

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 on a full costs recovery basis.

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, health, dental, liability, property insurance, and long-term disability. 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, miscellaneous other equipment and radio maintenance. 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.

Municipal Services Center Fund - To account for the purchase of, improvements to, and operation of a facility providing for the consolidation of various functions of city government. Revenues are derived from the issue of certificates of participation and rental payments from user departments and other occupying agencies.

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, 2011

	Information Services	Engineering Revolving	Insurance Revolving	Fleet Services
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 218,805	25,025	3,898,729	-
Investments	1,156,261	132,904	21,751,099	-
Restricted Cash and Cash Equivalents	-	-	-	222,653
Accounts Receivable	49,016	85,995	-	954
Accrued Interest Receivable	3,197	2,387	97,531	249
Due from Other Funds	337,448	276,436	862,518	212
Due from Other Governments	221,189	1,775	13,348	223
Inventories	-	-	-	715,583
Prepaid Expenses	337,613	47,794	-	-
Total Current Assets	<u>2,323,529</u>	<u>572,316</u>	<u>26,623,225</u>	<u>939,874</u>
Noncurrent Assets:				
Deferred Charges	-	-	-	-
Capital Assets:				
Land	-	-	-	-
Buildings	26,486	-	-	-
Improvements Other Than Buildings	-	693,733	-	420,192
Machinery and Equipment	2,495,001	421,073	28,936	19,063,248
Construction in Progress	-	-	-	-
Less Accumulated Depreciation	<u>(2,057,025)</u>	<u>(1,012,740)</u>	<u>(26,207)</u>	<u>(13,700,646)</u>
Total Capital Assets, Net	<u>464,462</u>	<u>102,066</u>	<u>2,729</u>	<u>5,782,794</u>
Total Assets	<u>2,787,991</u>	<u>674,382</u>	<u>26,625,954</u>	<u>6,722,668</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	42,892	15,984	433,559	246,000
Accrued Liabilities	124,423	190,003	22,932	46,307
Accrued Compensated Absences	219,343	362,588	24,869	95,713
Due to Other Funds	4,264	34,828	1,439	925,016
Due to Other Governments	46	388	136	-
Unearned Revenue	26,917	152,000	-	-
Claims	-	-	6,724,159	-
Accrued Interest	-	-	-	1,694
Current Portion of Capital Lease	-	-	-	117,597
Total Current Liabilities	<u>417,885</u>	<u>755,791</u>	<u>7,207,094</u>	<u>1,432,327</u>
Noncurrent Liabilities:				
Accrued Compensated Absences	153,569	408,667	31,134	72,036
Claims	-	-	4,064,797	-
Capital Lease Payable	-	-	-	443,733
Accrued Liabilities	61,295	99,824	14,010	36,777
Total Noncurrent Liabilities	<u>214,864</u>	<u>508,491</u>	<u>4,109,941</u>	<u>552,546</u>
Total Liabilities	<u>632,749</u>	<u>1,264,282</u>	<u>11,317,035</u>	<u>1,984,873</u>
NET ASSETS				
Invested in Capital Assets	464,462	102,066	2,729	5,444,117
Unrestricted	1,690,780	(691,966)	15,306,190	(706,322)
Total Net Assets (Deficits)	<u>\$ 2,155,242</u>	<u>(589,900)</u>	<u>15,308,919</u>	<u>4,737,795</u>

<u>Police Garage</u>	<u>Municipal Services Center</u>	<u>Communication Services</u>	<u>Copy Services</u>	<u>Total</u>
322,641	50,868	3,251	20,013	4,539,332
1,695,259	265,807	17,721	106,323	25,125,374
-	829,127	-	-	1,051,780
24,802	-	4,563	1,022	166,352
7,149	801	113	469	111,896
424,297	11,168	4,011	19,050	1,935,140
5,615	-	1,474	15,139	258,763
94,803	-	-	-	810,386
-	-	-	-	385,407
<u>2,574,566</u>	<u>1,157,771</u>	<u>31,133</u>	<u>162,016</u>	<u>34,384,430</u>
-	135,576	-	-	135,576
48,250	1,258,700	-	-	1,306,950
356,072	5,256,649	-	-	5,639,207
45,500	-	-	-	1,159,425
6,137,444	86,330	28,349	-	28,260,381
-	388,182	-	-	388,182
<u>(3,871,546)</u>	<u>(144,366)</u>	<u>(27,097)</u>	<u>-</u>	<u>(20,839,627)</u>
<u>2,715,720</u>	<u>6,845,495</u>	<u>1,252</u>	<u>-</u>	<u>15,914,518</u>
<u>5,290,286</u>	<u>8,138,842</u>	<u>32,385</u>	<u>162,016</u>	<u>50,434,524</u>
160,617	173,926	739	23,712	1,097,429
28,917	-	4,357	2,492	419,431
55,122	-	12,004	3,406	773,045
237	-	490	-	966,274
-	-	-	-	570
-	-	-	-	178,917
-	-	-	-	6,724,159
-	70,240	-	-	71,934
-	-	-	-	117,597
<u>244,893</u>	<u>244,166</u>	<u>17,590</u>	<u>29,610</u>	<u>10,349,356</u>
87,106	-	-	1,231	753,743
-	-	-	-	4,064,797
-	7,802,292	-	-	8,246,025
<u>22,767</u>	<u>-</u>	<u>3,503</u>	<u>1,751</u>	<u>239,927</u>
<u>109,873</u>	<u>7,802,292</u>	<u>3,503</u>	<u>2,982</u>	<u>13,304,492</u>
<u>354,766</u>	<u>8,046,458</u>	<u>21,093</u>	<u>32,592</u>	<u>23,653,848</u>
2,715,720	(127,670)	1,252	-	8,602,676
2,219,800	220,054	10,040	129,424	18,178,000
<u>4,935,520</u>	<u>92,384</u>	<u>11,292</u>	<u>129,424</u>	<u>26,780,676</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, 2011

	<u>Information Services</u>	<u>Engineering Revolving</u>	<u>Insurance Revolving</u>	<u>Fleet Services</u>
Operating Revenues				
Charges for Services	\$ 6,365,853	7,044,349	27,921,170	5,665,168
Operating Expenses				
Personal Services	3,795,286	6,013,536	721,068	1,657,193
Materials and Supplies	155,956	34,852	7,131	2,168,372
Other Services and Charges	2,099,811	1,210,982	29,449,833	956,098
Depreciation	181,962	23,888	1,724	1,519,968
Total Operating Expenses	<u>6,233,015</u>	<u>7,283,258</u>	<u>30,179,756</u>	<u>6,301,631</u>
Operating Income (Loss)	<u>132,838</u>	<u>(238,909)</u>	<u>(2,258,586)</u>	<u>(636,463)</u>
Nonoperating Revenues (Expenses)				
Investment Earnings	577	(1,181)	89,155	854
Gain on Disposal of Capital Assets	1,245	232	-	41,020
Interest Expense and Fiscal Charges	-	-	-	(1,694)
Total Nonoperating Revenues (Expenses)	<u>1,822</u>	<u>(949)</u>	<u>89,155</u>	<u>40,180</u>
Income (Loss) Before Contributions and Transfers	134,660	(239,858)	(2,169,431)	(596,283)
Capital Contributions	-	-	-	97,540
Transfers In	-	-	8,421	-
Transfers Out	-	(19,007)	(1,652)	-
Change in Net Assets	<u>134,660</u>	<u>(258,865)</u>	<u>(2,162,662)</u>	<u>(498,743)</u>
Net Assets (Deficits) - Beginning	<u>2,020,582</u>	<u>(331,035)</u>	<u>17,471,581</u>	<u>5,236,538</u>
Net Assets (Deficits) - Ending	<u>\$ 2,155,242</u>	<u>(589,900)</u>	<u>15,308,919</u>	<u>4,737,795</u>

<u>Police Garage</u>	<u>Municipal Services Center</u>	<u>Communication Services</u>	<u>Copy Services</u>	<u>Total</u>
<u>4,264,648</u>	<u>542,234</u>	<u>217,227</u>	<u>300,161</u>	<u>52,320,810</u>
1,040,418	-	201,208	80,018	13,508,727
1,472,095	5,195	1,701	81	3,845,383
762,269	140,032	105,980	272,308	34,997,313
577,400	144,366	939	-	2,450,247
<u>3,852,182</u>	<u>289,593</u>	<u>309,828</u>	<u>352,407</u>	<u>54,801,670</u>
<u>412,466</u>	<u>252,641</u>	<u>(92,601)</u>	<u>(52,246)</u>	<u>(2,480,860)</u>
4,638	387	(682)	(194)	93,554
30,406	-	-	-	72,903
-	(165,644)	-	-	(167,338)
<u>35,044</u>	<u>(165,257)</u>	<u>(682)</u>	<u>(194)</u>	<u>(881)</u>
447,510	87,384	(93,283)	(52,440)	(2,481,741)
5,000	-	-	-	102,540
-	5,000	-	-	13,421
-	-	-	-	(20,659)
<u>452,510</u>	<u>92,384</u>	<u>(93,283)</u>	<u>(52,440)</u>	<u>(2,386,439)</u>
<u>4,483,010</u>	<u>-</u>	<u>104,575</u>	<u>181,864</u>	<u>29,167,115</u>
<u>4,935,520</u>	<u>92,384</u>	<u>11,292</u>	<u>129,424</u>	<u>26,780,676</u>

CITY OF LINCOLN, NEBRASKA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2011

	Information Services	Engineering Revolving	Insurance Revolving	Fleet Services
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 2,870,629	809,294	7,539,226	464,228
Receipts from Interfund Services Provided	3,742,317	5,988,709	20,369,321	5,233,238
Payments to Suppliers for Goods and Services	(2,133,057)	(470,265)	(27,038,049)	(2,885,211)
Payments to Employees	(3,733,221)	(5,896,740)	(712,796)	(1,632,052)
Payments for Interfund Services Provided	(192,493)	(767,389)	(327,061)	(306,016)
Net Cash Provided (Used) by Operating Activities	<u>554,175</u>	<u>(336,391)</u>	<u>(169,359)</u>	<u>874,187</u>
Cash Flows from Noncapital Financing Activities				
Transfers from Other Funds	-	(19,007)	8,421	29,670
Transfers to Other Funds	-	-	(1,652)	-
Advance from General Fund	-	-	-	1,373,111
Repayment of Advances from General Fund	-	-	-	(1,494,027)
Advances to Other Funds	-	-	-	-
Payments from Other Funds	3,464	20,089	381,006	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>3,464</u>	<u>1,082</u>	<u>387,775</u>	<u>(91,246)</u>
Cash Flows from Capital and Related Financing Activities				
Additions to Capital Assets	(200,908)	(8,114)	-	(1,189,640)
Proceeds from Sale of Capital Assets	1,245	232	-	66,123
Transfer from Other Funds	-	-	-	-
Proceeds from Long-Term Debt	-	-	-	561,330
Cost of Debt Issuance	-	-	-	-
Interest and Fiscal Charges Paid	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(199,663)</u>	<u>(7,882)</u>	<u>-</u>	<u>(562,187)</u>
Cash Flows from Investing Activities				
Proceeds from Sale and Maturities of Investments	439,488	326,129	12,100,668	-
Purchases of Investments	(865,323)	(99,463)	(15,354,797)	-
Interest and Other Receipts	12,385	5,253	367,543	1,899
Net Cash Provided (Used) by Investing Activities	<u>(413,450)</u>	<u>231,919</u>	<u>(2,886,586)</u>	<u>1,899</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(55,474)	(111,272)	(2,668,170)	222,653
Cash and Cash Equivalents - Beginning	274,279	136,297	6,566,899	-
Cash and Cash Equivalents - Ending	<u>\$ 218,805</u>	<u>25,025</u>	<u>3,898,729</u>	<u>222,653</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	<u>\$ 132,838</u>	<u>(238,909)</u>	<u>(2,258,586)</u>	<u>(636,463)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	181,962	23,888	1,724	1,519,968
Changes in Assets and Liabilities:				
Accounts Receivable	73,261	(3,274)	-	(804)
Due from Other Funds	31,132	(249,437)	-	20,751
Due from Other Governments	115,783	(1,126)	(12,623)	12,351
Inventories	-	-	-	(158,097)
Prepaid Expenses	(6,273)	15,376	-	-
Accounts Payable	(59,743)	(10,894)	45,977	92,011
Accrued Liabilities	43,813	63,271	8,625	20,511
Accrued Compensated Absences	18,252	53,525	(353)	4,630
Due to Other Funds	(3,717)	4,192	(404)	(671)
Due to Other Governments	(50)	(494)	(28,605)	-
Unearned Revenue	26,917	7,491	-	-
Claims	-	-	2,074,886	-
Total Adjustments	<u>421,337</u>	<u>(97,482)</u>	<u>2,089,227</u>	<u>1,510,650</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 554,175</u>	<u>(336,391)</u>	<u>(169,359)</u>	<u>874,187</u>
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities:				
Contribution of Capital Assets	\$ -	-	-	97,540
Purchase of Capital Assets on Account	-	-	-	-
Change in Fair Value of Investments	(9,473)	(5,234)	(235,336)	-

Police Garage	Municipal Services Center	Communication Services	Copy Services	Total
25,904	384,254	81,892	122,272	12,297,699
4,175,016	157,980	140,521	192,942	40,000,044
(1,340,697)	(35,637)	(101,542)	(260,067)	(34,264,525)
(1,008,488)	-	(196,652)	(79,088)	(13,259,037)
(757,426)	(70,216)	(8,428)	(12,641)	(2,441,670)
<u>1,094,309</u>	<u>436,381</u>	<u>(84,209)</u>	<u>(36,582)</u>	<u>2,332,511</u>
-	-	-	-	19,084
-	-	-	-	(1,652)
-	-	-	-	1,373,111
-	-	-	-	(1,494,027)
-	(11,168)	-	-	(11,168)
26,265	-	4,462	3,678	438,964
<u>26,265</u>	<u>(11,168)</u>	<u>4,462</u>	<u>3,678</u>	<u>324,312</u>
(1,145,875)	(6,855,309)	-	-	(9,399,846)
134,805	-	-	-	202,405
-	5,000	-	-	5,000
-	7,802,292	-	-	8,363,622
-	(135,576)	-	-	(135,576)
-	(95,404)	-	-	(95,404)
<u>(1,011,070)</u>	<u>721,003</u>	<u>-</u>	<u>-</u>	<u>(1,059,799)</u>
941,113	-	67,668	87,175	13,962,241
(1,268,699)	(265,465)	(13,262)	(79,569)	(17,946,578)
24,961	(756)	847	1,884	414,016
<u>(302,625)</u>	<u>(266,221)</u>	<u>55,253</u>	<u>9,490</u>	<u>(3,570,321)</u>
(193,121)	879,995	(24,494)	(23,414)	(1,973,297)
515,762	-	27,745	43,427	7,564,409
<u>322,641</u>	<u>879,995</u>	<u>3,251</u>	<u>20,013</u>	<u>5,591,112</u>
<u>412,466</u>	<u>252,641</u>	<u>(92,601)</u>	<u>(52,246)</u>	<u>(2,480,860)</u>
577,400	144,366	939	-	2,450,247
(98)	-	1,922	298	71,305
(58,015)	-	943	7,324	(247,302)
(5,615)	-	2,321	7,431	118,522
48,734	-	-	-	(109,363)
-	-	-	-	9,103
87,511	39,374	(2,250)	(319)	191,667
16,166	-	431	1,031	153,848
15,764	-	4,125	(101)	95,842
(4)	-	136	-	(468)
-	-	(175)	-	(29,324)
-	-	-	-	34,408
-	-	-	-	2,074,886
<u>681,843</u>	<u>183,740</u>	<u>8,392</u>	<u>15,664</u>	<u>4,813,371</u>
<u>1,094,309</u>	<u>436,381</u>	<u>(84,209)</u>	<u>(36,582)</u>	<u>2,332,511</u>
5,000	-	-	-	102,540
24,951	134,552	-	-	159,503
(18,352)	342	(1,062)	(1,574)	(270,689)