

**NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2004**

King County has established Enterprise Funds to account for organizations which are intended to be self-supporting through fees charged for services provided to the public. The County has six nonmajor enterprises that use the accrual basis of accounting. A typical enterprise consists of an operating fund and construction subfund and may also include debt service or other reserve subfunds.

The Institutional Network (I-Net) Enterprise Fund (#00000453-0) – Accounts for the development and operations of a fiberoptic network which connects approximately 300 public facilities across King County. I-Net provides broadband internet connectivity, including data, voice and video communications to schools in unincorporated King County, public safety agencies, courts, public health facilities, and other public service agencies.

The King County International Airport (KCIA) Enterprise Fund (#00000429-0, 338-0, 338-3 and 338-4) – Accounts for the operations, maintenance, capital improvements, and expansion of the King County International Airport/Boeing Field. With its two runways (3,710 feet and 10,001 feet in length) and four fixed-base operators, KCIA provides all the facilities and services necessary to support jet and propeller-driven aircraft and helicopters. KCIA is an FAA-designated General Aviation Reliever for Sea-Tac Airport and averages over 375,000 general aviation operations per year.

The Radio Communications Services Enterprise Fund (#00000450-1, 450-3, 347-2, and 347-3) – Accounts for the operations, maintenance, capital improvements, and expansion of the 800 MHz trunked radio system that provides communications for virtually all public safety agencies of the County, as well as many other local government agencies. Costs are recovered primarily through user fees, including charges for maintenance and future equipment replacement.

The Sewer Utility Enterprise Fund (#00000890-0, 890-1 and 4801-0) – Originally established to collect assessments and pay principal and interest on sewer revenue bonds issued in the King County Utility Local Improvement District and the King County Sewer and Drainage District 4. The enterprise fund remains open pending disposition of the fund's remaining liabilities.

The Solid Waste Enterprise Fund (#00000404-0, 391-0, 390-3, 390-1, 383-1, 381-0 and 104-0) – Accounts for the operations, maintenance, capital improvements, and expansion of the County's solid waste disposal facilities under the Solid Waste Division of the Department of Natural Resources and Parks. The County operates eight solid waste transfer stations, two drop box stations, two household hazardous waste facilities, one regional landfill, and recycling services for residential customers. Operating revenues result primarily from tipping fees at the active solid waste disposal sites, while bond proceeds fund most new construction. Significant reserves are set aside to replace landfills, to provide for post-closure care and remediation costs, and to replace capital equipment.

The Stadium Enterprise Fund (#00000448-0) – Originally established to account for the operations, maintenance, and capital improvements to the King County Stadium (the Kingdome). Although the implosion and subsequent demolition of the Kingdome took place in 2000, the enterprise fund remains open pending final disposition of the fund's remaining assets.

KING COUNTY, WASHINGTON
 COMBINING STATEMENT OF NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 DECEMBER 31, 2004
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	<u>TOTAL</u>	<u>I-NET</u>	<u>KING COUNTY INTERNATIONAL AIRPORT</u>	<u>RADIO COMMUNICATIONS</u>	<u>SEWER UTILITY</u>	<u>SOLID WASTE</u>	<u>STADIUM</u>
ASSETS							
Current assets							
Cash and cash equivalents	\$ 154,593,523	\$ 363,156	\$ 23,224,506	\$ 4,716,478	\$ 203,003	\$ 125,992,984	\$ 93,396
Accounts receivable	6,848,804	148	1,099,246	325,473	-	5,423,937	-
Estimated uncollectible accounts receivable	(40,132)	-	(10,280)	-	-	(29,852)	-
Notes and contracts receivable	48,054	-	-	48,054	-	-	-
Due from other funds	1,205,705	149,093	15,436	66,932	-	974,244	-
Due from other governments	947,872	69,432	339,037	-	-	539,403	-
Inventory of supplies	824,857	-	105,247	97,525	-	622,085	-
Total current assets	<u>164,428,683</u>	<u>581,829</u>	<u>24,773,192</u>	<u>5,254,462</u>	<u>203,003</u>	<u>133,522,801</u>	<u>93,396</u>
Capital assets							
Land	37,042,439	-	14,960,463	-	-	20,659,111	1,422,865
Buildings	55,269,972	-	32,437,382	279,641	-	21,819,653	733,296
Improvements other than buildings	122,385,117	-	26,587,288	-	-	95,797,829	-
Furniture, machinery and equipment	72,994,775	6,048,097	3,800,037	23,769,561	-	39,377,080	-
Accumulated depreciation	(143,303,413)	(4,435,125)	(28,169,377)	(13,280,240)	-	(96,685,375)	(733,296)
Work in progress	35,956,557	-	5,247,331	-	-	30,709,226	-
Total capital assets	<u>180,345,447</u>	<u>1,612,972</u>	<u>54,863,124</u>	<u>10,768,962</u>	<u>-0-</u>	<u>111,677,524</u>	<u>1,422,865</u>
TOTAL ASSETS	<u>344,774,130</u>	<u>2,194,801</u>	<u>79,636,316</u>	<u>16,023,424</u>	<u>203,003</u>	<u>245,200,325</u>	<u>1,516,261</u>

KING COUNTY, WASHINGTON
 COMBINING STATEMENT OF NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 DECEMBER 31, 2004
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	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNICATIONS	SEWER UTILITY	SOLID WASTE	STADIUM
LIABILITIES							
Current liabilities							
Accounts payable	\$ 5,710,842	\$ 120,536	\$ 927,956	\$ 61,142	\$ -	\$ 4,601,208	\$ -
Due to other funds	3,473,287	393	2,402,093	-	-	1,070,801	-
Interest payable	279,642	-	29,462	-	-	250,180	-
Wages payable	1,347,771	19,947	150,829	31,226	-	1,145,769	-
Taxes payable	349,117	-	334,702	5,669	-	8,746	-
Unearned revenue	1,933,817	-	1,933,283	-	-	534	-
Obligations under reverse repurchase agreements	4,460,457	-	667,373	-	-	3,793,084	-
Revenue bonds payable	500	-	-	-	500	-	-
General obligation bonds payable	5,361,010	-	310,000	-	-	5,051,010	-
Total current liabilities	22,916,443	140,876	6,755,698	98,037	500	15,921,332	-0-
Long-term liabilities							
General obligation bonds payable	27,746,569	-	7,460,000	-	-	20,286,569	-
Deferred bond discount/refunding losses	(799,644)	-	-	-	-	(799,644)	-
Compensated absences payable	3,601,829	43,872	340,214	104,606	-	3,113,137	-
Customer deposits	621,338	283,079	325,572	12,687	-	-	-
Landfill closure and post-closure care liability	87,896,269	-	-	-	-	87,896,269	-
Total long-term liabilities	119,066,361	326,951	8,125,786	117,293	-0-	110,496,331	-0-
TOTAL LIABILITIES	141,982,804	467,827	14,881,484	215,330	500	126,417,663	-0-
NET ASSETS							
Invested in capital assets, net of related debt	148,037,512	1,612,972	47,093,124	10,768,962	-	87,139,589	1,422,865
Restricted	16,346,319	-	14,609,951	1,533,865	202,503	-	-
Unrestricted	38,407,495	114,002	3,051,757	3,505,267	-	31,643,073	93,396
TOTAL NET ASSETS	\$ 202,791,326	\$ 1,726,974	\$ 64,754,832	\$ 15,808,094	\$ 202,503	\$ 118,782,662	\$ 1,516,261

KING COUNTY, WASHINGTON
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2004
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	<u>TOTAL</u>	<u>I-NET</u>	<u>KING COUNTY INTERNATIONAL AIRPORT</u>	<u>RADIO COMMUNICATIONS</u>	<u>SEWER UTILITY</u>	<u>SOLID WASTE</u>	<u>STADIUM</u>
OPERATING REVENUES							
I-Net fees	\$ 1,411,159	\$ 1,411,159	\$ -	\$ -	\$ -	\$ -	\$ -
Radio services	3,196,141	-	-	3,196,141	-	-	-
Solid waste disposal charges	86,025,086	-	-	-	-	86,025,086	-
Airfield fees	1,483,290	-	1,483,290	-	-	-	-
Hangar, building, and site rentals and leases	9,305,523	-	9,305,523	-	-	-	-
Reimbursement for services to tenants	682,725	-	682,725	-	-	-	-
Miscellaneous	24,441	-	24,441	-	-	-	-
Total operating revenues	<u>102,128,365</u>	<u>1,411,159</u>	<u>11,495,979</u>	<u>3,196,141</u>	<u>-0-</u>	<u>86,025,086</u>	<u>-0-</u>
OPERATING EXPENSES							
Personal services	35,436,987	459,964	3,843,175	953,673	-	30,180,175	-
Materials and supplies	5,991,513	5,357	312,038	466,435	-	5,207,683	-
Contract services and other charges	22,899,037	621,624	865,339	469,801	-	20,942,273	-
Utilities	2,544,831	3,889	998,084	80,367	-	1,462,491	-
Internal services	13,438,649	235,182	4,155,419	386,443	-	8,661,605	-
Landfill closure and post-closure care	(351,462)	-	-	-	-	(351,462)	-
Depreciation	10,750,636	454,617	1,612,904	2,026,333	-	6,656,782	-
Total operating expenses	<u>90,710,191</u>	<u>1,780,633</u>	<u>11,786,959</u>	<u>4,383,052</u>	<u>-0-</u>	<u>72,759,547</u>	<u>-0-</u>
OPERATING INCOME (LOSS)	<u>11,418,174</u>	<u>(369,474)</u>	<u>(290,980)</u>	<u>(1,186,911)</u>	<u>-0-</u>	<u>13,265,539</u>	<u>-0-</u>

KING COUNTY, WASHINGTON
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2004
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	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNICATIONS	SEWER UTILITY	SOLID WASTE	STADIUM
NONOPERATING REVENUES							
Interest earnings	\$ 2,101,857	\$ 8,411	\$ 300,575	\$ 88,186	\$ 4,223	\$ 1,696,135	\$ 4,327
DNR administration	4,194,122	-	-	-	-	4,194,122	-
Rental income	374,536	-	-	-	-	374,536	-
Total nonoperating revenues	<u>6,670,515</u>	<u>8,411</u>	<u>300,575</u>	<u>88,186</u>	<u>4,223</u>	<u>6,264,793</u>	<u>4,327</u>
NONOPERATING EXPENSES							
Interest	1,788,622	-	372,838	-	-	1,415,784	-
DNR administration	2,826,988	-	-	-	-	2,826,988	-
(Gain) Loss on disposal of capital assets	2,036	-	2,845	-	-	(809)	-
Total nonoperating expenses	<u>4,617,646</u>	<u>-0-</u>	<u>375,683</u>	<u>-0-</u>	<u>-0-</u>	<u>4,241,963</u>	<u>-0-</u>
Income (loss) before contributions and transfers	13,471,043	(361,063)	(366,088)	(1,098,725)	4,223	15,288,369	4,327
Capital grants and contributions	1,881,335	40,000	1,304,559	-	-	536,776	-
Transfers in	814,239	79,073	17,442	-	-	717,724	-
Transfers out	<u>(380,186)</u>	<u>(2,040)</u>	<u>(55,357)</u>	<u>(11,697)</u>	<u>-</u>	<u>(311,092)</u>	<u>-</u>
CHANGE IN NET ASSETS	15,786,431	(244,030)	900,556	(1,110,422)	4,223	16,231,777	4,327
NET ASSETS - JANUARY 1, 2004	<u>187,004,895</u>	<u>1,971,004</u>	<u>63,854,276</u>	<u>16,918,516</u>	<u>198,280</u>	<u>102,550,885</u>	<u>1,511,934</u>
NET ASSETS - DECEMBER 31, 2004	<u>\$ 202,791,326</u>	<u>\$ 1,726,974</u>	<u>\$ 64,754,832</u>	<u>\$ 15,808,094</u>	<u>\$ 202,503</u>	<u>\$ 118,782,662</u>	<u>\$ 1,516,261</u>

KING COUNTY, WASHINGTON
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2004
 (PAGE 1 OF 2)

	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNICATIONS	SEWER UTILITY	SOLID WASTE	STADIUM
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from customers	\$ 104,044,143	\$ 1,163,827	\$ 13,137,941	\$ 3,357,714	\$ -	\$ 86,384,661	\$ -
Cash payments to suppliers for goods and services	(50,548,054)	(749,745)	(9,275,334)	(1,165,528)	-	(39,357,447)	-
Cash payments for employee services	(35,422,512)	(484,187)	(3,847,474)	(936,026)	-	(30,154,825)	-
Other receipts	4,568,658	-	-	-	-	4,568,658	-
Other payments	(2,915,988)	-	-	(89,000)	-	(2,826,988)	-
Net Cash Provided (Used) by Operating Activities	<u>19,726,247</u>	<u>(70,105)</u>	<u>15,133</u>	<u>1,167,160</u>	<u>-0-</u>	<u>18,614,059</u>	<u>-0-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfers in	814,239	79,073	17,442	-	-	717,724	-
Transfers out	(1,380,186)	(2,040)	(55,357)	(11,697)	-	(311,092)	(1,000,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(565,947)</u>	<u>77,033</u>	<u>(37,915)</u>	<u>(11,697)</u>	<u>-0-</u>	<u>406,632</u>	<u>(1,000,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition of capital assets	(24,300,425)	(188,377)	(3,765,875)	(281,008)	-	(20,065,165)	-
Principal paid on general obligation bonds	(5,131,204)	-	(305,000)	-	-	(4,826,204)	-
Interest paid on general obligation bonds	(1,841,684)	-	(373,550)	-	-	(1,468,134)	-
Capital grants received	1,881,335	40,000	1,304,559	-	-	536,776	-
Proceeds from sale of capital assets	30,435	-	1,900	-	-	28,535	-
Landfill closure and post-closure care	(6,896,229)	-	-	-	-	(6,896,229)	-
Net Cash Used by Capital and Related Financing Activities	<u>(36,257,772)</u>	<u>(148,377)</u>	<u>(3,137,966)</u>	<u>(281,008)</u>	<u>-0-</u>	<u>(32,690,421)</u>	<u>-0-</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Increase in allocation of pooled reverse repurchase agreements	(3,151,475)	-	(491,194)	-	-	(2,660,281)	-
Interest on investments (including unrealized gains/losses reported as cash and cash equivalents)	2,101,857	8,411	300,575	88,186	4,223	1,696,135	4,327
Loan collections	767,581	-	767,581	-	-	-	-
Net Cash Provided (Used) by Investing Activities	<u>(282,037)</u>	<u>8,411</u>	<u>576,962</u>	<u>88,186</u>	<u>4,223</u>	<u>(964,146)</u>	<u>4,327</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS							
	<u>(17,379,509)</u>	<u>(133,038)</u>	<u>(2,583,786)</u>	<u>962,641</u>	<u>4,223</u>	<u>(14,633,876)</u>	<u>(995,673)</u>
CASH AND CASH EQUIVALENTS - JANUARY 1, 2004	<u>171,973,032</u>	<u>496,194</u>	<u>25,808,292</u>	<u>3,753,837</u>	<u>198,780</u>	<u>140,626,860</u>	<u>1,089,069</u>
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2004	<u>\$ 154,593,523</u>	<u>\$ 363,156</u>	<u>\$ 23,224,506</u>	<u>\$ 4,716,478</u>	<u>\$ 203,003</u>	<u>\$ 125,992,984</u>	<u>\$ 93,396</u>

KING COUNTY, WASHINGTON
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2004
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	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNICATIONS	SEWER UTILITY	SOLID WASTE	STADIUM
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating income (loss)	\$ 11,418,174	\$ (369,474)	\$ (290,980)	\$ (1,186,911)	\$ -0-	\$ 13,265,539	\$ -0-
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Depreciation	10,750,636	454,617	1,612,904	2,026,333	-	6,656,782	-
Landfill closure and post-closure care	(351,462)	-	-	-	-	(351,462)	-
Other nonoperating revenue/expense	1,976,496	-	-	234,826	-	1,741,670	-
Changes in assets - (increase) decrease							
Accounts receivable, net	(1,184,359)	(148)	(851,337)	-	-	(332,874)	-
Notes and contracts receivable	42,408	-	-	42,408	-	-	-
Due from other funds	(314,166)	(147,715)	57,614	177,200	-	(401,265)	-
Due from other governments	(342,640)	(25,981)	(339,037)	-	-	22,378	-
Inventory of supplies	(89,872)	-	(8,592)	(31,306)	-	(49,974)	-
Changes in liabilities - increase (decrease)							
Accounts payable	(1,391,491)	116,307	(170,856)	28,825	-	(1,365,767)	-
Due to other funds	(506,429)	393	(226,896)	(496)	-	(279,430)	-
Wages payable	56,065	(4,387)	26,632	13,144	-	20,676	-
Taxes payable	(17,242)	-	33,983	5,669	-	(56,894)	-
Unearned revenues	411,827	-	411,293	-	-	534	-
Compensated absences	(41,590)	(19,836)	(30,931)	4,503	-	4,674	-
Claims and judgments payable	(519,528)	-	(170,000)	(89,000)	-	(260,528)	-
Customer deposits	(170,580)	(73,881)	(38,664)	(58,035)	-	-	-
Total Adjustments	<u>8,308,073</u>	<u>299,369</u>	<u>306,113</u>	<u>2,354,071</u>	<u>-0-</u>	<u>5,348,520</u>	<u>-0-</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 19,726,247</u>	<u>\$ (70,105)</u>	<u>\$ 15,133</u>	<u>\$ 1,167,160</u>	<u>\$ -0-</u>	<u>\$ 18,614,059</u>	<u>\$ -0-</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:							
Contributions of capital assets from government	\$ 261,897	\$ -	\$ 202,483	\$ -	\$ -	\$ 59,414	\$ -

KING COUNTY, WASHINGTON
ENTERPRISE FUNDS
SCHEDULE OF ANNUAL BUDGETS AND EXPENDITURES (BUDGETARY BASIS) AND ENCUMBRANCES BY APPROPRIATION UNIT ^(a)
FOR THE YEAR ENDED DECEMBER 31, 2004

APPROPRIATION UNIT	BUDGET			VARIANCE	ACTUAL		
	ORIGINAL	ADJUSTMENTS	FINAL		TOTAL	2004 YEAR-END ENCUMBRANCES	EXPENDITURES
I-Net Operating Fund	\$ 1,727,791	\$ 20,000	\$ 1,747,791	\$ 251,522	\$ 1,496,269	\$ -	\$ 1,496,269
King County International Airport							
Airport Operations	11,299,208	(20,998)	11,278,210	11,437	11,266,773	23,506	11,243,267
Radio Communications Operating Fund	2,948,853	-	2,948,853	637,180	2,311,673	-	2,311,673
Solid Waste							
Solid Waste Operations	89,746,635	2,885,212	92,631,847	1,478,205	91,153,642	3,789,014	87,364,628
DNR Administration	5,026,664	(55,485)	4,971,179	483,915	4,487,264	100,992	4,386,272
Landfill Post-closure Maintenance	7,176,177	-	7,176,177	115,620	7,060,557	344,828	6,715,729
Public Transportation							
Transit Operations	405,237,968	5,583,410	410,821,378	6,990,264	403,831,114	-	403,831,114
DOT Director's Office	4,393,675	(77,879)	4,315,796	258,922	4,056,874	-	4,056,874
Transit Revenue Vehicle Replacement	13,270,763	103,398,000	116,668,763	-	116,668,763	-	116,668,763
Water Quality							
Water Quality Operations	84,640,000	1,114,859	85,754,859	2,976,755	82,778,104	-	82,778,104
Water Quality Debt Service	110,082,000	-	110,082,000	3,000,049	107,081,951	-	107,081,951
Wastewater Treatment Reserve 108	-	5,027,000	5,027,000	5,027,000	-	-	-
TOTAL OF ENTERPRISE ANNUAL BUDGETS	\$ 735,549,734	\$ 117,874,119	\$ 853,423,853	\$ 21,230,869	\$ 832,192,984	\$ 4,258,340	\$ 827,934,644

(a) The Schedule of Annual Budgets and Expenditures (Budgetary Basis) and Encumbrances by Appropriation Unit is presented in order to disclose budgeted and actual expenditures classified the same as, and at the same level of detail as, the legally adopted budget.

**INTERNAL SERVICE FUNDS
DECEMBER 31, 2004**

Construction and Facilities Management Fund (#00000551-0) – Accounts for custodial services, building maintenance, and CIP project management. The fund earns revenue by charging tenants of county buildings for facilities maintenance, renovation, and architectural services.

DES Equipment Replacement Fund (#00000546-0) – Accounts for the purchase and replacement of personal computers for the agencies in King County Department of Executive Services.

Employee Benefits Program Fund (#00000550-0) – Accounts for the activities of employee medical, dental, life insurance, and long-term disability benefit programs and will account for future modifications to existing benefits or additions of new employee benefits.

Financial Management Services Fund (#00000545-0) – Accounts for financial services, including accounting, treasury, contracts, and procurement services provided to King County and other contracting agencies.

Office of Information Resource Management Operating Fund (#00000547-0) – Accounts for the activities relating to the operations of the Office of Information Resource Management Division, including county-wide information technology strategic planning and project management oversight.

Information and Telecommunications Services Fund (#00000553-0) – Consists of two subfunds that account for data processing (#553-1) and telecommunications (#553-2) services provided to King County and other contracting agencies. The Data Processing Services subfund is responsible for the wide area data network, applications development and support, data center operations, database and server maintenance, server hosting, internet access, web infrastructure, help desk operations, and equipment replacement services. The Telecommunications Services subfund is responsible for managing desktop and wireless telephony services. This includes billing and inventory maintenance and replacement for telephone systems, management of calling card and long distance services, and providing consulting services on a time-available basis to County telephone users.

Insurance Fund (#00000552-0) – Accounts for the activities of the Office of Risk Management, which includes performing risk analysis, evaluating alternatives and purchasing insurance, adjusting claims, and recommending policies and practices to reduce potential liabilities and ensure the adequacy of insurance coverage for King County departments.

King County Geographic Information Systems Fund (#00000548-0) – Accounts for the activities required to operate, maintain, and enhance the automated geographic information systems that serve both King County agencies and external customers.

Motor Pool Equipment Rental Fund (#00000558-0) – Accounts for the purchase and maintenance of a fleet of vehicles for use by County agencies.

Printing/Graphic Arts Services Fund (#00000560-0) – Accounts for printing, graphic arts, and duplicating services.

Public Works Equipment Rental Fund (#00000557-0) – Accounts for the purchase and maintenance of equipment and materials primarily used by the Road Services Division for maintenance and repair.

Safety and Workers' Compensation Fund (#00000542-0) – Accounts for the administration of an employee safety and training program designed to provide a safe and healthful workplace, as required by the Washington Industrial Safety and Health Act of 1973, and accounts for King County's self-insured worker compensation system as certified under Title 51 Revised Code of Washington (RCW), Industrial Insurance Act.

Wastewater Equipment Rental Fund (#00000544-0) – Accounts for the purchase and maintenance of a fleet of equipment and vehicles for use by Wastewater Treatment Division and Water and Land Resources.

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2004
(PAGE 1 OF 4)

	<u>TOTAL</u>	<u>CONSTRUCTION & FACILITIES MANAGEMENT</u>	<u>DES EQUIPMENT REPLACEMENT</u>	<u>EMPLOYEE BENEFITS PROGRAM</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ 145,371,278	\$ 154,930	\$ -	\$ 26,889,500
Investments	111,371	-	-	-
Accounts receivable	651,524	44,741	-	351,057
Estimated uncollectible accounts receivable	(11,470)	(506)	-	-
Interest receivable	632	-	-	-
Due from other funds	3,435,329	1,539,702	558,240	-
Due from other governments	88,220	-	-	-
Estimated uncollectible due from other governments	(25,720)	-	-	-
Inventory of supplies	1,427,215	177,838	-	-
Prepayments	6,566,200	-	-	122,000
Total current assets	<u>157,614,579</u>	<u>1,916,705</u>	<u>558,240</u>	<u>27,362,557</u>
Capital assets				
Improvements other than buildings	1,189,149	525,000	-	-
Accumulated depreciation	(640,058)	(225,500)	-	-
Rental equipment	61,105,936	-	-	-
Accumulated depreciation	(38,995,007)	-	-	-
Furniture, machinery and equipment	10,715,889	3,047,089	-	38,357
Accumulated depreciation	(7,065,923)	(1,602,771)	-	(18,645)
Data processing equipment	12,764,671	-	-	-
Accumulated depreciation	(9,226,390)	-	-	-
Telecommunication equipment	3,680,134	-	-	-
Accumulated depreciation	(3,567,943)	-	-	-
Work in progress	805,246	-	-	-
Total capital assets	<u>30,765,704</u>	<u>1,743,818</u>	<u>-0-</u>	<u>19,712</u>
TOTAL ASSETS	<u>188,380,283</u>	<u>3,660,523</u>	<u>558,240</u>	<u>27,382,269</u>
LIABILITIES				
Current liabilities				
Accounts payable	6,327,671	427,469	-	1,430,033
Estimated claim settlements	73,951,097	-	-	13,055,000
Due to other funds	2,316,051	159,027	-	3,858
Interest payable	56,005	10,505	-	-
Interfund short-term loans payable	200,803	-	-	-
Wages payable	2,356,531	735,834	-	193,688
Taxes payable	40,802	7,454	-	-
Unearned revenues	257,777	-	-	-
Obligations under reverse repurchase agreements	3,199,812	-	-	1,004,125
General obligation bonds payable	1,145,000	150,000	-	-
Assessments payable	14,895	14,895	-	-
Total current liabilities	<u>89,866,444</u>	<u>1,505,184</u>	<u>-0-</u>	<u>15,686,704</u>
Long-term liabilities				
General obligation bonds payable	2,105,000	905,000	-	-
Compensated absences payable	8,918,546	2,472,050	-	155,884
Assessments payable	89,374	89,374	-	-
Estimated claim settlements	35,116,886	-	-	-
Total long-term liabilities	<u>46,229,806</u>	<u>3,466,424</u>	<u>-0-</u>	<u>155,884</u>
TOTAL LIABILITIES	<u>136,096,250</u>	<u>4,971,608</u>	<u>-0-</u>	<u>15,842,588</u>
NET ASSETS				
Invested in capital assets, net of related debt	28,462,378	688,818	-	19,712
Unrestricted	23,821,655	(1,999,903)	558,240	11,519,969
TOTAL NET ASSETS	<u>\$ 52,284,033</u>	<u>\$ (1,311,085)</u>	<u>\$ 558,240</u>	<u>\$ 11,539,681</u>

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2004
(PAGE 2 OF 4)

	FINANCIAL MANAGEMENT SERVICES	OFFICE OF INFORMATION RESOURCE MANAGEMENT	INFORMATION & TELECOMMUNICATIONS SERVICES	INSURANCE
ASSETS				
Current assets				
Cash and cash equivalents	\$ 6,154,020	\$ 1,073,345	\$ 6,094,659	\$ 72,163,247
Investments	-	-	-	-
Accounts receivable	38,060	29	87,707	-
Estimated uncollectible accounts receivable	-	-	(10,964)	-
Interest receivable	-	-	-	-
Due from other funds	78,615	144	788,684	-
Due from other governments	30,977	-	57,243	-
Estimated uncollectible due from other governments	-	-	(25,720)	-
Inventory of supplies	-	-	-	-
Prepayments	-	-	-	6,444,200
Total current assets	<u>6,301,672</u>	<u>1,073,518</u>	<u>6,991,609</u>	<u>78,607,447</u>
Capital assets				
Improvements other than buildings	615,855	-	-	-
Accumulated depreciation	(375,415)	-	-	-
Rental equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Furniture, machinery and equipment	3,787,115	125,780	340,334	79,148
Accumulated depreciation	(2,677,559)	(89,749)	(209,284)	(69,550)
Data processing equipment	-	-	12,764,671	-
Accumulated depreciation	-	-	(9,226,390)	-
Telecommunication equipment	-	-	3,680,134	-
Accumulated depreciation	-	-	(3,567,943)	-
Work in progress	450,000	-	355,246	-
Total capital assets	<u>1,799,996</u>	<u>36,031</u>	<u>4,136,768</u>	<u>9,598</u>
TOTAL ASSETS	<u>8,101,668</u>	<u>1,109,549</u>	<u>11,128,377</u>	<u>78,617,045</u>
LIABILITIES				
Current liabilities				
Accounts payable	634,141	435	1,069,995	229,696
Estimated claim settlements	-	-	-	46,766,049
Due to other funds	545,723	54,714	570,349	605,214
Interest payable	-	-	45,500	-
Interfund short-term loans payable	-	-	-	-
Wages payable	501,544	47,149	448,516	55,973
Taxes payable	24,440	-	8,072	-
Unearned revenues	257,777	-	-	-
Obligations under reverse repurchase agreements	-	-	-	2,195,687
General obligation bonds payable	-	-	995,000	-
Assessments payable	-	-	-	-
Total current liabilities	<u>1,963,625</u>	<u>102,298</u>	<u>3,137,432</u>	<u>49,852,619</u>
Long-term liabilities				
General obligation bonds payable	-	-	1,200,000	-
Compensated absences payable	2,427,242	170,746	1,889,422	166,921
Assessments payable	-	-	-	-
Estimated claim settlements	-	-	-	-
Total long-term liabilities	<u>2,427,242</u>	<u>170,746</u>	<u>3,089,422</u>	<u>166,921</u>
TOTAL LIABILITIES	<u>4,390,867</u>	<u>273,044</u>	<u>6,226,854</u>	<u>50,019,540</u>
NET ASSETS				
Invested in capital assets, net of related debt	1,799,996	36,031	2,888,442	9,598
Unrestricted	1,910,805	800,474	2,013,081	28,587,907
TOTAL NET ASSETS	<u>\$ 3,710,801</u>	<u>\$ 836,505</u>	<u>\$ 4,901,523</u>	<u>\$ 28,597,505</u>

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2004
(PAGE 3 OF 4)

	KING COUNTY GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL
ASSETS				
Current assets				
Cash and cash equivalents	\$ 571,595	\$ 7,896,944	\$ -	\$ 12,245,069
Investments	-	-	-	-
Accounts receivable	8	-	-	-
Estimated uncollectible accounts receivable	-	-	-	-
Interest receivable	-	-	-	-
Due from other funds	13,750	53,203	68,848	319,030
Due from other governments	-	-	-	-
Estimated uncollectible due from other governments	-	-	-	-
Inventory of supplies	-	53,459	-	1,192,835
Prepayments	-	-	-	-
Total current assets	<u>585,353</u>	<u>8,003,606</u>	<u>68,848</u>	<u>13,756,934</u>
Capital assets				
Improvements other than buildings	-	38,721	-	9,573
Accumulated depreciation	-	(29,570)	-	(9,573)
Rental equipment	-	28,211,379	-	23,208,506
Accumulated depreciation	-	(17,718,591)	-	(13,521,814)
Furniture, machinery and equipment	532,003	517,375	592,725	958,110
Accumulated depreciation	(421,522)	(436,388)	(378,490)	(797,805)
Data processing equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Telecommunication equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Work in progress	-	-	-	-
Total capital assets	<u>110,481</u>	<u>10,582,926</u>	<u>214,235</u>	<u>9,846,997</u>
TOTAL ASSETS	<u>695,834</u>	<u>18,586,532</u>	<u>283,083</u>	<u>23,603,931</u>
LIABILITIES				
Current liabilities				
Accounts payable	5,630	137,693	174,405	795,771
Estimated claim settlements	-	-	-	-
Due to other funds	153,298	121,807	1,000	47,057
Interest payable	-	-	-	-
Interfund short-term loans payable	-	-	200,803	-
Wages payable	73,883	48,947	36,387	140,179
Taxes payable	836	-	-	-
Unearned revenues	-	-	-	-
Obligations under reverse repurchase agreements	-	-	-	-
General obligation bonds payable	-	-	-	-
Assessments payable	-	-	-	-
Total current liabilities	<u>233,647</u>	<u>308,447</u>	<u>412,595</u>	<u>983,007</u>
Long-term liabilities				
General obligation bonds payable	-	-	-	-
Compensated absences payable	241,855	158,944	252,574	772,892
Assessments payable	-	-	-	-
Estimated claim settlements	-	-	-	-
Total long-term liabilities	<u>241,855</u>	<u>158,944</u>	<u>252,574</u>	<u>772,892</u>
TOTAL LIABILITIES	<u>475,502</u>	<u>467,391</u>	<u>665,169</u>	<u>1,755,899</u>
NET ASSETS				
Invested in capital assets, net of related debt	110,481	10,582,926	214,235	9,846,997
Unrestricted	109,851	7,536,215	(596,321)	12,001,035
TOTAL NET ASSETS	<u>\$ 220,332</u>	<u>\$ 18,119,141</u>	<u>\$ (382,086)</u>	<u>\$ 21,848,032</u>

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2004
(PAGE 4 OF 4)

	<u>SAFETY & WORKERS' COMPENSATION</u>	<u>WASTEWATER EQUIPMENT RENTAL</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 7,291,922	\$ 4,836,047
Investments	111,371	-
Accounts receivable	129,922	-
Estimated uncollectible accounts receivable	-	-
Interest receivable	632	-
Due from other funds	14,941	172
Due from other governments	-	-
Estimated uncollectible due from other governments	-	-
Inventory of supplies	-	3,083
Prepayments	-	-
Total current assets	<u>7,548,788</u>	<u>4,839,302</u>
Capital assets		
Improvements other than buildings	-	-
Accumulated depreciation	-	-
Rental equipment	-	9,686,051
Accumulated depreciation	-	(7,754,602)
Furniture, machinery and equipment	200,525	497,328
Accumulated depreciation	(161,136)	(203,024)
Data processing equipment	-	-
Accumulated depreciation	-	-
Telecommunication equipment	-	-
Accumulated depreciation	-	-
Work in progress	-	-
Total capital assets	<u>39,389</u>	<u>2,225,753</u>
TOTAL ASSETS	<u>7,588,177</u>	<u>7,065,055</u>
LIABILITIES		
Current liabilities		
Accounts payable	1,409,185	13,218
Estimated claim settlements	14,130,048	-
Due to other funds	95	53,909
Interest payable	-	-
Interfund short-term loans payable	-	-
Wages payable	74,431	-
Taxes payable	-	-
Unearned revenues	-	-
Obligations under reverse repurchase agreements	-	-
General obligation bonds payable	-	-
Assessments payable	-	-
Total current liabilities	<u>15,613,759</u>	<u>67,127</u>
Long-term liabilities		
General obligation bonds payable	-	-
Compensated absences payable	210,016	-
Assessments payable	-	-
Estimated claim settlements	35,116,886	-
Total long-term liabilities	<u>35,326,902</u>	<u>-0-</u>
TOTAL LIABILITIES	<u>50,940,661</u>	<u>67,127</u>
NET ASSETS		
Invested in capital assets, net of related debt	39,389	2,225,753
Unrestricted	<u>(43,391,873)</u>	<u>4,772,175</u>
TOTAL NET ASSETS	<u>\$ (43,352,484)</u>	<u>\$ 6,997,928</u>

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004
(PAGE 1 OF 4)

	<u>TOTAL</u>	<u>CONSTRUCTION & FACILITIES MANAGEMENT</u>	<u>DES EQUIPMENT REPLACEMENT</u>	<u>EMPLOYEE BENEFITS PROGRAM</u>
OPERATING REVENUES				
Profit on stores sales				
Sales of stores and material	\$ 6,203,737	\$ -	\$ -	\$ -
Cost of goods sold	<u>(5,372,460)</u>	-	-	-
Gross profit on stores sales	831,277	-	-	-
Data processing services - intracounty	22,358,169	-	-	-
Data processing services - other	396,552	-	-	-
Telecommunication services	1,655,508	-	-	-
Information resources management fees	1,252,990	-	-	-
Geographic information systems fees	2,739,180	-	-	-
Building operation and maintenance service fees	24,373,840	24,373,840	-	-
Architect/engineering/renovation service fees	8,093,703	8,093,703	-	-
Benefit program employer contributions	141,550,187	-	-	141,550,187
Benefit program employee fees	6,501,503	-	-	6,501,503
Financial services	24,978,732	-	-	-
Insurance services	24,694,083	-	-	-
Equipment rental fees	14,992,385	-	-	-
Fixed asset data management services	135,647	-	-	-
Garage shop services	354,483	-	-	-
Printing and duplication	2,768,558	-	-	-
Workers' compensation employer contributions	22,791,026	-	-	-
Miscellaneous	489,487	19,718	-	221,396
Total operating revenues	<u>300,957,310</u>	<u>32,487,261</u>	<u>-0-</u>	<u>148,273,086</u>
OPERATING EXPENSES				
Personal services	63,084,040	19,655,589	-	937,572
Materials and supplies	7,644,132	1,130,445	-	14,182
Contract services and other charges	238,161,134	8,357,161	-	140,677,348
Lease and maintenance of equipment	2,580,282	25,212	-	7,272
Internal services	17,983,176	3,074,750	-	246,846
Depreciation	8,249,713	152,459	-	2,725
Total operating expenses	<u>337,702,477</u>	<u>32,395,616</u>	<u>-0-</u>	<u>141,885,945</u>
OPERATING INCOME (LOSS)	<u>(36,745,167)</u>	<u>91,645</u>	<u>-0-</u>	<u>6,387,141</u>
NONOPERATING REVENUES				
Interest	<u>2,650,185</u>	<u>54,592</u>	<u>-</u>	<u>351,636</u>
NONOPERATING EXPENSES				
Interest	176,227	57,368	-	-
(Gain) loss on disposal of capital assets	439,052	126,454	-	-
Total nonoperating expenses	<u>615,279</u>	<u>183,822</u>	<u>-0-</u>	<u>-0-</u>
Income (loss) before contributions and transfers	(34,710,261)	(37,585)	-	6,738,777
Capital contributions	376,178	-	-	-
Transfers in	1,698,504	383,585	558,240	-
Transfers out	<u>(2,132,107)</u>	<u>(72,954)</u>	<u>-</u>	<u>(6,060)</u>
CHANGE IN NET ASSETS	<u>(34,767,686)</u>	<u>273,046</u>	<u>558,240</u>	<u>6,732,717</u>
NET ASSETS - JANUARY 1, 2004	<u>87,051,719</u>	<u>(1,584,131)</u>	<u>-</u>	<u>4,806,964</u>
NET ASSETS - DECEMBER 31, 2004	<u>\$ 52,284,033</u>	<u>\$ (1,311,085)</u>	<u>\$ 558,240</u>	<u>\$ 11,539,681</u>

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2004
 (PAGE 2 OF 4)

	FINANCIAL MANAGEMENT SERVICES	OFFICE OF INFORMATION RESOURCE MANAGEMENT	INFORMATION & TELECOMMUNICATIONS SERVICES	INSURANCE
OPERATING REVENUES				
Profit on stores sales				
Sales of stores and material	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	-	-	-	-
Gross profit on stores sales	-	-	-	-
Data processing services - intracounty	-	-	22,358,169	-
Data processing services - other	-	-	396,552	-
Telecommunication services	-	-	1,655,508	-
Information resources management fees	-	1,252,990	-	-
Geographic information systems fees	-	-	-	-
Building operation and maintenance service fees	-	-	-	-
Architect/engineering/renovation service fees	-	-	-	-
Benefit program employer contributions	-	-	-	-
Benefit program employee fees	-	-	-	-
Financial services	24,978,732	-	-	-
Insurance services	-	-	-	24,694,083
Equipment rental fees	-	-	-	-
Fixed asset data management services	-	-	-	-
Garage shop services	-	-	-	-
Printing and duplication	-	-	-	-
Workers' compensation employer contributions	-	-	-	-
Miscellaneous	13,543	-	54,671	-
Total operating revenues	<u>24,992,275</u>	<u>1,252,990</u>	<u>24,464,900</u>	<u>24,694,083</u>
OPERATING EXPENSES				
Personal services	15,373,748	791,048	13,728,034	1,674,804
Materials and supplies	338,398	19,795	1,139,220	45,942
Contract services and other charges	2,303,514	60,964	3,140,974	29,636,859
Lease and maintenance of equipment	96,228	-	1,423,121	24,851
Internal services	6,551,018	145,110	2,214,382	1,209,092
Depreciation	316,355	20,314	2,073,766	4,520
Total operating expenses	<u>24,979,261</u>	<u>1,037,231</u>	<u>23,719,497</u>	<u>32,596,068</u>
OPERATING INCOME (LOSS)	<u>13,014</u>	<u>215,759</u>	<u>745,403</u>	<u>(7,901,985)</u>
NONOPERATING REVENUES				
Interest	<u>545,201</u>	<u>22,445</u>	<u>-</u>	<u>995,102</u>
NONOPERATING EXPENSES				
Interest	-	-	115,937	-
(Gain) loss on disposal of capital assets	-	3,873	535,923	(35,000)
Total nonoperating expenses	<u>-0-</u>	<u>3,873</u>	<u>651,860</u>	<u>(35,000)</u>
Income (loss) before contributions and transfers	558,215	234,331	93,543	(6,871,883)
Capital contributions	57,913	896	46,232	-
Transfers in	-	-	756,679	-
Transfers out	<u>(252,802)</u>	<u>(2,041)</u>	<u>(1,686,820)</u>	<u>(29,353)</u>
CHANGE IN NET ASSETS	<u>363,326</u>	<u>233,186</u>	<u>(790,366)</u>	<u>(6,901,236)</u>
NET ASSETS - JANUARY 1, 2004	<u>3,347,475</u>	<u>603,319</u>	<u>5,691,889</u>	<u>35,498,741</u>
NET ASSETS - DECEMBER 31, 2004	<u>\$ 3,710,801</u>	<u>\$ 836,505</u>	<u>\$ 4,901,523</u>	<u>\$ 28,597,505</u>

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004
(PAGE 3 OF 4)

	KING COUNTY GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL
OPERATING REVENUES				
Profit on stores sales				
Sales of stores and material	\$ -	\$ 1,482,260	\$ -	\$ 4,509,516
Cost of goods sold	-	(1,290,101)	-	(3,887,215)
Gross profit on stores sales	-	192,159	-	622,301
Data processing services - intracounty	-	-	-	-
Data processing services - other	-	-	-	-
Telecommunication services	-	-	-	-
Information resources management fees	-	-	-	-
Geographic information systems fees	2,739,180	-	-	-
Building operation and maintenance service fees	-	-	-	-
Architect/engineering/renovation service fees	-	-	-	-
Benefit program employer contributions	-	-	-	-
Benefit program employee fees	-	-	-	-
Financial services	-	-	-	-
Insurance services	-	-	-	-
Equipment rental fees	-	7,460,934	-	5,876,337
Fixed asset data management services	-	-	-	135,647
Garage shop services	-	36,549	-	317,934
Printing and duplication	-	-	2,768,558	-
Workers' compensation employer contributions	-	-	-	-
Miscellaneous	3,631	97,152	-	75,580
Total operating revenues	<u>2,742,811</u>	<u>7,786,794</u>	<u>2,768,558</u>	<u>7,027,799</u>
OPERATING EXPENSES				
Personal services	2,570,834	1,610,152	1,196,742	2,420,597
Materials and supplies	44,537	2,397,511	458,579	1,816,368
Contract services and other charges	155,386	160,668	761,113	179,484
Lease and maintenance of equipment	-	383,807	359,442	132,464
Internal services	285,680	1,080,850	575,000	632,071
Depreciation	64,770	2,966,383	20,444	2,116,124
Total operating expenses	<u>3,121,207</u>	<u>8,599,371</u>	<u>3,371,320</u>	<u>7,297,108</u>
OPERATING INCOME (LOSS)	<u>(378,396)</u>	<u>(812,577)</u>	<u>(602,762)</u>	<u>(269,309)</u>
NONOPERATING REVENUES				
Interest	-	183,357	1,226	235,392
NONOPERATING EXPENSES				
Interest	-	-	2,922	-
(Gain) loss on disposal of capital assets	2,218	213,814	-	(362,899)
Total nonoperating expenses	<u>2,218</u>	<u>213,814</u>	<u>2,922</u>	<u>(362,899)</u>
Income (loss) before contributions and transfers	(380,614)	(843,034)	(604,458)	328,982
Capital contributions	275	163,569	509	40,259
Transfers in	-	-	-	-
Transfers out	(8,615)	(47,955)	(4,846)	(13,774)
CHANGE IN NET ASSETS	<u>(388,954)</u>	<u>(727,420)</u>	<u>(608,795)</u>	<u>355,467</u>
NET ASSETS - JANUARY 1, 2004	<u>609,286</u>	<u>18,846,561</u>	<u>226,709</u>	<u>21,492,565</u>
NET ASSETS - DECEMBER 31, 2004	<u>\$ 220,332</u>	<u>\$ 18,119,141</u>	<u>\$ (382,086)</u>	<u>\$ 21,848,032</u>

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2004
 (PAGE 4 OF 4)

	<u>SAFETY & WORKERS' COMPENSATION</u>	<u>WASTEWATER EQUIPMENT RENTAL</u>
OPERATING REVENUES		
Profit on stores sales		
Sales of stores and material	\$ -	\$ 211,961
Cost of goods sold	-	(195,144)
Gross profit on stores sales	-	16,817
Data processing services - intracounty	-	-
Data processing services - other	-	-
Telecommunication services	-	-
Information resources management fees	-	-
Geographic information systems fees	-	-
Building operation and maintenance service fees	-	-
Architect/engineering/renovation service fees	-	-
Benefit program employer contributions	-	-
Benefit program employee fees	-	-
Financial services	-	-
Insurance services	-	-
Equipment rental fees	-	1,655,114
Fixed asset data management services	-	-
Garage shop services	-	-
Printing and duplication	-	-
Workers' compensation employer contributions	22,791,026	-
Miscellaneous	1,748	2,048
Total operating revenues	<u>22,792,774</u>	<u>1,673,979</u>
OPERATING EXPENSES		
Personal services	2,908,394	216,526
Materials and supplies	38,787	200,368
Contract services and other charges	52,715,404	12,259
Lease and maintenance of equipment	91,612	36,273
Internal services	1,585,374	383,003
Depreciation	31,574	480,279
Total operating expenses	<u>57,371,145</u>	<u>1,328,708</u>
OPERATING INCOME (LOSS)	<u>(34,578,371)</u>	<u>345,271</u>
NONOPERATING REVENUES		
Interest	<u>160,848</u>	<u>100,386</u>
NONOPERATING EXPENSES		
Interest	-	-
(Gain) loss on disposal of capital assets	-	(45,331)
Total nonoperating expenses	<u>-0-</u>	<u>(45,331)</u>
Income (loss) before contributions and transfers	(34,417,523)	490,988
Capital contributions	2,996	63,529
Transfers in	-	-
Transfers out	<u>(6,887)</u>	<u>-</u>
CHANGE IN NET ASSETS	(34,421,414)	554,517
NET ASSETS - JANUARY 1, 2004	<u>(8,931,070)</u>	<u>6,443,411</u>
NET ASSETS - DECEMBER 31, 2004	<u>\$ (43,352,484)</u>	<u>\$ 6,997,928</u>

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004
(PAGE 1 OF 4)

	TOTAL	CONSTRUCTION & FACILITIES MANAGEMENT	DES EQUIPMENT REPLACEMENT	EMPLOYEE BENEFITS PROGRAM
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from users	\$ 306,233,627	\$ 32,056,330	\$ -	\$ 147,687,805
Cash payments to suppliers for goods and services	(239,478,809)	(13,399,615)	-	(140,691,797)
Cash payments for employee services	(62,943,634)	(19,557,720)	-	(909,758)
Other operating revenues	489,487	19,718	-	221,396
Net cash provided (used) by operating activities	<u>4,300,671</u>	<u>(881,287)</u>	<u>-0-</u>	<u>6,307,646</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interest paid on short-term loans	(3,579)	(657)	-	-
Interfund loan principal	200,803	-	-	-
Transfers in	1,140,264	383,585	-	-
Transfers out	(2,132,107)	(72,954)	-	(6,060)
Net cash provided (used) by noncapital financing activities	<u>(794,619)</u>	<u>309,974</u>	<u>-0-</u>	<u>(6,060)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of assets	(7,571,525)	(112,996)	-	(19,677)
Principal paid on general obligation bonds	(1,095,000)	(150,000)	-	-
Interest paid on general obligation bonds	(184,644)	(47,894)	-	-
Principal paid on assessment	(14,895)	(14,895)	-	-
Interest paid on assessment	(9,533)	(9,533)	-	-
Proceeds from disposal of capital assets	905,712	2,137	-	-
Net cash provided (used) by capital and related financing activities	<u>(7,969,885)</u>	<u>(333,181)</u>	<u>-0-</u>	<u>(19,677)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Increase in allocation of pooled reverse repurchase agreement	75,877	-	-	75,877
Decrease in allocation of pooled reverse repurchase agreement	(1,459,714)	-	-	-
Interest on investments (Including unrealized gains/losses reported as cash and cash equivalents)	2,649,869	54,592	-	351,636
Net cash provided (used) by investing activities	<u>1,266,032</u>	<u>54,592</u>	<u>-0-</u>	<u>427,513</u>
NET CASH INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,197,801)	(849,902)	-	6,709,422
CASH AND CASH EQUIVALENTS - JANUARY 1, 2004	148,569,079	1,004,832	-	20,180,078
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2004	<u>\$ 145,371,278</u>	<u>\$ 154,930</u>	<u>\$ -0-</u>	<u>\$ 26,889,500</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (36,745,167)	\$ 91,645	\$ -	\$ 6,387,141
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Depreciation	8,249,713	152,459	-	2,725
Change in assets - (increase) decrease				
Accounts receivable, net	939,946	(25,445)	-	(143,342)
Due from other funds	(645,789)	(385,262)	-	853
Due from other governments, net	329,233	-	-	-
Inventory of supplies	(76,658)	(7,763)	-	-
Prepayments	(1,215,567)	-	-	-
Change in liabilities - increase (decrease):				
Accounts payable	(1,015,532)	(227,543)	-	492,768
Claims and judgments payable	(1,231,542)	(28,866)	-	(80,000)
Estimated claim settlements	37,389,772	-	-	(137,000)
Due to other funds	(1,615,825)	(548,330)	-	(21,917)
Wages payable	366,215	54,706	-	55,855
Taxes payable	28,926	(51)	-	-
Unearned revenues	(231,245)	-	-	(221,396)
Compensated absences	(225,809)	43,163	-	(28,041)
Total adjustments	<u>41,045,838</u>	<u>(972,932)</u>	<u>-0-</u>	<u>(79,495)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 4,300,671	\$ (881,287)	\$ -0-	\$ 6,307,646
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Contributions of capital assets from government	\$ 376,178	\$ -	\$ -	\$ -

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004
(PAGE 2 OF 4)

	FINANCIAL MANAGEMENT SERVICES	OFFICE OF INFORMATION RESOURCE MANAGEMENT	INFORMATION & TELECOMMUNICATIONS SERVICES	INSURANCE
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from users	\$ 24,965,345	\$ 1,257,441	\$ 23,872,883	\$ 25,422,630
Cash payments to suppliers for goods and services	(9,228,092)	(292,126)	(8,901,421)	(26,856,141)
Cash payments for employee services	(15,402,418)	(772,238)	(13,804,068)	(1,651,082)
Other operating revenues	13,543	-	54,671	-
Net cash provided (used) by operating activities	<u>348,378</u>	<u>193,077</u>	<u>1,222,065</u>	<u>(3,084,593)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interest paid on short-term loans	-	-	-	-
Interfund loan principal	-	-	-	-
Transfers in	-	-	756,679	-
Transfers out	(252,802)	(2,041)	(1,686,820)	(29,353)
Net cash provided (used) by noncapital financing activities	<u>(252,802)</u>	<u>(2,041)</u>	<u>(930,141)</u>	<u>(29,353)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of assets	(756,156)	(11,473)	(1,331,513)	(1,832)
Principal paid on general obligation bonds	-	-	(945,000)	-
Interest paid on general obligation bonds	-	-	(136,750)	-
Principal paid on assessment	-	-	-	-
Interest paid on assessment	-	-	-	-
Proceeds from disposal of capital assets	-	-	-	35,000
Net cash provided (used) by capital and related financing activities	<u>(756,156)</u>	<u>(11,473)</u>	<u>(2,413,263)</u>	<u>33,168</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Increase in allocation of pooled reverse repurchase agreement	-	-	-	-
Decrease in allocation of pooled reverse repurchase agreement	-	-	-	(1,459,714)
Interest on investments (Including unrealized gains/losses reported as cash and cash equivalents)	545,201	22,445	-	995,102
Net cash provided (used) by investing activities	<u>545,201</u>	<u>22,445</u>	<u>-0-</u>	<u>(464,612)</u>
NET CASH INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(115,379)	202,008	(2,121,339)	(3,545,390)
CASH AND CASH EQUIVALENTS - JANUARY 1, 2004	6,269,399	871,337	8,215,998	75,708,637
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2004	<u>\$ 6,154,020</u>	<u>\$ 1,073,345</u>	<u>\$ 6,094,659</u>	<u>\$ 72,163,247</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 13,014	\$ 215,759	\$ 745,403	\$ (7,901,985)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Depreciation	316,355	20,314	2,073,766	4,520
Change in assets - (increase) decrease				
Accounts receivable, net	(38,060)	(29)	10,077	669,632
Due from other funds	21,191	4,480	(547,230)	58,915
Due from other governments, net	13,331	-	(1,898)	-
Inventory of supplies	-	-	-	-
Prepayments	-	-	-	(1,215,567)
Change in liabilities - increase (decrease):				
Accounts payable	334,429	(103,617)	(1,148,240)	(61,045)
Claims and judgments payable	(565,711)	-	(367,274)	(59,691)
Estimated claim settlements	-	-	-	5,068,068
Due to other funds	268,154	37,360	529,039	328,838
Wages payable	85,303	13,027	131,262	(361)
Taxes payable	24,194	-	4,456	-
Unearned revenues	(9,849)	-	-	-
Compensated absences	(113,973)	5,783	(207,296)	24,083
Total adjustments	<u>335,364</u>	<u>(22,682)</u>	<u>476,662</u>	<u>4,817,392</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 348,378</u>	<u>\$ 193,077</u>	<u>\$ 1,222,065</u>	<u>\$ (3,084,593)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Contributions of capital assets from government	\$ 57,913	\$ 896	\$ 46,232	\$ -

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004
(PAGE 3 OF 4)

	KING COUNTY GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from users	\$ 2,817,553	\$ 8,999,078	\$ 2,853,117	\$ 10,869,575
Cash payments to suppliers for goods and services	(333,104)	(7,647,486)	(2,113,595)	(7,388,998)
Cash payments for employee services	(2,528,482)	(1,611,584)	(1,229,578)	(2,387,974)
Other operating revenues	3,631	97,152	-	75,580
Net cash provided (used) by operating activities	<u>(40,402)</u>	<u>(162,840)</u>	<u>(490,056)</u>	<u>1,168,183</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interest paid on short-term loans	-	-	(2,922)	-
Interfund loan principal	-	-	200,803	-
Transfers in	-	-	-	-
Transfers out	(8,615)	(47,955)	(4,846)	(13,774)
Net cash provided (used) by noncapital financing activities	<u>(8,615)</u>	<u>(47,955)</u>	<u>193,035</u>	<u>(13,774)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of assets	(42,397)	(3,345,717)	(6,049)	(1,218,463)
Principal paid on general obligation bonds	-	-	-	-
Interest paid on general obligation bonds	-	-	-	-
Principal paid on assessment	-	-	-	-
Interest paid on assessment	-	-	-	-
Proceeds from disposal of capital assets	-	283,286	-	524,770
Net cash provided (used) by capital and related financing activities	<u>(42,397)</u>	<u>(3,062,431)</u>	<u>(6,049)</u>	<u>(693,693)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Increase in allocation of pooled reverse repurchase agreement	-	-	-	-
Decrease in allocation of pooled reverse repurchase agreement	-	-	-	-
Interest on investments (including unrealized gains/losses reported as cash and cash equivalents)	-	183,357	1,226	235,392
Net cash provided (used) by investing activities	<u>-0-</u>	<u>183,357</u>	<u>1,226</u>	<u>235,392</u>
NET CASH INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(91,414)	(3,089,869)	(301,844)	696,108
CASH AND CASH EQUIVALENTS - JANUARY 1, 2004	663,009	10,986,813	301,844	11,548,961
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2004	<u>\$ 571,595</u>	<u>\$ 7,896,944</u>	<u>\$ -0-</u>	<u>\$ 12,245,069</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (378,396)	\$ (812,577)	\$ (602,762)	\$ (269,309)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Depreciation	64,770	2,966,383	20,444	2,116,124
Change in assets - (increase) decrease				
Accounts receivable, net	985	-	-	-
Due from other funds	77,388	19,335	84,559	30,141
Due from other governments, net	-	-	-	-
Inventory of supplies	-	(12,636)	-	(54,859)
Prepayments	-	-	-	-
Change in liabilities - increase (decrease):				
Accounts payable	1,568	44,328	39,975	(661,725)
Claims and judgments payable	-	-	-	(50,000)
Estimated claim settlements	-	-	-	-
Due to other funds	150,604	(2,366,241)	564	25,188
Wages payable	17,613	(1,654)	5,291	(310)
Taxes payable	327	-	-	-
Unearned revenues	-	-	-	-
Compensated absences	24,739	222	(38,127)	32,933
Total adjustments	<u>337,994</u>	<u>649,737</u>	<u>112,706</u>	<u>1,437,492</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (40,402)</u>	<u>\$ (162,840)</u>	<u>\$ (490,056)</u>	<u>\$ 1,168,183</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Contributions of capital assets from government	\$ 275	\$ 163,569	\$ 509	\$ 40,259

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004
(PAGE 4 OF 4)

	SAFETY & WORKERS' COMPENSATION	WASTEWATER EQUIPMENT RENTAL
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from users	\$ 23,564,967	\$ 1,866,903
Cash payments to suppliers for goods and services	(21,758,138)	(868,296)
Cash payments for employee services	(2,872,206)	(216,526)
Other operating revenues	<u>1,748</u>	<u>2,048</u>
Net cash provided (used) by operating activities	<u>(1,063,629)</u>	<u>784,129</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Interest paid on short-term loans	-	-
Interfund loan principal	-	-
Transfers in	-	-
Transfers out	<u>(6,887)</u>	<u>-</u>
Net cash provided (used) by noncapital financing activities	<u>(6,887)</u>	<u>-0-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of assets	(1,645)	(723,607)
Principal paid on general obligation bonds	-	-
Interest paid on general obligation bonds	-	-
Principal paid on assessment	-	-
Interest paid on assessment	-	-
Proceeds from disposal of capital assets	<u>-</u>	<u>60,519</u>
Net cash provided (used) by capital and related financing activities	<u>(1,645)</u>	<u>(663,088)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Increase in allocation of pooled reverse repurchase agreement	-	-
Decrease in allocation of pooled reverse repurchase agreement	-	-
Interest on investments (Including unrealized gains/losses reported as cash and cash equivalents)	<u>160,532</u>	<u>100,386</u>
Net cash provided (used) by investing activities	<u>160,532</u>	<u>100,386</u>
NET CASH INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(911,629)	221,427
CASH AND CASH EQUIVALENTS - JANUARY 1, 2004	<u>8,203,551</u>	<u>4,614,620</u>
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2004	<u>\$ 7,291,922</u>	<u>\$ 4,836,047</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	<u>\$ (34,578,371)</u>	<u>\$ 345,271</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Depreciation	31,574	480,279
Change in assets - (increase) decrease		
Accounts receivable, net	466,128	-
Due from other funds	(9,987)	(172)
Due from other governments, net	317,800	-
Inventory of supplies	-	(1,400)
Prepayments	-	-
Change in liabilities - increase (decrease):		
Accounts payable	325,724	(52,154)
Claims and judgments payable	(80,000)	-
Estimated claim settlements	32,458,704	-
Due to other funds	(31,389)	12,305
Wages payable	5,483	-
Taxes payable	-	-
Unearned revenues	-	-
Compensated absences	<u>30,705</u>	<u>-</u>
Total adjustments	<u>33,514,742</u>	<u>438,858</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (1,063,629)</u>	<u>\$ 784,129</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Contributions of capital assets from government	\$ 2,996	\$ 63,529

KING COUNTY, WASHINGTON
INTERNAL SERVICE FUNDS
SCHEDULE OF ANNUAL BUDGETS AND EXPENDITURES (BUDGETARY BASIS) AND ENCUMBRANCES BY APPROPRIATION UNIT^(a)
FOR THE YEAR ENDED DECEMBER 31, 2004

APPROPRIATION UNIT	BUDGET				ACTUAL		
	ORIGINAL	ADJUSTMENTS	FINAL	VARIANCE	TOTAL	2004 YEAR-END ENCUMBRANCES	EXPENDITURES
Construction and Facilities Management	\$ 34,444,827	\$ 19,684	\$ 34,464,511	\$ 1,757,931	\$ 32,706,580	\$ 61,029	\$ 32,645,551
Employee Benefits Program	157,203,579	150,000	157,353,579	15,107,903	142,245,676	91,677	142,153,999
Financial Management Services	28,116,688	4,097	28,120,785	1,584,973	26,535,812	608,100	25,927,712
Office of Information Resource Management	1,377,579	-	1,377,579	352,930	1,024,649	-	1,024,649
Information and Telecommunications Services							
Data Processing Services	24,171,299	521,000	24,692,299	711,533	23,980,766	264,097	23,716,669
Telecommunication Services	2,282,847	-	2,282,847	34,503	2,248,344	-	2,248,344
Total Information and Telecommunications Services	<u>26,454,146</u>	<u>521,000</u>	<u>26,975,146</u>	<u>746,036</u>	<u>26,229,110</u>	<u>264,097</u>	<u>25,965,013</u>
Insurance	26,133,750	3,962,742	30,096,492	298,480	29,798,012	992,172	28,805,840
Geographic Information Systems	3,398,884	-	3,398,884	316,825	3,082,059	-	3,082,059
Motor Pool Equipment Rental	9,596,735	-	9,596,735	23,839	9,572,896	546,457	9,026,439
Printing/Graphic Arts Services	3,668,251	-	3,668,251	251,990	3,416,261	13,441	3,402,820
Public Works Equipment Rental	10,742,669	-	10,742,669	1,825,958	8,916,711	2,486,422	6,430,289
Safety and Workers' Compensation	25,081,714	2,000,000	27,081,714	377,239	26,704,475	-	26,704,475
Wastewater Equipment Rental	2,385,239	-	2,385,239	461,595	1,923,644	351,608	1,572,036
TOTAL OF INTERNAL SERVICE FUNDS WITH ANNUAL BUDGETS	<u>\$ 328,604,061</u>	<u>\$ 6,657,523</u>	<u>\$ 335,261,584</u>	<u>\$ 23,105,699</u>	<u>\$ 312,155,885</u>	<u>\$ 5,415,003</u>	<u>\$ 306,740,882</u>

(a) The Schedule of Annual Budgets and Expenditures (Budgetary Basis) and Encumbrances by Appropriation Unit is presented in order to disclose budgeted and actual expenditures and at the same level of detail as, the legally adopted budget.

INFORMATION AND TELECOMMUNICATIONS SERVICES FUND
 COMBINING SCHEDULE OF NET ASSETS
 DECEMBER 31, 2004

	TOTAL INFORMATION & TELECOMMUNICATIONS SERVICES FUND	DATA PROCESSING SERVICES SUBFUND	TELECOMMUNICATION SERVICES SUBFUND
ASSETS			
Current assets			
Cash and cash equivalents	\$ 6,094,659	\$ 4,292,454	\$ 1,802,205
Accounts receivable	87,707	78,442	9,265
Estimated uncollectible accounts receivable	(10,964)	(2,305)	(8,659)
Due from other funds	788,684	778,493	10,191
Due from other governments	57,243	37,024	20,219
Estimated uncollectible due from other governments	(25,720)	(25,720)	-
Total current assets	<u>6,991,609</u>	<u>5,158,388</u>	<u>1,833,221</u>
Capital assets			
Furniture, machinery and equipment	340,334	254,387	85,947
Accumulated depreciation	(209,284)	(149,008)	(60,276)
Data processing equipment	12,764,671	12,764,671	-
Accumulated depreciation	(9,226,390)	(9,226,390)	-
Telecommunication equipment	3,680,134	-	3,680,134
Accumulated depreciation	(3,567,943)	-	(3,567,943)
Work in progress	355,246	355,246	-
Total capital assets	<u>4,136,768</u>	<u>3,998,906</u>	<u>137,862</u>
TOTAL ASSETS	<u>11,128,377</u>	<u>9,157,294</u>	<u>1,971,083</u>
LIABILITIES			
Current liabilities			
Accounts payable	1,069,995	688,818	381,177
Due to other funds	570,349	570,349	-
Interest payable	45,500	45,500	-
Wages payable	448,516	428,797	19,719
Taxes payable	8,072	7,687	385
General obligation bonds payable	995,000	995,000	-
Total current liabilities	<u>3,137,432</u>	<u>2,736,151</u>	<u>401,281</u>
Long-term liabilities			
General obligation bonds payable	1,200,000	1,200,000	-
Compensated absences payable	1,889,422	1,813,713	75,709
Total long-term liabilities	<u>3,089,422</u>	<u>3,013,713</u>	<u>75,709</u>
TOTAL LIABILITIES	<u>6,226,854</u>	<u>5,749,864</u>	<u>476,990</u>
NET ASSETS			
Invested in capital assets, net of related debt	2,888,442	2,750,580	137,862
Unrestricted	2,013,081	656,850	1,356,231
TOTAL NET ASSETS	<u>\$ 4,901,523</u>	<u>\$ 3,407,430</u>	<u>\$ 1,494,093</u>

INFORMATION AND TELECOMMUNICATIONS SERVICES FUND
 COMBINING SCHEDULE OF REVENUES, EXPENSES,
 AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2004

	TOTAL INFORMATION & TELECOMMUNICATIONS SERVICES FUND	DATA PROCESSING SERVICES SUBFUND	TELECOMMUNICATION SERVICES SUBFUND
OPERATING REVENUES			
Data processing services - intracounty	\$ 22,358,169	\$ 22,358,169	\$ -
Data processing services - other	396,552	396,552	-
Telecommunication services	1,655,508	-	1,655,508
Miscellaneous	54,671	28,366	26,305
Total operating revenues	<u>24,464,900</u>	<u>22,783,087</u>	<u>1,681,813</u>
OPERATING EXPENSES			
Personal services	13,728,034	13,025,645	702,389
Materials and supplies	1,139,220	1,099,337	39,883
Contract services and other charges	3,140,974	2,917,483	223,491
Lease and maintenance of equipment	1,423,121	1,278,171	144,950
Internal services	2,214,382	1,747,896	466,486
Depreciation	2,073,766	1,959,225	114,541
Total operating expenses	<u>23,719,497</u>	<u>22,027,757</u>	<u>1,691,740</u>
OPERATING INCOME (LOSS)	<u>745,403</u>	<u>755,330</u>	<u>(9,927)</u>
NONOPERATING EXPENSES			
Interest	115,937	115,937	-
Loss on disposal of capital assets	535,923	534,471	1,452
Total nonoperating expenses	<u>651,860</u>	<u>650,408</u>	<u>1,452</u>
Income (loss) before contributions and transfers	93,543	104,922	(11,379)
Capital contributions	46,232	-	46,232
Transfers in	756,679	756,679	-
Transfers out	(1,686,820)	(1,019,779)	(667,041)
CHANGE IN NET ASSETS	(790,366)	(158,178)	(632,188)
NET ASSETS - JANUARY 1, 2004	<u>5,691,889</u>	<u>3,565,608</u>	<u>2,126,281</u>
NET ASSETS - DECEMBER 31, 2004	<u>\$ 4,901,523</u>	<u>\$ 3,407,430</u>	<u>\$ 1,494,093</u>

INFORMATION AND TELECOMMUNICATIONS SERVICES FUND
 COMBINING SCHEDULE OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2004

	TOTAL INFORMATION & TELECOMMUNICATIONS SERVICES FUND	DATA PROCESSING SERVICES SUBFUND	TELECOMMUNICATION SERVICES SUBFUND
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from users	\$ 23,872,883	\$ 22,191,966	\$ 1,680,917
Cash payments to suppliers for goods and services	(8,901,421)	(7,875,241)	(1,026,180)
Cash payments for employee services	(13,804,068)	(13,116,805)	(687,263)
Other operating revenues	54,671	28,366	26,305
Net cash provided (used) by operating activities	<u>1,222,065</u>	<u>1,228,286</u>	<u>(6,221)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	756,679	756,679	-
Transfers out	(1,686,820)	(1,019,779)	(667,041)
Net cash used by noncapital financing activities	<u>(930,141)</u>	<u>(263,100)</u>	<u>(667,041)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of assets	(1,331,513)	(1,319,393)	(12,120)
Principal paid on general obligation bonds	(945,000)	(945,000)	-
Interest paid on general obligation bonds	(136,750)	(136,750)	-
Net cash used by capital and related financing activities	<u>(2,413,263)</u>	<u>(2,401,143)</u>	<u>(12,120)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,121,339)	(1,435,957)	(685,382)
CASH AND CASH EQUIVALENTS - JANUARY 1, 2004	<u>8,215,998</u>	<u>5,728,411</u>	<u>2,487,587</u>
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2004	<u>\$ 6,094,659</u>	<u>\$ 4,292,454</u>	<u>\$ 1,802,205</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	<u>\$ 745,403</u>	<u>\$ 755,330</u>	<u>\$ (9,927)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Depreciation	2,073,766	1,959,225	114,541
Changes in assets - (increase) decrease:			
Accounts receivable, net	10,077	9,015	1,062
Due from other funds	(547,230)	(578,434)	31,204
Due from other governments, net	(1,898)	8,969	(10,867)
Changes in liabilities - increase (decrease):			
Accounts payable	(1,148,240)	(1,000,949)	(147,291)
Claims and judgments payable	(367,274)	(367,274)	-
Due to other funds	529,039	529,122	(83)
Wages payable	131,262	124,027	7,235
Taxes payable	4,456	4,442	14
Compensated absences	(207,296)	(215,187)	7,891
Total adjustments	<u>476,662</u>	<u>472,956</u>	<u>3,706</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 1,222,065</u>	<u>\$ 1,228,286</u>	<u>\$ (6,221)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Contributions of capital assets from government	\$ 46,232	\$ -	\$ 46,232

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