causes rate increase in this category
- New hybrid sedan category added for FY08
- Increased rates for large vans, pickups, and SUV's reflect diminished residual values resulting from higher fuel costs

Proposed FY2008 Vehicle Depreciation Rates
GSE Customer Council Consideration

Vehicle Cost & Depreciation (Based on 98,000 average vehicle miles driven)

Vehicle Classification	FY07 Cost	FY 08 Cost	FY 07 Est. Depr.	FY 08 Est. Depr.	FY07 Monthly Rate	FY 08 Monthly Rate	No. of Months of Service	Estimated % Of Fleet Replaced
1 Compact Sedan	$ 11,282.00	$ 11,581.00	$ 8,382.00	$ 9,600.00	$ 140.00	$ 160.00	60	19.3%
3 Compact Wagon	$ 12,838.00	$ 12,838.00	$ 10,058.00	$ 9,900.00	$ 170.00	$ 165.00	60	0.5%
4 Compact Hybrid		$ 22,195.00		$ 12,300.00		$ 205.00	60	
5 Mid-Sz Sedan	$ 12,530.00	$ 15,769.00	$ 9,105.00	$ 12,600.00	$ 155.00	$ 210.00	60	12.8%
6 Mid-Sz Sedan	$ 12,530.00	$ 15,769.00	$ 8,630.00	$ 11,040.00	$ 180.00	$ 230.00	48	1.5%
7 Mid-Sz Wagon		$ 17,939.00		$ -		$ 275.00		2.4%
8 Mini Pass Van	$ 17,000.00	$ 17,359.00	$ 12,895.00	$ 12,000.00	$ 215.00	$ 200.00	60	7.2%
9 Mini Pass Van	$ 17,000.00	$ 17,359.00	$ 11,000.00	$ 13,920.00	$ 230.00	$ 290.00	48	0.2%
10 Compact Hybrid SUV		$ 24,998.00		$ 12,000.00		$ 200.00	60	
11 1/2 Ton Cargo Va	$ 15,319.00	$ 17,149.00	$ 12,056.00	$ 12,720.00	$ 250.00	$ 265.00	48	3.5%
12 Full Sz Enforcer	$ 20,219.00	$ 20,469.00	$ 17,158.00	$ 17,280.00	$ 360.00	$ 360.00	48	28.0%
13 Mid-Sz Under	$ 15,926.00	$ 18,847.00	$ 12,259.00	$ 15,000.00	$ 205.00	$ 250.00	60	2.0%
14 Full Sz Under	$ 19,529.00	$ 23,102.00	$ 15,064.00	$ 19,200.00	$ 250.00	$ 320.00	60	0.8%
15 Mid-Sz Sport Utilit	$ 20,550.00	$ 21,083.00	$ 15,400.00	$ 16,200.00	$ 260.00	$ 270.00	60	4.6%
16 1 Ton Pass Van	$ 21,136.00	$ 19,797.00	$ 15,536.00	$ 18,900.00	$ 260.00	$ 315.00	60	2.6%
17 Large-Sz 4WD Sl	$ 29,820.00	$ 32,409.00	$ 22,262.00	$ 26,400.00	$ 465.00	$ 550.00	48	0.4%

18	1/4 Ton Ext. Cab 4WD Pickup	$	17,883.00	$	16,851.00	$	11,983.00	$	10,800.00	$	200.00	$	180.00	60	1.7%
19	1/2 Ton Super Ca 2WD Pickup	$	16,669.00	$	19,624.00	$	11,529.00	$	13,680.00	$	160.00	$	190.00	72	0.4%
20	1/2 Ton Super Ca 4WD Pickup	$	21,732.00	$	22,369.00	$	14,735.00	$	15,360.00	$	310.00	$	320.00	48	4.8%
21	3/4 Ton 4WD Pickup	$	20,153.00	$	21,077.00	$	14,628.00	$	15,120.00	$	205.00	$	210.00	72	2.4%
22	Medium Duty Single Axle Truck	$	63,921.00	$	54,462.00	$	61,221.00	$	57,600.00	$	425.00	$	400.00	144	0.2%
23	School Bus 66 Passenger	$	118,890.00	$	118,893.00	$	116,190.00	$	117,360.00	$	810.00	$	815.00	144	0.2%