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# Internal Service Funds

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# INTERNAL SERVICE FUND SUMMARY

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	FY 2011 Actual	FY 2012 Approved	FY 2013 Approved
<b>Revenues</b>			
Use of Money and Property	202	1,790	1,790
Charges for Services	11,902,880	13,039,084	13,185,559
Recovered Costs	108,952	156,126	103,000
Other Sources and Transfers	0	0	367,751
<b>Total Revenues</b>	<b>12,012,034</b>	<b>13,197,000</b>	<b>13,658,100</b>

	FY 2011 Actual	FY 2012 Approved	FY 2013 Approved
<b>Expenditures</b>			
Personnel Services	3,898,059	4,070,100	3,720,951
Materials, Supplies & Repairs	7,035,399	8,100,020	8,517,007
Contractual Services	1,161,832	964,002	1,307,294
Equipment	17,378	61,878	111,878
All Purpose Appropriations	1,412	1,000	1,000
<b>Total Expenditures</b>	<b>12,114,080</b>	<b>13,197,000</b>	<b>13,658,100</b>

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# STOREHOUSE

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## MISSION STATEMENT

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The mission of the Storehouse is to provide timely materials management support that will facilitate operating departments and bureaus delivery of essential operations and critical citizen services (e.g., fire and paramedical response, water production and distribution, wastewater collection and disposal, storm water control and disposal, and street and bridge maintenance). This includes the provision of general use consumable materials, uniforms, safety equipment, as well as construction, maintenance and high-use office supplies.

## DEPARTMENT OVERVIEW

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The Storehouse provides timely material management in support of all city departments. The Storehouse is managed by the Office of the Purchasing Agent in the Department of General Services.

### Long-Term Goals

- Improve the efficiency and effectiveness of the materials operations and its support to the city

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### Priority: Well-Managed Government

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#### Goal

Improve the efficiency and effectiveness of the materials operations and its support to the city

#### Objective

Re-engineer the materials management operation by maintaining the appropriate level of city supplies within the city's Storehouse

Measure	FY 2010 Actual	FY 2011 Actual	FY 2012 Approved	FY 2013 Approved	Change
Maintain total dollar amount of fiscal sales and transactions	3,778,153	3,707,296	4,000,000	4,000,000	0
Decrease value of the inventory maintained by the Storehouse	1,910,487	1,934,948	1,650,000	1,400,000	-250,000

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## REVENUE SUMMARY

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	FY 2010 Actual	FY 2011 Actual	FY 2012 Approved	FY 2013 Approved
Charges for Services	\$613,462	\$630,259	\$622,000	\$576,800
Total	\$613,462	\$630,259	\$622,000	\$576,800

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## EXPENDITURE SUMMARY

	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Approved</b>	<b>FY 2013 Approved</b>
Personnel Services	\$546,319	\$527,055	\$557,923	\$512,762
Materials, Supplies and Repairs	\$55,102	\$49,451	\$58,604	\$58,565
Contractual Services	\$4,288	\$3,997	\$4,473	\$4,473
All Purpose Appropriations	\$230	\$1,412	\$1,000	\$1,000
<b>Total</b>	<b>\$605,939</b>	<b>\$581,915</b>	<b>\$622,000</b>	<b>\$576,800</b>

## APPROVED FY 2013 BUDGET ACTIONS

- Update personnel expenditures** **FY 2013: (\$52,625)**  
 Technical adjustment to update the department's cost for personnel services. The position count shown in the position summary table reflects updates in staffing due to administrative actions, creation, consolidations, and reorganization efforts. This adjustment reflects the corresponding funding needed in FY 2013 for these actions. The adjustment also reflects rate revisions for contributions related to the Norfolk Employee Retirement System, Virginia Retirement System (VRS) as appropriate, group life insurance and health care premiums. For FY 2013, the approved budget assumes a VRS rate increase from 8.95 percent to 11.74 percent, a group life insurance rate increase from 0.34 percent to 1.19 percent and an increase in health care of 7.7 percent. These are routine actions which occur at the beginning of each budget cycle.
  - Provide two percent general wage increase for employees** **FY 2013: \$7,464** **Positions: 0**  
 Provides the additional funds required for a two percent salary increase as well as the associated fringe benefits.
  - Adjust costs for Fleet expenditures** **FY 2013: (\$39)** **Positions: 0**  
 Technical adjustment to adjust the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.
- |                   |                       |                   |                   |          |
|-------------------|-----------------------|-------------------|-------------------|----------|
| <b>Storehouse</b> | <b>Total FY 2013:</b> | <b>(\$45,200)</b> | <b>Positions:</b> | <b>0</b> |
|-------------------|-----------------------|-------------------|-------------------|----------|

## POSITION SUMMARY

	<b>Pay Grade</b>	<b>Minimum</b>	<b>Maximum</b>	<b>FY 2012 Approved Positions</b>	<b>Change</b>	<b>FY 2013 Approved Positions</b>
Accounting Technician	OPS007	\$26,135	\$41,782	1	0	1
Materials Manager	MAP011	\$53,634	\$85,742	1	0	1
Storekeeper I	OPS005	\$22,427	\$35,853	1	0	1
Storekeeper II	OPS007	\$26,135	\$41,782	5	0	5
Storekeeper III	OPS008	\$28,251	\$45,161	2	0	2
Support Technician	OPS006	\$24,199	\$38,684	1	0	1
<b>Total</b>				<b>11</b>	<b>0</b>	<b>11</b>

# FLEET MANAGEMENT

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## MISSION STATEMENT

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Fleet Management strives to provide quality maintenance and fueling services to all customers, whether internal or external; to ensure safe, operable vehicles and equipment in support of city programs; and to use city resources in the most efficient manner possible.

## DEPARTMENT OVERVIEW

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The Bureau of Fleet Management reports directly to the Director of General Services. Key responsibilities of the Bureau are vehicle maintenance and repair, fueling, replacement analysis, specification review, acquisition, new vehicle preparation, and disposal.

### **Short-Term Objectives**

- Improve customer service through implementing a quality preventative maintenance program
- Re-engineer the fleet maintenance program in order to decrease amount of time vehicles are out of service
- Re-engineer the fleet maintenance program in order to reduce the number of returns to Fleet for similar repairs
- Right size the number of vehicles and equipment in the city's fleet while allowing efficient delivery of services
- Increase number of staff who possess industry certifications and related education
- Reduce the amount of fossil fuel (diesel & gasoline) used by the city's fleet of vehicles and equipment

### **Long-Term Goals**

- Enhance the efficiency of programs and services
- Develop, recruit and retain talented and engaged employees to meet current and future workplace needs
- Enhance efficient use and protection of natural resources and the environment

**Priority: Well-Managed Government**

**Goal**

Enhance the efficiency of programs and services

**Objective**

Improve customer service through implementing a quality preventative maintenance program

<b>Measure</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Approved</b>	<b>FY 2013 Approved</b>	<b>Change</b>
Maintain preventative maintenance compliance rate	93	95	94	94	0
Decrease average number of days out of service for preventive maintenance (new measure)	0	0	0	0	0
Increase percent of customers who rate Fleet Services as meeting or exceeding expectations (new measure)	0	0	0	0	0

**Objective**

Re-engineer the fleet maintenance program in order to decrease amount of time vehicles are out of service

<b>Measure</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Approved</b>	<b>FY 2013 Approved</b>	<b>Change</b>
Establish baseline for total number of unscheduled maintenance jobs (new measure)	0	0	0	0	0
Maintain average number of days out of service for unscheduled maintenance	2	2	2	2	0
Increase vehicle/equipment readiness rate	91	92	92	92	0

**Objective**

Re-engineer the fleet maintenance program in order to reduce the number of returns to Fleet for similar repairs

<b>Measure</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Approved</b>	<b>FY 2013 Approved</b>	<b>Change</b>
Establish baseline for Repair/ Comeback Rate (new measure)	0	0	0	0	0

**Objective**

Right size the number of vehicles and equipment in the city's fleet while allowing efficient delivery of services

<b>Measure</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Approved</b>	<b>FY 2013 Approved</b>	<b>Change</b>
Establish a baseline for decrease or maintain number of city vehicles and equipment (new measure)	0	0	0	0	0

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**Priority: Well-Managed Government**

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**Goal**

Develop, recruit and retain talented and engaged employees to meet current and future workplace needs

**Objective**

Increase number of staff who possess industry certifications and related education

<b>Measure</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Approved</b>	<b>FY 2013 Approved</b>	<b>Change</b>
Increase number of technicians with Automotive Service Excellence (ASE) certifications	13	13	13	15	2

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**Priority: Environmental Sustainability**

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**Goal**

Enhance efficient use and protection of natural resources and the environment

**Objective**

Reduce the amount of fossil fuel (diesel &amp; gasoline) used by the city's fleet of vehicles and equipment

<b>Measure</b>	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Approved</b>	<b>FY 2013 Approved</b>	<b>Change</b>
Reduce quantity of fuel (gallons) used for the city's fleet of vehicles and equipment	2,056,204	2,049,102	2,100,000	2,050,000	-50,000

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**REVENUE SUMMARY**

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	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Approved</b>	<b>FY 2013 Approved</b>
Use of Money and Property	\$1,790	\$202	\$1,790	\$1,790
Charges for Services	\$9,769,999	\$11,272,621	\$12,417,084	\$12,608,759
Recovered Costs	\$152,766	\$108,952	\$156,126	\$103,000
Other Sources and Transfers In	\$3,000,000	\$0	\$0	\$367,751
<b>Total</b>	<b>\$12,924,555</b>	<b>\$11,381,775</b>	<b>\$12,575,000</b>	<b>\$13,081,300</b>

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**EXPENDITURE SUMMARY**

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	<b>FY 2010 Actual</b>	<b>FY 2011 Actual</b>	<b>FY 2012 Approved</b>	<b>FY 2013 Approved</b>
Personnel Services	\$3,311,295	\$3,371,004	\$3,512,177	\$3,208,159
Materials, Supplies and Repairs	\$6,155,553	\$6,985,949	\$8,041,416	\$8,458,442
Contractual Services	\$986,033	\$1,157,835	\$959,529	\$1,302,821
Equipment	\$1,486,086	\$17,378	\$61,878	\$111,878
<b>Total</b>	<b>\$11,938,967</b>	<b>\$11,532,166</b>	<b>\$12,575,000</b>	<b>\$13,081,300</b>

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# APPROVED FY 2013 BUDGET ACTIONS

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- Update personnel expenditures** **FY 2013: (\$43,839)**  
Technical adjustment to update the department's cost for personnel services. The position count shown in the position summary table reflects updates in staffing due to administrative actions, creation, consolidations, and reorganization efforts. This adjustment reflects the corresponding funding needed in FY 2013 for these actions. The adjustment also reflects rate revisions for contributions related to the Norfolk Employee Retirement System, Virginia Retirement System (VRS) as appropriate, group life insurance and health care premiums. For FY 2013, the approved budget assumes a VRS rate increase from 8.95 percent to 11.74 percent, a group life insurance rate increase from 0.34 percent to 1.19 percent and an increase in health care of 7.7 percent. These are routine actions which occur at the beginning of each budget cycle.
- Support two percent general salary increase** **FY 2013: \$49,268** **Positions: 0**  
Provides support for a two percent general wage increase for employees effective July 1, 2012.
- Adjust costs for Fleet expenditures** **FY 2013: \$152,051** **Positions: 0**  
Technical adjustment to adjust the funding needed to support Fleet expenditures based on an annual cost revision calculation. Fleet provides maintenance, fuel, and the management of vehicles for essential operations of the department. This is a routine adjustment which occurs each budget cycle.
- Increase fuel costs for Fleet Maintenance** **FY 2013: \$388,953** **Positions: 0**  
Increase fuel costs for Fleet Maintenance. This increase takes into account the costs for gasoline and diesel prices for the first three quarters of FY 2012.
- Reduce costs for Parts Room inventory** **FY 2013: (\$48,618)** **Positions: 0**  
Reduce inventory costs as part of the efficiency savings associated with contracting out Fleet Maintenance Parts Room. By contracting out the Parts Room, Fleet Maintenance will move to a just-in-time inventory system (preventing inventory from sitting in the warehouse) resulting in the elimination of waste and the build-up of inventory.
- Reduce personnel cost associated with Parts Unit** **FY 2013: (\$309,447)** **Positions: -8**  
Decrease Fleet Maintenance personnel by eight positions associated with the outsourcing of the Parts Room as part of the reorganizational effort. This is an efficiency initiative structured to improve the overall operations of the organization. The position reduction includes filled and vacant positions. Employees displaced as a result of this initiative have been deployed as city employees in another capacity. There were no layoffs as part of this initiative.
- Provide funds for contract costs for parts room** **FY 2013: \$324,000** **Positions: 0**  
Provide funds for the vendor's annual management operating contract of Fleet Maintenance' Parts Room. Under the terms of the contract, the vendor will management all aspects of the Parts Room inventory system including; billing, on-site delivery of parts, and inventory control.
- Adjust costs for Storehouse expenditures** **FY 2013: (\$708)** **Positions: 0**  
Technical adjustment to support expenses related the Storehouse based on an annual cost revision calculation. Storehouse provides equipment, materials, and supplies for essential operations of the department. This is a routine adjustment which occurs each budget cycle.
- Adjust annual GPS service costs for refuse trucks** **FY 2013: \$20,000** **Positions: 0**  
Update annual GPS service costs for refuse trucks as part of Fleet Maintenance technology initiative to improve operational efficiency.



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