

University Budget Committee

October 16, 2014

Agenda

- Budget Update
 - Refresher on how the cuts were distributed
 - How things look giving our Summer and Fall enrollment
 - Brief status update on the funding model
- Report on Cost Savings
 - Motor Pool Analysis
- State Syquest/Griz Mart update (Bob Hlynosky)

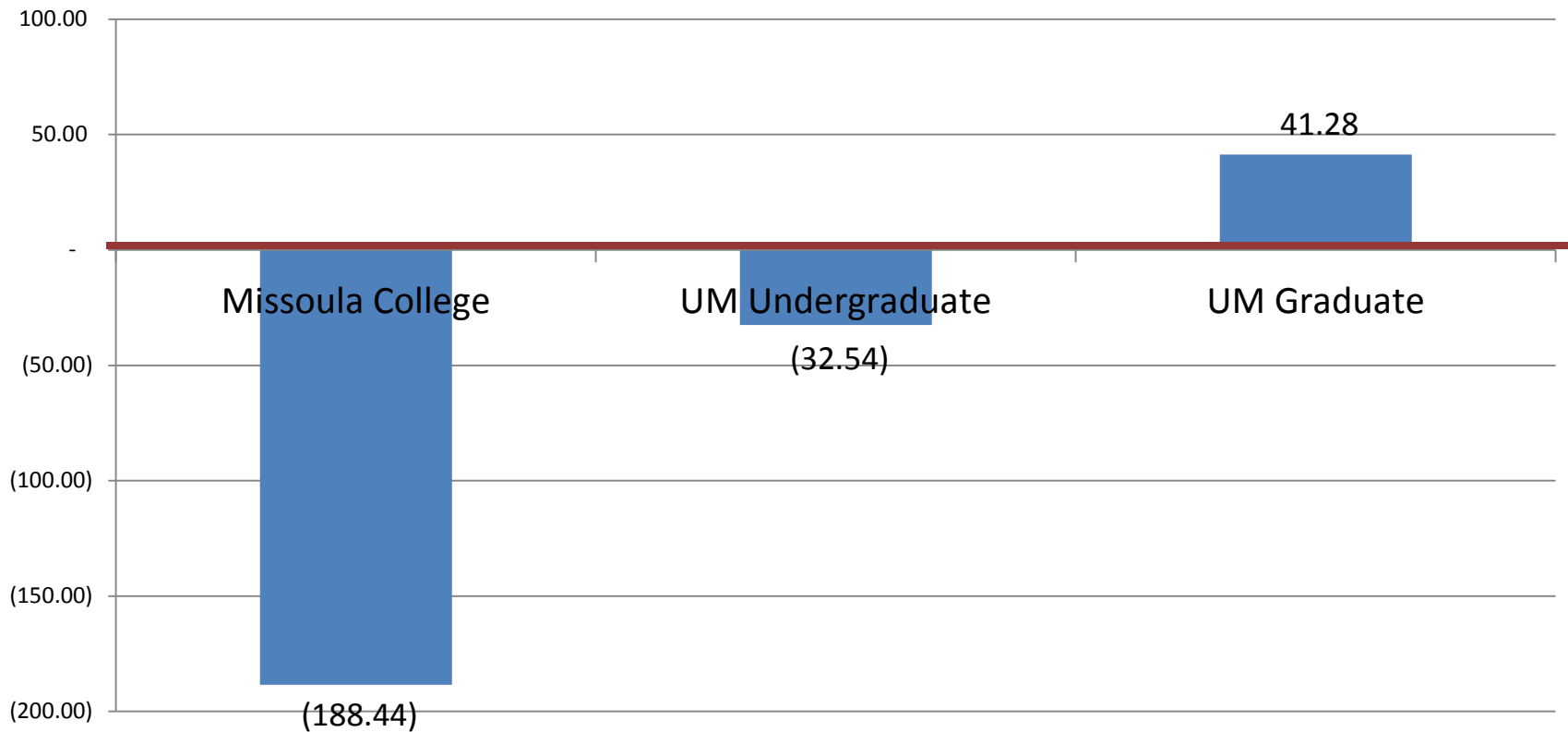
Payplan & benefits	7,963,240
2014 Residual Shortfall	640,274
OTO Central Reductions FY2014	2,825,080
2015 Budget	167,013,712
2015 Projected Total Revenue	157,430,819
2015 Base Shortfall	9,582,893
Sector Percent Reduction	8.14%

	FY15 Planned Reductions	FY15 Actuals	Percent Reductions
President	248,017	151,153	6%
Academic Affairs	4,053,242	689,241	1%
Admin & Finance	1,393,057	1,392,131	10%
Research	363,675	363,675	10%
Integrated Communications	186,553	169,158	9%
Athletics	312,055	312,055	10%
Information Technology	476,719	476,719	10%
Student Affairs	224,513	224,513	10%

Expected Fall Tuition Revenue

\$43,758,720

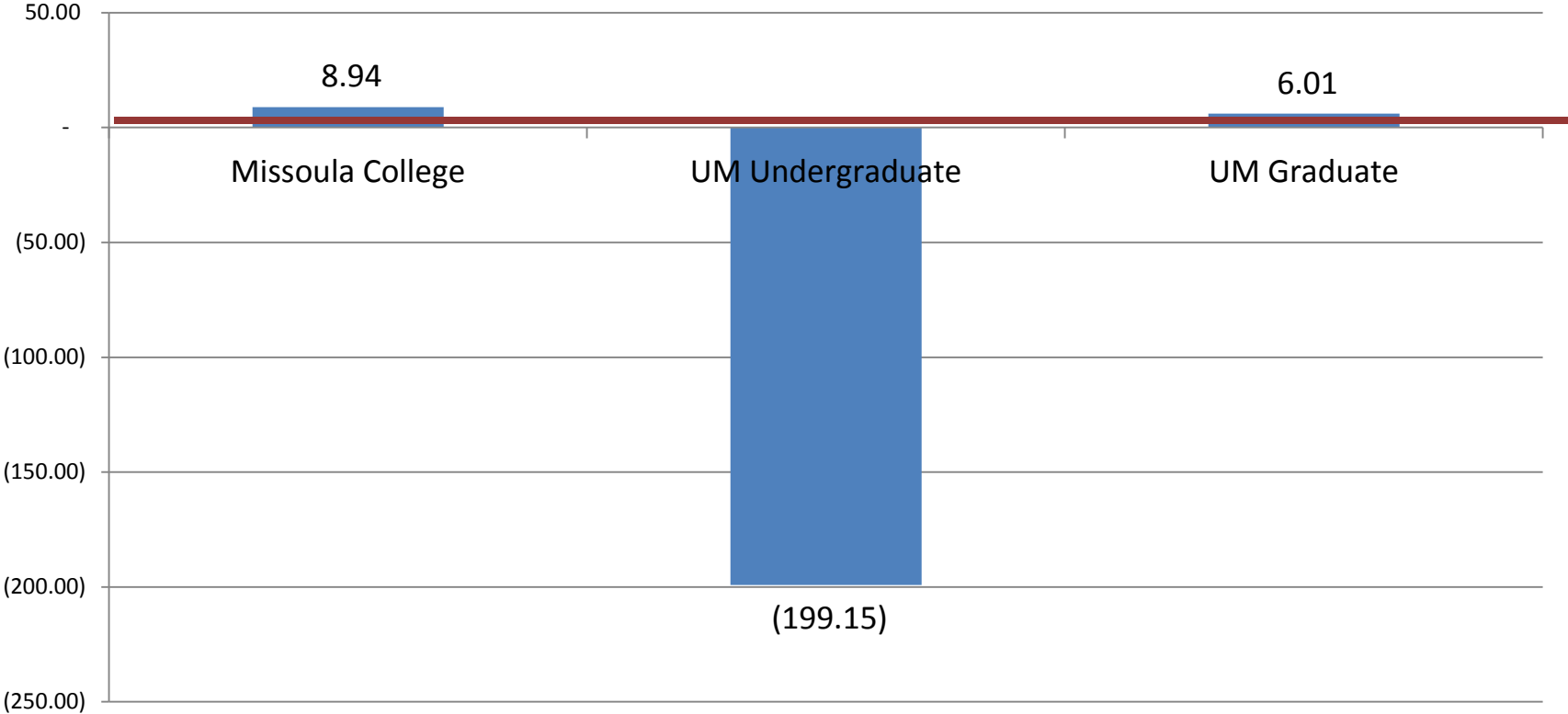
FTE Difference from Budget Fall 2014



Expected Summer Tuition Revenue

\$4,777,065

FTE Difference from Budget Summer 2014





Transportation Services' Rental Fleet Analysis

University of Montana

2014

Prepared by: Casey Knutson

Usage Statistics (FY2014, excluding June 1-30, 2014)

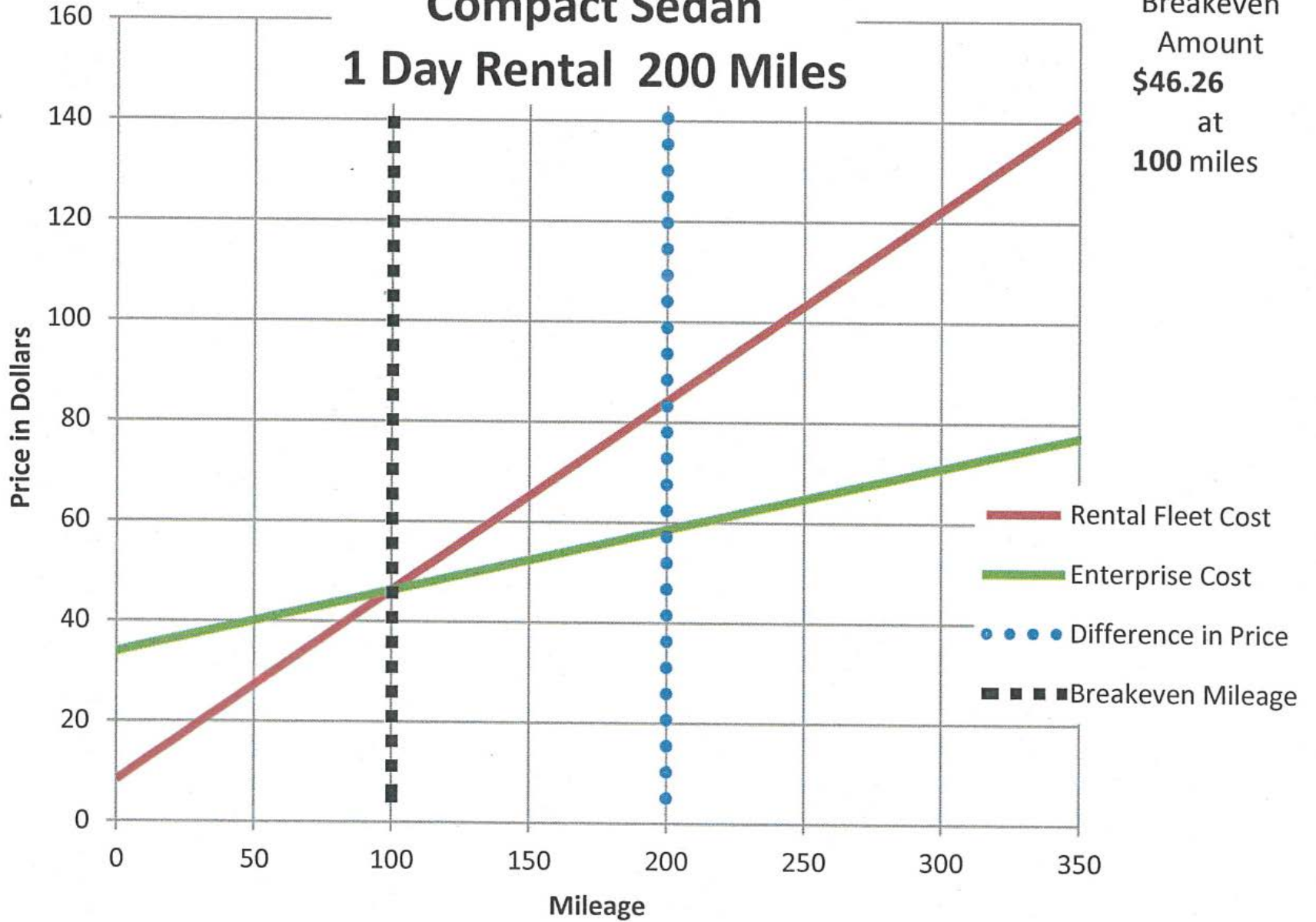
CATEGORY	Vehicle Quantity	Total Trips	Days Rented	Annual Miles	Annual Amount Billed	Ave Days per Trip	Ave Miles per Day	Percent Days Charged per Vehicle	Ave Annual Miles >10,000
Truck 4WD	1	42	135	17,175	11,409.75	3	127.22	56.0%	YES
Sedan Mid-Size Hybrid	3	190	386	65,053	32,094.32	2	168.68	53.3%	YES
Sedan Mid-Size	2	67	113	19,523	9,607.12	2	172.77	23.4%	
Sedan Compact Hybrid	3	191	391	58,529	27,515.89	2	149.69	54.1%	YES
Sedan Compact	5	309	531	82,841	35,860.33	2	156.01	44.1%	YES
SUV Small AWD Hybrid	1	58	143	24,225	14,904.75	2	169.41	59.3%	YES
SUV Small AWD	5	299	708	103,861	67,189.16	2	146.70	58.8%	YES
SUV 9P 4WD (Offroad)	2	98	177	17,607	13,571.34	2	99.47	36.7%	
SUV 9P 2WD	4	175	286	25,366	20,016.92	2	88.69	29.7%	
SUV 8P 4WD	3	167	358	45,918	33,839.16	2	128.26	49.5%	YES
SUV 8P 2WD	"The average rented vehicle is rented for two days and is driven less than 150 miles per day"							%	
*SUV 6P 4WD (Offroad)								%	YES
Minivan 7P	8	386	796	64,060	46,022.60	2	80.49	41.3%	
Entervan	1	23	45	6,337	4,122.47	2	140.82	18.7%	
Totals and Averages	43	2,129	4,407	575,212	348,955.91	2	130.52	42.3%	

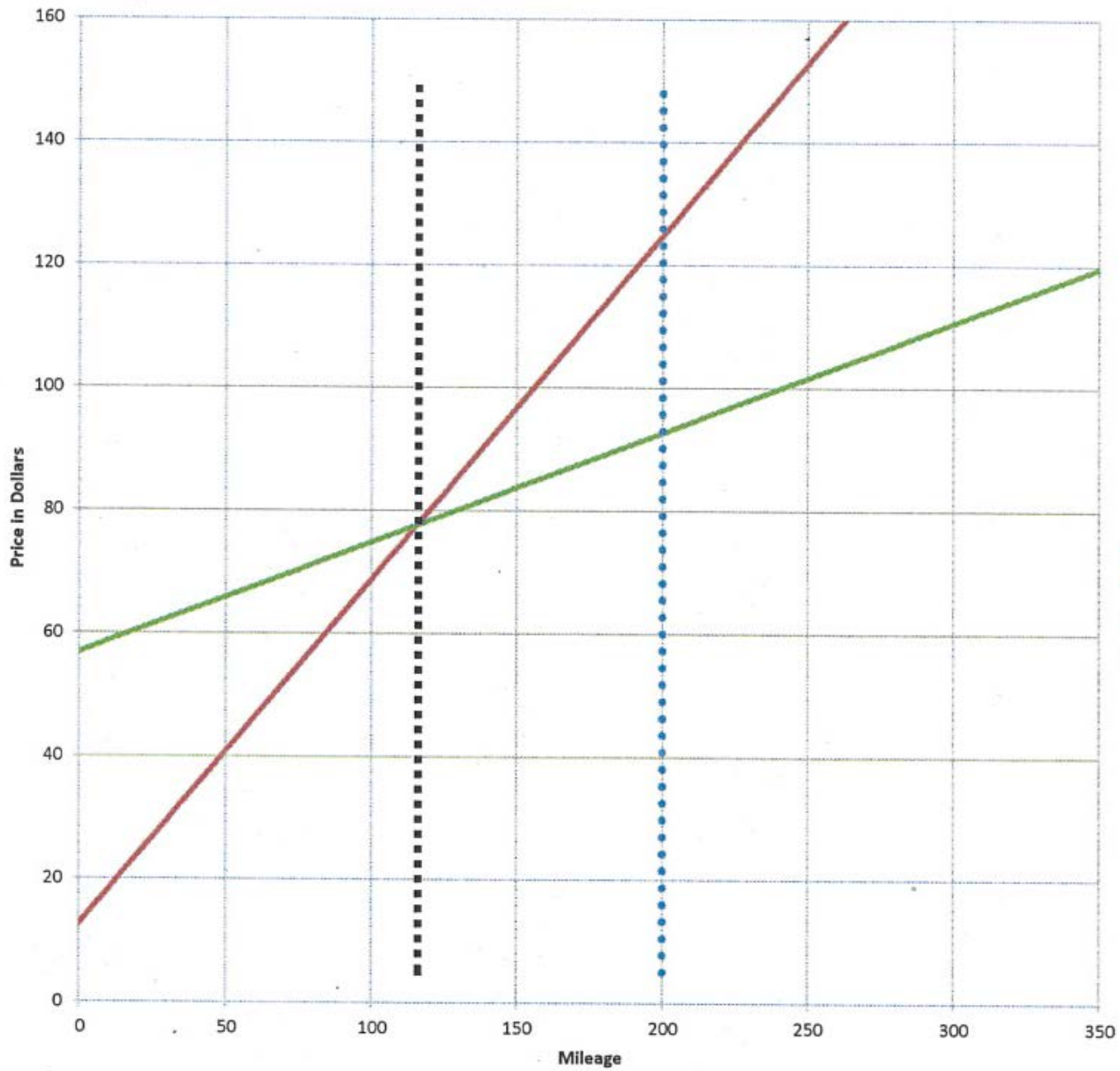
*This vehicle was involved in an accident that resulted in disposal.

**Available rental days are 241 business days per year (excludes holidays and weekends)

Compact Sedan 1 Day Rental 200 Miles

Breakeven
Amount
\$46.26
at
100 miles

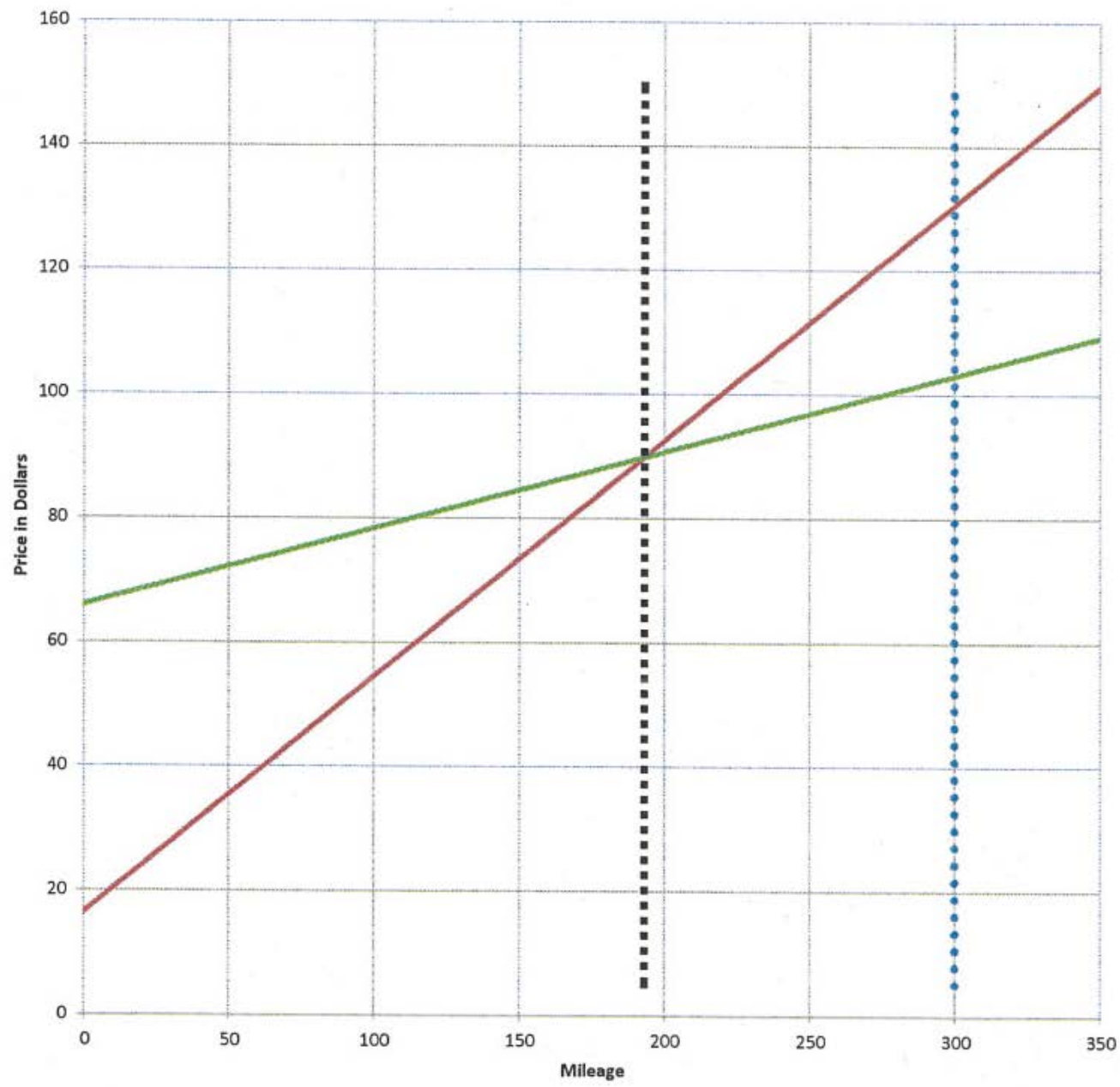




Small SUV & Minivan 1 Day Rental

- Rental Fleet Cost
- Enterprise Cost
- ⋯ Difference in Price
- - - Breakeven Mileage

Breakeven
Amount
\$77.64

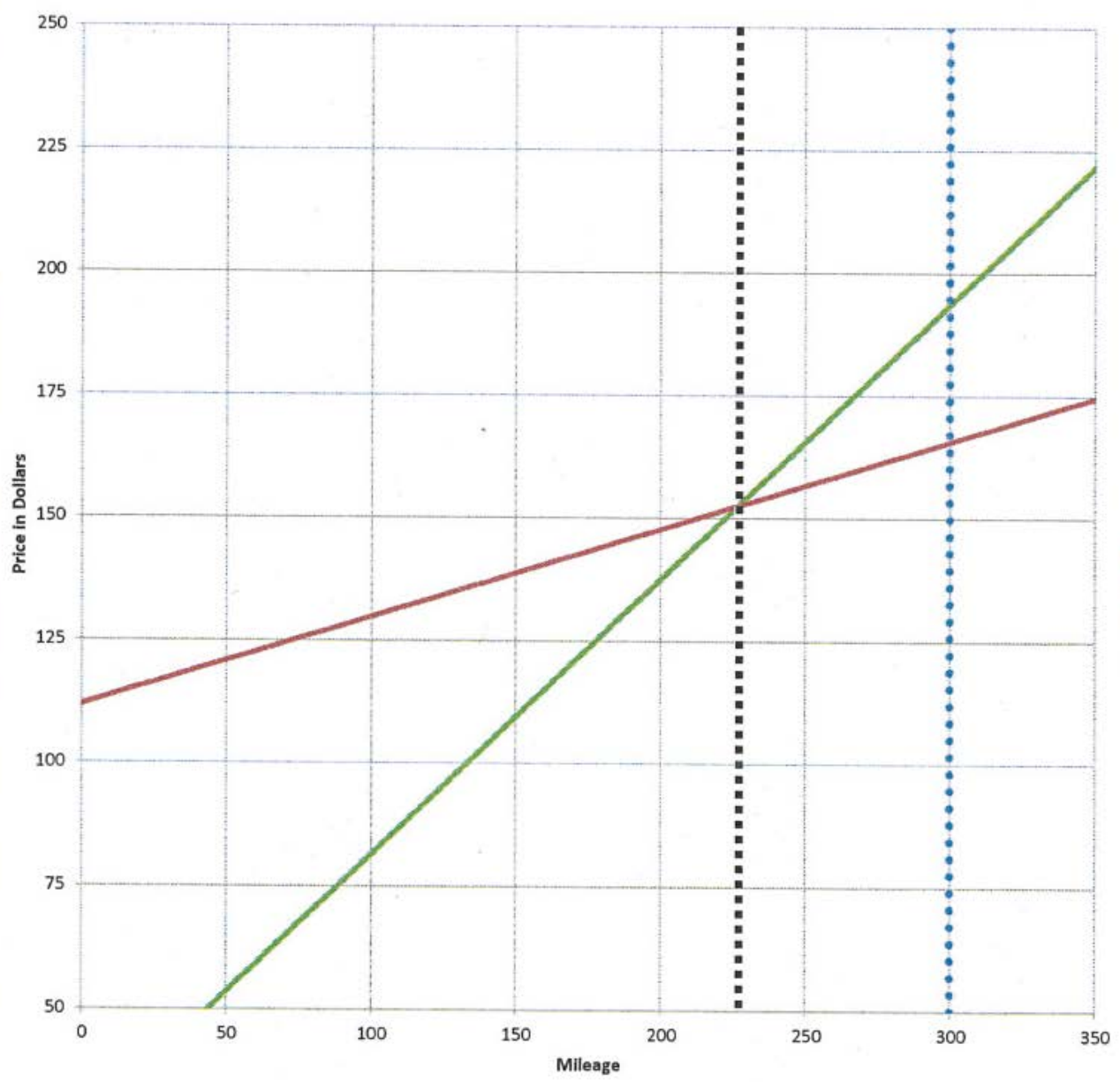


Compact Sedan 2 Day Rental

- 2 Day Rental Fleet Cost
- 2 Day Enterprise Cost
- Difference in Price
- ■ ■ ■ Breakeven Mileage

Breakeven
Amount
\$89.82

Small SUV & Minivan 2 Day Rental



- 2 Day Rental Fleet Cost
- 2 Day Enterprise Cost
- Difference in Price
- Breakeven Mileage

Breakeven
Amount
\$152.56

*to maintain scale, Y-axis begins at \$50 not \$0

UNIVERSITY OF MONTANA TRANSPORTATION SERVICES

VEHICLE TYPE	PASSENGERS CAPACITY	QTY AVAILABLE	DAILY RATE	MILAGE RATE
COMPACT SEDAN	5	5	\$ 8.25	\$ 0.38
COMPACT SEDAN HYBRID	5	3	\$ 9.00	\$ 0.41
SEDAN MID-SIZED	6	2	\$ 9.00	\$ 0.44
SEDAN MID-SIZED HYBRID	6	3	\$ 9.00	\$ 0.44
MINIVAN	7	8	\$ 12.75	\$ 0.56
ENTERVAN	6	1	\$ 12.75	\$ 0.56
SUV HYBRID - AWD	5	1	\$ 12.75	\$ 0.54
SM SUV - AWD	5	5	\$ 12.75	\$ 0.56
SUV 4WD	6	1	\$ 15.00	\$ 0.62
SUBURBAN/LG SUV	9	13	\$ 15.00	\$ 0.62
FULL-SIZE TRUCK	6	1	\$ 12.00	\$ 0.57

Enterprise Rentals - 30 Days or Less

Vehicle Type	Daily Rate	Weekly	1 Month
Economy/Compact	\$ 30.84	\$ 154.20	\$ 616.60
Intermediate/Standard	\$ 32.71	\$ 163.55	\$ 654.20
Full-size	\$ 35.26	\$ 176.30	\$ 705.20
Standard Hybrid	\$ 46.67	\$ 233.35	\$ 933.40
Premium/Luxury	\$ 58.42	\$ 292.10	\$ 1,168.40
Mini Van	\$ 52.93	\$ 264.65	\$ 1,058.60
Medium SUV	\$ 53.96	\$ 269.80	\$ 1,079.20
Large SUV	\$ 83.38	\$ 416.90	\$ 1,667.60
Small Pick-Up	\$ 48.17	\$ 240.85	\$ 963.40
Half Ton Pick-Up	\$ 52.27	\$ 261.35	\$ 1,045.40
Half Ton Cargo Van	\$ 42.43	\$ 212.15	\$ 848.60
12 Passenger Van	\$ 99.42	\$ 497.10	\$ 1,988.40

One Year Cost Savings Comparison

If all rentals were contracted through Enterprise instead of Transportation Services, the actual cost savings would be as follows by category:

Type of Vehicle	UM Amt Billed	Enterprise Billed	Difference
Truck 4WD	\$ 11,409.75	\$ 9,672.23	\$ (1,737.52)
Sedan Mid-Size Hybrid	\$ 32,094.32	\$ 17,148.16	\$ (14,946.16)
Sedan Mid-Size	\$ 9,607.12	\$ 5,340.27	\$ (4,266.85)
Sedan Compact Hybrid	\$ 27,515.89	\$ 17,535.29	\$ (9,980.60)
Sedan Compact	\$ 35,860.33	\$ 20,976.29	\$ (14,884.04)
SUV Small AWD Hybrid	\$ 14,904.75	\$ 7,051.14	\$ (7,853.61)
SUV Small AWD	\$ 67,189.16	\$ 35,390.54	\$ (31,798.62)
SUV 9P 4WD (Offroad)	\$ 13,571.34	\$ 13,049.00	\$ (522.34)
SUV 9P 2WD	\$ 20,016.92	\$ 19,566.10	\$ (450.82)
SUV 8P 4WD	\$ 33,839.16	\$ 32,225.53	\$ (1,613.63)
SUV 8P 2WD	\$ 24,084.22	\$ 22,030.18	\$ (2,054.04)
SUV 6P 4WD (Offroad)	\$ 8,717.88	\$ 6,472.57	\$ (2,245.31)
Minivan 7P	\$ 46,022.60	\$ 40,644.67	\$ (5,377.93)
Entervan	\$ 4,122.47		
Total Potential Savings			\$ 97,731.47

- Savings of \$97,731.47 are not necessarily realized savings
- \$22,000 (estimate) Administration Fee is paid annually
- Vehicle Repair Services (costs & charges would increase)
- Parking needs for on-campus delivery and overnight parking for employees would need to be addressed.
 - Would likely be an additional cost

Conclusion: Overall financial savings of approximately \$50,000 could be realized if fleet was privatized.

Discussion / Recommendation