## *Internal Service* — *Equipment Replacement*

| CLASSIFICATION | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|
| **EQUIPMENT REPLACEMENT** | | | | | |
| SERVICE CHARGES | 566,171 | 323,506 | 500,000 | 528,000 | 500,000 |
| CAPITAL-FIXED ASSETS | 511,261 | 732,446 | 4,507,800 | 1,870,000 | 4,954,900 |
| **TOTAL EXPENDITURES** | **1,077,432** | **1,055,952** | **5,007,800** | **2,398,000** | **5,454,900** |

### ACTIVITY INFORMATION

The Equipment Replacement Fund is an Internal Service Fund established to provide ongoing funding to replace existing general fixed assets at the expiration of the useful life of each asset. An equipment replacement charge (object code 6207) is included in the user organization's operational budget in order to reflect the appropriate support costs.

| CLASSIFICATION | | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|---|
| **SERVICE CHARGES** | | | | | | |
| 6202 | Depreciation Expense | 566,171 | 323,506 | 500,000 | 528,000 | 500,000 |
| | **TOTAL SERVICE CHARGES** | **566,171** | **323,506** | **500,000** | **528,000** | **500,000** |
| **CAPITAL-FIXED ASSETS** | | | | | | |
| 8104 | Capital/Equipment | 131,135 | 201,390 | 1,266,100 | 1,546,000 | 1,339,100 |
| 8105 | Capital/Automotive | 273,248 | 260,299 | 1,811,600 | 98,000 | 1,972,800 |
| 8106 | Capital / Communications | 16,387 | 44,150 | 560,500 | 45,000 | 723,000 |
| 8108 | Capital / Computer Hardware | 90,491 | 226,607 | 869,600 | 181,000 | 920,000 |
| | **TOTAL CAPITAL-FIXED ASSETS** | **511,261** | **732,446** | **4,507,800** | **1,870,000** | **4,954,900** |
| | **EQUIPMENT REPLACEMENT** | **1,077,432** | **1,055,952** | **5,007,800** | **2,398,000** | **5,454,900** |

## *Internal Service* — *Liability Insurance*

| CLASSIFICATION | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|
| **LIABILITY INSURANCE** | | | | | |
| SALARIES | 48,301 | 53,966 | 58,300 | 58,300 | 59,700 |
| BENEFITS | 17,642 | 15,282 | 21,800 | 21,800 | 23,600 |
| SERVICE CHARGES | 228,164 | 1,110,522 | 882,900 | 882,900 | 1,035,200 |
| **TOTAL EXPENDITURES** | **294,107** | **1,179,770** | **963,000** | **963,000** | **1,118,500** |

### ACTIVITY INFORMATION

The City's Liability Insurance Fund is an Internal Service fund used to track revenues and expenditures associated with liability insurance.

The City of El Segundo is currently an active member of Independent Cities Risk Management Authority (ICRMA). This Joint Powers Association was created by various cities to provide liability insurance not available on the marketplace. Coverage provided is $400,000 Self Insured Retention (SIR) and $20,000,000 Stop Loss per claim. In FY 2012-2013, the City increased its SIR to $750,000 per claim for the policy year beginning July 1, 2013.

Admin Sure (formerly Colen & Lee) are presently the Administrators of the City required liability plan. Revenues supporting this Fund are comprised of charges to the General Fund, the Water Fund, the Proposition "A" Transportation Fund, and the Golf Course Fund. City Attorney billings related to specific liability claims are charged to this fund as an expense.

**Accomplishments During FY 2012/13:**

- Closely monitored the activities administered by Admin Sure ensuring a better financial position for this fund, including a study of Risk Management practices.
- Represented the City as members of the Administrative Committee, Claims Committee and Treasurer of the Governing Board of the ICRMA.
- Successfully completed the City of El Segundo Risk Management Assessment Report, conducted by the ICRMA. The City received positive ratings in 79% of the topics reviewed. The City received strong commendations for its focus on safety and the improvements it has achieved since the last assessment was conducted in 2006.
- Successfully completed the City of El Segundo Hazard Assessment Report, conducted by the ICRMA. The purpose of the hazard assessment review is to identify a variety of loss exposures within the City's facilities.

**Goals and Objectives for FY 2013/14:**

- To continue establishing and maintaining prudent level of reserves to cover anticipated claims expenses (average).
- Provide continued safety training in the workplace environment for all job classifications and training and evaluations in ergonomics.
- Seek funding through the Independent Cities Risk Management Authority (ICRMA) grant program.
- Continue developing Employee Safety Manual for use by staff citywide.

- Work with citywide personnel to reduce the loss exposures identified in the El Segundo Hazard Assessment Report.
- Provide SDS (Safety Data Sheet) training to all required City personnel by December 1, 2013.

| CLASSIFICATION | | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|---|
| **SALARIES** | | | | | | |
| 4101 | Salaries Full-Time | 48,301 | 53,966 | 58,300 | 58,300 | 59,700 |
| | **TOTAL SALARIES** | **48,301** | **53,966** | **58,300** | **58,300** | **59,700** |
| **TOTAL EMPLOYEE BENEFITS** | | **17,642** | **15,282** | **21,800** | **21,800** | **23,600** |
| **SERVICE CHARGES** | | | | | | |
| 6208 | Dues & Subscriptions | 356 | 547 | 400 | 400 | 400 |
| 6211 | Insurance & Bonds | 510,036 | 533,559 | 508,500 | 508,500 | 615,600 |
| 6213 | Meetings & Travel | 0 | 0 | 2,500 | 2,500 | 2,500 |
| 6214 | Professional/Technical | 26,355 | 24,104 | 22,200 | 22,200 | 24,500 |
| 6215 | Repairs and Maintenance | 0 | 0 | 0 | 0 | 0 |
| 6216 | Rental Charges | 0 | 0 | 0 | 0 | 0 |
| 6223 | Training & Education | 0 | 0 | 1,600 | 1,600 | 1,600 |
| 6246 | Claims Expense | (308,583) | 552,313 | 347,700 | 347,700 | 390,600 |
| | **TOTAL SERVICE CHARGES** | **228,164** | **1,110,522** | **882,900** | **882,900** | **1,035,200** |
| | **LIABILITY INSURANCE** | **294,107** | **1,179,770** | **963,000** | **963,000** | **1,118,500** |

## *Internal Service* — *Workers' Compensation*

| CLASSIFICATION | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|
| **WORKERS' COMPENSATION** | | | | | |
| ADMINISTRATION | 2,018,954 | 2,394,478 | 1,860,600 | 1,819,000 | 1,845,500 |
| EMPLOYEE SAFETY | 28,229 | 27,223 | 33,500 | 23,300 | 33,500 |
| | **2,047,183** | **2,421,701** | **1,894,100** | **1,842,300** | **1,879,000** |

### ACTIVITY INFORMATION

The Workers' Compensation Fund is an Internal Service Fund used to account for revenues and expenditures associated with Workers' Compensation. El Segundo self-insures the first $350,000 of Workers' Compensation and purchases excess insurance to cover any losses over $350,000. The cost of the FY 2013/14 policy is estimated to be $5.12 per $100 of payroll. York Risk Services Group presently administers the City's claims. There were 116 open cases, as of June 30, 2013, with a reserve of $5,311,797. Expenditures for FY 2012/13 include reimbursement to the General Fund for 10% of the salaries for the Director of Human Resources, the Human Resources Senior Management Analyst, the Human Resources Specialist, and the Office Specialist II. The amount that has been budgeted for claims expenses is $1,879,000 which includes attorney billings related to specific Workers' Compensation claims, court costs and other legal expenses, medical expenses and temporary disability payments.

**Accomplishments During FY 2012/13:**

- Established and maintained prudent level of reserves to cover anticipated claims expenses (average).
- Provided safety training in the workplace environment for required job classifications and continued training and evaluations in ergonomics.

**Goals and Objectives for FY 2013/14:**

- To continue establishing and maintaining prudent level of reserves to cover anticipated claims expenses (average).
- Provide continued safety training in the workplace environment for all job classifications and training and evaluations in ergonomics.
- Seek funding through the Independent Cities Risk Management Authority (ICRMA) grant program.
- Continue developing Employee Safety Manual for use by staff citywide.

## *Workers' Compensation Administration* — *Section 2321*

| CLASSIFICATION | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|
| **WORKERS' COMP RESERVE/INSURANCE** | | | | | |
| SALARIES | 48,685 | 54,218 | 50,100 | 50,100 | 38,700 |
| EMPLOYEE BENEFITS | 16,541 | 15,441 | 18,900 | 18,900 | 15,200 |
| SERVICE CHARGES | 1,953,727 | 2,324,819 | 1,791,600 | 1,750,000 | 1,791,600 |
| **TOTAL EXPENDITURES** | **2,018,954** | **2,394,478** | **1,860,600** | **1,819,000** | **1,845,500** |

### ACTIVITY INFORMATION

See the Workers' Compensation Summary.

| CLASSIFICATION | | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|---|
| **SALARIES** | | | | | | |
| 4101 | Salaries Full-Time | 48,685 | 54,218 | 50,100 | 50,100 | 38,700 |
| | **TOTAL SALARIES** | **48,685** | **54,218** | **50,100** | **50,100** | **38,700** |
| **TOTAL EMPLOYEE BENEFITS** | | **16,541** | **15,441** | **18,900** | **18,900** | **15,200** |
| **SERVICE CHARGES** | | | | | | |
| 6208 | Dues & Subscriptions | 100 | 100 | 600 | 0 | 600 |
| 6211 | Insurance & Bonds | 345,233 | 337,054 | 344,000 | 314,200 | 344,000 |
| 6213 | Meetings & Travel | 7 | 0 | 1,300 | 0 | 1,300 |
| 6214 | Professional/Technical | 86,4338 | 91,043 | 126,700 | 118,400 | 126,700 |
| 6223 | Training & Education | 0 | 0 | 1,600 | 0 | 1,600 |
| 6246 | Claims Expense | 1,521,950 | 1,896,622 | 1,317,400 | 1,317,400 | 1,317,400 |
| | **TOTAL SERVICE CHARGES** | **1,953,727** | **2,324,819** | **1,791,600** | **1,750,000** | **1,791,600** |
| | **WORK COMP ADMIN** | **2,018,954** | **2,394,478** | **1,860,600** | **1,819,000** | **1,845,500** |

## *Workers' Compensation Employee Safety* — *Section 2331*

| CLASSIFICATION | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|
| **EMPLOYEE SAFETY PROGRAM** | | | | | |
| SUPPLIES | 79 | 17,820 | 7,300 | 7,300 | 7,300 |
| SERVICE CHARGES | 28,150 | 9,403 | 26,200 | 16,000 | 26,200 |
| **TOTAL EXPENDITURES** | **28,229** | **27,223** | **33,500** | **23,300** | **33,500** |

### ACTIVITY INFORMATION

This represents the estimated cost of periodically replenishing the 22 first-aid cabinets located in various City buildings. It also reflects the costs of replenishing 75 first-aid and blood-borne pathogen kits in City trucks and cars. The City continually strives to develop and maintain a safe place of employment. Strategically located first-aid kits and cabinets enable treatment of minor scratches, cuts, burns, splinters, and so forth, which do not ordinarily require medical care. ET America Corporation sanctions the content of each first-aid kit and cabinet as meeting OSHA standards. The City is fully indemnified against all claims, liability or damages resulting from an injury caused by the use of First Aid-trademarked products. Consulting services provided to the City Safety Committee, costs of the Annual OSHA-required inspection of City facilities, and a variety of ergonomic evaluation and furniture costs are also charged to the Employee Safety Program.

| CLASSIFICATION | | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|---|
| **SUPPLIES** | | | | | | |
| 5204 | Operating Supplies | **79** | **17,820** | **7,300** | **7,300** | **7,300** |
| **SERVICE CHARGES** | | | | | | |
| 6205 | Other Printing & Binding | 0 | 0 | 300 | 300 | 300 |
| 6214 | Professional/Technical | 28,150 | 9,403 | 25,900 | 15,700 | 25,900 |
| | **TOTAL SERVICE CHARGES** | **28,150** | **9,403** | **26,200** | **16,000** | **26,200** |
| | **EMPLOYEE SAFETY PROGRAM** | **28,229** | **27,223** | **33,500** | **23,300** | **33,500** |

## *Internal Service* — *Non-Department*

| CLASSIFICATION | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|
| **NON-DEPARTMENT** | | | | | |
| EMPLOYEE BENEFITS | 2,087,320 | 2,449,832 | 1,451,900 | 2,518,200 | 2,437,800 |
| DEBT SERVICE | 512,661 | 102 | 0 | 0 | 0 |
| SUPPLIES | 1,306 | 10,947 | 500 | 600 | 400 |
| PUBLIC UTILITY CHARGES | 36,683 | 41,447 | 31,700 | 37,400 | 31,700 |
| SERVICE CHARGES | 1,653,723 | 1,566,187 | 819,200 | 819,200 | 1,624,200 |
| COMMUNTY PROMOTION | 500,327 | 468,345 | 497,000 | 513,800 | 497,000 |
| **TOTAL EXPENDITURES** | **4,792,020** | **4,536,860** | **2,800,300** | **3,889,200** | **4,591,100** |

### ACTIVITY INFORMATION

This division is used to account for costs that are not specific to any particular department. Some of the types of items budgeted in this department are liability and property insurance; maintenance of the City's telephone system, print shop equipment, postage meter, etc. payoffs of accrued vacation and sick leave; the annual employee recognition banquet; community promotions; noise abatement; Sister City; and the El Segundo Unified School District Joint-Use Agreement payments. Additionally, all charges for retirees' participation in the PERS Medical Plan are included in this division.

| | CLASSIFICATION | ACTUAL FY 2010/11 | ACTUAL FY 2011/12 | ADOPTED FY 2012/13 | PROJECTED YEAR END FY 2012/13 | PROPOSED FY 2013/14 |
|---|---|---|---|---|---|---|
| **TOTAL EMPLOYEE BENEFITS** | | **2,087,320** | **2,449,832** | **1,451,900** | **2,518,200** | **2,437,800** |
| **DEBT SERVICE** | | | | | | |
| 4907 | Interest Expense | 252,704 | 102 | 0 | 0 | 0 |
| 4902 | Principal Maturity | 259,957 | 0 | 0 | 0 | 0 |
| | **TOTAL DEBT SERVICE** | **512,661** | **102** | **0** | **0** | **0** |
| **SUPPLIES** | | | | | | |
| 5204 | Operating Supplies | 1,806 | 10,663 | 0 | 0 | 0 |
| 5220 | Computer Refresh | 0 | 384 | 500 | 600 | 400 |
| 5298 | Copier Maintenance Supplies | -500 | -100 | 0 | 0 | 0 |
| | **TOTAL SUPPLIES** | **1,306** | **10,947** | **500** | **600** | **400** |
| **PUBLIC UTILITY CHARGES** | | | | | | |
| 6116 | Building Lease Charge | 36,683 | 41,447 | 31,700 | 37,400 | 31,700 |
| | **PUBLIC UTILITY CHARGES** | **36,683** | **41,447** | **31,700** | **37,400** | **31,700** |
| **SERVICE CHARGES** | | | | | | |
| 6201 | Advertising/Publishing | 2,162 | 2,437 | 0 | 0 | 0 |
| 6203 | Copy Machine Charges | 1,406 | 2,952 | 1,000 | 1,000 | 1,000 |
| 6206 | Contractual Services | 761 | 33,299 | 0 | 0 | 0 |
| 6207 | Equipment Replacement Charges | 43,300 | -9,820 | 0 | 0 | 168,200 |
| 6208 | Dues & Subscriptions | 36,656 | 13,851 | 34,200 | 34,200 | 34,100 |
| 6211 | Insurance & Bonds | 101,168 | -108,250 | 11,800 | 11,800 | 273,000 |
| 6214 | Professional/Technical | 47,299 | 113,651 | 30,000 | 30,000 | 30,000 |
| 6215 | Repair & Maintenance | 4,694 | 6,286 | 10,000 | 10,000 | 10,000 |
| 6219 | Network Operating Charge | 1,500 | 1,500 | 7,900 | 7,900 | 7,900 |
| 6222 | Lease Payment Parking Garage | 235,916 | 277,999 | 260,000 | 260,000 | 260,000 |
| 6223 | Training & Education | 0 | 0 | 2,000 | 2,000 | 2,000 |
| 6235 | Accrued Vacation & Sick Leave Pay | 982,961 | 1,153,317 | 404,300 | 404,300 | 780,000 |
| 6244 | Other Unclassified Expense | 80,893 | 8,014 | 10,000 | 10,000 | 10,000 |
| 6245 | Employee Banquet | 0 | 0 | 12,000 | 12,000 | 12,000 |
| 6247 | Unemployment Compensation | 103,246 | 61,055 | 30,000 | 30,000 | 30,000 |
| 6250 | Volunteer Recognition | 99 | 1,457 | 0 | 0 | 0 |
| 6254 | Telephone | 8,084 | 8,440 | 6,000 | 6,000 | 6,000 |
| 6260 | Equipment Leasing Cost | 3,578 | -1 | 0 | 0 | 0 |
| | **TOTAL SERVICE CHARGES** | **1,653,723** | **1,566,187** | **819,200** | **819,200** | **1,624,200** |
| **COMMUNITY PROMOTION** | | | | | | |
| 6401 | Community Promotion | 15,000 | 15,609 | 16,000 | 0 | 16,000 |
| 6403 | Sister City | 66 | 0 | 1,000 | 0 | 1,000 |
| 6405 | ESUSD Funding Agreement | 327,427 | 324,906 | 330,000 | 330,000 | 330,000 |
| 6406 | LAX Master Plan Intervention | 61,594 | 48,572 | 75,000 | 108,800 | 75,000 |
| 6407 | Washington Lobbyist | 96,240 | 79,258 | 75,000 | 75,000 | 75,000 |
| | **TOTAL COMMUNITY PROMOTION** | **500,327** | **468,345** | **497,000** | **513,800** | **497,000** |
| | **NON DEPARTMENT** | **4,792,020** | **4,536,860** | **2,800,300** | **3,889,200** | **4,591,100** |