Internal Service — *Equipment Replacement*

CLASSIFICATION	ACTUAL FY 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
EQUIPMENT REPLACEMENT					
SERVICE CHARGES	458,828	434,561	750,000	500,000	500,000
CAPITAL-FIXED ASSETS	262,780	829,802	4,267,100	1,947,200	1,864,670
TOTAL EXPENDITURES	**721,608**	**1,264,363**	**5,017,100**	**2,447,200**	**2,364,670**

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 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
SERVICE CHARGES						
6202	Depreciation Expense	458,828	434,561	750,000	500,000	500,000
	TOTAL SERVICE CHARGES	**458,828**	**434,561**	**750,000**	**500,000**	**500,000**
CAPITAL-FIXED ASSETS						
8104	Capital/Equipment	42,192	212,039	784,000	300,000	520,170
8105	Capital/Automotive	319,361	896,573	2,651,600	817,400	561,300
8106	Capital / Communications	127,083	21,847	84,600	472,900	449,100
8108	Capital / Computer Hardware	112,088	131,201	746,900	356,900	334,100
8110	Capitalized Assets	(337,944)	(431,858)	0	0	0
	TOTAL CAPITAL-FIXED ASSETS	**262,780**	**829,802**	**4,267,100**	**1,947,200**	**1,864,670**
	EQUIPMENT REPLACEMENT	**721,608**	**1,264,363**	**5,017,100**	**2,447,200**	**2,364,670**

Internal Service — *Liability Insurance*

CLASSIFICATION	ACTUAL FY 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
LIABILITY INSURANCE					
SALARIES	53,380	47,674	53,700	53,700	51,300
BENEFITS	10,902	10,955	13,200	13,200	16,300
SERVICE CHARGES	1,942,673	786,388	870,600	870,600	860,700
TOTAL EXPENDITURES	**2,006,955**	**845,017**	**937,500**	**937,500**	**928,300**

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.

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 2007/2008:

- Closely monitored the activities administered by Admin Sure (Colen & Lee) ensuring a better financial position for this fund, including a study of Risk Management practices.
- Continued streamlining process for processing of liability claim investigations.

Goals and Objectives for FY 2008/2009:

- To continue establishing and maintaining prudent level of reserves to cover anticipated claims expenses (average).
- Continued monitoring of activities administered by Third Party Liability Claims Administrator ensuring a better financial position for this fund.
- Provide continued Risk Management program training and development citywide.

CLASSIFICATION		ACTUAL FY 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
SALARIES						
4101	Salaries Full-Time	53,380	47,674	53,700	53,700	51,300
	TOTAL SALARIES	**53,380**	**47,674**	**53,700**	**53,700**	**51,300**
TOTAL EMPLOYEE BENEFITS		**10,902**	**10,955**	**13,200**	**13,200**	**16,300**
SERVICE CHARGES						
6208	Dues & Subscriptions	573	472	400	400	400
6211	Insurance & Bonds	504,859	498,374	479,550	479,550	392,600
6213	Meetings & Travel	20	9	2,400	2,400	2,500
6214	Professional/Technical	23,095	26,907	28,350	28,350	29,400
6223	Training & Education	0	0	9,900	9,900	10,300
6246	Claims Expense	1,414,126	260,626	350,000	350,000	425,500
	TOTAL SERVICE CHARGES	**1,942,673**	**786,388**	**870,600**	**870,600**	**860,700**
	LIABILITY INSURANCE	**2,006,955**	**845,017**	**937,500**	**937,500**	**928,300**

Internal Service — *Workers' Compensation*

CLASSIFICATION	ACTUAL FY 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
WORKERS' COMPENSATION					
ADMINISTRATION	731,464	1,113,963	1,734,900	1,734,900	1,930,200
EMPLOYEE SAFETY	19,080	29,394	32,300	32,300	33,450
TOTAL EXPENDITURES	**750,544**	**1,143,357**	**1,767,200**	**1,767,200**	**1,963,650**

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 2008/09 policy is estimated to be $3.96 per $100 of payroll. Southern California Risk Management Associates (SCRMA) presently administers the City's claims. There were 59 open cases, as of June 30, 2008, with a reserve of $1,948,010, which decreased significantly due to a reduction in claims. Expenditures for FY 2008/09 include reimbursement to the General Fund for 10% of the salaries for the Director of Human Resources, the Human Resources Manager, the Human Resources Specialist, and the Office Specialist II. The amount that has been budgeted for claims expenses is $1,430,700 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 2007/08:

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

Goals and Objectives for FY 2008/09:

- 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 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
WORKERS' COMP RESERVE/INSURANCE					
SALARIES	46,995	43,513	47,900	47,900	42,400
EMPLOYEE BENEFITS	8,896	9,099	12,000	12,000	14,300
SERVICE CHARGES	675,573	1,061,351	1,675,000	1,675,000	1,873,500
TOTAL EXPENDITURES	**731,464**	**1,113,963**	**1,734,900**	**1,734,900**	**1,930,200**

ACTIVITY INFORMATION

See the Workers' Compensation Summary.

CLASSIFICATION		ACTUAL FY 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
SALARIES						
4101	Salaries Full-Time	46,995	43,513	47,900	47,900	42,400
	TOTAL SALARIES	**46,995**	**43,513**	**47,900**	**47,900**	**42,400**
TOTAL EMPLOYEE BENEFITS		**8,896**	**9,099**	**12,000**	**12,000**	**14,300**
SERVICE CHARGES						
6208	Dues & Subscriptions	0	0	500	500	550
6211	Insurance & Bonds	429,568	312,771	309,250	309,250	366,300
6213	Meetings & Travel	0	0	1,300	1,300	1,350
6214	Professional/Technical	67,479	70,164	70,450	70,450	73,000
6223	Training & Education	0	0	1,500	1,500	1,600
6246	Claims Expense	178,526	678,416	1,292,000	1,292,000	1,430,700
	TOTAL SERVICE CHARGES	**675,573**	**1,061,351**	**1,675,000**	**1,675,000**	**1,873,500**
	WORK COMP ADMIN	**731,464**	**1,113,963**	**1,734,900**	**1,734,900**	**1,930,200**

Workers' Compensation Employee Safety — *Section 2331*

CLASSIFICATION	ACTUAL FY 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
EMPLOYEE SAFETY PROGRAM					
SUPPLIES	3,708	520	7,000	7,000	7,250
SERVICE CHARGES	15,372	28,874	25,300	25,300	26,200
TOTAL EXPENDITURES	**19,080**	**29,394**	**32,300**	**32,300**	**33,450**

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 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
SUPPLIES					
5204 Operating Supplies	**3,708**	**520**	**7,000**	**7,000**	**7,250**
SERVICE CHARGES					
6205 Other Printing & Binding	0	479	300	300	300
6214 Professional/Technical	15,372	28,395	25,000	25,000	25,900
TOTAL SERVICE CHARGES	**15,372**	**28,874**	**25,300**	**25,300**	**26,200**
EMPLOYEE SAFETY PROGRAM	**19,080**	**29,394**	**32,300**	**32,300**	**33,450**

Internal Service — *Non-Department*

CLASSIFICATION	ACTUAL FY 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
NON-DEPARTMENT					
EMPLOYEE BENEFITS	1,551,463	1,872,708	1,791,900	1,791,900	2,004,590
DEBT SERVICE	216,389	692,011	756,450	756,450	780,100
SUPPLIES	3,183	4,168	0	0	0
SERVICE CHARGES	735,177	2,062,211	1,077,050	1,077,050	1,159,600
COMMUNTY PROMOTION	794,126	676,435	632,600	632,600	838,000
TOTAL EXPENDITURES	**3,300,338**	**5,307,533**	**4,258,000**	**4,258,000**	**4,782,290**

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 2005/06	ACTUAL FY 2006/07	ADOPTED FY 2007/08	PROJECTED YEAR END FY 2007/08	ADOPTED FY 2008/09
TOTAL EMPLOYEE BENEFITS		**1,551,463**	**1,872,708**	**1,791,900**	**1,791,900**	**2,004,590**
DEBT SERVICE						
4907	Interest Expense	0	287,000	542,700	542,700	541,300
4902	Principal Maturity	216,389	405,011	213,750	213,750	238,800
	TOTAL DEBT SERVICE	**216,389**	**692,011**	**756,450**	**756,450**	**780,100**
SUPPLIES						
5204	Operating Supplies	950	2,507	0	0	0
5298	Copier Maintenance Supplies	2,233	1,661	0	0	0
	TOTAL SUPPLIES	**3,183**	**4,168**	**0**	**0**	**0**
SERVICE CHARGES						
6201	Advertising/Publishing	0	90,141	40,000	40,000	40,000
6206	Contractual Services	0	120	0	0	0
6207	Equipment Replacement Charges	32,800	532,800	40,800	40,800	(47,200)
6208	Dues & Subscriptions	19,374	38,362	34,850	34,850	34,850
6211	Insurance & Bonds	215,800	215,800	215,800	215,800	151,750
6213	Meetings & Travel	0	73	0	0	0
6214	Professional/Technical	29,811	18,661	30,000	30,000	30,000
6215	Repair & Maintenance	4,086	17,133	10,000	10,000	10,000
6219	Network Operating Charge	0	0	0	0	1,500
6222	Lease Payment Parking Garage	0	256,465	279,100	279,100	279,100
6223	Training & Education	0	0	5,000	5,000	5,000
6224	Vehicle Operating Charges	2,202	0	0	0	0
6233	Flexible Spending	0	0	0	0	0
6235	Accrued Vacation & Sick Leave Pay	332,001	736,527	300,000	300,000	500,000
6244	Other Unclassified Expense	62,728	116,491	79,900	79,900	111,450
6245	Employee Banquet	10,199	9,960	10,000	10,000	10,350
6247	Unemployment Compensation	13,772	22,552	24,000	24,000	24,900
6250	Volunteer Recognition	1,755	15	2,000	2,000	2,100
6254	Telephone	10,649	7,111	5,600	5,600	5,800
	TOTAL SERVICE CHARGES	**735,177**	**2,062,211**	**1,077,050**	**1,077,050**	**1,159,600**
COMMUNITY PROMOTION						
6401	Community Promotion	11,552	18,507	22,600	22,600	22,600
6402	LAX Master Plan Committee	892	0	0	0	0
6403	Sister City	1,851	243	10,000	10,000	10,000
6405	ESUSD Funding Agreement	250,000	250,000	250,000	250,000	500,000
6406	LAX Master Plan Intervention	369,835	247,689	200,000	200,000	150,000
6407	Washington Lobbiest Transportation & Infrastructure	159,996	159,996	150,000	150,000	155,400
	TOTAL COMMUNITY PROMOTION	**794,126**	**676,435**	**632,600**	**632,600**	**838,000**
	NON DEPARTMENT	**3,300,338**	**5,307,533**	**4,258,000**	**4,258,000**	**4,782,290**