

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 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 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 - 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 and payments from retirees. The fund is administered by seven trustees; the Finance Director 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) Assistant Administrator for Finance. 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.

Telecommunications - This fund is used to account for the centrally administered telecommunications system, which includes pagers and cellular telephones.

COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 June 30, 2011

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
ASSETS						
Current assets:						
Pooled cash and cash equivalents	\$ 2,325,268	\$ 316,257	\$ 4,986,611	\$ 13,975,408	\$ 356,912	\$ 21,960,456
Cash with fiscal agent	-	-	125,000	-	-	125,000
Receivables (net of allowances for uncollectibles)	140,729	-	534	108,978	1,216	251,457
Due from other funds	-	-	121,352	522,622	-	643,974
Inventories	352,316	-	-	-	-	352,316
Total current assets	2,818,313	316,257	5,233,497	14,607,008	358,128	23,333,203
Capital assets:						
Buildings	1,550,503	145,180	-	-	-	1,695,683
Machinery and equipment	24,385,182	1,609,836	167,023	-	430,108	26,592,149
Less accumulated depreciation	(17,695,097)	(1,137,987)	(130,467)	-	(411,188)	(19,374,739)
Total capital assets (net of accumulated depreciation)	8,240,588	617,029	36,556	-	18,920	8,913,093
Total assets	11,058,901	933,286	5,270,053	14,607,008	377,048	32,246,296
LIABILITIES						
Current liabilities:						
Accounts payable	250,711	64,465	3,533,513	15,606	106,328	3,970,623
Accrued payroll and fringe benefits	70,830	34,157	14,899	-	9,630	129,516
Compensated absences-current	11,833	-	-	-	6,425	18,258
Intergovernmental payable	1,105	539	211,285	-	44	212,973
Accrued interest payable	6,581	-	-	-	-	6,581
Note payable - current	67,856	-	-	-	-	67,856
Lease payable - current	-	255,063	-	-	-	255,063
Total current liabilities	408,916	354,224	3,759,697	15,606	122,427	4,660,870
Noncurrent liabilities:						
OPEB liability	-	-	-	13,833,426	-	13,833,426
Compensated absences	271,731	72,776	42,572	-	-	387,079
Lease payable	-	271,763	-	-	-	271,763
Note payable	148,540	-	-	-	-	148,540
Total noncurrent liabilities	420,271	344,539	42,572	13,833,426	-	14,640,808
Total liabilities	829,187	698,763	3,802,269	13,849,032	122,427	19,301,678
NET ASSETS						
Invested in capital assets, net of related debt	8,024,192	90,203	36,556	-	18,920	8,169,871
Unrestricted	2,205,522	144,320	1,431,228	757,976	235,701	4,774,747
Total net assets	\$ 10,229,714	\$ 234,523	\$ 1,467,784	\$ 757,976	\$ 254,621	\$ 12,944,618

See notes to financial statements.

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COUNTY OF CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2011

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
Operating revenues:						
Charges for services	\$ 9,844,309	\$ 1,643,815	\$ 3,529,776	\$ 23,066,654	\$ 1,526,821	\$ 39,611,375
Total operating revenues	9,844,309	1,643,815	3,529,776	23,066,654	1,526,821	39,611,375
Operating expenses:						
Personnel services	1,939,221	806,695	397,539	-	299,160	3,442,615
Contractual services	3,538	3,216	5,053,490	-	900	5,061,144
Materials and supplies	6,608,277	584,857	127,582	7	5,763	7,324,486
Utilities	92,269	20,737	-	-	1,063,450	1,176,456
Repairs and maintenance	11,587	186,219	37,351	-	25,824	260,981
Rental expenses	-	23,449	-	-	-	23,449
Vehicle fleet charges	72,801	13,276	12,880	-	3,463	102,420
Employee benefits	-	-	-	23,075,509	-	23,075,509
Other expenses	1,077,610	26,985	21,742	73,545	10,584	1,210,466
Depreciation	2,485,751	289,617	32,951	-	25,726	2,834,045
Total operating expenses	12,289,054	1,955,051	5,683,535	23,149,061	1,434,870	44,511,571
Operating income (loss)	(2,444,745)	(311,236)	(2,153,759)	(82,407)	91,951	(4,900,196)
Nonoperating revenues (expenses):						
Interest income	-	-	18,414	46,557	-	64,971
Interest expense	(14,148)	(49,920)	-	-	-	(64,068)
Gain (loss) on disposal of capital assets	169,695	15,303	-	-	-	184,998
Total nonoperating revenues (expenses)	155,547	(34,617)	18,414	46,557	-	185,901
Income (loss) before transfers	(2,289,198)	(345,853)	(2,135,345)	(35,850)	91,951	(4,714,295)
Transfers out	(265,948)	-	-	-	-	(265,948)
Transfers in	3,100,325	290,483	1,500,000	-	-	4,890,808
Change in net assets	545,179	(55,370)	(635,345)	(35,850)	91,951	(89,435)
Total net assets - beginning	9,684,535	289,893	2,103,129	793,826	162,670	13,034,053
Total net assets - ending	\$ 10,229,714	\$ 234,523	\$ 1,467,784	\$ 757,976	\$ 254,621	\$ 12,944,618

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2011

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
Cash flows from operating activities:						
Cash received from customers	\$ 262,946	\$ -	\$ -	\$ -	\$ 9,915	\$ 272,861
Cash receipts from interfund services provided	9,520,194	1,644,188	3,530,691	22,939,936	1,516,692	39,151,701
Cash payments to suppliers for goods and services	(8,176,142)	(902,175)	(4,632,551)	(20,250,972)	(1,160,707)	(35,122,547)
Cash payments to employees for services	(1,907,229)	(792,673)	(383,631)	-	(296,841)	(3,380,374)
Net cash provided by (used in) operating activities	<u>(300,231)</u>	<u>(50,660)</u>	<u>(1,485,491)</u>	<u>2,688,964</u>	<u>69,059</u>	<u>921,641</u>
Cash flows from noncapital financing activities:						
Transfers in	3,100,325	290,483	1,500,000	-	-	4,890,808
Transfers (out)	(265,948)	-	-	-	-	(265,948)
Net cash provided by noncapital financing activities	<u>2,834,377</u>	<u>290,483</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>4,624,860</u>
Cash flows from capital and related financing activities:						
Principal paid on long-term debt	(63,910)	(266,236)	-	-	-	(330,146)
Interest paid	(16,091)	(49,920)	-	-	-	(66,011)
Proceeds from capital lease	-	83,282	-	-	-	83,282
Proceeds from sale of capital assets	266,049	35,712	-	-	-	301,761
Acquisition and construction of capital assets (including capitalized interest)	(1,814,325)	(83,282)	(31,459)	-	-	(1,929,066)
Net cash used in capital and related financing activities	<u>(1,628,277)</u>	<u>(280,444)</u>	<u>(31,459)</u>	<u>-</u>	<u>-</u>	<u>(1,940,180)</u>
Cash flows from investing activities:						
Interest received	-	-	18,414	46,557	-	64,971
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>18,414</u>	<u>46,557</u>	<u>-</u>	<u>64,971</u>
Net increase (decrease) in cash and cash equivalents	905,869	(40,621)	1,464	2,735,521	69,059	3,671,292
Cash and cash equivalents at beginning of year	1,419,399	356,878	5,110,147	11,239,887	287,853	18,414,164
Cash and cash equivalents at end of year	\$ 2,325,268	\$ 316,257	\$ 5,111,611	\$ 13,975,408	\$ 356,912	\$ 22,085,456
Reconciliation to balance sheet:						
Pooled cash and cash equivalents	\$ 2,325,268	\$ 316,257	\$ 4,986,611	\$ 13,975,408	\$ 356,912	\$ 21,960,456
Cash with fiscal agent	-	-	125,000	-	-	125,000
Cash and cash equivalents at end of year	\$ 2,325,268	\$ 316,257	\$ 5,111,611	\$ 13,975,408	\$ 356,912	\$ 22,085,456

See notes to financial statements.

COUNTY OF CHARLESTON, SOUTH CAROLINA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Year Ended June 30, 2011

	Fleet Management	Office Support Services	Workers' Compensation	Employee Benefits	Telecom- munications	Totals
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ (2,444,745)	\$ (311,236)	\$ (2,153,759)	\$ (82,407)	\$ 91,951	\$ (4,900,196)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	2,485,751	289,617	32,951	-	25,726	2,834,045
Changes in assets and liabilities:						
(Increase) decrease in receivables	(61,169)	373	915	(126,718)	(214)	(186,813)
Increase in inventory	(60,854)	-	-	-	-	(60,854)
Increase (decrease) in accounts payable	(251,206)	(43,436)	620,494	2,898,089	(50,723)	3,173,218
Increase (decrease) in accrued payroll	31,992	14,022	13,908	-	2,319	62,241
Total adjustments	2,144,514	260,576	668,268	2,771,371	(22,892)	5,821,837
Net cash provided by operating activities	\$ (300,231)	\$ (50,660)	\$ (1,485,491)	\$ 2,688,964	\$ 69,059	\$ 921,641

See notes to financial statements.