

FISCAL YEAR 2009 BUDGET

Fund Summary

Fund Name : Fleet/Equipment Internal Service Fund
Business Area Name : General Debt Services
Fund No./Bus. Area No. : 9002 / 9700

	<u>FY2008 Current Budget</u>	<u>FY2008 Estimate</u>	<u>FY2009 Budget</u>
Beginning Fund Balance	0	0	7,167,867
Current Revenues	<u>27,207,899</u>	<u>28,117,867</u>	<u>23,300,000</u>
Total Available Resources	<u><u>27,207,899</u></u>	<u><u>28,117,867</u></u>	<u><u>30,467,867</u></u>
Maintenance and Operations	6,000,000	700,000	8,217,867
Debt Service and Other Uses	20,250,000	20,250,000	22,250,000
Total Expenditures	<u>26,250,000</u>	<u>20,950,000</u>	<u>30,467,867</u>
Planned Ending Fund Balance	<u>957,899</u>	<u>7,167,867</u>	<u>0</u>
Total Budget	<u><u>27,207,899</u></u>	<u><u>28,117,867</u></u>	<u><u>30,467,867</u></u>

The Fleet/Equipment Internal Service Fund is a new fund created in FY2008. The above summary does not include any FY2007 historical numbers since this is a new fund.

Beginning in FY2008, the acquisition of equipment is to be changed by gradually shifting these costs to the operating budgets in the general fund. Historically, the practice of funding the purchase of equipment with debt has meant each department competed with each other over a limited resource. This practice has also caused equipment purchases to compete with capital project funding. Over the next few years, this dynamic will change to a policy of charging departments for the full cost of their equipment, which will enable better decision-making.

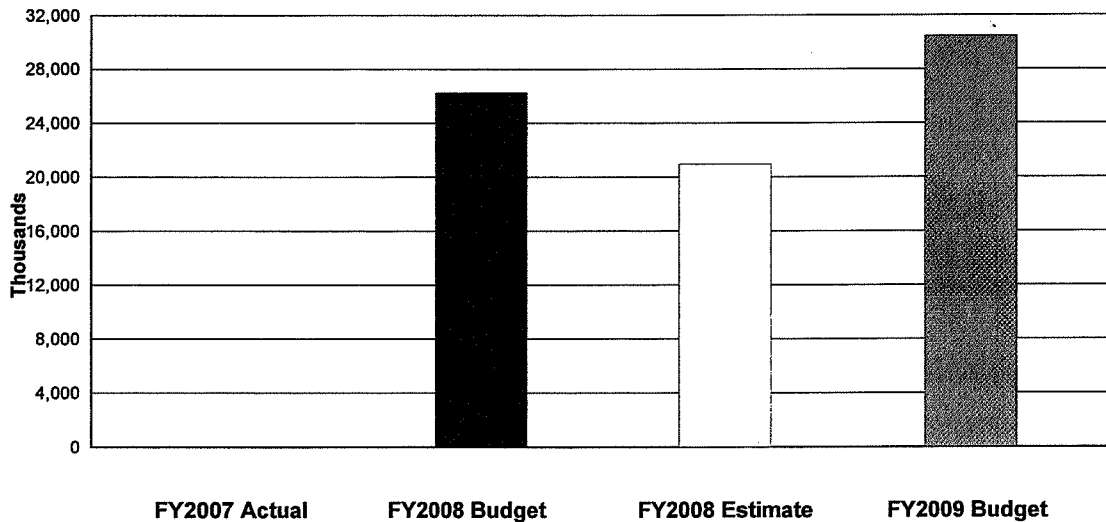
The fund derives its revenues from the transfer of funds that previously went directly to the Debt Service Fund, but now will be transferred to City departments who will then pay the Internal Service Fund for the use of that equipment. The Internal Service Fund will then pay the Debt Service Fund. Initially, the departments will be assessed a capital charge for the use of existing vehicles that still have outstanding debt obligations. This amount will be sufficient to pay the debt service associated with the specific vehicles being utilized. For new vehicles purchased in FY2009, the capital charge will be calculated at the time of purchase and charged to the respective departmental operating budget in the same manner. In the future, this policy will apply to certain information technology equipment.

Departments will also be allowed to purchase additional vehicles they deem necessary, and approved by the General Services Department (the "GSD"), from departmental savings and cost efficiencies. There will be no increase to the departmental operating budgets for these additional vehicles, rather these proven savings will be committed to the payment of the debt service associated with the purchase.

FISCAL YEAR 2009 BUDGET

Business Area Budget Summary					
Fund Name : Fleet/Equipment Internal Service Fund					
Business Area Name : General Debt Services					
Fund No./Bus. Area No. : 9002 / 9700					
		FY2007 Actual	FY2008 Current Budget	FY2008 Estimate	FY2009 Budget
Expenditures	Equipment	0	6,000,000	700,000	8,217,867
	Total M & O Expenditures	0	6,000,000	700,000	8,217,867
	Debt Service & Other Uses	0	20,250,000	20,250,000	22,250,000
	Total Expenditures	0	26,250,000	20,950,000	30,467,867
Revenues		0	27,207,899	28,117,867	23,300,000
Staffing	Full-Time Equivalents - Civilian	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	0.0
	Total	0.0	0.0	0.0	0.0
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	The Fleet/Equipment Internal Service Fund was created in the FY2008 Budget.				
	The Fund allocates and collects the full capital costs and utilization costs of equipment by departments. Funds may be transferred to Fund 9002 for the cash purchase of equipment. Proceeds from the sale and salvage of equipment is deposited in this Fund for the benefit of the particular department.				

**Fleet/Equipment Internal Service Fund
General Debt Services
Expenditure Summary**



FISCAL YEAR 2009 BUDGET

Business Area Cost Center Summary

Fund Name : Fleet/Equipment Internal Service Fund
Business Area Name : General Debt Services
Fund No./Bus Area No. : 9002 / 9700

Cost Center Description	Cost Center Objectives
<p>Debt Service 9700010001</p> <p>Develop and operate an internal service fund for fleet and other equipment. Currently, departments' operating budgets incur the cost of operations, maintenance and fuel costs, and in the future will include capital costs associated with their equipment.</p>	<p>Over a period of time, begin charging departments for the full cost of their equipment. Enable the departments to evaluate the need for new equipment against the other needs of the department</p>

FISCAL YEAR 2009 BUDGET

Business Area Cost Center Summary									
Fund Name : Fleet/Equipment Internal Service Fund Business Area Name : General Debt Services Fund No./Bus Area No. : 9002 / 9700									
Performance Measures	FY2007 Actual			FY2008 Estimate			FY2009 Budget		
	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$	Activities	FTEs	Costs \$
		0.0	0		0.0	20,950,000		0.0	30,467,867
Total		<u>0.0</u>	<u>0</u>		<u>0.0</u>	<u>20,950,000</u>		<u>0.0</u>	<u>30,467,867</u>

FISCAL YEAR 2009 BUDGET

Business Area Revenue Summary

Fund Name : Fleet/Equipment Internal Service Fund
Business Area Name : General Debt Services
Fund No./Bus Area No. : 9002 / 9700

Commit Item	Description	FY2008 Current Budget	FY2008 Estimate	FY2009 Budget
9700010001	Debt Service			
432010	Interest on Pooled Investments	197,626	197,626	150,000
434215	Sale of Non-Capital Rolling Stock	699,890	782,249	900,000
434235	Sale of Capital Assets	60,383	60,383	0
451080	Interfund Billing Fleet	26,250,000	27,077,609	22,250,000
Total Debt Service		<u>27,207,899</u>	<u>28,117,867</u>	<u>23,300,000</u>
Total General Debt Services		<u>27,207,899</u>	<u>28,117,867</u>	<u>23,300,000</u>

FISCAL YEAR 2009 BUDGET

Business Area Expenditure Summary

Fund Name : Fleet/Equipment Internal Service Fund
Business Area Name : General Debt Services
Fund No./Bus. Area No. : 9002 / 9700

Commit Item	Description	FY2007 Actual	FY2008 Current Budget	FY2008 Estimate	FY2009 Budget
560220	Vehicles	0	6,000,000	700,000	8,217,867
Total	Equipment	0	6,000,000	700,000	8,217,867
532050	Trans to PIB Bonds Debt Service	0	20,250,000	20,250,000	22,250,000
Total	Debt Service and Other Uses	0	20,250,000	20,250,000	22,250,000
Grand Total Expenditures		0	26,250,000	20,950,000	30,467,867