

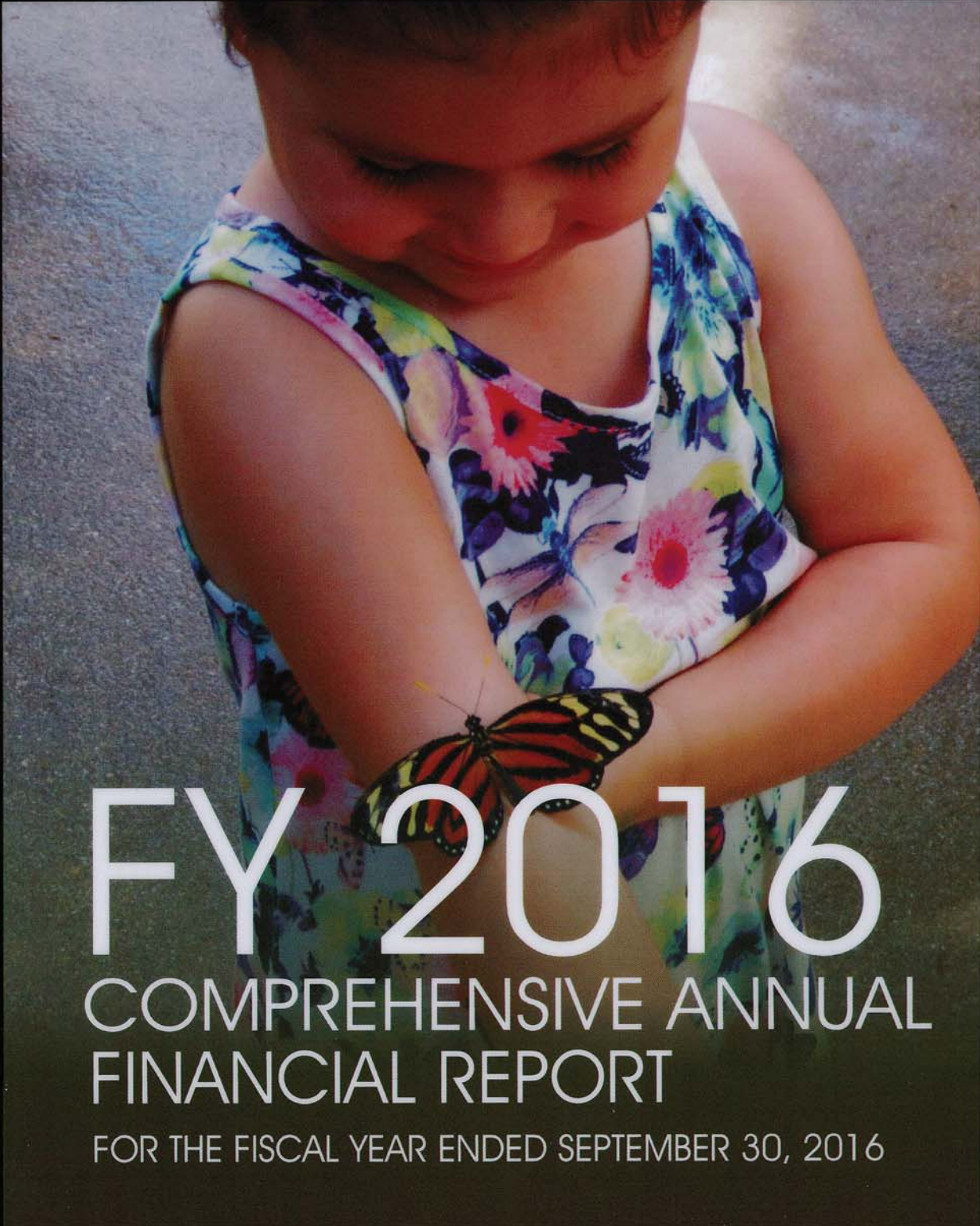
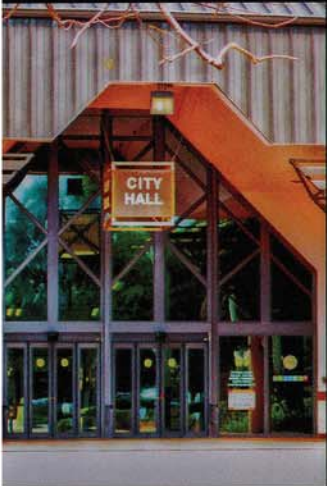
THE CITY OF



**COCONUT  
CREEK**

FLORIDA

BUTTERFLY CAPITAL OF THE WORLD®



# FY 2016

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

# Comprehensive Annual Financial Report

of

CITY OF COCONUT CREEK, FLORIDA

Fiscal Year Ended  
September 30, 2016



Prepared by the  
DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES

Karen M. Brooks, Assistant City Manager/Director  
Peta-Gay Lake, Deputy Director  
Elise Adler-Hogan, Senior Accountant

CITY OF COCONUT CREEK, FLORIDA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended September 30, 2016

**City Commission (as of March, 2017)**

Rebecca A. Tooley.....Mayor  
Joshua D. Rydell.....Vice Mayor  
Lou Sarbone .....Commissioner  
Mikkie Belvedere.....Commissioner  
Sandra L. Welch .....Commissioner

**Administrative Staff**

Mary C. Blasi.....City Manager  
Terrill C. Pyburn .....City Attorney

Leslie Wallace May .....City Clerk

Karen M. Brooks, CPFO .....Assistant City Manager/  
Director of Finance and  
Administrative Services





CITY OF COCONUT CREEK, FLORIDA  
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BUTTERFLY CAPITAL OF THE WORLD®



April 27, 2017

The Honorable Mayor and Members of the City Commission  
4800 West Copans Road  
Coconut Creek, FL 33063

Honorable Mayor, Members of the City Commission and Citizens of the City of Coconut Creek, Florida:

It is with pleasure that we submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Coconut Creek for the fiscal year ended September 30, 2016. Through proper planning, effective allocation of resources and dedication, the City of Coconut Creek has been successful in remaining financially stable while continuing to expand services and programs, invest in infrastructure and capital projects, and promote economic development.

The CAFR was prepared in accordance with Florida Statutes, the City Charter, and Accounting Principles Generally Accepted in the United States of America (GAAP). Florida Statutes require that every general purpose local government annually publish a report on its financial position and activity that is audited by an independent firm of certified public accountants. The City's commitment to full financial disclosure and financial transparency is reflected in the CAFR through the use of exhibits and the Statistical Tables included herein. All disclosures necessary to enable the reader to gain an understanding of the City of Coconut Creek's activities have been included.

The CAFR's role is to assist in making financial, social, and political decisions and to assist in assessing accountability to the residents of the City of Coconut Creek by:

- Assessing financial condition and results of operations;
- Comparing actual financial results with the legally adopted budget, where appropriate;
- Assisting in determining compliance with applicable laws, rules, and regulations; and
- Assisting in evaluating the efficiency and effectiveness of the City's operations.

This report consists of management's representations concerning the finances of the City of Coconut Creek. Consequently, management assumes full responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures.

Marcum LLP, a firm of licensed certified public accountants, has audited the City of Coconut Creek's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Coconut Creek for the fiscal year ended September 30, 2016 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 upon the audit, the independent auditor concluded that the City of Coconut Creek's financial statements for the fiscal year ended September 30, 2016 are fairly presented in conformity with GAAP, and issued an unmodified opinion. The independent auditors' report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.



## **Profile of the Government**

The City of Coconut Creek is a full-service municipality located within the northern central portion of Broward County, the second most populated county in the State. The City was created in 1967 by the Legislature of the State of Florida and is approximately 12 square miles. Coconut Creek is located just north of Fort Lauderdale, and abuts unincorporated Palm Beach County to the north. Location is key, and with easy access to major highways and airports and its close proximity to the Atlantic Ocean, Coconut Creek is the ideal location for both residents and businesses. The City is only 15 miles west of the beach, and the sub-tropical climate provides comfortable living year round.

With an estimated population of 57,116, the City ranks 15<sup>th</sup> amongst the 31 municipalities in the County. The City has been developed primarily for residential purposes, with a proportionate mix of singles, families, and retirees. Because the tax burden rests mostly on residential properties, the City has various aggressive economic development initiatives to encourage new businesses to locate within the City.

Coconut Creek operates under a Commission-Manager form of government. Five Commissioners are elected at-large from the City's five districts to serve staggered four-year terms. From the five elected Commissioners, each year a Mayor and Vice Mayor are elected by the Commission at the first commission meeting subsequent to the second Tuesday in March. Together, the Mayor and Commission are responsible for the legislative functions of the City, including setting City policy, passing local ordinances, approving the City's annual budget, and appointing a City Manager and City Attorney.

The City Manager oversees the administrative functions of the City. This includes overseeing the day-to-day operations of the City; hiring staff; submitting an annual operating and capital improvement budget to the Commission; and providing recommendations to, and carrying out the policies and ordinances of the City Commission.

The City of Coconut Creek provides a full range of services including police, fire rescue, parks and recreation, the construction and maintenance of streets and infrastructure, and water, wastewater, and stormwater services. The annual budget serves as the foundation for the City of Coconut Creek's financial planning and control. All departments of the City of Coconut Creek are required to submit requests for appropriation to the City's Finance and Administrative Services Department during the month of April each year. The Finance and Administrative Services Department uses these requests as a starting point to assist the City Manager in developing a proposed budget. The proposed budget must be submitted to the City Commission no later than August 1<sup>st</sup> of each year. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30<sup>th</sup>, the close of the City of Coconut Creek's fiscal year.

For additional information concerning the City, please visit our website at [www.coconutcreek.net](http://www.coconutcreek.net).

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Coconut Creek operates.

### Local Economy

The growth and development of the City is dependent upon the economic environment of South Florida and particularly that of Broward County. The major economic influences in this area are predominantly the housing market (including housing values, insurance, property taxes and mortgage interest rates), the regional job market, new construction, and weather events. In 2016, the Consumer Price Index for the Miami-Fort Lauderdale area showed a slight increase of 1.8% and is expected to trend upwards in 2017. The real gross domestic product (GDP) increased 1.6% in 2016, as compared to an increase of 2.6% in 2015. The deceleration of the real GDP was attributed to a downturn in private inventory investment, consumer spending, nonresidential and residential fixed investment, and state and local government spending. The 2017 outlook is more promising as the economy continues to strengthen. Experts anticipate the real GDP to rise 2.3% in 2017, and consumer spending is expected to show solid increases due to stronger wage gains. New construction is also anticipated to show increases, although rising mortgage interest rates may limit the extent of any gains. The City of Coconut Creek's unemployment rate continues to show signs of improvement and is currently 3.9%; 0.5% lower than that of Broward County, which has a direct positive effect on consumer spending. Although the economy shows positive overall improvements, the City must also factor the uncertainty of any future tax reform or legislative changes that will directly affect the City's ability to maintain current service levels. In addition, the City must focus on ensuring it continues to invest in its infrastructure in order



to continue to meet the needs of its constituents. Consideration of the impact of these economic factors plays an important role in determining the use of City resources in the upcoming years.

As the economy continues to experience positive growth, the City has been experiencing solid increases in residential property values and remains optimistic about the level of new construction. In fact, for fiscal year 2016, taxable values within the City of Coconut Creek increased by 11.6%. Several major development projects are either underway or in the planning stages that will bring in building permit fees, impact fees, additional annual fire assessment fees, as well as an increase to the City's tax base. The City has been able to leverage these revenue sources to offset additional costs associated with providing service to these areas, including the addition of an Accreditation Program Manager for the Police Department, a Senior Code Compliance Officer, an Environmental Engineer, and a part-time Facilities Attendant during fiscal year 2016, as well as the maintenance of and improvements to City infrastructure.

New Construction

New construction and development is a key indication of a healthy economy. With the addition of several new developments, fiscal year 2016 proved to be another fruitful year for the City. Several residential and commercial projects were either completed or in process, including:

**Commercial**

- Cooper's Hawk Winery & Restaurant
- North Broward Global Wellness Center
- WOW Factory Bowling
- Adios Golf Teaching Facility

**Residential**

- Simonton Court (Ashton Court) Townhomes
- Midtown Residences
- In the Pines Townhomes

*Building Permits*

One way to measure the level of new construction and development is by reviewing the number and associated value of building permits issued. The following table provides a historical look at residential and commercial permits issued for new developments.

**Table 1**

	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>
Residential Units	83	53	33	720	81	60	68	26	85	71
Commercial Permits	3	3	9	3	3	4	2	4	24	5
Value (in millions)	\$22.6	\$16.5	\$30.7	\$67.1	\$46.2	\$55.7	\$15.7	\$9.4	\$75.6	\$35.2

With the onset of the recession in 2009, the level of residential building permits drastically declined from its pre-recession levels, but started to gain some momentum during fiscal year 2010 as a result of a slowly recovering housing market. During fiscal year 2013, the City experienced a significant increase in the number of residential units. The majority of the increase in 2013 residential permits was attributed to the construction of three multi-family rental developments: Casa Palma, Broadstone Cypress Hammocks, and Solaire at Coconut Creek, which were added to the City's tax base in 2015. In 2016, the City issued 83 residential permits primarily for the Simonton Court (Ashton Court) townhouse development.

The number of commercial permits has remained consistent since 2006 with the exception of 2008, which was a result of the completion of the first phase of MainStreet, the City's "downtown" area. Due to the recession of 2009, the collapse of the housing market, and surrounding economic uncertainty, the City experienced a decrease in the number of new construction permits issued in 2009; however, beginning in 2011, the value of new commercial construction increased and continues to remain strong as new developments come on board. During fiscal year 2016, the City issued 3 commercial permits for Cooper's Hawk Winery & Restaurant, North Broward Global Wellness Center, and Adios Golf Teaching Facility. The City also currently has several exciting projects on the horizon, including Midtown Residences, Resident's Inn by Marriott, Gupta Medical Center, Clarity Pointe Memory Care Facility, and a Fold-Out Temporary Shelters (FORT) manufacturing site, all of which will generate additional permit revenues, impact fees, fire assessments, and add to the City's tax base in future years.

The City's focus continues to be on tax base diversification and job creation through the expansion of our commercial base. In addition, the City is committed to expanding, maintaining, and upgrading existing public areas of the City. The number of commercial permits is expected to increase over the next five years due to several major initiatives planned, particularly in the MainStreet area.

### Economic Development

#### *MainStreet*

The City of Coconut Creek continues to enhance its economic development efforts by continuing to grow our "downtown" area on some of the last consolidated open spaces in the City and in the County. The MainStreet area is a vision for a green and sustainable mixed-use urban downtown located on nearly 500 acres in the center of the City. As the development of the MainStreet area gains momentum, the City continues to identify and define the optimal development opportunities to create a vibrant downtown.

The Promenade at Coconut Creek was the first project completed under the City's MainStreet Design Standards and boasts LEED® Silver Certification by the U.S. Green Building Council. Major businesses at the Promenade continue to thrive not simply from the economic benefits of green building design, but also from continuous promotional and special events. The latest addition to the Promenade is the Cooper's Hawk Winery and Restaurant, which opened in 2016 and is a great success.

The City has also approved a new residential project in the MainStreet area know as the Midtown Residences. Midtown Residences is a 296-unit mid-rise apartment project, ranging from studios to three bedrooms. The community will include a clubhouse, pool, garages with electric vehicle charging stations, and solar panels. The project is under construction and anticipated to open in October of 2017.

Also located in the MainStreet area is the Seminole Coconut Creek Casino. Since its opening in 2000, the Seminole Tribe of Florida (the "Seminole Tribe") have added a 2,800 vehicle parking structure, a small retail village, and two restaurants along with a casino expansion on the adjacent Federally-owned land. The Seminole Tribe has received zoning approval from the City for a future major expansion that includes another parking structure, lodging, additional retail and restaurant space, and a special events venue. With such a major expansion planned, the City has undertaken discussions directly with the Seminole Tribe to evaluate and solve development impacts related to the City. In the coming years, the City must continue to assess the impacts of the expansion and ensure that any plans to expand complement the City's MainStreet area plans, particularly in the areas of retail, entertainment and hospitality. The Seminole Coconut Creek Casino expansion continues to create numerous full-time jobs and have a positive impact on individual lives within the tri-county area. Through concerts and other promotional events, the expanded casino continues to draw visitors from throughout the South Florida region.

#### *Economic Development Incentive Program*

The City currently manages an Economic Development Incentive Program, which provides for two on-going incentive strategies: a commercial rehabilitation program and a commercial rent subsidy program. The Program was established to stabilize the existing business community, facilitate the establishment of new businesses, aid in job retention and creation, promote business expansion, and improve overall community appearance and sustainability. \$250,000 is budgeted annually for this program. Any unused funds are accumulated for future use. The City awarded \$7,615 in commercial rehabilitation and \$107,866 in commercial rent subsidies in FY2016.

### Long-term Financial Planning

#### *Revenue Sources*

The economic environment continues to show consistent and steady improvements, as evidenced by the increase in assessed values and new construction. Assessed property values (before new construction and additions) increased 8.7% for fiscal year 2017, the highest increase due to reassessments for the City since the recession. This marks the fifth consecutive year the City has seen increases in assessed values since the housing market collapse in 2008. Over the years, new construction has helped to counteract the decline in assessed taxable values from 2008-2011, though total taxable value for fiscal year 2017, including new construction, is still \$180.5 million less than the 2008 levels.



As consumer confidence and spending increases, demand driven revenues such as Half-Cent Sales Taxes and Shared Revenues are predicted to have noticeable increases as well. As the housing market continues to improve, the City also anticipates receiving building permits and impact fees from new construction and additions for fiscal year 2017. Overall economic growth has shown positive improvement and is anticipated to continue to trend upwards for the next few years. In order to ensure fiscal sustainability and inter-generation equity, the City has adopted an optimistic approach towards the economy overall and future growth and development within the City and continues to provide a high standard of service to the community, while continuing to invest in infrastructure maintenance and expansion.

Coconut Creek is unique in that the Seminole Tribe has sovereign land within the City limits. In 1999, the City and the Seminole Tribe created a Municipal Services Provider Agreement, which provides for annual payments for City services and to help compensate for the impacts the casino has on the community. Funding received from the Seminole Tribe is primarily used for community capital improvement projects. As part of this agreement, the City received \$3.0 million during fiscal year 2016.

In 2010, the Florida Legislature approved a Compact with the Seminole Tribe, authorizing blackjack and other card games at five Seminole casinos, including the Seminole Coconut Creek Casino. On an annual basis, the City received from the State a small portion of the net wins attributed to the Seminole Coconut Creek Casino. As part of this agreement, the City received \$0.7 million during fiscal year 2016. The Compact was not renewed during the State of Florida's legislative session and effectively expired in July 2015, with the final payment made to the City in fiscal year 2016. However, the City anticipates that the State of Florida will consider a new Compact at the next legislative session in 2017.

The Seminole Tribe currently owns land within the City limits that is not designated as sovereign land for which it currently has a Fee to Trust application pending finalization with the Bureau of Indian Affairs. Once the process is finalized, the land would then be designated as sovereign land, and the City would lose many jurisdictional rights in favor of federal regulations. In anticipation of the application, the City of Coconut Creek entered into a mitigation agreement with the Seminole Tribe, which outlines the responsibilities of both parties if the Fee to Trust application is approved. In fiscal year 2014, the City received \$3 million as part of the mitigation agreement. If the Seminole Tribe's current application is finalized by the Bureau of Indian Affairs, the City will receive a payment of \$2.75 million, adjusted annually based on the consumer price index, to help mitigate the impact on the City. The application process is currently being finalized by the Bureau of Indian Affairs.

#### *Capital Improvement Program*

Public Safety remains one of our top priorities, and the City has been proactively evaluating our current fire response times and anticipated increases in population, traffic, and strain on our current facilities and staffing. As a result, the need for a new fire station (Fire Station #50) near the southeast corner of Coconut Creek Parkway and Lyons Road was identified, funded, and is scheduled to be completed in early 2017. Feasibility studies, traffic studies, and design of the station were completed with input from both the Commission and the community. Approximately \$5.7 million has been appropriated for the construction of Fire Station #50.

One of the City's strategic priorities is to provide various recreational opportunities for our residents. In support of this priority, the City Commission approved the Windmill Park Improvement and Expansion project, which is anticipated to include new facilities such as additional parking, restrooms, pavilions, green play areas, lighted concrete pathways, exercise stations, Americans with Disabilities Act (ADA) improvements, and landscape improvements. The project also entails improvements and expansion of existing facilities, including dog park enhancements and the re-surfacing of both basketball and tennis courts. Approximately \$5.3 million has been earmarked for the entire Windmill Park Improvements project, which includes the purchase of additional land. Plans and studies have been finalized and construction is anticipated to begin in early 2017. The project is expected to be completed in early 2018.

The City is currently investing in a Comprehensive Street Improvement Program to address the City's aging roadway infrastructure. The program involves general rehabilitation, including curbing, resurfacing, and striping, sidewalk and ADA improvements, as well as milling and/or asphalt resurfacing at various City locations. The Comprehensive Street Improvement Program will also incorporate landscape median improvements and water and sewer drainage system improvements. The project will be funded with the appropriate mix of reserves and the issuance of debt.



In addition, the City has been working diligently on several rehabilitation and beautification projects as follows:

<i>Project</i>	<i>Location</i>	<i>Project Description</i>	<i>Estimated Cost</i>	<i>Estimated Completion Date</i>
Hillsboro Boulevard Median Enhancement Program	Hillsboro Boulevard from State Road 7/US 441 to the Florida Turnpike	This project provides for landscape and irrigation improvements in the medians within the City limits.	\$0.3 million (\$0.1 million Grant Funded)	06/2017
Complete Streets Program	Lyons Road from Atlantic Boulevard to Hillsboro Canal	This project provides for the addition of buffered bicycle lanes and missing sidewalk connections. More information on the Complete Streets Program is provided in the Major Initiatives section.	\$17.1 million (\$15.4 million Grant Funded)	09/2020

The City has established a robust grants application and acquisition process and pursues all opportunities to secure grant funding whenever possible to help offset the cost of the City's capital improvements projects. The City continues to balance the need for community services with the equally important need to maintain financial stability and accountability.

### **Relevant Financial Policies**

The City of Coconut Creek budgetary and financial policies provide the basic framework for the overall fiscal management of the City. The main policies that had a significant effect on fiscal year 2016's financial statements are discussed below:

#### Accounting and Administrative Controls

Management of the City of Coconut Creek has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Coconut Creek's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Coconut Creek's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the City of Coconut Creek on a government-wide and fund basis. All internal control evaluations occur within the above framework, and to the best of our knowledge the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

#### Budgetary Controls

Coconut Creek adopts fiscal year budgets for all funds and maintains budgetary controls to ensure compliance with legal provisions contained in the annual appropriated budget approved by the Commission. The level of budgetary control is established at the department, office, or agency level, as appropriate. For the General Fund, the City Manager or designee is authorized to transfer budgeted amounts within departments of any fund, while revisions that alter the budgeted totals of each department require approval of the Commission. For all other funds, the City Manager or designee is authorized to transfer budgeted amounts within each fund.

As demonstrated by the budgetary comparison schedules included in this report, Coconut Creek continues to meet its responsibility for sound financial management practices. For the General Fund and major Special Revenue Funds, this comparison is presented beginning on page 64 as part of the required supplementary information. For the remaining governmental funds with appropriated annual budgets, this comparison is presented in the combining and individual fund statements and schedules section that starts on page 81.

Capital Financing

In conjunction with the operating budget, the City Manager annually presents a program to provide for improvements to Coconut Creek's public facilities for the upcoming fiscal year and next four years, along with proposals for the financing of these improvements. This five-year plan is called the Capital Improvement Program. The first year of the program constitutes the capital budget for the coming fiscal year; the remaining years are used as a planning guide. The program allocates funding over five years for Coconut Creek's vehicles, roads, sidewalks, parks, buildings, infrastructure, and information technology needs. Coconut Creek's Capital Improvement Program for fiscal years 2017 through 2021 calls for funding of approximately \$57.4 million in the governmental funds and \$18.2 million in the enterprise funds.

During fiscal year 2016, the City spent \$11.1 million on governmental funds capital improvement projects and \$3.6 million on enterprise funds capital improvement projects and included the following:

Governmental Funds	Enterprise Funds
<ul style="list-style-type: none"><li>• Fire Station #50 (in progress)</li><li>• Windmill Park Improvements (plans and studies)</li><li>• Lakeside Park Expansion (purchase of land)</li><li>• Copans Road Median Improvements</li><li>• Gerber Park Sports Lighting</li><li>• Fiber Optic Infrastructure (in progress)</li><li>• Comprehensive Streets Improvement Program (plans and studies)</li><li>• Government Center Rehabilitation (in progress)</li><li>• Sidewalk Improvements</li><li>• Recurring vehicle/computer replacements</li></ul>	<ul style="list-style-type: none"><li>• North Springs Interconnect</li><li>• Hilton Road Pump station Building Improvements (in progress)</li><li>• Utilities and Engineering Building Expansion (in progress)</li><li>• Sewer Pipe and Main Rehabilitation</li><li>• Stormwater Drainage Improvements</li><li>• Utility Easements</li></ul>

Revenue Policy

The City strives to maintain a diversified and stable revenue system to avoid reliance on any one revenue source and minimize dependence on property taxes. Charges for services are used to recover partial or full cost of providing services that benefit individual users. Additionally, it is the City's policy that new, ongoing operating costs are funded with regular, ongoing revenue sources. One-time operating costs should be tied to one-time revenue sources to ensure fund balance integrity. For example, during fiscal year 2016, the City received \$0.7 million as a result of the Compact between the Seminole Tribe and the State of Florida, which was set aside to fund capital needs.

Debt Policy

The City seeks to minimize borrowing costs. Debt is issued when necessary to finance capital projects, but is never used for current operations. The City reviews and evaluates its existing obligations and future borrowing needs regularly. Outstanding debt as of September 30, 2016 totaled \$9.2 million, a decrease of \$2.9 million from the previous year due to scheduled debt service payments.

Fund Balance Policy

The City's Fund Balance Policy was developed to ensure adequate fund balance for the City's governmental funds. The intent of this policy is to 1) provide sufficient cash flow for daily financial needs; 2) secure and maintain investment grade bond ratings; 3) offset significant economic downturns or revenue shortfalls; and 4) provide funds for unforeseen expenditures related to emergencies. At the end of the current fiscal year, governmental fund balance totaled \$53.5 million, of which \$19.1 million is unassigned fund balance of the General Fund. Unassigned fund balance represents 33%, or approximately four months of total General Fund's budgeted operating expenditures. An additional \$2.8 million has been reserved for Hurricane Emergencies. For more information on the City's Fund Balance Policy, please refer to pages 39 and 40, Note 1 to the Financial Statements.



**Major Initiatives**

Strategic Planning

The City of Coconut Creek’s long-term vision is to remain “the City of the future with a personal touch.” To ensure we uphold that vision, staff’s mission every day is to provide “continuous quality improvement to enhance a sense of community, quality of life, and personal security.”

One of the ways the City achieves this is by proactively reviewing our short and long-term strategic plans. Some tools utilized by the City include: Comprehensive Plan and Strategic Plan.

*Comprehensive Plan*

The Comprehensive Plan serves as a guide to future growth and development in the City and provides an overall vision for the community in the areas of future land use, transportation, housing, infrastructure, conservation, recreation and open space, intergovernmental coordination, capital improvement, water supply, and public school facilities.

*Strategic Plan*

The City’s Vision 2020 Policy Statement is the foundation for the City’s Strategic Plan and was developed based on citizen-generated strategic priorities. The following table lists these strategic priorities and identifies some of the initiatives and/or programs that support these priorities:

<b>Maintain a high quality of life and maintain the current level of City services</b>	<b>Foster economic development and promote environmental preservation</b>	<b>Provide educational, recreational, and cultural opportunities</b>
<ul style="list-style-type: none"> <li>• Addition of a Senior Code Compliance Officer</li> <li>• Addition of an Accreditation Program Manager for the Police Department</li> <li>• Fire Station #50 Construction</li> <li>• Complete Streets Initiatives</li> <li>• City Mobility Initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Addition of an Environmental Engineer</li> <li>• MainStreet development, including the Promenade and Seminole Coconut Creek Casino</li> <li>• Economic Development Incentive Program</li> <li>• City Green Plan</li> <li>• Reclaimed Water Projects</li> </ul>	<ul style="list-style-type: none"> <li>• Windmill Park Expansion and Improvements</li> <li>• Addition of 2 recreation interns</li> <li>• Culture Educational Series and Multi-Cultural Art Festival</li> <li>• Autism Awareness Event</li> <li>• Expansion of Lakeside Park</li> <li>• Annual Butterfly Festival</li> </ul>

Coconut Creek Police Department Accreditation Program

An accreditation program has long been recognized as a means of maintaining the highest standards of professionalism. The Coconut Creek Police Department initiated the two-year Florida Accreditation process. Through a continuum of reviewed standards that clearly define authority, performance and responsibilities, this accreditation facilitates our Police Department’s pursuit of professional excellence while enhancing accountability within the Department and community, and limiting liability and risk of exposure.

Complete Streets

Complete Streets is a city, county, state and nation-wide initiative that aims to create a safe and efficient transportation network that promotes the health and mobility of all residents and visitors by providing high quality multi-modal (pedestrian, bicycle, transit and automobile) access. To support this initiative, the City of Coconut Creek has focused on applying this policy to all roadway projects. This includes projects involving new construction, reconstruction, retrofits, repaving, rehabilitation, or changes in the allocation of pavement space on an existing roadway, as well as those that involve new privately built roads and easements intended for public use. During fiscal year 2014, the City was granted approximately \$15.4 million in construction benefits from the Broward Metropolitan Planning Organization towards a Complete Streets project on Lyons Road between Atlantic Boulevard and the Hillsboro canal. This funding is earmarked for the design and construction of all the hardscape elements to include the paving, pavement markings, sidewalks, signalization, transit amenities, drainage and signage for the project. This project will be completed by the Florida Department of Transportation (“FDOT”) and is anticipated to begin in July 2019. The City also boasts the “2015 Complete Streets Community Award” provided by the Broward Metropolitan Planning Organization for outstanding efforts in engaging the community in planning for Complete Streets.

### City Mobility

Over the last 10 years, the City has been planning a network of trails that aim to provide pedestrians, cyclists and even equestrians with recreational opportunities within a safe alternative mode of mobility throughout the City, thus reducing the need for automobile use. This can be described as creating a more 'walkable' and 'livable' community. To support this initiative, the City is working to create visible trail heads, consistent icons, and maps which will identify various trailways and their connections with public transportation, parks, public facilities, and major attractions in Coconut Creek. This is an important sustainable element as the community continues to grow.

### Sustainability and Environmental Preservation

#### *City Green Plan*

The City is committed to its strategic priority of promoting environmental preservation, and in 2009, the City Commission adopted the "City Green Plan" in order to establish a framework for achieving environmental leadership. The Plan contains the adoption of a City green image, identification of sustainable themes for plan measurement, a range of action steps, and a method for annual monitoring. By implementing the action steps contained in the Plan, the City will provide long-term benefits to the health and well-being of the community that are anticipated to result in cost savings based on a diminished demand for resources. The major components of the City's Green Plan are described below:

- *Greenhouse Gas*

The City of Coconut Creek is currently an active participant in the South Florida Regional Climate Compact (SFRCC): a collaboration of experts, academia, government employees, and elected officials within the counties of Palm Beach, Broward, Miami-Dade, and Monroe. The focus of SFRCC is to identify and address climate change and the effects in our region and has received national and international recognition for being the first of its kind and for the achievements made. The City is an active participant in this group and will begin a renewed focus on greenhouse (GHG) tracking for government operations and the community. This will take place through a local government network established by Broward County which is providing technical support for its municipalities.

- *Florida Green Building Certification*

The City earned gold level designation under the Florida Green Building Coalition (FGBC) Green Local Government Certification Program and achieved the highest score of all FGBC certified local governments within Broward County and the fifth highest scoring local government in the state. Award of this certification resulted from the City's numerous cost savings and environmental initiatives which include: establishing a City Green Plan; accommodating bicycles in traffic lanes; and implementing recycling stations for plastic, glass, and aluminum containers in all public areas.

- *Dark Sky Lighting Ordinance*

The City implemented a Dark Sky Lighting Ordinance. The Ordinance requires new developments to install dark sky friendly lighting fixtures with limited project lighting. This is a pivotal move in reclaiming the night skies and Coconut Creek continues to be on the forefront of sustainability with this initiative. As a result, the City is now seeing the first projects approved using the principles of Dark Sky Lighting.

The City of Coconut Creek continues to be highly recognized and awarded for its "green" initiatives, wildlife preservation, and activities to create a more sustainable future for residents, businesses, and visitors. In addition to receiving the Tree City USA designation for the past 27 years and the Community Wildlife Habitat certification for the past 11 years, the City has also been certified as an Audubon Sustainable Community since 2010.

#### *Reclaimed Water*

Another way in which the City seeks to promote sustainability is by incorporating a Reclaimed Water Program, where Broward County will provide up to two million gallons of reclaimed water per day to the City for irrigation. Using reclaimed water provides various benefits throughout the community such as reduction in fertilizer usage, reduction in use of groundwater for



irrigation and a decrease of treated wastewater disposed into the ocean outfall. The project is estimated to cost approximately \$2.0 million and comprises of the following phases:

- ✦ Sabal Pines Park irrigation (complete)
- ✦ Wiles Road, from NW 39th Avenue to the MainStreet area (construction scheduled for FY2017)
- ✦ Lyons Road, from Wiles Road to north of Hilton Road (design currently being revised)
- ✦ Copans Road, from the Florida Turnpike overpass to Lyons Road

#### Health and Wellness

The City is committed to providing a safe and healthy environment for its residents to live, work and play. Many of the recreational and capital improvement programs were developed to promote health and wellness within the community. The City was awarded a total of five (5) gold medals from the former First Lady's Let's Move! Program, earning the #1 rank in the country. The City also received gold designation as a "Fit Friendly Worksite" from the American Heart Association and the "Healthy Weight Community Champion" award from the Florida Department of Health.

#### **Awards and Acknowledgements**

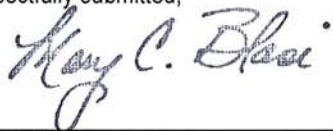
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Coconut Creek for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2015. This was the 33<sup>rd</sup> consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR 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, the City also received the GFOA's Distinguished Budget Presentation Award for its fiscal year 2017 annual budget document. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device. This was the 17<sup>th</sup> consecutive year that the City has received this award.

The City also received an award for Outstanding Achievement in Popular Annual Financial Reporting for the September 30, 2015 Popular Annual Financial Report. This award is given for those reports whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. This was the 9<sup>th</sup> consecutive year that the City has received this award.

Preparation of this report would not have been possible without the efficient and dedicated services of the Finance and Administrative Services Department. We would like to express our appreciation to all members of this department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and Commission for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Coconut Creek's finances.

Respectfully submitted,



Mary C. Blasi  
City Manager



Karen M. Brooks, CPFO  
Assistant City Manager/Director of Finance and  
Administrative Services



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Coconut Creek  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2015**

Executive Director/CEO





COCONUT CREEK  
GOVERNMENTAL STRUCTURE  
ORGANIZATION CHART  
FISCAL YEAR 2016



**CITY OF COCONUT CREEK, FLORIDA  
LIST OF PRINCIPAL OFFICIALS**

**Elected Officials (as of March, 2017)**

Mayor..... Rebecca A. Tooley  
Vice Mayor..... Joshua D. Rydell  
Commissioner..... Lou Sarbone  
Commissioner..... Mikkie Belvedere  
Commissioner..... Sandra L. Welch

**Appointed Officials**

City Manager ..... Mary C. Blasi  
City Attorney..... Terrill C. Pyburn  
City Clerk ..... Leslie Wallace May  
Director of Sustainable Development ..... Sheila N. Rose  
Director of Human Resources ..... Pamela J. Kershaw  
Director of Utilities and Engineering..... Osama Elshami  
Director of Public Works ..... James L. Berkman  
Director of Parks and Recreation..... Wayne K. Tobey  
CIO Information Technology..... Francisco Porrás  
Chief of Police ..... Albert "Butch" Arenal  
Fire Marshal..... Jeffery Gary

**Finance Officials**

Assistant City Manager/Director of Finance and Administrative Services..... Karen M. Brooks  
Deputy Director of Finance and Administrative Services ..... Peta-Gay Lake  
(As of 10/1/16)





BUTTERFLY CAPITAL OF THE WORLD®

**INDEPENDENT AUDITORS' REPORT**

To The Honorable Mayor and Members of the  
City Commission  
City of Coconut Creek, Florida

***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coconut Creek, Florida (the City) as of and for the fiscal year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coconut Creek, Florida as of September 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, City's proportionate share of the net pension liability schedules, schedules of City contributions, schedules of investment returns and schedule of funding progress for other post-employment benefits on pages 4 - 22 and 64 - 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules and 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 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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 do not express an opinion or provide any assurance on them.



*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Marcum LLP*

Fort Lauderdale, Florida  
April 27, 2017



## Management's Discussion and Analysis

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As management of the City of Coconut Creek, we offer readers this narrative overview and analysis of the financial activities of the City of Coconut Creek for the fiscal year ended September 30, 2016. The City of Coconut Creek's Management Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activities, (c) identify changes in financial position, (d) identify any material deviations from the financial plan (the approved budget), and (e) identify any individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through x of this report. All amounts in this section, unless otherwise indicated, are expressed in millions of dollars.

### *Financial Highlights*

- The assets and deferred outflows of the City of Coconut Creek exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$227.3 (net position). Of this amount, \$56.3, the unrestricted net position, may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$12.0 during the current fiscal year. Net position of our governmental and business-type activities increased by \$5.1 and \$6.9, respectively. The majority of the increase in governmental fund activities net position is due to savings in operating expenses. The majority of increase in business-type activities net position is due to an increase in charges for services related to an increase in the number of residential utility customers and consumption; and capital contributions from developers and grants.
- Governmental Activities generated \$21.5 in program revenues, \$40.4 in general revenues and \$56.8 in direct expenses.
- Business-type Activities generated \$24.6 in program revenues, with \$19.2 in direct expenses.
- As of the close of the current fiscal year, the City of Coconut Creek's governmental funds reported combined ending fund balances of \$53.5 a decrease of \$3.2, or -5.6%, over the prior year. Of this amount, approximately \$8.8 is nonspendable, \$4.4 is restricted, \$14.2 is committed, \$7.0 is assigned, and \$19.1 is unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$19.1, or 34.5% of total General Fund budgeted operating expenditures.
- The City of Coconut Creek's total outstanding debt decreased \$2.9, or -23.9% during the current fiscal year due to scheduled annual debt service payments.
- Capital grants and contributions decreased by \$3.7, or -58.7% due primarily to the completion of grant-funded projects, and decreased capital contributions from developers.
- Overall, the City's financial position has improved from the prior year.

### *Overview of the Financial Statement*

This annual report consists of four parts – *Introductory Section, Financial Section, Statistical Section and Compliance Section*. Within the Financial Section, there is the *Independent Auditors' Report*, this *Management's Discussion and Analysis*, the *Basic Financial Statements, Required Supplementary Information* and an additional section that presents *Combining Statements* for non-major governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the City's overall financial status.

## Management's Discussion and Analysis

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- The remaining statements are *fund financial statements* that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
  - The *governmental funds* statements show how general government services such as public safety were financed in the short-term as well as what remains for future spending.
  - *Proprietary funds* statements offer short-term and long-term financial information about the activities of the water and wastewater and the stormwater operations, which the government operates like a business.

The basic financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. In addition to these required elements, a section is included with combining statements that provide details about the nonmajor governmental funds, each of which is added together and presented in single columns in the basic financial statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Coconut Creek's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Coconut Creek's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Coconut Creek is improving or deteriorating. However, other factors should be considered when assessing the City's overall health, such as the condition of capital assets (roads, buildings, etc.) and debt structure.

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

Both of the government-wide financial statements distinguish functions of the City of Coconut Creek that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Coconut Creek include general government, public safety, physical environment, and culture and recreation. The business-type activities of the City of Coconut Creek include the water and wastewater operation and the stormwater management operation.

The government-wide financial statements can be found on pages 23 and 24 of this report.

**Fund financial statements.** A *fund* consists of a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Coconut Creek, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. All of the funds of the City of Coconut Creek can be divided into two categories: governmental funds and proprietary funds.

## Management's Discussion and Analysis

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Coconut Creek maintains fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the seven funds considered major funds.

Data from the other eight governmental funds are combined into a single, aggregated presentation. For financial reporting purposes, the General Fund and the General Trust Fund have been combined and are reported as one fund (the General Fund). Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in this report beginning on page 77.

**Major Governmental Funds:**

General  
Street Construction and Maintenance  
Grants  
2009 Capital Projects  
Capital Improvement Program  
Public Safety Improvement  
Community Improvement

**Non-major Governmental Funds:**

Law Enforcement  
Affordable Housing  
State Housing Initiative (SHIP)  
Seminole Mitigation  
Parks Improvement  
Utility Underground  
Capital Improvement Revenue Bonds

The City of Coconut Creek adopts annual appropriated budgets for all governmental funds. A budgetary comparison statement has been provided for each of those funds to demonstrate compliance with its budget.

The basic governmental fund financial statements can be found on pages 25 through 30 of this report.

**Proprietary Funds.** Proprietary fund financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. The City of Coconut Creek maintains one type of proprietary fund known as an enterprise fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Coconut Creek uses enterprise funds to account for its water and wastewater operation and its stormwater management operation.

**Major Enterprise Fund:**

Water and Wastewater

**Non-major Enterprise Fund:**

Stormwater Management

## Management's Discussion and Analysis

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Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 31 through 34 of this report.

**Notes to the financial statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 35 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Coconut Creek's General Fund, Street Construction and Maintenance Fund, Grants Fund, and Community Improvement Fund budgetary comparison schedules to demonstrate compliance with the budget; the City's progress in funding its obligation of providing other post-employment benefits to its employees; and information regarding the City's responsibility towards the Florida State Retirement System pension plan. Required supplementary information can be found starting on page 64 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found starting on page 77 of this report.

### Government-wide Financial Analysis

**Summary of net position.** The overall position of the City improved in 2016. As noted earlier, over time net position may serve as a useful indicator of a government's financial position. There are six basic transactions that will affect the comparability of the Statement of Net position summary presentation as reflected below:

- 1) *Net results of activities* will impact (increase/decrease) current assets and unrestricted net position.
- 2) *Borrowing for capital* will increase current assets and long-term debt.
- 3) *Spending borrowed proceeds on new capital* will reduce current assets and increase capital assets. Additionally, an increase in invested in capital assets and an increase in related debt will not change the net investment in capital assets.
- 4) *Spending of non-borrowed current assets on new capital* will reduce current assets, increase capital assets, reduce unrestricted net position, and increase net investment in capital assets.
- 5) *Principal payment on debt* will reduce current assets, reduce long-term debt, decrease unrestricted net position, and increase net investment in capital assets.
- 6) *Reduction of capital assets* through depreciation will reduce capital assets and net investment in capital assets.

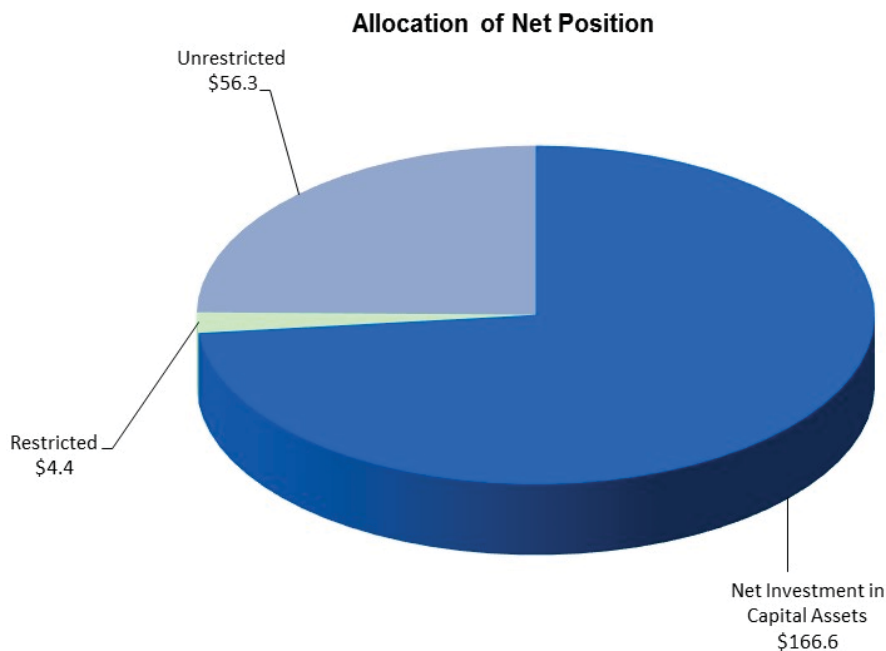
Management's Discussion and Analysis

In the case of the City of Coconut Creek, combined assets and deferred outflows exceeded liabilities and deferred inflows by \$227.3 at the close of fiscal year 2016 (see Table 1 below).

**Table 1**  
**City of Coconut Creek's Net Position**  
**(in millions of dollars)**

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2016	2015	2016	2015	2016	2015	2015-2016
Current and other assets	\$ 59.0	\$ 61.5	\$ 41.3	\$ 36.6	\$ 100.3	\$ 98.1	2.2%
Capital assets	98.3	90.7	78.0	76.2	176.3	166.9	5.6%
<b>Total assets</b>	<b>157.3</b>	<b>152.2</b>	<b>119.3</b>	<b>112.8</b>	<b>276.6</b>	<b>265.0</b>	<b>4.4%</b>
Total deferred outflows of resources	13.1	3.6	1.3	0.3	14.4	3.9	269.2%
Long-term liabilities outstanding	47.6	36.0	4.1	2.5	51.7	38.5	34.3%
Other liabilities	7.8	6.9	3.0	3.7	10.8	10.6	1.9%
<b>Total liabilities</b>	<b>55.4</b>	<b>42.9</b>	<b>7.1</b>	<b>6.2</b>	<b>62.5</b>	<b>49.1</b>	<b>27.3%</b>
Total deferred inflows of resources	1.1	4.1	0.1	0.4	1.2	4.5	(73.3%)
Net position:							
Net investment in capital assets	88.8	79.5	77.8	75.9	166.6	155.4	7.2%
Restricted	4.4	5.2	-	-	4.4	5.2	(15.4%)
Unrestricted	20.7	24.1	35.6	30.6	56.3	54.7	2.9%
<b>Total net position</b>	<b>\$ 113.9</b>	<b>\$ 108.8</b>	<b>\$ 113.4</b>	<b>\$ 106.5</b>	<b>\$ 227.3</b>	<b>\$ 215.3</b>	<b>5.6%</b>

CHART 1





## Management's Discussion and Analysis

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As depicted in Chart 1, the largest portion of the City of Coconut Creek's net position is net investment in capital assets (e.g. land, buildings, infrastructure and equipment) less any related outstanding debt used to acquire those assets, at \$166.6 or 73.3% of the total net position. The City of Coconut Creek uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Coconut Creek's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The City's net investment in capital assets increased by \$11.2 due to the acquisition and construction of capital items and scheduled debt payments.

An additional portion of the City of Coconut Creek's net position, at \$4.4 or 1.9% represents resources that are subject to external restrictions on how they may be used. The fiscal year 2016 balance in restricted net position decreased by \$0.8 due to a decrease in funds received from various external agencies that were restricted.

The remaining balance of \$56.3 or 24.8% reflects unrestricted net position, which increased by \$1.6, and may be used to meet the government's on-going obligations to citizens and creditors. This increase in unrestricted net position is due to an overall increase in revenues, mainly due to an increase in property taxes, and charges for services.

At the end of the current fiscal year, the City of Coconut Creek is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same held true for the prior fiscal year.

The City's long-term liabilities increased \$13.2. This increase was mainly due to a net pension liability of \$15.7, and \$0.4 in net other post-employment benefits (OPEB) liability, offset by a decrease in required annual debt service payments of \$2.9. The City contributes towards other post-employment benefits (OPEB) on a pay-as-you go basis. Other post-employment benefits (OPEB) and Pensions are discussed in more detail in Note 11 and Note 16, respectively, pages 54 through 60 and pages 62 through 63, respectively.

Current and other assets increased \$2.2 mainly due to an overall increase in cash and investments and a decrease in accounts receivable as a result of annual activities (including timing of grant expenses and reimbursements) and the timing of payments and receipts.

Capital assets increased \$9.4 mainly due to the construction of various ongoing capital projects, including Fire Station #50, the purchase of 4.84 acres of land from the School Board of Broward County, Florida, various parks and streets improvements, and utility improvements, as well as the annual replacement of vehicles and computers.

Changes in capital assets are discussed in the Capital Assets and Debt Administration section on page 19.

**Summary of changes in net position.** The following information is presented to assist the reader in understanding the different types of basic impacts that can affect revenues:

- 1) ***Economic Condition*** can reflect a declining, stable, or growing environment and has an impact on property taxes, non-ad valorem assessments and sales, gas, or other tax revenues as well as consumer spending habits as it relates to building permits, user fees, and other consumption revenues.
- 2) The City Commission has authority to set ***increases or decreases in City rates*** (water, wastewater, stormwater, permitting, impact fees, user fees, etc.).
- 3) ***Changing patterns in intergovernmental and grant revenues*** (both recurring and non-recurring) can change and impact the annual comparisons.
- 4) ***Market impacts on investment income*** may cause investment revenues to fluctuate from the prior year.

## Management's Discussion and Analysis

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Basic impacts that can affect expenses:

- 1) ***Introduction or elimination of programs*** can have an impact on staffing levels, operating costs, and capital outlay costs.
- 2) ***Changes in service levels*** can cause the City to increase or decrease authorized staffing. Staffing costs (salary and related benefits) represent approximately 47.6% of the City's operating costs.
- 3) ***Salary increases*** such as cost of living, performance increases, and pension contributions can impact personal service costs.
- 4) ***While inflation*** appears to be relatively low, the City is a major consumer of certain commodities such as fuel, chemicals, supplies, and parts. Some functional expenses may experience unusual commodity specific increases. In addition, the City has various contracts with built-in annual increases.

The City's net position increased by \$12.0, or 5.6%, during the fiscal year 2016. Approximately \$2.0 or 16.5% of the increase in net position can be attributed to capital contributions of utility easements and infrastructure and does not represent actual revenue collected during the year. The remaining increase in net position is mainly due to increases in charges for services and property taxes. While expenses increased from the prior year, they were less than budgeted due to savings in total operating expenses, including staff vacancies.

More detailed information is provided in the governmental and business-type activities change in net position section on the following page:

## Management's Discussion and Analysis

**Table 2**  
**City of Coconut Creek's Changes in Net Position**  
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2016	2015	2016	2015	2016	2015	2015-2016
<b>Revenues</b>							
Program revenues							
Charges for services	\$ 20.3	\$ 18.4	\$ 22.6	\$ 22.2	\$ 42.9	\$ 40.6	5.7%
Operating grants and contributions	0.6	0.8	-	-	0.6	0.8	(25.0%)
Capital grants and contributions	0.6	1.1	2.0	5.2	2.6	6.3	(58.7%)
General revenues							
Property taxes	19.7	17.7	-	-	19.7	17.7	11.3%
Utility taxes	6.7	6.8	-	-	6.7	6.8	(1.5%)
Local option gas tax	1.0	1.0	-	-	1.0	1.0	0.0%
Franchise fees	4.4	4.4	-	-	4.4	4.4	0.0%
Impact fees	0.3	0.5	1.0	0.5	1.3	1.0	30.0%
Intergovernmental	5.9	6.7	-	-	5.9	6.7	(11.9%)
Special Assessment	-	0.9	-	-	-	0.9	(100.0%)
Investment income	0.4	0.4	0.3	0.3	0.7	0.7	0.0%
Miscellaneous	2.0	1.6	0.2	0.2	2.2	1.8	22.2%
<b>Total revenues</b>	<b>61.9</b>	<b>60.3</b>	<b>26.1</b>	<b>28.4</b>	<b>88.0</b>	<b>88.7</b>	<b>(0.8%)</b>
<b>Expenses</b>							
General government	12.0	11.1	-	-	12.0	11.1	8.1%
Public safety	29.8	26.3	-	-	29.8	26.3	13.3%
Physical environment	7.8	7.5	-	-	7.8	7.5	4.0%
Culture/recreation	6.8	6.3	-	-	6.8	6.3	7.9%
Interest on long-term debt	0.4	0.5	-	-	0.4	0.5	(20.0%)
Water and wastewater	-	-	17.8	17.1	17.8	17.1	4.1%
Stormwater management	-	-	1.4	1.2	1.4	1.2	16.7%
<b>Total expenses</b>	<b>56.8</b>	<b>51.7</b>	<b>19.2</b>	<b>18.3</b>	<b>76.0</b>	<b>70.0</b>	<b>8.6%</b>
Increase in net position	5.1	8.6	6.9	10.1	12.0	18.7	(35.8%)
Net position-beginning	108.8	100.2	106.5	96.4	215.3	196.6	
<b>Net position-ending</b>	<b>\$113.9</b>	<b>\$108.8</b>	<b>\$113.4</b>	<b>\$106.5</b>	<b>\$227.3</b>	<b>\$215.3</b>	<b>5.6%</b>

**Governmental activities.** Governmental activities increased the City of Coconut Creek's net position by \$5.1, thereby accounting for 42.5% of the total growth in the net position of the City of Coconut Creek.

In summary, governmental revenues increased 2.7% to \$61.9. Overall, revenues remained stable from fiscal year 2015 to fiscal year 2016.



## Management's Discussion and Analysis

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Key elements of this increase are as follows:

- Charges for services increased by \$1.9 or 10.3% during the year. The increase is primarily attributed to a \$1.0 increase in fire assessment fees to compensate for an increase in the City's fire contract with the City of Margate; an increase of \$0.1 from the municipal service agreement with the Seminole Tribe of Florida, an increase of \$0.3 for licenses and permits, due to the timing of new construction within the City, and an increase in public safety revenues of \$0.3 as a result of a law enforcement service contract with Broward College. The remaining net increase of \$0.2 is due to minor fluctuations in other accounts.
- Operating grants/contributions decreased by \$0.2 or 25.0%, mainly due to the timing of grant revenues.
- Capital grants/contributions decreased by \$0.5 or 45.5%, mainly due to the timing of grant revenues.
- Property tax collections increased \$2.0 or 11.3%, due to new construction and an increase in property tax values.
- Utility taxes decreased by \$0.1 or 1.5% mainly due to a rate decrease by Florida Power & Light (FPL), effective April 1, 2016.
- Local option gas tax remained unchanged from fiscal year 2015 to 2016.
- Franchise fees remained unchanged from fiscal year 2015 to 2016.
- Impact fees decreased by \$0.2 or 40%, mainly due to timing of new development within the City.
- Intergovernmental revenues decreased by \$0.8 or 11.9%, mainly due to a one-time equitable distribution of \$1.1 received in fiscal year 2015 from the Broward County Solid Waste Disposal District, offset by \$0.2 increase from half-cent sales tax, and an \$0.1 increase from state shared revenue, an indication that consumer confidence continues its upward trend.
- Special Assessment revenue decreased by \$.9 or 100% due to fees received in fiscal year 2015 for a public improvement project to convert existing aerial electrical distribution lines to underground distribution lines within a specific district of the City.
- Investment income remained unchanged from fiscal year 2015 to 2016, mainly due to the ongoing changes in the U.S. government securities market, interest rates and security yields.
- Miscellaneous revenues increased by \$0.4 or 25% mainly due to \$0.1 from the solid waste recycling program and \$0.1 from contractual increases in telecommunication tower leases. The remaining net increase of \$0.2 is due from minor fluctuations in other accounts.
- Expenses increased by \$5.1 or 9.9%. This can be attributed to a \$3.2 increase in personnel costs, which included the addition of 5 full-time equivalent (FTE) employees, salary and employee benefit increases, including pension and other post-employment benefit related expenses; an increase of \$0.7 in the contract for fire and EMS services with the City of Margate; an increase of \$0.2 in property and liability insurance; an increase of \$0.3 in depreciation expense; and the remaining \$0.7 from other minor fluctuations, less than \$0.1 individually, in operating expenses.

Management's Discussion and Analysis

The chart below (Chart 2) depicts the changes in governmental revenues from fiscal year 2015 to fiscal year 2016.

CHART 2

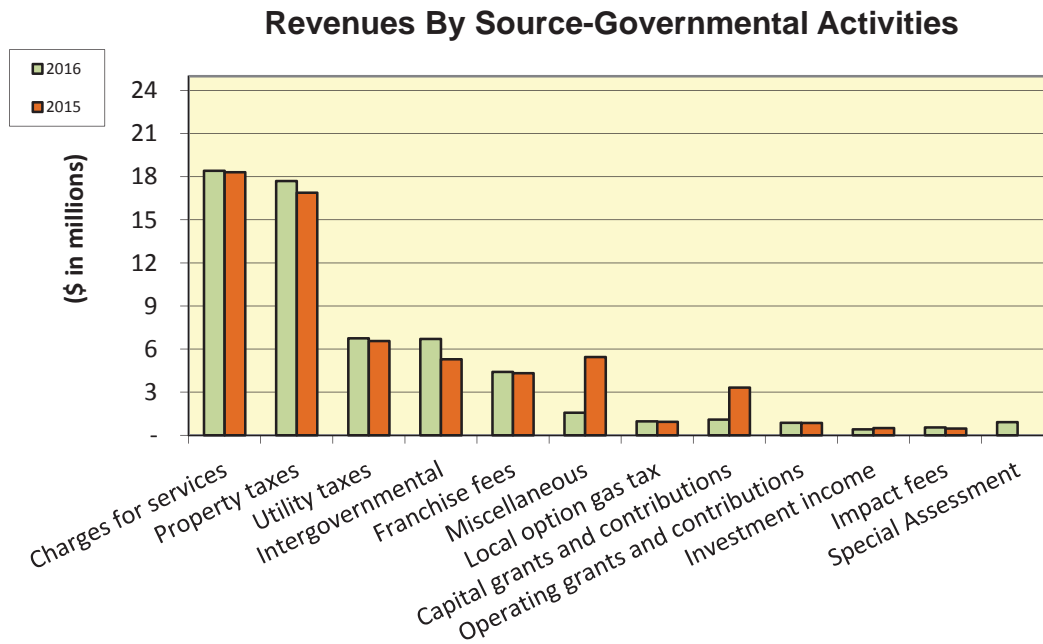
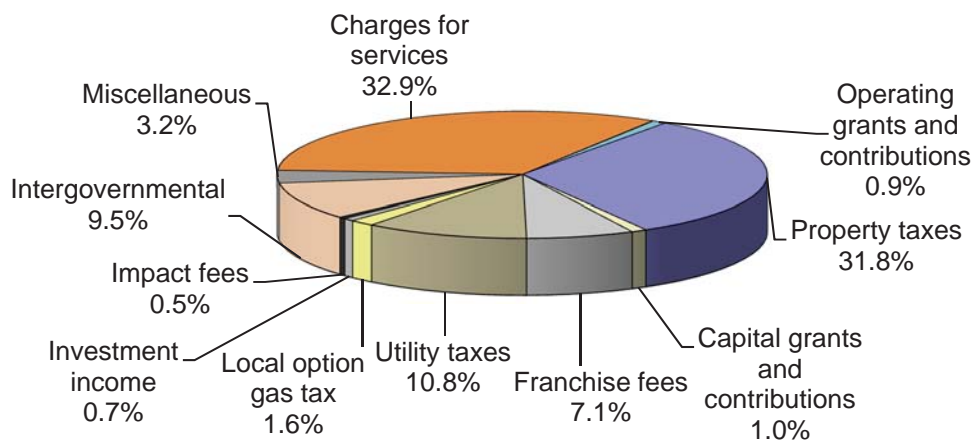


Chart 3 provides an overall view of the various governmental revenue sources. 31.8% of the revenues received come from property taxes, 32.9% from charges for services, 10.8% from utility taxes, 9.5% from intergovernmental activities, and 7.1% from franchise fees.

CHART 3



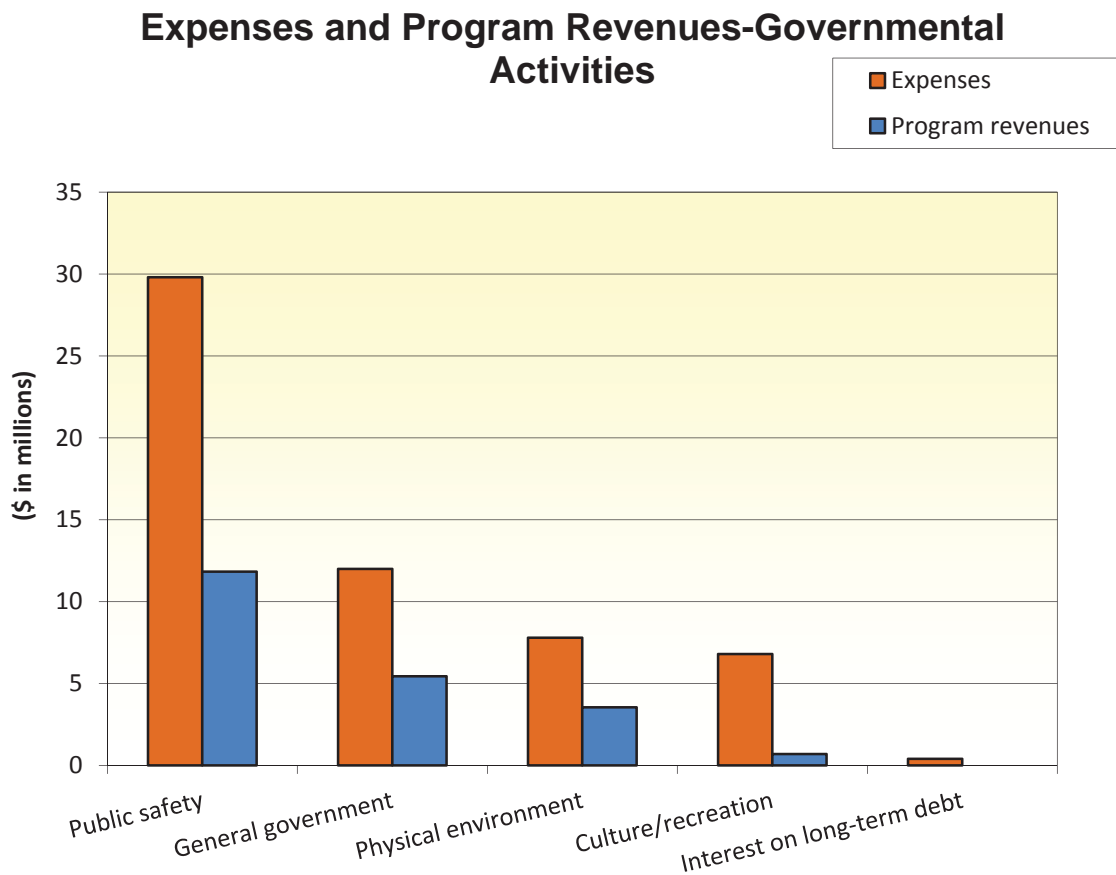
Management's Discussion and Analysis

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Chart 4 compares program revenues to program expenses for each category of activities. The cost of all governmental activities this year was \$56.8. This cost was financed by:

- Those who directly benefited from the programs through charges for services of \$20.3, and
- Other governments and organizations that subsidized certain programs through operating and capital grants and contributions of \$1.2.
- The remaining \$35.3 "public benefit" portion of governmental activities was financed with \$31.8 in taxes and franchise fees, and with other revenues such as unrestricted state aid, impact fees and miscellaneous revenues.

CHART 4



## Management's Discussion and Analysis

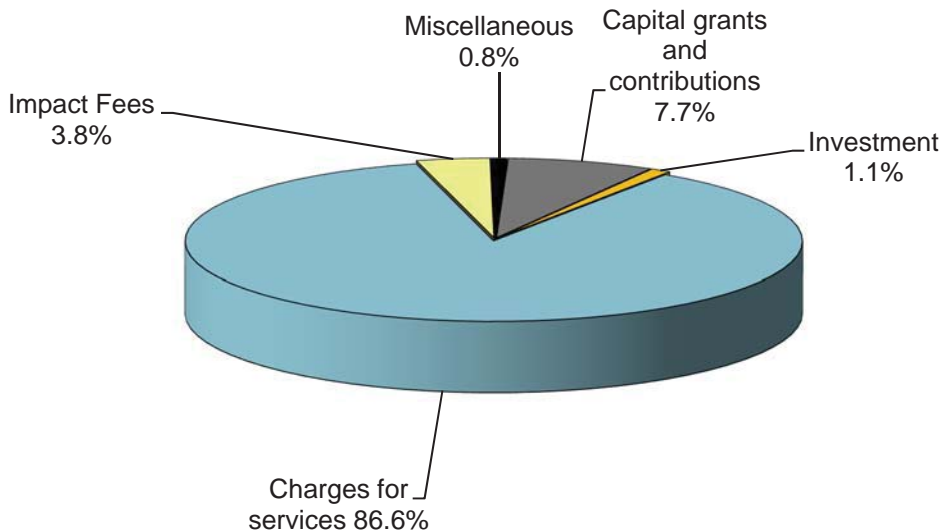
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**Business-type activities.** Business-type activities increased the City of Coconut Creek's net position by \$6.9, accounting for 57.5% of the total increase in the government's net position. Revenues of the City's business-type activities decreased 8.1% to \$26.1 while expenses increased 4.9% to \$19.2. Factors contributing to these results included:

- Charges for services increased by \$0.4 or 1.8% primarily due to an increase in the number of residential utility customers, and a scheduled rate increase that took effect April 1, 2016.
- Capital Grants and Contributions decreased \$3.2 or (61.5%) due to fewer capital contributions of utility easements and infrastructure. This does not represent spendable revenue collected during the year.
- Impact fees increased by \$0.5 or 100.0%, as a result of new construction projects. Impact fees were collected for the construction of Midtown Residences, a 308 mid-rise residential luxury apartment development; Simonton Court, a townhome community; and multiple smaller projects.
- Investment income remained constant from year to year, due to the ongoing changes in the U.S. government securities market, interest rates and security yields.
- Expenses increased by \$0.9 or 4.9%, during the year. This increase is partially attributable to a \$0.4 increase in personnel costs, which includes the addition of a Utility Service Worker, and salary and employee benefit increases, including pension and other post-employment benefit related expenses; increases in operating costs of \$0.4, which includes a contractual increase of \$0.3 paid to Broward County for water; and a \$0.1 increase related to increases in other operating expenses, including depreciation.

Chart 5 provides an overall view of the various business-type revenue sources. 86.6% of these revenues received come from charges for services, 7.7% from capital grants and contributions, 3.8% from impact fees paid by developers, 1.1% from investments and 0.8% from miscellaneous sources.

**CHART 5**  
**Revenues by Source-Business-Type Activities**





Management’s Discussion and Analysis

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*Financial Analysis of the City's Funds*

As noted earlier, the City of Coconut Creek uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds.* The focus of the City of Coconut Creek’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Coconut Creek’s financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Coconut Creek’s governmental funds reported combined ending fund balances of \$53.5, a decrease of \$3.2 in comparison with the prior year.

**Table 3**  
**City of Coconut Creek's Governmental Fund Balances**  
**(in millions of dollars)**

	Governmental Activities	
	2016	2015
Nonspendable:		
Inventory	\$ 0.1	\$ 0.1
Prepaid items	0.1	0.1
Assets held for resale	8.6	8.6
Restricted for:		
Capital projects	0.7	1.0
Grants	0.3	0.5
Street construction/maintenance	1.9	2.6
Public safety	1.5	1.2
Committed to:		
Affordable housing program	0.8	0.7
Capital projects	10.1	12.5
Community Improvement	0.4	0.4
Debt service	0.1	0.1
Hurricane emergency reserve	2.8	2.7
Assigned to:		
Capital projects	2.0	2.0
General government	2.9	3.6
Physical environment	-	0.1
Public safety	-	0.6
General trust accounts	2.1	2.4
Other	-	0.1
Unassigned	19.1	17.4
<b>Total fund balances</b>	<b>\$ 53.5</b>	<b>\$ 56.7</b>

\* Balances are rounded and may not include items under \$50,000.

## Management's Discussion and Analysis

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Fund balance of governmental funds consists of the following classifications (see table 3):

- Nonspendable Fund Balance: \$8.8 of fund balance is classified as *nonspendable*, which indicate amounts that are not available for new spending because it is not in spendable form. Nonspendable fund balance includes \$8.6 for assets held for resale, \$0.1 for inventory and \$0.1 for prepaid items.
- Restricted Fund Balance: \$4.4 is classified as *restricted*, which indicate amounts constrained to specific purposes by external entities. Restricted fund balance includes \$0.3 associated with grant restrictions; \$0.7 for a debt covenant related to the various capital projects; and \$3.4 for federal, state, and local requirements for the use of law enforcement forfeitures and seizures.
- Committed Fund Balance: \$14.2 is classified as *committed*, to indicate amounts constrained to specific purposes by the City Commission through Ordinance or Resolution. Committed fund balance consists mainly of \$10.1 constrained to ongoing and future capital projects; \$0.1 related to debt service; \$0.8 related to housing; \$0.4 related to Community Improvement; and \$2.8 related to hurricane emergencies.
- Assigned Fund Balance: \$7.0 is classified as assigned, to indicate amounts constrained by the City's *intent* to use for a specific purpose. Assigned fund balance mainly includes \$2.0 set aside for ongoing and future capital projects; \$2.9 for future budgetary requirements; and the remaining \$2.1 will be used for purchase commitments and fiscal year 2017 reappropriations.
- Unassigned Fund Balance: \$19.1 is classified as *unassigned* which identifies net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the City of Coconut Creek. At the end of the current fiscal year, fund balance totaled \$27.4, of which \$19.1 is unassigned fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total budgeted expenditures. Unassigned fund balance represents 33%, or approximately four months of total General Fund's budgeted operating expenditures.

The fund balance of the City of Coconut Creek's General Fund decreased \$0.1 at the fiscal year-end to \$27.4. The City had appropriated \$3.2 of fund balance for spending in the 2016 fiscal year budget. This decrease in fund balance was a result of a land purchase of \$2.3, offset by higher than anticipated tax revenue, charges for services, fines and forfeitures, investment and miscellaneous income, as well as, unused departmental expenditures. Unused departmental expenditures include personnel cost savings of \$3.6 (approximately 10.2% of total budgeted personnel costs) resulting from vacancies throughout the year; and various operating cost savings of \$2.2 (approximately 12.2% of total budgeted operating costs). More detailed information is included in the General Fund Budgetary Highlights section on page 18.

The Streets Construction and Maintenance Fund has a fund balance of \$2.0, which is mainly held in cash and investments for future street related expenditures and accounts receivable relating to the timing of State and County shared revenues. Fund balance decreased by \$0.6 primarily due to expenditures from the Comprehensive Street Improvement and Copans Road Median Enhancement projects.

The Grants Fund has a fund balance of \$0. Fund balance decreased \$0.3 due to the timing of grant reimbursements.

The Community Improvement Fund has a fund balance of \$3.0, which is mainly held in cash and investments for future use of on-going projects. Fund balance decreased by \$1.5 primarily due to the on-going construction of Fire Station #50.

## Management's Discussion and Analysis

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The 2009 Capital Improvement Program Fund has a total fund balance of \$0.7, which is mainly held in cash and investments received from the \$10.0 Capital Improvement Revenue Note, Series 2009, issued in fiscal year 2010, and accounts receivable. The new Public Works/EOC Administration Building, completed in fiscal year 2013, and the undergrounding of aerial utility lines, phases II and III were constructed from the proceeds of this note. Fund balance decreased by \$0.3, representing the use of note proceeds to fund the rehabilitation of the Government Center, phases I and II. The balance of this note will be used finance the final phases of the Government Center rehabilitation and other capital projects.

The Capital Improvement Program Fund has a total fund balance of \$12.2, which consists mainly of \$8.6 for land reserved as assets held for resale and \$3.8 in cash and investments for ongoing projects. Fund balance remained stable during this fiscal year due to the timing of capital projects.

The Public Safety Improvement Fund has a total fund balance of \$0.5, which is mainly held in cash and investments for future capital projects. Fund balance decreased \$1.1 due to the on-going construction of Fire Station #50.

**Proprietary funds.** The City of Coconut Creek's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position of the Water and Wastewater Fund at the end of the year amounted to \$31.3. The total increase in net position was \$6.6. The increase in net position was mainly due to capital contributions made during fiscal year 2016, including \$1.4 of utility easements from various developers; lower than anticipated utility charges paid to Broward County of \$0.7; lower than anticipated service contracts of \$0.1; lower than anticipated personnel services of \$0.1 due to staff vacancies and turnover; contingency and fund transfer savings of \$2.2; and various other operational savings, as well as, the timing of capital related expenses. The unrestricted net position of the Stormwater Management Fund at the end of the year amounted to \$4.3. The total increase in net position was \$0.3 mainly due to various operational savings. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Coconut Creek's business-type activities.

### **General Fund Budgetary Highlights**

The significant variance between the final budget and the year-end actual results are as follows:

#### Revenues

As of fiscal year-end, actual revenue amounts fell short of the final budget by \$0.1. The revenue difference is primarily attributed to the following factors:

- Ad Valorem taxes exceeded budget by \$0.1 primarily due to the timing of collections.
- Intergovernmental revenues fell short of budget by \$0.1 mainly due to lower than anticipated half-cent sales tax from the State of Florida.
- Franchise Fees fell short of budget by \$0.1 mainly due to a rate decrease by Florida Power & Light (FPL), effective April 1, 2016.
- Utility Taxes fell short of budget by \$.01 mainly due to a rate decrease by Florida Power & Light (FPL), effective April 1, 2016.
- Charges for services exceeded budget by \$0.5 due to an increase of \$0.3 in EMS transport revenues, a \$0.2 increase in contracted police services, a \$0.1 increase in Fire Fees primarily due to the timing of new developments, offset by a \$0.1 budget shortfall in recreational services.
- Investment income exceeded budget by \$0.05 due to the continued fluctuation in interest rates and maturity yields.

Management’s Discussion and Analysis

- Licenses and Permits fell short of budget by \$0.5 due to the timing of new development within the City.
- Miscellaneous revenues exceeded budget by \$0.05 primarily due to contractual increases for telecommunication tower lease revenue.

Expenditures

As of fiscal year-end, actual expenditures were under budget by \$7.2. The main operational expenditure differences are as follows:

- Personnel costs were less than budgeted amounts by \$3.6 due to staff turnover and vacancies throughout the year, leading to lower than budgeted personnel costs.
- Operating costs were \$3.6 less than budgeted mainly due to insurance (\$0.3); fuel (\$0.3); utilities (\$0.2); maintenance and repair contracts (\$0.2); other service contracts (\$0.7); economic incentives and neighborhood enhancement grants (\$0.5); timing of capital outlay (\$0.3); and contingency (\$0.6) all being under budget, as well as a concerted effort by all departments to continually seek ways to reduce spending each year.

Additional information on budgetary comparisons can be found on pages 64 – 69.

*Capital Asset and Debt Administration*

**Capital assets** (see Table 4 below). The City of Coconut Creek’s investment in capital assets for its governmental and business type activities as of September 30, 2016 amounts to \$176.3 (net of depreciation). This investment in capital assets includes land, buildings, water/sewer system improvements, machinery and equipment, park facilities, utility easements, and streets. The total increase in the City of Coconut Creek’s investment in capital assets for the current fiscal year was \$9.4 represented by an 8.4% increase in governmental activities and a 2.4% increase for business-type activities.

**Table 4**  
**City of Coconut Creek’s Capital Assets**  
**(net of depreciation, in millions of dollars)**

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>		<b>Total</b>
	<b>Activities</b>		<b>Activities</b>		<b>Total</b>		<b>Percentage</b>
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>Change</b>
							<b>2015-2016</b>
Land	\$ 27.4	\$ 25.1	\$ 0.4	\$ 0.4	\$ 27.8	\$ 25.5	9.0%
Buildings	23.2	22.2	2.3	2.4	25.5	24.6	3.7%
Improvements	7.5	7.1	0.7	0.8	8.2	7.9	3.8%
Equipment	7.7	6.4	3.0	3.1	10.7	9.5	12.6%
Infrastructure	27.2	27.3	60.2	59.7	87.4	87.0	0.5%
Intangibles	0.1	0.1	10.3	8.9	10.4	9.0	15.6%
Construction in progress	5.2	2.5	1.1	0.9	6.3	3.4	85.3%
<b>Total</b>	<b>\$ 98.3</b>	<b>\$ 90.7</b>	<b>\$ 78.0</b>	<b>\$ 76.2</b>	<b>\$176.3</b>	<b>\$166.9</b>	<b>5.6%</b>



## Management's Discussion and Analysis

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For governmental activities, this year's major capital asset additions before depreciation totaled \$11.1 and include the following:

- \$2.3 in land, which represents the purchase of a 4.84-acre parcel of vacant land from the School Board of Broward County, Florida, with the intent to expand Lakeside Park and construct additional athletic fields.
- \$1.2 in building improvements, which represents the first two phases of renovations to Government Center.
- \$1.0 in improvements, which represents \$0.5 for the Copans Road median enhancement; \$0.3 for athletic field lighting in Gerber Park; and \$0.2 for various other projects.
- \$3.2 in construction in progress, which relates to projects started in the City, but not yet completed, including \$2.9 for the Fire Station #50 project; \$0.1 for the fiber optic cable infrastructure program; and \$0.2 for various other projects.
- \$0.7 in infrastructure, which represents \$0.4 for Comprehensive Street Improvements; and \$0.3 for the Sidewalk Improvement Program.
- \$2.7 in equipment, which represents \$0.3 for the purchase of communications equipment; \$0.2 for computer software and computer hardware purchases and replacements; \$1.0 for vehicle replacement; \$0.9 for a fire truck and ambulance; \$0.1 for athletic equipment; and \$0.2 for various other equipment purchases.

This year's major capital asset disposal for governmental activities consisted of \$1.0 in vehicles and \$0.1 in computer hardware, as part of the annual vehicle and computer replacement plans. Other asset disposals included \$0.1 in maintenance equipment and \$0.3 in communications equipment. In addition, \$0.5 was transferred from construction in progress to improvements. The transfer represented the completion of various projects, including \$0.3 for the Fire Station #94 renovations; \$0.1 for the Government Center phases I and II renovations; and \$0.1 for various other projects.

Capital additions for business-type activities before depreciation totaled \$3.6 and include the following:

- \$1.4 in utility easements from various developers.
- \$1.8 in infrastructure, which represents \$0.6 in contributions of water and sewer infrastructure from various developers; \$0.2 for the Wastewater Conveyance System Improvement Program; \$0.2 for the Wastewater Pump Station Rehabilitation Program; \$0.1 for Electrical Control Panel Rehabilitation; \$0.1 for Comprehensive Street Improvements; \$0.2 for the North Springs Improvement District Interconnect; \$0.1 for the Water Meter and Box Replacement Program; and several minor additions totaling \$0.3.
- \$0.2 in construction in progress, which relates to projects started in the City, but not yet completed, including \$0.1 for the Utilities and Engineering Building Expansion and \$0.1 for upgrades to the Hilton Road Repump Facility.
- \$0.2 in equipment, which represents \$0.1 for vehicle purchases; and \$0.1 for various other minor equipment purchases.

The City did not dispose of any business-type capital assets during fiscal year 2016.

Additional information on the City of Coconut Creek's capital assets can be found in Note 7 on pages 48 through 50 of this report.

**Long-term debt** (see Table 5). At the end of the current fiscal year, the City of Coconut Creek had total debt outstanding of \$9.2. Debt is comprised of revenue notes used to finance various capital expenditures, including improvements to parks, public buildings and infrastructure, and the purchase of land.

Management’s Discussion and Analysis

The City of Coconut Creek’s total debt decreased by \$2.9 or (24.0%) during the current fiscal year due to required annual debt service payments.

**Table 5**  
**City of Coconut Creek’s Debt**  
**(in millions of dollars)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>		<b>Total Percentage Change</b>
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2015-2016</b>
Revenue notes (backed by specific tax and fee revenues)	9.2	12.1	-	-	9.2	12.1	(24.0%)
<b>Total</b>	<b>\$ 9.2</b>	<b>\$ 12.1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9.2</b>	<b>\$ 12.1</b>	<b>(24.0%)</b>

The City’s revenue notes were obtained as bank qualified loans, and therefore do not have a bond rating. Additional information on the City of Coconut Creek’s long-term debt can be found in Note 8 on pages 50 through 52 of this report.

**Economic Factors and Next year’s Budgets and Rates**

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) primarily rely on property taxes and a limited array of permitted other taxes (sales, communication, gasoline, utilities services, etc.) and fees (franchise, building permits, recreation, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments. For the business-type and certain governmental activities (building inspections, fire service, recreation programs, etc.), the user pays a related fee or charge associated with the service.

Unrestricted fund balance (which is comprised of committed, assigned, and unassigned fund balance) in the General Fund totals \$27.3. Of that amount, the City of Coconut Creek appropriated \$2.8 for spending in the 2017 fiscal year budget. The City continues to show improvement from prior years, which is representative of economic stabilization and steady, positive growth occurring in the local and state economy. Moreover, the City continues to emphasize a disciplined and strategic allocation of resources and fiscal prudence to ensure long-term financial sustainability.

The Florida legislature continues to consider various proposals relating to property tax relief, impact fees, and communication services that could have a significant impact on a local government’s ability to maintain and/or improve services to residents. The City continues to monitor these initiatives and their future impact on the City’s ability to function at its present levels. In addition, the City is committed to maintaining a diversified and stable revenue system to minimize the dependence on property taxes. City staff monitors its resources to determine the need for program adjustments or fee increases.

## Management's Discussion and Analysis

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For fiscal year 2017 budget, property tax values increased 9.8% in the City, one of the highest percentage increases in Broward County. The net increase is comprised of an 8.7% increase from reassessments of existing properties and a 1.1% increase from new construction. The City Commission approved a decrease of .0433 or (0.7%) in the operating property tax rate from 6.1803 to 6.1370 offsetting a 0.7% increase in the taxable value of homesteaded properties. Therefore, residents enjoying the benefit of "Save Our Homes" which limits taxable value increases to 3% or CPI, whichever is less, did not see an increase in the amount of City taxes they pay. Due to the increase in property values, the budgeted gross tax revenues increased \$1.7, which helped fund the additional cost of 5.25 full time equivalent (FTE) employees, including a Police Service Aide, Senior Staff Assistant, two Bus Drivers, part-time Permit Technician, and Planning Intern, to meet the needs of our growing City.

The City did not increase fire assessment rates in fiscal year 2017. The single family, multi-family, and mobile home rates remained at \$177.79, \$160.03, and \$88.90, respectively. A new three-year contract was negotiated with the City of Margate for Emergency Medical and Fire Protection Services, which included the contracted amount for fiscal year 2017 of \$8.5 million.

For the past several years, water levels in Lake Okeechobee have been a concern, causing the South Florida Water Management District (SFWMD) to implement permanent water restrictions throughout South Florida. Since the overall potable water is a limited resource, the SFWMD is mandating that local government agencies look for alternate water supplies. Broward County Water and Wastewater Services (WWS), which is the bulk supplier of our potable water, has identified the deeper Floridian Aquifer as the alternate source to meet the City's future demands. Additionally, based on a mandate by the State Legislature, all wastewater discharge into the ocean must cease by 2025. This will require higher level of treatment before wastewater could be disposed of by such means as reclaimed water and/or deep well injection, both of which are expensive options. Such mandates for water and wastewater may have a direct effect on utility rates for customers throughout the region.

An update to the existing Comprehensive Utility Rate Study was recently completed. The purpose of the update was to ensure that the tiered utility rate structure supports our current and future objectives, while maintaining water quality levels, promoting conservation and enhancing affordability for average users. As a result of this study, adjustments will be made to the tiered rate structure to enhance affordability for low and average volume users to the greatest extent possible while continuing to promote water conservation, support current and future demands for continuing operations, and maintain current infrastructure. Effective April 1, 2017, low to average single-family residential consumers will experience an increase in their utility bills of less than 2.5%. A stormwater rate increase of 1.6%, the consumer price index, went into effect on October 1, 2016.

The initiatives and programs within the 2017 budget are intended to guide the City in meeting its mission of providing a sense of community, ensuring a high quality of life, and providing for the safety and security of our residents, businesses, and visitors.

### *Requests for Information*

This financial report is designed to familiarize our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Assistant City Manager/Director of Finance and Administrative Services, 4800 West Copans Road, Coconut Creek, FL 33063. The reader may also visit the City's website at [www.coconutcreek.net](http://www.coconutcreek.net) for an electronic version of this report.







BUTTERFLY CAPITAL OF THE WORLD®

CITY OF COCONUT CREEK, FLORIDA  
STATEMENT OF NET POSITION  
September 30, 2016

	Governmental Activities	Business- type Activities	Total
<b>ASSETS:</b>			
Cash	\$ 8,124,711	\$ 6,772,299	\$ 14,897,010
Accounts receivable	2,547,860	2,594,281	5,142,141
Due from other governments	1,198,377	72,315	1,270,692
Investments	38,247,555	31,906,240	70,153,795
Inventory and prepaid items	158,408	8,280	166,688
Other assets	4,907	-	4,907
Assets held for resale	8,620,084	-	8,620,084
Capital assets not being depreciated	32,652,091	11,804,619	44,456,710
Capital assets being depreciated	65,693,095	66,162,427	131,855,522
<b>Total assets</b>	<b>157,247,088</b>	<b>119,320,461</b>	<b>276,567,549</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows for pension	13,100,362	1,253,040	14,353,402
<b>Total deferred outflows of resources</b>	<b>13,100,362</b>	<b>1,253,040</b>	<b>14,353,402</b>
<b>LIABILITIES:</b>			
Accounts payable and accrued liabilities	3,928,824	432,022	4,360,846
Retainage payable	183,279	-	183,279
Unearned revenue	270,911	56,961	327,872
Due to other governments	22,888	775,647	798,535
Customer and other deposits payable	800	1,674,072	1,674,872
Due within one year:			
Compensated absences payable	395,438	31,003	426,441
Revenue notes payable	2,960,938	-	2,960,938
Due in more than one year:			
Compensated absences payable	4,340,823	546,835	4,887,658
Revenue notes payable	6,289,270	-	6,289,270
Net pension liability	31,820,074	2,936,034	34,756,108
Net OPEB obligation	5,153,000	624,000	5,777,000
<b>Total liabilities</b>	<b>55,366,245</b>	<b>7,076,574</b>	<b>62,442,819</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred inflows for pension	1,114,310	61,121	1,175,431
<b>Total deferred inflows of resources</b>	<b>1,114,310</b>	<b>61,121</b>	<b>1,175,431</b>
<b>NET POSITION:</b>			
Net investment in capital assets	88,807,717	77,798,632	166,606,349
Restricted:			
Capital projects	707,673	-	707,673
Street construction and maintenance	1,964,168	-	1,964,168
Public safety	1,456,735	-	1,456,735
Grants	277,476	-	277,476
Unrestricted	20,653,126	35,637,174	56,290,300
<b>Total net position</b>	<b>\$ 113,866,895</b>	<b>\$ 113,435,806</b>	<b>\$ 227,302,701</b>

The accompanying notes are an integral part of these financial statements.



CITY OF COCONUT CREEK, FLORIDA  
 STATEMENT OF ACTIVITIES  
 For the Fiscal Year Ended September 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
<b>PRIMARY GOVERNMENT:</b>						
Governmental activities:						
General government	\$ 11,968,432	\$ 5,451,404	\$ -	\$ -	\$ (6,517,028)	\$ (6,517,028)
Public safety	29,801,081	11,198,970	15,784	619,790	(17,966,537)	(17,966,537)
Physical environment	7,808,429	2,995,552	565,001	-	(4,247,876)	(4,247,876)
Culture and recreation	6,791,127	684,757	-	-	(6,106,370)	(6,106,370)
Interest on long-term debt	427,423	-	-	-	(427,423)	(427,423)
<b>Total governmental activities</b>	<b>56,796,492</b>	<b>20,330,683</b>	<b>580,785</b>	<b>619,790</b>	<b>(35,265,234)</b>	<b>(35,265,234)</b>
Business-type activities						
Water and wastewater	17,823,761	20,976,516	-	2,020,712	-	5,173,467
Stormwater management	1,437,920	1,671,656	-	-	-	233,736
<b>Total business-type activities</b>	<b>19,261,681</b>	<b>22,648,172</b>	<b>-</b>	<b>2,020,712</b>	<b>-</b>	<b>5,407,203</b>
<b>Total primary government</b>	<b>\$ 76,058,173</b>	<b>\$ 42,978,855</b>	<b>\$ 580,785</b>	<b>\$ 2,640,502</b>	<b>(35,265,234)</b>	<b>(29,858,031)</b>
<b>General Revenues:</b>						
Taxes:						
Property taxes					19,672,398	19,672,398
Utility taxes					6,665,357	6,665,357
Local option gas tax					1,000,892	1,000,892
Franchise fees					4,384,655	4,384,655
Impact fees					286,027	286,027
Intergovernmental not restricted to specific programs					5,858,181	5,858,181
Special assessment					30,280	30,280
Investment income					444,848	444,848
Miscellaneous					1,998,667	1,998,667
Total general revenues					40,341,305	40,341,305
Change in net position					5,076,071	5,076,071
Net position, beginning					106,533,138	106,533,138
Net position, ending					\$ 113,866,895	\$ 113,866,895

The accompanying notes are an integral part of these financial statements.



CITY OF COCONUT CREEK, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2016

	General Fund	Street Construction and Maintenance Fund	Grants Fund	Community Improvement Fund
<b>ASSETS:</b>				
Cash	\$ 4,881,013	\$ 357,270	\$ -	\$ 645,280
Accounts receivable	1,690,423	3,318	-	5,993
Due from other funds	34,679	-	-	-
Due from other governments	853,774	259,042	72,155	-
Investments	22,965,575	1,683,199	-	3,040,100
Inventory and prepaid items	153,011	-	-	-
Other assets	-	-	-	-
Assets held for resale	-	-	-	-
<b>Total assets</b>	<b><u>30,578,475</u></b>	<b><u>2,302,829</u></b>	<b><u>72,155</u></b>	<b><u>3,691,373</u></b>
<b>LIABILITIES:</b>				
Accounts payable and accrued liabilities	2,742,292	338,661	15,983	501,797
Retainage payable	-	-	-	183,279
Unearned revenue	249,418	-	21,493	-
Due to other funds	-	-	34,679	-
Due to other governments	22,888	-	-	-
Deposits	800	-	-	-
<b>Total liabilities</b>	<b><u>3,015,398</u></b>	<b><u>338,661</u></b>	<b><u>72,155</u></b>	<b><u>685,076</u></b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - grants	-	-	33,712	-
Unavailable revenue - EMS/public safety	142,265	-	-	-
Unavailable revenue - special assessments	-	-	-	-
<b>Total deferred inflows of resources</b>	<b><u>142,265</u></b>	<b><u>-</u></b>	<b><u>33,712</u></b>	<b><u>-</u></b>
<b>FUND BALANCES:</b>				
<b>Nonspendable:</b>				
Inventory	58,657	-	-	-
Prepaid items	94,354	-	-	-
Assets held for resale	-	-	-	-
<b>Restricted:</b>				
Capital projects	-	-	-	-
Grants	-	-	-	-
Street construction/maintenance	-	1,964,168	-	-
Public safety	-	-	-	-
<b>Committed:</b>				
Affordable housing program	-	-	-	-
Capital projects	-	-	-	3,006,297
Community improvement	412,804	-	-	-
Debt service	-	-	-	-
Hurricane emergency reserve	2,771,119	-	-	-
<b>Assigned:</b>				
Capital projects	-	-	-	-
General government	2,922,032	-	-	-
Culture and recreation	7,700	-	-	-
General trust accounts	2,051,827	-	-	-
<b>Unassigned</b>	<b>19,102,319</b>	<b>-</b>	<b>(33,712)</b>	<b>-</b>
<b>Total fund balances</b>	<b><u>27,420,812</u></b>	<b><u>1,964,168</u></b>	<b><u>(33,712)</u></b>	<b><u>3,006,297</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ <u>30,578,475</u></b>	<b>\$ <u>2,302,829</u></b>	<b>\$ <u>72,155</u></b>	<b>\$ <u>3,691,373</u></b>

The accompanying notes are an integral part of these financial statements.

2009 Capital Projects Fund	Capital Improvement Program Fund	Public Safety Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 125,971	\$ 671,124	\$ 79,622	1,364,431	\$ 8,124,711
788,477	6,235	738	52,676	2,547,860
-	-	-	-	34,679
-	-	-	13,406	1,198,377
593,489	3,161,858	375,119	6,428,215	38,247,555
-	5,397	-	-	158,408
-	4,907	-	-	4,907
-	8,620,084	-	-	8,620,084
<u>1,507,937</u>	<u>12,469,605</u>	<u>455,479</u>	<u>7,858,728</u>	<u>58,936,581</u>
12,958	264,386	-	52,747	3,928,824
-	-	-	-	183,279
-	-	-	-	270,911
-	-	-	-	34,679
-	-	-	-	22,888
-	-	-	-	800
<u>12,958</u>	<u>264,386</u>	<u>-</u>	<u>52,747</u>	<u>4,441,381</u>
-	-	-	-	33,712
-	-	-	-	142,265
787,306	-	-	-	787,306
<u>787,306</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>963,283</u>
-	-	-	-	58,657
-	5,397	-	-	99,751
-	8,620,084	-	-	8,620,084
707,673	-	-	-	707,673
-	-	-	277,476	277,476
-	-	-	-	1,964,168
-	-	-	1,456,735	1,456,735
-	-	-	776,831	776,831
-	1,563,250	455,479	5,162,625	10,187,651
-	-	-	-	412,804
-	-	-	132,314	132,314
-	-	-	-	2,771,119
-	2,016,488	-	-	2,016,488
-	-	-	-	2,922,032
-	-	-	-	7,700
-	-	-	-	2,051,827
-	-	-	-	19,068,607
<u>707,673</u>	<u>12,205,219</u>	<u>455,479</u>	<u>7,805,981</u>	<u>53,531,917</u>
\$ <u>1,507,937</u>	\$ <u>12,469,605</u>	\$ <u>455,479</u>	<u>7,858,728</u>	\$ <u>58,936,581</u>

The accompanying notes are an integral part of these financial statements.



CITY OF COCONUT CREEK, FLORIDA  
 RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF NET POSITION  
 September 30, 2016

TOTAL FUND BALANCES, GOVERNMENTAL FUNDS, PAGE 26 \$ 53,531,917

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.

Governmental capital assets	\$ 135,449,575	
Less accumulated depreciation	<u>(37,104,389)</u>	
Net Adjustment		98,345,186

Certain revenues are considered deferred inflows of resources in the fund financial statements due to availability of the funds, and under full accrual accounting they are considered revenues. 963,283

Certain deferred inflows and outflows are not required to be reported in the funds but are required to be reported at the government-wide level.

Deferred outflows relating to pension activity	13,100,362	
Deferred inflows relating to pension activity	<u>(1,114,310)</u>	
		11,986,052

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Compensated absences		(4,736,261)
Revenue notes payable		(9,250,208)
Net pension liability		(31,820,074)
Other post employment benefit obligation (OPEB)		<u>(5,153,000)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES, PAGE 23 \$ 113,866,895

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

CITY OF COCONUT CREEK, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Fiscal Year Ended September 30, 2016

	General Fund	Street Construction and Maintenance Fund	Grants Fund	Community Improvement Fund
<b>REVENUES:</b>				
Ad valorem taxes	\$ 19,672,398	\$ -	\$ -	\$ -
Franchise fees	4,384,655	-	-	-
Utility taxes	6,665,357	-	-	-
Licenses and permits	2,376,164	-	-	-
Intergovernmental revenues	5,220,444	1,821,766	291,100	-
Charges for services	14,654,634	-	-	2,995,551
Fines and forfeitures	361,589	-	-	-
Impact fees	-	-	-	-
Investment income	281,021	15,929	-	29,737
Miscellaneous revenues	1,234,063	67,839	-	-
<b>Total revenues</b>	<b>54,850,325</b>	<b>1,905,534</b>	<b>291,100</b>	<b>3,025,288</b>
<b>EXPENDITURES:</b>				
Current:				
General government	10,373,122	-	-	32,750
Public safety	27,781,929	-	7,511	-
Physical environment	4,170,015	1,164,609	275,272	7,914
Culture and recreation	5,861,636	-	-	-
Nondepartmental	368,046	225,880	-	-
Capital outlay	3,540,813	1,235,660	8,273	2,569,279
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>52,095,561</b>	<b>2,626,149</b>	<b>291,056</b>	<b>2,609,943</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>2,754,764</b>	<b>(720,615)</b>	<b>44</b>	<b>415,345</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	425,781	143,139	-	-
Transfers out	(3,217,017)	-	(339,397)	(1,922,439)
<b>Total other financing sources (uses)</b>	<b>(2,791,236)</b>	<b>143,139</b>	<b>(339,397)</b>	<b>(1,922,439)</b>
<b>Net change in fund balances</b>	<b>(36,472)</b>	<b>(577,476)</b>	<b>(339,353)</b>	<b>(1,507,094)</b>
FUND BALANCES- Beginning	27,457,284	2,541,644	305,641	4,513,391
FUND BALANCES - Ending	<u>\$ 27,420,812</u>	<u>\$ 1,964,168</u>	<u>\$ (33,712)</u>	<u>\$ 3,006,297</u>

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



2009 Capital Projects Fund	Capital Improvement Program Fund	Public Safety Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 19,672,398
-	-	-	-	4,384,655
-	-	-	-	6,665,357
-	-	-	-	2,376,164
-	-	-	289,730	7,623,040
-	-	-	-	17,650,185
-	-	-	619,790	981,379
-	-	105,140	180,887	286,027
6,998	33,790	5,182	72,191	444,848
-	696,763	-	-	1,998,665
<u>6,998</u>	<u>730,553</u>	<u>110,322</u>	<u>1,162,598</u>	<u>62,082,718</u>
-	-	-	-	10,405,872
-	-	-	91,517	27,880,957
-	-	-	203,298	5,821,108
-	-	-	-	5,861,636
-	-	-	-	593,926
328,420	2,709,660	732,253	260,275	11,384,633
-	-	-	2,864,065	2,864,065
-	-	-	427,423	427,423
<u>328,420</u>	<u>2,709,660</u>	<u>732,253</u>	<u>3,846,578</u>	<u>65,239,620</u>
<u>(321,422)</u>	<u>(1,979,107)</u>	<u>(621,931)</u>	<u>(2,683,980)</u>	<u>(3,156,902)</u>
-	2,000,000	-	3,437,988	6,006,908
-	-	(470,060)	(57,995)	(6,006,908)
-	2,000,000	(470,060)	3,379,993	-
<u>(321,422)</u>	<u>20,893</u>	<u>(1,091,991)</u>	<u>696,013</u>	<u>(3,156,902)</u>
<u>1,029,095</u>	<u>12,184,326</u>	<u>1,547,470</u>	<u>7,109,968</u>	<u>56,688,819</u>
<u>\$ 707,673</u>	<u>\$ 12,205,219</u>	<u>\$ 455,479</u>	<u>\$ 7,805,981</u>	<u>\$ 53,531,917</u>

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

CITY OF COCONUT CREEK, FLORIDA  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
 STATEMENT OF ACTIVITIES  
 For the Fiscal Year Ended September 30, 2016

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS, PAGE 29 \$ (3,156,902)

Amounts reported for governmental activities in the statement of activities  
 (Page 24) are different because:

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

Recorded as capital assets	\$ 11,062,349	
Depreciation expense	<u>(3,358,565)</u>	
Net Adjustment		7,703,784

Revenues in the statement of activities that do not provide current  
 financial resources are not reported as revenues in the funds. (210,157)

Repayment of debt principal is an expenditure in the  
 governmental funds but the repayment reduces long-term  
 liabilities in the statement of net position. This is the  
 amount by which repayments exceed issuance of debt.

Principal payments		2,864,065
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Certain items reported in the statement of activities do not  
 require the use of current financial resources and  
 therefore are not reported as expenditures in the  
 governmental funds.

Change in compensated absences	(93,650)	
Change in other post employment benefit obligation (OPEB)	<u>(320,000)</u>	
		(413,650)

The net effect of pension and retirement contribution expenses		(1,625,540)
--	--	-------------

The net effect of various miscellaneous transactions involving capital assets.		<u>(85,529)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES, PAGE 24 \$ 5,076,071

The accompanying notes are an integral part of these financial statements.

CITY OF COCONUT CREEK, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2016

	Business-type Activities Enterprise Fund		
	Water and Wastewater Fund	Nonmajor Stormwater Management Fund	Total
<b>ASSETS:</b>			
Current assets:			
Cash	\$ 5,921,893	\$ 850,406	\$ 6,772,299
Accounts receivable	2,445,537	148,744	2,594,281
Due from other governments	56,942	15,373	72,315
Prepaid items	8,280	-	8,280
<b>Total current assets</b>	<b>8,432,652</b>	<b>1,014,523</b>	<b>9,447,175</b>
Non-current assets:			
Investments	27,899,730	4,006,510	31,906,240
Capital assets:			
Land	406,071	-	406,071
Easements	10,333,561	-	10,333,561
Buildings	2,747,901	-	2,747,901
Improvements	1,096,269	18,866	1,115,135
Equipment	4,095,924	648,459	4,744,383
Infrastructure	84,772,006	2,307,736	87,079,742
Construction in progress	1,053,857	11,130	1,064,987
<b>Total capital assets</b>	<b>104,505,589</b>	<b>2,986,191</b>	<b>107,491,780</b>
Less accumulated depreciation	29,022,413	502,321	29,524,734
<b>Total capital assets, net</b>	<b>75,483,176</b>	<b>2,483,870</b>	<b>77,967,046</b>
<b>Total assets</b>	<b>111,815,558</b>	<b>7,504,903</b>	<b>119,320,461</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows for pension	965,972	287,068	1,253,040
<b>Total deferred outflows of resources</b>	<b>965,972</b>	<b>287,068</b>	<b>1,253,040</b>
<b>LIABILITIES AND NET POSITION:</b>			
Current Liabilities:			
Accounts payable and accrued liabilities	381,165	50,857	432,022
Unearned revenues	56,961	-	56,961
Due to other governments	775,647	-	775,647
Compensated absences	31,003	-	31,003
Customer deposits payable	1,674,072	-	1,674,072
<b>Total Current Liabilities</b>	<b>2,918,848</b>	<b>50,857</b>	<b>2,969,705</b>
Noncurrent liabilities:			
Other postemployment benefit obligations	477,000	147,000	624,000
Compensated absences	453,791	93,044	546,835
Net pension liability	2,240,910	695,124	2,936,034
<b>Total noncurrent liabilities</b>	<b>3,171,701</b>	<b>935,168</b>	<b>4,106,869</b>
<b>Total liabilities</b>	<b>6,090,549</b>	<b>986,025</b>	<b>7,076,574</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred inflows for pension	37,613	23,508	61,121
<b>Total deferred inflows of resources</b>	<b>37,613</b>	<b>23,508</b>	<b>61,121</b>
<b>NET POSITION:</b>			
Net investment in capital assets	75,314,762	2,483,870	77,798,632
Unrestricted	31,338,606	4,298,568	35,637,174
<b>Total net position</b>	<b>\$ 106,653,368</b>	<b>\$ 6,782,438</b>	<b>\$ 113,435,806</b>

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

CITY OF COCONUT CREEK, FLORIDA  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the Fiscal Year Ended September 30, 2016

	Business-type Activities Enterprise Fund		
	Water and Wastewater Fund	Nonmajor Stormwater Management Fund	Total
Operating revenues:			
Charges for services	\$ 20,976,516	\$ 1,671,656	\$ 22,648,172
Miscellaneous	211,719	-	211,719
<b>Total operating revenues</b>	<u>21,188,235</u>	<u>1,671,656</u>	<u>22,859,891</u>
Operating expenses:			
Administrative costs	5,325,570	420,240	5,745,810
Operations and maintenance	10,756,734	889,383	11,646,117
Depreciation	1,685,099	102,321	1,787,420
Other services and charges	45,595	25,976	71,571
<b>Total operating expenses</b>	<u>17,812,998</u>	<u>1,437,920</u>	<u>19,250,918</u>
<b>Operating income</b>	<u>3,375,237</u>	<u>233,736</u>	<u>3,608,973</u>
Non-operating revenues (expenses)			
Interest expense and fees	(10,763)	-	(10,763)
Impact fees	1,005,861	-	1,005,861
Investment income	241,304	36,581	277,885
<b>Total non-operating revenues (expenses)</b>	<u>1,236,402</u>	<u>36,581</u>	<u>1,272,983</u>
<b>Income before contributions</b>	<u>4,611,639</u>	<u>270,317</u>	<u>4,881,956</u>
Capital contributions - developers	2,020,712	-	2,020,712
<b>Change in net position</b>	<u>6,632,351</u>	<u>270,317</u>	<u>6,902,668</u>
Net position - beginning	<u>100,021,017</u>	<u>6,512,121</u>	<u>106,533,138</u>
Net position - ending	<u>\$ 106,653,368</u>	<u>\$ 6,782,438</u>	<u>\$ 113,435,806</u>

The accompanying notes are an integral part of these financial statements.

CITY OF COCONUT CREEK, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended September 30, 2016

	Business-type Activities		
	Enterprise Fund		
	Water and Wastewater Fund	Nonmajor Stormwater Management Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 21,132,534	\$ 1,747,016	\$ 22,879,550
Payments to suppliers	(13,664,484)	(754,720)	(14,419,204)
Payments to employees for services	(2,803,454)	(623,311)	(3,426,765)
<b>Net Cash Provided By Operating Activities</b>	<u>4,664,596</u>	<u>368,985</u>	<u>5,033,581</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Interest paid	(10,763)	-	(10,763)
<b>Net Cash Used in Noncapital Financing Activities</b>	<u>(10,763)</u>	<u>-</u>	<u>(10,763)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Purchases of capital assets	(1,274,977)	(294,083)	(1,569,060)
Impact fees	1,005,861	-	1,005,861
<b>Net Cash Used In Capital and Related Financing Activities</b>	<u>(269,116)</u>	<u>(294,083)</u>	<u>(563,199)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	241,304	36,581	277,885
Proceeds from sales and maturities of investments	4,320,000	720,000	5,040,000
Purchases of investments	(7,241,394)	(666,549)	(7,907,943)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>(2,680,090)</u>	<u>90,032</u>	<u>(2,590,058)</u>
<b>Net Increase in Cash</b>	1,704,627	164,934	1,869,561
CASH - BEGINNING	<u>4,217,266</u>	<u>685,472</u>	<u>4,902,738</u>
CASH - ENDING	<u>\$ 5,921,893</u>	<u>\$ 850,406</u>	<u>\$ 6,772,299</u>

The accompanying notes are an integral part of these financial statements.



CITY OF COCONUT CREEK, FLORIDA  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
For the Fiscal Year Ended September 30, 2016

	Business-type Activities		
	Enterprise Fund		
	Water and Wastewater Fund	Nonmajor Stormwater Management Fund	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income	\$ 3,375,237	\$ 233,736	\$ 3,608,973
Adjustments to reconcile operating income to net cash provided by operating activities:			
Provision for depreciation	1,685,099	102,321	1,787,420
(Increase) decrease in assets and deferred outflows:			
Accounts receivable	(138,218)	77,990	(60,228)
Due from other governments	90,797	(2,630)	88,167
Prepaid items	(8,280)	-	(8,280)
Deferred outflows	(733,372)	(209,535)	(942,907)
Increase (decrease) in liabilities and deferred inflows:			
Accounts payable and accrued liabilities and retainage payable	14,455	(102,000)	(87,545)
Unearned revenues	(108,442)	-	(108,442)
Due to other governments	(469,749)	-	(469,749)
Compensated absences	53,387	10,841	64,228
Customer deposits payable	14,269	-	14,269
Net pension liability	1,088,802	311,088	1,399,890
Deferred inflows	(230,389)	(65,826)	(296,215)
Other postemployment benefit obligations	31,000	13,000	44,000
<b>Total adjustments</b>	<u>1,289,359</u>	<u>135,249</u>	<u>1,424,608</u>
<b>Net Cash Provided By     Operating Activities</b>	<u>\$ 4,664,596</u>	<u>\$ 368,985</u>	<u>\$ 5,033,581</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING, AND CAPITAL RELATED FINANCING ACTIVITIES			
Contributions of capital assets from developers	\$ <u>2,020,712</u>	\$ <u>-</u>	\$ <u>2,020,712</u>
Decrease in fair value of investments	\$ <u>2,652</u>	\$ <u>398</u>	\$ <u>3,050</u>

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

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Coconut Creek, Florida (the "City"), located in Broward County, Florida, is a municipal corporation incorporated on February 20, 1967. The City is governed by an elected mayor and four-member commission and operates under the commission/manager form of government. The City provides the following services as authorized by its Charter – general government, public safety, physical environment, culture/recreation, water/waste-water, and stormwater.

The following is a summary of the significant accounting policies applicable to the City:

A. Financial Reporting Entity

Accounting principles generally accepted in the United States of America require that the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. There are no organizations or entities which should be presented with the City.

B. Government-Wide and Fund Financial Statements

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

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect costs are included in the program expense reported for individual functions and activities. *Program revenues* include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment and 3) grants and contributions that are restricted to meeting capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as *general revenues*.

The net cost by function is normally covered by general revenues (property taxes, utility taxes, franchise fees, certain intergovernmental revenues, investment income, etc.). The City applies eligible expenses against available restricted resources before the use of unrestricted resources.

Separate fund financial statements are provided for governmental funds and proprietary funds. The focus of governmental and proprietary fund financial statements is on major funds. Financial information is presented for each major fund in a separate column. The General Fund is always reported as a major fund. Non-major funds are aggregated and displayed in a single column.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

Basis of accounting refers to when revenues, expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, other post-employment benefits, and claims and judgments, are recorded only when due.

Property taxes, when levied for, franchise fees, utility taxes, charges for services, intergovernmental revenue, when eligibility requirements are met, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period, if available. Licenses, permits, fines and forfeitures are considered to be measurable only when cash is received by the City.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is charges between the City's enterprise funds and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Street Construction and Maintenance Fund* is a special revenue fund that is used to account for revenues received from federal, state and county agencies, which may only be expended for street construction and maintenance programs.

The *Community Improvement Fund* is a special revenue fund that is used to account for proceeds received from the Seminole Tribe of Florida in accordance with a municipal services agreement. The funds have been committed by City Ordinance to be used primarily for capital projects.

The *Grants Fund* is a special revenue fund that is used to account for revenues received for various grant programs.

The *2009 Capital Projects Fund* is a capital projects fund that accounts for financial resources to be used for the City's capital improvement projects as funded by the Series 2009 - \$10 Million Capital Improvement Revenue Note.

The *Capital Improvement Fund* is a capital projects fund that accounts for the City's capital improvement program.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The *Public Safety Improvement Fund* is a capital projects fund that accounts for fees charged to developers to ensure that the City's level of service for police and fire/rescue will not be adversely affected by development growth. The funds have been committed by City Ordinance for police and fire/rescue capital improvements.

The City reports the following major proprietary fund:

The *Water and Wastewater Fund* accounts for the water and wastewater operations of the City-owned water and wastewater utility system.

D. Proprietary Fund Accounting

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

E. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

F. Cash and Investments

Cash includes cash on hand and demand deposits with original maturities of three months or less when purchased. The City maintains a cash and investment pool that is available for use by all funds.

Cash balances from all funds are combined and invested to the extent available in authorized investments for the purpose of preserving principal while maximizing earnings. Interest earned on pooled cash and investments is allocated monthly based on pooled cash and investment balances of the respective funds. Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

G. Accounts Receivable

Accounts receivable balances consists of amounts due for charges for services, fees, taxes, grants, unbilled utility services, etc. The unbilled portion of water and sewer earned revenues is accrued at year-end and is based on the October billing. The City of Coconut Creek has an Interlocal Agreement with the City of Margate, Florida to provide Emergency Medical and Fire Protection Services. The City of Margate collects charges for emergency medical services provided and remits the amounts collected to the City of Coconut Creek, less a 8.3% collection fee. Management determines an allowance for uncollectible amounts based on a review of the accounts and their knowledge of the creditors and their ability to pay.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Inventory and Prepaid Items

Inventory is valued at cost. The costs of governmental fund-type inventory is recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. These costs are accounted for under the consumption method.

I. Capital Assets

Capital assets, which include land, buildings, equipment and infrastructure assets (e.g., roads, sidewalks, pump stations, lighting system, water and sewer system and similar items), and intangibles are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund financial statements. In governmental fund financial statements, capital assets are recorded as expenditures and no depreciation expense is recorded. Capital assets are defined by the City as assets with an estimated useful life in excess of two years and an initial, individual cost of more than \$1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The cost of property sold or retired, together with the related accumulated depreciation, is removed from the appropriate accounts, and any resulting gain or loss is included in the change in net position.

Major outlays for capital assets and improvements are capitalized as they are constructed. For business-type activities and proprietary funds, interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds of specific project debt over the same period.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	50 years
Improvements	20 years
Infrastructure (including easements)	15-65 years
Equipment	5-30 years
Software	5 years

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid upon separation of service. Compensated absences are accrued when earned in the government-wide and proprietary fund financial statements. The liability for accrued compensated absences of governmental funds is reported in the balance sheet of the governmental funds when amounts are due.



CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Long-Term Obligations

In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the interest method. Bond issue costs are expensed as incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond issue costs, premiums and discounts are recognized during the current period. The face amount of debt issued is reported as other financing sources. Debt principal payments are reported as expenditures. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

L. Pensions

The City's net pension liability, deferred inflows and outflows related to pensions, and pension expense have been determined on the basis reported by the Florida Retirement System (FRS) and are reflected in the City's Statement of Net Position and Statement of Activities for the fiscal year ended September 30, 2016.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

M. Net Position

Net position of the government-wide and proprietary funds is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred and deferred inflows/outflows to acquire, construct or improve those assets. Net position is reported as restricted when there are legal limitations imposed on its use by enabling legislation or external restrictions by other governments, creditors or grantors. Unrestricted net position consists of the net position not meeting the definition of either of the other two components. The government-wide statement of net position reports \$4,406,052 of restricted net position, of which \$3,698,379 is restricted by enabling legislation.

N. Fund Equity

The Governmental Accounting Standards Board issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes accounting and financial reporting requirements for all governmental funds and establishes criteria for classifying fund balances. Accordingly, the governmental fund financial statements report fund equity classifications that comprise a hierarchy based primarily on the extent to which the City is legally bound to honor specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

Non-Spendable: Non-spendable fund balances include amounts that cannot be spent because they are either (a) in a non-spendable form or (b) are legally or contractually required to remain intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid items) and items such as the long-term amount of loans and notes receivable, as well as assets held for resale. In fiscal year 2016, non-spendable fund balance is \$8,778,492.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Restricted: Restricted fund balances include amounts that are restricted to specific purposes either by (a) constraints placed on the use of resources by creditors, grantors, contributors, or laws and regulations of other governments, or (b) imposed by law through constitutional provisions or through enabling legislation. In fiscal year 2016, restricted fund balance is \$4,406,052.

Committed: Committed fund balances include amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The City Commission is the highest level of decision-making authority for the City that can, by adoption of an ordinance or resolution (equally binding) prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until City Commission takes the same action to remove or change the constraint. In fiscal year 2016, committed fund balance is \$14,280,719.

Assigned: Assigned fund balances include amounts that are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Assignments of fund balances made through a resolution by City Commission are generally temporary and normally the same formal action need not be taken to remove the assignment. In fiscal year 2016, assigned fund balance is \$6,998,047.

Unassigned: Unassigned fund balances include amounts that are not assigned to other funds and have not been restricted, committed or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes. In fiscal year 2016, unassigned fund balance is \$19,068,607.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

O. Minimum Fund Balance Policy and Hurricane Emergency Reserve Account

The City's policy is to maintain an adequate General Fund Hurricane Emergency Reserve Account and General Fund unrestricted fund balance to provide liquidity in the event of an economic downturn or natural disaster.

The City Commission adopted a financial standard to maintain a General Fund Hurricane Emergency Reserve Account in an amount of 5% of the total subsequent fiscal year expenditures, less capital outlay and transfers out budgeted for the fund. This amount is considered committed funds and can only be changed by a majority vote of the City Commission.

The City Commission adopted a financial standard to maintain a General Fund minimum unrestricted fund balance of 20%, which represents approximately 2 1/2 months of working capital, of the total subsequent fiscal year expenditures, less capital outlay, contingency and transfers out budgeted for the fund. This reserve shall be in addition to all other required nonspendable, restricted, committed and assigned fund balances. A majority vote of the City Commission is required to approve the use of the unrestricted fund balance.

P. Encumbrances

Budgets in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While all appropriations lapse at fiscal year end, outstanding encumbrances may be re-appropriated and become part of the subsequent year's budget.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Statement of Cash Flows

For purposes of the statement of cash flows, the enterprise funds consider all highly-liquid investments with a maturity of three months or less when purchased to be cash equivalents.

R. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and, therefore, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item in the governmental funds, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet as Deferred Inflows of Resources. The sources of unavailable revenue in the governmental funds are grant, special assessment, police, and emergency medical services (EMS) revenues.

In the government-wide financial statements, there are deferred inflows and outflows related to pensions.

S. Assets Held for Resale

The assets held for resale represent land purchased by the City with the express intent to resell. This land is reported at the lower of cost or net realizable value.

NOTE 2 – PROPERTY TAXES

The City's property tax is levied each October on the assessed value established by the Broward County Property Appraiser as of January 1st for all real property located in the City.

The City is permitted by Florida Statute to levy ad valorem taxes for real and tangible personal property up to \$10 per \$1,000 of assessed taxable value, except for special benefits and debt service obligations issued with the approval of those taxpayers subject to ad valorem taxes. The assessed taxable value as of January 1, 2015, upon which the 2015-2016 tax levy calculation was based, was \$3,299,996,491. The tax rate to finance all governmental services for the fiscal year ended September 30, 2016 was 6.1803 per \$1,000 of assessed taxable value.

Taxes become payable on November 1 each year and may be discounted up to 4% for payment prior to the following March 1. All unpaid taxes become delinquent on April 1 of the year following the year in which the taxes were levied. Property is lienied for unpaid taxes on June 1 of the year following the year in which the taxes were levied.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 3 - CASH AND INVESTMENTS**

The City's investment practices are governed by Chapter 280 and 218.415, Florida Statutes and the City Codes of Ordinances, 2010-10, the adopted investment policy. For all investments authorized by statute and policy, the City applies the "Prudent Person Rule" when developing investment strategies.

Deposits: Deposits of the City, including time deposit accounts, demand deposit accounts and certificates of deposit, are defined as public deposits. All of the City's public deposits are held in qualified public depositories pursuant to Chapter 280.03 of the Florida Statutes, "Florida Security for Public Deposits Act." Under the Act, all qualified public depositories are required to pledge eligible collateral having market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may range from 25% to 200% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in fault. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss.

Authorized investments: The City is authorized by state statutes and local ordinances to invest in the State Board of Administration's ("SBA") Investment Account; intergovernmental investment pools or local government investment pools authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in Chapter 163.01, Florida Statutes; negotiable direct obligations of, or obligations where the principal and interest of which are unconditionally guaranteed by the United States Government; interest-bearing time deposits or savings accounts in qualified banks organized under the laws of this state, in national banks organized under the laws of the United States and doing business and situated in this state; securities of, or other interests in investment trusts registered under the Investment Company Act of 1940; obligations of the Federal Farm Credit Banks, and the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates; or the Federal Home Loan Bank or its district banks or obligations of the Federal National Mortgage Association including Federal National Mortgage Association participation certificates and mortgage pass-through certificates guaranteed by the Federal National Mortgage Association.

The City measures and records its investments using fair value measurement guidelines (other than Florida Trust Day-to-Day Money Market Fund and Florida PRIME) as required by accounting principles generally accepted in the United States of America. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Directly observable, quoted prices for identical investments in active markets;
- Level 2: Observable inputs, other than quoted market prices; and,
- Level 3: Unobservable inputs, used only when relevant Level 1 and Level 2 inputs are unavailable.

Florida PRIME is an open-pool investment fund operated by the State Board of Administration (SBA) of Florida. The fund operates in the same manner as institutional money-market funds and is available to all Florida governmental entities. Structured as a Rule 2a-7 like fund; it has two objectives: first, to provide liquidity while preserving capital; second, to provide competitive yields net of fees. The fund maintains a net asset value (NAV) of \$1.00. Florida PRIME invests in a pool of investments whereby the City owns a share of the respective pool, not the underlying securities. The investments in the Florida PRIME are not insured by the FDIC or any other governmental agency. GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants* established criteria for an external investment pool for making the selection to qualify to measure its investments at amortized cost. Florida PRIME is exempt from the fair value hierarchy disclosures and is valued at amortized cost.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 3 - CASH AND INVESTMENTS (continued)**

Deposit and withdrawal transactions are executed within 24 hours of initiation. However, in the event of a material impact on liquidity or operations of the Trust Fund, the Executive Director may limit contributions and withdrawals from the Trust Fund for a 48-hour period.

The Florida Trust Day-to-Day Fund, sponsored by the Florida Association of Court Clerks and Comptrollers (FACC) and the Florida Association of Counties (FAC), was created under the laws of the State of Florida to provide an investment diversification option for Florida local governments to specifically meet their cash management needs. Payden & Rygel serves as Portfolio Manager and is registered with the SEC and the State of Florida. CiviTek serves as Administrator and UMB Bank as Custodian for the fund. The Day-to-Day Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the fund is managed within the requirements of a "2a-7 like" pool. The objective of this fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The fund maintains a NAV of \$1.00, and does not impose any fees or restrictions that could limit participant contributions and withdrawals. GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants* established criteria for an external investment pool for making the selection to qualify to measure its investments at amortized cost. The Florida Day-to-Day Fund is exempt from the fair value hierarchy disclosures and is valued at amortized cost.

The Florida Municipal Investment Trust was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities services as the administrator, investment manager and secretary-treasurer of the Trust. The City holds investments in the 0-2 Year High Quality Bond Fund, 1-3 year High Quality Bond Fund, and Intermediate High Quality Bond Fund. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted, and are Level 2 investments – Observable Inputs, other than quoted market prices. Contribution and redemption transaction requests are submitted in writing to the Portfolio's Custodian five days in advance of a Portfolio Valuation. A redemption may be limited to \$2 million or 10 percent of the Portfolio's net asset value, whichever is greater, if the redemption significantly adversely affects the net asset value of the Portfolio. Additionally, the Trust may suspend or postpone redemptions due to: (i) closure of the New York Stock Exchange, other than a customary weekend or holiday closure, (ii) trading restrictions on the New York Stock Exchange, or (iii) an emergency that would make it reasonably impractical for the Trust to fairly determine the value of its net assets. All income earned and capital gains realized by the Portfolio are retained by the Portfolio and reinvested.

U.S. Government Sponsored Enterprise security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs.



CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 3 - CASH AND INVESTMENTS (continued)

As of September 30, 2016, the City of Coconut Creek had the following investment balances:

	Fair Value 09/30/2016	Fair Value Measurements Using		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Florida Municipal Investment Trust:				
0-2 Year High Quality Bond Fund	\$ 12,172,590	\$ -	\$ 12,172,590	\$ -
1-3 Year High Quality Bond Fund	15,918,656	-	15,918,656	-
Intermediate High Quality Bond Fund	8,237,847	-	8,237,847	-
U.S. Government Sponsored Enterprises:				
Federal National Mortgage Association	2,348,429	-	2,348,429	-
Small Business Assoc. Pool	1,167,844	-	1,167,844	-
Federal Home Loan Mortgage Corporation	2,197,956	-	2,197,956	-
Total Investments by Fair Value Level	<u>\$ 42,043,322</u>	<u>\$ -</u>	<u>\$ 42,043,322</u>	<u>\$ -</u>
Investments Exempt from Fair Value Reporting				
Florida Trust Day to Day Fund-money market fund	\$ 5,057,670			
State Board of Administration-Florida Prime Certificates of Deposit	52,803 23,000,000			
Total Exempt Investments	<u>28,110,473</u>			
Total Investments	<u>\$ 70,153,795</u>			

As of September 30, 2016, the City of Coconut Creek had the following cash and investments:

Portfolio/Investments	Fair Value	Weighted Average Maturity	Credit Rating	Percentage Distribution
Cash Deposits	<u>\$ 14,897,010</u>			17.5%
Total cash and cash equivalents	<u>14,897,010</u>			
Florida Trust Day to Day Fund - money market fund	5,057,670	52.76 days	AAA m S&P	5.9%
State Board of Administration-Florida PRIME	52,803	44.00 days	AAA m S&P	0.1%
Florida Municipal Investment Trust				
0-2 Year High Quality Bond Fund	12,172,590	.80 years	AAAf/S1 Fitch	14.3%
1-3 Year High Quality Bond Fund	15,918,656	1.40 years	AAAf/S2 Fitch	18.7%
Intermediate High Quality Bond Fund	8,237,847	3.20 years	AAAf/S3 Fitch	9.7%
U.S. Government Sponsored Enterprises:				
Federal National Mortgage Association	2,348,429	2.59 years	Aaa Moody's	2.8%
Small Business Assoc. Pool	1,167,844	.79 years	Aaa Moody's	1.4%
Federal Home Loan Mortgage Corporation	2,197,956	2.77 years	Aaa Moody's	2.6%
Certificates of Deposit	<u>23,000,000</u>		Not rated	<u>27.0%</u>
Total Investments	<u>70,153,795</u>			
Total cash and investments	<u>\$ 85,050,805</u>			<u>100.00%</u>

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 3 - CASH AND INVESTMENTS (continued)**

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the City investment policy, the City endeavors to minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities or by cash flow projections.

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally-recognized statistical rating organization. In accordance with the City's investment policy, the City minimizes credit risk by limiting investments to the safest types of securities and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the City will do business. The ratings of investments held at September 30, 2016 are presented in the preceding table. All are rated within the City's investment policy guidelines.

Concentration of credit risk: In addition to describing the credit risk of investments in the portfolio, governmental entities need to disclose the concentration of any single investment type or holding per single issuer. The percentage allocation of each cash and investment type in the portfolio is shown in the preceding table. The City's investment policy allows investment concentrations in various percentages for different types of investments. GASB 40 requires disclosure when the percent is 5% or more of total investments. As of September 30, 2016, all investments are within the allowable percentages.

Custodial credit risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires securities be held by a third party custodian and be properly designated as an asset of the City and held in the City's name. As of September 30, 2016, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy.

Foreign currency risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The City investment policy does not permit investments issued by a foreign entity and is, therefore, not exposed to foreign currency risk.

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 4 - ACCOUNTS RECEIVABLE AND PAYABLE**

Receivables and amounts due from other governments as of September 30, 2016 for the City's individual major funds and non-major funds in the aggregate are as follows:

	<u>Accounts</u>	<u>Taxes and Franchise Fees</u>	<u>Other</u>	<u>Total</u>	<u>Due from Other Governments</u>
Governmental activities:					
General Fund	\$ 9,499,560	\$ 1,136,389	\$ 123,938	\$ 10,759,887	\$ 853,774
Street Construction and Maintenance Fund	-	-	3,318	3,318	259,042
Grants Fund	-	-	-	-	72,155
Community Improvement Fund	-	-	5,993	5,993	-
2009 Capital Projects Fund	-	-	788,477	788,477	-
Capital Improvement Program Fund	-	-	6,235	6,235	-
Public Safety Improvement Fund	-	-	738	738	-
Nonmajor funds	-	-	52,676	52,676	13,406
Allowance for uncollectible accounts receivable	(9,069,464)	-	-	(9,069,464)	-
<b>Total governmental activities</b>	<u>\$ 430,096</u>	<u>\$ 1,136,389</u>	<u>\$ 981,375</u>	<u>\$ 2,547,860</u>	<u>\$ 1,198,377</u>
Business-type activities:					
Water and Wastewater Fund	\$ 2,390,517	\$ -	\$ 55,020	\$ 2,445,537	\$ 56,942
Stormwater Fund	140,844	-	7,900	148,744	15,373
<b>Total business-type activities</b>	<u>\$ 2,531,361</u>	<u>\$ -</u>	<u>\$ 62,920</u>	<u>\$ 2,594,281</u>	<u>\$ 72,315</u>

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 4 - ACCOUNTS RECEIVABLE AND PAYABLE (continued)**

Payables and amounts due to other governments as of September 30, 2016 for the City's individual major funds and non-major funds in the aggregate are as follows:

	<u>Vendors</u>	<u>Payroll and Related Taxes</u>	<u>Construction Bonds</u>	<u>Other</u>	<u>Total</u>	<u>Due to Other Governments</u>
Governmental activities:						
General Fund	\$ 1,077,239	\$ 1,044,893	\$ 101,282	\$ 518,878	\$ 2,742,292	\$ 22,888
Street Construction and Maintenance Fund	320,727	17,934	-	-	338,661	-
Grants Fund	15,983	-	-	-	15,983	-
Community Improvement Fund	685,076	-	-	-	685,076	-
2009 Capital Projects Fund	12,958	-	-	-	12,958	-
Capital Improvement Program Fund	264,386	-	-	-	264,386	-
Nonmajor funds	<u>52,747</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,747</u>	<u>-</u>
<b>Total governmental activities</b>	<b>\$ <u>2,429,116</u></b>	<b>\$ <u>1,062,827</u></b>	<b>\$ <u>101,282</u></b>	<b>\$ <u>518,878</u></b>	<b>\$ <u>4,112,103</u></b>	<b>\$ <u>22,888</u></b>
Business-type activities:						
Water and Wastewater Fund	\$ 290,855	\$ 90,310	\$ -	\$ -	\$ 381,165	\$ 775,647
Stormwater Fund	<u>30,521</u>	<u>20,336</u>	<u>-</u>	<u>-</u>	<u>50,857</u>	<u>-</u>
<b>Total business-type activities</b>	<b>\$ <u>321,376</u></b>	<b>\$ <u>110,646</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>432,022</u></b>	<b>\$ <u>775,647</u></b>

**NOTE 5 - ENCUMBRANCES**

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Encumbrances lapse at year-end, and may be reappropriated to the next fiscal year. Encumbrances reappropriated at September 30, 2016 are as follows:

Major Funds:	
General Fund	\$ 286,600
Street Construction and Maintenance	106,498
Community Improvement Fund	982,304
Grants Fund	11,436
Public Safety Improvement Fund	218,354
Capital Improvement Fund	<u>170,894</u>
Total Major Funds	1,776,086
Non-Major Governmental Funds	<u>123,494</u>
Total Encumbrances	<b>\$ <u><u>1,899,580</u></u></b>

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 6 - INTERFUND TRANSACTIONS**

Interfund transfers between the various funds for the year ended September 30, 2016 are as follows:

Transfers Out	Transfers In				Total
	General Fund	Streets Fund	Capital Improvement Program Fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 143,139	\$ 2,000,000	\$ 1,073,878	\$ 3,217,017
Grants Fund	339,397	-	-	-	339,397
Community Improvement Fund	28,389	-	-	1,894,050	1,922,439
Public Safety Improvement Fund	-	-	-	470,060	470,060
Nonmajor Funds	57,995	-	-	-	57,995
<b>Total transfers in</b>	<b>\$ 425,781</b>	<b>\$ 143,139</b>	<b>\$ 2,000,000</b>	<b>\$ 3,437,988</b>	<b>\$ 6,006,908</b>

Transfers are used to: (1) move revenues from the fund that Ordinance or budget requires to collect them to the fund that Ordinance or budget requires to expend them, (2) move pledged revenue receipts for the use of debt service from the funds collecting the receipts to the debt service fund as debt service payments become due.

**NOTE 7 - CAPITAL ASSETS**

A summary of changes in the governmental activities capital assets for the year ended September 30, 2016 is presented as follows:

	Beginning Balance	Additions	Transfers*	Retirements	Ending Balance
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 25,061,755	\$ 2,346,428	\$ -	\$ -	\$ 27,408,183
Easement	62,160	-	-	-	62,160
Construction-in-progress	2,553,648	3,148,101	(520,001)	-	5,181,748
<b>Total capital assets, not being depreciated</b>	<b>27,677,563</b>	<b>5,494,529</b>	<b>(520,001)</b>	<b>-</b>	<b>32,652,091</b>
Capital assets being depreciated:					
Buildings	30,894,818	1,236,958	442,683	-	32,574,459
Improvements	12,163,406	946,685	77,318	-	13,187,409
Infrastructure	37,755,155	723,498	-	-	38,478,653
Intangible asset	12,203	-	-	-	12,203
Equipment	17,414,581	2,660,679	-	(1,530,500)	18,544,760
<b>Total capital assets being depreciated</b>	<b>98,240,163</b>	<b>5,567,820</b>	<b>520,001</b>	<b>(1,530,500)</b>	<b>102,797,484</b>



CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 7 - CAPITAL ASSETS (continued)

	Beginning Balance	Additions	Transfers*	Retirements	Ending Balance
Less accumulated depreciation for:					
Buildings	8,656,029	669,561	-	-	9,325,590
Improvements	5,024,815	625,309	-	-	5,650,124
Infrastructure	10,442,809	787,828	-	-	11,230,637
Intangible asset	9,969	1,197	-	-	11,166
Equipment	11,057,173	1,274,670	-	(1,444,971)	10,886,872
<b>Total accumulated depreciation</b>	<b>35,190,795</b>	<b>3,358,565</b>	<b>-</b>	<b>(1,444,971)</b>	<b>37,104,389</b>
<b>Total capital assets being depreciated, net</b>	<b>63,049,368</b>	<b>2,209,255</b>	<b>520,001</b>	<b>(85,529)</b>	<b>65,693,095</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 90,726,931</b>	<b>\$ 7,703,784</b>	<b>\$ -</b>	<b>\$ (85,529)</b>	<b>\$ 98,345,186</b>

\* This column represents transfers reclassified from construction in progress to the appropriate asset category.

A summary of changes in the business-type activities capital assets for the fiscal year ended September 30, 2016 is presented as follows:

	Beginning Balance	Additions	Transfers*	Retirements	Ending Balance
Business-type Activities:					
Capital assets not being depreciated:					
Land	\$ 406,071	\$ -	\$ -	\$ -	\$ 406,071
Easement	8,948,870	1,384,691	-	-	10,333,561
Construction-in-progress	914,663	169,199	(18,875)	-	1,064,987
<b>Total capital assets not being depreciated</b>	<b>10,269,604</b>	<b>1,553,890</b>	<b>(18,875)</b>	<b>-</b>	<b>11,804,619</b>
Capital assets being depreciated:					
Buildings	2,747,901	-	-	-	2,747,901
Improvements	1,115,135	-	-	-	1,115,135
Infrastructure	85,228,436	1,832,431	18,875	-	87,079,742
Equipment	4,540,932	203,451	-	-	4,744,383
<b>Total capital assets being depreciated</b>	<b>93,632,404</b>	<b>2,035,882</b>	<b>18,875</b>	<b>-</b>	<b>95,687,161</b>
Less accumulated depreciation for:					
Buildings	357,227	54,958	-	-	412,185
Improvements	347,234	55,756	-	-	402,990
Infrastructure	25,576,182	1,339,105	-	-	26,915,287
Equipment	1,456,671	337,601	-	-	1,794,272
<b>Total accumulated depreciation</b>	<b>27,737,314</b>	<b>1,787,420</b>	<b>-</b>	<b>-</b>	<b>29,524,734</b>
<b>Total capital assets being depreciated, net</b>	<b>65,895,090</b>	<b>248,462</b>	<b>18,875</b>	<b>-</b>	<b>66,162,427</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 76,164,694</b>	<b>\$ 1,802,352</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 77,967,046</b>

\* This column represents transfers reclassified from construction in progress to the appropriate asset category.

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 7 - CAPITAL ASSETS (continued)**

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

Governmental Activities:	
General government	\$ 495,805
Public safety	721,096
Physical environment	1,482,484
Culture and recreation	659,180
<b>Total depreciation expense - governmental activities</b>	<b>\$ 3,358,565</b>
Business-type Activities:	
Water and wastewater	\$ 1,685,099
Stormwater management	102,321
<b>Total depreciation expense - business-type activities</b>	<b>\$ 1,787,420</b>

**NOTE 8 – LONG-TERM DEBT**

The following is a summary of the changes in long-term debt for the fiscal year ended September 30, 2016:

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due Within One Year
<b>Governmental activities:</b>					
Revenue notes	\$ 12,114,273	\$ -	\$ 2,864,065	\$ 9,250,208	\$ 2,960,938
Compensated absences	4,642,611	3,393,655	3,300,005	4,736,261	395,438
Net pension liability	17,665,645	14,154,429	-	31,820,074	-
Net OPEB obligation	4,833,000	567,000	247,000	5,153,000	-
<b>Total governmental activities</b>	<b>\$ 39,255,529</b>	<b>\$ 18,115,084</b>	<b>\$ 6,411,070</b>	<b>\$ 50,959,543</b>	<b>\$ 3,356,376</b>
<b>Business-type activities:</b>					
Compensated absences	\$ 513,610	\$ 349,719	\$ 285,491	\$ 577,838	\$ 31,003
Net pension liability	1,536,144	1,399,890	-	2,936,034	-
Net OPEB obligation	580,000	71,000	27,000	624,000	-
<b>Total business-type activities</b>	<b>\$ 2,629,754</b>	<b>\$ 1,820,609</b>	<b>\$ 312,491</b>	<b>\$ 4,137,872</b>	<b>\$ 31,003</b>

For the governmental activities, compensated absences are generally liquidated by the General Fund.

As of September 30, 2016, revenue notes payable consisted of the following for governmental activities:

Revenue Notes: The City issued the following revenue notes where the income derived from various taxes or fees is pledged to pay debt service.

Revenue Note, Series 2003B: On December 12, 2003, the City issued a \$9,332,290 Capital Improvement Revenue Refunding Note, Series 2003B, to refund the then outstanding Series 1997 Bonds. Principal and interest on the note is to be paid from a pledge of public electric franchise fees. The note bears interest at 4.04% which is payable semiannually. The note matures in September 2017. The outstanding principal balance as of September 30, 2016 is \$899,198.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 8 – LONG-TERM DEBT (continued)

Annual debt service requirements to maturity for the revenue note are as follows:

Year Ending September 30	Capital Improvement Revenue Refunding Note, Series 2003B	
	Principal	Interest
2017	\$ 899,198	\$ 36,328
	\$ 899,198	\$ 36,328

Revenue Note, Series 2009: On December 15, 2009, the City issued a \$10,000,000 Capital Improvement Revenue Note, Series 2009 to finance certain construction projects including the undergrounding of aerial utility lines and construction of a Public Works/EOC Administration Building. Principal and interest is to be paid from a pledge of non-ad-valorem tax revenues. The note bears interest at 3.940% payable semi-annually. The note matures in October 2019. The outstanding principal balance as of September 30, 2016 is \$6,766,300.

Annual debt service requirements to maturity for the revenue note are as follows:

Year Ending September 30	Capital Improvement Revenue Note, Series 2009	
	Principal	Interest
2017	\$ 1,276,300	\$ 266,592
2018	2,262,100	216,306
2019	3,227,900	127,180
	\$ 6,766,300	\$ 610,078

Revenue Note, Series 2012: On August 15, 2012, the City issued a \$5,269,250 Capital Improvement Revenue Refunding Note, Series 2012 to refund the then outstanding Series 2003D Revenue Note. Principal and interest on the note is to be paid from a pledge of public electric franchise fees. This note bears interest at 1.76% payable semi-annually and matures in October 2018. The outstanding principal balance as of September 30, 2016 is \$1,584,710.

Annual debt service requirements to maturity for the revenue note above are as follows:

Year Ending September 30	Capital Improvement Revenue Note, Series 2012	
	Principal	Interest
2017	\$ 785,440	\$ 27,891
2018	799,270	14,067
	\$ 1,584,710	\$ 41,958

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 8 – LONG-TERM DEBT (continued)**

Debt Service Requirements: Annual debt service requirements to maturity in the aggregate for the City's long-term debt are as follows:

Year Ending September 30	Revenue Notes Payable		Total
	Principal	Interest	
2017	\$ 2,960,938	\$ 330,811	\$ 3,291,749
2018	3,061,370	230,373	3,291,743
2019	3,227,900	127,180	3,355,080
	<u>\$ 9,250,208</u>	<u>\$ 688,364</u>	<u>\$ 9,938,572</u>

Pledged Revenues: The City has pledged future public franchise fee revenues to repay \$2,562,194 in Capital Improvement Revenue Notes issued December 12, 2003 and August 15, 2012. Proceeds from the notes provided financing to retire the then outstanding Series 1997 Bonds, and Series 2003D Revenue Note. The notes are payable solely from the public electric franchise fee revenues and are payable through October 1, 2018. Annual principal and interest payments on the notes are expected to require less than 60% of projected future public electric franchise fee revenues with total future payouts of \$2,562,194. Principal and interest paid for the current year and public electric franchise fee revenues are \$1,740,718 and \$2,910,052, respectively.

The City has pledged future non-ad-valorem tax revenues to repay \$7,376,378 in a Capital Improvement Revenue Note issued December 15, 2009. Proceeds from the revenue note provided financing for the undergrounding of aerial utility lines and construction of a Public Works/EOC Administration Building. The note is payable solely from non-ad-valorem tax revenues and is payable through October 2019. Annual principal and interest payments on the note are expected to require less than 6% of projected non-ad-valorem tax revenues with total future payouts of \$7,376,378. Principal and interest paid for the current year and non-ad-valorem tax revenues are \$1,550,771 and \$28,397,193, respectively.

All the above revenue notes contain debt covenants, all of which the City was in compliance with at September 30, 2016.

**NOTE 9 – LEASES**

Operating leases, City as Lessee: The City leases vehicles and office equipment under noncancelable operating leases. Total lease expense was approximately \$95,126 for the fiscal year ended September 30, 2016. Future minimum lease payments as of September 30, 2016 are as follows:

Year Ending September 30	Amount
2017	\$ 84,880
2018	29,088
2019	25,338
2020	12,294
	<u>\$ 151,600</u>

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 9 – LEASES (continued)**

Operating leases, City as Lessor: The City leases land to telecommunication providers to house cellular towers. Total lease revenue was \$419,846 for the fiscal year ended September 30, 2016. Future lease payments to be received as of September 30, 2016 are as follows:

Year Ending September 30	Amount
2017	\$ 415,247
2018	398,169
2019	310,789
2020	271,694
2021	176,552
	<u>\$ 1,572,451</u>

**NOTE 10 - DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUE**

As of September 30, 2016, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	Deferred Inflows	Unearned
Emergency medical service fees	\$ 134,600	\$ -
Business licenses	-	204,805
Fitness memberships	-	44,613
Public safety	7,665	-
Grant revenue	33,712	21,493
Special assessment	787,306	-
	<u>\$ 963,283</u>	<u>\$ 270,911</u>



CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 11– PENSION PLANS

General Information about the Pension Plans

*Plan Description:* All regular full-time employees are provided pensions through: (1) the City of Coconut Creek 401(a) Plan, a defined contribution pension plan, administered by an independent agent, ICMA Retirement Corporation, and authorized by resolution or (2) the Florida Retirement System (FRS), a cost sharing, multiple employer, public employee pension plan, through either a defined benefit or a defined contribution pension plan administered by the Florida Department of Management Services' Division of Retirement. All part-time employees and elected officials are covered by the FRS Pension Plan. The City joined the FRS in December 2001, to provide retirement and survivor benefits to Police Department employees and elected officials. All Employees hired after May 1, 2002 are included in the FRS Plan. In addition to the FRS Pension Plan, the division administers the Retiree Health Insurance Subsidy (HIS) Trust Fund, a cost-sharing multiple employer defined benefit pension plan. The plan provides a supplemental benefit to eligible FRS retirees. The City has no direct fiduciary responsibility for the FRS plans. In accordance with Chapter 121, of the Florida Statutes, the Florida Legislature is responsible for establishing plan structure, benefit levels and contribution rates, and providing statutory authority for the administration of the state-administered retirement funds. The FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [https://www.rol.frs.state.fl.us/forms/2015-16\\_CAFR.pdf](https://www.rol.frs.state.fl.us/forms/2015-16_CAFR.pdf) or by contacting the State of Florida Department of Management Services, Division of Retirement, Bureau of Research and Member Communications, P.O. Box 9000 Tallahassee, Florida, 32315-9000 or by calling (850) 907-6500.

*(1) 401(a) Plan:*

*Benefits Provided:* Under the 401(a) Plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Vesting schedules for each employee group range from immediate vesting (100%) for Administrative Officers to full vesting over various periods of time through 5 years for civil service employees.

The total number of employees for each employee group as of September 30, 2016 was Civil Service, 39 and Administrative Officers, 9.

*Contributions:* Under the City of Coconut Creek 401(a) Plan, City and mandatory employee contributions, as a percentage of employee gross wages, were as follows for each employee group: Civil Service – 14% and 10%; and Administrative – 14% and 12%, respectively. Contributions to the 401(a) Plan by the City of Coconut Creek, and its plan members were \$657,672 and \$489,353 respectively.

*(2) FRS Pension Plans:*

*FRS Pension Plan:*

The FRS Pension Plan (Plan) is a cost-sharing multiple-employer, defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

*Regular Class* – Members of the FRS who do not qualify for membership in other classes.

*Elected County Officers Class* – Members who hold specified elective offices in local government.

*Senior Management Service Class* – Members in senior management level positions.

*Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 11– PENSION PLANS (continued)**

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or any age after 30 years of service (except members classified as special risk, who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service). All members enrolled in the Plan on or after July 1, 2011 once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service (except members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the Plan may include up to 4 years of credit for military service toward creditable service.

The Plan also includes an early retirement provision. However, for each year a member retires before his or her normal retirement date there is a benefit reduction. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

*HIS Plan:*

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

**Benefits Provided:**

*FRS Pension Plan:*

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings. Members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

Regular Class members initially enrolled before July 1, 2011:

- Retirement up to age 62 or up to 30 years of service 1.60%
- Retirement at age 63 or with 31 years of service 1.63%
- Retirement at age 64 or with 32 years of service 1.65%
- Retirement at age 65 or with 33 or more years of service 1.68%

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
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**NOTE 11– PENSION PLANS (continued)**

Regular Class members initially enrolled on or after July 1, 2011:

- Retirement up to age 65 or up to 33 years of service 1.60%
- Retirement at age 66 or with 34 years of service 1.63%
- Retirement at age 67 or with 35 years of service 1.65%
- Retirement at age 68 or with 36 or more years of service 1.68%

Elected County Officers Class: 3.00%

Senior Management Service Class: 2.00%

Special Risk Class: 3.00%

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-October 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not receive a cost-of-living adjustment after retirement.

HIS Plan:

For the fiscal year ended September 30, 2016 eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

**Contributions:**

FRS Pension Plan:

The Florida Legislature establishes contribution rates for participating employers and employees. Employees are required to contribute 3% of gross salary. Employer contribution is based on class. Rates are updated as of July 1 of each year. Contribution rates effective October 1, 2015 through June 30, 2016 were as follows:

<u>Employees</u>	<u>Contribution Rates</u>
Senior Management	21.43%
Regular Employees	7.26%
Special Risk	22.04%
Elected Officials	42.27%

Contribution rates effective July 1, 2016 through September 30, 2016 were as follows:

<u>Employees</u>	<u>Contribution Rates</u>
Senior Management	21.77%
Regular Employees	7.52%
Special Risk	22.57%
Elected Officials	42.47%

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 11– PENSION PLANS (continued)

The City's contributions for FRS totaled \$2,456,299 and employee contributions totaled \$512,558 for the fiscal year ended September 30, 2016.

HIS Plan:

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The HIS contribution rate for the periods October 1, 2015 through June 30, 2016 and July 1, 2016 through September 30, 2016 was 1.66 percent. Contribution rates remained unchanged for the Plan's new fiscal year beginning July 1. The City contributed 100% of its statutorily required contributions for the current year preceding three years. This HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants' benefits may be reduced or canceled.

The City's contributions to the HIS Plan totaled \$354,038 for the fiscal year ended September 30, 2016.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:**

At September 30, 2016, the City reported liabilities of \$26,734,211 for its proportionate share of the FRS net pension liability and \$8,021,897 for the HIS net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The City's proportionate share of the net pension liability was based on the City's fiscal year 2016 contributions relative to the fiscal year 2015 contributions of all participating members. At June 30, 2016, the City's proportionate share was .105877731%, for the FRS plan and .068830391% for the HIS plan, which was an increase of .009042795% and .003190293% respectively, from the proportionate share measured as of June 30, 2015.

For the fiscal year ended September 30, 2016, the City recognized pension expense of \$4,787,701. In addition, the City reported, in the government-wide financial statements, deferred outflows of resources and deferred inflows of resources related to both plans from the following sources:

	Deferred Outflows of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	\$ 2,046,977	\$ -	\$ 2,046,977
Changes in assumptions	1,617,340	1,258,840	2,876,180
Net difference between projected and actual earnings on pension plan investments	6,910,468	4,056	6,914,524
Changes in proportion and differences between City contributions and proportionate share of contributions	1,235,278	472,678	1,707,956
City contributions subsequent to the measurement date	715,723	92,042	807,765
Total	<u>\$ 12,525,786</u>	<u>\$ 1,827,616</u>	<u>\$ 14,353,402</u>

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 11– PENSION PLANS (continued)

	Deferred Inflows of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	\$ 248,914	\$ 18,271	\$ 267,185
Changes in proportion and differences between City contributions and proportionate share of contributions	908,246	-	908,246
Total	<u>\$ 1,157,160</u>	<u>\$ 18,271</u>	<u>\$ 1,175,431</u>

The deferred outflows of resources related to pensions, totaling \$807,765, resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	Employer Share of Deferred Outflows/Inflows		
	FRS	HIS	Total
2017	\$ 2,382,586	\$ 333,072	\$ 2,715,658
2018	1,915,777	259,301	2,175,078
2019	1,915,777	259,301	2,175,078
2020	2,108,435	259,301	2,367,736
2021	2,164,867	256,168	2,421,035
Thereafter	881,184	442,202	1,323,386
	<u>\$ 11,368,626</u>	<u>\$ 1,809,345</u>	<u>\$ 13,177,971</u>

**Actuarial Assumptions**

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS plan has a valuation performed annually. The HIS Program has a valuations performed biennially that is updated for GASB reporting in the year a valuation is not performed. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	FRS	HIS
	Generational RP-2000 with Projection	
Mortality table	Scale BB Tables	
Experience study	7/1/08-6/30/13	N/A
Actuarial cost method	Individual Entry Age	
Investment rate of return	7.60%	2.85%
Projected salary increases	3.25%	3.25%
Inflation	2.60%	2.60%



CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

NOTE 11- PENSION PLANS (continued)

Long-Term Expected Rate of Return

*FRS Pension Plan:* The long term expected rate of return on the Plan investments was not based on historical returns, but instead is based on a forward-looking capital market model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption.

The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.0%	3.0%	1.7%
Fixed income	18.0%	4.7%	4.6%	4.6%
Global equity	53.0%	8.1%	6.8%	17.2%
Real estate (property)	10.0%	6.4%	5.8%	12.0%
Private equity	6.0%	11.5%	7.8%	30.0%
Strategic investments	12.0%	6.1%	5.6%	11.1%
	100.0%			
Assumed Inflation - Mean			2.6%	1.9%

Discount rate: The discount rate used to measure the total pension liability was 7.60% for the FRS plan. The fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long term expected rate of return. The HIS program uses a pay as you go funding structure, so therefore, the depletion date is considered to be immediate and the single equivalent discount rate is equal to the municipal bond rate. The municipal bond rate of 2.85% was used to determine the total pension liability for the program. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate: The following table presents the sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The sensitivity analysis, below, shows the impact to the City's proportionate share of the net pension liability if the discount rate was 1.00% lower or 1.00% higher than the current discount rate at June 30, 2016.

Pension Plan	1% Decrease	Discount Rate	1% Increase
FRS	\$ 49,219,491	\$ 26,734,210	\$ 8,018,184
HIS	9,202,938	8,021,897	7,041,697

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 11- PENSION PLANS (continued)**

Pension plan fiduciary net position: Detailed information about the fiduciary net position of both benefit plans are available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

**NOTE 12 - DEFERRED COMPENSATION PLAN**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Service ("IRS") Code Section 457. The Plan, administered by the ICMA Retirement Corporation, available to all City employees, permits them to defer a portion of their salaries until future years. Participation in the Plan is optional. The deferred compensation is generally not available to employees until termination, retirement, death or the hardship distribution criteria as defined in IRS Code Section 457. The assets of the Plan are held in trust and are the sole property of the participants; therefore, no balances or financial information is reported in the City's basic financial statements.

**NOTE 13 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. Specifically, the City purchases insurance from Preferred Governmental Insurance Trust (PGIT), a public entity insurance program for property, workers compensation, general liability, automobile liability, errors and omissions and directors' and officers' liability with nominal deductible amounts. Flood and Crime insurance are purchased from Wright National Flood Insurance Company and Travelers Casualty & Surety Company of America, respectively.

The City currently has a fully insured group health plan for all employees with Cigna Health and Life Insurance Company. The amount of settlements has not exceeded insurance coverage in the past three fiscal years.

**NOTE 14 - COMMITMENTS AND CONTINGENCIES**

Interlocal Agreement

The City has an Interlocal Agreement with the City of Margate, Florida to provide Emergency Medical and Fire Protection Services. The agreement expired September 30, 2016. A new agreement was executed on October 1, 2016, and is effective through September 30, 2019. The service fee for the fiscal year ended September 30, 2016 was \$8,123,500. Future service fees are as follows:

Year Ending September 30	Amount
2017	\$ 8,500,000

For subsequent contract years, the City of Coconut Creek and City of Margate will negotiate financial terms annually, prior to August 1.

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 14 - COMMITMENTS AND CONTINGENCIES (continued)**

Construction Commitment

During fiscal year 2016, the City did not enter into any new construction agreements with independent contractors. Three projects were carried forward from fiscal year 2015, totaling \$5,207,235. Two projects totaling \$762,229 were completed in fiscal year 2016. The remaining project is anticipated to be completed in fiscal year 2017. As of September 30, 2016, the remaining commitment on the construction contract totaled \$881,515.

Litigation

The City is currently the defendant in a number of litigation issues and claims that arose in the normal course of operations. City management has indicated that they intend to vigorously defend such matters. The ultimate outcome of which, in the opinion of management, will not have a material adverse effect on the financial condition of the City.

Grant Revenue

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, might constitute a liability of the applicable funds. It is management's opinion that there are no significant contingent liabilities related to these grants.

Municipal Service Provider Agreement

The City has a Municipal Service Provider Agreement with the Seminole Tribe of Florida. The agreement is in effect as long as the property is open for gaming. During the fiscal year ended September 30, 2016, a total of \$2,995,551 was earned and collected by the City. An annual escalation clause is in effect for subsequent years. Monies will be used for community capital improvement projects with any interest earned transferred to the General Fund.

Other Agreements

During fiscal year 2008, the City entered into an agreement with Coconut Creek Development, LLC. The agreement provided for the City to make annual payments to Coconut Creek, LLC equal to forty five percent of ad-valorem taxes on the commercial and office space located at the Promenade at Coconut Creek. In return, the City was granted the right to use fifty percent of the vehicular parking spaces within the two parking garages at the Promenade at Coconut Creek for emergency and special event purposes only for the next 50 years. The total payments over the term of the agreement were estimated to be \$2.5 million. The parking garages were completed during fiscal year 2010. This lease agreement was amended on November 14, 2013, reducing the amount of money owed by the City from \$2.5 million to \$1.8 million for the duration of the lease term. The amount paid by the City during fiscal year 2016 was \$112,911 and the cumulative total through September 30, 2016 was \$744,086.

**NOTE 15 - CONDUIT DEBT**

On December 20, 2007, the City issued Variable Rate Demand Revenue Bonds in the amount of \$7 million to provide financial assistance to a Florida not-for-profit corporation for financing and refinancing the cost of acquisition, construction, and equipping of an educational facility. The outstanding principal balance at September 30, 2016 is \$5.8 million. Neither the City, nor State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

CITY OF COCONUT CREEK, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 16 - OTHER POST EMPLOYMENT BENEFITS**

Plan Description - The City of Coconut Creek administers a single-employer defined benefit healthcare plan (the "Plan") that provides medical and dental insurance benefits to its employees and their eligible dependents. In accordance with Section 112.0801 of the Florida Statutes, because the City provides a medical plan to active employees of the City and their eligible dependents, the City is also required to provide retirees with the opportunity to participate in this Plan. The Plan has no assets and does not issue a separate financial report.

Funding Policy - The City subsidizes the premium rates paid by retirees by allowing them to participate in the Plan at the blended group premium rates (implicitly subsidized) offered to both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the Plan on average than those of active employees. The City also provides an explicit subsidy for retirees depending on their employment group. Administrative officers and general employees receive \$150 per month and police officers, including officers, corporals and sergeants hired prior to January 1, 2002 receive \$250 per month. This monthly stipend is effective until the retiree becomes eligible for Medicare. Effective October 1, 2009, police officers hired after January 1, 2002 received a City contribution in the amount of two-percent (2%) of their annual salary (including overtime) to a Retirement Health Savings Plan.

For the 2016 fiscal year, the City provided contributions of \$56,173 from the General Fund on a pay-as-you-go basis toward annual OPEB costs, net of retiree contributions totaling \$171,166. As of September 30, 2016, there were 35 retirees receiving benefits.

Annual OPEB Cost and Net OPEB Obligation - The City's annual OPEB cost, the imputed amount contributed to the Plan, and changes in the City's net OPEB obligation for the fiscal year ending September 30, 2016, were as follows:

Annual required contribution (ARC)	\$	1,063,000
Interest on net OPEB obligation		217,000
Adjustment to annual required contribution		<u>(642,000)</u>
Annual OPEB cost		638,000
Imputed contributions		<u>(274,000)</u>
Increase in net OPEB obligation		364,000
Net OPEB obligation - beginning of year		<u>5,413,000</u>
Net OPEB obligation - end of year	\$	<u><u>5,777,000</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of September 30, 2016 and the preceding two years were as follows:

	Annual OPEB Cost	Imputed Contribution	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2016	\$ 638,000	\$ 274,000	43.0%	\$ 5,777,000
2015	626,000	263,000	42.0%	5,413,000
2014	806,000	228,000	28.0%	5,050,000

CITY OF COCONUT CREEK, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

**NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (continued)**

Funded Status and Funding Progress - For the actuarial valuation date of July 1, 2015, the actuarial accrued liability for benefits was \$5,580,000, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$5,580,000. The covered payroll (annual payroll for active participating employees) was \$22,779,000 for fiscal year 2015, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 24.5%. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members.

The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the actuarial valuation as of July 1, 2015 the Projected Unit Credit method (PUC) was used to determine all liabilities, with the liability for each active employee assumed to accrue over his working lifetime based on elapsed time from his date of hire until retirement. Since the average age of active employees is 44.8 years, the unfunded actuarial accrued liability is being amortized over a ten-year open period, utilizing the level dollar payment method. Because the other postemployment benefits liability is currently unfunded, the actuarial assumptions included a 4.0 percent rate of return on invested assets, with 2.50 percent of this amount being attributed to inflation. The actuarial assumptions also included an annual healthcare cost trend rate of 8 percent initially for the 2016 fiscal year, with future annual decreases assumed to grade uniformly to 5.5 percent over a 5 year period, to an ultimate rate of 5.00 percent for the fiscal year ending September 30, 2022.





**REQUIRED SUPPLEMENTARY INFORMATION  
(OTHER THAN MD&A)**

CITY OF COCONUT CREEK, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Ad valorem taxes	\$ 19,568,980	\$ 19,568,980	\$ 19,672,398	\$ 103,418
Franchise fees	4,514,680	4,514,680	4,384,655	(130,025)
Utility taxes	6,787,000	6,787,000	6,665,357	(121,643)
Licenses and permits	2,818,840	2,818,840	2,376,164	(442,676)
Intergovernmental revenues	5,273,540	5,273,540	5,220,444	(53,096)
Charges for services	14,193,860	14,193,860	14,654,634	460,774
Fines and forfeitures	350,640	350,640	361,589	10,949
Investment income	202,500	202,500	258,590	56,090
Miscellaneous revenues	1,040,100	1,040,100	1,080,646	40,546
<b>Total revenues</b>	<b>54,750,140</b>	<b>54,750,140</b>	<b>54,674,477</b>	<b>(75,663)</b>
<b>EXPENDITURES:</b>				
Departmental:				
City Commission	506,580	506,580	495,653	10,927
City Manager/City Attorney	2,628,766	2,628,766	1,967,503	661,263
Risk management	2,111,820	2,111,820	1,779,200	332,620
City Clerk	563,020	563,020	468,177	94,843
Finance and administration	1,772,956	1,772,956	1,478,362	294,594
Information technology	2,415,644	2,415,644	2,177,952	237,692
Human resources	1,138,480	1,138,480	924,546	213,934
Sustainable development	3,864,102	3,864,102	3,310,635	553,467
Police	19,005,411	19,005,411	16,825,575	2,179,836
Fire	9,618,459	9,618,459	9,283,093	335,366
Public works	6,345,190	6,345,190	5,532,412	812,778
Parks and recreation	4,804,916	4,804,916	4,327,388	477,528
Engineering	634,070	634,070	408,051	226,019
<b>Total departmental</b>	<b>55,409,414</b>	<b>55,409,414</b>	<b>48,978,547</b>	<b>6,430,867</b>
Nondepartmental	468,672	2,818,672	2,714,474	104,198
Contingency	647,590	647,590	-	647,590
<b>Total expenditures</b>	<b>56,525,676</b>	<b>58,875,676</b>	<b>51,693,021</b>	<b>7,182,655</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,775,536)</b>	<b>(4,125,536)</b>	<b>2,981,456</b>	<b>7,106,992</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	74,500	74,500	425,781	351,281
Transfers (out)	(2,927,650)	(2,927,650)	(2,927,650)	-
<b>Total other financing sources (uses)</b>	<b>(2,853,150)</b>	<b>(2,853,150)</b>	<b>(2,501,869)</b>	<b>351,281</b>
<b>Net change in fund balance</b>	<b>\$ (4,628,686)</b>	<b>\$ (6,978,686)</b>	<b>479,587</b>	<b>\$ 7,458,273</b>
FUND BALANCE, beginning			24,889,394	
FUND BALANCE, ending			<b>\$ 25,368,981</b>	

See note to budgetary comparison schedule.

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 GENERAL FUND (CONTINUED)  
 For the Fiscal Year Ended September 30, 2016

EXPLANATION OF DIFFERENCES BETWEEN CHANGE IN FUND BALANCE - BUDGET TO ACTUAL  
 AND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 GOVERNMENTAL FUNDS

Total revenues, page 64 \$ 54,674,477

Amounts reported for budget to actual are different because:

Revenues in the City's General Trust Fund are reported in the General Trust Fund for budgetary purposes but in the General Fund for the purpose of the Statement of Revenues, Expenditures and changes in Fund Balance - Governmental Funds

General Trust Fund Revenues 175,848

Total revenues, per the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, Page 28 \$ 54,850,325

Total expenditures, page 64 \$ 51,693,021

Amounts reported for budget to actual are different because:

Expenditures in the City's General Trust Fund are reported in the General Trust Fund for budgetary purposes but in the General Fund for the purpose of the Statement of Revenues, Expenditures and changes in Fund Balance - Governmental Funds

General Trust Fund Expenditures 402,540

Total expenditures, per the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds, Page 28 \$ 52,095,561

See note to budgetary comparison schedule.

CITY OF COCONUT CREEK, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MAJOR FUND - STREET CONSTRUCTION AND MAINTENANCE FUND  
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental revenues:				
Local option gas tax	\$ 963,920	\$ 963,920	\$ 1,000,892	\$ 36,972
County contribution	194,940	194,940	200,561	5,621
State shared revenue	422,630	422,630	437,174	14,544
Other grants and contributions	-	-	183,139	183,139
<b>Total intergovernmental revenues</b>	<b>1,581,490</b>	<b>1,581,490</b>	<b>1,821,766</b>	<b>240,276</b>
Investment income	11,660	11,660	15,929	4,269
Miscellaneous revenue	67,840	67,840	67,839	(1)
<b>Total revenues</b>	<b>1,660,990</b>	<b>1,660,990</b>	<b>1,905,534</b>	<b>244,544</b>
<b>EXPENDITURES:</b>				
Current:				
Physical environment	1,248,730	1,248,730	1,164,609	84,121
Nondepartmental	225,880	225,880	225,880	-
Capital outlay	2,777,850	2,777,850	1,235,660	1,542,190
<b>Total expenditures</b>	<b>4,252,460</b>	<b>4,252,460</b>	<b>2,626,149</b>	<b>1,626,311</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(2,591,470)</b>	<b>(2,591,470)</b>	<b>(720,615)</b>	<b>1,870,855</b>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	-	-	143,139	143,139
<b>Net change in fund balance</b>	<b>\$ (2,591,470)</b>	<b>\$ (2,591,470)</b>	<b>(577,476)</b>	<b>\$ 2,013,994</b>
FUND BALANCE, beginning			2,541,644	
FUND BALANCE, ending			\$ 1,964,168	

See note to budgetary comparison schedule.

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 MAJOR FUND - GRANTS FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 484,840	\$ 484,840	\$ 291,100	\$ (193,741)
<b>Total revenues</b>	<u>484,840</u>	<u>484,840</u>	<u>291,100</u>	<u>(193,741)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	7,550	7,550	7,511	39
Physical environment	484,840	484,840	275,272	209,568
Capital outlay	8,275	8,275	8,273	2
<b>Total expenditures</b>	<u>500,665</u>	<u>500,665</u>	<u>291,056</u>	<u>209,609</u>
<b>Excess (deficiency) of</b> <b>revenues over expenditures</b>	\$ <u>(15,825)</u>	\$ <u>(15,825)</u>	44	\$ <u>15,868</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>(340,000)</u>	<u>(340,000)</u>	<u>(339,397)</u>	<u>603</u>
<b>Net change</b> <b>in fund balance</b>	\$ <u>(355,825)</u>	\$ <u>(355,825)</u>	<u>(339,353)</u>	\$ <u>16,471</u>
FUND BALANCE, beginning			<u>305,641</u>	
FUND BALANCE, ending			\$ <u>(33,712)</u>	

See note to budgetary comparison schedule.

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 MAJOR FUND - COMMUNITY IMPROVEMENT FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 2,901,040	\$ 2,901,040	\$ 2,995,551	\$ 94,511
Investment income	20,000	20,000	29,737	9,737
<b>Total revenues</b>	<u>2,921,040</u>	<u>2,921,040</u>	<u>3,025,288</u>	<u>104,248</u>
<b>EXPENDITURES:</b>				
Current:				
General government	170,000	170,000	32,750	137,250
Physical environment	10,000	10,000	7,914	2,086
Capital outlay	3,533,996	3,533,996	2,569,279	964,717
<b>Total expenditures</b>	<u>3,713,996</u>	<u>3,713,996</u>	<u>2,609,943</u>	<u>1,104,053</u>
Excess (deficiency) of revenues over expenditures	(792,956)	(792,956)	415,345	1,208,301
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>(1,914,050)</u>	<u>(1,914,050)</u>	<u>(1,922,439)</u>	<u>(8,389)</u>
<b>Net change   in fund balance</b>	<u>\$ (2,707,006)</u>	<u>\$ (2,707,006)</u>	<u>(1,507,094)</u>	<u>\$ 1,199,912</u>
FUND BALANCE, beginning			<u>4,513,391</u>	
FUND BALANCE, ending			<u>\$ 3,006,297</u>	



CITY OF COCONUT CREEK, FLORIDA  
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

The following procedures are used to establish the budgetary data reflected in the financial statements:

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

1. By August 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.

Prior to October 1, the budget is legally enacted through passage of an ordinance.

The level of budgetary control is established at the department, office, or agency level, as appropriate. For the General Fund, the City Manager or designee is authorized to transfer budgeted amounts within departments of any fund, while revisions that alter the budgeted totals of each department require approval of the Commission. For all other funds, the City Manager or designee is authorized to transfer budgeted amounts within each fund.

Appropriations lapse at year-end to the extent that it has not been expended or encumbered, except for appropriations for capital expenditures, where an appropriation shall continue in force until the purpose for which it was made has been accomplished or abandoned.

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
 FLORIDA RETIREMENT SYSTEM PENSION PLAN  
 LAST TEN FISCAL YEARS \*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
City of Coconut Creek's proportion of the net pension liability	0.105877731	0.096834936	0.095327282
City of Coconut Creek's proportionate share of the net pension liability	\$ 26,734,211	\$ 12,507,531	\$ 5,816,366
City of Coconut Creek's covered-employee payroll	18,348,115	17,577,485	16,665,983
City of Coconut Creek's proportionate share of the net pension liability as a percentage of its covered-employee payroll	145.71%	71.16%	34.90%
Plan fiduciary net position as a percentage of total pension liability	84.88%	92.00%	96.09%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY  
 RETIREE HEALTH INSURANCE SUBSIDY PROGRAM  
 LAST TEN FISCAL YEARS \*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
City of Coconut Creek's proportion of the net pension liability	0.068830391	0.065640098	0.062594577
City of Coconut Creek's proportionate share of the net pension liability	\$ 8,021,897	\$ 6,694,257	\$ 5,852,746
City of Coconut Creek's covered-employee payroll	21,327,581	20,317,273	18,850,390
City of Coconut Creek's proportionate share of the net pension liability as a percentage of its covered-employee payroll	37.61%	32.95%	31.05%
Plan fiduciary net position as a percentage of total pension liability	0.97%	0.50%	0.99%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF CONTRIBUTIONS  
 FLORIDA RETIREMENT SYSTEM PENSION PLAN  
 LAST TEN FISCAL YEARS \*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,456,299	\$ 2,257,282	\$ 2,095,364
Contributions in relation to the contractually required contribution	<u>2,456,299</u>	<u>2,257,282</u>	<u>2,095,364</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Coconut Creek's covered employee payroll	\$ 18,348,115	\$ 17,577,485	\$ 16,665,983
Contributions as a percentage of covered payroll	13.39%	12.84%	12.57%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF CONTRIBUTIONS  
 RETIREE HEALTH INSURANCE SUBSIDY PROGRAM  
 LAST TEN FISCAL YEARS \*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 354,038	\$ 277,606	\$ 229,204
Contributions in relation to the contractually required contribution	<u>354,038</u>	<u>277,606</u>	<u>229,204</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Coconut Creek's covered employee payroll	\$ 21,327,581	\$ 20,317,273	\$ 18,850,390
Contributions as a percentage of covered payroll	1.66%	1.37%	1.22%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF INVESTMENT RETURNS  
 FLORIDA RETIREMENT SYSTEM PENSION PLAN  
 LAST TEN FISCAL YEARS \*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money weighted annual rate of return, net of investment expenses	0.57%	3.77%	17.57%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.



CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF INVESTMENT RETURNS  
 RETIREE HEALTH INSURANCE SUBSIDY PROGRAM  
 LAST TEN FISCAL YEARS \*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money weighted annual rate of return, net of investment expenses	0.57%	3.77%	17.57%

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF FUNDING PROGRESS -  
 OTHER POST EMPLOYMENT BENEFITS

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 % of Covered Payroll ((b - a) / c)
August 1, 2011	\$ -	\$ 5,651,000	\$ 5,651,000	0.00%	\$ 20,231,000	27.9%
July 1, 2013	-	5,954,000	5,954,000	0.00%	21,363,000	27.9%
July 1, 2015	-	5,580,000	5,580,000	0.00%	22,779,000	24.5%

\* Covered payroll is for the calendar year period used for the actuarial valuation.



BUTTERFLY CAPITAL OF THE WORLD®

## SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Law Enforcement Trust Fund** - This fund is used to account for revenues received from federal, state and local law enforcement forfeitures and seizures which are restricted for use for law enforcement purposes.

**Affordable Housing Fund** - This fund is used to account for fees charged to developers as means to fund the City's affordable housing program for the benefit of current and future residents. The funds have been committed by City Ordinance for use in the affordable housing program.

**State Housing Initiative Partnership (SHIP) Fund** - This fund is used to account for state funding through the State Housing Initiatives Partnership Program. The funds will be used in accordance to the City's Local Housing Assistance Plan (LHAP) that outlines the programs that will be undertaken to assist very low to moderate income households to expand production of and preserve affordable housing.

**Seminole Mitigation Fund** – This fund is used to account for proceeds received from the Seminole Tribe of Florida in accordance with the "Fee to Trust Lands Mitigation Agreement." Funds will be used for improvements within the MainStreet Regional Activity Center and any other expenses or improvements.

## CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

**Parks Improvement Fund** - This fund is used to account for the fees charged to developers in lieu of dedicating land as well as grants and other governmental resources (other than bond proceeds). It finances the acquisition, construction and expansion of City park facilities.

**Utility Underground Fund** - This fund is used to account for fees charged to developers in lieu of placing electrical lines underground for all new construction or substantial reconstruction.

## DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources, for and the payment of, long-term debt, principal, interest and related costs.

**Capital Improvement Revenue Bonds Fund** - This fund is used for payment of the 2003B Capital Improvement Revenue Note, 2009 Capital Improvement Revenue Note and 2012 Capital Improvement Revenue Note.

CITY OF COCONUT CREEK, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 September 30, 2016

	Special Revenue		
	Law Enforcement Fund	Affordable Housing Fund	SHIP Fund
<b>ASSETS:</b>			
Cash	\$ 260,129	\$ 129,069	\$ 49,027
Accounts receivable	2,417	41,199	454
Due from other governments	13,406	-	-
Investments	1,225,540	608,082	230,978
<b>Total assets</b>	<b>\$ 1,501,492</b>	<b>\$ 778,350</b>	<b>\$ 280,459</b>
<b>LIABILITIES AND FUND BALANCE:</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 44,757	\$ 1,519	\$ 2,983
<b>Total liabilities</b>	<b>44,757</b>	<b>1,519</b>	<b>2,983</b>
Fund balances:			
Restricted for:			
Grants	-	-	277,476
Public safety	1,456,735	-	-
Committed to:			
Affordable housing project	-	776,831	-
Capital projects	-	-	-
Debt service	-	-	-
<b>Total fund balances</b>	<b>1,456,735</b>	<b>776,831</b>	<b>277,476</b>
<b>Total liabilities and         fund balances</b>	<b>\$ 1,501,492</b>	<b>\$ 778,350</b>	<b>\$ 280,459</b>

Seminole Mitigation Fund	Capital Projects		Debt Service	Total Nonmajor Governmental Funds
	Parks Improvement Fund	Utility Underground Fund	Capital Improvement Revenue Bonds Fund	
\$ 499,576	\$ 216,986	\$ 186,515	\$ 23,129	\$ 1,364,431
4,641	2,016	1,733	216	52,676
-	-	-	-	13,406
<u>2,353,644</u>	<u>1,022,282</u>	<u>878,720</u>	<u>108,969</u>	<u>6,428,215</u>
<u>\$ 2,857,861</u>	<u>\$ 1,241,284</u>	<u>\$ 1,066,968</u>	<u>\$ 132,314</u>	<u>\$ 7,858,728</u>
\$ 388	\$ 3,100	\$ -	\$ -	\$ 52,747
<u>388</u>	<u>3,100</u>	<u>-</u>	<u>-</u>	<u>52,747</u>
-	-	-	-	277,476
-	-	-	-	1,456,735
-	-	-	-	776,831
2,857,473	1,238,184	1,066,968	-	5,162,625
-	-	-	132,314	132,314
<u>2,857,473</u>	<u>1,238,184</u>	<u>1,066,968</u>	<u>132,314</u>	<u>7,805,981</u>
<u>\$ 2,857,861</u>	<u>\$ 1,241,284</u>	<u>\$ 1,066,968</u>	<u>\$ 132,314</u>	<u>\$ 7,858,728</u>



CITY OF COCONUT CREEK, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Fiscal Year Ended September 30, 2016

	Special Revenue		
	Law Enforcement Fund	Affordable Housing Fund	SHIP Fund
<b>REVENUES:</b>			
Intergovernmental revenues	\$ -	\$ -	\$ 289,730
Fines and forfeitures	619,790	-	-
Impact fees	-	64,284	-
Investment income	9,741	5,560	2,146
<b>Total revenues</b>	<u>629,531</u>	<u>69,844</u>	<u>291,876</u>
<b>EXPENDITURES:</b>			
Current:			
Public safety	91,517	-	-
Physical environment	-	2,713	200,585
Capital outlay	213,952	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<u>305,469</u>	<u>2,713</u>	<u>200,585</u>
<b>Excess (deficiency) of revenues over expenditures</b>	324,062	67,131	91,291
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	-
Transfers out	(50,000)	-	-
<b>Total other financing sources (uses)</b>	<u>(50,000)</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	274,062	67,131	91,291
FUND BALANCES, beginning	1,182,673	709,700	186,185
FUND BALANCES, ending	<u>\$ 1,456,735</u>	<u>\$ 776,831</u>	<u>\$ 277,476</u>

Seminole Mitigation Fund	Capital Projects		Debt Service	Total Nonmajor Governmental Funds
	Parks Improvement Fund	Utility Underground Fund	Capital Improvement Revenue Bonds Fund	
\$ -	\$ -	\$ -	\$ -	\$ 289,730
-	-	-	-	619,790
-	-	116,603	-	180,887
21,845	8,561	7,860	16,478	72,191
<u>21,845</u>	<u>8,561</u>	<u>124,463</u>	<u>16,478</u>	<u>1,162,598</u>
-	-	-	-	91,517
-	-	-	-	203,298
42,273	4,050	-	-	260,275
-	-	-	2,864,065	2,864,065
-	-	-	427,423	427,423
<u>42,273</u>	<u>4,050</u>	<u>-</u>	<u>3,291,488</u>	<u>3,846,578</u>
(20,428)	4,511	124,463	(3,275,010)	(2,683,980)
-	136,043	10,185	3,291,760	3,437,988
-	-	(7,995)	-	(57,995)
-	<u>136,043</u>	<u>2,190</u>	<u>3,291,760</u>	<u>3,379,993</u>
(20,428)	140,554	126,653	16,750	696,013
2,877,901	1,097,630	940,315	115,564	7,109,968
<u>\$ 2,857,473</u>	<u>\$ 1,238,184</u>	<u>\$ 1,066,968</u>	<u>\$ 132,314</u>	<u>\$ 7,805,981</u>



SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 SPECIAL REVENUE FUND - LAW ENFORCEMENT TRUST FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Fines and forfeitures	\$ 619,000	\$ 619,000	\$ 619,790	\$ 790
Investment income	-	-	9,741	9,741
<b>Total revenues</b>	<u>619,000</u>	<u>619,000</u>	<u>629,531</u>	<u>10,531</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	91,550	91,550	91,517	33
Capital outlay	<u>215,000</u>	<u>215,000</u>	<u>213,952</u>	<u>1,048</u>
<b>Total expenditures</b>	<u>306,550</u>	<u>306,550</u>	<u>305,469</u>	<u>1,081</u>
Excess (deficiency) of revenues over expenditures	312,450	312,450	324,062	11,612
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ 262,450</u>	<u>\$ 262,450</u>	<u>274,062</u>	<u>\$ 11,612</u>
FUND BALANCE, beginning			<u>1,182,673</u>	
FUND BALANCE, ending			<u>\$ 1,456,735</u>	

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 SPECIAL REVENUE FUND - AFFORDABLE HOUSING FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Impact fees	\$ 99,890	\$ 99,890	\$ 64,284	\$ (35,606)
Investment income	4,000	4,000	5,560	1,560
<b>Total revenues</b>	<u>103,890</u>	<u>103,890</u>	<u>69,844</u>	<u>(34,046)</u>
<b>EXPENDITURES:</b>				
General government	5,000	5,000	-	5,000
Physical environment	-	-	2,713	(2,713)
<b>Total expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>2,713</u>	<u>2,287</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ 98,890</u>	<u>\$ 98,890</u>	67,131	<u>\$ (31,759)</u>
FUND BALANCE, beginning			<u>709,700</u>	
FUND BALANCE, ending			<u>\$ 776,831</u>	

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 SPECIAL REVENUE FUND - SHIP FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 265,200	\$ 265,200	\$ 289,730	\$ 24,530
Investment income	-	-	2,146	2,146
<b>Total revenues</b>	<u>265,200</u>	<u>265,200</u>	<u>291,876</u>	<u>26,676</u>
<b>EXPENDITURES:</b>				
Current:				
Physical environment	<u>340,200</u>	<u>340,200</u>	<u>200,585</u>	<u>139,615</u>
<b>Total expenditures</b>	<u>340,200</u>	<u>340,200</u>	<u>200,585</u>	<u>139,615</u>
Excess (deficiency) of revenues over expenditures	\$ <u><u>(75,000)</u></u>	\$ <u><u>(75,000)</u></u>	91,291	\$ <u><u>166,291</u></u>
FUND BALANCE, beginning			<u>186,185</u>	
FUND BALANCE, ending			\$ <u><u>277,476</u></u>	



CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 SPECIAL REVENUE FUND - GENERAL TRUST FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ -	\$ -	\$ 22,431	\$ 22,431
Miscellaneous	150,000	150,000	153,417	3,417
<b>Total revenues</b>	<b>150,000</b>	<b>150,000</b>	<b>175,848</b>	<b>25,848</b>
<b>EXPENDITURES:</b>				
Departmental:				
City Manager/City Attorney	600	600	584	16
Human resources	142,100	142,100	142,045	55
Sustainable Development	25,000	25,000	24,765	235
Police	10,600	10,600	10,545	55
Engineering	61,150	61,150	61,140	10
Public works	165,000	165,000	163,461	1,539
<b>Total expenditures</b>	<b>404,450</b>	<b>404,450</b>	<b>402,540</b>	<b>1,910</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(254,450)</b>	<b>(254,450)</b>	<b>(226,692)</b>	<b>27,758</b>
<b>OTHER FINANCING USES:</b>				
Transfers out	(289,367)	(289,367)	(289,367)	-
<b>Net change in fund balance</b>	<b>(289,367)</b>	<b>(289,367)</b>	<b>(289,367)</b>	<b>-</b>
	\$ <u>(543,817)</u>	\$ <u>(543,817)</u>	(516,059)	\$ <u>27,758</u>
FUND BALANCE, beginning			<u>2,567,890</u>	
FUND BALANCE, ending			\$ <u>2,051,831</u>	

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 SPECIAL REVENUE FUND - SEMINOLE MITIGATION FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ 15,000	\$ 15,000	\$ 21,845	\$ 6,845
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>21,845</u>	<u>6,845</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>1,845,675</u>	<u>1,845,675</u>	<u>42,273</u>	<u>1,803,402</u>
Total expenditures	<u>1,845,675</u>	<u>1,845,675</u>	<u>42,273</u>	<u>1,803,402</u>
Excess of revenues over expenditures	\$ <u><u>(1,830,675)</u></u>	\$ <u><u>(1,830,675)</u></u>	(20,428)	\$ <u><u>1,810,247</u></u>
FUND BALANCE, beginning			<u>2,877,901</u>	
FUND BALANCE, ending			\$ <u><u>2,857,473</u></u>	

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 DEBT SERVICE FUND - CAPITAL IMPROVEMENT REVENUE BONDS FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ -	\$ -	\$ 16,478	\$ 16,478
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>16,478</u>	<u>16,478</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	2,864,070	2,864,070	2,864,065	5
Interest and fiscal charges	<u>427,690</u>	<u>427,690</u>	<u>427,423</u>	<u>267</u>
<b>Total expenditures</b>	<u>3,291,760</u>	<u>3,291,760</u>	<u>3,291,488</u>	<u>272</u>
Excess (deficiency) of revenues over expenditures	(3,291,760)	(3,291,760)	(3,275,010)	16,750
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>3,291,760</u>	<u>3,291,760</u>	<u>3,291,760</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>16,750</u>	<u>\$ 16,750</u>
FUND BALANCE, beginning			<u>115,564</u>	
FUND BALANCE, ending			<u>\$ 132,314</u>	

CITY OF COCONUT CREEK, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND - PARKS IMPROVEMENT FUND  
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Impact fees	\$ 150,000	\$ 150,000	\$ -	\$ (150,000)
Investment income	-	-	8,561	8,561
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>8,561</u>	<u>(141,439)</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>1,268,000</u>	<u>1,268,000</u>	<u>4,050</u>	<u>1,263,950</u>
Total expenditures	<u>1,268,000</u>	<u>1,268,000</u>	<u>4,050</u>	<u>1,263,950</u>
Excess (deficiency) of revenues over expenditures	(1,118,000)	(1,118,000)	4,511	1,122,511
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	-	-	136,043	136,043
Net change in fund balance	\$ <u>(1,118,000)</u>	\$ <u>(1,118,000)</u>	140,554	\$ <u>1,258,554</u>
FUND BALANCE, beginning			<u>1,097,630</u>	
FUND BALANCE, ending			\$ <u><u>1,238,184</u></u>	

CITY OF COCONUT CREEK, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND - UTILITY UNDERGROUND FUND  
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Impact fees	\$ -	\$ -	\$ 116,603	\$ 116,603
Investment income	4,500	4,500	7,860	3,360
<b>Total revenues</b>	<u>4,500</u>	<u>4,500</u>	<u>124,463</u>	<u>119,963</u>
<b>EXPENDITURES:</b>				
Current:				
Capital outlay	<u>164,000</u>	<u>164,000</u>	<u>-</u>	<u>164,000</u>
<b>Total Expenditures</b>	<u>164,000</u>	<u>164,000</u>	<u>-</u>	<u>164,000</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(159,500)	(159,500)	124,463	283,963
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	10,185	10,185
Transfers out	<u>(4,500)</u>	<u>(4,500)</u>	<u>(7,995)</u>	<u>(3,495)</u>
<b>Net change in fund balance</b>	<u>\$ (164,000)</u>	<u>\$ (164,000)</u>	126,653	<u>\$ 290,653</u>
FUND BALANCE, beginning			<u>940,315</u>	
FUND BALANCE, ending			<u>\$ 1,066,968</u>	

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 MAJOR FUND - 2009 CAPITAL PROJECTS FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ 5,000	\$ 5,000	\$ 6,998	\$ 1,998
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>6,998</u>	<u>1,998</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>1,674,258</u>	<u>1,674,258</u>	<u>328,420</u>	<u>1,345,838</u>
Total expenditures	<u>1,674,258</u>	<u>1,674,258</u>	<u>328,420</u>	<u>1,345,838</u>
Excess (deficiency) of revenues over expenditures	\$ <u><u>(1,669,258)</u></u>	\$ <u><u>(1,669,258)</u></u>	(321,422)	\$ <u><u>1,347,836</u></u>
FUND BALANCE, beginning			<u>1,029,095</u>	
FUND BALANCE, ending			\$ <u><u>707,673</u></u>	

CITY OF COCONUT CREEK, FLORIDA  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 MAJOR FUND - CAPITAL IMPROVEMENT PROGRAM FUND  
 For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ 15,000	\$ 15,000	\$ 33,790	\$ 18,790
Miscellaneous revenues	650,000	650,000	696,763	46,763
Total revenues	<u>665,000</u>	<u>665,000</u>	<u>730,553</u>	<u>65,553</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>4,541,816</u>	<u>4,541,816</u>	<u>2,709,660</u>	<u>1,832,156</u>
Total expenditures	<u>4,541,816</u>	<u>4,541,816</u>	<u>2,709,660</u>	<u>1,832,156</u>
Excess (deficiency) of revenues over expenditures	(3,876,816)	(3,876,816)	(1,979,107)	1,897,709
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	-
Net change in fund balance	\$ <u>(1,876,816)</u>	\$ <u>(1,876,816)</u>	20,893	\$ <u>1,897,709</u>
FUND BALANCE, beginning			<u>12,184,326</u>	
FUND BALANCE, ending			\$ <u><u>12,205,219</u></u>	



CITY OF COCONUT CREEK, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MAJOR FUND - PUBLIC SAFETY IMPROVEMENT FUND  
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Impact fees	\$ 256,570	\$ 256,570	\$ 105,140	\$ (151,430)
Investment income	12,000	12,000	5,182	(6,818)
Total revenues	<u>268,570</u>	<u>268,570</u>	<u>110,322</u>	<u>(158,248)</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>1,025,678</u>	<u>1,025,678</u>	<u>732,253</u>	<u>293,425</u>
Total expenditures	<u>1,025,678</u>	<u>1,025,678</u>	<u>732,253</u>	<u>293,425</u>
Excess (deficiency) of revenues over expenditures	(757,108)	(757,108)	(621,931)	135,177
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>(470,060)</u>	<u>(470,060)</u>	<u>(470,060)</u>	<u>-</u>
Net change in fund balance	\$ <u><u>(1,227,168)</u></u>	\$ <u><u>(1,227,168)</u></u>	(1,091,991)	\$ <u><u>135,177</u></u>
FUND BALANCE, beginning			<u>1,547,470</u>	
FUND BALANCE, ending			\$ <u><u>455,479</u></u>	



BUTTERFLY CAPITAL OF THE WORLD®

## STATISTICAL SECTION

This part of the City of Coconut Creek's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

### Contents

#### Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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#### Revenue Capacity

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#### Debt Capacity

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#### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

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**STATISTICAL SECTION**  
(continued)

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Full-Time Equivalent City Government Employees by Function	115
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Capital Asset Statistics by Function	117

**Insurance Information**

These schedules contain information regarding by City's insurance coverage provided by the Preferred Governmental Insurance Trust ("PGIT"). The City is exposed to various risks of loss such as theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Insurance Coverage via PGIT	118-120
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Sources: Unless otherwise notes, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Coconut Creek, Florida

Net Position by Component  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)  
 (Amounts Expressed in Thousands)

	2007	2008	2009
<b>Governmental activities:</b>			
Net investment in capital assets	\$ 42,344	\$ 45,140	\$ 49,710
Restricted	6,578	12,253	10,000
Unrestricted	27,759	28,249	27,636
<b>Total governmental activities net position</b>	<b>\$ 76,681</b>	<b>\$ 85,642</b>	<b>\$ 87,346</b>
<b>Business-type activities:</b>			
Net investment in capital assets	\$ 49,584	\$ 55,783	\$ 60,239
Restricted	-	-	-
Unrestricted	18,223	14,687	11,079
<b>Total business-type activities net position</b>	<b>\$ 67,807</b>	<b>\$ 70,470</b>	<b>\$ 71,318</b>
<b>Primary government:</b>			
Net investment in capital assets	\$ 91,928	\$ 100,923	\$ 109,949
Restricted	6,578	12,253	10,000
Unrestricted	45,982	42,936	38,715
<b>Total primary government net position</b>	<b>\$ 144,488</b>	<b>\$ 156,112</b>	<b>\$ 158,664</b>

Table 1

2010	2011	2012	2013	2014	2015	2016
\$ 57,183	\$ 59,771	\$ 67,752	\$ 69,352	\$ 73,361	\$ 78,498	\$ 88,808
8,125	13,253	10,084	6,608	3,813	5,245	4,406
25,481	23,940	25,602	33,398	42,592	25,048	20,653
<u>\$ 90,789</u>	<u>\$ 96,964</u>	<u>\$ 103,438</u>	<u>\$ 109,358</u>	<u>\$ 119,766</u>	<u>\$ 108,791</u>	<u>\$ 113,867</u>
\$ 65,348	\$ 64,542	\$ 65,989	\$ 66,329	\$ 69,944	\$ 76,161	\$ 77,799
-	-	-	-	-	-	-
12,406	16,897	21,166	25,498	28,199	30,372	35,637
<u>\$ 77,754</u>	<u>\$ 81,439</u>	<u>\$ 87,155</u>	<u>\$ 91,827</u>	<u>\$ 98,143</u>	<u>\$ 106,533</u>	<u>\$ 113,436</u>
\$ 122,531	\$ 124,313	\$ 133,741	\$ 135,681	\$ 143,305	\$ 154,659	\$ 166,607
8,125	13,253	10,084	6,608	3,813	5,245	4,406
37,887	40,837	46,768	58,896	70,791	55,420	56,290
<u>\$ 168,543</u>	<u>\$ 178,403</u>	<u>\$ 190,593</u>	<u>\$ 201,185</u>	<u>\$ 217,909</u>	<u>\$ 215,324</u>	<u>\$ 227,303</u>



City of Coconut Creek, Florida

Changes in Net Position  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)  
 (Amounts Expressed in Thousands)

	2007	2008	2009
<b>Expenses:</b>			
<b>Governmental activities:</b>			
General government	\$ 10,363	\$ 10,354	\$ 10,813
Public safety	19,831	21,423	22,817
Physical environment	6,589	6,751	6,695
Culture/recreation	5,578	5,693	5,781
Interest on long-term debt	1,232	1,082	980
<b>Total governmental activities expenses</b>	<b>\$ 43,593</b>	<b>\$ 45,303</b>	<b>\$ 47,086</b>
<b>Business-type activities:</b>			
Utilities	\$ 13,429	\$ 13,427	\$ 14,934
Stormwater management	661	745	808
<b>Total business-type activities expenses</b>	<b>14,090</b>	<b>14,172</b>	<b>15,742</b>
<b>Total expenses</b>	<b>\$ 57,683</b>	<b>\$ 59,475</b>	<b>\$ 62,828</b>
<b>Program Revenues:</b>			
<b>Governmental activities:</b>			
Charges for services:			
General government	\$ 6,345	\$ 6,544	\$ 4,493
Public safety	4,141	5,883	6,290
Physical environment	1,617	1,862	2,068
Culture/recreation	596	618	638
Operating grants and contributions	1,679	1,152	918
Capital grants and contributions	2,261	4,559	125
<b>Total governmental activities program revenues</b>	<b>\$ 16,639</b>	<b>\$ 20,618</b>	<b>\$ 14,532</b>
<b>Business-type activities:</b>			
Charges for services:			
Utilities	\$ 11,366	\$ 10,960	\$ 12,581
Stormwater management	1,264	1,336	1,388
Operating grants and contributions	82	-	-
Capital grants and contributions	1,762	3,715	2,131
<b>Total business-type activities program revenues</b>	<b>14,474</b>	<b>16,011</b>	<b>16,100</b>
<b>Total program revenues</b>	<b>\$ 31,113</b>	<b>\$ 36,629</b>	<b>\$ 30,632</b>
<b>Net (expense)/revenue</b>			
Governmental activities	\$ (26,954)	\$ (24,685)	\$ (32,554)
Business-type activities	384	1,839	358
<b>Total net expenses</b>	<b>\$ (26,570)</b>	<b>\$ (22,846)</b>	<b>\$ (32,196)</b>

Table 2

	2010	2011	2012	2013	2014	2015	2016
\$	10,777	\$ 10,743	\$ 11,742	\$ 11,376	\$ 12,004	\$ 11,053	\$ 11,969
	23,452	23,446	23,959	25,187	26,487	26,315	29,801
	6,195	5,698	5,814	6,518	7,375	7,547	7,808
	5,495	5,255	5,251	5,498	5,984	6,289	6,791
	1,160	991	878	688	606	521	427
\$	47,079	\$ 46,133	\$ 47,644	\$ 49,267	\$ 52,456	\$ 51,725	\$ 56,796
\$	15,645	\$ 14,603	\$ 15,022	\$ 15,969	\$ 16,214	\$ 17,055	\$ 17,824
	816	813	1,014	1,118	1,158	1,222	1,438
	16,461	15,416	16,036	17,087	17,372	18,277	19,262
\$	63,540	\$ 61,549	\$ 63,680	\$ 66,354	\$ 69,828	\$ 70,002	\$ 76,058
\$	5,031	\$ 5,404	\$ 5,823	\$ 6,120	\$ 2,813	\$ 4,818	\$ 5,451
	7,798	7,398	7,325	8,018	8,834	9,979	11,199
	2,116	2,122	2,498	2,637	5,953	2,853	2,996
	701	729	752	760	708	757	684
	979	618	423	680	843	846	581
	475	1,562	2,501	1,144	3,321	1,088	620
\$	17,100	\$ 17,833	\$ 19,322	\$ 19,359	\$ 22,472	\$ 20,341	\$ 21,531
\$	14,800	\$ 17,044	\$ 17,717	\$ 18,401	\$ 19,645	\$ 20,629	\$ 20,976
	1,457	1,453	1,498	1,523	1,576	1,621	1,672
	-	-	-	-	-	-	-
	6,105	2,848	1,464	705	1,899	5,232	2,021
	22,362	21,345	20,679	20,629	23,120	27,482	24,669
\$	39,462	\$ 39,178	\$ 40,001	\$ 39,988	\$ 45,592	\$ 47,823	\$ 46,200
\$	(29,979)	\$ (28,300)	\$ (28,322)	\$ (29,908)	\$ (29,984)	\$ (31,384)	\$ (35,265)
	5,901	5,929	4,643	3,542	5,748	9,205	5,407
\$	(24,078)	\$ (22,371)	\$ (23,679)	\$ (26,366)	\$ (24,236)	\$ (22,179)	\$ (29,858)

City of Coconut Creek, Florida

Changes in Net Position  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)  
 (Amounts Expressed in Thousands)

	2007	2008	2009
<b>General Revenues and Other Changes in Net Position</b>			
<b>Governmental activities:</b>			
Taxes:			
Property taxes	\$ 17,362	\$ 16,076	\$ 15,886
Utility taxes	5,413	5,544	5,936
Franchise taxes	4,009	3,989	4,222
Intergovernmental	5,816	5,551	4,947
Impact fees	-	-	-
Special assessment	-	-	-
Investment income	4,349	1,261	917
Miscellaneous	1,032	1,225	2,502
Gain on disposal of capital assets	-	-	(152)
Transfers	-	-	-
<b>Total governmental activities</b>	<b>\$ 37,981</b>	<b>\$ 33,646</b>	<b>\$ 34,258</b>
<b>Business-type activities:</b>			
Investment income	1,073	621	303
Impact fees	-	-	-
Miscellaneous	187	203	186
Transfers	-	-	-
<b>Total business-type activities</b>	<b>1,260</b>	<b>824</b>	<b>489</b>
<b>Total</b>	<b>\$ 39,241</b>	<b>\$ 34,470</b>	<b>\$ 34,747</b>
<b>Change in Net Position</b>			
Governmental activities	\$ 11,027	\$ 8,961	\$ 1,704
Business-type activities	1,644	2,663	847
<b>Total</b>	<b>\$ 12,671</b>	<b>\$ 11,624</b>	<b>\$ 2,551</b>

Table 2  
(continued)

	2010	2011	2012	2013	2014	2015	2016
\$	16,213	\$ 15,906	\$ 16,129	\$ 16,145	\$ 16,894	\$ 17,700	\$ 19,672
	6,093	6,050	6,092	6,317	6,563	6,750	6,665
	4,095	4,070	3,971	3,936	4,315	4,409	4,385
	4,840	5,066	5,732	6,023	6,217	7,661	6,859
	-	1,187	876	674	460	540	286
	-	-	-	-	-	951	31
	561	601	379	(56)	496	413	445
	1,730	1,095	1,617	2,849	5,444	1,573	1,998
	(110)	-	-	-	-	-	-
	-	500	-	-	-	-	-
\$	33,422	\$ 34,475	\$ 34,796	\$ 35,888	\$ 40,389	\$ 39,997	\$ 40,341
	157	206	140	(69)	193	254	278
	-	1,023	698	1,057	215	453	1,006
	378	295	236	141	160	182	212
	-	(500)	-	-	-	-	-
	535	1,024	1,074	1,129	568	889	1,496
\$	33,957	\$ 35,499	\$ 35,870	\$ 37,017	\$ 40,957	\$ 40,886	\$ 41,837
\$	3,443	\$ 6,175	\$ 6,474	\$ 5,980	\$ 10,405	\$ 8,613	\$ 5,076
	6,436	6,953	5,717	4,671	6,316	10,094	6,903
\$	9,879	\$ 13,128	\$ 12,191	\$ 10,651	\$ 16,721	\$ 18,707	\$ 11,979

City of Coconut Creek, Florida

**Fund Balances of Governmental Funds (1)**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**(Amounts Expressed in Thousands)**

	2007	2008	2009	2010
<b>General Fund</b>				
Reserved	\$ 81	\$ 373	\$ 165	\$ 132
Unreserved	15,697	18,283	18,554	18,192
Non-spendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total general fund</b>	<b>\$ 15,778</b>	<b>\$ 18,656</b>	<b>\$ 18,719</b>	<b>\$ 18,324</b>
<b>All other governmental funds</b>				
Reserved	\$ 11,818	\$ 8,620	\$ 8,620	\$ 8,639
Unreserved, reported in:				
Special revenue funds	8,304	7,850	12,531	10,827
Capital projects funds	4,648	5,366	4,473	3,148
Debt service fund	569	656	666	469
Non-spendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 25,339</b>	<b>\$ 22,492</b>	<b>\$ 26,290</b>	<b>\$ 23,083</b>

(1) Information for fiscal years 2007 to 2010 have not been restated for Governmental Accounting Standards Board (GASB) Statement No. 54 classifications.

Table 3

2011	2012	2013	2014	2015	2016
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
124	137	191	218	167	153
-	-	-	-	-	-
2,228	2,302	2,594	2,575	3,095	3,184
4,075	5,159	5,856	6,254	6,811	4,982
15,690	16,207	15,149	15,442	17,384	19,102
<u>\$ 22,117</u>	<u>\$ 23,805</u>	<u>\$ 23,790</u>	<u>\$ 24,489</u>	<u>\$ 27,457</u>	<u>\$ 27,421</u>
\$ 8,629	\$ -	\$ -	\$ -	\$ -	\$ -
8,969	-	-	-	-	-
12,791	-	-	-	-	-
67	-	-	-	-	-
-	8,624	8,623	8,629	8,630	8,625
-	10,081	6,608	3,813	5,245	4,406
-	6,385	7,129	14,309	13,335	11,098
-	1,220	2,475	1,441	2,022	2,016
-	-	-	-	-	(34)
<u>\$ 30,456</u>	<u>\$ 26,310</u>	<u>\$ 24,835</u>	<u>\$ 28,192</u>	<u>\$ 29,232</u>	<u>\$ 26,111</u>

City of Coconut Creek, Florida  
 Changes in Fund Balances of Governmental Funds  
 Last Ten Fiscal Years  
 (Modified Accrual Basis of Accounting)  
 (Amounts Expressed in Thousands)

	2007	2008	2009
<b>Revenues</b>			
Ad valorem taxes	\$ 17,362	\$ 16,077	\$ 15,886
Franchise fees	4,009	3,989	4,222
Utility taxes	5,413	5,544	5,937
Licenses and permits	3,151	3,247	1,088
Intergovernmental revenues	7,456	6,668	5,805
Charges for services	9,026	11,267	12,163
Fines and forfeitures	507	3,598	462
Impact fees	-	-	-
Seminole Mitigation Fees	-	-	-
Investment income	4,349	1,227	890
Special assessment	-	-	-
Miscellaneous revenues	2,474	2,264	1,313
<b>Total revenues</b>	<b>53,747</b>	<b>53,881</b>	<b>47,766</b>
<b>Expenditures</b>			
General government	9,258	9,833	9,525
Public safety	19,029	20,499	21,510
Physical environment	5,558	5,419	5,977
Culture and recreation	4,950	5,082	5,143
Nondepartmental	193	184	210
Capital outlay	3,261	2,459	3,941
Debt service			
Principal	8,323	2,630	3,452
Interest and fiscal charges	1,393	1,100	1,151
<b>Total expenditures</b>	<b>51,965</b>	<b>47,206</b>	<b>50,909</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,782</b>	<b>6,675</b>	<b>(3,143)</b>
<b>Other financing sources (uses)</b>			
Net proceeds from long-term debt	-	-	-
Transfers in	4,542	2,937	3,834
Transfers out	(4,542)	(2,937)	(3,834)
Payment to Fiscal Agent	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 1,782</b>	<b>\$ 6,675</b>	<b>\$ (3,143)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>20.2%</b>	<b>8.3%</b>	<b>9.7%</b>



Table 4

	2010	2011	2012	2013	2014	2015	2016
\$	16,213	\$ 15,906	\$ 16,129	\$ 16,144	\$ 16,894	\$ 17,700	\$ 19,673
	4,095	4,070	3,971	3,936	4,315	4,408	4,385
	6,093	6,050	6,092	6,317	6,563	6,750	6,665
	1,522	2,760	2,988	3,200	2,839	2,122	2,376
	6,702	5,969	7,523	8,282	8,590	10,620	7,623
	13,452	12,456	13,106	13,997	14,986	16,270	17,650
	488	938	1,220	613	565	980	981
	-	1,075	876	674	1,150	540	286
	-	-	-	-	3,000	-	-
	534	575	352	(83)	496	413	445
	-	-	-	-	-	194	-
	1,621	1,208	1,618	2,920	2,498	1,573	1,999
	50,720	51,007	53,875	56,000	61,896	61,570	62,083
	9,505	9,247	9,767	9,762	9,948	10,203	10,406
	22,116	22,732	23,119	24,316	25,261	26,187	27,881
	4,944	4,865	4,932	5,343	5,980	6,125	5,821
	4,930	4,597	4,675	4,909	5,253	5,729	5,862
	294	511	514	660	1,343	564	594
	3,332	3,174	8,355	9,209	6,763	5,463	11,385
	7,398	3,049	2,647	2,603	2,686	2,771	2,864
	1,223	996	897	688	606	521	427
	53,742	49,171	54,906	57,490	57,840	57,563	65,240
	(3,022)	1,836	(1,031)	(1,490)	4,056	4,007	(3,157)
	10,000	-	5,270	-	-	-	-
	7,698	4,291	13,064	4,988	5,493	4,733	6,007
	(7,698)	(3,791)	(13,064)	(4,988)	(5,493)	(4,733)	(6,007)
	-	-	(5,240)	-	-	-	-
	10,000	500	30	-	-	-	-
\$	6,978	\$ 2,336	\$ (1,001)	\$ (1,490)	\$ 4,056	\$ 4,007	\$ (3,157)
	16.9%	8.7%	7.6%	6.7%	6.4%	6.3%	6.5%



General Governmental Tax Revenues by Source  
 Last Ten Fiscal Years  
 (Modified Accrual Basis of Accounting)  
 (Amounts Expressed in Thousands)

Fiscal Year Ended September 30	Property Taxes	Local Option Gas Tax	Utility Taxes	Franchise Fees	Total
2007	\$ 17,362	\$ 861	\$ 5,413	\$ 4,009	\$ 27,645
2008	16,077	875	5,544	3,989	26,485
2009	15,886	850	5,936	4,222	26,894
2010	16,213	837	6,093	4,095	27,238
2011	15,906	838	6,050	4,070	26,864
2012	16,129	909	6,092	3,971	27,101
2013	16,144	910	6,317	3,936	27,307
2014	16,894	931	6,563	4,315	28,703
2015	17,700	960	6,750	4,409	29,819
2016	19,672	1,001	6,665	4,385	31,723

City of Coconut Creek, Florida

Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year Ended September 30	Save Our Homes (SOH) Value			
	Residential	Commercial	Industrial	Other*
2007	\$ 3,092,591,130	\$ 413,431,190	\$ 115,114,040	\$ 456,010,140
2008	3,475,090,460	476,525,460	109,354,120	620,193,710
2009	3,325,196,440	544,993,880	131,761,640	627,363,020
2010	2,729,460,450	633,971,090	149,361,570	627,896,870
2011	2,349,102,060	597,927,930	151,805,050	635,594,810
2012	2,353,406,490	555,543,250	138,124,920	662,510,000
2013	2,374,513,210	576,291,950	140,205,740	662,962,500
2014	2,494,888,270	594,326,970	122,620,490	656,952,910
2015	2,697,371,210	606,225,150	127,521,680	670,913,350
2016	<b>2,990,243,390</b>	<b>605,886,720</b>	<b>139,120,280</b>	<b>684,248,670</b>

SOURCE: Broward County, Florida Property Appraiser's Office.

NOTES:

\* Other Includes agricultural, institutional, government, miscellaneous and non-agricultural acreage

Table 6

Exemptions	Total Taxable Assessed Value	City Direct Tax Rate	Total Estimated Actual Taxable Value	Assessed Value as a Percentage of Estimated Actual Value
\$ 824,360,310	\$ 3,252,786,190	5.3408	\$ 5,416,762,050	60.05%
1,009,820,010	3,671,343,740	4.3796	6,101,425,730	60.17%
1,330,667,720	3,298,647,260	4.8869	5,481,926,110	60.17%
1,271,152,380	2,869,537,600	5.6837	4,494,682,060	63.84%
1,237,156,670	2,497,273,180	6.4036	3,901,423,180	64.01%
1,214,736,610	2,494,848,050	6.3857	3,937,457,080	63.36%
1,215,545,240	2,538,428,160	6.3250	3,964,203,630	64.03%
1,207,415,350	2,661,373,290	6.3250	4,150,312,340	64.12%
1,230,106,240	2,871,925,150	6.2301	4,688,929,480	61.25%
<b>1,240,687,580</b>	<b>3,178,811,480</b>	<b>6.1803</b>	<b>5,217,655,290</b>	<b>60.92%</b>

City of Coconut Creek, Florida

Property Tax Rates  
 Direct and Overlapping Governments  
 Last Ten Fiscal Years

Fiscal Year	City of Coconut Creek			Overlapping Rates					
				County			School District		
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage
2007	5.3408	-	5.3408	5.6433	0.4228	6.0661	7.6790	0.1897	7.8687
2008	4.3796	-	4.3796	4.8889	0.3979	5.2868	7.4770	0.1714	7.6484
2009	4.8869	-	4.8869	4.8889	0.4256	5.3145	7.4170	-	7.4170
2010	5.6837	-	5.6837	4.8889	0.5000	5.3889	7.4310	-	7.4310
2011	6.4036	-	6.4036	5.1021	0.4509	5.5530	7.6310	-	7.6310
2012	6.3857	-	6.3857	5.1860	0.3670	5.5530	7.4180	-	7.4180
2013	6.3250	-	6.3250	5.2576	0.2954	5.5530	7.4560	-	7.4560
2014	6.3250	-	6.3250	5.4400	0.2830	5.7230	7.4800	-	7.4800
2015	6.2301	-	6.2301	5.4584	0.2646	5.7230	7.4380	-	7.4380
2016	6.1803	-	6.1803	5.4741	0.2489	5.7230	7.2030	0.0710	7.2740

SOURCE: Broward County, Florida Property Appraiser's Office.

Table 7

Overlapping Rates					
CocoMar Water Management District	Children's Services	North Broward Hospital District	South Florida Water Management District	Florida Inland Navigation District	Total Direct & Overlapping Rates
0.1679	0.4073	1.8317	0.6970	0.0385	22.4180
0.1446	0.3572	1.6255	0.6240	0.0345	20.1006
0.1446	0.3754	1.7059	0.6240	0.0345	20.5028
0.1446	0.4243	1.7059	0.6240	0.0345	21.4369
0.1446	0.4696	1.8750	0.6240	0.0345	22.7353
0.1446	0.4789	1.8750	0.4363	0.0345	22.3260
0.1446	0.4902	1.8564	0.4289	0.0345	22.2886
0.1446	0.4882	1.7554	0.4110	0.0345	22.3617
0.1446	0.4882	1.5939	0.3842	0.0345	22.0365
<b>0.1446</b>	<b>0.4882</b>	<b>1.4425</b>	<b>0.3551</b>	<b>0.0320</b>	<b>21.6397</b>

Principal Property Taxpayers  
 Current Year and Nine Years Ago  
 (Amounts Expressed in Thousands)

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
ERP Operating LTD Partnership	\$ 90,882	1	2.9%	\$ 24,361	10	0.7%
Teachers Ins. & Annuity Assn. of America	65,768	2	2.1%	-	-	-
Broadstone Cypress Hammocks LLC	64,629	3	2.0%	-	-	-
Seminole Properties II Inc.	56,349	4	1.8%	-	-	-
Bell Fund V Coconut Creek LLC	50,460	5	1.6%	27,387	7	0.8%
5401 Wiles Road LLC	47,004	6	1.5%	-	-	-
Florida Power & Light Co	43,248	7	1.4%	25,290	8	0.7%
Garrison Coconut Creek LLC	42,290	8	1.3%	-	-	-
CGL Banyan Bay LP	38,119	9	1.2%	32,577	3	1.0%
Northland Cypress Shores LLC	36,727	10	1.2%	-	-	-
Club Caribe Associates LLC	-	-	-	49,694	1	1.5%
Forest Pointe 372 LLC	-	-	-	33,039	2	1.0%
Southern Bell Telephone Co	-	-	-	31,583	4	0.9%
EB-Riviera Palms LLC	-	-	-	28,003	5	0.8%
CA New Plan Asset Partnership	-	-	-	27,838	6	0.8%
Atlyons LLC	-	-	-	24,442	9	0.7%
<b>Totals</b>	<b>\$ 535,476</b>		<b>17.0%</b>	<b>\$ 304,214</b>		<b>8.9%</b>

SOURCE: Broward County, Florida Revenue Collector's Office.



Property Tax Levies and Collections  
 Last Ten Fiscal Years  
 (Amounts Expressed in Thousands)

Fiscal Year	Total Tax Levy (1)	Current Taxes Collections	Percentage Collected	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Tax Levy
2007	\$ 17,964	\$ 17,360	96.64%	\$ -	\$ 17,360	96.64%
2008	16,557	16,005	96.67%	22	16,027	96.80%
2009	16,676	15,772	94.58%	18	15,790	94.69%
2010	17,087	15,909	93.11%	265	16,174	94.66%
2011	16,838	15,796	93.81%	312	16,108	95.66%
2012	16,714	15,949	95.42%	180	16,129	96.50%
2013	16,831	16,164	96.04%	(19)	16,145	95.92%
2014	17,638	16,942	96.05%	(48)	16,894	95.78%
2015	18,752	17,856	95.22%	(156)	17,700	94.39%
<b>2016</b>	<b>20,483</b>	<b>19,634</b>	<b>95.86%</b>	<b>12</b>	<b>19,646</b>	<b>95.91%</b>

SOURCE: Broward County, Florida Revenue Collector's Office.

NOTE: (1) Tax levy, net of discount

Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years  
 (Amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities						Total Primary Government	Percentage of Personal Income	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Promissory Note	Improvement Revenue Notes	Line of Credit	Capital Lease			
2007	\$ -	\$ -	\$ 3,202	\$ 26,039	\$ -	\$ 79	\$ 29,320	2.21%	\$ 608
2008	-	-	2,331	24,314	-	46	26,691	1.98%	554
2009	-	-	1,424	21,803	-	12	23,239	1.76%	486
2010	-	-	481	25,359	-	908	26,748	2.04%	555
2011	-	-	-	22,791	-	-	22,791	1.55%	431
2012	-	-	-	20,174	-	-	20,174	1.33%	378
2013	-	-	-	17,571	-	-	17,571	1.14%	327
2014	-	-	-	14,885	-	-	14,885	0.96%	269
2015	-	-	-	12,114	-	-	12,114	0.76%	214
2016	-	-	-	9,250	-	-	9,250	0.57%	162

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Direct and Overlapping Governmental Activities Debt  
 As of September 30, 2016  
 (Amounts Expressed in Thousands)

Jurisdiction	Net Debt Outstanding	Estimated Percentage Applicable to City of Coconut Creek (1)	Amount Applicable to City of Coconut Creek
Debt repaid with property taxes:			
Broward County	\$ 232,035	2.20%	\$ 5,105
School Board of Broward County (2)	151,840	2.00%	3,037
Subtotal, overlapping debt			8,142
City of Coconut Creek			\$ 9,250
Total direct and overlapping debt			\$ 17,392

SOURCE: Broward County, Florida, Accounting Division and the School Board of Broward County.

(1) Based on ratio of assessed taxable value

(2) The School Board of Broward County debt outstanding is as of June 30, 2016

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Coconut Creek. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.



City of Coconut Creek, Florida

Table 12

Legal Debt Margin Information  
Last Ten Fiscal Years  
(Amounts Expressed in Thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$ 813,197	\$ 917,836	\$ 824,662	\$ 717,384	\$ 624,318	\$ 623,712	\$ 634,607	\$ 665,343	\$ 717,981	\$ 794,703
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 813,197	\$ 917,836	\$ 824,662	\$ 717,384	\$ 624,318	\$ 623,712	\$ 634,607	\$ 665,343	\$ 717,981	\$ 794,703

Total net debt applicable to the limit as a percentage of debt limit

0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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Legal Debt Margin Calculation for Fiscal Year 2016

Assessed Valuation of Taxable Real Property	
Bonded Debt Limit - 25% of above	\$ 3,178,811
Amount of Debt Applicable to Debt Limit:	794,703
Total Bonded Debt:	-
Less Revenue Bonds:	-
Total net debt applicable to limit	-
Legal debt margin (1)	\$ 794,703

(1) The City Charter allows revenue bonds to be issued when authorized by the City Commission. General obligation bonds must be approved by referendum of the electorate with the aggregate amount outstanding not to exceed 25 percent of the assessed valuation of taxable property in the City.

Restated data for 2007 through 2010

Pledged Revenue Coverage  
Last Ten Fiscal Years  
(Amounts Expressed in Thousands)

Fiscal Year	Improvement Revenue Notes														
	Electric		Electric Franchise Fees	Total Revenue	Debt Service		Non-Ad Valorem Revenue	Debt Service		Coverage	Coverage				
	Utility Taxes				Principal	Interest		Principal	Interest						
2007	\$	2,621	\$	3,045	\$	5,666	\$	7,453	(1)	\$	1,242	0.65	\$	-	-
2008		2,689		3,064		5,753		1,725			968	2.14		-	-
2009		2,689		3,055		5,744		2,511			1,056	1.61		-	-
2010		2,939		2,800		5,739		6,444	(2)		815	0.79		22,421	71.63
2011		2,915		2,773		5,688		2,568			583	1.81		22,563	394
2012		2,991		2,708		5,699		7,887	(3)		473	0.68		23,458	394
2013		3,203		2,657		5,860		2,201			294	2.35		24,456	394
2014		3,521		2,908		6,429		2,270			228	2.57		25,524	378
2015		3,599		2,983		6,582		1,590			159	3.76		26,540	361
<b>2016</b>		<b>3,695</b>		<b>2,910</b>		<b>6,605</b>		<b>1,629</b>			<b>112</b>	<b>3.79</b>		<b>28,397</b>	<b>315</b>

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

- (1) Includes \$5,786,353 principal payment of Series 2003D revenue note using proceeds from land sale.
- (2) Includes \$3,973,491 principal payment of Series 2003C revenue note to extinguish debt.
- (3) Includes \$5,240,096 to fully refund principal on Series 2003D from issuance of Series 2012 revenue note proceeds.

Table 14

City of Coconut Creek, Florida

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Income	General Fund		General Fund Operating Expenditures Per Capita	Gross Residential		Median Age	School Enrollment (3)	Unemployment Rate (2)
				Operating Revenues Per Capita	Property Tax Per Capita						
2007	48,207 (1)	\$ 1,324,439,118	\$ 27,474 (4)	\$ 942	\$ 786	299	42.2 (2)	9,945	3.7%		
2008	48,193 (1)	1,346,994,350	27,950 (4)	927	829	279	41.1 (2)	9,799	6.1%		
2009	47,804 (5)	1,322,927,896	27,674 (4)	888	847	268	43.5 (4)	9,414	8.8%		
2010	48,159 (5)	1,312,429,068	27,252 (4)	921	829	246	42.1 (4)	9,341	10.1%		
2011	52,909 (5)	1,474,891,284	27,876 (4)	835	764	210	40.3 (4)	8,718	10.7%		
2012	53,313 (5)	1,516,488,285	28,445 (4)	849	770	204	40.0 (4)	8,784	7.6%		
2013	53,783 (5)	1,547,874,740	28,780 (4)	864	809	211	40.6 (4)	8,564	5.6%		
2014	55,319 (5)	1,553,246,882	28,078 (4)	883	826	220	40.2 (4)	10,051	5.2%		
2015	56,593 (5)	1,596,884,681	28,217 (4)	898	828	234	39.6 (4)	10,196	5.6%		
<b>2016</b>	<b>57,116 (5)</b>	<b>1,620,552,268</b>	<b>28,373 (4)</b>	<b>957</b>	<b>905</b>	<b>261</b>	<b>39.8 (4)</b>	<b>10,080</b>	<b>4.6%</b>		

(1) Furnished by Broward County, Florida Planning Services Division. Population estimated as of April 1st of each year.  
 (2) Furnished by the Bureau of Labor Statistics  
 (3) Furnished by the School Board of Broward County  
 (4) Furnished by the American Community Survey/U.S. Census Bureau-Quick Facts-Factfinder  
 (5) Furnished by the Bureau of Economic and Business Research

Principal Employers  
Current Year and Nine Years Ago

Employer	2016			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Seminole Coconut Creek Casino	1,858	1	5.86%	-	-	-
Broward County School Board	1,345	2	4.24%	-	-	-
Broward College North	980	3	3.09%	2,972	1	10.8%
Publix	626	4	1.98%	-	-	-
Walmart	390	5	1.23%	-	-	-
Food for the Poor	385	6	1.21%	-	-	-
City of Coconut Creek	384	7	1.21%	405	4	1.5%
Vista BMW	300	8	0.95%	-	-	-
Al Hendrickson Toyota	244	9	0.77%	-	-	-
Cusano's	194	10	0.61%	-	-	-
Atlantic Technical Center	-	-	-	502	2	1.8%
Carl's Corporate Headquarters	-	-	-	500	3	1.8%
<b>Totals</b>	<u>6,706</u>		<u>21.16%</u>	<u>4,379</u>		<u>16.0%</u>

(1) No additional information available for fiscal year ending September 30, 2007



**Full-Time Equivalent City Government Employees by Function  
Last Ten Fiscal Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Function</b>										
General government	64	61	62	62	62	56	60	61	62	63
Public safety	154	153	155	163	163	152	153	165	170	170
Physical environment	46	41	40	35	25	29	29	32	33	33
Culture and recreation	104	65	80	78	68	64	68	71	72	72
Water and wastewater	30	30	29	31	31	31	35	36	36	36
Stormwater management	7	7	8	8	8	8	9	9	9	10
<b>Total</b>	<b>405</b>	<b>357</b>	<b>374</b>	<b>377</b>	<b>357</b>	<b>340</b>	<b>354</b>	<b>374</b>	<b>382</b>	<b>384</b>

Source: City of Coconut Creek

Operating Indicators by Function  
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government										
Bids and contracts awarded	11	22	15	18	23	12	23	14	21	15
Building permits	3,840	2,794	2,446	2,530	2,272	2,738	2,898	2,588	3,115	3,141
Business licenses (new)	260	211	380	289	140	177	124	119	108	144
Police										
Personnel and officers	133	132	133	139	138	134	133	137	140	140
Physical arrests	887	995	1,100	1,070	984	883	933	899	830	908
Parking violations	622	513	1,074	653	1,027	909	1,260	1,332	627	638
Traffic violations	8,272	7,484	11,211	8,354	7,919	6,683	6,748	5,756	6,744	7,329
Fire										
Personnel and officers	4	4	4	4	4	5	4	4	4	5
Number of calls answered	5,733	5,724	6,178	6,820	6,528	6,807	6,720	5,902	7,260	7,705
Inspections	2,169	1,650	1,577	1,784	1,456	1,803	1,869	1,986	2,125	2,908
Transit (1)										
Number of Routes	-	-	2	2	2	2	2	2	2	2
Number of Passengers	-	-	131,123	143,872	170,291	161,660	167,377	158,430	141,316	140,976
Streets										
Street resurfacing (miles)	-	-	-	29	-	1	-	-	-	-
Potholes repaired	185	265	273	173	325	303	248	224	212	368
Culture and recreation										
Athletic field permits issued	3,404	2,927	3,420	3,222	4,075	4,081	4,364	4,722	4,642	4,342
Fitness memberships	1,291	1,326	1,663	1,577	1,443	1,193	1,161	1,175	1,178	1,279
Participants Registered:										
Athletic Programs	1,533	899	1,274	2,988	2,087	1,691	1,961	2,203	2,116	1,978
Recreation Programs	2,135	2,417	3,312	7,510	5,356	5,291	4,579	4,679	5,604	5,483
Water										
New connections	75	150	74	43	50	91	107	88	51	74
Water main breaks	75	2	1	-	2	-	1	-	-	2
Average daily consumption (thousands of gallons)	4,793	4,367	4,475	4,263	4,211	3,942	4,015	4,046	4,181	4,149
Active Accounts: (Average)										
Residential	10,350	10,393	10,424	10,473	10,542	10,617	10,719	10,834	10,925	11,000
Commercial	856	851	854	844	830	839	854	851	932	862

(1) Transit Information for fiscal years ending September 30, 2007 to 2008 is not available.

Source: City of Coconut Creek, Florida.

**Capital Asset Statistics by Function  
Last Ten Fiscal Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Function</b>										
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	120	122	122	123	126	126	116	134	137	130
Streets										
Streets (miles)	53	53	47	48	48	48	48	48	48	48
Street lights	1,528	1,528	1,659	1,662	1,662	1,668	1,668	1,712	1,712	1,712
Culture and recreation										
Parks acreage	170	107	107	107	107	107	107	170	170	170
Parks	18	18	18	18	18	18	18	18	18	18
Tennis courts	12	12	12	12	12	12	12	12	12	12
Community centers	2	3	3	3	3	3	3	3	3	3
Water										
Water mains (miles)	238	241	244	247	251	250	251	266	273	273
Fire hydrants	1,616	1,638	1,682	1,739	1,756	1,749	1,754	1,748	1,822	1,822
Maximum daily capacity (thousands of gallons)	6,540	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500
Sewer										
Sanitary sewers (miles)	199	201	203	205	205	209	207	224	227	227
Storm sewers (miles)	18	22	23	29	30	32	32	32	33	33
Maximum daily treatment capacity (thousands of gallons)	3,662	6,040	6,540	6,540	6,540	6,540	6,540	6,540	6,540	6,540

Source: City of Coconut Creek, Florida.

Table 19

City of Coconut Creek, Florida  
 Insurance Coverage Via Preferred Governmental Insurance Trust (PGIT)  
 October 1, 2015 through September 30, 2016

Type of Policy	Type of Coverage	Insurer/Policy No.	Policy Limit	Policy Period From / To	Liability Limits	Member Deductible
Property Pkg	Coverage is blanket; Including: Buildings and Contents EDP Hardware & Software is at replacement cost Inland Marine paid at ACV Value or 110% of value reported, whichever is less for Equipment, Fine Arts, Watercraft, Emergency Portable Equipment, Other Inland Marine	Preferred Governmental Insurance Trust PRFL1 0062801 15-08		10/1/2015 through 10/1/2016	\$62,448,666 Total Insured Values (TIV) Per Buildings and Contents Schedule on file with PGIT All other Perils deductible Windstorm 5% of TIV per location; per occurrence named storm Minimum deductible, per named windstorm \$100,000 Business Income \$500,000 Additional Expense \$26,953 Communication Equipment \$1,756,173 Inland Marine (mobile equipment) - Scheduled \$100,000 Other Inland Marine \$655,506 EDP Equipment - Scheduled and unscheduled \$50,000 Rented, Borrowed, Leased Equipment \$750,000 Blanket Unscheduled Inland Marine	\$ 10,000
	Automobile Physical Damage, owned and hired autos only				<b>Coverage Extensions:</b> 2,000,000 Newly acquired or constructed buildings/personal property subject to 60 days \$250,000 Accounts Receivable \$250,000 Errors & Omissions \$25,000/\$50,000 Pollution Cleanup Expense occur/annual aggregate \$500,000 Debris Removal \$25,000 Lawns, Trees, Plants \$500,000 Demolition Cost, Operation of Building Laws and ICC \$250,000 Property in Transit \$100,000 Service Interruption Coverage \$25,000 Fire department charges Per owned Vehicle Schedule on file with Preferred Comprehensive - Actual Cash Value less deductible Collision - Actual Cash Value less deductible	10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 10,000 1,000 1,000
Equipment Breakdown	Comprehensive coverage for City owned boilers, air conditioning & turbine equipment, including business interruption, extra expense & utility interruption			10/1/2015 through 10/1/2016	\$50,000,000 Incl. property damage, business interruption, extra expense \$250,000 Spoilage Damage \$500,000 Ordinance/law \$1,000,000 Expediting Expenses \$500,000 Water Damage \$500,000 Ammonia Contamination \$500,000 Hazardous Substance Coverage \$2,000,000 Utility Interruption (24Hour waiting period)	\$ 10,000 10,000 10,000 10,000 10,000 10,000 10,000
Workers' Compensation and Employers' Liability	Workers' Compensation Liabilities under F. S. 440	Preferred Governmental Insurance Trust WC FL1 0062801 15-08		10/1/2015 through 10/1/2016	Statutory Benefits per F.S. 440 \$1,000,000 per accident \$1,000,000 per employee - disease \$1,000,000 policy limit - disease	\$ -

City of Coconut Creek, Florida

Table 19  
(continued)

Insurance Coverage Via Preferred Governmental Insurance Trust (PGIT)  
October 1, 2015 through September 30, 2016

Policy	Type of Coverage	Insurer/Policy No.	From / To	Liability Limits	Deductible
Flood Insurance	Flood - National Flood Insurance Program (NFIP) Building Replacement Cost Contents Actual Cash Value	Wright National Flood Ins.Co. #091150025731 Govt. Ctr.-City Hall	8/6/2015 through 8/6/2016	\$500,000 bldg/\$500,000 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025737 Gerber Park		\$208,300 bldg/\$15,900 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025732 Govt. Ctr.-Public Works		\$500,000 bldg/\$72,100 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025733 Govt. Ctr.-Auto/Land/Carp		\$500,000 bldg/\$83,600 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025734 Govt. Ctr.-Equip. Bldg.		\$180,600 bldg/\$13,100 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025735 Govt. Ctr.-Comm. Chamb.		\$500,000 bldg/\$148,900 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025736 Govt. Ctr.-Storage Bldg.		\$132,800 bldg/\$9,600 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025731 Govt. Ctr.-City Hall	8/6/2016 through 8/6/2017	\$500,000 bldg/\$500,000 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025737 Gerber Park		\$208,300 bldg/\$15,900 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025732 Govt. Ctr.-Public Works		\$500,000 bldg/\$72,100 cnts	\$1,250/\$1,250
Flood Insurance	Flood - National Flood Insurance Program (NFIP) Building Replacement Cost Contents Actual Cash Value	Wright National Flood Ins.Co. #091150025733 Govt. Ctr.-Auto/Land/Carp		\$500,000 bldg/\$83,600 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025734 Govt. Ctr.-Equip. Bldg.		\$180,600 bldg/\$13,100 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025735 Govt. Ctr.-Comm. Chamb.		\$500,000 bldg/\$148,900 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025736 Govt. Ctr.-Storage Bldg.		\$132,800 bldg/\$9,600 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025731 Govt. Ctr.-City Hall	8/6/2016 through 8/6/2017	\$500,000 bldg/\$500,000 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025737 Gerber Park		\$208,300 bldg/\$15,900 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025732 Govt. Ctr.-Public Works		\$500,000 bldg/\$72,100 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025733 Govt. Ctr.-Auto/Land/Carp		\$500,000 bldg/\$83,600 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025734 Govt. Ctr.-Equip. Bldg.		\$180,600 bldg/\$13,100 cnts	\$1,250/\$1,250
		Wright National Flood Ins.Co. #091150025735 Govt. Ctr.-Comm. Chamb.		\$500,000 bldg/\$148,900 cnts	\$1,250/\$1,250
Flood Insurance	Flood Per Occurrence/Aggregate (Property and contents not covered under the Wright National policies)	Preferred Governmental Insurance Trust PR FL 1 0062801 15-08	10/1/2015 through 10/1/2016	\$5,000,000	\$10,000 (except zones A & V refer to Policy)
Crime Insurance	Employee Theft Faithful Performance of Duty included Computer Crime Funds Transfer Forgery or Alteration On Premises / In Transit Money Order/Counterfeit Currency	Travelers Casualty & Surety Company of America 105684154	10/1/2015 through 10/1/2016	\$1,000,000	\$ 10,000
				\$1,000,000	\$ 10,000
				\$1,000,000	\$ 10,000
				\$500,000	\$ 5,000
				\$500,000	\$ 5,000
				\$500,000	\$ 5,000

City of Coconut Creek, Florida

Table 19  
(continued)

Insurance Coverage Via Preferred Governmental Insurance Trust (PGIT)  
October 1, 2015 through September 30, 2016

Type of Policy	Type of Coverage	Insurer/Policy No.	Policy Period From / To	Liability Limits	Member Deductible
General Liability	Bodily Injury & Property Damage Combined Single Limit for all Premises/Ops. Employee Benefits Liability Fire Damage Limit No Fault Sewer Backup Pesticide/Herbicide Limit Law Enforcement	Preferred Governmental Insurance Trust PKFL1 0062801 15-08	10/1/2015 through 10/1/2016	\$1,000,000 per occurrence  \$1,000,000 per person Included \$10,000 / \$200,000 \$1,000,000 \$1,000,000 per occurrence	\$ -   \$ 2,500
Automobile Liability	Bodily Injury & Property Damage Combined Single Limit for any "auto"			\$1,000,000 per accident	\$ -
Public Official and Employment Practices Liability	Liability for Money Damages (other than BI or PD) due to Errors or Omissions of the City, it's Commissioners, & Employees			\$2,000,000 per claim \$2,000,000 policy aggregate/annually \$2,000,000 per claim \$2,000,000 aggregate	\$ 2,500 \$ 2,500
Media Content Services, Network Security and Privacy	Limit (inclusive of claim expenses)			\$1,000,000 per claim \$1,000,000 aggregate \$1,000,000 Aggregate for all Privacy Notification Costs for Privacy Liability \$1,000,000 Aggregate for all Regulatory fines and claim expenses for Privacy Liability	\$ 2,500 \$ 2,500 \$ 2,500 \$ 2,500
Accidental Death & Dismemberment	Liabilities under F.S. 118 & 119.191 Applicable to Police Officers	Hartford Life Ins. Co. ETB125091	10/1/2014 through 10/1/2016	Statutory Benefits per F.S. 118 & 119.191  2 year policy	\$ -
Storage Tank Liability	Storage Tank Third-Party Liability, Corrective Action and Cleanup Costs	Commerce and Industry Insurance Company	9/2/2015 through 9/2/2016	\$1,000,000 each incident limit \$4,000,000 aggregate limit	\$ 25,000
Storage Tank Liability	Storage Tank Third-Party Liability, Corrective Action and Cleanup Costs	Commerce and Industry Insurance Company	9/2/2016 through 9/2/2017	\$1,000,000 each incident limit \$4,000,000 aggregate limit	\$ 25,000



BUTTERFLY CAPITAL OF THE WORLD®

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and Members of the  
City Commission  
City of Coconut Creek, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coconut Creek, Florida (the City) as of and for the fiscal year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 27, 2017.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



*Purpose of this Report*

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Marcum LLP*

Fort Lauderdale, Florida  
April 27, 2017

MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE  
AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Honorable Mayor and Members of the  
City Commission  
City of Coconut Creek, Florida

*Report on the Financial Statements*

We have audited the financial statements of the City of Coconut Creek, Florida (the City) as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated April 27, 2017.

*Auditors' Responsibility*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

*Other Reports*

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated April 27, 2017, should be considered in conjunction with this management letter.

*Prior Audit Findings*

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

*Official Title and Legal Authority*

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements.

### ***Financial Condition***

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. The assessment was done as of the fiscal year end.

### ***Annual Financial Report***

Sections 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2016, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2016. In connection with our audit, we determined that these two reports were in agreement.

### ***Other Matters***

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

### ***Purpose of this Letter***

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, City Commission Members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Marcum LLP*

Fort Lauderdale, Florida  
April 27, 2017

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE PURSUANT TO  
SECTION 218.415 FLORIDA STATUTES

To The Honorable Mayor and Members of the  
City Commission  
**City of Coconut Creek, Florida**

We have examined the City of Coconut Creek's compliance with Section 218.415 Florida Statutes for the fiscal year ended September 30, 2016. Management is responsible for the City of Coconut Creek's compliance with those requirements. Our responsibility is to express an opinion on the City of Coconut Creek's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City of Coconut Creek's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City of Coconut Creek's compliance with specified requirements.

In our opinion, the City of Coconut Creek complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2016.

This report is intended solely for the information and use of management, City Commission, others within the City of Coconut Creek and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

*Marcum LLP*

Fort Lauderdale, Florida  
April 27, 2017

