

## INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services rendered by one department or agency to other departments or agencies or to other governmental units on a cost-reimbursement basis.

Information Services Fund - To account for the cost of operating a central data processing facility for the City of Lincoln and Lancaster County. User City and County departments are charged for the resources used. Resources used are billed at cost plus an administrative overhead.

Engineering Revolving Fund - To account for the cost of operating a central engineering pool. Revenues are derived from billings to various capital improvement projects.

Insurance Revolving Fund - To account for the cost of providing a self-insurance program for workers' compensation, liability, property insurance, long-term disability and Blue Cross/Blue Shield Health Insurance Plan. Revenues are derived from billings to operating departments.

Fleet Services Fund - To account for the operation of a centralized maintenance facility for equipment used by other City departments, such as trucks, heavy equipment, and miscellaneous other equipment. Revenues are derived from billings to user departments.

Police Garage Fund - To account for the operation of a maintenance facility for the Police fleet and vehicles from various other City departments. Revenues are derived from billings to the Police and other user departments.

Communication Services Fund - To account for the costs of providing graphic arts and telecommunication services. Revenues are derived from billings to user departments.

Copy Services Fund - To account for the cost of providing copy services to the City of Lincoln and Lancaster County. User City and County departments are charged on a per copy basis.

**CITY OF LINCOLN, NEBRASKA**  
**COMBINING STATEMENT OF NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**AUGUST 31, 2003**

	<u>Information Services</u>	<u>Engineering Revolving</u>	<u>Insurance Revolving</u>	<u>Fleet Services</u>
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 345,235	64,766	2,084,076	95,744
Investments	1,645,941	-	9,524,125	470,531
Accounts Receivable	39,612	662,029	15	669
Accrued Interest Receivable	7,529	601	48,113	802
Due from Other Funds	155,799	837	-	52,930
Due from Other Governments	229,829	33,159	-	1,007
Inventories	-	-	-	344,736
Prepaid Expenses	195,138	-	-	-
Total Current Assets	<u>2,619,083</u>	<u>761,392</u>	<u>11,656,329</u>	<u>966,419</u>
Noncurrent Assets:				
Capital Assets:				
Land	-	-	-	-
Buildings	12,335	-	-	-
Improvements Other Than Buildings	-	693,733	-	420,192
Machinery and Equipment	1,995,028	454,649	33,793	13,330,400
Less Accumulated Depreciation	<u>(1,764,370)</u>	<u>(709,463)</u>	<u>(17,267)</u>	<u>(7,911,020)</u>
Total Capital Assets, Net	<u>242,993</u>	<u>438,919</u>	<u>16,526</u>	<u>5,839,572</u>
Total Assets	<u>2,862,076</u>	<u>1,200,311</u>	<u>11,672,855</u>	<u>6,805,991</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	92,335	64,251	280,161	126,652
Accrued Liabilities	121,912	191,688	13,866	47,309
Accrued Compensated Absences	148,958	260,381	14,665	60,099
Due to Other Funds	205	22,970	2,149	4,096
Due to Other Governments	78	3,749	2,226	-
Unearned Revenue	-	548,502	-	-
Claims	-	-	2,429,395	-
Total Current Liabilities	<u>363,488</u>	<u>1,091,541</u>	<u>2,742,462</u>	<u>238,156</u>
Noncurrent Liabilities:				
Accrued Compensated Absences	5,719	75,960	-	45,825
Claims	-	-	2,714,445	-
Total Noncurrent Liabilities	<u>5,719</u>	<u>75,960</u>	<u>2,714,445</u>	<u>45,825</u>
Total Liabilities	<u>369,207</u>	<u>1,167,501</u>	<u>5,456,907</u>	<u>283,981</u>
<b>NET ASSETS</b>				
Invested in Capital Assets	242,993	438,919	16,526	5,839,572
Unrestricted	2,249,876	(406,109)	6,199,422	682,438
Total Net Assets	<u>\$ 2,492,869</u>	<u>32,810</u>	<u>6,215,948</u>	<u>6,522,010</u>

<u>Police Garage</u>	<u>Communication Services</u>	<u>Copy Services</u>	<u>Total</u>
270,711	13,069	67,702	2,941,303
1,201,043	65,911	291,107	13,198,658
35,340	2,300	949	740,914
5,702	371	1,611	64,729
206,915	21,194	18,951	456,626
385	3,906	18,974	287,260
102,647	-	-	447,383
-	-	-	195,138
<u>1,822,743</u>	<u>106,751</u>	<u>399,294</u>	<u>18,332,011</u>
48,250	-	-	48,250
338,746	-	-	351,081
49,234	-	-	1,163,159
4,539,428	78,802	-	20,432,100
<u>(2,906,599)</u>	<u>(67,969)</u>	<u>-</u>	<u>(13,376,688)</u>
<u>2,069,059</u>	<u>10,833</u>	<u>-</u>	<u>8,617,902</u>
<u>3,891,802</u>	<u>117,584</u>	<u>399,294</u>	<u>26,949,913</u>
38,744	14,419	24,520	641,082
27,058	5,285	1,610	408,728
29,760	3,276	2,621	519,760
11	29	-	29,460
-	-	-	6,053
-	-	-	548,502
-	-	-	2,429,395
<u>95,573</u>	<u>23,009</u>	<u>28,751</u>	<u>4,582,980</u>
22,584	5,719	-	155,807
-	-	-	2,714,445
<u>22,584</u>	<u>5,719</u>	<u>-</u>	<u>2,870,252</u>
<u>118,157</u>	<u>28,728</u>	<u>28,751</u>	<u>7,453,232</u>
2,069,059	10,833	-	8,617,902
1,704,586	78,023	370,543	10,878,779
<u>3,773,645</u>	<u>88,856</u>	<u>370,543</u>	<u>19,496,681</u>

**CITY OF LINCOLN, NEBRASKA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2003**

	<u>Information Services</u>	<u>Engineering Revolving</u>	<u>Insurance Revolving</u>	<u>Fleet Services</u>
<b>Operating Revenues</b>				
Charges for Services	\$ 5,895,523	6,337,662	4,886,237	4,687,383
<b>Operating Expenses</b>				
Personal Services	3,177,779	4,970,523	353,012	1,265,274
Materials and Supplies	187,773	55,018	9,638	1,035,714
Other Services and Charges	2,422,278	1,640,384	4,277,635	894,093
Depreciation	204,966	178,919	4,011	1,074,167
Total Operating Expenses	<u>5,992,796</u>	<u>6,844,844</u>	<u>4,644,296</u>	<u>4,269,248</u>
Operating Income (Loss)	<u>(97,273)</u>	<u>(507,182)</u>	<u>241,941</u>	<u>418,135</u>
<b>Nonoperating Revenues (Expenses)</b>				
Investment Earnings	27,447	2,665	222,227	1,244
Gain (Loss) on Disposal of Capital Assets	(114)	(1,028)	-	119,113
Interest Expense and Fiscal Charges	(40)	-	-	-
Total Nonoperating Revenues (Expenses)	<u>27,293</u>	<u>1,637</u>	<u>222,227</u>	<u>120,357</u>
Income (Loss) Before Contributions and Transfers	(69,980)	(505,545)	464,168	538,492
Capital Contributions	-	13,686	-	376,584
Transfers In	-	-	5,547	-
Change in Net Assets	<u>(69,980)</u>	<u>(491,859)</u>	<u>469,715</u>	<u>915,076</u>
Net Assets - Beginning	<u>2,562,849</u>	<u>524,669</u>	<u>5,746,233</u>	<u>5,606,934</u>
Net Assets - Ending	<u>\$ 2,492,869</u>	<u>32,810</u>	<u>6,215,948</u>	<u>6,522,010</u>

<u>Police Garage</u>	<u>Communication Services</u>	<u>Copy Services</u>	<u>Total</u>
<u>2,634,955</u>	<u>206,673</u>	<u>323,013</u>	<u>24,971,446</u>
729,235	162,582	46,964	10,705,369
730,190	4,188	14,446	2,036,967
434,264	80,907	285,245	10,034,806
<u>688,915</u>	<u>5,245</u>	<u>-</u>	<u>2,156,223</u>
<u>2,582,604</u>	<u>252,922</u>	<u>346,655</u>	<u>24,933,365</u>
<u>52,351</u>	<u>(46,249)</u>	<u>(23,642)</u>	<u>38,081</u>
20,259	1,315	5,759	280,916
(12,574)	-	-	105,397
<u>-</u>	<u>-</u>	<u>-</u>	<u>(40)</u>
<u>7,685</u>	<u>1,315</u>	<u>5,759</u>	<u>386,273</u>
60,036	(44,934)	(17,883)	424,354
21,321	-	-	411,591
<u>-</u>	<u>7,645</u>	<u>-</u>	<u>13,192</u>
<u>81,357</u>	<u>(37,289)</u>	<u>(17,883)</u>	<u>849,137</u>
<u>3,692,288</u>	<u>126,145</u>	<u>388,426</u>	<u>18,647,544</u>
<u><u>3,773,645</u></u>	<u><u>88,856</u></u>	<u><u>370,543</u></u>	<u><u>19,496,681</u></u>

**CITY OF LINCOLN, NEBRASKA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED AUGUST 31, 2003**

	Information Services	Engineering Revolving	Insurance Revolving	Fleet Services
<b>Cash Flows from Operating Activities</b>				
Receipts from Customers and Users	\$ 2,368,573	1,560,900	987,385	225,726
Receipts from Interfund Services Provided	3,501,312	4,412,328	3,902,834	4,436,957
Payments to Suppliers for Goods and Services	(2,485,226)	(897,542)	(3,777,387)	(1,866,789)
Payments to Employees	(3,166,985)	(4,923,799)	(352,339)	(1,256,606)
Payments for Interfund Services Provided	(102,767)	(747,761)	(717,357)	(175,950)
Net Cash Provided (Used) by Operating Activities	<u>114,907</u>	<u>(595,874)</u>	<u>43,136</u>	<u>1,363,338</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfers from Other Funds	-	-	5,547	-
Interest Paid	(40)	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(40)</u>	<u>-</u>	<u>5,547</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Additions to Capital Assets	(138,308)	(3,737)	-	(1,358,392)
Proceeds from Sale of Capital Assets	-	-	-	189,577
Net Cash Used by Capital and Related Financing Activities	<u>(138,308)</u>	<u>(3,737)</u>	<u>-</u>	<u>(1,168,815)</u>
<b>Cash Flows from Investing Activities</b>				
Proceeds from Sale and Maturities of Investments	235,388	-	10,756,904	67,291
Purchases of Investments	(1,886,763)	-	(10,917,623)	(539,375)
Interest and Other Receipts	32,272	4,758	235,878	4,078
Net Cash Provided (Used) by Investing Activities	<u>(1,619,103)</u>	<u>4,758</u>	<u>75,159</u>	<u>(468,006)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,642,544)	(594,853)	123,842	(273,483)
Cash and Cash Equivalents - Beginning	1,987,779	659,619	1,960,234	369,227
Cash and Cash Equivalents - Ending	<u>\$ 345,235</u>	<u>64,766</u>	<u>2,084,076</u>	<u>95,744</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	\$ (97,273)	(507,182)	241,941	418,135
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Depreciation	204,966	178,919	4,011	1,074,167
Changes in Assets and Liabilities:				
Accounts Receivable	4,967	(336,575)	3,982	4,129
Due from Other Funds	6,596	33,333	-	(36,955)
Due from Other Governments	(37,201)	42,602	-	8,126
Inventories	-	-	-	(14,420)
Prepaid Expenses	36,022	-	-	-
Accounts Payable	(11,341)	37,120	153,139	(97,783)
Accrued Liabilities	5,744	18,788	281	1,485
Accrued Compensated Absences	5,050	27,936	392	7,183
Due to Other Funds	69	9,649	803	(568)
Due to Other Governments	(2,692)	3,330	2,091	(161)
Unearned Revenue	-	(103,794)	-	-
Claims	-	-	(363,504)	-
Total Adjustments	<u>212,180</u>	<u>(88,692)</u>	<u>(198,805)</u>	<u>945,203</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 114,907</u>	<u>(595,874)</u>	<u>43,136</u>	<u>1,363,338</u>
<b>Supplemental Disclosure of Noncash Investing Capital, and Financing Activities:</b>				
Contribution of Capital Assets	\$ -	13,686	-	376,584
Purchase of Capital Assets on Account	-	-	-	51,024
Change in Fair Value of Investments	<u>(5,433)</u>	<u>-</u>	<u>(41,284)</u>	<u>(1,533)</u>

Police Garage	Communication Services	Copy Services	Total
22,946	28,602	152,014	5,346,146
2,613,647	162,322	167,813	19,197,213
(695,529)	(68,300)	(288,492)	(10,079,265)
(724,593)	(165,036)	(44,485)	(10,633,843)
(490,253)	(9,405)	(12,512)	(2,256,005)
<u>726,218</u>	<u>(51,817)</u>	<u>(25,662)</u>	<u>1,574,246</u>
-	7,645	-	13,192
-	-	-	(40)
-	<u>7,645</u>	-	<u>13,152</u>
(830,531)	-	-	(2,330,968)
72,660	-	-	262,237
<u>(757,871)</u>	<u>-</u>	<u>-</u>	<u>(2,068,731)</u>
671,763	9,426	41,631	11,782,403
(1,376,771)	(75,555)	(333,699)	(15,129,786)
23,558	1,571	6,503	308,618
<u>(681,450)</u>	<u>(64,558)</u>	<u>(285,565)</u>	<u>(3,038,765)</u>
(713,103)	(108,730)	(311,227)	(3,520,098)
983,814	121,799	378,929	6,461,401
<u>270,711</u>	<u>13,069</u>	<u>67,702</u>	<u>2,941,303</u>
52,351	(46,249)	(23,642)	38,081
688,915	5,245	-	2,156,223
(14,637)	(2,055)	61	(340,128)
15,425	(11,384)	(3,619)	3,396
850	(2,310)	372	12,439
(22,288)	-	-	(36,708)
-	-	-	36,022
962	7,361	(1,313)	88,145
1,416	(699)	875	27,890
3,226	(1,755)	1,604	43,636
(2)	29	-	9,980
-	-	-	2,568
-	-	-	(103,794)
-	-	-	(363,504)
<u>673,867</u>	<u>(5,568)</u>	<u>(2,020)</u>	<u>1,536,165</u>
<u>726,218</u>	<u>(51,817)</u>	<u>(25,662)</u>	<u>1,574,246</u>
21,321	-	-	411,591
-	-	-	51,024
<u>(3,965)</u>	<u>(218)</u>	<u>(961)</u>	<u>(53,394)</u>

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