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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, 2008

(In Thousands)

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	<b>Equipment Services Division</b>	<b>Information Technology</b>	<b>Facilities Management</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash In Treasury Pool	\$ 5,933	\$ 4,833	\$ 5,071
Cash With Trustee	188	-	-
Accounts Receivable, Net	-	39	80
Accrued Interest Receivable	269	-	-
Due From Other Funds	2,065	925	165
Due From Other Governments	4	-	-
Interfund Loans Receivable	3,794	-	-
Inventory, At Cost	1,607	8	216
Prepaid Expense	-	-	-
<b>Total Current Assets</b>	<b>13,860</b>	<b>5,805</b>	<b>5,532</b>
<b>Capital Assets</b>			
Land	-	-	-
Buildings	3,317	-	-
Machinery And Equipment	32,897	9,292	534
Construction In Progress	458	-	137
Accumulated Depreciation	(14,912)	(5,223)	(312)
<b>Total Capital Assets, Net</b>	<b>21,760</b>	<b>4,069</b>	<b>359</b>
<b>TOTAL ASSETS</b>	<b>\$ 35,620</b>	<b>\$ 9,874</b>	<b>\$ 5,891</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Vouchers And Accounts Payable	\$ 1,711	\$ 1,420	\$ 941
Due To Other Funds	66	3	326
Due To Other Governments	1	-	7
Accrued Wages And Benefits Payable	127	562	176
Compensated Absences	107	697	188
Estimated Claims Settlements	-	-	-
<b>Total Current Liabilities</b>	<b>2,012</b>	<b>2,682</b>	<b>1,638</b>
<b>Noncurrent Liabilities</b>			
Compensated Absences	57	392	164
Estimated Claims Settlements	-	-	-
<b>Total Noncurrent Liabilities</b>	<b>57</b>	<b>392</b>	<b>164</b>
<b>TOTAL LIABILITIES</b>	<b>2,069</b>	<b>3,074</b>	<b>1,802</b>
<b>NET ASSETS</b>			
Invested In Capital Assets	21,760	4,069	359
Unrestricted	11,791	2,731	3,730
<b>TOTAL NET ASSETS</b>	<b>33,551</b>	<b>6,800</b>	<b>4,089</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 35,620</b>	<b>\$ 9,874</b>	<b>\$ 5,891</b>



**Internal Service Funds  
Combining Balance Sheet**

At December 31, 2008

(In Thousands)

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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>
\$ 2,793	\$ 4,299	\$ 276	\$ 25,099	\$ 379	\$ 48,683
-	-	1	-	-	189
1	1	-	-	174	295
-	-	-	97	-	366
222	80	100	201	350	4,108
1	-	14	-	-	19
-	-	-	3,065	-	6,859
-	87	6	-	-	1,924
-	-	47	434	-	481
<u>3,017</u>	<u>4,467</u>	<u>444</u>	<u>28,896</u>	<u>903</u>	<u>62,924</u>
-	211	-	-	-	211
-	568	-	-	-	3,885
2,018	13,288	48	-	36	58,113
26	-	-	-	-	621
(838)	(6,883)	(14)	-	(19)	(28,201)
<u>1,206</u>	<u>7,184</u>	<u>34</u>	<u>-</u>	<u>17</u>	<u>34,629</u>
<u>\$ 4,223</u>	<u>\$ 11,651</u>	<u>\$ 478</u>	<u>\$ 28,896</u>	<u>\$ 920</u>	<u>\$ 97,553</u>
\$ 54	\$ 76	\$ 109	\$ 116	\$ 121	\$ 4,548
44	-	5	-	1	445
-	-	-	-	80	88
48	13	27	25	10	988
41	17	48	36	10	1,144
-	-	-	4,296	2,051	6,347
<u>187</u>	<u>106</u>	<u>189</u>	<u>4,473</u>	<u>2,273</u>	<u>13,560</u>
12	25	28	52	14	744
-	-	-	8,316	300	8,616
<u>12</u>	<u>25</u>	<u>28</u>	<u>8,368</u>	<u>314</u>	<u>9,360</u>
<u>199</u>	<u>131</u>	<u>217</u>	<u>12,841</u>	<u>2,587</u>	<u>22,920</u>
1,206	7,184	34	-	17	34,629
<u>2,818</u>	<u>4,336</u>	<u>227</u>	<u>16,055</u>	<u>(1,684)</u>	<u>40,004</u>
<u>4,024</u>	<u>11,520</u>	<u>261</u>	<u>16,055</u>	<u>(1,667)</u>	<u>74,633</u>
<u>\$ 4,223</u>	<u>\$ 11,651</u>	<u>\$ 478</u>	<u>\$ 28,896</u>	<u>\$ 920</u>	<u>\$ 97,553</u>



**Internal Service Funds**  
**Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets**  
 For The Year Ended December 31, 2008

(In Thousands)

Page 1 of 2

	<u>Equipment Services Division</u>	<u>Information Technology</u>	<u>Facilities Management</u>
<b>Operating Revenues</b>			
Charges For Services	\$ 14,281	\$ 19,050	\$ 11,475
Miscellaneous	22	-	5
<b>Total Operating Revenues</b>	<u>14,303</u>	<u>19,050</u>	<u>11,480</u>
<b>Operating Expenses</b>			
Personal Services	2,192	12,674	3,960
Materials And Supplies	8,297	2,441	868
System Support Service	810	3,430	6,644
Depreciation And Amortization	2,824	943	37
Insurance, Claims Settlements, And Other Charges	-	-	-
<b>Total Operating Expenses</b>	<u>14,123</u>	<u>19,488</u>	<u>11,509</u>
<b>OPERATING INCOME (LOSS)</b>	<u>180</u>	<u>(438)</u>	<u>(29)</u>
<b>Nonoperating Revenues (Expenses)</b>			
Interest Income	152	-	-
Gain (Loss) On Sale Capital Assets	233	(51)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<u>385</u>	<u>(51)</u>	<u>-</u>
<b>NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	565	(489)	(29)
Transfers In	744	872	145
Transfers Out	(30)	(3)	(36)
<b>CHANGE IN NET ASSETS</b>	1,279	380	80
<b>NET ASSETS - Beginning Of Year</b>	<u>32,272</u>	<u>6,420</u>	<u>4,009</u>
<b>NET ASSETS - End Of Year</b>	<u>\$ 33,551</u>	<u>\$ 6,800</u>	<u>\$ 4,089</u>



**Internal Service Funds**  
**Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets**  
 For The Year Ended December 31, 2008

(In Thousands)

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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>
\$ 1,843	\$ 3,851	\$ 3,170	\$ 5,979	\$ 2,770	\$ 62,419
-	4	1	11	-	43
<u>1,843</u>	<u>3,855</u>	<u>3,171</u>	<u>5,990</u>	<u>2,770</u>	<u>62,462</u>
751	303	635	589	227	21,331
733	1,882	2,104	11	9	16,345
441	299	443	1,092	423	13,582
130	1,399	6	-	3	5,342
-	-	-	7,303	2,643	9,946
<u>2,055</u>	<u>3,883</u>	<u>3,188</u>	<u>8,995</u>	<u>3,305</u>	<u>66,546</u>
<u>(212)</u>	<u>(28)</u>	<u>(17)</u>	<u>(3,005)</u>	<u>(535)</u>	<u>(4,084)</u>
-	-	-	97	-	249
<u>432</u>	<u>(120)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>494</u>
<u>432</u>	<u>(120)</u>	<u>-</u>	<u>97</u>	<u>-</u>	<u>743</u>
220	(148)	(17)	(2,908)	(535)	(3,341)
789	80	-	200	350	3,180
(3)	(58)	-	(27)	(27)	(184)
<u>1,006</u>	<u>(126)</u>	<u>(17)</u>	<u>(2,735)</u>	<u>(212)</u>	<u>(345)</u>
<u>3,018</u>	<u>11,646</u>	<u>278</u>	<u>18,790</u>	<u>(1,455)</u>	<u>74,978</u>
<u>\$ 4,024</u>	<u>\$ 11,520</u>	<u>\$ 261</u>	<u>\$ 16,055</u>	<u>\$ (1,667)</u>	<u>\$ 74,633</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
 For The Year Ended December 31, 2008  
 (In Thousands)  
 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	\$ 49	\$ 338	\$ 1,284
Cash Received For Interfund Services Provided	13,388	18,423	10,151
Cash Paid To Suppliers For Goods And Services	(8,410)	(4,651)	(6,183)
Cash Payments To Employees For Services And Benefits	(2,112)	(12,458)	(3,908)
Cash Payments For Interfund Services Used	(398)	(1,075)	(740)
Cash Paid For Insurance	-	-	-
Cash Paid For Claims Settlements	-	-	-
<b>Net Cash Provided (Used) By Operating Activities</b>	<u>2,517</u>	<u>577</u>	<u>604</u>
<b>Cash Flows From Noncapital Financing Activities:</b>			
Loans To Other Funds	(31)	-	-
Repayment From Loans To Other Funds	-	-	-
Transfers In	-	713	145
Transfers Out	(30)	(3)	(28)
<b>Net Cash Provided (Used) By Noncapital Financing Activities</b>	<u>(61)</u>	<u>710</u>	<u>117</u>
<b>Cash Flows From Capital And Related Financing Activities:</b>			
Proceeds From Sale Of Capital Assets	468	-	-
Capital Contributions	744	159	-
Transfers Out For Capital Purposes	-	-	(8)
Acquisition Of Capital Assets	(3,327)	(950)	(138)
<b>Net Cash Provided (Used) By Capital And Related Financing Activities</b>	<u>(2,115)</u>	<u>(791)</u>	<u>(146)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	341	496	575
<b>CASH - Beginning Of Year</b>	<u>5,780</u>	<u>4,337</u>	<u>4,496</u>
<b>CASH - End Of Year</b>	<u>\$ 6,121</u>	<u>\$ 4,833</u>	<u>\$ 5,071</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
For The Year Ended December 31, 2008  
(In Thousands)  
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>
\$ 139	\$ 27	\$ 126	\$ -	\$ 116	\$ 2,079
2,089	3,783	3,058	5,879	2,745	59,516
(964)	(2,052)	(2,177)	(117)	(316)	(24,870)
(737)	(299)	(626)	(574)	(220)	(20,934)
(144)	(196)	(329)	(972)	(84)	(3,938)
-	-	-	(1,477)	(100)	(1,577)
-	-	-	(1,710)	(3,480)	(5,190)
<u>383</u>	<u>1,263</u>	<u>52</u>	<u>1,029</u>	<u>(1,339)</u>	<u>5,086</u>
-	-	-	(2,760)	-	(2,791)
-	-	-	100	-	100
301	-	-	200	350	1,709
<u>(3)</u>	<u>(58)</u>	<u>-</u>	<u>(27)</u>	<u>(27)</u>	<u>(176)</u>
<u>298</u>	<u>(58)</u>	<u>-</u>	<u>(2,487)</u>	<u>323</u>	<u>(1,158)</u>
432	212	-	-	-	1,112
488	80	-	-	-	1,471
-	-	-	-	-	(8)
<u>(39)</u>	<u>(2,460)</u>	<u>(11)</u>	<u>-</u>	<u>(7)</u>	<u>(6,932)</u>
<u>881</u>	<u>(2,168)</u>	<u>(11)</u>	<u>-</u>	<u>(7)</u>	<u>(4,357)</u>
1,562	(963)	41	(1,458)	(1,023)	(429)
<u>1,231</u>	<u>5,262</u>	<u>236</u>	<u>26,557</u>	<u>1,402</u>	<u>49,301</u>
<u>\$ 2,793</u>	<u>\$ 4,299</u>	<u>\$ 277</u>	<u>\$ 25,099</u>	<u>\$ 379</u>	<u>\$ 48,872</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
For The Year Ended December 31, 2008  
(In Thousands)  
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	<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>	\$ 180	\$ (438)	\$ (29)
<b>Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:</b>			
Depreciation And Amortization	2,824	943	37
Decrease (Increase) In Assets:			
Receivables	-	5	32
Due From Other Funds	(902)	(294)	(77)
Due From Other Governments	36	-	-
Inventory	209	2	(28)
Prepaid Expense	-	-	-
Increase (Decrease) In Liabilities:			
Vouchers And Accounts Payable	34	311	308
Due To Other Funds	55	(168)	302
Due To Other Governments	1	-	7
Wages And Benefits Payable	59	121	35
Compensated Absences	21	95	17
Estimated Claims Settlements	-	-	-
<b>Total Adjustments</b>	<u>2,337</u>	<u>1,015</u>	<u>633</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ 2,517</u>	<u>\$ 577</u>	<u>\$ 604</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>			
Purchase Of Capital Assets On Account	\$ 1,170	\$ 355	\$ 7
Trade-In Of Capital Assets	103	-	-
<b>TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>	<u>\$ 1,273</u>	<u>\$ 355</u>	<u>\$ 7</u>
<b>RECONCILIATION OF CASH - End Of Year TO BALANCE SHEET:</b>			
<b>Cash Per Balance Sheet:</b>			
Cash In Treasury Pool	\$ 5,933	\$ 4,833	\$ 5,071
Cash With Trustee	188	-	-
<b>TOTAL CASH - End Of Year</b>	<u>\$ 6,121</u>	<u>\$ 4,833</u>	<u>\$ 5,071</u>



**Internal Service Funds**  
**Combining Statement Of Cash Flows**  
For The Year Ended December 31, 2008  
(In Thousands)  
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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>
\$ (212)	\$ (28)	\$ (17)	\$ (3,005)	\$ (535)	\$ (4,084)
130	1,399	6	-	3	5,342
2	(1)	-	-	(79)	(41)
384	(45)	10	(100)	(25)	(1,049)
(1)	1	3	-	-	39
-	(17)	4	-	-	170
-	-	17	11	-	28
25	(50)	15	56	(91)	608
41	-	5	(5)	-	230
-	-	-	-	9	17
11	2	8	5	2	243
3	2	1	10	5	154
-	-	-	4,057	(628)	3,429
<u>595</u>	<u>1,291</u>	<u>69</u>	<u>4,034</u>	<u>(804)</u>	<u>9,170</u>
<u>\$ 383</u>	<u>\$ 1,263</u>	<u>\$ 52</u>	<u>\$ 1,029</u>	<u>\$ (1,339)</u>	<u>\$ 5,086</u>
\$ 11	\$ -	\$ 1	\$ -	\$ -	\$ 1,544
-	-	-	-	-	103
<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,647</u>
\$ 2,793	\$ 4,299	\$ 276	\$ 25,099	\$ 379	\$ 48,683
-	-	1	-	-	189
<u>\$ 2,793</u>	<u>\$ 4,299</u>	<u>\$ 277</u>	<u>\$ 25,099</u>	<u>\$ 379</u>	<u>\$ 48,872</u>

