



21. Internal Services Funds

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

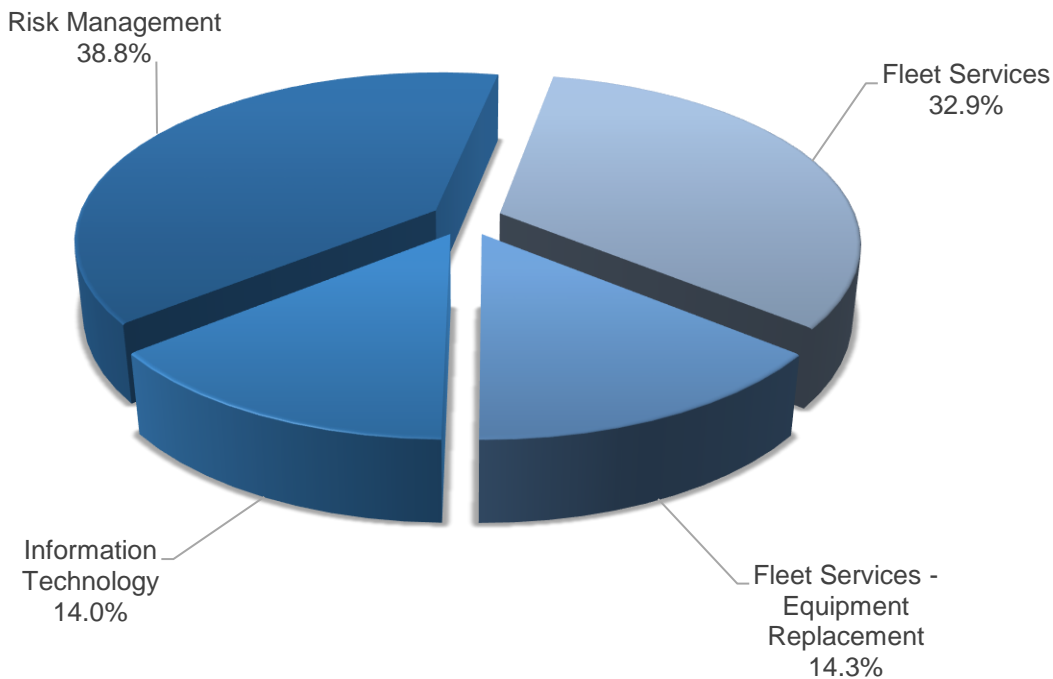


Mission

The Internal Services team goal is to provide centralized and cost-effective services to other departments within the city.

Departmental Breakdown						
Departments	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase/ (Decrease)
Fleet Services	8,151,444	7,719,898	7,841,325	7,841,325	6,975,234	(866,091)
Fleet Services - Equipment Replacement	2,441,248	2,586,699	3,072,330	3,072,330	3,033,867	(38,463)
Information Technology	2,279,161	2,628,350	2,788,742	2,788,742	2,971,573	182,831
Risk Management	5,063,305	9,401,366	8,597,651	8,597,651	8,246,688	(350,963)
Grand Total	17,935,158	22,336,313	22,300,048	22,300,048	21,227,362	(1,072,686)

Percentage of Team's FY 2019 Budget



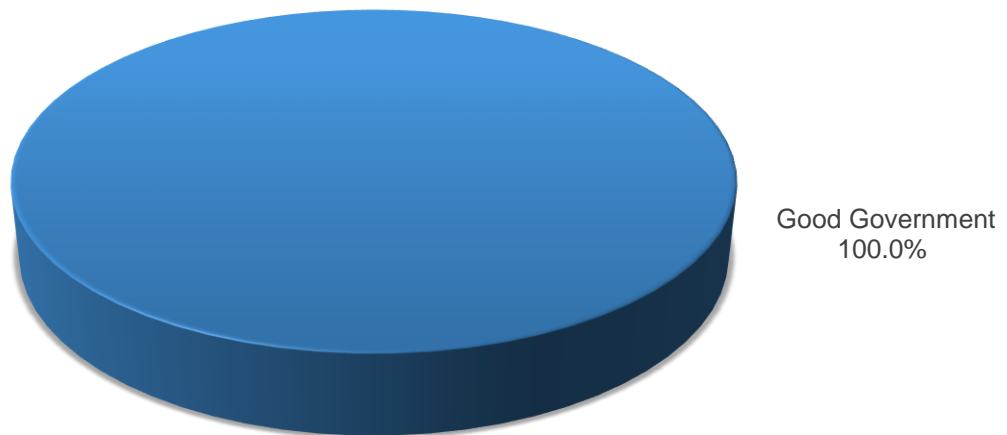


Council Priorities Breakdown

The entire business team's budget is spent across the following council strategic priorities, in the following amounts:

Council Priorities	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase/ (Decrease)
Economic Growth	0	0	0	0	0	0
Placemaking	0	0	0	0	0	0
Living with Water	0	0	0	0	0	0
Educated & Engaged Citizenry	0	0	0	0	0	0
Safe & Clean Community	0	0	0	0	0	0
Good Government	17,935,158	22,336,313	22,300,048	22,300,048	21,227,362	(1,072,686)
Family Resilience & Economic Empowerment	0	0	0	0	0	0
Grand Total	17,935,158	22,336,313	22,300,048	22,300,048	21,227,362	(1,072,686)

Percentage of Team's FY 2019 Budget

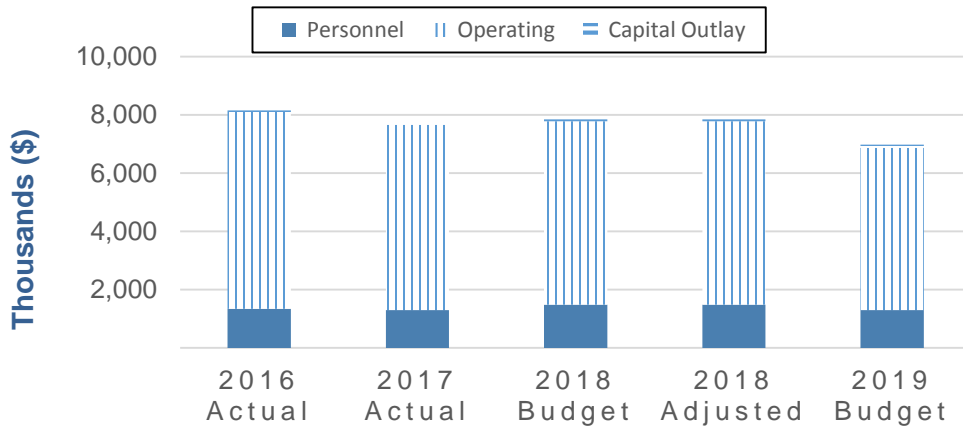




Mission

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 maintenance services and handling fees assessed to user departments.

Expenditure Summary and History



	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
Personnel Services	1,345,702	1,306,315	1,486,274	1,486,274	1,303,491	(182,783)
Operating Expenses	1,416,806	1,364,623	1,239,562	1,239,562	1,156,426	(83,136)
Capital Outlay	49,171	57,569	61,474	61,474	110,528	49,054
Cost of Goods Sold	5,339,765	4,991,391	5,054,015	5,054,015	4,404,789	(649,226)
Grand Total	8,151,444	7,719,898	7,841,325	7,841,325	6,975,234	(866,091)

Permanent Full-Time (PFT) Staffing History

	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
PFT Positions	28.0	28.0	29.0	29.0	24.0	(5.0)

Budget Note

The FY19 Budget numbers include funding for the 2% general wage increase (GWI). The decrease is attributed to outsourcing the repair and maintenance of refuse trucks to insure the availability of qualified mechanics to service this specialized equipment. As a result, the following positions are impacted: three (-3.0) vacant Fleet Technician positions; one (-1.0) Fleet Mechanic position and one (-1.0) Maintenance Supervisor. The contracted vendor will be paid directly out of the Solid Waste Fund. The increase in capital outlay is due to an increase in building and equipment upgrades and depreciation expenses.



2019 PFT Positions

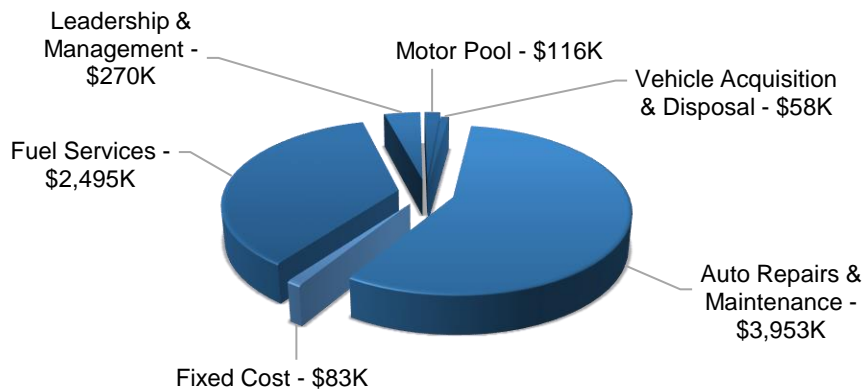
Position	# of PFT	Position	# of PFT
ACCOUNT CLERK III	1	FLEET SYSTEMS PERFORMANCE MGR	1
FLEET SERVICE TEAM LEADER	1	FLEET TECHNICIAN	9
MASTER FLEET TECHNICIAN	1	AUTO EQUIP SERV ATTENDANT	3
FLEET SERVICE ADVISOR	1	EQUIP MECHANIC - FLEET	1
FLEET OPERATIONS MGR	1	FLEET MANAGER	1
FLEET MAINT TEAM LEADER	2	FLEET SUPPORT SERVICES MGR	1
ADMIN SERVICES MANAGER	1		
Grand Total:	24		

Performance Indicators

Indicator	Type	2016 Actual	2017 Actual	2018 Estimate	2019 Target
# of Vehicle Maintenance and Repair Work Orders	Output	8,989	8,646	8,500	6,500
Repair Comeback Rate (Industry std=<4%)	Outcome	2.9%	1.7%	<2.5%	<2.0%
Vehicle/Equipment Uptime Rate	Outcome	94%	94%	97%	97%
Customer Satisfaction Rating	Outcome	85%	N/A	N/A	>85%
Preventative Maintenance Compliance Rate (Depts.)	Outcome	96%	93%	97%	97%
% of Outsourced to ALL Fueling Transactions	Output	0.4%	0.4%	<.5%	<.5%
24 Hour Fuel Availability Rate	Outcome	100%	100%	100%	100%



Services Breakdown and Descriptions



Total Funding:
\$6,975,234

Leadership & Management \$270,315

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 \$3,952,883

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 \$2,494,528

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 \$115,914

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.

Vehicle Acquisition & Disposal \$58,127

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.

Fixed Cost \$83,467

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



Revenues Summary

	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
Miscellaneous Revenue	4,926	24,964	0	0	0	0
Motor Pool	4,625	9,932	20,585	20,585	123,034	102,449
Sale of Property	10,897	2,301	0	0	0	0
Transfer From Equipment Replacement Fund	65,098	67,303	70,565	70,565	39,739	(30,826)
Transfer from Retained Earnings	133,135	81,791	52,189	52,189	43,000	(9,189)
Maintenance Services	2,535,637	2,542,869	2,682,237	2,682,237	2,204,654	(477,583)
Handling Fees (Fuel, Oil)	125,599	123,737	140,546	140,546	137,456	(3,090)
Misc. Revenue - Insurance Recovery	80,623	53,332	25,000	25,000	48,427	23,427
Sales - Fuel	2,412,064	1,859,225	2,072,963	2,072,963	2,403,225	330,262
Sales - Oil	49,872	31,550	52,966	52,966	17,440	(35,526)
Sales - Parts	1,693,756	1,794,468	1,796,349	1,796,349	1,285,093	(511,256)
Sales - Sublet	1,035,212	1,128,426	927,925	927,925	673,166	(254,759)
Grand Total	8,151,444	7,719,898	7,841,325	7,841,325	6,975,234	(866,091)

Note on Revenues:

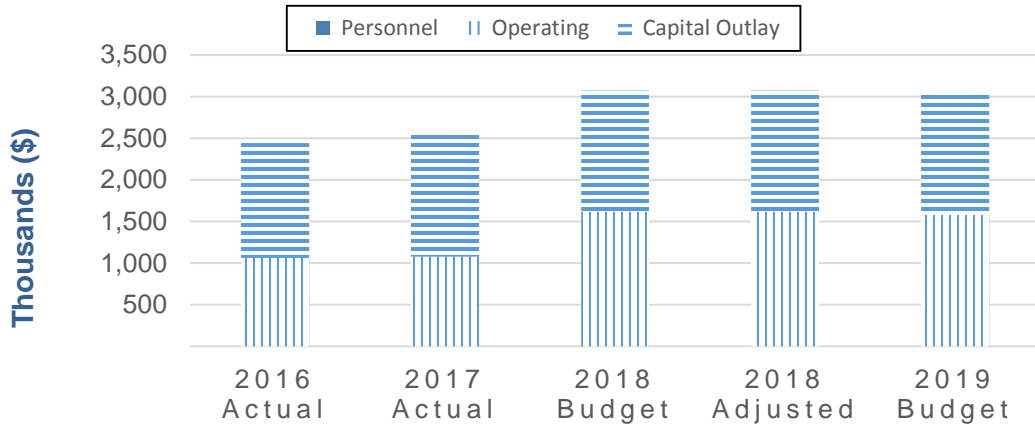
Revenues are lower due to Solid Waste Management directly contracting for their vehicle maintenance with a private vendor.



Mission

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.

Expenditure Summary and History



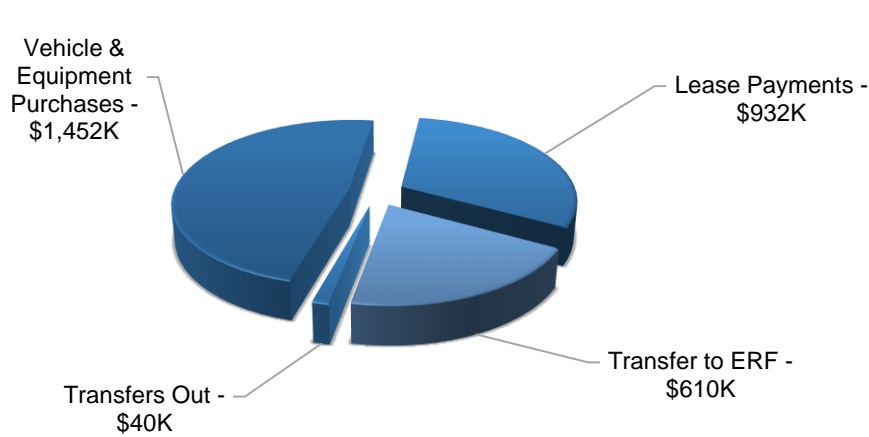
	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
Personnel Services	0	0	0	0	0	0
Operating Expenses	1,061,609	1,076,311	1,620,030	1,620,030	1,581,567	(38,463)
Capital Outlay	1,379,639	1,510,388	1,452,300	1,452,300	1,452,300	0
Grand Total	2,441,248	2,586,699	3,072,330	3,072,330	3,033,867	(38,463)

Budget Note

The decrease in operating expense is a result of equipment rentals being moved to Fleet Services.



Fund Breakdown and Descriptions



Total Funding:
\$3,033,867

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.

Transfer to ERF - Retained Earnings for future year purchases * **\$609,695**

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. * **Note:** These are collections over and beyond expenditures that will be moved to retained earnings at the end of the fiscal year. This amount will be applied to future year vehicle/equipment replacement purchases.

Transfers Out **\$39,739**

This is the staff and overhead support in procuring and disposing of vehicles and equipment assets.



Revenues Summary

	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
Admin Fee	1,190	770	0	0	0	0
Cap. Contributions- NonCash	2,269	76,298	0	0	0	0
Gain on Sale of P,P&E	(18,061)	(77,132)	0	0	0	0
Interest-Daily	6,075	9,114	0	0	0	0
Misc Revenue	2	0	0	0	0	0
Miscell Revenue- Insurance Recovery	6,233	42,655	0	0	0	0
Rental Fees-Vehicles	1,982,219	2,344,065	83,195	83,195	0	(83,195)
Sale of Property	227,394	134,995	0	0	0	0
User Fees	0	0	2,989,135	2,989,135	3,033,867	44,732
Appropriations from Fund Balance	233,927	55,934	0	0	0	0
Grand Total	2,441,248	2,586,699	3,072,330	3,072,330	3,033,867	(38,463)

Note on Revenues:

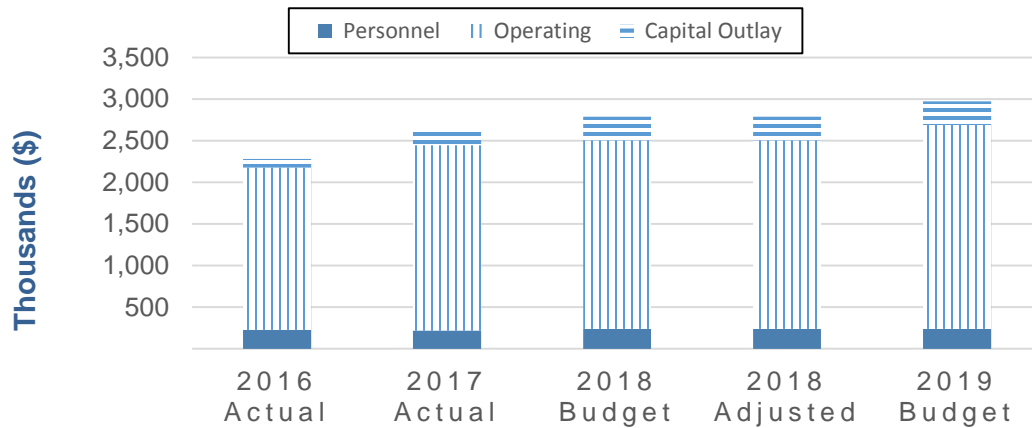
Equipment replacement is no longer handling rental vehicles. This function has moved to Fleet Services.



Mission

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.

Expenditure Summary and History



	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
Personnel Services	229,205	222,858	238,291	238,291	241,772	3,481
Operating Expenses	1,947,594	2,221,530	2,266,451	2,266,451	2,445,801	179,350
Capital Outlay	102,362	183,962	284,000	284,000	284,000	0
Grand Total	2,279,161	2,628,350	2,788,742	2,788,742	2,971,573	182,831

Permanent Full-Time (PFT) Staffing History

	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
PFT Positions	4.0	4.0	4.0	4.0	4.0	0.0

Budget Note

The FY19 Personnel budget includes a 2% general wage increase (GWI) to Full-time. There are multiple factors driving the increases to Operating Expenses: increased usage of cell phones in many departments, adding Wi-Fi locations, and upgrading connections to the Internet due to more traffic camera data coming to the Real Time Crime Center in the Hampton Police Department.



2019 PFT Positions

Position	# of PFT	Position	# of PFT
TECHNOLOGY SUPPORT SPECIALIST	1	TELECOMM SUPPORT SPECIALIST	1
NETWORK ENGINEER	1	NETWORK & TELCOMM MANAGER	1
Grand Total:	4		

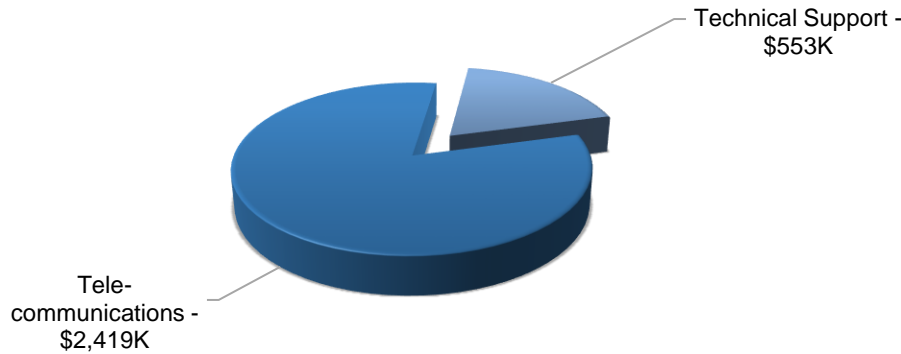
Performance Indicators

Indicator	Type	2016 Actual	2017 Actual	2018 Estimate	2019 Target
# of system-wide e-mail outages	Explanatory	0	0	n/a	n/a
# of tickets created in helpdesk system	Output	14,159	9,396	10,084	11,213



Services Breakdown and Descriptions

**Total Funding:
\$2,971,573**



Technical Support

\$552,891

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.

Telecommunications

\$2,418,682

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.



Revenues Summary

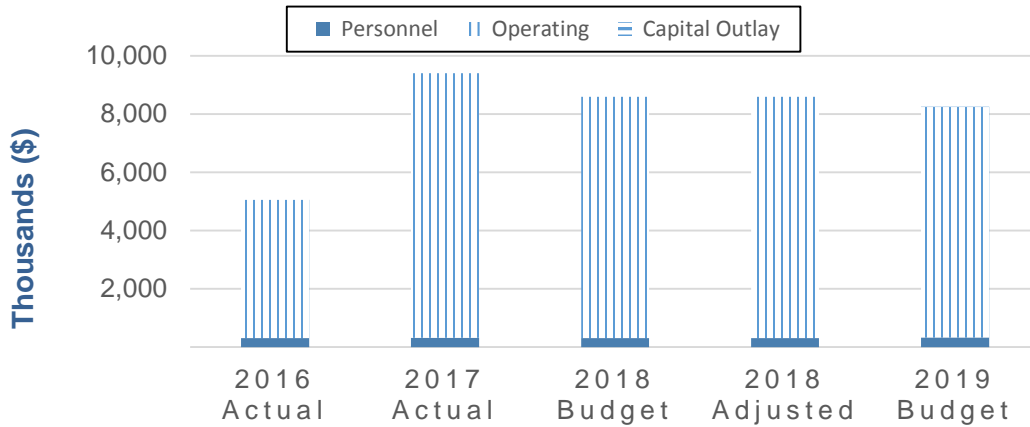
	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	<i>Increase / (Decrease)</i>
MAC Service Charges	0	0	65,625	65,625	33,000	<i>(32,625)</i>
Miscellaneous Revenue	3	0	0	0	0	0
PC Support Charges	0	0	269,448	269,448	519,891	<i>250,443</i>
Interest Income	1,512	2,314	0	0	0	0
Appropriation from Fund Balance	0	310,082	380,000	380,000	380,000	0
Internet Service Charges	495,348	430,686	271,771	271,771	933,412	<i>661,641</i>
Telecommunications Charges	1,955,557	1,885,268	1,801,898	1,801,898	1,105,270	<i>(696,628)</i>
Grand Total	2,452,420	2,628,350	2,788,742	2,788,742	2,971,573	<i>182,831</i>



Mission

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.

Expenditure Summary and History



	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
Personnel Services	311,027	321,186	317,833	317,833	332,047	14,214
Operating Expenses	4,750,714	9,079,997	8,279,818	8,279,818	7,912,641	(367,177)
Capital Outlay	1,564	183	0	0	2,000	2,000
Grand Total	5,063,305	9,401,366	8,597,651	8,597,651	8,246,688	(350,963)

Permanent Full-Time (PFT) Staffing History

	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
PFT Positions	5.5	5.5	5.5	5.5	5.5	0.0

Budget Note

The FY19 Budget numbers include funding for the 2% general wage increase (GWI). The decrease in operating expenses reflects decreased school claims. The City's claims are expected to remain steady. The increase capital outlay is due to office equipment upgrades.



2019 PFT Positions

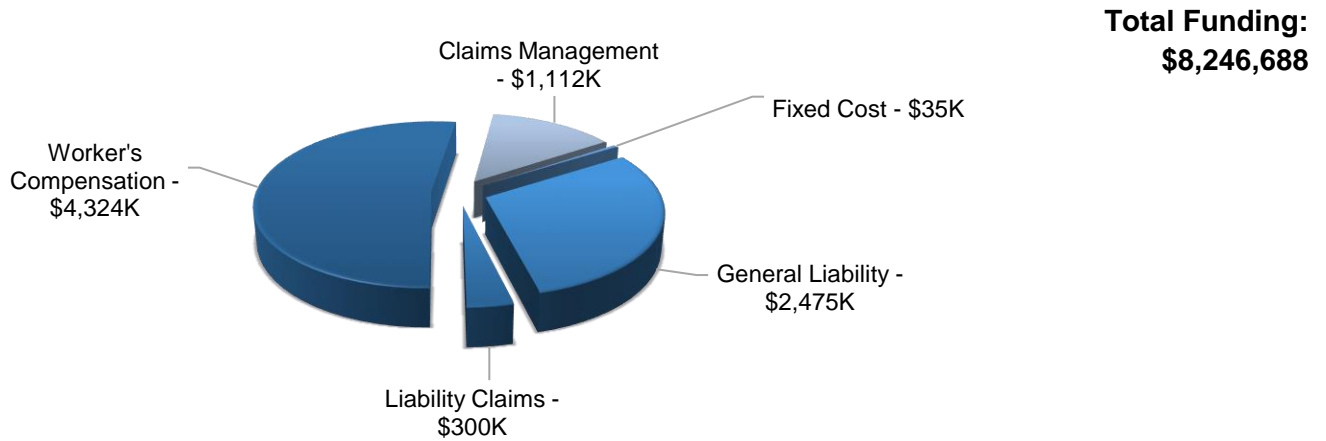
Position	# of PFT	Position	# of PFT
RISK MANAGER	1	CLAIMS MANAGER RISK MANAGEMENT	1
OCCUPATIONAL HEALTH/SAFETY COO	1	CLAIMS TECHNICIAN	2
		DEPUTY CITY ATTORNEY	0.5
Grand Total:	5.5		

Performance Indicators

Indicator	Type	2016 Actual	2017 Actual	2018 Estimate	2019 Target
# of Auto Liability Claims Occurring in past year	Outcome	74	78	76	76
# of General Liability Claims Occurring in past year	Outcome	307	323	315	315
# of Police Liability Claims	Outcome	4	0	2	2
# of Workers' Compensation Claims Occurring in past year	Outcome	527	518	523	523



Services Breakdown and Descriptions



Claims Management **\$1,111,959**

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 are insured.

General Liability **\$2,474,850**

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.

Liability Claims **\$300,000**

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.

Worker's Compensation **\$4,324,393**

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.

Fixed Cost **\$35,486**

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



Revenues Summary

	2016 Actual	2017 Actual	2018 Budget	2018 Adjusted	2019 Budget	Increase / (Decrease)
Recovered Costs-Othr	381	297,378	0	0	0	0
Insurance- Auto	890,225	882,920	1,106,825	1,106,825	1,047,865	(58,960)
Insurance- General Liability	1,981,516	1,980,183	1,859,582	1,859,582	1,900,807	41,225
Insurance- Worker's Compensation	5,509,416	5,952,661	5,631,244	5,631,244	5,298,016	(333,228)
Interest- Daily	56,365	126,016	0	0	0	0
Appropriations from Fund Balance	0	162,208	0	0	0	0
Grand Total	8,437,903	9,401,366	8,597,651	8,597,651	8,246,688	(350,963)