

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, 2009**

EXHIBIT D - 1

	Fleet Rental and Replace- ment Fund	Central Garage	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 4,099,687	\$ 4,279,753	\$ 8,379,440
Accrued interest receivable	1,330	1,227	2,557
Inventory	--	373,856	373,856
Total current assets	4,101,017	4,654,836	8,755,853
Capital assets:			
Land	--	47,568	47,568
Buildings	--	2,213,798	2,213,798
Improvements (other than buildings)	--	7,190	7,190
Equipment	30,009,139	202,118	30,211,257
Total capital assets	30,009,139	2,470,674	32,479,813
Accumulated depreciation	(20,543,941)	(1,970,094)	(22,514,035)
Net capital assets	9,465,198	500,580	9,965,778
Total assets	13,566,215	5,155,416	18,721,631
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	675,499	801,614	1,477,113
Accrued salaries payable	--	60,872	60,872
Compensated absences payable	--	179,343	179,343
Total liabilities	675,499	1,041,829	1,717,328
NET ASSETS			
Invested in capital assets, net of related debt	9,465,198	500,580	9,965,778
Unrestricted	3,425,518	3,613,007	7,038,525
Total net assets	\$ 12,890,716	\$ 4,113,587	\$ 17,004,303

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, 2009**

EXHIBIT D - 2

	Fleet Rental and Replace- ment Fund	Central Garage	Total
OPERATING REVENUES			
Charges for services:			
Billings to departments	\$ 6,499,680	\$ 12,230,408	\$ 18,730,088
OPERATING EXPENSES			
Personal services	--	1,416,378	1,416,378
Employee benefits	--	666,809	666,809
Supplies	28,935	217,143	246,078
Contractual services	2,910,040	945,069	3,855,109
Cost of materials	--	8,688,052	8,688,052
Depreciation	3,749,200	68,392	3,817,592
Total operating expenses	6,688,175	12,001,843	18,690,018
Operating income (loss)	(188,495)	228,565	40,070
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	23,002	20,747	43,749
Gain (loss) on disposition of capital assets	405,939	19,560	425,499
Total non-operating revenues (expenses)	428,941	40,307	469,248
Income (loss) before contributions and transfers	240,446	268,872	509,318
Transfers out	(6,219)	--	(6,219)
Change in net assets	234,227	268,872	503,099
Total net assets - January 1	12,656,489	3,844,715	16,501,204
Total net assets - December 31	\$ 12,890,716	\$ 4,113,587	\$ 17,004,303

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, 2009

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	\$ 6,499,680	\$ 12,230,408	\$ 18,730,088
Cash payments to suppliers for goods and services	(2,938,975)	(9,573,281)	(12,512,256)
Cash payments to employees for services and benefits	--	(2,062,091)	(2,062,091)
Net cash provided by (used for) operating activities	<u>3,560,705</u>	<u>595,036</u>	<u>4,155,741</u>
Cash Flows From Noncapital Financing Activities:			
Transfers out to other funds	<u>(6,219)</u>	<u>--</u>	<u>(6,219)</u>
Cash Flows From Capital and Related Financing Activities:			
Proceeds from sale of capital assets	445,380	14,472	459,852
Acquisition and construction of capital assets	<u>(3,712,540)</u>	<u>(6,751)</u>	<u>(3,719,291)</u>
Net cash provided by (used for) capital and related financing activities	<u>(3,267,160)</u>	<u>7,721</u>	<u>(3,259,439)</u>
Cash Flows From Investing Activities:			
Interest received on investments	<u>33,474</u>	<u>31,941</u>	<u>65,415</u>
Net increase (decrease) in cash and cash equivalents	320,800	634,698	955,498
Cash and cash equivalents, January 1	<u>3,778,887</u>	<u>3,645,055</u>	<u>7,423,942</u>
Cash and cash equivalents, December 31	<u>\$ 4,099,687</u>	<u>\$ 4,279,753</u>	<u>\$ 8,379,440</u>
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:			
Operating income (loss)	\$ (188,495)	\$ 228,565	\$ 40,070
Adjustments to reconcile operating income (loss) to Net cash provided by (used for) operating activities:			
Depreciation	3,749,200	68,392	3,817,592
Increase (decrease) in compensated absences payable	--	12,031	12,031
Change in assets and liabilities:			
Decrease (increase) in inventory	--	(29,695)	(29,695)
Increase (decrease) in accounts and contracts payable	--	306,678	306,678
Increase (decrease) in accrued salaries payable	--	9,065	9,065
Total adjustments	<u>3,749,200</u>	<u>366,471</u>	<u>4,115,671</u>
Net cash provided by (used for) operating activities	<u>\$ 3,560,705</u>	<u>\$ 595,036</u>	<u>\$ 4,155,741</u>
Non Cash Investing, Capital, and Financing Activities:			
Gain in fair value of investments	\$ 1,330	\$ 1,227	\$ 2,557
Gain (Loss) on disposal of capital assets	(39,441)	5,088	(34,353)

The accompanying notes are an integral part of this statement.