



INTERNAL SERVICE FUNDS

The internal service funds are used to account for and report the operations of state agencies that provide services to other state agencies, component units, or other governments on a cost reimbursement basis.

The following activities are included in the internal service funds:

Department of Administration:

- Motor Fleet Management
- Mail Service Center
- Temporary Solutions
- Surplus Property

Department of Information Technology:

- Computing Services
- State Telecommunications Services

Department of Insurance:

- State Property Fire Insurance

COMBINING STATEMENT OF NET POSITION **INTERNAL SERVICE FUNDS**

For the Fiscal Year Ended June 30, 2021

(Dollars in Thousands)

	State Property Fire Insurance	Motor Fleet Management	Mail Service Center	Temporary Solutions	Computing Services
Assets					
Current Assets					
Cash and cash equivalents	\$ 15,669	\$ 19,182	\$ 1,501	\$ 17,675	\$ 22,786
Investments	32,325	-	-	-	-
Receivables:					
Accounts receivable, net	24,805	2,617	563	9,944	6,778
Premiums receivable	93	-	-	-	-
Due from other funds	-	75	-	5,121	7,977
Inventories	1	74	65	-	-
Prepaid items	14,854	-	-	-	-
Total current assets	87,747	21,948	2,129	32,740	37,541
Noncurrent Assets					
Net OPEB asset	3	3	3	2	178
Capital assets-nondepreciable	-	288	-	-	3,089
Capital assets-depreciable, net	-	114,318	30	5	28,332
Total noncurrent assets	3	114,609	33	7	31,599
Total Assets	87,750	136,557	2,162	32,747	69,140
Deferred Outflows of Resources:					
Deferred outflows for pensions	489	392	416	424	34,333
Deferred outflows for OPEB	769	290	203	678	77,209
Total Deferred Outflows of Resources	1,258	682	619	1,102	111,542
Liabilities					
Current Liabilities					
Accounts payable and accrued liabilities:					
Accounts payable	2,951	2,069	23	34	2,257
Accrued payroll	-	-	-	6,100	17
Claims payable	2,096	-	-	-	-
Due to other funds	2,410	2	83	1	-
Due to component units	29,598	-	-	-	-
Unearned revenue	10,774	-	-	-	-
Compensated absences	21	15	23	7	740
Workers' compensation	73	-	-	-	160
Total current liabilities	47,923	2,086	129	6,142	3,174
Noncurrent Liabilities					
Compensated absences	303	155	244	257	15,719
Workers' compensation	169	-	267	-	994
Net pension liability	949	757	833	713	52,209
Net OPEB liability	1,882	1,438	1,584	1,355	100,020
Total noncurrent liabilities	3,303	2,350	2,928	2,325	168,942
Total Liabilities	51,226	4,436	3,057	8,467	172,116
Deferred Inflows of Resources:					
Deferred inflows for pensions	40	12	45	24	27
Deferred inflows for OPEB	1,275	1,203	1,283	900	46,832
Total Deferred Inflows of Resources	1,315	1,215	1,328	924	46,859
Net Position					
Net investment in capital assets	-	114,606	30	5	31,421
Restricted for:					
Public safety, corrections, and regulation	2	-	-	-	-
Other purposes	-	2	2	1	-
Unrestricted	36,465	16,980	(1,636)	24,452	(69,714)
Total Net Position	\$ 36,467	\$ 131,588	\$ (1,604)	\$ 24,458	\$ (38,293)

Exhibit E-1

State Telecommunications Services	Surplus Property	Total
\$ 11,550	\$ 3,756	\$ 92,119
-	-	32,325
14,834	57	59,598
-	-	93
1,170	-	14,343
-	-	140
-	-	14,854
<u>27,554</u>	<u>3,813</u>	<u>213,472</u>
12	2	203
-	19	3,396
<u>4,181</u>	<u>107</u>	<u>146,973</u>
<u>4,193</u>	<u>128</u>	<u>150,572</u>
<u>31,747</u>	<u>3,941</u>	<u>364,044</u>
2,292	364	38,710
<u>4,651</u>	<u>582</u>	<u>84,382</u>
<u>6,943</u>	<u>946</u>	<u>123,092</u>
1,242	2,076	10,652
-	-	6,117
-	-	2,096
-	-	2,496
-	-	29,598
-	-	10,774
58	10	874
-	-	233
<u>1,300</u>	<u>2,086</u>	<u>62,840</u>
1,210	100	17,988
-	-	1,430
3,590	648	59,699
<u>6,878</u>	<u>1,231</u>	<u>114,388</u>
<u>11,678</u>	<u>1,979</u>	<u>193,505</u>
<u>12,978</u>	<u>4,065</u>	<u>256,345</u>
671	72	891
<u>8,830</u>	<u>1,142</u>	<u>61,465</u>
<u>9,501</u>	<u>1,214</u>	<u>62,356</u>
4,181	126	150,369
-	-	2
1	-	6
<u>12,029</u>	<u>(518)</u>	<u>18,058</u>
<u>\$ 16,211</u>	<u>\$ (392)</u>	<u>\$ 168,435</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS**

For the Fiscal Year Ended June 30, 2021

(Dollars in Thousands)

	State Property Fire Insurance	Motor Fleet Management	Mail Service Center	Temporary Solutions	Computing Services
Operating Revenues					
Sales and services	\$ -	\$ 33,344	\$ 4,144	\$ 116,826	\$ 176,883
Fees, licenses, and fines	-	-	-	-	4,460
Insurance premiums	28,003	-	-	-	-
Miscellaneous	-	79	94	4	11
Total operating revenues	<u>28,003</u>	<u>33,423</u>	<u>4,238</u>	<u>116,830</u>	<u>181,354</u>
Operating Expenses					
Personal services	2,014	1,950	1,906	114,908	134,116
Supplies and materials	62	10,492	34	17	3,333
Services	130	7,003	714	802	37,615
Cost of goods sold	-	215	-	-	-
Depreciation	-	14,471	20	1	4,214
Claims	7,414	-	-	-	-
Insurance and bonding	26,250	1,199	-	-	169
Other	119	60	702	175	21,626
Total operating expenses	<u>35,989</u>	<u>35,390</u>	<u>3,376</u>	<u>115,903</u>	<u>201,073</u>
Operating income (loss)	<u>(7,986)</u>	<u>(1,967)</u>	<u>862</u>	<u>927</u>	<u>(19,719)</u>
Nonoperating Revenues (Expenses)					
Noncapital contributions	32	25	27	23	1,713
Investment earnings	(24)	-	-	-	-
Insurance recoveries	-	13	-	-	-
Gain on sale of equipment	-	2,763	-	-	-
Miscellaneous	-	551	-	-	-
Total nonoperating revenues (expenses)	<u>8</u>	<u>3,352</u>	<u>27</u>	<u>23</u>	<u>1,713</u>
Income (loss) before contributions and transfers	(7,978)	1,385	889	950	(18,006)
Capital contributions	-	-	-	-	8
Transfers in	-	-	48	-	6,716
Transfers out	-	-	-	-	(1,757)
Change in net position	<u>(7,978)</u>	<u>1,385</u>	<u>937</u>	<u>950</u>	<u>(13,039)</u>
Net position — July 1, as restated	<u>44,445</u>	<u>130,203</u>	<u>(2,541)</u>	<u>23,508</u>	<u>(25,254)</u>
Net position — June 30	<u>\$ 36,467</u>	<u>\$ 131,588</u>	<u>\$ (1,604)</u>	<u>\$ 24,458</u>	<u>\$ (38,293)</u>

Exhibit E-2

State Telecommunications Services	Surplus Property	Total
\$ 98,963	\$ 2,030	\$ 432,190
-	-	4,460
-	-	28,003
-	144	332
98,963	2,174	464,985
6,995	1,662	263,551
3,424	28	17,390
72,497	517	119,278
-	-	215
2,573	25	21,304
-	-	7,414
48	13	27,679
6,196	131	29,009
91,733	2,376	485,840
7,230	(202)	(20,855)
118	21	1,959
-	-	(24)
-	-	13
-	-	2,763
-	6	557
118	27	5,268
7,348	(175)	(15,587)
-	-	8
1,689	-	8,453
(6,716)	-	(8,473)
2,321	(175)	(15,599)
13,890	(217)	184,034
\$ 16,211	\$ (392)	\$ 168,435

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2021

(Dollars in Thousands)

	State Property Fire Insurance	Motor Fleet Management	Mail Service Center	Temporary Solutions	Computing Services
Cash Flows From Operating Activities					
Receipts from customers	\$ -	\$ 7,009	\$ 1,150	\$ 1,156	\$ 7,033
Receipts from other funds	36,662	28,047	2,957	110,657	167,460
Payments to suppliers	(28,572)	(15,238)	(1,139)	(966)	(59,069)
Payments to employees	(2,238)	(2,247)	(2,202)	(112,971)	(116,767)
Payments to other funds	(13,384)	(2,687)	(339)	-	(3,109)
Other receipts	-	628	92	1	11
Net cash provided by (used for) operating activities	(7,532)	15,512	519	(2,123)	(4,441)
Cash Flows From Noncapital Financing Activities					
Transfers from other funds	-	-	48	-	6,716
Transfers to other funds	-	-	-	-	(1,757)
Net cash provided by (used for) noncapital financing activities	-	-	48	-	4,959
Cash Flows From Capital and Related Financing Activities					
Acquisition and construction of capital assets	-	(23,225)	-	-	(1,386)
Proceeds from the sale of capital assets	-	5,342	-	-	-
Insurance Recoveries	-	13	-	-	-
Net cash used for capital and related financing activities	-	(17,870)	-	-	(1,386)
Cash Flows From Investing Activities					
Investment earnings	140	-	-	-	-
Net cash provided by investment activities	140	-	-	-	-
Net increase (decrease) in cash and cash equivalents	(7,392)	(2,358)	567	(2,123)	(868)
Cash and cash equivalents at July 1	23,061	21,540	934	19,798	23,654
Cash and cash equivalents at June 30	\$ 15,669	\$ 19,182	\$ 1,501	\$ 17,675	\$ 22,786
Reconciliation of Operating Income to Net Cash Provided By Operating Activities					
Operating income (loss)	\$ (7,986)	\$ (1,967)	\$ 862	\$ 927	\$ (19,719)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	-	14,471	20	1	4,214
Nonoperating miscellaneous and other income (expense)	31	576	27	22	1,713
Change in assets and deferred outflows:					
Receivables	7,467	1,701	(38)	(1,256)	(4,232)
Due from other funds	-	12	-	(3,757)	(2,619)
Inventories	(1)	(7)	24	-	1
Prepaid items	2,637	-	-	-	-
Net OPEB asset	-	-	-	-	(34)
Deferred outflows for pensions	(21)	(63)	(51)	(37)	(3,313)
Deferred outflows for OPEB	176	(30)	26	175	7,167
Change in liabilities and deferred inflows:					
Accounts payable and accrued liabilities	124	1,048	(33)	1,903	568
Due to other funds	(6,069)	2	(18)	-	-
Due to component units	(4,683)	-	-	-	-
Compensated absences	(38)	(6)	36	57	1,259
Workers' compensation	(155)	-	(65)	-	(61)
Unearned revenue	1,191	-	-	-	-
Net pension liability	118	129	91	72	11,337
Net OPEB liability	(292)	(181)	(331)	(298)	(7,008)
Deferred inflows for pensions	(22)	(38)	(9)	10	(90)
Deferred inflows for OPEB	(9)	(135)	(22)	58	6,376
Net cash provided by (used for) operations	\$ (7,532)	\$ 15,512	\$ 519	\$ (2,123)	\$ (4,441)
Noncash Investing, Capital, and Financing Activities					
Noncash distributions from the State Treasurer					
Bond Index External Investment Pool and/or other agents	\$ 726	\$ -	\$ -	\$ -	\$ -
Donated or transferred assets	-	-	-	-	8
Change in fair value of investments	(865)	-	-	-	-
Change in securities lending collateral	502	-	-	-	-

Exhibit E-3

State Telecommunications Services	Surplus Property	Total
\$ 2,869	\$ 535	\$ 19,752
92,705	1,396	439,884
(80,939)	(145)	(186,068)
(8,091)	(1,756)	(246,272)
(818)	(113)	(20,450)
-	147	879
5,726	64	7,725
1,689	-	8,453
(6,715)	-	(8,472)
(5,026)	-	(19)
(548)	-	(25,159)
-	-	5,342
-	-	13
(548)	-	(19,804)
-	-	140
-	-	140
152	64	(11,958)
11,398	3,692	104,077
<u>\$ 11,550</u>	<u>\$ 3,756</u>	<u>\$ 92,119</u>

\$ 7,230	\$ (202)	\$ (20,855)
2,573	25	21,304
118	28	2,515
(3,321)	(53)	268
(67)	-	(6,431)
-	-	17
22	-	2,659
(1)	-	(35)
(151)	16	(3,620)
768	154	8,436
385	383	4,378
-	-	(6,085)
-	-	(4,683)
3	(2)	1,309
-	-	(281)
-	-	1,191
493	(21)	12,219
(1,231)	(493)	(9,834)
(246)	51	(344)
(849)	178	5,597
<u>\$ 5,726</u>	<u>\$ 64</u>	<u>\$ 7,725</u>

\$ -	\$ -	\$ 726
-	-	8
-	-	(865)
-	-	502