



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 or agencies of the Primary Government and to other government units, on a cost-reimbursement basis.

Self-Insurance Funds - to provide insurance protection to the Primary Government and the participating Component Unit Entities - Board of Education, Library, and Community College. The Life and Health Benefits Fund provides coverage for the Primary Government and Library employees. The Unemployment Compensation Fund covers required payments to the State of Maryland Unemployment Compensation Fund.

Vehicle Maintenance Fund - to account for the activities which provide the maintenance and repair services for County-owned

Computer Services Fund - to provide for computer and office automation services to County departments and agencies.

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Net Assets
Internal Service Funds
June 30, 2008

Assets	Self-Insurance Funds								Total
	Unemployment Compensation	Property Loss	Automobile Liability	Worker's Compensation	General Liability	Life and Health Benefits	Vehicle Maintenance Fund	Computer Services Fund	
Current assets:									
Cash and investments	\$ 156,624	-	472,369	19,333,976	10,655,395	33,320,038	7,659,019	16,545,561	88,142,982
Accounts receivable	-	83,595	18,157	61,696	874	291,843	3,890	560,008	1,020,063
Less allowance for uncollectible accounts	-	-	-	-	(549)	-	-	-	(549)
Accrued interest receivable	-	1,261	4,982	128,778	180,788	-	-	-	315,809
Due from (to) other internal service funds	-	(440,927)	-	-	440,927	-	-	-	-
Due from component units	-	-	-	2,792,027	-	-	-	-	2,792,027
Inventories, at cost	-	-	-	-	-	-	269,140	41,552	310,692
Prepaid costs and deposits	-	-	-	-	5,979	1,248,297	-	-	1,254,276
Total current assets	<u>156,624</u>	<u>(356,071)</u>	<u>495,508</u>	<u>22,316,477</u>	<u>11,283,414</u>	<u>34,860,178</u>	<u>7,932,049</u>	<u>17,147,121</u>	<u>93,835,300</u>
Noncurrent assets:									
Restricted cash and investments	-	1,240,071	1,454,239	12,458,415	1,881,441	-	226,157	-	17,260,323
Capital assets:									
Land	-	-	-	-	-	-	1,000,000	-	1,000,000
Buildings	-	-	-	-	-	-	2,640,889	-	2,640,889
Accumulated depreciation	-	-	-	-	-	-	(1,808,156)	-	(1,808,156)
Improvements other than buildings	-	-	-	-	-	-	328,014	-	328,014
Accumulated depreciation	-	-	-	-	-	-	(310,847)	-	(310,847)
Equipment	-	-	-	-	-	-	12,558,195	111,177	12,669,372
Accumulated depreciation	-	-	-	-	-	-	(5,602,078)	(83,031)	(5,685,109)
Net capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,806,017</u>	<u>28,146</u>	<u>8,834,163</u>
Deferred debt issue costs	-	-	-	-	-	-	122,142	-	122,142
Total noncurrent assets	<u>-</u>	<u>1,240,071</u>	<u>1,454,239</u>	<u>12,458,415</u>	<u>1,881,441</u>	<u>-</u>	<u>9,154,316</u>	<u>28,146</u>	<u>26,216,628</u>
Total assets	\$ <u>156,624</u>	<u>884,000</u>	<u>1,949,747</u>	<u>34,774,892</u>	<u>13,164,855</u>	<u>34,860,178</u>	<u>17,086,365</u>	<u>17,175,267</u>	<u>120,051,928</u>

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PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Net Assets
Internal Service Funds
June 30, 2008

<u>Liabilities</u>	<u>Unemployment Compensation</u>	<u>Property Loss</u>	<u>Automobile Liability</u>	<u>Worker's Compensation</u>	<u>General Liability</u>	<u>Life and Health Benefits</u>	<u>Vehicle Maintenance Fund</u>	<u>Computer Services Fund</u>	<u>Total</u>
Current liabilities:									
Current portion of compensated absences and termination benefits payable \$	-	-	-	-	-	-	728,147	608,883	1,337,030
Current portion of notes payable	-	-	-	-	-	-	235,000	-	235,000
Accounts payable	83,056	-	20,747	605,364	6,855	1,688,154	431,812	2,119,921	4,955,909
Accrued costs	-	-	-	-	-	-	268,509	375,094	643,603
Deferred revenue	-	-	-	211,981	-	24,924	-	-	236,905
Deposits	-	-	-	651,029	-	-	-	-	651,029
Current portion of estimated liability on pending claims	<u>73,568</u>	<u>433,160</u>	<u>829,470</u>	<u>25,274,660</u>	<u>4,473,720</u>	<u>8,506,867</u>	<u>-</u>	<u>-</u>	<u>39,591,445</u>
Total current liabilities	<u>156,624</u>	<u>433,160</u>	<u>850,217</u>	<u>26,743,034</u>	<u>4,480,575</u>	<u>10,219,945</u>	<u>1,663,468</u>	<u>3,103,898</u>	<u>47,650,921</u>
Noncurrent liabilities:									
Unamortized premium (discount)	-	-	-	-	-	-	16,523	-	16,523
Compensated absences and termination benefits payable, less current portion	-	-	-	-	-	-	-	137,316	137,316
Estimated liability on pending claims, less current portion	-	450,840	1,099,530	61,879,340	8,684,280	-	-	-	72,113,990
Notes payable, less current portion	-	-	-	-	-	-	1,590,000	-	1,590,000
Total long-term liabilities	<u>-</u>	<u>450,840</u>	<u>1,099,530</u>	<u>61,879,340</u>	<u>8,684,280</u>	<u>-</u>	<u>1,606,523</u>	<u>137,316</u>	<u>73,857,829</u>
Total liabilities	<u>156,624</u>	<u>884,000</u>	<u>1,949,747</u>	<u>88,622,374</u>	<u>13,164,855</u>	<u>10,219,945</u>	<u>3,269,991</u>	<u>3,241,214</u>	<u>121,508,750</u>
<u>Net Assets</u>									
Invested in net assets, net of related debt	-	-	-	-	-	-	7,086,636	28,146	7,114,782
Restricted	-	-	-	-	-	-	-	12,783,499	12,783,499
Unrestricted	-	-	-	(53,847,482)	-	24,640,233	6,729,738	1,122,408	(21,355,103)
Total net assets	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(53,847,482)</u>	<u>-</u>	<u>24,640,233</u>	<u>13,816,374</u>	<u>13,934,053</u>	<u>(1,456,822)</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Revenue, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the year ended June 30, 2008

	Self-Insurance Funds							Total	
	Unemployment Compensation	Property Loss	Automobile Liability	Worker's Compensation	General Liability	Life and Health Benefits	Vehicle Maintenance Fund		Computer Services Fund
Operating revenues:									
Premium contributions	\$ 382,190	2,457,692	1,713,127	33,956,119	7,695,090	54,730,027	-	-	100,934,245
Sales									
Fuel sales	-	-	-	-	-	-	15,095	-	15,095
Office automation sales	-	-	-	-	-	-	-	18,411,691	18,411,691
Charges for services:									
Maintenance and repair charges	-	-	-	-	-	-	12,518,406	-	12,518,406
Use of money and property - rentals	-	-	-	-	-	-	192,555	38,970	231,525
Miscellaneous - subrogations and other	-	62,649	438,084	491,867	5,735	585,411	11,336	-	1,595,082
Total operating revenues	<u>382,190</u>	<u>2,520,341</u>	<u>2,151,211</u>	<u>34,447,986</u>	<u>7,700,825</u>	<u>55,315,438</u>	<u>12,737,392</u>	<u>18,450,661</u>	<u>133,706,044</u>
Operating expenses:									
Salaries	-	-	-	-	-	-	4,311,059	6,261,019	10,572,078
Fringe benefits	-	-	-	-	-	-	2,128,027	2,404,919	4,532,946
Contractual services	-	-	-	-	-	-	118,106	8,254,819	8,372,925
Materials	-	-	-	-	-	-	216,028	8,801,073	9,017,101
Facility and equipment rental	-	-	-	-	-	-	72,952	99,687	172,639
General and administrative:									
Administrative expenses	17,772	569,559	739,810	2,199,781	1,309,328	2,331,238	150,326	541,404	7,859,218
State worker's compensation tax	-	-	-	315,942	-	-	-	-	315,942
Depreciation	-	-	-	-	-	-	2,299,430	9,762	2,309,192
Insurance claims	288,665	910,578	1,687,386	40,046,658	(268,151)	32,085,407	-	-	74,750,543
Insurance premiums	-	1,155,655	-	2,421,417	96,281	13,081,336	-	-	16,754,689
Other:									
Repair and maintenance	-	-	-	-	-	-	3,619,058	521,344	4,140,402
Other operating expenses	-	-	-	-	-	-	419	-	419
Total operating expenses	<u>306,437</u>	<u>2,635,792</u>	<u>2,427,196</u>	<u>44,983,798</u>	<u>1,137,458</u>	<u>47,497,981</u>	<u>12,915,405</u>	<u>26,894,027</u>	<u>138,798,094</u>
Operating income (loss)	<u>75,753</u>	<u>(115,451)</u>	<u>(275,985)</u>	<u>(10,535,812)</u>	<u>6,563,367</u>	<u>7,817,457</u>	<u>(178,013)</u>	<u>(8,443,366)</u>	<u>(5,092,050)</u>
Nonoperating revenue (expenses):									
Interest income	-	34,227	95,067	1,277,158	904,841	-	-	-	2,311,293
Interest expense	-	-	-	-	-	-	(75,476)	-	(75,476)
Debt issuance costs	-	-	-	-	-	-	(4,615)	-	(4,615)
Gain (loss) on sale of capital assets	-	-	-	-	-	-	(59,141)	-	(59,141)
Total nonoperating revenue (expenses)	-	34,227	95,067	1,277,158	904,841	-	(139,232)	-	2,172,061
Income (loss) before transfers	75,753	(81,224)	(180,918)	(9,258,654)	7,468,208	7,817,457	(317,245)	(8,443,366)	(2,919,989)
Interfund transfer in (out)	-	-	-	-	-	(25,000,000)	-	9,444,200	(15,555,800)
Intrafund transfers in (out)	-	81,224	180,918	7,206,066	(7,468,208)	-	-	-	-
Change in net assets	75,753	-	-	(2,052,588)	-	(17,182,543)	(317,245)	1,000,834	(18,475,789)
Total net assets (deficit) - beginning	<u>(75,753)</u>	<u>-</u>	<u>-</u>	<u>(51,794,894)</u>	<u>-</u>	<u>41,822,776</u>	<u>14,133,619</u>	<u>12,933,219</u>	<u>17,018,967</u>
Total net assets (deficit) - end	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(53,847,482)</u>	<u>-</u>	<u>24,640,233</u>	<u>13,816,374</u>	<u>13,934,053</u>	<u>(1,456,822)</u>

PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2008

	Self-Insurance Funds							Total	
	Unemployment Compensation	Property Loss	Automobile Liability	Worker's Compensation	General Liability	Life and Health Benefits	Vehicle Maintenance Fund		Computer Services Fund
Cash flows from operating activities:									
Cash received from customers	\$ 382,190	2,911,651	2,180,435	36,014,177	8,179,604	55,005,345	12,725,531	18,611,579	136,010,512
Cash payments to suppliers for goods and services	(293,405)	(984,171)	(740,442)	(2,296,755)	(1,311,014)	(51,240,987)	(4,695,164)	(16,874,284)	(78,436,222)
Cash payments to employees for services	-	-	-	-	-	-	(6,460,447)	(8,538,376)	(14,998,823)
Premium and claim payments	-	(2,013,234)	(1,817,386)	(36,336,076)	(3,620,130)	-	-	-	(43,786,826)
Other cash receipts	-	-	-	-	-	585,411	11,336	-	596,747
Net cash and cash equivalents provided (used) by operating activities	88,785	(85,754)	(377,393)	(2,618,654)	3,248,460	4,349,769	1,581,256	(6,801,081)	(614,612)
Cash flows from noncapital financing activities:									
Interfund transfers in	-	-	-	-	-	(25,000,000)	-	9,444,200	(15,555,800)
Intrafund transfers in (out)	-	81,224	180,918	7,206,066	(7,468,208)	-	-	-	-
Net cash and cash equivalents provided (used) by noncapital financing activities	-	81,224	180,918	7,206,066	(7,468,208)	(25,000,000)	-	9,444,200	(15,555,800)
Cash flows from capital and related financing activities:									
Acquisition and construction of capital assets	-	-	-	-	-	-	(1,725,650)	(12,234)	(1,737,884)
Principal payments on notes payable	-	-	-	-	-	-	(230,000)	-	(230,000)
Interest payments	-	-	-	-	-	-	(64,696)	-	(64,696)
Net cash and cash equivalents used in capital and related financing activities	-	-	-	-	-	-	(2,020,346)	(12,234)	(2,032,580)
Cash flows from investing activities:									
Interest on investments	-	35,986	105,004	1,239,546	908,529	-	-	-	2,289,065
Net cash and cash equivalents provided by investing activities	-	35,986	105,004	1,239,546	908,529	-	-	-	2,289,065
Net increase (decrease) in cash and cash equivalents	88,785	31,456	(91,471)	5,826,958	(3,311,219)	(20,650,231)	(439,090)	2,630,885	(15,913,927)
Cash and cash equivalents, beginning of year	67,839	1,208,615	2,018,079	25,965,433	15,848,055	53,970,269	8,324,266	13,914,676	121,317,232
Cash and cash equivalents, end of year	\$ 156,624	1,240,071	1,926,608	31,792,391	12,536,836	33,320,038	7,885,176	16,545,561	105,403,305

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PRINCE GEORGE'S COUNTY, MARYLAND
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2008

	Self-Insurance Funds							Total	
	Unemployment Compensation	Property Loss	Automobile Liability	Worker's Compensation	General Liability	Life and Health Benefits	Vehicle Maintenance Fund		Computer Services Fund
Reconciliation of operating income to net cash provided (used) by operating activities									
Operating income (loss)	\$ 75,753	(115,451)	(275,985)	(10,535,812)	6,563,367	7,817,457	(178,013)	(8,443,366)	(5,092,050)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities									
Depreciation - equipment	-	-	-	-	-	-	2,299,430	9,762	2,309,192
Changes in assets and liabilities:									
Decrease (increase) in:									
Accounts receivable	-	2,197	(1,241)	(29,823)	3,961	489,107	(525)	160,918	624,594
Inventories	-	-	-	-	-	-	(26,398)	1,109,034	1,082,636
Prepaid costs	-	-	-	-	1,074	-	-	-	1,074
Increase (decrease) in:									
Compensated absences and termination benefits payable	-	-	-	-	-	-	(37,408)	90,306	52,898
Accounts payable	53,047	-	(632)	219,251	(2,659)	(313,683)	(491,877)	235,009	(301,544)
Accrued costs	-	-	-	(284)	(101)	-	16,047	37,256	52,918
Due to other funds	-	(414,612)	-	-	414,612	-	-	-	-
Deferred revenue	-	-	-	211,981	-	(213,789)	-	-	(1,808)
Due from component units	-	389,113	30,465	1,384,033	60,206	-	-	-	1,863,817
Estimated liability on pending claims	(40,015)	52,999	(130,000)	6,132,000	(3,792,000)	(3,429,323)	-	-	(1,206,339)
Total adjustments	13,032	29,697	(101,408)	7,917,158	(3,314,907)	(3,467,688)	1,759,269	1,642,285	4,477,438
Net cash and cash equivalents provided (used) by operating activities	\$ 88,785	(85,754)	(377,393)	(2,618,654)	3,248,460	4,349,769	1,581,256	(6,801,081)	(614,612)
Non-cash investing, capital and related financing activities:									
Decrease (increase) in accrued interest receivable	\$ -	1,759	9,937	(37,612)	3,688	-	-	-	(22,228)

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