

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2020	City Council's Introductory FY 2021
Estimated Revenue		
Rev-Use Money/Property	58,860	38,400
Charges for Services	3,301,340	3,491,950
Total Estimated Revenue	3,360,200	3,530,350
Operating Expenses		
Workers Comp-Claims & Ser	1,733,000	1,739,000
Insurance Claims & Ser	1,568,340	1,752,950
Total Operating Expenses	<u>3,301,340</u>	<u>3,491,950</u>
Net Operating Income (Loss)	58,860	38,400
Add:		
Depreciation	0	0
Deduct:		
Debt Service Principal	0	0
Capital Expenditures from Current Operating Funds	0	0
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This fund has two major revenue categories:

Revenue –Use of Money/Property: All of the City’s funds are invested in secured accounts in an attempt to earn the highest possible return. Investments earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates.

Charges For Services: This revenue represents the premiums or claims that are charged to the various departments and functional areas of the City. In turn, this revenue is used to pay the contracted premiums to the City’s insurance providers, deductibles, and claims for self-insured items.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Revenues:					
Rev-Use of Money & Property	\$ 47,774	\$ 65,302	\$ 58,860	\$ 38,400	\$ (20,460)
Charges for Services	\$ 2,256,649	\$ 2,344,038	\$ 3,301,340	\$ 3,491,950	\$ 190,610
Transfers In	254,467	332,609	-	-	-
Totals	\$ 2,558,890	\$ 2,741,949	\$ 3,360,200	\$ 3,530,350	\$ 170,150

Description

The Insurance Internal Service fund was established in order to provide overall management of the City’s insurance program. The fund includes all of the City’s insurance coverage with the exception of group health and life insurance, which are included in the General Fund budget. The cost of the insurance program is allocated to the various funds based upon the estimated cost of the applicable coverage provided. The insurance program includes the following major coverage with certain limitations on each coverage:

1. Property Insurance: all risk coverage with the City self-insuring the first \$10,000
2. Boiler and Machinery: all risk coverage with the City self-insuring the first \$5,000
3. Fleet Insurance: Liability
4. Fleet Insurance: Comprehensive and Collision – only for vehicles exceeding \$100,000 in cost and specially identified Mass Transit vehicles (\$5,000 deductible)
5. Comprehensive General Liability
6. Public Officials/Law Enforcement Liability
7. Bodily Injury and Property Damage: Airport
8. Fiduciary Liability: Employee’s Retirement System
9. Employee’s Security Bonds
10. Worker’s Compensation: Fully Self Insured

The City contracts with a claims handling agency to handle worker’s compensation claims. The City’s fleet insurance, comprehensive general liability and public officials/law enforcement are covered through the Virginia Risk Sharing Association. Other coverages are with private carriers.

Expenditures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2021 Introductory	Increase/ (Decrease)
Expenditures:					
Employee Benefits	\$ 1,074,171	\$ 1,016,343	\$ 1,733,000	\$ 1,739,000	\$ 6,000
Other Operating Exp	1,182,479	1,327,695	1,568,340	1,752,950	184,610
Transfer Out	-	-	-	-	-
Totals	\$ 2,256,650	\$ 2,344,038	\$ 3,301,340	\$ 3,491,950	\$ 190,610