



2024-2027 Service Based Budget Overview

Winnipeg Fleet Management Agency Presentation to SPC on Public Works

March 16, 2024

Agenda

1. Performance Reporting
2. Budget and Strategic Priorities Action Plan Alignment
3. Budget Highlights and Overview
4. Service Based:
 - a. Operating Budget
 - b. Capital Budget
 - c. Reserve Projections (not applicable)
5. Questions

Performance Reporting – Fleet

Winnipeg Fleet Management Agency

Description

Winnipeg Fleet Management Agency (WFMA) provides economical, state-of-the-art, safe and eco-friendly fleet vehicle, equipment and other asset management services to The City of Winnipeg and other public sector organizations, in support of their service delivery. The Agency delivers comprehensive fleet management services to City of Winnipeg departments. This includes specification, inspections, procurement, insurance, licensing, registration, manufacturing, fabrication, leasing, rentals, surplus fleet asset disposal, fuel, repair and maintenance.

OurWinnipeg



Economic Prosperity (EP)



Environmental Resilience (ER)



Leadership and Good Governance (LG)

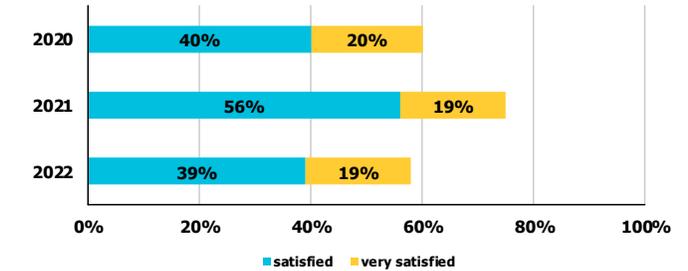
Performance Reporting

Service Goal / Measure Description	2021 Actual	2022 Actual	2022 Target	2023 Target	2024 Target
 Goal 1: Develop innovative strategies and efficiencies through the introduction of new technologies and business processes that enhance fleet services across WFMA					
Number of vehicle and equipment external rental days	85,953	93,940	86,000	86,000	93,000

Source: 2024 - 2027 Multi-Year Budget page 129

Effectiveness Measurement

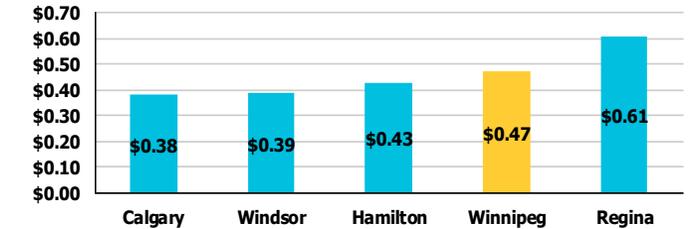
City Departments' Satisfaction with Fleet Management Services (2022)



	2018	2019	2020	2021	2022
Wpg. Trend	68%	80%	60%	75%	58%

Efficiency Measurement

Direct Cost per Light Vehicle Kilometer (Municipal Equipment) (2022)



	2018	2019	2020	2021	2022
Wpg. Trend	\$0.41	\$0.39	\$0.34	\$0.39	\$0.47

Source: Municipal Benchmarking Network Canada (FLET327)

Budget and Strategic Priorities Action Plan Alignment

Strategic Priorities Action Plan					
Key Theme	SPAP Action Item	Program / Initiative	Outcome / KPIs	Status Update	Outcome / Completion (in years)



Existing fleet services provide a support service for Strategic Priorities Action Plan items (some examples include):

Key Theme 4: A Green, Growing City with Sustainable Renewal of Infrastructure

4.1 - Plant new and replacement trees in streets and parks using a 2:1 ratio

4.2 - Prune street and park trees on a 7-year cycle

Budget Highlights

Annual Tax Supported Operating Increase ¹	Expenditure Growth Rate Average ²
Current Budget Cycle (2024 to 2027)	3.0%
Previous Budget Cycle (2020 to 2023)	4.5%

Service	Operating Budget Highlight(s)	Capital Budget Highlight(s)	SPAP
Winnipeg Fleet Management Agency	<ul style="list-style-type: none"> Expenditure growth rate average increases is impacted by projected fuel rates due to expected price increases and carbon tax increases. Expenditure growth is also impacted by salary & benefit increases due to collective agreements and parts & services costs. 	<ul style="list-style-type: none"> Total annual capital submission is primarily consistent with prior year submissions with the exception below. 	
Winnipeg Fleet Management Agency	<ul style="list-style-type: none"> The above increases are partially offset by fleet expenditure management which is projected in 2025 (\$0.5 million) and future years (\$1.5 million). 	<ul style="list-style-type: none"> Fleet Asset Acquisitions capital has been increased in 2024 by \$2.298 million due to increased capital funding for fleet acquisitions (details on the capital budget changes slide). 	

Notes:

1. Based on expenditures before capital related expenditures
2. Average expenditure increase for 2024 to 2027 budget and 2020 to 2023 budget
3. Source: 2024 – 2027 Multi-Year Budget pages 131-132; Supplement to the 2024 Budget pages 294-299

2024 Budget Overview

(Service Based View)

Service Based Budget (in millions of \$)	FTEs	Surplus/ (Deficit)	Capital Budget	Reserves, Net Changes
Winnipeg Fleet Management Agency	110.0	0.1	19.2	-
Total	110.0	0.1	19.2	-

Notes:

\$55.6 million of budgeted revenue and \$55.5 million of expenditures in 2024

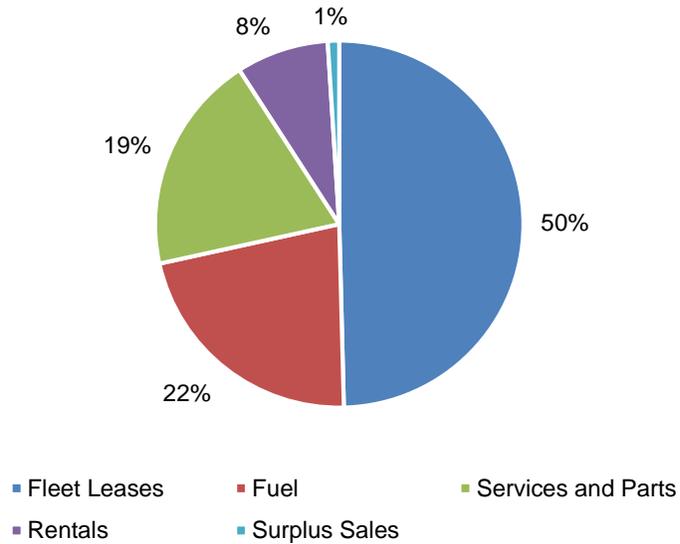
Source: 2024-2027 Multi-Year Budget pages 131-132

Service Based Operating Budget

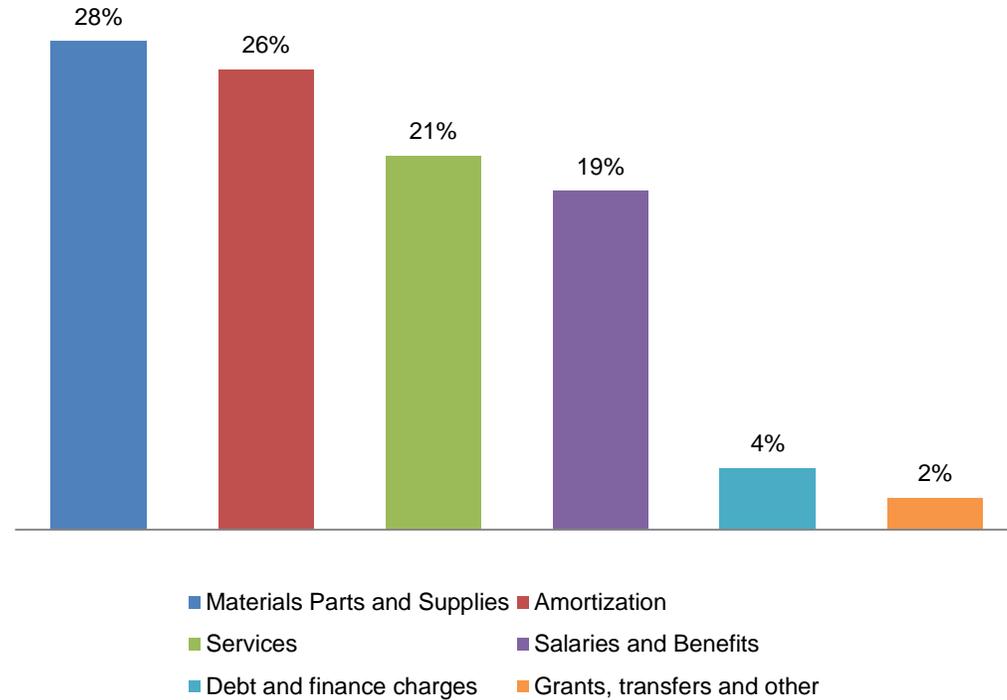
2024 Budget Overview

(Service Based View)

Revenues = \$55.6 million



Expenditures = \$55.5 million



Source: 2024 – 2027 Multi-Year Budget page 131

Comparison of 2023 Adopted Budget to 2024 Preliminary Budget

(Service Based View)

	2023 Adopted Budget	2024 Budget	2024 Increase / (Decrease)			2025 Projection	2026 Projection	2027 Projection
			\$	%	Notes			
In millions of \$								
Revenue	\$ 53.8	\$ 55.6	\$ 1.8	3.3%	1	\$ 57.4	\$ 58.2	\$ 60.6
Expenditure	54.3	55.5	1.2	2.2%	2	57.9	58.4	60.0
Surplus/(Deficit)	\$ (0.5)	\$ 0.1				\$ (0.5)	\$ (0.2)	\$ 0.6

Notes:

1. Revenue is increasing primarily due to increased revenues to offset parts, maintenance and rentals expenses.
2. Expenditures are increasing primarily due to parts, maintenance and rentals expenses.

Source: 2024 – 2027 Multi-Year Budget page 131

Salary Budget and Full Time Equivalents (FTEs) / Vacancy Management / FTE Recoveries

(Service Based View)

2024 - 2027 Operating Budget

	2023 Adopted Budget	2024 Budget	Increase / (Decrease)	2025 Projection	2026 Projection	2027 Projection
Full Time Equivalents <i>(number of FTEs)</i>	110.19	110.19	-	110.19	110.19	110.19
Salaries & Benefits <i>(in millions of \$)</i>	\$ 10.4	\$ 10.7	\$ 0.3	\$ 11.0	\$ 11.3	\$ 11.6

Note 1: Total departmental vacancy management \$148,000 and 1.81 FTEs. 1 FTE is approximately equivalent to \$82,000 for vacancy management in the 2024 budget.

Source: 2024 – 2027 Multi-Year Budget page 81, 131

Service Based Capital Budget

Capital Summary

(Service Based View)

Service (\$000's)	2023 Adopted Budget	2024 Budget	2025 - 2029 Forecast	6-year Total
Fleet Management Agency	16,552	19,174	83,285	102,459

Source: 2024 – 2027 Multi-Year Budget page 321, Supplement to the 2024 Budget pages 294-299

Key Projects in the Funded Capital Submission

(Service Based View)



Fleet Asset Acquisitions
Replacement of fleet vehicles and equipment to provide essential services.
Budget Year(s): 2024-2029
Amount: \$97.368 million

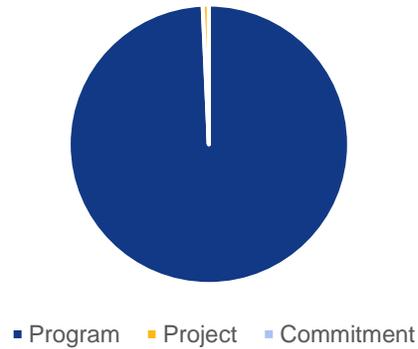


Source: Supplement to the 2024 Budget page 297

Additional Capital Details

(Service Based View)

2024 Composition



The 2024 Budget includes programs (99%) and one project (1%).

The 2024 Light Fleet propane conversion trial project is at a class 3 estimate. A class 3 estimate is the accepted level of accuracy required for a project budgeted in the current year and construction cannot commence until that level of accuracy has been obtained.

Source: 2024-2027 Multi-Year Budget on page 86

Capital Budget Changes

(Service Based View)

Description (\$000's)	Expln.	2024 Budget	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	2024 to 2028 Total	2029 Forecast	6-year Total	SPAP Action Items
Council Approved Forecast		16,876	16,447	16,447	16,447	16,447	82,664	-	82,664	
<i>Increase / (Decrease) From Forecast:</i>										
Shop Tools & Equipment Upgrades	1	311					311		311	Support service to front line services
Building Renovations	2	(446)					(446)		(446)	Support service to front line services
Fleet Asset Acquisitions	3	2,298	350	350	350		3,348		3,348	Support service to front line services
Light Fleet propane conversion trial	4	135					135		135	Support service to front line services
2029 Submission							-	16,447	16,447	
Total Changes		2,298	350	350	350	-	3,483	16,447	19,795	
PRELIMINARY CAPITAL BUDGET		19,174	16,797	16,797	16,797	16,447	86,147	16,447	102,459	

Variance to forecast explanations:

- Adjusted to reflect immediate need for Shop Equipment primarily located at our Repair and Manufacturing Facilities at 195 and 215 Tecumseh.
- Adjusted to reflect that existing prior years capital funding will be utilized for Building Renovations in 2024.
- Increased in 2024 by \$2.298 million due to increased capital funding to replace annual rentals with owned vehicles (\$1.3 million), funding to address inflation in fleet prices (\$0.5 million) and water service vans (\$0.350 million) and by-law enforcement fleet (\$0.148 million).
- Adjusted to reflect planned trial of propane for Light Fleet to assess performance, suitability as well as fuel cost and ghg emission savings from conversion to propane.

Source: Supplement to the 2024 Budget page 39, 294-299

Capital Budget Referrals

(Service Based View)

No.	Referral Name	Referral Wording	SPC/Council and Date	Included in the Budget	2024	2025	2026	2027	2028	2029	6-Year Total	SPAP Action Items
				Y/N	(\$ 000's)							
1	Budgeting for the Average Cost of Snow Clearing and Ice Control Activities	Option 1, Matching snow clearing level of service on all sidewalks and pathways	Council July 13, 2023	N	11,802						11,802	Support service to front line services
TOTAL CAPITAL BUDGET REFERRALS					11,802	0	0	0	0	0	11,802	

