



Internal Service Funds

"Beauty for Ashes chose Hampton for its vibrant young and talented arts community."

David Riddick

BEAUTY FOR ASHES CONTEMPORARY SCHOOL OF DANCE



22. Internal Service Funds

Table of Contents	Page
Internal Service Funds – Expenditure Summary Fiscal Years 2021 – 2024	22-1
Fleet Services Fund	22-3
Fleet Services – Equipment Replacement Fund	22-7
Information Technology Fund	22-11
Risk Management Fund	22-15

This section includes the departments that are in the Internal Service Funds. These departments provide services to other City departments and assess user fees to cover the cost of their operations.





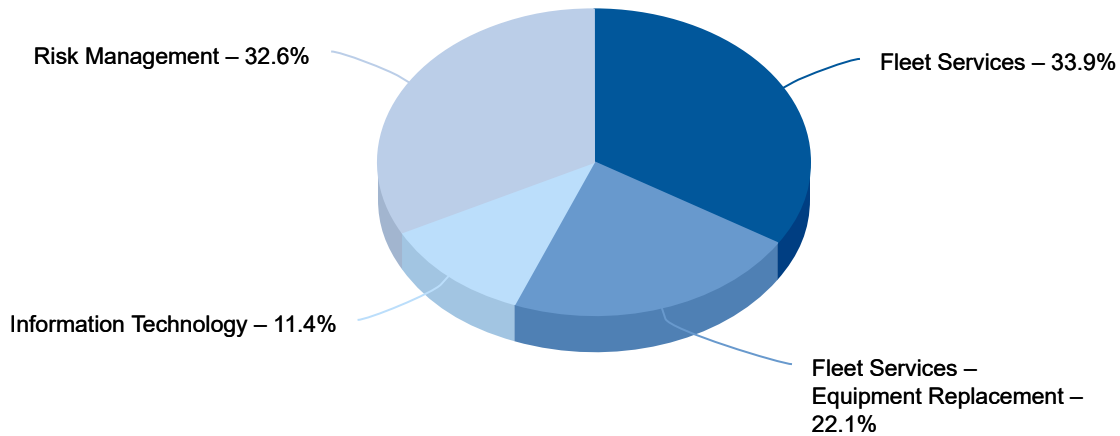
Mission

The Internal Service Funds business team goal is to provide centralized and cost-effective services to other departments within the City.

Departmental Breakdown

Departments	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
Fleet Services	6,181,512	6,529,040	7,863,382	7,863,382	9,999,388	2,136,006
Fleet Services – Equipment Replacement	2,983,773	2,960,648	6,527,065	6,527,065	6,527,065	0
Information Technology	2,517,530	2,558,284	3,188,836	3,188,836	3,367,312	178,476
Risk Management	9,233,179	9,114,242	8,971,303	8,971,303	9,621,562	650,259
Grand Total	20,915,994	21,162,214	26,550,586	26,550,586	29,515,327	2,964,741

Percentage of Team’s FY 2024 Budget



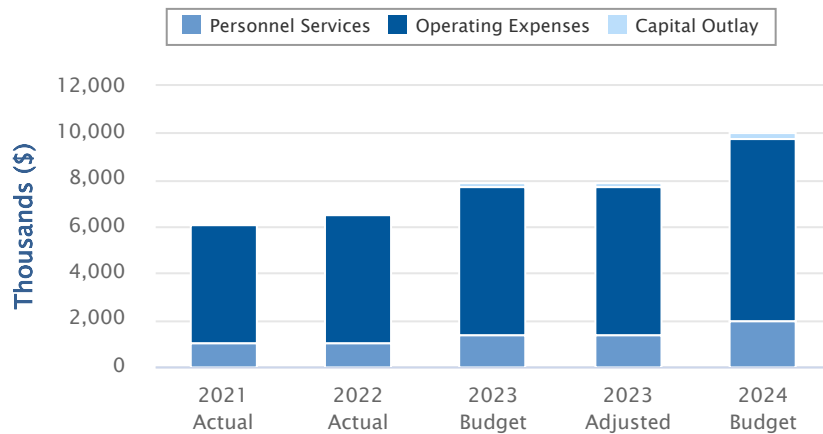




Mission

The mission of Fleet Services, an Automotive Service Excellence (A.S.E) organization, is to offer efficient, cost-effective and high quality services. Revenues for this department are generated from maintenance services and handling fees assessed to user departments.

Expenditure Summary and History



	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
Personnel Services	1,049,863	1,042,471	1,396,257	1,396,257	1,939,562	543,305
Operating Expenses	5,051,776	5,432,547	6,326,921	6,326,921	7,868,205	1,541,284
Capital Outlay	79,872	54,022	140,204	140,204	191,621	51,417
Grand Total	6,181,512	6,529,040	7,863,382	7,863,382	9,999,388	2,136,006

Permanent Full-Time (PFT) Staffing History

	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
PFT Positions	24.0	24.0	24.0	24.0	28.0	4.0

Budget Note

The FY24 budget number includes funding for the proposed compensation package and associated fringe benefits costs. The increase in this budget is attributed to the addition of four (4) permanent full-time (PFT) positions, namely two (2) Emergency Vehicle Technicians and two (2) Technicians - Light Vehicles to improve service delivery of emergency equipment; higher costs for fuel, parts, shipping, contractual services, and necessary safety repairs to the building.



2024 PFT Positions

Position	# of PFT	Position	# of PFT
Account Clerk III	1	Fleet Operations Mgr	1
Admin Services Manager	1	Fleet Services Support Tech	2
Auto Equip Serv Attendant	3	Fleet Systems Performance Mgr	1
Emergency Vehicle Technician	2	Fleet Technician	7
Emergency Vehicle Technicin	2	Master Fleet Technician	1
Equip Mechanic - Fleet	1	Superintendent Of Fleet Svcs	1
Fleet Maint Team Leader	3	Technician - Light Vehicles	2
Grand Total:	28		

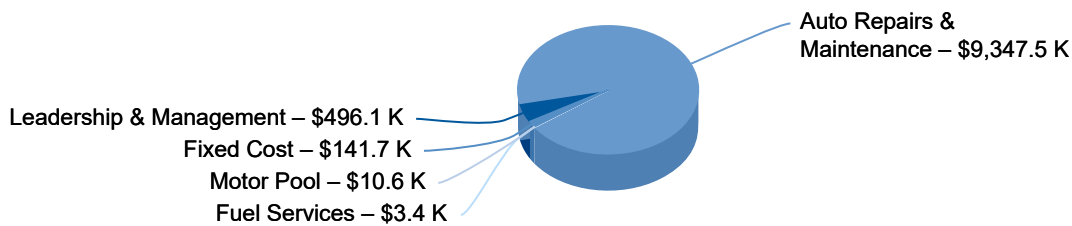
Performance Indicators

Indicator	Type	2021 Actual	2022 Actual	2023 Estimate	2024 Target
# of Vehicle Maintenance and Repair Work Orders	Output	5,903	5,874	6,198	6,150
Repair Comeback Rate (Industry standard=<4%)	Outcome	0.70%	0.57%	<2.0%	<1%
Vehicle/Equipment Uptime Rate	Outcome	96%	90%	97%	95%
Preventative Maintenance Compliance Rate (Depts.)	Outcome	96.00%	85%	97%	95%
% of Outsourced to ALL Fueling Transactions	Output	0.30%	0.05%	<0.5%	0.25%
24 Hour Fuel Availability Rate	Outcome	100%	100%	100%	100%



Services Breakdown and Descriptions

Total Funding:
\$9,999,388



Leadership & Management **\$496,143**

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.

Auto Repairs & Maintenance **\$9,347,471**

Provide maintenance and repair services that result in the operation of safe, reliable and cost-effective vehicles/equipment for user departments. 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 **\$3,449**

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.

Motor Pool **\$10,640**

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 Cost **\$141,685**

This service accounts for various fixed costs for the department, including auto/fleet, IT, and risk management costs.



Revenues Summary

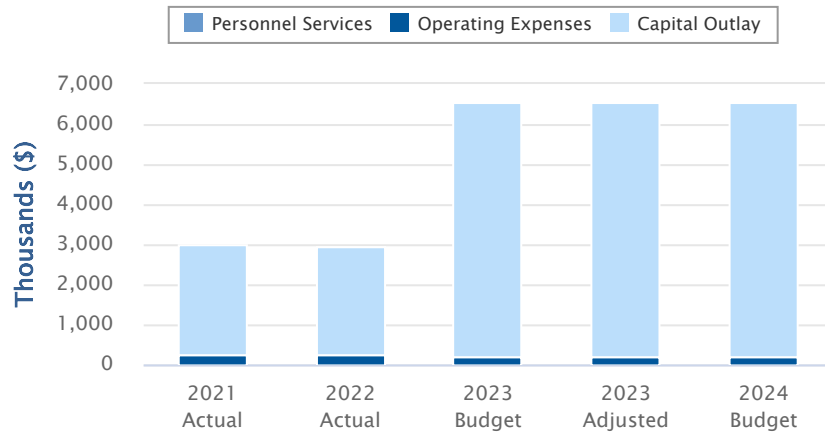
	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
Miscellaneous Revenue	3,965	5,630	0	0	0	0
Motor Pool	4,052	5,611	4,108	4,108	4,109	1
Sale of Property	0	(11,109)	0	0	0	0
Transfer from General Fund	0	0	0	0	0	0
Transfer from Retained Earnings	0	0	92,384	92,384	40,877	(51,507)
Maintenance Services	2,443,236	2,568,036	2,367,003	2,367,003	3,174,681	807,678
Handling Fees (Fuel, Oil)	93,712	110,038	118,479	118,479	514,357	395,878
Miscellaneous Revenue – Insurance Recovery	0	0	0	0	0	0
Sales – Fuel	1,645,791	2,515,437	2,336,609	2,336,609	3,154,902	818,293



Mission

The mission of Fleet Services – Equipment Replacement is to manage the orderly and consistent method of replacing vehicles and equipment in the City's Fleet in an efficient and cost effective manner.

Expenditure Summary and History



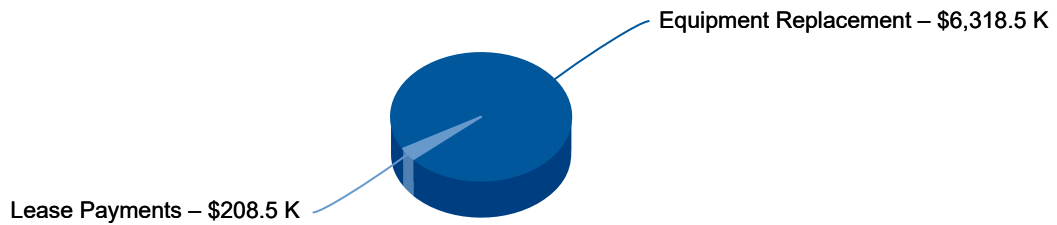
	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
Personnel Services	0	0	0	0	0	0
Operating Expenses	228,178	234,621	208,543	208,543	208,543	0
Capital Outlay	2,755,594	2,726,027	6,318,522	6,318,522	6,318,522	0
Grand Total	2,983,773	2,960,648	6,527,065	6,527,065	6,527,065	0

Budget Note
This is a maintenance level budget.



Services Breakdown and Descriptions

**Total Funding:
\$6,527,065**



Equipment Replacement	\$6,318,522
Purchase and replace vehicles and equipment for customer departments.	
Lease Payments	\$208,543
Payments for lease purchases, (a contractual agreement) in which the city acquires vehicles or equipment through a lease from a vendor or leasing company.	



Revenues Summary						
	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
Administrative Fee	1,070	1,000	0	0	0	0
Approp From Fund Balance	0	0	3,000,000	3,000,000	3,000,000	0
Gain on Sale of P,P&E	(141,424)	(19,339)	0	0	0	0
Interest – Daily	6,009	23,944	0	0	0	0
Miscellaneous Revenue	16,173	0	0	0	0	0
Rental/Replacement – Vehicles	3,143,884	3,239,010	3,527,065	3,527,065	3,527,065	0
Sale of Property	172,425	308,501	0	0	0	0
Transfer from General Fund	3,000,000	4,360,300	0	0	0	0
Grand Total	6,198,137	7,913,416	6,527,065	6,527,065	6,527,065	0

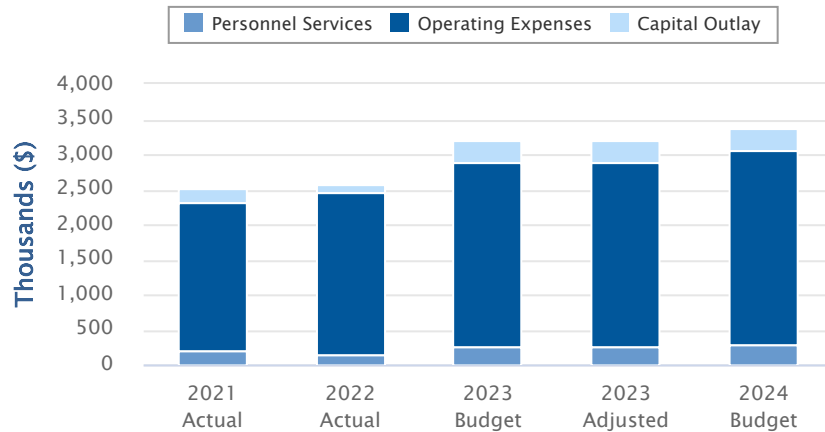




Mission

The mission of Information Technology is to maximize the effectiveness of city government by providing and maintaining quality technology services and solutions that are innovative, secure, consistently available and valuable to our customers.

Expenditure Summary and History



	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
Personnel Services	202,990	153,168	254,880	254,880	283,515	28,635
Operating Expenses	2,102,599	2,316,877	2,625,956	2,625,956	2,775,797	149,841
Capital Outlay	211,942	88,240	308,000	308,000	308,000	0
Grand Total	2,517,530	2,558,284	3,188,836	3,188,836	3,367,312	178,476

Permanent Full-Time (PFT) Staffing History

	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
PFT Positions	4.0	4.0	4.0	4.0	4.0	0.0

Budget Note

The FY24 Budget number includes funding for the proposed compensation package and associated fringe benefit costs. The increase in operating expenses is attributed to the increase in contractual maintenance costs.



2024 PFT Positions

Position	# of PFT	Position	# of PFT
Desktop Engineer	1	Network Engineer	1
Network & Telcomm Manager	1	Telecomm Support Specialist	1
Grand Total:		4	

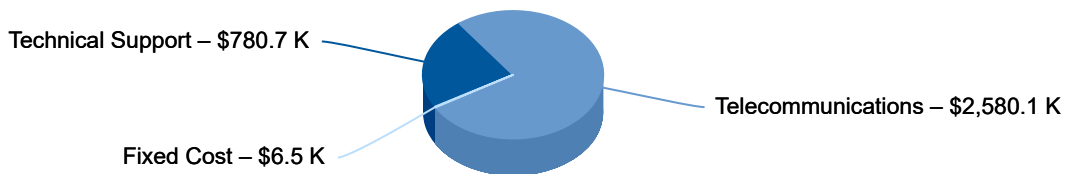
Performance Indicators

Indicator	Type	2021 Actual	2022 Actual	2023 Estimate	2024 Target
# of High Severity Cyber Security Incidents	Explanatory	6	3	12	2
# of radios utilizing the City's public safety radio system	Explanatory	2,136	2,165	2,175	2,175
Total volume in cubic feet of physical records stored in a secure off site location	Explanatory	9,791	7,295	6,585	5,995
# of GIS layers available to the public	Output	95	75	130	125
# of public Wi-Fi access points in City facilities	Output	45	53	65	70



Services Breakdown and Descriptions

**Total Funding:
\$3,367,312**



Technical Support **\$780,674**

Provide end user support for PCs, laptops, printers, mobile devices, network access and software in a timely and cost effective manner. Performance metrics measure the uptime and availability of services provided to meet the needs of City users. Technical support services strive to maintain 98% availability.

Telecommunications **\$2,580,142**

Provide telephone and communications services to City departments which 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.

Fixed Cost **\$6,496**

This service accounts for various fixed costs for the department, including auto/fleet, IT, and risk management costs.



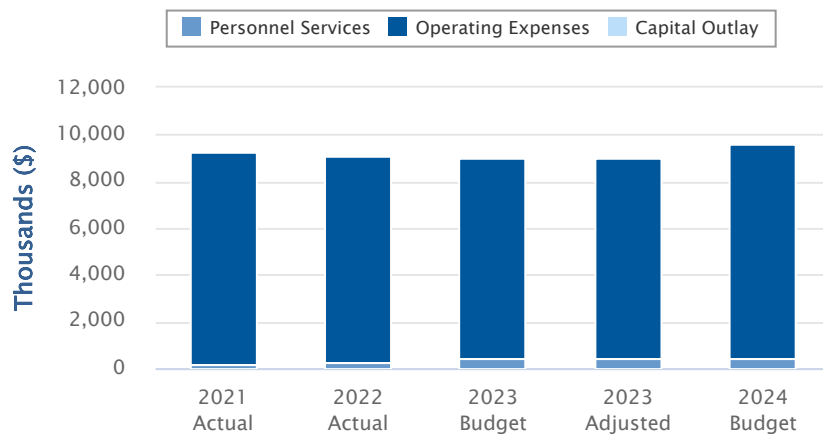
Revenues Summary						
	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
MAC Service Charges	32,780	82,365	3,002	3,002	44,126	41,124
PC Support Charges	536,619	699,024	767,349	767,349	785,914	18,565
Interest Income	775	4,666	0	0	0	0
Appropriation from Fund Balance	0	0	0	0	50,000	50,000
Internet Service Charges	913,271	980,223	1,048,318	1,048,318	1,096,897	48,579
Telecommunications Charges	1,390,952	1,381,751	1,370,167	1,370,167	1,390,375	20,208
Lease Purchase Charge	0	0	0	0	0	0
Grand Total	2,874,398	3,148,029	3,188,836	3,188,836	3,367,312	178,476



Mission

The mission of Risk Management is to mitigate and manage the City’s exposure to risk. This is achieved by managing the City’s self-insurance program; purchasing insurance to protect assets; actively managing liability and workers’ compensation claims filed against the City; and implementing occupational health & safety and loss control programs.

Expenditure Summary and History



	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
Personnel Services	185,780	289,712	427,507	427,507	430,838	3,331
Operating Expenses	9,039,566	8,811,123	8,534,796	8,534,796	9,173,224	638,428
Capital Outlay	7,833	13,407	9,000	9,000	17,500	8,500
Grand Total	9,233,179	9,114,242	8,971,303	8,971,303	9,621,562	650,259

Permanent Full-Time (PFT) Staffing History

	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
PFT Positions	5.5	5.5	6.5	6.5	6.5	0.0

Budget Note
The FY24 Budget numbers include funding for the 5% general wage increase (GWI) and associated fringe benefit costs. The increase in this budget is attributed to higher insurance premium costs.



2024 PFT Positions

Position	# of PFT	Position	# of PFT
Assistant City Attorney II	0.5	Office Specialist-senior	1
Claims Manager Risk Management	1	Risk Manager	1
Claims Technician	2		
Occupational Health/safety Cood	1		
Grand Total:	6.5		

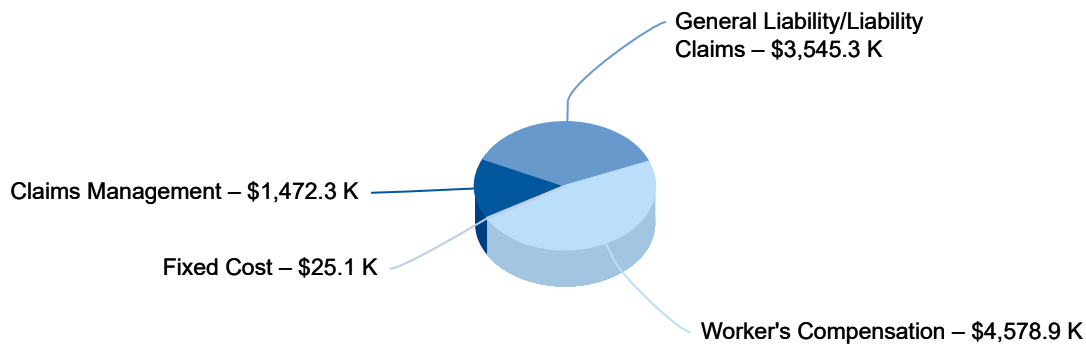
Performance Indicators

Indicator	Type	2021 Actual	2022 Actual	2023 Estimate	2024 Target
# of Auto Liability Claims Occurring in past year	Outcome	84	83	72	75
# of General Liability Claims Occurring in past year	Outcome	236	241	230	240
# of Police Liability Claims	Outcome	0	2	1	2
# of Workers' Compensation Claims Occurring in past year	Outcome	483	482	480	485



Services Breakdown and Descriptions

**Total Funding:
\$9,621,562**



Claims Management \$1,472,344

Administer the City's and Hampton City School's (HCS) Risk Management program which includes all loss control and safety policies; self-insured Worker's Compensation programs; self-insured liability programs and procurement of all insurance. Provide 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 risk management and the Occupational Safety and Health Administration (OSHA) matters is also provided. Approve all City and HCS contracts with regard to insurance provisions and maintenance of Certificates of Insurance for contractors.

General Liability/Liability Claims \$3,545,287

Protect the assets and financial well-being of the City and HCS by loss mitigation through implementing loss control principles and financing losses by providing insurance coverage for catastrophic losses from 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.

Worker's Compensation \$4,578,865

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. Serve as a liaison to employees, their supervisors, and health care providers 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. The environmental health and safety program, which manages the City's safety program and the asbestos and lead management program, is also included.

Fixed Cost \$25,066

This service accounts for various fixed costs for the department, including auto/fleet, IT, and risk management costs.



Revenues Summary						
	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase / (Decrease)
Recovered Costs – Other	1,186,444	30,520	0	0	0	0
Insurance – Auto	2,918,884	724,523	745,532	745,532	928,990	183,458
Insurance – General Liability	1,252,292	1,846,015	2,026,603	2,026,603	2,150,213	123,610
Insurance – Worker’s Compensation	4,177,985	6,017,200	6,199,168	6,199,168	6,542,359	343,191
Interest – Daily	33,525	62,874	0	0	0	0
Transfer from General Fund	0	1,350,000	0	0	0	0
Grand Total	9,569,130	10,031,132	8,971,303	8,971,303	9,621,562	650,259