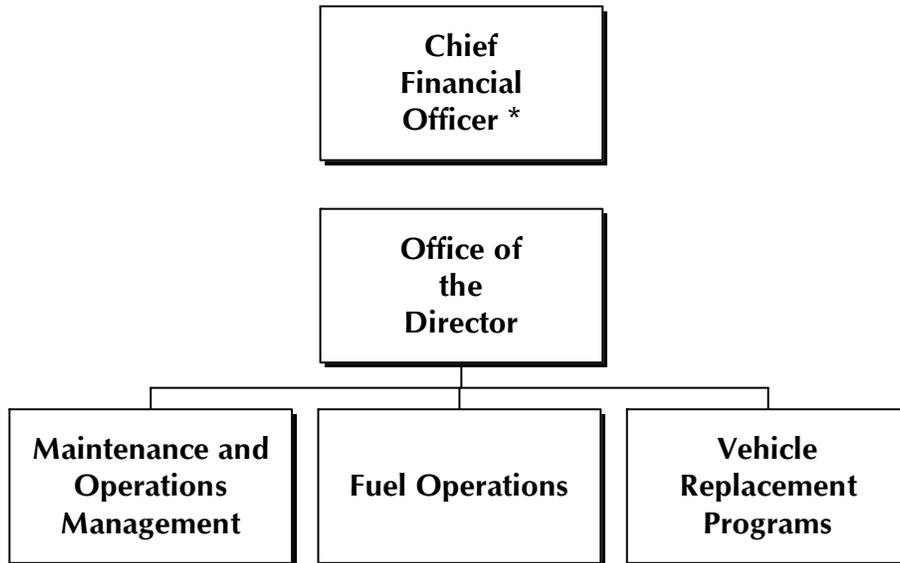


Fund 503

Department of Vehicle Services



* The Chief Financial Officer has responsibility for strategic direction and oversight of this fund; however, for budget purposes, that position and associated funding are reflected within the Department of Management and Budget.

Mission

To establish efficient and effective delivery of fleet services by providing customer agencies with safe, reliable, economical, and environmentally-sound transportation and related support services which are responsive to the needs of customer departments, and which conserve the value of the vehicle and equipment investment.

Focus

The Department of Vehicle Services (DVS) provides management and maintenance services to the County's vehicle fleet and maintenance support to the Fairfax County Public Schools (FCPS). DVS maintains a County fleet of over 5,700 vehicles. It should be noted that "vehicles" includes all types of equipment maintained by DVS including basic cars and trucks, specialized vehicles such as dump trucks and wreckers, and non-motorized equipment such as mowers, snow plow blades, and trailers. DVS does not maintain those vehicles owned by the Fairfax County Water Authority, FASTRAN programs, and FAIRFAX CONNECTOR buses.

The Department has four maintenance facilities. The Jermantown and West Ox facilities are located on the western side of the County, and the Newington and Alban facilities are on the south end of the County. These facilities provide timely, responsive and efficient vehicle repairs/services, including towing and road services at competitive prices.

The County's Vehicle Replacement Fund is managed by DVS. The fund's purpose is to set aside funding over a vehicle's life in order to pay for the replacement of that vehicle when it meets replacement criteria. The current

THINKING STRATEGICALLY

Strategic issues for the Department include:

- Providing high quality vehicle maintenance/repair and fleet management services at a competitive price;
- Ensuring the workforce is properly trained to maintain vehicles with new technology and fuel sources;
- Practicing environmental stewardship through various methods such as using alternative fuels, purchasing lower emission vehicles, and pursuing retrofit and fuel treatment technologies to reduce emissions from the current fleet; and
- Establishing inventory management data and analysis procedures that ensure needed parts are available when required.

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Department of Vehicle Services

replacement criteria include the age, mileage, and condition of the vehicle. This fund is intended primarily for General Fund agencies. As of July 2004, 32 agencies participate in the fund, which includes approximately 2,100 vehicles. Additionally, for the Police Department, DVS manages the Helicopter, Boat and the Police Specialty Vehicle Replacement Funds. DVS also manages an Ambulance and a Large Apparatus Replacement Fund to support the Fire and Rescue Department and a FASTRAN Bus Replacement Fund to support the FASTRAN Program run by the Department of Recreation and Community Services. These funds allow the Police Department, Fire and Rescue Department, and Department of Community and Recreation Services to make flat fixed payments into their respective funds to ensure that funds are available for a regular replacement program.

DVS manages the County's fuel program, including maintenance of the County's 47 fuel sites. These sites are primarily located at police stations, fire stations, schools, DVS maintenance facilities and Public Works facilities.

Other services provided by DVS include: emergency roadside repair; oversight and records maintenance, including performing security administration for the County's Fleet Maintenance System; operation of the County's motor pool; technical support/review specifications and purchase requests for County vehicles and related equipment.

A major area of concern for the Department is that the Washington DC Metropolitan area is in non-attainment for the National Ambient Air Quality Standard (NAAQS) for ground-level ozone. The US Environmental Protection Agency (EPA) has also proposed to fine the areas in non-attainment of the NAAQS for particulate matter. Fairfax County has numerous initiatives underway to promote cleaner air, as well as to maintain and improve all other ecological resources. As part of meeting these goals, DVS began a strategy to reduce vehicle emissions in the County by phasing in ultra low sulfur diesel, retrofitting the County and FCPS diesel fleet with Diesel Oxidation Catalysts (DOC) and performing authorized reprogramming of certain diesel engine control modules (ECM). The DOC will reduce the emissions of particulate matter, hydrocarbons (an ozone precursor) and carbon monoxide. The ECM reprogramming will reduce emissions of oxides of nitrogen (another ozone precursor). DVS has also begun specifying that diesel engines in new highway vehicles that comply fully with the latest EPA emissions standards will be favored in bid evaluations over those that use any of several phase-in policies in order to be certified without fully complying. The total cost of the diesel emissions reduction strategy project is estimated between \$7 and \$8 million, of which \$4.5 million has already been identified, including \$2 million appropriated by the Board as part of the *FY 2003 Carryover Review*, the utilization of \$1 million awarded to the County through the Virginia Power Settlement grant, and the use of \$1.5 million in State Aid and Gas Tax funds to retrofit the FAIRFAX CONNECTOR fleet with diesel particulate filters. DVS will continue to explore other grant opportunities with the EPA as they become available.

In addition, as part of a larger County effort to promote cleaner air, as well as maintenance and improvement of all other ecological resources, DVS will continue to increase the size of the hybrid fleet as older vehicles are replaced. DVS is also exploring the use of other fuel-efficient vehicles in the fleet.

The Department will continue to expand into other application modules in the Fleet Maintenance System, which was installed in FY 2003 and has improved several agency operations and processes. In FY 2004, the motor pool module was implemented and interfaced to the billing system. In FY 2005, the Fleet Maintenance System's parts warranty and vehicle warranty/recall processes will be implemented and replace the current manual system. Both will ease tracking and improve accountability. In FY 2005 and FY 2006 we will continue to expand into other system capabilities to include improved scheduled maintenance capabilities, improved parts inventory management and vehicle replacement modeling.

In FY 2005, DVS finalized a procedural memorandum for a fleet utilization policy with a goal of balancing the investment in the fleet (to include all costs from life to disposal) while ensuring departments and agencies have the fleet means to support its mission. In addition, the Fleet Utilization Management Committee (FUMC) was formed to provide the County Executive with recommendations on fleet-related issues, including feedback on whether to retain, reassign, eliminate, or assign pool vehicle status to under utilized vehicles and

Fund 503 Department of Vehicle Services

equipment, as well as evaluating the need for fleet additions. In FY 2005, a net reduction to the fleet of 92 vehicles was accomplished through this review process. Adjustments to FY 2006 DVS charges have been made to account for this vehicle contraction, along with the usual factors impacting vehicle maintenance and fuel costs. One-time savings of approximately \$1.2 million resulted from the contraction of these vehicles, in addition to annual savings of approximately \$250,000 due to reduced agency billings for maintenance and replacement requirements. As part of the procedural memorandum, new guidelines concerning agency requests for fleet additions have been established, including a review by the FUMC to ensure that the assignment of a vehicle is the most cost-effective means of accomplishing the mission.

Also, in FY 2005 DVS has begun the process of examining lifecycle costing for some vehicle types for the FY 2007 budget cycle. A vehicle's lifecycle cost is its total cost during its entire service life. The goal is to determine the point, mileage and/or age at which it is most economically advantageous to replace a specific vehicle type (e.g., sedans or trash trucks). In determining a vehicle's lifecycle cost, DVS will incorporate into the model all aspects of vehicle ownership, starting with the purchase cost, including maintenance and operation costs while considering downtime (i.e., vehicle is not available for use) and finally salvage or resale value.

In FY 2005, DVS is increasing by six the number of bays dedicated to vehicle maintenance. This is the result of several projects. First, the Fire and Rescue Department's new Fire Apparatus shop (located at the West Ox facility) is complete and the bays occupied by that group have been vacated and taken over by DVS. This allowed the fire equipment repair section of DVS to move from Jermantown to West Ox, thus consolidating all fire maintenance for the west end of the County at that location. Secondly, the maintenance facility at Jermantown dedicated to fire equipment maintenance is being upgraded with offices, part storage areas, etc. Finally, the new DVS West Ox body shop is complete, and the space in the main facility occupied by that function is being converted to maintenance bays.

In order to address workload issues associated with the increase in the number of school buses in the fleet, an increase of 5/5.0 SYE mechanic positions are included in the FY 2006 budget. The cost of these positions is being covered by savings in overtime and reduced reliance on commercial repair contracts with outside vendors.

New Initiatives and Recent Accomplishments in Support of the Fairfax County Vision

 Practicing Environmental Stewardship	Recent Success	FY 2006 Initiative	Cost Center
Continue to expand the hybrid fleet as older vehicles are replaced as well as explore the use of other fuel-efficient vehicles in order to promote cleaner air.	✓	✓	Vehicle Replacement Program
Continue to implement a plan to reduce vehicle emissions in the County by retrofitting the County and FCPS Diesel Fleet with Diesel Oxidation Catalysts. This strategy will be completed as funding is available. So far, 702 school buses have received retrofits. Another 310 are under contract for retrofits. One hundred and four class 8 heavy duty diesel trucks will receive retrofits in the next phase.	✓	✓	Fuel Program and Maintenance and Operations
As funding permits, phase in the use of ultra low sulfur diesel fuel to promote cleaner air.	✓	✓	Fuel Program and Maintenance

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 Exercising Corporate Stewardship	Recent Success	FY 2006 Initiative	Cost Center
Continue to expand the use of the Fleet Maintenance System. In FY 2005, DVS' Fleet Maintenance System's parts warranty and vehicle warranty/recall processes was implemented and replaced the current manual system. Both will ease tracking and improve accountability. In FY 2005 and FY 2006 the agency will expand into other system capabilities to include improved scheduled maintenance capabilities, improved parts inventory management and vehicle replacement modeling.	✓	✓	Maintenance and Operations
In FY 2005, DVS finalized a procedural memorandum for a fleet utilization policy with a goal of balancing the investment in the fleet (to include all costs from life to disposal) while ensuring departments and agencies have the fleet means to support their missions. In addition, the Fleet Utilization Management Committee was formed to provide recommendations on fleet-related issues, including feedback on whether to retain, reassign, eliminate, or assign pool vehicle status to under utilized vehicles and equipment, as well as evaluating the need for fleet additions.	✓	✓	Vehicle Replacement Program
In FY 2005 DVS began the process of examining lifecycle costing for some vehicle types for the FY 2007 budget cycle. A vehicle's lifecycle cost is its total cost during its entire service life. The goal is to determine the point, mileage and/or age at which it is the most economically advantageous to replace a specific vehicle type.		✓	Vehicle Replacement Program and Maintenance and Operations

Budget and Staff Resources

Agency Summary					
Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	256/ 256	256/ 256	256/ 256	261/ 261	261/ 261
Expenditures:					
Personnel Services	\$15,148,005	\$16,137,718	\$16,137,718	\$17,316,136	\$17,316,136
Operating Expenses	22,072,915	22,327,261	30,707,206	28,387,588	28,387,588
Capital Equipment	11,126,633	13,452,854	14,101,489	10,269,140	10,269,140
Total Expenditures	\$48,347,553	\$51,917,833	\$60,946,413	\$55,972,864	\$55,972,864

Fund 503

Department of Vehicle Services

FY 2006 Funding Adjustments

The following funding adjustments from the FY 2005 Revised Budget Plan are necessary to support the FY 2006 program:

- ◆ **Employee Compensation** **\$1,178,418**
An increase of \$1,178,418 in Personnel Services associated with salary adjustments necessary to support the County's compensation program and to support the creation of 5/5.0 SYE mechanic positions in order to address workload issues associated due primarily to the increase in the number of school buses in the fleet.

- ◆ **Fuel Related Expenditures** **\$5,415,649**
An increase of \$5,415,649 in fuel related expenses is primarily due to the increased global prices for crude oil coupled with the County's on-going conversion to ultra-low sulfur diesel fuel (ULSD).

- ◆ **Other Vehicle Related Expenditures** **\$644,678**
An increase of \$644,678 in other vehicle-related expenses is due primarily to the increased cost of parts, shops supplies, tires and other maintenance-related needs, partially offset by a reduced reliance on commercial repair contracts with outside vendors due to the creation of the 5/5.0 SYE new mechanic positions noted above.

- ◆ **Carryover Adjustments** **(\$3,317,547)**
A decrease of \$3,317,547 is due primarily to the one-time carryover of encumbered and unencumbered items for operating expenses, including funds earmarked for the retrofitting of diesel vehicles to meet more stringent air quality requirements and funds to renovate the Jermantown Maintenance Facility.

- ◆ **Vehicle and Equipment Replacement** **\$10,269,140**
Funding of \$10,269,140 is due primarily to the purchase of replacement vehicles that have met established age and mileage criteria. Of this amount, \$6,648,629 is due to automobile/light truck replacement requirements in FY 2006. A total of 277 vehicles have been identified by the Department of Vehicle Services as meeting both the established age and mileage criteria for replacement in FY 2006, an increase of 11 vehicles over the FY 2005 Adopted Budget Plan total. An additional \$1,711,000 is included is for large Fire and Rescue Department vehicles; \$835,393 is for FASTRAN bus replacement and \$291,052 is for the purchase of two ambulances for the Fire and Rescue Department. The balance of \$783,066 is for various other capital equipment required for the maintenance of the County fleet including the replacement of equipment that has reached the end of its useful life or due to safety and/or environmental concerns.

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2006 Advertised Budget Plan, as approved by the Board of Supervisors on April 25, 2005:

- ◆ **Adjustment Resulting from Vehicle Utilization Study**
A Transfer Out from the Vehicle Replacement Reserve to the General Fund totaling \$500,000 is included as it is anticipated that the Department will continue to identify operating efficiencies and savings associated with reviewing under-utilized vehicles in the County Fleet.

Fund 503

Department of Vehicle Services

Changes to FY 2005 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2005 Revised Budget Plan since passage of the FY 2005 Adopted Budget Plan. Included are all adjustments made as part of the FY 2004 Carryover Review and all other approved changes through December 31, 2004:

- ◆ **Carryover Adjustments** **\$6,466,182**

An increase of \$6,466,182 due primarily to the carryover of \$3,583,382 for encumbered items, including vehicles, fire apparatus and FASTRAN buses. In addition, an amount of \$1,862,800 is for unencumbered carryover to continue the retrofitting of diesel vehicles to meet more stringent air quality requirements, to replace two dump trucks for the Maintenance and Stormwater Management Division and to renovate the Jermantown Maintenance Facility. The remaining amount of \$1,020,000 was included to appropriate funding received as a result of the Virginia Electric Power Company (VEPCO) settlement approved by the Board of Supervisors in June 2004. These funds will be used to purchase and install diesel retrofits on school buses per the terms of a settlement between, VEPCO, EPA, the Department of Justice and several northeastern states.

The following funding adjustments reflect all approved changes to the FY 2005 Revised Budget Plan from January 1, 2005 through April 18, 2005. Included are all adjustments made as part of the FY 2005 Third Quarter Review:

- ◆ **Third Quarter Adjustments** **\$2,562,398**

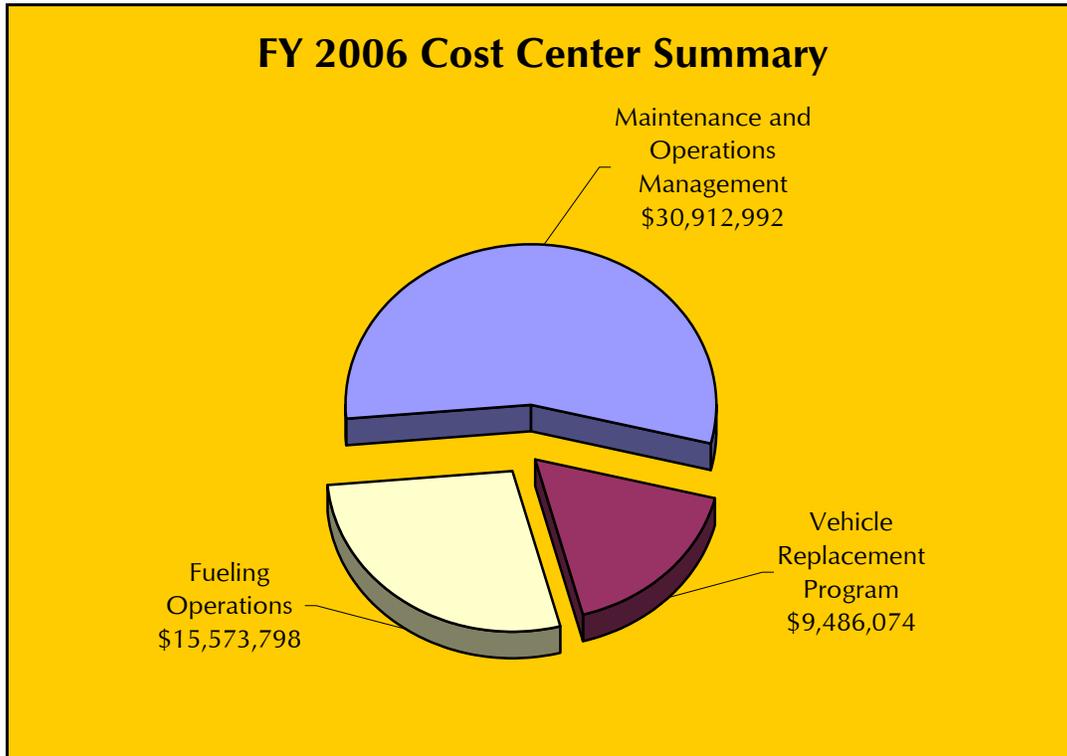
FY 2005 expenditures are required to increase by \$2,562,398. An increase of \$5,062,398 is necessary due to increased fuel costs, including both higher than projected fuel prices and a small increase in the quantity of gallons consumed. It should be noted that available funds in the Vehicle Replacement Reserve are being used to cover agency shortfalls resulting from these higher than projected fuel prices. These savings are available as a result of a review of under-utilized vehicles in the County fleet conducted in FY 2005 that resulted in the rotation, reassignment, or sale of 109 vehicles with one-time savings of \$1,200,000 in the Vehicle Replacement Reserve. In most cases, agencies have indicated that they will be able to absorb increased fuel-related billings from DVS due to savings in other portions of their budget or with available balances. The \$1,200,000 available as a result of the fleet contraction will be used for the two agencies that require additional funding, County Transit and Park Authority. This increase is partially offset by a decrease of \$2,500,000 associated with the delay in purchasing a replacement helicopter for the Police Department. The Department was planning to replace the current helicopter with a light twin engine helicopter in FY 2005, but due to financial problems with the vendor and recent technological advances that will result in better twin engine helicopters with lower costs than the model the Department was planning to purchase, it was decided to maintain the current helicopter and delay the purchase of a new one to FY 2007.

Fund 503

Department of Vehicle Services

Cost Centers

In FY 2005, the Department of Vehicle Services condensed the services it provides into three distinct cost centers, Maintenance and Operations Management, Vehicle Replacement Program, and Fueling Operations. The majority of the agency's positions and funding is centered in maintenance and operations but all three cost centers provide critical services in support of the County's vehicle fleet.



Maintenance and Operations Management

Funding Summary					
Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	255 / 255	254 / 254	254 / 254	259 / 259	259 / 259
Total Expenditures	\$38,626,309	\$29,064,158	\$32,486,888	\$30,912,992	\$30,912,992

Position Summary					
1 Director	12 Auto Parts Specialists I	3 Maintenance Trade Helpers II			
2 Assistant Directors	6 Assistant Superintendents	1 Network Telecom Analyst III			
3 Administrative Assistants IV	2 Custodians	1 Network Telecom Analyst II			
3 Administrative Assistants III	1 Inventory Mgmt. Supervisor	18 Senior Motor Mech. Suprs.			
9 Administrative Assistants II	2 Management Analysts III	5 Motor Eqmt. Superintendents			
3 Auto Body Repairers II	1 Management Analyst II	3 Warehouse Supervisors			
3 Auto Body Repairers I	1 Management Analyst I	1 Warehouse Specialist			
8 Auto Parts Specialists II	102 Mechanics II (2)	1 Warehouse Worker Driver Helper			
	67 Mechanics I (3)				
TOTAL POSITIONS					
259 Positions (5) / 259.0 Staff Years (5.0)					

() Denotes New Positions

Fund 503

Department of Vehicle Services

Key Performance Measures

Goal

To provide timely, responsive, and efficient vehicle repairs/services, including effective towing and road services, at competitive prices for County-owned vehicles.

Objectives

- ◆ To maintain a vehicle availability rate of at least 97.8 percent on 100 percent of operating days.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate/Actual	FY 2005	FY 2006
Output:					
Vehicles maintained	NA	5,563	5,672 / 5,766	5,771	5,767
Vehicle equivalents maintained	NA	19,680	21,227 / 21,803	21,814	21,799
Efficiency:					
Maintenance cost per vehicle equivalent	NA	\$1,294	\$1,365 / \$1,289	\$1,438	\$1,415
Parts inventory value per vehicle	NA	\$256	\$249 / \$246	\$246	\$246
Parts inventory fill rate	NA	91.6%	91.6% / 93.6%	92.6%	92.6%
Parts inventory turnover	NA	4.70	4.70 / 4.62	4.66	4.66
Service Quality:					
Parts inventory accuracy	NA	98.9%	98.9% / 99.8%	99.4%	99.4%
Percent of customer satisfaction	NA	96.5%	96.5% / 95.5%	96.5%	96.5%
Outcome:					
Vehicle availability rate	NA	97.8%	97.8% / 97.6%	97.4%	97.2%
Percent of days 95% target was achieved	NA	100.0%	100.0% / 100.0%	100.0%	100.0%

Performance Measurement Results

DVS was able to ensure, on a countywide basis, that customer agency vehicles were available for use for more than 95 percent of the time and were in safe operational condition. While the vehicle availability rate of 95 percent was achieved everyday of FY 2004, the rate slipped from 97.8 to 97.6. This is due to the increase in the size of the vehicle fleet.

DVS kept the maintenance cost per vehicle equivalent below the rate budgeted in FY 2004. The parts inventory system worked at a high rate of efficiency with a parts inventory turnover rate of 4.62 percent, a fill rate of 93.6 percent and 99.8 percent inventory accuracy rate. In addition, customer satisfaction was highly rated at 95.5 percent.

Fund 503

Department of Vehicle Services

Vehicle Replacement Program

Funding Summary					
Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	0/0	1/1	1/1	1/1	1/1
Total Expenditures	\$0	\$13,055,526	\$13,598,978	\$9,486,074	\$9,486,074

Position Summary	
1	Engineer II
TOTAL POSITIONS	
1 Position / 1.0 Staff Year	

Key Performance Measures

Goal

To provide administrative and financial oversight for the Vehicle Replacement, Large Apparatus, Ambulance, Vehicle Specialty, FASTRAN, and other replacement funds and to ensure that vehicles are replaced within the established criteria (i.e., miles, years and condition).

Objectives

- ◆ To order at least 99 percent of vehicles that meet replacement criteria within the fiscal year.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate/Actual	FY 2005	FY 2006
Output:					
Vehicles in Vehicle Replacement Reserve (VRR)	NA	1,907	2,133 / 2,121	2,121	2,121
Technical reviews processed	NA	174	174 / 183	160	160
Vehicles meeting VRR criteria	NA	299	212 / 234	229	277
Vehicles ordered/replaced	NA	299	212 / 234	229	277
Efficiency:					
VRR administrative cost per vehicle	NA	\$35.11	\$32.12 / \$30.67	\$31.62	\$32.41
Service Quality:					
Percent of customers satisfied	NA	93.6%	96.5% / 95.5%	96.5%	96.5%
Outcome:					
Percent of vehicles meeting criteria that are replaced	NA	100.0%	99.0% / 100.0%	100.0%	100.0%

Performance Measurement Results

Similar to the total number of County vehicles, the number of vehicles in the Vehicle Replacement Reserve (VRR) continued to grow, with the total increasing from 1,907 in FY 2003 to 2,121 in FY 2004. DVS replaced 100 percent of the vehicles in the VRR that met the established criteria. In its ongoing effort to increase efficiency, the VRR administrative cost per vehicle was reduced from \$35.11 in FY 2003 to \$30.67 in FY 2004. Additionally, customer satisfaction was highly rated at 95.5 percent.

Fund 503

Department of Vehicle Services

Fueling Operations

Funding Summary					
Category	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	1/1	1/1	1/1	1/1	1/1
Total Expenditures	\$9,721,244	\$9,798,149	\$14,860,547	\$15,573,798	\$15,573,798

Position Summary
1 Heavy Equipment Operator
TOTAL POSITIONS
1 Position / 1.0 Staff Year

Key Performance Measures

Goal

To provide County-owned vehicle operators with effective and efficient fueling services in accordance with all Federal, State, and County regulations.

Objectives

- ◆ To provide in-house fueling services that support fleet operations in order to achieve a cost savings of 5.0 cents per gallon for gasoline and 23.0 cents per gallon for diesel fuel compared to commercial fuel stations.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate/Actual	FY 2005	FY 2006
Output:					
Gallons of unleaded gasoline purchased	2,204,626	2,364,853	2,364,853 / 2,468,750	2,574,809	2,680,868
Gallons of diesel purchased	5,509,717	5,175,625	6,433,850 / 6,290,581	6,627,063	6,963,544
Efficiency:					
Average cost per gallon (all fuel types) (1)	NA	\$1.07	\$1.38 / \$1.02	\$1.49	\$1.61
Service Quality:					
Percent of satisfied customers	99.0%	96.5%	96.5% / 98.0%	96.5%	96.5%
Outcome:					
Price savings between in-house and commercial stations: unleaded gasoline	\$0.054	\$0.130	\$0.054 / \$0.148	\$0.050	\$0.050
Price savings between in-house and commercial stations: diesel	\$0.256	\$0.232	\$0.232 / \$0.280	\$0.230	\$0.230

(1) Includes appropriate mark-up to cover overhead.

Fund 503

Department of Vehicle Services

Performance Measurement Results

The Fueling Operations measure examines the cost savings between county contracts and private providers, as well as how satisfied County vehicle drivers are with fueling operations. Given the amount of fuel gallons used by the County, the savings are significant, while customer satisfaction ratings remain high, at 98.0 percent.

Fairfax County agency customers obtained significant price savings by using in-house fuel stations versus commercial stations. Customers purchasing unleaded gasoline saved \$0.148 per gallon, and diesel fuel purchasers saved \$0.28 per gallon. Both FY 2004 actual rates exceeded budget estimates.

Fund 503

Department of Vehicle Services

FUND STATEMENT

Fund Type G50, Internal Service Fund

Fund 503, Department of Vehicle Services

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan
Beginning Balance	\$21,854,551	\$18,546,371	\$26,248,602	\$17,836,594	\$18,933,284
Vehicle Replacement Reserve ¹	\$10,594,339	\$11,314,558	\$13,172,601	\$13,117,011	\$11,917,011
Ambulance Replacement Reserve	565,662	565,662	565,662	779,662	779,662
Fire Apparatus Replacement Reserve ¹	4,469,164	2,192,383	3,737,320	695,330	695,330
School Bus Replacement Reserve	17,019	17,019	17,019	17,019	17,019
Reserve	1,275,509	650,851	1,478,553	639,084	639,084
Helicopter Replacement Reserve	1,681,631	2,019,131	2,430,079	624,630	2,921,320
Boat Replacement Reserve	100,000	100,000	125,000	150,000	150,000
Police Specialty Vehicle Reserve	701,705	801,591	887,691	1,101,433	1,101,433
Fuel Operations Reserve	865,940	250,000	539,646	450,097	450,097
Other ¹	1,583,582	635,176	3,295,031	262,328	262,328
Unreserved Beginning Balance	\$0	\$0	\$0	\$0	\$0
Revenue:					
Vehicle Replacement Charges	\$9,689,917	\$7,723,365	\$6,523,365	\$7,581,363	\$7,581,363
Ambulance Replacement Charges	0	214,000	214,000	214,000	214,000
Fire Apparatus Replacement Charges	2,246,947	1,338,564	1,338,564	2,800,000	2,800,000
FASTRAN Bus Replacement Charges	600,000	600,000	600,000	600,000	600,000
Helicopter Replacement Charges	748,448	694,551	491,241	694,551	694,551
Boat Replacement Charges	25,000	25,000	25,000	25,000	25,000
Police Specialty Vehicle Charges	185,986	213,742	213,742	213,742	213,742
Vehicle Fuel Charges	9,388,419	9,708,600	14,770,998	15,429,349	15,429,349
Other Charges ²	27,856,887	28,434,185	29,454,185	30,748,226	30,748,226
Total Revenue	\$50,741,604	\$48,952,007	\$53,631,095	\$58,306,231	\$58,306,231
Transfers In:					
General Fund (001)	\$2,000,000	\$0	\$0	\$0	\$0
Total Transfers In	\$2,000,000	\$0	\$0	\$0	\$0
Total Available	\$74,596,155	\$67,498,378	\$79,879,697	\$76,142,825	\$77,239,515

Fund 503

Department of Vehicle Services

FUND STATEMENT

Fund Type G50, Internal Service Fund

Fund 503, Department of Vehicle Services

	FY 2004 Actual	FY 2005 Adopted Budget Plan	FY 2005 Revised Budget Plan	FY 2006 Advertised Budget Plan	FY 2006 Adopted Budget Plan
Expenditures:					
Vehicle Replacement	\$5,286,655	\$6,381,674	\$7,778,955	\$6,648,629	\$6,648,629
Ambulance Replacement	0	0	0	291,052	291,052
Fire Apparatus Replacement	4,778,791	3,530,000	4,380,554	1,711,000	1,711,000
School Bus Replacement	0	0	0	0	0
FASTRAN Bus Replacement	396,956	643,852	1,439,469	835,393	835,393
Helicopter Replacement	0	2,500,000	0	0	0
Boat Replacement	0	0	0	0	0
Fuel Operations:					
Fuel	9,033,399	8,993,782	14,056,180	14,404,580	14,404,580
Other Fuel Related Expenses	681,314	804,367	804,367	1,169,218	1,169,218
Other:					
Personnel Services	15,092,675	16,085,136	16,085,136	17,260,577	17,260,577
Operating Expenses	12,472,245	12,581,694	15,899,241	13,229,349	13,229,349
Capital Equipment	605,518	397,328	502,511	423,066	423,066
Total Expenditures	\$48,347,553	\$51,917,833	\$60,946,413	\$55,972,864	\$55,972,864
Transfers Out:					
General Fund (001)	\$0	\$0	\$0	\$0	\$500,000
Total Transfers Out	\$0	\$0	\$0	\$0	\$500,000
Total Disbursements	\$48,347,553	\$51,917,833	\$60,946,413	\$55,972,864	\$56,472,864
Ending Balance³	\$26,248,602	\$15,580,545	\$18,933,284	\$20,169,961	\$20,766,651
Vehicle Replacement Reserve	\$14,997,601	\$12,656,249	\$11,917,011	\$14,049,745	\$12,349,745
Ambulance Replacement Reserve	565,662	779,662	779,662	702,610	702,610
Reserve	1,937,320	947	695,330	1,784,330	1,784,330
School Bus Replacement Reserve	17,019	17,019	17,019	17,019	17,019
Reserve	1,478,553	606,999	639,084	403,691	403,691
Helicopter Replacement Reserve	2,430,079	213,682	2,921,320	1,319,181	3,615,871
Boat Replacement Reserve	125,000	125,000	150,000	175,000	175,000
Police Specialty Veh. Reserve	887,691	1,015,333	1,101,433	1,315,175	1,315,175
Fuel Operations Reserve	539,646	160,451	450,097	305,648	305,648
Other	3,270,031	5,203	262,328	97,562	97,562
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0

¹ As part of the FY 2005 Adopted Budget Plan, an amount of \$1,825,000 is being reallocated from the Beginning Balance of the Vehicle Replacement Reserve to other reserves in the Department of Vehicle Services. Of this total, an amount of \$1,800,000 is being moved to the Large Apparatus Replacement Reserve to allow for the purchase of necessary replacement vehicles in the Fire and Rescue Department, while the remaining \$25,000 is being moved to the Other Reserve to account for unanticipated personnel and IT-related charges based on historic usage patterns.

² The \$1,020,000 increase in the FY 2005 Revised Budget Plan Other Charges category reflects funding received as a result of the Virginia Electric Power Company (VEPCO) settlement and will be used to purchase and install diesel retrofits on school buses per the terms of the settlement.

³ The Ending Balance in Fund 503, Department of Vehicle Services, fluctuates based on vehicle replacement requirements in a given year. Except in rare cases, vehicles are not replaced until they have met both established age and mileage criteria. In years where vehicles meet their criteria and are replaced, the ending balance will be lower (and vice versa).