

Budget by Fund

	2018 Actual	2019 Adopted	2020 C2C	2020 Request	\$ Change
General	-	-	-	-	-
Other-Expenditures	997,252	8,449,245	2,841,343	2,841,343	(5,607,902)
TOTAL	\$ 997,252	\$ 8,449,245	\$ 2,841,343	\$ 2,841,343	\$ (5,607,902)

Budget by Service

	2018 Actual	2019 Adopted	2020 C2C	2020 Request	\$ Change
FLEET MAINTENANCE PROCUREMENT	997,252	8,449,245	2,841,343	2,841,343	(5,607,902)
TOTAL	\$ 997,252	\$ 8,449,245	\$ 2,841,343	\$ 2,841,343	\$ (5,607,902)

Budget by Major

	2018 Actual	2019 Adopted	2020 C2C	2020 Request	\$ Change
Personnel	3,504,243	3,859,965	3,771,093	3,771,093	(88,872)
Non-Personnel	13,783,396	21,626,681	16,338,266	16,338,266	(5,288,415)
Agency Billings	(16,290,387)	(17,037,401)	(17,268,016)	(17,268,016)	(230,615)
TOTAL	\$ 997,252	\$ 8,449,245	\$ 2,841,343	\$ 2,841,343	\$ (5,607,902)



Department of Public Works

Fleet Service Division

Mahanth S. Joishy, Fleet Service Superintendent

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Date: July 11, 2019

To: David Schmiedicke, Finance Department

From: Mahanth Joishy, Fleet

Re: Fleet 2020 Operating Budget Request

The Fleet 2020 operating budget reflects a service that has been growing and modernizing to match the needs of city agency operations and an expanding community. Part of this budgeting process has included experimenting with new ideas for cost efficiency. For example, Fleet has worked with your team at Finance to determine the right time to bid out and lock fuel prices for both 2019 and 2020, which has so far resulted in savings. Another area we are seeing results in is RFPs for services such as tires and auto body work, to get the best pricing possible. This was also in collaboration with the team at Finance.

Separately, Fleet is now beginning to tackle the more difficult (but potentially rewarding) questions using analysis and discussion with our partner agencies about vehicle usage, such as:

- How do we prevent vehicle accidents and incidents, which are very expensive?
- How do we reduce the miles that operators from all departments drive?
- How do we reduce idling, which is both damaging, costly, and polluting?
- Should we be leasing in areas that we are currently buying, to save funds?
- Can we expand the use of biodiesel, CNG, and other alternative fuels?
- How do we build out a future workforce that better reflects the diversity of our community?

The top operating budget priorities for 2020 are ensuring that the Fleet continues improvements in (1) Safety; (2) Environmental Sustainability; and (3) Cost efficiency.

Many of the investments being made in 2020 will result in cost savings in the years to come because of anticipated Return on Investment (ROI) calculations. For example, new hybrid cars for the Madison Police Department will result in lower maintenance costs and fuel costs. We expect these cars to consume only ½ of the gasoline of Madison's current squad vehicles.

I look forward to discussing these projects and a smooth conclusion to my second operating budget process in Madison.

2020 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

	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2020 C2C	2020 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$1,035,297	\$8,279,614	\$1,100,684	\$8,449,245	\$2,841,343	\$2,841,343
<i>Total</i>	<i>\$1,035,297</i>	<i>\$8,279,614</i>	<i>\$1,100,684</i>	<i>\$8,449,245</i>	<i>\$2,841,343</i>	<i>\$2,841,343</i>
<i>Budget by Major</i>						
Revenue						
Personnel	\$3,684,477	\$3,771,080	\$3,607,675	\$3,859,965	\$3,771,093	\$3,771,093
Non-Personnel	\$12,697,160	\$20,202,844	\$13,783,396	\$21,626,681	\$16,338,266	\$16,338,266
Agency Billings	(\$15,346,340)	(\$15,694,310)	(\$16,290,387)	(\$17,037,401)	(\$17,268,016)	(\$17,268,016)
<i>Total</i>	<i>\$1,035,297</i>	<i>\$8,279,614</i>	<i>\$1,100,684</i>	<i>\$8,449,245</i>	<i>\$2,841,343</i>	<i>\$2,841,343</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	20	Procurement and intake of vehicles to replace assets within the City Fleet that have reached the end of their useful life.
Vehicle Maintenance	40	Preventive maintenance and repair of all equipment in the City Fleet.
Fueling	20	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?

Based on actual expenses for tires, we propose moving \$100,000 into the oil line item to cover the established biodiesel fuel program.

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"/>	

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?

Fund	Major	Amount	Description

Explain the assumptions behind the requested funding.

What is the justification behind the proposed change?

Part 2: Scaling Service Delivery

What amount is 2.5% of the service expenditure budget?

Increase

Explain how you would change the service activities and the level of service as a result of implementing a 2.5% funding increase to this service:

Fleet would use the 2.5% funding increase to improve the alternative fueling infrastructure available to the city fleet. The funds would cover the cost to lease approximately 15 electric vehicle solar charging stations from Envision Solar. The stations would be installed at numerous locations to benefit all agencies utilizing electric vehicles.

Explain the changes by major expenditure category that your agency would implement as a result of a 2.5 % funding increase to this service:

All funds included in this increase would be added to the services expenditure category.

Would the changes include an increase to permanent staffing levels for this service? If yes, FTEs:

What impacts would City residents and visitors experience if this service is provided a 2.5% increase in funding?

Implementing solar charging stations would lessen the city's dependence on fossil fuels and increase the efficiency with which agencies can quickly charge electric vehicles. More electric vehicles could be added to the city's fleet with greater ease, solidifying the city's standing as a leader in implementation of green infrastructure. City residents and visitors would ultimately experience improved air quality and a healthier environment.

Decrease

Explain how you would change the service activities and the level of service as a result of implementing a 2.5% funding decrease to this service:

With a 2.5% funding decrease, Fleet would adjust in the following two ways:

- 1) We would not replace technicians when they retired. We anticipate two technicians will retire in 2020.
- 2) With 30 electric vehicles and 60 hybrid vehicles in the city fleet by early 2020, we expect to save the remainder of the funding decrease through savings in fuel purchased and cost of maintenance. Electric vehicles are more cost effective to power than fuel would be. Hybrid vehicles consume approximately half the amount of fuel as a conventional gasoline vehicle. In addition, these vehicles require less preventative maintenance overall, saving employee time, vehicle down time and money.

Explain the changes by major expenditure category that your agency would implement as a result of a 2.5 % funding decrease to this service:

Approximately \$175,200 would be eliminated from the personnel expenditure category when the retirements take place. The remaining \$259,400 would be removed from the supplies (fuel) and interdepartmental billing (maintenance) categories.

Would the changes include a decrease to permanent staffing levels for this service? If yes, FTEs:

What impacts would City residents and visitors experience if this service is provided a 2.5% decrease in funding?

We anticipate services would continue operating at normal levels, though we recognize that the loss of years of experience during retirements, coupled with potentially shifting technicians between locations, could cause operations to slow slightly during the time of transition. Ultimately, these changes would provide some savings to tax payers and move us forward on the path toward a clean future.