

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 information technology 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, 2003

	<u>Central Services</u>	<u>Insurance</u>	<u>Total</u>
ASSETS:			
CURRENT ASSETS:			
Cash	\$ 500	\$ 0	\$ 500
Investments - at fair value	0	5,216,440	5,216,440
Accounts Receivable	39,459	0	39,459
Reinsurance Receivable	0	663,058	663,058
Inventories of Supplies - at cost	21,682	0	21,682
Total Current Assets	<u>61,641</u>	<u>5,879,498</u>	<u>5,941,139</u>
NONCURRENT ASSETS:			
Restricted Assets:			
Cash with Fiscal Agent	0	225,000	225,000
Investments - at fair value	1,496,851	0	1,496,851
Total Restricted Assets	<u>1,496,851</u>	<u>225,000</u>	<u>1,721,851</u>
Capital Assets:			
Buildings	1,277,551	0	1,277,551
Improvements	68,871	0	68,871
Machinery and Equipment	29,685,219	10,843	29,696,062
Accumulated Depreciation	<u>(19,720,033)</u>	<u>(7,824)</u>	<u>(19,727,857)</u>
Total Capital Assets	<u>11,311,608</u>	<u>3,019</u>	<u>11,314,627</u>
Total Noncurrent Assets	<u>12,808,459</u>	<u>228,019</u>	<u>13,036,478</u>
 TOTAL ASSETS	 <u>12,870,100</u>	 <u>6,107,517</u>	 <u>18,977,617</u>

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CITY OF HOLLYWOOD, FLORIDA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
SEPTEMBER 30, 2003

	Central Services	Insurance	Total
LIABILITIES:			
CURRENT LIABILITIES:			
Vouchers Payable	\$ 297,634	\$ 119,340	\$ 416,974
Accrued Wages and Leave	601,506	11,599	613,105
Due to Other Funds	728,569	0	728,569
Claims Payable	0	6,744,476	6,744,476
Capital Lease Obligations	2,503,326	0	2,503,326
Loans Payable	212,571	0	212,571
Total Current Liabilities	<u>4,343,606</u>	<u>6,875,415</u>	<u>11,219,021</u>
NONCURRENT LIABILITIES:			
Accrued Wages and Leave	372,860	10,997	383,857
Claims Payable	0	4,514,860	4,514,860
Capital Lease Obligations	3,685,800	0	3,685,800
Loans Payable	1,639,016	0	1,639,016
Total Noncurrent Liabilities	<u>5,697,676</u>	<u>4,525,857</u>	<u>10,223,533</u>
TOTAL LIABILITIES	<u>10,041,282</u>	<u>11,401,272</u>	<u>21,442,554</u>
NET ASSETS:			
Invested in Capital Assets, Net of Related Debt	4,744,413	3,019	4,747,432
Restricted for:			
Future Capital Projects	23,333	0	23,333
Future Claims Payable	0	225,000	225,000
Unrestricted	<u>(1,938,928)</u>	<u>(5,521,774)</u>	<u>(7,460,702)</u>
TOTAL NET ASSETS	<u>\$ 2,828,818</u>	<u>\$ (5,293,755)</u>	<u>\$ (2,464,937)</u>

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CITY OF HOLLYWOOD, FLORIDA

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2003

	<u>Central Services</u>	<u>Insurance</u>	<u>Total</u>
OPERATING REVENUES:			
Charges for Sales and Services	\$ 13,741,617	\$ 26,386,791	\$ 40,128,408
Miscellaneous	25,443	1,291,070	1,316,513
Total Operating Revenues	<u>13,767,060</u>	<u>27,677,861</u>	<u>41,444,921</u>
OPERATING EXPENSES:			
Personal Services and Benefits	6,864,079	98,558	6,962,637
Supplies, Services and Claims	5,282,564	27,000,284	32,282,848
Depreciation	3,092,045	1,084	3,093,129
Total Operating Expenses	<u>15,238,688</u>	<u>27,099,926</u>	<u>42,338,614</u>
Operating Income (Loss)	<u>(1,471,628)</u>	<u>577,935</u>	<u>(893,693)</u>
NONOPERATING REVENUES (EXPENSES):			
Investment Revenue	25,380	84,294	109,674
Interest Expense	(366,064)	0	(366,064)
Other Income (Expense)	58,292	0	58,292
Total Nonoperating Revenues	<u>(282,392)</u>	<u>84,294</u>	<u>(198,098)</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(1,754,020)</u>	<u>662,229</u>	<u>(1,091,791)</u>
CONTRIBUTIONS:			
Capital Contributions	<u>830,267</u>	<u>(1,525)</u>	<u>828,742</u>
TRANSFERS IN (OUT):			
Transfers In:			
General Fund	0	828,393	828,393
Water and Sewer Utility	0	100,240	100,240
Sanitation Enterprise Fund	0	47,431	47,431
Stormwater Utility	0	5,986	5,986
Golf Enterprise Fund	0	527	527
Parking Enterprise Fund	0	17,424	17,424
Total Operating Transfers In	<u>0</u>	<u>1,000,001</u>	<u>1,000,001</u>
Transfers Out:			
General Fund	<u>(105,600)</u>	<u>(422,253)</u>	<u>(527,853)</u>
Total Transfers In (Out)	<u>(105,600)</u>	<u>577,748</u>	<u>472,148</u>
Change in Net Assets	(1,029,353)	1,238,452	209,099
Fund Net Assets (Deficits) - October 1	<u>3,858,171</u>	<u>(6,532,207)</u>	<u>(2,674,036)</u>
Fund Net Assets (Deficits) - September 30	<u>\$ 2,828,818</u>	<u>\$ (5,293,755)</u>	<u>\$ (2,464,937)</u>

CITY OF HOLLYWOOD, FLORIDA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2003

	<u>Central Services</u>	<u>Insurance</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers, Employees and Other Governments	\$ 0	\$ 2,838,124	\$ 2,838,124
Cash Received from Other Funds	13,745,185	23,548,667	37,293,852
Payments to Suppliers for Goods and Services	(5,206,712)	(26,904,530)	(32,111,242)
Payments to Employees for Services	(6,750,278)	(93,235)	(6,843,513)
Other Operating Revenue	25,443	1,291,070	1,316,513
Net Cash Provided (Used) by Operating Activities	<u>1,813,638</u>	<u>680,096</u>	<u>2,493,734</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers In	0	1,000,001	1,000,001
Transfers Out	<u>(105,600)</u>	<u>(422,253)</u>	<u>(527,853)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(105,600)</u>	<u>577,748</u>	<u>472,148</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from Bonds and Other Borrowings	3,000,000	0	3,000,000
Principal Paid on Other Borrowing	(2,934,340)	0	(2,934,340)
Interest Paid on Other Borrowing	(366,064)	0	(366,064)
Proceeds from Sale of Equipment	99,734	0	99,734
Acquisition and Construction of Capital Assets	<u>(3,968,745)</u>	<u>(1,525)</u>	<u>(3,970,270)</u>
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(4,169,415)</u>	<u>(1,525)</u>	<u>(4,170,940)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from Sale and Maturities of Investment Securities	22,026,686	26,939,352	48,966,038
Purchase of Investment Securities	(19,847,740)	(28,189,965)	(48,037,705)
Investment Revenue	25,380	84,294	109,674
Net Cash Provided (Used) in Investing Activities	<u>2,204,326</u>	<u>(1,166,319)</u>	<u>1,038,007</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(257,051)	90,000	(167,051)
Cash and Cash Equivalents - October 1	<u>257,551</u>	<u>135,000</u>	<u>392,551</u>
Cash and Cash Equivalents - September 30	<u>\$ 500</u>	<u>\$ 225,000</u>	<u>\$ 225,500</u>

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CITY OF HOLLYWOOD, FLORIDA

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2003

	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)	\$ (1,471,628)	\$ 577,935	\$ (893,693)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	3,092,045	1,084	3,093,129
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	3,568	0	3,568
(Increase) Decrease in Reinsurance Receivable	0	(663,058)	(663,058)
(Increase) Decrease in Inventory	(6,330)	0	(6,330)
Increase (Decrease) in Vouchers Payable	82,182	52,299	134,481
Increase (Decrease) in Accrued Wages and Leave	113,801	5,323	119,124
Increase (Decrease) in Claims Payable	<u>0</u>	<u>706,513</u>	<u>706,513</u>
Total Adjustments	<u>3,285,266</u>	<u>102,161</u>	<u>3,387,427</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,813,638</u>	<u>\$ 680,096</u>	<u>\$ 2,493,734</u>
NONCASH CAPITAL FINANCING ACTIVITIES:			
Changes in Fair Value of Investments	\$ 0	\$ (11,990)	\$ (11,990)
Contributions from (to) Other Funds and Governments	<u>830,267</u>	<u>(1,525)</u>	<u>828,742</u>
Total Noncash Capital Financing Activities	<u>\$ 830,267</u>	<u>\$ (13,515)</u>	<u>\$ 816,752</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, 2003

	<u>Central Garage</u>	<u>Sanitation Garage</u>	<u>Design and Construction</u>	<u>Communi- cations</u>
OPERATING REVENUES:				
Charges for Sales and Services	\$ 4,261,591	\$ 1,676,367	\$ 1,194,379	\$ 617,942
Miscellaneous	23,691	0	0	0
Total Operating Revenues	<u>4,285,282</u>	<u>1,676,367</u>	<u>1,194,379</u>	<u>617,942</u>
OPERATING EXPENSES:				
Personal Services and Benefits	777,125	508,146	2,029,520	179,557
Supplies, Services and Claims	1,926,524	684,669	292,760	380,325
Depreciation	1,867,465	545,464	15,827	310
Total Operating Expenses	<u>4,571,114</u>	<u>1,738,279</u>	<u>2,338,107</u>	<u>560,192</u>
Operating Income (Loss)	<u>(285,832)</u>	<u>(61,912)</u>	<u>(1,143,728)</u>	<u>57,750</u>
NONOPERATING REVENUES (EXPENSES):				
Investment Revenue	8,651	3,384	0	1,247
Interest Expense	(223,600)	0	0	0
Other Income (Expense)	91,119	0	(1,246)	0
Total Nonoperating Revenues	<u>(123,830)</u>	<u>3,384</u>	<u>(1,246)</u>	<u>1,247</u>
Income (Loss) Before Capital Contributions and Transfers	<u>\$ (409,662)</u>	<u>\$ (58,528)</u>	<u>\$ (1,144,974)</u>	<u>\$ 58,997</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>
\$ 1,007,094	\$ 4,984,244	\$ 13,741,617
0	1,752	25,443
<u>1,007,094</u>	<u>4,985,996</u>	<u>13,767,060</u>
443,158	2,926,573	6,864,079
428,082	1,570,204	5,282,564
4,467	658,512	3,092,045
<u>875,707</u>	<u>5,155,289</u>	<u>15,238,688</u>
<u>131,387</u>	<u>(169,293)</u>	<u>(1,471,628)</u>
2,033	10,065	25,380
0	(142,464)	(366,064)
0	(31,581)	58,292
<u>2,033</u>	<u>(163,980)</u>	<u>(282,392)</u>
\$ <u>133,420</u>	\$ <u>(333,273)</u>	<u>(1,754,020)</u>
		<u>830,267</u>
		<u>(105,600)</u>
		(1,029,353)
		<u>3,858,171</u>
		\$ <u>2,828,818</u>

CITY OF HOLLYWOOD, FLORIDA

INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2003

	<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	\$ 2,247,957	\$ 3,761,277	\$ 697,456	\$ 19,680,101	\$ 26,386,791
Miscellaneous	42,281	382,086	75,737	790,966	1,291,070
Total Operating Revenues	<u>2,290,238</u>	<u>4,143,363</u>	<u>773,193</u>	<u>20,471,067</u>	<u>27,677,861</u>
OPERATING EXPENSES:					
Personal Services and Benefits	34,495	40,409	0	23,654	98,558
Supplies, Services and Claims	1,913,538	3,096,358	1,373,412	20,616,976	27,000,284
Depreciation	379	444	0	261	1,084
Total Operating Expenses	<u>1,948,412</u>	<u>3,137,211</u>	<u>1,373,412</u>	<u>20,640,891</u>	<u>27,099,926</u>
Operating Income (Loss)	<u>341,826</u>	<u>1,006,152</u>	<u>(600,219)</u>	<u>(169,824)</u>	<u>577,935</u>
NONOPERATING REVENUES (EXPENSES):					
Investment Revenue	<u>26,800</u>	<u>45,195</u>	<u>0</u>	<u>12,299</u>	<u>84,294</u>
Income (Loss) Before Capital Contributions and Transfers	<u>\$ 368,626</u>	<u>\$ 1,051,347</u>	<u>\$ (600,219)</u>	<u>\$ (157,525)</u>	<u>662,229</u>
CONTRIBUTIONS:					
Capital Contributions					<u>(1,525)</u>
TRANSFERS IN (OUT):					
Transfers In:					
General Fund					828,393
Water and Sewer Utility					100,240
Sanitation Enterprise Fund					47,431
Stormwater Utility					5,986
Golf Enterprise Fund					527
Parking Enterprise Fund					17,424
Total Transfers In					<u>1,000,001</u>
Transfers Out:					
General Fund					<u>(422,253)</u>
Total Transfers In (Out)					<u>577,748</u>
Change in Net Assets					1,238,452
Fund Net Assets (Deficits) - October 1					<u>(6,532,207)</u>
Fund Net Assets (Deficits) - September 30					<u>\$ (5,293,755)</u>