

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, 2019
(In Thousands)

	Total	Public Works Services	Heavy Equipment	Transportation
ASSETS				
Current assets:				
Cash and investments	\$ 276,712	\$ 18,404	\$ 11,150	\$ 7,274
Receivables, net	6,486	194	246	327
Due from other funds	5,552	137	326	1,308
Inventories and other assets	4,737	-	-	655
Restricted cash and investments	418	-	-	-
Total current assets	<u>293,905</u>	<u>18,735</u>	<u>11,722</u>	<u>9,564</u>
Noncurrent assets:				
Long-term receivables	106	-	-	-
Capital assets:				
Nondepreciable:				
Land	770	-	-	-
Construction in progress	241	127	-	41
Depreciable:				
Land improvements	1,327	119	-	-
Structures and improvements	18,195	722	9	869
Equipment/Vehicles	108,610	660	17,560	56,065
Software	22,402	1,375	-	461
Less accumulated depreciation	<u>(77,120)</u>	<u>(1,839)</u>	<u>(11,342)</u>	<u>(30,532)</u>
Total noncurrent assets	<u>74,531</u>	<u>1,164</u>	<u>6,227</u>	<u>26,904</u>
Total assets	<u>368,436</u>	<u>19,899</u>	<u>17,949</u>	<u>36,468</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pensions	22,568	9,847	220	780
Total deferred outflows of resources	<u>22,568</u>	<u>9,847</u>	<u>220</u>	<u>780</u>
Total assets and deferred outflows of resources	<u>\$ 391,004</u>	<u>\$ 29,746</u>	<u>\$ 18,169</u>	<u>\$ 37,248</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 9,167	\$ 163	\$ 7	\$ 527
Due to other funds	1,525	138	122	550
Accrued liabilities	4,137	1,698	42	149
Compensated absences, current	4,577	2,064	48	160
Claims liabilities, current	33,021	-	-	-
Lease revenue bonds and notes, current	1,289	-	-	20
Other long-term liabilities, current	381	-	-	-
Total current liabilities	<u>54,097</u>	<u>4,063</u>	<u>219</u>	<u>1,406</u>
Noncurrent liabilities:				
Unearned revenue	818	213	-	-
Advances from other funds	2,439	-	-	2,439
Compensated absences, noncurrent	3,372	1,774	36	141
Net pension liability	42,996	18,764	418	1,494
Claims liabilities, noncurrent	141,336	-	-	-
Lease revenue bonds and notes, noncurrent	5,773	-	-	83
Other long-term liabilities, noncurrent	11,902	-	-	-
Total noncurrent liabilities	<u>208,636</u>	<u>20,751</u>	<u>454</u>	<u>4,157</u>
Total liabilities	<u>262,733</u>	<u>24,814</u>	<u>673</u>	<u>5,563</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pensions	7,124	3,108	70	245
Total deferred inflows of resources	<u>7,124</u>	<u>3,108</u>	<u>70</u>	<u>245</u>
NET POSITION				
Net investment in capital assets	55,080	1,164	6,227	26,801
Restricted for:				
Debt service	418	-	-	-
Unrestricted	65,649	660	11,199	4,639
Total net position	<u>121,147</u>	<u>1,824</u>	<u>17,426</u>	<u>31,440</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 391,004</u>	<u>\$ 29,746</u>	<u>\$ 18,169</u>	<u>\$ 37,248</u>

COUNTY OF VENTURA
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2019
 (In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services
\$ 199,574	\$ 15,349	\$ 19,289	\$ 5,499	\$ 173
3,218	233	1,607	519	142
103	568	3,106	3	1
778	2,617	687	-	-
-	418	-	-	-
<u>203,673</u>	<u>19,185</u>	<u>24,689</u>	<u>6,021</u>	<u>316</u>
97	9	-	-	-
770	-	-	-	-
-	27	-	46	-
-	1,208	-	-	-
-	2,253	14,342	-	-
-	26,664	7,653	8	-
-	19,602	842	122	-
-	(23,585)	(9,770)	(52)	-
<u>867</u>	<u>26,178</u>	<u>13,067</u>	<u>124</u>	<u>-</u>
<u>204,540</u>	<u>45,363</u>	<u>37,756</u>	<u>6,145</u>	<u>316</u>
373	6,205	4,590	479	74
<u>373</u>	<u>6,205</u>	<u>4,590</u>	<u>479</u>	<u>74</u>
<u>\$ 204,913</u>	<u>\$ 51,568</u>	<u>\$ 42,346</u>	<u>\$ 6,624</u>	<u>\$ 390</u>
\$ 1,513	\$ 619	\$ 5,934	\$ 381	\$ 23
566	36	96	15	2
68	1,052	835	280	13
105	1,201	869	118	12
32,878	-	-	143	-
-	1,097	172	-	-
-	381	-	-	-
<u>35,130</u>	<u>4,386</u>	<u>7,906</u>	<u>937</u>	<u>50</u>
-	15	590	-	-
-	-	-	-	-
43	638	673	67	-
708	11,799	8,748	924	141
141,336	-	-	-	-
-	4,164	1,526	-	-
-	11,902	-	-	-
<u>142,087</u>	<u>28,518</u>	<u>11,537</u>	<u>991</u>	<u>141</u>
<u>177,217</u>	<u>32,904</u>	<u>19,443</u>	<u>1,928</u>	<u>191</u>
118	1,962	1,448	149	24
<u>118</u>	<u>1,962</u>	<u>1,448</u>	<u>149</u>	<u>24</u>
770	8,625	11,369	124	-
-	418	-	-	-
<u>26,808</u>	<u>7,659</u>	<u>10,086</u>	<u>4,423</u>	<u>175</u>
<u>27,578</u>	<u>16,702</u>	<u>21,455</u>	<u>4,547</u>	<u>175</u>
<u>\$ 204,913</u>	<u>\$ 51,568</u>	<u>\$ 42,346</u>	<u>\$ 6,624</u>	<u>\$ 390</u>

ASSETS

Current assets:
 Cash and investments
 Receivables, net
 Due from other funds
 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

DEFERRED OUTFLOWS OF RESOURCES

Deferred pensions
 Total deferred outflows of resources
 Total assets and deferred outflows of resources

LIABILITIES

Current liabilities:
 Accounts payable
 Due to other funds
 Accrued liabilities
 Compensated absences, current
 Claims liabilities, current
 Lease revenue bonds and notes, current
 Other long-term liabilities, current
 Total current liabilities

Noncurrent liabilities:
 Unearned revenue
 Advances from other funds
 Compensated absences, noncurrent
 Net pension liability
 Claims liabilities, noncurrent
 Lease revenue bonds and notes, noncurrent
 Other long-term liabilities, noncurrent
 Total noncurrent liabilities
 Total liabilities

DEFERRED INFLOWS OF RESOURCES

Deferred pensions
 Total deferred inflows of resources

NET POSITION

Net investment in capital assets
 Restricted for:
 Debt service
 Unrestricted

Total net position

Total liabilities, deferred inflows of resources, and net position

COUNTY OF VENTURA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019
 (In Thousands)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
Operating Revenues:				
Charges for services	\$ 247,846	\$ 50,413	\$ 3,854	\$ 16,016
Rents and royalties	36	36	-	-
Miscellaneous	1,248	11	40	-
Total operating revenues	<u>249,130</u>	<u>50,460</u>	<u>3,894</u>	<u>16,016</u>
Operating Expenses:				
Salaries and benefits	90,770	39,497	918	3,147
Services and supplies	96,131	7,023	2,282	7,786
Insurance premiums	6,632	186	31	36
Provision for claims	33,467	-	-	-
Depreciation and amortization	11,517	205	1,041	4,931
Total operating expenses	<u>238,517</u>	<u>46,911</u>	<u>4,272</u>	<u>15,900</u>
Operating income (loss)	<u>10,613</u>	<u>3,549</u>	<u>(378)</u>	<u>116</u>
Nonoperating revenues (expenses):				
State and federal grants	27	10	2	-
Gain from insurance recovery	553	-	46	463
Gain (loss) from sale (disposal) of capital assets	(27)	-	(66)	48
Interest and investment income	7,125	440	260	193
Interest expense	(232)	-	-	(74)
Total nonoperating revenues (expenses)	<u>7,446</u>	<u>450</u>	<u>242</u>	<u>630</u>
Income (loss) before capital contributions and transfers	18,059	3,999	(136)	746
Capital grants and contributions	306	-	-	-
Transfers in	3,201	85	1,086	1,187
Transfers out	(1,352)	-	-	(1,086)
Change in net position	20,214	4,084	950	847
Net position (deficit) - beginning	<u>100,933</u>	<u>(2,260)</u>	<u>16,476</u>	<u>30,593</u>
Net position - ending	<u>\$ 121,147</u>	<u>\$ 1,824</u>	<u>\$ 17,426</u>	<u>\$ 31,440</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, 2019
(In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services	
\$ 48,322	\$ 44,647	\$ 71,281	\$ 12,669	\$ 644	Operating Revenues:
-	-	-	-	-	Charges for services
937	-	207	53	-	Rents and royalties
49,259	44,647	71,488	12,722	644	Miscellaneous
					Total operating revenues
1,586	23,848	19,363	2,112	299	Operating Expenses:
4,749	15,928	48,518	9,500	345	Salaries and benefits
5,925	146	299	8	1	Services and supplies
32,878	-	-	589	-	Insurance premiums
-	4,357	973	10	-	Provision for claims
45,138	44,279	69,153	12,219	645	Depreciation and amortization
					Total operating expenses
4,121	368	2,335	503	(1)	Operating income (loss)
-	15	-	-	-	Nonoperating revenues (expenses):
-	-	44	-	-	State and federal grants
-	(13)	4	-	-	Gain from insurance recovery
5,174	442	468	141	7	Gain (loss) from sale (disposal) of capital assets
-	(116)	(42)	-	-	Interest and investment income
5,174	328	474	141	7	Interest expense
					Total nonoperating revenues (expenses)
9,295	696	2,809	644	6	Income (loss) before capital contributions and transfers
-	-	306	-	-	Capital grants and contributions
-	813	-	30	-	Transfers in
(100)	(166)	-	-	-	Transfers out
9,195	1,343	3,115	674	6	Change in net position
18,383	15,359	18,340	3,873	169	Net position (deficit) - beginning
\$ 27,578	\$ 16,702	\$ 21,455	\$ 4,547	\$ 175	Net position - ending

COUNTY OF VENTURA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019
 (In Thousands)

	Total	Public Works Services	Heavy Equipment	Transportation
Cash flows from operating activities:				
Cash receipts from customers	\$ 17,693	\$ 426	\$ 42	\$ 268
Cash receipts from other funds	231,685	50,108	3,874	15,807
Cash receipts from other sources	1,512	-	40	-
Cash paid to suppliers for goods and services	(71,957)	(1,723)	(645)	(6,320)
Cash paid to employees for services	(95,144)	(41,402)	(966)	(3,252)
Cash paid to other funds	(24,480)	(5,505)	(1,775)	(1,494)
Cash paid for insurance premiums	(5,659)	-	-	-
Cash paid for judgments and claims	(35,989)	-	-	-
Net cash provided by (used in) operating activities	<u>17,661</u>	<u>1,904</u>	<u>570</u>	<u>5,009</u>
Cash flows from noncapital financing activities:				
Transfers received	1,929	-	1,086	-
Transfers paid	(1,352)	-	-	(1,086)
Advances from other funds	(369)	-	-	(369)
State and federal grant receipts	40	10	2	-
Net cash provided by (used in) noncapital financing activities	<u>248</u>	<u>10</u>	<u>1,088</u>	<u>(1,455)</u>
Cash flows from capital and related financing activities:				
Transfers received	1,250	85	-	1,165
Proceeds from capital grants and contributions	306	-	-	-
Proceeds from insurance recovery	553	-	46	463
Acquisition and construction of capital assets	(12,246)	(92)	(204)	(5,019)
Principal paid on capital debt	(1,133)	-	-	(19)
Interest paid on capital debt	(335)	-	-	(55)
Proceeds from sales of capital assets	261	-	38	219
Net cash provided by (used in) capital and related financing activities	<u>(11,344)</u>	<u>(7)</u>	<u>(120)</u>	<u>(3,246)</u>
Cash flows from investing activities:				
Interest and investment income received	6,103	375	223	151
Net cash provided by investing activities	<u>6,103</u>	<u>375</u>	<u>223</u>	<u>151</u>
Net increase (decrease) in cash and cash equivalents	12,668	2,282	1,761	459
Total cash and cash equivalents, beginning of the year	264,044	16,122	9,389	6,815
Total cash and cash equivalents, end of the year	<u>\$ 276,712</u>	<u>\$ 18,404</u>	<u>\$ 11,150</u>	<u>\$ 7,274</u>

COUNTY OF VENTURA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019
 (In Thousands)

<u>General Insurance</u>	<u>Information Technology Services</u>	<u>General Services</u>	<u>Employee Benefits Insurance</u>	<u>Personnel Services</u>	
\$ 56	\$ 1,259	\$ 3,861	\$ 11,301	\$ 480	Cash flows from operating activities:
49,103	44,180	67,093	1,460	60	Cash receipts from customers
1,265	-	207	-	-	Cash receipts from other funds
(3,599)	(14,500)	(42,520)	(2,445)	(205)	Cash receipts from other sources
(1,667)	(24,980)	(20,122)	(2,448)	(307)	Cash paid to suppliers for goods and services
(2,356)	(1,724)	(4,462)	(6,986)	(178)	Cash paid to employees for services
(5,659)	-	-	-	-	Cash paid to other funds
<u>(35,409)</u>	<u>-</u>	<u>-</u>	<u>(580)</u>	<u>-</u>	Cash paid for insurance premiums
<u>1,734</u>	<u>4,235</u>	<u>4,057</u>	<u>302</u>	<u>(150)</u>	Cash paid for judgments and claims
					Net cash provided by (used in) operating activities
-	813	-	30	-	Cash flows from noncapital financing activities:
(100)	(166)	-	-	-	Transfers received
-	-	-	-	-	Transfers paid
-	-	-	-	-	Advances from other funds
-	15	13	-	-	State and federal grant receipts
<u>(100)</u>	<u>662</u>	<u>13</u>	<u>30</u>	<u>-</u>	Net cash provided by (used in) noncapital financing activities
-	-	-	-	-	Cash flows from capital and related financing activities:
-	-	306	-	-	Transfers received
-	-	44	-	-	Proceeds from capital grants and contributions
-	(6,397)	(488)	(46)	-	Proceeds from insurance recovery
-	(945)	(169)	-	-	Acquisition and construction of capital assets
-	(238)	(42)	-	-	Principal paid on capital debt
-	-	4	-	-	Interest paid on capital debt
-	-	-	-	-	Proceeds from sales of capital assets
<u>-</u>	<u>(7,580)</u>	<u>(345)</u>	<u>(46)</u>	<u>-</u>	Net cash provided by (used in) capital and related financing activities
<u>4,463</u>	<u>388</u>	<u>378</u>	<u>120</u>	<u>5</u>	Cash flows from investing activities:
<u>4,463</u>	<u>388</u>	<u>378</u>	<u>120</u>	<u>5</u>	Interest and investment income received
					Net cash provided by investing activities
6,097	(2,295)	4,103	406	(145)	Net increase (decrease) in cash and cash equivalents
193,477	17,644	15,186	5,093	318	Total cash and cash equivalents, beginning of the year
<u>\$ 199,574</u>	<u>\$ 15,349</u>	<u>\$ 19,289</u>	<u>\$ 5,499</u>	<u>\$ 173</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, 2019
 (In Thousands)
 (Continued)

	<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)	\$ 10,613	\$ 3,549	\$ (378)	\$ 116
Adjustments to reconcile operating income (loss) to cash flows from operating activities:				
Depreciation and amortization	11,517	205	1,041	4,931
Decrease (increase) in:				
Accounts receivable	82	(17)	6	(182)
Due from other funds	209	104	68	175
Due from other governmental agencies	(477)	(54)	(11)	65
Inventories and other assets	(13)	-	-	(75)
Deferred outflow pension	(4,684)	(1,982)	(50)	(150)
Increase (decrease) in:				
Accounts payable	894	8	1	121
Accrued liabilities	115	174	2	19
Due to other funds	(3,475)	(26)	(108)	(36)
Unearned revenue	599	40	-	-
Claims liabilities	2,090	-	-	-
Compensated absences	177	65	(12)	55
Net pension liability	170	(70)	11	(20)
Deferred inflow pension	(156)	(92)	-	(10)
Net cash provided by (used in) operating activities	<u>\$ 17,661</u>	<u>\$ 1,904</u>	<u>\$ 570</u>	<u>\$ 5,009</u>
Noncash financing, capital, and investing activities:				
Capital additions funded by debt	\$ 12,283	\$ -	\$ -	\$ -
Noncash retirement of capital assets	(288)	-	(104)	(171)
Decrease in fair value of investments	(1,022)	(65)	(37)	(42)
Increase in capital debt and other liability	(12,283)	-	-	-
Increase in non-capital State and Federal grant	13	-	-	-
Decrease in transfers in	(22)	-	-	(22)
Increase in advances to/from	85	-	-	85
Decrease (increase) in noncash interest expense	(103)	-	-	19

COUNTY OF VENTURA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019
 (In Thousands)
 (Continued)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services	
\$ 4,121	\$ 368	\$ 2,335	\$ 503	\$ (1)	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
					Deferred outflow pension
					Increase (decrease) in:
					Accounts payable
					Accrued liabilities
					Due to other funds
					Unearned revenue
					Claims liabilities
					Compensated absences
					Net pension liability
					Deferred inflow pension
					Net cash provided by (used in) operating activities
\$ 1,734	\$ 4,235	\$ 4,057	\$ 302	\$ (150)	
\$ -	\$ 12,283	\$ -	\$ -	\$ -	Noncash financing, capital, and investing activities:
					Capital additions funded by debt
					Noncash retirement of capital assets
					Decrease in fair value of investments
					Increase in capital debt and other liability
					Increase in non-capital State and Federal grant
					Decrease in transfers in
					Increase in advances to/from
					Decrease (increase) in noncash interest expense