

Coconut Creek

BUTTERFLY CAPITAL OF THE WORLD[®]



**POPULAR ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDING SEPTEMBER 30, 2007**

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Coconut Creek

Butterfly Capital of The World™



Dear Citizens of Coconut Creek,



The City of Coconut Creek is pleased to present the City of Coconut Creek's first Popular Annual Financial Report (PAFR) regarding the finances and administrative activities of the City for the fiscal year ending September 30, 2007. This report provides a brief analysis of where the City's revenue comes from and where the dollars are spent, as well as trends and the local economy. Importantly, the report is designed to present an understandable and easy to read financial report.

The PAFR summarizes the financial activities of the City of Coconut Creek's government and was drawn from the financial information appearing in the 2007 Comprehensive Annual Financial Report (CAFR). The PAFR is unaudited and not presented in the Generally Accepted Accounting Principles (GAAP) format.

On behalf of the City Commission, I thank you for taking a moment to pick up and read our Popular Annual Financial Report. This report is one of our opportunities to let you know how the City is doing financially.

In 2007, the City was recognized and received awards from the Government Finance Officers Association for the commendable work done on the City's annual budget and the comprehensive annual financial report. Communication to the public increased with expanded programming of the City's public access channel 78. Also, E-government was expanded to handle internet requests for building inspections, checking the status of a permit, code compliance activities, and automated payments for fitness memberships. In addition, the City has become a Passport Acceptance Facility allowing citizens to apply for passports at City Hall. These are excellent examples of dedication the City officials and administration have in providing great service to our citizens, as well as the residents' commitment in support of our great City.

During the coming year, City officials and administration will continue planning for the future by working with citizens through Town Hall meetings, developing long-range strategic plans, and continuing to provide excellent services to you.

Sincerely,

John P. Kelly
City Manager



Coconut Creek

Butterfly Capital of The World™

Coconut Creek is a beautifully developed community of residential, commercial, and recreational areas located in Broward County, South Florida, and on the semi-tropical coastal ridge between the Everglades and the Atlantic Ocean. Families and retirees are drawn to our inviting climate, highly desirable strategic location, and "personal touch" approach to business, education, healthcare, recreation, and government.



Created in 1967 by the Legislature of the State of Florida, the City of Coconut Creek occupies approximately 12 square miles in the northern portion of Broward County, the second most populated county in the State. With its population of 48,207 people, the City ranks 15th in population among 31 municipalities in the County.

Coconut Creek is located in the greater Fort Lauderdale area in northern Broward County, Florida. Beach access is less than 9 miles away from most parts of the City and Coconut Creek enjoys close proximity to West Palm Beach, Boca Raton, and Miami.

Residents of the City of Coconut Creek enjoy many recreational facilities within the City limits, including twenty local parks and two county parks: 540-acre Tradewinds Park and 250-acre Fern Forest Park. The City's largest is Sabal Pines Park, a 54-acre park, which includes many inviting amenities such as baseball and soccer fields, tennis courts, two roller hockey rinks, a nature trail, a two-story facility that overlooks the entire park and a beautiful lake.

Coconut Creek is the first City in Florida to be certified as a Community Wildlife Habitat by the National Wildlife Federation. The program resulted in the initiation of a wildlife gardening lecture series, educational programs for City schools, and the certification of over 190 homes as Backyard Wildlife Habitats.

In a continuing effort to create and maintain a healthy balance of new growth and development in proportion to environmental and resource conservation, the City looks forward to the advancements that lie ahead and takes pride in its accomplishments of the past. We protect our wildlife and natural regions through a progressive planning approach, which creates a unique lifestyle for our residents and businesses. The City is currently focused on Creek Commons, a centralized downtown area that will serve as the heart of the community, providing opportunities for residents to live, work, shop, and play.

City Profile

About The Report

The PAFR

This report is presented in two sections. The first provides the City's overview. It includes its government form and structure. This section also provides a brief summary of this year's progress/activities relating to the City's downtown area, the economic development in the City, the City's Parks & Recreation Department, the City's community involvement, and a few key capital improvement projects.

The second part of this report provides a brief analysis of where City revenues come from and how they are spent, as well as some economic information about our City. The Popular Annual Financial Report (PAFR) of the City of Coconut Creek is presented as a means of increasing public awareness about the City's financial condition through a more user-friendly presentation.

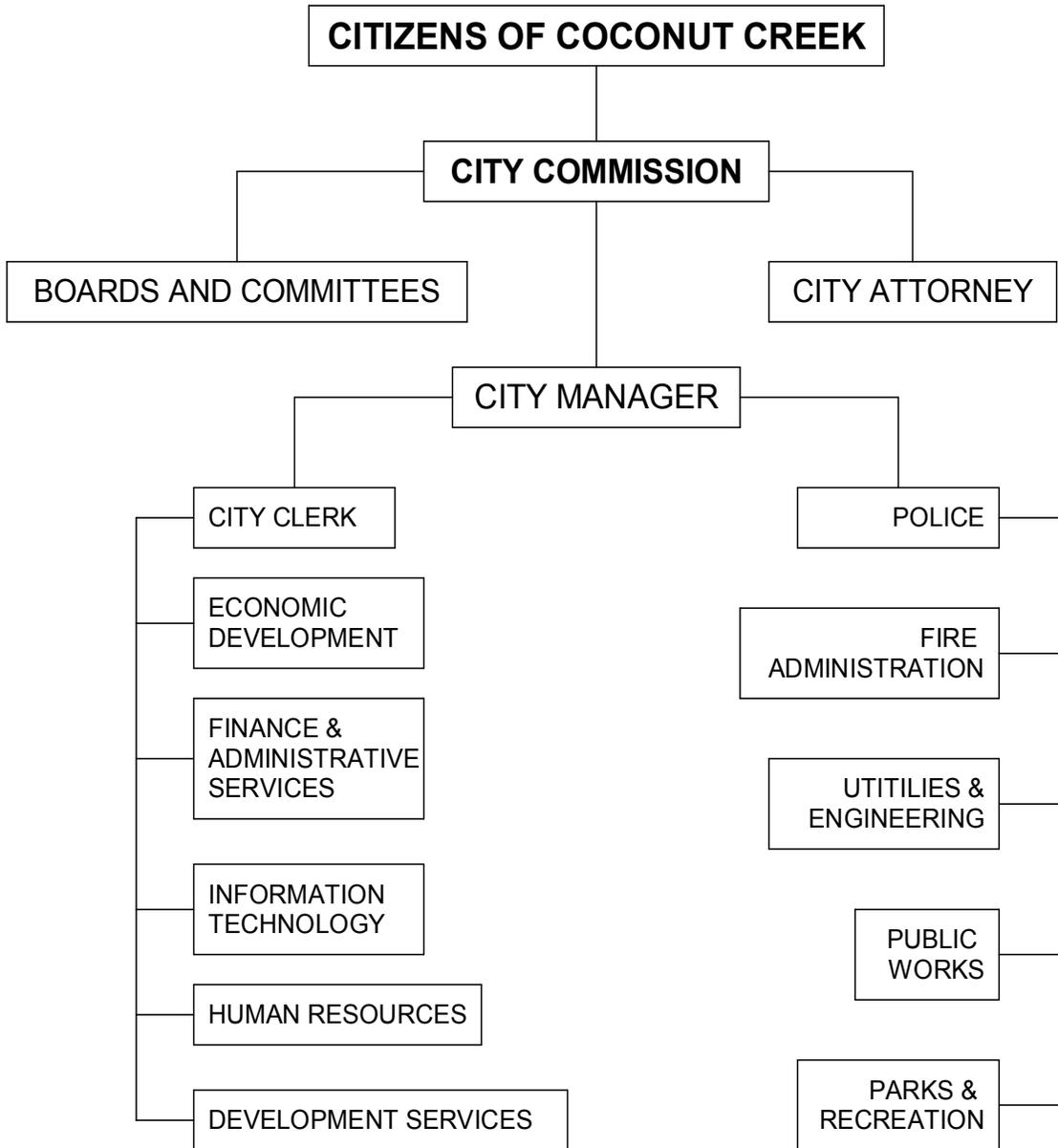
The financial information presented here is derived from the City's Comprehensive Annual Financial Report (CAFR) but is presented here in summarized form. The CAFR outlines the City's financial position and operating activities for the year in great detail and is prepared in conformance with accounting principles generally accepted in the United States (GAAP) and includes financial statements audited by McGladrey & Pullen LLP. The presentation here reflects the City's governmental operations. Information on governmental funds is presented using the current financial resources measurement focus and the modified accrual basis of accounting. Governmental activities are those primarily supported by tax dollars for services such as parks and recreation, public safety and physical environment.

Our Popular Report includes a condensed statement of net assets and statement of activities. The statement of net assets presents information on all assets and liabilities of the City, with the difference between assets and liabilities reported as net assets. The statement of activities presents information on all revenues and expenses of the City and the change in net assets. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions of the City. This Popular Report, because of its summary nature, does not conform to GAAP and associated reporting standards set forth by applicable governing bodies and is not audited. The GAAP basis financial statements are presented in the City's CAFR which includes the presentation of individual funds, as well as full disclosure of all material events, financial and non-financial, in the notes to the financial statements. Individuals who desire to review GAAP basis, full disclosure financial statements should refer to the City's CAFR. The City's CAFR is available upon request of the Finance Department or through the City's website at www.coconutcreek.net

Governmental Structure

Coconut Creek

Governmental Structure



City Government

The Commission

Sidebar
Proclaimed—"Butterfly
Capital of the World" in
2002

Coconut Creek operates with a commission-manager form of government. This structure combines the strong political leadership of elected officials, in the form of City Commissioners, with the strong managerial experience of an appointed City Manager.

Specific duties of the City Commission includes hiring the City Manager, approving the Annual Operating Budget and Capital Improvements Program, approving expenditures and disbursements, as well as adopting ordinances and resolutions according to legal procedures and land use plans.

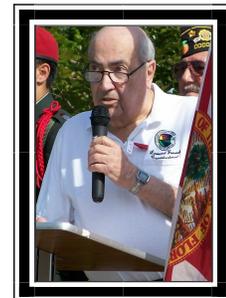
There are five Commissioners on the City Commission and each Commissioner represents a district. Each Commissioner is elected and serves a four-year term.

The Mayor and Vice-Mayor are selected by the Commissioners from among themselves and they serve in that position for a period of one year.

The City Manager is responsible for the departments and staff who oversee the delivery of public services.



The Coconut Creek City Commission: From left to right, Commissioner Marilyn Gerber, Commissioner Leonard Freund, Vice-Mayor Becky Tooley, Mayor Lou Sarbone



Celebrating our 40th Anniversary

Happy Birthday Coconut Creek!



The year 2007 marked Coconut Creek's 40th Anniversary and, as a result, many events were held to commemorate this milestone. These events include:



Annual Butterfly Festival, held on the last Saturday in February, celebrates the City's Anniversary and provides an afternoon and evening of live music, delicious eating, face painting, interactive games, rides, activities and fireworks. Even local businesses have the opportunity to showcase their goods and services during this event at our Business Expo. The Festival attracted 8000 people in 2007.

Butterfly Ball, held in February was attended by City dignitaries, both past and present, as well as representatives from businesses, schools, local organizations and residents. It was attended by 250 people, who enjoyed live music, a special video on the history of the City, recognition of founding residents, dancing and delicious food.



On March 30, the City held its first **Parade** in 15 years to celebrate its 40th Anniversary, with the theme of *"happenings through the decades, beginning in 1967"*. The Parade attracted 45 groups. These included elementary, middle, high school and private schools, non-profit organizations like MOMS Club, girl scout and boy scout troops, local businesses and clubs and of course, marching bands. Beautiful floats, decorated cars and colorful groups walked the almost 2-mile route from Monarch High School to Sabal Pines Park. City Commissioners and local politicians led the way.

40th Anniversary Inaugural Events

During our 40th Anniversary, we added several new special events. In May we held our first **Car & Truck Show** at the Community Center. The show featured 125 cars and trucks and attracted approximately 1,100 people throughout the day.



November was our first **Antique & Collectible Show**, held in the gymnasium at the Recreation Complex. There were 45 vendors and approximately 400 attendees.



In December, we decided to combine budgets from two separate holiday events that serviced approximately 100 children to an event that accommodated over 2,000 children! December 8th was the birth of **Winder Wonderland**, an evening event at Sabal Pines Park that featured real snow, arts and crafts, a dazzling display of lights and decoration, a holiday movie, food, entertainment from the local elementary school choruses and a visit from Santa.

Community Involvement

Coconut Creek Residents Get Involved!

Community Emergency Response Team



The Coconut Creek Community Emergency Response Team (CERT) was started in May 2006. The first CERT Academy consisted of City Department Directors. These department heads learned about Emergency Preparedness, First Aid, CPR, Defibrillator use, Fire Suppression, Search & Rescue, Disaster Psychology, Pre & Post Disaster Operations, and participated in a mock disaster where they were able to use their skills.

The Coconut Creek Fire Administrative Division has committed to teach two CERT Academies each year. These academies consist of residents of the City of Coconut Creek, or persons employed by businesses in the City. Following CERT graduation, each member attends quarterly training to further improve their emergency response skills. Team members are trained to meet their fellow CERT Team members at prearranged rally points in their community, in order to begin their search and rescue operations, following natural or man made disasters.



CERT Academy Graduating Class of March 2007

In fiscal year 2007 City Commissioners assisted in the graduation of one CERT Academy in November 2006 and another in March 2007 adding fifty new members.

In July 2007 forty eight CERT members attended the first quarterly training session and learned about traffic control and direction, as well as worked an emergency response table top planning exercise.

Today, there are 79 CERT members assigned to twelve different community teams located throughout the entire City. The next CERT Academy is scheduled for September 3, 2008.

Citizen's Academy



2007 Graduating Class of the Citizens Academy

The City of Coconut Creek held its first interactive nine-week Citizen's Academy in the Fall of 2007. The Academy taught residents how City government and individual departments operate. Personnel who manage or perform City services each taught a 2 ½ hour class. The goal of the Academy was to provide relevant information and materials that will enable citizens to understand how the departments that make up their local government serve their community. Proper understanding helped to dispel common misconceptions and increased community cooperation. The Academy graduated twenty-six Coconut Creek residents, ages eighteen and above, who dedicated one day a week to learn how Coconut Creek is organized and managed. There was no charge to join the Academy.

Other goals of the Citizen's Academy include: developing civic "ambassadors" within Coconut Creek neighborhoods who can become trusted and reliable sources of information for their neighbors; developing a diverse group of citizens who can offer "ex-officio" advice and feedback on current project, initiatives, or events; building a civic leadership network that increases participation in local affairs; providing City officials with an idea of public sentiment early in the decision-making process; and creating a sense of exclusivity that inspires others to want to participate in the program.

Parks & Recreation

Community Events, Sports, Fitness & Cultural Activities

Sidebar

2 fitness centers
20 city parks/
playgrounds
227 acres of active
and

Coconut Creek offers over one hundred recreation programs for residents of all ages, not including major events or volunteer non-City run athletic leagues. Twenty-five hundred to four thousand kids participate in City and non-City run athlete league programs.

The **Recreation Complex** and the **Community Center** accommodated our City's growth this year by hitting an all time participation attendance high by providing a variety of recreation and cultural activities for all ages. These facilities are home to the Teen Club, Youth Club, Children's Theater Group and the Senior Center. Fully equipped with high speed internet access, our facilities have also earned the honor to host a variety of state, county and local groups/organizations. The Coconut Creek Chamber of Commerce, Broward Alliance, State Attorney's General Office, Southeast Florida Governmental Purchasing Co-op Group, Broward County Police Training, and Florida Atlantic University, and a number of other county and state functions have requested use of the Community Center as a premiere facility for meeting use.

The **Fitness Center North** (Recreation Complex) provides over 3,000 square feet of fitness facility, with equipment including cardiovascular equipment, strength equipment and free weights. The **Fitness Center South** (Community Center) offers close to 2,000 square feet of cardiovascular and strength training equipment. During 2007, the Fitness Centers held many Citywide fitness events: Super Bowl Fitness, Turkey Trot, Boot Camp, Pee Wee Olympics as well as many Obesity Programs for children and adults.



In October of 2007, the City of Coconut Creek Parks & Recreation Department began offering **Healthways - Forever Fit** to our community. This is a fully funded fitness benefit for eligible members to enjoy a basic membership. Healthways-Forever Fit allows insurance members to be identified by their insurance cards to sign up to make a positive lifestyle change.

The **Rowe Center**, recently renovated and dedicated in April 2006, houses the Coconut Creek Women's Club, MOMS Club, Coconut Creek Girl Scouts Troops and the Coconut Creek Quilters Club, and is used for the City's toddler programs, such as early enrichment programs, Mommy & Me classes and Kinder Gym.

The City hosts several annual events that increase in attendance and popularity each year.

Annual Halloween Blast, held the last Saturday in October, celebrated the mystery, the fun, and the excitement of Halloween. When the sun goes down, this annual event attracts over 5,000 kids from 2 to 92, who enjoy rides, games, food, live entertainment and the scariest haunted house in South Florida.

Another annual tradition is our **5k Butterfly Run**. Each year, more runners, walkers and strollers partake in this USA Track and Field sanctioned event. In 2007, the number of participants increased from 2006, reaching over 550 runners from ages 6 years to over 75 years old. 2008 promises to attract more participants, as the annual Run grows in status and recognition.



In 2007, we honored those who have served our country in special ceremonies at Veteran's Memorial Park at the **Annual Veteran's Day Ceremony** and **Memorial Day Ceremony**.

Mainstreet

Developing Our Green Downtown

Imagine a few square miles filled with varieties of restaurants, upscale retail stores, brand new condominiums and town homes, all surrounded by lush greenery and connecting walkways. Well imagine no more. Coconut Creek is in the process of developing our very own downtown area right in the heart of the City bound by Wiles Road to the north, Lyons Road to the east, Sample Road to the south, and State Road 7 to the west.



Promenade at Coconut Creek

Environmentally Conscious Planning



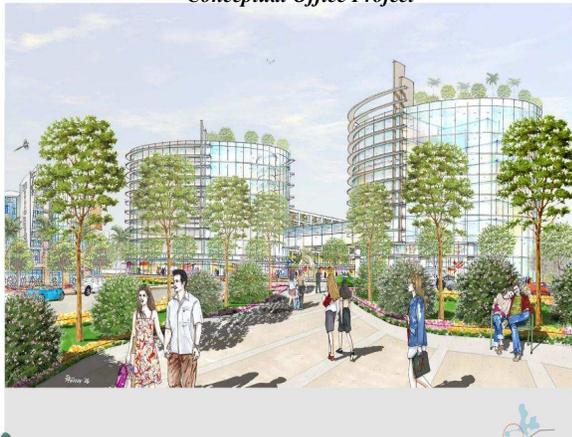
Coconut Creek is widely recognized as a well-planned community with a unique environmental consciousness. The City has a progressive planning approach to creating a unique lifestyle for its residents and businesses with beautiful parks, a master greenway plan, and certification as a Community Wildlife Habitat. It is this environmentally consciousness and progressive planning approach that has lead the City to desire a sustainable, centralized downtown area that can serve as the heart of the community.

The MainStreet Design Standards document was adopted by the City Commission in 2004 and establishes the vision for sustainable, mixed-use downtown environment that embodies the distinctiveness of Coconut Creek and will serve as a local and regional destination. The document promotes the development of a pedestrian-oriented, mixed-use community, organized around substantial, centralized and contiguous recreational open space. The efficient development of land resources, compact development with a variety of housing choices, alternative transportation options, and green building techniques are fundamental criteria of the MainStreet vision.



Promenade at Coconut Creek

Conceptual Office Project



In support of the City's progressive environmental consciousness, the document requires all buildings to be "green and sustainable", and be certified by the U.S. Green Building Council or the Florida Green Building Coalition, Inc. This progressive planning requirement was developed to showcase architecture that is based on function rather than style thereby, increasing the efficiency with which buildings and their sites use and harvest energy, water, and materials. The City's goal is to be the first City in the country, to have a contiguous certified green building project. This effort has been recognized by the Florida Chapter of the American Planning Association (FAPA), which granted our document with an Award of Excellence in planning for the project's innovation, transferability, quality, implementation, and comprehensiveness.

With an ambitious development program of over a million square feet of commercial development, 2,700 residential units, 1,300 hotel rooms, 300,000 square feet of community facilities, large open space and recreation components, and 14 acres of conservation, the downtown area will definitely become a destination in Broward County.

Economic Development

Building Faster Than Ever

Sidebar
Over 1,400 business licenses issued



Businesses enjoy Coconut Creek for a variety of reasons including our picturesque neighborhoods, family and professional atmosphere, convenience to major highways, and access to our diverse community. For many years, businesses have flocked to Lyons Technology Center and Coconut Creek Business Park which are rapidly becoming known as the hotspots for doing business in north Broward and south Palm Beach counties. New businesses will have plenty of office and retail space to choose from since development is fast under way. This includes El Dorado Shopping, Boulevard Professional Center, Caligo Crossing including a Kohl's Department Store, and the Strada Development

Companies such as Fidelity Bank, LA Fitness, Globex, ParkCreek Surgical Center, Blue Water Grill, Windy City Beef, Wing Stop and Solantic Urgent Care, now call Coconut Creek home.

The Promenade at Coconut Creek is currently under construction in the City's MainStreet area, the future downtown. This mixed-use project will include national tenants such as DSW Shoes, Ann Taylor Loft, Banana Republic, Chico's, and office space. The project is scheduled to open in the fall of 2008. Also within the MainStreet area, is a proposed project called Village at Marbella. This mixed-use project proposes a 150 room hotel, up to 180,000 square feet of commercial and office space, and 756 residential units.



In addition, the Seminole Tribe of Florida has submitted development applications for an expansion of the existing Coconut Creek Casino facility. The proposal includes a 1,000 room hotel, over 100,000 square feet of retail space, entertainment venues, convention space, parking structures, and outdoor pool and spa facilities.

Now that businesses have flocked to Coconut Creek to take advantage of vast opportunities, how do we help these businesses flourish in our City? The Coconut Creek Chamber of Commerce serves as a conduit of information. The Chamber keeps members informed of legislative issues, hurricane preparedness, educational opportunities and other matters that stimulate business growth.



Capital Improvements

Keeping the City at its Best!

The City continued its capital improvement program during fiscal year 2007 through sustained reinvestment in infrastructure assets. Some of the City's key capital initiatives during the fiscal year were as follows:

South Creek Bridge Repair—This project addressed structural deficiencies identified during routine inspections, which identified delaminations, spalls, separated bridge rails, erosion and poor joint conditions.



Pinecreek Greenway—This project includes street furniture, lighting and other park amenities. Wal-Mart Stores East, LP and Deerwood Estates, Inc. are contributing a portion of the cost.

Wiles Road Pump Station—Installed a new water pump to improve water pressure.

Water Storage Tank—Construction of a second two million gallon water tank in the northwest quadrant of the City. The new second water storage tank will boost water pressure in the northern area. The anticipated completion date of this project is June 2009.



Educational Corridor—The City has been working diligently on developing street enhancements 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 bus shelters, landscaped open spaces, and a dedicated bicycle and pedestrian multi-purpose path. So far, a conceptual design plan has been developed for the entire corridor including graphics for transit stops, pedestrian connections, signage, architectural standards and landscape design. Final plans will be complete in early 2008 and the City will be working with our partners, the Florida Department of Transportation and Broward County to fund the construction of the planned improvements.

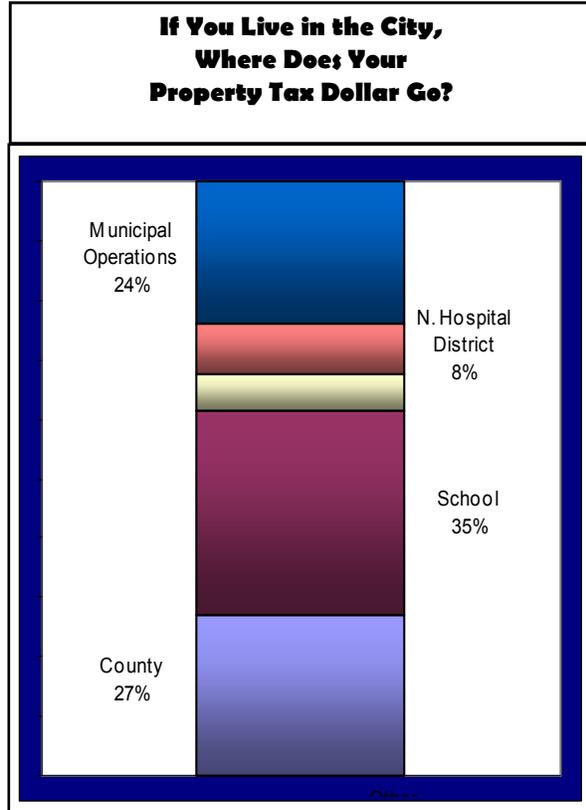


Property Taxes

Where Do Your Property Taxes Go?

Growth in the City of Coconut Creek's assessed value has averaged 12.9% per year for the last 10 years. Over the last year, the City's assessed value increased by 20.8% to \$3,377,240,512. The millage rate of 5.3408 represented no increase over the previous year's millage rate.

As indicated to the right, the City's tax rate represents just 24% of the total property tax bill.



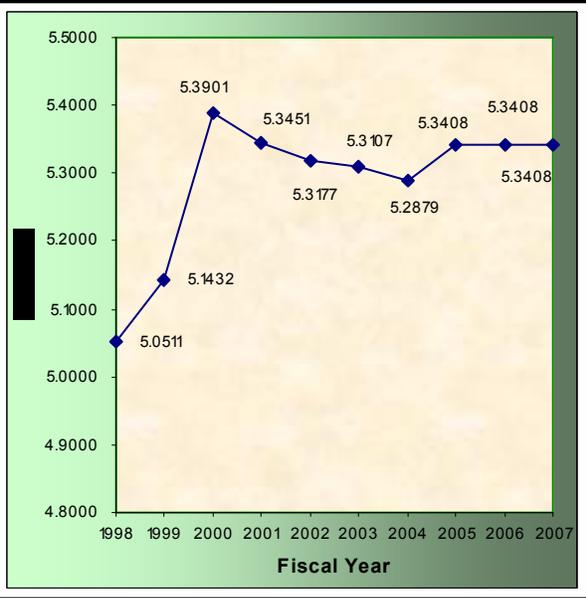
Residents Receive City Services

In 2007, the average Coconut Creek homeowner paid \$155.77 each month for non-utility services (based on assessed home value of \$375,000 less \$25,000 homestead) The checkbook below illustrates how this amount is divided among various City departments.

	Monthly Cost
Police	\$48.22
Public Works	\$32.21
Parks & Recreation	\$12.58
Fire	\$17.43
Debt Services	\$12.15
Finance, Human Resources & Information Technology	\$11.33
Risk Management/Insurance Services	\$ 8.71
City Manager, City Clerk, City Attorney, & City Commission	\$ 8.30
Economic Development	\$ 2.16
Engineering	\$ 1.45
Code Enforcement	\$ 1.27

Average Homeowner	1002
City of Coconut Creek	DATE <u>March 30, 2007</u>
PAY TO <u>THE CITY OF COCONUT CREEK</u> \$ <u>155.77</u>	
<u>One hundred fifty five and 77/100</u> DOLLARS	
MEMO: Monthly property tax	
for City Services	<u>Taxpayer</u>

City Property Tax Rate



Governmental Funds

Revenues

The City maintains 12 individual governmental funds. The governmental funds reflect the City's basic services, including public safety, transportation, general government administration, physical environment, and culture and recreation. The majority of services are financed through shared state sales tax, local utility tax, property tax and direct charges for services. The two major funds of the 12 individual governmental funds are the General Fund and the 2003 Capital Projects Fund. The City's main governmental revenue categories are:

Property Taxes

Taxes collected from property owners based upon an assessed valuation and tax rate.

Intergovernmental

The combined resources received from other governments in the form of grants, entitlements, state shared revenue and state shared sales tax.

Licenses and Permits

Licenses and permits are the revenues received from selling the items.

Fines and Forfeitures

Fines are the revenues derived from fines levied in the courts and reverted back to the city. Forfeitures are properties seized by law enforcement.

Charges for Services

The combined resources of various departments for fees paid by the public, such as fire assessment fees and recreation fees.

Utility Taxes/Franchise Fees

Taxes on electric, water, gas, and telecommunications.

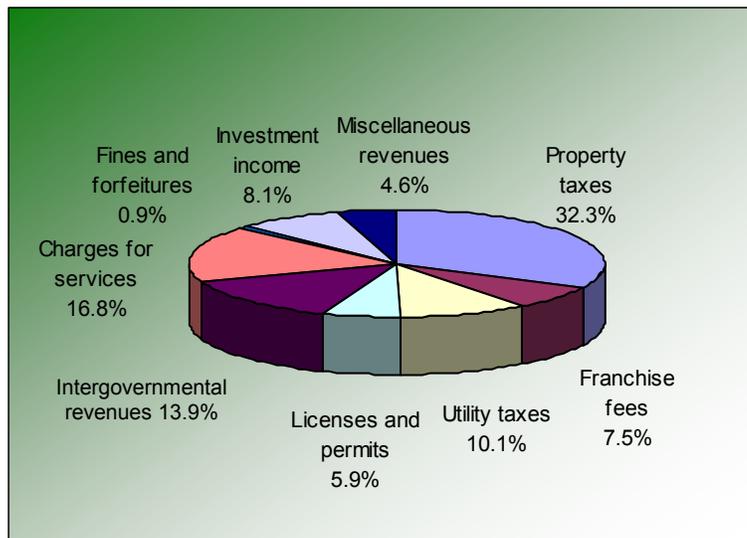
Investment Income

Income received from interest payments and capital gains collected from the sale of an investment vehicle.

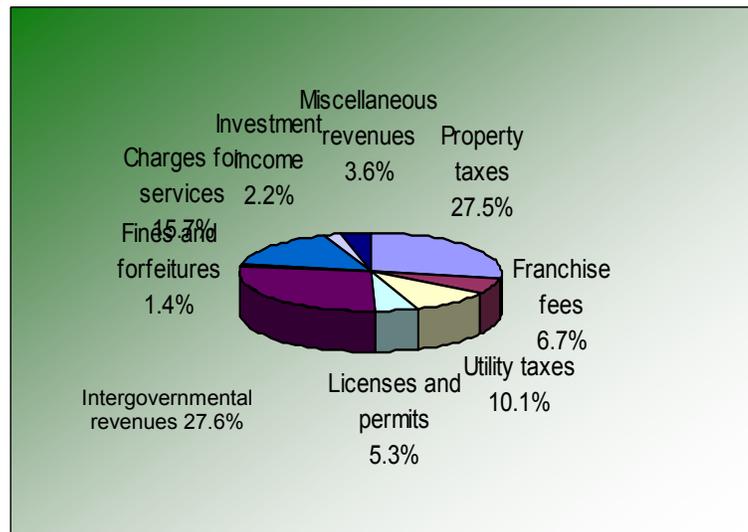
Miscellaneous Revenues

Revenues received that do not fall into the above designated categories, such as refunds, sale of surplus property, investment income, etc..

FY 2007 Revenues \$54 Million



FY 2006 Revenues \$53 Million

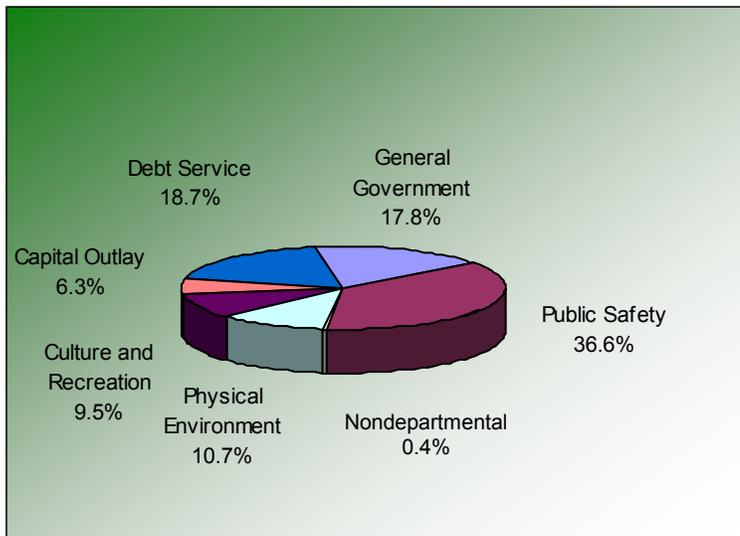


Governmental Funds

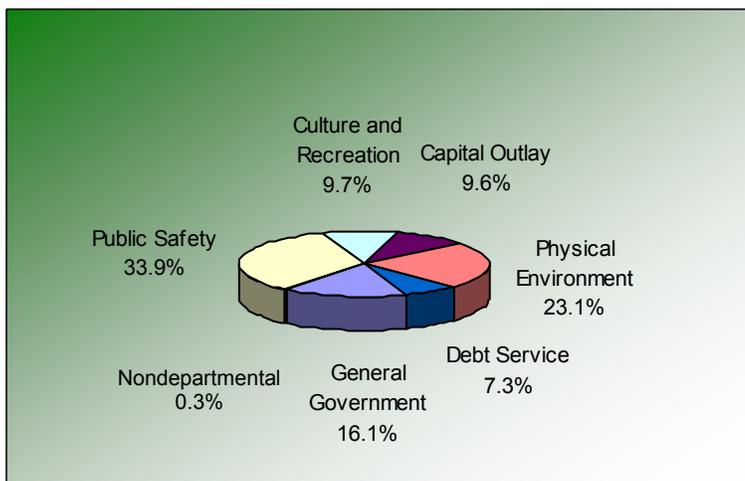
Expenditures

The City incurs a number of expenditures in providing “Great Service—All the Time.” The City Commission adopts the annual budget that sets the spending plan for the year. The City’s main categories of general fund expenditures are:

2007 Expenditures \$52 Million



2006 Expenditures \$52 Million



General Government

Expenditures are the expenses incurred for the administrative offices including the Mayor and Commissioners, City Manager, Legal, Finance, Human Resources, and the City Clerk.

Physical Environment

Expenditures reflect the costs incurred by the planning functions and the costs associated with maintaining the public buildings.

Public Safety

Expenditures reflect the expenses associated with providing public safety services in terms of police and fire operations.

Debt Service

Expenditures are related to the principal and interest payments related to the city’s debt. Composed of: principal, interest and fiscal charges.

Capital Outlay

Expenditures that are capital in nature defined as items costing above \$1,000 and having a useful life exceeding one year.

Non-Departmental

Accounts for some citywide expenditures that are not department specific such as equipment leases and purchases, debt service payments and grants.

Culture and Recreation

Expenditures reflect the expenses associated with services that enhance the culture of the community, such as recreation, sports, fitness, and special events.

Statement of Net Assets

Assets and Liabilities

This financial summary is based on a condensed view of the City's assets and liabilities for all funds at the City's fiscal year end, September 30, 2007.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$42.1	\$41.1	\$20.8	\$20.1	\$62.9	\$61.2
capital assets	71.7	70.1	49.6	49.3	121.3	119.4
Total Assets	113.8	111.2	70.4	69.4	184.2	180.6
Current and other liabilities	2.7	3.5	2.3	2.9	5.0	6.4
Long-term liabilities	34.4	42.1	0.3	0.3	34.7	42.4
Total liabilities	37.1	45.6	2.6	3.2	39.7	48.8
Net Assets:						
Invested in capital assets, net of related debt	42.3	32.5	49.6	49.3	91.9	81.8
Restricted	27.8	30.1	18.2	16.9	46.0	47.0
Unrestricted	6.6	3.0	-	-	6.6	3.0
Total Net Assets	\$76.7	\$65.6	\$67.8	\$66.2	\$144.5	\$131.8

Current and Other Assets: are assets that one can reasonably expect to convert to cash, sell or consume within one year.

Capital Assets: are the City's long-term investments in land, buildings, equipment, improvements, infrastructure and construction in progress. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Current and Other Liabilities: include primarily debt to be paid in one year or less. This includes accounts payable, accrued interest payable and deferred revenue.

Long Term Liabilities: represent mainly debt obligations of the City. The proceeds from these various debt issues are used to finance large projects such as building construction and renovations, major equipment purchases and land acquisition.

Net Assets Invested in Capital Assets, Net of Related Debt represent the City's investment in its capital assets less any related outstanding debt used to acquire those assets. However, 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.

Restricted Net Assets: are resources that are subject to external restrictions on how they may be used. The City of Coconut Creek has resources set aside for street construction, maintenance, and public safety.

Unrestricted Net Assets: represent the accessible resources to the City in order to provide services to the residents of Coconut Creek if there were no additional revenues or resources available.

Statement of Activities

The Statements

The financial summary is based on a condensed view of the City's revenues and expenses for all funds as the City's fiscal year-end, September 30, 2007.

City of Coconut Creek's Statement of Activities						
September 30, 2007 (in millions)						
	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues						
<u>Program revenues</u>						
Charges for services	\$12.7	\$11.8	\$12.6	\$13.0	\$25.3	\$24.8
Operating grants and contributions	1.7	8.7	0.1	0.3	1.8	9.0
Capital grants and contributions	2.3	0.9	1.7	1.2	4.0	2.1
<u>General revenues</u>						
Property taxes	17.4	14.5	-	-	17.4	14.5
Utility taxes	5.4	5.3	-	-	5.4	5.3
Franchise taxes	4.0	3.5	-	-	4.0	3.5
Intergovernmental	5.8	6.1	-	-	5.8	6.1
Investment income	4.4	1.2	1.1	0.8	5.5	2.0
Miscellaneous	1.0	3.2	0.2	0.2	1.2	3.4
Total revenues	54.7	55.2	15.7	15.5	70.4	70.7
Expenses						
General government	10.4	9.2	-	-	10.4	9.2
Public safety	19.8	18.7	-	-	19.8	18.7
Culture/recreation	5.6	13.0	-	-	5.6	13.0
Physical environment	6.6	5.7	-	-	6.6	5.7
Interest on long-term debt	1.2	1.5	-	-	1.2	1.5
Water and wastewater	-	-	13.4	13.1	13.4	13.1
Stormwater	-	-	0.7	1.1	0.7	1.1
Total expenses	43.6	48.1	14.1	14.2	57.7	62.3
change in net assets	11.1	7.1	1.6	1.3	12.7	8.4
Net assets-beginning	65.6	58.5	66.2	64.9	131.8	123.4
Net assets-ending	\$76.7	\$65.6	\$67.8	\$66.2	\$144.5	\$131.8

Statement of Activities

Description of Program Revenues and Expense Accounts

Program Revenues include:

Charges for Services— licenses, permits, and other fees, fines, forfeitures, and charges paid by the recipients of goods or services offered by City programs.

Operating (and Capital) grants and contribution— grants and contributions received from other governments, organizations and individuals that are restricted in some manner; and investment earnings that are restricted to meet the operational or capital requirements of a particular program.

General Revenues are those revenues that are not classified as program revenues. All taxes, even those that are levied for a specific purpose are considered general revenues. The descriptions of each general revenue can be found on page 10.

Program Expenses include:

General Government includes services for the general operations of the City departments such as finance, purchasing, information technology, legal, human resources, and risk management.

Public Safety includes emergency medical, fire services, building inspections and police services.

Culture/Recreation includes services provided through the City parks, including summer camps, fitness centers, and other recreation programs.

Physical Environment includes services that design, construct, operate, maintain and rehabilitate public facilities.

Statement of Activities

An Analysis

Governmental activities include the General Fund, Debt Service Fund, Capital Projects Fund, and Special Revenue Funds. Governmental activities increased the City of Coconut Creek's net assets by \$11.1, thereby accounting for 87% of the total growth in the net assets of the City of Coconut Creek.

Key elements of this increase are as follows:

- Property tax revenue increased by \$2.9 million during the year. \$2.2 million of this increase is attributed to an increase in the value of the property tax base by new construction and \$0.7 million is attributed to the increases in taxable value of existing property, mostly attributed to the increases in market value of residential and commercial property resale.
- Operating grants/contributions and capital grants/contributions decreased by \$7.0 (80.5%) and increased by \$1.9 (89.7%), respectively, mainly as a result of a decrease in grant-related expenditures during the year.
- Specifically for operating grants, the decrease is attributed to the City experiencing no hurricanes in FY 2007 compared to FY 2006, where the City experienced Hurricane Wilma, which attributed to \$7.5 in grant revenue in fiscal year 2006. Specifically for capital grants/contributions, the increase is attributed to the City receiving donated land valued at \$1.0, and the remaining increase is related to the timing of project expenditures and grant expenditures.
- Investment revenue increased by \$3.2 (266.7%). This increase can be primarily attributed to the sale of land held for resale. The gain on this sale amounted to \$2.6. The remaining increase resulted from the increase in interest rates and resulting increase in investment income.
- Miscellaneous revenues decreased by \$2.2 (68.8%). This decrease is attributed to a \$1.8 gain recognized in the prior year for the sale of land. In the current year, the City recognized a loss on disposition of assets of \$0.3.
- Expenditures decreased by \$4.5 (9.4%) during the year. This decrease can be attributed to the \$9.0 of Hurricane Wilma expenditures incurred in the prior year offset by the increase in expenditures, which closely parallel inflation growth in demand for services.

Business type activities are made up of the Water and Wastewater Utility Fund and the Stormwater Management Fund. Business-type activities increased the City of Coconut Creek's net assets by \$1.6 million, accounting for 13% of the total increase in the government's net assets. Revenues of the City's business-type activities increased 1.3% to \$15.7 million and expenses decreased 0.7% to \$14.1 million. Factors contributing to these results included:

- Capital grants and contributions increased by \$0.5 million, resulting from the increase in impact fees related to the number and size of projects that plan to be developed in the City.
- During the year, South Florida was experiencing severe droughts and thus requiring the City to enforce water restrictions. This resulted in decreased water sales, charges for services of \$0.4 million and a decrease in expenditures, since water is purchased from Broward County.

Statement of Activities

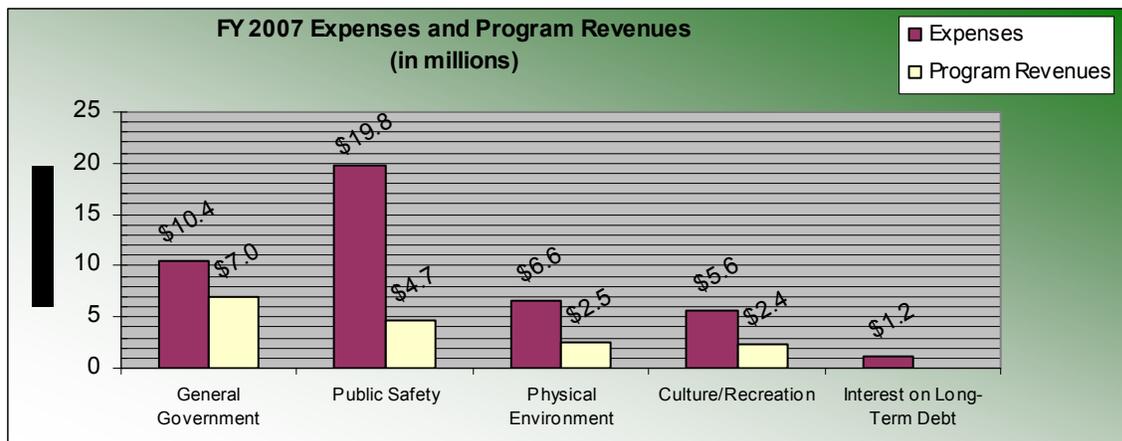
Program Revenues and Expenses

These graphs show the various program categories of revenues and expenses related to each of the City's operations.

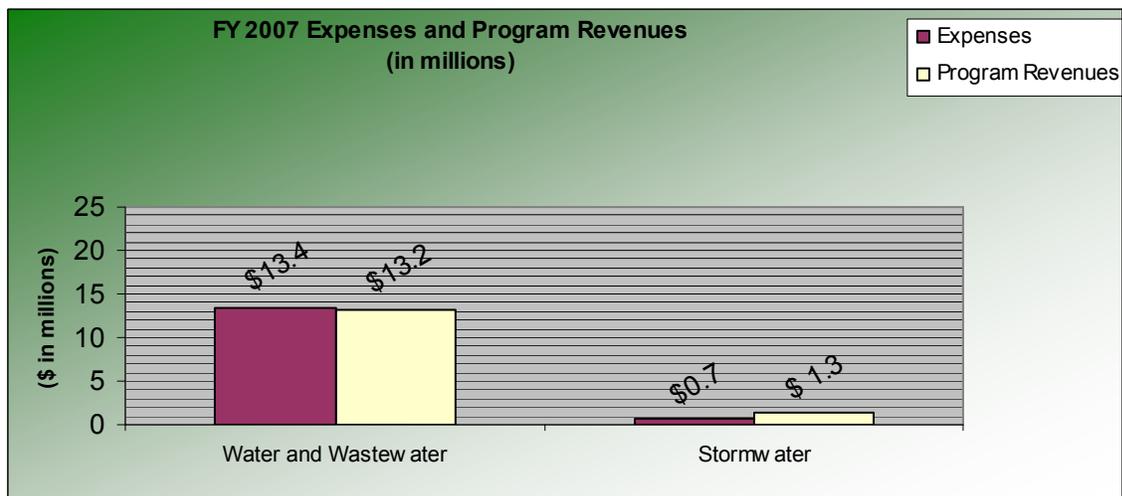
The chart below compares program revenues to program expenses for each category of governmental activities. For fiscal year 2007 the cost of all governmental activities was \$43.6 million. Some of that cost was financed by:

- Those who directly benefited from the programs through charges for services (\$12.7 million), and
- Other governments and organizations that subsidized certain programs through operating and capital grants and contributions (\$4.0 million)

The City financed the remaining 26.9 million "public benefit" portion of governmental activities with 26.8 million in taxes and with other revenues such as interest income.



The chart below compares program revenues to program expenses for each business-type activity.



Municipal Debt

Revenue Notes and Promissory Note

The objective of the City of Coconut Creek's debt management policy is to maintain the City's ability to incur present and future debt at the most beneficial interest rates to finance capital projects.

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 outstanding not to exceed 25 percent of the assessed value of taxable property in the City. The assessed value of property for the year 2007 is \$3.377 billion. If the maximum were reached with voter approval, the City would be able to increase its general obligation debt total by an estimated \$715 million dollars.

The City currently has five revenue notes and one promissory note outstanding as follows:

Revenue Note Series 2003A: Issued to retire the then outstanding Series 2001 Revenue Bonds. The original bonds were issued to provide additional funds for the City's purchase of land and other improvements in the City. The note has an eight-year term and is secured by electric franchise fees.

Revenue Note Series 2003B: Issued to retire the then outstanding Series 1997 Revenue Bonds. The original bonds were issued to fund the City's park construction program and other improvements to the City. The note has a fourteen-year term and is secured by electric franchise fees.

Revenue Note Series 2003C: Provides funds for various City Capital Improvement Projects. The note has a six-year term and is secured by electric franchise fees.

Revenue Note Series 2003D: This note provides funds for the City's land purchase and related costs for the City's "Creek Commons" project. The note has a thirteen-year term and is secured by electric franchise fees and proceeds from the sale of land purchased by this note.

Revenue Note Series 2004: Issued to retire the then outstanding Series 1994 Bonds. The original bonds were issued to construct a new City Hall. The note has a ten-year term and is secured by electric utility taxes.

Promissory Note: This note was executed with the seller for the City's purchase of approximately 19 acres of land. This note has a ten-year term.

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

Year Ending September 30,	Revenue Notes		Promissory Note		Total
	Principal	Interest	Principal	Interest	
2008	\$1,727,183	\$968,981	\$871,900	\$128,100	\$3,696,164
2009	2,509,093	1,056,513	906,776	93,224	4,565,606
2010	6,443,696	815,553	943,046	56,954	8,259,249
2011	2,568,261	583,200	480,772	19,229	3,651,462
2012	2,630,969	489,597	-	-	3,120,566
2013-2017	9,318,039	1,232,056	-	-	10,550,095
2018-2019	841,997	34,606	-	-	876,603
Total	\$26,039,238	\$5,180,506	\$3,202,494	\$297,507	\$34,719,745

Other Information

Assessing The Numbers

2007 Top Ten Taxpayers (2)

<u>Taxpayers</u>	<u>Industry</u>	<u>Taxable Assessed Value (in thousands)</u>
1. Club Caribe Associates LLC	Real Estate Investment	\$49,694
2. Forest Point 372 LLC	Real Estate Investment	\$33,039
3. Banyan Bay Ltd	Real Estate Investment	\$32,577
4. Southern Bell Telephone Co.	Utility	\$31,583
5. EB-Riviera Palms LLC	Real Estate Investment	\$28,003
6. CA New Plan Asset Partnership I LP	Real Estate Investment	\$27,838
7. HBC Inc	Real Estate Investment	\$27,387
8. Florida Power and Light	Utility	\$25,290
9. Atlyons LLC	Real Estate Investment	\$24,442
10. ERP Operating LTD Partnership	Real Estate Investment	\$24,361

Property Tax Rates (3)

<u>Year</u>	<u>City</u>	<u>County</u>	<u>Schools</u>	<u>N. Hospital</u>		<u>Total</u>
				<u>District</u>	<u>Other</u>	
1998	5.0511	7.8380	9.9745	2.4087	1.2626	26.5349
1999	5.1432	7.5710	9.7256	2.5000	1.2334	26.1732
2000	5.3901	7.5710	9.1283	2.4895	1.2112	25.7901
2001	5.3451	7.5250	8.9553	2.4803	1.1883	25.4940
2002	5.3177	7.4005	8.7541	2.4803	1.3171	25.2697
2003	5.3107	7.3650	8.8825	2.4803	1.3287	25.3672
2004	5.2879	7.1880	8.4176	2.5000	1.3200	24.7135
2005	5.3408	7.0230	8.2695	2.4803	1.3325	24.4461
2006	5.3408	6.7830	8.0623	2.1746	1.3265	23.6872
2007	5.3408	6.0661	7.8687	1.8317	1.3107	22.4180

Population and Assessed Value

<u>Year</u>	<u>Population (1)</u>	<u>Net Assessed Value</u>
1998	37,865	\$1,226,915,773
1999	39,445	\$1,375,605,924
2000	43,566	\$1,477,617,317
2001	45,517	\$1,628,575,137
2002	46,965	\$1,779,083,713
2003	47,471	\$2,009,800,609
2004	47,922	\$2,263,816,644
2005	48,340	\$2,495,795,479
2006	48,283	\$2,860,531,656
2007	48,207	\$3,377,240,512

Sources

- (1) Furnished by Broward County, Florida Planning Services Division. Population estimated as of April 1st of each year.
 (2) Furnished by Broward County, Florida Revenue Collector's Office
 (3) Furnished by Broward County, Florida Property Appraiser's Office

MORE INFORMATION

The City's Website is a source for information about city policies, services and events 24 hours a day 7 days a week. Log onto www.coconutcreek.net and find information on: employment opportunities, community events, bulk pick up collection schedules, public safety tips, transportation programs, fitness class schedules, and much more.

Residents can also take advantage of many online services to:

- Pay a Utility Bill
- Sign up for e-mail news
- Download Agendas and Meeting Minutes
- Permitting information
- Access City Forms
 - Employment Application
 - Permitting Application
 - Water Services Application
 - Engineering Permit Application



Awards & Certification

- ◆ Award of Excellence from Florida Chapter of the American Planning Council for development of our Mainstreet Design Standards
- ◆ Arbor Day Foundation Growth Award
- ◆ Arbor Day Foundation Tree City USA Certified Community
- ◆ GIS Freelance Application Award for interactive geographical information system maps
- ◆ Certified Community Wildlife Habitat through National Wildlife Foundation

The City of Coconut Creek Comprehensive Annual Financial Report (CAFR) for the year ended 2006 was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, that conforms to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our CAFR continues to conform to the Certificate of Achievement program requirements and we will be submitting our CAFR for the current year to the GFOA.

This report is available on the City of Coconut Creek's Website by visiting www.coconutcreek.net. Additional copies of this report may be obtained by contacting the Finance Department at (954) 973-6730.

Directory of Officials

City Manager

John P. Kelly

Deputy City Manager

David J. Rivera

Assistant City Manager

Mary C. Blasi

City Attorney

Paul Stuart

Assistant City Attorney

Nancy Cousins

City Clerk

Barbara S. Price

Director of Finance & Administrative Services

Karen M. Brooks

Director of Human Resources

Pamela Kershaw

Director of Development Services

Sheila Rose

Director of Information Technology

Eric Rupert

Chief of Police

George Raggio

Director of Utilities & Engineering

Raj Verma

Director of Parks & Recreation

Linda Wiederspan

The Public Information Office offers a weekly electronic newsletter to provide residents with the latest news. Contact Yvonne Lopez at ylopez@coconutcreek.net to sign up.

For more information relating to financial matters of the City of Coconut Creek, please call the Finance Department at (954) 973-6730.



**City of Coconut Creek
4800 West Copans Road
Coconut Creek, FL 33063**