

FLEET MANAGEMENT

Department Description and Mission

The mission of the Fleet Management Department (FMD) is to provide the City of Houston with the best value fleet management services. FMD oversees the lifecycle activities of more than 13,000 city operated vehicles and equipment units. Vehicle/equipment service is performed by in-house staff and contracted providers. FMD's 22 garage locations and 67 refueling sites.

The vision of FMD is to be recognized as the best managed fleet in the country. The department has assembled a strategic plan with the following objectives in pursuit of this vision.

Fleet Effectiveness

- Fleet sized and built to meet City needs and objectives.
- Vehicle specifications optimized for intended purpose and targeted service levels.
- Asset service and replacement prioritized based on risk and essential services.

Fleet Availability

- Vehicles readily available and prepared for intended purpose and targeted service levels.

Fleet Reliability

- Vehicles perform their intended function through targeted service levels without issue.

Fleet Efficiency

- The lifecycle costs of fleet vehicles are minimized for targeted service levels through cost and process controls.

Short Term Goals

- Optimize control and efficiency of contracted services.
- Fill vacant mechanic positions.
- Increased accountability through effective performance reporting.
- Reductions in operating costs.
- Development of in-house training program.
- Development of quality assurance program.
- Rapid disposal and optimized financial return on end-of-life vehicles.
- Preventive maintenance enhancements.
- Improve data systems (maintenance, equipment availability and location, fuel, mileage, parts).
- Improve communications with garage staff.
- Ensure vehicle fuel availability under all conditions.
- Improved fuel transaction tracking.

FLEET MANAGEMENT

Long Term Goals

- Continuous improvement.
- Optimize cost and process controls.
- Develop the best workforce possible.
- Maximize fleet value and benefits.
- Minimize fleet related risk.
- Optimized control and value of contracted services.
- Optimize vehicle pool (FleetShare) efficiency and effectiveness.
- Recognized as the best managed fleet in the country.

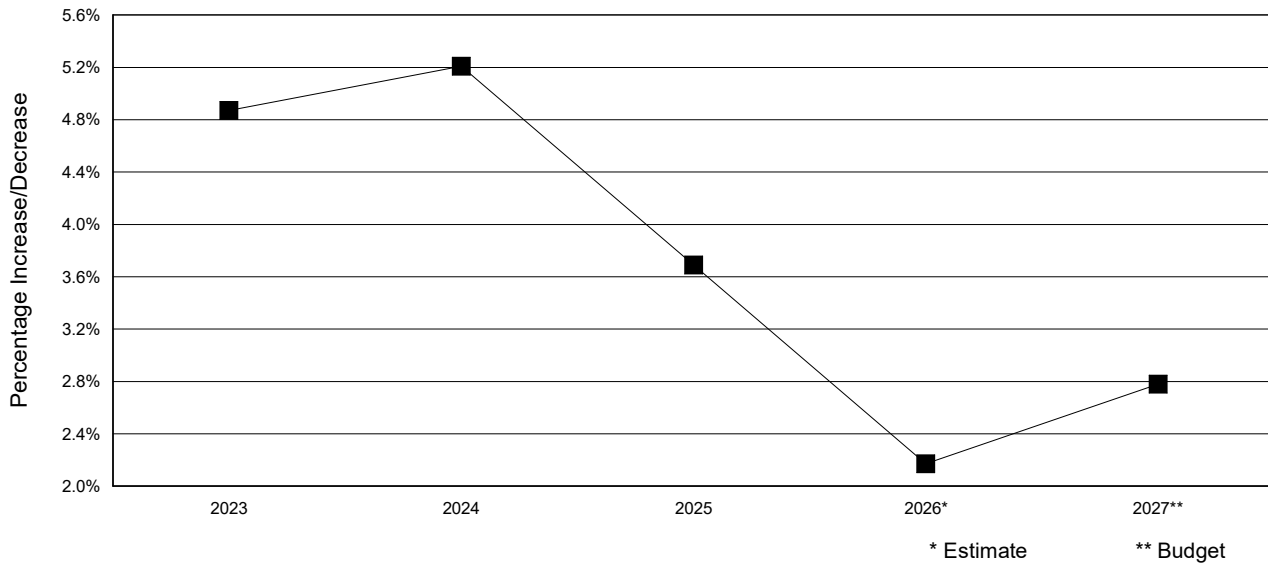
FISCAL YEAR 2027 BUDGET

Business Area Budget Summary

Fund Name : Fleet Management Fund
Business Area : Fleet Management Department
Fund No. /Bus. Area No. : 1005 / 6700

		FY2025 Actual	FY2026 Current Budget	FY2026 Estimate	FY2027 Budget
Expenditures	Personnel Services	37,660,029	34,568,199	34,144,706	35,019,097
	Supplies	50,504,582	52,857,248	54,458,988	56,437,770
	Other Services and Charges	19,693,873	23,154,573	21,976,326	22,196,376
	Equipment	89,936	20,000	20,000	20,000
	Non-Capital Equipment	825	0	0	0
	Total M & O Expenditures	107,949,245	110,600,020	110,600,020	113,673,243
	Debt Service & Other Uses	300,000	0	0	0
	Total Expenditure	108,249,245	110,600,020	110,600,020	113,673,243
Revenues		108,249,245	110,600,020	110,600,020	113,673,243
Staffing	Full-Time Equivalents - Civilian	346.5	336.9	308.3	318.8
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	346.5	336.9	308.3	318.8
	Full-Time Equivalents - Overtime	41.2	24.8	30.9	24.2
Significant Budget Changes and Highlights	- o The FY2027 Budget provides funding for health benefits, pension contributions, and municipal employees contractual pay increases. - o The FY2027 Budget includes a reduction of \$2,351,163 for department savings initiatives. - o The FY2027 Budget provides continued fleet management support to departments citywide. - o The FY2027 Budget realigns the organization with improved span of control ratio.				

**Fleet Management Fund
Fleet Management Department
Year over Year Expenditure Change**



FISCAL YEAR 2027 BUDGET

Business Area Revenues Summary

Business Area : Fleet Management Department**Business Area No. : 6700**

Category	FY2025 Actual	FY2026 Current Budget	FY2026 Estimate	FY2027 Budget
Charges for Services	28	0	16	0
Direct Interfund Services	106,967,977	109,696,837	109,645,812	112,709,716
Miscellaneous/Other	1,281,240	903,183	954,192	963,527
Grand Total	108,249,245	110,600,020	110,600,020	113,673,243

FISCAL YEAR 2027 BUDGET

Business Area Program Summary

Business Area: Fleet Management Department

Bus. Area No : 6700

Budget By Program (\$ in thousands):

Program	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Business Support	0	1,856	0	2,880	0	2,495
Executive Oversight	264	5,568	0	5,892	0	6,023
Fleet Operations	79,827	54,646	81,013	52,724	83,020	55,575
Fleetshare Management	795	542	954	642	964	733
Fuel Management	27,363	26,969	28,633	29,802	29,689	29,906
Human Capital Management	0	733	0	0	0	0
Outside Services	0	13,703	0	15,067	0	15,205
Parts Management	0	3,932	0	3,593	0	3,736
Debt Service and Interfund Transfers	0	300	0	0	0	0
Total	108,249	108,249	110,600	110,600	113,673	113,673

FTEs by Program:

Program	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Business Support	6.3	0.0	6.8	0.0	8.0	0.0
Executive Oversight	3.0	0.0	3.0	0.0	4.0	0.0
Fleet Operations	273.2	35.6	243.1	26.7	255.7	20.4
Fleetshare Management	2.8	0.0	2.9	0.0	3.0	0.0
Fuel Management	8.7	0.8	9.8	0.8	6.0	0.4
Human Capital Management	5.0	0.0	3.3	0.0	0.0	0.0
Outside Services	5.0	0.0	5.2	0.1	5.0	0.1
Parts Management	42.5	4.8	34.2	3.3	37.1	3.3
Debt Service and Interfund Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Total:	346.5	41.2	308.3	30.9	318.8	24.2

Total may reflect slight variances due to rounding.

FISCAL YEAR 2027 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Business Support

Description:

Responsible for fleet planning and the following vehicle lifecycle activities: vehicle budgeting, specification, procurement, acquisition, on-boarding, assignment, preventive maintenance scheduling, performance monitoring and reporting, and disposal. Oversees the collection and reporting of vehicle maintenance information. Analyzes performance and maintenance data to identify issues and optimize performance. Oversees maintenance software systems and vehicle databases.

Goal:

Optimize asset processing and control. Optimize collection and reporting of accurate and reliable operating information.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	1,856	0	2,880	0	2,495

Staffing:

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	6.3	0.0	6.8	0.0	8.0	0.0

Performance Measure:

Performance	FY2025 Actual	FY2026 Target	FY2026 Estimate	FY2027 Target
Vehicle disposal processed 2 weeks from requests	100%	100%	100%	100%
Vehicle On-boarding complete 2 weeks from delivery	100%	98%	99%	98%
Vehicle purchase package complete and submitted within 6 weeks of quote	100%	100%	100%	100%

FISCAL YEAR 2027 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Executive Oversight

Description:

Provides strategic and operational leadership to the department. Sets goals, strategies, and performance indicators necessary to ensure an efficient and effective execution of the department's mission. Develops plans, policies, and procedures to align all department activities with City objectives. Responsible for communication of department information to internal and external stakeholders. Oversees budget development and adherence.

Goal:

Department fulfills mission and achieves vision through execution of well-defined plans, strategies, objectives, and goals.

Mayor's Priority: Infrastructure

Program Notes:

Performance measures displaying 'N/A' for the FY2027 Target indicate the measure has been discontinued as part of ongoing measure updates.

(\$ in thousands)

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	264	5,568	0	5,892	0	6,023

Staffing:

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	3.0	0.0	3.0	0.0	4.0	0.0

Performance Measure:

Performance	FY2025 Actual	FY2026 Target	FY2026 Estimate	FY2027 Target
Number of Electric Vehicles Purchased	361	N/A	N/A	N/A
Rolling stock equipment in the City's fleet	13,351	13,000	13,156	13,000
Expenditures Adopted Budget vs Actual Utilization	99%	98%	101%	98%
Revenues Adopted Budget vs Actual Utilization	99%	98%	101%	98%

FISCAL YEAR 2027 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Fleet Operations

Description:

Responsible for management and oversight of all vehicle maintenance activities at each of the 24 garage locations. Works with customer departments to meet vehicle and equipment readiness requirements. Performs maintenance and repairs of vehicles and equipment used by City of Houston departments.

Goal:

Ensure vehicles readily available for intended purpose and targeted service levels, vehicles perform reliably. Minimized fleet maintenance. Vehicles maintained in a safe state of repair.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	79,827	54,646	81,013	52,724	83,020	55,575

Staffing:

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	273.2	35.6	243.1	26.7	255.7	20.4

Performance Measure:

Performance	FY2025 Actual	FY2026 Target	FY2026 Estimate	FY2027 Target
Preventive maintenance inspections performed within target Interval	84%	90%	75%	90%
Vehicle availability: maintain critical operational readiness	89%	93%	92%	93%

FISCAL YEAR 2027 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Fleetshare Management

Description:

Responsible for management and oversight of the City's shared motor pool for all City departments. This includes the procurement and deployment of vehicles, administration of the reservations system, analysis of vehicle utilization, vehicle maintenance, onboarding and training of users, and customer service.

Goal:

Ensure motor pool availability and manage costs to provide best value for the City.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	795	542	954	642	964	733

Staffing:

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	2.8	0.0	2.9	0.0	3.0	0.0

Performance Measure:

Performance	FY2025 Actual	FY2026 Target	FY2026 Estimate	FY2027 Target
FleetShare vehicle utilization hours	50,216	50,000	71,059	50,000

FISCAL YEAR 2027 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Fuel Management

Description:

Responsible for acquisition of unleaded gasoline, diesel, and jet fuel for citywide use. Manages inventory and distribution of fuel at 67 city refueling sites. Conducts daily fuel site inspections to ensure operating compliance with local, state, and federal regulation. Repairs, monitors, and maintains fuel sites to keep fuel readily available for City use. Oversees the City of Houston 's Fuel Card Program.

Goal:

Minimize costs and risk associated with fuel purchasing, storage, and distribution.

Mayor's Priority: Infrastructure

(\$ in thousands)

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	27,363	26,969	28,633	29,802	29,689	29,906

Staffing:

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	8.7	0.8	9.8	0.8	6.0	0.4

Performance Measure:

Performance	FY2025 Actual	FY2026 Target	FY2026 Estimate	FY2027 Target
Station compliance -TCEQ inspections passed	100%	100%	100%	100%
Station uptime - % of operational dispensers	96%	95%	89%	95%

FISCAL YEAR 2027 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Human Capital Management

Description:

Manages the implementation and administration of the FMD training and personnel development program, oversees quality assurance activities, creates and administers employee policies and procedures based on industry best practices, regulatory compliance, and departmental strategic initiatives. Oversees strategic recruiting and retention plans.

Goal:

Create a skilled and high performing workforce.

Mayor's Priority: Infrastructure

Program Notes:

Performance measures displaying 'N/A' for the FY2027 Target indicate the measure has been discontinued as part of ongoing measure updates.

(\$ in thousands)

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	733	0	0	0	0

Staffing:

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	5.0	0.0	3.3	0.0	0.0	0.0

Performance Measure:

Performance	FY2025 Actual	FY2026 Target	FY2026 Estimate	FY2027 Target
Employee training hours	19,223	11,200	11,634	11,200
Technician recruiting: community hiring events	18	N/A	N/A	N/A
Technician vacancies	14%	N/A	N/A	N/A
Training: automotive high school interns	11	N/A	N/A	N/A

FISCAL YEAR 2027 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Outside Services

Description:

Responsible for overseeing contracted maintenance/repairs of vehicles and equipment used by City departments. The Outside Services Division works with vendors and customer departments to meet vehicle and equipment readiness requirements in a cost-effective manner. Reviews purchase requisitions and completes invoice receivers in SAP.

Goal:

Optimize value achieved from contracted services through cost and performance controls

Mayor's Priority: Infrastructure

Program Notes:

Performance measures displaying 'N/A' for the FY2027 Target indicate the measure has been discontinued as part of ongoing measure updates.

(\$ in thousands)

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	13,703	0	15,067	0	15,205

Staffing:

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	5.0	0.0	5.2	0.1	5.0	0.1

Performance Measure:

Performance	FY2025 Actual	FY2026 Target	FY2026 Estimate	FY2027 Target
Invoices Processed: Early Pay Discounts	60%	N/A	N/A	N/A
Percentage of City's Vehicle at the external vendor repair facility over 8 months	0.3%	4%	0.4%	4%
Vendor in-person contacts per week	15	10	7	10

FISCAL YEAR 2027 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department

Bus Area No. : 6700

Parts Management

Description:

Responsible for management of the FMD inventory and distribution system for spare parts and vehicle maintenance related supplies. Oversees 24 parts warehouse locations, reviews outside services and purchase requisitions for contract compliance, and completes invoice receivers in SAP. Establishes third-party vendor contracts, and conducts compliance meetings and contract reviews with vendors.

Goal:

Efficiently and effectively optimize the purchase, inventory, and distribution of spare parts and supplies

Mayor's Priority: Infrastructure

Program Notes:

Performance measures displaying 'N/A' for the FY2027 Target indicate the measure has been discontinued as part of ongoing measure updates.

(\$ in thousands)

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	3,932	0	3,593	0	3,736

Staffing:

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	FTEs	OT FTEs	FTEs	OT FTEs	FTEs	OT FTEs
Fleet Management Fund	42.5	4.8	34.2	3.3	37.1	3.3

Performance Measure:

Performance	FY2025 Actual	FY2026 Target	FY2026 Estimate	FY2027 Target
Inventory accuracy	90%	93%	94%	93%
Invoices processed: early payment discounts	60%	N/A	N/A	N/A
Part availability: 'A' Classification Parts	87%	85%	75%	85%

FISCAL YEAR 2027 BUDGET

Business Area Program Detail

Business Area : Fleet Management Department**Bus Area No. : 6700**

Debt Service and Interfund Transfers**Description:**

Budget allocations included in this section reflect debt service payments and/or interfund transfers.

Goal:

To effectively manage debt service payments and interfund transfers.

Mayor's Priority: Government that Works

(\$ in thousands)

Fund	FY2025 Actual		FY2026 Estimate		FY2027 Budget	
	Revs	Exps	Revs	Exps	Revs	Exps
Fleet Management Fund	0	300	0	0	0	0