

Internal Service Funds

Internal Service Funds account for state activities that provide goods and services to other state departments or agencies on a cost reimbursement basis. A brief description of the major internal service funds follows:

Architecture Revolving Fund accounts for charges for the costs of architectural services, construction, and improvements.

Service Revolving Fund accounts for charges for printing and procurement services rendered by the Department of General Services for state departments and other public entities.

Prison Industries Fund accounts for charges for goods produced by inmates in state prisons that are sold to state departments and other governmental entities.

Stephen P. Teale Data Center Fund accounts for charges for data processing services performed for various state departments by the Stephen P. Teale Data Center.

Health and Welfare Agency Data Center Fund accounts for charges for data processing services performed for various state departments by the Health and Welfare Agency Data Center.

Water Resources Revolving Fund accounts for charges for administrative services related to water delivery provided by the Department of Water Resources to federal, state, and local government agencies.

Public Employees' Health Care Fund accounts for employer and employee contributions that pay benefits, claims costs, and administrative costs of self-funded or minimum premium health benefit plans.

Equipment Service Fund accounts for the purchase, maintenance, and administration costs of equipment used by the Department of Transportation.

Other Internal Service Funds account for all other goods or services provided to other agencies, departments, or governments on a cost reimbursement basis.

Internal Service Funds Combining Balance Sheet

June 30, 1998

(Amounts in thousands)

	Architecture Revolving	Service Revolving	Prison Industries
ASSETS			
Cash and pooled investments.....	\$ 91,971	\$ 39,198	\$ 53,622
Investments.....	—	—	—
Receivables (net).....	1	149	1,020
Due from other funds.....	105,595	68,796	18,224
Due from other governments.....	—	2,084	1,185
Prepaid items.....	4	13,052	400
Inventories, at cost.....	—	14,801	41,748
Fixed assets.....	605	86,456	72,378
Other assets.....	113	2,793	25
Total Assets.....	\$ 198,289	\$ 227,329	\$ 188,602
LIABILITIES			
Accounts payable.....	\$ 50,736	\$ 13,541	\$ 9,875
Due to other funds.....	3,801	118,315	3,271
Due to other governments.....	—	2	—
Advances from other funds.....	—	—	—
Benefits payable.....	—	—	—
Deposits.....	—	1,257	—
Contracts and notes payable.....	—	17,301	—
Compensated absences payable.....	1,102	17,755	5,517
Capital lease obligations.....	—	5,056	—
Advance collections.....	147,981	638	1,416
Other liabilities.....	1,453	10,246	5,677
Total Liabilities.....	205,073	184,111	25,756
FUND EQUITY			
Contributed capital.....	—	—	110,731
Retained earnings			
Unreserved (Deficit).....	(6,784)	43,218	52,115
Total Retained Earnings (Deficit).....	(6,784)	43,218	52,115
Total Fund Equity (Deficit).....	(6,784)	43,218	162,846
Total Liabilities and Fund Equity.....	\$ 198,289	\$ 227,329	\$ 188,602

Stephen P. Teale Data Center	Health and Welfare Agency Data Center	Water Resources Revolving	Public Employees' Health Care	Equipment Service	Other Internal Service	Total
\$ 19,270	\$ 8,169	\$ 8,767	\$ 61,011	\$ 3	\$ 19,553	\$ 301,564
—	—	—	184,297	—	—	184,297
94	363	1,231	32	694	148	3,732
17,610	49,707	59,744	4,216	125,090	700	449,682
—	386	—	2,093	—	—	5,748
6	640	2,760	—	—	436	17,298
—	—	—	—	12,695	33	69,277
20,744	47,716	27,505	—	203,166	2,195	460,765
1,825	4,208	126	—	—	—	9,090
\$ 59,549	\$ 111,189	\$ 100,133	\$ 251,649	\$ 341,648	\$ 23,065	\$ 1,501,453
\$ 11,599	\$ 32,621	\$ 14,983	\$ —	\$ 7,351	\$ 245	\$ 140,951
315	231	303	4,029	88,399	3,179	221,843
—	—	—	69,479	—	7	69,488
—	—	91,517	—	—	1,434	92,951
—	—	—	41,085	—	—	41,085
—	—	—	—	—	—	1,257
4,780	16,121	—	—	—	1,435	39,637
2,830	3,132	5,704	—	—	—	36,040
—	18,471	—	—	—	—	23,527
—	21,700	—	—	3	—	171,738
604	—	2,390	12,940	—	—	33,310
20,128	92,276	114,897	127,533	95,753	6,300	871,827
—	1,000	—	—	231,993	460	344,184
39,421	17,913	(14,764)	124,116	13,902	16,305	285,442
39,421	17,913	(14,764)	124,116	13,902	16,305	285,442
39,421	18,913	(14,764)	124,116	245,895	16,765	629,626
\$ 59,549	\$ 111,189	\$ 100,133	\$ 251,649	\$ 341,648	\$ 23,065	\$ 1,501,453

Internal Service Funds

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings

Year Ended June 30, 1998

(Amounts in thousands)

	Architecture Revolving	Service Revolving	Prison Industries
OPERATING REVENUES			
Services and sales.....	\$ 343,634	\$ 382,860	\$ 150,865
Other.....	—	—	—
Total Operating Revenues.....	343,634	382,860	150,865
OPERATING EXPENSES			
Personal services.....	18,761	152,909	47,402
Supplies.....	—	26,269	2,838
Services and charges.....	324,713	183,478	103,600
Depreciation.....	1	13,948	8,578
Interest expense.....	—	2,135	—
Total Operating Expenses.....	343,475	378,739	162,418
Operating Income (Loss).....	159	4,121	(11,553)
NONOPERATING REVENUES (EXPENSES)			
Interest revenue.....	—	—	1,080
Interest expense and fiscal charges.....	—	—	(33)
Other.....	502	356	547
Total Nonoperating Revenues (Expenses).....	502	356	1,594
Income (Loss) Before Operating Transfers.....	661	4,477	(9,959)
OPERATING TRANSFERS			
Operating transfers in.....	—	—	11,161
Operating transfers out.....	—	—	—
Total Operating Transfers.....	—	—	11,161
Net Income (Loss).....	661	4,477	1,202
Retained Earnings (Deficit), July 1, 1997.....	(7,445)	38,741	50,913
Retained Earnings (Deficit), June 30, 1998.....	\$ (6,784)	\$ 43,218	\$ 52,115

Stephen P. Teale Data Center	Health and Welfare Agency Data Center	Water Resources Revolving	Public Employees' Health Care	Equipment Service	Other Internal Service	Total
\$ 78,601	\$ 198,582	\$ 99,389	\$ 760,972	\$ 125,852	\$ 46,691	\$ 2,187,446
—	—	—	7,544	—	—	7,544
78,601	198,582	99,389	768,516	125,852	46,691	2,194,990
25,344	25,329	37,048	—	—	62	306,855
—	—	—	—	—	—	29,107
42,175	166,042	59,641	768,758	84,443	42,217	1,775,067
9,442	5,112	5,349	—	27,507	209	70,146
432	1,300	—	—	—	80	3,947
77,393	197,783	102,038	768,758	111,950	42,568	2,185,122
1,208	799	(2,649)	(242)	13,902	4,123	9,868
777	409	—	13,879	—	126	16,271
—	—	—	—	—	—	(33)
—	—	—	—	—	—	1,405
777	409	—	13,879	—	126	17,643
1,985	1,208	(2,649)	13,637	13,902	4,249	27,511
—	—	—	—	—	2,300	13,461
—	—	(173)	—	—	—	(173)
—	—	(173)	—	—	2,300	13,288
1,985	1,208	(2,822)	13,637	13,902	6,549	40,799
37,436	16,705	(11,942)	110,479	—	9,756	244,643
\$ 39,421	\$ 17,913	\$ (14,764)	\$ 124,116	\$ 13,902	\$ 16,305	\$ 285,442

Internal Service Funds

Combining Statement of Cash Flows

Year Ended June 30, 1998

(Amounts in thousands)

	Architecture Revolving	Service Revolving	Prison Industries
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss).....	\$ 159	\$ 4,121	\$ (11,553)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS			
Interest expense on operating debt.....	—	2,135	—
Depreciation.....	1	13,948	8,578
Other.....	—	(1,731)	41
Change in assets and liabilities			
Receivables.....	(1)	360	(334)
Due from other funds.....	(29,039)	10,528	1,669
Due from other governments.....	—	(876)	(114)
Prepaid items.....	1	(2,101)	(31)
Inventories.....	—	6,277	1,613
Other assets.....	(71)	(2,357)	2
Accounts payable.....	7,067	1,021	2,542
Interest payable.....	—	—	(27)
Due to other funds.....	1,440	24,769	(886)
Due to other governments.....	—	(564)	—
Benefits payable.....	—	—	—
Deposits.....	—	(143)	—
Contract and note payable.....	—	—	—
Compensated absences payable.....	(59)	(1,546)	85
Advance collections.....	29,476	169	(180)
Other liabilities.....	184	(1,663)	(1,635)
Total Adjustments.....	8,999	48,226	11,323
Net Cash Provided by (Used In) Operating Activities.....	9,158	52,347	(230)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Return of advances from other funds.....	—	—	—
Operating transfers in.....	—	—	11,161
Operating transfers out.....	—	—	—
Net Cash Provided by (Used In) Noncapital Financing Activities.....	—	—	11,161

Stephen P. Teale Data Center	Health and Welfare Agency Data Center	Water Resources Revolving	Public Employees' Health Care	Equipment Service	Other Internal Service	Total
\$ 1,208	\$ 799	\$ (2,649)	\$ (242)	\$ 13,902	\$ 4,123	\$ 9,868
432	1,300	—	—	—	80	3,947
9,442	5,112	5,349	—	27,507	209	70,146
41	2,603	—	—	1,320	—	2,274
14	(5)	(1,088)	(12)	(694)	(3)	(1,763)
(7,240)	(40,946)	2,088	1,933	(125,090)	9,352	(176,745)
—	1	—	(1,103)	—	60	(2,032)
527	30	348	—	—	(22)	(1,248)
—	—	—	—	(12,695)	(33)	(4,838)
(22)	(956)	(17)	—	—	—	(3,421)
3,746	16,712	6,386	(114,063)	7,351	(104)	(69,342)
—	—	—	—	—	—	(27)
(79)	(2,247)	290	1,033	88,399	(3,117)	109,602
—	—	—	69,479	—	—	68,915
—	—	—	41,085	—	—	41,085
—	—	—	—	—	—	(143)
—	—	—	—	—	1,435	1,435
249	(103)	759	—	—	—	(615)
—	19,593	—	—	3	—	49,061
(34)	—	189	12,937	—	—	9,978
7,076	1,094	14,304	11,289	(13,899)	7,857	96,269
8,284	1,893	11,655	11,047	3	11,980	106,137
—	—	(360)	—	—	—	(360)
—	—	—	—	—	2,300	13,461
—	—	(173)	—	—	—	(173)
—	—	(533)	—	—	2,300	12,928

(Continued)

Internal Service Funds

Combining Statement of Cash Flows

Year Ended June 30, 1998

(Amounts in thousands)

	Architecture Revolving	Service Revolving	Prison Industries
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of intangible assets.....	—	—	—
Acquisition of fixed assets.....	—	(20,780)	(10,615)
Proceeds from sale of fixed assets.....	—	1,197	456
Return of advances from other funds.....	—	—	(1,181)
Principal paid on notes payable.....	—	(2,763)	—
Payment of capital lease obligations.....	—	(354)	—
Interest paid.....	—	(2,135)	(33)
Contributed capital.....	—	—	423
Net Cash Provided by (Used In) Capital and Related Financing Activities.....	—	(24,835)	(10,950)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments.....	—	—	—
Interest on investments.....	—	—	1,111
Net Cash Provided by (Used In) Investing Activities.....	—	—	1,111
Net Increase (Decrease) In Cash and Pooled Investments.....	9,158	27,512	1,092
Cash and Pooled Investments at July 1, 1997.....	82,813	11,686	52,530
Cash and Pooled Investments at June 30, 1998.....	\$ 91,971	\$ 39,198	\$ 53,622

Stephen P. Teale Data Center	Health and Welfare Agency Data Center	Water Resources Revolving	Public Employees' Health Care	Equipment Service	Other Internal Service	Total
(850)	(2,603)	—	—	—	—	(3,453)
(2,449)	(18,845)	(7,344)	—	—	(459)	(60,492)
—	8,891	2,856	—	—	—	13,400
—	—	—	—	—	(99)	(1,280)
(7,328)	(867)	—	—	—	—	(10,958)
—	(6,381)	—	—	—	—	(6,735)
(432)	(1,300)	—	—	—	(80)	(3,980)
—	—	—	—	—	—	423
(11,059)	(21,105)	(4,488)	—	—	(638)	(73,075)
—	—	—	(179,935)	—	—	(179,935)
777	409	—	13,880	—	126	16,303
777	409	—	(166,055)	—	126	(163,632)
(1,998)	(18,803)	6,634	(155,008)	3	13,768	(117,642)
21,268	26,972	2,133	216,019	—	5,785	419,206
\$ 19,270	\$ 8,169	\$ 8,767	\$ 61,011	\$ 3	\$ 19,553	\$ 301,564
(Concluded)						

