

## 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 ASSETS  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2011**

EXHIBIT D - 1

	Fleet Rental and Replace- ment Fund	Central Garage	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 8,573,547	\$ 3,898,348	\$ 12,471,895
Accrued interest receivable	2,013	821	2,834
Inventory	--	384,561	384,561
Total current assets	8,575,560	4,283,730	12,859,290
Capital assets:			
Land	--	47,568	47,568
Buildings	--	2,213,798	2,213,798
Improvements (other than buildings)	--	7,190	7,190
Equipment	32,122,899	173,250	32,296,149
Total capital assets	32,122,899	2,441,806	34,564,705
Accumulated depreciation	(25,540,107)	(2,067,107)	(27,607,214)
Net capital assets	6,582,792	374,699	6,957,491
Total assets	15,158,352	4,658,429	19,816,781
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	204,842	762,368	967,210
Accrued salaries payable	--	62,495	62,495
Compensated absences payable	--	192,291	192,291
Total liabilities	204,842	1,017,154	1,221,996
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	6,582,792	374,699	6,957,491
Unrestricted	8,370,718	3,266,576	11,637,294
Total net assets	\$ 14,953,510	\$ 3,641,275	\$ 18,594,785

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 ASSETS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

EXHIBIT D - 2

	Fleet Rental and Replace- ment Fund	Central Garage	Total
<b>OPERATING REVENUES</b>			
Charges for services:			
Billings to departments	\$ 7,172,628	\$ 14,227,609	\$ 21,400,237
<b>OPERATING EXPENSES</b>			
Personal services	--	1,340,430	1,340,430
Employee benefits	--	752,971	752,971
Supplies	1,945	102,279	104,224
Contractual services	2,731,324	966,732	3,698,056
Cost of materials	--	10,600,876	10,600,876
Depreciation	3,440,042	69,498	3,509,540
Total operating expenses	6,173,311	13,832,786	20,006,097
Operating income (loss)	999,317	394,823	1,394,140
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment earnings	13,469	5,873	19,342
Gain (loss) on disposition of capital assets	258,835	12,165	271,000
Total non-operating revenues (expenses)	272,304	18,038	290,342
Change in net assets	1,271,621	412,861	1,684,482
Total net assets - January 1	13,681,889	3,228,414	16,910,303
Total net assets - December 31	\$ 14,953,510	\$ 3,641,275	\$ 18,594,785

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, 2011**

EXHIBIT D - 3

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Central Garage</u>	<u>Total</u>
<b>Cash Flows From Operating Activities:</b>			
Cash received from customers	\$ 7,172,628	\$ 14,227,609	\$ 21,400,237
Cash payments to suppliers for goods and services	(2,690,939)	(11,698,570)	(14,389,509)
Cash payments to employees for services and benefits	--	(2,104,452)	(2,104,452)
Net cash provided by (used for) operating activities	<u>4,481,689</u>	<u>424,587</u>	<u>4,906,276</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Proceeds from sale of capital assets	268,775	12,165	280,940
Acquisition and construction of capital assets	<u>(1,533,317)</u>	--	<u>(1,533,317)</u>
Net cash provided by (used for) capital and related financing activities	<u>(1,264,542)</u>	<u>12,165</u>	<u>(1,252,377)</u>
<b>Cash Flows From Investing Activities:</b>			
Interest received on investments	<u>12,501</u>	<u>5,666</u>	<u>18,167</u>
Net increase (decrease) in cash and cash equivalents	3,229,648	442,418	3,672,066
Cash and cash equivalents, January 1	<u>5,343,899</u>	<u>3,455,930</u>	<u>8,799,829</u>
Cash and cash equivalents, December 31	<u>\$ 8,573,547</u>	<u>\$ 3,898,348</u>	<u>\$ 12,471,895</u>
<b>Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:</b>			
Operating income (loss)	\$ 999,317	\$ 394,823	\$ 1,394,140
Adjustments to reconcile operating income (loss) to Net cash provided by (used for) operating activities:			
Depreciation	3,440,042	69,498	3,509,540
Increase (decrease) in compensated absences payable	--	(7,430)	(7,430)
Change in assets and liabilities:			
Decrease (increase) in inventory	--	15,313	15,313
Increase (decrease) in accounts and contracts payable	42,330	(43,996)	(1,666)
Increase (decrease) in accrued salaries payable	--	(3,621)	(3,621)
Total adjustments	<u>3,482,372</u>	<u>29,764</u>	<u>3,512,136</u>
Net cash provided by (used for) operating activities	<u>\$ 4,481,689</u>	<u>\$ 424,587</u>	<u>\$ 4,906,276</u>
<b>Non Cash Investing, Capital, and Financing Activities:</b>			
Gain in fair value of investments	\$ 2,013	\$ 821	\$ 2,834
Gain (Loss) on disposal of capital assets	(9,940)	--	(9,940)

The accompanying notes are an integral part of this statement.