

# INTERNAL SERVICE

Internal Service Funds are used by Kitsap County to account for the financing of goods or services provided by a department or agency to other departments of the County.



**Internal Service  
Funds**

# KITSAP COUNTY, WASHINGTON

## Internal Service Funds

Internal Service Funds are used by Kitsap County to account for the financing of goods or services provided by a department or agency to other departments or agencies of Kitsap County, or to other governmental units, on a cost-reimbursement basis.

A description of each fund follows:

**Equipment Rental & Revolving Fund** - A fund used to account for the operation of County vehicles, and rent of equipment to other funds within the County.

**Information Services** - A fund used to account for the operations of data processing services to County departments.

**Purchasing** - A fund used to account for the administration of purchasing services to other County departments.

**Self-Insurance** - A fund used to account for the insurance and self-insured claims of the County.

**Telecommunications** - A fund used to account for operation of telecommunications services to County departments.

**Workers Compensation** - A fund used to account for workers compensation claims of the County.

# KITSAP COUNTY, WASHINGTON

## Combining Balance Sheet

### Internal Service Funds

December 31, 1999

With Comparative Totals for December 31, 1998

	Equipment Rental and Revolving	Workers Compensation	Purchasing	Self Insurance
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash	\$ 4,208,235	\$ 1,084,595	\$ 7,958	\$ 2,406,846
Deposits With External Fiscal Agents	0	50,000	0	0
Due From Other Funds	274,438	0	8,633	23,593
Due From Other Governmental Units	508	0	0	0
Inventory	760,121	0	0	0
Other Current Receivables	184	0	0	0
Prepaid Insurance	0	0	0	509,206
Total Current Assets	<u>5,243,486</u>	<u>1,134,595</u>	<u>16,591</u>	<u>2,939,645</u>
Property, Plant & Equipment:				
Machinery and Equipment	17,034,749	5,559	126,424	21,149
Less Accumulated Depreciation	(8,941,670)	(3,567)	(83,093)	(10,692)
Construction in Progress	0	0	0	0
Net Property Plant & Equipment	<u>8,093,079</u>	<u>1,992</u>	<u>43,331</u>	<u>10,457</u>
 Total Assets	 <u>\$ 13,336,565</u>	 <u>\$ 1,136,587</u>	 <u>\$ 59,922</u>	 <u>\$ 2,950,102</u>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities:</b>				
Current Liabilities:				
Accounts Payable	\$ 89,806	\$ 47,618	\$ 26,600	\$ 51,561
Due to Other Funds	163,660	71	21,222	39,537
Interfund Loans Payable	0	0	20,000	0
Other Accrued Liabilities	29,464	927,991	1,798	2,158,610
Total Current Liabilities	<u>282,930</u>	<u>975,680</u>	<u>69,620</u>	<u>2,249,708</u>
Long-Term Liabilities:				
Employee Leave Benefits	55,180	1,730	22,903	3,314
Leases Payable	0	0	0	0
Total Long-Term Liabilities	<u>55,180</u>	<u>1,730</u>	<u>22,903</u>	<u>3,314</u>
 Total Liabilities	 <u>338,110</u>	 <u>977,410</u>	 <u>92,523</u>	 <u>2,253,022</u>
<b>Fund Equity:</b>				
Contributed Capital	2,464,058	0	54,149	2,759
Retained Earnings				
Reserved for Capital Outlay	0	0	0	0
Reserved for Advances	0	0	0	0
Reserved for Other		50,000		
Unreserved	10,534,397	109,177	(86,750)	694,321
Total Retained Earnings	<u>10,534,397</u>	<u>159,177</u>	<u>(86,750)</u>	<u>694,321</u>
Total Fund Equities	<u>12,998,455</u>	<u>159,177</u>	<u>(32,601)</u>	<u>697,080</u>
 Total Liabilities & Fund Equities	 <u>\$ 13,336,565</u>	 <u>\$ 1,136,587</u>	 <u>\$ 59,922</u>	 <u>\$ 2,950,102</u>

Telecom- munications	Data Processing	Totals	
		1999	1998
\$ 185,644	\$ 219,145	\$ 8,112,423	\$ 6,556,095
0	0	50,000	50,000
49,423	74,720	430,807	219,673
0	0	508	508
0	0	760,121	893,018
0	0	184	184
0	0	509,206	484,306
<u>235,067</u>	<u>293,865</u>	<u>9,863,249</u>	<u>8,203,784</u>
1,135,176	1,975,091	20,298,148	20,228,135
(807,697)	(881,196)	(10,727,915)	(10,701,331)
28,551	0	28,551	11,097
<u>356,030</u>	<u>1,093,895</u>	<u>9,598,784</u>	<u>9,537,901</u>
<u>\$ 591,097</u>	<u>\$ 1,387,760</u>	<u>\$ 19,462,033</u>	<u>\$ 17,741,685</u>
\$ 6,480	\$ 61,621	\$ 283,686	\$ 466,772
19,649	32,012	276,151	339,187
0	0	20,000	0
3,025	5,914	3,126,802	3,916,391
<u>29,154</u>	<u>99,547</u>	<u>3,706,639</u>	<u>4,722,350</u>
2,240	42,662	128,029	119,058
0	208,306	208,306	799
<u>2,240</u>	<u>250,968</u>	<u>336,335</u>	<u>119,857</u>
31,394	350,515	4,042,974	4,842,207
380,821	1,276,748	4,178,535	3,889,179
0	1,711	1,711	1,711
0	0	0	0
	0	50,000	50,000
<u>178,882</u>	<u>(241,214)</u>	<u>11,188,813</u>	<u>8,958,588</u>
<u>178,882</u>	<u>(239,503)</u>	<u>11,240,524</u>	<u>9,010,299</u>
<u>559,703</u>	<u>1,037,245</u>	<u>15,419,059</u>	<u>12,899,478</u>
<u>\$ 591,097</u>	<u>\$ 1,387,760</u>	<u>\$ 19,462,033</u>	<u>\$ 17,741,685</u>

## Combining Statement of Revenues, Expenses and Changes in Fund Equity

### Internal Service Funds

Year Ended December 31, 1999

With Comparative Totals for Year Ended December 31, 1998

	Equipment Rental and Revolving	Workers Compensation	Purchasing	Self Insurance
<b>Operating Revenue</b>				
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0
Charges For Services	6,663,186	571,471	403,964	2,819,119
Total Operating Revenue	<u>6,663,186</u>	<u>571,471</u>	<u>403,964</u>	<u>2,819,119</u>
<b>Operating Expenses</b>				
General Operation	4,449,700	0	445,534	649,773
General Planning	0	0	0	0
External Taxes	0	0	0	0
General Administration	0	873,203	0	0
Depreciation	1,710,291	892	17,062	2,387
Total Operating Expenses	<u>6,159,991</u>	<u>874,095</u>	<u>462,596</u>	<u>652,160</u>
NET OPERATING INCOME (LOSS)	<u>503,195</u>	<u>(302,624)</u>	<u>(58,632)</u>	<u>2,166,959</u>
NONOPERATING REVENUE (EXPENSES):				
Investment Income	0	0	0	0
Gains (Losses) on Fixed Asset Disposition	77,775	0	(5,788)	(2,944)
Other nonoperating Revenue	0	0	(5)	0
Interest Expenses & Related Charges	0	0	0	0
NONOPERATING Revenues NET OF EXPENSES	<u>77,775</u>	<u>0</u>	<u>(5,793)</u>	<u>(2,944)</u>
Net Income Before Operating Transfers	<u>580,970</u>	<u>(302,624)</u>	<u>(64,425)</u>	<u>2,164,015</u>
OPERATING TRANSFERS				
Operating Transfers In	0	0	0	0
Operating Transfers Out	(3,780)	0	0	0
Total Operating Transfers	<u>(3,780)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Income (Loss)	<u>\$ 577,190</u>	<u>\$ (302,624)</u>	<u>\$ (64,425)</u>	<u>\$ 2,164,015</u>
FUND EQUITY CHANGES:				
Retained Earnings, January 1	9,957,207	461,801	170,771	(1,469,694)
Net Income (Loss)	577,190	(302,624)	(64,425)	2,164,015
Residual Equity Transfers In	0	0	0	0
Residual Equity Transfers Out	0	0	0	0
Other Charges	0	0	0	0
Prior Period Adjustment	0	0	(193,096)	0
Retained Earnings, December 31	<u>\$ 10,534,397</u>	<u>\$ 159,177</u>	<u>\$ (86,750)</u>	<u>\$ 694,321</u>

Telecom- munications	Data Processing	Total	
		1999	1998
\$ 0	\$ 0	\$ 0	\$ 21,763
737,046	2,930,129	14,124,915	12,621,860
<u>737,046</u>	<u>2,930,129</u>	<u>14,124,915</u>	<u>12,643,623</u>
723,792	2,283,033	8,551,832	9,450,142
0	0	0	0
0	0	0	0
0	0	873,203	821,320
61,104	273,580	2,065,316	1,689,068
<u>784,896</u>	<u>2,556,613</u>	<u>11,490,351</u>	<u>11,960,530</u>
<u>(47,850)</u>	<u>373,516</u>	<u>2,634,564</u>	<u>683,093</u>
0	0	0	0
(607)	(78,517)	(10,081)	13,856
0	0	(5)	0
0	(8,205)	(8,205)	(2,131)
<u>(607)</u>	<u>(86,722)</u>	<u>(18,291)</u>	<u>11,725</u>
<u>(48,457)</u>	<u>286,794</u>	<u>2,616,273</u>	<u>694,818</u>
0	0	0	386,008
0	(189,172)	(192,952)	(6,455)
0	(189,172)	(192,952)	379,553
<u>\$ (48,457)</u>	<u>\$ 97,622</u>	<u>\$ 2,423,321</u>	<u>\$ 1,074,371</u>
227,339	(337,125)	9,010,299	7,927,994
(48,457)	97,622	2,423,321	1,074,371
0	0	0	7,934
0	0	0	0
0	0	0	0
0	0	(193,096)	0
<u>\$ 178,882</u>	<u>\$ (239,503)</u>	<u>\$ 11,240,524</u>	<u>\$ 9,010,299</u>

# KITSAP COUNTY, WASHINGTON

## Combining Statement Of Cash Flows

### Internal Service Funds

Year Ended December 31, 1999

With Comparative Totals for Year Ended December 31, 1998

	Equipment Rental and Revolving	Workers Compensation	Purchasing	Self Insurance
<b>Cash flows from Operating Activities:</b>				
Cash Received from Customers	\$ 6,510,602	\$ 578,185	\$ 396,196	\$ 2,816,922
Cash Paid to Suppliers	(3,906,932)	(664,522)	(255,241)	(1,492,095)
Cash Paid to Employees	(800,492)	(129,233)	(177,834)	(94,674)
Net cash provided by operating activities	<u>1,803,178</u>	<u>(215,570)</u>	<u>(36,879)</u>	<u>1,230,153</u>
<b>Cash flows from Noncapital Financing</b>				
Proceeds from Interfund Loans	0	0	0	0
Interfund Loans	0	0	20,000	0
Advances From (To) Other Funds	0	0	0	0
Operating Grants Received	0	0	0	0
Operating Transfers In	0	0	0	0
Operating Transfers Out	(3,780)	0	0	0
Net cash provided by Noncapital Financing Activities	<u>(3,780)</u>	<u>0</u>	<u>20,000</u>	<u>0</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Proceeds from Sale of Bonds	0	0	0	0
Proceeds from Sale of Equipment	240,895	0	0	0
Acquisition & Construction of Capital Assets	(1,568,823)	0	(6,514)	(4,753)
Capital Contributed by Other Sources	4,000	0	0	0
Principal Payments on Installment Purchase Contract	0	0	(799)	0
Interest Payments on Installment Purchase Contract	0	0	(5)	0
Interest Payments on Bonds	0	0	0	0
Net Cash Used for Capital and Related Fin. Act.	<u>(1,323,928)</u>	<u>0</u>	<u>(7,318)</u>	<u>(4,753)</u>
Net increase (Decrease) in Cash	475,470	(215,570)	(24,197)	1,225,400
Cash & Cash Equivalents at January 1	<u>3,732,764</u>	<u>1,300,165</u>	<u>32,155</u>	<u>1,181,446</u>
Cash & Cash Equivalents at December 31	<u>\$ 4,208,234</u>	<u>\$ 1,084,595</u>	<u>\$ 7,958</u>	<u>\$ 2,406,846</u>

	Telecom- munications	Data Processing	Total	
			1999	1998
\$	732,238	\$ 2,815,736	\$ 13,849,879	\$ 12,646,471
	(634,809)	(1,378,184)	(8,331,783)	(7,790,026)
	(98,014)	(846,751)	(2,146,998)	(2,085,364)
	<u>(585)</u>	<u>590,801</u>	<u>3,371,098</u>	<u>2,771,081</u>
	0	0	0	0
	0	0	20,000	7,933
	0	0	0	0
	0	0	0	0
	0	0	0	386,008
	0	(189,172)	(192,952)	(6,455)
	<u>0</u>	<u>(189,172)</u>	<u>(172,952)</u>	<u>387,486</u>
	0	0	0	0
	0	0	240,895	85,236
	(37,791)	(222,450)	(1,840,331)	(2,228,979)
	0	0	4,000	0
	0	(37,374)	(38,173)	(33,207)
	0	(8,205)	(8,210)	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>(37,791)</u>	<u>(268,029)</u>	<u>(1,641,819)</u>	<u>(2,176,950)</u>
	(38,376)	133,600	1,556,327	981,617
	<u>224,020</u>	<u>85,545</u>	<u>6,556,095</u>	<u>5,574,478</u>
\$	<u>185,644</u>	<u>\$ 219,145</u>	<u>8,112,422</u>	<u>\$ 6,556,095</u>



## Combining Statement Of Cash Flows

### Internal Service Funds

Year Ended December 31, 1999

With Comparative Totals for Year Ended December 31, 1998

	Equipment Rental and Revolving	Workers Compensation	Purchasing	Self Insurance
<b>Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities</b>				
Net operating income (loss)	\$ 503,195	\$ (302,624)	\$ (58,632)	\$ 2,166,959
<b>Adjustments to reconcile net operating income to net cash provided by operating activities:</b>				
Depreciation	1,710,291	892	17,062	2,387
Change in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	0	0	0	0
(Increase) Decrease in Inventories	(60,199)	0	0	0
(Increase) Decrease in Due From Other Funds	(152,584)	0	(7,702)	(23,593)
(Increase) Decrease in Due From Other Governments	0	0	0	0
(Increase) Decrease in Prepaid Insurance	0	0	0	(24,900)
Increase (Decrease) in Accounts Payable	(136,976)	21,264	8,598	(24,545)
Increase (Decrease) in Due to Other Funds	(60,863)	(20,769)	(4,090)	16,852
Increase (Decrease) in Other Accrued Liabilities	814	85,613	1,455	(879,553)
Increase (Decrease) in Employee Benefits Payable	(500)	54	6,430	(3,454)
(Increase) Decrease in Deposits w/ Ext. Fiscal Agents	0	0	0	0
Net cash provided by operating activities	<u>\$ 1,803,178</u>	<u>\$ (215,570)</u>	<u>\$ (36,879)</u>	<u>\$ 1,230,153</u>

Telecom- munications	Data Processing	Total	
		1999	1998
\$ (47,850)	\$ 373,516	\$ 2,634,564	\$ 683,093
61,104	273,580	2,065,316	1,689,068
0	0	0	0
0	0	(60,199)	(48,041)
(4,808)	(22,447)	(211,134)	135,401
0	0	0	0
0	0	(24,900)	(28,274)
(7,328)	(49,907)	(188,894)	39,462
(66)	5,900	(63,036)	76,808
(348)	2,429	(789,590)	254,186
(1,289)	7,730	8,971	19,378
0	0	0	(50,000)
<u>\$ (585)</u>	<u>\$ 590,801</u>	<u>\$ 3,371,098</u>	<u>\$ 2,771,081</u>