

INTERNAL SERVICE FUNDS

Internal service funds are one of two types of proprietary funds used to centralize and allocate the cost of certain services provided on a cost-reimbursement basis primarily to County departments as well as to other government agencies. User charges are based upon standard rates calculated on an estimated cost recovery basis.

PUBLIC WORKS SERVICES

This fund coordinates the County's property management activities and provides administrative, engineering, construction, and maintenance services to various County departments as well as other governmental units.

HEAVY EQUIPMENT

This fund maintains the County's fleet of machinery and construction equipment and rents such equipment to County departments and other governmental units.

TRANSPORTATION

This fund provides for the acquisition, maintenance, and replacement of County automobiles and light trucks, which it rents to various County departments and non-County entities.

GENERAL INSURANCE

This fund administers certain commercial and County self-insurance programs, principally worker's compensation, medical malpractice, and general insurance. It also administers the hazardous materials program which provides for waste handling, disposal, and reporting.

INFORMATION TECHNOLOGY SERVICES

This fund is responsible for the design, implementation, and maintenance of the telecommunication network as well as the computer-assisted systems which support the information processing requirements of the County departments and certain non-County entities.

GENERAL SERVICES

This fund's services include graphics, mailroom, stores, purchasing, security, maintenance, custodial, and landscaping provided to all County departments and certain non-County entities. The fund also administers the utilities program and the job order contract program, which contracts with outside vendors to provide maintenance projects for County departments.

EMPLOYEE BENEFITS INSURANCE

This fund administers the County's commercial employees' group medical plan and disability income protection plan and the self-insured, wage-supplement, and unemployment insurance programs. The fund, operated by the Human Resources Department, collects premiums from County agencies, departments and employees, and makes benefit payments through outside settlement agents.

PERSONNEL SERVICES

This fund administers the training services offered to County and non-County entities. Services include assessment of the requesting entity's needs as well as the development and delivery of comprehensive programs. This fund, operated by the Human Resources Department, provides these services at cost to both County departments and outside entities.

COUNTY OF VENTURA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018
(In Thousands)

	Total	Public Works Services	Heavy Equipment	Transportation
ASSETS				
Current assets:				
Cash and investments	\$ 264,044	\$ 16,122	\$ 9,389	\$ 6,815
Receivables, net	4,807	100	67	172
Due from other funds	5,877	200	391	1,458
Inventories and other assets	4,724	-	-	580
Restricted cash and investments	418	-	-	-
Total current assets	<u>279,870</u>	<u>16,422</u>	<u>9,847</u>	<u>9,025</u>
Noncurrent assets:				
Long-term receivables	106	-	-	-
Capital assets:				
Nondepreciable:				
Land	770	-	-	-
Construction in progress	81	69	-	5
Depreciable:				
Land improvements	1,299	91	-	-
Structures and improvements	18,195	722	9	869
Equipment/Vehicles	103,077	660	18,479	52,341
Software	13,014	1,375	-	442
Less accumulated depreciation	<u>(74,598)</u>	<u>(1,641)</u>	<u>(11,182)</u>	<u>(26,672)</u>
Total noncurrent assets	<u>61,944</u>	<u>1,276</u>	<u>7,306</u>	<u>26,985</u>
Total assets	<u>341,814</u>	<u>17,698</u>	<u>17,153</u>	<u>36,010</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to pensions	17,886	7,865	170	631
Total deferred outflows of resources	<u>17,886</u>	<u>7,865</u>	<u>170</u>	<u>631</u>
Total assets and deferred outflows of resources	<u>\$ 359,700</u>	<u>\$ 25,563</u>	<u>\$ 17,323</u>	<u>\$ 36,641</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 8,269	\$ 155	\$ 5	\$ 407
Due to other funds	4,897	165	229	483
Accrued liabilities	4,028	1,524	40	130
Compensated absences, current	4,658	2,113	48	153
Claims liabilities, current	28,306	-	-	-
Certificates of participation, tax-exempt commercial paper, and loans payable, current	1,253	-	-	19
Total current liabilities	<u>51,411</u>	<u>3,957</u>	<u>322</u>	<u>1,192</u>
Noncurrent liabilities:				
Unearned revenue	218	173	-	-
Advances from other funds	2,892	-	-	2,892
Compensated absences, noncurrent	3,115	1,660	48	92
Net pension liability	42,825	18,834	407	1,514
Claims liabilities, noncurrent	143,962	-	-	-
Certificates of participation, tax-exempt commercial paper, and loans payable, noncurrent	7,065	-	-	103
Total noncurrent liabilities	<u>200,077</u>	<u>20,667</u>	<u>455</u>	<u>4,601</u>
Total liabilities	<u>251,488</u>	<u>24,624</u>	<u>777</u>	<u>5,793</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to pensions	7,279	3,199	70	255
Total deferred inflows of resources	<u>7,279</u>	<u>3,199</u>	<u>70</u>	<u>255</u>
NET POSITION				
Net investment in capital assets	53,520	1,276	7,306	26,863
Restricted for:				
Debt service	418	-	-	-
Unrestricted (deficit)	46,995	(3,536)	9,170	3,730
Total net position	<u>100,933</u>	<u>(2,260)</u>	<u>16,476</u>	<u>30,593</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 359,700</u>	<u>\$ 25,563</u>	<u>\$ 17,323</u>	<u>\$ 36,641</u>

COUNTY OF VENTURA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018
(In Thousands)

	General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services
\$	193,477	\$ 17,644	\$ 15,186	\$ 5,093	\$ 318
	2,660	252	1,087	431	38
	55	1,272	2,393	108	-
	818	2,652	674	-	-
	-	418	-	-	-
	<u>197,010</u>	<u>22,238</u>	<u>19,340</u>	<u>5,632</u>	<u>356</u>
	97	9	-	-	-
	770	-	-	-	-
	-	7	-	-	-
	-	1,208	-	-	-
	-	2,253	14,342	-	-
	-	24,389	7,200	8	-
	-	10,241	834	122	-
	-	(26,239)	(8,823)	(41)	-
	<u>867</u>	<u>11,868</u>	<u>13,553</u>	<u>89</u>	<u>-</u>
	<u>197,877</u>	<u>34,106</u>	<u>32,893</u>	<u>5,721</u>	<u>356</u>
	290	4,864	3,642	371	53
	<u>290</u>	<u>4,864</u>	<u>3,642</u>	<u>371</u>	<u>53</u>
\$	<u>198,167</u>	<u>38,970</u>	<u>36,535</u>	<u>6,092</u>	<u>409</u>
\$	2,726	\$ 812	\$ 3,822	\$ 296	\$ 46
	3,882	22	78	23	15
	61	976	727	559	11
	91	1,238	885	111	19
	28,171	-	-	135	-
	-	1,067	167	-	-
	<u>34,931</u>	<u>4,115</u>	<u>5,679</u>	<u>1,124</u>	<u>91</u>
	-	-	45	-	-
	-	-	-	-	-
	78	617	567	53	-
	694	11,632	8,723	894	127
	143,962	-	-	-	-
	-	5,261	1,701	-	-
	<u>144,734</u>	<u>17,510</u>	<u>11,036</u>	<u>947</u>	<u>127</u>
	<u>179,665</u>	<u>21,625</u>	<u>16,715</u>	<u>2,071</u>	<u>218</u>
	119	1,986	1,480	148	22
	<u>119</u>	<u>1,986</u>	<u>1,480</u>	<u>148</u>	<u>22</u>
	770	5,531	11,685	89	-
	-	418	-	-	-
	<u>17,613</u>	<u>9,410</u>	<u>6,655</u>	<u>3,784</u>	<u>169</u>
	<u>18,383</u>	<u>15,359</u>	<u>18,340</u>	<u>3,873</u>	<u>169</u>
\$	<u>198,167</u>	<u>38,970</u>	<u>36,535</u>	<u>6,092</u>	<u>409</u>

ASSETS

Current assets:
Cash and investments
Receivables, net
Due from other funds
Inventories and other assets
Restricted cash and investments
Total current assets

Noncurrent assets:
Long-term receivables
Capital assets:
Nondepreciable:
Land
Construction in progress
Depreciable:
Land improvements
Structures and improvements
Equipment/Vehicles
Software
Less accumulated depreciation
Total noncurrent assets

Total assets

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflow related to pensions
Total deferred outflows of resources
Total assets and deferred outflows of resources

LIABILITIES

Current liabilities:
Accounts payable
Due to other funds
Accrued liabilities
Compensated absences, current
Claims liabilities, current
Certificates of participation, tax-exempt commercial paper, and loans payable, current
Total current liabilities

Noncurrent liabilities:
Unearned revenue
Advances from other funds
Compensated absences, noncurrent
Net pension liability
Claims liabilities, noncurrent
Certificates of participation, tax-exempt commercial paper, and loans payable, noncurrent
Total noncurrent liabilities
Total liabilities

DEFERRED INFLOWS OF RESOURCES

Deferred inflow related to pensions
Total deferred inflows of resources

NET POSITION

Net investment in capital assets
Restricted for:
Debt service
Unrestricted (deficit)
Total net position

Total liabilities, deferred inflows of resources, and net position

COUNTY OF VENTURA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018
 (In Thousands)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
Operating Revenues:				
Charges for services	\$ 236,165	\$ 50,457	\$ 5,615	\$ 15,272
Rents and royalties	20	20	-	-
Miscellaneous	3,255	18	6	-
Total operating revenues	<u>239,440</u>	<u>50,495</u>	<u>5,621</u>	<u>15,272</u>
Operating Expenses:				
Salaries and benefits	87,450	38,603	890	2,853
Services and supplies	91,678	7,235	2,497	7,313
Insurance premiums	6,108	135	24	24
Provision for claims	31,732	-	-	-
Depreciation and amortization	11,603	202	1,095	5,304
Total operating expenses	<u>228,571</u>	<u>46,175</u>	<u>4,506</u>	<u>15,494</u>
Operating income (loss)	<u>10,869</u>	<u>4,320</u>	<u>1,115</u>	<u>(222)</u>
Nonoperating revenues (expenses):				
Gain from insurance recovery	779	-	72	707
Gain (loss) from sale (disposal) of capital assets	17	2	23	32
Interest and investment income	3,727	207	126	68
Interest expense	(266)	-	-	(36)
Total nonoperating revenues (expenses)	<u>4,257</u>	<u>209</u>	<u>221</u>	<u>771</u>
Income (loss) before capital contributions and transfers	15,126	4,529	1,336	549
Capital grants and contributions	679	-	-	55
Transfers in	1,603	160	-	483
Change in net position	17,408	4,689	1,336	1,087
Net position - beginning	<u>83,525</u>	<u>(6,949)</u>	<u>15,140</u>	<u>29,506</u>
Net position - ending	<u>\$ 100,933</u>	<u>\$ (2,260)</u>	<u>\$ 16,476</u>	<u>\$ 30,593</u>

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services	
\$ 42,734	\$ 44,311	\$ 65,912	\$ 11,277	\$ 587	Operating Revenues:
-	-	-	-	-	Charges for services
2,931	15	193	92	-	Rents and royalties
45,665	44,326	66,105	11,369	587	Miscellaneous
					Total operating revenues
1,525	22,892	18,458	1,951	278	Operating Expenses:
4,489	16,113	45,506	8,154	371	Salaries and benefits
5,637	115	166	6	1	Services and supplies
31,102	-	-	630	-	Insurance premiums
-	3,996	1,000	6	-	Provision for claims
42,753	43,116	65,130	10,747	650	Depreciation and amortization
					Total operating expenses
2,912	1,210	975	622	(63)	Operating income (loss)
-	-	-	-	-	Nonoperating revenues (expenses):
-	(42)	2	-	-	Gain from insurance recovery
2,791	260	200	70	5	Gain (loss) from sale (disposal) of capital assets
-	(203)	(27)	-	-	Interest and investment income
2,791	15	175	70	5	Interest expense
					Total nonoperating revenues (expenses)
5,703	1,225	1,150	692	(58)	Income (loss) before capital contributions and transfers
-	-	624	-	-	Capital grants and contributions
-	930	-	30	-	Transfers in
5,703	2,155	1,774	722	(58)	Change in net position
12,680	13,204	16,566	3,151	227	Net position - beginning
\$ 18,383	\$ 15,359	\$ 18,340	\$ 3,873	\$ 169	Net position - ending

COUNTY OF VENTURA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Total	Public Works Services	Heavy Equipment	Transportation
Cash flows from operating activities:				
Cash receipts from customers	\$ 17,241	\$ 224	\$ 45	\$ 475
Cash receipts from other funds	220,725	50,432	5,540	14,686
Cash receipts from other sources	2,799	-	6	-
Cash paid to suppliers for goods and services	(74,096)	(1,663)	(1,086)	(6,643)
Cash paid to employees for services	(92,343)	(40,724)	(930)	(2,991)
Cash paid to other funds	(23,533)	(5,724)	(1,404)	(1,843)
Cash paid for insurance premiums	(5,677)	-	-	-
Cash paid for judgments and claims	(33,506)	-	-	-
Net cash provided by (used in) operating activities	<u>11,610</u>	<u>2,545</u>	<u>2,171</u>	<u>3,684</u>
Cash flows from noncapital financing activities:				
Transfers received	1,603	160	-	483
Advances from other funds	2,892	-	-	2,892
Net cash provided by (used in) noncapital financing activities	<u>4,495</u>	<u>160</u>	<u>-</u>	<u>3,375</u>
Cash flows from capital and related financing activities:				
Proceeds from capital grants and contributions	525	-	-	-
Proceeds from insurance recovery	779	-	72	707
Acquisition and construction of capital assets	(5,779)	(202)	(715)	(3,626)
Principal paid on capital debt	(1,103)	-	-	(19)
Interest paid on capital debt	(389)	-	-	(36)
Proceeds from sales of capital assets	587	-	32	553
Net cash provided by (used in) capital and related financing activities	<u>(5,380)</u>	<u>(202)</u>	<u>(611)</u>	<u>(2,421)</u>
Cash flows from investing activities:				
Interest and investment income received	2,969	163	96	46
Net cash provided by investing activities	<u>2,969</u>	<u>163</u>	<u>96</u>	<u>46</u>
Net increase (decrease) in cash and cash equivalents	13,694	2,666	1,656	4,684
Total cash and cash equivalents, beginning of the year	250,350	13,456	7,733	2,131
Total cash and cash equivalents, end of the year	<u>\$ 264,044</u>	<u>\$ 16,122</u>	<u>\$ 9,389</u>	<u>\$ 6,815</u>

COUNTY OF VENTURA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

<u>General Insurance</u>	<u>Information Technology Services</u>	<u>General Services</u>	<u>Employee Benefits Insurance</u>	<u>Personnel Services</u>	
\$ 43	\$ 1,194	\$ 4,200	\$ 10,567	\$ 493	Cash flows from operating activities:
43,077	42,368	63,923	641	58	Cash receipts from customers
2,600	-	193	-	-	Cash receipts from other funds
(3,069)	(18,004)	(42,004)	(1,449)	(178)	Cash receipts from other sources
(1,595)	(24,230)	(19,554)	(2,040)	(279)	Cash paid to suppliers for goods and services
(1,000)	(1,708)	(5,023)	(6,695)	(136)	Cash paid to employees for services
(5,677)	-	-	-	-	Cash paid to other funds
(32,847)	-	-	(659)	-	Cash paid for insurance premiums
<u>1,532</u>	<u>(380)</u>	<u>1,735</u>	<u>365</u>	<u>(42)</u>	Cash paid for judgments and claims
					Net cash provided by (used in) operating activities
-	930	-	30	-	Cash flows from noncapital financing activities:
-	-	-	-	-	Transfers received
-	-	-	-	-	Advances from other funds
-	930	-	30	-	Net cash provided by (used in) noncapital financing activities
-	-	525	-	-	Cash flows from capital and related financing activities:
-	-	-	-	-	Proceeds from capital grants and contributions
-	(1,086)	(112)	(38)	-	Proceeds from insurance recovery
-	(910)	(174)	-	-	Acquisition and construction of capital assets
-	(326)	(27)	-	-	Principal paid on capital debt
-	-	2	-	-	Interest paid on capital debt
-	-	-	-	-	Proceeds from sales of capital assets
-	(2,322)	214	(38)	-	Net cash provided by (used in) capital and related financing activities
2,243	204	158	55	4	Cash flows from investing activities:
<u>2,243</u>	<u>204</u>	<u>158</u>	<u>55</u>	<u>4</u>	Interest and investment income received
					Net cash provided by investing activities
3,775	(1,568)	2,107	412	(38)	Net increase (decrease) in cash and cash equivalents
<u>189,702</u>	<u>19,212</u>	<u>13,079</u>	<u>4,681</u>	<u>356</u>	Total cash and cash equivalents, beginning of the year
<u>\$ 193,477</u>	<u>\$ 17,644</u>	<u>\$ 15,186</u>	<u>\$ 5,093</u>	<u>\$ 318</u>	Total cash and cash equivalents, end of the year

COUNTY OF VENTURA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018
 (In Thousands)
 (Continued)

	<u>Total</u>	<u>Public Works Services</u>	<u>Heavy Equipment</u>	<u>Transportation</u>
Reconciliation of operating income (loss) to net cash				
Provided (used) by operating activities:				
Operating income (loss)	\$ 10,869	\$ 4,320	\$ 1,115	\$ (222)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:				
Depreciation and amortization	11,603	202	1,095	5,304
Decrease (increase) in:				
Accounts receivable	374	177	20	174
Due from other funds	(242)	(7)	(44)	(275)
Due from other governmental agencies	(27)	6	(6)	(10)
Inventories and other assets	(270)	-	-	50
Long-term receivables	(9)	-	-	-
Deferred outflow pension	16,953	7,430	160	543
Increase (decrease) in:				
Accounts payable	(180)	39	5	(749)
Accrued liabilities	(1,283)	135	5	(3)
Due to other funds	2,677	(56)	26	(446)
Unearned revenue	(581)	(16)	-	-
Claims liabilities	(6,124)	-	-	-
Compensated absences	(103)	(28)	3	(13)
Net pension liability	(22,268)	(9,761)	(211)	(688)
Deferred inflow pension	221	104	3	19
Net cash provided by (used in) operating activities	<u>\$ 11,610</u>	<u>\$ 2,545</u>	<u>\$ 2,171</u>	<u>\$ 3,684</u>
 Noncash financing, capital, and investing activities:				
Noncash retirement of capital assets	\$ (570)	\$ 2	\$ (9)	\$ (521)
Decrease in fair value of investments	(758)	(44)	(30)	(22)
Decrease in capital grants and contributions receivable	(154)	-	-	(55)
Increase in noncash interest	123	-	-	-

COUNTY OF VENTURA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018
 (In Thousands)
 (Continued)

General Insurance	Information Technology Services	General Services	Employee Benefits Insurance	Personnel Services	
\$ 2,912	\$ 1,210	\$ 975	\$ 622	\$ (63)	
-	3,996	1,000	6	-	
(331)	(1)	430	(58)	(37)	
(137)	(425)	752	(106)	-	
-	10	(27)	-	-	
(28)	(851)	559	-	-	
-	(9)	-	-	-	
287	4,671	3,463	350	49	
1,972	(1,114)	(399)	18	48	
7	(1,397)	(46)	15	1	
3,309	(51)	(116)	-	11	
-	(317)	(248)	-	-	
(6,095)	-	-	(29)	-	
17	4	(95)	3	6	
(382)	(6,155)	(4,554)	(459)	(58)	
1	49	41	3	1	
<u>\$ 1,532</u>	<u>\$ (380)</u>	<u>\$ 1,735</u>	<u>\$ 365</u>	<u>\$ (42)</u>	
					Reconciliation of operating income (loss) to net cash Provided (used) by operating activities:
					Operating income (loss)
					Adjustments to reconcile operating income (loss) to cash flows from operating activities:
					Depreciation and amortization
					Decrease (increase) in:
					Accounts receivable
					Due from other funds
					Due from other governmental agencies
					Inventories and other assets
					Long-term receivables
					Deferred outflow pension
					Increase (decrease) in:
					Accounts payable
					Accrued liabilities
					Due to other funds
					Unearned revenue
					Claims liabilities
					Compensated absences
					Net pension liability
					Deferred inflow pension
					Net cash provided by (used in) operating activities
					Noncash financing, capital, and investing activities:
					Noncash retirement of capital assets
					Decrease in fair value of investments
					Decrease in capital grants and contributions receivable
					Increase in noncash interest
\$ -	\$ (42)	\$ -	\$ -	\$ -	
(548)	(56)	(42)	(15)	(1)	
-	-	(99)	-	-	
-	123	-	-	-	

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