Internal Service — *Equipment Replacement*

CLASSIFICATION	ACTUAL FY 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
EQUIPMENT REPLACEMENT					
SERVICE CHARGES	434,561	750,000	500,000	500,000	500,000
CAPITAL-FIXED ASSETS	829,802	4,267,100	1,864,670	1,864,670	1,471,300
TOTAL EXPENDITURES	**1,264,363**	**5,017,100**	**2,364,670**	**2,364,670**	**1,971,300**

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 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
SERVICE CHARGES						
6202	Depreciation Expense	434,561	750,000	500,000	500,000	500,000
	TOTAL SERVICE CHARGES	**434,561**	**750,000**	**500,000**	**500,000**	**500,000**
CAPITAL-FIXED ASSETS						
8104	Capital/Equipment	212,039	784,000	520,170	520,170	368,300
8105	Capital/Automotive	896,573	2,651,600	561,300	561,300	623,400
8106	Capital / Communications	21,847	84,600	449,100	449,100	109,500
8108	Capital / Computer Hardware	131,201	746,900	334,100	334,100	370,100
8110	Capitalized Assets	(431,858)	0	0	0	0
	TOTAL CAPITAL-FIXED ASSETS	**829,802**	**4,267,100**	**1,864,670**	**1,864,670**	**1,471,300**
	EQUIPMENT REPLACEMENT	**1,264,363**	**5,017,100**	**2,364,670**	**2,364,670**	**1,971,300**

Internal Service — *Liability Insurance*

CLASSIFICATION	ACTUAL FY 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
LIABILITY INSURANCE					
SALARIES	47,674	34,254	51,300	51,300	51,300
BENEFITS	10,955	13,458	16,300	16,300	17,000
SERVICE CHARGES	786,388	1,326,720	860,700	860,700	1,027,650
TOTAL EXPENDITURES	**845,017**	**1,374,432**	**928,300**	**928,300**	**1,095,950**

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 2008/2009:

- Closely monitored the activities administered by Admin Sure 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 2009/2010:

- 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 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
SALARIES						
4101	Salaries Full-Time	47,674	34,254	51,300	51,300	51,300
	TOTAL SALARIES	**47,674**	**34,254**	**51,300**	**51,300**	**51,300**
TOTAL EMPLOYEE BENEFITS		**10,955**	**13,458**	**16,300**	**16,300**	**17,000**
SERVICE CHARGES						
6208	Dues & Subscriptions	472	0	400	400	400
6211	Insurance & Bonds	498,374	461,703	392,600	392,600	356,300
6213	Meetings & Travel	9	0	2,500	2,500	2,500
6214	Professional/Technical	26,907	39,064	29,400	29,400	29,400
6223	Training & Education	0	0	10,300	10,300	10,300
6246	Claims Expense	260,626	825,953	425,500	425,500	628,750
	TOTAL SERVICE CHARGES	**786,388**	**1,326,720**	**860,700**	**860,700**	**1,027,650**
	LIABILITY INSURANCE	**845,017**	**1,374,432**	**928,300**	**928,300**	**1,095,950**

Internal Service — *Workers' Compensation*

CLASSIFICATION	ACTUAL FY 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
WORKERS' COMPENSATION					
ADMINISTRATION	1,113,963	1,385,350	1,930,200	1,930,200	2,018,970
EMPLOYEE SAFETY	29,394	47,200	33,450	33,450	33,450
TOTAL EXPENDITURES	**1,143,357**	**1,432,550**	**1,963,650**	**1,963,650**	**2,052,420**

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 2008/09:

- 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 2009/10:

- 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 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
WORKERS' COMP RESERVE/INSURANCE					
SALARIES	43,513	51,029	42,400	42,400	42,200
EMPLOYEE BENEFITS	9,099	17,193	14,300	14,300	17,600
SERVICE CHARGES	1,061,351	1,317,128	1,873,500	1,873,500	1,959,170
TOTAL EXPENDITURES	**1,113,963**	**1,385,350**	**1,930,200**	**1,930,200**	**2,018,970**

ACTIVITY INFORMATION

See the Workers' Compensation Summary.

CLASSIFICATION		ACTUAL FY 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
SALARIES						
4101	Salaries Full-Time	43,513	51,029	42,400	42,400	42,200
	TOTAL SALARIES	**43,513**	**51,029**	**42,400**	**42,400**	**42,200**
TOTAL EMPLOYEE BENEFITS		**9,099**	**17,193**	**14,300**	**14,300**	**17,600**
SERVICE CHARGES						
6208	Dues & Subscriptions	0	0	550	550	550
6211	Insurance & Bonds	312,771	349,352	366,300	366,300	342,842
6213	Meetings & Travel	0	0	1,350	1,350	1,350
6214	Professional/Technical	70,164	70,428	73,000	73,000	73,000
6223	Training & Education	0	0	1,600	1,600	1,600
6246	Claims Expense	678,416	897,348	1,430,700	1,430,700	1,539,828
	TOTAL SERVICE CHARGES	**1,061,351**	**1,317,128**	**1,873,500**	**1,873,500**	**1,959,170**
	WORK COMP ADMIN	**1,113,963**	**1,385,350**	**1,930,200**	**1,930,200**	**2,018,970**

Workers' Compensation Employee Safety — *Section 2331*

CLASSIFICATION	ACTUAL FY 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
EMPLOYEE SAFETY PROGRAM					
SUPPLIES	520	7,304	7,250	7,250	7,250
SERVICE CHARGES	28,874	39,896	26,200	26,200	26,200
TOTAL EXPENDITURES	**29,394**	**47,200**	**33,450**	**33,450**	**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 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
SUPPLIES						
5204	Operating Supplies	**520**	**7,304**	**7,250**	**7,250**	**7,250**
SERVICE CHARGES						
6205	Other Printing & Binding	479	0	300	300	300
6214	Professional/Technical	28,395	39,896	25,900	25,900	25,900
	TOTAL SERVICE CHARGES	**28,874**	**39,896**	**26,200**	**26,200**	**26,200**
	EMPLOYEE SAFETY PROGRAM	**29,394**	**47,200**	**33,450**	**33,450**	**33,450**

Internal Service — *Non-Department*

CLASSIFICATION	ACTUAL FY 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
NON-DEPARTMENT					
EMPLOYEE BENEFITS	1,872,708	1,791,900	2,004,590	2,283,807	1,800,000
DEBT SERVICE	692,011	756,450	780,100	404,350	509,132
SUPPLIES	4,168	0	0	500	0
SERVICE CHARGES	2,062,211	1,077,050	1,159,600	1,412,247	1,158,700
COMMUNTY PROMOTION	676,435	632,600	838,000	790,800	500,000
TOTAL EXPENDITURES	**5,307,533**	**4,258,000**	**4,782,290**	**4,891,703**	**3,967,832**

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 2006/07	ACTUAL FY 2007/08	ADOPTED FY 2008/09	PROJECTED YEAR END FY 2008/09	PROPOSED FY 2009/10
TOTAL EMPLOYEE BENEFITS	**1,872,708**	**1,791,900**	**2,004,590**	**2,283,807**	**1,800,000**
DEBT SERVICE					
4907 Interest Expense	287,000	542,700	541,300	238,800	245,650
4902 Principal Maturity	405,011	213,750	238,800	165,550	263,482
TOTAL DEBT SERVICE	**692,011**	**756,450**	**780,100**	**404,350**	**509,132**
SUPPLIES					
5204 Operating Supplies	2,507	0	0	500	0
5298 Copier Maintenance Supplies	1,661	0	0	0	0
TOTAL SUPPLIES	**4,168**	**0**	**0**	**500**	**0**
SERVICE CHARGES					
6201 Advertising/Publishing	90,141	40,000	40,000	151,635	40,000
6206 Contractual Services	120	0	0	0	0
6207 Equipment Replacement Charges	532,800	40,800	(47,200)	75,667	30,600
6208 Dues & Subscriptions	38,362	34,850	34,850	36,745	34,850
6211 Insurance & Bonds	215,800	215,800	151,750	151,750	151,750
6213 Meetings & Travel	73	0	0	0	0
6214 Professional/Technical	18,661	30,000	30,000	40,000	30,000
6215 Repair & Maintenance	17,133	10,000	10,000	11,850	10,000
6219 Network Operating Charge	0	0	1,500	0	1,500
6222 Lease Payment Parking Garage	256,465	279,100	279,100	214,300	260,000
6223 Training & Education	0	5,000	5,000	300	2,000
6235 Accrued Vacation & Sick Leave Pay	736,527	300,000	500,000	675,000	500,000
6244 Other Unclassified Expense	116,491	79,900	111,450	7,100	50,000
6245 Employee Banquet	9,960	10,000	10,350	12,000	12,000
6247 Unemployment Compensation	22,552	24,000	24,900	29,900	30,000
6250 Volunteer Recognition	15	2,000	2,100	0	0
6254 Telephone	7,111	5,600	5,800	6,000	6,000
TOTAL SERVICE CHARGES	**2,062,211**	**1,077,050**	**1,159,600**	**1,412,247**	**1,158,700**
COMMUNITY PROMOTION					
6401 Community Promotion	18,507	22,600	22,600	500	10,000
6403 Sister City	243	10,000	10,000	1,300	10,000
6405 ESUSD Funding Agreement	250,000	250,000	500,000	479,000	330,000
6406 LAX Master Plan Intervention	247,689	200,000	150,000	150,000	75,000
6407 Washington Lobbyist	159,996	150,000	155,400	160,000	75,000
TOTAL COMMUNITY PROMOTION	**676,435**	**632,600**	**838,000**	**790,800**	**500,000**
NON DEPARTMENT	**5,307,533**	**4,258,000**	**4,782,290**	**4,891,703**	**3,967,832**