



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, 2024

(Dollars in Thousands)

	State Property Fire Insurance	Motor Fleet Management	Mail Service Center	Temporary Solutions	Computing Services
Assets					
Current Assets					
Cash and cash equivalents	\$ 13,117	\$ 7,992	\$ 222	\$ 32,534	\$ 33,944
Investments	26,500	-	-	-	-
Securities lending collateral	1,124	-	-	-	-
Receivables:					
Accounts receivable, net	-	5,105	695	5,373	20,187
Interest receivable	200	-	-	-	-
Premiums receivable	911	-	-	-	-
Due from other funds	-	3,035	-	4,828	15,066
Inventories	-	75	140	-	-
Prepaid items	29,648	-	-	-	-
Total current assets	<u>71,500</u>	<u>16,207</u>	<u>1,057</u>	<u>42,735</u>	<u>69,197</u>
Noncurrent Assets					
Capital assets-nondepreciable	-	-	-	-	3,089
Capital assets-depreciable, net	-	141,893	244	821	73,250
Total noncurrent assets	<u>-</u>	<u>141,893</u>	<u>244</u>	<u>821</u>	<u>76,339</u>
Total Assets	<u>71,500</u>	<u>158,100</u>	<u>1,301</u>	<u>43,556</u>	<u>145,536</u>
Deferred Outflows of Resources:					
Deferred outflows for pensions	856	948	956	1,549	56,407
Deferred outflows for OPEB	473	845	753	1,892	61,269
Total Deferred Outflows of Resources	<u>1,329</u>	<u>1,793</u>	<u>1,709</u>	<u>3,441</u>	<u>117,676</u>
Liabilities					
Current Liabilities					
Accounts payable and accrued liabilities:					
Accounts payable	5,335	4,944	41	149	4,446
Accrued payroll	-	-	-	8,231	56
Claims payable	1,057	-	-	-	-
Intergovernmental payable	-	-	-	-	44
Obligations under securities lending	1,124	-	-	-	-
Due to other funds	3,010	4	147	-	-
Due to component units	8,075	-	-	-	-
Unearned revenue	9,127	-	-	-	-
Lease liability	-	-	-	173	-
Subscription Liability	-	-	-	-	11,175
Compensated absences	22	14	16	28	1,134
Workers' compensation	102	-	15	-	149
Total current liabilities	<u>27,852</u>	<u>4,962</u>	<u>219</u>	<u>8,581</u>	<u>17,004</u>
Noncurrent Liabilities					
Compensated absences	291	203	231	384	17,535
Lease liability	-	-	-	753	-
Subscription Liability	-	-	-	-	26,742
Workers' compensation	205	-	214	-	1,166
Net pension liability	1,281	1,298	1,342	1,919	81,075
Net OPEB liability	1,751	1,831	1,893	2,707	117,932
Total noncurrent liabilities	<u>3,528</u>	<u>3,332</u>	<u>3,680</u>	<u>5,763</u>	<u>244,450</u>
Total Liabilities	<u>31,380</u>	<u>8,294</u>	<u>3,899</u>	<u>14,344</u>	<u>261,454</u>
Deferred Inflows of Resources:					
Deferred inflows for pensions	35	14	13	14	2,862
Deferred inflows for OPEB	638	543	599	777	40,093
Total Deferred Inflows of Resources	<u>673</u>	<u>557</u>	<u>612</u>	<u>791</u>	<u>42,955</u>
Net Position					
Net investment in capital assets	-	141,893	244	(105)	38,422
Unrestricted	40,776	9,149	(1,745)	31,967	(79,619)
Total Net Position	<u>\$ 40,776</u>	<u>\$ 151,042</u>	<u>\$ (1,501)</u>	<u>\$ 31,862</u>	<u>\$ (41,197)</u>

Exhibit E-1

State Telecommunications Services	Surplus Property	Total
\$ 24,574	\$ 3,868	\$ 116,251
-	-	26,500
-	-	1,124
18,581	64	50,005
-	-	200
-	-	911
6,709	-	29,638
-	-	215
-	-	29,648
<u>49,864</u>	<u>3,932</u>	<u>254,492</u>
-	-	3,089
<u>4,283</u>	<u>161</u>	<u>220,652</u>
<u>4,283</u>	<u>161</u>	<u>223,741</u>
<u>54,147</u>	<u>4,093</u>	<u>478,233</u>
-	715	61,431
-	645	65,877
-	<u>1,360</u>	<u>127,308</u>
3,636	1,581	20,132
-	-	8,287
-	-	1,057
-	-	44
-	-	1,124
-	1	3,162
-	-	8,075
-	-	9,127
-	-	173
-	23	11,198
-	10	1,224
-	23	289
<u>3,636</u>	<u>1,638</u>	<u>63,892</u>
-	146	18,790
-	-	753
-	-	26,742
-	8	1,593
-	1,001	87,916
-	<u>1,412</u>	<u>127,526</u>
-	<u>2,567</u>	<u>263,320</u>
<u>3,636</u>	<u>4,205</u>	<u>327,212</u>
-	19	2,957
-	599	43,249
-	<u>618</u>	<u>46,206</u>
4,283	138	184,875
46,228	492	47,248
<u>\$ 50,511</u>	<u>\$ 630</u>	<u>\$ 232,123</u>

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

For the Fiscal Year Ended June 30, 2024

(Dollars in Thousands)

	State Property Fire Insurance	Motor Fleet Management	Mail Service Center	Temporary Solutions	Computing Services
Operating Revenues					
Sales and services	\$ -	\$ 50,542	\$ 7,995	\$ 135,695	\$ 266,287
Fees, licenses, and fines	-	-	-	-	6,479
Insurance premiums	42,607	-	-	-	-
Miscellaneous	11	188	179	41	10
Total operating revenues	<u>42,618</u>	<u>50,730</u>	<u>8,174</u>	<u>135,736</u>	<u>272,776</u>
Operating Expenses					
Personal services	2,312	3,170	2,809	133,171	161,752
Supplies and materials	52	10,648	43	4	11,174
Services	175	11,122	1,007	2,100	67,441
Cost of goods sold	-	327	4,503	-	-
Depreciation	-	21,370	50	164	9,776
Insurance and bonding	38,506	1,287	1	46	238
Other	94	75	1,097	24	24,715
Total operating expenses	<u>41,139</u>	<u>47,999</u>	<u>9,510</u>	<u>135,509</u>	<u>275,096</u>
Operating income (loss)	<u>1,479</u>	<u>2,731</u>	<u>(1,336)</u>	<u>227</u>	<u>(2,320)</u>
Nonoperating Revenues (Expenses)					
Noncapital contributions	2	2	2	4	155
Investment earnings	1,329	-	-	-	-
Insurance recoveries	2,000	23	-	-	-
Gain (loss) on sale of equipment	-	4,742	-	-	-
Interest and fees	-	-	-	(33)	(2,221)
Miscellaneous	(27)	15	-	-	-
Total nonoperating revenues (expenses)	<u>3,304</u>	<u>4,782</u>	<u>2</u>	<u>(29)</u>	<u>(2,066)</u>
Income (loss) before contributions and transfers	4,783	7,513	(1,334)	198	(4,386)
Transfers in	20,000	-	172	-	9,720
Transfers out	-	-	-	(74)	(74)
Change in net position	<u>24,783</u>	<u>7,513</u>	<u>(1,162)</u>	<u>124</u>	<u>5,260</u>
Net position — July 1, as previously reported	7,884	143,529	(339)	31,738	(46,457)
Adjustments to July 1 balances	8,109	-	-	-	-
Net position — July 1, as restated	<u>15,993</u>	<u>143,529</u>	<u>(339)</u>	<u>31,738</u>	<u>(46,457)</u>
Net position — June 30	<u>\$ 40,776</u>	<u>\$ 151,042</u>	<u>\$ (1,501)</u>	<u>\$ 31,862</u>	<u>\$ (41,197)</u>

Exhibit E-2

State Telecommunications Services	Surplus Property	Total
\$ 114,804	\$ 1,995	\$ 577,318
-	-	6,479
-	-	42,607
-	154	583
<u>114,804</u>	<u>2,149</u>	<u>626,987</u>
-	2,315	305,529
4,952	39	26,912
79,100	261	161,206
-	-	4,830
1,704	82	33,146
68	9	40,155
<u>10,887</u>	<u>19</u>	<u>36,911</u>
<u>96,711</u>	<u>2,725</u>	<u>608,689</u>
<u>18,093</u>	<u>(576)</u>	<u>18,298</u>
-	2	167
-	-	1,329
-	-	2,023
-	-	4,742
(32)	(4)	(2,290)
-	68	56
<u>(32)</u>	<u>66</u>	<u>6,027</u>
18,061	(510)	24,325
-	-	29,892
<u>(9,720)</u>	<u>-</u>	<u>(9,868)</u>
8,341	(510)	44,349
42,170	1,140	179,665
-	-	8,109
<u>42,170</u>	<u>1,140</u>	<u>187,774</u>
<u>\$ 50,511</u>	<u>\$ 630</u>	<u>\$ 232,123</u>

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2024

(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	\$ -	\$ 5,665	\$ 2,236	\$ 1,327	\$ 2,648
Receipts from other funds	41,620	38,594	6,046	131,532	249,148
Payments to suppliers	(49,307)	(20,578)	(3,824)	(2,075)	(97,311)
Payments to employees	(2,422)	(3,144)	(2,944)	(131,223)	(147,658)
Payments to other funds	(8,021)	(1,309)	(2,828)	-	(4,055)
Other receipts	2,000	205	156	-	10
Net cash provided by (used for) operating activities	(16,130)	19,433	(1,158)	(439)	2,782
Cash Flows From Noncapital Financing Activities					
Transfers from other funds	20,000	-	-	-	9,720
Transfers to other funds	-	-	-	(74)	(74)
Net cash provided by (used for) noncapital financing activities	20,000	-	-	(74)	9,646
Cash Flows From Capital and Related Financing Activities					
Acquisition and construction of capital assets	-	(42,538)	(172)	-	(4,569)
Proceeds from the sale of capital assets	-	8,405	-	-	-
Transfers from other funds capital	-	-	172	-	-
Principal paid on capital debt	-	-	-	(131)	(18,868)
Interest paid on capital debt	-	-	-	(33)	(2,221)
Net cash used for capital and related financing activities	-	(34,133)	-	(164)	(25,658)
Cash Flows From Investing Activities					
Investment earnings	423	-	-	-	-
Net cash provided by investment activities	423	-	-	-	-
Net increase (decrease) in cash and cash equivalents	4,293	(14,700)	(1,158)	(677)	(13,230)
Cash and cash equivalents at July 1	8,824	22,692	1,380	33,211	47,174
Cash and cash equivalents at June 30	\$ 13,117	\$ 7,992	\$ 222	\$ 32,534	\$ 33,944
Reconciliation of Operating Income to Net Cash Provided By Operating Activities					
Operating income (loss)	\$ 1,479	\$ 2,731	\$ (1,336)	\$ 227	\$ (2,320)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	-	21,370	50	164	9,776
Nonoperating miscellaneous and other income (expense)	2,000	36	1	-	-
Change in assets and deferred outflows:					
Receivables	(164)	(3,333)	288	(3,037)	(7,931)
Due from other funds	-	(2,949)	-	203	(13,038)
Inventories	-	2	(54)	-	-
Prepaid items	(6,322)	-	-	-	-
Deferred outflows for pensions	(24)	(137)	(117)	(410)	(3,253)
Deferred outflows for OPEB	124	(153)	(134)	(528)	8,432
Change in liabilities and deferred inflows:					
Accounts payable and accrued liabilities	(5,688)	1,565	(5)	1,649	1,915
Due to other funds	(5,941)	4	58	-	-
Due to component units	(758)	-	-	-	-
Compensated absences	6	13	1	60	303
Workers' compensation	(33)	-	6	-	(118)
Unearned revenue	(617)	-	-	-	-
Net pension liability	65	228	197	594	8,970
Net OPEB liability	64	345	302	868	15,434
Deferred inflows for pensions	15	(9)	(15)	(10)	170
Deferred inflows for OPEB	(336)	(280)	(400)	(219)	(15,558)
Net cash provided by (used for) operations	\$ (16,130)	\$ 19,433	\$ (1,158)	\$ (439)	\$ 2,782

Exhibit E-3

State Telecommunications Services	Surplus Property	Total
\$ 17,568	\$ 755	\$ 30,199
86,571	1,802	555,313
(92,336)	(59)	(265,490)
-	(2,302)	(289,693)
(933)	(111)	(17,257)
-	220	2,591
<u>10,870</u>	<u>305</u>	<u>15,663</u>
-	-	29,720
(9,720)	-	(9,868)
<u>(9,720)</u>	<u>-</u>	<u>19,852</u>
(524)	(60)	(47,863)
-	-	8,405
-	-	172
(847)	(67)	(19,913)
(32)	(4)	(2,290)
<u>(1,403)</u>	<u>(131)</u>	<u>(61,489)</u>
-	-	423
-	-	423
(253)	174	(25,551)
24,827	3,694	141,802
<u>\$ 24,574</u>	<u>\$ 3,868</u>	<u>\$ 116,251</u>
\$ 18,093	\$ (576)	\$ 18,298
1,704	82	33,146
-	68	2,105
(5,002)	561	(18,618)
(5,662)	-	(21,446)
-	-	(52)
-	-	(6,322)
-	(71)	(4,012)
-	25	7,766
1,737	153	1,326
-	-	(5,879)
-	-	(758)
-	15	398
-	23	(122)
-	-	(617)
-	144	10,198
-	221	17,234
-	(32)	119
-	(308)	(17,101)
<u>\$ 10,870</u>	<u>\$ 305</u>	<u>\$ 15,663</u>

Continued

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS (Continued)

For the Fiscal Year Ended June 30, 2024

(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	\$ 614	\$ -	\$ -	\$ -	\$ -
Change in fair value of investments	113	-	-	-	-
Increase in receivables related to nonoperating income	152	-	-	-	-
Change in securities lending collateral	957	-	-	-	-
Decrease in net OPEB liability related to noncapital contributions	(2)	(2)	(2)	(4)	(155)

<u>State Telecommunications Services</u>	<u>Surplus Property</u>	<u>Total</u>
\$ -	\$ -	\$ 614
-	-	113
-	-	152
-	-	957
-	(2)	(167)