

City of

COCONUT CREEK

Florida



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011**

Comprehensive Annual Financial Report

of

CITY OF COCONUT CREEK, FLORIDA

Fiscal Year Ended
September 30, 2011



Prepared by the
DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES

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

CITY OF COCONUT CREEK, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2011

City Commission

Marilyn Gerber	Mayor
Mikkie Belvedere	Vice Mayor
Lou Sarbone	Commissioner
Rebecca A. Tooley	Commissioner
Lisa K. Aronson	Commissioner

Administrative Staff

David J. Rivera	City Manager
Paul S. Stuart	City Attorney
Mary C. Blasi, CPA, CGFO	Deputy City Manager
Barbara S. Price, CMC	City Clerk
Karen M. Brooks, CPFO	Director of Finance and Administrative Services



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 For the Fiscal Year Ended September 30, 2011

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March 26, 2012

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

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

It is with pleasure that we submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Coconut Creek for the fiscal year ended September 30, 2011. This report was prepared in accordance with Florida Statute, the City Charter, and Accounting Principles Generally Accepted in the United States of America (GAAP). Florida Statutes require that every general purpose local government publish annually a report on its financial position and activity that is audited by an independent firm of certified public accountants. The City's commitment to full financial disclosure and financial transparency is reflected in the CAFR through the use of exhibits and the Statistical Tables included herein. All disclosures necessary to enable the reader to gain an understanding of the City of Coconut Creek's activities have been included.

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

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

This report consists of management's representations concerning the finances of the City of Coconut Creek. Consequently, management assumes full responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, management of the City of Coconut Creek has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Coconut Creek's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Coconut Creek's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the City of Coconut Creek on a government-wide and fund basis. In addition, the City maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions contained within the annual budget, which is approved by the City Commission.

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 was to provide reasonable assurance that the

financial statements of the City of Coconut Creek for the fiscal year ended September 30, 2011 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Coconut Creek's financial statements for the fiscal year ended September 30, 2011, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

Profile of the Government

The City of Coconut Creek is a full-service municipality located within the northwestern 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. The City is located north of Fort Lauderdale and abuts Boca Raton. The terrain is generally flat. The sub-tropical climate provides comfortable living year round.

With an estimated population of 52,909 people, the City ranks 15th in population amongst the 31 municipalities in the County. The City has been developed primarily for residential purposes, with a proportionate mix in population of families and retirees. Because the tax burden rests mostly on residential properties, the City has various aggressive economic development initiatives to encourage new construction, expansions, and re-development to obtain a suitable mix of residential and commercial properties within the City. More detailed information on the City's economic development efforts can be found on page vi.

The City operates under the Commissioner-Manager form of government. Policy-making and legislative authority are vested in the governing commission, which consists of a mayor and a four member Commission. The City Commission is vested with policy setting authority, adopting the annual budget, approving general purchases and services of the governmental operations, appointing committees, and hiring the City's Manager and City Attorney. The City Manager is responsible for recommending and carrying out the policies and ordinances of the City Commission, appointing the directors of the City's departments, submitting a proposed annual budget, advising the Commission as to the financial condition of the City, and overseeing the day-to-day operations of the City.

The City is divided into five districts with one Commissioner required to reside in each district. Each Commissioner is elected "at large" and is elected for a three-year term. Each year after the seating of newly elected Commissioners, or, in years where there are no newly elected Commissioners, at the first Commission meeting subsequent to the second Tuesday in March, provided at least four members are present, a Mayor is elected by the Commissioners to preside for a one-year term.

The City of Coconut Creek provides a full range of services, including police and fire rescue services, the construction and maintenance of streets and infrastructures, recreational and cultural activities, and water and sewer services. The annual budget serves as the foundation for the City of Coconut Creek's financial planning and control. All departments of the City of Coconut Creek are required to submit requests for appropriation to the City's Finance and Administrative Services Department during the month of April each year. The Finance and Administrative Services Department uses these requests as a starting point to assist the City Manager to develop a proposed budget. A 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 of Coconut Creek's fiscal year. The appropriated budget is prepared by fund, department, division, and major programs. Department Directors may make transfers of appropriations within a

department. Transfers of appropriations between departments; however, require approval of the City Commission. Budget-to-actual comparisons are provided in this report for all governmental funds. For the general fund and major special revenue funds, this comparison is presented beginning on page 56 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, and starts on page 66.

For additional information concerning the City, please visit our website at www.coconutcreek.net.

Factors Affecting Financial Condition

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

Local economy. The growth and development of the City is dependent upon the economic environment of South Florida and particularly that of Broward County. The major economic influences in this area are predominantly the housing market (including housing values, insurance, property taxes and mortgage interest rates), the regional job market, new construction, weather events and uncertainty of any future tax reform or legislative changes that will directly affect the City's ability to maintain current service levels. In 2011, the Consumer Price Index shows a moderate increase and is expected to continue to slowly increase in 2012. Consideration of the impact of these economic indicators plays an important role in determining the use of City resources in the upcoming years.

During 2007 the Florida Legislature passed property tax reform legislation limiting the property tax levies of local government in the State of Florida. Future property tax growth is limited to the annual growth rate of per capita personal income, which is currently minimal, plus the value of new construction. The impact of the current economic environment and declining property values has resulted in a loss of tax dollars and new construction related revenues. As the economy slowly recovers, the City anticipates slight increases in residential property values and new construction.

During the early 2000's, the City of Coconut Creek experienced an increase in housing construction in the northern section of the City. However, the level of new construction declined drastically after 2008 as demonstrated by the following table:

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Residential Units	60	68	26	85	71	203	62	5	294	319
Commercial Permits	4	2	4	24	5	5	18	52	21	31
Value (in millions)	\$55.7	\$15.7	\$9.4	\$75.6	\$35.2	\$22.4	\$39.7	\$22.5	\$32.2	\$20.6

The spike in commercial permits in 2008 is a result of the completion of the first phase of the City's "downtown" area. Our focus is on tax base diversification and we will continue to emphasize expansion of our commercial base as well as renewed efforts to expand, maintain, and upgrade existing residential and public areas of the City. However, due to the recession of 2009, the housing debacle, and the surrounding economic uncertainty, the City experienced a drastic decrease in the number of new construction permits issued in 2009. The number of residential permits increased and stabilized in 2010 as a result of a slowly recovering housing market, but is far from returning to the early 2000 levels. The number of commercial permits remains constant since 2009, but the value (in millions) increased from \$15.7 in 2010 to \$55.7 in 2011. The majority of the increase is attributed to the construction of a parking garage at the Seminole Casino. The number of commercial permits is expected to increase over the next 2-5 years due to several major initiatives planned for upcoming years; particularly in the MainStreet area (more detailed information is contained in the Major Initiatives section on pages v-vi).

Within the City of Coconut Creek's city limits resides one of the casinos operated by the Seminole Tribe of Florida. The casino attracts residents and tourists alike, and has a direct positive effect on the overall local economy. The City currently has a Municipal Service Provider Agreement with the Seminole Tribe of Florida that provides for annual payments to help compensate for the social and financial impact the casino has on our community. Funding received from the Seminole Tribe of Florida is used for community capital improvement projects.

In 2010, the Florida Legislature approved a compact with the Seminole Tribe of Florida, authorizing blackjack and other card games at five Seminole casinos, including the casino in the City of Coconut Creek. On an annual basis, the City will receive a small portion of the net wins attributed to the Coconut Creek casino. Distributions began in March 2011 and will continue annually.

Long-term Financial Planning

The City has been working diligently on a capital improvement project for Coconut Creek Parkway. There are several educational facilities located along the parkway including the north campus of Broward Community College, the North Regional County Library, the Associated Builders and Contractors Corporate Headquarters, Coconut Creek High School, Atlantic Technical Center, and the Dave Thomas Educational Center. The project, known as the "Education Corridor," will create a linear park-like corridor that will provide multi-modal connectivity between the various facilities. It will include a landscaped median, bus shelters, and a dedicated bicycle and pedestrian multi-purpose path. The project is well underway and expected to be completed by October 2014.

The City has undertaken a project to underground above ground utility lines in the northern section of the City. The undergrounding project will promote a safer environment, decrease disruption time during a hurricane, and increase the aesthetic appearance in the respective areas of the City. The project is estimated to cost approximately \$3.0 million. The project is funded by a FEMA grant, reimbursements from Florida Power and Light, and the issuance of debt. The project began in fiscal year 2010 and is expected to be completed in fiscal year 2013.

The City has undertaken a capital improvement project to construct a new state-of-the-art public works building. The current public works building needs major improvements and is not equipped to withstand a major hurricane. The current building was demolished and will be replaced with a safer and more modern structure. In addition, the City plans to use the building as an Emergency Operations Center (EOC) and the police dispatch center. Broward County is also planning to operate a regional EOC and dispatch center from the new public works building. The project is estimated to cost approximately \$7.4 million. The project is funded through the issuance of debt. Partial funding for the project was obtained through grants and contributions from the County. Proceeds received from the Seminole Tribe of Florida will be used to repay the debt.

In October 2010, the City Commission approved the execution of an Option Purchase Agreement with JPGP, LLC for the sale of 10.028 acres of land owned by the City at the Commerce Center of Coconut Creek. JPGP, LLC may exercise the option to purchase the property any time during the option period or any extensions thereof. In December 2010, with approval from JPGP, LLC, the City entered into a one-year lease agreement with Seminole Properties II, Inc. to lease the 10.028 acres of land for use as a temporary parking facility. The lease automatically renewed for an additional one-year term.

On November 11, 2011, the City entered into a residential contract for sale and purchase with the Earl F. Johns Revocable Trust. The contract provides for the purchase of land located adjacent to Windmill Park for a purchase price of \$ 450,000. The property will be used for recreational purposes. The closing date was March 14, 2012.

Relevant Financial Policies

The City of Coconut Creek budgetary and financial policies provide the basic framework for the overall fiscal management of the City. The main policies consist of the revenue, cash management and investments, debt, and fund balance policies. These policies are used in the development of current activities and planning for future programs.

Revenue Policy

The City will attempt to maintain a diversified and stable revenue system to avoid reliance on any one revenue source and will attempt to minimize the dependence on property taxes. Charges for services are used to recover partial or full cost of providing services that benefit individual users. Additionally, it is the City's policy that new ongoing operating costs are funded with permanent, ongoing revenue sources. One time operating costs are tied to one-time revenue sources to ensure fund balance integrity.

Cash Management and Investments Policy

The City follows its adopted investment policy when handling public funds. The intent of this policy is to 1) ensure the preservation of principal, 2) maintain sufficient cash flow to enable the City to meet its obligations, and 3) maximize the return on assets with an acceptably low exposure to risk. The investment policy meets the requirements of Florida Statutes, section 218.415.

Cash temporarily idle during the year was primarily invested in Federal agency issues, the Florida Municipal Investment Trust, the Florida Local Government Investment Trust, non-negotiable certificate of deposits, and the City's bank deposit account. The maturities of the investments range from one to ten years, with an average maturity of 3.88 years. The average return on investments was 1.7%. Investment income includes a decline in the fair market value of investments. Changes in fair market value are temporary as the City intends to hold to maturity.

Debt Policy

The City seeks to maintain the highest bond rating to minimize borrowing costs. Debt is issued when necessary to finance capital projects, but is never used for current operations. The City reviews and evaluates its existing obligations and future borrowing needs regularly.

Fund Balance Policy

The City's Fund Balance Policy was developed to ensure adequate fund balance for the City's governmental funds. The intent of this policy is to 1) provide sufficient cash flow for daily financial needs; 2) secure and maintain investment grade bond ratings; 3) offset significant economic downturns or revenue shortfalls; and 4) provide funds for unforeseen expenditures related to emergencies. For more information on the City's Fund Balance Policy, please refer to page 35, Note 1 to the Financial Statements.

Major Initiatives

Strategic Planning

The City's Comprehensive Plan was originally adopted in 1989. A substantial revision was completed in 2003 to satisfy both the requirements of the 1996 adopted Evaluation and Appraisal Report and for the Broward County Planning Council Certification. The plan was again amended in 2007 as a result of the 2005 Evaluation and Appraisal Report. A water supply plan, identifying the long term plan for water supply sources and facilities was adopted in 2008. In addition, with the adoption of statewide school concurrency, a new Public School Facilities Element was adopted in 2009 and recently amended in 2011 to address changing regulations relating to school capacity. The Comprehensive Plan is intended to guide future growth and development and to provide an overall vision for the community.

The City of Coconut Creek has been and is committed to its mission "To foster continuous quality improvement to enhance a sense of community, quality of life, and personal security" and its vision "The City of the Future with a Personal Touch." To further the City's ever-evolving planning process, the City reviews its planning every three to five years to ensure that the City's priorities are aligned with the needs of the public and environment. In 2006, City staff worked as a team to assess the City's priorities. During fiscal year 2009, these priorities were reviewed and aligned with the strategies solicited from the City's constituents at a two-day retreat, known as the Vision 2020 Assembly. The City's strategic plan focuses on three main areas:

1. Quality of Life/City Services
2. Economic Development/Environmental Preservation
3. Educational, Recreational and Cultural Resources

The strategic plan provides definition and value to the objectives by setting forth the meaning to citizens and describing the long and short-term challenges and opportunities presented by the current social and economic environment. The strategic plan is the driving force for allocating the City's financial resources.

Economic Development

The City of Coconut Creek is in the process of enhancing economic development by creating a "downtown" area on some of the last consolidated open spaces in the City and County. The area encompasses approximately 400 acres bound by State Road 7/US 441 to the west, Sample Road to the south, Lyons Road to the east, and Wiles Road to the north. The concept of the new MainStreet area is a vision for a green and sustainable downtown located in the center of the City and is that of a pedestrian-friendly and environmentally-safe urban downtown area of mixed-use facilities ranging from residential to retail and restaurants. The location is such that, when fully developed, the area will become a destination for City residents as well as residents of neighboring cities to work, shop, and play. The first project was completed in the fall of 2008. Several other projects are approved for the MainStreet area but due to the current economic conditions, the remaining projects may take several years to begin construction. Overall, the MainStreet downtown area is approved for over 3 million square feet of commercial use, 1 million square feet of office use, 1300 hotel rooms and 6400 dwelling units.

Also located in the MainStreet area is the Seminole Tribe of Florida Coconut Creek Casino. The Seminole Tribe has plans for a major expansion of this facility with over 300,000 square feet of retail and restaurant space, a 1,000-room hotel, a 3,200-seat auditorium, a 6,500-vehicle parking garage, and an expansion of gaming activity. Based on the planned expansion, the City has undertaken discussions directly with the Seminole Tribe to evaluate and solve development impacts related to the City, as the project moves forward. In February 2012, the Seminole Tribe completed their most recent phase that included a Transportation Center and retail component. The Transportation Center contains approximately 2800 parking spaces with a 25,000 square foot retail component, featuring two new upscale restaurants. It is anticipated that the Seminole Tribe will continue to phase their development program over the next several years.

The City is in the process of finalizing a Business Assistance Program intended to offer a range of loan and grant opportunities to assist our local business community. Programs being considered include property improvement programs including facade improvement, landscaping, signage and other general site improvements; commercial rent subsidy program designed to assist new local businesses or expanding existing businesses; and assistance for those businesses interested in incorporating green or sustainable practices, including, but not limited to, solar technologies. The program is geared towards encouraging economic development within City limits.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Coconut Creek for its comprehensive annual financial report (CAFR) for the fiscal

year ended September 30, 2010. This was the twenty-eight consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its fiscal year 2011 annual budget document. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device. The fiscal year 2012 annual budget document has been submitted for another award and is currently under review.

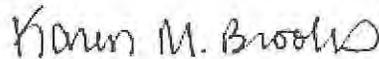
The City has also received the award for Outstanding Achievement in Popular Annual Financial Reporting for the September 30, 2010 Popular Annual Financial Report. This award is given for those reports whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

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

Respectfully submitted,



David J. Rivera
City Manager



Karen M. Brooks, CPFO
Director of Finance and Administrative Service

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Coconut Creek
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

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



Linda C. Davidson

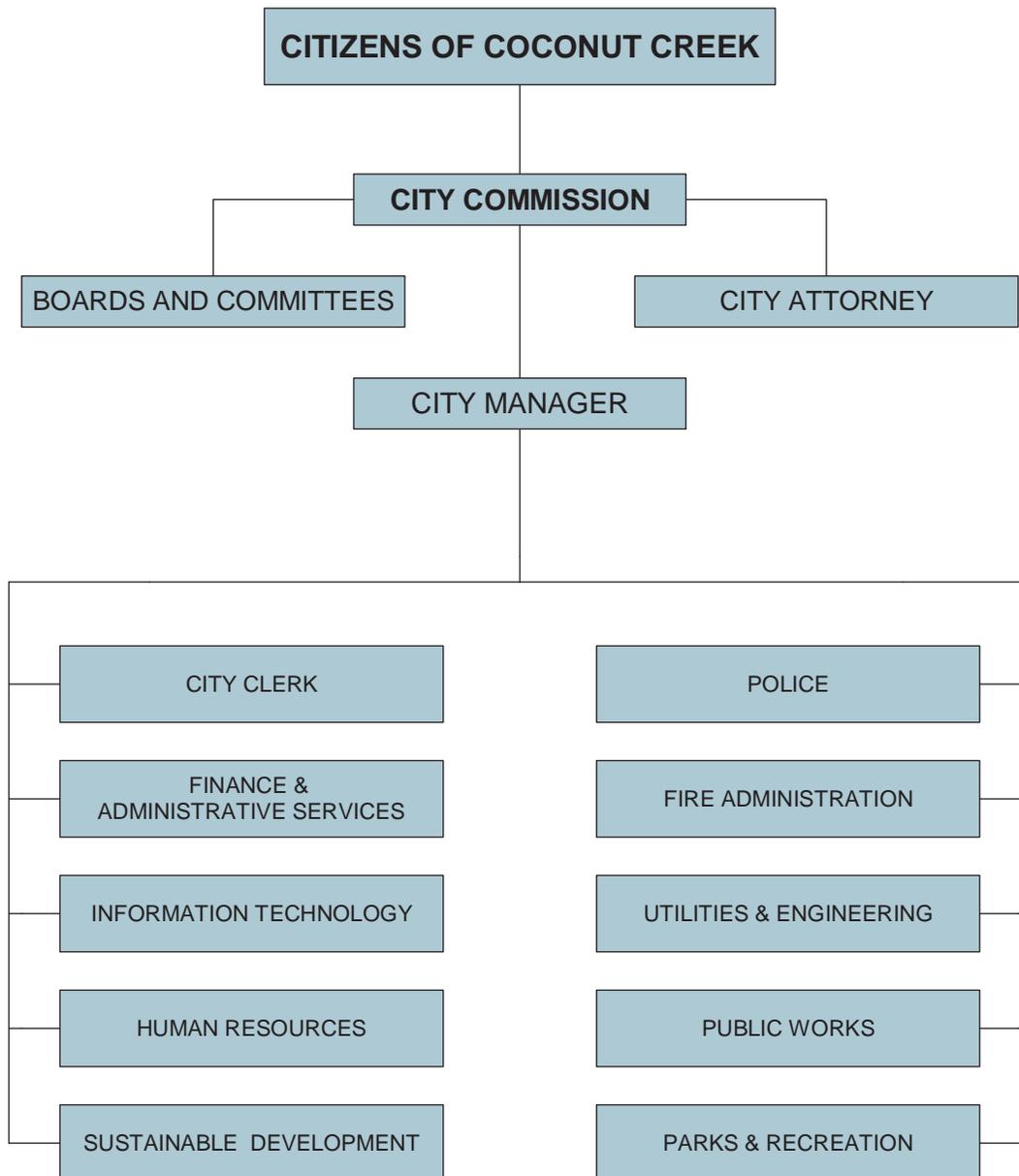
President

Jeffrey R. Emer

Executive Director



COCONUT CREEK GOVERNMENTAL STRUCTURE ORGANIZATION CHART FISCAL YEAR 2011



CITY OF COCONUT CREEK, FLORIDA
LIST OF PRINCIPAL OFFICIALS
September 30, 2011

Elected Officials

Mayor	Marilyn Gerber
Vice Mayor	Mikkie Belvedere
Commissioner	Lou Sarbone
Commissioner	Rebecca A. Tooley
Commissioner	Lisa K. Aronson

Appointed Officials

City Manager	David J. Rivera
Deputy City Manager	Mary C. Blasi
City Attorney	Paul S. Stuart
City Clerk	Barbara S. Price
Director of Sustainable Development	Sheila N. Rose
Director of Human Resources	Pamela J. Kershaw
Director of Utilities and Engineering	Raj Verma
Director of Public Works	James L. Berkman
Director of Parks and Recreation	Linda J. Wiederspan
Director of Information Technology	Eric P. Rupert
Chief of Police	Michael J. Mann
Fire Rescue Chief	Steven Pollio

Finance Officials

Director of Finance and Administrative Services	Karen M. Brooks
Assistant Director of Finance and Administrative Services	Peta-Gay Lake





INDEPENDENT AUDITORS' REPORT

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

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, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coconut Creek, Florida, as of September 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 26, 2012 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress, other post-employment benefits, on pages 3 through 17 and page 61, respectively, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in 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 nor 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, budget and actual schedules, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and is also not a required part of the basic financial statements of the City. The budget to actual schedules, combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
March 26, 2012

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, 2011. 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 vii of this report. All amounts in this section, unless otherwise indicated, are expressed in millions of dollars.

Financial Highlights

- The assets of the City of Coconut Creek exceeded its liabilities at the close of the most recent fiscal year by \$ 178.4 (net assets). Of this amount, \$ 40.8 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$ 13.1 during the current fiscal year. Net assets of our governmental and business-type activities increased by \$ 6.2 and \$ 6.9, respectively. The majority of the increase in governmental fund activities net assets is due to increases in licenses and permits, impact fees, cost savings as a result of staff reductions and vacancies, and various operational savings. \$ 2.8 of the increase in net assets for business-type activities is due to capital contributions and donations. The remaining difference resulted from a scheduled water and sewer rate increase to fund current and future capital needs, various other operational savings, and unused contingencies.
- Governmental Activities generated \$ 17.9 in program revenues, with \$ 46.1 in direct expenses.
- Business-type Activities generated \$ 21.3 in program revenues, with \$ 15.4 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 \$ 51.1, an increase of \$ 2.3, or 4.7%, over the prior year. Of this amount, approximately \$ 8.8 is nonspendable, \$ 13.3 is restricted, \$ 7.6 is committed, \$ 5.7 is assigned, and \$ 15.7 is unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$ 15.7, or 35.7% of total General Fund budgeted operating expenditures.
- The City of Coconut Creek's total outstanding debt decreased \$ 3.0 during the current fiscal year due to scheduled annual debt service payments.
- Overall, the City's financial position has improved from the prior year.

Overview of the Financial Statements

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

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

The basic financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, a section is included with combining statements

Management's Discussion and Analysis

that provide details about the nonmajor governmental funds, each of which is added together and presented in single columns in the basic financial statements.

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

The statement of net assets presents information on all of the City of Coconut Creek's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Coconut Creek is improving or deteriorating. Other factors should be considered, however, such as the condition of capital assets (roads, buildings, etc.) and debt structure, to assess the City's overall health.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and 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 18 and 19 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 several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Construction and Maintenance Fund, Grants Fund, 2003 Capital Projects Fund, 2009 Capital Projects Fund, Capital Improvement Program Fund, and the Public Safety Improvement Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report.

Management's Discussion and Analysis

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 20 through 25 of this report.

Proprietary Funds. Proprietary fund financial statements consist of a statement of net assets, a statement of revenues, expenses, and changes in net assets, 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 operations.

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 26 through 29 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 30 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, and Grants Fund budgetary comparison schedules to demonstrate compliance with the budget and the City's progress in funding its obligation of providing other post-employment benefits to its employees. Required supplementary information can be found on starting on page 56 of this report.

The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found starting on page 62 of this report.

Government-wide Financial Analysis

Summary of net assets. The overall position of the City improved in 2011. As noted earlier, net assets may serve over time 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 Assets summary presentation as reflected below:

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

Management's Discussion and Analysis

In the case of the City of Coconut Creek, combined assets exceeded its liabilities by \$ 178.4 at the close of fiscal year 2011 (see Table 1 below).

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2011	2010	2011	2010 *	2011	2010 *	2011-2010
Current and other assets	\$ 56.5	\$ 53.5	\$ 20.2	\$ 15.4	\$ 76.7	\$ 68.9	11%
Capital assets	73.7	73.2	64.5	62.1	138.2	135.3	2%
Total assets	130.2	126.7	84.7	77.5	214.9	204.2	5%
Long-term liabilities outstanding	29.9	32.4	0.7	0.7	30.6	33.1	-8%
Other liabilities	3.3	3.5	2.6	2.3	5.9	5.8	2%
Total liabilities	33.2	35.9	3.3	3.0	36.5	38.9	-6%
Net assets:							
Invested in capital assets, net of related debt	59.8	57.2	64.5	62.1	124.3	119.3	4%
Restricted	13.3	8.1	-	-	13.3	8.1	64%
Unrestricted	23.9	25.5	16.9	12.4	40.8	37.9	8%
Total net assets	\$ 97.0	\$ 90.8	\$ 81.4	\$ 74.5	\$ 178.4	\$ 165.3	8%

* As restated. See Note 2 to the Financial Statements for more information.

The largest portion of the City of Coconut Creek's net assets (\$ 124.3 or 69.7%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, and equipment); less any related debt used to acquire those assets that is still outstanding. 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 portion of net assets invested in capital, net of related debt increased by \$ 5.0 due to the acquisition of capital items and scheduled debt payments.

An additional portion of the City of Coconut Creek's net assets (\$ 13.3, or 7.5%) represents resources that are subject to external restrictions on how they may be used. The 2011 balance in restricted net assets increased by \$ 5.2 due to restrictions imposed by various external agencies, including debt covenant requirements.

The remaining balance of \$ 40.8 reflects unrestricted net assets (22.8%) increased by \$ 2.9, and may be used to meet the government's ongoing obligations to citizens and creditors.

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 assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same held true for the prior fiscal year.

Management's Discussion and Analysis

The City's long-term liabilities decreased by \$ 2.5. The decrease was due mainly to the required annual debt service payments of \$ 3.0 and a reduction of \$ 0.2 in earned but unused vacation and sick leave due to the timing of usage. The effects of these reductions were partially offset by an increase of \$ 0.7 in unfunded actuarial accrued liability for other post-employment benefits. The City makes contributions towards other post-employment benefits on a pay-as-you go basis. Other post-employment benefits are discussed in more details in Note 16 on page 52.

Other liabilities increased by \$ 0.1 in due to the timing of annual activities (services received, customer deposits, etc.) and vendor payments.

Current and other assets increased \$ 7.8 due mainly to an increase in cash and investments, accounts receivable, and due from other governments as a result of annual activities (including capital purchases) and the timing of payments and receipts. Changes in capital assets are discussed in the Capital Assets and Debt Administration section on page 15.

Summary of changes in net assets. The following information is presented to assist the reader in understanding the different types of normal 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 on expenses are outlined below:

- 1) Introduction or elimination of programs can have an impact on staffing levels, operating costs, and capital outlay costs.
- 2) Changes in service demand levels can cause the City to increase or decrease authorized staffing. Staffing costs (salary and related benefits) represent approximately 53% of the City's operating costs.
- 3) Salary increases such as cost of living, performance increases, and pension contributions can impact personal service costs.
- 4) While inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as fuel, chemicals, supplies, and parts. Some functional expenses may experience unusual commodity specific increases. In addition, the City has various contracts with a built-in annual increase.

The City's net assets increased by \$ 13.1, or 7.9%, during the fiscal year 2011. Approximately 21.4% (\$ 2.8) of the increase in net assets was attributed to capital contributions of utility easements and infrastructure and does not represent actual revenue collected during the year. The remaining increase in net assets is due mainly to increases in water and sewer revenues, licenses and permits, and utility taxes. Additionally, expenditures were less than the prior year due to staff reductions and vacancies and savings in operating expenses. More detailed information is provided in the governmental and business-type activities change in net assets section as follows.

Management's Discussion and Analysis

The changes in net assets for governmental and business-type activities are as follows:

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenues						
Program revenues						
Charges for services	\$ 15.7	\$ 15.6	\$ 18.5	\$ 16.3	\$ 34.2	\$ 31.9
Operating grants and contributions	0.6	1.0	-	-	0.6	1.0
Capital grants and contributions	1.6	0.5	2.8	2.8	4.4	3.3
General revenues						
Property taxes	15.9	16.2	-	-	15.9	16.2
Utility taxes	6.1	6.1	-	-	6.1	6.1
Local option gas tax	0.8	0.8	-	-	0.8	0.8
Franchise fees	4.1	4.1	-	-	4.1	4.1
Impact fees	1.2	-	1.0	-	2.2	-
Intergovernmental	4.1	4.0	-	-	4.1	4.0
Investment income	0.6	0.6	0.2	0.2	0.8	0.8
Miscellaneous	1.1	1.7	0.3	0.3	1.4	2.0
Transfers	0.5	-	(0.5)	-	-	-
Total revenues	52.3	50.6	22.3	19.6	74.6	70.2
Expenses						
General government	10.7	10.8	-	-	10.7	10.8
Public safety	23.5	23.5	-	-	23.5	23.5
Physical environment	5.7	6.2	-	-	5.7	6.2
Culture/recreation	5.3	5.5	-	-	5.3	5.5
Interest on long-term debt	0.9	1.1	-	-	0.9	1.1
Water and wastewater	-	-	14.6	15.7	14.6	15.7
Stormwater management	-	-	0.8	0.8	0.8	0.8
Total expenses	46.1	47.1	15.4	16.5	61.5	63.6
Increase in net assets	6.2	3.5	6.9	3.1	13.1	6.6
Net assets-beginning	90.8	87.3	74.5	71.4	165.3	158.7
Net assets-ending	\$ 97.0	\$ 90.8	\$ 81.4	\$ 74.5	\$ 178.4	\$ 165.3

* As restated. See Note 2 to the Financial Statements for more information.

Management's Discussion and Analysis

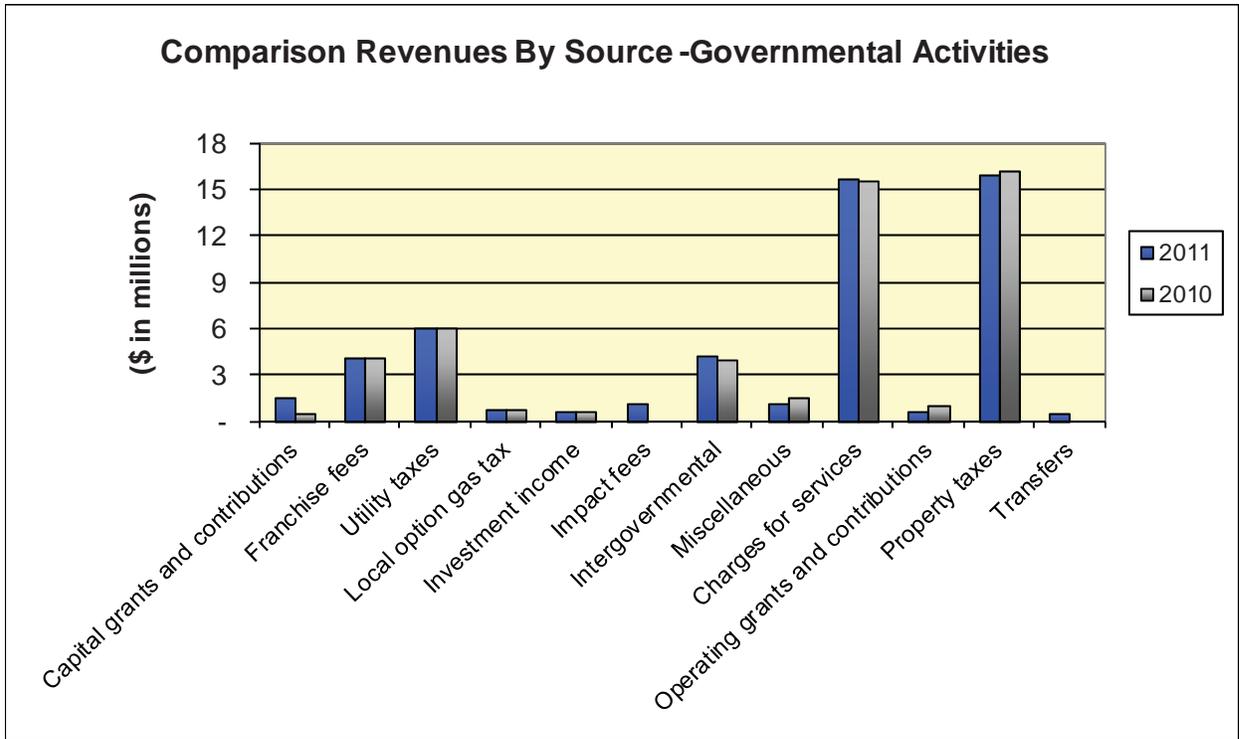
Governmental activities. Governmental activities increased the City of Coconut Creek's net assets by \$ 6.2, thereby accounting for 47.3% of the total growth in the net assets of the City of Coconut Creek.

Key elements of this increase are as follows:

- Property taxes collections decreased by \$ 0.3 (-1.9%) during the year. This decrease is attributed to downward valuations made by appeals filed with the Value Adjustment Board.
- Charges for services increased by \$ 0.1 (0.6%) during the year. The increase is primarily attributed to an increase in licenses and permits as a result of the construction of the parking garage at the Seminole Casino (\$ 1.2), mostly offset by a decrease in administrative fees charged by the General Fund for services performed for other funds (\$ 1.0). The remaining difference comprises of minimal increases in SRO subsidy due to a scheduled increase; fire inspections due to increased collection efforts; fire plan reviews due to the Seminole expansion; and EMS revenues due to increased collection efforts. These increases were partially offset by a decrease in fire special assessments as a result of the timing of payments. The remaining difference consists of minor increases and decreases in other accounts.
- Operating grants/contributions decreased by \$ 0.4 (-40%). This is due mainly to the expiration of several grants, in particular grants awarded to our Police Department as part of the American Recovery and Reinvestment Act. These grants are one-time grants designed to boost economic growth by providing for salaries and benefits for new positions.
- The capital grants/contributions increased by \$ 1.1 (220%). This increase is attributed to an increase in activity in grant funded capital projects, including the Education Corridor and improvements to Lyons Road. Additionally, fines and forfeitures collected from law enforcement forfeitures and seizures increased by \$ 0.5.
- Intergovernmental revenues increased by \$ 0.1 mainly due to an increase in half-cent sales tax and state shared revenues as a direct result of an increase in population and the slow recovery of the economy.
- Impact fees increased by \$ 1.2 (100%) due to the police and fire impact fees charged for the construction of the new parking garage at the Seminole Casino. Fiscal year 2010 Impact Fees amounted to \$ 0.2 and was previously reported as miscellaneous revenues.
- Miscellaneous revenues decreased by \$ 0.6 (-35.3%). In fiscal year 2010, the City received a one-time reimbursement from Waste Management for legal fees in the amount of \$ 0.2. Additionally, fiscal year 2010 was the last year the City received distributions from Broward County for excess reserves for waste-to-energy deliveries (\$ 0.1). Also, in fiscal year 2010, the City collected \$ 0.2 in impact fees that was reported in miscellaneous revenues. Impact fees are now reported separately. These amounts were partially offset by revenues received from the compact between the Seminole Tribe of Florida and the State of Florida and rental income from the lease of vacant land (\$ 0.2). The remaining difference consists of minor increases and decreases in other accounts.
- Transfers-in increased by \$ 0.5 (100%) due to a one-time transfer from the Water and Wastewater Fund to the General Fund.
- Utility taxes, local option gas tax, and franchise fees remained generally the same from prior year.
- Expenses decreased by \$ 1.0 (-2.1%) due to several cost reduction measures that were implemented to offset increases in contract prices and personnel costs, including freezing vacant positions, restructuring the public works department and outsourcing janitorial services. In addition, interest on long-term debt decreased by \$ 0.2 due to lower outstanding debt.

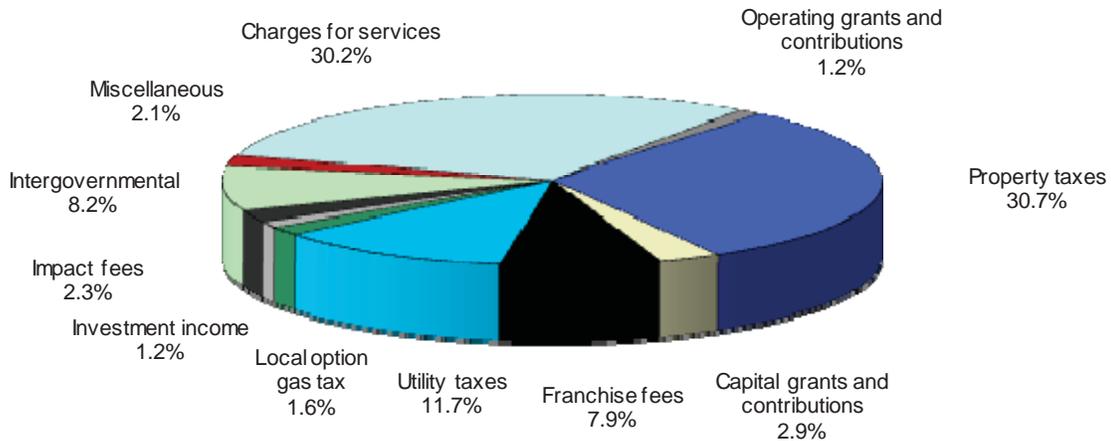
Governmental revenues increased 3.4% to \$ 52.3. The following chart (Chart 1) depicts the changes in governmental revenues from fiscal year 2010 to fiscal year 2011. Overall, revenues remained relatively stable from one year to the next.

CHART 1



The following chart provides an overall view of the various governmental revenue sources. 30.7% of these revenues received come from property taxes, 19.6% from utility taxes and franchise fees and 30.2% from charges for services.

CHART 2
Revenues by Source-Governmental Activities *



* Graph does not include transfers

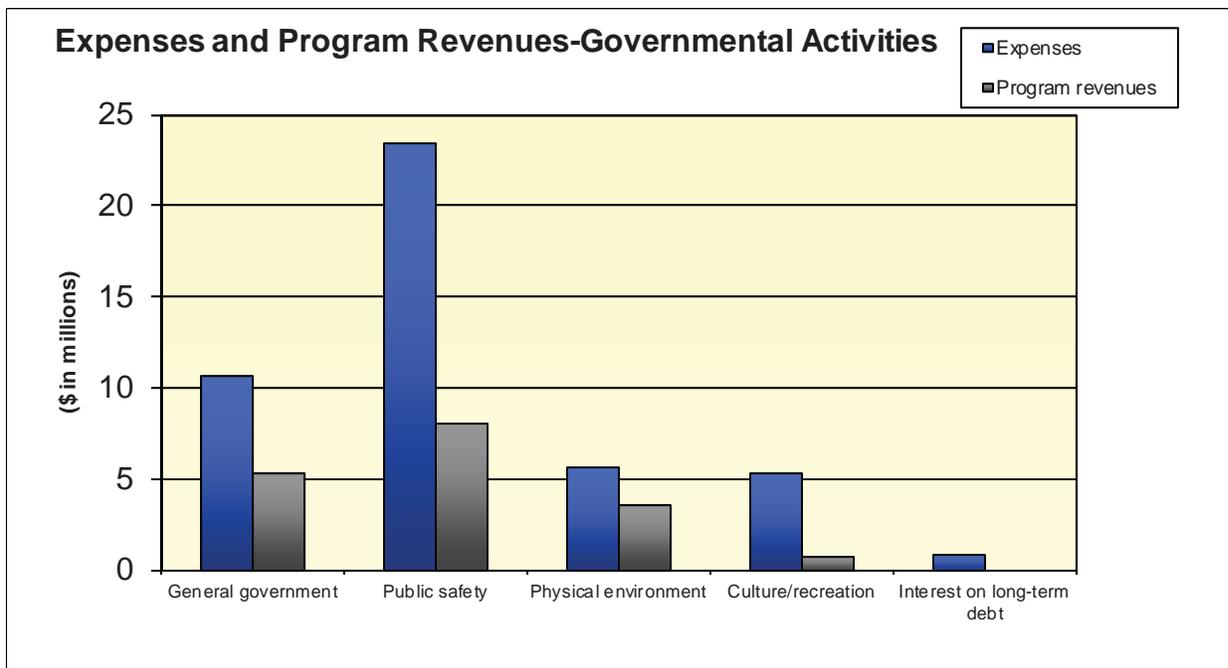
Management’s Discussion and Analysis

Chart 3 compares program revenues to program expenses for each category of activities. The cost of all governmental activities this year was \$ 46.1. Some of that cost was financed by:

- Those who directly benefited from the programs through charges for services (\$ 15.7), and
- Other governments and organizations that subsidized certain programs through operating and capital grants and contributions (\$ 2.2).

The City financed the remaining \$ 28.2 “public benefit” portion of governmental activities with \$ 26.9 in taxes and franchise fees, and with other revenues such as unrestricted state aid and interest income.

CHART 3



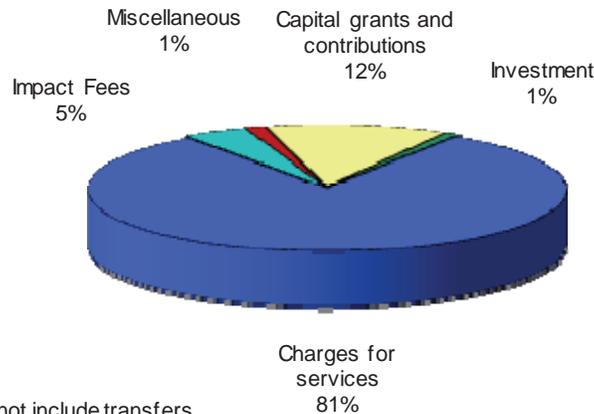
Business-type activities. Business-type activities increased the City of Coconut Creek’s net assets by \$ 6.9, accounting for 52.7% of the total increase in the government’s net assets. Revenues of the City’s business-type activities increased 13.8% to \$ 22.3, while expenses decreased by 6.7% to \$ 15.4. Factors contributing to these results included:

- Charges for services increased by \$ 2.2 (13.5%) due to a new water/wastewater rate structure implemented in fiscal year 2009. The new rate structure was introduced to mitigate the impact of Broward County rate increases and to provide funding to adequately maintain the system’s infrastructure.
- Impact fees increased by \$ 1.0 (100%) due to the addition of various new developments. However, the majority of impact fees (\$ 0.8) is attributed to the construction of the new parking garage at the Seminole Casino.
- Revenues were reduced by \$ 0.5 due to a one-time transfer from the Water and Wastewater Fund to the General Fund.
- Expenses decreased by \$ 1.1 (6.7%) during the year. This decrease is mainly attributed to a decrease in administrative costs paid to the General Fund (\$ 1.1). Although Broward County rates increased for water and wastewater services, total expenses remained relatively the same as the prior year due to lower consumption and a lower annual adjustment charge.
- The City received \$ 2.8 in capital contributions of utility easements and infrastructure that does not represent actual revenue collected during the year.
- Contingency and reserves for replacement and renewal (\$ 0.3) remained unspent at the end of the fiscal year.

Management's Discussion and Analysis

The following chart provides an overall view of the various business-type revenue sources. 81.0% of these revenues received come from charges for services, 5.0% from impact fees paid by developers, and 12.0% from capital grants and contributions.

CHART 4
Revenues by Source-Business-Type Activities *



* Graph does not include transfers

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 \$ 51.1, an increase of \$ 2.3 in comparison with the prior year. Fund balance of governmental funds consists of the following classifications:

- **Nonspendable Fund Balance:** A portion of fund balance is classified as nonspendable (\$ 8.8) to indicate that it is not available for new spending because it is not in spendable form. Nonspendable fund balance includes assets held for resale (\$8.6) and inventory and prepaid costs (\$ 0.2).
- **Restricted Fund Balance:** \$ 13.3 is classified as restricted, which indicate amounts constrained to specific purposes by external entities. Restricted fund balance includes amounts associated with grant restrictions (\$ 0.3); statutory requirements for street construction and maintenance (\$ 2.6) and housing (\$ 0.1); debt covenant for the construction of the new Public Works building and the undergrounding of above ground utility lines (\$ 8.9); and federal, state, and local requirements for the use of law enforcement forfeitures and seizures (\$ 1.4).
- **Committed Fund Balance:** \$ 7.6 is classified as committed, to indicate amounts constrained to specific purposes by the City Commission through Ordinance or Resolution. Committed fund balance consists mainly of amounts constrained to ongoing and future capital projects (\$ 4.1), debt service (\$ 0.1), housing (\$ 1.2), hurricane emergencies (\$ 2.2).
- **Assigned Fund Balance:** \$ 5.7 is classified as assigned, to indicate amounts constrained by the City's intent to use for a specific purpose. Assigned fund balance mainly includes amounts set aside for ongoing and future capital projects (\$ 1.6), future budgetary requirements (\$ 3.1) and amounts to be used for various general trust accounts (\$ 1.0).
- **Unassigned Fund Balance:** \$ 15.7 is classified as unassigned which identifies net resources available for spending at the end of the fiscal year.

Management's Discussion and Analysis

The General Fund is the chief operating fund of the City of Coconut Creek. At the end of the current fiscal year, fund balance totaled \$ 22.1, of which, \$ 15.7 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 35.7% of total General Fund's budgeted operating expenditures.

The fund balance of the City of Coconut Creek's General Fund increased by \$ 2.8 during the current fiscal year. The City had appropriated \$ 2.8 of fund balance for spending in the 2011 fiscal year budget. However, higher than anticipated building permits due mostly to construction of a parking garage by the Seminole Tribe of Florida, staff vacancies and unused departmental expenditures due to a conscious effort to reduce costs eliminated the need for the use of appropriated fund balance. The primary factors contributing to the increase in fund balance includes the personnel cost savings of \$ 2.0 (approximately 6.8% of total personnel cost) resulting from staff reductions, vacancies, and unfilled positions that were contingent upon a grant that was not awarded to the City; and various operating cost savings of \$ 1.9 (approximately 13.0% of total operating costs). Additionally, the City collected more in licenses and permits, utility taxes, and license and permits. More detailed information is included in the General Fund Budgetary Highlights section on page 56.

The Streets Construction and Maintenance Fund has a fund balance of \$ 2.6, which is held in cash and investments for future street related expenditures. Fund balance decreased by \$ 0.3 due mainly to scheduled grant related capital expenditures, which will be reimbursed in fiscal year 2012.

The Grants Fund has a fund balance of \$ 0.2, which is mainly held in cash and investments for future use for various on-going projects. Fund balance decreased by less than \$ 0.1 due to various grant-related expenditures that were reimbursed after the end of the fiscal year.

The 2003 Capital Projects Fund has a total fund balance of \$ 8.6, which is essentially land reserved as assets held for resale. Fund Balance remain unchanged from the prior year.

The 2009 Capital Improvement Program Fund has a total fund balance of \$ 8.9, which is held in cash and investments received from the \$ 10.0 Series 2009 Capital Improvement Revenue Note issued in fiscal year 2010. The proceeds from the note will be used for the undergrounding of above ground utility lines and the construction of a new Public Works building. Fund balance decreased from \$ 9.5 to \$ 8.9, representing the use of note proceeds to fund the underlying capital projects.

The Capital Improvement Program Fund has a total fund balance of \$ 1.8, which consists mainly of cash and investments for ongoing projects. Fund balance decreased from \$ 2.1 to \$ 1.8, representing the use of fund balance set aside to fund ongoing capital projects.

The Public Safety Improvement Fund has a total fund balance of \$ 1.4, which is held in cash and investments for future capital assets. Fund balance increased from \$ 0.4 to \$ 1.4 due mainly to the collection of public safety impact fees as a result of the construction of a new parking garage at the Seminole Casino.

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

Unrestricted net assets of the Water and Wastewater Fund at the end of the year amounted to \$ 13.0. The total increase in net assets was \$ 6.2. The increase in net assets was mainly due to capital contributions made during fiscal year 2011, including \$ 2.2 of utility easements from various developers. Unrestricted net assets of the Stormwater Management Fund at the end of the year amounted to \$ 3.9. The total increase in net assets was \$ 0.7. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Coconut Creek's business-type activities.

Management's Discussion and Analysis

General Fund Budgetary Highlights

During the year, there was a \$ 0.2 re-allocation in appropriations between the original and the final amended budget for the General Fund. \$ 0.2 in the General Fund was transferred to the City Attorney's budget to cover outside legal costs relating to various on-going issues, including personnel and Seminole Tribe of Florida related issues.

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

Revenues

As of fiscal year-end, actual revenue amounts exceeded the final budget by \$ 0.6. The additional revenue is primarily attributed to the following factors:

- License and permits came in higher than expected (\$ 0.9) as a result of the construction of a new parking garage at the Seminole Casino.
- Utility taxes also came in higher than expected (\$ 0.2) due mainly to an increase in water rates.
- Franchise fees in total remained relatively unchanged. However, franchise fees for electric came in below target due to lower fuel charges. This shortfall was offset by higher than anticipated franchise fees for refuse.
- Net property tax revenues showed an unfavorable variance of \$ 0.4 due to downward adjustments made by and pending appeals filed with the Value Adjustment Board.
- Intergovernmental revenues fell short of budget by \$ 0.2 as a budgeted grant of \$ 0.4 was not awarded (this decrease is offset by lower than anticipated expenditures in the Police department), partially offset by higher than expected Half Cent Sales Tax (\$ 0.2), which is a direct result of an increase in population and a slowly recovering economy.
- Charges for services came in lower than anticipated by \$ 0.2 due mainly to a decrease in Fire Assessments (\$ 0.4) caused by a several reclassifications in property use categories. This shortfall was partially offset by higher than anticipated EMS transport fees (\$ 0.1) and lower than budgeted administrative fees charged to the Stormwater Management Fund (\$ 0.1).
- The remaining positive variance of \$ 0.3 consisted of several minor variances in fines and forfeitures, investment income, and miscellaneous revenues.

Expenditures

As of fiscal year-end, actual expenditures came in under budget by \$ 5.1. The main operational savings are as follows:

- Risk management had a total savings of \$ 0.2 due to less than anticipated insurance premiums, claims liability payments, and need for the insurance contingency.
- City Clerk realized a total savings for \$ 0.1 as the City was only required to host the general election, as candidates that were up for election were unopposed for the March 2012 election.
- Sustainable development had a total savings of \$ 0.2 due mainly to lower than anticipated county inspection costs due to decreased activity, and other minor operational savings.
- The Police department had a total savings of \$ 1.9 due to savings in salaries, benefits and applicable operating costs due to four budgeted positions that were not filled (positions were approved contingent upon grant approval, but the grant was not awarded); various vacancies throughout the year; and various other operational savings.
- Fire Administration had a savings of \$ 0.9 in capital outlay expenditures. The City anticipated purchasing a fire engine and 2 fire trucks. The City re-evaluated its position and determined that there was no longer a need for a new fire engine and 2 fire trucks at this time. However, the City purchased a used truck and converted it for use by CERT (Community Emergency Response Team).
- Public works had a savings of \$ 0.7 due to vacancies throughout the year, landscaping maintenance cost savings, lower than anticipated utility expenditures, and various other operational savings.

Management’s Discussion and Analysis

- Parks and recreation had a savings of \$ 0.2 due to due to elimination of 3 vacant part-time positions and various other operational savings in an effort to reduce overall costs.
- Nondepartment and contingency had a savings of \$ 0.5 due to less than anticipated landfill legal costs expended, economic incentives provided to commercial customers, and neighborhood enhancement grants awarded. Additionally, the City did not use \$ 0.3 in contingency.
- The remaining \$ 0.4 in savings is attributed to various minor operational savings throughout the year.

Capital Asset and Debt Administration

Capital assets (see Table 3). The City of Coconut Creek’s investment in capital assets for its governmental and business type activities as of September 30, 2011, amounts to \$ 138.2 (net of depreciation). This investment in capital assets includes land, buildings, water/sewer system improvements, machinery and equipment, park facilities, utility easements, and streets. The total increase in the City of Coconut Creek’s investment in capital assets for the current fiscal year was \$ 3.0, which represents a 0.6% increase in governmental activities and a 4.0% increase for business-type activities.

Table 3
City of Coconut Creek's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 24.3	\$ 24.3	\$ 0.4	\$ 0.4	\$ 24.7	\$ 24.7
Buildings	16.8	17.1	2.6	2.7	19.4	19.8
Improvements	6.5	6.4	0.9	1.0	7.4	7.4
Equipment	4.3	4.5	1.5	1.5	5.8	6.0
Infrastructure	18.3	18.7	54.5	54.1	72.8	72.8
Intangibles	0.1	-	3.9	1.7	4.0	1.7
Construction in progress	3.4	2.2	0.7	0.6	4.1	2.8
Total	\$ 73.7	\$ 73.2	\$ 64.5	\$ 62.0	\$ 138.2	\$ 135.2

* As restated. See Note 2 to the Financial Statements for more information.

For governmental activities, this year’s major capital asset additions before depreciation totaled \$ 2.9 and include the following:

- \$ 1.8 in construction in progress, which relates to projects started in the City, but not yet completed, including \$ 0.6 for the undergrounding of above ground utility lines (total cost of \$1.2); \$ 0.5 for the Education Corridor project (total cost \$ 1.1); \$ 0.2 for the Lyons Road rehabilitation and beautification project (total cost of \$ 0.2); and \$ 0.2 for the new public works administration building (total cost of \$ 0.2). The remaining \$ 0.3 includes various improvements to roads, sidewalks, parks and buildings.
- \$ 0.2 in buildings and improvements due mainly to the addition of the State Road 7 median beautification project.
- \$ 0.8 in equipment including the purchase of playground equipment (\$ 0.1), portable radios and security system (\$ 0.2), computer purchases and replacements (\$ 0.2), and vehicle replacements (\$ 0.3).
- The remaining additions were immaterial.

For governmental activities, this year’s major capital asset disposal consisted of \$ 0.4 in vehicles as part of the annual vehicle replacement plan. Additionally, \$ 0.6 was transferred from construction in progress to buildings and improvements. The transfer represented the completion of various on-going projects, including the State Road 7 beautification project (\$ 0.4) and the Police Building renovations (\$ 0.2).

Management’s Discussion and Analysis

Capital additions for business-type activities before depreciation totaled \$ 3.9 and include the following:

- \$ 2.2 in utility easements from various developers.
- \$ 1.2 in infrastructure, mainly to the contributions of water and sewer infrastructure from various developers (\$ 0.6); lift station, sewer main, sewer pipe, and electrical control panel rehabilitations (\$ 0.4); and large meter and valve replacements (\$ 0.1); and other minor additions totaling \$ 0.1. In addition, \$ 0.4 was also transferred from construction in progress to infrastructure due mainly to the completion of the utility system security project.
- Construction in progress in total remained unchanged from the prior year. However, the City added \$ 0.4 in projects that started in the City, but were not yet completed, including the reclaimed water project (\$ 0.1) and water storage tank lining project (\$ 0.3). This amount was offset by the transfer to infrastructure for the utility system security project.
- The remaining additions were immaterial.

Capital asset disposals for business-type activities were immaterial.

Additional information on the City of Coconut Creek’s capital assets can be found in Note 7 on pages 42 through 44 of this report.

Long-term debt (see Table 4). At the end of the current fiscal year, the City of Coconut Creek had total debt outstanding of \$ 22.8. Debt is comprised of revenue notes used to finance various capital expenditures, including improvements to parks, public buildings and infrastructure, and the purchase of land.

The City of Coconut Creek’s total debt decreased by \$ 3.0 (-11.6%) during the current fiscal year due to required annual debt service payments.

Table 4
City of Coconut Creek's Outstanding Debt
Revenue Notes and Other Debt

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenue notes (backed by specific tax and fee revenues)	22.8	25.3	-	-	22.8	25.3
Notes payable	-	0.5	-	-	-	0.5
Total	\$ 22.8	\$ 25.8	\$ -	\$ -	\$ 22.8	\$ 25.8

The City’s revenue notes were obtained as bank qualified loans 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 44 through 47 of this report.

Economic Factors and Next year’s Budgets and Rates

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

Management's Discussion and Analysis

Unrestricted fund balance (which is comprised of committed, assigned, and unassigned fund balance) in the General Fund totals \$ 22.0. Of that amount, the City of Coconut Creek appropriated \$ 3.1 for spending in the 2012 fiscal year budget. The 2012 fiscal year budget bears the effects of a prolonged period of economic decline as well as the impact of legislative and constitutional measures designed to reduce taxes. The City continuously evaluates current and potential legislative issues and actively seeks ways to reduce the impact on service levels. The City also constantly evaluates current services and differentiates needs versus wants in order to ensure an economic sustainable future. During the past four three years, the City has been proactive and took necessary steps to ensure future stability in an uncertain economic environment, including eliminating and freezing vacant positions and reallocating personnel, among other staff related cut backs.

Property tax relief proposals and counter-proposals have been hot topics on the legislative agenda for the past several years. The Legislature passed several property tax relief proposals from 2007 through 2011. These proposals required rolling back tax revenue to 2007 levels, less a growth penalty of 9%, and implementing the save our home portability, increasing the homestead exemption, and adding a tangible personal property exemption, and non-homestead assessment caps. Additionally, in 2009, Amendment 2 received voter approval and became effective January 2011. Amendment 2 provides for an additional homestead property tax exemption for deployed military personnel.

In 2011, the recapture of Non-Homestead Cap & First-Time Homesteader (HJR 381) was passed by both chambers and will be placed on the November 2012 general election ballot for consideration as a constitutional amendment. The amendment will prohibit increases in assessed value of property if the just value of the property decreases; reduce the limitation on annual assessment increases applicable to non-homesteaded real property from 10% to 5%; and provide for an additional homestead exemption for owners who have not owned homesteaded property for the past three years. If passed, the amendment will be effective January 2013. The effects on the City of Coconut Creek are currently unknown. The City will continue to monitor property tax proposals to determine the impact on the City. In addition, the City will continue to build a diversified and stable revenue system to minimize the dependence on property taxes.

For fiscal year 2012, the City decreased its property tax millage rate of 6.4036 to 6.3857. This new property millage rate is the calculated rollback rate and therefore will not generate additional property tax revenue compared to the prior year. The decrease in the property tax millage rate is a result of a slight improvement in the housing market and related increase in taxable value.

The fire assessment rates remained the same for fiscal year 2012. The single family, multi-family, and mobile home rates are \$ 130.88, \$ 117.80, and \$ 65.45, respectively.

For the past several years, low water levels in Lake Okeechobee have been a concern, forcing the South Florida Water Management District (SFWMD) to implement permanent water restrictions throughout South Florida. Since the overall potable water is becoming a limited resource, the SFWMD is mandating that local government agencies look for alternate water supplies. Broward County Water and Wastewater Services (WWS), which is the bulk supplier of our potable water, has identified the deeper Floridian Aquifer as the alternate source to meet the city's future demands. Additionally, based on a mandate by the State Legislature, all wastewater discharge into the ocean must cease by 2025. This will require higher level of treatment before wastewater could be disposed of by such means as reclaimed water and/or deep well injection, both of which are expensive options. Such mandates for water and wastewater will result in substantial increases in the utility rates for customers throughout the region. During fiscal year 2009, the City completed a utility rate study, which identified the rate structure required to meet current and future demands for continuing operations and maintenance of current infrastructure of the City's utility system.

All of these factors were considered in preparing the City of Coconut Creek's budget for the 2012 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Coconut Creek's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Administrative Services, 4800 West Copans Road, Coconut Creek, FL 33063.



CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF NET ASSETS
September 30, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 9,791,052	\$ 4,082,687	\$ 13,873,739
Cash with fiscal agent	100,071	-	100,071
Accounts receivable	2,815,229	2,192,122	5,007,351
Due from other governments	1,386,787	-	1,386,787
Investments	33,437,483	13,948,261	47,385,744
Inventory and prepaid costs	249,488	-	249,488
Deferred financing costs	44,433	-	44,433
Assets held for resale	8,620,084	-	8,620,084
Capital assets not being depreciated	27,781,234	5,035,854	32,817,088
Capital assets being depreciated, net	<u>45,924,858</u>	<u>59,505,804</u>	<u>105,430,662</u>
Total assets	<u>130,150,719</u>	<u>84,764,728</u>	<u>214,915,447</u>
LIABILITIES:			
Accounts payable	1,434,938	688,670	2,123,608
Accrued liabilities	1,518,660	393,755	1,912,415
Unearned revenue	264,569	31,835	296,404
Accrued interest payable	4,458	-	4,458
Due to other governments	16,561	-	16,561
Customer and other deposits payable	100,071	1,478,373	1,578,444
Noncurrent liabilities:			
OPEB liability	2,852,000	321,000	3,173,000
Due within one year	3,003,456	9,133	3,012,589
Due in more than one year	<u>23,992,083</u>	<u>402,747</u>	<u>24,394,830</u>
Total liabilities	<u>33,186,796</u>	<u>3,325,513</u>	<u>36,512,309</u>
NET ASSETS:			
Invested in capital assets, net of related debt	59,771,044	64,541,658	124,312,702
Restricted for:			
Capital projects	8,858,463	-	8,858,463
Street construction and maintenance	2,634,391	-	2,634,391
Public safety	1,687,288	-	1,687,288
Housing	72,979	-	72,979
Unrestricted	<u>23,939,758</u>	<u>16,897,557</u>	<u>40,837,315</u>
Total net assets	<u>\$ 96,963,923</u>	<u>\$ 81,439,215</u>	<u>\$ 178,403,138</u>

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



CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2011

Function/Program	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Business- Type Activities	Total
PRIMARY GOVERNMENT:						
Governmental activities:						
General government	\$ 10,743,482	\$ 5,403,693	\$ -	\$ -	\$ -	\$ (5,339,789)
Public safety	23,446,071	7,398,011	143,894	586,148	-	(15,318,018)
Physical environment	5,698,457	2,121,784	473,850	976,530	-	(2,126,293)
Culture and recreation	5,255,125	729,215	-	-	-	(4,525,910)
Interest on long-term debt	990,830	-	-	-	-	(990,830)
Total governmental activities	46,133,965	15,652,703	617,744	1,562,678	-	(28,300,840)
Business-type activities:						
Water and wastewater	14,603,027	17,044,541	-	2,848,365	5,289,879	5,289,879
Stormwater management	813,009	1,452,736	-	-	639,727	639,727
Total business-type activities	15,416,036	18,497,277	-	2,848,365	5,929,606	5,929,606
Total primary government	\$ 61,550,001	\$ 34,149,980	\$ 617,744	\$ 4,411,043	\$ 5,929,606	(22,371,234)
General Revenues:						
Taxes:						
Property taxes						15,905,529
Utility taxes						6,050,275
Local option gas tax						838,060
Franchise fees						4,070,255
Impact fees					1,022,747	2,209,970
Intergovernmental not restricted to specific programs						4,227,957
Investment income						205,926
Miscellaneous						295,116
Transfers					(500,000)	1,390,406
Total general revenues and transfers					1,023,789	35,499,532
Change in net assets						13,128,298
Net assets, beginning, as restated, (Note 2)						165,274,840
Net assets, ending						<u>178,403,138</u>

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

CITY OF COCONUT CREEK, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2011

	General Fund	Street Construction and Maintenance Fund	Grants Fund	2003 Capital Projects Fund
ASSETS:				
Cash and cash equivalents	\$ 5,036,419	\$ 660,940	\$ 57,059	\$ -
Cash with fiscal agent	-	-	-	100,071
Accounts receivable, net	2,064,242	12,657	-	-
Due from other governments	505,041	586,236	171,485	-
Investments	17,193,560	2,258,062	194,937	-
Inventory and prepaid costs	124,378	-	-	-
Assets held for resale	-	-	-	8,620,084
Total assets	\$ 24,923,640	\$ 3,517,895	\$ 423,481	\$ 8,720,155
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	\$ 657,249	\$ 318,035	\$ 58,723	\$ -
Accrued liabilities	1,263,049	43,642	14,969	-
Deferred or unearned revenues	870,170	521,827	109,219	-
Due to other governments	16,561	-	-	-
Deposits	-	-	-	100,071
Total liabilities	2,807,029	883,504	182,911	100,071
Fund balances:				
Nonspendable:				
Inventory	116,223	-	-	-
Prepays	8,155	-	-	-
Assets held for resale	-	-	-	8,620,084
Restricted for:				
Capital projects	-	-	-	-
Existing greenway enhancements	-	79,350	-	-
Street construction/maintenance	-	2,555,041	-	-
Public safety	-	-	240,570	-
Housing	-	-	-	-
Committed to:				
Affordable housing project	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
General government	11,018	-	-	-
Physical environment	24,314	-	-	-
Hurricane emergency reserve	2,192,533	-	-	-
Assigned to:				
Capital projects	-	-	-	-
General government	3,092,640	-	-	-
General trust accounts	981,767	-	-	-
Unassigned	15,689,961	-	-	-
Total fund balances	22,116,611	2,634,391	240,570	8,620,084
Total liabilities and fund balances	\$ 24,923,640	\$ 3,517,895	\$ 423,481	\$ 8,720,155

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

2009 Capital Projects Fund	Capital Improvement Program Fund	Public Safety Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,024,965	\$ 434,787	\$ 307,336	\$ 1,269,546	\$ 9,791,052
-	-	-	-	100,071
39,195	8,323	641,967	48,845	2,815,229
-	76,852	-	47,173	1,386,787
6,918,173	1,485,425	1,049,996	4,337,330	33,437,483
-	99,790	-	25,320	249,488
-	-	-	-	8,620,084
<u>\$ 8,982,333</u>	<u>\$ 2,105,177</u>	<u>\$ 1,999,299</u>	<u>\$ 5,728,214</u>	<u>\$ 56,400,194</u>
\$ 123,870	\$ 202,051	\$ -	\$ 75,010	\$ 1,434,938
-	-	-	197,000	1,518,660
-	76,852	636,081	-	2,214,149
-	-	-	-	16,561
-	-	-	-	100,071
<u>123,870</u>	<u>278,903</u>	<u>636,081</u>	<u>272,010</u>	<u>5,284,379</u>
-	-	-	-	116,223
-	99,790	-	25,320	133,265
-	-	-	-	8,620,084
8,858,463	-	-	-	8,858,463
-	-	-	-	79,350
-	-	-	-	2,555,041
-	-	-	1,446,718	1,687,288
-	-	-	72,979	72,979
-	-	-	1,159,322	1,159,322
-	214,122	1,363,218	2,535,122	4,112,462
-	-	-	87,688	87,688
-	-	-	-	11,018
-	-	-	-	24,314
-	-	-	-	2,192,533
-	1,512,362	-	129,055	1,641,417
-	-	-	-	3,092,640
-	-	-	-	981,767
-	-	-	-	15,689,961
<u>8,858,463</u>	<u>1,826,274</u>	<u>1,363,218</u>	<u>5,456,204</u>	<u>51,115,815</u>
<u>\$ 8,982,333</u>	<u>\$ 2,105,177</u>	<u>\$ 1,999,299</u>	<u>\$ 5,728,214</u>	<u>\$ 56,400,194</u>



CITY OF COCONUT CREEK, FLORIDA
 RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET ASSETS
 September 30, 2011

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS, PAGE 21 \$ 51,115,815

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

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

Governmental capital assets	\$ 99,918,681	
Less accumulated depreciation	<u>(26,212,589)</u>	73,706,092

Grant revenues are considered deferred revenues in the fund financial statements due to availability of funds; under full accrual accounting they are considered revenues. 1,949,580

Financing costs related to the issuance of long-term debt are expended by governmental funds in the fund financial statements; under full accrual accounting these amounts are treated as an asset and amortized over the life of the debt. 44,433

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

Notes payable	(22,791,009)
Compensated absences	(4,204,530)
Other post employment benefit obligation (OPEB)	(2,852,000)
Accrued interest payable	<u>(4,458)</u>

NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 18 \$ 96,963,923

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2011

	General Fund	Street Construction and Maintenance Fund	Grants Fund	2003 Capital Projects Fund
REVENUES:				
Ad valorem taxes	\$ 15,905,529	\$ -	\$ -	\$ -
Franchise fees	4,070,255	-	-	-
Utility taxes	6,050,275	-	-	-
Licenses and permits	2,760,068	-	-	-
Intergovernmental revenues	3,716,228	1,666,252	482,194	-
Charges for services	10,334,662	-	-	-
Fines and forfeitures	351,699	-	-	-
Impact fees	-	-	-	-
Investment income	309,890	34,671	-	-
Miscellaneous revenues	727,873	152,219	-	-
Total revenues	44,226,479	1,853,142	482,194	-
EXPENDITURES:				
Current:				
General government	9,247,654	-	-	-
Public safety	22,548,133	-	47,159	-
Physical environment	3,547,030	825,900	313,449	-
Culture and recreation	4,596,722	-	-	-
Nondepartmental	310,754	200,000	-	-
Capital outlay	221,907	1,093,052	153,234	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	40,472,200	2,118,952	513,842	-
Excess (deficiency) of revenues over expenditures	3,754,279	(265,810)	(31,648)	-
OTHER FINANCING SOURCES (USES):				
Transfers in	745,310	-	-	-
Transfers out	(1,667,500)	-	-	-
Total other financing sources (uses)	(922,190)	-	-	-
Net change in fund balances	2,832,089	(265,810)	(31,648)	-
FUND BALANCES, beginning (As restated Note 2)				
	<u>19,284,522</u>	<u>2,900,201</u>	<u>272,218</u>	<u>8,620,084</u>
FUND BALANCES, ending	\$ <u>22,116,611</u>	\$ <u>2,634,391</u>	\$ <u>240,570</u>	\$ <u>8,620,084</u>

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

2009 Capital Projects Fund	Capital Improvement Program Fund	Public Safety Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 15,905,529
-	-	-	-	4,070,255
-	-	-	-	6,050,275
-	-	-	-	2,760,068
-	67,360	-	37,414	5,969,448
-	-	-	2,121,784	12,456,446
-	-	-	586,148	937,847
-	-	1,074,549	-	1,074,549
112,041	22,938	14,388	80,479	574,407
-	216,320	-	111,552	1,207,964
<u>112,041</u>	<u>306,618</u>	<u>1,088,937</u>	<u>2,937,377</u>	<u>51,006,788</u>
-	-	-	-	9,247,654
-	-	-	136,827	22,732,119
-	-	-	178,657	4,865,036
-	-	-	-	4,596,722
-	-	-	-	510,754
713,757	628,470	105,576	257,510	3,173,506
-	-	-	3,049,032	3,049,032
-	-	-	996,269	996,269
<u>713,757</u>	<u>628,470</u>	<u>105,576</u>	<u>4,618,295</u>	<u>49,171,092</u>
(601,716)	(321,852)	983,361	(1,680,918)	1,835,696
-	-	-	3,545,510	4,290,820
-	-	-	<u>(2,123,320)</u>	<u>(3,790,820)</u>
-	-	-	<u>1,422,190</u>	<u>500,000</u>
(601,716)	(321,852)	983,361	(258,728)	2,335,696
<u>9,460,179</u>	<u>2,148,126</u>	<u>379,857</u>	<u>5,714,932</u>	<u>48,780,119</u>
\$ <u>8,858,463</u>	\$ <u>1,826,274</u>	\$ <u>1,363,218</u>	\$ <u>5,456,204</u>	\$ <u>51,115,815</u>

CITY OF COCONUT CREEK, FLORIDA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Year Ended September 30, 2011

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS, PAGE 24 \$ 2,335,696

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

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

Recorded as capital assets	\$ 2,923,453	
Depreciation expense	<u>(2,335,196)</u>	588,257

Revenues that do not meet the period of availability are recorded as deferred revenue in the fund statements but are recorded as revenues in the government-wide statements. 802,085

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

Principal payments 3,049,032

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 accrued interest payable		14,969
Change in compensated absences		126,024
Provision for amortization of deferred financing costs		(9,531)
Change in other post employment benefit obligation (OPEB)		(641,000)

In the statement of activities, only the gains/(losses) on sale of capital assets are reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus the change in net assets differs from the change in fund balances by the cost of the capital assets, net. (90,629)

CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES, PAGE 19 \$ 6,174,903

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
September 30, 2011

	Business-Type Activities Enterprise Fund		
	Water and Wastewater Fund	Nonmajor Stormwater Management Fund	Total
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 3,214,097	\$ 868,590	\$ 4,082,687
Accounts receivable	2,027,165	164,957	2,192,122
Total current assets	5,241,262	1,033,547	6,274,809
Noncurrent assets:			
Investments	10,980,774	2,967,487	13,948,261
Capital assets:			
Land	406,071	-	406,071
Easements	3,960,583	-	3,960,583
Buildings	2,747,901	-	2,747,901
Improvements	1,061,375	-	1,061,375
Equipment	1,810,389	472,578	2,282,967
Infrastructure	74,586,126	690,357	75,276,483
Construction in progress	669,200	-	669,200
Total capital assets	85,241,645	1,162,935	86,404,580
Less accumulated depreciation	21,691,794	171,128	21,862,922
Total capital assets, net	63,549,851	991,807	64,541,658
Total assets	\$ 79,771,887	\$ 4,992,841	\$ 84,764,728
LIABILITIES AND NET ASSETS:			
Current liabilities:			
Accounts payable	\$ 685,007	\$ 3,663	\$ 688,670
Accrued liabilities	385,809	7,946	393,755
Unearned revenues	31,835	-	31,835
Compensated absences	7,331	1,802	9,133
Customer deposits payable	1,478,373	-	1,478,373
Total current liabilities	2,588,355	13,411	2,601,766
Noncurrent liabilities:			
Other postemployment benefit obligations	227,000	94,000	321,000
Compensated absences	360,721	42,026	402,747
Total liabilities	3,176,076	149,437	3,325,513
Net assets:			
Invested in capital assets	63,549,851	991,807	64,541,658
Unrestricted	13,045,960	3,851,597	16,897,557
Total net assets	\$ 76,595,811	\$ 4,843,404	\$ 81,439,215

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
PROPRIETARY FUNDS
For the Year Ended September 30, 2011

	Business-Type Activities Enterprise Fund		
	Water and Wastewater Fund	Nonmajor Stormwater Management Fund	Total
Operating revenues:			
Charges for services	\$ 17,044,541	\$ 1,452,736	\$ 18,497,277
Miscellaneous	295,116	-	295,116
Total operating revenues	<u>17,339,657</u>	<u>1,452,736</u>	<u>18,792,393</u>
Operating expenses:			
Administrative costs	4,390,242	238,700	4,628,942
Operations and maintenance	8,822,466	509,808	9,332,274
Depreciation	1,371,314	45,735	1,417,049
Other services and charges	15,881	18,766	34,647
Total operating expenses	<u>14,599,903</u>	<u>813,009</u>	<u>15,412,912</u>
Operating income (loss)	<u>2,739,754</u>	<u>639,727</u>	<u>3,379,481</u>
Non-operating revenues (expenses):			
Interest expense and fees	(3,124)	-	(3,124)
Impact fees	1,022,747	-	1,022,747
Investment income	158,942	46,984	205,926
Total non-operating revenues (expenses)	<u>1,178,565</u>	<u>46,984</u>	<u>1,225,549</u>
Income (loss) before contributions and transfers	<u>3,918,319</u>	<u>686,711</u>	<u>4,605,030</u>
Capital contributions - developers	2,848,365	-	2,848,365
Transfer out	(500,000)	-	(500,000)
Change in net assets	<u>6,266,684</u>	<u>686,711</u>	<u>6,953,395</u>
NET ASSETS, beginning (As restated, Note 2)	<u>70,329,127</u>	<u>4,156,693</u>	<u>74,485,820</u>
NET ASSETS, ending	<u>\$ 76,595,811</u>	<u>\$ 4,843,404</u>	<u>\$ 81,439,215</u>

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
For the Year Ended September 30, 2011

	Business-Type Activities Enterprise Fund		
	Water and Wastewater Fund	Nonmajor Stormwater Management Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 17,070,929	\$ 1,430,069	\$ 18,500,998
Payments to employees for services	(8,530,099)	(542,729)	(9,072,828)
Payments to suppliers	(4,410,426)	(229,439)	(4,639,865)
Net cash provided by operating activities	<u>4,130,404</u>	<u>657,901</u>	<u>4,788,305</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Interest paid	(3,124)	-	(3,124)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchases of capital assets	(1,017,038)	(13,136)	(1,030,174)
Impact fees	1,022,747	-	1,022,747
Transfer out	(500,000)	-	(500,000)
Net cash used in capital and related financing activities	<u>(494,291)</u>	<u>(13,136)</u>	<u>(507,427)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	182,900	46,984	229,884
Proceeds from sales and maturities of investments	11,390,594	2,452,262	13,842,856
Purchase of investments	(15,051,658)	(3,202,234)	(18,253,892)
Net cash used in investing activities	<u>(3,478,164)</u>	<u>(702,988)</u>	<u>(4,181,152)</u>
Net increase (decrease) in cash and cash equivalents	154,825	(58,223)	96,602
CASH AND CASH EQUIVALENTS, BEGINNING	<u>3,059,272</u>	<u>926,813</u>	<u>3,986,085</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 3,214,097</u>	<u>\$ 868,590</u>	<u>\$ 4,082,687</u>

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

CITY OF COCONUT CREEK, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
(continued)
For the Year Ended September 30, 2011

	Business-Type Activities Enterprise Fund		
	Water and Wastewater Fund	Nonmajor Stormwater Management Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 2,739,754	\$ 639,727	\$ 3,379,481
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Provision for depreciation	1,371,314	45,735	1,417,049
(Increase) decrease in assets:			
Accounts receivable	(296,866)	(22,667)	(319,533)
Prepaid expenses	13,283	-	13,283
Inventory	9,366	-	9,366
Increase (decrease) in liabilities:			
Accounts payable	17,261	(10,967)	6,294
Accrued liabilities	200,433	(13,072)	187,361
Unearned revenues	2,624	-	2,624
Compensated absences	(17,279)	3,145	(14,134)
Customer deposits payable	25,514	-	25,514
Other postemployment benefit obligations	65,000	16,000	81,000
Total adjustments	<u>1,390,650</u>	<u>18,174</u>	<u>1,408,824</u>
Net cash provided by operating activities	<u>\$ 4,130,404</u>	<u>\$ 657,901</u>	<u>\$ 4,788,305</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING, AND CAPITAL RELATED FINANCING ACTIVITIES			
Contributions of capital assets from developers	<u>\$ (2,848,365)</u>	<u>\$ -</u>	<u>\$ (2,848,365)</u>
Decrease in fair value of investments that are not cash and cash equivalents			
Unrealized loss on investments	<u>\$ 61,209</u>	<u>\$ 12,455</u>	<u>\$ 73,664</u>

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

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Financial Reporting Entity:

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

B. Government-Wide and Fund Financial Statements:

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e. the statement of net assets 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-based 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
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

Property taxes, when levied for, franchise fees, licenses, 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. Permits, fines and forfeitures are considered to be measurable only when cash is received by the City.

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

The City reports the following major governmental funds:

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

The Street Construction and Maintenance Fund is a Special Revenue Fund that is used to account for revenues received from 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 2003 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 2003D – \$ 13 Million Capital Improvement Revenue Note.

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

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 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 the development growth. The funds have been restricted by City Ordinance for police and fire/rescue capital improvements.

The City reports the following major proprietary fund:

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

D. Proprietary Fund Accounting:

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board ("GASB"). The City has elected not to follow private-sector guidance issued after November 30, 1989.

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

E. Accounting Estimates:

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

F. Cash, Cash Equivalents and Investments:

Cash and cash equivalents include cash on hand, demand deposits, investments with the State Board of Administration investment pool, 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
September 30, 2011

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 reported at their fair value based on the quoted market prices as reported by recognized security exchanges. The reported value of the investment pool is the same as the fair value of the pool shares.

G. Accounts Receivable:

Accounts receivable balances consists of amounts due for charges for services, fees, taxes, grants, unbilled utility services, etc. The unbilled portion of water and sewer earned revenues is accrued at year-end and is based on the October billing. The City of Coconut Creek has an Interlocal Agreement with the City of Margate, Florida to provide Emergency Medical and Fire Protection Services. The City of Margate collects charges for emergency medical services provided and remits the amounts collected to Coconut Creek, less a 7% collection fee. Management determines an allowance for uncollectible amounts based on a review of the accounts and their knowledge of the creditors and their ability to pay.

H. Inventories and Prepaid Costs:

All inventories are valued at cost. The costs of governmental fund-type inventories 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.

I. Capital Assets:

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

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

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Buildings	50 years
Improvements	20 years
Infrastructure	15-65 years
Equipment	5-30 years

J. Compensated Absences:

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

K. Long-Term Obligations:

In the government-wide financial statements, and 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the interest method over the life of the related debt. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Fund Balance/Net Assets:

The objective of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions is to improve the usefulness, including the understandability, of governmental fund balances by providing more structured classification of categories.

Fund balances reported in the governmental fund financial statements are categorized as follows:

Nonspendable fund balance: Fund balance that is not in a spendable form or is legally or contractually required to be maintained. In fiscal year 2011, this represents \$ 8,869,572.

Restricted fund balance: Fund balance amounts constrained by specific purposes by their providers, through constitutional provisions or by enabling legislation. In fiscal year 2011, this represents \$ 13,253,121.

Committed fund balance: Fund balance amount constrained to specific purposes by the City Commission through Ordinance or Resolution. In fiscal year 2011, this represents \$ 7,587,337.

Assigned fund balance: Fund balance amounts constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. In fiscal year 2011, this represents \$ 5,715,824.

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unassigned fund balance: Fund balance amounts in excess of nonspendable, restricted, committed and assigned fund balance. In fiscal year 2011, this represents \$ 15,689,961.

Unrestricted fund balance: Unrestricted fund balance equals the total of committed, assigned and unassigned fund balance. In fiscal year 2011, this represents \$ 28,993,122.

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.

Net assets represent the difference between assets and liabilities reported in the government-wide and proprietary fund financial statements. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets invested in capital assets, net of related debt, exclude unspent debt proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The government-wide statement of net assets reports \$ 13,253,121 of restricted assets in fiscal year 2011, of which \$ 4,179,408 is restricted by enabling legislation.

M. 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 Commission.

The City Commission adopted a financial standard to maintain a General Fund minimum unrestricted fund balance of 20%, which represents approximately 2 ½ 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 Commission is required to approve the use of the unrestricted fund balance.

N. Encumbrances and Emergency Reserve Account:

Encumbrance accounting, under which purchase orders and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances lapse at year-end; such encumbrances are treated as an automatic budget amendment in the next fiscal year and are therefore presented as restricted, committed or assigned fund balance for the subsequent year.

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. 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.

P. Deferred Financing Costs:

The deferred financing costs are being amortized using the interest method over the terms of the related revenue notes.

Q. Accrued Liabilities:

Included in accrued liabilities are amounts owed for wages and related expenses as well as other liabilities.

R. Deferred and unearned revenue:

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate current liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Unearned revenues at the government-wide level arise only when the City receives resources before it has legal claim to them.

S. Assets Held for Resale:

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

T. Date of Management Review:

Subsequent events were evaluated through March 26, 2012, which is the date the financial statements were available for issuance.

NOTE 2 – IMPLEMENTATION OF NEW GOVERNMENTAL ACCOUNTING STANDARD BOARD PRONOUNCEMENT AND RESTATEMENT OF NET ASSETS/FUND EQUITY

During 2011, the City implemented Governmental Accounting Standard Board (GASB) Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions. GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classification that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The implementation of GASB Statement No. 54 had the following effect on fund balances of the General Fund and Grants Fund:

CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

NOTE 2 – IMPLEMENTATION OF NEW GOVERNMENTAL ACCOUNTING STANDARD BOARD
 PRONOUNCEMENT AND RESTATEMENT OF NET ASSETS/FUND EQUITY (continued)

	General Fund	Grants Fund
	<u> </u>	<u> </u>
Fund Balance at September 30, 2010	\$ 18,324,254	\$ 1,232,486
GASB 54 Change in Fund Structure	<u>960,268</u>	<u>(960,268)</u>
Adjusted Fund Balance at September 30, 2011	<u>\$ 19,284,522</u>	<u>\$ 272,218</u>

During 2010, the City implemented GASB 51, Accounting and Financial Reporting for Intangible Assets, which made it a requirement for the City to report intangible assets, including permanent right-of-way easements. GASB 51 requires that the donated easements be valued at fair value, but does not require a specific methodology to apply value to donated easements. During fiscal year 2011, the City changed its valuation methodology. The change in methodology resulted in a negative effect on net assets in the Water and Wastewater Fund of \$ 3,268,041.

As of September 30, 2011, the beginning net assets for the following fund and related activities were restated as follows:

	Balance 9/30/2010 Previously Reported	Correction of Reported Assets	Balance 9/30/2010 as Restated
	<u> </u>	<u> </u>	<u> </u>
Proprietary Funds and Business-Type Activities			
Water and Wastewater Fund (Major Fund)	\$ 73,597,168	\$ (3,268,041)	\$ 70,329,127
Stormwater Management Fund (Non-major)	4,156,693	-	4,156,693
Net Assets of Business-Type Activities	<u>\$ 77,753,861</u>	<u>\$ (3,268,041)</u>	<u>\$ 74,485,820</u>

NOTE 3 - PROPERTY TAXES

The City's property tax is levied each October on the assessed value established by the Broward County Property Appraiser as of the prior January 1 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, 2010, upon which the 2010-2011 tax levy calculation was based, was \$ 2,624,514,914. The tax rate to finance all governmental services for the year ended September 30, 2011 was 6.4036 per \$ 1,000 of assessed taxable value.

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

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

The Florida Municipal Investment Trust was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities services as the administrator, investment manager and secretary-treasurer of the Trust. The Municipal Trust is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a "2a-7 like" pool.

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. FACC Services Group, LLC 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.

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

As of September 30, 2011, 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	\$ 10,873,577			17.75%
Florida Trust Day-to-Day Fund - money market fund	3,000,027	50 days	AAAm S&P	4.90%
State Board of Administration-Florida PRIME	135	38 days	AAAm S&P	0.00%
Total cash and cash equivalents	<u>13,873,739</u>			
Florida Municipal Investment Trust				
0-2 Year High Quality Bond Fund	5,016,925	.73 years	AAAf/S1 S&P	8.19%
1-3 Year High Quality Bond Fund	7,051,528	1.64 years	AAA/V2 Fitch	11.51%
Intermediate High Quality Bond Fund	7,285,333	3.59 years	AAA/V3 Fitch	11.89%
U.S. Government Sponsored Enterprises:		6.65 years		
Federal National Mortgage Association	5,193,040		Aaa Moody's	8.48%
Federal Home Loan Mortgage Corporation	14,970,016		Aaa Moody's	24.44%
Government National Mortgage Association	868,902		Aaa Moody's	1.42%
Certificates of deposit	<u>7,000,000</u>		Not rated	<u>11.43%</u>
Total investments	<u>47,385,744</u>			
Total cash, cash equivalents and investments	\$ <u><u>61,259,483</u></u>			<u><u>100.00%</u></u>

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; 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, 2011 are presented in the preceding table. All are rated within the City's investment policy guidelines.

Concentration of credit risk: In addition to describing the credit risk of investments in the portfolio, governmental entities need to disclose the concentration of any single investment type or holding per single issuer. The percentage allocation of each cash and investment type in the portfolio is shown in the preceding table. The City's investment policy allows investment concentrations in various percentages for different types of investments. The investments held at year end are all within the allowable percentages.

Custodial credit risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires securities be held by a third party custodian and be properly designated as an asset of the City and held in the City's name. As of September 30, 2011, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy.

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 5 - ACCOUNTS RECEIVABLE AND PAYABLE

Receivables as of September 30, 2011 for the City's individual major funds and non-major funds in the aggregate are as follows:

	<u>Accounts</u>	<u>Taxes and Franchise Fees</u>	<u>Grants</u>	<u>Other</u>	<u>Total</u>
Governmental activities:					
General Fund	\$ 3,026,948	\$ 1,462,786	\$ -	\$ 420,981	\$ 4,910,715
Street Construction and Maintenance Fund	-	64,409	521,827	12,657	598,893
Grants Fund	-	-	171,485	-	171,485
2009 Capital Projects Fund	-	-	-	39,195	39,195
Capital Improvement Program Fund	-	-	76,852	8,323	85,175
Public Safety Improvement Fund	636,081	-	-	5,886	641,967
Nonmajor funds	-	-	-	96,018	96,018
Allowance for uncollectible accounts receivable	<u>(2,341,432)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,341,432)</u>
Total governmental activities	<u>\$ 1,321,597</u>	<u>\$ 1,527,195</u>	<u>\$ 770,164</u>	<u>\$ 583,060</u>	<u>\$ 4,202,016</u>
Business-type activities:					
Water and Wastewater Fund	\$ 1,890,616	\$ -	\$ 75,000	\$ 61,549	\$ 2,027,165
Stormwater Fund	<u>119,639</u>	<u>28,685</u>	<u>-</u>	<u>16,633</u>	<u>164,957</u>
Total business- type activities	<u>\$ 2,010,255</u>	<u>\$ 28,685</u>	<u>\$ 75,000</u>	<u>\$ 78,182</u>	<u>\$ 2,192,122</u>

CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

NOTE 5 - ACCOUNTS RECEIVABLE AND PAYABLE (continued)

Payables as of September 30, 2011 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
Governmental activities:					
General Fund	\$ 734,037	\$ 835,827	\$ 212,809	\$ 137,625	\$ 1,920,298
Street Construction and Maintenance Fund	356,553	5,124	-	-	361,677
Grants Fund	73,692	-	-	-	73,692
2009 Capital Projects Fund	123,870	-	-	-	123,870
Capital Improvement Program Fund	202,051	-	-	-	202,051
Nonmajor funds	<u>75,010</u>	<u>-</u>	<u>-</u>	<u>197,000</u>	<u>272,010</u>
Total governmental activities	<u><u>\$ 1,565,213</u></u>	<u><u>\$ 840,951</u></u>	<u><u>\$ 212,809</u></u>	<u><u>\$ 334,625</u></u>	<u><u>\$ 2,953,598</u></u>
Business-type activities:					
Water and Wastewater Fund	\$ 1,021,854	\$ 46,594	\$ -	\$ 2,368	\$ 1,070,816
Stormwater Fund	<u>3,663</u>	<u>7,946</u>	<u>-</u>	<u>-</u>	<u>11,609</u>
Total business- type activities	<u><u>\$ 1,025,517</u></u>	<u><u>\$ 54,540</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,368</u></u>	<u><u>\$ 1,082,425</u></u>

NOTE 6 - INTERFUND TRANSACTIONS

Inter-fund transfers between the various funds for the year ended September 30, 2011 are as follows:

Transfer Out	Transfer In		Total
	General Fund	Nonmajor Funds	
General Fund	\$ -	\$ 1,667,500	\$ 1,667,500
Water and Wastewater Fund	500,000	-	500,000
Nonmajor Funds	<u>245,310</u>	<u>1,878,010</u>	<u>2,123,320</u>
Total transfers in	<u><u>\$ 745,310</u></u>	<u><u>\$ 3,545,510</u></u>	<u><u>\$ 4,290,820</u></u>

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

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 7 - CAPITAL ASSETS

A summary of changes in the governmental activities capital assets for the year ended September 30, 2011 is presented as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers *</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 24,311,387	\$ -	\$ -	\$ -	\$ 24,311,387
Easement	-	39,116	-	-	39,116
Construction in progress	<u>2,229,855</u>	<u>1,833,221</u>	<u>(562,073)</u>	<u>(70,272)</u>	<u>3,430,731</u>
Total capital assets, not being depreciated	<u>26,541,242</u>	<u>1,872,337</u>	<u>(562,073)</u>	<u>(70,272)</u>	<u>27,781,234</u>
Capital assets, being depreciated:					
Buildings	23,163,440	32,668	141,398	-	23,337,506
Improvements	8,766,652	177,372	420,675	-	9,364,699
Infrastructure	26,474,962	19,408	-	-	26,494,370
Intangible asset	5,555	1,320	-	-	6,875
Equipment	<u>12,524,104</u>	<u>820,348</u>	<u>-</u>	<u>(410,455)</u>	<u>12,933,997</u>
Total capital assets being depreciated	<u>70,934,713</u>	<u>1,051,116</u>	<u>562,073</u>	<u>(410,455)</u>	<u>72,137,447</u>
Less accumulated depreciation for:					
Buildings	6,084,953	475,919	-	-	6,560,872
Improvements	2,417,837	456,815	-	-	2,874,652
Infrastructure	7,756,072	444,889	-	-	8,200,961
Intangible asset	556	1,243	-	-	1,799
Equipment	<u>8,008,073</u>	<u>956,330</u>	<u>-</u>	<u>(390,098)</u>	<u>8,574,305</u>
Total accumulated depreciation	<u>24,267,491</u>	<u>2,335,196</u>	<u>-</u>	<u>(390,098)</u>	<u>26,212,589</u>
Total capital assets being depreciated, net	<u>46,667,222</u>	<u>(1,284,080)</u>	<u>562,073</u>	<u>(20,357)</u>	<u>45,924,858</u>
Governmental activities capital assets, net	<u>\$ 73,208,464</u>	<u>\$ 588,257</u>	<u>\$ -</u>	<u>\$ (90,629)</u>	<u>\$ 73,706,092</u>

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

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 7 - CAPITAL ASSETS (continued)

A summary of changes in the business-type activities capital assets for the year ended September 30, 2011 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	1,712,247	2,248,336	-	-	3,960,583
Construction in progress	<u>642,274</u>	<u>395,989</u>	<u>(369,063)</u>	<u>-</u>	<u>669,200</u>
Total capital assets, not being depreciated	<u>2,760,592</u>	<u>2,644,325</u>	<u>(369,063)</u>	<u>-</u>	<u>5,035,854</u>
Capital assets, being depreciated:					
Buildings	2,747,901	-	-	-	2,747,901
Improvements	1,061,375	-	-	-	1,061,375
Infrastructure	73,714,249	1,193,171	369,063	-	75,276,483
Equipment	<u>2,244,204</u>	<u>50,163</u>	<u>-</u>	<u>(11,400)</u>	<u>2,282,967</u>
Total capital assets being depreciated	<u>79,767,729</u>	<u>1,243,334</u>	<u>369,063</u>	<u>(11,400)</u>	<u>81,368,726</u>
Less accumulated depreciation for:					
Buildings	82,437	54,958	-	-	137,395
Improvements	79,603	53,069	-	-	132,672
Infrastructure	19,568,400	1,137,624	-	-	20,706,024
Equipment	<u>717,713</u>	<u>171,398</u>	<u>-</u>	<u>(2,280)</u>	<u>886,831</u>
Total accumulated depreciation	<u>20,448,153</u>	<u>1,417,049</u>	<u>-</u>	<u>(2,280)</u>	<u>21,862,922</u>
Total capital assets being depreciated, net	<u>59,319,576</u>	<u>(173,715)</u>	<u>369,063</u>	<u>(9,120)</u>	<u>59,505,804</u>
Business-type activities capital assets, net	<u>\$ 62,080,168</u>	<u>\$ 2,470,610</u>	<u>\$ -</u>	<u>\$ (9,120)</u>	<u>\$ 64,541,658</u>

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

CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

NOTE 7 - CAPITAL ASSETS (continued)

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

Governmental activities:	
General government	\$ 375,245
Public safety	664,192
Physical environment	733,055
Culture and recreation	<u>562,704</u>
Total depreciation expense governmental activities	<u>\$ 2,335,196</u>
Business-type activities:	
Water and wastewater	\$ 1,371,314
Stormwater management	<u>45,735</u>
Total depreciation expense business-type activities	<u>\$ 1,417,049</u>

NOTE 8 - LONG-TERM DEBT

The following is a summary of the changes in long-term debt for the year ended September 30, 2011:

	Beginning Balance	Additions	Retirements	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Revenue notes	\$ 25,359,267	-	\$ 2,568,258	\$ 22,791,009	\$ 2,630,970
Notes payable	<u>480,774</u>	-	<u>480,774</u>	-	-
	25,840,041	-	3,049,032	22,791,009	2,630,970
Compensated absences	<u>4,330,554</u>	<u>2,803,246</u>	<u>2,929,270</u>	<u>4,204,530</u>	<u>372,486</u>
Total governmental activities	<u>\$ 30,170,595</u>	<u>\$ 2,803,246</u>	<u>\$ 5,978,302</u>	<u>\$ 26,995,539</u>	<u>\$ 3,003,456</u>
Business-type activities:					
Compensated absences	<u>\$ 426,014</u>	<u>\$ 273,841</u>	<u>\$ 287,975</u>	<u>\$ 411,880</u>	<u>\$ 9,133</u>

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

As of September 30, 2011, 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 the acquired or constructed assets is pledged to pay debt service.

Revenue Note, Series 2003A: On December 12, 2003, the City issued a \$ 4,635,760 Capital Improvement Revenue Refunding Note, Series 2003A, to refund the then outstanding Series 2001 Revenue Note. Principal and interest on the note is to be paid from a pledge of public electric franchise fees. The note bears interest at 3.178% which is payable semi-annually. The note matures in January 2012. The outstanding principal balance as of September 30, 2011 is \$ 561,199.

CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

NOTE 8 - LONG-TERM DEBT (continued)

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

Year Ending September 30,	Capital Improvement Revenue Refunding Note, Series 2003A	
	Principal	Interest
2012	561,199	8,967
	\$ 561,199	\$ 8,967

Revenue Note, Series 2003B: On December 12, 2003, the City issued a \$ 9,332,290 Capital Improvement Revenue Refunding Note, Series 2003B, to refund the then outstanding Series 1997 Bonds. Principal and interest on the note is to be paid from a pledge of public electric franchise fees. The note bears interest at 4.04% which is payable semi-annually. The note matures in September 2017. The outstanding principal balance as of September 30, 2011 is \$ 4,856,817.

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

Year Ending September 30,	Capital Improvement Revenue Refunding Note, Series 2003B	
	Principal	Interest
2012	720,958	196,215
2013	755,963	167,089
2014	792,711	136,548
2015	831,282	104,522
2016	856,705	70,938
2017	899,198	36,328
	\$ 4,856,817	\$ 711,640

Revenue Note, Series 2003D: On November 16, 2003, the City entered into an agreement with a bank permitting a maximum borrowing of \$ 16,000,000. On June 28, 2005, this agreement was amended with outstanding borrowings of \$13,000,000. The proceeds of this note provided funds for the City's purchase of land for public use and related costs. Principal and interest on this note are to be paid from a pledge of public electric franchise fees. This note bears interest at 4.11% and matures in October 2018. The outstanding principal balance as of September 30, 2011 is \$ 5,240,097.

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

Year Ending September 30,	Capital Improvement Revenue Note, Series 2003D	
	Principal	Interest
2012	661,235	215,368
2013	688,412	188,191
2014	716,705	159,897
2015	746,162	130,441
2016	776,829	99,774
2017-2019	1,650,754	102,452
	\$ 5,240,097	\$ 896,123

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 8 - LONG-TERM DEBT (continued)

Revenue Note, Series 2004: On September 30, 2004, the City issued a \$ 6,375,362 Capital Improvement Revenue Refunding Note, Series 2004, to retire the then outstanding Series 1994 Bonds. Principal and interest on the new note is to be paid from a pledge of electric utility tax revenues. The note bears interest at 3.237% payable semi-annually. The note matures in October 2014. The outstanding principal balance as of September 30, 2011 is \$2,132,896.

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

Year Ending September 30,	Capital Improvement Revenue Refunding Note, Series 2004	
	Principal	Interest
2012	687,578	69,042
2013	713,240	46,785
2014	732,078	23,697
	\$ 2,132,896	\$ 139,524

Revenue Note, Series 2009: On December 15, 2009, the City issued a \$10,000,000 Capital Improvement Revenue Note, Series 2009 to finance certain construction projects including the undergrounding of above-ground utility lines and construction of a public services/communications building. Principal and interest is to be paid from a pledge of non-ad-valorem tax revenues. The note bears interest at 3.940% payable semi-annually. The note matures in October 2019. The outstanding principal balance as of September 30, 2011 is \$10,000,000.

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

Year Ending September 30,	Capital Improvement Revenue Note, Series 2009	
	Principal	Interest
2012	-	394,000
2013	401,600	394,000
2014	415,450	378,176
2015	1,181,150	361,808
2016	1,235,500	315,270
2017-2019	6,766,300	610,078
	\$ 10,000,000	\$ 2,453,332

Promissory Note: On January 4, 2002, the City executed a promissory note for \$ 8,500,000 to purchase approximately 19 acres of land for a total price of \$ 11,000,000. The note is noninterest bearing and requires annual payments of \$ 1,000,000, with the remaining \$ 500,000 due in January 2011. For purposes of the government-wide financial statement presentation, interest was imputed at 4%. The note matured on January 1, 2011.

CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

NOTE 8 - LONG-TERM DEBT (continued)

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

Year Ending September 30,	Revenue Notes Payable		Total
	Principal	Interest	
2012	2,630,970	883,592	3,514,562
2013	2,559,215	796,065	3,355,280
2014	2,656,944	698,318	3,355,262
2015	2,758,594	596,771	3,355,365
2016	2,869,034	485,982	3,355,016
2017-2019	9,316,252	748,858	10,065,110
	<u>\$ 22,791,009</u>	<u>\$ 4,209,586</u>	<u>\$ 27,000,595</u>

Pledged Revenues: The City has pledged future public franchise fee revenues to repay \$ 12,274,843 in Capital Improvement Revenue Notes issued between November 16, 2003 and December 12, 2003. Proceeds from the notes provided financing for the acquisition of land and the retirement of the then outstanding Series 1997 Bonds, and Series 2001 Revenue Note. The notes are payable solely from the public electric franchise fee revenues and are payable through October 1, 2018. Annual principal and interest payments on the notes are expected to require less than 86% of projected future public electric franchise fee revenues with total future payouts of \$ 12,274,843. Principal and interest paid for the current year and public electric franchise fee revenues are \$ 2,395,504 and \$ 2,773,295, respectively.

The City has pledged future electric utility tax revenues to repay \$ 2,272,420 in Capital Improvement Revenue Notes issued September 30, 2004. Proceeds from the revenue note were used to retire the then outstanding Series 1994 Bonds. The note is payable solely from electric utility tax revenues through October 1, 2014. Annual principal and interest payments on the note is expected to require less than 26% of projected future electric utility tax revenues with total future payouts of \$ 2,272,420. Principal and interest paid for the current year and electric utility tax revenues are \$ 755,797 and \$ 2,915,427, respectively.

The City has pledged future non-ad-valorem tax revenues to repay \$ 12,453,332 in a Capital Improvement Revenue Note issued December 15, 2009. Proceeds from the revenue note provided financing for the undergrounding of above-ground utility lines and construction of a public works building. The note is payable solely from non-ad-valorem tax revenues and is payable through October 2019. Annual principal and interest payments on the note are expected to require less than 1.7% of projected non-ad-valorem tax revenues with total future payouts of \$ 12,453,332. Principal and interest paid for the current year and non-ad-valorem tax revenues are \$ 394,000 and \$ 22,563,265.

All the above revenue notes contain debt covenants, all of which the City was in compliance with at September 30, 2011.

CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

NOTE 9 - LEASES

Operating leases, City as Lessee: The City leases vehicles, copy machines, and office space under noncancelable operating leases. Total lease expense was \$ 105,216 for the year ended September 30, 2011. Future minimum lease payments as of September 30, 2011 are approximately as follows:

Year Ending September 30,	Amount
2012	107,400
2013	32,800
2014	28,700
2015	28,700
2016	8,800
Thereafter	800
	\$ <u><u>207,200</u></u>

Operating leases, City as Lessor: The City leases land to telecommunication providers to house cellular towers. Total lease revenue was \$ 257,104 for the year ended September 30, 2011. Future lease payments to be received as of September 30, 2011 are approximately as follows:

Year Ending September 30,	Amount
2012	319,100
2013	303,700
2014	265,100
2015	181,600
2016	151,400
2017-2018	77,300
	\$ <u><u>1,298,200</u></u>

On December 9, 2010, the City entered into a one year lease agreement with Seminole Properties II, Inc. The lease agreement provides for Seminole Properties II, Inc. to lease, with approval from JPGP, LLC, 10.028 acres of land owned by the City at the Commerce Center of Coconut Creek. The property will be used as a temporary parking facility and all improvements will be at the expense of Seminole Properties II, Inc. The total payments over the term of the lease are \$ 200,000. The lease agreement is renewable annually after the initial lease term, for a period of two additional one year terms. During fiscal year 2011, the City received \$ 162,778 in lease payments.

CITY, OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

NOTE 10 – DEFERRED AND UNEARNED REVENUE

As of September 30, 2011, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Deferred</u>	<u>Unearned</u>
Emergency medical service fees	\$ 605,601	\$ -
Business licenses	-	202,668
Fitness memberships	-	61,901
Grant revenue	707,898	-
Impact fees	636,081	-
	<u>\$ 1,949,580</u>	<u>\$ 264,569</u>

NOTE 11 – PENSION PLANS

All regular full-time employees are covered by: (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, multi-employer, public employee pension plan, through either a defined benefit or a defined contribution pension plan administered by the Florida Division of Retirement. All part-time employees and elected officials are covered by the FRS Pension Plan. The City's policy is to fund the annual pension costs in the General Fund annual budget. The City has no fiduciary responsibility for the plans.

Under the City of Coconut Creek 401(a) Plan, City and mandatory employee contributions, as a percentage of employee gross wages, were as follows for each employee group: Civil Service – 14% and 10%; and Administrative Officers – 14% and 12%, respectively. 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. Under the 401(a) Plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Unvested City contributions and earnings thereon for employees who leave employment prior to completing one year of service will be forfeited to the City five years after the employee leaves City employment. The total number of employees for each employee group under the 401(a) Plan as of September 30, 2011 was as follows: Civil Service, 68 and Administrative Officers, 9.

In December 2001, the City joined the FRS to provide retirement and survivor benefits to Police Department employees and elected officials. In May 2002, the City made the FRS available to all other City employees. On these respective dates, the employees had the option of making a one-time election of remaining in the 401(a) Plan or choosing the FRS Plan. All employees hired after May 1, 2002 were included in the FRS Plan. Chapter 121, Florida Statutes, establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. 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, Education and Policy Section, 1317 Winewood Boulevard, Building 8, Tallahassee, Florida 32399-1560 or by calling (850) 488-5706.

CITY, OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

NOTE 11 – PENSION PLANS (continued)

Funding Policy – Effective July 1, 2011, both employees and employers are required to make contributions towards the Plan. The City's contribution rates to the FRS plan were amended July 1, 2011. Contribution rates at September 30, 2011 were as follows:

<u>Employees</u>	<u>Contribution Rates</u>
Senior management	6.27%
Regular employees	4.91%
Special risk	14.10%
Elected officials	11.14%

Employees are required to contribute 3% of their salary towards the Plan. Employees' contributions to the Plan amounted to \$ 136,793.

The City's contributions to the FRS amounted to \$ 2,534,740 for the year ended September 30, 2011, which represented 100% of the City's required contribution. The contribution requirements of covered payroll and actual contributions made for fiscal year 2011 and the two preceding fiscal years were as follows:

	<u>Fiscal Year 2011</u>	<u>Fiscal Year 2010</u>	<u>Fiscal Year 2009</u>
Contribution requirements	\$ <u>4,103,721</u>	\$ <u>4,272,074</u>	\$ <u>4,331,885</u>
Contributions made by employer (100%)			
401(a) Plan	\$ 821,276	\$ 930,434	\$ 1,057,623
FRS Plan	2,534,740	2,651,355	2,499,419
Contributions made by employee (100%)	<u>747,705</u>	<u>690,285</u>	<u>774,843</u>
Total contributions made	\$ <u>4,103,721</u>	\$ <u>4,272,074</u>	\$ <u>4,331,885</u>
Total covered payroll	\$ <u>21,275,240</u>	\$ <u>21,728,587</u>	\$ <u>21,904,986</u>
Percent of contributions to total covered payroll	19.29%	19.66%	19.78%

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.

CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

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 Fidelity National Property and Casualty Insurance and Fidelity and Deposit Company of Maryland, respectively.

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

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Interlocal Agreement:

The City has an Inter-local Agreement with the City of Margate, Florida to provide Emergency Medical and Fire Protection Services. The agreement is effective through September 30, 2014. The service fee for the year ended September 30, 2011 was \$ 5,458,021. Future service fees are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Amount</u>
2012	\$ 6,158,021
2013	6,646,662
2014	7,174,395
	<u>\$ 19,979,078</u>

Construction Commitment:

During fiscal year 2011, the City entered into nine separate agreements with independent contractors for nine projects totaling \$ 2,569,078. Of the nine projects, seven received approval for grant funding totaling \$ 2,816,489 from various granting agencies. All projects are anticipated to be completed in fiscal year 2012. As of September 30, 2011, the City completed \$ 529,336 of the fiscal year 2011 contract amounts. The remaining commitment on all construction contracts totaled \$ 2,039,742.

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.

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, 2011, a total of \$ 2,121,784 was earned and collected by the City. An annual escalation clause is in effect for subsequent years. Monies will be used for community capital improvement projects with any interest earned transferred to the General Fund.

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 14 - COMMITMENTS AND CONTINGENCIES (continued)

Leases:

During fiscal year 2008, the City entered into a lease agreement with Coconut Creek Development, LLC. The lease agreement provides for the City to lease a 700-square foot space at the new Promenade at Coconut Creek for Police, Fire, and other City related services for a term of 20 years. The total payments over the term of the lease are estimated to be \$ 1 million. The City expects to take possession of the office space during fiscal year 2012. The City's obligations under the lease will be effective at the time of occupancy.

Other Agreements:

During fiscal year 2008, the City entered in an agreement with Coconut Creek Development, LLC. The agreement provides for the City to make annual payments to Coconut Creek, LLC equal to forty five percent of ad-valorem taxes on the commercial and office space located at the Promenade at Coconut Creek. In return, the City is 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 are estimated to be \$2.5 million. The parking garages were completed during fiscal year 2010. The amount paid by the City during fiscal year 2011 was \$ 122,229, and the cumulative total through September 30, 2011 was \$ 179,807

On October 28, 2010, the City approved the execution of an Option Purchase Agreement with JPGP, LLC for the sale of 10.028 acres of land owned by the City at the Commerce Center of Coconut Creek. JPGP, LLC may exercise the option to purchase the property for an estimated purchase price of \$ 14,045,000 any time during the option period or any extension thereof. During fiscal year 2011, the City received \$ 10,000 in option fees from JPGP, LLC. The City is currently holding as escrow \$ 100,071 in option deposits and interest as of September 30, 2011.

NOTE 15 - CONDUIT DEBT

On November 1, 2002, the City issued Industrial Revenue Bonds in the amount of \$ 6 million to provide financial assistance to a private-sector entity for the acquisition and construction of a manufacturing facility. The outstanding principal balance as of September 30, 2011 is \$ 3.795 million. Neither the City, nor State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

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, 2011 is \$ 6.820 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

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

CITY OF COCONUT CREEK, FLORIDA
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2011

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS (continued)

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

For the 2011 fiscal year the City provided contributions of \$ 39,450 from the General Fund on a pay-as-you-go basis toward annual OPEB costs, net of retiree contributions totaling \$ 93,329.

Annual OPEB Cost and Net OPEB Obligation - The City's annual OPEB cost, the imputed amount contributed to the Plan, and changes in the City's net OPEB obligation for the year ending September 30, 2011, was as follows:

Annual required contribution	\$ 1,091,000
Interest on net OPEB obligation	99,000
Adjustment to annual required contribution	(291,000)
Annual OPEB cost	<u>899,000</u>
Imputed contributions	<u>(177,000)</u>
Increase in net OPEB obligation	722,000
Net OPEB obligation, beginning of year	<u>2,451,000</u>
Net OPEB obligation, end of year	<u><u>\$ 3,173,000</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of September 30, 2011 and 2010 was as follows:

Fiscal year ended	<u>09/30/2011</u>	<u>09/30/2010</u>
Annual OPEB cost	\$ 899,000	\$ 1,434,000
Imputed contribution	\$ 177,000	\$ 214,000
Percentage of OPEB cost contributed	20%	15%
Net OPEB obligation	\$ 3,173,000	\$ 2,451,000

Funded Status and Funding Progress - For the actuarial valuation date of August 1, 2011, the actuarial accrued liability for benefits was \$ 5,651,000, and the actuarial value of assets was \$ 0, resulting in an unfunded actuarial accrued liability of \$ 5,651,000. The covered payroll (annual payroll for active participating employees) was \$ 20,231,000 for fiscal year 2011, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 27.9%.

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

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS (continued)

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

In the actuarial valuation as of August 1, 2011 the Projected Unit Credit method (PUC) was used to determine all liabilities, with the liability for each active employee assumed to accrue over his working lifetime based on elapsed time from his date of hire until retirement. Since the average age of active employees is 45.2 years, the unfunded actuarial accrued liability is being amortized over a ten-year open period, utilizing the level dollar payment method. Because the other postemployment benefits liability is currently unfunded, the actuarial assumptions included a 4.0 percent rate of return on invested assets, with 2.50 percent of this amount being attributed to inflation. The actuarial assumptions also included an annual healthcare cost trend rate of 10 percent initially for the 2012 fiscal year, with future annual decreases assumed to grade uniformly to 6 percent over a 8 year period, to an ultimate rate of 5 percent for the fiscal year ending September 30, 2021.

NOTE 17 - PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED

GASB Statement No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans was issued in December, 2009. This Statement addressed issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2012.

GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements, was issued in November, 2010. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2013.

GASB Statement No. 61, The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34, was issued in November, 2010. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, The Financial Reporting Entity, and the related financial reporting requirements of Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2013.

GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, was issued in December, 2010. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989 which does not conflict with or contradict GASB pronouncements that is included in the Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. The requirements in this Statement will improve financial reporting by contributing to the GASB's efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2012.

CITY OF COCONUT CREEK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2011

NOTE 17 - PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED (continued)

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, was issued in June, 2011. The objective of this Statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources as defined by GASB's Concepts Statement No. 4. GASB Statement No. 63 also amends the net asset reporting requirements in Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of net assets and by renaming it as net position, rather than net assets. The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2013.

GASB Statement No. 64, Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53, was issued in June, 2011. This Statement amends GASB Statement No. 53 provides clarification on whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The requirements of this Statement enhance comparability and improve financial reporting. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2012.

The City's management has not yet determined the effect these Statements will have on the City's financial statements.

NOTE 18 – SUBSEQUENT EVENTS

On November 11, 2011, the City entered into a residential contract for sale and purchase with the Earl F. Johns Revocable Trust. The contract provides for the purchase of land located adjacent to Windmill Park for a purchase price of \$ 450,000. The property will be used for recreational purposes. The closing date was March 14, 2012.

On January 12, 2012, the City awarded the contract for the construction of a new public works/communications building to Kaufman Lynn Construction, Inc., in the amount of \$ 6,911,000. The construction of the new public works/communication building will be funded through the Capital Improvement Revenue Note, Series 2009.

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 Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Ad valorem taxes	\$ 16,260,400	\$ 16,260,400	\$ 15,905,529	\$ (354,871)
Franchise fees	4,137,560	4,137,560	4,070,255	(67,305)
Utility taxes	5,850,000	5,850,000	6,050,275	200,275
Licenses and permits	1,890,700	1,890,700	2,760,068	869,368
Intergovernmental revenues	3,866,660	3,866,660	3,716,228	(150,432)
Charges for services	10,501,850	10,501,850	10,334,662	(167,188)
Fines and forfeitures	285,000	285,000	351,699	66,699
Investment income	225,000	225,000	296,453	71,453
Miscellaneous revenues	578,240	578,240	672,350	94,110
Total revenues	43,595,410	43,595,410	44,157,519	562,109
EXPENDITURES:				
Departmental:				
City Commission	377,790	377,790	334,160	43,630
City Manager/City Attorney	2,224,753	2,439,753	2,247,422	192,331
Risk management	1,475,000	1,475,000	1,262,919	212,081
City Clerk	524,240	524,240	424,803	99,437
Finance and administration	1,300,100	1,300,100	1,157,664	142,436
Information technology	1,517,120	1,517,120	1,486,344	30,776
Human resources	811,340	811,340	753,913	57,427
Sustainable development	2,825,384	2,825,384	2,655,954	169,430
Police	16,906,810	16,906,810	15,028,677	1,878,133
Fire administration	6,814,080	6,814,080	5,944,496	869,584
Public works	5,540,034	5,540,034	4,851,282	688,752
Parks and recreation	3,560,360	3,560,360	3,352,551	207,809
Engineering	645,610	645,610	613,799	31,811
Total departmental	44,522,621	44,737,621	40,113,984	4,623,637
Nondepartmental	506,100	506,100	310,754	195,346
Contingency	500,000	285,000	-	285,000
Total expenditures	45,528,721	45,528,721	40,424,738	5,103,983
Excess (deficiency) of revenues over expenditures	(1,933,311)	(1,933,311)	3,732,781	5,666,092
OTHER FINANCING SOURCES (USES):				
Transfers in	745,000	745,000	745,310	310
Transfers (out)	(1,667,500)	(1,667,500)	(1,667,500)	-
Total other financing sources (uses)	(922,500)	(922,500)	(922,190)	310
Net change in fund balance	\$ (2,855,811)	\$ (2,855,811)	2,810,591	\$ 5,666,402
FUND BALANCE, beginning			18,324,254	
FUND BALANCE, ending			\$ 21,134,845	

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 Year Ended September 30, 2011

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 56	\$ 44,157,519
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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 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	<u>68,960</u>
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Total revenues, per the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, Page 23	\$ <u>44,226,479</u>
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Total expenditures, page 56	\$ 40,424,738
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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 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	<u>47,462</u>
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Total expenditures, per the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, Page 23	\$ <u>40,472,200</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 Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental revenues:				
Local option gas tax	\$ 877,900	\$ 877,900	\$ 838,060	\$ (39,840)
County contribution	180,000	180,000	185,115	5,115
State shared revenue	325,500	325,500	332,586	7,086
Other grants and contributions	4,000,000	4,000,000	310,491	(3,689,509)
Total intergovernmental revenues	<u>5,383,400</u>	<u>5,383,400</u>	<u>1,666,252</u>	<u>(3,717,148)</u>
Investment income	25,000	25,000	34,671	9,671
Miscellaneous revenue	60,000	60,000	152,219	92,219
Total revenues	<u>5,468,400</u>	<u>5,468,400</u>	<u>1,853,142</u>	<u>(3,615,258)</u>
EXPENDITURES:				
Current:				
Physical environment	908,600	908,600	825,900	82,700
Nondepartmental	200,000	200,000	200,000	-
Capital outlay	6,377,295	6,377,295	1,093,052	5,284,243
Total expenditures	<u>7,485,895</u>	<u>7,485,895</u>	<u>2,118,952</u>	<u>5,366,943</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(2,017,495)</u>	\$ <u>(2,017,495)</u>	(265,810)	\$ <u>1,751,685</u>
FUND BALANCE, beginning			2,900,201	
FUND BALANCE, ending			<u>\$ 2,634,391</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 Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 914,060	\$ 914,060	\$ 482,194	\$ (431,866)
Total revenues	<u>914,060</u>	<u>914,060</u>	<u>482,194</u>	<u>(431,866)</u>
EXPENDITURES:				
Current:				
Public safety	48,000	48,000	47,159	841
Physical environment	749,162	749,162	313,449	435,713
Capital outlay	<u>155,000</u>	<u>155,000</u>	<u>153,234</u>	<u>1,766</u>
Total expenditures	<u>952,162</u>	<u>952,162</u>	<u>513,842</u>	<u>438,320</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(38,102)</u>	\$ <u>(38,102)</u>	(31,648)	\$ <u>6,454</u>
FUND BALANCE, beginning			<u>272,218</u>	
FUND BALANCE, ending			\$ <u><u>240,570</u></u>	

See notes to budgetary comparison schedule.

CITY OF COCONUT CREEK, FLORIDA
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2011

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 control at which expenditures may not exceed budget is at the departmental level. The City Commission approves these levels by annual ordinance. The City Manager is authorized to transfer budgeted line items within a department classification; however, any revisions that alter a department's total expenditures must be approved by the City Commission.

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

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF FUNDING PROGRESS -
 OTHER POST EMPLOYMENT BENEFITS
 September 30, 2011

An analysis of funding progress for the Unfunded Actuarial Accrued Liability (UAAL) for the most recent actuarial valuation date available is presented as follows:

Actual Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) (2)	Unfunded AAL (UAAL) (2) - (1)	Funded Ratio (1) : (2)	Covered Payroll (3)	UAAL as a Percentage of Covered Payroll {(2) - (1)} : (3)
January 1, 2009	\$ -	\$ 6,734,000	\$ 6,734,000	0.0%	\$ 20,273,000	33.2%
August 1, 2011	-	5,651,000	5,651,000	0.0%	20,231,000	27.9%

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



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.

Community Improvement Fund – This fund 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 for capital improvements.

State Housing Initiative Partnership (SHIP) Fund – This fund 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.

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.

General Capital Improvement Fund – This fund is used to account for the acquisition and construction of major capital projects that are financed from general governmental resources (other than bond proceeds) and intergovernmental grants.

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 2003A Capital Improvement Revenue Note, the 2003B Capital Improvement Revenue Note, the 2003D Capital Improvement Revenue Note, the 2004 Capital Improvement Revenue Note and 2009 Capital Improvement Revenue Note.

CITY OF COCONUT CREEK, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2011

	Special Revenue			
	Law Enforcement Trust Fund	Affordable Housing Fund	Community Improvement Fund	SHIP Fund
ASSETS:				
Cash and cash equivalents	\$ 318,091	\$ 261,368	\$ 422,118	\$ 21,976
Accounts receivable	31,024	5,006	8,098	421
Due from other governments	47,173	-	-	-
Investments	1,086,738	892,948	1,442,141	75,081
Inventory and prepaid costs	25,320	-	-	-
Total assets	\$ 1,508,346	\$ 1,159,322	\$ 1,872,357	\$ 97,478
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts payable	\$ 36,308	\$ -	\$ 6,120	\$ 24,499
Accrued liabilities	-	-	-	-
Total liabilities	36,308	-	6,120	24,499
Fund balances:				
Nonspendable:				
Prepays	25,320	-	-	-
Restricted for:				
Housing	-	-	-	72,979
Public safety	1,446,718	-	-	-
Committed to:				
Affordable housing project	-	1,159,322	-	-
Capital projects	-	-	1,866,237	-
Debt service	-	-	-	-
Assigned to:				
Capital projects	-	-	-	-
Total fund balances	1,472,038	1,159,322	1,866,237	72,979
Total liabilities and fund balances	\$ 1,508,346	\$ 1,159,322	\$ 1,872,357	\$ 97,478

Capital Projects		Debt Service Revenue Bonds Debt Service Fund	Total Nonmajor Governmental Funds
General Capital Improvement Fund	Utility Underground Fund		
\$ 142,805	\$ 39,005	\$ 64,183	\$ 1,269,546
2,735	332	1,229	48,845
-	-	-	47,173
487,886	133,260	219,276	4,337,330
-	-	-	25,320
<u>\$ 633,426</u>	<u>\$ 172,597</u>	<u>\$ 284,688</u>	<u>\$ 5,728,214</u>
\$ -	\$ 8,083	\$ -	\$ 75,010
-	-	197,000	197,000
<u>-</u>	<u>8,083</u>	<u>197,000</u>	<u>272,010</u>
-	-	-	25,320
-	-	-	72,979
-	-	-	1,446,718
-	-	-	1,159,322
504,885	164,000	-	2,535,122
-	-	87,688	87,688
<u>128,541</u>	<u>514</u>	<u>-</u>	<u>129,055</u>
<u>633,426</u>	<u>164,514</u>	<u>87,688</u>	<u>5,456,204</u>
<u>\$ 633,426</u>	<u>\$ 172,597</u>	<u>\$ 284,688</u>	<u>\$ 5,728,214</u>

CITY OF COCONUT CREEK, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended September 30, 2011

	Special Revenue			
	Law Enforcement Trust Fund	Affordable Housing Fund	Community Improvement Fund	SHIP Fund
REVENUES:				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ 37,414
Charges for services	-	-	2,121,784	-
Fines and forfeitures	586,148	-	-	-
Investment income	15,006	13,995	20,499	1,466
Miscellaneous revenues	31,487	62,674	17,391	-
Total revenues	<u>632,641</u>	<u>76,669</u>	<u>2,159,674</u>	<u>38,880</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	136,827	-	-	-
Physical environment	-	-	23,476	155,181
Nondepartmental	-	-	-	-
Capital outlay	201,175	-	44,220	-
Debt service:				
Principal	-	-	480,771	-
Interest and fiscal charges	-	-	19,229	-
Total expenditures	<u>338,002</u>	<u>-</u>	<u>567,696</u>	<u>155,181</u>
Excess (deficiency) of revenues over expenditures	294,639	76,669	1,591,978	(116,301)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(220,000)	-	(1,901,470)	-
Total other financing sources (uses)	<u>(220,000)</u>	<u>-</u>	<u>(1,901,470)</u>	<u>-</u>
Net change in fund balances	74,639	76,669	(309,492)	(116,301)
FUND BALANCES, beginning	<u>1,397,399</u>	<u>1,082,653</u>	<u>2,175,729</u>	<u>189,280</u>
FUND BALANCES, ending	<u>\$ 1,472,038</u>	<u>\$ 1,159,322</u>	<u>\$ 1,866,237</u>	<u>\$ 72,979</u>

<u>Capital Projects</u>		<u>Debt Service</u>	
<u>General Capital Improvement Fund</u>	<u>Utility Underground Fund</u>	<u>Capital Improvement Revenue Bonds Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 37,414
-	-	-	2,121,784
-	-	-	586,148
7,718	1,729	20,066	80,479
-	-	-	111,552
<u>7,718</u>	<u>1,729</u>	<u>20,066</u>	<u>2,937,377</u>
-	-	-	-
-	-	-	136,827
-	-	-	178,657
-	-	-	-
12,115	-	-	257,510
-	-	2,568,261	3,049,032
-	-	977,040	996,269
<u>12,115</u>	<u>-</u>	<u>3,545,301</u>	<u>4,618,295</u>
(4,397)	1,729	(3,525,235)	(1,680,918)
-	-	3,545,510	3,545,510
-	(1,850)	-	(2,123,320)
<u>-</u>	<u>(1,850)</u>	<u>3,545,510</u>	<u>1,422,190</u>
(4,397)	(121)	20,275	(258,728)
637,823	164,635	67,413	5,714,932
<u>\$ 633,426</u>	<u>\$ 164,514</u>	<u>\$ 87,688</u>	<u>\$ 5,456,204</u>



Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual

CITY OF COCONUT CREEK, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - LAW ENFORCEMENT TRUST FUND
For the Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Fines and forfeitures	\$ 585,000	\$ 585,000	\$ 586,148	\$ 1,148
Investment income	15,000	15,000	15,006	6
Miscellaneous revenues	31,500	31,500	31,487	(13)
Total revenues	<u>631,500</u>	<u>631,500</u>	<u>632,641</u>	<u>1,141</u>
EXPENDITURES:				
Current:				
Public safety	137,000	137,000	136,827	173
Capital outlay	201,200	201,200	201,175	25
Total expenditures	<u>338,200</u>	<u>338,200</u>	<u>338,002</u>	<u>198</u>
Excess (deficiency) of revenues over (under) expenditures	293,300	293,300	294,639	1,339
OTHER FINANCING USES:				
Transfers out	<u>(220,000)</u>	<u>(220,000)</u>	<u>(220,000)</u>	<u>-</u>
Net change in fund balance	\$ <u>73,300</u>	\$ <u>73,300</u>	74,639	\$ <u>1,339</u>
FUND BALANCE, beginning			<u>1,397,399</u>	
FUND BALANCE, ending			\$ <u>1,472,038</u>	

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - AFFORDABLE HOUSING FUND
 For the Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 10,000	\$ 10,000	\$ 13,995	\$ 3,995
Miscellaneous revenues	33,120	33,120	62,674	29,554
Total revenues	<u>43,120</u>	<u>43,120</u>	<u>76,669</u>	<u>33,549</u>
EXPENDITURES:				
General government	989,120	989,120	-	989,120
Total expenditures	<u>989,120</u>	<u>989,120</u>	<u>-</u>	<u>989,120</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(946,000)</u>	\$ <u>(946,000)</u>	76,669	\$ <u>1,022,669</u>
FUND BALANCE, beginning			1,082,653	
FUND BALANCE, ending			<u>\$ 1,159,322</u>	

CITY OF COCONUT CREEK, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - COMMUNITY IMPROVEMENT FUND
For the Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 2,121,780	\$ 2,121,780	\$ 2,121,784	\$ 4
Investment income	25,000	25,000	20,499	(4,501)
Miscellaneous revenues	-	-	17,391	17,391
Total revenues	2,146,780	2,146,780	2,159,674	12,894
EXPENDITURES:				
Current:				
Physical environment	28,616	28,616	23,476	5,140
Capital outlay	200,000	200,000	44,220	155,780
Debt service:				
Principal	480,774	480,774	480,771	3
Interest and fiscal charges	19,226	19,226	19,229	(3)
Total expenditures	728,616	728,616	567,696	160,920
Excess of revenues over expenditures	1,418,164	1,418,164	1,591,978	173,814
OTHER FINANCING USES:				
Transfers out	(1,903,010)	(1,903,010)	(1,901,470)	1,540
Net change in fund balance	\$ (484,846)	\$ (484,846)	(309,492)	\$ 175,354
FUND BALANCE, beginning			2,175,729	
FUND BALANCE, ending			<u>\$ 1,866,237</u>	

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - SHIP FUND
 For the Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 37,414	\$ 37,414
Investment income	-	-	1,466	1,466
Total revenues	<u>-</u>	<u>-</u>	<u>38,880</u>	<u>38,880</u>
EXPENDITURES:				
Current:				
Physical environment	<u>155,200</u>	<u>155,200</u>	<u>155,181</u>	<u>19</u>
Total expenditures	<u>155,200</u>	<u>155,200</u>	<u>155,181</u>	<u>19</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (155,200)</u>	<u>\$ (155,200)</u>	(116,301)	<u>\$ 38,899</u>
FUND BALANCE, beginning			<u>189,280</u>	
FUND BALANCE, ending			<u>\$ 72,979</u>	

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - GENERAL TRUST FUND
 For the Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 13,500	\$ 13,500	\$ 13,437	\$ (63)
Intergovernmental	55,500	55,500	55,523	23
Total revenues	<u>69,000</u>	<u>69,000</u>	<u>68,960</u>	<u>(40)</u>
EXPENDITURES:				
Departmental:				
City Manager/City Attorney	9,350	9,350	9,350	-
Police	2,950	2,950	2,943	7
Fire administration	2,000	2,000	1,923	77
Public works	31,200	31,200	31,217	(17)
Parks and recreation	2,100	2,100	2,029	71
Total expenditures	<u>47,600</u>	<u>47,600</u>	<u>47,462</u>	<u>138</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 21,400</u>	<u>\$ 21,400</u>	21,498	<u>\$ 98</u>
FUND BALANCE, beginning			<u>960,268</u>	
FUND BALANCE, ending			<u>\$ 981,766</u>	

NOTE: This fund is considered part of the General Fund in the accompanying Balance Sheet - Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

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 Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 20,066	\$ 20,066
Total revenues	<u>-</u>	<u>-</u>	<u>20,066</u>	<u>20,066</u>
EXPENDITURES:				
Debt service:				
Principal	2,568,280	2,568,280	2,568,261	19
Interest and fiscal charges	<u>977,230</u>	<u>977,230</u>	<u>977,040</u>	<u>190</u>
Total expenditures	<u>3,545,510</u>	<u>3,545,510</u>	<u>3,545,301</u>	<u>209</u>
Deficiency of revenues over expenditures	(3,545,510)	(3,545,510)	(3,525,235)	20,275
OTHER FINANCING SOURCES:				
Transfers in	<u>3,545,510</u>	<u>3,545,510</u>	<u>3,545,510</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	20,275	\$ <u>20,275</u>
FUND BALANCE, beginning			<u>67,413</u>	
FUND BALANCE, ending			\$ <u><u>87,688</u></u>	

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 CAPITAL PROJECTS FUND - GENERAL CAPITAL IMPROVEMENT FUND
 For the Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Impact fees	\$ 102,000	\$ 102,000	\$ -	\$ (102,000)
Investment income	-	-	7,718	7,718
Total revenues	<u>102,000</u>	<u>102,000</u>	<u>7,718</u>	<u>(94,282)</u>
EXPENDITURES:				
Capital outlay	<u>518,000</u>	<u>518,000</u>	<u>12,115</u>	<u>505,885</u>
Total expenditures	<u>518,000</u>	<u>518,000</u>	<u>12,115</u>	<u>505,885</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(416,000)</u>	\$ <u>(416,000)</u>	(4,397)	\$ <u>411,603</u>
FUND BALANCE, beginning			<u>637,823</u>	
FUND BALANCE, ending			\$ <u><u>633,426</u></u>	

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 CAPITAL PROJECTS FUND - UTILITY UNDERGROUND FUND
 For the Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 1,729	\$ 1,729
Total revenues	<u>-</u>	<u>-</u>	<u>1,729</u>	<u>1,729</u>
EXPENDITURES:				
Current:				
Capital outlay	<u>164,000</u>	<u>164,000</u>	<u>-</u>	<u>164,000</u>
Total expenditures	<u>164,000</u>	<u>164,000</u>	<u>-</u>	<u>164,000</u>
Excess of revenues over expenditures	(164,000)	(164,000)	1,729	165,729
OTHER FINANCING USES:				
Transfers out	<u>-</u>	<u>-</u>	<u>(1,850)</u>	<u>(1,850)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,850)</u>	<u>(1,850)</u>
Net change in fund balance	<u><u>(164,000)</u></u>	<u><u>(164,000)</u></u>	(121)	<u><u>163,879</u></u>
FUND BALANCE, beginning			<u>164,635</u>	
FUND BALANCE, ending			<u><u>\$ 164,514</u></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 Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 112,041	\$ 112,041
Total revenues	<u>-</u>	<u>-</u>	<u>112,041</u>	<u>112,041</u>
EXPENDITURES:				
Capital outlay	<u>9,333,910</u>	<u>9,333,910</u>	<u>713,757</u>	<u>8,620,153</u>
Total expenditures	<u>9,333,910</u>	<u>9,333,910</u>	<u>713,757</u>	<u>8,620,153</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(9,333,910)</u>	\$ <u>(933,910)</u>	\$ (601,716)	\$ <u>8,732,194</u>
FUND BALANCE, beginning			<u>9,460,179</u>	
FUND BALANCE, ending			\$ <u>8,858,463</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 Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental revenues	\$ -	\$ -	\$ 67,360	\$ 67,360
Investment income	25,000	25,000	22,938	(2,062)
Miscellaneous revenues	-	-	216,320	216,320
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>306,618</u>	<u>281,618</u>
EXPENDITURES:				
Capital outlay	820,871	920,661	628,470	292,191
Total expenditures	<u>820,871</u>	<u>920,661</u>	<u>628,470</u>	<u>292,191</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (795,871)</u>	<u>\$ (895,661)</u>	(321,852)	<u>\$ 573,809</u>
FUND BALANCE, beginning			2,148,126	
FUND BALANCE, ending			<u>\$ 1,826,274</u>	

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 MAJOR FUND - PUBLIC SAFETY IMPROVEMENT FUND
 For the Year Ended September 30, 2011

	Budgeted Amounts		Actual Amounts	Variance With Final Budget-Positive (Negative)
	Original	Final		
REVENUES:				
Impact fees	\$ 969,630	\$ 969,630	\$ 1,074,549	\$ 104,919
Investment income	3,500	3,500	14,388	10,888
Total revenues	<u>973,130</u>	<u>973,130</u>	<u>1,088,937</u>	<u>115,807</u>
EXPENDITURES:				
Capital outlay	<u>183,200</u>	<u>183,200</u>	<u>105,576</u>	<u>77,624</u>
Total expenditures	<u>183,200</u>	<u>183,200</u>	<u>105,576</u>	<u>77,624</u>
Excess (deficiency) of revenues over expenditures	\$ <u>789,930</u>	\$ <u>789,930</u>	983,361	\$ <u>193,431</u>
FUND BALANCE, beginning			<u>379,857</u>	
FUND BALANCE, ending			\$ <u><u>1,363,218</u></u>	

STATISTICAL SECTION

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

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Financial Trends

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

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Revenue Capacity

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

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Debt Capacity

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

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Demographic and Economic Information

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

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STATISTICAL SECTION
(continued)

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

Full-Time Equivalent City Government Employees by Function	101
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Insurance Information

These schedules contain information regarding the 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	104 - 106
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF COCONUT CREEK, FLORIDA
 Net Assets by Component (1)
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 (Amounts Expressed in Thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Governmental activities:				
Invested in capital assets, net of related debt	\$ -	\$ 36,578	\$ 31,873	\$ 29,056
Restricted	-	680	-	-
Unrestricted	-	12,644	21,177	29,406
Total governmental activities net assets	<u>\$ -</u>	<u>\$ 49,902</u>	<u>\$ 53,050</u>	<u>\$ 58,462</u>
Business-type activities:				
Invested in capital assets, net of related debt	\$ -	\$ 48,869	\$ 50,015	\$ 50,313
Restricted	-	-	-	-
Unrestricted	-	14,586	13,209	14,600
Total business-type activities net assets	<u>\$ -</u>	<u>\$ 63,455</u>	<u>\$ 63,224</u>	<u>\$ 64,913</u>
Primary government:				
Invested in capital assets, net of related debt	\$ -	\$ 85,447	\$ 81,888	\$ 79,369
Restricted	-	680	-	-
Unrestricted	-	27,230	34,386	44,006
Total primary government net assets	<u>\$ -</u>	<u>\$ 113,357</u>	<u>\$ 116,274</u>	<u>\$ 123,375</u>

(1) Information for fiscal year ended September 30, 2002 is not available in the Governmental Accounting Standards Board (GASB) Statement No. 34 format.

Table 1

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$	32,517	\$ 42,344	\$ 45,140	\$ 49,710	\$ 57,183	\$ 59,771
	2,983	6,578	12,253	10,000	8,125	13,253
	<u>30,153</u>	<u>27,759</u>	<u>28,249</u>	<u>27,636</u>	<u>25,481</u>	<u>23,940</u>
\$	<u><u>65,653</u></u>	<u><u>76,681</u></u>	<u><u>85,642</u></u>	<u><u>87,346</u></u>	<u><u>90,789</u></u>	<u><u>96,964</u></u>
\$	49,251	\$ 49,584	\$ 55,783	\$ 60,239	\$ 65,348	\$ 64,542
	-	-	-	-	-	-
	<u>16,913</u>	<u>18,223</u>	<u>14,687</u>	<u>11,079</u>	<u>12,406</u>	<u>16,897</u>
\$	<u><u>66,164</u></u>	<u><u>67,807</u></u>	<u><u>70,470</u></u>	<u><u>71,318</u></u>	<u><u>77,754</u></u>	<u><u>81,439</u></u>
\$	81,768	\$ 91,928	\$ 100,923	\$ 109,949	\$ 122,531	\$ 124,313
	2,983	6,578	12,253	10,000	8,125	13,253
	<u>47,066</u>	<u>45,982</u>	<u>42,936</u>	<u>38,715</u>	<u>37,887</u>	<u>40,837</u>
\$	<u><u>131,817</u></u>	<u><u>144,488</u></u>	<u><u>156,112</u></u>	<u><u>158,664</u></u>	<u><u>168,543</u></u>	<u><u>178,403</u></u>

CITY OF COCONUT CREEK, FLORIDA
Changes in Net Assets (1)
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	2002	2003	2004	2005
Expenses:				
Governmental activities:				
General government	\$ -	\$ 6,533	\$ 8,534	\$ 8,070
Public safety	-	14,212	15,914	17,495
Physical environment	-	4,885	5,038	4,997
Culture/recreation	-	4,359	4,878	5,092
Interest on long-term debt	-	1,389	1,516	1,427
Total governmental activities expenses	\$ -	\$ 31,378	\$ 35,880	\$ 37,081
Business-type activities:				
Utilities	\$ -	\$ 11,801	\$ 12,711	\$ 12,689
Stormwater management	-	-	-	575
Total business-type activities expenses	-	11,801	12,711	13,264
Total expenses	\$ -	\$ 43,179	\$ 48,591	\$ 50,345
Program Revenues:				
Governmental activities:				
Charges for services:				
General government	\$ -	\$ 3,689	\$ 3,810	\$ 5,317
Public safety	-	3,044	3,483	4,370
Physical environment	-	1,275	1,367	1,467
Culture/recreation	-	486	628	687
Operating grants and contributions	-	300	1,836	1,184
Capital grants and contributions	-	482	1,496	732
Total governmental activities program revenues	\$ -	\$ 9,276	\$ 12,620	\$ 13,757
Business-type activities:				
Charges for services:				
Utilities	\$ -	\$ 10,293	\$ 11,424	\$ 11,853
Stormwater management	-	-	-	1,192
Operating grants and contributions	-	-	27	509
Capital grants and contributions	-	2,190	760	842
Total business-type activities program revenues	-	12,483	12,211	14,396
Total program revenues	\$ -	\$ 21,759	\$ 24,831	\$ 28,153

(1) Information for fiscal year ending September 30, 2002 is not available in the Governmental Accounting Standards Board (GASB) Statement No. 34 format.

Table 2

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$	9,233	\$ 10,363	\$ 10,354	\$ 10,813	\$ 10,777	\$ 10,743
	18,677	19,831	21,423	22,817	23,452	23,446
	12,954	6,589	6,751	6,695	6,195	5,698
	5,702	5,578	5,693	5,781	5,495	5,255
	<u>1,497</u>	<u>1,232</u>	<u>1,082</u>	<u>980</u>	<u>1,160</u>	<u>991</u>
\$	<u><u>48,063</u></u>	<u><u>43,593</u></u>	<u><u>45,303</u></u>	<u><u>47,086</u></u>	<u><u>47,079</u></u>	<u><u>46,133</u></u>
\$	13,135	\$ 13,429	13,427	\$ 14,934	\$ 15,645	\$ 14,603
	<u>1,113</u>	<u>661</u>	<u>745</u>	<u>808</u>	<u>816</u>	<u>813</u>
	<u>14,248</u>	<u>14,090</u>	<u>14,172</u>	<u>15,742</u>	<u>16,461</u>	<u>15,416</u>
\$	<u><u>62,311</u></u>	<u><u>57,683</u></u>	<u><u>59,475</u></u>	<u><u>62,828</u></u>	<u><u>63,540</u></u>	<u><u>61,549</u></u>
\$	5,748	\$ 6,345	\$ 6,544	\$ 4,493	\$ 5,031	\$ 5,404
	3,916	4,141	5,883	6,290	7,798	7,398
	1,538	1,617	1,862	2,068	2,116	2,122
	<u>587</u>	<u>596</u>	<u>618</u>	<u>638</u>	<u>701</u>	<u>729</u>
	<u>8,679</u>	<u>1,679</u>	<u>1,152</u>	<u>918</u>	<u>979</u>	<u>618</u>
	<u>897</u>	<u>2,261</u>	<u>4,559</u>	<u>125</u>	<u>475</u>	<u>1,562</u>
\$	<u><u>21,365</u></u>	<u><u>16,639</u></u>	<u><u>20,618</u></u>	<u><u>14,532</u></u>	<u><u>17,100</u></u>	<u><u>17,833</u></u>
\$	11,790	\$ 11,366	\$ 10,960	\$ 12,581	\$ 14,800	\$ 17,044
	<u>1,195</u>	<u>1,264</u>	<u>1,336</u>	<u>1,388</u>	<u>1,457</u>	<u>1,453</u>
	<u>324</u>	<u>82</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,165</u>	<u>1,762</u>	<u>3,715</u>	<u>2,131</u>	<u>6,105</u>	<u>2,848</u>
\$	<u><u>14,474</u></u>	<u><u>14,474</u></u>	<u><u>16,011</u></u>	<u><u>16,100</u></u>	<u><u>22,362</u></u>	<u><u>21,345</u></u>
\$	<u><u>35,839</u></u>	<u><u>31,113</u></u>	<u><u>36,629</u></u>	<u><u>30,632</u></u>	<u><u>39,462</u></u>	<u><u>39,178</u></u>

CITY OF COCONUT CREEK, FLORIDA
Changes in Net Assets (1)
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Net (expense)/revenue				
Governmental activities	\$ -	\$ (22,102)	\$ (23,260)	\$ (23,324)
Business-type activities	-	682	(500)	1,132
Total net expenses	<u>\$ -</u>	<u>\$ (21,420)</u>	<u>\$ (23,760)</u>	<u>\$ (22,192)</u>
General revenues and other changes in net assets:				
Governmental activities:				
Taxes:				
Property taxes	\$ -	\$ 10,131	\$ 11,272	\$ 12,610
Utility taxes	-	5,001	5,028	5,276
Franchise taxes	-	2,871	3,074	3,225
Intergovernmental	-	4,716	5,003	5,563
Impact fees	-	-	-	-
Investment income	-	634	384	589
Miscellaneous	-	601	722	911
Gain (loss) on disposal of capital assets	-	103	-	562
Transfers	-	-	-	-
Total governmental activities	<u>\$ -</u>	<u>\$ 24,057</u>	<u>\$ 25,483</u>	<u>\$ 28,736</u>
Business-type activities:				
Investment income	\$ -	\$ 419	\$ 198	\$ 348
Impact fees	-	-	-	-
Miscellaneous	-	101	72	210
Transfers	-	-	-	-
Total business-type activities	<u>-</u>	<u>520</u>	<u>270</u>	<u>558</u>
Total	<u>\$ -</u>	<u>\$ 24,577</u>	<u>\$ 25,753</u>	<u>\$ 29,294</u>
Change in net assets				
Governmental activities	\$ -	\$ 1,955	\$ 2,223	\$ 5,412
Business-type activities	-	1,202	(230)	1,690
Total	<u>\$ -</u>	<u>\$ 3,157</u>	<u>\$ 1,993</u>	<u>\$ 7,102</u>

(1) Information for fiscal year ending September 30, 2002 is not available in the Governmental Accounting Standards Board (GASB) Statement No. 34 format.

Table 2
(continued)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$	(26,698)	\$ (26,954)	\$ (24,685)	\$ (32,554)	\$ (29,979)	\$ (28,300)
	226	384	1,839	358	5,901	5,929
\$	<u>(26,472)</u>	<u>(26,570)</u>	<u>(22,846)</u>	<u>(32,196)</u>	<u>(24,078)</u>	<u>(22,371)</u>
\$	14,542	\$ 17,362	\$ 16,076	\$ 15,886	\$ 16,213	\$ 15,906
	5,331	5,413	5,544	5,936	6,093	6,050
	3,540	4,009	3,989	4,222	4,095	4,070
	6,057	5,816	5,551	4,947	4,840	5,066
	-	-	-	-	-	1,187
	1,182	4,349	1,261	917	561	601
	1,429	1,032	1,225	2,502	1,730	1,095
	1,807	-	-	(152)	(110)	-
	-	-	-	-	-	500
\$	<u>33,888</u>	<u>37,981</u>	<u>33,646</u>	<u>34,258</u>	<u>33,422</u>	<u>34,475</u>
\$	782	\$ 1,073	\$ 621	\$ 303	\$ 157	\$ 206
	-	-	-	-	-	1,023
	243	187	203	186	378	295
	-	-	-	-	-	(500)
	1,025	1,260	824	489	535	1,024
\$	<u>34,913</u>	<u>39,241</u>	<u>34,470</u>	<u>34,747</u>	<u>33,957</u>	<u>35,499</u>
\$	7,190	\$ 11,027	\$ 8,961	\$ 1,704	\$ 3,443	\$ 6,175
	1,251	1,644	2,663	847	6,436	6,953
\$	<u>8,441</u>	<u>12,671</u>	<u>11,624</u>	<u>2,551</u>	<u>9,879</u>	<u>13,128</u>

CITY OF COCONUT CREEK, FLORIDA
Fund Balances of Governmental Funds (1) (2)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General Fund				
Reserved	\$ -	\$ 431	\$ 567	\$ 36
Unreserved	-	6,719	7,524	9,608
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general fund	<u>\$ -</u>	<u>\$ 7,150</u>	<u>\$ 8,091</u>	<u>\$ 9,644</u>
All other governmental funds				
Reserved	\$ -	\$ 249	\$ 6,961	\$ 11,820
Unreserved, reported in:				
Special revenue funds	-	3,719	3,848	8,280
Capital projects funds	-	1,847	3,997	2,523
Debt service fund	-	-	413	514
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ -</u>	<u>\$ 5,815</u>	<u>\$ 15,219</u>	<u>\$ 23,137</u>

(1) Information for fiscal year ending September 30, 2002 is not available in the Governmental Accounting Standards Board (GASB) Statement No. 34 format.

(2) Information for fiscal years 2002 to 2010 have not been restated for Governmental Accounting Standards Board (GASB) Statement No. 54 classifications.

Table 3

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$	16	\$ 81	\$ 373	\$ 165	\$ 132	\$ -
	11,135	15,697	18,283	18,554	18,192	-
	-	-	-	-	-	124
	-	-	-	-	-	-
	-	-	-	-	-	2,228
	-	-	-	-	-	4,075
	-	-	-	-	-	15,690
	<u>11,151</u>	<u>15,778</u>	<u>18,656</u>	<u>18,719</u>	<u>18,324</u>	<u>22,117</u>
\$	11,818	\$ 8,620	\$ 8,620	\$ 8,639	\$ 8,629	\$ -
	8,304	7,850	12,531	10,827	8,969	-
	4,648	5,366	4,473	3,148	12,791	-
	569	656	666	469	67	-
	-	-	-	-	-	8,745
	-	-	-	-	-	13,253
	-	-	-	-	-	5,360
	-	-	-	-	-	1,641
	<u>25,339</u>	<u>22,492</u>	<u>26,290</u>	<u>23,083</u>	<u>30,456</u>	<u>28,999</u>

CITY OF COCONUT CREEK, FLORIDA
Changes in Fund Balances of Governmental Funds (1)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Amounts Expressed in Thousands)

	2002	2003	2004	2005
Revenues				
Ad valorem taxes	\$ -	\$ 10,153	\$ 11,272	\$ 12,610
Fire assessments tax	-	1,662	1,827	-
Franchise fees	-	2,871	3,074	3,226
Utility taxes	-	5,001	5,028	5,276
Licenses and permits	-	1,405	1,310	2,502
Intergovernmental revenues	-	5,222	6,303	8,080
Charges for services	-	5,127	5,696	8,298
Fines and forfeitures	-	562	702	523
Impact fees	-	-	-	-
Investment income	-	634	384	588
Miscellaneous revenues	-	585	1,015	899
Total revenues	<u>-</u>	<u>33,222</u>	<u>36,611</u>	<u>42,002</u>
Expenditures:				
General government	-	6,408	7,045	7,166
Public safety	-	14,298	15,326	16,268
Physical environment	-	4,895	4,322	4,335
Culture and recreation	-	4,171	4,389	4,615
Nondepartmental				
Capital outlay	-	1,829	6,717	5,480
Debt service:				
Principal	-	2,457	22,632	2,339
Interest and fiscal charges	-	1,199	1,360	1,320
Total expenditures	<u>-</u>	<u>35,257</u>	<u>61,791</u>	<u>41,523</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(2,035)</u>	<u>(25,180)</u>	<u>479</u>
Other financing sources (uses)				
Net proceeds from long-term debt	-	-	31,736	5,817
Sale of land	-	-	-	3,176
Transfers in	-	2,278	2,259	5,285
Transfers out	-	(2,278)	(2,259)	(5,285)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>31,736</u>	<u>8,993</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (2,035)</u>	<u>\$ 6,556</u>	<u>\$ 9,472</u>
Debt service as a percentage of noncapital expenditures	0.0%	11.4%	43.5%	10.1%

(1) Information for fiscal year ending September 30, 2002 is not available in the Governmental Accounting Standards Board (GASB) Statement No. 34 format.

Table 4

	2006	2007	2008	2009	2010	2011
\$	14,542	\$ 17,362	\$ 16,077	\$ 15,886	\$ 16,213	\$ 15,906
	-	-	-	-	-	-
	3,540	4,009	3,989	4,222	4,095	4,070
	5,331	5,413	5,544	5,937	6,093	6,050
	2,795	3,151	3,247	1,088	1,522	2,760
	14,573	7,456	6,668	5,805	6,702	5,969
	8,281	9,026	11,267	12,163	13,452	12,456
	729	507	3,598	462	488	938
	-	-	-	-	-	1,075
	1,182	4,349	1,227	890	534	575
	1,901	2,474	2,264	1,313	1,621	1,208
	<u>52,874</u>	<u>53,747</u>	<u>53,881</u>	<u>47,766</u>	<u>50,720</u>	<u>51,007</u>
	8,416	9,258	9,833	9,525	9,505	9,247
	17,753	19,029	20,499	21,510	22,116	22,732
	12,110	5,558	5,419	5,977	4,944	4,865
	5,071	4,950	5,082	5,143	4,930	4,597
	170	193	184	210	294	511
	5,044	3,261	2,459	3,941	3,332	3,174
	2,436	8,323	2,630	3,452	7,398	3,049
	1,392	1,393	1,100	1,151	1,223	996
	<u>52,392</u>	<u>51,965</u>	<u>47,206</u>	<u>50,909</u>	<u>53,742</u>	<u>49,171</u>
	<u>482</u>	<u>1,782</u>	<u>6,675</u>	<u>(3,143)</u>	<u>(3,022)</u>	<u>1,836</u>
	-	-	-	-	10,000	-
	3,224	-	-	-	-	-
	4,574	4,542	2,937	3,834	7,698	4,291
	<u>(4,574)</u>	<u>(4,542)</u>	<u>(2,937)</u>	<u>(3,834)</u>	<u>(7,698)</u>	<u>(3,791)</u>
	<u>3,224</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>500</u>
\$	<u><u>3,706</u></u>	<u><u>1,782</u></u>	<u><u>6,675</u></u>	<u><u>(3,143)</u></u>	<u><u>6,978</u></u>	<u><u>2,336</u></u>
	8.0%	20.2%	8.3%	9.7%	16.9%	8.7%



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

<u>Year Ended September 30</u>	<u>Property Taxes</u>	<u>Local Option Gas Tax</u>	<u>Utility Taxes</u>	<u>Franchise Fees</u>	<u>Total</u>
2002	\$ 9,045	\$ 838	\$ 4,922	\$ 2,757	\$ 17,562
2003	10,153	861	5,001	2,871	18,886
2004	11,272	903	5,028	3,074	20,277
2005	12,610	909	5,276	3,226	22,021
2006	14,542	938	5,331	3,540	24,351
2007	17,362	861	5,413	4,009	27,645
2008	16,077	875	5,544	3,989	26,485
2009	15,886	850	5,936	4,222	26,894
2010	16,213	837	6,093	4,095	27,238
2011	15,906	838	6,050	4,070	26,864

CITY OF COCONUT CREEK, FLORIDA
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years

Year Ended September 30,	Residential	Commercial	Industrial	Other*
2002	\$ 1,749,799,580	\$ 220,155,060	\$ 36,230,980	\$ 182,293,380
2003	1,957,065,810	244,748,860	38,030,490	196,591,650
2004	2,133,054,870	308,025,820	57,897,000	237,008,110
2005	2,294,915,310	323,973,990	84,432,590	255,198,760
2006	2,617,292,850	354,081,760	92,239,410	297,841,030
2007	3,092,591,130	413,431,190	115,114,040	456,010,140
2008	3,475,090,460	476,525,460	109,354,120	620,193,710
2009	3,325,196,440	544,993,880	131,761,640	627,363,020
2010	2,729,460,450	633,971,090	149,361,570	627,896,870
2011	2,349,102,060	597,927,930	151,805,050	635,594,810

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

Notes:

* Other includes agricultural, institutional, government, miscellaneous and non-agricultural acreage

Table 6

Exemptions	Total Taxable Assessed Value	City Direct Tax Rate	Total Estimated Actual Taxable Value	Assessed Value as a Percentage of Estimated Actual Value
\$ 506,489,450	\$ 1,681,989,550	5.3177	\$ 2,276,308,330	73.89%
537,379,150	1,899,057,660	5.3107	2,638,790,130	71.97%
598,207,480	2,137,778,320	5.2879	3,105,618,290	68.84%
618,205,520	2,340,315,130	5.3408	3,503,413,710	66.80%
664,623,860	2,696,831,190	5.3408	4,185,722,650	64.43%
824,360,310	3,252,786,190	5.3408	5,416,762,050	60.05%
1,009,820,010	3,671,343,740	4.3796	6,101,425,730	60.17%
1,330,667,720	3,298,647,260	4.8869	5,481,926,110	60.17%
1,271,152,380	2,869,537,600	5.6837	4,494,682,060	63.84%
1,237,156,670	2,497,273,180	6.4036	3,901,423,180	64.01%

CITY OF COCONUT CREEK, FLORIDA
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	City of Coconut Creek			Overlapping Rates					
				County		School District			
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage
2002	5.0959	0.2218	5.3177	6.6677	0.7328	7.4005	8.3590	0.3951	8.7541
2003	5.0959	0.2148	5.3107	6.6685	0.6965	7.3650	8.5410	0.3415	8.8825
2004	5.0959	0.1920	5.2879	6.6481	0.5399	7.1880	8.1621	0.2555	8.4176
2005	5.3408	-	5.3408	6.4831	0.5399	7.0230	8.0140	0.2555	8.2695
2006	5.3408	-	5.3408	6.2942	0.4888	6.7830	7.8410	0.2213	8.0623
2007	5.3408	-	5.3408	5.6433	0.4228	6.0661	7.6790	0.1897	7.8687
2008	4.3796	-	4.3796	4.8889	0.3979	5.2868	7.4770	0.1714	7.6484
2009	4.8869	-	4.8869	4.8889	0.4256	5.3145	7.4170	-	7.4170
2010	5.6837	-	5.6837	4.8889	0.5000	5.3889	7.4310	-	7.4310
2011	6.4036	-	6.4036	5.1021	0.4509	5.5530	7.6310	-	7.6310

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

Table 7

Overlapping Rates					
CocoMar Water Management District	Children's Services	North Broward Hospital District	South Florida Water Management District	Florida Inland Navigation District	Total Direct & Overlapping Rates
0.2761	0.3055	2.4803	0.6970	0.0385	25.2697
0.2616	0.3316	2.4803	0.6970	0.0385	25.3672
0.1925	0.3920	2.5000	0.6970	0.0385	24.7135
0.1739	0.4231	2.4803	0.6970	0.0385	24.4461
0.1679	0.4231	2.1746	0.6970	0.0385	23.6872
0.1679	0.4073	1.8317	0.6970	0.0385	22.4180
0.1446	0.3572	1.6255	0.6240	0.0345	20.1006
0.1446	0.3754	1.7059	0.6240	0.0345	20.5028
0.1446	0.4243	1.7059	0.6240	0.0345	21.4369
0.1446	0.4696	1.8750	0.6240	0.0345	22.7353

CITY OF COCONUT CREEK, FLORIDA
Principal Property Taxpayers
Current Year and Nine Years Ago
(Amounts Expressed in Thousands)

Table 8

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
MEPT HILLSBORO BAY LLC	\$ 46,354	1	1.9%	\$ -	-	-
ERP OPERATING LTD PARTNERSHIP	45,170	2	1.8%	59,920	1	3.4%
GARRISON COCONUT CREEK LLC	41,460	3	1.7%	-	-	-
FLORIDA POWER & LIGHT	33,815	4	1.4%	-	-	-
CGL BANYAN BAY LP	28,457	5	1.1%	24,119	6	1.4%
CENTRO NP COCONUT CREEK	27,995	6	1.1%	-	-	-
ATLYONS LLC	22,971	7	0.9%	-	-	-
559 NORTH FEDERAL ASSOC	22,927	8	0.9%	-	-	-
ACPRE PRS REALTY LLC	21,676	9	0.9%	-	-	-
AERC CYPRESS SHORES INC.	20,831	10	0.8%	-	-	-
MINTO BUILDERS	-	-	-	39,485	2	2.2%
SOUTHERN BELL	-	-	-	29,471	3	1.7%
COCO PARC I	-	-	-	25,865	4	1.5%
BANYAN POINTE ASSOC	-	-	-	24,275	5	1.4%
VILLAGE APTS AT COCONUT CREEK	-	-	-	23,967	7	1.4%
EVERGREEN LAKES	-	-	-	23,437	8	1.3%
HBC, INC.	-	-	-	21,582	9	1.2%
CA NEW PLAN ASSET PARTNERSHIP	-	-	-	21,409	10	1.2%
Totals	\$ <u>311,656</u>		<u>12.5%</u>	\$ <u>293,530</u>		<u>16.7%</u>

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

<u>Fiscal Year</u>	<u>Total Tax Levy (1)</u>	<u>Current Taxes Collections</u>	<u>Percentage Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percentage of Total Tax Collections to Tax Levy</u>
2002	\$ 9,058	\$ 9,022	99.60%	\$ 17	\$ 9,039	99.79%
2003	10,174	10,136	99.63%	16	10,152	99.78%
2004	11,294	11,271	99.80%	16	11,287	99.94%
2005	13,082	12,584	96.19%	13	12,597	96.29%
2006	15,087	14,517	96.22%	25	14,542	96.39%
2007	17,964	17,360	96.64%	-	17,360	96.64%
2008	16,557	16,005	96.67%	22	16,027	96.80%
2009	16,676	15,772	94.58%	18	15,790	94.69%
2010	17,087	15,909	93.11%	265	16,174	94.66%
2011	16,838	15,796	93.81%	312	16,108	95.66%

Source: Broward County, Florida Revenue Collector's Office.
(1) Tax levy, net of discount

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

Table 10

Fiscal Year	Governmental Activities						Total Primary Government	Percentage of Personal Income	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Promissory Note	Improvement Revenue Notes	Line of Credit	Capital Lease			
2002	\$ 780	\$ 16,552	\$ 8,500	\$ 5,000	\$ -	\$ -	\$ 30,832	2.38%	\$ 656
2003	395	15,845	6,367	4,636	-	-	27,243	2.48%	574
2004	-	-	5,623	23,637	7,343	-	36,603	2.49%	764
2005	-	-	4,847	35,095	-	138	40,080	2.12%	829
2006	-	-	4,041	33,492	-	111	37,644	3.05%	780
2007	-	-	3,202	26,039	-	79	29,320	2.21%	608
2008	-	-	2,331	24,314	-	46	26,691	1.98%	553
2009	-	-	1,424	21,803	-	12	23,239	1.76%	486
2010	-	-	481	25,359	-	-	25,840	1.97%	537
2011	-	-	-	22,791	-	-	22,791	1.55%	431

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, 2011
 (Amounts Expressed in Thousands)

Table 11

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Coconut Creek (1)	Amount Applicable to City of Coconut Creek
Debt repaid with property taxes:			
Broward County	\$ 355,915	2.02%	\$ 7,189
Subtotal, overlapping debt			<u>7,189</u>
City of Coconut Creek			\$ <u>22,791</u>
Total direct and overlapping debt			<u>\$ <u>29,980</u></u>

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

(1) Based on ratio of assessed taxable value.



CITY OF COCONUT CREEK, FLORIDA
 Legal Debt Margin Information
 Last Ten Fiscal Years
 (Amounts Expressed in Thousands)

Table 12

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt limit	\$ 444,771	\$ 502,450	\$ 565,954	\$ 623,949	\$ 683,280	\$ 813,197	\$ 917,836	\$ 824,662	\$ 717,384	\$ 624,318
Total net debt applicable to limit	<u>780</u>	<u>395</u>	-	-	-	-	-	-	-	-
Legal debt margin	\$ <u>443,991</u>	\$ <u>502,055</u>	\$ <u>565,954</u>	\$ <u>623,949</u>	\$ <u>683,280</u>	\$ <u>813,197</u>	\$ <u>917,836</u>	\$ <u>824,662</u>	\$ <u>717,384</u>	\$ <u>624,318</u>
Total net debt applicable to the limit as a percentage of debt limit	0.18%	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2011

Assessed Valuation of Taxable Real Property	\$ 2,497,273
Bonded Debt Limit - 25% of above	624,318
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt:	-
Less Revenue Bonds:	-
Capital Improvement Refunding Revenue Bonds	-
Total net debt applicable to limit	-
Legal debt margin (1)	\$ <u>624,318</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.

Restated data for 2006 through 2010

CITY OF COCONUT CREEK, FLORIDA
Pledged Revenue Coverage
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year	General Obligation Bonds				Revenue Bonds			
	Total Revenue	Debt Service		Coverage	Total Revenue	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2002	\$ 377	\$ 365	\$ 54	0.90	\$ 2,283	\$ 641	\$ 900	1.48
2003	411	385	37	0.97	2,437	707	868	1.55
2004	410	395	19	0.99	2,427	15,845 (1)	667	0.15
2005	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-

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

- (1) Includes \$ 6,675,000 to refund principal amount of Series 1994 revenue bonds from Series 2004 revenue note proceeds and \$ 9,169,657 to refund principal amount of Series 1997 revenue bonds from Series 2003B revenue note proceeds.
- (2) Includes \$ 4,635,750 to refund principal amount Series 2001 revenue note from Series 2003A revenue note proceeds.
- (3) Includes \$ 5,786,353 principal payment of Series 2003D revenue note using proceeds from land sale.
- (4) Includes \$ 3,973,491 principal payment of Series 2003C revenue note to extinguish debt, which was designated in fiscal year 2009.

Table 13

Improvement Revenue Notes										
Community Improvement Revenues	Electric Utility Taxes	Electric Franchise Fees	Total Revenue	Debt Service		Coverage	Non-Ad Valorem Revenue	Debt Service		
				Principal	Interest			Principal	Interest	Coverage
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	\$ -	-
1,319	-	-	1,319	364	294	2.00	-	-	-	-
1,379	2,427	2,183	5,989	5,393	(2) 502	1.02	-	-	-	-
-	2,533	2,383	4,916	1,542	1,101	1.86	-	-	-	-
-	2,536	2,833	5,369	1,603	1,192	1.92	-	-	-	-
-	2,621	3,045	5,666	7,453	(3) 1,242	0.65	-	-	-	-
-	2,689	3,064	5,753	1,725	1,082	2.05	-	-	-	-
-	2,689	3,055	5,744	2,511	1,056	1.61	-	-	-	-
-	2,939	2,800	5,739	6,444	(4) 815	0.79	22,421	-	313	71.63
-	2,915	2,773	5,688	2,568	583	1.81	22,563	-	394	57.27

CITY OF COCONUT CREEK, FLORIDA
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 14

Fiscal Year	Population	Personal Income	Per Capita Income	Median Age	School Enrollment (3)	Unemployment Rate (2)
2002	46,965	\$ 1,294,778,085	27,569	-	7,773	3.5%
2003	47,471	1,099,903,070	23,170	-	8,858	3.3%
2004	47,922	1,471,301,244	30,702	41.1	9,176	2.8%
2005	48,340	1,894,444,600	39,190	42.6	10,819	3.6%
2006	48,283	1,235,561,970	25,590	42.2	9,855	2.7%
2007	48,207	1,324,439,118	27,474	42.2	9,945	3.7%
2008	48,193	1,346,994,350	27,950	41.1	9,799	6.1%
2009	47,804	1,322,927,896	27,674	43.5	9,414	8.8%
2010	48,159	1,312,429,068	27,252	42.1	9,341	10.1%
2011	52,909	1,474,891,284	27,876	40.3	8,718	10.7%

(1) Furnished by Broward County, Florida Planning Services Division. Population estimated as of April 1st of each year.

(2) Furnished by the Broward Alliance.

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

(4) Furnished by the American Community Survey (figure for Broward County)

(5) Furnished by the Bureau of Economic and Business Research

*** Median age for fiscal years ending September 30, 2000 to 2003 is not available, as it was not a required disclosure at that time

CITY OF COCONUT CREEK, FLORIDA
Principal Employers
Current Year and Nine Years Ago

Table 15

Employer	2011			2002(1)		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Broward College	2,876	1	10.55%	-	-	-
Seminole Coconut Creek Casino	1,532	2	5.62%	-	-	-
Broward County School Board	1,176	3	4.31%	-	-	-
Publix	501	4	1.84%	-	-	-
Wal-Mart	460	5	1.69%	-	-	-
Food for the Poor	361	6	1.32%	-	-	-
City of Coconut Creek	344	7	1.26%	-	-	-
Vista BMW	286	8	1.05%	-	-	-
Al Hendricks Toyota	215	9	0.79%	-	-	-
Enterprise Car Rental (Regional Office)	154	10	0.56%	-	-	-
Totals	7,905		28.99%	-		0.0%

Source: Broward Alliance.

(1) Information for fiscal year ending September 30, 2002 is not available, as it was not a required disclosure at that time.

CITY OF COCONUT CREEK, FLORIDA
 Full-Time Equivalent City Government Employees by Function
 Last Ten Fiscal Years

Table 16

Function	Full-Time Equivalent Employees as of September 30,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	51	56	46	59	61	64	61	62	62	62
Public safety	147	148	147	146	150	154	153	155	163	163
Physical environment	39	40	40	41	41	46	41	40	35	25
Culture and recreation	114	114	112	119	116	104	65	80	78	68
Water and wastewater	40	38	38	33	30	30	30	29	31	31
Stormwater management	-	-	-	7	7	7	7	8	8	8
Total	391	396	383	405	405	405	357	374	377	357

Source: City of Coconut Creek, Florida.

CITY OF COCONUT CREEK, FLORIDA
 Operating Indicators by Function
 Last Ten Fiscal Years

Table 17

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police										
Physical arrests	1,044	1,041	1,024	1,274	946	887	995	1,100	1,070	984
Parking violations	782	1,004	883	417	511	622	513	1,074	653	1,027
Traffic violations	12,177	15,662	14,172	12,287	10,326	8,272	7,484	11,211	8,354	7,919
Fire (1)										
Number of calls answered	5,578	5,275	5,719	6,090	6,072	5,733	5,724	6,178	6,820	6,528
Inspections	2,060	2,055	2,385	2,195	1,232	2,169	1,650	1,577	1,784	1,456
Streets										
Street resurfacing (miles)	-	-	-	-	1	-	-	-	29	-
Potholes repaired	36	36	71	136	70	185	265	273	173	325
Culture and recreation										
Athletic field permits issued	2,292	2,356	2,499	2,472	2,330	3,404	309	292	309	335
Fitness memberships	242	390	728	913	1,266	1,291	1,326	1,663	1,577	1,443
Water										
New connections	702	111	28	42	48	75	150	74	43	50
Water main breaks	2	-	1	1	-	75	2	1	-	2
Average daily consumption (thousands of gallons)	5,700	5,781	5,272	5,305	5,819	5,320	4,954	4,538	4,241	4,269

Source: City of Coconut Creek, Florida.

CITY OF COCONUT CREEK, FLORIDA
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

Table 18

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	116	116	116	116	120	120	122	122	123	126
Streets										
Streets (miles)	53	53	53	53	53	53	53	47	49	49
Streetlights	1,220	1,220	1,528	1,528	1,528	1,528	1,528	1,659	1,662	1,662
Culture and recreation										
Parks acreage	196	196	196	207	207	207	207	207	207	207
Parks	17	17	18	20	20	20	20	20	20	20
Tennis courts	12	12	12	12	12	12	12	12	12	12
Community centers	3	3	3	2	2	2	3	3	3	3
Water										
Water mains (miles)	159	164	164	179	179	238	241	244	247	251
Fire hydrants	1,539	1,514	1,516	1,532	1,535	1,616	1,638	1,682	1,739	1,756
Maximum daily capacity (thousands of gallons)	6,540	6,540	6,540	6,540	6,540	6,540	8,500	8,500	8,500	8,500
Sewer										
Sanitary sewers (miles)	182	182	182	181	182	199	201	203	205	205
Storm sewers (miles)	54	50	48	49	44	18	22	23	29	30
Maximum daily treatment capacity (thousands of gallons)	4,978	4,482	6,040	6,040	3,827	3,662	6,040	6,540	6,540	6,540

Source: City of Coconut Creek, Florida.

Restated data for 2002 through 2008

CITY OF COCONUT CREEK, FLORIDA
Insurance Coverage Via PGIT
(continued)

October 1, 2010 through September 30, 2011

Table 19

Type of Policy	Type of Coverage	Insurer/Policy No.	Policy Period From / To	Liability Limits	Member Deductible
Workers' Compensation and Employers' Liability	Workers' Compensation Liabilities under F.S. 440	Preferred Governmental Insurance Trust WCFL1 0062801 09-02	10/1/2010 through 9/30/2011	Statutory Benefits per F.S. 440 \$1,000,000 per accident \$1,000,000 per employee - disease \$1,000,000 policy limit - disease	\$ -
Flood Insurance	Actual Cash Value on building. Replacement cost on content. Specified City properties within NFIP Zone A. All other properties & excess of NFIP Zone A properties are included under the property policy to occ/agg of \$5,000,000.	Fidelity Nat'l Property & Casualty Ins. Co. #091150025731 Govt. Ctr.-City Hall Fidelity Nat'l Property & Casualty Ins. Co. #091150025732 Govt. Ctr.-Public Works Fidelity Nat'l Property & Casualty Ins. Co. #091150025733 Govt. Ctr.-Auto/Land/Carp Fidelity Nat'l Property & Casualty Ins. Co. #091150025734 Govt. Ctr.-Equip. Bldg. Fidelity Nat'l Property & Casualty Ins. Co. #091150025735 Govt. Ctr.-Comm. Chamb. Fidelity Nat'l Property & Casualty Ins. Co. #091150025736 Govt. Ctr.-Storage Bldg. Fidelity Nat'l Property & Casualty Ins. Co. #091150025737 Gerber Park	8/6/2010 through 8/6/2011	\$500,000 bldg/\$500,000 cnts \$500,000 bldg/\$65,400 cnts, \$500,000 bldg/\$75,800 cnts \$149,300 bldg/\$11,900 cnts \$500,000 bldg/\$135,000 cnts \$109,700 bldg/\$8,700 cnts \$172,200 bldg/\$14,400 cnts	\$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000
Flood Insurance	Actual Cash Value on building. Replacement cost on content. Specified City properties within NFIP Zone A. All other properties & excess of NFIP Zone A properties are included under the property policy to occ/agg of \$5,000,000.	Fidelity Nat'l Property & Casualty Ins. Co. #091150025731 Govt. Ctr.-City Hall Fidelity Nat'l Property & Casualty Ins. Co. #091150025732 Govt. Ctr.-Public Works Fidelity Nat'l Property & Casualty Ins. Co. #091150025733 Govt. Ctr.-Auto/Land/Carp Fidelity Nat'l Property & Casualty Ins. Co. #091150025734 Govt. Ctr.-Equip. Bldg. Fidelity Nat'l Property & Casualty Ins. Co. #091150025735 Govt. Ctr.-Comm. Chamb. Fidelity Nat'l Property & Casualty Ins. Co. #091150025736 Govt. Ctr.-Storage Bldg. Fidelity Nat'l Property & Casualty Ins. Co. #091150025737 Gerber Park	8/6/2011 through 8/6/2012	\$500,000 bldg/\$500,000 cnts \$500,000 bldg/\$65,400 cnts, \$500,000 bldg/\$75,800 cnts \$149,300 bldg/\$11,900 cnts \$500,000 bldg/\$135,000 cnts \$109,700 bldg/\$8,700 cnts \$172,200 bldg/\$14,400 cnts	\$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000 \$1,000/\$1,000

CITY OF COCONUT CREEK, FLORIDA
Insurance Coverage Via PGIT
(continued)

October 1, 2010 through September 30, 2011

Table 19

Type of Policy	Type of Coverage	Insurer/Policy No.	Policy Period From / To	Liability Limits	Member Deductible
Crime Insurance	Employee Dishonesty incl. Faithful Performance of Duties Computer Fraud -	Fidelity & Deposit Company of MD CCP0065331 00	10/01/10 through 09/30/11	\$1,000,000 \$1,000,000	\$ \$ 10,000 10,000
	Depositors Forgery or Alteration and Theft, Disappearance & Destruction of Monies & Securities in/out			\$500,000	\$ 5,000
	Money Order/Counterfeit Currency			\$50,000	\$ 5,000
General Liability	Bodily Injury & Property Damage Combined Single Limit for all Premises/Ops.	Preferred Governmental Insurance Trust PK2FL1 0062801 09-02	10/1/2010 through 9/30/2011	\$1,000,000 per occurrence \$2,000,000 policy aggregate limit	\$ -
Employee Benefits Liab Fire Legal Law Enforcement	Claims made coverage Liability Legal Liability			\$1,000,000 per occurrence \$2,000,000 policy aggregate limit \$50,000 any one premise \$1,000,000 per occurrence/ or person \$1,000,000 policy aggregate limit	\$ 2,500
Automobile Liability	Bodily Injury & Property Damage Combined Single Limit for any "auto"			\$1,000,000 per occurrence/ or accident	\$ -
Public Official and Employment Practices Liability	Liability for Money Damages (other than B1 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	\$ 2,500
Accidental Death & Dismemberment	Liabilities under F.S. 118 & 119.191 Applicable to Police Officers & Fire Fighters	Harford Life Ins. Co. ETB108661	10/01/10 through 10/1/2012	Statutory Benefits per F.S. 118 & 119.191 2 year policy through 2012	\$ -





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,
Members of the City Commission
and City Manager
City of Coconut Creek, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund of the City of Coconut Creek, Florida (the "City") as of and for the year ended September 30, 2011, which collectively comprise the City of Coconut Creek, Florida's basic financial statements, and have issued our report thereon dated March 26, 2012. 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.

Internal Control Over Financial Reporting

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

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 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 in a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

City of Coconut Creek, Florida

This report is intended solely for the information and use of the City Commission, management, federal awarding agencies and pass-through entities and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than those specified parties.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
March 26, 2012



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited the City of Coconut Creek, Florida's (the "City") compliance with the types of compliance requirements described in the OMB Circular A-133 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, 2011. The City's major Federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major Federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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 OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the 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, 2011.

Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to Federal programs and state projects. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

City of Coconut Creek, Florida

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 in a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of City Commission, management, Federal and state awarding agencies and pass-through entities, and is not intended and should not be used by anyone other than these specified parties.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
March 26, 2012



INDEPENDENT AUDITORS' REPORT TO CITY MANAGEMENT

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

We have audited the financial statements of the City of Coconut Creek, Florida (the "City") as of and for the year ended September 30, 2011, and have issued our report thereon dated March 26, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters; Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance; and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 26, 2012, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which govern the conduct of local government entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the City complied with Section 218.415, Florida Statutes.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of 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 more than inconsequential. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information is disclosed in Note 1 to the financial statements.

City of Coconut Creek, Florida

Section 10.554(1)(i)7., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Section 10.554(1)(i)7b., Rules of the Auditor General, requires that we determine whether the annual financial report for the City For the Fiscal Year Ended September 30, 2011, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2011. In connection with our audit, we determined that these two reports were in agreement.

Pursuant to sections 10.554 (1)(i)7.c., and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
March 26, 2012

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended September 30, 2011

Federal Agency, Pass-through Entity Federal Program	CFDA Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
FEDERAL AGENCY NAME:				
Direct Programs:				
United States Department of Justice Federal Forfeitures Bulletproof Vest Partnership Program	16.XXX 16.607	- -	\$ 338,001 18,572	\$ - -
United States Department of Housing and Urban Development Community Development Block Grants ARRA Entitlement Grants	* 14.253	B-09-MY-12-0054	55,288	-
Community Development Block Grants/Entitlement Grants	* 14.218	B-09-MC-12-0054	122,679	-
	* 14.218	B-10-MC-12-0054	63,754	-
	* 14.218	B-08-MC-12-0054	71,726	-
			<u>258,159</u>	-
United States Department of Energy Energy Efficiency and Conservation Block Grant (ARRA)	81.128	DE-SC000265	29,003	-
Indirect Programs:				
United States Department of Homeland Security Passed through Florida Division of Emergency Management Pre-Disaster Mitigation Grant	97.047 97.047	10DM-45-11-16-02-072 10DM-5J-11-16-02-422	76,852 67,360	- -
			<u>144,212</u>	-
Non-profit Security Program	97.008 97.008	N/A N/A	21,907 14,467	- -
			<u>36,374</u>	-

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 (continued)
 For the Year Ended September 30, 2011

Federal Agency, Pass-through Entity Federal Program	CFDA Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
FEDERAL AGENCY NAME:				
Indirect Programs (continued):				
Federal Highway Administration, Department of Transportation Passed through State of Florida Department of Transportation Highway Planning and Construction	* 20.205 * 20.205	FM# 422210-1 FM# 422209-1	34,856 486,971 <u>521,827</u>	- - -
Passed through Florida Department of Environmental Protection Recreational Trails Program	* 20.219	T26029	42,090	-
United States Department of Justice Passed through Broward County Sheriff's Office Edward Byrne Memorial Justice Assistance Grant Edward Byrne Memorial Justice Assistance Grant (ARRA)	16.738 16.804	2009-DJ-BX-1425 2009-SB-B9-3324	10,313 40,218	- -
Passed through Florida Department of Law Enforcement Edward Byrne Memorial Justice Assistance Grant (ARRA) Edward Byrne Memorial Justice Assistance Grant	16.803 16.738	2010-ARRC-BROW-9-W7-026 2011-JAGD-BROW-7-B3-082	25,772 <u>10,000</u>	- -
Total Expenditures of Federal Awards			\$ 1,529,829	\$ -

* Denotes a major program

CITY OF COCONUT CREEK, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
September 30, 2011

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the grant activity of the City and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

NOTE 2 - CONTINGENCY

The grant 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 agencies would become a liability of the City of Coconut Creek, Florida. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

NOTE 3 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE

Complete Catalog of Federal Domestic Assistance ("CFDA") numbers are presented for those programs for which such numbers were available. CFDA prefixes are presented for programs for which a complete CFDA number is not available.

CITY OF COCONUT CREEK, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the Year Ended September 30, 2011

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements.
2. No material weaknesses relating to the audit of the basic financial statements are reported in the 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.
3. No instances of noncompliance material to the basic financial statements of City of Coconut Creek, Florida, were disclosed during the audit.
4. No material weaknesses relating to the audit of the major Federal programs are reported in the Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major Federal programs for City of Coconut Creek, Florida expresses an unqualified opinion.
6. No audit findings relative to the major Federal programs for City of Coconut Creek, Florida are reported in Part C of this schedule.
7. The programs tested as a major program are as follows:

Federal Programs	Federal CFDA No.
United States Department of Housing and Urban Development Community Development Block Grant ARRA Entitlement Grant	14.253
Community Development Block Grant/ Entitlement Grants	14.218
United States Department of Transportation Highway Planning and Construction	20.205
Recreational Trails Program	20.219

8. The threshold for distinguishing Types A and B programs was \$ 300,000 for the major Federal programs.
9. City of Coconut Creek, Florida was determined to be a low-risk auditee pursuant to OMB Circular A-133.

CITY OF COCONUT CREEK, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(continued)
For the Year Ended September 30, 2011

B. FINDINGS - FINANCIAL STATEMENT AUDIT

NONE

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS

NONE

D. OTHER ISSUES

No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings related to Federal programs and state projects.

No Corrective Action Plan is required because there were no findings reported under the Federal Single Audit Act.

