

FLEET SERVICES

Fleet Services, an Automotive Service Excellence (A.S.E), Blue Seal operation since 2004, offers efficient, cost-effective and high quality services. Revenues for this department are generated from labor and handling fees assessed to user departments.

The total budget for this department is \$7,841,325, which funds the following services in these approximate amounts:

	FY18 Budget	FY18 Positions
Leadership & Management	\$344,552	2.5
Provide leadership and management for the offering of maintenance, repair, fueling and vehicle acquisition/disposition services to Fleet Services' customers. Align the department's organizational strategies with the City's organizational goals and ensure continuing education for employees.		
Vehicle Maintenance	\$5,120,851	23.5
Provide maintenance and repair services that result in the operation of safe, reliable and cost-effective vehicles/ equipment to assist user departments in supplying superior services. Conduct an effective and scheduled preventative maintenance program which results in improved vehicle availability and reduced downtime/inconvenience to customers. Accomplish timely, responsive and efficient vehicle/equipment repairs.		
Fuel Services	\$2,164,555	1.0
Provide clean, safe and reliable fueling facilities which are available to Fleet Services' customers 24 hours/day, 7 days/week. Identify appropriate locations for in-house fueling sites and commercial alternatives that are geographically convenient to customers. Maintain fuel contingency plans in the event of shortage due to supply disruptions or emergency situations. Conduct effective preventative maintenance on fuel dispensing equipment.		
Vehicle Acquisition and Disposition	\$53,170	0.5
Select vehicles/equipment for replacement and disposal in a systematic and cost-effective manner that minimizes operating costs associated with ownership and satisfies the needs of the specific service provider. Conduct a thorough customer needs analysis, maximize vehicle utilization , "right-size" the fleet and dispose of surplus vehicles promptly after service life.		
Motor Pool	\$42,209	0.5
Provide daily motor pool services to City departments which is a cost-effective alternative to department-owned vehicles. Identify pick-up and drop-off locations that are geographically convenient.		
Fixed Costs	\$115,988	N/A
Total FY18 Budget		\$7,841,325
Total FY18 Positions		28.0

FLEET SERVICES

Performance Indicators	Type of Measurement	FY15 Actual	FY16 Actual	FY17 Estimate	FY18 Target
Vehicle Maintenance and Repair Work Orders	Output	9,700	8,989	8,500	8,500
Repair Comeback Rate (Industry Std = <4%)	Outcome	<2.5%	<2.9%	<2.5%	<2.5%
24 Hour Fuel Availability Rate	Outcome	100%	100%	100%	100%
Preventative Maintenance Scheduled Compliance Rate (Depts.)	Outcome	95%	98%	98%	98%
Vehicle/Equipment Uptime Rate	Outcome	97%	97%	97%	97%
Customer Satisfaction Rating	Outcome	85%	85%	85%	85%

Expenditure Summary

<i>Expenditures</i>	FY15 Actual	FY16 Actual	FY17 Budget	FY17 Adjusted Budget	FY18 Budget	Increase/ (Decrease)
Personnel Services	1,281,354	1,345,703	1,361,041	1,361,041	1,486,274	125,233
Operating Expenses	1,202,591	1,414,334	1,187,302	1,187,302	1,239,562	52,260
Capital Outlay	46,443	49,171	117,474	117,474	61,474	(56,000)
Cost of Goods Sold	6,138,158	5,342,236	4,701,560	4,701,560	5,054,015	352,455
Grand Total	8,668,546	8,151,444	7,367,377	7,367,377	7,841,325	473,948

Budget Note: The 2% general wage increase (GWI), compression and pay scale adjustments were already budgeted in the FY17 Council Approved Budget. Therefore, no change is reflected in the FY17 Adjusted Budget. Likewise, the 2% GWI recommended for FY18 has already been budgeted in FY18. The increase in personnel services is due to overtime related to more frequent vehicle maintenance to support departments responsible for providing critical services and inclement weather related missions. The increase in operating expenses is due to higher fixed costs and funds moved from capital outlay for increased expenses. The increase to cost of goods sold is attributed to an increase in the cost of major component parts and commercial repair charges.

Department Staffing History

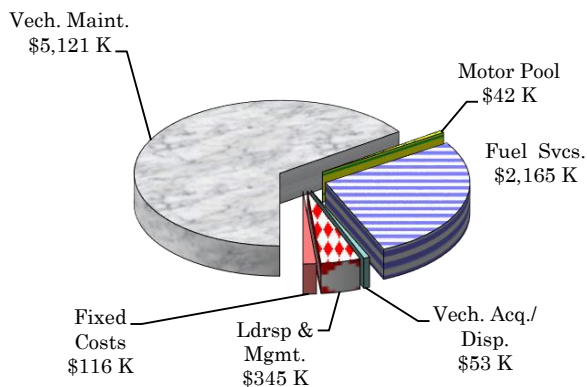
	FY15	FY16	FY17	FY17 Adjusted	FY18	Increase/ (Decrease)
Positions (PFT)	28	28	28	28	28	0

FY 2018 Position Summary

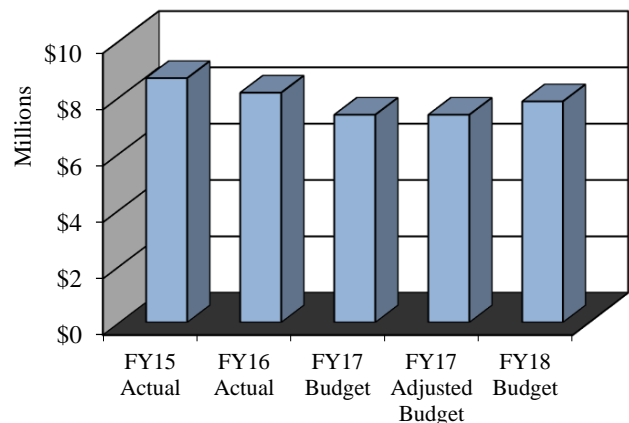
1 Fleet Manager	1 Admin Services Manager
1 Fleet Systems Performance Manager	8 Fleet Technician
1 Fleet Maintenance Supervisor	1 Account Clerk III
1 Fleet Operations Manager	3 Equipment Mechanic -Fleet
3 Fleet Maintenance Team Leader	2 Auto Equipment Service Attendant
1 Fleet Service Team Lead	3 Master Fleet Technician
1 Fleet Services Proj Coordinator	1 Fleet Service Advisor

TOTAL PFT POSITIONS: 28

FY 2018 Service Summary



Budget Comparison FY15 - 18



FLEET SERVICES
Revenue Summary

Revenue Sources	FY15 Actual	FY16 Actual	FY17 Budget	FY17 Adjusted Budget	FY18 Budget	Increase/ (Decrease)
Maintenance Services	237,713	262,717	242,643	242,643	328,155	85,512
Sales - Labor	1,377,648	1,801,503	1,589,312	1,589,312	1,740,431	151,119
Sales (Gas/Oil, Sublet, Parts/ Miscellaneous/Tires)	5,988,413	5,190,903	4,530,446	4,530,446	4,850,203	319,757
Handling Fees (Gas, Oil, Sublet, Parts/Tires, Disposal)	614,903	607,914	734,354	734,354	754,197	19,843
Transfer from Equipment Replacement Fund	0	65,098	67,303	67,303	70,565	3,262
Transfer from Retained Earnings	0	0	133,449	133,449	52,189	(81,260)
Motor Pool	5,747	4,625	20,204	20,204	20,585	381
Miscellaneous Revenue - Insurance Recovery	0	85,548	49,666	49,666	25,000	(24,666)
Total Revenues	8,224,424	8,018,308	7,367,377	7,367,377	7,841,325	473,948

Fleet Services, an Automotive Service Excellence (A.S.E), Blue Seal operation since 2004, maintains City vehicles/equipment and manages the orderly and consistent method of replacing vehicles and equipment in the City's Fleet to support the most efficient and cost effective service delivery system to citizens.

The total budget for this department is approximately \$3,072,330 which funds the following services in these approximate amounts:

	FY18 Budget
Vehicle/Equipment Purchases	\$1,452,300
This refers to new vehicles and equipment purchased during the fiscal year to replace vehicles/equipment that have exceeded their economic and operational service life span.	
Lease Payments	\$932,133
These are payments for lease purchases, a contractual agreement in which the city acquires vehicles or equipment through a lease from a vendor or leasing company.	
Equipment Rental	\$90,000
These are payments for the rental of machinery, vehicles and equipment for a pre-determined period of time.	
Transfer to ERF - Retained Earnings for future year purchases	\$527,332
This refers to the unexpended portion of collected user fee revenues that are retained to pay for the replacement of vehicles and equipment at the end of the asset's service life.	
Transfers Out	\$70,565
This is the staff and overhead support in procuring and disposing of vehicles and equipment assets.	
Total FY18 Budget	\$3,072,330

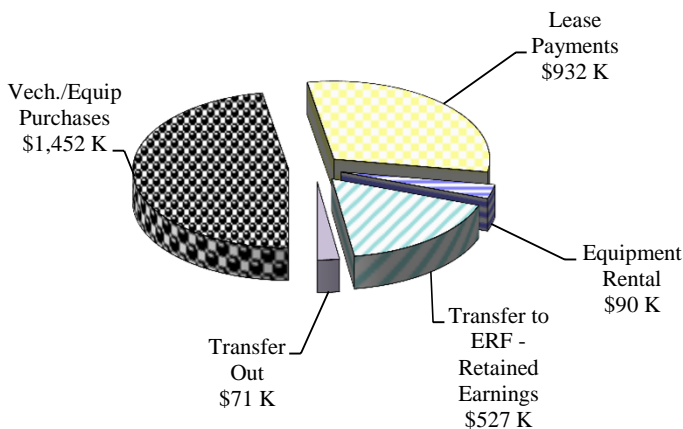
Expenditure Summary

Expenditures	FY15 Actual	FY16 Actual	FY17 Budget	FY17 Adjusted Budget	FY18 Budget	Increase/ (Decrease)
Vehicle/Equipment Purchases	3,836,301	3,988,502	1,410,000	1,410,000	1,452,300	42,300
Lease Payments	1,024,043	932,133	932,133	932,133	932,133	0
Equipment Rental	190,950	64,378	90,000	90,000	90,000	0
Transfer to ERF - Retained Earnings for future year purchases	0	0	0	0	527,332	527,332
Transfers Out	0	65,098	67,303	67,303	70,565	3,262
Total Expenditures	5,051,294	5,050,111	2,499,436	2,499,436	3,072,330	572,894

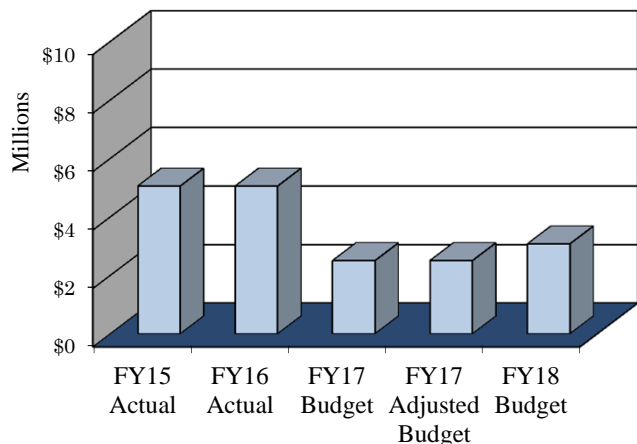
Budget Note: The \$527,332 increase is attributed to the transfer of funds to ERF retained earnings in order to ensure adequate funding for future vehicle/equipment purchases.

Note: The staffing for Equipment Replacement is covered in Fleet Services.

FY 2018 Service Summary



Budget Comparison FY15- 18



Revenue Summary

Revenues	FY15 Actual	FY16 Actual	FY17 Budget	FY17 Adjusted Budget	FY18 Budget	Increase/ (Decrease)
User Fees*	1,811,136	1,982,218	2,344,065	2,344,065	2,989,135	645,070
Prior Years' User Fee Collections (ERF Retained Earnings)	2,795,604	2,827,002	0	0	0	0
Other Revenues	444,554	240,891	155,371	155,371	83,195	(72,176)
Total Revenues	5,051,294	5,050,111	2,499,436	2,499,436	3,072,330	572,894

* Charges to pay for the replacement of vehicles and equipment at the end of the asset's service life.

NOTE: The \$550,000 increase in User Fees is attributed to deferred vehicle/equipment user fee charges to departments for vehicle/equipment purchases in FY15-FY16.

Information Technology is committed to implement and sustain information technology services which support the quality of life of Hampton citizens and maximizes the effectiveness of city government.

The total budget for this department's Internal Service portion is \$2,788,742, which funds the following services in these approximate amounts:

	FY18 Budget	FY18 Positions
Telecommunications	\$2,247,523	3.0
Provide telephone and communications services to City departments. The telecommunications division is essential to the continued operation of City departments. Performance metrics measure the uptime and availability of the services provided in order to meet the needs of City users. Telecommunications services strive to maintain 98% availability.		
Technical Support	\$538,021	1.0
Provide City employee end user support for PCs, laptops, printers, mobile devices, network access and end user software in a timely and cost effective manner. Performance metrics measure the uptime and availability of the services provided in order to meet the needs of City users. Telecommunications services strive to maintain 98% availability.		
Fixed Costs	\$3,198	N/A
Total FY18 Budget		\$2,788,742
Total FY18 Positions		4.0

Performance Indicators	Type of Measurement	FY15 Actual	FY16 Actual	FY17 Estimate	FY18 Target
Two hour response time for Technical Support	Effectiveness	96.53%	98.54%	98.00%	98.00%
Telecommunications services availability during working hours	Outcome	99.90%	99.90%	99.00%	98.00%

Expenditure Summary

	FY15 Actual	FY16 Actual	FY17 Budget	FY17 Adjusted Budget	FY18 Budget	Increase (Decrease)
Expenditures						
Personnel Services	169,009	229,204	225,367	225,367	238,291	12,924
Operating Expenses	2,078,119	1,947,594	2,089,118	2,089,118	2,266,451	177,333
Capital Outlay	228,371	102,362	284,000	284,000	284,000	0
Grand Total	2,475,499	2,279,160	2,598,485	2,598,485	2,788,742	190,257

Budget Note: The 2% general wage increase (GWI), compression and pay scale adjustments were already budgeted in the FY17 Council Approved Budget. Therefore, no change is reflected in the FY17 Adjusted Budget. Likewise, the 2% GWI recommended for FY18 has already been budgeted in FY18. The increase in operating expenses is due to increases in costs of the maintenance of network and telecommunications systems.

Department Staffing History

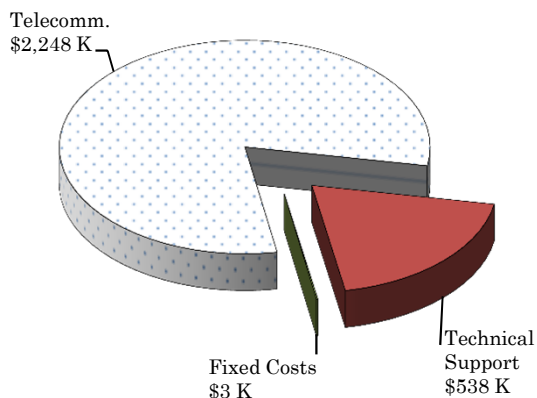
	FY15	FY16	FY17	FY17 Adjusted	FY18	Increase/ (Decrease)
Positions (PFT)	4	4	4	4	4	0

FY 2018 Position Summary

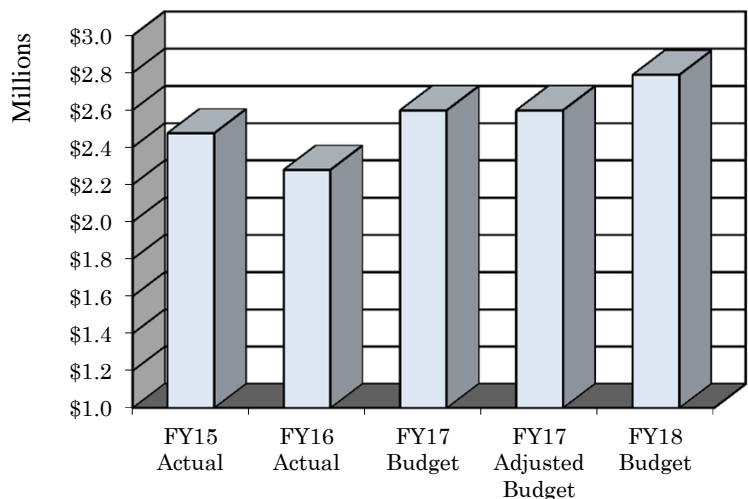
1 Network & Telecomm. Manager	1 Technology Support Specialist
1 Network Engineer	1 Telecomm. Support Specialist

TOTAL PFT POSITIONS: 4

FY 2018 Service Summary



Budget Comparison FY15-18



Revenue Summary

<i>Revenue Sources</i>	FY15 Actual	FY16 Actual	FY17 Budget	FY17 Adjusted Budget	FY18 Budget	Increase/ (Decrease)
User Fees - Telecom.	\$1,536,351	\$1,955,557	\$1,727,099	\$1,727,099	\$1,801,898	\$74,799
User Fees - PC Support	0	0	155,160	155,160	269,448	114,288
User Fees - MAC Service Charges	0	0	65,625	65,625	65,625	0
User Fees - Maintenance Charges	0	0	0	0	0	0
User Fees - Internet Service Charges	431,113	495,347	330,046	330,046	271,771	(58,275)
Transfer from Net Position	0	0	280,000	280,000	380,000	100,000
Miscellaneous	436	1,515	0	0	0	0
Total Revenues	\$1,967,900	\$2,452,419	\$2,557,930	\$2,557,930	\$2,788,742	\$230,812

RISK MANAGEMENT

The Risk Management Department is responsible for mitigating and managing the City's exposure to risk. The department achieves this by managing the City's Self-Insurance program, purchasing insurance to protect its assets, actively managing liability and workers' compensation claims filed against the City, and implementing safety and loss control programs.

The total budget for this department is \$8,597,651, which funds the following services in these approximate amounts:

	FY18 Budget	FY18 Budget
Leadership and Management	\$101,183	1
<p>This service is responsible for the administration of the City's and Hampton City School's (HCS) Risk Management Program. This includes the management of all loss control and safety policies, the Risk Management Fund, the self-insured Worker's Compensation programs and the self-insured liability programs and the procurement of all insurance for the City and HCS. Additionally, oversight of all claims management functions including settlement and negotiations as well as monitoring the actions of contracted third party administrators and insurance company adjusters. Guidance to City departments and divisions in areas of risk management and OSHA matters is also provided. Another important function is the approval of all City and HCS contracts with regard to insurance provisions and maintenance of Certificates of Insurance which provide proof that contractors</p>		
Worker's Compensation	\$4,198,980	2
<p>Provide Worker's Compensation services to City and HCS employees. The activities conducted include claims management, accident investigations to determine root causes of injuries and incidents, job hazard analysis, job function analysis, and Occupational Safety and Health training and program management. Staff serves as liaison to employees, their supervisors, health care providers and the TPA to obtain the quickest and most complete recovery possible while ensuring the employee is provided all the benefits set forth in the Virginia Worker's Compensation Act. Also, in this service is the environmental health and safety program which manages the City's safety program and the asbestos and lead management program.</p>		
General Liability	\$4,279,113	2.5
<p>Protect the assets and financial well-being of the City and HCS by reducing potential loss before it occurs through the implementation of risk management loss control principles and by financing losses by providing insurance coverage for catastrophic losses that may occur as a result of acts of nature, human error and court judgments. Staff performs all functions of claims investigation, adjusting, and settlement negotiation, and payment if necessary for liability claims against the City and HCS. This section is also responsible for inspections of City and HCS facilities to determine possible hazards and liability problems, review of policies and procedures, and training in the principles of risk management.</p>		
Fixed Costs	\$18,375	N/A
	Total FY18 Budget	\$8,597,651
	Total FY18 Positions	5.5

RISK MANAGEMENT

Performance Indicators	Type of Measurement	FY15 Actual	FY16 Actual	FY17 Estimate	FY18 Target
No. of Workers' Compensation Claims	Outcome	160	160	182	145
No. of General Liability Claims	Outcome	135	182	180	125
No. of Property Damage by City Claims	Outcome	35	52	50	35

Expenditure Summary

	FY15 Actual	FY16 Actual	FY17 Budget	FY17 Adjusted Budget	FY18 Budget	Increase/ (Decrease)
Expenditures						
Personnel Services	270,401	311,027	268,740	268,740	317,833	49,093
Operating Expenses	17,563,052	9,799,272	8,291,868	8,291,868	8,279,818	(12,050)
Capital Outlay	1,962	1,564	1,000	1,000	0	(1,000)
Grand Total	17,835,414	10,111,863	8,561,608	8,561,608	8,597,651	36,043

Budget Note: The 2% general wage increase (GWI), compression and pay scale adjustments were already budgeted in the FY17 Council Approved Budget. Therefore, no change is reflected in the FY17 Adjusted Budget. Likewise, the 2% GWI recommended for FY18 has already been budgeted in FY18. The increase in personnel services is a result of reincorporating the salary for the City Attorney staff assigned to Risk Management, which was not included in the FY17 budget. The decrease in operating expenses is due to an anticipated reduction in insurance premiums for FY2018.

Department Staffing History

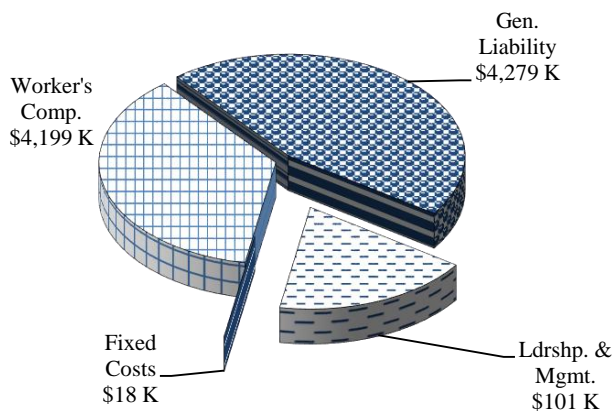
	FY15	FY16	FY17	FY17 Adjusted	FY18	Increase/ (Decrease)
Positions (PFT)	5.5	5.5	5.5	5.5	5.5	0.0

FY 2018 Position Summary

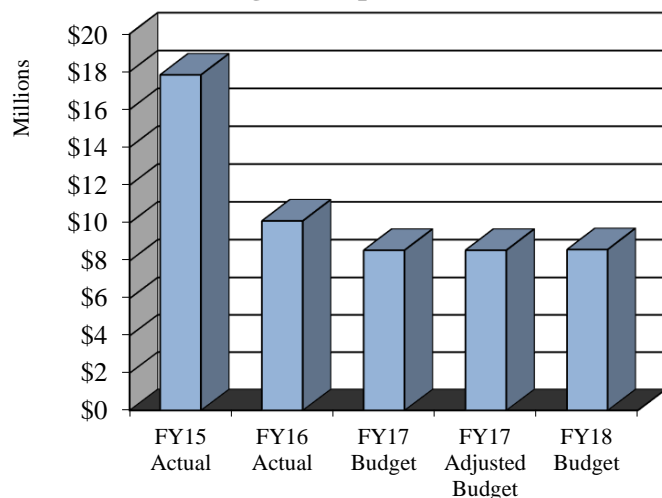
1 Risk Manager	2 Claims Technicians
1 Claims Manager Risk Management	1 Occupational Health and Safety Coordinator
0.5 Assistant City Attorney	

TOTAL PFT POSITIONS: 5.5

FY 2018 Service Summary



Budget Comparison FY15-18



Revenue Summary

<i>Revenue Source*</i>	FY15 Actual	FY16 Actual	FY17 Budget	FY17 Adjusted Budget	FY18 Budget	Increase/ (Decrease)
General Liability Insurance	2,549,273	2,038,262	3,295,983	3,295,983	1,859,582	(1,436,401)
Auto Insurance	1,208,219	890,225	1,117,920	1,117,920	1,106,825	(11,095)
Worker's Compensation	6,328,586	5,509,416	4,147,705	4,147,705	5,631,244	1,483,539
Line of Duty	340,000	0	0	0	0	0
Total Revenues	10,426,078	8,437,903	8,561,608	8,561,608	8,597,651	36,043

* **Note:** Revenues for all years above include revenues for Hampton City Schools