

**INTERGOVERNMENTAL SERVICES
INTERNAL SERVICE FUND
BALANCE SHEET
December 31, 2001**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-7**

(In Thousands)

	2001	2000
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 52	\$ 64
Receivables:		
Accounts - net	14	27
Due from other funds	1,353	-
Interfund loans receivable	-	-
Intergovernmental receivable	-	-
Inventories	-	-
Total current assets	1,419	91
Fixed assets:		
Land, leaseholds and easements	-	-
Buildings and structures	-	-
Less accumulated depreciation	-	-
Public improvements	-	-
Less accumulated depreciation	-	-
Machinery and equipment	1,913	1,784
Less accumulated depreciation	(1,408)	(1,368)
Computer equipment	1,866	1,746
Less accumulated depreciation	(998)	(730)
Software	1,184	700
Less accumulated depreciation	(481)	(303)
Other capital outlay	97	97
Less accumulated depreciation	(87)	(86)
Construction in progress	-	-
Net fixed assets	2,086	1,840
Total assets	\$ 3,505	\$ 1,931
LIABILITIES AND FUND EQUITY		
Current liabilities:		
Salaries payable	\$ 226	\$ 181
Accounts payable	1,501	952
Intergovernmental payable	-	4
Due to other funds	3,250	-
Interfund loans payable	-	-
Interest payable	-	-
Deferred revenue	-	-
Bonds payable-current portion	-	-
Total current liabilities	4,977	1,137
Long-term liabilities:		
Bonds payable	-	-
Unamortized premium (discounts)	-	-
Advances from other funds	12,800	12,800
Compensated absences payable	232	205
Unpaid claims payable	-	-
Total long-term liabilities	13,032	13,005
Total liabilities	18,009	14,142
Fund equity:		
Contributed capital	904	904
Retained earnings:		
Reserved for future contingencies	-	-
Reserved for renewal and replacement	-	-
Reserved for severance pay	-	-
Unreserved	(15,408)	(13,115)
Total fund equity	(14,504)	(12,211)
Total liabilities and fund equity	\$ 3,505	\$ 1,931

**INTERGOVERNMENTAL SERVICES
INTERNAL SERVICE FUND
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
For the fiscal year ended December 31, 2001**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-8**

(In Thousands)

	2001	2000
Operating revenues:		
Charges for services and sales	\$ 3,300	\$ 2,894
Operating expenses:		
Personal services	5,325	4,383
Contractual services	8,813	6,836
Materials, supplies, services and other	1,463	821
Rent	2,803	2,311
Depreciation	559	448
Total operating expenses	18,963	14,799
Operating income (loss)	(15,663)	(11,905)
Non-operating revenues (expenses):		
Gain (loss) on disposal of fixed assets	(21)	(62)
Income (loss) before operating transfers	(15,684)	(11,967)
Operating transfers in (out):		
Transfers from other funds	17,348	15,233
Transfers to other funds	(4,047)	(6,848)
Transfers from component units	90	94
Total operating transfers	13,391	8,479
Net income (loss)	(2,293)	(3,488)
Retained earnings - January 1	(13,115)	(9,627)
Retained earnings - December 31	\$ (15,408)	\$ (13,115)

**INTERGOVERNMENTAL SERVICES
INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended December 31, 2001**

**CITY OF MINNEAPOLIS, MINNESOTA
Statement F-9**

(In Thousands)

	2001	2000
Cash flows from operating activities:		
Operating income (loss)	\$ (15,663)	\$ (11,905)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	559	448
(Increase) decrease in accounts receivable	13	(16)
(Increase) decrease in due from other funds	(1,353)	-
(Increase) decrease in intergovernmental receivable	-	-
(Increase) decrease in inventories	-	-
(Increase) decrease in prepaid items	-	-
(Increase) decrease in contracts receivable	-	-
(Increase) decrease in properties held for resale	-	-
Increase (decrease) in salaries payable	45	12
Increase (decrease) in accounts payable	549	(172)
Increase (decrease) in intergovernmental payable	(4)	4
Increase (decrease) in due to other funds	3,250	-
Increase (decrease) in due to governmental units	-	-
Increase (decrease) in deferred revenue	-	-
Increase (decrease) in compensated absences payable	27	6
Increase (decrease) in unpaid claims payable	-	-
Increase (decrease) in interest payable	-	-
Increase (decrease) in current bonds payable	-	-
Damages/losses recovered	-	-
Other non-operating revenues	-	1
Total adjustments	3,086	283
Net cash provided (used) by operating activities	(12,577)	(11,622)
Cash flows from non-capital financing activities:		
Proceeds from bonds	-	-
Interfund loans received	-	-
Advance from other funds	-	12,800
Operating transfers from other funds	17,348	15,233
Operating transfers from component units	90	94
Principal paid on bonds	-	-
Interest paid on bonds	-	-
Amorization of bond premium	-	-
Operating transfers to other funds	(4,047)	(6,848)
Interfund loans paid	-	(9,000)
Interest paid on interfund loans	-	-
Net cash provided (used) by non-capital financing activities	13,391	12,279
Cash flows from capital and related financing activities:		
Proceeds from bonds	-	-
Principal paid on bonds	-	-
Interest paid on bonds	-	-
Proceeds from sale of fixed assets	14	-
Acquisition and construction of fixed assets	(840)	(624)
Net cash provided (used) by capital and related financing activities	(826)	(624)
Cash flows from investing activities:		
Interest	-	-
Net cash provided (used) by investing activities	-	-
Net increase (decrease) in cash and cash equivalents	(12)	33
Cash and cash equivalents, beginning of year	64	31
Cash and cash equivalents, end of year	\$ 52	\$ 64
Non-cash investing, capital and financing activities:		
(Loss) on disposal of fixed assets	\$ (21)	\$ (62)
Fixed assets constructed in capital projects funds	-	-