

## **INTERNAL SERVICE FUNDS**

Internal service funds are one of two types of proprietary funds used to centralize and allocate the cost of certain services provided on a cost-reimbursement basis primarily to County departments as well as to other government agencies. User charges are based upon standard rates calculated on an estimated cost recovery basis.

### **PUBLIC WORKS SERVICES**

This fund coordinates the County's property management activities and provides administrative, engineering, construction, and maintenance services to various County departments as well as other governmental units.

### **HEAVY EQUIPMENT**

This fund maintains the County's fleet of machinery and construction equipment and rents such equipment to County departments and other governmental units.

### **TRANSPORTATION**

This fund provides for the acquisition, maintenance, and replacement of County automobiles and light trucks, which it rents to various County departments and non-County entities.

### **GENERAL INSURANCE**

This fund administers certain commercial and County self-insurance programs, principally worker's compensation, medical malpractice, and general insurance. It also administers the hazardous materials program which provides for waste handling, disposal, and reporting.

### **INFORMATION TECHNOLOGY SERVICES**

This fund is responsible for the design, implementation, and maintenance of the telecommunication network as well as the computer-assisted systems which support the information processing requirements of the County departments and certain non-County entities.

### **GENERAL SERVICES**

This fund's services include graphics, mailroom, stores, purchasing, security, maintenance, custodial, and landscaping provided to all County departments and certain non-County entities. The fund also administers the utilities program and the job order contract program, which contracts with outside vendors to provide maintenance projects for County departments.

### **EMPLOYEE BENEFITS INSURANCE**

This fund administers the County's commercial employees' group medical plan and disability income protection plan and the self-insured, wage-supplement, and unemployment insurance programs. The fund, operated by the Human Resources Department, collects premiums from County agencies, departments and employees, and makes benefit payments through outside settlement agents.

### **PERSONNEL SERVICES**

This fund administers the training services offered to County and non-County entities. Services include assessment of the requesting entity's needs as well as the development and delivery of comprehensive programs. This fund, operated by the Human Resources Department, provides these services at cost to both County departments and outside entities.

COUNTY OF VENTURA  
COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
JUNE 30, 2012  
(In Thousands)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
<b><u>ASSETS</u></b>				
Current assets:				
Cash and investments	\$ 205,960	\$ 8,507	\$ 2,366	\$ 5,884
Receivables, net	3,471	158	22	247
Due from other funds	9,834	4,766	332	1,116
Due from other governmental agencies	127	89	-	5
Inventories and other assets	2,434	117	-	492
Restricted cash and investments	174	-	-	-
Total current assets	<u>222,000</u>	<u>13,637</u>	<u>2,720</u>	<u>7,744</u>
Noncurrent assets:				
Long-term receivables	191	-	-	-
Capital assets:				
Nondepreciable:				
Land	770	-	-	-
Construction in progress	3,215	217	103	45
Depreciable:				
Land improvements	1,208	-	-	-
Structures and improvements	6,131	722	9	869
Equipment/Vehicles	88,619	550	16,713	36,411
Software	4,874	328	-	5
Less accumulated depreciation	<u>(47,832)</u>	<u>(955)</u>	<u>(6,784)</u>	<u>(16,624)</u>
Total noncurrent assets	<u>57,176</u>	<u>862</u>	<u>10,041</u>	<u>20,706</u>
Total assets	<u>\$ 279,176</u>	<u>\$ 14,499</u>	<u>\$ 12,761</u>	<u>\$ 28,450</u>
<b><u>LIABILITIES</u></b>				
Current liabilities:				
Accounts payable	\$ 4,890	\$ 126	\$ 104	\$ 342
Due to other funds	813	119	171	110
Due to other governmental agencies	11	-	-	-
Accrued liabilities	1,821	639	14	49
Compensated absences, current	3,932	1,828	43	162
Claims liabilities, current	25,626	-	-	-
Certificates of participation, tax-exempt commercial paper, and loans payable, current	<u>1,239</u>	<u>-</u>	<u>-</u>	<u>18</u>
Total current liabilities	<u>38,332</u>	<u>2,712</u>	<u>332</u>	<u>681</u>
Noncurrent liabilities:				
Unearned revenue	249	188	-	-
Compensated absences, noncurrent	2,942	1,469	35	126
Claims liabilities, noncurrent	121,204	-	-	-
Certificates of participation, tax-exempt commercial paper, and loans payable, noncurrent	<u>11,147</u>	<u>-</u>	<u>-</u>	<u>223</u>
Total noncurrent liabilities	<u>135,542</u>	<u>1,657</u>	<u>35</u>	<u>349</u>
Total liabilities	<u>173,874</u>	<u>4,369</u>	<u>367</u>	<u>1,030</u>
<b><u>NET ASSETS</u></b>				
Invested in capital assets, net of related debt	44,773	862	10,041	20,465
Restricted for:				
Debt service	174	-	-	-
Unrestricted	<u>60,355</u>	<u>9,268</u>	<u>2,353</u>	<u>6,955</u>
Total net assets	<u>105,302</u>	<u>10,130</u>	<u>12,394</u>	<u>27,420</u>
Total liabilities and net assets	<u>\$ 279,176</u>	<u>\$ 14,499</u>	<u>\$ 12,761</u>	<u>\$ 28,450</u>

COUNTY OF VENTURA  
 COMBINING STATEMENT OF NET ASSETS  
 INTERNAL SERVICE FUNDS  
 JUNE 30, 2012  
 (In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services
\$ 155,926	\$ 16,968	\$ 11,747	\$ 4,089	\$ 473
1,610	223	761	169	281
267	830	2,516	6	1
-	29	4	-	-
118	839	868	-	-
-	-	174	-	-
<u>157,921</u>	<u>18,889</u>	<u>16,070</u>	<u>4,264</u>	<u>755</u>
191	-	-	-	-
770	-	-	-	-
-	2,401	449	-	-
-	1,208	-	-	-
-	2,312	2,219	-	-
35	29,096	5,806	8	-
59	3,707	406	369	-
(91)	(18,421)	(4,838)	(119)	-
<u>964</u>	<u>20,303</u>	<u>4,042</u>	<u>258</u>	<u>-</u>
<u>\$ 158,885</u>	<u>\$ 39,192</u>	<u>\$ 20,112</u>	<u>\$ 4,522</u>	<u>\$ 755</u>
704	1,535	1,962	103	14
257	24	113	14	5
-	10	1	-	-
25	434	289	365	6
69	1,008	737	73	12
25,439	-	-	187	-
-	983	238	-	-
<u>26,494</u>	<u>3,994</u>	<u>3,340</u>	<u>742</u>	<u>37</u>
-	-	25	-	36
52	561	667	32	-
121,204	-	-	-	-
-	9,857	1,067	-	-
<u>121,256</u>	<u>10,418</u>	<u>1,759</u>	<u>32</u>	<u>36</u>
<u>147,750</u>	<u>14,412</u>	<u>5,099</u>	<u>774</u>	<u>73</u>
773	9,463	2,911	258	-
-	-	174	-	-
10,362	15,317	11,928	3,490	682
<u>11,135</u>	<u>24,780</u>	<u>15,013</u>	<u>3,748</u>	<u>682</u>
<u>\$ 158,885</u>	<u>\$ 39,192</u>	<u>\$ 20,112</u>	<u>\$ 4,522</u>	<u>\$ 755</u>

**ASSETS**

Current assets:

Cash and investments
Receivables, net
Due from other funds
Due from other governmental agencies
Inventories and other assets
Restricted cash and investments
Total current assets

Noncurrent assets:

Long-term receivables
Capital assets
Nondepreciable:
Land
Construction in progress
Depreciable:
Land improvements
Structures and improvements
Equipment/Vehicles
Software
Less accumulated depreciation
Total noncurrent assets

Total assets

**LIABILITIES**

Current liabilities:

Accounts payable
Due to other funds
Due to other governmental agencies
Accrued liabilities
Compensated absences, current
Claims liabilities, current
Certificates of participation, tax-exempt commercial paper, and loans payable, current
Total current liabilities

Noncurrent liabilities:

Unearned revenue
Compensated absences, noncurrent
Claims liabilities, noncurrent
Certificates of participation, tax-exempt commercial paper, and loans payable, noncurrent
Total noncurrent liabilities

Total liabilities

**NET ASSETS**

Invested in capital assets, net of related debt

Restricted for:

Debt service

Unrestricted

Total net assets

Total liabilities and net assets

COUNTY OF VENTURA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
 (In Thousands)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
<b>Operating Revenues:</b>				
Charges for services	\$ 181,864	\$ 39,923	\$ 4,364	\$ 13,392
Rents and royalties	361	305	-	-
Miscellaneous	397	87	-	-
Total operating revenues	<u>182,622</u>	<u>40,315</u>	<u>4,364</u>	<u>13,392</u>
<b>Operating Expenses:</b>				
Salaries and benefits	76,547	34,591	772	2,420
Services and supplies	62,674	6,528	2,616	7,390
Insurance premiums	4,958	69	36	49
Provision for claims	25,880	-	-	-
Depreciation and amortization	7,134	73	1,014	3,226
Total operating expenses	<u>177,193</u>	<u>41,261</u>	<u>4,438</u>	<u>13,085</u>
Operating income (loss)	<u>5,429</u>	<u>(946)</u>	<u>(74)</u>	<u>307</u>
<b>Nonoperating revenues (expenses):</b>				
Gain from insurance recovery	487	-	21	224
Gain (loss) from sale (disposal) of capital assets	55	-	(1)	64
Interest and investment income	1,011	138	9	26
Interest expense	(84)	-	-	-
Total nonoperating revenues (expenses)	<u>1,469</u>	<u>138</u>	<u>29</u>	<u>314</u>
Net income (loss) before transfers	6,898	(808)	(45)	621
Transfers in	1,994	-	1,064	187
Transfers out	(22)	-	-	(22)
<b>Change in net assets</b>	8,870	(808)	1,019	786
Net assets - beginning	<u>96,432</u>	<u>10,938</u>	<u>11,375</u>	<u>26,634</u>
Net assets - ending	<u>\$ 105,302</u>	<u>\$ 10,130</u>	<u>\$ 12,394</u>	<u>\$ 27,420</u>

COUNTY OF VENTURA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
 (In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services	
\$ 34,845	\$ 38,002	\$ 41,620	\$ 8,714	\$ 1,004	<b>Operating Revenues:</b>
-	-	56	-	-	Charges for services
-	-	142	168	-	Rents and royalties
34,845	38,002	41,818	8,882	1,004	Miscellaneous
					Total operating revenues
1,321	20,288	15,390	1,457	308	<b>Operating Expenses:</b>
3,481	13,368	23,139	5,723	429	Salaries and benefits
4,406	101	287	9	1	Services and supplies
24,920	-	-	960	-	Insurance premiums
5	2,275	509	32	-	Provision for claims
34,133	36,032	39,325	8,181	738	Depreciation and amortization
					Total operating expenses
712	1,970	2,493	701	266	Operating income (loss)
-	242	-	-	-	<b>Nonoperating revenues (expenses):</b>
-	(11)	3	-	-	Gain from insurance recovery
695	72	47	22	2	Gain (loss) from sale (disposal) of capital assets
-	(18)	(66)	-	-	Interest and investment income
695	285	(16)	22	2	Interest expense
					Total nonoperating revenues (expenses)
1,407	2,255	2,477	723	268	Net income (loss) before transfers
-	713	-	30	-	Transfers in
-	-	-	-	-	Transfers out
1,407	2,968	2,477	753	268	<b>Change in net assets</b>
9,728	21,812	12,536	2,995	414	Net assets - beginning
\$ 11,135	\$ 24,780	\$ 15,013	\$ 3,748	\$ 682	Net assets - ending

COUNTY OF VENTURA  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
 (In Thousands)

	Total	Public Works Services	Heavy Equipment	Transportation
<b>Cash flows from operating activities:</b>				
Cash receipts from customers	\$ 13,669	\$ 178	\$ 35	\$ 755
Cash receipts from other funds	170,587	40,502	4,369	12,854
Cash receipts from other sources	139	-	-	-
Cash paid to suppliers for goods and services	(46,772)	(2,659)	(503)	(6,057)
Cash paid to employees for services	(76,217)	(34,492)	(762)	(2,394)
Cash paid to other funds	(18,932)	(3,995)	(2,102)	(1,661)
Cash paid for insurance premiums	(4,367)	-	-	-
Cash paid for judgments and claims	(28,447)	-	-	-
Net cash provided by (used in) operating activities	<u>9,660</u>	<u>(466)</u>	<u>1,037</u>	<u>3,497</u>
<b>Cash flows from noncapital financing activities:</b>				
Transfers received	<u>1,972</u>	<u>-</u>	<u>1,042</u>	<u>187</u>
Net cash provided by noncapital financing activities	<u>1,972</u>	<u>-</u>	<u>1,042</u>	<u>187</u>
<b>Cash flows from capital and related financing activities:</b>				
Proceeds from capital debt	1,197	-	-	-
Proceeds from insurance recovery	487	-	21	224
Acquisition and construction of capital assets	(11,648)	(233)	(2,484)	(5,865)
Principal paid on capital lease obligations	(20)	-	-	(20)
Principal paid on capital debt	(1,200)	-	-	-
Interest paid on capital debt	(84)	-	-	-
Proceeds from sales of capital assets	<u>1,151</u>	<u>-</u>	<u>295</u>	<u>853</u>
Net cash provided by (used in) capital and related financing activities	<u>(10,117)</u>	<u>(233)</u>	<u>(2,168)</u>	<u>(4,808)</u>
<b>Cash flows from investing activities:</b>				
Interest and investment income received	<u>1,011</u>	<u>141</u>	<u>11</u>	<u>30</u>
Net cash provided by investing activities	<u>1,011</u>	<u>141</u>	<u>11</u>	<u>30</u>
Net increase (decrease) in cash and cash equivalents	2,526	(558)	(78)	(1,094)
Total cash and cash equivalents, beginning of the year	<u>203,434</u>	<u>9,065</u>	<u>2,444</u>	<u>6,978</u>
Total cash and cash equivalents, end of the year	<u>\$ 205,960</u>	<u>\$ 8,507</u>	<u>\$ 2,366</u>	<u>\$ 5,884</u>

COUNTY OF VENTURA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services	
\$ 43	\$ 1,492	\$ 3,352	\$ 7,514	\$ 300	<b>Cash flows from operating activities:</b>
35,181	37,173	38,633	1,328	547	Cash receipts from customers
-	-	139	-	-	Cash receipts from other funds
(2,879)	(9,614)	(23,784)	(1,081)	(195)	Cash receipts from other sources
(1,312)	(20,098)	(15,301)	(1,553)	(305)	Cash paid to suppliers for goods and services
(989)	(3,456)	(1,886)	(4,608)	(235)	Cash paid to employees for services
(4,367)	-	-	-	-	Cash paid to other funds
(27,410)	-	-	(1,037)	-	Cash paid for insurance premiums
(1,733)	5,497	1,153	563	112	Cash paid for judgments and claims
					Net cash provided by (used in) operating activities
					<b>Cash flows from noncapital financing activities:</b>
-	713	-	30	-	Transfers received
					Net cash provided by noncapital financing activities
-	713	-	30	-	
					<b>Cash flows from capital and related financing activities:</b>
-	1,197	-	-	-	Proceeds from capital debt
-	242	-	-	-	Proceeds from insurance recovery
-	(2,673)	(390)	(3)	-	Acquisition and construction of capital assets
-	-	-	-	-	Principal paid on capital lease obligations
-	(935)	(265)	-	-	Principal paid on capital debt
-	(18)	(66)	-	-	Interest paid on capital debt
-	-	3	-	-	Proceeds from sales of capital assets
					Net cash provided by (used in) capital and related financing activities
-	(2,187)	(718)	(3)	-	
					<b>Cash flows from investing activities:</b>
694	67	46	20	2	Interest and investment income received
694	67	46	20	2	Net cash provided by investing activities
(1,039)	4,090	481	610	114	Net increase (decrease) in cash and cash equivalents
156,965	12,878	11,266	3,479	359	Total cash and cash equivalents, beginning of the year
<u>\$ 155,926</u>	<u>\$ 16,968</u>	<u>\$ 11,747</u>	<u>\$ 4,089</u>	<u>\$ 473</u>	Total cash and cash equivalents, end of the year

COUNTY OF VENTURA  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
 (In Thousands)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
<b>Reconciliation of operating income (loss) to net cash Provided (used) by operating activities:</b>				
Operating income (loss)	\$ 5,429	\$ (946)	\$ (74)	\$ 307
Adjustments to reconcile operating income (loss) to cash flows from operating activities:				
Depreciation and amortization	7,134	73	1,014	3,226
Decrease (increase) in:				
Accounts receivable	(1,065)	(102)	(1)	199
Due from other funds	587	558	42	18
Due from other governmental agencies	(12)	(37)	-	1
Inventories and other assets	(558)	(66)	-	(59)
Increase (decrease) in:				
Accounts payable	250	38	101	128
Accrued liabilities	334	177	3	15
Due to other funds	(610)	(27)	(54)	(199)
Due to other governmental agencies	8	-	-	-
Unearned revenue	(22)	(55)	-	-
Claims liabilities	(1,700)	-	-	-
Deposits and other liabilities	(150)	-	-	(150)
Compensated absences	35	(79)	6	11
Net cash provided by (used in) operating activities	<u>\$ 9,660</u>	<u>\$ (466)</u>	<u>\$ 1,037</u>	<u>\$ 3,497</u>
 <b>Noncash financing, capital, and investing activities:</b>				
Increase (decrease) in capital assets related to accounts payable	\$ (981)	\$ -	\$ 91	\$ (2)
Noncash retirement of capital assets	(1,201)	-	(365)	(810)
Increase (decrease) in fair value of investments	(5)	2	1	2
Increase (decrease) in transfers receivable	-	-	(22)	22

COUNTY OF VENTURA  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
 (In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services	
\$ 712	\$ 1,970	\$ 2,493	\$ 701	\$ 266	<b>Reconciliation of operating income (loss) to net cash Provided (used) by operating activities:</b>
					Operating income (loss)
					Adjustments to reconcile operating income (loss) to cash flows from operating activities:
					Depreciation and amortization
					Decrease (increase) in:
5	2,275	509	32	-	Accounts receivable
(1,000)	100	(28)	(39)	(194)	Due from other funds
380	453	(863)	(1)	-	Due from other governmental agencies
-	9	15	-	-	Inventories and other assets
(44)	(65)	(324)	-	-	Increase (decrease) in:
					Accounts payable
159	528	(744)	36	4	Accrued liabilities
9	157	79	(107)	1	Due to other funds
(330)	(12)	8	6	(2)	Due to other governmental agencies
-	10	(2)	-	-	Unearned revenue
-	(3)	-	-	36	Claims liabilities
(1,624)	-	-	(76)	-	Deposits and other liabilities
-	-	-	-	-	Compensated absences
-	75	10	11	1	Net cash provided by (used in) operating activities
\$ (1,733)	\$ 5,497	\$ 1,153	\$ 563	\$ 112	
\$ -	\$ (1,075)	\$ 5	\$ -	\$ -	<b>Noncash financing, capital, and investing activities:</b>
-	(22)	(4)	-	-	Increase (decrease) in capital assets related accounts payable
-	(7)	(1)	(2)	-	Noncash retirement of capital assets
-	-	-	-	-	Increase (decrease) in fair value of investments
-	-	-	-	-	Increase (decrease) in transfers receivable

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