Internal Service — *Equipment Replacement*

CLASSIFICATION	ACTUAL FY 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
EQUIPMENT REPLACEMENT					
SERVICE CHARGES	0	566,171	500,000	500,000	500,000
CAPITAL-FIXED ASSETS	681,397	511,261	4,248,300	1,221,300	4,507,800
TOTAL EXPENDITURES	**681,397**	**1,077,432**	**4,748,300**	**1,721,300**	**5,007,800**

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 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
SERVICE CHARGES						
6202	Depreciation Expense	0	566,171	500,000	500,000	500,000
	TOTAL SERVICE CHARGES	**0**	**566,171**	**500,000**	**500,000**	**500,000**
CAPITAL-FIXED ASSETS						
8104	Capital/Equipment	215,707	131,135	1,309,000	388,500	1,266,100
8105	Capital/Automotive	196,299	273,248	1,299,600	280,000	1,811,600
8106	Capital / Communications	173,919	16,387	576,500	325,000	560,500
8108	Capital / Computer Hardware	95,472	90,491	1,063,200	227,800	869,600
	TOTAL CAPITAL-FIXED ASSETS	**681,397**	**511,261**	**4,248,300**	**1,221,300**	**4,507,800**
	EQUIPMENT REPLACEMENT	**681,397**	**1,077,432**	**4,748,300**	**1,721,300**	**5,007,800**

Internal Service — *Liability Insurance*

CLASSIFICATION	ACTUAL FY 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
LIABILITY INSURANCE					
SALARIES	63,889	48,301	33,400	65,000	49,800
BENEFITS	17,332	17,642	15,000	15,600	18,400
SERVICE CHARGES	512,233	228,164	1,071,900	960,200	882,900
TOTAL EXPENDITURES	**593,454**	**294,107**	**1,120,300**	**1,040,800**	**951,100**

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 2011-2012:

- 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 2012-2013:

- 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 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
SALARIES						
4101	Salaries Full-Time	63,889	48,301	33,400	65,000	49,800
	TOTAL SALARIES	**63,889**	**48,301**	**33,400**	**65,000**	**49,800**
TOTAL EMPLOYEE BENEFITS		**17,332**	**17,642**	**15,000**	**15,600**	**18,400**
SERVICE CHARGES						
6208	Dues & Subscriptions	139	356	400	400	400
6211	Insurance & Bonds	406,809	510,036	511,400	525,000	508,500
6213	Meetings & Travel	0	0	2,500	1,600	2,500
6214	Professional/Technical	16,550	26,355	22,200	22,200	22,200
6215	Repairs and Maintenance	4,500	0	0	0	0
6216	Rental Charges	9,551	0	0	0	0
6223	Training & Education	0	0	10,300	0	1,600
6246	Claims Expense	74,684	(308,583)	525,100	411,000	347,700
	TOTAL SERVICE CHARGES	**512,233**	**228,164**	**1,071,900**	**960,200**	**882,900**
	LIABILITY INSURANCE	**593,454**	**294,107**	**1,120,300**	**1,040,800**	**951,100**

Internal Service — *Workers' Compensation*

CLASSIFICATION	ACTUAL FY 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
WORKERS' COMPENSATION					
ADMINISTRATION	1,289,444	2,018,954	1,943,300	2,276,900	1,860,600
EMPLOYEE SAFETY	17,337	28,229	33,500	7,700	33,500
	1,306,780	**2,047,183**	**1,976,800**	**2,284,600**	**1,894,100**

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 2011/12 policy is estimated to be $4.25 per $100 of payroll. Southern California Risk Management Associates (SCRMA) presently administers the City's claims. There were 71 open cases, as of June 30, 2011, with a reserve of $5,757,912. Expenditures for FY 2010/11 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 $1,420,200 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 2010/2011:

- 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 2011/2012:

- 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 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
WORKERS' COMP RESERVE/INSURANCE					
SALARIES	54,804	48,685	33,300	55,400	50,100
EMPLOYEE BENEFITS	16,512	16,541	15,600	15,900	18,900
SERVICE CHARGES	1,218,128	1,953,727	1,894,400	2,205,600	1,791,600
TOTAL EXPENDITURES	**1,289,444**	**2,018,954**	**1,943,300**	**2,276,900**	**1,860,600**

ACTIVITY INFORMATION

See the Workers' Compensation Summary.

CLASSIFICATION		ACTUAL FY 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
SALARIES						
4101	Salaries Full-Time	54,804	48,685	33,300	55,400	50,100
	TOTAL SALARIES	**54,804**	**48,685**	**33,300**	**55,400**	**50,100**
TOTAL EMPLOYEE BENEFITS		**16,512**	**16,541**	**15,600**	**15,900**	**18,900**
SERVICE CHARGES						
6208	Dues & Subscriptions	100	100	600	100	600
6211	Insurance & Bonds	343,135	345,233	344,000	348,900	344,000
6213	Meetings & Travel	0	7	1,400	0	1,300
6214	Professional/Technical	81,062	86,4338	126,700	102,000	126,700
6223	Training & Education	0	0	1,600	0	1,600
6246	Claims Expense	793,830	1,521,950	1,420,100	1,754,600	1,317,400
	TOTAL SERVICE CHARGES	**1,218,128**	**1,953,727**	**1,894,400**	**2,205,600**	**1,791,600**
	WORK COMP ADMIN	**1,289,444**	**2,018,954**	**1,943,300**	**2,276,900**	**1,860,600**

Workers' Compensation Employee Safety — *Section 2331*

CLASSIFICATION	ACTUAL FY 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
EMPLOYEE SAFETY PROGRAM					
SUPPLIES	338	79	7,300	0	7,300
SERVICE CHARGES	16,999	28,150	26,200	7,700	26,200
TOTAL EXPENDITURES	**17,337**	**29,229**	**33,500**	**7,700**	**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 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
SUPPLIES						
5204	Operating Supplies	**338**	**79**	**7,300**	**0**	**7,300**
SERVICE CHARGES						
6205	Other Printing & Binding	0	0	300	0	300
6214	Professional/Technical	16,999	28,150	25,900	7,700	25,900
	TOTAL SERVICE CHARGES	**16,999**	**28,150**	**26,200**	**7,700**	**26,200**
	EMPLOYEE SAFETY PROGRAM	**17,337**	**28,229**	**33,500**	**7,700**	**33,500**

Internal Service — *Non-Department*

CLASSIFICATION	ACTUAL FY 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
NON-DEPARTMENT					
EMPLOYEE BENEFITS	2,378,189	2,087,320	999,200	1,512,400	999,200
DEBT SERVICE	512,662	512,661	0	0	0
SUPPLIES	2,267	1,306	0	3,000	0
PUBLIC UTILITY CHARGES	35,220	36,683	0	37,000	0
SERVICE CHARGES	2,320,774	1,653,73	591,100	1,436,000	760,600
COMMUNTY PROMOTION	804,372	500,327	482,000	482,000	482,000
TOTAL EXPENDITURES	**6,053,484**	**4,792,020**	**2,072,300**	**3,470,400**	**2,694,900**

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 2009/10	ACTUAL FY 2010/11	ADOPTED FY 2011/12	PROJECTED YEAR END FY 2011/12	PROPOSED FY 2012/13
TOTAL EMPLOYEE BENEFITS		**2,378,189**	**2,087,320**	**999,200**	**1,512,400**	**1,451,900**
DEBT SERVICE						
4907	Interest Expense	245,654	252,704	0	0	0
4902	Principal Maturity	267,008	259,957	0	0	0
	TOTAL DEBT SERVICE	**512,662**	**512,661**	**0**	**0**	**0**
SUPPLIES						
5204	Operating Supplies	2,667	1,806	0	3,000	0
5220	Computer Refresh	0	0	0	0	400
5298	Copier Maintenance Supplies	(400)	(500)	0	0	0
	TOTAL SUPPLIES	**2,267**	**1,306**	**0**	**3,000**	**400**
PUBLIC UTILITY CHARGES						
6116	Building Lease Charge	35,220	36,683	0	37,000	0
	PUBLIC UTILITY CHARGES	**35,220**	**36,683**	**0**	**37,000**	**0**
SERVICE CHARGES						
6201	Advertising/Publishing	149	2,162	40,000	40,000	0
6203	Copy Machine Charges	247	1,406	0	0	1,000
6206	Contractual Services	2,477	761	0	0	0
6207	Equipment Replacement Charges	1,020	43,300	(9,800)	(9,800)	84,100
6208	Dues & Subscriptions	25,615	36,656	34,200	34,200	34,200
6211	Insurance & Bonds	152,050	101,168	(108,300)	(108,300)	0
6214	Professional/Technical	62,590	47,299	30,000	30,000	30,000
6215	Repair & Maintenance	12,287	4,694	10,000	10,000	10,000
6219	Network Operating Charge	1,500	1,500	1,500	1,500	7,900
6222	Lease Payment Parking Garage	235,916	235,916	260,000	260,000	260,000
6223	Training & Education	0	0	2,000	2,000	2,000
6235	Accrued Vacation & Sick Leave Pay	1,667,645	982,961	273,500	1,100,000	273,400
6244	Other Unclassified Expense	75,866	80,893	10,000	10,000	10,000
6245	Employee Banquet	10,381	0	12,000	12,000	12,000
6247	Unemployment Compensation	61,628	103,246	30,000	48,400	30,000
6250	Volunteer Recognition	2,001	99	0	0	0
6254	Telephone	8,127	8,084	6,000	6,000	6,000
6260	Equipment Leasing Cost	1,275	3,578	0	0	0
	TOTAL SERVICE CHARGES	**2,320,773**	**1,653,723**	**591,100**	**1,436,000**	**760,600**
COMMUNITY PROMOTION						
6401	Community Promotion	19,521	15,000	1,000	1,000	1,000
6403	Sister City	488	66	1,000	1,000	1,000
6405	ESUSD Funding Agreement	478,008	327,427	330,000	330,000	330,000
6406	LAX Master Plan Intervention	145,882	61,594	75,000	75,000	75,000
6407	Washington Lobbyist	160,473	96,240	75,000	75,000	75,000
	TOTAL COMMUNITY PROMOTION	**804,372**	**500,327**	**482,000**	**482,000**	**482,000**
	NON DEPARTMENT	**6,053,484**	**4,792,020**	**2,072,300**	**3,470,400**	**2,694,900**