

Fleet Services

Agency Budget by Fund

Fund	2021 Actual	2022 Adopted	2022 Actual	2023 Adopted	2024 C2C	2024 Request
Fleet Services	1,989,465	1,183,812	1,970,095	1,177,442	999,020	999,020
Total	1,989,465	1,183,812	1,970,095	1,177,442	999,020	999,020

Agency Budget by Service

Service	2021 Actual	2022 Adopted	2022 Actual	2023 Adopted	2024 C2C	2024 Request
Fleet Maintenance Procurement	1,989,465	1,183,812	1,970,095	1,177,442	999,020	999,020
Total	1,989,465	1,183,812	1,970,095	1,177,442	999,020	999,020

Agency Budget by Major-Revenue

Major Revenue	2021 Actual	2022 Adopted	2022 Actual	2023 Adopted	2024 C2C	2024 Request
Intergov Revenues	-	(35,500)	-	(35,500)	(35,500)	(35,500)
Charges For Services	(12,325)	(25,000)	(11,956)	(25,000)	(25,000)	(25,000)
Invest Other Contrib	(45,000)	-	-	-	-	-
Misc Revenue	(89,055)	(155,000)	(80,136)	(155,000)	(155,000)	(155,000)
Other Finance Source	(1,460,672)	(968,312)	(1,485,056)	(961,942)	(783,520)	(783,520)
Transfer In	(382,413)	-	(4,548)	-	-	-
Total	(1,989,466)	(1,183,812)	(1,581,696)	(1,177,442)	(999,020)	(999,020)

Agency Budget by Major-Expense

Major Expense	2021 Actual	2022 Adopted	2022 Actual	2023 Adopted	2024 C2C	2024 Request
Salaries	2,495,576	2,727,712	2,603,419	2,746,215	2,786,591	2,786,591
Benefits	822,143	1,019,346	890,861	1,027,670	1,053,875	1,053,875
Supplies	5,873,031	5,109,305	6,974,418	6,566,245	6,192,605	6,192,605
Purchased Services	1,134,570	1,106,949	1,657,562	1,323,224	1,361,746	1,361,746
Debt Othr Financing	10,740,620	-	10,148,452	10,458,473	11,009,696	11,009,696
Inter Depart Charges	189,791	111,482	208,221	247,248	177,573	177,573
Inter Depart Billing	(19,266,265)	(18,820,874)	(20,512,838)	(21,191,632)	(21,583,066)	(21,583,066)
Transfer Out	-	9,929,892	-	-	-	-
Total	1,989,465	1,183,812	1,970,095	1,177,442	999,020	999,020



Department of Public Works

Fleet

Mahanth Joishy, Superintendent

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Madison, WI 53714

Phone: (608) 246-4540

cityofmadison.com/fleet-service

TO: Mayor Satya Rhodes-Conway
FROM: Mahanth S. Joishy, Fleet Superintendent
DATE: July 21, 2023
SUBJECT: 2024 Operating Budget Transmittal Memo
CC: Deputy Mayors; Finance Director, Budget & Program Evaluation Staff

Goals of Agency's Operating Budget

Fleet's primary goals remain to purchase and maintain the best, safest, most cost efficient and most environmentally sustainable vehicles and fuels available in the marketplace for client agency operational needs. We keep working to lower vehicle down time, and improve the City's vehicle safety metrics as part of Madison's Vision Zero plan. We are also aggressively lowering the fleet's carbon footprint, which has received international attention including from the United States White House in 2023. We manage these complex processes using detailed data analytics for all of our operations, including every pound of carbon dioxide eliminated using alternative energy that is published on the front page of the Fleet website.

99% Budget for General, Library, Fleet fund agencies

Fleet is embracing the 99% cost to continue goal. Our team will be creative within the parameters possible to spend allocations wisely. One lingering challenge is inflation in our supply chains. While inflation is being felt by all, it acutely affects the Fleet operating budget that is used to purchase fuels, fluids, and replacement auto parts on behalf of customer agencies in volatile marketplaces. We do expect some relief in 2024 based on global auto industry trends.

Our responsibility is to buy every vehicle customer divisions need, conduct all necessary repairs for all vehicles customers bring to our garages, and provide fuel whenever a customer division's vehicles require fuel. These practices have always been the norm. For years to come the growing number of new hybrids and EVs will continue to save significant fuel and maintenance costs in addition to over 13 million lbs. of CO2 eliminated already, and counting. We operate with an extremely lean workforce even while performing the same amount of work as in past years with a higher headcount. In partnership with City Engineering our facilities have gone greener and reduced utility costs by implementing new solar installations, and this work will continue. We are researching the possibility of in-housing external contract work to our own mechanical staff through workforce training, as we have already done successfully in recent years by in-housing maintenance for the City Engineering fleet. More information is included in our supplemental request, described below. Meanwhile a majority of Fleet's overtime budget is spent on winter operations, and there is a hope that a milder 2023/24 winter season could offer an operating budget saving opportunity on overtime costs.

Supplemental Request

Fleet is examining the possibility of performing annual inspections of the City's street sweepers internally as opposed to paying over \$300,000 each year for a vendor to complete. To that end, we are requesting an additional Fleet Technician position to maintain our current service level as we bring this additional work in-house. While it will take time to scale up our ability to perform all sweeper inspections ourselves, we anticipate saving over \$100,000 each year when the sweeper maintenance program is at full capacity. To maintain a net-neutral budget as we refine our process, we will not fill the added position until halfway through 2024. Our goal is to perform quality service at a net savings to the City, and we will work as quickly as we can to realize the full savings of this program.

Service Changes - Official Request

The table below summarizes the Agency request compared to cost-to-continue. Data is based on the line item budget entered in Munis Central Budget. The table is organized by Fund, Service, and Major Expenditure/ Revenue category.

Projection Number	(Multiple Items)
Segment 3	41 - FLEET SERVICES

Fund/Service/Major	Cost to Continue	Request	Change: Request v.
	(C2C)		C2C
2200 - FLEET SERVICES	\$0	\$0	\$0
411 - FLEET MAINTENANCE			
PROCUREMENT	\$0	\$0	\$0
42 - INTERGOV REVENUES	-\$35,500	-\$35,500	\$0
43 - CHARGES FOR SERVICES	-\$25,000	-\$25,000	\$0
46 - INVEST OTHER CONTRIB	\$0	\$0	\$0
47 - MISC REVENUE	-\$155,000	-\$155,000	\$0
48 - OTHER FINANCE SOURCE	-\$783,520	-\$783,520	\$0
49 - TRANSFER IN	\$0	\$0	\$0
51 - SALARIES	\$2,786,591	\$2,786,591	\$0
52 - BENEFITS	\$1,053,875	\$1,053,875	\$0
53 - SUPPLIES	\$6,192,605	\$6,192,605	\$0
54 - PURCHASED SERVICES	\$1,361,746	\$1,361,746	\$0
56 - DEBT OTHR FINANCING	\$11,009,696	\$11,009,696	\$0
57 - INTER DEPART CHARGES	\$177,573	\$177,573	\$0
58 - INTER DEPART BILLING	-\$21,583,066	-\$21,583,066	\$0
59 - TRANSFER OUT	\$0	\$0	\$0

2024 Operating Budget Service Budget Proposal Form

Instructions: Complete one form per Service. When saving the file, add the Agency and Service name to the file name. Submit by saving a copy of the proposal form in you F:/Common Drive Folder.

Part 1. Identifying Information	
Select your Agency:	FLEET SERVICES
Enter your Service:	Fleet Maintenance and Procurement
Review the "Service Description" in the 2023 Adopted Budget . Do you have any updates?	
<input checked="" type="checkbox"/> No – No change to description <input type="checkbox"/> Yes – Description needs to be updated	
<i>If yes, enter updated Service Description here:</i>	
Click or tap here to enter text.	
Review the "Activities Performed by Service" in the 2023 Adopted Budget . Do you have any updates?	
<input checked="" type="checkbox"/> No – No change to activities <input type="checkbox"/> Yes – Activities need to be updated	
<i>If yes, enter updated Activities Performed by Service here:</i>	
Click or tap here to enter text.	

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)
<p>Agencies can propose net neutral reallocations within their budget, but must explain changes of \$10,000 or more at the Service and/or Major level.</p> <p>Examples of changes that do need to be detailed:</p> <ul style="list-style-type: none"> Moving \$10,000+ within a Service from one Major to another Major Moving \$10,000+ within a Major from one Service to another Service <p>Examples of changes that do not need to be detailed:</p> <ul style="list-style-type: none"> Total changes of less than \$10,000 at the Major and Service level. Object level changes do not need additional justification if the net change to the Major is less than \$10,000. For example, if you propose moving \$15,000 from Consulting to Software within the Purchased Services Major, you do not need to detail the change if it is within the same Service. <p>If your proposed changes are a technical correction to your base budget, you can simply state that the change is a correction/ adjustment in the narrative questions below.</p>

Summary Table of Service and/or Major Changes of \$10,000 or More

Complete the table below to detail changes at the Service and/or Major level and answer the narrative questions to describe your changes. **If you have no significant changes, skip this section**

Fund	Major	\$ Change	Description
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of your proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2024 budget?

N/A

Explain how your proposed change(s) will align with your draft 2023-2024 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

N/A

Part 3. Supplemental Requests

Agencies may submit up to one (1) supplemental request to address citywide priorities or urgent needs. Before submitting a supplemental request, agencies should first examine whether they can address their needs through reallocations within the base budget or by implementing operational efficiencies. **If you are not submitting a supplemental request, skip this section.**

Describe your supplemental proposal. What citywide priority or urgent need does the proposal address? What data informed your proposal?

Every winter, the City spends on average \$31,000 per unit to have an outside vendor inspect and maintain the street sweepers. This cost includes a high labor rate, markup on parts and shop supplies, additional sublet vendor costs, and the transportation of equipment to and from the vendor. With 10 sweepers in our fleet, we spend over \$300,000 annually for this necessary maintenance. Fleet is exploring bringing the annual sweeper maintenance in-house in order to save an estimated \$100,000+ each year when our sweeper program is at full capacity.

Fleet will test servicing two sweepers in-house this winter. We are currently training six technicians on sweeper maintenance, and we will use this trial period to determine our total cost to perform this work. Fleet will evaluate the personnel time on each unit, the cost of parts, and the quality of any repairs performed at inspection. With input from Streets management, the using agency of the sweepers, we will decide in spring 2024 whether to continue to ramp up our in-house sweeper maintenance program.

Fleet will need to hire an additional Fleet Technician to cover the additional workload caused by performing this work ourselves. We can only perform the annual sweeper maintenance in the winter months, and each unit takes dozens of hours of work. The new position will not work directly on the sweepers, at least to start, but will ensure Fleet is able to stay on top of maintenance and repairs for the rest of the fleet throughout the year despite this added workload. We will post this position for hire in the summer of 2024 if we decide to continue the internal sweeper maintenance program.

Each winter, we will increase the number of sweepers we inspect and maintain ourselves, saving more and more money each year. Our technicians will become more skilled as they gain experience, allowing us to perform the inspections more quickly over time. Even with the addition of a Fleet Technician to our budget, we estimate this change will remain cost-neutral to start, with the potential to see around \$50,000 in savings starting in 2026, or earlier if we can accelerate the program.

Estimated Costs:

- Personnel: \$36,174.50
- Non-Personnel: \$-38,314.44
- Explain the assumptions you used to estimate costs: The above numbers represent changes to our 2024 budget. Costs are estimates based on the average cost per sweeper in 2023, and this assumes filling the position no earlier than July 2024. Please see the attached table for estimated costs and savings beyond 2024.

What efforts have you taken to reallocate resources, identify process improvements, or implement other operational efficiencies prior to submitting this request?

There are no other vendors that could perform the annual sweeper maintenance. Our only option to reduce expenses in this area is perform the work ourselves.

If funded, what performance measures will you track to determine whether the additional funding is meeting the stated goals?

We will track labor hours and parts cost of each sweeper we inspect internally, compared with the maintenance cost per unit for each sweeper we send to our vendor. We will also review the quality of each inspection and repair compared to the labor hours. If the anticipated savings does not meet the threshold of keeping our budget cost-neutral in 2024, we will not proceed with the plan.

Explain how your proposed change(s) will align with your draft 2023-2024 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

Our proposed change is an option to save money in the future and is not directly related to our draft 2023-2024 Department Equity Action Plan. When we fill the Fleet Technician position, however, we have an opportunity to diversify our workforce, which supports goals in our draft plan.

Part 4. Personnel Changes

All proposed personnel change must be submitted for review, even if the change is net neutral. Agencies should contact their HR Analyst to discuss proposed changes prior to submitting their request. Any proposal that adds a completely new position (i.e. a position that does not have an existing classification) must include a draft job description.

If the proposed personnel changes require supplemental funding, be sure to complete “Part 3. Supplemental Request” above. **If you are not submitting personnel changes, skip this section.**

Allocation Changes: Does your proposal change the position allocations of existing positions?

- No – No allocation changes
 Yes – Includes proposed allocation changes

If yes, complete the “Position Allocation Change Form” and submit as part of your proposal.

Reclassifications: Does your proposal reclassify existing positions?

- No – No reclassifications
 Yes – Includes proposed reclassifications

If yes, provide the position number and briefly describe the change:

Click or tap here to enter text.

of FTEs: Does your proposal change the total number of FTE positions for an existing classification?

- No – No change to # of FTEs
 Yes – Includes proposed change to # of FTEs

If yes, provide the position classification and briefly describe the change:

Fleet Technician – adding one FTE in our supplemental request to maintain service levels while bringing additional work in-house.

New Positions: Does your proposal create a new position? (i.e. position with no existing classification)

- No – No new positions
 Yes – Includes proposed new positions

If yes, submit a draft position description with your proposal and briefly describe the change here:

Click or tap here to enter text.

Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2024 budget?

The added Fleet Technician will allow us to maintain current service levels as we work to bring annual sweeper maintenance in-house. We will not fill the position until halfway through the year to ensure anticipated savings of the internal sweeper maintenance program cover the added personnel cost. As

we do more sweeper inspections internally, we will save more money by not sending those sweepers to a vendor each year.

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

When we fill the proposed Fleet Technician position, we have an opportunity to diversify our workforce, which supports goals in our draft plan.