

State of Alaska FY2002 Governor's Operating Budget

Department of Transportation/Public Facilities
State Equipment Fleet Administration
Component

Component: State Equipment Fleet Administration

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Component Mission

The mission of the Statewide State Equipment Fleet (SEF) is to allocate, maintain, and manage state-owned vehicles, equipment, and attachments for safe and appropriate use.

Component Services Provided

- The State Equipment Fleet is responsible for the management, maintenance and inventory of all state vehicles, equipment and attachments assigned to state agencies.
- The regional SEF components provide maintenance, repair and servicing of state equipment at maintenance and operations shops, remote rural airport stations, and roadside locations throughout Alaska. Preventative maintenance, safety and vehicle emission inspections, parts procurement, and inventory control are provided. Equipment is evaluated and specifications are prepared in coordination with SEF Headquarters for the equipment replacement program. New vehicles, equipment and attachments are received, checked in and issued to using agencies.
- State Equipment Fleet manages the Highway Equipment Working Capital Fund (HEWCF), purchases new equipment and vehicles for all state agencies, and provides administrative support including, but not limited to: policies and procedures, financial reporting, computer systems, training, billing of HEWCF charges, and coordination between regional SEF components.
- State Equipment Fleet evaluates excess equipment and sells at auction or assigns to an appropriate alternative use.

Component Goals and Strategies

Effectively manage the Highway Equipment Working Capital Fund to insure sufficient revenues for purchasing and maintenance of equipment and vehicle needs in future fiscal years.

- Maintain sufficient cash flow in the Highway Equipment Working Capital Fund, following Generally Accepted Accounting Principles, for equipment maintenance and replacement.
- Prepare a rate structure that allocates costs fairly and will allow for no financial gain or loss (break even) on operating activities and produce sufficient revenue to cover operating overhead on the replacement, fuel payment and daily rental programs

Provide a well-equipped, cost-effective fleet for all state agencies.

- Coordinate equipment maintenance activity statewide for all SEF personnel, improve preventative maintenance service and reduce costs for state owned assets.
- Measure effectiveness of equipment replacement program by reducing the percentage of "Z" status equipment (eligible for replacement) to no more than 10 percent of the fleet for both the light duty vehicles and heavy-duty equipment.
- Maintain good vendor relations as measured by the number of protests. The goal is to not exceed 1 bid protest annually.

Key Component Issues for FY2001 – 2002

The State Equipment Fleet (SEF) operates 44 shops and has more than 150 employees that provide general and preventative maintenance and all parts supply. There are approximately 7,600 vehicles accounted for in the fleet information system, with 4,800 vehicles comprised of light duty, heavy duty and attachments under SEF management. The Department has under contract a private fleet management consulting firm that is doing a broad review and a detailed performance and productivity evaluation of the delivery of fleet services. By the first of January 2001, an in-

depth status report on the management and maintenance of the State's fleet and prioritized list of changes that need to be made will be available from the contractor.

Major Component Accomplishments for FY2000

- SEF completed a conversion of the Equipment Management System; equipment and software, ensured that all information provided was Y2K compliant without data time loss.
- Continued a review of the equipment management system to ensure an accurate Y2K transition and interface with the vendor community.
- SEF performed all required services during FY2000 while holding operating expenses to within 2.9 percent of revenues.

Statutory and Regulatory Authority

- AS 44.68.210-290
- AS 44.42.020 (11)

State Equipment Fleet Administration
Component Financial Summary

All dollars in thousands

| | FY2000 Actuals | FY2001 Authorized | FY2002 Governor |
|-----------------------------------|----------------|-------------------|-----------------|
| Non-Formula Program: | | | |
| Component Expenditures: | | | |
| 71000 Personal Services | 703.0 | 835.4 | 830.6 |
| 72000 Travel | 7.0 | 14.7 | 14.7 |
| 73000 Contractual | 58.4 | 139.0 | 139.0 |
| 74000 Supplies | 1,040.3 | 1,371.7 | 1,371.7 |
| 75000 Equipment | 5.7 | 0.0 | 0.0 |
| 76000 Land/Buildings | 0.0 | 0.0 | 0.0 |
| 77000 Grants, Claims | 0.0 | 0.0 | 0.0 |
| 78000 Miscellaneous | 0.0 | 0.0 | 0.0 |
| Expenditure Totals | 1,814.4 | 2,360.8 | 2,356.0 |
| Funding Sources: | | | |
| 1007 Inter-Agency Receipts | 0.0 | 15.3 | 15.4 |
| 1026 Highway Working Capital Fund | 1,814.4 | 2,345.5 | 2,340.6 |
| Funding Totals | 1,814.4 | 2,360.8 | 2,356.0 |

Estimated Revenue Collections

| Description | Master Revenue Account | FY2000 Actuals | FY2001 Authorized | FY2001 Cash Estimate | FY2002 Governor | FY2003 Forecast |
|---------------------------------|------------------------|-----------------|-------------------|----------------------|-----------------|-----------------|
| Unrestricted Revenues | | | | | | |
| Unrestricted Fund | 68515 | 10,933.3 | 10,714.4 | 10,714.4 | 10,714.4 | 10,714.4 |
| Unrestricted Total | | 10,933.3 | 10,714.4 | 10,714.4 | 10,714.4 | 10,714.4 |
| Restricted Revenues | | | | | | |
| Interagency Receipts | 51015 | 0.0 | 15.3 | 15.3 | 15.4 | 15.4 |
| Restricted Total | | 0.0 | 15.3 | 15.3 | 15.4 | 15.4 |
| Total Estimated Revenues | | 10,933.3 | 10,729.7 | 10,729.7 | 10,729.8 | 10,729.8 |

State Equipment Fleet Administration

Proposed Changes in Levels of Service for FY2002

SEF will implement the approved recommendations included in the independent fleet review report due 12/2000. No other significant changes in FY2002. At this time it is unknown what the budgetary changes will be to implement any recommendations.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

| | <u>General Funds</u> | <u>Federal Funds</u> | <u>Other Funds</u> | <u>Total Funds</u> |
|--|----------------------|----------------------|--------------------|--------------------|
| FY2001 Authorized | 0.0 | 0.0 | 2,360.8 | 2,360.8 |
| Adjustments which will continue current level of service: | | | | |
| -Year 2 Labor Costs - Net Change from FY2001 | 0.0 | 0.0 | -4.8 | -4.8 |
| FY2002 Governor | 0.0 | 0.0 | 2,356.0 | 2,356.0 |

State Equipment Fleet Administration

Personal Services Information

| Authorized Positions | | | Personal Services Costs | |
|----------------------|----------------------|--------------------|----------------------------------|-----------------|
| | FY2001 Authorized | FY2002 Governor | | |
| Full-time | 13 | 13 | Annual Salaries | 626,549 |
| Part-time | 0 | 0 | COLA | 8,409 |
| Nonpermanent | 0 | 0 | Premium Pay | 0 |
| | | | Annual Benefits | 225,018 |
| | | | <i>Less 3.42% Vacancy Factor</i> | <i>(29,376)</i> |
| | | | Lump Sum Premium Pay | 0 |
| Totals | 13 | 13 | Total Personal Services | 830,600 |

Position Classification Summary

| Job Class Title | Anchorage | Fairbanks | Juneau | Others | Total |
|--------------------------|-----------|-----------|----------|----------|-----------|
| Accountant III | 1 | 0 | 0 | 0 | 1 |
| Accounting Tech II | 1 | 0 | 0 | 0 | 1 |
| Administrative Clerk I | 1 | 0 | 0 | 0 | 1 |
| Administrative Clerk III | 1 | 0 | 0 | 0 | 1 |
| Analyst/Programmer V | 1 | 0 | 0 | 0 | 1 |
| Contracting Officer III | 1 | 0 | 0 | 0 | 1 |
| Equip Operations Analyst | 3 | 0 | 0 | 0 | 3 |
| Operations Res Anl I | 1 | 0 | 0 | 0 | 1 |
| Procurement Spec I | 1 | 0 | 0 | 0 | 1 |
| Procurement Spec II | 1 | 0 | 0 | 0 | 1 |
| Statewide Equipment Mgr | 1 | 0 | 0 | 0 | 1 |
| Totals | 13 | 0 | 0 | 0 | 13 |