

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 which 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 which 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 which 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 which 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 which 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.

Major Facilities Repair Fund - To account for monies received from user departments within the City for major facilities repair costs.

City of Redondo Beach
Combining Statement of Net Assets
All Internal Service Funds
June 30, 2011

	Vehicle Replacement	Building Occupancy	Information Technology	Self-Insurance Program	Printing and Graphics	Emergency Communications	Major Facilities Repair	Total
ASSETS								
Current assets:								
Cash and investments	\$ 4,165,565	\$ 205,639	\$ 502,484	\$ 14,072,876	\$ 58,071	\$ 856,583	\$ 210,616	\$ 20,071,834
Accounts receivable	28,772	-	488	-	-	-	-	29,260
Due from other funds	-	-	-	510,000	-	-	-	510,000
Prepaid costs	-	705	158,452	54	3,609	294	-	163,114
Total current assets	4,194,337	206,344	661,424	14,582,930	61,680	856,877	210,616	20,774,208
Noncurrent assets:								
Capital assets - net of accumulated depreciation	2,921,507	17,364	1,083,370	-	42,693	493,547	-	4,558,481
Total noncurrent assets	2,921,507	17,364	1,083,370	-	42,693	493,547	-	4,558,481
Total assets	7,115,844	223,708	1,744,794	14,582,930	104,373	1,350,424	210,616	25,332,689
LIABILITIES								
Liabilities:								
Current liabilities:								
Accounts payable	71,289	141,536	55,373	256,583	6,937	10,926	-	542,644
Accrued liabilities	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Accrued compensated absences	1,365	4,025	6,028	1,319	1,397	4,755	-	18,889
Accrued claims and judgments	-	-	-	742,843	-	-	-	742,843
Bonds, notes, and capital leases	-	-	247,932	-	18,931	-	-	266,863
Total current liabilities	72,654	145,561	309,333	1,000,745	27,265	15,681	-	1,571,239
Noncurrent liabilities:								
Accrued compensated absences	18,519	54,598	81,773	17,843	18,947	64,499	-	256,179
Accrued claims and judgments	-	-	-	14,161,561	-	-	-	14,161,561
Bonds, notes, and capital leases	-	-	596,579	-	23,762	-	-	620,341
Total noncurrent liabilities	18,519	54,598	678,352	14,179,404	42,709	64,499	-	15,038,081
Total liabilities	91,173	200,159	987,685	15,180,149	69,974	80,180	-	16,609,320
NET ASSETS								
Invested in capital assets, net of related debt	2,921,507	17,364	238,859	-	-	493,547	-	3,671,277
Unrestricted	4,103,164	6,185	518,250	(597,219)	34,399	776,697	210,616	5,052,092
Total net assets	\$ 7,024,671	\$ 23,549	\$ 757,109	\$ (597,219)	\$ 34,399	\$ 1,270,244	\$ 210,616	\$ 8,723,369

City of Redondo Beach
Combining Statement of Revenues, Expenses and Changes in Net Assets
All Internal Service Funds
For the year ended June 30, 2011

	Vehicle Replacement	Building Occupancy	Information Technology	Self- Insurance Program	Printing and Graphics	Emergency Communications	Major Facilities Repair	Total
OPERATING REVENUES:								
Sales and service charges	\$ 2,853,431	\$ 2,239,558	\$ 2,774,113	\$ 3,579,197	\$ 242,023	\$ 2,687,303	\$ 108,868	\$ 14,484,493
Miscellaneous	149,958	-	3,695	-	-	-	-	153,653
Total operating revenues	3,003,389	2,239,558	2,777,808	3,579,197	242,023	2,687,303	108,868	14,638,146
OPERATING EXPENSES:								
Administrative and general expenses	972,629	1,012,325	530,810	-	91,715	518,073	-	3,125,552
Personnel services	439,429	1,006,569	760,923	255,521	126,206	1,803,030	-	4,391,678
Contractual services	203,607	415,330	772,138	5,171,690	19,890	-	-	6,582,655
Depreciation	703,362	3,139	415,001	-	19,266	70,416	-	1,211,184
Total operating expenses	2,319,027	2,437,363	2,478,872	5,427,211	257,077	2,391,519	-	15,311,069
OPERATING INCOME (LOSS)	684,362	(197,805)	298,936	(1,848,014)	(15,054)	295,784	108,868	(672,923)
NONOPERATING REVENUES EXPENSES:								
Interest expenses	-	-	-	-	-	-	-	-
Gain (loss) on sale of capital assets	53,988	-	-	-	88	-	-	54,076
Total nonoperating revenues (expenses)	53,988	-	-	-	88	-	-	54,076
INCOME (LOSS) BEFORE TRANSFERS	738,350	(197,805)	298,936	(1,848,014)	(14,966)	295,784	108,868	(618,847)
Transfers in	355,716	-	-	510,000	-	-	-	865,716
Transfers out	(2,621,394)	-	-	(510,000)	-	-	-	(3,131,394)
Change in net assets	(1,527,328)	(197,805)	298,936	(1,848,014)	(14,966)	295,784	108,868	(2,884,525)
NET ASSETS:								
Beginning of year	8,551,999	221,354	458,173	1,250,795	49,365	974,460	101,748	11,607,894
End of year	\$ 7,024,671	\$ 23,549	\$ 757,109	\$ (597,219)	\$ 34,399	\$ 1,270,244	\$ 210,616	\$ 8,723,369

City of Redondo Beach
Combining Statement of Cash Flows
All Internal Service Funds
For the year ended June 30, 2011

	Vehicle Replacement	Building Occupancy	Information Technology	Self-Insurance Program	Printing and Graphics	Emergency Communications	Major Facilities Repair	Total
CASH FLOWS FROM OPERATING ACTIVITIES:								
Cash received from customers and users	\$ 2,984,718	\$ 2,239,558	\$ 2,777,320	\$ 3,579,197	\$ 242,023	\$ 2,687,303	\$ 108,868	\$ 14,618,987
Cash payments to suppliers for goods and services	(1,510,274)	(1,439,769)	(1,495,745)	(3,781,027)	(113,453)	(513,837)	-	(8,854,105)
Cash payments to employees for services	(454,899)	(1,040,754)	(778,691)	(268,057)	(128,027)	(1,889,728)	-	(4,560,156)
Net cash provided (used) by operating activities	1,019,545	(240,965)	502,884	(469,887)	543	283,738	108,868	1,204,726
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:								
Transfers in	(2,265,678)	-	-	-	-	-	-	(2,265,678)
Repayment received from other funds	-	-	-	(510,000)	-	-	-	(510,000)
Net cash provided (used) by noncapital financing activities	(2,265,678)	-	-	(510,000)	-	-	-	(2,775,678)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:								
Acquisition and construction of capital assets	(104,200)	(1)	(1,193,612)	-	(39,603)	-	-	(1,337,416)
Principal paid of capital debt	-	-	844,511	-	22,007	-	-	866,518
Interest paid on capital debt	-	-	-	-	-	-	-	-
Proceeds from sales of capital assets	53,988	-	-	-	88	-	-	54,076
Net cash provided (used) by capital and related financing activities	(50,212)	(1)	(349,101)	-	(17,508)	-	-	(416,822)
Net increase (decrease) in cash and cash equivalents	(1,296,345)	(240,966)	153,783	(979,887)	(16,965)	283,738	108,868	(1,987,774)
CASH AND CASH EQUIVALENTS:								
Beginning of year	5,461,910	446,605	348,701	15,052,763	75,036	572,845	101,748	22,059,608
End of year	\$ 4,165,565	\$ 205,639	\$ 502,484	\$ 14,072,876	\$ 58,071	\$ 856,583	\$ 210,616	\$ 20,071,834

City of Redondo Beach
Combining Statement of Cash Flows
All Internal Service Funds
For the year ended June 30, 2011

	Vehicle Replacement	Building Occupancy	Information Technology	Self-Insurance Program	Printing and Graphics	Emergency Communications	Major Facilities Repair	Total
RECONCILIATION OF OPERATING INCOME TO NET								
CASH PROVIDED BY OPERATING ACTIVITIES:								
Operating income (loss)	\$ 684,362	\$ (197,805)	\$ 298,936	\$ (1,848,014)	\$ (15,054)	\$ 295,784	\$ 108,868	\$ (672,923)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation	703,362	3,139	415,001	-	19,266	70,416	-	1,211,184
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable	(18,671)	-	(488)	-	-	-	-	(19,159)
(Increase) decrease in due from other governments	-	-	-	-	-	-	-	-
(Increase) decrease in prepaid expense	-	(455)	(157,952)	59	(3,609)	(44)	-	(162,001)
Increase (decrease) in accounts payable	(334,038)	(11,659)	(34,845)	(59,486)	1,761	4,280	-	(433,987)
Increase (decrease) in due to other governments	-	-	-	-	-	-	-	-
Increase (decrease) in accrued liabilities	(14,642)	(35,604)	(25,986)	(10,737)	(4,173)	(66,774)	-	(157,916)
Increase (decrease) in claims and judgments	-	-	-	1,450,090	-	-	-	1,450,090
Increase (decrease) in compensated absences	(828)	1,419	8,218	(1,799)	2,352	(19,924)	-	(10,562)
Total adjustments	335,183	(43,160)	203,948	1,378,127	15,597	(12,046)	-	1,877,649
Net cash provided (used) by operating activities	\$ 1,019,545	\$ (240,965)	\$ 502,884	\$ (469,887)	\$ 543	\$ 283,738	\$ 108,868	\$ 1,204,726

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