

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
For the Fiscal Year Ended December 31, 2002**

CITY OF MINNEAPOLIS, MINNESOTA

(In Thousands)

	Engineering Materials and Testing	Inter- governmental Services	Property Services	Permanent Improvement Equipment	Public Works Stores	Self- Insurance	2002 Total	2001 Total
Operating revenues:								
Charges for services and sales	\$ 2,696	\$ 5,767	\$ 5,855	\$ 11,371	\$ 3,760	\$ 49,961	\$ 79,410	\$ 70,477
Rents and commissions	-	-	5,930	19,717	-	-	25,647	23,150
Total operating revenues	2,696	5,767	11,785	31,088	3,760	49,961	105,057	93,627
Operating expenses:								
Personal services	1,047	5,827	6,179	14,528	514	12,645	40,740	37,917
Contractual Services	377	7,121	3,651	1,957	25	40,548	53,679	45,580
Materials, supplies, services and other	1,337	2,390	1,415	4,353	169	2,146	11,810	10,396
Rent	119	1,901	-	3,482	61	401	5,964	7,546
Cost of stores issuance	-	-	-	2,104	2,677	-	4,781	5,389
Depreciation	94	9,109	684	4,172	8	-	14,067	5,320
Total operating expenses	2,974	26,348	11,929	30,596	3,454	55,740	131,041	112,148
Operating income (loss)	(278)	(20,581)	(144)	492	306	(5,779)	(25,984)	(18,521)
Interest revenue (expenses)	-	-	-	-	-	-	-	-
Interest revenue	-	(2,486)	-	10	-	-	(2,476)	2
Interest expense	-	-	(123)	(1,278)	-	(98)	(1,499)	(1,552)
Gain (loss) on disposal of capital assets	-	(30)	(63)	(1,980)	-	-	(2,073)	(841)
Damages/losses recovered	-	-	-	256	-	4	260	494
Other revenues	-	-	-	3	-	5,495	5,498	5,364
Total non-operating revenues (expenses)	-	(2,516)	(186)	(2,989)	-	5,401	(290)	3,467
Income (loss) before operating transfers	(278)	(23,097)	(330)	(2,497)	306	(378)	(26,274)	(15,054)
Operating transfers in (out):								
Transfers from other funds	-	18,840	1,665	-	-	2,244	22,749	24,531
Transfers to other funds	(14)	(427)	(285)	(1,652)	(18)	(2)	(2,398)	(4,930)
Transfers from component units	-	86	-	-	-	-	86	90
Total operating transfers	(14)	18,499	1,380	(1,652)	(18)	2,242	20,437	19,691
Change in net assets	(292)	(4,598)	1,050	(4,149)	288	1,864	(5,837)	4,637
Net assets - January 1	1,781	(36,252)	29,591	15,871	1,913	(45,119)	(32,215)	(54,407)
Change in accounting principle	-	-	-	-	-	-	-	17,555
Net assets - December 31	\$ 1,489	\$ (40,850)	\$ 30,641	\$ 11,722	\$ 2,201	\$ (43,255)	\$ (38,052)	\$ (32,215)