

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

CENTRAL SERVICES FUND - This fund accounts for the operations of central and sanitation garages, design and construction of capital projects, communications, printing and data processing services.

INSURANCE FUND - This fund accounts for self insurance activities, including public liability, workers' compensation, property damage, employee health benefits, and purchased insurance coverage.

CITY OF HOLLYWOOD, FLORIDA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
SEPTEMBER 30, 2002

	<u>Central Services</u>	<u>Insurance</u>	<u>Total</u>
ASSETS:			
CURRENT ASSETS:			
Cash	\$ 500	\$ 0	\$ 500
Investments - at fair value	1,224,874	3,965,827	5,190,701
Accounts Receivable	43,027	0	43,027
Inventories of Supplies - at cost	15,352	0	15,352
Total Current Assets	<u>1,283,753</u>	<u>3,965,827</u>	<u>5,249,580</u>
NONCURRENT ASSETS:			
Restricted Assets:			
Cash with Fiscal Agent	257,051	135,000	392,051
Investments - at fair value	1,722,354	0	1,722,354
Total Restricted Assets	<u>1,979,405</u>	<u>135,000</u>	<u>2,114,405</u>
Capital Assets:			
Buildings	1,277,551	0	1,277,551
Improvements	68,871	0	68,871
Machinery and Equipment	29,318,947	10,843	29,329,790
Accumulated Depreciation	<u>(19,803,321)</u>	<u>(6,740)</u>	<u>(19,810,061)</u>
Total Capital Assets	<u>10,862,048</u>	<u>4,103</u>	<u>10,866,151</u>
Total Noncurrent Assets	<u>12,841,453</u>	<u>139,103</u>	<u>12,980,556</u>
TOTAL ASSETS	<u>14,125,206</u>	<u>4,104,930</u>	<u>18,230,136</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
SEPTEMBER 30, 2002

	Central Services	Insurance	Total
LIABILITIES:			
CURRENT LIABILITIES:			
Vouchers Payable	\$ 215,452	\$ 67,041	\$ 282,493
Accrued Wages and Leave	612,106	17,273	629,379
Claims Payable	0	4,949,823	4,949,823
Capital Lease Obligations	2,365,172	0	2,365,172
Loans Payable	202,209	0	202,209
Total Current Liabilities	<u>3,394,939</u>	<u>5,034,137</u>	<u>8,429,076</u>
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS:			
Vouchers Payable	<u>1,215,965</u>	<u>0</u>	<u>1,215,965</u>
NONCURRENT LIABILITIES:			
Accrued Wages and Leave	248,459	0	248,459
Claims Payable	0	5,603,000	5,603,000
Capital Lease Obligations	3,550,444	0	3,550,444
Loans Payable	1,857,228	0	1,857,228
Total Noncurrent Liabilities	<u>5,656,131</u>	<u>5,603,000</u>	<u>11,259,131</u>
TOTAL LIABILITIES	<u>10,267,035</u>	<u>10,637,137</u>	<u>20,904,172</u>
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	3,398,814	4,103	3,402,917
Restricted for:			
Future Capital Projects	251,621	0	251,621
Future Claims Payable	0	135,000	135,000
Unrestricted	<u>207,736</u>	<u>(6,671,310)</u>	<u>(6,463,574)</u>
TOTAL NET ASSETS	<u>\$ 3,858,171</u>	<u>\$ (6,532,207)</u>	<u>\$ (2,674,036)</u>

CITY OF HOLLYWOOD, FLORIDA

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

	<u>Central Services</u>	<u>Insurance</u>	<u>Total</u>
OPERATING REVENUES:			
Charges for Sales and Services	\$ 14,755,055	\$ 21,161,067	\$ 35,916,122
Miscellaneous	7,280	508,537	515,817
Total Operating Revenues	<u>14,762,335</u>	<u>21,669,604</u>	<u>36,431,939</u>
OPERATING EXPENSES:			
Personal Services and Benefits	6,179,832	128,226	6,308,058
Supplies, Services and Claims	5,869,954	22,467,437	28,337,391
Depreciation	2,614,976	1,084	2,616,060
Total Operating Expenses	<u>14,664,762</u>	<u>22,596,747</u>	<u>37,261,509</u>
Operating Income (Loss)	<u>97,573</u>	<u>(927,143)</u>	<u>(829,570)</u>
NONOPERATING REVENUES (EXPENSES):			
Investment Revenue	48,982	85,010	133,992
Interest Expense	(393,443)	0	(393,443)
Other Income (Expense)	(37,988)	0	(37,988)
Total Nonoperating Revenues	<u>(382,449)</u>	<u>85,010</u>	<u>(297,439)</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(284,876)</u>	<u>(842,133)</u>	<u>(1,127,009)</u>
CONTRIBUTIONS:			
Capital Contributions	<u>757,814</u>	<u>(41,249)</u>	<u>716,565</u>
TRANSFERS (OUT):			
Transfers Out:			
General Fund	<u>(101,053)</u>	<u>(99,338)</u>	<u>(200,391)</u>
Change in Net Assets	371,885	(982,720)	(610,835)
Fund Net Assets (Deficits) - October 1	<u>3,486,286</u>	<u>(5,549,487)</u>	<u>(2,063,201)</u>
Fund Net Assets (Deficits) - September 30	<u>\$ 3,858,171</u>	<u>\$ (6,532,207)</u>	<u>\$ (2,674,036)</u>

CITY OF HOLLYWOOD, FLORIDA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

	<u>Central Services</u>	<u>Insurance</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers, Employees and Other Governments	\$ 0	\$ 1,895,714	\$ 1,895,714
Cash Received from Other Funds	14,712,028	19,265,353	33,977,381
Payments to Suppliers for Goods and Services	(6,056,832)	(21,066,863)	(27,123,695)
Payments to Employees for Services	(6,148,888)	(128,226)	(6,277,114)
Other Operating Revenue	<u>7,280</u>	<u>508,537</u>	<u>515,817</u>
Net Cash Provided (Used) by Operating Activities	<u>2,513,588</u>	<u>474,515</u>	<u>2,988,103</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers Out	<u>(101,053)</u>	<u>(99,338)</u>	<u>(200,391)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(101,053)</u>	<u>(99,338)</u>	<u>(200,391)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from Bonds and Other Borrowings	2,085,000	0	2,085,000
Principal Paid on Other Borrowing	(2,650,964)	0	(2,650,964)
Interest Paid on Other Borrowing	(393,444)	0	(393,444)
Proceeds from Sale of Equipment	3,275	0	3,275
Acquisition and Construction of Capital Assets	<u>(2,536,754)</u>	<u>(41,248)</u>	<u>(2,578,002)</u>
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(3,492,887)</u>	<u>(41,248)</u>	<u>(3,534,135)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from Sale and Maturities of Investment Securities	22,519,643	22,133,014	44,652,657
Purchase of Investment Securities	(23,036,918)	(22,526,953)	(45,563,871)
Investment Revenue	<u>48,982</u>	<u>85,010</u>	<u>133,992</u>
Net Cash Provided (Used) in Investing Activities	<u>(468,293)</u>	<u>(308,929)</u>	<u>(777,222)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,548,645)	25,000	(1,523,645)
Cash and Cash Equivalents - October 1	<u>1,806,196</u>	<u>110,000</u>	<u>1,916,196</u>
Cash and Cash Equivalents - September 30	<u>\$ 257,551</u>	<u>\$ 135,000</u>	<u>\$ 392,551</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

	Central Services	Insurance	Total
	<u> </u>	<u> </u>	<u> </u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ 97,573	\$ (927,143)	\$ (829,570)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	2,614,976	1,084	2,616,060
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	(43,027)	0	(43,027)
(Increase) Decrease in Reinsurance Receivable	0	191,462	191,462
(Increase) Decrease in Inventory	42,054	0	42,054
Increase (Decrease) in Vouchers Payable	(228,933)	(30,460)	(259,393)
Increase (Decrease) in Accrued Wages and Leave	30,945	(396)	30,549
Increase (Decrease) in Claims Payable	<u>0</u>	<u>1,239,968</u>	<u>1,239,968</u>
Total Adjustments	<u>2,416,015</u>	<u>1,401,658</u>	<u>3,817,673</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,513,588</u>	<u>\$ 474,515</u>	<u>\$ 2,988,103</u>
NONCASH CAPITAL FINANCING ACTIVITIES:			
Changes in Fair Value of Investments	\$ (7,030)	\$ (26,985)	\$ (34,015)
Contributions from (to) Other Funds and Governments	<u>757,814</u>	<u>(41,249)</u>	<u>716,565</u>
Total Noncash Capital Financing Activities	<u>\$ 750,784</u>	<u>\$ (68,234)</u>	<u>\$ 682,550</u>

CITY OF HOLLYWOOD, FLORIDA

CENTRAL SERVICES FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

	<u>Central Garage</u>	<u>Sanitation Garage</u>	<u>Design and Construction</u>	<u>Communi- cations</u>
OPERATING REVENUES:				
Charges for Sales and Services	\$ 4,537,787	\$ 1,285,771	\$ 2,418,312	\$ 388,340
Miscellaneous	7,180	0	0	0
Total Operating Revenues	<u>4,544,967</u>	<u>1,285,771</u>	<u>2,418,312</u>	<u>388,340</u>
OPERATING EXPENSES:				
Personal Services and Benefits	686,252	408,996	2,012,270	168,491
Supplies, Services and Claims	1,986,435	547,164	403,812	126,893
Depreciation	1,587,271	487,917	16,925	310
Total Operating Expenses	<u>4,259,958</u>	<u>1,444,077</u>	<u>2,433,007</u>	<u>295,694</u>
Operating Income (Loss)	<u>285,009</u>	<u>(158,306)</u>	<u>(14,695)</u>	<u>92,646</u>
NONOPERATING REVENUES (EXPENSES):				
Investment Revenue	18,035	5,102	0	1,541
Interest Expense	(231,684)	0	0	0
Other Income (Expense)	3,275	0	(1,901)	(39,362)
Total Nonoperating Revenues	<u>(210,374)</u>	<u>5,102</u>	<u>(1,901)</u>	<u>(37,821)</u>
Income (Loss) Before Capital Contributions and Transfers	<u>\$ 74,635</u>	<u>\$ (153,204)</u>	<u>\$ (16,596)</u>	<u>\$ 54,825</u>
CONTRIBUTIONS:				
Capital Contributions				
TRANSFERS (OUT):				
General Fund				
Change in Net Assets				
Fund Net Assets - October 1				
Fund Net Assets - September 30				

<u>Printing</u>	<u>Data Services</u>	<u>Total</u>
\$ 1,042,613	\$ 5,082,232	\$ 14,755,055
0	100	7,280
<u>1,042,613</u>	<u>5,082,332</u>	<u>14,762,335</u>
408,959	2,494,864	6,179,832
443,623	2,362,027	5,869,954
737	521,816	2,614,976
<u>853,319</u>	<u>5,378,707</u>	<u>14,664,762</u>
<u>189,294</u>	<u>(296,375)</u>	<u>97,573</u>
4,137	20,167	48,982
0	(161,759)	(393,443)
0	0	(37,988)
<u>4,137</u>	<u>(141,592)</u>	<u>(382,449)</u>
\$ <u>193,431</u>	\$ <u>(437,967)</u>	<u>(284,876)</u>
		<u>757,814</u>
		<u>(101,053)</u>
		371,885
		<u>3,486,286</u>
		\$ <u>3,858,171</u>

CITY OF HOLLYWOOD, FLORIDA

INSURANCE FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

	<u>Public Liability</u>	<u>Workers' Compensation</u>	<u>Property Damage</u>	<u>Employee Health</u>	<u>Total</u>
OPERATING REVENUES:					
Charges for Sales and Services	\$ 1,963,318	\$ 3,531,663	\$ 699,036	\$ 14,967,050	\$ 21,161,067
Miscellaneous	35,275	319,253	80,524	73,485	508,537
Total Operating Revenues	<u>1,998,593</u>	<u>3,850,916</u>	<u>779,560</u>	<u>15,040,535</u>	<u>21,669,604</u>
OPERATING EXPENSES:					
Personal Services and Benefits	44,879	52,573	0	30,774	128,226
Supplies, Services and Claims	1,649,719	4,499,572	992,250	15,325,896	22,467,437
Depreciation	379	444	0	261	1,084
Total Operating Expenses	<u>1,694,977</u>	<u>4,552,589</u>	<u>992,250</u>	<u>15,356,931</u>	<u>22,596,747</u>
Operating Income (Loss)	<u>303,616</u>	<u>(701,673)</u>	<u>(212,690)</u>	<u>(316,396)</u>	<u>(927,143)</u>
NONOPERATING REVENUES (EXPENSES):					
Investment Revenue	<u>29,260</u>	<u>39,323</u>	<u>0</u>	<u>16,427</u>	<u>85,010</u>
Income (Loss) Before Capital Contributions and Transfers	<u>\$ 332,876</u>	<u>\$ (662,350)</u>	<u>\$ (212,690)</u>	<u>\$ (299,969)</u>	<u>(842,133)</u>
CONTRIBUTIONS:					
Capital Contributions					<u>(41,249)</u>
TRANSFERS (OUT):					
General Fund					<u>(99,338)</u>
Change in Net Assets					(982,720)
Fund Net Assets (Deficits) - October 1					<u>(5,549,487)</u>
Fund Net Assets (Deficits) - September 30					<u>\$ (6,532,207)</u>