



EQUIPMENT MANAGEMENT

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

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 \$27,500,000 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 2014 of \$27,659,500. This funding is for the Equipment Purchases and Shops programs.

Intent Language

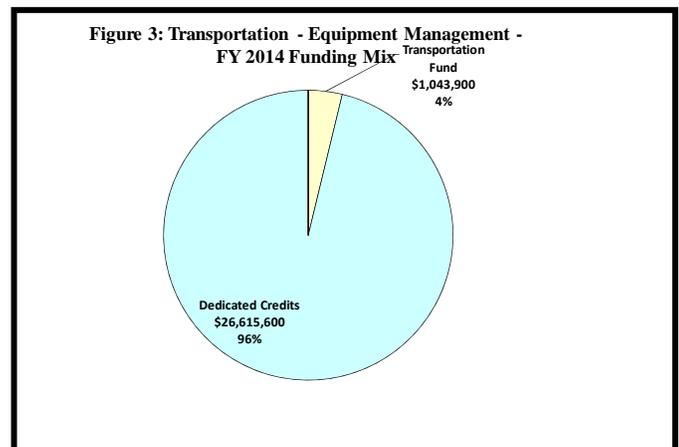
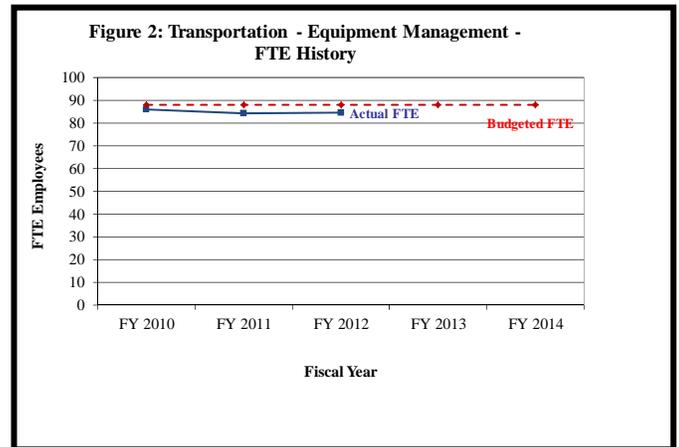
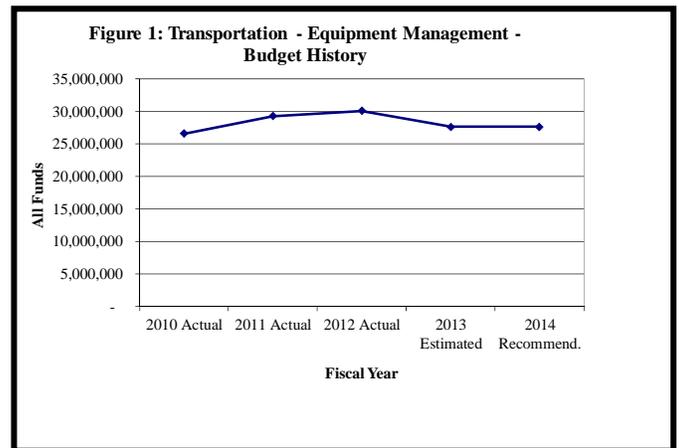
The Analyst recommends the following intent language to make a portion of the Equipment Management line item non-lapsing at the end of FY 2013:

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 12 Laws of Utah 2012 not lapse at the close of Fiscal Year 2013. The use of any non-lapsing funds is 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 \$5,544,300 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 \$6,022,200.

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 2014 is \$21,637,300.

BUDGET DETAIL

The base budget for the Equipment Management line item is \$27,659,500. Of this amount \$1,043,900 is from the Transportation Fund and \$26,615,600 is from Dedicated Credits. The appropriation covers the budgets of Equipment Purchases and Shops.

Transportation - Equipment Management						
Sources of Finance	FY 2012 Actual	FY 2013 Appropriated	Changes	FY 2013 Revised	Changes	FY 2014* Recommended
Transportation Fund	52,900	1,043,900	0	1,043,900	0	1,043,900
Dedicated Credits Revenue	30,037,100	26,615,600	0	26,615,600	0	26,615,600
Transfers - Within Agency	13,400	0	0	0	0	0
Total	\$30,103,400	\$27,659,500	\$0	\$27,659,500	\$0	\$27,659,500
Programs						
Equipment Purchases	6,891,500	6,022,200	0	6,022,200	0	6,022,200
Shops	23,211,900	21,637,300	0	21,637,300	0	21,637,300
Total	\$30,103,400	\$27,659,500	\$0	\$27,659,500	\$0	\$27,659,500
Categories of Expenditure						
Personnel Services	6,411,800	5,945,700	15,000	5,960,700	0	5,960,700
In-state Travel	12,600	10,400	2,200	12,600	0	12,600
Out-of-state Travel	4,500	3,300	1,200	4,500	0	4,500
Current Expense	18,903,100	16,487,400	1,279,900	17,767,300	0	17,767,300
DP Current Expense	8,300	(26,700)	33,700	7,000	0	7,000
Capital Outlay	5,276,700	5,739,400	(1,332,000)	4,407,400	0	4,407,400
Other Charges/Pass Thru	(513,600)	(500,000)	0	(500,000)	0	(500,000)
Total	\$30,103,400	\$27,659,500	\$0	\$27,659,500	\$0	\$27,659,500
Other Data						
Budgeted FTE	88	88	0	88	0	88
Actual FTE	85	0	0	0	0	0
Vehicles	1,831	1,831	27	1,858	0	1,858

LEGISLATIVE ACTION

The Analyst recommends the Legislature:

1. Adopt the FY 2014 base budget of \$27,659,500 as shown in the budget detail table
2. Approve the intent language on page 1.