



CITY COUNCIL REPORT

Date April 28, 2009

TO: John Szerlag, Acting City Manager

FROM: Brian Murphy, Asst. City Manager Economic Development and Services
Gary Mayer, Police Chief
William Nelson, Fire Chief
Timothy Richnak, Public Works Director

SUBJECT: Vehicle Allowance and City Vehicles Use between Home and Duty Station

Background:

- Vehicle allowance for the use of personal vehicles on city business was analyzed and placed into effect. Details of the vehicle allowance are attached in Administrative Memorandum 1-P-80
- Use of City-owned vehicles are governed in the attached Administrative Memorandum 1-P-65

Financial Considerations:

- Current financial considerations in comparison are as follows for the Vehicle Allowance.
 - Each of the 19 qualifying positions has been receiving the vehicle allowance. The average allowance paid annually per eligible position is \$4,404. The corresponding fully burdened costs to provide a vehicle are as follows. A green vehicle annual cost is \$9,984 with an hourly rate of \$4.80 and a traditional vehicle annual cost is \$8,050 with an hourly rate of \$3.87/hr.
 - To purchase 19 vehicles to repopulate the fleet if the vehicle allowance Ad memo were to be rescinded is estimated to be \$20,000 per vehicle or a total of \$380,000.
- Current City Vehicle Use between Home and Duty Station are attached (Take Home Vehicle Inventory)
 - Each of these vehicles are used by Police and Fire staff that are deemed to require having a vehicle available for after hours duty on a frequent or emergency call-out basis or reasons that otherwise justify such use by the Police Chief and Fire Chief.

Take Home Vehicle Inventory

Vehicle Number	Year	Make	Dept	Rental Rate Per Hour
0060	2002	CHEV	FIRE	\$5.04
0061	2002	CHEV	FIRE	\$5.04
0062	2003	CHEV	FIRE	\$5.04
0063	2003	CHEV	FIRE	\$5.04
0064	2004	FORD	FIRE	\$4.80
0065	2005	FORD	FIRE	\$4.80
0066	2006	FORD	FIRE	\$4.80
0067	2007	FORD	FIRE	\$4.80
0068	2008	FORD	FIRE	\$4.80
0069	2008	FORD	FIRE	\$4.80
0075	2000	FORD	FIRE	\$4.80
0077	2002	FORD	FIRE	\$4.80
0818	2001	DODGE	POLICE	\$3.34
0820	2001	FORD	POLICE	\$3.34
0821	2001	CHRYSL.	POLICE	\$3.34
0832	2002	CHRYSL.	POLICE	\$3.34
0833	2003	PONTIAC	POLICE	\$3.34
0834	2004	DODGE	POLICE	\$3.34
0839	2004	CHEV	POLICE	\$6.02
0840	2004	PONTIAC	POLICE	\$3.34
0841	2004	PONTIAC	POLICE	\$3.34
0845	2005	PONTIAC	POLICE	\$3.34
0846	2006	DODGE	POLICE	\$3.34
0847	2005	CHEV	POLICE	\$3.34
0849	2006	DODGE	POLICE	\$3.34
0851	2006	FORD	POLICE	\$4.90
0852	2007	CHRYSL.	POLICE	\$3.34
0853	2007	JEEP	POLICE	\$4.90
0855	2007	FORD	POLICE	\$3.34
0857	2008	FORD	POLICE	\$3.34
0858	2008	GMC	POLICE	\$4.90
0859	2008	PONTIAC	POLICE	\$3.34
0860	2008	PONTIAC	POLICE	\$3.34
0861	2008	CHEV	POLICE	\$5.26
0910	2007	FORD	POLICE	\$5.99
0920	2000	GMC	POLICE	\$5.99
0948	2001	FORD	POLICE	\$5.99
0982	2004	FORD	POLICE	\$5.99

Note: 38 Assigned take home vehicles

Prepared by: Samuel P. Lamerato, Superintendent Fleet Maintenance



City of Troy

ADMINISTRATIVE MEMORANDUM

SUBJECT: Vehicle Allowance for the use of Personal Vehicles on City Business		
DATE OF ORIGINAL ISSUE: October 4, 1996	EFFECTIVE DATE: March 3, 2003	NUMBER: 1-P-80
RE-EVALUATION DATE: October 1, 2000	RESCINDS:	LAST REVISION DATE: October 1, 1999
DISTRIBUTION: Department Directors and Employees who have Assigned Vehicles		

An evaluation of staff vehicle costs resulted in a unique opportunity for savings by the City and employees who now are allowed to take City cars home. Both the City and employees will benefit from a choice in how City-related automotive transportation is conducted.

Employees who are assigned vehicles are eligible to choose between the present method of providing them as outlined in Administrative Memorandum 1-P-65 or a vehicle allowance for the use of their personal vehicle on City Business.

Positions eligible for this program:

- Assistant City Manager
- City Assessor
- City Attorney
- City Engineer
- City Manager
- Community Affairs Director
- Deputy City Engineer
- Director of Building & Zoning
- Human Resources Director
- Parks and Recreation Director
- Planning Director
- Public Works Director
- Real Estate & Development Director
- Director of Building Operations
- Superintendent of Fleet Maintenance
- Superintendent of Parks & Recreation
- Superintendent of Public Grounds
- Superintendent of Streets & Drains
- Superintendent of Water & Sewer

Those employees who choose this alternative will be required to use their personal vehicles for all normal daily City business. More clearly, driving your personal vehicle to work while receiving a stipend and then utilizing a City-owned vehicle during the day is not permitted.

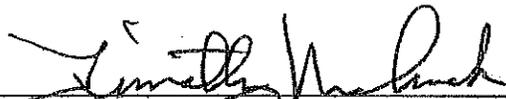
Radios, cell phones, additional communication devices or tools may be required by the City to be carried in a personal vehicle. Items requiring installation will be at City expense but are the responsibility of the employee.

Annual mileage reports will be made to meet IRS requirements. The employee is responsible for any tax liability, and all other IRS requirements for reporting and record keeping.

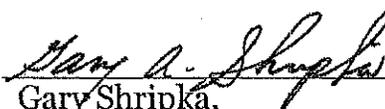
The employee will be required to utilize a personal vehicle that is in reliable working order and presentable condition. The City Manager has final discretion in approving the condition of personal vehicles used for City business.

A monthly direct stipend payment to an eligible employee will be made the first day of each month. Those eligible, living in the City as well as the Assistant City Managers, will receive \$425; those eligible, living outside the City, will receive \$325. Annually, the Fleet Maintenance Superintendent will review the stipend based from nationally published and recognized automotive operating costs. The City Manager will review the Fleet Maintenance Superintendents evaluation and establish new rates at his discretion.

It is the policy of the City of Troy to minimize the number of administrative vehicles in its fleet without adversely affecting service capabilities.

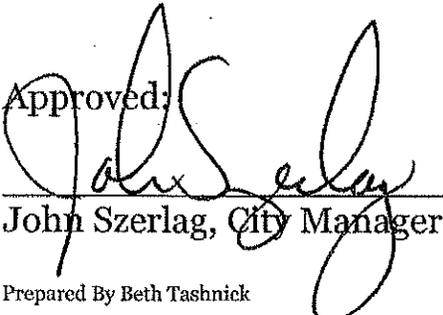


Timothy Richnak,
Public Works Director



Gary Shripka,
Assistant City Manager/Services

Approved:



John Szerlag, City Manager

Prepared By Beth Tashnick