



# Fleet Management Department

FY2017 Budget Presentation

Victor W. Ayres – Director

May 11, 2016



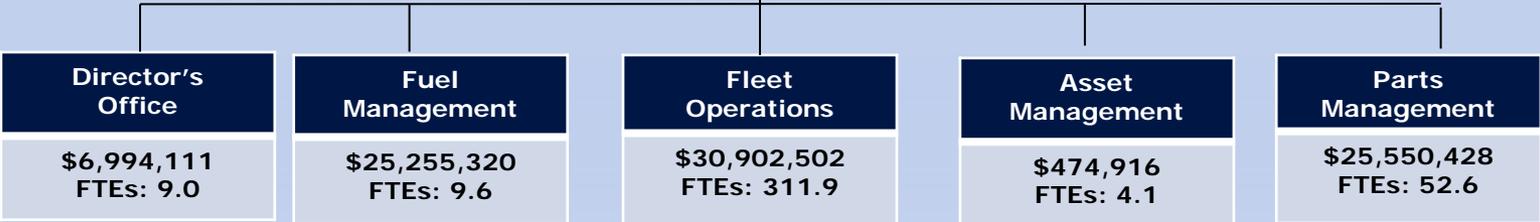


# Fleet Management Department Organizational Chart FY2017



**Fleet Management Department,  
Victor W. Ayres**  
\$89,177,277  
FTEs 387.2

Finance Department  
Human Resources  
General Services  
HITS



- Leadership and management of the Fleet Management Department and Fleet Share

- Administer citywide fuel program and fuel site maintenance

- Equipment maintenance and repair of all City rolling stock

- Licensing, titling, acquisition, and disposal of all city vehicles

- Oversight of parts supply contracts, management and distribution, and auditing of parts issued



# Fleet Management Department FY2016 Accomplishments



- Awards and Recognition
  - Leading Fleet, top 20 ~*Government Fleet Magazine*
  - Recognized in ~*100 Best Fleets/American City and County*
  - Green Fleet ~*100 Best Fleets*
  - Sustainability All-Star ~*Government Fleet Magazine*
- FleetShare
  - Over 55% increase in utilization; expanded to 123 vehicles at 12 locations
  - Over 90% of survey respondents rated program positively
- Fleet Operations
  - Reduced overall average repair cost per vehicle 9%
  - Maintained average operational readiness rate of critical vehicles at 95%.





# Fleet Management Department FY2017 Initiatives



Initiatives	Plan Houston Strategy	Plan Houston Goal/Action
<ul style="list-style-type: none"> <li>- GPS vehicle tracking program.</li> <li>- Preventative maintenance program using Forecaster model.</li> <li>- Continue expansion of FleetShare.</li> </ul>	SPEND MONEY WISELY	Adequately maintain City assets to reduce capital replacement expenditures.
<ul style="list-style-type: none"> <li>- Expand the City's electric vehicle charging infrastructure.</li> </ul>	SUSTAIN QUALITY INFRASTRUCTURE	Encourage development of green infrastructure. Align infrastructure investment with neighborhood needs. Use infrastructure improvements strategically to enhance economic development.
<ul style="list-style-type: none"> <li>- Expand alternative fueled vehicles in the City's fleet.</li> </ul>	PROTECT AND CONSERVE OUR RESOURCES	Encourage reduced consumption of natural resources.



# Fleet Management Fund 1005

## Summary (in millions)



Fund	Revenue			Expenditure			Fund Balance	
	FY16 Current Budget	Revenue FY17 Proposed	+/- \$/%	FY16 Current Budget	Expenditure FY17 Proposed	+/- \$/%	Fund Balance FY16 Budget <sup>1</sup>	Fund Balance FY17 Prop. <sup>1</sup>
FMD - Fleet Management Fund 1005	\$88.5	\$89.2	\$0.7 / 0.8%	\$88.5	\$89.2	\$0.7 / 0.8%	\$0.00	\$0.00

1. The Fleet Management Fund 1005 is a service charge back fund, where all expenses of the department are charged backed to client departments based on service delivery, thus resulting in a \$ 0.0 fund balance at year end.



# Total Revenues/Expenditures by Fund



Fund	FY15 Actual	FY16 Current	FY16 Estimates	FY17 Proposed	+/- \$/% FY16 vs FY17 <sup>1</sup>	FTEs FY16 Budget	FTEs FY17 Prop.
FMD - Fleet Management Fund 1005	\$87.8	\$88.5	\$86.6	\$89.2	\$0.7 / 0.8%	348.3	387.2

1. FY16 Current Budget vs. FY17 Proposed Budget expenditures



# FY2017 – Revenues/Expenditures Impacts



FY2017 Fund Budget Expenditures Net Change to FY2016 Current Budget		<u>Notes</u>
FY2016 Current Budget	\$ 88,507,392	
FY2017 Proposed Budget	89,177,277	
<b>Incremental Increase</b>	<b>669,885</b>	
<b>Growth (%)</b>	<b>0.8%</b>	
<b>Explanation of Incremental Increase/(Decrease)</b>		
<b><u>Contractual or Mandated Increases:</u></b>		
List Contractual Obligations - such as HOPE	375,698	
List Contractual Obligations - such as Pension, Health Benefits	1,350,432	
GPS monitoring for vehicles & expansion of Motorpool	65,505	
Fuel estimates	1,995,408	
<b>Subtotal Contractual/Mandated Increases</b>	<b>\$ 3,787,043</b>	
<b><u>Cost Savings (Decreases)</u></b>		
Approved Budget Reductions	(789,289)	
In-Sourcing of Parts Management	(2,327,869)	
<b>Subtotal Cost Savings</b>	<b>\$ (3,117,158)</b>	
<b>Incremental Increase</b>	<b>669,885</b>	



# FY17 Performance Measures

## FMD Fund 1005



Performance Measure	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Annual Fuel Consumption (gallons in thousands)	10,420	10,409	10,409	10,414
Average Age of Fleet	8.6	8.6	8.6	7.0
Average Repair Cost per Vehicle	\$4,656	\$4,740	\$4,224	\$4,080
Fleet Share Vehicle Utilization	56%	55%	55%	60%
Maintain Operational Readiness	95%	95%	95%	95%
Preventative Maintenance Performed on Schedule	96%	99%	99%	99%
Vehicles in the City's Fleet	12,032	11,958	11,788	11,462
Expenditures Adopted Budget vs Actual Utilization	89%	100%	88%	100%
Revenues Adopted Budget vs Actual Utilization	89%	100%	88%	100%

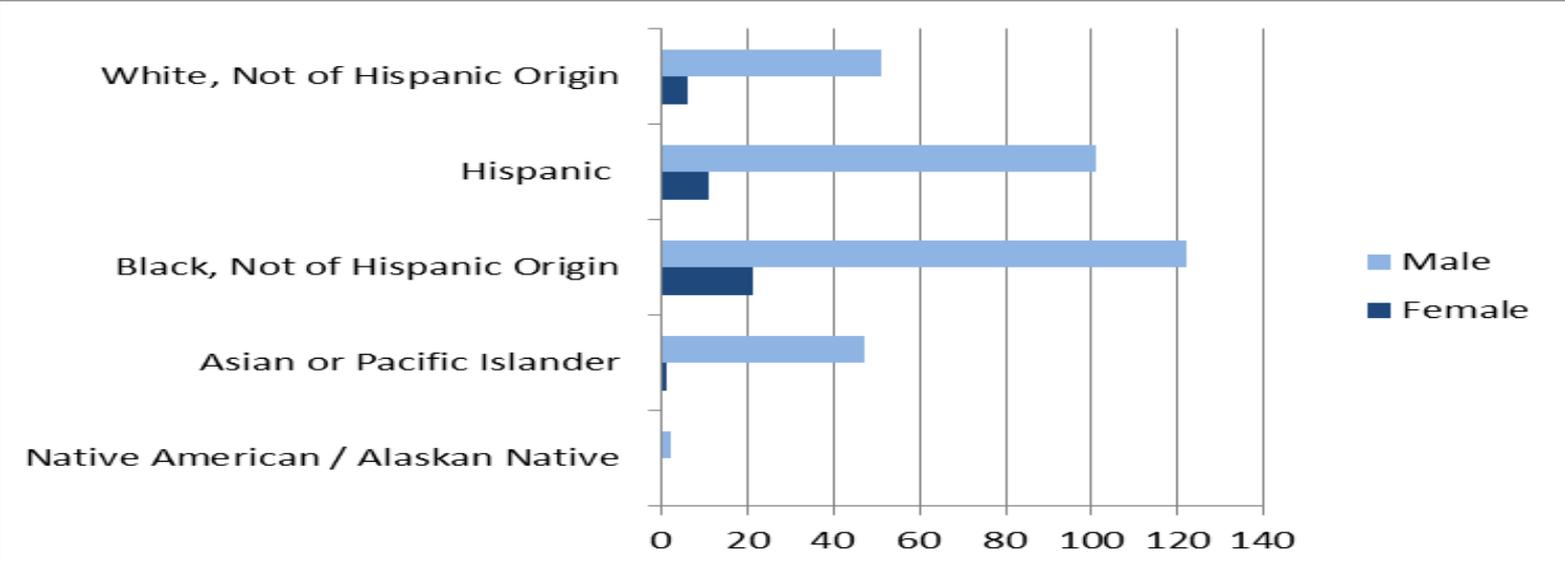


# Questions?





# Appendix-Demographics



Ethnicity	Gender	
	Female	Male
NATIVE AMERICAN/ALASKAN NATIVE	0	2
ASIAN OR PACIFIC ISLANDER	1	47
BLACK, NOT OF HISPANIC ORIGIN	21	122
HISPANIC	11	101
WHITE, NOT OF HISPANIC ORIGIN	6	51
<b>TOTAL</b>	<b>39</b>	<b>323</b>

Source: SAP @04/29/2016  
Employee status: 362 full time



# Appendix-Core Services Matrix

## FMD – FY 2017



Activities	Annual Projected Personnel Cost	Annual Projected Supplies / Services/Capital Cost	Annual Total Cost	Annual Projected FTEs	Mandated	Direct Service	Administrative	Fund	Description
Director's Office	1,036,378	5,957,733	6,994,111	9.0	X		X	1005	Provides overall Leadership and Management of the Fleet Management Department and Fleet Share.
Fuel Management	893,298	24,362,022	25,255,320	9.6	X	X		1005	Purchases of Fuel for the City and maintains Fuel sites.
Asset Management	471,184	3,732	474,916	4.1	X	X		1005	Licensing, Titling , Acquisition and Disposal of all city vehicles.
Parts Management	3,361,350	22,189,078	25,550,428	52.6	X	X		1005	Oversight , management of the Parts supply contracts, purchase orders, and P-card.
Fleet Maintenance	24,712,191	6,190,311	30,902,502	311.9	X	X		1005	Maintenance of all City vehicles.
<b>TOTAL</b>	<b>30,474,401</b>	<b>\$58,702,876</b>	<b>\$89,177,277</b>	<b>387.2</b>					



# Appendix-Fuel Cost Impact

## Fuel Cost Impact FY2014 to FY2016

Total Gallons	Total Gallons	Cost/Gal	Total Cost
<b>FY14 Actual</b>	<b>10,341,353</b>	<b>\$3.14</b>	<b>\$32,517,236</b>
<b>FY15 Actual</b>	<b>10,419,651</b>	<b>\$2.48</b>	<b>\$25,799,258</b>
<b>FY16 Budget</b>	<b>10,408,765</b>	<b>\$2.10</b>	<b>\$21,851,713</b>
<b>FY17 Proposed</b>	<b>10,413,661</b>	<b>\$2.29</b>	<b>\$23,847,121</b>