

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, 2017



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, 2017. The audit was conducted by KPMG LLP.

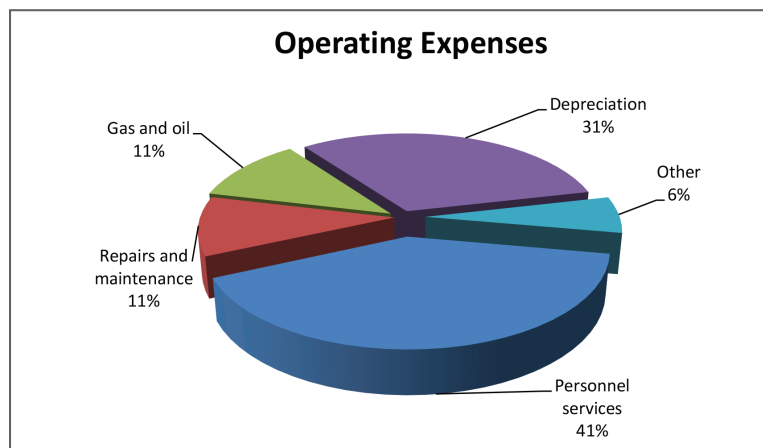
About the Fund

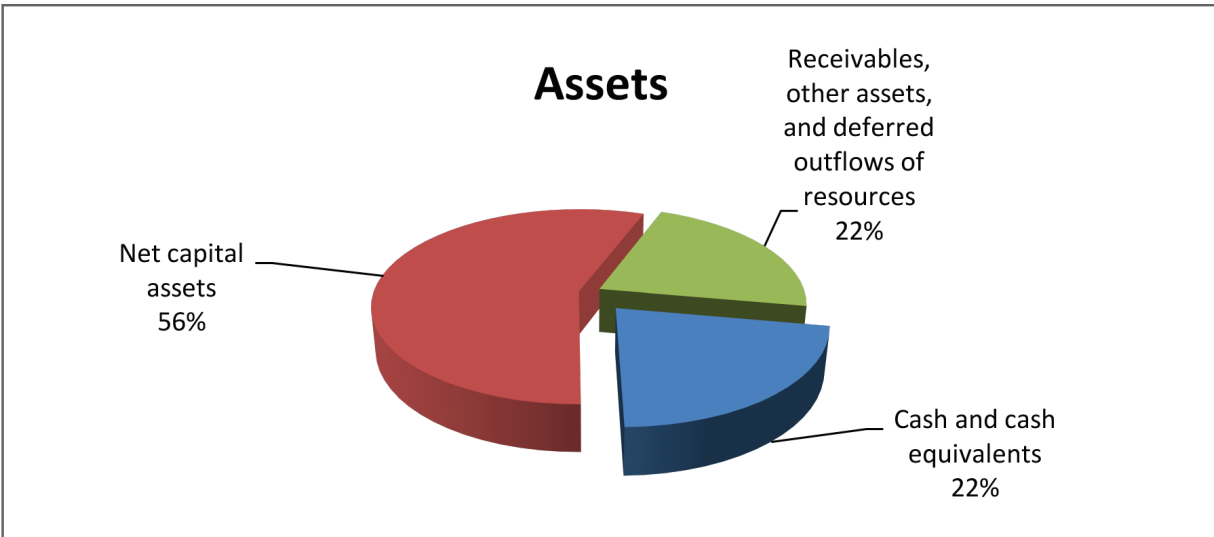
THE STATE MOTOR POOL

Revolving Fund was established pursuant to Act 77, Session Laws of Hawai'i 1963 (Section 26–6, Hawai'i Revised Statutes). The fund is responsible for providing safe and economical transportation for state departments and agency 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, 2017, the fund reported total revenues of \$2.5 million and total operating expenses of \$2.9 million, resulting in a net loss of \$400,000. Motor vehicle rentals and repairs represented 95 percent of the fund's total revenue. Total operating expenses of \$2.9 million consisted of personnel services of \$1.2 million, depreciation of \$900,000, gas and oil of \$300,000, repairs and maintenance of \$300,000, and other costs of \$200,000.





As of June 30, 2017, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$900,000. Of this amount, there was an unrestricted net deficit of \$1.7 million. Total assets and deferred outflows of resources were \$4.6 million, and total liabilities and deferred inflows of resources were \$3.7 million. Total assets were comprised of cash and cash equivalents of \$1 million, net capital assets of \$2.6 million, and receivables and other assets of \$1 million.

Auditors' Opinion

THE FUND RECEIVED AN UNMODIFIED OPINION that the 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/2017_Audit/MotorPool2017.pdf
