
INTERNAL SERVICE FUNDS
661 - FLEET EQUIPMENT FUND

The mission of the Fleet Equipment Fund is to provide a central location of accountability for the acquisition and maintenance of safe and efficient machinery, equipment, and vehicles for city staff.

The Fleet Division of the Department of Public Services (DPS) is responsible for providing and maintaining the City-owned fleet of machinery, equipment, and vehicles in a safe and proper functioning condition. Scheduled preventative maintenance is performed; vehicle condition and criteria for replacement are also closely monitored. The Division maintains its own records, files, and inventory on a computerized system. The Division inventories and distributes gasoline and diesel fuel, auto and truck parts, safety gear, clothing, supplies, and tools as needed to various departments. Funded by user fees, internal city user departments pay a monthly replacement charge to ensure that sufficient funds will be available when replacement is due.

The Fleet Division manages nearly \$7 million in machinery, equipment, and vehicles consisting of 81 cars, pickup trucks, and vans, 19 dump-trucks, 10 heavy construction vehicles, 12 trailers, and 18 specialty vehicles. The Fleet Division is also responsible for the maintenance and repair of approximately 200 pieces of power and field equipment. Preventative maintenance and repairs are performed on 35 Fire Department emergency vehicles and apparatus, as well as numerous miscellaneous emergency tools and equipment. The Fleet Division continually analyzes Citywide departmental vehicle and equipment utilization; recommends, develops, and refines specifications maximizing vehicle life cycle; and analyzes fleet composition in order to “right size” the fleet with a focus on reducing the total number of vehicles and equipment which would lower the overall fleet cost. The Fleet Division also provides assorted specialty shop services to city customers including custom vehicle modification, welding, machining, project design, and metal fabrication.

Goals:

- Provide an efficient fleet of vehicles and equipment that meet our customers needs for use in carrying out the various business of the City.
- Provide an effective and timely vehicle/equipment repair program in order to facilitate the emergency nature of many of the services provided by the City.
- Provide on-going training to keep the Fleet Division’s knowledgeable about the latest technology.
- Maintain the fleet in a safe and proper functioning condition by providing a comprehensive preventative maintenance program on a scheduled basis consistent with manufacturer recommendations.
- Maintain an adequate level of parts and supplies while minimizing inventory costs by appropriately balancing “just in time” inventory (one-hour delivery).
- Evaluate processes and procedures in order to contain costs and improve quality.
- Assist Fire Department Administration in developing and refining specifications for the replacement of fire apparatus and equipment in order to reduce maintenance and operating costs.

Objectives:

- Provide consistent, quality Fleet services to our customers despite a reduced workforce and increasing operational costs.
- Investigate methods and procedures to minimize energy consumption at the DPS facility.

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- Reduce Fleet fuel consumption and optimize the features of the City's Fuel Management System to improve security, track usage, preventive maintenance compliance, and billing of the City's bulk fueling operation.
- Investigate the possibility of expanding the utilization of pool vehicles in order to provide for the disposal of some low utilization vehicles.
- Update the Fleet Division's fully burdened labor rate in order to reflect any operating cost changes due to the renovated DPS facility along with a reduction in fleet staffing.
- Improve upon the tracking and accuracy of fleet specific performance and workload indicators by researching various options.
- Improve the utilization of training resources for the maintenance and repair of city vehicles, equipment, and fire apparatus and stay current with rapidly changing technological advances.
- Research the options and feasibility for the implementation of a "Paperless Shop" module to the computerized maintenance system which may improve upon the accountability, productivity, and accuracy of vehicle lifecycle costing.

Significant Revenue, Expense, Staff, & Program Notes:

- 606661 / Interfund Charge – Fleet increased [5% / \$126,040] primarily due to increased fuel, lubricant, and various per unit part and supply costs.
- 664001 / Interest Earnings decreased [(17%) / (\$36,220)] due to lower cash balances and lower interest rates anticipated.
- 703000 / Salaries & Wages decreased [(8%) / (\$40,910)] due to the elimination of one (-1.0 FTE) Mechanic I position and the reclassification of one (1) Mechanic II position (A-6) to a Mechanic I (A-3) position.
- 740000 / Operating Supplies decreased [(7%) / (\$1,000)] due to a reduced budget for shop towels and fasteners.
- 748000 / Operating Equipment increased [23% / \$1,770] due to the purchase of a Heavy-Equipment Floor Jack.
- 801000 / Professional Services increased [100% / \$1,000] due to auction fees.
- 802000 / Interfund Charges – Administration decreased [(11%) / (\$17,850)] as the Fleet Equipment Fund is a smaller proportion of the overall FY 2009 City Budget.
- 802001 / Interfund Charges – MIS increased [23% / \$6,140] due to a greater proportion of Fleet Division supported applications and maintenance (primarily the Asset Management system).
- 802005 / Interfund Charges – Facilities increased [97% / \$59,400] due to an increase in the square footage proportion dedicated for Fleet activities at the DPS Facility as well as additional utility expenses at the DPS Facility.
- 802006 / Interfund Charge – Insurance decreased [(6%) / (\$4,380)] due to recent favorable experience.
- 860000 / Travel & Seminars decreased [(86%) / (\$2,980)] as Fire Apparatus training will be provided with Fire Apparatus purchases.
- 938000 / Vehicle Maintenance increased [10% / \$50,000] due to increased fuel, lubricant, and various per unit part and supply costs.
- 968001 / Depreciation decreased [(7%) / (\$47,830)] due to some assets becoming fully depreciated.

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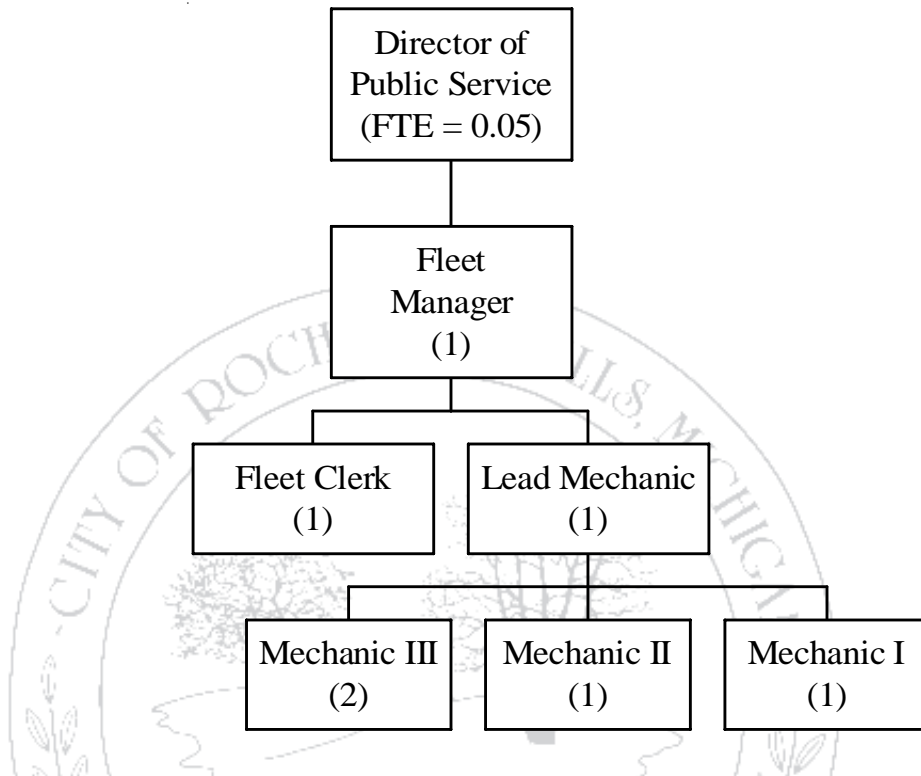
2009 Budget Summary Report					
661 Fleet Equipment Fund Revenues	2007 Amended Budget	2007 Audited Actual	2008 Amended Budget	2008 June YTD Actual	2009 Adopted Budget
Retained Earnings to Balance	\$ -	\$ -	\$ 1,032,980	\$ -	\$ 480,220
Charges for Service	2,399,420	2,405,545	2,609,860	1,250,013	2,735,900
Investment Earnings	270,000	284,274	216,220	108,837	180,000
Other Revenue	45,000	46,850	-	61,986	-
Transfer - In	115,970	115,970	55,000	27,500	-
TOTAL	\$ 2,830,390	\$ 2,852,638	\$ 3,914,060	\$ 1,448,336	\$ 3,396,120
<i>Per Capita</i>	<i>41.12</i>	<i>41.45</i>	<i>56.87</i>	<i>n/a</i>	<i>49.34</i>
661 Fleet Equipment Fund Expenses	2007 Amended Budget	2007 Audited Actual	2008 Amended Budget	2008 June YTD Actual	2009 Adopted Budget
Retained Earnings to Balance	\$ 323,950	\$ -	\$ -	\$ -	\$ -
Personnel Services	650,000	646,355	747,260	358,553	690,870
Supplies	20,600	17,516	23,130	9,662	23,900
Other Services	740,700	717,962	1,012,580	417,310	1,106,830
Depreciation	580,000	568,015	725,000	216,943	677,170
Capital Outlay	515,140	-	1,406,090	757,802	897,350
TOTAL	\$ 2,830,390	\$ 1,949,848	\$ 3,914,060	\$ 1,760,272	\$ 3,396,120



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Department Organizational Chart



Cost Center Position Detail - 2009 Base Salary

<u>F.T.E.</u>	<u>Class / Title</u>	<u>Minimum</u>	<u>Maximum</u>
0.05	Director of Public Services		\$ 100,327
1.00	Fleet Manager	64,332	80,415
1.00	Lead Mechanic	54,941	64,636
2.00	Mechanic III	48,102	56,593
1.00	Fleet Clerk	42,867	50,436
1.00	Mechanic II	41,687	49,044
<u>1.00</u>	Mechanic I	37,719	44,373
7.05			

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Performance Indicators						
	Actual 2005	Actual 2006	Actual 2007	June 2008	Projected 2008	Projected 2009
Vehicles & Equipment Purchased or Replaced	13	16	16	6	25	15
Work Orders Completed	1,938	1,755	1,375	657	1,150	975
Professional Development Training Hours	136	176	128	24	60	80
Preventive Maintenance (in Hours):						
<i>Level A</i>	19	21	14	3	7	7
<i>Level B</i>	291	275	247	99	200	200
<i>Level C</i>	27	29	14	-	5	5
<i>Level D</i>	12	39	10	3	6	8
<i>Level E</i>	1	-	-	-	-	2
<i>Level F</i>	5	3	6	2	3	3
<i>Level G</i>	3	4	2	-	2	1
<i>Level H</i>	-	62	14	2	5	6
Total Preventive Maintenance Performed	358	433	307	109	228	232
Repair by Vehicle Class (in Hours):						
<i>Ambulance</i>	64	94	119	106	160	150
<i>Apparatus</i>	271	302	437	217	400	400
<i>Automobile</i>	108	126	65	36	75	75
<i>Dump Truck (2 Yard)</i>	38	43	33	27	40	40
<i>Single-Axle Dump Truck</i>	221	207	180	100	170	160
<i>Tandem-Axle Dump Truck</i>	794	602	721	452	600	500
<i>Equipment</i>	322	206	140	56	110	110
<i>Excavator</i>	102	117	65	16	40	40
<i>Grader</i>	131	51	65	51	75	80
<i>Loader</i>	81	135	76	36	75	75
<i>Miscellaneous</i>	338	901	295	175	300	300
<i>4x2 Pickup</i>	292	324	242	42	80	80
<i>4x4 Pickup</i>	921	524	543	230	475	430
<i>Specialized</i>	306	169	171	42	100	100
<i>SUV</i>	123	178	98	56	150	100
<i>Sweeper</i>	138	110	83	18	45	45
<i>Backhoe</i>	89	138	70	31	65	65
<i>Trailer</i>	99	85	88	14	30	30
<i>Vactor</i>	324	312	347	82	175	175
<i>Cargo Van</i>	133	154	140	33	70	70
Total Repair Hours	4,895	4,778	3,974	1,817	3,235	3,025
PM (%-age of Hours Worked)	23%	18%	21%	18%	25%	30%
Repair Hours (%-age of Hours Worked)	77%	82%	79%	82%	75%	70%

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FLEET EQUIPMENT POLICY

Purpose:

The Fleet Equipment Fund was created in FY 1988 in order to provide a responsible program and process for the practical maintenance and replacement of the City's machinery, vehicles, and equipment.

Cost-sharing Criteria:

1. Every user department (excluding DPS, which has an hourly charge system based upon established MDOT Act 51 rates) is charged based upon a combination of fixed annual costs and variable costs.
 - A.) Fixed costs that are not based upon actual vehicle usage include insurance, licenses, registration fees, and replacement costs.
 - B.) Variable costs that are based upon actual vehicle usage include, but are not limited to, gasoline, oil, tires, radio maintenance, routine maintenance, accident repairs, mechanic labor, and contract labor.
2. Every user department (excluding DPS) is charged a fixed cost based upon the estimated future replacement cost of the equipment presently in service and upon the established replacement timetable. For example, a car or pickup truck that may presently cost \$18,000 will be replaced in 6 years for an estimated cost of \$21,493 (assuming 3.0% annual inflation). Each department contributes a monthly fixed amount towards vehicle replacement (in the example, $\$21,493/6 \text{ years} = \$3,582$ annually (or \$298 per month)). When a vehicle is sold, the value of any proceeds are credited to the user department.
3. Every user department (including DPS) that expands the fleet through the acquisition of additional (not replacement) equipment, will fund the entire addition through its appropriate cost center(s). Once the new equipment is contributed to the Fleet Equipment Fund, the department expanding the fleet will begin providing funds to replace the equipment.

Fire Department Vehicles:

Fire Department vehicles, equipment, and apparatus are not covered by this policy. The addition and replacement of Fire related vehicles, equipment, and apparatus is programmed through the Fire Capital Fund (402) with the Fire Operating Fund (206) transferring funding. Maintenance and repair costs are charged to the Fire Department for appropriate fuel, material, labor, and overhead costs incurred by the Fleet Division.

Replacement Timetable:

4x4 Pickup w\ Plow	6 years
Cars, pickup trucks, vans	7 years or 60,000 miles
Dump trucks (purchased prior to FY 2000)	8 years
Dump trucks (purchased between FY 2000- FY 2008)	10 years
Dump trucks (purchased after FY 2007)	12 years +
Heavy construction equipment	10-15 years
Portable equipment (e.g., radios, power tools)	5 years or less
Specialty vehicles (purchases after FY 2000)	8-10 years
Specialty vehicles (purchases after FY 2007)	12 years +

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2009 FLEET EQUIPMENT PURCHASES BREAKDOWN			
VEHICLE TYPE	VEHICLE #	REPLACEMENT CYCLE	ESTIMATED COST
Pickup 4wd	39-031	6	\$ 24,450
Cargo Van	39-047	7	\$ 22,430
Municipal Tractor	39-072	10	\$ 88,120
Single-Axle Dump Truck	39-075	10	\$ 138,550
Backhoe	39-088	10	\$ 97,640
Cargo Van	39-089	7	\$ 22,430
Vactor Jet	39-099	10	\$ 363,380
Pickup 4wd	39-105	6	\$ 29,680
Pickup 2wd	39-142	7	\$ 20,030
Pickup 2wd	39-144	7	\$ 20,030
Sport Utility 4wd	39-146	7	\$ 26,640
Cargo Van	39-147	7	\$ 24,140
Equipment Trailer	39-215	10	\$ 6,420
"Green" Parts Washer	n/a	5	\$ 3,500
Concrete Saw	#902501	10	\$ 9,910
TOTAL 2009 FLEET VEHICLE/ EQUIPMENT COSTS:			\$ 897,350

2010 FLEET EQUIPMENT PURCHASES BREAKDOWN			
VEHICLE TYPE	VEHICLE #	REPLACEMENT CYCLE	ESTIMATED COST
Pickup 4wd w\ Plow	39-001	6	\$ 43,050
Pickup 4wd w\ Plow	39-002	6	\$ 38,710
Pickup 2wd	39-005	7	\$ 21,520
Pickup 4wd w\ Plow	39-006	6	\$ 29,540
Pickup 4wd	39-014	8	\$ 31,040
Pickup 4wd	39-034	7	\$ 23,620
Passenger Car	39-038	7	\$ 22,040
2-Yard Dump Truck	39-046	10	\$ 58,610
Pickup 4wd	39-053	6	\$ 35,820
Skid Steer Loader	39-074	10	\$ 57,930
Loader	39-080	12	\$ 169,960
Road Grader	39-081	10	\$ 210,790
Road Grader	39-082	10	\$ 201,730
Tractor/Loader/Backhoe	39-084	10	\$ 96,250
Sign / Guardrail Truck	39-087	10	\$ 167,210
Pickup 4wd - Stake (8')	39-093	6	\$ 29,210
Tandem-Axle Dump Truck	39-098	10	\$ 158,010
Pickup 4wd w\ Plow	39-104	6	\$ 28,720
Single-Axle Dump Truck	39-116	10	\$ 138,550
Pickup 2wd	39-123	7	\$ 19,290
Passenger Car	39-125	7	\$ 22,230

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2010 FLEET EQUIPMENT PURCHASES BREAKDOWN			
VEHICLE TYPE	VEHICLE #	REPLACEMENT CYCLE	ESTIMATED COST
Passenger Car	39-130	7	\$ 18,360
Pickup 2wd	39-138	7	\$ 18,080
Pickup 2wd	39-139	7	\$ 18,080
Passenger Car	39-140	7	\$ 21,110
Passenger Car	39-141	7	\$ 21,110
Station Wagon 4wd	39-155	7	\$ 25,270
Pickup 4wd	39-157	6	\$ 24,850
Hydroseeder	39-208	10	\$ 21,010
6" Trash Pump	39-212	10	\$ 39,060
Asphalt Roller	39-216	10	\$ 18,180
Equipment Trailer	39-217	10	\$ 7,760
Crash Attenuator	39-305	10	\$ 22,630
Wood Chipper	39-307	8	\$ 31,730
Utility Vehicle	39-312	8	\$ 6,620
Utility Vehicle	39-319	4	\$ 6,550
Utility Vehicle	39-320	4	\$ 9,840
Utility Vehicle	39-321	4	\$ 13,080
Easement Machine	#90480	10	\$ 10,160
Car Brake Lathe	#901888	10	\$ 7,770
Rotary Mower	#4710	6	\$ 45,720
A/C Recovery Recharge	#2433	7	\$ 4,510
Vision Scope	#2429	5	\$ 5,920
Wheel Load Weigher	#1123	8	\$ 4,410
Wheel Load Weigher	#1122	8	\$ 4,410
TOTAL 2010 FLEET VEHICLE/ EQUIPMENT COSTS:			\$ 2,010,050

2011 FLEET EQUIPMENT PURCHASES BREAKDOWN			
VEHICLE TYPE	VEHICLE #	REPLACEMENT CYCLE	ESTIMATED COST
Chipper Truck	39-040	8	\$ 57,020
Tandem-Axle Dump Truck	39-090	10	\$ 163,540
Tandem-Axle Dump Truck	39-091	10	\$ 163,540
Tandem-Axle Dump Truck	39-092	10	\$ 163,540
Loader	39-095	10	\$ 159,260
Pickup 2wd	39-111	7	\$ 22,120
Pickup 4wd w\ Plow	39-161	6	\$ 26,410
Pickup 4wd w\ Plow	39-162	6	\$ 26,410
Pickup 4wd w\ Plow	39-163	6	\$ 26,410
Pickup 4wd w\ Plow	39-165	6	\$ 26,410
Pickup 4wd w\ Plow	39-166	6	\$ 26,410

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2011 FLEET EQUIPMENT PURCHASES BREAKDOWN			
VEHICLE TYPE	VEHICLE #	REPLACEMENT CYCLE	ESTIMATED COST
Pickup 4wd	39-167	6	\$ 31,990
Pickup 4wd w\ Plow	39-168	6	\$ 30,090
Equipment Trailer	39-218	10	\$ 19,040
Equipment Trailer	39-219	10	\$ 7,040
Equipment Trailer	39-221	8	\$ 6,520
Equipment Trailer	39-222	8	\$ 12,260
Car Brake Lathe	#2430	10	\$ 9,170
Top Dresser	#2432	10	\$ 25,250
Pavement Marking / Scarifier	#4355	10	\$ 10,600
Field Rake	#5060	4	\$ 11,760
Mower	#5063	4	\$ 12,240
Mower	#5064	4	\$ 12,240
TOTAL 2011 FLEET VEHICLE/ EQUIPMENT COSTS:			\$ 1,049,270

2012 FLEET EQUIPMENT PURCHASES BREAKDOWN			
VEHICLE TYPE	VEHICLE #	REPLACEMENT CYCLE	ESTIMATED COST
Pickup 4wd	39-015	8	\$ 34,900
Pickup 4wd	39-036	8	\$ 35,610
Water System Truck	39-042	10	\$ 178,730
Single-Axle Dump Truck	39-058	10	\$ 153,610
Single-Axle Dump Truck	39-067	10	\$ 153,610
Cargo Van	39-158	7	\$ 42,970
Pickup 4wd	39-159	7	\$ 23,750
Pickup 4wd	39-160	7	\$ 23,750
Pickup 4wd	39-164	7	\$ 30,380
Pickup 4wd w\ Plow	39-180	6	\$ 30,790
Pickup 4wd w\ Plow	39-183	6	\$ 30,790
Equipment Trailer	39-220	10	\$ 7,180
Equipment Trailer	39-222	8	\$ 6,750
Trailer Mounted Hot Patcher	39-251	10	\$ 15,000
Mower	39-310	4	\$ 9,110
Tractor/Loader/Backhoe	39-311	8	\$ 35,030
Mower	#4657	4	\$ 12,900
Mower	#4658	4	\$ 12,900
Welder Arc	#90481	12	\$ 4,990
TOTAL 2012 FLEET VEHICLE/ EQUIPMENT COSTS:			\$ 842,750

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2013 FLEET EQUIPMENT PURCHASES BREAKDOWN			
VEHICLE TYPE	VEHICLE #	REPLACEMENT CYCLE	ESTIMATED COST
Backhoe	39-071	10	\$ 107,890
Excavator	39-102	10	\$ 221,530
Vactor Jet	39-103	10	\$ 389,080
Tandem-Axle Dump Truck	39-150	10	\$ 175,180
Tandem-Axle Dump Truck	39-151	10	\$ 175,180
Tandem-Axle Dump Truck	39-152	10	\$ 175,180
Tandem-Axle Dump Truck	39-153	10	\$ 175,180
Pickup 2wd	39-170	7	\$ 18,280
Cargo Van	39-171	7	\$ 18,540
Pickup 2wd	39-172	7	\$ 19,250
Pickup 2wd	39-173	7	\$ 19,250
Cargo Van	39-174	7	\$ 18,540
Sport Utility 4wd	39-175	7	\$ 23,160
Sport Utility 4wd	39-176	7	\$ 23,160
Sport Utility 4wd	39-177	7	\$ 23,160
Passenger Car	39-178	7	\$ 15,400
Service Hoist	#2431	10	\$ 12,510
Concrete Power Screed	#4355	8	\$ 6,850
Deep Tine Aerator	#4526	10	\$ 34,660
Finish Machine	#902547	10	\$ 6,350
TOTAL 2013 FLEET VEHICLE/ EQUIPMENT COSTS:			\$ 1,658,330

2014 FLEET EQUIPMENT PURCHASES BREAKDOWN			
VEHICLE TYPE	VEHICLE #	REPLACEMENT CYCLE	ESTIMATED COST
Pickup 4wd	39-181	7	\$ 25,040
Pickup 4wd w\ Plow & Dump	39-112	6	\$ 46,440
Pickup 4wd	39-182	7	\$ 25,040
Pickup 2wd	39-184	7	\$ 17,320
Pickup 2wd	39-185	7	\$ 17,320
Cargo Van	39-186	7	\$ 20,390
Cargo Van	39-187	7	\$ 20,390
Steam Generating Unit	39-223	10	\$ 15,520
Equipment Trailer	39-225	10	\$ 5,840
Utility Vehicle	39-312	4	\$ 7,600
Utility Vehicle	39-319	4	\$ 7,510
Utility Vehicle	39-320	4	\$ 11,290
Utility Vehicle	39-321	4	\$ 15,000
Transmission Fluid Exchanger	#1115	10	\$ 4,790
TOTAL 2014 FLEET VEHICLE/ EQUIPMENT COSTS:			\$ 239,490

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Statement of Revenues / Expenses and Changes in Net Assets				
Grand Total Fleet Equipment Fund Revenues	2007 Audited Actual	2008 Amended Budget	2009 Adopted Budget	% Change
Charges for Service	\$ 2,405,545	\$ 2,609,860	\$ 2,735,900	4.8%
Investment Earnings	284,274	216,220	180,000	-16.8%
Other Revenue	46,850	-	-	-
Transfer - In	115,970	55,000	-	-100.0%
TOTAL REVENUES	\$ 2,852,638	\$ 2,881,080	\$ 2,915,900	1.2%
Fleet Equipment Fund Expenses				
Personnel Services	\$ 646,355	\$ 747,260	\$ 690,870	-7.5%
Supplies	17,516	23,130	23,900	3.3%
Other Services	717,962	1,012,580	1,106,830	9.3%
Depreciation	568,015	725,000	677,170	-6.6%
Capital Outlay	-	1,406,090	897,350	-36.2%
Transfer-Out	-	-	-	-
TOTAL EXPENSES	\$ 1,949,848	\$ 3,914,060	\$ 3,396,120	-13.2%
Excess Revenue Over / (Under)				
Expenses	\$ 902,790	\$ (1,032,980)	\$ (480,220)	-53.5%
Net Assets - Beginning	7,035,321	7,938,111	6,905,131	-13.0%
Net Assets - Ending	\$ 7,938,111	\$ 6,905,131	\$ 6,424,911	-7.0%

