

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, 2003

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits Trust	Totals
ASSETS					
Current assets:					
Pooled cash and cash equivalents	\$ 2,158,232	\$ 548,724	\$ 2,180,893	\$ 2,602,179	\$ 7,490,028
Cash with fiscal agent	-	-	125,000	-	125,000
Receivables (net of allowances for uncollectibles)	77,547	26,220	-	5,353	109,120
Due from other funds	-	-	459,030	22,902	481,932
Inventories	187,279	-	-	-	187,279
Total current assets	2,423,058	574,944	2,764,923	2,630,434	8,393,359
Capital assets:					
Buildings	1,550,503	131,801	-	-	1,682,304
Machinery and equipment	24,052,290	1,337,497	-	-	25,389,787
Less accumulated depreciation	(15,259,393)	(885,550)	-	-	(16,144,943)
Total capital assets (net of accumulated depreciation)	10,343,400	583,748	-	-	10,927,148
Total assets	\$ 12,766,458	\$ 1,158,692	\$ 2,764,923	\$ 2,630,434	\$ 19,320,507
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 559,713	\$ 90,768	\$ 2,086,665	\$ 12,386	\$ 2,749,532
Accrued payroll and fringe benefits	73,182	37,587	11,012	-	121,781
Compensated absences-current	5,042	23	-	-	5,065
Intergovernmental payable	1,757	981	336,323	343	339,404
Deferred revenue	14,962	-	-	-	14,962
Accrued interest payable	19,306	-	-	-	19,306
Note payable - current	42,017	-	-	-	42,017
Leases payable-current	-	18,108	-	-	18,108
Total current liabilities	715,979	147,467	2,434,000	12,729	3,310,175
Noncurrent liabilities:					
Compensated absences	202,563	68,543	23,305	-	294,411
Leases payable	-	61,869	-	-	61,869
Note payable	592,856	-	-	-	592,856
Total noncurrent liabilities	795,419	130,412	23,305	-	949,136
Total liabilities	1,511,398	277,879	2,457,305	12,729	4,259,311
NET ASSETS					
Invested in capital assets, net of related debt	9,708,527	503,771	-	-	10,212,298
Unrestricted	1,546,533	377,042	307,618	2,617,705	4,848,898
Total net assets	\$ 11,255,060	\$ 880,813	\$ 307,618	\$ 2,617,705	\$ 15,061,196

See notes to financial statements.



This page intentionally left blank

COUNTY OF CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2003

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits Trust	Totals
Operating revenues:					
Charges for services	\$ 5,757,324	\$ 3,059,410	\$ 1,877,865	\$ 12,683,131	\$ 23,377,730
Total operating revenues	5,757,324	3,059,410	1,877,865	12,683,131	23,377,730
Operating expenses:					
Personnel services	1,518,052	886,014	229,918	-	2,633,984
Contractual services	521,488	9,626	21,920	-	553,034
Materials and supplies	3,469,367	764,120	96,074	-	4,329,561
Utilities	83,613	1,019,385	-	-	1,102,998
Repairs and maintenance	8,510	60,142	-	-	68,652
Rental expenses	1,621	160,387	-	-	162,008
Vehicle fleet charges	68,094	14,410	11,401	-	93,905
Employee benefits	-	-	3,306,230	13,284,462	16,590,692
Other expenses	509,118	24,080	142,276	175	675,649
Depreciation	3,484,209	99,549	-	-	3,583,758
Total operating expenses	9,664,072	3,037,713	3,807,819	13,284,637	29,794,241
Operating income (loss)	(3,906,748)	21,697	(1,929,954)	(601,506)	(6,416,511)
Nonoperating revenues (expenses):					
Interest income	-	-	50,485	37,655	88,140
Interest expense	(39,224)	-	-	-	(39,224)
Loss on disposal of fixed assets	(499,944)	(17,269)	-	-	(517,213)
Total nonoperating revenues (expenses)	(539,168)	(17,269)	50,485	37,655	(468,297)
Income (loss) before transfers	(4,445,916)	4,428	(1,879,469)	(563,851)	(6,884,808)
Transfers out	(6,400)	-	-	-	(6,400)
Transfers in	2,305,372	-	-	-	2,305,372
Change in net assets	(2,146,944)	4,428	(1,879,469)	(563,851)	(4,585,836)
Total net assets	13,402,004	876,385	2,187,087	3,181,556	19,647,032
Total net assets - ending	\$ 11,255,060	\$ 880,813	\$ 307,618	\$ 2,617,705	\$ 15,061,196

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2003

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits Trust	Totals
Cash flows from operating activities:					
Cash received from customers	\$ 5,719,922	\$ 3,039,296	\$ 1,461,383	\$ 13,206,034	\$ 23,426,635
Cash payments to suppliers for goods and services	(4,267,836)	(2,025,785)	(2,880,055)	(13,271,908)	(22,445,584)
Cash payments to employees for services	(1,495,620)	(890,264)	(204,994)	-	(2,590,878)
Net cash provided by (used in) operating activities	(43,534)	123,247	(1,623,666)	(65,874)	(1,609,827)
Cash flows from noncapital financing activities:					
Transfers in (out)	2,298,972	-	-	-	2,298,972
Net cash provided by noncapital financing activities	2,298,972	-	-	-	2,298,972
Cash flows from capital and related financing activities:					
Principal paid on long-term debt	(39,574)	(10,563)	-	-	(50,137)
Interest paid	(1,204)	-	-	-	(1,204)
Proceeds from capital lease	-	90,540	-	-	90,540
Proceeds from sale of fixed assets	155,669	-	-	-	155,669
Acquisition and construction of capital assets (including capitalized interest)	(2,336,500)	(183,862)	-	-	(2,520,362)
Net cash used in capital and related financing activities	(2,221,609)	(103,885)	-	-	(2,325,494)
Cash flows from investing activities:					
Interest received	-	-	50,485	37,655	88,140
Net cash provided by investing activities	-	-	50,485	37,655	88,140
Net increase (decrease) in cash and cash equivalents	33,829	19,362	(1,573,181)	(28,219)	(1,548,209)
Cash and cash equivalents at beginning of year	2,124,403	529,362	3,879,074	2,630,398	9,163,237
Cash and cash equivalents at end of year	\$ 2,158,232	\$ 548,724	\$ 2,305,893	\$ 2,602,179	\$ 7,615,028
Reconciliation to balance sheet:					
Pooled cash and cash equivalents	\$ 2,158,232	\$ 548,724	\$ 2,180,893	\$ 2,602,179	\$ 7,490,028
Cash with fiscal agent	-	-	125,000	-	125,000
Cash and cash equivalents at end of year	\$ 2,158,232	\$ 548,724	\$ 2,305,893	\$ 2,602,179	\$ 7,615,028

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2003

	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)	\$ (3,906,748)	\$ 21,697	\$ (1,929,954)	\$ (601,506)	\$ (6,416,511)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	3,484,209	99,549	-	-	3,583,758
Changes in assets and liabilities:					
(Increase) decrease in receivables	(37,402)	(20,114)	(416,482)	522,903	48,905
Decrease in inventory	606	-	-	-	606
Increase in accounts payable	398,858	26,365	697,846	12,729	1,135,798
Increase (decrease) in accrued payroll	22,432	(4,250)	24,924	-	43,106
Decrease in deferred revenue	(5,489)	-	-	-	(5,489)
Total adjustments	3,863,214	101,550	306,288	535,632	4,806,684
Net cash provided by (used in) operating activities	\$ (43,534)	\$ 123,247	\$ (1,623,666)	\$ (65,874)	\$ (1,609,827)

See notes to financial statements.