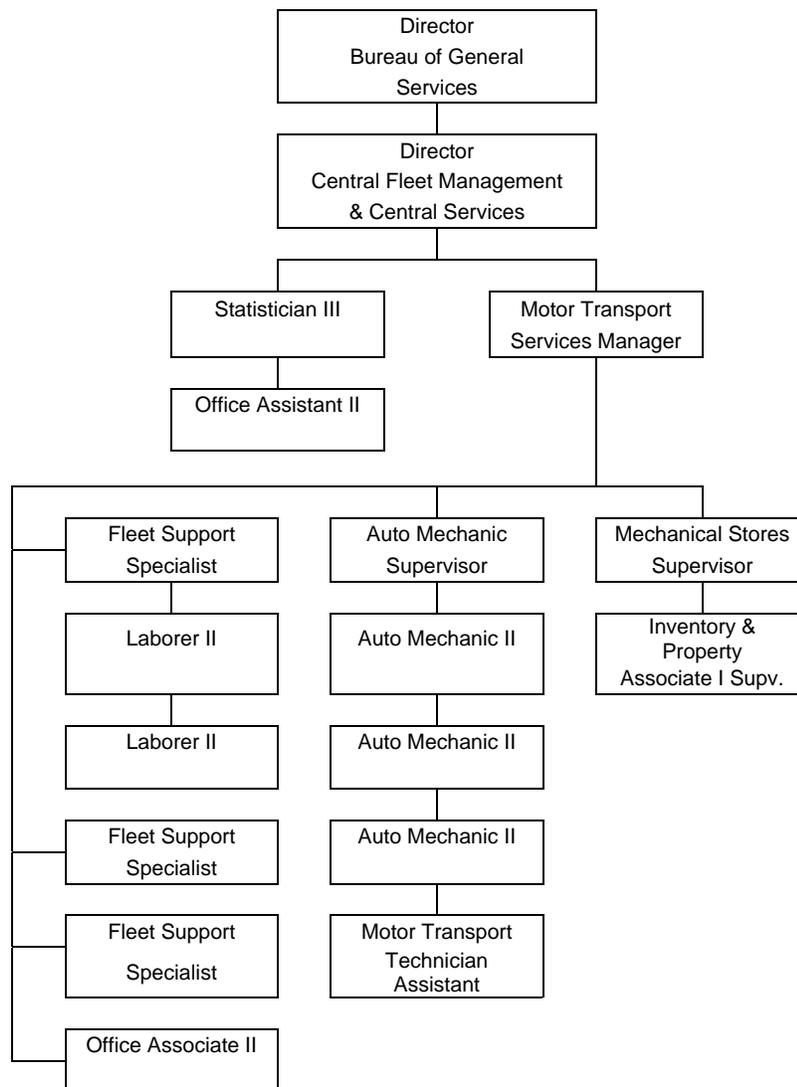


# Central Fleet Management

## Mission Statement

Central Fleet Management (CFM) was established by the Legislature in 1991 to centrally procure, distribute, and dispose of passenger and light truck vehicles. These vehicles are available for employees on official state business. CFM provides long term transportation with a vehicle lease program and short term transportation with a daily rental program. CFM handles many aspects of vehicle services including writing vehicle specifications, ordering vehicles, providing drivers with maintenance schedules, service assistance, fueling resources, insurance protection, accident information processing and works with agencies to reduce transportation costs. CFM pays for these normal expenses associated with the vehicles and charges regularly scheduled fees to cover the services provided. Detailed usage data and costs are maintained for use in budgeting, cost analysis, and reporting to using agencies and the legislature.

## Org Chart



# Central Fleet Management Lease Vehicle Rate Schedule

Each vehicle has a separate rate comprised of two costs, a fixed cost and a rate per mile based on vehicle type and miles driven.

## The fixed cost is broken into three pieces:

### **Capitalization/Depreciation**

Capitalization is generally recovered over first 4 years and is based on the original cost of the vehicle minus salvage value plus debt service (interest). We refer to this as Cycle 1.

Salvage value is based on prior year vehicles sold through State Surplus.

Debt Service is based on the actual cost to borrow funds. Last years rate was 1.63%

Upon recuperation of the original capitalization charge, vehicles are converted to Cycle 2 which reduces the fixed costs to charge a depreciation or usage charge as approved by the federal government. This rate is 6.667% of the vehicles original purchase cost.

### **+ Insurance**

Insurance is based on actual cost by vehicle type charged by Risk Management.

### **+ Overhead**

Overhead charged by CFM is based on personal services, accounting services, equipment, utilities, supplies and STA Cap.

**= Total Fixed Cost**

## The rate per mile is made up of two pieces:

### **Cost for fuel (based on current costs and MPG)**

The price per gallon charged each month is based on actual cost paid by CFM for the month billed.

Each vehicle has its own MPG and is analyzed yearly to appropriately charge each vehicle for fuel costs.

### **+ Cost for maintenance (based on vehicle type)**

Maintenance charges are based on historical costs categorized by vehicle type.

**= Total Cost Per Mile**

## State Vehicles by Department

Attachment A is a vehicle summary of the Title 5, section 7-A (3) report that is submitted to the Joint Standing Committee on Appropriations and Financial Affairs in January of each year for State vehicles. In December of each year Central Fleet Management provides each agency a list of vehicles showing current data in our system and request that agencies 1) confirm the accuracy of this data, as well as updating the "Purpose or Function" column and 2) adding any other state owned vehicles within their agency as of December 17, 2010. The detail with assigned driver was provided to you electronically.

Attachment B contains a CFM vehicle inventory summary by Department as of September 13<sup>th</sup> 2011. The detail with assigned driver and a summary by Department Bureau was provided to you electronically.

## Reducing Mileage Reimbursement to State Employees

Over the last 7 years Central Fleet Management has issued over 230 vehicles to reduce the number of employees receiving mileage reimbursement and reducing the travel costs to the agency.

Data provided by the Controllers Office shows that mileage reimbursement has been reduced by over 8,000,000 miles or 34 percent when compared to FY2004 (attachment C). It was reduced by over 900,000 miles or 5.7 percent in FY2011, when compared to FY2010 (attachment D). Attachment D also shows that there was an overall reduction of 1,000,000 miles traveled by State agencies from FY2010 to FY2011.

	Total Cost	Miles Driven
FY2004	\$7,469,381	23,341,816
FY2005	\$7,283,985	22,130,200
FY2006	\$7,409,138	21,216,479
FY2007	\$7,365,006	19,947,924
FY2008	\$7,686,335	19,215,837
FY2009	\$7,381,467	17,196,568
FY2010	\$7,158,949	16,270,338
FY2011	\$6,749,678	15,340,178

For an example, on the 2009 Central Fleet Management vehicle order, over 75 vehicles were purchased and assigned to employees that were being reimbursed for State travel by paid mileage. Thru July 2011 these vehicles have been in service for a average of 23 months and based on the current paid mileage rate of \$0.44 these vehicles have saved agencies over \$269,000. The average cost per mile to operate these vehicles has been \$0.33.

Central Fleet Managements billing data shows savings of;  
\$34,916 in Dedicated accounts  
\$13,311 in Federal accounts  
\$102,448 in General Fund  
\$119,084 in the Highway Fund

The cost saving to agencies for using passenger cars from CFM, when compared to employees being reimbursed for using their own vehicle in FY11 was just under \$1,000,000 with total miles driven of 9,577,265. Attachment E graph shows the savings and miles driven from FY2007 thru FY2011 compared to the paid mileage rate of 44 cents per mile.

**State of Maine**  
**2010 Annual Report of State Owned Vehicles**  
**For Compliance With Title 5, Section 7-A, Subsection 3**

Agency Name	Vehicle Count
Agriculture	66
Attorney General	11
Corrections	232
Administrative & Financial Services	276
Defense	67
Environmental Protection	130
Health & Human Services	140
Conservation	302
Transportation	1027
Economic & Community Development	2
Education	26
Executive	3
Inland Fisheries & Wildlife	231
Labor	25
Marine Resources	114
Professional & Financial Regulation	22
Public Safety	604
Public Utilities	4
Secretary of State	70
<b>Total</b>	<b>3352</b>

# Central Fleet Management

## Vehicle Count by Agency Name

9/13/2011

Agency Name	Vehicle Count
Administrative & Financial Services	192
Agriculture	67
Attorney General	11
Baxter School	10
Conservation	297
Corrections	197
Defense	34
Eastern Maine Community College	8
Economic & Community Development	2
Education	2
Environmental Protection	150
Executive	4
Finance Authority of Maine	2
Health & Human Services	152
Inland Fisheries & Wildlife	210
Kennebec Valley Community College	2
Labor	25
Legislature	1
Maine School of Science & Math	5
Maine State Housing Authority	12
Marine Resources	121
Northern Maine Community College	8
Professional & Financial Regulation	22
Public Safety	85
Public Utilities	4
Secretary of State	70
Southern Maine Community College	6
Transportation	343
Washington County Community College	3
<b>Total</b>	<b>2045</b>

***Paid Mileage Reimbursed by Agency Name  
FY2004 vs FY2011***

<b>Agency Name</b>	<b>FY2004 Miles Driven based on Expended Amount</b>	<b>FY2011 Miles Driven based on Expended Amount</b>	<b>Mileage Difference</b>	<b>Percent of Change</b>
Administrative & Financial Services	541,224	523,384	-17,840	-3.3%
Agriculture	313,693	180,164	-133,528	-42.6%
Attorney General	253,090	236,457	-16,633	-6.6%
Audit	5,354	1,723	-3,631	-67.8%
Conservation	175,815	123,691	-52,124	-29.6%
Corrections	1,196,197	567,110	-629,087	-52.6%
Courts	1,309,775	1,198,107	-111,667	-8.5%
Economic & Community Development	99,235	53,703	-45,532	-45.9%
Education	416,010	268,940	-147,071	-35.4%
Environmental Protection	136,849	46,371	-90,478	-66.1%
Executive	73,108	49,120	-23,989	-32.8%
Human Services	9,637,190	6,417,603	-3,219,587	-33.4%
Inland Fisheries & Wildlife	129,109	101,942	-27,167	-21.0%
Labor	1,525,517	1,000,105	-525,412	-34.4%
Law Library	710	597	-113	-15.9%
Legislature	261,827	182,736	-79,091	-30.2%
Marine Resources	60,701	31,210	-29,491	-48.6%
Military Bureau	95,194	73,572	-21,622	-22.7%
Professional & Financial Regulation	428,801	368,437	-60,365	-14.1%
Public Safety	32,279	16,526	-15,753	-48.8%
Public Utilities Commission	74,493	10,641	-63,853	-85.7%
Quasi State Agencies, Boards, Misc.	328,068	236,383	-91,685	-27.9%
Secretary of State	100,504	65,564	-34,940	-34.8%
Transportation	6,146,221	3,585,758	-2,560,462	-41.7%
Treasury	852	334	-518	-60.8%
<b>Grand Total</b>	<b>23,341,816</b>	<b>15,340,178</b>	<b>-8,001,639</b>	<b>-34.3%</b>

# Mileage Comparison FY2010 to FY2011

Agency Name	Rental		Lease		Paid Mileage		Total		Percentage FY2011 vs. FY2010 Difference	
	FY2010 Mileage	FY2011 Mileage	FY2010 Mileage	FY2011 Mileage	FY2010 Mileage	FY2011 Mileage	FY2010 Totals	FY2011 Totals		
Administrative & Financial Services	77,182	36,412	982,510	1,032,823	562,011	523,384	1,621,703	1,592,619	-29,084	-1.8%
Agriculture	23,358	18,523	1,184,091	1,149,709	182,037	180,164	1,389,486	1,348,396	-41,090	-3.0%
Attorney General	67,934	85,325	223,197	169,305	258,015	236,457	549,146	491,087	-58,059	-10.6%
Audit	2,343	2,020	0	0	1,315	1,723	3,658	3,743	85	2.3%
Conservation	17,389	14,004	3,591,010	3,572,217	112,645	123,691	3,721,044	3,709,912	-11,132	-0.3%
Corrections	13,506	16,912	1,843,743	1,824,555	542,594	567,110	2,399,843	2,408,577	8,734	0.4%
Courts	18,309	8,442	0	0	1,169,200	1,198,107	1,187,509	1,206,549	19,040	1.6%
Economic & Community Development	7,216	6,670	33,570	16,731	72,199	53,703	112,985	77,104	-35,881	-31.8%
Education	76,973	88,110	20,889	20,548	292,902	268,940	390,764	377,598	-13,166	-3.4%
Environmental Protection	5,973	3,902	1,723,254	1,655,822	23,726	46,371	1,752,953	1,706,095	-46,858	-2.7%
Executive	8,044	9,049	66,225	74,613	38,300	49,120	112,569	132,782	20,213	18.0%
Human Services	145,106	191,927	1,812,688	1,754,545	6,675,731	6,417,603	8,633,525	8,364,075	-269,450	-3.1%
Inland Fisheries & Wildlife	9,682	9,907	3,743,030	3,717,877	117,277	101,942	3,869,989	3,829,726	-40,263	-1.0%
Labor	86,581	56,720	411,151	438,956	1,044,112	1,000,105	1,541,844	1,495,781	-46,063	-3.0%
Law Library	0	0	0	0	1,038	597	1,038	597	-441	-42.5%
Legislature	50	811	927	1,730	247,847	182,736	248,824	185,277	-63,547	-25.5%
Marine Resources	561	7,670	1,791,205	1,815,601	42,681	31,210	1,834,447	1,854,481	20,034	1.1%
Military Bureau	0	1,860	363,706	367,458	56,693	73,572	420,399	442,890	22,491	5.3%
Professional & Financial Regulation	4,527	9,393	515,071	511,412	362,700	368,437	882,298	899,242	6,944	0.8%
Public Safety	2,537	12	1,377,342	1,417,147	11,345	16,526	1,391,224	1,433,685	42,461	3.1%
Public Utilities Commission	4,640	369	89,233	73,294	12,268	10,641	106,141	84,304	-21,837	-20.6%
Quasi State Agencies, Boards, Misc.	73,960	59,149	639,608	628,190	217,631	236,383	931,199	923,722	-7,477	-0.8%
Secretary of State	748	1,267	1,081,617	1,060,535	55,127	65,564	1,137,492	1,127,366	-10,126	-0.9%
Transportation	128,366	132,070	5,546,856	5,669,026	4,170,756	3,585,758	9,845,978	9,386,854	-459,124	-4.7%
Treasury	0	0	0	0	189	334	189	334	145	76.7%
<b>Totals</b>	<b>774,985</b>	<b>760,524</b>	<b>27,040,923</b>	<b>26,972,094</b>	<b>16,270,339</b>	<b>15,340,178</b>	<b>44,086,247</b>	<b>43,072,796</b>	<b>-1,013,451</b>	<b>-2.3%</b>

62.6%

1.8%

35.6%

FY10 Lease Mileage includes DOT miles driven for their Light Duty Fleet from July - October prior to merging with CFM  
 CFM 4,186,149  
 DOT 1,360,707  
 5,546,856

### Annual Savings of CFM Cars vs. Reimbursement Rate

