



EQUIPMENT MANAGEMENT

INFRASTRUCTURE AND GENERAL GOVERNMENT APPROPRIATIONS SUBCOMMITTEE
 STAFF: MARK BLEAZARD, GARY RICKS, AND RICH AMON

BUDGET BRIEF

SUMMARY

The Equipment Management program of the Department of Transportation is organized into two primary programs: Equipment Purchases, and Central Repair Shops.

The Equipment Management Division is responsible for management, maintenance and repair of the Department's 1,996 unit \$57,000,000 fleet. The Division has 88 employees and expend over \$27,000,000 to operate, maintain and purchase replacement units.

ISSUES AND RECOMMENDATIONS

Base Budget

The Analyst recommends a base budget for the Equipment Management Division of the Department of Transportation for FY 2013 of \$27,208,700. This funding is for the Equipment Purchases and Shops programs.

Intent Language

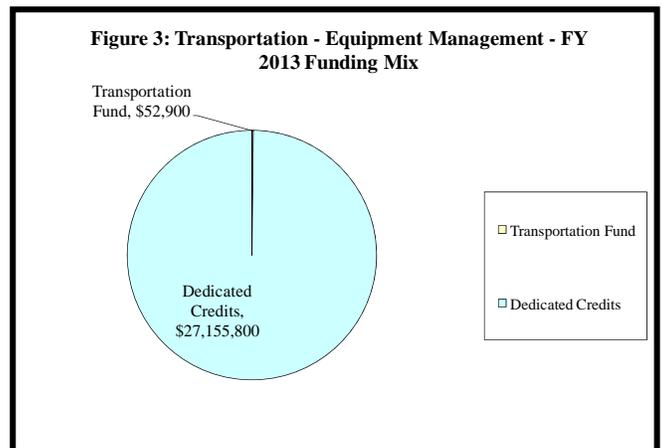
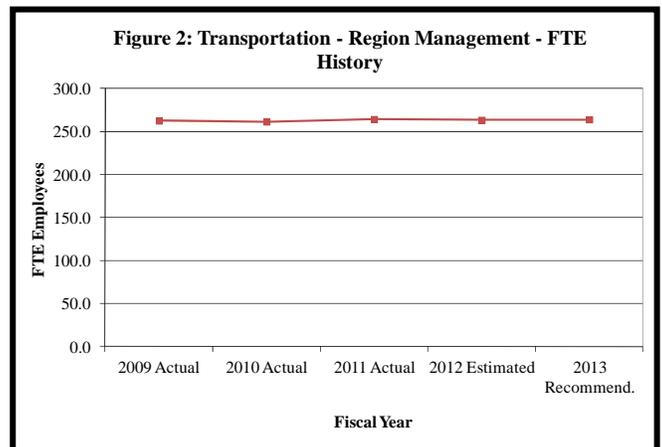
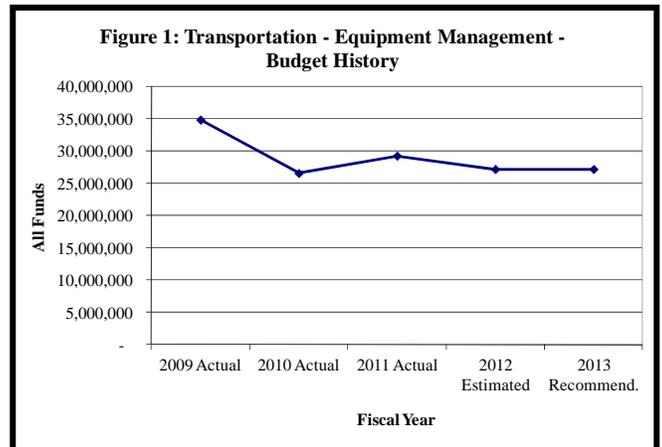
The Analyst recommends the following intent language to make a portion of the Equipment Management line item non-lapsing at the end of FY 2012:

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated the Legislature intends that appropriations provided for Equipment Management in item 6 of Chapter 3 Laws of Utah 2011 not lapse at the close of Fiscal Year 2012. The use of any non-lapsing funds limited to the following: Employee Training/Incentives \$200,000.

Equipment Purchases

The Equipment Purchases Program maintains a computerized system containing an accounting of expenditures on each individual vehicle and maintenance-type piece of equipment; requests and executes work programs for buying replacement vehicles and maintenance equipment; provides specialized training programs to improve the skills of equipment operators and mechanics; and analyzes computer reports in an effort to discover ways of improving fleet operations, reducing maintenance and repair costs, and increasing the usage of equipment.

Anticipated purchases are \$4,544,300 for road equipment. Other expenditures include \$25,000 for



small shop tools and equipment, \$90,000 for 800 MHZ, \$32,900 for 150MHZ radios, and \$330,000 for fleet upgrades. Total program funding recommendation for this program is \$5,022,200.

Shops

The Central Repair Shops carry out a program of preventive maintenance and repair of all department-owned vehicles, trucks and maintenance equipment. All maintenance districts of the Department of Transportation have maintenance and repair crews located within the district. Region Two maintenance is handled at the central shops located at the Calvin L. Rampton complex. The base budget for FY 2013 is \$22,186,500.

BUDGET DETAIL

The base budget for the Equipment Management line item is \$27,208,700. Of this amount \$52,900 is from the Transportation Fund and \$27,155,800 is from Dedicated Credits. The appropriation covers the budgets of Equipment Purchases and Shops.

Transportation - Equipment Management						
Sources of Finance	FY 2011 Actual	FY 2012 Appropriated	Changes	FY 2012 Revised	Changes	FY 2013* Recommended
Transportation Fund	52,900	52,900	0	52,900	0	52,900
Dedicated Credits Revenue	29,231,200	27,155,800	0	27,155,800	0	27,155,800
Lapsing Balance	(1,500)	0	0	0	0	0
Total	\$29,282,600	\$27,208,700	\$0	\$27,208,700	\$0	\$27,208,700
Programs						
Equipment Purchases	5,248,500	5,022,200	0	5,022,200	0	5,022,200
Shops	24,034,100	22,186,500	0	22,186,500	0	22,186,500
Total	\$29,282,600	\$27,208,700	\$0	\$27,208,700	\$0	\$27,208,700
Categories of Expenditure						
Personnel Services	6,497,600	5,972,600	(103,400)	5,869,200	0	5,869,200
In-state Travel	10,400	11,000	(600)	10,400	0	10,400
Out-of-state Travel	3,300	2,100	1,200	3,300	0	3,300
Current Expense	18,647,800	16,929,400	150,200	17,079,600	0	17,079,600
DP Current Expense	6,800	3,000	3,800	6,800	0	6,800
Capital Outlay	4,739,400	4,685,600	53,800	4,739,400	0	4,739,400
Other Charges/Pass Thru	(622,700)	(395,000)	(105,000)	(500,000)	0	(500,000)
Total	\$29,282,600	\$27,208,700	\$0	\$27,208,700	\$0	\$27,208,700
Other Data						
Budgeted FTE	88.0	88.0	0.0	88.0	0.0	88.0
Actual FTE	84.3	0.0	0.0	0.0	0.0	0.0
Vehicles	1831.0	1836.0	(5.0)	1831.0	0.0	1831.0

LEGISLATIVE ACTION

The Analyst recommends the Legislature:

1. Adopt the FY 2013 base budget of \$27,208,700 as shown in the budget detail table
2. Approve the intent language on page 1.