



INTERNAL SERVICE FUNDS

Internal Service Funds account for financing of goods or services provided to other county funds on a cost reimbursement basis. The accrual basis of accounting is used for *Internal Service Funds*.

Equipment Services Division – Purchases, maintains and repairs heavy equipment; and purchases materials needed to maintain county roadways. Rates for rental of equipment owned by the fund are intended to cover all costs of maintenance and repair, materials consumed, and future replacements. Roadway materials are billed at cost.

Information Services – Provides central computing and data processing services to all county departments. These services include design, development and implementation of new computer systems, as well as the maintenance and operation of existing systems. *Information Services* is also responsible for the maintenance and operation of county telecommunications systems. Funding is provided by user fees.

Facilities Management – Maintains and operates county buildings, including janitorial services, general maintenance and repairs, and grounds maintenance. User fees provide funding.

Radio Communications – Purchases, maintains and repairs the countywide microwave communications system, and associated radios and other hardware. Funding is provided by user fees.

Fleet Rental Services – Purchases, maintains and repairs county passenger vehicles. Rates for rental of vehicles owned by the fund are intended to cover all costs of maintenance and repair, materials and supplies consumed, and future replacements.

General Services – Provides and accounts for the following services to county government: office supplies, photocopying, printing, mail processing, routing, delivery services and records management. Funding is provided by user fees.

Self-Insurance – Manages county self-insurance activities, including purchasing of insurance coverage, payment of claim settlements, and minimization of potential loss exposure. Funding is provided by user fees based upon loss experience factors.

Workers Compensation – Administers employee safety and training programs in accordance with Washington Industrial Safety and Health Act of 1973, and the county self-insured workers compensation program as provided by the Industrial Insurance Act, Title 51, State of Washington. Funding is provided by premium charges to county departments.



Internal Service Funds
Combining Balance Sheet
 At December 31, 2001
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	<u>Equipment Services Division</u>	<u>Information Services</u>	<u>Facilities Management</u>
ASSETS			
Current Assets			
Cash In Treasury Pool	\$ 6,797,232	\$ 2,970,810	\$ 1,360,107
Accounts Receivable, Net	47,241	37,835	3,337
Due From Other Funds	1,072,316	242,669	151,097
Due From Other Governments	-	1,162	-
Inventory, At Cost	1,204,596	7,969	92,530
Prepaid Expense	-	-	-
Total Current Assets	<u>9,121,385</u>	<u>3,260,445</u>	<u>1,607,071</u>
Noncurrent Assets And Deferred Charges			
Advances To Other Funds	626,700	-	-
Property, Plant And Equipment, Net			
Land	-	-	-
Plant And Equipment	23,780,718	6,652,252	253,274
Accumulated Depreciation	(11,924,625)	(4,521,284)	(154,545)
Construction In Progress	24,713	-	133,900
Total Property, Plant And Equipment, Net	<u>11,880,806</u>	<u>2,130,968</u>	<u>232,629</u>
TOTAL ASSETS	<u>\$ 21,628,891</u>	<u>\$ 5,391,413</u>	<u>\$ 1,839,700</u>
LIABILITIES AND FUND EQUITY			
Current Liabilities			
Vouchers And Accounts Payable	\$ 861,736	\$ 840,491	\$ 477,303
Due To Other Funds	11,617	27,576	10,221
Due To Other Governments	-	63	5,635
Accrued Wages And Benefits Payable	130,346	860,869	260,523
Estimated Claims Settlements	-	-	-
Deferred Revenues	-	-	21,093
Total Current Liabilities	<u>1,003,699</u>	<u>1,728,999</u>	<u>774,775</u>
Fund Equity			
Contributed Capital	10,347,941	2,450,491	136,820
Retained Earnings-Unreserved	10,277,251	1,211,923	928,105
Total Fund Equity	<u>20,625,192</u>	<u>3,662,414</u>	<u>1,064,925</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 21,628,891</u>	<u>\$ 5,391,413</u>	<u>\$ 1,839,700</u>



Internal Service Funds
Combining Balance Sheet
 At December 31, 2001
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<u>Radio Communications</u>	<u>Fleet Rental Services</u>	<u>General Services</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Total</u>
\$ 841,784	\$ 3,633,640	\$ 124,894	\$ 13,623,665	\$ 1,312,490	\$ 30,664,622
7,540	452	-	-	-	96,405
115,983	348,495	118,423	1,210	159,481	2,209,674
3,290	-	13,487	-	1,384	19,323
-	43,946	7,888	-	-	1,356,929
-	-	45,552	242,891	-	288,443
<u>968,597</u>	<u>4,026,533</u>	<u>310,244</u>	<u>13,867,766</u>	<u>1,473,355</u>	<u>34,635,396</u>
-	-	-	-	-	626,700
-	211,440	-	-	-	211,440
396,389	12,123,089	45,226	-	15,661	43,266,609
(224,284)	(5,617,925)	(22,975)	-	(4,054)	(22,469,692)
839,259	-	-	-	-	997,872
<u>1,011,364</u>	<u>6,716,604</u>	<u>22,251</u>	<u>-</u>	<u>11,607</u>	<u>22,006,229</u>
<u>\$ 1,979,961</u>	<u>\$ 10,743,137</u>	<u>\$ 332,495</u>	<u>\$ 13,867,766</u>	<u>\$ 1,484,962</u>	<u>\$ 57,268,325</u>
\$ 70,871	\$ 100,568	\$ 114,909	\$ 161,986	\$ 223,194	\$ 2,851,058
85,652	605	2,831	7,314	2,609	148,425
-	-	-	-	-	5,698
48,701	23,138	40,727	118,107	24,570	1,506,981
-	-	-	8,875,982	1,504,304	10,380,286
5,031	-	-	-	-	26,124
<u>210,255</u>	<u>124,311</u>	<u>158,467</u>	<u>9,163,389</u>	<u>1,754,677</u>	<u>14,918,572</u>
872,055	5,394,525	134,547	12,074	-	19,348,453
<u>897,651</u>	<u>5,224,301</u>	<u>39,481</u>	<u>4,692,303</u>	<u>(269,715)</u>	<u>23,001,300</u>
<u>1,769,706</u>	<u>10,618,826</u>	<u>174,028</u>	<u>4,704,377</u>	<u>(269,715)</u>	<u>42,349,753</u>
<u>\$ 1,979,961</u>	<u>\$ 10,743,137</u>	<u>\$ 332,495</u>	<u>\$ 13,867,766</u>	<u>\$ 1,484,962</u>	<u>\$ 57,268,325</u>



Internal Service Funds
Combining Statement Of Revenues, Expenses And Changes In Fund Equity
 For The Year Ended December 31, 2001
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	<u>Equipment Services Division</u>	<u>Information Services</u>	<u>Facilities Management</u>
Operating Revenues			
Charges For Services	\$ 9,254,404	\$ 12,473,219	\$ 8,218,492
Operating Expenses			
Personal Services	1,452,523	8,363,005	2,680,911
Materials And Supplies	4,278,798	1,435,251	514,323
System Support Service	547,270	2,575,346	4,918,383
Depreciation And Amortization	1,978,393	720,738	24,058
Insurance, Claims Settlements, And Other Charges	-	-	-
Total Operating Expenses	<u>8,256,984</u>	<u>13,094,340</u>	<u>8,137,675</u>
OPERATING INCOME (LOSS)	<u>997,420</u>	<u>(621,121)</u>	<u>80,817</u>
Nonoperating Revenues (Expenses)			
Interest Income	42,850	-	-
Interest Expense	-	-	-
Operating Grants	-	-	-
Gain (Loss) On Sale Of Equipment	82,052	(40,321)	-
Total Nonoperating Revenues (Expenses)	<u>124,902</u>	<u>(40,321)</u>	<u>-</u>
NET INCOME (LOSS) BEFORE OPERATING TRANSFERS	1,122,322	(661,442)	80,817
Operating Transfers In	-	43,000	-
Operating Transfers Out	-	-	-
NET INCOME (LOSS)	1,122,322	(618,442)	80,817
FUND EQUITY - Beginning Of Year	18,894,206	4,280,856	902,108
Increase In Contributed Capital	608,664	-	82,000
Residual Equity Transfers Out	-	-	-
FUND EQUITY - End Of Year	<u>\$ 20,625,192</u>	<u>\$ 3,662,414</u>	<u>\$ 1,064,925</u>



Internal Service Funds
Combining Statement Of Revenues, Expenses And Changes In Fund Equity
 For The Year Ended December 31, 2001
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<u>Radio Communications</u>	<u>Fleet Rental Services</u>	<u>General Services</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Total</u>
\$ 1,239,355	\$ 3,097,420	\$ 2,458,860	\$ 6,612,210	\$ 1,859,250	\$ 45,213,210
461,589	191,202	425,439	484,280	172,411	14,231,360
1,180,182	984,237	1,684,189	7,218	8,600	10,092,798
216,646	251,064	287,225	995,161	213,265	10,004,360
27,711	1,617,779	2,495	-	3,058	4,374,232
-	-	-	5,749,115	2,097,770	7,846,885
<u>1,886,128</u>	<u>3,044,282</u>	<u>2,399,348</u>	<u>7,235,774</u>	<u>2,495,104</u>	<u>46,549,635</u>
<u>(646,773)</u>	<u>53,138</u>	<u>59,512</u>	<u>(623,564)</u>	<u>(635,854)</u>	<u>(1,336,425)</u>
2,039	-	-	-	-	44,889
-	-	(882)	-	-	(882)
498,068	-	-	-	-	498,068
(4,762)	(32,265)	-	-	-	4,704
<u>495,345</u>	<u>(32,265)</u>	<u>(882)</u>	<u>-</u>	<u>-</u>	<u>546,779</u>
(151,428)	20,873	58,630	(623,564)	(635,854)	(789,646)
329,550	4,740	-	-	275,000	652,290
-	(79,180)	-	-	-	(79,180)
178,122	(53,567)	58,630	(623,564)	(360,854)	(216,536)
1,719,211	10,031,569	115,398	5,327,941	91,139	41,362,428
12,958	661,377	-	-	-	1,364,999
(140,585)	(20,553)	-	-	-	(161,138)
<u>\$ 1,769,706</u>	<u>\$ 10,618,826</u>	<u>\$ 174,028</u>	<u>\$ 4,704,377</u>	<u>\$ (269,715)</u>	<u>\$ 42,349,753</u>



Internal Service Funds
Combining Statement Of Cash Flows
For The Year Ended December 31, 2001
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	<u>Equipment Services Division</u>	<u>Information Services</u>	<u>Facilities Management</u>
Cash Flows From Operating Activities:			
Cash Received From Customers	\$ 9,271,301	\$ 12,656,592	\$ 8,210,488
Cash Paid To Suppliers For Goods And Services	(4,833,878)	(4,112,877)	(5,482,817)
Cash Paid To Employees For Services	(1,447,648)	(8,201,674)	(2,654,120)
Cash Paid For Insurance	-	-	-
Cash Paid For Claims Settlements	-	-	-
Net Cash Provided (Used) By Operating Activities	<u>2,989,775</u>	<u>342,041</u>	<u>73,551</u>
Cash Flows From Investing Activities:			
Interest Income	-	-	-
Net Cash Provided By Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows From Noncapital Financing Activities:			
Loans And Advances To Others Funds	14,256	-	-
Loans And Advances From Others Funds	-	-	-
Interfund Interest Income (Expense)	547	-	-
Operating Transfers In	-	43,000	-
Operating Transfers Out	-	-	-
Operating Grants Received	-	-	-
Residual Equity Transfers Out	-	-	-
Net Cash Provided (Used) By Noncapital Financing Activities	<u>14,803</u>	<u>43,000</u>	<u>-</u>
Cash Flows From Capital And Related Financing Activities:			
Proceeds From Sale Of Fixed Assets	212,763	809	-
Contributed Capital For Equipment Purchases	608,664	-	82,000
Acquisition Of Property, Plant And Equipment	(1,656,326)	(410,556)	(162,674)
Net Cash Used By Capital And Related Financing Activities	<u>(834,899)</u>	<u>(409,747)</u>	<u>(80,674)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,169,679	(24,706)	(7,123)
CASH AND CASH EQUIVALENTS - Beginning Of Year	<u>4,627,553</u>	<u>2,995,516</u>	<u>1,367,230</u>
CASH AND CASH EQUIVALENTS - End Of Year	<u>\$ 6,797,232</u>	<u>\$ 2,970,810</u>	<u>\$ 1,360,107</u>



Internal Service Funds
Combining Statement Of Cash Flows
 For The Year Ended December 31, 2001
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<u>Radio Communications</u>	<u>Fleet Rental Services</u>	<u>General Services</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Total</u>
\$ 1,136,102	\$ 3,008,308	\$ 2,392,878	\$ 6,612,688	\$ 1,726,630	\$ 45,014,987
(1,424,012)	(1,241,060)	(1,953,433)	(949,797)	(108,139)	(20,106,013)
(457,140)	(187,609)	(421,562)	(440,419)	(162,198)	(13,972,370)
-	-	-	(976,364)	(172,950)	(1,149,314)
-	-	-	(3,791,245)	(1,570,294)	(5,361,539)
<u>(745,050)</u>	<u>1,579,639</u>	<u>17,883</u>	<u>454,863</u>	<u>(286,951)</u>	<u>4,425,751</u>
2,039	-	-	-	-	2,039
<u>2,039</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,039</u>
-	-	-	-	-	14,256
-	-	(25,000)	-	-	(25,000)
-	-	(1,260)	-	-	(713)
329,550	4,740	-	-	275,000	652,290
-	(79,180)	-	-	-	(79,180)
254,859	-	-	-	-	254,859
(140,585)	(20,553)	-	-	-	(161,138)
<u>443,824</u>	<u>(94,993)</u>	<u>(26,260)</u>	<u>-</u>	<u>275,000</u>	<u>655,374</u>
-	170,740	-	-	-	384,312
6,636	661,377	-	-	-	1,358,677
(178,380)	(1,925,459)	(20,614)	-	(10,350)	(4,364,359)
<u>(171,744)</u>	<u>(1,093,342)</u>	<u>(20,614)</u>	<u>-</u>	<u>(10,350)</u>	<u>(2,621,370)</u>
(470,931)	391,304	(28,991)	454,863	(22,301)	2,461,794
<u>1,312,715</u>	<u>3,242,336</u>	<u>153,885</u>	<u>13,168,802</u>	<u>1,334,791</u>	<u>28,202,828</u>
<u>\$ 841,784</u>	<u>\$ 3,633,640</u>	<u>\$ 124,894</u>	<u>\$ 13,623,665</u>	<u>\$ 1,312,490</u>	<u>\$ 30,664,622</u>



Internal Service Funds
Combining Statement Of Cash Flows
For The Year Ended December 31, 2001
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	<u>Equipment Services Division</u>	<u>Information Services</u>	<u>Facilities Management</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ 997,420	\$ (621,121)	\$ 80,817
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:			
Depreciation	1,978,393	720,738	24,058
Decrease (Increase) In Assets:			
Receivables	12,443	3,784	(3,275)
Due From Other Funds	3,865	179,560	(25,822)
Due From Other Governments	589	29	-
Inventory	67,675	906	35,739
Prepaid Expense	-	8,746	-
Increase (Decrease) In Liabilities:			
Vouchers And Accounts Payable	(72,528)	(91,753)	(13,845)
Due To Other Funds	(2,957)	(10,147)	(12,274)
Due To Component Unit	-	(10,095)	-
Due To Other Governments	-	63	(59,731)
Accrued Wages And Benefits Payable	4,875	161,331	26,791
Deferred Revenues	-	-	21,093
Estimated Claims Settlements	-	-	-
Total Adjustments	<u>1,992,355</u>	<u>963,162</u>	<u>(7,266)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 2,989,775</u>	<u>\$ 342,041</u>	<u>\$ 73,551</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Capital Asset Trade-ins	\$ -	\$ 25,949	\$ -
Purchase Of Capital Assets On Account	703,413	463,819	-
Capital Assets From General Fixed Asset Account Group	-	-	-
TOTAL NONCASH ACTIVITIES	<u>\$ 703,413</u>	<u>\$ 489,768</u>	<u>\$ -</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS, END OF YEAR TO BALANCE SHEET:			
Cash And Cash Equivalents Per Balance Sheet:			
Cash In Treasury Pool	\$ 6,797,232	\$ 2,970,810	\$ 1,360,107
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 6,797,232</u>	<u>\$ 2,970,810</u>	<u>\$ 1,360,107</u>



Internal Service Funds
Combining Statement Of Cash Flows
 For The Year Ended December 31, 2001
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<u>Radio Communications</u>	<u>Fleet Rental Services</u>	<u>General Services</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Total</u>
\$ (646,773)	\$ 53,138	\$ 59,512	\$ (623,564)	\$ (635,854)	\$ (1,336,425)
27,711	1,617,779	2,495	-	3,058	4,374,232
650	21,018	-	-	-	34,620
(110,968)	(110,130)	(60,533)	478	(131,236)	(254,786)
7,065	-	(5,449)	-	(1,384)	850
-	9,793	1,807	-	-	115,920
-	-	(5,153)	(16,581)	-	(12,988)
(108,573)	(46)	22,661	63,150	84,940	(115,994)
81,389	(15,506)	(1,334)	(7,449)	(302)	31,420
-	-	-	-	-	(10,095)
-	-	-	-	(97,292)	(156,960)
4,449	3,593	3,877	43,861	10,213	258,990
-	-	-	-	-	21,093
-	-	-	994,968	480,906	1,475,874
<u>(98,277)</u>	<u>1,526,501</u>	<u>(41,629)</u>	<u>1,078,427</u>	<u>348,903</u>	<u>5,762,176</u>
<u>\$ (745,050)</u>	<u>\$ 1,579,639</u>	<u>\$ 17,883</u>	<u>\$ 454,863</u>	<u>\$ (286,951)</u>	<u>\$ 4,425,751</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,949
7,714	-	-	-	-	1,174,946
6,322	-	-	-	-	6,322
<u>\$ 14,036</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,207,217</u>
<u>\$ 841,784</u>	<u>\$ 3,633,640</u>	<u>\$ 124,894</u>	<u>\$ 13,623,665</u>	<u>\$ 1,312,490</u>	<u>\$ 30,664,622</u>
<u>\$ 841,784</u>	<u>\$ 3,633,640</u>	<u>\$ 124,894</u>	<u>\$ 13,623,665</u>	<u>\$ 1,312,490</u>	<u>\$ 30,664,622</u>



In October, 2001 Pierce County's Mental Health Program sponsored a resource fair to honor Mental Illness Awareness Week. One booth was staffed by the Pierce County Auditors Office. Hundreds of visitors browsed the booths that were set up. Seven new voters were registered by the Auditors Office that afternoon.