

Internal Service Funds

Internal Service Funds are used to account for centralized services provided on a cost-reimbursement basis. The City maintains six internal service funds for its print shop, risk management, health benefits, equipment replacement programs, and vehicle fleet services.



Internal Service Funds

Print Shop Fund

The Print Services Fund accounts for the operations of the City's print shop.

Risk Management Fund

The Risk Management Fund accounts for risk management activities of the City, including premiums, claims expenses and loss reserves.

Employees' Health Benefits Fund

The Employees' Health Benefits Fund accounts for the City and employees contributions to a medical trust and its related costs, including claims and operating expenses.

Governmental Equipment Replacement Fund

The Governmental Equipment Replacement Fund accounts for the activities related to managing the equipment replacement program for governmental activities.

Public Utilities Equipment Replacement Fund

The Public Utilities Equipment Replacement Fund accounts for the activities related to managing the City's equipment replacement program for the City's public utilities.

Vehicle Fleet Services Fund

The Vehicle Fleet Services Fund accounts for the activities related to the City's central garage operations.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2013

	Print Services Fund	Risk Management Fund	Employees' Health Benefits Fund
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 936,658	\$ 39,938,129	\$ 8,306,359
Accrued interest receivable	-	81,030	64
Sales tax receivable	23,909	1,474	-
Other receivables and assets	-	175	-
Inventories	-	-	-
Insurance deposit	-	400,000	-
Total current assets	<u>960,567</u>	<u>40,420,808</u>	<u>8,306,423</u>
Noncurrent assets:			
Restricted cash and cash equivalents	-	-	-
Capital assets:			
Buildings and machinery	-	-	-
Equipment	23,496	-	-
Furniture and fixtures	-	-	-
Less accumulated depreciation	<u>(23,496)</u>	<u>-</u>	<u>-</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>960,567</u>	<u>40,420,808</u>	<u>8,306,423</u>
LIABILITIES			
Current liabilities:			
Accounts payable	-	37,991	93,742
Accrued salaries and employee payroll taxes	-	877	-
Accrued interest payable	-	-	-
Claims payable and other liabilities	-	7,091,352	2,276,000
Due to other funds	958,670	-	-
Bonds, notes and loans payable	-	-	-
Total current liabilities	<u>958,670</u>	<u>7,130,220</u>	<u>2,369,742</u>
Noncurrent liabilities:			
Claims payable and other liabilities	-	16,279,184	-
Bonds, notes and loans payable	-	-	-
Earned vacation pay	1,897	10,034	-
Total noncurrent liabilities	<u>1,897</u>	<u>16,289,218</u>	<u>-</u>
Total liabilities	<u>960,567</u>	<u>23,419,438</u>	<u>2,369,742</u>
NET POSITION			
Net investment in capital assets	-	-	-
Unrestricted	-	17,001,370	5,936,681
Total net position	<u>\$ -</u>	<u>\$ 17,001,370</u>	<u>\$ 5,936,681</u>

Governmental Equipment Replacement Fund	Public Utilities Equipment Replacement Fund	Vehicle Fleet Services Fund	Total June 30, 2013
\$ 1,648,029	\$ 354,297	\$ 2,707,633	\$ 53,891,105
2,988	1,494	-	85,576
201,372	4,972	309,396	541,123
-	-	-	175
59,621	-	730,018	789,639
-	-	-	400,000
<u>1,912,010</u>	<u>360,763</u>	<u>3,747,047</u>	<u>55,707,618</u>
29,010,143	3,399,457	-	32,409,600
-	-	263,470	263,470
82,007,465	20,284,707	1,491,884	103,807,552
-	-	5,636	5,636
(62,281,143)	(17,099,380)	(1,599,471)	(81,003,490)
<u>48,736,465</u>	<u>6,584,784</u>	<u>161,519</u>	<u>55,482,768</u>
<u>50,648,475</u>	<u>6,945,547</u>	<u>3,908,566</u>	<u>111,190,386</u>
1,791,834	-	891,510	2,815,077
-	-	8,370	9,247
9,228	1,185	-	10,413
-	-	-	9,367,352
-	-	-	958,670
<u>11,314,171</u>	<u>1,571,196</u>	<u>-</u>	<u>12,885,367</u>
<u>13,115,233</u>	<u>1,572,381</u>	<u>899,880</u>	<u>26,046,126</u>
-	-	-	16,279,184
29,167,316	3,138,512	-	32,305,828
-	-	258,542	270,473
<u>29,167,316</u>	<u>3,138,512</u>	<u>258,542</u>	<u>48,855,485</u>
<u>42,282,549</u>	<u>4,710,893</u>	<u>1,158,422</u>	<u>74,901,611</u>
8,254,978	1,875,076	161,519	10,291,573
110,948	359,578	2,588,625	25,997,202
<u>\$ 8,365,926</u>	<u>\$ 2,234,654</u>	<u>\$ 2,750,144</u>	<u>\$ 36,288,775</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2013**

	Print Services Fund	Risk Management Fund	Employees' Health Benefits Fund
OPERATING REVENUES			
Charges for services - internal	\$ -	\$ 10,608,515	\$ 35,155,177
Other charges	-	-	-
Drug rebate	-	-	749,908
Total operating revenues	<u>-</u>	<u>10,608,515</u>	<u>35,905,085</u>
OPERATING EXPENSES			
Personnel services	-	336,392	-
Other facility operating costs	-	-	-
Operational expenses	-	467,741	3,460,530
Claims	-	3,471,522	28,007,920
Premiums	-	1,550,353	-
Depreciation	-	-	-
Other	-	-	-
Total operating expenses	<u>-</u>	<u>5,826,008</u>	<u>31,468,450</u>
Operating income (loss)	<u>-</u>	<u>4,782,507</u>	<u>4,436,635</u>
NONOPERATING REVENUES (EXPENSES)			
Gain (loss) on investments	-	622,407	584,326
Recovery of claims	-	778,222	-
Interest expense	-	-	-
Gain (loss) on sale of capital assets	-	-	-
Total nonoperating revenues (expenses)	<u>-</u>	<u>1,400,629</u>	<u>584,326</u>
Income (loss) before transfers	-	6,183,136	5,020,961
Transfers in	-	-	-
Transfers out	(958,670)	-	-
Change in net position	<u>(958,670)</u>	<u>6,183,136</u>	<u>5,020,961</u>
Total net position, beginning of year	958,670	10,818,234	915,720
Total net position, end of year	<u>\$ -</u>	<u>\$ 17,001,370</u>	<u>\$ 5,936,681</u>

Governmental Equipment Replacement Fund	Public Utilities Equipment Replacement Fund	Vehicle Fleet Services Fund	Total
\$ 7,686,139	\$ 1,042,603	\$ 15,197,974	\$ 69,690,408
26,787	8,671	-	35,458
-	-	-	749,908
<u>7,712,926</u>	<u>1,051,274</u>	<u>15,197,974</u>	<u>70,475,774</u>
-	-	3,699,302	4,035,694
1,809,160	-	10,785,585	12,594,745
-	-	-	3,928,271
-	-	-	31,479,442
-	-	-	1,550,353
6,161,814	1,225,749	16,529	7,404,092
34,910	10,443	-	45,353
<u>8,005,884</u>	<u>1,236,192</u>	<u>14,501,416</u>	<u>61,037,950</u>
<u>(292,958)</u>	<u>(184,918)</u>	<u>696,558</u>	<u>9,437,824</u>
(757)	(1,198)	-	1,204,778
-	-	-	778,222
(295,024)	(53,107)	-	(348,131)
46,829	8,772	-	55,601
<u>(248,952)</u>	<u>(45,533)</u>	<u>-</u>	<u>1,690,470</u>
(541,910)	(230,451)	696,558	11,128,294
-	428,020	140,000	568,020
-	-	(60,114)	(1,018,784)
<u>(541,910)</u>	<u>197,569</u>	<u>776,444</u>	<u>10,677,530</u>
8,907,836	2,037,085	1,973,700	25,611,245
<u>\$ 8,365,926</u>	<u>\$ 2,234,654</u>	<u>\$ 2,750,144</u>	<u>\$ 36,288,775</u>

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the Fiscal Year Ended June 30, 2013

	Print Services Fund	Risk Management Fund	Employees' Health Benefits Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ -	\$ 10,608,515	\$ 35,155,177
Payments to employees	-	(331,370)	-
Payments to suppliers and service providers	(27,743)	(419,945)	(3,366,788)
Claims paid	-	(4,490,985)	(29,001,927)
Premiums paid	-	(1,550,353)	-
Other receipts	-	778,222	749,908
Other payments	-	-	-
Net cash provided by (used in) operating activities	<u>(27,743)</u>	<u>4,594,084</u>	<u>3,536,370</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating subsidies and transfers from other funds	-	-	-
Operating subsidies and transfers to other funds	(958,670)	-	-
Internal activity - payments from (to) other funds	958,670	-	-
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase and construction of capital assets	-	-	-
Proceeds from capital debt	-	-	-
Principal paid on capital debt	-	-	-
Interest paid on capital debt	-	-	-
Proceeds from sale of capital assets	-	-	-
Net cash (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Gain (loss) on investments held	-	619,219	584,302
Net cash provided by (used in) investing activities	<u>-</u>	<u>619,219</u>	<u>584,302</u>
Net increase (decrease) in cash and cash equivalents/investments	<u>(27,743)</u>	<u>5,213,303</u>	<u>4,120,672</u>
Cash and cash equivalents/investments			
Beginning of year	964,401	34,724,826	4,185,687
End of year	<u>\$ 936,658</u>	<u>\$ 39,938,129</u>	<u>\$ 8,306,359</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ -	\$ 4,782,507	\$ 4,436,635
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	-	-	-
Miscellaneous nonoperating income	-	778,222	-
Change in assets and liabilities:			
Sales tax receivable	(135)	10,491	-
Inventories	-	-	-
Other receivables and assets	-	(175)	-
Accounts payable and other accrued liabilities	(27,608)	(982,158)	(900,265)
Earned vacation pay and other payroll liabilities	-	5,197	-
Total adjustments	<u>(27,743)</u>	<u>(188,423)</u>	<u>(900,265)</u>
Net cash provided by (used in) operating activities	<u>\$ (27,743)</u>	<u>\$ 4,594,084</u>	<u>\$ 3,536,370</u>

Governmental Equipment Replacement Fund	Public Utilities Equipment Replacement Fund	Vehicle Fleet Services Fund	Total
\$ 7,686,139	\$ 1,042,603	\$ 15,197,974	\$ 69,690,408
-	-	(3,704,465)	(4,035,835)
(1,630,460)	4,861	(10,791,614)	(16,231,689)
-	-	-	(33,492,912)
-	-	-	(1,550,353)
26,787	8,671	-	1,563,588
(34,910)	(10,443)	-	(45,353)
<u>6,047,556</u>	<u>1,045,692</u>	<u>701,895</u>	<u>15,897,854</u>
-	428,020	140,000	568,020
-	-	(60,114)	(1,018,784)
114,782	1,490	10,240	1,085,182
<u>114,782</u>	<u>429,510</u>	<u>90,126</u>	<u>634,418</u>
(4,445,540)	(574,888)	-	(5,020,428)
31,272,969	3,253,937	-	34,526,906
(4,917,782)	(904,782)	-	(5,822,564)
(297,994)	(53,488)	-	(351,482)
46,829	8,772	-	55,601
<u>21,658,482</u>	<u>1,729,551</u>	<u>-</u>	<u>23,388,033</u>
1,621	(546)	-	1,204,596
<u>1,621</u>	<u>(546)</u>	<u>-</u>	<u>1,204,596</u>
<u>27,822,441</u>	<u>3,204,207</u>	<u>792,021</u>	<u>41,124,901</u>
2,835,731	549,547	1,915,612	45,175,804
<u>\$ 30,658,172</u>	<u>\$ 3,753,754</u>	<u>\$ 2,707,633</u>	<u>\$ 86,300,705</u>
\$ (292,958)	\$ (184,918)	\$ 696,558	\$ 9,437,824
6,161,814	1,225,749	16,529	7,404,092
-	-	-	778,222
(30,788)	4,861	(49,470)	(65,041)
189,028	-	(11,475)	177,553
-	-	-	(175)
20,460	-	54,916	(1,834,655)
-	-	(5,163)	34
<u>6,340,514</u>	<u>1,230,610</u>	<u>5,337</u>	<u>6,460,030</u>
<u>\$ 6,047,556</u>	<u>\$ 1,045,692</u>	<u>\$ 701,895</u>	<u>\$ 15,897,854</u>