



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2025

ANNUAL COMPREHENSIVE FINANCIAL REPORT CITY OF HOLLYWOOD, FLORIDA

For the Fiscal Year Ended September 30, 2025



**Prepared by
Financial Services Department**

**CITY OF HOLLYWOOD, FLORIDA
COMMISSION - MANAGER FORM OF GOVERNMENT
SEPTEMBER 30, 2025**

CITY COMMISSION



Mayor Josh Levy



**Caryl Shuham
District 1**



**Peter Hernandez
District 2**



**Traci Callari
District 3**



**Adam Gruber
District 4**



**Kevin Biederman
District 5**



**Idelma Quintana
District 6**

CITY MANAGER

RAELIN STOREY
(Effective April 2026)

GEORGE R. KELLER, Jr. CPPT
(Retired March 2026)

CITY ATTORNEY

DAMARIS HENLON

Above officials are active at the time of issuance of these reports

City of Hollywood, Florida

OUR STRATEGIC PLAN AT-A-GLANCE



VISION STATEMENT

What we are working towards

TO BE A THRIVING CITY TRUE TO ITS FOUNDING PRINCIPLES OF ECONOMIC OPPORTUNITY, DIVERSITY AND INNOVATION



MISSION STATEMENT

What we provide

TO PROVIDE A RESILIENT AND SUSTAINABLE CITY THAT NURTURES QUALITY LIVING AND FOSTERS A HEALTHY ENVIRONMENT WHERE EVERYONE CAN PROSPER



CORE VALUES STATEMENTS

How we will conduct ourselves

We Advocate **INNOVATION**

We Cultivate **TRUST**

We Prioritize **ACCESSIBILITY**

We Champion **RESILIENCY**

We Embrace **SUSTAINABILITY**



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Hollywood
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

The City of Hollywood has received a certificate of Achievement for the last 50 consecutive years, fiscal year ended 1975 through 2024. Hollywood became the 29th municipality in the United States and the second city in Florida to receive this award when its first certificate was obtained for the City's 1956 annual financial report.

CITY OF HOLLYWOOD, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDED SEPTEMBER 30, 2025

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CITY OF HOLLYWOOD, FLORIDA

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May 6, 2026

Honorable Mayor
Members of the City Commission
Citizens of the City of Hollywood, Florida

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Hollywood, Florida, (the City) for the fiscal year ended September 30, 2025, with a clean audit opinion and no audit findings.

The ACFR is designed to provide our Residents, Commission, City Staff, Investors, Creditors, and other interested readers insight into how the City is managing public finances and assess accountability by:

- Evaluating financial condition and results of operations;
- Comparing actual financial results with legally adopted budget, where appropriate;
- Determining compliance with finance related laws, rules, and regulations; and
- Evaluating the efficiency and effectiveness of City operations.

Florida Statute 218.32 and local ordinances require that the City issue a report on the financial position and activity within nine months of the close of each fiscal year. Additionally, the financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and this report must be audited in accordance with generally accepted auditing standards and government auditing standards by an independent firm of certified public accountants (CPAs).

We believe this report complies with these requirements and continues to present the City's philosophy of full financial accountability, disclosure, and transparency. This philosophy is reflected through the informative financial analysis provided by the City's Financial Services Department and the exhibits and statistical tables included within the ACFR. Responsibility for the accuracy, completeness, and fairness of the presentation, including disclosures, rests with City management. Furthermore, we believe the data as presented is accurate in all material respects; presented in a manner designed to fairly represent the financial position and results of operations of the City; and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

Independent Audit and Single Audit Requirements

CBIZ CPAs P.C., a firm of licensed CPAs, audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the City's financial statements for the fiscal year ended September 30, 2025, are free of material misstatements. The independent audit involved examining evidence supporting the amounts and disclosures contained in the financial statements on a test basis; assessing the accounting principles used and representations made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified or "clean" opinion that the City's financial statements for the fiscal year ended September 30, 2025, are fairly presented in conformity with GAAP. The independent auditors' report is included in the Financial Section of this report.

In addition to meeting the requirements set forth above, the independent audit was also designed to meet the special needs of federal and state grantor agencies as provided for in the Federal Single Audit Act, Office of Management and Budget (OMB) Uniform Guidance, Florida Single Audit Act in accordance with

Chapter 10.550, and Rules of the Auditor General. These standards require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls involving compliance as required by OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. These Compliance Reports including the auditors' reports that include any findings and recommendations, along with the schedule of expenditure of federal awards and state financial assistance (SEFA) are located under the Reporting Section of the ACFR.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditors' Report on the basic financial statements.

CITY OF HOLLYWOOD

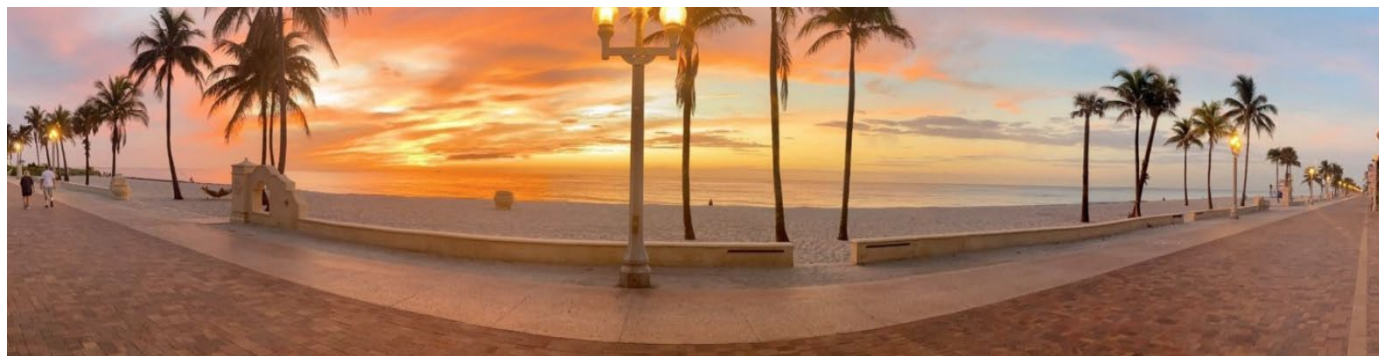
Profile

In 1920, Joseph Young arrived in South Florida to create his own "Dream City in Florida". Young bought up thousands of acres of land and named it "Hollywood by the Sea". In 1925 the Town became incorporated as the City of Hollywood, and Young was elected its first Mayor. Unique to the City is the location of the Seminole Indian Reservation, a politically independent entity, within the corporate limits of the City. In 1971, the City was the site of the "Pageant of the Unconquered Seminoles" which drew the attendance of Native Americans from across the United States.



The City is the third largest city in Broward County and a full-service municipality to our residents, businesses, and visitors. The City is located on the southeastern coast of the State of Florida nestled between Fort Lauderdale and Miami with a diverse and inclusive community of approximately 157,000 residents. As a beachfront community, the City comprises 30 square miles including 6 linear miles of Atlantic Ocean beaches and has an average annual high temperature of 83 degrees and low temperature of 68 degrees.

The City is a global tourism destination with visitors coming to stay along the historic oceanfront Boardwalk—a 2-mile pedestrian promenade just steps from the Atlantic Ocean featuring shops, restaurants, and accommodations to fit every taste and budget. In addition, Hollywood Beach was voted "Best Beach of 2025" in the Miami New Times Readers' Choice awards.



Fort Lauderdale-Hollywood International Airport abuts the City, while Port Everglades, the second busiest cruise port in the world, is largely within its municipal boundaries. Interstate 95, the Florida Turnpike, Tri-County



Commuter Rail, and two major railroads cut through the City in a north-south direction. Miami International Airport and the Port of Miami are less than twenty-five miles away,



providing further opportunities for Hollywood residents and companies to have access to the global marketplace.

The City operates under a commission-manager form of government. The City Commission (Commission) is the City's governing body composed of a mayor elected at large and six commissioners elected by district. The seven members of the Commission serve four-year terms with the even numbered commission districts and the mayor elected during each presidential election year and the odd numbered commission districts elected during the Florida gubernatorial election year. The Commission adopt legislation and policies, approves the City's annual budget, levies taxes, and sets fees. The Commission appoints a City Manager who serves as the Chief Administrative and Executive Officer and is responsible for implementing adopted policies and directing city operations through his/her appointment of Department/Office Directors. In addition, the Commission appoints the City Attorney who represents the officials and employees of the City in all legal matters relating to the discharge of their official duties. The Commission also appoints members of various boards and committees. The Mayor acts as the formal representative of the City and presides over Commission meetings. The Vice Mayor serves for a period of one year and is designated by the Commission as outlined in the City Charter.

Services Provided

City staff, made up of approximately 1,500 approved full time positions, provide for its 157,000 residents, along with visitors/vacationers and businesses, a full range of municipal operating services, which include the following:

- Public Safety (Police, Fire Protection-Rescue and Beach Safety Services)
- Solid Waste Collection and Disposal Services
- Facilities and Road Maintenance and Construction
- Water Production, Distribution, Maintenance, and Construction
- Wastewater Collection System Maintenance and Construction
- Stormwater Management
- Code Compliance and Parking Operations
- Parks and Community Centers Management, Recreational, Cultural Programs and Activities
- Coastal and Environmental Protection, Preservation, and Management
- Public Land/Open Space Management
- Grounds Maintenance and Beautification
- Design and Construction Management
- Comprehensive Planning, Engineering, Zoning, Building Permits, and Inspection Services
- Community and Social Services and Grants Administration
- Communications, Marketing, and Economic Development

These operating services are supported by multiple general administrative Offices and Departments consisting of the City Manager's Office, City Attorney's Office, Office of Budget and Performance Management, Office of Procurement and Contract Compliance, Office of Human Resources and Risk Management, Information Technology Department, and Financial Services Department.

Reporting Entity

The financial reporting entity of the City includes all the Funds of the City, as well as all its Component Units and Fiduciary Funds. The Hollywood Community Redevelopment Agency (CRA) and Emerald Hills Safety Enhancement District are Component Units, legally separate entities for which the City government is financially accountable. Blended Component Units, although legally separate entities, are substantially part of the City's operations. The Downtown Community Redevelopment District (DCRA) and the Beach Community Redevelopment District (BCRA), which are districts of the CRA, are being reported as Special Revenue Funds, in accordance with Florida statutory requirements, using the blended method. The Emerald Hills Safety Enhancement District was created on August 30, 2017 by City Ordinance under state statutory authority and is presented as a Discreetly Presented Component Unit. Additional information on these legally separate entities can be found in Note 1 of the Notes to the Basic Financial Statements.

The City government provides neither primary or secondary education nor health care as these are the responsibility of the Broward County School District and the South Broward Hospital District (Memorial Healthcare System), respectively. Both entities are not part of the City. As such, financial data for them or for any other government has not been included in the financial statements in this report.

Accounting and Internal Controls

Financial Services has prepared this report in accordance with the standards of financial reporting as prescribed by GAAP to include the Governmental Accounting Standards Board (GASB). To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework designed to ensure compliance with applicable laws, regulations, and City policies; safeguard the City's assets from loss, theft, or misuse; and ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the internal controls have been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported to present fairly the financial position and results of operations of the various Funds and Component Units of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Budgetary Controls

The annual budget serves as the foundation for the City's financial planning and control. Per Florida State Statute Chapter 166.241, the City is required to adopt an annual budget. All City departments/offices are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as a starting point for developing and presenting a proposed budget for Commission consideration in July of each year for the fiscal year that begins the following October 1. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30 of each year. The annual budget is appropriated by department/office within each Fund and tax levies are adopted by the Commission. The budget also authorizes the number of full-time equivalent positions available to City departments/offices to deliver services.

In addition, the City maintains expenditure budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget. In accordance with state statutes the Annual Adopted Budget is posted on the City's website within 30 days of adoption. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds are included in the annual appropriated budget. The level of budgetary control (where expenditures cannot legally exceed the appropriated amount) is established at the department/office (by Fund) level. All expenditures, except those for personnel services, are controlled by a procurement system in which approved purchase orders encumber, or reserve, budget appropriations prior to issuance to the vendors. Purchase orders are not issued until appropriations are made available. The maintenance of this encumbrance system is one technique of accomplishing these

controls. Encumbered amounts lapse at fiscal year-end. However, those encumbrances tied to Capital or other multi-year projects generally are reappropriated as part of the following fiscal year's budget adoption.

Administrative budget transfers may occur upon approval of the City Manager if the department/office budget within a Fund is not increased. Budget amendments are submitted as needed to the Commission for their consideration and approval and are posted to the City's website within five days of adoption in accordance with state law.

The City maintains financial stability with fiscal management controls by constantly reviewing and monitoring staff levels, comparing budget appropriations to actual expenditures incurred, and estimated revenues to actual revenues collected. The City maintains a level of revenue collected sufficient to meet operating expenditures incurred. User fees are monitored and adjusted to match increased costs while at the same time being competitive in the marketplace. Multi-year budget projections based on an enhanced budget forecast model are prepared by the City's Office of Budget and Performance Management to forecast future years. This tool allows the City to adjust revenue estimates and expenditure levels, to reprioritize initiatives as needed, and adjust service levels in alignment with available funding. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management of public resources.

Relevant Financial Policies

The Commission has adopted various financial policies that are either incorporated via ordinance into the City's Code or as a resolution providing direction to City management. The primary objective of sound financial management policies and guidelines is to create the framework for making prudent financial decisions and provide a foundation for long-term financial sustainability. The City Manager is responsible for the daily administration of the Commission's policies and general City operations and may designate other City officials to assist in the administration of these policies. Among the various adopted policies that guide the financial management practices of the City include the Fund Balance Policy, the Investment Policy, the Debt Management Policy, and the Comprehensive Budget Policy. These Commission adopted financial management policies are further supported by administrative policies approved by the City Manager such as the Grants Management Policy, the Procurement Policy Manual, and the Procurement Card Policy to support compliance and are actively reviewed and updated to implement changes in the regulatory environment and best management practices.

The City believes that sound financial management principles always require that sufficient funds be retained by the City to provide a stable financial base. To retain this stable financial base, the Commission approved a Fund Balance Policy for General Fund Unassigned Fund Balance reserve levels to be at a minimum of 17% of General Fund operating expenditures with an additional 5% of General Fund operating expenditures as a disaster reserve to protect the City from adverse financial impacts in the event of unforeseen events.

Over the past five fiscal years, the City has maintained a General Fund Unassigned Fund Balance reserve level approximately 40% (on average) above the compliance level as stipulated in the Fund Balance Policy. These reserve or working capital levels have been sufficient to: fund the cash flow needs of the City; provide financial reserves for unanticipated expenditures and revenues shortfalls; fund existing encumbrances; and support approved PAYGo (Pay As You Go) or cash funded Capital Projects. Having a healthy fund balance gives the City financial flexibility, provides the ability to meet its cash flow needs, mitigates current and future financial risks, and ensures continuity of future governmental services.

Using regular financial reports, the City recognizes the need to monitor revenue and expenditure estimates to identify any potential shortfalls and trends that would significantly affect the various sources and uses of funds in the current budget. In addition, policies and procedures continue to be developed or reviewed and revised periodically as needed to provide better clarification, implement the latest and best practices, and strengthen documentation of management processes.

ECONOMIC CONDITION AND OUTLOOK

Growth in the City's primary General Fund revenue sources, real estate ad valorem and sales taxes, are linked to the national, state, and local economy. The U.S. economy continues an uncertain path forward, and the City of Hollywood has not been immune to the challenges caused by inflation and disruptions throughout the supply chain. These conditions have caused costs to rise for both our large capital projects and the everyday goods our employees need to provide high quality services to our residents and businesses throughout the City. However, the City has faced these economic conditions head on and has worked diligently to find efficiencies, reprioritize initiatives, and increase funding where needed to address these increases as effectively as possible.

The Citywide certified real estate taxable value for Fiscal Year (FY) 2026 totals \$27.4 billion (based on January 2025), which represents an increase of 7.86% over the prior fiscal year's final adjusted value of \$25.4 billion. While the City continues to see growth year over year, we have also seen the beginnings of a downward trend in the size of that growth (FY 2025=9.61%, FY 2024=11.18%, and FY 2023=11.56%). This trend is one that the City monitors closely and continuously. Nevertheless, because of the City's strong fiscal management, fully funded reserves, and efforts by departments to find efficiencies, the Commission voted to: reduce the total millage rate by 0.0526 mills and for the first time since FY 2022, the City's total millage is below 8.0000 (from 8.0132 to 7.9606 mills); advance many of the City's strategic focus areas of public safety, quality of life and strong neighborhoods, financial management and administration, and employee empowerment; and invest nearly \$95 million for critical capital projects such as roads, sidewalks, traffic calming, and a new investment in the multi-year Stormwater Master Plan. This is in addition to the many initiatives and programs that the City currently has in place.

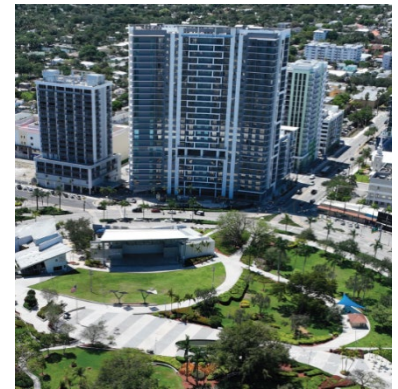
Although the City's tax base has grown significantly over the recent years, it is important to note that the amendment to the Florida Constitution, called "Save Our Homes" which became effective in 1995, limits the annual increase in assessment for homesteaded properties to the lower of the following: 3% of the increased in assessed value of the property for the prior year or the percentage change in the Consumer Price Index (CPI) for all urban consumers. Similarly, non-homesteaded properties are capped at a 10% annual increase of assessed value. However, Florida law requires a reassessment to the full market value upon a change in ownership. The reset typically results in significantly higher taxes than those of the previous owner who may have had Save Our Homes protection.

Overall, the nation still faces uncertainty as it relates to inflation. In August of 2025, inflation rose 2.9% over the previous 12 months. This, alongside other indicators, helped push the Federal Reserve to lower benchmark interest rates by a quarter of a point in September 2025. In addition, this can assist the economy by making it easier for companies to invest, expand and hire more employees, while also making the costs of everyday goods and big investments like cars and homes cheaper for everyone, including the City's residents and businesses. Though a welcome sign for both our residents and the City, overall prices and the cost of doing business are still higher than they were several year ago. Additionally, rising costs of property insurance, steadily increasing home prices, and efforts at the State level to provide some sort of property tax reform with the goal to lower property taxes, all pose potential risks to the City's economic condition.

Florida is positioned to maintain relatively strong economic momentum through FY 2027. Florida's diverse industry mix, favorable business climate, and sustained population growth have contributed to economic resilience and outperformance relative to the broader U.S. economy.

Likewise, the City's diverse economy continues to attract both businesses and residents and contributes to the City being one of the leaders in regional growth and development. Currently, the City has a growing niche in Professional Services and Healthcare and is experiencing nearly \$1.5 billion in real estate development - completed, planned or under construction - with key commercial corridors offering additional redevelopment opportunities. A few notable completed projects include:

Bread Building – at an investment of \$58M, this 26-story mixed-use high-rise redevelopment includes 362 multi-family units and 17,000 SF of retail space located just steps away from the City’s ArtsPark at Young Circle.



The Tropic – at an investment of \$54M, this 18-story, 223-unit rental community features both workforce and market rate units along with 2,200 SF of commercial space.

Soleste Village North – at an investment of \$70M, this 12-story, mixed-use apartment building in Downtown Hollywood delivered 300 residential units and features modern amenities, including a pool and amenity deck, designed to enhance the urban living.

University Station – at an investment of \$100M, this transformative mixed-use community is a public-private partnership (P3) with the City. It introduces 216 units of affordable and workforce housing, a 635-space public-private parking garage, over 2,000 SF of retail and commercial space, and a new 12,210 SF campus for Barry University’s College of Nursing and Health Services.



Hollywood Heights on the Boulevard – at an investment of \$109M, this is an eight-story, mixed-use development with 324 luxury residential units, 30,000 SF of commercial space, and 475 parking spaces.



connected by a bridge spanning the central canal. Residents have access to 714 parking spaces, including 51 garage spaces, and a robust suite of amenities: two pools, a 21,572 SF two-story clubhouse, a sand volleyball court, two hard sports courts, a playground, and a dog park.

Publix on the Intracoastal – at an investment of \$18M, this is the first Publix grocery store on the Intracoastal Waterway. The 30,000 SF supermarket also has boat access.



Icon Office Building – at an investment of \$10M, this development is a 50,000 SF Class A office building located in the heart of Downtown Hollywood with retail bays and a financial institution on the ground floor.

Seagis at Port Everglades – at an investment of \$16M, this development is a 199,624 SF Class A, fully secured, freestanding industrial building designed for a single tenant. Located at the entrance to Port Everglades, the property offers a best-in-market industrial campus environment with dock-high and oversized ramp drive-in doors, plus 45 trailer drops from maximum efficiency and connectivity.

Hollywood Art & Culture Center – at an investment of \$7.5M, this new multi-disciplinary arts education center features a bold design with expanded visual arts galleries. It includes a dance drama room, visual arts and music classrooms, a broadcast studio, a mixed-use theater, an interactive gallery, and a reception space.



Looking ahead, the exact impact of the lowering and subsequent pausing of any further interest rates reductions on the housing market in our region, and in the City specifically, remains an uncertainty. The housing market faces pressures on both the supply and demand side. Additionally, the ongoing increases in the cost of homeowners insurance represents a real challenge to sustained and long-term property value and growth for the City. The City, as always, continues to monitor key economic trends that impact our residents as well as the operations of the City as a whole.

MAJOR ACCOMPLISHMENTS AND INITIATIVES

During the prior fiscal year, the Commission reimagined the Vision, Mission, and Core Values while prioritizing the Strategic Focus Area goals to align with the City's desire for sustained growth and success in the future.



VISION STATEMENT

What we are working towards

TO BE A THRIVING CITY TRUE TO ITS FOUNDING PRINCIPLES OF ECONOMIC OPPORTUNITY, DIVERSITY AND INNOVATION



MISSION STATEMENT

What we provide

TO PROVIDE A RESILIENT AND SUSTAINABLE CITY THAT NURTURES QUALITY LIVING AND FOSTERS A HEALTHY ENVIRONMENT WHERE EVERYONE CAN PROSPER

The City made significant strides in implementing the Strategic Plan, which serves as a roadmap for achieving our long-term goals and objectives to meet the Vision and Mission statements of the City.

Reflecting on FY 2025 achievements, several key initiatives stand out. First, the FY 2025 Adopted Budget was not only structurally balanced but also provided a slight total millage rate decrease while providing funding capacity for expanding resources for public safety; active investment in capital infrastructure, facilities, and maintenance to include: resurfacing, ADA upgrades, with additional investments in stormwater, water, sewer, and parks facility replacement and renovation projects. The voter-approved General Obligation Bond (GOB) projects are at or coming near to completion. These results are realized only with the dedication and commitment of countless staff members and therefore the budget included 3% cost of living and other salary and position adjustments across various departments/offices. These efforts are matched by elevated private sector investment, economic development activity, and tax base growth. The combination of these and continued investments will go on to serve our residents, business owners, and visitors for many years to come.

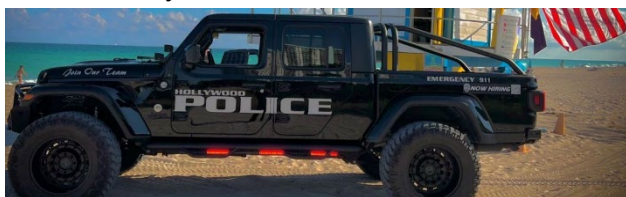
Highlights of some significant FY 2025 accomplishments:

Strategic Focus Area - Public Safety



The new City of Hollywood Police Department Headquarters, the largest GOB project to date, is anticipated to open during the spring of 2026. Appropriately 100,000 SF in size, the facility is designed for community accessibility, transparency, and sustainability, and will serve as both a state-of-the-art hub for law enforcement and a symbol of community progress and support for public safety. As the City grows, this new headquarters facility will enable the City's public safety personnel to meet the evolving needs of those whom we serve.

Other large capital investments for public safety include purchases of one fire engine, four all-terrain vehicles, and three Utility Terrain vehicles.



Additionally, the City added 12 new lifeguards to the Beach Safety and has installed two new towers which serve as a symbol of resilience and readiness.

Strategic Focus Area - Quality of Life and Strong Neighborhoods

Launched Holly-GO Community Shuttle service and conducted extensive public outreach to promote the service and adding Free Park and Ride signage at City Hall, downtown and the beach encouraging riders to park at City Hall for free and utilize the free shuttle.



Administered the Hollywood Community Court program serving over 300 individuals, graduating 11 participants, and transitioning 9 into permanent housing.

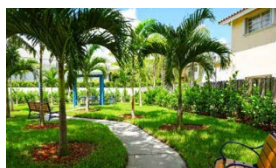
Completed a City-wide Housing Needs Assessment and Action Plan (Housing Master Plan), providing a strategic framework to address housing affordability, availability, and quality for residents.

Ocean Rescue Alliance (ORA), in partnership with the CRA, deployed 1000 Mermaids Artificial Reef.

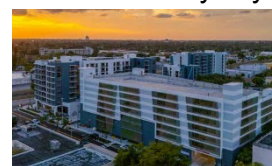


Strategic Focus Area - Infrastructure and Facilities

Completed 2025 Roadway and Alley Resurfacing Project with over 40,000 LF of roads and alleyways resurfaced. Completed 2025 Sidewalk Construction with over 7,000 LF of sidewalk constructed. Completed 2025 ADA Improvements with approximately 140 ADA ramps and 5 new speed humps installed.



Opened University Station Garage, which features the Park Assist wayfinding sensor system to enhance customer experience.



Richard Blattner Mindfulness Park was renovated to include a new pavilion, landscaping, and park fixtures.

The City completed other major renovations, upgrades, and enhancements to nine of the City's parks to include installation of new dog park areas, playgrounds, shade structures, and fitness equipment. Various athletic courts and walking pathways were resurfaced.

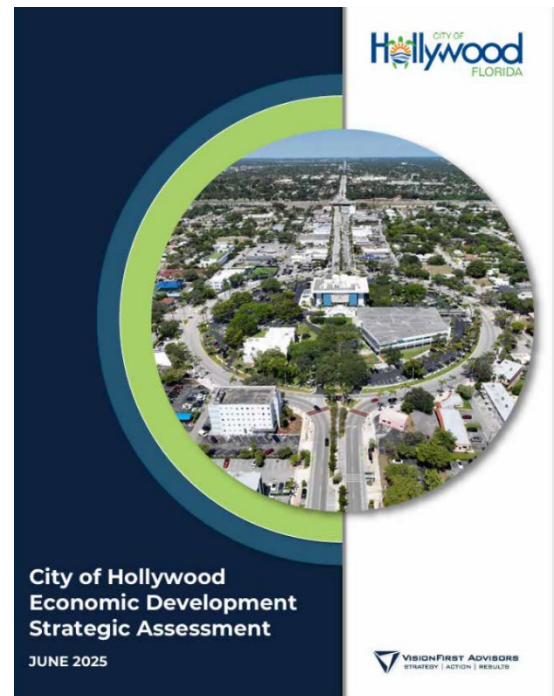


Strategic Focus Area – Economic Vitality

The City completed the Economic Development Strategic Assessment, a data-driven plan developed with stakeholder input that outlines nine key priorities to guide efforts toward building a stronger, more inclusive local economy over the next 6 to 36 months.

Implemented the new Development Review Process, replacing the Technical Advisory Committee with the more efficient Development Review Committee, streamlining the development approval process, reducing administrative burdens, and enhancing public engagement requirements to ensure more inclusive and transparent decision-making.

Facilitated the City's Work Skills Training program with OIC (Opportunities for Industrialization Center) of South Florida, graduating 11 students, and expanded partnerships with the Boys and Girls Clubs of Broward County, Junior Achievement of South Florida, and OIC of South Florida to deliver additional training opportunities in cosmetology, construction, and a pre-apprenticeship program for the City's low- to moderate-income residents.



Strategic Focus Area - Financial Management and Administration

Conducted appraisal of all City properties to determine the current total insurable value.

Streamlined the application process for rental assistance and home rehabilitation through enhanced use of Neighborly Software, which also enabled the City to double the number of completed housing rehabilitation projects.

Developed Automated Clearing House (ACH) Policy and initiated an ACH process for new and existing vendors to expedite payment processing and decrease delays with printing and mailing payments.

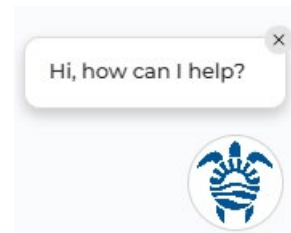
Completed and presented to the Commission the Fire Assessment calculation change from tiered to actual square footage which was approved and adopted.

Provided various data and analysis to the Florida Department of Government Efficiency (FL DOGE) and the House Select Committee as requested.

Released the FY2024 ACFR in May 2025 for the first time since the release of the FY2020 ACFR, a full month ahead of State requirements.

Strategic Focus Area – Communications and Civic Engagement

Launched Chat Bot Customer Service tool on the City's main website as another method for assistance to visitors of the website to find things and reduce search times.



Initiated a comprehensive revamp of the Development Services webpages to enhance clarity and accessibility of information, reducing the volume of routine inquiries and improving public access to key resources.

Implemented the new development signage for large projects, ensuring the public has clear and accessible information on proposed developments, including details on how to engage with both the developer and the City for further inquiries.



Recruited, interviewed, and accepted 20 high school students in the Hollywood Youth Ambassador Program – the largest cohort since the program began in 2016.

Strategic Focus Area – Employee Development and Empowerment

Employee Health Center performance exceeded targets: increased utilization, while contributing to a reduction in emergency room visits and hospital inpatient admissions, thereby lowering overall claims costs and improving employee health outcomes.

Showcased the City's career opportunities at 10 college and community career fair events.

Increased focus on training by designing and delivering the new Anti-Harassment, Anti-Discrimination training classes to 168 managers, supervisors, and directors; conducted various compliance and safety trainings with an overall annual attendance of approximately 7,000.



Partnered with Leadership Hollywood and the The Caring Place to develop and conduct Second Chance Employment Seminars and Career Fair for City residents with barriers to re-employment.

In addition to these accomplishments, the City began celebrations of its Centennial Year in 2025, marking 100 years of history, growth, and community spirit.



Throughout the calendar year, the City hosted a series of over 40 special events, programs, and projects honoring Hollywood's rich past while celebrating its vibrant present and promising future. From events, groundbreaking and ribbon cutting ceremonies to signature citywide festivities and concerts, the Centennial celebration brought more than 100,000 residents, businesses, and visitors together to reflect on a century of progress and to look ahead to the next 100 years.



These major accomplishments highlight the breadth of services, projects, and collaborative efforts that have strengthened our community, enhanced public services, and laid the groundwork for future progress – especially meaningful as we celebrate the City's 100th anniversary and move the City's into its second century. As the City enters its next century, the top priorities are continued focus on top-notch customer experience through improving service levels, supporting responsible redevelopment, expanding our tax base, prioritizing public safety, enhancing resiliency and sustainability, improving the quality of life in our neighborhoods, and preparing for the future.

Highlights of significant FY 2026 initiatives:

Strategic Focus Area - Public Safety

Add additional Special Magistrate support staff to improve the handling of Special Magistrate hearings and processes. Separate the School Speed Zone Camera program hearings from our regular Special Magistrate hearings by scheduling one dedicated hearing per month for the program. Implement junior firefighter program and continue the junior lifeguard program, school safety ambassador, and civic education programs to foster early engagement and community trust. Implement Body-Worn Cameras for all Code Compliance, Sanitation, and Parking personnel. Deploy newly purchased pole cameras for regular monitoring of illegal dumping hotspots throughout the City. Establish a dedicated Beach District separate from the Patrol Division to enhance services on the barrier island. Prepare for the relocation of police operations to the new Police Headquarters, including property and evidence functions, staffing transitions, and the addition of a Building Support Manager to oversee facility operations.

Strategic Focus Area - Quality of Life and Strong Neighborhoods

Complete and adopt the new Comprehensive Plan to steer the City's visionary growth and development through 2050. Complete a Master Plan for the Washington Park Industrial Area to guide future growth and revitalization of the area. Establish a new interactive Sanitation Zone Map to inform residents of scheduled waste and bulk pick-up days and provide the contact information for the area Sanitation Officer. Expand the First-Time Homebuyer Purchase Assistance Program and support affordable housing development, including owner-occupied rehabilitation, gap financing, and land/property acquisition. Contract with a vendor to conduct a comprehensive City of Hollywood housing needs assessment to guide policy, program development, and resource allocation. Conduct neighborhood sweeps to educate residents on proper sanitation practices, including bulk waste pickup schedules, correct bin placement and accepted disposal materials. Present a housing ordinance related to the adoption of the County's Affordable Housing Policy, enabling the City to utilize 'the Geller Amendment.' Present a housing ordinance related to the adoption of the State's Affordable Housing Policy, providing guidance on the Live Local Act. Advance urban design and expand the Public Art program to promote walkable, visually appealing, and context-sensitive neighborhoods that enhance residents' quality of life. Expand the City's concerts and events calendar with the introduction of a new Jazz Festival. Expand paid concerts and events in partnership with a new concert



*Comprehensive Plan Update
Underway*

promoter for ArtsPark at Young Circle. Activate morning programs for active adults and seniors at the Hollywood Beach Culture & Community Center. Increase the number of aquatic fitness programs offered at Driftwood Community Pool. Reopen David Park Community Center, restoring youth and adult programming opportunities. Offer special needs programming for youth under 17 years old.

Strategic Focus Area - Infrastructure and Facilities

Develop a Parking Mobile App that enables users to locate available parking spaces, pay for meters, citations, and appeal tickets. Implement paid parking expansion based on recommendations from the FY 2025 Parking Study. Complete painting projects at the Garfield, Van Buren, and Nebraska Garages. Complete Johnson Street Bridge replacement project permitting and begin construction phase. Replace the playground at Mayor Peter Bober Centennial Park. Renovate restrooms at Bicentennial and Veterans Parks. Develop a new fitness area at ArtsPark in partnership with Memorial Health. Replace the playground and pavilion at Oak Lake Park and renovate the Community Center to provide adult daycare services. Craft, issue and award RFP for Citywide Street Pole Banner Program. Install bus stop infrastructure to complement the Holly-Go Community shuttle, including bus stop benches and covers, which will increase ridership and visibility of bus stops.

Strategic Focus Area – Economic Vitality

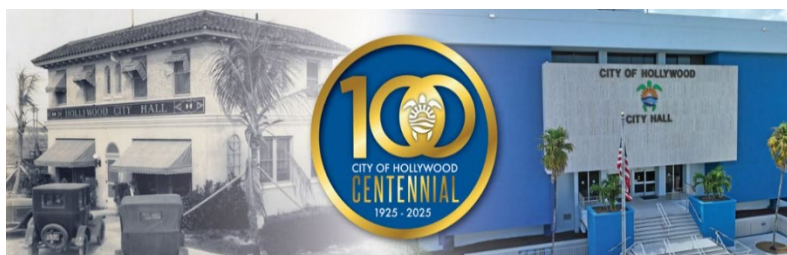
Complete the implementation of Accela permitting software Phase II to include all permit types, enhancing the efficiency and effectiveness of the permitting process, and digitalizing Code Compliance processes. Hire new Engineering Analyst and Mobility Coordinator positions and fully fund eleven new positions in the Building Division. Complete the economic development plan analysis. Place the FY26 “See Life See Opportunities” City Economic Development, CRA, and City Event Media Advertising Buys. Participate in U.S. Travel’s IPW Greater Fort Lauderdale event to promote Hollywood Beach and Downtown Hollywood as a destination for discovery. Launch market study of Downtown and Beach Districts to guide future economic development efforts. Procure Retail Recruitment Consultant to help increase occupancy rates and strengthen Hollywood’s retail mix in commercial districts. Continue the “Dine Out Hollywood” program to promote local restaurants and culinary businesses to increase foot traffic and support small business revenue growth.

Strategic Focus Area - Financial Management and Administration

Implement the new general employee’s pension options in coordination with the General Employees’ Pension Board. Update the Hollywood Code Chapter 38. Continue development and implementation of efficiencies with the goal to follow GFOA’s best management practice to release the ACFR within six months of fiscal year end.

Strategic Focus Area – Communications and Civic Engagement

Coordinate the remaining City’s Centennial Celebrations, including the grand finale celebration to include a laser light show and various top notch performances including Kool & the Gang. Coordinate the construction of the COVID Memorial at Bob Butterworth Park. Install digital screen signage in garages to improve customer communication. Direct the citywide “Improved Customer Service” 311 call center initiative. Host Ribbon Cutting Ceremonies for Hollywood Beach Golf Course and Community Center and new Hollywood Police Department Headquarters. Launch CivicReady tool for geo-fenced text alerts and community messaging.



Strategic Focus Area – Employee Development and Empowerment

Transition to BizLibrary and integrate with ORACLE for a more robust and public service–focused eLearning Training and Development Program. Finalize City-wide Communication Plan with review and training schedule. Expand the Performance Management Program with the addition of a new Performance and Accountability Officer.

AWARDS AND ACKNOWLEDGEMENTS

Throughout the fiscal year, the City received numerous awards and was recognized by a variety of organizations. Among these awards and recognitions include the following:

Budget and Performance Management - Received the City's 29th GFOA Distinguished Budget Presentation Award for its Annual Budget for FY 2025. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communication device.

Fire Rescue and Beach Safety Department - Honored to be a part of Guinness World Record Celebration, the "Longest Journey by Ambulance", which began in Hollywood, California, concluded in Hollywood, Florida, earning recognition in the Guinness Book of World Records. Dr. Axene and his team from Axene Continuing Education and Symbiosis Ambulance, completed the journey in the oldest licensed ambulance in the country and provided our paramedics with medical CEUs, reinforcing our commitment to high-quality, nationally recognized training. This program enhances the level of education we offer our members, ensuring our residents benefit from the highest standard of emergency medical care.



Police Department – Awarded First Responder of the Year to Officer Dwayne Chung by the South Florida Wellness Network. Officer Chung has been instrumental in the success of the City's Community Court, a specialized court designed to provide alternatives to jail for low-level misdemeanor crimes while connecting individuals experiencing homelessness with vital support services. Recognized for his interdepartmental leadership which played a critical role in the ongoing success of the court, he has dedicated many years to helping people in Hollywood overcome homelessness and rebuild their lives.



Officer Doklean and K9 Casey have recently earned the prestigious "Therapy Team Certification" from the United States Police Canine Association (USPCA), alongside their annual certification. The USPCA, the nation's oldest and largest police canine organization, sets rigorous standards, and we couldn't be prouder of Officer Doklean and K9 Casey for their dedication and service to our community.



Financial Services – Awarded the City's 50th GFOA's Certificate of Achievement for Excellence in Financial Reporting its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024. The City received this recognition by publishing a report that is usable, transparent, and goes beyond the minimum requirements of GAAP and other applicable federal, state, and local requirements.

Human Resources and Risk Management - Awarded the highest designation, Gold, for the 2025 Cigna's Healthy Workplace Award for demonstrating a strong commitment to improving the health and vitality of its team members through a workplace well-being program. Organizations recognized with this designation set the standard of excellence for organizational health and vitality. Also awarded the highest designation, Platinum, of the 2025 America Bell Seal Award for Workplace Mental Health for the City's commitment to improving mental wellbeing through policy, services, and accommodations.



The Public Sector HR Association recently featured, "Hollywood, Fla. Rolls Out the Red Carpet During Public Service Recognition Week", in its national newsletter showcasing the City's creative and engaging efforts to honor and celebrate public service employees. This recognition not only reflects the hard work of the HR team and the Public Service Recognition Week Committee, but it also underscores the City's commitment to employee engagement and appreciation.



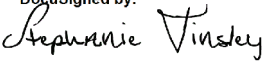
Procurement and Contract Compliance - Received the 2025 Achievement of Excellence in Procurement Award from the National Procurement Institute, Inc. (5th year in a row), which was awarded to only 67 cities in North America. The award is designed to recognize organizational excellence in public procurement. This prestigious annual award is earned by those organizations that demonstrate excellence in innovation, professionalism, productivity, e-procurement, and leadership attributes.



These accomplishments, future initiatives, and daily contributions are a testament to the dedication and professionalism of our very high quality, responsive, professional team. We commend City staff for their integrity, professional competency, and commitment to the work of the City throughout the fiscal year. The City remains committed to providing stellar services, continuing infrastructure improvements, maintaining regulatory controls, spurring economic development, increasing business recruitment and stimulating the marketplace Citywide.

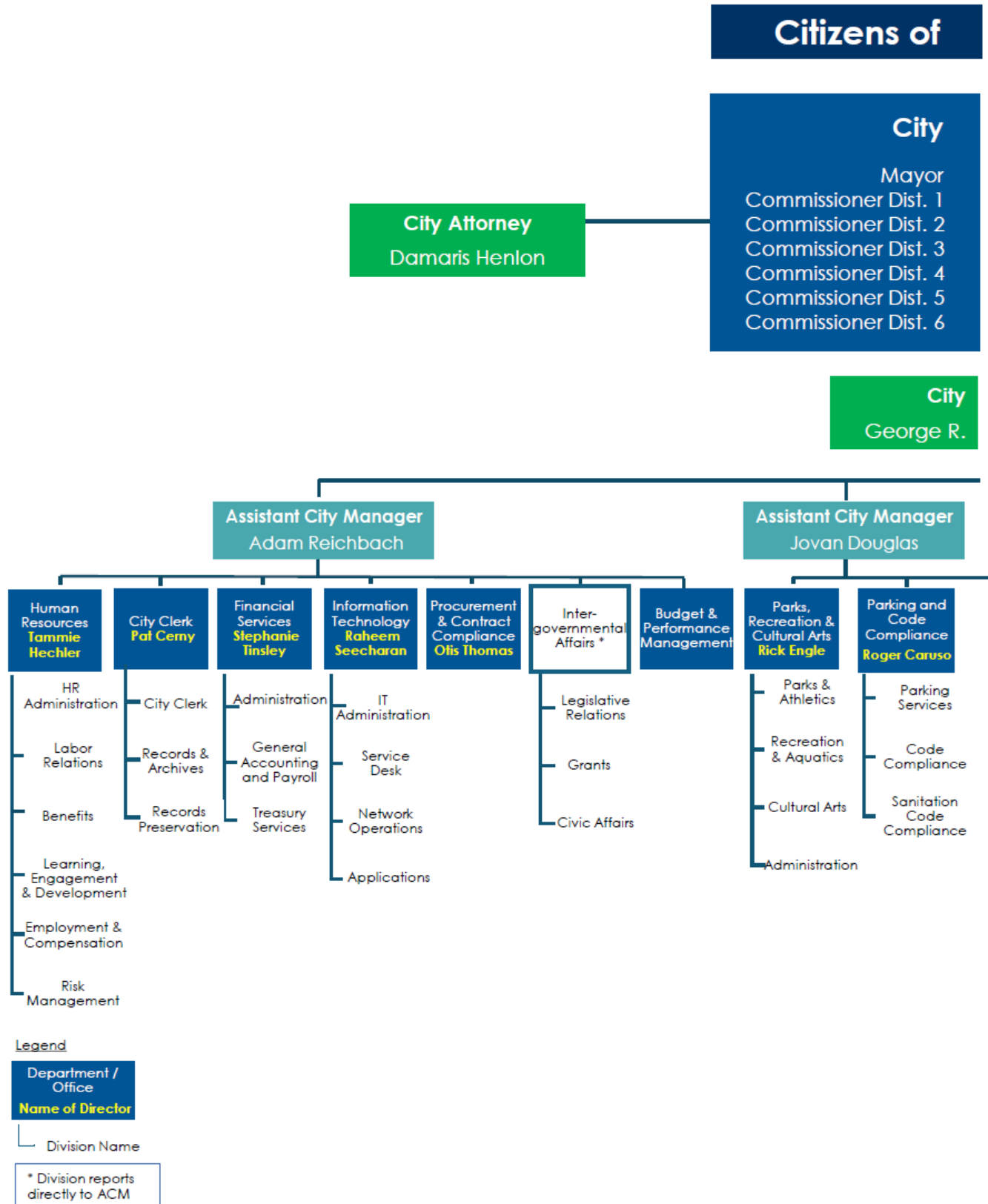
Thank you for your continued interest and support in planning and conducting the financial operations of the City in a responsible manner. The preparation of the Annual Comprehensive Financial Report was made possible by the efficient and dedicated service of the entire staff of the Financial Services Department as well as various City departments and Component Units. Additionally, special thank you to the Mayor, Vice Mayor and the City Commissioners for their continued guidance, policy initiatives, interest, and support in our efforts towards fiscal stewardship.

Respectfully submitted,

DocuSigned by:

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Stephanie Tinsley
Director, Financial Services

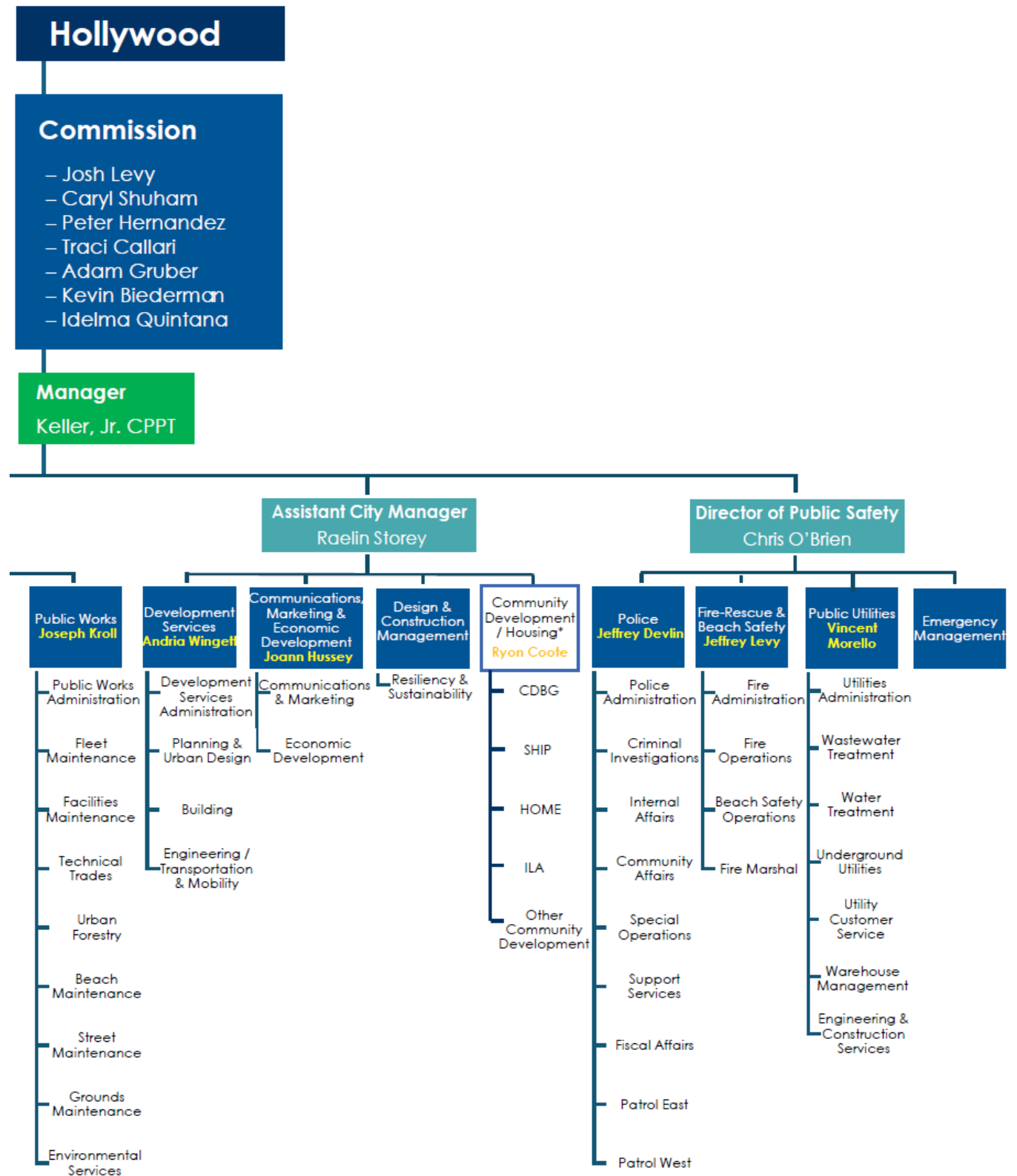
Organization Chart



(Continued on next page)

Note:
 Effective April 2026 - Raelin Storey is appointed as City Manager.

Organization Chart



FINANCIAL SECTION



Independent Auditors' Report

To the Honorable Mayor, City Commission and City Manager
City of Hollywood, Florida

Report on the Audit of the Financial Statements***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hollywood, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Hollywood Florida Community Redevelopment Agency (the "CRA"), which includes the Beach and Downtown Community Redevelopment funds (major governmental funds), which represents 15%, 58%, and 48%, respectively, of the assets, net position, and revenues of the governmental activities of the City as of September 30, 2025. We also did not audit the financial statements of the City of Hollywood Firefighters' Pension Fund and City of Hollywood Police Officers' Retirement System, fiduciary funds of the City (the "Plans"), which represent 49%, 55% and 37%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information as of September 30, 2025. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the CRA and the Plans are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (“GAAS”) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (“*Government Auditing Standards*”). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 24 through 37, the budgetary comparison schedules, the schedule of changes in the City's total OPEB liability and related ratios, the schedules of changes in the City's net pension liability and related ratios, the schedules of City's proportionate share of the net pension liability, the schedules of City contributions – pensions, and notes to the required supplementary information on pages 153 through 169 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 6, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Fort Lauderdale, Florida

May 6, 2026



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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

The City offers readers of its financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and financial statements.

FINANCIAL HIGHLIGHTS

Under the Government-wide Statements Section:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2025 by \$281.9 million, net result of \$2,132.5 million in assets and deferred outflows of resources and \$1,850.6 million in liabilities and deferred inflows of resources. Significant changes in capital assets are discussed in detail below.
- The City's total net position increased by approximately \$203.3 million in fiscal year 2025; governmental activities increased by \$142.8 million and business-type activities increased by \$60.4 million. The City's net position was positively impacted by increases in investment revenues, increased property taxes, reductions in the Other Post-Employment Benefits (OPEB) expenditures due to the increase in the discount rate, steady utility revenues, positive settlement related revenues (Per- and Polyfluoroalkyl Substances or PFAS), and investments in capital assets.
- The deficit in unrestricted net position for governmental activities totaled \$(654.4) million. The deficit decreased by \$71.3 million. The positive impact relates to increased property tax revenues, reduced OPEB expenses, reduced pension expenses, positive investment earnings, and an unrestricted settlement from PFAS (recorded as a special item).
- The City's total liabilities decreased by \$163.2 million during the current fiscal year. Governmental activities long-term liabilities decreased by about \$116.6 million due to routine debt service payments, reduced pension liabilities, and reduced OPEB liabilities. Business Type activities long term liabilities increased by about \$18.3 million as the increase in State Revolving Loans and compensated absences outpaced the routine debt service payments and reductions in pension and OPEB related liabilities.

Under the Fund Statements Section:

- As of the end of fiscal year 2025, the City's governmental funds reported combined ending fund balances of \$376.3 million, a decrease of \$24.3 million which was a result of the following:
 - Increase of \$17.3 million in the General Fund due to revenues outpacing expenditures and other financing uses:
 - Revenues increased by \$30.6 million. Major changes include:
 - \$11.6 million increase in property tax revenues
 - \$0.8 million increase in utility service taxes
 - \$0.7 million increase in franchise taxes
 - \$9.9 million increase in charges for services
 - \$1.5 million decrease in investment revenue
 - \$5.2 million increase in miscellaneous revenue
 - Expenditures increased by \$26.3 million. Major changes include:
 - \$2.5 million increase in public works expenditures
 - \$5.4 million increase in general government
 - \$15.7 million increase in public safety expenditures
 - \$1.7 million increase in culture and recreation expenditures
 - Net Other Financing Sources/Uses and Special Items increased by \$4.4 million
 - Transfers out increased by \$4.8 million
 - Received \$8.3 million in unrestricted PFAS settlement funds
 - Increase of \$6.7 million in the Beach Community Redevelopment Fund due to increased property valuations outpacing CRA related expenditures.
 - Increase of \$2.1 million in the Downtown Community Redevelopment Fund due the above.
 - Decrease of \$43.0 million in the General Obligation Bond Series 2022 Capital Projects Fund (second tranche) due to investment revenue of \$4.2 million less capital bond related expenditures of \$47.2 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

- Decrease of \$7.5 million in other governmental funds primarily due to significant capital outlay expenditures.
- During the fiscal year, the City's governmental expenditures and other financing uses totaled \$527.5 million compared to \$503.2 million generated in revenues, other financing sources, and special items.
- At the end of fiscal year 2025, fund balance for the General Fund was \$109.4 million or 38.1% of General Fund expenditures. Of this balance, \$0.3 million was restricted for school enforcement operations, \$3.2 million was committed for Other Post Employment Benefit Reserves, \$3.6 million was assigned for the subsequent year's budget and capital encumbrances, and \$102.2 million was unassigned (of this amount, \$63.1 million is internally reserved as a minimum fund balance and emergency reserve).

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report follows a format consisting of four parts – Management's Discussion and Analysis (this section), the basic financial statements, Required Supplementary Information, and Supplementary Information that presents combining statements for non-major governmental funds, non-major enterprise funds, internal service funds and fiduciary funds. The basic financial statements include two kinds of statements. The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

The governmental fund statements tell how general government services like public safety, public works, and parks were financed in the short-term, as well as what remains for future spending. Proprietary fund statements offer short and long-term financial information about the activities the government operates like businesses, such as the water and sewer utility. Fiduciary fund statements provide information about the financial relationships – such as the retirement plans for the City's employees, in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of unaudited Required Supplementary Information that further explains and supports the information in the financial statements.

Following is a summary of the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City Government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary, such as police, fire, and parks	City operations similar to private businesses, such as the water and sewer system	Instances where the City is the trustee for another entity's resources, such as employee retirement plans
Required financial statements	Statement of Net Position	Balance Sheet	Statement of Net Position	Statement of Fiduciary Net Position
	Statement of Activities	Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Revenues, Expenses, and Changes in Net Position	Statements of Changes in Fiduciary Net Position
Accounting bases and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Statement of Cash Flows Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, financial and capital, short-term and long-term	Assets expected to be used and liabilities due during the year or soon thereafter; no capital assets or long-term debt	All assets and liabilities, financial and capital, short-term and long-term	All assets and liabilities, short-term and long-term

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

Type of inflow/outflow information	All revenues and expenses regardless of when cash is received or paid	Revenues earned and available (cash received within 60 days of year-end); expenditures for goods or services received and a payment liability is incurred	All revenues and expenses regardless of when cash is received or paid	All revenues and expenses regardless of when cash is received or paid
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GOVERNMENT-WIDE FINANCIAL STATEMENTS – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner like private-sector business.

The statement of net position presents information on all the City's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, transportation, economic environment, physical environment, culture and recreation and emergency and disaster relief. The business-type activities of the City include water and sewer, sanitation, stormwater, golf, parking and records preservation activities.

The government-wide financial statements include not only the City itself (the primary government), but also two districts of the legally separate Hollywood, Florida Community Redevelopment Agency (CRA) and Emerald Hills Safety Enhancement dependent district. Financial information for the CRA component units is blended with the financial information presented for the primary government itself, since board members are the same as the members of the City Commission and the CRA provides services that exclusively benefit certain areas of the City. Financial information for the Emerald Hills Safety Enhancement District is discretely presented and is reported as a separate column on the government-wide financial statements to emphasize that it is legally separate from the primary government.

In addition, the City has three defined benefit pension plans and one defined contribution plan established for the exclusive benefit of its employees and beneficiaries. The CRA has a defined contribution plan for its employees. The pension plans are reported as fiduciary funds in the fund financial statements of this report but are not included in the government-wide statements.

FUND FINANCIAL STATEMENTS – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. These statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

GOVERNMENTAL FUNDS – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-seven (27) individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, General Obligation Bond Capital Projects Series 2022 Fund, Beach Community Redevelopment Fund (BCRA) and Downtown Community Redevelopment Fund (DCRA), all of which are major funds. Data from the other twenty-three (23) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the report.

The City adopts an annual appropriation budget for all funds. A budgetary comparison statement has been provided for the General Fund as Required Supplementary Information in this report to demonstrate compliance with the budget. Also included as Required Supplementary Information are budgetary comparison statements for the Beach Community Redevelopment Fund, and Downtown Community Redevelopment Fund reflecting annual appropriations adopted by the CRA Board.

PROPRIETARY FUNDS – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, stormwater, sanitation, golf, parking, and records preservation operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its central services and insurance operations. Because both services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of its operations that are major funds of the City. Both internal service funds balances have been incorporated into the functions of the governmental activities that benefited from these services. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

FIDUCIARY FUNDS – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is like that used for proprietary funds.

NOTES TO THE FINANCIAL STATEMENTS – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

OTHER INFORMATION – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as budgetary comparison schedules for the General Fund and the CRA Funds and data concerning the City's progress in funding its obligation to provide pension and other postemployment benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The two government-wide statements report the City's net position and how it has changed. Table 1 presents net position – the difference between the City's assets/deferred outflows and liabilities/deferred inflows. Over time, increases or decreases in net position may serve as one way to measure the City's financial health or position. Items that may affect revenues are economic conditions, user fees/rates, grant funding, tax rates, and market impacts on investment income. Factors such as changes in service demand levels, salary increases, and inflation affect expenses. Other nonfinancial factors such as changes in the

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

City's property tax base and the condition of the City's infrastructure should be considered in assessing the overall health of the City.

Table 1
Summary of Net Position
As of September 30, 2025 and 2024
(\$ in thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	\$ 590,795	\$ 587,445	\$ 394,872	\$ 397,592	\$ 985,667	\$ 985,037
Capital Assets	372,390	271,382	570,114	503,470	942,504	774,852
Total Assets	963,185	858,827	964,986	901,062	1,928,171	1,759,889
Deferred Outflows of Resources	173,196	248,594	31,189	38,539	204,385	287,133
Long-term Liabilities	1,102,189	1,218,804	351,020	332,679	1,453,209	1,551,483
Other Liabilities	61,095	107,279	37,068	55,782	98,163	163,061
Total Liabilities	1,163,284	1,326,083	388,088	388,461	1,551,372	1,714,544
Deferred Inflows of Resources	261,743	212,833	37,503	40,968	299,246	253,801
Net Position:						
Net Investment in Capital Assets	240,231	182,387	332,008	282,433	572,239	464,820
Restricted	125,540	111,798	42,821	62,873	168,361	174,671
Unrestricted (Deficit)	(654,417)	(725,680)	195,755	164,866	(458,662)	(560,814)
Total Net Position	\$ (288,646)	\$ (431,495)	\$ 570,584	\$ 510,172	\$ 281,938	\$ 78,677

The largest portion of the City's assets (38.7%) are capital assets (e.g., land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt and any associated deferred inflows or outflows, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. A portion of the City's net position, \$168.4 million, represents resources that are subject to external restrictions on how funds may be expended.

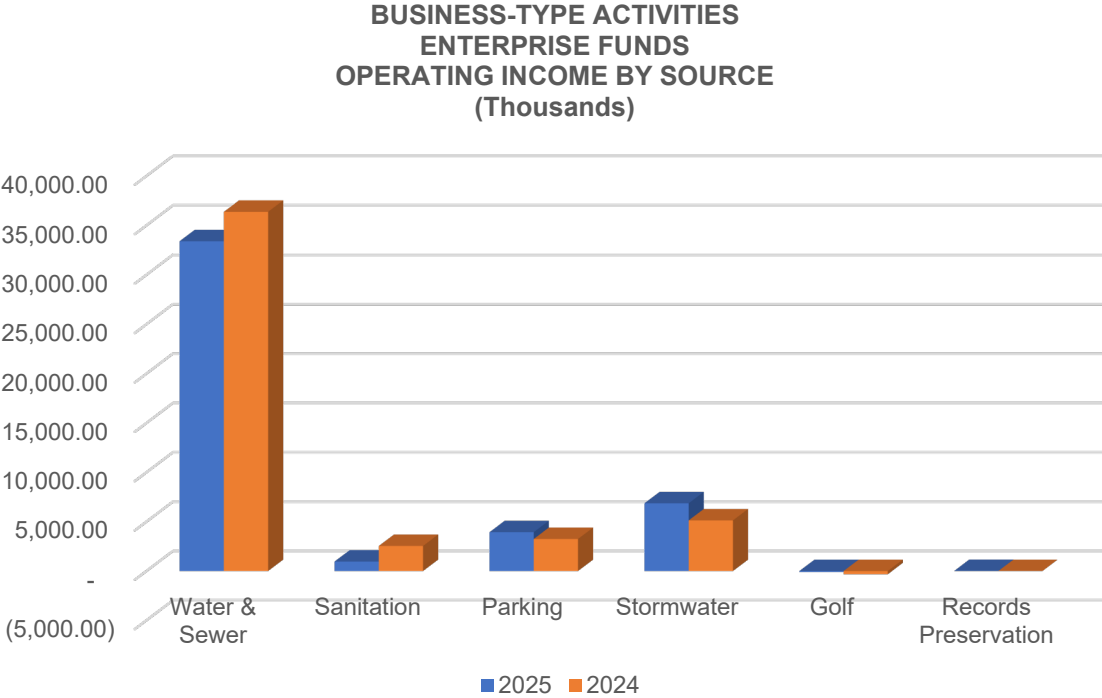
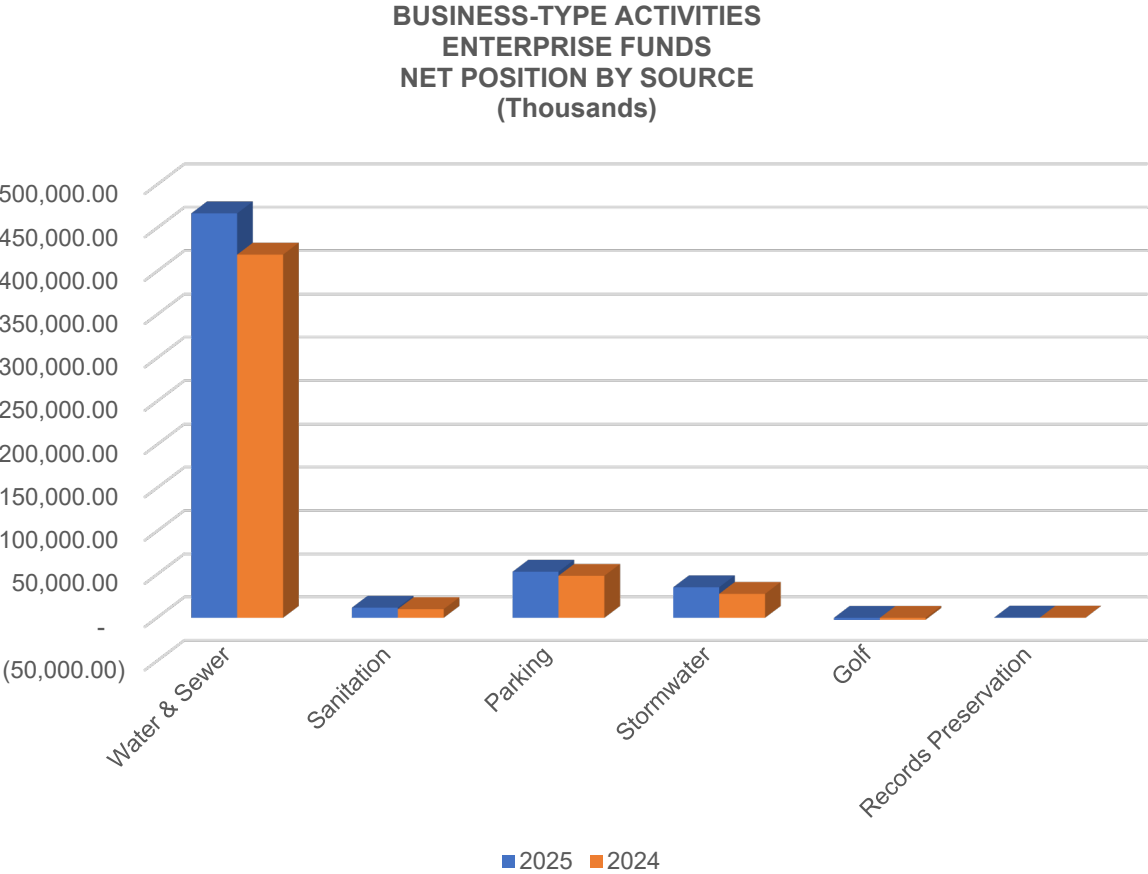
During the fiscal year, the City's governmental activities experienced an increase in total assets of \$104.4 million primarily because of \$101.0 million increase in capital assets, and general increases in cash and equivalents due to increases in tax-based revenues (property taxes). Long-term liabilities outstanding also experienced an decrease of \$116.6 million primarily due to decreases in the total OPEB liability, net pension liabilities, routine debt service payments.

Governmental activities has a \$142.8 million increase in net position. The increase is the result of increased property tax revenues due to increased property values, investments in fixed assets, positive investment returns, unrestricted PFAS settlement (special item), and intergovernmental revenues (grants), and increased charges for services. Business-type activities had an increase in its net position by \$60.4 million due to increased operating income (charges for services (utility bills) outpacing related operating expenses, investments in capital assets, and positive investment returns. In summary, the combined net position of the City increased by \$203.2 million, substantially as a result of revenues outpacing the increase in expenses. Changes in capital assets and long-term debt is discussed in further detail in the subsequent sections of this MD&A.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

The following charts illustrate net position for business-type activities.



MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

Table 2 presents a summary of the City's operations for fiscal year 2025 with comparative information for fiscal year 2024.

Table 2
Summary Changes in Net Position
As of September 30, 2025 and 2024
(\$ in thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for Services	\$ 97,698	\$ 87,285	\$ 168,112	\$ 169,093	\$ 265,810	\$ 256,378
Operating Grants and Contributions	18,189	33,234	-	-	18,189	33,234
Capital Grants and Contributions	17,038	8,043	10,646	7,931	27,684	15,974
General Revenues						
Property Taxes	166,469	154,833	-	-	166,469	154,833
Other Taxes	117,920	110,040	-	-	117,920	110,040
Grants and Contributions not Restricted to Specific Programs	10,312	8,076	-	-	10,312	8,076
Other Revenue	31,146	38,861	14,567	19,579	45,713	58,440
Total Revenues	458,772	440,372	193,325	196,603	652,097	636,975
Expenses:						
General Government	64,937	62,000	-	-	64,937	62,000
Public Safety	194,685	233,249	-	-	194,685	233,249
Public Works	19,028	18,675	-	-	19,028	18,675
Transportation	6,988	6,444	-	-	6,988	6,444
Economic Environment	15,203	29,395	-	-	15,203	29,395
Physical Environment	599	1,252	-	-	599	1,252
Culture and Recreation	21,582	18,767	-	-	21,582	18,767
Emergency and Disaster Relief	22	7	-	-	22	7
Interest and Fiscal Charges	7,915	8,320	-	-	7,915	8,320
Water	-	-	33,129	31,884	33,129	31,884
Sewer	-	-	56,803	56,020	56,803	56,020
Sanitation	-	-	19,414	19,120	19,414	19,120
Stormwater	-	-	4,175	5,681	4,175	5,681
Golf	-	-	2,978	2,843	2,978	2,843
Parking	-	-	10,677	10,417	10,677	10,417
Other	-	-	28	39	28	39
Total Expenses	330,959	378,109	127,204	126,004	458,163	504,113
Increase (Decrease) in Net Position Before Transfers	127,813	62,263	66,121	70,599	193,934	132,862
Net Transfers In/(Out)	6,705	5,907	(6,705)	(5,907)	-	-
Special Item	8,331	-	996	(6,109)	9,327	(6,109)
Increase/(Decrease) in Net Position	142,849	68,170	60,412	58,583	203,261	126,753
Net Position, October 1	(431,495)	(499,665)	510,172	451,589	78,677	(48,076)
Net Position, September 30	\$ (288,646)	\$ (431,495)	\$ 570,584	\$ 510,172	\$ 281,938	\$ 78,677

GOVERNMENTAL ACTIVITIES – Governmental activities net position was \$(288.6) million. Net position increased by \$142.8 million. The following describes the changes in revenues and expenses:

- Total revenues of \$458.8 million for governmental activities showed an overall increase of \$18.4 million primarily due to an increase in overall tax-based revenues (such as ad-valorem taxes), charges for services, investment revenues, and operating grant revenues.
- Increase in property tax revenues of \$11.6 million during the fiscal year due to a 9.3% increase in the taxable assessed values resulting in a 8.3% increase in the taxes levied.
- Increase of \$7.8 million of other taxes that are derived from sales, franchise fees, tourism, etc.
- The increase of \$10.4 million in charges for services is due increased demand for engineering related permits, vacation rentals, administrative fees, and building charges. In addition, \$2.8 million of the increase relates to Fire Special Assessments that are related to the tax roll and \$2.8 million related to EMS transport fee receipts that were depressed in the prior year due to a cyber-security threat at the medical billing service provider.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

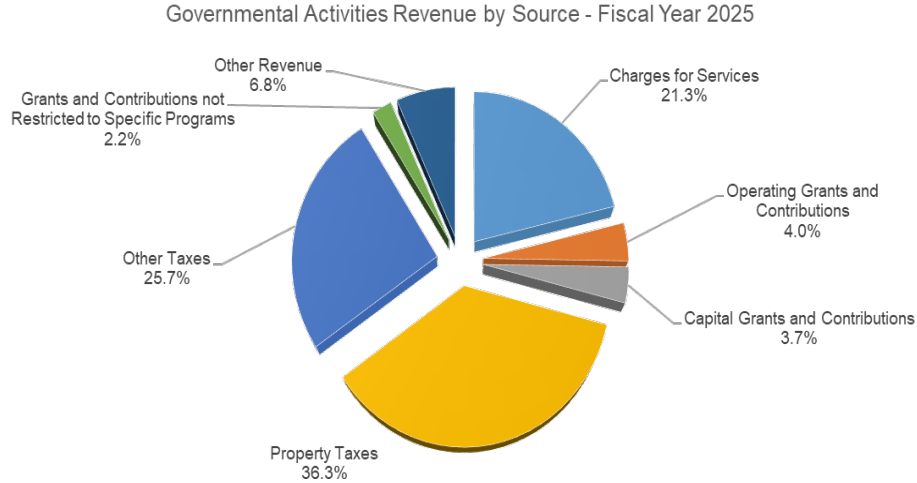
- Decrease in operating grants and contributions of \$15.0 million. The American Rescue Plan revenues decreased by \$3.8 million due to the timing of the grant expenditures of advanced proceeds. The SAFER Grant (Fire Staffing) completed in the first half of fiscal year 2025 resulting in a reduction of revenue of \$2.4 million. HUD (CDBG and HOME) grants decreased by \$2.2 million and is in line with the reduction in expenditures. County ILA grant revenues decreased by \$6.2 million and is also in line with the reduction in eligible expenditures.
- Decrease in other revenue of \$7.7 million due primarily to decrease in investment earnings from the prior year (although investment earnings were a positive \$21.4 million).
- Special item of \$8.3 million related to unrestricted settlement proceeds from a PFAS (Per- and polyfluoroalkyl substances or forever chemicals) class action lawsuit against DuPont, 3M, and various other defendants. The funds have no future restrictions.
- Total expenses of \$331.0 million for governmental activities showed an overall decrease of \$47.2 million due to:
 - The change in expense was primarily the result of the changes in the Pension (GASB 68) and OPEB (GASB 75) actuarial valuations and related accruals recorded as governmental activities. General Employees' pension expense was \$4.8 million, Police pension negative \$8.1 million, Fire pension negative \$9.2 million, and OPEB negative \$35.4 million. OPEB primarily decreased due to the change in the 20-year bond interest rate used to discount the liabilities. These expenses were offset by a \$5.3 million in compensated absences accruals due to the implementation of GASB 101, increase in employee counts, and the increase in overall compensation.
 - The reductions above were offset by increased operating costs due to inflation (general supply and service increases), personnel services, etc. Personnel costs increased by about 10.1% in the general fund and \$27.7% in the Building fund. The below represents the change in the annual actuarially determined required contributions for each pension plan (cash payments to each pension fund – does not include the state contributions):

Current Pension Contributions and Year over Year Change				
Pension Fund	FY 2025	FY 2024	Change 25 - 24	YOY %
General Employees	28,245,281	26,508,097	1,737,184	6.55%
Police	32,144,114	31,087,571	1,056,543	3.40%
Fire	24,740,949	23,983,225	757,725	3.16%
Total Payments	85,130,344	81,578,893	3,551,452	4.35%

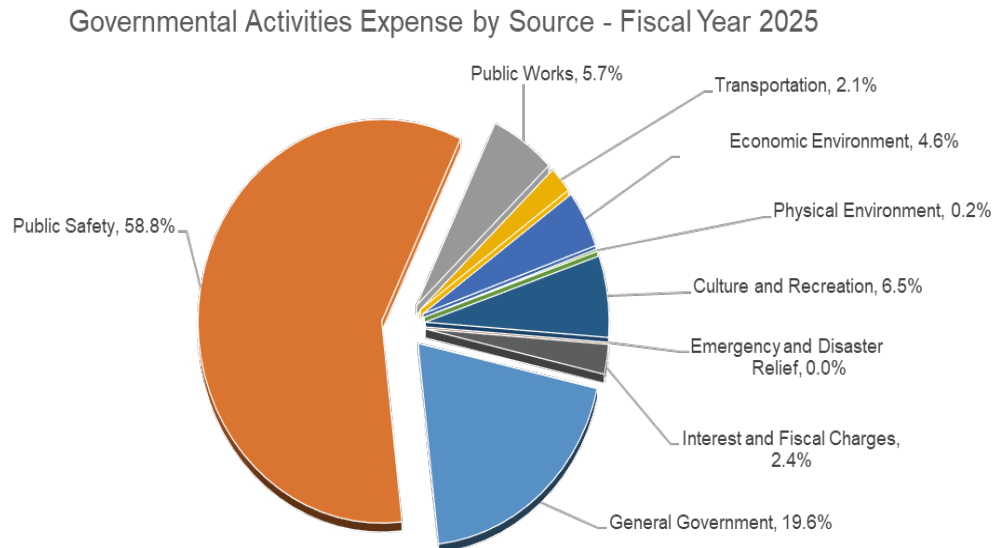
- Public safety accounted for the largest decrease in expense - \$38.6 million. This is primarily due to reductions in the actuarial valuations for pension and OPEB. Public Safety recorded a noncash pension expense reduction of \$8.1 for Police Pension, \$9.2 million for Fire pension, and \$24.8 million for OPEB.
- Decrease of \$14.2 million in economic environment expenditures primarily due to decreases in eligible grant expenses for HUD grants (\$4.8 million) and ILA grants (\$6.2 million).
- Increase of \$2.9 million in General Government due to increased personnel costs such as pension costs for various governmental services such as management, development services, finance, HR, DCM, etc. In addition, the General Government's share of the increase in the General Employees' pension cost was \$1.8 million.
- Increase of \$2.9 million in Culture and Recreation primarily due to personnel services and general increases in recreational operating costs for various contractual services.
- Decrease of \$0.4 million in interest and fiscal charges due to the reduction of debt through normal debt service payments.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

The following chart compares program revenues for governmental activities for fiscal year 2025:



The following chart illustrates expenses by source for governmental activities for fiscal year 2025.



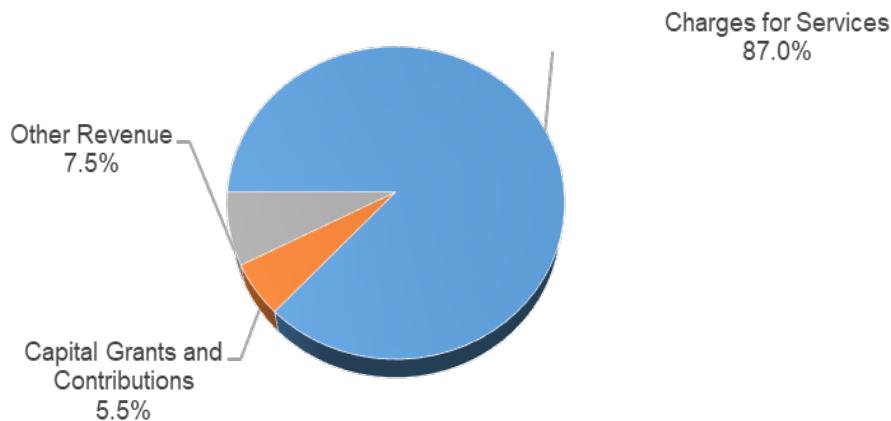
BUSINESS-TYPE ACTIVITIES – Business-type activities net position increased by approximately \$60.4 million in fiscal year 2025 (prior year increased by \$58.6 million). Operating income slightly decreased from \$47.0 million to \$45.1 million. Depreciation charges totaled \$24.0 million; an increase of \$0.6 million from the prior year. Revenues decreased by \$3.3 million and operating expenses increased by \$1.2 million from fiscal year 2024 to 2025. Charges for services decreased by \$1.0 million, Capital grants and contributions increased by \$2.7 million, and other revenues decreased by \$5.0 million. Operating charges remained consistent with the prior year. However, the Water and Sewer fund recorded a \$2.9 million large user true adjustment that decreased billed revenues to incurred revenues for each large user. The decrease in other revenues is primarily the result of reduced but positive investment earnings (\$5.0 million) and reduced fines within the Sanitation fund. Capital grants within the Water and Sewer Funds led to an increase in grant revenues. During fiscal year 2025, business-type activities recorded capital grants and contributions of approximately \$10.6 million relating to contributions from large users, impact fees, and capital related grants.

Operating expenses increased in the Water and Sewer System by \$1.6 million due to personnel costs, chemicals/supplies, repairs and maintenance, various feasibility studies, bio-solid disposal, and consulting

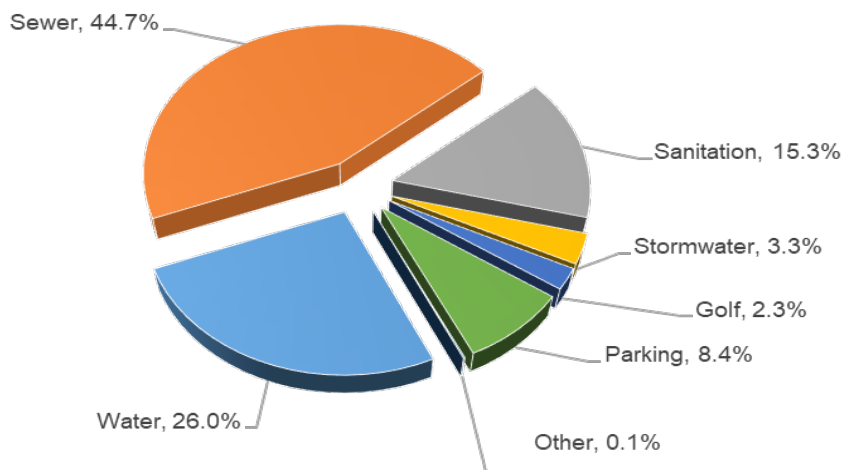
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

servicers for various non-capital projects. In addition, the Water and Sewer fund reduced its contingent liability by \$1.0 million (Special Item) for legal settlement (large user agreement) as the settlement was settled lower than previously accrued. The Stormwater Fund's operating expenses decreased by \$1.5 million due to decreases in pension costs and lift station costs. The Records and Golf Fund's operating expenses remained comparable with the prior year. The Sanitation fund's operating expenses increased by \$0.3 million due to personnel costs and increased costs associated with solid waste services (third party providers). The Parking Fund's operating expenses increased by \$0.3 million due to increased personnel cost and facility maintenance costs (parking garages). The following charts show revenues and expenses for business-type activities for fiscal year 2025.

Business-Type Revenue by Source - Fiscal Year 2025



Business-Type Expense by Source - Fiscal Year 2025



FINANCIAL ANALYSIS OF CITY FUNDS

GOVERNMENTAL FUNDS – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the City. At the end of fiscal year 2025, the total fund balance of the General Fund was \$109.4 million. Fund balance was classified as \$18 thousand as non-

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

spendable, \$0.3 million as restricted, \$3.2 million committed, \$3.6 million assigned and \$102.2 million unassigned. The City's unassigned fund balance is 35.6% of General Fund operating expenditures. Non-spendable, Restricted, Committed, and Assigned Fund balances comprised 2.5 percent of General Fund operating expenditures.

General Fund revenues increased \$30.6 million. Property tax revenues (\$11.6 million) and charges for services (\$9.9 million) were the largest contributors to the increase. Property taxes increased due to a 9.3% increase in the taxable assessed values and a 8.3% increase in the taxes levied. Charges for services consistent of vacation rental fees, various administrative fees, special assessments (Fire), EMS Medicaid Program fees, and engineering fees.

General Fund expenditures increased by \$26.3 million. The largest increase, \$15.7 million, was within public safety (Police, Fire, and Emergency Management). The increases were driven by personnel costs and contractual services. General government expenditures increased by \$5.4 million due to increased personnel costs and contractual services.

The BCRA records overlapping governmental revenue and grants for financing redevelopment activity in the beach redevelopment district. Due to the multi-year nature of redevelopment activities, funds may be accumulated for the purpose of providing funding for ongoing or planned construction projects. Fund balance for this fund totaled approximately \$53.1 million at September 30, 2025 and is restricted for specified activities of the fund. Fund balance increased by \$6.7 million during the current fiscal year. The increase is primarily related to the increase in tax increment property values within the Beach District. Property values subject to the Beach's tax increment increased from \$3.7 billion in 2024 to \$4.1 billion in 2025. The most significant operating expenses continue to be personnel costs and payments to the City for shared services (such as Police, Fire, etc.). The BCRA's capital expenditures increased by \$3.4 million primarily due ongoing construction in process. The Beach District's termination date is June 25, 2027.

The DCRA records overlapping governmental revenue and grants for financing redevelopment activity in the downtown redevelopment district. Due to the multi-year nature of redevelopment activities, funds may be accumulated for the purpose of providing funding for ongoing or planned construction projects. Fund balance for this fund totaled approximately \$18.1 million at September 30, 2025 and is restricted for specified activities of the fund. Fund balance increased by approximately \$2.1 million during the current fiscal year. The DCRA's revenues increased by \$1.9 million. The DCRA's property values subject to the tax increment increased from \$1.1 billion in 2024 to \$1.2 billion in 2025. The DCRA's expenses decreased by \$1.5 million primarily due to the wind down of the DCRA. Beginning January 1, 2025, the Downtown District exists on a non-TIF basis. The County will contribute 5 annual payments of \$3 million from December 31, 2025 to December 31, 2029 (total of \$15 million). The contributions are restricted for CRA purposes (Florida Statute 163.387(6)). The Downtown District's termination date is on or before September 30, 2041.

The General Obligation Capital Projects Fund Series 2022 received \$4.2 million in investment revenues offset by capital costs of \$47.2 million. This fund is used to account for the bond financed capital projects and is subject to the timing of the related capital projects. This fund's largest expenditures relates to the new Police Headquarters - \$41.8 million.

Nonmajor governmental funds had a change in fund balance of (\$7.5) million. The most significant cause for this decrease in fund balance is due to the timing of capital funding versus capital expenditure (in capital project funds). Revenues totaled \$61.9 million, expenditures totaled \$107.9 million, and net other financing sources of \$38.5 million. These funds receive transfers to fund capital expenditures and debt service expenditures. In addition, the Building Fund had a fund balance (restricted) of \$19.4 million. This fund is used to account for the operations relating to Florida Statute 553.80. Within the Building Fund, revenues decreased by \$1.9 million (due to decreased Building Permits), expenditures increased by \$1.0 million, and other finance sources decreased by \$2.3 million. The fund had a negative change in fund balance of \$5.4 million. Expenditures increased due to the personnel costs and the ongoing Accela project (phase 2).

PROPRIETARY FUNDS – The City's proprietary funds provide the same type of information found in the Government-wide Financial Statements as discussed above. Below are some additional information.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

Unrestricted net position of the Water and Sewer Utility Fund and Other Enterprise Funds at the end of the fiscal year amounted to \$158.4 million and \$31.9 million, respectively. The Water and Sewer Utility Fund has an increase in net position of \$47.6 million. Nonmajor enterprise fund's net position increased by \$13.9 million. The Utility Funds increase is due to positive operating income (Utility Billing/Fees for Water and Sewer, Stormwater, and Sanitation), increased rates, reduced large user refunds, and continued demand for beach and downtown parking. Enterprise Fund expenditures increased for personnel costs (salaries, benefits, pension, compensated absences, and OPEB). In addition, inflation and supply chain demands continue to cause increased operating costs relating to contractual services, repairs, and chemicals. The City's Regional Wastewater Treatment Facility provides services to residents of the City and those of six (6) other jurisdictions in southern Broward County. The terms and conditions of these services are set in Large User Wastewater Agreements entered with those local governments.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the City's revenue and expense a budgets increased by about \$21.6 million from original budget. The increase primarily in transfers out relating to funding capital outlay in capital projects funds. The General Fund's fund balance at fiscal year-end was \$109.4 million or \$17.3 million more than beginning fund balance.

Total revenues for the fiscal year were higher than the amended revenues by approximately \$13.7 million. The most significant variances were attributed to actual revenues exceeding budget by \$2.4 million for charges for services, \$2.7 million in investment revenue, and \$4.0 million for miscellaneous. Ad Valorem/Property Tax revenues increased by 8.27% and is in line with the increase in the property tax assessed values (refer to the statistical section for more information). Increase in property taxes of \$11.6 million during the fiscal year due to a 9.3% increase in the taxable assessed values and a 8.3% increase in the taxes levied. Property taxes are roughly 47.3% of the General Fund Revenues. Investment revenues decreased from \$1.5 million to \$4.9 million due to an average return of 4.6% (versus 7.1% in the prior year) return on pooled investments. Charges for services increased from \$72.1 million to \$82.0 million. Within Charges for services, Fire rescue special assessments, administrative costs/cost allocations to other funds, and vacation rentals accounted for the most significant increases. Fire rescue special assessments increased, per study/valuation, from \$31.1 million to \$34.3 million (gross). Fire special assessments are collected through the tax collector like property taxes. EMS transport fees increased by \$2.8 million. In the prior year, billing was delayed due to a cyber security incident at the medical billing provider. Administrative costs and related user charges to other funds increased to cover the closing of the DCRA and the future closing of the BCRA. Miscellaneous revenue exceeded budgeted mainly due to \$5.3 million of Fire and Police State Chapter Funding that was received in late 2025 and then was distributed to the respective pension board within 5 days of receipt (reflected as a public safety expense).

Overall, General Fund expenditures were less than final budgeted expenditures by \$12.0 million. This positive variance was due primarily to actual costs being less than expected; public safety for \$0.8 million, general government for \$8.7 million (includes \$6.7 million for contingent expenses), transportation for \$0.3 million, economic environment for \$0.8 million, and culture and recreation for \$1.0 million. The General Fund's largest expenditure consists of personnel services (wages, taxes, etc.). Personnel services represent 82.7 percent of the total expenditures. Personnel services increased from \$215.6 million in FY 2024 to \$237.4 million in FY 2025. Overtime costs decreased from \$6.4 million to \$6.2 million. Other significant increased costs relate to contractual services for repairs and maintenance, special events, etc. In addition, there were significant increases in health and liability insurances among the various departments of the General Fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS – The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to \$942.5 million (net of accumulated depreciation and amortization) as presented in Table 3. This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, streets, roads, and bridges. The total increase in the City's investment in capital assets for fiscal year 2025 was 21.6% or \$167.7 million (a 37.2% increase for governmental activities and a 13.2% increase for business-type activities). Notable additions and construction on progress within the governmental activities include the Police Headquarters Project (expected completing during fiscal year 2026), Hollywood Beach Golf Course, Art and Culture Center

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

expansion, infrastructure improvements, and fleet/vehicle replacements. Within business type activities, the Water and Sewer fund has notable ongoing CIP projects for the Deep Injection Wells, lift and pump stations, and various infrastructure improvements. The Stormwater fund has notable ongoing CIP projects for various pump stations and drainage infrastructure. The Parking Fund's additions included \$5.0 million related to the purchase of 1702 – 1710 Harrison street and \$8.4 million relating to the University Station Parking Garage.

Table 3
Capital Assets
As of September 30, 2025 and 2024
(\$ in thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 49,135	\$ 49,135	\$ 11,271	\$ 6,285	\$ 60,406	\$ 55,420
Buildings and Improvements - net	96,624	66,502	347,095	331,623	443,719	398,125
Machinery and Equipment - net	27,953	32,250	7,595	4,621	35,548	36,871
Lease - GASB 87 - net	7,968	1,679	907	183	8,875	1,862
SBITA - GASB 96 - net	5,707	7,774	453	767	6,160	8,541
Infrastructure - net Construction in Progress	32,548	31,249	-	-	32,548	31,249
	<u>152,455</u>	<u>82,793</u>	<u>202,793</u>	<u>159,991</u>	<u>355,248</u>	<u>242,784</u>
	<u>\$ 372,390</u>	<u>\$ 271,382</u>	<u>\$ 570,114</u>	<u>\$ 503,470</u>	<u>\$ 942,504</u>	<u>\$ 774,852</u>

Additional information on the City's capital assets can be found in Note 5.

LONG-TERM DEBT – At the end of fiscal year 2025, the City had total bonded debt outstanding of \$443.4 million. Of this amount, \$262.7 million is revenue bonds and loans, \$150.0 million in a general obligation note and \$14.1 million in leases and Subscription Based IT Arrangement liabilities (SBITA). The remainder of the City's debt represents other loans and notes secured solely by specified revenue sources.

Table 4
Outstanding Debt
As of September 30, 2025 and 2024
(\$ in thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligations						
Notes	\$ 150,000	\$ 156,757	\$ -	\$ -	\$ 150,000	\$ 156,757
Other Loans and Notes	-	-	-	-	-	-
Revenue Bonds and						
Loans	39,559	41,089	223,157	206,378	262,716	247,467
Lease - GASB 87	7,720	1,608	1,015	196	8,735	1,804
SBITA	4,907	7,541	446	755	5,353	8,296
Direct Financing	-	343	-	-	-	343
Loans, and Capital	202,186	207,338	224,618	207,329	426,804	414,667
Premium/(Discount)	11,852	13,188	4,713	5,401	16,565	18,589
Total Outstanding	<u>\$ 214,038</u>	<u>\$ 220,526</u>	<u>\$ 229,331</u>	<u>\$ 212,730</u>	<u>\$ 443,369</u>	<u>\$ 433,256</u>

During fiscal year 2025, the City's total debt increased by \$10.1 million. Governmental activities' total debt decreased by \$6.5 million. The decrease in governmental activities debt is due to \$21.3 million of reoccurring debt service payments on outstanding debt outpacing the increase in debt issuances. Debt increases relate to the issuances of \$6.6 million relating to the Noresco Project Loan – Phase 2, \$7.8 million in new leases (mainly Enterprise Fleet Lease), \$0.4 million in new SBITA (Telestaff). Business-type activities had a net increase in total debt of \$16.6 million due to a \$26.7 million increase in state revolving loans and a \$1.0 million increase in Lease liabilities less debt service payments of \$11.1 million.

The City achieved an "AA-" rating from Fitch and "Aa3" from Moody's for its most recent borrowing, the \$84,800,000 General Obligation Bonds, Series 2022. The City's Water and Sewer Revenue bonds achieved an "AA" rating from Fitch. Additional information on the City's SBITA, capital leases and long-term debt can be found in Notes 8 - 10 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited – See accompanying independent auditors' report)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

At September 30, 2025, the City and overall Country have seen the impacts of inflation, insurance costs, rising energy costs, supply chain issues, climate events, cybersecurity threats, political instability, and overall economic instability continue to cause increased cost across all operations. Property taxes and demand for housing in South Florida have helped in the financial stability of the City. In addition, there is steady tourism demand for South Florida. However, property insurance costs and the overall cost of living have risen. In addition, the State of Florida currently has bills in review relating to property tax reform that could impact public services and reduce the City's local revenue sources.

All these factors were considered in preparing the City's budget for fiscal year 2026. The budget was also developed using conservative assumptions of revenues and moderate growth for expenditures. The City adopted a budget that is \$97.9 million or 11.9% higher than the previous year. The increase is largely attributable to improving existing services, public safety enhancements, workforce investment, technology upgrade and increases in the capital improvement plan. The City adopted an operating millage rate of 7.4293 a decrease of .0186 from 2025. As a result of a 7.86% increase in the City's taxable property values, property tax revenues are expected to increase to \$193.4 million from \$182.2 million.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Financial Services, 2600 Hollywood Boulevard, Hollywood, Florida 33020.



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CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities	Business-type Activities	Total	Component Unit Emerald Hills Safety District
ASSETS:				
Cash	\$ 10,573,391	\$ 103,013	\$ 10,676,404	\$ 40,978
Pooled Cash, Investments, and Equivalents	391,051,545	315,001,390	706,052,935	-
Accounts Receivable - Net of Allowances	6,536,812	18,725,855	25,262,667	-
Notes Receivable - Net of Allowances	10,916,553	-	10,916,553	-
Lease Receivable - GASB 87	62,515,423	-	62,515,423	-
Reinsurance Receivable	538,994	-	538,994	-
Due from Other Governments	14,086,430	1,614,894	15,701,324	-
Internal Balances	(2,412,836)	2,412,836	-	-
Inventories of Supplies	76,880	1,530,859	1,607,739	-
Prepaid Items	1,387,870	1,250	1,389,120	-
Assets Held for Sale	215,626	-	215,626	-
Restricted Assets:				
Pooled Cash, Investments, and Equivalents	95,308,038	54,672,408	149,980,446	-
Assessments - Net of Allowances	-	809,115	809,115	-
Capital Assets:				
Non-Depreciable	201,590,400	214,064,102	415,654,502	-
Depreciable - Net	157,125,155	354,690,125	511,815,280	-
Right to Use Assets - net	7,968,213	906,991	8,875,204	-
Right to Use - IT Subscription - Net	5,706,576	453,160	6,159,736	-
TOTAL ASSETS	963,185,070	964,985,998	1,928,171,068	40,978
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred Outflow General Employees	30,484,146	10,811,166	41,295,312	-
Deferred Outflow Police	38,287,973	-	38,287,973	-
Deferred Outflow Fire	33,882,117	-	33,882,117	-
Deferred Outflow FRS	515,246	-	515,246	-
Deferred Outflow for OPEB	69,648,878	20,098,219	89,747,097	-
Deferred Charge on Refunding	377,912	279,827	657,739	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	173,196,272	31,189,212	204,385,484	-
LIABILITIES:				
Vouchers Payable	14,754,361	13,645,290	28,399,651	-
Accrued Wages	7,213,852	1,100,801	8,314,653	-
Retainage and Construction Contracts Payable	11,778,760	257,088	12,035,848	-
Due to Other Governments	372,782	8,500,815	8,873,597	-
Interest Payable	2,120,119	4,554	2,124,673	-
Unearned Revenue	24,229,270	1,630,465	25,859,735	-
Deposits Payable	625,989	33,654	659,643	-
Payable from Restricted Assets:				
Retainage and Construction Contracts Payable	-	8,797,844	8,797,844	-
Interest Payable	-	340,397	340,397	-
Deposits	-	2,756,826	2,756,826	-

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

(Continued)

CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities	Business-type Activities	Total	Component Unit Emerald Hills Safety District
LIABILITIES (Continued):				
Noncurrent Liabilities:				
Due Within One Year:				
Compensated Absences	\$ 11,327,235	\$ 1,315,397	\$ 12,642,632	\$ -
Claims Payable	7,789,391	-	7,789,391	-
Bonds, Financed Purchases, and Loans Payable	15,249,548	13,290,363	28,539,911	-
Lease Liability	2,597,486	251,162	2,848,648	-
Total Other Postemployment Benefits Liability	15,716,046	3,125,954	18,842,000	-
SBITA Liability	2,044,961	333,096	2,378,057	-
Due in More Than One Year:				
Compensated Absences	15,324,352	1,637,099	16,961,451	-
Claims Payable	12,861,969	-	12,861,969	-
Bonds and Loans Payable	186,161,216	214,579,681	400,740,897	-
Lease Liability	5,122,815	763,830	5,886,645	-
SBITA Liability	2,861,544	112,915	2,974,459	-
Net Pension Liability				
Net Pension Liability General Employees	141,873,948	50,780,100	192,654,048	-
Net Pension Liability Police	216,251,460	-	216,251,460	-
Net Pension Liability Fire	140,029,489	-	140,029,489	-
Net Pension Liability FRS	1,034,868	-	1,034,868	-
Total Other Postemployment Benefits Liability	325,943,135	64,830,750	390,773,885	-
TOTAL LIABILITIES	1,163,284,596	388,088,081	1,551,372,677	-
DEFERRED INFLOWS OF RESOURCES:				
Deferred Inflow General Employees	17,987,115	8,202,524	26,189,639	-
Deferred Inflow Police	30,405,346	-	30,405,346	-
Deferred Inflow Fire	29,232,731	-	29,232,731	-
Deferred Inflow FRS	219,433	-	219,433	-
Deferred Inflow for OPEB Liability	123,679,482	29,300,854	152,980,336	-
Deferred Inflow of Leases	60,218,983	-	60,218,983	-
TOTAL DEFERRED INFLOWS OF RESOURCES	261,743,090	37,503,378	299,246,468	-
NET POSITION:				
Net Investment in Capital Assets	240,231,331	332,008,226	572,239,557	-
Restricted for:				
Future Capital Projects	1,567,382	12,021,604	13,588,986	-
Future Debt Service	1,671,324	3,565,999	5,237,323	-
Future Grants and Special Programs	10,254,726	-	10,254,726	-
Future Community Redevelopment	69,177,503	-	69,177,503	-
Building operations	19,449,296	-	19,449,296	-
Water and Sewer Rate Stabilization Reserve	-	10,000,000	10,000,000	-
Impact Fees	18,950,638	17,232,868	36,183,506	-
Future public safety projects and programs	4,253,252	-	4,253,252	-
Future Other Purposes	215,626	-	215,626	-
Unrestricted (Deficit)	(654,417,422)	195,755,054	(458,662,368)	40,978
TOTAL NET POSITION	\$ (288,646,344)	\$ 570,583,751	\$ 281,937,407	\$ 40,978

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

CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Program Revenue				Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges for Services, Fees, Fines and Forfeitures	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Emerald Hills Safety District
	Expenses							
FUNCTIONS/PROGRAMS:								
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
General Government	\$ 64,936,874	\$ 29,603,668	\$ 756,090	\$ 225,872	\$ (34,351,244)	\$ -	\$ (34,351,244)	\$ -
Public Safety:								
Police	101,686,676	4,906,027	612,201	1,396,519	(94,771,929)	-	(94,771,929)	-
Fire	77,402,874	43,997,421	1,466,983	1,435,999	(30,502,471)	-	(30,502,471)	-
Other Public Safety	15,595,413	15,254,784	196,073	-	(144,556)	-	(144,556)	-
Public Works	19,028,342	619,664	-	-	(18,408,678)	-	(18,408,678)	-
Transportation	6,988,172	6,948	1,543,812	4,261,934	(1,175,478)	-	(1,175,478)	-
Economic Environment	15,202,668	557,761	10,180,276	-	(4,464,631)	-	(4,464,631)	-
Physical Environment	598,787	661,181	-	8,793,087	8,855,481	-	8,855,481	-
Culture and Recreation	21,582,283	2,090,943	1,262,934	924,980	(17,303,426)	-	(17,303,426)	-
Emergency and Disaster Relief	22,251	-	2,170,892	-	2,148,641	-	2,148,641	-
Interest and Fiscal Charges	7,915,277	-	-	-	(7,915,277)	-	(7,915,277)	-
Total Governmental Activities	330,959,617	97,698,397	18,189,261	17,038,391	(198,033,568)	-	(198,033,568)	-
BUSINESS-TYPE ACTIVITIES:								
Water	33,129,139	52,108,100	-	985,897	-	19,964,858	19,964,858	-
Sewer	56,803,200	67,396,837	-	9,330,314	-	19,923,951	19,923,951	-
Sanitation	19,414,026	20,214,537	-	-	-	800,511	800,511	-
Stormwater	4,174,618	10,990,151	-	330,130	-	7,145,663	7,145,663	-
Golf	2,978,418	2,849,627	-	-	-	(128,791)	(128,791)	-
Parking	10,677,037	14,519,007	-	-	-	3,841,970	3,841,970	-
Other	27,771	33,306	-	-	-	5,535	5,535	-
Total Business-type Activities	127,204,209	168,111,565	-	10,646,341	-	51,553,697	51,553,697	-
Total Primary Government	\$ 458,163,826	\$ 265,809,962	\$ 18,189,261	\$ 27,684,732	(198,033,568)	51,553,697	(146,479,871)	-
Component Unit								
Emerald Hills Safety District	\$ 129,147	\$ -	\$ -	\$ -	-	-	-	(129,147)
General Revenues:								
Taxes:								
Property Taxes Levied for General Purpose					152,593,184	-	152,593,184	-
Property Taxes Levied for Debt Service					13,875,586	-	13,875,586	-
Property Taxes Incremental					55,033,323	-	55,033,323	-
Utility Service Taxes					26,674,867	-	26,674,867	-
Franchise Taxes					19,354,056	-	19,354,056	-
Sales Tax					11,708,871	-	11,708,871	-
Gas Tax					2,665,705	-	2,665,705	-
Local Business Tax					2,483,047	-	2,483,047	125,859
Miscellaneous					9,488,272	-	9,488,272	-
Gain (loss) on sale of capital asset					247,875	23,716	271,591	-
Unrestricted investment earnings					21,409,528	14,543,145	35,952,673	358
Noncapital Other Contributions					10,312,001	-	10,312,001	-
Transfers:					6,705,056	(6,705,056)	-	-
Total General Revenues and Transfers					332,551,371	7,861,805	340,413,176	126,217
Special Item:								
Legal Settlements					8,331,335	996,785	9,328,120	-
Change in Net Position					142,849,138	60,412,287	203,261,425	(2,930)
Net Position - Beginning					(431,495,482)	510,171,464	78,675,982	43,908
Net Position - Ending					\$ (288,646,344)	\$ 570,583,751	\$ 281,937,407	\$ 40,978

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

CITY OF HOLLYWOOD, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General	General Obligation Bond Capital Projects Series 2022	Beach Community Redevelopment	Downtown Community Redevelopment	Other Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS						
OF RESOURCES:						
ASSETS:						
Cash	\$ 14,000	\$ -	\$ 200	\$ 200	\$ 7,322,174	\$ 7,336,574
Pooled Cash and Investments	107,248,554	-	56,776,189	20,428,794	128,656,196	313,109,733
Receivable - Net of Allowances Notes	6,239,038	-	4,425	1,437	102,513	6,347,413
Receivable - Net of Allowances Lease	-	-	-	-	47,166,214	47,166,214
Receivable - GASB 87	62,515,423	-	-	-	-	62,515,423
Due from Other Funds	5,118,026	-	-	-	-	5,118,026
Due from Other Governments	3,223,398	-	2,127,565	-	8,735,467	14,086,430
Inventories of Supplies	17,539	-	-	-	-	17,539
Prepaid Items	-	-	-	-	395,022	395,022
Assets Held for Sale	-	-	-	-	215,626	215,626
Restricted Assets:						
Pooled cash and Investments	-	67,734,519	-	-	27,573,519	95,308,038
Total Assets	<u>\$ 184,375,978</u>	<u>\$ 67,734,519</u>	<u>\$ 58,908,379</u>	<u>\$ 20,430,431</u>	<u>\$ 220,166,731</u>	<u>\$ 551,616,038</u>
LIABILITIES, DEFERRED INFLOWS OF						
RESOURCES AND FUND BALANCES:						
LIABILITIES:						
Vouchers Payable	\$ 2,883,529	\$ 1,857,262	\$ 2,286,339	\$ 883,329	\$ 5,981,291	\$ 13,891,750
Accrued Wages and Leave	6,511,569	-	36,842	11,961	359,316	6,919,688
Construction Contracts Payable	-	6,393,467	1,538,485	1,435,076	2,411,731	11,778,759
Due to Other Funds	-	-	-	-	2,084,331	2,084,331
Due to Other Governments	-	-	-	-	372,782	372,782
Unearned Revenue	2,075,137	-	-	-	19,345,315	21,420,452
Deposits Payable	502,022	-	-	3,577	120,390	625,989
Total Liabilities	<u>11,972,257</u>	<u>8,250,729</u>	<u>3,861,666</u>	<u>2,333,943</u>	<u>30,675,156</u>	<u>57,093,751</u>
DEFERRED INFLOWS OF RESOURCES:						
Unavailable or Advanced Revenue	2,777,562	-	1,960,507	-	53,223,068	57,961,137
Deferred Inflow for Leases	60,218,983	-	-	-	-	60,218,983
Total Deferred Inflows of Resources	<u>62,996,545</u>	<u>-</u>	<u>1,960,507</u>	<u>-</u>	<u>53,223,068</u>	<u>118,180,120</u>
FUND BALANCES:						
Nonspendable	17,539	-	-	-	395,022	412,561
Restricted	340,516	59,483,790	53,086,206	18,096,488	87,021,277	218,028,277
Committed	3,241,205	-	-	-	43,858,834	47,100,039
Assigned	3,647,735	-	-	-	7,321,573	10,969,308
Unassigned	102,160,181	-	-	-	(2,328,199)	99,831,982
Total Fund Balances	<u>109,407,176</u>	<u>59,483,790</u>	<u>53,086,206</u>	<u>18,096,488</u>	<u>136,268,507</u>	<u>376,342,167</u>
TOTAL LIABILITIES, DEFERRED						
INFLOWS OF RESOURCES						
AND FUND BALANCES						
	<u>\$ 184,375,978</u>	<u>\$ 67,734,519</u>	<u>\$ 58,908,379</u>	<u>\$ 20,430,431</u>	<u>\$ 220,166,731</u>	<u>\$ 551,616,038</u>

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

CITY of Hollywood, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2025

Total fund balances - governmental funds	\$ 376,342,167
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of accumulated depreciation are not financial resources and, therefore, are not reported in the funds	356,928,909
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:	
Bonds payable	(198,255,032)
Pension Settlement Accrued Expenses	
Net premium on bonds	
Compensated absences	(25,713,732)
Accrued interest payable	(2,056,838)
OPEB	(328,385,261)
Net pension liability - General Pension	(127,759,397)
Net pension liability - Police	(216,251,460)
Net pension liability - Fire	(140,029,489)
Net pension liability - FRS	(1,034,868)
Total long term liabilities	(1,039,486,077)
Unavailable revenues that meet the criteria for recognition in the Statement of Activities.	18,902,657
In governmental funds, deferred outflows and inflows of resources relating to pensions and deferred refunding costs are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.	
Deferred refunding costs	377,912
Deferred outflows of resources relating to the General Employees Pension	27,420,573
Deferred outflows of resources relating to the Police Pension	38,287,973
Deferred outflows of resources relating to the Fire Pension	33,882,117
Deferred outflows of resources relating to the FRS Pension	515,246
Deferred outflows of resources relating to OPEB	65,752,719
Deferred inflows of resources relating to the General Employees Pension	(16,195,619)
Deferred inflows of resources relating to the Police Pension	(30,405,346)
Deferred inflows of resources relating to the Fire Pension	(29,232,731)
Deferred inflows of resources relating to the FRS Pension	(219,433)
Deferred inflows of resources relating to OPEB	(116,915,285)
	(26,731,874)
Internal service funds are used by management to charge the costs of fleet management, property management, central services, self insurance, and communications to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
	30,844,405
Adjustment to the Enterprise Funds for Internal Services Look-back	(5,446,531)
Net position of governmental activities	<u>\$ (288,646,344)</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, 2025

	General	General Obligation Bond Capital Projects Series 2022	Beach Community Redevelopment	Downtown Community Redevelopment	Other Governmental Funds	Total Governmental Funds
REVENUES:						
Property Taxes	\$ 152,408,469	\$ -	\$ 21,496,848	\$ 8,737,542	\$ 13,875,586	\$ 196,518,445
Utilities Service Taxes	26,674,867	-	-	-	-	26,674,867
Franchise Taxes	19,354,056	-	-	-	-	19,354,056
Licenses and Permits	2,500,613	-	-	-	9,162,708	11,663,321
Intergovernmental	22,402,851	-	18,436,295	7,237,850	27,570,299	75,647,295
Impact Fees	-	-	-	-	1,492,499	1,492,499
Charges for Services	82,008,653	-	-	-	3,304,234	85,312,887
Fines and Forfeitures	1,591,897	-	-	-	407,862	1,999,759
Investment Revenue	4,911,166	4,220,357	2,560,654	634,282	5,920,924	18,247,383
Miscellaneous	10,377,489	-	18,860	-	202,694	10,599,043
Total Revenues	<u>322,230,061</u>	<u>4,220,357</u>	<u>42,512,657</u>	<u>16,609,674</u>	<u>61,936,806</u>	<u>447,509,555</u>
EXPENDITURES:						
Current:						
General Government	36,770,187	-	18,346,999	8,887,196	2,357,188	66,361,570
Public Safety	206,811,350	-	-	-	19,533,969	226,345,319
Public Works	18,909,551	-	-	-	-	18,909,551
Transportation	3,269,741	-	-	567,637	3,216,134	7,053,512
Economic Environment	3,630,767	-	1,277,285	339,950	7,233,090	12,481,092
Physical Environment	-	-	157,956	357,881	82,950	598,787
Culture and Recreation	15,362,336	2,792,862	-	-	2,011,183	20,166,381
Emergency and Disaster Relief	-	-	-	-	22,251	22,251
Capital Outlay:						
General Government	23,368	-	37,287	-	4,384,801	4,445,456
Public Safety	518,725	41,765,591	112,541	-	19,691,826	62,088,683
Transportation	-	-	284,085	894,455	7,619,016	8,797,556
Economic Environment	-	-	111,927	3,423,215	247,152	3,782,294
Physical Environment	-	-	15,270,361	-	8,920,614	24,190,975
Culture and Recreation	32,333	2,625,731	147,475	-	10,813,873	13,619,412
Debt Service:						
Principal	1,530,214	-	51,638	12,910	13,315,770	14,910,532
Interest and Fiscal Charges	42,825	-	5,562	1,390	8,457,488	8,507,265
Total Expenditures	<u>286,901,397</u>	<u>47,184,184</u>	<u>35,803,116</u>	<u>14,484,634</u>	<u>107,907,305</u>	<u>492,280,636</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>35,328,664</u>	<u>(42,963,827)</u>	<u>6,709,541</u>	<u>2,125,040</u>	<u>(45,970,499)</u>	<u>(44,771,081)</u>

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

(Continued)

(Continued)

CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>General</u>	<u>General Obligation Bond Capital Projects Series 2022</u>	<u>Beach Community Redevelopment</u>	<u>Downtown Community Redevelopment</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
OTHER FINANCING SOURCES						
(USES):						
Transfers In	\$ 7,765,121	\$ -	\$ -	\$ -	\$ 30,645,072	\$ 38,410,193
Transfers Out	(34,547,198)	-	-	-	(684,318)	(35,231,516)
Sale of Assets	31,792	-	-	-	1,393	33,185
Lease (right-of-use asset) Acquired	-	-	-	-	1,943,296	1,943,296
SBITA Acquired	433,000	-	-	-	-	433,000
Debt Issued - Principal	-	-	-	-	6,578,692	6,578,692
Total Other Financing						
Sources (Uses)	<u>(26,317,285)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,484,135</u>	<u>12,166,850</u>
SPECIAL ITEM:						
PFAS Legal Settlement (See Note 25)	<u>8,331,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,331,956</u>
Change in Fund Balances	17,343,335	(42,963,827)	6,709,541	2,125,040	(7,486,364)	(24,272,275)
Fund Balances - Beginning	<u>92,063,841</u>	<u>102,447,617</u>	<u>46,376,665</u>	<u>15,971,448</u>	<u>143,754,871</u>	<u>400,614,442</u>
Fund Balances - Ending	<u>\$ 109,407,176</u>	<u>\$ 59,483,790</u>	<u>\$ 53,086,206</u>	<u>\$ 18,096,488</u>	<u>\$ 136,268,507</u>	<u>\$ 376,342,167</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, 2025

Net change in fund balance - total governmental funds	\$	(24,272,275)
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Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital outlay	\$	116,924,376	
Contributions proprietary funds, net		(221,962)	
Deletions		(15,046)	
Depreciation expense		<u>(16,344,487)</u>	
Excess of capital outlay over depreciation expense			100,342,881

The issuance of long-term debt (e.g. bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations is an expenditure in the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

In the current year, these amounts consist of:

Proceeds from state revolving loan			
Payment to escrow for refunding debt			
Bonds principal retirement		14,910,532	
Loan Proceeds, Lease, and SBITAs		(8,954,988)	
Amortization of unamortized refunding costs		(70,157)	
Amortization of net bond premium(s)		1,293,834	
OPEB		<u>35,375,110</u>	
Total long term-debt retirement and related transactions			42,554,331

Expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

These activities consist of:

Increase in compensated absences		(5,289,892)	
Increase in accrued interest expense		<u>50,297</u>	
Total additional expense			(5,239,595)

In government funds, pension costs are recognized when employer contributions are made.

In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contribution was:

General employee pension		(4,839,237)	
Police pension		8,114,305	
Fire Pension		9,222,885	
FRS Pension		<u>87,151</u>	
			12,585,104

Unearned revenue that meet the revenue recognition criteria in the Statement of Activities, but not the fund statements, i.e. property taxes.		7,746,731.00
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Internal funds are used by management to charge the costs of fleet management, property management, central services, self insurance, and communications to individual funds.

Internal Service Funds Change in Net Position		8,075,518	
Look-Back adjustment		<u>1,056,443</u>	
			9,131,961

Change in net position of governmental activities	\$	<u>142,849,138</u>
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The notes to the financial statements are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Other Enterprise Funds	Total	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:				
ASSETS:				
CURRENT ASSETS:				
Cash	\$ 700	\$ 102,313	\$ 103,013	\$ 3,236,817
Pooled Cash and Investments	250,787,364	64,214,026	315,001,390	77,941,809
Accounts Receivable - Net of Allowances	14,635,510	4,090,345	18,725,855	189,399
Reinsurance Receivable	-	-	-	538,994
Due from Other Governments	1,203,276	411,618	1,614,894	-
Inventories of Supplies	1,530,859	-	1,530,859	59,341
Prepaid Items	-	1,250	1,250	992,848
Restricted Assets:				
Pooled Cash and Investments	10,684,654	1,673,067	12,357,721	-
Total Current Assets	278,842,363	70,492,619	349,334,982	82,959,208
NONCURRENT ASSETS:				
Restricted Assets:				
Pooled Cash and Investments	42,314,687	-	42,314,687	-
Total Restricted Assets	42,314,687	-	42,314,687	-
Capital Assets:				
Land	3,697,837	7,572,878	11,270,715	-
Buildings	51,197,766	59,834,514	111,032,280	1,594,704
Improvements	728,456,376	24,581,594	753,037,970	-
Machinery and Equipment	11,210,168	6,183,470	17,393,638	37,676,853
Accumulated Depreciation	(483,949,107)	(42,824,656)	(526,773,763)	(31,711,683)
Construction in Progress	191,619,583	11,173,804	202,793,387	-
Right to Use - Subscription Asset	1,150,219	63,420	1,213,639	5,313,701
Accumulated Amortization - Subscription Asset	(711,382)	(49,097)	(760,479)	(3,356,115)
Right to Use - Lease Equipment	721,081	647,133	1,368,214	9,902,328
Accumulated Amortization - Right to Use - Lease Equipment	(96,144)	(365,079)	(461,223)	(3,958,353)
Total Capital Assets	503,296,397	66,817,981	570,114,378	15,461,435
Other Assets:				
Assessments - Net of Allowances	809,115	-	809,115	-
Total Noncurrent Assets	546,420,199	66,817,981	613,238,180	15,461,435
Total Assets	825,262,562	137,310,600	962,573,162	98,420,643
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred Outflow - General Employees Pension	8,228,045	2,583,121	10,811,166	3,063,573
Deferred Outflow for OPEB	11,031,068	9,067,151	20,098,219	3,896,159
Deferred Charge on Refunding	279,827	-	279,827	-
Total Deferred Outflows of Resources	19,538,940	11,650,272	31,189,212	6,959,732
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	844,801,502	148,960,872	993,762,374	105,380,375

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

(Continued)

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CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Other Enterprise Funds	Total	Funds
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:				
LIABILITIES:				
CURRENT LIABILITIES:				
Vouchers Payable	\$ 10,633,891	\$ 3,011,399	\$ 13,645,290	\$ 862,608
Accrued Wages and Leave	843,010	257,791	1,100,801	294,164
Compensated Absences	1,095,707	219,690	1,315,397	407,156
Construction Contracts	-	257,088	257,088	-
Due to Other Funds	-	3,033,695	3,033,695	-
Due to Other Governments	8,500,000	815	8,500,815	-
Interest Payable	-	4,554	4,554	63,281
Claims Payable	-	-	-	7,789,391
Unearned Revenue	-	1,630,465	1,630,465	-
Deposits Payable	-	33,654	33,654	-
Payable from Restricted Assets:				
Matured Bonds and Interest	340,397	-	340,397	-
Construction Contracts	8,754,714	43,130	8,797,844	-
Deposits	1,589,543	1,167,283	2,756,826	-
Bonds Payable - Net	2,481,583	20,910	2,502,493	449,298
Financed Purchases	-	-	-	-
Short Term - Total Other Postemployment Benefits Obligation	2,276,437	849,517	3,125,954	610,589
Short Term - Subscription Liability	318,678	14,418	333,096	877,770
Short Term - Lease Liability	143,824	107,338	251,162	1,517,935
Loans Payable	10,690,482	97,388	10,787,870	1,580,000
Total Current Liabilities	47,668,266	10,749,135	58,417,401	14,452,192
NONCURRENT LIABILITIES:				
Accrued Wages and Leave	1,320,644	316,455	1,637,099	530,699
Claims Payable	-	-	-	12,861,969
Bonds Payable - Net	32,138,500	84,648	32,223,148	1,846,690
Loans Payable	182,073,671	282,862	182,356,533	4,020,000
Other Postemployment Benefits Obligation	47,212,203	17,618,547	64,830,750	12,663,331
Net Pension Liability - General Employees Pension	40,102,604	10,677,496	50,780,100	14,114,551
Long Term - Subscription Liability	112,915	-	112,915	661,819
Long Term - Lease Liability	562,064	201,766	763,830	4,829,026
Total Noncurrent Liabilities	303,522,601	29,181,774	332,704,375	51,528,085
Total Liabilities	351,190,867	39,930,909	391,121,776	65,980,277
DEFERRED INFLOWS OF RESOURCES:				
Deferred Inflow for OPEB Liability	19,981,856	9,318,998	29,300,854	6,764,197
Deferred Inflow - General Employees Pension	6,606,984	1,595,540	8,202,524	1,791,496
Total Deferred Inflows	26,588,840	10,914,538	37,503,378	8,555,693
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	377,779,707	50,845,447	428,625,154	74,535,970
NET POSITION:				
Net Investment in Capital Assets	266,299,793	65,708,433	332,008,226	456,071
Restricted for:				
Future Capital Projects	11,515,820	505,784	12,021,604	-
Future Debt Service	3,565,999	-	3,565,999	-
Rate Stabilization	10,000,000	-	10,000,000	-
Impact Fees	17,232,868	-	17,232,868	-
Unrestricted	158,407,315	31,901,208	190,308,523	30,388,334
TOTAL NET POSITION	\$ 467,021,795	\$ 98,115,425	\$ 565,137,220	\$ 30,844,405

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

CITY OF HOLLYWOOD, FLORIDA
RECONCILIATION OF THE STATEMENT OF NET POSITION OF PROPRIETARY FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Net Position - Proprietary Funds	\$ 565,137,220
Adjustment to Enterprise Funds for Internal Service Funds Look-Back	<u>5,446,531</u>
Net Position of Business-type Activities	<u><u>\$ 570,583,751</u></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 NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Other Enterprise Funds	Total	
OPERATING REVENUES:				
Charges for Sales and Services	\$ 117,699,851	\$ 45,342,643	\$ 163,042,494	\$ 83,983,327
Fines and Forfeitures	-	2,486,128	2,486,128	-
Miscellaneous	1,805,086	777,857	2,582,943	5,772,326
Total Operating Revenues	119,504,937	48,606,628	168,111,565	89,755,653
OPERATING EXPENSES:				
Personal Services and Benefits	20,191,878	5,605,363	25,797,241	5,094,057
Supplies, Services and Claims	45,097,481	28,093,697	73,191,178	76,758,709
Depreciation and Amortization	20,813,562	3,231,195	24,044,757	6,305,028
Total Operating Expenses	86,102,921	36,930,255	123,033,176	88,157,794
Operating Income (Loss)	33,402,016	11,676,373	45,078,389	1,597,859
NONOPERATING REVENUES/(EXPENSES):				
Investment Revenue	11,869,529	2,673,616	14,543,145	3,162,144
Interest Expense	(3,081,452)	(32,068)	(3,113,520)	(681,986)
Gain/Loss on Capex Disposals	16,521	7,195	23,716	249,160
Other Income (Expense)	(1,069)	-	(1,069)	-
Total Nonoperating Revenues/(Expenses)	8,803,529	2,648,743	11,452,272	2,729,318
Income (Loss) Before Contributions, Transfers, and Special Item	42,205,545	14,325,116	56,530,661	4,327,177
CAPITAL CONTRIBUTIONS, GRANTS, AND IMPACT FEES:				
Capital Contributions - Large Users	7,114,695	-	7,114,695	-
Capital Contributions - Assets	-	221,962	221,962	-
Impact Fees	2,333,278	-	2,333,278	-
Intergovernmental	868,238	330,130	1,198,368	-
	10,316,211	552,092	10,868,303	-
TRANSFERS IN (OUT):				
Transfers In	350,882	-	350,882	4,841,837
Transfers Out	(6,277,134)	(1,000,766)	(7,277,900)	(1,093,496)
Total Transfers In (Out)	(5,926,252)	(1,000,766)	(6,927,018)	3,748,341
SPECIAL ITEM:				
Large User Legal Settlement (Note 17)	996,785	-	996,785	-
Change in Net Position	47,592,289	13,876,442	61,468,731	8,075,518
Net Position - Beginning	419,429,506	84,238,983	503,668,489	22,768,887
Net Position - Ending	\$ 467,021,795	\$ 98,115,425	\$ 565,137,220	\$ 30,844,405

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 NET POSITION OF PROPRIETARY FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Net Change in Net Position - Proprietary Funds	\$ 61,468,731
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	(1,056,444)
Changes in Net Position of Business-type Activities	<u>\$ 60,412,287</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, 2025

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers, Employees and Other Governments	\$ 114,324,230	\$ 48,631,705	\$ 162,955,935	\$ 89,964,985
Payments to Suppliers for Goods and Services	(39,483,473)	(28,684,084)	(68,167,557)	(8,723,529)
Payments to Employees for Services	(27,718,663)	(8,355,167)	(36,073,830)	(41,941,756)
Payments for Claims and Judgments	996,785	-	996,785	(34,001,737)
Other Operating Receipts (Payments)	2,468	24,872	27,340	-
Net Cash Provided (Used) by Operating Activities	<u>48,121,347</u>	<u>11,617,326</u>	<u>59,738,673</u>	<u>5,297,963</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers In	350,882	-	350,882	4,841,837
Transfers Out	(6,277,134)	(1,000,766)	(7,277,900)	(1,093,496)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(5,926,252)</u>	<u>(1,000,766)</u>	<u>(6,927,018)</u>	<u>3,748,341</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from Bonds and Other Borrowings - Net	26,734,568	-	26,734,568	-
Principal Paid on Bonds, Notes and Equipment Contracts	(10,033,693)	(392,314)	(10,426,007)	(5,027,967)
Interest Paid on Bonds, Notes and Equipment Contracts	(3,744,114)	(36,194)	(3,780,308)	(642,455)
Proceeds from Sale of Equipment	416,521	7,195	423,716	299,972
Acquisition and Construction of Capital Assets	(78,700,599)	(14,360,786)	(93,061,385)	(1,189,161)
Cash Contributed from Customers, Other Funds and Governments	<u>9,447,973</u>	<u>-</u>	<u>9,447,973</u>	<u>-</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(55,879,344)</u>	<u>(14,782,099)</u>	<u>(70,661,443)</u>	<u>(6,559,611)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment Revenue	<u>11,869,530</u>	<u>2,673,616</u>	<u>14,543,146</u>	<u>3,162,143</u>
Net Cash Provided (Used) by Investing Activities	<u>11,869,530</u>	<u>2,673,616</u>	<u>14,543,146</u>	<u>3,162,143</u>
Net Increase (Decrease) in Cash	(1,814,719)	(1,491,923)	(3,306,642)	5,648,836
Cash - October 1	305,602,124	67,481,329	373,083,453	75,529,790
Cash - September 30	<u>\$ 303,787,405</u>	<u>\$ 65,989,406</u>	<u>\$ 369,776,811</u>	<u>\$ 81,178,626</u>

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

(Continued)

(Continued)

CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020				
	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water and Sewer Utility	Other Enterprise Funds	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 33,402,016	\$ 11,676,373	\$ 45,078,389	\$ 1,597,859
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	20,813,562	3,231,195	24,044,757	6,305,028
Other Noncash Expenses - Pension and OPEB	(8,056,374)	(2,991,052)	(11,047,426)	(3,859,231)
Change in Assets, Liabilities and Deferred Inflows/Outflows:				
(Increase) Decrease in Accounts Receivable	(541,060)	25,600	(515,460)	209,332
(Increase) Decrease in Due to Other Funds		24,872	24,872	-
(Increase) Decrease in Due from Other Governments	2,468	152	2,620	-
(Increase) Decrease in Inventory	42,452	-	42,452	(1,755)
(Increase) Decrease in Prepaid Items	-	-	-	49,810
Increase (Decrease) in Vouchers Payable	6,568,341	(291,663)	6,276,678	(843,324)
Increase (Decrease) in Accrued Expenses	529,589	(57,385)	472,204	229,759
Increase (Decrease) in Claims Payable	-	-	-	1,610,485
Increase (Decrease) in Unearned Revenue	-	(22,645)	(22,645)	-
Increase (Decrease) in Deposits Payable	(4,639,647)	21,879	(4,617,768)	-
Total Adjustments	14,719,331	(59,047)	14,660,284	3,700,104
Net Cash Provided (Used) by Operating Activities	\$ 48,121,347	\$ 11,617,326	\$ 59,738,673	\$ 5,297,963

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

CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2025

	Total Pension Plans
ASSETS:	
Investments	
U. S. Government Securities	\$ 51,285,198
Money Market Funds	27,497,000
Corporate Equities	922,452,877
Corporate Bonds and Other	91,323,542
Foreign Bonds	8,176,332
Real Estate Funds	111,244,841
Infrastructure Investment fund	13,881,169
Asset Backed Securities	5,959,123
Private Credit Funds	85,012,910
Private Equity Funds	55,201,514
Alternative Investments	8,121,392
Mutual Funds	52,021,100
Pooled Investment Funds	153
Total Investments	1,432,177,151
DROP Loan Receivable	965,115
Interest Receivable	939,142
Employee and Participant Loan Receivable	31,555
Accounts Receivable	3,234,119
Capital Assets, Net	1,391,676
TOTAL ASSETS	1,438,738,758
LIABILITIES:	
Vouchers Payable	3,200,592
TOTAL LIABILITIES	3,200,592
NET POSITION:	
Restricted for Pension Benefits	\$ 1,435,538,166

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

CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Total Pension Plans
ADDITIONS:	
Contributions:	
City	\$ 85,130,345
State	5,300,409
Local	25,903
Members	10,730,128
Total Contributions	<u>101,186,785</u>
Investment Income:	
Net Increase in Fair	
Value of Plan Investments	130,608,144
Interest and Dividends	27,271,518
	<u>157,879,662</u>
Less: Investment Expense	(5,192,601)
Net Investment Income	<u>152,687,061</u>
Other Income	109,639
Total Additions	<u>253,983,485</u>
 DEDUCTIONS:	
Pension Benefits	136,128,760
Refunds of Contributions	758,918
Administrative Expenses	2,762,481
Depreciation and Amortization	173,470
Total Deductions	<u>139,823,629</u>
 Change in Net Position	 114,159,856
Net Position Restricted for Pension	
Benefits - Beginning of Year	<u>1,321,378,310</u>
Net Position Restricted for Pension	
Benefits - End of Year	<u>\$ 1,435,538,166</u>

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

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the City of Hollywood, Florida's (the City) Significant Accounting Policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accompanying financial statements present the City and its component units, entities for which the City is financially accountable or has operational responsibility. Component units, although legally separate entities, are in substance part of the City's operations.

The basic financial statements include both government-wide and fund financial statements. The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements focus on short-term results of operations and financing decisions at a specific fund level.

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. The costs of these services are allocated to the appropriate functional activity.

The City's fiduciary funds are presented in the basic financial statements by type (i.e. pension). Since, by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

FINANCIAL REPORTING ENTITY

The City is a political subdivision of the State of Florida, located in Broward County along the lower southeast coast of the State. The City is governed by an elected mayor and six elected commissioners. The City operates under a commission-manager form of government. The City, which was incorporated in 1925 under Section 25-11519, 1925 Laws of Florida, is approximately 30 square miles in area. In addition to the general government, public safety, public works, culture and recreation services provided to its residents, the City operates and provides water and sewer, stormwater, sanitation, golf, parking services and records preservation activities.

The Downtown Community Redevelopment Agency (DCRA) and Beach Community Redevelopment Agency (BCRA) are districts of the Hollywood, Florida Community Redevelopment Agency (CRA), which is legally separate from the City. The CRA was established in accordance with Florida Statutes Chapter 163 Part III Community Redevelopment to finance and redevelop the City's designated redevelopment areas. The CRA, whose board members are the same as the members of the City Commission, provides services that exclusively benefit the City's downtown and beach areas. The City has financial and operational responsibility of the CRA. The DCRA and BCRA are blended component units into the primary government. The CRA issues standalone financial statements. The standalone CRA statements may be obtained online at <https://www.hollywoodfl.org/538/Annual-Financial-Pension-Fund-Reports>.

The Hollywood Employees' Retirement Fund, Hollywood Firefighters' Pension System and City of Hollywood Police Officers' Retirement System account for separate pension plans for general employees, fire, and police personnel, respectively. Each plan is administered by a board of trustees. The pension plans are combined and reported as fiduciary funds in the basic financial statements of this report but are not included in the government-wide statements. Each of these pension plans issue a publicly available financial report. Each report may be requested by or viewed electronically as follows:

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

General Employees' Retirement System	Fire Pension Fund	Police Retirement System
2450 Hollywood Boulevard Suite 204 Hollywood, FL 33020 Phone: 954-921-3333 Fax: 954-921-3332 Email: info@hollywoodpension.com https://hollywoodpension.com/	Foster & Foster, Pension Administrator, Phone: 239- 333-4872 Email: Planadministration@foster-foster.com https://foster-foster.com/ https://www.hollywoodfl.org/164/Firefighters-Pension-Board	4205 Hollywood Blvd., Suite 4 Hollywood, Florida 33021 Phone: 954-967-4395 Toll Free: 866-738-4776 Fax: 954-967-4387 http://www.hollywoodpolicepensionfund.com/home.asp

In addition, the City has the following dependent districts:

- Central Residential Neighborhood Improvement District No. 1 – created on September 7, 1988 by City Ordinances O-88-52 and O-88-78 under State statutory authority Section 163.506 F.S. for the purpose of neighborhood improvement.
- City of Hollywood 441 Corridor Business NID No. 2 – created on November 7, 1988 by City Ordinances O-88-53 and O-88-79 under State statutory authority Section 163.506 F.S. for the purpose of neighborhood improvement.
- Emerald Hills Safety Enhancement District – created on August 30, 2017 by City Ordinance O-2018-13 under State statutory authority Section 189.02 F.S. for the purpose of safety enhancement.

Emerald Hills Safety Enhancement District had reportable activity in the 2025 fiscal year and is shown as a discretely presented component unit. The District is a legally separate entity in which the City appoints the board, has the ability to impose its will, and has a non-fiduciary relationship. The District collects fees for security services provided specifically to the Emerald Hills community only. An independent firm compiled the financials of the District. The District's website is <https://ehsed.org/>.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, with the latter being excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the way these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a governmental activities column, and a reconciliation is presented, which briefly explains the adjustments necessary to reconcile funds based on financial statements with the governmental activities' column of the government-wide presentation. Under this basis, revenues are recognized as soon as they are both measurable and available. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, other postemployment benefits, pensions, claims and judgments, are recorded only when payment is due.

Property taxes, utilities service taxes, franchise taxes, licenses, intergovernmental, emergency transportation, and interest revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are measurable and available only when cash is received by the government. Information on the applicable tax roll dates can be found at <https://bcpa.net/DATES.asp>.

The City reports the following major governmental funds:

- The GENERAL FUND is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The BEACH COMMUNITY REDEVELOPMENT FUND accounts for governmental revenue and grants for financing redevelopment projects within the beach redevelopment district.
- The DOWNTOWN COMMUNITY REDEVELOPMENT FUND accounts for governmental revenue and grants for financing redevelopment projects within the downtown redevelopment district. This fund is determined as major by management for public interest purpose.
- The GENERAL OBLIGATIONS CAPITAL PROJECTS SERIES 2022 FUND accounts for construction of major capital improvements financed with proceeds from the Series 2022 General Obligation Bond issuance.

The City reports on the following major proprietary funds:

- The WATER AND SEWER UTILITY FUND accounts for the operations of the City's regional water and sewer utility system.

The effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's proprietary fund function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, as well as fees, fines and forfeitures, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues, rather than as program revenues. Likewise, general revenues include all taxes.

The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Activities accounted for in the City's major enterprise funds are noted above.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles, information technology and communications systems as well as its insurance operations.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, followed by unrestricted resources as they are needed.

ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION

POOLED CASH AND INVESTMENTS: The City's cash and demand deposits are cash on hand. The City has established an investment policy in accordance with Section 218.415, State Statutes that allows the City to invest in relatively low risk securities. Investments are stated at fair value based on quoted market prices. Resources of all funds, except for the pension funds, have been combined into investment pools for the purpose of maximizing investment yields. Investment revenue is comprised of interest and realized and unrealized gains and losses on investments. Investment revenue on pooled investments is allocated monthly based upon equity balances of the respective funds. As required by Governmental Accounting Standards Board (GASB) Statements these notes include a presentation of deposit and investment risk disclosures. For the Statement of Cash Flows, each Proprietary Funds' share of the pool is treated as a demand deposit or a cash equivalent due to the liquid nature of the pool.

ACCOUNTS AND PROPERTY TAX RECEIVABLES: All accounts and property tax receivables are shown net of an allowance for uncollectible accounts. Accounts receivable in excess of 90 days comprise the accounts receivable allowance for uncollectible accounts. The property tax receivable allowance is equal to 100% of outstanding property taxes at September 30, 2025.

Real and personal property values are assessed on a county-wide basis by the Broward County Property Appraiser as of January 1, each year. Taxable value of property within the City is certified by the Property Appraiser on July 1. The City levies a property tax millage rate upon that taxable value to provide revenue required for the fiscal year beginning October 1. Taxes for the fiscal year beginning October 1 are billed in the month of November and are due March 31. If taxes are paid between November and February, a 1% per month discount is applied to the tax bill. On April 1, unpaid amounts become delinquent with interest and penalties added thereafter. Beginning June 1, tax certificates representing delinquent amounts are sold by Broward County, with remittance to the City for its share of those receipts.

REINSURANCE RECEIVABLE: The City uses reinsurance to reduce its exposure to large losses on certain lines of insurance as described in Note 16. Amounts expected to be received from the re-insurers for claims due under these policies are recorded as such at fiscal year-end in the Insurance Fund.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

DUE TO/DUE FROM: Activity between funds representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balance outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

INVENTORIES AND PREPAID EXPENSES: Inventories are maintained on a perpetual system and are stated at cost (using the average cost method). Inventories and prepaid expenses in all funds are recorded as expenditures or expenses when consumed (consumption method).

ASSETS HELD FOR SALE: The assets held for sale represent lands and buildings purchased by the City and the DCRA with the expressed intent to sell. These lands and buildings are recorded at the lower cost or net realizable value.

RESTRICTED ASSETS: Certain revenue bond proceeds in various funds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet or statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. Certain notes receivable has been pledged as collateral as required by the U.S. Department of Housing and Urban Development for Section 108 funds loaned to the City and are also reflected as restricted assets in the City’s financial statements. Restricted assets in business-type activities originate due to City ordinance bond covenants and other agreements that require segregation and restriction of these assets.

CAPITAL ASSETS: Capital assets, which include property, plant, equipment, intangible, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets are capitalized based on the accumulated amounts charged to specific capital projects on an annual basis. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one (1) year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred, net of interest earned, during the construction phase of capital assets of business-type activities is not included as part of the capitalized value of the assets constructed due to implementation of GASB 89.

The City records impairment losses on long lived assets used in operations when events or circumstances indicate the assets might be impaired. No impairment losses have been recorded.

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CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	15 to 40
Buildings Improvements	5 to 40
Infrastructure	20 to 50
Vehicles	3 to 20
Equipment	2 to 15
Computer Software/Hardware	2 to 6

Intangible right of use leased, or subscription assets are amortized over the shorter of their estimated useful life or the contact term.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and that deferred inflows of resources represent an acquisition of net assets that applies to future periods. The City reports the following deferred outflows of resources: deferred charge on refunding, deferred pension outflows, and deferred other post-employment benefits (OPEB) outflows. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or the refunded debt. The City also reports deferred outflows for pensions due to pension contributions made subsequent to the pension plan's actuarial measurement date and will be expended in the following fiscal year, changes in actuarial assumptions, and the difference between expected and actual experience. The deferred outflows relating to changes in assumptions and the difference between expected and actual experience are amortized over the average expected remaining service lives of all employees that are provided with pension benefits. Deferred outflows relating to OPEB represent changes in actuarial assumptions and are amortized over a closed period equal to the average of the remaining service lives of all active and inactive employees that are provided with OPEB.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets applicable to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City reports the following deferred inflows of resources: Unearned revenues, deferred pensions, and deferred OPEB. Unearned revenues are deferred and recognized as revenues in the period that the amounts become available. Deferred inflows of resources relating to pensions account for the net difference between projected and actual earnings on pension plan investments which are deferred and amortized over a closed five-year period. Deferred inflows related to OPEB are due to change in assumptions which are deferred and amortized similarly to the deferred outflows of resources for OPEB.

COMPENSATED ABSENCES: It is the City's policy to permit employees to accumulate earned but unused vacation, sick, and other leave pay benefits. Leave is governed by various collective bargaining agreements (American Federation of State, County and Municipal Employees (AFSCME), International Association of Fire Fighters (IAFF), Fraternal Order of Police (FOP), and Non-represented). A portion of accumulated sick pay benefits are paid upon separation, based on number of years of service. All vacation pay, applicable portion of sick pay balances, and other leave banks that are payable or may be used in the subsequent year are accrued in accordance with GASB Statement No. 101, *Compensated Absences*.

LONG-TERM OBLIGATIONS: In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payables are reported net of the applicable bond premium or discount. Bond Issuance costs are expended as incurred except for any bond insurance costs.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds, are reported as debt service expenditures.

RIGHT OF USE LEASED ASSETS AND RELATED LEASE LIABILITIES: Leased right of use assets and related liabilities are recorded in accordance with GASB Statement No. 87, *Leases*. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial assets (the underlying asset) as specified in the contract for a period in an exchange or exchange-like transaction. As a lessor, a lease receivable and related deferred inflow are measured at the present value of the lease payments expected to be received during the lease term. As a lessee, the lease liability is measured at the present value of the leased payments expected to be made during the lease term. A related right of use asset is measured as the lease liability, plus any payments made to the lessor at or before the commencement of the lease term (and certain direct capital costs).

RIGHT OF USE SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) ASSETS AND RELATED SBITA LIABILITIES: SBITA right of use and liabilities are recorded in accordance with GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period in an exchange or exchange-like transaction. This statement requires recognition of right of use subscription asset (an intangible asset) and a corresponding subscription liability. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. The subscription asset is initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

UNEARNED REVENUE: Unearned revenue is recorded for governmental fund receivables that are not both measurable and available. In addition, inflows that do not yet meet the criteria for revenue recognition, such as contract revenue collected in advance, are recorded as deferred inflow of resources in the government-wide and the fund statements.

FUND BALANCE: The Governmental Accounting Standards Board Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) established consistency in the fund balance information reported by many governments and enables financial statement users to readily interpret reported fund balance information. This pronouncement requires governmental fund balances to be classified as nonspendable, restricted, committed, assigned or unassigned. The City has disclosed information about governmental fund balance reporting as required in the Notes to the Financial Statements.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the City Commission has provided otherwise in its commitment or assignment actions.

Net position of the government-wide and proprietary funds is categorized as investment in capital assets, reduced by accumulated depreciation, any outstanding debt incurred and related deferred inflows/outflows to acquire, construct or improve those assets excluding un-expended bond proceeds, restricted or unrestricted to arrive at net investment in capital assets. This category represents net position related to property, plant, equipment, intangible, and infrastructure. The restricted category represents the balance

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

of net position restricted by requirements of debt indentures and other externally imposed constraints or by legislation more than the related liabilities payable from restricted assets. Unrestricted net position consists of all net positions that do not meet the definition of either of the other two components.

ESTIMATES: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred inflows/outflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from management's estimates.

NOTE 2 – CASH AND INVESTMENTS

CASH

The City's bank balances, including balances for its component unit, the CRA, and the three City-sponsored employee pension plans (reported as fiduciary funds), were entirely insured either by federal depository insurance or via the banks' participation as qualified public depositories pursuant to Florida Statutes, Chapter 280, "Security for Public Deposits" as of September 30, 2025. The City's cash and demand deposits are cash on hand.

INVESTMENTS

The City's comprehensive investment policy was established in accordance with Section 218.415, Florida Statutes and has been revised periodically as required to reflect changes to those statutes. The investment policy applies to all investments held or controlled by the City except for the three City-sponsored employee pension plans and its debt issuances where there are other existing policies or indentures in effect for the investment of related funds. The City maintains an internal cash and investment pool which most funds participate in. The Funds are liquid and are treated as demand deposits for the Statement of Cash flows. In addition, the City separately invests cash and debt proceeds related to capital projects so that it may time the duration of investment maturities with the anticipated project cash flows. The City also separately invests any debt-related cash reserves that are required by debt covenant, in accordance with the terms of the respective debt agreements. The City's total deposits and investments, including their investment maturities, are shown in this note classified by pooled versus non-pooled investments. The capital project and debt reserve related investments are subclassified to differentiate the investments of the City (primary government unit) and the City's CRA (component unit).

The City's investment policy allows for the following investments: SBA Investment Pool, United States government securities, United States government agencies, federal instrumentalities, interest bearing time deposits or savings accounts, including certificates of deposit and demand deposits, repurchase agreements, commercial paper, mutual funds consisting of United States government obligations, registered investment companies (money market mutual funds) and intergovernmental investment pools. The City did not invest in any repurchase agreements, commercial paper, or mutual funds during fiscal year 2025.

The City maintains three defined benefit pension plans covering substantially all full-time employees. These plan's investment policies are compliant with Section 112.661 Florida Statutes. The investments of these pension plans are managed in accordance with the plan provisions as established by each pension board. Pension investments are carried at fair value, except as noted below, which is determined as follows: securities traded on a national exchange are valued at the last reported sales price on the last business day of the fiscal year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price; commercial paper, time deposits and money market funds are reported at cost. Alternative investments which include real estate investment trusts and private equity, where no readily ascertainable value exists, management in consultation with the

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

general partner/management and investment advisors, has determined the fair values for the individual investments based upon the assets most recent available financial information.

At September 30, 2025, the City and its three employee pension plans (Fiduciary Funds) had the following maturities and credit ratings for cash and investments:

	Investment Maturities				Average Maturity	Percent of
	Fair Value	Less than 1 Year	1 - 5 Years	Credit Rating	in Months	Portfolio
CITY CASH AND INVESTMENTS:						
Pooled Cash and Investments:						
Demand deposits	\$ 57,465,945	\$ 57,465,945	\$ -			6.63 %
Money market	200,308,072	200,308,072	-			23.11
Florida Cooperative Liquid Assets Securities Systems (FLCLASS)	57,817,813	57,817,813	-	AAAm	2.83	6.67
Florida Public Assets for Liquidity Management (FL PALM)	63,325,393	63,325,393	-	AAAm	1.47	7.31
Local Government Investment Pool (FL PRIME)	28,255,842	28,255,842	-	AAAm	1.57	3.26
Corporate Bonds	27,159,107	10,937,470	16,221,637	AA+ to AA-	15.01	3.13
Municipal Bonds	3,626,784	368,642	3,258,142	AA+ to AAA	12.29	0.42
U.S. government instruments:						
US Treasury	235,323,428	2,020,792	233,302,636	AA+	34.97	27.16
Total Pooled Cash and Investments	673,282,384	420,499,969	252,782,415			
Non-pooled Cash and Investments:						
Insurance fund:						
Cash with paying agents	3,236,317	3,236,317	-			0.37
Golf Enterprise Fund:						
Orangebrook cash	100,013	100,013	-			0.01
Community Redevelopment Agency:						
Demand deposits	400	400	-			-
Money market	76,359,026	76,359,026	-			8.81
Total Community Redevelopment Agency	76,359,426	76,359,426	-			
Capital Projects/Bond Related:						
Cash with Fiscal Agent	7,301,974	7,301,974	-			0.84
Demand deposits	6,416,122	6,416,122	-			0.74
Money market	2,258,181	2,258,181	-			0.26
Florida Cooperative Liquid Assets Securities Systems (FLCLASS)	97,755,368	97,755,368	-	AAAm	2.83	11.28
Total Non-pooled Cash and Investments	193,427,401	193,427,401	-			100.00 %
Total City Cash and Investments	\$ 866,709,785	\$ 613,927,370	\$ 252,782,415			

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CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

	Fair Value	Less than 1 Year	1 - 5 Years	6-10 Years	More than 10 Years	Perpetual
FIDUCIARY FIXED INCOME						
Investments:						
U.S. Government Securities:						
U.S. Treasuries:						
General Employees' Retirement Fund	\$ 5,257,913	\$ 100,678	\$ 715,446	\$ 1,777,705	\$ 2,664,084	\$ -
Police Retirement Fund	6,120,947	-	3,385,871	-	2,735,076	-
Total U. S. Treasuries	11,378,860	100,678	4,101,317	1,777,705	5,399,160	-
U.S. Government Agencies:						
General Employees' Retirement Fund	160,186	-	160,186	-	-	-
Fire Pension Fund	39,746,152	-	-	20,932,887	-	18,813,265
Total U.S. Government Agencies	39,906,338	-	160,186	20,932,887	-	18,813,265
Total U.S. Government Securities	51,285,198	100,678	4,261,503	22,710,592	5,399,160	18,813,265
Corporate Bonds and Notes (Domestic and Foreign):						
General Employees' Retirement Fund	5,739,185	391,826	2,845,080	2,348,999	153,280	-
Fire Pension Fund	1,740,796	-	-	1,740,796	-	-
Police Retirement Fund	26,839,263	7,059,479	3,477,542	9,039,129	7,263,113	-
Total Corporate Bonds and Notes	34,319,244	7,451,305	6,322,622	13,128,924	7,416,393	-
Asset Backed Securities						
General Employees' Retirement Fund	5,959,123	-	281,050	-	5,678,073	-
Total Asset Backed Securities	5,959,123	-	281,050	-	5,678,073	-
Bond Mutual Fund:						
General Employees' Retirement Fund	42,389,476	-	-	42,389,476	-	-
Total Corporate Bonds and Notes	42,389,476	-	-	42,389,476	-	-
Fixed Income Composites, Private Debt Instruments, and						
General Employees' Retirement Fund	61,940,203	-	-	-	-	61,940,203
Fire Pension Fund	24,621,114	-	-	-	-	24,621,114
Total Corporate Bonds and Notes	86,561,317	-	-	-	-	86,561,317
Total Fiduciary Fixed Income Investments	\$ 220,514,358	\$ 7,551,983	\$ 10,865,175	\$ 78,228,992	\$ 18,493,626	\$ 105,374,582

INTEREST RATE RISK

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to change in the market interest rates. As a means of limiting its exposure to interest rate risk, the City diversifies its investments by security type and institution. The City also attempts to match investment maturities with known cash needs and anticipated cash flow requirements. In addition, the City's investment policy limits the maturities to five years from the date of purchase. The City's FL CLASS, FL PALM, and U.S. Treasury investments have a "weighted average maturity" of 2.8, 1.5, and 35.0 months respectively. The City's investments in U. S. Government Instrumentalities are all callable within a shorter period hence allowing the City to address any rising interest rate risk quicker than full maturity.

As a means of limiting their exposure to interest rate risk, the employee pension plans diversify their investments by security type and institution, and limit holdings by type of investment and with any one issuer. Information about the sensitivity of the fair values of the funds' debt securities to market interest rate fluctuations is provided by the above table that shows the distribution of the funds' fixed income investments by maturity at September 30, 2025.

CREDIT RISK

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy limits its investment to a grade of A or higher. All of the City's

CITY OF HOLLYWOOD, FLORIDA

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non-pension related investments were comprised of demand deposits, money market accounts, liquid investment pools, and U.S. Government Instruments at September 30, 2025 (\$866.7 million).

Investment policies for the pension plans limit equity securities to those listed on a national securities exchange or traded in the over-the-counter market and quoted in the National Association of Securities Dealers Automatic Quotation Service. Investments in any issuing company are limited to not more than five percent (5%) of the fair value of the assets. Fixed income portfolios are to be invested in marketable securities rated in the highest four (4) quality grades as established by one or more of the nationally recognized bond rating services.

The following table discloses credit ratings by fixed income investment type for the City's three pension plans at September 30, 2025, as applicable:

	<u>Fair Value</u>	<u>Percent of Portfolio</u>
EMPLOYEES RETIREMENT FUND:		
Fixed Income Investments	\$ 109,587,592	90.24 %
Quality Rating of Credit Risk Debt Securities:		
AAA	7,468,849	6.15
AA+	814,841	0.67
AA-	295,671	0.24
A-	1,160,982	0.96
BBB+	427,175	0.35
BBB	153,990	0.13
BBB-	486,442	0.40
BB	458,888	0.38
BB-	215,863	0.18
B+	175,750	0.14
B	200,043	0.16
Total Employees Retirement Fund	<u>11,858,494</u>	<u>9.76</u>
 Total Plan Fixed Income Investment	 <u>121,446,086</u>	 <u>100.00</u>
 FIRE PENSION FUND:		
Fixed Income Investments	24,621,114	37.00
Quality Rating of Credit Risk Debt Securities:		
AA+	39,746,152	60.00
A	1,740,796	3.00
	<u>66,108,062</u>	<u>100.00</u>

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POLICE RETIREMENT FUND:

Fixed Income Investments	6,460,539	20.00
Quality Rating of Credit Risk Debt Securities:		
AAA	1,348,427	4.00
AA	4,141,598	13.00
A	12,373,076	38.00
A-	3,755,687	11.00
BBB+	1,449,940	4.00
BBB	2,178,831	7.00
BB	963,163	3.00
B	288,949	1.00
	<u>32,960,210</u>	<u>100.00</u>

COMBINED PENSION FUNDS:

Fixed Income Investments	140,669,245	65.00
Quality Rating of Credit Risk Debt Securities:		
AAA	8,817,276	4.00
AA+	40,560,993	18.00
AA	4,141,598	2.00
AA-	295,671	-
A	14,113,872	6.00
A-	4,916,669	2.00
BBB+	1,877,115	1.00
BBB	2,332,821	1.00
BBB-	486,442	-
BB	1,422,051	1.00
BB-	215,863	-
B+	175,750	-
B	488,992	-
	<u>\$ 220,514,358</u>	<u>100.00</u>

(a) Obligations of the U.S. government or obligations explicitly or implicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

CUSTODIAL CREDIT RISK

Custodial risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City's investment policy requires securities, except for certificates of deposit and overnight repurchase agreements (one business day), to be held with a third-party custodian; and that all securities purchased by, and all collateral obtained by or on behalf of the City be properly designated as an asset of the City. The securities are held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the federal government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. As of September 30, 2025, the City's investment portfolios were held with a third-party custodian as required by the City's investment policy. Consistent with the pension plans' investment policies, pension plan investments are held by third party safekeeping custodians selected by their boards of trustees and

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registered in the plans' name, except for certificates of deposit and other time deposits, which are collateralized in accordance with Florida Statutes.

CONCENTRATION OF CREDIT RISK

The City's investment policy has established asset allocation limits on the following investments designed to reduce concentration of credit risk of the investment portfolio. A maximum of 100% of available funds may be invested in cash equivalents and United States government securities. Seventy-five percent (75%) of available funds may be invested in each of the following categories: federal instrumentalities (United States Government Sponsored Enterprises, "GSE"), non-negotiable interest bearing deposits, money market or savings accounts. Fifty percent (50%) may be invested in United States government agencies. Thirty percent (30%) of available funds may be invested in intergovernmental investment pools with both stable and floating net asset values, the Florida Local Government Surplus Funds Trust Fund (Florida Prime/SBA) and municipal bonds. Twenty-five percent (25%) of available funds may be invested in repurchase agreements and corporate notes and twenty percent (20%) may be invested in each of the following categories: commercial paper, mortgage-backed securities (MBS), asset-backed securities (ABS), and registered investment companies (money market mutual funds).

The investment policies of the pension plans contain limitations on the amount that can be invested in any one issuer as well as portfolio allocation ranges and maximum percentages by types of investments. There were no individual investments that represent five percent (5%) for the City. The Fire Pension Fund has investments in RBC International Equity Fund (8.1%) that represented 5.0% of the plan's total investments. At September 30, 2025, the Police Officers' Retirement System had investments in the following that represented more than 5% of the Plan's total investments: Rhubmblin S&P Mid Cap 400 Pooled Index Fund (10.0%) and Rhubmblin Russell 1000 Growth Fund (7.7%). The General Employee's Retirement Fund held certain investments that exceed 5 percent or more of the Plan's net position. These investments included:

Investment	% of Plan Net Position
S&P 500 Index Fund - Non Lending	18.10 %
Wellington Trust Company - CTF International	13.10
Baird Core Plus Bond Fund	8.40
RBC Emerging Markets Equity Fund	5.50
Neuberger Berman - Short Duration Emerging Market Fund	5.40

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than U.S. Dollars and the carrying value of foreign investments. At September 30, 2025, the Police Officers' Retirement system had 2.3% of its total investments in foreign investments. No other investments were subject to this risk either due to no investments or prohibition per investment policies.

INVESTMENT VALUATION

GASB 72 establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by several factors, including the type of investment and the specific characteristics of the investment.

Fair value represents the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments with readily available actively quoted prices or for which fair value can be measured from actively quoted prices

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generally will have a higher degree of market price observability and lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1 – Investments traded in an active market with available quoted prices for identical assets as of the reporting date.
- Level 2 – Investments not traded on an active market but for which observable market inputs are available for an asset, either directly or indirectly, as of the reporting date.
- Level 3 – Investments not traded in an active market and for which no significant observable market inputs are available as of the reporting date.

The City and the three pension plans have established a framework to consistently measure the fair value of assets and liabilities in accordance with applicable accounting, legal and regulatory guidance. This framework has been provided by establishing a valuation policy and procedures that will provide reasonable assurance that applicable assets and liabilities are carried at fair value. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and considers factors specific to the investment.

Net asset value (NAV) is a common measurement of fair value for level 1, level 2 and level 3 investments. A fund's NAV is simply its assets less its liabilities and is often reported as a per share amount for fair value measurement purpose. The plans would multiply the NAV per share owned to arrive at fair value. Level 1 investments in funds such as mutual funds report at a daily NAV per share and are actively traded. NAV also comes into play for level 2 and 3 investments. As a matter of convenience (or referred to in accounting literature as a "practical expedient"), the plan can use the NAV per share for investment in a non-governmental entity that does not have a readily determined fair value, such as an alternative investment. Investments measured at NAV as a practical expedient would be excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the fund's reported NAV as a matter of convenience.

The following tables summarize the valuation of the City's and the three pension plans' investments in accordance with the above-mentioned fair value hierarchy levels as of September 30, 2025:

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City of Hollywood Investments

Investments by Fair Value Level	September 30, 2025	Fair Value Measurements Using:
		Significant Other Observable Inputs (Level 2)
U.S. Government Instrumentalities:		
US Treasury	\$ 235,323,428	\$ 235,323,428
Corporate Bonds	27,159,107	27,159,107
Municipal Bonds	3,626,784	3,626,784
Total Investments by Fair Value Level	266,109,319	266,109,319
Investments Measured at the Net Asset Value (NAV):		
Florida Cooperative Liquid Assets Securities Systems (FLCLASS)	155,573,181	
Florida Public Assets for Liquidity Management (FL PALM)	63,325,393	
Total Investments measured at the NAV	218,898,574	
Cash Equivalents:		
Demand deposits	63,882,467	
Money market	278,925,280	
Cash with paying agents	3,236,317	
Cash with Fiscal Agent	7,301,974	
Local Government Investment Pool - Florida Prime	28,255,842	
Orangebrook cash	100,013	
Total Investments measured at fair value	\$ 866,709,785	

Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by Public Trust Advisors to value securities based on (direct or indirect) observable inputs of similar investments.

Investments Measured at the NAV:	Fair Value	Redemption Frequency	Notice Period
Florida Cooperative Liquid Assets Securities Systems (FLCLASS)	\$ 155,573,181	Daily	Same day
Florida Public Assets for Liquidity Management (FL PALM)	63,325,393	Daily	Same day
	<u>\$ 218,898,574</u>		

Florida Cooperative Liquid Assets Securities System (FLCLASS) is an external local government investment pool created by interlocal agreement under F.S. 163.01. The pool is supervised by an appointed Board of Trustees comprised of eligible participants of the program. The Board acts as the liaison between the participants, the custodian, and the program administrator. The fund is an S&P AAAM rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, a stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The weighted average maturity is 85 days as of September 30, 2025.

Florida Public Assets for Liquidity Management (FLPALM) is a common law trust organized under the F.S. 163.01. The Fund is directed by a board of trustees comprised of eligible participants of the program. The fund is an S&P AAAM rated money market product designed to meet the cash management and short term investment needs of school districts, political subdivisions of the State or instrumentalities of political

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subdivisions of the State. The objective of the fund is to provide investors with the highest possible investment yield, while maintaining liquidity and preserving capital. The weighted average maturity is 44 days as of September 30, 2025.

Florida PRIME is a government investment pool exclusive for governmental agencies within the State of Florida. The pool is supervised by Federated Investors. The portfolio invests primarily in bank instruments, repurchase agreements, commercial paper, and corporate fixed income securities. The objective of the fund is to provide investors with a liquid investment product with competitive yields. The weighted average maturity is 47 days as of September 30, 2025.

Employees Retirement Fund Investments

Investments by Fair Value Level	September 30, 2025	Fair Value Measurements Using:	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Bond Mutual Fund	\$ 42,389,476	\$ 42,389,476	\$ -
U.S. Government Agencies	160,186	-	160,186
U.S. Treasuries	5,257,913	5,257,913	-
Municipal Bonds	601,188	-	601,188
Fixed Income Composites	61,940,203	14,781,556	47,158,647
Corporate Bonds	2,961,665	-	2,961,665
Foreign Government and Corporate Bonds	2,176,332	-	2,176,332
Asset Backed Securities	5,959,123	-	5,959,123
Total Investments by Fair Value Level	121,446,086	\$ 62,428,945	\$ 59,017,141
Equity			
Large Cap Equity Investment Funds	91,777,322	-	91,777,322
Small Cap Equity Investment Funds	55,584,569	-	55,584,569
International Equity Investment Funds	94,288,425	27,749,412	66,539,013
Total Equity	241,650,316	27,749,412	213,900,904
Total Investments by Fair Value Level	363,096,402	\$ 90,178,357	\$ 272,918,045
Investments Measured at the Net Asset Value (NAV):			
Private Equity Investment Funds	32,537,320		
Private Debt Investment Funds	55,183,947		
Infrastructure Investment Fund	13,881,169		
Real Estate Investment Fund	35,701,196		
Total Investments measured at the NAV	137,303,632		
Cash Equivalents:			
Money Market Mutual Funds (exempt)	3,286,837		
Total Investments	\$ 503,686,871		

Fixed income securities classified as Level 2 are valued using evaluated prices from the custodian bank's external pricing vendors. The pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities' relationship to benchmark quoted prices. Other evaluation models use actual trade data, collateral attributes, broker bids, new issue pricings and other observable market information. Foreign government and corporate bonds are included in level 2 investments and are not held in foreign currency.

Equity securities classified as Level 2 are valued using evaluated prices from the custodial bank's external pricing vendors, or alternative pricing source, such as investment managers, if information is not available from the custodial bank's external pricing vendors.

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The Plan invests in private equity investments, private debt investments, infrastructure and real estate investment funds which hold a variety of investment vehicles that do not have readily available market quotations. These investments are measured at net asset value ("NAV") based on their proportionate share of the value of the investments as determined by the fund manager and are valued according to methodologies which include pricing models, property valuations (appraisals), discounted cash flow models, and similar techniques. Investments measured at NAV as a practical expedient are excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the investments' reported NAV as a matter of convenience.

Certain investments, such as money market mutual funds, are carried at amortized cost, and not priced at fair value. At present the Plan does not value any of its investments using Level 3 inputs.

	Reported Value September 30, 2025	Unfunded Commitments	Redemption Frequency	Notice Period
Investments Measured at the NAV:				
Privat Equity Investment:				
NB Crossroads Funds XXI - Asset Allocation, LP	\$ 16,983,187	\$ 5,400,000	Not Eligible	N/A
Apogem Heritage Fund VI, LP	9,136,246	451,745	Not Eligible	N/A
HarbourVest Dover Fund IX, LP	4,172,158	900,000	Not Eligible	N/A
Private Equity Core Fund XI LP	2,245,729	10,017,164	Not Eligible	N/A
Total Private Equity Investment	32,537,320	16,768,909		
Private Debt Investment Funds:				
AG Direct Lending Fund II, LP	2,184,496	-	Not Eligible	N/A
NB Private Debt Fund IV, LP	18,347,161	2,490,803	Not Eligible	N/A
Brightwood Capital Fund V, LP	7,738,167	150,000	Not Eligible	N/A
Brightwood Capital SBIC III, LP	2,683,580	750,000	Not Eligible	N/A
Marathon Healthcare Finance Fund LP	14,796,115	7,300,000	Not Eligible	N/A
BCP Special Opportunities Fund III, LP'	1,506,332	3,666,216	Not Eligible	N/A
Entrust Blue Ocean Onshore Fund, LP	7,928,096	4,176,393	Not Eligible	N/A
Total Private Debt Funds	55,183,947	18,533,412		
Real Estate Investment Fund:				
AG Realty Value Fund X, LP	5,430,679	2,387,000	Not Eligible	N/A
AG Realty Value Fund XI, LP	5,980,147	4,197,500	Not Eligible	N/A
Morgan Stanley - Prime Property Fund, LLC	10,113,100	-	Quarterly	90 Days
Principal Enganced Property Fund LP	9,733,098	-	Quarterly	90 Days
Affiliated Housing Impact Fund, LP	4,444,172	3,503,754	Not Eligible	N/A
Total Real Estate Investment Fund	35,701,196	10,088,254		
Infrastructure Investment Fund				
IFM Global Infrastructure Investment Fund	13,881,169	-	Quarterly	90 Days
Total Investments Measured at the NAV	\$ 137,303,632	\$ 45,390,575		

NB Crossroads Fund XXI – Assets Allocation, LP was formed in January 15, 2015 as a Delaware limited partnership for the purpose of acquiring, holding, selling and exchanging, either directly or indirectly, interest in limited partnerships or other pooled investment vehicles that are organized to make investments in large-cap buyout, mid-cap buyout, special situations and venture/growth capital investment funds, as well as securities, including co-investments. The general partner of the fund uses the best information it has reasonably available to determine or estimate fair value. Valuations of the investments are reviewed and approved quarterly by the general partner. Valuation methods employed are comparable public company valuation, comparable transaction valuation analysis and other methodologies, as appropriate. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of five to ten years.

Apogem Heritage Fund VI, LP was formed in April 2022 through the combination of PA Capital, Madison Capital Funding and GoldPoint Partners to create a singular and unified, world class private markets' investment firm. Apogem Capital offers investors access to the middle market's growth engine through investments in leading private companies and funds. The Firm manages a streamlined suite of capital solutions, including direct lending, junior debt, primary fund investments, secondary investments, equity co-investments, GP stakes, private real assets and long/short equity. The partners of the fund uses the

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best information it has reasonably available to determine or estimate fair value. Valuation methods employed are comparable public company valuation, comparable transaction valuation analysis and other methodologies, as appropriate.

HarbourVest Dover Fund IX, LP is a closed-end fund. The goal is to provide investors with attractive risk adjusted returns by leveraging the firm's proven strategy of constructing a well-diversified portfolio of secondary investments with a focus on the less efficient segments of the secondary market. HarbourVest's investment and accounting teams measure fair value on a quarterly basis. The following methods are used for partnership investments fair value principles and are applied by managers in their financial reports in accordance with U.S. GAAP; publicly traded and quoted securities shall be valued at the closing price at the end of the valuation period; for non-marketable securities and direct investments the value is most likely to be an existing price in an orderly arm's length transaction between market participants as of the valuation date, using one of the acceptable valuation methods under U.S. GAAP (Guideline Company Method, Similar Transaction Method or Discounted Cash Flow). Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of five to ten years.

Private Equity Core Fund XI, L.P. was formed on January 3, 2023. The Partnership was organized for the principal purpose of making investments in Buyout Core Fund XI, L.P. and Venture Core Fund XI, L.P. (the "Direct Funds"), managing and supervising such investments and engaging in such other activities incidental or ancillary thereto as the General Partner deems necessary or advisable. The Direct Funds were organized for the principal purpose of making investments in venture capital, buyout, and other private equity-oriented portfolio funds ("Portfolio Funds"). As all investments of the Partnership are in the Direct Funds, valuation of investments are recorded by the Partnership based on the Partnership's proportional share of net assets of the Direct Funds. In determining the fair value of investments in the Portfolio Funds, the General Partner gives consideration to the portfolio company valuations provided by the Portfolio Funds as of the reporting date as practical expedient for fair value, as well as any other considerations identified that may increase or decrease such estimated fair value.

AG Direct Lending Fund II, LP is a Delaware limited partnership which commenced operations on November 14, 2016. The partnership has been established to capitalize on investment opportunities available in middle market direct lending. The Partnership intends to provide corporate financing support to North American middle-market companies, focusing on senior secured debt and other debt instruments, including unitranche facilities, second lien debt, mezzanine loans and equity co-investments. The fair value of the investment in this fund has been determined using the NAV per unit of the ownership interest in the partners' capital. This fund is not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of five to ten years.

NB Private Debt Fund IV, LP is a Delaware limited partnership commenced operations on December 9, 2020. The fund's objective is to create a portfolio through several holding partnerships in which the fund owns approximately 60%, which seek to provide attractive risk-adjusted returns by making investments in senior secured floating rate loans and complementary investments. The fund's investments most notably consist of 1st lien loans, 2nd lien loans, unitranche loans, and revolvers. The fund's private debt and equity investments are valued at fair value on a quarterly basis. The fund's advisors estimate the enterprise value of each portfolio company and compares such amount to the total amount of the company's debt and equity as well as the level of debt senior to the fund's interest. These estimates are based on specific measures such as EBITDA, free cash flow, net income, book value, or NAV, as believed most relevant for the given company, and compares this metric in relation to comparable company valuations based on the same metric. In determining the enterprise value, the advisors further consider factors such as the company's acquisition prices, credit metrics, historical and projected operational and financial performance, liquidity, industry trends, general economic conditions, scale, and competitive advantages. In certain cases, debt and equity securities are valued on the basis of prices from an orderly transaction between market participants provided by reputable dealers or pricing services.

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Brightwood Capital Fund V, LP is a Delaware limited partnership that commenced operations on June 24, 2021. The fund is organized for the principal purposes of making investments in loans, notes and other debt instruments, total return swaps and other derivative instruments, participation interests, warrants, equity securities including common stock, preferred stock, direct equity investments, and structured equity products. For private equity and debt investments in operating companies for which prices are not observable, the fund measures fair value based on Level 3 inputs by reference to public market or private transactions or valuations for comparable companies or assets in the relevant asset class when such amounts are available. If investments cannot be valued by reference to observable valuation measures for comparable companies, then the primary analytical method used to estimate fair value of such investments is the discounted cash flow method. The fund estimates the fair value of debt securities using recently executed transactions, market price quotations and traded yields of corporate transactions when observable. When observable data is not available, fair value is estimated based on analysis of collateral, cash flow models with yield curve analysis, seniority of the debt, enterprise value relative to debt levels, projected financial condition and operating result, payment history and ability to generate sufficient cash flows to make payments when due, and prepayment penalties. Investments in equity and debt securities of portfolio companies may also be valued at cost for a period of time after acquisition as the best indicator of fair value.

Brightwood Capital SBIC III, LP is a Delaware limited partnership which was formed on June 11, 2019 and commenced operations on November 5, 2021. The partnership was organized for the principal purpose of operating as a Small Business Investment Company (an "SBIC") and making senior and mezzanine loans, and when feasible, obtaining warrants and other equity conversion rights in the portfolio companies to which it makes loans. The partnership may also make equity investments on an opportunistic basis alongside such loans. For private debt investments in operating companies for which prices are not observable, the fund measures fair value based on Level 3 inputs by reference to public or private transactions or valuations for comparable companies or assets in the relevant asset class when such amounts are available. If investments cannot be valued by reference to observable valuation measures for comparable companies, then the primary analytical method used to estimate fair value of such investments is the discounted cash flow method. The fund estimates the fair value of debt securities using recently executed transactions, market price quotations and traded yields of corporate transactions when observable. When observable data is not available, fair value is estimated based on analysis of collateral, cash flow models with yield curve analysis, seniority of the debt, enterprise value relative to debt levels, projected financial condition and operating result, payment history and ability to generate sufficient cash flows to make payments when due, and prepayment penalties.

Marathon Healthcare Finance Fund, LP is a Delaware limited partnership which was formed on February 2, 2021, commenced operations on August 16, 2021. The partnership's investment objective is to seek to generate attractive, recession resilient, risk adjusted returns in the healthcare market by providing capital solutions primarily to healthcare companies focused on Food and Drug Administration approved therapeutics to address clinical needs in growth markets. The partnership's investments consist of affiliated private equity, affiliated private debt, and a special purpose vehicle ("SPV"). The following methods are used by the investment manager to measure the fair value of investments in affiliated private equity and affiliated private debt: broker quotations including sale negotiations and/or indicative purchase offers received from independent parties; recent market transactions of the instruments; independent third-party appraisals; recent sales valuations of comparable investments; and if the above are not available, other valuation methods including discounted cash flows, enterprise value/income approach, and/or recovery analysis. For the SPV, management determined the fair value of the investment using the net asset value as of the reporting measurement date as a practical expedient. The partnership periodically engages the services of an independent third-party valuation firm to assist in determining a reasonable range of fair values for particular investments.

BCP Special Opportunities Feeder III, LP (the "Onshore Fund") is a Delaware limited partnership which was formed on November 22, 2022 and commenced operations on April 13, 2023. The Onshore Fund invests its investable assets in BCP Special Opportunities Fund III LP, a Cayman Islands exempted limited

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partnership. The Valuation Committee of the Onshore Fund reviews valuation techniques and procedures and the reasonableness of quotations received from broker/dealers and other knowledgeable market participants that may trade or make a market for such investments, independent pricing services, and fair values derived internally based on specific valuation techniques for those thinly traded assets where no quotations are available.

Entrust Blue Ocean Onshore Fund, LP is a limited partnership organized under the laws of the State of Delaware. The partnership commenced operations on July 1, 2017. Investments in securities for which market quotations are not readily available are valued using prices provided by the unaffiliated market makers, broker-dealers, and price data vendors whose inputs include, but are not necessarily limited to, trading activity, crediting ratings of the issuers and interest rates. General Partner may also fair value investments based upon indications of pricing from dealers or counterparties or using other data or methods, including but not limited to, reviewing recent trading activity, utilizing third party appraisers, assessing the impact of trading restrictions and reviewing prices for similar instruments of the issuer or comparable companies.

AG Realty Value Fund X, LP is a Delaware limited partnership which was formed on February 5, 2018, commenced operations on August 2, 2018. Investments are in real estate limited partnerships/companies include equity interests in limited partnerships and limited liability companies for the purpose of investing in real estate. The General Partner primarily utilizes an income valuation approach methodology including discounted cash flow analyses or direct capitalization analyses to value the Partnership's real estate investments. Unlevered cash flows utilized in discounted cash flow analyses are derived from property rental revenue less operating expenses, real estate taxes and capital and other costs, plus projected sales proceeds in the year of exit.

AG Realty Value Fund XI, LP is a Delaware limited partnership which was formed on November 3, 2021, commenced operations on March 31, 2022. Investments are in real estate limited partnerships/companies include equity, preferred equity and debt investments in limited partnerships and limited liability companies for the purpose of investing in real estate. The General Partner primarily utilizes an income valuation approach methodology including discounted cash flow analyses or direct capitalization analyses to value the Partnership's real estate investments. Unlevered cash flows utilized in discounted cash flow analyses are derived from property rental revenue less operating expenses, real estate taxes and capital and other costs, plus projected sales proceeds in the year of exit.

Morgan Stanley Prime Property Fund, LLC (The Fund) is an open-end fund established for the purpose to acquire, own, hold for investment and ultimately dispose of investments in real estate and real estate related assets with the intention of achieving current income, capital appreciation or both. All properties invested in as September 30, 2022 were located throughout the United States. An independent appraiser will perform quarterly appraisals of the Funds underlying properties and is reviewed by asset managers. The Fund determines individual investment values based on such appraisals. These processes are designed to assure that valuation is prepared using reasonable inputs and assumptions which are consistent with market data or with assumptions that would be used by a third-party participant and assume highest and best use of the real estate investment. The fair value of the investment in this Fund has been determined using the NAV per unit of the ownership interest in the fund.

Principal Enhanced Property Fund, LP is an open-end fund that will seek to make investments in stabilized, income producing assets, plus value-added and development projects in accordance with the investment guidelines. All properties invested in at September 30, 2022 were located throughout the United States. Principal will use a third-party appraisal firm, with approximately 25% of the portfolio appraised each quarter. Principal will use the appraised value and updated quarterly valuations for purpose of determining the fund's gross asset value and net asset value. The fair value of the investment in this fund has been determined using the NAV per unit of the ownership interest in the partners' capital.

Affiliated Housing Impact Fund, LP is a real estate fund that seeks to, indirectly through subsidiary entities,

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acquire or lease potential real estate development sites, including parcels of raw land or other sites or properties, in the State of Florida, and subsequently construct, develop, operate, lease, manage, renovate, finance, and/or market thereon affordable multifamily apartments for rent (which may also include ancillary retail or mixed-use components). As of September 30, 2022, the fund wholly owned certain real estate assets in the State of Florida which were either pre-development or under construction. The fund measures the fair value of these real estate investments using methods including annual third-party appraisals of each property.

IFM Global Infrastructure Investment Fund seeks to acquire and maintain a well-diversified portfolio of infrastructure investments. The strategy is to subject investment decisions to rigorous fundamental analysis and a disciplined investment process. The goal is to construct and maintain portfolios which consist of long-term, core infrastructure assets. Infrastructure investments are valued at the end of each quarter by independent valuation firms. The valuation method is employed for each asset at the discretion of the appointed independent valuer but must fall within the standards prescribed under AASB 139, U.S. GAAP ASC 820 and ASC 825 as appropriate. IFM Investors' infrastructure investments are typically valued on a discounted cash flow approach by the independent valuers. Discount rates are also determined by the valuer. Valuations are cross-checked with public market information and recent transactions.

Rate of Return

For the year ended September 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.30%. The annual money-weighted rate of return expresses investment performance, net of investment manager and consultant expenses adjusted for the changing amounts actually invested. Inputs to the internal rate of return calculation are determined on a monthly basis.

Fire Pension Fund Investments

Investments by Fair Value Level	September 30, 2025	Fair Value Measurements Using:	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
U.S. Government Securities	\$ 20,247,533	\$ -	\$ 20,247,533
U.S. Government Agencies	19,498,619	-	19,498,619
Corporate Bonds	1,740,796	-	1,740,796
Fixed Income Investment Funds	1,599,029	1,599,029	-
Domestic Stocks	136,219,642	136,219,642	-
Domestic Equity Investment Fund	100,517,076	100,517,076	-
International Stock	41,703,974	41,703,974	-
Temporary Investments	11,749,062	11,749,062	-
Total Investments by Fair Value Level	333,275,731	\$ 291,788,783	\$ 41,486,948
Investments Measured at the Net Asset Value (NAV):			
International Equity Investment Fund	34,178,176		
Real Estate Investment Fund	34,060,236		
Alternative Investments	8,121,392		
Fixed Income Investment Funds	11,273,023		
Total Investments measured at the NAV	87,632,827		
Cash Equivalents:			
Cash, Pooled Investments, and/or Cash Equivalents	153		
Total Investments measured at fair value	\$ 420,908,711		

The Plan has the following recurring fair value measurements as of September 30, 2025

- Domestic stocks, international stocks, domestic equity investment funds, fixed income investment funds, temporary investment funds - Valued at the quoted net asset value ("NAV") of shares held by the Plan at year end.

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- U.S. Government obligations, U.S. Government agency obligations, corporate bonds - Valued using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.
- International equity investment funds, fixed income investment funds, real estate investment funds, alternative investment funds - Valued at the NAV per unit of the Plan's ownership interest. The NAV is used as a practical expedient to estimate fair value. These funds are excluded from the fair value hierarchy.

Investments Measured at the NAV:	Fair Value	Unfunded Commitments	Redemption Frequency	Notice Period
International Equity Investment Fund				
RBC International Equity Fund	\$ 34,178,176	\$ -	N/A	N/A
Total International Equity Funds	<u>34,178,176</u>	<u>-</u>		
Real Estate Investment Fund:				
U.S. Real Estate Investment Fund, LLC	13,855,973	2,220,390	Quarterly	90 Days
Affiliated Housing Impact Fund	4,444,172	3,503,754	Quarterly	60 Days
Affiliated Housing Impact Fund II	215,892	4,705,196	Quarterly	60 Days
Mavik Real Estate Special Opportunities Fund	4,477,915	1,133,313	N/A	N/A
Mavik Real Estate Special Opportunities Fund VS2	440,778	10,000,000	N/A	N/A
JPMCB Special Situation Property Fund	10,625,506	-	Quarterly	45 Days
Total Real Estate Investment Fund	<u>34,060,236</u>	<u>21,562,653</u>		
Alternative Investments:				
Entrust ETG Co-Invest Opportunities Fund, LP	3,417,858	1,918,906	Indefinite	90 Days
EntrustPermal Special Opportunities Fund IV, Ltd.	4,703,534	568,638	Indefinite	90 Days
	<u>8,121,392</u>	<u>2,487,544</u>		
Fixed Income Investment Funds				
Churchhill Middle Market Senior Loan Fund V (Delware), I	11,121,320	-	Quarterly	30 Days
Crescent Direct Lending Levered Fund	7,520	914,665	Indefinite	90 Days
LBC Credit Partners Fund	144,183	1,000,000	Indefinite	N/A
Total Domestic Fixed Income Investment Fund	<u>11,273,023</u>	<u>1,914,665</u>		
Total Investments Measured at the NAV	<u>\$ 87,632,827</u>	<u>\$ 25,964,862</u>		

For information on the NAV investments, please refer to the financial statements of the Fire Pension Fund or contract the Fire Pension Fund's administrator.

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Police Retirement Fund Investments

Investments by Fair Value Level	September 30, 2025	Fair Value Measurements Using:	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Equity Securities:			
Common and Preferred Stocks	\$ 272,847,858	\$ 272,847,858	\$ -
Commingled Equity Funds	95,335,834	95,335,834	-
Total Equity Securities	368,183,692	368,183,692	-
Debt Securities:			
U.S. Treasury Securities	6,120,947	-	6,120,947
Fixed Income Mutual Fund	9,631,624	-	9,631,624
Foreign bonds	6,000,000	-	6,000,000
Corporate Bonds	11,207,639	-	11,207,639
Total Debt Securities	32,960,210	-	32,960,210
Total Investments by Fair Value Level	401,143,902	\$ 368,183,692	\$ 32,960,210
Investments Measured at the Net Asset Value (NAV):			
Real Estate Funds	41,483,409		
Private Credit Fund	29,828,963		
Private Equity Funds	22,664,194		
Total Investments measured at the NAV	93,976,566		
Cash Equivalents:			
Money Market Funds (exempt)	12,461,101		
Total Investments measured at fair value	\$ 507,581,569		

The following is a description of the valuation methodologies used for assets measured at fair value:

- Common Stocks: Valued at the closing price reported on the New York Stock Exchange.
- Commingled Equity Funds: Valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.
- Government Securities: Valued using pricing models maximizing the use of observable inputs for similar securities.
- Corporate Bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yield of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.
- Alternative Investments (Real Estate, Private Credit, and Private Equity Funds): These investments do not have readily available market quotations. These investments are measured at net asset value-based value based on the proportionate share of the value of the investments as determined by the funded managers and are valued according to methodologies which including pricing models, discounted cash flow models, and similar techniques.
- Money Market Funds: Valued at the floating net asset value of shares held by the Plan at year-end.

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The Fund's valuation methods for investments measured at the net asset value ("NAV") per share (or its equivalent) as of September 30, 2025 are as follows:

Investments Measured at the NAV:	Fair Value	Unfunded Commitments	Redemption Frequency	Notice Period
Real Estate (1)	\$ 23,624,374	\$ -	Quarterly	90 Days
Real Estate (2)	7,105,848	14,666,023	N/A	N/A
Real Estate (3)	4,797,070	-	N/A	N/A
Real Estate (14)	1,014,385	-	N/A	N/A
Real Estate (15)	4,941,732	-	N/A	N/A
Private Equity Fund (4)	6,168,287	948,665	N/A	N/A
Private Equity Fund (8)	15,467,353	6,050,661	N/A	N/A
Private Equity Fund (5)	2,630,637	366,611	N/A	N/A
Private Equity Fund (6)	3,086,827	1,246,493	N/A	N/A
Private Equity Fund (9)	2,475,859	1,700,212	N/A	N/A
Private Equity Fund (7)	7,151,878	-	N/A	N/A
Private Equity Fund (10)	5,408,620	4,040,000	N/A	N/A
Private Equity Fund (11)	2,657,868	1,225,343	N/A	N/A
Private Equity Fund (12)	2,943,271	5,560,000	N/A	N/A
Private Equity Fund (13)	4,502,557	-	N/A	N/A
Total Investments Measured at the NAV	<u>\$ 93,976,566</u>	<u>\$ 35,804,008</u>		

(1) Real Estate Fund: The fund is an open-end, real estate investment fund investing primarily in core institutional office, retail, industrial, and multi-family properties located throughout the United States. The investment is valued at NAV and its redemption must be received by the fund 90 days prior to quarter end.

(2) Real Estate Fund: This fund was formed to invest through subsidiary entities in the acquisition or lease of real estate development sites located in the State of Florida to construct, develop and finance multifamily and mixed-used real estate and make available for lease upon future completion. The investment is valued at NAV and no redemptions are allowed.

(3) Real Estate Fund: The Partnership is engaged in the acquisition and resale of value-added investments in real estate and real estate-backed assets with a focus on opportunities in the Southeast, Southwest, Mid East, and Mountain regions of the United States of America. The investment is valued at NAV and no redemptions are allowed.

(4) Private Credit Fund: This fund is dedicated exclusively to co-investments, which target high-conviction ideas that are catalyst driven and/or designed to exploit market dislocations. The investment is valued at NAV and redemptions are only allowed for Class A.

(5) Private Credit Fund: This fund is open-end, diversified portfolio of private investment entities and/or separately managed accounts managed by investment managers specialized primarily in activist-related alternative investment strategies. This investment is valued at NAV and is liquidating; therefore, no redemptions are allowed.

(6) Private Credit Fund: This fund seeks to generate high current income while preserving capital by participating in levered instruments in directly originated senior secured loans (primarily first lien and unitranche loans), to private U.S. lower middle-market companies in conjunction with private equity investment firms and, where opportunities arise, to upper-middle-market companies. The fund may also invest in other debt and equity securities and in other permitted investments, including swap and hedging transactions. The investments is valued at NAV and no redemptions are currently allowed.

(7) Private Equity Fund: This fund is a limited partnership that seeks to invest in highly attractive, select investment opportunities by maintaining investment through private investment entities and/or separately managed accounts with investment management professionals specializing in various alternative investment strategies. The investment is valued at NAV

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(8) Private Credit Fund: This fund seeks to generate long-term, consistent investor returns, predominately in the form of income distributions, from direct lending and similar financing opportunities to vessel owners and operators, and other maritime businesses. The investment is valued at NAV and no redemptions are currently allowed.

(9) Private Credit Fund: This fund targets middle market investments, spanning senior secured first lien loans, second lien loans, mezzanine debt, and associated equity co-investments. The investment is valued at NAV and no redemptions are allowed.

(10) Private Equity Fund: This fund will focus on transactions at the small end of the private equity secondary market. The investments are valued at NAV and no redemptions are currently allowed.

(11) Private Equity Fund: This fund seeks to generate attractive risk-adjusted returns primarily through direct investments in senior secured loans to middle market companies or other issuers. The investment is valued at NAV and no redemptions are currently allowed.

(12) Private Equity Fund: This fund will focus on private equity partnerships, co-investments, and secondary investments. The fund has a target portfolio exposure of 80% levered buyout, 10% venture capital, and 10% private credit transactions at the small end of the private equity secondary market. The investments are valued at NAV and no redemptions are currently allowed.

(13) Private Equity Fund: This fund seeks to generate current income by investing in moderately levered first lien senior secured loans to private equity-backed United States middle market companies with EBITDA between \$10 - \$100 million. The investments are valued at NAV and no redemptions are allowed.

(14) Real Estate Fund: This fund is a real estate investment vehicle focused on acquiring and managing properties leased to U.S. federal government agencies. The investment is valued at NAV and no redemptions are allowed.

(15) Real Estate Fund: This fund is a real estate credit fund that originates and acquires short-term, senior-secured bridge loans collateralized by U.S. commercial real estate. The investment is valued at NAV and no redemptions are allowed.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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NOTE 3 – ACCOUNTS RECEIVABLES

RECEIVABLES – As of year-end, receivables for the City’s individual major and nonmajor funds and internal service funds in the aggregate, including the applicable allowances for collectible accounts are as follows:

	Governmental Activities					
	Taxes	Accounts	Reinsurance	Inter-governmental	Less: Allowance for Uncollectibles	Net Total Accounts Receivable
General	\$ 2,242,755	\$ 8,334,192	\$ -	\$ 3,223,398	\$ (4,337,909)	\$ 9,462,436
Beach Community Redevelopment	-	4,425	-	2,127,565	-	2,131,990
Downtown Community Redevelopment	-	177,404	-	-	(175,967)	1,437
Other Governmental	-	102,513	-	8,735,467	-	8,837,980
Internal Service	-	189,399	538,994	-	-	728,393
	<u>\$ 2,242,755</u>	<u>\$ 8,807,933</u>	<u>\$ 538,994</u>	<u>\$ 14,086,430</u>	<u>\$ (4,513,876)</u>	<u>\$ 21,162,236</u>
	Business-type Activities					
	Accounts	Due from Other Govt	Assessments	Less: Allowance for Uncollectibles	Net Total Accounts Receivable	
Water & Sewer Utility	\$ 18,268,153	\$ 1,203,276	\$ 809,115	\$ (3,632,643)	\$ 16,647,901	
Other Enterprise	5,255,952	411,618	-	(1,165,607)	4,501,963	
	<u>\$ 23,524,105</u>	<u>\$ 1,614,894</u>	<u>\$ 809,115</u>	<u>\$ (4,798,250)</u>	<u>\$ 21,149,864</u>	

Per the Large User Agreements with Broward County, City of Dania, City of Hallandale, City of Miramar, Town of Pembroke Park, and the City of Pembroke Pines, the estimated fiscal year bills must be adjusted to actual cost at fiscal year-end. For fiscal year 2025, the Water & Sewer Fund owed the large users \$2.9 million for this true up (actual costs < billings). The adjustment is recorded in fiscal year 2025 (10% applied to RRI accounts and 90% applied to operating) but will not be applied to the large users' utility accounts until fiscal year 2026.

Governmental funds report a deferred inflow of resources in connection with receivables and revenue received in advance that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report unearned revenues in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

Source:	Deferred Inflow	Unearned
Local Business Taxes and Other Charges (General Fund)	\$ (2,777,562)	\$ (2,075,137)
Deferred Grant and Contract Revenue (Beach CRA)	(1,960,507)	-
Deferred Grant and Contract Revenue (Nonmajor Funds)	(53,223,068)	(19,345,316)
Total Deferred Inflow/Unearned Revenue for Governmental Funds	<u>\$ (57,961,137)</u>	<u>\$ (21,420,453)</u>

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CITY OF HOLLYWOOD, FLORIDA

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NOTE 4 – NOTES RECEIVABLE

The notes receivable balances are comprised of the following:

	<u>2025</u>
GOVERNMENTAL ACTIVITIES:	
Housing Long-term Loans	\$ 47,240,249
Pinnacle at Peacefield	1,578,000
Less: Allowance for Uncollectibles	<u>(37,901,696)</u>
Notes Receivable -Net	<u>10,916,553</u>
 Downtown Community Redevelopment:	
Long-term Loans	3,675,967
Less: Allowance for Uncollectibles	<u>(3,675,967)</u>
Notes Receivable - Net	<u>-</u>
Total Notes Receivable - Governmental Activities	<u>\$ 10,916,553</u>
 GOVERNMENTAL FUNDS:	
Long-term Loans:	
Downtown CRA District	\$ 3,675,967
Community Development	17,309,235
Interlocal Agreement-County	17,993,108
State Local Housing Assistance	13,037,542
American Rescue Plan	<u>478,364</u>
	52,494,216
Less: Allowance for Uncollectibles	<u>(5,328,002)</u>
Total Notes Receivable -Net - Governmental Funds	<u>\$ 47,166,214</u>

The notes receivable reported in the Community Development, Interlocal Agreement, and State Local Housing Assistance funds are comprised of collateralized home improvement loans and/or promissory notes to affordable housing developers (such as Pinnacle and Tropic). Some loans are forgivable at maturity (principal and any interest, if applicable). The deferred housing loans represent individual borrowings that are generally payable if a house is sold prior to the maturity of the note. The notes receivable in the Downtown Community Redevelopment Fund consists of loans to developers and others to assist in approved projects. Significant loans with the Interlocal Agreement Fund include: \$2.4 million (1.5% interest and 17 year term) loan to the Housing Trust Group for the University Station Project and issued a \$2.7 million (1% interest and 5 year term) loan to HTG Paramount Ltd for the purchase of 826 S. Dixie Highway and 2115 Washington Street Properties. The American Rescue Plan note is promissory note to the developer of the Tropic affordable housing project for the purchase of real estate to be used for affordable housing. The Tropic Funding totaled \$3.5 million and \$478,364 was funded from the American Rescue Plan funds and the remainder from the Interlocal Agreement Fund. Loans are secured by mortgages on real property and repayable over various time periods at various interest rates.

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NOTE 5 – CAPITAL ASSETS

CAPITAL ASSETS – Capital asset activity for the fiscal year ended September 30, 2025 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets, Not Depreciated:				
Land	\$ 49,135,003	\$ -	\$ -	\$ 49,135,003
Construction in Progress	82,793,392	105,115,210	35,453,205	152,455,397
Total Capital Assets, Not Depreciated:	131,928,395	105,115,210	35,453,205	201,590,400
Capital Assets, Depreciated:				
Buildings and Improvements	217,593,426	37,235,881	-	254,829,307
Machinery and Equipment	101,021,693	5,478,207	10,141,193	96,358,707
Infrastructure	119,204,001	3,372,352	-	122,576,353
Total Capital Assets, Depreciated:	437,819,120	46,086,440	10,141,193	473,764,367
Right of Use lease Assets, Amortized:				
Lease Buildings	762,714	1,592,000.00	-	2,354,714
Lease Equipment	1,956,000	6,183,070	-	8,139,070
Total Right of Use lease Assets, Amortized:	2,718,714	7,775,070	-	10,493,784
Right of Use Subscription Asset, Amortized:				
Subscription Based Information Technology Arrangements	10,815,879	432,999	-	11,248,878
Total Right of Use Subscription Assets, Amortized	10,815,879	432,999	-	11,248,878
Less Accumulated Depreciation For:				
Buildings and Improvements	151,090,873	7,114,199	-	158,205,072
Machinery and Equipment	68,771,794	9,475,685	9,842,174	68,405,305
Infrastructure	87,955,168	2,073,667	-	90,028,835
Total Accumulated Depreciation	307,817,835	18,663,551	9,842,174	316,639,212
Less Accumulated Amortization:				
Lease Buildings	449,492	170,232	-	619,724
Lease Equipment	590,558	1,315,289	-	1,905,847
Subscription Based Information Technology Arrangements	3,041,859	2,500,443	-	5,542,302
Total Accumulated Amortization	4,081,909	3,985,964	-	8,067,873
Total Capital Assets, Depreciated:	139,453,969	31,644,994	299,019	170,799,944
Governmental Activities Capital Assets- Net	<u>\$ 271,382,364</u>	<u>\$ 136,760,204</u>	<u>\$ 35,752,224</u>	<u>\$ 372,390,344</u>

Depreciation and amortization expense was charged to functions as follows:

General Government	\$ 2,769,332
Public Safety - Police	2,184,918
Public Safety - Fire	2,546,545
Public Safety - Other	655,504
Public Works	2,370,875
Transportation	38,733
Economic Environment	2,908,847
Culture and Recreation	2,869,733
Internal Service Funds	6,305,028
Total Governmental Activities Depreciation Expense	<u>\$ 22,649,515</u>

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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type Activities				
Capital Assets, Not Depreciated:				
Land	\$ 6,285,499	\$ 4,985,216	\$ -	\$ 11,270,715
Construction in Progress	159,991,081	81,182,121	38,379,815	202,793,387
Total Capital Assets, Not Depreciated:	166,276,580	86,167,337	38,379,815	214,064,102
Capital Assets, Depreciated:				
Buildings, Improvements, and Systems	826,577,661	37,492,589	-	864,070,250.00
Machinery and Equipment	13,378,152	4,428,864	413,378	17,393,638.00
Total Capital Assets, Depreciated:	839,955,813	41,921,453	413,378	881,463,888.00
Right of Use lease Assets, Amortized:				
Lease Equipment	388,284	979,930	-	1,368,214
Total Right of Use lease Assets, Amortized:	388,284	979,930	-	1,368,214
Right of Use Subscription Asset, Amortized:				
Subscription Based Information Technology Arrangements	1,213,639	-	-	1,213,639
Total Right of Use Subscription Assets, Amortized	1,213,639	-	-	1,213,639
Less Accumulated Depreciation For:				
Buildings and Improvements	494,954,915	22,019,867	-	516,974,782
Machinery and Equipment	8,757,328	1,455,028	413,375	9,798,981
Total Accumulated Depreciation	503,712,243	23,474,895	413,375	526,773,763
Less Accumulated Amortization:				
Lease Equipment	204,636	256,587	-	461,223
Subscription Based Information Technology Arrangements	447,204	313,275	-	760,479
Total Accumulated Amortization	651,840	569,862	-	1,221,702
Total Capital Assets, Depreciated-Net	337,193,653	18,856,626	3	356,050,276
Business-type Activities Capital Assets, Net	<u>\$ 503,470,233</u>	<u>105,023,963</u>	<u>38,379,818</u>	<u>\$ 570,114,378</u>

Depreciation and amortization expense was charged to functions as follows:

Water and Sewer	\$ 20,813,562
Nonmajor Enterprise Funds	3,231,195
Total Business-type Activities Depreciation Expense	<u>\$ 24,044,757</u>

NOTE 6 – CONSTRUCTION COMMITMENTS

The City has outstanding commitments for construction and acquisition of capital assets. These commitments were approved by the City's commission and were budgeted. These commitments were fully funded through bond proceeds and other reserves for the respective funds at September 30, 2025:

General Fund	\$ 614,987
Beach CRA	37,695,559
Downtown CRA	15,010,291
General Obligation Capital Projects Series 2022 Fund	38,760,585
Nonmajor Governmental Funds	120,177,283
Water and Sewer Fund	228,540,140
Nonmajor Enterprise Funds	38,611,291
Central Services Internal Service Fund	5,369,994
Insurance Fund	8,539
Total Commitments	<u>\$ 484,788,669</u>

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2025, is as follows:

Due From:	Due to:	
	General Fund	Total
Police Grants Fund	\$ 757,841	\$ 757,841
Emergency and Disaster Fund	1,206,085	1,206,085
County Surtax	120,405	120,405
Golf Enterprise Fund	3,033,695	3,033,695
	<u>\$ 5,118,026</u>	<u>\$ 5,118,026</u>

The above mainly represents cash advanced by the General Fund to other Funds which are outstanding at September 30, 2025.

Transfers In:					
	General Fund	Nonmajor Governmental Funds	Water & Sewer Utility	Internal Service Funds	Total Transfers
Transfers Out:					
General Fund	\$ -	\$ 29,705,361	\$ -	\$ 4,841,837	\$ 34,547,198
Nonmajor Governmental Funds	450,000	234,318	-	-	684,318
Water & Sewer Utility	6,277,134	-	-	-	6,277,134
Nonmajor Enterprise Funds	649,884	-	350,882	-	1,000,766
Internal Service Funds	388,103	705,393	-	-	1,093,496
Total Transfers In	<u>\$ 7,765,121</u>	<u>\$ 30,645,072</u>	<u>\$ 350,882</u>	<u>\$ 4,841,837</u>	<u>\$ 43,602,912</u>

Bond covenants and City financial policies require interfund transfers to move financial resources from funds designated to receive them to funds required to expend them. Business-type fund payments-in-lieu of taxes are also reported as interfund transfers to the General Fund. The \$29.7 million transfer between the General Fund and the Nonmajor Governmental Funds was mainly to fund debt service and general capital projects (non-grant and non-bond funded capital projects). The \$7.8 million transfers into the General Fund were primarily to offset administrative costs for services provided to other funds. The \$4.8 million transferred into the Internal Service Funds are primarily to fund capital asset acquisitions (such as fleet vehicles).

NOTE 8 – LEASES (GASB 87)

The City is a lessor and lessee in various leases. GASB 87 governs accounting and disclosures for leases that qualify under the standard. GASB Statement 87 defines a lease as a contract that conveys control of the right to use another entity's non-financial asset (the underlying asset) as specified in the contract for a period in an exchange or exchange-like transaction. The Statement also determines or defines lease terms, how to value lessee and lessor transactions and disclosure requirements for each lease. Below are the City's lease transactions that meet the requirements of GASB 87.

City as Lessor:

On February 2011 and amended on May 2013 the City (lessor) entered into an initial development agreement and land lease with Margaritaville Hollywood Beach Resort, LLC (lessee). The purpose of the lease was to provide the lessee the right to develop Margaritaville Resort (opened 2015) and related

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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amenities (parking, commercial space, redevelopment) on city land. The minimum guaranteed rent is \$1,000,000 beginning October 2015. Minimally guaranteed rent increases 15% every fifth year until year 99 (see inflows in the below table). Rent is due monthly. "Participation Rent" and "Transaction Rent" is a variable rent due based on the lessee's prior audited financial statements or property transfers. Only the minimum guaranteed rent is included in the schedule below. For FY 2025, the City received \$1.15 million in minimally guaranteed rent and \$0.96 million in variable rent. The lease was valued in accordance with GASB 87 beginning October 2021. At this time, the lease assets were valued at \$58.8 million. The interest implicit in the lease is approximately 4.13%. The lease is recorded in the General Fund as a "Lease Receivable - GASB 87" and deferred inflow for "Leases - GASB 87". At the end of FY 2025, the lease receivable was \$58.6 million, and the related deferred inflow was \$56.3 million. The lease may be terminated by the City if the developer is in prolonged default of payment or bankruptcy.

The schedule of inflows as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Inflows
2026	\$ 64,396	\$ 1,258,104	\$ 1,322,500
2027	67,108	1,255,392	1,322,500
2028	69,934	1,252,566	1,322,500
2029	72,879	1,249,621	1,322,500
2030	75,948	1,246,552	1,322,500
2031-2035	430,498	7,173,877	7,604,375
2036-2040	529,107	8,215,924	8,745,031
2041-2045	650,305	9,406,481	10,056,786
2046-2050	799,264	10,766,040	11,565,304
2051-2055	982,343	12,317,756	13,300,099
2056-2060	1,207,359	14,087,756	15,295,115
2061-2065	1,483,916	16,105,465	17,589,381
2066-2070	1,823,822	18,403,967	20,227,789
2071-2075	2,241,587	21,020,370	23,261,957
2076-2080	2,755,045	23,996,206	26,751,251
2081-2085	3,386,116	27,377,822	30,763,938
2086-2090	4,161,740	31,216,789	35,378,529
2091-2095	5,115,028	35,570,280	40,685,308
2096-2100	6,286,677	40,501,428	46,788,105
2101-2105	7,726,703	46,079,617	53,806,320
2106-2110	9,496,582	52,380,686	61,877,268
2111-2114	9,141,052	47,786,035	56,927,087
	<u>\$ 58,567,409</u>	<u>\$ 428,668,734</u>	<u>\$ 487,236,143</u>

On December 2024, the City (lessor) entered an office space lease (sub-lease) with Barry University (lessee). In August 2025, the Certificate of Occupancy was issued for the property. The purpose of the lease was to provide educational space at University Station. Rent is due monthly. Beginning in FY 26, rent is \$25,437.50 per month. Rent escalates 2% each anniversary date thereafter. The initial lease term is 10 years and it is expected that the 5-year renewal option will be exercised. At this time, the lease assets were valued at \$3.9 million. The interest implicit in the lease is approximately 3.89%. The lease is recorded in the General Fund as a "Lease Receivable - GASB 87" and deferred inflow for "Leases - GASB 87". At the end of FY 2025, the lease receivable was \$3.9 million, and the related deferred inflow was \$3.9 million.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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The lease may be terminated by the City if the developer is in prolonged default of payment or bankruptcy.

The schedule of inflows as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Inflows
2026	\$ 145,745	\$ 142,206	\$ 287,951
2027	165,855	144,962	310,817
2028	178,762	138,240	317,002
2029	192,308	131,003	323,311
2030	206,519	123,224	329,743
2031-2035	1,271,154	478,594	1,749,748
2036-2040	1,744,428	186,330	1,930,758
2041	33,380	56	33,436
	<u>\$ 3,948,014</u>	<u>\$ 1,344,615</u>	<u>\$ 5,292,629</u>

City as Lessee:

When the City is a lessee, the asset is noted in the Capital Asset footnote and the liability is included as part of the Schedule of Changes in Long-Term Liabilities footnote.

I. McNicol Middle School - Building - November 2021

In November 2021, the City's Parks and Recreation Department (General Fund) leased office space at McNicol Middle School from the Broward County School Board. The purpose of the lease is to provide office space for parks and recreation services to the community. Payments are due monthly, and the lease term is 60 months (5 years). Payments are \$9,484.55, \$9,769.09, \$10,062.16, \$10,364.02, and \$10,674.94 per month in years 1 - 5 of the lease. The lease's interest rate is about 9%. The office space's cost was \$488,189 and currently has \$382,414 in accumulated amortization.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 121,206	\$ 6,582	\$ 127,788
2027	19,963	1,011	20,974
	<u>\$ 141,169</u>	<u>\$ 7,593</u>	<u>\$ 148,762</u>

II. CRA Building Lease - May 2016

In May 2016, the CRA leased office space at 1948 Harrison Street from 1948 Harrison Street LLC. The purpose of the lease is to provide office space for the Community Redevelopment Agency to provide community services within the CRA's districts. Payments are due monthly, and the lease term is 120 months (10 years). Payments are \$5,416.67 in years 1-5 and \$5,958.34 in years 5-10. The lease's interest rate is about 8.5%. The office space's cost was \$274,525 and currently has \$219,620 in accumulated amortization.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 46,181	\$ 1,488	\$ 47,669
	<u>\$ 46,181</u>	<u>\$ 1,488</u>	<u>\$ 47,669</u>

III. Orangebrook Golf Course – Golf Carts - Wells Fargo Financial Leasing – February 2023

In February 2023, the Golf Enterprise Fund leased golf carts from Wells Fargo Financial Leasing. The purpose of the lease is to provide 120 2023 EZ-GO RXV Elite Golf Carts to the Orangebrook Golf Course. Payments are due monthly, and the lease term is 36 months (3 years). Payments are \$11,269 per month. The lease's interest rate is about 4.52%. The golf carts cost \$388,284. The carts currently have \$303,566 accumulated amortization.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 55,709	\$ 637	\$ 56,346
	<u>\$ 55,709</u>	<u>\$ 637</u>	<u>\$ 56,346</u>

IV: Police Command Staff Vehicles – Enterprise FM Trust – January 2023

In February 2023, the Police Department (General Fund) leased 13 vehicles from Enterprise FM Trust. The purpose of the lease is to provide 13 vehicles for police operations. Payments are due monthly, and the lease term is 36 months (3 years). Payments are approximately \$10,064 per month. The lease's interest rate is about 3.94%. The vehicles cost \$345,000. The vehicles currently have \$301,875 in accumulated amortization.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 50,094	\$ 485	\$ 50,579
	<u>\$ 50,094</u>	<u>\$ 485</u>	<u>\$ 50,579</u>

V: Code Vehicles – Enterprise FM Trust – March 2023

In March 2023, the Code Department (General Fund) leased 20 trucks from Enterprise FM Trust. The purpose of the lease is to provide 20 trucks to be used for code services within the City limits. Payments are due monthly, and the lease term is 14 months. In April 2024, the lease was extended for 19 trucks through April 2025. This resulted in a modification of \$102,000. Payments are approximately \$12,009 per month. The lease's interest rate is about 7.80%. The asset cost \$270,000. The vehicles are fully amortized. The lease concluded by fiscal year end 2025.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

VI: Police Computers – Dell Financial Services – April 2024

In April 2024, the Police Department/IT Department (Central Services Internal Service Fund) leased 450 Panasonic Toughbook computers from Dell Financial services. The purpose of the lease is to provide improved technological equipment to the Police Department. Payments are due annually, and the lease term 4 years. Payments are approximately \$284,802 per year. The lease's interest rate is about 4.13%. The computer's cost basis is \$1,031,000 and accumulated amortization is \$386,625.

The payment schedule as of September 30, 2025 is below:

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Outflows</u>
2026	\$ 262,639	\$ 22,163	\$ 284,802
2027	273,923	10,879	284,802
	<u>\$ 536,562</u>	<u>\$ 33,042</u>	<u>\$ 569,604</u>

VII: IT Computers – Dell Financial Services – October 2023

In October 2023, the IT Department (Central Services Internal Service Fund) leased 250 Dell Latitude 5540 Laptops and 50 Dell OptiPlex 7010 computers from Dell Financial services. The purpose of the lease is to provide improved technological equipment city-wide (end users within the City's departments). Payments are due annually, and the lease term is 4 years. Payments are approximately \$87,138 per year. The lease's interest rate is about 4.86%. The computer's cost basis is \$310,000 and accumulated amortization is \$155,000.

The payment schedule as of September 30, 2025 is below:

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Outflows</u>
2026	\$ 79,249	\$ 7,889	\$ 87,138
2027	83,100	4,038	87,138
	<u>\$ 162,349</u>	<u>\$ 11,927</u>	<u>\$ 174,276</u>

VIII: IT Computers – Dell Financial Services – September 2025

In September 2025, the IT Department (Central Services Internal Service Fund) leased 300 Dell Pro 14 Plus PB14250 computers from Dell Financial services. The purpose of the lease is to provide improved technological equipment city-wide (end users within the City's departments). Payments are due annually, and the lease term is 4 years. Payments are approximately \$78,975 per year. The lease's interest rate is about 4.25%. The computer's cost basis is \$285,000 and accumulated amortization is \$5,938.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 69,707	\$ 9,271	\$ 78,978
2027	72,667	6,308	78,975
2028	75,766	3,208	78,974
	<u>\$ 218,140</u>	<u>\$ 18,787</u>	<u>\$ 236,927</u>

IX: Fleet Vehicles – 2025 Deliveries

Beginning January 2025, the Public Works Department (see breakdown of Fund's below) leased numerous vehicles from Enterprise. The purpose of the lease is to provide city-wide fleet vehicles to the City's various departments. Payments are due monthly, and the lease term is 5 years. Payments, interest, and terms are dependent on the delivery date of each individual vehicle. The lease was accounted for in the aggregate for all vehicles delivered during fiscal year 2025. In 2025, there were 152 vehicles delivered. Payments are approximately \$133,188 per month. The lease's interest rate is about 5.27%. The vehicle's cost basis is \$6,878,000 and accumulated amortization is \$917,067.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal					Total
	80.6% Central Services Fund	5.1% Building Fund	10.5% Water and Sewer Fund	2.2% Parking Fund	1.6% Stormwater Fund	
2026	\$ 1,106,342	\$ 70,068	\$ 143,824	\$ 29,502	\$ 22,127	\$ 1,371,864
2027	1,087,064	68,847	141,318	28,988	21,741	1,347,960
2028	1,145,759	72,565	148,949	30,554	22,915	1,420,741
2029	1,207,622	76,483	156,991	32,203	24,152	1,497,451
2030	883,125	55,931	114,806	23,550	17,663	1,095,075
	<u>\$ 5,429,912</u>	<u>\$ 343,894</u>	<u>\$ 705,888</u>	<u>\$ 144,797</u>	<u>\$ 108,598</u>	<u>\$ 6,733,091</u>

Fiscal Year Ending September 30,	Interest					Total
	80.6% Central Services Fund	5.1% Building Fund	10.5% Water and Sewer Fund	2.2% Parking Fund	1.6% Stormwater Fund	
2026	\$ 281,385	\$ 17,821	\$ 36,580	\$ 7,504	\$ 5,628	\$ 348,918
2027	201,850	12,784	26,241	5,383	4,037	250,295
2028	143,156	9,067	18,610	3,817	2,863	177,514
2029	81,293	5,149	10,568	2,168	1,626	100,803
2030	19,132	1,212	2,487	510	383	23,723
	<u>\$ 726,816</u>	<u>\$ 46,033</u>	<u>\$ 94,486</u>	<u>\$ 19,382</u>	<u>\$ 14,537</u>	<u>\$ 901,253</u>

Fiscal Year Ending September 30,	Outflows					Total
	80.6% Central Services Fund	5.1% Building Fund	10.5% Water and Sewer Fund	2.2% Parking Fund	1.6% Stormwater Fund	
2026	\$ 1,387,727	\$ 87,889	\$ 180,404	\$ 37,006	\$ 27,755	\$ 1,720,782
2027	1,288,914	81,631	167,559	34,371	25,778	1,598,255
2028	1,288,915	81,632	167,559	34,371	25,778	1,598,255
2029	1,288,915	81,632	167,559	34,371	25,778	1,598,254
2030	902,257	57,143	117,293	24,060	18,046	1,118,798
	<u>\$ 6,156,728</u>	<u>\$ 389,927</u>	<u>\$ 800,374</u>	<u>\$ 164,179</u>	<u>\$ 123,135</u>	<u>\$ 7,634,344</u>

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 9 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

I: Axon Body Camera Software

In late September 2022, the Police Department (Police Grant Fund) purchased body cameras and related subscriptions from Axon. The purpose is to provide body camera technologies and transparency to the police department and overall citizenry of Hollywood. The term is 5 years. The arrangement calls for annual payments of \$457,191. The interest rate is about 3.45%. During the year, the City paid \$457,192 in principal and interest payments. The asset was measured at \$2,067,000 and current accumulated amortization is \$1,240,000.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 427,265	\$ 29,927	\$ 457,192
2027	441,435	15,207	456,642
	<u>\$ 868,700</u>	<u>\$ 45,134</u>	<u>\$ 913,834</u>

II. Open Government Procurement Software

In late September 2022, the Procurement Department (General Fund) purchased software to facilitate procurement services within the City and to external stakeholders. The term is 5 years. The arrangement calls for annual payments of \$35,000. The interest rate is about 3.45%. During the year, the City paid \$35,000 in principal and interest payments. The asset was measured at \$140,000 and the current accumulated amortization is \$95,100.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 32,722	\$ 2,278	\$ 35,000
2027	33,389	1,150	34,539
	<u>\$ 66,111</u>	<u>\$ 3,428</u>	<u>\$ 69,539</u>

III. Oracle Enterprise Resource Planning (ERP) Software

In December 2022, the Information Technology Department (Central Services Internal Service Fund) purchased Oracle ERP subscriptions via Mythics, Inc. The term is 5 years. The arrangement calls for annual payments of \$456,344, \$761,493, \$482,567, \$506,695, and \$532,030. The interest rate is about 3.48%. During the year, the City paid \$434,943 in principal and interest payments. The asset was measured at \$2,478,000 and current accumulated amortization is \$1,404,200.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 767,151.00	\$ 59,693.00	\$ 826,844.00
2027	524,277	18,260	542,537
	<u>\$ 1,291,428</u>	<u>\$ 77,953</u>	<u>\$ 1,369,381</u>

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

IV. Microsoft Enterprise Software

In August 2023, the Information Technology Department (Central Services Internal Service Fund) purchased Microsoft Enterprise Software via CDW Government. The software's purpose is to provide consolidated Microsoft technology packages for e-mail, security, meetings, etc. The term is 3 years. The arrangement calls for annual payments of \$790,633. The interest rate is about 3.04%. During the year, the City paid \$1,581,266 in principal and interest payments. The asset was measured at \$2,235,000 and current accumulated amortization is \$1,614,167. The liability was fully repaid by fiscal year end 2025.

V. Motorola CAD

In October 2022, the Information Technology Department (Central Services Internal Service Fund) purchased Microsoft Computer Aided Software via Motorola Solutions. The software's purpose is to provide dispatch and other related 911 system messaging from Broward County to the Hollywood Police Department. The term is 6 years. The arrangement calls for annual payments from \$41,134 to \$55,795. The interest rate is about 3.45%. During the year, the City paid \$51,060 in principal and interest payments. The asset was measured at \$269,000 and current accumulated amortization is \$134,500.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 47,376	\$ 5,216	\$ 52,592
2027	50,586	3,584	54,170
2028	53,450	1,841	55,291
	<u>\$ 151,412</u>	<u>\$ 10,641</u>	<u>\$ 162,053</u>

VI. Aclara Meter Software

In June 2023, the Water and Sewer Enterprise fund purchased Aclara Water and Sewer Meter Software. The software's purpose is to provide utility advanced metering infrastructure technologies to the Water and Sewer Fund. The term is 5 years. The arrangement calls for estimated annual payments from \$41,173 to \$82,346. The interest rate is about 2.45%. During the year, the City paid \$0k in principal and interest payments. The asset was measured at \$382,536 and current accumulated amortization is \$173,948.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 67,630	\$ 4,422	\$ 72,052
2027	79,581	2,765	82,346
2028	33,334	816	34,150
	<u>\$ 180,545</u>	<u>\$ 8,003</u>	<u>\$ 188,548</u>

VII. Azteca Software

In June 2023, the City (various Funds) purchased Cityworks asset management software from Azteca Systems LLC. The software's purpose is to consolidate the asset management services provided by public works, public utilities, and central services departments. The term is 5 years. The arrangement calls for annual payments from \$126,000 to \$141,814. The interest rate is about 3.45%. During the year, the City paid \$137,684 in principal and interest payments but obtained delivery of the system. The asset was

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

measured at \$604,000 and current accumulated amortization is \$467,592.

The payment schedule as of September 30, 2025 is below:

<u>General Fund/Governmental Activities</u>			
Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 15,755	\$ 543	\$ 16,298
	<u>\$ 15,755</u>	<u>\$ 543</u>	<u>\$ 16,298</u>
<u>Water and Sewer Enterprise Fund</u>			
Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 54,242	\$ 1,869	\$ 56,111
	<u>\$ 54,242</u>	<u>\$ 1,869</u>	<u>\$ 56,111</u>
<u>Stormwater Enterprise Fund</u>			
Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 14,418	\$ 497	\$ 14,915
	<u>\$ 14,418</u>	<u>\$ 497</u>	<u>\$ 14,915</u>
<u>Central Services Internal Services Fund/Governmental Activities</u>			
Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 52,904	\$ 1,823	\$ 54,727
	<u>\$ 52,904</u>	<u>\$ 1,823</u>	<u>\$ 54,727</u>

VIII. MUNIS Software (Tyler Technologies)

In 2024, the City (various Funds) purchased MUNIS ERP software from Tyler Technologies. The software's main purpose is to provide utility billing software to the Public Utilities Department. The initial term of three years is through FY 2027. The arrangement calls for annual payments from \$178,369 to \$205,788. The interest rate is about 4.61%. During the year, the City paid \$195,989 in principal and interest payments. The asset was measured at \$529,102 and current accumulated amortization is \$352,735.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2027	\$ 196,806	\$ 8,982	\$ 205,788
	<u>\$ 196,806</u>	<u>\$ 8,982</u>	<u>\$ 205,788</u>

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

IX. Accela (Building Permitting Software)

In 2024, the City (Building Special Revenue Fund) purchased Accela software from Carahsoft Technologies. The software's main purpose is to provide permitting software to Building Division (Development Services) and to provide efficiencies in the permitting process to the citizenry. The initial term of five years is through FY 2029. The arrangement calls for annual payments from \$624,067 to \$771,068. The interest rate is about 4.24%. During the year, the City paid \$666,196 in principal and interest payments. The asset was measured at \$3,225,879 and current accumulated amortization is \$752,705.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 613,511	\$ 85,980	\$ 699,491
2027	674,471	59,967	734,438
2028	739,841	31,226	771,067
	<u>\$ 2,027,823</u>	<u>\$ 177,173</u>	<u>\$ 2,204,996</u>

X. CAD Software - Upgrade

In 2024, the City (Central Services Internal Service fund) purchased CAD software technologies. The software's main purpose is to provide public safety response and management services. This item is a supplement to SBITA V. The initial term of five years is through FY 2028. The arrangement calls for annual payments from \$11,238 to \$55,353. The interest rate is about 4.24%. During the year, the City paid \$0 in principal and interest payments. The asset was measured at \$99,000 and current accumulated amortization is \$23,100.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 10,339	\$ 1,461	\$ 11,800
2027	11,367	1,023	12,390
2028	22,139	2,109	24,248
	<u>\$ 43,845</u>	<u>\$ 4,593</u>	<u>\$ 48,438</u>

XI. Telestaff - Police

In 2025, the City (General Fund) purchased Telestaff software from UKG. The software's main purpose is to provide public safety time and labor services. The initial term of five years is through FY 2029. The arrangement calls for annual payments from \$50,953 to \$60,147. The interest rate is about 2.51%. During the year, the City paid \$50,953 in principal and interest payments. The asset was measured at \$258,000 and current accumulated amortization is \$38,700.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 48,109	\$ 5,362	\$ 53,471
2027	51,456	4,154	55,610
2028	54,972	2,862	57,834
2029	58,990	1,158	60,148
	<u>\$ 213,527</u>	<u>\$ 13,536</u>	<u>\$ 227,063</u>

XII. Telestaff - Fire

In 2025, the City (General Fund) purchased Telestaff software from UKG. The software's main purpose is to provide public safety time and labor services. The initial term of five years is through FY 2029. The arrangement calls for annual payments from \$50,953 to \$60,147. The interest rate is about 3.51%. During the year, the City paid \$0 in principal and interest payments. The asset was measured at \$175,000 and current accumulated amortization is \$5,833.

The payment schedule as of September 30, 2025 is below:

Fiscal Year Ending September 30,	Principal	Interest	Outflows
2026	\$ 29,829	\$ 6,136	\$ 35,965
2027	32,313	5,090	37,403
2028	34,942	3,957	38,899
2029	37,723	2,732	40,455
2030	40,193	1,879	42,072
	<u>\$ 175,000</u>	<u>\$ 19,794</u>	<u>\$ 194,794</u>

NOTE 10 – LONG-TERM DEBT

Summarized below are the City's debt issued to finance the acquisition and construction of major capital facilities that were outstanding as of September 30, 2025:

I. GOVERNMENTAL ACTIVITIES DEBT:

Bonds, Loans, and Notes:

\$43,922,000 General Obligation Refunding Note, Series 2015 was issued on July 9, 2015, for the purpose of refunding, on a current basis, the outstanding Series 2005 General Obligation Bonds and certain costs of issuing the note. Note was issued under the provisions of applicable governing law and Resolution R-2015-224 enacted by the City Commission on July 8, 2015. Revenue for ad valorem taxes levied on all taxable property in the City will be used to pay the debt service on the note through its maturity date (June 1, 2030). The interest rate on the note is fixed at 2.92%. The refunding resulted in an economic gain of \$5,407,232.

Annual debt service requirements to maturity for the General Obligation Refunding Note, Series 2015:

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 3,152,000	\$ 488,370	\$ 3,640,370
2027	3,247,000	396,332	3,643,332
2028	3,343,000	301,519	3,644,519
2029	3,440,000	203,904	3,643,904
2030	3,543,000	103,456	3,646,456
	<u>\$ 16,725,000</u>	<u>\$ 1,493,581</u>	<u>\$ 18,218,581</u>

\$36,890,000 Capital Improvement Revenue and Refunding Bonds, Series 2016A – On March 3, 2016 the City issued Series 2016A bonds for the purpose of advance refunding various City outstanding debts, construction of various capital projects citywide, acquisition of vehicles and equipment, and to pay for issuance costs related to the bonds. Of the \$44,469,136 of proceeds and premiums plus \$1,635,339 of other available resources, \$24,808,874 was used for advance refunding (of which \$4,914,208 in principal plus \$133,866 in interest and costs related to refunding business-type activity FFGFC series notes), \$21,000,000 for capital items and the remaining balance for costs related to the debt. The Series 2016A bonds are secured by the City's half-cent sales tax revenue and the City's simplified communications tax revenue. The coupon interest rate on these bonds is 5.0% for the first payment, decreasing to 3.0% on the last payment on July 1, 2031. In the event of default of payments, covenants, or bankruptcy existing for more than 30 days, the City must pay to the Paying Agent, Registrar, or Holders of the Bonds not less than 25.00% of the outstanding principal. The Deferred Outflow relating to the the deferred refunding is \$377,912 at September 30, 2025.

Annual debt service requirements to maturity for the Government Activities portion of the Capital Improvement Revenue and Refunding Bonds, Series 2016A:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 3,770,985	\$ 926,026	\$ 4,697,011
2027	2,925,997	737,477	3,663,474
2028	3,074,319	591,177	3,665,496
2029	3,227,137	479,407	3,706,544
2030	3,388,942	276,104	3,665,046
2031	3,553,245	64,712	3,617,957
	19,940,625	3,074,903	23,015,528
Premium/(Discount)	1,142,717	-	1,142,717
	<u>\$ 21,083,342</u>	<u>\$ 3,074,903</u>	<u>\$ 24,158,245</u>

\$60,045,000 General Obligation Bonds, Series 2019 – On September 10, 2019, the City issued the Series 2019, General Obligations bonds. The bond was issued at a premium of \$10,692,757. The bond is payable semiannually commencing on January 1, 2022 and on each January 1 and July 1 thereafter. The bonds mature on July 1, 2044. The bonds are secured by the City's ad valorem taxes. Interest on the bonds varies from 4.00% to 5.00%. In the event of default of payments, covenants, or bankruptcy existing for more than 30 days, the majority bond holders may declare all outstanding principal and interest immediately due.

The purpose of the bonds is to fund capital projects relating to:

- Neighborhood Infrastructure and Resiliency Projects -\$15,398,905
- Public Safety Projects - \$12,853,297
- Parks, Open Space, Golf and Recreational and Cultural Arts - \$41,747,798 and
- Issuance costs \$737,757

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Annual debt service requirements to maturity for the General Obligation Bonds, Series 2019:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 1,730,000	\$ 2,167,350	\$ 3,897,350
2027	1,820,000	2,080,850	3,900,850
2028	1,910,000	1,989,850	3,899,850
2029	2,005,000	1,894,350	3,899,350
2030	2,105,000	1,794,100	3,899,100
2031-2035	12,120,000	7,359,650	19,479,650
2036-2040	14,830,000	4,654,200	19,484,200
2041-2045	14,140,000	1,442,000	15,582,000
	50,660,000	23,382,350	74,042,350
Premium/(Discount)	6,742,843	-	6,742,843
	<u>\$ 57,402,843</u>	<u>\$ 23,382,350</u>	<u>\$ 80,785,193</u>

\$11,700,000 Series 2020A and Series 2020B Bank Loans – On May 20, 2020, the City issued the Series 2020A and Series 2020B Bank Loans. The loan is payable quarterly commencing on August 1, 2020. The bonds mature on May 1, 2030. The bonds are secured by the City's business taxes. Interest on the bonds equals 2.34% for Series 2020A to 2.27% for Series 2020B. The purpose of the loans are to fund capital projects.

Annual debt service requirements to maturity for the Series 2020A and Series 2020B Bank Loans:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 1,310,141	\$ 111,648	\$ 1,421,789
2027	1,239,179	81,016	1,320,195
2028	979,264	55,247	1,034,511
2029	1,002,380	32,130	1,034,510
2030	744,760	8,599	753,359
	<u>\$ 5,275,724</u>	<u>\$ 288,640</u>	<u>\$ 5,564,364</u>

\$9,900,000 Series 2022A and Series 2022B Bank Note – On April 21, 2022, the City issued the Series 2022A and Series 2022B Bank Notes. The note is payable quarterly commencing on August 1, 2022. The notes mature on May 1, 2027. The notes are secured by the City's electric franchise fees. Interest on the notes equals 2.03% for Series 2022A and 1.90% for Series 2022B. The purpose of the notes is to fund the repayment of the general employees' pension settlement agreement debt (contributions owed) and the acquisition of municipal vehicles.

Annual debt service requirements to maturity for the Series 2022A and Series 2022B Bank Notes:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 310,000	\$ 8,146	\$ 318,146
2027	235,010	2,233	237,243
	<u>\$ 545,010</u>	<u>\$ 10,379</u>	<u>\$ 555,389</u>

On October 19, 2022, the City Issued General Obligation Bonds, Series 2022 for a par amount of \$89,660,000 and premium of \$4,584,677. The issue is an indirect issue through financial services firms. The bond's interest rate is 5.0%. Interest on the Series 2022 Bonds will accrue from the issue date and

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payable commencing on January 1, 2023. Interest is then payable semiannually each January 1 and July 1. The bonds are secured by the City's ad valorem taxes. The bond does not contain debt service coverage or similar covenants. Upon default, all principal and interest become immediately due (incorporates the City's Bond resolution remedies). The purpose of the bonds is to provide funds to finance:

- Public Safety Projects - \$64,167,793,
- Neighborhoods, Infrastructure, and Resiliency Projects - \$7,335,577,
- Parks, Open Space, Golf, Recreation and Cultural Arts Facilities Projects - \$21,524,189,
- Cost of Issuance - \$933,568, and
- To the extent permissible, reimbursement to the City of any money previously advanced by the City to pay any portion of the costs of the above projects.

Annual debt service requirements to maturity for the Series 2022 General Obligation Bonds:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 2,145,000	\$ 4,130,750	\$ 6,275,750
2027	2,255,000	4,023,500	6,278,500
2028	2,360,000	3,910,750	6,270,750
2029	2,485,000	3,792,750	6,277,750
2030	2,610,000	3,668,500	6,278,500
2031-2035	15,140,000	16,249,750	31,389,750
2036-2040	19,315,000	12,067,750	31,382,750
2041-2045	24,640,000	6,733,000	31,373,000
2046-2050	11,665,000	882,000	12,547,000
	82,615,000	55,458,750	138,073,750
Premium/(Discount)	3,966,904	-	3,966,904
	<u>\$ 86,581,904</u>	<u>\$ 55,458,750</u>	<u>\$ 142,040,654</u>

On July 13, 2023, The City entered a direct loan with Bank of America to finance the Noresco Street Lighting Project. The project's purpose is to provide energy efficient improvements throughout the city. The par amount of the financing is \$2,570,000. The interest rate is 3.5%. Interest is due annually beginning July 2024. The bonds are secured by underlying equipment/improvements. The note does not contain debt service coverage or similar covenants. Upon default, all principal and interest become immediately due (incorporates the City's Bond resolution remedies).

Annual debt service requirements to maturity for the Noresco Loan:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 221,372	\$ 75,475	\$ 296,847
2027	234,126	67,752	301,878
2028	247,474	59,583	307,057
2029	261,444	50,949	312,393
2030	276,060	41,827	317,887
2031-2035	922,773	65,533	988,306
	<u>\$ 2,163,249</u>	<u>\$ 361,119</u>	<u>\$ 2,524,368</u>

On June 13, 2024, The City entered a direct bank loan with Webster Bank to finance the purchase of municipal vehicles. The par amount of the financing is \$6,600,000. The interest rate is 4.3%. Interest is due quarterly each August, November, February, and May. The bonds are secured by private hauler

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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franchise fees (pledged revenues). The note contains a 1.25 to 1 coverage ratio of pledged revenues to the maximum annual debt service on such pledged revenues. Upon default, all principal and interest become immediately due (incorporates the City's Bond resolution remedies).

Annual debt service requirements to maturity for the Series 2024 Bank Loan:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 1,270,000	\$ 196,851	\$ 1,466,851
2027	1,325,000	141,424	1,466,424
2028	1,383,000	83,581	1,466,581
2029	1,077,000	23,214	1,100,214
	<u>\$ 5,055,000</u>	<u>\$ 445,070</u>	<u>\$ 5,500,070</u>

On June 26, 2025, The City entered a direct loan with Banc of America Public Capital Corp. to finance the Noresco Energy Efficiency Project - Phase 2. The project's purpose is to provide energy-efficient improvements throughout the city. The par amount of the financing is \$6,578,692. The interest rate is 4.3%. Interest is due annually beginning June 2026. The bonds are secured by underlying equipment/improvements. The note does not contain debt service coverage or similar covenants. Upon default, all principal and interest become immediately due (incorporates the City's Bond resolution remedies).

Annual debt service requirements to maturity for the Noresco Loan phase 2:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	\$ 101,601	\$ 282,489	\$ 384,090
2027	117,602	278,126	395,728
2028	134,645	273,076	407,721
2029	152,787	267,295	420,082
2030	172,085	260,734	432,819
2031-2035	1,194,879	1,174,366	2,369,245
2036-2040	1,889,925	861,610	2,751,535
2041-2045	2,815,168	380,847	3,196,015
	<u>\$ 6,578,692</u>	<u>\$ 3,778,543</u>	<u>\$ 10,409,685</u>

II. BUSINESS-TYPE ACTIVITIES DEBT:

\$30,425,000 Water and Sewer Refunding Revenue Bonds, Series 2020 – On October 15, 2020 the City issued Water and Sewer Refunding Revenue Bonds, Series 2020 ("Series 2020 Bonds") totaling \$30,425,000. The Series 2020 Bonds are issued for the purpose of providing funds, together with other available funds, to (i) currently refund all the Series 2010 bonds and (ii) pay certain costs of issuance with respect to the Series 2020 bonds. Interest rates on the Series 2020 Bonds range from 3% to 5%. The bonds mature on October 1, 2039. In the event of default of payments, covenants, or bankruptcy existing for more than 30 days, the majority bond holders may declare all outstanding principal and interest immediately due. The refunding resulted in \$10.7 million in net present value savings, \$0.5M in deferred refunding, and defeased the remaining \$40.8 million outstanding Series 2010 Revenue Bonds. The Deferred Outflow relating to the the deferred refunding is \$279,827 at September 30, 2025.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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Annual debt service requirements to maturity for the Series 2020 bonds:

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,430,000	\$ 1,242,450	\$ 2,672,450
2027	1,500,000	1,170,950	2,670,950
2028	1,575,000	1,095,950	2,670,950
2029	1,655,000	1,017,200	2,672,200
2030	1,740,000	934,450	
2031-2035	10,075,000	3,278,500	13,353,500
2036-2040	9,795,000	895,000	10,690,000
	<u>27,770,000</u>	<u>9,634,500</u>	<u>34,730,050</u>
Premium/(Discount)	4,549,479	-	4,549,479
	<u>\$ 32,319,479</u>	<u>\$ 9,634,500</u>	<u>\$ 39,279,529</u>

State of Florida Revolving Fund Loans – Funds borrowed and outstanding to finance the construction of a reuse wastewater system and drinking water systems. Currently, the State has committed to loan the City a total of approximately \$193.1 million for qualifying projects under this loan program (drawn down). The loans are collateralized by a pledge of the reuse system and utility system revenues. The final loan matures in February 2046. Interest accrues at rates ranging from 0.00% and 0.13% annually. In the event of default of payment, covenant, bankruptcy, or compliance with notice requirements, the loans may be accelerated at a rate of 1.667 times the financing rate.

Annual debt service requirements to maturity for the State of Florida Revolving loans:

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 10,787,870	\$ 1,134,508	\$ 11,922,378
2027	10,939,419	1,151,661	12,091,080
2028	11,027,954	1,063,126	12,091,080
2029	11,089,587	973,292	12,062,879
2030	11,098,620	883,867	11,982,487
2031-2035	54,528,696	3,155,817	57,684,513
2036-2040	48,241,872	1,412,482	49,654,354
2041-2045	32,986,282	320,976	33,307,258
2045-2049	2,444,103	3,903	2,448,006
	<u>\$ 193,144,403</u>	<u>\$ 10,099,632</u>	<u>\$ 203,244,035</u>

\$36,890,000 Capital Improvement Revenue and Refunding Bonds, Series 2016A – On March 3, 2016, the City issued Series 2016A bonds for the purpose of advance refunding First Florida Governmental Financing Commission (FFGFC) Series 2006 loans and to pay for issuance costs related to the bonds. Only \$3,728,700 of the \$36,890,000 face value of the borrowing relates to business-type activities. The bonds mature on July 1, 2031. In the event of default of payments, covenants, or bankruptcy existing for more than 30 days, the City must pay to the Paying Agent, Registrar, or Holders of the Bonds not less than 25.00% of the outstanding principal.

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CITY OF HOLLYWOOD, FLORIDA

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Annual debt service requirements to maturity for the business type portion of the Capital Improvement Revenue and Refunding Bonds, Series 2016A:

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 424,015	\$ 104,124	\$ 528,139
2027	329,003	82,923	411,926
2028	345,681	66,473	412,154
2029	362,863	49,189	412,052
2030	381,057	31,046	412,103
2031-2035	<u>399,757</u>	<u>11,993</u>	<u>411,750</u>
	2,242,376	345,748	2,588,124
Premium/(Discount)	<u>163,786</u>	<u>-</u>	<u>163,786</u>
	<u>\$ 2,406,162</u>	<u>\$ 345,748</u>	<u>\$ 2,751,910</u>

III. BOND RESOLUTION AND GENERAL DEFAULT TERMS

Except as otherwise noted herein, the City's "Bond Resolution" determines default remedies to debtors. Per the resolution, upon default, applicable loans and bonds may become immediately due and payable.

IV. LINES OF CREDIT

The City has an emergency line of credit with City National Bank in the amount of \$10 million. The line of credit was unused as of and during the fiscal year ended September 30, 2025.

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CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

V. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in the long-term liabilities for the year ended September 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Government Activities:					
Bonds and Loans Payable:					
Indirect Borrowing:					
General Obligation Notes, Series 2015	\$ 19,787,000	\$ -	\$ 3,062,000	16,725,000	\$ 3,152,000
Capital Improvement Bonds, Series 2016A	23,533,826	-	3,593,201	19,940,625	3,770,985
General Obligation Notes, Series 2019	52,315,000	-	1,655,000	50,660,000	1,730,000
General Obligation Notes, Series 2022	84,655,000	-	2,040,000	82,615,000	2,145,000
Bond Premium	13,187,972	-	1,335,508	11,852,464	1,238,449
Total Indirect Borrowing	193,478,798	-	11,685,709	181,793,089	12,036,434
Direct Borrowing:					
Bank Loan Series 2020	6,555,907	-	1,280,183	5,275,724	1,310,141
Bank Loan Series 2022	2,355,024	-	1,810,014	545,010	310,000
Bank Loan Series 2024	6,272,000	-	1,217,000	5,055,000	1,270,000
Noresco - Bank Loan - Phase 1	2,372,441	-	209,192	2,163,249	221,372
Noresco - Bank Loan - Phase 2	-	6,578,692	-	6,578,692	101,601
Total Direct Borrowing:	17,555,372	6,578,692	4,516,389	19,617,675	3,213,114
Total Bonds, Notes and Loans Payable	211,034,170	6,578,692	16,202,098	201,410,764	15,249,548
Other Liabilities:					
Compensated Absences *	21,206,229	5,445,358	-	26,651,587	11,327,235
Claims and Judgments	19,040,875	66,217,778	64,607,293	20,651,360	7,789,391
Lease Obligations (Right of Use)	1,608,388	7,775,070	1,663,157	7,720,301	2,597,486
Financed Purchases	343,093	-	343,093	-	-
SBITA (Right of Use)	7,541,166	433,000	3,067,661	4,906,505	2,044,961
Other Postemployment Benefits Obligation	368,756,734	-	27,097,553	341,659,181	15,716,046
Net Pension Liability:					
General	171,598,924	-	29,724,976	141,873,948	-
Police	272,238,046	-	55,986,586	216,251,460	-
Fire	200,047,925	-	60,018,436	140,029,489	-
FRS	949,211	85,657	-	1,034,868	-
Total Other Liabilities	1,063,330,591	79,956,863	242,508,755	900,778,699	39,475,119
Total Governmental Activities Long-term Liabilities	\$ 1,274,364,761	\$ 86,535,555	\$ 258,710,853	\$ 1,102,189,463	\$ 54,724,667

* Due to implementation of GASB 101, amount above is presented net.

Payments on the bonds and loans payable that pertain to the City's governmental activities are made by the Debt Service Fund except for the lease and SBITA obligations, which are repaid directly from the applicable fund. The compensated absences liability attributable to governmental activities will be liquidated primarily by the General Fund. The General Fund comprises 93.2% of the governmental activities compensated absences. The change in compensated absences is presented net for both governmental and business-type activities.

The claims and judgments liability is generally liquidated through the City's Insurance Internal Service Fund. That fund finances the payment of claims by charging other funds based on management's assessment of the relative insurance risk that should be assumed by individual funds.

Currently, the General Fund and Water and Sewer Utility Fund approximately 73.1% and 17.4% respectively of all insurance costs; no other individual fund is charged more than 5% of the total amount.

The General Fund has been used to liquidate on average approximately 66.3% of the City's General Employees' net pension liability and 100% of the Police and Fire Pensions. The Water and Sewer Fund and Central Services Internal Service Fund's share of the General Employees' Net Pension Liability is approximately 20.8 and 6.7%. No other funds make up more than 5% of the Net Pension Liability. Required contributions for the City's other postemployment benefit obligations are based on a pay-as-you-go basis of which approximately 80.2% is assigned to the General Fund. The Water and Sewer Fund's share of the Total OPEB Liability is approximately 12.1%. No other fund's share is 5% or greater.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

	Beginning Balance [^]	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:					
Bonds and Loans Payable:					
Indirect Borrowings:					
Water and Sewer Revenue Bonds, Series 2020	\$ 29,130,000	\$ -	\$ 1,360,000	\$ 27,770,000	\$ 1,430,000
Capital Improvement Bonds, Series 2016A	2,646,175	-	403,799	2,242,376	424,015
Bond Premium/Discount	5,401,214	-	687,949	4,713,265	648,478
Total Bonds and Loans Payable	<u>37,177,389</u>	<u>-</u>	<u>2,451,748</u>	<u>34,725,641</u>	<u>2,502,493</u>
Direct Borrowing					
Bank Loan Series 2022	639,756	-	639,756	-	-
State Revolving Loans	173,961,987	26,734,568	7,552,152	193,144,403	10,787,870
Total Direct Borrowing	<u>174,601,743</u>	<u>26,734,568</u>	<u>8,191,908</u>	<u>193,144,403</u>	<u>10,787,870</u>
Total Bonds, Notes and Loans Payable	<u>211,779,132</u>	<u>26,734,568</u>	<u>10,643,656</u>	<u>227,870,044</u>	<u>13,290,363</u>
Other Liabilities:					
Compensated Absences *	2,605,084	347,412	-	2,952,496	1,315,397
Financed Purchases	-	-	-	-	-
Lease Obligations (Right of Use)	195,703	979,930	160,641	1,014,992	251,162
SBITA (Right of Use)	755,447	-	309,436	446,011	333,096
Other Postemployment Benefits Obligation	68,605,904	1,444,531	2,093,731	67,956,704	3,125,954
Net Pension Liability - General	65,025,146	251,373	14,496,419	50,780,100	-
Total Other Liabilities	<u>137,187,284</u>	<u>3,023,246</u>	<u>17,060,227</u>	<u>123,150,303</u>	<u>5,025,609</u>
Total Business-Type Activities Long-Term Liabilities	<u>\$ 348,966,416</u>	<u>\$ 29,757,814</u>	<u>\$ 27,703,883</u>	<u>\$ 351,020,347</u>	<u>\$ 18,315,972</u>

* Due to implementation of GASB 101, amount above is presented net.

[^] Beginning balance adjusted \$230 for rounding.

VI. UNAMORTIZED PREMIUMS AND DISCOUNTS

Original issue discounts and premiums on long-term debt are amortized over the life of the respective liability in the enterprise funds. Such amounts are amortized using the effective interest method.

VII. PLEDGED REVENUE

General long-term debt bonds/notes are collateralized by multiple sources. For example, the general obligation note is secured by ad valorem taxes on all taxable property within the City and the full faith and credit and taxing power of the City. The City has pledged certain revenue to repay certain bonds and loans outstanding as of September 30, 2025.

The following table reports the revenue pledged for each debt issue, the amounts of such revenue received in the current year, the current year principal and interest paid on the debt, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenue for each debt, which is the amount of the remaining principal and interest on the bonds and loans at September 30, 2025:

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CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

Bond/Loan Description	Pledged Revenue	Revenue Received	Principal and Interest Paid	Outstanding Principal	Pledged Through
Governmental Activities:					
General Obligation Notes, Series 2015	Ad Valorem Revenues	\$ 166,284,055	\$ 3,639,780	\$ 16,725,000	2030
Capital Improvement Bonds, Series 2016	Half Cent Sales Tax & Simplified Communications Tax Revenues	12,262,111	4,648,192	19,940,625	2031
General Obligation Notes, Series 2019	Ad Valorem Revenues	166,284,055	3,905,100	50,660,000	2044
Series 2020 Capital Improvement Bank Loan	Local Business Tax	2,499,872	1,421,790	5,275,724	2030
Series 2022 Bank Loan	Electric Franchise Fees	12,264,879	1,510,597	545,010	2027
General Obligation Notes, Series 2022	Ad Valorem Revenues	166,284,055	6,272,750	82,615,000	2047
Series 2024 Bank Loan	Private Hauler Franchise Fees	6,645,208	1,469,471	5,055,000	2029
Business-Type Activities:					
Water and Sewer Revenue Refunding Bonds, Series 2020	Utility Revenues	119,504,937	2,708,784	27,770,000	2039
State Revolving Loans	Reuse System and Utility Revenues	122,585,320	9,707,958	193,144,403	2046
Capital Improvement Bonds, Series 2016	Half Cent Sales Tax & Simplified Communications Tax Revenues	12,262,111	520,326	2,242,376	2031

* Designated non-advalorem revenues have been pledged subject to certain conditions.

NOTE 11 – NONEXCHANGE FINANCIAL GUARANTEES

On January 23, 2014, the City entered into a 32-year guarantee agreement with the Hollywood Beach Community Development District 1 (District) when the District issued its \$36,395,000 Taxable Revenue Bonds (Public Parking Facilities Project), Series 2014 (Bonds). The District is a legally separate district encompassing approximately 5.13 acres located within the City and was established by Ordinance O-2011-21 of the City effective June 1, 2011 pursuant to the provisions of Chapter 190, Florida Statutes. The bonds were issued for the purpose of funding a public parking garage. The bonds' interest rate varies from 5.00% to 6.25% with interest being paid semi-annual on April 1 and October 1 of each year and with principal payments on October 1 of each year (except for 2014, 2015 and 2016 whereby interest only was paid). Debt payments started in October 2014 until final payment in October 2045.

On October 2, 2020, the above notes were advance refunded with the issuance of the Series 2020 Revenue Refunding Bonds (Public Parking Facilities Project) in the principal amount of \$35,625,000. The purpose of the bonds is to advance refund the District's outstanding Series 2014 Bonds. The Series 2020 bonds mature on October 1, 2045. The bond's interest rate ranges from 2.13% to 5.00%. If the District does not have sufficient funds to service the Bonds, the City will fund any deficiency in the debt service reserve fund from legally available non ad valorem revenues. There have been no such instances during FY 2025.

NOTE 12 – FUND BALANCE

Governmental Accounting Standards Board Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) provides a structured classification of fund balance to improve the usefulness of fund balance reporting to the users of the City's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for two major fund balance classifications: nonspendable and spendable. Nonspendable fund balance includes amounts that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of nonspendable fund balance include inventory and prepaid items.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

GASB 54 provides for four categories of the spendable fund balance classification based on the level of constraint placed on the use of those resources.

RESTRICTED FUND BALANCE includes resources constrained to a specific purpose by their external providers such as grantors and contributors, or laws and regulations.

COMMITTED FUND BALANCE includes amounts that can only be used for specific purposes in accordance with constraints imposed by the City Commission through an ordinance or resolution (which are equally binding as the highest decision-making authority). These items cannot be used for any other purpose unless the Commission takes action to remove or change the constraint. The City Commission adopted by Resolution an Economic Stabilization Fund Policy that commits an amount equal to five (5) percent of General Fund expenditures. The Policy states that the use (appropriation) of committed fund balance will be considered in conjunction with the annual budget adoption process or by budget amendment approved by resolution of the City Commission during the fiscal year. This reserve was created for the specific purpose stipulated in the legislation to protect the City from adverse financial impacts in the event of unexpected economic events.

Resolution R-2023-013 establishes a committed fund balance for the purpose of growing assets to assist in funding OPEB liabilities. The Resolutions reserves \$1 million annually, plus accrued interest, if the General Fund has budgetary capacity to do so.

ASSIGNED FUND BALANCE includes resources the City intends to use for a specific purpose that are not classified as nonspendable, restricted or committed. Encumbrances are recorded within an assigned fund balance category. Assignments are recommended by the City Manager based on the City Commission direction during the annual budget process, and the City Commission authorizes assignments by the adoption of a resolution.

UNASSIGNED FUND BALANCE only for General Fund, includes the remaining fund balance, or net resources, available for any purpose. Unassigned fund balance represents amounts that are not constrained in any way. In governmental funds other than the General Fund, if expenditures incurred for a specific purpose exceed the amounts that are restricted, committed or assigned to that purpose, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Commission has provided otherwise in its commitment or assignment actions.

MINIMUM FUND BALANCE POLICY – The General Fund has adopted a target minimum unassigned fund balance policy of seventeen percent (17%) of General Fund expenditures which is equivalent to two months of operations as recommended by the Governmental Finance Officers Association (Resolution R-2019-231). In addition, the General Fund maintains a 5% disaster reserve within the unassigned fund balance category. This target is inclusive of any committed or assigned amounts. The City met all of its fund balance targets at September 30, 2025.

The following table shows the City's fund balance classifications for its governmental funds as of September 30, 2025:

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

	General	Beach Community Redevelopment	Downtown Community Redevelopment	General Obligation Capital Projects Series 2022 Fund	Other Governmental Funds	TOTAL
Nonspendable:						
Inventory	\$ 17,539	\$ -	\$ -	\$ -	\$ -	\$ 17,539
Prepaid Items	-	-	-	-	395,022	395,022
Total Nonspendable Fund Balance	17,539	-	-	-	395,022	412,561
Restricted for:						
Assets held for Sale	-	-	-	-	201,926	201,926
Debt Covenants	-	-	-	-	1,671,324	1,671,324
Grants & Special Programs	-	-	-	-	10,254,726	10,254,726
Public Safety Projects	340,516	-	-	22,402,202	12,615,602	35,358,320
Street and Sidewalk Projects	-	2,005,190	-	-	6,287,086	8,292,276
Redevelopment Projects	-	51,081,016	18,096,488	-	-	69,177,504
Park Improvements & Renovations	-	-	-	15,755,096	5,751,649	21,506,745
Building Operations	-	-	-	-	19,449,296	19,449,296
Neighborhood and Infrastructure	-	-	-	7,335,577	7,871,803	15,207,380
Impact Fees - Parks and Recreation	-	-	-	-	16,864,212	16,864,212
Impact Fees - Police	-	-	-	-	393,486	393,486
Impact Fees - Fire	-	-	-	-	440,406	440,406
Impact Fees - General Government	-	-	-	-	300,654	300,654
Impact Fees - MultiModal	-	-	-	-	951,880	951,880
Other Capital Projects	-	-	-	13,990,915	3,967,227	17,958,142
Total Restricted Fund Balance	340,516	53,086,206	18,096,488	59,483,790	87,021,277	218,028,277
Committed to:						
General Capital Projects	-	-	-	-	15,616,933	15,616,933
Public Safety Projects	-	-	-	-	8,537,481	8,537,481
Street & Sidewalk Projects Park	-	-	-	-	6,171,550	6,171,550
Improvements & Renovations	-	-	-	-	1,200,000	1,200,000
OPEB Reserve	3,241,205	-	-	-	-	3,241,205
Other Capital Projects	-	-	-	-	12,332,870	12,332,870
Total Committed Fund Balance	3,241,205	-	-	-	43,858,834	47,100,039
Assigned to:						
Subsequent Year's Budget	2,396,731	-	-	-	-	2,396,731
Encumbrances	1,251,004	-	-	-	13,700	1,264,704
Assets held for resale	-	-	-	-	5,448,520	5,448,520
General Government	-	-	-	-	113,233	113,233
Transportation Projects	-	-	-	-	20,864	20,864
Future Debt Service	-	-	-	-	1,725,256	1,725,256
Total Assigned Fund Balance	3,647,735	-	-	-	7,321,573	10,969,308
Unassigned:						
Minimum Fund Balance	48,773,237	-	-	-	-	48,773,237
Emergency	14,345,070	-	-	-	-	14,345,070
Unassigned	39,041,874	-	-	-	(2,328,199)	36,713,675
Total Unassigned Fund Balance	102,160,181	-	-	-	(2,328,199)	99,831,982
Total Fund Balances	\$ 109,407,176	\$ 53,086,206	\$ 18,096,488	\$ 59,483,790	\$ 136,268,507	\$ 376,342,167

NOTE 13 – DEFICIT NET POSITION/FUND BALANCE OF INDIVIDUAL FUNDS

The net position deficit in the Golf Fund (\$2.5 million) is primarily related to sustained operating losses related to providing public golf services. Currently, there are renovations occurring to the City's golf courses to make Hollywood key destination for Golf in South Florida. Management will continue to evaluate the operations in the Golf Fund in the future and take necessary steps to improve the net position of the fund.

The fund balance deficit in the Police Grants Fund(\$0.8 million), Emergency and Disaster (\$0.89 million), and County Surtax Fund (\$0.6 million) are expected to be eliminated by revenue collected in future years. The revenue is related to reimbursement-based grants which do not meet the availability criteria at year end for revenue recognition and are reported as deferred inflows of resources. No other funds had significant fund balance deficits.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 14 – RESTRICTED ASSETS

The amounts shown below are those assets restricted by sources external to the City.

Ordinances pertaining to long-term debt and other agreements require segregation and restriction of certain assets represented by the following amounts within the enterprise funds at September 30, 2025:

Water and Sewer:	
Construction and Retainage	\$ 8,754,714
Deposits	1,589,543
Rate Stabilization	10,000,000
State Revolving Loan Reserve	3,565,999
Interest Payable	340,397
Renewal and Replacement	11,515,820
Impact Fee Reserve - Water	6,588,117
Impact Fee Reserve - Sewer	10,644,751
	<u>52,999,341</u>
Sanitation	
Customer Deposits	<u>1,167,283</u>
Parking	
Parking in Lieu	<u>505,784</u>
Total Restricted Cash and Investments - Business Type Activities	<u>\$ 54,672,408</u>

The composition of the governmental activities restricted assets is shown by fund below:

General Capital Projects Fund:	
Bond - Series 2016A	\$ 4,578,325
Bank Loan - Series 2020	2,217,152
Noresco - Cash with Fiscal Agent	1,878,829
General Obligation Capital Projects Fund - Series 2019	
GO Bond - Series 2019	18,899,213
General Obligation Capital Projects Fund - Series 2022	
GO Bond - Series 2022	67,734,519
Total Restricted Cash and Investments - Governmental Activities	<u>\$ 95,308,038</u>

Restricted assets reflected in the government-wide financial statements are displayed as required by ordinances, borrowing agreements and certain grant contracts.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 15 – ASSETS HELD FOR SALE

In October 2014, the City entered into an agreement to purchase the Cononie and COSAC properties from COSAC Homeless Assistance Center, Sean A. Cononie and Mark W. Targett. The City intends to sell these properties in the future. Properties were recorded at net realizable value or cost, whichever was lower.

<u>Location</u>	<u>Folio #</u>	<u>Size: Land/Bldg</u>	<u>Recorded Value</u>
Timeshare - Hollywood Sands		1 week	10,200
Timeshare - Hollywood Beach Residence		1 week	3,500
		Total Value	<u>\$ 13,700</u>

The City's Housing department acquired vacant lots for the purpose of developing them into affordable housing. Properties were recorded at lower of net realizable value or cost.

<u>Location</u>	<u>Folio #</u>	<u>Size: Land/Bldg</u>	<u>Recorded Value</u>
5608 Wiley Street	514124130150	0.13 acres	\$ 27,480
2030 Dewey Street	514222100511	0.19 acres	73,110
2034 Dewey Street	514222100510	0.19 acres	73,110
5812 Plunkett Street	514124100781	0.08 acres	28,226
		Total Value	<u>\$ 201,926</u>

The total assets held for sale at September 30, 2025 was \$215,626.

NOTE 16 – CLAIMS PAYABLE – SELF INSURANCE FUND

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City's Insurance Fund (an internal service fund) accounts for and finances its uninsured risks of loss. Under this program, the Insurance Fund provides coverage for up to a maximum of \$600,000 for each workers' compensation claim, \$400,000 for each liability claim, and \$750,000 for each health insurance claim. The Property Program has property insurance in the amount of \$100,000,000 per occurrence of blanket policy limits for Utilities property, and \$30,000,000 per occurrence of blanket policy limits for all other City property (\$20,000,000 for named windstorm losses). Whereas, the City maintains a per occurrence name windstorm deductible of 5% of total insurance values at affected location, subject to a \$500,000 minimum, for the Utilities property and a per occurrence named windstorm deductible of 5% per unit of insurance at the affected location, subject to a \$250,000 minimum, for all other City property. The City purchases excess insurance coverage for workers' compensation, general liability, auto liability, and health claims that pierce the afore mentioned retention rates. The City also procures commercial insurance for, but not limited to; terrorism, cyber, drone, environmental/pollution, flood, medical professional, public officials, and marina operators.

All funds of the City participate in the program and make payments to the Insurance Fund based on actuarial estimates of the amounts to pay prior and current-year claims. The claims liability of \$20,651,360 reported in the Insurance Fund at September 30, 2025, is based on GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues" which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The claims payable liability is based on actuarial evaluations performed by independent actuaries as of September 30, 2025. This liability consists of claims reported and payable, as well as an estimate for claims incurred and not reported as of that date. At September 30, 2025, claims payable for auto and general

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

liability totaled \$8,879,623 and \$7,631,609 for workers' compensation claims. These amounts reflect a discounted rate factor of 3%. The remaining balance of claims payable consists of amounts for health and dental claims which are not discounted (\$4,140,128).

The liability for unpaid amounts of liability, workers' compensation and employee health claims is reported in the Insurance Fund with a summary of changes in those amounts as follows:

Fiscal Year	Claims Payable October 1	Claims and Changes in Estimates	Adjustment Expenses Paid	Claims Payable September 30
2024	\$ 18,527,795	\$ 59,819,525	\$ (59,306,445)	\$ 19,040,875
2025	19,040,875	66,217,778	(64,607,293)	20,651,360

NOTE 17 – CONTINGENT LIABILITIES

The City is a defendant in various lawsuits. Although the outcome of such litigation is not presently determinable, management does not believe the settlement of these matters will have a material effect upon the financial condition or results of operations of the affected funds (except as disclosed within these footnotes). In addition, some of these suits are accrued within the self-insurance fund based on actuarial valuations of projected liability losses.

The City participates in several federal, state and local grant assistance programs. The grants are subject to audit by the granting agencies to determine if activities undertaken by the City comply with the conditions of the grant. Management believes that no material liability will arise from any such audits.

During fiscal year 2025, the Water and Sewer Enterprise Fund recorded a \$1.0 million special item revenue related to litigation between the City of Pembroke Pines and the City regarding a challenge to a prior Wastewater Utility Large User Agreement and to the methodology used by the City to determine Large User wastewater rates and annual expense true-ups. The parties settled the litigation in FY 2025. Pursuant to the settlement, the Broward County Trial Court withdrew its prior rulings and both parties' appeals of the Trial Court's rulings were dismissed by the parties. The settlement provided for the Water and Sewer Enterprise Fund to continue establishing the Large User rates and post-FY true-ups as historically calculated pursuant to the Large User Agreement, without adding pre-coverage amounts to the Large User rates. It also provided for a one time settlement payment to Pembroke Pines of \$8.5 million, which was paid in full in fiscal year 2026.

The City is a defendant in John Kellerman and Robert Allen v. City of Hollywood – Case No. 18-027523. The lawsuit is dated November 26, 2018. The lawsuit involves 13th check litigation for the Fire Pension Fund (additional contributions/benefit payments for applicable members). A "13th check" is due if the annual investment return exceeds the actuary's annual fund earnings assumption rate of 8%, then a supplemental pension distribution shall be made to eligible recipients. If the annual investment return equals or is less than the assumption rate, no supplemental pension distribution shall be made that year. Legal counsel has provided a possible loss of between \$0 to \$17.6 million. The value of the supplemental pension benefit fund shall be equal to the value of the positive difference, if any, between the annual investment return (up to a maximum rate of 10%) and the annual fund earnings assumption rate of 8% to a maximum annual investment return value of up to 2% as calculated on the eligible retirees' portion of the Fund's earnings attributable to assets apportioned to retiree benefit liability. At this time, no losses have been accrued as the losses have not met the probable threshold.

City of Dania Beach v. City of Hollywood - The City was served with the Complaint on February 24, 2026. This case is similar to the Pembroke Pines matter. This case is in the initial stages of litigation and no probability or amount of loss is determinable.

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CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

NOTE 18 – TAX ABATEMENTS AND OTHER INCENTIVES

ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION

The City's program provides a tax incentive that encourages investors/business owners to invest in new business or expand existing business in Hollywood. The City offers an Ad Valorem Tax Exemption of up to 25% of the City's portion (up to 50% in the Liberia Area Business Corridor) of ad valorem taxes for a period not to exceed 8 years for qualifying new or expanding businesses that invest at least \$250,000 in capital improvements and create new jobs. The award and amount of the exemption are authorized under City Ordinance 38.90 and require City Commission approval. A tax incentive is given to the qualifying new or expanding businesses via a percentage reduction in the tax that is collectible from the property (only ad valorem tax imposed by the City). The percentage will be determined by the City Commission within the limits set by the City Ordinance 38.90. The number of years that the business will qualify for the exemption is determined by a point system set forth in the City Ordinance 38.90. At present the program does not have any recapture provision, but the City can revoke any remaining years of the exemption should any new business or expansion fail in any of its responsibilities and/or representations to the City. At present, no businesses are participating in the program.

DOWNTOWN CRA AD VALOREM TAX INCENTIVE DEVELOPER AGREEMENTS

In order to encourage the development of specific projects in the Downtown CRA district, the Downtown CRA has entered into development agreements with developer(s) whereby the developer agrees to complete a development project in exchange for a percentage repayment of the increase in ad valorem taxes that projects would generate in the Downtown CRA district in future years. The duration of the tax rebate and percentage of tax increase rebated is negotiated between the CRA and developer and is approved via resolution by the Downtown CRA board. All agreements have a not to exceed amount of taxes that can be rebated during the life of the agreement. At present the Downtown CRA has three agreements in place that are still active and are as follows:

1. Agreement between the City, Downtown CRA and Block 40, LLC for a mixed-use development project to be located on the Great Southern Hotel site. This agreement was entered on July 20, 2004 and amended and restated on April 4, 2012 pursuant to Section 163.370 FS, Section 163.358 FS and 166.021 FS. The developer agreed to maximize the preservation and restoration of the historical components of the Great Southern Hotel and expend millions of dollars in order to accomplish the task. Commencing in the year when the CRA first received tax increment funds from the completed project, the Downtown CRA will pay the developer an amount equal to 50% of the annual projects' ad valorem tax increment. All obligations for payment to the developer under this section shall terminate immediately upon payment by the CRA of the amount due resulting from receipt by the CRA of the last tax increment monies based on a September 30, 2025 termination of existence. Should the Downtown District of the CRA continue to exist beyond calendar year 2025, developer shall have the right to request the CRA continue to pay beyond calendar year 2025.
 - a. The total sum of \$11,200,000 has been paid to the developer in the aggregate, or
 - b. Twenty years of the annual payments described above have been made to the developer.

The developer is entitled to a 50% refund of the applicable tax Increment for the acquisition of the Mach Property and for the historic preservation and restoration of the Great Southern Hotel. In fiscal year 2025, a final payment of \$535,090 was rebated to the developer.

2. Agreement between the City, Downtown CRA and SFD@Hollywood, LLC for the Block 55 Redevelopment Project. This agreement was entered on July 20, 2004, and amended and restated on April 4, 2012 whereby the developer agreed to complete the construction of residential and commercial properties to significantly reduce blight in the City's Downtown CRA and enhance the

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

City and CRA areas around Young Circle Arts Park. This agreement would also bring synergy and critical mass to those areas. Commencing in the year when CRA first receives tax increment funds from the completed project, the Downtown CRA will pay the developer an amount equal to 50% of the annual project ad valorem tax increment. All obligations for payment to the developer under this section shall terminate immediately upon payment by the CRA of the amount due resulting from receipt by the CRA of the last tax increment monies based on a September 30, 2025 termination of existence. Should the Downtown District of the CRA continue to exist beyond calendar year 2025, developer shall have the right to request the CRA continue to pay beyond calendar year 2025.

In fiscal year 2025, a final payment of \$773,087 was rebated to the developer.

3. Agreement between the City, Downtown CRA and H3 Hollywood, LLC for a residential development project to be located on the SW corner of Dixie Highway and Hollywood Boulevard. This agreement was entered on June 16, 2004 between the City, Downtown CRA and Hollywood Dixie Associates, LLC, and amended on June 17, 2021 by first amendment to the development agreement. On February 1, 2018, the second amendment to the development agreement was entered between the City, Downtown CRA and H3, Hollywood, LLC, the successor in interest in Hollywood Dixie Associates, LLC for Phase III of the project. The agreement states that the CRA shall provide H3 Hollywood, LLC a total cash incentive of \$1,300,000 to be distributed as follows:
 - a. In the first year following issuance of the first certificate of occupancy for phase III and the development becomes subject to ad valorem real property taxes as a completed development, the CRA shall pay H3 50% of the tax increment attributable to Phase III.
 - b. On April 1, in the first year following the first incentive payment for Phase III, and every April 1, thereafter until the total amount of the incentive has been paid, the CRA shall pay H3 50% of the tax increment.
 - c. No individual annual incentive payment will exceed \$450,000 and in the event Phase III is not completed on or before the deadline of February 1, 2021, the incentive will be reduced to a total of \$1,000,000.

In fiscal year 2025, a final payment of \$400,000 was rebated to the developer.

OTHER BUSINESS INCENTIVE PROGRAMS:

LOCAL ALTERNATIVE ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

Businesses who participate in the Economic Development Ad Valorem Tax Exemption program are ineligible to participate in this program. Eligible businesses that make a capital investment of not less than \$500,000 in a target area or \$1,000,000 in a non-target area may qualify for financial incentive cash payments from the City. The amount of the incentive is at the discretion of the City Commission and is based on a point scale as set forth in City Ordinance 38.91 that considers factors such as the number of jobs created, salary level of the jobs created, amount of capital investment and longevity of the business in the City. Each point makes a business eligible for an annual payment of \$1,000, up to a maximum annual payment of \$100,000. The maximum payment to any eligible firm over its lifetime cannot exceed \$500,000. The monetary amount represents the maximum amount which may be awarded by the City Commission. The City Commission reserves the right to lesser amounts for reasons including but not limited to available budget resources and other constraints. The payments normally start in the second year that the business is operating and can continue through six years of operation. Qualification for payments of the cash incentive in year two through six must occur independently at the completion of each successive year to ensure the continued adherence to the criteria established. At present, no businesses are participating in this program.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

COMMERCIAL PROPERTY IMPROVEMENT PROGRAM

The Commercial Property Improvement Program (CPIP) is designed to improve the facades of privately owned commercial or industrial buildings in Hollywood's commercial areas. CPIP grant funds are available to property owners, outside of the CRA boundaries, who restore, renovate or improve the exterior of their building and property enhancing the visual quality and attractiveness of the corridor. The program consists of a reimbursement grant for a percentage of the construction costs up to a maximum amount of \$25,000 per property/property owner on a post-completion basis.

In fiscal year 2025, a total of \$22,745 was expended for the CPIP program.

COMMUNITY REDEVELOPMENT AGENCY BUSINESS INCENTIVE PROGRAMS:

HOTEL IMPROVEMENT PROGRAM

The Hotel Improvement Program (HIP) has been established as an incentive for owners and tenants of small properties defined as hotel/motel, inn, or bed and breakfast, located in both the Downtown and Beach districts of the Hollywood CRA. This program provides a 33% reimbursement grant of up to \$250,000 or 20% of the assessed value, whichever is lower, for comprehensive fixed capital improvements to both the interior and exterior of the property. As part of receiving this grant, the property must become certified as a Superior Small Lodging or an AAA Diamond Rated Property.

PROPERTY IMPROVEMENT PROGRAM

The Property Improvement Program (PIP) is an incentive grant program of the CRA for owners and tenant buildings located within the CRA districts. It provides a 50% reimbursement grant of up to \$75,000 for comprehensive fixed capital improvements to the exterior of the property. The goal of this program is to encourage commercial multi-family and single-family rental properties to renovate, restore and improve their property by enhancing its visual quality and attractiveness.

PAINT ONLY PROGRAM

The Paint Only Program (POP) is an incentive grant program of the CRA for owners and tenants of buildings located in the CRA districts. It provides a 50% reimbursement grant up to \$15,000 for cleaning, patching and painting of a building's exterior when done by a licensed contractor.

In fiscal year 2025, a total of \$862,528 was expended for the PIP programs. There were no funds expended for the HIP or POP program.

An agreement between the City, Downtown District, and Van Jackson LLC and/or Tropic Hollywood, Inc., affiliates of Affiliated Development, LLC for the development of a mixed-income, workforce housing project in the City of Hollywood. In FY 2025, the Agency provided \$1.5 million when the project is at 50% or greater completion of construction. Additional details are noted within the future projects below.

During fiscal year 2025, the CRA provided \$97,334 to the University Station as a reimbursement for light fixture improvements along 21st avenue (Within the University Station Project limits).

FUTURE PROGRAMS:

The County will begin to pay \$3 million to the Agency's Downtown District on December 31, 2025 through December 31, 2029. The Agency's Board have approved development agreements that authorize a portion of the County's annual payments to be allocated to the Block 58 (the Bread Building) redevelopment and to the Tropic workforce housing development on Van Buren St. and Federal Highway.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

An agreement between the City, Downtown District, and Van Jackson LLC and/or Tropic Hollywood, Inc., affiliates of Affiliated Development, LLC for the development of a mixed-income, workforce housing project in the City of Hollywood. The City and the Agency agree that 95% of the ad valorem or TIF revenue generated from the planned development will be annually reimbursed to Affiliated Development, LLC starting when the development generates TIF and ending on September 30, 2025 (estimated at \$602,122). Thereafter and ending on September 30, 2030, the Agency will pay the developer 95% of what the City's portion of TIF generated by project would be if TIF was still being paid to CRA (estimated at \$1,761,020). Total TIF reimbursements are capped at \$2.4 million.

An agreement between the City, Downtown District, and BTI Land Acquisitions, LLC for the redevelopment of Block 58 (former Hollywood Bread Building) with a mixed-use project including 361 luxury apartments and commercial retail space. The City and Agency agree that 95% of the ad valorem or TIF revenue generated from the planned development will be annually reimbursed to the BTI Land Acquisitions, LLC starting when the project generated TIF and ending on September 30, 2025. Thereafter, and ending on September 30, 2030, the Agency shall provide an amount equal to 95% of what the City's portion of the TIF generated from the completed Project would be if TIF was still being paid to the CRA plus an annual payment of \$280,000 or an amount equal to 95% of what Broward County's portion of the TIF generated by the complete project would be if the TIF was still being paid to the Agency, whichever is less.

There below are under negotiations:

- Block 57 (former Publix Supermarket site): BTI acquired Block 57, a 3.25 +/- acre property, in January 2020, and plans to demolish the existing structure and construct two towers totaling approximately 775 apartment units, 115,000 square feet of retail space and 60,000 square feet of office space.
- Alta Hollywood: Alta Developers has approved plans for two 18-story towers with a total of 466 apartments and 7,000 square feet of retail space for a parcel generally located at 401 N. Federal Highway.

NOTE 19 – OTHER POSTEMPLOYMENT BENEFITS

The City accounts for postemployment health care benefits provided in accordance with GASB 75.

PLAN DESCRIPTION

The Postemployment Health Care Benefits Plan is a single-employer defined benefit plan administered by the City. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the City may continue to participate in the City's self-funded health and hospitalization plan for medical, prescription and drug coverage. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

BENEFITS PROVIDED

Certain OPEB are available to all employees retiring from the City under the provisions of disability, early or normal retirement. The OPEB benefits include lifetime access to coverage for the retiree and dependents under the medical and prescription plans as well as participation in dental and vision plans sponsored by the City for employees.

Eligible retirees may choose the same medical plan available to active employees of the City. Dependents of retirees may be covered at the retiree's option the same as dependents of active employees. Prescription drug coverage is automatically extended to retirees and their dependents who continue coverage under the Medical Plan. Covered retirees and their dependents are subject to all the same medical and prescription

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benefits and rules for coverage are as active employees. Retirees and their dependents age 65 and over are required to enroll in Medicare Part B in order to remain covered under the program. The plan pays as secondary for claims otherwise covered under Medicare. Deferred retirement does not allow coverage to be elected at the time of retirement.

Employees covered by benefit terms: At September 30, 2024 (most recent full actuarial valuation), a total of 3,010 participants were covered by the benefit terms:

Active employees or beneficiaries currently receiving benefit payments	1,414
Employees entitled to but not yet receiving benefit payments	93
Inactive employees	<u>1,503</u>
	<u><u>3,010</u></u>

TOTAL OPEB LIABILITY

The City's total OPEB liability of \$409,615,885 was determined by an actuarial valuation at October 1, 2023 for the measurement date of September 30, 2025.

ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The total OPEB liability in the October 1, 2023 actuarial valuation (rolled forward to September 30, 2025) was determined using the following actuarial assumptions and other inputs which were applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.6 percent
Salary increases	N/A
Discount rate	4.50%
Healthcare cost trend rates	The healthcare cost trend assumption was developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The current valuation uses the 2024 version of the model with baseline assumptions.

The discount rate of 4.50% was based on the 20-year general obligation index at September 30, 2025. The Mortality Improvement Scale assumption utilizes the MP-2021 table.

The actuarial assumptions used on the September 30, 2025 measurement were based on pre and post-Medicare claims for the period April 1, 2022 through March 31, 2024.

CHANGES IN THE TOTAL OPEB LIABILITY

	Total OPEB Liability (a)
Balance at 9/30/24	\$ 437,362,638
Changes for the Year:	
Service cost	8,241,121
Interest	16,939,256
Changes of assumptions or other inputs	(34,877,130)
Trust Contributions - Employer	<u>(18,050,000)</u>
Net Changes	<u>(27,746,753)</u>
Balance at 9/30/25	<u><u>\$ 409,615,885</u></u>

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Changes in assumptions and other inputs reflect a change in the discount rate as noted below:

<u>Fiscal Year Ending:</u>	<u>Discount Rate:</u>
09/30/2017	3.50 %
09/30/2018	3.83 %
09/30/2019	2.75 %
09/30/2020	2.41 %
09/30/2021	2.19 %
09/30/2022	4.40 %
09/30/2023	4.63 %
09/30/2024	3.88 %
09/30/2025	4.50 %

The mortality assumption is based on the SOA Pub 2010 headcount-weighted mortality tables, projected using mortality improvement scale MP-2021. The healthcare cost trend assumption was developed using the 2024 version of the Society of Actuaries (SOA) Getzen Long-Term Healthcare Cost Trend Model with baseline assumptions. The plan subsidy was also changed depending on the participant division and date of hire.

Sensitivity of the total OPEB liability to Changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower and 1-percentage-point higher than the current discount rate.

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	<u>3.50%</u>	<u>4.50%</u>	<u>5.50%</u>
Total OPEB Liability	\$ 468,222,752	\$ 409,615,885	\$ 361,822,422

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
	<u>3.04%</u>	<u>4.04%</u>	<u>5.04%</u>
Total OPEB Liability	\$ 352,308,375	\$ 409,615,885	\$ 481,235,780

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

OPEB EXPENSE AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended September 30, 2025, the City recognized a negative OPEB expense of \$26,983,813. OPEB is allocated to each fund based on each fund's proportionate share of the total active and retiree employee counts. At September 30, 2025, the City reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 28,453,792	\$ 42,715,038
Changes of assumptions	48,043,195	97,015,188
Changes in each Fund's proportionate share	13,250,110	13,250,110
	<u>\$ 89,747,097</u>	<u>\$ 152,980,336</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30:	Amount
2026	\$ (22,946,450)
2027	(26,531,295)
2028	(26,531,293)
2029	8,158,268
2030	9,599,979
Thereafter	(4,982,448)
Total	<u>\$ (63,233,239)</u>

NOTE 20 – DEFINED BENEFIT PENSION PLAN INFORMATION

The following information is provided in accordance with GASB statement requirements on financial reporting for pensions. These statements prescribe standards for the measurement, recognition and display of pension expenditures/expenses and related liabilities, deferred outflows of resources, deferred inflows of resources, note disclosure and required supplementary information.

PLAN DESCRIPTIONS

The City, as a single employer, maintains three defined benefit pension plans covering substantially all full-time employees. As described in Note 1, the Employees Retirement Fund, Fire Pension Fund and Police Retirement Fund are included in the City's financial reporting entity. Sections 33.025 through 33.138 of the Hollywood City Code of Ordinances currently contain the specific provisions of each plan. The Board of Trustees of each plan can recommend to the City changes to the benefit provisions of their plan.

Each retirement fund provides retirement, disability, and death benefits, and certain cost-of-living adjustments to plan members and beneficiaries. Each retirement fund issues a publicly available financial report that includes financial statements and required supplementary information for the plan. Those reports may be obtained by writing or calling the retirement fund.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

General Employees Retirement System	Fire Pension Fund	Police Retirement System
2450 Hollywood Boulevard Suite 204 Hollywood, Florida 33020 (954) 921-3333	310 South 62 Avenue Hollywood, Florida 33023 (954) 967-4331	4205 Hollywood Boulevard Suite 4 Hollywood, Florida 33021 (954) 967-4395

The financial statements of the Employees Retirement System, Fire Pension Fund, and Police Retirement System are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which the employee services are performed. Dividend and interest income, as well as both realized and unrealized gain or loss on investment sales is recognized when earned. Purchases and sales of investments are recorded on the date the trade is executed. Benefit payments and refunds to plan members are recognized when due and payable in accordance with the terms of the appropriate plan.

The Employees' Retirement Fund, Firefighter's Pensions and Retirement, and Police Officer's Retirement are governed by the City's Code, Sections 33.025 – 33.138. These sections contain the most relevant and up to date information regarding the plan provisions. If any of the below is inconsistent with the code, the code is the governing law.

PLAN MEMBERSHIP

Membership of each plan consisted of the following October 1, 2024, the date of the most recent actuarial valuation:

	Employees Retirement System	Fire Pension Fund	Police Retirement System
Inactive employees or beneficiaries currently receiving benefit payments	1,175	296	450
Inactive employees entitled to but not yet receiving benefit payments	66	31	6
Active Members	681	223	277
	<u>1,922</u>	<u>550</u>	<u>733</u>

BENEFITS AND CONTRIBUTIONS

GENERAL EMPLOYEES' RETIREMENT SYSTEM/PLAN

NORMAL RETIREMENT

A member hired prior to July 15, 2009 must attain the age of 55 with five (5) years of credited service, or complete 25 years of credited service, regardless of age, in order to be eligible for normal retirement. For members hired on or after July 15, 2009, normal retirement date varies depending on date of hire and date of separation.

Employees Hired Prior to July 15, 2009:

A member hired prior to July 15, 2009, who is currently employed by the City, who has been contributing to the Plan during their full period of employment, and who exercises normal retirement is entitled to receive a retirement benefit equal to three percent (3%) of their average final compensation (based on the 78 highest consecutive bi-weekly pay periods during employment) multiplied by years of credited service, up to a maximum of 27 years, with a maximum benefit equal to 81 percent of the member's average final compensation.

CITY OF HOLLYWOOD, FLORIDA

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For members hired prior to July 15, 2009 who retire on or after August 17, 2009 without entering the DROP, a two percent (2%) cost of living adjustment (COLA) will be payable annually three (3) years after retirement benefits begin. For members hired prior to July 15, 2009 who enter the DROP on or after August 17, 2009, a two percent (2%) COLA will be payable annually commencing the later of three (3) years after retirement benefits begin or one (1) year after separation employment following participation in the DROP. Contributions for these employees increased to nine percent (9%) of eligible compensation on June 19, 2019.

For members hired prior to July 15, 2009 who retire or enter the DROP on or after August 17, 2009 compensation excludes all earnings and payouts for blood time and compensatory time. Payouts for accumulated annual leave that may be counted as compensation for such members will not exceed 125 hours per year for employees covered by the general employees' bargaining unit; and will not exceed 60 hours per year for employees who retire from a position not covered by the general employees' bargaining unit.

Members who participated in the Supplemental Retirement System who were hired on or after October 1, 1976 and elected to participate in the contributory plan had the option of keeping their benefit accrual rate of one percent (1%) for credited years of service prior to the date the member started contributions, or paying additional contributions to obtain an increased benefit accrual rate for credited years of service prior to the date the member started contributions. Upon exercising normal retirement, the monthly retirement benefit for such members who elected not to pay the additional contribution would be computed using a combination of a rate of one percent (1%) for credited years of service prior to the date the member started contributions, and currently a benefit accrual rate of three percent (3%) for credited years of service after the date the member started contributions.

For General Fund Members Hired on or After July 15, 2009 but Prior to October 1, 2011 and Non-General Fund Members Hired on or After July 15, 2009 but Prior to March 5, 2014:

For members hired on or after July 15, 2009, normal retirement date and average final compensation varies based on date of hire and date of separation. Normal retirement date is based on a combination of age and years of credited service. Upon reaching normal retirement date, a member is entitled to a normal retirement benefit of two and one-half to three percent (2.5%-3%) of average final compensation for each year of credited service, up to a maximum benefit of 81 percent of average final compensation. Average final compensation is based on the member's highest 104 or 130 consecutive bi-weekly pay periods of credited service.

Vesting period will be seven (7) years of credited service.

Compensation includes only the member's base pay, which includes longevity pay, but no other payments are included.

Eligibility for non-duty disability benefits commences upon the member completing seven (7) years of credited service.

A vested member who separates from City employment prior to his or her normal retirement date and does not receive a refund of contributions will have a right to receive a retirement benefit beginning at their normal retirement date based on the benefit formula in effect on the date of separation from City employment, years of credited service and average final compensation on that date.

Members contribute nine percent (9%) of their compensation to the Plan.

Members are eligible to participate in the DROP (beginning June 18, 2025).

Members are not eligible for a COLA after their retirement benefits commence.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

For General Fund Members Hired on or After October 1, 2011 and Non-General Fund Members Hired on or After March 5, 2014

A general fund member hired on or after October 1, 2011, or a non-general fund member hired on or after March 5, 2014, must attain the age of 65 with seven (7) years of credited service, age 62 or older with 25 years of credited service, or 30 years of credited service regardless of age, in order to be eligible for normal retirement.

General fund members hired on or after October 1, 2011 will receive the same retirement benefits as members hired on or after July 15, 2009 but prior to October 1, 2011 subject to the amendments below:

Non-general fund members hired on or after March 5, 2014 will receive the same retirement benefits as members hired on or after July 15, 2009 but prior to March 5, 2014 subject to the amendments below:

Normal retirement date will be age 65 or older with seven (7) years credited service; age 62 or older with 25 years of credited service; or 30 years of credited service.

Vesting period is seven (7) years of credited service

Upon reaching normal retirement date, a member is entitled to a normal retirement benefit of two and one-half to three percent (2.5%) of average final compensation for each year of credited service, up to a maximum benefit of 81 percent of average final compensation.

Average final compensation will be based on the member's highest 130 consecutive bi-weekly pay periods of the last 260 bi-weekly pay periods of credited service.

Eligibility for non-duty disability benefits commences after completing seven (7) years of credited service.

Members are eligible to participate in the DROP (beginning June 18, 2025).

Members are not eligible for a COLA.

Members who separate from the City prior to their normal retirement date having completed seven (7) years of credited service, and having not received a refund of contributions, will have the right to receive a service retirement benefit beginning at age 65 based on the benefit formula in effect on the date of separation from City, years of credited service and average final compensation on that date.

For General Fund Members Hired Prior to October 1, 2011 Who Separate from the City on or After that Date but Before June 19, 2019 and Non-General Fund Members Hired Prior to March 5, 2014 Who Separate from the City on or After that Date but Before June 19, 2019

As of September 30, 2011, benefits under the previously existing plan were frozen for general fund members. As of March 4, 2014, benefits under the previously existing plan were frozen for non-general fund members. (Note: For members in active service on June 19, 2019, benefits were restored.). The plan had numerous changes that impacted future benefits for members. Benefits were frozen and immediately vested for all members.

Member who was eligible to retire with normal retirement benefits on or before the plan freeze date were not frozen.

Under the benefit structure effective after the freeze date the normal retirement date was determined by hire date, age, amount of credited service on the freeze date, and date of separation.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

Upon reaching normal retirement date, a member is entitled to a normal retirement benefit equal to the frozen benefit plus two and one-half percent (2.5%) of average final compensation for each year of credited service after the freeze date, up to a maximum benefit of 81 percent of average final compensation.

Average final compensation for future benefits after the freeze date will be based on the member's highest 130 consecutive bi-weekly pay periods of the last 260 bi-weekly pay periods of credited service.

Eligibility for non-duty disability benefits commences based on date of hire after completing five (5) or seven (7) years of credited service.

Beginning June 18, 2025, members are eligible to participate in the DROP.

Members are not eligible for a COLA for future benefits after the freeze date.

DISABILITY RETIREMENT

After five (5) years of credited service, a member hired prior to July 15, 2009 who becomes totally and permanently disabled, as defined by the Plan, may retire on a nonservice incurred disability retirement benefit. For members hired on or after July 15, 2009, eligibility for non-duty disability benefits commences upon the member completing seven (7) years of credited service.

A member under a disability retirement will be entitled to receive a retirement benefit equal to 75 percent of the member's salary if the disability occurred in the performance of an act of duty as an active employee of the City. A member under a disability retirement will be entitled to receive a retirement benefit equal to the member's accrued benefits, but not less than 20 percent of the member's average monthly compensation, which is payable until the member's death or recovery, if the disability occurred in the performance of an act other than duty as an active employee of the City.

PRERETIREMENT DEATH BENEFITS

When an active member, who is vested, dies before retirement, his or her designated beneficiary (or beneficiaries) will have the option of receiving the member's contribution to the Plan, plus simple interest at the rate of four percent (4%) per year, or benefit payments until his or her own death equal to the benefit payments the deceased member would have received had he or she retired on the day of his or her death having selected to receive his or her annuity as joint and last survivor, whereby the retired member will receive a reduced monthly benefit for life, and following the retired member's death, the same monthly benefit is paid to the member's designated beneficiary for life.

When a vested member, dies after separation from City employment but before retirement and having elected an optional form of benefit, his or her designated beneficiary (or beneficiaries) will have the option of receiving the member's contribution to the Plan, plus simple interest at the rate of four percent (4%) per year, or benefit payments based on the elected option commencing on the date the vested member would have become eligible for benefit payments. If the deceased vested member, did not elect an optional form of benefit, his or her designated beneficiary (or beneficiaries) will have the option of receiving the member's contribution to the Plan, plus simple interest at the rate of four percent (4%) per year in lieu of any other benefit. If the vested member did not designate a beneficiary, the member's contribution to the Plan, plus simple interest at the rate of four percent (4%) per year will be paid to the member's estate.

DEFERRED RETIREMENT OPTION PLAN (DROP)

This option is available to all members hired before July 15, 2009 and it may be elected on or after the member attains the age of 55, with at least 10 years of credited service, or 25 years of credited service, regardless of age, but prior to the completion of 30 years of credited service. The maximum participation in

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

the DROP is the lesser of five (5) years or until the member's credited service plus DROP participation period equals 32 years. Members hired on or after July 15, 2009 are not eligible to participate in the DROP.

A member's credited service, accrued benefits and compensation calculation are frozen upon participation in the DROP. The monthly benefit amount is calculated based on credited service, average final monthly compensation, and retirement option selected.

Upon participation in the DROP, the member's contribution and the City's contribution to the Plan for the member cease as the member will not earn further credited service for pension purposes. For each member electing participation in the DROP, an individual DROP account will be created. Payment will be made by the Plan into the member's DROP account in an amount equal to the normal monthly retirement benefit, which the member would have received had the member separated from service and commenced receipt of pension benefits. Payments received by the member in the DROP account are tax deferred. DROP payments earn interest at the same rate as the net rate of investment returns on Plan assets except that in no event will DROP payments earn interest at a rate less than zero percent (0%) per annum. These amounts are included in the Plan's net position restricted for pension benefits.

Upon completion of the DROP, members will receive normal monthly retirement benefits as well as their funds from the DROP account in combination of a lump-sum distribution, and a rollover of the balance to another qualified retirement plan. Beginning June 18, 2025, a member who has attained age 59.5 or older may, at the conclusion of the maximum DROP participation, receive an in-service distribution of the DROP account balance in combination of a lump-sum distribution, and a rollover of the balance to another qualified retirement plan. The member's monthly benefit will not be paid until the member separates from City employment following participation in the DROP.

DROP participation does not affect any other death or disability benefits provided to members under federal law, State law, City ordinance or any rights or benefits under any applicable collective bargaining agreement. As of September 30, 2025, there were 85 members in the DROP and the estimated fair value of DROP investment was approximately \$9,990,0000, which is included in the Plan's net position.

SUPPLEMENTAL PENSION BENEFIT DISTRIBUTION

Effective October 1, 2002, a supplemental pension benefit program was established for eligible members employed by the City on October 2, 2002, and members receiving benefits from the Plan on that date, or the spouses of such members if the members are deceased and the spouses are receiving benefits from the Plan. The benefit is payable for each year in which the net market rate of return on Plan assets exceeds the assumed rate of investment return plus four and one-half percent (4.5%). The net market rate of return on Plan assets did not meet the required threshold to pay this benefit in fiscal year 2025.

COST-OF-LIVING ADJUSTMENT (COLA)

On an annual basis, members hired before July 15, 2009 will receive an increase in the monthly retirement benefit of two percent (2%) for COLA starting three (3) years after retirement benefits begin. For members who enter the DROP, a two percent (2%) COLA will be paid annually, commencing the later of three (3) years after retirement benefits begin or one year after separation from employment following participation in the DROP. Members hired on or after July 15, 2009 are not eligible for a COLA.

NET PENSION LIABILITY – The City's net pension liability as measured as of September 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2024.

ACTUARIAL ASSUMPTIONS – The total pension liability was determined by an actuarial valuation as of October 1, 2024 and a measurement date of September 30, 2025 using the following actuarial assumptions applied to all prior periods included in the measurement:

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

Rate of return on Investments	7.00%
Annual Salary Increased	3.00% to 10.7% depending on service, including inflation
Inflation Rate	2.50%
Cost of Living Adjustments	None
Mortality	The PUB-2010 Headcount Weighted General Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted General Below Median Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted General Below Median Healthy Retiree Male Table (post-retirement), and the PUB-2010 General Below Median Healthy Retiree Female Table (post-retirement). These tables use ages set back one year for males and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Regular (non-Teacher) Class members in the July 1, 2022 Actuarial Valuation of the Florida Retirement System (FRS), as required under Florida Statutes, Chapter 112.63.

The long-term expected rate of return on pension plan investments are developed for each major asset class by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocations as of September 30, 2025 are summarized in the following table:

	Real Rate of Return
Domestic Fixed Income	1.81 %
Domestic Equity	5.82
International Equity	5.91
Real Estate	3.34
Private Credit	5.82
Private Equity	9.20
Infrastructure	5.82
Emerging Markets Equity	7.06

DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumes plan members will contribute at the current contribution rate and the City will continue to make future contributions at rates equal to the difference between the total actuarially determined contribution rate and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

ADDITIONAL PLAN OPTIONS

Pursuant Ordinance no. 2025-10, the Fund offers two additional plan options to eligible general employees of the City. Eligible general employees can either participate in 1) a defined contribution plan or 2) a hybrid plan comprised of both defined benefit and defined contribution components. As of September 30, 2025, the two additional plan options are in the process of being created. Current Plan members will have the option to elect to transition from this Plan and enroll in either the defined contribution plan or hybrid plan.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

CHANGES IN NET PENSION LIABILITY – GENERAL EMPLOYEES RETIREMENT SYSTEM:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance, beginning of year	<u>\$ 648,815,457</u>	<u>\$ 412,191,387</u>	<u>\$ 236,624,070</u>
Changes for the year:			
Service Cost	7,351,106	-	7,351,106
Interest	44,504,400	-	44,504,400
Differences between expected and actual experience	4,739,316	-	4,739,316
Change of assumptions	2,948,190	-	2,948,190
Change of benefit terms	-	-	-
Contributions-employer	-	26,508,097	(26,508,097)
Contributions-employee	-	4,027,262	(4,027,262)
Contributions-non-employer	-	25,913	(25,913)
Net Investment Income	-	74,379,402	(74,379,402)
Benefit Payments	(40,140,312)	(40,140,312)	-
Refunds of Contributions	(638,514)	(638,514)	-
Administrative expense	-	(1,427,640)	1,427,640
Net changes	<u>18,764,186</u>	<u>62,734,208</u>	<u>(43,970,022)</u>
Balance, end of year	<u>\$ 667,579,643</u>	<u>\$ 474,925,595</u>	<u>\$ 192,654,048</u>

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Net Pension Liability	<u>266,486,200</u>	<u>192,654,048</u>	<u>130,838,781</u>

PENSION PLAN FIDUCIARY POSITION

Detailed information about the pension plan's fiduciary net position is available in a separately issued Employees Retirement Fund financial report.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

PENSION EXPENSES AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the fiscal year ended September 30, 2025, the City recognized pension expense of \$27,836,564. The City allocated pension liabilities, deferred outflows, deferred inflows, and pension expense based on each fund's proportionate share of the collective pensionable wages. Pension expense is comprised of the below:

Service Cost	\$ 7,351,106
Interest	44,504,400
Contributions-employee	(4,027,262)
Non-Employer Contributing Entity Contributions (made negative for addition here)	(25,913)
Projected Earnings on Plan Investments	(28,445,815)
Administrative expense	1,427,640
Net Amortization of Deferred Outflows/Inflows	7,052,408
Total Pension Expense	<u>\$ 27,836,564</u>

The difference between the actuarial pension expense and the actual pension expense relates to the timing of pension settlement expenses per the actuary and GAAP. The City has decided to adjust the actuarial figure to match the prior year annual report resulting in a minor variance between the actual and actuarial pension expense. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 8,642,201	\$ -
Change of assumptions	2,640,282	-
Net difference between Projected and Actual		
Earnings on Pension Plan Investments	-	24,422,091
Changes in proportionate share - Funds	1,767,548	1,767,548
Contributions subsequent to the measurement date	28,245,281	-
	<u>\$ 41,295,312</u>	<u>\$ 26,189,639</u>

Deferred outflows of resources related to pensions resulting from contributions after the measurement but prior to the City's fiscal year-end date totaling \$26,508,097 will be recognized as a reduction of net pension liability in the fiscal year ending September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended September 30,	Net Deferred Outflows/ (Inflows)
2025	\$ 1,541,299
2026	5,451,309
2027	(10,945,497)
2028	(9,186,719)
	<u>\$ (13,139,608)</u>

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

FIRE PENSION FUND

PENSION BENEFITS

The pension plan provides retirement, death, and disability benefits for its participants. Participants should refer to the Plan Ordinance for more complete information. Below is a brief summary.

ELIGIBILITY

Full-time employees who are classified as full time Firefighters shall participate in the System as a condition of employment.

CREDITED SERVICE

Total years and fractional parts of years of employment with the City as a Firefighter with Member contributions.

TIER 1 MEMBER

Hired prior to July 16, 2009.

TIER 2 MEMBER

Hired on or after July 16, 2009.

COMPENSATION

For Tier 1 Members: Wages, workers' compensation/supplemental compensation, cash conversion of holiday benefits, not more than 300 hours of overtime per calendar year, 70% of cash payment of accumulated, unused annual leave paid at the time of retirement or entry into DROP (applicable only to those employees hired on or before July 3, 2013), expense allowances, and educational incentive payments from the Insurance Commissioner's Trust Fund. For the purposes of this definition, the term "accumulated, unused annual leave" shall be capped at the amount reflected in the payroll records of the City for each member of the plan in the first full pay period of July 2013.

For Tier 2 Members: Same as for Tier 1 Members except that overtime is limited to 200 hours per calendar year.

AVERAGE FINAL COMPENSATION (AFC)

Tier 1 Members: Average compensation of the three highest years of credited service.

Tier 2 Members hired prior to October 1, 2011: Average-compensation of the five highest years of credited service.

Tier 2 Members hired on or after October 1, 2011: Average-compensation of the five highest consecutive years of credited service.

MEMBER CONTRIBUTIONS

Tier 1 Members: 8% of compensation.

Tier 2 Members: 9.5% of compensation.

RPRB Members: Either 0.5%, 8.0%, or 9.5% depending upon Tier and election.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

NORMAL RETIREMENT

Date: Earlier of 1) Age 50 with 10 years of credited service, or 2) 23 Years of credited service, regardless of Age.

BENEFIT AMOUNT:

Tier 1 Members: 3.30% of average final compensation times credited service. Maximum benefit of 86% of average final compensation.

Tier 2 Members: 3.20% of average final compensation times credited service. Maximum benefit of 80% of Average Final Compensation.

Minimum Benefit: 2.75% of average final compensation times credited service:

Form of Benefit: For unmarried members, ten year Certain and life annuity. For married members, 50% joint and survivor annuity with ten years certain.

COST OF LIVING INCREASES

Tier 1 Members: Normal Service Retirees (including disability) receive a 2.00% per year cost-of-living adjustment commencing the later of three years after retiree's benefit payments have begun or one year after completion of DROP participation.

Tier 2 Members: Normal Service Retirees (including disability) receive a 2.50% cost-of-living adjustment commencing two years after retirement and every two years thereafter.

DISABILITY RETIREMENT

Any participant who becomes totally and permanently disabled as certified by medical examination may retire on a non-service incurred disability retirement benefit after five years of credited service. Such a member may retire on a service incurred disability retirement benefit if disabled as a result of the performance of duty, without regard to the credited service at the time of disability.

The monthly non-service incurred disability retirement benefit is equal to 25% of salary at the time of determination of disability. The monthly service incurred disability retirement benefit is equal to 75% of salary at the time of determination of disability. The benefit is reduced by any workmen's compensation, pension or benefits under similar law payable to the firefighter or his dependents.

DEATH BENEFITS

If a participant dies in the performance of service, a monthly death benefit of 50% of the deceased firefighter's monthly salary at the time of death is payable to the participant's beneficiary until the earlier of death or remarriage of the beneficiary. For members having completed at least five years of service who die while not on active duty, the plan provides a monthly benefit of 25% of the deceased participant's compensation at the time of death. In no event shall these benefits be less than the participant's Vested Accrued Benefit payable at Normal Retirement Date.

Upon the death of a participant receiving retirement payouts, a benefit equal to 50% of the retirement benefit of the deceased participant is payable to their surviving spouse so long as they remain unmarried, provided such spouse had been married to the deceased participant not less than two years immediately preceding their death.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

DEFERRED RETIREMENT OPTION PLAN (DROP)

Tier 1 Members eligible for normal retirement with less than 30 years of service are eligible to participate in the DROP while continuing their active employment as a firefighter. Upon participation in the DROP, the member becomes a retiree for all Plan purposes so that he or she ceases to accrue any further benefits under the Plan. Normal retirement benefits otherwise payable to the member as a result of retirement are accumulated and invested in the DROP to be distributed to the member upon his or her termination of employment. Participation in the DROP ceases after 8 years. Pre-DROP service plus DROP service cannot exceed 33 years.

VESTING

100% after 10 years of Credited Service. The benefit amount for Tier 1 members is payable at age 50; for Tier 2 members is payable at age 55.

SUPPLEMENTAL PENSION CHECK (13th CHECK)

If the actual asset return of the trust exceeds the assumed actuarial return for any fiscal year, The value of the supplemental pension benefit fund shall be equal to the value of the positive difference, if any, between the annual investment return (up to a maximum rate of 10%) and the annual fund earnings assumption rate of 8% to a maximum annual investment return value of up to 2% as calculated on the eligible retirees' portion of the Fund's earnings attributable to assets apportioned to retiree benefit liability.

Members not eligible to retire as of September 30, 2011 are not eligible for Supplemental Pension distributions.

PLANNED RETIREMENT (LUMP SUM) BENEFIT

In order to participate in the Planned Retirement Benefit a member must submit in writing declaring their intent to participate in the Planned Retirement Benefit at any time on or after reaching the member's normal retirement date.

Members who elect to participate in the Planned Retirement Benefit shall not exceed 33 years of service, including service while participating in the Planned Retirement Benefit.

A member who elects to participate in the Planned Retirement Benefit will receive the normal retirement benefit they would have been eligible to receive during the Planned Retirement Period had the member actually retired at a point during the look-back period that begins on the entry date into the Planned Retirement Benefit and ends on the date of termination. The maximum look-back period is 8 years from the date of termination. If the member chooses a normal retirement benefit based on age and service during the look-back period, they will receive a lump sum with interest based on the normal retirement benefit payable during the look-back period.

The crediting rate applicable to any lump sum payment shall be calculated in arrears equal to 100% of the first 4% of plan earnings plus 100% of plan earnings in excess of 6%. If the Plan is 80% to 90% funded, the crediting rate will be based on the 100% of the 4% of plan earnings plus 100% of plan earnings in excess of 5%. If the Plan is at least 90% funded, the crediting rate will be based on 100% of actual plan earnings. The member will share in asset losses in those years where the plan returns are negative.

Reformed Planned Retirement Benefit (RPRB) - Eligibility: Same as for Normal Retirement Election: Any time on or after eligibility for Normal Retirement a Member may declare in writing intent to participate. Participation: Not to exceed 96 months or when the Member completes 33 years of service with the City. Contribution Rate: Either 8.0% of Salary for Members who want the same options at termination of employment as were provided in the original PRB (lump sum, increased annuity, or combination thereof)

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

or 0.5% of Salary for Members who only get the lump sum option at termination of employment. Benefit: Lump sum option - Benefit calculated as of the date the Member elected participation in the RPRB and accumulated to date of termination of employment with the actual plan earnings, net of investment related expenses. Larger Annuity Option - Benefit calculated as of a date in between the Member's first election to participate in the PRB/RPRB and their date of termination of employment accumulated with earnings to the date of termination.

SHARE PLAN

Effective July 16, 2009, the City of Hollywood Firefighters' Pension System created The City of Hollywood Chapter 175 Share Plan ("Share Plan") in accordance with Chapter 175 Florida Statutes. The Share Plan is managed and administered by the Board of Trustees of the City of Hollywood Firefighters' Pension System. The Share Plan is funded exclusively through excess, un-dedicated Chapter 175 insurance premium rebate taxes. The membership of the Share Plan consists of all firefighters in active service as of July 16, 2009, excluding retired members and persons who have entered the DROP prior to July 16, 2009. The Share Plan assets are invested by the Board in government insured certificates of deposit or bonds or mutual funds or money market funds or commingled funds thereof, as determined by the Board. The Share Plan is at no actuarial or other cost to the City of Hollywood. All administrative expenses of the Share Plan are deducted from each year's available premium tax money before it is credited to the share accounts to pay for plan administration by the Board.

REFUND OF PARTICIPANT CONTRIBUTIONS

A participant who terminates employment and is ineligible for pension benefits is refunded his or her contribution without interest.

COST OF LIVING ADJUSTMENT

Tier 1 Members receive a 2% per year COLA commencing the later of 3 years after retiree's benefit payments have begun or 1 year after completion of DROP participation. Tier 2 Members receive a 2.5% COLA commencing 2 years after retirement and every 2 years thereafter.

CONTRIBUTIONS

Members hired prior to July 16, 2009 make contributions to the Fund of 8% of compensation until member has accrued the maximum benefit of 86% of average final compensation, thereafter percentage reduces to 0.5% of compensation.

Members hired on or after July 16, 2009 make contributions to the Fund of 9.5% of compensation until member has accrued the maximum benefit of 80.0% of average final compensation.

The City of Hollywood pays into the Fund such amount as is determined, by actuary, to provide for benefits under the Fund not met by member contributions.

PLAN CHANGES:

There were no amendments or changes to the actuarial methods for fiscal year September 30, 2025.

NET PENSION LIABILITY

For Fiscal year 2025, the City's net pension liability measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2023.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

ACTUARIAL ASSUMPTIONS

The total pension liability was determined by an actuarial valuation as of October 1, 2023 using the following actuarial assumptions applied to all prior periods included in the measurement:

Inflation Rate	2.50%
Annual Salary Increased	Service Based
Discount Rate	7.50%
Investment Rate of Return	7.50%
Mortality	Healthy Active Lives PubS.H-2010 for Employees, set forward one year. Healthy Retiree Lives PubS.H-2010 (Above Median) for HealthyRetirees, set forward one year. Beneficiary Lives Female: PubG.H-2010 (Above Median) for Healthy Retirees. Male: PubG.H-2010 (Above Median) for Healthy Retirees, set back one year. Disabled Lives 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees. All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. 90% of active deaths are assumed to be service-incurred.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included the Plan's target asset allocation as of September 30, 2025, are as follows:

<u>Asset Class</u>	<u>Target</u>	<u>Real Rate</u>
Domestic Equity	50.00	7.50 %
International Equity	15.00	8.50
Core Fixed Income	15.00	2.50
Non Core Fixed Income	5.00	2.50
Global Fixed Income	5.00	3.50
Real Estate	10.00	4.50
	<u>100.00</u>	

DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumes plan member contributions will be at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan Investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

CHANGES IN NET PENSION LIABILITY – FIRE PENSION FUND

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance, beginning of year	\$ 505,602,657	\$ 305,554,732	\$ 200,047,925
Changes for the year:			
Service Cost	7,140,195	-	7,140,195
Interest	37,232,640	-	37,232,640
Differences between expected and actual experience	(1,735,668)	-	(1,735,668)
Contributions-employer	-	24,087,670	(24,087,670)
Contributions-State	-	2,535,767	(2,535,767)
Contributions-employee	-	2,562,280	(2,562,280)
Net Investment Income	-	75,150,006	(75,150,006)
Benefit Payments	(32,593,210)	(32,593,210)	-
Contributions - buy-back	59,056	59,056	-
Administrative expense	-	(706,534)	706,534
DROP Default Loan Payment	23,601	23,601	-
Other changes	973,586	-	973,586
Net changes	11,100,200	71,118,636	(60,018,436)
Balance -end of year	\$ 516,702,857	\$ 376,673,368	\$ 140,029,489

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the net pension liability of the City, calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 6.50%	Rates 7.50%	1% Increase 8.50%
Sponsor's Net Pension Liability \$	187,080,752	\$ 140,029,489	\$ 101,020,707

PENSION PLAN FIDUCIARY POSITION

Detailed information about the pension plan's fiduciary net position is available in a separately issued Fire Pension Fund financial report.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

PENSION EXPENSES AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the fiscal year ended September 30, 2025, the City recognized pension expense of \$18,053,833:

Service Cost	\$ 7,140,195
Interest	37,232,640
Change in benefit terms	-
Contributions-employee	(2,562,280)
Share Plan Allocation	973,587
Projected Earnings on Plan Investments	(22,765,429)
Administrative expense	706,534
Net Amortization of Deferred Outflows/Inflows	<u>(2,671,414)</u>
Total Pension Expense	<u>\$ 18,053,833 *</u>

For the Fire Pension Plan, the City recorded \$2.5 million in revenues and expenses relating to State Chapter funding received by the City and provided to the Pension Fund (F.S. 175/185). In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 7,638,159	\$ 2,176,038.00
Change of assumptions	1,503,008	-
Net difference between Projected and Actual Earnings on Pension Plan Investments	-	27,056,693
Contributions subsequent to the measurement date	<u>24,740,950</u>	<u>-</u>
	<u>\$ 33,882,117</u>	<u>\$ 29,232,731</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date but prior to the City's fiscal year-end totaling \$24,740,950 will be recognized as a reduction of net pension liability in the fiscal year ending September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended September 30,	Net Deferred Outflows/(Inflows)
2026	\$ (1,948,509)
2027	5,676,190
2028	(12,914,230)
2029	(10,271,445)
2030	(385,617)
Thereafter	<u>(247,953)</u>
	<u>\$ (20,091,564)</u>

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

POLICE OFFICERS' RETIREMENT SYSTEM

ELIGIBILITY:

Participants are eligible if the participant is an active employee, at least 18 years of age, have passed all required medical examinations and other requirements of the City, and have completed the requirements of the Police academy. Additionally, participants are further divided into 3 distinct groups called: Group One Restored Members (Group One), Group Two Restored Members (Group Two), and Group Three Restored Members (Group Three).

Group One consists of participants employed on February 20, 2019, who were hired on or before September 30, 2011, and will be eligible to retire on or before September 30, 2021 based on a normal retirement date of age 50 or 22 years of continuous service.

Group Two consists of participants employed on February 20, 2019, who were hired on or before September 30, 2011 and will not be eligible to retire until after September 30, 2021 based on a normal retirement date of age 50 or 22 years of continuous service.

Group Three consists of participants who were hired after September 30, 2011.

AVERAGE FINAL COMPENSATION:

For the purposes of Group One and Group Two participants only, average final compensation shall include the average of the participant's highest 3 years of earnings preceding the actual retirement or termination date of such participant. For purposes of Group Three participants only, average final compensation shall include the arithmetic average of earnings for the 60 highest consecutive months of the last 120 months of credited service prior to retirement, termination, or death.

BENEFITS:

For purposes of Group One and Group Two participants only, participants who have attained age 50 or completion of 22 years of continuous service are eligible for retirement benefits. For purposes of Group Three participants only, participants who have attained age 55 with 10 years of continuous service or upon completion of 22 years of continuous service are eligible for retirement benefits.

Group One Normal Retirement Benefits:

Effective February 20, 2019, the following benefits will apply to Group One participants only: A 3% multiplier for the first 20 years of continuous service, a 4% multiplier for the 21st year of continuous service, and upon completion of 22 years of continuous service, and an accrued benefit of 80% of average final compensation.

Group One participants employed on February 20, 2019, who did not participate in the deferred retirement option plan (the DROP plan) shall receive a 2% annual increase in benefits commencing 3 years after the date retirement benefits begin. Group One participants employed on February 20, 2019, who participated in the DROP plan shall receive a 2% annual increase in benefits commencing upon the later of (i) separation of employment and (ii) 3 years after the participant entered the DROP plan.

Only those Group One participants employed on February 20, 2019, and participating in either the DROP plan or the reformed planned retirement benefit on February 20, 2019, shall be eligible for the supplemental pension distribution.

A maximum normal retirement benefit of 80% of average final compensation.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Eligibility to participate in the DROP plan, with the Group One participant to select an entry date on or after the day the participant attained age 50 or completed 22 years of continuous service, subject to the existing limitation of 30 years of service with the City.

Participants with 10 or more years of continuous service shall be eligible to receive a vested benefit commencing upon attainment of age 50.

Group Two Normal Retirement Benefits:

Effective October 1, 2020, the following pension benefits in effect on September 30, 2011 will be restored to Group Two participants:

A 3% multiplier for the first 20 years of continuous service, a 4% multiplier for the 21st year of continuous service, and upon completion of 22 years of continuous service, an accrued benefit of 80% of average final compensation.

Group Two participants employed on February 20, 2019 who do not participate in the DROP plan shall receive a 2% annual increase in benefits commencing 3 years after the date retirement benefits begin. Group Two participants employed on February 20, 2019 who participate in the DROP plan shall receive a 2% annual increase in benefits commencing upon the later of (i) separation of employment and (ii) 3 years after the participants entered the DROP plan.

A maximum normal retirement benefit of 80% of average final compensation.

Eligibility to participate in the DROP plan, with the Group Two participant to select an entry date on or after the day the participant attained age 50 or completed 22 years of continuous service, subject to the existing limitation of 30 years of service with the City. Upon reaching a normal retirement date, a Group Two participant may elect to participate in the reformed planned retirement benefit as an alternative to choosing DROP plan participation but cannot participate in both.

Group Two participants with 10 or more years of continuous service shall be eligible to receive a vested benefit commencing upon attainment of age 50.

Group Three Normal Retirement Benefits:

Effective October 1, 2022, the following pension benefit changes will be made for Group Three participants:

Maintain the 3% multiplier for the first 21 years of continuous service but allow Group Three participants to retire upon completion of 22 years of creditable service at an accrued benefit of 75% of their average final compensation.

Group Three restored members employed who do not participate in the DROP plan shall receive a 2.5% annual increase in benefits commencing three years after the date retirement benefits begin and continuing every other year thereafter. Group Three members who participate in the DROP plan shall receive a 2.5% annual increase in benefits commencing upon the later of separation of employment and three years after the members entered the DROP plan and continuing every year thereafter.

A maximum normal retirement benefit of 75% of average final compensation.

Increase the maximum participation period for Group Three participants in the reformed planned retirement benefit from 5 years to 8 years at any time upon attainment of normal retirement date.

Eligibility to participate in the DROP plan, with the Group Three restored member to select an entry date on or after the day the participant attained age 55 with 10 years of service or completes 22 years of

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

continuous service, subject to the existing limitation of 30 years of service with the City. Upon reaching a normal retirement date, a Group Three restored members may elect (irrevocable) to participate in the reformed planned retirement benefit as an alternative to choosing DROP plan participation but cannot participate in both.

DISABILITY

Any member who, receives a medically substantiated service-connected injury, disease or disability, as determined by the medical board, which injury, disease or disability permanently incapacitates the member, physically or mentally, from their regular and continuous duties as a police officer, will receive a benefit equal to the greater of their accrued benefit on the date of disability based on the applicable benefit rate or 50% of earnings at the time of determination or disability.

Members with at least five years of continuous service who sustain a non-service-connected disability and who must have applied for Social Security disability benefits as well as workers' compensation benefits if applicable may receive a benefit equal to 2.50% of their average monthly earnings multiplied by years of service. No member with at least five years of continuous service shall receive less than 25.00% of his average monthly earnings in effect at the time of determination of disability. Upon attainment of age 50, the benefit will be recomputed as a normal retirement benefit with consideration for service granted for the period that the member was receiving a disability retirement payment.

DEATH BENEFITS

A service-incurred death benefit will be paid to the surviving spouse at the rate of 50.00% of the member's monthly earnings (final average compensation) at the time of death or the earned benefit (whichever is greater). A non-service-incurred death benefit will be paid to the surviving spouse at the rate of 25.00% of the member's monthly earnings at the time of death. Death benefits are payable to the surviving spouse until death or remarriage. Upon the death or remarriage of the spouse, the death benefits are payable to the member's dependent children until the youngest child reaches the age of 18. If the participant is not married at the time of death, and the participant has no surviving children, and the participant fails to designate a beneficiary, then the monthly benefit shall be paid to the participant's estate for a period of 10 years.

COST-OF-LIVING ADJUSTMENT

Group One participants and Group Two participants employed on February 20, 2019 who did not participate in the DROP plan shall receive a 2% annual increase in benefits commencing 3 years after the date retirement benefits begin. Group One participants and Group Two participants employed on February 20, 2019 who participated in the DROP plan shall receive a 2% annual increase in benefits commencing upon the later of (i) separation of employment and (ii) 3 years after the participants entered the DROP plan. Group Three participants shall received a 2.5% increase commencing three year after the date retirements benefits begin (and every year other year thereafter). Group Three participants who participated in the DROP shall receive a 2.5% increase in benefits commencing the later of the separation of employment or three years after entering DROP (and continuing every other year thereafter).

SUPPLEMENTAL DISTRIBUTION

There shall be payable to eligible persons a supplemental pension distribution for each fiscal year in which the actual rate of investment return earned on Plan assets exceeds the assumed rate of investment return on Plan assets. The total amount of the supplemental pension distribution for a particular fiscal year shall be equal to the actuarial present value of future retirement benefits, as calculated on the eligible retirees' portion of the Plan's earnings attributable to assets apportioned to retiree benefit liability, multiplied by the excess (not to exceed 2%) of the actual rate of investment return over the assumed rate of investment return for the fiscal year. The Board of Trustees shall determine who is an eligible person and the specific amount to be paid to each eligible person; provided, however, that only those Group One participants employed on February 20, 2019 and participating in either the DROP plan or the reformed planned retirement benefit on February 20, 2019 shall be eligible for the supplemental pension distribution.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

DEFERRED RETIREMENT OPTION PLAN (DROP)

Group One and Group Two participants who elect to enter the DROP plan shall have the option to receive One of the following: the variable rate of return, which for any month shall be the actual net rate of investment gain or investment loss on the Plan's assets for the month, determined as of the last day of the month, reduced in the event of a net investment gain or increased in the event of a net investment loss by an administrative fee determined by the Board; or 6% per year, minus administrative costs provided if Plan earnings exceed 6% per year, earnings in excess of 6% per year and not in excess of 12% per year shall offset the City's cost of maintaining the DROP plan program, and Plan earnings in excess of 12% per year shall be divided between the DROP participant and the City. Members eligible to retire before February 29, 2013 or members eligible for normal retirement based on years of service or age as of September 30, 2011 will receive an 8% fixed rate of return.

The maximum period of participation in the DROP plan for participants who entered the DROP plan shall be the lesser of 8 years or that period of participation in the DROP plan that would result in a total of 30 years of employment with the City. The City employment of each participant who elects to participate in the DROP plan after June 7, 2006, shall terminate not later than the end of the participant's maximum period of participation in the DROP plan.

The DROP may receive eligible rollover contributions from eligible governmental 457(b) plans. These rollover contributions remain in a variable-rate account as described above and do not qualify for the fixed rate option.

A summary of the changes in the DROP balance as of September 30, 2025 is as follows:

Beginning Balance	\$ 138,955,989
Additions	5,458,083
Distributions	(8,526,702)
Net Earnings	10,327,425
Ending Balance	<u>\$ 146,214,795</u>

Current DROP participants or retirees may borrow against their DROP account balance up to the maximum amount permitted by the Internal Revenue Service (IRS).

No interest shall be earned or paid by the Plan on funds loaned from the DROP account until repaid. The DROP loan program is administered in accordance with the loan policy adopted by the Board and shall comply with all applicable IRS rules and regulations governing such loans.

A summary of the changes in the DROP loans receivable balance as of September 30, 2025 is as follows:

Beginning Balance	\$ 499,189
Additional Loans	1,366,819
Loan Repayments	(900,893)
Ending Balance	<u>\$ 965,115</u>

PLANNED RETIREMENT BENEFIT

The Plan provides for a benefit to be known as the Planned Retirement Benefit (PRB) and a benefit known as the Reformed Planned Retirement Benefit (RPRB). The PRB, as described below, will be retroactive to October 1, 2011, but any participant who retires or enters the DROP prior to July 17, 2013, will not be eligible for the PRB. Effective September 16, 2015, the RPRB was created and shall be as described below.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

For Group Three participants, to be eligible for either the PRB or the RPRB, the participant must submit a written election, on a specified form, declaring the participant's intent to participate at any time on or after reaching the participant's normal retirement date. For Group Three participants electing to participate in the RPRB, the specified form will identify the maximum number of years the participant may participate in the PRB and the participant's latest employment termination date based on the maximum number of years identified. The participant will also have to make an irrevocable election of one of the following options:

- During the period of participation in the RPRB, contribution at the participant's contribution rate as established in the ordinance until termination of employment, and upon termination, election of one of the 3 options regarding how the participant wishes to receive the RPRB earned (identical to the 3 options that are provided for the PRB as follows); or
- During the period of participation in the RPRB, contribution equal to 0.5% of the participant's earnings until termination of employment, and upon termination, taking of a lump sum that would be valued based on the number of years the participant worked after electing to participate in the PRB, RPRB, or combination of both (or the number of years for which the participant elects to receive benefits as follows).

A participant who elects to participate in the PRB or the RPRB shall not exceed 30 years of service with the City, including any time participating in the PRB and/or the RPRB. A participant may terminate employment any time prior to reaching the earlier of the maximum participation period for the PRB and/or the RPRB, as noted below, or 30 years of service with the City. A Group Three participant may participate in the PRB, the RPRB, or a combination of both, for a maximum of 8 years. A participant who reaches their normal retirement date but not more than 30 years of service with the City may, upon termination of employment, elect to receive benefits under the PRB, the RPRB, or a combination of both, for a period of not more than 8 years.

When a participant who has participated in the PRB, but has not participated in the RPRB, terminates employment, the participant shall elect how they wish to receive the PRB earned. The participant may choose to take (i) a maximum lump sum payment that would be valued based on the number of years the participant worked after electing to participate in the PRB (or the number of years for which the participant elects to receive benefits as noted above); (ii) a larger final pension annuity payment (meaning a larger annuity than that earned prior to electing to participate in the PRB) based on the number of years the participant worked after electing to participate in the PRB (or the number of years for which the participant elects to receive benefits as noted above); or (iii) any combination of a lump sum payment and larger annuity by dividing the years worked after electing to participate in the PRB (or the number of years for which the participant elects to receive benefits as noted above) between a lump sum payment and larger annuity payments. Any lump sum payment must be paid out to the participant at termination (i.e., it cannot be left in the Plan).

Upon termination of employment, a participant who, at the beginning of their period of commencement in the RPRB, made the irrevocable election to take their benefit in a lump sum upon termination will be allowed to leave the lump sum in the Plan. The Plan's actual investment rates of return (whether positive or negative) shall be applied to the lump sum for as long as any portion thereof remains in the Plan. For as long as any portion of the lump sum remains in the Plan, the participant shall pay a fee, in an amount to be determined by the Board, for the administrative cost of managing the lump sum, or portion thereof, that remains in the Plan.

While participating in the PRB and/or the RPRB, a participant shall continue making their applicable contributions, as provided in the Plan, until termination of employment.

Any participant who has reached their normal retirement date, and has submitted the written election form to participate in the PRB or the RPRB, shall maintain the right to participate in the PRB or the RPRB up to

CITY OF HOLLYWOOD, FLORIDA

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the date on which the maximum period applicable to the participant has been reached or employment has terminated pursuant to the terms of the PRB or the RPRB, as provided above, and no amendment to the Plan may alter this right.

For any participant who reached their normal retirement date between October 1, 2011, and July 17, 2013, the time such participant worked between their normal retirement date (on or after October 1, 2011) and the date the participant submits the PRB election form may be included in the participant's PRB participation period, provided the participant shall not exceed the maximum period of participation set forth above.

The lump sum payment, if elected, shall be calculated based upon the monthly values of the participant's final pension annuity benefit determined using the participant's creditable service, average final compensation, and multiplier, as provided in the Plan as of the beginning of the elected PRB or RPRB participation period, plus earnings on such amounts as provided below, subject to the limitations as follows.

Investment earnings applicable to any lump sum payment shall be calculated in arrears using the net investment rate earned by the Plan on its net assets for each month of creditable service worked during the PRB or RPRB participation period and applied to the prior pension annuity balance including all prior months of creditable service, including prior monthly earnings. The investment earnings shall be compounded monthly to determine the amount of investment earnings to be credited during each year of the PRB or RPRB participation period. The aggregate value of the monthly investment earnings calculations will determine the amount of investment earnings to be credited for the PRB or RPRB participation period. The investment earnings credited to said participant will be net of the investment earnings retained by the Plan as follows.

The following applies only to the PRB. Regarding any Plan earnings calculated into the participant's lump sum payment, there shall be no losses counted in those years for which the Plan return is negative, and no investment earnings will be credited for such negative years. In any year for which Plan earnings are greater than 4% (applied monthly at the rate of 0.327%), the next 2% (applied monthly at the rate of 0.165%) of Plan earnings (i.e., the annual earnings between 4% and 6%) shall be excluded from the participant's lump sum payment and retained by the Plan to offset unfunded liabilities. All earnings in excess of 6% will be split equally between the participant and the Plan until the Plan is 90% funded, at which time the split of earnings in excess of 6% will end and earnings in excess of 6% will be kept by the participant (but earnings between 4% and 6% will continue to remain in the Plan to offset unfunded liabilities). The split of earnings in excess of 6% will resume if the funding of the Plan drops below 90%.

If an eligible participant who is participating in the PRB or RPRB dies during the participant's PRB or RPRB participation period, then the participant's designated beneficiary or, if there is no designated beneficiary, then the participant's estate shall make the election provided above with respect to the PRB or RPRB earned.

In accordance with Ordinance 0-2019-02, eligible participants had a one-time opportunity to elect to transfer from the RPRB to the DROP. The participant's participation date for the DROP was retroactive to the date the participant would have otherwise been eligible had the DROP benefit not been altered.

There were no PRB or RPRB balances as of September 30, 2025.

SHARE PLAN

Effective June 30, 2002, the Hollywood Police Officers Share Plan (the Share Plan), a defined contribution plan was created to implement the provisions of Chapter 185, Florida Statutes and to provide means whereby police officers of the City may receive benefits from the funds provided for that purpose by the Statutes. The Share Plan is allocated to each participant based on the total months of credit for each Share Plan Year.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

Commencing on July 17, 2013, the State funds received by the City pursuant to the Florida Statutes Chapter 185 shall be used to offset City contribution requirements and not divided into individual share accounts.

A summary of the Share Plan as of September 30, 2025, was:

Beginning Balance	\$ 2,518,914
Distributions	(394,060)
Net Income	<u>231,153</u>
Ending Balance	<u>\$ 2,356,007</u>

CONTRIBUTIONS

Each police officer makes contributions to the Fund at the rate of 8% of their earnings until February 20, 2019. After such date, Group One, Group Two, and Group Three participants shall contribute 9.5% of their earnings. Upon entry into the DROP, members shall cease making contributions.

If a police officer's service is terminated for reasons other than death or retirement, their accumulated contributions are returned to them with 3% interest, compounded annually.

The City of Hollywood pays into the Fund such an amount as is determined actuarially to provide for benefits under the Fund not met by member contributions.

GENERAL

The plan is a single-employer defined benefit pension plan established by Ordinance O76-12 (as amended) effective March 9, 1976. In February 2019, Ordinance O-2019-02 was passed and retroactively changed plan benefits and how benefits are administered. In April 2023, Ordinance O-2023-03 adopted changes of definitions, normal retirement benefits, and military service buybacks. In July 2024, Ordinance PO-2024-12 updated benefits to beneficiaries killed in the line of duty beginning July 4, 2024. In August 2025, Ordinance O-2025-08 adopted changed to definitions of normal retirement benefits and contributions for Group Three participants. Participants should refer to the Plan Ordinance for more complete information.

NET PENSION LIABILITY

The City's net pension liability as measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2023.

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CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

ACTUARIAL ASSUMPTIONS

The total pension liability was determined by an actuarial valuation as of October 1, 2023, and rolled forward to the measurement date of September 30, 2024, using the following actuarial assumptions applied to all prior periods included in the measurement:

Rate of return on Investments	8.00%
Annual Salary Increased	5.03% - 10.67%, average, including inflation
Inflation Rate	2.50%
Cost of Living Adjustments	Group 1 and 2 = 2% annually; Group 3 = 2.5% commencing after 3 years and then bi-annually
Mortality	Pre-Retirement Mortality: Female: Pub-2010 Headcount Weighted Safety Employee Set Forward 1 year; projected generationally using projection scale MP-2018 Male: Pub-2010 Headcount Weighted Safety Below Median Employee Set Forward 1 year; projected generationally using projection scale MP-2018 Post Retirement Healthy Mortality: Female: Pub-2010 Headcount Weighted Safety Healthy Retiree Set Forward 1 year; projected generationally using projection scale MP-2018 Male: Pub-2010 Headcount Weighted Safety Below Median Healthy Retiree Set Forward 1 year; projected generationally using projection scale MP-2018 Post Retirement Disabled Mortality: Pub-2010 80% Headcount Weighted General Disabled Retiree; 20% Headcount Weighted Safety Disabled Retiree; projected generationally using projection scale MP-2018

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return for each major asset class included are summarized in the following table:

Asset Class	Target Allocation	Real Rate of Return
Domestic Equity	68.00 %	7.50 %
Domestic Bonds	14.00	2.50
Real Estate	10.00	4.50
Alternative Assets	8.00	6.41
	<u>100.00 %</u>	

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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DISCOUNT RATE

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumes plan members will contribute at the current contribution rate and the City will continue to make future contributions at rates equal to the difference between the total actuarially determined contribution rate and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CHANGES IN NET PENSION LIABILITY – POLICE RETIREMENT SYSTEM

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balance, beginning of year	\$ 662,414,667	\$ 390,176,621	\$ 272,238,046
Changes for the year:			
Service Cost	8,287,755		8,287,755
Interest	56,615,642		56,615,642
Differences between expected and actual experience	955,632		955,632
Change of benefit terms	-		-
Contributions-employer	-	31,087,571	(31,087,571)
Contributions-State	-	2,623,857	(2,623,857)
Contributions-employee	-	3,308,232	(3,308,232)
Net Investment Income	-	85,575,326	(85,575,326)
Benefit Payments	(42,220,879)	(42,220,879)	-
Refunds of Contributions	(22,010)	(22,010)	-
Administrative expense		(786,541)	786,541
Other changes		37,170	(37,170)
Net changes	<u>23,616,140</u>	<u>79,602,726</u>	<u>(55,986,586)</u>
Balance -end of year	<u>\$ 686,030,807</u>	<u>\$ 469,779,347</u>	<u>\$ 216,251,460</u>

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the net pension liability of the City, calculated using the discount rate of 8.00%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	1% Decrease (7.00%)	Current Rate (8.00%)	1% Increase (9.00%)
Net Pension Liability	\$ 275,815,244	\$ 216,251,460	\$ 166,829,766

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the pension plan's fiduciary net position is available in a separately issued Police Retirement Fund financial report.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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PENSION EXPENSES AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the fiscal year ended September 30, 2025, the City recognized pension expense of \$26,653,666:

Service Cost	\$ 8,287,755
Interest	56,615,642
Change in benefit terms	-
Expensed portion of current-period difference between expected and actual experience in the total pension liability	248,216
Contributions-employee	(3,308,232)
Other	(37,170)
Projected Earnings on Plan Investments	(30,975,226)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(10,920,020)
Administrative expense	786,541
Net Amortization of Deferred Outflows/Inflows	5,956,160
Total Pension Expense	<u>\$ 26,653,666 *</u>

* Difference between incurred and actuarial pension expense relates to the State Supplemental Pension Contribution.

For the Police Pension Plan, the City recorded \$2.8 million in revenues and expenses relating to State Chapter funding received by the City and provided to the Pension Fund (F.S. 175/185). In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 6,143,859	\$ 441,786
Net difference between Projected and Actual Earnings on Pension Plan Investments	-	29,963,560
Contributions subsequent to the measurement date	32,144,114	-
	<u>\$ 38,287,973</u>	<u>\$ 30,405,346</u>

Deferred outflows of resources related to pensions resulting from contributions after the measurement date of the net pension liability but before the City's fiscal year-end totaling \$32,144,114 will be recognized as a reduction of net pension liability in the year ending September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended September 30,	Amortization
2026	\$ (4,235,177)
2027	4,426,496
2028	(13,532,786)
2029	(10,920,020)
	<u>\$(24,261,487)</u>

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

FLORIDA RETIREMENT SYSTEM (FRS) AND RETIREE HEALTH INCOME SUBSIDY PLAN (HIS)

FRS RETIREMENT BENEFITS

The City provides retirement benefits to its Mayor, 6 City Commissioners and 4 retired elected officers through the FRS and HIS.

The City participates in the FRS. The FRS was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the HIS Plan, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other non-integrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The City's pension expense for FRS and HIS totaled \$123,537 for the fiscal year ended September 30, 2025.

BENEFITS AND CONTRIBUTIONS:

PLAN DESCRIPTION

The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class – Members of the FRS who do not qualify for membership in the other classes.

Elected County Officers Class – Members who hold specified elective offices in local government.

Senior Management Service Class (SMSC) – Members in senior management level positions.

Special Risk Class – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service (except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service). All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service (except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the Plan may include up to 4 years of credit for military service toward creditable service.

The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

BENEFITS PROVIDED

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	<u>% Value</u>	
Regular Class Members Initially Enrolled Before July 1, 2011:		
Retirement at age 62 or with 30 years of service	1.60	%
Retirement at age 63 or with 31 years of service	1.63	
Retirement at age 64 or with 32 years of service	1.65	
Retirement at age 65 or with 33 years of service	1.68	
Regular Class Members Initially Enrolled on or After July 1, 2011:		
Retirement up to age 65 or up to 33 years of service	1.60	
Retirement at age 66 or with 34 years of service	1.63	
Retirement at age 67 or with 35 years of service	1.65	
Retirement at age 68 or with 36 years of service	1.68	
Elected County Officers	3.00	
Senior Management Service Class	2.00	
Special Risk Regular:		
Service from December 1, 1970 through September 30, 1974	2.00	
Service on and after October 1, 1974	3.00	

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

CONTRIBUTIONS

The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates effective July 1, 2025, are as follows:

Class	Percent of Gross Salary	
	Employee	Employer (1)
FRS, Regular	3.00 %	14.03 %
FRS, Elected Local Officers	3.00	46.14
FRS, Senior Management Service	3.00	33.24
FRS, Special Risk Regular	3.00	35.19
FRS, Special Risk Administrative	3.00	39.48
DROP - Applicable to Members for		
All of the Above Classes	0.00	22.02
FRS, Reemployed Retiree	(2)	(2)

(1) Employer rates include 2.00% for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06% for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The City's contributions for FRS and HIS totaled \$225,923 and employee contributions totaled \$11,806 for the fiscal year ended September 30, 2025.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2025, the City reported a liability of \$936,625 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2025. The City's proportionate share of the net pension liability was based on the City's fiscal year 2025 contributions relative to the contributions of all participating members. At June 30, 2025, the City's proportionate share was 0.003017951%.

For the fiscal year ended September 30, 2025, the City recognized pension expense of \$116,920 related to the Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 100,041	\$ -
Change of assumptions	108,766	-
Net difference between Projected and Actual Earnings on Pension Plan Investments	-	156,379
Changes in Employer Proportion	212,322	35,681
Contributions subsequent to the measurement date	59,457	-
	<u>\$ 480,586</u>	<u>\$ 192,060</u>

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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The deferred outflows of resources related to pensions, totaling \$59,457, resulting from City contributions to the Plan after the measurement date but prior to the City's fiscal year-end will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended September 30,	Net Deferred Outflows/(Inflows)
2026	\$ 663,169
2027	(117,827)
2028	(176,333)
2029	(139,940)
	<u>\$ 229,069</u>

ACTUARIAL ASSUMPTIONS – The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of Return on Investments	6.70% net of pension investment expense, including inflation
Annual Salary Increases	3.5% average, including inflation
Inflation Rate	2.40%
Mortality	PUB-2010, projected generationally with Scale MP-2021

The actuarial assumptions used in the June 30, 2025, valuation was based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2024.

The long-term expected rate of return on pension plan investments was not based on historical returns but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual/Geometric Return	Standard Deviation
Cash	1.00 %	3.30 %	3.30 %	1.10 %
Fixed Income	29.00	5.70	5.60	3.90
Global Equity	45.00	8.60	7.00	18.20
Real Estate	12.00	8.10	6.80	16.60
Private Equity	11.00	12.40	8.80	28.40
Strategic Investments	2.00	6.60	6.20	8.70
Assumed Inflation Mean			2.4 %	1.5 %

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

DISCOUNT RATE

The discount rate used to measure the total pension liability was 6.70%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

SENSITIVITY OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 5.70%	Discount Rate 6.70%	1% Increase 7.70%
City's proportionate share of the Net Pension Liability	1,838,112	936,625	180,831

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

HIS PLAN:

PLAN DESCRIPTION

The HIS Plan is a non-qualified, cost-sharing multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The benefit is a monthly payment to assist eligible retirees and surviving beneficiaries of the State-administered retirement systems in paying their health insurance costs.

BENEFITS PROVIDED

For the fiscal year ended June 30, 2025, retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$7.50. The payments are at least \$45 but not more than \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

CONTRIBUTIONS

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2025, the contribution rate was 1.66% of payroll pursuant to section 112.363, Florida Statutes. The City contributed 100% of its statutorily required contributions for the current and preceding three years. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. The HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At September 30, 2025, the City reported a net pension liability of \$98,243 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The City's proportionate share of the net pension liability was based on the City's fiscal year 2025 fiscal year contributions relative to the state's fiscal year 2025 contributions of all participating members. At June 30, 2025, the City's proportionate share was 0.000766483%.

For the fiscal year ended September 30, 2025, the City recognized pension expense of \$6,617 related to the HIS Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 586	\$ 156
Change of assumptions	870	23,763
Changes in proportion and differences between City HIS contributions and proportionate share of HIS contributions	30,772	3,372
Contributions subsequent to the measurement date	2,432	-
	<u>\$ 34,660</u>	<u>\$ 27,373</u>

The deferred outflows of resources related to pensions, totaling \$2,432, resulting from City contributions to the HIS Plan after the measurement date but prior to the City's fiscal year-end will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended September 30,	Net Deferred Outflow /(Inflow)
2026	\$ 1,071
2027	1,282
2028	1,080
2029	865
2030	557
	<u>\$ 4,855</u>

ACTUARIAL ASSUMPTIONS

The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Municipal Bond Rate	5.20%
Annual Salary Increases	3.5% average, including inflation
Inflation Rate	2.40%
Mortality	Generational PUB-2010 with Projection Scale MP-2021

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

DISCOUNT RATE

The discount rate used to measure the total pension liability was 5.20%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

SENSITIVITY OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 4.20%	Discount Rate 5.20%	1% Increase 6.20%
City's proportionate share of the Net Pension Liability	\$ 110,785	\$ 98,243	\$ 87,724

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

SUMMARY OF PENSION EXPENSE, DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES RELATED TO ALL PENSIONS OF THE CITY

For the fiscal year ended September 30, 2025, the City recognized the below as a result of GASB No. 68.

	General Employees' Pension	Police Pension	Fire Pension	FRS/HIS Pension	Total
Deferred Outflows	\$ 41,295,312	\$ 38,287,973	\$ 33,882,117	\$ 515,246	\$ 113,980,648
Deferred Inflows	26,189,639	30,405,346	29,232,731	219,433	86,047,149
Net Pension Liability	192,654,048	216,251,460	140,029,489	1,034,868	549,969,865
Pension Expense	27,836,564	26,653,666	18,053,833	123,537	72,667,600

NOTE 21 – DEFINED CONTRIBUTION PENSION PLAN INFORMATION

The City has a contract with Mission Square (formerly ICMA-RC) and Nationwide Retirement Solutions for a defined contribution plan covering certain employees with an employment agreement with the City. The plan is established under the provisions of Section 401(a) of the Internal Revenue Code as Money Purchase Plans and Trusts. In addition, there is a second 401(a) plan between the Hollywood Community Redevelopment Agency and ICMA-RC covering the executive director and employees of the agency. The assets of the plans are self-directed, and investment results are reported to employees quarterly. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment return. The plans do not require nor permit employee contributions. During fiscal year 2025, the City and CRAs contributed approximately \$329,399 to these defined contribution plans. Of this amount, approximately \$138,094 was contributed on behalf of CRA employees who are not covered under any other City retirement

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2025

plan. Plan participants become fully vested in the plans upon entry. The plans were established by City Commission resolutions. The City does not have control over the assets of the defined contribution plans and, accordingly, the plans are not reported in the accompanying financial statements.

DEFERRED COMPENSATION PLANS

The City offers certain employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, managed by independent plan administrators, permit employees to defer a portion of their salary until future years. At the employee's election, such amounts may be invested in mutual funds which represent varying levels of risk and return. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, are held in trust, for the exclusive benefit of the plans' participants and their beneficiaries. Since the City has no control over these assets, they are not reflected in the City's statements.

NOTE 22 – IMPLEMENTATION OF GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS

The City implemented the following GASB Statements during the fiscal year ended September 30, 2025:

GASB Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. The provisions of this Statements was effective for the City during the fiscal year ended September 30, 2025. The implementation of this statement resulted in roughly a 6% increase in the valuation of compensated absences versus the prior valuation methodology.

GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The provisions of this Statements was effective for the City during the fiscal year ended September 30, 2025. For the current fiscal year, the impact of this statement was minimal. Management will evaluate the impact of this statement annually.

NOTE 23 – PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED

GASB Statement No. 103, *Financial Reporting Model Improvements*. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations

CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

changed rather than simply presenting the amounts or percentages by which they changed. This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses. This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI. This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. The provisions of this Statements will be effective for the City beginning with its year ending September 30, 2026. Management has not yet determined the effect this statement will have on the City's financial statements.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. The provisions of this Statements will be effective for the City beginning with its year ending September 30, 2026. Management has not yet determined the effect this statement will have on the City's financial statements.

GASB Statement No. 105, *Subsequent Events*. This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. That definition modifies the subsequent events time frame throughout the GASB literature. This Statement also requires the date through which subsequent events have been evaluated to be disclosed. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. Management has not yet determined the effect this statement will have on the City's financial statements.

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CITY OF HOLLYWOOD, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 24 – COMMUNITY REDEVELOPMENT

Hollywood Beach Community Redevelopment Agency – Pursuant to Florida Statute 163.387, listed below is a summary of the sources and amounts of deposits to, and the purpose and amounts of withdrawals from, the Community Redevelopment Agency Funds (CRA) for the fiscal year ended September 30, 2025.

	<u>Beach CRA</u>	
	<u>Deposits</u>	<u>Withdrawals</u>
Source of Deposits		
Tax Increment - City of Hollywood	\$ 21,496,848	\$ -
Tax Increment - Broward County	16,260,861.00	-
Tax Increment - Children's Services Council	1,300,222.00	-
Investment Revenue	2,560,654.00	-
Other Revenue	894,072.00	-
Source of Withdrawals		
Debt Service - Principal	-	51,638
Debt Service - Interest	-	5,562
Salaries, Wages, and Benefits	-	1,401,345
Consultants, Legal, and Other Contractual Services	-	1,767,924
Training	-	5,614
Utilities	-	196,633
Insurance	-	139,824
Maintenace, Repairs, and Other Operating	-	257,826
Consumables and Supplies	-	1,549,358
Central Services	-	13,210,950
Promotional, Special Events, and Advertising	-	787,895
Trolley Service	-	464,869
Capital	-	15,963,678
	<u>\$ 42,512,657</u>	<u>\$ 35,803,116</u>

Note: Deposits equal revenues and transfers in. Withdrawals equal expenditures and transfers out.

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CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

	Downtown CRA	
	Deposits	Withdrawals
Source of Deposits		
Tax Increment - City of Hollywood	\$ 8,737,542	\$ -
Tax Increment - Broward County	6,607,018	-
Tax Increment - Children's Services Council	528,836	-
Tax Increment - South Broward	101,996	-
Investment Revenue	634,282	-
Sale of Assets	-	-
Source of Withdrawals		
Debt Service - Principal	-	12,910
Debt Service - Interest	-	1,390
Salaries, Wages, and Benefits	-	443,704
Consultants, Legal, and Other Contractual Services	-	1,140,953
Training	-	-
Utilities	-	23,429
Insurance	-	11,438
Maintenace, Repairs, and Other Operating	-	207,110
Consumables and Supplies	-	632,392
Central Services	-	3,540,580
Promotional, Special Events, and Advertising	-	3,949,063
Trolley Service	-	203,995
Capital	-	4,317,670
	\$ 16,609,674	\$ 14,484,634

NOTE 25 – CONTINUING AND SUBSEQUENT EVENTS

Beginning January 1, 2025, the Downtown District (Community Redevelopment District) exists on a non-TIF basis. The County will contribute 5 annual payments of \$3 million from December 31, 2025 to December 31, 2029 (total of \$15 million). The contributions are restricted for CRA purposes (Florida Statute 163.387(6)). The Beach District's termination date is June 25, 2027. The Downtown District's termination date is on or before September 30, 2041.

On December 4, 2024, the Commission approved R-2024-407 that declares the City's intent to seek debt proceeds for reimbursable capital costs relating to the Series 2025 Parking Project. This is ongoing.

Beginning in fiscal year 2025, the City received \$8.3 million in settlement proceeds from a class action lawsuit against DuPont, 3M, and other defendants. The funds are unrestricted. The funds have been recorded as a special item within the City's General Fund. More information can be found at: <https://www.pfaswatersettlement.com/>.

On October 8, 2025, the City settled and paid its lawsuit with the City of Pembroke Pines. The City remitted \$8.5 million. For more information, see footnote 17 above.

On September 17, 2025, the City Commission passed Ordinance O-2025-10 which offers employees covered under the General Employees' Pension Fund three plan choices of retirement savings: the current Defined (DB) Benefit Plan, a Defined Contribution (DC) Plan, or a Hybrid (DC/DB) Pension Plan. The plan options are effective in March 2026.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

On March 9, 2026, the Tropic Development received its certificate of occupancy. The \$3.5 million note receivable provided by the City was forgiven via a release of mortgage. The Note was funded via the County ILA Fund and American Rescue Plan Fund.

The City is monitoring various legislative bills within the Florida Legislative that may have a future impact on the City's ad-valorem taxes and city services. As of the date of this report, no bills have passed or been enacted.

On March 25, 2026, the Commission approved the purchase of the "Knight's of Columbus" site for \$5.3 million (Resolution R-2026-108). The site will provide public parking for Stan Goldman Memorial Park and provide for additional parks and recreation facilities. The City is in process of purchasing the property at the time of this report.

Management is currently not aware of any other subsequent events.

NOTE 26 – CERTAIN RISK DISCLOSURES

GASB Statement No. 102, *Certain Risk Disclosures*: A government may be vulnerable to risks from certain concentrations or constraints that limit its ability to acquire resources or control spending.

Disclosure is required if a concentration or constraint is known to the government prior to the issuance of the financial statements, the concentration or constraint makes the reporting unit vulnerable to the risk of a substantial impact, or an event or events associated with the concentration or constraint that could cause a substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

At the time of this report, the City is not aware of any items that meet the above.

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REQUIRED SUPPLEMENTARY INFORMATION



CITY OF HOLLYWOOD, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(Unaudited - See accompanying independent auditors' report)

(Unaudited - See accompanying independent auditors' report)				Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES:				
Property Taxes	\$ 151,757,295	\$ 151,757,295	\$ 152,408,469	\$ 651,174
Utilities Service Taxes	25,500,000	25,500,000	26,674,867	1,174,867
Franchise Taxes	18,050,000	18,050,000	19,354,056	1,304,056
Licenses and Permits	2,565,000	2,565,000	2,500,613	(64,387)
Intergovernmental	21,430,000	21,430,000	22,402,851	972,851
Charges for Services	78,008,778	79,580,227	82,008,653	2,428,426
Fines and Forfeitures	180,815	1,086,553	1,591,897	505,344
Investment Revenue	2,250,000	2,234,437	4,911,166	2,676,729
Miscellaneous	3,821,000	6,360,535	10,377,489	4,016,954
Total Revenues	303,562,888	308,564,047	322,230,061	13,666,014
EXPENDITURES:				
Current:				
General Government:				
City Commission	1,849,174	2,046,886	2,056,795	(9,909)
City Manager	4,061,108	4,265,782	4,038,518	227,264
City Clerk	988,194	1,000,786	842,439	158,347
City Attorney	4,193,240	4,283,372	4,108,273	175,099
Financial Services	10,189,439	11,450,995	11,020,750	430,245
Human Resources	2,652,492	2,726,912	2,627,478	99,434
Planning & Development Services	3,300,847	3,306,797	2,954,699	352,098
Design & Construction Mgmt	4,121,217	4,306,503	3,980,278	326,225
Code Enforcement	5,258,652	5,279,569	5,074,387	205,182
Contingencies	12,522,263	6,812,591	66,570	6,746,021
Total General Government	49,136,626	45,480,193	36,770,187	8,710,006
Public Safety:				
Police	117,823,548	119,613,186	118,043,858	1,569,328
Fire	86,542,612	87,610,640	88,549,785	(939,145)
Emergency Management	313,922	341,470	217,707	123,763
Total Public Safety	204,680,082	207,565,296	206,811,350	753,946
Public Works:				
Maintenance	17,229,852	18,896,863	18,909,551	(12,688)
Transportation:				
Engineering	3,439,180	3,532,435	3,269,741	262,694
Economic Environment:				
Community Development	3,644,885	4,418,246	3,630,767	787,479

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(Continued)

CITY OF HOLLYWOOD, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(Unaudited - See accompanying independent auditors' report)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Culture and Recreation:				
Recreation and Parks	\$ 15,229,531	\$ 15,296,016	\$ 14,358,922	\$ 937,094
Marina	1,079,758	1,024,828	1,003,414	21,414
Total Culture and Recreation	16,309,289	16,320,844	15,362,336	958,508
Capital Outlay:				
General Government	168,355	186,899	23,368	163,531
Public Safety	335,340	854,518	518,725	335,793
Culture and Recreation	-	32,333	32,333	-
Total Capital Outlay	503,695	1,073,750	574,426	499,324
Principal	1,159,676	1,530,214	1,530,214	-
Interest on Long-term Debt	11,757	42,825	42,825	-
Total Expenditures	296,115,042	298,860,666	286,901,397	11,959,269
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,447,846	9,703,381	35,328,664	25,625,283
OTHER FINANCING SOURCES (USES)				
Transfers In	7,765,121	7,765,121	7,765,121	-
Transfers Out:	(15,252,967)	(34,547,198)	(34,547,198)	-
Sale of Assets	40,000	40,000	31,792	(8,208)
Debt Proceeds	-	-	-	-
Lease Acquisition	-	433,000	433,000	-
SBITA	-	-	-	-
Premium Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	(7,447,846)	(26,309,077)	(26,317,285)	(8,208)
SPECIAL ITEM:				
PFAS Legal Settlement	-	-	8,331,956	8,331,956
Change in Fund Balance	-	(16,605,696)	17,343,335	33,949,031
Fund Balance - Beginning	92,063,841	92,063,841	92,063,841	-
Fund Balance - Ending	\$ 92,063,841	\$ 75,458,145	\$ 109,407,176	\$ 33,949,031

The notes to the required supplementary information are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BEACH COMMUNITY REDEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(Unaudited - See accompanying independent auditors' report)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property Taxes	\$ 21,496,880	\$ 21,496,848	\$ 21,496,848	\$ -
Intergovernmental	17,562,101	18,061,082	18,436,294	375,212
Investment Revenue	160,000	160,000	2,560,653	2,400,653
Miscellaneous	-	-	18,860	18,860
Total Revenues	39,218,981	39,717,930	42,512,655	2,794,725
EXPENDITURES:				
Current:				
General Government	19,912,081	20,061,010	18,346,999	1,714,011
Economic Environment	2,913,566	1,561,178	1,277,285	283,893
Physical Environment	-	157,956	157,956	-
Culture and Recreation	230,000	230,000	-	230,000
Total Current	23,055,647	22,010,144	19,782,240	2,227,904
Capital Outlay:				
General Government	3,310,774	3,317,004	37,287	3,279,717
Public Safety	-	116,541	112,541	4,000
Transportation	865,406	1,656,168	284,085	1,372,083
Economic Environment	4,738,832	5,838,832	111,927	5,726,905
Physical Environment	41,421,936	41,994,145	15,270,360	26,723,785
Culture and Recreation	350,000	951,510	147,474	804,036
Total Capital Outlay	50,686,948	53,874,200	15,963,674	37,910,526
Debt Service:				
Principal	-	51,638	51,638	-
Interest and Fiscal Charges	-	5,562	5,562	-
Total Debt Service	-	57,200	57,200	-
Total Expenditures	73,742,595	75,941,544	35,803,114	40,138,430
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,523,614)	(36,223,614)	6,709,541	42,933,155
Change in Fund Balance	(34,523,614)	(36,223,614)	6,709,541	42,933,155
Fund Balance - Beginning	46,376,665	46,376,665	46,376,665	-
Fund Balance - Ending	\$ 11,853,051	\$ 10,153,051	\$ 53,086,206	\$ 42,933,155

The notes to the required supplementary information are an integral part of this statement.

CITY OF HOLLYWOOD, FLORIDA
BUDGETARY COMPARISON SCHEDULE
DOWNTOWN COMMUNITY REDEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(Unaudited - See accompanying independent auditors' report)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Property Taxes	\$ 8,732,079	\$ 8,726,602	\$ 8,737,542	\$ 10,940
Intergovernmental	7,233,527	7,228,907	7,237,850	8,943
Investment Revenue	50,000	50,000	634,282	584,282
Miscellaneous	25,000	25,000	-	(25,000)
Total Revenues	16,040,606	16,030,509	16,609,674	579,165
EXPENDITURES:				
Current:				
General Government	11,489,965	10,575,054	8,887,196	1,687,858
Transportation		567,637	567,637	-
Economic Environment	583,467	348,904	339,950	8,954
Physical Environment	500,000	282,881	357,881	(75,000)
Total Current	12,573,432	11,774,476	10,152,664	1,621,812
Capital Outlay:				
General Government	50,000	50,000	-	50,000
Transportation	6,086,085	9,754,448	894,455	8,859,993
Economic Environment	8,928,009	9,644,433	3,423,215	6,221,218
Total Capital Outlay	15,064,094	19,448,881	4,317,670	15,131,211
Debt Service:				
Principal	-	12,910	12,910	-
Interest and Fiscal Charges	-	1,390	1,390	-
Total Debt Service	-	14,300	14,300	-
Total Expenditures	27,637,526	31,237,657	14,484,634	16,753,023
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,596,920)	(15,207,148)	2,125,040	17,332,188
Change in Fund Balance	(11,596,920)	(15,207,148)	2,125,040	17,332,188
Fund Balance - Beginning	15,971,448	15,971,448	15,971,448	-
Fund Balance - Ending	\$ 4,374,528	\$ 764,300	\$ 18,096,488	\$ 17,332,188

The notes to the required supplementary information are an integral part of this statement.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
(Unaudited - See accompanying independent auditors' report)

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 8,241,121	\$ 6,022,915	\$ 6,129,268	\$ 15,106,671	\$ 13,628,905	\$ 18,177,238	\$ 17,891,399	\$ 18,898,738
Interest	16,939,256	14,909,690	14,376,632	12,199,116	12,619,714	19,947,989	22,332,441	20,845,587
Changes of benefit terms	-	-	-	-	-	(48,929,076)	(13,663,167)	-
Differences between expected and actual experience	-	39,835,310	-	(99,668,422)	-	(134,188,575)	-	-
Changes of assumptions or other inputs	(34,877,130)	62,241,690	(10,092,004)	(143,158,510)	21,509,060	(41,117,883)	132,465,277	(36,399,562)
Trust Contributions - Employer	(18,050,000)	(15,341,000)	(14,923,000)	(14,626,000)	(14,094,000)	(17,169,000)	(16,305,000)	(15,376,000)
Net Change in Total OPEB Liability	(27,746,753)	107,668,605	(4,509,104)	(230,147,145)	33,663,679	(203,279,307)	142,720,950	(12,031,237)
Total OPEB Liability - Beginning	<u>437,362,638</u>	<u>329,694,033</u>	<u>334,203,137</u>	<u>564,350,282</u>	<u>530,686,603</u>	<u>733,965,910</u>	<u>591,244,960</u>	<u>603,276,197</u>
Total OPEB Liability - Ending	<u>\$ 409,615,885</u>	<u>\$ 437,362,638</u>	<u>\$ 329,694,033</u>	<u>\$ 334,203,137</u>	<u>\$ 564,350,282</u>	<u>\$ 530,686,603</u>	<u>\$ 733,965,910</u>	<u>\$ 591,244,960</u>
Covered Payroll	151,598,896	142,150,486	139,271,896	120,148,699	115,344,128	109,236,487	104,238,991	102,544,514
Total OPEB Liability as a Percentage of Covered-Employee Payroll	270.20%	307.68%	236.73%	278.16%	489.28%	485.81%	704.12%	576.57%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedule:

Changes of assumptions:

Discount Rate	4.50%	3.88%	4.63%	4.40%	2.19%	2.41%	2.75%	3.83%
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The discount rate was updated to 4.50%, the S&P Municipal Bond 20 Year High Grade Rate Index rate as of September 30, 2025.

The healthcare cost trend uses the 2024 version of the SOA Long-Run Medical Cost Trend Model.

Benefit Changes:

None.

Trust:

There are no assets accumulated in a trust that meet the criteria, per GASB codification P22.101 or P52.101, to pay related benefits for the OPEB plan.

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS GENERAL EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
(Unaudited - See accompanying independent auditors' report)

Measurement Date	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Fiscal Year	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Total Pension Liability:					
Service cost	\$ 7,351,106	\$ 6,779,525	\$ 6,631,353	\$ 6,445,297	\$ 6,616,301
Interest	44,504,400	42,681,318	42,664,590	43,225,655	42,124,159
Change in benefit terms	-	-	-	-	-
Difference between expected and actual experience	4,739,316	16,128,178	243,733	(336,198)	1,791,933
Change of assumptions	2,948,190	-	19,015,461	617,488	-
Contributions - Buy-Back	(638,514)	(940,866)	(921,883)	(480,993)	(425,409)
Benefit Payments, including Refunds of Employee Contributions	(40,140,312)	(38,513,438)	(46,457,088)	(36,207,880)	(34,235,265)
Net Change in Total OPEB Liability	18,764,186	26,134,717	21,176,166	13,263,369	15,871,719
Total OPEB Liability - Beginning	648,815,457	622,680,740	601,504,574	588,241,205	572,369,486
Total Pension Liability - Ending	667,579,643	648,815,457	622,680,740	601,504,574	588,241,205
Plan Fiduciary Net Position:					
Contributions - Employer	26,508,097	25,492,473	28,387,441	29,914,898	42,284,055
Contributions - State	-	-	-	-	-
Contributions - Employee	4,027,262	3,674,797	3,507,528	3,455,693	3,635,402
Contributions - Buy-Back	25,913	49,833	37,128	29,913	29,738
Contributions - Non-Employer Contributing Entity	(638,514)	(940,866)	(921,883)	(480,993)	(425,409)
Net Investment Income	74,379,402	37,798,193	(40,656,005)	77,108,378	25,798,439
Benefit Payments, including Refunds of Employee Contributions	(40,140,312)	(38,513,438)	(46,457,088)	(36,207,880)	(34,235,265)
Administrative Expense	(1,427,640)	(1,031,636)	(921,592)	(800,993)	(806,018)
Other	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	62,734,208	26,529,356	(57,024,471)	73,019,016	36,280,942
Total OPEB Liability - Beginning	412,191,387	385,662,031	442,686,502	369,667,486	333,386,544
Plan Fiduciary Net Position - Ending	474,925,595	412,191,387	385,662,031	442,686,502	369,667,486
Net Pension Liability	<u>\$ 192,654,048</u>	<u>\$ 236,624,070</u>	<u>\$ 237,018,709</u>	<u>\$ 158,818,072</u>	<u>\$ 218,573,719</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	71.14%	63.53%	61.94%	73.60%	62.84%
Covered Payroll	\$ 46,043,744	\$ 40,906,705	\$ 41,931,489	\$ 40,789,456	\$ 40,869,983
Net Pension Liability as a percentage of covered payroll	418.42%	578.45%	565.25%	389.36%	534.80%

(Continued on next page)

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS - GENERAL EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
(Unaudited - See accompanying independent auditors' report)

Measurement Date	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Fiscal Year	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Total Pension Liability:					
Service cost	\$ 5,887,828	\$ 5,738,426	\$ 5,017,634	\$ 4,493,709	\$ 4,587,285
Interest	38,173,241	35,698,698	33,809,853	33,373,524	33,065,052
Change in benefit terms	51,225,519	-	-	665,893	-
Difference between expected and actual experience	(3,670,131)	2,221,979	(2,204,530)	1,986,958	1,839,725
Change of assumptions	5,212,188	31,374,925	23,474,009	4,147,745	4,976,256
Contributions - Buy-Back	(539,713)	(448,377)	(166,465)	(271,849)	(434,468)
Benefit Payments, including Refunds of Employee Contributions	(41,161,931)	(30,896,779)	(29,804,293)	(38,120,911)	(31,649,219)
Net Change in Total OPEB Liability	55,127,001	43,688,872	30,126,208	6,275,069	12,384,631
Total OPEB Liability - Beginning	517,242,485	473,553,613	443,427,405	437,152,336	424,767,705
Total Pension Liability - Ending	572,369,486	517,242,485	473,553,613	443,427,405	437,152,336
Plan Fiduciary Net Position:					
Contributions - Employer	26,904,543	22,101,019	20,562,868	9,767,849	23,216,393
Contributions - State	-	-	-	-	-
Contributions - Employee	3,561,448	3,277,081	3,185,801	3,088,620	2,604,831
Contributions - Buy-Back	26,734	(448,377)	(166,465)	(271,849)	(434,468)
Contributions - Non-Employer Contributing Entity	(539,713)	12,694	11,723	10,433	8,469
Net Investment Income	13,819,381	21,635,666	33,218,838	29,224,225	5,108,678
Benefit Payments, including Refunds of Employee Contributions	(41,161,931)	(30,896,779)	(29,804,293)	(38,120,911)	(31,649,219)
Administrative Expense	(671,545)	(497,898)	(486,528)	(298,730)	(287,053)
Other	271,143	(271,142)	-	-	-
Net Change in Plan Fiduciary Net Position	2,210,060	14,912,264	26,521,944	3,399,637	(1,432,369)
Total OPEB Liability - Beginning	331,176,484	316,264,220	289,742,276	286,342,639	287,775,008
Plan Fiduciary Net Position - Ending	333,386,544	331,176,484	316,264,220	289,742,276	286,342,639
Net Pension Liability	\$ 238,982,942	\$ 186,066,001	\$ 157,289,393	\$ 153,685,129	\$ 150,809,697
Plan Fiduciary Net Position as a percentage of the					
Total Pension Liability	58.25%	64.03%	66.79%	65.34%	65.50%
Covered Payroll	\$ 41,243,666	\$ 40,963,513	\$ 39,822,513	\$ 38,607,750	\$ 32,560,388
Net Pension Liability as a percentage of covered payroll	579.44%	454.22%	394.98%	398.07%	463.17%

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S
NET PENSION LIABILITY AND RELATED RATIOS - FIRE PENSION FUND
LAST TEN FISCAL YEARS
(Unaudited - See accompanying independent auditors' report)

Measurement Date Fiscal Year	9/30/2024 9/30/2025	9/30/2023 9/30/2024	9/30/2022 9/30/2023	9/30/2021 9/30/2022	9/30/2020 9/30/2021
Total Pension Liability:					
Service cost	\$ 7,140,195	\$ 7,123,096	\$ 6,603,517	\$ 6,434,345	\$ 6,023,556
Interest	37,232,640	36,212,576	35,059,894	34,159,894	31,893,232
Change in excess state mone	-	-	-	-	-
Change in benefit terms	-	-	-	-	-
Difference between expected and actual experience	(1,735,668)	(963,646)	4,137,607	1,552,543	12,898,819
Change of assumptions	-	-	-	-	5,260,528
DROP Default loan payment	23,601	9,837	20,358	25,704	45,235
Contributions - Buy-Back	59,056	55,136	226,407	27,628	18,481
Benefit Payments, including Refunds of Employee Contributions	(32,593,210)	(26,761,833)	(36,003,194)	(24,915,215)	(27,741,742)
Share Plan Allocation	973,586	824,278	184,252	89,922	-
Net Change in Total OPEB Liability	11,100,200	16,499,444	10,228,841	17,374,821	28,398,109
Total OPEB Liability - Beginning	505,602,657	489,103,213	478,874,372	461,499,551	433,101,442
Total Pension Liability - Ending	516,702,857	505,602,657	489,103,213	478,874,372	461,499,551
Plan Fiduciary Net Position:					
Contributions - Employer	24,087,670	22,370,124	21,874,289	20,370,947	20,460,578
Contributions - State	2,535,767	2,386,458	1,746,432	1,652,102	1,483,741
Contributions - Employee	2,562,280	2,090,274	2,025,369	1,906,677	1,825,589
Contributions - Buy-Back	59,056	55,136	226,407	25,704	18,481
DROP Default Loan Payment	23,601	9,837	20,358	27,628	45,235
Net Investment Income	75,150,006	34,666,271	(55,104,169)	63,350,314	26,117,570
Benefit Payments, including Refunds of Employee Contributions	(32,593,210)	(26,761,833)	(36,003,194)	(24,915,215)	(27,741,742)
Administrative Expense	(706,534)	(686,662)	(818,823)	(492,252)	(691,806)
Other	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	71,118,636	34,129,605	(66,033,331)	61,925,905	21,517,646
Total OPEB Liability - Beginning	305,554,732	271,425,127	337,458,458	275,532,553	254,014,907
Plan Fiduciary Net Position - Ending	376,673,368	305,554,732	271,425,127	337,458,458	275,532,553
Net Pension Liability	\$ 140,029,489	\$ 200,047,925	\$ 217,678,086	\$ 141,415,914	\$ 185,966,998
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	72.90%	60.43%	55.49%	70.47%	59.70%
Covered Payroll	\$ 32,183,525	\$ 26,703,575	\$ 26,237,342	\$ 24,863,920	\$ 23,731,474
Net Pension Liability as a percentage of covered payroll	435.10%	749.14%	829.65%	568.76%	783.63%

(Continued on next page)

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S
NET PENSION LIABILITY AND RELATED RATIOS - FIRE PENSION FUND
LAST TEN FISCAL YEARS
(Unaudited - See accompanying independent auditors' report)

Measurement Date Fiscal Year	9/30/2019 9/30/2020	9/30/2018 9/30/2019	9/30/2017 9/30/2018	9/30/2016 9/30/2017	9/30/2015 9/30/2016
Total Pension Liability:					
Service cost	\$ 7,338,471	\$ 5,467,335	\$ 4,750,396	\$ 4,453,321	\$ 3,767,328
Interest	30,625,834	27,748,028	26,389,549	24,500,448	23,842,805
Change in excess state mone	-	-	-	-	-
Change in benefit terms	21,759,327	2,830,293	-	1,979,452	485,214
Difference between expected and actual experience	6,461,410	5,074,190	5,102,275	5,256,660	1,276,360
Change of assumptions	-	-	-	11,571,857	2,607,740
DROP Default loan payment	83,010	40,967	-	-	-
Contributions - Buy-Back	149,358	-	-	102,854	-
Benefit Payments, including Refunds of Employee Contributions	(25,147,318)	(22,033,151)	(21,319,658)	(22,187,054)	(20,229,258)
Share Plan Allocation	-	-	-	-	-
Net Change in Total OPEB Liability	41,270,092	19,127,662	14,922,562	25,677,538	11,750,189
Total OPEB Liability - Beginning	391,831,350	372,703,688	357,781,126	332,103,588	320,353,399
Total Pension Liability - Ending	433,101,442	391,831,350	372,703,688	357,781,126	332,103,588
Plan Fiduciary Net Position:					
Contributions - Employer	21,482,941	16,373,064	14,349,564	14,398,112	14,310,591
Contributions - State	1,467,281	-	-	-	-
Contributions - Employee	1,381,810	1,458,572	1,360,393	1,304,661	1,170,620
Contributions - Buy-Back	149,358	-	-	102,854	-
DROP Default Loan Payment	83,010	40,967	-	-	-
Net Investment Income	6,807,053	22,909,517	26,873,377	17,432,805	3,909,497
Benefit Payments, including Refunds of Employee Contributions	(25,147,318)	(22,033,151)	(21,319,658)	(22,187,054)	(20,229,258)
Administrative Expense	(691,571)	(654,714)	(559,938)	(625,368)	(489,016)
Other	(2,004,645)	-	-	-	-
Net Change in Plan Fiduciary Net Position	3,527,919	18,094,255	20,703,738	10,426,010	(1,327,566)
Total OPEB Liability - Beginning	250,486,988	232,392,733	211,688,995	201,262,985	202,590,551
Plan Fiduciary Net Position - Ending	254,014,907	250,486,988	232,392,733	211,688,995	201,262,985
Net Pension Liability	\$ 179,086,535	\$ 141,344,362	\$ 140,310,955	\$ 146,092,131	\$ 130,840,603
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	58.65%	63.93%	62.35%	59.17%	60.60%
Covered Payroll	\$ 20,902,962	\$ 18,938,690	\$ 17,401,469	\$ 16,642,582	\$ 16,753,713
Net Pension Liability as a percentage of covered payroll	856.75%	746.33%	806.32%	877.82%	780.96%

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S
NET PENSION LIABILITY AND RELATED RATIOS - POLICE OFFICERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
(Unaudited - See accompanying independent auditors' report)

Measurement Date	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Fiscal Year	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Total Pension Liability:					
Service cost	\$ 8,287,755	\$ 6,946,480	\$ 6,773,196	\$ 6,587,743	\$ 6,546,335
Interest	56,615,642	51,699,290	49,908,358	49,441,297	46,783,055
Change in benefit terms	-	7,947,235	-	-	3,634,391
Difference between expected and actual experience	955,632	11,649,521	(2,257,347)	(2,915,609)	2,081,615
Change of assumptions	-	-	-	-	-
Contributions - Buy-Back	(22,010)	(116,192)	(182,289)	(51,757)	(314,396)
Benefit Payments, including Refunds of Employee Contributor	(42,220,879)	(34,306,431)	(38,068,887)	(31,334,455)	(30,379,009)
Net Change in Total OPEB Liability	23,616,140	43,819,903	16,173,031	21,727,219	28,351,991
Total OPEB Liability - Beginning	662,414,667	618,594,764	602,421,733	580,694,514	552,342,523
Total Pension Liability - Ending	686,030,807	662,414,667	618,594,764	602,421,733	580,694,514
Plan Fiduciary Net Position:					
Contributions - Employer	31,087,571	25,189,146	24,221,136	24,215,984	19,856,774
Contributions - State	2,623,857	2,119,082	1,817,654	1,632,350	1,797,433
Contributions - Employee	3,308,232	3,337,832	2,707,958	2,684,133	2,922,863
Contributions - Buy-Back	(22,010)	(116,192)	(182,289)	(51,757)	(314,396)
DROP Default Loan Payment	-	-	-	-	-
Net Investment Income	85,575,326	42,137,876	(45,701,701)	72,028,082	25,141,119
Benefit Payments, including Refunds of Employee Contribut	(42,220,879)	(34,306,431)	(38,068,887)	(31,334,455)	(30,379,009)
Administrative Expense	(786,541)	(713,440)	(705,694)	(709,255)	(722,989)
Other	37,170	89,243	16,731	39,373	44,860
Net Change in Plan Fiduciary Net Position	79,602,726	37,737,116	(55,895,092)	68,504,455	18,346,655
Total OPEB Liability - Beginning	390,176,621	352,439,505	408,334,597	339,830,142	321,483,487
Plan Fiduciary Net Position - Ending	469,779,347	390,176,621	352,439,505	408,334,597	339,830,142
Net Pension Liability	\$ 216,251,460	\$ 272,238,046	\$ 266,155,259	\$ 194,087,136	\$ 240,864,372
Plan Fiduciary Net Position as a percentage of the Total Pensi	68.48%	58.90%	56.97%	67.78%	58.52%
Covered Payroll	\$ 28,579,316	\$ 26,681,757	\$ 23,809,516	\$ 22,966,730	\$ 22,824,881
Net Pension Liability as a percentage of covered payroll	756.67%	1020.32%	1117.85%	845.08%	1055.27%

(Continued on next page)

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S
NET PENSION LIABILITY AND RELATED RATIOS - POLICE OFFICERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

(Unaudited - See accompanying independent auditors' report)

Measurement Date	9/30/2019 9/30/2020	9/30/2018 9/30/2019	9/30/2017 9/30/2018	9/30/2016 9/30/2017	9/30/2015 9/30/2016
Total Pension Liability:					
Service cost	\$ 5,379,012	\$ 5,062,784	\$ 4,926,424	\$ 4,093,052	\$ 3,518,988
Interest	42,872,487	29,915,966	27,871,029	25,130,908	24,415,878
Change in benefit terms	61,009,969	-	-	-	2,093,658
Difference between expected and actual experience	4,813,881	7,322,883	8,126,704	9,005,099	5,887,738
Change of assumptions	(14,264,607)	-	16,168,696	25,704,000	-
Contributions - Buy-Back	(112,090)	(53,956)	(20,298)	(35,258)	(73,428)
Benefit Payments, including Refunds of Employee Contributions	(30,099,345)	(28,190,020)	(27,582,433)	(23,179,330)	(23,318,201)
Net Change in Total OPEB Liability	69,599,307	14,057,657	29,490,122	40,718,471	12,524,633
Total OPEB Liability - Beginning	482,743,216	468,685,559	439,195,437	398,476,966	385,952,333
Total Pension Liability - Ending	552,342,523	482,743,216	468,685,559	439,195,437	398,476,966
Plan Fiduciary Net Position:					
Contributions - Employer	24,446,359	19,492,251	17,005,579	13,960,747	13,425,807
Contributions - State	7,379,064	-	-	-	-
Contributions - Employee	3,329,431	1,714,922	1,625,263	1,714,832	1,454,477
Contributions - Buy-Back	(112,090)	(53,956)	(20,298)	(35,258)	(73,428)
DROP Default Loan Payment	-	-	-	-	-
Net Investment Income	11,164,200	33,082,120	30,856,527	22,123,392	3,175,147
Benefit Payments, including Refunds of Employee Contributions	(30,099,345)	(28,190,020)	(27,582,433)	(23,179,330)	(23,318,201)
Administrative Expense	(714,919)	(592,690)	(726,806)	(671,069)	(656,738)
Other	61,795	91,696	164,029	(160,748)	210,285
Net Change in Plan Fiduciary Net Position	15,454,495	25,544,323	21,321,861	13,752,566	(5,782,651)
Total OPEB Liability - Beginning	306,028,992	280,484,669	259,162,808	245,410,242	251,192,893
Plan Fiduciary Net Position - Ending	321,483,487	306,028,992	280,484,669	259,162,808	245,410,242
Net Pension Liability	\$ 230,859,036	\$ 176,714,224	\$ 188,200,890	\$ 180,032,629	\$ 153,066,724
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	58.20%	63.39%	59.84%	59.01%	61.59%
Covered Payroll	\$ 21,786,392	\$ 23,585,094	\$ 23,676,707	\$ 18,649,015	\$ 16,504,396
Net Pension Liability as a percentage of covered payroll	1059.65%	749.26%	794.88%	965.37%	927.43%

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS

(Unaudited - See accompanying independent auditors' report)

FLORIDA RETIREMENT SYSTEM					
June 30,	2025	2024	2023	2022	2021
City's Proportion of the Net Pension Liability	0.003017951 %	0.002232468 %	0.002241162 %	0.000021262 %	0.002321716 %
City's Proportionate Share of the Net Pension Liability	\$ 936,625	\$ 863,623	\$ 893,032	\$ 791,130	\$ 175,379
City's Covered Payroll	\$ 393,522	\$ 264,340	\$ 207,181	\$ 198,222	\$ 199,976
City's Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	238.01 %	326.71 %	431.04 %	399.11 %	87.70 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.26 %	83.70 %	82.38 %	82.89 %	96.4 %
HEALTH INSURANCE SUBSIDY					
June 30,	2025	2024	2023	2022	2021
City's Proportion of the Net Pension Liability	0.000766483 %	0.000570549 %	0.000533837 %	0.000543934 %	0.000564855 %
City's Proportionate Share of the Net Pension Liability	\$ 98,243	\$ 85,588	\$ 84,780	\$ 57,611	\$ 69,288
City's Covered Payroll	\$ 393,522	\$ 264,340	\$ 207,181	\$ 198,222	\$ 192,890
City's Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	24.97 %	32.38 %	40.92 %	29.06 %	35.92 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	6.36 %	4.80 %	4.81 %	4.12 %	3.56 %

(Continued on next page)

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS
(Unaudited - See accompanying independent auditors' report)

FLORIDA RETIREMENT SYSTEM					
	2020	2019	2018	2017	2016
June 30, City's Proportion of the Net Pension Liability	0.002825208 %	0.002918758 %	0.002802949 %	0.002714891 %	0.002740042
City's Proportionate Share of the Net Pension Liability	\$ 1,224,487	\$ 1,005,180	\$ 844,263	\$ 803,047	\$ 691,863
	\$ 221,667	\$ 210,951	\$ 209,565	\$ 198,905	\$ 185,400
City's Covered Payroll					
City's Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	552.40 %	476.50 %	402.86 %	394.87 %	359.35
	78.85 %	82.61 %	84.26 %	83.89 %	84.88
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability					
HEALTH INSURANCE SUBSIDY					
	2020	2019	2018	2017	2016
June 30, City's Proportion of the Net Pension Liability	0.00063528265 %	0.0000644734 %	0.000641633 %	0.000624036 %	0.00060059 %
City's Proportionate Share of the Net Pension Liability	\$ 77,567	\$ 72,139	\$ 67,911	\$ 66,724	\$ 69,997
City's Covered Payroll	\$ 221,667	\$ 210,951	\$ 209,565	\$ 198,905	\$ 185,400
City's Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	34.99 %	34.20 %	32.41 %	32.81 %	36.36 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	3.00 %	2.63 %	2.15 %	1.64 %	0.97 %

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
LAST TEN FISCAL YEARS
(Unaudited - See accompanying independent auditors' report)

GENERAL EMPLOYEES RETIREMENT SYSTEM

September 30,	2025	2024	2023	2022	2021
Actuarially Determined Contribution	\$ 28,245,281	\$ 26,508,097	\$ 25,492,473	\$ 28,082,806	\$ 29,106,927
Contribution Made	(28,245,281)	(26,508,097)	(25,492,473)	(28,082,806)	(40,523,692)
Contribution Deficiency/(Excess) *	\$ -	\$ -	\$ -	\$ -	\$ (11,416,765)
Covered Payroll	\$ 52,694,344	\$ 46,043,744	\$ 40,906,705	\$ 41,931,489	\$ 40,789,456
Contribution as a Percentage of Covered Payroll	53.60%	57.57%	62.32%	66.97%	99.35%

* - Pension contributions are whole as of fiscal year end. In FY 2020, the City and Board settled pending litigation. The City contributed \$11.4 million (FY 21) and \$5.2 million (FY20) as part of the settlement.

FIRE PENSION FUND

September 30,	2025	2024	2023	2022	2021
Actuarially Determined Contribution - City	\$ 24,734,440	\$ 24,111,283	\$ 22,353,950	\$ 21,866,851	\$ 20,449,386
Actuarially Determined Contribution - state	1,562,180	1,562,180	1,562,180	1,562,180	1,483,741
Contribution - City	(24,740,950)	(24,087,670)	(22,370,124)	(21,874,289)	(20,449,386)
Contribution - State	(1,562,180)	(1,562,180)	(1,562,180)	(1,562,180)	(1,483,741)
Contribution Deficiency/(Excess) *	\$ (6,510)	\$ 23,613	\$ (16,174)	\$ (7,438)	\$ -
Covered Payroll	\$ 32,224,526	\$ 32,183,525	\$ 26,703,575	\$ 26,237,342	\$ 24,863,920
Contribution as a Percentage of Covered Payroll	81.62%	79.70%	89.62%	89.32%	88.21%

* - Pension contributions are whole as of fiscal year end.

POLICE OFFICERS' RETIREMENT SYSTEM

September 30,	2025	2024	2023	2022	2021
Actuarially Determined Contribution - City	\$ 31,639,339	\$ 31,087,571	\$ 25,189,146	\$ 24,221,136	\$ 24,215,984
Actuarially Determined Contribution - state	2,623,857	1,817,654	1,632,350	1,797,433	1,619,361
Contribution - City	(2,791,218)	(2,623,857)	(2,119,082)	(1,817,654)	(1,632,350)
Contribution - State	(32,144,114)	(31,087,571)	(25,189,146)	(24,221,136)	(24,215,984)
Contribution Deficiency/(Excess) *	\$ (672,136)	\$ (806,203)	\$ (486,732)	\$ (20,221)	\$ (12,989)
Covered Payroll	\$ 28,858,559	\$ 28,579,316	\$ 26,681,757	\$ 23,809,516	\$ 22,966,730
Contribution as a Percentage of Covered Payroll	121.06%	117.96%	102.35%	109.36%	112.55%

* - Pension contributions are whole as of fiscal year end.

FLORIDA RETIREMENT SYSTEM

September 30,	2025	2024	2023	2022	2021
Contractually Required Contribution	\$ 219,391	\$ 150,882	\$ 114,604	\$ 102,155	\$ 92,776
Contribution Made	(219,391)	(150,882)	(114,604)	(102,155)	(92,776)
Contribution Deficiency/(Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 393,522	264,340.00	\$ 207,181	\$ 198,222	\$ 199,976
Contribution as a Percentage of Covered Payroll	55.75%	57.08%	55.32%	51.54%	46.39%

HEALTH INSURANCE SUBSIDY

September 30,	2025	2024	2023	2022	2021
Contractually Required Contribution	\$ 6,532	\$ 4,388	\$ 3,439	\$ 3,308	\$ 3,266
Contribution Made	(6,532)	(4,388)	(3,439)	(3,308)	(3,266)
Contribution Deficiency/(Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 393,522	264,340.00	\$ 207,181	\$ 198,222	\$ 192,890
Contribution as a Percentage of Covered Payroll	1.66%	1.66%	1.66%	1.67%	1.69%

CITY OF HOLLYWOOD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
LAST TEN FISCAL YEARS
(Unaudited - See accompanying independent auditors' report)

GENERAL EMPLOYEES RETIREMENT SYSTEM

September 30,	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 28,553,978	\$ 25,225,862	\$ 24,702,602	\$ 23,189,007	\$ 22,716,242
Contribution Made	(31,947,187)	(26,904,513)	(22,113,713)	(20,574,591)	(9,778,282)
Contribution Deficiency/(Excess)	<u>\$ (3,393,209)</u>	<u>\$ (1,678,651)</u>	<u>\$ 2,588,889</u>	<u>\$ 2,614,416</u>	<u>\$ 12,937,960</u>
Covered Payroll	\$ 40,869,983	\$ 41,243,666	\$ 40,963,513	\$ 39,822,513	\$ 38,607,750
Contribution as a Percentage of Covered Payroll	78.17%	65.23%	53.98%	51.67%	25.33%

FIRE PENSION FUND

September 30,	2020	2019	2018	2017	2016
Actuarially Determined Contribution - City	\$ 20,477,038	\$ 21,482,941	\$ 16,373,064	\$ 14,349,564	\$ 14,398,112
Actuarially Determined Contribution - state	1,467,281	1,467,281	-	-	-
Contribution - City	(20,477,038)	(21,482,941)	(16,373,064)	(14,349,564)	(14,398,112)
Contribution - State	(1,467,281)	(1,467,281)	-	-	-
Contribution Deficiency/(Excess) *	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 23,731,474	\$ 20,902,962	\$ 18,938,690	\$ 17,401,469	\$ 16,642,582
Contribution as a Percentage of Covered Payroll	92.47%	109.79%	86.45%	82.46%	86.51%

POLICE OFFICERS' RETIREMENT SYSTEM

September 30,	2020	2019	2018	2017	2016
Actuarially Determined Contribution - City	\$ 24,142,894	\$ 23,539,273	\$ 19,492,251	\$ 17,005,579	\$ 13,960,747
Actuarially Determined Contribution - state	3,533,271	5,643,226	-	-	-
Contribution - City	(3,533,271)	(5,643,226)	(19,492,251)	(17,005,579)	(13,960,747)
Contribution - State	(25,500,000)	(23,539,273)	-	-	-
Contribution Deficiency/(Excess)	<u>\$ (1,357,106)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 22,824,881	\$ 21,786,392	\$ 23,585,094	\$ 23,676,707	\$ 18,649,015
Contribution as a Percentage of Covered Payroll	127.20%	133.95%	82.65%	71.82%	74.86%

FLORIDA RETIREMENT SYSTEM

September 30,	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 104,746	\$ 102,298	\$ 79,882	\$ 70,675	\$ 78,909
Contribution Made	(104,746)	(102,298)	(79,882)	(70,675)	(78,909)
Contribution Deficiency/(Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 221,667	\$ 210,951	\$ 209,565	\$ 198,905	\$ 185,400
Contribution as a Percentage of Covered Payroll	47.25%	48.49%	38.12%	35.53%	42.56%

HEALTH INSURANCE SUBSIDY

September 30,	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 3,687	\$ 3,608	\$ 3,480	\$ 3,303	\$ 3,078
Contribution Made	(3,687)	(3,608)	(3,480)	(3,303)	(3,078)
Contribution Deficiency/(Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 221,667	\$ 210,951	\$ 209,565	\$ 198,905	\$ 185,400
Contribution as a Percentage of Covered Payroll	1.66%	1.71%	1.66%	1.66%	1.66%

CITY OF HOLLYWOOD, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited – See accompanying independent auditors' report)

NOTE I – Actuarial Methods and Assumptions

The following actuarial methods and assumptions were used to determine the contribution rates reported for the fiscal year ending September 30, 2025:

	General Employees Retirement System	Fire Pension Fund	Police Officers' Retirement System
	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Cost Method			
Amortization Method	Level Percent Closed	Level Percent Closed	Level Percent Closed
Remaining Amortization Period	26 Years	30 Years	9 - 22 Years
Asset Valuation Method	5 Year Smoothed Market	5 Year Smoothed Market	5 Year Smoothed Market
Actuarial Assumptions:			
Investment Rate of Return	7.00%	7.50%	8.00%
Assumed Annual Salary Increase	3.50 to 10.70%	Service Based	5.03 to 10.67%
Inflation	2.50%	2.50%	2.50%
Cost of Living (COLA)	N/A	(a)	(b)
Retirement Age	Experienced-based tables of rates that are specific to the type of eligibility condition.	N/A	Experienced-based tables of rates that are specific to the type of eligibility condition.
Mortality Rates	Pub -2010 Scale MP-2018	PubS.H-2010 Scale MP-2018	PubG.H-2010 Scale MP-2018
Mortality Rate - Disabled	Pub-2010 Disability Table	80% PubG.H-2010 20% PubS.H-2010	Pub-2010 Disability Table
Valuation Date	10/1/2023	10/1/2023	10/1/2023

(a) Tier 1 Members receive a 2% per year COLA commencing the later of 3 years after retiree's benefit payments have begun or 1 year after completion of DROP participation. Tier 2 Members receive a 2.5% COLA commencing 2 years after retirement and every 2 years thereafter.

(b) Group 1 and 2 Members = 2% annual increase. Group 3 members: 2.5% annual increase.

Each retirement fund issues a publicly available financial report that includes financial statements and required supplementary information for the plan.

Each retirement fund issues a publicly available financial report that includes financial statements and required supplementary information for the plan.

CITY OF HOLLYWOOD, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited – See accompanying independent auditors' report)

NOTE II – Stewardship and Accountability

The City is required to prepare, approve, adopt, and execute an annual budget for such funds as may be required by law or by sound financial practices and Generally Accepted Accounting Principles (GAAP). After reviewing these requirements, the City legally adopted budgets for the General Fund, Beach CRA Special Revenue Fund, and Downtown CRA Special Revenue Fund. Budgets are adopted on a basis consistent with generally accepted accounting principles. The level of budgetary control is the fund and department. The City Manager is authorized to transfer budgeted amounts within departments. Revisions increasing or decreasing the total budget for a department or fund require City Commission approval. The City has supplemental appropriations in the General Fund and in both CRA Funds. Appropriations in annually budgeted funds, except for amounts corresponding to outstanding encumbrances, lapse at year-end.

Multi-year project budgets are adopted for grants reported in the Special Revenue Funds and for authorized capital improvements reported in the Capital Projects Fund. Accordingly, the Special Revenue and Capital Projects Funds have been excluded from budget versus actual presentation except for the Beach Community Redevelopment Agency and the Downtown Community Redevelopment Agency that have legally adopted annual operating budgets.

Lease and SBITA acquisitions and related capital outlays are considered non-cash and will be reevaluated in future year budgets. The current year's rental payments are budgeted annually.

NOTE III– OPEB

The City's OPEB plan is on a pay-go basis. As such, there are no assets in a qualifying trust.

SUPPLEMENTARY INFORMATION



NONMAJOR GOVERNMENTAL FUNDS

The City's nonmajor governmental funds are comprised of the following fund types and funds:

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted to expenditure for purposes.

SPECIAL PROGRAMS FUND - This fund accounts for federal, state, local grants, and other contributions.

LAW ENFORCEMENT FORFEITURE FUND - This fund accounts for confiscated monies and property awarded to the City for law enforcement related expenditures as stipulated by State Statutes.

POLICE GRANTS FUND - This fund accounts for various grants awarded to the City for police related activities.

BUILDING FUND - This fund accounts for revenues received from building permits and inspections fees for the purposes of funding the costs of administering building inspection, permitting municipal services, and the enforcement of the Florida Building Code.

COMMUNITY DEVELOPMENT FUND - This fund accounts for federal HUD grant programs.

ILA FUND - This fund accounts for Broward County grant funds restricted for local community development expenditures. The Fund is restricted via interlocal agreement.

THE AMERICAN RESCUE PLAN - This fund accounts for the federal grant funds provided to eligible expenses. Eligible expenses include governmental services/revenue replacement, infrastructure, public health, negative economic impact, premium pay, and services to disproportionately impacted communities.

THE OPIOID SETTLEMENT FUND - This fund accounts for the legal settlement proceeds from the State of Florida (Attorney General's Office) that are restricted for specific expenditures.

EMERGENCY AND DISASTER FUND – This fund accounts for resources accumulated for emergency use in the event of a hurricane, fire, flood or other major disaster.

PUBLIC ART FUND – This fund accounts for resources received and expended for public art initiatives in accordance with Ordinance O-2023-2017.

LOCAL HOUSING ASSISTANCE FUND - This fund accounts for loan programs financed by State Housing Initiatives Partnership (S.H.I.P.) program grants.

DEBT SERVICE FUNDS

Debt service funds are used to set aside resources to meet current and future debt service requirements on long-term debt of governmental funds.

DEBT SERVICE FUND – This fund accounts for accumulation of transfers from other funds and other revenues and payment of principal and interest on various Governmental Financing Commission loans.

GENERAL OBLIGATION BONDS SERIES 2005 – This fund accounts for revenues from ad valorem taxes and other revenues and payment of principal and interest on the City's 2005 general obligation bond issue.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays.

GENERAL CAPITAL PROJECTS FUND - This fund accounts for the construction of major capital improvements financed with proceeds from local city funds via the capital budgeting process.

PARK IMPACT FEE FUND - This fund accounts for receipts and expenses associated with the City's Park Impact Fee.

BROWARD MPO COUNTY SURTAX FUND - This fund accounts for the construction of major capital improvements financed with proceeds from a county surtax and governed by inter-local agreements for each capital project.

FIRE IMPACT FEE FUND - This fund accounts for receipts and expenses associated with the City's Fire Impact Fee.

LAW ENFORCEMENT IMPACT FEE FUND - This fund accounts for receipts and expenses associated with the City's Law Enforcement Impact Fee.

GOVERNMENTAL BUILDING IMPACT FEE FUND - This fund accounts for receipts and expenses associated with the City's Government Building Impact Fee.

MULTI-MODAL IMPACT FEE FUND - This fund accounts for receipts and expenses associated with the City's Multi-Modal Impact Fee.

GENERAL OBLIGATION CAPITAL PROJECTS SERIES 2019 FUND - This fund accounts for the construction of major capital improvements financed with proceeds the Series 2019 General Obligation Bond issuance.

PAY-GO CAPITAL REPLACEMENT FUND - This fund accounts for the receipts and expenditures reserved for capital replacements.

GAS TAX CAPITAL PROJECTS FUND - This fund accounts for the construction of major capital improvements financed with proceeds from an excise tax imposed on sales of gasoline.

CITY OF HOLLYWOOD, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025

	Special Revenue Funds										
	Special Programs	Law Enforcement Forfeiture	Police Grants	Building	Community Development Grant	ILA	American Rescue Plan	Opioid Settlement	Emergency and Disaster	Public Art Fund	Local Housing Assistance (S.H.I.P.)
ASSETS:											
Cash	\$ -	\$ 20,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pooled Cash and Investments	1,759,973	2,686,345	-	20,408,571	4,067,562	13,979,406	560,148	413,204	-	7,845	5,995,402
Accounts Receivable - Net of Allowances	933	-	-	82,320	3,451	-	-	-	-	-	-
Notes Receivable - Net of Allowances	-	-	-	-	16,010,602	17,993,108	478,364	-	-	-	12,684,140
Due from Other Governments	3,704,727	21,000	882,161	-	996,371	-	-	-	1,891,124	-	-
Assets Held for Sale	201,926	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-	-
Restricted Assets:											
Investments	-	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 5,667,559</u>	<u>\$ 2,727,545</u>	<u>\$ 882,161</u>	<u>\$ 20,490,891</u>	<u>\$ 21,077,986</u>	<u>\$ 31,972,514</u>	<u>\$ 1,038,512</u>	<u>\$ 413,204</u>	<u>\$ 1,891,124</u>	<u>\$ 7,845</u>	<u>\$ 18,679,542</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:											
LIABILITIES:											
Vouchers Payable	\$ 998,518	\$ 656	\$ 104,996	\$ 718,773	\$ 270,387	\$ 540,930	\$ 68,117	\$ 68,002	\$ -	\$ -	\$ 114,363
Accrued Wages and Leave	7,767	-	-	322,822	28,727	-	-	-	-	-	-
Construction Contracts Payable	189,290	-	-	-	-	25,288	213,872	-	-	-	12,451
Due to Other Funds	-	-	757,841	-	-	-	-	-	1,206,085	-	-
Due to Other Governments	372,782	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	3,720,763	9,783,497	278,159	344,825	-	-	5,093,795
Deposits Payable	104,695	15,695	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>1,673,052</u>	<u>16,351</u>	<u>862,837</u>	<u>1,041,595</u>	<u>4,019,877</u>	<u>10,349,715</u>	<u>560,148</u>	<u>412,827</u>	<u>1,206,085</u>	<u>-</u>	<u>5,220,609</u>
DEFERRED INFLOWS OF RESOURCES:											
Unavailable or Advanced Revenue	<u>2,753,170</u>	<u>-</u>	<u>841,716</u>	<u>-</u>	<u>16,105,633</u>	<u>17,993,108</u>	<u>478,364</u>	<u>-</u>	<u>1,571,937</u>	<u>-</u>	<u>12,684,140</u>
FUND BALANCES:											
Nonspendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	1,214,757	2,711,194	-	19,449,296	952,476	3,629,691	-	377	-	7,845	774,793
Committed	26,580	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned (Deficit)	-	-	(822,392)	-	-	-	-	-	(886,898)	-	-
Total Fund Balances	<u>1,241,337</u>	<u>2,711,194</u>	<u>(822,392)</u>	<u>19,449,296</u>	<u>952,476</u>	<u>3,629,691</u>	<u>-</u>	<u>377</u>	<u>(886,898)</u>	<u>7,845</u>	<u>774,793</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 5,667,559</u>	<u>\$ 2,727,545</u>	<u>\$ 882,161</u>	<u>\$ 20,490,891</u>	<u>\$ 21,077,986</u>	<u>\$ 31,972,514</u>	<u>\$ 1,038,512</u>	<u>\$ 413,204</u>	<u>\$ 1,891,124</u>	<u>\$ 7,845</u>	<u>\$ 18,679,542</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025

(Continued)

	Debt Service Funds		Capital Project Funds										Total
	Debt Service Fund	General Obligation Bonds Series 2005	General Capital Project	Park Impact Fee	County Surtax	Fire Impact Fee	Law Enforcement Impact Fee	Government Building Impact Fee	Multi-Modal Impact Fee	General Obligation Capital Projects Series 2019	Pay-Go Capital Replacement	Gas Tax Capital Projects	
ASSETS:													
Cash	\$ -	\$ -	\$ 7,301,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,322,174
Pooled Cash and Investments	1,725,256	1,671,324	60,185,817	4,358,087	-	440,406	393,486	300,654	951,880	-	3,322,428	5,428,402	128,656,196
Accounts Receivable - Net of Allowances	-	-	15,809	-	-	-	-	-	-	-	-	-	102,513
Notes Receivable - Net of Allowances	-	-	-	-	-	-	-	-	-	-	-	-	47,166,214
Due from Other Governments	-	-	200,000	-	595,000	-	-	-	-	-	-	445,084	8,735,467
Assets Held for Sale	-	-	13,700	-	-	-	-	-	-	-	-	-	215,626
Prepays	-	-	395,022	-	-	-	-	-	-	-	-	-	395,022
Restricted Assets:													
Investments	-	-	8,674,306	-	-	-	-	-	-	18,899,213	-	-	27,573,519
Total Assets	<u>\$ 1,725,256</u>	<u>\$ 1,671,324</u>	<u>\$ 76,786,628</u>	<u>\$ 4,358,087</u>	<u>\$ 595,000</u>	<u>\$ 440,406</u>	<u>\$ 393,486</u>	<u>\$ 300,654</u>	<u>\$ 951,880</u>	<u>\$ 18,899,213</u>	<u>\$ 3,322,428</u>	<u>\$ 5,873,486</u>	<u>\$ 220,166,731</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:													
LIABILITIES:													
Vouchers Payable	\$ -	\$ -	\$ 2,071,150	\$ 73,487	\$ 94,478	\$ -	\$ -	\$ -	\$ -	\$ 315,027	\$ 4,716	\$ 537,691	\$ 5,981,291
Accrued Wages and Leave	-	-	-	-	-	-	-	-	-	-	-	-	359,316
Construction Contracts Payable	-	-	570,779	-	279,750	-	-	-	-	964,946	4,402	150,953	2,411,731
Due to Other Funds	-	-	-	-	120,405	-	-	-	-	-	-	-	2,084,331
Due to Other Governments	-	-	-	-	-	-	-	-	-	-	-	-	372,782
Unearned Revenue	-	-	-	-	124,276	-	-	-	-	-	-	-	19,345,315
Deposits Payable	-	-	-	-	-	-	-	-	-	-	-	-	120,390
Total Liabilities	<u>-</u>	<u>-</u>	<u>2,641,929</u>	<u>73,487</u>	<u>618,909</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,279,973</u>	<u>9,118</u>	<u>688,644</u>	<u>30,675,156</u>
DEFERRED INFLOWS OF RESOURCES:													
Unavailable or Advanced Revenue	-	-	200,000	-	595,000	-	-	-	-	-	-	-	53,223,068
FUND BALANCES:													
Nonspendable	-	-	395,022	-	-	-	-	-	-	-	-	-	395,022
Restricted	-	1,671,324	27,434,416	4,284,600	-	440,406	393,486	300,654	951,880	17,619,240	-	5,184,842	87,021,277
Committed	-	-	40,518,944	-	-	-	-	-	-	-	3,313,310	-	43,858,834
Assigned	1,725,256	-	5,596,317	-	-	-	-	-	-	-	-	-	7,321,573
Unassigned (Deficit)	-	-	-	-	(618,909)	-	-	-	-	-	-	-	(2,328,199)
Total Fund Balances	<u>1,725,256</u>	<u>1,671,324</u>	<u>73,944,699</u>	<u>4,284,600</u>	<u>(618,909)</u>	<u>440,406</u>	<u>393,486</u>	<u>300,654</u>	<u>951,880</u>	<u>17,619,240</u>	<u>3,313,310</u>	<u>5,184,842</u>	<u>136,268,507</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,725,256</u>	<u>\$ 1,671,324</u>	<u>\$ 76,786,628</u>	<u>\$ 4,358,087</u>	<u>\$ 595,000</u>	<u>\$ 440,406</u>	<u>\$ 393,486</u>	<u>\$ 300,654</u>	<u>\$ 951,880</u>	<u>\$ 18,899,213</u>	<u>\$ 3,322,428</u>	<u>\$ 5,873,486</u>	<u>\$ 220,166,731</u>

CITY OF HOLLYWOOD, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds										
	Special Programs	Law Enforcement Forfeiture	Police Grants	Building	Community Development Grant	ILA	American Rescue Plan	Opioid Settlement	Emergency and Disaster	Public Art Fund	Local Housing Assistance (S.H.I.P.)
REVENUES:											
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,320,441	-	833,939	-	3,093,053	2,703,395	3,456,613	196,073	590,162	-	1,333,434
Impact Fees	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	920,348	-	-	2,223,973	-	-	-	-	-	-	-
Fines and Forfeitures	-	404,461	-	3,401	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	9,162,708	-	-	-	-	-	-	-
Investment Revenue	89,556	113,359	-	950,884	-	-	-	-	-	321	240,336
Miscellaneous	252,694	-	-	(50,000)	-	-	-	-	-	-	-
Total Revenues	7,583,039	517,820	833,939	12,290,966	3,093,053	2,703,395	3,456,613	196,073	590,162	321	1,573,770
EXPENDITURES:											
Current:											
General Government	171,153	-	-	-	-	-	492,911	-	-	-	-
Public Safety	2,150,667	531,093	642,398	15,371,847	-	-	31,494	153,670	-	-	-
Transportation	120,169	-	-	-	-	-	366,159	-	-	-	-
Economic Environment	145,149	-	-	-	2,788,031	2,703,395	22,745	-	-	-	1,573,770
Physical Environment	-	-	-	-	-	-	-	-	-	-	-
Culture and Recreation	1,215,836	-	-	-	-	-	59,720	-	-	-	-
Emergency and Disaster Relief	-	-	-	-	-	-	-	-	22,251	-	-
Capital Outlay:											
General Government	-	-	-	-	-	-	95,128	-	-	-	-
Public Safety	254,562	-	516,096	1,901,205	-	-	1,396,635	42,404	108,746	-	-
Transportation	3,146,442	-	-	-	-	-	694,857	-	-	-	-
Economic Environment	247,152	-	-	-	-	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-	221,962	-	-	-	-
Culture and Recreation	626,519	-	-	-	-	-	74,999	-	-	-	-
Debt Service:											
Principal	-	-	413,036	658,704	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	44,156	121,172	-	-	-	-	-	-	-
Total Expenditures	8,077,649	531,093	1,615,686	18,052,928	2,788,031	2,703,395	3,456,610	196,074	130,997	-	1,573,770
Excess (Deficiency) of Revenues											
Over (Under) Expenditures	(494,610)	(13,273)	(781,747)	(5,761,962)	305,022	-	3	(1)	459,165	321	-
OTHER FINANCING SOURCES (USES):											
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	(34,318)	-	-	-	-	-	-	-
Sale of Assets	1,393	-	-	-	-	-	-	-	-	-	-
Debt Proceeds	-	-	-	-	-	-	-	-	-	-	-
Lease Acquired	-	-	-	351,296	-	-	-	-	-	-	-
SBITA Acquired	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	1,393	-	-	316,978	-	-	-	-	-	-	-
Change in Fund Balances	(493,217)	(13,273)	(781,747)	(5,444,984)	305,022	-	3	(1)	459,165	321	-
Fund Balances - Beginning	1,734,554	2,724,467	(40,645)	24,894,280	647,454	3,629,691	(3)	378	(1,346,063)	7,524	774,793
Fund Balances - Ending	\$ 1,241,337	\$ 2,711,194	\$ (822,392)	\$ 19,449,296	\$ 952,476	\$ 3,629,691	\$ -	\$ 377	\$ (886,898)	\$ 7,845	\$ 774,793

(Continued)

CITY OF HOLLYWOOD, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(Continued)

	Debt Service Funds					Capital Project Funds							
	Debt Service Fund	General Obligation Bonds Series 2005	General Capital Project	Park Impact Fee	County Surtax	Fire Impact Fee	Law Enforcement Impact Fee	Building Impact Fee	Multi-Modal Impact Fee	Obligation Capital Projects Series 2019	Pay-Go Capital Replacement	Gas Tax Capital Projects	Total
REVENUES:													
Property Taxes	\$ -	\$ 13,875,586	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,875,586
Intergovernmental	-	-	200,000	-	6,177,484	-	-	-	-	-	-	2,665,705	27,570,299
Impact Fees	-	-	-	578,475	-	191,517	171,129	130,744	420,634	-	-	-	1,492,499
Charges for Services	-	-	159,913	-	-	-	-	-	-	-	-	-	3,304,234
Fines and Forfeitures	-	-	-	-	-	-	-	-	-	-	-	-	407,862
Licenses and Permits	-	-	-	-	-	-	-	-	-	-	-	-	9,162,708
Investment Revenue	109,066	274,804	2,497,429	203,049	208	13,719	12,258	9,366	29,496	1,030,049	100,293	246,731	5,920,924
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	202,694
Total Revenues	109,066	14,150,390	2,857,342	781,524	6,177,692	205,236	183,387	140,110	450,130	1,030,049	100,293	2,912,436	61,936,806
EXPENDITURES:													
Current:													
General Government	-	-	1,540,022	-	-	-	-	-	-	-	153,102	-	2,357,188
Public Safety	-	-	576,052	-	-	-	-	-	-	-	76,748	-	19,533,969
Transportation	-	-	163,889	-	1,154,134	-	-	-	-	2,100	-	1,409,683	3,216,134
Economic Environment	-	-	-	-	-	-	-	-	-	-	-	-	7,233,090
Physical Environment	-	-	59,600	-	23,350	-	-	-	-	-	-	-	82,950
Culture and Recreation	-	-	349,266	288,525	-	-	-	-	-	97,836	-	-	2,011,183
Emergency and Disaster Relief	-	-	-	-	-	-	-	-	-	-	-	-	22,251
Capital Outlay:													
General Government	-	-	4,113,557	-	-	-	-	-	-	-	176,116	-	4,384,801
Public Safety	-	-	13,406,354	-	-	-	-	-	-	1,089,050	976,774	-	19,691,826
Transportation	-	-	1,409,549	-	-	-	-	-	-	410,849	37,664	1,919,655	7,619,016
Economic Environment	-	-	-	-	-	-	-	-	-	-	-	-	247,152
Physical Environment	-	-	2,090,774	-	5,595,000	-	-	-	-	1,012,878	-	-	8,920,614
Culture and Recreation	-	-	1,689,394	974,460	-	-	-	-	-	7,448,501	-	-	10,813,873
Debt Service:													
Principal	4,687,030	6,757,000	800,000	-	-	-	-	-	-	-	-	-	13,315,770
Interest and Fiscal Charges	1,228,810	7,063,350	-	-	-	-	-	-	-	-	-	-	8,457,488
Total Expenditures	5,915,840	13,820,350	26,198,457	1,262,985	6,772,484	-	-	-	-	10,061,214	1,420,404	3,329,338	107,907,305
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,806,774)	330,040	(23,341,115)	(481,461)	(594,792)	205,236	183,387	140,110	450,130	(9,031,165)	(1,320,111)	(416,902)	(45,970,499)
OTHER FINANCING SOURCES (USES):													
Transfers In	5,895,841	-	22,049,231	-	-	-	-	-	-	-	2,700,000	-	30,645,072
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	(650,000)	(684,318)
Sale of Asstes	-	-	-	-	-	-	-	-	-	-	-	-	1,393
Debt Proceeds	-	-	6,578,692	-	-	-	-	-	-	-	-	-	6,578,692
Lease Acquired	-	-	1,592,000	-	-	-	-	-	-	-	-	-	1,943,296
SBITA Acquired	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	5,895,841	-	30,219,923	-	-	-	-	-	-	-	2,700,000	(650,000)	38,484,135
Change in Fund Balances	89,067	330,040	6,878,808	(481,461)	(594,792)	205,236	183,387	140,110	450,130	(9,031,165)	1,379,889	(1,066,902)	(7,486,364)
Fund Balances - Beginning	1,636,189	1,341,284	67,065,891	4,766,061	(24,117)	235,170	210,099	160,544	501,750	26,650,405	1,933,421	6,251,744	143,754,871
Fund Balances - Ending	\$ 1,725,256	\$ 1,671,324	\$ 73,944,699	\$ 4,284,600	\$ (618,909)	\$ 440,406	\$ 393,486	\$ 300,654	\$ 951,880	\$ 17,619,240	\$ 3,313,310	\$ 5,184,842	\$ 136,268,507

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner like private business enterprises - where the intent of the City Commission is that the costs of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or where the periodic determination of net income is appropriate for accountability purposes.

SANITATION ENTERPRISE FUND - This fund accounts for solid waste fees, franchise, and recycling revenues, as well as related collection and disposal costs.

PARKING ENTERPRISE FUND - This fund accounts for on-street and parking garage operations.

STORMWATER UTILITY FUND - This fund accounts for fees and charges related to the operation and maintenance of a stormwater management system.

GOLF ENTERPRISE FUND - This fund accounts for the operations and rental payments of City owned golf courses.

RECORDS PRESERVATION FUND – This fund accounts for resources accumulated to defray the cost of maintaining city-wide records management and preservation activities.

CITY OF HOLLYWOOD, FLORIDA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Sanitation Enterprise	Parking Enterprise	Stormwater Utility	Golf Enterprise	Records Preservation	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:						
ASSETS:						
CURRENT ASSETS:						
Cash	\$ -	\$ 2,300	\$ -	\$ 100,013	\$ -	\$ 102,313
Pooled Cash and Investments	18,312,861	30,412,665	15,246,517	-	241,983	64,214,026
Accounts Receivable - Net of Allowances	2,649,915	69,071	1,330,018	41,341	-	4,090,345
Assessments - Net of Allowances	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Due from Other Governments	59,292	-	352,326	-	-	411,618
Prepays	-	-	-	1,250	-	1,250
Restricted Assets:						
Pooled Cash and Investments	1,167,283	505,784	-	-	-	1,673,067
Total Current Assets	<u>22,189,351</u>	<u>30,989,820</u>	<u>16,928,861</u>	<u>142,604</u>	<u>241,983</u>	<u>70,492,619</u>
Capital Assets:						
Land	63,890	6,546,866	-	962,122	-	7,572,878
Buildings	1,165,148	55,734,318	-	2,935,048	-	59,834,514
Improvements	92,240	2,222,502	18,439,965	3,826,887	-	24,581,594
Machinery and Equipment	281,075	2,522,623	2,415,862	963,910	-	6,183,470
Accumulated Depreciation	(1,359,517)	(27,360,549)	(6,496,724)	(7,607,866)	-	(42,824,656)
Construction In Progress	-	46,201	11,127,603	-	-	11,173,804
Right to Use - Subscription Asset	-	-	63,420	-	-	63,420
Accumulated Amortization - Subscription Asset	-	-	(49,097)	-	-	(49,097)
Right to Use - Lease Equipment	-	147,914	110,935	388,284	-	647,133
Accumulated Amortization - Right to Use - Lease Equipment	-	(19,722)	(14,791)	(330,566)	-	(365,079)
Total Capital Assets	<u>242,836</u>	<u>39,840,153</u>	<u>25,597,173</u>	<u>1,137,819</u>	<u>-</u>	<u>66,817,981</u>
Total Noncurrent Assets	<u>242,836</u>	<u>39,840,153</u>	<u>25,597,173</u>	<u>1,137,819</u>	<u>-</u>	<u>66,817,981</u>
Total Assets	<u>22,432,187</u>	<u>70,829,973</u>	<u>42,526,034</u>	<u>1,280,423</u>	<u>241,983</u>	<u>137,310,600</u>
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred Outflow - General Employees Pension	546,837	1,140,301	848,588	47,395	-	2,583,121
Deferred Outflow for OPEB	1,474,733	4,736,257	2,820,215	35,946	-	9,067,151
Total Deferred Outflows of Resources	<u>2,021,570</u>	<u>5,876,558</u>	<u>3,668,803</u>	<u>83,341</u>	<u>-</u>	<u>11,650,272</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF	<u>24,453,757</u>	<u>76,706,531</u>	<u>46,194,837</u>	<u>1,363,764</u>	<u>241,983</u>	<u>148,960,872</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Sanitation Enterprise	Parking Enterprise	Stormwater Utility	Golf Enterprise	Records Preservation	(Continued) Total
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:						
LIABILITIES:						
CURRENT LIABILITIES:						
Vouchers Payable	1,237,104	167,130	1,349,683	256,438	1,044	3,011,399
Accrued Wages and Leave	57,752	152,814	47,225	-	-	257,791
Compensated Absences	60,433	123,976	35,281	-	-	219,690
Construction Contracts	-	-	257,088	-	-	257,088
Due to Other Funds	-	-	-	3,033,695	-	3,033,695
Due to Other Governments	-	819	-	(4)	-	815
Interest Payable	-	1,145	3,409	-	-	4,554
Unearned Revenue	-	1,630,465	-	-	-	1,630,465
Deposits Payable	-	6,325	-	27,329	-	33,654
Payable from Restricted Assets:						
Deposits Payable	1,167,283	-	-	-	-	1,167,283
Construction Contracts	-	43,130	-	-	-	43,130
Bond Payable	-	20,910	-	-	-	20,910
Loans Payable	-	-	97,388	-	-	97,388
Short Term - Total Other Postemployment Benefits Obligation	225,653	477,853	139,374	6,637	-	849,517
Short Term - Subscription Liability	-	-	14,418	-	-	14,418
Short Term - Lease Liability	-	29,502	22,127	55,709	-	107,338
Total Current Liabilities	2,748,225	2,654,069	1,965,993	3,379,804	1,044	10,749,135
NONCURRENT LIABILITIES:						
Compensated Absences	99,536	160,757	56,162	-	-	316,455
Bond Payable-Net	-	84,648	-	-	-	84,648
Loans Payable	-	-	282,862	-	-	282,862
Other Postemployment Benefits Obligation	4,679,926	9,910,433	2,890,543	137,645	-	17,618,547
Net Pension Liability - General Employees Pension	2,665,226	5,557,703	2,223,567	231,000	-	10,677,496
Long Term Subscription Liability	-	-	-	-	-	-
Long Term Lease Liability	-	115,295	86,471	-	-	201,766
Total Noncurrent Liabilities	7,444,688	15,828,836	5,539,605	368,645	-	29,181,774
Total Liabilities	10,192,913	18,482,905	7,505,598	3,748,449	1,044	39,930,909
DEFERRED INFLOWS OF RESOURCES:						
Deferred Inflow - General Employees Pension	543,385	733,442	281,874	36,839	-	1,595,540
Deferred Inflow for OPEB Liability	1,938,393	4,200,646	3,105,505	74,454	-	9,318,998
Total Deferred Inflows of Resources	2,481,778	4,934,088	3,387,379	111,293	-	10,914,538
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	12,674,691	23,416,993	10,892,977	3,859,742	1,044	50,845,447
NET POSITION:						
Net Investment in Capital Assets	242,836	39,546,668	24,836,819	1,082,110	-	65,708,433
Restricted for:						
Future Capital Projects	-	505,784	-	-	-	505,784
Unrestricted (Deficit)	11,536,230	13,237,086	10,465,041	(3,578,088)	240,939	31,901,208
TOTAL NET POSITION	\$ 11,779,066	\$ 53,289,538	\$ 35,301,860	\$ (2,495,978)	\$ 240,939	\$ 98,115,425

CITY OF HOLLYWOOD, FLORIDA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Sanitation Enterprise	Parking Enterprise	Stormwater Utility	Golf Enterprise	Records Preservation	Total
OPERATING REVENUES:						
Charges for Sales and Services	\$ 20,131,337	\$ 11,590,984	\$ 10,990,151	\$ 2,596,865	\$ 33,306	\$ 45,342,643
Fines and Forfeits	-	2,486,128	-	-	-	2,486,128
Miscellaneous	83,200	441,895	-	252,762	-	777,857
Total Operating Revenues	<u>20,214,537</u>	<u>14,519,007</u>	<u>10,990,151</u>	<u>2,849,627</u>	<u>33,306</u>	<u>48,606,628</u>
OPERATING EXPENSES:						
Personal Services and Benefits	1,378,269	3,985,697	282,921	(41,524)	-	5,605,363
Supplies, Services and Claims	17,825,886	4,554,013	2,893,366	2,792,892	27,540	28,093,697
Depreciation	48,258	2,041,298	945,844	195,795	-	3,231,195
Total Operating Expenses	<u>19,252,413</u>	<u>10,581,008</u>	<u>4,122,131</u>	<u>2,947,163</u>	<u>27,540</u>	<u>36,930,255</u>
Operating Income (Loss)	<u>962,124</u>	<u>3,937,999</u>	<u>6,868,020</u>	<u>(97,536)</u>	<u>5,766</u>	<u>11,676,373</u>
NONOPERATING REVENUES						
(EXPENSES):						
Investment Revenue/(Expense)	795,622	1,224,351	692,776	(48,839)	9,706	2,673,616
Interest Expense	(378)	(7,355)	(17,816)	(6,519)	-	(32,068)
Gain/Loss on Disposal	-	141	7,054	-	-	7,195
Total Nonoperating Revenues (Expenses)	<u>795,244</u>	<u>1,217,137</u>	<u>682,014</u>	<u>(55,358)</u>	<u>9,706</u>	<u>2,648,743</u>
Income (Loss) Before Transfers	<u>1,757,368</u>	<u>5,155,136</u>	<u>7,550,034</u>	<u>(152,894)</u>	<u>15,472</u>	<u>14,325,116</u>
CONTRIBUTIONS:						
Intergovernmental	-	-	330,130	-	-	330,130
Capital Contributions	-	-	221,962	-	-	221,962
	<u>-</u>	<u>-</u>	<u>552,092</u>	<u>-</u>	<u>-</u>	<u>552,092</u>
TRANSFERS IN (OUT):						
Transfers In:	-	-	-	-	-	-
Transfers Out:	(10,574)	(433,798)	(488,107)	(68,287)	-	(1,000,766)
Total Transfers In (Out)	<u>(10,574)</u>	<u>(433,798)</u>	<u>(488,107)</u>	<u>(68,287)</u>	<u>-</u>	<u>(1,000,766)</u>
Change in Net Position	1,746,794	4,721,338	7,614,019	(221,181)	15,472	13,876,442
Net Position - Beginning	10,032,272	48,568,200	27,687,841	(2,274,797)	225,467	84,238,983
Net Position - Ending	<u>\$ 11,779,066</u>	<u>\$ 53,289,538</u>	<u>\$ 35,301,860</u>	<u>\$ (2,495,978)</u>	<u>\$ 240,939</u>	<u>\$ 98,115,425</u>

CITY OF HOLLYWOOD, FLORIDA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Sanitation Enterprise	Parking Enterprise	Stormwater Utility	Golf Enterprise	Records Preservation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash Received from Customers, Employees and Other Governments	\$ 20,196,044	\$ 14,489,168	\$ 11,052,501	\$ 2,860,686	\$ 33,306	\$ 48,631,705
Payments to Suppliers for Goods and Services	(17,870,280)	(4,761,637)	(3,404,727)	(2,620,945)	(26,496)	(28,684,084)
Payments to Employees for Services	(1,972,091)	(4,823,051)	(1,560,549)	525	-	(8,355,167)
Payments for interfund services	-	-	-	24,872	-	24,872
Net Cash Provided (Used) by Operating Activities	353,673	4,904,480	6,087,225	265,138	6,810	11,617,326
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers Out	(10,574)	(433,798)	(488,107)	(68,287)	-	(1,000,766)
Net Cash Provided (Used) by Noncapital Financing Activities	(10,574)	(433,798)	(488,107)	(68,287)	-	(1,000,766)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Principal Paid on Bonds, Notes and Equipment Contracts	(37,300)	(75,905)	(137,629)	(141,480)	-	(392,314)
Interest Paid on Bonds, Notes and Equipment Contracts	(378)	(10,507)	(18,790)	(6,519)	-	(36,194)
Proceeds from Sale of Equipment	-	141	7,054	-	-	7,195
Acquisition and Construction of Capital Assets	(49,942)	(5,439,380)	(8,871,464)	-	-	(14,360,786)
Net Cash Provided (Used) for Capital and Related Financing Activities	(87,620)	(5,525,651)	(9,020,829)	(147,999)	-	(14,782,099)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Investment Revenue	795,622	1,224,351	692,776	(48,839)	9,706	2,673,616
Net Cash Provided (Used) in Investing Activities	795,622	1,224,351	692,776	(48,839)	9,706	2,673,616
Net Increase (Decrease) in Cash	1,051,101	169,382	(2,728,935)	13	16,516	(1,491,923)
Cash - October 1	18,429,043	30,751,367	17,975,452	100,000	225,467	67,481,329
Cash - September 30	<u>\$ 19,480,144</u>	<u>\$ 30,920,749</u>	<u>\$ 15,246,517</u>	<u>\$ 100,013</u>	<u>\$ 241,983</u>	<u>\$ 65,989,406</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(Continued)

RECONCILIATION OF OPERATING INCOME (LOSS)
TO NET CASH PROVIDED (USED)
BY OPERATING ACTIVITIES:

Operating Income (Loss)	\$ 962,124	\$ 3,937,999	\$ 6,868,020	\$ (97,536)	\$ 5,766	\$ 11,676,373
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Depreciation	48,258	2,041,298	945,844	195,795	-	3,231,195
Pension and OPEB	(692,226)	(931,279)	(1,326,023)	(41,524)	-	(2,991,052)
Change in Assets, Liabilities and Deferred Inflows/Outflows:						
(Increase) Decrease in Accounts Receivable	(40,269)	(7,194)	62,198	10,865	-	25,600
(Increase) Decrease in Due from Other Governments	-	-	152	-	-	152
Increase (Decrease) in Vouchers Payable	(44,394)	(231,827)	(188,439)	171,952	1,044	(291,663)
Increase (Decrease) in Accrued Expenses, Wages, and Leave	98,494	118,128	(274,527)	521	-	(57,385)
Increase (Decrease) in Due to Other Funds	-	-	-	24,872	-	24,872
Increase (Decrease) in Unearned Revenue	-	(22,645)	-	-	-	(22,645)
Increase (Decrease) in Deposits Payable	21,686	-	-	193	-	21,879
Total Adjustments	(608,451)	966,481	(780,795)	362,674	1,044	(59,047)
Net Cash Provided (Used) by Operating Activities	<u>\$ 353,673</u>	<u>\$ 4,904,480</u>	<u>\$ 6,087,225</u>	<u>\$ 265,138</u>	<u>\$ 6,810</u>	<u>\$ 11,617,326</u>

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 operation of the central garage, archiving services, public relations services, and information technology services.

INSURANCE FUND - This fund accounts for self-insurance activities, including reserves, and employee health benefits as well as purchased insurance coverages for general, auto and property liability.

CITY OF HOLLYWOOD, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Central Services	Insurance	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:			
ASSETS:			
CURRENT ASSETS:			
Cash	\$ 500	\$ 3,236,317	\$ 3,236,817
Pooled Cash and Investments	39,536,270	38,405,539	77,941,809
Accounts Receivable - Net of Allowances	32,242	157,157	189,399
Reinsurance Receivable	-	538,994	538,994
Inventories of Supplies	59,341	-	59,341
Prepaid Items	-	992,848	992,848
Total Current Assets	<u>39,628,353</u>	<u>43,330,855</u>	<u>82,959,208</u>
NONCURRENT ASSETS:			
Capital Assets:			
Buildings	1,141,350	453,354	1,594,704
Machinery and Equipment	37,577,259	99,594	37,676,853
Accumulated Depreciation	(31,686,612)	(25,071)	(31,711,683)
Construction in Progress	-	-	-
Right to Use - Subscription Asset	5,313,701	-	5,313,701
Accumulated Amortization - Subscription Asset	(3,356,115)	-	(3,356,115)
Right to Use Asset - Equipment	9,902,328	-	9,902,328
Amortization - Right to Use Asset - Equipment	(3,958,353)	-	(3,958,353)
Total Capital Assets	<u>14,933,558</u>	<u>527,877</u>	<u>15,461,435</u>
Total Noncurrent Assets	<u>14,933,558</u>	<u>527,877</u>	<u>15,461,435</u>
Total Assets	<u>54,561,911</u>	<u>43,858,732</u>	<u>98,420,643</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Outflow - General Employees Pension	2,827,315	236,258	3,063,573
Deferred Outflow for OPEB	2,992,170	903,989	3,896,159
Total Deferred Outflows of Resources	<u>5,819,485</u>	<u>1,140,247</u>	<u>6,959,732</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>60,381,396</u>	<u>44,998,979</u>	<u>105,380,375</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

(Continued)

	Central Services	Insurance	Total
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:			
LIABILITIES:			
CURRENT LIABILITIES:			
Vouchers Payable	439,391	423,217	862,608
Accrued Wages and Leave	268,535	25,629	294,164
Compensated Absences	371,258	35,898	407,156
Interest Payable	63,281	-	63,281
Claims Payable	-	7,789,391	7,789,391
Bonds Payable - Net	449,298	-	449,298
Financed Purchases	-	-	-
Loans Payable	1,580,000	-	1,580,000
Short Term - Total Other Postemployment Benefits Obligation	544,221	66,368	610,589
Short Term - Subscription Liability	877,770	-	877,770
Short Term - Lease Liability	1,517,935	-	1,517,935
Total Current Liabilities	6,111,689	8,340,503	14,452,192
NONCURRENT LIABILITIES:			
Accrued Wages and Leave	481,847	48,852	530,699
Claims Payable	-	12,861,969	12,861,969
Bonds Payable - Net	1,846,690	-	1,846,690
Loans Payable	4,020,000	-	4,020,000
Total Other Postemployment Benefits Liability	11,286,882	1,376,449	12,663,331
Net Pension Liability	12,963,056	1,151,495	14,114,551
Long Term - Subscription Liability	661,819	-	661,819
Long Term - Lease Liability	4,829,026	-	4,829,026
Total Noncurrent Liabilities	36,089,320	15,438,765	51,528,085
Total Liabilities	42,201,009	23,779,268	65,980,277
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflow for OPEB Liability	5,958,216	805,981	6,764,197
Deferred Inflow - General Employees Pension	1,643,282	148,214	1,791,496
Total Deferred Inflows of Resources	7,601,498	954,195	8,555,693
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	49,802,507	24,733,463	74,535,970
NET POSITION:			
Net Investment in Capital Assets	(71,806)	527,877	456,071
Unrestricted (Deficit)	10,650,695	19,737,639	30,388,334
TOTAL NET POSITION	\$ 10,578,889	\$ 20,265,516	\$ 30,844,405

CITY OF HOLLYWOOD, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Central Services	Insurance	Total
OPERATING REVENUES:			
Charges for Sales and Services	\$ 22,745,018	\$ 61,238,309	\$ 83,983,327
Miscellaneous	-	5,772,326	5,772,326
Total Operating Revenues	<u>22,745,018</u>	<u>67,010,635</u>	<u>89,755,653</u>
OPERATING EXPENSES:			
Personal Services and Benefits	4,448,590	645,467	5,094,057
Supplies, Services and Claims	11,574,398	65,184,311	76,758,709
Depreciation	6,279,957	25,071	6,305,028
Total Operating Expenses	<u>22,302,945</u>	<u>65,854,849</u>	<u>88,157,794</u>
Operating Income (Loss)	<u>442,073</u>	<u>1,155,786</u>	<u>1,597,859</u>
NONOPERATING REVENUES (EXPENSES):			
Investment Revenue	1,602,522	1,559,622	3,162,144
Interest Expense	(681,825)	(161)	(681,986)
Gain/Loss on Disposal	249,160	-	249,160
Total Nonoperating Revenues	<u>1,169,857</u>	<u>1,559,461</u>	<u>2,729,318</u>
Income (Loss) Before Capital Contributions and Transfers	<u>1,611,930</u>	<u>2,715,247</u>	<u>4,327,177</u>
TRANSFERS IN (OUT):			
Transfers In:	4,841,837	-	4,841,837
Transfers Out:	(1,093,496)	-	(1,093,496)
Capital Contributions	-	-	-
Total Transfers In (Out)	<u>3,748,341</u>	<u>-</u>	<u>3,748,341</u>
Change in Net Position	5,360,271	2,715,247	8,075,518
Net Position - Beginning	<u>5,218,618</u>	<u>17,550,269</u>	<u>22,768,887</u>
Net Position - Ending	<u>\$ 10,578,889</u>	<u>\$ 20,265,516</u>	<u>\$ 30,844,405</u>

CITY OF HOLLYWOOD, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Central Services	Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers and Employees	\$ 22,738,394	\$ 67,226,591	\$ 89,964,985
Payments to Employees for Services	(12,093,600)	(29,848,156)	(41,941,756)
Payments to Suppliers for Goods and Services	(7,954,852)	(768,677)	(8,723,529)
Payments for Claims and Judgments		(34,001,737)	(34,001,737)
Net Cash Provided (Used) by Operating Activities	<u>2,689,942</u>	<u>2,608,021</u>	<u>5,297,963</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers In	4,841,837	-	4,841,837
Transfers Out	(1,093,496)	-	(1,093,496)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>3,748,341</u>	<u>-</u>	<u>3,748,341</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from Bonds and Other Borrowings	-	-	-
Principal Paid on Other Borrowings	(5,012,112)	(15,855)	(5,027,967)
Interest Paid on Other Borrowings	(642,294)	(161)	(642,455)
Proceeds from Sale of Equipment	299,972	-	299,972
Acquisition and Construction of Capital Assets	(956,712)	(232,449)	(1,189,161)
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(6,311,146)</u>	<u>(248,465)</u>	<u>(6,559,611)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment Revenue	<u>1,602,521</u>	<u>1,559,622</u>	<u>3,162,143</u>
Net Cash Provided (Used) in Investing Activities	<u>1,602,521</u>	<u>1,559,622</u>	<u>3,162,143</u>
Net Increase (Decrease) in Cash	1,729,658	3,919,178	5,648,836
Cash and Equivalents - October 1	<u>37,807,112</u>	<u>37,722,678</u>	<u>75,529,790</u>
Cash and Equivalents - September 30	<u><u>\$ 39,536,770</u></u>	<u><u>\$ 41,641,856</u></u>	<u><u>\$ 81,178,626</u></u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	(Continued)		
	Central Services	Insurance	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ 442,073	\$ 1,155,786	\$ 1,597,859
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	6,279,957	25,071	6,305,028
Pension and OPEB	(3,705,549)	(153,682)	(3,859,231)
Change in Assets, Liabilities and Deferred Inflows/Outflows:			
(Increase) Decrease in Accounts Receivable	(6,624)	215,956	209,332
(Increase) Decrease in Inventory	(1,755)	-	(1,755)
(Increase) Decrease in Prepaid Items	-	49,810	49,810
Increase (Decrease) in Vouchers Payable	(517,447)	(325,877)	(843,324)
Increase (Decrease) in Accrued Expenses, Wages, and Leave	199,287	30,472	229,759
Increase (Decrease) in Claims Payable	-	1,610,485	1,610,485
Total Adjustments	2,247,869	1,452,235	3,700,104
Net Cash Provided (Used) by Operating Activities	\$ 2,689,942	\$ 2,608,021	\$ 5,297,963

FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefit of parties outside the City.

GENERAL EMPLOYEES' RETIREMENT SYSTEM - To account for the accumulation of resources and benefit payments for the pension plan for general employees.

FIRE PENSION FUND - To account for the accumulation of resources and benefit payments for the pension plan for fire personnel.

POLICE RETIREMENT SYSTEM - To account for the accumulation of resources and benefit payments for the pension plan for police personnel.

CITY OF HOLLYWOOD, FLORIDA
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2025

CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2025

	Employees Retirement	Fire Pension	Police Retirement	Total Pension Plans
ASSETS:				
Investments				
U. S. Government Securities	\$ 5,418,099	\$ 39,746,152	\$ 6,120,947	\$ 51,285,198
Money Market Funds	3,286,837	11,749,062	12,461,101	27,497,000
Corporate Equities	241,650,317	312,618,868	368,183,692	922,452,877
Corporate Bonds and Other	65,503,055	14,612,848	11,207,639	91,323,542
Foreign Bonds	2,176,332	-	6,000,000	8,176,332
Real Estate Funds	35,701,196	34,060,236	41,483,409	111,244,841
Infrastructure Investment fund	13,881,169	-	-	13,881,169
Asset Backed Securities	5,959,123	-	-	5,959,123
Private Credit Funds	55,183,947	-	29,828,963	85,012,910
Private Equity Funds	32,537,320	-	22,664,194	55,201,514
Hedge Funds	-	-	-	-
Alternative Investments	-	8,121,392	-	8,121,392
Mutual Funds	42,389,476	-	9,631,624	52,021,100
Pooled Investment Funds	-	153	-	153
Total Investments	503,686,871	420,908,711	507,581,569	1,432,177,151
DROP Loan Receivable	-	-	965,115	965,115
Interest Receivable	184,018	237,189	517,935	939,142
Employee and Participant Loan Receivable	-	-	31,555	31,555
Accounts Receivable	3,033,210	189,160	11,749	3,234,119
Capital Assets, Net	1,391,676	-	-	1,391,676
TOTAL ASSETS	508,295,775	421,335,060	509,107,923	1,438,738,758
LIABILITIES:				
Vouchers Payable	1,844,980	1,145,268	210,344	3,200,592
TOTAL LIABILITIES	1,844,980	1,145,268	210,344	3,200,592
NET POSITION:				
Restricted for Pension Benefits	\$ 506,450,795	\$ 420,189,792	\$ 508,897,579	\$ 1,435,538,166

CITY OF HOLLYWOOD, FLORIDA
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
SEPTEMBER 30, 2025

CITY OF HOLLYWOOD, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Employees Retirement	Fire Pension	Police Retirement	Total Pension Plans
ADDITIONS:				
Contributions:				
City	\$ 28,245,281	\$ 24,740,950	\$ 32,144,114	\$ 85,130,345
State	-	2,509,191	2,791,218	5,300,409
Local	25,903	-	-	25,903
Members	4,630,556	2,623,806	3,475,766	10,730,128
Total Contributions	<u>32,901,740</u>	<u>29,873,947</u>	<u>38,411,098</u>	<u>101,186,785</u>
Investment Income:				
Net Increase in Fair Value of Plan Investments	43,740,718	46,806,632	40,060,794	130,608,144
Interest and Dividends	10,323,626	7,585,911	9,361,981	27,271,518
	<u>54,064,344</u>	<u>54,392,543</u>	<u>49,422,775</u>	<u>157,879,662</u>
Less: Investment Expense	(660,155)	(1,704,994)	(2,827,452)	(5,192,601)
Net Investment Income	<u>53,404,189</u>	<u>52,687,549</u>	<u>46,595,323</u>	<u>152,687,061</u>
Other Income	-	36,803	72,836	109,639
Total Additions	<u>86,305,929</u>	<u>82,598,299</u>	<u>85,079,257</u>	<u>253,983,485</u>
DEDUCTIONS:				
Pension Benefits	52,814,797	38,200,149	45,113,814	136,128,760
Refunds of Contributions	627,825	53,964	77,129	758,918
Administrative Expenses	1,164,637	827,762	770,082	2,762,481
Depreciation and Amortization	173,470	-	-	173,470
Total Deductions	<u>54,780,729</u>	<u>39,081,875</u>	<u>45,961,025</u>	<u>139,823,629</u>
Change in Net Position	31,525,200	43,516,424	39,118,232	114,159,856
Net Position Restricted for Pension Benefits - Beginning of Year	<u>474,925,595</u>	<u>376,673,368</u>	<u>469,779,347</u>	<u>1,321,378,310</u>
Net Position Restricted for Pension Benefits - End of Year	<u>\$ 506,450,795</u>	<u>\$ 420,189,792</u>	<u>\$ 508,897,579</u>	<u>\$ 1,435,538,166</u>

STASTICAL SECTION



CITY OF HOLLYWOOD, FLORIDA
INDEX TO STATISTICAL SECTION
(Unaudited – See Accompanying Independent Auditors' Report)

This part of the City of Hollywood's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, not disclosures, and required supplementary information says about the City's overall financial health.

FINANCIAL TRENDS	<u>Page No.</u>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being changed over time.	191-203
REVENUE CAPACITY	204-211
These schedules contain information to help the reader assess the government's most significant tax revenue sources and in particular, property taxes.	
DEBT CAPACITY	212-216
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt.	
DEMOGRAPHIC AND ECONOMIC INFORMATION	217-218
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
OPERATING INFORMATION	220-227
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Source:

Unless otherwise noted, the information in these schedules are derived from the Annual Comprehensive Financial Reports for the relevant year.

CITY OF HOLLYWOOD, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (Accrual Basis of Accounting)
 (\$ in thousands)

	2025	2024	2023	2022
GOVERNMENTAL ACTIVITIES:				
Net Investment in Capital Assets	\$ 240,231	\$ 182,387	\$ 147,120	\$ 75,703
Restricted	125,540	111,798	99,216	142,408
Unrestricted	<u>(654,417)</u>	<u>(725,680)</u>	<u>(746,001)</u>	<u>(817,883)</u>
Total Governmental Activities Net Position	<u>\$ (288,646)</u>	<u>\$ (431,495)</u>	<u>\$ (499,665)</u>	<u>\$ (599,772)</u>
BUSINESS-TYPE ACTIVITIES:				
Net Investment in Capital Assets	\$ 332,008	\$ 282,433	\$ 287,790	\$ 239,324
Restricted	42,820	62,873	120,934	94,404
Unrestricted	<u>195,755</u>	<u>164,865</u>	<u>42,865</u>	<u>57,511</u>
Total Business-type Activities Net Position	<u>\$ 570,584</u>	<u>\$ 510,171</u>	<u>\$ 451,589</u>	<u>\$ 391,239</u>
PRIMARY GOVERNMENT:				
Net Investment in Capital Assets	\$ 572,240	\$ 464,820	\$ 434,909	\$ 315,027
Restricted	168,360	174,671	220,150	236,812
Unrestricted	<u>(458,662)</u>	<u>(560,815)</u>	<u>(703,136)</u>	<u>(760,372)</u>
Total Primary Government Net Position	<u>\$ 281,937</u>	<u>\$ 78,676</u>	<u>\$ (48,076)</u>	<u>\$ (208,533)</u>

(1) Previously titled Invested in Capital Assets - Net of Related Debt

(2) Net Position previously titled Net Assets

CITY OF HOLLYWOOD, FLORIDA

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

(\$ in thousands)

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 83,103	\$ 70,938	\$ 69,416	\$ 71,886	\$ 65,894	\$ 65,085
144,635	139,737	119,212	34,865	33,995	49,191
<u>(918,790)</u>	<u>(926,843)</u>	<u>(830,648)</u>	<u>(779,606)</u>	<u>(451,440)</u>	<u>(457,116)</u>
<u>\$ (691,052)</u>	<u>\$ (716,168)</u>	<u>\$ (642,020)</u>	<u>\$ (672,855)</u>	<u>\$ (351,551)</u>	<u>\$ (342,840)</u>
\$ 230,012	\$ 222,928	\$ 219,044	\$ 186,154	\$ 164,263	\$ 145,990
79,760	63,242	62,248	64,916	64,238	62,157
53,319	29,856	20,480	9,765	68,179	59,580
<u>\$ 363,091</u>	<u>\$ 316,026</u>	<u>\$ 301,772</u>	<u>\$ 260,835</u>	<u>\$ 296,680</u>	<u>\$ 267,727</u>
\$ 313,115	\$ 293,866	\$ 288,460	\$ 258,040	\$ 230,157	\$ 211,075
224,395	202,979	181,460	99,781	98,233	111,348
<u>(865,471)</u>	<u>(896,987)</u>	<u>(810,168)</u>	<u>(769,841)</u>	<u>(383,261)</u>	<u>(397,536)</u>
<u>\$ (327,961)</u>	<u>\$ (400,142)</u>	<u>\$ (340,247)</u>	<u>\$ (412,020)</u>	<u>\$ (54,871)</u>	<u>\$ (75,113)</u>

CITY OF HOLLYWOOD, FLORIDA

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

Accrual Basis of Accounting

(\$ in thousands)

	2025	2024	2023	2022
Primary Government:				
Expenses:				
Governmental Activities :				
General Government	\$ 64,937	\$ 62,000	\$ 49,739	\$ 38,930
Public Safety	194,685	233,249	183,934	147,855
Public Works	19,028	18,675	16,093	11,957
Transportation	6,988	6,445	6,306	2,955
Economic Environment	15,203	29,395	12,767	12,404
Physical Environment	599	1,252	380	158
Culture and Recreation	21,582	18,767	18,172	14,426
Emergency and Disaster Relief & Other	22	8	1,739	(94)
Interest and Fiscal Charges	7,915	8,320	9,805	4,887
Total Governmental Activities	<u>330,960</u>	<u>378,109</u>	<u>298,936</u>	<u>233,478</u>
Business - Type Activities:				
Water	33,129	31,884	31,763	30,973
Sewer	56,803	56,020	47,058	38,571
Sanitation	19,414	19,120	16,152	15,786
Stormwater	4,175	5,681	5,755	3,367
Golf	2,978	2,843	2,914	2,439
Parking	10,677	10,417	8,842	8,059
Other	28	40	44	39
Total Business-Type Activities Net Position	<u>127,204</u>	<u>126,004</u>	<u>112,528</u>	<u>99,234</u>
Total Primary Government Expenditures	<u>458,164</u>	<u>504,113</u>	<u>411,464</u>	<u>332,712</u>
Revenues:				
Governmental Activities :				
Charges for Services:				
General Government	29,604	24,876	19,831	17,730
Public Safety	64,158	58,199	61,688	51,966
Public Works	620	614	-	267
Transportation	7	-	-	-
Economic Environment	558	455	303	847
Physical Environment	661	1,062	707	352
Culture and Recreation	2,091	2,080	1,930	1,931
Operating Grants and Contributions	18,189	33,235	17,080	13,036
Capital Grants and Contributions	17,038	8,043	12,218	7041
Total Governmental Activities	<u>132,926</u>	<u>128,562</u>	<u>113,757</u>	<u>93,170</u>
Business - Type Activities:				
Water	52,108	49,635	48,411	43,140
Sewer	67,397	71,197	60,835	54,602
Sanitation	20,215	21,460	20,422	19,282
Stormwater	10,990	10,739	9,247	7,664
Golf	2,850	2,474	2,524	2,650
Parking	14,519	13,546	13,626	11,839
Other	33	40	33	30
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	10,646	7,931	15,564	1,235
Total Business-Type Activities	<u>178,758</u>	<u>177,023</u>	<u>170,663</u>	<u>140,442</u>
Total Primary Government Revenues	<u>311,684</u>	<u>305,585</u>	<u>284,420</u>	<u>233,612</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

Accrual Basis of Accounting

(\$ in thousands)

2021	2020	2019	2018	2017	2016
\$ 39,072	\$ 54,781	\$ 64,445	\$ 34,331	\$ 36,963	\$ 37,369
188,005	252,285	152,776	155,948	160,110	145,365
14,696	17,001	16,012	13,047	15,400	15,565
3,229	2,610	3,437	3,375	5,041	3,698
11,067	8,092	6,602	6,767	6,641	6,144
892	989	633	7,100	1,551	787
15,108	17,165	15,386	14,851	14,815	14,970
2,930	3,994	239	7,002	3,293	-
5,250	5,753	4,872	4,509	4,973	5,565
<u>280,249</u>	<u>362,670</u>	<u>264,402</u>	<u>246,930</u>	<u>248,787</u>	<u>229,463</u>
27,205	36,700	29,721	27,276	29,604	27,398
39,287	54,588	43,645	42,248	41,754	41,179
15,369	15,408	13,547	12,804	12,539	12,421
3,180	2,730	2,605	2,471	2,238	2,230
2,290	2,125	2,081	2,088	2,411	2,374
8,762	10,278	8,768	7,280	7,080	7,320
35	16	27	34	28	6
<u>96,128</u>	<u>121,845</u>	<u>100,394</u>	<u>94,201</u>	<u>95,654</u>	<u>92,928</u>
<u>376,377</u>	<u>484,515</u>	<u>364,796</u>	<u>341,131</u>	<u>344,441</u>	<u>322,391</u>
16,889	14,135	13,909	12,718	12,279	10,881
48,321	49,619	49,655	42,433	38,318	36,503
277	13	259	251	244	206
-	-	-	76	104	333
483	837	2,629	2,904	1,581	1,949
160	291	962	733	1,109	1,496
1,528	1,006	1,436	1,447	1,470	1,558
12,846	7,275	21,457	3,929	3,895	2,692
962	625	474	82	658	863
<u>81,465</u>	<u>73,801</u>	<u>90,781</u>	<u>64,573</u>	<u>59,658</u>	<u>56,481</u>
42,346	41,100	38,887	40,425	41,050	39,757
67,548	62,018	56,876	57,900	56,718	54,473
17,465	15,491	13,049	13,335	13,590	13,651
5,995	5,781	3,177	3,215	3,275	3,201
1,871	1,655	2,009	1,922	2,069	1,829
11,359	8,403	9,566	9,136	7,489	6,625
32	33	41	34	40	30
-	-	-	47	-	-
1,681	4,540	2,968	2,802	2,731	4,808
<u>148,296</u>	<u>139,021</u>	<u>126,573</u>	<u>128,816</u>	<u>126,962</u>	<u>124,374</u>
<u>229,761</u>	<u>212,822</u>	<u>217,354</u>	<u>193,389</u>	<u>186,620</u>	<u>180,855</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
Accrual Basis of Accounting
(\$ in thousands)

	2025	2024	2023	2022
Net (Expenses) Revenues:				
Governmental Activities	(198,034)	(249,548)	(185,178)	(140,308)
Business - Type Activities	51,554	51,019	58,135	41,208
Total Primary Government Net (Expenses) Revenues	<u>(146,480)</u>	<u>(198,529)</u>	<u>(127,044)</u>	<u>(99,100)</u>
General Revenues and Other Changes In Net Position:				
Governmental Activities :				
Property Taxes Levied for General Purpose	152,593	140,948	127,152	115,100
Property Taxes Levied for Debt Service	13,876	13,886	13,929	7,594
Property Taxes Incremental	55,033	48,436	43,354	37,835
Utility Service Taxes	26,675	25,833	25,100	22,151
Franchise Taxes	19,354	18,687	17,825	16,400
Sales Tax	11,709	12,262	12,899	12,608
Gas Tax	2,666	2,756	2,728	2,736
Local Business Tax	2,483	2,067	2,423	2,510
Contributions not Restricted to Specific Programs	10,312	8,076	9,142	7,815
Investment Revenue	21,410	28,997	18,573	(4,469)
Gain (loss) on sale of Capital Assets	248	149	0	1,298
Miscellaneous	9,488	9,715	5,865	4,319
Legal Settlement	8,331	-	-	-
Transfers	6,705	5,907	6,294	5,689
Total Governmental Activities	<u>340,883</u>	<u>317,718</u>	<u>285,285</u>	<u>231,586</u>
Business - Type Activities:				
Investment Revenue	14,543	19,510	11,895	(7,288)
Gain (loss) on sale of Capital Assets	24	69	3	(82)
Noncapital other contributions	-	-	-	-
Miscellaneous	-	-	-	1
Large User Lawsuit Settlement	997	(6,109)	(3,388)	-
Transfers	(6,705)	(5,907)	(6,294)	(5,689)
Total Business-Type Activities	<u>8,859</u>	<u>7,563</u>	<u>2,216</u>	<u>(13,058)</u>
Total Primary Government General Revenues and Other Changes in Net Position	<u>349,741</u>	<u>325,281</u>	<u>287,501</u>	<u>218,528</u>
Change in Net Position:				
Governmental Activities	142,849	68,170	100,106	91,278
Business - Type Activities	<u>60,412</u>	<u>58,582</u>	<u>60,351</u>	<u>28,150</u>
Total Primary Government General Change in Net Position	<u>203,261</u>	<u>126,752</u>	<u>160,457</u>	<u>119,428</u>

CITY OF HOLLYWOOD, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
Accrual Basis of Accounting
(\$ in thousands)

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
(198,784)	(288,869)	(173,621)	(182,357)	(189,129)	(172,982)
<u>52,168</u>	<u>17,176</u>	<u>26,179</u>	<u>34,615</u>	<u>31,308</u>	<u>31,446</u>
 (146,616)	 (271,693)	 (147,442)	 (147,742)	 (157,821)	 (141,536)
 110,043	 103,745	 100,692	 89,282	 77,073	 70,740
7,591	7,609	3,680	3,673	3,682	3,742
38,442	37,479	31,082	35,366	32,512	29,790
20,961	20,886	20,673	21,004	20,629	20,324
13,824	12,057	13,007	12,911	12,726	11,540
10,911	9,081	10,080	10,137	9,563	10,254
2,569	2,469	2,773	2,760	2,766	2,913
2,418	2,411	2,299	2,332	2,030	1,871
 6,590	 7,084	 8,025	 7,843	 7,025	 6,984
174	3,032	4,435	2,881	1,268	932
(174)	14	732	-	-	-
4,887	3,331	14,751	3,139	2,411	6,790
-	-	-	-	-	-
<u>5,663</u>	<u>5,522</u>	<u>(7,772)</u>	<u>6,980</u>	<u>6,059</u>	<u>4,175</u>
<u>223,899</u>	<u>214,720</u>	<u>204,457</u>	<u>198,308</u>	<u>177,744</u>	<u>170,055</u>
 (52)	 2,041	 4,543	 2,420	 2,546	 2,150
118	74	-	-	-	-
-	-	-	-	-	-
495	485	2,443	826	686	728
-	-	-	-	-	-
<u>(5,663)</u>	<u>(5,522)</u>	<u>7,772</u>	<u>(6,981)</u>	<u>(6,059)</u>	<u>(4,175)</u>
<u>(5,102)</u>	<u>(2,922)</u>	<u>14,758</u>	<u>(3,735)</u>	<u>(2,827)</u>	<u>(1,297)</u>
 218,797	 211,798	 219,215	 194,572	 174,917	 168,758
 25,115	 (74,149)	 30,836	 15,951	 (11,385)	 (2,927)
<u>47,066</u>	<u>14,254</u>	<u>40,937</u>	<u>30,880</u>	<u>28,481</u>	<u>30,149</u>
 72,181	 (59,895)	 71,773	 46,831	 17,096	 27,222

CITY OF HOLLYWOOD, FLORIDA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
 (Accrual Basis of Accounting)
 (\$ in thousands)

Fiscal Year	Property Taxes	Utilities Service Taxes	Franchise Taxes	Sales Tax	Gas Tax	Local Business Tax (1)	Total
2025	\$ 221,502	\$ 26,675	\$ 19,354	\$ 11,709	\$ 2,666	\$ 2,483	\$ 284,389
2024	203,269	25,833	18,687	12,262	2,756	2,067	264,873
2023	184,435	25,100	17,825	12,899	2,728	2,423	245,410
2022	160,529	22,151	16,400	12,608	2,736	2,510	216,934
2021	156,077	20,961	13,824	10,911	2,569	2,418	206,760
2020	148,833	20,886	12,057	9,081	2,469	2,411	195,737
2019	135,454	20,673	13,007	10,080	2,773	2,299	184,286
2018	128,321	21,004	12,911	10,137	2,760	2,332	177,465
2017	113,267	20,629	12,726	9,563	2,766	2,030	160,981
2016	104,272	20,324	11,539	10,254	2,913	1,871	151,173

CITY OF HOLLYWOOD, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(\$ in thousands)

Fiscal Year	General Fund						Total Governmental Funds
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total	
2025	\$ 18	\$ 341	\$ 3,241	\$ 3,648	\$ 102,160	\$ 109,407	
2024	77	-	2,112	4,010	85,865	92,064	
2023	126	-	11,549	2,495	69,165	83,335	
2022	62	-	11,121	1,380	75,716	88,279	
2021	50	-	10,466	9,268	54,842	74,626	
2020	58	12,774	10,955	6,458	49,198	79,443	
2019	40	6,300	11,086	8,023	60,176	85,625	
2018	37	-	18,966	4,984	48,109	72,096	
2017	47	-	17,987	4,195	33,496	55,725	
2016	34	-	15,983	2,806	30,854	49,677	

Fiscal Year	Other Governmental Funds						Total Governmental Funds
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total	
2025	\$ 395	\$ 217,688	\$ 43,859	\$ 7,322	\$ (2,328)	\$ 266,935	\$ 376,342
2024	800	244,717	59,460	4,984	(1,411)	308,550	400,614
2023	24	247,450	59,290	2,531	(1,598)	307,697	391,032
2022	680	141,677	20,607	3,064	(1,959)	164,069	252,348
2021	1,954	143,905	11,798	4,629	(971)	161,315	235,941
2020	3,024	126,232	12,395	4,786	(5,163)	141,274	220,717
2019	1,132	112,182	329	6,702	(9,827)	110,518	196,143
2018	-	51,187	5,205	2,076	(9,948)	48,520	120,616
2017	1,586	74,757	7,334	1,348	(2,990)	82,035	137,760
2016	2,042	75,779	5,909	3,298	-	87,028	136,705

See accompanying independent auditor's report.

CITY OF HOLLYWOOD, FLORIDA
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(\$ in thousands)

	2025	2024	2023	2022
Revenues:				
Property Taxes	\$ 196,518	\$ 181,463	\$ 164,968	\$ 143,588
Utilities Service Taxes	26,675	25,833	25,100	22,151
Franchise Taxes	19,354	18,687	17,825	16,400
Licenses and Permits	11,663	12,170	14,257	9,280
Intergovernmental	75,647	76,017	69,514	59,868
Charges for Services	85,313	75,652	71,768	65,194
Fines and Forfeits	2,000	390	396	457
Impact Fees	1,492	1,810	2,174	395
Investment Revenue	18,247	24,838	16,038	(2,811)
Miscellaneous	10,599	5,361	5,814	4,906
Total Revenues	<u>447,510</u>	<u>422,221</u>	<u>387,854</u>	<u>319,428</u>
Expenditures:				
Current:				
General Government	66,362	58,382	48,939	45,875
Public Safety	226,345	210,051	182,253	176,147
Public Works	18,910	16,364	15,484	13,076
Transportation	7,054	6,079	6,279	3,427
Economic Environment	12,481	19,307	8,200	10,634
Physical Environment	599	1,252	380	156
Culture and Recreation	20,166	16,334	15,894	13,679
Emergency and Disaster Relief & Other	22	8	1,738	(94)
Other	-	-	-	43
Capital Outlay:				
General Government	4,445	9,137	3,621	2,003
Public Safety	62,089	12,664	10,643	9,285
Public Works	-	-	-	-
Transportation	8,798	8,687	11,636	8,020
Economic Environment	3,782	9,028	7,883	3,088
Physical Environment	24,191	11,620	1,511	1,286
Culture and Recreation	13,619	14,154	5,929	4,813
Debt Service				
Principal	14,911	21,482	21,401	17,188
Interest and Fiscal Charges	8,507	9,196	9,728	5,958
Total Expenditures	<u>492,281</u>	<u>423,743</u>	<u>351,519</u>	<u>314,584</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(44,771)</u>	<u>(1,523)</u>	<u>36,335</u>	<u>4,844</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(\$ in thousands)

2021	2020	2019	2018	2017	2016
\$ 138,800	\$ 132,135	\$ 121,538	\$ 112,390	\$ 98,520	\$ 90,697
20,961	20,886	20,673	21,004	20,629	20,324
13,824	12,057	13,007	12,878	12,726	11,540
9,140	9,618	10,878	10,305	7,973	8,864
52,043	49,886	42,807	41,235	38,261	37,116
60,015	57,614	59,582	50,182	48,187	44,915
437	508	159	1,284	61	424
824	-	-	-	-	-
192	2,440	3,238	2,062	1,006	628
5,289	3,331	14,663	3,261	3,023	5,860
<u>301,525</u>	<u>288,475</u>	<u>286,545</u>	<u>254,601</u>	<u>230,386</u>	<u>220,368</u>
39,223	39,873	55,236	33,057	31,292	26,847
164,830	165,753	152,847	141,936	133,224	120,134
13,197	13,159	12,921	12,229	12,144	10,977
3,419	3,085	2,840	2,297	2,211	1,589
8,737	6,808	5,992	3,826	3,455	2,990
890	988	432	20	335	258
12,451	11,959	11,698	11,411	10,538	9,835
2,929	3,994	239	7,002	3,293	-
43	113	250	2,252	2,333	2,718
	1,755	16,290	4,691	1,840	3,097
859	4,248	2,810	2,721	3,046	2,582
2,970	11				-
1,722	1,087	1,573	1,719	5,358	3,402
178	50	6	-	5	-
2,732	2,132	4,524	7,607	4,080	718
12,950	2,117	55	305	468	313
16,280	16,091	13,853	13,982	13,628	13,773
6,560	6,484	5,696	5,576	6,213	8,974
<u>289,971</u>	<u>279,707</u>	<u>287,262</u>	<u>250,631</u>	<u>233,463</u>	<u>208,207</u>
<u>11,555</u>	<u>8,768</u>	<u>(717)</u>	<u>3,970</u>	<u>(3,077)</u>	<u>12,161</u>

(Continued)

CITY OF HOLLYWOOD, FLORIDA
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (\$ in thousands)

	2025	2024	2023	2022
Other Financing Sources(Uses)				
Issuance of debt	\$ -	\$ -	\$ -	\$ 4,901
Retirement of debt	-	-	-	-
Transfers In	38,410	35,657	56,918	20,114
Transfers Out	(35,232)	(31,398)	(54,479)	(15,600)
Sale of Assets	33	1,091	2,888	1,385
Lease (right-of-use asset) Acquired	1,943	107	513	763
Impact Fees	-	-	-	-
SBITA	433	3,078	2,264	-
Debt Proceeds	6,579	2,570	89,660	-
Premium Proceeds	-	-	4,585	-
Total Other Financing Sources (Uses)	<u>12,167</u>	<u>11,105</u>	<u>102,349</u>	<u>11,563</u>
SPECIAL ITEM:				
PFAS Legal Settlement	<u>8,332</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in Fund Balances	<u>\$ (24,272)</u>	<u>\$ 9,582</u>	<u>\$ 138,685</u>	<u>\$ 16,407</u>
Debt Service as a percentage of Noncapital Expenditures	6.2%	8.6%	10.0%	8.1%

CITY OF HOLLYWOOD, FLORIDA
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (\$ in thousands)

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ -	\$ 11,700	\$ 70,738	\$ -	\$ 14,831	\$ 92,127
-	-	-	-	(14,831)	(53,924)
21,910	21,377	14,593	13,246	12,143	15,352
(18,346)	(18,390)	(11,220)	(7,600)	(8,011)	(11,937)
103	56	2,133	-	-	-
-	-	-	-	-	-
-	1,064	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,667</u>	<u>15,807</u>	<u>76,244</u>	<u>5,646</u>	<u>4,132</u>	<u>41,618</u>
-	-	-	-	-	-
<u>\$ 15,222</u>	<u>\$ 24,575</u>	<u>\$ 75,527</u>	<u>\$ 9,616</u>	<u>\$ 1,055</u>	<u>\$ 53,779</u>
8.5%	8.4%	7.5%	8.4%	9.1%	11.5%

CITY OF HOLLYWOOD, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(\$ in thousands)

Fiscal Year	Property Taxes	Utilities Service Taxes	Franchise Taxes	Sales Tax	Gasoline Tax	Local Business Tax	Total
2025	\$ 196,518	\$ 26,675	\$ 19,354	\$ 11,709	\$ 2,666	\$ 2,483	\$ 259,405
2024	181,463	25,833	18,687	12,262	2,756	2,067	243,067
2023	164,968	25,100	17,825	12,899	2,728	2,423	225,943
2022	143,588	22,151	16,400	12,608	2,736	2,467	199,950
2021	138,800	20,961	13,824	10,911	2,569	2,418	189,483
2020	132,135	20,886	12,057	9,081	2,469	2,411	179,039
2019	121,538	20,673	13,007	10,080	2,773	2,299	170,370
2018	115,782	21,004	12,877	10,137	2,670	2,130	164,600
2017	98,520	20,629	12,726	9,563	2,677	1,931	146,046
2016	90,697	20,324	11,540	10,254	2,825	1,826	137,466

See accompanying independent auditor's report.

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CITY OF HOLLYWOOD, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(\$ in thousands)

Fiscal Year	Real Property			Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value
	Residential Property	Commercial Property	Other Property			
2025	\$ 29,081,407	\$ 9,158,526	\$ 10,889	\$ 1,724,960	\$ 14,499,374	\$ 25,476,408
2024	26,443,104	8,537,215	10,919	1,688,134	13,369,616	23,309,756
2023	22,017,930	7,788,769	10,028	1,602,418	10,387,658	21,031,487
2022	18,164,519	7,235,649	9,381	1,500,854	8,007,188	18,903,215
2021	17,363,909	7,268,998	9,265	1,610,129	7,750,225	18,502,076
2020	16,789,008	6,868,114	6,374	1,473,059	7,723,651	17,412,904
2019	16,191,585	6,431,406	4,764	1,547,857	7,702,624	16,472,988
2018	15,187,241	6,052,243	4,623	1,512,574	7,519,034	15,237,647
2017	13,978,049	5,650,080	4,469	627,053	7,075,271	13,184,380
2016	12,764,725	5,163,513	4,117	604,697	6,453,560	12,083,492

Source: Broward County Revenue Collector.

(1) Includes tax exempt property.

See accompanying independent auditor's report.

CITY OF HOLLYWOOD, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(\$ in thousands)

Fiscal Year	Total Direct Tax Rate (mills)		Estimated Actual Taxable Value (1)	Assessed Value as a Percentage of Actual Value
2025	8.0132	\$	39,975,782	63.73%
2024	8.0846		36,679,373	63.55
2023	8.1548		31,419,146	66.94
2022	7.8966		26,910,403	70.25
2021	7.8966		26,252,301	70.48
2020	7.9226		25,136,556	69.27
2019	7.6992		24,175,612	68.14
2018	7.6992		22,756,682	66.96
2017	7.7363		20,259,651	65.08
2016	7.7677		18,537,052	65.19

CITY OF HOLLYWOOD, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year	City of Hollywood			Overlapping Rates (1)					
				Broward County			Broward County School District		
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage
2025	7.4479	0.5653	8.0132	5.6389	0.0301	5.6690	6.3110	0.1545	6.4655
2024	7.4665	0.6181	8.0846	5.5492	0.1198	5.6690	6.4260	0.1896	6.6156
2023	7.4665	0.6883	8.1548	5.5306	0.1384	5.6690	5.9510	0.1873	6.1383
2022	7.4810	0.4156	7.8966	5.5134	0.1556	5.6690	6.3180	0.1441	6.4621
2021	7.4665	0.4301	7.8966	5.4999	0.1691	5.6690	6.4140	0.0912	6.5052
2020	7.4665	0.4561	7.9226	5.4878	0.1812	5.6690	6.6350	0.1043	6.7393
2019	7.4665	0.2327	7.6992	5.4792	0.1898	5.6690	6.2750	0.1279	6.4029
2018	7.4479	0.2513	7.6992	5.4623	0.2067	5.6690	6.4740	0.0654	6.5394
2017	7.4479	0.2884	7.7363	5.4474	0.2216	5.6690	6.8360	0.0703	6.9063
2016	7.4479	0.3198	7.7677	5.4741	0.2489	5.7230	7.2030	0.0710	7.2740

Property Tax Rates: Expressed as mills per \$1,000 of taxable value.

Source: Broward County Property Appraiser.

- (1) Overlapping rates are those of local and county governments that apply to property owners within the City of Hollywood. Not all overlapping rates apply to all City of Hollywood property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).
- (2) Hollywood tax district code 0543 and 0553 - excluding North Broward Hospital District.
- (3) Hollywood tax district code 0534 - excluding South Broward Hospital District.

See accompanying independent auditor's report.

Continued on Next Page

CITY OF HOLLYWOOD, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Special Districts	South Broward Hospital District	North Broward Hospital District	Total Direct and Overlapping Rates	
			(2)	(3)
0.7089	0.0869	1.3261	20.9435	22.1827
0.7089	0.0937	1.4307	21.1718	22.4818
0.7121	0.1010	1.6029	20.7752	22.2771
0.7591	0.1144	1.2770	20.9012	22.0638
0.7877	0.1199	1.1469	20.9784	22.0054
0.7997	0.1260	1.0324	21.2566	22.1630
0.8138	0.1414	1.0855	20.7263	21.6704
0.8302	0.1496	1.2483	20.8874	21.9861
0.8509	0.1615	1.3462	21.3240	22.5087
0.8753	0.1737	1.4425	21.8137	23.0825

(2) Hollywood tax district code 0543 and 0553 - excluding North Broward Hospital District.

(3) Hollywood tax district code 0534 - excluding South Broward Hospital District.

City of Hollywood, Florida
Principal Taxpayers
Current Year and Nine Years Ago
(\$ in thousands)

<u>Taxpayer</u>	Fiscal Year 2025	
	Taxable Assessed Value (1)	Percentage of Total City Taxable Assessed Value
Florida Power & Light Company	\$ 1,236,205	4.9% %
Hollywood FL Owner LLC	589,972	2.3%
South Broward Hospital District	353,941	1.4%
MVHF LLC (BLDG) City of Hollywood	252,518	1.0%
Oakwood Plaza LP	154,740	0.6%
HC Real Property LLC	122,172	0.5%
Equity One (Sheridan Plaza) LLC	103,596	0.4%
Block 40 Property LLC	85,347	0.3%
North 29TH FL Partners LLC	83,118	0.3%
VB Owner LLC VB TIC II Owner LLC ET AL	74,550	0.3%
Total Taxpayer	<u>\$ 3,056,159</u>	<u>12.00%</u>
Total Taxable Assessed Value	<u>\$ 25,476,408</u>	

<u>Taxpayer</u>	Fiscal Year 2016	
	Taxable Assessed Value (2)	Percentage of Total City Taxable Assessed Value
Diplomat Properties LTD Partnership	\$ 422,089	3.49 %
Florida Power & Light Company	174,221	1.44
Michael Swerdlow Properties	99,851	0.83
Equity One LLC	80,673	0.67
Distribution Funding, Inc.	51,514	0.43
Park Colony	40,538	0.34
Windsor Hollywood LLC	39,708	0.33
CDR Presidential LLC	39,705	0.33
WRI/Hollywood Hills LLC	38,828	0.32
SNH SE Properties Trust	35,565	0.29
Total Taxpayer	<u>\$ 1,022,692</u>	<u>8.46%</u>
Total Taxable Assessed Value	<u>\$ 12,083,492</u>	

Source: Broward County Revenue Collector

(1) Value of nonexempt real and personal property subject to taxation at January 1, 2024

(2) Value of nonexempt real and personal property subject to taxation at January 1, 2015

CITY OF HOLLYWOOD, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(\$ in thousands)

Fiscal Year	Total Tax Levy (1)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy Collected		Amount	Percent of Levy Collected
2025	\$ 196,693	\$ 196,565	99.93 %	\$ -	\$ 196,565	99.93 %
2024	181,573	181,475	99.95	96	181,571	100.00
2023	165,115	164,993	99.93	57	165,050	99.96
2022	143,618	143,551	99.90	38	143,589	99.98
2021	139,538	138,828	99.49	647	139,475	99.95
2020	132,493	132,026	99.65	485	132,511	100.01
2019	121,653	121,561	99.92	106	121,667	100.01
2018	112,628	112,407	99.80	229	112,636	100.01
2017	98,636	98,539	99.90	98	98,637	100.00
2016	90,797	90,711	99.91	85	90,796	100.00

(1) Source: Broward County Revenue Collector.

See accompanying independent auditor's report.

CITY OF HOLLYWOOD, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(\$ in thousands, except per capita amount)

Governmental Activities					
Fiscal Year	General Obligation Bonds/Note	Capital Imp Bonds and Loans	Leases, and SBITA, and Other	Revenue Bonds and Loans (CRA's)	Bond Premium (Discount)
2025	\$ 150,000	\$ 39,558	\$ 12,627	\$ -	\$ 11,852
2024	156,757	41,089	9,493	-	13,188
2023	163,249	38,688	9,280	7,340	14,676
2022	81,036	44,729	4,331	14,682	11,693
2021	85,274	40,414	4,361	22,723	13,353
2020	89,363	42,858	3,946	30,455	15,200
2019	93,900	32,550	5,943	37,887	17,073
2018	36,435	33,161	7,794	45,661	7,871
2017	38,940	34,231	6,937	53,043	9,527
2016	41,372	51,803	7,926	60,231	11,354

See accompanying independent auditor's report.

CITY OF HOLLYWOOD, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(\$ in thousands, except per capita amount)

Business-type Activities						
Water & Sewer Revenue Bonds	Loans Payable	Leases, and SBITA, and Other	Bond Premium (Discount)	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 30,012	\$ 193,144	\$ 1,461	\$ 4,713	\$ 443,369	7.34%	\$ 2,824
31,776	174,602	951	5,401	433,258	8.10%	2,795
33,377	116,483	1,545	6,123	390,761	6.88%	2,523
39,249	124,468	1,409	7,024	328,621	5.69%	2,121
45,390	108,793	2,045	8,111	330,463	6.76%	2,148
61,623	77,511	2,633	1,681	325,270	6.98%	2,143
68,515	69,318	3,179	2,500	330,865	7.10%	2,193
75,054	61,499	5,246	3,477	276,198	6.17%	1,853
81,229	66,111	6,173	4,599	300,790	7.25%	2,043
87,119	71,320	7,115	5,853	344,093	8.61%	2,354

CITY OF HOLLYWOOD, FLORIDA
RATIOS OF GENERAL OBLIGATION BONDS/NOTE DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(\$ in thousands, except per capita amount)

Fiscal Year	General Obligation Bonds/Note	Less: Amounts Available in Debt Service Fund	Total	Percentage of Total Taxable Assessed Value of Property	Per Capita
2025	\$ 160,710	\$ (1,671)	\$ 159,039	0.62 %	\$ 1,013
2024	168,354	(1,341)	167,013	0.72	1,086
2023	175,750	(957)	174,793	0.83	1,129
2022	89,770	(1,441)	88,329	0.48	589
2021	98,627	(570)	98,057	0.52	629
2020	99,500	(463)	99,037	0.53	579
2019	104,593	(354)	104,239	0.61	612
2018	36,435	(282)	36,153	0.27	243
2017	38,940	(233)	38,707	0.32	263
2016	41,372	(182)	41,190	0.34	282

See accompanying independent auditor's report.

CITY OF HOLLYWOOD, FLORIDA
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS
SEPTEMBER 30, 2025

Governmental Unit	Bonded Debt Outstanding	Applicable to City of Hollywood	
		Percent (1)	Amount
DIRECT DEBT:			
City of Hollywood:			
General Obligation	\$ 160,709,747	100 %	\$ 160,709,747
Revenue Bonds and Loans			
Non-Self-Supporting Revenue Debt	<u>48,421,318</u>	100	<u>48,421,318</u>
Total Direct Debt	<u>209,131,064</u>	100	<u>209,131,064</u>
OVERLAPPING DEBT:			
Broward School District	<u>2,030,085,000</u>	9	174,423,822
Total Overlapping Debt	<u>2,030,085,000</u>		<u>174,423,822</u>
Total Direct and Overlapping Debt	\$ <u>2,239,216,064</u>		\$ <u>383,554,886</u>

Source: Taxing authority indicated.

(1) Percent of taxable value of property in Hollywood to taxable value of property in overlapping unit.

COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2025

The City has no legal debt margin requirement.

See accompanying independent auditor's report.

CITY OF HOLLYWOOD, FLORIDA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(\$ in thousands)

Water & Sewer Revenue Debt							
Fiscal Year	Revenues (1)	Less:	Net	Debt Service		Coverage	
		Operating Expenses (2)	Available Revenue (3)	Principal	Interest		
2025	\$ 131,375	\$ 65,289	\$ 66,086	\$ 9,723	\$ 3,661	4.93	
2024	136,484	63,970	72,514	12,049	2,514	4.98	
2023	119,165	54,096	65,069	11,492	3,260	4.41	
2022	92,574	47,034	45,540	14,359	3,189	2.60	
2021	109,894	44,633	65,261	12,241	3,521	4.14	
2020	102,412	68,548	33,864	13,766	5,504	1.76	
2019	99,616	52,652	46,964	12,726	4,971	2.65	
2018	100,416	48,857	51,559	12,079	5,895	2.87	
2017	100,108	47,581	52,527	11,260	6,676	2.93	
2016	96,241	43,130	53,111	11,835	6,184	2.95	

(1) Total operating and investment revenue.

(2) Total expense exclusive of depreciation plus special item in 2025.

See accompanying independent auditor's report.

CITY OF HOLLYWOOD, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (2) (\$ in thousands)	Per Capita Personal Income (2)	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2025	156,997	\$ 6,037,320	\$ 38,455	40.7	19,444	3.3 %
2024	155,038	5,347,261	34,490	42.3	18,805	3.1
2023	154,875	5,679,421	36,671	40.5	19,273	2.7
2022	154,909	5,776,712	37,291	44.9	19,494	3.2
2021	153,854	4,889,634	31,781	40.6	20,410	4.6
2020	151,818	4,657,017	30,675	42.7	19,263	8.2
2019	150,878	4,661,828	30,898	41.4	19,251	3.2
2018	149,028	4,479,782	30,060	41.7	19,441	3.5
2017	147,212	4,148,729	28,182	42.1	19,360	4.3
2016	146,155	3,995,001	27,334	42.6	19,623	4.6

(1) Source: University of Florida, Bureau of Economic and Business Research.

(2) Source: U.S. Census Bureau (as of the most recent DP 03 Report)

(3) Source: Broward School District - for Hollywood.

(4) Source: U.S. Department of Labor, Bureau of Labor Statistics.

See accompanying independent auditor's report.

CITY OF HOLLYWOOD, FLORIDA

PRINCIPAL EMPLOYERS

SEPTEMBER 30, 2025

<u>Employer</u>	<u>Employees</u>	<u>Product/ Business</u>	<u>Percentage of Employment</u>
Memorial Healthcare System	6,805	Hospital	4.2 %
Joe DiMaggio Children's Hospital	1,879	Hospital	1.2
City of Hollywood	1,533	Government	0.9
Publix Supermarkets	1,033	Supermarket Chain	0.6
Diplomat Resort & Spa	1,000	Hotel	0.6
Chewy	1,000	Distributor of Pet Food	0.6
Memorial Regional Hospital South	826	Hospital	0.5
Margaritaville Hollywood Beach Resort	425	Hotel	0.3
Broward County School Board/ Sheridan Technical	350	Architecture & Engineering	0.2
Toyota of Hollywood	325	Health & Wellness	0.2

SEPTEMBER 30, 2016

<u>Employer</u>	<u>Employees</u>	<u>Product/ Business</u>	<u>Percentage of Employment</u>
Memorial Healthcare System	4,018	Hospital	5.0 %
Westin Diplomat Resort & Spa	1,200	Hotel	1.5
City of Hollywood	1,181	Government	1.5
Publix Supermarkets	1,126	Supermarket Chain	1.4
Memorial Regional Hospital South	775	Hospital	1.0
Great HealthWorks, Inc.	385	Health Care Products	0.5
Brandsmart U.S.A.	346	Retail Consumer Electronics	0.4
HEICO Corporation	297	Aircraft Parts	0.4
FirstServices Residential	275	Property Management	0.3
Sheridan Technical Center	251	Educational Facility	0.3

Source: Broward County Revenue Collector

(1) Value of nonexempt real and personal property subject to taxation at January 1, 2024

(2) Value of nonexempt real and personal property subject to taxation at January 1, 2015

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CITY OF HOLLYWOOD, FLORIDA
BUDGETED FULL- TIME POSITIONS FOR CITY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
FUNCTION:				
General Government:				
City Commission				
Elected Officials	7	7	7	7
Administrative Staff	6	6	6	6
City Manager	11	10	9	8
City Attorney	15	15	14	14
Special Offices				
City Clerk	6	6	6	6
Procurement and Contract Compliance	10	10	10	
Budget & Performance Management	7	7	7	7
Emergency Management	1	0	0	0
Parking & Code Compliance	71	0	0	0
Communications, Marketing & Economic Development	13	11	10	10
Human Resources	12	10	10	13
Labor Relations & Risk Management	4	4	4	4
Financial Services	33	32	32	39
Development Services:				
Administration	3	3	4	5
Architecture	0	0	0	0
Engineering	0	0	0	0
Engineering & Mobility	17	16	14	14
Parking Services	0	0	0	0
Planning & Development Services	0	0	0	0
Planning & Urban Design	15	11	8	9
Building	61	50	43	37
Code Compliance	0	0	30	28
Community Development - ILA	1	1	1	1
Public Safety:				
Police:				
Officers	352	342	334	327
Civilians	112	167	133	132
Fire:				
Certified	261	240	240	242
Beach Safety	53	52	27	27
Civilians	13	12	12	12
Public Works:				
Administration	6	6	6	7
Code Compliance	0	0	0	0
Streets & Highways	24	28	28	28
Building & Grounds	29	27	27	29
Fleet Maintenance	11	11	15	15
Community & Economic Development	0	0	0	0
Housing & Community Redevelopment	0	0	0	0
Culture & Recreation	47	44	43	43
Public Utilities				
Administration	52	48	48	45
Engineering Services	19	19	19	19
Water & Wastewater	136	137	137	134
Stormwater	14	10	10	12
Sanitation	15	15	15	15
Information Technology	24	24	22	23
Design & Construction Management	15	15	14	12
Total	<u>1,476</u>	<u>1,396</u>	<u>1,345</u>	<u>1,330</u>

Source: City of Hollywood adopted fiscal year budget

Continued on Next Page

CITY OF HOLLYWOOD, FLORIDA
BUDGETED FULL- TIME POSITIONS FOR CITY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
7	7	7	7	7	7
6	6	6	6	6	6
7	7	7	7	7	7
14	14	14	14	14	14
6	6	6	6	8	8
7	8	8	8	0	0
0	0	0	0	0	0
0	0	0	0	0	0
10	11	10	10	5	5
13	12	9	10	11	11
4	5	4	3	4	4
41	33	42	42	50	50
4	4	4	3	3	0
0	9	9	8	9	0
0	5	5	6	6	0
14	0	5	6	6	0
0	0	18	18	16	16
0	0	0	0	0	0
9	9	7	7	7	11
32	32	33	31	31	31
28	28	0	0	0	0
1	0	0	0	0	0
321	321	323	321	321	322
129	127	103	109	109	133
235	233	233	226	225	213
27	27	26	26	26	26
12	14	12	12	12	12
6	6	6	6	6	6
0	0	25	25	25	0
28	28	28	27	24	24
29	29	27	33	36	48
15	15	15	15	15	15
0	0	0	0	4	4
0	0	0	0	0	0
42	42	42	42	42	42
44	44	44	44	44	44
19	19	19	19	19	18
134	130	130	130	130	131
11	11	11	11	11	11
15	18	18	15	15	11
23	22	22	23	23	23
19	16	0	0	0	4
<u>1,312</u>	<u>1,298</u>	<u>1,278</u>	<u>1,276</u>	<u>1,277</u>	<u>1,257</u>

CITY OF HOLLYWOOD, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	2025	2024	2023
FUNCTION:			
Police:			
Physical Arrests	2,167	2,594	3,970
Traffic Summons	17,692	20,228	20,308
Fire:			
Emergency Unit Responses	55,934	56,040	51,764
Ambulance Transports	12,102	12,669	12,511
Inspections Conducted	13,737	6,320	7,524
Building Activity:			
Permits Issued:			
Electrical	2,050	2,050	2,383
Mechanical	1,143	1,143	988
Plumbing	1,463	1,463	1,442
Structural	6,910	6,910	5,632
Zoning	122	122	133
Reviewer Valuation:			
Electrical	63,557,534	63,557,534	77,601,235
Mechanical	39,741,564	39,741,564	41,284,059
Plumbing	31,959,093	31,959,093	37,896,577
Structural	481,751,459	481,751,459	645,761,527
Zoning	507,729	507,729	1,050,316
Public Works:			
Compressed Natural Gas (CGN) Used in Place of Gasoline (Gallons)			
E85 Gas	2,000	123,008	231,415
Reuse Water Used for Irrigation Purposes (Cubic Feet)	115,000	4,478,696	4,478,696
Culture and Recreation:			
Special Events/Programs Held	55	67	68
Special Events/Program Participants	111,086	258,337	130,465
Sports Fields Prepared for Games	1,377	1,800	1,795
Rounds of Golf Played at Orangebrook Golf Course	70,909	61,678	58,520
Water System:			
Average Daily Consumption (Million GPD)	24.2	24.2	23.8
Wastewater System:			
Average Daily Treatment (Million GPD)	43.89	43.89	40.68
Sanitation:			
Solid Waste Collection (Tons)	41,122	43,200	41,495
Material Recycled (Tons)	6,563	5,280	6,471
Parking Services:			
Parking Violations Issued	96,543	80,683	77,124

Source: Information herein provided by various City departments annually.
The use of E85 gas began in May 2017.

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CITY OF HOLLYWOOD, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

2022	2021	2020	2019	2018	2017	2016
2,713	4,073	3,578	5,368	6,172	7,059	7,502
14,823	15,027	10,481	13,883	16,184	22,583	23,809
48,042	47,960	44,755	45,192	48,260	65,483	65,221
12,374	14,386	12,221	13,765	13,063	13,810	14,740
6,038	7,079	5,222	6,889	3,742	3,750	5,097
2,094	2,171	2,503	2,789	3,289	2,667	2,598
763	1,316	1,348	1,595	1,567	1,520	1,411
1,334	1,616	1,904	1,908	2,672	2,582	2,427
5,386	7,480	7,057	7,881	8,647	6,361	6,422
191	146	137	55	-	-	-
47,322,063	28,675,899	38,459,641	34,409,093	50,594,374	33,592,099	48,951,927
17,946,532	32,907,612	31,126,705	18,050,008	24,154,831	19,751,604	25,482,660
23,152,054	15,801,199	24,398,214	17,441,998	23,497,454	18,259,839	26,030,291
288,998,097	287,192,145	372,062,082	604,218,963	424,251,620	293,230,831	411,440,568
730,388	511,667	4,042,988	184,627	-	-	-
363,100	465,355	442,243	11,837	5,389	8,118	98,855
4,478,696	4,478,696	4,482,969	410,133	391,873	165,926	-
			4,922,167	4,922,167	3,620,000	2,352,286
67	44	64	177	174	102	118
90,960	97,105	45,416	126,365	130,984	254,694	209,869
1,788	1,350	1,755	3,840	10,188	3,810	5,200
67,173	50,231	52,892	73,931	71,508	75,133	64,497
23.3	22.1	21.7	21.2	21.9	20.9	22.6
38.4	40.7	38.9	38.3	34.7	38.5	36.0
40,997	50,721	51,835	45,622	45,622	44,809	41,640
9,425	9,654	9,714	11,320	11,320	9,989	9,753
59,436	53,913	43,641	43,670	39,967	35,896	37,886

CITY OF HOLLYWOOD, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	2025	2024	2023
FUNCTION:			
Police:			
Stations	1	1	1
Neighborhood Network Centers	2	2	2
Patrol Units & Other Vehicles	499	466	467
Fire:			
Stations	6	6	6
Training Centers	1	1	1
Beach Safety Center	1	1	1
Fire Apparatus	15	15	15
Emergency Rescue/Transport Units	12	12	12
Highways and Streets:			
Miles of Streets	879	879	879
Miles of Alleys	88	88	88
Number of Street Lights	9,026	9,026	9,026
Culture and Recreation:			
Art and Culture Centers	3	3	3
Baseball/Softball Diamonds	12	12	12
Basketball Courts-Indoor	3	3	3
Basketball Courts-Outdoor	24	24	24
Beach:			
Total Miles	6	6	6
Miles Maintained for Public Use	5	5	5
Miles of Patrolled Area	5	5	5
Bocci Ball Courts	2	2	2
Football/Soccer Fields	17	17	17
Golf Courses (36, 18 and 9 Holes)	3	3	3
Paddleball Courts	18	18	18
Parks and Playgrounds	90	90	90
Performing Arts Center-Indoor (508 Seats)	1	1	1
Recreation Centers	12	12	12
Roller Hockey Rinks (Converted for pickleball use)	1	1	1
Shuffleboard Courts	0	0	0
Skate Parks	2	2	2
Swimming Pools	1	1	1
Tennis Centers (12 Lighted Courts)	1	1	1
Tennis Courts	9	9	9
Theaters-Outdoor	3	3	3
Water System:			
Miles of Water Mains	550	550	552
Number of Supply Wells	22	22	22
Maximum Treatment Capacity (Million GPD)	41	41	41
Maximum Treatment Capacity Rating (Million GPD)	60	60	60
Storage Capacity (Millions of Gallons)	18	18	18
Number of Service Connections	41,687	41,687	41,635
Number of Fire Hydrants	3,049	3,049	3,022

Continued

CITY OF HOLLYWOOD, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

2022	2021	2020	2019	2018	2017	2016
1	1	1	1	1	1	1
2	2	2	2	2	2	2
492	461	439	480	510	510	521
6	6	6	6	6 (1)	5 (1)	6
1	1	1	1	1	1	1
1	1	1	1	1	1	1
15	15	15	15	15	15	15
12	12	12	12	12	12	12
879	879	879	879	879	879	879
88	88	88	88	85	85	85
9,026	9,026	9,026	8,819	8,822	9,438	9,262
3	2	2	2	2	2	2
13	14	14	15	15	15	15
3	3	3	3	2	2	2
24	24	24	24	24	24	24
6	6	6	6	6.00	6.00	6.00
5	5	5	5	4.50	5.00	5.00
5	5	5	5	4.50	5.00	5.00
2	2	2	2	2	2	2
17	17	17	23	18	18	18
3	3	3	3	3	3	3
18	18	18	18	18	18	18
90	90	79	80	81	80	80
1	1	1	1	1	1	1
12	12	11	11	11	11	11
1	1	1	1	1	1	1
0	26	26	36	36	36	36
2	2	2	2	2	2	2
1	1	1	1	1	1	1
1	1	1	1	1	1	1
9	9	9	9	9	9	9
3	3	3	3	3	3	3
550	550	547	547	550	550	550
22	22	22	22	22	22	22
46	46	46	46	46.0	46.0	46.0
60	60	60	60	60.0	60.0	60.0
18	18	18	18	18.0	18.0	18.0
41,600	41,918	41,377	40,565	41,372	40,565	41,128
3,038	3,037	2,913	2,869	2,832	2,832	2,685

Continued

CITY OF HOLLYWOOD, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	2025	2024	2023
Stormwater:			
Miles of Storm Drains	71.0	71.0	77.0
Number of Catch Basins	4,379	4,379	4,286
Number of Pump Stations	10	10	10
Number of Drainage Wells	12	12	12
Number of Out-falls	328	328	346
Wastewater System:			
Miles of Sanitary Sewers	217	217	216
Number of Lift Stations	86	86	86
Maximum Treatment Capacity (Million GPD)	55.5	55.5	55.5
Number of Service Connections	22,762	22,762	22,663
Number of Sanitary Sewer Manholes	4,659	4,659	4,562

Source: Information herein is provided by various City departments annually.

(1) Fire Station 45 was demolished and is in the process of being rebuilt.

CITY OF HOLLYWOOD, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
77.0	77.0	123.0	124.0	130.0	152.0	159.0
4,240	4,260	4,398	4,439	4,480	4,581	4,624
10	10	10	10	10	10	10
12	12	12	12	9	9	9
350	350	367	350	379	383	389
215	212	207	205	270	270	279
86	85	80	80	80	80	80
55.5	55.5	55.5	55.5	56.0	56.0	56.0
25,342	22,342	21,870	21,870	21,726	20,688	21,303
4,587	4,589	4,399	4,335	4,344	4,330	4,354



City of Hollywood, Florida
Department of Financial Services
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www.hollywoodfl.org

CITY OF HOLLYWOOD, FLORIDA
COMPLIANCE REPORTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

CITY OF HOLLYWOOD, FLORIDA

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**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance with Government Auditing Standards**

To the Honorable Mayor, City Commission and City Manager
City of Hollywood, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Hollywood, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 6, 2026. Our report includes a reference to other auditors who audited the financial statements of Hollywood Community Redevelopment Agency (the "CRA"), which includes the Beach and Downtown Community Redevelopment funds (major governmental funds of the City). Our report also includes a reference to other auditors who audited the financial statements the City of Hollywood Firefighters' Pension Fund and the City of Hollywood Police Officers' Retirement System, fiduciary funds of the City, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing on internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the City of Hollywood Firefighters' Pension Fund were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CBIZ CPAs P.C.

Fort Lauderdale, Florida
May 6, 2026

Independent Auditors' Report on Compliance for Each Major Federal Program and State Project; Report on Internal Control over Compliance; And Report on the Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General

To the Honorable Mayor, City Commission and City Manager
City of Hollywood, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the City of Hollywood, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the *State of Florida Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and major state projects for the fiscal year ended September 30, 2025. The City's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the fiscal year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and Chapter 10.550, Rules of the Auditor General ("Chapter 10.550"). Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and major state project. Our audit does not provide a legal determination of City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs and state projects.

Auditors' Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program and major state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance

requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550 Rules of the Auditor General

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated May 6, 2026, which contained unmodified opinions on those basic financial statements. Our report includes a reference to other auditors who audited the financial statements of Hollywood, Florida Community Redevelopment Agency (the "CRA"), the City of Hollywood Firefighters' Pension Fund and the City of Hollywood Police Officers' Retirement System. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

CBIZ CPAs P.C.

Fort Lauderdale, Florida
May 6, 2026

**CITY OF HOLLYWOOD, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

Federal/State Grantor, Pass Through Entity, Program Title	ALN/ CSFA No.	Grant/ Contract Number	Expenditures	Passed through to Subrecipients
FEDERAL GRANTS:				
U.S. Department of Housing and Urban Development:				
Direct Programs:				
CDBG – Entitlement/Special Purpose Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-12-0009	\$ 95,815	\$ 92,659
Community Development Block Grants/Entitlement Grants	14.218	Subgrant contract #22CV-E16,Flair ID #H2497	172,388	35,192
Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-12-0009	32,985	-
Community Development Block Grants/Entitlement Grants	14.218	B-23-MC-12-0009	438,022	-
Community Development Block Grants/Entitlement Grants	14.218	B-24-MC-12-0009	287,732	143,087
TOTAL Community Development Block Grants/Entitlement Grants			1,026,942	270,938
TOTAL CDBG – Entitlement/Special Purpose Grants Cluster			1,026,942	270,938
HOME Investment Partnerships Program	14.239	M17-MC-12-0227	63,306	68,721
HOME Investment Partnerships Program	14.239	M18-MC-12-0227	605,594	647,431
HOME Investment Partnerships Program	14.239	M19-MC-12-0227	141,010	141,010
HOME Investment Partnerships Program	14.239	M20-MC-12-0227	317,553	317,553
HOME Investment Partnerships Program	14.239	M21-MC-12-0227	45,124	45,131
HOME Investment Partnerships Program	14.239	M21-MP-12-0227	533,734	444,665
HOME Investment Partnerships Program	14.239	M22-MC-12-0227	11,207	-
HOME Investment Partnerships Program	14.239	M23-MC-12-0227	43,561	-
TOTAL HOME Investment Partnerships Program			1,761,089	1,664,511
Indirect Program:				
Passed through Florida Dept of Economic Opportunity:				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (CDBG-MIT) - Lift Station Repair and Strengthening - Lift stations N-07 and N-08	14.228	IR038	57,919	-
CDBG-MIT Floodplan Management Plan	14.228	MT008	36,995	-
TOTAL Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii			94,914	-
HUD Coastal Resiliency Grant	14.251	B-24-CP-FL-0661	175,851	-
TOTAL U.S. Department of Housing and Urban Development			3,058,796	1,935,449
U.S. Department of Interior, National Park Service:				
Passed through State of Florida, Department of Environmental Protection				
Outdoor Recreation Acquisition, Development and Planning program (Keating Park)	15.916	LW773	40,861	-
TOTAL U.S. Department of Interior, National Park Service:			40,861	-
U.S. Department of Justice:				
Direct Programs:				
Treatment Court Discretionary Grant Program - BJA FY 23 Community Courts Initiative	16.585	15PBJA-23-GG-05108-DBCT	145,148	-
Congressionally Recommended Awards	16.753	15PBJA-22-GG-00137-BRND	495,748	-
Federal Equitable Sharing Program	16.922	N/A	128,843	-
Public Safety Partnership and Community Policing Grants - (FY24 City of Hollywood, FL Microgrant - Hate Crimes Microgrant)	16.710	15jcops-24-GG-02521-PPSE	42,101	-
Indirect Programs:				
Passed through the State of Florida, Department of Legal Affairs:				
Crime Victim Assistance - Victims of Crime Act Grant (VOCA) - FY25	16.575	VOCA-C-2024-City of Hollywood Police Departm-00278	91,448	-
Passed through the City of Pompano Beach				
Edward Byrne Memorial Justice Assistance Grant Program - FY 2021	16.738	15PBJA-21-GG-01376-JAGX	17,600	-
TOTAL U.S. Department of Justice			920,888	-

(Continued)

**CITY OF HOLLYWOOD, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

Federal/State Grantor, Pass Through Entity, Program Title	ALN/ CSFA No.	Grant/ Contract Number	Expenditures	Passed through to Subrecipients
U.S. Department of Transportation:				
Indirect Programs:				
Passed through the State of Florida, Department of Transportation:				
Highway Planning and Construction (Federal-Aid Highway Program)				
Sheridan Park Sidwalks LAP	20.205	445534-1-38-01	169	-
Highway Planning and Construction - Beverly Park - Various Locations	20.205	443944-1-58-01/443944-1-68-01	1,534,988	-
Highway Planning and Construction - Heights/Hollywood Country Estates	20.205	443976-1-58-01/443976-1-68-01	1,611,455	-
Passed through the State of Florida, Department of Transportation and UNF:				
Highway Planning and Construction (Federal-Aid Highway Program)				
Pedestrian and Bicycle Safety High Visibility				
Enforcement Grant FY24-FY25	20.205	G2X22/433144-1-8404	33,975	-
TOTAL Highway Planning and Construction (Federal-Aid Highway Program)			3,180,587	-
Passed through the State of Florida, Department of Transportation:				
Highway Safety Cluster				
State and Community Highway Safety				
State and Community Highway Safety - Impaired Driving				
Initiative Grant FY25	20.600	G3494/AL-2025-00302	25,000	-
TOTAL State and Community Highway Safety			25,000	-
TOTAL Highway Safety Cluster			25,000	-
TOTAL U.S. Department of Transportation			3,205,587	-
U.S. Department of Treasury				
Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	3,555,747	-
Indirect Program:				
Passed through the Florida Department of State - Division of Arts and Culture				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds				
Art and Culture Center Art and Culture Center Expansion	21.027	23.c.cf 300.124	26,107	-
Passed through Florida Department of Environmental Protection:				
Tidal Flooding Mitigation and Shoreline Protection	21.027	22FRP13	376,519	-
TOTAL COVID-19 Coronavirus State and Local Fiscal Recovery Funds			3,958,373	-
TOTAL U.S. Department of Treasury			3,958,373	-
U.S. Department of Energy				
Direct Program:				
Energy Efficiency and Conservation Block Grant - EECBG FY25	81.128	DE-SE0000153	191,390	-
TOTAL U.S. Department of Health and Human Services			191,390	-
U.S. Department of Homeland Security:				
Direct Programs:				
Staffing for Adequate Fire and Emergency Response (SAFER)				
Fiscal Year 2020	97.083	EMW-2020-FF-00474	1,302,342	-
Indirect Programs:				
Passed through the State of Florida, Division on Emergency Management:				
Homeland Security Grant Program (HSGP) -				
Urban Area Security Initiative (UASI) FY22	97.067	R0588 / EMW-2022-SS-00029-S01	316,476	-
Urban Area Security Initiative (UASI) FY23	97.067	R0924 / EMW-2023-SS-00058-S01	302,002	-
TOTAL Homeland Security Grant Program (HSGP)			618,478	-
Passed through the State of Florida, Division of Emergency Management:				
Disaster Grants-Public Assistance (Presidentially Declared Disasters) -				
FY23 Disaster - April 2023 Broward Flood Event	97.036	4709DRFL	2,056,589	-
Hurricane Milton - Hurricane Disaster Assistance	97.036	4834DRFL	47,511	-
TOTAL Disaster Grants-Public Assistance (Presidentially Declared Disasters)			2,104,100	-
Hazard Mitigation Grant Program (HMGP) - Generator Project	97.039	4337-307-R, 4337-250-R, 4337-248-R, 4337-252-R, 4337-161-R, 4337-151-R	803,728	-
Hazard Mitigation Program - Generators - SW-08	97.039	H0363	148,303	-
Hazard Mitigation Program - Generators - E-8	97.039	H0950	2,049	-
TOTAL Hazard Mitigation Program			954,080	-
TOTAL U.S. Department of Homeland Security			4,979,000	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 16,354,895	\$ 1,935,449

(Continued)

**CITY OF HOLLYWOOD, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

Federal/State Grantor, Pass Through Entity, Program Title	ALN/ CSFA No.	Grant/ Contract Number	Expenditures	Passed through to Subrecipients
STATE GRANTS:				
State of Florida, Housing Finance Corporation				
Direct Program:				
State Housing Initiatives Partnership (SHIP) Program	40.901	225001	\$ 1,573,770	\$ -
TOTAL State of Florida, Housing Finance Corporation			1,573,770	-
State of Florida, Division of Emergency Management				
Direct Program:				
Hurricane Loss Mitigation Program - Wind Mitigation Grant for the new roof in Fire Station 31	31.066	B0231	250,000	-
TOTAL State of Florida, Division of Emergency Management			250,000	-
State of Florida, Department of Environmental Protection:				
Direct Programs:				
Florida Recreation Development Assistance Program (FRDAP)				
Drinking Water Facility Construction	37.076	DW0604D0	15,223,733	-
Wastewater Treatment Facility Construction	37.077	WW0604C0	11,437,035	-
Resilient Florida Program				
Resilient Florida Program - City of Hollywood District 1 - Hollywood Lakes Neighborhood Exfiltration	37.098	24SRP10	145,198	-
Resilient Florida Program - CRA - Grant - FDEP 24SRP23 - City of Hollywood Coastal Roadway Resiliency	37.098	24SRP33	2,182,548	-
TOTAL Resilient Florida Program			2,327,746	-
TOTAL State of Florida, Department of Environmental Protection			28,988,514	-
State of Florida, Department of State and Secretary of State				
Direct Program:				
Acquisition, Restoration of Historic Properties - FY 25				
Historic Properties Survey Grant Award	45.031	25.h.sm.200.075	44,040	-
TOTAL State of Florida, Department of State and Secretary of State			44,040	-
State of Florida, Department of Health				
Emergency Medical Services (EMS) Matching Awards - (EMS Broward Cty Firefighter Grant FY23)	64.003	M2430	19,558	-
TOTAL State of Florida, Department of Health			19,558	-
State of Florida, Department of Elder Affairs:				
Indirect Programs:				
Passed through the Areawide Council on Aging of Broward County, Inc.:				
Local Service Programs - Elderly Grant 2024-2025	65.009	JL 024-29-2025	227,974	-
Local Service Programs - Elderly Grant 2025-2026	65.009	JM 023-29-2026	24,458	-
TOTAL State of Florida, Department of Elder Affairs			252,432	-
State of Florida, Department of Law Enforcement				
Direct Program:				
001888 - Drone Replacement Grant - FL Department of Law Enforcement & Hwld Fire Rescue	71.092	3X095	39,604	-
FDLE Drone Replacement Program- FL Department of Law Enforcement & Hwld Fire Rescue	71.092	3X090	24,936	-
TOTAL State of Florida, Department of Law Enforcement Commission			64,540	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 31,192,854	\$ -

See accompanying notes to schedule of federal awards and state financial assistance.

CITY OF HOLLYWOOD, FLORIDA

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the “Schedule”) includes the federal award activity and state grant activity of the City of Hollywood, Florida (the “City”) for the fiscal year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”), and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the Florida Single Audit Act, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

The City has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF HOLLYWOOD, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified?

____ Yes X No

Significant deficiency(ies) identified?

____ Yes X None reported

Non-compliance material to financial statements noted?

____ Yes X No

Federal Awards and State Projects

Internal control over major federal programs and state projects:

Material weakness(es) identified?

____ Yes X No

Significant deficiency(ies) identified?

____ Yes X None reported

Type of auditors' report issued on compliance for major federal programs and state projects:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a) or Chapter 10.557, Rules of the Auditor General?

____ Yes X No

Identification of major federal programs and state projects:

Assistance Listing Number

97.083

Federal Program or Cluster

Staffing for Adequate Fire and Emergency Response (SAFER)

21.027

Coronavirus State and Local Fiscal Recovery Funds

CSFA No.

37.076

State Project

Drinking Water Facility Construction

37.098

Resilient Florida Program

Dollar threshold used to distinguish between Type A and Type B - Federal programs:

\$1,000,000

Dollar threshold used to distinguish between Type A and Type B projects – State projects:

\$935,786

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?

X Yes ____ No

CITY OF HOLLYWOOD, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARDS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS

None.

CITY OF HOLLYWOOD, FLORIDA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

II. PRIOR YEAR FEDERAL AWARDS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS

None.

**Management Letter in Accordance with the Rules of the
Auditor General of the State of Florida**

To the Honorable Mayor, City Commission and City Manager
City of Hollywood, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Hollywood, Florida (the “City”), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated May 6, 2026. We did not audit the financial statements of the Hollywood Community Redevelopment Agency (the “CRA”), which includes the Beach and Downtown Community Redevelopment funds (major governmental funds of the City), and the City of Hollywood Firefighters’ Pension Fund and the City of Hollywood Police Officers’ Retirement System, fiduciary funds of the City, as described in our report on the City’s financial statements. This management letter does not include any matters reported on separately by those other auditors in their management letter, if any.

Auditors’ Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (“Uniform Guidance”); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors’ Report on Compliance for Each Major Federal Program and Major State Project; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated May 6, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The status of recommendation made in the preceding annual financial audit report has been addressed in Appendix A.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information is disclosed in Note I to the financial statements. The City included the following blended component unit: the Hollywood Community Redevelopment Agency (“CRA”), comprised of the Downtown District and the Beach District. The Emerald Hills Safety Enhancement District is a discretely presented component unit of the City. Please note that the Central Residential Neighborhood Improvement District No. 1 and the City of Hollywood 441 Corridor Business NID No. 2 special districts were inactive as of September 30, 2025.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management’s responsibility to monitor the City’s financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. Our assessment was performed as of the fiscal year end.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the City’s geographical boundaries during the fiscal year under audit. There was no PACE Program operating within the City’s geographical boundaries.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, items 1 through 6 below are not applicable to the Central Residential Neighborhood Improvement District No. 1 and the City of Hollywood 441 Corridor Business NID No. 2 as both special districts are inactive as of September 30, 2025. The CRA required information is reported in the reporting section of the CRA's stand-alone financial statements for the fiscal year ended September 30, 2025. There are no amounts to report for items 1, 2, 3, 5 and 6 below for the Emerald Hills Safety Enhancement District. The Emerald Hills Safety Enhancement District reported \$108,004 for item 4 below.

- 1) The total number of District employees compensated in the last pay period of the District's fiscal year.
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year.
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency.
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency.
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with that total expenditures for such project, and
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal, State and other granting agencies, the Mayor and the City Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CBIZ CPAs P.C.

Fort Lauderdale, Florida
May 6, 2026

CITY OF HOLLYWOOD, FLORIDA

**APPENDIX A – CURRENT YEAR AND PRIOR YEARS RECOMMENDATIONS TO IMPROVE
FINANCIAL MANAGEMENT**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

No.	Current Year's Observations	Observation Is Still Relevant	Observation Addressed or No Longer Relevant
None			

No.	Prior Year's Observations		
MLC 2024-001	Inadequate Inventory Reconciliation (Utility Department)		X

Independent Accountant's Report on Compliance
Pursuant to Section 218.415, Florida Statutes

To the Honorable Mayor, City Commission and City Manager
City of Hollywood, Florida

We have examined the City of Hollywood's (the "City") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies for the fiscal year ended September 30, 2025. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the City and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, for the fiscal year ended September 30, 2025.

This report is intended to describe our testing of compliance with Section 218.415, Florida Statutes, and it is not suitable for any other purpose.

CBIZ CPAs P.C.

Fort Lauderdale, Florida
May 6, 2026

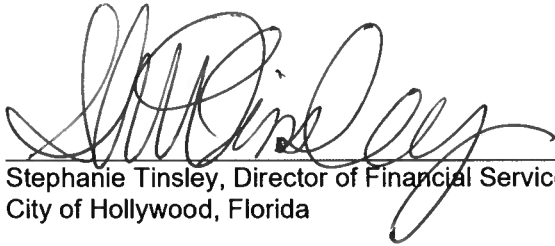
IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Stephanie Tinsley who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of City of Hollywood, Florida which is a local governmental entity of the State of Florida;
2. The governing body of City of Hollywood, Florida adopted Ordinance O-2019-18 (Water Impact Fee), O-2019-17 (Sewer Impact Fee), and O-2022-18 (Adoption of Impact Fees for General Government Buildings, Fire Rescue, Law Enforcement, Parks and Recreation, and Multi-Modal Transportation), implementing an impact fee(s) or authorized City of Hollywood, Florida to receive and expend proceeds of an impact fee(s) implemented by City of Hollywood, Florida; and
3. City of Hollywood, Florida has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

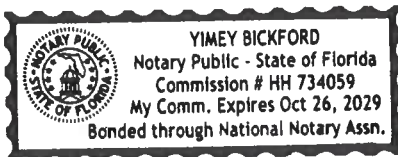
FURTHER AFFIANT SAYETH NAUGHT.

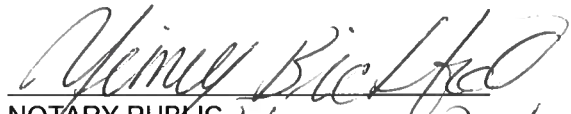
Initial DS Initial
PS DV RE AS


Stephanie Tinsley, Director of Financial Services
City of Hollywood, Florida

STATE OF FLORIDA
COUNTY OF (Name of County)

SWORN TO AND SUBSCRIBED before me this 2 day of April, 2026.




NOTARY PUBLIC
Print Name Yimey Bickford

Personally known ☒ or produced identification _____

Type of identification produced: _____

My Commission Expires:

10-26-29

2600 Hollywood Boulevard
P.O. Box 229045
Hollywood, Florida
33022-9045

hollywoodfl.org