

THE CITY OF

COCONUT CREEK

FLORIDA

FISCAL YEAR

2020

ANNUAL REPORT

Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020



BUTTERFLY CAPITAL OF THE WORLD®

Comprehensive Annual Financial Report

of

CITY OF COCONUT CREEK, FLORIDA

**Fiscal Year Ended
September 30, 2020**



**Prepared by the
DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES**

**CITY OF COCONUT CREEK, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

City Commission

Rebecca Tooley Mayor
Joshua D. Rydell Vice Mayor
Lou Sarbone Commissioner
Sandra L. Welch Commissioner
Jacqueline Railey Commissioner

Administrative Staff

Karen M. Brooks, CPFO City Manager
Terrill C. Pyburn City Attorney
Leslie Wallace May City Clerk
Sheila N. Rose Deputy City Manager
Peta-Gay Lake Director of Finance and
Administrative Services

**CITY OF COCONUT CREEK, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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March 31, 2021

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 (Annual Report) of the City of Coconut Creek for the fiscal year ended September 30, 2020. Through proper planning, effective allocation of resources, and dedication, the City has been successful in remaining financially stable while continuing to maintain services and programs, invest in infrastructure and capital projects, and promote economic development.

The Annual Report 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 of Coconut Creek's commitment to full financial disclosure and financial transparency is reflected in the Annual Report 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's activities have been included.

The Annual Report's most significant role is to provide valuable insight into how the City is managing public finances. This accountability to the residents of the City of Coconut Creek is achieved 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. Consequently, management assumes full responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures.

Keefe McCullough & Co, 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 for the fiscal year ended September 30, 2020 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's financial statements for the fiscal year ended September 30, 2020 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. 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 58,803, the City of Coconut Creek ranks 14th 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 continues to invest in economic development efforts to encourage new businesses to locate within the City.

The City of 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 second commission meeting 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 is responsible for 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 City 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, construction and maintenance of streets and infrastructure as well as water, wastewater, and stormwater services. The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the City's Finance and Administrative Services Department during the budget process. 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 1st 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 30th, the close of the City's fiscal year.

For additional information concerning the City, please visit our website at 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

COVID-19 Pandemic

The coronavirus (COVID-19) pandemic is having a profound effect on the global and local economy. Quarantines and travel restrictions around the world have interrupted supply chains and movements of labor. Florida's economy which is driven in large part by tourism has also been greatly affected by the closure of bars, restaurants, theme parks, and beaches. The growth and development of the City are 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 conditions. The local 2020 Consumer Price Index (CPI) increase for the Miami-Fort Lauderdale-West Palm Beach area was 0.9%, the lowest increase in the past 10 years. It is also lower than the national average of 1.7%.

Gross State Product (GSP) is used to measure economic growth statewide. Florida's Gross State Product (FGSP) is 33.4%, the same as the national growth rate. Although Florida's growth rate has slowed down compared to the previous year, it is ranked 27th among all states.

The City's unemployment rate is 4.9%, a 2.1% increase from 2019. Despite the increase, it remains lower than Broward County at 6.6% and the State of Florida at 5.8%. The City's unemployment rate is also 3.2% lower than the national average.

The worldwide pandemic has resulted in a global health crisis, non-essential business closures, market crashes, social distancing, and staggering unemployment figures. These actions have greatly limited economic activity and have resulted in significant impacts to the City's finances and operations. The City had a revenue shortfall of \$3.9 million in fiscal year 2020. The City anticipates demand driven revenues (for example, Half-Cent Sales Tax, State Shared Revenues, etc.) will continue to be negatively impacted. In addition, while the effects of the COVID-19 pandemic are not reflected in the fiscal year 2021 property taxes due to the timing of property valuations, the City anticipates some adjustments in property taxes for fiscal year 2022 and future years.

Although the economic outlook is uncertain, the City proactively evaluates service levels and streamlines its programs to meet the requirements of its residents while constantly balancing available resources with competing priorities. Departments successfully completed numerous activities to maintain the current level of city services and mitigate the effects of COVID-19. Some of these activities include promoting proper social distancing within city facilities and during all city activities and partnering with federal, state, and local agencies to provide and receive logistical support and shifting work assignments. The City also launched virtual athletic, fitness, and recreation activities to keep families moving. In addition, the City created virtual events, such as a fireworks show, Memorial Day event, and National Parks to Kids Day activities. In addition to the aforementioned activities, the City worked with agencies including the Office of Housing and Urban Development (HUD), Federal Emergency Management Agency (FEMA), Florida Housing Finance Corporation, and Broward County to provide services to our community, such as assisting nursing homes and assisted living facilities; providing assistance for small businesses and non-profit establishments; distributing food to various in-need communities; and providing renter's assistance to eligible households.

In addition to the current COVID-19 pandemic, the City considers the effects of any future tax reform, legislative changes, the overall economic environment, and external factors, such as an active hurricane season, when analyzing the City's ability to maintain or enhance current service levels. The City focuses on ensuring it continues to invest in its infrastructure to meet the needs of its constituents. Consideration of the impact of these economic factors will play an important role in determining the use of City resources in the upcoming years.

New Construction

Due to the COVID-19 pandemic, new construction and development slowed down in fiscal year 2020 due to facility closures. However, it is projected that new construction and development will resume its momentum in fiscal year 2021 addressing both delayed projects from fiscal year 2020 and new permit requests in fiscal year 2021. Several commercial and residential projects were either approved, in process, or completed in 2020, including:

- | <u>Commercial</u> | <u>Residential</u> |
|---|--|
| <ul style="list-style-type: none"> ● Leder Hillsboro Pet Lodge ● Leder Hillsboro Self Storage ● Chick-fil-A ● First Sawgrass Center | <ul style="list-style-type: none"> ● In the Pines Townhomes |

Building Permits

One way to measure the extent 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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Residential Units	10	6	28	325	83	53	33	720	81	60
Commercial Permits	3	4	8	4	3	3	9	3	3	4
Value (in millions)	\$10.0	\$12.0	\$39.8	\$42.9	\$22.6	\$16.5	\$30.7	\$67.1	\$46.2	\$55.7

During the past ten years, the level of residential building permits have fluctuated, with peaks in 2013 and 2017, where several multi-family developments were constructed, including the addition of Casa Palma Luxury Apartments, Broadstone Cypress Hammocks, and Solaire at Coconut Creek in 2013; and Simonton Court, In the Pines Townhomes, and Monarch Station Luxury Apartments in 2017. In 2020, the City issued residential permits for 10 units for In the Pines Townhomes.

The number of commercial permits has remained consistent over the past ten years, with minor peaks in 2014 and 2018. Although the number of new construction permits issued remained relatively stable over the past 10 years, the value of new construction continues to remain strong as new developments come on board. During fiscal year 2020, the City issued commercial permits for First Sawgrass Center, Hilton Road Pump Station, and Chick-fil-A.

The City's 2019 assessed value (for fiscal year 2020) as reported by the Property Appraiser was \$4.4 billion, an increase of \$275.3 million or 6.6% from the prior year's final valuation. Assessed values from new construction increased by \$85.6 million or 2.0%, and property value reassessments increased by \$189.7 million or 4.6%. The additional ad valorem revenue generated from the increase in assessed values was used to offset the costs associated with providing additional City resources and programs, including the addition of a Contract Analyst, IT Security Analyst, Senior Staff Assistant, Marketing Specialist, Sugar Pops Orchestra, and a police canine during fiscal year 2020 as well as the maintenance of and improvements to City infrastructure.

The City's focus continues to be on tax base diversification and job creation through the expansion of the commercial base. In addition, the City is committed to maintaining, upgrading, and expanding existing public areas. It is anticipated that the number of residential and commercial permits will increase in the upcoming three to five years due to several major initiatives including the long-anticipated development of the City's MainStreet area.

Economic Development

MainStreet

The City of Coconut Creek continues to expand its economic development efforts for its "downtown" area on some of the last consolidated undeveloped parcels in the City and County. The MainStreet area is a vision of conspicuous green technology and the development of a sustainable mixed-use urban downtown located on nearly 500 acres in the center of the City. As the development of the MainStreet area continues, the City is working to identify and define optimal development opportunities to create a vibrant downtown.

The Promenade at Coconut Creek was the first commercial project completed using the City's MainStreet Design Standards. Known throughout Broward County as a premier open air shopping and dining experience, the Promenade features specialty shops, boutiques, "quick-bite" restaurants, and other well-known restaurants such as Cooper's Hawk Restaurant and Winery, Naked Taco, and Bar Louie. Silverspot Cinema, a state-of-the-art, eleven screen luxury theatre, offers entertainment options and the newest additions known as the "front and back porch" provide gathering areas with comfortable seating for socializing with new landscaping, shade structures, and energy efficient lighting. The Promenade boasts LEED® Silver Certification by the U.S. Green Building Council.

Other commercial projects in the MainStreet area include the Seminole Coconut Creek Casino, an Infiniti and a Volvo car dealership. Since its opening in 2000, the Seminole Tribe of Florida (the "Seminole Tribe") has added a 2,800 vehicle parking structure, a small retail village, and over eight restaurants, in addition to a substantial casino expansion. The Seminole Coconut Creek Casino expansion has created numerous full-time jobs and a variety of entertainment options including concerts and other special events drawing visitors from throughout the South Florida region. Both Infiniti and Volvo dealerships have plans for redeveloping and expansion of their existing facility.

The first residential project in the MainStreet area was completed in early 2018. Monarch Station is a 296-unit mid-rise luxury apartment development with units ranging from studios to three bedrooms. The community includes a clubhouse, pool, enclosed garages, and structured parking with electric vehicle charging stations. Monarch Station also includes a linear park along the east property line with a pedestrian plaza, public art display, and solar lighting. Due to the COVID-19 pandemic, facilities closures, restrictions in supply chains, and social distance requirement put many projects on hold. The City anticipates the projects to pick up in fiscal year 2021.

Economic Development Initiatives

The City currently budgets \$250,000 annually for economic development initiatives, including funding the City's Economic Development Incentive Program, which provides for a commercial rehabilitation program intended to improve overall community appearance and sustainability. Any unused funds are accumulated for future use. During fiscal year 2020, the City spent \$89,218 in economic development initiatives, with a balance of \$1,048,988 remaining for future use.

Long-term Financial Planning

Revenue Sources

Assessed property values (including new construction and additions) increased 5.4% for fiscal year 2021. While assessed values appear solid, it is unknown how the COVID-19 pandemic will affect property values in the future. Budgetary and financial impacts of this unprecedented and prolonged event must be monitored closely and addressed timely to ensure continued responsiveness to the community.

To ensure fiscal sustainability and inter-generation equity, the City has adopted a cautious 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.

The City of Coconut Creek is unique in that the Seminole Tribe has sovereign land within the City limits. In 1999, the City and the Seminole Tribe negotiated a Municipal Services Provider Agreement, which provides for annual payments for City services and compensates for impacts the casino has on the community. Funding received from the Seminole Tribe has primarily been used for community capital improvement projects, debt service payments related to capital improvement projects, and land purchases. As part of this agreement, the City received \$2.5 million during fiscal year 2020, which represents a \$0.6 million decrease from the prior year. This was attributed to the closure of the casino due to the pandemic.

In 2010, the Florida Legislature approved a 20-year Compact with the Seminole Tribe, authorizing them exclusive rights to offer certain games such as slots and blackjack at its casinos, including the Seminole Coconut Creek Casino. Per the Compact, the City receives from the State a small portion of the net wins attributed to the Seminole Coconut Creek Casino annually. Even though the Compact expired, the Seminole Tribe continued to honor payments, and the City received \$0.7 million during fiscal year 2020 based on revenues collected through April 30, 2019. The City anticipates the Compact will be revisited by the State of Florida during the 2021 Legislative session.

During fiscal year 2018, the Federal Bureau of Indian Affairs approved the Seminole Tribe of Florida's fee-to-trust application, thereby designating approximately 45 acres of land owned by the Seminole Tribe as tribal trust land. In anticipation, the City proactively entered into a Mitigation Agreement with the Seminole Tribe, which outlined the responsibilities of both parties if and when the land went into trust. The City received \$3 million in fiscal year 2014 as part of this agreement. In addition, the agreement calls for an annual payment of \$2.5 million, adjusted annually based on the consumer price index, to help mitigate the impact on the City. These payments became effective on April 1, 2018. During fiscal year 2020, the City received \$2.0 million, which represents a \$0.6 million decrease from the prior year as a result of the closure of the casino due to the pandemic. Proceeds from the Seminole Tribe Mitigation Agreement accumulate in the Seminole Mitigation Special Revenue Fund and will be used for improvements and services within the MainStreet area as well as other expenses or improvements to mitigate the impact of the lands becoming sovereign.

Transportation Surtax

In November 2018, Broward County voters approved a 30-year one cent sales surtax to improve traffic signalization, roadways, intersections, pedestrian mobility options, public transportation (bus and rail), and fund future investments in Broward's transportation system. This new revenue stream will provide some much needed relief to 31 municipalities that currently fund their transportation programs through local option gas tax revenues and general revenue funds. Coconut Creek has submitted approximately \$78.7 million of eligible projects to Broward County to be completed over the next 30 years. The following Municipal Capital Projects (MCPs) and Municipal Rehabilitation and Maintenance Projects (R&M) were approved by the Transportation Surtax Oversight Board and County Commission:

<u>Project Description</u>	<u>Phase</u>	<u>Approved Amount</u>
Bus Shelter and Bus Stop Rehabilitation	Design	\$ 432,000
Bus Shelter and Bus Stop Rehabilitation	Construction	\$ 3,168,000
Sample Road Multi-Purpose Pathway	Design	\$ 330,600
Comprehensive Streets Improvement Program	Construction	\$ 3,000,000

COVID-19 Pandemic Assistance

The City received \$2.6 million from Broward County through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) for nursing home monitoring, personal protective equipment (PPE), cleaning and disinfecting, public information, public safety payroll, to facilitate compliance, small business assistance, and community programming. In addition, the City received \$0.4 million from State Housing Initiative Partnership (SHIP) to provide funding for a rental assistance program. The City was also awarded \$0.2 million from Coronavirus Emergency Supplemental Funding (CESF) to provide funding for PPE and cleaning and disinfecting supplies for Police Department and \$0.5 million from Community Development Block Grant (CDBG) to provide funding for a rental/mortgage assistance program and distribute meals to residents.

Capital Improvement Program

The City of Coconut Creek has been working diligently on several capital improvement program projects to include the following major projects:

Project	Location	Project Description	Estimated Cost (in millions)	Estimated Completion
Comprehensive Street Improvement Program	Citywide	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 milling, resurfacing, and striping, sidewalk, ADA, and drainage system improvements. Revenue Note, Series 2017A, in the amount of \$10 million was issued in 2017 to finance Phase I of the Comprehensive Street Improvement Program as well as other capital projects. Revenue Note, Series 2018, in the amount of \$10 million was issued in 2018 to finance Phase II of the Program as well as other capital projects. The City was awarded \$3.0 million from the transportation surtax towards Phase II construction.	\$22.3	09/2024
Lyons Road Mobility Project	Lyons Road from Atlantic Boulevard to Sawgrass Expressway	This project provides for the addition of buffered bicycle lanes, missing sidewalk connections, and resurfacing of Lyons Road. It also includes decorative crosswalks and intermittent pedestrian lighting. More information is available in the Complete Streets Program section provided in the Major Initiatives section.	\$16.9 (\$15.5 Grant Funded)	09/2021
Copans Road Wastewater Transmission System Improvements	East of Lyons Road between Copans Road and Sample Road	This project entails the rehabilitation, replacement, and/or installation of wastewater force mains along Copans Road and Lyons Road. This project will provide redundancy in the wastewater transmission system in case of maintenance and/or repair of the existing system.	\$5.5	09/2022

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 improvement 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 2020'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's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City'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 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

The City of 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 City Commission. The level of budgetary control is established at the program, department, office, or agency level, as appropriate. For the General Fund, the City Manager or designee is authorized to transfer budgeted amounts within departments, while revisions that alter the budgeted totals of each department require the approval of the City 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, the City 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 66 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 79.

Investment in Capital and Infrastructure

Annually, the City Manager presents a program to provide for improvements to the City of 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 City vehicles, roads, sidewalks, parks, buildings, infrastructure (including water and wastewater lines, lift stations, etc.), and information technology needs. The City's Five Year Capital Improvement Program for fiscal years 2021 through 2025 calls for funding of approximately \$97.4 million in governmental funds and \$21.8 million in enterprise funds.

During fiscal year 2020, the City spent \$8.7 million on governmental funds capital assets and \$6.4 million on enterprise funds capital assets and include the following:

Governmental Funds	Enterprise Funds
<ul style="list-style-type: none"> ● Comprehensive Streets Improvement Program (phase I complete and phase II in progress) ● Pedestrian Lighting - Coconut Creek Parkway (in progress) ● Fire Station #113 (in progress) ● Mast Arm Traffic Signal installation - Winston Park Plaza (complete) ● Splash Pads (complete) ● Government Center Roof Replacement (complete) ● Government Center Rehabilitation Phase IV (complete) ● Vehicle/computer replacements ● Police equipment 	<ul style="list-style-type: none"> ● Copans Road Wastewater Transmission System (in progress) ● Hilton Pump Building Rehabilitation (in progress) ● Wastewater Conveyance System Improvement Program (recurring) ● Wastewater Force Main Isolation Valves Rehabilitation (recurring) ● Electrical Control Panel Rehabilitation (recurring) ● Water Quality Improvement Program (recurring)

Revenue Policy

The City of Coconut Creek 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 and/or regular ongoing operating costs are funded with regular ongoing revenue sources.

Debt Policy

The City of Coconut Creek seeks to minimize borrowing costs. Debt is issued when necessary to finance capital projects but is never used for current operations. Annual debt service payments are planned to avoid any negative effect on Fund Balance. The City reviews and evaluates its existing obligations and future borrowing needs regularly. Outstanding debt as of September 30, 2020 totaled \$22.1 million, a decrease of \$1.9 million from the previous year due to scheduled debt service payments.

Fund Balance Policy

The City of Coconut Creek'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 any significant economic downturns or revenue shortfalls; and (4) provide funds for unforeseen emergency expenditures. At the end of the current fiscal year, the governmental fund balance totaled \$79.5 million, of which \$23.0 million is unassigned fund balance of the General Fund. Unassigned fund balance represents 32.2%, or approximately four months, of the total General Fund's budgeted operating expenditures. An additional \$3.6 million has been committed for Hurricane Emergencies and \$2.2 million assigned for Public Safety to be used as we transition E-911 services to the City of Coral Springs. 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

Coconut Creek is widely recognized as a well-planned community, successfully balancing the provision of exceptional levels of service; an extensive array of amenities; proactive, environmental mindfulness; and a welcoming business climate. The City's financial status is strong and continues to grow, generating sufficient revenues to meet increased costs for quality municipal services that our constituents have come to expect.

Strategic Planning

The City of Coconut Creek's long-term vision is to be "the City of the Future with a Personal Touch." To ensure the City upholds that vision, the staff's mission 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 short and long-term strategic plans. Tools utilized by the City include the Comprehensive Plan and the Strategic Plan.

Comprehensive Plan

The Comprehensive Plan serves as a guide for 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 2020 initiatives and/or programs that support them:

Maintain a high quality of life and maintain the current level of City services	Foster economic development and promote environmental preservation	Provide educational, recreational, and cultural opportunities
<ul style="list-style-type: none">● Addition of one (1) Police Canine● Addition of one (1) Police Senior Staff Assistant● Addition of one (1) IT Security Analyst● Addition of one (1) Marketing Specialist● Addition of one (1) Contracts Analyst● Addition of one (1) Maintenance Service Worker I● Preparation to transition E-911 Dispatch Services● Crime Trend Analysis● Utility Box Wrapping Program● Town Hall Budget Meetings	<ul style="list-style-type: none">● "Living Green" Creek Talk Series● City Green Plan● Complete Streets Program● City Mobility Initiatives● Household Hazardous Waste Disposal Events● Butterfly Express Trolley	<ul style="list-style-type: none">● Internship Program with Florida Atlantic University, Broward College, and Atlantic Technical Center● Government Week presentations at High Schools● Partnership with Junior Achievement● Special Needs Program● Coconut Creek Culture Series● Art in the Park

In fiscal year 2021, the Vision 2020 Policy Statement will be revised based on citizen-generated strategic priorities to create the Vision 2030 Policy Statement. The Vision 2030 Policy Statement will yield a long-term, broad overview of the City's strategic initiatives based on citizen-generated strategic priorities.

Public Safety

Dispatch Services

In 2014, the City transferred police dispatch services to Broward County as part of a new County E-911 communications system to streamline operations, increase service through regionalization, and save costs. However, since that time there have been numerous complaints from the community as well as police and fire operations prompting the City to explore alternatives. The City has assigned \$2.2 million of fund balance in the General Fund for dispatch services. On May 14, 2020, the City approved an Interlocal agreement with Coral Springs to provide E-911 emergency communication services to the City. The City anticipates the transfer of services to be completed by fiscal year 2022.

Fire Protection and Rescue Services

The City has contracted fire protection and emergency medical services with the City of Margate since fiscal year 2000. The Fire and Emergency Medical Services (EMS) contract amount budgeted for fiscal year 2021 is approximately \$10,551,200, a 5% increase over the previous year. The fire protection and emergency medical services contract with Margate expires at the end of fiscal year 2021.

During fiscal year 2021, City staff will be working diligently on a transition plan to expand the current fire administration, inspection, public education, and emergency management functions to include all fire protection and emergency medical services, effective October 1, 2021. The transfer of services will provide us with the ability to be more proactive in managing fire rescue services and allow for the flexibility to tailor and enhance service levels specific to the needs of Coconut Creek residents and businesses. The Coconut Creek Fire Rescue Department will be established as a community-focused, data-driven, strategic, well-organized, fully equipped, and properly staffed and trained fire department. Our top priority is to maintain our current Insurance Services Office (ISO) Public Protection Classification rating of "1," which in turn reduces insurance rates for residents and businesses. Additionally, the City will actively pursue accreditation from both the Commission on Fire Accreditation International (CFAI) and the Commission on Accreditation of Ambulance Services (CAAS). Both accreditations demonstrate a high standard of quality for fire protection and EMS services.

To address the need for an additional fire station in the central area of the City, a temporary Fire Station #113 in the form of a modular building equipped with a fire engine and EMS rescue truck will be completed in fiscal year 2021 and operational in fiscal year 2022. The City anticipates construction of a permanent Fire Station # 113 within the next three to five years.

Police Services

Coconut Creek remains committed to the safety and security of our residents, and crime data reflects this commitment. The 2019 to 2020 crime rate in Coconut Creek decreased by 33%. The COVID-19 pandemic resulted in fewer calls than usual; however, the Police Department continues to work hard to keep the crime rate low. The City remains one of "Florida's 50 Safest Cities of 2020" by Safewise®, an organization that conducts studies all over the country to help identify at-risk communities. Last year, our areas of focus targeted community services, social media, school safety, enhancement of our technology infrastructure, and traffic safety and enforcement. Community programs include a swim safety program, on-line special needs program, Look Before You Lock campaign, and a school safety canine which is the first in Broward County and the first Vaporwake® School Safety dog in the United States. In fiscal year 2020, the department received a grant for a School Safety Alert System. This system will enable operators in the Real-Time Crime Center (RTCC) to immediately connect to a school surveillance system and direct officers responding to an incident anytime a panic button is activated at a participating school. Coconut Creek will be the second police department in the nation to have this capability. There are plans to expand the program to the business community, at no cost to the City. These programs continue to strengthen our community partnerships and illustrate our pride in our diverse community.

Culture and Recreation

To optimize the City's existing parks and recreation resources and assets, as well as strategically plan for the future, the City adopted a Parks and Recreation Master Plan in 2019. The Plan provides a 10-year vision for parks, recreation, and open space and trails as well as an action plan for implementing this vision. The master planning process, which includes the MainStreet area, is designed to ensure that Coconut Creek's legacy of parks and open spaces will continue into the future and that community resources will be dedicated to programs and facilities that are desired by and utilized by our residents.

Additionally, the City previously purchased two (2) five-acre parcels of land, one on each side of Oak Trails Park, and a five-acre parcel of vacant land adjacent to Lakeside Park, all located in the northern part of the City. Development of these properties will be included in the Parks and Recreation Master Plan described above and will provide opportunities to increase recreational amenities including sports fields, sports lighting, pavilions, open spaces, and a large band shell.

Community Enhancements

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. Boasting the “2015 Complete Streets Community Award” provided by the Broward Metropolitan Planning Organization (MPO) for outstanding efforts in engaging the community in planning for Complete Streets, the City has focused on applying this initiative 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.

A total of \$16.7 million has been earmarked for a Complete Streets project on Lyons Road between Atlantic Boulevard and Sawgrass Expressway, which includes the design and construction of all the hardscape elements to include paving, pavement markings, sidewalks, signalization, transit amenities, drainage, and signage. The City was granted approximately \$14.4 million in construction benefits from the Broward MPO. Project construction began in January 2020 with anticipated completion by the Florida Department of Transportation (FDOT) in 2022.

City Mobility

Over the last 10 years, the City has been planning and implementing 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. While residents may be aware of a trail near their neighborhood, they may not be aware of the larger network. To support this initiative, the City is working to create visible trail heads, consistent icons, and maps that will identify various trailways and their connections with public transportation, parks, public facilities, and major attractions in Coconut Creek. Highlighting this incredible network of amenities is a major goal for the foreseeable future.

Hillsboro Boulevard Corridor

The City is currently focusing its economic development efforts along Hillsboro Boulevard. Several properties along the corridor suffer from high vacancy rates and underdevelopment. The Hillsboro Corridor Visioning Plan was developed to direct the design of redevelopment while showcasing the existing environmental preserve areas along Hillsboro Boulevard. The City was awarded a \$1 million grant from Broward County to implement this plan and purchased a tract of land adjacent to the Saw Palmetto Preserve on Hillsboro Boulevard to use for economic development. City staff is currently working with the FDOT and Broward County in developing an interactive shared use pathway along with new amenities, such as bus shelters, kiosks, and a bike fix-it station, that would connect the Broadstone Apartments to the west with the Marketplace development to the east. The design should be completed in late spring with permitting and construction anticipated for late 2021.

Sustainability and Environmental Preservation

Coconut Creek has been an environmental leader in Broward County for the past decade through various programs, certifications, and achievements. Beginning in 2009, the City’s Green Plan is updated annually and establishes a framework for achieving environmental leadership. The Plan addresses both community-wide programs and government operations. By implementing the action steps contained in the Plan, the City provides long-term benefits to the health and well-being of the community which results in cost savings based on a diminished demand for resources.

Key sustainable projects in the City include the addition of a solar canopy located at the Recreation Complex through a partnership with Florida Power & Light (FPL) and solar panels on the new roof at the City Hall. The City also has a growing fleet of hybrid vehicles with two (2) recently purchased for a total of ten (10).

The City continues to be an active member of the Southeast Florida Regional Climate Compact with staff and elected officials attending workshops and summits regularly. The Compact is a regional compilation of educators, businesses, and government entities with the goal of identifying climate issues, mitigation responses, and resiliency efforts. Coconut Creek is dedicated to playing an active role in the regional response to climate change. City staff also participates in the Florida Sustainability Directors Network. This affiliation allows a collaboration of sustainable activities in cities and counties throughout the state and participation in current, vital conversations relating to climate change with the state legislature. This collaboration provides a “strength in numbers” opportunity not afforded by standing alone on these issues.

The City achieved Gold Certification through the Florida Green Building Coalition and certification in the Sustainable Communities Program through Audubon International. The City is a Certified Wildlife Community through the National Wildlife Federation and remains a Tree City USA community as designated by the Arbor Day Foundation.

Reclaimed Water

Another way in which the City seeks to promote sustainability is by incorporating a Reclaimed Water Program. Under this program, Broward County provides up to two million gallons of reclaimed water per day to the City for irrigation purposes. Using reclaimed water provides various benefits throughout the community such as a reduction in fertilizer usage, reduction in the use of groundwater for irrigation, and a decrease of treated wastewater disposed into the ocean. To date, the project costs are approximately \$2.0 million and comprised of the following areas:

- Sabal Pines Park irrigation (complete)
- Wiles Road, from NW 39th Avenue to the MainStreet area (complete)
- Lyons Road, from Wiles Road to north of Hilton Road (complete)
- Copans Road, from the Florida Turnpike overpass to Lyons Road (complete)

Health and Wellness

The City is committed and devoted to providing a safe and healthy environment for both its employees and residents to live, work, and play. Coconut Creek strives to provide safe, updated, and exciting play areas and a wide variety of park amenities for its residents to encourage and promote health and wellness within the community. The City received Silver Level Recognition for the Workplace Health Achievement Award from the American Heart Association; was recognized as one of the "South Florida's Healthiest Employers" for medium-sized company presented by Florida Blue; and received Honorable Culture of Well-Being awarded by Cigna. Coconut Creek is continuously renovating and maintaining its parks and outdoor facilities to ensure that its residents can enjoy an active lifestyle in a safe and eco-friendly environment. The City also provides affordable fitness memberships and free and/or low cost fitness and wellness programs for our residents.

Awards and Acknowledgements

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Coconut Creek for its comprehensive annual financial report (Annual Report) for the fiscal year ended September 30, 2019. This was the 37th 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 Annual Report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its fiscal year 2020 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 a policy document, a financial plan, an operations guide, and a communications device. This was the 20th 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, 2019 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 13th consecutive year that the City has received this award.

In addition, the City received the Award for Excellence in Procurement for 2021 from the Florida Association of Public Procurement Officials (FAPPO) for its commitment to exceeding professional standards and establishing best practices. This is the second consecutive year that the City has received this award. The City also received the Outstanding Agency Accreditation Award from the National Institute of Governmental Purchasing (NIGP) in 2020. The City of Coconut Creek joins the list of only three (3) other agencies in Broward County to achieve national accreditation from NIGP, the nation's foremost authority on public procurement. This accreditation is valid for three (3) years and recognizes agencies that lead the public procurement profession through the implementation of best practices.

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,



Karen M. Brooks
City Manager



Peta-Gay Lake
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

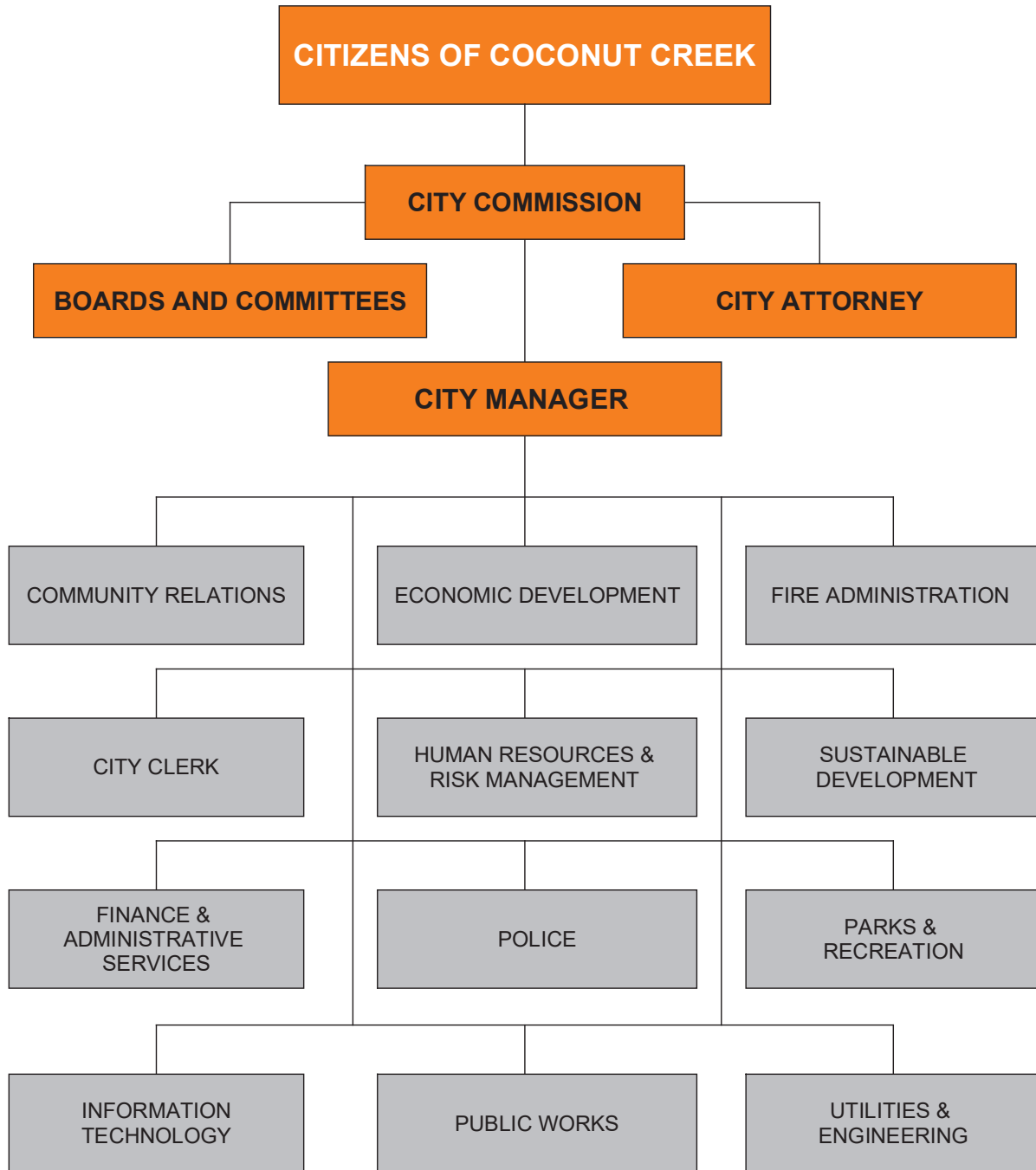
September 30, 2019

Christopher P. Morill

Executive Director/CEO



COCONUT CREEK GOVERNMENTAL STRUCTURE ORGANIZATIONAL CHART FISCAL YEAR 2020



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

Elected Officials

Mayor..... Rebecca Tooley
Vice Mayor..... Joshua D. Rydell
Commissioner..... Lou Sarbone
Commissioner..... Sandra L. Welch
Commissioner..... Jacqueline Railey

Appointed Officials

City Manager Karen M. Brooks
City Attorney..... Terrill C. Pyburn
City Clerk..... Leslie Wallace May
Deputy City Manager..... 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
Chief Information Officer..... Francisco Porras
Chief of Police Albert Arenal
Fire Chief Jeffery Gary

Finance Officials

Director of Finance and Administrative Services Peta-Gay Lake



INDEPENDENT AUDITORS' REPORT

To The Honorable Mayor, City Commission and City Manager
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 year ended September 30, 2020, 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 auditor's 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, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the 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 on pages 4 through 21, the budgetary comparison schedules and the schedules related to pensions and other post-employment benefits on pages 66 through 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.

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 nonmajor fund financial statements and schedules, and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial 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 nonmajor fund financial 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 it.

City of Coconut Creek, Florida

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 31, 2021

Management's Discussion and Analysis

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, 2020. 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 xvi of this report. All amounts in this section, unless otherwise indicated, are expressed in millions of dollars.

Financial Highlights

- Assets plus deferred outflows of resources of the City of Coconut Creek exceeded its liabilities plus deferred inflows of resources at the close of the most recent fiscal year by \$256.9 (net position). Of this amount, \$59.2, the unrestricted net position, may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position decreased by \$2.8 during the current fiscal year. Net position of governmental activities decreased by \$4.6 and business-type activities increased by \$1.8. The majority of the decrease in governmental fund activities net position is due to a decrease in total revenues attributed to the COVID-19 pandemic and an increase in pension and other post-employment benefit (OPEB) expenses. The majority of increase in business-type activities net position is due to the timing of capital expenses.
- Governmental Activities generated \$24.7 in program revenues, with \$78.3 in direct expenses.
- Business-type Activities generated \$24.2 in program revenues, with \$23.3 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 \$79.5, a decrease of \$0.8, or 1.0%, over the prior year. Of this amount, approximately \$0.2 is nonspendable, \$13.8 is restricted, \$19.2 is committed, \$24.5 is assigned, and \$21.8 is unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$23.0, or 32.2% of total General Fund budgeted operating expenditures.

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.
- 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 fund* statements offer short-term and long-term financial information about the activities of the water and wastewater and the stormwater management 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.

Management's Discussion and Analysis

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 22 and 23 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.

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 fifteen 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 eight funds considered major funds.

Management's Discussion and Analysis

Data from the other seven 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 Fund
Street Construction and Maintenance Fund
Grants Fund
Community Improvement Fund
2009 Capital Projects Fund
Capital Projects Financing Fund
Capital Improvement Program Fund
Public Safety Improvement Fund

Non-major Governmental Funds:

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

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 24 through 29 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 Funds:

Water and Wastewater Fund
Stormwater Management Fund

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 30 through 33 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 34 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; information regarding the City's responsibility towards Florida State Retirement System pension plan; and information regarding the City's other post-employment benefits. Required supplementary information can be found starting on page 66 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.

Management’s Discussion and Analysis

Government-wide Financial Analysis

Summary of net position. 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.

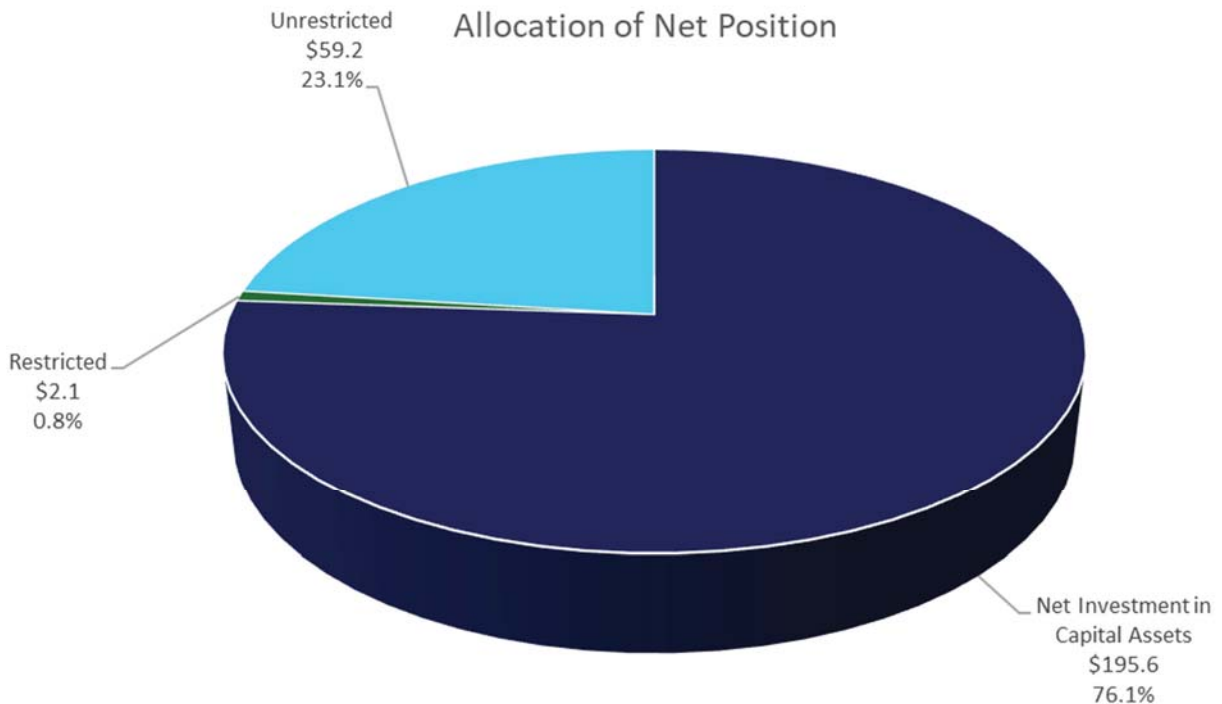
In the case of the City of Coconut Creek, combined assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$256.9 at the close of fiscal year 2020 (See Table 1 below).

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2020	2019	2020	2019	2020	2019	2019-2020
Current and other assets	\$ 87.4	\$ 88.9	\$ 49.8	\$ 52.4	\$ 137.2	\$ 141.3	(2.9%)
Capital assets	118.7	115.1	89.8	85.6	208.5	200.7	3.9%
Total assets	206.1	204.0	139.6	138.0	345.7	342.0	1.1%
Total deferred outflows of resources	26.9	15.3	2.7	1.5	29.6	16.8	76.2%
Long-term liabilities outstanding	98.4	77.1	7.5	5.2	105.9	82.3	28.7%
Other liabilities	8.0	8.9	3.8	4.8	11.8	13.7	(13.9%)
Total liabilities	106.4	86.0	11.3	10.0	117.7	96.0	22.6%
Total deferred inflows of resources	0.6	2.8	0.1	0.3	0.7	3.1	(77.4%)
Net position:							
Net investment in capital assets	106.4	103.8	89.2	84.9	195.6	188.7	3.7%
Restricted	2.1	2.1	-	-	2.1	2.1	0.0%
Unrestricted	17.4	24.6	41.8	44.3	59.2	68.9	(14.1%)
Total net position	\$ 125.9	\$ 130.5	\$ 131.0	\$ 129.2	\$ 256.9	\$ 259.7	(1.1%)

* Amounts may differ from the Government-wide Financial Statements due to rounding.

CHART 1



As depicted in Chart 1, the largest portion of the City of Coconut Creek's net position is investment in capital assets (e.g. land, buildings, infrastructure and equipment) less any related outstanding debt used to acquire those assets, at \$195.6 or 76.1% 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 \$6.9 primarily due to the acquisition and construction of capital assets and scheduled debt payments.

The restricted portion of the City of Coconut Creek's net position totals \$2.1 or 0.8%, and represents resources that are subject to external restrictions on how they may be used. The fiscal year 2020 restricted net position remained unchanged from fiscal year 2019.

The remaining balance of \$59.2 or 23.1% reflects unrestricted net position, which decreased by \$9.7, and may be used to meet the government's on-going obligations to citizens and creditors. This decrease in unrestricted net position was primarily the result of unfavorable variances in both revenues and expenses (detailed explanations provided in the governmental and business-type activities sections of the MD&A).

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.

Management's Discussion and Analysis

The City's long-term liabilities increased \$23.6. This increase was mainly due to an increase in net pension liability of \$13.4, an increase in net OPEB liability of \$11.2, and an increase in compensated absences of \$0.9, partially offset by a decrease in revenue notes payable of \$1.9. The City contributes towards OPEB on a pay-as-you go basis. Pensions and OPEB are discussed in more detail in Note 11 and Note 16, respectively, pages 52 through 59 and pages 61 through 65, respectively.

Current and other assets decreased \$4.1 mainly due to the decrease in cash and investments due to an increase in capital outlay, partially offset by an increase in accounts receivable and due from other governments.

Capital assets increased \$7.8 mainly due to the construction of numerous ongoing capital projects, including the Coconut Creek City Hall roof replacement and renovation; Fire Station #113; Comprehensive Street Improvement program; splash pads; Coconut Creek Parkway pedestrian lighting; Copans Road Wastewater Transmission System; various other park improvements and utility improvement projects; and the annual replacement of vehicles and computers.

Changes in capital assets are discussed in the Capital Assets and Debt Administration section on pages 18 through 20.

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.

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 53.7% 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) **Inflation** continues to edge upwards, therefore increasing the price of goods and services purchased by the City. The City is also a major consumer of certain commodities such as fuel, chemicals, supplies, and parts which may experience unusual commodity specific increases. In addition, the City has various contracts with built-in annual increases.

The City's net position decreased by \$2.8 or 1.1%, during the fiscal year 2020. The decrease in net position was primarily a result of unfavorable variances in both revenues and expenses due to COVID-19 pandemic. Revenues are reduced due to the closures of facilities and the delay in the timing of payments. Pension and OPEB expenses increased significantly due to a reduction in the discount rate that is attributed to the downturn in the current economic environment.

Management’s Discussion and Analysis

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

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2020	2019	2020	2019	2020	2019	2019-2020
Revenues							
Program revenues							
Charges for services	\$ 23.7	\$ 25.3	\$ 24.0	\$ 24.0	\$ 47.7	\$ 49.3	(3.2%)
Operating grants and contributions	0.4	2.7	-	-	0.4	2.7	(85.2%)
Capital grants and contributions	0.6	0.4	0.2	1.7	0.8	2.1	(61.9%)
General revenues							
Property taxes	27.6	26.1	-	-	27.6	26.1	5.7%
Utility taxes	6.6	6.8	-	-	6.6	6.8	(2.9%)
Local option gas tax	0.9	1.1	-	-	0.9	1.1	(18.2%)
Franchise fees	4.5	4.7	-	-	4.5	4.7	(4.3%)
Impact fees	0.2	0.1	0.1	-	0.3	0.1	200.0%
Intergovernmental	6.3	6.4	-	-	6.3	6.4	(1.6%)
Investment income	1.5	2.3	0.8	1.4	2.3	3.7	(37.8%)
Miscellaneous	1.4	1.6	-	-	1.4	1.6	(12.5%)
Total revenues	73.7	77.5	25.1	27.1	98.8	104.6	(5.5%)
Expenses							
General government	15.7	14.6	-	-	15.7	14.6	7.5%
Public safety	43.3	38.1	-	-	43.3	38.1	13.6%
Physical environment	12.5	11.8	-	-	12.5	11.8	5.9%
Culture/recreation	6.2	6.5	-	-	6.2	6.5	(4.6%)
Interest on long-term debt	0.6	0.7	-	-	0.6	0.7	(14.3%)
Water and wastewater	-	-	21.6	21.2	21.6	21.2	1.9%
Stormwater management	-	-	1.7	1.6	1.7	1.6	6.2%
Total expenses	78.3	71.7	23.3	22.8	101.6	94.5	7.5%
Increase (decrease) in net position	(4.6)	5.8	1.8	4.3	(2.8)	10.1	(127.7%)
Net position-beginning	130.5	124.7	129.2	124.9	259.7	249.6	
Net position-ending	\$ 125.9	\$ 130.5	\$ 131.0	\$ 129.2	\$ 256.9	\$ 259.7	(1.1%)

* Amounts may differ from the Government-wide Financial Statements due to rounding.

Management's Discussion and Analysis

Governmental activities. Governmental activities decreased the City of Coconut Creek's net position by \$4.6. The decrease in net position is attributed to unfavorable variances in revenues and expenses as well as the timing of capital expenses.

In summary, governmental revenues decreased \$3.8 or 4.9% in fiscal year 2020. Key elements of this decrease are as follows:

- Charges for services decreased by \$1.6 or 6.3% during the year. The decrease is primarily attributed to a decrease of \$1.2 in fees from the Seminole Tribe of Florida as part of the City's municipal service provider and mitigation agreements due to the closure of the casino; \$0.4 in permit fees; and \$0.4 in recreation programs and fees, all of which were a result of the COVID-19 pandemic. These decreases were partially offset by a \$0.3 increase in fire special assessment and \$0.1 increase in confiscated properties.
- Operating grants/contributions decreased by \$2.3 or 85.2%, mainly due to the near completion of the FEMA project for disaster recovery due to Hurricane Irma.
- Capital grants/contributions increased by \$0.2 or 50.0%, mainly due to grant revenues for solar powered LED bike lane delineators received in fiscal year 2020.
- Property tax collections increased \$1.5 or 5.7%, due to new construction and an increase in property values.
- Utility taxes decreased by \$0.2 or 2.9% mainly due to the decrease in Communication Services Tax (CST) attributed to a technology shift to internet usage which is not taxed by CST.
- Local option gas taxes decreased by \$0.2 or 18.2% mainly due to a decrease in both First and Second Local Option Fuel Tax as a result of the COVID-19 pandemic.
- Franchise fees decreased by \$0.2 or 4.3% primarily due to a decrease in electric franchise fees as a result of the timing in payments attributed to the COVID-19 pandemic.
- Impact fees increased by \$0.1 or 100.0%, mainly due to the timing of new development within the City.
- Intergovernmental revenues decreased by \$0.1 or 1.6%. This is attributed to a \$0.1 decrease in state shared revenues and a \$0.4 decrease in Local Half Cent Sales Tax due to an overall reduction in consumer spending as a result of the COVID-19 pandemic, which are offset by an increase of \$0.4 in County Local Bus Service that is now being fully funded by transportation surtax proceeds.
- Investment income decreased by \$0.8 or 34.8% mainly due to the ongoing changes in financial market conditions.
- Miscellaneous revenues decreased by \$0.2 or 12.5% mainly due to a decrease in Seminole Compact Fees.
- Expenses increased by \$6.6 or 9.2%. This can be attributed to:
 - \$5.1 increase in pension and OPEB related expenses due to a reduction in the discount rate that is attributed to the downturn in the current economic environment;
 - \$1.6 increase in implementation fees to transition E-911 Dispatch Services;
 - \$0.6 increase in emergency preparedness due to the COVID-19 pandemic;
 - \$0.5 decrease in insurance premiums; and
 - \$0.2 decrease in professional services.

Management’s Discussion and Analysis

Chart 2 depicts the changes in governmental revenues from fiscal year 2019 to fiscal year 2020.

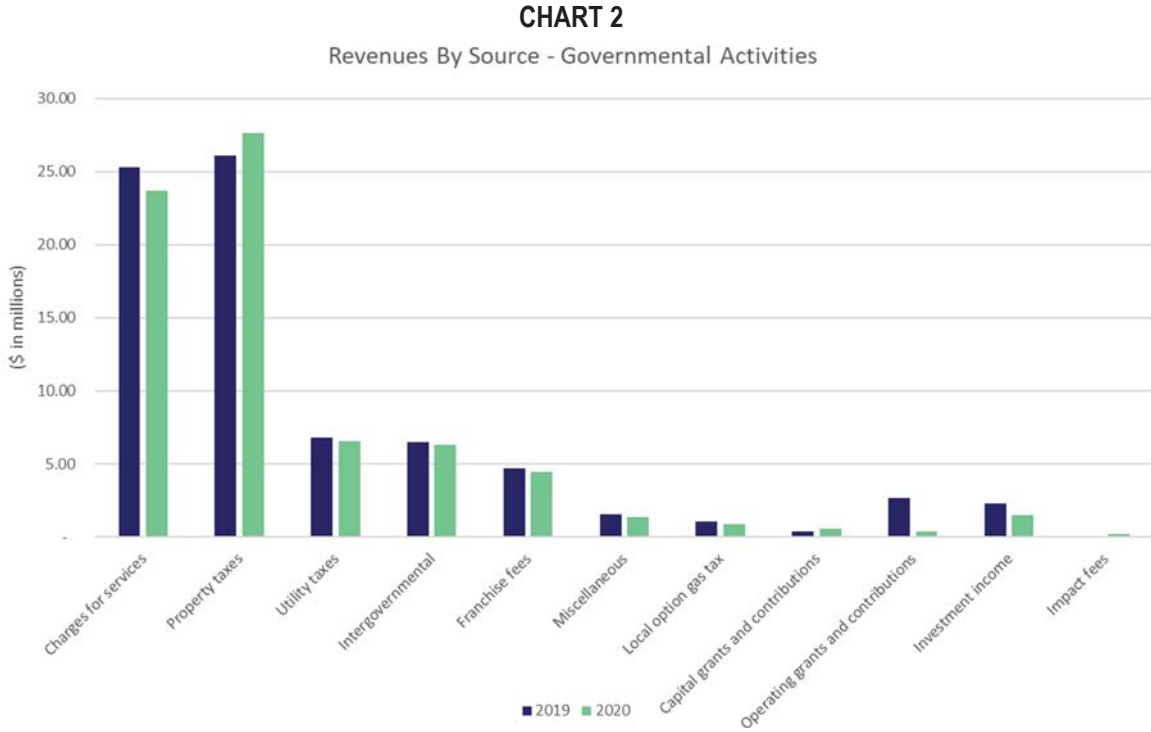
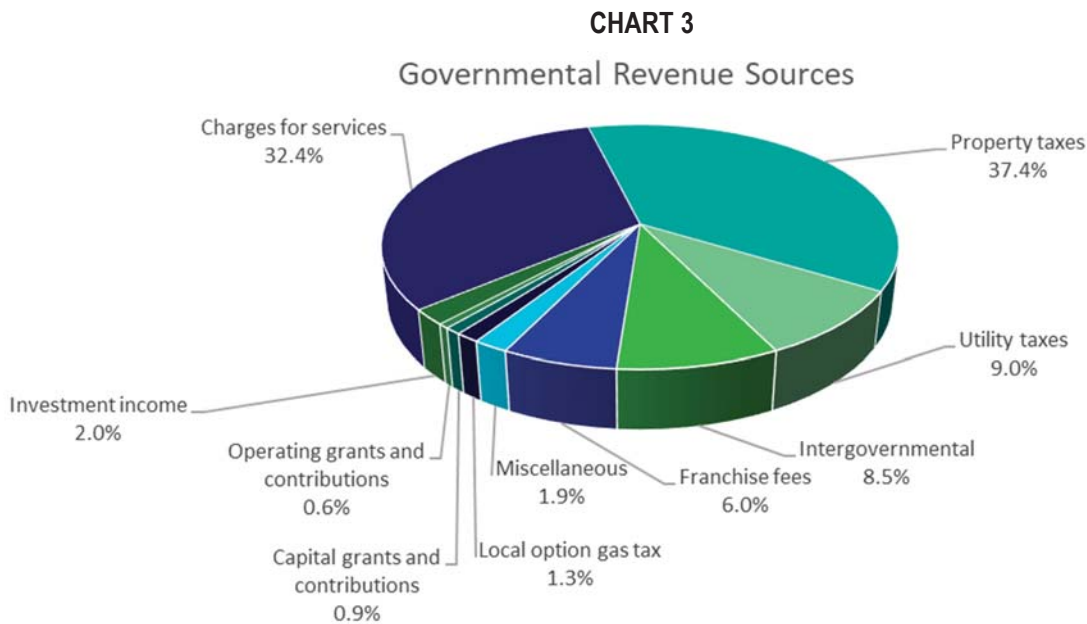


Chart 3 provides an overall view of the various governmental revenue sources. 37.4% of the revenues received come from property taxes, 32.4% from charges for services, 9.0% from utility taxes, 8.5% from intergovernmental activities, and 6.0% from franchise fees. The remaining sources account for 6.7% of governmental revenues.



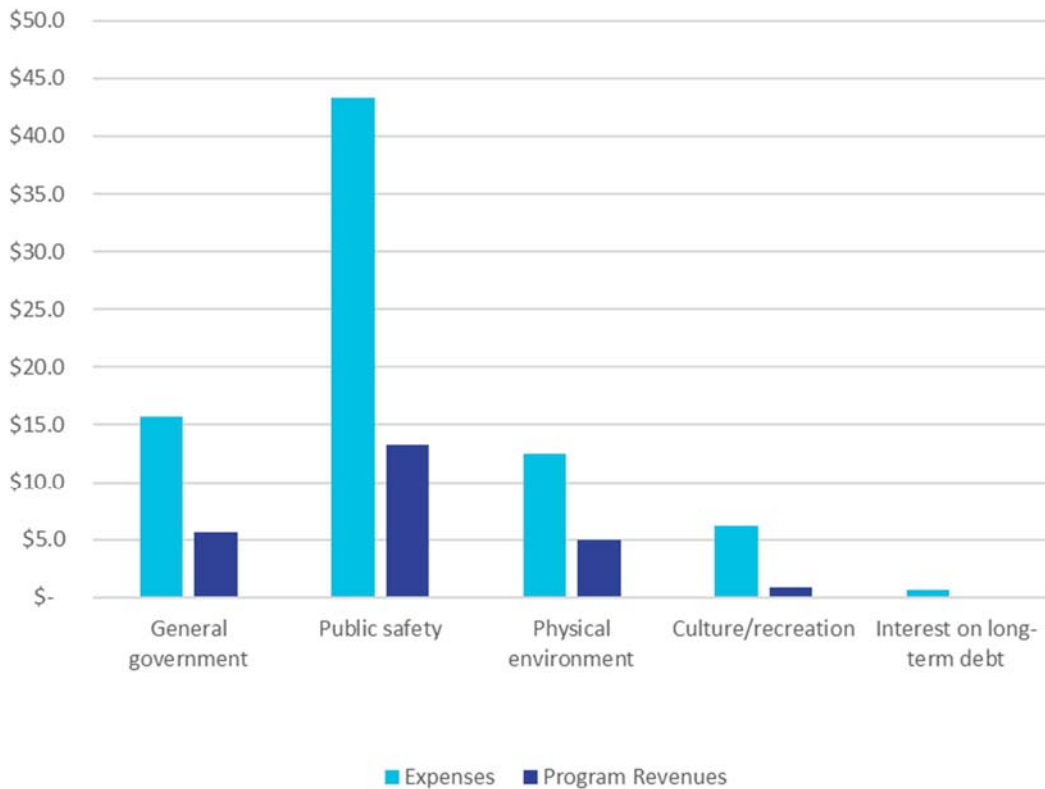
Management’s Discussion and Analysis

Chart 4 compares program revenues to program expenses for each category of activities. The cost of all governmental activities this year was \$78.3. This cost was financed by:

- Those who directly benefited from the programs through charges for services of \$23.7,
- Other governments and organizations that subsidized certain programs through operating and capital grants and contributions of \$1.0,
- The remaining \$53.6 “public benefit” portion of governmental activities was financed with \$39.6 in taxes and franchise fees, and with \$14.0 in other revenues such as unrestricted state aid, impact fees, miscellaneous revenues and reserves.

CHART 4

Expenses and Program Revenues-Governmental Activities



Management’s Discussion and Analysis

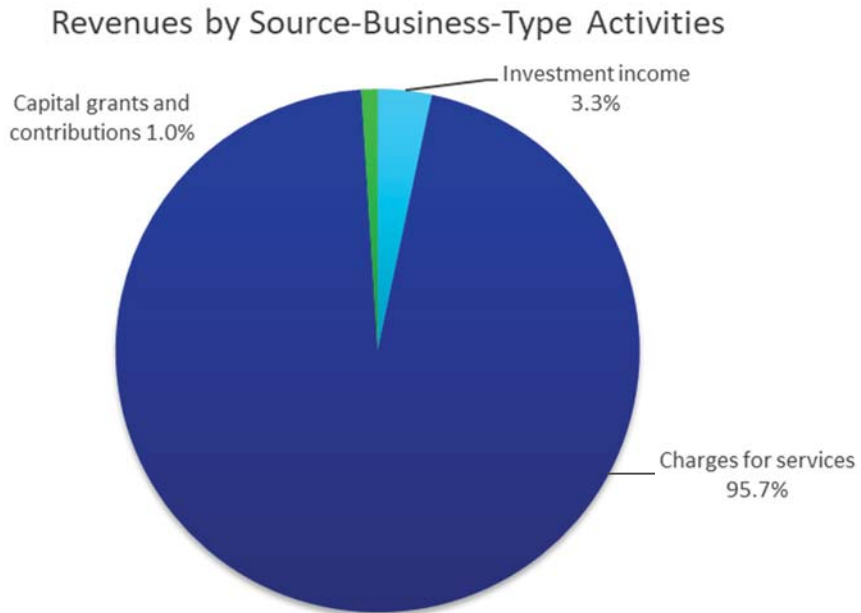
Business-type activities. Business-type activities increased the City of Coconut Creek’s net position by \$1.8. The increase in net position is attributed to the timing of capital expenses.

Revenues of the City’s business-type activities decreased 7.4% to \$25.1 while expenses increased 2.2% to \$23.3. Factors contributing to these results included:

- Charges for services remained unchanged from 2019 to 2020.
- Capital grants and contributions decreased by \$1.5 or 88.2% due to the timing of capital contributions received from developers.
- Impact fees increased by \$0.1 or 100% due to the timing of new developments within the City.
- Investment income decreased by \$0.6 or 42.9%, mainly due to the ongoing changes in financial market conditions.
- Expenses increased by \$0.5 or 2.2% during the year. This is mainly attributable to an increase of \$0.5 in pension and OPEB expenses due to a reduction in the discount rate that is attributed to the downturn in the current economic environment.

Chart 5 provides an overall view of the various business-type revenue sources. 95.7% of these revenues received come from charges for services, 3.3% from investments, and 1.0% from capital grants and contributions made by developers and granting agencies.

CHART 5



Management’s Discussion and Analysis

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 \$79.5, a decrease of \$0.8 or 1.0% in comparison with the prior year.

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

	Governmental Funds	
	2020	2019
Nonspendable:		
Inventory	\$ 0.1	\$ 0.1
Prepays	0.1	0.1
Restricted for:		
Capital projects	11.7	14.1
Grants	0.6	0.3
Street construction/maintenance	0.2	0.6
Public safety	1.3	1.2
Committed to:		
Affordable housing program	1.2	1.1
Capital projects	13.0	13.0
Culture and recreation	-	0.2
General government	0.2	-
Public safety	0.1	-
Debt service	0.1	0.1
Economic development	1.0	0.9
Hurricane emergency reserve	3.6	3.4
Assigned to:		
Assets held for resale	9.0	9.0
Capital projects	5.1	4.0
General government	5.5	5.9
Public safety	3.2	2.9
General trust accounts	1.7	1.6
Unassigned	21.8	21.8
Total fund balances	\$ 79.5	\$ 80.3

* Amounts may differ from the Financial Statements due to rounding.

Management's Discussion and Analysis

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

- Nonspendable Fund Balance: \$0.2 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 \$0.1 for inventory and \$0.1 for prepaid costs.
- Restricted Fund Balance: \$13.8 is classified as *restricted*, which indicate amounts constrained to specific purposes by external entities. Restricted fund balance includes \$11.7 of outstanding debt proceeds to be used for various capital projects; \$0.6 associated with grant restrictions; \$0.2 related to street construction and maintenance; and \$1.3 for federal, state, and local requirements for the use of law enforcement forfeitures and seizures.
- Committed Fund Balance: \$19.2 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 \$1.2 related to affordable housing; \$13.0 constrained to ongoing and future capital projects; \$0.2 related to general government; \$0.1 related to public safety; \$0.1 related to debt service; \$1.0 related to economic development; and \$3.6 related to hurricane emergencies.
- Assigned Fund Balance: \$24.5 is classified as assigned, to indicate amounts constrained by the City's *intent* to use for a specific purpose. Assigned fund balance mainly includes \$9.0 for assets held for resale; \$5.1 set aside for ongoing and future capital projects; \$5.5 for general government; \$3.2 for public safety; and \$1.7 for general trust accounts.
- Unassigned Fund Balance: \$21.8 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 \$38.5, of which \$23.0 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 32.2%, or approximately four months of the General Fund's total budgeted operating expenditures.

The fund balance of the City of Coconut Creek's General Fund increased \$0.8 to \$38.5. The City appropriated \$5.5 of fund balance for spending in the 2020 fiscal year budget, with the assumption that 100% of expenditures budgeted would not be spent due to vacancies, cost savings, and residual dollars left in each department. This increase in fund balance was a result of an increase in ad valorem taxes as well as unused departmental expenditures. Unused departmental expenditures include personnel cost savings of \$5.0 (approximately 11.0% of total budgeted personnel costs) resulting from vacancies throughout the year, and various operating cost savings of \$7.7, some of which will be re-appropriated and spent in future years on authorized initiatives. More detailed information is included in the General Fund Budgetary Highlights section on pages 17 and 18.

The Street Construction and Maintenance Fund has a fund balance of \$0.2, which is mainly held in cash and investments for future street related expenditures and due from other governments as a result of the timing of receipts of State and County shared revenues. Fund balance decreased by \$0.3 primarily due to the timing of completion of funded capital improvement projects.

The Grants Fund has a fund balance (deficit) of (\$0.4). Fund balance (deficit) increased \$0.1 due to the timing of grant reimbursements, in particular, reimbursement from FEMA for expenditures related to Hurricane Irma. Fund will be replenished through receipt of proceeds from various grant agencies.

The Community Improvement Fund has a fund balance of \$5.0, which is mainly held in cash and investments for future capital projects and the repayment of debt issued for various capital projects. Fund balance increased by \$0.1 primarily due to the timing of debt service payments.

Management's Discussion and Analysis

The 2009 Capital Projects Fund has a total fund balance deficit of (\$0.8). Fund balance (deficit) increased by \$0.4, representing the use of note proceeds to fund the rehabilitation of the Government Center and will be replenished through receipt of proceeds from the Cullum Road Underground Special Assessment.

The Capital Projects Financing Fund has a total fund balance of \$11.7, which consists mainly of cash and investments received from the \$10.0 Capital Improvement Revenue Note, Series 2017A and the \$10.0 Capital Improvement Revenue Note, Series 2018. Fund balance decreased by \$2.5, representing the use of the note proceeds to fund the Comprehensive Street Improvement project, roof replacement at the Government Center, parking lot rehabilitation program, as well as other capital projects.

The Capital Improvement Program Fund has a total fund balance of \$15.2, which consists mainly of \$9.0 for land reserved as assets held for resale, with the majority of the remaining balance in cash and investments for ongoing projects. Fund balance increased \$0.7 during fiscal year 2020 due to the timing of completion of funded capital improvement projects.

The Public Safety Improvement Fund has a total fund balance of \$1.3 (\$0.7 for police and \$0.6 for fire), which is mainly held in cash and investments and is restricted for future police and fire capital projects. Fund balance increased \$0.2 due to the timing of impact fee receipts and the timing of completion of funded capital improvement projects.

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.

Unrestricted net position of the Water and Wastewater Fund at the end of the year amounted to \$37.4. The total decrease in the unrestricted net position was \$2.7. This decrease was mainly due a decrease of \$0.5, \$0.1, and \$1.7 in interest income, charges for services, and capital contributions from developers, respectively, and an increase of \$0.4 in personnel expenses for pension and OPEB costs.

Unrestricted net position of the Stormwater Management Fund at the end of the year amounted to \$4.3. The total increase in the unrestricted net position was \$0.2 mainly due to a decrease in administrative costs. 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 revenues fell short of the budget by \$2.1. The revenue difference is primarily attributed to the following factors:

- Ad valorem taxes exceeded budget by \$0.1 due to an increase in assessed values.
- Franchise Fees fell short of budget by \$0.3 mainly due to lower-than-anticipated franchise fees for electric as well as a one-time discount offered by Florida Power and Light due to the COVID-19 pandemic.
- Utility Taxes fell short of budget by \$0.6 mainly due to lower-than-anticipated communication services taxes and electric utility tax as well as a one-time discount offered by Florida Power and Light due to the COVID-19 pandemic.
- Licenses and Permits fell short of budget by \$0.5 due to lower-than-anticipated building permits and primary permit fees and facilities closures from COVID-19 pandemic.

Management’s Discussion and Analysis

- Charges for services fell short of budget by \$0.4 due to a reduction in recreation program and fees as a result of the COVID-19 pandemic.
- Intergovernmental fell short of budget by \$0.4 due to lower-than-anticipated state revenue sharing and half cent sales tax as a result of a reduction in consumer spending due to the COVID-19 pandemic.
- Fines and forfeitures fell short of budget by \$0.2 due to court closures.
- Investment income exceeded budget by \$0.1 due to the on-going changes in financial market conditions.
- Miscellaneous revenues exceeded budget by \$0.1 due to the increase in proceeds from the sale of fixed assets.

Expenditures

As of fiscal year-end, actual expenditures were under budget by \$12.7. The main operational expenditure differences are as follows:

- Personal service costs were less than budgeted amounts by \$5.0 due to staff turnover and vacancies throughout the year leading to lower than budgeted personal costs. During the COVID-19 pandemic, the City froze hiring of vacant positions in order to save costs during a period of declining revenues.
- Other operating costs were \$7.7 less than budgeted amounts mainly due to savings in professional services (\$0.7); the timing of the implementation of E-911 dispatch services (\$2.2); insurance premiums (\$0.2); repair and maintenance (\$0.4); printing and publication (\$0.3); fuel (\$0.2); recreation program (\$0.2); timing of economic incentives and neighborhood enhancement grants (\$1.0); capital outlay (\$1.4); contingency (\$0.8); and other operating savings in various accounts (\$0.3). Overall, the City continues to make a concerted effort to streamline costs and reduce spending each year in other operating expenditures.

Additional information on budgetary comparisons can be found on pages 66 and 67.

Capital Asset and Debt Administration

Capital assets (see Table 4). The City of Coconut Creek’s investment in capital assets for its governmental and business type activities as of September 30, 2020 amounts to \$208.5 (net of depreciation). This investment in capital assets includes land, buildings, water/sewer system infrastructure, 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 \$7.8 represented by a 3.1% increase in governmental activities and a 4.9% increase for business-type activities.

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2020	2019	2020	2019	2020	2019	2019-2020
Land	\$ 30.2	\$ 30.2	\$ 0.4	\$ 0.4	\$ 30.6	\$ 30.6	0.0%
Buildings	30.7	27.4	4.5	4.7	35.2	32.1	9.7%
Improvements	12.5	11.9	0.5	0.5	13.0	12.4	4.8%
Equipment	9.7	10.1	2.9	2.9	12.6	13.0	(3.1%)
Infrastructure	31.1	30.8	64.3	64.4	95.4	95.2	0.2%
Intangibles	0.1	0.1	12.1	12.1	12.2	12.2	0.0%
Construction in progress	4.4	4.6	5.1	0.6	9.5	5.2	82.7%
Total	\$ 118.7	\$ 115.1	\$ 89.8	\$ 85.6	\$ 208.5	\$ 200.7	3.9%

Management's Discussion and Analysis

For governmental activities, this year's major capital asset additions before depreciation totaled \$8.7 and include the following:

- \$2.1 in construction in progress, which relates to projects started in the City, but not yet completed, including \$0.9 for Fire Station #113, \$0.5 for pedestrian lighting, and \$0.7 for various other projects.
- \$2.7 in building improvements, which represents \$0.6 for city hall renovations, \$1.9 for city hall roof replacement, and 0.2 for various other projects.
- \$1.5 in land improvements, which represents \$0.4 for State Road 7 median beautification, \$0.4 for Windmill Park improvements, \$0.4 for sports lighting program, and \$0.3 for various park improvements.
- \$0.9 in infrastructure for the citywide sidewalk repair program, comprehensive street improvement project, parking lot improvements, and new Mast-Arm traffic signal at Winston Park Boulevard.
- \$1.5 in equipment, which represents \$0.2 for security cameras, \$0.1 computer software and computer hardware purchases and replacements; \$0.1 for a mobile stage; \$0.7 for vehicle replacements; and \$0.4 for various machinery and equipment purchases, such as bicycles and light sets, treadmills, and ground maintenance equipment.

This year's major capital asset disposals for governmental activities consisted of \$1.3 in vehicles and \$1.6 in equipment as part of the City's annual replacement program. In addition, \$2.3 was transferred from construction in progress to building improvements and infrastructure. The transfer represented the completion of various projects, such as city hall renovation and roof replacement, and new Mast-Arm traffic signal at Winston Park Boulevard.

Capital additions for business-type activities before depreciation totaled \$6.4 and include the following:

- \$4.5 in construction in progress, which relates to projects started in the City, but not yet completed, including \$2.5 for the Copans Road Wastewater Transmission System; \$1.9 for Hilton pump building rehabilitation; and \$0.1 for the Vinkelmulder Road improvements.
- \$1.4 in infrastructure, which represents \$0.2 for the Wastewater Pump Station Rehabilitation Program; \$0.1 for Water Quality Improvements; \$0.1 for wastewater force main improvement; \$0.3 for wastewater convey system improvements; \$0.2 for retro fitting water meter connection; \$0.3 for water valve improvement; \$0.1 wastewater access rehabilitation; and \$0.1 for stormwater drain improvement.
- \$0.5 in equipment, which includes a lift station generator, electrical control panel upgrades, emergency radios, and mobile message boards.

This year's major capital asset disposals for business-type activities consisted of \$0.3 in equipment. There was no transfers from construction in progress in fiscal year 2020.

Additional information on the City of Coconut Creek's capital assets can be found in Note 7 on pages 47 and 48 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 \$22.1. Debt is comprised of revenue notes used to finance various capital expenditures, including improvements to parks, public buildings and infrastructure.

The City of Coconut Creek's total debt decreased by \$1.9 or 7.9% during the current fiscal year due to required annual debt service payments of \$1.9.

Management’s Discussion and Analysis

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2020	2019	2020	2019	2020	2019	2019-2020
Revenue notes (backed by non-ad valorem revenues)	22.1	24.0	-	-	22.1	24.0	(7.9%)
Total	\$ 22.1	\$ 24.0	\$ -	\$ -	\$ 22.1	\$ 24.0	(7.9%)

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 49 through 51 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 (for example, cities, counties, and school boards) primarily rely on property taxes and a limited array of other permitted taxes (sales, communication, gasoline, utilities services, etc.) and fees (franchise, building permits, recreation, etc.) to cover 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 \$38.3. Of that amount, the City of Coconut Creek appropriated \$5.5 for spending in the 2021 fiscal year budget. The COVID-19 pandemic affected every municipality around the nation, and Coconut Creek was no exception. The City has used this challenging period as an opportunity to further streamline processes, expand e-government services, and be innovative and strategic in planning efforts. The City successfully completed numerous activities to maintain current levels of city services and mitigate the effects of COVID-19. 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, communications services tax, as well as other unfunded mandates 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 the future impact on the City's ability to function at its present service levels. In addition, the City is committed to maintaining a diversified and stable revenue system to minimize the dependence on property taxes. City staff continuously monitors its resources to determine the need for program adjustments or fee increases.

For fiscal year 2021 budget, property tax values increased 5.4% in the City. The net increase is comprised of a 4.6% increase from reassessments of existing properties and a 0.8% increase from new construction. The millage rate remained the same at 6.5378.

Management's Discussion and Analysis

The City fire assessment rates increased by 5% in fiscal year 2021 to partially cover the increase in fire protection service costs. The single family, multi-family, and mobile home rates are \$196.13, \$176.54, and \$98.07, respectively. The City contracts with the City of Margate to provide Emergency Medical and Fire Protection Services. The contracted amount for these services for fiscal year 2021 is \$10.6. Beginning fiscal year 2022, the City will no longer utilize City of Margate for its emergency medical and fire protection services and will establish its own Fire Rescue Department. During FY2021, City staff will be working diligently on a plan to expand the current fire administration, inspection, public education, and emergency management functions to include all fire protection and emergency medical services, effective October 1, 2021.

An update to the existing Comprehensive Utility Rate Study was completed in 2017, resulting in adjustments 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. Additionally, previously approved annual increases of 5% were reduced to the greater of 2.5% or inflation based on the Consumer Price Index (CPI). Based on a review of the financial stability of the City's Water and Wastewater Fund, the automatic rate increase scheduled for April 1, 2021 was waived. A stormwater rate increase of 0.7% or \$0.03 per month went into effect on October 1, 2020.

The initiatives and programs within the 2021 budget are intended to guide the City in continuing 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 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 for an electronic version of this report.



**CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
ASSETS:			
Cash	\$ 11,545,430	\$ 7,431,491	\$ 18,976,921
Accounts receivable	3,292,754	2,758,715	6,051,469
Due from other governments	2,119,515	176,191	2,295,706
Investments	61,212,345	39,450,801	100,663,146
Inventory and prepaid items	139,239	-	139,239
Assets held for resale	9,034,764	-	9,034,764
Capital assets not being depreciated	34,663,671	17,571,301	52,234,972
Capital assets being depreciated	84,074,783	72,209,546	156,284,329
Total assets	<u>206,082,501</u>	<u>139,598,045</u>	<u>345,680,546</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows for pension	18,217,728	1,611,021	19,828,749
Deferred outflows for OPEB	8,714,423	1,076,792	9,791,215
Total deferred outflows of resources	<u>26,932,151</u>	<u>2,687,813</u>	<u>29,619,964</u>
LIABILITIES:			
Accounts payable and accrued liabilities	5,100,029	730,272	5,830,301
Retainage payable	115,859	217,102	332,961
Unearned revenue	258,757	44,036	302,793
Due to other governments	88,615	922,157	1,010,772
Customer and other deposits payable	1,200	1,728,035	1,729,235
Due within one year:			
Compensated absences payable	477,998	54,125	532,123
Net pension liability	91,989	9,098	101,087
Revenue notes payable	1,930,000	-	1,930,000
Due in more than one year:			
Compensated absences payable	6,671,773	593,118	7,264,891
Revenue notes payable	20,210,000	-	20,210,000
Net pension liability	55,861,006	5,029,303	60,890,309
Net OPEB liability	15,628,389	1,931,997	17,560,386
Total liabilities	<u>106,435,615</u>	<u>11,259,243</u>	<u>117,694,858</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows for pension	622,375	60,331	682,706
Total deferred inflows of resources	<u>622,375</u>	<u>60,331</u>	<u>682,706</u>
NET POSITION:			
Net investment in capital assets	106,432,287	89,212,119	195,644,406
Restricted:			
Street construction and maintenance	249,683	-	249,683
Public safety	1,257,730	-	1,257,730
Grants	624,720	-	624,720
Unrestricted	17,392,242	41,754,165	59,146,407
Total net position	<u>\$ 125,956,662</u>	<u>\$ 130,966,284</u>	<u>\$ 256,922,946</u>

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, 2020

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	Total
PRIMARY GOVERNMENT:							
Governmental activities:							
General government	\$ 15,741,463	\$ 5,555,838	\$ 36,213	\$ -	\$ (10,149,412)	\$ -	\$ (10,149,412)
Public safety	43,234,599	13,264,478	47,990	-	(29,922,131)	-	(29,922,131)
Physical environment	12,520,209	4,517,736	355,331	99,754	(7,547,388)	-	(7,547,388)
Culture and recreation	6,162,287	373,714	-	547,313	(5,241,260)	-	(5,241,260)
Interest on long-term debt	643,351	-	-	-	(643,351)	-	(643,351)
Total governmental activities	78,301,909	23,711,766	439,534	647,067	(53,503,542)	-	(53,503,542)
Business-type activities:							
Water and wastewater	21,670,369	22,174,310	-	150,000	-	653,941	653,941
Stormwater management	1,676,095	1,788,348	-	-	-	112,253	112,253
Total business-type activities	23,346,464	23,962,658	-	150,000	-	766,194	766,194
Total primary government	\$ 101,648,373	\$ 47,674,424	\$ 439,534	\$ 797,067	(53,503,542)	766,194	(52,737,348)
General Revenues:							
Taxes:							
Property taxes					27,598,964	-	27,598,964
Utility taxes					6,599,695	-	6,599,695
Local option gas tax					930,804	-	930,804
Franchise fees					4,456,340	-	4,456,340
Impact fees					176,681	109,395	286,076
Intergovernmental not restricted to specific programs					6,290,855	-	6,290,855
Special assessment					35,424	-	35,424
Investment income					1,481,633	834,523	2,316,156
Miscellaneous					1,370,470	14,290	1,384,760
Total general revenues					48,940,866	958,208	49,899,074
Change in net position					(4,562,676)	1,724,402	(2,838,274)
Net position, beginning					130,519,338	129,241,882	259,761,220
Net position, ending					\$ 125,956,662	\$ 130,966,284	\$ 256,922,946

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

**CITY OF COCONUT CREEK, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

	General Fund	Street Construction and Maintenance Fund	Grants Fund	Community Improvement Fund
ASSETS:				
Cash	\$ 6,268,148	\$ 38,297	\$ 20,448	\$ 743,722
Accounts receivable	1,850,045	336	-	262,625
Due from other funds	1,124,217	-	-	-
Due from other governments	962,434	230,164	482,349	-
Investments	33,197,383	203,302	-	3,948,119
Inventory and prepaid items	139,239	-	-	-
Assets held for resale	-	-	-	-
Total assets	\$ 43,541,466	\$ 472,099	\$ 502,797	\$ 4,954,466
LIABILITIES:				
Accounts payable and accrued liabilities	\$ 4,212,725	\$ 181,855	\$ 175,754	\$ -
Retainage payable	-	40,561	-	-
Unearned revenue	238,309	-	20,448	-
Due to other funds	-	-	306,784	-
Due to other governments	88,615	-	-	-
Deposits	1,200	-	-	-
Total liabilities	4,540,849	222,416	502,986	-
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue - grants	-	-	382,595	-
Unavailable revenue - billings	540,555	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Total deferred inflows of resources	540,555	-	382,595	-
FUND BALANCES (DEFICITS):				
Nonspendable:				
Inventory	66,405	-	-	-
Prepaid items	72,834	-	-	-
Restricted:				
Capital projects	-	-	-	-
Grants	-	-	-	-
Street construction/maintenance	-	249,683	-	-
Public safety	-	-	-	-
Committed:				
Affordable housing program	-	-	-	-
Capital projects	-	-	-	4,954,466
General government	198,342	-	-	-
Public safety	57,822	-	-	-
Debt service	-	-	-	-
Economic development	1,048,988	-	-	-
Hurricane emergency reserve	3,572,257	-	-	-
Assigned:				
Assets held for resale	-	-	-	-
Capital projects	-	-	-	-
General government	5,516,674	-	-	-
Culture and recreation	13,000	-	-	-
Physical environment	36,158	-	-	-
Public safety	3,175,137	-	-	-
General trust accounts	1,718,320	-	-	-
Unassigned	22,984,125	-	(382,784)	-
Total fund balances (deficits)	38,460,062	249,683	(382,784)	4,954,466
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 43,541,466	\$ 472,099	\$ 502,797	\$ 4,954,466

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

2009 Capital Projects Fund	Capital Projects Financing Fund	Capital Improvement Program Fund	Public Safety Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 1,859,286	\$ 1,025,956	\$ 203,378	\$ 1,386,195	\$ 11,545,430
921,036	16,651	8,187	1,770	232,104	3,292,754
-	-	-	-	-	1,124,217
-	-	444,568	-	-	2,119,515
-	9,870,200	5,446,387	1,079,652	7,467,302	61,212,345
-	-	-	-	-	139,239
-	-	9,034,764	-	-	9,034,764
<u>\$ 921,036</u>	<u>\$ 11,746,137</u>	<u>\$ 15,959,862</u>	<u>\$ 1,284,800</u>	<u>\$ 9,085,601</u>	<u>\$ 88,468,264</u>
\$ -	\$ 57,886	\$ 247,753	\$ -	\$ 224,056	\$ 5,100,029
-	-	63,298	-	12,000	115,859
-	-	-	-	-	258,757
817,433	-	-	-	-	1,124,217
-	-	-	-	-	88,615
-	-	-	-	-	1,200
<u>817,433</u>	<u>57,886</u>	<u>311,051</u>	<u>-</u>	<u>236,056</u>	<u>6,688,677</u>
-	-	441,068	-	-	823,663
-	-	-	-	-	540,555
921,036	-	-	-	-	921,036
<u>921,036</u>	<u>-</u>	<u>441,068</u>	<u>-</u>	<u>-</u>	<u>2,285,254</u>
-	-	-	-	-	66,405
-	-	-	-	-	72,834
-	11,688,251	-	-	-	11,688,251
-	-	-	-	624,720	624,720
-	-	-	-	-	249,683
-	-	-	-	1,257,730	1,257,730
-	-	-	-	1,224,378	1,224,378
-	-	1,054,981	1,284,800	5,689,749	12,983,996
-	-	-	-	-	198,342
-	-	-	-	-	57,822
-	-	-	-	52,968	52,968
-	-	-	-	-	1,048,988
-	-	-	-	-	3,572,257
-	-	9,034,764	-	-	9,034,764
-	-	5,117,998	-	-	5,117,998
-	-	-	-	-	5,516,674
-	-	-	-	-	13,000
-	-	-	-	-	36,158
-	-	-	-	-	3,175,137
-	-	-	-	-	1,718,320
(817,433)	-	-	-	-	21,783,908
<u>(817,433)</u>	<u>11,688,251</u>	<u>15,207,743</u>	<u>1,284,800</u>	<u>8,849,545</u>	<u>79,494,333</u>
<u>\$ 921,036</u>	<u>\$ 11,746,137</u>	<u>\$ 15,959,862</u>	<u>\$ 1,284,800</u>	<u>\$ 9,085,601</u>	<u>\$ 88,468,264</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, 2020**

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS, PAGE 25 **\$ 79,494,333**

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	\$	168,970,677	
Less accumulated depreciation		<u>(50,232,223)</u>	
Net Adjustment			118,738,454

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. 2,285,254

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		18,217,728	
Deferred outflows relating to OPEB activity		8,714,423	
Deferred inflows relating to pension activity		<u>(622,375)</u>	
			26,309,776

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

Compensated absences		(7,149,771)	
Revenue notes payable		(22,140,000)	
Net pension liability		(55,952,995)	
Net OPEB liability		<u>(15,628,389)</u>	

NET POSITION OF GOVERNMENTAL ACTIVITIES, PAGE 22 **\$ 125,956,662**

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	General Fund	Street Construction and Maintenance Fund	Grants Fund	Community Improvement Fund
REVENUES:				
Ad valorem taxes	\$ 27,598,964	\$ -	\$ -	\$ -
Franchise fees	4,456,340	-	-	-
Utility taxes	6,599,695	-	-	-
Licenses and permits	1,571,206	-	-	-
Intergovernmental revenues	5,637,786	2,017,544	277,720	-
Charges for services	16,691,169	-	-	2,500,234
Fines and forfeitures	209,973	-	-	-
Impact fees	-	-	-	-
Investment income	869,284	4,379	-	97,284
Miscellaneous revenues	870,638	-	-	-
Total revenues	64,505,055	2,021,923	277,720	2,597,518
EXPENDITURES:				
Current:				
General government	12,619,162	-	-	-
Public safety	35,940,347	-	8,301	-
Physical environment	6,767,871	1,570,674	28,789	11,970
Culture and recreation	4,488,342	-	-	-
Nondepartmental	1,120,628	250,000	-	-
Capital outlay	628,786	511,860	287,067	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	61,565,136	2,332,534	324,157	11,970
Excess (deficiency) of revenues over expenditures	2,939,919	(310,611)	(46,437)	2,585,548
OTHER FINANCING SOURCES (USES):				
Transfers in	706,131	-	-	-
Transfers out	(2,800,000)	-	-	(2,504,301)
Total other financing sources (uses)	(2,093,869)	-	-	(2,504,301)
Net change in fund balances	846,050	(310,611)	(46,437)	81,247
FUND BALANCES (DEFICITS) - Beginning	37,614,012	560,294	(336,347)	4,873,219
FUND BALANCES (DEFICITS) - Ending	\$ 38,460,062	\$ 249,683	\$ (382,784)	\$ 4,954,466

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

2009 Capital Projects Fund	Capital Projects Financing Fund	Capital Improvement Program Fund	Public Safety Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,598,964
-	-	-	-	-	4,456,340
-	-	-	-	-	6,599,695
-	-	-	-	-	1,571,206
-	-	-	-	331,726	8,264,776
-	-	-	-	2,017,502	21,208,905
-	-	-	-	330,473	540,446
-	-	-	135,499	41,182	176,681
-	217,095	111,993	22,464	159,134	1,481,633
-	-	712,369	-	29,427	1,612,434
<u>-</u>	<u>217,095</u>	<u>824,362</u>	<u>157,963</u>	<u>2,909,444</u>	<u>73,511,080</u>
-	-	-	-	-	12,619,162
-	-	-	-	49,421	35,998,069
-	-	-	-	57,995	8,437,299
-	-	-	-	-	4,488,342
-	-	-	-	-	1,370,628
421,770	2,677,403	2,962,040	-	1,490,414	8,979,340
-	-	-	-	1,875,000	1,875,000
-	-	-	-	643,351	643,351
<u>421,770</u>	<u>2,677,403</u>	<u>2,962,040</u>	<u>-</u>	<u>4,116,181</u>	<u>74,411,191</u>
<u>(421,770)</u>	<u>(2,460,308)</u>	<u>(2,137,678)</u>	<u>157,963</u>	<u>(1,206,737)</u>	<u>(900,111)</u>
-	-	2,800,000	-	2,418,351	5,924,482
-	-	-	-	(620,181)	(5,924,482)
-	-	<u>2,800,000</u>	-	<u>1,798,170</u>	-
(421,770)	(2,460,308)	662,322	157,963	591,433	(900,111)
(395,663)	14,148,559	14,545,421	1,126,837	8,258,112	80,394,444
<u>\$ (817,433)</u>	<u>\$ 11,688,251</u>	<u>\$ 15,207,743</u>	<u>\$ 1,284,800</u>	<u>\$ 8,849,545</u>	<u>\$ 79,494,333</u>

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

**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, 2020**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS, PAGE 28 **\$ (900,111)**

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

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

Recorded as capital assets	\$	8,715,611	
Depreciation expense		<u>(4,973,768)</u>	
Net Adjustment			3,741,843

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			228,153
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			
Principal payments			1,875,000

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		(961,500)	
Change in other post employment benefit liability (OPEB) and related deferrals		(1,149,928)	
Change in net pension liability and related deferrals		<u>(7,292,822)</u>	
			(9,404,250)

The net effect of various miscellaneous transactions involving capital assets.			<u>(103,311)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES, PAGE 23 **\$ (4,562,676)**

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020

	Business-type Activities Enterprise Funds		
	Water and Wastewater Fund	Stormwater Management Fund	Total
ASSETS:			
Current assets:			
Cash	\$ 6,579,038	\$ 852,453	\$ 7,431,491
Accounts receivable	2,604,934	153,781	2,758,715
Due from other governments	161,678	14,513	176,191
Total current assets	<u>9,345,650</u>	<u>1,020,747</u>	<u>10,366,397</u>
Non-current assets:			
Investments	<u>34,925,472</u>	<u>4,525,329</u>	<u>39,450,801</u>
Capital assets:			
Land	406,071	-	406,071
Easements	12,115,158	-	12,115,158
Buildings	4,785,663	452,431	5,238,094
Improvements	1,096,268	18,866	1,115,134
Equipment	4,980,560	844,783	5,825,343
Infrastructure	93,911,651	3,015,334	96,926,985
Construction in progress	5,013,327	36,745	5,050,072
Total capital assets	<u>122,308,698</u>	<u>4,368,159</u>	<u>126,676,857</u>
Less accumulated depreciation	<u>36,159,500</u>	<u>736,510</u>	<u>36,896,010</u>
Total capital assets, net	<u>86,149,198</u>	<u>3,631,649</u>	<u>89,780,847</u>
Total assets	<u>130,420,320</u>	<u>9,177,725</u>	<u>139,598,045</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows for pension	1,214,447	396,574	1,611,021
Deferred outflows for OPEB	850,993	225,799	1,076,792
Total deferred outflows of resources	<u>2,065,440</u>	<u>622,373</u>	<u>2,687,813</u>
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	614,223	116,049	730,272
Retainage payable	217,102	-	217,102
Unearned revenues	44,036	-	44,036
Due to other governments	922,157	-	922,157
Compensated absences	38,046	16,079	54,125
Net pension liability	7,076	2,022	9,098
Customer deposits payable	1,728,035	-	1,728,035
Total Current Liabilities	<u>3,570,675</u>	<u>134,150</u>	<u>3,704,825</u>
Noncurrent liabilities:			
Net OPEB liability	1,527,040	404,957	1,931,997
Compensated absences	511,620	81,498	593,118
Net pension liability	3,811,475	1,217,828	5,029,303
Total noncurrent liabilities	<u>5,850,135</u>	<u>1,704,283</u>	<u>7,554,418</u>
Total liabilities	<u>9,420,810</u>	<u>1,838,433</u>	<u>11,259,243</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows for pension	46,676	13,655	60,331
Total deferred inflows of resources	<u>46,676</u>	<u>13,655</u>	<u>60,331</u>
NET POSITION:			
Net investment in capital assets	85,626,077	3,586,042	89,212,119
Unrestricted	37,392,197	4,361,968	41,754,165
Total net position	<u>\$ 123,018,274</u>	<u>\$ 7,948,010</u>	<u>\$ 130,966,284</u>

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Business-type Activities Enterprise Funds		
	Water and Wastewater Fund	Stormwater Management Fund	Total
Operating revenues:			
Charges for services	\$ 22,174,310	\$ 1,788,348	\$ 23,962,658
Miscellaneous	14,290	-	14,290
Total operating revenues	22,188,600	1,788,348	23,976,948
Operating expenses:			
Administrative costs	3,543,940	386,820	3,930,760
Operations and maintenance	16,098,915	1,103,096	17,202,011
Depreciation	1,949,522	162,436	2,111,958
Other services and charges	45,977	22,775	68,752
Total operating expenses	21,638,354	1,675,127	23,313,481
Operating income	550,246	113,221	663,467
Non-operating revenues (expenses):			
Intergovernmental	150,000	-	150,000
Interest expense and fees	(6,484)	-	(6,484)
Impact fees	109,395	-	109,395
Gain (loss) on disposition of capital assets	(25,531)	(968)	(26,499)
Investment income	743,097	91,426	834,523
Total non-operating revenues	970,477	90,458	1,060,935
Change in net position	1,520,723	203,679	1,724,402
Net position - Beginning	121,497,551	7,744,331	129,241,882
Net position - Ending	\$ 123,018,274	\$ 7,948,010	\$ 130,966,284

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, 2020

	Business-type Activities		
	Enterprise Fund		
	Water and Wastewater Fund	Stormwater Management Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 21,780,814	\$ 1,783,968	\$ 23,564,782
Payments to suppliers	(17,181,273)	(1,099,829)	(18,281,102)
Payments to employees for services	(2,777,225)	(209,441)	(2,986,666)
Net Cash Provided By Operating Activities	1,822,316	474,698	2,297,014
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Interest paid	(6,484)	-	(6,484)
Net Cash Used In Noncapital Financing Activities	(6,484)	-	(6,484)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchases of capital assets	(6,196,272)	(206,960)	(6,403,232)
Proceeds from state grants	150,000	-	150,000
Impact fees	109,395	-	109,395
Net Cash Used In Capital and Related Financing Activities	(5,936,877)	(206,960)	(6,143,837)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment earnings	768,546	93,218	861,764
Proceeds from sales and maturities of investments	13,401,617	1,736,461	15,138,078
Purchases of investments	(11,093,411)	(2,097,561)	(13,190,972)
Net Cash Provided By (Used in) Investing Activities	3,076,752	(267,882)	2,808,870
Net Decrease in Cash	(1,044,293)	(144)	(1,044,437)
CASH - BEGINNING	7,623,331	852,597	8,475,928
CASH - ENDING	\$ 6,579,038	\$ 852,453	\$ 7,431,491

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, 2020

	Business-type Activities		
	Enterprise Fund		
	Water and Wastewater Fund	Stormwater Management Fund	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income	\$ 550,246	\$ 113,221	\$ 663,467
Adjustments to reconcile operating income to net cash provided by operating activities:			
Provision for depreciation	1,949,522	162,436	2,111,958
(Increase) decrease in assets and deferred outflows:			
Accounts receivable	(243,525)	(2,360)	(245,885)
Due from other governments	(150,000)	(2,020)	(152,020)
Deferred outflows for pensions	(45,762)	(60,496)	(106,258)
Deferred outflows for OPEB	(848,785)	(225,090)	(1,073,875)
Increase (decrease) in liabilities and deferred inflows:			
Accounts payable and accrued liabilities	(919,765)	25,528	(894,237)
Unearned revenues	(14,589)	-	(14,589)
Due to other governments	(107,703)	-	(107,703)
Compensated absences	61,416	(11,805)	49,611
Customer deposits payable	328	-	328
Net pension liability	699,387	267,963	967,350
Deferred inflows for pensions	(171,845)	(48,780)	(220,625)
Net OPEB liability	1,063,391	256,101	1,319,492
Total adjustments	<u>1,272,070</u>	<u>361,477</u>	<u>1,633,547</u>
Net Cash Provided By Operating Activities	<u>\$ 1,822,316</u>	<u>\$ 474,698</u>	<u>\$ 2,297,014</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING, AND CAPITAL RELATED FINANCING ACTIVITIES			
Increase in fair value of investments	\$ 103,409	\$ 13,399	\$ 116,808
Purchase of capital assets on account	\$ 84,314	\$ 45,607	\$ 129,921

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

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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 five-member commission and operates under the commission/manager form of government. The Mayor and Vice-Mayor are selected annually by the City Commission. The City provides a wide range of community services including general government, public safety, physical environment, culture/recreation, water/wastewater, and stormwater.

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

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.

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, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, impact fees, 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, by state law, may only be expended for street construction and maintenance programs.

The *Grants Fund* is a special revenue fund that is used to account for revenues received for various grant 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, debt service payments, and professional services related to the MainStreet Project.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 Projects Financing 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 2017A - \$10 Million Capital Improvement Note and the Series 2018 - \$10 Million Capital Improvement Note.

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

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 restricted by City Ordinance for police and fire/rescue capital improvements.

The City reports the following major proprietary funds:

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

The *Stormwater Maintenance Fund* accounts for the stormwater maintenance and operations of the City-owned stormwater drainage infrastructure.

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.

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, 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.

Cash and Investments

Cash and cash equivalents include cash on hand, demand deposits, and investments 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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Accounts Receivable

Accounts receivable balances consist 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 Coconut Creek, less a 4.5% 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.

Inventory and Prepaid Items

Inventory is valued at cost. The costs of governmental fund-type inventory are 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.

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 estimated 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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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.

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 effective 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.

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, 2020.

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.

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 \$2,132,133 of restricted net position, all of which is restricted by enabling legislation.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance

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 balance 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 amounts) and items such as the long-term amount of loans and notes receivable. In fiscal year 2020, the non-spendable fund balance is \$139,239.

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 2020, restricted fund balance is \$13,820,384.

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 2020, committed fund balance is \$19,138,751.

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 2020, assigned fund balance is \$24,612,051.

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 2020, unassigned fund balance is \$21,783,908.

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.

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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

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.

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. There are two items that qualify for reporting in this category: pension related activities and other post-employment benefit related activities, all of which are reported in the government-wide statement of net position. The City's deferred outflows of resources related to pensions are discussed in Note 11. The City's deferred outflows of resources related to other post-employment benefits are discussed in Note 16.

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. There are two items that qualify for reporting in this category: unavailable revenue and pension related activities. Unavailable revenue, which arises only under a modified accrual basis of accounting, 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, general government, police, and emergency medical services (EMS) revenues. The City's deferred inflows of resources related to pensions are reported in the government-wide financial statements and discussed in Note 11.

Assets Held for Resale

The assets held for resale represent land purchased by the City to promote redevelopment objectives of the City. This land is reported at the lower of cost or net realizable value.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deficit Fund Balance

At September 30, 2020, the City had a deficit balance in the Grants Fund and the 2009 Capital Projects Fund of \$382,784 and \$817,433, respectively. These deficits occur due to the timing of grant reimbursements and accounts receivable and are expected to be eliminated by future revenues.

Date of Management Review

Subsequent events were evaluated by management through March 31, 2021, which is the date the financial statements were available to be issued.

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, 2019, upon which the 2019-2020 tax levy calculation was based, was \$4,383,117,499. The tax rate to finance all governmental services for the fiscal year ended September 30, 2020 was 6.5378 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. Liens are placed on property for unpaid taxes on June 1 of the year following the year in which the taxes were levied.

NOTE 3 - CASH AND INVESTMENTS

The City's investment practices are governed by Chapters 280 and 218.415, Florida Statutes, and the City Codes of Ordinances, 2017-040, the adopted investment policy. For all investments authorized by statute and policy, the City applies the "Prudent Person Rule" when developing investment strategies.

General Information about Cash and Investments

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, multiplied by 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 depositories 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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 3 - CASH AND INVESTMENTS (continued)

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 trust 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 U.S. Small Business Administration; 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 established by generally accepted accounting principles. 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 GASB 72 fair value hierarchy disclosures and reports at amortized cost. 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 GASB 72 fair value hierarchy disclosures and reports at amortized cost.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 3 - CASH AND INVESTMENTS (continued)

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 serves 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. 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.

As of September 30, 2020, the City of Coconut Creek had the following investment balances:

	Fair Value 09/30/2020	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	\$ 18,064,118	\$ -	\$ 18,064,118	\$ -
1-3 Year High Quality Bond Fund	13,201,431	-	13,201,431	-
Intermediate High Quality Bond Fund	216,356	-	216,356	-
U.S. Government Sponsored Enterprises:				
Federal National Mortgage Association	12,821,256	-	12,821,256	-
U.S. Small Business Administration	2,974,667	-	2,974,667	-
Federal Home Loan Mortgage Corporation	685,443	-	685,443	-
Total Investments by Fair Value Level	\$ 47,963,271	\$ -	\$ 47,963,271	\$ -
Investments Exempt from Fair Value Reporting:				
Florida Trust Day to Day Fund - money market fund	15,951,403			
State Board of Administration - Florida PRIME	26,748,472			
Certificates of Deposit	10,000,000			
Total Exempt Investments	52,699,875			
Total Investments	\$ 100,663,146			

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 3 - CASH AND INVESTMENTS (continued)

As of September 30, 2020, the City of Coconut Creek had the following cash, cash equivalents and investments:

Portfolio/Investments	Fair Value	Weighted Average Maturity	Credit Rating	Percentage Distribution
Cash Deposits	\$ 18,976,921			15.86%
Total cash and cash equivalents	18,976,921			
Florida Trust Day to Day Fund - money market fund	15,951,403	27.33 days	AAAm Fitch	13.33%
State Board of Administration - Florida PRIME	26,748,472	48 days	AAAm S&P	22.36%
Florida Municipal Investment Trust				
0-2 Year High Quality Bond Fund	18,064,118	0.70 years	AAAf/S1 Fitch	15.10%
1-3 Year High Quality Bond Fund	13,201,431	1.60 years	AAAf/S2 Fitch	11.03%
Intermediate High Quality Bond Fund	216,356	3.40 years	AAAf/S3 Fitch	0.18%
U.S. Government Sponsored Enterprises:				
Federal National Mortgage Association	12,821,256	4.86 years	AAA (1)	10.72%
U.S. Small Business Administration	2,974,667	5.50 years	AAA (1)	2.49%
Federal Home Loan Mortgage Corporation	685,443	4.92 years	AAA (1)	0.57%
Certificates of Deposit	10,000,000		Not rated	8.36%
Total Investments	100,663,146			
Total cash and investments	\$ 119,640,067			100.00%

(1) Securities are rated by TD Wealth Investments Team.

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, 2020 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 the total investment portfolio in any one issuer. As of September 30, 2020, 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 to 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, 2020, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 3 - CASH AND INVESTMENTS (continued)

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's investment policy does not permit investments issued by a foreign entity and is, therefore, not exposed to foreign currency risk.

NOTE 4 - ACCOUNTS RECEIVABLE AND PAYABLE

Receivables and amounts due from other governments as of September 30, 2020 for the City's individual major funds and non-major funds in the aggregate are as follows:

	Accounts	Taxes and Franchise Fees	Other	Total	Due from Other Governments
Governmental activities:					
General Fund	\$ 3,651,945	\$ 1,633,862	\$ 54,714	\$ 5,340,521	\$ 962,434
Streets Construction & Maintenance Fund	-	-	336	336	230,164
Capital Projects Financing Fund	-	-	16,651	16,651	-
Grants Fund	-	-	-	-	482,349
Community Improvement Fund	\$ 256,304	-	6,321	262,625	-
2009 Capital Projects Fund	-	-	921,036	921,036	-
Capital Improvement Program Fund	-	-	8,187	8,187	444,568
Public Safety Improvement Fund	-	-	1,770	1,770	-
Nonmajor funds	\$ 219,757	-	12,347	232,104	-
Allowance for uncollectible accounts	(3,490,476)	-	-	(3,490,476)	-
Total governmental activities	\$ 637,530	\$ 1,633,862	\$ 1,021,362	\$ 3,292,754	\$ 2,119,515
Business-type activities:					
Water and Sewer	\$ 2,547,708	\$ -	\$ 57,226	\$ 2,604,934	\$ 161,678
Stormwater	146,327	-	7,454	153,781	14,513
Total business-type activities	\$ 2,694,035	\$ -	\$ 64,680	\$ 2,758,715	\$ 176,191

Payables and amounts due to other governments as of September 30, 2020 for the City's individual major funds and non-major funds in the aggregate are as follows:

	Vendors	Payroll and Related Taxes	Construction Bonds	Other	Total	Due To Other Governments
Governmental activities:						
General Fund	\$ 1,570,445	\$ 1,872,725	\$ 187,170	\$ 582,385	\$ 4,212,725	\$ 88,615
Streets Construction & Maintenance Fund	196,077	26,339	-	-	222,416	-
Capital Projects Financing Fund	69,886	-	-	-	69,886	-
Grants Fund	175,754	-	-	-	175,754	-
Capital Improvement Program Fund	311,051	-	-	-	311,051	-
Nonmajor funds	6,770	-	-	217,286	224,056	-
Total governmental activities	\$ 2,329,983	\$ 1,899,064	\$ 187,170	\$ 799,671	\$ 5,215,888	\$ 88,615
Business-type activities:						
Water and wastewater	\$ 685,728	\$ 145,597	\$ -	\$ -	\$ 831,325	\$ 922,157
Stormwater	86,399	29,650	-	-	116,049	-
Total business-type activities	\$ 772,127	\$ 175,247	\$ -	\$ -	\$ 947,374	\$ 922,157

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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, 2020 are as follows:

Major Funds:	
General Fund	\$ 256,164
Street Construction and Maintenance	195,892
Grants Fund	152,988
2009 Capital Projects Fund	23,682
Capital Projects Financing Fund	886,084
Capital Improvement Fund	1,054,981
Total Major Funds	<u>2,569,791</u>
Non-Major Governmental Funds	1,200,588
Total Governmental Encumbrances	<u><u>\$ 3,770,379</u></u>

NOTE 6 - INTERFUND TRANSACTIONS

Inter-fund transfers between the various funds for the year ended September 30, 2020 are as follows:

Transfer Out	Transfers In			Total
	General Fund	Capital Improvement Program Fund	Nonmajor Funds	
General Fund	\$ -	\$ 2,800,000	\$ -	\$ 2,800,000
Community Improvement Fund	85,950	-	2,418,351	2,504,301
Nonmajor Funds	620,181	-	-	620,181
Total Transfers In	<u><u>\$ 706,131</u></u>	<u><u>\$ 2,800,000</u></u>	<u><u>\$ 2,418,351</u></u>	<u><u>\$ 5,924,482</u></u>

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.

Inter-fund balances to provide temporary resources for the year ended September 30, 2020 are as follows:

Due To	Due From		Total
	2009 Capital Project Fund	Grants Fund	
General Fund	\$ 817,433	\$ 306,784	\$ 1,124,217
Total Due To / Due From	<u><u>\$ 817,433</u></u>	<u><u>\$ 306,784</u></u>	<u><u>\$ 1,124,217</u></u>

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 7 - CAPITAL ASSETS

A summary of changes in the governmental activities capital assets for the year ended September 30, 2020 is presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers *</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 30,224,118	\$ -	\$ -	\$ -	\$ 30,224,118
Intangible Assets-Land	62,160	-	-	-	62,160
Construction in progress	4,588,612	2,114,552	(2,325,771)	-	4,377,393
Total capital assets, not being depreciated	<u>34,874,890</u>	<u>2,114,552</u>	<u>(2,325,771)</u>	<u>-</u>	<u>34,663,671</u>
Capital assets being depreciated:					
Buildings	39,128,824	2,671,609	1,700,908	-	43,501,341
Improvements	20,038,804	1,458,360	25,196	(6,441)	21,515,919
Infrastructure	44,963,915	912,049	599,667	-	46,475,631
Intangible - Software	53,699	5,293	-	-	58,992
Equipment	24,073,953	1,553,748	-	(2,872,578)	22,755,123
Total capital assets being depreciated	<u>128,259,195</u>	<u>6,601,059</u>	<u>2,325,771</u>	<u>(2,879,019)</u>	<u>134,307,006</u>
Less accumulated depreciation for:					
Buildings	11,790,650	960,692	-	-	12,751,342
Improvements	8,070,238	976,583	-	(5,608)	9,041,213
Infrastructure	14,164,370	1,185,036	-	-	15,349,406
Intangible	19,851	8,829	-	-	28,680
Equipment	13,989,054	1,842,628	-	(2,770,100)	13,061,582
Total accumulated depreciation	<u>48,034,163</u>	<u>4,973,768</u>	<u>-</u>	<u>(2,775,708)</u>	<u>50,232,223</u>
Total capital assets being depreciated, net	<u>80,225,032</u>	<u>1,627,291</u>	<u>2,325,771</u>	<u>(103,311)</u>	<u>84,074,783</u>
Governmental activities capital assets, net	<u>\$ 115,099,922</u>	<u>\$ 3,741,843</u>	<u>\$ -</u>	<u>\$ (103,311)</u>	<u>\$ 118,738,454</u>

* 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, 2020**

NOTE 7 - CAPITAL ASSETS (continued)

A summary of changes in the business-type activities capital assets for the fiscal year ended September 30, 2020 is presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers *</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 406,071	\$ -	\$ -	\$ -	\$ 406,071
Easements	12,115,158	-	-	-	12,115,158
Construction in progress	577,728	4,472,344	-	-	5,050,072
Total capital assets, not being depreciated	13,098,957	4,472,344	-	-	17,571,301
Capital assets being depreciated:					
Buildings	5,238,094	-	-	-	5,238,094
Improvements	1,115,134	-	-	-	1,115,134
Infrastructure	95,496,308	1,430,677	-	-	96,926,985
Equipment	5,701,276	461,504	-	(337,438)	5,825,342
Total capital assets being depreciated	107,550,812	1,892,181	-	(337,438)	109,105,555
Less accumulated depreciation for:					
Buildings	620,761	142,361	-	-	763,122
Improvements	570,261	55,757	-	-	626,018
Infrastructure	31,142,719	1,508,301	-	-	32,651,020
Equipment	2,761,249	405,539	-	(310,939)	2,855,849
Total accumulated depreciation	35,094,990	2,111,958	-	(310,939)	36,896,009
Total capital assets being depreciated, net	72,455,822	(219,777)	-	(26,499)	72,209,546
Business-type activities capital assets, net	\$ 85,554,779	\$ 4,252,567	\$ -	\$ (26,499)	\$ 89,780,847

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

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

Governmental Activities:	
General government	\$ 589,419
Public safety	1,176,863
Physical environment	2,196,301
Culture and recreation	1,011,185
Total depreciation expense - governmental activities	\$ 4,973,768
Business-type Activities:	
Water and wastewater	\$ 1,949,522
Stormwater management	162,436
Total depreciation expense - business-type activities	\$ 2,111,958

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 8 - LONG-TERM DEBT

The following is a summary of the changes in long-term debt for the year ended September 30, 2020:

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Direct borrowing revenue notes	\$ 24,015,000	\$ -	\$ 1,875,000	\$ 22,140,000	\$ 1,930,000
Compensated absences	6,188,271	4,430,396	3,468,896	7,149,771	477,998
Total governmental activities	\$ 30,203,271	\$ 4,430,396	\$ 5,343,896	\$ 29,289,771	\$ 2,407,998
Business-type activities:					
Compensated absences	\$ 597,632	\$ 358,708	\$ 309,097	\$ 647,243	\$ 54,125
Total business-type activities	\$ 597,632	\$ 358,708	\$ 309,097	\$ 647,243	\$ 54,125

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

Revenue Notes

As of September 30, 2020, long-term debt 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 2017A: On August 2, 2017, the City issued a \$10,000,000 Capital Improvement Revenue Note, Series 2017A to finance certain construction projects including the Comprehensive Street Improvements, Lakeside Park Expansion, and Roof Replacement Programs. Principal and interest on the note are to be paid from a pledge of non-ad-valorem revenues. The note bears interest at 2.46%, payable semi-annually. The note matures in October 2032. The outstanding principal balance as of September 30, 2020 is \$8,285,000.

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

Fiscal Year Ending September 30	Capital Improvement Revenue Note, Series 2017A	
	Principal	Interest
2021	\$ 600,000	\$ 203,810
2022	615,000	189,050
2023	630,000	173,922
2024	645,000	158,424
2025	665,000	142,558
2026-2030	3,570,000	459,652
2031-2032	1,560,000	57,810
	\$ 8,285,000	\$ 1,385,226

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 8 - LONG-TERM DEBT (continued)

Revenue Note, Series 2017B: On August 17, 2017, the City issued a \$6,765,000 Capital Improvement Revenue Refunding Note, Series 2017B to retire the then outstanding Series 2009 Note. Principal and interest on the note are to be paid from a pledge of non-ad-valorem tax revenues. The note bears interest at 2.91% payable semi-annually. The note matures in October 2032. The outstanding principal balance as of September 30, 2020 is \$5,640,000.

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

Fiscal Year Ending September 30	Capital Improvement Revenue Note, Series 2017B	
	Principal	Interest
2021	\$ 400,000	\$ 164,124
2022	410,000	152,484
2023	420,000	140,553
2024	435,000	128,331
2025	445,000	115,673
2026-2030	2,445,000	375,390
2031-2032	1,085,000	47,578
	\$ 5,640,000	\$ 1,124,133

The Series 2017A and 2017B notes discussed above include other financial provisions as follows: Events of defaults such as payment defaults, violation of covenants, bankruptcy, reorganization, insolvency, may declare any unpaid principal and interest due immediately and bearing a default rate equal to the rate of interest on the Note plus two percent (2%).

Capital Improvement Revenue Note, Series 2018: On August 1, 2018, the City issued a \$10,000,000 Capital Improvement Revenue Note, Series 2018. Principal and interest on the note are to be paid from a pledge of non-ad-valorem tax revenues. The note bears interest at 2.74% payable semi-annually. The note matures in October 2028. The outstanding principal balance as of September 30, 2020 is \$8,215,000.

Fiscal Year Ending September 30	Capital Improvement Revenue Note, Series 2018	
	Principal	Interest
2021	\$ 930,000	\$ 225,091
2022	955,000	199,609
2023	985,000	173,442
2024	1,010,000	146,453
2025	1,040,000	118,779
2026-2028	3,295,000	182,210
	\$ 8,215,000	\$ 1,045,584

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 8 - LONG-TERM DEBT (continued)

The Series 2018 note discussed on the prior page includes other financial provisions as follows: Events of defaults such as payment defaults, violation of covenants, bankruptcy, reorganization, insolvency, may declare any unpaid principal and interest due immediately and bearing a default rate equal to the lesser of (i) the Prime Rate plus five percent (5%) and (ii) the maximum rate permitted by law.

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

Fiscal Year Ending September 30	Revenue Notes Payable		
	Principal	Interest	Total
2021	\$ 1,930,000	\$ 593,025	\$ 2,523,025
2022	1,980,000	541,143	2,521,143
2023	2,035,000	487,917	2,522,917
2024	2,090,000	433,208	2,523,208
2025	2,150,000	377,010	2,527,010
2026-2030	9,310,000	1,017,252	10,327,252
2031-2032	2,645,000	105,388	2,750,388
	\$ 22,140,000	\$ 3,554,943	\$ 25,694,943

Pledged Revenues: The City has pledged future non-ad-valorem tax revenues to repay \$25,694,943 in Capital Improvement Revenue Notes issued in 2017 and 2018. Proceeds from these revenue notes provided financing to retire the then outstanding Series 2009 Revenue Note and construction of certain capital improvement projects, including the Comprehensive Street Improvement, Lakeside Park Expansion and Roof Replacement Programs. The notes are payable solely from non-ad-valorem tax revenues and are payable through October 1, 2032. Annual principal and interest payments on the notes are expected to require less than 8% of projected non-ad-valorem tax revenues with total future payouts of \$25,694,943. Principal and interest paid for the current year and non-ad-valorem tax revenues are \$2,518,351 and \$36,906,091, respectively.

All the above revenue notes contain debt covenants, all of which the City was in compliance with at September 30, 2020.

NOTE 9 - LEASES

Operating leases, City as Lessee: The City leases vehicles and office equipment under noncancelable operating leases. Total lease expense was approximately \$84,498 for the year ended September 30, 2020. Future minimum lease payments as of September 30, 2020 are approximately as follows:

Fiscal Year Ending September 30	Amount
2021	\$ 88,308

Operating leases, City as Lessor: The City leases land to telecommunication providers to house cellular towers. Total lease revenue was \$567,799 for the year ended September 30, 2020.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 9 - LEASES (continued)

Future lease payments to be received as of September 30, 2020 are approximately as follows:

<u>Fiscal Year Ending September 30</u>	<u>Amount</u>
2021	\$ 579,975
2022	420,718
2023	390,170
2024	316,992
	<u><u>\$ 1,707,855</u></u>

NOTE 10 - DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUE

As of September 30, 2020, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	<u>Deferred Inflows</u>	<u>Unearned</u>
Emergency medical service fees	\$ 231,018	\$ -
Business licenses	-	212,625
Fitness memberships	-	25,684
Accounts receivable	309,537	-
Special assessments	921,036	-
Grant revenue	823,663	20,448
	<u><u>\$ 2,285,254</u></u>	<u><u>\$ 258,757</u></u>

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 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 on-line at http://www.dms.myflorida.com/workforce_operations/retirement/publications or by calling (850) 907-6500.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 11 - PENSION PLANS (continued)

A. 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, 2020 was Civil Service, 25 and Administrative Officers, 8.

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 14%; and Administrative – 14% and 12%, respectively. Contributions to the 401(a) Plan by the City of Coconut Creek, and its plan members were \$578,700 and \$489,500, respectively.

B. 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.

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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 11 - PENSION PLANS (continued)

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 services, 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%

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, 2020 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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 11 - PENSION PLANS (continued)

Contribution rates effective October 1, 2019 through June 30, 2020 were as follows:

<u>Employees</u>	<u>Contribution Rates</u> †
Senior Management	25.41%
Regular Employees	8.47%
Special Risk	25.48%
Elected Officials	48.82%

Contribution rates effective July 1, 2020 through September 30, 2020 were as follows:

<u>Employees</u>	<u>Contribution Rates</u> †
Senior Management	27.29%
Regular Employees	10.00%
Special Risk	24.45%
Elected Officials	49.18%

* Contribution rates include the post-employment health insurance supplement of 1.66%.

The City's contributions for FRS totaled \$3,675,965 and employee contributions totaled \$670,506 for the fiscal year ended September 30, 2020, and are primarily funded by the General Fund.

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, 2019 through June 30, 2020 and July 1, 2020 through September 30, 2020 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 \$456,838 for the fiscal year ended September 30, 2020.

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

At September 30, 2020, the City reported liabilities of \$51,294,877 for its proportionate share of the FRS net pension liability and \$9,696,519 for the HIS net pension liability for a total pension liability of \$ 60,991,396. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportionate share of the net pension liability was based on the City's fiscal year 2020 contributions relative to the fiscal year 2019 contributions of all participating members. At June 30, 2020, the City's proportionate share was .118350561%, for the FRS plan and .079415632% for the HIS plan, which was an increase of .005119974% and an increase of .002560969% respectively, from the proportionate shared measured as of June 30, 2019.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 11 - PENSION PLANS (continued)

For the fiscal year ended September 30, 2020, the City recognized pension expense of \$11,354,075 for the FRS Pension Plan and \$1,032,346 for the HIS Plan for a total pension expense of \$ 12,386,421. 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	\$ 1,963,159	\$ 396,646	\$ 2,359,805
Changes in assumptions	9,286,005	1,042,652	10,328,657
Net difference between projected and actual earnings on pension plan investments	3,054,146	7,742	3,061,888
Changes in proportion and differences between City contributions and proportionate share of contributions	2,234,728	847,809	3,082,537
City contributions subsequent to the measurement date	894,300	101,562	995,862
Total Deferred Outflows of Resources	\$ 17,432,338	\$ 2,396,411	\$ 19,828,749

	Deferred Inflow of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	\$ -	\$ 7,479	\$ 7,479
Changes in assumptions	-	563,815	563,815
Net difference between projected and actual earnings on pension plan investments	-	-	-
Changes in proportion and differences between City contributions and proportionate share of contributions	111,412	-	111,412
Total Deferred Inflows of Resources	\$ 111,412	\$ 571,294	\$ 682,706

The deferred outflows of resources related to pensions, totaling \$995,862, 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, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Employer Share of Deferred Outflows/Inflows		
	FRS	HIS	Total
2021	\$ 3,585,699	\$ 473,564	\$ 4,059,263
2022	5,098,177	379,696	5,477,873
2023	4,272,163	208,127	4,480,290
2024	2,683,916	229,904	2,913,820
2025	786,671	242,730	1,029,401
Thereafter	-	189,534	189,534
	\$ 16,426,626	\$ 1,723,555	\$ 18,150,181

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 11 - PENSION PLANS (continued)

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 valuation 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
Mortality table	PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2018	Generational PUB-2010 with Projection Scale MP-2018
Experience study	7/1/13 - 6/30/18	
Actuarial cost method	Individual Entry Age	
Investment rate of return	6.80%	2.21%
Projected salary increases	3.25%	3.25%
Inflation	2.40%	2.40%

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 on the following page. 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 ⁽¹⁾	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.2%	2.2%	1.2%
Fixed income	19.0%	3.0%	2.9%	3.5%
Global equity	54.2%	8.0%	6.7%	17.1%
Real estate	10.3%	6.4%	5.8%	11.7%
Private equity	11.1%	10.8%	8.1%	25.7%
Strategic investments	4.4%	5.5%	5.3%	6.9%
Assumed Inflation - Mean			2.4%	1.7%

(1) As outlined in the FRS Pension Plan's investment policy available from Funds We Manage on the SBA's website at www.sbafla.com.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 11 - PENSION PLANS (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.80% 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 2.21% 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 Position 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, 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, 2020.

Pension Plan	1% Decrease	Current Discount Rate	1% Increase
FRS	\$ 81,909,299	\$ 51,294,877	\$ 25,725,579
HIS	\$ 11,208,744	\$ 9,696,519	\$ 8,458,768

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

Investment Plan

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS Defined Benefit Plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual members' accounts, are defined by law, but the ultimate benefit depends, in part, on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class, as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment members' accounts, which includes a mandatory employee contribution of 3%, during the 2019-2020 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

Class	Allocation Rate
Elected Officials	11.34%
Senior Management	7.67%
Special Risk	14.00%
Regular Employees	6.30%

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 11 - PENSION PLANS (continued)

Pension Plan Fiduciary Net Position

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan vesting is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on these funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over his or her account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2020, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The City's and the employees' contributions to the Investment Plan totaled \$448,151 and \$121,285, respectively, for the fiscal year ended September 30, 2020.

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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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. An amendment was executed in March 2019 that extended the term of the agreement until September 30, 2021. The service fee for the year ended September 30, 2020 was \$10,050,000.

Future service fees are as follows:

<u>Fiscal Year Ending September 30</u>	<u>Amount</u>
2021	<u>\$ 10,552,500</u>

Beginning FY2022, the City will no longer utilize City of Margate for its emergency medical and fire protection services and will establish its own Fire Rescue Department.

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.

Construction Commitment

During fiscal year 2020, the City entered into seven (7) construction agreements totaling \$4,360,648. Ten (10) projects were carried forward from fiscal year 2019 to fiscal year 2020 totaling \$9,541,403. As of September 30, 2020, the City completed \$11,074,361 of the contract amounts. Eight (8) of the projects were completed in fiscal year 2020. The remaining projects are anticipated to be completed in fiscal year 2021. The remaining commitment on the construction contracts totaled \$2,827,690 as of September 30, 2020.

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 year ended September 30, 2020, a total of \$2,500,234 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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 14 - COMMITMENTS AND CONTINGENCIES (continued)

Mitigation Agreement

The City has a Mitigation Agreement with the Seminole Tribe of Florida. The agreement is in effect as long as the property is open for gaming. During the year ended September 30, 2020, a total of \$2,017,502 was earned and collected by the City for mitigation fees, while \$932,329 was earned and collected by the City for additional municipal services. In addition, another one-eleventh of mitigation fees are contributed directly to an educational trust foundation held separately from the City. An annual escalation clause is in effect for subsequent years. Monies will be used for community capital improvement projects including MainStreet development projects and any other expenses or improvements to mitigate the impact of the lands going into trust.

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 2020 was \$212,634 and the cumulative total through September 30, 2020 was \$1,535,974.

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, 2020 is \$3.8 million. Neither the City, nor State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS

General Information about the 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. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and the Plan 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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (continued)

Civil Service employees who retire by September 30, 2022 at age 55 years or later with at least 10 but less than 15 years of service receive a one-time payment equal to \$150 multiplied by the number of months between the employee's retirement age and age 65.

Civil service employees who retire at age 60 or later with at least 15 years of service receive a one-time payment equal to \$200 multiplied by the number of months between the employee's retirement age and age 65.

Administrative Officers who retire by September 30, 2022 at age 50 or later with at least 10 but less than 15 years of service receive a one-time payment equal to \$250 multiplied by the number of months between the employee's retirement age and age 65.

Administrative Officers who retire at age 55 or later with at least 15 years of service receive a one-time payment equal to \$300 multiplied by the number of months between the employee's retirement age and age 65.

Police Lieutenants and Administrative Officers who are sworn law enforcement officers who retire by September 30, 2022 at any age with at least 20 years but less than 25 years of service receive a one-time payment equal to \$250 multiplied by the number of months between the employee's retirement age and age 65.

Police Lieutenants and Administrative Officers who are sworn law enforcement officers who retire with at least 25 years of service regardless of age receive a one-time payment equal to \$300 multiplied by the number of months between the employee's retirement age and age 65.

Police Officers, Trainees, Corporals, and Sergeants hired prior to 1/1/2002, who retire at age 55 or later, with 10 years of service or at any age with at least 25 years of service receive a \$300 per month payment as long as the employee continues in the City sponsored health insurance plan until reaching age 65.

Police Officers, Trainees, Corporals, and Sergeants who do not continue their coverage under the City's sponsored health insurance plan, who were hired prior to 1/1/2002, and who retire at age 55 or later, with at least 10 years of service or at any age with at least 25 years of service receive a one-time payment equal to \$200 multiplied by the number of months between the employee's retirement age and age 65.

The explicit subsidy is established by Administrative Order of the City and the Collective Bargaining Agreements for Police Officers, Trainees, Corporals, Sergeants, and Lieutenants, as approved by the City Manager and City Commission, respectively. Benefit terms may be amended upon approval by the City Manager and City Commission. The required contributions are based on pay-as-you-go financing requirements. There is no separate trust fund or equivalent arrangement into which the City might make contributions to advance-fund the obligation. Subsidies provided over time are financed directly by general assets of the City.

There were no changes in benefit terms during the measurement period and the OPEB Plan is open to new members, except for Police Officers, Trainees, Corporals, and Sergeants.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (continued)

Employees Covered by Benefit Terms

At September 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	18
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	283
	<u>301</u>

Net OPEB Liability

The City's net OPEB liability of \$17,560,386 was measured as of September 30, 2020, and was determined by an actuarial valuation as of October 1, 2019.

Actuarial assumptions and other inputs

The net OPEB liability in the October 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	September 30, 2019
Measurement date	September 30, 2020
Actuarial value of assets	N/A - no plan assets
Inflation	Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates
Salary increases	3.00% per annum
Healthcare cost trend rates	7.00% for the 2019/20 fiscal year graded down by 0.50% per year to 5.00% for the 2023/24 and later fiscal years
Retirees' share of benefit-related costs	100% of projected health insurance premiums for retirees
Long-term expected rate of return, net of investment expense	N/A
Mortality	PUB-2010 Mortality Table (non-service based without income adjustments) for general employees (pre-retirement rates for all employees and healthy post-retirement rates for general employees only) and public safety employees (healthy post-retirement rates for public safety employees only), with full generational improvements in mortality using Scale MP-2018

The actuarial assumptions used in the October 1, 2019 valuation were based on the results of an actuarial experience study for the period October 1, 2018 to September 30, 2019. In the actuarial valuation as of September 30, 2019, the actuarial present value of projected benefit payments was used and attributed to periods of employee service using the entry age actuarial cost method with each period's service cost determined as a level percentage of pay.

CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (continued)

Changes in the Net OPEB Liability

	Net OPEB Liability
Balance at September 30, 2019:	\$ 6,404,134
Changes for the Year:	
Service cost	1,250,124
Other recognized changes in net pension liability:	
Expected interest growth	152,901
Demographic experience	929,902
Benefit payments and refunds	(1,024,139)
Assumption changes	9,847,464
Net Changes	<u>11,156,252</u>
Balance at September 30, 2020:	<u>\$ 17,560,386</u>

Sensitivity of the Net OPEB liability to changes in the discount rate

The following presents the sensitivity of the City's Net OPEB liability to changes in the discount rate. The sensitivity analysis shows the impact on the City's Net OPEB liability if the discount rates were 1.00% lower or 1.00% higher than the current discount rate at September 30, 2020:

	<u>Discount Rate Minus 1.00%</u>	<u>2.14% Discount Rate</u>	<u>Discount Rate Plus 1.00%</u>
Net OPEB liability	\$ 19,311,606	\$ 17,560,386	\$ 16,014,724

Sensitivity of the Net OPEB liability to changes in the healthcare cost trend rates

The following presents the sensitivity of the City's Net OPEB liability to changes in healthcare trends. The sensitivity analysis shows the impact on the City's Net OPEB liability if the healthcare trend rates were 1.00% lower or 1.00% higher than the current healthcare trend rate at September 30, 2020:

	<u>Trend Rates Minus 1.00%</u>	<u>7.00% graded down to 5.00%</u>	<u>Trend Rates Plus 1.00%</u>
Net OPEB liability	\$ 15,630,054	\$ 17,560,386	\$ 19,864,979

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For fiscal year ended September 30, 2020, the City recognized OPEB expense of \$1,395,545.

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Assumption changes	<u>\$ 9,791,215</u>

The amortization period for assumption changes was 10.64 years for the 2019/20 fiscal year. Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in the OPEB expense as follows:

Fiscal Year Ending September 30	Amount
2021	\$ 1,016,659
2022	1,016,659
2023	1,016,659
2024	1,016,659
2025	1,016,659
Thereafter	4,707,920
	<u>\$ 9,791,215</u>

The actuarial report for the OPEB Plan may be obtained by contacting the City of Coconut Creek's Finance and Administrative Services Department at 4800 West Copans Road, Coconut Creek, Florida, 33063.

NOTE 17 - COVID-19

The coronavirus (COVID-19) outbreak has caused disruption in international and U.S. economies and markets. The coronavirus and fear of further spread has caused quarantines, cancellation of events, and overall reduction in business and economic activity. On March 11, 2020, the *World Health Organization* designated the coronavirus outbreak a pandemic. Management and the City Commission continue to evaluate and monitor the potential adverse effect that this event may have on the City's financial position, operations, and cash flows. The full impact of COVID-19 is unknown at this time and cannot be reasonably estimated as these events are still developing.

On August 25, 2020, the City of Coconut Creek entered into an interlocal agreement with Broward County for the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The City incurred \$2,124,095 expenses during fiscal year 2020 and \$441,280 during fiscal year 2021 related to the COVID-19 pandemic for the CARES Act. As of March 31, 2021, the City received \$2,565,375 from Broward County.

**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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Ad valorem taxes	\$ 27,495,960	\$ 27,495,960	\$ 27,598,964	\$ 103,004
Franchise fees	4,718,950	4,718,950	4,456,340	(262,610)
Utility taxes	7,167,000	7,167,000	6,599,695	(567,305)
Licenses and permits	2,076,680	2,076,680	1,571,206	(505,474)
Intergovernmental revenues	6,016,560	6,016,560	5,637,786	(378,774)
Charges for services	17,131,860	17,131,860	16,691,169	(440,691)
Fines and forfeitures	442,000	442,000	209,973	(232,027)
Investment income	720,000	720,000	827,356	107,356
Miscellaneous revenues	624,800	624,800	663,442	38,642
Total revenues	66,393,810	66,393,810	64,255,931	(2,137,879)
EXPENDITURES:				
Departmental:				
City Commission	650,300	650,300	547,617	102,683
City Manager/City Attorney	3,851,814	3,851,814	2,456,581	1,395,233
Risk management	2,144,563	2,144,563	1,850,661	293,902
City Clerk	664,470	664,470	565,038	99,432
Finance and administration	2,387,870	2,387,870	1,951,961	435,909
Information technology	3,016,466	3,016,466	2,431,044	585,422
Human resources	1,432,780	1,432,780	1,120,009	312,771
Sustainable development	4,713,498	4,713,498	3,803,423	910,075
Police	27,595,899	27,595,899	22,661,570	4,934,329
Fire	11,580,873	11,580,873	10,820,904	759,969
Public works	7,470,116	7,720,116	6,849,096	871,020
Parks and recreation	6,126,542	6,126,542	4,722,057	1,404,485
Engineering	967,340	967,340	595,109	372,231
Total departmental	72,602,531	72,852,531	60,375,070	12,477,461
Nondepartmental:				
Nondepartmental operating	566,404	566,404	1,120,628	(554,224)
Contingency	1,000,000	750,000	-	750,000
Total expenditures	74,168,935	74,168,935	61,495,698	12,673,237
Excess (deficiency) of revenues over expenditures	(7,775,125)	(7,775,125)	2,760,233	10,535,358
OTHER FINANCING SOURCES (USES):				
Transfers in	695,000	695,000	813,571	118,571
Transfers out	(2,800,000)	(2,800,000)	(2,800,000)	-
Total other financing sources (uses)	(2,105,000)	(2,105,000)	(1,986,429)	118,571
Excess (deficiency) of revenues over expenditures	\$ (9,880,125)	\$ (9,880,125)	773,804	\$ 10,653,929
FUND BALANCE, beginning			<u>35,967,941</u>	
FUND BALANCE, ending			<u>\$ 36,741,745</u>	

See notes 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, 2020**

**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 66 **\$ 64,255,931**

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, page 82 249,124

**Total revenues, per the Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds, Page 27** **\$ 64,505,055**

Total expenditures, page 66 **\$ 61,495,698**

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, page 82 69,438

**Total expenditures, per the Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds, Page 27** **\$ 61,565,136**

Total transfers, page 66 **\$ (1,986,429)**

Amounts reported for budget to actual are different because:

Transfers 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 Transfers, page 82 (107,440)

**Total other financing uses, per the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds, Page 27** **\$ (2,093,869)**

See notes 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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental revenues:				
Local option gas tax	\$ 1,073,420	\$ 1,073,420	\$ 930,804	\$ (142,616)
County contribution	701,000	701,000	648,611	(52,389)
State shared revenue	498,790	498,790	438,129	(60,661)
Total intergovernmental revenues	<u>2,273,210</u>	<u>2,273,210</u>	<u>2,017,544</u>	<u>(255,666)</u>
Investment income	30,000	30,000	4,379	(25,621)
Total revenues	<u>2,303,210</u>	<u>2,303,210</u>	<u>2,021,923</u>	<u>(281,287)</u>
EXPENDITURES:				
Current:				
Physical environment	1,902,210	1,902,210	1,570,674	331,536
Nondepartmental	250,000	250,000	250,000	-
Capital outlay	832,975	832,975	511,860	321,114
Total expenditures	<u>2,985,185</u>	<u>2,985,185</u>	<u>2,332,534</u>	<u>652,651</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (681,975)</u>	<u>\$ (681,975)</u>	<u>(310,611)</u>	<u>\$ 371,364</u>
FUND BALANCE, beginning			<u>560,294</u>	
FUND BALANCE, ending			<u>\$ 249,683</u>	

See notes 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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 606,980	\$ 606,980	\$ 277,720	\$ (329,260)
Total revenues	<u>606,980</u>	<u>606,980</u>	<u>277,720</u>	<u>(329,260)</u>
EXPENDITURES:				
Current:				
Public safety	9,000	9,000	8,301	699
Physical environment	393,938	393,938	28,789	365,149
Capital outlay	300,000	300,000	287,067	12,933
Total expenditures	<u>702,938</u>	<u>702,938</u>	<u>324,157</u>	<u>378,781</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(95,958)</u>	\$ <u>(95,958)</u>	(46,437)	\$ <u>49,521</u>
FUND BALANCE, beginning			<u>(336,347)</u>	
FUND BALANCE, ending			\$ <u>(382,784)</u>	

See notes 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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 3,197,420	\$ 3,197,420	\$ 2,500,234	\$ (697,186)
Investment income	70,000	70,000	97,284	27,284
Total revenues	<u>3,267,420</u>	<u>3,267,420</u>	<u>2,597,518</u>	<u>(669,902)</u>
EXPENDITURES:				
Current:				
Physical environment	110,560	110,560	11,970	98,590
Total expenditures	<u>110,560</u>	<u>110,560</u>	<u>11,970</u>	<u>98,590</u>
Excess (deficiency) of revenues over expenditures	3,156,860	3,156,860	2,585,548	(571,312)
OTHER FINANCING USES:				
Transfers out	(2,488,420)	(2,488,420)	(2,504,301)	(15,881)
Net change in fund balance	<u>\$ 668,440</u>	<u>\$ 668,440</u>	<u>81,247</u>	<u>\$ (587,193)</u>
FUND BALANCE, beginning			<u>4,873,219</u>	
FUND BALANCE, ending			<u>\$ 4,954,466</u>	

See notes to budgetary comparison schedule.

**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, 2020**

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.

Both the original and final budget anticipated \$9.9 million to be expended from available unassigned fund balance. During the year, however, expenditures in most areas were below the budgetary estimates, producing a positive variance of \$12.7 million. In addition, revenues and transfers in shorted the budget by \$2.0 million.

**CITY OF COCONUT CREEK, FLORIDA
SCHEDULE OF CHANGES IN THE CITY'S
NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS ***

September 30,	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net OPEB Liability			
Service cost	\$ 1,250,124	\$ 328,225	\$ 324,703
Other recognized changes in net pension liability:			
Expected interest growth	152,901	224,300	227,575
Benefit payments and refunds	(1,024,139)	(237,497)	(842,051)
Demographic experience	929,902	-	-
Assumption changes	9,847,464	34,256	-
Net Change in Net OPEB Liability	11,156,252	349,284	(289,773)
Net OPEB Liability - Beginning	6,404,134	6,054,850	6,344,623
Net OPEB Liability - Ending	\$ 17,560,386	\$ 6,404,134	\$ 6,054,850
Covered-Employee Payroll	\$ 28,426,302	\$ 25,993,281	\$ 20,806,510
Net OPEB Liability as a Percentage of Covered-Employee Payroll	61.78%	24.64%	29.10%

* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, information will only be provided for those years for which information is available.

Notes to Schedule:

- (1) The City's OPEB Plan is unfunded
- (2) The required contributions are based on pay-as-you-go financing requirements.
- (3) No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No. 75.
- (4) The actuarial valuation used the following actuarial assumptions:

Salary increases	3.00% per annum
Discount rate	2.14% per annum; this rate was used to discount all future benefit payments and is based on the return on the S&P Municipal Bond 20-year High Grade Index.
Inflation	Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates.
Healthcare cost trend rates	Increases in healthcare costs are assumed to be 7.00% for the 2019/20 fiscal year graded down by 0.50% per year to 5.00% for the 2023/24 and later fiscal years.
Age-related morbidity	Insurance premiums are assumed to increase with each year of age in accordance with the rates set forth in the Society of Actuaries report "Health Care Cost - From Birth to Death" prepared by Dale H. Yamamoto (June, 2013). Rates set forth in Chart 2 (Group Costs by Age for 2009/10) were used to develop the morbidity rates prior to age 65 and the rates set forth in Table 4 (Development of Plan Specific Medicare Age Curve) were used to develop the morbidity rates after age 65.
Retirees' share of benefit-related costs	100% of projected health insurance premiums for retirees
Long-term expected rate of return, net of investment expense	N/A
Mortality	PUB-2010 Mortality Table for general employees and public safety employees, with full generational improvements in mortality using Scale MP-2018.

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

June 30,	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City of Coconut Creek's proportion of the net pension liability	0.00118350561	0.00113230587	0.00108678933	0.00109855075	0.00105877731	0.00096834936	0.00095327282
City of Coconut Creek's proportionate share of the net pension liability	\$ 51,294,877	\$ 38,995,038	\$ 32,734,658	\$ 32,494,394	\$ 26,734,210	\$ 12,507,531	\$ 5,816,366
City of Coconut Creek's covered payroll	\$ 27,370,002	\$ 25,780,239	\$ 24,093,826	\$ 22,954,855	\$ 21,247,993	\$ 19,914,059	\$ 18,613,034
City of Coconut Creek's proportionate share of the net pension liability as a percentage of its covered payroll	187.41%	151.26%	135.86%	141.56%	125.82%	62.81%	31.25%
Plan fiduciary net position as a percentage of total pension liability	78.85%	82.61%	84.26%	83.89%	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.

Information for fiscal years 2014 to 2017 have been restated.

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

June 30,	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City of Coconut Creek's proportion of the net pension liability	0.00079415632	0.00076854663	0.00073767795	0.00072015797	0.00068830391	0.00065640098	0.00062594577
City of Coconut Creek's proportionate share of the net pension liability	\$ 9,696,519	\$ 8,599,268	\$ 7,807,665	\$ 7,700,261	\$ 8,021,897	\$ 6,694,257	\$ 5,852,746
City of Coconut Creek's covered payroll	\$ 27,370,002	\$ 25,780,239	\$ 24,093,826	\$ 22,954,855	\$ 21,247,993	\$ 19,914,059	\$ 18,613,034
City of Coconut Creek's proportionate share of the net pension liability as a percentage of its covered payroll	35.43%	33.36%	32.41%	33.55%	37.75%	33.62%	31.44%
Plan fiduciary net position as a percentage of total pension liability	3.00%	2.63%	2.15%	1.64%	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.

Information for fiscal years 2014 to 2017 have been restated.

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

September 30,	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 3,675,965	\$ 3,384,866	\$ 2,958,097	\$ 2,700,642	\$ 2,456,299	\$ 2,257,282	\$ 2,095,364
Contributions in relation to the contractually required contribution	<u>3,675,965</u>	<u>3,384,866</u>	<u>2,958,097</u>	<u>2,700,642</u>	<u>2,456,299</u>	<u>2,257,282</u>	<u>2,095,364</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Coconut Creek's covered payroll	\$ 27,520,374	\$ 26,166,770	\$ 24,273,622	\$ 22,781,202	\$ 21,399,050	\$ 20,317,273	\$ 18,775,287
Contributions as a percentage of covered payroll	13.36%	12.94%	12.19%	11.85%	11.48%	11.11%	11.16%

* 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.

Information for fiscal years 2014 to 2016 have been restated.

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

September 30,	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 456,838	\$ 434,368	\$ 402,942	\$ 378,169	\$ 354,038	\$ 277,606	\$ 229,204
Contributions in relation to the contractually required contribution	<u>456,838</u>	<u>434,368</u>	<u>402,942</u>	<u>378,169</u>	<u>354,038</u>	<u>277,606</u>	<u>229,204</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Coconut Creek's covered payroll	\$ 27,520,374	\$ 26,166,770	\$ 24,273,622	\$ 22,781,202	\$ 21,399,050	\$ 20,317,273	\$ 18,775,287
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.65%	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.

Information for fiscal years 2014 and 2016 have been restated.



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 Revenue Note Series, 2017A and 2017B, and Revenue Note, Series 2018.

CITY OF COCONUT CREEK, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2020

	Special Revenue				Capital Projects		Debt Service	Total Nonmajor Governmental Funds
	Law Enforcement Fund	Affordable Housing Fund	SHIP Fund	Seminole Mitigation Fund	Parks Improvement Fund	Utility Underground Fund	Capital Improvement Revenue Bonds Fund	
ASSETS:								
Cash	\$ 233,488	\$ 193,813	\$ 81,683	\$ 616,547	\$ 32,879	\$ 219,422	\$ 8,363	\$ 1,386,195
Accounts receivable	2,037	1,687	864	225,112	286	1,907	211	232,104
Investments	1,239,491	1,028,878	542,173	3,273,001	174,541	1,164,824	44,394	7,467,302
Total assets	\$ 1,475,016	\$ 1,224,378	\$ 624,720	\$ 4,114,660	\$ 207,706	\$ 1,386,153	\$ 52,968	\$ 9,085,601
LIABILITIES AND FUND BALANCE:								
Liabilities:								
Accounts payable and accrued liabilities	\$ 217,286	\$ -	\$ -	\$ 6,770	\$ -	\$ -	\$ -	\$ 224,056
Retainage payable	-	-	-	-	12,000	-	-	12,000
Total liabilities	217,286	-	-	6,770	12,000	-	-	236,056
Fund balances:								
Restricted for:								
Grants	-	-	624,720	-	-	-	-	624,720
Public safety	1,257,730	-	-	-	-	-	-	1,257,730
Committed to:								
Affordable housing project	-	1,224,378	-	-	-	-	-	1,224,378
Capital projects	-	-	-	4,107,890	195,706	1,386,153	-	5,689,749
Debt service	-	-	-	-	-	-	52,968	52,968
Total fund balances	1,257,730	1,224,378	624,720	4,107,890	195,706	1,386,153	52,968	8,849,545
Total liabilities and fund balances	\$ 1,475,016	\$ 1,224,378	\$ 624,720	\$ 4,114,660	\$ 207,706	\$ 1,386,153	\$ 52,968	\$ 9,085,601

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, 2020

	Special Revenue				Capital Projects		Debt Service	Total Nonmajor Governmental Funds
	Law Enforcement Fund	Affordable Housing Fund	SHIP Fund	Seminole Mitigation Fund	Parks Improvement Fund	Utility Underground Fund	Capital Improvement Revenue Bonds Fund	
REVENUES:								
Intergovernmental revenues	\$ -	\$ -	\$ 331,726	\$ -	\$ -	\$ -	\$ -	\$ 331,726
Charges for services	-	-	-	2,017,502	-	-	-	2,017,502
Fines and forfeitures	330,473	-	-	-	-	-	-	330,473
Impact fees	-	41,182	-	-	-	-	-	41,182
Investment income	26,546	20,923	7,591	73,041	4,461	23,935	2,637	159,134
Miscellaneous revenues	75	29,352	-	-	-	-	-	29,427
Total revenues	357,094	91,457	339,317	2,090,543	4,461	23,935	2,637	2,909,444
EXPENDITURES:								
Current:								
Public safety	49,421	-	-	-	-	-	-	49,421
Physical environment	-	-	57,995	-	-	-	-	57,995
Capital outlay	126,747	-	-	883,166	480,501	-	-	1,490,414
Debt service:								
Principal	-	-	-	-	-	-	1,875,000	1,875,000
Interest and fiscal charges	-	-	-	-	-	-	643,351	643,351
Total expenditures	176,168	-	57,995	883,166	480,501	-	2,518,351	4,116,181
Excess (deficiency) of revenues over expenditures	180,926	91,457	281,322	1,207,377	(476,040)	23,935	(2,515,714)	(1,206,737)
OTHER FINANCING SOURCES (USES):								
Transfers in	-	-	-	-	-	-	2,418,351	2,418,351
Transfers out	(100,000)	-	-	(500,000)	-	(20,181)	-	(620,181)
Total other financing sources (uses)	(100,000)	-	-	(500,000)	-	(20,181)	2,418,351	1,798,170
Net change in fund balances	80,926	91,457	281,322	707,377	(476,040)	3,754	(97,363)	591,433
FUND BALANCES, beginning	1,176,804	1,132,921	343,398	3,400,513	671,746	1,382,399	150,331	8,258,112
FUND BALANCES, ending	\$ 1,257,730	\$ 1,224,378	\$ 624,720	\$ 4,107,890	\$ 195,706	\$ 1,386,153	\$ 52,968	\$ 8,849,545

**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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Fines and forfeitures	\$ 331,000	\$ 331,000	\$ 330,473	\$ (527)
Investment income	-	-	26,546	26,546
Miscellaneous	100	100	75	(25)
Total revenues	331,100	331,100	357,094	25,994
EXPENDITURES:				
Current:				
Public safety	50,000	50,000	49,421	579
Capital outlay	247,828	247,828	126,747	121,081
Total expenditures	297,828	297,828	176,168	121,660
Excess (deficiency) of revenues over expenditures	33,272	33,272	180,926	147,654
OTHER FINANCING USES:				
Transfers out	(100,000)	(100,000)	(100,000)	-
Net change in fund balance	\$ (66,728)	\$ (66,728)	80,926	\$ 147,654
FUND BALANCE, beginning			1,176,804	
FUND BALANCE, ending			\$ 1,257,730	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Impact fees	\$ 215,440	\$ 215,440	\$ 41,182	\$ (174,258)
Investment income	18,000	18,000	20,923	2,923
Miscellaneous	-	-	29,352	29,352
Total revenues	233,440	233,440	91,457	(141,983)
EXPENDITURES:				
Physical environment	1,315,440	1,315,440	-	1,315,440
Operating	5,000	5,000	-	5,000
Total expenditures	1,320,440	1,320,440	-	1,320,440
Excess (deficiency) of revenues over expenditures	\$ (1,087,000)	\$ (1,087,000)	91,457	\$ 1,178,457
FUND BALANCE, beginning			<u>1,132,921</u>	
FUND BALANCE, ending			<u>\$ 1,224,378</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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental revenues	\$ 79,110	\$ 79,110	\$ 331,726	\$ 252,616
Investment income	-	-	7,591	7,591
Total revenues	<u>79,110</u>	<u>79,110</u>	<u>339,317</u>	<u>260,207</u>
EXPENDITURES:				
Physical environment	<u>479,110</u>	<u>479,110</u>	<u>57,995</u>	<u>421,115</u>
Total expenditures	<u>479,110</u>	<u>479,110</u>	<u>57,995</u>	<u>421,115</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (400,000)</u>	<u>\$ (400,000)</u>	281,322	<u>\$ 681,322</u>
FUND BALANCE, beginning			<u>343,398</u>	
FUND BALANCE, ending			<u>\$ 624,720</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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 41,928	\$ 41,928
Miscellaneous	208,000	208,000	207,196	(804)
Total revenues	208,000	208,000	249,124	41,124
EXPENDITURES:				
Departmental:				
Human Resources	3,000	3,000	2,875	125
Sustainable Development	9,000	9,000	8,682	318
Police	2,000	2,000	1,800	200
Engineering	33,000	33,000	32,455	545
Public Works	12,000	12,000	11,126	874
Capital Outlay	13,000	13,000	12,500	500
Total expenditures	72,000	72,000	69,438	2,562
Excess (deficiency) of revenues over expenditures	136,000	136,000	179,686	43,686
OTHER FINANCING USES:				
Transfers out	(108,000)	(108,000)	(107,440)	560
Net change in fund balance	\$ 28,000	\$ 28,000	72,246	\$ 44,246
FUND BALANCE, beginning			1,646,071	
FUND BALANCE, ending			\$ 1,718,317	

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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Seminole Mitigation fees	\$ 2,635,050	\$ 2,635,050	\$ 2,017,502	\$ (617,548)
Investment income	25,000	25,000	73,041	48,041
Total revenues	<u>2,660,050</u>	<u>2,660,050</u>	<u>2,090,543</u>	<u>(569,507)</u>
EXPENDITURES:				
Capital outlay	3,082,383	3,082,383	883,166	2,199,217
Total expenditures	<u>3,082,383</u>	<u>3,082,383</u>	<u>883,166</u>	<u>2,199,217</u>
Excess (deficiency) of revenues over expenditures	(422,333)	(422,333)	1,207,377	1,629,710
OTHER FINANCING USES:				
Transfers out	(500,000)	(500,000)	(500,000)	-
Net change in fund balance	<u>\$ (922,333)</u>	<u>\$ (922,333)</u>	<u>707,377</u>	<u>\$ 1,629,710</u>
FUND BALANCE, beginning			<u>3,400,513</u>	
FUND BALANCE, ending			<u>\$ 4,107,890</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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 2,637	\$ 2,637
Total revenues	<u>-</u>	<u>-</u>	<u>2,637</u>	<u>2,637</u>
EXPENDITURES:				
Debt service:				
Principal	1,875,000	1,875,000	1,875,000	-
Interest and fiscal charges	643,420	643,420	643,351	69
Total expenditures	<u>2,518,420</u>	<u>2,518,420</u>	<u>2,518,351</u>	<u>69</u>
Excess (deficiency) of revenues over expenditures	(2,518,420)	(2,518,420)	(2,515,714)	2,706
OTHER FINANCING SOURCES:				
Transfers in	2,418,420	2,418,420	2,418,351	(69)
Net change in fund balance	<u>\$ (100,000)</u>	<u>\$ (100,000)</u>	<u>(97,363)</u>	<u>\$ 2,637</u>
FUND BALANCE, beginning			150,331	
FUND BALANCE, ending			<u>\$ 52,968</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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 15,000	\$ 15,000	\$ 4,461	\$ (10,539)
Impact fees	355,000	355,000	-	(355,000)
Total revenues	<u>370,000</u>	<u>370,000</u>	<u>4,461</u>	<u>(365,539)</u>
EXPENDITURES				
Capital outlay	715,046	715,046	480,501	234,545
Total expenditures	<u>715,046</u>	<u>715,046</u>	<u>480,501</u>	<u>234,545</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(345,046)</u>	\$ <u>(345,046)</u>	(476,040)	\$ <u>(130,994)</u>
FUND BALANCE, beginning			<u>671,746</u>	
FUND BALANCE, ending			\$ <u><u>195,706</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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 25,000	\$ 25,000	\$ 23,935	\$ (1,065)
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>23,935</u>	<u>(1,065)</u>
EXPENDITURES:				
Capital outlay	664,000	664,000	-	664,000
Total expenditures	<u>664,000</u>	<u>664,000</u>	<u>-</u>	<u>664,000</u>
Excess (deficiency) of revenues over expenditures	(639,000)	(639,000)	23,935	662,935
OTHER FINANCING USES:				
Transfers out	(25,000)	(25,000)	(20,181)	4,819
Net change in fund balance	<u>\$ (664,000)</u>	<u>\$ (664,000)</u>	<u>3,754</u>	<u>\$ 667,754</u>
FUND BALANCE, beginning			1,382,399	
FUND BALANCE, ending			<u>\$ 1,386,153</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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
EXPENDITURES:				
Capital outlay	485,141	485,141	421,770	63,371
Total expenditures	<u>485,141</u>	<u>485,141</u>	<u>421,770</u>	<u>63,371</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(480,141)</u>	\$ <u>(480,141)</u>	(421,770)	\$ <u>58,371</u>
FUND BALANCE (DEFICIT), beginning			<u>(395,663)</u>	
FUND BALANCE (DEFICIT), ending			\$ <u>(817,433)</u>	

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 MAJOR FUND - CAPITAL PROJECTS FINANCING FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 250,000	\$ 250,000	\$ 217,095	\$ (32,905)
Intergovernmental revenues	8,812,000	8,812,000	-	(8,812,000)
Total revenues	<u>9,062,000</u>	<u>9,062,000</u>	<u>217,095</u>	<u>(8,844,905)</u>
EXPENDITURES:				
Capital outlay	16,251,079	16,254,887	2,677,403	13,577,484
Total expenditures	<u>16,251,079</u>	<u>16,254,887</u>	<u>2,677,403</u>	<u>13,577,484</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(7,189,079)</u>	\$ <u>(7,192,887)</u>	(2,460,308)	\$ <u>4,732,579</u>
FUND BALANCE, beginning			<u>14,148,559</u>	
FUND BALANCE, ending			\$ <u>11,688,251</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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 80,000	\$ 80,000	\$ 111,993	\$ 31,993
Miscellaneous revenues	-	-	712,369	712,369
Intergovernmental revenues	150,000	150,000	-	(150,000)
Total revenues	<u>230,000</u>	<u>230,000</u>	<u>824,362</u>	<u>594,362</u>
EXPENDITURES:				
Capital outlay	8,617,065	8,617,065	2,962,040	5,655,025
Total expenditures	<u>8,617,065</u>	<u>8,617,065</u>	<u>2,962,040</u>	<u>5,655,025</u>
Excess (deficiency) of revenues over expenditures	(8,387,065)	(8,387,065)	(2,137,678)	6,249,387
OTHER FINANCING SOURCES:				
Transfers in	2,800,000	2,800,000	2,800,000	-
Net change in fund balance	<u><u>\$ (5,587,065)</u></u>	<u><u>\$ (5,587,065)</u></u>	<u>662,322</u>	<u>\$ 6,249,387</u>
FUND BALANCE, beginning			14,545,421	
FUND BALANCE, ending			<u><u>\$ 15,207,743</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, 2020

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Impact fees	\$ 495,010	\$ 495,010	\$ 135,499	\$ (359,511)
Investment income	24,000	24,000	22,464	(1,536)
Total revenues	<u>519,010</u>	<u>519,010</u>	<u>157,963</u>	<u>(361,047)</u>
EXPENDITURES:				
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 519,010</u>	<u>\$ 519,010</u>	157,963	<u>\$ (361,047)</u>
FUND BALANCE, beginning			<u>1,126,837</u>	
FUND BALANCE, ending			<u>\$ 1,284,800</u>	



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

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

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Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

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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	107
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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	110-112
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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)

Table 1

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
Net Investment in capital assets	\$ 59,771	\$ 67,752	\$ 69,352	\$ 73,361	\$ 78,498	\$ 88,808	\$ 93,544	\$ 100,269	\$ 103,816	\$ 106,432
Restricted	13,253	10,084	6,608	3,813	5,245	2,408	13,714	4,029	2,080	2,132
Unrestricted	23,940	25,602	33,398	42,592	25,048	22,651	11,897	20,378	24,623	17,392
Total governmental activities net position	\$ 96,964	\$ 103,438	\$ 109,358	\$ 119,766	\$ 108,791	\$ 113,867	\$ 119,155	\$ 124,676	\$ 130,519	\$ 125,956
Business-type activities:										
Net Investment in capital assets	\$ 64,542	\$ 65,989	\$ 66,329	\$ 69,944	\$ 76,161	\$ 77,799	\$ 77,973	\$ 81,606	\$ 84,947	\$ 89,212
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	16,897	21,166	25,498	28,199	30,372	35,637	40,491	43,282	44,295	41,754
Total business-type activities net position	\$ 81,439	\$ 87,155	\$ 91,827	\$ 98,143	\$ 106,533	\$ 113,436	\$ 118,464	\$ 124,888	\$ 129,242	\$ 130,966
Primary government:										
Net Investment in capital assets	\$ 124,313	\$ 133,741	\$ 135,681	\$ 143,305	\$ 154,659	\$ 166,607	\$ 171,517	\$ 181,875	\$ 188,763	\$ 195,644
Restricted	13,253	10,084	6,608	3,813	5,245	2,408	13,714	4,029	2,080	2,132
Unrestricted	40,837	46,768	58,896	70,791	55,420	58,288	52,388	63,660	68,918	59,146
Total primary government net position	\$ 178,403	\$ 190,593	\$ 201,185	\$ 217,909	\$ 215,324	\$ 227,303	\$ 237,619	\$ 249,564	\$ 259,761	\$ 256,922

City of Coconut Creek, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

Table 2

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental activities:										
General government	\$ 10,743	\$ 11,742	\$ 11,376	\$ 12,004	\$ 11,053	\$ 11,969	\$ 13,178	\$ 13,975	\$ 14,589	\$ 15,742
Public safety	23,446	23,959	25,187	26,487	26,315	29,801	32,207	34,812	38,083	43,235
Physical environment	5,698	5,814	6,518	7,375	7,547	7,808	8,259	10,938	11,770	12,520
Culture/recreation	5,255	5,251	5,498	5,984	6,289	6,791	7,036	5,634	6,511	6,162
Interest on long-term debt	991	878	688	606	521	427	402	538	693	643
Total governmental activities expenses	\$ 46,133	\$ 47,644	\$ 49,267	\$ 52,456	\$ 51,725	\$ 56,796	\$ 61,082	\$ 65,897	\$ 71,646	\$ 78,302
Business-type activities:										
Utilities	\$ 14,603	\$ 15,022	\$ 15,969	\$ 16,214	\$ 17,055	\$ 17,824	\$ 18,479	\$ 18,505	\$ 21,228	\$ 21,670
Stormwater management	813	1,014	1,118	1,158	1,222	1,438	1,445	1,428	1,637	1,676
Total business-type activities expenses	15,416	16,036	17,087	17,372	18,277	19,262	19,924	19,933	22,865	23,346
Total expenses	\$ 61,549	\$ 63,680	\$ 66,354	\$ 69,828	\$ 70,002	\$ 76,058	\$ 81,006	\$ 85,830	\$ 94,511	\$ 101,648
Program Revenues:										
Charges for services:										
General government	\$ 5,404	\$ 5,823	\$ 6,120	\$ 2,813	\$ 4,818	\$ 5,451	\$ 6,458	\$ 6,473	\$ 6,051	\$ 5,556
Public safety	7,398	7,325	8,018	8,834	9,979	11,199	11,165	12,261	12,672	13,264
Physical environment	2,122	2,498	2,637	5,953	2,853	2,996	2,968	4,272	5,679	4,518
Culture/recreation	729	752	760	708	757	684	780	849	920	374
Operating grants and contributions	618	423	680	843	846	581	710	762	2,671	440
Capital grants and contributions	1,562	2,501	1,144	3,321	1,088	620	801	131	355	647
Total governmental activities program revenues	\$ 17,833	\$ 19,322	\$ 19,359	\$ 22,472	\$ 20,341	\$ 21,531	\$ 22,882	\$ 24,748	\$ 28,348	\$ 24,799
Business-type activities:										
Charges for services:										
Utilities	\$ 17,044	\$ 17,717	\$ 18,401	\$ 19,645	\$ 20,629	\$ 20,976	\$ 21,956	\$ 21,863	\$ 22,253	\$ 22,174
Stormwater management	1,453	1,498	1,523	1,576	1,621	1,672	1,670	1,760	1,762	1,788
Capital grants and contributions	2,848	1,464	705	1,899	5,232	2,021	-	1,726	1,702	150
Total business-type activities program revenues	21,345	20,679	20,629	23,120	27,482	24,669	23,626	25,349	25,717	24,112
Total program revenues	\$ 39,178	\$ 40,001	\$ 39,988	\$ 45,592	\$ 47,823	\$ 46,200	\$ 46,508	\$ 50,097	\$ 54,065	\$ 48,911
Net (expense)/revenue										
Governmental activities	\$ (28,300)	\$ (28,322)	\$ (29,908)	\$ (29,984)	\$ (31,384)	\$ (35,265)	\$ (38,200)	\$ (41,149)	\$ (43,298)	\$ (53,503)
Business-type activities	5,929	4,643	3,542	5,748	9,205	5,407	3,702	5,416	2,852	766
Total net expenses	\$ (22,371)	\$ (23,679)	\$ (26,366)	\$ (24,236)	\$ (22,179)	\$ (29,858)	\$ (34,498)	\$ (35,733)	\$ (40,446)	\$ (52,737)

City of Coconut Creek, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

Table 2
(continued)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 15,906	\$ 16,129	\$ 16,145	\$ 16,894	\$ 17,700	\$ 19,672	\$ 21,405	\$ 24,837	\$ 26,117	\$ 27,599
Utility taxes	6,050	6,092	6,317	6,563	6,750	6,665	6,768	6,857	6,808	6,600
Franchise taxes	4,070	3,971	3,936	4,315	4,409	4,385	4,495	4,582	4,737	4,456
Intergovernmental	5,066	5,732	6,023	6,217	7,661	6,859	7,177	7,357	7,474	7,222
Impact fees	1,187	876	674	460	540	286	1,082	783	70	177
Special assessment	-	-	-	-	951	31	31	33	34	35
Investment income	601	379	(56)	496	413	445	421	814	2,290	1,482
Miscellaneous	1,095	1,617	2,849	5,444	1,573	1,998	2,110	2,267	1,611	1,370
Gain on disposal of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	500	-	-	-	-	-	-	-	-	-
Total governmental activities	\$ 34,475	\$ 34,796	\$ 35,888	\$ 40,389	\$ 39,997	\$ 40,341	\$ 43,489	\$ 47,530	\$ 49,141	\$ 48,941
Business-type activities:										
Investment income	206	140	(69)	193	254	278	296	527	1,387	835
Impact fees	1,023	698	1,057	215	453	1,006	1,027	457	72	109
Miscellaneous	295	236	141	160	182	212	2	22	43	14
Transfers	(500)	-	-	-	-	-	-	-	-	-
Total business-type activities	1,024	1,074	1,129	568	889	1,496	1,325	1,006	1,502	958
Total	\$ 35,499	\$ 35,870	\$ 37,017	\$ 40,957	\$ 40,886	\$ 41,837	\$ 44,814	\$ 48,536	\$ 50,643	\$ 49,899
Change in Net Position:										
Governmental activities	\$ 6,175	\$ 6,474	\$ 5,980	\$ 10,405	\$ 8,613	\$ 5,076	\$ 5,289	\$ 6,381	\$ 5,843	\$ (4,562)
Business-type activities	6,953	5,717	4,671	6,316	10,094	6,903	5,027	6,422	4,354	1,724
Total	\$ 13,128	\$ 12,191	\$ 10,651	\$ 16,721	\$ 18,707	\$ 11,979	\$ 10,316	\$ 12,803	\$ 10,197	\$ (2,838)

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

Table 3

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Non-spendable	124	137	191	218	167	153	156	140	137	139
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	2,228	2,302	2,594	2,575	3,095	3,184	5,973	4,018	4,555	4,878
Assigned	4,075	5,159	5,856	6,254	6,811	4,982	5,467	8,073	10,386	10,459
Unassigned	15,690	16,207	15,149	15,442	17,384	19,102	19,669	20,802	22,536	22,984
Total general fund	\$ 22,117	\$ 23,805	\$ 23,790	\$ 24,489	\$ 27,457	\$ 27,421	\$ 31,265	\$ 33,033	\$ 37,614	\$ 38,460
All other governmental funds:										
Reserved	\$ 8,629	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	8,969	-	-	-	-	-	-	-	-	-
Capital projects funds	12,791	-	-	-	-	-	-	-	-	-
Debt service funds	67	-	-	-	-	-	-	-	-	-
Non-spendable	-	8,624	8,623	8,629	8,630	8,625	-	-	-	-
Restricted	-	10,081	6,608	3,813	5,245	2,409	13,714	19,040	16,229	13,820
Committed	-	6,385	7,129	14,309	13,335	11,203	10,435	10,744	14,243	14,261
Assigned	-	1,220	2,475	1,441	2,022	3,874	11,809	12,579	13,040	14,153
Unassigned	-	-	-	-	-	-	(976)	(1,760)	(732)	(1,200)
Total all other governmental funds	\$ 30,456	\$ 26,310	\$ 24,835	\$ 28,192	\$ 29,232	\$ 26,111	\$ 34,982	\$ 40,603	\$ 42,780	\$ 41,034

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)

Table 4

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Ad valorem taxes	\$ 15,906	\$ 16,129	\$ 16,144	\$ 16,894	\$ 17,700	\$ 19,673	\$ 21,405	\$ 24,838	\$ 26,117	\$ 27,599
Franchise fees	4,070	3,971	3,936	4,315	4,408	4,385	4,495	4,582	4,737	4,456
Utility taxes	6,050	6,092	6,317	6,563	6,750	6,665	6,768	6,857	6,808	6,600
Licenses and permits	2,760	2,988	3,200	2,839	2,122	2,376	3,078	3,281	2,026	1,571
Intergovernmental revenues	5,969	7,523	8,282	8,590	10,620	7,623	8,014	8,128	9,961	8,265
Charges for services	12,456	13,106	13,997	14,986	16,270	17,650	17,770	19,367	22,079	21,209
Fines and forfeitures	938	1,220	613	565	980	981	826	1,126	589	540
Impact fees	1,075	876	674	1,150	540	246	1,082	783	70	177
Seminole Mitigation Fees	-	-	-	3,000	-	-	-	-	-	-
Investment income	575	352	(83)	496	413	485	421	814	2,290	1,482
Special assessment	-	-	-	-	194	-	-	-	-	-
Miscellaneous revenues	1,208	1,618	2,920	2,498	1,573	1,999	2,110	2,263	2,360	1,612
Total revenues	51,007	53,875	56,000	61,896	61,570	62,083	65,969	72,039	77,037	73,511
General government	9,247	9,767	9,762	9,948	10,203	10,406	11,649	12,301	12,470	12,619
Public safety	22,732	23,119	24,316	25,261	26,187	27,881	29,270	31,351	32,806	35,998
Physical environment	4,865	4,932	5,343	5,980	6,125	5,821	6,192	8,276	8,877	8,437
Culture and recreation	4,597	4,675	4,909	5,253	5,729	5,862	5,998	4,738	4,993	4,488
Nondepartmental	511	514	660	1,343	564	594	671	771	694	1,371
Capital outlay	3,174	8,355	9,209	6,763	5,463	11,385	7,386	14,949	7,923	8,979
Debt service:										
Principal	3,049	2,647	2,603	2,686	2,771	2,864	1,686	1,724	1,825	1,875
Interest and fiscal charges	996	897	688	606	521	427	402	538	692	644
Total expenditures	49,171	54,906	57,490	57,840	57,563	65,240	63,254	74,648	70,280	74,411
Excess (deficiency) of revenues over expenditures	1,836	(1,031)	(1,490)	4,056	4,007	(3,157)	2,715	(2,609)	6,757	(900)
Other financing sources (uses):										
Net proceeds from long-term debt	-	5,270	-	-	-	-	16,765	10,000	-	-
Transfers in	4,291	13,064	4,988	5,493	4,733	6,007	4,142	5,509	6,243	5,924
Transfers out	(3,791)	(13,064)	(4,988)	(5,493)	(4,733)	(6,007)	(4,142)	(5,509)	(6,243)	(5,924)
Payment to Fiscal Agent	-	(5,240)	-	-	-	-	(6,765)	-	-	-
Total other financing sources (uses)	500	30	-	-	-	-	10,000	10,000	-	-
Net change in fund balances	\$ 2,336	\$ (1,001)	\$ (1,490)	\$ 4,056	\$ 4,007	\$ (3,157)	\$ 12,715	\$ 7,391	\$ 6,757	\$ (900)
Debt service as a percentage of noncapital expenditures	8.7%	7.6%	6.7%	6.4%	6.3%	6.5%	3.7%	3.8%	4.0%	3.8%

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

Table 5

Fiscal Year Ended September 30	Property Taxes	Local Option Gas Tax	Utility Taxes	Franchise Fees	Total
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
2017	21,405	1,048	6,768	4,495	33,716
2018	24,838	1,044	6,857	4,582	37,321
2019	26,117	1,052	6,808	4,737	38,714
2020	27,599	931	6,600	4,456	39,586

City of Coconut Creek, Florida
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 6

Fiscal Year Ended September 30	Save Our Homes (SOH) Value					Total Taxable Assessed Value	City Direct Tax Rate	Market Value	Assessed Value as a Percentage of Market Value
	Residential	Commercial	Industrial	Other (1)	Exemptions				
2011	\$ 2,349,102,060	\$ 597,927,930	\$ 151,805,050	\$ 635,594,810	\$ 1,237,156,670	\$ 2,497,273,180	6.4036	\$ 3,901,423,180	64.01%
2012	2,353,406,490	555,543,250	138,124,920	662,510,000	1,214,736,610	2,494,848,050	6.3857	3,937,457,080	63.36%
2013	2,374,513,210	576,291,950	140,205,740	662,962,500	1,215,545,240	2,538,428,160	6.3250	3,964,203,630	64.03%
2014	2,494,888,270	594,326,970	122,620,490	656,952,910	1,207,415,350	2,661,373,290	6.3250	4,150,312,340	64.12%
2015	2,697,371,210	606,225,150	127,521,680	670,913,350	1,230,106,240	2,871,925,150	6.2301	4,688,929,480	61.25%
2016	2,990,243,390	605,886,720	139,120,280	684,248,670	1,240,687,580	3,178,811,480	6.1803	5,217,655,290	60.92%
2017	3,203,443,620	673,489,900	155,685,620	697,645,620	1,257,293,880	3,472,970,880	6.1370	5,638,168,710	61.60%
2018	3,459,865,620	720,958,160	167,819,460	703,482,390	1,232,170,870	3,819,954,760	6.5378	6,005,685,960	63.61%
2019	3,707,388,850	738,563,640	183,441,080	712,707,090	1,323,991,370	4,018,109,290	6.5378	6,398,124,610	62.80%
2020	3,925,405,730	751,989,830	199,164,330	747,910,590	1,367,482,350	4,256,988,130	6.5378	6,735,278,900	63.20%

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

(1) Other Includes agricultural, institutional, government, miscellaneous and non-agricultural acreage

**City of Coconut Creek, Florida
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

Table 7

Fiscal Year	City of Coconut Creek			County		School District			CocoMar		North	South Florida	Florida	Total	
	Operating Millage	Service Millage	Total City Millage	Operating Millage	Service Millage	County Millage	Operating Millage	Service Millage	School Millage	Water Management District	Children's Services	Broward Hospital District	Water Management District	Inland Navigation District	Direct & Overlapping Rates
2011	6.4036	-	6.4036	5.1021	0.4509	5.5530	7.6310	-	7.6310	0.1446	0.4696	1.8750	0.6240	0.0345	22.7353
2012	6.3857	-	6.3857	5.1860	0.3670	5.5530	7.4180	-	7.4180	0.1446	0.4789	1.8750	0.4363	0.0345	22.3260
2013	6.3250	-	6.3250	5.2576	0.2954	5.5530	7.4560	-	7.4560	0.1446	0.4902	1.8564	0.4289	0.0345	22.2886
2014	6.3250	-	6.3250	5.4400	0.2830	5.7230	7.4800	-	7.4800	0.1446	0.4882	1.7554	0.4110	0.0345	22.3617
2015	6.2301	-	6.2301	5.4584	0.2646	5.7230	7.4380	-	7.4380	0.1446	0.4882	1.5939	0.3842	0.0345	22.0365
2016	6.1803	-	6.1803	5.4741	0.2489	5.7230	7.2030	0.0710	7.2740	0.1446	0.4882	1.4425	0.3551	0.0320	21.6397
2017	6.1370	-	6.1370	5.4474	0.2216	5.6690	6.8360	0.0703	6.9063	0.1446	0.4882	1.3462	0.3307	0.0320	21.0540
2018	6.5378	-	6.5378	5.4623	0.2067	5.6690	6.4740	0.0654	6.5394	0.1446	0.4882	1.2483	0.3100	0.0320	20.9693
2019	6.5378	-	6.5378	5.4792	0.1898	5.6690	6.2750	0.1279	6.4029	0.1446	0.4882	1.0855	0.2936	0.0320	20.6536
2020	6.5378	-	6.5378	5.4878	0.1812	5.6690	6.6350	0.1043	6.7393	0.1446	0.4882	1.0324	0.2795	0.0320	20.9228

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

City of Coconut Creek, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago
(Amounts Expressed in Thousands)

Table 8

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Broadstone Cypress Hammocks LLC	\$ 85,202	1	2.0%	\$ -	-	-
Teachers Ins. & Annuity Assn. of Americ	82,301	2	1.9%	-	-	-
MCA Promenade Owner LLC	73,908	3	1.7%	-	-	-
BMOC-MIA (FL) LLC	73,418	4	1.7%	-	-	-
Bell Fund V Coconut Creek LLC	61,000	5	1.4%	-	-	-
5401 Wiles Road LLC	60,794	6	1.4%	-	-	-
FC Land Investment LLC	58,491	7	1.4%	-	-	-
Florida Power & Light Co	57,873	8	1.4%	33,815	4	1.4%
ERP Operating LTD Partnership	53,601	9	1.3%	45,170	2	1.8%
Advenir@Cocoplum LLC	51,519	10	1.2%	-	-	-
Mept Hillsboro Bay LLC	-	-	-	46,354	1	1.9%
Garrison Coconut Creek LLC	-	-	-	41,460	3	1.7%
CGL Banyan Bay LP	-	-	-	28,457	5	1.1%
Centro NP Coconut Creek	-	-	-	27,995	6	1.1%
Atlyons LLC	-	-	-	22,971	7	0.9%
559 North Federal Association	-	-	-	22,927	8	0.9%
ACPRE PRS Realty LLC	-	-	-	21,676	9	0.9%
AERC Cypress Shores Inc	-	-	-	20,831	10	0.8%
Totals	\$ 658,107		15.5%	\$ 311,656		12.5%

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

City of Coconut Creek, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Table 9

Fiscal Year	Total Tax Levy	Current Taxes Collections	Percentage Collected	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Tax Levy
2011	\$ 16,806	\$ 15,796	93.99%	\$ 312	\$ 16,108	95.85%
2012	16,689	15,949	95.57%	180	16,129	96.64%
2013	16,804	16,164	96.19%	(19)	16,145	96.08%
2014	17,618	16,942	96.16%	(48)	16,894	95.89%
2015	18,727	17,856	95.35%	(156)	17,700	94.52%
2016	20,458	19,634	95.97%	12	19,646	96.03%
2017	22,252	21,399	96.17%	2	21,401	96.18%
2018	25,994	24,826	95.51%	12	24,838	95.55%
2019	27,297	26,093	95.59%	24	26,117	95.68%
2020	30,137	27,599	91.58%	-	27,599	91.58%

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

Restated data for 2010 through 2017

City of Coconut Creek, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 10

(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	Capital Lease			
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
2017	-	-	-	17,564	-	17,564	1.03%	306
2018	-	-	-	25,840	-	25,840	1.52%	443
2019	-	-	-	24,015	-	24,015	1.31%	409
2020	-	-	-	22,140	-	22,140	1.17%	377

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.

City of Coconut Creek, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2020
(Amounts Expressed in Thousands)

Table 11

Jurisdiction	Net Debt Outstanding	Estimated Percentage Applicable to City of Coconut Creek (1)	Estimated Amount Applicable to City of Coconut Creek
Debt repaid with property taxes:			
Broward County	\$ 127,315	2.19%	\$ 2,788
School Board of Broward County (2)	306,915	2.04%	6,261
Subtotal, overlapping debt			<u>9,049</u>
City of Coconut Creek			<u>\$ 22,140</u>
Total direct and overlapping debt			<u><u>\$ 31,189</u></u>

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, 2020

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

Table 12

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 624,318	\$ 623,712	\$ 634,607	\$ 665,343	\$ 717,981	\$ 794,703	\$ 868,243	\$ 954,989	\$ 1,004,527	\$ 1,064,247
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 624,318	\$ 623,712	\$ 634,607	\$ 665,343	\$ 717,981	\$ 794,703	\$ 868,243	\$ 954,989	\$ 1,004,527	\$ 1,064,247
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%

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed Valuation of Taxable Real Property	\$ 4,256,988
Bonded Debt Limit - 25% of above	\$ 1,064,247
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt	-
Total net debt applicable to limit	<u>\$ -</u>
Legal debt margin (1)	<u>\$ 1,064,247</u>

(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.

City of Coconut Creek, Florida

Pledged Revenue Coverage

Last Ten Fiscal Years

(Amounts Expressed in Thousands)

Table 13

Fiscal Year	Improvement Revenue Notes										
	Electric Utility Taxes	Electric Franchise Fees	Total Revenue	Debt Service			Non-Ad Valorem Revenue	Debt Service			
				Principal	Interest	Coverage		Principal	Interest	Coverage	
2011	\$ 2,915	\$ 2,773	\$ 5,688	\$ 2,568	\$ 583	1.81	\$ 22,563	-	\$ 394	57.27	
2012	2,991	2,708	5,699	7,887	(1) 473	0.68	23,458	-	394	59.54	
2013	3,203	2,657	5,860	2,201	294	2.35	24,456	402	394	30.72	
2014	3,521	2,908	6,429	2,270	228	2.57	25,524	415	378	32.19	
2015	3,599	2,983	6,582	1,590	159	3.76	26,540	1,181	361	17.21	
2016	3,695	2,910	6,605	1,629	112	3.79	28,397	1,236	315	18.31	
2017	3,802	2,985	6,787	1,685	64	3.88	29,551	6,766	(2) 298	4.18	
2018	-	2,959	2,959	799	16	3.63	34,568	925	488	24.46	
2019	-	-	-	-	-	-	38,709	1,825	693	15.37	
2020	-	-	-	-	-	-	36,906	1,875	643	14.66	

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

(1) Includes \$5,240,096 to fully refund principal on Series 2003D from issuance of Series 2012 revenue note proceeds.

(2) Includes \$6,765,000 to fully refund principal on Series 2009 from issuance of Series 2017B revenue note proceeds.

City of Coconut Creek, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 14

Fiscal Year	Population (1)	Personal Income	Per Capita Income (2)	General Fund Operating Revenues Per Capita	General Fund Operating Expenditures Per Capita	Gross Residential Property Tax Per Capita	Median Age (2)	School Enrollment (3)	Unemployment Rate (4)
2011	\$ 52,909	\$ 1,474,891,284	\$ 27,876	\$ 835	\$ 764	\$ 210	40.3	8,718	10.7%
2012	53,313	1,516,488,285	28,445	849	770	204	40.0	8,784	7.6%
2013	53,783	1,547,874,740	28,780	864	809	211	40.6	8,564	5.6%
2014	55,319	1,553,246,882	28,078	883	826	220	40.2	10,051	5.2%
2015	56,593	1,596,884,681	28,217	898	828	234	39.6	10,196	4.7%
2016	57,116	1,620,552,268	28,373	957	905	261	39.8	10,080	4.3%
2017	57,395	1,646,088,600	28,680	1,006	889	280	40.2	10,484	3.5%
2018	58,344	1,702,302,888	29,177	1,069	986	320	40.1	10,283	2.8%
2019	58,742	1,837,449,760	31,280	1,104	982	366	40.1	10,254	2.8%
2020	58,803	1,888,164,330	32,110	1,093	1,046	379	40.2	9,809	7.8%

(1) Furnished by the Bureau of Economic and Business Research.

(2) Furnished by the American Community Survey/U.S. Census Bureau-Quick Facts-Factfinder as of 2017

(3) Furnished by the School Board of Broward County.

(4) Furnished by the Bureau of Labor Statistics

**City of Coconut Creek, Florida
Principal Employers
Current Year and Nine Years Ago**

Table 15

Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Seminole Coconut Creek Casino	1,469	1	4.37%	1,532	2	5.62%
Broward County School Board	831	2	2.47%	1,176	3	4.31%
Publix	668	3	1.99%	501	4	1.84%
Broward College North	665	4	1.98%	2,876	1	10.55%
Atlantic Technical College	475	5	1.41%	-	-	0.00%
City of Coconut Creek	435	6	1.29%	344	7	1.26%
Walmart	410	7	1.22%	460	5	1.69%
Al Hendrickson Toyota	296	8	0.88%	215	9	0.79%
Vista BMW	256	9	0.76%	286	8	1.05%
Cusano's	204	10	0.61%	-	-	0.00%
Food for the Poor	-	-	0.00%	361	6	1.32%
Enterprise Car Rental (Regional Office)	-	-	0.00%	154	10	0.56%
Totals	5,709		16.98%	7,905		28.99%

Source: City of Coconut Creek

City of Coconut Creek, Florida
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Table 16

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
General government	62	56	60	61	62	63	64	67	70	73
Public safety	163	152	153	165	170	170	173	185	194	193
Physical environment	25	29	29	32	33	33	49	50	52	53
Culture and recreation	68	64	68	71	72	72	61	62	63	64
Water and wastewater	31	31	35	36	36	36	37	36	40	40
Stormwater management	8	8	9	9	9	10	10	10	10	10
Total	357	340	354	374	382	384	394	410	429	433

Source: City of Coconut Creek

City of Coconut Creek, Florida
Operating Indicators by Function
Last Ten Fiscal Years

Table 17

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 (1)
General government										
Bids and contracts awarded	23	12	23	14	21	15	22	18	18	12
Building permits	2,272	2,738	2,898	2,588	3,115	3,141	3,035	3,795	3,360	3,015
Business licenses (new)	140	177	124	119	108	144	193	141	28	89
Police										
Personnel and officers	138	134	133	137	140	140	142	152	161	161
Physical arrests	984	883	933	899	830	908	1,064	810	910	518
Traffic violations	7,919	6,683	6,748	5,756	6,744	7,329	9,550	8,499	8,438	5,773
Parking violations	1,027	909	1,260	1,332	627	638	290	250	228	80
Fire										
Personnel and officers	4	5	4	4	4	5	6	6	7	7
Number of calls answered	6,528	6,807	6,720	5,902	7,260	7,705	7,858	7,883	7,491	7,628
Inspections	1,456	1,803	1,869	1,986	2,125	2,908	2,851	3,301	2,943	3,353
Transit										
Number of Routes	2	2	2	2	2	2	3	3	3	3
Number of Passengers	170,291	161,660	167,377	158,430	141,316	140,976	131,934	132,663	123,703	70,209
Streets										
Street resurfacing (miles)	-	1	-	-	-	-	79	-	-	-
Potholes repaired	325	303	248	224	212	368	250	362	313	445
Culture and recreation										
Athletic field permits issued	4,075	4,081	4,364	4,722	4,642	4,342	4,109	4,196	5,478	1,221
Fitness memberships	1,443	1,193	1,161	1,175	1,178	1,279	1,472	928	1,755	515
Participants Registered:										
Athletic Programs	2,087	1,691	1,961	2,203	2,116	1,978	2,264	2,750	2,114	1,200
Recreation Programs	5,356	5,291	4,579	4,679	5,604	5,483	5,986	5,680	4,831	1,862
Water										
New connections	50	91	107	88	51	74	95	53	26	23
Water main breaks	2	-	1	-	-	2	3	-	3	1
Average daily consumption (thousands of gallons)	4,211	3,942	4,015	4,046	4,181	4,149	4,228	3,995	4,238	4,241
Active Accounts: (Average)										
Residential	10,542	10,617	10,719	10,834	10,925	11,000	11,088	11,173	11,212	11,297
Commercial	830	839	854	851	932	862	877	877	843	786

Source: City of Coconut Creek

(1) Numbers were affected by the impact of government facility and business closures due to the COVID-19 pandemic

City of Coconut Creek, Florida
Capital Asset Statistics by Function
Last Ten Fiscal Years

Table 18

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	126	126	116	134	137	130	132	151	147	151
Streets										
Streets (miles)	48	48	48	48	48	48	48	48	48	48
Street lights	1,662	1,668	1,668	1,712	1,712	1,712	1,712	1,712	1,712	1,729
Culture and recreation										
Parks acreage	107	107	107	170	170	170	170	185	187	187
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	3	3	3	3	3	3	3	3	3	3
Water										
Water mains (miles)	251	250	251	266	273	273	275	276	277	277
Fire hydrants	1,756	1,749	1,754	1,748	1,822	1,822	1,822	1,834	1,846	1,844
Maximum daily capacity (thousands of gallons)	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500
Sewer										
Sanitary sewers (miles)	205	209	207	224	227	227	227	228	228	229
Storm sewers (miles)	30	32	32	32	33	33	33	33	33	33
Maximum daily treatment capacity (thousands of gallons)	6,540	6,540	6,540	6,540	6,540	6,540	6,540	6,540	6,540	6,540

Source: City of Coconut Creek

City of Coconut Creek, Florida
Insurance Coverage Via Preferred Governmental Insurance Trust (PGIT)
October 1, 2019 through September 30, 2020

Table 19
(continued)

Type of Policy	Type of Coverage	Insurer/Policy No.	Policy Period From / To	Liability Limits	Member 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	8/6/2019 through 8/6/2020	\$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.		\$500,000 bldg/\$500,000 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. #091150025731 Govt. Ctr.-City Hall	8/6/2019 through 8/6/2020
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
Flood Insurance	Flood Per Occurrence/Aggregate (Property and contents not covered under the Wright National policies)			Preferred Governmental Insurance Trust PR FL1 0062801 18-11	10/1/2019 through 10/1/2020
Crime Insurance	Employee Theft	Travelers Casualty & Surety Company of America 105684154	10/1/2018 through 10/1/2021	\$1,000,000	\$ 10,000
	Faithful Performance of Duty included			\$1,000,000	\$ 10,000
	Computer Crime			\$1,000,000	\$ 10,000
	Funds Transfer Fraud			\$500,000	\$ 5,000
	Forgery or Alteration			\$500,000	\$ 5,000
	On Premises / In Transit			\$500,000	\$ 5,000
	Money Order/Counterfeit Currency			\$500,000	\$ 5,000

City of Coconut Creek, Florida
Insurance Coverage Via Preferred Governmental Insurance Trust (PGIT)
October 1, 2019 through September 30, 2020

Table 19
(continued)

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 18-11	10/1/2019 through 10/1/2020	\$1,000,000 per occurrence \$1,000,000 per person Included \$10,000 / \$200,000 \$1,000,000 \$1,000,000 per occurrence	\$ - \$ -
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	\$ - \$ -
Media Content Services, Network Security and Privacy Liability	Limit (inclusive of claim expenses)			\$2,000,000 per claim \$2,000,000 aggregate \$2,000,000 Aggregate for all Privacy Notification Costs for Privacy Liability \$2,000,000 Aggregate for all Regulatory fines and claim expenses for Privacy Liability	\$ - \$ - \$ -
Accidental Death & Dismemberment	Liabilities under F.S. 118 & 119.191 Applicable to Police Officers	Hartford Life Ins. Co. ETB125091	10/1/2018 through 10/1/2020	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 004743743	9/2/2019 through 9/2/2020	\$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 004743743	9/2/2018 through 9/2/2019	\$1,000,000 each incident limit \$4,000,000 aggregate limit	\$ 25,000



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

To The Honorable Mayor, City Commission and City Manager
City of 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, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 31, 2021.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 31, 2021

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

To the Honorable Mayor, City Commission and City Manager
City of 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, 2020, and have issued our report thereon dated March 31, 2021.

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 Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on 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*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 31, 2021, 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 findings and 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 and Management

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

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

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

Additional Matters

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

Purpose of this Letter

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 31, 2021

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

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

We have examined the City of Coconut Creek's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2020. Management is responsible for the City's compliance with the specific requirements. Our responsibility is to express an opinion on the City's compliance with the specific requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

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

Keefe McCullough

KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 31, 2021

CPA's + Trusted Advisors

