

**CITY OF PEORIA, ARIZONA  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
INFORMATION TECHNOLOGY FUND  
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>(budgetary basis)</u>	<u>Final Budget</u> <u>Over</u> <u>(Under)</u>
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 7,265,093	\$ 7,265,093	\$ 7,274,508	\$ 9,415
Miscellaneous	-	-	12,063	12,063
Total operating revenues	<u>7,265,093</u>	<u>7,265,093</u>	<u>7,286,571</u>	<u>21,478</u>
<b>OPERATING EXPENSES:</b>				
Salaries, wages and benefits	3,966,271	3,939,033	3,844,293	(94,740)
Contractual services, materials and supplies	3,922,555	3,922,555	3,588,605	(333,950)
Capital outlay	526,144	526,144	327,674	(198,470)
Contingencies	481,838	481,838	-	(481,838)
Total operating expenses	<u>8,896,808</u>	<u>8,869,570</u>	<u>7,760,572</u>	<u>(1,108,998)</u>
Operating loss	<u>(1,631,715)</u>	<u>(1,604,477)</u>	<u>(474,001)</u>	<u>1,130,476</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Interest and investment income	22,500	22,500	14,528	(7,972)
Total nonoperating revenues	<u>22,500</u>	<u>22,500</u>	<u>14,528</u>	<u>(7,972)</u>
Income before transfers	<u>(1,609,215)</u>	<u>(1,581,977)</u>	<u>(459,473)</u>	<u>1,122,504</u>
Transfers in	2,035,046	2,035,046	2,035,046	-
Transfers (out)	(1,169,000)	(1,169,000)	(1,169,000)	-
Excess (deficit) revenues over expenses - budgetary basis	<u>\$ (743,169)</u>	<u>\$ (715,931)</u>	<u>\$ 406,573</u>	<u>\$ 1,122,504</u>

**Explanation of differences between budgetary revenues and expenditures and GAAP revenues and expenditures**

The City budgets certain revenues on the cash basis, rather than on the accrual basis.	(12,016)
The City budgets compensated absences on the cash basis, rather than the accrual basis.	(56,847)
Interdepartmental service charges are revenue on a budgetary basis, but are eliminated from the financial statements under GASB34's allocation rules.	(28,633)
The expenses associated with the interdepartmental service charges are expenses on a budgetary basis but are eliminated along with the revenues above under GASB34's allocation rules.	28,633
The City budgets certain other expenditures on the cash basis, rather than the accrual basis.	145,422
Capital outlay is an expense for budgetary purposes, but assets are capitalized and are not an expense for GAAP purposes.	312,068
Depreciation and amortization are not budgeted expenses, but are expenses for GAAP purposes.	(3,211,060)
Certain transfers in/(out)/out are not budgeted items, but are other financing sources(uses) for GAAP purposes.	1,660,684
Change in net assets per the statement of revenues, expenses and changes in fund net assets	<u>\$ (755,176)</u>

This schedule is prepared on a budgetary basis for the operating accounts of the proprietary fund and as such does not present the results of operations on the basis of generally accepted accounting principles, but is presented for supplemental information.