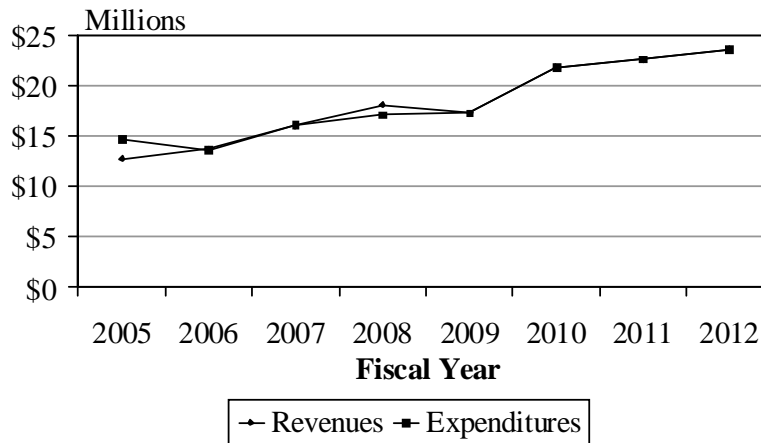


**Three Year Forecast  
Revenues and Expenditures  
Central Automotive Maintenance**



Fiscal Years 2009 through 2012 are estimated. Revenues exclude transfers from other funds.

**CENTRAL AUTOMOTIVE MAINTENANCE**

**(Fund 61)**

Central Automotive Maintenance, which operates as an Internal Service Fund, accounts for the County's Central Automotive Maintenance operation. Resources for this fund are primarily from interdepartmental charges.

**Revenues**

**Assumptions**

**Charges for Automotive Maintenance - West** are billings by Central Automotive Maintenance (CAM) for work performed at the maintenance facility on Woodman Road, in the western part of the County. Projected billings for FY2009-10 are \$5,700,000 and billings for FY2010-11 are forecasted at \$5,985,000, assuming an annual 5.0 percent increase due to increases in the fleet size and in the cost of parts and repairs.

**Charges for Automotive Maintenance - East** are billings by CAM for work performed at the maintenance facility on Dabbs House Road, in the eastern portion of the County. Projected billings for FY2009-10 and FY2010-11 are \$1,500,000 and \$1,575,000 respectively, representing a 5.0 percent annual increase consistent with prior year trends.

**Charges for Use of Motor Pool** are collected from departments using County motor pool vehicles. These charges offset maintenance and operational expenses as well as accumulating a reserve for replacement of motor pool vehicles. The vehicle replacement reserve is based on replacing the vehicles after 80,000 miles. Projected billings for the use of vehicles in FY2009-10 and FY2010-11 are \$4,523,736 and \$4,749,923 respectively, assuming an annual 5.0 percent increase due to projected vehicle replacements, an increase in the fleet size, and the rising cost of repairs. In looking at the graph on the next page, a significant increase is evident from FY2008-09 to FY2009-10. Vehicle rental rates were increased in FY2008-09 due to the increased costs of gasoline and increasing repair costs.

**Charges for Gasoline** represents the charge for gasoline and diesel fuel used by County departments. A nominal mark-up on top of the wholesale price is used to offset CAM's maintenance and operational expenses in this area. Recent increases in the wholesale cost of gasoline have been factored into these projections. Projected costs for FY2009-10 and FY2010-11 are \$9,585,000 and \$9,872,550 respectively. It should be noted that while gasoline prices have declined substantially from prior year highs, there remains uncertainty in fuel markets. Upon the recovery of the economy, it is likely fuel prices will rebound as well.

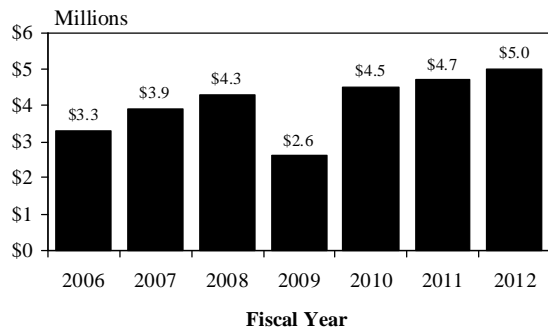
**(To) From General Fund** is the transfer from the General Fund for the initial purchase of new motor pool vehicles. No transfers are anticipated during the forecasted period as the purchase of new motor pool vehicles will be funded with generated revenues and retained earnings.

**(To) From Contributions in Aid** is a transfer to CAM of a vehicle purchased by a department. No transfers are anticipated during the forecast period.

**(To) From Capital Projects** is the transfer from CAM’s retained earnings to the Capital Projects Fund for purchase of a one-time Capital need. In FY2009-10, CAM will be replacing its fuel management system to be funded with accumulated retained earnings.

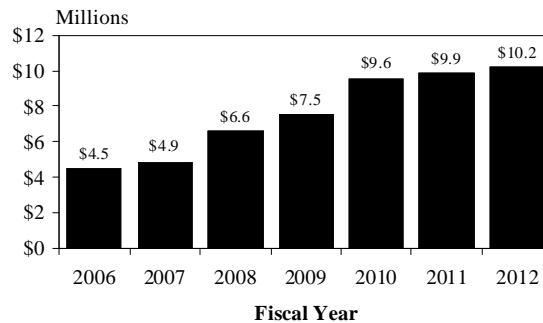
**(To) From Internal Service Fund Retained Earnings** is used to accumulate a reserve for replacement of motor pool vehicles when the vehicles reach the end of their useful life. Due to recent exceptional increases in the cost of gasoline and diesel, Internal Service Fund Retained Earnings have also been utilized to offset a portion of the additional expenses. It should be noted that a portion of the motor pool charge is also set aside for the replacement of vehicles.

### Charges for Use of Motor Pool



Fiscal Years 2009 through 2012 are estimated.

### Charges for Gasoline



Fiscal Years 2008 through 2011 are estimated.

### Expenditures

#### Assumptions

The development of the Internal Service Fund budget assumes revenues and transfers will support expenditures in future years. For FY2010-11 and FY2011-12, Internal Service Fund expenses are projected to grow at an annual rate of 4.0 percent.

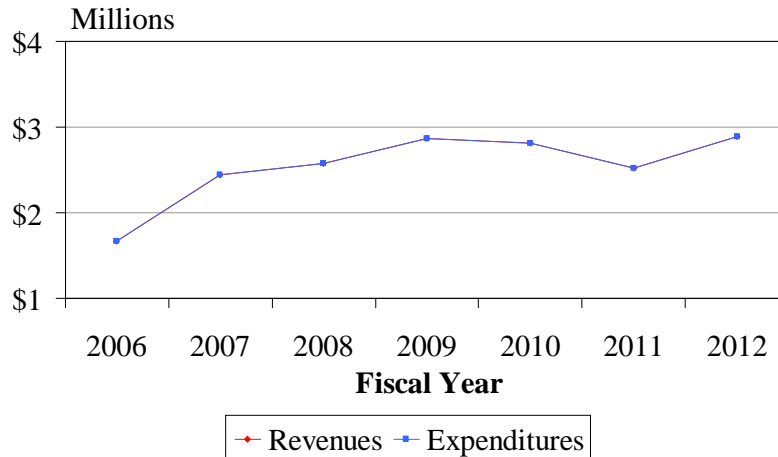
The proposed level of operational funding allows for increases in personnel costs such as changes in the cost of benefits and provides adequate operational adjustments necessary to overcome increases in the size of the fleet, cost of gasoline, and vehicle repairs.

**Retained Earnings, June 30, 2008**, is \$7,404,892. The impact of anticipated resources and expenditures on the ending balance is projected for each fiscal year of the forecast period.

**Central Automotive Maintenance Internal Service Fund Forecast**

	<u>FY07-08</u> <u>Actual</u>	<u>FY08-09</u> <u>Original</u>	<u>FY09-10</u> <u>Forecast</u>	<u>FY10-11</u> <u>Forecast</u>	<u>FY11-12</u> <u>Forecast</u>
<b>Revenues:</b>					
Charges for Auto Maint West	\$5,553,524	\$5,201,118	\$5,700,000	\$5,985,000	\$6,284,250
Charges for Auto Maint East	1,450,249	1,567,143	1,500,000	1,575,000	1,653,750
Charges for Use of Motor Pool	4,277,950	2,558,412	4,523,736	4,749,923	4,987,419
Charges for Gasoline	6,606,747	7,522,438	9,585,000	9,872,550	10,168,727
Miscellaneous Revenues	203,188	415,728	413,915	413,915	413,915
Gain/Loss on Sale of Property	(64,493)	0	0	0	0
	\$18,027,16				
Total Revenues	5	\$17,264,839	\$21,722,651	\$22,596,388	\$23,508,060
(To) From General Fund	135,500	0	0	0	0
(To) From Contributions in Aid	138,439	0	0	0	0
(To) From Capital Projects	(300,000)	0	(590,600)	0	0
(To) From Retained Earnings	(960,218)	0	590,600	0	0
	\$17,040,88				
Total Resources	6	\$17,264,839	\$21,722,651	\$22,596,388	\$23,508,060
<b>Expenditures:</b>					
	\$17,040,88				
Central Automotive Maintenance	6	\$17,264,839	\$21,722,651	\$22,596,388	\$23,508,060
	\$17,040,88				
Total Expenditures	6	\$17,264,839	\$21,722,651	\$22,596,388	\$23,508,060
<b>Retained Earnings June 30</b>					
	\$7,404,892	\$7,404,892	\$6,814,292	\$6,814,292	\$6,814,292

### Three Year Forecast Revenues and Expenditures Technology Replacement



Fiscal Years 2009 through 2012 are estimated.

#### TECHNOLOGY REPLACEMENT FUND

##### (Fund 6101)

The Technology Replacement Fund, established in FY2001 as an Internal Service Fund, was created to develop a method of replacing computer equipment on a regular schedule. The goal of the fund is to establish a means to pay for computer equipment and reduce the impact of large one-time computer purchases in a given year. Resources for this fund come from interdepartmental charges and the General Fund. In FY2004, the Technology Replacement Fund approach obtained a National Association of Counties award for Financial Innovation. Prior to that, American City and County magazine cited this funding mechanism as an example of how to minimize incremental expenditure increases for technology related items.

##### Revenues

###### **Assumptions**

**Accumulated Technology Replacement** represents the funds collected from the departments participating in the technology replacement program. Charges are collected to pay for replacement of computer equipment in the future.

**(To) From Technology Replacement Fund Retained Earnings** is used to accumulate a reserve for the purchase of replacement computer equipment, when the original equipment has reached the end of its useful life.

##### Expenses

###### **Assumptions**

The development of the Technology Replacement Fund budget assumes revenues and transfers will support expenditures in future years. For FY2010, the Technology Replacement Fund expenses are projected to be \$2,810,424.

For FY2011, forecasted expenses are projected to be \$2,523,974. In FY2012, expenses are projected to be \$2,894,250. The FY2011 and FY2012 forecasts assume that all items in the Fund, which qualify for replacement, will be purchased on a pre-determined schedule.

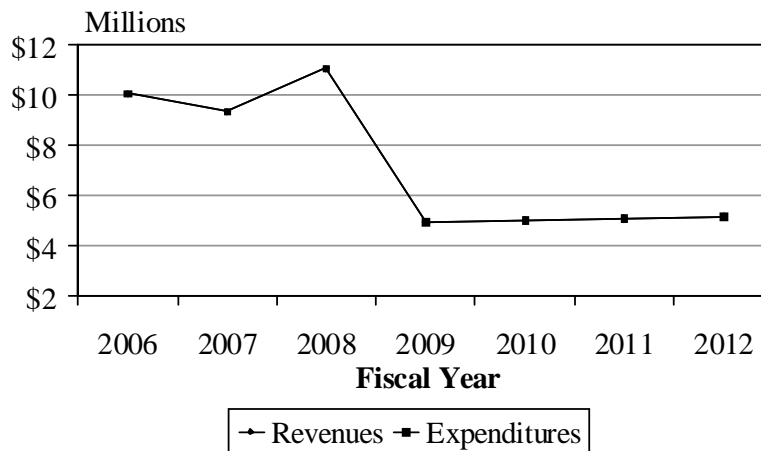
**Retained Earnings, June 30, 2008**, is \$8,645,116. The impact of anticipated resources, including operating transfers and expenditures on the ending balance, is projected for each fiscal year of the forecast period.

**Technology Replacement Internal Service Fund Forecast**

	<b>FY 07-08</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	<b>FY 10-11</b>	<b>FY 11-12</b>
	<b>Actual</b>	<b>Original</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
<b>Revenues:</b>					
Accumulated Technology Replacement - General Fund	\$ 2,726,373	\$ 3,158,689	\$ 2,570,170	\$ 2,570,170	\$ 2,570,170
Accumulated Technology Replacement - Special Revenue	1,500	72,037	74,487	74,487	74,487
Accumulated Technology Replacement - Belmont	3,412	3,412	2,730	2,730	2,730
Accumulated Technology Replacement - JRJDC	2,987	4,287	3,430	3,430	3,430
Accumulated Technology Replacement - Risk Mgmt	4,667	4,667	3,734	3,734	3,734
(To) From Retained Earnings - Technology	(161,544)	(378,570)	155,873	(130,577)	239,699
<b>Total Revenues</b>	<b>\$ 2,577,395</b>	<b>\$ 2,864,522</b>	<b>\$ 2,810,424</b>	<b>\$ 2,523,974</b>	<b>\$ 2,894,250</b>
<b>Expenditures:</b>					
Technology Equipment	\$ 2,577,395	\$ 2,864,522	\$ 2,810,424	\$ 2,523,974	\$ 2,894,250
<b>Total Expenditures</b>	<b>\$ 2,577,395</b>	<b>\$ 2,864,522</b>	<b>\$ 2,810,424</b>	<b>\$ 2,523,974</b>	<b>\$ 2,894,250</b>
Retained Earnings June 30*	\$ 8,645,116	\$ 9,023,686	\$ 8,867,813	\$ 8,998,390	\$ 8,758,691

\*Retained Earnings are designated for future technology replacement costs. There is no undesignated balance within the Technology Replacement Fund.

### Three Year Forecast Revenues and Expenditures Risk Management



Fiscal Years 2009 through 2012 are estimated.

## RISK MANAGEMENT

### (Fund 6301)

The Risk Management Fund was established in FY2004-05 as an Internal Service Fund. Prior to this date, costs associated with this function were expended in the General Fund. Because Risk Management provides services to all agencies, including education, across all funds, the budget is more properly captured within the Internal Service Fund Series. Resources for this fund are provided by a transfer from the General Fund and interdepartmental charges from Public Utilities. Risk Management provides protection from accidental losses arising out of the County and Public School operations, including workers' compensation, automobile, property, and liability claims.

#### Revenues

##### **Assumptions**

**Public Utilities Charges** forecast is based on actual claims cost and a pro rata share of the insurance costs expended by the Department of Public Utilities in the Water and Sewer Enterprise Fund (Fund 5101). Each fiscal year, the Risk Management Internal Service Fund receives a reimbursement from expenses associated with the Public Utilities' Water and Sewer Enterprise Fund in the prior fiscal year. Projected billings for FY2010-11 and FY2011-12 remain level with the FY2009-10 projection at \$624,727 due to the uncertainty of the number of claims annually.

**(To) From General Fund** represents the transfer from the General Fund for approximately 88.0 percent of the forecasted revenues associated with this fund. A transfer from the General Fund totaling \$4,099,771 is anticipated for FY2009-10, with a 2.0 percent increase projected for FY2010-11 and FY2011-12.

#### Expenditures

##### **Assumptions**

The development of the Internal Service Fund budget assumes revenues and transfers will support expenditures in future years. For FY2010-11 and FY2011-12, Internal Service Fund expenses are projected to grow at an annual rate of approximately 1.8 percent. Due to the unpredictable nature of expenditures, the budget is kept relatively flat with only a small incremental increase built into the forecast. The budget is amended annually on a case-by-case basis with funding provided by the Self-Insurance Reserve, which is a designated reserve within the County's General Fund Balance.

**Self-Insurance Reserve, June 30, 2008**, totals \$9,000,000. The County has designated this amount in the General Fund's fund balance specifically for self-insurance.

**Risk Management Internal Service Fund Forecast**

	<u>FY07-08 Actual</u>	<u>FY08-09 Original</u>	<u>FY09-10 Forecast</u>	<u>FY10-11 Forecast</u>	<u>FY11-12 Forecast</u>
<b>Revenues:</b>					
Public Utilities Charges	\$ 467,542	\$ 867,805	\$ 624,727	\$ 624,727	\$ 624,727
Total Revenues	<u>\$ 467,542</u>	<u>\$ 867,805</u>	<u>\$ 624,727</u>	<u>\$ 624,727</u>	<u>\$ 624,727</u>
(To) From General Fund	<u>\$ 10,574,887</u>	<u>\$ 4,099,771</u>	<u>\$ 4,361,686</u>	<u>\$ 4,448,920</u>	<u>\$ 4,537,898</u>
Total Resources	<u><u>\$ 11,042,429</u></u>	<u><u>\$ 4,967,576</u></u>	<u><u>\$ 4,986,413</u></u>	<u><u>\$ 5,073,647</u></u>	<u><u>\$ 5,162,625</u></u>
<b>Expenditures:</b>					
Risk Management	\$ 11,042,429	\$ 4,967,576	\$ 4,986,413	\$ 5,073,647	\$ 5,162,625
Total Expenditures	<u>\$ 11,042,429</u>	<u>\$ 4,967,576</u>	<u>\$ 4,986,413</u>	<u>\$ 5,073,647</u>	<u>\$ 5,162,625</u>
 <b>Self-Insurance Reserve</b>	 <u>\$ 9,000,000</u>	 <u>\$ 9,000,000</u>	 <u>\$ 9,000,000</u>	 <u>\$ 9,000,000</u>	 <u>\$ 9,000,000</u>