City of Rochester
Department of Environmental Services
City Hall Room 300B, 30 Church Street
Rochester, New York 14614-1290
www.cityofrochester.gov

Paul Holahan
Commissioner

NUMBER 5.4

FLEET MANAGEMENT POLICY / PROCEDURE

SUBJECT: **Cost of Fuel Management Does Not Exceed 12% for the Entire Agency**

APPROVED:

Michael Quattrone, Fleet Manager

PURPOSE: Document that the total cost for fuel management does not exceed 12% for the entire fleet agency.

PROCEDURE: Use the Shop Rate Calculation Guide, Equipment Services Division dated September 3, 2009, copy with item 5.7, fuel rate page, to determine that the cost of fuel management does not exceed twelve percent for the entire agency.

Attached is a copy of the spreadsheet used for the calculation for Fiscal Year 2010-2011.

PREPARED BY: Marlene S. Davidson, Sr. Administrative Analyst OC

DATE: January 12, 2011

FLEET COUNSELOR SERVICES - 5.4 COST OF FUEL MANAGEMENT DOES NOT EXCEED 12% FOR THE ENTIRE AGENCY
EQUIPMENT SERVICES - FUEL RATE

Fuel Expense			**2011 Budget**		
Indirect Labor Expense (prorated)			9,226		
Direct Overhead (prorated)			3,850		
Indirect Overhead			59	**Overhead**	**Result Overhead %**
		Sub-total	13,135	63,665	**1.53%**
Direct Labor Expense			34,330		
Direct Expenses: From Form D unless noted otherwise					
Petro & Lubricants	710	4,163,900			
H L & P	802	0			
Repair Equip	811	16,200			
Total direct expenses			4,180,100	ties to budget page 7-36	
		Total	4,227,565		

Fuel Revenue						Sale	REVENUE CENTS/GALLON
Fuel Rate Calculation		Product	Price / Gallon	Gallons / Yr	Fuel Cost	Price Per Gal	0.15
Petro & Lubricants	710	Gas-Unleaded	$2.8620	762,000	$2,180,844	3.0120	$2,295,144
		Diesel	$3.5701	525,000	$1,874,303	3.7201	$1,953,053
					$4,055,147		
			Cost / Therm	Therms / Yr	Fuel Cost		
H L & P	802	CNG	Exclude per MG 5/7/08				
RHA Sales	710	Gas-Unleaded	$2.8620	30,000	$85,860	3.0120	$90,360
FBI Sales	710	Gas-Unleaded	$2.8620	8,000	$22,896	3.0120	$23,680
Total					**$108,756**	**Total Revenue**	**$4,362,237**
					$4,163,903	**Total Cost**	$4,163,900
						Subtotal	$198,337
						Less overhead	$63,665
						Net Surplus	**$134,671**

	gallons	price	total				
CITY	762,000	2.8620	$2,180,844		0.0480	0.15000	mark up
FBI	8,000	2.8620	$22,896		63489/1325000	0.0480	overhead
RHA	30,000	2.8620	$85,860		134847/1325000	0.1016	profit per gallon
	800,000		$2,289,600	ok		134,671.39	
	525,000	$3.5701	$1,874,300	ok			
			$4,163,900				
	1,325,000				0.1016		

+ / - **+ / -** $134,671

Note: Overhead calculation includes expense for Indirect Labor, Direct Overhead and Direct Expenses for Repair - Equipment (811).
Petro & Lubricants (710) and H L & P (802) are NOT included.