

<b>Reserve Policy– Vehicle Replacement – Central Garage</b>		<b>Corporate Services Department</b>
Policy No: 110025	<b>Hamilton</b>	
Page 1 of 2		Approval: 2018-XX-XX

<b>POLICY STATEMENT</b>	This Policy sets out the guidelines for the sources, uses and appropriate target level for the balances in the Vehicle Replacement – Central Garage Reserve (110025).
<b>PURPOSE</b>	To ensure the long-term viability of the City’s central fleet assets excluding Transit, Police, Fire and Paramedics.
<b>SCOPE</b>	This Policy applies to all City employees that manage financial resources.
<b>PRINCIPLES</b>	<p>The following principles apply to this Policy:</p> <p><b>Authority:</b></p> <ul style="list-style-type: none"> <li>• All transfers from the Vehicle Replacement – Central Garage Reserve (110025) are to be approved by City Council either by a budget submission, a separate Council report or a Council motion.</li> <li>• The General Manager of Finance and Corporate Services has the authority to recommend the use of the Vehicle Replacement – Central Garage Reserve or other reserves to fund expenditure or revenue shortfalls.</li> </ul> <p>The <b>source of funds</b> that are to be transferred to this Reserve include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Provision for reserve contribution from the City Operating Budget.</li> <li>• Net revenues received from the sale of vehicles.</li> <li>• Investment income earned on the reserve’s balance as per policies and procedures.</li> </ul> <p>The <b>use of funds</b> from this Reserve to ensure the viability of the City’s central fleet assets are permitted if other sources of funding are not available. Uses may include:</p> <ul style="list-style-type: none"> <li>• To fund replacement of existing vehicles and equipment.</li> <li>• To fund capital costs associated with fuel site restoration and upgrades.</li> <li>• To fund costs associated with the Fleet Acquisition Team.</li> </ul>

<b>Reserve Policy– Vehicle Replacement – Central Garage</b>		<b>Corporate Services Department</b>
Policy No: 110025		
Page 2 of 2	Hamilton	Approval: 2018-XX-XX

<b>RESERVE BALANCE TARGET LEVEL</b>	<ul style="list-style-type: none"> <li>The balance in the Reserve has a target level of 100% (\$11M 2018) of the City’s annual central garage vehicle fleet replacement value.</li> </ul>
<b>GOVERNING LEGISLATION</b>	N/A
<b>RESPONSIBILITY FOR THE POLICY</b>	Corporate Services Department Director of Financial Planning, Administration and Policy
<b>POLICY HISTORY</b>	This Reserve Policy replaces the general reserve policies that were approved by Council in May 2014 in Report FCS14028.