

EQUIPMENT SERVICES DIVISION

The Equipment Services Division is comprised of three fulltime A.S.E. (Automotive Service Excellence) Certified Master Technicians and one Part-time Data Entry Operator. The Equipment Services Supervisor supervises the Division and provides direction to personnel who are responsible for performing or providing oversight of the following functions, duties and activities:

1. Automotive repairs and maintenance of trucks, tractors, automobiles, fire apparatus and other specialized equipment, for all Village departments (except Recreation), the Glenbard Wastewater Authority (GWA) and the Glen Ellyn Volunteer Fire Company. The majority of all repairs are performed in-house (with the exception of body work and warranty work performed by the authorized dealer). This includes about 85 vehicles for the Village, 20 for the Glenbard Wastewater Authority and 15 for the Fire Company.
2. Emergency twenty-four hour road service.
3. Fuel distribution, monitoring, and underground storage tank (UST) compliance.
4. Maintenance of the computerized fleet maintenance system that tracks all vehicle repairs and preventive maintenance histories as well as parts disbursements and inventories.
5. Preparation of detailed bid specifications for securing new vehicles and equipment.
6. Coordination of the legal disposition of all "out-of-service" Village-owned vehicles and equipment.
7. Acquisition of parts and processing all vendor invoices related to the Division.
8. Maintenance and servicing of all shop equipment and acquisition of approved new items.
9. Snow removal and ice control assistance, storm damage cleanup and emergency flood response, and other emergency operations.

Equipment Services is funded as an internal service fund with each operating division paying an inter-fund transfer amount to the Equipment Services Fund for services, parts and fuel based on the average prior 2-year's history. Equipment depreciation is also charged with amounts paid annually to the Equipment Services Fund in order to accumulate the financial resources needed for orderly equipment replacement when it has reached the end of its economic and/or useful life. The depreciation account does not include vehicles from the Glenbard Wastewater Authority or the Glen Ellyn Volunteer Fire Company.

Equipment Services Accomplishments for FY07/08

1. Equipment Services Technicians maintained their A.S.E. Master Certified status and re-certified in areas where required. All Equipment Service Technicians hold double Master Certifications in the Automobile and Medium/Heavy Duty Truck Classifications. One technician is EVT certified, another tech has added A.S.E. certified truck equipment to his credentials.
2. The Equipment Service Division applied for and met the criteria of the National Institute for

Automotive Service Excellence for the top honor of “Blue Seal of Excellence” for 2007-2008.

3. The Equipment Service Division has continued its endeavor to provide a more efficient fleet of equipment and vehicles that will reduce air pollution and our dependence on foreign oil by utilizing renewable fuel sources. The entire fleet of diesel-powered vehicles and equipment runs on an ultra low sulphur 20% blend of bio-diesel, which is made from soy bean oil. The fleet also has a number of gasoline-powered vehicles that are capable of running on an alternative fuel known as E85, which is made up of 85% ethanol. This is made from corn and is also a renewable fuel source. In FY07/08 Equipment Services replaced three inefficient vehicles with Hybrid cars and SUVs. Hybrid vehicles utilize internal combustion engines coupled with electric generators/motors that drive vehicles with electric power. These vehicles are very fuel-efficient and provide zero-emissions when running on battery power only. The Equipment Service Division is committed to our goal of providing the Village with a “Green Fleet”.
4. Equipment Services developed preventive maintenance (PM) checklists for all new vehicles placed into service.
5. Division personnel tore down old and setup four (4) new marked Police Patrol Cars, one (1) new Police Chief’s Command SUV, one (1) new Deputy Chief’s unmarked car and one (1) Police Patrol Motorcycle. Equipment removed from the old marked squad cars and subsequently installed in the new units included computers complete with mounting stations, Digital Eyewitness Video systems, AVL systems, light bars, communication radios, vehicle partitions, sirens, radars, additional emergency lighting, trunk boxes, electronic weapon racks, all decals, numerals and lettering, and other equipment as required. The new Police Sergeants Command SUV received all of the same equipment as the marked squad cars with the addition of a rear command console and a new low profile, low amp draw, L.E.D. light bar.
6. Equipment Services wrote specifications, advertised, and procured 6 vehicles through the State of Illinois bidding process or through the competitive bidding process for the Glen Ellyn Public Works Divisions. Equipment Services personnel installed vehicle graphics, safety warning lighting, safety equipment, communication radios and any equipment necessary to satisfy the needs of the department on three (3) multi-use 4X4 pick-up trucks, one (1) Public Works Directors vehicle, one (1) Assistant Public Works Directors vehicle and one (1) skid steer loader.
7. Division personnel procured and set up a new Finance Department vehicle which is used for mail delivery and as a general purpose pool car.
8. Division personnel procured and set up a new Facilities Maintenance van which is used by the building maintenance mechanics.
9. The ESD installed a new Poly V-box spreader and controls into a Glenbard Wastewater vehicle. The salt spreader will be used for snow and ice control on and around G.W.A. properties.
10. The ESD tore down and detailed “out of service” vehicles and equipment. The division

provided two technicians and a service truck for the spring and fall Mayors and Managers PW surplus equipment auctions.

11. The ESD researched, developed specifications and oversaw the replacement of the Public Works storage yard gate operator and the wash bay hot water pressure washer.
12. Continued laboratory analysis of lubricants used in the fleet of the Glen Ellyn Police Department and the various departments of Public Works to lower the cost of preventive maintenance and decrease downtime.
13. Required annual line-leak detection testing was performed on (1) gasoline and (1) diesel underground storage tanks.
14. Implemented and followed the established standards for the quality of repairs performed in the department and the accountability of staff time.

Equipment Services Goals for FY08/09

1. The Equipment Service Division will meet the needs of operators and departments in an environmentally friendly way and will provide service in an efficient fiscally responsible manner. Personnel will ensure that the Division operates in a user friendly way and will strive to promote team spirit.
2. Division personnel will continue to improve upon its preventive maintenance programs and through cost-effective measures, maintain the current level of services provided.
3. Preventive maintenance checklists will be periodically reviewed and adjusted according to long-term vehicle & equipment repair and maintenance histories.
4. Conduct research in conjunction and cooperation with all Village departments and divisions for which the acquisition of new or the replacement of existing vehicles and equipment are scheduled during the fiscal year to ensure that accurate and detailed bid specifications are properly prepared. As delivery of these vehicles and equipment occur, Division personnel will install all specialized equipment and perform any other tasks necessary to place these vehicles into service.
5. Perform the annual teardown of old and setup of new police squad cars.
6. Continue to ensure that the Division's facility is in full compliance with all environmental-related laws and mandates. Reexamine all practices and procedures to ensure that the Division continues to operate in full compliance with all laws and mandates and in an environmentally safe manner. The ESD is going to oversee the replacement of the UST monitoring system, the repair of the UST sumps/manholes, and the repair of the shop Monoxivent exhaust system.
7. Mechanic training will continue with both fee-based and free training courses offered by the National Association of Fleet Administrators (NAFA), Elgin Sweeper Company, Navistar Company, Allison Transmission, Emergency (fire) Vehicle Technician (EVT), Municipal Fleet Managers Association, Inland Diesel, etc. Emphasis will focus on Division personnel studying for and taking EVT certification tests (fire equipment) during the course of the fiscal year as well as Automotive Service Excellence (ASE) certifications.

8. Continue to perform cost effective tasks and services in an efficient manner for our customers (e.g., other Village departments and divisions) routinely and as special needs arise.

Annual Funding of Equipment Services Fund

Funding contributions paid into the Equipment Services Fund by user departments are allocated for two basic purposes:

1. **Operations & Maintenance (O&M)** - To pay the costs of routine, on-going maintenance and preventative maintenance of the Village's fleet and other major equipment. These costs generally include maintenance staff salaries and benefits, parts purchases, outsourced major maintenance and fuel costs.

Total budgeted O&M costs of the Fund are contributed by user departments based on their proportionate share of costs incurred in the prior fiscal year.

2. **Equipment Replacement** - Each user pays into the depreciation/replacement account the total estimated replacement value of their equipment assets over their estimated useful/economic life. For example, a newly purchased vehicle may have an initial cost of \$20,000 and an estimated useful life of 4 years. Assuming an increase in replacement cost of 3% each year, over the 4 year estimated life of the vehicle, the expected replacement value would be 112% of its original cost or \$22,400. Based on this replacement cost, a total of \$5,600 will be deposited into the replacement account each year for the next 4 year period, at the end of which, the total replacement cost of the vehicle will be available to purchase the replacement vehicle.

Annual Funding Adjustment

Operations and Maintenance (O&M) - To avoid the accumulation of unneeded O&M cash reserves above the established 25% reserve level, an adjustment is made each year which increases or reduces the amount contributed by user Funds/Departments for the upcoming budget by the amount of any net O&M surplus or deficit from the most recently completed fiscal year.

Equipment Replacement – Each year, the net proceeds received from the sale of disposed vehicles will be applied against the scheduled contributions by user Funds/Departments for the upcoming budget year.

A review of FY06/07 actual revenues and expenditures shown below indicates that O&M revenues exceeded O&M Fund expenditures by \$29,292. This is shown as follows:

	FY06/07 Actual Results		
	<u>O&M</u>	<u>Replacement*</u>	<u>Total</u>
Revenues	\$906,846	\$ 431,700	\$1,338,546
Expenditures	<u>(811,755)</u>	<u>(360,429)</u>	<u>(1,172,184)</u>
Surplus / (Use of Cash)	<u>\$95,091</u>	<u>\$71,271</u>	<u>\$166,362</u>

** It is normal to experience regular surpluses or deficits in the replacement portion of the fund. This is due to the annual variability in scheduled replacements of various pieces of equipment. It is important to maintain a minimum working cash balance equivalent to at least the total accumulated depreciation contributions in the fund to ensure its long-term ability to purchase replacement equipment as scheduled.*

The calculation of O&M costs to be contributed by user departments for FY08/09 and the previous fiscal year is shown below:

	<u>FY07/08</u> <u>Budget</u>	<u>FY08/09</u> <u>Budget</u>
Total Equipment Services Expense Budget	\$1,233,700	\$1,497,200
Less: Vehicle Replacements (funded through accumulated depreciation)	<u>(353,000)</u>	<u>(568,000)</u>
Amount to be Contributed for O&M	\$880,700	\$929,200
Less: Interest Income	(129,500)	(83,400)
Sale of Replaced Vehicles	0	(50,000)
Fuel Purchased by Park District	(48,000)	(55,000)
Prior Year O&M Surplus Credit	(48,200)	(95,100)
Use of Cash – O&M Reserves	0	0
Amount to be Contributed by User Departments for O&M**	<u>\$655,000</u>	<u>\$645,700</u>

** This amount is then allocated to user departments based on their percentage use of the “garage” for the prior two fiscal years.

Minimum Cash Reserve Policy

The total accumulated cash balances in the Equipment Services Fund as of May 1, 2007 was \$2,677,000. Taking into account projected cash inflows and outflows for the current 2007/08 and next 2008/09 fiscal years, the cash balance at April 30, 2009 is projected to be \$2,473,000.

Minimum cash balances for this fund should be no less than the accumulated contributions into the equipment replacement account plus 25% of budgeted operating expenditures of the O&M component of the fund. Projected minimum cash reserves for FY07/08 are identified as follows:

Total Projected Available Cash 5-1-09	\$2,473,000
Reserve for Equipment Replacement	(1,970,000)
Reserve for Operations (O&M) 25%	<u>(232,000)</u>
Minimum Cash Reserve Balance Needed	<u>\$2,202,000</u>
Projected Unrestricted Cash on 5-1-09 over minimum cash reserves needed	<u>\$ 271,000</u>