



Toronto 2015 BUDGET

OPERATING ANALYST NOTES



Fleet Services

2015 OPERATING BUDGET OVERVIEW

Fleet Services provides responsive and efficient fleet management services to City Programs and Agencies to maximize safety and environmental sustainability and minimize lifecycle costs.

2015 Budget Highlights

The total cost to deliver this service in 2015 is \$52.397 million as shown below.

(in \$000's)	2014 Approved Budget	2015 Rec'd Budget	Change	
			\$	%
Gross Expenditures	47,788.9	52,396.6	4,607.7	9.6%
Gross Revenues	47,788.9	52,396.6	4,607.7	9.6%
Net Expenditures				

The 2015 Recommended Operating Budget of \$52.397 million gross is \$4.608 million or 9.6% over the 2014 Approved Budget of \$47.789 million gross, mainly attributable to an increase in maintenance for heavy haulage vehicles due to utilization rates and an aging fleet.

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Fast Facts

- Manage 5,200 vehicles and pieces of equipment for City of Toronto Divisions and Agencies.
- Distribute 14.6 million litres of fuel to City Divisions and Agencies.
- Dispense fuel to the City's vehicles throughout 36 fuel sites across the City.
- Provided safety training testing and certification to approximately 10,000 City employees who are required to operate City vehicles and equipment.

Trends

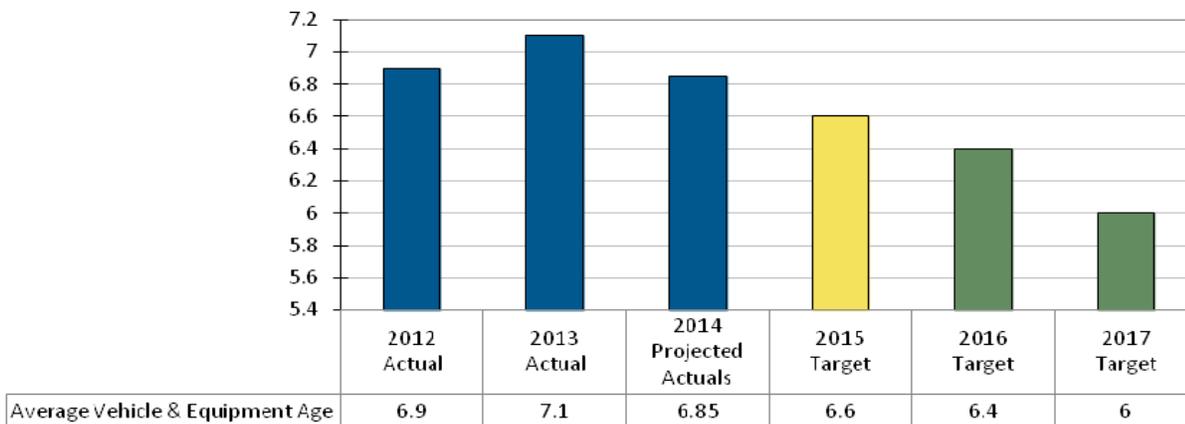
- The average Vehicle/Equipment age is increasing slightly due to the deferral of vehicles replacements.
- Has maintained a satisfactory Ontario Commercial Vehicle Operators Registration (CVOR) safety rating.
- The average age of vehicle and equipment over the last 3 years was 6.9 years old which is projected to decrease in 2015 to 6.6 years.

Our Service Deliverables for 2015

The 2015 Recommended Operating Budget of \$52.397 million gross and \$0 net provides funding to:

- Provide a full-range of fleet management services for City of Toronto Divisions and other City funded organizations.
- Direct the lifecycle management of the City's fleet including the acquisition, maintenance and disposal of vehicles and equipment based on lifecycle and operational analysis.
- Ensure compliance with Provincial legislation and City policies and guidelines.
- Provide safety training, testing and certification to approximately 10,000 City employees who are required to operate City vehicles and equipment.
- Oversee and direct the City's fuel management operations, including, safety and compliance management, staff training and the associated management of fueling stations.
- Work closely with client Divisions to optimize fleet size through ensuring that all vehicles are required and fully utilized.
- Finalize the City's 2014-2017 Green Fleet Plan to provide leadership in reducing environmental impact of fleet operation.

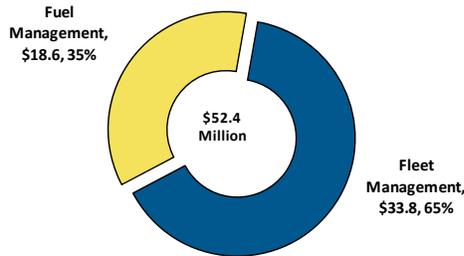
Average Vehicle/Equipment Age



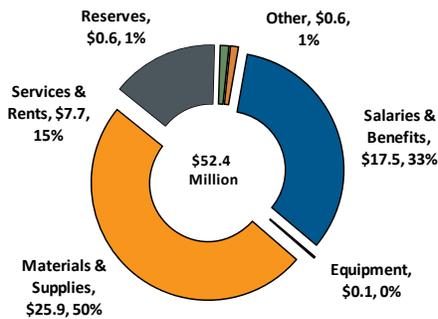
2015 Operating Budget Expenses & Funding

Where the money goes:

2015 Budget by Service
[\$52.4] Million

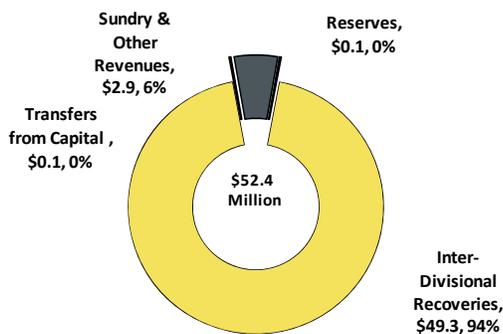


2015 Budget by Expenditure Category



Where the money comes from:

2015 Budget by Funding Source



Our Key Challenges & Priority Actions

- Containing escalating maintenance costs for heavy haulage vehicles.
 - Fleet Services in conjunction with Financial Planning is developing and implementing a 3 point action plan in order to establish a multi-year funding plan that will eliminate the backlog of vehicle replacements and fund each Program or Agency's optimal vehicle replacement requirements, which will reduce maintenance costs.
 - Fleet Services continue to provide leadership and educate Divisions / Agencies on proper use and maintenance of vehicles in order to maximize useful life, minimize operating costs and maintain safety standards.
- Minimize down time of vehicles while in service.
 - Strategic distribution of repairs and maintenance between garages.
 - Maintain non-scheduled repairs at 40% of the total vehicle repairs in order to reduce unscheduled downtime.

2015 Operating Budget Highlights

- The 2015 Recommended Operating Budget adds funding of \$3.401 million gross for critical repairs and maintenance of vehicles to ensure the City maintains the provision of uninterrupted services.
- Funding for a temporary Green Fleet Coordinator to support the implementation of the City of Toronto Consolidated Green Fleet Plan 2014-2018 adopted by City Council in April 2014, to emit less greenhouse gas (GHG) emissions and reduce air pollution.

Recommendations

The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2015 Recommended Operating Budget for Fleet Services of \$52.397 million gross, \$0 million net for the following services:

<u>Service</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Fleet Management	33,851.4	(496.7)
Fuel Management	18,545.2	496.7
	_____	_____
Total Program Budget	<u><u>52,396.6</u></u>	<u><u>_____</u></u>

2. City Council approve the 2015 recommended service levels for Fleet Services as outlined on pages 8, 18 and 22 of this report, and associated staff complement of 176 positions;
3. City Council direct the Chief Financial Officer to report back to Budget Committee prior to Budget wrap-up of the 2015 Operating Budget with a strategy to address the savings from declining fuel prices.

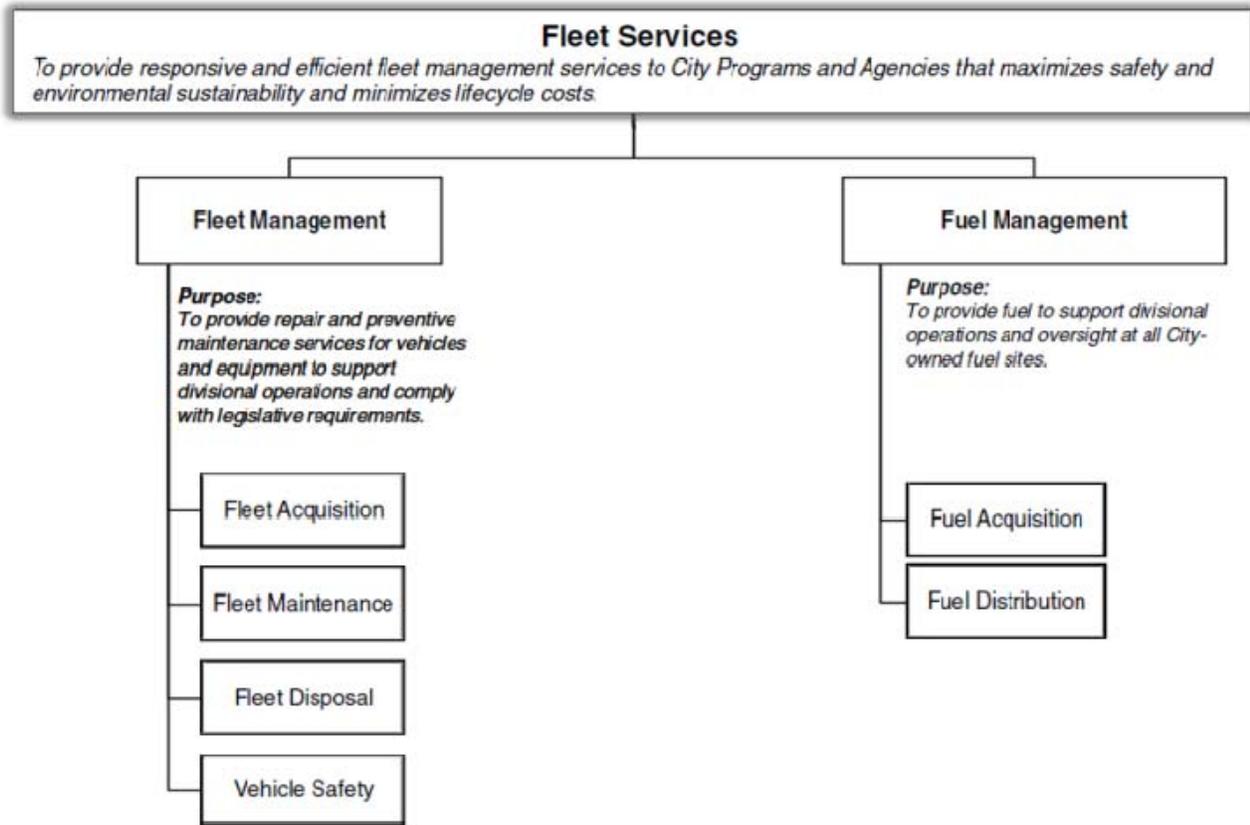


Part I:

2015 – 2017

Service Overview and
Plan

Program Map



Service Customer

Fleet Management

- City Divisions
- Exclusions:
 - Fire
 - EMS
 - Police
 - TTC

Fuel Management

- City Divisions
- Exclusions:
 - TTC
 - Police

2015 Service Deliverables

The 2015 Recommended Operating Budget of \$52.397 million gross and \$0 million net for Fleet Services will fund:

- Management of a fleet of approximately 5,200 vehicles and equipment for City of Toronto Divisions and City-funded organizations.
- The City's Fleet Management Operations and Services, which include acquisition, licensing, maintenance, training and certification, lifecycle management and disposal of a diverse range of vehicles and equipment.
- Provision of safety training, testing and certification to approximately 10,000 City employees who are required to operate City vehicles and equipment, in order to ensure compliance with Provincial legislation and City policies and guidelines.
- The City's Fuel Management Operations and Services, which include fuel provision and administration and hedging, safety and environmental compliance, staff training and the oversight and management of fueling stations and associated requirements.
- Review and implementation of key recommendations from the preliminary results of the external Fleet Services review. Areas of re-engineering opportunities include organizational structure and staffing, garage operations, business systems and processes, training and tools, and fleet utilization.
- Implementation of initiatives to ensure the City's Commercial Vehicle Operators Registration (CVOR) safety rating remains at 70% or less, for on-road performance.
- Expansion of the project for an innovative solution that integrates the Fleet and Fuel management systems to achieve secure fueling operations, while providing online, real time reporting on fuel usage and meter readings. This will enhance Fleet Services' ability to cost-effectively manage the City's vehicles and equipment for our clients
- Continue to streamline processes and implement shared services in co-ordination with client Divisions, Agencies and Corporate Partners such as PMMD and HR to reduce overall costs to the City. Fleet Services and the Toronto Parking Authority is evaluating the feasibility of acquiring fuel for the TPA vehicles at City fuel sites.
- Ongoing development of staff by increasing training opportunities while upgrading and enhancing required garage tools and diagnostic equipment.
- Implementation the 2014-2018 Green Fleet Plan to provide City-wide leadership by Fleet Services in reducing the environmental impact from the operation of almost 10,000 on-road and off-road vehicles and pieces of equipment. Actions include:
 - Take steps to achieving International Standardization Organization (ISO) Certification in the area of Environmental Management (ISO 14000) and Quality Management (ISO 9000).
 - Continue to reduce the City's environmental footprint by making environmentally conscious decisions with respect to vehicles, fuels and operating practices.

Table 1
2015 Recommended Operating Budget and Plan by Service

(In \$000s)	2014		2015 Recommended Operating Budget					Incremental Change				2016 and 2017 Plan	
	Approved Budget	Projected Actual	2015 Rec'd Base	2015 Rec'd New/Enha	2015 Rec'd Budget	2015 Rec.d vs. 2014 Budget Approved		2016		2017			
						Changes	%	\$	%	\$	%		
	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%		
Fleet Management													
Gross Expenditures	30,248.8	34,760.4	33,742.5	108.9	33,851.4	3,602.6	11.9%	(53.4)	(0.2%)	1.2	0.0%		
Revenue	30,815.1	34,407.4	34,239.2	108.9	34,348.1	3,533.0	11.5%	60.0	0.2%	0.1	0.0%		
Net Expenditures	(566.3)	353.0	(496.7)		(496.7)	69.7	(12.3%)	(113.4)	22.8%	1.1	(0.2%)		
Fuel Management													
Gross Expenditures	17,540.1	18,341.8	18,533.1	12.1	18,545.2	1,005.1	5.7%	0.6	0.0%	1.7	0.0%		
Revenue	16,973.8	18,724.9	18,036.4	12.1	18,048.5	1,074.7	6.3%			0.2	0.0%		
Net Expenditures	566.3	(383.0)	496.7		496.7	(69.7)	(12.3%)	0.6	0.1%	1.5	0.3%		
Total													
Gross Expenditures	47,788.9	53,102.2	52,275.6	121.0	52,396.6	4,607.7	9.6%	(52.8)	(0.0)	2.9	0.0%		
Revenue	47,788.9	53,132.3	52,275.6	121.0	52,396.6	4,607.7	9.6%	60.0		0.3	0.0%		
Total Net Expenditures		(30.1)	(0.0)		(0.0)			(112.8)		2.6	100.0%		
Approved Positions	174.0	163.0	175.0	1.0	176.0	2.0	1.1%						

The 2015 Recommended Operating Budget for Fleet Services is \$52.397 million gross and \$0 million net. The Net budget increased by \$4.607 million gross 9.6% due to the following:

- The two services in Fleet Services are experiencing base budget pressures due primarily to inflationary cost increases in salary and benefits totaling \$0.367 million and general inflationary increase of \$0.272 million net in other non-salary accounts.
- In order for the City to maintain services, an additional \$3,285.2 million gross is required in 2015 to fund the increase in demand for maintenance on vehicles and equipment to keep them in safe and operating condition. The increase is due mainly to high utilization and deferral of replacements of heavy haulage vehicles.
- An increase in demand for fuel due to closures and consolidation of fuel sites has resulted in an increase of \$1.058 million gross, as Fire Services and Solid Waste Management Services will be dispensing fuel from fuel sites managed by Fleet Services.
- The 2015 Recommended Operating Budget includes funding of \$0.121 million gross and \$0 net for a new temporary position of a Green Fleet Coordinator. The position will support the implementation of the City of Toronto Consolidated Green Fleet Plan 2014-2018, an initiative designed to facilitate the City to emit fewer greenhouse gas (GHG) emissions and reduce air pollution, adopted by City Council in April 2014.
- The 2016 and 2017 plans are attributable to progression pay increases. No cost of living allowance is included in 2016 due to 2016 being the year in which the next cycle of collective bargaining begins.
- Approval of the 2015 Recommended Operating Budget will result in Fleet Services increasing its total staff complement by 2.0 positions from 174.0 to 176.0, as highlighted in the table below:

Table 2
2015 Recommended Total Staff Complement

Changes	Fleet Management	Fuel Management	Total	2016	2017
2014 Approved Complement	170.1	3.9	174.0		
In-year Adjustments					
Adjusted 2014 Staff Complement	170.1	3.9	174.0		
Recommended Change in Staff Complement					
Prior Year Impact					
Operating Impacts of Completed Capital Project					
Capital Project Delivery					
Base Changes	1.0		1.0		
Service Changes					
New / Enhanced Service Priorities	1.0		1.0		
Total	172.1	3.9	176.0		
Position Change Over Prior Year					
% Change Over Prior Year	1.18%		1.15%		

The Program’s total staff complement will increase by 2 positions or 1.2% as a result of the following changes:

- An organizational change resulting in the addition of one new Support Assistant position to provide support to mechanics in coordinating and processing work orders funded by savings from position reclassifications.
- The 2015 Recommended Operating Budget for Fleet Services includes funding for a new temporary Green Fleet Coordinator position totaling \$0.121 million gross and zero net.

The 2015 Recommended Operating Budget includes base expenditure pressures of \$4,765.4 million gross, primarily attributable to salary and non-salary inflationary as detailed below:

Table 3
Key Cost Drivers

(In \$000s)	2015 Recommended Operating Budget		Total Rec'd 2015 Base Budget
	Fleet Management	Fuel Management	
Gross Expenditure Changes			
Prior Year Impacts			
Operating Impacts of Capital			
Economic Factors			
Non-Payroll, Tools, Supplies, Contracts	284.9	(12.9)	271.9
COLA and Progression Pay			
COLA, Progression Pay, Step Increases	479.9	7.7	487.6
Other Base Changes			
Maintain the current Gapping level of 3.5%	(16.4)	(0.1)	(16.5)
Maintenance, Parts and Fuel	3,285.2	1,058.1	4,343.3
Management Consulting & Furniture	(190.0)	(10.0)	(200.0)
Total Gross Expenditure Changes	3,843.6	1,042.8	4,886.4
Revenue Changes			
IDC/IDR Adjustments	(3,641.9)	(29.4)	(3,671.3)
Additional Revenue due to Increase in Volume - Fuel		(1,057.4)	(1,057.4)
Total Revenue Changes	(3,641.9)	(1,086.8)	(4,728.7)
Net Expenditure Changes	201.7	(44.1)	157.6

Key cost drivers, primarily the Fleet Management Service, for Fleet Services are as follows:

Economic Factors

- Inflationary increases of \$0.272 million for vehicle parts, tools and maintenance contracts.
- Progression pay increases for non-union staff of \$0.081 million.
- 2.25% negotiated annual increase of \$0.297 million for union staff.

Other Base Changes

- An increase of \$0.075 million to the employee training and tool budget to maintain safety standards.
- The 2015 Recommended Operating Budget includes increased funding of \$4.343 million as a result of:
 - Divisions deferring replacement of their vehicles - Solid Waste Management Services and Transportation Services have deferred their vehicle replacements, mainly heavy duty haulage trucks due to operational requirements. Deferring replacements leads to an aging fleet with more vehicles out of service and higher utilization of vehicles that are in working condition. Heavy duty vehicles are more costly to repair and maintain than regular passenger cars due to the special parts required to operate them for their intended purposes (e.g. garbage collection,

snow removal). An additional \$3.401 million gross is recommended to reflect actual experience in the increase in demand for maintenance and parts.

- Closure of fuel sites - Fleet Services continues to close and consolidate fuel sites in order to achieve efficiencies. Sites that have been closed include those formerly operated by Fire Services and Solid Waste Management. As a result, these divisions will be dispensing fuel for their vehicles from fuel sites operated by Fleet Services. The result is an increase in fuel costs of \$.694 million gross and \$0 net in 2015 to reflect the operational change.
- A Fleet Services increase to its Contribution to the Vehicle and Equipment Replacement Reserve of \$0.040 million.
- A decrease of \$0.017 million in order to maintain the current gapping level of 3.5%.

Revenue Changes

- An increase in interdivisional recoveries is included to recover the increase in fleet maintenance, fuel demand and inflationary cost increases of \$4.607million in net revenues.

In order to provide fuel management services, which includes fuel acquisition and disbursement, and operating and maintaining fuel sites, Fleet Services charges an administration fee of \$0.05 per litre of fuel dispensed to divisions / agencies utilizing their services. Revenues will increase by \$0.364 million due to the increase in volume of fuel consumption by client Program Agencies.

In order to offset the above pressures, service efficiency savings of \$0.158 million are recommended, as detailed below:

Table 4
2015 Total Recommended Service Change Summary

Description (\$000s)	5 Recommended Service Changes				Total Rec'd Service Changes			Incremental Change			
	Fleet Management		Fuel Management		\$	\$	#	2016 Plan		2017 Plan	
	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
Base Changes:											
Base Expenditure Changes											
Base Expenditure Change											
Base Revenue Changes											
Base Revenue Change											
Sub-Total											
Service Efficiencies											
Organizational restructuring of positions	(132.0)	(132.0)	(25.6)	(25.6)	(157.6)	(157.6)	1.0				
Sub-Total	(132.0)	(132.0)	(25.6)	(25.6)	(157.6)	(157.6)	1.0				
Total Changes	(132.0)	(132.0)	(25.6)	(25.6)	(157.6)	(157.6)	1.0				

Service Efficiencies (Savings of \$0.158 million gross & \$0.158 million net)

- Fleet Services conducted a position review and re-classified a number of positions to better reflect the operational requirements of the Division. The result is a net increase of one Support Assistant C position. Further salary and benefit adjustments from organizational changes result in savings of \$0.158 million.

Table 5
2015 Total Recommended New & Enhanced Service Priorities Summary

Description (\$000s)	New and Enhanced				Total Rec'd Service			Incremental Change			
	Fleet Management		Fuel Management		\$	\$	Position	2016 Plan		2017 Plan	
	Gross	Net	Gross	Net	Gross	Net	#	Net	Pos.	Net	Pos.
Enhanced Services Priorities											
Green Fleet Coordinator	108.9	108.9	12.1	12.1	121.0	121.0	1.0				
Sub-Total	108.9	108.9	12.1	12.1	121.0	121.0	1.0				
New Service Priorities											
(a) New Services											
(b) New Fees											
Sub-Total											
Total	108.9	108.9	12.1	12.1	121.0	121.0	1.0				

Recommended Enhanced Service Priorities (\$0.121 million gross & \$0 million net)

On June 10, 11, 12 and 13, 2014, City Council adopted the Consolidated Green Fleet Plan 2014-2018, which identified the need for one additional temporary Green Fleet Coordinator position recommended at a cost of \$0.121 million, zero net to be funded by the Corporate Vehicle Reserve effective in 2015 for three years. This position will coordinate the implementation of the Consolidated Green Fleet Plan, including consultation with other City organization fleets and track the progress made in achieving the established targets for reducing greenhouse gas emissions (GHG) and fuel consumption.

Approval of the 2015 Recommended Budget for Fleet Services will result in a 2016 incremental net cost of \$0.104 million and a 2017 incremental net cost of \$0.001 million to maintain the 2014 service levels.

Table 6
2016 and 2017 Plan by Program

Description (\$000s)	2016 - Incremental Increase					2017 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	# Positions	Gross Expense	Revenue	Net Expense	% Change	# Positions
Known Impacts:										
COLA and Fringe Benefits	22.9		22.9							
Progression Pay & Step Increases	81.3		81.3			0.1		0.1		
Annualization										
Operating Impacts of Capital										
Operating Expenses (specify)										
Revenue										
Other (specify)										
Sub-Total	104.2		104.2			0.1		0.1		
Anticipated Impacts:										
Other										
Sub-Total										
Total Incremental Impact	104.2		104.2			0.1		0.1		

Future year incremental costs are primarily attributable to the following:

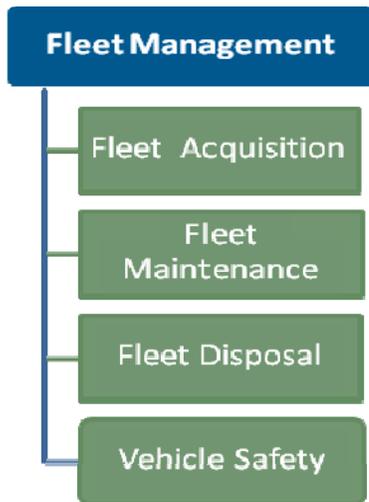
Known Impacts

- Progression pay increases of \$0.081 million and \$0.043 million in 2016 and 2017 respectively.
- Inflationary increases of \$0.023 million in 2016 for fringe benefit allowances.
- 2016 and 2017 Outlook does not include corresponding increases in IDR's from Client Divisions.
- Note: There is no COLA since it is a collective bargaining year.

Part II:

2015 Recommended
Budget by Service

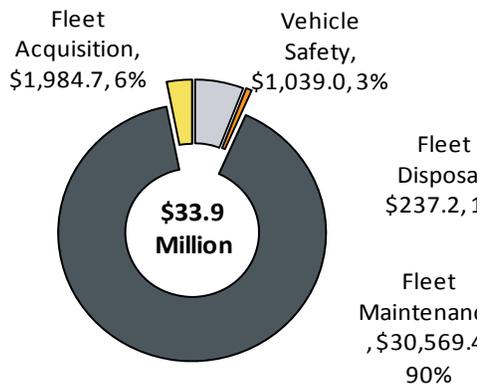
Fleet Management



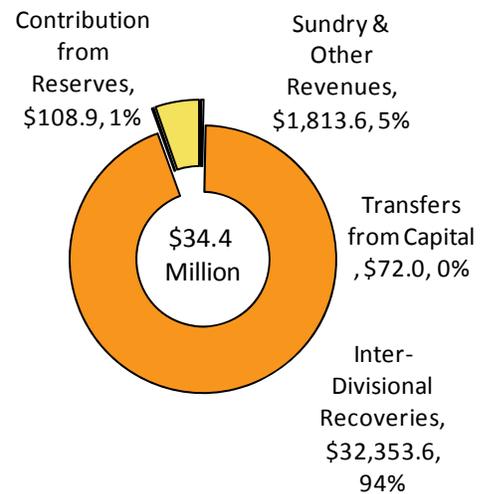
What We Do

- Provide repair and preventive maintenance services for vehicles and equipment to support divisional operations and comply with legislative requirements.

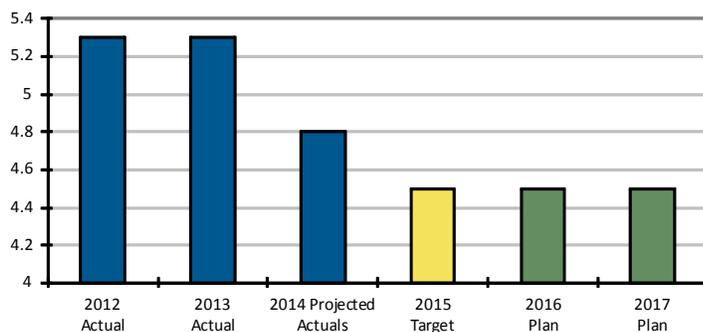
2015 Service Budget by Activity (\$000s)



Service by Funding Source (\$000s)



The Average Age of Light Duty Vehicles



- The average age of light duty vehicles are an important indicator of the usage and maintenance costs associated with the vehicles. The 2015 target is 4.5 years which ensures safety and escalating costs for repairs and maintenance costs.
- The average fleet age of light duty vehicles for the City is decreasing from 5.3 years in 2013 to 4.5 years in 2016 due to the plan to replace older light duty vehicles on a timely basis.

2015 Service Levels

Fleet Management

Activity	Sub-Activity/Type	Status	Approved Service Levels			Recommended
			2012	2013	2014	2015
Fleet Acquisition	Light Vehicles (<4500kg)	Approved	Avg light Duty Vehicle Age of 4.8 years			Avg light Duty Vehicle Age of 4.5 years
	Medium Duty Vehicles (4500 kg - 9000 kg)	Approved	Avg Medium Duty Vehicle Age of 6.0 years			Avg Medium Duty Vehicle Age of 5.7 years
	Heavy Duty Vehicles (>9000kg)	Approved	Avg Heavy Duty Vehicle Age of 6.15 years			Avg Heavy Duty Vehicle Age of 6.0 years
	Off-Road Equipment	Approved	Avg Off-Road Equipment Age of 7.1 years			Avg Off-Road Equipment Age of 7.0 years
Fleet Maintenance		Approved	58% scheduled / 42% unscheduled hours			60% scheduled / 40% unscheduled hours
Fleet Disposal	Light Vehicles (<4500kg)	Approved	42 days			42 days
	Medium Duty Vehicles (4500 kg - 9000 kg)	Approved	42 days			42 days
	Heavy Duty Vehicles (>9000kg)	Approved	42 days			42 days
	Off-Road Equipment	Approved	42 days			42 days
	Vehicle Safety	Vehicle Certification (CVOR Safety Rating)	Approved	55%		
	Driver / Operator Training	Approved	100% of all drivers / operators are Certified / Trained			100% of all drivers / operators are Certified / Trained

The 2015 Recommended Service Levels are consistent with the approved 2014 Service Levels. The 2015 recommendations for the average life span for Light and Medium Duty Vehicles has decreased by 0.3 years.

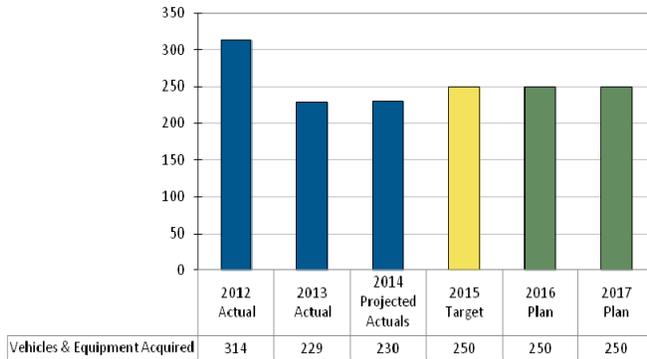
Fleet management is responsible for the acquisition and disposal of vehicles and equipment based on lifecycle replacements, the maintenance services of approximately 5,200 vehicles and equipment, training and licensing drivers and operators of City vehicles and equipment to ensure compliance with safety standards, and managing fuel site operations.

The Fleet Management area is currently working on co-ordinating fleet activities in order to achieve service efficiencies by updating the Fleet management systems and revising standards required for vehicles, life cycles, garages, specifications and maintenance parts.

Service Performance

Fleet Acquisition

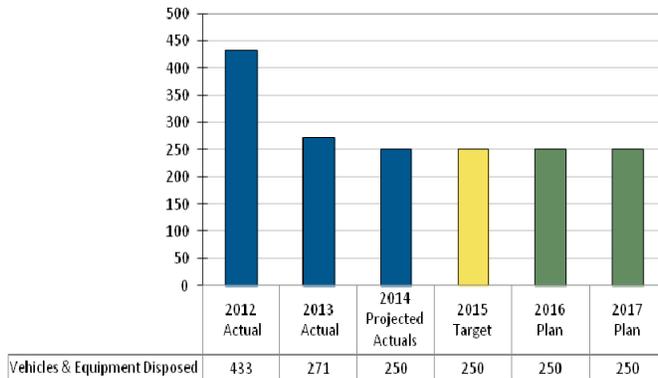
Number of Vehicles & Equipment Acquired



- The number of vehicles acquired affects the timely replacement of vehicles in order to minimize operating costs.
- The number of vehicles and equipment acquired on an annual basis reflects the new additions to the fleet which includes 314 in 2012 and a decrease of 85 resulting in 229 in 2013. It is projected that a combined total 230 vehicles and equipment will be purchased in 2014

Fleet Disposal

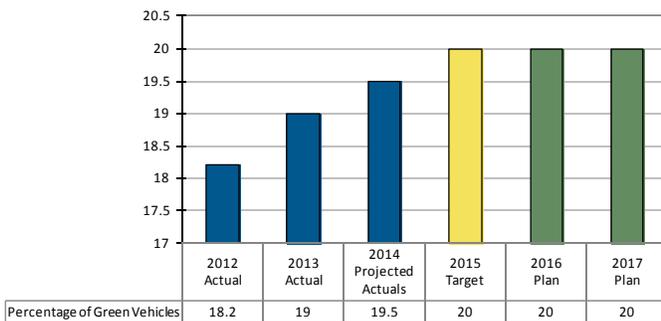
Number of Vehicles & Equipment Disposed



- Other than years 2012 (433 units) and 2013 (271 units) the equivalent number of vehicles and equipment are projected to be acquired and disposed of an annual basis. The timely replacement including disposition of inefficient units will have an overall positive impact on maintenance costs.

Fleet Acquisition

The Percentage of Green Vehicles



- The percentage of the vehicle inventory that is Green include alternative fuel vehicles such as Natural Gas, Gas- Electric Hybrids and all electric vehicles. Fleet Services continues to purchase environmentally sustainable vehicles to reduce fuel use and costs, emissions of greenhouse gases and smog-causing air pollutants. The percentage of Green vehicles has continually increased from 18.2% in 2012 to 20% in 2015.

Table 7

2015 Recommended Service Budget by Activity

(000s)	2014	2015 Recommended Operating Budget								Incremental Change					
	Approved Budget	Base Budget	Rec'd Service Changes	2015 Rec'd Base	Rec'd Base Budget vs. 2014 Budget	% Change	Rec'd New/Enhanced	2015 Rec'd Budget	2015 Rec'd Budget vs. 2014 Budget		2016 Plan		2017 Plan		
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%	
GROSS EXP.															
Fleet Acquisition	1,855.5	1,894.1	78.5	1,972.6	117.2	6.3%	12.1	1,984.7	129.3	7.0%					
Fleet Maintenance	26,989.5	30,676.3	(182.6)	30,493.7	3,504.2	13.0%	96.8	30,590.5	3,601.0	13.3%	(53.4)	-0.2%	4.0	0.0%	
Fleet Disposal	150.5	153.5	83.7	237.2	86.7	57.6%		237.2	86.7	57.6%					
Vehicle Safety	1,253.3	1,150.6	(111.6)	1,039.0	(214.3)	(17.1%)		1,039.0	(214.3)	(17.1%)					
Total Gross Exp.	30,248.8	33,874.5	(132.0)	33,742.5	3,493.8	11.6%	108.9	33,851.4	3,602.7	11.9%	(53.4)	-0.2%	4.0	0.0%	
REVENUE															
Fleet Acquisition	1,475.5	1,405.4		1,405.4	(70.0)	(4.7%)	12.1	1,417.5	(57.9)	(3.9%)					
Fleet Maintenance	27,811.7	31,305.8		31,305.8	3,494.1	12.6%	96.8	31,402.6	3,590.9	12.9%	60.0	0.2%	0.1	0.0%	
Fleet Disposal	275.8	275.8		275.8				275.8							
Vehicle Safety	1,252.1	1,252.2		1,252.2	0.1	0.0%		1,252.2	0.1	0.0%					
Total Revenues	30,815.1	34,239.2		34,239.2	3,424.2	11.1%	108.9	34,348.1	3,533.1	11.5%	60.0	0.2%	0.1	0.0%	
NET EXP.															
Fleet Acquisition	380.0	488.7	78.5	567.2	187.2	49.3%		567.2	187.2	49.3%					
Fleet Maintenance	(822.2)	(629.5)	(182.6)	(812.1)	10.1	(1.2%)		(812.1)	10.1	(1.2%)	(113.4)	14.0%	3.9	(0.4%)	
Fleet Disposal	(125.3)	(122.3)	83.7	(38.6)	86.7	(69.2%)		(38.6)	86.7	(69.2%)					
Vehicle Safety	1.2	(101.6)	(111.6)	(213.2)	(214.4)	(17866.7%)		(213.2)	(214.4)	(17866.7%)					
Total Net Exp.	(566.3)	(364.7)	(132.0)	(496.7)	69.6	(12.3%)		(496.7)	69.6	(12.3%)	(113.4)	22.8%	3.9	(0.6%)	
Approved Positions	170.0	170.0	1.0	171.0	1.0	0.6%	1.0	172.0	2.0	1.2%					

The 2015 Recommended Operating Budget for Fleet Management of \$33.851 million gross and \$0.497 million net which is \$0.070 million less than the 2014 Approved Net Budget.

- The Fleet Management Service provides repair and preventive maintenance services for vehicles and equipment to support divisional operations and comply with legislative requirements.

The key cost drivers for Fleet Management are as follows:

Economic Factors

- Inflationary increases of \$0.212 million for vehicle parts, tools and maintenance contracts.
- Progression pay increases for non-union staff of \$0.078 million.
- Negotiated annual increase in salaries and benefits of 2.75% totaling \$0.291 million for union staff within Fleet Management.

Other Base Changes

- An increase of \$0.075 million to reflect increase in the employee training and tools budget.
- An increase of \$3.285 million as a result of increase in demand for maintenance and parts.
- Contribution to the Vehicle and Equipment reserve increasing by \$0.040 million.
- A decrease of \$0.016 million in order to maintain the current gapping level of 3.5%.

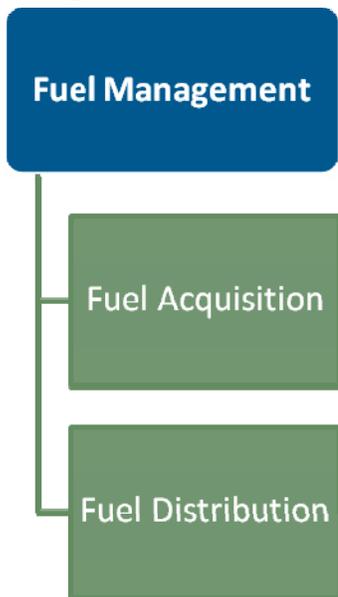
Revenue Changes

- An increase in interdivisional recoveries to reflect the increase in fleet maintenance due to volume and inflation resulting in an additional \$3.545 million in net revenues.

In order to offset divisional pressures, the 2015 recommended service changes for Fleet Management consists service efficiency savings of \$0.132 million as detailed below:

- Salaries and benefit adjustments from organizational changes resulting in an additional position and savings of \$0.132 million.

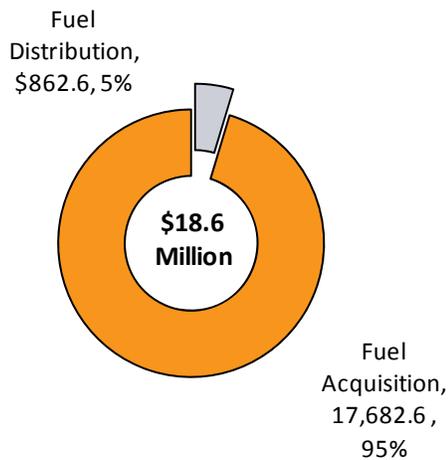
Fuel Management



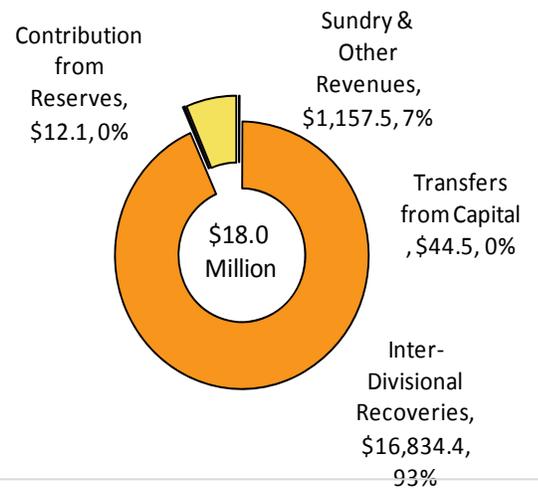
What We Do

- Provide fuel to support divisional operations and oversight at all City-owned fuel sites.

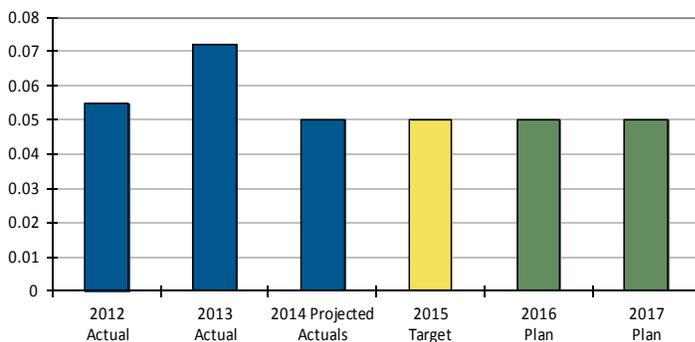
2015 Service Budget by Activity (\$000s)



Service by Funding Source (\$000s)



Discount Over Market Price for Gasoline Fuel



- Discount over market price for gasoline fuel for 2015 to 2017 is forecast at 5% to reflect actual experience in the market place given the amount of fuel purchased by the City.

2015 Service Levels Fleet Management

Activity	Sub-Activity/Type	Status	Approved Service Levels			Recommended
			2012	2013	2014	2015
Fuel Acquisition	Gasoline contract	Approved	5.0% below market prices			5.0% below market prices
	Diesel contract	Approved	8.0% below market prices			8.0% below market prices
Fuel Distribution	Gasoline	Approved	3.9 million litres dispensed per year meeting 100% of demand			3.8 million litres dispensed per year meeting 100% of demand
	Diesel	Approved	10.7 million litres dispensed per year meeting 100% of demand			10.6 million litres dispensed per year meeting 100% of demand

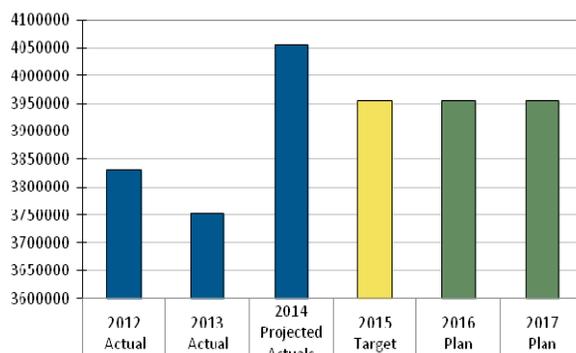
The 2015 Recommended Service Levels are consistent with the approved 2014 Service Levels

Fleet Services continues to strategically utilize the Fuel Hedging program. This strategy minimizes the impacts of fluctuating market fuel prices on the City's fuel expenditures.

Service Performance

Fuel Acquisition

Amount of Gasoline Fuel Acquired

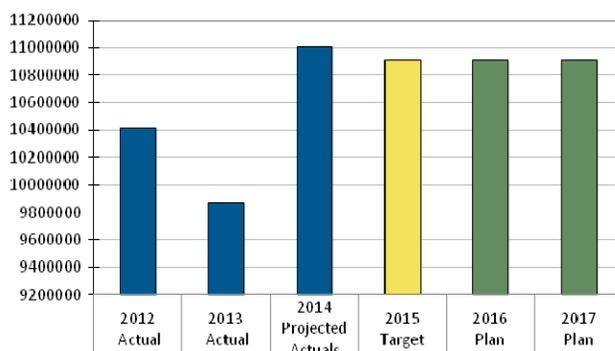


Amount of Gasoline Fuel Acquired	3,830,950	3,752,070	4,055,100	3,955,100	3,955,100	3,955,100
----------------------------------	-----------	-----------	-----------	-----------	-----------	-----------

- An average of 3.8 million litres of gasoline was acquired in 2012 and 2013 and an average 4.0 million litres of gasoline is projected to be acquired in years 2014 through to 2017.

Fuel Acquisition

Amount of Diesel Fuel Acquired



Amount of Diesel Fuel Acquired	10,415,552	9,867,401	11,010,200	10,912,200	10,912,200	10,912,200
--------------------------------	------------	-----------	------------	------------	------------	------------

- An average of 10.1 million litres of diesel fuel was acquired in 2012 and 2013 and an average 10.9 million litres of diesel fuel is projected to be acquired in years 2014 through to 2017.
- Fleet Services continues the Fuel Hedging program to minimize the impacts of fluctuating market fuel prices.

Table 7

2015 Recommended Service Budget by Activity

	2014	2015 Recommended Operating Budget									Incremental Change				
	Approved Budget	Base Budget	Rec'd Service Changes	2015 Rec'd Base	Rec'd Base Budget vs. 2014 Budget		Rec'd New/Enhanced	2015 Rec'd Budget			2015 Rec'd Budget vs. 2014 Budget		2016 Plan		2017 Plan
					\$	\$			\$	\$	\$	%	\$	%	\$
GROSS EXP.															
Fuel Acquisition	16,820.4	17,682.6		17,682.6	862.2	5.1%		17,682.6	862.2	5.1%	0.6	0.0%	1.7	0.0%	
Fuel Distribution	719.7	876.1	(25.6)	850.5	130.8	18.2%	12.1	862.6	142.9	19.9%					
Total Gross Exp.	17,540.1	18,558.7	(25.6)	18,533.1	992.9	5.7%	12.1	18,545.2	1,005.0	5.7%	0.6	0.0%	1.7	0.0%	
REVENUE															
Fuel Acquisition	16,973.8	18,036.4		18,036.4	1,062.6	6.3%	12.1	18,048.5	1,074.7	6.3%			0.2	0.0%	
Fuel Distribution															
Total Revenues	16,973.8	18,036.4		18,036.4	1,062.6	6.3%	12.1	18,048.5	1,074.7	6.3%			0.2	0.0%	
NET EXP.															
Fuel Acquisition	(153.4)	(353.8)		(353.8)	(200.4)	130.7%	(12.1)	(365.9)	(212.5)	138.6%	0.6	-0.2%	1.5	(0.4%)	
Fuel Distribution	719.7	876.1	(25.6)	850.5	130.8	18.2%	12.1	862.6	142.9	19.9%					
Total Net Exp.	566.3	522.3	(25.6)	496.7	(69.7)	(12.3%)		496.7	(69.7)	(12.3%)	0.6	0.1%	1.5	0.3%	
Approved	4.0	4.0		4.0				4.0							

The 2015 Recommended Operating Budget for Fuel Management of \$18.545 million gross and \$0.497 million net is \$0.070 million or 193% under the 2014 Approved Net Budget.

- The Fuel Management Services provide fuel to support divisional operations and oversight at all City-owned fuel sites.

Key cost drivers for Fuel Management are as follows:

Economic Factors

- Progression pay increases for non-union staff of \$0.002 million.
- Annual increases of \$0.006 million for union staff.

Other Base Changes

- An increase of \$1.058 million as a result of increase in demand for fuel due to addition of Fire Services and Solid Waste Management Services as clients dispensing fuel from fuel site operated by Fleet Services and increase in volumes for client divisions/agencies.

Revenue Changes

- Increase in revenue from client divisions due to the increase in volume of fuel consumption of \$1.057million.

In order to offset divisional pressures, the 2015 recommended service changes for Fuel Management consists service efficiency savings of \$0.026 million as detailed below:

- Salaries and benefit adjustments from organizational changes resulting in savings of \$0.026 million



Part III:

Issues for Discussion

Issues for Discussion

Issues Impacting the 2015 Budget

Lower Price of Fuel and Diesel

The 2015 Budget process which began in June and completed in November 2014, could not predict the recent sharp decline in global oil and petroleum prices that began at the end of 2014 and continued in the beginning of 2015. As prices began to fall, no adjustments were made to the 2015 Recommended Operating Budget due to the uncertainty of the permanency and/or term of the price decreases. The 2015 Recommended Operating Budget reflects costs for fuel priced at \$1.10 per litre for both diesel and gasoline.

At the time of this report, diesel prices were offered to be hedged at \$0.838 / litre until 2015. The City has already hedged 38% of its stock at \$1.088 per litre, which expires on December 31, 2015, and is exploring opportunities to hedge all or a portion of the remaining stock at the lower price until 2016. The City will seek advice from the consultant as part of the Fuel Hedging Program, as it may not be advantageous during a climate of declining prices.

Whether a decision is made to proceed with hedging a portion or all of the remainder of the unhedged stock, there will be potential savings to the City from the decline of fuel prices.

As of January 13, 2015, the price offered to the City for diesel was the same as the hedge price of \$0.838 per litre, and \$0.7126 per litre for gasoline. Based on the estimated volumes of 11.5 million litres of diesel and 4.0 million litres for gasoline, and the fact that 38% of the stock is already hedged at \$1.088 per litre, the estimated savings to the City in 2015 is about \$3.5 million, comprised of the following:

- \$2.0 million in the tax supported budget;
- \$1.4 million in the rate supported budgets (Waste Management and Toronto Water).

Once a strategy for 2015 and 2016 is developed, any savings which may impact the budget will factor in an estimated average price for gasoline, and an estimated average price or actual hedge price for diesel should the City opt for certainty, the impact on rate supported programs and a contingency for a potential turnaround in fuel prices.

City Council will determine how any potential savings will be allocated during the approval of the 2015 Staff Recommended Operating Budget. Options include unfunded pressures, fuel stabilization reserve and adjusting the 2015 Budget to reflect the savings.

Issues Impacting Future Years

Maintenance and Repair Costs

Fleet Services manages approximately 5,000 vehicles and motorized equipment for the city’s divisions and agencies, including acquisition, maintenance, disposal and safety.

Vehicle Equivalent Unit

Vehicle Equivalent Unit (VEU) is the unit measure used to standardize vehicles of different size / duty and functions to provide fair and consistent comparisons based on maintenance requirements. For example, a regular passenger vehicle, which normally requires about 12-15 hours per year of maintenance is assigned 1 VEU. A backhoe loader which requires 3 times as much labour to maintain is assigned 3 VEU.

- The City’s fleet translates to 12,526 VEUs.

Shortage of Mechanics

Under normal circumstances, each mechanic should be able to handle on average 115 VEUs based on the hours required for each VEU. A review of the City’s mechanics indicated 129 VEUs each, which is the equivalent to a shortage of 12 mechanics. The following table illustrates the decrease in the number of mechanics from 2007 to 2014:

Technician Staffing levels				
Year	# of VEU	Technicians	Required Tech's	Technician Shortage
2007	12,660	100	106	(-6)
2008	13,388	101	112	(-11)
2009	13,097	102	109	(-7)
2010	12,810	102	107	(-5)
2011	12,762	94	106	(-12)
2012	12,077	83	101	(-18)
2013	12,394	90	103	(-13)
2014	12,526	92	104	(-12)

The shortage of mechanics leads to longer turnaround times for vehicles in repair, longer times a vehicle is idling in the garage and more costly repairs due to overtime. Longer turnaround times compel the need for spare vehicles to ensure they are available when required, which increases overall costs as they also require maintenance.

Average Age of Fleet

In 2014, the average age of the City’s fleet is 7.5 years, which has been steadily increasing over the years. Vehicles have not been replaced as quickly as planned. Since 2008, the percentage of fleet replaced decline from 12% to 4.5% in 2013. The deferral of replacements is due to a variety of reasons: procurement delays; lead time required to deliver specialized vehicles; budget constraints;

organizational priorities; and operational requirements. The deferral of replacements leads to an aging fleet with more vehicles out of service and higher utilization of vehicles that are in working condition.

Solid Waste Management Services and Transportation Services have deferred their vehicle replacements, mainly heavy duty haulage trucks, due to operational requirements. Costs to repair and maintain heavy duty vehicles are higher than passenger vehicles because they have higher VEUs and specialized parts required to operate them for their intended purposes (e.g. garbage collection, snow removal).

Increasing the age of vehicles has impacted service levels, maintenance practices and costs. The average cost per VEU has increased from \$2,400 in 2011 to \$2,600 in 2014.

In 2015, Fleet Services and Financial Planning will continue to implement the strategy developed and implemented during the 2015 Budget process to ensure vehicles are replaced at the end of their lifecycle. The strategy consists of three point action plan, which includes:

- aligning cash flows with actual spending and delivery of vehicles
- in-depth analysis of the life cycle of the City's different types of vehicles
- determining a funding strategy which fully funds and optimizes the replacement of vehicles, addressing the backlog of replacements for all affected Divisions and Agencies

The timely optimal replacement of vehicle and equipment ensures avoidable operating costs are not incurred as a result of delayed replacement.

Fleet Services will also explore filling vacant mechanic positions to help reduce the backlog of repairs and down time a vehicle sits in the garage waiting to be repaired. At the end of September, 2014, there were 16 vacancies, including 7 held to achieve the gapping rate of 3.5%. Gapping will be reviewed for potential to hire more mechanics and exclude these positions from future gapping strategies.

In addition Fleet Services will review the current operations and capacity of each of their garages and strategically schedule repairs (eg. by vehicle type, regional requirement) at its garages and allocate resources in order increase turnaround times for vehicles in service. In the longer term its facilities will be reviewed to determine if they can accommodate the requirements for the maintenance of the City's fleet.

Issues Referred to the 2015 Operating Budget Process

The Vehicle Capital Reserve Contributions Shortfalls report is referred to the 2015 Capital Budget Process. Please refer to the 2015 Fleet Services Capital Analyst Notes.



Appendices:

Appendix 1

2014 Service Performance

2014 Key Service Accomplishments

In 2014, Fleet Services accomplished the following:

- ✓ Improved service delivery through refining garage operations and increasing hours of service to better address client requirements. Fleet Services now has six maintenance garages that provide service 7 days a week.
- ✓ Decommission and dispose of 309 assets including equipment, equating to a recovery of \$635,000 in auction proceeds. The sale proceeds from the end of life assets are returned to the respective vehicle and equipment replacement reserves to fund the future replacement of new units.
- ✓ Completed the upgrade of three and closure of two fuel sites to reduce environmental risks and improve operational efficiencies. The upgraded sites have aboveground fuel storage tanks that reduce the risk of soil contamination, while the new technology implemented as part of the upgrade allows for secure, real-time, fuel and data management.
- ✓ Maintained a satisfactory Provincial Commercial Vehicle Operators Registration (CVOR) safety rating (MTO Satisfactory Rating).
- ✓ Fleet Services provided training and compliance management to approximately 10,000 vehicle and equipment operators to ensure compliance with Federal & Provincial Legislation as well as City policies and guidelines.
- ✓ Received Council adoption of the 2014-2018 City of Toronto Consolidated Green Fleet Plan. The Objectives of the Plan include 1) Achieving ISO Certification in the area of Environmental Management (ISO 14000) and Quality Management (ISO 9000) for Fleet Services 2) Developing a selection criteria for alternative fuels 3) Establishing and leading a City-wide Green Fleet Team and 4) Continuing to fund the incremental costs associated with new green technologies.
- ✓ Managed the provision and distribution of 14.6 million liters of fuel to our clients, which is a 9.8% increase over the 2014-targeted service level. This increase is a result of continued and successful efforts to streamline processes and implement shared services with Fire Services and Solid Waste Management, through the closure of underutilized, end of life fuel sites. This reduces overall costs and environmental risks for the City.
- ✓ Continued to implement the Fuel Hedging Program as a strategy to mitigate the impacts of fluctuating fuel market prices and to reduce fuel costs. The Program enables the City to hedge its fuel from a roster of pre-qualified parties, thereby providing the ability to obtain competitive price quotes on an ongoing basis.

2014 Budget Variance Analysis

(\$000s)	2012	2013	2014	2014	2014 Approved Budget vs.	
	Actuals	Actuals	Approved Budget	Projected Actuals*	Projected Actual Variance	
	\$	\$	\$	\$	\$	%
Gross Expenditures	47,043.0	50,258.1	47,788.9	53,102.2	5,313.3	11.1%
Revenues	47,984.1	51,685.4	47,788.9	53,132.3	5,343.4	11.2%
Net Expenditures	(941.1)	(1,427.3)		(30.1)	(30.1)	
Approved Positions	174.0	174.0	174.0	168.0	(6.0)	(3.4%)

2014 Experience

- Fleet Services reported net under-spending of \$0.661 million for the nine months ended September 30, 2014. Gross expenditures were higher than planned by \$3.896 million or 12.3% mainly due to increased fuel consumption and maintenance requirements by client Divisions as well as additional consultation requirements from the Fleet Operations Review. Revenues were higher than planned by \$3.930 million or 12.3% as a result of additional recoveries from the increased demand for fuel and maintenance offset by a lower than anticipated cost recovery from auction proceeds.
- At this time, it is projected that Fleet Services will be under budget by \$0.030 million at year-end. Fleet Services will continue to monitor spending and find efficiencies to offset the pressures mentioned above.
- As of September 30, 2014, the Program reported a strength of 158.0 positions which was 16.0 positions or 9.2% below the complement of 174.0 positions. This represents a vacancy rate of 5.1% for approved operating positions after budgeted gapping. Of the 16.0 vacancies, 7.0 positions are being held vacant to achieve the full year gapping rate of 3.5%. The impact of vacancies, which has resulted in longer maintenance turnaround times, is being mitigated by using overtime and external service contracts as short term measures.
- Fleet Services is projecting a strength of 163.0 positions or 6.3% below the approved complement of 174.0 positions at year-end. The Program is working diligently with Human Resources to ensure these vacancies are filled on a timely basis.

Impact of 2014 Operating Variance on the 2015 Recommended Budget

- The 2014 experience will have an impact on the 2015 Recommended Operating Budget primarily due to the considerable increase in fuel and maintenance demands.

Appendix 2

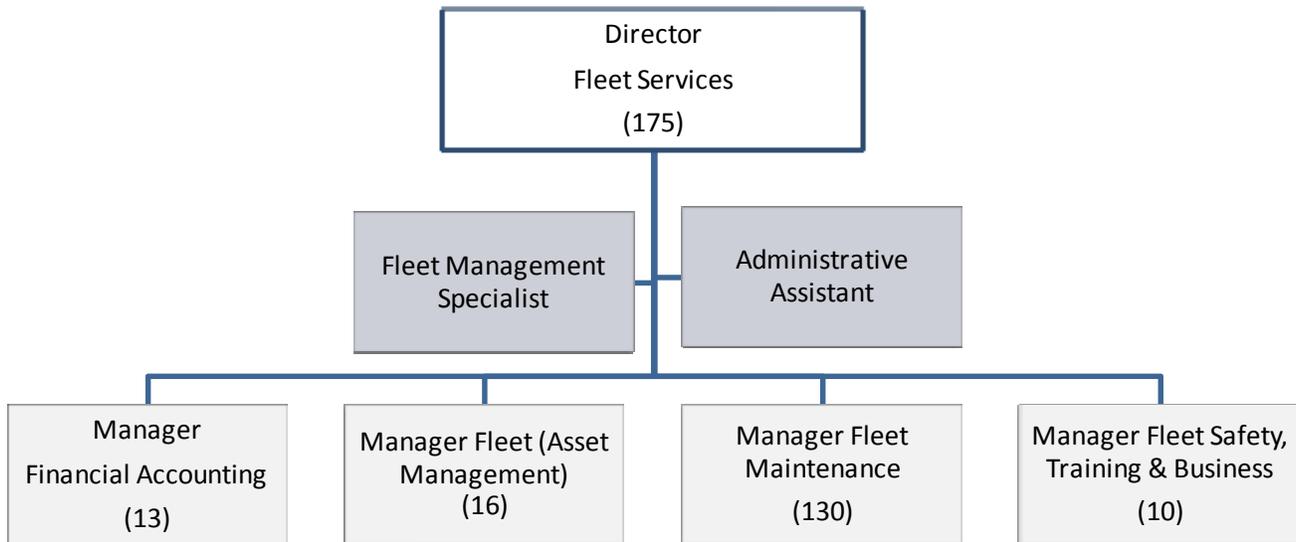
2015 Recommended Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2012	2013	2014	2014	2015	2015 Change from		Plan	
	Actual	Actual	Budget	Projected	Rec'd	2014 Approved		2016	2017
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	15,586.2	15,538.2	17,067.4	16,088.7	17,479.4	412.0	2.4%	17,583.7	17,583.7
Materials and Supplies	23,028.1	23,986.9	21,609.8	25,792.6	25,934.1	4,324.3	20.0%	25,830.9	25,833.2
Equipment	87.8	88.4	114.1	83.0	116.5	2.4	2.1%	114.1	114.1
Services & Rents	5,600.8	6,798.8	7,774.9	8,216.2	7,648.7	(126.2)	(1.6%)	7,537.0	7,537.8
Contributions to Capital									
Contributions to Reserve/Res Funds	2,160.7	3,361.9	655.6	2,335.1	635.6	(20.0)	(3.1%)	695.6	695.6
Other Expenditures	69.5								
Interdivisional Charges	509.8	483.9	567.1	586.6	582.3	15.2	2.7%	582.3	582.3
Total Gross Expenditures	47,042.9	50,258.1	47,788.9	53,102.2	52,396.6	4,607.7	9.6%	52,343.6	52,346.7
Interdivisional Recoveries	46,596.7	48,815.9	44,769.7	51,020.7	49,315.0	4,545.3	10.2%	49,315.0	49,315.0
Provincial Subsidies									
Federal Subsidies									
Other Subsidies									
User Fees & Donations		1.7							
Transfers from Capital Fund	115.0	153.7	115.9	108.0	116.5	0.6	0.5%	116.5	116.5
Contribution from Reserve Funds									
Contribution from Reserve		150.4			121.0	121.0		121.0	121.0
Sundry Revenues	1,272.4	2,563.6	2,903.3	2,003.6	2,844.1	(59.2)	(2.0%)	2,904.1	2,904.4
Required Adjustments									
Total Revenues	47,984.1	51,685.3	47,788.9	53,132.3	52,396.6	4,607.7	9.6%	52,456.6	52,456.9
Total Net Expenditures	(941.2)	(1,427.2)		(30.1)				(113.0)	(110.2)
Approved Positions	174.0	174.0	174.0	163.0	176.0			176.0	176.0

Appendix 3

2015 Organization Chart



2015 Recommended Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Full-Time	1.0	19.0	11.0	145.0	176.0
Part-Time					
Total	1.0	19.0	11.0	145.0	176.0

Appendix 4

Summary of 2015 Recommended Service Changes

**2015 Operating Budget - Staff Recommended Service Change
Summary by Service
(\$000s)**

Form ID		Internal Focused Services Program: Fleet Services	Adjustments				2016 Plan Net Change	2017 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
2015 Staff Recommended Base Budget Before Service Change:			52,433.2	52,275.6	157.6	174.0	(217.1)	2.7

4225 FLEET SERVICES - ORGANIZATIONAL REBALANCING

59 Description:

The increase of one Support Assistant C position and the net savings of \$0.158 million from an organizational review.

Service Level Impact:

Salaries and benefit adjustments from organizational changes resulting in savings of \$0.158 million. Fleet Services conducted a position review and re-classified a number of positions to better reflect the operational requirements of the division resulting in a savings of \$0.158 million net and the increase of one Support Assistant C position.

Service: FL-Fleet Management

Total Staff Recommended:	(132.0)	0.0	(132.0)	1.0	98.8	0.0
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Service: FL-Fuel Management

Total Staff Recommended:	(25.6)	0.0	(25.6)	0.0	5.4	0.0
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Staff Recommended Service Changes:	(157.6)	0.0	(157.6)	1.0	104.3	0.0
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Summary:

Staff Recommended Service Changes:	(157.6)	0.0	(157.6)	1.0	104.3	0.0
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Total Staff Recommended Base Budget:	52,275.6	52,275.6	0.0	175.0	(112.9)	2.7
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Appendix 5

Summary of 2015 Recommended New / Enhanced Service Priorities

2015 Operating Budget - Staff Recommended New and Enhanced Services
Summary by Service
(\$000s)

Form ID		Internal Focused Services Program: Fleet Services	Adjustments				2016 Plan Net Change	2017 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		

4223 **FLEET SERVICES - GREEN FLEET**

72 | 0 **Description:**

The addition of one new Green Fleet Coordinator position for a period of three years from 2015 to 2018.

Service Level Impact:

The Green Fleet Coordinator will oversee the Green Fleet team comprised of existing staff from the 5 City of Toronto fleets and enable coordinated implementation, analysis, progress reporting while assisting the 5 fleets in achieving the Consolidated Plan's anticipated savings and environmental benefits. The Green Fleet Coordinator will be responsible for the implementation of International Standardization Organization (ISO) certification in the area of Environmental Management (ISO 14000) and Quality Management (ISO 9000) for a Fleet Services Division benchmark facility, and to work with other City Fleets to explore the feasibility of their ISO certification.

Service: FL-Allocable Service

Total Staff Recommended:	0.0	0.0	0.0	1.0	0.0	0.0
--------------------------	-----	-----	-----	-----	-----	-----

Service: FL-Fleet Management

Total Staff Recommended:	108.9	108.9	0.0	0.0	0.0	0.0
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Service: FL-Fuel Management

Total Staff Recommended:	12.1	12.1	0.0	0.0	0.0	0.0
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Staff Recommended New/Enhanced Services:	121.0	121.0	0.0	1.0	0.0	0.0
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Category:

71 - Operating Impact of New Capital Projects	74 - New Services
72 - Enhanced Services-Service Expansion	75 - New Revenues



**2015 Operating Budget - Staff Recommended New and Enhanced Services
Summary by Service
(\$000s)**

Form ID		Internal Focused Services Program: Fleet Services	Adjustments				2016 Plan Net Change	2017 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
Summary:								
		Staff Recommended New/Enhanced Services:	121.0	121.0	0.0	1.0	0.0	0.0

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Table 11
Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2014 \$	Rec'd Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
Projected Beginning Balance					
Insurance Reserve Fund	XR1010	21,699.7	21,699.7	21,784.2	21,868.7
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			84.5	84.5	84.5
Total Reserve / Reserve Fund Draws / Contributions		21,699.7	21,784.2	21,868.7	21,953.2
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		21,699.7	21,784.2	21,868.7	21,953.2