



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



21. Internal Service Funds

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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.





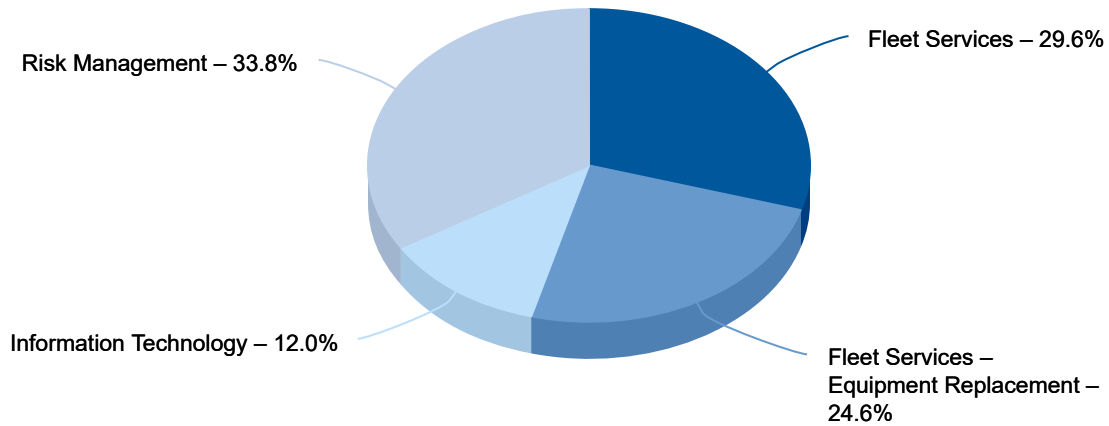
Mission

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

Departmental Breakdown

| Departments | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|
| Fleet Services | 6,084,146 | 6,181,512 | 7,153,369 | 7,153,369 | 7,863,382 | 710,013 |
| Fleet Services – Equipment Replacement | 3,266,515 | 2,983,773 | 3,239,009 | 3,239,009 | 6,527,065 | 3,288,056 |
| Information Technology | 2,618,361 | 2,517,530 | 3,282,967 | 3,282,967 | 3,188,836 | (94,131) |
| Risk Management | 6,031,431 | 9,233,179 | 8,439,755 | 8,439,755 | 8,971,303 | 531,548 |
| Grand Total | 18,000,454 | 20,915,994 | 22,115,100 | 22,115,100 | 26,550,586 | 4,435,486 |

Percentage of Team’s FY 2023 Budget



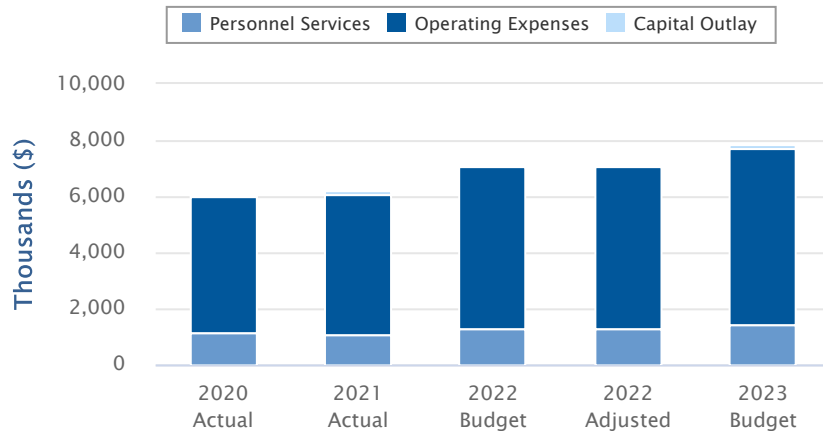




Mission

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



| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
|--------------------|------------------|------------------|------------------|------------------|------------------|-----------------------|
| Personnel Services | 1,110,163 | 1,049,863 | 1,300,371 | 1,300,371 | 1,396,257 | 95,886 |
| Operating Expenses | 4,905,554 | 5,051,776 | 5,735,794 | 5,735,794 | 6,326,921 | 591,127 |
| Capital Outlay | 68,429 | 79,872 | 117,204 | 117,204 | 140,204 | 23,000 |
| Grand Total | 6,084,146 | 6,181,512 | 7,153,369 | 7,153,369 | 7,863,382 | 710,013 |

Permanent Full-Time (PFT) Staffing History

| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
|---------------|-------------|-------------|-------------|---------------|-------------|-----------------------|
| PFT Positions | 24.0 | 24.0 | 24.0 | 24.0 | 24.0 | 0.0 |

Budget Note

The FY23 budget number includes funding for the proposed compensation package and associated fringe benefits costs. The increase in this budget is attributed to higher cost for fuel, parts, shipping, contractual services, and necessary safety repairs to the building.



2023 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 |
| Equip Mechanic - Fleet | 1 | Master Fleet Technician | 1 |
| Fleet Maint Team Leader | 3 | Superintendent Of Fleet Svcs | 1 |
| Grand Total: | 24 | | |

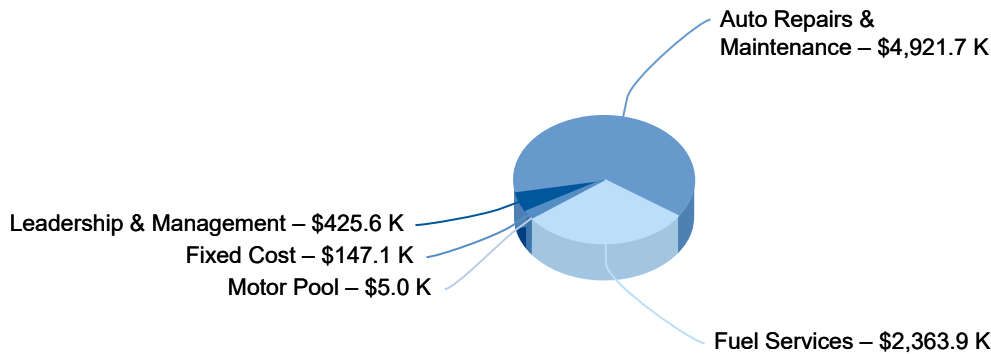
Performance Indicators

| Indicator | Type | 2020 Actual | 2021 Actual | 2022 Estimate | 2023 Target |
|---|---------|-------------|-------------|---------------|-------------|
| # of Vehicle Maintenance and Repair Work Orders | Output | 6,154 | 5,903 | 6,323 | 6,198 |
| Repair Comeback Rate (Industry standard=<4%) | Outcome | 1.20% | 0.70% | <2.0% | <2.0% |
| Vehicle/Equipment Uptime Rate | Outcome | 94% | 96% | 97% | 97% |
| Preventative Maintenance Compliance Rate (Depts.) | Outcome | 96% | 96.00% | 97% | 97% |
| % of Outsourced to ALL Fueling Transactions | Output | 0.30% | 0.30% | <0.5% | <0.5% |
| 24 Hour Fuel Availability Rate | Outcome | 100% | 100% | 100% | 100% |



Services Breakdown and Descriptions

Total Funding:
\$7,863,382



Leadership & Management **\$425,603**

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 **\$4,921,736**

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 **\$2,363,938**

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 **\$5,000**

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 **\$147,105**

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



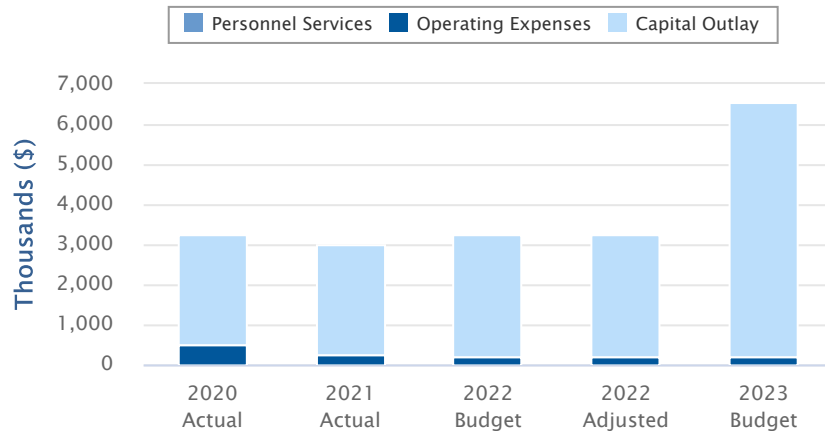
| Revenues Summary | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|--------------------------|
| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
| Miscellaneous Revenue | 1,838 | 3,965 | 0 | 0 | 0 | 0 |
| Motor Pool | 14,661 | 4,052 | 4,109 | 4,109 | 4,108 | (1) |
| Sale of Property | (3,699) | 0 | 0 | 0 | 0 | 0 |
| Transfer from General Fund | 20,000 | 0 | 0 | 0 | 0 | 0 |
| Transfer from Retained Earnings | 0 | 0 | 35,000 | 35,000 | 92,384 | 57,384 |
| Maintenance Services | 2,423,840 | 2,434,258 | 2,561,805 | 2,561,805 | 2,367,003 | (194,802) |
| Handling Fees (Fuel, Oil) | 107,579 | 93,712 | 123,375 | 123,375 | 118,479 | (4,896) |
| Miscellaneous Revenue – Insurance Recovery | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales – Fuel | 2,097,316 | 1,645,791 | 2,095,894 | 2,095,894 | 2,336,609 | 240,715 |
| Sales – Oil | 19,506 | 18,852 | 43,823 | 43,823 | 19,829 | (23,994) |
| Sales – Parts | 1,377,651 | 1,236,460 | 1,326,819 | 1,326,819 | 1,589,116 | 262,297 |
| Sales – Sublet | 751,660 | 1,103,230 | 962,544 | 962,544 | 1,335,854 | 373,310 |
| Grand Total | 6,810,351 | 6,540,320 | 7,153,369 | 7,153,369 | 7,863,382 | 710,013 |



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



| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
|--------------------|------------------|------------------|------------------|------------------|------------------|-----------------------|
| Operating Expenses | 490,281 | 228,178 | 208,362 | 208,362 | 208,543 | 181 |
| Capital Outlay | 2,776,234 | 2,755,594 | 3,030,647 | 3,030,647 | 6,318,522 | 3,287,875 |
| Grand Total | 3,266,515 | 2,983,773 | 3,239,009 | 3,239,009 | 6,527,065 | 3,288,056 |

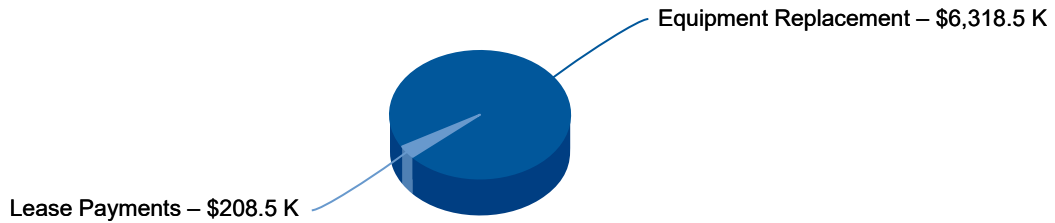
Budget Note

The change in this budget is attributed to the purchase and replacement of vehicles and equipment for customer departments.



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 | | | | | | |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------------|
| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
| Administrative Fee | 375 | 1,070 | 0 | 0 | 0 | 0 |
| Approp From Fund Balance | 0 | 0 | 0 | 0 | 3,000,000 | 3,000,000 |
| Gain on Sale of P,P&E | (9,910) | (141,424) | 0 | 0 | 0 | 0 |
| Interest – Daily | 33,325 | 6,009 | 0 | 0 | 0 | 0 |
| Miscellaneous Revenue | 15,238 | 16,173 | 0 | 0 | 0 | 0 |
| Rental/Replacement – Vehicles | 3,217,435 | 3,143,884 | 3,239,009 | 3,239,009 | 3,527,065 | 288,056 |
| Sale of Property | 58,883 | 172,425 | 0 | 0 | 0 | 0 |
| Transfer from General Fund | 1,455,000 | 3,000,000 | 0 | 0 | 0 | 0 |
| Grand Total | 4,770,346 | 6,198,137 | 3,239,009 | 3,239,009 | 6,527,065 | 3,288,056 |

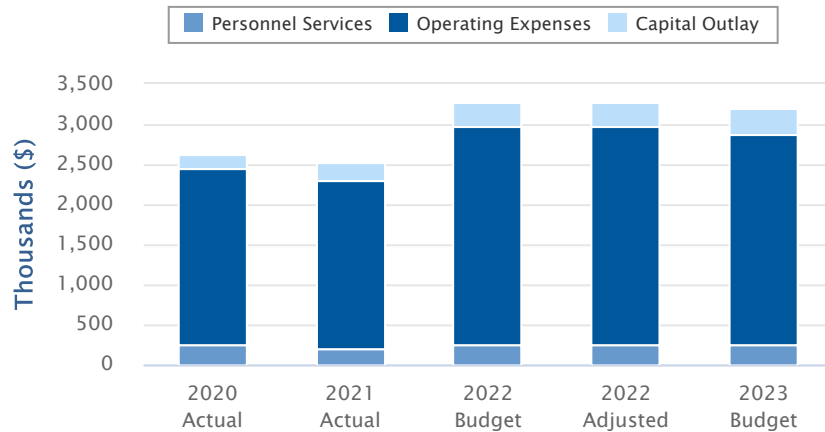




Mission

The mission of Information Technology is to implement and sustain information technology services which support the quality of life for Hampton citizens and maximize the effectiveness of city government.

Expenditure Summary and History



| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
|--------------------|------------------|------------------|------------------|------------------|------------------|-----------------------|
| Personnel Services | 245,258 | 202,990 | 247,457 | 247,457 | 254,880 | 7,423 |
| Operating Expenses | 2,195,762 | 2,102,599 | 2,731,510 | 2,731,510 | 2,625,956 | (105,554) |
| Capital Outlay | 177,340 | 211,942 | 304,000 | 304,000 | 308,000 | 4,000 |
| Grand Total | 2,618,361 | 2,517,530 | 3,282,967 | 3,282,967 | 3,188,836 | (94,131) |

Permanent Full-Time (PFT) Staffing History

| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
|---------------|-------------|-------------|-------------|---------------|-------------|-----------------------|
| PFT Positions | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 0.0 |

Budget Note

Realigned budget to reflect expenditure savings.



2023 PFT Positions

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

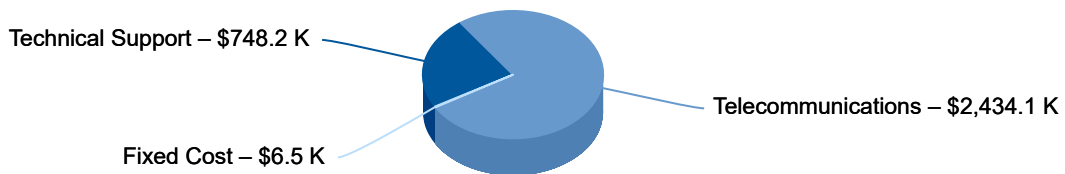
Performance Indicators

| Indicator | Type | 2020 Actual | 2021 Actual | 2022 Estimate | 2023 Target |
|---|-------------|-------------|-------------|---------------|-------------|
| # of High Severity Cyber Security Incidents | Explanatory | 8 | 6 | 10 | 12 |
| # of radios utilizing the City's public safety radio system | Explanatory | 2,136 | 2,136 | 2,158 | 2,175 |
| Total volume in cubic feet of physical records stored in a secure off site location | Explanatory | 9,791 | 9,791 | 6,585 | 6,585 |
| # of GIS layers available to the public | Output | 80 | 95 | 115 | 130 |
| # of public Wi-Fi access points in City facilities | Output | 40 | 45 | 50 | 65 |



Services Breakdown and Descriptions

Total Funding:
\$3,188,836



Technical Support **\$748,248**

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 in order to meet the needs of City users. Technical support services strive to maintain 98% availability.

Telecommunications **\$2,434,116**

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 **\$6,472**

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



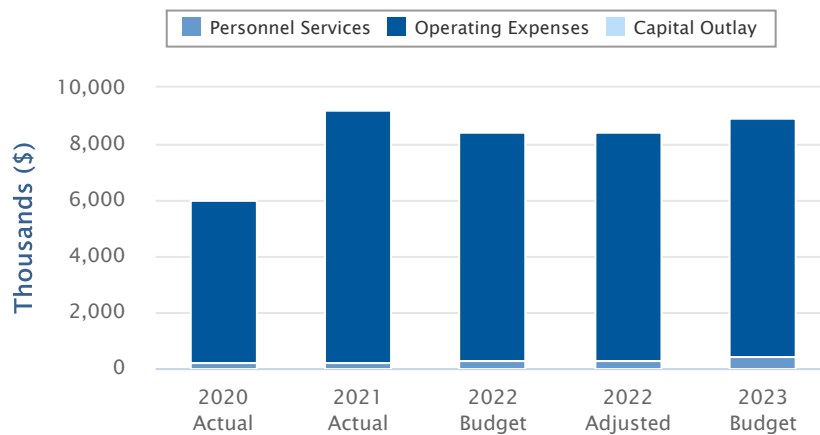
| Revenues Summary | | | | | | |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------------|
| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
| MAC Service Charges | 35,160 | 32,780 | 45,000 | 45,000 | 3,002 | (41,998) |
| PC Support Charges | 540,764 | 536,619 | 741,447 | 741,447 | 767,349 | 25,902 |
| Interest Income | 5,551 | 775 | 0 | 0 | 0 | 0 |
| Appropriation from Fund Balance | 0 | 0 | 250,000 | 250,000 | 0 | (250,000) |
| Internet Service Charges | 838,198 | 913,271 | 919,809 | 919,809 | 1,048,318 | 128,509 |
| Telecommunications Charges | 1,304,065 | 1,390,952 | 1,276,443 | 1,276,443 | 1,370,167 | 93,724 |
| Lease Purchase Charge | 0 | 0 | 50,268 | 50,268 | 0 | (50,268) |
| Grand Total | 2,723,739 | 2,874,398 | 3,282,967 | 3,282,967 | 3,188,836 | (94,131) |



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 safety and loss control programs.

Expenditure Summary and History



| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
|--------------------|------------------|------------------|------------------|------------------|------------------|-----------------------|
| Personnel Services | 242,965 | 185,780 | 305,169 | 305,169 | 427,507 | 122,338 |
| Operating Expenses | 5,786,999 | 9,039,566 | 8,129,086 | 8,129,086 | 8,534,796 | 405,710 |
| Capital Outlay | 1,468 | 7,833 | 5,500 | 5,500 | 9,000 | 3,500 |
| Grand Total | 6,031,431 | 9,233,179 | 8,439,755 | 8,439,755 | 8,971,303 | 531,548 |

Permanent Full-Time (PFT) Staffing History

| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
|---------------|-------------|-------------|-------------|---------------|-------------|-----------------------|
| PFT Positions | 5.5 | 5.5 | 5.5 | 5.5 | 6.5 | 1.0 |

Budget Note

The FY23 Budget numbers include funding for the 4% general wage increase (GWI) and associated fringe benefit costs. The increase in this budget is attributed to filling positions at higher than budgeted salaries; and, the addition of one (1) permanent full-time Office Specialist position as part of the department restructuring along with higher insurance premium costs.



2023 PFT Positions

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

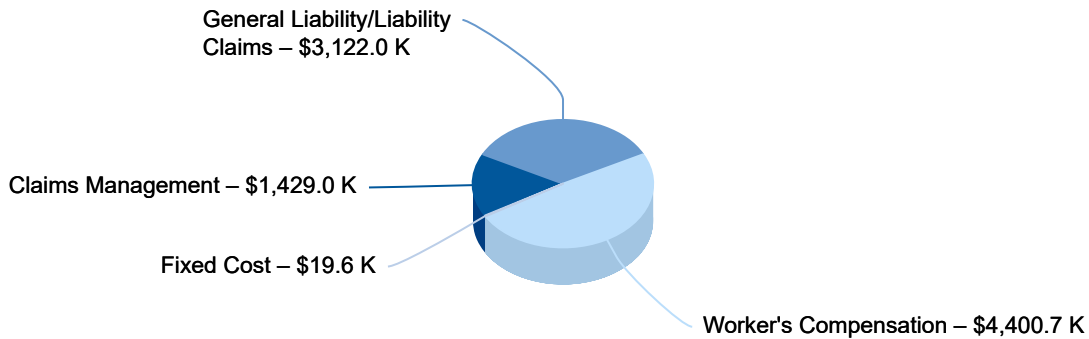
Performance Indicators

| Indicator | Type | 2020 Actual | 2021 Actual | 2022 Estimate | 2023 Target |
|--|-------------|------------------------|------------------------|--------------------------|------------------------|
| # of Auto Liability Claims Occurring in past year | Outcome | 77 | 84 | 70 | 72 |
| # of General Liability Claims Occurring in past year | Outcome | 238 | 236 | 245 | 230 |
| # of Police Liability Claims | Outcome | 1 | 0 | 1 | 1 |
| # of Workers' Compensation Claims Occurring in past year | Outcome | 508 | 483 | 475 | 480 |



Services Breakdown and Descriptions

**Total Funding:
\$8,971,303**



Claims Management \$1,429,011

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 areas of risk management and 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 \$3,122,001

Protect the assets and financial well-being of the City and HCS by reducing potential loss before it occurs through implementing loss control principles and 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 \$4,400,697

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 in this service.

Fixed Cost \$19,594

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



| Revenues Summary | | | | | | |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------------|
| | 2020 Actual | 2021 Actual | 2022 Budget | 2022 Adjusted | 2023 Budget | Increase / (Decrease) |
| Recovered Costs – Other | 107,127 | 1,186,444 | 0 | 0 | 0 | 0 |
| Insurance – Auto | 2,928,503 | 2,918,884 | 724,523 | 724,523 | 745,532 | 21,009 |
| Insurance – General Liability | 1,231,419 | 1,252,292 | 1,846,015 | 1,846,015 | 2,026,603 | 180,588 |
| Insurance – Worker's Compensation | 4,035,583 | 4,177,985 | 5,869,217 | 5,869,217 | 6,199,168 | 329,951 |
| Interest – Daily | 320,306 | 33,525 | 0 | 0 | 0 | 0 |
| Grand Total | 8,622,939 | 9,569,130 | 8,439,755 | 8,439,755 | 8,971,303 | 531,548 |