

INTERNAL SERVICE FUNDS

Vehicle Replacement Fund - To account for the cost of maintaining and replacing City vehicles. Such costs are billed to City departments at a rate that provides the future acquisition and operating costs of City vehicles.

Building Occupancy Fund - To account for the cost of maintaining and improving City buildings. Such costs are billed to City departments at a rate that provides for the annual maintenance and improvement costs.

Information Technology Fund - To account for the cost of maintaining and replacing City computer and telecommunications equipment. Such costs are billed to City departments at a rate that provides for the annual maintenance and replacement costs.

Self-Insurance Program Fund - To account for the costs of providing liability, workers' compensation and unemployment insurance to all City departments. Such costs are billed to City departments at a rate that provides for the annual insurance costs.

Printing and Graphics Fund - To account for the costs of providing printing and graphics services to all City departments. Such costs are billed to City departments at a rate that provides for the annual printing costs.

Emergency Communications Fund - To account for the cost of maintaining and replacing various City communication equipment, primarily for Public Safety. Such costs are billed to the City's designated departments at a rate that provides for the annual maintenance and replacement costs.

CITY OF REDONDO BEACH

COMBINING STATEMENT OF NET ASSETS

INTERNAL SERVICE FUNDS

JUNE 30, 2008

	Governmental Activities - Internal Service Funds						
	Vehicle Replacement	Building Occupancy	Information Technology	Self-Insurance Program	Printing and Graphics	Emergency Communications	Totals
Assets:							
Current:							
Cash and investments	\$ 4,545,470	\$ -	\$ 566,703	\$ 14,423,484	\$ 32,840	\$ 540,403	\$ 20,108,900
Receivables:							
Accounts	1,979	-	-	-	-	-	1,979
Prepaid costs	-	-	-	113	-	-	113
Due from other governments	-	-	-	48	-	-	48
Total Current Assets	4,547,449	-	566,703	14,423,645	32,840	540,403	20,111,040
Noncurrent:							
Capital assets - net of accumulated depreciation	3,032,732	26,780	224,979	-	66,788	426,492	3,777,771
Total Noncurrent Assets	3,032,732	26,780	224,979	-	66,788	426,492	3,777,771
Total Assets	\$ 7,580,181	\$ 26,780	\$ 791,682	\$ 14,423,645	\$ 99,628	\$ 966,895	\$ 23,888,811
Liabilities and Net Assets:							
Liabilities:							
Current:							
Accounts payable	\$ 105,388	\$ 171,395	\$ 16,232	\$ 162,141	\$ 6,607	\$ 1,195	\$ 462,958
Accrued liabilities	13,906	35,192	25,986	4,297	5,620	51,420	136,421
Due to other governments	-	-	28	-	-	-	28
Due to other funds	-	140,354	-	-	-	-	140,354
Accrued compensated absences	3,081	38,691	26,025	10,548	5,116	35,050	118,511
Accrued claims and judgments	-	-	-	1,280,329	-	-	1,280,329
Bonds, notes, and capital leases	-	-	-	-	11,010	-	11,010
Total Current Liabilities	122,375	385,632	68,271	1,457,315	28,353	87,665	2,149,611
Noncurrent:							
Accrued compensated absences	874	10,977	7,384	2,989	1,451	9,944	33,619
Accrued claims and judgments	-	-	-	16,161,392	-	-	16,161,392
Bonds, notes, and capital leases	-	-	-	-	34,208	-	34,208
Total Noncurrent Liabilities	874	10,977	7,384	16,164,381	35,659	9,944	16,229,219
Total Liabilities	123,249	396,609	75,655	17,621,696	64,012	97,609	18,378,830
Net Assets:							
Invested in capital assets, net of related debt	3,032,732	26,780	224,979	-	21,570	426,492	3,732,553
Unrestricted	4,424,200	(396,609)	491,048	(3,198,051)	14,046	442,794	1,777,428
Total Net Assets	7,456,932	(369,829)	716,027	(3,198,051)	35,616	869,286	5,509,981
Total Liabilities and Net Assets	\$ 7,580,181	\$ 26,780	\$ 791,682	\$ 14,423,645	\$ 99,628	\$ 966,895	\$ 23,888,811

CITY OF REDONDO BEACH

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2008

	Governmental Activities - Internal Service Funds						
	Vehicle Replacement	Building Occupancy	Information Technology	Self-Insurance Program	Printing and Graphics	Emergency Communications	Totals
Operating Revenues:							
Sales and service charges	\$ 2,711,786	\$ 2,424,818	\$ 2,570,926	\$ 5,593,446	\$ 319,865	\$ 2,330,999	\$ 15,951,840
Miscellaneous	59,631	-	-	-	-	-	59,631
Total Operating Revenues	2,771,417	2,424,818	2,570,926	5,593,446	319,865	2,330,999	16,011,471
Operating Expenses:							
Administration and general	1,160,549	1,375,551	1,339,167	1,783,450	118,477	331,960	6,109,154
Personnel services	373,926	1,206,024	811,453	169,531	170,689	1,884,921	4,616,544
Contractual services	189,486	361,287	350,061	3,095,747	49,550	88,341	4,134,472
Depreciation expense	769,053	3,139	118,318	-	6,036	22,980	919,526
Total Operating Expenses	2,493,014	2,946,001	2,618,999	5,048,728	344,752	2,328,202	15,779,696
Operating Income (Loss)	278,403	(521,183)	(48,073)	544,718	(24,887)	2,797	231,775
Nonoperating Revenues (Expenses):							
Interest expense	-	-	-	-	(6,779)	-	(6,779)
Gain (loss) on disposal of capital assets	34,735	-	-	-	-	-	34,735
Total Nonoperating Revenues (Expenses)	34,735	-	-	-	(6,779)	-	27,956
Income (Loss) Before Transfers	313,138	(521,183)	(48,073)	544,718	(31,666)	2,797	259,731
Transfers in	9,926	107,114	18,472	3,635	3,982	36,175	179,304
Transfers out	-	-	-	(4,770,295)	-	-	(4,770,295)
Changes in Net Assets	323,064	(414,069)	(29,601)	(4,221,942)	(27,684)	38,972	(4,331,260)
Net Assets:							
Beginning of Year	7,133,868	44,240	745,628	1,023,891	63,300	830,314	9,841,241
End of Fiscal Year	\$ 7,456,932	\$ (369,829)	\$ 716,027	\$ (3,198,051)	\$ 35,616	\$ 869,286	\$ 5,509,981

CITY OF REDONDO BEACH

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2008**

	Governmental Activities - Internal Service Funds						
	Vehicle Replacement	Building Occupancy	Information Technology	Self- Insurance Program	Printing and Graphics	Emergency Communications	Totals
Cash Flows from Operating Activities:							
Cash received from customers and users	\$ 2,780,674	\$ 2,424,818	\$ 2,570,926	\$ 5,593,606	\$ 319,865	\$ 2,330,999	\$ 16,020,888
Cash paid to suppliers for goods and services	(1,390,920)	(1,688,622)	(1,945,388)	(4,460,589)	(173,351)	(523,498)	(10,182,368)
Cash paid to employees for services	(369,438)	(1,185,520)	(806,765)	(162,333)	(174,557)	(1,863,673)	(4,562,286)
Net Cash Provided (Used) by Operating Activities	1,020,316	(449,324)	(181,227)	970,684	(28,043)	(56,172)	1,276,234
Cash Flows from Non-Capital Financing Activities:							
Cash transfers out	-	-	-	(4,770,295)	-	-	(4,770,295)
Cash transfers in	9,926	107,114	18,472	3,635	3,982	36,175	179,304
Repayment received from other funds	-	67,964	-	-	-	-	67,964
Net Cash Provided (Used) by Non-Capital Financing Activities	9,926	175,078	18,472	(4,766,660)	3,982	36,175	(4,523,027)
Cash Flows from Capital and Related Financing Activities:							
Proceeds from capital debt	-	-	-	-	55,050	-	55,050
Acquisition and construction of capital assets	(553,223)	-	(21,429)	-	(55,050)	(260,204)	(889,906)
Principal paid on capital debt	-	-	-	-	(10,751)	-	(10,751)
Interest paid on capital debt	-	-	-	-	(6,779)	-	(6,779)
Proceeds from sales of capital assets	58,371	-	-	-	-	-	58,371
Net Cash Provided (Used) by Capital and Related Financing Activities	(494,852)	-	(21,429)	-	(17,530)	(260,204)	(794,015)
Net Increase (Decrease) in Cash and Cash Equivalents	535,390	(274,246)	(184,184)	(3,795,976)	(41,591)	(280,201)	(4,040,808)
Cash and Cash Equivalents at Beginning of Year	4,010,080	274,246	750,887	18,219,460	74,431	820,604	24,149,708
Cash and Cash Equivalents at End of Year	\$ 4,545,470	\$ -	\$ 566,703	\$ 14,423,484	\$ 32,840	\$ 540,403	\$ 20,108,900

CITY OF REDONDO BEACH

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2008

	Governmental Activities - Internal Service Funds						
	Vehicle Replacement	Building Occupancy	Information Technology	Self- Insurance Program	Printing and Graphics	Emergency Communications	Totals
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:							
Operating income (loss)	\$ 278,403	\$ (521,183)	\$ (48,073)	\$ 544,718	\$ (24,887)	\$ 2,797	\$ 231,775
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:							
Depreciation	769,053	3,139	118,318	-	6,036	22,980	919,526
(Increase) decrease in accounts receivable	9,257	-	-	-	-	-	9,257
(Increase) decrease in due from other governments	-	-	-	160	-	-	160
(Increase) decrease in prepaid expense	-	-	-	(113)	-	-	(113)
Increase (decrease) in accounts payable	(40,885)	48,216	(256,188)	(264,227)	(5,324)	(103,197)	(621,605)
Increase (decrease) in due to other governments	-	-	28	-	-	-	28
Increase (decrease) in accrued liabilities	13,906	35,192	25,986	4,297	5,620	51,420	136,421
Increase (decrease) in claims and judgments	-	-	-	682,948	-	-	682,948
Increase (decrease) in compensated absences	(9,418)	(14,688)	(21,298)	2,901	(9,488)	(30,172)	(82,163)
Total Adjustments	741,913	71,859	(133,154)	425,966	(3,156)	(58,969)	1,044,459
Net Cash Provided (Used) by Operating Activities	\$ 1,020,316	\$ (449,324)	\$ (181,227)	\$ 970,684	\$ (28,043)	\$ (56,172)	\$ 1,276,234
Non-Cash Investing, Capital, and Financing Activities:							
Gain/(Loss) on disposition of capital assets	\$ 34,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,735

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