



Contra
Costa
County

To: Board of Supervisors

From: INTERNAL OPERATIONS COMMITTEE

Date: January 18, 2011

Subject: Fleet Internal Service Fund FY 2009-10 Report

RECOMMENDATION(S):

Accept the Fleet Internal Service Fund report for FY 2009-10 as recommended by the Internal Operations Committee.

FISCAL IMPACT:

None.

BACKGROUND:

The Board of Supervisors approved implementation of a Fleet Internal Service Fund (Fund 150100) as part of the FY 2008-09 budget as a method to ensure stable and long-term vehicle replacement funding. The Fleet ISF was initially funded with \$3.6 million from accumulated vehicle depreciation.

ISF Rate Structure

There are three components to recover vehicle operation costs in the Fleet ISF: 1) Departments are charged actual costs for fuel; 2) a variable cost based on mileage to cover maintenance and repair costs; and, 3) a fixed cost to cover insurance, fleet overhead, and

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **01/18/2011** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor

Gayle B. Uilkema, District II
Supervisor

Mary N. Piepho, District III
Supervisor

Karen Mitchoff, District IV
Supervisor

Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 18, 2011

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Mike
Lango-313-7100

cc:

vehicle depreciation/replacement.

During FY 2009-10, the budgeted variable and fixed charges for ISF vehicles were \$6,144,477. The actual costs for ISF vehicles were \$5,697,850, a difference of \$446,627. The estimated variable and fixed costs are adjusted each year to develop ISF rates as close to actual costs as possible for each class of vehicle. Accordingly, the FY 2010-11 ISF vehicle rates have decreased as shown on the ISF rate schedule (Attachment C).

The Fleet ISF continues to achieve the primary goals and objectives of maintaining a high-quality fleet at the lowest possible cost. The Fleet Services Division of the General Services Department continues to monitor vehicle use to optimize new vehicle acquisition and better utilize existing vehicle assets consistent with departmental needs and requirements. Please reference Attachments A, B, C and D.

The projected ISF Fund Balance for FY 2010-11 is \$9,283,218. There are 41 fewer vehicles in the Fleet ISF than when the ISF was initiated in 2008.

BACKGROUND: (CONT'D)

Fleet ISF Goals and Objectives

- Improve planning/focus on long-term stability of the County's vehicle assets
- Manage and maintain vehicles as County assets as opposed to department assets
- Maintain a newer fleet and improve vehicle availability and use
- Reduce administrative costs by reducing appropriation adjustments and requisitions
- Establish and maintain stable vehicle replacement funding
- Increase resale value of surplus vehicles

Highlights

- 798 vehicles in the ISF (320 sedans, 112 patrol vehicles, and 366 trucks/vans)
- The Sheriff received 56 new vehicles (28 patrol vehicles)
- Vehicles were ordered and put into service earlier in the budget year
- ISF rates will decrease in FY 2010-11

CONSEQUENCE OF NEGATIVE ACTION:

None.

CHILDREN'S IMPACT STATEMENT:

None.

ATTACHMENTS

Fleet ISF FY09-10 Rpt