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# Internal Service Funds

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# INTERNAL SERVICE FUND SUMMARY

	FY 2024 Actual	FY 2025 Adopted	FY 2026 Adopted
<b>Revenues</b>			
Use of Money and Property	3,294	5,000	5,000
Charges for Services	104,890,438	117,950,578	111,361,489
Recovered Costs	93,922	70,000	70,000
Other Sources and Transfers In	535,386	512,567	6,175,409
Miscellaneous Revenue	0	1,503,880	518,080
<b>Total Revenues</b>	<b>105,523,040</b>	<b>120,042,025</b>	<b>118,129,978</b>

	FY 2024 Actual	FY 2025 Adopted	FY 2026 Adopted
<b>Expenditures</b>			
Personnel Services	4,554,329	5,564,538	5,794,153
Materials, Supplies and Repairs	6,600,189	6,081,634	6,250,905
Contractual Services	88,981,786	108,196,545	105,547,265
Equipment	55,477	62,115	65,845
Debt Service Transfers to CIP	26,896	137,193	172,555
Department Specific Appropriation	0	0	299,255
<b>Total Expenditures</b>	<b>100,218,677</b>	<b>120,042,025</b>	<b>118,129,978</b>

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## Fleet Management

### Mission Statement:

The Division of Fleet Management strives to provide excellent customer service to all departments of the City of Norfolk by developing and administering a comprehensive structured preventive maintenance and repair program by:

- Being among the best and most respected fleet management operations in the country
- Exceeding customer expectations for service, quality, and value
- Providing team members a great place to work, learn, and thrive
- Serving the residents of Norfolk with pride, dedication, and efficiency

### Cost Recovery Summary:

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted	FY 2026 Adopted
Use of Money and Property	2,322	3,294	5,000	5,000
Charges for Services	11,543,491	12,327,253	12,250,040	14,466,331
Miscellaneous Revenue	0	0	1,503,880	88,080
Recovered Costs	43,237	93,922	70,000	70,000
Other Sources and Transfers In	609,523	535,386	512,567	512,567
<b>Total</b>	<b>12,198,573</b>	<b>12,959,855</b>	<b>14,341,487</b>	<b>15,141,978</b>

Actual amounts represent collections, not appropriation authority.

### Expenditure Summary:

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted	FY 2026 Adopted
Personnel Services	2,886,050	3,275,371	4,066,381	4,375,766
Materials, Supplies, and Repairs	5,628,464	6,589,562	6,074,634	6,243,905
Contractual Services	4,975,748	4,483,048	4,037,456	4,248,020
Equipment	66,377	55,477	62,115	65,845
Department Specific Appropriation	0	0	0	72,179
Debt Service/Transfers to CIP	81,206	0	100,901	136,263
<b>Total</b>	<b>13,637,845</b>	<b>14,403,458</b>	<b>14,341,487</b>	<b>15,141,978</b>

## Fleet Management

### Department Programs:

Cost Allocation for Citywide Services			Efficient and responsive government	
Stakeholders	FTE	Cost	Demand	Funding Sources
• City Agencies	0.0	\$283,380	Meets Demand - Maintains	Internal Service Funds

Fuel Management			Infrastructure and Connectivity	
Stakeholders	FTE	Cost	Demand	Funding Sources
• City Agencies	0.0	\$5,665,000	Meets Demand - Maintains	Internal Service Funds

The Fuel Management Program provides unleaded and diesel fuels to power city equipment and vehicles, and provides repairs to city-owned fuel sites. The program ensures fuel is available for city equipment and vehicles that are used to provide services to the businesses and residents of Norfolk during regular and inclement weather operations. Fuel is also provided to other partner agencies such as Norfolk Public Schools.

Performance Measures	Performance Target	FY 2023 Actual	FY 2024 Actual	FY 2025 Projection	FY 2026 Adopted
Total cost of fuel services contract provisions met	5,000,000	4,424,716	5,230,904	5,500,000	5,600,000

General Vehicle and Equipment Repair and Services			Infrastructure and Connectivity	
Stakeholders	FTE	Cost	Demand	Funding Sources
• City Agencies	42.0	\$7,833,024	Meets Demand - Maintains	Internal Service Funds

The General Vehicle, and Equipment Repair and Services Program provides parts, labor, and contractor costs to evaluate and repair city equipment and vehicles and encompasses all operational services necessary throughout the lifecycle of each unit to include procurement, replacement, fueling management and disposal. The Preventative Maintenance program provides parts, labor, and contractor costs for planned maintenance that is regularly performed on city equipment and vehicles to increase safety and reliability and lessen the likelihood of equipment failure.

Performance Measures	Performance Target	FY 2023 Actual	FY 2024 Actual	FY 2025 Projection	FY 2026 Adopted
Percent of direct Auto Repair Technician labor hours	75	79	83	80	80
Percent of time in which the fleet is operational	95	97	95	95	95

Leadership and Support			Efficient and responsive government	
Stakeholders	FTE	Cost	Demand	Funding Sources
• City Agencies	6.0	\$607,734	Meets Demand - Maintains	Internal Service Funds

## Fleet Management

Service Writing			Efficient and responsive government			
Stakeholders	FTE	Cost	Demand	Funding Sources		
<ul style="list-style-type: none"><li>• City Agencies</li><li>• Businesses</li></ul>	4.0	\$752,840	Meets Demand - Maintains	Internal Service Funds		
The Service Writing Program provides customer service at Fleet Management when vehicles and equipment need servicing or repairs by: determining customer needs; documenting vehicle status; preparing work orders; cutting keys; and contacting clients to pick up vehicles after repairs are completed.						
Performance Measures		Performance Target	FY 2023 Actual	FY 2024 Actual	FY 2025 Projection	FY 2026 Adopted
Percent of maintenance performed that was scheduled		60	50	50	60	60
Total number of work order request received		7,200	7,148	7,311	7,200	7,200

## Adopted FY 2026 Budget Actions

	FY 2026	FTE
<ul style="list-style-type: none"> <li><b>Increase funds for NAPA contract</b></li> </ul>	206,564	0.0
Technical adjustment to provide funds for a 3% contractual increase and an inflationary increase to parts and lubricants.		
<ul style="list-style-type: none"> <li><b>Increase funds for fuel contract</b></li> </ul>	165,000	0.0
Technical adjustment to provide funds for inflationary increases in fuel costs.		
<ul style="list-style-type: none"> <li><b>Provide funds for compensation plan implementation</b></li> </ul>	72,179	0.0
Provide funds for the implementation of the city's new step and grade compensation plan.		
<ul style="list-style-type: none"> <li><b>Increase Debt Service for POB changes</b></li> </ul>	35,362	0.0
Technical adjustment to increase debt service for pension obligation bonds (POB) changes.		
<ul style="list-style-type: none"> <li><b>Increase funds for electricity based on utilization</b></li> </ul>	4,271	0.0
Technical adjustment to support inflationary increases in electricity costs.		
<ul style="list-style-type: none"> <li><b>Increase funds for memberships</b></li> </ul>	4,000	0.0
Technical adjustment to support an increase in utilization of membership funds to join Virginia Clean Cities.		
<ul style="list-style-type: none"> <li><b>Increase funds for office equipment</b></li> </ul>	2,500	0.0
Technical adjustment to support inflationary increases to office equipment for administrative support.		
<ul style="list-style-type: none"> <li><b>Increase funds for Fleet Management's software FASTER</b></li> </ul>	1,230	0.0
Technical adjustment to support 3% inflationary increases in Fleet's software costs.		
<ul style="list-style-type: none"> <li><b>Update base program costs</b></li> </ul>	309,385	0.0
Technical adjustment to update program costs for citywide budget actions. Changes include personnel adjustments for approved permanent positions, healthcare enrollment, retirement contributions, and the citywide salary increase effective July 1, 2025. In addition, if applicable, adjustments for annual fleet expenditures based on maintenance and fuel for vehicles used for operations are also included. These are routine adjustments that occur each budget cycle.		
<b>Total</b>	<b>800,491</b>	<b>0.0</b>

## Fleet Management

### Full Time Equivalent (FTE) Summary:

	Pay Grade	Minimum	Maximum	FY 2025 Adopted	FTE Change	FY 2026 Adopted
Administrative Analyst	1 13	\$54,601	\$89,031	2.0	0.0	2.0
Administrative Assistant II	1 10	\$42,629	\$69,485	0.0	1.0	1.0
Administrative Technician	1 07	\$41,231	\$67,207	1.0	0.0	1.0
Automotive Operations Manager	1 15	\$64,296	\$105,126	5.0	0.0	5.0
Automotive Repair Technician I	1 10	\$42,629	\$69,485	11.0	(3.0)	8.0
Automotive Repair Technician II	1 12	\$50,624	\$82,557	7.0	2.0	9.0
Automotive Repair Technician, Senior	1 13	\$54,601	\$89,031	17.0	1.0	18.0
Automotive Service Attendant	1 08	\$41,503	\$67,650	4.0	0.0	4.0
Fleet Coordinator	1 11	\$46,589	\$76,023	1.0	0.0	1.0
Fleet Maintenance Manager	1 19	\$83,267	\$135,417	1.0	0.0	1.0
Management Analyst I	1 11	\$46,589	\$76,023	1.0	(1.0)	0.0
Operations Manager	1 14	\$59,393	\$98,237	1.0	0.0	1.0
Safety Specialist	1 11	\$46,589	\$76,023	1.0	0.0	1.0
<b>Total</b>				<b>52.0</b>	<b>0.0</b>	<b>52.0</b>

Changes to the compensation plan resulting from the Evergreen Solutions study will take effect in mid-FY 2026 and are not reflected here.



# Norfolk Healthcare Consortium

## Mission Statement:

The Norfolk Healthcare Consortium provides comprehensive, affordable, and competitive medical, prescription, dental, vision, legal and identity theft benefits as well as an employee assistance and wellness program for employees and their eligible dependents of the City of Norfolk, Norfolk Public Schools, and Norfolk Redevelopment and Housing Authority. It shall be the mission of Consortium to improve the health and wellbeing of employees and their families, by keeping premiums and out of pocket costs affordable and offering a competitive benefits package to attract and retain an effective workforce.

## Cost Recovery Summary:

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted	FY 2026 Adopted
Charges for Services	87,725,863	92,563,185	105,700,538	96,895,158
Miscellaneous Revenue	0	0	0	430,000
Other Sources and Transfers In	0	0	0	5,662,842
<b>Total</b>	<b>87,725,863</b>	<b>92,563,185</b>	<b>105,700,538</b>	<b>102,988,000</b>

## Expenditure Summary:

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Adopted	FY 2026 Adopted
Personnel Services	1,096,279	1,278,958	1,498,157	1,418,387
Materials, Supplies, and Repairs	0	10,627	7,000	7,000
Contractual Services	73,923,689	84,498,738	104,159,089	101,299,245
Department Specific Appropriation	0	0	0	227,076
Debt Service/Transfers to CIP	0	26,896	36,292	36,292
<b>Total</b>	<b>75,019,968</b>	<b>85,815,219</b>	<b>105,700,538</b>	<b>102,988,000</b>

## Department Programs:

Benefits Administration			Community support and well-being	
Stakeholders	FTE	Cost	Demand	Funding Sources
• City Agencies	0.0	\$101,487,245	Meets Demand - Maintains	Internal Service Funds

The Benefits Administration Program provides health insurance to employees of the Norfolk Consortium, which include: City of Norfolk, Norfolk Public Schools (NPS), and Norfolk Redevelopment and Housing Authority (NRHA). Benefits offered to employees and their families include medical, pharmacy, vision, dental, wellness, flexible spending accounts, legal resources, identity theft protection, optional life insurance, and employee assistance programs (EAP).

Leadership and Support			Community support and well-being	
Stakeholders	FTE	Cost	Demand	Funding Sources
• City Agencies	15.0	\$1,500,755	Meets Demand - Maintains	Internal Service Funds

# Norfolk Healthcare Consortium

## Adopted FY 2026 Budget Actions

	FY 2026	FTE
<ul style="list-style-type: none"> <li>• <b>Reduce long-term vacant positions</b></li> </ul> <p>Reduce long-term vacant positions that have been vacant for more than two years. This will allow for the strategic reallocation of funds to support compensation investments. This position is being reduced in the Leadership and Support Program.</p>	(74,740)	(1.0)
<ul style="list-style-type: none"> <li>• <b>Provide funds for compensation plan implementation</b></li> </ul> <p>Provide funds for the implementation of the city's new step and grade compensation plan.</p>	28,076	0.0
<ul style="list-style-type: none"> <li>• <b>Adjust budget to align healthcare utilization</b></li> </ul> <p>Adjust budget to align healthcare budget with utilization and enrollment.</p>	(2,660,844)	0.0
<ul style="list-style-type: none"> <li>• <b>Update base program costs</b></li> </ul> <p>Technical adjustment to update program costs for citywide budget actions. Other actions include adjustments for healthcare enrollment, retirement contributions, and the citywide salary increase effective July 1, 2025. In addition, if applicable, adjustments for annual fleet expenditures based on maintenance and fuel for vehicles used for operations are also included. These are routine adjustments that occur each budget cycle.</p>	(5,030)	0.0
<b>Total</b>	<b>(2,712,538)</b>	<b>(1.0)</b>

## Full Time Equivalent (FTE) Summary:

	Pay Grade	Minimum	Maximum	FY 2025 Adopted	FTE Change	FY 2026 Adopted
Benefits Specialist (HR only)	1 11	\$46,589	\$76,023	4.0	0.0	4.0
City Wellness Coordinator	1 13	\$54,601	\$89,031	1.0	0.0	1.0
Data Analyst	1 16	\$68,675	\$111,968	1.0	0.0	1.0
Executive Director of NHC	1 25	\$116,696	\$197,186	1.0	0.0	1.0
Human Resources Benefits Manager	1 17	\$73,368	\$119,737	1.0	0.0	1.0
Human Resources Benefits Analyst II (HR Only)	1 14	\$59,393	\$98,237	3.0	0.0	3.0
Management Analyst II	1 13	\$54,601	\$89,031	1.0	0.0	1.0
Management Analyst III	1 14	\$59,393	\$98,237	1.0	0.0	1.0
Multimedia Communications Specialist II	1 13	\$54,601	\$89,031	1.0	0.0	1.0
Programmer/Analyst V	1 16	\$68,675	\$111,968	1.0	(1.0)	0.0
Projects Manager, Senior	1 17	\$73,368	\$119,737	1.0	0.0	1.0
<b>Total</b>				<b>16.0</b>	<b>(1.0)</b>	<b>15.0</b>

Changes to the compensation plan resulting from the Evergreen Solutions study will take effect in mid-FY 2026 and are not reflected here.

## Special Project Positions:

	Pay Grade	Minimum	Maximum	FY 2026 Adopted
Special Assistant	1 20	\$88,508	\$144,326	1.0
<b>Total</b>				<b>1.0</b>