



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, 2022

(Dollars in Thousands)

	State Property Fire Insurance	Motor Fleet Management	Mail Service Center	Temporary Solutions	Computing Services
Assets					
Current Assets					
Cash and cash equivalents	\$ 20,821	\$ 26,078	\$ 1,839	\$ 29,996	\$ 29,167
Investments	26,070	-	-	-	-
Securities lending collateral	715	-	-	-	-
Receivables:					
Accounts receivable, net	16,069	1,860	537	1,732	9,722
Interest receivable	10	-	-	-	-
Premiums receivable	83	-	-	-	-
Due from other funds	-	93	-	5,967	7,655
Inventories	-	81	152	-	-
Prepaid items	17,500	-	-	-	-
Total current assets	<u>81,268</u>	<u>28,112</u>	<u>2,528</u>	<u>37,695</u>	<u>46,544</u>
Noncurrent Assets					
Net OPEB asset	1	1	1	1	69
Capital assets-nondepreciable	-	288	-	-	3,089
Capital assets-depreciable, net	-	116,359	10	1,149	25,404
Total noncurrent assets	<u>1</u>	<u>116,648</u>	<u>11</u>	<u>1,150</u>	<u>28,562</u>
Total Assets	<u>81,269</u>	<u>144,760</u>	<u>2,539</u>	<u>38,845</u>	<u>75,106</u>
Deferred Outflows of Resources:					
Deferred outflows for pensions	478	462	495	614	36,131
Deferred outflows for OPEB	732	529	495	1,116	82,896
Total Deferred Outflows of Resources	<u>1,210</u>	<u>991</u>	<u>990</u>	<u>1,730</u>	<u>119,027</u>
Liabilities					
Current Liabilities					
Accounts payable and accrued liabilities:					
Accounts payable	8,116	2,240	59	42	2,115
Accrued payroll	-	-	-	5,685	4
Claims payable	3,137	-	-	-	-
Obligations under securities lending	715	-	-	-	-
Due to other funds	6,642	1	107	-	-
Due to component units	26,110	-	-	-	-
Unearned revenue	12,060	-	-	-	-
Lease liability	-	-	-	126	-
Compensated absences	27	18	23	20	1,406
Workers' compensation	110	-	-	-	112
Total current liabilities	<u>56,917</u>	<u>2,259</u>	<u>189</u>	<u>5,873</u>	<u>3,637</u>
Noncurrent Liabilities					
Compensated absences	275	185	234	249	15,925
Lease liability	-	-	-	1,056	-
Workers' compensation	256	3	252	-	994
Net pension liability	377	317	351	357	23,434
Net OPEB liability	2,150	1,721	1,909	1,940	130,643
Total noncurrent liabilities	<u>3,058</u>	<u>2,226</u>	<u>2,746</u>	<u>3,602</u>	<u>170,996</u>
Total Liabilities	<u>59,975</u>	<u>4,485</u>	<u>2,935</u>	<u>9,475</u>	<u>174,633</u>
Deferred Inflows of Resources:					
Deferred inflows for pensions	484	415	470	462	30,046
Deferred inflows for OPEB	862	831	948	743	40,359
Total Deferred Inflows of Resources	<u>1,346</u>	<u>1,246</u>	<u>1,418</u>	<u>1,205</u>	<u>70,405</u>
Net Position					
Net investment in capital assets	-	116,647	10	-	28,493
Unrestricted	21,158	23,373	(834)	29,895	(79,398)
Total Net Position	<u>\$ 21,158</u>	<u>\$ 140,020</u>	<u>\$ (824)</u>	<u>\$ 29,895</u>	<u>\$ (50,905)</u>

Exhibit E-1

State Telecommunications Services	Surplus Property	Total
\$ 21,589	\$ 4,378	\$ 133,868
-	-	26,070
-	-	715
11,964	619	42,503
-	-	10
-	-	83
1,062	-	14,777
-	-	233
-	17	17,517
<u>34,615</u>	<u>5,014</u>	<u>235,776</u>
-	1	74
-	19	3,396
2,662	85	145,669
<u>2,662</u>	<u>105</u>	<u>149,139</u>
<u>37,277</u>	<u>5,119</u>	<u>384,915</u>
-	397	38,577
-	704	86,472
-	<u>1,101</u>	<u>125,049</u>
3,885	2,418	18,875
-	-	5,689
-	-	3,137
-	-	715
-	1	6,751
-	-	26,110
-	-	12,060
173	-	299
-	10	1,504
-	-	222
<u>4,058</u>	<u>2,429</u>	<u>75,362</u>
-	102	16,970
173	-	1,229
-	-	1,505
-	269	25,105
-	<u>1,461</u>	<u>139,824</u>
<u>173</u>	<u>1,832</u>	<u>184,633</u>
<u>4,231</u>	<u>4,261</u>	<u>259,995</u>
-	401	32,278
-	892	44,635
-	<u>1,293</u>	<u>76,913</u>
2,317	104	147,571
30,729	562	25,485
<u>\$ 33,046</u>	<u>\$ 666</u>	<u>\$ 173,056</u>

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

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	State Property Fire Insurance	Motor Fleet Management	Mail Service Center	Temporary Solutions	Computing Services
Operating Revenues					
Sales and services	\$ -	\$ 42,027	\$ 3,914	\$ 119,046	\$ 193,770
Fees, licenses, and fines	-	-	-	-	4,648
Insurance premiums	34,713	-	-	-	-
Miscellaneous	-	116	77	-	17
Total operating revenues	<u>34,713</u>	<u>42,143</u>	<u>3,991</u>	<u>119,046</u>	<u>198,435</u>
Operating Expenses					
Personal services	2,194	2,186	1,975	112,367	134,208
Supplies and materials	33	10,243	49	12	4,854
Services	292	8,134	473	1,077	49,917
Cost of goods sold	-	269	-	-	-
Depreciation	-	17,361	20	164	3,493
Claims	12,042	-	-	-	-
Insurance and bonding	31,677	1,323	-	-	173
Other	124	67	771	22	15,326
Total operating expenses	<u>46,362</u>	<u>39,583</u>	<u>3,288</u>	<u>113,642</u>	<u>207,971</u>
Operating income (loss)	<u>(11,649)</u>	<u>2,560</u>	<u>703</u>	<u>5,404</u>	<u>(9,536)</u>
Nonoperating Revenues (Expenses)					
Noncapital contributions	13	10	12	12	790
Investment earnings	(3,705)	-	-	-	-
Insurance recoveries	-	14	-	-	-
Gain on sale of equipment	-	5,464	-	-	-
Interest and fees	-	-	-	(38)	-
Miscellaneous	(1)	17	1	-	-
Total nonoperating revenues (expenses)	<u>(3,693)</u>	<u>5,505</u>	<u>13</u>	<u>(26)</u>	<u>790</u>
Income (loss) before contributions and transfers	(15,342)	8,065	716	5,378	(8,746)
Transfers in	33	367	64	59	13,599
Transfers out	-	-	-	-	(3,183)
Change in net position	<u>(15,309)</u>	<u>8,432</u>	<u>780</u>	<u>5,437</u>	<u>1,670</u>
Net position — July 1, as restated	<u>36,467</u>	<u>131,588</u>	<u>(1,604)</u>	<u>24,458</u>	<u>(52,575)</u>
Net position — June 30	<u>\$ 21,158</u>	<u>\$ 140,020</u>	<u>\$ (824)</u>	<u>\$ 29,895</u>	<u>\$ (50,905)</u>

Exhibit E-2

State Telecommunications Services	Surplus Property	Total
\$ 92,570	\$ 3,325	\$ 454,652
-	-	4,648
-	-	34,713
-	162	372
<u>92,570</u>	<u>3,487</u>	<u>494,385</u>
45	1,707	254,682
3,640	40	18,871
68,836	535	129,264
-	-	269
2,170	22	23,230
-	-	12,042
48	10	33,231
5,938	15	22,263
<u>80,677</u>	<u>2,329</u>	<u>493,852</u>
<u>11,893</u>	<u>1,158</u>	<u>533</u>
-	9	846
-	-	(3,705)
-	-	14
-	-	5,464
(33)	-	(71)
-	-	17
<u>(33)</u>	<u>9</u>	<u>2,565</u>
11,860	1,167	3,098
3,196	41	17,359
<u>(12,503)</u>	<u>(150)</u>	<u>(15,836)</u>
2,553	1,058	4,621
30,493	(392)	168,435
<u>\$ 33,046</u>	<u>\$ 666</u>	<u>\$ 173,056</u>

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2022

(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	\$ -	\$ 8,557	\$ 1,182	\$ -	\$ 1,944
Receipts from other funds	44,745	34,209	2,758	126,411	193,851
Payments to suppliers	(34,438)	(16,891)	(806)	(1,091)	(68,299)
Payments to employees	(2,317)	(2,574)	(2,425)	(112,882)	(128,867)
Payments to other funds	(8,761)	(2,982)	(513)	(12)	(2,112)
Other receipts	3,350	133	78	-	13
Net cash provided by (used for) operating activities	<u>2,579</u>	<u>20,452</u>	<u>274</u>	<u>12,426</u>	<u>(3,470)</u>
Cash Flows From Noncapital Financing Activities					
Transfers from other funds	33	51	64	59	13,599
Transfers to other funds	-	-	-	-	(3,182)
Net cash provided by (used for) noncapital financing activities	<u>33</u>	<u>51</u>	<u>64</u>	<u>59</u>	<u>10,417</u>
Cash Flows From Capital and Related Financing Activities					
Acquisition and construction of capital assets	-	(22,402)	-	-	(566)
Proceeds from the sale of capital assets	-	8,464	-	-	-
Transfers from other funds capital	-	317	-	-	-
Principal paid on capital debt	-	-	-	(126)	-
Interest paid on capital debt	-	-	-	(38)	-
Insurance Recoveries	-	14	-	-	-
Net cash used for capital and related financing activities	<u>-</u>	<u>(13,607)</u>	<u>-</u>	<u>(164)</u>	<u>(566)</u>
Cash Flows From Investing Activities					
Purchase into State Treasurer investment pool	(20,000)	-	-	-	-
Redemptions from State Treasurer investment pool	22,500	-	-	-	-
Investment earnings	40	-	-	-	-
Net cash provided by investment activities	<u>2,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	5,152	6,896	338	12,321	6,381
Cash and cash equivalents at July 1	15,669	19,182	1,501	17,675	22,786
Cash and cash equivalents at June 30	<u>\$ 20,821</u>	<u>\$ 26,078</u>	<u>\$ 1,839</u>	<u>\$ 29,996</u>	<u>\$ 29,167</u>
Reconciliation of Operating Income to Net Cash Provided By Operating Activities					
Operating income (loss)	\$ (11,649)	\$ 2,560	\$ 703	\$ 5,404	\$ (9,536)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	-	17,361	20	164	3,493
Nonoperating miscellaneous and other income (expense)	-	17	1	-	-
Change in assets and deferred outflows:					
Receivables	8,746	757	26	8,212	(2,944)
Due from other funds	-	(18)	-	(846)	322
Inventories	1	(7)	(87)	-	-
Prepaid items	(2,645)	-	-	-	-
Net OPEB asset	2	2	2	1	121
Deferred outflows for pensions	10	(71)	(79)	(191)	494
Deferred outflows for OPEB	37	(239)	(293)	(438)	(1,036)
Change in liabilities and deferred inflows:					
Accounts payable and accrued liabilities	4,848	171	36	(407)	(155)
Due to other funds	5,590	(1)	24	-	-
Due to component units	(3,488)	-	-	-	-
Compensated absences	(22)	33	(10)	5	(396)
Workers' compensation	124	3	(15)	-	(49)
Unearned revenue	1,286	-	-	-	-
Net pension liability	(572)	(440)	(482)	(356)	(32,365)
Net OPEB liability	281	293	337	597	24,536
Deferred inflows for pensions	443	403	425	438	29,348
Deferred inflows for OPEB	(413)	(372)	(334)	(157)	(15,303)
Net cash provided by (used for) operations	<u>\$ 2,579</u>	<u>\$ 20,452</u>	<u>\$ 274</u>	<u>\$ 12,426</u>	<u>\$ (3,470)</u>

Exhibit E-3

State Telecommunications Services	Surplus Property	Total
\$ 13,370	\$ 803	\$ 25,856
82,179	1,909	486,062
(75,061)	(127)	(196,713)
(45)	(1,920)	(251,030)
(759)	(97)	(15,236)
-	163	3,737
<u>19,684</u>	<u>731</u>	<u>52,676</u>
3,196	41	17,043
<u>(12,503)</u>	<u>(150)</u>	<u>(15,835)</u>
(9,307)	(109)	1,208
(132)	-	(23,100)
-	-	8,464
-	-	317
(173)	-	(299)
(33)	-	(71)
-	-	14
<u>(338)</u>	<u>-</u>	<u>(14,675)</u>
-	-	(20,000)
-	-	22,500
-	-	40
-	-	2,540
10,039	622	41,749
11,550	3,756	92,119
<u>\$ 21,589</u>	<u>\$ 4,378</u>	<u>\$ 133,868</u>
\$ 11,893	\$ 1,158	\$ 533
2,170	22	23,230
-	-	18
2,870	(562)	17,105
108	-	(434)
-	-	(93)
-	(17)	(2,662)
-	1	129
-	(32)	131
-	(122)	(2,091)
2,643	342	7,478
-	1	5,614
-	-	(3,488)
-	2	(388)
-	-	63
-	-	1,286
-	(379)	(34,594)
-	238	26,282
-	329	31,386
-	(250)	(16,829)
<u>\$ 19,684</u>	<u>\$ 731</u>	<u>\$ 52,676</u>

Continued

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS (Continued)

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	<u>State Property Fire Insurance</u>	<u>Motor Fleet Management</u>	<u>Mail Service Center</u>	<u>Temporary Solutions</u>	<u>Computing Services</u>
Noncash Investing, Capital, and Financing Activities					
Noncash distributions from the State Treasurer					
Bond Index External Investment Pool and/or other agents	\$ 523	\$ -	\$ -	\$ -	\$ -
Assets acquired through the assumption of a liability	-	-	-	-	-
Change in fair value of investments	(4,279)	-	-	-	-
Increase in receivables related to nonoperating income	10	-	-	-	-
Change in securities lending collateral	213	-	-	-	-
Decrease in net OPEB liability related to noncapital contributions	(13)	(10)	(12)	(12)	(790)

<u>State Telecommunications Services</u>	<u>Surplus Property</u>	<u>Total</u>
\$ -	\$ -	\$ 523
346	-	346
-	-	(4,279)
-	-	10
-	-	213
-	(9)	(846)
