



CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER		PAGE
ROLLING STOCK REPLACEMENT FUND	95-178	416	08-01-95	1

BACKGROUND

The City has established a Rolling Stock Replacement Fund to accumulate resources to purchase rolling stock (i.e., vehicles and related equipment). The purpose of establishing the Rolling Stock Replacement Fund was to manage rolling stock resources in the most efficient manner possible. To provide departments with the mechanism to manage their rolling stock, the City needs to establish a formal policy regarding appropriation of funds for rolling stock.

PURPOSE

This policy would authorize department heads, with the City Manager’s approval, to transfer funds accumulated in the Rolling Stock Replacement Fund to the originating division’s budget where the funds could be expended for rolling stock.

POLICY

The City of Redding has established a Rolling Stock Replacement Fund to accumulate resources to purchase rolling stock. The Rolling Stock Replacement Fund shall accumulate resources from the sale of rolling stock, interest earnings and cash transfers from the various divisions of the City. Except as described below, all cash transfers to the Rolling Stock Replacement Fund need Council approval either in the biennial budget or by amendment to the budget. A separate accounting of each division’s transfers in, sale of rolling stock, interest earnings and transfers out will be maintained for the Rolling Stock Replacement Fund.

On occasion, divisions may have the opportunity to receive reimbursement for the use of City vehicles, such as compensation for damage resulting from vehicles assigned to mutual aid efforts or when a grantor allows the City to bill the grant for City owned equipment on a per-use basis. With prior City Manager approval, these reimbursements may be deposited in the division’s Rolling Stock Replacement Fund for future vehicle replacement. Transfers pertaining to per-use rental charges that have been charged to a grant will be held in a reserve status until the reimbursement has been received. Once reimbursement is received from the funding agency, the revenue will be transferred administratively to the Rolling Stock Replacement Fund. Per-use rental charges will be generated using rates that do not include profit. The rates used for FEMA related charges should correspond to those approved on FEMA’s “Schedule of Equipment Rates”. Other approved sources would include the Rental Rate Book maintained by Caltrans.

No rolling stock will be purchased in the Rolling Stock Replacement Fund. To purchase rolling stock, cash will be transferred from the Rolling Stock Replacement Fund to the originating division’s budget. All cash transfers to the Rolling Stock Replacement Fund, along with revenue generated from the sale of rolling stock and interest earnings, may be transferred back to the originating division’s budget and expended for rolling stock in that division at the request of the department director. Council approval for the appropriation of funds is not necessary if the division’s request does not exceed the cash accumulated in the Rolling Stock Replacement Fund.



CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

SUBJECT	RESOLUTION NUMBER	POLICY NUMBER		PAGE
ROLLING STOCK REPLACEMENT FUND	95-178	416	08-01-95	2

PROCEDURE

Transfers from the Rolling Stock Replacement Fund to the originating division's budget via an appropriation transfer request (reference Council Policy 401).

Amended 05/15/18 by Resolution No. 2018-045