

INTERNAL SERVICE FUNDS

COUNTY OF RIVERSIDE

INTERNAL SERVICE FUNDS

These funds were established to account for the goods and services provided by a County department to other County departments, or to other internal governments, on a cost-reimbursement basis.

RECORDS MANAGEMENT AND ARCHIVES

This fund was established to account for the operations of the Records Management and Archives Program, which is responsible for providing consistent standards and support services that promote responsible record keeping countywide. Sources of revenue include records storage, reformatting, preservation, and consulting services.

FLEET SERVICES

This fund finances the operation and maintenance of County vehicles, including the Sheriff's Department. Revenue is obtained on a cost-reimbursement basis.

INFORMATION SERVICES

These funds are supported by the revenues generated for services including software systems support, computer networks, data structure design, and organization of the County's computer systems.

PRINTING SERVICES

These funds account for the financing of printing and central mail services provided to County departments on a cost-reimbursement basis. This fund also provides services such as the paper reclamation program, which collects and sells County department waste paper for recycling.

SUPPLY SERVICES

This fund finances the operation that provides County departments with merchandise and services on a cost-reimbursement basis.

RISK MANAGEMENT

These funds account for the financing of employee insurance benefits and County self-insurance programs. These funds include medical, dental, disability, and unemployment insurance as well as general liability, medical malpractice, and workers' compensation.

TEMPORARY ASSISTANCE POOL (TAP)

The purpose of this fund is to provide a ready source of temporary workers to County departments, with lower overhead costs than are typically charged by outside temporary employment agencies.

ECONOMIC DEVELOPMENT AGENCY (Facilities Management)

The purpose of this fund was to account for custodial, maintenance, and real estate services provided to other County departments on a cost-reimbursement basis.

FLOOD CONTROL EQUIPMENT

These funds were established to account for the financing of flood control equipment provided to other departments on a cost-reimbursement basis.

COUNTY OF RIVERSIDE
Combining Statement of Net Position
Internal Service Funds
June 30, 2016
(Dollars in Thousands)

	Records Management and Archives	Fleet Services	Information Services	Printing Services	Supply Services
ASSETS:					
Current assets:					
Cash and investments	\$ 1,255	\$ 10,391	\$ 20,566	\$ 2,015	\$ 4,560
Accounts receivable-net	-	88	291	15	9
Interest receivable	2	10	4	2	3
Due from other governments	-	45	96	59	-
Due from other funds	-	-	51	-	-
Inventories	-	699	1,266	316	329
Prepaid items and deposits	-	-	-	-	-
Total current assets	<u>1,257</u>	<u>11,233</u>	<u>22,274</u>	<u>2,407</u>	<u>4,901</u>
Noncurrent assets:					
Capital assets:					
Nondepreciable assets	-	744	235	-	-
Depreciable assets	169	36,558	44,308	776	142
Total noncurrent assets	<u>169</u>	<u>37,302</u>	<u>44,543</u>	<u>776</u>	<u>142</u>
Total assets	<u>1,426</u>	<u>48,535</u>	<u>66,817</u>	<u>3,183</u>	<u>5,043</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>219</u>	<u>1,018</u>	<u>14,899</u>	<u>391</u>	<u>192</u>
LIABILITIES:					
Current liabilities:					
Accounts payable	8	461	1,529	63	678
Salaries and benefits payable	61	262	3,699	104	54
Due to other governments	-	-	-	-	8
Due to other funds	-	1	-	-	-
Other liabilities	-	154	-	6	-
Compensated absences	56	341	6,954	120	77
Capital lease obligations	-	8,290	10,267	-	-
Estimated claims liabilities	-	-	-	-	-
Total current liabilities	<u>125</u>	<u>9,509</u>	<u>22,449</u>	<u>293</u>	<u>817</u>
Noncurrent liabilities:					
Compensated absences	6	243	1,336	16	45
Advances from other funds	-	-	2,500	-	-
Capital lease obligations	-	9,686	34,060	-	-
Estimated claims liabilities	-	-	-	-	-
Net pension liability	780	3,146	48,945	1,479	595
Total noncurrent liabilities	<u>786</u>	<u>13,075</u>	<u>86,841</u>	<u>1,495</u>	<u>640</u>
Total liabilities	<u>911</u>	<u>22,584</u>	<u>109,290</u>	<u>1,788</u>	<u>1,457</u>
DEFERRED INFLOWS OF RESOURCES	<u>230</u>	<u>908</u>	<u>14,267</u>	<u>440</u>	<u>172</u>
NET POSITION:					
Net investment in capital assets	169	19,326	216	776	142
Unrestricted	335	6,735	(42,057)	570	3,464
Total net position	<u>\$ 504</u>	<u>\$ 26,061</u>	<u>\$ (41,841)</u>	<u>\$ 1,346</u>	<u>\$ 3,606</u>

Risk Management	Temporary Assistance Pool	EDA Facilities Management	Flood Control Equipment	Total	
\$ 181,601	\$ 2,001	\$ 7,212	\$ 6,438	\$ 236,039	ASSETS:
5,502	-	-	8	5,913	Current assets:
203	-	5	7	236	Cash and investments
28	-	586	-	814	Accounts receivable-net
-	-	93	132	276	Interest receivable
-	-	149	240	2,999	Due from other governments
341	-	-	-	341	Due from other funds
187,675	2,001	8,045	6,825	246,618	Inventories
					Prepaid items and deposits
					Total current assets
					Noncurrent assets:
-	-	-	-	979	Capital assets:
61	-	34	3,255	85,303	Nondepreciable assets
61	-	34	3,255	86,282	Depreciable assets
187,736	2,001	8,079	10,080	332,900	Total noncurrent assets
					Total assets
4,238	469	6,021	-	27,447	DEFERRED OUTFLOWS OF RESOURCES
					LIABILITIES:
					Current liabilities:
23,128	153	1,636	534	28,190	Accounts payable
1,418	161	1,638	69	7,466	Salaries and benefits payable
-	-	-	49	57	Due to other governments
-	-	166	63	230	Due to other funds
32	-	870	-	1,062	Other liabilities
1,719	113	2,108	21	11,509	Compensated absences
-	-	-	-	18,557	Capital lease obligations
43,073	-	-	-	43,073	Estimated claims liabilities
69,370	427	6,418	736	110,144	Total current liabilities
					Noncurrent liabilities:
1,226	32	663	143	3,710	Compensated absences
-	-	3,342	-	5,842	Advances from other funds
-	-	-	-	43,746	Capital lease obligations
134,908	-	-	-	134,908	Estimated claims liabilities
13,396	1,478	18,757	-	88,576	Net pension liability
149,530	1,510	22,762	143	276,782	Total noncurrent liabilities
218,900	1,937	29,180	879	386,926	Total liabilities
					DEFERRED INFLOWS OF RESOURCES
					NET POSITION:
61	-	34	3,255	23,979	Net investment in capital assets
(30,868)	105	(20,535)	5,946	(76,305)	Unrestricted
\$ (30,807)	\$ 105	\$ (20,501)	\$ 9,201	\$ (52,326)	Total net position

COUNTY OF RIVERSIDE

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

	Records Management and Archives	Fleet Services	Information Services	Printing Services	Supply Services
OPERATING REVENUES:					
Charges for services	\$ 1,415	\$ 30,027	\$ 105,514	\$ 3,448	\$ 9,975
Other revenue	-	1,290	2,359	1,771	5,412
Total operating revenues	<u>1,415</u>	<u>31,317</u>	<u>107,873</u>	<u>5,219</u>	<u>15,387</u>
OPERATING EXPENSES:					
Cost of materials used	-	1,443	-	-	-
Personnel services	995	4,097	57,728	1,630	822
Communications	39	85	7,939	70	26
Insurance	77	208	472	20	28
Maintenance of building and equipment	59	3,668	11,555	428	187
Insurance claims	-	-	-	-	-
Supplies	29	6,842	6,314	2,139	13,839
Purchased services	74	1,468	4,313	1,018	198
Depreciation and amortization	19	8,883	5,285	223	20
Rents and leases of equipment	301	1,315	1,391	2	4
Utilities	34	103	1,333	69	40
Other	16	179	421	85	50
Total operating expenses	<u>1,643</u>	<u>28,291</u>	<u>96,751</u>	<u>5,684</u>	<u>15,214</u>
Operating income (loss)	<u>(228)</u>	<u>3,026</u>	<u>11,122</u>	<u>(465)</u>	<u>173</u>
NONOPERATING REVENUES (EXPENSES):					
Investment income	8	52	32	12	17
Interest expense	-	(190)	(3,033)	-	-
Gain (loss) on disposal of capital assets	-	970	1	(97)	-
Total nonoperating revenues (expenses)	<u>8</u>	<u>832</u>	<u>(3,000)</u>	<u>(85)</u>	<u>17</u>
Income (loss) before capital contributions and transfers	<u>(220)</u>	<u>3,858</u>	<u>8,122</u>	<u>(550)</u>	<u>190</u>
Capital contributions	-	-	-	-	-
Transfers in	-	-	3,110	-	-
Transfers out	(17)	(81)	(1,178)	(31)	(15)
CHANGE IN NET POSITION	<u>(237)</u>	<u>3,777</u>	<u>10,054</u>	<u>(581)</u>	<u>175</u>
Net position, beginning of year, as previously reported	769	22,413	(50,013)	1,977	3,455
Adjustments to beginning net position	(28)	(129)	(1,882)	(50)	(24)
Net position, beginning of year, restated	<u>741</u>	<u>22,284</u>	<u>(51,895)</u>	<u>1,927</u>	<u>3,431</u>
NET POSITION, END OF YEAR	<u>\$ 504</u>	<u>\$ 26,061</u>	<u>\$ (41,841)</u>	<u>\$ 1,346</u>	<u>\$ 3,606</u>

Risk Management	Temporary Assistance Pool	EDA Facilities Management	Flood Control Equipment	Total	
\$ 65,713	\$ 6,852	\$ 90,842	\$ 1,257	\$ 315,043	OPERATING REVENUES:
12,903	2	12,054	6,651	42,442	Charges for services
78,616	6,854	102,896	7,908	357,485	Other revenue
					Total operating revenues
					OPERATING EXPENSES:
-	-	-	84	1,527	Cost of materials used
17,032	2,780	25,709	1,492	112,285	Personnel services
226	46	276	167	8,874	Communications
18,339	92	280	-	19,516	Insurance
1,345	321	12,374	1,275	31,212	Maintenance of building and equipment
156,078	-	-	-	156,078	Insurance claims
5,203	176	2,078	938	37,558	Supplies
5,313	896	9,352	1,404	24,036	Purchased services
21	-	19	810	15,280	Depreciation and amortization
1,161	230	49,283	5	53,692	Rents and leases of equipment
36	-	1,054	-	2,669	Utilities
2,815	104	1,073	408	5,151	Other
207,569	4,645	101,498	6,583	467,878	Total operating expenses
(128,953)	2,209	1,398	1,325	(110,393)	Operating income (loss)
					NONOPERATING REVENUES (EXPENSES):
1,024	3	31	34	1,213	Investment income
(13)	-	-	-	(3,236)	Interest expense
-	-	-	133	1,007	Gain (loss) on disposal of capital assets
1,011	3	31	167	(1,016)	Total nonoperating revenues (expenses)
					Income (loss) before capital contributions and transfers
(127,942)	2,212	1,429	1,492	(111,409)	Capital contributions
123,577	-	-	-	123,577	Transfers in
1,448	75	51	315	4,999	Transfers out
(1,785)	(737)	(478)	(6)	(4,328)	CHANGE IN NET POSITION
(4,702)	1,550	1,002	1,801	12,839	Net position, beginning of year, as previously reported
(25,570)	(1,385)	(20,743)	7,400	(61,697)	Adjustments to beginning net position
(535)	(60)	(760)	-	(3,468)	Net position, beginning of year, restated
(26,105)	(1,445)	(21,503)	7,400	(65,165)	NET POSITION, END OF YEAR
\$ (30,807)	\$ 105	\$ (20,501)	\$ 9,201	\$ (52,326)	

COUNTY OF RIVERSIDE
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2016
(Dollars in Thousands)

	Records				
	Management and Archives	Fleet Services	Information Services	Printing Services	Supply Services
Cash flows from operating activities					
Cash receipts from internal services provided	\$ 1,441	\$ 31,281	\$ 107,599	\$ 5,233	\$ 15,771
Cash paid to suppliers for goods and services	(637)	(17,386)	(38,054)	(3,963)	(15,702)
Cash paid to employees for services	(1,035)	(4,206)	(58,678)	(1,710)	(792)
Net cash provided by (used in) operating activities	(231)	9,689	10,867	(440)	(723)
Cash flows from noncapital financing activities					
Advances (to) from other funds	-	-	-	-	-
Transfers received	-	-	3,110	-	-
Transfers paid	(17)	(81)	(1,178)	(31)	(15)
Net cash provided by (used in) noncapital financing activities	(17)	(81)	1,932	(31)	(15)
Cash flows from capital and related financing activities					
Proceeds (loss) from sale of capital assets	-	970	1	4	1
Acquisition and construction of capital assets	-	(2,436)	(1,132)	-	-
Principal paid on capital leases	-	(9,289)	(4,281)	-	-
Capital contributions	-	-	-	-	-
Interest paid on long-term debt	-	(190)	(3,033)	-	-
Net cash provided by (used in) capital and related financing activities	-	(10,945)	(8,445)	4	1
Cash flows from investing activities					
Investment income	7	46	28	11	15
Net cash provided by (used in) investing activities	7	46	28	11	15
Net increase (decrease) in cash and cash equivalents	(241)	(1,291)	4,382	(456)	(722)
Cash and cash equivalents, beginning of year	1,496	11,682	16,184	2,471	5,282
Cash and cash equivalents, end of year	<u>\$ 1,255</u>	<u>\$ 10,391</u>	<u>\$ 20,566</u>	<u>\$ 2,015</u>	<u>\$ 4,560</u>

Reconciliation of cash and cash equivalents to the Statement of Net Position

Cash and investments per Statement of Net Position	\$ 1,255	\$ 10,391	\$ 20,566	\$ 2,015	\$ 4,560
Total cash and cash equivalents per Statement of Net Position	<u>\$ 1,255</u>	<u>\$ 10,391</u>	<u>\$ 20,566</u>	<u>\$ 2,015</u>	<u>\$ 4,560</u>

Reconciliation of operating income (loss) to net cash provided by (used in) operating activities

Operating income (loss)	\$ (228)	\$ 3,026	\$ 11,122	\$ (465)	\$ 173
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation and amortization	19	8,883	5,285	223	20
Decrease (Increase) accounts receivable	-	(60)	(207)	1	384
Decrease (Increase) taxes receivable	-	-	-	-	-
Decrease (Increase) bond issuance cost	-	-	-	-	-
Decrease (Increase) due from other funds	26	-	(51)	-	-
Decrease (Increase) due from other governments	-	24	(16)	13	-
Decrease (Increase) deferred outflows resources	-	-	-	-	-
Decrease (Increase) inventories	-	(79)	3	(154)	144
Decrease (Increase) prepaid items and deposits	-	-	-	-	-
Increase (Decrease) accounts payable	7	(422)	1,227	26	(1,426)
Increase (Decrease) due to other funds	(15)	1	(1)	-	-
Increase (Decrease) due to other governments	-	(1)	-	-	-
Increase (Decrease) deposits payable	-	-	-	-	-
Increase (Decrease) accrued closure costs	-	-	-	-	-
Increase (Decrease) accrued remediation costs	-	-	-	-	-
Increase (Decrease) other liabilities	-	(1,574)	(5,545)	(4)	(48)
Increase (Decrease) estimated claims liability	-	-	-	-	-
Increase (Decrease) net pension liability	105	489	7,172	187	92
Increase (Decrease) deferred pensions	(121)	(631)	(8,820)	(203)	(119)
Increase (Decrease) salaries and benefits payable	14	50	406	(1)	15
Increase (Decrease) compensated absences	(38)	(17)	292	(63)	42
Net cash provided by (used in) operating activities	<u>\$ (231)</u>	<u>\$ 9,689</u>	<u>\$ 10,867</u>	<u>\$ (440)</u>	<u>\$ (723)</u>

Noncash investing, capital, and financing

Capital lease obligations	<u>\$ 18,363</u>	<u>\$ 11,457</u>
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Risk Management	Temporary Assistance Pool	EDA Facilities Management	Flood Control Equipment	Total
\$ 81,949	\$ 6,854	\$ 102,519	\$ 7,871	\$ 360,518
(172,568)	(1,755)	(74,980)	(3,923)	(328,968)
(17,214)	(2,841)	(26,074)	(1,563)	(114,113)
(107,833)	2,258	1,465	2,385	(82,563)
2,000	-	-	-	2,000
1,448	75	51	315	4,999
(1,785)	(737)	(478)	(6)	(4,328)
1,663	(662)	(427)	309	2,671
-	-	-	133	1,109
(63)	-	(16)	(1,495)	(5,142)
-	-	-	-	(13,570)
123,577	-	-	-	123,577
(13)	-	-	-	(3,236)
123,501	-	(16)	(1,362)	102,738
901	3	27	29	1,067
901	3	27	29	1,067
18,232	1,599	1,049	1,361	23,913
163,369	402	6,163	5,077	212,126
\$ 181,601	\$ 2,001	\$ 7,212	\$ 6,438	\$ 236,039

Cash flows from operating activities
Cash receipts from internal services provided
Cash paid to suppliers for goods and services
Cash paid to employees for services
Net cash provided by (used in) operating activities
Cash flows from noncapital financing activities
Advances (to) from other funds
Transfers received
Transfers paid
Net cash provided by (used in) noncapital financing activities
Cash flows from capital and related financing activities
Proceeds (loss) from sale of capital assets
Acquisition and construction of capital assets
Principal paid on capital leases
Capital contributions
Interest paid on long-term debt
Net cash provided by (used in) capital and related financing activities
Cash flows from investing activities
Investment income
Net cash provided by (used in) investing activities
Net increase (decrease) in cash and cash equivalents
Cash and cash equivalents, beginning of year
Cash and cash equivalents, end of year

Reconciliation of cash and cash equivalents to the Statement of Net Position

\$ 181,601	\$ 2,001	\$ 7,212	\$ 6,438	\$ 236,039
\$ 181,601	\$ 2,001	\$ 7,212	\$ 6,438	\$ 236,039

Cash and investments per Statement of Net Position
Total cash and cash equivalents per Statement of Net Position

Reconciliation of operating income (loss) to net cash provided by (used in) operating activities

\$ (128,953)	\$ 2,209	\$ 1,398	\$ 1,325	\$ (110,393)
21	-	19	810	15,280
3,361	-	-	1	3,480
-	-	-	-	-
-	-	-	-	-
-	-	(93)	(41)	(159)
(28)	-	(284)	3	(288)
-	-	-	-	-
-	-	15	(14)	(85)
(8)	-	-	-	(8)
(1,063)	110	534	312	(695)
(35)	-	55	58	63
-	-	(1)	2	-
-	-	-	-	-
-	-	-	-	-
25	-	187	-	(6,959)
19,029	-	-	-	19,029
2,041	225	2,899	-	13,210
(2,585)	(286)	(3,714)	-	(16,479)
108	54	309	(21)	934
254	(54)	141	(50)	507
\$ (107,833)	\$ 2,258	\$ 1,465	\$ 2,385	\$ (82,563)

Operating income (loss)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities
Depreciation and amortization
Decrease (Increase) accounts receivable
Decrease (Increase) taxes receivable
Decrease (Increase) bond issuance cost
Decrease (Increase) due from other funds
Decrease (Increase) due from other governments
Decrease (Increase) deferred outflows resources
Decrease (Increase) inventories
Decrease (Increase) prepaid items and deposits
Increase (Decrease) accounts payable
Increase (Decrease) due to other funds
Increase (Decrease) due to other governments
Increase (Decrease) deposits payable
Increase (Decrease) accrued closure costs
Increase (Decrease) accrued remediation costs
Increase (Decrease) other liabilities
Increase (Decrease) estimated claims liability
Increase (Decrease) net pension liability
Increase (Decrease) deferred pensions
Increase (Decrease) salaries and benefits payable
Increase (Decrease) compensated absences
Net cash provided by (used in) operating activities

Noncash investing, capital, and financing activities:
Capital lease obligations

\$ 29,820



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