

# Auditor's Summary

## Financial Audit of the Department of Accounting and General Services, State Motor Pool Revolving Fund

Financial Statements, Fiscal Year Ended June 30, 2019



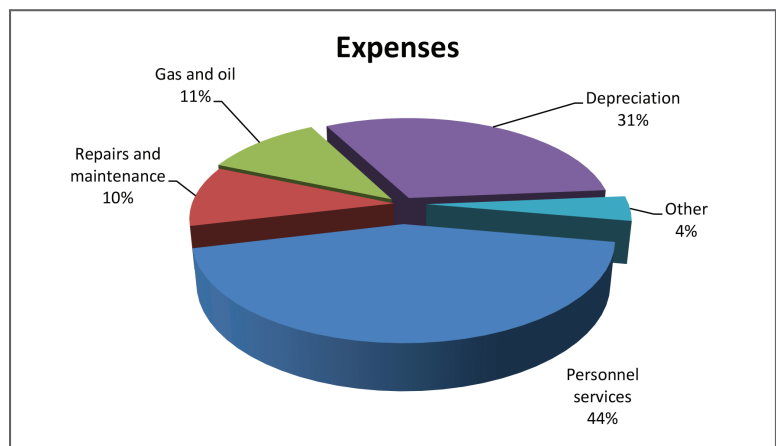
*THE PRIMARY PURPOSE* of the audit was to form an opinion on the fairness of the presentation of the financial statements for the Department of Accounting and General Services, State Motor Pool Revolving Fund, as of and for the fiscal year ended June 30, 2019. The audit was conducted by KPMG LLP.

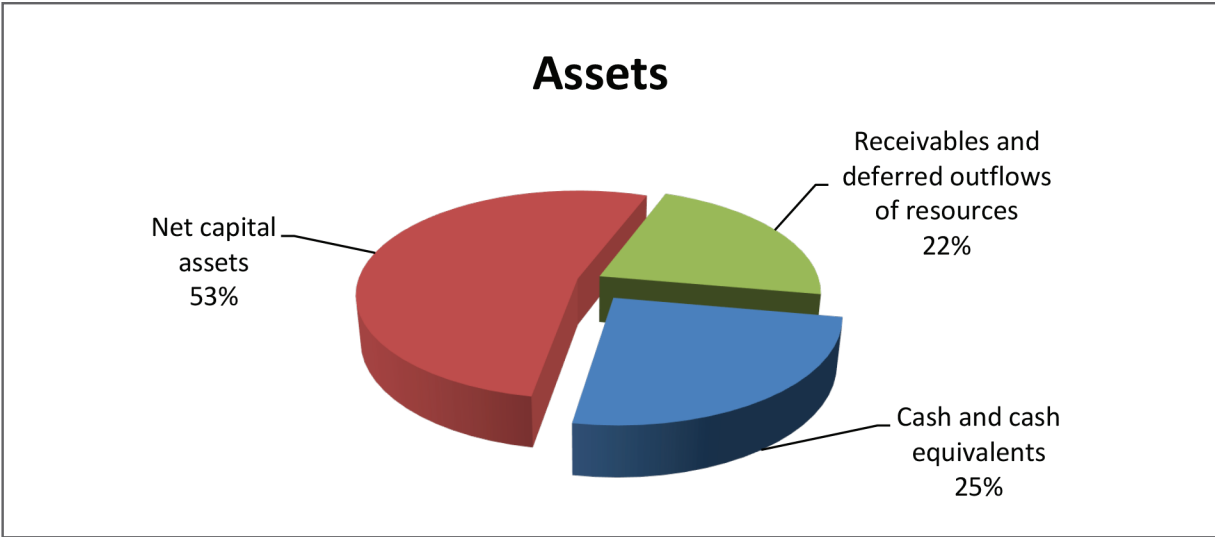
### About the Fund

The State Motor Pool Revolving Fund (Fund) was established pursuant to Act 77, Session Laws of Hawai'i 1963 (codified as Section 105-11, Hawai'i Revised Statutes). The Fund is responsible for providing safe and economical transportation for state personnel requiring the use of passenger vehicles in connection with official state business. All moneys collected are used for the acquisition, operation, repair, maintenance, storage, and disposition of all state-owned vehicles assigned to the state motor pool.

### Financial Highlights

**FOR THE FISCAL YEAR** ended June 30, 2019, the Fund reported total revenues of \$2.3 million and total expenses of \$2.9 million, resulting in a decrease in net position of \$600,000 (or 381 percent). Motor vehicle rentals and repairs represented 99 percent of the Fund's total revenue and other income represented 1 percent. Total expenses of \$2.9 million consisted of personnel services of \$1.3 million, depreciation of \$900,000, gas and oil of \$300,000, repairs and maintenance of \$300,000, and other costs of \$100,000.





As of June 30, 2019, total assets and deferred outflows of resources of \$3.7 million were comprised of (1) cash and cash equivalents of \$900,000, (2) net capital assets of \$2 million, and (3) receivables and deferred outflows of resources of \$800,000. Total liabilities and deferred inflows of resources of \$4.6 million were comprised of (1) net pension liability of \$2.4 million, (2) net other postemployment benefits other than pension of \$1.9 million, and (3) other liabilities and deferred inflows of resources of \$300,000.

## Auditors' Opinion

**THE FUND RECEIVED AN UNMODIFIED OPINION** that its financial statements were presented fairly, in all material respects, in accordance with generally accepted accounting principles.

## Findings

**THERE WERE NO REPORTED DEFICIENCIES** in internal control over financial reporting that were considered to be material weaknesses and no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

For the complete report and financial statements visit our website at:  
[http://files.hawaii.gov/auditor/Reports/2019\\_Audit/MotorPool2019.pdf](http://files.hawaii.gov/auditor/Reports/2019_Audit/MotorPool2019.pdf)

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