

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, 2012

EXHIBIT D - 1

	Fleet Rental and Replace- ment Fund	Central Garage	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 10,054,595	\$ 2,939,949	\$ 12,994,544
Accrued interest receivable	2,594	753	3,347
Inventory	--	318,731	318,731
Total current assets	10,057,189	3,259,433	13,316,622
Capital assets:			
Land	--	47,568	47,568
Buildings	--	2,213,798	2,213,798
Improvements (other than buildings)	--	7,190	7,190
Equipment	34,006,211	173,250	34,179,461
Total capital assets	34,006,211	2,441,806	36,448,017
Accumulated depreciation	(26,964,801)	(2,136,606)	(29,101,407)
Net capital assets	7,041,410	305,200	7,346,610
Total assets	17,098,599	3,564,633	20,663,232
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	42,596	398,905	441,501
Accrued salaries payable	--	72,615	72,615
Compensated absences payable	--	174,962	174,962
Total liabilities	42,596	646,482	689,078
NET POSITION			
Net investment in capital assets	7,041,410	305,200	7,346,610
Unrestricted	10,014,593	2,612,951	12,627,544
Total net position	\$ 17,056,003	\$ 2,918,151	\$ 19,974,154

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, 2012**

EXHIBIT D - 2

	Fleet Rental and Replace- ment Fund	Central Garage	Total
OPERATING REVENUES			
Charges for services:			
Billings to departments	\$ 7,257,462	\$ 13,370,924	\$ 20,628,386
OPERATING EXPENSES			
Personal services	--	1,329,416	1,329,416
Employee benefits	--	868,863	868,863
Supplies	1,085	125,063	126,148
Contractual services	2,294,423	1,040,284	3,334,707
Cost of materials	--	10,797,549	10,797,549
Depreciation	2,988,023	69,498	3,057,521
Total operating expenses	5,283,531	14,230,673	19,514,204
Operating income (loss)	1,973,931	(859,749)	1,114,182
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	18,948	5,924	24,872
Gain (loss) on disposition of capital assets	109,614	131,909	241,523
Total non-operating revenues (expenses)	128,562	137,833	266,395
Income (loss) before contributions and transfers	2,102,493	(721,916)	1,380,577
Transfers out	--	(1,208)	(1,208)
Change in net position	2,102,493	(723,124)	1,379,369
Total net position - January 1	14,953,510	3,641,275	18,594,785
Total net position - December 31	\$ 17,056,003	\$ 2,918,151	\$ 19,974,154

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, 2012

EXHIBIT D - 3

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Central Garage</u>	<u>Total</u>
Cash Flows From Operating Activities:			
Cash received from customers	\$ 7,257,462	\$ 13,370,924	\$ 20,628,386
Cash payments to suppliers for goods and services	(2,337,928)	(12,260,528)	(14,598,456)
Cash payments to employees for services and benefits	--	(2,205,488)	(2,205,488)
Net cash provided by (used for) operating activities	<u>4,919,534</u>	<u>(1,095,092)</u>	<u>3,824,442</u>
Cash Flows From Noncapital Financing Activities:			
Transfers out to other funds	--	(1,208)	(1,208)
Cash Flows From Capital and Related Financing Activities:			
Proceeds from sale of capital assets	109,649	131,909	241,558
Acquisition and construction of capital assets	(3,566,502)	--	(3,566,502)
Net cash provided by (used for) capital and related financing activities	<u>(3,456,853)</u>	<u>131,909</u>	<u>(3,324,944)</u>
Cash Flows From Investing Activities:			
Interest received on investments	18,367	5,992	24,359
Net increase (decrease) in cash and cash equivalents	1,481,048	(958,399)	522,649
Cash and cash equivalents, January 1	<u>8,573,547</u>	<u>3,898,348</u>	<u>12,471,895</u>
Cash and cash equivalents, December 31	<u>\$ 10,054,595</u>	<u>\$ 2,939,949</u>	<u>\$ 12,994,544</u>
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:			
Operating income (loss)	<u>\$ 1,973,931</u>	<u>\$ (859,749)</u>	<u>\$ 1,114,182</u>
Adjustments to reconcile operating income (loss) to Net cash provided by (used for) operating activities:			
Depreciation	2,988,023	69,498	3,057,521
Increase (decrease) in compensated absences payable	--	(17,329)	(17,329)
Change in assets and liabilities:			
Decrease (increase) in inventory	--	65,830	65,830
Increase (decrease) in accounts and contracts payable	(42,420)	(363,462)	(405,882)
Increase (decrease) in accrued salaries payable	--	10,120	10,120
Total adjustments	<u>2,945,603</u>	<u>(235,343)</u>	<u>2,710,260</u>
Net cash provided by (used for) operating activities	<u>\$ 4,919,534</u>	<u>\$ (1,095,092)</u>	<u>\$ 3,824,442</u>
Non Cash Investing, Capital, and Financing Activities:			
Gain in fair value of investments	\$ 2,594	\$ 753	\$ 3,347
Gain (Loss) on disposal of capital assets	(35)	--	(35)

The accompanying notes are an integral part of this statement.