



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 charged to county departments 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, 2009

(In Thousands)

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	Equipment Services Division	Information Technology	Facilities Management
ASSETS			
Current Assets			
Cash In Treasury Pool	\$ 6,211	\$ 3,941	\$ 3,474
Accounts Receivable, Net	156	-	12
Accrued Interest Receivable	424	-	-
Due From Other Funds	1,066	490	52
Due From Other Governments	15	33	-
Interfund Loans Receivable	4,594	-	-
Inventory, At Cost	1,874	7	209
Prepaid Expense	-	-	-
Total Current Assets	14,340	4,471	3,747
Capital Assets			
Land	-	-	-
Buildings	3,317	-	-
Machinery And Equipment	33,200	9,256	832
Construction In Progress	64	-	-
Accumulated Depreciation	(16,085)	(6,061)	(368)
Total Capital Assets, Net	20,496	3,195	464
TOTAL ASSETS	\$ 34,836	\$ 7,666	\$ 4,211
LIABILITIES AND NET ASSETS			
LIABILITIES			
Current Liabilities			
Vouchers And Accounts Payable	\$ 409	\$ 341	\$ 823
Due To Other Funds	1,200	1	7
Due To Other Governments	2	-	1
Accrued Wages And Benefits Payable	29	178	54
Compensated Absences	121	849	211
Estimated Claims Settlements	-	-	-
Total Current Liabilities	1,761	1,369	1,096
Noncurrent Liabilities			
Compensated Absences	44	319	186
Estimated Claims Settlements	-	-	-
Total Noncurrent Liabilities	44	319	186
TOTAL LIABILITIES	1,805	1,688	1,282
NET ASSETS			
Invested In Capital Assets	20,496	3,195	464
Unrestricted	12,535	2,783	2,465
TOTAL NET ASSETS	33,031	5,978	2,929
TOTAL LIABILITIES AND NET ASSETS	\$ 34,836	\$ 7,666	\$ 4,211



**Internal Service Funds
Combining Balance Sheet**

At December 31, 2009

(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>
\$ 2,657	\$ 3,802	\$ 192	\$ 27,121	\$ 36	\$ 47,434
-	-	-	144	45	357
-	-	-	6	-	430
188	-	84	1	1,169	3,050
15	1	10	-	257	331
-	-	-	1,540	-	6,134
-	75	5	-	-	2,170
-	-	76	348	-	424
<u>2,860</u>	<u>3,878</u>	<u>367</u>	<u>29,160</u>	<u>1,507</u>	<u>60,330</u>
-	211	-	-	-	211
-	568	-	-	-	3,885
2,426	13,388	48	-	36	59,186
55	-	-	-	-	119
(958)	(6,947)	(21)	-	(23)	(30,463)
<u>1,523</u>	<u>7,220</u>	<u>27</u>	<u>-</u>	<u>13</u>	<u>32,938</u>
<u>\$ 4,383</u>	<u>\$ 11,098</u>	<u>\$ 394</u>	<u>\$ 29,160</u>	<u>\$ 1,520</u>	<u>\$ 93,268</u>
\$ 21	\$ 123	\$ 76	\$ 109	\$ 145	\$ 2,047
67	-	7	10	1	1,293
-	-	-	-	113	116
24	3	9	8	3	308
35	23	48	34	16	1,337
-	-	-	4,509	1,761	6,270
<u>147</u>	<u>149</u>	<u>140</u>	<u>4,670</u>	<u>2,039</u>	<u>11,371</u>
19	23	35	19	8	653
-	-	-	8,316	300	8,616
19	23	35	8,335	308	9,269
166	172	175	13,005	2,347	20,640
1,523	7,220	27	-	13	32,938
2,694	3,706	192	16,155	(840)	39,690
4,217	10,926	219	16,155	(827)	72,628
<u>\$ 4,383</u>	<u>\$ 11,098</u>	<u>\$ 394</u>	<u>\$ 29,160</u>	<u>\$ 1,520</u>	<u>\$ 93,268</u>



Internal Service Funds
Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets
 For The Year Ended December 31, 2009

(In Thousands)

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	Equipment Services Division	Information Technology	Facilities Management
Operating Revenues			
Charges For Services	\$ 13,476	\$ 18,773	\$ 11,137
Miscellaneous	44	7	4
Total Operating Revenues	13,520	18,780	11,141
Operating Expenses			
Personal Services	2,319	13,475	4,713
Materials And Supplies	7,286	1,584	648
System Support Service	1,052	3,630	7,056
Depreciation And Amortization	3,003	1,041	56
Insurance And Claims Settlements, Net Of Recoveries	-	-	-
Total Operating Expenses	13,660	19,730	12,473
OPERATING INCOME (LOSS)	(140)	(950)	(1,332)
Nonoperating Revenues (Expenses)			
Interfund Interest Income	155	-	-
Loss On Sale Of Capital Assets	(176)	(24)	-
Total Nonoperating Revenues (Expenses)	(21)	(24)	-
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(161)	(974)	(1,332)
Transfers In	648	160	206
Transfers Out	(1,007)	(8)	(34)
CHANGE IN NET ASSETS	(520)	(822)	(1,160)
NET ASSETS - Beginning Of Year	33,551	6,800	4,089
NET ASSETS - End Of Year	\$ 33,031	\$ 5,978	\$ 2,929



Internal Service Funds
Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets
 For The Year Ended December 31, 2009

(In Thousands)

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Radio Communications	Fleet Rental Services	General Services	Self-Insurance	Workers Compensation	Total
\$ 2,026	\$ 3,088	\$ 2,878	\$ 5,679	\$ 3,244	\$ 60,301
-	4	-	63	-	122
<u>2,026</u>	<u>3,092</u>	<u>2,878</u>	<u>5,742</u>	<u>3,244</u>	<u>60,423</u>
682	326	688	726	248	23,177
699	1,442	1,735	13	9	13,416
542	303	490	1,379	432	14,884
120	1,475	7	-	4	5,706
-	-	-	3,607	3,436	7,043
<u>2,043</u>	<u>3,546</u>	<u>2,920</u>	<u>5,725</u>	<u>4,129</u>	<u>64,226</u>
<u>(17)</u>	<u>(454)</u>	<u>(42)</u>	<u>17</u>	<u>(885)</u>	<u>(3,803)</u>
-	-	-	108	-	263
-	(96)	-	-	-	(296)
-	(96)	-	108	-	(33)
(17)	(550)	(42)	125	(885)	(3,836)
213	-	-	-	1,750	2,977
(3)	(44)	-	(25)	(25)	(1,146)
193	(594)	(42)	100	840	(2,005)
<u>4,024</u>	<u>11,520</u>	<u>261</u>	<u>16,055</u>	<u>(1,667)</u>	<u>74,633</u>
<u>\$ 4,217</u>	<u>\$ 10,926</u>	<u>\$ 219</u>	<u>\$ 16,155</u>	<u>\$ (827)</u>	<u>\$ 72,628</u>



Internal Service Funds
Combining Statement Of Cash Flows
For The Year Ended December 31, 2009
(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	\$ 11	\$ 339	\$ 1,357
Cash Received For Interfund Services Provided	14,497	18,882	9,965
Cash Paid To Suppliers For Goods And Services	(8,364)	(4,933)	(6,627)
Cash Payments To Employees For Services And Benefits	(2,416)	(13,780)	(4,790)
Cash Payments For Interfund Services Used	(269)	(1,037)	(1,498)
Cash Paid For Insurance	-	-	-
Cash Paid For Claims Settlements	-	-	-
Cash Received From Third Party Claims Recoveries	-	-	-
Net Cash Provided (Used) By Operating Activities	<u>3,459</u>	<u>(529)</u>	<u>(1,593)</u>
Cash Flows From Noncapital Financing Activities:			
Loans To Other Funds	(800)	-	-
Repayment From Loans To Other Funds	-	-	-
Interfund Interest Income (Expense)	-	-	-
Transfers In	-	160	206
Transfers Out	(98)	(8)	(34)
Net Cash Provided (Used) By Noncapital Financing Activities	<u>(898)</u>	<u>152</u>	<u>172</u>
Cash Flows From Capital And Related Financing Activities:			
Proceeds From Sale Of Capital Assets	143	3	-
Capital Contributions	648	-	-
Transfers Out - Return Of Capital	(16)	-	-
Acquisition Of Capital Assets	(3,246)	(518)	(176)
Net Cash Used By Capital And Related Financing Activities	<u>(2,471)</u>	<u>(515)</u>	<u>(176)</u>
NET INCREASE (DECREASE) IN CASH	90	(892)	(1,597)
CASH - Beginning Of Year	<u>6,121</u>	<u>4,833</u>	<u>5,071</u>
CASH - End Of Year	<u>\$ 6,211</u>	<u>\$ 3,941</u>	<u>\$ 3,474</u>



Internal Service Funds
Combining Statement Of Cash Flows
 For The Year Ended December 31, 2009
 (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>
\$ 67	\$ 24	\$ 144	\$ -	\$ -	\$ 1,942
1,980	3,148	2,754	5,879	2,425	59,530
(1,105)	(1,514)	(1,925)	(157)	(330)	(24,955)
(705)	(332)	(699)	(778)	(255)	(23,755)
(140)	(172)	(359)	(1,232)	(105)	(4,812)
-	-	-	(1,599)	(100)	(1,699)
-	-	-	(1,837)	(4,064)	(5,901)
-	-	-	47	361	408
<u>97</u>	<u>1,154</u>	<u>(85)</u>	<u>323</u>	<u>(2,068)</u>	<u>758</u>
-	-	-	(222)	-	(1,022)
-	-	-	1,747	-	1,747
-	-	-	199	-	199
29	-	-	-	1,750	2,145
(3)	(44)	-	(25)	(25)	(237)
<u>26</u>	<u>(44)</u>	<u>-</u>	<u>1,699</u>	<u>1,725</u>	<u>2,832</u>
-	207	-	-	-	353
184	-	-	-	-	832
-	-	-	-	-	(16)
(443)	(1,814)	-	-	-	(6,197)
<u>(259)</u>	<u>(1,607)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,028)</u>
(136)	(497)	(85)	2,022	(343)	(1,438)
<u>2,793</u>	<u>4,299</u>	<u>277</u>	<u>25,099</u>	<u>379</u>	<u>48,872</u>
<u>\$ 2,657</u>	<u>\$ 3,802</u>	<u>\$ 192</u>	<u>\$ 27,121</u>	<u>\$ 36</u>	<u>\$ 47,434</u>



Internal Service Funds
Combining Statement Of Cash Flows
 For The Year Ended December 31, 2009
 (In Thousands)
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	<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)	\$ (140)	\$ (950)	\$ (1,332)
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:			
Depreciation And Amortization	3,003	1,041	56
Decrease (Increase) In Assets:			
Receivables	-	39	68
Due From Other Funds	999	435	113
Due From Other Governments	(11)	(33)	-
Inventory	(267)	1	7
Prepaid Expense	-	-	-
Increase (Decrease) In Liabilities:			
Vouchers And Accounts Payable	(270)	(755)	(103)
Due To Other Funds	241	(2)	(319)
Due To Other Governments	1	-	(6)
Wages And Benefits Payable	(98)	(384)	(122)
Compensated Absences	1	79	45
Estimated Claims Settlements	-	-	-
Total Adjustments	<u>3,599</u>	<u>421</u>	<u>(261)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 3,459</u>	<u>\$ (529)</u>	<u>\$ (1,593)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Purchase Of Capital Assets On Account	\$ 138	\$ 31	\$ -
TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	<u>\$ 138</u>	<u>\$ 31</u>	<u>\$ -</u>
RECONCILIATION OF CASH - End Of Year TO BALANCE SHEET:			
Cash Per Balance Sheet:			
Cash In Treasury Pool	\$ 6,211	\$ 3,941	\$ 3,474
TOTAL CASH - End Of Year	<u>\$ 6,211</u>	<u>\$ 3,941</u>	<u>\$ 3,474</u>



Internal Service Funds
Combining Statement Of Cash Flows
 For The Year Ended December 31, 2009
 (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>
\$ (17)	\$ (454)	\$ (42)	\$ 17	\$ (885)	\$ (3,803)
120	1,475	7	-	4	5,706
1	1	-	(144)	129	94
34	80	16	200	(819)	1,058
(14)	(1)	4	-	(257)	(312)
-	12	1	-	-	(246)
-	-	(29)	86	-	57
(27)	47	(33)	(7)	24	(1,124)
23	-	2	10	-	(45)
-	-	-	-	33	28
(24)	(10)	(18)	(17)	(7)	(680)
1	4	7	(35)	-	102
-	-	-	213	(290)	(77)
<u>114</u>	<u>1,608</u>	<u>(43)</u>	<u>306</u>	<u>(1,183)</u>	<u>4,561</u>
<u>\$ 97</u>	<u>\$ 1,154</u>	<u>\$ (85)</u>	<u>\$ 323</u>	<u>\$ (2,068)</u>	<u>\$ 758</u>
<u>\$ 5</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174</u>
<u>\$ 5</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174</u>
<u>\$ 2,657</u>	<u>\$ 3,802</u>	<u>\$ 192</u>	<u>\$ 27,121</u>	<u>\$ 36</u>	<u>\$ 47,434</u>
<u>\$ 2,657</u>	<u>\$ 3,802</u>	<u>\$ 192</u>	<u>\$ 27,121</u>	<u>\$ 36</u>	<u>\$ 47,434</u>

