

CAMP Committee Meeting

July 17, 2017

HISTORY OF FLEET FUND

- Fleet Fund reserves were established July 1, 1996
- Originally was established as actual cost Operating and Maintenance (O&M) to maintain vehicles PLUS 10% to establish Fleet Replacement Reserve
- Costs for replacement vehicles and equipment were charged dollar for dollar to each short key upon purchase
- Large purchases (over \$50,000 was the original baseline in 1996) such as Fire, Street Sweeper, Sewer Jetter were expensed through CIP (excluding FY 2007/2008)
- **In 2010 reserve fund was projected to be near \$0 in 2017/18 for all fleet equipment**

Fire greater than \$100K Fleet Plan - SUMMARY TABLE OF REPLACEMENT RESERVE ACCOUNT BALANCES

FY	Starting Fund Balance	Annual Replacement Payments	Annual Sale of Vehicles & Equipment (surplus)	Annual Purchases	Net Balance
Previous		\$0	\$0	\$0	\$630,519
2009/10	\$630,519	\$0	\$0	\$0	\$630,519
2010/11	\$630,519	\$0	\$0	\$0	\$630,519
2011/12	\$630,519	\$217,040	\$141,592	\$556,490	\$432,661
2012/13	\$432,661	\$217,040	\$38,000	\$26,927	\$660,774
2013/14	\$660,694	\$341,000	\$0	\$109,471	\$892,223
2014/15	\$892,223	\$217,040	\$0	\$0	\$1,109,263
2015/16	\$1,109,263	\$374,103	\$5,405	\$637,884	\$850,887
2016/17	\$850,887	\$414,711	\$67,382	\$1,347,642	(\$14,662)
2017/18	(\$14,662)	\$429,854	\$0	\$0	\$415,192
2018/19	\$415,192	\$429,854	\$0	\$0	\$845,045

General Fund (no Fire greater than \$100K) Fleet Plan - SUMMARY TABLE OF REPLACEMENT RESERVE ACCOUNT BALANCES

FY	Starting Fund Balance	Annual Replacement Payments	Annual Sale of Vehicles & Equipment (surplus)	Annual Purchases	Net Balance
Previous					\$0
2009/10	\$0	\$0	\$62,676	\$281,561	\$1,508,302
2010/11	\$1,508,302	\$0	\$37,871	\$236,103	\$1,310,070
2011/12	\$1,310,070	\$0	\$17,443	\$260,121	\$1,067,392
2012/13	\$1,067,392	\$0	\$34,572	\$35,815	\$1,075,959
2013/14	\$1,075,959	\$580,330	\$7,576	\$248,806	\$1,415,059
2014/15	\$1,415,059	\$0	\$57,349	\$723,363	\$749,045
2015/16	\$749,045	\$584,559	(\$47,513)	\$710,207	\$575,884
2016/17	\$575,884	\$593,550	\$60,376	\$1,207,514	\$22,296
2017/18	\$22,296	\$878,829	\$63,968	\$1,279,351	(\$314,259)
2018/19	(\$314,259)	\$907,391	\$37,943	\$758,857	(\$127,783)

25 YEAR FLEET REPLACEMENT PROGRAM

- Fleet Fund Plan approved for implementation commencing on July 1, 2010
- O&M charges were distributed to specific cost centers
- Established 3 separate accounts
 - General Fund (including Fire < \$100,000) (currently broken down further into separate accounts)
 - Fire >\$100,000 (currently includes all fire)
 - Other Fund – All Enterprise and Other Funds (currently broken into each separate account)

Survive \$3,000,000 reduction in funding from original plan

- Staff taking care of vehicles
- Increased purchase intervals
- Combining purchases utilizing implements
- Pool vehicles
- Shared usage
- Purchasing used vehicles
- Improved staffing plans

<u>Fund</u>	<u>Current FY</u> <u>17/18</u>
Fire >\$100K	\$1,161,924
General Fund	\$1,230,352
Airport	\$209,751
Sewer	\$356,809
Water	\$208,531
LPGC	\$13,432
IT	\$12,079
Fleet	\$20,940
Facility	\$49,796
Street Sweeper	\$394,055
Measure D	\$15,360
Fleet Shop Equipment	\$100,000

Challenges moving forward

- Extending purchases is not sustainable forever
- Older Equipment is not cost effective to maintain
- Equipment is reaching life cycle
- Extended service intervals
- Control fleet creep