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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 Technology** – 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, 2005  
 Page 1 of 2

	<u>Equipment Services Division</u>	<u>Information Technology</u>	<u>Facilities Management</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash In Treasury Pool	\$ 12,160,671	\$ 3,233,254	\$ 4,385,867
Accounts Receivable, Net	-	39,173	39,377
Due From Other Funds	875,581	686,834	48,941
Due From Other Governments	-	1,567	-
Inventory, At Cost	1,334,349	9,903	196,820
Prepaid Expense	-	-	-
<b>Total Current Assets</b>	<u>14,370,601</u>	<u>3,970,731</u>	<u>4,671,005</u>
<b>Capital Assets</b>			
Land	-	-	-
Buildings	-	-	-
Machinery And Equipment	29,584,570	7,695,038	599,384
Construction In Progress	54,736	170,103	-
Accumulated Depreciation	<u>(14,536,811)</u>	<u>(3,543,307)</u>	<u>(290,065)</u>
<b>Total Capital Assets, Net</b>	<u>15,102,495</u>	<u>4,321,834</u>	<u>309,319</u>
<b>TOTAL ASSETS</b>	<u>\$ 29,473,096</u>	<u>\$ 8,292,565</u>	<u>\$ 4,980,324</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Vouchers And Accounts Payable	\$ 1,172,002	\$ 1,109,352	\$ 531,330
Due To Other Funds	4,147	166,673	6,630
Due To Other Governments	-	-	77,884
Accrued Wages And Benefits Payable	163,299	995,288	330,899
Estimated Claims Settlements	-	-	-
Deferred Revenues	-	-	-
<b>Total Current Liabilities</b>	<u>1,339,448</u>	<u>2,271,313</u>	<u>946,743</u>
<b>Noncurrent Liabilities</b>			
Compensated Absences	<u>10,187</u>	<u>260,509</u>	<u>87,289</u>
<b>TOTAL LIABILITIES</b>	<u>1,349,635</u>	<u>2,531,822</u>	<u>1,034,032</u>
<b>NET ASSETS</b>			
Invested In Capital Assets	15,102,495	4,321,834	309,319
Unrestricted	<u>13,020,966</u>	<u>1,438,909</u>	<u>3,636,973</u>
<b>TOTAL NET ASSETS</b>	<u>28,123,461</u>	<u>5,760,743</u>	<u>3,946,292</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 29,473,096</u>	<u>\$ 8,292,565</u>	<u>\$ 4,980,324</u>



**Internal Service Funds  
Combining Balance Sheet**

At December 31, 2005

Page 2 of 2

<u>Radio Communications</u>	<u>Fleet Rental Services</u>	<u>General Services</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Total</u>
\$ 1,372,098	\$ 5,588,170	\$ 506,485	\$ 24,199,584	\$ 2,478,323	\$ 53,924,452
2,329	-	-	-	81,807	162,686
92,710	-	142,408	1,068	-	1,847,542
8,251	-	1,279	-	-	11,097
-	40,692	10,662	-	-	1,592,426
-	-	37,745	494,465	-	532,210
<u>1,475,388</u>	<u>5,628,862</u>	<u>698,579</u>	<u>24,695,117</u>	<u>2,560,130</u>	<u>58,070,413</u>
-	211,440	-	-	-	211,440
-	459,115	-	-	-	459,115
1,532,685	11,841,841	38,418	-	15,661	51,307,597
292,800	-	-	-	-	517,639
(513,404)	(6,389,908)	(21,851)	-	(14,095)	(25,309,441)
<u>1,312,081</u>	<u>6,122,488</u>	<u>16,567</u>	<u>-</u>	<u>1,566</u>	<u>27,186,350</u>
<u>\$ 2,787,469</u>	<u>\$ 11,751,350</u>	<u>\$ 715,146</u>	<u>\$ 24,695,117</u>	<u>\$ 2,561,696</u>	<u>\$ 85,256,763</u>
\$ 236,009	\$ 83,539	\$ 171,226	\$ 68,407	\$ 276,435	\$ 3,648,300
96	40	698	1,249	1,163	180,696
-	-	-	-	4	77,888
40,113	21,456	46,218	59,395	19,118	1,675,786
-	-	-	9,807,299	1,516,179	11,323,478
17,676	-	-	-	-	17,676
<u>293,894</u>	<u>105,035</u>	<u>218,142</u>	<u>9,936,350</u>	<u>1,812,899</u>	<u>16,923,824</u>
<u>17,143</u>	<u>18,348</u>	<u>15,576</u>	<u>25,851</u>	<u>2,146</u>	<u>437,049</u>
<u>311,037</u>	<u>123,383</u>	<u>233,718</u>	<u>9,962,201</u>	<u>1,815,045</u>	<u>17,360,873</u>
1,312,081	6,122,488	16,567	-	1,566	27,186,350
1,164,351	5,505,479	464,861	14,732,916	745,085	40,709,540
<u>2,476,432</u>	<u>11,627,967</u>	<u>481,428</u>	<u>14,732,916</u>	<u>746,651</u>	<u>67,895,890</u>
<u>\$ 2,787,469</u>	<u>\$ 11,751,350</u>	<u>\$ 715,146</u>	<u>\$ 24,695,117</u>	<u>\$ 2,561,696</u>	<u>\$ 85,256,763</u>



**Internal Service Funds**  
**Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets**  
 For The Year Ended December 31, 2005  
 Page 1 of 2

	<u>Equipment Services Division</u>	<u>Information Technology</u>	<u>Facilities Management</u>
<b>Operating Revenues</b>			
Charges For Services	\$ 9,554,654	\$ 15,304,972	\$ 10,002,793
<b>Operating Expenses</b>			
Personal Services	1,718,901	10,238,578	3,690,615
Materials And Supplies	4,397,547	1,682,051	473,370
System Support Service	594,165	2,932,684	5,629,023
Depreciation And Amortization	2,306,051	704,654	38,325
Insurance, Claims Settlements, And Other Charges	-	-	-
<b>Total Operating Expenses</b>	<u>9,016,664</u>	<u>15,557,967</u>	<u>9,831,333</u>
<b>OPERATING INCOME (LOSS)</b>	<u>537,990</u>	<u>(252,995)</u>	<u>171,460</u>
<b>Nonoperating Revenues (Expenses)</b>			
Interest Income	1,991	-	-
Operating Grants	-	-	9,252
Gain (Loss) On Sale Capital Assets	270,482	(172,463)	(831)
<b>Total Nonoperating Revenues (Expenses)</b>	<u>272,473</u>	<u>(172,463)</u>	<u>8,421</u>
<b>NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	810,463	(425,458)	179,881
<b>Transfers In</b>	449,875	316,126	-
<b>Transfers Out</b>	-	-	(4,058)
<b>CHANGE IN NET ASSETS</b>	<u>1,260,338</u>	<u>(109,332)</u>	<u>175,823</u>
<b>TOTAL NET ASSETS - Beginning Of Year</b>	<u>26,863,123</u>	<u>5,870,075</u>	<u>3,770,469</u>
<b>TOTAL NET ASSETS - End Of Year</b>	<u>\$ 28,123,461</u>	<u>\$ 5,760,743</u>	<u>\$ 3,946,292</u>



**Internal Service Funds**  
**Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets**  
 For The Year Ended December 31, 2005  
 Page 2 of 2

Radio Communications	Fleet Rental Services	General Services	Self-Insurance	Workers Compensation	Total
\$ 1,490,122	\$ 3,114,218	\$ 2,856,493	\$ 7,195,967	\$ 2,310,015	\$ 51,829,234
489,070	242,475	473,145	521,110	183,428	17,557,322
786,795	1,275,249	1,908,868	17,019	8,715	10,549,614
289,664	266,066	355,105	888,916	240,627	11,196,250
99,896	1,361,295	3,882	-	1,863	4,515,966
-	-	-	4,495,408	1,444,738	5,940,146
<u>1,665,425</u>	<u>3,145,085</u>	<u>2,741,000</u>	<u>5,922,453</u>	<u>1,879,371</u>	<u>49,759,298</u>
<u>(175,303)</u>	<u>(30,867)</u>	<u>115,493</u>	<u>1,273,514</u>	<u>430,644</u>	<u>2,069,936</u>
8,648	-	-	-	-	10,639
131,049	-	-	-	-	140,301
-	(13,487)	-	-	-	83,701
<u>139,697</u>	<u>(13,487)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>234,641</u>
(35,606)	(44,354)	115,493	1,273,514	430,644	2,304,577
143,596	135,251	-	-	-	1,044,848
-	-	(100,000)	-	-	(104,058)
107,990	90,897	15,493	1,273,514	430,644	3,245,367
<u>2,368,442</u>	<u>11,537,070</u>	<u>465,935</u>	<u>13,459,402</u>	<u>316,007</u>	<u>64,650,523</u>
<u>\$ 2,476,432</u>	<u>\$ 11,627,967</u>	<u>\$ 481,428</u>	<u>\$ 14,732,916</u>	<u>\$ 746,651</u>	<u>\$ 67,895,890</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
 For The Year Ended December 31, 2005  
 Page 1 of 4

	<u>Equipment Services Division</u>	<u>Information Technology</u>	<u>Facilities Management</u>
<b>Cash Flows From Operating Activities:</b>			
Cash Received From Customers	\$ 24,306	\$ 488,102	\$ 1,375,858
Cash Received For Interfund Services Provided	9,720,582	14,662,445	8,577,940
Cash Paid To Suppliers For Goods And Services	(4,790,360)	(3,567,139)	(5,217,670)
Cash Payments To Employees For Services And Benefits	(1,712,661)	(10,176,505)	(3,611,842)
Cash Payments For Interfund Services Used	(365,988)	(799,738)	(1,132,055)
Cash Paid For Insurance	-	-	-
Cash Paid For Claims Settlements	-	-	-
<b>Net Cash Provided (Used) By Operating Activities</b>	<u>2,875,879</u>	<u>607,165</u>	<u>(7,769)</u>
<b>Cash Flows From Investing Activities:</b>			
Interest Income	-	-	-
<b>Net Cash Provided By Investing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash Flows From Noncapital Financing Activities:</b>			
Repayment Of Advances To Others Funds	226,052	-	-
Interfund Interest Income	1,991	-	-
Transfers In	-	-	-
Transfers Out	-	-	(4,058)
Operating Grants Received	-	-	9,252
<b>Net Cash Provided By Noncapital Financing Activities</b>	<u>228,043</u>	<u>-</u>	<u>5,194</u>
<b>Cash Flows From Capital And Related Financing Activities:</b>			
Proceeds From Sale Of Capital Assets	509,559	11,000	-
Capital Contributions	449,875	316,126	-
Acquisition Of Capital Assets	(3,580,300)	(377,603)	(10,892)
<b>Net Cash Used By Capital And Related Financing Activities</b>	<u>(2,620,866)</u>	<u>(50,477)</u>	<u>(10,892)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>483,056</u>	<u>556,688</u>	<u>(13,467)</u>
<b>CASH - Beginning Of Year</b>	<u>11,677,615</u>	<u>2,676,566</u>	<u>4,399,334</u>
<b>CASH - End Of Year</b>	<u>\$ 12,160,671</u>	<u>\$ 3,233,254</u>	<u>\$ 4,385,867</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
 For The Year Ended December 31, 2005  
 Page 2 of 4

<u>Radio Communications</u>	<u>Fleet Rental Services</u>	<u>General Services</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Total</u>
\$ 67,428	\$ 49,226	\$ 119,879	\$ -	\$ 43,960	\$ 2,168,759
1,365,552	3,070,629	2,715,614	7,196,063	2,710,552	50,019,377
(914,021)	(1,360,489)	(2,071,795)	(31,921)	(222,209)	(18,175,604)
(487,040)	(239,721)	(470,903)	(528,270)	(184,355)	(17,411,297)
(168,757)	(162,664)	(198,880)	(822,000)	(37,659)	(3,687,741)
-	-	-	(1,614,535)	(84,400)	(1,698,935)
-	-	-	(1,109,400)	(1,791,802)	(2,901,202)
<u>(136,838)</u>	<u>1,356,981</u>	<u>93,915</u>	<u>3,089,937</u>	<u>434,087</u>	<u>8,313,357</u>
8,648	-	-	-	-	8,648
<u>8,648</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,648</u>
-	-	-	-	-	226,052
-	-	-	-	-	1,991
97,939	-	-	-	-	97,939
-	-	(100,000)	-	-	(104,058)
<u>6,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,684</u>
<u>104,371</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>237,608</u>
-	208,196	-	-	-	728,755
45,657	135,251	-	-	-	946,909
<u>(102,387)</u>	<u>(1,755,178)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,826,360)</u>
<u>(56,730)</u>	<u>(1,411,731)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,150,696)</u>
(80,549)	(54,750)	(6,085)	3,089,937	434,087	4,408,917
<u>1,452,647</u>	<u>5,642,920</u>	<u>512,570</u>	<u>21,109,647</u>	<u>2,044,236</u>	<u>49,515,535</u>
<u>\$ 1,372,098</u>	<u>\$ 5,588,170</u>	<u>\$ 506,485</u>	<u>\$ 24,199,584</u>	<u>\$ 2,478,323</u>	<u>\$ 53,924,452</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
For The Year Ended December 31, 2005  
Page 3 of 4

	<u>Equipment Services Division</u>	<u>Information Technology</u>	<u>Facilities Management</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
<b>Operating Income (Loss)</b>	<u>\$ 537,990</u>	<u>\$ (252,995)</u>	<u>\$ 171,460</u>
<b>Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:</b>			
Depreciation And Amortization	2,306,051	704,654	38,325
Decrease (Increase) In Assets:			
Receivables	282	15,955	(449)
Due From Other Funds	174,957	(169,180)	(48,728)
Due From Other Governments	14,995	(1,200)	182
Inventory	(150,656)	(2,646)	(53,863)
Prepaid Expense	-	-	-
Increase (Decrease) In Liabilities:			
Vouchers And Accounts Payable	(13,063)	93,271	(110,981)
Due To Other Funds	(917)	157,894	(160,372)
Due To Other Governments	-	(661)	77,884
Wages And Benefits Payable	1,173	(41,239)	9,315
Compensated Absences	5,067	103,312	69,458
Estimated Claims Settlements	-	-	-
<b>Total Adjustments</b>	<u>2,337,889</u>	<u>860,160</u>	<u>(179,229)</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ 2,875,879</u>	<u>\$ 607,165</u>	<u>\$ (7,769)</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>			
Purchase Of Capital Assets On Account	\$ 904,481	\$ 477,979	\$ -
Trade-In Of Capital Assets	<u>125,461</u>	<u>-</u>	<u>-</u>
<b>TOTAL NONCASH INVESTING, CAPITAL AND OPERATING ACTIVITIES</b>	<u>\$ 1,029,942</u>	<u>\$ 477,979</u>	<u>\$ -</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
 For The Year Ended December 31, 2005  
 Page 4 of 4

<u>Radio Communications</u>	<u>Fleet Rental Services</u>	<u>General Services</u>	<u>Self-Insurance</u>	<u>Workers Compensation</u>	<u>Total</u>
\$ (175,303)	\$ (30,867)	\$ 115,493	\$ 1,273,514	\$ 430,644	\$ 2,069,936
99,896	1,361,295	3,882	-	1,863	4,515,966
(207)	-	-	-	(10,280)	5,301
(48,776)	4,336	(31,239)	96	400,537	282,003
(8,159)	1,301	10,239	-	-	17,358
-	28,098	(3,618)	-	-	(182,685)
-	-	10,129	9,013	-	19,142
47,415	(9,773)	(13,671)	35,339	(12,827)	15,710
(53,734)	(163)	458	(7,135)	21	(63,948)
-	-	-	-	(16,059)	61,164
(5,154)	(1,795)	3,248	(3,789)	2,467	(35,774)
7,184	4,549	(1,006)	(3,371)	(3,394)	181,799
-	-	-	1,786,270	(358,885)	1,427,385
<u>38,465</u>	<u>1,387,848</u>	<u>(21,578)</u>	<u>1,816,423</u>	<u>3,443</u>	<u>6,243,421</u>
<u>\$ (136,838)</u>	<u>\$ 1,356,981</u>	<u>\$ 93,915</u>	<u>\$ 3,089,937</u>	<u>\$ 434,087</u>	<u>\$ 8,313,357</u>
\$ 143,417	\$ -	\$ 12,458	\$ -	\$ -	\$ 1,538,335
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,461</u>
<u>\$ 143,417</u>	<u>\$ -</u>	<u>\$ 12,458</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,663,796</u>

