

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 POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2014
 (In Thousands)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
ASSETS				
Current assets:				
Cash and investments	\$ 201,406	\$ 6,989	\$ 3,659	\$ 6,581
Receivables, net	3,184	240	22	199
Due from other funds	10,343	4,653	749	2,232
Due from other governmental agencies	104	73	-	11
Inventories and other assets	3,073	51	-	516
Restricted cash and investments	592	-	-	-
Total current assets	<u>218,702</u>	<u>12,006</u>	<u>4,430</u>	<u>9,539</u>
Noncurrent assets:				
Long-term receivables	191	-	-	-
Advances to other funds	20,000	-	-	-
Capital assets:				
Nondepreciable:				
Land	770	-	-	-
Construction in progress	2,462	85	-	229
Depreciable:				
Land improvements	1,208	-	-	-
Structures and improvements	10,200	722	9	869
Equipment/Vehicles	90,596	576	17,643	37,819
Software	12,308	975	-	5
Less accumulated depreciation	<u>(53,302)</u>	<u>(1,079)</u>	<u>(8,045)</u>	<u>(18,337)</u>
Total noncurrent assets	<u>84,433</u>	<u>1,279</u>	<u>9,607</u>	<u>20,585</u>
Total assets	<u>\$ 303,135</u>	<u>\$ 13,285</u>	<u>\$ 14,037</u>	<u>\$ 30,124</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 6,743	\$ 110	\$ 44	\$ 619
Due to other funds	1,617	196	311	196
Accrued liabilities	5,697	825	19	67
Compensated absences, current	3,702	1,695	40	133
Claims liabilities, current	15,658	-	-	-
Certificates of participation, tax-exempt commercial paper, and loans payable, current	1,399	-	-	19
Total current liabilities	<u>34,816</u>	<u>2,826</u>	<u>414</u>	<u>1,034</u>
Noncurrent liabilities:				
Unearned revenue	404	379	-	-
Compensated absences, noncurrent	2,858	1,398	22	98
Claims liabilities, noncurrent	127,094	-	-	-
Certificates of participation, tax-exempt commercial paper, and loans payable, noncurrent	12,500	-	-	182
Total noncurrent liabilities	<u>142,856</u>	<u>1,777</u>	<u>22</u>	<u>280</u>
Total liabilities	<u>177,672</u>	<u>4,603</u>	<u>436</u>	<u>1,314</u>
NET POSITION				
Net investment in capital assets	50,343	1,279	9,607	20,384
Restricted for:				
Debt service	592	-	-	-
Unrestricted	74,528	7,403	3,994	8,426
Total net position	<u>125,463</u>	<u>8,682</u>	<u>13,601</u>	<u>28,810</u>
Total liabilities and net position	<u>\$ 303,135</u>	<u>\$ 13,285</u>	<u>\$ 14,037</u>	<u>\$ 30,124</u>

COUNTY OF VENTURA
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2014
 (In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services
\$ 148,063	\$ 18,253	\$ 12,986	\$ 4,176	\$ 699
696	122	1,671	184	50
158	789	1,756	5	1
-	9	11	-	-
32	1,522	952	-	-
-	418	174	-	-
<u>148,949</u>	<u>21,113</u>	<u>17,550</u>	<u>4,365</u>	<u>750</u>
191	-	-	-	-
20,000	-	-	-	-
770	-	-	-	-
-	1,779	369	-	-
-	1,208	-	-	-
-	2,312	6,288	-	-
-	28,457	6,093	8	-
59	10,260	640	369	-
(59)	(19,889)	(5,704)	(189)	-
<u>20,961</u>	<u>24,127</u>	<u>7,686</u>	<u>188</u>	<u>-</u>
<u>\$ 169,910</u>	<u>\$ 45,240</u>	<u>\$ 25,236</u>	<u>\$ 4,553</u>	<u>\$ 750</u>
818	2,088	2,888	159	17
738	56	115	2	3
31	3,956	390	403	6
72	964	708	77	13
15,461	-	-	197	-
-	952	428	-	-
<u>17,120</u>	<u>8,016</u>	<u>4,529</u>	<u>838</u>	<u>39</u>
-	-	25	-	-
33	625	641	41	-
127,094	-	-	-	-
-	9,341	2,977	-	-
<u>127,127</u>	<u>9,966</u>	<u>3,643</u>	<u>41</u>	<u>-</u>
<u>144,247</u>	<u>17,982</u>	<u>8,172</u>	<u>879</u>	<u>39</u>
770	13,834	4,281	188	-
-	418	174	-	-
<u>24,893</u>	<u>13,006</u>	<u>12,609</u>	<u>3,486</u>	<u>711</u>
<u>25,663</u>	<u>27,258</u>	<u>17,064</u>	<u>3,674</u>	<u>711</u>
<u>\$ 169,910</u>	<u>\$ 45,240</u>	<u>\$ 25,236</u>	<u>\$ 4,553</u>	<u>\$ 750</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	750

Noncurrent assets:

Long-term receivables	
Advances to other funds	

Capital assets:

Nondepreciable:

Land	
Construction in progress	

Depreciable:

Land improvements	
Structures and improvements	
Equipment/Vehicles	
Software	
Less accumulated depreciation	
Total noncurrent assets	
Total assets	750

LIABILITIES

Current liabilities:

Accounts payable	
Due to other funds	
Accrued liabilities	
Compensated absences, current	
Claims liabilities, current	
Certificates of participation, tax-exempt commercial paper, and loans payable, current	
Total current liabilities	39

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	39

NET POSITION

Net investment in capital assets	
Restricted for:	
Debt service	
Unrestricted	
Total net position	711
Total liabilities and net position	750

COUNTY OF VENTURA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014
 (In Thousands)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
Operating Revenues:				
Charges for services	\$ 185,845	\$ 40,056	\$ 4,316	\$ 12,993
Rents and royalties	269	212	-	-
Miscellaneous	305	72	-	-
Total operating revenues	<u>186,419</u>	<u>40,340</u>	<u>4,316</u>	<u>12,993</u>
Operating Expenses:				
Salaries and benefits	77,512	34,643	731	2,200
Services and supplies	66,280	6,285	2,176	7,430
Insurance premiums	5,479	76	57	39
Provision for claims	16,223	-	-	-
Depreciation and amortization	8,302	103	1,066	3,523
Total operating expenses	<u>173,796</u>	<u>41,107</u>	<u>4,030</u>	<u>13,192</u>
Operating income (loss)	<u>12,623</u>	<u>(767)</u>	<u>286</u>	<u>(199)</u>
Nonoperating revenues (expenses):				
State and federal grants	1	-	-	-
Gain from insurance recovery	445	-	25	419
Gain (loss) from sale (disposal) of capital assets	(145)	-	23	11
Interest and investment income	646	35	6	10
Interest expense	(310)	-	-	-
Total nonoperating revenues (expenses)	<u>637</u>	<u>35</u>	<u>54</u>	<u>440</u>
Net income (loss) before transfers	13,260	(732)	340	241
Transfers in	1,642	103	464	65
Transfers out	(33)	-	-	(1)
Change in net position	14,869	(629)	804	305
Net position - beginning	<u>110,594</u>	<u>9,311</u>	<u>12,797</u>	<u>28,505</u>
Net position - ending	<u>\$ 125,463</u>	<u>\$ 8,682</u>	<u>\$ 13,601</u>	<u>\$ 28,810</u>

COUNTY OF VENTURA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014
 (In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services	
\$ 39,118	\$ 36,787	\$ 43,270	\$ 8,780	\$ 525	Operating Revenues:
-	-	57	-	-	Charges for services
-	-	171	62	-	Rents and royalties
39,118	36,787	43,498	8,842	525	Miscellaneous
					Total operating revenues
1,219	20,455	16,373	1,648	243	Operating Expenses:
3,672	13,957	25,972	6,335	453	Salaries and benefits
4,948	141	207	9	2	Services and supplies
15,461	-	-	762	-	Insurance premiums
-	2,873	702	35	-	Provision for claims
25,300	37,426	43,254	8,789	698	Depreciation and amortization
					Total operating expenses
13,818	(639)	244	53	(173)	Operating income (loss)
-	-	1	-	-	Nonoperating revenues (expenses):
-	-	1	-	-	State and federal grants
-	(152)	(27)	-	-	Gain from insurance recovery
487	57	36	12	3	Gain (loss) from sale (disposal) of capital assets
-	(262)	(48)	-	-	Interest and investment income
487	(357)	(37)	12	3	Interest expense
					Total nonoperating revenues (expenses)
14,305	(996)	207	65	(170)	Net income (loss) before transfers
8	830	142	30	-	Transfers in
-	-	(32)	-	-	Transfers out
14,313	(166)	317	95	(170)	Change in net position
11,350	27,424	16,747	3,579	881	Net position - beginning
\$ 25,663	\$ 27,258	\$ 17,064	\$ 3,674	\$ 711	Net position - ending

COUNTY OF VENTURA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014
 (In Thousands)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
Cash flows from operating activities:				
Cash receipts from customers	\$ 14,026	\$ 204	\$ 52	\$ 457
Cash receipts from other funds	176,243	40,678	3,818	11,658
Cash receipts from other sources	171	-	-	-
Cash paid to suppliers for goods and services	(51,260)	(1,758)	(1,021)	(6,052)
Cash paid to employees for services	(77,235)	(34,511)	(726)	(2,203)
Cash paid to other funds	(21,683)	(4,547)	(1,500)	(1,330)
Cash paid for insurance premiums	(4,835)	-	-	-
Cash paid for judgments and claims	(23,881)	-	-	-
Net cash provided by (used in) operating activities	<u>11,546</u>	<u>66</u>	<u>623</u>	<u>2,530</u>
Cash flows from noncapital financing activities:				
Transfers received	1,643	103	464	65
Transfers paid	(33)	-	-	(1)
Net cash provided by (used in) noncapital financing activities	<u>1,610</u>	<u>103</u>	<u>464</u>	<u>64</u>
Cash flows from capital and related financing activities:				
Proceeds from capital debt	358	-	-	-
Proceeds from insurance recovery	445	-	25	419
Acquisition and construction of capital assets	(8,959)	(175)	(746)	(3,084)
Principal paid on capital lease obligations	(20)	-	-	(20)
Principal paid on capital debt	(1,205)	-	-	-
Interest paid on capital debt	(433)	-	-	-
Proceeds from sales of capital assets	685	-	83	600
Net cash provided by (used in) capital and related financing activities	<u>(9,129)</u>	<u>(175)</u>	<u>(638)</u>	<u>(2,085)</u>
Cash flows from investing activities:				
Interest and investment income received	790	40	8	14
Net cash provided by investing activities	<u>790</u>	<u>40</u>	<u>8</u>	<u>14</u>
Net increase (decrease) in cash and cash equivalents	4,817	34	457	523
Total cash and cash equivalents, beginning of the year	196,589	6,955	3,202	6,058
Total cash and cash equivalents, end of the year	<u>\$ 201,406</u>	<u>\$ 6,989</u>	<u>\$ 3,659</u>	<u>\$ 6,581</u>

COUNTY OF VENTURA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014
 (In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services	
\$ 48	\$ 1,280	\$ 3,601	\$ 7,994	\$ 390	Cash flows from operating activities:
40,038	35,216	43,866	842	127	Cash receipts from customers
-	-	171	-	-	Cash receipts from other funds
(3,045)	(10,079)	(27,591)	(1,509)	(205)	Cash receipts from other sources
(1,217)	(20,391)	(16,361)	(1,576)	(250)	Cash paid to suppliers for goods and services
(1,389)	(3,106)	(4,739)	(4,811)	(261)	Cash paid to employees for services
(4,835)	-	-	-	-	Cash paid to other funds
(23,135)	-	-	(746)	-	Cash paid for insurance premiums
<u>6,465</u>	<u>2,920</u>	<u>(1,053)</u>	<u>194</u>	<u>(199)</u>	Cash paid for judgments and claims
					Net cash provided by (used in) operating activities
8	830	143	30	-	Cash flows from noncapital financing activities:
-	-	(32)	-	-	Transfers received
					Transfers paid
<u>8</u>	<u>830</u>	<u>111</u>	<u>30</u>	<u>-</u>	Net cash provided by (used in) noncapital financing activities
-	-	358	-	-	Cash flows from capital and related financing activities:
-	-	1	-	-	Proceeds from capital debt
-	(4,302)	(652)	-	-	Proceeds from insurance recovery
-	-	-	-	-	Acquisition and construction of capital assets
-	(800)	(405)	-	-	Principal paid on capital lease obligations
-	(385)	(48)	-	-	Principal paid on capital debt
-	-	2	-	-	Interest paid on capital debt
<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>-</u>	Proceeds from sales of capital assets
<u>-</u>	<u>(5,487)</u>	<u>(744)</u>	<u>-</u>	<u>-</u>	Net cash provided by (used in) capital and related financing activities
596	72	43	14	3	Cash flows from investing activities:
<u>596</u>	<u>72</u>	<u>43</u>	<u>14</u>	<u>3</u>	Interest and investment income received
					Net cash provided by investing activities
7,069	(1,665)	(1,643)	238	(196)	Net increase (decrease) in cash and cash equivalents
140,994	19,918	14,629	3,938	895	Total cash and cash equivalents, beginning of the year
<u>\$ 148,063</u>	<u>\$ 18,253</u>	<u>\$ 12,986</u>	<u>\$ 4,176</u>	<u>\$ 699</u>	Total cash and cash equivalents, end of the year

(Continued)

COUNTY OF VENTURA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014
 (In Thousands)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
Reconciliation of operating income (loss) to net cash Provided (used) by operating activities:				
Operating income (loss)	\$ 12,623	\$ (767)	\$ 286	\$ (199)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:				
Depreciation and amortization	8,302	103	1,066	3,523
Decrease (increase) in:				
Accounts receivable	(345)	(201)	16	152
Due from other funds	(1,567)	632	(462)	(1,023)
Due from other governmental agencies	(2)	11	-	(6)
Inventories and other assets	(829)	66	-	(23)
Increase (decrease) in:				
Accounts payable	457	(35)	(450)	58
Accrued liabilities	150	113	3	11
Due to other funds	600	29	162	47
Unearned revenue	96	100	-	-
Claims liabilities	(7,890)	-	-	-
Compensated absences	(49)	15	2	(10)
Net cash provided by (used in) operating activities	<u>\$ 11,546</u>	<u>\$ 66</u>	<u>\$ 623</u>	<u>\$ 2,530</u>
 Noncash financing, capital, and investing activities:				
Capital additions funded by debt	\$ 358	\$ -	\$ -	\$ -
Increase (decrease) in capital assets related to accounts payable	2,749	-	(259)	25
Noncash retirement of capital assets	(861)	-	(60)	(616)
Increase in fair value of investments	144	5	3	4

COUNTY OF VENTURA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014
 (In Thousands)

<u>General Insurance</u>	<u>Information Technology Services</u>	<u>General Services</u>	<u>Employee Benefits Insurance</u>	<u>Personnel Services</u>	
\$ 13,818	\$ (639)	\$ 244	\$ 53	\$ (173)	Reconciliation of operating income (loss) to net cash provided (used) by operating activities:
					Operating income (loss)
					Adjustments to reconcile operating income (loss) to cash flows from operating activities:
					Depreciation and amortization
					Decrease (increase) in:
					Accounts receivable
					Due from other funds
					Due from other governmental agencies
					Inventories and other assets
					Increase (decrease) in:
					Accounts payable
					Accrued liabilities
					Due to other funds
					Unearned revenue
					Claims liabilities
					Compensated absences
					Net cash provided by (used in) operating activities
<u>\$ 6,465</u>	<u>\$ 2,920</u>	<u>\$ (1,053)</u>	<u>\$ 194</u>	<u>\$ (199)</u>	
					Noncash financing, capital, and investing activities:
					Capital additions funded by debt
					Increase (decrease) in capital assets related accounts payable
					Noncash retirement of capital assets
					Increase in fair value of investments
\$ -	\$ -	\$ 358	\$ -	\$ -	
-	3,338	(355)	-	-	
-	(152)	(33)	-	-	
109	12	7	3	1	

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