

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, 2019

EXHIBIT D - 1

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Fleet Management</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,360,064	\$ 167,802	\$ 3,527,866
Investments	9,868,536	492,837	10,361,373
Accrued interest receivable	63,769	--	63,769
Inventory	--	165,730	165,730
Total current assets	<u>13,292,369</u>	<u>826,369</u>	<u>14,118,738</u>
Capital assets:			
Land	--	47,568	47,568
Buildings	--	2,355,428	2,355,428
Improvements (other than buildings)	--	7,190	7,190
Equipment	47,639,274	219,323	47,858,597
Total capital assets	<u>47,639,274</u>	<u>2,629,509</u>	<u>50,268,783</u>
Accumulated depreciation	<u>(33,502,623)</u>	<u>(2,443,823)</u>	<u>(35,946,446)</u>
Net capital assets	<u>14,136,651</u>	<u>185,686</u>	<u>14,322,337</u>
Total assets	<u>27,429,020</u>	<u>1,012,055</u>	<u>28,441,075</u>
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	1,980,497	470,704	2,451,201
Accrued salaries payable	--	42,854	42,854
Compensated absences payable	--	192,105	192,105
Total liabilities	<u>1,980,497</u>	<u>705,663</u>	<u>2,686,160</u>
Noncurrent liabilities:			
Compensated absences payable	<u>--</u>	<u>61,355</u>	<u>61,355</u>
Total liabilities	<u>1,980,497</u>	<u>767,018</u>	<u>2,747,515</u>
NET POSITION			
Net investment in capital assets	14,136,651	185,686	14,322,337
Unrestricted	<u>11,311,872</u>	<u>59,351</u>	<u>11,371,223</u>
Total net position	<u>\$ 25,448,523</u>	<u>\$ 245,037</u>	<u>\$ 25,693,560</u>

**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, 2019**

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	\$ 7,287,499	\$ 12,969,534	\$ 20,257,033
OPERATING EXPENSES			
Personal services	--	1,807,665	1,807,665
Employee benefits	--	1,166,714	1,166,714
Supplies	13,630	129,209	142,839
Contractual services	4,582,061	1,098,101	5,680,162
Cost of materials	--	8,474,083	8,474,083
Depreciation	3,996,777	46,887	4,043,664
Total operating expenses	<u>8,592,468</u>	<u>12,722,659</u>	<u>21,315,127</u>
Operating income (loss)	<u>(1,304,969)</u>	<u>246,875</u>	<u>(1,058,094)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	326,792	(8,063)	318,729
Gain (loss) on disposition of capital assets	558,159	5,094	563,253
Total non-operating revenues (expenses)	<u>884,951</u>	<u>(2,969)</u>	<u>881,982</u>
Change in net position	(420,018)	243,906	(176,112)
Total net position - January 1	<u>25,868,541</u>	<u>1,131</u>	<u>25,869,672</u>
Total net position - December 31	<u>\$ 25,448,523</u>	<u>\$ 245,037</u>	<u>\$ 25,693,560</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT D - 3

	Fleet Rental and Replace- ment Fund	Fleet Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 7,287,499	\$ 12,969,534	\$ 20,257,033
Cash payments to suppliers for goods and services	(4,618,642)	(9,579,761)	(14,198,403)
Cash payments to employees for services and benefits	--	(2,956,535)	(2,956,535)
Net cash provided by (used for) operating activities	<u>2,668,857</u>	<u>433,238</u>	<u>3,102,095</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from sale of capital assets	559,031	5,094	564,125
Acquisition and construction of capital assets	(7,241,935)	--	(7,241,935)
Net cash provided by (used for) capital and related financing activities	<u>(6,682,904)</u>	<u>5,094</u>	<u>(6,677,810)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investments	(9,868,536)	(492,837)	(10,361,373)
Proceeds from sales and maturities of investments	11,756,548	--	11,756,548
Interest received on investments	351,055	(8,063)	342,992
Net cash provided by (used for) investing activities	<u>2,239,067</u>	<u>(500,900)</u>	<u>1,738,167</u>
Net increase (decrease) in cash and cash equivalents	(1,774,980)	(62,568)	(1,837,548)
Cash and cash equivalents, January 1	<u>5,135,044</u>	<u>230,370</u>	<u>5,365,414</u>
Cash and cash equivalents, December 31	<u>\$ 3,360,064</u>	<u>\$ 167,802</u>	<u>\$ 3,527,866</u>
Reconciliation of operating income to net cash provided by (used for) operating activities:			
Operating income (loss)	<u>\$ (1,304,969)</u>	<u>\$ 246,875</u>	<u>\$ (1,058,094)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	3,996,777	46,887	4,043,664
Increase (decrease) in compensated absences payable	--	4,702	4,702
Change in assets and liabilities:			
Decrease (increase) in inventory	--	11,675	11,675
Increase (decrease) in accounts and contracts payable	(22,951)	109,957	87,006
Increase (decrease) in accrued salaries payable	--	13,142	13,142
Total adjustments	<u>3,973,826</u>	<u>186,363</u>	<u>4,160,189</u>
Net cash provided by (used for) operating activities	<u>\$ 2,668,857</u>	<u>\$ 433,238</u>	<u>\$ 3,102,095</u>
Non cash investing, capital, and financing activities:			
Gain in fair value of investments	\$ 63,769	\$ --	\$ 63,769
Gain (loss) on disposal of capital assets	(872)	--	(872)