

To the Mayor and Members of the City Council

May 19, 2015

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SUBJECT: 15 Year Budget History – Equipment Services Department

The purpose of this Informal Report is to provide supplemental information by department as a tool for the ongoing budget process.

In an effort to provide a framework for current and future budget requests, the Budget Office will be providing 15 years of historical data by department over the next several months. Data will include Fiscal Year 2000 through Fiscal Year 2015.

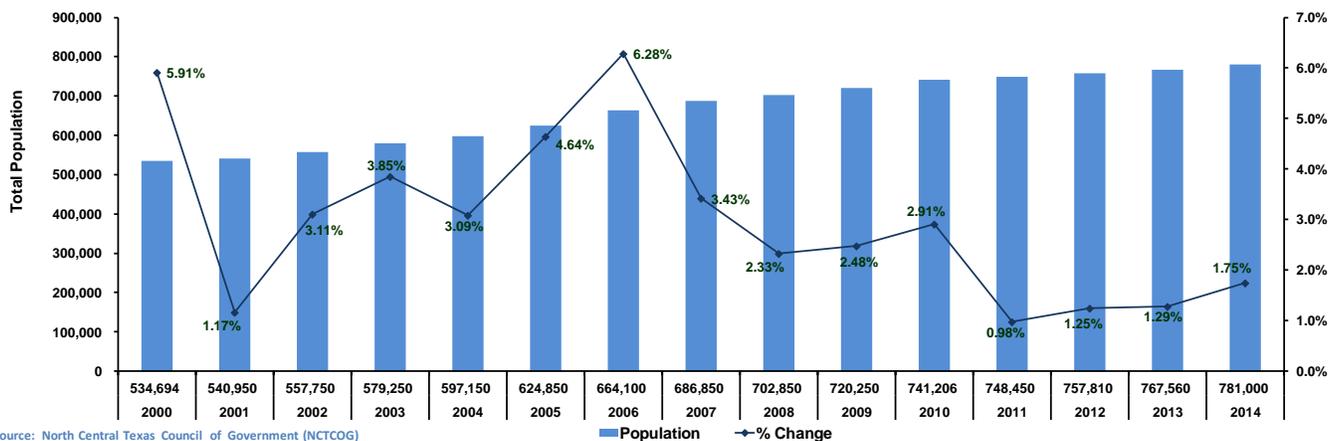
In graph format, the data will include the following components:

1. Population
2. Square Miles of the City of Fort Worth
3. Staffing Levels with Population
4. Adopted Budget with Square Mileage

Population

From 2000 to 2015, the population in Fort Worth has grown by 246,306 new citizens or about 46 percent. This trend is expected to continue as Fort Worth continues to be singled out as one of the fastest growing cities both in Texas and America.

Fort Worth Population Growth
Increase of approximately 314k (67%) over 20 years



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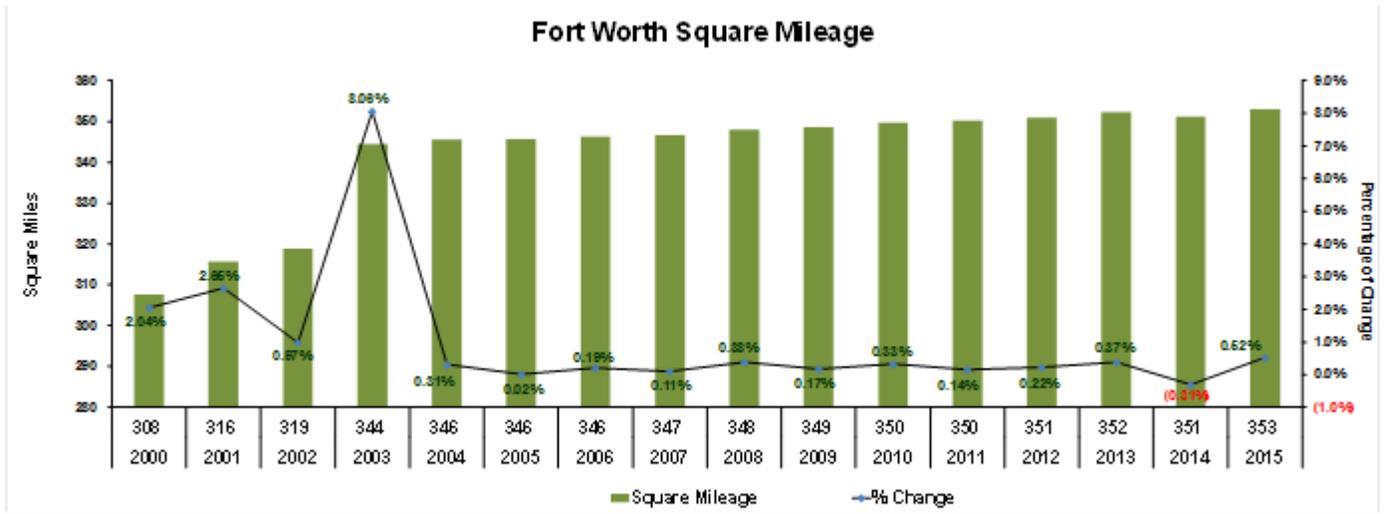
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Square Miles

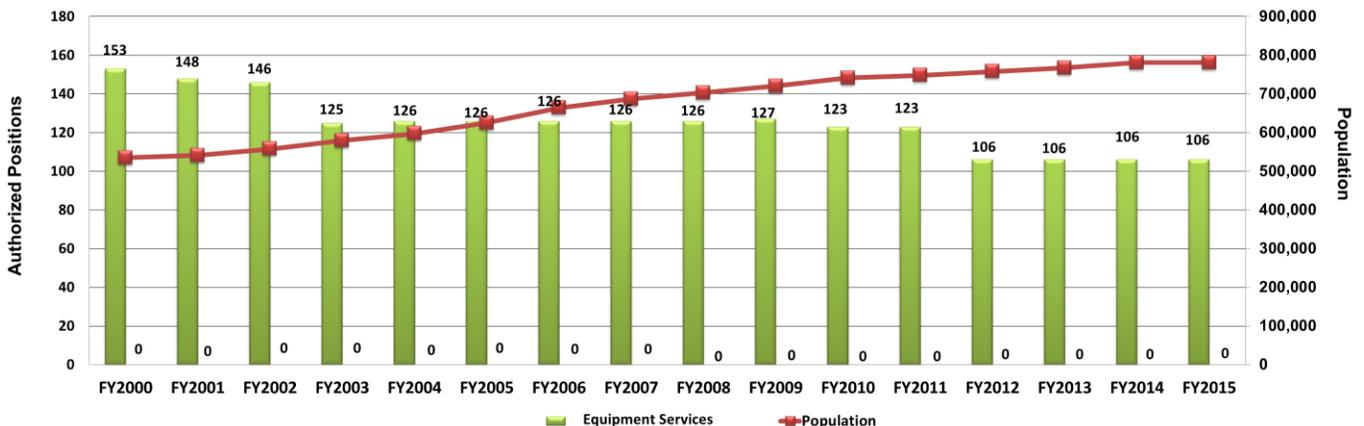
By comparison, the square mileage in the City has grown from 308 to 353 square miles, or 15 percent. The 25 mile increase from 2002 to 2003 included the annexation of 7,744 acres known as 287 Zone LPA (M&C PZ-2438).



Population – Staffing

The total number of authorized positions in the Equipment Services department has decreased from 153 staff members in 2000 to 106 in 2015, equating to a 31 percent decrease in staffing levels. In FY2003, the City eliminated 20 positions due to the outsourcing of the parts stock functions and reduced another 17 positions via reduction packages in FY2012, completing the department wide reorganization that arose in FY2010.

Equipment Services Department Authorized Strength



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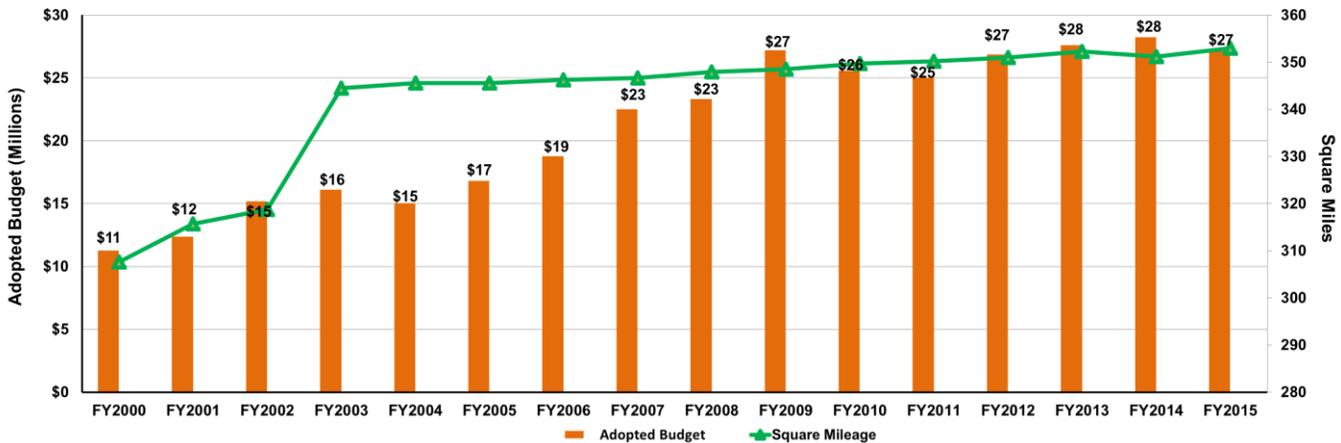


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Square Miles – Annual Budget

The annual budget for Equipment Services increased from a total of \$11M in FY2000 to \$27M in FY2015, marking a 142% increase over the last 15 years. The increase in budget has been largely driven by an increased demand in fuel and higher fuel prices.

Equipment Services Department Adopted Budget



The significant changes to the department, in authorized positions and budget, are as follows:

- FY2001: The adopted budget increased by \$539,750 in salaries due to wage changes, \$245,038 in fuel costs, \$134,470 in motor vehicle repair parts, \$84,750 in IT allocations, \$66,919 for outside body repairs and \$62,050 for group health allocations. The increases were partially offset by decreases of (\$148,985) due to the elimination of vacant Mechanic positions and (\$63,531) due to reductions in the Workers' Compensation allocation.
- FY2002: The adopted budget increased by \$2,855,806 attributed to vehicle repairs parts, diesel/unleaded/natural fuel, outside vehicle repairs, group health allocation and IT allocation. The increases were partially offset by decreases of (\$52,887) due to the elimination of two vacant positions and (\$82,548) in budgeted salary savings.
- FY2003: The adopted budget increased by \$194,172 in IT usage expenses, \$393,261 for the addition of a new equipment management system and \$320,000 for depreciation expense. Staff decreased by 20 authorized positions due to parts stock functions being contracted out and the reduction of 1 authorized position in the Administrative section.
- FY2004: Addition of 1 authorized position to handle towing of City vehicles eliminated the need to contract out the service, reducing the budget (\$140,900). The adopted budget decreased by (\$320,000) resulting from removing depreciation expense from the Operating budget, (\$300,000) for the one-time expense of developing new equipment management system, (\$89,082) for one-time expense of specialized equipment, (\$75,000) for jet fuel purchase function transferred to Aviation, (\$60,000) for reduction of outside repairs and (\$57,108) for reduced Workers' Compensation allocation.

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- FY2005: The adopted budget increased by \$517,397 for fuel costs, \$265,480 for contractual costs, \$227,291 for motor vehicles repairs, \$180,008 for Workers' Compensation allocation, \$219,379 for salary increases and \$142,400 for vehicle purchases.
- FY2006: The adopted budget increased by \$1,858,119 for fuel costs.
- FY2009: Authorized positions increased by 1 to improve efficiency in auto body repair. The adopted budget increased by \$1,447,862 for motor vehicle repair and \$2,256,143 due to rising fuel prices.
- FY2010: Reduction of four authorized positions (\$236,723) due to a department wide reorganization. The adopted budget decreased by (\$3,084,257) due to decreased fuel prices and (\$202,373) due to eight mandatory furlough days. These decreases were partially offset by increases of \$453,867 for retiree healthcare costs, \$356,192 for outside body repair, \$350,000 in other contractual and \$262,964 in motor vehicle repair.
- FY2012: Reduction of 17 authorized positions (\$826,920). The adopted budget increased by \$2,646,652 due to an increase in fuel prices.
- FY2013: The adopted budget increased by \$783,702 in fuel prices, \$473,046 in other contractual and \$520,000 for outside towing services and tire repair. The increase was offset by decreases of (\$989,038) in vehicle parts and (\$169,532) in administrative services.
- FY2014: The adopted budget increased by \$1,285,703 for motor vehicle repair supplies, \$238,891 for retiree insurance contribution and \$352,592 for contractual costs. The increase was offset by a decreased of (\$1,164,224) in fuel prices.
- FY2015: The adopted budget decreased by (\$1,084,614) in fuel prices, (\$212,771) in budgeted salary savings attributed to vacancies and (\$106,786) for Workers' Compensation allocation. These decreases were partially offset by increases of \$231,504 in 4% across the board salary increases, \$219,500 for vehicle replacement and \$146,738 for Risk Management allocation.

The Equipment Services department is charged with acquisition, fueling, maintenance and disposal of the City's fleet. The Equipment Services department is principally sustained by revenues received from the interdepartmental billing of departments for the provision of fuel, parts, and other vehicle and equipment-related repair and maintenance. The department adds an administrative charge per vehicle to the interdepartmental charges to manage the day-to-day fleet operations provided to City departments. Over the last ten years the Equipment Services Department went through significant changes. These changes were a result of citywide organizational realignment as well as prioritization of City's services and economic conditions.

Hopefully you find this additional information helpful. If you have any questions, please call Wayne Corum, Interim Property Management Director, at 817-392-5118, or Aaron Bovos, Financial Management Services Director at 817-392-8517.

David Cooke
City Manager