

INTERNAL SERVICE FUNDS SUMMARY 2014-2015

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INTERNAL SERVICE FUNDS

MISSION

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Mission

Internal Service Funds were established to finance and account for services, materials, and supplies furnished to the various departments of the City and on a limited basis, to other local governmental agencies. These services are provided on a cost reimbursement basis. The mission of the Internal Service Funds is to provide these services in the most cost effective manner.



PINNACLE ISSUES FOR FY 2015

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1. **Implementation of Enterprise Resource Planning (ERP) System – Requisitions and Purchase Orders; Strategic Sourcing; Supplier Portal; Contract Management and Inventory Controls modules**
2. **Pursue Fleet modernization to include the purchase of vehicles with CNG capability.**
3. **Upgrade Fleet Management Information System to a modern program with enhanced user interface.**
4. **Industry trends – virtualization, cloud, mobility.**
5. **Deferred maintenance on infrastructure**
 - Transition long range integration of planning, capital programming, and operational investment into short and long range infrastructure investment strategy.
6. **Bond 2012/Bond 2014 Program Execution**
 - Rising construction costs
7. **Increased CIP and JOC program**
8. **Increasing regulatory requirements**
9. **Healthcare reform & Affordable Care Act (rising costs of health care & taxes).**
10. **Develop a RFP on Post-65 Retiree Health Insurance.**
11. **City exposure to cyber liability**
12. **Space planning for space utilization and relocation management**



MAJOR ACCOMPLISHMENTS FOR FY 2014

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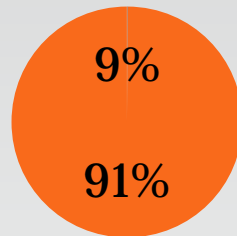
1. Initiated modernization of the warehouse model of service
2. Initiated Purchasing's electronic records management and archival system
3. Started Enterprise Resource Planning (ERP), Community Development and Regulation (CDR), and Municipal Court implementations
4. Broadband Technology Opportunity Program Grant (BTOP) with Texas A&M University Corpus Christi
5. Continued to maintain a readiness level at nearly 100% on a fleet that has a large number of units past their service life
6. New roof for Traffic Engineering Storage Barn
7. Removal of Asbestos and Mold at the Museum of Science and History, Health Department, and several homes at Heritage Park
8. Street Preventative Maintenance Program Execution
9. Developed and created a Well-Being Employee website. This was a pilot program done in conjunction with Humana
10. Enhanced the City Employee Wellness Clinic by adding an additional Nurse Practitioner and expanding hours from 7:00am – 7:00pm
11. Launched an on-line liability claims filing process, including citizen education
12. Reduced the number of liability claims filed against the City by 39%



EMPLOYEES

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	FY 2012-2013	FY 2013-2014	FY2014-2015
Municipal Info Systems	93	93	93
Maintenance Services	60	59	59
Facility Maintenance Srvs	17	20	23
Engineering Services	58.25	61	75
Liability / Employee Benefits – Admin	20	20	7
Stores	17	17	19
Liability / Employee Benefits – General Liability	3	3	19
Total	268.25	273	295



Total Enterprise

- Fund - 295
- City - 3,172



REVENUE

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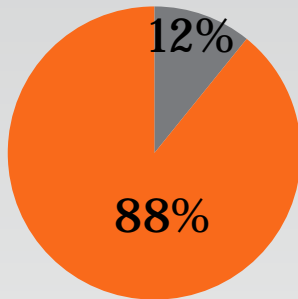
Source	Actual FY 2013	Estimated FY 2014	Proposed FY 2015
Charges to Other Funds	24,351,270	29,559,198	25,459,112
Maintenance Services Operations	11,814,013	17,829,667	15,788,745
Health Contribution - General	15,441,031	17,358,710	15,823,244
Health Contribution – Fire	7,298,806	7,756,361	6,610,075
Health Contribution – Police	5,360,119	6,792,247	5,891,004
Engineering Services	5,531,693	6,052,982	6,898,902
Facilities Maintenance Svcs	2,869,410	4,374,366	4,221,360
Stores Sales	4,012,222	4,879,601	4,188,306
Transfers for Capital	5,227,401	5,707,797	2,768,706
Transfers from Other Funds	1,726,710	5,081,856	810,000



REVENUE

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Source	Actual FY 2013	Estimated FY 2014	Proposed FY 2015
Dental Contributions	737,870	671,724	735,236
Miscellaneous	334,104	642,931	444,112
Grants Health Contributions	521,721	467,667	419,874
Stop Loss Reimbursements	2,021,157	110,109	0
Total	87,247,526	107,285,217	90,058,676



Internal Service

- Internal Service - \$90,058,676
- Enterprise - \$832,787,000



TOTAL EXPENDITURES

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Fund	Actual FY 2013	Estimated FY 2014	Proposed FY 2015
Maintenance Services Fund	13,733,270	27,472,279	17,944,977
Municipal Information System Fund	15,105,382	22,401,673	16,345,471
Liability/Employee Benefits Health -Citicare	14,761,779	15,997,905	15,230,239
Engineering Services Fund	4,773,298	6,895,963	7,128,476
Employee Benefits -Police	5,497,616	7,623,281	6,371,096
Employee Benefits -Fire	6,237,727	6,933,410	5,912,999
Liability/Employee Benefits General Liability	9,900,093	8,867,748	5,741,942



TOTAL EXPENDITURES

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Fund	Actual FY2013	Estimated FY 2014	Proposed FY 2015
Facilities Maintenance Services Fund	3,021,997	4,828,647	4,435,335
Stores Fund	4,176,604	4,965,329	4,345,346
Liability/Employee Benefits -Worker's Compensation	6,485,560	4,202,597	2,706,318
Other Employee Benefits	1,708,466	2,019,680	2,304,840
Risk Management Administration	1,335,644	1,855,534	1,203,333
Health Benefits Administration	0	0	499,712
Total	86,737,436	114,064,046	90,170,084



TOTAL EXPENDITURES

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	Actual FY 2013		Estimated FY 2014		Proposed FY 2015	
	\$	%	\$	%	\$	%
Personnel	\$9,318,457	11%	\$19,360,599	17%	\$18,249,467	20%
Materials/Supplies	\$29,302,274	34%	\$43,469,077	38%	\$32,602,061	36%
Capital Outlay	\$5,198,503	6%	\$8,276,725	7%	\$1,918,113	2%
Health Costs - Other	\$28,205,588	33%	\$32,574,276	29%	\$29,819,174	33%
Other	\$14,712,614	17%	\$10,383,369	9%	\$7,581,269	8%
Total	\$86,737,436	100%	\$114,064,046	100%	\$90,170,084	100%



SUMMARY OF FUND BALANCES

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Fund	Estimated Beginning Fund Balance at 10/2014	Net Budget	Projected Ending Fund Balance at 9/30/15	Total (Target + Restricted)	Net
Employee Health Benefits -Citicare	14,447,525	(50,658)	14,396,867	2,905,132	11,491,735
Employee Health Benefits -Police	6,977,363	(451,159)	6,526,204	1,267,620	5,258,584
Employee Benefits Health – Fire	5,107,081	697,076	5,804,157	1,187,549	4,616,608
Liability & Employee Benefits -General Liability	6,140,012	(101,212)	6,038,800	3,813,268	2,225,532
Maintenance Service Fund	10,171,301	628,388	10,799,689	8,850,420	1,949,269
Other Employee Benefits -Other Insurance	1,311,611	0	1,311,611	0	1,311,611



SUMMARY OF FUND BALANCES

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Fund	Estimated Beginning Fund Balance at 10/2014	Net Budget	Projected Ending Fund Balance at 9/30/15	Total (Target + Restricted)	Net
Capital Projects	1,435,839	(28,476)	1,407,363	213,854	1,193,509
MIS Fund	1,407,611	(498,187)	909,424	490,364	419,060
Stores Fund	569,479	(156,640)	412,839	130,360	282,479
Liability & Employee Benefits - Worker's Compensation	4,704,414	(22,566)	4,681,848	4,422,476	259,372
Facilities Maintenance Fund	332,438	(13,974)	318,465	120,629	197,836
Health Benefits Administration (5618)	0	5,648	5,648	0	5,648
Liability & Employee Benefits - Administration (5613)	120,217	(119,647)	570	0	570
Total	52,724,891	(111,407)	52,613,485	23,401,672	29,211,813



PROJECTED CHANGE IN FUND BALANCE

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• Estimated Beginning Balance 10/1/14		<u>\$ 52,724,892</u>
• Projected Changes		<u>\$ (111,407)</u>
• Total Projected Ending Balance 9/30/2015		<u>\$ 52,613,485</u>
• Restricted	<u>\$ 23,401,672</u>	
• Reserve Catastrophic Loss/ GASB45 Liability	<u>\$21,060,432</u>	
• Total Restricted and Reserve		<u>\$44,462,104</u>



DECISION PACKAGES FOR FY 2015

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Department	Title	Impact
APPROVED		
Facilities Maintenance	Conduct Space Utilization Study	\$300,000
Facilities Maintenance	Replace City Hall's Boiler	\$200,000
Facilities Maintenance	CIP Replacement (\$2,000,000 in Certificates of Obligation)	\$180,000
Fleet Maintenance Services	Design New Maintenance Facility	\$150,000
Engineering	Major Projects Engineer and Engineer Assistant for Street Program (CIP reimbursable)	\$148,502
Facilities Maintenance	Add 3 FTE's	\$138,000
Engineering	Full Integration of EPM Live Project Management Software with INFOR	\$135,000



DECISION PACKAGES FOR FY 2015

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Department	Title	Impact
Engineering	Two Construction Inspectors (CIP reimbursable)	\$106,679
Engineering	Major Projects Engineer for Design Criteria and Special Projects (CIP reimbursable)	\$102,625
Engineering	Senior Project Manager for Construction Inspector (CIP reimbursable)	\$81,339
MIS	System Specialist for Public Safety support	\$80,400
MIS	Data Collector Units parts and tools	\$79,475
MIS	O.N. Stevens disaster recovery site uninterrupted power supply and cabinet	\$75,000
MIS	City IE3000 Traffic Intersection Switch upgrades	\$72,000



DECISION PACKAGES FOR FY 2015

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Department	Title	Impact
Engineering	GPS Base and Rover Setup and Robotic Total Station	\$71,000
Engineering	Engineer for Storm Water and Facilities (CIP reimbursable)	\$70,250
MIS	American Bank Center support staff	\$60,300
Group Health	FTE to Manage Benefits	\$50,000
Facilities Maintenance	Pest Control Contract	\$48,000
MIS	City Internet IP addressing space	\$45,000
Engineering	Six new CNG trucks -Lease Purchase	\$40,890
Engineering	Management Assistant for Major Projects Division (CIP reimbursable)	\$40,601



DECISION PACKAGES FOR FY 2015

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Department	Title	Impact
Engineering	Management Aide dedicated to Job Order Contract Program (CIP reimbursable)	\$35,931
Engineering	Additional Training (CIP reimbursable)	\$29,550
Risk	Cyber Liability Insurance (\$1M in coverage)	\$12,000
Engineering	Four wheel Drive Extended Cab Pickup	\$7,241
Total		\$2,359,783



QUESTIONS

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