

Fleet Management

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2014 Breakthrough Strategies

Department Breakthrough Strategy	Measurable Outcome	Measured or Completed by:	Strategic Plan Goal
Complete transition for outsourcing Fleet	Contract implemented	Q1	Transforming Government
Provide proactive contract and financial oversight to ensure contract compliance and efficient use of taxpayer funds	Realize first year cost savings in the Fleet Maintenance Contract	Quarterly	Transforming Government

All Funds Summary

	2012 Actual	2013 Original Budget	* 2013 Amended Budget	2014 Budget	2014 Budget - * 2013 Amended Budget
Use of Funds					
General Fund	\$0	\$0	\$0	\$9,609,365	\$9,609,365
General Fund-Vehicle					
Replacements/Lease Purchases	0	0	0	1,550,000	1,550,000
PSST Fund	100,750	0	0	0	0
Support Services - General Fund	7,424,855	6,437,516	6,437,516	200,000	(6,237,516)
Support Services - Utilities and Other Funds	10,558,171	9,792,757	9,792,757	300,000	(9,492,757)
Total	\$18,083,776	\$16,230,273	\$16,230,273	\$11,659,365	(\$4,570,908)
Positions					
General Fund	0.00	0.00	0.00	4.00	4.00
Other Funds	68.00	68.00	68.00	0.00	(68.00)
Total	68.00	68.00	68.00	4.00	(64.00)

* 2013 Amended Budget as of 8/20/2013

Significant Changes vs. 2013

Outsourcing of Fleet operations to SERCO will result in a decrease of 64 FTE and anticipated savings of \$4.0M over 5 years with 55% savings realized by the City and 45% by Utilities.

- For 2013, of the \$16.2M budgeted in Support Services, \$6.4M or 40% was budgeted for General Fund Fleet Maintenance, with the remaining budget attributed to Colorado Springs Utilities and other City Enterprises. In 2014, \$500k is budgeted in Support Services for severance packages split 40/60 General Fund/Utilities
- For 2014, Fleet Management includes \$9.6M for the General Fund portion of the contract; four positions for contract oversight, fuel management and vehicle acquisitions; and fuel for General Fund and Utilities. CSU and other Enterprises include the cost of the contract in their respective budgets.
- For 2014, Fleet Management also includes \$1.0M for vehicle acquisition, of which \$830k will be used for high priority public safety vehicles and Vehicle Lease Purchases in the amount of \$550k previously accounted for in General Costs.

Fleet Management

Fleet Management maintains over 4,500 vehicles and pieces of equipment for the City of Colorado Springs, Colorado Springs Utilities, Pikes Peak Rural Transportation Authority (PPRTA), and other City Enterprises.

In 2014, Fleet Management is outsourced as part of ongoing efforts to ensure fiscal sustainability and find opportunities for cost savings to reinvest in capital needs including vehicle replacements. Citizen stakeholder groups have been analyzing the potential for outsourcing and other alternative service delivery models to find efficiencies that allow the City to fund critical services and growing infrastructure needs.

In November 2012, a Request for Proposal was released that requested offers for Fleet maintenance services for all Utility, City and City-owned Enterprises (with the exception of Transit which had been previously outsourced in accordance with Federal guidelines). Five options were considered.

A recommendation/selection team that included City/Utilities/City Auditor, and Citizens explored options to outsource jointly with Utilities, outsource independently, or continue to insource all Fleet operations. The panel was largely comprised of City and Utilities staff involved in fleet maintenance functions, who worked through multiple concerns associated with outsourcing. Technical and finance evaluation teams agreed that cost savings could be realized. Long term efficiencies/savings include:

- Savings could be used to accelerate replacement of fleet vehicles. Replacing vehicles could reduce non-target costs and associated contract costs.
- For the past decade PERA costs to the City have risen more than 5 times faster than revenues. Costs have increased because PERA unfunded liabilities have grown and employers, rather than employees, must fund these liabilities. Thus the only option the City has to reduce this budget risk and control costs is to reduce the number of City employees participating in PERA

SERCO was selected as the contractor of choice in the summer of 2013 with a start date of January 1, 2014. SERCO was selected based on the following strengths and considerations:

- Rated as having best overall cost and financial stability by financial review committee, and rated most capable by the technical committee.
- Will make job offers to existing technicians that meet job qualifications and performance ratings
- Will use City owned facilities and equipment, as well as local suppliers (where they do not have a national supply contract - ie: oil, filters, etc)
- Will provide gain sharing with City and Utilities when savings opportunities are identified outside of the current contract scope
- Has a local and national presence. They currently serve:
 - Peterson Air Force Base
 - Schriever Air Force Base
 - Fort Carson
 - Cheyenne Mountain Air Force Station
 - U.S. Air Force Academy
 - Colorado Springs school districts
 - Commercial companies



The sections below provide a summary of the Budget, authorized positions, changes that occurred after the budget was implemented for 2013 and changes occurring as part of the 2014 Budget for each Fund including General Fund, PSST and the Internal Support Services Fleet Fund.

General Fund	Use of Funds	2011 Actual	2012 Actual	2013 Original Budget	* 2013 Amended Budget	2014 Budget	2014 Budget - * 2013 Amended Budget
	Salary/Benefits/Pensions	\$0	\$0	\$0	\$0	\$360,100	\$360,100
	Operating	0	0	0	0	9,799,265	9,799,265
	Capital Outlay	0	0	0	0	1,000,000	1,000,000
	Total	\$0	\$0	\$0	\$0	\$11,159,365	\$11,159,365
	Position Title	2012 Budget	2013 Original Budget	* 2013 Amended Budget	2014 Budget	2014 Budget - * 2013 Amended Budget	
	Fleet Contract Administrator	0.00	0.00	0.00	1.00	1.00	
	Fleet Specialist	0.00	0.00	0.00	2.00	2.00	
	Fleet Technician	0.00	0.00	0.00	1.00	1.00	
	Total Positions	0.00	0.00	0.00	4.00	4.00	

Funding Changes	During 2013	* 2013 Amended - 2013 Original Budget
	None	\$0
	Total During 2013	\$0
	For 2014	2014 Budget - * 2013 Amended Budget
	Transfer funding of 4.00 FTE positions and associated operating from Fleet Fund for contract oversight, fuel management and vehicle acquisition	\$410,705
	Transfer operating from Fleet Fund for General Fund Fleet Management	3,527,568
	Transfer fuel costs from Fleet Fund to General Fund Fleet Management	5,671,092
	Increase Capital Outlay for Vehicle acquisitions	1,000,000
	Transfer Lease Purchase payments from General Costs to Fleet Management	550,000
	Total For 2014	\$11,159,365

Position Changes	During 2013	* 2013 Amended - 2013 Original Budget
	None	0.00
	Total During 2013	0.00
	For 2014	2014 Budget - * 2013 Amended Budget
	Add new Fleet contract oversight positions	4.00
	Total For 2014	4.00

* 2013 Amended Budget as of 8/20/2013

PSST	Use of Funds	2011 Actual	2012 Actual	2013 Original Budget	* 2013 Amended Budget	2014 Budget	2014 Budget - * 2013 Amended Budget
	Salary/Benefits/Pensions	\$97,327	\$100,132	\$0	\$0	\$0	\$0
	Operating	906	618	0	0	0	0
	Capital Outlay	0	0	0	0	0	0
	Total	\$98,233	\$100,750	\$0	\$0	\$0	\$0

Funding Changes	During 2013		* 2013 Amended - 2013 Original Budget
	None		\$0
	Total During 2013		\$0
	For 2013		2014 Budget - * 2013 Amended Budget
	None		\$0
	Total For 2014		\$0

Position Changes	During 2013		* 2013 Amended - 2013 Original Budget
	None		0.00
	Total During 2013		0.00
	For 2013		2014 Budget - * 2013 Amended Budget
	None		0.00
	Total For 2014		0.00

* 2013 Amended Budget as of 8/20/2013

Support Services / Fleet Fund	Source of Funds	2011 Actual	2012 Actual	2013 Original Budget	* 2013 Amended Budget	2014 Budget	2014 Budget - * 2013 Amended Budget
	Restitution	\$1,809	\$1,319	\$0	\$0	\$0	\$0
	Enterprise Fund Utilities	6,508,909	6,832,171	6,972,674	6,972,674	0	(6,972,674)
	City Other Departments	5,546,336	5,894,740	5,506,948	5,506,948	0	(5,506,948)
	City Police Unit	2,237,629	2,424,278	2,108,018	2,108,018	0	(2,108,018)
	Other Revenue	519,092	411,659	183,236	183,236	0	(183,236)
	Special Funds Miscellaneous	1,006,734	954,768	1,459,397	1,459,397	0	(1,459,397)
	Sale of Property	8,000	0	0	0	0	0
	Interest	0	14,839	0	0	0	0
	Draw from Fund Balance	0	0	0	0	500,000	500,000
Total	\$15,828,509	\$16,533,774	\$16,230,273	\$16,230,273	\$500,000	(\$15,730,273)	
Use of Funds	2011 Actual	2012 Actual	2013 Original Budget	* 2013 Amended Budget	2014 Budget	2014 Budget - * 2013 Amended Budget	
Salary/Benefits/Pensions	\$4,593,294	\$4,539,818	\$4,821,831	\$4,821,831	\$500,000	(\$4,321,831)	
Operating	10,820,420	13,205,742	11,200,227	11,200,227	0	(11,200,227)	
Capital Outlay	297,514	237,466	208,215	208,215	0	(208,215)	
Total	\$15,711,228	\$17,983,026	\$16,230,273	\$16,230,273	\$500,000	(\$15,730,273)	

* 2013 Amended Budget as of 8/20/2013

Fleet Positions	Position Title	2012 Budget	2013 Original Budget	* 2013 Amended Budget	2014 Budget	2014 Budget - * 2013 Amended Budget
	Administrative Technician	1.00	1.00	1.00	0.00	(1.00)
	Analyst I	1.00	1.00	1.00	0.00	(1.00)
	Assistant Fleet Technician	1.00	1.00	1.00	0.00	(1.00)
	Associate Fleet Technician	15.50	15.00	15.00	0.00	(15.00)
	Body Shop Technician	1.00	1.00	1.00	0.00	(1.00)
	Contracts Technician	1.00	1.00	1.00	0.00	(1.00)
	Division Manager	1.00	1.00	1.00	0.00	(1.00)
	Health Coordinator	1.00	1.00	1.00	0.00	(1.00)
	Equipment Operator III	2.00	1.00	1.00	0.00	(1.00)
	Fleet Finance Manager	1.00	1.00	1.00	0.00	(1.00)
	Fleet Inventory Specialist	1.00	1.00	1.00	0.00	(1.00)
	Fleet Supervisor	5.00	5.00	5.00	0.00	(5.00)
	Fleet Technician	20.00	22.00	22.00	0.00	(22.00)
	Office Specialist	2.00	2.00	2.00	0.00	(2.00)
	Parts/Supply Specialist	4.00	4.00	4.00	0.00	(4.00)
	Senior Analyst	1.00	1.00	1.00	0.00	(1.00)
	Senior Driver	0.00	1.00	1.00	0.00	(1.00)
	Senior Fleet Technician	5.00	5.00	5.00	0.00	(5.00)
	Senior Office Specialist	1.00	1.00	1.00	0.00	(1.00)
Senior Parts Specialist	1.00	1.00	1.00	0.00	(1.00)	
Technician	1.00	1.00	1.00	0.00	(1.00)	
Total Positions	66.50	68.00	68.00	0.00	(68.00)	

Funding Changes	During 2013	* 2013 Amended - 2013 Original Budget
	None	\$0
	Total During 2013	\$0
	For 2014	2014 Budget - * 2013 Amended Budget
	Outsource fleet management and close out Support Services Fleet fund. Ongoing contract costs will be reflected in General Fund.	(16,230,273)
	One-time draw from unrestricted fund balance for pay out of severance packages.	500,000
Total For 2014	(\$15,730,273)	

* 2013 Amended Budget as of 8/20/2013

Position Changes	During 2013	* 2013 Amended - 2013 Original Budget
	None	0.00
	Total During 2013	0.00
	For 2014	2014 Budget - * 2013 Amended Budget
	Eliminate positions due to outsourcing of fleet operations	(68.00)
	Total For 2014	(68.00)

* 2013 Amended Budget as of 8/20/2013

**City of Colorado Springs
Budget Detail Report**

001 GENERAL FUND
Fleet Mgmt Admin

Account #	Description	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2013 Budget to 2014 Budget \$ Change	2013 Budget to 2014 Budget % Change
51205	CIVILIAN SALARIES	0	0	0	277,000	277,000	0.00%
51610	PERA	0	0	0	31,000	31,000	0.00%
51615	WORKERS COMPENSATION	0	0	0	5,800	5,800	0.00%
51620	EQUITABLE LIFE INSURANCE	0	0	0	812	812	0.00%
51640	DENTAL INSURANCE	0	0	0	1,680	1,680	0.00%
51690	MEDICARE	0	0	0	3,280	3,280	0.00%
51695	CITY EPO MEDICAL PLAN	0	0	0	40,528	40,528	0.00%
Total Salaries and Benefits		0	0	0	360,100	360,100	0.00%
52110	OFFICE SUPPLIES	0	0	0	10,000	10,000	0.00%
52125	GENERAL SUPPLIES	0	0	0	10,605	10,605	0.00%
52140	WEARING APPAREL	0	0	0	10,000	10,000	0.00%
52160	FUEL	0	0	0	5,671,092	5,671,092	0.00%
52415	CONTRACTS AND SPEC PROJECTS	0	0	0	3,527,568	3,527,568	0.00%
52765	LEASE PURCHASE PAYMENTS	0	0	0	550,000	550,000	0.00%
52775	MINOR EQUIPMENT	0	0	0	20,000	20,000	0.00%
Total Operating Expenses		0	0	0	9,799,265	9,799,265	0.00%
53070	VEHICLES REPLACEMENT	0	0	0	1,000,000	1,000,000	0.00%
Total Capital Outlay		0	0	0	1,000,000	1,000,000	0.00%
Total Expenses		0	0	0	11,159,365	11,159,365	0.00%

**City of Colorado Springs
Budget Detail Report**

171 PUBLIC SAFETY SALES TAX

Fleet

Account #	Description	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2013 Budget to 2014 Budget \$ Change	2013 Budget to 2014 Budget % Change
51205	CIVILIAN SALARIES	74,651	79,233	0	0	0	0.00%
51210	OVERTIME	1,319	761	0	0	0	0.00%
51230	SHIFT DIFFERENTIAL	104	36	0	0	0	0.00%
51235	STANDBY	672	299	0	0	0	0.00%
51260	VACATION BUY PAY OUT	643	1,006	0	0	0	0.00%
51299	SALARIES REIMBURSEMENTS	(1,799)	0	0	0	0	0.00%
51610	PERA	8,400	7,079	0	0	0	0.00%
51615	WORKERS COMPENSATION	2,109	2,059	0	0	0	0.00%
51620	EQUITABLE LIFE INSURANCE	177	154	0	0	0	0.00%
51640	DENTAL INSURANCE	504	438	0	0	0	0.00%
51665	CASH BACK	30	20	0	0	0	0.00%
51690	MEDICARE	889	761	0	0	0	0.00%
51695	CITY EPO MEDICAL PLAN	9,628	8,286	0	0	0	0.00%
Total Salaries and Benefits		97,327	100,132	0	0	0	0.00%
52450	LAUNDRY AND CLEANING SERVICES	709	618	0	0	0	0.00%
65352	EMPLOYEE AWARDS PROGRAM	197	0	0	0	0	0.00%
Total Operating Expenses		906	618	0	0	0	0.00%
Total Capital Outlay		0	0	0	0	0	0.00%
Total Expenses		98,233	100,750	0	0	0	0.00%

City of Colorado Springs Budget Detail Report

501 SUPPORT SERVICES

Fleet

Account #	Description	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2013 Budget to 2014 Budget \$ Change	2013 Budget to 2014 Budget % Change
51205	CIVILIAN SALARIES	3,254,558	3,256,697	3,431,700	500,000	(2,931,700)	-85.43%
51210	OVERTIME	118,835	94,132	120,154	0	(120,154)	-100.00%
51230	SHIFT DIFFERENTIAL	11,104	12,335	11,206	0	(11,206)	-100.00%
51235	STANDBY	9,698	10,948	10,369	0	(10,369)	-100.00%
51240	RETIREMENT TERMINATION SICK	13,127	0	0	0	0	0.00%
51245	RETIREMENT TERM VACATION	20,228	7,770	0	0	0	0.00%
51260	VACATION BUY PAY OUT	3,362	2,299	0	0	0	0.00%
51299	SALARIES REIMBURSEMENTS	(5,481)	(12,027)	0	0	0	0.00%
51610	PERA	456,904	445,011	450,140	0	(450,140)	-100.00%
51615	WORKERS COMPENSATION	67,195	66,299	140,066	0	(140,066)	-100.00%
51620	EQUITABLE LIFE INSURANCE	9,428	9,445	9,637	0	(9,637)	-100.00%
51640	DENTAL INSURANCE	24,117	24,352	25,613	0	(25,613)	-100.00%
51655	RETIRED EMP MEDICAL INS	48,764	48,800	0	0	0	0.00%
51665	CASH BACK	3,653	2,753	0	0	0	0.00%
51670	PARKING FOR EMPLOYEES	0	1,200	100	0	(100)	-100.00%
51690	MEDICARE	47,032	45,900	49,989	0	(49,989)	-100.00%
51695	CITY EPO MEDICAL PLAN	510,369	505,104	572,857	0	(572,857)	-100.00%
51696	ADVANTAGE HD MED PLAN	365	17,499	0	0	0	0.00%
51697	HRA BENEFIT TO ADV MED PLAN	36	1,746	0	0	0	0.00%
51699	BENEFITS REIMBURSEMENT	0	(445)	0	0	0	0.00%
Total Salaries and Benefits		4,593,294	4,539,818	4,821,831	500,000	(4,321,831)	-89.63%
52110	OFFICE SUPPLIES	2,806	4,973	3,200	0	(3,200)	-100.00%
52115	MEDICAL SUPPLIES	139	62	159	0	(159)	-100.00%
52120	COMPUTER SOFTWARE	14,526	19,013	5,200	0	(5,200)	-100.00%
52122	CELL PHONES EQUIP AND SUPPLIES	34	404	316	0	(316)	-100.00%
52125	GENERAL SUPPLIES	1,650	1,383	1,481	0	(1,481)	-100.00%
52135	POSTAGE	42	146	130	0	(130)	-100.00%
52140	WEARING APPAREL	10,524	6,809	13,320	0	(13,320)	-100.00%
52145	PAINT AND CHEMICAL	60	0	0	0	0	0.00%
52155	AUTOMOTIVE	21,943	5,921	15,265	0	(15,265)	-100.00%
52165	LICENSES AND TAGS	4,038	1,512	10,876	0	(10,876)	-100.00%
52190	JANITORIAL SUPPLIES	5,696	6,781	7,000	0	(7,000)	-100.00%
52195	ENVIRONMENTAL SUPPLIES ETC	2,198	4,893	2,782	0	(2,782)	-100.00%
52220	MAINT OFFICE MACHINES	197	0	0	0	0	0.00%
52235	MAINT MACHINERY AND APPARATUS	54,994	47,222	59,695	0	(59,695)	-100.00%
52265	MAINT BUILDINGS AND STRUCTURE	1,500	3,093	2,709	0	(2,709)	-100.00%
52275	MAINT RUNWAYS	7	0	0	0	0	0.00%
52282	MAINT DATA COMMUNICATION	254	0	0	0	0	0.00%
52305	MAINT SOFTWARE	69,228	84,962	80,305	0	(80,305)	-100.00%
52410	BUILDING SECURITY SERVICES	0	2,252	0	0	0	0.00%
52426	MUN FAC RUNOFF CONTROL	13,562	6,679	13,100	0	(13,100)	-100.00%
52445	JANITORIAL SERVICES	19,415	17,689	19,500	0	(19,500)	-100.00%
52450	LAUNDRY AND CLEANING SERVICES	29,186	29,839	31,350	0	(31,350)	-100.00%
52568	BANK AND INVESTMENT FEES	0	2,044	0	0	0	0.00%
52575	SERVICES	155,745	124,061	158,800	0	(158,800)	-100.00%
52590	TEMPORARY EMPLOYMENT	1,875	0	0	0	0	0.00%
52615	DUES AND MEMBERSHIP	1,269	2,359	785	0	(785)	-100.00%
52625	MEETING EXPENSES IN TOWN	1,044	896	1,000	0	(1,000)	-100.00%
52630	TRAINING	12,358	8,218	2,700	0	(2,700)	-100.00%
52645	SUBSCRIPTIONS	503	0	978	0	(978)	-100.00%
52655	TRAVEL OUT OF TOWN	2,026	1,898	2,000	0	(2,000)	-100.00%
52705	COMMUNICATIONS	35,354	34,362	36,400	0	(36,400)	-100.00%
52725	RENTAL OF PROPERTY	386,640	389,821	389,824	0	(389,824)	-100.00%
52735	TELEPHONE LONG DIST CALLS	477	440	475	0	(475)	-100.00%
52736	CELL PHONE AIRTIME	26	(30)	45	0	(45)	-100.00%
52738	CELL PHONE BASE CHARGES	8,351	7,828	8,556	0	(8,556)	-100.00%
52740	GENERAL INSURANCE-CITY	0	0	239	0	(239)	-100.00%
52746	UTILITIES ELECTRIC	57,374	51,337	62,640	0	(62,640)	-100.00%
52747	UTILITIES GAS	21,390	17,922	22,660	0	(22,660)	-100.00%
52748	UTILITIES SEWER	2,046	1,953	2,100	0	(2,100)	-100.00%
52749	UTILITIES WATER	3,305	3,471	3,808	0	(3,808)	-100.00%

**City of Colorado Springs
Budget Detail Report**

501 SUPPORT SERVICES
Fleet

Account #	Description	2011 Actuals	2012 Actuals	2013 Budget	2014 Budget	2013 Budget to 2014 Budget \$ Change	2013 Budget to 2014 Budget % Change
52765	LEASE PURCHASE PAYMENTS	2,743	2,863	2,743	0	(2,743)	-100.00%
52775	MINOR EQUIPMENT	25,286	17,202	25,500	0	(25,500)	-100.00%
52776	PRINTER CONSOLIDATION COST	0	7,258	9,210	0	(9,210)	-100.00%
52777	TOOL ALLOWANCE	11,000	22,550	24,475	0	(24,475)	-100.00%
52795	RENTAL OF EQUIPMENT	29,892	19,721	27,127	0	(27,127)	-100.00%
52805	ADMIN PRORATED CHARGES	307,476	324,672	307,476	0	(307,476)	-100.00%
52872	MAINT FLEET VEHICLES EQP	126,607	113,207	154,026	0	(154,026)	-100.00%
52874	OFFICE SERVICES PRINTING	1,010	535	1,161	0	(1,161)	-100.00%
52876	PASS THROUGH EXPENSES	59,920	34,061	61,000	0	(61,000)	-100.00%
52880	PURCHASES FOR RESALE	6,558	2,260	0	0	0	0.00%
52881	PURCH FOR RESALE FUEL	5,529,783	7,082,735	5,692,018	0	(5,692,018)	-100.00%
52882	PURCH FOR RESALE COMMERCIAL	584,336	485,197	658,116	0	(658,116)	-100.00%
52883	PURCH FOR RESALE NON STCK PART	1,934,467	1,935,812	1,903,132	0	(1,903,132)	-100.00%
52884	PURCH FOR RESALE STOCK PARTS	1,257,685	1,263,315	1,360,825	0	(1,360,825)	-100.00%
52970	ENVIRON PROTECTION PROGRAM	1,875	3,756	14,020	0	(14,020)	-100.00%
65170	TRANSFER TO OTHER FUNDS	0	1,000,000	0	0	0	0.00%
65352	EMPLOYEE AWARDS PROGRAM	0	385	0	0	0	0.00%
Total Operating Expenses		10,820,420	13,205,742	11,200,227	0	(11,200,227)	-100.00%
53020	COMPUTERS NETWORKS	28,410	133,068	0	0	0	0.00%
53050	MACHINERY AND APPARATUS	269,104	104,398	208,215	0	(208,215)	-100.00%
Total Capital Outlay		297,514	237,466	208,215	0	(208,215)	-100.00%
Total Expenses		15,711,228	17,983,026	16,230,273	500,000	(15,730,273)	-96.92%

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