



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, 2006

(In Thousands)

Page 1 of 2

	Equipment Services Division	Information Technology	Facilities Management
ASSETS			
Current Assets			
Cash In Treasury Pool	\$ 11,886	\$ 3,187	\$ 4,822
Cash With Trustee	5	-	-
Accounts Receivable, Net	-	57	8
Due From Other Funds	638	310	23
Due From Other Governments	8	3	-
Inventory, At Cost	1,431	10	188
Prepaid Expense	-	-	-
Total Current Assets	13,968	3,567	5,041
Noncurrent Assets			
Advances To Other Funds	894	-	-
Capital Assets			
Land	-	-	-
Buildings	-	-	-
Machinery And Equipment	29,295	8,226	526
Construction In Progress	520	139	-
Accumulated Depreciation	(14,596)	(4,033)	(237)
Total Capital Assets, Net	15,219	4,332	289
Total Noncurrent Assets	16,113	4,332	289
TOTAL ASSETS	\$ 30,081	\$ 7,899	\$ 5,330
LIABILITIES AND NET ASSETS			
LIABILITIES			
Current Liabilities			
Vouchers And Accounts Payable	\$ 936	\$ 827	\$ 715
Due To Other Funds	8	7	88
Due To Other Governments	5	-	63
Accrued Wages And Benefits Payable	154	1,014	322
Estimated Claims Settlements	-	-	-
Total Current Liabilities	1,103	1,848	1,188
Noncurrent Liabilities			
Compensated Absences	16	261	126
TOTAL LIABILITIES	1,119	2,109	1,314
NET ASSETS			
Invested In Capital Assets	15,219	4,332	289
Unrestricted	13,743	1,458	3,727
TOTAL NET ASSETS	28,962	5,790	4,016
TOTAL LIABILITIES AND NET ASSETS	\$ 30,081	\$ 7,899	\$ 5,330



**Internal Service Funds
Combining Balance Sheet**

At December 31, 2006

(In Thousands)

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>
\$ 1,005	\$ 5,366	\$ 541	\$ 25,962	\$ 2,178	\$ 54,947
-	-	-	-	-	5
6	21	-	-	84	176
45	-	83	76	100	1,275
-	2	10	-	-	23
-	70	10	-	-	1,709
-	-	64	471	-	535
<u>1,056</u>	<u>5,459</u>	<u>708</u>	<u>26,509</u>	<u>2,362</u>	<u>58,670</u>
-	-	-	-	-	894
-	211	-	-	-	211
-	459	-	-	-	459
1,904	12,237	41	-	22	52,251
97	-	-	-	-	756
<u>(586)</u>	<u>(6,461)</u>	<u>(7)</u>	<u>-</u>	<u>(15)</u>	<u>(25,935)</u>
<u>1,415</u>	<u>6,446</u>	<u>34</u>	<u>-</u>	<u>7</u>	<u>27,742</u>
<u>1,415</u>	<u>6,446</u>	<u>34</u>	<u>-</u>	<u>7</u>	<u>28,636</u>
<u>\$ 2,471</u>	<u>\$ 11,905</u>	<u>\$ 742</u>	<u>\$ 26,509</u>	<u>\$ 2,369</u>	<u>\$ 87,306</u>
\$ 133	\$ 150	\$ 96	\$ 48	\$ 371	\$ 3,276
20	-	180	2	1	306
-	-	-	-	86	154
50	22	48	60	20	1,690
-	-	-	8,696	2,121	10,817
<u>203</u>	<u>172</u>	<u>324</u>	<u>8,806</u>	<u>2,599</u>	<u>16,243</u>
23	21	21	27	5	500
<u>226</u>	<u>193</u>	<u>345</u>	<u>8,833</u>	<u>2,604</u>	<u>16,743</u>
1,415	6,446	34	-	7	27,742
<u>830</u>	<u>5,266</u>	<u>363</u>	<u>17,676</u>	<u>(242)</u>	<u>42,821</u>
<u>2,245</u>	<u>11,712</u>	<u>397</u>	<u>17,676</u>	<u>(235)</u>	<u>70,563</u>
<u>\$ 2,471</u>	<u>\$ 11,905</u>	<u>\$ 742</u>	<u>\$ 26,509</u>	<u>\$ 2,369</u>	<u>\$ 87,306</u>



Internal Service Funds
Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets
 For The Year Ended December 31, 2006

(In Thousands)

Page 1 of 2

	<u>Equipment Services Division</u>	<u>Information Technology</u>	<u>Facilities Management</u>
Operating Revenues			
Charges For Services	\$ 10,605	\$ 16,389	\$ 10,363
Operating Expenses			
Personal Services	1,784	10,997	3,739
Materials And Supplies	5,271	1,708	609
System Support Service	668	3,100	5,823
Depreciation And Amortization	2,442	742	38
Insurance, Claims Settlements, And Other Charges	-	-	-
Total Operating Expenses	<u>10,165</u>	<u>16,547</u>	<u>10,209</u>
OPERATING INCOME (LOSS)	<u>440</u>	<u>(158)</u>	<u>154</u>
Nonoperating Revenues (Expenses)			
Interest Income	4	-	-
Operating Grants	-	-	-
Gain (Loss) On Sale Capital Assets	326	(52)	(6)
Total Nonoperating Revenues (Expenses)	<u>330</u>	<u>(52)</u>	<u>(6)</u>
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	770	(210)	148
Transfers In	68	244	-
Transfers Out	-	(5)	(78)
CHANGE IN NET ASSETS	<u>838</u>	<u>29</u>	<u>70</u>
TOTAL NET ASSETS - Beginning Of Year	<u>28,124</u>	<u>5,761</u>	<u>3,946</u>
TOTAL NET ASSETS - End Of Year	<u>\$ 28,962</u>	<u>\$ 5,790</u>	<u>\$ 4,016</u>



Internal Service Funds
Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets
 For The Year Ended December 31, 2006

(In Thousands)

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>
\$ 1,613	\$ 3,356	\$ 2,948	\$ 7,089	\$ 2,472	\$ 54,835
555	275	507	511	197	18,565
917	1,379	1,988	11	7	11,890
343	273	351	1,109	303	11,970
102	1,351	4	-	1	4,680
-	-	-	2,590	3,046	5,636
<u>1,917</u>	<u>3,278</u>	<u>2,850</u>	<u>4,221</u>	<u>3,554</u>	<u>52,741</u>
<u>(304)</u>	<u>78</u>	<u>98</u>	<u>2,868</u>	<u>(1,082)</u>	<u>2,094</u>
2	-	-	-	-	6
20	-	-	-	-	20
(4)	(49)	(2)	-	-	213
<u>18</u>	<u>(49)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>239</u>
(286)	29	96	2,868	(1,082)	2,333
55	55	-	75	100	597
-	-	(180)	-	-	(263)
<u>(231)</u>	<u>84</u>	<u>(84)</u>	<u>2,943</u>	<u>(982)</u>	<u>2,667</u>
<u>2,476</u>	<u>11,628</u>	<u>481</u>	<u>14,733</u>	<u>747</u>	<u>67,896</u>
<u>\$ 2,245</u>	<u>\$ 11,712</u>	<u>\$ 397</u>	<u>\$ 17,676</u>	<u>\$ (235)</u>	<u>\$ 70,563</u>



Internal Service Funds
Combining Statement Of Cash Flows
For The Year Ended December 31, 2006
(In Thousands)
Page 1 of 4

	<u>Equipment Services Division</u>	<u>Information Technology</u>	<u>Facilities Management</u>
Cash Flows From Operating Activities:			
Cash Received From Customers	\$ -	\$ 352	\$ 1,201
Cash Received For Interfund Services Provided	10,839	16,395	9,219
Cash Paid To Suppliers For Goods And Services	(5,617)	(3,779)	(5,324)
Cash Payments To Employees For Services And Benefits	(1,788)	(10,978)	(3,709)
Cash Payments For Interfund Services Used	(408)	(1,129)	(849)
Cash Paid For Insurance	-	-	-
Cash Paid For Claims Settlements	-	-	-
Net Cash Provided (Used) By Operating Activities	<u>3,026</u>	<u>861</u>	<u>538</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:			
Advances To Others Funds	(894)	-	-
Transfers In	-	-	-
Transfers Out	-	(5)	(78)
Operating Grants Received	-	-	-
Net Cash Provided (Used) By Noncapital Financing Activities	<u>(894)</u>	<u>(5)</u>	<u>(78)</u>
Cash Flows From Capital And Related Financing Activities:			
Proceeds From Sale Of Capital Assets	602	-	4
Capital Contributions	68	244	-
Acquisition Of Capital Assets	(3,072)	(1,146)	(28)
Net Cash Used By Capital And Related Financing Activities	<u>(2,402)</u>	<u>(902)</u>	<u>(24)</u>
NET INCREASE (DECREASE) IN CASH	(270)	(46)	436
CASH - Beginning Of Year	<u>12,161</u>	<u>3,233</u>	<u>4,386</u>
CASH - End Of Year	<u>\$ 11,891</u>	<u>\$ 3,187</u>	<u>\$ 4,822</u>



Internal Service Funds
Combining Statement Of Cash Flows
For The Year Ended December 31, 2006
(In Thousands)
Page 2 of 4

Radio Communications	Fleet Rental Services	General Services	Self-Insurance	Workers Compensation	Total
\$ 125	\$ 7	\$ 100	\$ -	\$ 42	\$ 1,827
1,540	3,326	2,898	7,014	2,372	53,603
(1,164)	(1,498)	(2,242)	(175)	(183)	(19,982)
(539)	(271)	(500)	(509)	(193)	(18,487)
(101)	(165)	(6)	(1,011)	(56)	(3,725)
-	-	-	(1,465)	(107)	(1,572)
-	-	-	(2,167)	(2,269)	(4,436)
<u>(139)</u>	<u>1,399</u>	<u>250</u>	<u>1,687</u>	<u>(394)</u>	<u>7,228</u>
2	-	-	-	-	2
<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>
-	-	-	-	-	(894)
55	-	-	75	100	230
-	-	(180)	-	-	(263)
<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>
<u>57</u>	<u>-</u>	<u>(180)</u>	<u>75</u>	<u>100</u>	<u>(925)</u>
-	206	-	-	-	812
-	55	-	-	-	367
<u>(287)</u>	<u>(1,882)</u>	<u>(35)</u>	<u>-</u>	<u>(6)</u>	<u>(6,456)</u>
<u>(287)</u>	<u>(1,621)</u>	<u>(35)</u>	<u>-</u>	<u>(6)</u>	<u>(5,277)</u>
(367)	(222)	35	1,762	(300)	1,028
<u>1,372</u>	<u>5,588</u>	<u>506</u>	<u>24,200</u>	<u>2,478</u>	<u>53,924</u>
<u>\$ 1,005</u>	<u>\$ 5,366</u>	<u>\$ 541</u>	<u>\$ 25,962</u>	<u>\$ 2,178</u>	<u>\$ 54,952</u>



Internal Service Funds
Combining Statement Of Cash Flows
For The Year Ended December 31, 2006
(In Thousands)
Page 3 of 4

	<u>Equipment Services Division</u>	<u>Information Technology</u>	<u>Facilities Management</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ 440	\$ (158)	\$ 154
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:			
Depreciation And Amortization	2,442	742	38
Decrease (Increase) In Assets:			
Receivables	-	(18)	31
Due From Other Funds	242	377	26
Due From Other Governments	(8)	(1)	-
Inventory	(97)	-	9
Prepaid Expense	-	-	-
Increase (Decrease) In Liabilities:			
Vouchers And Accounts Payable	2	60	184
Due To Other Funds	4	(160)	81
Due To Other Governments	5	-	(15)
Wages And Benefits Payable	(10)	19	(9)
Compensated Absences	6	-	39
Estimated Claims Settlements	-	-	-
Total Adjustments	<u>2,586</u>	<u>1,019</u>	<u>384</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 3,026</u>	<u>\$ 861</u>	<u>\$ 538</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Purchase Of Capital Assets On Account	\$ 667	\$ 134	\$ -
Trade-In Of Capital Assets	283	-	-
TOTAL NONCASH INVESTING, CAPITAL AND OPERATING ACTIVITIES	<u>\$ 950</u>	<u>\$ 134</u>	<u>\$ -</u>
RECONCILIATION OF CASH - End Of Year TO BALANCE SHEET:			
Cash Per Balance Sheet:			
Cash In Treasury Pool	\$ 11,886	\$ 3,187	\$ 4,822
Cash With Trustee	5	-	-
TOTAL CASH - End Of Year	<u>\$ 11,891</u>	<u>\$ 3,187</u>	<u>\$ 4,822</u>



Internal Service Funds
Combining Statement Of Cash Flows
 For The Year Ended December 31, 2006
 (In Thousands)
 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>
\$ (304)	\$ 78	\$ 98	\$ 2,868	\$ (1,082)	\$ 2,094
102	1,351	4	-	1	4,680
(4)	(21)	-	-	(2)	(14)
48	-	59	(75)	(100)	577
8	(2)	(9)	-	-	(12)
-	(29)	1	-	-	(116)
-	-	(26)	23	-	(3)
(25)	18	(63)	(21)	94	249
20	-	179	1	-	125
-	-	-	-	86	76
10	1	2	1	1	15
6	3	5	1	3	63
-	-	-	(1,111)	605	(506)
<u>165</u>	<u>1,321</u>	<u>152</u>	<u>(1,181)</u>	<u>688</u>	<u>5,134</u>
<u>\$ (139)</u>	<u>\$ 1,399</u>	<u>\$ 250</u>	<u>\$ 1,687</u>	<u>\$ (394)</u>	<u>\$ 7,228</u>
\$ 65	\$ 48	\$ (12)	\$ -	\$ -	\$ 902
-	-	-	-	-	283
<u>\$ 65</u>	<u>\$ 48</u>	<u>\$ (12)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,185</u>
\$ 1,005	\$ 5,366	\$ 541	\$ 25,962	\$ 2,178	\$ 54,947
-	-	-	-	-	5
<u>\$ 1,005</u>	<u>\$ 5,366</u>	<u>\$ 541</u>	<u>\$ 25,962</u>	<u>\$ 2,178</u>	<u>\$ 54,952</u>

