

CITY OF

COCONUT CREEK



FISCAL YEAR

2022 ACFR

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022



BUTTERFLY CAPITAL OF THE WORLD®

GRAPHIC RECORDING STUDIO, EDM

Annual Comprehensive Financial Report

of

CITY OF COCONUT CREEK, FLORIDA

**Fiscal Year Ended
September 30, 2022**



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

**CITY OF COCONUT CREEK, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

City Commission

Joshua Rydell Mayor
Sandra L. Welch Vice Mayor
Jacqueline Railey Commissioner
John A. Brodie Commissioner
Jeffrey R. Wasserman Commissioner

Administrative Staff

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

**CITY OF COCONUT CREEK, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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INTRODUCTORY SECTION



March 30, 2023

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 Annual Comprehensive Financial Report (ACFR) of the City of Coconut Creek for the fiscal year ended September 30, 2022. Through proper planning and effective allocation of resources, Coconut Creek continues to be a safe, well-planned, well-maintained, and financially secure City. The City continues to provide a superior level of service for our residents, businesses, and visitors; invest in infrastructure and capital projects; and plan for future economic development within the City.

The ACFR 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 ACFR 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 ACFR'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 representation concerning the finances of the City. As such, responsibility for both the accuracy of the data and the completeness and fairness of the presentation including all disclosures, rests with management.

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, 2022 are free of material misstatements. Based upon the audit, the independent auditor concluded that the City's financial statements for the fiscal year ended September 30, 2022 are fairly presented in conformity with GAAP and issued an unmodified opinion, which means that the financial statements comply with accounting standards and applicable regulations. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement and be read in conjunction with the MD&A. The City's MD&A can be found immediately following the independent auditors' report.

As a recipient of federal, state, and county financial assistance, the City is subject to an annual single audit in conformity with the provisions of the Office of Management and Budget (OMB) issued Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards (Uniform Guidance or Guidance), and Chapter 10.550, Rules of the Auditor General of the State of Florida. Information related to the Single Audit including the schedule of expenditures of federal awards and state financial assistance, findings, recommendations, and auditors' reports on the internal control and compliance with applicable laws and regulations, are included in the Compliance Section of the ACFR.

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. With easy access to major highways and airports and its proximity to the Atlantic Ocean, Coconut Creek is the ideal location for both residents and businesses. The City is approximately 10 miles west of the beach, and the sub-tropical climate provides comfortable living year-round.

With an estimated population of 57,937, the City of Coconut Creek ranks 15th amongst the 31 municipalities in the County. The City has been developed primarily for residential purposes, with a proportionate blend 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 operate within the City.

The City of Coconut Creek operates with 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 a 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 policies, passing local ordinances, approving the City's annual budget, and appointing a City Manager, City Attorney, and members of various Boards and Committees. 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, providing recommendations to, and enforcing the ordinances, resolutions, and policies 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 City's annual budget is used to establish the City's financial planning and control. The City's Vision 2030 Strategic Plan serves as the foundation for the City's annual budget. 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 more information on the City's Vision 2030 Strategic Plan, please refer to the major initiatives section on page vii.

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 more comprehensive when considered from the broader perspective of the specific environment within which the City of Coconut Creek operates.

Local Economy

The growth and development of the City 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), new construction, the regional job market, and weather events. Florida is among the leading states and is ahead of the United States all together when it comes to economic growth. Florida's Gross State Product (FGSP) is outpacing the national growth trend of 3.2% and is maintaining its positive footing, registering 3.8% growth in the third quarter and ranking 12th among all states. However, much like the rest of the nation, South Florida continues to see high inflation due to a low labor force, high demand for products, and supply chains issues. This can be seen in the most recent Consumer Price Index (CPI) increase of 9.9% for the Miami-Fort Lauderdale-West Palm Beach area, with housing costs

being the major contributor to the increase. In addition, the City's unemployment rate is 2.5%, a 0.8% decrease from 2021. This is 1.2%, 0.2%, and 0.3% lower than that of the national average, State of Florida, and Broward County, respectively. It is important to note that a relatively low unemployment rate has a direct positive effect on consumer spending, but it also tightens the labor market, which contributes to more demand for products and services and higher prices. In an effort to reduce inflation, the Federal Reserve has been increasing the target range for the federal funds rate since 2022. These rapid rate increases will likely slow the economy and may negatively impact future years' revenues.

The economic pressures resulting from inflation significantly impacted the City's finances and operations during fiscal year 2022. The increased cost of goods and services has forced us to take a more strategic approach to funding decisions. Despite these new challenges, the local economy remains relatively stable and the City continues to maintain exemplary service levels for our residents.

New Construction

New construction and development slowed further in fiscal year 2022 due to bottlenecks in the supply chain and increased costs caused by inflation. It is projected that new construction and development will gain some momentum in fiscal year 2023 addressing both delayed projects from fiscal year 2022 and new permit requests in fiscal year 2023.

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Residential Units	0	1	10	6	28	325	83	53	33	720
Commercial Permits	0	1	3	4	8	4	3	3	9	3
Value (in millions)	\$0.0	\$ 1.3	\$10.0	\$12.0	\$39.8	\$42.9	\$22.6	\$16.5	\$30.7	\$67.1

During the past ten years, the level of residential building permits has fluctuated, with peaks in 2013 and 2017 from 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.

The number of commercial permits has remained largely consistent over the past ten years, with minor peaks in 2014 and 2018, and a lull in 2021 and 2022 resulting from the fallout of the COVID-19 pandemic. Although the number of new construction permits issued remained relatively stable over the past 10 years, barring the effects of COVID-19, the value of new construction continues to remain strong as new developments are added. Although there were no new commercial permits issued during fiscal year 2022, one major new commercial permit was issued at the beginning of fiscal year 2023 for Mazda, valued at \$12 million. The City projects additional permits being issued in fiscal year 2023.

COVID-19 Pandemic Assistance

In 2021, the City was awarded \$8.6M in funding from the U.S. Department of Treasury under the American Rescue Plan Act (ARPA). The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, a part of ARPA, delivered \$350 billion to state, local, and tribal governments across the country to respond, recover, and mitigate the effects of the COVID-19 public health emergency. With these resources, the City has been able to replace lost revenues to sustain government services and retain jobs that otherwise may have been reduced, modified, or eliminated. Additionally, by partnering with local non-profit agencies we have been able to provide resources and implement a plethora of programs that support the economic stabilization for Coconut Creek households and businesses. This includes providing small business stabilization grants and technical assistance to Coconut Creek small businesses; delivering meals to City seniors who otherwise would not be able to have meals; providing fresh produce, frozen proteins, nonperishable goods and fresh milk to residents impacted by the pandemic; and providing much needed mental health, housing, and job training services to our residents that contributes to the overall economic recovery of the City of Coconut Creek.

Economic Development

The City remains proactive and innovative when it comes to development within the City. Coconut Creek prides itself in creating a unique sense of place with community investment as a means of attracting new businesses and supporting existing businesses. Despite the fiscal impacts and construction delays the pandemic had on our community, Coconut Creek and South Florida as a whole continues to experience solid annual increases in home values. The City's 2021 assessed value (for fiscal year 2022) as reported by the Property Appraiser was \$4.8 billion, an increase of \$244.6 million or 5.3% from the prior year's final valuation. Assessed values from new construction increased by \$29.7 million or 0.7%, and property value reassessments increased by \$214.9 million or 4.7%. The additional ad valorem revenue generated from the increase in assessed values was used to offset the costs associated with maintaining current service levels as well as the maintenance of and improvements to City infrastructure.

The City's focus continues to be on tax base diversification through the expansion of the commercial base. A healthy housing market, new residential and commercial developments, and a further diversified economic base will all provide a more solid foundation to withstand future economic uncertainties. 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 next three to five years due to several major initiatives, including the long-anticipated development of the City's MainStreet area (see below).

MainStreet

The City of Coconut Creek continues to expand its economic development efforts 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 in the center of the City. The development of the MainStreet area remains a priority. Currently, the property is under contract with a group of developers. The MainStreet project is envisioned to be a destination location, serving as a central gathering place for the community with a new public safety building as well as parks, plazas, open spaces with greenway trails, shopping, dining, and cultural activities. The City owns three significant parcels in the MainStreet area that will be used as leverage to determine the ideal location to build a public safety complex and to provide additional civic space.

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 2022, the City spent \$87,574 in economic development initiatives, with a balance of \$1,393,653 remaining for future use.

Relevant Financial Policies

The City of Coconut Creek's budgetary and financial policies provide the basic framework for the overall fiscal management of the City. These policies serve as guidelines that determine whether or not specific programs are funded and were developed to ensure the City has a balanced budget and maintains fiscal accountability to our residents. The main policies that had a significant effect on fiscal year 2022'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 69 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 82.

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 2023 through 2027 calls for funding of approximately \$153.3 million in governmental funds and \$16.3 million in enterprise funds.

During fiscal year 2022, the City spent \$5.3 million on governmental funds capital assets and \$3.5 million on enterprise funds capital assets and include the following:

Governmental Funds	Enterprise Funds
<ul style="list-style-type: none"> ● Comprehensive Street Improvement Program (phase I complete and phase II in progress) ● Boardwalk Rehabilitation (complete) ● Sabal Pines Restrooms (complete) ● Lyons Road Mobility Project (complete) ● Vehicle/computer replacements (recurring) ● Police and Fire equipment ● Fire Station # 113 enhancements ● Playground equipment 	<ul style="list-style-type: none"> ● Water Distribution System Improvement Program (recurring) ● Wastewater Conveyance System Improvement Program (recurring) ● Water Quality Improvement Program (recurring) ● Wastewater Pump Station Rehabilitation Program (recurring) ● Wastewater Access Structure Rehabilitation Program (recurring) ● Wastewater Force Main Isolation Valves Rehabilitation (recurring) ● Water Meter Connection Lines Retrofit Program (recurring) ● Electrical Control Panel Rehabilitation (recurring) ● Water Valve Replacement 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 the partial or full costs 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, 2022 totaled \$18.3 million, a decrease of \$2.0 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 (if applicable); (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 \$91.5 million, of which \$30.4 million is the unassigned fund balance of the General Fund. Unassigned fund balance represents 37.2%, or approximately four months, of the total General Fund's budgeted operating expenditures. An additional \$4.0 million has been committed for Hurricane Emergencies. For more information on the City's Fund Balance Policy, please refer to pages 40 and 41, Note 1 to the Financial Statements.

Long-term Financial Planning

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

One of the ways the City ensures its long-term financial plan is by proactively establishing short and long-term comprehensive and strategic goals. Long-term planning 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 of Coconut Creek is committed to ensuring that Coconut Creek continues to be livable, sustainable and resilient. The fiscal year 2022 ACFR summarizes the City's financial activity and is based on the Vision 2030 Strategic Plan (Vision 2030). Vision 2030 was developed in collaboration with the community and provides high-level direction to the leadership team and staff through an updated Vision Statement, Mission Statement and Core Values. To achieve the City's Vision, Mission, and Core Values, the Strategic Plan will serve as the foundation for the development of the annual budget and focuses on continuous improvement in five Key Areas of Focus: a) adaptable and progressive mobility; b) sustainable environment; c) high performance government; d) smart growth; and e) safety and quality of life.

The following table lists the five Key Areas of Focus and identifies some of the Vision 2030 initiatives and/or programs that support them:

Key Area of Focus	Initiatives and/or Programs
Adaptable and Progressive Mobility	<ul style="list-style-type: none"> ● Traffic calming studies ● Hillsboro Boulevard Corridor project ● Electric vehicle charging station program ● Butterfly Express Trolley ● Comprehensive Street Improvement Program
Sustainable Environment	<ul style="list-style-type: none"> ● Arbor Day free tree giveaway ● Climate Action Plan ● Vulnerability assessment ● Sustainability initiatives outreach program ● Household Hazardous Waste Disposal Events
High Performance Government	<ul style="list-style-type: none"> ● Ambassador Program ● Citizen's Academy ● Unity in Our Community ● Employee Training Program ● Diversity, equity, and inclusive recruitment initiatives
Smart Growth	<ul style="list-style-type: none"> ● Economic development incentive program ● MainStreet development project ● Neighborhood Enhancement Grant program ● Small Business Academy ● Farmer's Market
Safety and Quality of Life	<ul style="list-style-type: none"> ● Coconut Creek Culture Series ● Parks and Recreation Master Plan ● App Armor Citizen Engagement System ● CocoALERT ● Community Emergency Response Team (CERT) program

Revenue Sources

The City is committed to maintaining a balanced and diversified revenue system to protect the City from fluctuations in any one revenue source. Major revenue sources for the City of Coconut Creek are charges for services, property taxes, intergovernmental revenues, utility taxes, and franchise fees.

Charges for Services

Charges for Services represents fees charged as a result of direct benefit or in lieu of other charges. Water and wastewater sales account for a significant portion of revenues in the charges for services category. The other major revenues in this category include Stormwater Fees, Fire Assessment Fees, Seminole Mitigation Fees, and the Seminole Municipal Service Fee. An increase is anticipated in FY2023 with the growth of the City and as the economy recovers from the effects of the pandemic.

Property Taxes

The single largest revenue source funding Coconut Creek's general operations continues to be property taxes. Assessed property values continue to show solid increases, with assessed values due to reassessments and new construction and additions increasing 9.2% for fiscal year 2023.

Intergovernmental Revenues

Intergovernmental revenue consists of revenues that are received from other government agencies. The majority of these revenues consist of the one-cent County Surtax, State Sales Tax, State Shared Revenue, and Local Option Fuel Tax. Other revenues in this category consist of federal, state, and local grants and shared revenue from the County. These revenue sources are highly driven by the economy and/or the City's ability to secure grant funding. The City has seen significant increases in these revenue sources in FY2022 due to the recovery of the economy and increases in consumer spending, fuel prices, and grant opportunities made available due to the COVID-19 pandemic. The City anticipates solid increases in intergovernmental revenues in future years.

Utility taxes and franchise fees make up the remainder of major revenues. These revenue sources may be affected by the overall economy and pending legislative mandates but has historically remained relatively stable. With the exception of the Solid Waste Franchise Fee, these revenues sources are expected to continue to show modest increases in future years. The City is closely monitoring and advocating against pending legislation that would significantly reduce Solid Waste Franchise Fees of \$1.7.

The following revenue sources are in addition to the traditional revenue sources and are leveraged to cover on-going capital costs:

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 which currently fund their transportation programs through stagnated local option gas taxes and general revenue funds. Coconut Creek was recently awarded \$3.4 million for construction of a multi-purpose pathway along Sample Road and the milling and resurfacing of City streets as part of the City's Comprehensive Street Improvement Program, Phase II, for which construction began in August 2022 and is expected to be completed by mid-2023. This funding allows Coconut Creek to further enhance our roadways for years to come.

Seminole Tribe of Florida

Municipal Service Provider Agreement: 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 annual payments for City services and compensates for impacts the casino has on the community. Funding received from this agreement with the Seminole Tribe is restricted and 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 \$3.4 million during fiscal year 2022, which represents a \$0.2 million increase from the prior year.

Mitigation Agreement: The City proactively entered into a Mitigation Agreement with the Seminole Tribe that was promulgated from additional Seminole property becoming federal trust lands. The agreement calls for an annual payment to help mitigate the impact on the City. During fiscal year 2022, the City received \$2.7 million, which represents a \$0.1 million increase from the prior year. Proceeds from the Seminole Tribe Mitigation Agreement accumulate in the Seminole Mitigation Special Revenue Fund to 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.

Compact: As part of the 2021 Legislative Session, the Governor of Florida signed a 30-year Compact Agreement with the Seminole Tribe of Florida which provides a local share for Coconut Creek. However, the Compact, including the online sports betting component, was challenged and a Federal Judge ruled that the Compact was in violation of the Indian Gaming Regulatory Act as it allows for sports betting outside of Seminole lands. The State has appealed this decision and the appeals process is still ongoing. If resolved in the State's favor, Coconut Creek's share of the funding will be used in the Capital Improvement Program Fund to defray the costs of City infrastructure improvements.

Expenditures and Services

The City continues to identify services, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of those services. The Strategic Plan serves as the foundation for determining program priorities, and all departmental requests are aligned with the City's strategic priorities. The City maintains adequate fund balance, working capital, and reserves to protect the City's creditworthiness as well as its financial position during emergencies and economic fluctuations.

Capital Improvement Program

The City of Coconut Creek has been working diligently on several capital improvement program projects, including 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. Debt proceeds were used to complete Phase I and the City was awarded \$3.4 million from the County's transportation surtax toward Phase II construction.	\$23.7	09/2027
Pedestrian Lighting	Lyons Road right-of-way from Atlantic Boulevard to Sawgrass Expressway	Installation of pedestrian lighting enhances the safety of pedestrians by providing visibility in low-light conditions. FDOT is currently constructing improvements within the Lyons Road right-of-way to include new sidewalks, bicycle lanes, and road resurfacing. Additionally, conduits are being installed adjacent to the new sidewalks. The City was awarded \$3.9 million from the Departments of Housing and Urban Development for this project.	\$4.0	12/2026
Lakeside Park Improvements	Lakeside Park	The City purchased a five-acre parcel of vacant land adjacent to Lakeside Park. Improvements planned for Lakeside Park include construction of a parking lot, basketball courts, sand volleyball court, picnic pavillion with grill, bus shelter, and a bandshell.	\$9.5	09/2024

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. When planning for the future, the City proactively evaluates service levels, programs, and infrastructure maintenance/improvements to meet the needs of the community, balancing competing priorities with limited available resources. Consideration of the impact of any future tax reform, legislative changes, the overall economic environment, and external factors, such as an active hurricane season and worldwide conflicts, will play an important role in determining the use of City resources in the upcoming years.

Major Initiatives

Public Safety

Dispatch Services

In late 2013, 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. 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 successfully transferred these services in November 2022 and the transition has resulted in improved response times and service levels for our residents.

Fire Protection and Rescue Services

The City's newly created Coconut Creek Fire Rescue Department has enabled the City to proactively manage fire rescue services and allows 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 was established as a community-focused, data-driven, strategic, well-

organized, fully equipped, and properly staffed and trained fire department. This is reflected in the Insurance Services Office (ISO) Public Protection Class 1 rating that was awarded to the Department the first year after being established. The Department is also actively pursuing 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.

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 10-year Parks and Recreation Master Plan. The Plan provides a vision for parks, recreation, and open space and trails as well as an action plan for implementing this vision. The Master Plan, 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 and utilized by our residents.

The following projects have been approved as part of the Parks and Recreation Master Plan: (1) Lakeside Park Expansion (2) Oak Trail Parks Expansion (3) Lakewood Park improvement; (4) Coco Point Park improvement; (5) Donaldson Park improvement; and (6) Sunshine Park improvements. The projects are expected to be completed within the next three years.

Transportation

Traffic and congestion is a regional issue in South Florida. Coconut Creek, as part of the region, experiences these challenges and continues to focus on smart growth so that we are able to minimize travel demand. We are also focused on providing alternate means of transportation. In FY 2022, the City secured grant funding from the Broward Metropolitan Planning Organization (MPO) to develop a Mobility Hub Master Plan for the MainStreet area. Successful development of this plan will identify places in the MainStreet area that bring people together, develop alternative methods of transportation within the MainStreet area to get them there such as public transit, bikes, car share, etc. and identify funding opportunities.

Consistent with Vision 2030, the City is seeking to prepare a comprehensive Transit Master Plan that establishes a long-term vision for our local shuttle system to optimize passenger service for Coconut Creek residents, workers, and visitors. The plan will address the City's transportation needs by identifying transit service gaps; develop a strategy to address the passenger demand due to land use changes and/or new development/redevelopment; and identify the changing mobility needs with multimodal connectivity throughout the City. The City is also working with the MPO and Florida Department of Transportation (FDOT) related to several regional transportation projects. Most recently, the Lyons Road Mobility Improvement Project was completed. This major project, from Atlantic Boulevard north to the Sawgrass Expressway, included complete re-milling and repaving of the roadway along with new designated bike lanes, sidewalks, drainage improvements, and crosswalk enhancements. Federal funding in the amount of \$3.9 million has been awarded for the addition of pedestrian safety lighting along the entire corridor.

Sustainability and Environmental Preservation

Coconut Creek is an environmental leader in Broward County based on many years of popular programs, green certifications, and achievements, which are recognized regionally and nationally. Key sustainable projects in the City include a solar canopy located at the Recreation Complex through a partnership with Florida Power & Light (FPL) and solar panels on the roof at the Government Center. The City has a fleet of twelve (12) hybrid vehicles and one (1) fully electric vehicle. Most recently, the City furthered its partnership with FPL for Electric Vehicle (EV) Charging Stations. Through a pilot program for select cities in FPL's customer area, EV charging stations were installed at City Hall, the Recreation Complex, and the Community Center. This effort, along with hybrid and electric vehicles, furthers our sustainable goals by reducing greenhouse gas emissions.

In association with the City's Vision 2030 plan, the City's Green Plan is being updated to align with Broward County and ensure progress toward addressing the local impacts of climate change. Projects on the horizon include a citywide vulnerability assessment to identify areas of concern from climate change and a community greenhouse gas emission evaluation. Both studies will identify future projects needed to prepare our community for many years to come.

Reclaimed Water

Another way in which the City seeks to promote sustainability is by incorporating a Reclaimed Water Program, where 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. Reclaimed water is currently being used for irrigation purposes at Sabal Pines Park and the medians on Lyons Road from Wiles Road to north of Hilton Road. Reclaimed lines and extensions were installed on Wiles Road from NW 39th Avenue to the MainStreet area and Copans Road from the Florida

Turnpike overpass to Lyons Road. Total project costs were approximately \$2.0 million. The City will expand its reclaimed water lines to the MainStreet area as it develops.

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 ACFR for the fiscal year ended September 30, 2021. This was the 39th 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 ACFR. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our current ACFR 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.

The City also received the GFOA's Distinguished Budget Presentation Award for its fiscal year 2023 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 23rd 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, 2021 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 15th consecutive year that the City has received this award.

Additionally, for a third consecutive year, the City received the Award for Excellence in Procurement for 2022 from the Florida Association of Public Procurement Officials (FAPPO) for its commitment to exceeding professional standards and establishing best practices. 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 with and contributed to the preparation of this report. Credit must also be given to the Mayor and Commission for their unflinching 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

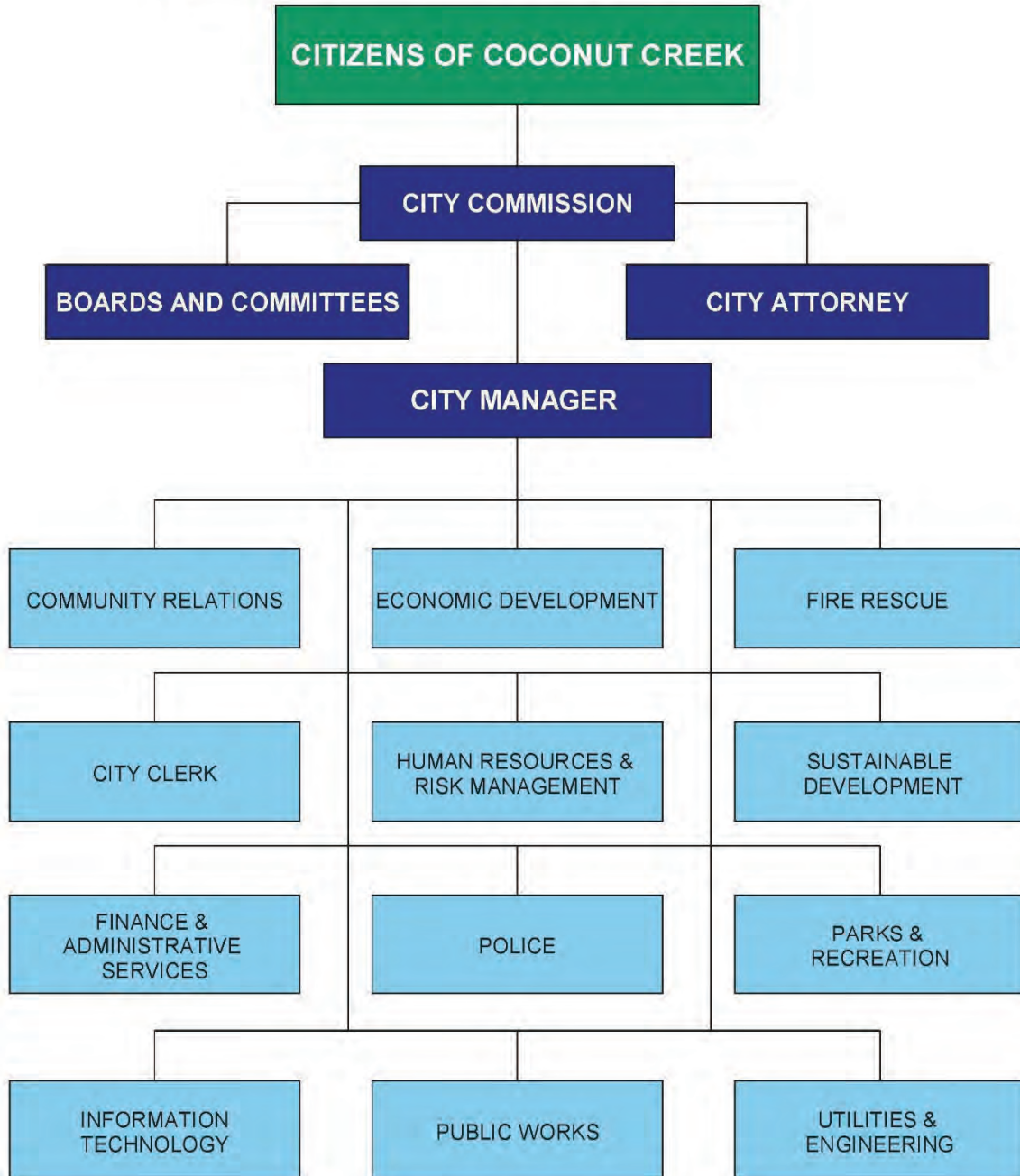
September 30, 2021

Christopher P. Morill

Executive Director/CEO



COCONUT CREEK GOVERNMENTAL STRUCTURE ORGANIZATIONAL CHART FISCAL YEAR 2022



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

Elected Officials

Mayor..... Joshua Rydell
Vice Mayor..... Sandra L. Welch
Commissioner..... Jacqueline Railey
Commissioner..... John A. Brodie
Commissioner..... Jeffrey R. Wasserman

Appointed Officials

City Manager Karen M. Brooks
City Attorney..... Terrill C. Pyburn
City Clerk..... Joseph J. Kavanagh
Deputy City Manager..... Sheila N. Rose
Director of Human Resources Pamela J. Kershaw
Director of Utilities and Engineering..... Osama Elshami
Director of Public Works Harry Mautte
Director of Parks and Recreation..... Wayne K. Tobey
Chief Information Officer..... Francisco Porras
Chief of Police Albert A. Arenal
Fire Rescue Chief..... Jeffery Gary

Finance Officials

Director of Finance and Administrative Services Peta-Gay Lake

A large, horizontal, yellow brushstroke graphic that serves as a background for the main title. The strokes are thick and textured, with some darker and some lighter yellow areas, giving it a hand-painted appearance. It spans across the middle of the page.

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

CPA's + Trusted Advisors

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 22 and the schedules related to pensions and other post-employment benefits on pages 75 through 79 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary 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 accompanying budgetary comparison schedules, combining and individual nonmajor fund financial statements and schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules, combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2023 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 30, 2023

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, 2022. 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 xi 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 \$271.1 (net position). Of this amount, \$67.6, the unrestricted net position, may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$5.2 during the current fiscal year. Net position of governmental activities increased by \$4.8 and business-type activities increased by \$0.4. The increase in the governmental and business-type activities net positions is mainly due to the timing of receipt of revenues and the associated outgoing operating and capital expenses, as well as the City's proactive efforts to contain costs.
- Governmental Activities generated \$38.5 in program revenues, with \$85.1 in direct expenses.
- Business-type Activities generated \$25.4 in program revenues, with \$24.3 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 \$91.5, an increase of \$12.0, or 15.1%, over the prior year. Of this amount, approximately \$0.3 is nonspendable, \$10.9 is restricted, \$22.0 is committed, \$30.1 is assigned, and \$28.2 is unassigned.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$30.4, or 37.2% of the 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 and Schedules* 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 position.
- 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 and schedules 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 23 and 24 of this report.

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

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 sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and 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 eight governmental funds are combined into a single, aggregated presentation. For financial reporting purposes, the General Fund and the General Trust Fund have been combined and are reported as one fund (the General Fund). Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in this report beginning on page 80.

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
- Transportation Surtax 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 25 through 30 of this report.

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

Major Enterprise 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 31 through 34 of this report.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Coconut Creek’s General Fund, Street Construction and Maintenance Fund, Grants Fund, and Community Improvement Fund budgetary comparison schedules to demonstrate compliance with the budget; 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 69 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 80 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 investment 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.

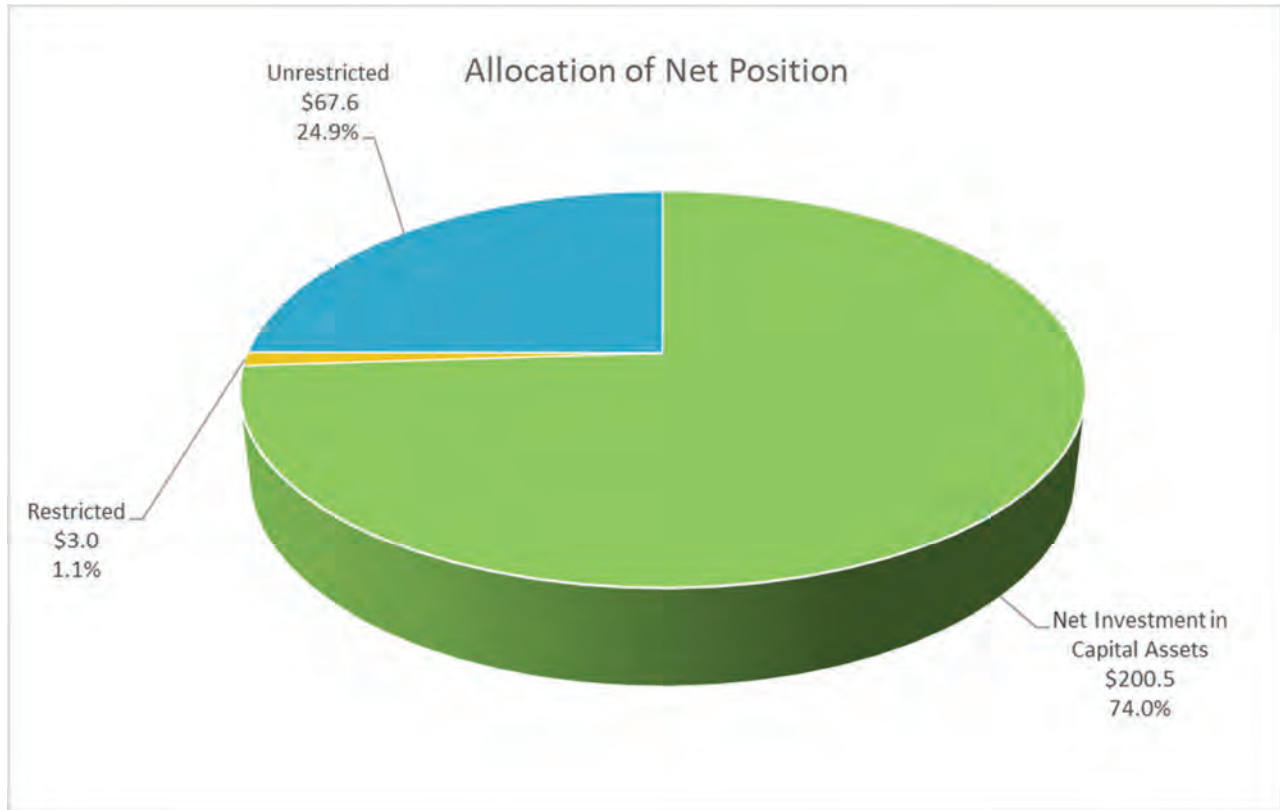
In the case of the City of Coconut Creek, combined assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$271.1 at the close of fiscal year 2022 (See Table 1 below).

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2022	2021	2022	2021	2022	2021	2021-2022
Current and other assets	\$ 104.3	\$ 94.0	\$ 51.3	\$ 51.2	\$ 155.6	\$ 145.2	7.2%
Capital assets	120.6	122.3	92.8	91.8	213.4	214.1	(0.3%)
Total assets	224.9	216.3	144.1	143.0	369.0	359.3	2.7%
Total deferred outflows of resources	28.8	18.3	2.6	1.9	31.4	20.2	55.4%
Long-term liabilities outstanding	97.4	57.4	7.2	4.2	104.6	61.6	69.8%
Other liabilities	10.0	15.3	5.0	4.6	15.0	19.9	(24.6%)
Total liabilities	107.4	72.7	12.2	8.8	119.6	81.5	46.7%
Total deferred inflows of resources	9.1	29.5	0.6	2.6	9.7	32.1	(69.8%)
Net position:							
Net investment in capital assets	108.1	109.4	92.4	91.7	200.5	201.1	(0.3%)
Restricted	3.0	2.6	-	-	3.0	2.6	15.4%
Unrestricted	26.1	20.4	41.5	41.8	67.6	62.2	8.7%
Total net position	\$ 137.2	\$ 132.4	\$ 133.9	\$ 133.5	\$ 271.1	\$ 265.9	2.0%

* 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 \$200.5 or 74.0% 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 decreased by \$0.6 primarily due to the retirements of capital assets, partially offset by scheduled debt payments.

The restricted portion of the City of Coconut Creek's net position totals \$3.0 or 1.1% and represents resources that are subject to external restrictions on how they may be used. This includes restrictions for debt proceeds, Street Construction and Maintenance, and Law Enforcement Trust Funds. The fiscal year 2022 restricted net position increased by \$0.4 mainly due to an increase in available net position in the Street Construction and Maintenance Fund.

The remaining balance of \$67.6 or 24.9% reflects unrestricted net position, which increased by \$5.4 and may be used to meet the government's ongoing obligations to citizens and creditors. This increase in unrestricted net position was primarily the result of favorable variances in 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

Current and other assets increased by \$10.4 mainly due to an increase in cash, lease receivables, and due from other governments of \$15.9, \$2.4, and \$0.2, respectively. This was partially offset by a decrease in investments of \$8.3.

Capital assets decreased by \$0.7 mainly due to an increase in the retirement of governmental equipment assets.

Changes in capital assets are discussed in the Capital Assets and Debt Administration section on pages 19 through 21.

Other liabilities decreased by \$4.9 mainly due to a decrease in unearned revenue of \$3.3 due to the timing of receipt of grant funding, and a decrease in due to other governments of \$2.8 due to the timing of receipt of invoices from other governments. This was partially offset by an increase in accounts payable and accrued liabilities of \$1.2.

The City's long-term liabilities increased by \$43.0 mainly due to an increase in net pension liability, net OPEB liability, lease liability, and compensated absences of \$42.5, \$1.4, \$0.6, and \$0.6, respectively. This was partially offset by a decrease in revenue notes payable of \$2.1. 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, pages 55 through 62 and pages 64 through 68, respectively.

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 62.5% 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 remain elevated, 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 pre-established annual increases.

The City's net position increased by \$5.2 or 2.0%, during the fiscal year 2022. The increase in net position was primarily a result of strong operating outcomes for both revenues and expenses for governmental and business-type activities.

Management’s Discussion and Analysis

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

Table 2
City of Coconut Creek's Statement of Activities
 (in millions of dollars)*

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2022	2021	2022	2021	2022	2021	2021-2022
Revenues							
Program revenues							
Charges for services	\$ 27.7	\$ 25.2	\$ 24.8	\$ 24.4	\$ 52.5	\$ 49.6	5.8%
Operating grants and contributions	8.9	2.9	-	-	8.9	2.9	206.9%
Capital grants and contributions	1.9	0.2	0.6	1.4	2.5	1.6	56.3%
General revenues							
Property taxes	29.8	29.0	-	-	29.8	29.0	2.8%
Utility taxes	6.8	6.5	-	-	6.8	6.5	4.6%
Local option gas tax	1.0	0.9	-	-	1.0	0.9	11.1%
Franchise fees	5.2	4.5	-	-	5.2	4.5	15.6%
Impact fees	-	0.1	-	0.1	-	0.2	(100.0%)
Intergovernmental	8.6	7.4	-	-	8.6	7.4	16.2%
Investment income (loss)	(1.3)	0.1	(0.8)	-	(2.1)	0.1	(2,200.0%)
Miscellaneous	1.3	0.9	0.1	-	1.4	0.9	55.6%
Total revenues	89.9	77.7	24.7	25.9	114.6	103.6	10.6%
Expenses							
General government	18.6	15.0	-	-	18.6	15.0	24.0%
Public safety	46.8	37.6	-	-	46.8	37.6	24.5%
Physical environment	12.7	12.5	-	-	12.7	12.5	1.6%
Culture/recreation	6.6	5.5	-	-	6.6	5.5	20.0%
Interest on long-term debt	0.4	0.6	-	-	0.4	0.6	(33.3%)
Water and wastewater	-	-	22.8	22.0	22.8	22.0	3.6%
Stormwater management	-	-	1.5	1.4	1.5	1.4	7.1%
Total expenses	85.1	71.2	24.3	23.4	109.4	94.6	15.6%
Increase (decrease) in net position	4.8	6.5	0.4	2.5	5.2	9.0	(42.2%)
Net position-beginning	132.4	125.9	133.5	131.0	265.9	256.9	
Net position-ending	\$ 137.2	\$ 132.4	\$ 133.9	\$ 133.5	\$ 271.1	\$ 265.9	2.0%

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

Management's Discussion and Analysis

Governmental activities. Governmental activities increased the City of Coconut Creek's net position by \$4.8. The increase in net position is attributed to favorable variances in revenues as well as the timing of capital expenses.

In summary, governmental revenues increased \$12.2 or 15.7% in fiscal year 2022. Key elements of this increase are as follows:

- Charges for services increased by \$2.5 or 9.9% during the year. The increase is primarily attributed to an increase of \$0.2 in fees from the Seminole Tribe of Florida as part of the City's municipal service provider and mitigation agreements; \$0.9 in fire special assessment; \$0.3 in fire rescue service fees; \$0.3 in recreation programs and fees; \$0.3 in public safety services; \$0.3 in permit and engineering fees; \$0.1 in impact fees; and \$0.1 in confiscated property.
- Operating grants/contributions increased by \$6.0 or 206.9%, mainly due to American Rescue Plan Act (ARPA) funding received from the U.S. Department of Treasury.
- Capital grants/contributions increased by \$1.7 or 850.0%, mainly due to an increase in the transportation surtax funding for the Comprehensive Street Improvement Program and the capital grant for the Hillsboro Corridor project.
- Property tax collections increased by \$0.8 or 2.8%, due to new construction and an increase in property values.
- Utility taxes increased by \$0.3 or 4.6%, mainly due to an increase in electric utility taxes as a result of increased energy costs.
- Local option gas taxes increased by \$0.1 or 11.1%, due to a slight increase in both First and Second Local Option Fuel Taxes due to increased fuel costs.
- Franchise fees increased by \$0.7 or 15.6%, due to an increase of \$0.5 in electric franchise fees due to increased fuel costs and an increase of \$0.2 in solid waste franchise fees.
- Impact fees decreased by \$0.1 or 100.0% due to the reclassification of revenues to charges for services for financial reporting purposes. Actual impact fee collections remained relatively the same from the previous year.
- Intergovernmental revenues increased by \$1.2 or 16.2%. This is attributed to a \$0.6 increase in state-shared revenues and a \$0.7 increase in Local Half-Cent Sales Tax. This is offset by a decrease of \$0.1 in County Local Bus Service revenues.
- Investment income decreased by \$1.4 or 1400% mainly due to the ongoing changes in financial market conditions, including unrealized losses that are recorded for financial statement purposes and represents a non-cash transaction.
- Miscellaneous revenues increased by \$0.4 or 44.4%, mainly due to an increase in developer contribution to the tree preservation fund.

Expenses increased by \$13.9 or 19.5%. This can primarily be attributed to:

- \$0.7 decrease in the personal and operating expenses due to the transition of fire rescue services from the City of Margate to the newly created Coconut Creek Fire Rescue Department;
- \$4.3 increase in OPEB related expenses as a result of year-end audit entries;
- \$3.7 increase in pension related expenses as a result of year-end audit entries;
- \$1.5 increase in personal services costs;
- \$1.4 increase in E-911 dispatch services costs to transition dispatch services from Broward County to the City of Coral Springs;
- \$1.2 increase in loss on disposal of capital assets;
- \$0.8 increase in public service activities, such as small business stabilization grants;
- \$0.3 increase in workers comp and general liability insurance premiums;
- \$0.3 increase in repairs and maintenance;
- \$0.2 increase in fuel due to rising energy costs; and
- \$0.9 increase in various other accounts, including capital outlay costs that vary from year to year based on capital needs.

Management’s Discussion and Analysis

Chart 2 depicts the changes in governmental revenues from fiscal year 2021 to fiscal year 2022.

CHART 2

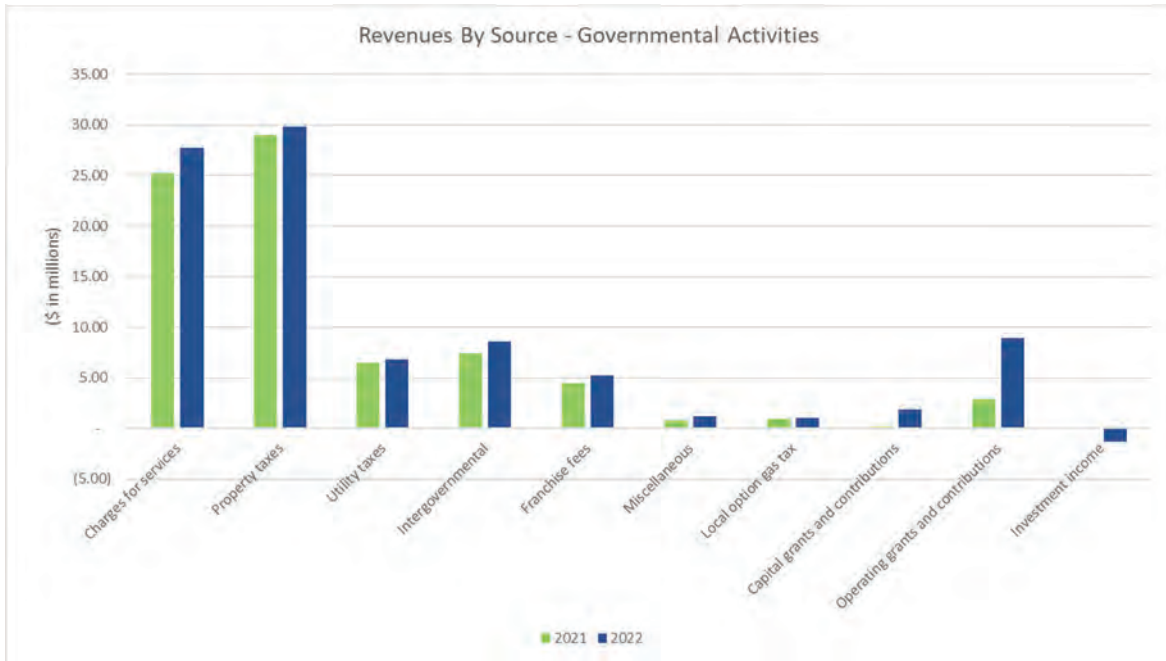
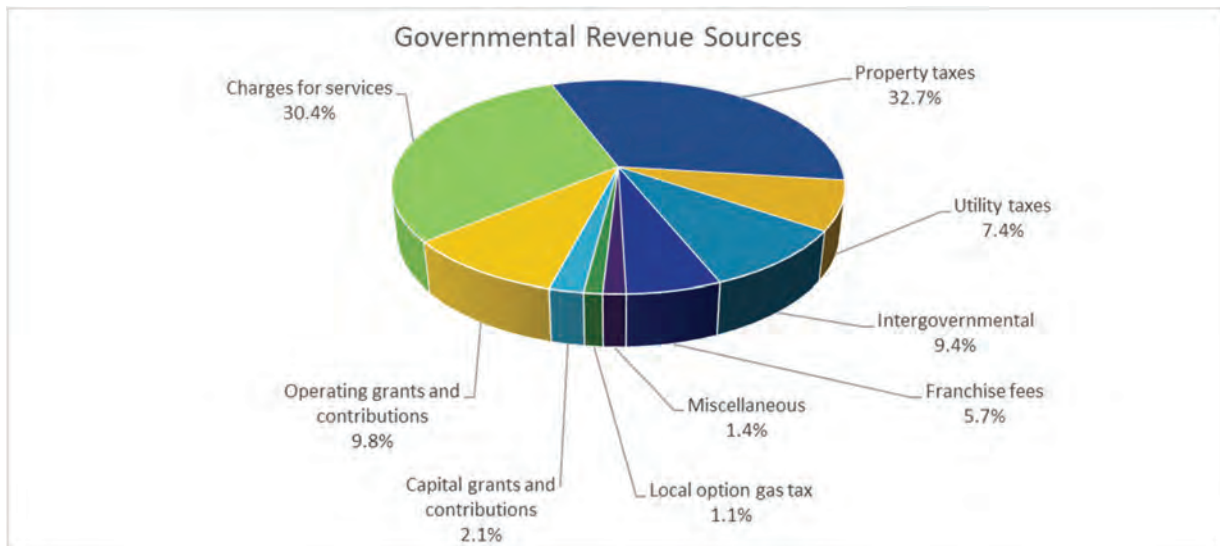


Chart 3 provides an overall view of the various governmental revenue sources. 32.7% of the revenues received come from property taxes, 30.4% from charges for services, 7.4% from utility taxes, 9.4% from intergovernmental activities, 9.8% from operating grants and contributions, and 5.7% from franchise fees. The remaining sources account for 4.6% of governmental revenues.

CHART 3



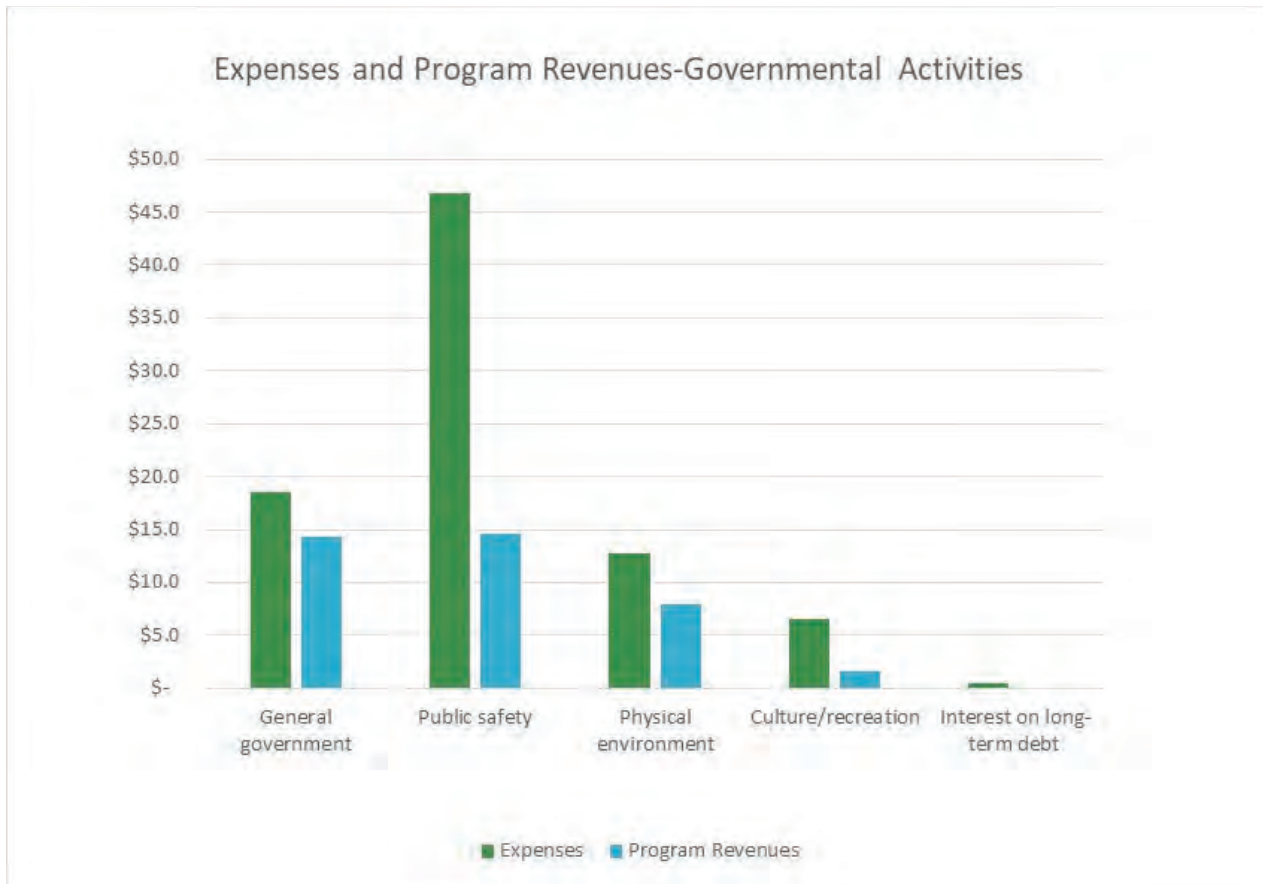
*Investment loss represents a non-cash accounting entry and as such is not reflected in this chart.

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 \$85.1. This cost was financed by:

- Those who directly benefited from the programs through charges for services of \$27.7;
- Other governments and organizations that subsidized certain programs through operating and capital grants and contributions of \$10.8; and
- The remaining \$46.6 “public benefit” portion of governmental activities was financed with \$42.8 in taxes and franchise fees, and with \$3.8 in other revenues such as unrestricted state aid, and miscellaneous revenues.

CHART 4



Management’s Discussion and Analysis

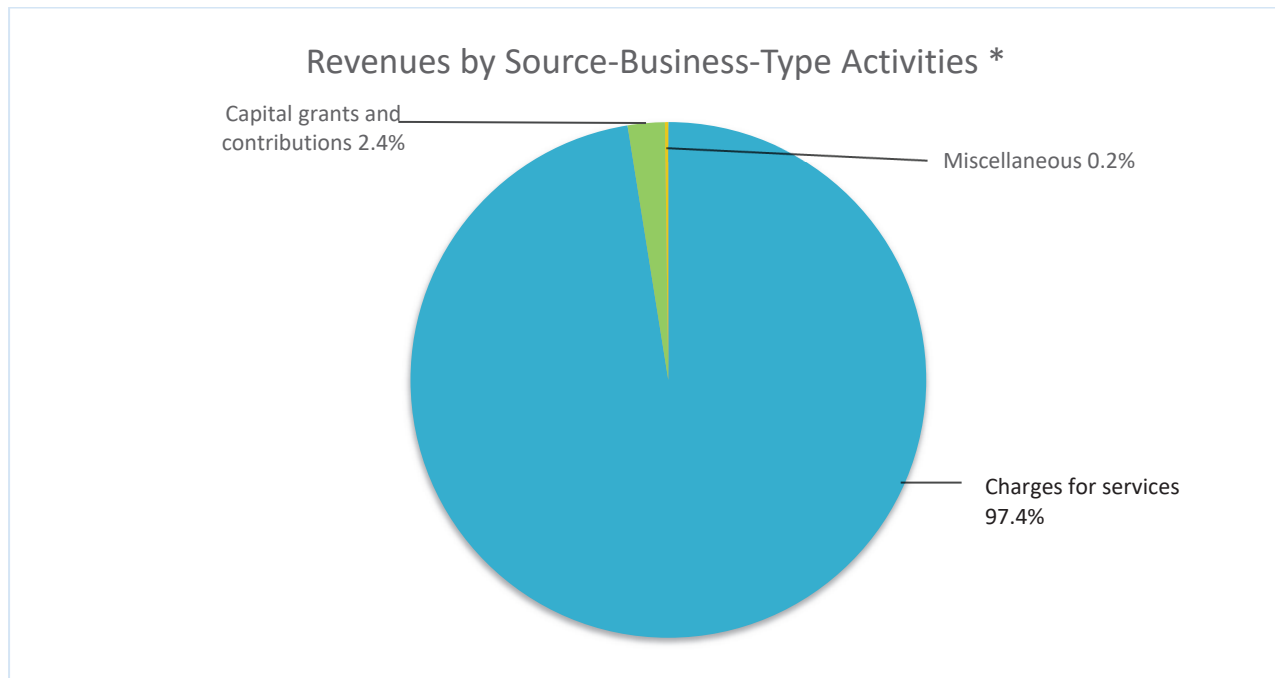
Business-type activities. Business-type activities increased the City of Coconut Creek’s net position by \$0.4. The increase in net position is mainly due to an increase in charges for services program revenue.

Revenues of the City’s business-type activities decreased 4.6% to \$24.7 while expenses increased 3.8% to \$24.3. Factors contributing to these results included:

- Charges for services increased by \$0.4 or 1.6% due to increased water consumption.
- Capital grants and contributions decreased by \$0.8 or 57.1% due to the timing of capital contributions received from developers.
- Impact fees decreased by \$0.1 or 100% due to the timing of new developments within the City and the reclassification of revenues to charges for services.
- Investment income decreased by \$0.8 or 100.0%, mainly due to the ongoing changes in financial market conditions, including unrealized losses that are recorded for financial statement purposes and represents a non-cash transactions.
- Expenses increased by \$0.9 or 3.8% during the year. This is mainly attributable to an increase of \$0.5 in administrative costs related to OPEB expenses, an increase of \$0.2 in loss on disposition of capital assets, an increase of \$0.1 in operations and maintenance costs, and an increase of \$0.1 in depreciation expense.

Chart 5 provides an overall view of the various business-type revenue sources. \$24.8 of these revenues received come from charges for services, \$0.6 from capital grants and contributions, (\$0.8) from investments, and \$0.1 from miscellaneous revenue.

CHART 5



* The above chart may not include all minor revenue categories. Investment loss represents a non-cash accounting entry and as such is not reflected in this chart.

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 \$91.5, an increase of \$12.0 or 15.1% in comparison with the prior year.

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

	Governmental Funds	
	2022	2021
Nonspendable:		
Inventory	\$ 0.1	\$ 0.1
Prepays	0.1	0.1
Leases	0.1	-
Restricted for:		
Capital projects	9.1	9.9
Street construction/maintenance	0.9	0.5
Public safety	0.9	0.8
Committed to:		
Affordable housing program	1.2	1.2
Capital projects	12.1	12.4
General government	0.3	0.1
Public safety	0.1	0.1
Debt service	2.5	0.1
Physical environment	0.3	0.2
Economic development	1.4	1.2
Hurricane emergency reserve	4.1	3.9
Assigned to:		
Assets held for resale	8.6	8.6
Capital projects	4.6	3.9
General government	11.8	3.9
Physical environment	0.1	0.1
Public safety	2.8	3.1
General trust accounts	2.2	1.7
Unassigned	28.2	27.6
Total fund balances	\$ 91.5	\$ 79.5

* 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: \$0.3 of the fund balance is classified as *nonspendable*, which indicates amounts that are not available for new spending because it is not in spendable form. Nonspendable fund balance includes \$0.1 for inventory, \$0.1 for prepaid costs, and \$0.1 for leases.
- Restricted Fund Balance: \$10.9 is classified as *restricted*, which indicates amounts constrained to specific purposes by external entities. Restricted fund balance includes \$9.1 of outstanding debt proceeds to be used for various capital projects; \$0.9 related to street construction and maintenance; and \$0.9 for federal, state, and local requirements for the use of law enforcement forfeitures and seizures.
- Committed Fund Balance: \$22.0 is classified as *committed*, to indicate amounts constrained to specific purposes by the City Commission through Ordinance or Resolution. Committed fund balance consists of \$1.2 related to affordable housing; \$12.1 constrained to ongoing and future capital projects; \$0.3 related to general government; \$0.1 related to public safety; \$2.5 related to debt service; \$0.3 related to physical environment; \$1.4 related to economic development; and \$4.1 related to hurricane emergencies.
- Assigned Fund Balance: \$30.1 is classified as *assigned*, to indicate amounts constrained by the City's intent to use for a specific purpose. Assigned fund balance includes \$8.6 for assets held for resale; \$4.6 set aside for ongoing and future capital projects; \$11.8 for general government; \$0.1 for physical environment; \$2.8 for public safety; and \$2.2 for general trust accounts.
- Unassigned Fund Balance: \$28.2 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, the fund balance totaled \$53.7, of which \$30.4 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 37.2% 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 by \$10.6 to \$53.7. The City appropriated \$3.6 of the fund balance for spending in the 2022 fiscal year budget, with the assumption that 100% of the 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 charges for services and ad valorem taxes as well as unused departmental expenditures. Unused departmental expenditures include personnel cost savings of \$8.7 (approximately 14.3% of total budgeted personnel costs) resulting from vacancies throughout the year as well as the City's proactive approach on cost containment amidst pending future legislative changes affecting revenues, and various operating cost savings of \$5.1, 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 18 and 19.

The Street Construction and Maintenance Fund has a fund balance of \$0.9, 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 increased by \$0.4 primarily due to the timing of the completion of capital improvement projects.

The Grants Fund has a fund balance (deficit) of (\$0.9). Fund balance (deficit) increased by \$0.7 due to the timing of grant reimbursements, in particular, reimbursement from HUD for expenditures related to housing assistance. In addition, the fund will be replenished through the receipt of proceeds from various grant agencies.

The Community Improvement Fund has a fund balance of \$6.4, 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 \$0.7 primarily due to the timing of debt service payments and future capital projects.

Management's Discussion and Analysis

The 2009 Capital Projects Fund has a total fund balance (deficit) of (\$0.8). Fund balance (deficit) remained unchanged from the prior year 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 \$9.1, which consists mainly of cash and investments received from the \$10.0 Capital Improvement Revenue Note, Series 2017A, and the \$8.4 Capital Improvement Revenue Refunding Note, Series 2021. Fund balance decreased by \$0.8, representing the use of the note proceeds to fund the design for Lakeside Park Expansion as well as other capital projects.

The Capital Improvement Program Fund has a total fund balance of \$14.8, which consists mainly of \$8.6 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 by \$1.4 due to the timing of the completion of funded capital improvement projects.

The Public Safety Improvement Fund has a total fund balance of \$1.0, which is mainly held in cash and investments and is restricted for future police and fire capital projects. Fund balance decreased by \$0.1 due to the timing of impact fee receipts and public safety equipment purchases.

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 \$36.4. The total decrease in the unrestricted net position was \$0.6. This decrease was mainly due to decrease in investment income and loss on disposition of capital assets, partially offset by an increase in operating expenses of \$0.5.

Unrestricted net position of the Stormwater Management Fund at the end of the year amounted to \$5.1. The unrestricted net position increased by \$0.3 from the prior year. This increase is mainly due to the increase of \$0.2 in charges for services and the decrease of \$0.1 in operation and maintenance costs.

Other factors concerning the finances of these funds have 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 exceeded the budget by \$1.0. The revenue difference is primarily attributed to the following factors:

- Ad valorem taxes exceeded budget by \$0.2 due to the timing of payment received.
- Franchise Fees exceeded budget by \$0.5 mainly due to higher-than-anticipated electric franchise fees due to rising energy costs.
- Utility Taxes exceeded budget by \$0.1 mainly due to higher-than-anticipated communication services taxes and electric utility tax.
- Licenses and Permits fell short of budget by \$0.6 due to lower-than-anticipated engineering permits and primary permit fees due to the timing of new developments within the City.
- Charges for services fell short of budget by \$0.2 due to lower-than-anticipated fire special assessment.

Management’s Discussion and Analysis

- Intergovernmental exceeded budget by \$1.8 due to higher-than-anticipated half-cent sales tax and state revenue sharing, which are driven by an increase in consumer spending and inflation.
- Investment income fell short of budget by \$1.0 due to the ongoing changes in financial market conditions, including unrealized losses that are recorded for financial statement purposes and represents a non-cash transaction.
- Miscellaneous revenues exceeded budget by \$0.2 due to a higher-than-anticipated purchase card rebate.
- Other financing sources exceeded budget by \$0.7 due to the implementation of GASB 87 for lease proceeds.

Expenditures

As of fiscal year-end, actual expenditures were under budget by \$17.1. The main operational expenditure differences are as follows:

- Personal service costs were less than budgeted amounts by \$8.7 due to staff turnover and vacancies throughout the year, and the City’s proactive approach to contain costs pending future legislative changes affecting revenues and expenses.
- Other operating costs were \$8.4 less than budgeted amounts mainly due to savings in professional services (\$0.9); the timing of the implementation of E-911 dispatch services (\$2.2); workers comp and general liability insurance premiums (\$0.3); repair and maintenance costs (\$0.5); printing and publication (\$0.3); recreation programs (\$0.1); timing of economic incentives and neighborhood enhancement grants (\$1.4); capital outlay (\$0.7); contingency (\$0.5); and other operating savings in various accounts (\$1.5). In accordance with the City’s ordinances, approximately \$5.1 of these savings will be re-appropriated and spent in future years on authorized initiatives. 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 69 and 70.

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, 2022 amounts to \$213.4 (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 decrease in the City of Coconut Creek’s investment in capital assets for the current fiscal year was \$0.7 represented by a 1.4% decrease in governmental activities and a 1.1% increase in 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
	2022	2021	2022	2021	2022	2021	2021-2022
Land	\$ 30.2	\$ 30.2	\$ 0.4	\$ 0.4	\$ 30.6	\$ 30.6	0.0%
Buildings	31.2	30.0	4.2	4.3	35.4	34.3	3.2%
Improvements	12.9	12.8	0.4	0.4	13.3	13.2	0.8%
Equipment	11.3	12.8	2.8	3.2	14.1	16.0	(11.9%)
Infrastructure	31.3	31.0	71.7	70.6	103.0	101.6	1.4%
Intangibles	0.8	0.1	13.0	12.7	13.8	12.8	7.8%
Construction in progress	2.9	5.4	0.3	0.2	3.2	5.6	(42.9%)
Total	\$ 120.6	\$ 122.3	\$ 92.8	\$ 91.8	\$ 213.4	\$ 214.1	(0.3%)

Management's Discussion and Analysis

For governmental activities, this year's major capital asset additions before depreciation totaled \$5.3 and include the following:

- \$1.9 in construction in progress, which relates to projects started in the City, but not yet completed, including \$1.2 for the Comprehensive Street Improvement Program, \$0.1 for the design for Lakeside Park Expansion, \$0.1 for Government Center rehabilitation, and \$0.5 for various other projects.
- \$0.3 in building improvements, which represents \$0.2 for Fire Station #113 and \$0.1 for various other projects.
- \$0.9 in land improvements, which represents \$0.3 for boardwalk rehabilitation, \$0.2 for Lakewood playground equipment, \$0.2 for Coco Point playground equipment, and \$0.2 for other various park improvements.
- \$0.3 in infrastructure for the citywide sidewalk repair program, pedestrian lighting, irrigation pumps, and parking lot improvements.
- \$1.2 in equipment, which represents \$0.1 for security cameras, \$0.3 for various radios; \$0.4 for vehicle replacements; and \$0.4 for various machinery and equipment purchases, such as fitness and ground maintenance equipment.
- \$0.7 in intangibles, which represents the right to use newly leased office space for the Fire Rescue department.

This year's major capital asset disposals for governmental activities consisted of \$0.2 in buildings and improvements, \$0.7 in vehicles, and \$3.4 in equipment as part of the City's annual replacement program. In addition, \$4.5 was transferred from construction in progress to building improvements and infrastructure. The transfer represented the completion of various projects, such as Fire Station #113 and Sabal Pines Park improvements.

Capital additions for business-type activities before depreciation totaled \$3.5 and include the following:

- \$0.3 in easements, which represents \$0.2 for Johnson Technology Park II easement and \$0.1 for Wells Fargo easement.
- \$0.2 in construction in progress, which relates to projects started in the City, but not yet completed, including \$0.1 for the Sabal Pines Park Yard Retrofit and \$0.1 for the Comprehensive Street Improvement Program.
- \$2.7 in infrastructure, which represents \$0.6 for the Water Distribution System Improvement Program, \$0.2 for the Wastewater Pump Station Rehabilitation Program; \$0.2 for Water Quality Improvements; \$0.4 for wastewater conveyance system improvements; \$0.2 for water valve replacement; \$0.2 wastewater access rehabilitation; \$0.2 for electrical control panel rehabilitation; \$0.2 for water meter connect retrofit; \$0.2 for stormwater drainage improvement; and \$0.3 in other minor infrastructure improvements.
- \$0.3 in equipment, which includes seven submersible pumps, a digital message board, a wastewater line camera, and other minor electrical equipment.

This year's major capital asset disposals for business-type activities consisted of \$0.5 in equipment.

Additional information on the City of Coconut Creek's capital assets can be found in Note 7 on pages 49 and 50 of this report.

Management’s Discussion and Analysis

Long-term debt (see Table 5). At the end of the current fiscal year, the City of Coconut Creek had total debt outstanding of \$18.3. 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 \$2.0 or 9.9% during the current fiscal year due to required annual debt service payments of \$2.0.

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2022	2021	2022	2021	2022	2021	2021-2022
Revenue notes (backed by non-ad valorem revenues)	\$ 18.3	\$ 20.3	-	-	\$ 18.3	\$ 20.3	(9.9%)
Total	\$ 18.3	\$ 20.3	\$ -	\$ -	\$ 18.3	\$ 20.3	(9.9%)

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 51 through 53 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, utility 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 \$53.4. Of that amount, the City of Coconut Creek appropriated \$11.5 for spending in the 2023 fiscal year budget. Preparing the fiscal year 2023 budget presented numerous challenges. The current economic pressures resulting from inflation have significantly impacted City finances and operations. Increased cost of goods and services coupled with the 30-year Compact Agreement with the Seminole Tribe of Florida not materializing, forced the City to take a more strategic approach to funding decisions for fiscal year 2023. As such, the City prioritized labor requirements to provide exemplary levels of service; maintenance of City’s facilities, equipment, and infrastructure; and public safety. These priorities were determined after considering the City’s ability to sustain the costs into an uncertain economic future.

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.

Management's Discussion and Analysis

For fiscal year 2023 budget, property tax values increased by 9.2% from reassessments of existing properties in the City. The millage rate remained unchanged at 6.4463.

The City fire assessment rates increased by 10% in fiscal year 2023 to partially cover the increase in fire protection service costs, including the ongoing personal services and operating costs associated with the addition of Fire Station #113. The single-family, multi-family, and mobile home rates are \$257.40, \$231.66, and \$128.70, respectively.

The City's water and wastewater rates were established by conducting a comprehensive rate study to ensure fees are sufficient to cover ongoing operating and capital costs. The City uses a 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. The current rate study provides for the greater of 2.5% or inflation based on the Consumer Price Index (CPI), which was 9.9%. While there were some inflationary increases in operating and capital costs, after considering the current economic environment and the overall financial position of the Water and Wastewater Fund, the City approved a rate increase effective April 1, 2023 of only 2.5%, essentially waiving 7.4% of the 9.9% scheduled rate increase. A stormwater rate increase of 10.6% based on inflation, or \$0.44 per month went into effect on October 1, 2022.

The City has adopted a living document called Vision 2030, which is a road map establishing the priorities that will lead the community of Coconut Creek to a desired quality of life and a sustainable future. Vision 2030 was created in a collaborative process that included robust public participation through community surveys, community interviews, community meetings, staff meetings, and City Commission meetings. The culture the City aims to cultivate is that of an innovative, inclusive and progressive community with a small-town personal touch. The mission statement established by Vision 2030 is to provide exceptional, responsive and sustainable services for the Coconut Creek Community, with an emphasis on the core values of service excellence, innovation, continuous improvement, ethics and integrity, and fiscal accountability.

The initiatives and programs within the 2023 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.

A large, horizontal, yellow brushstroke graphic that serves as a background for the main title text. The stroke is thick and textured, with some darker and lighter areas, giving it a hand-painted appearance. It spans across the middle of the page.

BASIC FINANCIAL STATEMENTS

**CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
ASSETS:			
Cash	\$ 20,912,161	\$ 11,610,650	\$ 32,522,811
Cash (restricted)	200,000	-	200,000
Accounts receivable	3,003,657	2,975,909	5,979,566
Lease receivable	2,401,693	-	2,401,693
Due from other governments	2,811,008	16,622	2,827,630
Investments	66,033,159	36,681,990	102,715,149
Inventory and prepaid items	235,401	-	235,401
Other assets	24,020	-	24,020
Assets held for resale	8,620,084	-	8,620,084
Capital assets not being depreciated	33,135,743	13,697,474	46,833,217
Capital assets being depreciated	87,457,138	79,100,154	166,557,292
Total assets	<u>224,834,064</u>	<u>144,082,799</u>	<u>368,916,863</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows for pension	21,942,306	1,696,522	23,638,828
Deferred outflows for OPEB	6,885,051	872,846	7,757,897
Total deferred outflows of resources	<u>28,827,357</u>	<u>2,569,368</u>	<u>31,396,725</u>
LIABILITIES:			
Accounts payable and accrued liabilities	5,897,708	1,794,818	7,692,526
Retainage payable	72,672	-	72,672
Unearned revenue	1,180,323	117,700	1,298,023
Due to other governments	14,041	1,300,119	1,314,160
Customer and other deposits payable	6,049	1,743,375	1,749,424
Due within one year:			
Compensated absences payable	646,873	48,030	694,903
Revenue notes payable	2,080,000	-	2,080,000
Lease liability	127,582	-	127,582
Due in more than one year:			
Compensated absences payable	7,592,676	658,774	8,251,450
Revenue notes payable	16,175,000	-	16,175,000
Lease liability	582,786	-	582,786
Net pension liability	55,534,944	4,777,079	60,312,023
Net OPEB liability	17,505,052	1,743,630	19,248,682
Total liabilities	<u>107,415,706</u>	<u>12,183,525</u>	<u>119,599,231</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows for pension	3,455,427	277,296	3,732,723
Deferred inflows for OPEB	3,267,995	334,839	3,602,834
Deferred inflows for leases	2,349,401	-	2,349,401
Total deferred inflows of resources	<u>9,072,823</u>	<u>612,135</u>	<u>9,684,958</u>
NET POSITION:			
Net investment in capital assets	108,112,998	92,395,541	200,508,539
Restricted:			
Capital projects	1,188,807	-	1,188,807
Street construction and maintenance	860,083	-	860,083
Public safety	951,227	-	951,227
Unrestricted	26,059,777	41,460,966	67,520,743
Total net position	<u>\$ 137,172,892</u>	<u>\$ 133,856,507</u>	<u>\$ 271,029,399</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, 2022

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	\$ 18,601,118	\$ 6,209,687	\$ 8,122,325	\$ -	\$ (4,269,106)	\$ -	\$ (4,269,106)
Public safety	46,793,935	14,590,295	35,040	-	(32,168,600)	-	(32,168,600)
Physical environment	12,677,414	6,137,553	770,533	1,110,000	(4,659,328)	-	(4,659,328)
Culture and recreation	6,602,828	807,792	-	775,649	(5,019,387)	-	(5,019,387)
Interest on long-term debt	425,774	-	-	-	(425,774)	-	(425,774)
Total governmental activities	85,101,069	27,745,327	8,927,898	1,885,649	(46,542,195)	-	(46,542,195)
Business-type activities:							
Water and wastewater	22,781,324	22,853,662	-	590,462	-	662,800	662,800
Stormwater management	1,534,047	1,947,983	-	-	-	413,936	413,936
Total business-type activities	24,315,371	24,801,645	-	590,462	-	1,076,736	1,076,736
Total primary government	\$ 109,416,440	\$ 52,546,972	\$ 8,927,898	\$ 2,476,111	(46,542,195)	1,076,736	(45,465,459)
General Revenues:							
Taxes:							
Property taxes					29,797,856	-	29,797,856
Utility taxes					6,778,092	-	6,778,092
Local option gas tax					1,018,673	-	1,018,673
Franchise fees					5,196,615	-	5,196,615
Intergovernmental not restricted to specific programs					8,567,020	-	8,567,020
Investment income (loss)					(1,300,828)	(751,672)	(2,052,500)
Miscellaneous					1,249,495	53,774	1,303,269
Total general revenues					51,306,923	(697,898)	50,609,025
Change in net position					4,764,728	378,838	5,143,566
Net position, beginning					132,408,164	133,477,669	265,885,833
Net position, ending					\$ 137,172,892	\$ 133,856,507	\$ 271,029,399

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

CITY OF COCONUT CREEK, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General Fund	Street Construction and Maintenance Fund	Grants Fund	Community Improvement Fund
ASSETS:				
Cash	\$ 12,393,182	\$ 181,630	\$ 770,710	\$ 1,537,119
Cash (restricted)	-	-	-	-
Accounts receivable	1,965,383	1,053	-	8,876
Lease receivable	2,401,693	-	-	-
Due from other funds	1,265,207	-	-	-
Due from other governments	1,714,587	214,175	882,246	-
Investments	41,553,746	573,831	-	4,856,284
Inventory and prepaid items	235,401	-	-	-
Other assets	24,020	-	-	-
Assets held for resale	-	-	-	-
Total assets	\$ 61,553,219	\$ 970,689	\$ 1,652,956	\$ 6,402,279
LIABILITIES:				
Accounts payable and accrued liabilities	\$ 3,977,200	\$ 110,606	\$ 398,792	\$ 6,193
Retainage payable	-	-	-	-
Unearned revenue	222,273	-	850,050	-
Due to other funds	-	-	418,149	-
Due to other governments	14,041	-	-	-
Deposits	6,049	-	-	-
Total liabilities	4,219,563	110,606	1,666,991	6,193
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue - grants	1,159,571	-	869,280	-
Unavailable revenue - billings	158,649	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Leases	2,349,401	-	-	-
Total deferred inflows of resources	3,667,621	-	869,280	-
FUND BALANCES (DEFICITS):				
Nonspendable:				
Inventory	114,278	-	-	-
Prepaid items	121,123	-	-	-
Leases	52,292	-	-	-
Restricted:				
Capital projects	-	-	-	-
Street construction/maintenance	-	860,083	-	-
Public safety	-	-	-	-
Committed:				
Affordable housing program	-	-	-	-
Capital projects	-	-	-	3,930,226
General government	273,075	-	-	-
Public safety	130,547	-	-	-
Debt service	-	-	-	2,465,860
Physical environment	246,293	-	-	-
Economic development	1,393,653	-	-	-
Hurricane emergency reserve	4,079,735	-	-	-
Assigned:				
Assets held for resale	-	-	-	-
Capital projects	-	-	-	-
General government	11,790,500	-	-	-
Physical environment	40,000	-	-	-
Public safety	2,825,181	-	-	-
General trust accounts	2,224,018	-	-	-
Unassigned	30,375,340	-	(883,315)	-
Total fund balances (deficits)	53,666,035	860,083	(883,315)	6,396,086
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 61,553,219	\$ 970,689	\$ 1,652,956	\$ 6,402,279

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
\$ -	\$ 2,231,263	\$ 1,448,726	\$ 242,656	\$ 2,106,875	\$ 20,912,161
-	-	200,000	-	-	200,000
996,193	13,374	7,633	1,403	9,742	3,003,657
-	-	-	-	-	2,401,693
-	-	-	-	-	1,265,207
-	-	-	-	-	2,811,008
-	7,049,319	4,577,018	766,633	6,656,328	66,033,159
-	-	-	-	-	235,401
-	-	-	-	-	24,020
-	-	8,620,084	-	-	8,620,084
<u>\$ 996,193</u>	<u>\$ 9,293,956</u>	<u>\$ 14,853,461</u>	<u>\$ 1,010,692</u>	<u>\$ 8,772,945</u>	<u>\$ 105,506,390</u>
\$ -	\$ 180,677	\$ 100,711	\$ -	\$ 1,123,529	\$ 5,897,708
-	3,986	-	-	68,686	72,672
-	-	-	-	108,000	1,180,323
847,058	-	-	-	-	1,265,207
-	-	-	-	-	14,041
-	-	-	-	-	6,049
<u>847,058</u>	<u>184,663</u>	<u>100,711</u>	<u>-</u>	<u>1,300,215</u>	<u>8,436,000</u>
-	-	-	-	-	2,028,851
-	-	-	-	-	158,649
996,193	-	-	-	-	996,193
-	-	-	-	-	2,349,401
<u>996,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,533,094</u>
-	-	-	-	-	114,278
-	-	-	-	-	121,123
-	-	-	-	-	52,292
-	9,109,293	-	-	-	9,109,293
-	-	-	-	-	860,083
-	-	-	-	951,227	951,227
-	-	-	-	1,248,385	1,248,385
-	-	1,495,844	1,010,692	5,678,072	12,114,834
-	-	-	-	-	273,075
-	-	-	-	-	130,547
-	-	-	-	65,373	2,531,233
-	-	-	-	-	246,293
-	-	-	-	-	1,393,653
-	-	-	-	-	4,079,735
-	-	8,620,084	-	-	8,620,084
-	-	4,636,822	-	-	4,636,822
-	-	-	-	-	11,790,500
-	-	-	-	-	40,000
-	-	-	-	-	2,825,181
-	-	-	-	-	2,224,018
<u>(847,058)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(470,327)</u>	<u>28,174,640</u>
<u>(847,058)</u>	<u>9,109,293</u>	<u>14,752,750</u>	<u>1,010,692</u>	<u>7,472,730</u>	<u>91,537,296</u>
<u>\$ 996,193</u>	<u>\$ 9,293,956</u>	<u>\$ 14,853,461</u>	<u>\$ 1,010,692</u>	<u>\$ 8,772,945</u>	<u>\$ 105,506,390</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, 2022**

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS, PAGE 26 **\$ 91,537,296**

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	\$ 176,972,079	
Less accumulated depreciation	(57,071,768)	
Net Adjustment		119,900,311

Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Right to use assets at historical cost	715,656	
Accumulated amortization	(23,086)	
		692,570

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.

3,183,693

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	21,942,306	
Deferred outflows relating to OPEB activity	6,885,051	
Deferred inflows relating to pension activity	(3,455,427)	
Deferred inflows relating to OPEB activity	(3,267,995)	
		22,103,935

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

Compensated absences		(8,239,549)
Revenue notes payable		(18,255,000)
Net pension liability		(55,534,944)
Net OPEB liability		(17,505,052)
Lease liability		(710,368)

NET POSITION OF GOVERNMENTAL ACTIVITIES, PAGE 23 **\$ 137,172,892**

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, 2022

	General Fund	Street Construction and Maintenance Fund	Grants Fund	Community Improvement Fund
REVENUES:				
Ad valorem taxes	\$ 29,797,856	\$ -	\$ -	\$ -
Franchise fees	5,196,615	-	-	-
Utility taxes	6,778,092	-	-	-
Licenses and permits	1,828,368	-	-	-
Intergovernmental revenues	7,628,575	2,289,597	7,915,264	-
Charges for services	19,047,065	-	-	3,353,649
Fines and forfeitures	335,973	-	-	-
Impact fees	-	-	-	-
Investment income (loss)	(838,981)	(11,053)	-	(91,043)
Miscellaneous revenues	1,350,080	-	-	-
Total revenues	71,123,643	2,278,544	7,915,264	3,262,606
EXPENDITURES:				
Current:				
General government	14,672,799	-	-	-
Public safety	38,397,907	-	29,886	-
Physical environment	7,140,812	1,690,756	440,867	76,678
Culture and recreation	4,883,549	-	-	-
Nondepartmental	423,025	250,000	751,414	-
Capital outlay	1,363,486	-	387,288	-
Debt service:				
Principal	5,288	-	-	-
Interest and fiscal charges	1,505	-	-	-
Total expenditures	66,888,371	1,940,756	1,609,455	76,678
Excess (deficiency) of revenues over expenditures	4,235,272	337,788	6,305,809	3,185,928
OTHER FINANCING SOURCES (USES):				
Proceeds from lease	715,656	-	-	-
Transfers in	8,632,450	-	-	-
Transfers out	(3,000,000)	-	(7,000,000)	(2,491,737)
Total other financing sources (uses)	6,348,106	-	(7,000,000)	(2,491,737)
Net change in fund balances	10,583,378	337,788	(694,191)	694,191
FUND BALANCES (DEFICITS) - Beginning	43,082,657	522,295	(189,124)	5,701,895
FUND BALANCES (DEFICITS) - Ending	\$ 53,666,035	\$ 860,083	\$ (883,315)	\$ 6,396,086

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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,797,856
-	-	-	-	-	5,196,615
-	-	-	-	-	6,778,092
-	-	-	-	-	1,828,368
-	-	360,000	-	750,000	18,943,436
-	-	-	-	2,722,915	25,123,629
-	-	-	-	292,724	628,697
-	-	-	91,948	22,673	114,621
-	(144,878)	(91,051)	(15,514)	(108,308)	(1,300,828)
-	-	-	-	12,331	1,362,411
-	(144,878)	268,949	76,434	3,692,335	88,472,897
-	-	-	-	-	14,672,799
-	-	-	-	10,000	38,437,793
-	-	-	-	813	9,349,926
-	-	-	-	-	4,883,549
-	-	-	-	-	1,424,439
6,287	638,285	1,880,362	89,975	1,559,496	5,925,179
-	-	-	-	2,040,000	2,045,288
-	-	-	-	424,269	425,774
6,287	638,285	1,880,362	89,975	4,034,578	77,164,747
(6,287)	(783,163)	(1,611,413)	(13,541)	(342,243)	11,308,150
-	-	-	-	-	715,656
-	-	3,000,000	-	2,464,269	14,096,719
-	-	-	-	(1,604,982)	(14,096,719)
-	-	3,000,000	-	859,287	715,656
(6,287)	(783,163)	1,388,587	(13,541)	517,044	12,023,806
(840,771)	9,892,456	13,364,163	1,024,233	6,955,686	79,513,490
\$ (847,058)	\$ 9,109,293	\$ 14,752,750	\$ 1,010,692	\$ 7,472,730	\$ 91,537,296

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, 2022**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS, PAGE 29 **\$ 12,023,806**

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 / amortization expense.

Recorded as capital assets	\$ 4,551,344	
Depreciation expense	<u>(5,652,978)</u>	
Net Adjustment		(1,101,634)

Recorded as right of use leased asset	715,656	
Amortization expense	<u>(23,086)</u>	
Net Adjustment		692,570

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,392,900
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments on notes payable	2,040,000	
Lease liability proceeds	(715,656)	
Principal payments on lease liability	<u>5,288</u>	
		1,329,632

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	(649,747)	
Change in other post employment benefit liability (OPEB) and related deferrals	(5,455,108)	
Change in net pension liability and related deferrals	<u>(2,129,708)</u>	
		(8,234,563)

The net effect of various miscellaneous transactions involving capital assets.		<u>(1,337,983)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES, PAGE 24 **\$ 4,764,728**

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022

	Business-type Activities		
	Enterprise Funds		
	Water and Wastewater Fund	Stormwater Management Fund	Total
ASSETS:			
Current assets:			
Cash	\$ 10,183,374	\$ 1,427,276	\$ 11,610,650
Accounts receivable	2,743,200	232,709	2,975,909
Due from other governments	-	16,622	16,622
Total current assets	12,926,574	1,676,607	14,603,181
Non-current assets:			
Investments	32,172,739	4,509,251	36,681,990
Capital assets:			
Land	406,071	-	406,071
Easements	12,987,559	-	12,987,559
Buildings	4,785,663	452,431	5,238,094
Improvements	1,096,268	18,866	1,115,134
Equipment	5,423,326	822,288	6,245,614
Infrastructure	104,212,570	3,396,466	107,609,036
Construction in progress	232,412	71,432	303,844
Total capital assets	129,143,869	4,761,483	133,905,352
Less accumulated depreciation	40,056,458	1,051,266	41,107,724
Total capital assets, net	89,087,411	3,710,217	92,797,628
Total non-current assets	121,260,150	8,219,468	129,479,618
Total assets	134,186,724	9,896,075	144,082,799
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows for pension	1,223,745	472,777	1,696,522
Deferred outflows for OPEB	686,944	185,902	872,846
Total deferred outflows of resources	1,910,689	658,679	2,569,368
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	1,701,677	93,141	1,794,818
Unearned revenues	117,700	-	117,700
Due to other governments	1,291,190	8,929	1,300,119
Compensated absences	30,325	17,705	48,030
Customer deposits payable	1,743,375	-	1,743,375
Total Current Liabilities	4,884,267	119,775	5,004,042
Noncurrent liabilities:			
Net OPEB liability	1,432,143	311,487	1,743,630
Compensated absences	570,267	88,507	658,774
Net pension liability	3,570,814	1,206,265	4,777,079
Total noncurrent liabilities	5,573,224	1,606,259	7,179,483
Total liabilities	10,457,491	1,726,034	12,183,525
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows for pension	202,640	74,656	277,296
Deferred inflows for OPEB	273,537	61,302	334,839
Total deferred inflows of resources	476,177	135,958	612,135
NET POSITION:			
Net investment in capital assets	88,756,756	3,638,785	92,395,541
Unrestricted	36,406,989	5,053,977	41,460,966
Total net position	\$ 125,163,745	\$ 8,692,762	\$ 133,856,507

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, 2022

	Business-type Activities Enterprise Funds		
	Water and Wastewater Fund	Stormwater Management Fund	Total
Operating revenues:			
Charges for services	\$ 22,819,385	\$ 1,947,983	\$ 24,767,368
Miscellaneous	53,774	-	53,774
Total operating revenues	<u>22,873,159</u>	<u>1,947,983</u>	<u>24,821,142</u>
Operating expenses:			
Administrative costs	3,850,387	406,400	4,256,787
Operations and maintenance	16,517,104	908,518	17,425,622
Depreciation	2,092,147	177,270	2,269,417
Other services and charges	61,665	17,483	79,148
Total operating expenses	<u>22,521,303</u>	<u>1,509,671</u>	<u>24,030,974</u>
Operating income	<u>351,856</u>	<u>438,312</u>	<u>790,168</u>
Non-operating revenues (expenses):			
Interest expense and fees	(37,756)	-	(37,756)
Impact fees	34,277	-	34,277
Gain (loss) on disposition of capital assets	(222,265)	(24,376)	(246,641)
Investment income (loss)	(659,294)	(92,378)	(751,672)
Total non-operating revenues	<u>(885,038)</u>	<u>(116,754)</u>	<u>(1,001,792)</u>
Capital contributions:			
Capital contributions	590,462	-	590,462
Total capital contributions	<u>590,462</u>	<u>-</u>	<u>590,462</u>
Change in net position	57,280	321,558	378,838
Net position - Beginning	<u>125,106,465</u>	<u>8,371,204</u>	<u>133,477,669</u>
Net position - Ending	<u>\$ 125,163,745</u>	<u>\$ 8,692,762</u>	<u>\$ 133,856,507</u>

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Business-type Activities Enterprise Fund		
	Water and Wastewater Fund	Stormwater Management Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 22,552,308	\$ 1,870,591	\$ 24,422,899
Payments to suppliers	(16,349,226)	(907,094)	(17,256,320)
Payments to employees for services	(3,643,667)	(427,956)	(4,071,623)
Net Cash Provided By Operating Activities	2,559,415	535,541	3,094,956
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Interest paid	(37,756)	-	(37,756)
Net Cash Used In Noncapital Financing Activities	(37,756)	-	(37,756)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchases of capital assets	(3,006,501)	(230,331)	(3,236,832)
Proceeds from capital contributions	590,462	-	590,462
Impact fees	34,277	-	34,277
Net Cash Used In Capital and Related Financing Activities	(2,381,762)	(230,331)	(2,612,093)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment earnings	(694,300)	(97,449)	(791,749)
Proceeds from sales and maturities of investments	68,982,926	9,668,475	78,651,401
Purchases of investments	(63,832,335)	(9,194,876)	(73,027,211)
Net Cash Provided By Investing Activities	4,456,291	376,150	4,832,441
Net Increase in Cash	4,596,188	681,360	5,277,548
CASH - BEGINNING	5,587,186	745,916	6,333,102
CASH - ENDING	\$ 10,183,374	\$ 1,427,276	\$ 11,610,650

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, 2022

	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	\$ 351,856	\$ 438,312	\$ 790,168
Adjustments to reconcile operating income to net cash provided by operating activities:			
Provision for depreciation	2,092,147	177,270	2,269,417
(Increase) decrease in assets and deferred outflows:			
Accounts receivable	(391,492)	(73,894)	(465,386)
Due from other governments	11,678	(3,498)	8,180
Deferred outflows for pensions	(520,190)	(244,606)	(764,796)
Deferred outflows for OPEB	75,641	16,452	92,093
Increase (decrease) in liabilities and deferred inflows:			
Accounts payable and accrued liabilities	777,852	(12,880)	764,972
Unearned revenues	51,855	-	51,855
Due to other governments	(675,717)	8,929	(666,788)
Compensated absences	21,399	(12,952)	8,447
Customer deposits payable	7,108	-	7,108
Net pension liability	2,336,894	848,115	3,185,009
Deferred inflows for pensions	(1,698,252)	(557,627)	(2,255,879)
Deferred inflows for OPEB	235,605	51,243	286,848
Net OPEB liability	(116,969)	(99,323)	(216,292)
Total adjustments	<u>2,207,559</u>	<u>97,229</u>	<u>2,304,788</u>
Net Cash Provided By Operating Activities	<u>\$ 2,559,415</u>	<u>\$ 535,541</u>	<u>\$ 3,094,956</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING, AND CAPITAL RELATED FINANCING ACTIVITIES			
Increase in fair value of investments	\$ 838,342	\$ 117,500	\$ 955,842
Purchase of capital assets on account	\$ (203,515)	\$ -	\$ (203,515)

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, 2022**

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, 2022**

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, 2022**

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 and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

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, 2022**

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. 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.

Lease Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

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 \$5,000. 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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Major outlays for capital assets and improvements are capitalized as they are constructed. In accordance with GASB No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, interest incurred during the construction phase of capital assets is expensed as incurred.

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

Right to use assets – The City has recorded right to use lease assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

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 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, 2022.

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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 amortization 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 \$3,000,117 of restricted net position, all of which is restricted by enabling legislation.

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 equity classifications that comprise a hierarchy based primarily on the extent to which the City is legally bound to honor specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

Non-Spendable: Non-spendable fund balances include amounts that cannot be spent because they are either (a) in a non-spendable form or (b) are legally or contractually required to remain intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts), items such as the long-term amount of loans and notes receivable, and leases - portion of fund balance that is not an available resource because it represents the year-end balance of the lease receivable in excess of the deferred inflow of resources for the lease receivable, which is not a spendable resource. In fiscal year 2022, the non-spendable fund balance is \$287,693.

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 2022, restricted fund balance is \$10,920,603.

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 2022, committed fund balance is \$22,017,755.

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 are 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 2022, assigned fund balance is \$30,136,605.

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 2022, unassigned fund balance is \$28,174,640.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 assets that applies to a future period(s) and, therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. There are three items that qualify for reporting in this category: leases, pension related activities, and other post-employment benefit related activities. The City's deferred outflows of resources related to leases are discussed in Note 10. The City's deferred outflows of resources related to pensions and OPEB are reported in the government-wide statement and are discussed in Note 11 and 16, respectively.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. There are four items that qualify for reporting in this category: unavailable revenue, leases, pension related activities and other post-employment benefit 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, and emergency medical services (EMS) revenues. The City's deferred inflow of resources related to leases are disclosed in Notes 9 and 10. The City's deferred inflows of resources related to pensions are reported in the government-wide financial statements and discussed in Note 11. The City's deferred inflows of resources related to other post-employment benefits are discussed in Note 16.

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.

Deficit Fund Balance

At September 30, 2022, the City had a deficit balance in the Grants Fund, the 2009 Capital Projects Fund, and the Transportation Surtax Fund of \$883,315, \$847,058, and \$470,327, 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 30, 2023, 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, 2021, upon which the 2021-2022 tax levy calculation was based, was \$4,795,645,742. The tax rate to finance all governmental services for the fiscal year ended September 30, 2022 was 6.4463 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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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 fair 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 depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in fault. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss.

Authorized investments: The City is authorized by state statutes and local ordinances to invest in the State Board of Administration's ("SBA") Investment Account; intergovernmental investment pools or local government investment pools authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in Chapter 163.01, Florida Statutes; negotiable direct obligations of, or obligations where the principal and interest of which are unconditionally guaranteed by the United States Government; interest-bearing time deposits or savings accounts in qualified banks organized under the laws of this state, in national banks organized under the laws of the United States and doing business and situated in this state; securities of, or other interests in investment 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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 3 - CASH AND INVESTMENTS (continued)

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.

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.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 3 - CASH AND INVESTMENTS (continued)

As of September 30, 2022, 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	\$ 32,522,811			24.01%
Cash (restricted)	200,000			0.15%
Total cash and cash equivalents	32,722,811			
Florida Trust Day to Day Fund - money market fund	14,069,662	29 days	AAAm Fitch	10.39%
State Board of Administration - Florida PRIME	27,018,219	21 days	AAAm S&P	19.95%
Florida Municipal Investment Trust				
0-2 Year High Quality Bond Fund	2,938,257	0.70 years	AAAf/S1 Fitch	2.17%
1-3 Year High Quality Bond Fund	2,855,850	1.50 years	AAAf/S2 Fitch	2.11%
Intermediate High Quality Bond Fund	194,737	4.70 years	AAAf/S3 Fitch	0.14%
U.S. Government Sponsored Enterprises:				
Federal National Mortgage Association	16,380,410	4.40 years	AAA (1)	12.10%
Federal Home Loan Mortgage Corporation	4,136,043	4.37 years	AAA (1)	3.05%
Federal Home Loan Bank System	2,003,300	6.01 years	AAA (1)	1.48%
Federal Farm Credit Banks Funding Corporation	1,923,310	9.79 years	AAA Moody's	1.42%
U.S. Small Business Administration	1,195,361	10.00 years	AAA Moody's	0.88%
Certificates of Deposit	30,000,000		Not rated	22.15%
Total Investments	102,715,149			
Total cash and investments	\$ 135,437,960			100.00%

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

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 3 - CASH AND INVESTMENTS (continued)

As of September 30, 2022, the City of Coconut Creek had the following investment balances:

	Fair Value 09/30/2022	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	\$ 2,938,257	\$ -	\$ 2,938,257	\$ -
1-3 Year High Quality Bond Fund	2,855,850	-	2,855,850	-
Intermediate High Quality Bond Fund	194,737	-	194,737	-
U.S. Government Sponsored Enterprises:				
Federal National Mortgage Association	16,380,410	-	16,380,410	-
Federal Home Loan Mortgage Corporation	4,136,043	-	4,136,043	-
Federal Home Loan Bank System	2,003,300	-	2,003,300	-
Federal Farm Credit Banks Funding Corporation	1,923,310	-	1,923,310	-
U.S. Small Business Administration	1,195,361	-	1,195,361	-
Total Investments by Fair Value Level	\$ 31,627,268	\$ -	\$ 31,627,268	\$ -
Investments Exempt from Fair Value Reporting:				
Florida Trust Day to Day Fund - money market fund	14,069,662			
State Board of Administration - Florida PRIME	27,018,219			
Certificates of Deposit	30,000,000			
Total Exempt Investments	71,087,881			
Total Investments	\$ 102,715,149			

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, 2022 are presented in the preceding table. All are rated within the City's investment policy guidelines.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 3 - CASH AND INVESTMENTS (continued)

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 in any one issuer. As of September 30, 2022, 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, 2022, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy.

Foreign currency risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The City'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, 2022 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	Lease Receivable
Governmental activities:						
General Fund	\$ 2,712,085	\$ 1,464,635	\$ 76,451	\$ 4,253,171	\$ 1,714,587	\$ 2,401,693
Streets Construction & Maintenance Fund	-	-	1,053	1,053	214,175	-
Capital Projects Financing Fund	-	-	13,374	13,374	-	-
Grants Fund	-	-	-	-	882,246	-
Community Improvement Fund	-	-	8,876	8,876	-	-
2009 Capital Projects Fund	-	-	996,193	996,193	-	-
Capital Improvement Program Fund	-	-	7,633	7,633	-	-
Public Safety Improvement Fund	-	-	1,403	1,403	-	-
Nonmajor funds	-	-	9,742	9,742	-	-
Allowance for uncollectible accounts	(2,287,788)	-	-	(2,287,788)	-	-
Total governmental activities	\$ 424,297	\$ 1,464,635	\$ 1,114,725	\$ 3,003,657	\$ 2,811,008	\$ 2,401,693
Business-type activities:						
Water and Sewer	\$ 2,684,377	\$ -	\$ 58,823	\$ 2,743,200	\$ -	\$ -
Stormwater	224,420	-	8,289	232,709	16,622	-
Total business-type activities	\$ 2,908,797	\$ -	\$ 67,112	\$ 2,975,909	\$ 16,622	\$ -

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 4 - ACCOUNTS RECEIVABLE AND PAYABLE (continued)

Payables and amounts due to other governments as of September 30, 2022 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	Retainage Payable
Governmental activities:							
General Fund	\$ 1,400,597	\$ 1,937,778	\$ 135,951	\$ 502,874	\$ 3,977,200	\$ 14,041	\$ -
Streets Construction & Maintenance Fund	102,819	3,801	-	-	106,620	-	3,986
Capital Projects Financing Fund	184,663	-	-	-	184,663	-	-
Grants Fund	398,792	-	-	-	398,792	-	-
Community Improvement Fund	6,193	-	-	-	6,193	-	-
Capital Improvement Program Fund	100,711	-	-	-	100,711	-	-
Nonmajor funds	1,090,182	-	-	33,347	1,123,529	-	68,686
Total governmental activities	\$ 3,283,957	\$ 1,941,579	\$ 135,951	\$ 536,221	\$ 5,897,708	\$ 14,041	\$ 72,672
Business-type activities:							
Water and wastewater	\$ 1,662,151	\$ 39,526	\$ -	\$ -	\$ 1,701,677	\$ 1,291,190	\$ -
Stormwater	84,899	8,242	-	-	93,141	8,929	-
Total business-type activities	\$ 1,747,050	\$ 47,768	\$ -	\$ -	\$ 1,794,818	\$ 1,300,119	\$ -

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, 2022 are as follows:

Major Funds:	
General Fund	\$ 841,552
Grants Fund	76,983
2009 Capital Projects Fund	29,458
Capital Projects Financing Fund	1,698,365
Capital Improvement Program Fund	1,495,844
Total Major Funds	4,142,202
Non-Major Governmental Funds	1,988,270
Total Governmental Encumbrances	\$ 6,130,472

NOTE 6 - INTERFUND TRANSACTIONS

Inter-fund transfers between the various funds for the year ended September 30, 2022 are as follows:

Transfer Out	Transfers In			
	General Fund	Capital Improvement Program Fund	Nonmajor Funds	Total
General Fund	\$ -	\$ 3,000,000	\$ -	\$ 3,000,000 (3)
Community Improvement Fund	27,468	-	2,464,269	2,491,737 (2)
Grants Fund	7,000,000	-	-	7,000,000 (1)
Nonmajor Funds	1,604,982	-	-	1,604,982 (1)
Total Transfers In / Out	\$ 8,632,450	\$ 3,000,000	\$ 2,464,269	\$ 14,096,719

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 6 - INTERFUND TRANSACTIONS (continued)

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, and (3) provide funding for capital projects.

Inter-fund balances to provide temporary resources for the year ended September 30, 2022 are as follows:

Due To	Due From		
	Grants Fund	2009 Capital Project Fund	Total
General Fund	\$ 418,149	\$ 847,058	\$ 1,265,207
Total Due To / Due From	\$ 418,149	\$ 847,058	\$ 1,265,207

NOTE 7 - CAPITAL ASSETS

A summary of changes in the governmental activities capital assets for the year ended September 30, 2022 is presented as follows:

	Beginning Balance	Additions	Transfers *	Retirements	Ending Balance
Governmental activities:					
Capital assets, not being depreciated / amortized:					
Land	\$ 30,224,118	\$ -	\$ -	\$ -	\$ 30,224,118
Intangible Assets-Land	62,160	-	-	-	62,160
Construction in progress	5,450,399	1,926,378	(4,527,312)	-	2,849,465
Total capital assets, not being depreciated / amortized	35,736,677	1,926,378	(4,527,312)	-	33,135,743
Capital assets being depreciated / amortized:					
Buildings	43,791,869	284,654	2,049,126	(28,399)	46,097,250
Improvements	22,944,274	884,631	223,482	(117,019)	23,935,368
Infrastructure	47,560,674	287,795	1,391,563	(6,784)	49,233,248
Intangible - Software	104,410	49,020	-	(12,203)	141,227
Equipment	26,569,578	1,118,866	863,141	(4,122,342)	24,429,243
Intangible right to use: Office Lease	-	715,656	-	-	715,656
Total capital assets being depreciated / amortized	140,970,805	3,340,622	4,527,312	(4,286,747)	144,551,992
Less accumulated depreciation / amortization for:					
Buildings	13,818,765	1,109,870	-	(5,667)	14,922,968
Improvements	10,067,372	1,080,077	-	(96,414)	11,051,035
Infrastructure	16,616,644	1,337,912	-	(972)	17,953,584
Intangible	42,580	23,343	-	(12,203)	53,720
Equipment	13,822,193	2,101,776	-	(2,833,508)	13,090,461
Intangible right to use: Office Lease	-	23,086	-	-	23,086
Total accumulated depreciation / amortization	54,367,554	5,676,064	-	(2,948,764)	57,094,854
Total capital assets being depreciated / amortized, net	86,603,251	(2,335,442)	4,527,312	(1,337,983)	87,457,138
Governmental activities capital assets, net	\$ 122,339,928	\$ (409,064)	\$ -	\$ (1,337,983)	\$ 120,592,881

* 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, 2022**

NOTE 7 - CAPITAL ASSETS (continued)

A summary of changes in the business-type activities capital assets for the fiscal year ended September 30, 2022 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	12,650,882	336,677	-	-	12,987,559
Construction in progress	160,428	180,162	(36,746)	-	303,844
Total capital assets, not being depreciated	13,217,381	516,839	(36,746)	-	13,697,474
Capital assets being depreciated:					
Buildings	5,238,094	-	-	-	5,238,094
Improvements	1,115,134	-	-	-	1,115,134
Infrastructure	104,867,422	2,709,128	36,746	(4,260)	107,609,036
Equipment	6,425,178	285,813	-	(465,377)	6,245,614
Total capital assets being depreciated	117,645,828	2,994,941	36,746	(469,637)	120,207,878
Less accumulated depreciation for:					
Buildings	905,482	142,361	-	-	1,047,843
Improvements	681,775	55,757	-	-	737,532
Infrastructure	34,248,261	1,689,034	-	(495)	35,936,800
Equipment	3,225,784	382,265	-	(222,500)	3,385,549
Total accumulated depreciation	39,061,302	2,269,417	-	(222,995)	41,107,724
Total capital assets being depreciated, net	78,584,526	725,524	36,746	(246,642)	79,100,154
Business-type activities capital assets, net	\$ 91,801,907	\$ 1,242,363	\$ -	\$ (246,642)	\$ 92,797,628

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

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

Governmental Activities:

General government	\$ 584,874
Public safety	1,623,989
Physical environment	2,396,817
Culture and recreation	1,070,384
Total depreciation / amortization expense - governmental activities	\$ 5,676,064

Business-type Activities:

Water and wastewater	\$ 2,092,147
Stormwater management	177,270
Total depreciation expense - business-type activities	\$ 2,269,417

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 8 - LONG-TERM DEBT

The following is a summary of the changes in long-term debt for the year ended September 30, 2022:

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Direct borrowing revenue notes	\$ 20,295,000	\$ -	\$ 2,040,000	\$ 18,255,000	\$ 2,080,000
Compensated absences	7,589,902	5,698,151	5,048,504	8,239,549	646,873
Total governmental activities	\$ 27,884,902	\$ 5,698,151	\$ 7,088,504	\$ 26,494,549	\$ 2,726,873
Business-type activities:					
Compensated absences	\$ 698,357	\$ 434,292	\$ 425,845	\$ 706,804	\$ 48,030
Total business-type activities	\$ 698,357	\$ 434,292	\$ 425,845	\$ 706,804	\$ 48,030

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

Revenue Notes

As of September 30, 2022, 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, 2022 is \$7,070,000.

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
2023	\$ 630,000	\$ 173,922
2024	645,000	158,424
2025	665,000	142,558
2026	680,000	126,198
2027	695,000	109,470
2028-2032	3,755,000	281,794
	\$ 7,070,000	\$ 992,366

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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, 2022 is \$4,830,000.

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
2023	\$ 420,000	\$ 140,553
2024	435,000	128,331
2025	445,000	115,672
2026	460,000	102,723
2027	475,000	89,337
2028-2032	2,595,000	230,908
	\$ 4,830,000	\$ 807,524

The Series 2017A and 2017B notes discussed above 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 rate of interest on the Note plus two percent (2%).

Revenue Note, Series 2021: On March 18, 2021, the City issued an \$8,360,000 Capital Improvement Revenue Refunding Note, Series 2021 to retire the then outstanding Series 2018 Note. Principal and interest on the note is to be paid from a pledge of non-ad-valorem tax revenues. The note bears interest at 1.123% payable semi-annually and matures in October 2028. The outstanding principal balance as of September 30, 2022 is \$6,355,000.

The Series 2021 note includes other financial provisions as follows: Events of defaults such as payment defaults, violation of covenants, warranty, 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 three percent (3%) per annum, (ii) the Overnight Bank Funding Rate plus three and one half percent (3.5%) per annum, and (iii) seven percent (7.0%) per annum, provided that in no event shall the Default Rate exceed the maximum rate permitted by law.

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

Fiscal Year Ending September 30	Capital Improvement Revenue Note, Series 2021	
	Principal	Interest
2023	\$ 1,030,000	\$ 71,367
2024	1,040,000	59,800
2025	1,055,000	48,121
2026	1,065,000	36,273
2027	1,075,000	24,313
2028	1,090,000	12,241
	\$ 6,355,000	\$ 252,115

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 8 - LONG-TERM DEBT (continued)

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

Fiscal Year Ending	Revenue Notes Payable		
	Principal	Interest	Total
September 30			
2023	\$ 2,080,000	\$ 385,842	\$ 2,465,842
2024	2,120,000	346,555	2,466,555
2025	2,165,000	306,351	2,471,351
2026	2,205,000	265,194	2,470,194
2027	2,245,000	223,120	2,468,120
2028-2032	7,440,000	524,943	7,964,943
	\$ 18,255,000	\$ 2,052,005	\$ 20,307,005

Pledged Revenues: The City has pledged future non-ad-valorem tax revenues to repay \$20,307,005 in Capital Improvement Revenue Notes issued in 2017 and 2021. Proceeds from these revenue notes provided financing to retire the then outstanding Series 2009 and 2018 Revenue Notes 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 \$20,307,005. Principal and interest paid for the current year and non-ad-valorem tax revenues are \$2,464,269 and \$41,325,787, respectively.

All the above revenue notes contain debt covenants, all of which the City was in compliance with at September 30, 2022.

NOTE 9 - LEASES

For the year ended September 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Leases Payable

On August 1, 2022, the City entered into a 62 month lease as Lessee for the fire administration office space. As of September 30, 2022, the value of the lease liability is \$710,368, the variable monthly payments are approximately \$12,000, and the interest rate is 2.5360%. The value of the right to use asset as of September 30, 2022 is \$715,656 with accumulated amortization of \$23,086. The lease can be renewed for an additional 60 months, but the City does not anticipate renewing for an additional term.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 9 - LEASES (continued)

Future minimum payments are as follows:

Fiscal Year Ending September 30	Governmental Activities		Total Payments
	Principal Payments	Interest Payments	
2023	\$ 127,582	\$ 16,539	\$ 144,121
2024	134,516	13,233	147,749
2025	141,755	9,728	151,483
2026	149,313	6,046	155,359
2027	157,202	2,168	159,370

Leases Receivable

The City as lessor has twelve leases for cell towers ranging in length from 15 to 115 months. Most lessees have 1 to 3 extension options, each for 60 months. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate that ranges from 0.2630% to 1.4140%. The monthly payments for each lease range from \$3,133 to \$10,684. The lease receivable and revenue recognized at September 30, 2022 for the various leases is summarized below:

Lessee	Lease Receivable	Lease Revenue Recognized
Broward County - 911 Emergency Dispatch Center 2013	\$ 229,954	\$ 129,843
AT&T - Government Center 2020	372,105	42,475
MetroPCS - Sabal Pines Park 2006	293,376	74,181
T-Mobile - Community Center 2016	133,572	23,394
Verizon - Sabal Pines Park 2018	267,144	46,261
Verizon - Lakeside Park 2016	184,831	48,438
T-Mobile - Winston Park 2008	42,836	65,704
T-Mobile - Lakeside Park 2008	150,797	66,918
T-Mobile - Government Center 2015	127,184	48,809
Sprint - Government Center 2006	287,626	72,692
AT&T - Winston Park 2019	301,473	40,904
AT&T - Lakeside Park 1999	10,795	43,134
	\$ 2,401,693	\$ 702,753

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 9 - LEASES (continued)

Fiscal Year Ending September 30	Governmental Activities		Total Payments
	Principal Payments	Interest Payments	
2023	\$ 618,273	\$ 19,008	\$ 637,281
2024	554,115	14,889	569,004
2025	398,469	11,118	409,587
2026	340,060	7,788	347,848
2027	162,227	5,274	167,501
2028 - 2031	328,549	6,265	334,814

NOTE 10 - DEFERRED INFLOWS OF RESOURCES AND UNEARNED REVENUE

As of September 30, 2022, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	Deferred Inflows	Unearned
Emergency medical service fees	\$ 157,136	\$ -
Business licenses	-	178,481
Fitness memberships	-	43,792
Accounts receivable	1,513	-
Lease receivable	2,349,401	-
Special assessments	996,193	-
Surtax revenue	-	108,000
Grant revenue	2,028,851	850,050
	\$ 5,533,094	\$ 1,180,323

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, Research and Education Section, P.O. Box 9000 Tallahassee, Florida, 32315-9000 or on-line at https://www.dms.myflorida.com/workforce_operations/retirement/publications or by calling (850) 488-5706.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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, 2022 was Civil Service, 17 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 \$503,577 and \$414,681, 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, 2022**

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, 2022 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, 2022**

NOTE 11 - PENSION PLANS (continued)

Contribution rates effective October 1, 2021 through June 30, 2022 were as follows:

<u>Employees</u>	<u>Contribution Rates *</u>
Senior Management	29.01%
Regular Employees	10.82%
Special Risk	25.89%
Elected Officials	51.42%

Contribution rates effective July 1, 2022 through September 30, 2022 were as follows:

<u>Employees</u>	<u>Contribution Rates *</u>
Senior Management	31.57%
Regular Employees	11.91%
Special Risk	27.83%
Elected Officials	57.00%

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

The City's contributions for FRS totaled \$6,035,038 and employee contributions totaled \$942,457 for the fiscal year ended September 30, 2022, 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, 2021 through June 30, 2022 and July 1, 2022 through September 30, 2022 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 \$624,774 for the fiscal year ended September 30, 2022.

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

At September 30, 2022, the City reported liabilities of \$50,252,913 for its proportionate share of the FRS net pension liability and \$10,059,110 for the HIS net pension liability for a total pension liability of \$60,312,023. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net pension liability was based on the City's fiscal year 2022 contributions relative to the fiscal year 2021 contributions of all participating members. At June 30, 2022, the City's proportionate share was .1350593%, for the FRS plan and .094972551% for the HIS plan, which was an increase of .026992415% and an increase of .015543362% respectively, from the proportionate share measured as of June 30, 2021.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 11 - PENSION PLANS (continued)

For the fiscal year ended September 30, 2022, the City recognized pension expense of \$8,347,278 for the FRS Pension Plan and \$997,165 for the HIS Plan for a total pension expense of \$9,344,443. In addition, the City reported, in the government-wide financial statements, deferred outflows of resources and deferred inflows of resources related to both plans from the following sources:

	Deferred Outflows of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	\$ 2,386,723	\$ 305,318	\$ 2,692,041
Changes in assumptions	6,188,857	576,595	6,765,452
Net difference between projected and actual earnings on pension plan investments	3,318,194	14,563	3,332,757
Changes in proportion and differences between City contributions and proportionate share of contributions	7,084,450	1,911,492	8,995,942
City contributions subsequent to the measurement date	1,696,057	156,579	1,852,636
Total Deferred Outflows of Resources	\$ 20,674,281	\$ 2,964,547	\$ 23,638,828

	Deferred Inflow of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	\$ -	\$ 44,261	\$ 44,261
Changes in assumptions	-	1,556,138	1,556,138
Changes in proportion and differences between City contributions and proportionate share of contributions	2,132,324	-	2,132,324
Total Deferred Inflows of Resources	\$ 2,132,324	\$ 1,600,399	\$ 3,732,723

The deferred outflows of resources related to pensions, totaling \$1,852,636, 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, 2023. 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
2023	\$ 4,029,408	\$ 267,280	\$ 4,296,688
2024	2,219,595	301,780	2,521,375
2025	67,904	322,688	390,592
2026	9,403,625	231,732	9,635,357
2027	1,125,368	70,760	1,196,128
Thereafter	-	13,329	13,329
	\$ 16,845,900	\$ 1,207,569	\$ 18,053,469

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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	6.70%	3.54%
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%	2.6%	2.6%	1.1%
Fixed income	19.8%	4.4%	4.4%	3.2%
Global equity	54.0%	8.8%	7.3%	17.8%
Real estate	10.3%	7.4%	6.3%	15.7%
Private equity	11.1%	12.0%	8.9%	26.3%
Strategic investments	3.8%	6.2%	5.9%	7.8%
Assumed Inflation - Mean			2.4%	1.3%

(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, 2022**

NOTE 11 - PENSION PLANS (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.70% 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 3.54% 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, 2022.

<u>Pension Plan</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
FRS	\$ 86,908,958	\$ 50,252,913	\$ 19,604,098
HIS	\$ 11,508,448	\$ 10,059,110	\$ 8,859,813

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 Annual Comprehensive 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 2021-2022 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

<u>Class</u>	<u>Allocation Rate</u>
Elected Officials	14.34%
Senior Management	10.67%
Special Risk	17.00%
Regular Employees	9.30%

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 11 - PENSION PLANS (continued)

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, 2022, 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 \$743,513 and \$148,784, respectively, for the fiscal year ended September 30, 2022.

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, 2022**

NOTE 14 - COMMITMENTS AND CONTINGENCIES

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 2022, two (2) projects were carried forward from previous fiscal years to 2022 totaling \$802,887. As of September 30, 2022, the City completed \$2,183,656 of the contract amounts. Three (3) of the projects were completed in fiscal year 2022. The remaining projects are anticipated to be completed in fiscal year 2024. The remaining commitment on the construction contracts totaled \$2,802,277 as of September 30, 2022.

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, 2022, a total of \$3,353,649 was earned and collected by the City for mitigation fees. 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.

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, 2022, a total of \$2,722,915 was earned and collected by the City for mitigation fees, while \$1,002,811 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 45% 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 2022 was \$74,506 and the cumulative total through September 30, 2022 was \$1,810,413 rendering the contractual payment commitment fulfilled.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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, 2022 is \$2.8 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.

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.

Elected Officials retiring at age 55 or older with 8 or more years of service shall be eligible for a post-retirement medical compensation benefit of two-percent (2%) of final base salary for each full year of service. Upon retirement, these funds will be deposited into a Retiree Health Savings Account.

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.

**CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (continued)

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.

Employees Covered by Benefit Terms

At September 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	19
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	338
	<u><u>357</u></u>

Total OPEB Liability

The City's total OPEB liability of \$19,248,682 was measured as of September 30, 2022, and was determined by an actuarial valuation as of October 1, 2021.

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (continued)

Actuarial assumptions and other inputs

The total OPEB liability in the September 30, 2022 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	October 1, 2021
Measurement date	September 30, 2022
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	8.00% for the 2021/22 fiscal year graded down by 0.50% per year to 5.00% for the 2027/28 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-2020

The actuarial assumptions used in the October 1, 2021 valuation were based on the results of an actuarial experience study for the period October 1, 2021 to September 30, 2022. In the actuarial valuation as of September 30, 2022, 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.

Changes in the Net OPEB Liability

	Net OPEB Liability
Balance at September 30, 2021:	\$ 17,814,214
Changes for the Year:	
Service cost	1,605,593
Other recognized changes in net pension liability:	
Expected interest growth	902,113
Demographic gain/loss	(134,944)
Benefit payments and refunds	(1,027,139)
Change in benefit terms	3,516,202
Assumption changes	(3,427,357)
Net Changes	<u>1,434,468</u>
Balance at September 30, 2022:	<u>\$ 19,248,682</u>

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (continued)

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, 2022:

	<u>Discount Rate Minus 1.00%</u>	<u>4.77% Discount Rate</u>	<u>Discount Rate Plus 1.00%</u>
Net OPEB liability	\$ 21,151,795	\$ 19,248,682	\$ 17,565,167

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, 2022:

	<u>Trend Rates Minus 1.00%</u>	<u>8.00% graded down to 5.00%</u>	<u>Trend Rates Plus 1.00%</u>
Net OPEB liability	\$ 17,171,850	\$ 19,248,682	\$ 21,705,551

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

For fiscal year ended September 30, 2022, the City recognized OPEB expense of \$5,617,757.

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balance at September 30, 2021:	\$ 8,774,556	\$ 436,204
Amortization payments	(1,016,659)	(395,671)
Demographic gain/loss	-	134,944
Assumption changes	-	3,427,357
Balance at September 30, 2022:	<u><u>\$ 7,757,897</u></u>	<u><u>\$ 3,602,834</u></u>

**CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (continued)

The amortization period for assumption changes was 10.32 years for FY 2022. 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	Deferred Outflows of Resources	Deferred Inflows of Resources
2023	\$ 1,016,659	\$ 395,671
2024	1,016,659	395,671
2025	1,016,659	395,671
2026	1,016,659	395,671
2027	1,016,659	395,671
Thereafter	2,674,602	1,624,479
	<u>\$ 7,757,897</u>	<u>\$ 3,602,834</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.

**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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Ad valorem taxes	\$ 29,634,770	\$ 29,634,770	\$ 29,797,856	\$ 163,086
Franchise fees	4,648,090	4,648,090	5,196,615	548,525
Utility taxes	6,626,250	6,626,250	6,778,092	151,842
Licenses and permits	2,450,350	2,450,350	1,828,368	(621,982)
Intergovernmental revenues	5,822,060	5,822,060	7,628,575	1,806,515
Charges for services	19,276,600	19,276,600	19,047,065	(229,535)
Fines and forfeitures	335,500	335,500	335,973	473
Investment income/loss	204,600	204,600	(797,177)	(1,001,777)
Miscellaneous revenues	550,000	550,000	757,978	207,978
Total revenues	69,548,220	69,548,220	70,573,345	1,025,125
EXPENDITURES:				
Departmental:				
City Commission	631,780	631,780	574,274	57,506
City Manager/City Attorney	4,868,197	4,868,197	2,987,328	1,880,869
Risk Management	2,721,302	2,721,302	2,274,728	446,574
City Clerk	843,190	843,190	576,546	266,644
Finance and Administration	2,643,190	2,643,190	2,333,023	310,167
Information Technology	3,400,338	3,400,338	2,621,269	779,069
Human Resources	1,778,930	1,778,930	1,471,032	307,898
Sustainable Development	4,809,640	4,809,640	3,857,790	951,850
Police	30,693,378	30,693,378	25,148,981	5,544,397
Fire	14,482,402	14,482,402	11,771,956	2,710,446
Public Works	8,543,187	8,543,187	7,237,687	1,305,500
Parks and Recreation	6,152,191	6,152,191	4,938,179	1,214,012
Engineering	1,080,560	1,080,560	637,017	443,543
Total departmental	82,648,285	82,648,285	66,429,810	16,218,475
Nondepartmental:				
Nondepartmental operating	756,685	756,685	423,025	333,660
Contingency	500,000	500,000	-	500,000
Total expenditures	83,904,970	83,904,970	66,852,835	17,052,135
Excess (deficiency) of revenues over expenditures	(14,356,750)	(14,356,750)	3,720,510	18,077,260
OTHER FINANCING SOURCES (USES):				
Proceeds from lease	-	-	715,656	715,656
Transfers in	8,623,500	8,623,500	8,632,450	8,950
Transfers out	(3,000,000)	(3,000,000)	(3,000,000)	-
Total other financing sources (uses)	5,623,500	5,623,500	6,348,106	724,606
Excess (deficiency) of revenues over expenditures	\$ (8,733,250)	\$ (8,733,250)	10,068,616	\$ 18,801,866
FUND BALANCE, beginning			41,373,401	
FUND BALANCE, ending			<u>\$ 51,442,017</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, 2022**

**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 69	\$ 70,573,345
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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
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 85	<u>550,298</u>
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Total revenues, per the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, page 28	<u>\$ 71,123,643</u>
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Total expenditures, page 69	\$ 66,852,835
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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
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 85	<u>35,536</u>
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Total expenditures, per the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, page 28	<u>\$ 66,888,371</u>
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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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental revenues:				
Local option gas tax	\$ 996,930	\$ 996,930	\$ 1,018,673	\$ 21,743
County contribution	724,760	724,760	691,215	(33,545)
State shared revenue	460,800	460,800	579,709	118,909
Total intergovernmental revenues	2,182,490	2,182,490	2,289,597	107,107
Investment income/loss	650	650	(11,053)	(11,703)
Total revenues	2,183,140	2,183,140	2,278,544	95,404
EXPENDITURES:				
Current:				
Physical environment	1,951,570	1,951,570	1,690,756	260,814
Nondepartmental	250,000	250,000	250,000	-
Total expenditures	2,201,570	2,201,570	1,940,756	260,814
Excess (deficiency) of revenues over expenditures	\$ (18,430)	\$ (18,430)	337,788	\$ 356,218
FUND BALANCE, beginning			<u>522,295</u>	
FUND BALANCE, ending			<u>\$ 860,083</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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 8,710,860	8,710,860	\$ 7,915,264	\$ (795,596)
Total revenues	<u>8,710,860</u>	<u>8,710,860</u>	<u>7,915,264</u>	<u>(795,596)</u>
EXPENDITURES:				
Current:				
Nondepartmental	1,597,460	1,597,460	751,414	846,046
Public safety	30,000	30,000	29,886	114
Physical environment	1,282,130	1,282,130	440,867	841,263
Capital outlay	3,130,000	3,130,000	387,288	2,742,712
Total expenditures	<u>6,039,590</u>	<u>6,039,590</u>	<u>1,609,455</u>	<u>4,430,135</u>
Excess (deficiency) of revenues over expenditures	2,671,270	2,671,270	6,305,809	3,634,539
OTHER FINANCING USES:				
Transfers out	(7,000,000)	(7,000,000)	(7,000,000)	-
Excess (deficiency) of revenues over expenditures	<u>\$ (4,328,730)</u>	<u>\$ (4,328,730)</u>	<u>(694,191)</u>	<u>\$ 3,634,539</u>
FUND BALANCE (DEFICIT), beginning			<u>(189,124)</u>	
FUND BALANCE (DEFICIT), ending			<u>\$ (883,315)</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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 3,353,730	\$ 3,353,730	\$ 3,353,649	\$ (81)
Investment income/loss	18,300	18,300	(91,043)	(109,343)
Total revenues	3,372,030	3,372,030	3,262,606	(109,424)
EXPENDITURES:				
Current:				
Physical environment	213,713	213,713	76,678	137,035
Total expenditures	213,713	213,713	76,678	137,035
Excess (deficiency) of revenues over expenditures	3,158,317	3,158,317	3,185,928	27,611
OTHER FINANCING USES:				
Transfers out	(2,476,910)	(2,476,910)	(2,491,737)	(14,827)
Excess (deficiency) of revenues over expenditures	\$ 681,407	\$ 681,407	694,191	\$ 12,784
FUND BALANCE, beginning			5,701,895	
FUND BALANCE, ending			\$ 6,396,086	

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, 2022**

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 \$8.7 million and \$8.7 million, respectively, 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 \$17.1 million. In addition, revenues and transfers in exceeded the budget by \$1.7 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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net OPEB Liability					
Service cost	\$ 1,605,593	\$ 1,186,476	\$ 1,250,124	\$ 328,225	\$ 324,703
Other recognized changes in net pension liability:					
Expected interest growth	902,113	444,791	152,901	224,300	227,575
Benefit payments and refunds	(1,027,139)	(890,748)	(1,024,139)	(237,497)	(842,051)
Demographic gain/loss	(134,944)	87,397	929,902	-	-
Changes in benefit terms	3,516,202	-	-	-	-
Assumption changes	(3,427,357)	(574,088)	9,847,464	34,256	-
Net Change in Net OPEB Liability	1,434,468	253,828	11,156,252	349,284	(289,773)
Net OPEB Liability - Beginning	17,814,214	17,560,386	6,404,134	6,054,850	6,344,623
Net OPEB Liability - Ending	\$ 19,248,682	\$ 17,814,214	\$ 17,560,386	\$ 6,404,134	\$ 6,054,850
Covered-Employee Payroll	\$ 27,097,920	\$ 30,411,173	\$ 28,426,302	\$ 25,993,281	\$ 20,806,510
Net OPEB Liability as a Percentage of Covered-Employee Payroll	71.03%	58.58%	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 4.77% 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 8.00% for the 2021/22 fiscal year graded down by 0.50% per year to 5.00% for the 2027/28 and later fiscal years.
 - Mortality basis Sex-distinct rates set forth in the 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-2020.
 - Other decrements Assumed employment termination is based on the Scale 155 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 1 for general employees and Class 4 for police officers).
 - Changes Since the prior measurement date, the discount rate was increased from 2.43% per annum to 4.77% per annum and the healthcare cost trend rates were changed from 6.00% for the 2021/22 fiscal year graded down to 5.00% for the 2023/24 fiscal year to the rates described above.

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

June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of Coconut Creek's proportion of the net pension liability	0.00135059300	0.00108066885	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	\$ 50,252,913	\$ 8,163,225	\$ 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	\$ 34,670,126	\$ 28,145,629	\$ 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	144.95%	29.00%	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	82.89%	96.40%	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,	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of Coconut Creek's proportion of the net pension liability	0.00094972551	0.00079429189	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	\$ 10,059,110	\$ 9,743,184	\$ 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	\$ 34,670,126	\$ 28,145,629	\$ 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	29.01%	34.62%	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	4.81%	3.00%	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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 6,035,038	\$ 3,949,561	\$ 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>6,035,038</u>	<u>3,949,561</u>	<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>	<u>\$ -</u>	<u>\$ -</u>
City of Coconut Creek's covered payroll	\$ 37,637,238	\$ 28,582,862	\$ 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	16.03%	13.82%	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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 624,778	\$ 474,475	\$ 456,838	\$ 434,368	\$ 402,942	\$ 378,169	\$ 354,038	\$ 277,606	\$ 229,204
Contributions in relation to the contractually required contribution	<u>624,778</u>	<u>474,475</u>	<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>	<u>\$ -</u>	<u>\$ -</u>
City of Coconut Creek's covered payroll	\$ 37,637,238	\$ 28,582,862	\$ 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%	1.66%	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.

COMBINING & INDIVIDUAL FUND STATEMENTS & SCHEDULES

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.

Transportation Surtax Fund – This fund is used to account for proceeds from the Broward County Transportation Surtax Program. These funds will be used to improve traffic signalization, roadways, intersections, pedestrian mobility options, and public transportation (bus and rail) and to fund future investments in Broward's transportation system.

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 2021.

CITY OF COCONUT CREEK, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2022

	Special Revenue					Capital Projects		Debt Service	Total Nonmajor Governmental Funds
	Law Enforcement Fund	Affordable Housing Fund	SHIP Fund	Seminole Mitigation Fund	Transportation Surtax Fund	Parks Improvement Fund	Utility Underground Fund	Capital Improvement Revenue Bonds Fund	
ASSETS:									
Cash	\$ 248,734	\$ 299,726	\$ 8,341	\$ 1,038,987	\$ 163,923	\$ 14,781	\$ 316,688	\$ 15,695	\$ 2,106,875
Accounts receivable	4	1,734	-	5,998	-	86	1,829	91	9,742
Investments	785,836	946,925	26,354	3,282,516	517,888	46,697	1,000,525	49,587	6,656,328
Total assets	\$ 1,034,574	\$ 1,248,385	\$ 34,695	\$ 4,327,501	\$ 681,811	\$ 61,564	\$ 1,319,042	\$ 65,373	\$ 8,772,945
LIABILITIES AND FUND BALANCE:									
Liabilities:									
Accounts payable and accrued liabilities	\$ 83,347	\$ -	\$ 34,695	\$ 30,035	\$ 975,452	\$ -	\$ -	\$ -	\$ 1,123,529
Retainage payable	-	-	-	-	68,686	-	-	-	68,686
Unearned revenue	-	-	-	-	108,000	-	-	-	108,000
Total liabilities	83,347	-	34,695	30,035	1,152,138	-	-	-	1,300,215
Fund balances:									
Restricted for:									
Public safety	951,227	-	-	-	-	-	-	-	951,227
Committed to:									
Affordable housing project	-	1,248,385	-	-	-	-	-	-	1,248,385
Capital projects	-	-	-	4,297,466	-	61,564	1,319,042	-	5,678,072
Debt service	-	-	-	-	-	-	-	65,373	65,373
Unassigned	-	-	-	-	(470,327)	-	-	-	(470,327)
Total fund balances (deficit)	951,227	1,248,385	-	4,297,466	(470,327)	61,564	1,319,042	65,373	7,472,730
Total liabilities and fund balances (deficit)	\$ 1,034,574	\$ 1,248,385	\$ 34,695	\$ 4,327,501	\$ 681,811	\$ 61,564	\$ 1,319,042	\$ 65,373	\$ 8,772,945

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, 2022

	Special Revenue					Capital Projects		Debt Service	Total Nonmajor Governmental Funds
	Law Enforcement Fund	Affordable Housing Fund	SHIP Fund	Seminole Mitigation Fund	Transportation Surtax Fund	Parks Improvement Fund	Utility Underground Fund	Capital Improvement Revenue Bonds Fund	
REVENUES:									
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ 750,000	\$ -	\$ -	\$ -	\$ 750,000
Charges for services	-	-	-	2,722,915	-	-	-	-	2,722,915
Fines and forfeitures	292,724	-	-	-	-	-	-	-	292,724
Impact fees	-	22,673	-	-	-	-	-	-	22,673
Investment income (loss)	1,284	(19,326)	-	(67,564)	2,663	(960)	(20,504)	(3,901)	(108,308)
Miscellaneous revenues	-	12,331	-	-	-	-	-	-	12,331
Total revenues	294,008	15,678	-	2,655,351	752,663	(960)	(20,504)	(3,901)	3,692,335
EXPENDITURES:									
Current:									
Public safety	10,000	-	-	-	-	-	-	-	10,000
Physical environment	-	813	-	-	-	-	-	-	813
Capital outlay	34,925	-	-	301,581	1,222,990	-	-	-	1,559,496
Debt service:									
Principal	-	-	-	-	-	-	-	2,040,000	2,040,000
Interest and fiscal charges	-	-	-	-	-	-	-	424,269	424,269
Total expenditures	44,925	813	-	301,581	1,222,990	-	-	2,464,269	4,034,578
Excess (deficiency) of revenues over expenditures	249,083	14,865	-	2,353,770	(470,327)	(960)	(20,504)	(2,468,170)	(342,243)
OTHER FINANCING SOURCES (USES):									
Transfers in	-	-	-	-	-	-	-	2,464,269	2,464,269
Transfers out	(100,000)	-	-	(1,500,000)	-	-	(4,982)	-	(1,604,982)
Total other financing sources (uses)	(100,000)	-	-	(1,500,000)	-	-	(4,982)	2,464,269	859,287
Net change in fund balances	149,083	14,865	-	853,770	(470,327)	(960)	(25,486)	(3,901)	517,044
FUND BALANCES, beginning	802,144	1,233,520	-	3,443,696	-	62,524	1,344,528	69,274	6,955,686
FUND BALANCES (DEFICIT), ending	\$ 951,227	\$ 1,248,385	\$ -	\$ 4,297,466	\$ (470,327)	\$ 61,564	\$ 1,319,042	\$ 65,373	\$ 7,472,730

**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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Fines and forfeitures	\$ 293,000	\$ 293,000	\$ 292,724	\$ (276)
Investment income	-	-	1,284	1,284
Total revenues	293,000	293,000	294,008	1,008
EXPENDITURES:				
Current:				
Public safety	10,000	10,000	10,000	-
Capital outlay	103,088	103,088	34,925	68,163
Total expenditures	113,088	113,088	44,925	68,163
Excess (deficiency) of revenues over expenditures	179,912	179,912	249,083	69,171
OTHER FINANCING USES:				
Transfers out	(100,000)	(100,000)	(100,000)	-
Excess (deficiency) of revenues over expenditures	\$ 79,912	\$ 79,912	149,083	\$ 69,171
FUND BALANCE, beginning			802,144	
FUND BALANCE, ending			\$ 951,227	

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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Impact fees	\$ 196,430	\$ 196,430	\$ 22,673	\$ (173,757)
Investment income/loss	4,550	4,550	(19,326)	(23,876)
Miscellaneous revenue	-	-	12,331	12,331
Total revenues	<u>200,980</u>	<u>200,980</u>	<u>15,678</u>	<u>(185,302)</u>
EXPENDITURES:				
Physical environment	1,500,980	1,500,980	813	1,500,167
Total expenditures	<u>1,500,980</u>	<u>1,500,980</u>	<u>813</u>	<u>1,500,167</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(1,300,000)</u>	\$ <u>(1,300,000)</u>	14,865	\$ <u>1,314,865</u>
FUND BALANCE, beginning			<u>1,233,520</u>	
FUND BALANCE, ending			\$ <u>1,248,385</u>	

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TRANSPORTATION SURTAX FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental revenue	\$ -	\$ -	\$ 750,000	\$ 750,000
Investment income/loss	-	-	2,663	2,663
Total revenues	-	-	752,663	752,663
EXPENDITURES:				
Capital outlay	3,762,600	3,762,600	1,222,990	2,539,610
Total expenditures	3,762,600	3,762,600	1,222,990	2,539,610
Excess (deficiency) of revenues over expenditures	\$ (3,762,600)	\$ (3,762,600)	(470,327)	\$ 3,292,273
FUND BALANCE, beginning			-	
FUND BALANCE (DEFICIT), ending			\$ (470,327)	

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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income/loss	\$ -	\$ -	\$ (41,804)	\$ (41,804)
Miscellaneous revenues	593,000	593,000	592,102	(898)
Total revenues	593,000	593,000	550,298	(42,702)
EXPENDITURES:				
Human resources	4,000	4,000	3,825	175
Sustainable development	16,000	16,000	14,867	1,133
Police	12,000	12,000	11,112	888
Public works	5,000	5,000	4,649	351
Capital outlay	2,000	2,000	1,083	917
Total expenditures	39,000	39,000	35,536	3,464
Excess (deficiency) of revenues over expenditures	\$ 554,000	\$ 554,000	514,762	\$ (39,238)
FUND BALANCE, beginning			1,709,256	
FUND BALANCE, ending			<u>\$ 2,224,018</u>	

CITY OF COCONUT CREEK, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - SEMINOLE MITIGATION FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Seminole mitigation fees	\$ 2,723,480	\$ 2,723,480	\$ 2,722,915	\$ (565)
Investment income/loss	16,350	16,350	(67,564)	(83,914)
Total revenues	2,739,830	2,739,830	2,655,351	(84,479)
EXPENDITURES:				
Capital outlay	921,468	921,468	301,581	619,887
Total expenditures	921,468	921,468	301,581	619,887
Excess (deficiency) of revenues over expenditures	1,818,362	1,818,362	2,353,770	535,408
OTHER FINANCING USES:				
Transfers out	(1,500,000)	(1,500,000)	(1,500,000)	-
Excess (deficiency) of revenues over expenditures	\$ 318,362	\$ 318,362	853,770	\$ 535,408
FUND BALANCE, beginning			3,443,696	
FUND BALANCE, ending			\$ 4,297,466	

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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income/loss	\$ -	\$ -	\$ (3,901)	\$ (3,901)
Total revenues	-	-	(3,901)	(3,901)
EXPENDITURES:				
Debt service:				
Principal	2,040,000	2,040,000	2,040,000	-
Interest and fiscal charges	418,610	425,000	424,269	731
Total expenditures	2,458,610	2,465,000	2,464,269	731
Excess (deficiency) of revenues over expenditures	(2,458,610)	(2,465,000)	(2,468,170)	(3,170)
OTHER FINANCING SOURCES:				
Transfers in	2,458,610	2,458,610	2,464,269	5,659
Excess (deficiency) of revenues over expenditures	\$ -	\$ (6,390)	(3,901)	\$ 2,489
FUND BALANCE, beginning			69,274	
FUND BALANCE, ending			\$ 65,373	

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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income/loss	\$ 650	\$ 650	\$ (960)	\$ (1,610)
Impact fees	315,000	315,000	-	(315,000)
Total revenues	315,650	315,650	(960)	(316,610)
EXPENDITURES				
Capital outlay	117,585	117,585	-	117,585
Total expenditures	117,585	117,585	-	117,585
Excess (deficiency) of revenues over expenditures	\$ 198,065	\$ 198,065	(960)	\$ (199,025)
FUND BALANCE, beginning			62,524	
FUND BALANCE, ending			61,564	

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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income/loss	\$ 5,200	\$ 5,200	\$ (20,504)	\$ (25,704)
Total revenues	<u>5,200</u>	<u>5,200</u>	<u>(20,504)</u>	<u>(25,704)</u>
EXPENDITURES:				
Capital outlay	1,230,763	1,230,763	-	1,230,763
Total expenditures	<u>1,230,763</u>	<u>1,230,763</u>	<u>-</u>	<u>1,230,763</u>
Excess (deficiency) of revenues over expenditures	(1,225,563)	(1,225,563)	(20,504)	1,205,059
OTHER FINANCING USES:				
Transfers out	(5,200)	(5,200)	(4,982)	218
Excess (deficiency) of revenues over expenditures	<u>\$ (1,230,763)</u>	<u>\$ (1,230,763)</u>	<u>(25,486)</u>	<u>\$ 1,205,277</u>
FUND BALANCE, beginning			1,344,528	
FUND BALANCE, ending			<u>\$ 1,319,042</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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income/loss	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Capital outlay	75,033	75,033	6,287	68,746
Total expenditures	<u>75,033</u>	<u>75,033</u>	<u>6,287</u>	<u>68,746</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (75,033)</u>	<u>\$ (75,033)</u>	(6,287)	<u>\$ 68,746</u>
FUND BALANCE (DEFICIT), beginning			(840,771)	
FUND BALANCE (DEFICIT), ending			<u>\$ (847,058)</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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income/loss	\$ 40,400	\$ 40,400	\$ (144,878)	\$ (185,278)
Total revenues	<u>40,400</u>	<u>40,400</u>	<u>(144,878)</u>	<u>(185,278)</u>
EXPENDITURES:				
Capital outlay	7,926,425	7,926,425	638,285	7,288,140
Total expenditures	<u>7,926,425</u>	<u>7,926,425</u>	<u>638,285</u>	<u>7,288,140</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(7,886,025)</u>	\$ <u>(7,886,025)</u>	(783,163)	\$ <u>7,102,862</u>
FUND BALANCE, beginning			9,892,456	
FUND BALANCE, ending			\$ <u>9,109,293</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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income/loss	\$ 19,650	\$ 19,650	\$ (91,051)	\$ (110,701)
Intergovernmental revenues	1,000,000	1,000,000	360,000	(640,000)
Total revenues	1,019,650	1,019,650	268,949	(750,701)
EXPENDITURES:				
Capital outlay	8,344,543	8,344,543	1,880,362	6,464,181
Total expenditures	8,344,543	8,344,543	1,880,362	6,464,181
Excess (deficiency) of revenues over expenditures	(7,324,893)	(7,324,893)	(1,611,413)	5,713,480
OTHER FINANCING SOURCES:				
Transfers in	3,000,000	3,000,000	3,000,000	-
Excess (deficiency) of revenues over expenditures	\$ (4,324,893)	\$ (4,324,893)	1,388,587	\$ 5,713,480
FUND BALANCE, beginning			13,364,163	
FUND BALANCE, ending			\$ 14,752,750	

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, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Impact fees	\$ 475,180	\$ 475,180	\$ 91,948	\$ (383,232)
Investment income/loss	5,200	5,200	(15,514)	(20,714)
Total revenues	<u>480,380</u>	<u>480,380</u>	<u>76,434</u>	<u>(403,946)</u>
EXPENDITURES:				
Capital outlay	100,747	100,747	89,975	10,772
Total expenditures	<u>100,747</u>	<u>100,747</u>	<u>89,975</u>	<u>10,772</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 379,633</u>	<u>\$ 379,633</u>	(13,541)	<u>\$ (393,174)</u>
FUND BALANCE, beginning			<u>1,024,233</u>	
FUND BALANCE, ending			<u>\$ 1,010,692</u>	

A large, horizontal, yellow brushstroke graphic that serves as a background for the main title. The strokes are thick and textured, with some darker and some lighter yellow areas, giving it a hand-painted appearance. The text is centered within this graphic.

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Coconut Creek's annual comprehensive 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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Changes in Fund Balances of Governmental Funds	98
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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.

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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	113-115
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Sources: Unless otherwise notes, the information in these schedules is derived from the annual comprehensive 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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net Investment in capital assets	\$ 69,352	\$ 73,361	\$ 78,498	\$ 88,808	\$ 93,544	\$ 100,269	\$ 103,816	\$ 106,432	\$ 109,422	\$ 108,113
Restricted	6,608	3,813	5,245	2,408	13,714	4,029	2,080	2,132	2,598	3,000
Unrestricted	33,398	42,592	25,048	22,651	11,897	20,378	24,623	17,392	20,388	26,060
Total governmental activities net position	\$ 109,358	\$ 119,766	\$ 108,791	\$ 113,867	\$ 119,155	\$ 124,676	\$ 130,519	\$ 125,956	\$ 132,408	\$ 137,173
Business-type activities:										
Net Investment in capital assets	\$ 66,329	\$ 69,944	\$ 76,161	\$ 77,799	\$ 77,973	\$ 81,606	\$ 84,947	\$ 89,212	\$ 91,675	\$ 92,395
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	25,498	28,199	30,372	35,637	40,491	43,282	44,295	41,754	41,803	41,461
Total business-type activities net position	\$ 91,827	\$ 98,143	\$ 106,533	\$ 113,436	\$ 118,464	\$ 124,888	\$ 129,242	\$ 130,966	\$ 133,478	\$ 133,856
Primary government:										
Net Investment in capital assets	\$ 135,681	\$ 143,305	\$ 154,659	\$ 166,607	\$ 171,517	\$ 181,875	\$ 188,763	\$ 195,644	\$ 201,097	\$ 200,508
Restricted	6,608	3,813	5,245	2,408	13,714	4,029	2,080	2,132	2,598	3,000
Unrestricted	58,896	70,791	55,420	58,288	52,388	63,660	68,918	59,146	62,191	67,521
Total primary government net position	\$ 201,185	\$ 217,909	\$ 215,324	\$ 227,303	\$ 237,619	\$ 249,564	\$ 259,761	\$ 256,922	\$ 265,886	\$ 271,029

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

Table 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (1)
Expenses:										
Governmental activities:										
General government	\$ 11,376	\$ 12,004	\$ 11,053	\$ 11,969	\$ 13,178	\$ 13,975	\$ 14,589	\$ 15,742	\$ 14,958	\$ 18,601
Public safety	25,187	26,487	26,315	29,801	32,207	34,812	38,083	43,235	37,601	46,794
Physical environment	6,518	7,375	7,547	7,808	8,259	10,938	11,770	12,520	12,501	12,677
Culture/recreation	5,498	5,984	6,289	6,791	7,036	5,634	6,511	6,162	5,552	6,603
Interest on long-term debt	688	606	521	427	402	538	693	643	556	426
Total governmental activities expenses	\$ 49,267	\$ 52,456	\$ 51,725	\$ 56,796	\$ 61,082	\$ 65,897	\$ 71,646	\$ 78,302	\$ 71,168	\$ 85,101
Business-type activities:										
Utilities	\$ 15,969	\$ 16,214	\$ 17,055	\$ 17,824	\$ 18,479	\$ 18,505	\$ 21,228	\$ 21,670	\$ 22,066	\$ 22,781
Stormwater management	1,118	1,158	1,222	1,438	1,445	1,428	1,637	1,676	1,388	1,534
Total business-type activities expenses	17,087	17,372	18,277	19,262	19,924	19,933	22,865	23,346	23,454	24,315
Total expenses	\$ 66,354	\$ 69,828	\$ 70,002	\$ 76,058	\$ 81,006	\$ 85,830	\$ 94,511	\$ 101,648	\$ 94,622	\$ 109,416
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 6,120	\$ 2,813	\$ 4,818	\$ 5,451	\$ 6,458	\$ 6,473	\$ 6,051	\$ 5,556	\$ 5,722	\$ 6,209
Public safety	8,018	8,834	9,979	11,199	11,165	12,261	12,672	13,264	13,043	14,590
Physical environment	2,637	5,953	2,853	2,996	2,968	4,272	5,679	4,518	5,875	6,138
Culture/recreation	760	708	757	684	780	849	920	374	529	808
Operating grants and contributions	680	843	846	581	710	762	2,671	440	2,850	8,928
Capital grants and contributions	1,144	3,321	1,088	620	801	131	355	647	194	1,886
Total governmental activities program revenues	\$ 19,359	\$ 22,472	\$ 20,341	\$ 21,531	\$ 22,882	\$ 24,748	\$ 28,348	\$ 24,799	\$ 28,213	\$ 38,559
Business-type activities:										
Charges for services:										
Utilities	\$ 18,401	\$ 19,645	\$ 20,629	\$ 20,976	\$ 21,956	\$ 21,863	\$ 22,253	\$ 22,174	\$ 22,613	\$ 22,854
Stormwater management	1,523	1,576	1,621	1,672	1,670	1,760	1,762	1,788	1,809	1,948
Capital grants and contributions	705	1,899	5,232	2,021	-	1,726	1,702	150	1,431	590
Total business-type activities program revenues	20,629	23,120	27,482	24,669	23,626	25,349	25,717	24,112	25,853	25,392
Total program revenues	\$ 39,988	\$ 45,592	\$ 47,823	\$ 46,200	\$ 46,508	\$ 50,097	\$ 54,065	\$ 48,911	\$ 54,066	\$ 63,951
Net (expense)/revenue										
Governmental activities	\$ (29,908)	\$ (29,984)	\$ (31,384)	\$ (35,265)	\$ (38,200)	\$ (41,149)	\$ (43,298)	\$ (53,503)	\$ (42,955)	\$ (46,542)
Business-type activities	3,542	5,748	9,205	5,407	3,702	5,416	2,852	766	2,399	1,077
Total net expenses	\$ (26,366)	\$ (24,236)	\$ (22,179)	\$ (29,858)	\$ (34,498)	\$ (35,733)	\$ (40,446)	\$ (52,737)	\$ (40,556)	\$ (45,465)

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

Table 2
(continued)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (1)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$16,145	\$16,894	\$17,700	\$19,672	\$21,405	\$24,837	\$26,117	\$27,599	\$28,958	\$ 29,798
Utility taxes	6,317	6,563	6,750	6,665	6,768	6,857	6,808	6,600	6,497	6,778
Franchise taxes	3,936	4,315	4,409	4,385	4,495	4,582	4,737	4,456	4,537	5,197
Intergovernmental	6,023	6,217	7,661	6,859	7,177	7,357	7,474	7,222	8,340	9,586
Impact fees	674	460	540	286	1,082	783	70	177	106	-
Special assessment	-	-	951	31	31	33	34	35	37	-
Investment income (loss)	(56)	496	413	445	421	814	2,290	1,482	110	(1,301)
Miscellaneous	2,849	5,444	1,573	1,998	2,110	2,267	1,611	1,370	821	1,249
Total governmental activities	\$ 35,888	\$ 40,389	\$ 39,997	\$ 40,341	\$ 43,489	\$ 47,530	\$ 49,141	\$ 48,941	\$ 49,406	\$ 51,307
Business-type activities:										
Investment income (loss)	(69)	193	254	278	296	527	1,387	835	16	(752)
Impact fees	1,057	215	453	1,006	1,027	457	72	109	67	-
Miscellaneous	141	160	182	212	2	22	43	14	29	54
Total business-type activities	1,129	568	889	1,496	1,325	1,006	1,502	958	112	(698)
Total	\$ 37,017	\$ 40,957	\$ 40,886	\$ 41,837	\$ 44,814	\$ 48,536	\$ 50,643	\$ 49,899	\$ 49,518	\$ 50,609
Change in Net Position										
Governmental activities	\$ 5,980	\$ 10,405	\$ 8,613	\$ 5,076	\$ 5,289	\$ 6,381	\$ 5,843	\$ (4,562)	\$ 6,451	\$ 4,765
Business-type activities	4,671	6,316	10,094	6,903	5,027	6,422	4,354	1,724	2,511	379
Total	\$ 10,651	\$ 16,721	\$ 18,707	\$ 11,979	\$ 10,316	\$ 12,803	\$ 10,197	\$ (2,838)	\$ 8,962	\$ 5,144

(1) Effective FY22, impact fees and special assessments are reported as charges for services.

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Non-spendable	\$ 191	\$ 218	\$ 167	\$ 153	\$ 156	\$ 140	\$ 137	\$ 139	\$ 159	\$ 288
Committed	2,594	2,575	3,095	3,184	5,973	4,018	4,555	4,878	5,555	6,123
Assigned	5,856	6,254	6,811	4,982	5,467	8,073	10,386	10,459	8,778	16,880
Unassigned	15,149	15,442	17,384	19,102	19,669	20,802	22,536	22,984	28,590	30,375
Total general fund	\$ 23,790	\$ 24,489	\$ 27,457	\$ 27,421	\$ 31,265	\$ 33,033	\$ 37,614	\$ 38,460	\$ 43,082	\$ 53,666
All other governmental funds										
Non-spendable	\$ 8,623	\$ 8,629	\$ 8,630	\$ 8,625	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,608	3,813	5,245	2,409	13,714	19,040	16,229	13,820	11,217	10,921
Committed	7,129	14,309	13,335	11,203	10,435	10,744	14,243	14,261	13,728	15,894
Assigned	2,475	1,441	2,022	3,874	11,809	12,579	13,040	14,153	12,516	13,257
Unassigned					(976)	(1,760)	(732)	(1,200)	(1,030)	(2,201)
Total all other governmental funds	\$ 24,835	\$ 28,192	\$ 29,232	\$ 26,111	\$ 34,982	\$ 40,603	\$ 42,780	\$ 41,034	\$ 36,431	\$ 37,871

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Ad valorem taxes	\$ 16,144	\$ 16,894	\$ 17,700	\$ 19,673	\$ 21,405	\$ 24,838	\$ 26,117	\$ 27,599	\$ 28,958	\$ 29,798
Franchise fees	3,936	4,315	4,408	4,385	4,495	4,582	4,737	4,456	4,537	5,197
Utility taxes	6,317	6,563	6,750	6,665	6,768	6,857	6,808	6,600	6,497	6,778
Licenses and permits	3,200	2,839	2,122	2,376	3,078	3,281	2,026	1,571	1,540	1,828
Intergovernmental revenues	8,282	8,590	10,620	7,623	8,014	8,128	9,961	8,265	11,772	18,943
Charges for services	13,997	14,986	16,270	17,650	17,770	19,367	22,079	21,209	23,163	25,124
Fines and forfeitures	613	565	980	981	826	1,126	589	540	337	629
Impact fees	674	1,150	540	246	1,082	783	70	177	106	115
Seminole Mitigation Fees	-	3,000	-	-	-	-	-	-	-	-
Investment income (loss)	(83)	496	413	485	421	814	2,290	1,482	110	(1,301)
Special assessment	-	-	194	-	-	-	-	-	-	-
Miscellaneous revenues	2,920	2,498	1,573	1,999	2,110	2,263	2,360	1,612	1,094	1,362
Total revenues	56,000	61,896	61,570	62,083	65,969	72,039	77,037	73,511	78,114	88,473
Expenditures										
General government	9,762	9,948	10,203	10,406	11,649	12,301	12,470	12,619	13,715	14,673
Public safety	24,316	25,261	26,187	27,881	29,270	31,351	32,806	35,998	37,078	38,438
Physical environment	5,343	5,980	6,125	5,821	6,192	8,276	8,877	8,437	9,556	9,350
Culture and recreation	4,909	5,253	5,729	5,862	5,998	4,738	4,993	4,488	4,578	4,884
Nondepartmental	660	1,343	564	594	671	771	694	1,371	1,033	1,424
Capital outlay	9,209	6,763	5,463	11,385	7,386	14,949	7,923	8,979	9,734	5,925
Debt service:										
Principal	2,603	2,686	2,771	2,864	1,686	1,724	1,825	1,875	1,990	2,045
Interest and fiscal charges	688	606	521	427	402	538	692	644	418	426
Bond issuance costs	-	-	-	-	-	-	-	-	33	-
Total expenditures	57,490	57,840	57,563	65,240	63,254	74,648	70,280	74,411	78,135	77,165
Excess (deficiency) of revenues over expenditures	(1,490)	4,056	4,007	(3,157)	2,715	(2,609)	6,757	(900)	(21)	11,308
Other financing sources (uses)										
Net proceeds from long-term debt	-	-	-	-	16,765	10,000	-	-	8,360	716
Transfers in	4,988	5,493	4,733	6,007	4,142	5,509	6,243	5,924	4,233	14,097
Transfers out	(4,988)	(5,493)	(4,733)	(6,007)	(4,142)	(5,509)	(6,243)	(5,924)	(4,233)	(14,097)
Payment to refunding bond escrow agent	-	-	-	-	(6,765)	-	-	-	(8,320)	-
Total other financing sources (uses)	-	-	-	-	10,000	10,000	-	-	40	716
Net change in fund balances	\$ (1,490)	\$ 4,056	\$ 4,007	\$ (3,157)	\$ 12,715	\$ 7,391	\$ 6,757	\$ (900)	\$ 19	\$ 12,024
Debt service as a percentage of noncapital expenditures	6.7%	6.4%	6.3%	6.5%	3.7%	3.8%	4.0%	3.8%	3.5%	3.4%

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
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
2021	28,958	947	6,497	4,537	40,939
2022	29,798	1,019	6,778	5,197	42,792

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				
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%
2021	4,076,451,690	782,468,070	204,487,480	771,874,490	1,389,227,940	4,446,053,790	6.5378	6,890,547,110	64.52%
2022	4,664,173,410	826,406,130	247,028,750	808,135,210	1,482,641,760	5,063,101,740	6.4463	8,390,950,710	60.34%

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			Overlapping Rates											
				County		School District		CocoMar	North	South Florida	Florida	Total			
	Operating Millage	Service Millage	City Millage	Operating Millage	Service Millage	County Millage	Operating Millage	Service Millage	School Millage	Water District	Children's Services	Hospital District	Water District	Inland District	Direct & Overlapping Rates
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
2021	6.5378	-	6.5378	5.4999	0.1691	5.6690	6.4140	0.0912	6.5052	0.1446	0.4882	1.1469	0.2675	0.0320	20.7912
2022	6.4463	-	6.4463	5.5134	0.1556	5.6690	6.3180	0.1441	6.4621	0.1446	0.4699	1.2770	0.2572	0.0320	20.7581

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	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Broadstone Cypress Hammocks LLC (Broadstone Cypress Apts.)	\$ 86,148	1	1.9%	\$ -	-	-
Teachers Ins. & Annuity Assn. of America (Casa Palma Apts.)	81,500	2	1.8%	-	-	-
BMOC-MIA (FL) LLC (North Broward Preparatory School)	74,072	3	1.6%	-	-	-
Florida Power & Light Co (FPL)	70,025	4	1.5%	35,159	5	1.4%
5401 Wiles Road LLC (Solaire at Coconut Creek Apts.)	66,569	5	1.5%	-	-	-
Bell Fund V Coconut Creek LLC (Bell Coconut Creek Apts.)	65,220	6	1.4%	-	-	-
FC Land Investment LLC (Monarch Station Apts.)	61,752	7	1.3%	-	-	-
MCA Promenade Owner LLC (Promenade)	54,352	8	1.2%	-	-	-
CGL Banyan Bay LP (Banyan Bay Apts.)	49,637	9	1.1%	31,171	6	1.2%
SCG Atlas LLC (Coconut Palm Club Apts.)	46,647	10	1.0%	-	-	-
ERP Operating LTD Partnership (St. Andrews @ Winston Park Apts.)	-	-	-	70,999	1	2.8%
Mept Hillsboro Bay LLC (Bell Coconut Creek Apts.)	-	-	-	47,476	2	1.9%
Garrison Coconut Creek LLC (Promenade)	-	-	-	41,384	3	1.6%
Seminole Properties II LLC (Seminole Casino Coconut Creek)	-	-	-	36,576	4	1.4%
Centro NP Coconut Creek (Coconut Creek Plaza)	-	-	-	27,878	7	1.1%
Atlyons LLC (Vista Verde Apts.)	-	-	-	25,226	8	1.0%
ACPRES Realty LLC (Star Pointe Apts.)	-	-	-	23,688	9	0.9%
AERC Cypress Shores Inc (Cypress Shores Apts.)	-	-	-	22,888	10	0.9%
Totals	\$ 655,922		14.3%	\$ 362,445		14.2%

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
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%
2021	31,524	28,958	91.86%	46	29,004	92.01%
2022	33,723	29,798	88.36%	34	29,832	88.46%

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

Restated data for 2013 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			
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
2021	-	-	-	20,295	-	20,295	1.09%	351
2022	-	-	-	18,255	-	18,255	0.76%	315

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, 2022
(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	\$ 68,790	2.13%	\$ 1,465
School Board of Broward County (2)	758,375	1.96%	14,864
Subtotal, overlapping debt			<u>16,329</u>
City of Coconut Creek			<u>\$ 18,255</u>
Total direct and overlapping debt			<u><u>\$ 34,584</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, 2022

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 634,607	\$ 665,343	\$ 717,981	\$ 794,703	\$ 868,243	\$ 954,989	\$ 1,004,527	\$ 1,064,247	\$ 1,111,514	\$ 1,265,776
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 634,607</u>	<u>\$ 665,343</u>	<u>\$ 717,981</u>	<u>\$ 794,703</u>	<u>\$ 868,243</u>	<u>\$ 954,989</u>	<u>\$ 1,004,527</u>	<u>\$ 1,064,247</u>	<u>\$ 1,111,514</u>	<u>\$ 1,265,776</u>
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 2022

Assessed Valuation of Taxable Real Property	\$ 5,063,102
Bonded Debt Limit - 25% of above	1,265,776
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt	-
Less Revenue Bonds	-
Total net debt applicable to limit	-
Legal debt margin (1)	<u>\$ 1,265,776</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	Electric	Total	Debt Service			Non-Ad Valorem	Debt Service			
	Utility Taxes	Franchise Fees	Revenue	Principal	Interest	Coverage	Revenue	Principal	Interest	Coverage	
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 (1)	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
2021	-	-	-	-	-	-	39,928	10,205 (2)	523		3.72
2022	-	-	-	-	-	-	41,326	2,040	424		16.77

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

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

(2) Includes \$8,215,000 to fully refund principal on Series 2018 from issuance of Series 2021 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)
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%
2021	57,871	1,858,237,810	32,110	1,187	1,102	404	40.2	9,786	4.4%
2022	57,937	2,398,070,367	41,391	1,228	1,155	438	40.8	9,622	2.6%

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

(2) Furnished by the U.S. Census Bureau-Quick Facts.

(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	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Seminole Coconut Creek Casino	1,570	1	4.62%	1,700	2	6.07%
Broward County School Board	836	2	2.46%	1,253	3	4.48%
Broward College North	794	3	2.34%	2,432	1	8.69%
Publix	667	4	1.96%	533	4	1.90%
Atlantic Technical College	521	5	1.53%	-	-	0.00%
City of Coconut Creek	512	6	1.51%	350	7	1.25%
Cusano's	330	7	0.97%	-	-	0.00%
Walmart	304	8	0.90%	405	5	1.45%
Al Hendrickson Toyota	265	9	0.78%	212	9	0.76%
Vista BMW	246	10	0.72%	292	8	1.04%
Food for the Poor	-	-	0.00%	368	6	1.31%
Enterprise Car Rental (Regional Office)	-	-	0.00%	155	10	0.55%
Totals	6,045		17.79%	7,700		27.50%

Source: City of Coconut Creek

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

Table 16

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
General government	60	61	62	63	64	67	70	73	77	77
Public safety (1)	153	165	170	170	173	185	194	193	265	267
Physical environment	29	32	33	33	49	50	52	53	53	53
Culture and recreation	68	71	72	72	61	62	63	64	63	60
Water and wastewater	35	36	36	36	37	36	40	40	40	40
Stormwater management	9	9	9	10	10	10	10	10	10	9
Total	354	374	382	384	394	410	429	433	508	506

Source: City of Coconut Creek

(1) Increase in personnel beginning in 2021 due to the creation of the Coconut Creek Fire Rescue Department

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

Table 17

	2013	2014	2015	2016	2017	2018	2019	2020 (1)	2021 (2)	2022
General government										
Bids and contracts awarded	23	14	21	15	22	18	18	12	11	12
Building permits	2,898	2,588	3,115	3,141	3,035	3,795	3,360	3,015	3,387	3,224
Business licenses (new)	124	119	108	144	193	141	28	89	97	196
Police										
Personnel and officers	133	137	140	140	142	152	161	161	161	163
Physical arrests	933	899	830	908	1,064	810	910	518	565	581
Traffic violations	6,748	5,756	6,744	7,329	9,550	8,499	8,438	5,773	7,905	9,053
Parking violations	1,260	1,332	627	638	290	250	228	80	109	244
Fire										
Personnel and officers (2)	4	4	4	5	6	6	7	7	79	79
Number of calls answered	6,720	5,902	7,260	7,705	7,858	7,883	7,491	7,628	7,760	8,235
Inspections	1,869	1,986	2,125	2,908	2,851	3,301	2,943	3,353	1,951	2,883
Transit										
Number of Routes	2	2	2	2	3	3	3	3	3	3
Number of Passengers	167,377	158,430	141,316	140,976	131,934	132,663	123,703	70,209	39,868	57,944
Streets										
Street resurfacing (miles)	-	-	-	-	79	-	-	-	-	-
Potholes repaired	248	224	212	368	250	362	313	445	321	443
Culture and recreation										
Athletic field permits issued	4,364	4,722	4,642	4,342	4,109	4,196	5,478	1,221	6,220	6,302
Fitness memberships	1,161	1,175	1,178	1,279	1,472	928	1,755	515	1,221	1,666
Participants Registered:										
Athletic Programs	1,961	2,203	2,116	1,978	2,264	2,750	2,114	1,200	1,275	1,861
Recreation Programs	4,579	4,679	5,604	5,483	5,986	5,680	4,831	1,862	1,870	2,633
Water										
New connections	107	88	51	74	95	53	26	23	5	8
Water main breaks	1	-	-	2	3	-	3	1	2	1
Average daily consumption (thousands of gallons)	4,015	4,046	4,181	4,149	4,228	3,995	4,238	4,241	4,295	4,363
Active Accounts: (Average)										
Residential	10,719	10,834	10,925	11,000	11,088	11,173	11,212	11,297	11,314	11,260
Commercial	854	851	932	862	877	877	843	786	785	847

Source: City of Coconut Creek

(1) Numbers were affected by the impact of lower participation due to the COVID-19 pandemic

(2) Increase in personnel in FY2021 due to the creation of Coconut Creek Fire Rescue Department

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

Table 18

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	116	134	137	130	132	151	147	151	157	157
Streets										
Streets (miles)	48	48	48	48	48	48	48	48	48	48
Street lights	1,668	1,712	1,712	1,712	1,712	1,712	1,712	1,721	1,721	1,725
Culture and recreation										
Parks acreage	107	170	170	170	170	185	187	187	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	266	273	273	275	276	277	277	285	286
Fire hydrants	1,754	1,748	1,822	1,822	1,822	1,834	1,846	1,844	1,856	1,881
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)	207	224	227	227	227	228	228	229	239	239
Storm sewers (miles)	32	32	32	32	32	32	32	32	32	32
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, 2021 through September 30, 2022

Table 19

Type of Policy	Type of Coverage	Insurer/Policy No.	Policy Limit	Policy Period From / To	Liability Limits	Member Deductible
Property Pkg	Coverage is blanket; Including: Buildings and Contents	Preferred Governmental Insurance Trust PK FL1 0062801 21-14		10/1/2021 through 10/1/2022	\$66,668,106 Total Insured Values (TIV)	\$ 1,000
	Per Buildings and Contents Schedule on file with PGIT					
	Coverage is blanket; Including: Buildings and Contents				All other Perils deductible	1,000
					Windstorm 5% of TIV per location; per occurrence named storm	
					Minimum deductible, per named windstorm	10,000
					\$500,000 Business income	1,000
					\$1,000,000 Additional Expense	1,000
					Blanket Communication Equipment - Included in Blanket	1,000
					\$1,012,671 Contractors Equipment - Agreed Value	1,000
					\$100,000 Other Inland Marine - Agreed Value	1,000
					\$655,506 EDP Equipment - Replacement Cost	1,000
					\$50,000 Rented, Borrowed, Leased Equipment	1,000
					\$1,000,000 Blanket Unscheduled Inland Marine - Actual Cash Value	1,000
					Emergency Services Portable Equip - Included in Blanket	1,000
					Fine Arts - Included in Blanket	1,000
					Valuable Papers - Included in Blanket	1,000
					Coverage Extensions:	
					2,000,000 Newly acquired or constructed buildings/personal property subject to 60 days	1,000
					\$500,000 Accounts Receivable	1,000
					\$250,000 Errors & Omissions	1,000
					\$25,000/\$50,000 Pollution Cleanup Expense occur/annual aggregate	1,000
					\$500,000 Debris Removal	1,000
					\$25,000 Lawns, Trees, Plants	1,000
					\$1,000,000 Demolition Cost, Operation of Building Laws and ICC	1,000
					\$250,000 Property in transit	1,000
					\$100,000 Service Interruption Coverage	1,000
					\$25,000 Fire department charges	1,000
	Automobile Physical Damage, owned and hired autos only				Per owned Vehicle Schedule on file with Preferred	
					Comprehensive - Actual Cash Value less deductible	1,000
					Collision - Actual Cash Value less deductible	1,000
Equipment Breakdown	Comprehensive coverage for City owned boilers, air conditioning & turbine equipment, including business interruption, extra expenses & utility interruption			10/1/2021 through 10/1/2022	\$66,668,106 Incl. property damage, business interruption, extra expense	\$ 1,000
					\$250,000 Spoilage Damage	1,000
					\$1,000,000 Ordinance/Law	1,000
					\$1,000,000 Expediting Expenses	1,000
					\$1,000,000 Water Damage	1,000
					\$1,000,000 Ammonia Contamination	1,000
					\$1,000,000 Hazardous Substance Coverage	1,000
					\$2,000,000 Utility Interruption (24Hour waiting period)	1,000
Workers' Compensation and Employers' Liability	Workers' Compensation Liabilities under F.S. 440	Preferred Government Insurance Trust WC FL1 0062801 21-14		10/1/2021 through 10/1/2022	Statutory Benefits per F.S. 440 \$1,000,000 per accident \$1,000,000 per employee - disease \$1,000,000 policy limit - disease	\$ -

City of Coconut Creek, Florida
Insurance Coverage Via Preferred Governmental Insurance Trust (PGIT)
October 1, 2021 through September 30, 2022

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)	Wright National Flood Ins.Co. #091150025731	8/6/2021	\$500,000 bldg/\$500,000 cnts	\$1,250/\$1,250
	Building Replacement Cost	Govt. Ctr.-City Hall	through		
	Contents Actual Cash Value	Wright National Flood Ins.Co. #091150025737	8/6/2022	\$208,300 bldg/\$15,900 cnts	\$1,250/\$1,250
		Gerber Park			
		Wright National Flood Ins.Co. #091150025732		\$500,000 bldg/\$72,100 cnts	\$1,250/\$1,250
		Govt. Ctr.-Public Works			
		Wright National Flood Ins.Co. #091150025733		\$500,000 bldg/\$83,600 cnts	\$1,250/\$1,250
		Govt. Ctr.-Auto/Land/Carp			
Flood Insurance	Flood - National Flood Insurance Program (NFIP)	Wright National Flood Ins.Co. #091150025734		\$180,600 bldg/\$13,100 cnts	\$1,250/\$1,250
	Building Replacement Cost	Govt. Ctr.-Equip. Bldg.			
	Contents Actual Cash Value	Wright National Flood Ins.Co. #091150025735		\$500,000 bldg/\$148,900 cnts	\$1,250/\$1,250
		Govt. Ctr.-Comm. Chamb.			
		Wright National Flood Ins.Co. #091150025736		\$500,000 bldg/\$500,000 cnts	\$1,250/\$1,250
		Govt. Ctr.-Storage Bldg.			
		Wright National Flood Ins.Co. #091150025731	8/6/2021	\$500,000 bldg/\$500,000 cnts	\$1,250/\$1,250
		Govt. Ctr.-City Hall	through		
Flood Insurance	Flood - National Flood Insurance Program (NFIP)	Wright National Flood Ins.Co. #091150025737	8/6/2022	\$208,300 bldg/\$15,900 cnts	\$1,250/\$1,250
	Building Replacement Cost	Gerber Park			
	Contents Actual Cash Value	Wright National Flood Ins.Co. #091150025732		\$500,000 bldg/\$72,100 cnts	\$1,250/\$1,250
		Govt. Ctr.-Public Works			
		Wright National Flood Ins.Co. #091150025733		\$500,000 bldg/\$83,600 cnts	\$1,250/\$1,250
		Govt. Ctr.-Auto/Land/Carp			
		Wright National Flood Ins.Co. #091150025734		\$180,600 bldg/\$13,100 cnts	\$1,250/\$1,250
		Govt. Ctr.-Equip. Bldg.			
Flood Insurance	Flood Per Occurrence/Aggregate (Property and contents not covered under the Wright National policies)	Preferred Governmental Insurance Trust PK FL1 0062801 21-14	10/1/2021 through 10/1/2022	\$5,000,000	\$ 1,000 (except zones A & V refer to Policy)
	Crime Insurance	Employee Theft	Travelers Casualty & Surety	10/1/2021	\$ 10,000
Crime Insurance	Faithful Performance of Duty included	Company of America	through		
	Computer Crime	105684154	10/1/2024	\$1,000,000	\$ 10,000
	Funds Transfer Fraud			\$1,000,000	\$ 10,000
	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, 2021 through September 30, 2022

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 PK FL1 0062801 21-14	10/1/2021 through 10/1/2022	\$1,000,000 per occurrence \$1,000,000 per person Included \$10,000 / \$200,000 \$1,000,000 \$1,000,000 per occurrence	\$ - \$ -
Deadly Weapon Protection	Deadly Weapon Event			\$1,000,000 per accident	\$ -
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	\$ 25,000 \$ 25,000 \$ 25,000
Accidental Death & Dismemberment	Liabilities under F.S. 118 & 119.191 Applicable to Police Officers	Hartford Life Ins. Co. 21-GTA-101807	10/1/2021 through 10/1/2022	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	9/2/2021 through 9/2/2022	\$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	9/3/2021 through 9/2/2022	\$1,000,000 each incident limit \$4,000,000 aggregate limit	\$ 25,000

A large, abstract yellow brushstroke graphic that serves as a background for the main title. The strokes are thick and textured, with varying lengths and directions, creating a sense of movement and energy.

COMPLIANCE SECTION

**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, 2022, 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 30, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 30, 2023

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Coconut Creek, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

City of Coconut Creek, Florida

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 30, 2023

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 basic financial statements of the City of Coconut Creek, Florida (the "City") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 30, 2023.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's 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*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report(s) on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 30, 2023, 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 financial audit report. There were no findings and recommendations made in the preceding financial audit report.

CPA's + Trusted Advisors

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 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 30, 2023

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH
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, 2022. 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, 2022.

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 30, 2023

CPA's + Trusted Advisors

CITY OF COCONUT CREEK, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal Agency, Pass-through Grantor Program Title	AL Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
United States Department of Justice				
Direct Programs:				
Equitable Sharing Program	16.922	-	\$ 127,425	\$ -
Bulletproof Vest Partnership Program	16.607	-	26,885	-
United States Department of Housing and Urban Development				
Direct Program:				
Community Development Block Grants				
Community Development Block Grants/Entitlement Grant	14.218	B-17-MC-12-0054	45,218	45,218
Community Development Block Grants/Entitlement Grant	14.218	B-18-MC-12-0054	114,975	114,975
Community Development Block Grants/Entitlement Grant	14.218	B-19-MC-12-0054	312,288	312,288
Community Development Block Grants/Entitlement Grant	14.218	B-20-MC-12-0054	251,128	251,128
Community Development Block Grants/Coronavirus	14.218	B-20-UW-12-0054	57,960	57,960
		14.218 Total	<u>781,569</u>	<u>781,569</u>
United States Department of Treasury				
Direct Programs:				
Coronavirus Local Fiscal Recovery Fund	21.027	-	7,751,414	-
United States Department of Justice				
Indirect Program:				
Passed through Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant	16.738	2022-JAGD-BROW-1-4B-012	8,154	-
Coronavirus Emergency Supplemental Funding (CESF)	16.034	2021-CESF-BROW-1-C9-031	38,432	-

See notes to schedule of expenditures of federal awards.

CITY OF COCONUT CREEK, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal Agency, Pass-through Grantor Program Title	AL Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
Department of Homeland Security Federal Emergency Management Agency				
Indirect Program:				
Passed through Florida Division of Emergency Management				
Public Assistance Program	97.036	Z0583	38,096	-
COVID-19 - Public Assistance	97.036	Z1805	332,479	-
		97.036 Total	<u>370,575</u>	<u>-</u>
Total Expenditures of Federal Awards			\$ <u>9,104,454</u>	\$ <u>781,569</u>

See notes to schedule of expenditures of federal awards.

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the City of Coconut Creek, Florida (the "City"). The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, as well as other applicable provisions of contracts and grant agreements, wherein certain types of expenditures are not allowable or are limited as to reimbursements, as applicable.

Note 3 - Indirect Cost Rate

The City did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 - Contingency

The grant and contract revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor/contract agencies would become a liability of the City. In the opinion of management, all grant and contract expenditures are in compliance with the terms of the agreements and applicable Federal laws and other applicable regulations.

**CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2022**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: *Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> yes	<u> X</u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X</u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u> X</u> no

Federal Programs

Internal control over major federal programs:

Material weakness(es) identified?	<u> </u> yes	<u> X</u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X</u> none reported

Type of auditor's report issued on compliance for major federal programs: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u> </u> yes	<u> X</u> no
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Identification of major federal program(s):

<u>CFDA No.</u>	<u>Federal Program(s)</u>
14.218	United States Department of Housing and Urban Development - Community Development Block Grants
21.027	United States Department of Treasury - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee?	<u> </u> yes	<u> X</u> no
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SECTION II - FINANCIAL STATEMENTS FINDINGS

None Reported.

SECTION III - FEDERAL PROGRAMS FINDINGS AND QUESTION COSTS

None Reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

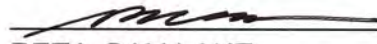
None Reported.

AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared PETA-GAY LAKE, who being duly sworn, deposes and says on oath that:

- 1. I am the Director of Finance and Administrative Services of the City of Coconut Creek which is a local governmental entity of the State of Florida;
- 2. The City of Coconut Creek adopted Ordinance Nos. 158-89, 2006-005, 2006-017, 2006-037, 2008-008, and 2014-003 implementing and updating its impact fees; and
- 3. The City of Coconut Creek has complied with Section 163.31801, Florida Statutes as it has implemented and updated its impact fees and is in the process of reviewing and updating data and analyses to ensure continued compliance with all requirements of Florida law.

FURTHER AFFIANT SAYETH NAUGHT.




 PETA-GAY LAKE
 Director of Finance and Administrative Services

STATE OF FLORIDA
COUNTY OF Broward

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 4th day of April, 2023, by Peta-Gay Lake as Director of Finance and Administrative Services for the City of Coconut Creek.





 NOTARY PUBLIC
Rachael Castro

 Print Name

Personally known or produced identification _____
 Type of identification produced: _____
 My Commission Expires: 8-5-24
 (DATE)

