



## PRESS RELEASE

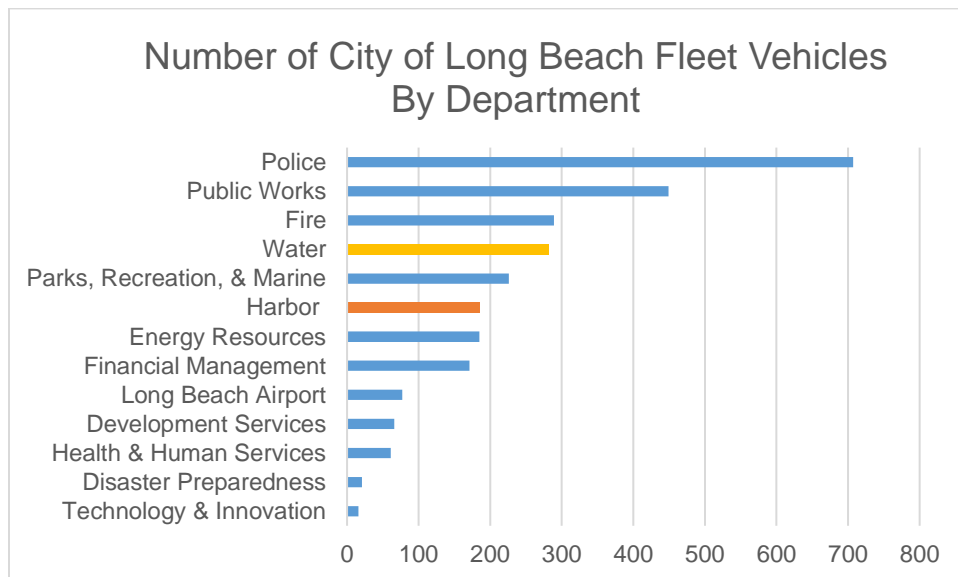
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For Immediate Release

### Long Beach City Audits on Fleet Operations Find Improvements to Ensure Vehicles Are Used as Intended, Budgeted for Appropriately & Maintained Effectively

Long Beach, CA – Long Beach City Auditor Laura Doud today released three performance audits on Fleet Operations in the [City of Long Beach \(City\)](#), the [Harbor Department](#) and the [Water Department](#) conducted by Matrix Consulting Group on behalf of the City Auditor’s Office. Fleet Operations, with an annual operating budget of over \$35 million and a total replacement value of over \$244 million, provides purchasing, preventative maintenance, unscheduled repairs, and fueling services for over 2,700 vehicles and equipment as detailed in the graph below.



\*The chart above includes fleet vehicles and equipment assigned to City departments. The City's fleet operation is in the Financial Management Department and Harbor and Water Departments have their own fleet operations.

The focus of the audits was on the changes necessary to improve Fleet Operations. The audits found Fleet Operations exhibit industry best practices with dedicated staffs, however improvements can be made to ensure vehicles are used as intended, budgeted for appropriately, and maintained effectively.

The City, Harbor Department, and Water Department were appreciative of the audits’ recommendations as they aligned closely with Fleet Operations’ mission and goals. The following are four of the main areas of recommendations:

1. **Governance** - to ensure that organization and policies create an efficient Fleet Operation:
  - Reinstate a Fleet Steering Committee, with dedicated fleet representatives from departments or divisions, to meet at least annually to share information on vehicle acquisition, safety, replacement planning, and sustainability
  - Enhance the Take Home Vehicle policy by adding requirements for applicants, such as providing proof of how many calls they respond to monthly, and enforce the stipulation that take home vehicles are not being used for personal use by conducting spot checks of vehicle locations and mileage through GPS
  - Develop a Driver’s Handbook to centralize key driver responsibilities and a place for drivers to sign to acknowledge compliance annually

2. **Vehicle Utilization** - to ensure that fleet is the right size and composition to support operations:
  - Review vehicle utilization to capitalize on the potential immediate savings of nearly \$600,000 from eliminating or replacing vehicles based on low usage
  - Re-evaluate the use of 50 identified City vehicles which have been impacted by COVID to determine whether the vehicles are still needed and if there are potential savings from this review
3. **Replacement Planning** - to ensure replacement funds are appropriately accounted for and increased as needed as departments pay into Fleet Operations for vehicles that operate at an optimum lifecycle, are reliable, sustainable, and safe:
  - Ensure funding adequately supports the ten-year replacement fund as the City's Fleet Operation is in a five year catchup with a fleet which has an average vehicle age of 9 years and 17% of vehicles are over 15 years old
  - Create appropriate replacement funds and increase funds as necessary for grant-funded, donated, and electric vehicles
4. **Maintenance** - to ensure fleet is operating at its optimal performance while minimizing costs:
  - Analyze the number of mechanics, their salaries, and their training to help retain staff needed for maintenance

"I commend the Fleet Operations' commitment to safety, reliability, and cost effectiveness," said Long Beach City Auditor Laura Doud. "I am pleased that the departments agreed with a majority of the recommendations as Fleet Operations touches nearly every department and is essential to carrying out critical services and programs for Long Beach residents."

The City Fleet Management Performance Audit can be viewed [here](#), the Harbor Department Fleet Management Performance Audit can be viewed [here](#), and the Water Department Fleet Management Performance Audit can be viewed [here](#).

#### **About the Long Beach City Auditor's Office**

The Long Beach City Auditor's Office's mission is to make Long Beach better through independent audits and fraud investigations. The Office works to provide assurance City funds are spent as intended, promote transparency and accountability of City operations, and prevent fraud, waste and abuse of City resources. For more information visit [CityAuditorLauraDoud.com](http://CityAuditorLauraDoud.com) and connect with the Office @LBCityAuditor on [Facebook](#), [Instagram](#) and [Twitter](#). Sign up to receive email [updates](#) and download the MyAuditor App at the [App Store](#) or [Google Play](#).

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