

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments of the County and to other governmental units on a cost reimbursement basis.

Employee Insurance - This fund is used to account for all self-insured health insurance claim payments and stop-loss premiums.

Risk Management - This fund is used to account for the financing of all insurance premiums and claim payments other than health benefits. The County's self-insured workers' compensation insurance is accounted for in this fund.

POLK COUNTY, IOWA

**Combining Statement of Net Position
Internal Service Funds
June 30, 2019**

	Employee Insurance	Risk Management	Total
ASSETS:			
Current assets:			
Cash and pooled investments	\$ 11,643,630	\$ 5,000,000	\$ 16,643,630
Accounts receivables	808,444	-	808,444
Accrued interest	8,385	-	8,385
Due from other governments	8,640	-	8,640
Prepaid items	9,292	-	9,292
TOTAL ASSETS	12,478,391	5,000,000	17,478,391
LIABILITIES:			
Current liabilities:			
Accounts payable	164,831	-	164,831
Estimated liability for claims and judgments	3,227,100	-	3,227,100
Total current liabilities	3,391,931	-	3,391,931
TOTAL LIABILITIES	3,391,931	-	3,391,931
NET POSITION			
Unrestricted	9,086,460	5,000,000	14,086,460
TOTAL NET POSITION	\$ 9,086,460	\$ 5,000,000	\$ 14,086,460

POLK COUNTY, IOWA

**Combining Statement of Revenues, Expenses, and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2019**

	Employee Insurance	Risk Management	Total
OPERATING REVENUES:			
Charges for services	\$ 21,898,333	\$ -	\$ 21,898,333
Miscellaneous	192,849	-	192,849
Total operating revenues	<u>22,091,182</u>	<u>-</u>	<u>22,091,182</u>
OPERATING EXPENSES:			
Other services/charges	72,578	-	72,578
Insurance	21,597,076	-	21,597,076
Total operating expenses	<u>21,669,654</u>	<u>-</u>	<u>21,669,654</u>
OPERATING INCOME (LOSS)	<u>421,528</u>	<u>-</u>	<u>421,528</u>
NONOPERATING REVENUES (EXPENSES):			
Interest revenue	134,083	-	134,083
Total nonoperating revenues (expenses)	<u>134,083</u>	<u>-</u>	<u>134,083</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>555,611</u>	<u>-</u>	<u>555,611</u>
TRANSFERS:			
Transfers in	-	5,037,735	5,037,735
Transfers out	(20,000)	(4,437,735)	(4,457,735)
Total transfers	<u>(20,000)</u>	<u>600,000</u>	<u>580,000</u>
CHANGE IN NET POSITION	535,611	600,000	1,135,611
NET POSITION, BEGINNING	<u>8,550,849</u>	<u>4,400,000</u>	<u>12,950,849</u>
NET POSITION, ENDING	<u>\$ 9,086,460</u>	<u>\$ 5,000,000</u>	<u>\$ 14,086,460</u>

POLK COUNTY, IOWA

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2019**

	Employee Insurance	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 21,673,251	\$ -	\$ 21,673,251
Cash paid to suppliers for goods and services	(20,008,585)	-	(20,008,585)
Net cash flows from operating activities	<u>1,664,666</u>	-	<u>1,664,666</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	-	5,037,735	5,037,735
Transfers out	(20,000)	(4,437,735)	(4,457,735)
Net cash flows from noncapital financing activities	<u>(20,000)</u>	<u>600,000</u>	<u>580,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	131,208	-	131,208
Net cash flows from investing activities	<u>131,208</u>	-	<u>131,208</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,775,874	600,000	2,375,874
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	9,867,756	4,400,000	14,267,756
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 11,643,630</u>	<u>\$ 5,000,000</u>	<u>\$ 16,643,630</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ 421,528	\$ -	\$ 421,528
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
(Increase) decrease in accounts receivable	(409,291)	-	(409,291)
(Increase) decrease in due from other governments	(8,640)	-	(8,640)
(Increase) decrease in prepaid items	(426)	-	(426)
Increase (decrease) in accounts payable	3,395	-	3,395
Increase (decrease) in estimated liability for claims and judgments	1,658,100	-	1,658,100
Net cash flows from operating activities	<u>\$ 1,664,666</u>	<u>\$ -</u>	<u>\$ 1,664,666</u>