

2017 - 2019 Fleet Services Vehicle Replacement Policy

Vehicle Class	Years in Service	Mileage
Sedans	10	100,000
Trucks	10	125,000
Vans	10	125,000
Sport Utilities	10	125,000

The replacement policy is a guide and intended to be used for budgetary and strategic planning purposes. Many factors will affect the timing a vehicle is replaced for example economic restrictions may require the division retain vehicles longer than anticipated or high operating cost existing vehicles may accelerate the replacement of a vehicle.

The following is a decision tree utilized by the division to determine when a vehicle is replaced and what type of vehicle is purchased as the replacement vehicle:

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| <ul style="list-style-type: none"> ➤ Age ➤ Condition ➤ Vehicle obsolescence ➤ Mileage ➤ Historical Satisfaction ➤ Economic value ➤ Review utilization ➤ Review customer needs ➤ Review type of vehicle requested ➤ Acquisition cost ➤ Fuel economy ➤ Reliability rating ➤ Warranty ➤ Anticipated life cycle cost ➤ Manufacture's support ➤ Dealer network | <ul style="list-style-type: none"> ➤ Asset allocation strategy ➤ Availability of the asset ➤ Depreciation expense ➤ Image ➤ Employee satisfaction ➤ Employee productivity ➤ Resale Value ➤ Green score ➤ Anticipated life cycle cost ➤ Manufacture's support ➤ Dealer network ➤ Dealer's support ➤ Safety Ratings ➤ Dealer's support ➤ Safety Ratings |
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“What value does the asset bring the value is not in the vehicle it is in what the vehicle does” or what task it performs