

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.

Fleet Management 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, 2018

EXHIBIT D - 1

	Fleet Rental and Replace- ment Fund	Fleet Management	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 5,135,044	\$ 230,370	\$ 5,365,414
Investments	11,756,548	--	11,756,548
Accrued interest receivable	88,032	--	88,032
Inventory	--	177,405	177,405
Total current assets	16,979,624	407,775	17,387,399
Capital assets:			
Land	--	47,568	47,568
Buildings	--	2,355,428	2,355,428
Improvements (other than buildings)	--	7,190	7,190
Equipment	41,568,713	219,323	41,788,036
Total capital assets	41,568,713	2,629,509	44,198,222
Accumulated depreciation	(31,863,745)	(2,396,936)	(34,260,681)
Net capital assets	9,704,968	232,573	9,937,541
Total assets	26,684,592	640,348	27,324,940
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	816,051	360,747	1,176,798
Accrued salaries payable	--	29,712	29,712
Compensated absences payable	--	248,758	248,758
Total liabilities	816,051	639,217	1,455,268
NET POSITION			
Net investment in capital assets	9,704,968	232,573	9,937,541
Unrestricted	16,163,573	(231,442)	15,932,131
Total net position	\$ 25,868,541	\$ 1,131	\$ 25,869,672

**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, 2018**

EXHIBIT D - 2

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Fleet Management</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services:			
Billings to departments	\$ 7,330,235	\$ 12,874,343	\$ 20,204,578
OPERATING EXPENSES			
Personal services	--	1,665,290	1,665,290
Employee benefits	--	1,207,562	1,207,562
Supplies	11,952	105,143	117,095
Contractual services	4,076,802	1,044,496	5,121,298
Cost of materials	--	9,130,953	9,130,953
Depreciation	3,401,669	47,611	3,449,280
Total operating expenses	<u>7,490,423</u>	<u>13,201,055</u>	<u>20,691,478</u>
Operating income (loss)	<u>(160,188)</u>	<u>(326,712)</u>	<u>(486,900)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	309,050	(11,997)	297,053
Gain (loss) on disposition of capital assets	671,766	6,075	677,841
Total non-operating revenues (expenses)	<u>980,816</u>	<u>(5,922)</u>	<u>974,894</u>
Change in net position	820,628	(332,634)	487,994
Total net position - January 1	<u>25,047,913</u>	<u>333,765</u>	<u>25,381,678</u>
Total net position - December 31	<u>\$ 25,868,541</u>	<u>\$ 1,131</u>	<u>\$ 25,869,672</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

EXHIBIT D - 3

	Fleet Rental and Replace- ment Fund	Fleet Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 7,330,235	\$ 12,874,343	\$ 20,204,578
Cash payments to suppliers for goods and services	(4,061,830)	(10,600,378)	(14,662,208)
Cash payments to employees for services and benefits	--	(2,857,895)	(2,857,895)
Net cash provided by (used for) operating activities	3,268,405	(583,930)	2,684,475
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from sale of capital assets	676,328	6,075	682,403
Acquisition and construction of capital assets	(4,427,152)	(8,570)	(4,435,722)
Net cash provided by (used for) capital and related financing activities	(3,750,824)	(2,495)	(3,753,319)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investments	(11,756,548)	--	(11,756,548)
Proceeds from sales and maturities of investments	11,393,967	551,042	11,945,009
Interest received on investments	265,952	(10,595)	255,357
Net cash provided by (used for) investing activities	(96,629)	540,447	443,818
Net increase (decrease) in cash and cash equivalents	(579,048)	(45,978)	(625,026)
Cash and cash equivalents, January 1	5,714,092	276,348	5,990,440
Cash and cash equivalents, December 31	\$ 5,135,044	\$ 230,370	\$ 5,365,414
Reconciliation of operating income to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (160,188)	\$ (326,712)	\$ (486,900)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	3,401,669	47,611	3,449,280
Increase (decrease) in compensated absences payable	--	25,038	25,038
Change in assets and liabilities:			
Decrease (increase) in accounts receivable	--	634	634
Decrease (increase) in inventory	--	(17,147)	(17,147)
Increase (decrease) in accounts and contracts payable	26,924	(303,273)	(276,349)
Increase (decrease) in accrued salaries payable	--	(10,081)	(10,081)
Total adjustments	3,428,593	(257,218)	3,171,375
Net cash provided by (used for) operating activities	\$ 3,268,405	\$ (583,930)	\$ 2,684,475
Non cash investing, capital, and financing activities:			
Gain in fair value of investments	\$ 88,032	\$ --	\$ 88,032
Gain (loss) on disposal of capital assets	(4,562)	--	(4,562)