

PALM BEACH COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2004





The cover of this report, as well as pictures contained throughout, is of the new Palm Beach County Convention Center. The official grand opening was held on January 10, 2004.

Photos courtesy of the Palm Beach County Convention and Visitors Bureau and the Public Affairs Department.

PALM BEACH COUNTY, FLORIDA

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

FISCAL YEAR ENDED SEPTEMBER 30, 2004

**Prepared by:
DEPARTMENT OF FINANCE**

**SHARON R. BOCK
Clerk & Comptroller
Palm Beach County**



PALM BEACH COUNTY, FLORIDA

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

Fiscal Year Ended September 30, 2004

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INTRODUCTORY SECTION



The Palm Beach County Convention Center is a 350,000 total square feet facility and boasts an exhibit hall containing 100,000 square feet and a ballroom containing 25,000 square feet.



SHARON R. BOCK

Clerk & Comptroller
Palm Beach County

March 25, 2005

To the Citizens of Palm Beach County, Florida and the
Honorable Tony Masilotti, Chair, and the Members of the
Board of County Commissioners:

The Palm Beach County, Florida, Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2004 is a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited by independent Certified Public Accountants in accordance with auditing standards generally accepted in the United States.

The CAFR was prepared by the Finance Department of the Clerk and Comptroller's Office in accordance with Section 218.32, Florida Statutes. Responsibility for both the accuracy of the data presented, and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk and Comptroller's Office of Palm Beach County. Palm Beach County has established a comprehensive set of internal controls designed to ensure that the County's assets are protected from loss, theft, or misuse, and that sufficient reliable accounting information is compiled to allow for financial statement preparation in conformity with GAAP. Since the cost of internal control should not exceed its expected benefit, the County's internal control structure has been designed to provide reasonable, but not absolute, assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Independent Audits. In accordance with Sections 11.45 and 125.01, Florida Statutes, the Palm Beach County financial statements were audited by Ernst & Young LLP, an independent certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of Palm Beach County for the fiscal year ended September 30, 2004, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based on their audit, the independent Certified Public Accountants concluded that there was a reasonable basis for rendering unqualified opinions stating that the Palm Beach County financial statements for the fiscal year ended September 30, 2004, were fairly presented in conformity with GAAP.

301 North Olive Avenue
West Palm Beach, FL 33401

P.O. Box 229
West Palm Beach, FL 33402

Telephone 561-355-2996
Facsimile 561-355-6727

www.pbcountyclerk.com

As a recipient of federal and state financial assistance, the County is responsible for maintaining an adequate internal control structure to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is reviewed by the independent certified public accountant in the annual Single Audit which covers federal grants and other financial assistance and the annual Florida Single Audit, which covers state grants and other financial assistance. The Single Audit was designed to meet the requirements of the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as well as Section 215.97, Florida Statutes. Information related to this single audit, including a schedule of expenditures of federal awards and state financial assistance, the independent certified public accountants reports on compliance and internal controls, and a schedule of findings and questioned costs are included in a separately issued single audit report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Palm Beach County's MD&A can be found immediately following the report of the independent certified public accountants.

PROFILE OF THE GOVERNMENT

Palm Beach County is a political subdivision of the State of Florida governed by the State Constitution and general laws of the State of Florida.

The legislative and governing body of the County is the seven-member Board of County Commissioners. Each County Commissioner is elected on a district-wide basis for a four-year term of office and each County Commissioner is a resident of their Commission District. The Commission elects a chairperson who serves as presiding officer. The Clerk and Comptroller's Office is the clerk and accountant of the Commission. As a result of a County-wide general election on November 6, 1984, Palm Beach County became a Home Rule Charter County on January 1, 1985, operating under a County Manager form of government with separation of legislative and executive functions. The County Administrator is responsible for the operations of all departments of the County, except the elected Constitutional officers, joint State/County agencies and staff departments that report directly to the Commission.

Services Provided. The County provides a wide range of services including property assessments, tax collections, county courts, county recording, public safety (law enforcement and fire protection), conservation and resource management, public improvements, employment opportunity and development, health, welfare, parks, recreation and cultural facilities, planning and zoning, transportation and general administrative services. The County also operates several enterprise activities.

Financial Reporting Entity. The separately elected members of the Board of County Commissioners (BOCC) and the Constitutional Officers together are the elected officials who are accountable to the residents of Palm Beach County. The officials holding these offices as of September 30, 2004, are identified on the page immediately following this letter. The

organizations of the BOCC and the Constitutional Officers together comprise the Palm Beach County primary government.

This report covers the Palm Beach County reporting entity which includes the primary government as well as the component units. Component units are legally separate entities for which the primary government is financially accountable. Component units are either classified as blended component units or discretely presented component units depending on the nature of the entity's relationship with the primary government.

The blended component units are included as a part of the primary government because, although they are legally separate entities, in substance, they are considered to be a part of the primary government's operations. The Solid Waste Authority of Palm Beach County is a blended component unit.

The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government. The Housing Finance Authority of Palm Beach County, the Metropolitan Planning Organization, and the Westgate/Belvedere Homes Community Redevelopment Agency are reported as discretely presented component units.

More information on the financial reporting entity may be obtained in Note 1 of the Notes to the Financial Statements.

Budgetary Controls. The County's annual budget is prepared pursuant to Chapter 129, Florida Statutes, and represents the legal authority to levy taxes and expend funds for all County purposes. Florida Statutes also require that budgets must be balanced. The County has complied with this after the inclusion of re-appropriated beginning fund balances. The Office of Financial Management and Budget (OFMB) initiate the budget process by reviewing revenue and expenditure projections for the coming year. Based on the County Administrator's direction, OFMB prepares and distributes specific instructions to the various department heads and to the elected County Officers to guide them in the preparation of their budget requests. The County Administrator's tentative budget is prepared by OFMB and presented to the County Commission prior to July 15. The Board reviews the budget and makes such changes as it deems necessary. A summary of the tentative budget is advertised and publicly reviewed and revised prior to approval and adoption by the County Commission. For managerial purposes, the Board has delegated its authority to approve intradepartmental transfers to the Director of OFMB. All other amendments to the adopted budget must be approved by Board action at a regularly scheduled Board meeting.

FACTORS AFFECTING FINANCIAL CONDITION

Palm Beach County is Florida's largest county in area, third in population and ninth in density. Growth has been the major influencing factor of the County in the last several years. Population has increased approximately 2% annually since 1990, compared to double and triple that rate in the 1980's. The total non-exempt property valuation has increased 46% over the past five years.

Local economy. Tourism and agriculture, together with the related service industries, are the leading sources of income for the County's residents. The "Glades" region is one of the nation's most productive agricultural areas. Palm Beach County is the largest agricultural county in

Florida and the fourth largest in the United States, with annual sales in excess of \$2 billion. The County government is making a concentrated and continuing effort to increase the number of visitors to our area each year. Manufacturing, primarily electronics and other high tech products, also plays an important role in the County's local economy.

Throughout the 1980's, the economy and the construction industry thrived as the population grew by approximately 5% per year. The national recession that occurred in the early 1990's reduced the County's growth rate to an average of approximately 2% annually. The County's population is expected to continue to increase by at least 13,000 residents each year.

The County's per capita income is 139% of the national average, the highest in the State of Florida, and has declined more than 9% over the past year. The County's labor force is made up of approximately 560,000, with the largest employer currently being the School Board of Palm Beach County.

An expanding population has created increased demand for essential services such as law enforcement, fire and rescue, human services, transportation and recreation. Additional people place increased demands on existing facilities creating expanded maintenance needs and ultimately the need for new and larger facilities.

Long-term financial planning. The Board of County Commissioners adopted a millage rate of 4.50 mills for Fiscal Year (FY) 2004, the same rate as FY 2003. The total countywide millage rate, including voted debt, results in taxes per capita of \$385.

During the FY 2004 budget development process, the Board addressed issues potentially impacting reserves. These issues included County-wide Community Revitalization Team funding, Article V costs, and sample ballot mailings. The FY 2004 budget provided funding for the level and quality of services expected by the citizens of Palm Beach County while maintaining a level of reserves sufficient to maintain the County's AAA General Obligation bond rating.

The Reserve for Balances Forward has been increased by \$20.9 million over the FY 2003 adopted budget. Adequate reserves and fund balances are necessary to maintain the County's high quality bond ratings. Moody's, Standard and Poor's, and Fitch rated the County's general obligation bonds AAA, the highest in the State.

In November 2002 the voters approved two general obligation (G.O.) bond issues. The \$50,000,000 Recreation and Cultural G.O. Bonds were issued to finance the acquisition and construction of parks and recreation facilities and for improvements to existing County parks. Additionally, donations to municipalities, the School Board and area non-profit organizations for cultural projects will be funded by the bonds. Voter approval of this issue is indicative of the demand for additional recreational and cultural facilities in Palm Beach County.

The second bond issue, \$55,000,000 Library District G.O. Bonds, will finance the cost of land acquisition, design, engineering, and construction of new library facilities and the renovation and rehabilitation of existing facilities within the Library District. This expansion program is necessary to meet the needs of an ever-growing population, which is expected to increase 11% by 2009.

Cash Management and Investments. The County's total portfolio represents funds that are in the Board of County Commissioner's consolidated pool; funds that are restricted in order to be in compliance with certain bond covenants; and certain investments previously made by the Sheriff's office. The Solid Waste Authority and Constitutional Officers, with the exception of the Sheriff and the Supervisor of Elections, are responsible for managing their own portfolios. County investments include various U.S. Treasury and U.S. Agency obligations (including certain mortgage-backed securities), highly rated commercial paper, money market funds, and at certain times, certificates of deposit. The County also participates in a state-wide pool of investments administered by the State Board of Administration.

The County uses a pooled-cash concept that provides for the investment of greater amounts of money at more favorable interest rates than those available to a single agency. With the support of the Investment Policy Committee, the Clerk and Comptroller's Office has taken a strategic investment approach to enhance income earned on County investments. Investment maturities are planned to coincide with projected cash needs; safety, liquidity, and yield are key considerations. To support investment decisions, the County subscribes to an electronic information system that provides access to real-time market information, business and economic news and analytic investment programs.

The average balance managed in the consolidated portfolio for fiscal year 2004 was approximately \$1.547 billion, earning an average yield of approximately 2.9%. The average balance managed in the restricted portfolio for fiscal year 2004 was approximately \$22.0 million, yielding approximately 3.3%. Investment income earned during the year on the County's portfolio was approximately \$38.0 million.

Enterprise Operations. The County operates three enterprise funds. They are the Department of Airports, the Water Utilities Department, and the Solid Waste Authority.

The *Department of Airports* operates four County-owned airports: Palm Beach International Airport located in West Palm Beach, and three general aviation airports located in Palm Beach Gardens, Lantana and Pahokee.

The *Water Utilities Department* provides potable water, wastewater, and reclaimed water services to approximately 425,000 people located within 177 square miles of the primarily unincorporated area of Palm Beach County.

The *Solid Waste Authority* has the power to construct and operate solid waste disposal facilities sufficient to effectively manage all solid waste generated in the County. The Solid Waste Authority operated one active landfill site for the year ended September 30, 2004. In addition, the Solid Waste Authority is responsible for two landfill sites closed after 1991 and three landfill sites closed prior to 1991.

Risk Management. The County is exposed to various risks of loss related to torts; theft, damage and destruction of assets; errors and omissions; and natural disasters. The County is essentially self-insured for this coverage but also maintains a commercial "Protected Self-Insurance" program to provide specific excess coverage for property losses and aggregate excess coverage for all losses. The County also purchases excess claim bill liability coverage to protect against exposures related to Florida tort liability claims. The County has self-funded its workers' compensation exposure since 1969. This fund covers all employees of the Board of County

Commissioners and all Constitutional Officers with the exception of the Sheriff who administers his own program. The County provides health insurance for its employees and eligible dependents. With the exception of the Constitutional Officers who have separately contracted for health insurance coverage, all funds of the County participate in the program.

Retirement System. The County participates in the Florida Retirement System, a public employee retirement system administered by the State of Florida. The plan is a multiple-employer cost sharing defined benefit plan which covers almost all officers and regular employees. Employees make no contributions to the plan. The County's contribution to the system for fiscal year 2004 was approximately \$56.2 million, which was equal to the required contributions for the year.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Palm Beach County, Florida, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2003. This was the fifteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, Palm Beach County also received the GFOA's Award for Distinguished Budget Presentation for its annual adopted budget for the fiscal year beginning October 1, 2003. This was the eighteenth time that Palm Beach County has received this award. In order to qualify for the Distinguished Budget Presentation Award, the budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated services of the entire Finance Department with special acknowledgment to the Accounting and Financial Reporting staff.

In addition, the support of the Board of County Commissioners, Constitutional Officers, County Administrator, Office of Financial Management and Budget and their respective staffs, as well as our external auditors, Ernst & Young LLP made preparation of this report possible.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sharon R. Bock". The signature is fluid and cursive, with the first name "Sharon" written in a larger, more prominent script than the last name "Bock".

SHARON R. BOCK, Clerk and Comptroller
Palm Beach County, Florida

PALM BEACH COUNTY, FLORIDA
PRINCIPAL OFFICIALS
AS OF SEPTEMBER 30, 2004

BOARD OF COUNTY COMMISSIONERS

KAREN T. MARCUS
County Commission Chair
District #1

JEFF KOONS
County Commissioner
District #2

BURT AARONSON
County Commissioner
District #5

WARREN H. NEWELL
County Commissioner
District #3

TONY MASILOTTI
County Commissioner
District #6

MARY MCCARTY
County Commissioner
District #4

ADDIE L. GREENE
County Commissioner
District #7

APPOINTED OFFICIALS

COUNTY ADMINISTRATOR Robert Weisman
COUNTY ATTORNEY Denise Nieman
COMMISSION AUDITOR Joseph F. Bergeron

CONSTITUTIONAL OFFICERS

Dorothy H. Wilken
CLERK OF THE CIRCUIT COURT

Theresa LePore
SUPERVISOR OF ELECTIONS

Gary R. Nikolits
PROPERTY APPRAISER

John K. Clark
TAX COLLECTOR

Edward W. Bieluch
SHERIFF

Palm Beach County as of FY 2003-2004

Electorate

Board of County Commissioners

Constitutional Officers: Property Appraiser,
Tax Collector, Supervisor of Elections,
Sheriff, Clerk of the Circuit Court,
State Attorney and Public Defender

County Attorney

County Administrator

Internal Auditor

Solid line indicates a direct line of authority.
Dotted line indicates a partial line of authority or funding.
County agencies
Agencies with an administrative tie to the Board of County Commissioners
Agencies with a relationship to the Board of County Commissioners



- Engineering & Public Works County Engineer
- Facilities Development & Operations
- Environmental Resources Management
- Information Systems Services
- Financial Management & Budget
- Fire-Rescue
- Airports
- Water Resources Manager

- Assistant County Administrator
- Public Affairs
- Legislative Affairs
- County Cooperative Extension Service
- Human Resources
- Equal Opportunity

- Deputy County Administrator
- Scripts Program Manager
- Office of Community Revitalization
- Office of Economic Development
- Housing & Community Development
- Planning, Zoning & Building
- Office of Small Business Assistance
- Tourist Development Council
- Treasures Coast Regional Planning Council
- Workforce Alliance
- Business Development Board

- Assistant County Administrator
- Community Services
- Library
- Parks & Recreation
- Purchasing
- Risk Management
- Water Utilities
- Housing Finance Authority
- Public Health Unit

- Assistant County Administrator
- Criminal Justice Commission
- Medical Examiner Office
- PalmTran
- Public Safety
- Metropolitan Planning Organization
- Court Programs
- Solid Waste Authority

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Palm Beach County,
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Nancy L. Zielle

President

Jeffrey R. Emery

Executive Director

FINANCIAL SECTION



The interior of the Palm Beach County Convention Center demonstrates its nautical theme by incorporating planks of rich Brazilian mahogany throughout the high ceilings in common areas and brings to mind the wood of a sailing ship.

Report of Independent Certified Public Accountants

Honorable Chair Tony Masilotti
and Members of the Board of County Commissioners
Palm Beach County, Florida

Honorable Ric L. Bradshaw
Sheriff
Palm Beach County, Florida

Honorable Sharon R. Bock
Clerk and Comptroller
Palm Beach County, Florida

Honorable Arthur Anderson
Supervisor of Elections
Palm Beach County, Florida

Honorable Gary R. Nikolits
Property Appraiser
Palm Beach County, Florida

Honorable John K. Clark
Tax Collector
Palm Beach County, Florida

We have audited the accompanying financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Palm Beach County, Florida (the County), as of and for the year ended September 30, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Solid Waste Authority, a blended component unit, the Housing Finance Authority or the Westgate/Belvedere Homes Community Redevelopment Agency, both discretely presented component units, (collectively, the Component Units), the statements of which reflect total assets of \$587,674,311 and revenues of \$151,479,177 for the year then ended. These component units represent 96.38% of total assets and 79.07% of total revenues of the County's blended and discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Solid Waste Authority, the Housing Finance Authority and the Westgate/Belvedere Homes Community Redevelopment Agency, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the County's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

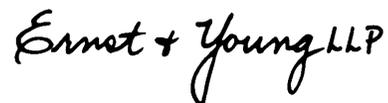
In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Palm Beach County, Florida as of September 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States.

As discussed in Note 2 to the financial statements, effective October 1, 2003 the County changed its method of accounting for inventory in certain funds.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 25, 2005 on our consideration of Palm Beach County, Florida's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis, the schedule of revenues, expenditures and changes in fund balances – budget and actual – general and major special revenue funds and the schedule of funding progress, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying introductory section, combining and individual fund statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



March 25, 2005

Management's Discussion and Analysis

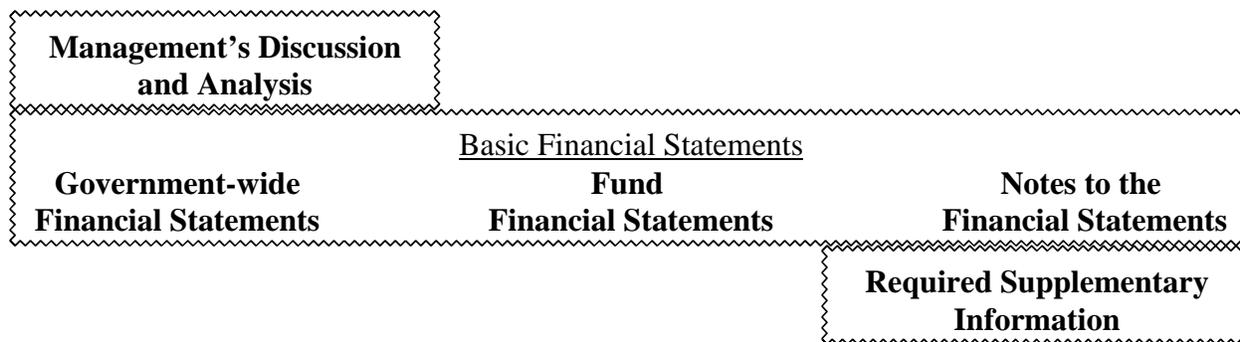
Our discussion and analysis provides an overview of the financial activities of Palm Beach County, Florida (the "County") for the fiscal year ended September 30, 2004. We encourage reading this narrative in conjunction with the additional information provided in the transmittal letter (beginning on page i) and the accompanying financial statements (beginning on page 2).

Financial Highlights

- The County's assets exceeded its liabilities (net assets) by approximately \$2.942 billion and \$2.691 billion at the close of fiscal years 2004 and 2003, respectively. Of these amounts, \$1.747 billion and \$1.571 billion was invested in capital assets, net of related debt. In addition, \$684.8 million and \$635.1 million was restricted by law, grant agreements, debt covenants, or for capital projects. As a result, \$509.6 million and \$485.5 million was available at year-end to meet the County's ongoing obligations to residents, creditors, and enterprise fund customers.
- During the year, the County's net assets increased \$250.7 million, an increase of approximately 9.3% from the previous year. Approximately \$88.8 million of this increase was from business-type activities. Approximately \$161.9 million of the increase was from governmental activities.
- At September 30, 2004, the County's governmental funds reported a combined ending fund balance of \$1.085 billion, an increase of \$107.2 million from the previous year.
- At September 30, 2004, the unreserved fund balance for the General Fund was \$148.2 million and the total fund balance was \$149.7 million which is a decrease of \$22.8 million or 13.2% from the previous year.
- The County's three enterprise funds, the Department of Airports, the Water Utilities Department, and the Solid Waste Authority had increases in net assets of \$21.0 million, \$48.1 million and \$18.5 million, respectively, over the previous year.
- The County's total liabilities at September 30, 2004 and 2003 were \$1.833 billion and \$1.699 billion, respectively.

Overview of the Financial Statements

This CAFR consists of the Basic Financial Statements and other statements. The County's basic financial statements contain three components: government-wide financial statements, fund financial statements, and notes to the financial statements (see chart on next page).



Government-wide Financial Statements

The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. The statement of net assets presents information on the assets and liabilities of the County as a whole. The difference between assets and liabilities is reported as net assets. Changes in net assets may serve as an indicator of whether the financial position of the County is improving or deteriorating. The statement of activities presents information showing how the County's net assets changed during the fiscal year. Changes in net assets are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the statement of activities will have cash flows in future fiscal periods. For example, certain sales taxes are shown as revenues although cash receipts will occur early in the following fiscal year. An increase in unused vacation leave is recorded as an expense although related cash outflows will occur in the future.

The government-wide financial statements show a distinction between activities that are supported primarily by taxes and intergovernmental revenues (governmental activities) and activities that are supported by the recovery of all or most of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation functions. The business-type activities of the County are the Department of Airports, the Water Utilities Department, and the Solid Waste Authority.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the legally separate entities for which the County is financially accountable (known as *component units*). The discretely presented component units of the County are the Metropolitan Planning Organization, the Housing Finance Authority of Palm Beach County, and the Westgate/Belvedere Homes Community Redevelopment Agency. The financial activity of these component units is reported separately from the financial information of the primary government.

To obtain the separately issued financial statements of the discretely presented component units, see Note 1- *Summary of Significant Accounting Policies*, in the *Notes to the Financial 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 County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions. All of the County's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Most of the County's basic services are reported in governmental funds, which focus on how money or other spendable resources flow into and out of those funds and the level of balances remaining at year-end that are available for expenditure. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general governmental operations. Governmental fund information helps determine the extent of financial resources that are available for expenditure on County programs. Reconciliations of the differences between the government-wide and fund financial statements are provided immediately after the *Balance Sheet-Governmental Funds* and *Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds*, respectively, in the *Basic Financial Statements*.

Funds that are significant in terms of revenues, expenditures, assets or liabilities are identified as *major* funds in the *Basic Financial Statements* and reported separately. Budget and actual comparison schedules are also presented as Required Supplementary Information for the General Fund and each major special revenue fund with an annually adopted budget. The County's nonmajor funds, and budget and actual comparisons schedules for any nonmajor funds with annually appropriated budgets, are presented in the *Combining and Individual Fund Statements and Schedules* section of this report.

Proprietary funds

The County uses both 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 County uses enterprise funds to account for its Airports, Water Utilities, and Solid Waste operations. All three of these operations are considered to be major proprietary funds of the County. *Internal service Funds* are used to accumulate and allocate costs internally among the County's other functions. The County uses internal service funds to account for its Fleet Management, Graphics, Risk Management and Information System Services programs. These programs are included within governmental activities in the government-wide financial statements because they predominantly benefit governmental rather than business-type functions. The five internal service funds are combined into a single presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the *Combining and Individual Fund Statements and Schedules* section of this report. The proprietary fund financial statements can be found in the *Basic Financial Statements*.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Agency funds are the only type of fiduciary fund used by the County. The amounts in these agency funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. However, the *Statement of Fiduciary Net Assets-Agency Funds* in the *Basic Financial Statements* is provided for information on the agency funds. In addition, the individual agency funds are presented in the *Combining and Individual Fund Statements and Schedules* section of this report.

Notes to the financial statements

The notes provide additional information that is essential for a more complete 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 containing budget to actual comparisons for the general fund and major special revenue funds. The combining statements for the nonmajor funds, internal service funds, agency funds, as well as individual fund budget and actual comparison schedules are found in the *Combining and Individual Fund Statements and Schedules* section of this report.

Government-wide Financial Analysis

Over time, net assets may serve as the most useful indicator of a government's financial position. At September 30, 2004 and 2003, the County's total net assets, or total assets less liabilities, were \$2.942 billion and \$2.691 billion, respectively. A significant portion of the County's net assets, \$1.747 billion or 59.4%, is identified as an investment in capital assets (such as land, buildings, equipment, infrastructure), less related debt outstanding that was used to acquire those assets. Since the County uses capital assets to provide services to its residents, the net assets represented by "investment in capital assets, net of related debt" are not available for future spending. In fact, the payment of maintenance and debt service costs on those capital assets will themselves require governmental resources.

Another portion of the County's net assets is restricted net assets which represent assets that are subject to constraints such as by debt covenants, grantors, laws or regulations. Unrestricted net assets are net assets that are available to meet the County's ongoing obligations to residents, creditors, and enterprise fund customers.

As shown on the chart on the following page, the County reported positive balances at September 30, 2004 and 2003, in all three categories of net assets, for governmental activities, business-type activities, as well as the County as a whole.

Palm Beach County, Florida
Net Assets at Year-End (in thousands)

	Governmental Activities		Business-Type Activities		TOTAL PRIMARY GOVERNMENT	
	2004	2003 *	2004	2003	2004	2003 *
Assets						
Current and other assets	\$1,407,849	\$1,196,463	\$543,719	\$543,346	\$1,951,568	\$1,739,809
Capital assets	1,599,950	1,494,272	1,223,076	1,156,401	2,823,026	2,650,673
Total assets	<u>3,007,799</u>	<u>2,690,735</u>	<u>1,766,795</u>	<u>1,699,747</u>	<u>4,774,594</u>	<u>4,390,482</u>
Liabilities						
Current	268,292	248,353	65,581	113,987	333,873	362,340
Long-term debt due in more than one year	910,245	775,001	588,580	561,975	1,498,825	1,336,976
Total liabilities	<u>1,178,537</u>	<u>1,023,354</u>	<u>654,161</u>	<u>675,962</u>	<u>1,832,698</u>	<u>1,699,316</u>
Net Assets						
Invested in capital assets, net of related debt	984,689	902,084	762,742	668,502	1,747,431	1,570,586
Restricted	587,664	544,036	97,185	91,081	684,849	635,117
Unrestricted	256,909	221,262	252,707	264,202	509,616	485,464
Total net assets	<u>\$1,829,262</u>	<u>\$1,667,382</u>	<u>\$1,112,634</u>	<u>\$1,023,785</u>	<u>\$2,941,896</u>	<u>\$2,691,167</u>
* Amounts reported for 2003 have been restated to reflect inclusion of infrastructure capital assets.						

Governmental activities

Governmental activities were responsible for a \$161.9 million increase in the County's net assets. The growth in net assets from governmental activities represented 64.6% of the County's total growth in net assets. Key elements of the increase in net assets during fiscal year 2004 are on the chart on the following page.

The County's governmental activities had net expenses of (\$725.9 million). However these services are intended to be primarily funded by taxes and other general revenues as opposed to charges for service and grants. Total revenues (both program and general revenues) exceeded total expenses by \$162.2 million.

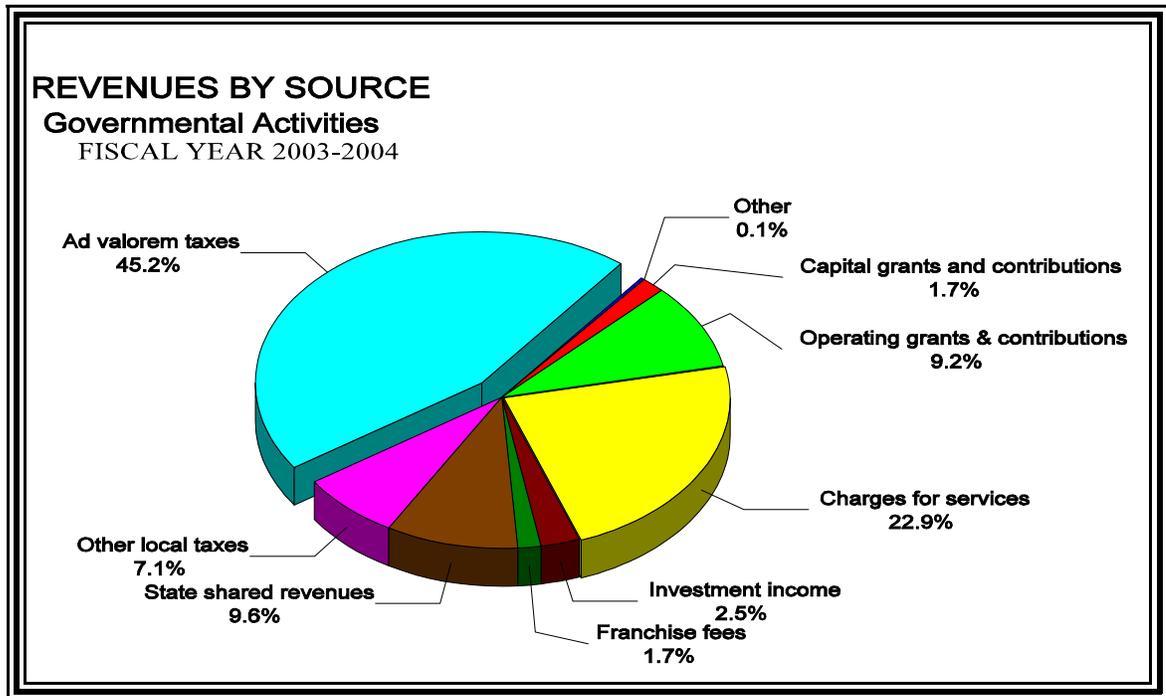
Business-type activities

The County's business-type activities had net revenues of \$87.5 million and including general revenues had total net revenues in excess of net expenses of \$88.3 million.

Palm Beach County, Florida
Changes in Net Assets (in thousands)

	Governmental Activities		Business-Type Activities		TOTAL PRIMARY GOVERNMENT	
	2004	2003 *	2004	2003*	2004	2003 *
Revenues						
Program Revenues:						
Charges for services	\$307,771	\$198,417	\$304,307	\$279,316	\$612,078	\$477,733
Operating grants and contributions	123,266	100,722	23,927	12,504	147,193	113,226
Capital grants and contributions	23,246	106,930	45,812	44,406	69,058	151,336
	<u>454,283</u>	<u>406,069</u>	<u>374,046</u>	<u>336,226</u>	<u>828,329</u>	<u>742,295</u>
General Revenues:						
Ad valorem taxes	606,326	542,172			606,326	542,172
Other local taxes	95,079	91,591			95,079	91,591
State shared revenues	128,439	115,087			128,439	115,087
Franchise fees	22,856	22,845			22,856	22,845
Investment income	33,858	31,005			33,858	31,005
Other	1,564	5,343	739	76	2,303	5,419
Total revenues	<u>1,342,405</u>	<u>1,214,112</u>	<u>374,785</u>	<u>336,302</u>	<u>1,717,190</u>	<u>1,550,414</u>
Expenses						
General government	277,009	270,302			277,009	270,302
Public Safety	480,228	434,512			480,228	434,512
Physical environment	23,721	19,546			23,721	19,546
Transportation	128,520	114,023			128,520	114,023
Economic environment	50,620	43,031			50,620	43,031
Human Services	88,722	80,495			88,722	80,495
Culture and recreation	94,616	88,834			94,616	88,834
Interest expense	36,730	34,241			36,730	34,241
Department of Airports			58,126	57,016	58,126	57,016
Water Utilities Department			77,155	72,006	77,155	72,006
Solid Waste Authority			151,239	135,649	151,239	135,649
Total expenses	<u>1,180,166</u>	<u>1,084,984</u>	<u>286,520</u>	<u>264,671</u>	<u>1,466,686</u>	<u>1,349,655</u>
Excess (deficiency)	162,239	129,128	88,265	71,631	250,504	200,759
Transfers In (Out)	(359)	55	359	(55)		
Special items			225		225	
Change in net assets	161,880	129,183	88,849	71,576	250,729	200,759
Beginning net assets, restated	1,667,382	1,538,199	1,023,785	952,209	2,691,167	2,490,408
Ending net assets	<u>\$1,829,262</u>	<u>\$1,667,382</u>	<u>\$1,112,634</u>	<u>\$1,023,785</u>	<u>\$2,941,896</u>	<u>\$2,691,167</u>

*Amounts reported for 2003 have been restated to reflect depreciation of infrastructure capital assets, reporting impact fees as capital grants/contributions instead of general revenues, and the reclassification of transfers between governmental and business-type activities.



Financial Analysis of the Government's Funds

As mentioned earlier, the County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in determining the County's financing resources. Unreserved fund balance, in particular, is a useful measure of a government's net resources available for spending at the end of a fiscal year.

Changes in Fund Balance - Governmental Funds

The growth in fund balance in the Governmental Funds is primarily the net result of activity in the Road Program Capital Projects funds and the General Government Capital Projects funds. Key factors impacting these funds are as follows:

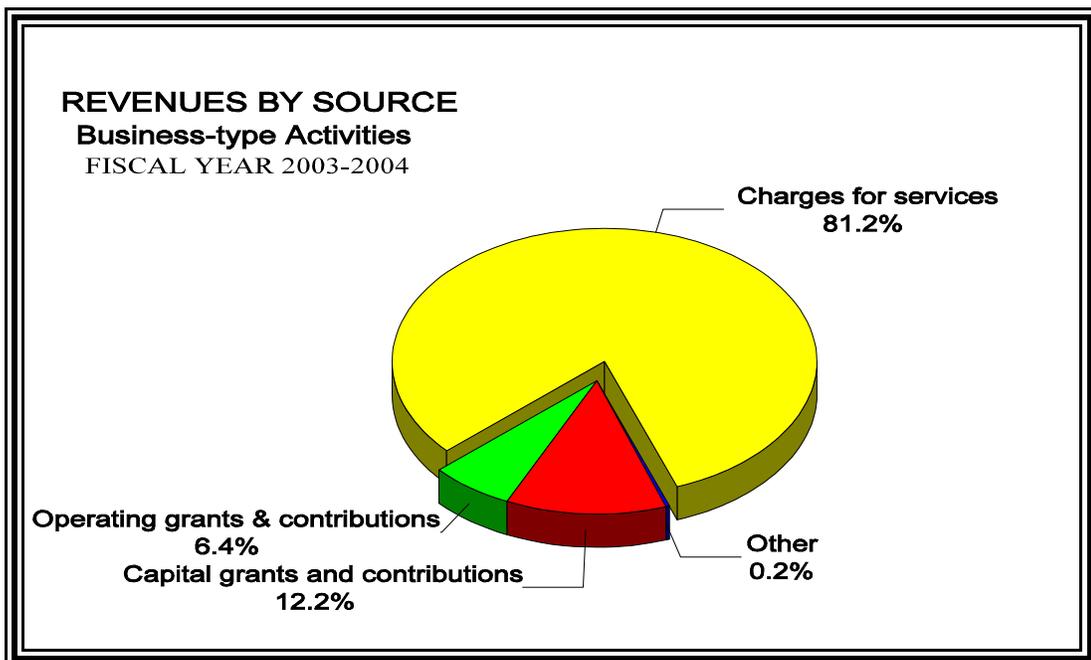
- Balances in the Road Program Capital Project funds increased, in part, due to gas tax and impact fee collections exceeding budget. Additionally, certain projects planned for FY 2004 were delayed and will be reappropriated in the subsequent year. Fund balance not designated for specific projects is carried over and held in reserve for future projects.
- In FY 2004 the Board approved increased funding of capital projects by \$21.8 million (88.5%) over the prior year resulting in a reduction in fund balance in the General Fund. This increased level of

capital outlay is in recognition of a need to annually appropriate a higher amount for routine capital improvements. Utilizing a strategy of "pay as you go" funding for a portion of annual capital requirements enables the County to maintain its debt at manageable levels.

- The General Government Capital Projects category includes major construction projects, such as Scripps Biotech, an office building at the Vista Center, and South County Courthouse renovations. These projects are multi-year projects, whose budgets are established at inception and carried over into the ensuing years. Over \$180 million in bond/loan proceeds were added to the FY 2004 budget during the year to begin these projects, and most of those funds remained unspent at year end. This contributed significantly to the large increase in fund balance. It is anticipated that money will be spent in FY 2005 and after.

At September 30, 2004, the County's governmental funds reported combined ending fund balances of \$1.085 billion, an increase of \$107.2 million from the previous year. This increase was the result of a combination of the \$26.7 million increase in the ending fund balance of the Road Program Capital Projects Fund; a decrease in the General Fund of \$22.9 million; a decrease in the Fire Rescue Special Revenue Fund of \$2.5 million; an increase in the Sheriff Special Revenue Fund of \$.7 million; an increase in the General Government Capital Projects Fund of \$97.2 million and an increase in Other Governmental Funds of \$8.0 million.

Approximately 97.9% of ending combined fund balances, or \$1.062 billion, constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of the funding is primarily reserved for long-term disabilities, inventories, and debt service.



Proprietary funds. The proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Financial highlights of each of the County's enterprise funds are as follows:

Department of Airports:

- I Operating revenues rose by 10.3%, increasing from \$47.7 million to \$52.7 million. Components include an increase in concession revenues of \$2.7 million, which includes parking, car rental, and terminal concessions. Increased concessions revenue was due to increased passenger traffic and an increase in parking rates during fiscal year 2004. Rental revenue increased \$1.38 million due to increased rental rates.
- I Operating expenses, excluding depreciation and amortization, increased by 4.5% totaling \$35.8 million in fiscal year 2004. Employee compensation increased by 10.2%, totaling \$9.33 million for the year. Some of the additional compensation cost was due to hurricanes Frances and Jeanne. Overtime resulting from these events totaled approximately \$221,000. Excluding hurricane overtime, employee compensation increased 7.6%.
- I Net Income for fiscal year 2004 totaled \$21.0 million, an increase of 50.6% over the prior year. Operating income for fiscal year 2004 totaled \$1.10 million compared to a \$2.34 million loss in 2003.

Water Utilities Department:

- The Department's net assets increased by \$48.0 million, or 7.3%, during the year.
- Long-term debt (net of the current portion) decreased by \$9.8 million, or 9.5%, during the year.
- Operating revenues rose by \$7.2 million, or 9.4%, based upon continued strong growth in the Department's customer base and an estimated \$2.9 million operating grant from the Federal Emergency Management Agency (FEMA) while operating expenses before depreciation and equity interest in net loss of joint venture increased by \$4.3 million, or 9.0%.
- No rate increases were required or implemented during the year.
- Non-operating revenue increased by \$1.5 million due primarily to an increase in guaranteed revenues realized from new development within the Department's service area.
- The Department's total income before contributions remained strong at \$18.0 million.

Solid Waste Authority:

- The Authority's assets exceeded its liabilities (net assets) by approximately \$141.8 million and \$123.3 million at the close of fiscal years 2004 and 2003, respectively. Of these amounts, approximately \$78.8 million and \$76.1 million are considered unrestricted and according to the Authority's trust indenture are available for renewal and replacement of the solid waste system and capital improvements.
- The Authority's revenues, contributions and special items exceeded its expenses by approximately \$18.5 million and \$10.0 million for fiscal years 2004 and 2003, respectively.
- The Authority incurred approximately \$14.2 million in costs associated with the clean-up efforts following Hurricanes Frances and Jeanne. A receivable for approximately \$12.7 million was established for expected reimbursement from federal and state agencies for a portion of these costs.
- The Authority issued \$34,385,000 of Series 2004 Refunding Revenue Bonds for the purpose of advance refunding the Series 1997B bonds. The Authority reduced its aggregate debt service payments by approximately \$1,873,000 over the life of the bonds and produced an economic gain of approximately \$1,644,000.

Budgetary Highlights

Budget and actual comparison schedules are provided as Required Supplementary Information for the General Fund and all major special revenue funds with annually appropriated budgets. Budget and actual comparison schedules are also provided in the Combining and Individual Fund Statements and Schedules section for all nonmajor funds with annually appropriated budgets. The budget and actual comparison statements and schedules show the original adopted budget, the final revised budget, actual results and a variance between the final budget and actual results. There were no funds with total actual expenditures in excess of the final revised budget.

After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, corrections or errors, new bond or loan proceeds, new grant awards and other revenues. During fiscal year 2004, supplemental appropriations to the Board of County Commissioners' budget excluding component units, were approximately \$388.9 million, or approximately 12.5% of the original adopted budget.

Differences between the original budget for fiscal year 2004 and the final amended budget for the General Fund can be summarized as follows:

- Reappropriations, which represent the "true-up" of beginning fund balances to actual fund balance, accounted for a major portion of the difference between adopted budget and the final budget. The balance brought forward amendment was \$8.1 million.

- Additional budget amendments throughout the year accounted for the remaining increase in final budget. Some of the more significant amendments included the establishment of budget for a contract with the Village of Wellington for the Sheriff's Office to provide law enforcement services (\$.5 million) and to establish a grant budget for drug treatment services through the County's Drug Court program (\$.3 million). The budget was also amended to adjust Local Law Enforcement Block Grant program revenues and expenditures and to establish budget for an Aquatic Vegetation Control Program funded by the State, for a combined increase of approximately \$300,000.

Budget to Actual Expenditures

- General Fund's unreserved fund balance at year-end includes \$94.0 million which represents approximately 90% of the unexpended appropriations in the fund. These balances will be carried over into FY 2005 and will be reappropriated.
- The majority of the balance of the unspent funds can be attributed to various grant matches (approximately \$4.0 million) not being required in FY 2004, which will be carried over into FY 2005 and \$3.0 million in funding not required by the Supervisor of Elections.

Budget to Actual Revenues

In total, General Fund revenues exceeded budget by 3.7%, a favorable variance.

- Ad valorem tax collections were 97% of budget, higher than the historical collection rate of 96%. Florida Statutes require revenues to be budgeted at 95% of reasonably anticipated receipts. Palm Beach County budgets a negative 5% statutory reserve to accomplish this. Allowing for the reserve, ad valorem taxes were actually over-collected.
- Sales Tax and State Shared Revenues exceeded budget. This is attributed to a strong, local economy and tourism returning to pre-September 11 levels.
- Growth in population and technology have attributed to the Communications Services Tax revenues exceeding budget.

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2004, amounts to \$2.823 billion (net of accumulated depreciation). This investment in capital assets includes a broad range of capital assets, including land, buildings and improvements, improvements other than buildings, equipment, infrastructure, and construction in progress. The total increase in the County's investment in capital assets for fiscal year 2004 was 6.5 percent (a 7 percent increase for governmental activities and a 5.8 percent increase for business-type activities).

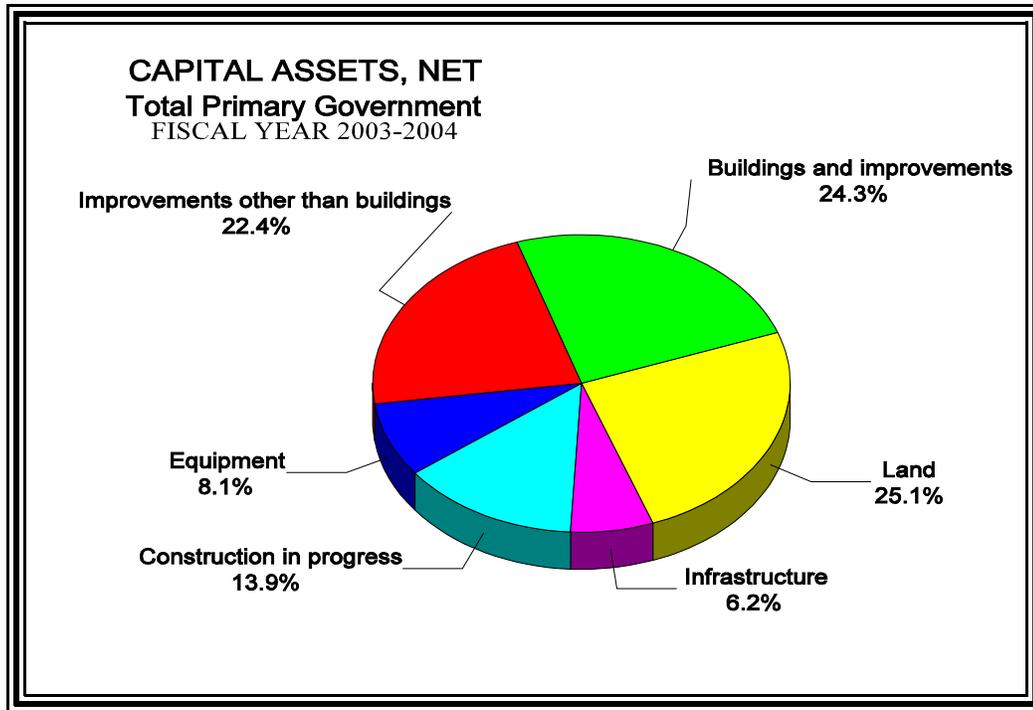
Palm Beach County, Florida
Capital Assets Net of Accumulated Depreciation at Year-End (in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2004	2003*	2004	2003	2004	2003*
Primary Government:						
Land	\$528,918	\$488,664	\$180,877	\$173,627	\$709,795	\$662,291
Buildings & improvements	398,711	295,368	288,424	273,782	687,135	569,150
Improvements other than buildings	63,462	69,722	567,579	525,376	631,041	595,098
Equipment	149,159	155,082	78,659	81,879	227,818	236,961
Infrastructure	176,177	198,335	-	-	176,177	198,335
Construction in progress	283,523	287,101	107,537	101,737	391,060	388,838
TOTALS	\$1,599,950	\$1,494,272	\$1,223,076	\$1,156,401	\$2,823,026	\$2,650,673

* Amounts for 2003 are restated due to the inclusion of infrastructure assets.

Major capital asset events during fiscal year 2004 included the following:

- The Palm Beach County Convention Center officially opened during FY 2004. As a result, approximately \$77.0 million in costs were moved from construction-in-progress to their respective capital accounts.
- During FY 2004, significant upgrades and improvements were completed at the North County Governmental Center. As a result, approximately \$14.1 million in costs were moved from construction-in-progress to their respective capital accounts.
- Major capital asset additions by the Water Utilities Department included the expansion of Phase 1 of Water Treatment Plant #3 of \$32.9 million, Construction of the Central Region Operations Center of \$21.5 million, System-wide Wellfield expansion of \$9.1 million, and the expansion of Phase II of Water Treatment Plant #9 of \$8.5 million.
- The Solid Waste Authority expended approximately \$22.9 million on capital activities, which included approximately \$4.9 million for land acquisition and approximately \$5.4 million for construction costs associated with the expansion of the Central County Transfer Station.
- The Department of Airports expended \$15.6 million on capital activities. During 2004, completed projects totaling \$8.8 million were closed from construction-in-progress to their respective capital accounts. Major projects completed include North County Airport T-hangars and aprons as well as land acquisition.



See Note 5, *Capital Assets*, in the *Notes to the Financial Statements* for additional information.

Long-term liabilities. At September 30, 2004, the primary government had 34 issues of bonded debt totaling \$1.269 billion. Of this amount, \$278 million comprises debt backed by the full faith and credit of the government, \$452 million is special obligation debt secured by dedicated revenue sources and \$539 million is secured by specified enterprise revenue sources. See chart below for more information.

Palm Beach County, Florida
 Outstanding Long-Term Liabilities at Year-End (in thousands)

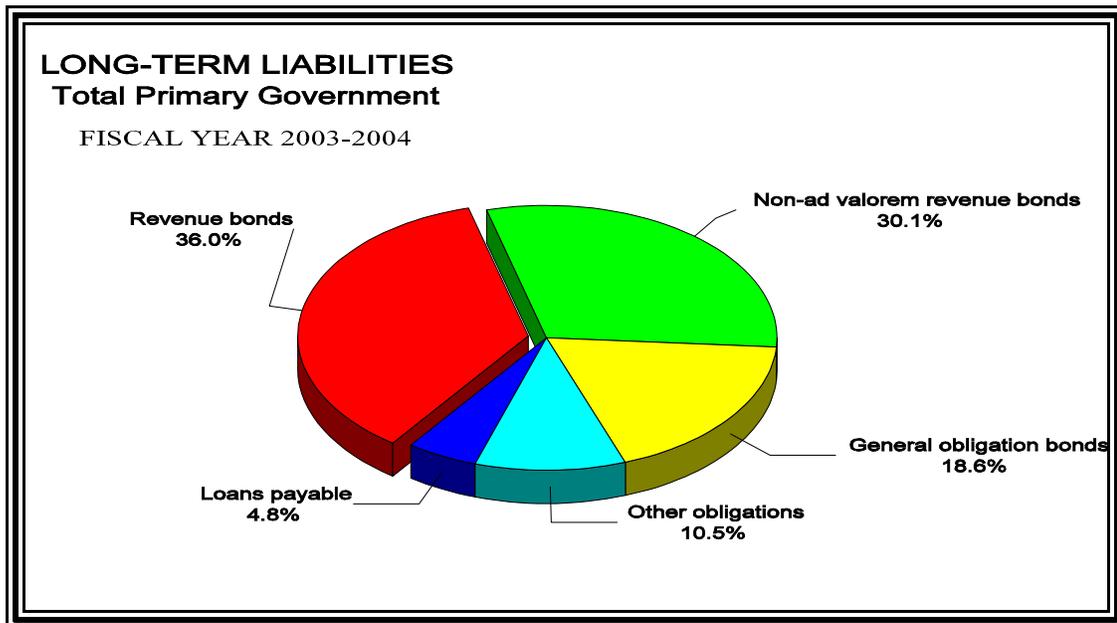
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2004	2003	2004	2003 *	2004	2003
	General obligation bonds	\$ 278,095	\$ 295,056	\$ -	\$ -	\$ 278,095
Non-ad valorem revenue bonds	451,832	378,823	-	-	451,832	378,823
Revenue bonds	-	-	539,479	576,568	539,479	576,568
Loans payable	71,419	58,893	1,202	9,031	72,621	67,924
Other obligations	108,899	105,746	47,899	44,423	156,798	150,169
Totals	\$ 910,245	\$ 838,518	\$ 588,580	\$ 630,022	\$ 1,498,825	\$ 1,468,540

* Other obligations reported for FY 2003 Business-Type activities has been restated to \$44,422,510 to include the restricted portion of landfill closure costs of \$21,132,625 and the current portion of compensated absences of \$238,295 for the Solid Waste Authority. These items were reported as liabilities but were not included in the summary of long-term obligations as previously reported.

Bonded Debt. The County’s bond issues are rated by three primary bond rating agencies; Moody’s Investors Service, Standard and Poor’s and Fitch Ratings. These ratings, which are listed below, are indicative of the County’s strong management team, broad-based economy, continually well-performing tax base, increasingly strong financial position, minimal debt requirements and high quality residential tax base. At September 30, 2004, the County’s non-ad valorem revenues were 6.03 times the debt service required in the current or any future fiscal year.

Palm Beach County, Florida, Debt Ratings at September 30, 2004			
Type of Debt Issue	Moody’s	Fitch Ratings	S&P
General obligation bonds	Aaa	AAA	AAA
Non-ad valorem revenue bonds	Aa1	AA+	AA+
Pooled financing loans	Aa1	-	-
Water and Sewer System Enterprise revenue bonds	Aaa	AAA	AAA
Water and Wastewater System Enterprise revenue bonds	Aaa	AAA	AAA
Airport System Enterprise revenue bonds	Aaa	AAA	AAA
Solid Waste Authority	Aa3	-	AA-

Highest rating: AAA/Aaa Investment grade ratings: AAA/Aaa through BBB/Baa- Lowest Rating: C



Refer to Note 16, *Long-Term Debt*, in the *Notes to the Financial Statements* for more information on long-term liabilities.

Economic Factors

Local, national, and international economic factors influence the County's revenues in a variety of ways. Positive economic growth is correlated with increased revenues from property taxes, sales taxes, fuel taxes, charges for services, state revenue sharing as well as state and federal grants. Economic growth may be measured by a variety of indicators such as employment growth, unemployment, new construction and assessed values, diversification of the property tax base, and Enterprise Fund revenue and net asset growth.

- The Florida Department of Labor and Employment Security reported that the number of employed Palm Beach County residents rose from 590,677 in 2003 to 599,785 in 2004, an increase of approximately 1.5%. This compares to a 6.7% increase in 2003. Nationally, unemployment declined .7% in 2004. Employment growth led to the County's unemployment rate declining to 5.7% in 2004 compared to 6.2% for 2003.
- The assessed value of real estate located in the County after exemptions grew from \$92.6 billion in 2003 to \$104.9 billion in 2004. This represented an increase of \$12.3 billion or 13.2%.
- Palm Beach County has a diversified property tax base. The ten largest property taxpayers in the County represent 10.33% of the total ad-valorem property taxes levied.
- During 2004, total value of new residential construction in the County was valued at \$2.694 billion and total value of new commercial, industrial, and other construction was valued at \$1.082 billion for a total of \$3.776 billion in new construction. The total construction figure for 2004 represented a \$303.2 million increase from 2003. In 2004, the value of new construction reached a ten-year high. The 2003 values were the second highest value in the same ten-year period.

More information on economic factors is provided in the *Statistical Section*.

To Obtain Further Information

This financial report was designed to provide an overview of the County's finances. If you have any questions concerning budgets, long-term financial planning, future debt issuances, or questions related to the management of County operations, please contact the County Administrator at:

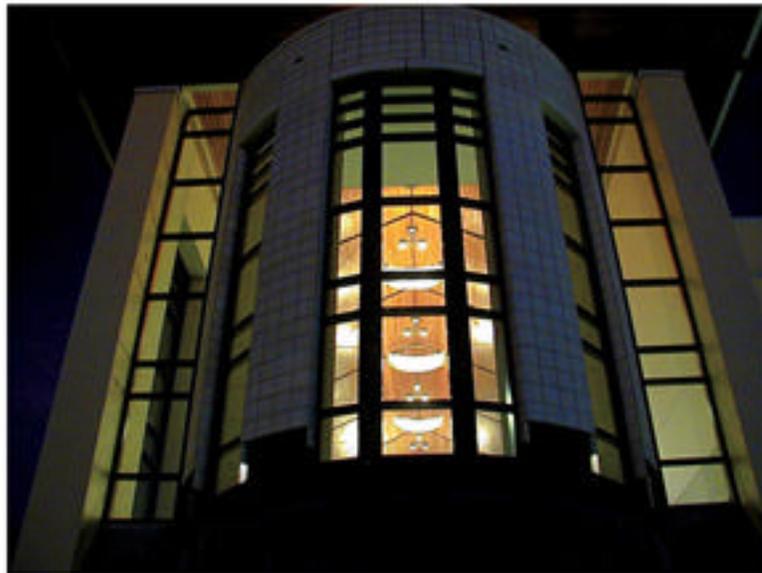
County Administrator
301 North Olive Avenue, 11th Floor
West Palm Beach, FL 33401

If you have any questions concerning the Basic Financial Statements or other accounting information in this report, please contact the Financial Reporting Manager at:

Clerk and Comptroller, Palm Beach County
Finance Department
301 North Olive Avenue, Room 203
West Palm Beach, FL 33401



BASIC FINANCIAL STATEMENTS



Architects of the Palm Beach County Convention Center sought to create a fresh, contemporary interpretation so that the building has a feel of its own. Chandeliers throughout the building are reminiscent of a ship's sails.



PALM BEACH COUNTY, FLORIDA
Statement of Net Assets
September 30, 2004

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents - internal investment pool	\$ 1,196,445,713	\$ 194,757,390	\$ 1,391,203,103
Cash and cash equivalents - separate accounts	126,699,131	219,524,238	346,223,369
Investments - separate accounts	24,757	42,593,523	42,618,280
Interest receivable - separate accounts	191,397	1,632,521	1,823,918
Accounts receivable, net	13,827,992	15,529,079	29,357,071
Internal Balances	(3,460,865)	3,460,865	-
Due from primary government	-	-	-
Due from other governments	53,680,281	16,960,768	70,641,049
Due from component units	2,697	-	2,697
Inventory	9,341,543	5,780,628	15,122,171
Other assets	418,758	11,172,815	11,591,573
Loans receivable - noncurrent	7,400,000	12,558,748	19,958,748
Investment in joint venture	-	14,905,010	14,905,010
Deferred issue costs	3,276,776	4,843,142	8,119,918
Capital assets (note 5)			
Non-depreciable capital assets	812,440,805	288,413,812	1,100,854,617
Depreciable capital assets, net	787,509,528	934,662,570	1,722,172,098
Total assets	\$ 3,007,798,513	\$ 1,766,795,109	\$ 4,774,593,622
LIABILITIES			
Vouchers payable and accruals	\$ 88,243,694	\$ 42,899,504	\$ 131,143,198
Due to other governments	11,324,521	5,530,660	16,855,181
Due to component units	393,583	-	393,583
Due to individuals	30,958	4,276,441	4,307,399
Accrued interest payable	11,305,715	11,974,624	23,280,339
Insurance claims payable	58,848,656	448,000	59,296,656
Deferred revenue	12,204,462	225,220	12,429,682
Other current liabilities	85,940,903	226,544	86,167,447
Long-term liabilities (note 16)			
Long-term liabilities due within one year	69,518,494	46,603,309	116,121,803
Long-term liabilities due more than one year	840,726,263	541,976,446	1,382,702,709
Total liabilities	\$ 1,178,537,249	\$ 654,160,748	\$ 1,832,697,997
NET ASSETS			
Invested in capital assets, net of related debt	\$ 984,688,856	\$ 762,742,002	\$ 1,747,430,858
Restricted for:			
Debt service	4,191,789	17,072,234	21,264,023
Capital projects	397,883,965	53,852,411	451,736,376
School district impact fee land acquisition	10,859,576	-	10,859,576
Library taxing district	10,223,561	-	10,223,561
Fire rescue taxing district	71,074,343	-	71,074,343
Tourist development tax programs	21,666,049	-	21,666,049
Grants and other	71,763,515	26,260,837	98,024,352
Unrestricted	256,909,610	252,706,877	509,616,487
Total net assets	\$ 1,829,261,264	\$ 1,112,634,361	\$ 2,941,895,625

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

Component Units

Metropolitan Planning Organization	Housing Finance Authority	Westgate/ Belvedere Homes Community Redevelopment Agency
\$ -	\$ -	\$ -
100	56,505,362	63,121
-	340,368	761,377
-	6,017	-
1,902	-	4,725
-	-	-
393,583	-	-
273,836	-	-
-	-	-
-	-	-
-	107,297	-
-	165,478	-
-	-	-
-	-	103,593
-	-	369,657
-	-	3,149
<u>\$ 669,421</u>	<u>\$ 57,124,522</u>	<u>\$ 1,305,622</u>
\$ 90,191	\$ 165,608	\$ 6,683
-	-	-
2,697	-	-
-	-	-
-	64,726	-
-	-	-
-	-	4,725
-	48,863,400	-
17,252	-	145,000
120,764	-	2,540,000
<u>\$ 230,904</u>	<u>\$ 49,093,734</u>	<u>\$ 2,696,408</u>
\$ -	\$ -	\$ (2,312,194)
-	-	276,893
-	-	362,290
-	-	-
-	-	-
-	-	-
-	-	-
-	79,201	-
438,517	7,951,587	282,225
<u>\$ 438,517</u>	<u>\$ 8,030,788</u>	<u>\$ (1,390,786)</u>

PALM BEACH COUNTY, FLORIDA
Statement of Activities
For the fiscal year ended September 30, 2004

	Expenses		Program Revenues		
	Direct	Indirect	Fines, Fees and Charges for Services	Operating Grants, Contributions and Restricted Interest Income	Capital Grants and Contributions
PRIMARY GOVERNMENT					
Governmental Activities					
General Government	\$ 288,388,863	\$ (11,379,395)	\$ 122,143,504	\$ 19,927,036	\$ 7,391,212
Public Safety	475,471,524	4,756,395	86,737,955	4,706,188	426,544
Physical Environment	21,022,102	2,698,398	6,278,825	3,142,454	7,680,718
Transportation	127,518,893	1,001,132	59,161,311	33,135,393	5,586,855
Economic Environment	50,110,619	509,174	2,260,256	26,821,848	195,412
Human Services	88,367,038	355,290	3,613,563	33,176,826	-
Culture and Recreation	92,630,683	1,985,391	27,575,440	2,355,566	1,965,488
Interest Expense	36,729,939	-	-	-	-
Total Governmental Activities	\$ 1,180,239,661	\$ (73,615)	\$ 307,770,854	\$ 123,265,311	\$ 23,246,229
Business Activities					
Department of Airports	58,126,033	-	61,474,612	2,024,732	14,801,546
Water Utilities Department	77,154,525	-	91,960,731	3,966,878	30,027,675
Solid Waste Authority	151,239,222	-	150,871,971	17,935,686	982,457
Total Business Activities	\$ 286,519,780	\$ -	\$ 304,307,314	\$ 23,927,296	\$ 45,811,678
Total Primary Government	\$ 1,466,759,441	\$ (73,615)	\$ 612,078,168	\$ 147,192,607	\$ 69,057,907
COMPONENT UNITS					
Metropolitan Planning Organization	\$ 1,329,074	\$ 73,615	\$ -	\$ 1,616,632	\$ -
Housing Finance Authority	4,088,207	-	769,513	508,168	-
Westgate/Belvedere CRA	609,424	-	975	51,547	-
Total Component Units	\$ 6,026,705	\$ 73,615	\$ 770,488	\$ 2,176,347	\$ -

General Revenues

Taxes - levied by the County

Ad-valorem taxes

Utility service taxes

Local option gas taxes

Tourist development taxes

State shared sales tax-unrestricted

Franchise gross receipts fee

State shared revenues-unrestricted

Investment income

Other general revenues

Gain on disposal of fixed assets

Transfers - net

Special Items

Total general revenues, transfers and special items

Change in net assets

Beginning net assets - restated (note 2)

Ending net assets

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

Net (Expense) Revenue and Changes in Net Assets

Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	Metropolitan Planning Organization	Housing Finance Authority	Westgate/ Belvedere Homes Community Redevelopment Agency
\$ (127,547,716)	\$ -	\$ (127,547,716)	\$ -	\$ -	\$ -
(388,357,232)	-	(388,357,232)	-	-	-
(6,618,503)	-	(6,618,503)	-	-	-
(30,636,466)	-	(30,636,466)	-	-	-
(21,342,277)	-	(21,342,277)	-	-	-
(51,931,939)	-	(51,931,939)	-	-	-
(62,719,580)	-	(62,719,580)	-	-	-
(36,729,939)	-	(36,729,939)	-	-	-
<u>\$ (725,883,652)</u>	<u>\$ -</u>	<u>\$ (725,883,652)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	-	20,174,857	-	-	-
	-	48,800,759	-	-	-
	-	18,550,892	-	-	-
<u>\$ -</u>	<u>\$ 87,526,508</u>	<u>\$ 87,526,508</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ (725,883,652)</u>	<u>\$ 87,526,508</u>	<u>\$ (638,357,144)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	-	-	213,943	-	-
	-	-	-	(2,810,526)	-
	-	-	-	-	(556,902)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 213,943</u>	<u>\$ (2,810,526)</u>	<u>\$ (556,902)</u>
\$ 606,326,239	\$ -	\$ 606,326,239	\$ -	\$ -	\$ 809,924
27,196,819	-	27,196,819	-	-	-
48,033,683	-	48,033,683	-	-	-
19,848,215	-	19,848,215	-	-	-
73,705,133	-	73,705,133	-	-	-
22,856,094	-	22,856,094	-	-	-
54,733,943	-	54,733,943	7,019	-	-
33,858,058	-	33,858,058	10	-	-
1,563,777	-	1,563,777	-	-	-
-	738,906	738,906	-	-	-
(358,500)	358,500	-	-	-	-
-	225,000	225,000	-	-	-
<u>887,763,461</u>	<u>1,322,406</u>	<u>889,085,867</u>	<u>7,029</u>	<u>-</u>	<u>809,924</u>
161,879,809	88,848,914	250,728,723	220,972	(2,810,526)	253,022
<u>1,667,381,455</u>	<u>1,023,785,447</u>	<u>2,691,166,902</u>	<u>217,545</u>	<u>10,841,314</u>	<u>(1,643,808)</u>
<u>\$ 1,829,261,264</u>	<u>\$ 1,112,634,361</u>	<u>\$ 2,941,895,625</u>	<u>\$ 438,517</u>	<u>\$ 8,030,788</u>	<u>\$ (1,390,786)</u>



DESCRIPTIONS OF MAJOR FUNDS

GOVERNMENTAL ACTIVITIES

General Fund - To account for all financial resources of the general government except those required to be accounted for in other funds.

Fire Rescue Special Revenue Fund - To account for ad-valorem taxes and other revenues designated for fire rescue services.

Sheriff Special Revenue Fund - To account for the financial resources necessary to carry out the powers, duties and obligations of the elected office of Sheriff as detailed in Florida Statutes Chapter 30.15.

General Government Capital Projects - To account for costs of capital improvements not included in any other category.

Road Program Capital Projects - To account for costs related to the design, acquisition of rights-of-way and construction of improvements to the County's major thoroughfare road system, primarily represented by the County's Five Year Road Program.

BUSINESS-TYPE ACTIVITIES

Airports - To account for activities related to the operation of the four County-owned airports - Palm Beach International Airport in West Palm Beach and three general aviation airports located in Lantana, Pahokee and Palm Beach Gardens.

Water Utilities - To account for activities related to the operation of the County-owned water and sewage system which provides water and sewer services to portions of the unincorporated area of the County as well as to certain municipalities.

Solid Waste Authority - To account for activities related to the operation of the solid waste disposal facilities for Palm Beach County.

PALM BEACH COUNTY, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2004

	MAJOR FUNDS			
	General	Fire Rescue Special Revenue Fund	Sheriff Special Revenue Fund	General Government Capital Projects
ASSETS				
Cash and cash equivalents	\$ 114,568,474	\$ 35,197,119	\$ 50,593,831	\$ 277,432,868
Investments	-	-	24,757	-
Accounts receivable, net	7,584,156	599,139	79,101	7,732
Due from other county funds	47,017,827	1,651,278	5,224	-
Due from other governments	16,619,421	726,617	302,755	117,056
Inventory	1,504,296	1,714,601	1,365,429	-
Other assets	28,414	75	118,238	-
Loans receivable, noncurrent	-	-	-	2,050,000
Total assets	\$ 187,322,588	\$ 39,888,829	\$ 52,489,335	\$ 279,607,656
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 11,056,006	\$ 7,471,241	\$ 26,923,118	\$ 12,378,749
Due to other county funds	5,781,006	86,308	10,895,614	228,694
Due to other governments	442,977	126,804	1,687,305	405,647
Due to component unit	385,694	-	-	-
Due to individuals	-	-	14,211	-
Insurance claims payable	-	-	7,571,738	-
Deferred revenue	19,021,222	-	-	-
Other liabilities	889,712	-	3,882,577	76,907,840
Matured principal and interest payable	-	-	-	-
Total liabilities	37,576,617	7,684,353	50,974,563	\$ 89,920,930
FUND BALANCE				
Fund balances:				
Reserved for debt service	-	-	-	-
Reserved for inventory	1,504,296	1,714,601	-	-
Reserved for long-term disability	-	7,612,018	-	-
Reserved for noncurrent loans receivable	-	-	-	2,050,000
Unreserved, reported in:				
General Fund	148,241,675	-	-	-
Special Revenue Funds	-	22,877,857	1,514,772	-
Capital Projects Funds	-	-	-	187,636,726
Total fund balance	149,745,971	32,204,476	1,514,772	189,686,726
Total liabilities and fund balance	\$ 187,322,588	\$ 39,888,829	\$ 52,489,335	\$ 279,607,656

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

Road Program Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 306,955,272	\$ 443,204,512	\$ 1,227,952,076
-	-	24,757
738	4,278,540	12,549,406
-	7,927,816	56,602,145
5,853,946	28,623,153	52,242,948
-	4,207,896	8,792,222
-	151,600	298,327
-	5,350,000	7,400,000
<u>\$ 312,809,956</u>	<u>\$ 493,743,517</u>	<u>\$ 1,365,861,881</u>
\$ 8,561,877	\$ 18,169,470	\$ 84,560,461
19,840	44,216,273	61,227,735
421,685	8,723,378	11,807,796
-	-	385,694
-	16,747	30,958
-	-	7,571,738
-	8,859,801	27,881,023
-	855,600	82,535,729
-	4,808,797	4,808,797
<u>\$ 9,003,402</u>	<u>85,650,066</u>	<u>280,809,931</u>
-	5,714,302	5,714,302
-	4,207,896	7,426,793
-	-	7,612,018
-	-	2,050,000
-	-	148,241,675
-	158,775,852	183,168,481
303,806,554	239,395,401	730,838,681
<u>303,806,554</u>	<u>408,093,451</u>	<u>1,085,051,950</u>
<u>\$ 312,809,956</u>	<u>\$ 493,743,517</u>	<u>\$ 1,365,861,881</u>

PALM BEACH COUNTY, FLORIDA

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Assets - Governmental Activities
For the fiscal year ended September 30, 2004

Fund balance for total of governmental funds (page 9) \$ 1,085,051,950

Amounts reported for governmental activities in the statements of net assets are different because:

Report internal service funds as governmental activities

Internal service funds are used by management to charge the costs of certain activities, such as insurance, computer services, and vehicles to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

Net assets per fund statements	\$ 73,959,066	
Less amount due to business-type activities for 'look-back' allocation	(3,332,114)	
Less amount due to component units for 'look-back' allocation	<u>(7,889)</u>	
		70,619,063

Report as an asset the cost of general capital assets and accumulated depreciation

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund statements.

Non-depreciable capital assets	812,440,220	
Depreciable capital assets, net of accumulated depreciation	<u>756,018,736</u>	
		1,568,458,956

Report as a liability general long-term debt obligations

Liabilities that are not due and payable in the current period do not encumber current financial resources and therefore are not reported in the governmental fund statements.

General obligation bonds payable	275,905,000	
Non-ad valorem bonds payable	445,805,000	
Notes and loans payable	68,361,000	
Capital leases	24,856	
Arbitrage accrued	2,961,376	
Claims and judgements	17,426,954	
Fire rescue long term disability plan	11,468,276	
Compensated absences	76,284,491	
Unamortized premium (discount)	17,377,020	
Deferred gain (loss) on refundings	<u>(11,525,400)</u>	
		(904,088,573)

Report adjustments to convert from modified accrual to full accrual

Due From Other Governments

Palm Beach County and the Palm Beach County School District engage in an interlocal agreement that allows them to exchange land and maintain a receivable and payable for the difference in value. When a general fixed asset is exchanged for another fixed asset and there is no receipt of current financial resources for the difference in value, the receivable or payable is not reported in the governmental fund statements.

1,131,539

Deferred Revenue

Revenue is recognized when earned. However, earned revenue is deferred until the current financial resources are available in the governmental fund statements.

15,676,561

Deferred Issue Costs

Issue cost for new debt is reported as a deferred charge and amortized over the life of the debt as an expense. However, issue cost are recorded as expenditures in the governmental fund statements.

3,276,776

Interest Receivable- Separate Accounts

Interest receivable on special assessments is not due and available in the current period and therefore is not reported in the governmental fund statements.

191,397

Accrued Interest Payable

Accrued Interest Payable that is not due and payable in the current period is not reported in the governmental fund statements

(11,056,405)

Net assets of governmental activities (page 2) \$ 1,829,261,264



PALM BEACH COUNTY, FLORIDA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the fiscal year ended September 30, 2004

	MAJOR FUNDS			
	General	Fire Rescue Special Revenue Fund	Sheriff Special Revenue Fund	General Government Capital Projects
Revenues:				
Taxes (net of discount)	\$ 498,414,020	\$ 120,870,921	\$ -	\$ 2,233
Special assessments	2,351	417,455	-	3,013,583
Licenses and permits	4,514,134	3,447	-	-
Intergovernmental	28,907,790	232,387	-	-
Charges for services	53,077,784	24,797,294	1,214,137	1,217,522
Less - excess fees paid out	-	-	-	-
Fines and forfeitures	8,248,578	-	1,109,915	933,201
Investment income	6,439,779	1,627,435	54,987	5,048,390
Miscellaneous	6,517,182	1,646,634	19,635	2,850,100
Total revenues	606,121,618	149,595,573	2,398,674	13,065,029
Expenditures:				
Current:				
General government	107,954,199	-	13,765,281	18,719,872
Public safety	24,783,957	140,582,973	264,497,034	413,755
Physical environment	10,901,169	-	-	3,580,560
Transportation	4,827,116	-	-	134,602
Economic environment	11,842,435	327,188	-	283,807
Human services	46,167,524	-	-	306,800
Culture and recreation	47,763,909	-	-	-
Capital outlay	1,896,428	3,524,498	6,427,616	56,408,429
Debt service	-	250,000	-	1,577,857
Total expenditures	256,136,737	144,684,659	284,689,931	81,425,682
Excess of revenues over (under) expenditures	349,984,881	4,910,914	(282,291,257)	(68,360,653)
Other financing sources (uses):				
Transfers in	42,433,169	521,997	291,623,338	55,723,009
Transfers out	(415,379,865)	(8,165,856)	(8,655,807)	(777,661)
Proceeds from long-term borrowings	-	-	-	105,467,451
Premium on long-term borrowings	-	-	-	5,145,225
Proceeds from refunding debt	-	-	-	-
Premium on refunding debt	-	-	-	-
Payment to escrow agent for refunding	-	-	-	-
Total other financing sources (uses)	(372,946,696)	(7,643,859)	282,967,531	165,558,024
Net change in fund balances	(22,961,815)	(2,732,945)	676,274	97,197,371
Fund balances restated (Note 2), October 1, 2003	172,581,365	34,747,980	838,498	92,489,355
Increase in reserves, inventory	147,421	189,441	-	-
(Decrease) in reserves, advance to other funds	(21,000)	-	-	-
Fund balances, September 30, 2004	\$ 149,745,971	\$ 32,204,476	\$ 1,514,772	\$ 189,686,726

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

Road Program Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 35,197,794	\$ 96,053,384	\$ 750,538,352
52,591,030	40,242,963	96,267,382
-	13,906,374	18,423,955
9,913,714	172,018,265	211,072,156
183,546	117,503,221	197,993,504
-	(30,963,646)	(30,963,646)
-	4,159,402	14,451,096
6,947,449	10,364,397	30,482,437
1,447,036	12,187,644	24,668,231
<u>106,280,569</u>	<u>435,472,004</u>	<u>1,312,933,467</u>
4,422,557	100,447,892	245,309,801
-	25,380,732	455,658,451
-	6,936,839	21,418,568
10,364,076	86,092,444	101,418,238
15,816	37,971,808	50,441,054
-	40,799,000	87,273,324
7,186	35,707,529	83,478,624
48,682,589	76,624,491	193,564,051
-	84,340,289	86,168,146
<u>63,492,224</u>	<u>494,301,024</u>	<u>1,324,730,257</u>
<u>42,788,345</u>	<u>(58,829,020)</u>	<u>(11,796,790)</u>
1,490,000	157,615,502	549,407,015
(17,552,870)	(95,627,593)	(546,159,652)
-	1,660,000	107,127,451
-	-	5,145,225
-	94,297,549	94,297,549
-	9,606,053	9,606,053
-	(102,397,730)	(102,397,730)
<u>(16,062,870)</u>	<u>65,153,781</u>	<u>117,025,911</u>
26,725,475	6,324,761	105,229,121
277,081,079	400,108,817	977,847,094
-	1,659,873	1,996,735
-	-	(21,000)
<u>\$ 303,806,554</u>	<u>\$ 408,093,451</u>	<u>\$ 1,085,051,950</u>

PALM BEACH COUNTY, FLORIDA
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to the Statement of Activities - Governmental Activities
 For the fiscal year ended September 30, 2004

Net change in fund balances for total governmental funds (page 13) \$ 105,229,121

Amounts reported for governmental activities in the statements of activities are different because:

Report internal service funds as governmental activities

Internal service funds are used by management to charge the cost of certain activities, such as vehicles, computer systems, printing, and insurance to individual funds. The net revenue (loss) of the internal service funds is reported with governmental activities.

Net income (loss) per fund statements	\$ 11,293,012	
Less current year allocation to business-type activities	(1,300,839)	
Less current year allocation to component units	(2,507)	
		9,989,666

Report as an asset the cost of general capital assets and accumulated depreciation

Acquisition of capital assets

Governmental funds report capital outlays as expenditures, but capital purchases increase assets in the statement of net assets and do not result in an expense. 190,212,535

Acquisition of capital assets from contributions do not generate current financial resources and therefore are not reported in the governmental fund statements as revenue. 6,193,042

Depreciation expense.

The cost of capital assets is allocated over their useful life as depreciation expense. However, depreciation does not require the use of current financial resources and therefore is not reported in the governmental fund statements. (81,211,806)

Retirement of capital assets

In the statement of activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the assets retired. (12,334,771)

102,859,000

Report as a liability long-term debt obligations

Debt issuance

Debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets and does not result in a revenue. (201,425,000)

Current year face value of debt issued

Governmental funds report the premium and discount on debt issues as revenue, but in the statement of activities these amounts are amortized to interest expense. (14,751,279)

Current year (premium) discount on debt issued

Current year amortization of premium / discount 618,713

Governmental funds report the effect of gains and losses on refundings when the debt is first issued, but in the statement of activities these amounts are deferred and amortized. 10,497,289

Current year refunding (gain) loss deferred

Current year amortization of deferred refunding gain / loss (357,353)

PALM BEACH COUNTY, FLORIDA
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to the Statement of Activities - Governmental Activities
 For the fiscal year ended September 30, 2004

Debt retirement

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and does not result in an expense.

137,947,546

The change in accrued liabilities reported as long-term obligations do not require the use of current financial resources and therefore are not reported in the governmental fund statements.

(Increase) Decrease in arbitrage accrued liability	1,978,581
(Increase) Decrease in claims and judgements liability	797,086
(Increase) Decrease in fire rescue disability plan liability	1,399,180
(Increase) Decrease in compensated absences liability	<u>(6,725,631)</u>

(70,020,868)

Report adjustments for converting from modified accrual to full accrual

Net increase in deferred issue costs:

Current year debt issue costs deferred	\$	2,689,189	
Current year amortization of deferred issue costs		<u>(205,543)</u>	

2,483,646

Increase (Decrease) in inventory	1,996,736
Increase (Decrease) in inventory for prior year restatement	(1,260,603)
Increase (Decrease) in accrued interest receivable	(1,522)
Increase (Decrease) in receivable from school district for land exchange	(2,000,000)
(Increase) Decrease in accrued interest payable	(481,601)
(Increase) Decrease in deferred revenue	<u>13,086,234</u>

13,822,890

Change in net assets of governmental activities (page 5)

\$ 161,879,809

PALM BEACH COUNTY, FLORIDA
Statement of Net Assets
Proprietary Funds
September 30, 2004

	Business-type Activities -	
	Airports	Water Utilities
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 24,560,756	\$ 96,838,420
Investments	-	-
Cash and cash equivalents - restricted	-	16,405,534
Interest receivable - restricted	-	-
Investments - restricted	-	-
Interest receivable	-	431,100
Accounts receivable, net	2,065,774	7,796,958
Due from other county funds	-	31,627
Due from other governments	1,255,213	2,943,000
Due from component unit	-	-
Inventory	905,434	4,397,676
Current portion of other receivable	85,524	733,679
Other assets	55,488	-
Total current assets	28,928,189	129,577,994
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	59,444,612	21,048,226
Investments	14,401,413	-
Interest receivable	208,324	-
Accounts receivable, net	15,474	-
Total noncurrent restricted assets	74,069,823	21,048,226
Capital assets:		
Land	124,771,003	11,556,982
Buildings	188,822,797	88,365,619
Improvements other than buildings	147,948,237	721,609,287
Furniture, fixtures and equipment	31,047,497	47,900,019
Accumulated depreciation	(226,734,141)	(273,670,328)
Construction in progress	22,785,497	59,534,431
Total capital assets	288,640,890	655,296,010
Investment in joint venture	-	14,905,010
Loans receivable, noncurrent	1,107,241	11,451,507
Deferred issuance costs	1,218,103	805,361
Other assets	9,768,646	-
Total noncurrent assets	374,804,703	703,506,114
Total assets	\$ 403,732,892	\$ 833,084,108

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

Enterprise Funds		Governmental Activities Internal Service Funds
Solid Waste Authority	Totals	
\$ 78,012,016	\$ 199,411,192	\$ 95,192,768
5,042,188	5,042,188	-
94,968,531	111,374,065	-
854,374	854,374	-
2,000,000	2,000,000	-
138,723	569,823	-
7,209,522	17,072,254	1,278,587
1,136,647	1,168,274	6,316,842
12,762,555	16,960,768	305,794
-	-	2,697
477,518	5,780,628	549,322
-	819,203	-
519,220	574,708	120,432
203,121,294	361,627,477	103,766,442
23,003,533	103,496,371	-
21,149,922	35,551,335	-
-	208,324	-
-	15,474	-
44,153,455	139,271,504	-
44,548,923	180,876,908	-
207,154,581	484,342,997	439,352
60,887,352	930,444,876	810,040
125,834,800	204,782,316	75,731,701
(184,503,150)	(684,907,619)	(45,490,303)
25,216,976	107,536,904	585
279,139,482	1,223,076,382	31,491,375
-	14,905,010	-
-	12,558,748	-
2,819,678	4,843,142	-
10,258	9,778,904	-
326,122,873	1,404,433,690	31,491,375
\$ 529,244,167	\$ 1,766,061,167	\$ 135,257,817

PALM BEACH COUNTY, FLORIDA
Statement of Net Assets
Proprietary Funds
September 30, 2004

	Business-type Activities -	
	Airports	Water Utilities
LIABILITIES		
Current liabilities:		
Vouchers payable and accrued liabilities	\$ 4,811,917	\$ 15,333,158
Due to other county funds	265,364	476,820
Due to other governments	1,624,400	686,740
Deferred revenue	225,220	-
Current portion of long-term debt	476,990	-
Compensated absences	94,315	198,000
Insurance claims payable	-	-
Other liabilities	-	180,178
Total current liabilities	7,498,206	16,874,896
Current liabilities payable from restricted assets:		
Customers' deposits	232,456	3,642,535
Accounts and contracts payable	404,619	1,164,903
Due to other governments	-	239,738
Current portion of long-term debt	9,135,460	9,690,000
Interest payable on bonds	3,370,444	1,668,358
Total current liabilities payable from restricted assets	13,142,979	16,405,534
Noncurrent liabilities:		
Due to other governments	-	2,979,782
Compensated absences	1,002,371	2,073,505
Revenue bonds payable, net of discount	120,910,342	88,409,578
Other long-term liabilities	-	-
Total noncurrent liabilities	121,912,713	93,462,865
Total liabilities	142,553,898	126,743,295
NET ASSETS		
Invested in capital assets, net of related debt	156,988,995	558,001,793
Restricted for:		
Debt service	15,564,137	780,493
Capital projects	32,615,776	19,267,733
Grants and other	12,746,931	1,000,000
Unrestricted	43,263,155	127,290,794
Total net assets	\$ 261,178,994	\$ 706,340,813

Some amounts reported for business-type activities in the statement of net assets (page 2) are different because certain internal service fund assets and liabilities are included with business-type activities.

Net assets of business-type activities

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

<u>Enterprise Funds</u>		Governmental
Solid Waste Authority	Totals	Activities Internal Service Funds
\$ 18,830,079	\$ 38,975,154	\$ 3,688,747
297,339	1,039,523	1,820,003
-	2,311,140	249,764
-	225,220	-
-	476,990	336,682
248,544	540,859	-
448,000	448,000	51,276,918
46,366	226,544	3,405,174
<u>19,870,328</u>	<u>44,243,430</u>	<u>60,777,288</u>
401,450	4,276,441	-
3,913,477	5,482,999	-
-	239,738	-
26,760,000	45,585,460	-
6,935,822	11,974,624	-
<u>38,010,749</u>	<u>67,559,262</u>	<u>-</u>
-	2,979,782	-
2,605,787	5,681,663	-
285,299,576	494,619,496	-
41,675,287	41,675,287	521,463
<u>329,580,650</u>	<u>544,956,228</u>	<u>521,463</u>
<u>387,461,727</u>	<u>656,758,920</u>	<u>61,298,751</u>
47,751,214	762,742,002	30,627,717
727,604	17,072,234	-
1,968,902	53,852,411	-
12,513,906	26,260,837	-
78,820,814	249,374,763	43,331,349
<u>\$ 141,782,440</u>	<u>1,109,302,247</u>	<u>\$ 73,959,066</u>
	3,332,114	
	<u>\$ 1,112,634,361</u>	

PALM BEACH COUNTY, FLORIDA
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the fiscal year ended September 30, 2004

	<u>Business-type Activities -</u>	
	Airports	Water Utilities
Operating revenues:		
Charges for services	\$ 50,146,559	\$ 78,382,314
Miscellaneous	2,506,272	5,626,149
Total operating revenues	52,652,831	84,008,463
Operating expenses:		
Aviation services	35,827,994	-
Water and sewer services	-	51,897,612
Transportation services	-	-
Solid waste services	-	-
Printing services	-	-
Self-insurance services	-	-
Data processing services	-	-
Equity interest in net loss of joint venture	-	912,643
Depreciation and amortization	15,720,084	23,117,958
Total operating expenses	51,548,078	75,928,213
Operating income	1,104,753	8,080,250
Nonoperating revenues (expenses):		
Operating grants	-	-
Investment income	2,024,732	3,966,878
Capacity reservation fees	-	7,952,268
Passenger facility charges	8,821,781	-
Deferred issue costs	(134,730)	(169,192)
Interest expense	(6,740,887)	(1,707,859)
Hurricane debris collection and disposal	-	-
Reimbursement for hurricane expenses	-	-
Other revenues (expenses)	735,646	(86,253)
Total nonoperating revenues (expenses)	4,706,542	9,955,842
Income before contributions, special item and transfers	5,811,295	18,036,092
Capital contributions	14,801,546	30,027,675
Special item - Gain on termination of interest rate swap agreement	-	-
Transfers in	358,500	-
Transfers out	-	-
Change in net assets	20,971,341	48,063,767
Net assets October 1, 2003	240,207,653	658,277,046
Net assets September 30, 2004	\$ 261,178,994	\$ 706,340,813

Some amounts reported for business-type activities in the statement of activities (page 5) are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.

Change in net assets of business-type activities

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

<u>Enterprise Funds</u>		Governmental
Solid Waste		Activities
Authority	Totals	Internal
		Service Funds
\$ 150,148,974	\$ 278,677,847	\$ 118,745,543
-	8,132,421	-
<u>150,148,974</u>	<u>286,810,268</u>	<u>118,745,543</u>
-	35,827,994	-
-	51,897,612	-
-	-	13,600,940
100,295,602	100,295,602	-
-	-	1,077,152
-	-	63,485,979
-	-	24,761,052
-	912,643	-
<u>21,813,996</u>	<u>60,652,038</u>	<u>7,924,859</u>
<u>122,109,598</u>	<u>249,585,889</u>	<u>110,849,982</u>
<u>28,039,376</u>	<u>37,224,379</u>	<u>7,895,561</u>
291,275	291,275	-
4,903,547	10,895,157	2,131,601
-	7,952,268	-
-	8,821,781	-
-	(303,922)	-
(15,236,034)	(23,684,780)	(18,125)
(14,156,515)	(14,156,515)	-
12,740,864	12,740,864	-
<u>722,997</u>	<u>1,372,390</u>	<u>1,779,981</u>
<u>(10,733,866)</u>	<u>3,928,518</u>	<u>3,893,457</u>
17,305,510	41,152,897	11,789,018
982,457	45,811,678	3,109,857
225,000	225,000	-
-	358,500	266,637
-	-	(3,872,500)
<u>18,512,967</u>	<u>87,548,075</u>	<u>11,293,012</u>
<u>123,269,473</u>		<u>62,666,054</u>
<u>\$ 141,782,440</u>		<u>\$ 73,959,066</u>
	1,300,839	
	<u>\$ 88,848,914</u>	

PALM BEACH COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended September 30, 2004

	<u>Business-type Activities -</u>	
	Airports	Water Utilities
<u>Cash flows from operating activities:</u>		
Cash received from customers	\$ 51,656,915	\$ 78,227,579
Cash received from other funds for goods and services	-	-
Cash payments to vendors for goods and services	(14,742,809)	(23,017,599)
Cash payments to employees for services	(9,150,510)	(18,428,889)
Cash payments to other funds	(12,282,533)	(8,521,203)
Claims paid	-	-
Other receipts	(3,260)	2,496,939
<u>Net cash provided by operating activities</u>	<u>15,477,803</u>	<u>30,756,827</u>
<u>Cash flows from noncapital financing activities:</u>		
Operating grants	-	-
Transfers in	358,500	-
Transfers out	-	-
<u>Net cash provided by (used in) noncapital financing activities</u>	<u>358,500</u>	<u>-</u>
<u>Cash flows from capital and related financing activities:</u>		
Proceeds from sale of capital assets	768,704	163,605
Bond issuance costs paid	-	(294,190)
Contributed capital	15,105,947	20,850,167
Purchase and construction of capital assets	(15,564,456)	(64,959,580)
Proceeds from long-term borrowings	-	-
Payments to joint venture	-	(793,107)
Principal payments on debt	(8,010,000)	(8,885,000)
Interest payments on debt	(6,941,138)	(3,998,539)
Paying agent fees	-	(85,518)
Passenger facility charges received	8,821,781	-
Repayment on note payable	(7,697,431)	-
Proceeds from issuance of revenue bonds	-	30,452,007
Payment to escrow agent for advance refunding of revenue bonds	-	(29,942,379)
<u>Net cash (used in) capital and related financing activities</u>	<u>(13,516,593)</u>	<u>(57,492,534)</u>
<u>Cash flows from investing activities:</u>		
Interest on investments	2,434,303	3,965,978
Purchase of investments	(14,280,985)	-
Receipt of repayments on other receivables	80,811	-
Proceeds from sale of investments	14,370,352	-
<u>Net cash provided by (used in) investing activities</u>	<u>2,604,481</u>	<u>3,965,978</u>
<u>Net increase (decrease) in cash and cash equivalents</u>	<u>4,924,191</u>	<u>(22,769,729)</u>
<u>Cash and cash equivalents, October 1, 2003</u>	<u>79,081,177</u>	<u>157,061,909</u>
<u>Cash and cash equivalents, September 30, 2004</u>	<u>\$ 84,005,368</u>	<u>\$ 134,292,180</u>

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

Enterprise Funds		Governmental Activities
Solid Waste Authority	Totals	Internal Service Funds
\$ 146,902,005	\$ 276,786,499	\$ 2,190,876
1,604,117	1,604,117	111,558,563
(73,678,750)	(111,439,158)	(26,032,741)
(21,796,503)	(49,375,902)	(21,104,275)
(6,560,379)	(27,364,115)	(3,553,958)
-	-	(52,301,079)
535,285	3,028,964	1,716,265
47,005,775	93,240,405	12,473,651
486,839	486,839	-
-	358,500	266,637
-	-	(3,872,500)
486,839	845,339	(3,605,863)
388,277	1,320,586	959,321
-	(294,190)	-
982,457	36,938,571	-
(17,200,980)	(97,725,016)	(7,125,609)
-	-	1,023,290
-	(793,107)	-
(24,260,000)	(41,155,000)	(165,145)
(14,299,353)	(25,239,030)	(12,613)
-	(85,518)	-
-	8,821,781	-
-	(7,697,431)	-
37,017,278	67,469,285	-
(37,017,278)	(66,959,657)	-
(54,389,599)	(125,398,726)	(5,320,756)
5,057,688	11,457,969	2,131,601
(7,000,000)	(21,280,985)	-
-	80,811	-
-	14,370,352	-
(1,942,312)	4,628,147	2,131,601
(8,839,297)	(26,684,835)	5,678,633
204,823,377	440,966,463	89,514,135
\$ 195,984,080	\$ 414,281,628	\$ 95,192,768

PALM BEACH COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the fiscal year ended September 30, 2004

	Business-type Activities -	
	Airports	Water Utilities
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 1,104,753	\$ 8,080,250
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation and amortization	15,720,084	23,117,958
Equity interest in net loss of joint venture	-	912,643
Provision for doubtful accounts	4,908	638,837
(Gain) on disposal of equipment	-	-
Reimbursement for hurricane expenses	-	-
Hurricane debris collection and disposal	-	-
Miscellaneous revenue (expense)	(3,260)	-
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(725,837)	(1,126,607)
(Increase) in due from other county funds	-	(19,092)
(Increase) in due from other governments	-	(2,943,000)
(Increase) in inventory	(21,496)	(282,646)
(Increase) in other assets	(1,112,872)	-
(Increase) in due from component unit	-	-
Increase in vouchers payable and accrued liabilities	927,541	1,932,175
Increase in due to other county funds	-	473,386
Increase (decrease) in due to other governments	-	(21,572)
Increase (decrease) in other current liabilities	(141,031)	-
(Decrease) in deferred revenue	(288,621)	-
Increase (decrease) in customer deposits	13,634	(5,505)
Increase (decrease) in insurance claims payable	-	-
Increase in other long-term liabilities	-	-
Net cash provided by operating activities	\$ 15,477,803	\$ 30,756,827
Supplemental disclosure of noncash capital and related financing activities:		
Amortization of intangible assets	\$ 272,477	\$ -
Amortization of deferred issuance costs	\$ 134,730	\$ 169,192
Amortization of premium on bonds	\$ 785,080	\$ 533,473
Amortization of discount on bonds	\$ -	\$ 34,960
Amortization of deferred advance refunding loss	\$ 693,406	\$ 373,373
Disposal of fully depreciated capital assets	\$ 900,040	\$ 779,525
Increase (decrease) in fair value of investments	\$ (389,000)	\$ -
Contribution of capital assets	\$ 14,801,546	\$ 12,453,920
Noncash acquisition of assets	\$ -	\$ -

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

<u>Enterprise Funds</u>		Governmental Activities Internal Service Funds
Solid Waste Authority	Totals	
\$ 28,039,376	\$ 37,224,379	\$ 7,895,561
21,813,996	60,652,038	7,924,859
-	912,643	-
14,381	658,126	-
(283,185)	(283,185)	-
12,740,864	12,740,864	-
(14,156,515)	(14,156,515)	-
722,997	719,737	1,266,537
(1,833,959)	(3,686,403)	368,313
(117,427)	(136,519)	(4,902,923)
(12,545,300)	(15,488,300)	(9,067)
(171,255)	(475,397)	(151,402)
(457,265)	(1,570,137)	(120,432)
-	-	(2,697)
13,806,527	16,666,243	1,669,642
52,194	525,580	877,293
-	(21,572)	249,764
(1,261,329)	(1,402,360)	574,146
-	(288,621)	-
76,690	84,819	-
243,750	243,750	(3,165,943)
321,235	321,235	-
<u>\$ 47,005,775</u>	<u>\$ 93,240,405</u>	<u>\$ 12,473,651</u>
<u>\$ -</u>	<u>\$ 272,477</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 303,922</u>	<u>\$ -</u>
<u>\$ 993,010</u>	<u>\$ 2,311,563</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 34,960</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 1,066,779</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 1,679,565</u>	<u>\$ 6,797,037</u>
<u>\$ 42,188</u>	<u>\$ (346,812)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 27,255,466</u>	<u>\$ 3,109,857</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,935</u>

PALM BEACH COUNTY, FLORIDA
Statement of Fiduciary Net Assets - Agency Funds
September 30, 2004

	Total Agency Funds
<u>ASSETS</u>	
Cash and cash equivalents	\$ 61,071,702
Accounts receivable, net	574,191
Due from other governments	550,042
	<hr/>
Total assets	\$ 62,195,935
	<hr/> <hr/>
<u>LIABILITIES</u>	
Vouchers payable and accrued liabilities	\$ 178,133
Due to other governments	31,629,448
Due to individuals	30,038,798
Other liabilities	349,556
	<hr/>
Total liabilities	\$ 62,195,935
	<hr/> <hr/>

**PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004**

I N D E X

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PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Palm Beach County, Florida reporting entity (the County) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County's more significant accounting policies are described below.

A. Financial Reporting Entity

Palm Beach County is a political subdivision of the State of Florida pursuant to Article VIII, Section (1), Constitution of the State of Florida. It is governed by a seven member elected Board of County Commissioners (the Board) which is regulated by State Statutes and a local County Charter, operating under a County Manager form of government with separation of legislative and executive functions. In addition to the members of the Board, there are five elected Constitutional Officers: the Tax Collector, Property Appraiser, Clerk of the Circuit Court, Sheriff, and the Supervisor of Elections. The Board and the Constitutional Officers comprise the Palm Beach County primary government.

As required by GAAP, these financial statements cover the Palm Beach County reporting entity which includes the Palm Beach County primary government as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. In accordance with GASB Statement No. 14, *The Financial Reporting Entity*, component units are either classified as blended component units or discretely presented component units, depending on the nature of the entity's relationship with the primary government. GASB Statement No. 14 provides the following criteria for determining whether or not an entity is a component unit of the reporting entity:

The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of the separate organization's governing body *and* either is able to impose its will on that organization or there is the potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, activities of, or the level of services performed or provided by the organization. A financial benefit or burden relationship exists if the primary government is entitled to the organization's resources; is legally obligated or has otherwise assumed the obligations to finance the deficits of, or provide financial support to, the organization; or is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government.

In addition, any entity, for which the primary government is not financially accountable but for which exclusion would cause the primary government's financial statements to be misleading, should be included as a component unit.

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Based on the criteria specified above, the Palm Beach County reporting entity includes both blended component units and discretely presented component units.

Blended Component Units

The following organizations have been presented as blended Component Units because the organization's governing body is substantially the same as the governing body of the County, or the organization provides services almost entirely to the primary government.

Palm Beach County Public Building Corporation - This corporation was created by Palm Beach County Ordinance 81-11 pursuant to Article VIII, Section 1 (f) of the Constitution of the State of Florida and Sections 125.01 (w) and 125.66, Florida Statutes. The corporation was incorporated on April 2, 1981 to provide financial assistance for and on behalf of the County by paying the costs of acquiring, constructing and equipping an Administrative Complex located at 301 North Olive Avenue in the City of West Palm Beach, Florida (the Project). The corporation also participates in certain activities incidental to such purpose, including the leasing of the Project to the County. This corporation currently has no fiscal activity.

Transportation Authority (Palm Tran, Inc.) - This corporation was created by Palm Beach County Resolution 95-1636D pursuant to Chapter 617, Florida Statutes. Its purpose is to operate for the advancement of charity by advancing public transportation and lessening the burden on Palm Beach County to provide a transportation system. The Board of Palm Tran, Inc. consists of the seven members of the Board of County Commissioners of Palm Beach County. The bylaws provide that the corporation shall have a president to act as the corporation's chief executive officer who shall be the County Administrator, a secretary/treasurer who shall be the Clerk of the Board of County Commissioners or a deputy clerk designated for such purposes, and an executive director who shall be responsible for the day to day management and operations of the corporation. Palm Tran, Inc. is reported as a special revenue fund.

Solid Waste Authority of Palm Beach County (SWA) - The SWA is a dependent special district created under the Palm Beach County Solid Waste Act (the Act), Chapter 75-473, Laws of Florida. Chapter 91-334, Laws of Florida, became effective October 1, 1991 and amended Chapter 75-473 by providing that the seven members of the Palm Beach County Board of County Commissioners shall serve as the governing board of the Authority. The Board of the SWA is responsible for adopting an annual, non-appropriated, operating budget as a financial plan for the year. The Act gives the SWA the power to construct and operate solid waste disposal facilities and to require that all solid waste collected by private and/or public agencies within the County for disposal in the County be delivered to processing and disposal facilities designated by the SWA. The SWA is reported as an enterprise fund.

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Discretely Presented Component Units

The Component Unit columns in the basic financial statements include the financial data of the County's discretely presented Component Units. They are reported in separate columns to emphasize that they are legally separate from the County. The following organizations are included in the reporting entity because the primary government (1) appointed a voting majority of the organization's board, (2) is able to impose its will on the organization, and (3) the organization provides services to the citizenry of Palm Beach County.

Housing Finance Authority of Palm Beach County, Florida (HFA) - This public authority was created by Palm Beach County Ordinance 79-3 pursuant to Chapter 159, Florida Statutes, as amended and supplemented. It was created to alleviate the shortage of housing available at affordable rates in Palm Beach County and the shortage of capital for investments in such housing. The Authority has the power to issue single family and multi-family revenue bonds to finance the purchase of housing by families of low and moderate income through investing in mortgage loans to eligible families. The HFA is presented as a proprietary fund type.

Westgate/Belvedere Homes Community Redevelopment Agency (CRA) - This agency was created by Palm Beach County Resolution 89-649 pursuant to Section 163.355, Florida Statutes. It was created in order to develop and revitalize the blighted area known as Westgate/Belvedere Homes with an intent to benefit Palm Beach County as a whole by returning improved property to the County's tax base. The CRA has the power to issue redevelopment revenue bonds from time to time to finance its undertaking of community redevelopment to the designated area. The CRA is presented as a governmental fund type.

Metropolitan Planning Organization (MPO) - This organization was created by Palm Beach County Resolution 79-1684 pursuant to Section 334.215, Florida Statutes, as amended by Section 339.175, Florida Statutes. The members of the MPO are appointed by the Governor and consist of five members of the Board of County Commissioners, eleven members from local municipalities, and one member from the governing board of the Port of Palm Beach. The purpose of the MPO is to administer and execute the interlocal agreement providing for short-term and long-term planning for all modes of travel in order to benefit the citizens of Palm Beach County. The MPO is reported as a governmental fund type.

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Complete financial statements for each of the individual component units may be obtained at the respective entity's administrative offices.

Palm Beach County Public Building Corporation
301 N. Olive Ave.
West Palm Beach, FL 33401

Metropolitan Planning Organization
160 Australian Ave.
Suite 201
West Palm Beach, FL 33406

Solid Waste Authority
of Palm Beach County
7501 North Jog Road
West Palm Beach, FL 33412

Housing Finance Authority
of Palm Beach County
810 Datura Street
West Palm Beach, FL 33401

Westgate/Belvedere Homes Community Redevelopment Agency
3323 Belvedere Road, No. 501
West Palm Beach, FL 33406

Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments.

The following organizations are related organizations which have not been included in the reporting entity:

Palm Beach County Educational Facilities Authority - This organization was created by Palm Beach County Resolution 79-1493 pursuant to Chapter 243.18, Florida Statutes. Members of the authority are appointed by the Board of County Commissioners of Palm Beach County, but the County does not provide funding, has no obligation for the debt issued by the authority and cannot impose its will.

Palm Beach County Health Facilities Authority - This organization was created pursuant to Part III - Chapter 154, Florida Statutes, and by Ordinance 77-379 and 77-398 adopted by the Board of County Commissioners. Members of the authority are appointed by the Board of County Commissioners of Palm Beach County, but the County does not provide funding, has no obligation for the debt issued by the authority and cannot impose its will.

Palm Beach County Workforce Development Board, Inc. - This Board was created pursuant to Palm Beach County Resolution 96-805D, as amended by Resolutions 96-1539D and 97-510D, as a result of the enactment by the Florida Legislature of the Workforce Florida Act of 1996. Members of the board are appointed by the Board of County Commissioners of Palm Beach County, but the County does not provide funding, has no obligation for the debt issued by the board and cannot impose its will.

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Joint Ventures

East Central Regional Wastewater Facility

In September 1992, Palm Beach County entered into a thirty-year joint interlocal agreement (the Agreement) with four municipalities for the East Central Regional Wastewater Facility (the Facility). The Facility was created to receive, treat and dispose of sewage generated within each municipality and the County. Under GAAP, the County is required to account for this joint venture using the equity method. Accordingly, the County recorded its initial investment at cost and is required to record its proportionate share of the Facility's income or loss. Palm Beach County's interest in the joint venture is recorded in the County's Water Utilities Enterprise Fund.

The Agreement provides for the establishment of a board comprised of one representative from each participating entity, with the City of West Palm Beach being designated to administer and operate the Facility. The Facility's board has the authority to accept and disburse funds, approve an annual budget, transact business, enter into contracts and decide all other matters related to the Facility.

The proportionate share for each entity is determined by the reserve capacity of the Facility allocated to each participant. At September 30, 2004, Palm Beach County had a 22.73% interest.

The participants and each entity's interest at September 30, 2004 are as follows:

<u>PARTICIPANT</u>	<u>RESERVE CAPACITY PERCENTAGES</u>
City of West Palm Beach	30.90%
Palm Beach County	22.73%
City of Lake Worth	22.73%
City of Riviera Beach	14.55%
Town of Palm Beach	<u>9.09%</u>
TOTAL	<u>100.00%</u>

Separate financial statements for the Facility may be obtained at the following address:

East Central Regional Wastewater Facility
City of West Palm Beach
P.O. Box 3506
West Palm Beach, FL 33402

Tri-County Commuter Rail Authority

In October 1994, Palm Beach County entered into a five-year joint interlocal agreement (the Agreement) with Dade County, Broward County, the Florida Department of Transportation and the Tri-County Commuter Rail Authority (the Authority) which calls for each of the respective counties to fund one-third of the net operating deficit of the Authority after considering all Federal subsidy, State subsidy and farebox revenue. The Authority was created as an agency of the State of Florida pursuant to Chapter 343, Florida Statutes in 1988 to provide commuter rail services in Broward, Dade and Palm Beach counties. Tri-Rail serves both residents and tourists with a scheduled passenger

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rail commuter system and currently operates on seventy-one miles of rail corridor along the east coast of Florida.

The governing Board of Directors consists of nine members; one representative from each county's Board of County Commissioners (3), one citizen from each county (3), one representative from the Florida Department of Transportation (1), one member appointed by the Governor of Florida (1), and one member at large who is appointed by the other eight members (1). Tri-Rail's annual operating budget is adopted and approved by the Authority's Board of Directors.

Separate financial statements for the Authority may be obtained at the following address:

Tri-County Commuter Rail Authority
305 South Andrews Avenue, Suite 200
Fort Lauderdale, FL 33301

Sunshine State Governmental Financing Commission

The Sunshine State Governmental Financing Commission (the Commission) was created in November 1985, initially by the City of Tallahassee, Florida and the City of Orlando, Florida. As of September 30, 2004, thirteen cities and three counties, including Palm Beach County, are members of the Commission. Two cities participate as non-members. Each member government appoints a representative to the Commission. These representatives elect a five-member board of directors to administer the loan program.

As a joint venture among the member governmental units, the Commission enables a limited number of qualifying governments to participate in pooled debt financing with pricing and cost structures not normally available to governmental entities acting individually. Loan obligations from the Commission are reflected as debt by the participating governmental units.

Palm Beach County has no obligation and minimal event risk associated with the Commission other than the repayment of its loan from the Commission.

Financial statements may be obtained from the Commission.

B. Basic Financial Statements

The County's Basic Financial Statements contain three components; government-wide financial statements, fund financial statements and notes to the financial statements.

Government-wide financial statements. The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. The Statement of Net Assets presents information on all of the assets and liabilities of the County as a whole. The difference between assets and liabilities is reported as net assets. Changes in net assets may serve as an indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities presents information showing how the County's net assets changed during the fiscal year. All changes in net

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assets are reported as soon as the underlying economic transactions occur, regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the Statement of Activities will have cash flows in future fiscal periods. For example, uncollected taxes are shown as revenues although cash receipts will occur in the future. Unused vacation leave results in an expense although related cash outflows will occur in the future.

The government-wide financial statements show a distinction between activities that are supported primarily by taxes and intergovernmental revenues (governmental activities) and activities that are intended to recover all or most of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services and culture and recreation. The business-type activities of the County include the Water Utilities Department, the Department of Airports and the Solid Waste Authority.

The government-wide financial statements include not only the County itself (the primary government), but also its discretely presented component units, the legally separate entities for which the County is financially accountable.

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 County uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions. All of the funds of the County may be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Most of the County's basic services are reported in governmental funds, which focus on how money or other spendable financial resources flow into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general governmental operations and the basic services it provides. The measurement focus is based upon determination of changes in financial position. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. There is a reconciliation of the governmental activities presented in the Statement of Net Assets and the Statement of Activities to the governmental funds presented in the fund financial statements. The following is a description of the County's major governmental funds:

The **General Fund** is the primary operating fund of the County. It is used to account for all financial resources of the general government except those required to be accounted for in other funds. The General Fund specifically accounts for the Countywide and Municipal Services Taxing Unit portions of the General Fund.

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Special Revenue Funds:

The **Fire Rescue Fund** is used to account for ad valorem taxes and other revenues designated for fire rescue services.

The **Sheriff's Fund** is used to account for the expenditures necessary to carry out the powers, duties and obligations of the elected office of Sheriff as detailed in Chapter 30.15, Florida Statutes.

Capital Projects Fund:

The **General Government Capital Fund** is used to account for improvements not included in any other category.

The **Road Program Capital Fund** is used to account for costs related to the design and acquisition of rights of way and the construction of improvements to the County's major thoroughfare road system, primarily represented by the County's Five Year Road Program.

All other nonmajor governmental funds are aggregated into a single column for presentation purposes. Individual fund statements are available in the Combining Section.

Proprietary Funds. The County 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 County uses enterprise funds to account for its Water Utilities Department, its Department of Airports and the Solid Waste Authority. All three of these operations are considered to be major proprietary funds of the County. Internal Service Funds are used to accumulate and allocate costs internally among the County's other functions. The County uses internal service funds to account for Fleet Management, Graphics, Risk Management and Information Systems Service programs. These programs are included in the governmental activities column of the government-wide financial statements because they predominantly benefit governmental rather than business-type functions. The five internal service funds are aggregated into a single column for presentation in the proprietary fund financial statements. The County's three major proprietary funds are described below:

The **Water Utilities Department Fund** is used to account for the operations of the water and wastewater system in the unincorporated areas of the County. Water and Wastewater fees are determined annually by rate studies and are set at levels to recover the expenses of operations, including debt service, in a manner similar to private business enterprises. Activities necessary to provide water and wastewater service are accounted for in this fund, including customer service, engineering, operations and maintenance.

The **Department of Airports Fund** is used to account for the operations of the four County-owned airports - Palm Beach International Airport in West Palm Beach and three general aviation airports located in Palm Beach Gardens, Lantana and Pahokee.

The **Solid Waste Authority Fund** is used to account for the operations of the Solid Waste Authority on a countywide basis. Refuse generated in the unincorporated areas of the County is collected by

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franchised and non-franchised collectors serving residential and commercial customers and by private companies serving their own customers. Refuse dumping fees are reviewed annually and are set at levels sufficient to recover operating and debt service expenses.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's own programs.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment for transactions is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial reports. For example, under the accrual basis of accounting, transactions are recognized when the transactions take place, whereas in the cash basis of accounting, transactions are recognized when cash is received or paid.

The government-wide and proprietary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. The Agency fund financial statements are presented using the accrual basis of accounting.

With the economic resources measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. With the accrual method of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Government-wide financial statements and proprietary fund financial statements show increases (revenues) and decreases (expenses) in net assets.

Governmental fund financial statements are presented using the current financial resources and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds show increases (i.e. revenues and other financing resources) and decreases (i.e. expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, that is, when they become both measurable and available to pay liabilities of the current period. For this purpose, the County considers revenue to be available if they are collected within 60 days of year-end. Revenues not considered available are recorded as deferred revenues. Expenditures generally are recorded when a liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, monies must be expended for the specific purpose or project before any intergovernmental revenues will be received by the County; therefore, revenues are recognized based upon the expenditures incurred. In the other, intergovernmental revenues are virtually unrestricted

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and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

D. Cash, Cash Equivalents, and Investments

The County considers all highly liquid investments with maturities of three months or less when purchased, as well as investments in the County's investment pool, to be cash equivalents. For purposes of the statement of cash flows all pooled investments at September 30, 2004 are considered to be cash equivalents. Investments are stated at either amortized cost or fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

The County pools significant amounts of cash and investments so as to maximize earnings and facilitate cash management. Each fund's equity portion of total pooled amounts are reported as "Cash and cash equivalents- internal investment pool" on the entity-wide Statement of Net Assets. Cash and investments of certain funds are maintained separately due to legal and bond requirements and are reported separately on the entity-wide Statement of Net Assets. For the fund statements, pool and separate cash equivalents are combined and reported as "Cash and cash equivalents".

E. Accounts and Loans Receivables

Accounts receivable are recorded net of allowances for bad debts. These allowances relate to the enterprise funds and are not significant. Billings to water utility customers are based on metered consumption which is determined at various dates each month. Estimated unbilled consumption at year-end is recognized as revenue in the Water Utilities Fund. Loans receivable primarily consist of low income housing loans to individuals and developers which are fully reserved.

F. Inventories

Inventories consisting primarily of materials and supplies are stated at cost based upon the first-in, first-out method. Purchases of inventories for governmental funds are reported as expenditures in the period purchased, except for the Sheriff, which is accounted for using the consumption method. Inventories for governmental fund types, which use the purchases method, are reported on the governmental funds balance sheet as an asset of the fund with a corresponding reserve against fund balance. Inventories of proprietary type funds are reported as an expense when consumed in the operations of the fund.

G. Capital Assets

Property, plant, and equipment and infrastructure assets (such as roads, sidewalks, bridges, and drainage systems) are reported in the applicable governmental or business-type activities columns of the government-wide financial statements. Infrastructure expenditures for the current fiscal year have been capitalized as Construction in progress as the related projects have not yet been completed. Capital assets are defined as those assets with an initial, individual cost of over \$750. Capital contributions are recorded at their estimated fair value at the time received. The costs of normal

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

Depreciation is calculated using the straight-line method over estimated useful lives as follows:

<u>Asset Classification</u>	<u>Estimated Useful Life (In Years)</u>
Buildings, Utility Plants and Systems	10-50
Furniture, Fixtures and Equipment	2-15
Improvements Other Than Buildings	5-20
Infrastructure	20-50

In the governmental fund financial statements, the costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures. Capital assets are not shown on the governmental fund balance sheets. In the proprietary fund financial statements, the costs associated with the acquisition or construction of capital assets are recorded as increases in assets. In addition, net interest costs are capitalized on projects during the construction period.

H. Compensated Absences

In accordance with GASB Statement No.16, *Accounting for Compensated Absences*, the County accrues a liability for compensated absences, as well as certain other salary-related costs associated with the payment of compensated absences. Vacation leave is accrued as a liability as the benefits are earned by the employees. Sick leave is also accrued as a liability as the benefits are earned by the employees, but only to the extent that it is probable that the County will compensate the employees for the benefits through cash payments at termination or retirement.

Under the accrual basis of accounting used in the government-wide financial statements and the separate proprietary fund financial statements, the entire compensated absences liability (long-term and short-term) is recorded directly.

I. Landfill Closure and Postclosure Care Costs

In accordance with governmental accounting standards, the County, as a municipal solid waste land owner, records a current expense and the related long-term liability for certain future landfill closure and postclosure care costs for landfills still accepting solid waste. The portion of these future costs currently recognized is based on the amount of landfill capacity consumed as of each balance sheet date. The County also records the current estimated liability for remediation and monitoring costs for landfills that closed on or before October 9, 1991. More information on these expenses and related long-term liabilities is disclosed in the *Landfill Closure and Postclosure Care Costs* Note 12.

J. Deferred Issuance Costs, Bond Discounts, Premiums and Deferred Amounts on Refunding

In proprietary fund types, expenses incurred in connection with the issuance of long-term debt, as well as bond discounts, premiums and deferred amounts on refunding, are deferred and amortized over the term of the related financing using a method that approximates the effective interest method. For governmental funds, these costs are considered to be period costs.

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K. Self-Insurance

The County maintains a Risk Management (Workers' Compensation) self-insurance program, a Casualty self-insurance program, and an Employee health self-insurance program which are accounted for as internal service funds. Through December 21, 2002, the County maintained one fully insured health insurance program accounted for in the General Fund. However, effective January 1, 2003, the County elected to essentially self-insure itself for health benefits to County employees and employees of component units of the County electing to participate in the plan. The plan covers approximately 4,900 participants.

The three (3) self-insurance programs are designed to be self-sustaining through actuarially determined premiums established annually to cover expected claims, administration and a margin for unexpected losses or expenses.

L. Financial Reporting for Government-wide and Proprietary Funds

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Government Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The government has elected not to follow subsequent private-sector guidance.

M. Pension Disclosure

The County applies GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, for the measurement, recognition, and display of pension expenditures or expenses as discussed in a subsequent note.

N. Elimination of Internal Activity

In the government-wide Statement of Activities, interfund activity, such as transfers in and out as well as transfers within the Internal Service Funds and within the Governmental Activities category are eliminated. Interfund activity between Governmental and Business-type activities is not eliminated. Interfund services provided and used between functions are not eliminated because removing interfund services would distort the functional expenses presented in the Statement of Activities. In the Fund Financial Statements, only interfund activity within Enterprise Funds and Internal Service Funds is eliminated.

O. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 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.

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P. Budgets

BOARD OF COUNTY COMMISSIONERS

Pursuant to Chapter 129, Florida Statutes, General Budget Policies, the following procedures are followed by the Board of County Commissioners in establishing, adopting and maintaining the operating budget.

1. On or before July 15, the County Administrator, through the Office of Financial Management and Budget (OFMB) submits to the Board of County Commissioners a tentative budget for the fiscal year commencing the following October 1. This is a detailed plan outlining all programs and estimated departmental revenues and expenditures for the upcoming year.

2. Taxpayers are informed of the proposed budget and tentative millage rates through advertising and public hearings which are held to elicit taxpayer comments.

3. The budget is legally adopted through Board of County Commission action for the fiscal year beginning October 1.

4. The Board at any time within a fiscal year may amend a budget for that year as follows:

a. Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by action recorded in the minutes, provided that the total of the appropriations of the fund are not changed. The Board of County Commissioners, however, may establish procedures by which the designated budget officer may authorize certain intradepartmental budget amendments, provided that the total appropriation of the department shall not be changed.

b. Appropriations from reserves may be made to increase appropriations by resolution of the Board, but no expenditures shall be directly charged to any reserve.

c. A receipt from a source not anticipated in the budget and received for a particular purpose including, but not limited to, grants, donations, gifts or reimbursements for damages may, by resolution of the Board recorded in its minutes, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided for in the budget. Such receipts and appropriations shall be added to the budget in the proper fund. During fiscal year 2004, supplemental appropriations amounted to a net increase of \$388,915,658, or approximately 12.5% of the original budget.

5. It is unlawful for the Board to expend or contract for the expenditures in any fiscal year more than the amount budgeted in each individual fund's budget, and in no case shall the total appropriations of any budget be exceeded. In addition, to comply with the above statutory requirements, the Board of County Commissioners has elected to adopt management controls and approved guidelines, which provide for the budget to be controlled at a detail level greater than the statutory level of control. This control (effective legal level) is maintained at the department or fund level. A separate detailed report providing this information is available for inspection at the Office

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of Financial Management and Budget. Annual budgets are legally adopted for all governmental and proprietary fund types. Budgetary comparisons presented herein are on a basis consistent with GAAP.

CLERK OF THE CIRCUIT COURT

Chapter 218.35, Florida Statutes, governs the preparation, adoption and administration of the Clerk of the Circuit Court's (the Clerk) annual budget. The Clerk, as county fee officer, establishes an annual budget for her office, which clearly reflects the revenues available to the office and the functions for which the money is to be expended.

The Clerk, functioning in her capacity as Clerk of the Circuit and County Courts and as Clerk of the Board of County Commissioners, prepares her budget in two parts:

1. The budget for funds necessary to perform court-related functions as provided for in Florida Statute 28.36, which details the methodologies used to apportion costs between court-related and non-court-related functions performed by the clerk.
2. The budget relating to the requirements of the Clerk as Clerk of the Board of County Commissioners, County Auditor, and Custodian or Treasurer of all county funds and other county related duties.

SHERIFF

Chapter 30.49, Florida Statutes, governs the preparation, adoption and administration of the Sheriff's annual budget. By May 1 each year, the Sheriff shall certify to the Board a proposed budget of expenditures for performing the duties of his office for the ensuing fiscal year. The Sheriff's budget is legally adopted by Board of County Commission action for the fiscal year beginning October 1.

TAX COLLECTOR AND PROPERTY APPRAISER

Chapter 195.087, Florida Statutes, governs the preparation, adoption and administration of the budgets of the Tax Collector and Property Appraiser. On or before a legally designated date each year, the Tax Collector and the Property Appraiser shall submit to the Florida Department of Revenue a budget for the ensuing fiscal year. A copy of such budget shall be furnished at the same time to the Board of County Commissioners. Final approval of the budgets is given by the Florida Department of Revenue.

SUPERVISOR OF ELECTIONS

Chapter 129, (sections .02 and .202), Florida Statutes, governs the preparation, adoption and administration of the budget of the Supervisor of Elections. On or before June 1 of each year, the Supervisor of Elections shall submit to the Board of County Commissioners a tentative budget for the ensuing fiscal year.

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However, The Board of County Commissioners of Palm Beach County, by resolution R-95-1195, requires the tentative budget to be submitted by May 1 of each year.

Q. Operating versus Nonoperating Revenue and Expenses

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 the fund's principal ongoing operations. The principal operating revenues of the County's Enterprise and Internal Service funds is charges to customers for sales and services. Operating revenues for the Enterprise Funds include water and wastewater service fees, airport fees and charges and solid waste refuse fees. For the Internal Service Funds, operating revenues include charges to other departments for various maintenance, communications and insurance services. Operating expenses for the Enterprise and Internal Service Funds include costs of sales and services, administrative fees, insurance payments and depreciation. All revenues and expenses not meeting this definition are considered nonoperating items.

R. Use of Restricted Resources

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

S. Fund Equity and Net Assets

Fund Equity

The County has established certain reservations of fund equity to indicate the portion of fund balance that is not appropriable for expenditure or is legally segregated for a specific future use. Reservations of fund balance are designated on the Balance Sheet.

Net Assets

Invested in capital assets, net of related debt is that portion of net assets that relates to the County's capital assets reduced by the portion of the assets that has been acquired through the use of long-term debt. This amount is offset by any unspent proceeds that are outstanding at fiscal year-end.

Restricted net assets is that portion of net assets that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation.

T. Property Tax

Taxes in Palm Beach County are levied by the Board of County Commissioners for the County. The millage levies are determined on the basis of estimates of revenue needs and the total taxable valuations within the jurisdiction of the Board of County Commissioners. No aggregate ad valorem

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tax millage (in excess of 10 mills on the dollar) is levied against property of the County as specified in Chapter 200.071, Florida Statutes.

Each year the total taxable valuation is established by the County Property Appraiser and the list of property assessments is submitted to the State Department of Revenue for approval. County ad valorem taxes are a lien on the property against which they are assessed from January 1 of the year of assessment until paid or barred by operation of law (statute of limitations). Taxes are levied on October 1, become due and payable on November 1 of each year, or as soon thereafter as the assessment roll is opened for collection, and are delinquent on April 1 of the following year.

Pursuant to Florida law, the Tax Collector advertises and sells tax certificates on all real property for which there are unpaid taxes. Accordingly, there is no property taxes receivable as of September 30, 2004.

For the 2003 tax roll year, the assessment roll was opened for collection on November 1, 2003, and discounts for payment prior to April 1, 2004, were determined as follows:

4%	if paid in November 2003
3%	if paid in December 2003
2%	if paid in January 2004
1%	if paid in February 2004

U. Interest Costs

Interest costs are charged to expense or expenditure as incurred. Proprietary funds follow the provisions of FASB Statement No. 34 *Capitalization of Interest Costs* and No. 62, *Capitalization of Interest Cost on Certain Tax-Exempt Borrowings and Certain Gifts and Grants*. Interest cost incurred by proprietary funds for the fiscal year ended September 30, 2004 amounted to \$25,778,182 of which \$2,075,277 was capitalized.

2. RESTATEMENTS, RECLASSIFICATIONS AND ACCOUNTING CHANGES

A. RESTATEMENTS AND RECLASSIFICATIONS

Effective October 1, 2003 the County reclassified several Other Special Revenue Funds to a new fund category, Tourist Development Special Revenue Fund. As a result, beginning fund balance in Other Special Revenue Funds decreased by \$22,723,387 and beginning fund balance of Tourist Development Special Revenue Fund increased by \$22,723,387.

Effective October 1, 2003 the County reclassified several funds included in the General Fund category to Community and Social Development Special Revenue Funds and Other Special Revenue Funds. As a result, beginning fund balance in the General Fund decreased by \$11,547,437, beginning fund balance of Community and Social Development Special Revenue Funds increased by \$4,888,923, and beginning fund balance of Other Special Revenue Funds increased by \$6,658,514.

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Effective October 1, 2003 the County restated entity-wide net assets as a result of recording infrastructure assets acquired prior to October 1, 2001 in accordance with GASB Statement No. 34. As a result, beginning capital assets and the related investment in capital assets, net of related debt, increased by \$198,335,121, respectively.

Reserved fund balance in the General Fund has been reclassified due to the repayment in fiscal year 2004 of an advance to other county funds. As a result, beginning fund balance in the General Fund increased by \$21,000 and fund balance reserved for advances to other county funds decreased by \$21,000.

B. ACCOUNTING CHANGE

Effective October 1, 2003 the County changed the method of reporting inventory in one of the County's golf course funds (reported in Other Special Revenue Funds) from the consumption method to the purchases method. As a result, beginning fund balance in Other Special Revenue Funds decreased by \$49,787.

Effective October 1, 2003 the County changed the method of reporting inventory in the Palm Tran Special Revenue Fund from the consumption method to the purchases method. As a result, beginning fund balance in the Palm Tran Special Revenue Fund decreased by \$1,210,816.

3. CASH AND INVESTMENTS

The County pools significant amounts of cash and investments so as to maximize earnings and facilitate cash management. Each fund's equity portion of total pooled amounts is reported as "Cash and cash equivalents- internal investment pool" on the entity-wide Statement of Net Assets. Cash and investments of certain funds are maintained separately due to legal and bond requirements and reported separately on the entity-wide Statement of Net Assets. For the fund statements, pool and separate cash equivalents are combined and reported as 'Cash and cash equivalents'.

Deposits

All of the County's deposits are held in qualified public depositories pursuant to the Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act" and are covered by either federal depository insurance or collateral held by the Chief Financial Officer of Florida.

In the event of a default by a qualified public depository, all claims for government deposits would be satisfied by the Chief Financial Officer of Florida from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Accordingly, all deposits with financial institutions are considered fully insured in accordance with the provisions of Statement No. 3 of the Governmental Accounting Standards Board (GASB 3). At year-end, the carrying amount of deposits and cash on hand was \$333,597,289 and the bank balance was \$152,434,575.

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Investments

Local Ordinance authorizes the County to invest in obligations of the U.S. Government, its agencies and instrumentalities, repurchase agreements, interest-bearing time deposits, savings accounts, the Local Government Surplus Funds Trust Fund (State Board of Administration), the Florida Local Government Investment Trust (FLGIT), collateralized mortgage obligations (CMO), and certain corporate securities.

The County's investments are categorized in accordance with GASB 3 to give an indication of the level of custodian risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counter-party's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter-party or by its trust department or agent but not in the County's name.

The County invests in CMO's as a means to diversify investments and increase yield in pursuit of the County's investment policy objectives of safety, liquidity and total return. These securities are based on cash flows from interest and principal payments on the underlying mortgages. At fiscal year end, the County's CMO investments had a fair value of \$82,350,506 which represents 5.5% of total investments for the primary government as a whole.

Investment Valuation under GASB 31

GASB 31 (Accounting and Financial Reporting for Certain Investments and for External Investment Pools) requires most investments to be recorded at fair value.

1. Investments in U.S. Government and agency securities, collateralized mortgage obligations and corporate securities are recorded at fair value based on the last reported sales price for securities traded on a national exchange.
2. Investments in the Local Government Surplus Funds Trust Fund (State Board of Administration) are recorded at amortized cost. The trust fund is an external investment pool administered by the State of Florida and operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The Act allows the use of amortized cost rather than fair value in computing the share price of the pool.

Regulatory oversight of the State Board of Administration is provided by three elected officials who are accountable to the electorate: the Governor of the State of Florida, as Chairman; the Chief Financial Officer of Florida, as Treasurer; and the State Comptroller, as Secretary. External oversight of the State Board of Administration is provided by the Investment Advisory Council which reviews the investments made by the staff of the Board of Administration and makes recommendations to the Board regarding investment policy, strategy, and procedures. Audit oversight is provided by the Florida Auditor General's Office.

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These investments are not evidenced by securities that exist in physical or book entry form and, in accordance with GASB 3, they are classified as an investment but are not categorized for custodian risk.

3. Investments in the Florida Local Government Investment Trust (FLGIT) and the Federated Government Obligations Fund are recorded at their share price which represents the fair value of the fund's underlying investments.

The FLGIT is a local government investment pool developed jointly by the Florida Association of Court Clerks and the Florida Association of Counties. The FLGIT has no regulatory oversight, but has been recognized by an Internal Revenue Service private letter ruling as a tax-exempt organization, received a Standard and Poor's rating and is governed by a six member Board of Trustees.

The Federated Government Obligations Fund is an intermediate term bond mutual fund which invests exclusively in governmental obligations.

These investments are not evidenced by securities that exist in physical or book entry form and, in accordance with GASB 3, they are classified as investments but are not categorized for custodian risk.

4. Investments in money market mutual funds, and guaranteed investment contracts (nonparticipating) are recorded at amortized cost. These investments are not evidenced by securities that exist in physical or book entry form and, in accordance with GASB 3, they are classified as investments but are not categorized for custodian risk.

The following table summarizes the County's investments (carrying amount equals fair value as defined by GASB 31) as of September 30, 2004:

	Category			Amount
	1	2	3	
U.S. Government and Agency securities	\$1,298,031,189	\$ -	\$ -	\$1,298,031,189
Corporate securities	10,735,410	-	-	10,735,410
	\$1,308,766,599	\$ -	\$ -	1,308,766,599
Local Government Surplus Funds Trust Fund				132,196,841
Federated Government Obligations Fund				21,017,630
Florida Local Government Investment Trust				24,388,174
Guaranteed investment contracts				21,149,922
Total Investments				1,507,519,166
Total cash and bank deposits				333,597,288
Total Cash and Investments				\$1,841,116,454

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Reconcile GASB 3 Deposits & Investments

	Primary Government <u>Entity Wide</u>	Fiduciary Funds <u>Statement</u>	<u>Total</u>
Cash & cash equivalents- internal investment pool	\$1,391,203,103	\$60,652,032	\$1,451,855,135
Cash & cash equivalents- separate accounts	346,223,369	419,670	346,643,039
Investments- separate accounts	<u>42,618,280</u>	<u>0</u>	<u>42,618,280</u>
	<u>\$1,780,044,752</u>	<u>\$61,071,702</u>	<u>\$1,841,116,454</u>

Interest Rate Swap Agreement

The Solid Waste Authority (SWA) has entered into interest rate swap agreements with a brokerage firm. The counter party for the swaps was rated Aa1 by Moody's Investors Service and AA- by Standard & Poor's at September 30, 2004.

The SWA or the counter party may terminate the swap if the other party fails to perform under the terms of the swap agreement. The SWA may also terminate the swap at any time with 30 days notice to the counter party.

If the swap has a negative value at an early termination date, the SWA would be liable to pay that amount to the counter party and if the swap had a positive value at termination, the SWA would receive the amount from the counter party.

Swap a variable rate for a fixed rate agreement: The SWA entered into an agreement to swap a variable rate for a fixed rate on 11/15/2002 for a notional amount of \$13 million. There was no cash payment at inception and no associated debt for the swap.

Under the terms of the swap, the SWA pays interest at a variable rate equivalent to the London Interbank Offered Rate (LIBOR) (1.1579% at 9/30/2003) and receives a fixed interest rate of 2.48% through the maturity (November 15, 2005) of the swap agreement.

The net amount due either party under the swap is calculated and paid semi-annually on May 15th and November 15th. At 9/30/2004, the counter party determined the fair value of the swap to be approximately negative \$6,700 using the zero coupon method. Since the fair value is negative, the SWA was not exposed to credit risk on the swap at 9/30/2004.

The swap increases the SWA's exposure to variable rates. As the LIBOR rate increases, the SWA's net payment on the swap increases.

Swap a variable rate for a variable rate agreement: The SWA entered into an agreement to swap a variable rate for another variable rate on 2/24/2003 for a notional amount of \$75 million. There was no cash payment at inception and no associated debt for the swap.

**PALM BEACH COUNTY, FLORIDA
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SWA terminated this swap on 9/20/2004 and received a termination payment of \$225,000 from the counterparty.

COMPONENT UNITS:

Westgate/Belvedere Homes Community Redevelopment Agency (CRA)

At September 30, 2004, the carrying amount of CRA's cash balance was \$63,121 and the bank balance was \$68,235.

All of CRA's deposits are held in qualified public depositories pursuant to the Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act" and are covered by either federal depository insurance or collateral held by the Chief Financial Officer of Florida.

CRA's investments are invested in the Local Government Surplus Funds Trust Fund. The carrying value of the investments equals the fair value of \$761,377. The investment in the Local Government Surplus Funds Trust Fund is not classified into one of the custodian risk categories per GASB 3 because such investments are not evidenced by securities that exist in physical or book entry form.

Palm Beach County Housing Finance Authority (HFA)

All investments are recorded at fair value as required by GASB 31. At September 30, 2004, cash and cash equivalents consisted of the following:

Cash	\$ 68,990
Fidelity U.S. treasury portfolio	529,414
Local Government Surplus Funds Trust Fund	7,118,558
Cash in Federal Home Loan Bank	<u>48,788,400</u>
Total cash and cash equivalents	<u>\$56,505,362</u>

The carrying value of the above deposits equals the bank balance.

All of the Authority's deposits are held in qualified public depositories pursuant to the State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act" and are covered by either federal depository insurance or collateral held by the Chief Financial Officer of Florida.

The money market investment account, Fidelity U.S. Treasury Portfolio, and the Local Government Surplus Funds Trust Fund are not classified into one of the custodian risk categories per GASB 3 because such investments are not evidenced by securities that exist in physical or book entry form.

At September 30, 2004 investments consisted of the following:

GNMA Certificate, rate 6.5%, mature 11/15/2024	\$ 202,949
GNMA Certificate, rate 7%, mature 4/15/2025	<u>137,419</u>
Total investments	<u>\$ 340,368</u>

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All investments are recorded at fair value as required by GASB 31. The securities are registered in the name of the Authority and are categorized in accordance with GASB 3 as category 1.

Metropolitan Planning Organization (MPO)

MPO participates in Palm Beach County's internal investment pool which is included in 'due from Primary Government'. At September 30, 2004 MPO's equity in the pool was \$287,768.

4. RELATED PARTY TRANSACTIONS

Various departments within the County provide goods, administration, public safety, maintenance and various other services to other operating departments. Charges for these services are determined using direct and indirect cost allocation methods or amounts determined based upon direct negotiations between the related parties. The most significant of these transactions involves the reimbursement of indirect costs. Accordingly, the reimbursement of these indirect costs in fiscal year 2004 was \$13,162,125.

5. CAPITAL ASSETS

A summary of changes in capital assets follows:

Primary Government

	Beginning Balance	Additions	Deductions	Ending Balance
Governmental Activities:				
Non-depreciable assets:				
Land	\$ 488,664,053	\$ 48,493,936	\$ (8,239,980)	\$ 528,918,009
Construction In Progress	287,100,578	122,165,566	(125,743,348)	283,522,796
Total non-depreciable assets	<u>775,764,631</u>	<u>170,659,502</u>	<u>(133,983,328)</u>	<u>812,440,805</u>
Depreciable assets:				
Buildings and improvements	463,088,970	117,207,799	-	580,296,769
Improvements other than buildings	185,031,419	1,393,667	-	186,425,086
Equipment	415,952,909	42,290,331	(29,126,453)	429,116,787
Infrastructure	1,009,590,884 *	-	-	1,009,590,884
Total depreciable assets	<u>2,073,664,182</u>	<u>160,891,797</u>	<u>(29,126,453)</u>	<u>2,205,429,526</u>
Less accumulated depreciation for:				
Buildings and improvements	(167,721,105)	(13,864,153)	-	(181,585,258)
Improvements other than buildings	(115,308,955)	(7,654,207)	-	(122,963,162)
Equipment	(260,870,650)	(45,674,110)	26,587,140	(279,957,620)
Infrastructure	(811,255,763) *	(22,158,195)	-	(833,413,958)
Total accumulated depreciation	<u>(1,355,156,473)</u>	<u>(89,350,665)</u>	<u>26,587,140</u>	<u>(1,417,919,998)</u>
Total capital assets, being depreciated, net	<u>718,507,709</u>	<u>71,541,132</u>	<u>(2,539,313)</u>	<u>787,509,528</u>
Total governmental capital assets, net	<u>\$ 1,494,272,340</u>	<u>\$ 242,200,634</u>	<u>\$ (136,522,641)</u>	<u>\$ 1,599,950,333</u>

* Restated for infrastructure assets acquired prior to October 1, 2001. Infrastructure expenditures for the current fiscal year have been capitalized as Construction in Progress.

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	Beginning			Ending
	Balance	Additions	Deductions	Balance
Business-type Activities:				
Non-depreciable assets:				
Land	\$ 173,627,555	\$ 7,276,773	\$ (27,420)	\$ 180,876,908
Construction In Progress	101,736,856	95,643,873	(89,843,825)	107,536,904
Total non-depreciable assets	<u>275,364,411</u>	<u>102,920,646</u>	<u>(89,871,245)</u>	<u>288,413,812</u>
Depreciable assets:				
Buildings and improvements	453,825,824	30,517,173	-	484,342,997
Improvements other than buildings	862,148,808	68,296,068	-	930,444,876
Equipment	197,361,198	11,558,923	(4,137,805)	204,782,316
Total depreciable assets	<u>1,513,335,830</u>	<u>110,372,164</u>	<u>(4,137,805)</u>	<u>1,619,570,189</u>
Less accumulated depreciation for:				
Buildings and improvements	(180,043,250)	(15,875,538)	-	(195,918,788)
Improvements other than buildings	(336,773,227)	(26,092,237)	-	(362,865,464)
Equipment	(115,482,561)	(14,566,698)	3,925,892	(126,123,367)
Total accumulated depreciation	<u>(632,299,038)</u>	<u>(56,534,473)</u>	<u>3,925,892</u>	<u>(684,907,619)</u>
Total capital assets, being depreciated, net	<u>881,036,792</u>	<u>53,837,691</u>	<u>(211,913)</u>	<u>934,662,570</u>
Total business-type capital assets, net	<u>\$ 1,156,401,203</u>	<u>\$ 156,758,337</u>	<u>\$ (90,083,158)</u>	<u>\$ 1,223,076,382</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 17,980,224
Public safety	23,268,253
Physical environment	319,304
Transportation	27,687,978
Economic environment	103,566
Human services	1,397,552
Culture and recreation	10,454,929
Internal service funds	7,924,859
Total depreciation expense -governmental activities	<u>89,136,665</u>
Adjustments to accumulated depreciation	<u>214,000</u>
Total increases to accumulated depreciation	<u>\$ 89,350,665</u>
Business-type Activities:	
Water Utilities Department	\$ 23,135,787
Department of Airports	15,447,608
Solid Waste Authority	17,951,078
Total depreciation expense - business-type activities	<u>\$ 56,534,473</u>

**PALM BEACH COUNTY, FLORIDA
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Discretely presented component unit

A summary of changes in capital assets for the Westgate/Belvedere Homes Community Redevelopment Agency follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Non-depreciable assets:				
Land	\$ 331,200	\$ 38,457	\$ 0	\$ 369,657
Total non-depreciable assets	331,200	38,457	0	369,657
Depreciable assets:				
Equipment	6,249	2,774	0	9,023
Total depreciable assets	6,249	2,774	0	9,023
Less accumulated depreciation for:				
Equipment	(3,905)	(1,969)	0	(5,874)
Total accumulated depreciation	(3,905)	(1,969)	0	(5,874)
Total capital assets, being depreciated, net	2,344	805	0	3,149
Total component unit capital assets, net	<u>\$ 333,544</u>	<u>\$ 39,262</u>	<u>\$ 0</u>	<u>\$ 372,806</u>

6. INTERFUND TRANSFERS IN AND OUT

Interfund transfers in and out during fiscal year 2004 were as follows:

Interfund Transfers In	Interfund Transfers Out	Amount
Governmental Funds:		
Major Governmental Funds		
General Fund	Law Enforcement Grants Special Revenue Fund	\$ 551,638
	Other Special Revenue Funds	22,976,696
	Clerk of the Circuit Court Special Revenue Fund	10,884,776
	Sheriff Special Revenue Fund	8,015,401
	Revenue Bonds Debt Service Fund	4,509
	Criminal Justice Capital Projects	149
		<u>\$ 42,433,169</u>
Fire Rescue Special Revenue Fund	General Fund	\$ 50,000
	Community and Social Development Special Revenue Fund	48,483
	Other Special Revenue Funds	423,514
		<u>\$ 521,997</u>
Sheriff Special Revenue Fund	General Fund	\$ 287,857,720
	Law Enforcement Grants Special Revenue Fund	2,852,145
	Other Special Revenue Funds	913,473
		<u>\$ 291,623,338</u>

PALM BEACH COUNTY, FLORIDA
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General Government Capital Projects	General Fund	\$ 50,672,061
	Community and Social Development Special Revenue Fund	149,548
	Clerk of the Circuit Court Special Revenue Fund	388,494
	Sheriff Special Revenue Fund	640,406
	Fleet Management	2,500,000
	ISS	<u>1,372,500</u>
		<u>\$ 55,723,009</u>
Road Program Capital Projects	General Fund	\$ 1,490,000
		<u>\$ 1,490,000</u>
Nonmajor Governmental Funds		
Nonmajor Special Revenue Funds		
Law Enforcement Grants Special Revenue Fund	General Fund	\$ 400,700
	Other Special Revenue Funds	<u>82,277</u>
		<u>\$ 482,977</u>
County Transportation Trust Special Revenue Fund	General Fund	\$ 5,150,210
	Other Special Revenue Funds	8,000,000
	General Government Capital Projects	60,000
	Road Program Capital Projects	<u>16,694,370</u>
		<u>\$ 29,904,580</u>
Community and Social Development Special Revenue Fund	General Fund	\$ 9,733,022
		<u>\$ 9,733,022</u>
Palm Tran Special Revenue Fund	General Fund	\$ 17,550,074
	Road Program Capital Projects	<u>500,000</u>
		<u>\$ 18,050,074</u>
Other Special Revenue Funds	General Fund	\$ 2,343,054
	General Government Capital Projects	<u>166,579</u>
		<u>\$ 2,509,633</u>
Clerk of the Circuit Court Special Revenue Fund	General Fund	\$ 29,523,695
		<u>\$ 29,523,695</u>
Supervisor of Elections Special Revenue Fund	General Fund	\$ 7,371,329
		<u>\$ 7,371,329</u>
Nonmajor Debt Service Funds		
Revenue Bonds Debt Service Fund	Tourist Development Special Revenue Fund	\$ 5,905,945
	Other Special Revenue Funds	36,622,024
	General Government Capital Projects	<u>284,445</u>
		<u>\$ 42,812,414</u>

PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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Other Financing Debt Service Fund	General Fund	\$ 48,000
	Tourist Development Special Revenue Fund	30,000
	Other Special Revenue Funds	<u>4,018,981</u>
		<u>\$ 4,096,981</u>
Nonmajor Capital Projects Funds		
Environmental Lands Capital Projects	General Fund	\$ 1,100,000
	Tourist Development Special Revenue Fund	<u>1,774,941</u>
		<u>\$ 2,874,941</u>
Fire Rescue Capital Projects	Fire Rescue Special Revenue Fund	<u>\$ 8,165,856</u>
		<u>\$ 8,165,856</u>
Parks & Recreation Capital Projects	General Fund	\$ 2,090,000
		<u>\$ 2,090,000</u>
Proprietary Funds:		
Major Enterprise Funds		
Airports	Road Program Capital Projects	\$ 358,500
		<u>\$ 358,500</u>
Nonmajor Internal Service Funds		
ISS	General Government Capital Projects	<u>\$ 266,637</u>
		<u>\$ 266,637</u>
Total Interfund Transfers Primary Government		<u><u>\$ 550,032,152</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) provide matching funds for the County's portion of grant agreements, (4) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (5) provide funding for various capital projects.

In the year ended September 30, 2004, the County made an emergency transfer of \$3,400,000 from the General Fund to General Government Capital Projects to cover hurricane expenditures. There were also transfers totaling \$3,346,787 from the General Fund to General Government Capital Projects for the funding of the Scripps Land Acquisition and Infrastructure. A transfer of \$2,500,000 was made from Fleet Management to General Government Capital Projects for the Field Operations and Support Center. A transfer of \$266,637 was made from General Government Capital Projects to ISS to establish debt payment budget for the installment purchase of the IBM InfoPrint Enterprise Printing System.

**PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004**

7. PENSION PLANS

FLORIDA RETIREMENT SYSTEM

The County participates in the Florida Retirement System (FRS), a non-contributory, cost-sharing, multi-employer, public employee retirement system administered by the Florida Department of Management Services, Division of Retirement. The FRS was created December 1, 1970. FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The pension benefits of FRS are established by Florida Statutes, Chapter 121, and may only be amended by the Florida Legislature.

The Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for FRS. The report may be obtained by writing to the Florida Department of Management Services, Division of Retirement, Cedars Executive Center, Building C, 2639 North Monroe Street, Tallahassee, Florida 32399-1560 or by calling 1-850-488-5706.

Beginning in 2002, the FRS became one system with two primary plans, a defined benefit plan known as the FRS Pension Plan and a defined contribution plan alternative to the defined benefit plan known as the Public Employee Optional Retirement Program (PEORP)- also known as the FRS Investment Plan. The earliest that any member could participate in the FRS Investment Plan was July 1, 2002. The two plans are described in detail below.

FLORIDA RETIREMENT SYSTEM - DEFINED BENEFIT PLAN

Plan Description. The defined benefit plan remains unchanged at this time, with benefits computed on the basis of age, average final compensation and service credit. Average final compensation is the average of the five (5) highest fiscal years of earnings. Effective July 1, 2001, the FRS provides vesting of benefits after six (6) years of credited service; formerly ten (10) years of credited service was required. Employees who worked less than ten years and were not employed by a participating FRS employer as of the effective date must complete one year of service or ten years total, whichever comes first, after July 1, 2001, to be eligible for the new vesting provision. Members are eligible for normal retirement when they have met minimum requirements established by their membership class. Early retirement may be taken any time after vesting. However, there is a 5% reduction in benefits for each year prior to normal retirement age or date. The percentage level of employees' payroll contribution rates is determined using the froze entry age actuarial cost method.

Funding policy. In accordance with GASB 27, a pension liability at transition is required to be determined. This amount was determined to be zero. There was no prior liability reported for this plan. The County was required to contribute based on rates established statewide by class of membership for participating governmental units.

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The following membership classes and rates were in effect at September 30, 2004:

<u>Membership Class</u>	<u>Rates</u>
Regular	7.39%
Special Risk	18.53%
Special Risk Administrative	9.92%
Judges	18.65%
Legislators/Attorneys/Cabinet	12.49%
County Elected Officials	15.23%
State Attorney/Public Defender	12.49%
Senior Management	9.37%
Deferred Retirement Option Program	9.11%

The contribution requirements of the County are established and may be amended by the Florida Legislature. The County's contributions to FRS for the years ended September 30, 2004, 2003, and 2002 were \$56.2 million, \$45.8 million, and \$45.4 million, respectively, equal to the required contributions for each year.

FLORIDA RETIREMENT SYSTEM - DEFINED CONTRIBUTION PLAN

Plan Description. All employees who were employed or hired before October 1, 2002, were eligible to make an election to choose this option. Once an election is made, employees have one additional opportunity to change their election while covered by the FRS. An employee who elected to transfer from the defined benefit plan will have the net present value of future benefits, as calculated by FRS when the employee's election became effective, added to his or her defined contribution balance. Thereafter, employer contributions are a percentage of covered payroll as set by the State Statute, currently 9%. The employee can choose among several options with varying degrees of risk. Benefits are determined by the accumulated employer contributions and earnings thereon in the employee's account plus any net present value added for those employees who transferred from the defined benefit plan. The defined contribution plan provides for vesting after on year. Upon leaving the FRS, employees may take the entire amount in a lump sum or as an annuity.

The County's contributions to FRS for the years ended September 30, 2004 and 2003 were \$845,423 and \$267,729, respectively.

PALM TRAN, INC. - DEFINED BENEFIT PLAN

Plan Description. The Palm Tran, Inc. - Amalgamated Transit Union Local 1577 (Palm Tran) pension plan (the Plan) is a mandatory contribution, single-employer, defined benefit retirement program administered by Fiduciary Trust International of the South. The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The Board of Trustees (the Board) of the Palm Tran pension plan has the authority to establish and amend benefit provisions. Palm Tran issues a stand-alone, publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Fiduciary Trust International

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of the South, Attn: Ms. Ann Orsek, Vice President, 200 South Biscayne Blvd., Suite 3050, Miami, Florida 33131.

Funding Policy. In fiscal year 2003, the pension note listed information from the December 31, 2001 actuarial valuation which indicated over 100% contribution of the annual pension cost. The information was incorrect and has been restated below based on the current actuarial valuation.

The contribution requirements of plan members and Palm Tran, Inc. are established by the Pension Trust Agreement and may be amended by the Board. Plan members are required to contribute 2.5% of their annual covered payroll. Palm Tran, Inc. is required to contribute 13% of annual covered payroll.

In accordance with GASB 27, a pension liability at transition is required to be determined. This amount was determined to be zero. There was no prior liability reported for this plan. For the current year, the annual pension cost for Palm Tran, Inc. was \$2,313,147 and was equal to its required and actual contributions. The required contribution was determined as part of the December 31, 2003 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 8.0% investment rate of return and (b) projected salary increases of 5.0% - 12.5%. Both (a) and (b) included an inflation component of 4.0%. The actuarial value of the Plan's assets was determined using the 5-year smoothed market. The Plan's unfunded actuarial liability is being amortized using the level percent closed amortization method. The remaining amortization period for the Plan is 30 years.

Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/01	\$2,127,458	100%	0
12/31/02	2,269,712	100	0
12/31/03	2,313,147	100	0

LANTANA FIREFIGHTER'S - DEFINED BENEFIT PLAN

Plan Description. The Lantana Firefighter's Pension Fund (LFPF) is a single-employer, defined benefit pension plan administered by the Pension Resource Center. LFPF provides retirement, disability, and death benefits to plan members and beneficiaries. The Board of Trustees (the Board) of LFPF has the authority to establish and amend benefit provisions. LFPF issues a stand-alone, publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the plan administrator at Pension Resource Center, 5606 PGA Blvd., Suite 113, Palm Beach Gardens, Florida 33418 or by calling 1-561-624-3277.

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Funding policy. Plan members are required to contribute 2.0% of their annual covered salary. The County is required to contribute an actuarially determined rate; the current rate is 27.86% of annual covered payroll. The contribution requirements of plan members and the County are established and may be amended by the LFPF Board of Trustees.

In accordance with GASB 27, a pension liability at transition is required to be determined. This amount was determined to be zero. There was no prior liability reported for this plan. For the current year, the annual pension cost for the County was \$633,634 and was equal to its required and actual contributions. The required contribution was determined as part of the September 30, 2001 actuarial valuation using the individual entry age actuarial cost method. The actuarial assumptions included (a) 8.0% investment rate of return and (b) projected salary increases of 7.0%. Both (a) and (b) included an inflation component of 5.0%. The actuarial value of LFPF assets was determined using the market value. LFPF's unfunded actuarial liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at September 30, 2001 ranges from 7-23 years.

Three-Year Trend Information

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of APC</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
9/30/02	\$372,550	100	0
9/30/03	595,669	100	0
9/30/04	633,634	100	0

ROYAL PALM BEACH FIREFIGHTERS - DEFINED CONTRIBUTION PLAN

On April 20, 1999, the Board of County Commissioners approved the establishment of a 401(a) pension plan to be effective as of March 13, 1999 for former employees of the Royal Palm Beach Fire Department who became County employees as of that date. Florida Statutes require that as a result of a merger or consolidation, pension benefits for employees shall not be diminished so the County is responsible for establishing a separate pension plan for former Royal Palm Beach firefighters.

The Palm Beach County/Village of Royal Palm Beach Firefighter Money Purchase Plan & Trust (Plan and Trust) is a single-employer defined contribution plan administered by The Pension Resource Center, Inc. which covers all Royal Palm Beach firefighters. The County's current year payroll for employees covered by the plan was approximately \$2,043,244. The total County payroll for the year was approximately \$277,362,998.

The County's contribution requirement was originally 15%. Based on the Collective Bargaining agreement, the County's contribution will be adjusted July 1 of each year to the percentage amount contributed by the County to the FRS for special risk employees which was 18.5% for 2004. The contribution amounted to \$375,783 for the current year. If the Employer so elects in the Adoption

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Agreement, an eligible Employee may make voluntary (unmatched) contributions under the Plan for any Plan Year in any amount up to ten percent (10%) of his/her earnings for such Plan Year. Such contributions shall be accounted for separately in the Participant's Voluntary Contribution Account.

Employees' vesting is determined by the number of consecutive years served. Employees are fully vested after six (6) consecutive years of service. These benefit provisions and all other requirements are established by County Resolution.

COMPONENT UNIT

Westgate/Belvedere Homes Community Redevelopment Agency (CRA) participates in the Florida Retirement System (FRS), a non-contributory, cost-sharing, multi-employer, public employee retirement system administered by the Florida Department of Management Services, Division of Retirement.

See pages 54 and 55 for plan description and funding policy of the Florida Retirement System defined benefit and contribution plans.

The contribution requirements of CRA are established and may be amended by the Florida Legislature. The CRA's contributions to FRS for the years ended September 30, 2004, 2003, and 2002 were \$11,262, \$7,426, and \$7,355, respectively, equal to the required contributions for each year.

8. COMMITMENTS

County Home

The County entered into an interlocal agreement with the Palm Beach County Health Care District (the District) effective July 11, 1995 regarding the Medicaid Match and the County Home and General Care Facility. This agreement provides that the County will make an annual payment of the fixed amount of \$15 million to the District in exchange for the District's agreement to operate and manage the County Home and to pay 100% of the Medicaid Match funding as required by the State for hospital and nursing home care. The County's annual funding of \$15 million is payable in equal monthly installments for the next 40 years.

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Outstanding Purchase Orders and Contracts

Purchase orders and contracts (including construction contracts) had been executed, but goods and services were not received in approximately the amounts shown below as of September 30, 2004:

Fund	Amount
Capital Projects Funds	\$146,467,843
Department of Water Utilities	42,784,000
Special Revenue Funds	40,885,975
Solid Waste Authority	33,102,907
Department of Airports	26,930,993
General Fund	25,054,468
Fleet Management	2,567,445
ISS	760,566
Combined Insurance Fund	299,968
Clerk of the Circuit Court	174,511
Tax Collector	77,616
Graphics	40,175
Supervisor of Elections	8,239
Property Appraiser	<u>2,835</u>
Total	<u><u>\$319,157,541</u></u>

Because the budget authority for these amounts lapses at fiscal year-end, they are not shown as either encumbrances or liabilities. Funds are appropriated at the beginning of each fiscal year to provide for these commitments.

Land Acquisition

Palm Beach County School Board:

On September 21, 1993, an agreement (R93-1188D) was entered into by the Palm Beach County School Board and Palm Beach County for co-location of facilities and exchange of properties. This Agreement establishes a process to facilitate joint planning for co-located facilities and also establishes a mechanism by which properties owned by either party can be exchanged with the other party which has a need therefor. The Agreement also establishes a credit system whereby properties can be transferred and payments deferred for up to two years while offsetting exchanges are completed.

On February 3, 2004 Palm Beach County entered into an agreement with the School Board (R2004-0250) for the Lake Glades Water Treatment Plant (WTP). A post closing payment of \$1,000,000 was to be made by Palm Beach County Water Utilities Department to the School Board for reimbursement of improvement costs made to the WTP site. In lieu of receiving cash, the School Board agreed to have a credit of \$1,000,000 applied to the outstanding amount owed under the Funding Agreement to Palm Beach County Parks Department of \$3,131,538. An inter-fund transfer

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of \$1,000,000 was made from Palm Beach County Water department to the Palm Beach County Parks department, leaving the outstanding balance of \$2,131,538 due from the School Board.

On March 20, 2004 the School Board made an additional payment to Palm Beach County Parks department of \$1,000,000. As of September 30, 2004 the School Board owes Palm Beach County \$1,131,538 under the Funding Agreement.

Solid Waste Authority of Palm Beach County:

On December 10, 2003 the Authority authorized the acquisition of approximately 40 acres of land from Palm Beach County for approximately \$2.5 million for the construction of a Transfer Station in the southwest portion of the County. The cost of the property acquisition will be paid from existing Bond proceeds.

Land Commitment

During 1996 SWA purchased approximately 1,600 acres of farmland in western Palm Beach County as a replacement waste disposal site. SWA has entered into a ten year operating lease with the former owner of the western county site to maintain and continue farming the property. The lease provides for annual rental payments to SWA adjusted each year based on the change in the producer price index for raw cane sugar, provided that the total annual rent shall not exceed \$450,000. Rental income from this lease for the years ended September 30, 2004 and 2003 was approximately \$230,000. The carrying value of the land subject to the lease was approximately \$8 million at September 30, 2004 and 2003. The lease also provides the option to extend the term for six additional periods of four years each under the same terms and conditions. SWA retains the right to terminate the lease in part for areas designated for development by SWA after the initial ten year term. Management expects the operating lease to be renewed until the property is utilized for its intended purpose as a replacement waste disposal site.

9. RISK MANAGEMENT

The County maintains various self-insurance programs which are accounted for as internal service funds. Following is a brief description of each of the County's insurance programs. The claims liability reported in each of the funds at September 30, 2004, is actuarially determined based on the requirements of GASB 10, which specifies that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Casualty Self-Insurance

The County is exposed to various risks of loss related to torts; theft, damage and destruction of assets; errors and omissions; and natural disasters.

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From inception through September 30, 1986, the County purchased a commercial "Protected Self-Insurance" program which provided specific excess coverage for property losses above \$100,000 per claim as well as aggregate excess coverage for all losses. From October 1, 1986 through October 31, 1990, the County had specific excess coverage for property but no aggregate excess coverage. From November 1, 1990 to date, a commercial "Protected Self-Insurance" program was again purchased to provide specific excess coverage for property losses and aggregate excess coverage for all losses. In addition, excess liability exposures are also limited to \$100,000 per person and \$200,000 per occurrence under Florida's sovereign immunity statute 768.28. Negligence claims in excess of the statutory limits can only be recovered through an act of the State of Florida Legislature. Effective October 1, 1995, the County purchased excess claim bill liability coverage of \$1 million in order to protect against excess liability exposures. This coverage only applies to Florida tort liability claims with payments in excess of statutory limits and was increased in May 1996 to \$5 million and then again in February 1998 to \$10,000,000 per claim. The County has also purchased additional liability coverage against federal claim awards in the amount of \$5,000,000. Effective October 1, 2000, the County increased its self-insured retention on property losses to \$1 million per claim. Specific excess coverage was continued, but aggregate excess coverage was not.

With the exception of the Sheriff, all funds of the County participate in the program and make payments to the Casualty Self-Insurance Fund, included in the Combined Insurance Fund, based on estimates of the amounts needed to pay prior and current year claims. The claims liability reported in this fund at September 30, 2004 for casualty insurance is \$7,106,000.

During claim years 2004 and 2003, changes recorded to the claims liability for casualty insurance were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-end
2003	\$10,453,000	\$(1,500,000)	\$(1,645,000)	\$7,308,000
2004	7,308,000	917,000	(1,119,000)	7,106,000

Workers' Compensation Insurance

The County has self-funded its workers' compensation exposure since 1969. This fund covers all employees of the Board of County Commissioners, the Supervisor of Elections, the Clerk of the Circuit Court, the Property Appraiser, and the Tax Collector. Although the Sheriff's payroll and losses are reported to the State by the risk management department, the Sheriff administers his own program. The County had purchased specific excess coverage with various self-insured retentions through September 30, 1993. The County is 100% self-insured for workers' compensation exposures beginning October 1, 1993.

With the exception of the Sheriff, all funds of the County participate in the program and make payments to the Workers' Compensation Fund, included in the Combined Insurance Fund, based on estimates of the amounts needed to pay prior and current year claims. The claims liability reported in the fund at September 30, 2004 for workers' compensation is \$40,472,000.

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During claim years 2004 and 2003, changes recorded to the claims liability for workers' compensation were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-end
2003	\$40,714,000	\$18,237,000	\$(17,827,000)	\$41,124,000
2004	41,124,000	4,791,000	(5,443,000)	40,472,000

Employee Group Health Insurance

The County provides health insurance for its employees and eligible dependents. The County was self-insured for this exposure through March 31, 1994. On April 1, 1994, the County purchased a commercial insurance policy and was fully insured for this coverage through December 31, 2003. Effective January 1, 2003 the County changed from a fully insured plan to a self-insured plan, with excess stop loss coverage to protect the County against catastrophic health claims. Under the fully insured plan, activities were accounted for in a County agency fund. With the adoption of the self-insured plan, activities are accounted for in an Internal Service fund.

With the exception of the Constitutional Officers who have separately contracted for health insurance coverage, all funds of the County, as well as the Solid Waste Authority, participate in the program and make payments to the Employee Health Insurance Fund, included in the Combined Insurance Fund, based on estimates of amounts needed to pay prior and current year claims. The claims liability reported in the fund at September 30, 2004 for employee health insurance is \$2,783,252.

During claim year 2004, changes recorded to the claims liability for employee health insurance were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-end
2003	\$0	\$24,273,890	\$(19,941,306)	\$4,332,584
2004	4,332,584	31,807,365	(33,356,697)	2,783,252

SOLID WASTE AUTHORITY (SWA)

The SWA is exposed to various risks of loss related to torts; theft, damage and destruction of assets; errors and omissions; injuries to employees; life and health of employees; and natural disasters. The SWA purchases commercial insurance for property damage with coverage up to a maximum of approximately \$312 million, subject to various policy sublimits generally ranging from \$1 million to \$45 million and deductibles ranging from \$10,000 to \$250,000 per occurrence. The SWA also purchases commercial insurance for general liability claims with coverage up to \$1 million per occurrence and \$2 million general aggregate, with excess liability coverage of \$25 million, all subject to various deductibles up to \$10,000 per occurrence. General liability claims are limited by the Florida

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constitutional doctrine of sovereign immunity to \$100,000 per claim and \$200,000 per occurrence unless a higher claim is approved by the Florida Legislature.

The SWA purchases commercial insurance for workers' compensation benefits with a \$500,000 per occurrence and per employee policy limit, subject to a deductible of \$250,000 per occurrence and per claim, up to a maximum of approximately \$1.3 million for 2004. Settled claims have not exceeded commercial coverage in any of the last three years. Changes in the claims liability amount for workers' compensation benefits for the years ended September 30, 2004 and 2003 were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-end
2003	\$204,250	\$707,671	\$(707,671)	\$204,250
2004	204,250	397,900	(154,150)	448,000

Employee health benefits were covered until December 31, 2002 by a commercial insurance policy with no risk of loss retained by the SWA. Effective January 1, 2003 the SWA contracted with Palm Beach County to provide employee health benefits through the County's self-insurance program for employee benefits. The County plan provides health insurance benefits to County employees and employees of component units of the County electing to participate in the plan. The County plan covers approximately 4,900 participants and is designed to be self-sustaining through actuarially determined premiums established annually to cover expected claims, administration and a margin for unexpected losses or expenses. The County purchases commercial insurance for claims in excess of an annual stop loss deductible of \$500,000 per person. The SWA pays a monthly premium based on the number of SWA employees participating in the plan and does not retain any risk of loss for employee health claims, but is obligated to pay the premiums established by the County to fund the plan. For the year ended September 30, 2004 and the nine months ended September 30, 2003, the SWA paid premiums of \$3,294,565 and \$2,127,554, respectively, to the County for approximately 400 participating employees. The SWA does not expect any additional premium assessments for 2004 or 2003.

SHERIFF

The Sheriff's Office maintains a general liability self-insurance program, a workers' compensation self-insurance program and a commercially insured employee health insurance program which are accounted for in the Sheriff's General Fund (which is reported as a special revenue fund in the County's CAFR). The following is a brief description of each of the Sheriff's insurance programs.

General Liability Insurance

The Sheriff's office is exposed to various risks of loss related to torts; theft, damage and destruction of assets; errors and omissions; and natural disasters. The claims liability reported in the fund at September 30, 2004 is \$16,094,006. This amount is based on the requirements of GASB 10 which specifies that a liability for claims be reported if information prior to the issuance of the financial

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statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

During claim years 2004 and 2003, changes recorded to the claims liability for general liability were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-end
2003	\$19,582,933	\$142,909	\$(2,327,912)	\$17,397,930
2004	17,397,930	763,345	(2,067,269)	16,094,006

Workers' Compensation Insurance

The Sheriff's office is self-funded for its workers' compensation exposure. The claims liability reported at September 30, 2004 is \$8,904,686. This amount is the actuarially determined claims liability based on the requirements of GASB 10 which specifies that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

During claim years 2004 and 2003, changes recorded to the claims liability for workers' compensation were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-end
2003	\$7,436,004	\$3,632,629	\$(2,996,236)	\$8,072,397
2004	8,072,397	5,123,927	(4,291,638)	8,904,686

Employee Group Health Insurance

The Sheriff's office provides health insurance for its employees and eligible dependents. The Sheriff's office was self-insured for this exposure up through December 31, 1993. On January 1, 1994, the Sheriff's office purchased a commercial insurance policy and is now fully insured for this coverage.

Settled claims have not exceeded commercial insurance coverages in any of the last three years.

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CLERK OF THE CIRCUIT COURT

Employee Group Health Insurance

The Clerk's office provides health insurance for its employees and eligible dependents. The Clerk's office is currently self-insured for its health insurance coverage and beginning with fiscal year 2004 is accounted for as an internal service fund. Prior to January 1, 1997, the Clerk's office was commercially insured for this coverage.

During claim years 2004 and 2003, changes recorded to the claims liability for health insurance were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-end
2003	\$1,576,522	\$5,532,361	\$(5,384,883)	\$1,724,000
2004	1,724,000	4,764,480	(5,572,814)	915,666

TAX COLLECTOR

Employee Group Health and Dental Insurance

The Tax Collector's office provides health and dental insurance to its employees and eligible dependents. Effective February 1, 1998, the Tax Collector purchased a commercial insurance policy for health insurance and is now fully insured for this coverage. The Tax Collector was self-insured for dental insurance through December 31, 2003 but purchased a commercial policy effective January 1, 2004 and is now fully insured for this coverage.

During claim years 2004 and 2003, changes recorded to the claims liability for dental insurance were as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-end
2003	\$25,500	\$144,376	\$(135,876)	\$34,000
2004	34,000	15,408	(49,408)	0

10. OTHER POST EMPLOYMENT BENEFITS

In accordance with Palm Beach County Sheriff's Office policy, employees, upon retirement, (defined as those persons eligible under the Florida Retirement System) may elect to retain coverage for medical, dental, and life insurance. If retirees elect to retain medical and/or dental coverage, they will receive a health insurance subsidy benefit of fourteen dollars per month for each full year of service rendered to the agency. For periods less than a year, but at least six months, retirees will receive a

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subsidy of seven dollars per month. The maximum monthly subsidy benefit may not exceed the cost of the current single medical premium for the plan selected. Premium cost over and above the subsidy amount is the sole responsibility of the retiree. If the election is not made at retirement, retirees will not be eligible to receive the benefit at a later date. This benefit is provided by the Palm Beach County Sheriff's Office as insurance premiums are paid. There were 321 eligible participants at September 30, 2004. Expenditures for the insurance subsidy benefit program for the fiscal year ended September 30, 2004, totaled \$1,043,734.

11. LEASES

Leases Receivable: Enterprise Funds

The County's Department of Airports leases a major portion of its property to other entities. Certain leases provide for minimum rentals plus a specified percentage of the tenants' gross revenues. Contingent rental income under such arrangements amounted to approximately \$8,177,000 in fiscal year 2004. All leases have been classified as operating leases.

Minimum future rentals under these operating leases are as follows:

<u>Year Ended September 30</u>	<u>Department of Airports</u>
2005	\$ 31,269,000
2006	14,432,000
2007	14,718,000
2008	14,281,000
2009	3,450,000
Thereafter	<u>36,765,000</u>
Total	<u>\$114,915,000</u>

A schedule of property held for lease by major classification is as follows:

	<u>September 30, 2004</u>
Buildings	\$143,666,839
Less: accumulated depreciation	<u>(72,967,964)</u>
Net Buildings	70,698,875
Land	<u>1,867,182</u>
Total property held for lease	<u>\$ 72,566,057</u>

Lease Obligations

The County has entered into various leases which are classified as operating or capital leases for accounting purposes. Total rent expense for operating leases for the fiscal year ended September 30, 2004 amounted to approximately \$2,967,728 comprised of \$2,698,788 for Governmental Funds, \$99,561 for Enterprise Funds, and \$169,379 for Internal Service Funds.

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Operating Leases

Future minimum rental payments under noncancellable operating leases as of September 30, 2004 are as follows:

<u>Fiscal Year</u>	<u>Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>
2005	\$2,680,328	\$81,517	\$132,911
2006	1,285,946	49,283	115,714
2007	858,939	17,633	9,326
2008	728,911	-	-
2009	710,518	-	-
Thereafter	<u>1,960,239</u>	<u>-</u>	<u>-</u>
Total	<u>\$8,224,881</u>	<u>\$148,433</u>	<u>\$257,951</u>

Capital Leases

Capital leases are those which are determined to have passed substantially all of the risks and benefits of ownership to the lessee. There were no Capital leases in the proprietary fund types. Future minimum lease payments under capital leases as of September 30, 2004 are as follows:

<u>Fiscal Year</u>	<u>Governmental Funds</u>
2005	\$ 10,896
2006	10,896
2007	5,448
2008	<u>-</u>
Total minimum lease payments	27,240
Less: imputed interest	<u>(2,384)</u>
Present value of minimum lease payments	<u>\$ 24,856</u>

The following schedule shows the leased assets capitalized as of September 30, 2004, by major asset class:

	<u>Governmental Funds Capital Assets</u>
Equipment	\$1,347,635
Less: accumulated depreciation for entity wide	<u>(1,271,000)</u>
Carrying value	<u>\$ 76,635</u>

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12. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The SWA operated one active landfill site for the year ended September 30, 2004. In addition, the SWA is responsible for two landfill sites closed after 1991 and three landfill sites closed prior to 1991.

State and Federal laws and regulations require the SWA to place a final cover on its operating landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at that and other landfill sites closed after 1991, for thirty years after closure. Although the majority of closure and postclosure care costs will be paid only near or after the date that the operating landfill stops accepting waste, the SWA reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each statement of net assets date. The \$25,888,592 reported as landfill closure and postclosure care liability at September 30, 2004 represents the cumulative amount reported to that date based on the use of 24.9 percent of the estimated capacity of the operating landfill and approximately \$ 6.7 million for postclosure care of landfills already closed. The estimated capacity of the operating landfill was increased in 2004 by approximately 7.9 million cubic yards or approximately 19% based on changes in the permitted size of the landfill and revised engineering estimates. The SWA will recognize the remaining estimated cost of closure and postclosure care of approximately \$ 48.7 million for the operating landfill as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2004. Based on current demographic information and engineering estimates of landfill consumption, the SWA expects to close the landfill in approximately 2021. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The SWA is required by state laws and regulations to make annual contributions to an escrow account to finance all closure costs and one year of postclosure care for landfills closed after 1991. The SWA is in compliance with these requirements, and, at September 30, 2004 assets of \$23,003,533 were held for these purposes. These amounts are reported as noncurrent restricted assets on the statement of net assets. The SWA expects that future inflation costs will be paid from interest earnings on these invested amounts and subsequent annual contributions. However, if interest earnings are inadequate or additional closure or postclosure care requirements are determined (due to changes in technology or applicable laws or regulations), these costs may need to be covered by charges to future users of the solid waste system or from future non-ad-valorem assessments. At September 30, 2004 the statutorily required escrow account balances were as follows:

Site	September 30, 2004
Site 7 closure cost estimate	\$22,524,032
Dyer landfill long-term care	299,812
Belle Glade landfill long-term care	18,131
	\$22,841,975

Although the SWA is not legally required by state or Federal laws and regulations to provide funding for the three landfill sites closed prior to 1991, the SWA has accepted financial responsibility for these sites. The annual long term care funding requirements for these sites were not estimated or accrued

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at September 30, 2004, however, management does not believe that the annual costs are material to the SWA and will be adequately funded through future, annual operating budgets.

13. ADVANCE REFUNDING OF DEBT

Certain bond issues have been refunded through insubstance defeasance, by placing into irrevocable trusts funds sufficient monies to meet future principal and interest payments. These funds have been invested in U.S. Government securities and securities backed by the U.S. Government.

The amount of insubstance defeased bonds outstanding as of September 30, 2004, consists of the following:

<u>Bond Issues</u>	<u>Amount</u>
Governmental Funds:	
General Obligation Bonds, issued 1994	\$ 29,760,000
Public Improvement Revenue Bonds (Convention Center Project), 2001	<u>77,890,000</u>
	<u>107,650,000</u>
Proprietary Funds:	
Pollution Control Loan Agreement, issued 1976	10,020,000
Solid Waste Authority Revenue Bonds, issued 1983	4,550,000
Water & Sewer Refunding Revenue Bonds, issued 1986	10,685,000
Solid Waste Authority Refunding Revenue Bonds, issued 1997A	18,230,000
Water & Sewer Revenue Bonds, issued 1995	28,345,000
Solid Waste Authority Refunding Revenue Bonds, issued 1997B	<u>33,885,000</u>
	<u>105,715,000</u>
 Total Defeased Bonds Outstanding	 <u>\$213,365,000</u>

Current year refunding

On November 13, 2003, Palm Beach County issued \$6,525,000 Public Improvement Recreation Facilities Revenue Refunding Bonds, Series 2003 with an effective interest rate of 3.16% to advance refund \$6,050,000 of outstanding Public Improvement Recreation Facilities Revenue Bonds, Series 1994. The net proceeds of \$6,603,015 (after payment of \$130,802 in issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds.

This advance refunding resulted in an accounting loss of approximately \$293,468 that is being deferred and amortized over the life of the new bonds. However, the County reduced its aggregate debt service payments by approximately \$567,023 over the next 10 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$485,495.

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On January 28, 2004, Palm Beach County issued \$94,300,000 Public Improvement Revenue and Refunding Bonds, Series 2004 to advance refund \$6,585,000 of outstanding Airport Centre Revenue, Series 1992. The net proceeds of \$99,693,089 (after payment of \$777,487 in issuance costs) were used for miscellaneous governmental buildings and projects and to purchase U.S. Government securities for the refunded issues. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds.

This advance refunding resulted in an accounting loss of approximately \$99,668 that is being deferred and amortized over the life of the new bonds. However, the County reduced its aggregate debt service payments by approximately \$1.01 million over the next 9 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$904,125.

On February 25, 2004, Palm Beach County issued \$81,340,000 Public Improvement Revenue Refunding Bonds (Convention Center Project), Series 2004 with an effective interest rate of 3.06% to advance refund \$77,890,000 of outstanding Public Improvement Revenue Bonds (Convention Center Project), Series 2001. The net proceeds of \$90,620,175 (after payment of \$1,375,070 in issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds.

This advance refunding resulted in an accounting loss of approximately \$10.1 million that is being deferred and amortized over the life of the new bonds. However, the County reduced its aggregate debt service payments by approximately \$5.5 million over the next 27 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$5.3 million.

On May 12, 2004, the Water Utilities Department (Department) issued \$28,265,000 Water and Sewer Revenue Refunding Bonds, Series 2004 with an effective interest rate of 2.79% to advance refund \$28,345,000 of outstanding Water and Sewer Revenue Bonds, Series 1995. The net proceeds of \$30,452,007 (after payment of \$349,555 in issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds.

This advance refunding resulted in an accounting loss of approximately \$1.9 million that is being deferred and amortized over the life of the new bonds. However, the County reduced its aggregate debt service payments by approximately \$1.8 million over the next 7 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$1.15 million.

On March 2, 2004, the Solid Waste Authority (SWA) issued \$34,385,000 Solid Waste Authority Refunding Revenue Bonds, Series 2004 with an effective interest rate of 3.1% to advance refund \$33,885,000 of outstanding Solid Waste Authority Improvement Revenue Bonds, Series 1997B. The net proceeds of \$37,017,275 (after payment of \$651,693 in issuance costs) plus approximately \$758,882 of sinking funds money were used to purchase U.S. Government securities. Those securities

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were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds.

This advance refunding resulted in an accounting loss of approximately \$3.7 million that is being deferred and amortized over the life of the new bonds. However, the County reduced its aggregate debt service payments by approximately \$1.8 million over the next 7 years and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$1.64 million.

COMPONENT UNIT:

Westgate/Belvedere Homes Community Redevelopment Agency (CRA):

The Series 1999 Bonds were issued for the purpose of providing the monies required to pay the cost of advance refunding. CRA's Series 1992 Bonds construct and install certain infrastructure improvements in the redevelopment area, make a deposit to the Reserve Account, and pay costs relating to the issuance of Series 1999 Bonds. The proceeds of the refunding issues have been placed in irrevocable escrow accounts and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for future payments of interest and principal on the bonds issues being refunded. Refunded bonds are not included in CRA's outstanding debt since CRA has legally satisfied its obligations through the refunding transactions. Defeased bonds are \$2,385,000 at September 30, 2004.

14. INTERFUND RECEIVABLE AND PAYABLE BALANCES

Interfund balances at September 30, 2004, are expected to be repaid within one year. Interfund receivable and payable balances at September 30, 2004 were as follows:

Interfund Receivable Fund	Interfund Payable Fund	Amount
Governmental Funds:		
Major Governmental Funds		
General Fund	Law Enforcement Grants Special Revenue Fund	\$ 462,565
	Community and Social Development Special Revenue Fund	1,112,556
	Fire Rescue	715
	Other Special Revenue Funds	65,276
	Sheriff Special Revenue Fund	8,852,660
	Clerk of the Circuit Court Special Revenue Fund	13,038,196
	Tax Collector Special Revenue Fund	21,531,935
	Property Appraiser Special Revenue Fund	1,721,095
	Supervisor of Elections	41,939
	Airports	153,461
	Solid Waste Authority	8,547
	Graphics	28,882
		<u>\$ 47,017,827</u>

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Fire Rescue Special Revenue Fund	Tax Collector Special Revenue Fund	\$ 1,532,061
	Property Appraiser Special Revenue Fund	<u>119,217</u>
		<u>\$ 1,651,278</u>
Sheriff Special Revenue Fund	General Fund	\$ 1,316
	Clerk of the Circuit Court Special Revenue Fund	<u>3,908</u>
		<u>\$ 5,224</u>
Nonmajor Governmental Funds		
Nonmajor Special Revenue Funds		
Law Enforcement Grants Special Revenue Fund	General Fund	\$ 26,091
	Sheriff Special Revenue Fund	<u>1,241,251</u>
		<u>\$ 1,267,342</u>
Library Taxing District Special Revenue Fund	Tax Collector Special Revenue Fund	\$ 390,114
	Property Appraiser Special Revenue Fund	<u>27,808</u>
		<u>\$ 417,922</u>
Community and Social Development Special Revenue Fund	General Fund	\$ 2,418,173
		<u>\$ 2,418,173</u>
Affordable Housing Trust Fund	Community and Social Development Special Revenue Fund	\$ 3,180
		<u>\$ 3,180</u>
Palm Tran Special Revenue Fund	Other Special Revenue Funds	\$ 3,362
		<u>\$ 3,362</u>
Other Special Revenue Funds	General Fund	\$ 10,195
	Sheriff Special Revenue Fund	<u>4,986</u>
		<u>\$ 15,181</u>
Clerk of the Circuit Court Special Revenue Fund	General Fund	\$ 1,941,519
	Municipal Service Taxing District Special Revenue Fund	11
	Community and Social Development Special Revenue Fund	1,261
	Affordable Housing Trust Fund	2,106
	Other Special Revenue Funds	300
	Tax Collector Special Revenue Fund	14,331
	General Government Capital Projects	6,074
	Road Program Capital Projects	7,556
	Airports	54,849
	Water Utilites	13,654
	Clerk of the Circuit Court Insurance Fund	<u>1,753,930</u>
		<u>\$ 3,795,591</u>
Supervisor of Elections Special Revenue Fund	General Fund	\$ 3,712
		<u>\$ 3,712</u>

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Nonmajor Debt Service Funds

General Obligation Bonds Debt Service	Revenue Bonds Debt Service	\$ 575
		<u>\$ 575</u>
Street and Drainage Capital Projects	Tax Collector Special Revenue Fund	\$ 2,778
		<u>\$ 2,778</u>

Proprietary Funds:

Enterprise Funds

Water Utilities

General Fund		\$ 18,604
County Transportation Trust Special Revenue Fund		1,796
Library Taxing District Special Revenue Fund		1,227
Fire Rescue Special Revenue Fund		2,247
Community and Social Development Special Revenue Fund		96
Other Special Revenue Funds		784
Tax Collector Special Revenue Fund		4,592
Airports		2,281
		<u>\$ 31,627</u>

Solid Waste Authority

General Fund		\$ 40
County Transportation Trust Special Revenue Fund		18,138
Fire Rescue Special Revenue Fund		191
Palm Tran Special Revenue Fund		5
Tax Collector Special Revenue Fund		1,118,273
		<u>\$ 1,136,647</u>

Internal Service Funds

Fleet Management

General Fund		\$ 669,535
County Transportation Trust Special Revenue Fund		470,587
Municipal Service Taxing District Special Revenue Fund		49,291
Library Taxing District Special Revenue Fund		3,877
Community and Social Development Special Revenue Fund		53,269
Fire Rescue Special Revenue Fund		59,771
Other Special Revenue Funds		7,419
Palm Tran Special Revenue Fund		53,365
Sheriff Special Revenue Fund		517,777
Clerk of the Circuit Court Special Revenue Fund		2,756
Tax Collector Special Revenue Fund		20,284
Property Appraiser Special Revenue Fund		369
Supervisor of Elections Special Revenue Fund		3,148
Road Program Capital Projects		12,284
Airports		47,831
Water Utilities		368,817
Solid Waste Authority		405
Graphics		716
Risk Management Insurance		324
ISS		3,660
		<u>\$ 2,345,485</u>

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Graphics	Clerk of the Circuit Court Special Revenue Fund Tax Collector Special Revenue Fund Property Appraiser Special Revenue Fund	\$ 805 6,199 350 <u>7,354</u>
Risk Management Insurance	General Fund Sheriff Special Revenue Fund Solid Waste Authority	\$ 97 278,940 288,387 <u>567,424</u>
ISS	General Fund Tourist Development Special Revenue Fund Municipal Service Taxing District Special Revenue Fund Library Taxing District Special Revenue Fund Community and Social Development Special Revenue Fund Fire Rescue Special Revenue Fund Palm Tran Special Revenue Fund Other Special Revenue Funds Clerk of the Circuit Court Special Revenue Fund Tax Collector Special Revenue Fund Property Appraiser Special Revenue Fund General Government Capital Projects Airports Water Utilities Fleet Management Graphics Risk Management Insurance	\$ 691,724 333 77,320 8,704 2,348 23,384 21,750 38,271 1,763,683 125,644 62,291 222,620 6,942 94,349 6,806 1,393 24,292 <u>3,171,854</u>
Clerk of the Circuit Court Insurance Fund	Clerk of the Circuit Court Special Revenue Fund	\$ 224,725 <u>224,725</u>
Total Interfund Receivables and Payables Primary Government		<u><u>\$ 64,087,261</u></u>
Receivables and Payables Between Primary Government and Component Units:		
Interfund Receivable Fund	Interfund Payable Fund	Amount
Metropolitan Planning Organization	General Fund	\$ 385,694 <u>385,694</u>
ISS	Metropolitan Planning Organization	\$ 2,697 <u>2,697</u>
Total Receivables and Payables Between Primary Government and Component Units		<u><u>\$ 388,391</u></u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

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15. SHORT-TERM DEBT

On March 3, 2004, the County issued the \$20,000,000 Public Improvement Revenue Bond Anticipation Notes (Biomedical Research Park Project), Series 2004 to provide initial financing of the cost of a biomedical research park project in the County in advance of the issuance of bonds for such purpose and pay the costs associated with the issuance of the Notes. The Notes will mature and be payable in full on March 31, 2005 and have a variable rate of interest. The initial Tax-Exempt Rate is 1.042% per annum and shall be adjusted on the first Business Day of each month while the Notes are outstanding commencing April 1, 2004.

On May 25, 2004, the County issued the \$34,576,915 Public Improvement Revenue Bond Anticipation Notes (Biomedical Research Park Project), Series 2004B to provide initial financing of the cost of a biomedical research park project in the County in advance of the issuance of bonds for such purpose, consisting of the acquisition of land related thereto, and pay the costs associated with the issuance of the Notes. The Notes will mature and be payable in full on December 30, 2004 and have a variable rate of interest. The initial Tax-Exempt Rate is .95% per annum and shall be adjusted on the first Business Day of each month while the Notes are outstanding commencing June 1, 2004. The Notes were redeemed early and retired on October 28, 2004. See Financial Statement Note 18 on Subsequent Events for additional information.

On May 25, 2004, the County issued the \$22,330,925 Taxable Public Improvement Revenue Bond Anticipation Notes (Biomedical Research Park Project), Series 2004C to provide initial financing of the cost of a biomedical research park project in the County in advance of the issuance of bonds for such purpose, consisting of the acquisition of land related thereto, and pay the costs associated with the issuance of the Notes. The Notes will mature and be payable in full on December 30, 2004 and have a variable rate of interest. The initial Taxable Rate is 1.19% per annum and shall be adjusted on the first Business Day of each month while the Notes are outstanding commencing June 1, 2004. The Notes were redeemed early and retired on October 28, 2004. See Financial Statement Note 18 on Subsequent Events for additional information.

The short-term debt associated with the above notes is included in other liabilities in the General Government Capital Project Fund.

16. LONG-TERM DEBT

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended September 30, 2004 for both governmental activities and business-type activities:

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Governmental activities:	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Bonds payable:					
General obligation bonds	\$292,745,000	\$ -	\$ 16,840,000	\$275,905,000	\$17,525,000
Non-ad valorem revenue bonds	379,275,000	182,165,000	113,270,000	448,170,000	25,410,000
Unamortized bond premiums (discounts)	3,244,454	14,751,279	618,713	17,377,020	-
Unamortized loss on bond refinancing	<u>(1,385,464)</u>	<u>(10,497,289)</u>	<u>(357,353)</u>	<u>(11,525,400)</u>	<u>-</u>
Total bonds payable	673,878,990	186,418,990	130,371,360	729,926,620	42,935,000
Loans payable	58,893,000	20,283,290	7,757,145	71,419,145	9,170,682
Capital leases	155,402	-	130,546	24,856	9,409
Arbitrage liability	4,939,957	-	1,245,542	3,694,415	733,039
Sheriff claims liability	18,224,040	5,561,821	6,358,907	17,426,954	6,726,048
Fire Rescue LT liability	12,867,456	-	1,399,180	11,468,276	548,121
Compensated absences	<u>69,558,860</u>	<u>32,546,486</u>	<u>25,820,855</u>	<u>76,284,491</u>	<u>9,396,195</u>
Governmental activity Long-term liabilities	<u>\$838,517,705</u>	<u>\$244,810,587</u>	<u>\$173,083,535</u>	<u>\$910,244,757</u>	<u>\$69,518,494</u>

Long-term liabilities other than debt (bonds, loans, and leases) are liquidated by the governmental fund incurring the expense. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end \$858,145 of internal service funds loans payable are included in the above amounts.

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Business-type activities:	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Bonds payable:					
Revenue bonds	\$592,019,818	\$62,650,000	\$103,385,000	\$551,284,818	\$44,860,000
Unamortized bond premiums (discounts)	10,484,889	5,915,005	2,131,439	14,268,455	-
Unamortized loss on bond refinancing	<u>(25,936,272)</u>	<u>(5,687,920)</u>	<u>(5,550,415)</u>	<u>(26,073,777)</u>	<u>-</u>
Total bonds payable	576,568,435	62,877,085	99,966,024	539,479,496	44,860,000
Loans payable	9,031,436	-	7,828,986	1,202,450	1,202,450
Accrued capital appreciation bond interest	11,527,125	4,259,570	-	15,786,695	-
Accrued landfill costs (1)	27,149,210	-	1,260,618	25,888,592	-
Compensated absences (1)	<u>5,746,175</u>	<u>885,063</u>	<u>408,716</u>	<u>6,222,522</u>	<u>540,859</u>
Business-type activities long-term liabilities	<u>\$630,022,381</u>	<u>\$68,021,718</u>	<u>\$109,464,344</u>	<u>\$588,579,755</u>	<u>\$46,603,309</u>

(1) The landfill and postclosure care costs payable from restricted assets for the Solid Waste Authority were omitted in 2003 from the long-term debt note and the beginning balance in the note has been restated to reflect an increase of \$21,132,625 to the accrued landfill costs. The current portion of compensated absences was omitted from the total balance in the long-term debt note for the Solid Waste Authority and the beginning balance has been restated as an increase of \$238,295 to compensated absences.

Governmental Activities General Long-Term Debt

General long-term debt, including current maturities, at September 30, 2004 consisted of the following:

General Obligation Bonds

\$57,440,000 1994B General Obligation Refunding Bonds due in annual installments of \$3,120,000 to \$6,945,000 through July 1, 2011; with interest rates from 4.25% to 6.75% payable semi-annually on January 1 and July 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues.

\$ 31,665,000

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<p>\$50,000,000 1994 General Obligation Bonds due in annual installments of \$2,260,000 to \$2,415,000 through December 1, 2005; with interest rates from 6.0% to 7.0% payable semi-annually on June 1 and December 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues. The County advance refunded \$29,760,000 of this issue on April 30, 1998.</p>	<p>\$ 4,675,000</p>
<p>\$45,625,000 1998 General Obligation Refunding Bonds due in annual installments of \$3,305,000 to \$4,030,000 through December 1, 2014; with interest rates from 4.0% to 5.5% payable semi-annually on June 1 and December 1 of each year. The bonds are general obligations of the County and are payable from ad valorem revenues.</p>	<p>\$ 36,715,000</p>
<p>\$25,000,000 1999A General Obligation Bonds (Recreational and Cultural Facilities Program) due in annual installments of \$935,000 to \$1,970,000 through August 1, 2019; with interest rates from 4.65% to 6.0% is payable semi-annually on February 1 and August 1 of each year. The bonds are obligations of the County and are payable from ad valorem revenues.</p>	<p>\$ 20,665,000</p>
<p>\$75,000,000 1999B General Obligation Bonds (Land Acquisition Program) due in annual installments of \$2,870,000 to \$5,730,000 through August 1, 2019; with interest rates from 4.4% to 5.75% is payable semi-annually on February 1 and August 1 of each year. The bonds are obligations of the County and are payable from ad valorem revenues.</p>	<p>\$ 61,310,000</p>
<p>\$75,000,000 2001A General Obligation Bonds (Land Acquisition Program) due in annual installments of \$3,000,000 to \$5,890,000 through June 1, 2020; with interest rates from 3.6% to 5.5% is payable semi-annually on June 1 and December 1 of each year. The bonds are obligations of the County and are payable from ad valorem revenues.</p>	<p>\$ 67,320,000</p>
<p>\$30,500,000 2003 General Obligation Bonds (Library District Improvement Project) due in annual installments of \$1,080,000 to \$2,205,000 through July 1, 2023; with interest rates from 2.0% to 5.25% is payable semi-annually on January 1 and July 1 of each year. The bonds are obligations of the County and are payable from ad valorem revenues.</p>	<p>\$ 29,420,000</p>
<p>\$25,000,000 2003 General Obligation Bonds (Recreational and Cultural Facilities) due in annual installments of \$955,000 to \$1,780,000 through July 1, 2023; with interest rates from 2.0% to 5.0% is payable semi-annually on January 1 and July 1 of each year. The bonds are obligations of the County and are payable from ad valorem revenues.</p>	<p><u>\$ 24,135,000</u></p>
<p>Total General Obligation Bonds</p>	<p><u>\$275,905,000</u></p>

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Non-Ad Valorem Revenue Bonds

<p>\$233,620,000 1990 Criminal Justice Facilities Revenue Bonds due in annual installments of \$18,300,000 to \$19,615,000 from June 1, 2014 through June 1, 2015; with an interest rate of 7.2% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. The County advance refunded \$120,770,000 of this issue on June 29, 1993 and \$33,550,000 on August 21, 1997. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 37,915,000</p>
<p>\$22,245,000 1993 Administrative Complex Revenue Refunding Bonds due in annual installments of \$1,330,000 to \$1,865,000 through June 1, 2011; with interest rates from 5.1% to 5.25% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 10,960,000</p>
<p>\$26,515,000 1993 Revenue Refunding Bonds due in annual installments of \$2,365,000 to \$2,615,000 through October 1, 2006; with interest rates from 5.1% to 5.3% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 7,465,000</p>
<p>\$117,485,000 1993 Criminal Justice Facilities Revenue Refunding Bonds due in annual installments of \$9,770,000 to \$13,365,000 through June 1, 2011; with interest rates from 5.3% to 5.375% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 80,405,000</p>
<p>\$30,730,000 1993 Beach Acquisition Revenue Refunding Bonds due in annual installments of \$2,455,000 to \$2,850,000 through November 1, 2007; with interest rates from 5.0% to 5.25% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 10,595,000</p>
<p>\$15,175,000 1995 Public Improvement Revenue Bonds due in annual installments of \$680,000 to \$1,155,000 through November 1, 2015; with interest rates from 4.55% to 5.1% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 10,710,000</p>

PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004

<p>\$26,300,000 1996 Parks and Recreation Facilities Revenue Bonds due in annual installments of \$1,100,000 to \$2,055,000 through November 1, 2016; with interest rates from 4.75% to 5.5% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 19,840,000</p>
<p>\$28,010,000 1996 Stadium Facilities Revenue Bonds due in annual installments of \$1,185,000 to \$2,150,000 through December 1, 2016; with interest rates from 4.7% to 5.25% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 21,005,000</p>
<p>\$32,775,000 1997 Criminal Justice Facilities Revenue Refunding Bonds due in annual installments of \$15,870,000 to \$16,785,000 from June 1, 2012 through June 1, 2013; with an interest rate of 5.75% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 32,655,000</p>
<p>\$22,425,000 1997 Revenue Improvement Bonds due in annual installments of \$930,000 to \$1,670,000 through December 1, 2017; with interest rates from 4.15% to 5.0% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 17,555,000</p>
<p>\$18,560,000 2002 Criminal Justice Facilities Revenue Refunding Bonds due in annual installments of \$1,360,000 to \$2,015,000 through June 1, 2015; with interest rates from 2.75% to 5.0% payable semi-annually on June 1 and December 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 18,015,000</p>
<p>\$6,525,000 2003 Public Improvement Recreation Facilities Revenue Refunding Bonds due in annual installments of \$525,000 to \$685,000 through July 1, 2014; with interest rates from 2.0% to 4.0% payable semi-annually on January 1 and July 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest is guaranteed under a noncancellable insurance policy.</p>	<p>\$ 5,935,000</p>

**PALM BEACH COUNTY, FLORIDA
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\$94,300,000 2004 Public Improvement Revenue and Refunding Bonds due in annual installments of \$3,710,000 to \$6,690,000 through August 1, 2023; with interest rates from 2.0% to 6.0% payable semi-annually on February 1 and August 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest is guaranteed under a noncancellable insurance policy.

\$ 93,775,000

\$81,340,000 2004 Public Improvement Revenue Refunding Bonds (Convention Center Project) due in annual installments of \$435,000 to \$5,240,000 through November 1, 2030; with interest rates from 2.0% to 5.0% payable semi-annually on May 1 and November 1 of each year. The bonds are not general obligations of the County and are payable from non-ad valorem revenues. Payment of principal and interest is guaranteed under a noncancellable insurance policy.

\$ 81,340,000

Total Non-Ad Valorem Revenue Bonds

\$448,170,000

Unamortized bond premiums (discounts)

\$17,377,020

Unamortized loss on bond refinancing

\$(11,525,400)

Net General Obligation and Non-Ad Valorem Revenue Bonds

\$729,926,620

Sunshine State Governmental Financing Commission Loans

The Sunshine State Governmental Financing Commission (the "Commission") was created in November 1985, initially by the City of Tallahassee, Florida and the City of Orlando, Florida. As of September 30, 2004, thirteen cities and three counties are members of the Commission. Two cities participate as non-members.

As a joint venture among the member governmental units, the Commission enables a limited number of qualifying governments to participate in pooled debt financing with pricing and cost structures not normally available to governmental entities acting individually. Loan obligations from the Commission are reflected as debt by the participating governmental units.

Palm Beach County has no obligation and minimal event risk associated with the Commission other than the repayment of its loan from the Commission. Financial statements may be obtained from the Commission.

\$50,875,000 - In 1987, Palm Beach County executed a loan agreement with the Sunshine State Governmental Financing Commission, due in annual installments of \$1,430,000 to \$1,435,000 through July 1, 2016; with a variable interest rate in effect of 1.52% per annum payable monthly on the 15th of each month. This rate is determined based upon the County's Pro Rata share of interest paid on the bonds issued by the Sunshine State Governmental Financing Commission to fund the financing program for the immediately preceding loan payment period. The loan is not a general obligation of the County and is payable from non-ad valorem revenues.

\$ 17,165,000

PALM BEACH COUNTY, FLORIDA
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\$20,280,000 - In 2000, Palm Beach County executed a loan agreement with the Sunshine State Governmental Financing Commission, due in annual installments of \$785,000 to \$1,465,000 through August 1, 2020; with a variable interest rate in effect of 1.34% per annum payable monthly on the 15th of each month. This rate is determined based upon the County's Pro Rata share of interest paid on the bonds issued by the Sunshine State Governmental Financing Commission to fund the financing program for the immediately preceding loan payment period. The loan is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 17,455,000

\$14,784,000 - In 2002, Palm Beach County executed a loan agreement with the Sunshine State Governmental Financing Commission, due in annual installments of \$2,082,000 to \$2,376,000 through August 15, 2008; with a variable interest rate in effect of 1.34% per annum payable monthly on the 15th of each month. This rate is determined based upon the County's Pro Rata share of interest paid on the bonds issued by the Sunshine State Governmental Financing Commission to fund the financing program for the immediately preceding loan payment period. The loan is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 8,906,000

\$12,000,000 - In 2004, Palm Beach County executed a loan agreement with the Sunshine State Governmental Financing Commission, due in annual installments of \$2,000,000 through December 1, 2009; with a variable interest rate in effect of 1.52% per annum payable monthly on the 15th of each month. This rate is determined based upon the County's Pro Rata share of interest paid on the bonds issued by the Sunshine State Governmental Financing Commission to fund the financing program for the immediately preceding loan payment period. The loan is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 12,000,000

\$5,600,000 - In 2004, Palm Beach County executed a loan agreement with the Sunshine State Governmental Financing Commission, due in two installments of \$3,052,374 on December 1, 2006 and \$2,547,626 on December 1, 2008; with a variable interest rate in effect of 1.52% per annum payable monthly on the 15th of each month. This rate is determined based upon the County's Pro Rata share of interest paid on the bonds issued by the Sunshine State Governmental Financing Commission to fund the financing program for the immediately preceding loan payment period. The loan is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 5,600,000

Other Loans Payable

\$8,800,000 - Palm Tran FDOT Loan, 2001 payable to the Florida Department of Transportation. This is a 0% interest loan due in annual installments of \$2,200,000 through October 1, 2005. This loan is to be used for the purchase of 50 replacement buses for Palm Tran. The loan is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 4,400,000

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\$2,875,000 - Palm Tran FDOT Loan, 2002 payable to the Florida Department of Transportation. This is a 0% interest loan payable in two installments on July 15, 2006 for \$2,200,000 and July 15, 2007 for \$675,000. This loan is to be used for the purchase of paratransit hardware, software and vehicles. The loan is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 2,875,000

\$1,000,000 - Lake Park Fire Rescue Facilities Purchase 2002, payable to the Town Manager, Town of Lake Park due in annual installments of \$250,000 through April 1, 2006. The loan is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 500,000

\$1,660,000 - HUD Section 108 Loan #1, 2004, payable to the Secretary of Housing and Urban Development due in annual installments of \$87,000 to \$94,000 through August 1, 2023; with an interest rate of 5.97% payable semi-annually on February 1 and August 1 of each year. The loan is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 1,660,000

\$1,023,290 - IBM InfoPrint Enterprise Printing and Roll Systems Equipment. The Information Systems Services Department agreed to an installment purchase agreement with IBM for infoprint enterprise printing and roll systems equipment with financed software, maintenance and services. The terms of the installment purchase are \$88,879 quarterly at a rate of 5.06% for the roll system and 2.3% for all of the other items through January 1, 2007. The installment purchase is not a general obligation of the County and is payable from non-ad valorem revenues. \$ 858,145

Total Loans Payable \$ 71,419,145

Arbitrage Liability

Certain County debt obligations are subject to Section 148 of the Internal Revenue Code which requires that interest earned on proceeds from tax-exempt debt be rebated to the federal government to the extent that those earnings exceed the interest cost of the related tax-exempt debt. Arbitrage rebate must be calculated and paid to the federal government every 5 years from the date of issue until the debt matures. The County employs a CPA firm to make computations on an annual basis. However, since the rebate is cumulative (excess earnings in one year can be offset with deficit earnings in another year), the annually computed estimate may change significantly (increase or decrease) before the actual due date. \$ 3,694,415

**PALM BEACH COUNTY, FLORIDA
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Compensated absences

Compensated absences are liquidated by the governmental fund incurring the expense.

County Funds

General Fund	\$13,949,156	
Special Revenue Funds	18,183,526	
Capital Projects Fund	77,630	
Constitutional Officers		
Sheriff	36,321,465	
Clerk of the Circuit Court	4,623,128	
Tax Collector	1,183,266	
Property Appraiser	1,736,723	
Supervisor of Elections	<u>209,597</u>	
		\$ 76,284,491
<u>Capital leases</u>		\$ 24,856
<u>Asserted claims payable - Sheriff</u>		\$ 17,426,954
<u>Long-Term Disability - Fire Rescue</u>		<u>\$ 11,468,276</u>
Total Governmental Activities General Long-Term Debt including current portion		<u>\$910,244,757</u>

Business-type Activities Long-Term Debt

Business-type long-term debt, including current portion, at September 30, 2004 consisted of the following:

Revenue Bonds

\$18,645,000 1985 Water and Sewer Revenue Bonds due in annual installments of \$1,100,000 to \$1,800,000 through October 1, 2011; with interest based upon rates calculated on a daily basis, with the effective interest of 1.05% but not to exceed 15%, payable monthly on the fifth working day of each month. The County has the option to change to a variable, adjustable or fixed interest calculation method as it deems appropriate. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer System and pledge of the connection charges of the system. \$ 10,645,000

\$54,650,000 1995 Water and Sewer Revenue Bonds due in annual installments of \$3,795,000 to \$3,960,000 through October 1, 2005; with interest rates from 4.6% to 4.7% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer system and a first lien on and pledge of the connection charges of the system. The Water Utilities Department advance refunded \$28,345,000 of this issue on May 12, 2004. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy. \$ 7,755,000

PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004

\$30,000,000 1998 Water and Wastewater Revenue Bonds due in annual installments of \$1,285,000 to \$2,265,000 through October 1, 2017; with interest rates from 4.0% to 5.0% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Wastewater System and a first lien on and pledge of the connection charges of the system. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy. \$ 24,030,000

\$26,785,000 2003 Water and Sewer Revenue Refunding Bonds due in annual installments of \$830,000 to \$4,120,000 through October 1, 2013; with interest rates from 2.0% to 5.0% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer system and a first lien on and pledge of the connection charges of the system. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy. \$ 26,785,000

\$28,265,000 2004 Water and Sewer Revenue Refunding Bonds due in annual installments of \$160,000 to \$5,270,000 through April 1, 2011; with interest rates from 3.0% to 5.0% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien on and pledge of the net revenues of the County's Water and Sewer system and a first lien on and pledge of the connection charges of the system. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy. \$ 28,265,000

\$83,965,000 2001 Airport System Revenue Refunding Bonds due in annual installments of \$8,410,000 to \$11,215,000 through October 1, 2010; with interest rates from 4.0% to 5.5% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the net revenues available for Debt Service and the funds and accounts pledged under the bond resolution. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy. \$ 68,320,000

\$60,150,000 2002 Airport System Revenue Refunding Bonds due in annual installments of \$13,645,000 to \$16,500,000 from October 1, 2011 through October 1, 2014; with an interest rate of 5.75% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are payable solely from and secured from the net revenues available for Debt Service and the funds and accounts pledged under the bond resolution. Payment of principal and interest on the bonds is guaranteed under a noncancellable insurance policy. \$ 60,150,000

PALM BEACH COUNTY, FLORIDA
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SEPTEMBER 30, 2004

\$266,590,000 1997A Solid Waste Authority Refunding Revenue Bonds due in annual installments of \$16,125,000 to \$37,025,000 through October 1, 2010; with interest rates from 4.875% to 6.0% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien upon and pledge of the net revenues of the Authority's solid waste disposal and resource recovery system. The Solid Waste Authority advance refunded \$20,735,000 of this issue on August 1, 1998. Payment of principal and interest is guaranteed under a noncancellable insurance policy.

\$192,685,000

\$36,405,432 1998A Solid Waste Authority Refunding Revenue Bonds. \$2,165,000 are Current Interest Series 1998A Bonds due in annual installments of \$70,000 to \$1,070,000 through October 1, 2008; with interest rates from 4.25% to 4.3% payable semi-annually on April 1 and October 1 of each year. \$34,240,432 are Capital Appreciation series 1998A Bonds due in annual installments of \$2,550,830 to \$20,209,629 from October 1, 2011 through October 1, 2013; and shall accrue interest from their delivery date to appreciate at the approximate yields from 4.9% to 5.05%. The bonds are not general obligations of the County and are secured by a first lien upon and pledge of the net revenues of the Authority's solid waste disposal and resource recovery system. Payment of principal and interest is guaranteed under a noncancellable insurance policy.

\$ 36,405,432

\$30,560,000 2002A Solid Waste Authority Refunding Revenue Bonds due in annual installments of \$1,465,000 to \$10,440,000 through October 1, 2006; with interest rates from 2.75% to 5.0% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien upon and pledge of the net revenues of the Authority's solid waste disposal and resource recovery system. Payment of principal and interest is guaranteed under a noncancellable insurance policy.

\$ 21,990,000

\$39,869,386 2002B Solid Waste Authority Improvement Revenue Bonds. \$1,135,000 are Current Interest Series 2002B Bonds due in annual installments of \$370,000 to \$385,000 through October 1, 2006; with interest rates from 2.125% to 2.75% payable semi-annually on April 1 and October 1 of each year. \$38,734,386 are Capital Appreciation series 2002B Bonds due in annual installments of \$12,003,800 to \$13,769,586 from October 1, 2014 through October 1, 2016; and shall accrue interest from their delivery date to appreciate at the approximate yields from 4.85% to 5.05%. The bonds are not general obligations of the County and are secured by a first lien upon and pledge of the net revenues of the Authority's solid waste disposal and resource recovery system. Payment of principal and interest is guaranteed under a noncancellable insurance policy.

\$ 39,869,386

PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004

\$34,385,000 2004 Solid Waste Authority Refunding Revenue Bonds due in annual installments of \$45,000 to \$33,935,000 through October 1, 2011; with interest rates from 2.0% to 2.5% payable semi-annually on April 1 and October 1 of each year. The bonds are not general obligations of the County and are secured by a first lien upon and pledge of the net revenues of the Authority's solid waste disposal and resource recovery system. Payment of principal and interest is guaranteed under a noncancellable insurance policy.

\$ 34,385,000

Total Revenue Bonds, Business-Type Activities

\$551,284,818

Unamortized bond premiums (discounts)

\$ 14,268,455

Unamortized loss on bond refinancing

\$(26,073,777)

Net Revenue Bonds, Business-Type Activities

\$539,479,496

Loan Payable

\$9,500,000 - Department of Airports Loan payable to King's Academy. In conjunction with the purchase of a parcel of property during the fiscal year ended September 30, 2003, the Airport has contracted to pay \$9.5 million of the purchase price over a period of approximately 2.5 years. The \$9.5 million will be paid to the seller as the seller makes draws for construction on its new facility. The loan is non interest bearing and is secured by the property which has a book value of \$14.5 million.

\$ 1,202,450

Accrued capital appreciation bond interest

\$ 15,786,695

Accrued landfill costs

\$ 25,888,592

Compensated absences

Compensated absences are liquidated by the business type fund incurring the expense.

Business-Type Fund

Water Utilities Department

\$2,271,505

Department of Airports

1,096,686

Solid Waste Authority

2,854,331

\$ 6,222,522

Total Business-Type Activities Long-Term Debt, including current portion

\$588,579,755

**PALM BEACH COUNTY, FLORIDA
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SEPTEMBER 30, 2004**

Annual debt service requirements to maturity for governmental activities long-term debt are as follows:

Governmental Activities General Long-Term Debt

Year ending September 30	General Obligation Bonds		Non-Ad Valorem Revenue Bonds		Loans Payable		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2005	\$ 17,525,000	\$ 13,161,482	\$ 25,410,000	\$ 22,458,757	\$ 9,170,682	\$ 968,207	\$ 88,694,128
2006	18,530,000	12,417,574	26,695,000	21,167,149	11,502,408	865,364	91,177,495
2007	18,920,000	11,728,291	28,420,000	19,857,385	10,691,055	722,936	90,339,667
2008	20,000,000	10,933,932	28,210,000	18,493,905	6,783,000	609,735	85,030,572
2009	16,980,000	10,099,074	26,445,000	17,314,841	4,442,000	511,255	75,792,170
2010-2014	83,865,000	38,245,462	153,795,000	66,335,152	17,240,000	1,708,474	361,189,088
2015-2019	79,200,000	17,596,555	82,760,000	27,677,793	9,770,000	600,170	217,604,518
2020-2024	20,885,000	2,074,224	43,625,000	13,505,110	1,820,000	71,607	81,980,941
2025-2029	-	-	22,525,000	5,472,375	-	-	27,997,375
2030-2034	-	-	10,285,000	519,125	-	-	10,804,125
Total	<u>\$275,905,000</u>	<u>\$116,256,59</u>	<u>\$448,170,00</u>	<u>\$212,801,59</u>	<u>\$71,419,145</u>	<u>\$6,057,748</u>	<u>\$1,130,610,079</u>

Annual debt service requirements to maturity for business-type activities long-term debt are as follows:

Business-type Activities Long-Term Debt

Year ending September 30	Revenue Bonds		Loans Payable		Total
	Principal	Interest	Principal	Interest	
2005	\$ 44,860,000	\$ 22,344,694	\$1,202,450	\$ -	\$ 68,407,144
2006	51,055,000	20,450,952	-	-	71,505,952
2007	49,265,000	18,071,468	-	-	67,336,468
2008	51,665,000	15,580,771	-	-	67,245,771
2009	54,660,000	12,775,375	-	-	67,435,375
2010-2014	236,100,432	60,991,910	-	-	297,092,342
2015-2019	63,679,386	35,327,157	-	-	99,006,543
2020-2024	-	-	-	-	-
2025-2029	-	-	-	-	-
2030-2034	-	-	-	-	-
Total	<u>\$551,284,818</u>	<u>\$185,542,327</u>	<u>\$1,202,450</u>	<u>\$ -</u>	<u>\$738,029,595</u>

**PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004**

COMPONENT UNITS:

Metropolitan Planning Organization (MPO):

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended September 30, 2004 for governmental activities:

Governmental activities:	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Compensated absences	<u>\$133,583</u>	<u>\$6,276</u>	<u>\$1,843</u>	<u>\$138,016</u>	<u>\$17,252</u>

Westgate/Belvedere Homes Community Redevelopment Agency (CRA):

Redevelopment Revenue Refunding and Improvement Bonds, Series 1999 authorized issue dated March 1, 1999, was \$3,380,000. Bonds outstanding at September 30, 2004 was \$2,685,000, and interest rates range from 3.1% to 4.8%. Debt Service requirements of CRA are as follows:

<u>Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 145,000	\$118,405	\$ 263,405
2006	150,000	112,750	262,750
2007	160,000	103,470	263,470
2008	160,000	96,830	256,830
2009	170,000	89,857	259,857
2010 - 2014	960,000	331,481	1,291,481
2015 - 2019	<u>940,000</u>	<u>91,775</u>	<u>1,031,775</u>
Total	<u>\$2,685,000</u>	<u>\$944,568</u>	<u>\$3,629,568</u>

17. CONTINGENCIES

Litigation

The County is involved in various lawsuits arising in the ordinary course of operations. Although the outcome of these matters is not presently determinable, it is the opinion of management of the County based upon consultation with legal counsel, that the outcome of these matters will not materially affect the financial position of the County.

State and Federal Grants

Grant monies received and disbursed by the County are for specific purposes and are subject to audit by the grantor agencies. Such audits may result in requests for reimbursements due to disallowed

**PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004**

expenditures. Based upon prior experience, management does not believe that such disallowances, if any, would have a material effect on the financial position of the County.

Interlocal Agreement

On September 22, 1992 the Board of County Commissioners approved an interlocal agreement between the County and the Westgate/Belvedere Homes Community Redevelopment Agency (Agency), whereby the County has agreed to fund any deficiency in the reserve fund of the Agency's Redevelopment Revenue Bonds. The Agency is required to notify the County on or before May 2nd of each year of the deficiency amount, if any, that the Agency expects to exist on the next succeeding November 1st. At present, the County has not been made aware of any deficiency amount.

Bond Guaranty

On October 17, 2000 the Board of County Commissioners approved a trust agreement between the County and Suntrust Bank, (the Trustee), whereby the County has agreed to fund any deficiency in the reserve fund of the Palm Beach County, Florida, Industrial Development Revenue Bonds (South Florida Fair Project), Series 2000. The Trustee is required to notify the County after June 1st and on or before June 5th of each year of the deficiency amount, if any, as of such date. At present, the County has not been made aware of any deficiency amount.

Road Bond

Bonds secured by the full faith and credit of the State of Florida have been issued to finance transportation (road) projects in Palm Beach County. Debt service is paid from Palm Beach County's 80% portion of the 5th and 6th cent gasoline tax; gasoline tax funds not required for debt service are made available to Palm Beach County for certain transportation related expenditures as specified by Florida Statutes.

Information concerning the State of Florida road bonds is summarized as follows:

Amount of Issue:	\$7,000,000	\$31,000,000
Bonds Dated:	January 1, 1977	July 1, 1977
Interest Rate:	5.5%	5.1%

Remaining Original Maturities:

2005	\$470,000	\$1,900,000
2006	<u>480,000</u>	<u>2,020,000</u>
	<u>\$950,000</u>	<u>\$3,920,000</u>

The State of Florida maintains debt service funds and accounts on these bond issues. At September 30, 2004 cash and short-term investments for both issues totaled \$4,953,891.

**PALM BEACH COUNTY, FLORIDA
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SEPTEMBER 30, 2004**

Solid Waste Authority (SWA)

Environmental Contamination: SWA, in cooperation with other state and local regulatory agencies, maintains an extensive monitoring program for potential environmental contamination at each of its sites and facilities. These monitoring programs have identified possible groundwater contamination caused by landfill leachate from the solid waste system of SWA. SWA and other regulatory agencies are continuing to monitor the sites and no environmental cleanup actions have been imposed on SWA. In the event that such actions are ordered, SWA may be financially responsible for the assessment and cleanup costs of any contamination as well as potential fines imposed by regulatory agencies.

Interlocal agreement: The SWA entered into an interlocal agreement to provide funding to Palm Beach County for a hazardous materials response team through September 30, 2007. After the initial term, the agreement automatically renews for an additional five years unless canceled in writing by either party. The future annual payments due under this agreement at September 30, 2004 are:

<u>Year Ending September 30,</u>	<u>Amount</u>
2005	\$1,485,260
2006	1,529,818
2007	<u>1,575,712</u>
	<u>\$4,590,790</u>

Hurricane Costs

During September 2004, two major hurricanes impacted the Palm Beach County area. The County, through September 30, 2004, incurred related costs of approximately \$31.8 million as a result of the two hurricanes. The County estimates that it will be reimbursed for approximately \$28.8 million of such costs from the Federal Emergency Management Agency and Federal Highway Administration and, as such, has accrued the estimated revenue in FY 2004 accordingly.

18. SUBSEQUENT EVENTS

October 28, 2004

Palm Beach County issued \$38,895,000 Public Improvement Revenue Bonds, Series 2004A (Biomedical Research Park Project). The bonds mature annually through 2024 with interest rates ranging from 2.0% to 4.375%. The bonds were issued to pay the \$34,576,915 Public Improvement Revenue Bond Anticipation Notes (Biomedical Research Park Project), Series 2004B.

Palm Beach County issued \$24,427,515 Taxable Public Improvement Revenue Bonds, Series 2004B (Biomedical Research Park Project). The bonds mature annually through 2014 with an interest rate of 2.0%. The bonds were issued to pay the \$22,330,925 Taxable Public Improvement Revenue Bond Anticipation Notes (Biomedical Research Park Project), Series 2004C.

PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004

December 7, 2004

Palm Beach County issued \$5,700,132 Public Improvement Revenue Note (Biomedical Research Park Infrastructure Project) Series 2004A1. The note matures December 15, 2006 and has a variable interest rate. The note was issued for infrastructure improvements to certain lands and other costs, including legal fees for the Biomedical Research Park Project.

Palm Beach County issued \$3,338,917 Public Improvement Revenue Note (Biomedical Research Park Infrastructure Project) Series 2004B1. The note matures December 15, 2006 and has a variable interest rate. The note was issued for infrastructure improvements to certain lands and other costs, including legal fees for the Biomedical Research Park Project.

Palm Beach County issued \$1,960,921 Taxable Public Improvement Revenue Note (Biomedical Research Park Infrastructure Project) Series 2004B2. The note matures December 15, 2006 and has a variable interest rate. The note was issued for infrastructure improvements to certain lands and other costs, including legal fees for the Biomedical Research Park Project.

March 1, 2005

Palm Beach County authorized the issuance of Parks and Recreation Revenue Refunding Bonds, in the principal amount of not exceeding \$20 million, to advance refund a portion of the \$26,300,000 Parks and Recreation Facilities Revenue Bonds, Series 1996.

March 15, 2005

Palm Beach County authorized the issuance of General Obligation Refunding Bonds, in the principal amount of not exceeding \$52 million, to advance refund a portion of the \$75,000,000 General Obligation Bonds, Series 1999B (Land Acquisition Program).

Palm Beach County authorized the issuance of General Obligation Refunding Bonds, in the principal amount of not exceeding \$17 million, to advance refund a portion of the \$25,000,000 General Obligation Bonds, Series 1999A (Recreational and Cultural Facilities).

Palm Beach County authorized the issuance of Revenue Refunding Bonds, in the principal amount of not exceeding \$16 million, to advance refund a portion of the \$22,425,000 Revenue Improvement Bonds, Series 1997 (North County Courthouse and Sheriff's Motor Pool Facilities Project).

Palm Beach County authorized the issuance of Public Improvement Revenue Refunding Bonds, in the principal amount of not exceeding \$11.5 million, to advance refund a portion of the \$15,175,000 Public Improvement Revenue Bonds, Series 1995 (Judicial Parking Facilities).

Palm Beach County authorized the negotiated sale of Public Improvement Revenue Bond Anticipation Notes (Biomedical Research Park Project), Series 2004 for the purpose of extending the maturity date of the notes for one year from March 31, 2004 to March 31, 2005.

**PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2004**

Solid Waste Authority (SWA)

On October 13, 2004, the Authority entered into a \$50 million line of credit agreement with a financial institution to finance costs incurred in connection with the removal and disposal of debris and the cost to repair damage to facilities resulting from Hurricane Frances and Jeanne in September 2004. Principal borrowed on the line of credit is due at maturity on October 13, 2006. Interest on the outstanding principal balance accrues at a rate equivalent to 76% of the one month LIBOR rate plus 14.74 basis points and is due at maturity. Borrowings on the line of credit are payable from and secured by a pledge of the net revenues of the solid waste system, subordinate to the lien and pledge of net revenues for repayment of the Authority's bonds, and the proceeds of all grants, receipts and reimbursements received by the Authority in connection with the hurricane clean-up operations.

19. DEFICIT FUND EQUITY

Internal Service Funds - The Graphics internal service fund had deficit net assets of \$3,880 as of September 30, 2004. Rates charged to other funds and external customers will be reviewed in future years to eliminate the deficit.

20. FUTURE DEBT SERVICE REQUIREMENTS

The following Exhibit A is a Schedule of Changes in Long-Term Debt. Exhibits B through LL show future debt service requirements for each debt issue described in Note 16.

EXHIBIT A
PALM BEACH COUNTY, FLORIDA
Schedule of Changes in Long-Term Debt
September 30, 2004

GOVERNMENTAL ACTIVITIES	Exhibit	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Board of County Commissioners						
Bonds payable:						
General Obligation Refunding Bonds, Series 1994B	B	34,725,000	-	3,060,000	31,665,000	3,120,000
General Obligation Bonds, Series 1994	C	6,790,000	-	2,115,000	4,675,000	2,260,000
General Obligation Refunding Bonds, Series 1998	D	39,890,000	-	3,175,000	36,715,000	3,305,000
General Obligation Bonds (Recreational and Cultural Facilities), Series 1999A	E	21,560,000	-	895,000	20,665,000	935,000
General Obligation Bonds (Land Acquisition Program), Series 1999B	F	64,065,000	-	2,755,000	61,310,000	2,870,000
General Obligation Bonds (Land Acquisition Program), Series 2001A	G	70,215,000	-	2,895,000	67,320,000	3,000,000
General Obligation Bonds (Library District Improvement Project), Series 2003	H	30,500,000	-	1,080,000	29,420,000	1,080,000
General Obligation Bonds (Recreational and Cultural Facilities), Series 2003	I	25,000,000	-	865,000	24,135,000	955,000
Public Improvement Revenue Bonds, Series 1984	(1)	80,000	-	80,000	-	-
Criminal Justice Facilities Revenue Bonds, Series 1990	J	37,915,000	-	-	37,915,000	-
Airport Centre Revenue Bonds, Series 1992	(1)	6,585,000	-	6,585,000	-	-
Administrative Complex Revenue Refunding Bonds, Series 1993	K	12,230,000	-	1,270,000	10,960,000	1,330,000
Revenue Refunding Bonds, Series 1993	L	9,715,000	-	2,250,000	7,465,000	2,365,000
Criminal Justice Facilities Revenue Refunding Bonds, Series 1993	M	89,690,000	-	9,285,000	80,405,000	9,770,000
Beach Acquisition Revenue Refunding Bonds, Series 1993	N	12,935,000	-	2,340,000	10,595,000	2,455,000
Criminal Justice Facilities Revenue Bonds, Series 1994	(1)	1,120,000	-	1,120,000	-	-
Public Improvement Recreation Facilities Revenue Bonds, Series 1994	(1)	6,050,000	-	6,050,000	-	-
Public Improvement Revenue Bonds, Series 1995	O	11,360,000	-	650,000	10,710,000	680,000
Parks and Recreation Facilities Revenue Bonds, Series 1996	P	20,890,000	-	1,050,000	19,840,000	1,100,000
Stadium Facilities Revenue Bonds, Series 1996	Q	22,135,000	-	1,130,000	21,005,000	1,185,000
Criminal Justice Facilities Revenue Refunding Bonds, Series 1997	R	32,655,000	-	-	32,655,000	-
Revenue Improvement Bonds, Series 1997	S	18,450,000	-	895,000	17,555,000	930,000
Public Improvement Revenue Bonds, Series 2001	(1)	79,275,000	-	79,275,000	-	-
Criminal Justice Facilities Revenue Refunding Bonds, Series 2002	T	18,190,000	-	175,000	18,015,000	1,360,000
Public Improvement Recreation Facilities Revenue Refunding Bonds, Series 2003	U	-	6,525,000	590,000	5,935,000	525,000
Public Improvement Revenue and Refunding Bonds, Series 2004	V	-	94,300,000	525,000	93,775,000	3,710,000
Public Improvement Revenue Refunding Bonds (Convention Center Project), Series 2004	W	-	81,340,000	-	81,340,000	-
Bonds payable		672,020,000	182,165,000	130,110,000	724,075,000	42,935,000
Unamortized premium (discount)		3,244,454	14,751,279	618,713	17,377,020	-
Unamortized loss on bond refinancing		(1,385,464)	(10,497,289)	(357,353)	(11,525,400)	-
Net bonds payable		673,878,990	186,418,990	130,371,360	729,926,620	42,935,000
Loans payable		58,893,000	20,283,290	7,757,145	71,419,145	9,170,682
Compensated absences		28,473,704	4,622,834	886,226	32,210,312	6,003,968
Arbitrage liability		4,939,957	-	1,245,542	3,694,415	733,039
Long-term disability		12,867,456	-	1,399,180	11,468,276	548,121
		<u>779,053,107</u>	<u>211,325,114</u>	<u>141,659,453</u>	<u>848,718,768</u>	<u>59,390,810</u>
Sheriff						
Asserted claims payable		18,224,040	5,561,821	6,358,907	17,426,954	6,726,048
Compensated absences		33,746,642	24,025,324	21,450,501	36,321,465	2,391,959
		<u>51,970,682</u>	<u>29,587,145</u>	<u>27,809,408</u>	<u>53,748,419</u>	<u>9,118,007</u>
Clerk of the Circuit Court						
Compensated absences		4,335,001	3,696,989	3,408,862	4,623,128	693,887
Tax Collector						
Capital lease payable		33,612	-	8,756	24,856	9,409
Compensated absences		1,255,314	-	72,048	1,183,266	131,963
		<u>1,288,926</u>	<u>-</u>	<u>80,804</u>	<u>1,208,122</u>	<u>141,372</u>
Property Appraiser						
Capital lease		121,790	-	121,790	-	-
Compensated absences		1,573,846	162,877	-	1,736,723	158,295
		<u>1,695,636</u>	<u>162,877</u>	<u>121,790</u>	<u>1,736,723</u>	<u>158,295</u>
Supervisor of Elections						
Compensated absences		174,353	38,462	3,218	209,597	16,123
Total long-term debt, governmental		<u>\$ 838,517,705</u>	<u>\$ 244,810,587</u>	<u>\$ 173,083,535</u>	<u>\$ 910,244,757</u>	<u>\$ 69,518,494</u>
Short term debt, governmental						
Public Improvement BAN, Series 2002		\$ 7,692,586	\$ -	\$ 7,692,586	\$ -	\$ -
Public Improvement Revenue BAN (Biomedical Research Project), Series 2004		-	20,000,000	-	20,000,000	20,000,000
Public Improvement Revenue BAN (Biomedical Research Project), Series 2004B		-	34,576,915	-	34,576,915	34,576,915
Taxable Public Improvement Revenue BAN (Biomedical Research Project), Series 2004C		-	22,330,925	-	22,330,925	22,330,925
Total short term debt, governmental		<u>\$ 7,692,586</u>	<u>\$ 76,907,840</u>	<u>\$ 7,692,586</u>	<u>\$ 76,907,840</u>	<u>\$ 76,907,840</u>

EXHIBIT A
PALM BEACH COUNTY, FLORIDA
Schedule of Changes in Long-Term Debt
September 30, 2004

BUSINESS-TYPE ACTIVITIES	Exhibit	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Board of County Commissioners						
Bonds payable:						
Water and Sewer Revenue Bonds, Series 1985	AA	\$ 11,545,000	\$ -	\$ 900,000	\$ 10,645,000	\$ 900,000
Water and Sewer Revenue Bonds, Series 1993A	(1)	695,000	-	695,000	-	-
Water and Sewer Revenue Refunding Bonds, Series 1993B	(1)	2,430,000	-	2,430,000	-	-
Water and Sewer Revenue Bonds, Series 1995	BB	39,720,000	-	31,965,000	7,755,000	3,795,000
Water and Wastewater Revenue Bonds, Series 1998	CC	25,270,000	-	1,240,000	24,030,000	1,285,000
Water and Sewer Revenue Refunding Bonds, Series 2003	DD	26,785,000	-	-	26,785,000	3,550,000
Water and Sewer Revenue Refunding Bonds, Series 2004	EE	-	28,265,000	-	28,265,000	160,000
Airport System Revenue Refunding Bonds, Series 2001	FF	76,330,000	-	8,010,000	68,320,000	8,410,000
Airport System Revenue Refunding Bonds, Series 2002	GG	60,150,000	-	-	60,150,000	-
Solid Waste Authority Refunding Revenue Bonds, Series 1997A	HH	208,375,000	-	15,690,000	192,685,000	16,125,000
Solid Waste Authority Improvement Revenue Bonds, Series 1997B	(1)	33,885,000	-	33,885,000	-	-
Solid Waste Authority Refunding Revenue Bonds, Series 1998A	II	36,405,432	-	-	36,405,432	-
Solid Waste Authority Refunding Revenue Bonds, Series 2002A	JJ	30,560,000	-	8,570,000	21,990,000	10,085,000
Solid Waste Authority Improvement Revenue Bonds, Series 2002B	KK	39,869,386	-	-	39,869,386	370,000
Solid Waste Authority Refunding Revenue Bonds, Series 2004	LL	-	34,385,000	-	34,385,000	180,000
Unamortized bond premiums (discounts)		10,484,889	5,915,005	2,131,439	14,268,455	-
Unamortized loss on bond refinancing		(25,936,272)	(5,687,920)	(5,550,415)	(26,073,777)	-
Bonds payable		576,568,435	62,877,085	99,966,024	539,479,496	44,860,000
Loans payable		9,031,436	-	7,828,986	1,202,450	1,202,450
Accrued capital appreciation bond interest		11,527,125	4,259,570	-	15,786,695	-
Accrued landfill costs	(2)	27,149,210	-	1,260,618	25,888,592	-
Compensated absences	(2)	5,746,175	885,063	408,716	6,222,522	540,859
Total long-term debt, business type		\$ 630,022,381	\$ 68,021,718	\$ 109,464,344	\$ 588,579,755	\$ 46,603,309

Note: See Statistical Table XI for more information on the bond issues

(1) Bond issues retired during the current year.

(2) The beginning balances have been restated due to the correction of an error related to the Solid Waste Authority.

EXHIBIT B
GENERAL OBLIGATION BONDS
PALM BEACH COUNTY, FLORIDA
General Obligation Refunding Bonds, Series 1994B
Dated 02/01/94

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
01/01/05	\$ -	\$ 796,413	\$ 796,413
07/01/05	3,120,000	796,413	3,916,413
01/01/06	-	727,773	727,773
07/01/06	3,240,000	727,773	3,967,773
01/01/07	-	654,873	654,873
07/01/07	6,645,000	654,873	7,299,873
01/01/08	-	502,038	502,038
07/01/08	6,945,000	502,038	7,447,038
01/01/09	-	354,456	354,456
07/01/09	3,700,000	354,456	4,054,456
01/01/10	-	265,656	265,656
07/01/10	3,880,000	265,656	4,145,656
01/01/11	-	139,556	139,556
07/01/11	4,135,000	139,556	4,274,556
	<u>\$ 31,665,000</u>	<u>\$ 6,881,530</u>	<u>\$ 38,546,530</u>

EXHIBIT C
 GENERAL OBLIGATION BONDS
 PALM BEACH COUNTY, FLORIDA
 General Obligation Bonds, Series 1994
 Dated 12/01/94

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ 2,260,000	\$ 151,550	\$ 2,411,550
06/01/05	-	72,450	72,450
12/01/05	2,415,000	72,450	2,487,450
	<u>\$ 4,675,000</u>	<u>\$ 296,450</u>	<u>\$ 4,971,450</u>

EXHIBIT D
GENERAL OBLIGATION BONDS
PALM BEACH COUNTY, FLORIDA
General Obligation Refunding Bonds, Series 1998
Dated 04/01/98

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ 3,305,000	\$ 878,886	\$ 4,183,886
06/01/05	-	812,786	812,786
12/01/05	3,440,000	812,786	4,252,786
06/01/06	-	742,266	742,266
12/01/06	2,770,000	742,266	3,512,266
06/01/07	-	685,135	685,135
12/01/07	2,885,000	685,135	3,570,135
06/01/08	-	624,550	624,550
12/01/08	3,000,000	624,550	3,624,550
06/01/09	-	560,800	560,800
12/01/09	3,125,000	560,800	3,685,800
06/01/10	-	492,050	492,050
12/01/10	3,270,000	492,050	3,762,050
06/01/11	-	410,300	410,300
12/01/11	3,440,000	410,300	3,850,300
06/01/12	-	315,700	315,700
12/01/12	3,625,000	315,700	3,940,700
06/01/13	-	216,013	216,013
12/01/13	3,825,000	216,013	4,041,013
06/01/14	-	110,825	110,825
12/01/14	4,030,000	110,825	4,140,825
	<u>\$ 36,715,000</u>	<u>\$ 10,819,736</u>	<u>\$ 47,534,736</u>

EXHIBIT E
GENERAL OBLIGATION BONDS
PALM BEACH COUNTY, FLORIDA
General Obligation Bonds (Recreational and Cultural Facilities), Series 1999A
Dated 10/01/99

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
02/01/05	\$ -	\$ 575,430	\$ 575,430
08/01/05	935,000	575,430	1,510,430
02/01/06	-	553,691	553,691
08/01/06	975,000	553,691	1,528,691
02/01/07	-	530,535	530,535
08/01/07	1,025,000	530,535	1,555,535
02/01/08	-	505,679	505,679
08/01/08	1,075,000	505,679	1,580,679
02/01/09	-	473,429	473,429
08/01/09	1,135,000	473,429	1,608,429
02/01/10	-	439,379	439,379
08/01/10	1,205,000	439,379	1,644,379
02/01/11	-	408,350	408,350
08/01/11	1,270,000	408,350	1,678,350
02/01/12	-	375,013	375,013
08/01/12	1,335,000	375,013	1,710,013
02/01/13	-	339,301	339,301
08/01/13	1,405,000	339,301	1,744,301
02/01/14	-	301,015	301,015
08/01/14	1,485,000	301,015	1,786,015
02/01/15	-	259,806	259,806
08/01/15	1,565,000	259,806	1,824,806
02/01/16	-	212,856	212,856
08/01/16	1,660,000	212,856	1,872,856
02/01/17	-	163,056	163,056
08/01/17	1,760,000	163,056	1,923,056
02/01/18	-	110,256	110,256
08/01/18	1,865,000	110,256	1,975,256
02/01/19	-	56,638	56,638
08/01/19	1,970,000	56,638	2,026,638
	<u>\$ 20,665,000</u>	<u>\$ 10,608,868</u>	<u>\$ 31,273,868</u>

EXHIBIT F
GENERAL OBLIGATION BONDS
PALM BEACH COUNTY, FLORIDA
General Obligation Bonds (Land Acquisition Program), Series 1999B
Dated 11/01/99

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
02/01/05	\$ -	\$ 1,589,516	\$ 1,589,516
08/01/05	2,870,000	1,589,516	4,459,516
02/01/06	-	1,526,376	1,526,376
08/01/06	3,000,000	1,526,376	4,526,376
02/01/07	-	1,458,876	1,458,876
08/01/07	3,135,000	1,458,876	4,593,876
02/01/08	-	1,386,771	1,386,771
08/01/08	3,275,000	1,386,771	4,661,771
02/01/09	-	1,309,809	1,309,809
08/01/09	3,430,000	1,309,809	4,739,809
02/01/10	-	1,228,346	1,228,346
08/01/10	3,595,000	1,228,346	4,823,346
02/01/11	-	1,140,718	1,140,718
08/01/11	3,770,000	1,140,718	4,910,718
02/01/12	-	1,046,468	1,046,468
08/01/12	3,960,000	1,046,468	5,006,468
02/01/13	-	945,488	945,488
08/01/13	4,160,000	945,488	5,105,488
02/01/14	-	837,328	837,328
08/01/14	4,375,000	837,328	5,212,328
02/01/15	-	721,391	721,391
08/01/15	4,605,000	721,391	5,326,391
02/01/16	-	597,631	597,631
08/01/16	4,855,000	597,631	5,452,631
02/01/17	-	458,050	458,050
08/01/17	5,135,000	458,050	5,593,050
02/01/18	-	316,838	316,838
08/01/18	5,415,000	316,838	5,731,838
02/01/19	-	161,156	161,156
08/01/19	5,730,000	161,156	5,891,156
	<u>\$ 61,310,000</u>	<u>\$ 29,449,524</u>	<u>\$ 90,759,524</u>

EXHIBIT G
GENERAL OBLIGATION BONDS
PALM BEACH COUNTY, FLORIDA
General Obligation Bonds (Land Acquisition Program), Series 2001A
Dated 03/13/01

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ -	\$ 1,592,474	\$ 1,592,474
06/01/05	3,000,000	1,592,474	4,592,474
12/01/05	-	1,538,474	1,538,474
06/01/06	3,110,000	1,538,474	4,648,474
12/01/06	-	1,480,939	1,480,939
06/01/07	3,225,000	1,480,939	4,705,939
12/01/07	-	1,416,439	1,416,439
06/01/08	3,355,000	1,416,439	4,771,439
12/01/08	-	1,349,339	1,349,339
06/01/09	3,485,000	1,349,339	4,834,339
12/01/09	-	1,277,897	1,277,897
06/01/10	3,630,000	1,277,897	4,907,897
12/01/10	-	1,201,667	1,201,667
06/01/11	3,780,000	1,201,667	4,981,667
12/01/11	-	1,120,397	1,120,397
06/01/12	3,945,000	1,120,397	5,065,397
12/01/12	-	1,034,100	1,034,100
06/01/13	4,120,000	1,034,100	5,154,100
12/01/13	-	923,375	923,375
06/01/14	4,340,000	923,375	5,263,375
12/01/14	-	806,738	806,738
06/01/15	4,570,000	806,738	5,376,738
12/01/15	-	681,063	681,063
06/01/16	4,825,000	681,063	5,506,063
12/01/16	-	548,375	548,375
06/01/17	5,090,000	548,375	5,638,375
12/01/17	-	421,125	421,125
06/01/18	5,345,000	421,125	5,766,125
12/01/18	-	287,500	287,500
06/01/19	5,610,000	287,500	5,897,500
12/01/19	-	147,250	147,250
06/01/20	5,890,000	147,250	6,037,250
	<u>\$ 67,320,000</u>	<u>\$ 31,654,304</u>	<u>\$ 98,974,304</u>

EXHIBIT H
GENERAL OBLIGATION BONDS
PALM BEACH COUNTY, FLORIDA
General Obligation Bonds (Library District Improvement Project), Series 2003
Dated 07/08/03

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
01/01/05	\$ -	\$ 618,369	\$ 618,369
07/01/05	1,080,000	618,369	1,698,369
01/01/06	-	607,569	607,569
07/01/06	1,375,000	607,569	1,982,569
01/01/07	-	593,819	593,819
07/01/07	1,130,000	593,819	1,723,819
01/01/08	-	579,694	579,694
07/01/08	1,455,000	579,694	2,034,694
01/01/09	-	559,688	559,688
07/01/09	1,195,000	559,688	1,754,688
01/01/10	-	541,762	541,762
07/01/10	1,230,000	541,762	1,771,762
01/01/11	-	521,775	521,775
07/01/11	1,270,000	521,775	1,791,775
01/01/12	-	503,519	503,519
07/01/12	1,310,000	503,519	1,813,519
01/01/13	-	483,869	483,869
07/01/13	1,350,000	483,869	1,833,869
01/01/14	-	462,775	462,775
07/01/14	1,390,000	462,775	1,852,775
01/01/15	-	426,287	426,287
07/01/15	1,465,000	426,287	1,891,287
01/01/16	-	387,831	387,831
07/01/16	1,540,000	387,831	1,927,831
01/01/17	-	347,406	347,406
07/01/17	1,620,000	347,406	1,967,406
01/01/18	-	304,881	304,881
07/01/18	1,705,000	304,881	2,009,881
01/01/19	-	260,125	260,125
07/01/19	2,000,000	260,125	2,260,125
01/01/20	-	207,625	207,625
07/01/20	2,000,000	207,625	2,207,625
01/01/21	-	157,625	157,625
07/01/21	2,000,000	157,625	2,157,625
01/01/22	-	107,625	107,625
07/01/22	2,100,000	107,625	2,207,625
01/01/23	-	55,125	55,125
07/01/23	2,205,000	55,125	2,260,125
	<u>\$ 29,420,000</u>	<u>\$ 15,454,738</u>	<u>\$ 44,874,738</u>

EXHIBIT I
GENERAL OBLIGATION BONDS
PALM BEACH COUNTY, FLORIDA
General Obligation Bonds (Recreational and Cultural Facilities), Series 2003
Dated 07/29/03

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
01/01/05	\$ -	\$ 450,703	\$ 450,703
07/01/05	955,000	450,703	1,405,703
01/01/06	-	441,153	441,153
07/01/06	975,000	441,153	1,416,153
01/01/07	-	431,403	431,403
07/01/07	990,000	431,403	1,421,403
01/01/08	-	421,503	421,503
07/01/08	1,010,000	421,503	1,431,503
01/01/09	-	410,141	410,141
07/01/09	1,035,000	410,141	1,445,141
01/01/10	-	397,203	397,203
07/01/10	1,060,000	397,203	1,457,203
01/01/11	-	381,303	381,303
07/01/11	1,090,000	381,303	1,471,303
01/01/12	-	364,272	364,272
07/01/12	1,125,000	364,272	1,489,272
01/01/13	-	345,991	345,991
07/01/13	1,165,000	345,991	1,510,991
01/01/14	-	326,332	326,332
07/01/14	1,200,000	326,332	1,526,332
01/01/15	-	305,332	305,332
07/01/15	1,245,000	305,332	1,550,332
01/01/16	-	274,206	274,206
07/01/16	1,305,000	274,206	1,579,206
01/01/17	-	241,581	241,581
07/01/17	1,370,000	241,581	1,611,581
01/01/18	-	214,181	214,181
07/01/18	1,425,000	214,181	1,639,181
01/01/19	-	178,556	178,556
07/01/19	1,495,000	178,556	1,673,556
01/01/20	-	141,181	141,181
07/01/20	1,570,000	141,181	1,711,181
01/01/21	-	108,800	108,800
07/01/21	1,635,000	108,800	1,743,800
01/01/22	-	74,056	74,056
07/01/22	1,705,000	74,056	1,779,056
01/01/23	-	37,825	37,825
07/01/23	1,780,000	37,825	1,817,825
	<u>\$ 24,135,000</u>	<u>\$ 11,091,444</u>	<u>\$ 35,226,444</u>

EXHIBIT J
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Criminal Justice Facilities Revenue Bonds, Series 1990
Dated 06/15/90

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ -	\$ 1,364,940	\$ 1,364,940
06/01/05	-	1,364,940	1,364,940
12/01/05	-	1,364,940	1,364,940
06/01/06	-	1,364,940	1,364,940
12/01/06	-	1,364,940	1,364,940
06/01/07	-	1,364,940	1,364,940
12/01/07	-	1,364,940	1,364,940
06/01/08	-	1,364,940	1,364,940
12/01/08	-	1,364,940	1,364,940
06/01/09	-	1,364,940	1,364,940
12/01/09	-	1,364,940	1,364,940
06/01/10	-	1,364,940	1,364,940
12/01/10	-	1,364,940	1,364,940
06/01/11	-	1,364,940	1,364,940
12/01/11	-	1,364,940	1,364,940
06/01/12	-	1,364,940	1,364,940
12/01/12	-	1,364,940	1,364,940
06/01/13	-	1,364,940	1,364,940
12/01/13	-	1,364,940	1,364,940
06/01/14	18,300,000	1,364,940	19,664,940
12/01/14	-	706,140	706,140
06/01/15	19,615,000	706,140	20,321,140
	<u>\$ 37,915,000</u>	<u>\$ 28,711,080</u>	<u>\$ 66,626,080</u>

EXHIBIT K
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Administrative Complex Revenue Refunding Bonds, Series 1993
Dated 04/01/93

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ -	\$ 286,352	\$ 286,352
06/01/05	1,330,000	286,352	1,616,352
12/01/05	-	252,438	252,438
06/01/06	1,400,000	252,438	1,652,438
12/01/06	-	216,037	216,037
06/01/07	1,470,000	216,037	1,686,037
12/01/07	-	177,450	177,450
06/01/08	1,550,000	177,450	1,727,450
12/01/08	-	136,762	136,762
06/01/09	1,630,000	136,762	1,766,762
12/01/09	-	93,975	93,975
06/01/10	1,715,000	93,975	1,808,975
12/01/10	-	48,956	48,956
06/01/11	1,865,000	48,956	1,913,956
	<u>\$ 10,960,000</u>	<u>\$ 2,423,940</u>	<u>\$ 13,383,940</u>

EXHIBIT L
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Revenue Refunding Bonds, Series 1993
Dated 04/01/93

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ 2,365,000	\$ 194,215	\$ 2,559,215
04/01/05	-	133,908	133,908
10/01/05	2,485,000	133,908	2,618,908
04/01/06	-	69,297	69,297
10/01/06	2,615,000	69,297	2,684,297
	<u>\$ 7,465,000</u>	<u>\$ 600,625</u>	<u>\$ 8,065,625</u>

EXHIBIT M
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Criminal Justice Facilities Revenue Refunding Bonds, Series 1993
Dated 05/15/93

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ -	\$ 2,157,221	\$ 2,157,221
06/01/05	9,770,000	2,157,221	11,927,221
12/01/05	-	1,898,316	1,898,316
06/01/06	10,285,000	1,898,316	12,183,316
12/01/06	-	1,621,906	1,621,906
06/01/07	10,840,000	1,621,906	12,461,906
12/01/07	-	1,330,581	1,330,581
06/01/08	11,425,000	1,330,581	12,755,581
12/01/08	-	1,023,534	1,023,534
06/01/09	12,035,000	1,023,534	13,058,534
12/01/09	-	700,094	700,094
06/01/10	12,685,000	700,094	13,385,094
12/01/10	-	359,184	359,184
06/01/11	13,365,000	359,184	13,724,184
	<u>\$ 80,405,000</u>	<u>\$ 18,181,672</u>	<u>\$ 98,586,672</u>

EXHIBIT N
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Beach Acquisition Revenue Refunding Bonds, Series 1993
Dated 07/15/93

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
11/01/04	\$ 2,455,000	\$ 271,421	\$ 2,726,421
05/01/05	-	210,046	210,046
11/01/05	2,580,000	210,046	2,790,046
05/01/06	-	144,256	144,256
11/01/06	2,710,000	144,256	2,854,256
05/01/07	-	74,813	74,813
11/01/07	2,850,000	74,813	2,924,813
	<u>\$ 10,595,000</u>	<u>\$ 1,129,651</u>	<u>\$ 11,724,651</u>

EXHIBIT O
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Public Improvement Revenue Bonds, Series 1995
Dated 12/01/95

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
11/01/04	\$ 680,000	\$ 266,539	\$ 946,539
05/01/05	-	251,069	251,069
11/01/05	710,000	251,069	961,069
05/01/06	-	234,561	234,561
11/01/06	740,000	234,561	974,561
05/01/07	-	216,986	216,986
11/01/07	775,000	216,986	991,986
05/01/08	-	198,193	198,193
11/01/08	815,000	198,193	1,013,193
05/01/09	-	177,818	177,818
11/01/09	855,000	177,818	1,032,818
05/01/10	-	156,443	156,443
11/01/10	900,000	156,443	1,056,443
05/01/11	-	133,493	133,493
11/01/11	945,000	133,493	1,078,493
05/01/12	-	109,395	109,395
11/01/12	995,000	109,395	1,104,395
05/01/13	-	84,023	84,023
11/01/13	1,045,000	84,023	1,129,023
05/01/14	-	57,375	57,375
11/01/14	1,095,000	57,375	1,152,375
05/01/15	-	29,453	29,453
11/01/15	1,155,000	29,453	1,184,453
	<u>\$ 10,710,000</u>	<u>\$ 3,564,157</u>	<u>\$ 14,274,157</u>

EXHIBIT P
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Parks and Recreation Facilities Revenue Bonds, Series 1996
Dated 09/01/96

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
11/01/04	\$ 1,100,000	\$ 516,871	\$ 1,616,871
05/01/05	-	490,746	490,746
11/01/05	1,155,000	490,746	1,645,746
05/01/06	-	462,738	462,738
11/01/06	1,215,000	462,738	1,677,738
05/01/07	-	432,970	432,970
11/01/07	1,275,000	432,970	1,707,970
05/01/08	-	401,095	401,095
11/01/08	1,340,000	401,095	1,741,095
05/01/09	-	366,590	366,590
11/01/09	1,415,000	366,590	1,781,590
05/01/10	-	329,093	329,093
11/01/10	1,490,000	329,093	1,819,093
05/01/11	-	288,863	288,863
11/01/11	1,575,000	288,863	1,863,863
05/01/12	-	245,550	245,550
11/01/12	1,665,000	245,550	1,910,550
05/01/13	-	199,763	199,763
11/01/13	1,755,000	199,763	1,954,763
05/01/14	-	153,694	153,694
11/01/14	1,850,000	153,694	2,003,694
05/01/15	-	105,131	105,131
11/01/15	1,950,000	105,131	2,055,131
05/01/16	-	53,944	53,944
11/01/16	2,055,000	53,944	2,108,944
	<u>\$ 19,840,000</u>	<u>\$ 7,577,225</u>	<u>\$ 27,417,225</u>

EXHIBIT Q
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Stadium Facilities Revenue Bonds, Series 1996
Dated 12/01/96

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ 1,185,000	\$ 539,903	\$ 1,724,903
06/01/05	-	512,055	512,055
12/01/05	1,240,000	512,055	1,752,055
06/01/06	-	482,295	482,295
12/01/06	1,300,000	482,295	1,782,295
06/01/07	-	450,445	450,445
12/01/07	1,365,000	450,445	1,815,445
06/01/08	-	416,320	416,320
12/01/08	1,430,000	416,320	1,846,320
06/01/09	-	379,855	379,855
12/01/09	1,505,000	379,855	1,884,855
06/01/10	-	340,725	340,725
12/01/10	1,580,000	340,725	1,920,725
06/01/11	-	299,250	299,250
12/01/11	1,665,000	299,250	1,964,250
06/01/12	-	255,544	255,544
12/01/12	1,755,000	255,544	2,010,544
06/01/13	-	209,475	209,475
12/01/13	1,845,000	209,475	2,054,475
06/01/14	-	161,044	161,044
12/01/14	1,940,000	161,044	2,101,044
06/01/15	-	110,119	110,119
12/01/15	2,045,000	110,119	2,155,119
06/01/16	-	56,438	56,438
12/01/16	2,150,000	56,438	2,206,438
	<u>\$ 21,005,000</u>	<u>\$ 7,887,033</u>	<u>\$ 28,892,033</u>

EXHIBIT R
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Criminal Justice Facilities Revenue Refunding Bonds, Series 1997
Dated 08/01/97

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ -	\$ 938,831	\$ 938,831
06/01/05	-	938,831	938,831
12/01/05	-	938,831	938,831
06/01/06	-	938,831	938,831
12/01/06	-	938,831	938,831
06/01/07	-	938,831	938,831
12/01/07	-	938,831	938,831
06/01/08	-	938,831	938,831
12/01/08	-	938,831	938,831
06/01/09	-	938,831	938,831
12/01/09	-	938,831	938,831
06/01/10	-	938,831	938,831
12/01/10	-	938,831	938,831
06/01/11	-	938,831	938,831
12/01/11	-	938,831	938,831
06/01/12	15,870,000	938,831	16,808,831
12/01/12	-	482,569	482,569
06/01/13	16,785,000	482,569	17,267,569
	<u>\$ 32,655,000</u>	<u>\$ 15,986,434</u>	<u>\$ 48,641,434</u>

EXHIBIT S
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Revenue Improvement Bonds, Series 1997
Dated 12/01/97

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ 930,000	\$ 411,508	\$ 1,341,508
06/01/05	-	392,210	392,210
12/01/05	970,000	392,210	1,362,210
06/01/06	-	371,840	371,840
12/01/06	1,010,000	371,840	1,381,840
06/01/07	-	350,378	350,378
12/01/07	1,050,000	350,378	1,400,378
06/01/08	-	327,803	327,803
12/01/08	1,100,000	327,803	1,427,803
06/01/09	-	303,603	303,603
12/01/09	1,145,000	303,603	1,448,603
06/01/10	-	277,840	277,840
12/01/10	1,195,000	277,840	1,472,840
06/01/11	-	250,355	250,355
12/01/11	1,255,000	250,355	1,505,355
06/01/12	-	220,863	220,863
12/01/12	1,310,000	220,863	1,530,863
06/01/13	-	189,750	189,750
12/01/13	1,375,000	189,750	1,564,750
06/01/14	-	155,375	155,375
12/01/14	1,440,000	155,375	1,595,375
06/01/15	-	119,375	119,375
12/01/15	1,515,000	119,375	1,634,375
06/01/16	-	81,500	81,500
12/01/16	1,590,000	81,500	1,671,500
06/01/17	-	41,750	41,750
12/01/17	1,670,000	41,750	1,711,750
	<u>\$ 17,555,000</u>	<u>\$ 6,576,792</u>	<u>\$ 24,131,792</u>

EXHIBIT T
PALM BEACH COUNTY
Criminal Justice Facilities Revenue Refunding Bonds, Series 2002
Dated: 08/15/02

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
12/01/04	\$ -	\$ 377,384	\$ 377,384
06/01/05	1,360,000	377,384	1,737,384
12/01/05	-	358,684	358,684
06/01/06	1,400,000	358,684	1,758,684
12/01/06	-	335,059	335,059
06/01/07	1,445,000	335,059	1,780,059
12/01/07	-	312,481	312,481
06/01/08	1,495,000	312,481	1,807,481
12/01/08	-	287,253	287,253
06/01/09	1,545,000	287,253	1,832,253
12/01/09	-	259,250	259,250
06/01/10	1,600,000	259,250	1,859,250
12/01/10	-	229,250	229,250
06/01/11	1,660,000	229,250	1,889,250
12/01/11	-	187,750	187,750
06/01/12	1,745,000	187,750	1,932,750
12/01/12	-	144,125	144,125
06/01/13	1,830,000	144,125	1,974,125
12/01/13	-	98,375	98,375
06/01/14	1,920,000	98,375	2,018,375
12/01/14	-	50,375	50,375
06/01/15	2,015,000	50,375	2,065,375
	<u>\$ 18,015,000</u>	<u>\$ 5,279,972</u>	<u>\$ 23,294,972</u>

EXHIBIT U
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Public Improvement Recreation Facilities Revenue Refunding Bonds, Series 2003
Dated 11/13/03

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
01/01/05	\$ -	\$ 92,909	\$ 92,909
07/01/05	525,000	92,909	617,909
01/01/06	-	87,659	87,659
07/01/06	535,000	87,659	622,659
01/01/07	-	82,309	82,309
07/01/07	550,000	82,309	632,309
01/01/08	-	76,122	76,122
07/01/08	560,000	76,122	636,122
01/01/09	-	69,122	69,122
07/01/09	575,000	69,122	644,122
01/01/10	-	59,778	59,778
07/01/10	590,000	59,778	649,778
01/01/11	-	48,716	48,716
07/01/11	615,000	48,716	663,716
01/01/12	-	36,416	36,416
07/01/12	640,000	36,416	676,416
01/01/13	-	25,616	25,616
07/01/13	660,000	25,616	685,616
01/01/14	-	12,416	12,416
07/01/14	685,000	12,416	697,416
	<u>\$ 5,935,000</u>	<u>\$ 1,182,126</u>	<u>\$ 7,117,126</u>

EXHIBIT V
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Public Improvement Revenue and Refunding Bonds, Series 2004
Dated 01/28/04

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
02/01/05	\$ -	\$ 2,021,393	\$ 2,021,393
08/01/05	3,710,000	2,021,393	5,731,393
02/01/06	-	1,910,093	1,910,093
08/01/06	3,935,000	1,910,093	5,845,093
02/01/07	-	1,831,393	1,831,393
08/01/07	4,090,000	1,831,393	5,921,393
02/01/08	-	1,729,143	1,729,143
08/01/08	4,295,000	1,729,143	6,024,143
02/01/09	-	1,686,193	1,686,193
08/01/09	4,390,000	1,686,193	6,076,193
02/01/10	-	1,636,805	1,636,805
08/01/10	4,485,000	1,636,805	6,121,805
02/01/11	-	1,568,518	1,568,518
08/01/11	4,620,000	1,568,518	6,188,518
02/01/12	-	1,503,838	1,503,838
08/01/12	4,750,000	1,503,838	6,253,838
02/01/13	-	1,432,588	1,432,588
08/01/13	4,895,000	1,432,588	6,327,588
02/01/14	-	1,310,212	1,310,212
08/01/14	4,350,000	1,310,212	5,660,212
02/01/15	-	1,201,462	1,201,462
08/01/15	4,570,000	1,201,462	5,771,462
02/01/16	-	1,087,212	1,087,212
08/01/16	4,800,000	1,087,212	5,887,212
02/01/17	-	967,212	967,212
08/01/17	5,040,000	967,212	6,007,212
02/01/18	-	841,212	841,212
08/01/18	5,295,000	841,212	6,136,212
02/01/19	-	708,837	708,837
08/01/19	5,555,000	708,837	6,263,837
02/01/20	-	576,906	576,906
08/01/20	5,820,000	576,906	6,396,906
02/01/21	-	438,681	438,681
08/01/21	6,100,000	438,681	6,538,681
02/01/22	-	293,806	293,806
08/01/22	6,385,000	293,806	6,678,806
02/01/23	-	142,162	142,162
08/01/23	6,690,000	142,162	6,832,162
	<u>\$ 93,775,000</u>	<u>\$ 45,775,332</u>	<u>\$139,550,332</u>

EXHIBIT W
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Public Improvement Revenue Refunding Bonds (Convention Center Project), Series 2004
02/25/04

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
11/01/04	\$ -	\$ 1,895,103	\$ 1,895,103
05/01/05	-	1,895,103	1,895,103
11/01/05	-	1,895,103	1,895,103
05/01/06	-	1,895,103	1,895,103
11/01/06	435,000	1,895,103	2,330,103
05/01/07	-	1,890,753	1,890,753
11/01/07	1,570,000	1,890,753	3,460,753
05/01/08	-	1,875,053	1,875,053
11/01/08	1,585,000	1,875,053	3,460,053
05/01/09	-	1,855,241	1,855,241
11/01/09	1,635,000	1,855,241	3,490,241
05/01/10	-	1,834,803	1,834,803
11/01/10	1,705,000	1,834,803	3,539,803
05/01/11	-	1,792,178	1,792,178
11/01/11	2,140,000	1,792,178	3,932,178
05/01/12	-	1,738,678	1,738,678
11/01/12	2,665,000	1,738,678	4,403,678
05/01/13	-	1,698,703	1,698,703
11/01/13	2,750,000	1,698,703	4,448,703
05/01/14	-	1,655,735	1,655,735
11/01/14	2,850,000	1,655,735	4,505,735
05/01/15	-	1,600,125	1,600,125
11/01/15	2,965,000	1,600,125	4,565,125
05/01/16	-	1,526,000	1,526,000
11/01/16	3,080,000	1,526,000	4,606,000
05/01/17	-	1,449,000	1,449,000
11/01/17	3,200,000	1,449,000	4,649,000
05/01/18	-	1,369,000	1,369,000
11/01/18	3,320,000	1,369,000	4,689,000
05/01/19	-	1,286,000	1,286,000
11/01/19	3,450,000	1,286,000	4,736,000
05/01/20	-	1,199,750	1,199,750
11/01/20	3,580,000	1,199,750	4,779,750
05/01/21	-	1,110,250	1,110,250
11/01/21	3,720,000	1,110,250	4,830,250
05/01/22	-	1,017,250	1,017,250
11/01/22	3,865,000	1,017,250	4,882,250
05/01/23	-	920,625	920,625
11/01/23	4,015,000	920,625	4,935,625

(continued)

EXHIBIT W
NON-AD VALOREM REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Public Improvement Revenue Refunding Bonds (Convention Center Project), Series 2004
02/25/04

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
05/01/24	-	820,250	820,250
11/01/24	4,170,000	820,250	4,990,250
05/01/25	-	716,000	716,000
11/01/25	4,330,000	716,000	5,046,000
05/01/26	-	607,750	607,750
11/01/26	4,500,000	607,750	5,107,750
05/01/27	-	495,250	495,250
11/01/27	4,670,000	495,250	5,165,250
05/01/28	-	378,500	378,500
11/01/28	4,855,000	378,500	5,233,500
05/01/29	-	257,125	257,125
11/01/29	5,045,000	257,125	5,302,125
05/01/30	-	131,000	131,000
11/01/30	5,240,000	131,000	5,371,000
	\$ 81,340,000	\$ 67,925,553	\$149,265,553

(concluded)

EXHIBIT AA
 REVENUE BONDS
 PALM BEACH COUNTY, FLORIDA
 Water and Sewer Revenue Bonds, Series 1985
 Dated 06/04/85

Debt Service Payment Schedule

Date	Principal	Interest (1)	Total Requirement
10/01/04	\$ 900,000	\$ 103,110	\$ 1,003,110
10/01/05	1,100,000	91,735	1,191,735
10/01/06	1,100,000	80,185	1,180,185
10/01/07	1,200,000	67,673	1,267,673
10/01/08	1,400,000	53,148	1,453,148
10/01/09	1,500,000	37,485	1,537,485
10/01/10	1,645,000	20,339	1,665,339
10/01/11	1,800,000	1,575	1,801,575
	<u>\$ 10,645,000</u>	<u>\$ 455,250</u>	<u>\$ 11,100,250</u>

(1) Variable rate in effect at the end of the current fiscal year is 1.05%.
 This rate is used to project future interest payments.

EXHIBIT BB
 REVENUE BONDS
 PALM BEACH COUNTY, FLORIDA
 Water and Sewer Revenue Bonds, Series 1995
 Dated 11/01/95

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ 3,795,000	\$ 180,345	\$ 3,975,345
04/01/05	-	93,060	93,060
10/01/05	3,960,000	93,060	4,053,060
	<u>\$ 7,755,000</u>	<u>\$ 366,465</u>	<u>\$ 8,121,465</u>

EXHIBIT CC
REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Water and Wastewater Revenue Bonds, Series 1998
Dated 06/01/98

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ 1,285,000	\$ 546,584	\$ 1,831,584
04/01/05	-	520,884	520,884
10/01/05	1,340,000	520,884	1,860,884
04/01/06	-	493,414	493,414
10/01/06	1,395,000	493,414	1,888,414
04/01/07	-	464,816	464,816
10/01/07	1,450,000	464,816	1,914,816
04/01/08	-	434,366	434,366
10/01/08	1,510,000	434,366	1,944,366
04/01/09	-	402,656	402,656
10/01/09	1,575,000	402,656	1,977,656
04/01/10	-	368,794	368,794
10/01/10	1,645,000	368,794	2,013,794
04/01/11	-	332,604	332,604
10/01/11	1,715,000	332,604	2,047,604
04/01/12	-	294,016	294,016
10/01/12	1,795,000	294,016	2,089,016
04/01/13	-	252,731	252,731
10/01/13	1,875,000	252,731	2,127,731
04/01/14	-	208,668	208,668
10/01/14	1,965,000	208,668	2,173,668
04/01/15	-	162,000	162,000
10/01/15	2,055,000	162,000	2,217,000
04/01/16	-	110,625	110,625
10/01/16	2,160,000	110,625	2,270,625
04/01/17	-	56,625	56,625
10/01/17	2,265,000	56,625	2,321,625
	<u>\$ 24,030,000</u>	<u>\$ 8,750,982</u>	<u>\$ 32,780,982</u>

EXHIBIT DD
REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Water and Sewer Revenue Refunding Bonds, Series 2003
Dated 07/08/03

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ 3,550,000	\$ 429,850	\$ 3,979,850
04/01/05	-	394,350	394,350
10/01/05	3,625,000	394,350	4,019,350
04/01/06	-	358,100	358,100
10/01/06	3,700,000	358,100	4,058,100
04/01/07	-	289,850	289,850
10/01/07	3,830,000	289,850	4,119,850
04/01/08	-	216,000	216,000
10/01/08	3,980,000	216,000	4,196,000
04/01/09	-	148,600	148,600
10/01/09	4,120,000	148,600	4,268,600
04/01/10	-	77,919	77,919
10/01/10	830,000	77,919	907,919
04/01/11	-	68,062	68,062
10/01/11	950,000	68,062	1,018,062
04/01/12	-	55,000	55,000
10/01/12	1,080,000	55,000	1,135,000
04/01/13	-	28,000	28,000
10/01/13	1,120,000	28,000	1,148,000
	<u>\$ 26,785,000</u>	<u>\$ 3,701,612</u>	<u>\$ 30,486,612</u>

EXHIBIT EE
REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Water and Sewer Revenue Refunding Bonds, Series 2004
Dated 05/12/04

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ -	\$ 502,388	\$ 502,388
04/01/05	160,000	650,575	810,575
10/01/05	-	646,575	646,575
04/01/06	4,425,000	646,575	5,071,575
10/01/06	-	535,950	535,950
04/01/07	4,605,000	535,950	5,140,950
10/01/07	-	466,875	466,875
04/01/08	4,795,000	466,875	5,261,875
10/01/08	-	347,000	347,000
04/01/09	5,025,000	347,000	5,372,000
10/01/09	-	231,375	231,375
04/01/10	5,270,000	231,375	5,501,375
10/01/10	-	99,625	99,625
04/01/11	3,985,000	99,625	4,084,625
	<u>\$ 28,265,000</u>	<u>\$ 5,807,763</u>	<u>\$ 34,072,763</u>

EXHIBIT FF
REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Airport Systems Revenue Refunding Bonds, Series 2001
Dated 07/01/01

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ 8,410,000	\$ 1,641,131	\$ 10,051,131
04/01/05	-	1,430,881	1,430,881
10/01/05	8,830,000	1,430,881	10,260,881
04/01/06	-	1,188,056	1,188,056
10/01/06	9,315,000	1,188,056	10,503,056
04/01/07	-	1,001,756	1,001,756
10/01/07	9,690,000	1,001,756	10,691,756
04/01/08	-	735,281	735,281
10/01/08	10,225,000	735,281	10,960,281
04/01/09	-	530,781	530,781
10/01/09	10,635,000	530,781	11,165,781
04/01/10	-	238,319	238,319
10/01/10	11,215,000	238,319	11,453,319
	<u>\$ 68,320,000</u>	<u>\$ 11,891,279</u>	<u>\$ 80,211,279</u>

EXHIBIT GG
REVENUE BONDS
PALM BEACH COUNTY
Airport System Revenue Refunding Bonds, Series 2002
Dated: 07/01/02

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ -	\$ 1,729,313	\$ 1,729,313
04/01/05	-	1,729,313	1,729,313
10/01/05	-	1,729,313	1,729,313
04/01/06	-	1,729,313	1,729,313
10/01/06	-	1,729,313	1,729,313
04/01/07	-	1,729,313	1,729,313
10/01/07	-	1,729,313	1,729,313
04/01/08	-	1,729,313	1,729,313
10/01/08	-	1,729,313	1,729,313
04/01/09	-	1,729,313	1,729,313
10/01/09	-	1,729,313	1,729,313
04/01/10	-	1,729,313	1,729,313
10/01/10	-	1,729,313	1,729,313
04/01/11	-	1,729,313	1,729,313
10/01/11	13,645,000	1,729,313	15,374,313
04/01/12	-	1,337,019	1,337,019
10/01/12	14,560,000	1,337,019	15,897,019
04/01/13	-	918,419	918,419
10/01/13	15,445,000	918,419	16,363,419
04/01/14	-	474,375	474,375
10/01/14	16,500,000	474,375	16,974,375
	<u>\$ 60,150,000</u>	<u>\$ 31,399,321</u>	<u>\$ 91,549,321</u>

EXHIBIT HH
 REVENUE BONDS
 PALM BEACH COUNTY, FLORIDA
 Solid Waste Authority Refunding Revenue Bonds, Series 1997A
 Dated 03/15/97

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ 16,125,000	\$ 5,537,334	\$ 21,662,334
04/01/05	-	5,144,288	5,144,288
10/01/05	16,910,000	5,144,288	22,054,288
04/01/06	-	4,721,538	4,721,538
10/01/06	27,185,000	4,721,538	31,906,538
04/01/07	-	3,973,950	3,973,950
10/01/07	29,630,000	3,973,950	33,603,950
04/01/08	-	3,085,050	3,085,050
10/01/08	31,405,000	3,085,050	34,490,050
04/01/09	-	2,142,900	2,142,900
10/01/09	34,405,000	2,142,900	36,547,900
04/01/10	-	1,110,750	1,110,750
10/01/10	37,025,000	1,110,750	38,135,750
	<u>\$192,685,000</u>	<u>\$ 45,894,286</u>	<u>\$238,579,286</u>

EXHIBIT II
REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Solid Waste Authority Refunding Revenue Bonds, Series 1998A
Dated 08/01/98

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ -	\$ 46,291	\$ 46,291
04/01/05	-	46,291	46,291
10/01/05	-	46,291	46,291
04/01/06	-	46,291	46,291
10/01/06	70,000	46,291	116,291
04/01/07	-	44,786	44,786
10/01/07	1,025,000	44,786	1,069,786
04/01/08	-	23,005	23,005
10/01/08	1,070,000	23,005	1,093,005
04/01/09	-	-	-
10/01/09	-	-	-
04/01/10	-	-	-
10/01/10	-	-	-
04/01/11	-	-	-
10/01/11	2,550,830 (1)	2,254,170	4,805,000
04/01/12	-	-	-
10/01/12	20,209,629 (1)	20,300,371	40,510,000
04/01/13	-	-	-
10/01/13	11,479,973 (1)	12,875,027	24,355,000
	<u>\$ 36,405,432</u>	<u>\$ 35,796,605</u>	<u>\$ 72,202,037</u>

(1) Capital Appreciation Bonds

EXHIBIT JJ
 REVENUE BONDS
 PALM BEACH COUNTY, FLORIDA
 Solid Waste Authority Revenue Refunding Bonds, Series 2002A
 Dated 11/07/02

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ 10,085,000	\$ 457,631	\$ 10,542,631
04/01/05	-	281,144	281,144
10/01/05	10,440,000	281,144	10,721,144
04/01/06	-	20,144	20,144
10/01/06	1,465,000	20,144	1,485,144
	<u>\$ 21,990,000</u>	<u>\$ 1,060,207</u>	<u>\$ 23,050,207</u>

EXHIBIT KK
REVENUE BONDS
PALM BEACH COUNTY, FLORIDA
Solid Waste Authority Improvement Revenue Bonds, Series 2002B
Dated 11/07/02

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ 370,000	\$ 13,975	\$ 383,975
04/01/05	-	10,044	10,044
10/01/05	380,000	10,044	390,044
04/01/06	-	5,294	5,294
10/01/06	385,000	5,294	390,294
04/01/07	-	-	-
10/01/07	-	-	-
04/01/08	-	-	-
10/01/08	-	-	-
04/01/09	-	-	-
10/01/09	-	-	-
04/01/10	-	-	-
10/01/10	-	-	-
04/01/11	-	-	-
10/01/11	-	-	-
04/01/12	-	-	-
10/01/12	-	-	-
04/01/13	-	-	-
10/01/13	-	-	-
04/01/14	-	-	-
10/01/14	13,769,586 (1)	10,585,414	24,355,000
04/01/15	-	-	-
10/01/15	12,961,000 (1)	11,394,000	24,355,000
04/01/16	-	-	-
10/01/16	12,003,800 (1)	12,006,200	24,010,000
	<u>\$ 39,869,386</u>	<u>\$ 34,030,265</u>	<u>\$ 73,899,651</u>

(1) Capital Appreciation Bonds

EXHIBIT LL
 REVENUE BONDS
 PALM BEACH COUNTY, FLORIDA
 Solid Waste Authority Refunding Revenue Bonds, Series 2004
 Dated 03/02/04

Debt Service Payment Schedule

Date	Principal	Interest	Total Requirement
10/01/04	\$ 180,000	\$ 428,856	\$ 608,856
04/01/05	-	427,056	427,056
10/01/05	45,000	427,056	472,056
04/01/06	-	426,606	426,606
10/01/06	45,000	426,606	471,606
04/01/07	-	426,156	426,156
10/01/07	45,000	426,156	471,156
04/01/08	-	425,706	425,706
10/01/08	45,000	425,706	470,706
04/01/09	-	425,256	425,256
10/01/09	45,000	425,256	470,256
04/01/10	-	424,750	424,750
10/01/10	45,000	424,750	469,750
04/01/11	-	424,188	424,188
10/01/11	33,935,000	424,188	34,359,188
	<u>\$ 34,385,000</u>	<u>\$ 6,388,292</u>	<u>\$ 40,773,292</u>



REQUIRED SUPPLEMENTARY INFORMATION

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the fiscal year ended September 30, 2004
(Required Supplementary Information)

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ 513,110,071	\$ 513,110,071	\$ 498,414,020	\$ (14,696,051)
Special assessments	-	-	2,351	2,351
Licenses and permits	4,028,620	4,028,620	4,514,134	485,514
Intergovernmental	26,725,929	26,913,271	28,907,790	1,994,519
Charges for services	51,983,552	52,781,096	53,077,784	296,688
Fines and forfeitures	7,187,500	7,187,500	8,248,578	1,061,078
Investment income	8,813,700	8,813,700	6,439,779	(2,373,921)
Miscellaneous	4,501,577	4,604,519	6,517,182	1,912,663
Less 5% anticipated revenues	(32,505,286)	(32,505,286)	-	32,505,286
Total revenues	583,845,663	584,933,491	606,121,618	21,188,127
Expenditures:				
Current:				
General government	227,242,842	214,055,011	107,954,199	106,100,812
Public safety	24,620,856	25,484,271	24,783,957	700,314
Physical environment	11,860,869	12,249,546	10,901,169	1,348,377
Transportation	5,143,948	5,173,948	4,827,116	346,832
Economic environment	11,951,163	11,991,163	11,842,435	148,728
Human services	45,812,181	47,454,791	46,167,524	1,287,267
Culture and recreation	50,192,982	49,996,282	47,763,909	2,232,373
Capital outlay	2,069,809	2,221,908	1,896,428	325,480
Total expenditures	378,894,650	368,626,920	256,136,737	112,490,183
Excess of revenues over (under) expenditures	204,951,013	216,306,571	349,984,881	133,678,310
Other financing sources (uses):				
Transfers in	34,774,594	35,092,161	42,433,169	7,341,008
Transfers out	(402,720,047)	(422,569,448)	(415,379,865)	7,189,583
Total other financing sources (uses)	(367,945,453)	(387,477,287)	(372,946,696)	14,530,591
Net change in fund balances	(162,994,440)	(171,170,716)	(22,961,815)	148,208,901
Fund balances restated, October 1, 2003	162,994,440	171,170,716	172,581,365	1,410,649
Increase in reserves, inventory	-	-	147,421	147,421
(Decrease) in reserves, advance to other funds	-	-	(21,000)	(21,000)
Fund balances, September 30, 2004	\$ -	\$ -	\$ 149,745,971	\$ 149,745,971

NOTE: The effective legal level of budget control is maintained at the department or fund level. A separate detailed report providing this information is available for inspection at the Office of Financial Management and Budget. Annual budgets are legally adopted for all governmental and proprietary fund types. Budgetary comparisons presented herein are on a basis consistent with GAAP.

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Fire Rescue Special Revenue Fund
For the fiscal year ended September 30, 2004
(Required Supplementary Information)

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ 125,751,487	\$ 125,751,487	\$ 120,870,921	\$ (4,880,566)
Special assessments	432,513	432,513	417,455	(15,058)
Licenses and permits	2,712	2,712	3,447	735
Intergovernmental	133,750	208,600	232,387	23,787
Charges for services	25,355,011	25,355,011	24,797,294	(557,717)
Investment income	2,542,009	2,542,009	1,627,435	(914,574)
Miscellaneous	980,032	980,032	1,646,634	666,602
Less 5% anticipated revenues	(7,536,655)	(7,536,655)	-	7,536,655
Total revenues	147,660,859	147,735,709	149,595,573	1,859,864
Expenditures:				
Current:				
Public safety	168,561,046	170,559,000	140,582,973	29,976,027
Economic environment	335,000	335,000	327,188	7,812
Capital outlay	3,898,803	3,856,851	3,524,498	332,353
Debt service	250,000	250,000	250,000	-
Total expenditures	173,044,849	175,000,851	144,684,659	30,316,192
Excess of revenues over (under) expenditures	(25,383,990)	(27,265,142)	4,910,914	32,176,056
Other financing sources (uses):				
Transfers in	2,209,615	2,208,178	521,997	(1,686,181)
Transfers out	(8,165,856)	(8,165,856)	(8,165,856)	-
Total other financing sources (uses)	(5,956,241)	(5,957,678)	(7,643,859)	(1,686,181)
Net change in fund balances	(31,340,231)	(33,222,820)	(2,732,945)	30,489,875
Fund balances, October 1, 2003	31,340,231	33,222,820	34,747,980	1,525,160
Increase in reserves, inventory	-	-	189,441	189,441
Fund balances, September 30, 2004	\$ -	\$ -	\$ 32,204,476	\$ 32,204,476

NOTE: The effective legal level of budget control is maintained at the department or fund level. A separate detailed report providing this information is available for inspection at the Office of Financial Management and Budget. Annual budgets are legally adopted for all governmental and proprietary fund types. Budgetary comparisons presented herein are on a basis consistent with GAAP.

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Sheriff Special Revenue Fund
For the fiscal year ended September 30, 2004
(Required Supplementary Information)

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Charges for services	\$ -	\$ -	\$ 1,214,137	\$ 1,214,137
Fines and forfeitures	-	-	1,109,915	1,109,915
Investment income	-	-	54,987	54,987
Miscellaneous	-	-	19,635	19,635
Total revenues	-	-	2,398,674	2,398,674
Expenditures:				
Current:				
General government	14,202,862	13,935,930	13,765,281	170,649
Public safety	270,256,890	269,856,650	264,497,034	5,359,616
Capital outlay	1,243,820	6,582,461	6,427,616	154,845
Total expenditures	285,703,572	290,375,041	284,689,931	5,685,110
Excess of revenues over (under) expenditures	(285,703,572)	(290,375,041)	(282,291,257)	8,083,784
Other financing sources (uses):				
Transfers in	288,946,728	290,923,931	291,623,338	699,407
Transfers out	-	(640,406)	(8,655,807)	(8,015,401)
Total other financing sources (uses)	288,946,728	290,283,525	282,967,531	(7,315,994)
Net change in fund balances	3,243,156	(91,516)	676,274	767,790
Fund balances, October 1, 2003	-	-	838,498	838,498
Fund balances, September 30, 2004	\$ 3,243,156	\$ (91,516)	\$ 1,514,772	\$ 1,606,288

NOTE: The effective legal level of budget control is maintained at the department or fund level. A separate detailed report providing this information is available for inspection at the Office of Financial Management and Budget. Annual budgets are legally adopted for all governmental and proprietary fund types. Budgetary comparisons presented herein are on a basis consistent with GAAP.

REQUIRED SUPPLEMENTARY INFORMATION

Palm Tran Pension Plan
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
12/31/01	\$25,299,500	\$29,119,400	\$ 3,819,900	86.9%	\$13,723,500	27.8%
12/31/02	26,522,564	30,049,352	3,526,788	88.3	15,633,008	22.6
12/31/03	29,691,719	31,871,006	2,179,287	93.2	16,656,892	13.1

Note: For years beginning December 31, 2002, the Funded Ratio is based on the Entry Age Normal Cost Method.

Lantana Firefighter's Pension Plan
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
9/30/01	\$ 4,567,000	\$ 5,755,000	\$ 1,188,000	79.4%	\$ 1,798,000	66.1%

Note: The Lantana Firefighter's Pension Plan performs an actuary valuation every three years. The Actuarial Valuation Date of 9/30/01 is for the County Fiscal Years beginning October 1, 2002, 2003 and 2004. The Board of Trustees made this decision based on Florida Statutes Chapter 175.0716(a),7(b) Firefighter Pensions, which states that once every three years a professionally qualified independent consultant shall evaluate the performance of any professional money manager and shall make recommendations to the board of trustees regarding the selection of money managers for the next investment term. The Board elected to have an actuary perform this task.

COMBINING & INDIVIDUAL FUND STATEMENTS & SCHEDULES



The Palm Beach Count Convention Center boasts an open and airy feeling by using lots of glass, resulting in visitors stepping out of every meeting room with a direct view of the outdoors.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Tourist Development - To account for tourist development taxes designated to promote tourism in Palm Beach County.

Law Enforcement Grants - To account for revenues to be used for law enforcement grants, including but not limited to the Local Law Enforcement Block Grants, "LLEBG".

County Transportation Trust - To account for ad-valorem taxes, gas taxes and other revenues designated for the construction and maintenance of County roads.

Municipal Service Taxing District - To account for revenues to be used in the unincorporated areas of the County for services rendered.

Library Taxing District - To account for ad-valorem taxes and governmental grant funds designated to operate and maintain the County's public library system.

Community and Social Development - To account for governmental grant funds and other revenues designated for community and social services.

Affordable Housing Trust Fund - To account for intergovernmental revenues and other revenues designated for providing standard, affordable housing for persons of low to moderate income.

Palm Tran - To account for activities related to the operation of the County-owned public bus transportation system.

Other Special Revenue Fund - To account for local half-cent sales taxes and other revenues designated for various services provided by the County.

Clerk of the Circuit Court - To account for all funds received and expended to carry out the duties and responsibilities of the elected office of Clerk of the Circuit Court.

Tax Collector - To account for all funds received and expended to carry out the duties and responsibilities of the elected office of Tax Collector.

Property Appraiser - To account for all funds received and expended to carry out the duties and responsibilities of the elected office of Property Appraiser.

Supervisor of Elections - To account for all funds received and expended to carry out the duties and responsibilities of the elected office of Supervisor of Elections.

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

General Obligation Bonds - To account for the annual debt service requirements of all general obligation bonds.

Revenue Bonds - To account for the annual debt service requirements of non ad-valorem, non self-supporting revenue bonds.

Other Financing - To account for the annual debt service requirements of other financing arrangements.

CAPITAL PROJECTS FUNDS

Criminal Justice - To account for costs related to the design and construction of courthouses, jails and other physical facilities required for the courts, law enforcement and detention operations.

Environmental Lands - To account for costs related to the acquisition of environmentally sensitive ecological sites, and for the design and construction of beach improvements such as sand/beach renourishment or dune replacement projects.

Fire Rescue - To account for costs related to the design, acquisition and construction of fire stations, training and administrative facilities, and equipment acquisitions for new stations.

Libraries - To account for costs related to the design, acquisition and construction of libraries, including library materials.

Parks and Recreation - To account for costs related to the design, acquisition and construction or expansion of beach, regional, district and community parks including active and passive recreational facilities and administrative facilities for park operations.

Street and Drainage - To account for costs related to the design and construction of neighborhood streets, replacing shellrock (dirt) roads and providing drainage associated with the streets. These improvements are primarily funded by assessments against the benefiting properties.



PALM BEACH COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2004

	Tourist Development Special Revenue Fund	Law Enforcement Grants Special Revenue Fund	County Transportation Trust Special Revenue Fund	Municipal Service Taxing District Special Revenue Fund
ASSETS				
Cash and cash equivalents	\$ 21,661,800	\$ -	\$ 11,904,180	\$ 6,903,296
Accounts receivable, net	501,560	-	2,664	33,445
Due from other county funds	-	1,267,342	-	-
Due from other governments	-	402,978	794,614	-
Inventory	-	-	2,816,732	-
Other assets	-	-	-	-
Loans receivable, noncurrent	5,350,000	-	-	-
Total assets	\$ 27,513,360	\$ 1,670,320	\$ 15,518,190	\$ 6,936,741
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 1,056,978	\$ -	\$ 1,671,604	\$ 384,692
Due to other county funds	333	462,565	490,521	126,622
Due to other governments	40,000	-	2,742	-
Due to individuals	-	-	-	-
Deferred revenue	4,750,000	569,959	-	-
Other liabilities	-	-	-	-
Matured principal and interest payable	-	-	-	-
Total liabilities	5,847,311	1,032,524	2,164,867	511,314
FUND BALANCE				
Fund balances:				
Reserved for debt service	-	-	-	-
Reserved for inventory	-	-	2,816,732	-
Unreserved, reported in:				
Special Revenue Funds	21,666,049	637,796	10,536,591	6,425,427
Capital Projects Funds	-	-	-	-
Total fund balance	21,666,049	637,796	13,353,323	6,425,427
Total liabilities and fund balance	\$ 27,513,360	\$ 1,670,320	\$ 15,518,190	\$ 6,936,741

Library Taxing District Special Revenue Fund	Community and Social Development Special Revenue Fund	Affordable Housing Trust Fund Special Revenue Fund	Palm Tran Special Revenue Fund	Other Special Revenue Fund	Clerk of the Circuit Court Special Revenue Fund	Tax Collector Special Revenue Fund
\$ 9,852,695	\$ 450	\$ 18,940,376	\$ 15,894,485	\$ 51,602,375	\$ 21,689,163	\$ 30,169,854
2,428	493,831	1,073	118,761	380,300	162,742	48,033
417,922	2,418,173	3,180	3,362	15,181	3,795,591	-
-	12,991,873	-	4,040,821	8,212,092	159,203	2,176
-	-	-	1,340,633	50,531	-	-
56,962	-	-	-	4,400	89,788	-
-	-	-	-	-	-	-
<u>\$ 10,330,007</u>	<u>\$ 15,904,327</u>	<u>\$ 18,944,629</u>	<u>\$ 21,398,062</u>	<u>\$ 60,264,879</u>	<u>\$ 25,896,487</u>	<u>\$ 30,220,063</u>
\$ 1,614,259	\$ 2,693,630	\$ 37,794	\$ 1,581,687	\$ 620,054	\$ 1,656,565	\$ 738,305
13,808	1,172,710	2,106	75,120	115,412	15,034,073	24,746,211
31,028	1,399,735	-	212	1,184,500	959,997	4,268,103
-	16,747	-	-	-	-	-
70,500	10,000	-	-	491,701	-	467,444
-	-	-	-	-	855,600	-
-	-	-	2,200,000	-	-	-
<u>1,729,595</u>	<u>5,292,822</u>	<u>39,900</u>	<u>3,857,019</u>	<u>2,411,667</u>	<u>18,506,235</u>	<u>30,220,063</u>
-	-	-	-	-	-	-
-	-	-	1,340,633	50,531	-	-
8,600,412	10,611,505	18,904,729	16,200,410	57,802,681	7,390,252	-
-	-	-	-	-	-	-
<u>8,600,412</u>	<u>10,611,505</u>	<u>18,904,729</u>	<u>17,541,043</u>	<u>57,853,212</u>	<u>7,390,252</u>	<u>-</u>
<u>\$ 10,330,007</u>	<u>\$ 15,904,327</u>	<u>\$ 18,944,629</u>	<u>\$ 21,398,062</u>	<u>\$ 60,264,879</u>	<u>\$ 25,896,487</u>	<u>\$ 30,220,063</u>

PALM BEACH COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds (continued)
September 30, 2004

	Property Appraiser Special Revenue Fund	Supervisor of Elections Special Revenue Fund	Total Special Revenue Funds	General Obligation Bonds Debt Service
ASSETS				
Cash and cash equivalents	\$ 2,962,330	\$ 1,744,062	\$ 193,325,066	\$ 528,618
Accounts receivable, net	-	430	1,745,267	-
Due from other county funds	-	3,712	7,924,463	575
Due from other governments	-	-	26,603,757	-
Inventory	-	-	4,207,896	-
Other assets	-	-	151,150	-
Loans receivable, noncurrent	-	-	5,350,000	-
Total assets	\$ 2,962,330	\$ 1,748,204	\$ 239,307,599	\$ 529,193
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 778,825	\$ 1,574,821	\$ 14,409,214	\$ -
Due to other county funds	1,931,130	45,087	44,215,698	-
Due to other governments	252,375	128,296	8,266,988	-
Due to individuals	-	-	16,747	-
Deferred revenue	-	-	6,359,604	-
Other liabilities	-	-	855,600	-
Matured principal and interest payable	-	-	2,200,000	-
Total liabilities	2,962,330	1,748,204	76,323,851	-
FUND BALANCE				
Fund balances:				
Reserved for debt service	-	-	-	529,193
Reserved for inventory	-	-	4,207,896	-
Unreserved, reported in:				
Special Revenue Funds	-	-	158,775,852	-
Capital Projects Funds	-	-	-	-
Total fund balance	-	-	162,983,748	529,193
Total liabilities and fund balance	\$ 2,962,330	\$ 1,748,204	\$ 239,307,599	\$ 529,193

Revenue Bonds Debt Service	Other Financing Debt Service	Total Debt Service Funds	Criminal Justice Capital Projects	Environmental Lands Capital Projects	Fire Rescue Capital Projects
\$ 5,667,357	\$ 2,116,078	\$ 8,312,053	\$ 7,456,673	\$ 42,802,905	\$ 45,910,777
-	32,342	32,342	-	-	-
-	-	575	-	-	-
-	-	-	15,936	1,206,929	77,436
-	-	-	-	-	-
-	-	-	-	450	-
-	-	-	-	-	-
<u>\$ 5,667,357</u>	<u>\$ 2,148,420</u>	<u>\$ 8,344,970</u>	<u>\$ 7,472,609</u>	<u>\$ 44,010,284</u>	<u>\$ 45,988,213</u>
\$ 8,302	\$ 12,994	\$ 21,296	\$ 60,468	\$ 65,079	\$ 65,349
575	-	575	-	-	-
-	-	-	-	129,970	-
-	-	-	-	-	-
-	-	-	-	-	-
2,559,215	49,582	2,608,797	-	-	-
<u>2,568,092</u>	<u>62,576</u>	<u>2,630,668</u>	<u>\$ 60,468</u>	<u>\$ 195,049</u>	<u>\$ 65,349</u>
3,099,265	2,085,844	5,714,302	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	7,412,141	43,815,235	45,922,864
<u>3,099,265</u>	<u>2,085,844</u>	<u>5,714,302</u>	<u>7,412,141</u>	<u>43,815,235</u>	<u>45,922,864</u>
<u>\$ 5,667,357</u>	<u>\$ 2,148,420</u>	<u>\$ 8,344,970</u>	<u>\$ 7,472,609</u>	<u>\$ 44,010,284</u>	<u>\$ 45,988,213</u>

PALM BEACH COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2004

	Libraries Capital Projects	Parks and Recreation Capital Projects	Street and Drainage Capital Projects	Total Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 40,653,613	\$ 95,394,143	\$ 9,349,282	\$ 241,567,393	\$ 443,204,512
Accounts receivable, net	44	690	2,500,197	2,500,931	4,278,540
Due from other county funds	-	-	2,778	2,778	7,927,816
Due from other governments	118,624	600,471	-	2,019,396	28,623,153
Inventory	-	-	-	-	4,207,896
Other assets	-	-	-	450	151,600
Loans receivable, noncurrent	-	-	-	-	5,350,000
Total assets	\$ 40,772,281	\$ 95,995,304	\$ 11,852,257	\$ 246,090,948	\$ 493,743,517
LIABILITIES					
Vouchers payable and accrued liabilities	\$ 59,922	\$ 3,164,401	\$ 323,741	\$ 3,738,960	\$ 18,169,470
Due to other county funds	-	-	-	-	44,216,273
Due to other governments	-	326,420	-	456,390	8,723,378
Due to individuals	-	-	-	-	16,747
Deferred revenue	-	-	2,500,197	2,500,197	8,859,801
Other liabilities	-	-	-	-	855,600
Matured principal and interest payable	-	-	-	-	4,808,797
Total liabilities	\$ 59,922	\$ 3,490,821	\$ 2,823,938	6,695,547	85,650,066
FUND BALANCE					
Fund balances:					
Reserved for debt service	-	-	-	-	5,714,302
Reserved for inventory	-	-	-	-	4,207,896
Unreserved, reported in:					
Special Revenue Funds	-	-	-	-	158,775,852
Capital Projects Funds	40,712,359	92,504,483	9,028,319	239,395,401	239,395,401
Total fund balance	40,712,359	92,504,483	9,028,319	239,395,401	408,093,451
Total liabilities and fund balance	\$ 40,772,281	\$ 95,995,304	\$ 11,852,257	\$ 246,090,948	\$ 493,743,517



PALM BEACH COUNTY, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the fiscal year ended September 30, 2004

	Tourist Development Special Revenue Fund	Law Enforcement Grants Special Revenue Fund	County Transportation Trust Special Revenue Fund	Municipal Service Taxing District Special Revenue Fund
Revenues:				
Taxes (net of discount)	\$ 19,848,215	\$ -	\$ 659	\$ -
Special assessments	-	-	805,508	-
Licenses and permits	-	-	7,035	13,085,148
Intergovernmental	250,000	2,371,461	5,691,405	-
Charges for services	1,872,209	-	573,112	1,130,647
Less - excess fees paid out	-	-	-	-
Fines and forfeitures	-	370,538	-	38,389
Investment income	454,019	11,347	275,588	183,125
Miscellaneous	2,054	-	944,435	9,397
Total revenues	22,426,497	2,753,346	8,297,742	14,446,706
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	120,277	-	15,448,636
Physical environment	-	-	-	-
Transportation	-	-	38,032,697	-
Economic environment	15,765,536	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	7,413	-	681,862	58,096
Debt service	-	-	-	-
Total expenditures	15,772,949	120,277	38,714,559	15,506,732
Excess of revenues over (under) expenditures	6,653,548	2,633,069	(30,416,817)	(1,060,026)
Other financing sources (uses):				
Transfers in	-	482,977	29,904,580	-
Transfers out	(7,710,886)	(3,403,783)	-	-
Proceeds from long-term borrowings	-	-	-	-
Proceeds from refunding debt	-	-	-	-
Premium (discount) refunding debt	-	-	-	-
Payment to escrow agent for refunding	-	-	-	-
Total other financing sources (uses)	(7,710,886)	(2,920,806)	29,904,580	-
Net change in fund balances	(1,057,338)	(287,737)	(512,237)	(1,060,026)
Fund balances restated, October 1, 2003	22,723,387	925,533	13,596,851	7,485,453
Increase in reserves, inventory	-	-	268,709	-
Fund balances, September 30, 2004	\$ 21,666,049	\$ 637,796	\$ 13,353,323	\$ 6,425,427

Library Taxing District Special Revenue Fund	Community and Social Development Special Revenue Fund	Affordable Housing Trust Fund Special Revenue Fund	Palm Tran Special Revenue Fund	Other Special Revenue Fund	Clerk of the Circuit Court Special Revenue Fund	Tax Collector Special Revenue Fund
\$ 28,518,033	\$ -	\$ -	\$ 12,836,239	\$ 4,950,833	\$ -	\$ -
-	-	-	-	17,818,625	-	-
34,419	-	-	-	779,772	-	-
1,858,582	45,864,109	10,542,273	16,442,773	77,481,093	1,208,883	-
51,935	532,814	-	7,912,145	5,838,526	33,089,966	44,347,687
-	-	-	-	-	-	(28,844,589)
295,379	-	-	-	3,338,006	-	-
391,698	230,277	414,641	288,898	1,198,893	155,103	279,421
231,141	1,602,591	2,262,259	1,009,930	1,620,647	-	-
<u>31,381,187</u>	<u>48,229,791</u>	<u>13,219,173</u>	<u>38,489,985</u>	<u>113,026,395</u>	<u>34,453,952</u>	<u>15,782,519</u>
-	-	-	-	12,569,766	49,057,009	15,623,686
-	976,635	-	-	8,826,962	-	-
-	-	-	-	4,270,936	-	-
-	-	-	47,755,148	-	-	-
-	13,433,664	8,591,755	-	179,391	-	-
-	40,283,049	-	-	515,951	-	-
25,667,315	-	-	-	3,106,378	-	-
2,761,666	327,629	8,048	2,560,965	1,202,765	1,678,783	147,937
-	-	-	2,200,000	-	-	10,896
<u>28,428,981</u>	<u>55,020,977</u>	<u>8,599,803</u>	<u>52,516,113</u>	<u>30,672,149</u>	<u>50,735,792</u>	<u>15,782,519</u>
<u>2,952,206</u>	<u>(6,791,186)</u>	<u>4,619,370</u>	<u>(14,026,128)</u>	<u>82,354,246</u>	<u>(16,281,840)</u>	<u>-</u>
-	9,733,022	-	18,050,074	2,509,633	29,523,695	-
-	(198,031)	-	-	(73,036,965)	(11,273,270)	-
-	1,660,000	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	11,194,991	-	18,050,074	(70,527,332)	18,250,425	-
2,952,206	4,403,805	4,619,370	4,023,946	11,826,914	1,968,585	-
5,648,206	6,207,700	14,285,359	12,176,464	45,975,767	5,421,667	-
-	-	-	1,340,633	50,531	-	-
<u>\$ 8,600,412</u>	<u>\$ 10,611,505</u>	<u>\$ 18,904,729</u>	<u>\$ 17,541,043</u>	<u>\$ 57,853,212</u>	<u>\$ 7,390,252</u>	<u>\$ -</u>

PALM BEACH COUNTY, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
For the fiscal year ended September 30, 2004

	Property Appraiser Special Revenue Fund	Supervisor of Elections Special Revenue Fund	Total Special Revenue Funds	General Obligation Bonds Debt Service
Revenues:				
Taxes (net of discount)	\$ -	\$ -	\$ 66,153,979	\$ 29,899,317
Special assessments	-	-	18,624,133	-
Licenses and permits	-	-	13,906,374	-
Intergovernmental	-	228,538	161,939,117	131
Charges for services	19,657,230	75,889	115,082,160	-
Less - excess fees paid out	(2,119,057)	-	(30,963,646)	-
Fines and forfeitures	-	-	4,042,312	-
Investment income	48,674	-	3,931,684	140,569
Miscellaneous	9,061	-	7,691,515	-
Total revenues	17,595,908	304,427	360,407,628	30,040,017
Expenditures:				
Current:				
General government	17,229,849	5,967,582	100,447,892	-
Public safety	-	-	25,372,510	-
Physical environment	-	-	4,270,936	-
Transportation	-	-	85,787,845	-
Economic environment	-	-	37,970,346	-
Human services	-	-	40,799,000	-
Culture and recreation	-	-	28,773,693	-
Capital outlay	242,680	1,708,174	11,386,018	-
Debt service	123,379	-	2,334,275	30,626,589
Total expenditures	17,595,908	7,675,756	337,142,515	30,626,589
Excess of revenues over (under) expenditures	-	(7,371,329)	23,265,113	(586,572)
Other financing sources (uses):				
Transfers in	-	7,371,329	97,575,310	-
Transfers out	-	-	(95,622,935)	-
Proceeds from long-term borrowings	-	-	1,660,000	-
Proceeds from refunding debt	-	-	-	-
Premium (discount) refunding debt	-	-	-	-
Payment to escrow agent for refunding	-	-	-	-
Total other financing sources (uses)	-	7,371,329	3,612,375	-
Net change in fund balances	-	-	26,877,488	(586,572)
Fund balances restated, October 1, 2003	-	-	134,446,387	1,115,765
Increase in reserves, inventory	-	-	1,659,873	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ 162,983,748	\$ 529,193

Revenue Bonds Debt Service	Other Financing Debt Service	Total Debt Service Funds	Criminal Justice Capital Projects	Environmental Lands Capital Projects	Fire Rescue Capital Projects	Libraries Capital Projects
\$ -	\$ -	\$ 29,899,317	\$ -	\$ -	\$ -	\$ 86
-	-	-	1,027,644	-	3,631,027	2,096,465
-	-	-	-	-	-	-
-	-	131	-	7,990,880	-	-
-	-	-	-	2,397,411	1,600	-
-	-	-	-	-	-	-
-	-	-	-	117,090	-	-
78,692	34,868	254,129	193,938	1,286,500	999,832	986,536
123,089	-	123,089	-	1,941,607	250	-
201,781	34,868	30,276,666	1,221,582	13,733,488	4,632,709	3,083,087
-	-	-	-	-	-	-
-	-	-	3,578	-	4,644	-
-	-	-	-	2,665,903	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	228,027
-	-	-	2,068,003	37,752,576	2,377,920	3,231,574
45,044,130	5,941,945	81,612,664	-	129,555	-	816
45,044,130	5,941,945	81,612,664	2,071,581	40,548,034	2,382,564	3,460,417
(44,842,349)	(5,907,077)	(51,335,998)	(849,999)	(26,814,546)	2,250,145	(377,330)
42,812,414	4,096,981	46,909,395	-	2,874,941	8,165,856	-
(4,509)	-	(4,509)	(149)	-	-	-
-	-	-	-	-	-	-
94,297,549	-	94,297,549	-	-	-	-
9,606,053	-	9,606,053	-	-	-	-
(102,397,730)	-	(102,397,730)	-	-	-	-
44,313,777	4,096,981	48,410,758	(149)	2,874,941	8,165,856	-
(528,572)	(1,810,096)	(2,925,240)	(850,148)	(23,939,605)	10,416,001	(377,330)
3,627,837	3,895,940	8,639,542	8,262,289	67,754,840	35,506,863	41,089,689
-	-	-	-	-	-	-
\$ 3,099,265	\$ 2,085,844	\$ 5,714,302	\$ 7,412,141	\$ 43,815,235	\$ 45,922,864	\$ 40,712,359

PALM BEACH COUNTY, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the fiscal year ended September 30, 2004

	Parks and Recreation Capital Projects	Street and Drainage Capital Projects	Total Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes (net of discount)	\$ 2	\$ -	\$ 88	\$ 96,053,384
Special assessments	13,927,318	936,376	21,618,830	40,242,963
Licenses and permits	-	-	-	13,906,374
Intergovernmental	2,088,137	-	10,079,017	172,018,265
Charges for services	22,050	-	2,421,061	117,503,221
Less - excess fees paid out	-	-	-	(30,963,646)
Fines and forfeitures	-	-	117,090	4,159,402
Investment income	2,281,357	430,421	6,178,584	10,364,397
Miscellaneous	2,431,183	-	4,373,040	12,187,644
Total revenues	20,750,047	1,366,797	44,787,710	435,472,004
Expenditures:				
Current:				
General government	-	-	-	100,447,892
Public safety	-	-	8,222	25,380,732
Physical environment	-	-	2,665,903	6,936,839
Transportation	-	304,599	304,599	86,092,444
Economic environment	1,462	-	1,462	37,971,808
Human services	-	-	-	40,799,000
Culture and recreation	6,705,809	-	6,933,836	35,707,529
Capital outlay	18,530,200	1,278,200	65,238,473	76,624,491
Debt service	262,979	-	393,350	84,340,289
Total expenditures	25,500,450	1,582,799	75,545,845	494,301,024
Excess of revenues over (under) expenditures	(4,750,403)	(216,002)	(30,758,135)	(58,829,020)
Other financing sources (uses):				
Transfers in	2,090,000	-	13,130,797	157,615,502
Transfers out	-	-	(149)	(95,627,593)
Proceeds from long-term borrowings	-	-	-	1,660,000
Proceeds from refunding debt	-	-	-	94,297,549
Premium (discount) refunding debt	-	-	-	9,606,053
Payment to escrow agent for refunding	-	-	-	(102,397,730)
Total other financing sources (uses)	2,090,000	-	13,130,648	65,153,781
Net change in fund balances	(2,660,403)	(216,002)	(17,627,487)	6,324,761
Fund balances restated, October 1, 2003	95,164,886	9,244,321	257,022,888	400,108,817
Increase in reserves, inventory	-	-	-	1,659,873
Fund balances, September 30, 2004	\$ 92,504,483	\$ 9,028,319	\$ 239,395,401	\$ 408,093,451

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Tourist Development Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ 17,634,126	\$ 17,634,126	\$ 19,848,215	\$ 2,214,089
Intergovernmental	-	-	250,000	250,000
Charges for services	2,584,000	2,584,000	1,872,209	(711,791)
Investment income	767,666	767,666	454,019	(313,647)
Miscellaneous	49,000	49,000	2,054	(46,946)
Less 5% anticipated revenues	(1,051,740)	(1,051,740)	-	1,051,740
Total revenues	19,983,052	19,983,052	22,426,497	2,443,445
Expenditures:				
Current:				
Economic environment	32,565,097	34,987,853	15,765,536	19,222,317
Capital outlay	-	7,700	7,413	287
Total expenditures	32,565,097	34,995,553	15,772,949	19,222,604
Excess of revenues over (under) expenditures	(12,582,045)	(15,012,501)	6,653,548	21,666,049
Other financing sources (uses):				
Transfers out	(8,953,065)	(7,710,886)	(7,710,886)	-
Total other financing sources (uses)	(8,953,065)	(7,710,886)	(7,710,886)	-
Net change in fund balances	(21,535,110)	(22,723,387)	(1,057,338)	21,666,049
Fund balances restated, October 1, 2003	21,535,110	22,723,387	22,723,387	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ 21,666,049	\$ 21,666,049

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Law Enforcement Grants Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 972,789	\$ 3,538,839	\$ 2,371,461	\$ (1,167,378)
Fines and forfeitures	-	-	370,538	370,538
Investment income	78,000	54,251	11,347	(42,904)
Total revenues	1,050,789	3,593,090	2,753,346	(839,744)
Expenditures:				
Current:				
Public safety	1,473,667	459,482	120,277	339,205
Total expenditures	1,473,667	459,482	120,277	339,205
Excess of revenues over (under) expenditures	(422,878)	3,133,608	2,633,069	(500,539)
Other financing sources (uses):				
Transfers in	-	482,977	482,977	-
Transfers out	(863,789)	(4,540,047)	(3,403,783)	1,136,264
Total other financing sources (uses)	(863,789)	(4,057,070)	(2,920,806)	1,136,264
Net change in fund balances	(1,286,667)	(923,462)	(287,737)	635,725
Fund balances, October 1, 2003	1,286,667	923,462	925,533	2,071
Fund balances, September 30, 2004	\$ -	\$ -	\$ 637,796	\$ 637,796

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
County Transportation Trust Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ 10,000	\$ 10,000	\$ 659	\$ (9,341)
Special assessments	1,600,800	2,164,364	805,508	(1,358,856)
Licenses and permits	10,000	10,000	7,035	(2,965)
Intergovernmental	5,164,000	5,164,000	5,691,405	527,405
Charges for services	763,945	813,995	573,112	(240,883)
Investment income	295,000	295,000	275,588	(19,412)
Miscellaneous	1,978,611	1,978,611	944,435	(1,034,176)
Less 5% anticipated revenues	(378,897)	(378,897)	-	378,897
Total revenues	9,443,459	10,057,073	8,297,742	(1,759,331)
Expenditures:				
Current:				
Transportation	43,671,825	46,766,297	38,032,697	8,733,600
Economic environment	-	75,504	-	75,504
Capital outlay	3,695,691	4,168,681	681,862	3,486,819
Total expenditures	47,367,516	51,010,482	38,714,559	12,295,923
Excess of revenues over (under) expenditures	(37,924,057)	(40,953,409)	(30,416,817)	10,536,592
Other financing sources (uses):				
Transfers in	29,183,930	29,904,580	29,904,580	-
Total other financing sources (uses)	29,183,930	29,904,580	29,904,580	-
Net change in fund balances	(8,740,127)	(11,048,829)	(512,237)	10,536,592
Fund balances, October 1, 2003	8,740,127	11,048,829	13,596,851	2,548,022
Increase in reserves, inventory	-	-	268,709	268,709
Fund balances, September 30, 2004	\$ -	\$ -	\$ 13,353,323	\$ 13,353,323

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Municipal Service Taxing District Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Licenses and permits	\$ 14,502,000	\$ 14,502,000	\$ 13,085,148	\$ (1,416,852)
Charges for services	709,000	709,000	1,130,647	421,647
Fines and forfeitures	20,000	20,000	38,389	18,389
Investment income	405,600	405,600	183,125	(222,475)
Miscellaneous	1,730	1,730	9,397	7,667
Total revenues	15,638,330	15,638,330	14,446,706	(1,191,624)
Expenditures:				
Current:				
Public safety	22,236,405	22,705,483	15,448,636	7,256,847
Capital outlay	418,300	418,300	58,096	360,204
Total expenditures	22,654,705	23,123,783	15,506,732	7,617,051
Excess of revenues over (under) expenditures	(7,016,375)	(7,485,453)	(1,060,026)	6,425,427
Net change in fund balances	(7,016,375)	(7,485,453)	(1,060,026)	6,425,427
Fund balances, October 1, 2003	7,016,375	7,485,453	7,485,453	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ 6,425,427	\$ 6,425,427

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Library Taxing District Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ 29,697,558	\$ 29,697,558	\$ 28,518,033	\$ (1,179,525)
Licenses and permits	29,000	29,000	34,419	5,419
Intergovernmental	2,305,940	2,310,740	1,858,582	(452,158)
Charges for services	37,141	37,141	51,935	14,794
Fines and forfeitures	312,461	312,461	295,379	(17,082)
Investment income	474,187	474,187	391,698	(82,489)
Miscellaneous	249,747	298,733	231,141	(67,592)
Less 5% anticipated revenues	(1,536,820)	(1,536,820)	-	1,536,820
Total revenues	31,569,214	31,623,000	31,381,187	(241,813)
Expenditures:				
Current:				
Culture and recreation	30,288,094	33,717,212	25,667,315	8,049,897
Capital outlay	3,881,480	3,886,280	2,761,666	1,124,614
Total expenditures	34,169,574	37,603,492	28,428,981	9,174,511
Excess of revenues over (under) expenditures	(2,600,360)	(5,980,492)	2,952,206	8,932,698
Other financing sources (uses):				
Transfers in	332,286	332,286	-	(332,286)
Total other financing sources (uses)	332,286	332,286	-	(332,286)
Net change in fund balances	(2,268,074)	(5,648,206)	2,952,206	8,600,412
Fund balances, October 1, 2003	2,268,074	5,648,206	5,648,206	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ 8,600,412	\$ 8,600,412

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Community and Social Development Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 59,200,967	\$ 65,576,497	\$ 45,864,109	\$ (19,712,388)
Charges for services	530,000	530,000	532,814	2,814
Investment income	176,000	176,000	230,277	54,277
Miscellaneous	898,265	958,265	1,602,591	644,326
Total revenues	60,805,232	67,240,762	48,229,791	(19,010,971)
Expenditures:				
Current:				
Public safety	1,252,016	1,235,156	976,635	258,521
Economic environment	24,459,639	31,383,396	13,433,664	17,949,732
Human services	51,703,954	52,837,405	40,283,049	12,554,356
Capital outlay	249,177	525,719	327,629	198,090
Total expenditures	77,664,786	85,981,676	55,020,977	30,960,699
Excess of revenues over (under) expenditures	(16,859,554)	(18,740,914)	(6,791,186)	11,949,728
Other financing sources (uses):				
Transfers in	12,990,345	12,990,345	9,733,022	(3,257,323)
Transfers out	(419,860)	(467,066)	(198,031)	269,035
Proceeds from long-term borrowings	-	-	1,660,000	1,660,000
Total other financing sources (uses)	12,570,485	12,523,279	11,194,991	(1,328,288)
Net change in fund balances	(4,289,069)	(6,217,635)	4,403,805	10,621,440
Fund balances restated, October 1, 2003	4,289,069	6,217,635	6,207,700	(9,935)
Fund balances, September 30, 2004	\$ -	\$ -	\$ 10,611,505	\$ 10,611,505

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Affordable Housing Trust Fund Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 6,583,030	\$ 8,983,544	\$ 10,542,273	\$ 1,558,729
Investment income	475,000	475,000	414,641	(60,359)
Miscellaneous	342,000	342,000	2,262,259	1,920,259
Total revenues	7,400,030	9,800,544	13,219,173	3,418,629
Expenditures:				
Current:				
Economic environment	22,660,772	24,069,003	8,591,755	15,477,248
Capital outlay	16,900	16,900	8,048	8,852
Total expenditures	22,677,672	24,085,903	8,599,803	15,486,100
Excess of revenues over (under) expenditures	(15,277,642)	(14,285,359)	4,619,370	18,904,729
Net change in fund balances	(15,277,642)	(14,285,359)	4,619,370	18,904,729
Fund balances, October 1, 2003	15,277,642	14,285,359	14,285,359	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ 18,904,729	\$ 18,904,729

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Palm Tran Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ 12,271,000	\$ 12,271,000	\$ 12,836,239	\$ 565,239
Intergovernmental	25,231,532	27,415,797	16,442,773	(10,973,024)
Charges for services	11,489,385	11,601,336	7,912,145	(3,689,191)
Investment income	260,000	260,000	288,898	28,898
Miscellaneous	1,015,192	1,185,332	1,009,930	(175,402)
Less 5% anticipated revenues	(1,236,726)	(1,236,726)	-	1,236,726
Total revenues	49,030,383	51,496,739	38,489,985	(13,006,754)
Expenditures:				
Current:				
Transportation	58,936,916	68,600,453	47,755,148	20,845,305
Capital outlay	11,210,971	12,695,451	2,560,965	10,134,486
Debt service	2,200,000	2,200,000	2,200,000	-
Total expenditures	72,347,887	83,495,904	52,516,113	30,979,791
Excess of revenues over (under) expenditures	(23,317,504)	(31,999,165)	(14,026,128)	17,973,037
Other financing sources (uses):				
Transfers in	30,029,245	30,212,551	18,050,074	(12,162,477)
Transfers out	(11,466,382)	(11,600,666)	-	11,600,666
Total other financing sources (uses)	18,562,863	18,611,885	18,050,074	(561,811)
Net change in fund balances	(4,754,641)	(13,387,280)	4,023,946	17,411,226
Fund balances restated, October 1, 2003	4,754,641	13,387,280	12,176,464	(1,210,816)
Increase in reserves, inventory	-	-	1,340,633	1,340,633
Fund balances, September 30, 2004	\$ -	\$ -	\$ 17,541,043	\$ 17,541,043

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ 4,800,000	\$ 4,800,000	\$ 4,950,833	\$ 150,833
Special assessments	10,708,000	10,708,000	17,818,625	7,110,625
Licenses and permits	779,537	779,537	779,772	235
Intergovernmental	76,548,858	77,722,953	77,481,093	(241,860)
Charges for services	5,452,919	5,480,769	5,838,526	357,757
Fines and forfeitures	4,106,000	4,106,000	3,338,006	(767,994)
Investment income	1,662,650	1,662,650	1,198,893	(463,757)
Miscellaneous	1,341,000	1,341,000	1,620,647	279,647
Less 5% anticipated revenues	(3,608,165)	(3,608,165)	-	3,608,165
Total revenues	101,790,799	102,992,744	113,026,395	10,033,651
Expenditures:				
Current:				
General government	3,374,501	12,897,045	12,569,766	327,279
Public safety	10,071,363	11,257,690	8,826,962	2,430,728
Physical environment	55,011,469	40,058,946	4,270,936	35,788,010
Economic environment	1,688,107	1,677,408	179,391	1,498,017
Human services	1,136,104	1,344,760	515,951	828,809
Culture and recreation	3,267,001	3,344,507	3,106,378	238,129
Capital outlay	1,860,376	6,186,468	1,202,765	4,983,703
Total expenditures	76,408,921	76,766,824	30,672,149	46,094,675
Excess of revenues over (under) expenditures	25,381,878	26,225,920	82,354,246	56,128,326
Other financing sources (uses):				
Transfers in	2,867,054	2,790,972	2,509,633	(281,339)
Transfers out	(76,838,306)	(75,042,306)	(73,036,965)	2,005,341
Total other financing sources (uses)	(73,971,252)	(72,251,334)	(70,527,332)	1,724,002
Net change in fund balances	(48,589,374)	(46,025,414)	11,826,914	57,852,328
Fund balances restated, October 1, 2003	48,589,374	46,025,414	45,975,767	(49,647)
Increase in reserves, inventory	-	-	50,531	50,531
Fund balances, September 30, 2004	\$ -	\$ -	\$ 57,853,212	\$ 57,853,212

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Clerk of the Circuit Court Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 1,311,951	\$ 1,311,951	\$ 1,208,883	\$ (103,068)
Charges for services	28,229,585	28,229,585	33,089,966	4,860,381
Investment income	317,006	317,006	155,103	(161,903)
Total revenues	29,858,542	29,858,542	34,453,952	4,595,410
Expenditures:				
Current:				
General government	52,214,050	52,654,593	49,057,009	3,597,584
Capital outlay	8,430,204	7,989,661	1,678,783	6,310,878
Total expenditures	60,644,254	60,644,254	50,735,792	9,908,462
Excess of revenues over (under) expenditures	(30,785,712)	(30,785,712)	(16,281,840)	14,503,872
Other financing sources (uses):				
Transfers in	30,685,712	30,685,712	29,523,695	(1,162,017)
Transfers out	(1,600,000)	(1,600,000)	(11,273,270)	(9,673,270)
Total other financing sources (uses)	29,085,712	29,085,712	18,250,425	(10,835,287)
Net change in fund balances	(1,700,000)	(1,700,000)	1,968,585	3,668,585
Fund balances, October 1, 2003	5,421,667	5,421,667	5,421,667	-
Fund balances, September 30, 2004	\$ 3,721,667	\$ 3,721,667	\$ 7,390,252	\$ 3,668,585

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Tax Collector Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Charges for services	\$ 42,258,880	\$ 42,258,880	\$ 44,347,687	\$ 2,088,807
Less - excess fees paid out	(25,724,442)	(25,724,442)	(28,844,589)	(3,120,147)
Investment income	300,000	300,000	279,421	(20,579)
Total revenues	16,834,438	16,834,438	15,782,519	(1,051,919)
Expenditures:				
Current:				
General government	16,506,978	16,506,978	15,623,686	883,292
Capital outlay	316,564	316,564	147,937	168,627
Debt service	10,896	10,896	10,896	-
Total expenditures	16,834,438	16,834,438	15,782,519	1,051,919
Excess of revenues over (under) expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, October 1, 2003	-	-	-	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ -	\$ -

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Property Appraiser Special Revenue Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Charges for services	\$ 19,539,432	\$ 19,539,432	\$ 19,657,230	\$ 117,798
Less - excess fees paid out	-	-	(2,119,057)	(2,119,057)
Investment income	-	-	48,674	48,674
Miscellaneous	-	-	9,061	9,061
Total revenues	19,539,432	19,539,432	17,595,908	(1,943,524)
Expenditures:				
Current:				
General government	19,145,824	19,140,824	17,229,849	1,910,975
Capital outlay	252,600	257,600	242,680	14,920
Debt service	141,008	141,008	123,379	17,629
Total expenditures	19,539,432	19,539,432	17,595,908	1,943,524
Excess of revenues over (under) expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, October 1, 2003	-	-	-	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ -	\$ -

PALM BEACH COUNTY, FLORIDA
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Supervisor of Elections Special Revenue Fund
 For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ -	\$ 90,553	\$ 228,538	\$ 137,985
Charges for services	25,000	25,000	75,889	50,889
Total revenues	25,000	115,553	304,427	188,874
Expenditures:				
Current:				
General government	8,380,578	8,471,131	5,967,582	2,503,549
Capital outlay	2,151,500	2,151,500	1,708,174	443,326
Total expenditures	10,532,078	10,622,631	7,675,756	2,946,875
Excess of revenues over (under) expenditures	(10,507,078)	(10,507,078)	(7,371,329)	3,135,749
Other financing sources (uses):				
Transfers in	10,507,078	10,507,078	7,371,329	(3,135,749)
Total other financing sources (uses)	10,507,078	10,507,078	7,371,329	(3,135,749)
Net change in fund balances	-	-	-	-
Fund balances, October 1, 2003	-	-	-	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ -	\$ -

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Obligation Bonds Debt Service Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ 31,052,476	\$ 31,052,476	\$ 29,899,317	\$ (1,153,159)
Intergovernmental	-	-	131	131
Investment income	156,500	156,500	140,569	(15,931)
Less 5% anticipated revenues	(1,569,400)	(1,569,400)	-	1,569,400
Total revenues	29,639,576	29,639,576	30,040,017	400,441
Expenditures:				
Current:				
Debt service	30,575,018	30,755,338	30,626,589	128,749
Total expenditures	30,575,018	30,755,338	30,626,589	128,749
Excess of revenues over (under) expenditures	(935,442)	(1,115,762)	(586,572)	529,190
Net change in fund balances	(935,442)	(1,115,762)	(586,572)	529,190
Fund balances, October 1, 2003	935,442	1,115,762	1,115,765	3
Fund balances, September 30, 2004	\$ -	\$ -	\$ 529,193	\$ 529,193

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Revenue Bonds Debt Service Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Investment income	\$ 91,900	\$ 91,900	\$ 78,692	\$ (13,208)
Miscellaneous	123,089	123,089	123,089	-
Total revenues	214,989	214,989	201,781	(13,208)
Expenditures:				
Current:				
Debt service	47,799,619	54,846,664	45,044,130	9,802,534
Total expenditures	47,799,619	54,846,664	45,044,130	9,802,534
Excess of revenues over (under) expenditures	(47,584,630)	(54,631,675)	(44,842,349)	9,789,326
Other financing sources (uses):				
Transfers in	44,056,056	42,826,597	42,812,414	(14,183)
Transfers out	(4,588)	(4,588)	(4,509)	79
Proceeds from refunding debt	-	103,903,602	94,297,549	(9,606,053)
Premium (discount) refunding debt	-	-	9,606,053	9,606,053
Payment to escrow agent for refunding	-	(95,717,317)	(102,397,730)	(6,680,413)
Total other financing sources (uses)	44,051,468	51,008,294	44,313,777	(6,694,517)
Net change in fund balances	(3,533,162)	(3,623,381)	(528,572)	3,094,809
Fund balances, October 1, 2003	3,533,162	3,623,381	3,627,837	4,456
Fund balances, September 30, 2004	\$ -	\$ -	\$ 3,099,265	\$ 3,099,265

PALM BEACH COUNTY, FLORIDA
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Other Financing Debt Service Fund
 For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Investment income	\$ -	\$ -	\$ 34,868	\$ 34,868
Total revenues	-	-	34,868	34,868
Expenditures:				
Current:				
Debt service	7,618,602	7,666,602	5,941,945	1,724,657
Total expenditures	7,618,602	7,666,602	5,941,945	1,724,657
Excess of revenues over (under) expenditures	(7,618,602)	(7,666,602)	(5,907,077)	1,759,525
Other financing sources (uses):				
Transfers in	5,848,651	4,448,710	4,096,981	(351,729)
Total other financing sources (uses)	5,848,651	4,448,710	4,096,981	(351,729)
Net change in fund balances	(1,769,951)	(3,217,892)	(1,810,096)	1,407,796
Fund balances, October 1, 2003	1,769,951	3,217,892	3,895,940	678,048
Fund balances, September 30, 2004	\$ -	\$ -	\$ 2,085,844	\$ 2,085,844

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Criminal Justice Capital Projects Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Special assessments	\$ 840,000	\$ 840,000	\$ 1,027,644	\$ 187,644
Investment income	269,825	269,825	193,938	(75,887)
Less 5% anticipated revenues	(55,492)	(55,492)	-	55,492
Total revenues	1,054,333	1,054,333	1,221,582	167,249
Expenditures:				
Current:				
General government	162,354	148,517	-	148,517
Public safety	33,775	33,775	3,578	30,197
Capital outlay	9,229,968	9,134,180	2,068,003	7,066,177
Total expenditures	9,426,097	9,316,472	2,071,581	7,244,891
Excess of revenues over (under) expenditures	(8,371,764)	(8,262,139)	(849,999)	7,412,140
Other financing sources (uses):				
Transfers out	(160)	(160)	(149)	11
Total other financing sources (uses)	(160)	(160)	(149)	11
Net change in fund balances	(8,371,924)	(8,262,299)	(850,148)	7,412,151
Fund balances, October 1, 2003	8,371,924	8,262,299	8,262,289	(10)
Fund balances, September 30, 2004	\$ -	\$ -	\$ 7,412,141	\$ 7,412,141

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Environmental Lands Capital Projects Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 6,026,274	\$ 6,483,826	\$ 7,990,880	\$ 1,507,054
Charges for services	985,701	1,460,701	2,397,411	936,710
Fines and forfeitures	70,000	70,000	117,090	47,090
Investment income	1,800,000	1,800,000	1,286,500	(513,500)
Miscellaneous	4,357,338	4,357,338	1,941,607	(2,415,731)
Less 5% anticipated revenues	(167,067)	(167,067)	-	167,067
Total revenues	13,072,246	14,004,798	13,733,488	(271,310)
Expenditures:				
Current:				
General government	8,150	8,150	-	8,150
Physical environment	20,032,513	21,477,803	2,665,903	18,811,900
Capital outlay	65,820,584	62,994,861	37,752,576	25,242,285
Debt service	24,210	153,765	129,555	24,210
Total expenditures	85,885,457	84,634,579	40,548,034	44,086,545
Excess of revenues over (under) expenditures	(72,813,211)	(70,629,781)	(26,814,546)	43,815,235
Other financing sources (uses):				
Transfers in	2,848,609	2,874,941	2,874,941	-
Total other financing sources (uses)	2,848,609	2,874,941	2,874,941	-
Net change in fund balances	(69,964,602)	(67,754,840)	(23,939,605)	43,815,235
Fund balances, October 1, 2003	69,964,602	67,754,840	67,754,840	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ 43,815,235	\$ 43,815,235

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Fire Rescue Capital Projects Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Special assessments	\$ 2,300,000	\$ 2,300,000	\$ 3,631,027	\$ 1,331,027
Charges for services	-	-	1,600	1,600
Investment income	700,000	700,000	999,832	299,832
Miscellaneous	-	-	250	250
Less 5% anticipated revenues	(150,000)	(150,000)	-	150,000
Total revenues	2,850,000	2,850,000	4,632,709	1,782,709
Expenditures:				
Current:				
Public safety	17,822	4,700	4,644	56
Capital outlay	47,126,035	46,518,018	2,377,920	44,140,098
Total expenditures	47,143,857	46,522,718	2,382,564	44,140,154
Excess of revenues over (under) expenditures	(44,293,857)	(43,672,718)	2,250,145	45,922,863
Other financing sources (uses):				
Transfers in	8,165,856	8,165,856	8,165,856	-
Total other financing sources (uses)	8,165,856	8,165,856	8,165,856	-
Net change in fund balances	(36,128,001)	(35,506,862)	10,416,001	45,922,863
Fund balances, October 1, 2003	36,128,001	35,506,862	35,506,863	1
Fund balances, September 30, 2004	\$ -	\$ -	\$ 45,922,864	\$ 45,922,864

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Major Fund - General Government Capital Projects Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ -	\$ -	\$ 2,233	\$ 2,233
Special assessments	2,900,000	2,900,000	3,013,583	113,583
Intergovernmental	630,128	736,878	-	(736,878)
Charges for services	2,410,709	2,410,709	1,217,522	(1,193,187)
Fines and forfeitures	700,000	700,000	933,201	233,201
Investment income	3,399,500	3,455,781	5,048,390	1,592,609
Miscellaneous	1,633,502	1,696,812	2,850,100	1,153,288
Less 5% anticipated revenues	(434,900)	(434,900)	-	434,900
Total revenues	11,238,939	11,465,280	13,065,029	1,599,749
Expenditures:				
Current:				
General government	26,655,210	42,912,547	18,719,872	24,192,675
Public safety	483,726	839,153	413,755	425,398
Physical environment	3,452,936	5,538,738	3,580,560	1,958,178
Transportation	42,580	730,890	134,602	596,288
Economic environment	347,745	982,980	283,807	699,173
Human services	448,324	377,198	306,800	70,398
Culture and recreation	7,978	-	-	-
Capital outlay	141,997,160	294,188,975	56,408,429	237,780,546
Debt service	60,443	9,013,418	1,577,857	7,435,561
Total expenditures	173,496,102	354,583,899	81,425,682	273,158,217
Excess of revenues over (under) expenditures	(162,257,163)	(343,118,619)	(68,360,653)	274,757,966
Other financing sources (uses):				
Transfers in	46,192,566	57,380,496	55,723,009	(1,657,487)
Transfers out	(193,922)	(7,458,265)	(777,661)	6,680,604
Proceeds from long-term borrowings	-	195,062,852	105,467,451	(89,595,401)
Premium (discount) long-term borrowings	-	-	5,145,225	5,145,225
Total other financing sources (uses)	45,998,644	244,985,083	165,558,024	(79,427,059)
Net change in fund balances	(116,258,519)	(98,133,536)	97,197,371	195,330,907
Fund balances, October 1, 2003	116,258,519	98,133,536	92,489,355	(5,644,181)
Fund balances, September 30, 2004	\$ -	\$ -	\$ 189,686,726	\$ 189,686,726

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Libraries Capital Projects Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ -	\$ -	\$ 86	\$ 86
Special assessments	2,100,000	2,100,000	2,096,465	(3,535)
Investment income	953,279	953,279	986,536	33,257
Less 5% anticipated revenues	(99,975)	(99,975)	-	99,975
Total revenues	2,953,304	2,953,304	3,083,087	129,783
Expenditures:				
Current:				
Culture and recreation	450,536	433,675	228,027	205,648
Capital outlay	44,204,773	43,883,245	3,231,574	40,651,671
Debt service	155,000	35,395	816	34,579
Total expenditures	44,810,309	44,352,315	3,460,417	40,891,898
Excess of revenues over (under) expenditures	(41,857,005)	(41,399,011)	(377,330)	41,021,681
Net change in fund balances	(41,857,005)	(41,399,011)	(377,330)	41,021,681
Fund balances, October 1, 2003	41,857,005	41,399,011	41,089,689	(309,322)
Fund balances, September 30, 2004	\$ -	\$ -	\$ 40,712,359	\$ 40,712,359

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Parks and Recreation Capital Projects Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ -	\$ -	\$ 2	\$ 2
Special assessments	11,862,000	11,862,000	13,927,318	2,065,318
Intergovernmental	2,394,088	3,564,238	2,088,137	(1,476,101)
Charges for services	-	-	22,050	22,050
Investment income	3,003,600	3,003,600	2,281,357	(722,243)
Miscellaneous	5,000,000	5,348,433	2,431,183	(2,917,250)
Less 5% anticipated revenues	(722,530)	(722,530)	-	722,530
Total revenues	21,537,158	23,055,741	20,750,047	(2,305,694)
Expenditures:				
Current:				
Economic environment	1,425	2,714	1,462	1,252
Culture and recreation	14,204,776	16,396,610	6,705,809	9,690,801
Capital outlay	109,591,616	103,597,240	18,530,200	85,067,040
Debt service	-	314,064	262,979	51,085
Total expenditures	123,797,817	120,310,628	25,500,450	94,810,178
Excess of revenues over (under) expenditures	(102,260,659)	(97,254,887)	(4,750,403)	92,504,484
Other financing sources (uses):				
Transfers in	2,090,000	2,090,000	2,090,000	-
Total other financing sources (uses)	2,090,000	2,090,000	2,090,000	-
Net change in fund balances	(100,170,659)	(95,164,887)	(2,660,403)	92,504,484
Fund balances, October 1, 2003	100,170,659	95,164,887	95,164,886	(1)
Fund balances, September 30, 2004	\$ -	\$ -	\$ 92,504,483	\$ 92,504,483

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Major Fund - Road Program Capital Projects Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Taxes (net of discount)	\$ 33,511,400	\$ 33,511,400	\$ 35,197,794	\$ 1,686,394
Special assessments	35,627,898	42,108,228	52,591,030	10,482,802
Intergovernmental	23,927,436	30,680,409	9,913,714	(20,766,695)
Charges for services	1,022,838	1,022,838	183,546	(839,292)
Investment income	8,760,010	8,760,010	6,947,449	(1,812,561)
Miscellaneous	2,937,542	3,594,053	1,447,036	(2,147,017)
Less 5% anticipated revenues	(4,110,720)	(4,110,720)	-	4,110,720
Total revenues	101,676,404	115,566,218	106,280,569	(9,285,649)
Expenditures:				
Current:				
General government	4,444,876	4,508,652	4,422,557	86,095
Transportation	24,350,798	32,539,522	10,364,076	22,175,446
Economic environment	176,143	280,079	15,816	264,263
Culture and recreation	-	-	7,186	(7,186)
Capital outlay	351,783,422	336,679,083	48,682,589	287,996,494
Total expenditures	380,755,239	374,007,336	63,492,224	310,515,112
Excess of revenues over (under) expenditures	(279,078,835)	(258,441,118)	42,788,345	301,229,463
Other financing sources (uses):				
Transfers in	1,490,000	1,490,000	1,490,000	-
Transfers out	(16,533,720)	(17,652,870)	(17,552,870)	100,000
Total other financing sources (uses)	(15,043,720)	(16,162,870)	(16,062,870)	100,000
Net change in fund balances	(294,122,555)	(274,603,988)	26,725,475	301,329,463
Fund balances, October 1, 2003	294,122,555	274,603,988	277,081,079	2,477,091
Fund balances, September 30, 2004	\$ -	\$ -	\$ 303,806,554	\$ 303,806,554

PALM BEACH COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Street and Drainage Capital Projects Fund
For the fiscal year ended September 30, 2004

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
Revenues:				
Special assessments	\$ 890,000	\$ 890,000	\$ 936,376	\$ 46,376
Investment income	545,275	545,275	430,421	(114,854)
Miscellaneous	-	432,667	-	(432,667)
Less 5% anticipated revenues	(71,764)	(71,764)	-	71,764
Total revenues	1,363,511	1,796,178	1,366,797	(429,381)
Expenditures:				
Current:				
Transportation	540,909	1,070,509	304,599	765,910
Economic environment	7	7	-	7
Capital outlay	10,826,294	9,969,983	1,278,200	8,691,783
Total expenditures	11,367,210	11,040,499	1,582,799	9,457,700
Excess of revenues over (under) expenditures	(10,003,699)	(9,244,321)	(216,002)	9,028,319
Net change in fund balances	(10,003,699)	(9,244,321)	(216,002)	9,028,319
Fund balances, October 1, 2003	10,003,699	9,244,321	9,244,321	-
Fund balances, September 30, 2004	\$ -	\$ -	\$ 9,028,319	\$ 9,028,319

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 government and to other government units, on a cost reimbursement basis.

Fleet Management - To account for the cost of operations for the repair and maintenance of County owned/leased vehicles and equipment as well as interdepartmental rental of cars, trucks and specialized equipment and automated fuel service. Such costs are billed to user departments at estimated cost of operations including equipment replacement and additions.

Graphics - To account for the costs of operating the County printing and copying services facility. Such costs are billed to user departments at estimated cost of operations including equipment replacement and additions.

Combined Insurance Fund - To account for the assessed premiums, claims and administration of the County's Risk Management Department for general, auto and property liability, employee group health, and Workers' Compensation.

ISS - To account for the costs of operating the County Data Processing Facility. Such costs are billed to user departments at estimated cost of operations including equipment replacement and additions.

Clerk of the Circuit Court Insurance Fund - To account for the assessed premiums, claims and administration of the Clerk of the Circuit Court's employee group health insurance program.

PALM BEACH COUNTY, FLORIDA
Combining Statement of Net Assets
Internal Service Funds
September 30, 2004

	Fleet Management	Graphics	Combined Insurance Fund	ISS	Clerk of the Circuit Court Insurance Fund	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 3,844,778	\$ 173	\$ 80,418,425	\$ 7,037,461	\$ 3,891,931	\$ 95,192,768
Accounts receivable, net	8,971	2,074	1,250,747	10,381	6,414	1,278,587
Due from other county funds	2,345,485	7,354	567,424	3,171,854	224,725	6,316,842
Due from other governments	244,306	12,491	44,973	4,024	-	305,794
Due from component unit	-	-	-	2,697	-	2,697
Other assets	-	-	-	120,432	-	120,432
Inventory	524,246	25,076	-	-	-	549,322
Total current assets	6,967,786	47,168	82,281,569	10,346,849	4,123,070	103,766,442
Capital assets:						
Buildings	439,352	-	-	-	-	439,352
Improvements other than buildings	810,040	-	-	-	-	810,040
Furniture, fixtures and equipment	49,597,279	591,794	177,669	25,364,959	-	75,731,701
Accumulated depreciation	(26,709,921)	(530,028)	(143,985)	(18,106,369)	-	(45,490,303)
Construction in progress	-	-	585	-	-	585
Total assets	31,104,536	108,934	82,315,838	17,605,439	4,123,070	135,257,817
LIABILITIES						
Current liabilities:						
Vouchers payable and accrued liabilities	1,431,402	54,553	399,359	1,739,340	64,093	3,688,747
Due to other county funds	6,806	30,991	24,616	3,660	1,753,930	1,820,003
Due to other governments	9,299	-	240,465	-	-	249,764
Insurance claims payable	-	-	50,361,252	-	915,666	51,276,918
Current portion of long-term debt	-	-	-	336,682	-	336,682
Other liabilities	476,461	27,270	267,728	2,158,097	475,618	3,405,174
Total current liabilities	1,923,968	112,814	51,293,420	4,237,779	3,209,307	60,777,288
Other long-term debt	-	-	-	521,463	-	521,463
Total liabilities	1,923,968	112,814	51,293,420	4,759,242	3,209,307	61,298,751
NET ASSETS						
Invested in capital assets, net of related debt	24,136,750	61,766	34,269	6,394,932	-	30,627,717
Unrestricted	5,043,818	(65,646)	30,988,149	6,451,265	913,763	43,331,349
Total net assets	\$ 29,180,568	\$ (3,880)	\$ 31,022,418	\$ 12,846,197	\$ 913,763	\$ 73,959,066

PALM BEACH COUNTY, FLORIDA
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
For the fiscal year ended September 30, 2004

	Fleet Management	Graphics	Combined Insurance Fund	ISS	Clerk of the Circuit Court Insurance Fund	Total
Operating revenues:						
Charges for services	\$ 21,418,040	\$ 945,697	\$ 65,993,618	\$ 24,696,331	\$ 5,691,857	\$118,745,543
Total operating revenues	21,418,040	945,697	65,993,618	24,696,331	5,691,857	118,745,543
Operating expenses:						
Transportation services	13,600,940	-	-	-	-	13,600,940
Printing services	-	1,077,152	-	-	-	1,077,152
Self-insurance services	-	-	58,675,777	-	4,810,202	63,485,979
Data processing services	-	-	-	24,761,052	-	24,761,052
Depreciation and amortization	5,142,352	10,235	19,974	2,752,298	-	7,924,859
Total operating expenses	18,743,292	1,087,387	58,695,751	27,513,350	4,810,202	110,849,982
Operating income (loss)	2,674,748	(141,690)	7,297,867	(2,817,019)	881,655	7,895,561
Nonoperating revenues (expenses):						
Investment income	131,827	969	1,775,527	191,170	32,108	2,131,601
Interest expense	-	-	-	(18,125)	-	(18,125)
Other revenues	580,040	264	1,140,010	59,667	-	1,779,981
Total nonoperating revenues	711,867	1,233	2,915,537	232,712	32,108	3,893,457
Income before contributions and transfers	3,386,615	(140,457)	10,213,404	(2,584,307)	913,763	11,789,018
Capital contributions	-	-	-	3,109,857	-	3,109,857
Transfers in	-	-	-	266,637	-	266,637
Transfers out	(2,500,000)	-	-	(1,372,500)	-	(3,872,500)
Change in net assets	886,615	(140,457)	10,213,404	(580,313)	913,763	11,293,012
Net Assets October 1, 2003	28,293,953	136,577	20,809,014	13,426,510	-	62,666,054
Net Assets September 30, 2004	\$ 29,180,568	\$ (3,880)	\$ 31,022,418	\$ 12,846,197	\$ 913,763	\$ 73,959,066

PALM BEACH COUNTY, FLORIDA
Combining Statement of Cash Flows
Internal Service Funds
For the fiscal year ended September 30, 2004

	Fleet Management	Graphics
Cash received from customers	\$ 989,688	\$ 27,342
Cash received from other funds for goods and services	18,218,497	911,918
Cash payments to vendors for goods and services	(7,648,028)	(488,457)
Cash payments to employees for services	(4,317,160)	(482,981)
Cash payments to other funds	(1,477,493)	(37,200)
Claims paid	-	-
Other receipts	66,816	-
Net cash provided by (used in) operating activities	5,832,320	(69,378)
Cash flows from noncapital financing activities:		
Transfers in	-	-
Transfers out	(2,500,000)	-
Net cash (used in) noncapital financing activities	(2,500,000)	-
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	953,768	264
Purchase and construction of capital assets	(6,048,059)	(48,595)
Proceeds from long-term borrowings	-	-
Principal payments on debt	-	-
Interest payments on debt	-	-
Net cash (used in) capital and related financing activities	(5,094,291)	(48,331)
Cash flows from investing activities:		
Interest on investments	131,827	969
Net cash provided by investing activities	131,827	969
Net increase (decrease) in cash and cash equivalents	(1,630,144)	(116,740)
Cash and cash equivalents, October 1, 2003	5,474,922	116,913
Cash and cash equivalents, September 30, 2004	\$ 3,844,778	\$ 173
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ 2,674,748	\$ (141,690)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation and amortization	5,142,352	10,235
Miscellaneous revenue	66,673	-
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(870)	(1,703)
(Increase) decrease in due from other county funds	(2,181,275)	(6,467)
(Increase) decrease in due from other governments	(27,566)	1,734
(Increase) in inventory	(144,024)	(7,378)
(Increase) in other assets	-	-
(Increase) in due from component unit	-	-
Increase in vouchers payable and accrued liabilities	231,807	41,053
Increase in due to other county funds	6,806	29,537
Increase in due to other governments	9,299	-
Increase (decrease) in other current liabilities	54,370	5,301
(Decrease) in insurance claims payable	-	-
Net cash provided by (used in) operating activities	\$ 5,832,320	\$ (69,378)
Supplemental disclosure of noncash capital and related financing activities:		
Contribution of capital assets	\$ -	\$ -
Noncash acquisition of assets	\$ -	\$ -
Disposal of fully depreciated capital assets	\$ 2,910,353	\$ 42,941

Combined Insurance Fund	ISS	Clerk of the Circuit Court Insurance Fund	Total
\$ 1,090,511	\$ 43,995	\$ 39,340	\$ 2,190,876
64,495,068	22,282,412	5,650,668	111,558,563
(8,001,499)	(8,044,325)	(1,850,432)	(26,032,741)
(2,098,843)	(14,205,291)	-	(21,104,275)
(798,587)	(1,240,678)	-	(3,553,958)
(49,650,047)	-	(2,651,032)	(52,301,079)
1,590,335	59,114	-	1,716,265
<u>6,626,938</u>	<u>(1,104,773)</u>	<u>1,188,544</u>	<u>12,473,651</u>
-	266,637	-	266,637
-	(1,372,500)	-	(3,872,500)
-	(1,105,863)	-	(3,605,863)
-	5,289	-	959,321
(4,828)	(1,024,127)	-	(7,125,609)
-	1,023,290	-	1,023,290
-	(165,145)	-	(165,145)
-	(12,613)	-	(12,613)
<u>(4,828)</u>	<u>(173,306)</u>	<u>-</u>	<u>(5,320,756)</u>
1,775,527	191,170	32,108	2,131,601
<u>1,775,527</u>	<u>191,170</u>	<u>32,108</u>	<u>2,131,601</u>
8,397,637	(2,192,772)	1,220,652	5,678,633
<u>72,020,788</u>	<u>9,230,233</u>	<u>2,671,279</u>	<u>89,514,135</u>
<u>\$ 80,418,425</u>	<u>\$ 7,037,461</u>	<u>\$ 3,891,931</u>	<u>\$ 95,192,768</u>
\$ 7,297,867	\$ (2,817,019)	\$ 881,655	7,895,561
19,974	2,752,298	-	7,924,859
1,140,859	59,005	-	1,266,537
373,888	1,796	(4,798)	368,313
(331,100)	(2,387,030)	2,949	(4,902,923)
(1,351)	18,116	-	(9,067)
-	-	-	(151,402)
-	(120,432)	-	(120,432)
-	(2,697)	-	(2,697)
249,820	1,128,591	18,371	1,669,642
24,616	3,660	812,674	877,293
240,465	-	-	249,764
15,232	258,939	240,304	574,146
(2,403,332)	-	(762,611)	(3,165,943)
<u>\$ 6,626,938</u>	<u>\$ (1,104,773)</u>	<u>\$ 1,188,544</u>	<u>\$ 12,473,651</u>
<u>\$ -</u>	<u>\$ 3,109,857</u>	<u>\$ -</u>	<u>3,109,857</u>
<u>\$ -</u>	<u>\$ 3,935</u>	<u>\$ -</u>	<u>3,935</u>
<u>\$ 10,180</u>	<u>\$ 3,833,563</u>	<u>\$ -</u>	<u>6,797,037</u>



AGENCY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations and other governments.

Board of County Commissioners - To account for the assets held by the Board as an agent for individuals, organizations or other governments. These funds include: cash bonds, purchasing bid bonds, security deposits, and various payroll liabilities.

Sheriff - To account for the assets held by the Sheriff as an agent for individuals, organizations or other governments. These funds include: cash bonds, evidence and suspense.

Clerk of the Circuit Court - To account for the assets held by the Clerk of the Courts as an agent for individuals, organizations and other governments. These funds include: fines and forfeitures, jury and witness, tax deed, registry of court, probate, support and general agency.

Tax Collector - To account for the assets held by the Tax Collector as an agent for individuals, organizations or other governments. These funds include: ad-valorem and non ad-valorem tax payments and license and registration payments.

PALM BEACH COUNTY, FLORIDA
Combining Statement of Fiduciary Net Assets - Agency Funds
September 30, 2004

AGENCY FUNDS					
	Board of County Commissioners	Sheriff	Clerk of the Circuit Court	Tax Collector	Total Agency Funds
ASSETS					
Cash and cash equivalents	\$ 8,085,781	\$ -	\$ 35,031,138	\$ 17,954,783	\$ 61,071,702
Accounts receivable, net	488	396,379	80,400	96,924	574,191
Due from other governments	213,133	335,095	1,814	-	550,042
Total assets	\$ 8,299,402	\$ 731,474	\$ 35,113,352	\$ 18,051,707	\$ 62,195,935
LIABILITIES					
Vouchers payable and accrued liabilities	\$ 39,245	\$ 100,200	\$ -	\$ 38,688	\$ 178,133
Due to other governments	3,069,806	38,779	12,644,918	15,875,945	31,629,448
Due to individuals	4,840,795	592,495	22,468,434	2,137,074	30,038,798
Other liabilities	349,556	-	-	-	349,556
Total liabilities	\$ 8,299,402	\$ 731,474	\$ 35,113,352	\$ 18,051,707	\$ 62,195,935

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2004

BOARD OF COUNTY COMMISSIONERS

	Balance 10/1/2003	Additions	Deductions	Balance 9/30/2004
ASSETS				
Cash and cash equivalents	\$ 5,748,773	\$ 239,592,424	\$ 237,255,416	\$ 8,085,781
Accounts receivable, net	451	473	436	488
Due from other county funds	-	355,653	355,653	-
Due from other governments	97,909	213,080	97,856	213,133
Total assets	\$ 5,847,133	\$ 240,161,630	\$ 237,709,361	\$ 8,299,402
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 3,228	\$ 17,290,652	\$ 17,254,635	\$ 39,245
Due to other county funds	-	102,703,615	102,703,615	-
Due to other governments	399,279	3,353,272	682,745	3,069,806
Due to individuals	5,075,521	1,271,857	1,506,583	4,840,795
Other liabilities	369,105	6,833,704	6,853,253	349,556
Advances from other county funds	-	-	-	-
Total liabilities	\$ 5,847,133	\$ 131,453,100	\$ 129,000,831	\$ 8,299,402

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2004

SHERIFF

	Balance 10/1/2003	Additions	Deductions	Balance 9/30/2004
ASSETS				
Cash and cash equivalents	\$ -	\$ 52,375,794	\$ 52,375,794	\$ -
Accounts receivable, net	213,397	3,269,756	3,086,774	396,379
Due from other county funds	-	6,239,260	6,239,260	-
Due from other governments	-	13,367,375	13,032,280	335,095
Total assets	\$ 213,397	\$ 75,252,185	\$ 74,734,108	\$ 731,474
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 1,314	\$ 23,513,038	\$ 23,414,152	\$ 100,200
Due to other county funds	-	6,296,378	6,296,378	-
Due to other governments	51,346	176,512	189,079	38,779
Due to individuals	160,617	5,935,997	5,504,119	592,495
Other liabilities	120	-	120	-
Advances from other county funds	-	-	-	-
Total liabilities	\$ 213,397	\$ 35,921,925	\$ 35,403,848	\$ 731,474

(continued)

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2004

CLERK OF THE CIRCUIT COURT

	Balance 10/1/2003	Additions	Deductions	Balance 9/30/2004
ASSETS				
Cash and cash equivalents	\$ 36,506,517	\$540,071,447	\$541,546,826	\$ 35,031,138
Accounts receivable, net	108,664	7,152,945	7,181,209	80,400
Due from other county funds	-	484,569	484,569	-
Due from other governments	9,457	389,483	397,126	1,814
Total assets	\$ 36,624,638	\$548,098,444	\$549,609,730	\$ 35,113,352
LIABILITIES				
Vouchers payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to other county funds	-	24,514,679	24,514,679	-
Due to other governments	10,475,942	364,229,621	362,060,645	12,644,918
Due to individuals	26,127,696	134,042,912	137,702,174	22,468,434
Other liabilities	-	-	-	-
Advances from other county funds	21,000	-	21,000	-
Total liabilities	\$ 36,624,638	\$522,787,212	\$524,298,498	\$ 35,113,352

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2004

TAX COLLECTOR

	Balance 10/1/2003	Additions	Deductions	Balance 9/30/2004
ASSETS				
Cash and cash equivalents	\$ 15,890,198	\$1,765,864,965	\$1,763,800,380	\$ 17,954,783
Accounts receivable, net	67,845	4,006,635	3,977,556	96,924
Due from other county funds	-	-	-	-
Due from other governments	13	755	768	-
Total assets	\$ 15,958,056	\$1,769,872,355	\$1,767,778,704	\$ 18,051,707
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 114,365	\$ 396,818	\$ 472,495	\$ 38,688
Due to other county funds	-	-	-	-
Due to other governments	14,298,146	1,624,833,733	1,623,255,934	15,875,945
Due to individuals	1,545,545	147,627,537	147,036,008	2,137,074
Other liabilities	-	-	-	-
Advances from other county funds	-	-	-	-
Total liabilities	\$ 15,958,056	\$1,772,858,088	\$1,770,764,437	\$ 18,051,707

(continued)

PALM BEACH COUNTY, FLORIDA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the fiscal year ended September 30, 2004

<u>TOTAL AGENCY FUNDS</u>				
	Balance 10/1/2003	Additions	Deductions	Balance 9/30/2004
ASSETS				
Cash and cash equivalents	\$ 58,145,488	\$ 2,597,904,630	\$ 2,594,978,416	\$ 61,071,702
Accounts receivable, net	390,357	14,429,809	14,245,975	574,191
Due from other county funds	-	7,079,482	7,079,482	-
Due from other governments	107,379	13,970,693	13,528,030	550,042
Total assets	\$ 58,643,224	\$ 2,633,384,614	\$ 2,629,831,903	\$ 62,195,935
LIABILITIES				
Vouchers payable and accrued liabilities	\$ 118,907	\$ 41,200,508	\$ 41,141,282	\$ 178,133
Due to other county funds	-	133,514,672	133,514,672	-
Due to other governments	25,224,713	1,992,593,138	1,986,188,403	31,629,448
Due to individuals	32,909,379	288,878,303	291,748,884	30,038,798
Other liabilities	369,225	6,833,704	6,853,373	349,556
Advances from other county funds	21,000	-	21,000	-
Total liabilities	\$ 58,643,224	\$ 2,463,020,325	\$ 2,459,467,614	\$ 62,195,935

(concluded)



STATISTICAL SECTION



The Palm Beach County Convention Center is on the corner of Okeechobee Boulevard and Florida Avenue, across from the Kravis Center for the Performing Arts and Cityplace, a mixed-use urban development project with shopping, restaurant and residential space in downtown West Palm Beach.

PALM BEACH COUNTY, FLORIDA
 STATISTICAL TABLES
 SEPTEMBER 30, 2004
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TABLE I
PALM BEACH COUNTY, FLORIDA
Government-wide Expenses by Function (in thousands)
September 30, 2004

	2004	2003	2002
General government	\$ 288,389	\$ 298,207	\$ 241,263
Public safety	475,471	445,381	398,878
Physical environment	21,022	19,546	19,910
Transportation	127,519	137,809	133,766
Economic environment	50,111	42,405	39,696
Human services	88,367	80,165	74,530
Culture & recreation	92,631	91,333	84,350
Interest expense	36,730	34,241	36,089
Department of Airports	58,126	56,022	54,761
Water Utilities Department	77,154	69,516	66,579
Solid Waste Authority	151,239	135,594	129,331
	<u>\$ 1,466,759</u>	<u>\$ 1,410,219</u>	<u>\$ 1,279,153</u>

TABLE II
PALM BEACH COUNTY, FLORIDA
Government-wide Revenues by Source (in thousands)
September 30, 2004

	2004	2003	2002
Program Revenues			
Fines, Fees and Charges for services	\$ 612,078	\$ 477,733	\$ 451,465
Operating grants, contributions and restricted interest income	147,193	113,226	120,165
Capital grants & contributions	69,058	68,449	52,829
General Revenues			
Taxes levied by the County			
Ad valorem taxes	606,326	542,172	499,743
Utility service taxes	27,197	28,314	28,094
Local option gas taxes	48,034	45,946	43,444
Tourist development taxes	19,848	17,330	16,622
State shared sales tax	73,705	66,973	65,710
Franchise fees	22,856	22,845	21,516
State shared revenue	54,734	48,114	46,195
Investment income	33,858	31,005	58,375
Other general revenues	2,303	3,696	4,293
Gain on disposal of fixed assets	-	1,724	4,783
Special items	225	-	1,767
	<u>\$ 1,717,415</u>	<u>\$ 1,467,527</u>	<u>\$ 1,415,001</u>

These tables summarize revenues and expenses on the government-wide perspective for the Palm Beach County Primary Government. For more information on the government-wide perspective and an explanation of the primary government, see Note 1 of the Notes to the Financial Statements. Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments," which requires that government-wide financial statements be presented on the full accrual and economic resources measurement focus, was implemented for fiscal year 2002. Accordingly, only information for fiscal year 2002 and forward is presented.

Table III
PALM BEACH COUNTY, FLORIDA
Governmental Expenditures by Function (in thousands)
Last Ten Fiscal Years
September 30, 2004

	2004	2003	2002	2001	2000
Operating Expenditures					
General government	\$ 245,310	\$ 233,734	\$ 207,319	\$ 205,350	\$ 188,870
Public safety	455,658	413,014	374,776	341,867	311,788
Physical environment	21,419	18,413	19,542	22,295	8,671
Transportation	101,418	87,911	83,668	33,363	33,077
Economic environment	50,441	42,770	40,039	35,315	34,258
Human services	87,273	79,186	73,151	68,344	66,658
Culture & recreation	83,479	77,341	72,460	59,684	50,550
	<u>1,044,998</u>	<u>952,369</u>	<u>870,955</u>	<u>766,218</u>	<u>693,872</u>
Capital outlay	193,564	177,375	185,825	204,731	153,110
Debt service	86,168	78,652	82,126	68,014	68,802
Total expenditures	<u>\$ 1,324,730</u>	<u>\$ 1,208,396</u>	<u>\$ 1,138,906</u>	<u>\$ 1,038,963</u>	<u>\$ 915,784</u>

TABLE IV
PALM BEACH COUNTY, FLORIDA
Governmental Revenues by Source (in thousands)
Last Ten Fiscal Years
September 30, 2004

	2004	2003	2002	2001	2000
Taxes	\$ 750,538	\$ 678,624	\$ 630,295	\$ 569,259	\$ 529,327
Special assessments	96,267	92,674	88,985	66,503	60,286
Licenses	18,424	15,972	15,197	17,384	15,429
Intergovernmental	211,072	191,300	188,659	159,672	156,365
Charges for services	197,994	156,568	167,773	124,333	115,168
Less - excess fees paid out (1)	(30,963)	-	-	-	-
Fines & forfeitures	14,451	16,927	17,308	19,706	13,863
Investment income	30,482	26,712	54,270	77,439	48,543
Miscellaneous	24,668	23,233	33,458	33,078	23,848
Total revenues	<u>\$ 1,312,933</u>	<u>\$ 1,202,010</u>	<u>\$ 1,195,945</u>	<u>\$ 1,067,374</u>	<u>\$ 962,829</u>

- (1) Beginning in fiscal year 9/30/04, the excess fees returned from the Property Appraiser and Tax Collector are shown separately in the financial statements of Palm Beach County and are no longer netted with Charges for Services.

Note: Prior years' revenue and expenditures have been restated to include Debt Service and Capital Projects funds.

	1999	1998	1997	1996	1995
\$	185,869	\$ 180,803	\$ 162,791	\$ 156,380	\$ 149,646
	296,344	286,089	272,314	254,886	235,612
	8,149	7,981	8,397	8,184	7,047
	31,896	30,301	29,833	24,898	22,275
	32,324	33,948	30,971	26,506	21,303
	64,596	59,355	57,614	55,283	54,781
	47,423	44,125	44,021	37,823	35,108
	666,601	642,602	605,941	563,960	525,772
	112,114	113,484	185,629	148,703	126,345
	66,781	62,918	61,325	58,366	54,482
\$	845,496	\$ 819,004	\$ 852,895	\$ 771,029	\$ 706,599

	1999	1998	1997	1996	1995
\$	489,969	\$ 474,095	\$ 431,001	\$ 418,570	\$ 401,413
	53,258	41,166	36,345	31,918	29,550
	14,410	14,016	13,914	12,746	12,817
	152,826	140,825	122,128	117,805	108,111
	110,514	103,772	98,376	93,614	87,741
	-	-	-	-	-
	16,304	13,295	10,396	9,817	8,239
	23,631	38,401	31,741	35,704	33,189
	24,956	32,586	34,225	25,539	28,184
\$	885,868	\$ 858,156	\$ 778,126	\$ 745,713	\$ 709,244

TABLE V
PALM BEACH COUNTY, FLORIDA
Governmental Fund Type Taxes and Intergovernmental Revenues by Type (in thousands)
Last Ten Fiscal Years
September 30, 2004

	2004	2003	2002	2001	2000
Taxes by Type					
Ad valorem taxes	\$ 606,326	\$ 542,172	\$ 499,743	\$ 451,949	\$ 422,230
Tourist development tax	19,848	17,330	16,622	18,584	18,091
Local option gas tax	48,034	45,946	43,444	42,312	41,420
Utility taxes	27,197	28,314	28,094	41,175	37,874
Communication services tax (3)	26,277	22,017	20,876	-	-
Franchise fees	22,856	22,845	21,516	26,579	20,807
	<u>750,538</u>	<u>678,624</u>	<u>630,295</u>	<u>580,599</u>	<u>540,422</u>
Less:					
Local option gas tax recorded in Enterprise fund (1)	-	-	-	(11,340)	(11,095)
Reported in Governmental Fund Statements	<u>\$ 750,538</u>	<u>\$ 678,624</u>	<u>\$ 630,295</u>	<u>\$ 569,259</u>	<u>\$ 529,327</u>

	2004	2003	2002	2001	2000
Intergovernmental Revenue by Type					
State Shared Revenues					
Sales tax	\$ 73,705	\$ 66,973	\$ 65,710	\$ 62,560	\$ 60,297
State general revenue sharing	25,092	22,966	22,355	21,729	24,979
State levied - fuel taxes	14,130	13,242	12,866	12,372	12,127
911 wireless fees (2)	1,825	1,631	1,445	1,764	-
Alcoholic beverage licenses	459	457	482	448	443
Racing tax	491	456	456	457	458
Insurance agent county license	355	357	359	331	302
Mobile home license	87	99	95	115	112
Firefighters supplemental comp	148	131	126	121	114
	<u>116,292</u>	<u>106,312</u>	<u>103,894</u>	<u>99,897</u>	<u>98,832</u>
Federal Grants	56,910	56,082	56,327	39,437	39,705
State Grants	35,093	27,114	27,157	19,465	17,525
Other grants and contributions	2,777	1,792	1,281	873	303
Reported in Governmental Fund Statements	<u>\$ 211,072</u>	<u>\$ 191,300</u>	<u>\$ 188,659</u>	<u>\$ 159,672</u>	<u>\$ 156,365</u>

- (1) For FY99, 00 and 01 a portion of the local option gas tax was directly recorded in Palm Tran which was an enterprise fund. In FY02, Palm Tran was reclassified as a Special Revenue Fund.
- (2) Beginning in FY01, the County received its portion of 911 fees collected by wireless providers to help with the cost of the 911 system to wireless phone customers.
- (3) Prior to FY02, part of the utility tax was received from telecommunications which was paid directly to the County from various companies. In FY02, this tax is remitted directly to the State and the State remits the County a portion which is now called the Communications Service Tax.

Note: Includes General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Funds and the Constitutional Officers.

	1999	1998	1997	1996	1995
\$	386,064	\$ 361,942	\$ 325,528	\$ 312,984	\$ 299,819
	16,406	15,066	13,967	13,046	12,441
	40,679	40,314	36,596	37,652	36,961
	36,828	36,304	34,046	35,579	33,792
	-	-	-	-	-
	20,899	20,470	20,864	19,309	18,400
	500,876	474,096	431,001	418,570	401,413
	(10,907)	-	-	-	-
\$	489,969	\$ 474,096	\$ 431,001	\$ 418,570	\$ 401,413

	1999	1998	1997	1996	1995
\$	55,534	\$ 52,372	\$ 48,707	\$ 46,932	\$ 43,607
	28,275	27,240	21,810	20,464	20,457
	11,408	10,606	10,033	10,005	10,840
	-	-	-	-	-
	404	400	362	384	400
	473	446	453	447	446
	277	293	313	303	207
	132	149	152	169	181
	105	126	66	77	66
	96,608	91,632	81,896	78,781	76,204
	38,014	32,637	26,978	25,505	23,704
	17,114	16,207	12,741	13,106	7,986
	1,090	349	513	413	217
\$	152,826	\$ 140,825	\$ 122,128	\$ 117,805	\$ 108,111

TABLE VI
 PALM BEACH COUNTY, FLORIDA
 Property Tax Levies and Collections
 Last Ten Fiscal Years
 September 30, 2004

Fiscal Year Ended Sept. 30	Total Tax Levy	Current Tax Collection	Discounts	Current Taxes Collected & Discounts Allowed	Taxes Collected Plus Discounts Allowed As % of Levy
1995	\$ 310,554,887	\$ 296,620,540	\$ 10,587,286	\$ 307,207,826	98.9 %
1996	324,105,194	310,459,370	11,147,845	321,607,215	99.2
1997	338,151,462	323,751,501	11,644,079	335,395,580	99.2
1998	376,769,023	360,088,909	13,065,109	373,154,018	99.0
1999	402,654,178	385,369,330	13,978,254	399,347,584	99.2
2000	438,378,943	420,117,483	15,306,210	435,423,693	99.3
2001	469,324,538	449,946,948	16,233,904	466,180,852	99.3
2002	519,045,004	498,180,743	18,013,056	516,193,799	99.5
2003	564,142,933	540,858,347	19,651,559	560,509,906	99.4
2004	630,738,788	605,494,833	22,122,810	627,617,643	99.5

(1) Outstanding delinquent taxes as of April 1, 2004.

Note: Palm Beach County Library Fund and M.S.T. U.'s are included for all years shown.

Delinquent Tax Collection	Total Taxes Collected And Discounts Allowed	Total Taxes Collected And Discounts Allowed As % Of Levy	Outstanding Delinquent Taxes (1)	Outstanding Delinquent Taxes As % Of Levy
\$ 3,198,202	\$ 310,406,028	100.0 %	\$ 1,090,613	0.4 %
2,524,485	324,131,700	100.0	1,108,378	0.3
1,776,677	337,172,257	99.7	1,245,894	0.4
1,853,117	375,007,135	99.5	1,896,489	0.5
694,806	400,042,390	99.4	1,446,363	0.4
2,112,364	437,536,057	99.8	1,619,948	0.4
2,002,519	468,183,371	99.8	1,374,530	0.3
1,562,047	517,755,846	99.8	1,350,435	0.3
1,313,225	561,823,131	99.6	941,339	0.2
831,406	628,449,049	99.6	828,844	0.1

TABLE VII
 PALM BEACH COUNTY, FLORIDA
 Property Tax Rates - Direct and Overlapping
 Last Ten Fiscal Years
 September 30, 2004

(Per \$1,000 of Assessed Value)

Fiscal Year Ended Sept. 30	General Government	Debt Service Fund	Total Board Of County Commissioners	County School Board	South Florida Water Management District	Total Countywide
1995	\$ 4.2931	\$ 0.2262	\$ 4.5193	\$ 9.797	\$ 0.6470	\$ 14.9633
1996	4.2177	0.3014	4.5191	9.7880	0.6720	14.9791
1997	4.2358	0.2833	4.5191	9.5570	0.6970	14.7731
1998	4.6000	0.2666	4.8666	9.6820	0.6970	15.2456
1999	4.6000	0.2582	4.8582	9.0430	0.6970	14.5982
2000	4.6000	0.3456	4.9456	8.9180	0.6970	14.5606
2001	4.6000	0.3362	4.9362	8.9480	0.6970	14.5812
2002	4.5500	0.3851	4.9351	8.7790	0.6970	14.4111
2003	4.5000	0.3084	4.8084	8.5710	0.6970	14.0764
2004	4.5000	0.2910	4.7910	8.4320	0.6970	13.9200

TABLE VIII
 PALM BEACH COUNTY, FLORIDA
 Assessed Value of Taxable Property
 Last Ten Fiscal Years
 September 30, 2004

(000's omitted)

Fiscal Year Ended Sept. 30	Non-exempt Value Of Real Estate	Tangible Personal Property	Railroad And Telegraph	Total Non-exempt Valuation	Homestead & Non-personal Exemption	Total Assessed Value All Property
1995	\$ 50,329,078	\$ 4,448,027	\$ 40,682	\$ 54,817,787	\$ 13,160,307	\$ 67,978,094
1996	52,409,037	4,684,550	40,746	57,134,333	13,749,999	70,884,332
1997	55,069,533	4,858,594	54,931	59,983,058	14,011,341	73,994,399
1998	58,236,593	4,849,971	52,677	63,139,241	14,377,550	77,516,791
1999	62,228,527	5,174,101	57,168	67,459,796	14,675,515	82,135,311
2000	66,634,028	5,312,234	59,985	72,006,247	14,886,206	86,892,453
2001	73,877,216	5,686,654	58,319	79,622,189	15,456,360	95,078,549
2002	82,136,087	5,889,096	59,382	88,084,565	15,818,437	103,903,002
2003	92,640,677	5,966,663	73,154 (1)	98,680,494	16,865,949	115,546,443
2004	104,878,360	6,004,541	78,928	110,961,829	17,927,312	128,889,141

(1) The FEC increased the assessments in the amount of \$8 million and the CSX increased the assessments in the amount of \$6 million for FY03.

Source: Palm Beach County Property Appraiser's Office

Note: Florida State Law requires all property to be assessed at current fair market value.

TABLE IX
PALM BEACH COUNTY, FLORIDA
Property Value, Construction, and Bank Deposits
Last Ten Fiscal Years
September 30, 2004

Fiscal Year Ended Sept. 30	Property Value (1) (000's omitted)	Value of Building Permits Issued (2)				
		Units	Residential Value (000's omitted)	Commercial and Industrial (000's omitted)	Other (3) (000's omitted)	Total Permit Valuation (000's omitted)
1995	\$ 67,978,094	10,732	\$ 995,399	\$ 94,086	\$ 417,578	\$ 1,507,063
1996	70,884,332	9,311	932,675	143,940	323,503	1,400,118
1997	73,994,399	6,060	979,247	188,227	451,299	1,618,773
1998	77,516,791	10,677	1,159,302	227,318	752,374	2,138,994
1999	82,135,311	10,242	1,217,582	394,868	776,015	2,388,465
2000	86,892,453	10,026	1,507,878	360,271	918,780	2,786,929
2001	95,078,549	10,091	1,377,870	484,771	798,827	2,661,468
2002	103,903,002	11,834	1,774,629	133,558 (4)	923,155	2,831,342
2003	115,546,443	14,737	2,397,041	163,338	912,177	3,472,556
2004	128,889,141	13,223	2,693,808	182,623	899,288	3,775,719

- (1) Total assessed value of all property from Table VIII.
- (2) Source: Palm Beach County Department of Planning, Zoning and Building.
- (3) Hotels, motels, mobile home parks, and miscellaneous.
- (4) Some Municipalities did not report the commercial and industrial value in FY02.

Bank Deposits:

Fiscal Year Ended Sept. 30	Commercial Banks (000's omitted)	Federal Savings and Loans Associations (000's omitted)
1995	\$ 9,055,476	\$ 7,606,601
1996	9,545,424	6,578,158
1997	9,911,930	5,941,909
1998	10,715,881	6,949,839
1999	13,283,898	7,243,923
2000	12,843,897	7,646,519
2001	13,841,347	8,571,953
2002	14,484,675	10,449,461
2003	16,219,806	11,454,051
2004	18,173,000	12,815,000

Source: 2004 FDIC website. Prior to 2004 Florida League of Financial Institutions website

TABLE X
PALM BEACH COUNTY, FLORIDA
Special Assessment Billings and Collections
Last Ten Fiscal Years
September 30, 2004

Fiscal Year Ended Sept. 30	Roads			Water		
	Billings & Adjustments	Collections	Total Outstanding Assessments	Billings & Adjustments	Collections	Total Outstanding Assessments
1995	\$ 1,622,192	\$ 1,263,209	\$ 4,617,629	\$ 150,280	\$ 730,469	\$ 1,535,742
1996	139,833	1,359,783	3,397,679	3,259,954	808,735	3,986,961
1997	734,626	1,051,209	3,081,096	1,914,908	1,294,871	4,606,998
1998	1,027,959	897,993	3,211,062	1,936,794	1,307,283	5,236,509
1999	1,521,765	1,284,619	3,448,208	1,002,683	1,189,218	5,049,974
2000	759,232	918,207	3,289,233	791,198	1,176,135	4,665,037
2001	485,423	864,427	2,910,229	2,027,785	1,245,436	5,447,386
2002	1,072,084	963,970	3,018,343	5,179,972	1,649,980	8,977,378
2003	322,493	862,608	2,478,228	3,790,342	2,507,241	10,260,479
2004	958,345	936,376	2,500,197	9,460,257	7,535,550	12,185,186

TABLE XI
PALM BEACH COUNTY, FLORIDA
Schedule of Bond Issues
September 30, 2004

Bond Issue	Interest Rates	Bond Date	Maturity Date
General Obligation Bonds:			
General Obligation Refunding Bonds, Series 1994 B	4.25% - 6.75%	02/01/94	07/01/11
General Obligation Bonds, Series 1994	6.00% - 7.00%	12/01/94	12/01/05
General Obligation Refunding Bonds, Series 1998	4.00% - 5.50%	04/01/98	12/01/14
General Obligation Bonds (Recreational and Cultural Facilities), Series 1999 A	4.65% - 6.00%	10/01/99	08/01/19
General Obligation Bonds (Land Acquisition Program), Series 1999 B	4.40% - 5.75%	11/01/99	08/01/19
General Obligation Bonds (Land Acquisition Program), Series 2001 A	3.60% - 5.50%	02/15/01	06/01/20
General Obligation Bonds (Library District Improvement Project), Series 2003	2.00% - 5.25%	07/08/03	07/01/23
General Obligation Bonds (Recreational and Cultural Facilities), Series 2003	2.00% - 5.00%	07/29/03	07/01/23
Total General Obligation Bonds			
Non-Ad Valorem Revenue Bonds:			
Criminal Justice Facilities Revenue Bonds, Series 1990	6.00% - 7.25%	06/15/90	06/01/15
Administrative Complex Revenue Refunding Bonds, Series 1993	5.10% - 5.25%	04/01/93	06/01/11
Revenue Refunding Bonds, Series 1993	5.10% - 5.30%	04/01/93	10/01/06
Criminal Justice Facilities Revenue Refunding Bonds, Series 1993	5.30% - 5.375%	05/15/93	06/01/11
Beach Acquisition Revenue Refunding Bonds, Series 1993	5.00% - 5.25%	07/15/93	11/01/07
Public Improvement Revenue Bonds, Series 1995	4.55% - 5.10%	12/01/95	11/01/15
Parks and Recreation Facilities Revenue Bonds, Series 1996	4.75% - 5.50%	09/01/96	11/01/16
Stadium Facilities Revenue Bonds, Series 1996	4.70% - 5.25%	12/01/96	12/01/16
Criminal Justice Facilities Revenue Refunding Bonds, Series 1997	5.75%	08/01/97	06/01/13
Revenue Improvement Bonds, Series 1997	4.15% - 5.00%	12/01/97	12/01/17
Criminal Justice Facilities Revenue Refunding, Series 2002	2.75% - 5.00%	08/15/02	06/01/15
Public Improvement Recreation Facilities Revenue Refunding Bonds, Series 2003	2.00% - 4.00%	11/13/03	07/01/14
Public Improvement Revenue and Refunding Bonds, Series 2004	2.00% - 6.00%	01/28/04	08/01/23
Public Improvement Revenue Refunding Bonds (Convention Center), Series 2004	2.00% - 5.00%	02/25/04	11/01/30
Total Non-Ad Valorem Revenue Bonds			
Revenue Bonds:			
Water & Sewer Revenue Bonds, Series 1985	1.05% Variable	06/04/85	10/01/11
Water & Sewer Revenue Bonds, Series 1995	4.70% - 5.50%	11/01/95	10/01/11
Water & Wastewater Revenue Bonds, Series 1998	4.00% - 5.00%	06/01/98	10/01/17
Water & Sewer Revenue Refunding Bonds, Series 2003	2.00% - 5.00%	07/08/03	10/01/13
Water & Sewer Revenue Refunding Bonds, Series 2004	3.00% - 5.00%	05/12/04	04/01/11
Airport System Revenue Refunding Bonds, Series 2001	4.00% - 5.50%	07/01/01	10/01/10
Airport System Revenue Refunding Bonds, Series 2002	5.75%	07/01/02	10/01/14
Solid Waste Authority Refunding Revenue Bonds, Series 1997 A	4.875% - 6.00%	03/15/97	10/01/10
Solid Waste Authority Refunding Revenue Bonds, Series 1998 A	4.25% - 5.05%	08/01/98	10/01/13
Solid Waste Authority Refunding Revenue Bonds, Series 2002 A	2.75% - 5.00%	11/07/02	10/01/06
Solid Waste Authority Improvement Revenue Bonds, Series 2002 B	2.125% - 5.05%	11/07/02	10/01/16
Solid Waste Authority Refunding Revenue Bonds, Series 2004	2.00% - 2.50%	03/02/04	10/01/11
Total Revenue Bonds			

Call Date	Authorized	Issued	Retired	Outstanding	Current Portion
None	\$ 60,050,000	\$ 57,440,000	\$ 25,775,000	\$ 31,665,000	\$ 3,120,000
12/01/04	50,000,000	50,000,000	45,325,000	4,675,000	2,260,000
None	55,000,000	45,625,000	8,910,000	36,715,000	3,305,000
08/01/09	25,000,000	25,000,000	4,335,000	20,665,000	935,000
08/01/09	75,000,000	75,000,000	13,690,000	61,310,000	2,870,000
06/01/11	75,000,000	75,000,000	7,680,000	67,320,000	3,000,000
07/01/13	30,500,000	30,500,000	1,080,000	29,420,000	1,080,000
07/01/13	25,000,000	25,000,000	865,000	24,135,000	955,000
	<u>\$ 395,550,000</u>	<u>\$ 383,565,000</u>	<u>\$ 107,660,000</u>	<u>\$ 275,905,000</u>	<u>\$ 17,525,000</u>
None	\$ 233,620,000	\$ 233,620,000	\$ 195,705,000	\$ 37,915,000	\$ -
None	27,000,000	22,245,000	11,285,000	10,960,000	1,330,000
None	26,515,000	26,515,000	19,050,000	7,465,000	2,365,000
None	117,485,000	117,485,000	37,080,000	80,405,000	9,770,000
None	33,000,000	30,730,000	20,135,000	10,595,000	2,455,000
11/01/05	22,000,000	15,175,000	4,465,000	10,710,000	680,000
11/01/06	26,300,000	26,300,000	6,460,000	19,840,000	1,100,000
12/01/07	29,000,000	28,010,000	7,005,000	21,005,000	1,185,000
None	38,000,000	32,775,000	120,000	32,655,000	-
12/01/07	25,000,000	22,425,000	4,870,000	17,555,000	930,000
None	18,560,000	18,560,000	545,000	18,015,000	1,360,000
None	7,000,000	6,525,000	590,000	5,935,000	525,000
08/01/14	100,000,000	94,300,000	525,000	93,775,000	3,710,000
11/01/11	83,000,000	81,340,000	-	81,340,000	-
	<u>\$ 786,480,000</u>	<u>\$ 756,005,000</u>	<u>\$ 307,835,000</u>	<u>\$ 448,170,000</u>	<u>\$ 25,410,000</u>
Anytime	\$ 18,645,000	\$ 18,645,000	\$ 8,000,000	\$ 10,645,000	\$ 900,000
10/01/05	56,000,000	54,650,000	46,895,000	7,755,000	3,795,000
10/01/08	30,000,000	30,000,000	5,970,000	24,030,000	1,285,000
None	26,785,000	26,785,000	-	26,785,000	3,550,000
None	32,000,000	28,265,000	-	28,265,000	160,000
None	83,965,000	83,965,000	15,645,000	68,320,000	8,410,000
None	60,150,000	60,150,000	-	60,150,000	-
None	290,000,000	266,590,000	73,905,000	192,685,000	16,125,000
None	36,405,432	36,405,432	-	36,405,432	-
None	30,560,000	30,560,000	8,570,000	21,990,000	10,085,000
None	39,869,386	39,869,386	-	39,869,386	370,000
None	34,385,000	34,385,000	-	34,385,000	180,000
	<u>\$ 738,764,818</u>	<u>\$ 710,269,818</u>	<u>\$ 158,985,000</u>	<u>\$ 551,284,818</u>	<u>\$ 44,860,000</u>

TABLE XII
 PALM BEACH COUNTY, FLORIDA
 Ratio of Annual Debt Service Expenditures to General Expenditures for
 General Bonded Debt and Non-Ad Valorem Revenue Bonds (in thousands)
 Last Ten Fiscal Years
 September 30, 2004

GENERAL BONDED DEBT						
Fiscal Year Ended Sept. 30	Principal	Interest & Fiscal Charges	Total Debt Service	Operating Expenditures (1)	Ratio of Debt Service to General Expenditures	
1995	\$ 6,525	\$ 6,598	\$ 13,123	\$ 525,772	2.50 %	
1996	8,180	8,019	16,199	563,960	2.87	
1997	8,520	7,683	16,203	605,941	2.67	
1998	8,880	6,192	15,072	642,602	2.35	
1999	10,765	6,389	17,154	666,601	2.57	
2000	13,980	9,399	23,379	693,872	3.37	
2001	13,370	10,370	23,740	766,218	3.10	
2002	16,055	13,872	29,927	870,955	3.44	
2003	14,185	12,324	26,509	952,369	2.78	
2004	16,840	13,787	30,627	1,044,998	2.93	

NON-AD VALOREM REVENUE BONDS						
Fiscal Year Ended Sept. 30	Principal	Interest & Fiscal Charges	Total Debt Service	Operating Expenditures (1)	Ratio of Debt Service to General Expenditures	
1995	\$ 11,560	\$ 19,733	\$ 31,293	\$ 525,772	5.95 %	
1996	14,873	19,688	34,561	563,960	6.13	
1997	15,255	20,744	35,999	605,941	5.94	
1998	17,755	21,076	38,831	642,602	6.04	
1999	18,230	21,143	39,373	666,601	5.91	
2000	17,365	20,215	37,580	693,872	5.42	
2001	18,315	19,253	37,568	766,218	4.90	
2002	19,265	22,320	41,585	870,955	4.77	
2003	21,810	21,063	42,873	952,369	4.50	
2004	22,860	20,733	43,593	1,044,998	4.17	

(1) Includes expenditures for governmental fund types and excludes Debt Service expenditures and Capital Outlay. See Table III.

COMBINED GENERAL BONDED DEBT AND NON-AD VALOREM REVENUE BONDS

Fiscal Year Ended Sept. 30	Principal	Interest & Fiscal Charges	Total Debt Service	Operating Expenditures (1)	Ratio of Debt Service to General Expenditures
1995	\$ 18,085	\$ 26,331	\$ 44,416	\$ 525,772	8.45 %
1996	23,053	27,707	50,760	563,960	9.00
1997	23,775	28,427	52,202	605,941	8.62
1998	26,635	27,268	53,903	642,602	8.39
1999	28,995	27,532	56,527	666,601	8.48
2000	31,345	29,614	60,959	693,872	8.79
2001	31,685	29,623	61,308	766,218	8.00
2002	35,320	36,192	71,512	870,955	8.21
2003	35,995	33,387	69,382	952,369	7.29
2004	39,700	34,520	74,220	1,044,998	7.10

TABLE XIII
 PALM BEACH COUNTY, FLORIDA
 Ratio of Net General Obligation Bonded Debt
 To Assessed Value and Net Bonded Debt Per Capita
 Last Ten Fiscal Years
 September 30, 2004

Fiscal Year Ended Sept. 30	Population Estimate (1)	Assessed Value (2) (000's omitted)	General Obligation Bonded Debt	Less Debt Service Reserve	Net General Bonded Debt	Net General Bonded Debt To Assessed Value	Net General Bonded Debt Per Capita
1995	962,802	\$ 54,817,787	\$ 151,580,000	\$ 982,702	\$ 150,597,298	0.2747 %	156.42
1996	981,793	57,134,333	143,400,000	1,266,135	142,133,865	0.2488	144.77
1997	1,003,798	59,983,058	134,880,000	1,056,666	133,823,334	0.2231	133.32
1998	1,020,521	63,139,241	130,600,000	2,138,470	128,461,530	0.2035	125.88
1999	1,042,196	67,459,796	119,835,000	1,029,816	118,805,184	0.1761	114.00
2000	1,131,184	72,006,247	205,855,000	882,217	204,972,783	0.2847	181.20
2001	1,154,464	79,622,189	267,485,000	1,445,172	266,039,828	0.3341	230.44
2002	1,183,197	88,084,565	253,845,000	1,650,389	252,194,611	0.2863	213.15
2003	1,211,448	98,680,494	292,745,000	1,115,765	291,629,235	0.2955	240.73
2004	1,242,270	110,961,829	275,905,000	529,193	275,375,807	0.2482	221.67

(1) Population estimates furnished by the University of Florida. See Table XXI.

(2) Assessed value figures supplied by the Palm Beach County Property Appraiser's Office. See Table VIII.

TABLE XIV
PALM BEACH COUNTY, FLORIDA
Direct and Overlapping Indebtedness
County Debt
September 30, 2004

Outstanding Direct and Indirect Debt

Direct - General Obligation

General Obligation Refunding Bonds, Series 1994B	\$ 31,665,000
General Obligation Bonds, Series 1994	4,675,000
General Obligation Bonds, Series 1998	36,715,000
General Obligation Bonds, Series 1999A	20,665,000
General Obligation Bonds, Series 1999B	61,310,000
General Obligation Bonds, Series 2001A	67,320,000
General Obligation Bonds, Series 2003 Libraries	29,420,000
General Obligation Bonds, Series 2003 Parks	24,135,000
<hr/>	
Total General Obligation Bonds	\$ 275,905,000

Direct - Non Self-Supporting

(1) Criminal Justice Facilities Revenue Bonds, Series 1990	\$ 37,915,000
(1) Administrative Complex Revenue Refunding Bonds, Series 1993	10,960,000
(1) Revenue Refunding Bonds, Series 1993	7,465,000
(1) Criminal Justice Facility Revenue Refunding Bonds, Series 1993	80,405,000
(1) Beach Acquisition Revenue Refunding Bonds, Series 1993	10,595,000
(1) Judicial Center Parking Facilities, Series 1995	10,710,000
(1) Parks and Recreation Facilities Revenue Bonds, Series 1996	19,840,000
(1) Stadium Facilities Revenue Bonds, Series 1996	21,005,000
(1) Criminal Justice Facilities Revenue Refunding Bonds, Series 1997	32,655,000
(1) Revenue Improvement Bonds, Series 1997	17,555,000
(1) Criminal Justice Facility Refunding Bonds, Series 2002	18,015,000
(1) Public Improvement Recreation Facilities Revenue Refunding Bonds, Series 2003	5,935,000
(1) Public Improvement Revenue and Refunding Bonds, Series 2004	93,775,000
(1) Public Improvement Revenue Refunding Bonds (Convention Center), Series 2004	81,340,000
(1) Sunshine State Government Finance Commission	61,126,000
<hr/>	
Total Non Self-Supporting Debts	\$ 509,296,000

Direct - Self-Supporting

Water and Sewer Revenue Bonds	\$ 97,480,000
Airport Revenue Bonds	128,470,000
Solid Waste Authority Revenue Bonds	325,334,818
<hr/>	
Total Self-Supporting Debts	\$ 551,284,818

(continued)

(1) Secured by a pledge of the County to budget and appropriate from non-ad valorem taxes.

Source: Palm Beach County, Office of Financial Management and Budget

TABLE XIV
PALM BEACH COUNTY, FLORIDA
Direct and Overlapping Indebtedness
County Debt
September 30, 2004

Underlying County Debt

Municipalities	General Obligation Bonds	Non Self- Supporting Revenue Bonds	Self- Supporting Revenue Bonds
Atlantis	\$ -	\$ -	\$ 2,400,000
(2) Belle Glade	-	-	13,725,000
Boca Raton	61,605,000	4,310,000	48,765,000
Boynton Beach	-	7,985,000	43,575,000
Delray Beach	29,620,000	29,382,875	32,599,475
Greenacres City	90,984	6,835,000	-
Highland Beach	4,053,950	4,105,000	7,754,163
Juno Beach	-	736,405	-
Jupiter	10,165,000	13,635,000	51,145,000
(2) Lake Clarke Shores	-	-	3,234,033
Lake Park	7,618,860	-	4,800,000
(2) Lake Worth	5,060,000	-	15,770,000
Lantana	-	1,092,000	8,060,000
North Palm Beach	-	6,600,000	-
(2) Pahokee	-	846,696	8,585,570
Palm Beach	680,000	24,340,000	-
Palm Beach Gardens	14,420,913	19,320,000	6,476,000
Palm Springs	7,635,000	-	22,376,515
Riviera Beach	-	8,303,000	31,495,000
Royal Palm Beach	205,329	-	25,822,742
Tequesta	-	322,199	-
Wellington	-	19,080,230	22,355,000
West Palm Beach	31,225,000	83,260,000	152,694,409
Subtotal, Municipal Debt	172,380,036	230,153,405	501,632,907
Palm Beach County School District	154,400,000	1,431,453,000	-
Subtotal Municipalities and School district underlying debt	\$326,780,036	\$1,661,606,405	\$ 501,632,907

(continued)

(2) Balances are as of 9/30/2003. 9/30/2004 was unavailable.

Underlying County Debt

	General Obligation Bonds	Non Self- Supporting Revenue Bonds	Self- Supporting Revenue Bonds
<u>Special Taxing Districts:</u>			
Boca Raton Redevelopment Agency	\$ -	\$ -	\$ 65,990,168
City Place Community Development District	-	55,155,000	-
Indian Trail Water Control District	-	27,641,943	2,000,000
Northern Palm Beach County Water Control District	-	-	210,140,685
Port of Palm Beach District	-	-	51,189,729
Seacoast Utility Authority	-	-	79,021,381
Seminole Water Control District	-	-	6,441,045
South Indian River Water Control District	-	12,031,593	-
(1) Westgate/Belvedere Homes Community Redevelopment Agency	-	2,685,000	-
<hr/>			
Subtotal, Special Districts	-	97,513,536	414,783,008
<hr/>			
Total Underlying Debt	\$ 326,780,036	\$ 1,759,119,941	\$ 916,415,915

(concluded)

- (1) The County has agreed to budget and appropriate Non-Ad Valorem Revenues to support possible Debt Service deficiencies.

TABLE XV
PALM BEACH COUNTY, FLORIDA
Non-Ad Valorem Revenues
Last Ten Fiscal Years
September 30, 2004

Fiscal Year Ended Sept. 30	1995	1996	1997	1998
Electric Franchise Tax	\$ 13,264,242	\$ 14,117,969	\$ 15,368,039	\$ 14,577,405
Cable TV Franchise Tax (3)	2,627,606	2,737,859	2,897,618	3,122,732
Utility Service Tax (4)	33,792,233	35,579,445	34,046,340	36,303,183
Available Tourist Development Tax (2)	-	-	688,118	2,245,084
Communications Service Tax (4)	-	-	-	-
Half-Cent Sales Tax	43,607,277	47,054,681	48,707,010	52,485,545
State Revenue Sharing	20,457,021	20,464,449	21,810,261	27,240,250
Licenses & Permits	1,147,407	1,263,512	1,653,878	1,651,540
Parks & Recreation Fees	3,112,515	4,659,606	5,552,303	5,957,070
Animal Regulation Fees	1,337,466	1,780,679	1,844,725	1,905,850
County Home Receipts (1)	5,409,545	-	-	-
Parking Revenue	853,308	838,392	820,489	973,458
Reimburse of Indirect Costs	8,299,080	10,099,223	10,271,243	10,616,039
County Officer's Fees	4,114,634	4,322,888	4,524,653	4,469,124
Charges for Other Services	15,543,753	18,987,123	19,427,464	19,974,141
Excess Fees - Clerk (5)	963,357	1,246,536	1,073,860	3,611,425
Excess Fees - Property Appraiser (5)	1,277,731	1,258,986	1,139,019	1,313,992
Excess Fees - Tax Collector (5)	12,882,576	11,848,662	12,983,518	13,764,928
Excess Fees - Sheriff (5)	3,224,625	2,023,439	2,278,632	3,528,547
Fines and Forfeitures	4,597,792	5,186,232	5,141,740	6,106,164
Interest	13,329,842	13,845,557	14,040,248	16,145,965
Miscellaneous	5,803,114	7,881,311	10,660,510	6,480,274
TOTALS	\$ 195,645,124	\$ 205,196,549	\$ 214,929,668	\$ 232,472,716

- (1) The County Home was transferred to the Health Care Taxing District beginning with fiscal year 1996.
- (2) Prior to fiscal year 1997, the Tourist Development Tax was not legally available for Debt Service purposes. The Tourist Development Tax is available for tourist development debt only.
- (3) The local Cable TV Franchise Fee has been replaced with a new statewide Telecommunications Service tax effective in FY02 which is collected by the State.
- (4) Prior to FY02, part of the utility tax was received from telecommunications which was paid directly to the County from various companies. In FY02, this tax is remitted directly to the State and the State remits the County a portion which is now called the Communications Service Tax.
- (5) Excess fees represent unspent appropriations of the constitutional officers which are required by Florida Statute to be returned to the County at the end of the fiscal year. The excess fees are recorded as 'transfer-in' by the County and 'transfers-out' by the constitutional officers in the fund statements. Beginning in fiscal years ended 9/30/03, excess fees for the Tax Collector and Property Appraiser (in compliance with GASB 34) are reported as 'reimbursements of expenses' by the County and as a 'reduction of fee revenue' by the Tax Collector and Property Appraiser in the fund statements. Because these 'excess fees' represent a refund of unspent 'charges for services' rather than unspent appropriations, they are no longer used in the computation of the debt coverage ratio.

Source: Palm Beach County, Office of Financial Management and Budget

Note: Non-Ad Valorem Revenues are available revenues of the County other than ad valorem taxation on real and personal property, which are legally available for payment of debt service by the County.

1999	2000	2001	2002	2003	2004
\$ 14,791,627	\$ 13,379,692	\$ 17,141,089	\$ 16,468,768	\$ 17,824,293	\$ 17,905,261
3,185,358	3,249,347	4,277,975	20,670	-	-
36,828,025	37,874,444	40,891,114	28,094,173	28,314,364	27,196,819
2,245,763	2,243,015	2,242,294	3,037,109	4,332,524	4,962,054
-	-	-	20,875,937	22,016,697	26,277,301
55,533,627	60,297,169	62,560,483	65,710,226	66,973,342	73,705,133
28,274,965	24,978,575	21,728,736	22,283,583	22,917,694	25,040,944
1,748,599	3,794,672	3,885,201	4,114,205	3,874,911	6,377,608
6,231,392	6,654,167	8,578,105	8,578,510	9,477,537	9,474,905
1,973,128	2,176,232	1,987,077	2,252,860	2,541,806	2,510,009
-	-	-	-	-	-
537,113	509,783	405,201	377,930	362,934	296,471
10,156,387	8,871,682	8,343,573	8,725,494	9,315,887	9,823,540
6,386,010	4,944,643	5,263,402	5,758,018	5,771,908	4,220,421
22,270,541	21,973,663	24,538,155	28,273,977	29,437,466	30,867,264
4,090,302	3,260,654	2,989,138	7,196,616	7,472,330	10,879,034
1,805,413	2,081,075	1,516,192	1,669,863	-	-
15,142,160	16,220,935	16,927,338	18,237,099	-	-
3,695,220	13,890,313	14,754,706	23,719,248	16,216,318	8,015,401
5,592,064	6,459,624	7,932,981	7,987,441	8,093,869	8,027,054
11,345,322	18,878,233	30,858,008	21,357,264	11,170,042	12,338,681
9,630,622	10,787,160	13,365,627	9,453,712	13,699,517	16,706,987
<u>\$ 241,463,638</u>	<u>\$ 262,525,078</u>	<u>\$ 290,186,395</u>	<u>\$ 304,192,703</u>	<u>\$ 279,813,439</u>	<u>\$ 294,624,887</u>

TABLE XVI
PALM BEACH COUNTY, FLORIDA
Schedule of Non-Ad Valorem Revenue Indebtedness Coverage
Last Ten Fiscal Years
September 30, 2004

Fiscal Year Ended Sept. 30	Principal	Interest	Total Debt Service	Non-Ad Valorem Revenues	Times (1) Coverage
1995	\$ 18,767,184	\$ 21,411,459	\$ 40,178,643	\$195,645,124	\$4.87
1996	19,956,881	20,962,224	40,919,105	205,196,549	5.01
1997	21,186,913	22,261,279	43,448,192	214,929,668	4.95
1998	25,203,839	22,580,411	47,784,250	232,472,716	4.87
1999	26,368,017	22,155,118	48,523,135	241,463,638	4.98
2000	19,565,000	21,368,995	40,933,995	262,525,078	6.41
2001	21,225,000	20,609,793	41,834,793	290,186,395	6.94
2002	24,230,000	23,109,685	47,339,685	304,192,703	6.43
2003	26,781,000	21,704,668	48,485,668	279,813,439	5.77
2004	28,002,000	20,878,095	48,880,095	294,624,887	6.03

- (1) The County covenants that it will not issue any indebtedness or incur any indebtedness payable from or supported by a pledge of non-ad valorem revenues unless the total amount of non-ad valorem revenues will be greater than 2.00 times the debt service required in the current or any future fiscal year. For purposes of such test, the interest rate on bonds bearing interest at a variable rate must be prospectively calculated in future years at the higher rate of (a) 12% per annum or (b) the average yield to par call for the Bond Buyer Municipal Bond Index (the "Bond Buyer 40") on the date of calculation, rather than the actual rate as shown in the schedule. [For the year ended September 30, 2004, if the County had used the maximum annual debt service for variable rate debt, the times coverage would be 5.02.]

Note: The Total Debt Service includes all Non-Ad Valorem Revenue Bonds and loans from the Sunshine State Governmental Financing Commission.

TABLE XVII
PALM BEACH COUNTY, FLORIDA
Water Utilities Enterprise Fund
Schedule of Revenue Bond Coverage
Last Ten Fiscal Years
September 30, 2004

Fiscal Year Ended Sept. 30	Gross Revenues(1)	Expenses(1)	Net Revenue Available	Debt Service Requirements			Coverage(2)
				Principal	Interest	Total	
1995	\$57,737,939	\$31,350,219	\$26,387,720	\$4,160,000	\$6,714,629	\$10,874,629	\$2.43
1996	60,201,397	32,723,393	27,478,004	5,485,000	4,460,275	9,945,275	2.76
1997	64,836,672	34,469,161	30,367,511	5,560,000	4,885,721	10,445,721	2.91
1998	74,752,643	35,169,640	39,583,003	6,090,000	5,795,100	11,885,100	3.33
1999	77,144,444	36,613,490	40,530,954	7,340,000	5,754,399	13,094,399	3.10
2000	81,724,928	38,633,105	43,091,823	7,735,000	5,090,499	12,825,499	3.36
2001	88,755,319	41,169,977	47,585,342	8,025,000	3,658,234	11,683,234	4.07
2002	89,381,995	43,442,112	45,939,883	8,445,000	4,058,402	12,503,402	3.67
2003	87,662,806	47,582,812	40,079,994	8,885,000	2,651,660	11,536,660	3.47
2004	92,659,831	51,897,612	40,762,219	9,610,000	1,877,051	11,487,051	3.55

(1) The calculation of gross revenues excludes connection fees and extraordinary gains and the calculation of expenses excludes interest expense, depreciation and extraordinary losses.

(2) Coverage equals "Net Revenue Available" divided by "Total Debt Service". This statistic indicates the number of revenue dollars available for each dollar of debt service.

Source: Water Utilities Department Finance and Administration Division

TABLE XVIII
PALM BEACH COUNTY, FLORIDA
Computation of Legal Debt Margin
September 30, 2004

The constitution of the State of Florida, Florida Statute 200.181, and Palm Beach County set no legal debt limit.

TABLE XIX
PALM BEACH COUNTY, FLORIDA
Per Capita Personal Income
September 30, 2004

Year	Palm Beach County			Florida		United States
	Dollars	% of Fla.	% of U.S.	Dollars	% of U.S.	Dollars
1989	24,319	137.3 %	138.2 %	17,715	100.7 %	17,594
1990	29,322	155.1	156.8	18,906	101.1	18,696
1991	30,425	157.7	158.8	19,293	100.7	19,160
1992	31,028	156.7	154.3	19,797	98.5	20,105
1993	32,230	156.1	155.0	20,650	99.3	20,800
1994	33,862	155.5	153.6	21,777	98.8	22,044
1995	36,213	156.5	155.0	23,139	99.1	23,359
1996	38,081	157.4	155.8	24,198	99.0	24,436
1997	38,772	156.3	153.3	24,799	98.1	25,288
1998	39,182	149.8	145.7	26,161	97.3	26,893
1999	39,545	148.7	142.0	26,593	95.5	27,843
2000	41,007	147.7	139.2	27,764	94.2	29,469
2001	43,626	150.2	143.4	29,048	95.5	30,413
2002	44,120	148.3	142.8	29,758	96.3	30,906

Source: University of Florida, Bureau of Economic and Business Research.

Note : Data for 2003 and 2004 is not available.

TABLE XX
 PALM BEACH COUNTY, FLORIDA
 Annual Average Labor Force and Unemployment Estimates
 September 30, 2004

Year	Civilian Labor Force	Unemployment Rates		
		Palm Beach County	Florida	United States
1988	428,568	4.7 %	5.4 %	6.1 %
1989	408,955	5.0	5.0	5.3
1990	427,984	6.6	5.9	5.5
1991	432,277	8.5	7.3	6.7
1992	434,244	9.9	8.2	7.4
1993	438,246	8.6	7.0	6.8
1994	444,672	8.4	6.6	6.1
1995	454,852	6.7	5.4	5.6
1996	461,526	7.0	5.2	5.4
1997	482,486	6.3	4.8	4.9
1998	507,754	5.5	4.3	4.5
1999	543,006	4.8	4.0	3.8
2000	524,708	4.1	3.6	3.8
2001	541,377	5.9	4.5	4.7
2002	553,833	6.4	5.4	5.4
2003	590,677	6.2	5.4	5.8
2004	599,785	5.7	4.7	5.1

Source: Florida Department of Labor and Employment Security and
 Bureau of Labor Market Unemployment Information Labor Statistics
 Department

TABLE XXI
 PALM BEACH COUNTY, FLORIDA
 Population Growth
 Last Ten Fiscal Years
 September 30, 2004

Year	Palm Beach County		Florida		United States	
	Population	Percent Change	Population	Percent Change	Population	Percent Change
1994	937,190		13,878,905		259,718,000	
1995	962,802	2.7 %	14,149,317	1.9 %	262,176,000	0.9 %
1996	981,793	1.9	14,411,563	1.8	266,538,000	1.6
1997	1,003,798	2.2	14,712,365	2.0	267,636,000	0.4
1998	1,020,521	1.6	15,475,000	4.9	270,733,000	1.1
1999	1,042,196	2.1	15,322,000	(1.0)	272,190,000	0.5
2000	(2) 1,131,184	7.9	15,982,378	4.1	275,860,949	1.3
2001	1,154,464	2.0	16,331,739	2.1	285,371,621	3.3
2002	1,183,197	2.4	16,674,608	2.1	290,299,949	1.7
2003	1,211,448	2.3	17,071,508	2.3	292,287,454	0.7
2004	1,242,270	2.5	17,516,732	2.5	295,340,436	1.0

Palm Beach County
Population Distribution by Age Group (1)

Age Group	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
0-17	21%	18%	18%	18%	18%	18%	18%	18%	18%	18%
18-64	57	59	59	59	59	58	58	58	58	58
65+	22	23	23	23	23	24	24	24	24	24

Source: University of Florida, Bureau of Economic and Business Research and the U.S. Bureau of the Census. Palm Beach County and Florida data is as of April 1. United States data is as of January 1, 2005.

- (1) Population distribution by age group was not available for 2004 at the time of publication.
 (2) 2000 Census adjustment.

TABLE XXII
 PALM BEACH COUNTY, FLORIDA
 Ten Largest Taxpayers
 September 30, 2004

Taxpayer	Taxes Paid	Percentage Of Total Taxes Levied
Florida Power & Light	\$ 21,946,476	3.48 %
BellSouth Telecommunications	11,584,078	1.84
U.S. Sugar Corporation	5,695,327	0.90
Town Center	4,298,889	0.68
Panthers BRHC LTD	4,174,358	0.66
Breakers Palm Beach Inc.	4,043,244	0.64
West Palm Beach CRA Lessor	3,851,908	0.61
Okeelanta Co	3,360,565	0.53
Lawrence L. Landry	3,324,010	0.53
TJ Palm Beach Assoc LTD	2,945,869	0.47
Total	\$ 65,224,724	10.33 %

Total Taxes levied: \$ 630,783,788

Source: Palm Beach County, Office of the Tax Collector

TABLE XXIII
PALM BEACH COUNTY, FLORIDA
Demographic Tables
September 30, 2004

	<u>Approximate Number of Employees</u>
 TEN LARGEST PRIVATE EMPLOYERS:	
Florida Power & Light Company (Utilities)	2,800
Boca Raton Resort & Club (Hotel)	2,380
The Breakers (Hotel)	2,000
Office Depot (Retail-Office Supplies)	1,500
ADT/Sensormatic (Anti-theft Devices)	1,300
Palm Beach Newspapers (Newspaper Publishing)	1,210
Bank of America (Banking)	1,170
BellSouth (Communications)	1,110
Pratt & Whitney (Rocket Engines)	1,100
PGA National Resort & Spa (Hotel)	1,000
 LARGEST AGRICULTURAL EMPLOYERS:	
U.S. Sugar Corporation	2,200
Florida Crystals	2,000
A. Duda & Sons Growers	1,070
Thomas Produce Company	1,000
 LARGEST PUBLIC AND QUASI PUBLIC EMPLOYERS:	
The School Board of Palm Beach County (Education)	18,672
Palm Beach County (County Government)	9,000
State Government (State Government)	9,000
Federal Government (Federal Government)	5,800
Tenet Healthcare Corp. (Health Care)	4,705
Columbia Palm Beach Health Care System, Inc. (Health Care)	4,000
Delray Community Hospital (Health Care)	2,000
Boca Raton Community Hospital (Health Care)	1,700
City of West Palm Beach (City Government)	1,500
Florida Atlantic University (Higher Education)	1,400
Veterans Affairs Medical Center (Health Care)	1,400

SOURCE: Business Development Board of Palm Beach County

TABLE XXIV
 PALM BEACH COUNTY, FLORIDA
 Salaries and Surety Bonds of Principal Officials
 September 30, 2004

Name and Title of Official	Annual Salary	Amount of Surety Bond
Dorothy H. Wilken CLERK OF THE CIRCUIT COURT	\$ 139,261	\$ 50,000
Gary R. Nikolits PROPERTY APPRAISER	139,261	5,000
John K. Clark TAX COLLECTOR	139,261	100,000
Theresa LePore SUPERVISOR OF ELECTIONS	121,494	5,000
Ed Bieluch SHERIFF	147,121	25,000
Karen T. Marcus COUNTY COMMISSIONER DISTRICT #1	84,213	2,000
Jeff Koons COUNTY COMMISSIONER DISTRICT #2	84,213	2,000
Warren H. Newell COUNTY COMMISSIONER DISTRICT #3	84,213	2,000
Mary McCarty COUNTY COMMISSIONER DISTRICT #4	84,213	2,000
Burt Aaronson COUNTY COMMISSIONER DISTRICT #5	84,213	2,000
Anthony Masilotti COUNTY COMMISSIONER DISTRICT #6	84,213	2,000
Addie L. Greene COUNTY COMMISSIONER DISTRICT #7	84,213	2,000

Source: Florida Legislative Committee on Intergovernmental Relations
 Year 2003-2004.