

SOUTH CAROLINA STATE BUDGET AND CONTROL BOARD
OFFICE OF INSURANCE SERVICES

COMBINING STATEMENT OF CASH FLOWS - ALL INTERNAL SERVICE FUNDS

YEAR ENDED JUNE 30, 2000

(With comparative totals for the year ended June 30, 1999)

	2000			1999
	Insurance Reserve Fund	Health, Life, and Disability Insurance Reserve Fund	Totals	Totals
Cash Flows from Operating Activities				
Operating income (loss)	\$ 4,604,820	\$ (91,790,863)	\$(87,186,043)	\$ (46,341,893)
Reclassify interest and investment income to investing activity	(17,331,430)	(7,409,849)	(24,741,279)	(25,943,412)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	144,605	146,185	290,790	344,385
Change in fair value of long-term investments	4,736,014	848,719	5,584,733	5,324,890
Change in assets-(increase) decrease:				
Premiums receivable	(3,687,185)	44,863	(3,642,322)	(1,567,923)
Reinsurance recovery receivable	(756,203)	—	(756,203)	(1,217,113)
Due from South Carolina Division of Retirement	—	(1,499,914)	(1,499,914)	(598,000)
Prepaid insurance, prescription drug rebate receivable and other assets	(39,994)	(669,824)	(709,818)	30,463
Change in liabilities-increase (decrease):				
Accounts payable, accrued payroll and compensated absences	178,897	277,986	456,883	(76,826)
Deferred premium revenue	1,394,271	(189,235)	1,205,036	(899,331)
Claims payable and incurred but not reported	12,250,353	28,632,787	40,883,140	19,283,223
Total adjustments	14,220,758	27,591,567	41,812,325	20,623,768
Net cash provided by (used in) operating activities	1,494,148	(71,609,145)	(70,114,997)	(51,661,537)
Cash Flows from Capital and Related Financing Activities				
Purchase of fixed assets	(23,559)	(84,527)	(108,086)	(259,733)
Net cash used in capital and related financing activities	(23,559)	(84,527)	(108,086)	(259,733)
Cash Flows from Investing Activities:				
Principal payments received on notes receivable	2,625,551	—	2,625,551	10,727,438
Funds disbursed as notes receivable	(1,224,262)	—	(1,224,262)	(2,423,517)
Purchase of investments	(147,296,997)	(1,109,998)	(148,406,995)	(107,855,855)
Proceeds from sales and maturity of investments	103,528,476	3,527,126	107,055,602	67,764,234
Interest received-deposits and investments	13,696,342	7,609,225	21,305,567	23,694,704
Interest received-notes receivable	1,867,687	—	1,867,687	2,451,755
Net cash provided by (used in) investing activities	(26,803,203)	10,026,353	(16,776,850)	(5,641,241)
Net decrease in cash and cash equivalents	(25,332,614)	(61,667,319)	(86,999,933)	(57,562,511)
Cash and cash equivalents, beginning of year	78,344,195	100,954,742	179,298,937	236,861,448
Cash and cash equivalents, end of year	\$ 53,011,581	\$ 39,287,423	\$ 92,299,004	\$ 179,298,937
Supplemental Information				
Noncash capital and related financing activities:				
Disposal of contributed fixed assets	\$	\$	\$	\$ (5,532)
Disposal of purchased fixed assets (including \$106,636 and \$57,910 of accumulated depreciation for the years ended June 30, 2000 and 1999)	(35,975)	(82,696)	(118,672)	(71,411)