

## 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, 2014**

EXHIBIT D - 1

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Central Garage</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 14,324,864	\$ 2,520,201	\$ 16,845,065
Accrued interest receivable	4,144	633	4,777
Inventory	--	276,323	276,323
Total current assets	<u>14,329,008</u>	<u>2,797,157</u>	<u>17,126,165</u>
Capital assets:			
Land	--	47,568	47,568
Buildings	--	2,213,798	2,213,798
Improvements (other than buildings)	--	7,190	7,190
Equipment	35,780,675	173,250	35,953,925
Total capital assets	<u>35,780,675</u>	<u>2,441,806</u>	<u>38,222,481</u>
Accumulated depreciation	<u>(27,775,190)</u>	<u>(2,254,950)</u>	<u>(30,030,140)</u>
Net capital assets	<u>8,005,485</u>	<u>186,856</u>	<u>8,192,341</u>
Total assets	<u>22,334,493</u>	<u>2,984,013</u>	<u>25,318,506</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	475,107	889,823	1,364,930
Accrued salaries payable	--	76,640	76,640
Compensated absences payable	--	131,415	131,415
Total liabilities	<u>475,107</u>	<u>1,097,878</u>	<u>1,572,985</u>
<b>NET POSITION</b>			
Net investment in capital assets	8,005,485	186,856	8,192,341
Unrestricted	<u>13,853,901</u>	<u>1,699,279</u>	<u>15,553,180</u>
Total net position	<u>\$ 21,859,386</u>	<u>\$ 1,886,135</u>	<u>\$ 23,745,521</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, 2014**

EXHIBIT D - 2

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Central Garage</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Billings to departments	\$ 7,823,724	\$ 13,380,305	\$ 21,204,029
<b>OPERATING EXPENSES</b>			
Personal services	--	1,229,948	1,229,948
Employee benefits	--	857,678	857,678
Supplies	24,082	170,386	194,468
Contractual services	3,346,055	1,105,049	4,451,104
Cost of materials	--	10,349,143	10,349,143
Depreciation	2,746,672	48,846	2,795,518
Total operating expenses	<u>6,116,809</u>	<u>13,761,050</u>	<u>19,877,859</u>
Operating income (loss)	<u>1,706,915</u>	<u>(380,745)</u>	<u>1,326,170</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment earnings	14,793	2,349	17,142
Gain (loss) on disposition of capital assets	603,866	23,764	627,630
Total non-operating revenues (expenses)	<u>618,659</u>	<u>26,113</u>	<u>644,772</u>
Income (loss) before contributions and transfers	2,325,574	(354,632)	1,970,942
Transfers out	<u>--</u>	<u>(2,969)</u>	<u>(2,969)</u>
Change in net position	2,325,574	(357,601)	1,967,973
Total net position - January 1	<u>19,533,812</u>	<u>2,243,736</u>	<u>21,777,548</u>
Total net position - December 31	<u>\$ 21,859,386</u>	<u>\$ 1,886,135</u>	<u>\$ 23,745,521</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, 2014**

EXHIBIT D - 3

	<b>Fleet Rental and Replace- ment Fund</b>	<b>Central Garage</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 7,823,724	\$ 13,380,305	\$ 21,204,029
Cash payments to suppliers for goods and services	(3,332,607)	(11,779,871)	(15,112,478)
Cash payments to employees for services and benefits	--	(2,073,895)	(2,073,895)
Net cash provided by (used for) operating activities	4,491,117	(473,461)	4,017,656
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers out to other funds	--	(2,969)	(2,969)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Proceeds from sale of capital assets	638,751	23,764	662,515
Acquisition and construction of capital assets	(3,820,404)	--	(3,820,404)
Net cash provided by (used for) capital and related financing activities	(3,181,653)	23,764	(3,157,889)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received on investments	15,834	2,743	18,577
Net increase (decrease) in cash and cash equivalents	1,325,298	(449,923)	875,375
Cash and cash equivalents, January 1	12,999,566	2,970,124	15,969,690
Cash and cash equivalents, December 31	\$ 14,324,864	\$ 2,520,201	\$ 16,845,065
<b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	\$ 1,706,915	\$ (380,745)	\$ 1,326,170
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	2,746,672	48,846	2,795,518
Increase (decrease) in compensated absences payable	--	11,916	11,916
Change in assets and liabilities:			
Decrease (increase) in inventory	--	(45,466)	(45,466)
Increase (decrease) in accounts and contracts payable	37,530	(109,827)	(72,297)
Increase (decrease) in accrued salaries payable	--	1,815	1,815
Total adjustments	2,784,202	(92,716)	2,691,486
Net cash provided by (used for) operating activities	\$ 4,491,117	\$ (473,461)	\$ 4,017,656
<b>Non cash investing, capital, and financing activities:</b>			
Gain in fair value of investments	\$ 4,144	\$ 633	\$ 4,777
Gain (loss) on disposal of capital assets	(34,885)	--	(34,885)

The accompanying notes are an integral part of this statement.