

**COUNTY OF SANTA CRUZ, CALIFORNIA**

Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2005

	<u>Central Duplicating</u>	<u>Information Services</u>	<u>Public Works</u>	<u>Service Center</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 848,706	\$ 9,145,095	\$ 720,803	\$ 1,459,033
Receipts from interfund services provided	--	--	29,227,468	--
Payments to suppliers for goods and services	(634,060)	(3,241,846)	(5,432,063)	(911,877)
Payments to employees for services	(241,166)	(6,148,643)	(23,441,696)	(431,936)
Payments for judgements and claims	--	(17,850)	--	--
Other receipts	--	--	--	--
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Net Cash Provided (Used) by Operating Activities	(26,520)	(263,244)	1,074,512	115,220
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<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Loan repayment	--	--	--	(305,121)
Loan receipt	--	--	--	557,886
Advances to other funds	--	--	(615,476)	--
Transfers received	43,163	127,304	720,101	--
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Net Cash Provided (Used) by Noncapital Financing Activities	43,163	127,304	104,625	252,765
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<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital contributions	--	--	75,723	--
Proceeds from sale of capital assets	--	--	23,031	18,830
Purchase of capital assets	--	(271,637)	(792,080)	(238,931)
Principal payments on long-term debt	(12,670)	--	(526,874)	(137,390)
Interest payments on long-term debt	(3,973)	--	(54,114)	(10,494)
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Net Cash Provided (Used) by Capital and Related Financing Activities	(16,643)	(271,637)	(1,274,314)	(367,985)
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<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends received	--	--	--	--
Net Cash Provided by Investing Activities	--	--	--	--
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<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	--	(407,577)	(95,177)	--
Cash and Cash Equivalents, Beginning of Year	--	407,577	4,057,408	--
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Cash and Cash Equivalents, End of Year	\$ --	\$ --	\$ 3,962,231	\$ --
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**COUNTY OF SANTA CRUZ, CALIFORNIA**

Combining Statement of Cash Flows (continued)  
Internal Service Funds  
For the Year Ended June 30, 2005

	Self-Insurance			
	Risk Manage- ment and Self Insurance	Dental and Health Insurance	Liability and Property Insurance	Workers' Compensation Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 670,000	\$ 2,520,881	\$ 1,515,000	\$ 5,554,378
Receipts from interfund services provided	--	--	--	--
Payments to suppliers for goods and services	(290,241)	(155,773)	(2,223,280)	(2,271,668)
Payments to employees for services	(480,633)	--	--	--
Payments for judgements and claims	(5,550)	(1,652,182)	(545,690)	(4,371,058)
Other receipts	--	--	36,403	342,876
Net Cash Provided (Used) by Operating Activities	(106,424)	712,926	(1,217,567)	(745,472)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Loan repayment	--	--	--	--
Loan receipt	--	--	--	--
Advances to other funds	--	--	--	--
Transfers received	--	--	--	25,000
Net Cash Provided (Used) by Noncapital Financing Activities	--	--	--	25,000
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital contributions	--	--	--	--
Proceeds from sale of capital assets	--	--	--	--
Purchase of capital assets	--	--	--	--
Principal payments on long-term debt	--	--	--	--
Interest payments on long-term debt	--	--	--	--
Net Cash Provided (Used) by Capital and Related Financing Activities	--	--	--	--
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends received	14,209	25,574	101,486	104,616
Net Cash Provided by Investing Activities	14,209	25,574	101,486	104,616
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(92,215)	738,500	(1,116,081)	(615,856)
Cash and Cash Equivalents, Beginning of Year	494,775	647,677	4,781,571	3,181,118
Cash and Cash Equivalents, End of Year	\$ 402,560	\$ 1,386,177	\$ 3,665,490	\$ 2,565,262

continued

**COUNTY OF SANTA CRUZ, CALIFORNIA**

Combining Statement of Cash Flows (continued)  
Internal Service Funds  
For the Year Ended June 30, 2005

	Self-Insurance		
	Employee Benefit Staffing	State Unemployment Insurance	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers and users	\$ 502,492	\$ 500,001	\$ 23,436,389
Receipts from interfund services provided	--	(69,310)	29,158,158
Payments to suppliers for goods and services	(306,863)	--	(15,467,671)
Payments to employees for services	(352,861)	--	(31,096,935)
Payments for judgements and claims	--	(215,156)	(6,807,486)
Other receipts	--	--	379,279
	(157,232)	215,535	(398,266)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Loan repayment	--	--	(305,121)
Loan receipt	--	--	557,886
Advances to other funds	--	--	(615,476)
Transfers received	--	--	915,568
	--	--	552,857
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Capital contributions	--	--	75,723
Proceeds from sale of capital assets	--	--	41,861
Purchase of capital assets	--	--	(1,302,648)
Principal payments on long-term debt	--	--	(676,934)
Interest payments on long-term debt	--	--	(68,581)
	--	--	(1,930,579)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends received	8,124	9,085	263,094
Net Cash Provided by Investing Activities	8,124	9,085	263,094
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(149,108)	224,620	(1,512,894)
Cash and Cash Equivalents, Beginning of Year	321,951	88,028	13,980,105
Cash and Cash Equivalents, End of Year	\$ 172,843	\$ 312,648	\$ 12,467,211

continued

**COUNTY OF SANTA CRUZ, CALIFORNIA**

Combining Statement of Cash Flows (continued)  
Internal Service Funds  
For the Year Ended June 30, 2005

	<u>Central Duplicating</u>	<u>Information Services</u>	<u>Public Works</u>	<u>Service Center</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by</b>				
Operating Activities:				
Operating income (loss)	\$ (86,289)	\$ (985,353)	\$ (125,552)	\$ (642,743)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	34,273	833,138	738,429	749,601
Changes in assets and liabilities:				
(Increase) decrease in:				
Receivables	--	--	3,794	--
Inventory	--	--	1,976	14,103
Prepaid items	35,572	--	--	--
Increase (decrease) in:				
Vouchers payable	--	(79,257)	--	7,303
Accounts payable	3,574	(65,299)	188,896	(16,636)
Accrued salaries and benefits	(178)	25,352	--	2,861
Other long-term debt	--	--	100	--
Compensated absences	(13,472)	8,175	266,869	731
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (26,520)</u>	<u>\$ (263,244)</u>	<u>\$ 1,074,512</u>	<u>\$ 115,220</u>

continued

**COUNTY OF SANTA CRUZ, CALIFORNIA**

Combining Statement of Cash Flows (continued)  
Internal Service Funds  
For the Year Ended June 30, 2005

	Self-Insurance			
	Risk Manage- ment and Self Insurance	Dental and Health Insurance	Liability and Property Insurance	Workers' Compensation Insurance
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by</b>				
Operating Activities:				
Operating income (loss)	\$ (120,684)	\$ 718,654	\$ (2,254,935)	\$ 150,537
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	986	--	--	--
Changes in assets and liabilities:				
(Increase) decrease in:				
Receivables	--	(8,221)	--	--
Inventory	--	--	--	--
Prepaid items	--	--	--	--
Increase (decrease) in:				
Vouchers payable	(474)	1,518	156,226	--
Accounts payable	11,018	975	(302,824)	(21,211)
Accrued salaries and benefits	2,730	--	--	--
Other long-term debt	--	--	1,183,966	(874,798)
Compensated absences	--	--	--	--
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (106,424)</u>	<u>\$ 712,926</u>	<u>\$ (1,217,567)</u>	<u>\$ (745,472)</u>

continued

**COUNTY OF SANTA CRUZ, CALIFORNIA**

Combining Statement of Cash Flows (continued)  
Internal Service Funds  
For the Year Ended June 30, 2005

	Self-Insurance		
	Employee Benefit Staffing	State Unemployment Insurance	Total
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by</b>			
Operating Activities:			
Operating income (loss)	\$ (159,255)	\$ 215,535	\$ (3,290,085)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	--	--	2,356,427
Changes in assets and liabilities:			
(Increase) decrease in:			
Receivables	--	--	(4,427)
Inventory	--	--	16,079
Prepaid items	--	--	35,572
Increase (decrease) in:			
Vouchers payable	--	--	85,316
Accounts payable	--	--	(201,507)
Accrued salaries and benefits	2,023	--	32,788
Other long-term debt	--	--	309,268
Compensated absences	--	--	262,303
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (157,232)</b>	<b>\$ 215,535</b>	<b>\$ (398,266)</b>