

Fleet Services

Function: Internal Services

Budget Overview

Agency Budget by Fund

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Fleet Services	1,109,563	2,841,343	1,375,451	1,171,280	1,171,280	1,171,280
TOTAL	\$ 1,109,563	\$ 2,841,343	\$ 1,375,451	\$ 1,171,280	\$ 1,171,280	\$ 1,171,280

Agency Budget by Service

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Fleet Maintenance Procurement	1,109,563	2,841,343	1,375,451	1,171,280	1,171,280	1,171,280
TOTAL	\$ 1,109,563	\$ 2,841,343	\$ 1,375,451	\$ 1,171,280	\$ 1,171,280	\$ 1,171,280

Agency Budget by Major-Revenue

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Intergov Revenues	(10,628)	(35,500)	(4,070)	(35,500)	(35,500)	(35,500)
Charges For Services	(23,585)	(25,000)	(12,963)	(25,000)	(25,000)	(25,000)
Investments & Other Contributions	(10,205)	-	(193)	-	-	-
Misc Revenue	(121,840)	(155,000)	(91,221)	(155,000)	(155,000)	(155,000)
Other Financing Source	(912,024)	(955,780)	(1,109,718)	(955,780)	(955,780)	(955,780)
Transfer In	(31,281)	(1,670,063)	(157,285)	-	-	-
TOTAL	\$ (1,109,563)	\$ (2,841,343)	\$ (1,375,451)	\$ (1,171,280)	\$ (1,171,280)	\$ (1,171,280)

Agency Budget by Major-Expenses

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
Salaries	2,573,510	2,655,077	2,582,392	2,648,436	2,858,051	2,854,767
Benefits	1,312,022	1,075,643	978,748	1,005,757	998,316	1,009,716
Supplies	5,070,906	5,214,305	5,119,088	5,122,639	5,109,305	5,104,189
Purchased Services	883,958	1,307,515	1,098,652	826,789	1,109,949	1,106,949
Debt & Other Financing	7,391,913	8,012,575	8,873,887	10,349,182	10,223,656	10,223,656
Inter Depart Charges	241,327	115,901	178,425	111,482	111,482	111,482
Inter Depart Billing	(16,364,075)	(17,269,605)	(17,455,740)	(18,893,005)	(19,239,479)	(19,239,479)
Transfer Out	-	1,729,932	-	-	-	-
TOTAL	\$ 1,109,563	\$ 2,841,343	\$ 1,375,451	\$ 1,171,280	\$ 1,171,280	\$ 1,171,280



Department of Public Works

Fleet Division

Mahanth S. Joishy, Fleet Superintendent

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Date: July 7, 2021
To: David Schmiedicke, Finance Department
From: Mahanth Joishy, Fleet
Re: Fleet 2022 Operating Budget Request

Major Goals

Fleet operating budget is comprised of several main services: (1) maintenance, and (2) fueling for City operated vehicles and equipment on behalf of other City divisions. Our 2022 budget request seeks to support the following service level goals:

- Procure the most environmentally sustainable and safest possible vehicle and infrastructure options available.
- Procure the most environmentally sustainable and safest possible fuel, parts, and fluid options available.
- Maintain service levels of 30 vehicles out of service, and 30 preventative maintenance (PM) inspections overdue at the end of every workday. We estimate these are the optimal standards to keep the fleet running for our customers at a world-class level.

COVID Recovery

I am pleased to report no break in service by Fleet due to COVID and we hope for this to continue as almost all staff have completed their vaccinations. During the pandemic we met the complicated challenge of safely moving into Nakoosa Trail with our partner groups. Fleet also heavily participated department-wide in two rounds of Workshare in the last year to save personnel funds, and this was widely perceived to be successful. Finally, one piece of good news from the pandemic for the transportation world: fuel use was down due to less vehicle trips taken by City staff, resulting in unexpected cost savings and also emissions reductions.

Major Changes in 2022 Operating Request

In the base case prior to the 5% cuts, our operating budget does not have much room for change. Our team takes pride in maximizing cost efficiency and spending wisely in all that we do, and we are a national model in this area. **Our division is an internal service that currently performs whatever vehicle and equipment maintenance work that other City divisions bring to our garages. We also provide as much fuel at our gasoline and diesel stations as other City divisions want to consume.**

Therefore, the only path toward reducing the costs of these core services, is to reduce service for our customers, and this will lead to the “double effect” of negatively impacting the operations of frontline agencies above and beyond their own cuts, just as the City prepares to incorporate increased responsibilities for the Town of Madison annexation. For example, we expect vehicle out of service and preventative maintenance inspections overdue to rise. As another example, turning away air conditioning (A/C) repairs will be unpopular with City staff, though it is an extreme measure used by some fleets in periods of budget crunch.

Summary of Reductions

A 5% reduction equates to around \$961,000 for our agency. The following options are being placed on the table, and with this reduction scenario we will ensure continuity of safe operations, but in each case we City policymakers should consider carefully if the proposed cuts are worth the disruption to all customer agencies. Please note the priority level of each position when it comes to layoffs, as these are carefully listed in order from least disruptive to most disruptive to customer agencies.

Action	Savings	Pos #	Priority
Welder Position	\$ 72,238.00	1160	1
Parts Room Asst Position	\$ 73,422.00	3275	2
Master Autobody Tech Position	\$ 89,999.00	1175	3
Facility Worker Position	\$ 77,300.00	3695	4
Parts Tech Position	\$ 77,431.00	1189	5
Operations Clerk Position	\$ 68,141.00	1157	6
Welder Billing to Customers	\$ 135,000.00		
Autobody Billing to Customers	\$ 105,000.00		
Discretionary A/C Repairs	\$ 65,000.00		
Discretionary Autobody Repairs	\$ 25,000.00		
Fleet Rightsizing	\$ 55,000.00		
Discretionary Tire Repair	\$ 35,000.00		
Discretionary Overtime	\$ 25,000.00		
Discretionary PM Inspections	\$ 83,000.00		
	\$ 986,531.00		
Outsourcing Vendor Repairs due to Reductions	\$ (25,000.00)		
	\$ 961,531.00		

We appreciate the work being done by Finance to keep the City running during a challenging time, and I look forward to discussing this budget request with Finance and others soon.

2022 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 purchasing, preparing, and maintaining 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. The service maintains approximately 1,300 active vehicles and equipment.

Part 1: Base Budget Proposal

BUDGET INFORMATION

	2019 Actual	2020 Adopted	2020 Actual	2021 Adopted	2022 C2C	2022 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	
Other-Expenditures	\$1,109,563	\$2,841,343	\$1,375,451	\$1,171,280	\$1,171,280	\$1,171,280
<i>Total</i>	<i>\$1,109,563</i>	<i>\$2,841,343</i>	<i>\$1,375,451</i>	<i>\$1,171,280</i>	<i>\$1,171,280</i>	<i>\$1,171,280</i>
<i>Budget by Major</i>						
Revenue	\$0	\$0	\$0	\$0	\$0	
Personnel	\$3,885,533	\$3,730,720	\$3,561,140	\$3,654,193	\$3,856,367	\$3,864,483
Non-Personnel	\$13,346,778	\$16,264,327	\$15,091,627	\$16,298,610	\$16,442,910	\$16,434,794
Agency Billings	(\$16,122,748)	(\$17,153,704)	(\$17,277,315)	(\$18,781,523)	(\$19,127,997)	(\$19,127,997)
<i>Total</i>	<i>\$1,109,563</i>	<i>\$2,841,343</i>	<i>\$1,375,452</i>	<i>\$1,171,280</i>	<i>\$1,171,280</i>	<i>\$1,171,280</i>
FTEs		43.00		39.00	39.00	39.00

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?

No Change

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

Fleet proposes reclassifying the vacant Welder position #1160 to a Fleet Technician. This will increase our ability to quickly service equipment in the City Fleet and reduce vehicle downtime, while also saving funds in our Permanent Wages budget. These savings will be applied to our Tool Allowance budget to reflect the current City policy of \$80 per month for specific positions.

Personnel-Permanent Positions

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

Type	Fund	Amount	Description
Perm Wages	51110	(\$3,284)	Reclassify vacant position #1160 - Welder to a Fleet Technician
Benefits	52718	\$3,284	Savings will be used to increase Tool Allowance line item to reflect current policy of \$80/month for specific positions
Total		\$0	

Explain the assumptions behind the allocation change.

Position #1160 is budgeted at an assumed total employee cost of \$72,238. Reclassifying it to a Fleet Technician decreases the assumed total employee cost to \$68,954, a savings of \$3,284.

What is the justification behind the allocation change?

The Welder position #1160 has been vacant since a retirement in early 2020. Reclassifying it to a Fleet Technician will increase our service efficiency while also saving on the salary line.

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay? No

Type	Fund	Amount	Description
Overtime			
Premium Pay			
Hourly			
Total		\$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?

No

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

Select...

Fund	Major	Amount	Description

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

Fund	Major	Amount	Description

Explain the assumptions behind the requested funding.

What is the justification behind the increased funding?

Part 2: Racial Equity and Social Justice

We are continuing our efforts to articulate and prioritize racial equity and social justice in the City's budget and operations. Please respond to the following questions and incorporate these responses into your budget narrative to ensure racial equity is included in decision-making.

1. Describe how Black, Indigenous, and People of Color (BIPOC), people living with lower incomes, and people who are otherwise marginalized (because of gender, age, home language, etc.) would be affected by the proposed budget or budget change(s)? Please consider the following to answer this question:

We foresee several new hires in our division coming up that will utilize the personnel budget. We will use the RESJI hiring tool for our full-time and apprenticeship positions to focus on bringing in diversity to our division, which on an automotive industry-wide basis is under-represented by women and people of color. A majority of our high school apprentices so far have been women or people of color and we are hoping to continue this trend. We are creating a pipeline for future full-time hires as well with this program.

Fleet conducts business with a large community of vendors and are actively seeking out companies that are women or minority owned; furthermore we are working hard to ensure that our contractors that utilize our operating budget funds are satisfactorily completing the City of Madison Affirmative Action (AA) plans, and in cases where they are not being completed, we are seeking alternative companies that can help us fulfill our mission of purchasing and maintaining vehicles and equipment on behalf of the City. Here is one example: <https://www.cityofmadison.com/fleet-service/blog/fleet-business-partner-profile-renee-schnabel>

Additionally, most of Fleet's janitorial duties are fulfilled by hourly employees with disabilities, and this program is expected to continue.

We are proud that Fleet is ahead of most other public and private fleets in the area.

a. Describe who directly benefits, who indirectly benefits, and who does not benefit from the proposed budget or budget change from 2021. Are there any opportunities in this budget to address gaps, remove barriers, or more equitably distribute services?

Both new hires and companies that receive Fleet operating funds will benefit from our proposed budget. We will continue to search for candidates and vendors that would address gaps, remove barriers, and more equitably distribute services. Please note that in the automotive industry in the Wisconsin area and beyond, both goals are extremely challenging due to the nature of who is available and qualified to service the City's needs.

b. What information or data do you have about how this service is accessed by or affects BIPOC populations, people living with lower incomes, and people who are otherwise marginalized (because of disability, age, gender, etc.)? Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

Fleet in the last few years has discussed in depth with disabled, women and minority employees, within Fleet and at many other City agencies, how we can improve recruiting and retention in this area. Many of these discussions were held 1-1 with the Fleet Superintendent where sensitive topics were discussed in a private setting. The incorporation of this feedback is ongoing. Most of it has centered around how Fleet can be more welcoming as an environment to people of all backgrounds, and how to recruit new talent.

c. List any community partners and other City agencies who are affected by, care about, or already working on issues related to this service. Have you asked for their perspectives directly and, if so, how have you incorporated their feedback?

Fleet works closely with Human Resources and other divisions for their experience and ideas on recruiting new staff and vendors. Their feedback has informed our SOPs directly. In addition, Fleet has worked with community partners like the Latino Academy of Workforce Development to complete the RESJI Hiring Tool for our most recent opening and is incorporating their feedback in our recruitment process.

d. Does the proposed budget, or budget change from 2021, potentially harm specific populations or communities? Consider that not changing a budget item might also be considered an "action" and could affect populations differently.

No

e. How will you continue to communicate with your stakeholders (from 1b and 1c above) in this process?

Through various forums including PE, PWI meetings, PW/TN meetings, emergency management planning, and Fleet's core services to customers we are in constant communication with partner groups toward equity goals. Fleet also uses our public channels such as website and social media to celebrate successes we have had in this area.

2. Is the proposed budget or budget change related to a recommendation from any of the City's teams or initiatives that connect community need with opportunities to advance racial equity, inclusion, and social justice (e.g., NRTs, RESJI, LCET, MAC, WIC, Equitable Workforce Plans)?

Yes No

If so, please identify the respective group and recommendation.

Fleet is proud that all employees are up to date on 3-5 trainings. Fleet Superintendent is the Vice-Chair of the Multicultural Affairs Committee (MAC), Fleet Administrative Assistant is Vice-Chair of the Women's Initiative Committee (WIC), and both personnel have been integral to the creation of the MAC/WIC Peer Advisor program, in order to assist all City employees and not just those in Fleet and Public Works. Fleet is part of the Vision Zero team, an interagency group with a focus on equity for the entire community when it comes to traffic safety. Fleet is also represented on the interagency task force on micro-aggressions and has assisted Civil Rights on a number of sensitive issues involving Fleet and other divisions.

Fleet management is working hard to build a culture of acceptance and a comfortable working environment for all employees, which has proven to be an ongoing challenge.

Part 3: Proposed Budget Reduction

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

\$961,973.95

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

\$961,531

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.

Activity	\$Amount	Description
Vehicle Maintenance	961,531	Fleet is proposing a variety of cuts to our maintenance and repair activities in order to meet our target reduction amount, which ultimately would increase vehicle downtime and slow down the services of our customer agencies. These cuts are detailed below and in our transmittal memo, and include 6 permanent positions and related work billed to customers, discretionary inspections and repairs, and discretionary overtime, and Fleet Rightsizing efforts.
Total	\$961,531	

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	\$483,531	Cut discretionary overtime work and eliminate the following positions: - 1160 - Welder - 3275 - Parts Room Assistant - 1175 - Master Autobody Tech

		- 3695 - Facility Maintenance Worker - 1189 - Parts Technician - 1157 - Operations Clerk
Non-Personnel	\$55,000	Represents reductions in fuel and maintenance costs when Fleet Rightsizing efforts go into effect in 2022.
Agency Billings	\$423,000	Eliminate the welder and autobody billing to customers that would have been performed by those positions. Decrease maintenance and inspection services by reducing discretionary air conditioning and autobody repairs, discretionary tire repairs, and preventative maintenance inspections. This line also includes an estimated \$25,000 increase in outsourced vendor repairs due to the personnel cuts.
Total	\$961,531	

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.

Fleet has already taken measures to keep operations as efficient as possible, and our only option to further reduce our budget is to reduce personnel and maintenance services.

Explain the impacts of the proposed reduction on the end user of the service. Summarize these impacts in the context of the questions asked in Part 2 of this form. How can impacts of this reduction be mitigated?

Our customer agencies will feel the immediate impact of our proposed reduction in terms of vehicles and equipment being out of service for longer and certain discretionary repairs not being performed. This will result in slower service by our customer agencies which will impact the Madison community.

Section 4: Optional Supplemental Request

NOTE: Agencies may submit one supplemental request in their 2022 budget request. Please include the request in the most relevant service. If multiple supplemental requests are submitted, agencies will be required to choose one to be presented for consideration for the Executive Budget. Requests should only be submitted if agencies identify a critical need. Agencies should first consider reallocating base resources within and among services before proposing budget increases. Agencies should not include Town of Madison requests in this section.

What is the proposed funding increase? Explain how you would change the activities and the level of service as a result of implementing the funding increase to this service. List changes by service activity identified above.

Activity	\$Amount	Description
Total	0	

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

Name	\$Amount	Description
Personnel		
Non-Personnel		
Agency Billings		
Total	0	

How will this increase be funded (e.g., General Fund, Library Fund, Capital Fund, Enterprise Fund, Grant Fund, etc.)? Please list the most applicable funding source(s). Follow up with your budget analyst if you are uncertain.

What are the implications of this service increase over the next five years? Identify if this increase is ongoing and if additional increases to funding or personnel would be needed to support this increase.

Does the proposed increase affect workload for any administrative or internal service agencies (e.g., IT, Finance, HR, Fleet)?

If yes, which agencies?

Describe why the proposed increase is critical.