

Fleet Services

Function: Public Works & Transportation

Budget Overview

Agency Budget by Major-Revenue

	2018 Actual	2019 Adopted	2019 Actuals	2020 Adopted	2021 C2C	2021 Request
Intergov Revenues	(19,976)	(35,500)	(10,628)	(35,500)	(35,500)	(35,500)
Charges For Services	(1,046)	(25,000)	(23,585)	(25,000)	(25,000)	(25,000)
Investments & Other Contributions	(36)	-	(10,205)	-	-	-
Misc Revenue	(131,911)	(155,000)	(121,840)	(155,000)	(155,000)	(155,000)
Other Financing Source	(6,106,102)	(6,847,725)	(912,024)	(955,780)	(955,780)	(955,780)
Transfer In	(153,673)	(1,386,021)	(31,281)	(1,670,063)	-	-
TOTAL	(6,412,745)	(8,449,245)	(1,109,563)	(2,841,343)	(1,171,280)	(1,171,280)

Agency Budget by Major-Expenses

	2018 Actual	2019 Adopted	2019 Actuals	2020 Adopted	2021 C2C	2021 Request
Salaries	2,364,675	2,832,187	2,573,510	2,655,077	2,873,064	2,873,064
Benefits	1,243,001	1,027,778	1,312,022	1,075,643	1,080,110	1,080,110
Supplies	5,773,971	5,720,122	5,070,906	5,214,305	5,167,845	5,169,625
Purchased Services	987,913	1,307,515	883,958	1,307,515	870,365	868,585
Debt & Other Financing	12,333,572	13,167,634	7,391,913	8,012,575	10,904,902	10,904,902
Inter Depart Charges	286,119	115,447	241,327	115,901	111,482	111,482
Transfer Out	-	1,431,410	-	1,729,932	-	-
TOTAL	\$ 22,989,250	\$ 25,602,093	\$ 17,473,637	\$ 20,110,948	\$ 21,007,768	\$ 21,007,768

Agency Budget by Major-Expenses

Inter Depart Billing	(16,576,506)	(17,152,848)	(16,364,075)	(17,269,605)	(19,836,488)	(19,836,488)
TOTAL	\$ (16,576,506)	\$ (17,152,848)	\$ (16,364,075)	\$ (17,269,605)	\$ (19,836,488)	\$ (19,836,488)
NET BUDGET	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ -



Department of Public Works

Fleet Service Division

Mahanth Joishy, Fleet Service Superintendent

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To: Mayor Satya

From: Mahanth Joishy, Fleet Superintendent

Date: July 9, 2020

Subject: 2021 Operating Budget: Transmittal Memo

2021 Operating Request: Major Goals

Fleet's major goals remain to purchase, fuel up, and maintain the best possible, safest, and most environmentally sustainable vehicles available in the marketplace for client agency operational needs. We hope to continue lowering vehicle down time, and improve the City's vehicle safety metrics as part of our new Madison Vision Zero plan.

COVID

Due to COVID response efforts, the protests and related work backlogs, we have seen increased vehicle usage by agencies such as Engineering, Streets, Police and Health. We take pride in making sure vehicles are available and running for them. In order to get ahead of the budget issues created by COVID, Fleet is a leading agency when it comes to the Work-Share program- with an extended implementation of 20% reduction in hours for ALL Fleet staff except myself. We have also redeployed several staff to assist on State Street improvement efforts, and at Parks to save the City additional funds.

Equity

In the last year, Fleet has hired a minority and a woman into a department that is severely under-represented by both. We hope to continue this trend when vacancies open up. The centerpiece of our equity and inclusion program has been the High School Apprenticeship program, with 6 of the 11 students who have apprenticed at Fleet being women and minorities. Fleet has also made a dedicated effort to expand the number minority and women-owned businesses we work with--- where much of this operating budget goes. This is a difficult challenge we have taken on.

Environmental Sustainability

City of Madison Fleet as of 2020 is for the first time in its history, a nationally recognized leader and a model on environmental sustainability. We are well on target for operating 60 hybrid vehicles and 40 electric vehicles before the end of 2020- with plans to expand into 2021. We are pumping biodiesel into City trucks year-round at our fuel islands, and all new ambulances and fire trucks will have anti-idling technology. Just since 2018 these efforts have reduced CO2 emissions by 3.5 million lbs. and counting. In 2020 we entered the next level with solar charging stations, and the units in our possession so far can power 12 vehicles entirely off-grid for the next 15+ years, using our star the sun and avoiding Madison's fossil fuel grid sources outright. We are already by far the greenest government fleet in Wisconsin but there is much more to do. This year we will finally enter the ultra-elite worlds of EV trucking and CNG trucking as well, with accelerating expansion into 2021 and beyond.

Major Changes in 2021 Operating Request

It is difficult to find much further efficiency in our operating budget at current fleet size, after the last 3 years of dramatic improvements to our operations, and tightening of operational control. We buy every vehicle customers ask for, conduct all necessary repairs for all vehicles customers bring to us, and we provide fuel whenever a customer requires fuel. These practices have always been the norm. The new hybrids and EVs will certainly save significant fuel and maintenance costs. We have begun reducing the size of our workforce to save funds for years to come, even while performing the same amount of work. We are already doing more with less. But these aren't enough.

We are also proposing, with your support, a major change to our fleet, and one which I would only even propose in a time of dire need. I believe this is that time. We propose reducing the size of our fleet by 5% - 7.5% before 2021, which helps us get to nearly \$1 million in savings for 2021, more than 5% of our operating budget, with additional savings in every out year. I have been a local government fleet professional for 19 years, and I can assure you that the fleet reduction, done correctly, will have minimal to no impact to any agency's operations.

Summary of Reductions (Estimated)

Activity	\$Amount	Description
Vehicle Maintenance	389,447.47	- \$208,934.09 is saved by eliminating 4 positions (over 10% of workforce), and keeping 3 positions vacant in 2021. Eliminated positions: 1173, 1176, 1181, 3218. Maintain vacancy: 1154, 1160, 4074. We will also save on maintenance costs with the following strategies: - \$41,795.92 is saved from electric and hybrid vehicles. - \$96,115.60 is saved with a 5% fleet reduction. - \$42,601.86 is saved with an additional 2.5% fleet reduction.
Fueling	144,675.98	We will save on fuel costs with the following strategies: - \$46,985.95 is saved by using electric and hybrid vehicles. - \$68,498.76 is saved with a 5% fleet reduction. - \$29,191.27 is saved with an additional 2.5% fleet reduction.
Auction	462,600	We will see an increase in auction revenue by implementing a fleet reduction: - \$318,200 with a 5% fleet reduction. - \$144,400 with an additional 2.5% fleet reduction.
<input type="checkbox"/> Insert item		
Total	\$996,723.45	

We look forward to discussing our ambitious and transformative plans for 2021 with you.

- c.c. Rachel Darken, Fleet Administrative Assistant
 Tyson Roessler, Fleet Program Manager
 Deputy Mayors
 Budget & Program Evaluation Staff

2021 Operating Budget

Service Budget Proposal

IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Fleet Service

SELECT YOUR AGENCY'S SERVICE:

Fleet Maintenance Procurement

SERVICE NUMBER:

411

SERVICE DESCRIPTION:

This service is responsible for the purchase, preparation, and maintenance of fleet equipment used by City agencies. The goal of the service is to repair and replace fleet assets to satisfy the needs of user agencies.

Part 1: Base Budget Proposal

BUDGET INFORMATION

	2018 Actual	2019 Adopted	2019 Actual	2020 Adopted	2021 C2C	2021 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$1,100,684	\$8,449,245	\$17,473,637	\$20,110,948	\$20,896,286	\$20,896,286
<i>Total</i>	<i>\$1,100,684</i>	<i>\$8,449,245</i>	<i>\$17,473,637</i>	<i>\$20,110,948</i>	<i>\$20,896,286</i>	<i>\$20,896,286</i>
<i>Budget by Major</i>						
Revenue			(\$1,109,563)	(\$2,841,343)	(\$1,171,280)	(\$1,171,280)
Personnel	\$3,607,675	\$3,859,965	\$3,885,533	\$3,730,720	\$3,953,174	\$3,953,174
Non-Personnel	\$13,783,396	\$21,626,681	\$13,346,778	\$16,264,327	\$16,943,112	\$16,943,112
Agency Billings	(\$16,290,387)	(\$17,037,401)	(\$16,122,748)	(\$17,153,704)	(\$19,725,006)	(\$19,725,006)
<i>Total</i>	<i>\$1,100,684</i>	<i>\$8,449,245</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
FTEs		43.00		43.00	43.00	43.00

PRIORITY

Citywide Element

Describe how this service advances the Citywide Element:

Fleet is working on sustainability and greening efforts in all aspects of our operation. Vehicle procurement, maintenance, and fueling are our major activities. Fleet will advance these activities to brighten the future of Madison and its residents. Electric vehicles, alternative fuels, green fluids and chemicals, along with efficient maintenance practices will ultimately save the tax payers and provide a clean environment for the future.

ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Vehicle Purchasing	25	Procurement and intake of vehicles to replace assets within the City Fleet that have reached the end of their useful life.
Vehicle Maintenance	55	Preventative maintenance and repair of all equipment in the City Fleet.
Fueling	10	Maintenance and repair of ten fuel stations throughout the City. Purchase of fuel (diesel,

regular gasoline, and biodiesel) and billing of City agencies based on fuel usage.

Auction of Retired Assets

10

Decommission and sale of assets that have reached the end of their useful life.

SERVICE BUDGET CHANGES

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request?

What are the service level impacts of the proposed funding changes?

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service?

Type	Fund	Amount	Description
Perm Wages	<input type="text"/>	<input type="text"/>	<input type="text"/>
Benefits	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total		<input type="text" value="\$0"/>	

Explain the assumptions behind the allocation change.

What is the justification behind the allocation change?

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay?

Type	Fund	Amount	Description
Overtime	<input type="text"/>	<input type="text"/>	<input type="text"/>
Premium Pay	<input type="text"/>	<input type="text"/>	<input type="text"/>
Hourly	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total		<input type="text" value="\$0"/>	

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

Revenue

Are you proposing a change to the service's budgeted revenue?

Are you proposing an increase or a decrease to the budgeted revenue?

Fund	Major	Amount	Description
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Explain the assumptions behind the change to budgeted revenue.

What is the justification behind the proposed change?

Non-Personnel

Are you requesting additional non-personnel funding for this service?

No

<i>Fund</i>	<i>Major</i>	<i>Amount</i>	<i>Description</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

Part 2: Proposed Budget Reduction

What is 5% of the agency's net budget?

What is the proposed reduction to this service's budget?

Explain how you would change the activities and the level of service as a result of implementing the funding decrease to this service. List changes by service activity identified above. Add a separate line for each reduction.

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Vehicle Maintenance	389,447.47	- \$208,934.09 is saved by eliminating 4 positions (over 10% of workforce), and keeping 3 positions vacant in 2021. Eliminated positions: 1173, 1176, 1181, 3218. Maintain vacancy: 1154, 1160, 4074. We will also save on maintenance costs with the following strategies: - \$41,795.92 is saved from electric and hybrid vehicles. - \$96,115.60 is saved with a 5% fleet reduction. - \$42,601.86 is saved with an additional 2.5% fleet reduction.
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Total	\$996,723.45	

Explain the changes by major expenditure category that your agency would implement as a result of the funding decrease to this service.

Name	\$ Amount	Description
Personnel	\$208,934.09	Eliminate four vacant positions from the budget (two Fleet Technicians, a Fleet Tire Technician, and an Auto Maintenance Worker 2). Keep three positions vacant in 2021 (Auto Maintenance Worker 1, Auto Maintenance Worker 2, and Welder).
Non-Personnel	\$787,789.36	Assuming a 7.5% fleet reduction, we will see \$462,600 additional revenue in the sale of assets, \$180,513.38 saved in maintenance costs, and \$144,675.98 saved in fuel costs.
Agency Billings		Charges to client agencies will decrease depending on the fleet reduction option chosen.

Total	\$996,723.45	
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Is the City mandated to perform the activities of this service? If so, explain the mandate and mandated service level. If not, are there other local organizations also involved in performing these activities.

The activities in this service are necessary to maintain the operations of every client agency. A portion of the activities may be sent to outside vendors, but not all of it can be. Fleet has already proactively found more cost-efficient vendors when it has made sense to do so.

Has this reduction been proposed in prior years?

Does the proposed reduction result in eliminating permanent positions?

If yes, what is the decrease in FTEs:

Does the proposed reduction impact other agencies (i.e. Fleet Services)?

If yes, which agencies:

Describe why the proposed reduction was chosen.

Our senior staff examined all functions performed by Fleet, and could find no further efficiencies without reducing the size of the fleet.

Explain the impacts of the proposed reduction on the end user of the service. How can impacts of this reduction be mitigated?

All client agencies will need to adjust their operations to perform their mission with 5% - 7.5% less assets.