

CHARLESTON COUNTY COMBINING STATEMENTS - INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments of the government, on a cost reimbursement basis.

Fleet Management - This fund is used to account for all operations of the County's centrally administered vehicle operation. Functions included within this operation are writing the specifications and assisting in the purchase of all on and off-road vehicles and equipment; owning of all vehicles and equipment not specifically used in other County proprietary operations; maintaining all vehicles and equipment; operating a County-wide fuel distribution and monitoring system; operating a fleet of pool cars for those departments not directly assigned vehicles; and operating a vehicle parts warehouse.

Office Support Services - This fund is used to account for the centrally administered telecommunication systems, mail pick-up and delivery service, duplicating machines, postage metering service and records management. Records management includes establishing records retention schedules for all County operations, centralized storage of records and a centralized microfilming operation.

Workers' Compensation - This fund is used to account for the costs of staffing a workers' compensation division as well as the cost of providing insurance through the S.C. Association of County Commissioners Self-Insurance Fund. Funding is provided by levying a percentage charge against all departmental payrolls. In fiscal year 1996, insurance was converted to self-insurance coverage for all claims less than \$100,000.

Employee Benefits Trust - This fund is used to account for costs of providing health and life insurance to the County's employees and retirees. Funding is provided by a percentage charge against all departmental payrolls, payments from retirees equaling 50 percent of coverage costs, payments from employees of 30 percent of dependent coverage and from investments. The fund is administered by seven trustees; the Controller and Human Resources Director as permanent members, the Chairman of the Employee Insurance Committee for the duration of term in office, and for two year periods, trustees appointed by the 1) Elected Officials, 2) Appointed Officials, 3) County Administrator, and 4) Chief Deputy Administrator. As of January 1, 1993, the Trustees had contracted with the South Carolina Department of Insurance to provide all of the County's health and life insurance.

COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 June 30, 2002

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits Trust	Totals
ASSETS					
Current assets:					
Pooled cash and cash equivalents	\$ 2,124,400	\$ 529,361	\$ 3,754,074	\$ 2,630,397	\$ 9,038,232
Cash with fiscal agent	-	-	125,000	-	125,000
Receivables (net of allowances for uncollectibles)	40,145	6,106	-	164,721	210,972
Due from other funds	-	-	42,548	386,438	428,986
Inventories	187,885	-	-	-	187,885
Total current assets	2,352,430	535,467	3,921,622	3,181,556	9,991,075
Capital assets:					
Buildings	1,766,570	131,802	-	-	1,898,372
Improvements other than buildings	47,217	-	-	-	47,217
Machinery and equipment	26,489,631	1,313,036	-	-	27,802,667
Less accumulated depreciation	(16,117,469)	(928,133)	-	-	(17,045,602)
Total capital assets (net of accumulated depreciation)	12,185,949	516,705	-	-	12,702,654
Total assets	\$ 14,538,379	\$ 1,052,172	\$ 3,921,622	\$ 3,181,556	\$ 22,693,729
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 162,091	\$ 49,731	\$ 1,420,000	\$ -	\$ 1,631,822
Accrued payroll and fringe benefits	63,584	36,466	2,316	-	102,366
Compensated absences	194,771	73,937	7,077	-	275,785
Intergovernmental payable	521	15,653	305,142	-	321,316
Deferred revenue	20,451	-	-	-	20,451
Accrued interest payable	20,510	-	-	-	20,510
Note payable - current	39,574	-	-	-	39,574
Total current liabilities	501,502	175,787	1,734,535	-	2,411,824
Noncurrent liabilities:					
Note payable	634,873	-	-	-	634,873
Total liabilities	1,136,375	175,787	1,734,535	-	3,046,697
NET ASSETS					
Invested in capital assets, net of related debt	11,511,502	516,705	-	-	12,028,207
Unrestricted	1,890,502	359,680	2,187,087	3,181,556	7,618,825
Total net assets	\$ 13,402,004	\$ 876,385	\$ 2,187,087	\$ 3,181,556	\$ 19,647,032

See notes to financial statements.



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COUNTY OF CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2002

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits Trust	Totals
Operating revenues:					
Charges for services	\$ 5,775,129	\$ 3,298,424	\$ 1,108,701	\$ 13,295,338	\$ 23,477,592
Total operating revenues	5,775,129	3,298,424	1,108,701	13,295,338	23,477,592
Operating expenses:					
Personnel services	1,510,090	868,831	113,268	-	2,492,189
Contractual services	641,675	39,630	-	-	681,305
Materials and supplies	3,389,371	669,705	4,446	-	4,063,522
Utilities	67,083	1,238,861	-	-	1,305,944
Repairs and maintenance	11,554	43,806	-	-	55,360
Rental expenses	1,749	185,658	-	-	187,407
Vehicle fleet charges	63,686	13,373	-	-	77,059
Employee benefits	-	-	2,347,675	12,883,240	15,230,915
Other expenses	511,724	2,505	-	350	514,579
Depreciation	3,386,337	79,937	-	-	3,466,274
Total operating expenses	9,583,269	3,142,306	2,465,389	12,883,590	28,074,554
Operating income (loss)	(3,808,140)	156,118	(1,356,688)	411,748	(4,596,962)
Nonoperating revenues (expenses):					
Interest income	-	-	108,584	44,211	152,795
Interest expense	(41,595)	-	-	-	(41,595)
Loss on disposal of fixed assets	11,378	-	-	-	11,378
Total nonoperating revenues (expenses)	(30,217)	-	108,584	44,211	122,578
Income (loss) before transfers	(3,838,357)	156,118	(1,248,104)	455,959	(4,474,384)
Transfers out	(123,150)	(50,000)	-	-	(173,150)
Transfers in	3,664,298	28,219	-	-	3,692,517
Change in net assets	(297,209)	134,337	(1,248,104)	455,959	(955,017)
Total net assets - beginning as previously reported	13,391,719	742,048	3,435,191	2,725,597	20,294,555
Prior period adjustments	307,494	-	-	-	307,494
Total net assets - beginning as restated	13,699,213	742,048	3,435,191	2,725,597	20,602,049
Total net assets - ending	\$ 13,402,004	\$ 876,385	\$ 2,187,087	\$ 3,181,556	\$ 19,647,032

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Year Ended June 30, 2002

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits Trust	Totals
Cash flows from operating activities:					
Cash received from customers	\$ 5,812,149	\$ 3,322,773	\$ 1,108,045	\$ 13,195,865	\$ 23,438,832
Cash payments to suppliers for goods and services	(4,781,675)	(2,228,952)	(1,680,987)	(12,884,650)	(21,576,264)
Cash payments to employees for services	(1,479,044)	(875,023)	(110,952)	-	(2,465,019)
Net cash provided by (used in) operating activities	(448,570)	218,798	(683,894)	311,215	(602,451)
Cash flows from noncapital financing activities:					
Operating transfers in (out)	3,541,148	(21,781)	-	-	3,519,367
Net cash provided by noncapital financing activities	3,541,148	(21,781)	-	-	3,519,367
Cash flows from capital and related financing activities:					
Principal paid on long-term debt	(37,272)	-	-	-	(37,272)
Interest paid	(42,728)	-	-	-	(42,728)
Proceeds from sale of fixed assets	581,593	-	-	-	581,593
Acquisition and construction of capital assets (including capitalized interest)	(3,312,675)	(67,643)	-	-	(3,380,318)
Net cash used in capital and related financing activities	(2,811,082)	(67,643)	-	-	(2,878,725)
Cash flows from investing activities:					
Interest received	-	-	108,584	44,211	152,795
Net cash provided by investing activities	-	-	108,584	44,211	152,795
Net increase in cash and cash equivalents	281,496	129,374	(575,310)	355,426	190,986
Cash and cash equivalents at beginning of year	1,842,904	399,987	4,454,384	2,274,971	8,972,246
Cash and cash equivalents at end of year	\$ 2,124,400	\$ 529,361	\$ 3,879,074	\$ 2,630,397	\$ 9,163,232
Reconciliation to balance sheet:					
Pooled cash and cash equivalents	\$ 2,124,400	\$ 529,361	\$ 3,754,074	\$ 2,630,397	\$ 9,038,232
Cash with fiscal agent	-	-	125,000	-	125,000
Cash and cash equivalents at end of year	\$ 2,124,400	\$ 529,361	\$ 3,879,074	\$ 2,630,397	\$ 9,163,232

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Year Ended June 30, 2002

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits Trust	Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (3,808,140)	\$ 156,118	\$ (1,356,688)	\$ 411,748	\$ (4,596,962)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	3,386,337	79,937	-	-	3,466,274
Changes in assets and liabilities:					
(Increase) decrease in receivables	37,019	24,349	(656)	(99,473)	(38,761)
Decrease in inventory	3,264	-	-	-	3,264
Decrease in prepaid assets	1,100	-	-	-	1,100
Increase (decrease) in accounts payable	(93,355)	(35,414)	671,134	(1,060)	541,305
Increase (decrease) in accrued payroll	31,046	(6,192)	2,316	-	27,170
Decrease in deferred revenue	(5,841)	-	-	-	(5,841)
Total adjustments	3,359,570	62,680	672,794	(100,533)	3,994,511
Net cash provided by (used in) operating activities	\$ (448,570)	\$ 218,798	\$ (683,894)	\$ 311,215	\$ (602,451)

See notes to financial statements.