

CITY OF HOLLYWOOD, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2004

	<u>General</u>	<u>General Capital Projects</u>	<u>Beach Community Redevelopment</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:					
Cash	\$ 7,991	\$ 0	\$ 200	\$ 23,150	\$ 31,341
Cash with Fiscal Agent	0	0	0	6,205	6,205
Investments - at fair value	7,537,104	16,420,459	11,842,718	10,288,189	46,088,470
Accounts Receivable - Net of Allowances	3,693,205	9,975	0	41,069	3,744,249
Notes Receivable - Net of Allowances	0	0	0	16,138,715	16,138,715
Due from Other Funds	680,327	0	0	0	680,327
Due from Other Governments	3,364,434	48,797	0	3,571,954	6,985,185
Inventories of Supplies - at cost	32,866	0	0	0	32,866
Restricted Assets:					
Investments - at fair value	70,523	1,279,717	19,820,643	5,388,164	26,559,047
Notes Receivable - Net of Allowances	0	0	0	5,426,218	5,426,218
TOTAL ASSETS	\$ 15,386,450	\$ 17,758,948	\$ 31,663,561	\$ 40,883,664	\$ 105,692,623
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Vouchers Payable	\$ 2,265,556	\$ 1,578,486	\$ 22,876	\$ 2,636,418	\$ 6,503,336
Accrued Wages and Leave	3,701,199	0	12,469	557,326	4,270,994
Construction Contracts	0	561,752	298,078	8,299	868,129
Due to Other Funds	0	0	0	223,023	223,023
Due to Other Governments	12,060	0	0	0	12,060
Interest Payable	0	0	0	32,677	32,677
Deferred Revenue	1,321,199	0	1,433,387	5,048,707	7,803,293
Deposits Payable	195,834	0	0	0	195,834
Payable from Restricted Assets:					
Landfill Closure	70,523	0	0	0	70,523
Total Liabilities	7,566,371	2,140,238	1,766,810	8,506,450	19,979,869
FUND BALANCES:					
Reserved:					
Encumbrances	181,093	0	0	0	181,093
Debt Service	0	1,279,717	2,695,604	100,000	4,075,321
Grants and Special Programs	0	1,008,998	7,380,504	31,185,097	39,574,599
Capital Improvement Program	0	13,329,995	19,820,643	1,309,519	34,460,157
Disaster Relief	0	0	0	50,000	50,000
Unreserved:					
General Fund	7,638,986	0	0	0	7,638,986
Special Revenue Funds	0	0	0	(349,890)	(349,890)
Debt Service Fund	0	0	0	82,488	82,488
Total Fund Balances	7,820,079	15,618,710	29,896,751	32,377,214	85,712,754
TOTAL LIABILITIES AND FUND BALANCES	\$ 15,386,450	\$ 17,758,948	\$ 31,663,561	\$ 40,883,664	\$ 105,692,623

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2004**

Amounts reported for Governmental Activities in the Statement of Net Assets are different because:

Fund Balances - Governmental Funds	\$	85,712,754
Capital assets, net of accumulated depreciation, used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.		98,922,341
Prepaid Items used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.		902,095
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		3,027,638
Internal Service Funds are used by management to charge the costs of fleet management, management information systems and self insurance activities to individual funds. The assets and liabilities of the Internal Service Funds are included in Governmental Activities in the Statement of Net Assets.		(1,056,944)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		(121,752,738)
Adjustment to Enterprise Funds for Internal Service Funds look-back		<u>167,773</u>
Net assets of Governmental Activities	\$	<u><u>65,922,919</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

	<u>General</u>	<u>General Capital Projects</u>	<u>Beach Community Redevelopment</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:					
Property Taxes	\$ 48,924,810	\$ 0	\$ 3,152,644	\$ 1,118,541	\$ 53,195,995
Utilities Service Taxes	18,859,928	0	0	0	18,859,928
Franchise Taxes	8,625,108	0	0	0	8,625,108
Licenses and Permits	5,214,643	0	0	0	5,214,643
Intergovernmental	14,966,047	697,493	3,651,178	8,037,825	27,352,543
Charges for Services	21,655,397	380,986	0	750,754	22,787,137
Fines and Forfeits	0	0	0	1,885,532	1,885,532
Special Assessments	0	0	0	7,666	7,666
Investment Revenue	273,270	187,976	261,616	242,807	965,669
Miscellaneous	4,072,758	312,049	1,674,748	435,009	6,494,564
Total Revenues	<u>122,591,961</u>	<u>1,578,504</u>	<u>8,740,186</u>	<u>12,478,134</u>	<u>145,388,785</u>
EXPENDITURES:					
Current:					
General Government	14,739,138	0	551,805	1,063,079	16,354,022
Public Safety	90,196,941	0	0	3,565,897	93,762,838
Public Works	10,289,908	0	0	0	10,289,908
Transportation	928,940	0	0	0	928,940
Economic Environment	1,456,053	0	378,909	3,021,936	4,856,898
Physical Environment	0	0	2,268,152	215,734	2,483,886
Culture and Recreation	5,821,811	0	0	466,631	6,288,442
Human Services	0	0	0	70,432	70,432
Emergency and Disaster Relief	0	0	0	2,258,768	2,258,768
Other	1,636,396	0	0	190,346	1,826,742
Capital Outlay:					
General Government	0	4,234,852	0	0	4,234,852
Public Safety	0	646,453	0	1,607,741	2,254,194
Transportation	0	2,220,232	0	870,164	3,090,396
Economic Environment	0	0	0	2,492,319	2,492,319
Physical Environment	0	0	0	56,080	56,080
Culture and Recreation	0	1,799,497	0	0	1,799,497
Debt Service:					
Principal	0	0	0	4,523,680	4,523,680
Interest and Fiscal Charges	0	418,638	522,485	2,327,554	3,268,677
Total Expenditures	<u>125,069,187</u>	<u>9,319,672</u>	<u>3,721,351</u>	<u>22,730,361</u>	<u>160,840,571</u>
Excess (Deficiency) of					
Revenues Over (Under)					
Expenditures	<u>(2,477,226)</u>	<u>(7,741,168)</u>	<u>5,018,835</u>	<u>(10,252,227)</u>	<u>(15,451,786)</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

	<u>General</u>	<u>General Capital Projects</u>	<u>Beach Community Redevelopment</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
OTHER FINANCING SOURCES					
(USES):					
Loan Proceeds	\$ 0	\$ 11,365,000	\$ 20,010,000	\$ 6,080,000	\$ 37,455,000
Transfers In	9,644,130	0	0	6,207,760	15,851,890
Transfers Out	<u>(5,258,229)</u>	<u>0</u>	<u>0</u>	<u>(4,613,690)</u>	<u>(9,871,919)</u>
Total Other Financing Sources (Uses)	<u>4,385,901</u>	<u>11,365,000</u>	<u>20,010,000</u>	<u>7,674,070</u>	<u>43,434,971</u>
Change in Fund Balances	1,908,675	3,623,832	25,028,835	(2,578,157)	27,983,185
Fund Balances - October 1	<u>5,911,404</u>	<u>11,994,878</u>	<u>4,867,916</u>	<u>34,955,371</u>	<u>57,729,569</u>
Fund Balances - September 30	<u><u>\$ 7,820,079</u></u>	<u><u>\$ 15,618,710</u></u>	<u><u>\$ 29,896,751</u></u>	<u><u>\$ 32,377,214</u></u>	<u><u>\$ 85,712,754</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

Difference in amounts reported for Governmental Activities in the Statement of Activities:

Net Change in Fund Balances - Governmental Funds	\$	27,983,185
Capital outlay, reported as expenditures in Governmental Funds, are shown as capital assets in the Statement of Net Assets.		9,890,061
Depreciation expenses on governmental capital assets included in the Governmental Activities in the Statement of Net Assets.		(9,505,845)
Revenues in the Statement of Activities that do not provide current financial resources are not reported in the funds.		3,027,638
The issuance of long-term debt provides current financial resources to Governmental Funds, however, has no effect on net assets.		(37,455,000)
Repayment of long-term debt is reported as an expenditure in Governmental Funds, but as a reduction of long-term liabilities in the Statement of Net Assets.		4,523,680
Payment of compensated absences is reported as an expenditure in Governmental Funds, but as a reduction of long-term liabilities in the Statement of Net Assets.		77,498
The net revenues of the Internal Service Funds (funds used to charge the costs of certain activities to individual funds) are reported with Governmental Activities.		
Adjustment to Governmental Activities for Internal Service Funds look-back		(669,584)
Nonoperating Revenue (Expense)		(131,307)
Capital Contributions		426,503
Elimination of Transfers from Internal Service Funds		1,369,418
Certain items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the Governmental Funds.		
Capital assets transferred from (to) other funds		1,102,372
Net cost of capital asset dispositions		(997,409)
Change in Prepaid Items		(48,455)
Change in Arbitrage Rebate Payable		(73,995)
Change in Landfill Closure Cost		55,934
Accrued interest expense on long-term debt		(76,361)
Changes in Net Assets of Governmental Activities	\$	<u><u>(501,667)</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 SEPTEMBER 30, 2004

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Sanitation Enterprise	Other Enterprise Funds	Total	
ASSETS:					
CURRENT ASSETS:					
Cash	\$ 2,300	\$ 0	\$ 1,010	\$ 3,310	\$ 500
Investments - at fair value	14,003,572	246,682	2,256,606	16,506,860	8,151,745
Accounts Receivable - Net of Allowances	7,344,341	1,537,991	344,285	9,226,617	0
Reinsurance Receivable	0	0	0	0	227,147
Due from Other Governments	0	205,000	0	205,000	0
Inventories of Supplies - at cost	373,792	0	0	373,792	26,858
Restricted Assets:					
Cash and Cash Equivalents	7,152,725	0	0	7,152,725	0
Investments - at fair value	0	0	0	0	864,445
Total Current Assets	28,876,730	1,989,673	2,601,901	33,468,304	9,270,695
NONCURRENT ASSETS:					
Restricted Assets:					
Cash and Cash Equivalents	2,297,164	0	117,701	2,414,865	0
Cash with Fiscal Agent	0	0	0	0	225,000
Investments - at fair value	36,492,205	0	4,153,148	40,645,353	2,361,970
Due from Other Governments	2,464,422	0	0	2,464,422	0
Total Restricted Assets	41,253,791	0	4,270,849	45,524,640	2,586,970
Capital Assets:					
Land	3,640,485	63,890	2,376,145	6,080,520	0
Buildings	52,817,516	1,166,564	8,887,115	62,871,195	1,277,551
Improvements	254,782,307	15,840	8,105,256	262,903,403	68,871
Machinery and Equipment	4,128,844	106,421	1,530,672	5,765,937	34,650,707
Accumulated Depreciation	(132,138,817)	(1,263,653)	(6,921,130)	(140,323,600)	(21,614,662)
Construction in Progress	27,184,553	0	606,317	27,790,870	0
Total Capital Assets	210,414,888	89,062	14,584,375	225,088,325	14,382,467
Total Noncurrent Assets	251,668,679	89,062	18,855,224	270,612,965	16,969,437
OTHER ASSETS:					
Unamortized Bond Issuance Costs	1,615,338	0	0	1,615,338	0
TOTAL ASSETS	282,160,747	2,078,735	21,457,125	305,696,607	26,240,132

(Continued)

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2004

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Sanitation Enterprise	Other Enterprise Funds	Total	
LIABILITIES:					
CURRENT LIABILITIES:					
Vouchers Payable	\$ 922,782	\$ 501,017	\$ 294,875	\$ 1,718,674	\$ 577,468
Accrued Wages and Leave	1,200,264	486,374	225,458	1,912,096	669,983
Construction Contracts	0	0	11,444	11,444	0
Due to Other Funds	0	0	0	0	438,186
Due to Other Governments	21,402	0	22,603	44,005	0
Claims Payable	0	0	0	0	9,133,978
Deferred Revenue	214,020	0	34,347	248,367	0
Deposits Payable	0	0	7,778	7,778	0
Bonds Payable - Net	5,010,000	0	0	5,010,000	0
Capital Lease Obligations	45,848	0	169,362	215,210	2,405,942
Loans Payable	1,984,170	0	190,000	2,174,170	222,933
Total Current Liabilities	<u>9,398,486</u>	<u>987,391</u>	<u>955,867</u>	<u>11,341,744</u>	<u>13,448,490</u>
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS:					
Vouchers Payable	0	0	0	0	864,445
Construction Contracts	5,123,019	0	0	5,123,019	0
Deposits	2,029,706	0	0	2,029,706	0
Total Current Liabilities Payable from Restricted Assets	<u>7,152,725</u>	<u>0</u>	<u>0</u>	<u>7,152,725</u>	<u>864,445</u>
NONCURRENT LIABILITIES:					
Accrued Wages and Leave	1,302,492	499,148	138,140	1,939,780	307,473
Claims Payable	0	0	0	0	3,554,450
Bonds Payable - Net	100,705,161	0	0	100,705,161	0
Capital Lease Obligations	61,613	0	441,859	503,472	7,706,135
Loans Payable	51,113,724	0	5,190,999	56,304,723	1,416,083
Total Noncurrent Liabilities	<u>153,182,990</u>	<u>499,148</u>	<u>5,770,998</u>	<u>159,453,136</u>	<u>12,984,141</u>
TOTAL LIABILITIES	<u>169,734,201</u>	<u>1,486,539</u>	<u>6,726,865</u>	<u>177,947,605</u>	<u>27,297,076</u>
NET ASSETS:					
Invested in Capital Assets, Net of Related Debt	54,912,902	89,062	12,010,294	67,012,258	4,952,671
Restricted for:		0			
Future Capital Projects	26,116,290	0	734,830	26,851,120	40,672
Future Claims Payable	0	0	0	0	225,000
Future Debt Service	141,922	0	0	141,922	0
Rate Stabilization	10,000,000	0	0	10,000,000	0
Unrestricted	<u>21,255,432</u>	<u>503,134</u>	<u>1,985,136</u>	<u>23,743,702</u>	<u>(6,275,287)</u>
TOTAL NET ASSETS	<u>\$ 112,426,546</u>	<u>\$ 592,196</u>	<u>\$ 14,730,260</u>	<u>\$ 127,749,002</u>	<u>\$ (1,056,944)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

**RECONCILIATION OF THE STATEMENT OF NET ASSETS OF PROPRIETARY FUNDS
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2004**

Net Assets - Proprietary Funds	\$ 127,749,002
Adjustment to Enterprise Funds for Internal Service Funds look-back	<u>(167,773)</u>
Net Assets of Business-type Activities	<u>\$ 127,581,229</u>

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Sanitation Enterprise	Other Enterprise Funds	Total	
OPERATING REVENUES:					
Intergovernmental	\$ 0	\$ 0	\$ 12,750	\$ 12,750	\$ 0
Charges for Sales and Services	46,657,705	14,771,641	8,197,983	69,627,329	44,555,486
Fines and Forfeits	0	17,833	686,794	704,627	0
Miscellaneous	379,701	539,766	232,155	1,151,622	1,748,006
Total Operating Revenues	<u>47,037,406</u>	<u>15,329,240</u>	<u>9,129,682</u>	<u>71,496,328</u>	<u>46,303,492</u>
OPERATING EXPENSES:					
Personal Services and Benefits	11,744,719	6,185,255	2,928,775	20,858,749	6,944,672
Supplies, Services and Claims	18,536,389	9,265,394	4,268,193	32,069,976	35,870,683
Depreciation	12,243,106	7,908	873,310	13,124,324	3,744,758
Total Operating Expenses	<u>42,524,214</u>	<u>15,458,557</u>	<u>8,070,278</u>	<u>66,053,049</u>	<u>46,560,113</u>
Operating Income (Loss)	<u>4,513,192</u>	<u>(129,317)</u>	<u>1,059,404</u>	<u>5,443,279</u>	<u>(256,621)</u>
NONOPERATING REVENUES (EXPENSES):					
Investment Revenue	1,042,617	5,468	96,084	1,144,169	167,072
Interest Expense	(6,588,868)	0	(85,429)	(6,674,297)	(335,994)
Other Income (Expense)	(4,439,760)	(795)	624,386	(3,816,169)	37,615
Total Nonoperating Revenues (Expenses)	<u>(9,986,011)</u>	<u>4,673</u>	<u>635,041</u>	<u>(9,346,297)</u>	<u>(131,307)</u>
Income (Loss) Before Contributions and Transfers	<u>(5,472,819)</u>	<u>(124,644)</u>	<u>1,694,445</u>	<u>(3,903,018)</u>	<u>(387,928)</u>
CONTRIBUTIONS:					
Capital Contributions	<u>4,409,172</u>	<u>0</u>	<u>(10,964)</u>	<u>4,398,208</u>	<u>426,503</u>
TRANSFERS IN (OUT):					
Transfers In	350,882	0	0	350,882	1,585,108
Transfers Out	(4,909,986)	(1,032,444)	(1,757,841)	(7,700,271)	(215,690)
Total Transfers In (Out)	<u>(4,559,104)</u>	<u>(1,032,444)</u>	<u>(1,757,841)</u>	<u>(7,349,389)</u>	<u>1,369,418</u>
Change in Net Assets	(5,622,751)	(1,157,088)	(74,360)	(6,854,199)	1,407,993
Net Assets - October 1	<u>118,049,297</u>	<u>1,749,284</u>	<u>14,804,620</u>	<u>134,603,201</u>	<u>(2,464,937)</u>
Net Assets - September 30	<u>\$ 112,426,546</u>	<u>\$ 592,196</u>	<u>\$ 14,730,260</u>	<u>\$ 127,749,002</u>	<u>\$ (1,056,944)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET ASSETS OF PROPRIETARY FUNDS
TO THE STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2004**

Net Change in Net Assets - Proprietary Funds	\$ (6,854,199)
Net revenue of the Internal Service Funds (funds used to charge the costs of certain activities to individual funds) is reported with Governmental Activities.	
Consolidated adjustment to Enterprise Funds for Internal Service Funds look-back	<u>412,963</u>
Changes in Net Assets of Business-type Activities	\$ <u><u>(6,441,236)</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Sanitation Enterprise	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received from Customers, Employees and Other Governments	\$ 45,564,554	\$ 14,852,033	\$ 8,789,375	\$ 69,205,962	\$ 3,520,293
Cash Received from Other Funds	0	0	0	0	41,074,651
Payments to Suppliers for Goods and Services	(18,168,611)	(9,191,612)	(4,075,492)	(31,435,715)	(32,997,552)
Payments to Employees for Services	(11,591,540)	(6,081,859)	(2,912,823)	(20,586,222)	(6,952,542)
Other Operating Revenue	154,701	539,766	281,312	975,779	1,748,006
Net Cash Provided (Used) by Operating Activities	<u>15,959,104</u>	<u>118,328</u>	<u>2,082,372</u>	<u>18,159,804</u>	<u>6,392,856</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Legal Settlement	(3,105,000)	0	0	(3,105,000)	0
Transfers In	350,882	0	0	350,882	1,585,108
Transfers Out	<u>(4,909,986)</u>	<u>(1,032,444)</u>	<u>(1,757,841)</u>	<u>(7,700,271)</u>	<u>(215,690)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(7,664,104)</u>	<u>(1,032,444)</u>	<u>(1,757,841)</u>	<u>(10,454,389)</u>	<u>1,369,418</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Proceeds from Bonds and Other Borrowing	140,727,853	0	676,999	141,404,852	6,681,498
Principal Paid on Bonds, Notes and Equipment Contracts	(123,845,961)	0	(260,291)	(124,106,252)	(2,971,118)
Interest Paid on Bonds, Notes and Equipment Contracts	(5,463,959)	0	(85,429)	(5,549,388)	(335,994)
Proceeds from Sale of Equipment	0	0	0	0	103,664
Acquisition and Construction of Capital Assets	(19,314,593)	0	(1,528,538)	(20,843,131)	(6,452,144)
Capital Contributed from Customers, Other Funds and Governments	2,064,507	0	0	2,064,507	0
Insurance Proceeds	<u>0</u>	<u>0</u>	<u>651,288</u>	<u>651,288</u>	<u>0</u>
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(5,832,153)</u>	<u>0</u>	<u>(545,971)</u>	<u>(6,378,124)</u>	<u>(2,974,094)</u>

(Continued)

(Continued)

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

	Business-type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Sanitation Enterprise	Other Enterprise Funds		
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from Sale and Maturities of Investment Securities	\$ 86,622,836	\$ 16,460,722	\$ 11,941,332	\$ 115,024,890	\$ 52,584,737
Purchase of Investment Securities	(88,490,369)	(15,552,074)	(11,819,583)	(115,862,026)	(57,539,989)
Investment Revenue	1,042,616	5,468	96,084	1,144,168	167,072
Net Cash Provided (Used) in Investing Activities	<u>(824,917)</u>	<u>914,116</u>	<u>217,833</u>	<u>307,032</u>	<u>(4,788,180)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,637,930	0	(3,607)	1,634,323	0
Cash and Cash Equivalents - October 1	<u>7,814,259</u>	<u>0</u>	<u>122,318</u>	<u>7,936,577</u>	<u>225,500</u>
Cash and Cash Equivalents - September 30	<u>\$ 9,452,189</u>	<u>\$ 0</u>	<u>\$ 118,711</u>	<u>\$ 9,570,900</u>	<u>\$ 225,500</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Sanitation Enterprise	Other Enterprise Funds	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ 4,513,192	\$ (129,317)	\$ 1,059,404	\$ 5,443,279	\$ (256,621)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	12,243,106	7,908	873,310	13,124,324	3,744,758
Other Noncash Expenses	178,120	0	0	178,120	0
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(1,127,193)	51,259	(126,789)	(1,202,723)	39,459
(Increase) Decrease in Reinsurance Receivable	0	0	0	0	435,911
(Increase) Decrease in Due from Other Governments	0	(20,581)	36,407	15,826	0
(Increase) Decrease in Inventory	(42,815)	0	0	(42,815)	(5,176)
Increase (Decrease) in Vouchers Payable	232,473	105,664	187,041	525,178	1,024,939
Increase (Decrease) in Accrued Wages and Leave	153,179	103,395	15,953	272,527	(19,506)
Increase (Decrease) in Claims Payable	0	0	0	0	1,429,092
Increase (Decrease) in Due to Other Governments	0	0	5,658	5,658	0
Increase (Decrease) in Deferred Revenue	(225,000)	0	29,061	(195,939)	0
Increase (Decrease) in Deposits Payable	34,042	0	2,327	36,369	0
Total Adjustments	<u>11,445,912</u>	<u>247,645</u>	<u>1,022,968</u>	<u>12,716,525</u>	<u>6,649,477</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 15,959,104</u>	<u>\$ 118,328</u>	<u>\$ 2,082,372</u>	<u>\$ 18,159,804</u>	<u>\$ 6,392,856</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Sanitation Enterprise	Other Enterprise Funds	Total	
NONCASH CAPITAL FINANCING ACTIVITIES:					
Changes in Fair Value of Investments	\$ (9,151)	\$ (221)	\$ (789)	\$ (10,161)	\$ (718)
Borrowing Under Capital Lease	0	0	491,000	491,000	6,681,498
Contributions from Other Funds and Governments	16,264	0	(10,964)	5,300	426,503
Total Noncash Capital Financing Activities	<u>\$ 7,113</u>	<u>\$ (221)</u>	<u>\$ 479,247</u>	<u>\$ 486,139</u>	<u>\$ 7,107,283</u>

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

**STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2004**

	<u>Total Pension Plans</u>
ASSETS:	
Investments - at fair value:	
U. S. Government Securities	\$ 94,126,522
Money Market Shares	17,855,358
Corporate Equities	276,215,707
Corporate Bonds and Notes	62,510,038
Pooled Investment Funds	<u>5,773,061</u>
Total Investments	456,480,686
Interest Receivable	1,984,100
Accounts Receivable	<u>2,509,074</u>
 TOTAL ASSETS	 <u>460,973,860</u>
 LIABILITIES:	
Vouchers Payable	3,347,427
Deferred Benefits Payable	37,911,828
Due to Other Funds	<u>19,118</u>
 TOTAL LIABILITIES	 <u>41,278,373</u>
 NET ASSETS:	
Held in Trust for Pension Benefits	\$ <u><u>419,695,487</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

	<u>Total Pension Plans</u>
ADDITIONS:	
Contributions:	
City and State	\$ 19,513,214
Members	<u>5,927,012</u>
Total Contributions	<u>25,440,226</u>
Investment Income:	
Net Increase (Decrease) in Fair	
Market Value of Plan Investments	23,083,128
Interest and Dividends	<u>11,111,468</u>
	34,194,596
Less: Investment Expense	<u>2,869,816</u>
Net Investment Income (Loss)	<u>31,324,780</u>
Total Additions (Reductions)	<u>56,765,006</u>
DEDUCTIONS:	
Pension Benefits	36,019,441
Refunds of Contributions	<u>352,941</u>
Total Deductions	<u>36,372,382</u>
Change in Net Assets	20,392,624
Net Assets Held in Trust for Pension	
Benefits, Beginning of Year	<u>399,302,863</u>
Net Assets Held in Trust for Pension	
Benefits, End of Year	<u>\$ 419,695,487</u>

The notes to the financial statements are an integral part of this statement.