

INTERNAL SERVICE FUNDS

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

Fleet Rental and Replacement Fund rents motorized equipment to Public Works divisions and provides for their scheduled replacement at the end of the economic life of the asset.

Central Garage Fund maintains motorized and heavy equipment and provides motor fuels for all departments.

CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2015

EXHIBIT D - 1

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Central Garage</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 6,754,480	\$ 469,678	\$ 7,224,158
Investments	9,327,615	648,604	9,976,219
Accrued interest receivable	11,775	651	12,426
Inventory	--	239,391	239,391
Total current assets	<u>16,093,870</u>	<u>1,358,324</u>	<u>17,452,194</u>
Capital assets:			
Land	--	47,568	47,568
Buildings	--	2,339,528	2,339,528
Improvements (other than buildings)	--	7,190	7,190
Equipment	37,734,276	188,088	37,922,364
Total capital assets	<u>37,734,276</u>	<u>2,582,374</u>	<u>40,316,650</u>
Accumulated depreciation	<u>(29,514,371)</u>	<u>(2,264,137)</u>	<u>(31,778,508)</u>
Net capital assets	<u>8,219,905</u>	<u>318,237</u>	<u>8,538,142</u>
Total assets	<u>24,313,775</u>	<u>1,676,561</u>	<u>25,990,336</u>
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	683,967	751,355	1,435,322
Accrued salaries payable	--	27,052	27,052
Compensated absences payable	--	162,771	162,771
Total liabilities	<u>683,967</u>	<u>941,178</u>	<u>1,625,145</u>
NET POSITION			
Net investment in capital assets	8,219,905	318,237	8,538,142
Unrestricted	<u>15,409,903</u>	<u>417,146</u>	<u>15,827,049</u>
Total net position	<u>\$ 23,629,808</u>	<u>\$ 735,383</u>	<u>\$ 24,365,191</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT D - 2

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Central Garage</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services:			
Billings to departments	\$ 7,252,734	\$ 10,169,755	\$ 17,422,489
OPERATING EXPENSES			
Personal services	--	1,286,184	1,286,184
Employee benefits	--	832,074	832,074
Supplies	47,753	144,726	192,479
Contractual services	2,978,234	1,158,531	4,136,765
Cost of materials	--	7,878,584	7,878,584
Depreciation	2,724,779	26,557	2,751,336
Total operating expenses	<u>5,750,766</u>	<u>11,326,656</u>	<u>17,077,422</u>
Operating income (loss)	<u>1,501,968</u>	<u>(1,156,901)</u>	<u>345,067</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	26,783	1,884	28,667
Gain (loss) on disposition of capital assets	241,671	4,265	245,936
Total non-operating revenues (expenses)	<u>268,454</u>	<u>6,149</u>	<u>274,603</u>
Change in net position	1,770,422	(1,150,752)	619,670
Total net position - January 1	<u>21,859,386</u>	<u>1,886,135</u>	<u>23,745,521</u>
Total net position - December 31	<u>\$ 23,629,808</u>	<u>\$ 735,383</u>	<u>\$ 24,365,191</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

EXHIBIT D - 3

	Fleet Rental and Replace- ment Fund	Central Garage	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 7,252,734	\$ 10,169,755	\$ 17,422,489
Cash payments to suppliers for goods and services	(3,081,566)	(9,283,377)	(12,364,943)
Cash payments to employees for services and benefits	--	(2,136,490)	(2,136,490)
Net cash provided by (used for) operating activities	4,171,168	(1,250,112)	2,921,056
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from sale of capital assets	243,932	4,265	248,197
Acquisition and construction of capital assets	(2,677,021)	(157,938)	(2,834,959)
Net cash provided by (used for) capital and related financing activities	(2,433,089)	(153,673)	(2,586,762)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investments	(9,327,615)	(648,604)	(9,976,219)
Interest received on investments	19,152	1,866	21,018
Net cash provided by (used for) investing activities	(9,308,463)	(646,738)	(9,955,201)
Net increase (decrease) in cash and cash equivalents	(7,570,384)	(2,050,523)	(9,620,907)
Cash and cash equivalents, January 1	14,324,864	2,520,201	16,845,065
Cash and cash equivalents, December 31	\$ 6,754,480	\$ 469,678	\$ 7,224,158
Reconciliation of operating income to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 1,501,968	\$ (1,156,901)	\$ 345,067
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	2,724,779	26,557	2,751,336
Increase (decrease) in compensated absences payable	--	31,356	31,356
Change in assets and liabilities:			
Decrease (increase) in inventory	--	36,932	36,932
Increase (decrease) in accounts and contracts payable	(55,579)	(138,468)	(194,047)
Increase (decrease) in accrued salaries payable	--	(49,588)	(49,588)
Total adjustments	2,669,200	(93,211)	2,575,989
Net cash provided by (used for) operating activities	\$ 4,171,168	\$ (1,250,112)	\$ 2,921,056
Non cash investing, capital, and financing activities:			
Gain in fair value of investments	\$ 11,775	\$ 651	\$ 12,426
Gain (loss) on disposal of capital assets	(2,261)	--	(2,261)

The accompanying notes are an integral part of this statement.