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## 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, 2003  
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	<u>Equipment Services Division</u>	<u>Information Services</u>	<u>Facilities Management</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash In Treasury Pool	\$ 8,800,140	\$ 2,788,705	\$ 3,638,646
Accounts Receivable, Net	40,886	43,783	90,480
Due From Other Funds	1,567,098	390,606	28,451
Due From Other Governments	-	2,101	-
Interfund Loans Receivable, Current	23,540	-	-
Inventory, At Cost	1,055,537	5,777	125,841
Prepaid Expense	-	-	-
<b>Total Current Assets</b>	<u>11,487,201</u>	<u>3,230,972</u>	<u>3,883,418</u>
<b>Noncurrent Assets And Deferred Charges</b>			
Advances To Other Funds	<u>864,052</u>	<u>-</u>	<u>-</u>
<b>Capital Assets</b>			
Land	-	-	-
Buildings	-	-	-
Plant And Equipment	27,646,081	5,044,536	546,197
Construction In Progress	-	2,904,064	-
Accumulated Depreciation	<u>(13,891,055)</u>	<u>(3,472,589)</u>	<u>(220,802)</u>
<b>Total Capital Assets, Net</b>	<u>13,755,026</u>	<u>4,476,011</u>	<u>325,395</u>
<b>TOTAL ASSETS</b>	<u>\$ 26,106,279</u>	<u>\$ 7,706,983</u>	<u>\$ 4,208,813</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Vouchers And Accounts Payable	\$ 895,784	\$ 333,608	\$ 529,935
Due To Other Funds	33,012	29,033	105,401
Due To Other Governments	-	-	401
Accrued Wages And Benefits Payable	49,273	368,652	94,659
Estimated Claims Settlements	-	-	-
Deferred Revenues	-	-	-
<b>Total Current Liabilities</b>	<u>978,069</u>	<u>731,293</u>	<u>730,396</u>
<b>Noncurrent Liabilities</b>			
Compensated Absences	<u>90,605</u>	<u>750,305</u>	<u>208,339</u>
<b>TOTAL LIABILITIES</b>	<u>1,068,674</u>	<u>1,481,598</u>	<u>938,735</u>
<b>NET ASSETS</b>			
Invested in Capital Assets	13,755,026	4,476,011	325,395
Unrestricted	<u>11,282,579</u>	<u>1,749,374</u>	<u>2,944,683</u>
<b>TOTAL NET ASSETS</b>	<u>25,037,605</u>	<u>6,225,385</u>	<u>3,270,078</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 26,106,279</u>	<u>\$ 7,706,983</u>	<u>\$ 4,208,813</u>



**Internal Service Funds**  
**Combining Balance Sheet**  
 At December 31, 2003  
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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>
\$ 1,305,848	\$ 4,302,055	\$ 371,575	\$ 18,443,242	\$ 2,047,674	\$ 41,697,885
1,102	4,709	-	-	108,931	289,891
14,043	395,467	117,164	251,141	252,664	3,016,634
4,485	1,995	15,040	-	-	23,621
-	-	-	-	-	23,540
-	72,086	8,980	-	-	1,268,221
-	-	53,192	494,295	-	547,487
<u>1,325,478</u>	<u>4,776,312</u>	<u>565,951</u>	<u>19,188,678</u>	<u>2,409,269</u>	<u>46,867,279</u>
-	-	-	-	-	864,052
-	211,440	-	-	-	211,440
-	459,115	-	-	-	459,115
1,122,232	12,666,084	25,960	-	15,661	47,066,751
440,597	-	-	-	-	3,344,661
(340,350)	(6,591,775)	(13,858)	-	(10,170)	(24,540,599)
<u>1,222,479</u>	<u>6,744,864</u>	<u>12,102</u>	<u>-</u>	<u>5,491</u>	<u>26,541,368</u>
<u>\$ 2,547,957</u>	<u>\$ 11,521,176</u>	<u>\$ 578,053</u>	<u>\$ 19,188,678</u>	<u>\$ 2,414,760</u>	<u>\$ 74,272,699</u>
\$ 48,295	\$ 87,699	\$ 132,394	\$ 25,050	\$ 200,504	\$ 2,253,269
3,208	628	3,347	280	1,981	176,890
-	-	-	-	111,283	111,684
16,999	7,972	15,236	19,015	5,556	577,362
-	-	-	8,421,342	1,649,563	10,070,905
280,444	-	-	-	-	280,444
<u>348,946</u>	<u>96,299</u>	<u>150,977</u>	<u>8,465,687</u>	<u>1,968,887</u>	<u>13,470,554</u>
39,991	24,303	36,000	67,230	12,778	1,229,551
<u>388,937</u>	<u>120,602</u>	<u>186,977</u>	<u>8,532,917</u>	<u>1,981,665</u>	<u>14,700,105</u>
1,222,479	6,744,864	12,102	-	5,491	26,541,368
936,541	4,655,710	378,974	10,655,761	427,604	33,031,226
<u>2,159,020</u>	<u>11,400,574</u>	<u>391,076</u>	<u>10,655,761</u>	<u>433,095</u>	<u>59,572,594</u>
<u>\$ 2,547,957</u>	<u>\$ 11,521,176</u>	<u>\$ 578,053</u>	<u>\$ 19,188,678</u>	<u>\$ 2,414,760</u>	<u>\$ 74,272,699</u>



**Internal Service Funds**  
**Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets**  
 For The Year Ended December 31, 2003

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	<u>Equipment Services Division</u>	<u>Information Services</u>	<u>Facilities Management</u>
<b>Operating Revenues</b>			
Charges For Services	\$ 9,635,787	\$ 13,522,871	\$ 9,549,617
<b>Operating Expenses</b>			
Personal Services	1,544,117	9,638,146	2,890,984
Materials And Supplies	4,466,810	1,408,282	482,058
System Support Service	518,133	2,786,465	4,940,265
Depreciation And Amortization	2,083,570	527,173	41,964
Insurance, Claims Settlements, And Other Charges	-	-	-
<b>Total Operating Expenses</b>	<u>8,612,630</u>	<u>14,360,066</u>	<u>8,355,271</u>
<b>OPERATING INCOME (LOSS)</b>	<u>1,023,157</u>	<u>(837,195)</u>	<u>1,194,346</u>
<b>Nonoperating Revenues (Expenses)</b>			
Interest Income	53,491	-	-
Intergovernmental Grants	-	-	63,410
Gain (Loss) On Disposal Of Equipment	40,666	(24,923)	(1,411)
<b>Total Nonoperating Revenues (Expenses)</b>	<u>94,157</u>	<u>(24,923)</u>	<u>61,999</u>
<b>NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	1,117,314	(862,118)	1,256,345
<b>Transfers In</b>	1,288,112	538,056	25,000
<b>Transfers Out</b>	<u>-</u>	<u>(54,505)</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	2,405,426	(378,567)	1,281,345
<b>TOTAL NET ASSETS - Beginning Of Year</b>	<u>22,632,179</u>	<u>6,603,952</u>	<u>1,988,733</u>
<b>TOTAL NET ASSETS - End Of Year</b>	<u>\$ 25,037,605</u>	<u>\$ 6,225,385</u>	<u>\$ 3,270,078</u>



**Internal Service Funds**  
**Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets**  
 For The Year Ended December 31, 2003  
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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>
\$ 1,457,395	\$ 3,223,735	\$ 2,810,371	\$ 8,041,196	\$ 2,023,122	\$ 50,264,094
525,998	209,389	465,489	466,578	168,965	15,909,666
554,745	982,192	1,908,735	18,591	13,471	9,834,884
198,073	274,546	330,282	1,208,677	265,270	10,521,711
72,540	1,702,007	4,111	-	3,058	4,434,423
-	-	-	3,837,711	1,480,667	5,318,378
<u>1,351,356</u>	<u>3,168,134</u>	<u>2,708,617</u>	<u>5,531,557</u>	<u>1,931,431</u>	<u>46,019,062</u>
<u>106,039</u>	<u>55,601</u>	<u>101,754</u>	<u>2,509,639</u>	<u>91,691</u>	<u>4,245,032</u>
6,954	-	-	-	-	60,445
22,839	-	-	-	-	86,249
-	(65,761)	(1,927)	-	-	(53,356)
<u>29,793</u>	<u>(65,761)</u>	<u>(1,927)</u>	<u>-</u>	<u>-</u>	<u>93,338</u>
135,832	(10,160)	99,827	2,509,639	91,691	4,338,370
66,129	315,982	-	250,000	500,000	2,983,279
-	-	-	-	-	(54,505)
<u>201,961</u>	<u>305,822</u>	<u>99,827</u>	<u>2,759,639</u>	<u>591,691</u>	<u>7,267,144</u>
<u>1,957,059</u>	<u>11,094,752</u>	<u>291,249</u>	<u>7,896,122</u>	<u>(158,596)</u>	<u>52,305,450</u>
<u>\$ 2,159,020</u>	<u>\$ 11,400,574</u>	<u>\$ 391,076</u>	<u>\$ 10,655,761</u>	<u>\$ 433,095</u>	<u>\$ 59,572,594</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
For The Year Ended December 31, 2003  
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	<b>Equipment Services Division</b>	<b>Information Services</b>	<b>Facilities Management</b>
<b>Cash Flows From Operating Activities:</b>			
Cash Received From Customers	\$ 15,679	\$ 399,239	\$ 955,978
Cash Received For Interfund Services Provided	9,163,858	13,271,389	8,558,548
Cash Paid To Suppliers For Goods And Services	(4,379,075)	(4,002,341)	(5,109,065)
Cash Payments To Employees For Services And Benefits	(1,535,302)	(9,492,414)	(2,864,202)
Cash Payments For Interfund Services Used	(105,765)	(339,364)	(390,597)
Cash Paid For Insurance	-	-	-
Cash Paid For Claims Settlements	-	-	-
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>3,159,395</b>	<b>(163,491)</b>	<b>1,150,662</b>
<b>Cash Flows From Investing Activities:</b>			
Interest Income	-	-	-
<b>Net Cash Provided By Investing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flows From Noncapital Financing Activities:</b>			
Loans And Advances To Others Funds	11,108	-	-
Interfund Interest Income	12,516	-	-
Transfers In	-	-	-
Transfers Out	-	(30,000)	-
Intergovernmental Grants	-	-	51,877
<b>Net Cash Provided (Used) By Noncapital Financing Activities</b>	<b>23,624</b>	<b>(30,000)</b>	<b>51,877</b>
<b>Cash Flows From Capital And Related Financing Activities:</b>			
Proceeds From Sale Of Capital Assets	247,616	-	-
Transfers In For Capital Purposes	1,288,112	538,056	25,000
Transfers Out For Capital Purposes	-	(24,505)	-
Acquisition Of Capital Assets	(4,312,504)	(1,375,606)	(90,902)
<b>Net Cash Used By Capital And Related Financing Activities</b>	<b>(2,776,776)</b>	<b>(862,055)</b>	<b>(65,902)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>406,243</b>	<b>(1,055,546)</b>	<b>1,136,637</b>
<b>CASH AND CASH EQUIVALENTS - Beginning Of Year</b>	<b>8,393,897</b>	<b>3,844,251</b>	<b>2,502,009</b>
<b>CASH AND CASH EQUIVALENTS - End Of Year</b>	<b>\$ 8,800,140</b>	<b>\$ 2,788,705</b>	<b>\$ 3,638,646</b>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
For The Year Ended December 31, 2003  
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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>
\$ 66,104	\$ 41,024	\$ 108,546	\$ -	\$ 9,689	\$ 1,596,259
1,443,217	3,089,039	2,665,284	7,872,731	2,953,347	49,017,413
(275,096)	(705,221)	(2,025,988)	(62,119)	(194,982)	(16,753,887)
(520,091)	(203,945)	(460,261)	(454,322)	(164,306)	(15,694,843)
(474,114)	(574,667)	(176,184)	(1,175,701)	(179,558)	(3,415,950)
-	-	-	(1,525,271)	(92,344)	(1,617,615)
-	-	-	(2,239,125)	(2,084,691)	(4,323,816)
<u>240,020</u>	<u>1,646,230</u>	<u>111,397</u>	<u>2,416,193</u>	<u>247,155</u>	<u>8,807,561</u>
<u>6,954</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,954</u>
<u>6,954</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,954</u>
-	-	-	-	-	11,108
-	-	-	-	-	12,516
-	-	-	250,000	500,000	750,000
-	-	-	-	-	(30,000)
<u>135,931</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,808</u>
<u>135,931</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>500,000</u>	<u>931,432</u>
-	238,287	-	-	-	485,903
66,129	315,982	-	-	-	2,233,279
-	-	-	-	-	(24,505)
<u>(95,499)</u>	<u>(2,090,829)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,965,340)</u>
<u>(29,370)</u>	<u>(1,536,560)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,270,663)</u>
353,535	109,670	111,397	2,666,193	747,155	4,475,284
<u>952,313</u>	<u>4,192,385</u>	<u>260,178</u>	<u>15,777,049</u>	<u>1,300,519</u>	<u>37,222,601</u>
<u>\$ 1,305,848</u>	<u>\$ 4,302,055</u>	<u>\$ 371,575</u>	<u>\$ 18,443,242</u>	<u>\$ 2,047,674</u>	<u>\$ 41,697,885</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
 For The Year Ended December 31, 2003  
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	<b>Equipment Services Division</b>	<b>Information Services</b>	<b>Facilities Management</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
<b>Operating Income (Loss)</b>	<u>\$ 1,023,157</u>	<u>\$ (837,195)</u>	<u>\$ 1,194,346</u>
<b>Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:</b>			
Depreciation	2,083,570	527,173	41,964
Decrease (Increase) In Assets:			
Receivables	8,045	45,005	(90,274)
Due From Other Funds	(464,295)	103,364	55,183
Due From Other Governments	-	(612)	-
Inventory	228,985	616	(17,726)
Prepaid Expense	-	-	-
Increase (Decrease) In Liabilities:			
Vouchers And Accounts Payable	247,447	(143,203)	34,997
Due To Other Funds	25,065	(4,371)	(1)
Due To Other Governments	(1,394)	-	(94,609)
Wages And Benefits Payable	(81,790)	(604,573)	(181,557)
Compensated Absences	90,605	750,305	208,339
Estimated Claims Settlements	-	-	-
<b>Total Adjustments</b>	<u>2,136,238</u>	<u>673,704</u>	<u>(43,684)</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u><u>\$ 3,159,395</u></u>	<u><u>\$ (163,491)</u></u>	<u><u>\$ 1,150,662</u></u>
<b>TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>			
Purchase Of Capital Assets On Account	<u>\$ 455,600</u>	<u>\$ 45,733</u>	<u>\$ -</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
 For The Year Ended December 31, 2003  
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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>
\$ 106,039	\$ 55,601	\$ 101,754	\$ 2,509,639	\$ 91,691	\$ 4,245,032
72,540	1,702,007	4,111	-	3,058	4,434,423
6,281	(4,709)	-	-	(108,931)	(144,583)
48,975	(86,968)	(40,199)	(168,465)	928,394	375,989
(3,330)	(1,995)	3,658	-	1,831	(448)
-	(4,515)	(2,621)	-	-	204,739
-	-	(8,899)	(348,321)	-	(357,220)
4,078	(6,852)	48,304	(93,876)	(95,961)	(5,066)
(470)	(11,783)	61	(3,343)	162	5,320
-	-	-	-	111,283	15,280
(34,084)	(18,859)	(30,772)	(54,974)	(8,119)	(1,014,728)
39,991	24,303	36,000	67,230	12,778	1,229,551
-	-	-	508,303	(689,031)	(180,728)
<u>133,981</u>	<u>1,590,629</u>	<u>9,643</u>	<u>(93,446)</u>	<u>155,464</u>	<u>4,562,529</u>
<u>\$ 240,020</u>	<u>\$ 1,646,230</u>	<u>\$ 111,397</u>	<u>\$ 2,416,193</u>	<u>\$ 247,155</u>	<u>\$ 8,807,561</u>
<u>\$ 1,666</u>	<u>\$ 9,970</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 512,969</u>

