

**CITY OF PEORIA, ARIZONA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Motor Pool Fund	Self- Insurance Fund	Facilities Maintenance Fund	Information Technology Fund	Total
Increase (decrease) in cash and cash equivalents					
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 6,040,913	\$ 16,927,277	\$ 5,280,629	\$ 7,257,938	\$ 35,506,757
Payments to suppliers	(4,066,603)	(740,073)	(2,945,353)	(3,575,578)	(11,327,607)
Payments to employees	(846,626)	(132,357)	(2,576,346)	(3,844,293)	(7,399,622)
Self-insurance costs	-	(14,532,437)	-	-	(14,532,437)
Net cash provided (used) by operating activities	<u>1,127,684</u>	<u>1,522,410</u>	<u>(241,070)</u>	<u>(161,933)</u>	<u>2,247,091</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers in	326,881	-	-	2,545,730	2,872,611
Transfers out	(107,576)	(69,170)	(1,351,500)	(19,000)	(1,547,246)
Net cash provided (used) by non-capital financing activities	<u>219,305</u>	<u>(69,170)</u>	<u>(1,351,500)</u>	<u>2,526,730</u>	<u>1,325,365</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(1,222,226)	-	(17,741)	(1,972,752)	(3,212,719)
Disposal of capital assets	81,856	-	-	-	81,856
Net cash flows used by capital and related financing activities	<u>(1,140,370)</u>	<u>-</u>	<u>(17,741)</u>	<u>(1,972,752)</u>	<u>(3,130,863)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	(13,120,625)	(16,906,863)	(74,975)	(5,585,638)	(35,688,101)
Proceeds from sale of investments	11,084,231	13,535,995	1,077,698	4,532,526	30,230,450
Interest received on investments	50,443	58,881	3,047	14,528	126,899
Net cash provided (used) by investing activities	<u>(1,985,951)</u>	<u>(3,311,987)</u>	<u>1,005,770</u>	<u>(1,038,584)</u>	<u>(5,330,752)</u>
Net increase (decrease) in cash and cash equivalents	(1,779,332)	(1,858,747)	(604,541)	(646,539)	(4,889,159)
Cash and cash equivalents at beginning of year	3,836,589	4,511,054	616,693	1,520,990	10,485,326
Cash and cash equivalents at end of year	<u>\$ 2,057,257</u>	<u>\$ 2,652,307</u>	<u>\$ 12,152</u>	<u>\$ 874,451</u>	<u>\$ 5,596,167</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ (1,203,106)	\$ (1,875,874)	\$ (201,077)	\$ (3,293,833)	\$ (6,573,890)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	2,177,738	-	954	3,211,060	5,389,752
(Increase) decrease in assets:					
Accounts receivable	-	4,379	-	9,415	13,794
Supplies inventory	(1,047)	-	-	-	(1,047)
Increase (decrease) in liabilities:					
Accounts payable	124,221	120,489	(97,982)	(145,422)	1,306
Accrued payroll	3,928	(512)	(557)	(8,988)	(6,129)
Other liabilities	2,980	238	10,122	15,265	28,605
Claims payable	-	3,279,680	-	-	3,279,680
Compensated absences	22,970	(5,990)	47,470	50,570	115,020
Total adjustments	<u>2,330,790</u>	<u>3,398,284</u>	<u>(39,993)</u>	<u>3,131,900</u>	<u>8,820,981</u>
Net cash provided (used) by operating activities	<u>\$ 1,127,684</u>	<u>\$ 1,522,410</u>	<u>\$ (241,070)</u>	<u>\$ (161,933)</u>	<u>\$ 2,247,091</u>
Non-cash investing, capital and financing activities:					
Capital assets acquired through contributions from developers	\$ 23,006	\$ -	\$ -	\$ -	\$ 23,006
Decrease in fair market value of investments	(4,371)	(5,108)	(602)	(1,161)	(11,242)
Total non-cash investing, capital and financing activities	<u>\$ 18,635</u>	<u>\$ (5,108)</u>	<u>\$ (602)</u>	<u>\$ (1,161)</u>	<u>\$ 11,764</u>

The accompanying notes are an integral part of the financial statements