

CITY OF COOPER CITY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2016**

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CITY OF COOPER CITY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT SEPTEMBER 30, 2016

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Greg Ross, Mayor
John Sims, Commissioner
Lisa Mallozzi, Commissioner
James C. Curran, Commissioner
Jeff Green, Commissioner
Bruce Loucks, City Manager

BROWARD COUNTY, FLORIDA

P.O. BOX 290910
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Cooper City, Florida 33329-0910
(954) 434-4300 • Fax: (954) 434-5099
coopercityhall@coopercityfl.org

June 7, 2017

To the Honorable Mayor, Commissioners and Citizens of Cooper City, Florida:

State law requires that all general-purpose local governments publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Further, the City charter requires an annual independent audit of all City accounts. Pursuant to those requirements, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the City of Cooper City, Florida for the fiscal year ended September 30, 2016.

This report consists of management's representations concerning the finances of the City of Cooper City, Florida. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Cooper City, Florida 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 Cooper City, Florida's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Cooper City, Florida'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.

The City of Cooper City, Florida's financial statements have been audited by a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Cooper City, Florida for the fiscal year ended September 30, 2016, are free of material misstatement. 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 Cooper City, Florida's financial statements for the fiscal year ended September 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Cooper City, Florida did not include the usual, federally mandated “Single Audit” report, since the funds received were below the threshold which would require such a report.

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

Profile of the Government

The City of Cooper City, Florida, incorporated in 1959, is located in the southwestern part of Broward County in the southeast part of the state. It is a bedroom community with very limited growth. The City of Cooper City, Florida currently occupies a land area of eight square miles and serves a population of 33,671. The City of Cooper City, Florida is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Commission.

Policy-making and legislative authority are vested in a City Commission consisting of the Mayor and four other members. The City Commission is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Commission, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The Commission is elected on a non-partisan basis. Commission members serve four-year staggered terms, with two commission members elected every two years. The Mayor is elected to serve a four-year term. The four commission members are elected at large to represent a certain district within the City. The Mayor is elected at large.

The City of Cooper City, Florida provides a full range of services, including police, code enforcement and fire protection through a five-year contract with the Broward Sheriff’s Office (BSO); the construction and maintenance of streets, and other infrastructure; water and sewer; storm water; growth management; recreational activities and cultural events. Certain sanitation services are provided through a franchise agreement with a private company. The BSO contract expires on September 30, 2019.

This report includes all funds of the City in accordance with GASB Statement No. 14 entitled “The Financial Reporting Entity.” Based on this pronouncement, the Entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with primary government are such that exclusion would cause the report to be misleading or incomplete. For the City of Cooper City, the Entity is only the primary government. While there are other taxing jurisdictions which levy property taxes upon property within the corporate limits of Cooper City including Broward County, the School Board, the South Broward Hospital District, and other special districts, they do not represent component units of Cooper City. Therefore, no financial information about those entities is included in the City’s financial statements.

The annual budget serves as the foundation for the City of Cooper City, Florida's financial planning and control. All departments of the City of Cooper City, Florida are required to submit requests for appropriation to the City Manager. The City Manager then presents a proposed budget to the Commission for review prior to July 1st. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City of Cooper City, Florida's fiscal year. The appropriated budget is prepared by fund and department (e.g., Recreation). Budgets are monitored at the activity level within each department. However, at the City Manager's discretion, actual expenditures may exceed their budget within an individual department. Transfers of appropriations between departments, in excess of 2.5% of total budget, require the special approval of the City Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General and Special Revenue Funds, this comparison is presented as part of the required supplementary section. For other governmental funds, with appropriated annual budgets, this comparison is presented in the supplementary information subsection of this report.

Economic Conditions and Outlook

In 2012, the City completed its Evaluation and Appraisal Report (EAR) of its Comprehensive Plan pursuant to Florida Statutes which requires cities to evaluate the progress they are making in meeting the Comprehensive Plan's Goals, Objectives and Policies at least once every seven years. The Plan is necessary to guide development of the City and to provide for managed growth while providing services and facilities for future residents paid for by new development. The Plan consists of Goals, Objectives and Policies with supporting documentation in the form of the following elements:

Future Land Use	Solid Waste
Traffic Circulation	Recreation and Open Space
Housing	Conservation
Water and Sewer	Intergovernmental Coordination
Drainage	Capital Improvements
Public School Facilities Element	

The City has updated the comprehensive plan and evaluated its progress by addressing the following issues, among others:

- Population growth and changes in land area
- The extent of vacant and developable land
- The financial feasibility of implementing the Comprehensive Plan
- Ability to provide needed infrastructure and services to achieve adopted levels of service necessary to support population growth
- The potential social, economic and environmental impact of changes to the community resulting from growth.

The current and projected population through 2020 is as follows:

2016	33,671
2017	33,834
2018	33,949
2019	34,061
2020	34,141

Residential and Commercial Development

The City's Growth Management Department has been working with the community to ensure its proper growth and development. Some of the more significant developments that have been, or are, undergoing review include the following:

Residential Projects

Monterra Development

The residential component of the Monterra development is now fully built out and all of the 1,652 dwelling units are now occupied. Cooper City led the state in population growth from 2010 to 2014 with a 22% surge in population. Since the City has been working on this project for many years, the impact of the new development on existing services had been anticipated and planned for. Our contract with Broward Sheriff's Office already contains provisions for police and fire/rescue services and utility lines on adjacent developments have been over-sized to provide for the new services. As part of this process, Cooper City has received additional dedications of land for recreational facilities and possibly a fire/rescue substation to be manned by BSO. Based upon the City's existing codes, the developer made substantial monetary contributions to the City in the form of recreational amenities, general government, and water and sewer impact fees.

Mill Creek at Cooper City

A residential subdivision called Mill Creek at Cooper City, was approved by the City Commission in 2013. The subject site is 16.51 acres in size and the site plan reflects 29 single family lots all exceeding 11,000 square feet in size, with average lot sizes exceeding 12,700 square feet. Construction is now complete and all Certificates of Occupancy have been issued.

The Sheridan Assisted Living Facility

In late 2014, the Cooper City Commission approved a site plan and plat amendment for a new assisted living facility with a building area of approximately 100,000 square feet. The building includes a 111-unit assisted living and memory care facility with a mix of studio, one-bedroom and two-bedroom units, for a total of 126 sleeping rooms (96 one-bedrooms and 30 two-bedrooms). Construction is now complete and the final Certificate of Occupancy has been issued.

Marin Ranches

Cooper City's newest single-family subdivision, Marin Ranches, was approved by the City Commission in January 2016. Kennedy Homes recently began development of this 20-acre site located on the east side of 106th avenue. The site consists of 19 lots, all in excess of 11,000 square feet, with a minimum home size of 3,000 square feet under air. The first Certificate of Occupancy has been issued.

Commercial Projects

Countryside Shops

The owners of Countryside Shops on Flamingo Road, Equity One, Inc., received approval to renovate the center with a brand new architectural façade, and to relocate of the Publix store to a new space further south in the same center. Cooper City is pleased that Publix will remain there and welcomes the face lift to invigorate the already successful shopping center. Renovations are now under way.

Nur-Ul-Islam

The first phase of this project was approved last year to include a 12,000 square foot school building, along with a 4,500 square foot mosque. A second phase including a 27,645 square foot addition to the school and an extra 7,775 square foot addition to the mosque has been proposed. The second phase is in development review pending the submittal of a traffic study.

Major Initiatives and Future Projects

Community Development Block Grant (CDBG) Funding

In 2016, Cooper City was awarded \$32,000 in CDBG Funding for Exercise and Fitness Equipment at Ted Ferone Park, 5090 SW 106th Avenue, Cooper City. This project, once completed, will allow the Recreation Department to implement a new senior fitness program. Cooper City's active adult senior population will have the ability to register for a program that will be led by a certified trainer who will provide instruction on proper use and exercise routines, to increase muscular strength, flexibility, balance and coordination for daily living. In addition, the CDBG Funding includes \$18,058 for Community Center parking lot improvements. This project will improve parking lot areas and enhance ADA accessibility at the Cooper City Community Center, where many of our senior activities and programs take place. As a final component of the CDBG grant funding, \$15,000 will help fund the Senior Transportation Program. The program is designed to provide free transportation to our senior citizens, on a shuttle bus. Riders are transported to and from the doctor/dentist office, or other institutional agencies or businesses.

Platinum Cities Designation

Cooper City has continued its “Platinum Cities” designation under the Greater Fort Lauderdale Alliance permitting excellence process. The purpose of the permitting excellence process is to provide businesses with a streamlined, first-rate experience when going through the development, permitting and inspection process for office and industrial properties. The process is intended to be available to high-impact, targeted industry businesses that are relocating or expanding in Broward County.

Cooper City maintained the designation because we committed to making the permitting process more transparent and client-friendly. Steps have been taken to provide an excellent permitting experience. Pre-development meetings with a city staff member known as a “concierge” will assist the company throughout the permitting process.

Sienna

This nine-acre property was annexed into Cooper City on September 15, 2015. Plans for the single family community are now being finalized by D.R. Horton Homes for 30 single-family homes on lots approximately 6,500 to 7,000 sq. ft in size. The houses will average 2,400 sq. ft. under air. Final approval is expected this spring.

Royal Estates

Another brand new, single family subdivision, Royal Estates, is planned along SW 106th Avenue, between Griffin and Stirling roads. Twenty homes are proposed on the 10.5 acre tract, with lot sizes all above 18,000 sq. ft. and home sizes above 4,200 sq. ft. Home prices are anticipated to be in the \$700,000 to \$1M-plus range. Final consideration is anticipated in spring 2017.

Ranchette Isles

Site plan and rezoning approval have been requested by Kennedy Homes for this subdivision along SW 106th Avenue, between Griffin and Stirling roads. Nine homes are proposed on the 4.8 acre tract, with lot sizes all above 8,300 sq. ft. and home sizes above 2,400 sq. ft.

Flamingo Road Passive Park

A site plan petition for the first phase of the "Flamingo Road Park" is working its way through the approval process. The plans reflect the development of the passive portion of the park as well as a restroom building, maintenance building, two large rental pavilions, a playground, a walking/jogging/nature trail, a dog park, a parking lot and other miscellaneous support facilities.

Cooper City Storage Plaza

Land development petitions have been submitted and reviewed for the proposed Cooper City Storage Plaza that consists of a 120,000 square foot self-storage facility, and a 9,200 square foot commercial building proposed for retail, office, and restaurant uses. The project is located at 11050 Griffin Road, at the southeast corner of Griffin Rd. and SW 111th Avenue. Final City Commission review is expected in spring 2017.

In fiscal year 2015-16, Public Works completed the following projects:

- Installed new playground equipment and exercise equipment with a shade structure at Christie Schafle Park.
- Installed a new irrigation pump and control system at the Cooper City Sports Complex.
- Completed the annual asphalt resurfacing program.
- Completed the installation of a children's splash pad at the Pool and Tennis Center.
- Completed the installation of a new restroom building at the Cooper City Sports Complex.
- Painted the buildings and dugouts at Bill Lips Park and the Cooper City Sports Complex.
- Re-roofed the concession, pavilion, and pump house buildings at the Cooper City Sports Complex.
- Re-roofed Police Building.
- Repainted the Police station building interior and exterior.
- Completed interior renovations and installed impact resistant windows in the administration area of City Hall.
- Replaced air conditioning units 2 and 3 at the Community Center and units 6, 8, and 9 at City Hall.

- Installed six new bus shelters throughout the City.

A summary of the noteworthy activities undertaken by the Utilities department during fiscal year 2016 is:

- Replaced the control and data acquisition system (SCADA) for 82 sewer pumping stations.
- Replaced 30,894 feet of old concrete composite water mains and 3,630 feet of concrete sewer force main in east Cooper City.
- Rehabilitated one sewer pumping station.
- Exercised and maintained 631 water system valves, in accordance with state regulations
- Inspected, smoke-tested, and rehabilitated 628 sewer manholes and 152,812 feet of sewer pipe as part of a program to identify and repair points in the sanitary sewer system where rain water can gain entry (inflow).
- Continued implementation of a leak notification program for residents and businesses that have new electronic water meters installed at their property. We currently have about 4,000 of these meters located throughout the City.
- Continued annual preventative storm drain maintenance wherein all the storm drain inlets, piping, and outfalls in the City are being cleaned on a regular basis. In fiscal year 2016, we cleaned approximately 510 inlets/manholes and 49,906 feet of pipe.

The Water and Wastewater Capital Improvement Master Plan Update (2016) provides a detailed program of capital improvements to be undertaken through the year 2025. The following is a list of improvements that have been identified for implementation within the next 3 years:

- Complete the final phase of the city's water main replacement program at an estimated cost of \$2 million over the next 7 months.
- Continue with gravity sewer main rehabilitation program at an estimated cost of \$300,000 over the next three years.
- Rehabilitate 10 sewer pump stations at an estimated cost of \$1.46 million.
- Improve storm water drainage in the Flamingo Gardens and Natalie's Cove neighborhoods at a cost of approximately \$1.9 million.
- Replace the 500,000 gallon steel water storage tank at a cost of \$1 million.
- Replace the water treatment plant SCADA system at a cost of \$1.8 million.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cooper City, Florida for its CAFR for the fiscal year ended September 30, 2015. This was the twenty-sixth consecutive year that the City 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.

The preparation of this report would not have been possible without the efficient services and dedicated effort of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the Commissioners for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Cooper City, Florida's finances.

Respectfully submitted,

A handwritten signature in blue ink, reading "Bruce D. Loucks".

Bruce D. Loucks
City Manager

A handwritten signature in blue ink, reading "Horacio Montes de Oca".

Horacio Montes de Oca
Finance Director



Government Finance Officers Association

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

Presented to

**City of Cooper City
Florida**

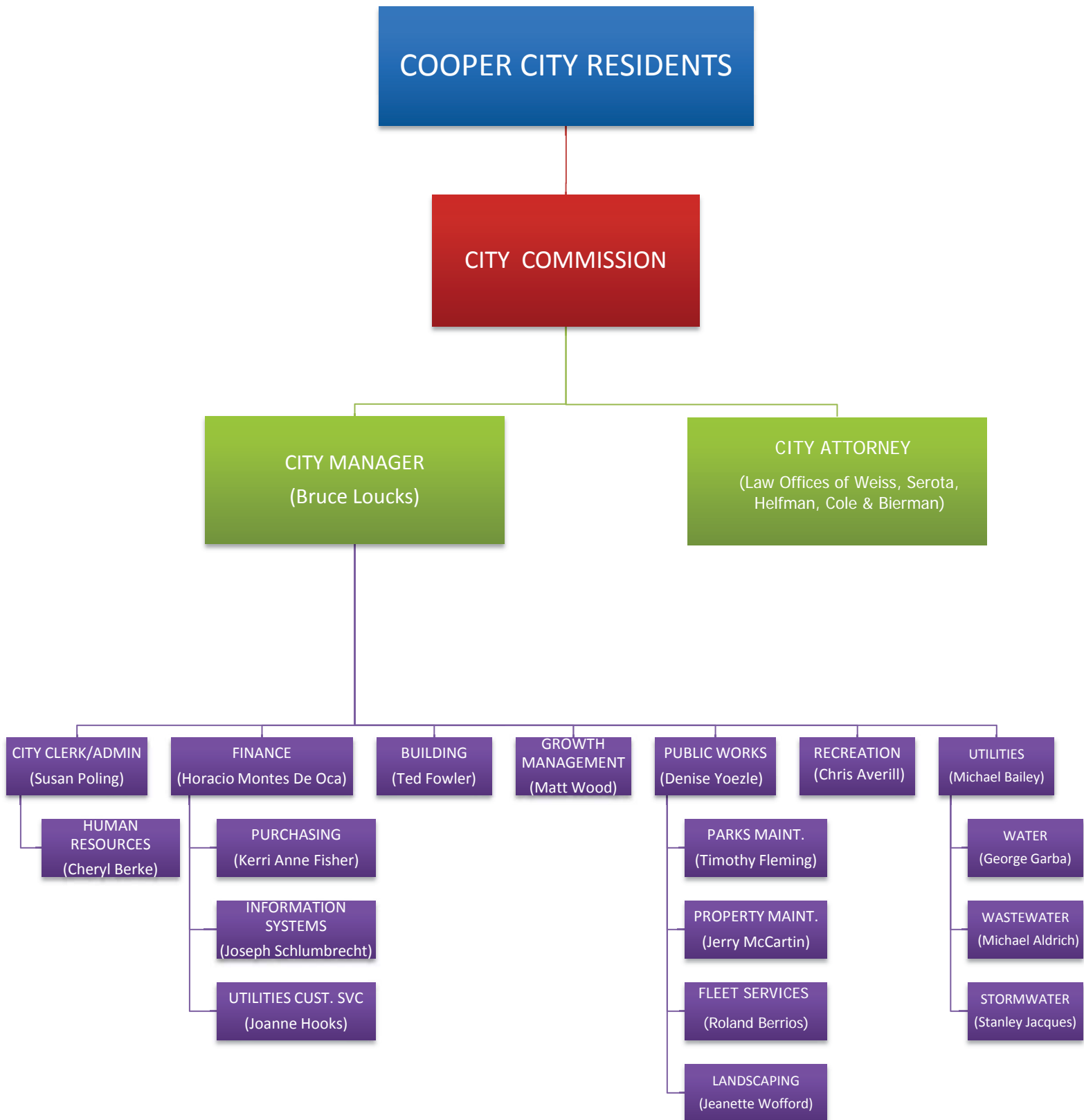
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015



Executive Director/CEO

CITY OF COOPER CITY, FLORIDA
ORGANIZATIONAL CHART



CITY OF COOPER CITY, FLORIDA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2016**

COMMISSION – MANAGER FORM OF GOVERNMENT

CITY COMMISSION

GREG ROSS
Mayor

JOHN SIMS
Commissioner

LISA MALLOZZI
Commissioner

JAMES CURRAN
Commissioner

JEFF GREEN
Commissioner

BRUCE LOUCKS
City Manager

**LAW OFFICES OF WEISS, SEROTA,
HELFMAN, COLE & BIERMAN, P.L.**
City Attorney

HORACIO MONTES DE OCA
Finance Director

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of the City
Commission and City Manager,
City of Cooper City, Florida

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Cooper City's Firefighters Retirement Plan or the City of Cooper City's Police Officers Retirement Plan, which represent 62% and 65%, respectively of the total assets and total additions of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Cooper City's Firefighters Retirement Plan and the City of Cooper City's Police Officers Retirement Plan is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 15 and the Required Supplementary Information on pages 86 through 106 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining fiduciary fund financial statements, budgetary schedules for the Debt Service Fund and Capital Improvement Fund, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fiduciary fund financial statements and the budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fiduciary fund financial statements and the budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
June 7, 2017

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CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

As management of the City of Cooper City, Florida (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2016. 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 viii in the introductory section of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$104 million (*net position*). Of this amount, \$9.8 million (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$33,000. The majority of the increase resulted from the additions to capital assets.
- As of the close of the current fiscal year, the City's governmental activities reported a combined ending total net position of \$45.4 million, a decrease of \$456,000 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$7.4 million or approximately 24.2% of total general fund expenditures.
- As of the close of the current fiscal year, the City's business-type funds reported a combined ending total net position of \$58.3 million, an increase of \$489,000 from prior year.
- The City's total long-term debt decreased by approximately \$525,000 (34.1%) during the current fiscal year, primarily due to the amortization built into the City's debt service payments.

The following capital projects were completed:

- Repair of sidewalks and streets repaving.
- Replacement of playground equipment at two City parks.
- Replacement of water main transite pipes in east Cooper City.
- Rehabilitation of one sewer pumping station.
- Installation of a new children's splash pad at the Pool and Tennis Center.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Cooper City's Comprehensive Annual Financial Report (CAFR), and more specifically, the City's basic financial statements, comprised of: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, this CAFR contains other supplementary information needed to provide readers with a complete and accurate disclosure of the City's financial condition.

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

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position should serve as a useful indicator of whether the City's financial position is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the City 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 include general government, public safety, roads and bridges, and culture and recreation. The business-type activities of the City include a water and sewer utility, a storm water management utility, and recreational vehicle parking lot facilities.

The government-wide financial statements are for the City, as the *primary government*, and include all operations for which the City is financially accountable. The City does not have any *component units* that should be included in the financial information presented. The Water and Sewer Utility functions as an enterprise department of the City; therefore, it has been included as part of the City's business activities.

The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental, proprietary, and fiduciary funds.

Governmental funds. *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 and the availability of these resources* at the end of the fiscal year. Such information may be useful for evaluating a government's near-term financing requirements, but does not help readers to better understand the long-term impact of the City's near-term financing decisions. In that regard, it would be useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Consequently, both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

The City of Cooper City maintains five governmental funds for which information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Individual fund data for the fiduciary fund types are aggregated for presentation in the basic governmental fund financial statements, and are detailed in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its general, special revenue, debt service, and capital projects funds. Therefore, a budgetary comparison schedule has been provided for each of these funds to demonstrate compliance with the budget.

The governmental fund financial statements can be found on pages 18 through 20 of this report.

Proprietary funds. The City uses *enterprise funds* to account for the functions presented as *business-type activities* in the government-wide financial statements. These enterprise funds consist of a water and sewer utility, a stormwater management utility and parking lot facilities. The City does not have activities that would require the use of *internal service funds*.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the City's water and sewer utility, stormwater management utility and parking lot facilities.

The basic proprietary fund financial statements can be found on pages 21 through 24 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the city government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 25 and 26 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 on pages 27 through 85 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's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 86 through 106 of this report.

Individual fund statements and schedules are presented immediately following the required supplementary information on pages 107 through 110 of this report.

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

Government-wide Financial Analysis

As noted previously, the change in net position over time should serve as a useful indicator of a government's financial position. In the case of the City of Cooper City, assets exceeded liabilities by \$104 million as of September 30, 2016.

The largest portion (90.6%) of the City's net position consists of \$93.9 million of net investment in capital assets (e.g., land, buildings, machinery and equipment), which is net of any outstanding debt related to their acquisition. The City uses these capital assets to provide services to citizens; consequently, they are *not* available for future spending. Although the City's net investment in capital assets is reported net of related debt, the repayment of this debt must come from sources other than liquidating the assets themselves.

City of Cooper City
Summary of Net Position
September 30, 2016 and 2015
(In Thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current and other assets	\$ 17,799	\$ 18,082	\$ 12,928	\$ 18,938	\$ 30,727	\$ 37,020
Capital assets	45,488	45,180	51,179	45,733	96,667	90,913
Total assets	<u>63,287</u>	<u>63,262</u>	<u>64,107</u>	<u>64,671</u>	<u>127,394</u>	<u>127,933</u>
Total deferred outflows of resources	<u>6,504</u>	<u>1,794</u>	<u>991</u>	<u>827</u>	<u>7,495</u>	<u>2,621</u>
Other liabilities	1,855	1,792	2,309	3,200	4,164	4,992
Long-term liabilities	22,349	15,725	4,333	4,123	26,682	19,848
Total liabilities	<u>24,204</u>	<u>17,517</u>	<u>6,642</u>	<u>7,323</u>	<u>30,846</u>	<u>24,840</u>
Total deferred inflows of resources	<u>190</u>	<u>1,686</u>	<u>144</u>	<u>352</u>	<u>334</u>	<u>2,038</u>
Net position:						
Net investment in capital assets	45,488	43,811	48,450	45,558	93,938	89,369
Restricted	-	861	-	-	-	861
Unrestricted	(91)	1,181	9,862	12,265	9,771	13,446
Total net position	<u>\$ 45,397</u>	<u>\$ 45,853</u>	<u>\$ 58,312</u>	<u>\$ 57,823</u>	<u>\$103,709</u>	<u>\$103,676</u>

The remaining 9.4% (\$9.8 million) of the City's net position are *unrestricted net position* that can be used as needed to meet the City's ongoing obligations to citizens and creditors.

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

During the current fiscal year, the City's net position balances increased by \$33,000, most of which resulted from an increase in capital assets (mostly in business activities) and a significant increase in long term liabilities due to an increase in the City's net pension liability and OPEB liability (mostly in governmental activities). The key elements of this increase are presented in the City's schedule of Changes in Net Position below.

City of Cooper City
Changes in Net Position
Fiscal Years Ended September 30, 2016 and 2015
(In Thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues:						
Program revenues:						
Charges for services	7,383	6,487	12,047	11,929	19,430	18,416
Operating grants and contributions	-	137	-	-	-	137
Capital grants and contributions	89	481	259	5,193	348	5,674
General revenues:						
Property taxes	14,808	13,441	-	-	14,808	13,441
Other taxes	8,896	6,310	-	-	8,896	6,310
Grants and contributions not restricted to specific programs	1,525	7,135	-	-	1,525	7,135
Other	471	395	125	133	596	528
Total revenues	<u>33,172</u>	<u>34,386</u>	<u>12,431</u>	<u>17,255</u>	<u>45,603</u>	<u>51,641</u>
Operating Expenses:						
General government	5,395	3,727	-	-	5,395	3,727
Public safety	22,411	18,441	-	-	22,411	18,441
Physical environment	714	618	-	-	714	618
Transportation	1,909	1,613	-	-	1,909	1,613
Culture and recreation	3,186	2,788	-	-	3,186	2,788
Interest	27	33	-	-	27	33
Parking	-	-	140	96	140	96
Water and Sewer	-	-	11,389	8,427	11,389	8,427
Stormwater	-	-	399	367	399	367
Total operating expenses	<u>33,642</u>	<u>27,220</u>	<u>11,928</u>	<u>8,890</u>	<u>45,570</u>	<u>36,110</u>
Increase in net position before transfers	(470)	7,166	503	8,365	33	15,531
Transfers	<u>14</u>	<u>931</u>	<u>(14)</u>	<u>(931)</u>	<u>-</u>	<u>-</u>
Change in net position	(456)	8,097	489	7,434	33	15,531
Net position, beginning	<u>45,853</u>	<u>37,756</u>	<u>57,823</u>	<u>50,389</u>	<u>103,676</u>	<u>88,145</u>
Net position, ending	<u>\$ 45,397</u>	<u>\$ 45,853</u>	<u>\$ 58,312</u>	<u>\$ 57,823</u>	<u>\$103,709</u>	<u>\$103,676</u>

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

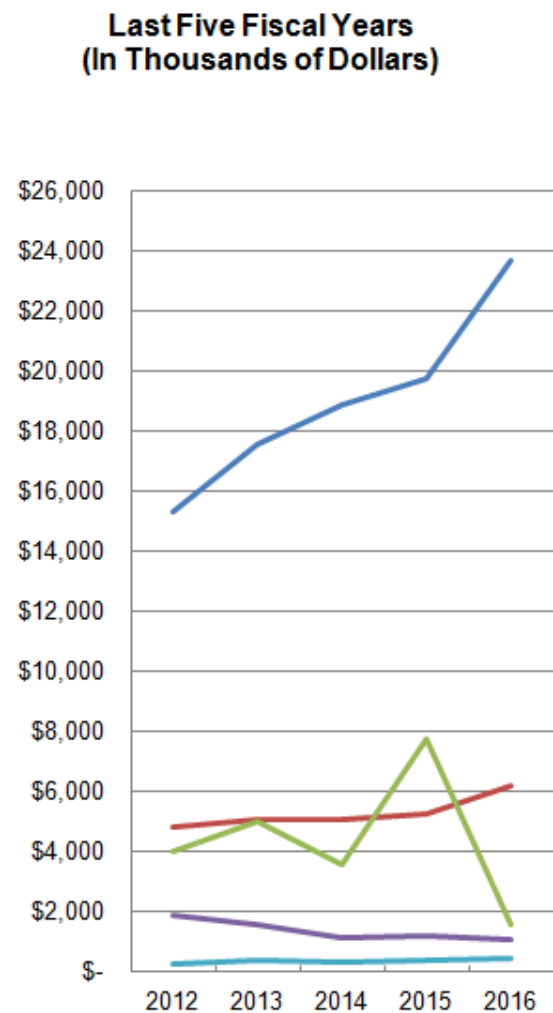
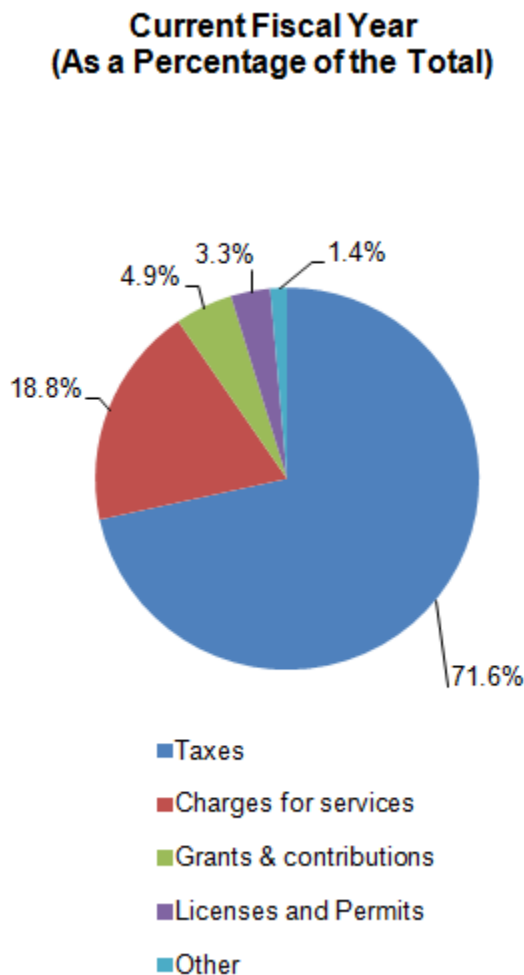
Governmental activities. Overall, net position decreased by \$456,000, which was due primarily to the increased net pension liability and OPEB liability.

Revenues

Revenues from governmental activities decreased 3.5% or \$1.2 million compared to the prior year. The decrease is mainly the combination of increases in property and other taxes (\$4 million) and a decrease in grants and contributions (\$5.6 million).

The following charts detail the City's revenues by source. The chart on the left shows the source of the City's revenue by percentage, and the chart on the right shows the trend over the past 5 years for each source.

Governmental Activities - Revenues by Source



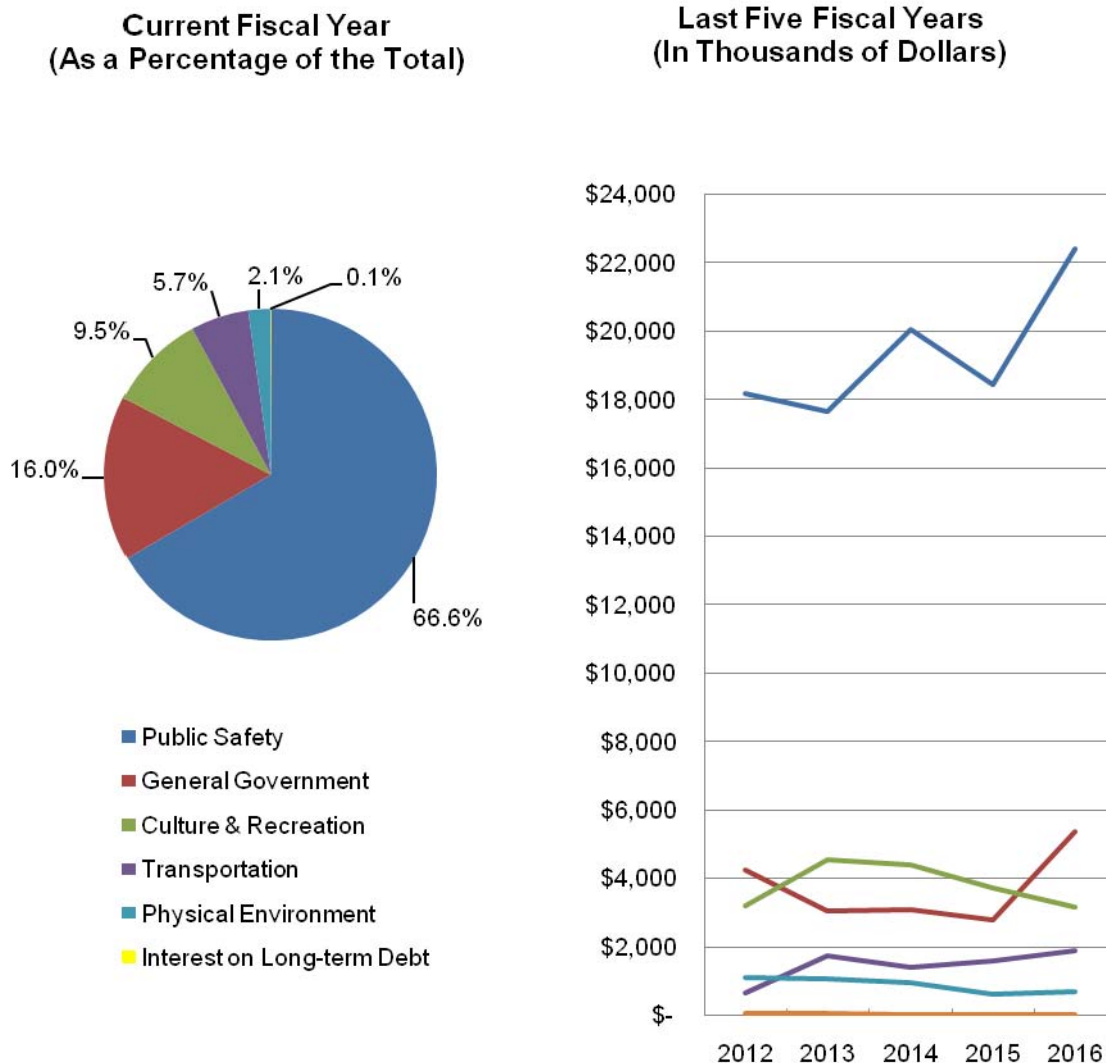
CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2016

Expenses

Public safety continues to be the City's single largest governmental activity, comprising 66.6% of its expenses. As shown in the 5 year graph below, costs for public safety increased to \$22.4 million in the current fiscal year from \$18.4 million last fiscal year. This increase is mainly the result of the annual increase in the City's contract with BSO combined with an increase in pension liabilities, for a total increase of \$6.4 million.

Governmental Activities - Expenses by Function/Program



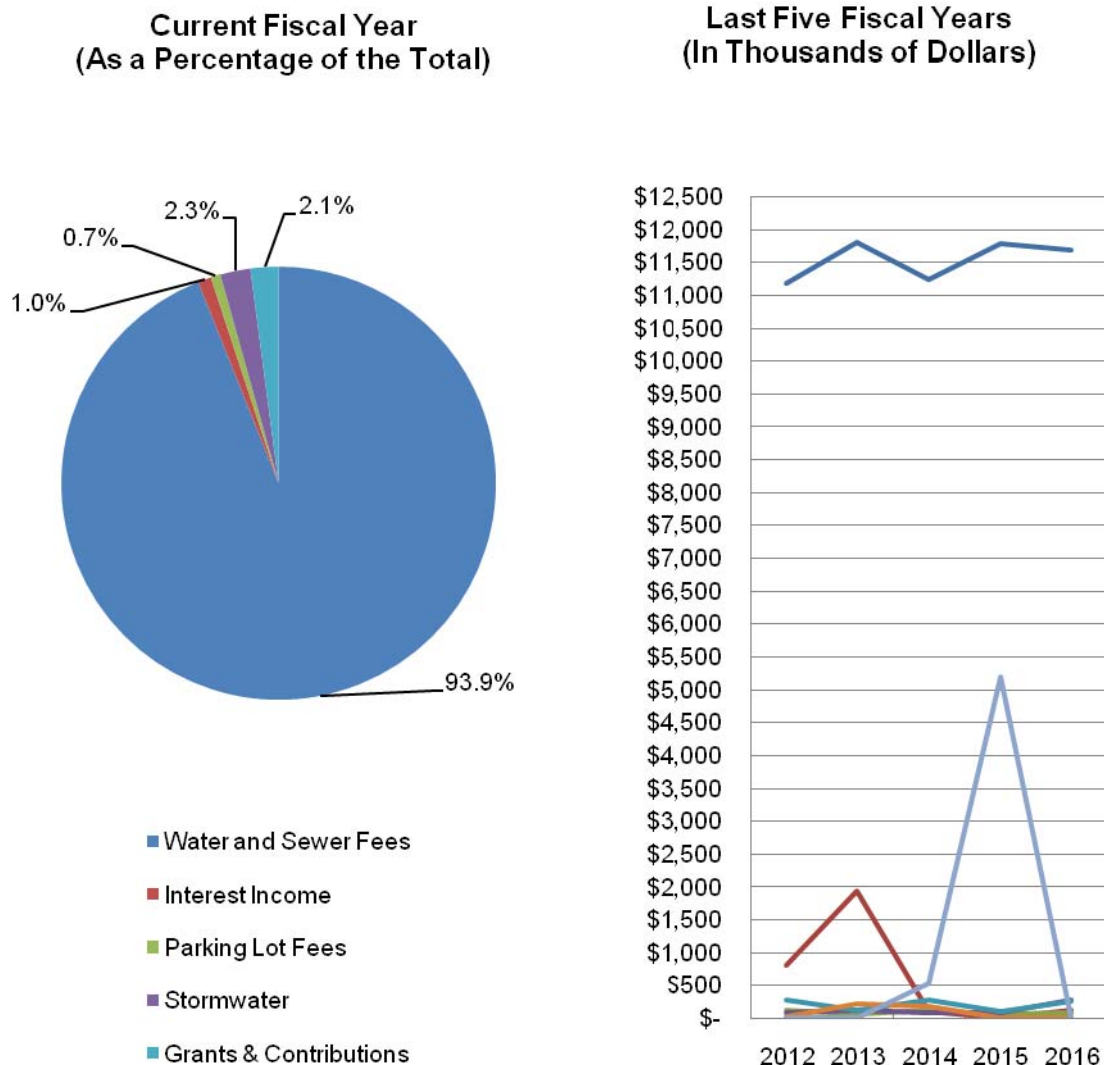
CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

Business-type activities. Overall, net position from business-type activities increased by \$489,000 in the current year. The increase is mostly the result of increased deferred outflows of resources related to pensions, coupled with a decrease in the City's deferred inflows of resources related to pensions. Key highlights for business activities during the current year were as follows:

Revenues

- Total revenues from business-type activities decreased by \$4.8 million. The majority of the decrease resulted from a decrease in capital grants and contributions of \$4.9 million.
- Capital contribution fees from developers increased in the Water and Sewer Utility. In the current year the City received \$76,000 in contributions in aid of construction fees from developers, whereas, no contributions were received in the prior year.

Business Activities - Revenues by Source



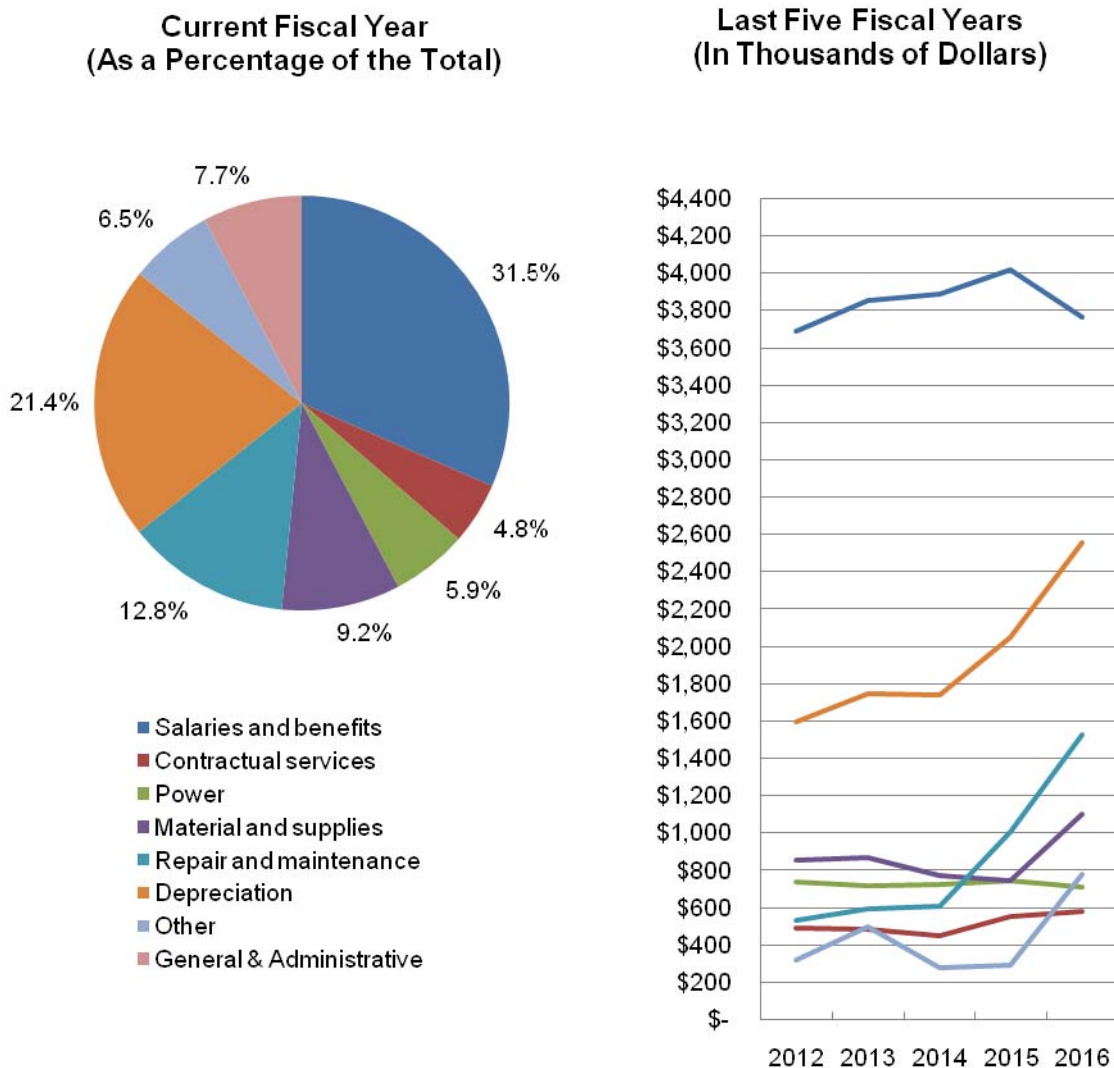
CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2016

Expenses

The Water and Sewer Utility continues to be the single largest business-type activity of the City, accounting for approximately 96.9% of total revenues and 96% of total expenses. For the fiscal year ended September 30, 2016, the utility's expenses increased 21.7% mostly as a result of increases in salaries, benefits, materials and supplies. Overall, salaries, fringe benefits, and depreciation combined comprised 52.9% of the total expenses related to business activities.

Business Activities - Expenses by Object



Financial Analysis of the City's Funds

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

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

Governmental funds. The focus of the City'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'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's governmental funds reported combined ending fund balances of approximately \$15.9 million, a \$42,000 increase in comparison with the prior year. Approximately \$7.4 million of the fund balance is *unassigned fund balance*, which is available for spending at the City's discretion in the General Fund.

General Fund

The City's General Fund is both its main operating fund and largest governmental fund. At the end of the current fiscal year, the total fund balance of the General Fund was \$10 million, representing a decrease of \$191,000 from the prior year. Revenues and transfers-in increased \$1.2 million over prior year, while expenditures and transfers-out increased by \$3.2 million. Of the total fund balance, \$2.3 million has been assigned to fund subsequent year's expenditures.

Net increase in revenues is a combination of increases in property taxes (\$1.4 million), grant revenues (\$907,000) and charges for services (\$835,000) and decreases in intergovernmental (\$742,000) and transfers-in (\$854,000).

In addition, public safety expenditures increased by approximately \$1.6 million, general government expenditures increased by \$306,000 and culture and recreation increased by \$305,000.

Other Governmental Funds – Fund Balance

Fund balance in the Road and Bridge Fund increased by \$64,000, while the fund balance in the Capital Improvement Fund increased by \$120,000. The increase in both fund balances are due to fuel tax and grant revenue increases, respectively. The fund balance in the Police Confiscation Fund increased by \$64,000, as a result of a decrease in expenditures.

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

Water and Sewer

Unrestricted net position of the Water and Sewer Utility at the end of the year amounted to \$9.4 million. The net position for all of the City's proprietary funds combined increased by \$489,000. Most of this increase is the result of the impact of the requirements of GASB 68. Other factors concerning the finances of the City's proprietary funds have already been addressed in the discussion of the City's business-type activities.

Stormwater

The net position of the storm water fund decreased by \$115,000 in the current fiscal year, due to an increase in pension liabilities.

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget consisted of a \$123,000 net increase in appropriations and other financing sources (uses). The change resulted from open purchase orders at the end of fiscal year 2015 which was carried over to fiscal year 2016. During the fiscal year, actual revenues were more than budgetary estimates mostly as a result of grants and local fines and forfeitures being higher than estimated; while actual expenditures were less than budgetary estimates due primarily to anticipated costs in Parks, Recreation, Property Maintenance and Fleet Services, which were not incurred in the current fiscal year. Consequently, the amount of fund balance changed from the original estimated use of \$1.4 million to an actual use of \$191,000.

Capital Asset and Debt Administration

Capital assets. The City's net investment in capital assets for its governmental and business type activities as of September 30, 2016, amounted to \$96.7 million. The City's capital assets include land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges as shown below.

City of Cooper City
Capital Assets
September 30, 2016 and 2015
(In thousands, net of depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Land	21,791	21,791	1,038	1,038	22,829	22,829
Construction in progress	405	493	7,949	5,064	8,354	5,557
Buildings	4,425	4,098	34,389	31,250	38,814	35,348
Improvements other than buildings	5,296	5,256	3,981	4,266	9,277	9,522
Equipment and vehicles	1,473	1,088	1,545	1,739	3,018	2,827
Infrastructure	12,098	12,455	2,278	2,376	14,376	14,831
Total capital assets	<u>\$ 45,488</u>	<u>\$ 45,181</u>	<u>\$ 51,180</u>	<u>\$ 45,733</u>	<u>\$ 96,668</u>	<u>\$ 90,914</u>

Major capital asset events during the current fiscal year included the following:

- Resurfacing of various city streets
- Renovation of City Hall
- Repair of sidewalks
- Replacement of playground equipment at one City park
- Replacement of water main transite pipes
- Installation of a new children's splash pad at the Pool and Tennis Center
- Rehabilitation of one sewer pumping station
- Installation of new lighting on two fields at Cooper City Sports Complex
- Installation of six new bus shelters

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

Additional information on the City's capital assets can be found in Note 4 of this report.

Long-term debt. At the end of the current fiscal year, the City's total debt amounted to \$2.1 million. This includes general obligation bonds, notes and compensated absences. The general obligation debt is backed by the full faith and credit of the City. The City's other debt consists of loans secured by specified revenue sources.

City of Cooper City
Long-term Debt
September 30, 2016 and 2015
(In thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Bonds payable	1,013	1,362	-	-	1,013	1,362
Notes payable	-	-	-	176	-	176
Total debt	<u>\$ 1,013</u>	<u>\$ 1,362</u>	<u>\$ -</u>	<u>\$ 176</u>	<u>\$ 1,013</u>	<u>\$ 1,538</u>

The City's total long-term debt decreased by \$525,000 (34.1%) during the current fiscal year as a result of the amortization built into the City's debt service payments.

The amount of general obligation debt a governmental entity may issue is limited by state statute to 10 percent of its total assessed valuation. The current debt limit for the City is \$254 million, which is far greater than its outstanding general obligation debt.

Additional information on the City's long-term debt can be found in Note 6 of this report.

Economic Factors and Next Year's Budgets and Rates

The rates for the water and sewer utility were increased by 1.1% in the 2017 budget year.

The factors listed below were considered in preparing the City's budget for the 2017 fiscal year.

The unemployment rate for Broward County is currently 4.6%, which is a decrease from a rate of 4.9% a year ago. This compares to the state's average unemployment rate of 4.7% and the national average rate of 4.9%. The City appropriated \$2.3 million of its \$10 million General Fund total fund balance for spending in the 2017 fiscal year budget.

Requests for Information

This financial report is designed to provide a general overview of the City of Cooper City's finances to all interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, P.O. Box 290910, Cooper City, Florida 33329-0910.

BASIC FINANCIAL STATEMENTS

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CITY OF COOPER CITY, FLORIDA

**STATEMENT OF NET POSITION
SEPTEMBER 30, 2016**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 4,410,001	\$ 1,602,710	\$ 6,012,711
Investments	11,271,600	8,770,675	20,042,275
Accounts receivables, net	675,930	1,483,778	2,159,708
Franchise fees and utility taxes receivable	628,938	-	628,938
Due from other governments	788,296	-	788,296
Inventory	24,732	-	24,732
Restricted asset, cash and cash equivalents	-	1,071,195	1,071,195
Capital assets			
Non-depreciable	22,196,356	8,986,863	31,183,219
Depreciable, net	23,291,494	42,191,937	65,483,431
Total assets	63,287,347	64,107,158	127,394,505
Deferred Outflows of Resources			
Deferred outflows - pension	6,503,967	990,752	7,494,719
Total deferred outflows	6,503,967	990,752	7,494,719
Liabilities			
Accounts payable	935,444	1,161,614	2,097,058
Accrued liabilities	157,564	50,131	207,695
Refundable deposits	22,500	-	22,500
Customer deposits payable	-	1,071,195	1,071,195
Unearned revenue	739,632	26,904	766,536
Noncurrent liabilities			
Due within one year	501,221	105,061	606,282
Due in more than one year	21,848,071	4,227,449	26,075,520
Total liabilities	24,204,432	6,642,354	30,846,786
Deferred Inflows of Resources			
Deferred inflows - pension	190,168	143,876	334,044
Net position			
Net investment in capital assets	45,487,850	48,449,706	93,937,556
Unrestricted	(91,136)	9,861,974	9,770,838
Total net position	\$ 45,396,714	\$ 58,311,680	\$ 103,708,394

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

CITY OF COOPER CITY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
Expenses					Governmental Activities	Business-type Activities	
Functions/programs							
Primary Government:							
Governmental activities:							
General government	\$ 5,394,829	\$ 1,154,123	\$ -	\$ -	\$ (4,240,706)	\$ -	\$ (4,240,706)
Public safety	22,411,122	5,595,351	-	2,786	(16,812,985)	-	(16,812,985)
Physical environment	714,339	-	-	84,781	(629,558)	-	(629,558)
Transportation	1,909,454	-	-	-	(1,909,454)	-	(1,909,454)
Culture and recreation	3,186,369	633,996	-	1,503	(2,550,870)	-	(2,550,870)
Interest on long-term debt	27,096	-	-	-	(27,096)	-	(27,096)
Total governmental activities	33,643,209	7,383,470	-	89,070	(26,170,669)	-	(26,170,669)
Business-type activities:							
Parking	140,047	89,478	-	-	-	(50,569)	(50,569)
Water and sewer	11,388,653	11,677,752	-	259,000	-	548,099	548,099
Stormwater	398,819	280,050	-	-	-	(118,769)	(118,769)
Total business-type activities	11,927,519	12,047,280	-	259,000	-	378,761	378,761
Total primary government	\$ 45,570,728	\$ 19,430,750	\$ -	\$ 348,070	(26,170,669)	378,761	(25,791,908)
General revenues							
Property taxes					14,808,304	-	14,808,304
Franchise fees and utility taxes					6,126,336	-	6,126,336
Local option sales tax					2,172,698	-	2,172,698
Local option gasoline tax					597,002	-	597,002
Unrestricted intergovernmental revenues					1,524,667	-	1,524,667
Investment earnings					155,953	124,434	280,387
Miscellaneous					315,302	-	315,302
Transfers					14,438	(14,438)	-
Total general revenues and transfers					25,714,700	109,996	25,824,696
Change in net position					(455,969)	488,757	32,788
Net position, beginning of year					45,852,683	57,822,923	103,675,606
Net position, end of year					\$ 45,396,714	\$ 58,311,680	\$ 103,708,394

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

CITY OF COOPER CITY, FLORIDA

**BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016**

	General Fund	Road and Bridge Fund	Police Confiscation Fund	Debt Service Fund	Capital Improvement Fund	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 2,754,246	\$ 125,892	\$ 116,699	\$ 45,469	\$ 1,367,695	\$ 4,410,001
Investments	6,898,740	340,380	314,340	120,900	3,597,240	11,271,600
Accounts receivable, net	675,930	-	-	-	-	675,930
Franchise fees and utility taxes receivable	628,938	-	-	-	-	628,938
Due from other governments	738,707	49,589	-	-	-	788,296
Inventory	24,732	-	-	-	-	24,732
Total assets	<u>\$ 11,721,293</u>	<u>\$ 515,861</u>	<u>\$ 431,039</u>	<u>\$ 166,369</u>	<u>\$ 4,964,935</u>	<u>\$ 17,799,497</u>
Liabilities, deferred inflows of resources, and fund balances						
Liabilities						
Accounts payable	\$ 763,673	\$ 44,461	\$ 812	\$ -	\$ 126,498	\$ 935,444
Accrued liabilities	150,145	-	-	-	-	150,145
Refundable deposits	22,500	-	-	-	-	22,500
Unearned revenue	739,632	-	-	-	-	739,632
Payable from restricted assets						
Matured bond principal	-	-	-	86,533	-	86,533
Matured bond interest	-	-	-	7,419	-	7,419
Total liabilities	<u>1,675,950</u>	<u>44,461</u>	<u>812</u>	<u>93,952</u>	<u>126,498</u>	<u>1,941,673</u>
Fund balances						
Nonspendable	24,732	-	-	-	-	24,732
Assigned						
Subsequent year's expenditures	2,289,091	-	207,241	-	-	2,496,332
Encumbrances	292,955	199,285	4,178	-	82,070	578,488
Police operations	-	-	218,808	-	-	218,808
Debt service	-	-	-	72,417	-	72,417
Capital improvements	-	-	-	-	4,756,367	4,756,367
Transportation	-	272,115	-	-	-	272,115
Unassigned	7,438,565	-	-	-	-	7,438,565
Total fund balances	<u>10,045,343</u>	<u>471,400</u>	<u>430,227</u>	<u>72,417</u>	<u>4,838,437</u>	<u>15,857,824</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,721,293</u>	<u>\$ 515,861</u>	<u>\$ 431,039</u>	<u>\$ 166,369</u>	<u>\$ 4,964,935</u>	
Amounts reported for governmental activities in the statement of net position are different because						
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.						
Governmental capital assets					78,996,977	
Accumulated depreciation					(33,509,127)	45,487,850
Deferred outflows, deferred inflows, and the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources and therefore are not reported in the funds.						
Deferred outflows - pension					6,503,967	
Deferred inflows - pension					(190,168)	
Net pension liability					(18,683,892)	(12,370,093)
Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.						
Compensated absences					(602,019)	
OPEB payable					(2,050,333)	
Bonds payable					(926,515)	(3,578,867)
Net position of governmental activities						<u>\$ 45,396,714</u>

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

CITY OF COOPER CITY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	General Fund	Road and Bridge Fund	Police Confiscation Fund	Debt Service Fund	Capital Improvement Fund	Total Governmental Funds
Revenues						
Property taxes	\$ 14,447,724	\$ -	\$ -	\$ 360,580	\$ -	\$ 14,808,304
Franchise fees and utility taxes	6,126,336	-	-	-	-	6,126,336
Licenses and permits	1,104,792	-	-	-	-	1,104,792
Intergovernmental revenues	3,697,365	597,002	-	-	-	4,294,367
Charges for services	5,641,120	-	-	-	-	5,641,120
Fines and forfeitures	549,718	-	-	-	-	549,718
Impact fees	-	-	-	-	87,840	87,840
Grant revenues	906,962	-	-	-	-	906,962
Investment earnings	111,703	3,353	3,303	-	37,594	155,953
Miscellaneous revenues	230,386	-	79,507	-	5,409	315,302
Total revenues	<u>32,816,106</u>	<u>600,355</u>	<u>82,810</u>	<u>360,580</u>	<u>130,843</u>	<u>33,990,694</u>
Expenditures						
Current						
General government	5,121,323	-	-	-	-	5,121,323
Public safety	22,182,719	-	18,738	-	-	22,201,457
Physical environment	648,494	-	-	-	-	648,494
Transportation	-	1,241,752	-	-	-	1,241,752
Culture and recreation	2,783,608	-	-	-	-	2,783,608
Capital outlay	-	-	-	-	1,590,640	1,590,640
Debt service						
Principal retirement	-	-	-	348,712	-	348,712
Interest	-	-	-	27,096	-	27,096
Total expenditures	<u>30,736,144</u>	<u>1,241,752</u>	<u>18,738</u>	<u>375,808</u>	<u>1,590,640</u>	<u>33,963,082</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,079,962</u>	<u>(641,397)</u>	<u>64,072</u>	<u>(15,228)</u>	<u>(1,459,797)</u>	<u>27,612</u>
Other financing sources (uses)						
Transfers in	-	705,166	-	-	1,580,000	2,285,166
Transfers out	(2,270,728)	-	-	-	-	(2,270,728)
Total other financing sources (uses)	<u>(2,270,728)</u>	<u>705,166</u>	<u>-</u>	<u>-</u>	<u>1,580,000</u>	<u>14,438</u>
Change in fund balances	<u>(190,766)</u>	<u>63,769</u>	<u>64,072</u>	<u>(15,228)</u>	<u>120,203</u>	<u>42,050</u>
Fund balances, beginning of year	<u>10,236,109</u>	<u>407,631</u>	<u>366,155</u>	<u>87,645</u>	<u>4,718,234</u>	<u>15,815,774</u>
Fund balances, end of year	<u>\$ 10,045,343</u>	<u>\$ 471,400</u>	<u>\$ 430,227</u>	<u>\$ 72,417</u>	<u>\$ 4,838,437</u>	<u>\$ 15,857,824</u>

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

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

CITY OF COOPER CITY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

Net Change in Fund Balances – Total Governmental Funds	\$ 42,050
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is depreciated over their estimated useful lives.	
Capital outlay	\$ 1,751,893
Less current year depreciation	<u>(1,423,634)</u> 328,259
The net effect of various miscellaneous transactions involving capital assets (i.e. sales) is to decrease net position.	(20,161)
Revenues recognized in the funds statements that were not considered available revenue in the previous year. These amounts are:	
Intergovernmental revenue	(817,892)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	
Change in compensated absences	(15,223)
Change in OPEB payable	(198,007)
Pension expense	(62,854)
Change in intergovernmental receivable	<u>(60,853)</u> <u>(336,937)</u>
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
General obligation bond principal repayments	<u>348,712</u>
Change in net position of governmental activities	<u><u>\$ (455,969)</u></u>

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2016**

	<u>Parking Lot Fund</u>	<u>Water and Sewer Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
Assets				
Current assets				
Cash and cash equivalents	\$ 32,404	\$ 1,432,704	\$ 137,602	\$ 1,602,710
Investments	-	8,394,955	375,720	8,770,675
Restricted cash and cash equivalents	21,500	1,049,695	-	1,071,195
Accounts receivable, net	254	1,458,854	24,670	1,483,778
Total current assets	<u>54,158</u>	<u>12,336,208</u>	<u>537,992</u>	<u>12,928,358</u>
Noncurrent assets				
Capital assets, non-depreciable	535,492	8,451,371	-	8,986,863
Capital assets, depreciable, net	445,736	38,659,437	3,086,764	42,191,937
Total noncurrent assets	<u>981,228</u>	<u>47,110,808</u>	<u>3,086,764</u>	<u>51,178,800</u>
Total assets	<u>1,035,386</u>	<u>59,447,016</u>	<u>3,624,756</u>	<u>64,107,158</u>
Deferred Outflows of Resources				
Pension	-	957,610	33,142	990,752
Liabilities				
Current liabilities				
Accounts payable	751	1,154,905	5,958	1,161,614
Accrued liabilities	-	48,683	1,448	50,131
Unearned revenue	26,904	-	-	26,904
Compensated absences	-	102,087	2,974	105,061
Liabilities payable from restricted assets				
Customer deposits payable	21,500	1,049,695	-	1,071,195
Total current liabilities	<u>49,155</u>	<u>2,355,370</u>	<u>10,380</u>	<u>2,414,905</u>
Noncurrent liabilities				
Compensated absences	-	323,274	9,416	332,690
OPEB obligation	-	1,127,747	37,918	1,165,665
Net pension liability	-	2,626,833	102,261	2,729,094
Total non-current liabilities	<u>-</u>	<u>4,077,854</u>	<u>149,595</u>	<u>4,227,449</u>
Total liabilities	<u>49,155</u>	<u>6,433,224</u>	<u>159,975</u>	<u>6,642,354</u>
Deferred Inflows of Resources				
Pension	-	137,478	6,398	143,876
Net position				
Net investment in capital assets	981,228	44,483,975	2,984,503	48,449,706
Unrestricted	5,003	9,349,949	507,022	9,861,974
Total net position	<u>986,231</u>	<u>53,833,924</u>	<u>3,491,525</u>	<u>58,311,680</u>
Total liabilities, deferred inflows and net position	<u>\$ 1,035,386</u>	<u>\$ 60,404,626</u>	<u>\$ 3,657,898</u>	<u>\$ 65,097,910</u>

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Parking Lot Fund</u>	<u>Water and Sewer Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
Operating revenues				
Charges for services	\$ 89,478	\$ 11,602,148	\$ 280,050	\$ 11,971,676
Impact fees	-	75,604	-	75,604
Total operating revenues	<u>89,478</u>	<u>11,677,752</u>	<u>280,050</u>	<u>12,047,280</u>
Operating expenses				
Personnel services and benefits	17,154	3,627,186	122,367	3,766,707
Professional services	17,806	485,163	74,371	577,340
General and administrative	37,000	924,480	26,000	987,480
Materials and supplies	726	1,101,571	1,982	1,104,279
Utilities	9,875	697,820	-	707,695
Insurance	-	298,747	-	298,747
Repairs and maintenance	20,786	1,494,483	11,750	1,527,019
Miscellaneous	-	403,036	-	403,036
Depreciation	<u>36,700</u>	<u>2,354,190</u>	<u>162,349</u>	<u>2,553,239</u>
Total operating expenses	<u>140,047</u>	<u>11,386,676</u>	<u>398,819</u>	<u>11,925,542</u>
Operating income (loss)	<u>(50,569)</u>	<u>291,076</u>	<u>(118,769)</u>	<u>121,738</u>
Nonoperating revenues (expenses)				
Investment earnings	392	120,090	3,952	124,434
Interest expense	-	(1,977)	-	(1,977)
Total nonoperating revenues (expenses)	<u>392</u>	<u>118,113</u>	<u>3,952</u>	<u>122,457</u>
Income (loss) before capital contributions and transfers	(50,177)	409,189	(114,817)	244,195
Capital contributions	-	259,000	-	259,000
Transfers out	<u>-</u>	<u>(14,438)</u>	<u>-</u>	<u>(14,438)</u>
Changes in net position	(50,177)	653,751	(114,817)	488,757
Total net position, beginning of year	<u>1,036,408</u>	<u>53,180,173</u>	<u>3,606,342</u>	<u>57,822,923</u>
Total net position, end of year	<u>\$ 986,231</u>	<u>\$ 53,833,924</u>	<u>\$ 3,491,525</u>	<u>\$ 58,311,680</u>

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Parking Lot Fund	Water and Sewer Fund	Stormwater Fund	Total
Cash flows from operating activities				
Cash received from customers	\$ 98,222	\$ 12,223,657	\$ 267,735	\$ 12,589,614
Cash paid to suppliers for goods and services	(91,368)	(6,068,037)	(115,529)	(6,274,934)
Cash paid to employees for services and benefits	(17,154)	(3,872,186)	(115,697)	(4,005,037)
Net cash provided by (used in) operating activities	(10,300)	2,283,434	36,509	2,309,643
Cash flows from noncapital financing activities				
Transfer to other funds	-	(14,438)	-	(14,438)
Net cash used in noncapital financing activities	-	(14,438)	-	(14,438)
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	(2,950)	(7,676,356)	(60,617)	(7,739,923)
Principal paid on notes payable	-	(175,577)	-	(175,577)
Interest paid	-	(2,865)	-	(2,865)
Net cash used in capital and related financing activities	(2,950)	(7,854,798)	(60,617)	(7,918,365)
Cash flows from investing activities				
Cash received on sale of investments	33,477	6,171,741	66,787	6,272,005
Interest received	392	120,090	3,952	124,434
Net cash provided by investing activities	33,869	6,291,831	70,739	6,396,439
Net change in cash and cash equivalents	20,619	706,029	46,631	773,279
Cash and cash equivalents, beginning of year	33,285	1,776,370	90,971	1,900,626
Cash and cash equivalents, end of year	<u>\$ 53,904</u>	<u>\$ 2,482,399</u>	<u>\$ 137,602</u>	<u>\$ 2,673,905</u>
Cash and cash equivalents classified as				
Cash and cash equivalents	\$ 32,404	\$ 1,432,704	\$ 137,602	\$ 1,602,710
Restricted cash and cash equivalents	21,500	1,049,695	-	1,071,195
Total cash and cash equivalents	<u>\$ 53,904</u>	<u>\$ 2,482,399</u>	<u>\$ 137,602</u>	<u>\$ 2,673,905</u>

(Continued)

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	<u>Parking Lot Fund</u>	<u>Water and Sewer Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ (50,569)	\$ 291,076	\$ (118,769)	\$ 121,738
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	36,700	2,354,190	162,349	2,553,239
Change in operating assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	870	521,570	(12,315)	510,125
Prepays	-	500	-	500
Pension deferred outflows of resources	-	(149,407)	(13,883)	(163,290)
Increase (decrease) in liabilities:				
Accounts payable	(5,175)	(663,237)	(1,426)	(669,838)
Accrued liabilities	-	20,765	619	21,384
Unearned revenues	8,274	-	-	8,274
Compensated absences payable	-	32,208	473	32,681
Pension deferred inflows of resources	-	(201,379)	(7,215)	(208,594)
Net pension liability	-	(62,758)	23,188	(39,570)
OPEB obligation	-	115,571	3,488	119,059
Customer deposits	(400)	24,335	-	23,935
Net cash provided by (used in) operating activities:	<u>\$ (10,300)</u>	<u>\$ 2,283,434</u>	<u>\$ 36,509</u>	<u>\$ 2,309,643</u>
Schedule of non-cash capital and related financing activities:				
Contributions of capital assets	\$ -	\$ 259,000	\$ -	\$ 259,000

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2016**

	Pension Trust Funds
Assets	
Cash and cash equivalents	\$ 1,794,801
Receivables / prepaids	
Employer contributions	89,963
Interest receivable	184,930
Due from other governments	347,300
Due from others	2,829
Due from broker	322,054
Total receivables	<u>947,076</u>
Investments, at fair value	
U.S. Government and agency securities	8,952,602
Corporate bonds	14,449,849
Equity securities	20,586,301
Equity mutual funds	25,980,886
Municipal obligations	85,831
American Core Realty Fund	9,375,621
Total investments	<u>79,431,090</u>
Total assets	<u><u>\$ 82,172,967</u></u>
Liabilities	
Accounts payable	\$ 114,000
Amounts held as agent for others	49,395
Total liabilities	<u>163,395</u>
Net Position	
Restricted for pension benefits - active and retired members' benefits	<u>82,009,572</u>
Total liabilities and net position	<u><u>\$ 82,172,967</u></u>

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Pension Trust Funds
Additions	
Contributions	
City	\$ 1,760,456
Employees	554,145
Broward County Sheriff's Office	1,220,319
State / other	552,647
Total contributions	<u>4,087,567</u>
Investment income	
Net increase (decrease) in fair market value	5,480,426
Interest and dividend income	1,748,444
Less investment expense	(453,539)
Net investment income	<u>6,775,331</u>
Total additions	<u>10,862,898</u>
Deductions	
Pension benefits	5,028,841
DROP distributions	1,146,950
Administrative expenses	265,858
Total deductions	<u>6,441,649</u>
Change in net position	<u>4,421,249</u>
Net position, restricted for pension benefits	
Beginning of year	<u>77,588,323</u>
End of year	<u><u>\$ 82,009,572</u></u>

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

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CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cooper City, Florida (the “City”) was incorporated in 1959 pursuant to Chapter 59-1195, Laws of Florida, and currently operates under a Commission-Manager form of government and provides the following types of services: public safety (fire protection, sanitation, emergency medical services, code enforcement and police), parks and recreation, public improvements, growth management, water and sewer, storm water, transportation and community and general administrative services. A Mayor and four member Commission is elected to serve as the executive and legislative body for the City.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the City are described below.

A. Financial Reporting Entity

The accompanying financial statements present the City’s primary government, organizations for which the City is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the City are such that, if excluded, the financial statements of the City would be considered incomplete or misleading. There are no entities considered to be component units of the City; therefore, the financial statements include only the operations of the City.

The City’s financial statements include three single-employer public employee retirement systems (“PERS”) established and administered by the City to provide pension benefits for its employees. The City also participates in two agent multiple-employer pension plans which publishes its own financial statements and supplementary information.

B. Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements, except for charges for services for water and sewer provided by the enterprise funds and used by the governmental funds. 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 services.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. Government-Wide and Fund Financial Statements – Continued

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 operating 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 revenue (property taxes, utility taxes, franchise fees, licenses and permits, certain intergovernmental revenues, interest 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, proprietary funds and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The City has elected to report all of its funds as major funds for public interest purposes.

Fiduciary funds are presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party (other local governments, individuals, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The City's fiduciary fund includes its pension trust funds.

The government-wide focus is 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.

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

Basis of accounting refers to the timing of 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.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

The government-wide financial statements, as well as the fund financial statements for proprietary funds and fiduciary funds, are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred regardless of the timing of related cash flows. Agency funds, however, have no measurement focus. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method exchange and exchange-like revenues are recognized when measurable and available. Non-exchange transaction revenue is recognized when measurable and available and when eligibility requirements have been met. 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 government 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. However, debt service expenditures, compensated absences and claims and judgments are recognized as expenditures to the extent they become due (matured).

Property taxes when levied, franchise and utility taxes, licenses, charges for services, contributions, intergovernmental revenue when all the eligibility requirements are met, and investment earnings associated with the current fiscal period are all considered to be measurable and have been recognized as revenues of the current fiscal period, if available. Permits, fines and forfeitures and miscellaneous revenues are considered measurable when cash is received by the government.

Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue 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 nonoperating revenues and expenses.

The following major governmental funds are used by the City:

General Fund - This fund is used to account for all financial transactions, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes, franchise fees, state and federal distributions and other governmental revenue.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

Road and Bridge Fund - This Special Revenue Fund is used to account for the maintenance of streets and roads. Revenue sources are local option taxes from the State and interfund transfers from the general fund.

Police Confiscation Fund - This Special Revenue Fund provides accountability for assets confiscated in the commission of a crime. Revenue source is forfeited property sale proceeds.

Debt Service Fund - This fund is used to account for the repayment of certain of the City's general longterm debt.

Capital Improvement Fund - This fund is used to account for major capital improvements.

The following are reported as major proprietary funds:

Parking Lot Fund - This fund is used to account for the income and expenses of operating the City's parking facility system.

Water and Sewer Fund - This fund is used to account for the income and expenses of operating the City's water and sewer system.

Stormwater Fund - This fund is used to account for the income and expenses of the City's stormwater system.

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. Fiduciary funds include three single employer pension trust funds. These funds comprise the aggregate remaining fund information of the City.

Amounts reported as *program revenues* include: (1) charges to customers or applicants for goods, services or privileges provide, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise general revenues include property taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items, Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned and then unassigned.

D. Accounting Estimates

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

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue, Debt Service and Capital Improvement Funds. Encumbrances outstanding at year end are reported as assignments of fund balance since they do not constitute expenditures or liabilities.

F. Cash and Investments

The City defines cash equivalents for purposes of the cash flow statements as instruments with an original maturity date of three months or less, when purchased, including restricted/designated cash and cash equivalents.

Investments are recorded at fair value based on quoted market prices except for certificates of deposits with original maturities of less than one year, which are carried at amortized cost.

Bank accounts are not separately maintained for each of the City's funds, as certain funds maintain their deposits in a pooled account. Accounting records are maintained to show the portion of the pooled account attributable to each participant fund.

State Statutes authorize the City to invest in direct obligations of the U.S. Treasury, Local Government Surplus Trust Fund, SEC registered money market funds with the highest credit quality rating and savings, the State Treasurer's Investment Pool, and certificate of deposit accounts in State-certified public depositories.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

G. Restricted Assets

These assets represent cash and other assets set aside to meet sinking fund requirements for the payment of debt principal, interest and fiscal charges, obligations pursuant to bond covenants, trust arrangements and customer deposits. Liabilities which will be payable from restricted/designated assets have been segregated and separately identified in the accompanying financial statements.

H. Receivables

All trade receivables are reported net of an allowance for uncollectibles, which is generally equivalent to the receivables that are over 90 days past due.

I. Inventory and Prepaid Items

Inventories in the General Fund are composed of materials and supplies for fleet maintenance and are based on year-end physical counts. Inventory is valued at cost. Inventories, including gasoline and fuel and chemicals for the Water and Sewer Fund, are recognized as expenditures when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These payments are reported using the consumption method as an asset is recognized when payment is made.

J. Property Taxes

Property values are assessed on a county-wide basis by the Broward County Property Appraiser as of January 1 of each year. Tax bills are mailed for the City by Broward County on or about October 1 (the levy date) of each year and are payable with discounts of up to 4% offered for early payment. The City's levy becomes an enforceable claim on November 1. Taxes become delinquent on April 1 of the year following the year of assessment and state law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-earning tax certificates to satisfy unpaid property taxes. The City is subject to certain limitations on millage rate assessments as defined by state statutes. The City levied taxes at a rate of 5.9293 mills for operations and .1479 mills for debt service, which was below the maximum millage allowed by Statute. Due to the uncertainty of collection, an allowance has been set up for delinquent taxes and revenues are reported net.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

K. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$1,000 and an estimated useful life in excess of one year. 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.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. The amount of interest capitalized is calculated by offsetting interest expense incurred (from the date of borrowing until the date of completion of the project) with interest earned on investment proceeds over the same period. During the fiscal year ended September 30, 2016, no interest was capitalized.

Property, plant and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 - 40
Improvements other than buildings	20 - 40
Machinery and equipment	3 - 10
Infrastructure	50

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

L. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused sick leave and vacation leave benefits. Sick leave may be accumulated up to 720 hours and vacation leave up to 240 hours. The City permits conversion of excess accrued sick leave for employees that have been with the City for longer than five years. Employees with five to ten years of full time service vest in 25% of sick leave, employees with ten to fifteen years vest at 50% and employees with greater than fifteen vest at 75%. All sick and vacation leave is accrued when earned in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Liability for accrued compensated absences of the governmental activities is not reported in the balance sheet of the governmental funds and, accordingly, represents a reconciling item between the fund and government-wide presentations.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

M. Unearned Revenue

Unearned revenue arises when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

N. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is 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.

O. Pension Accounting

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the City's plans and additions to/deductions from this plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Pension Trust Funds:

Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Administrative expenses are financed as a part of the annual required contribution calculation.

Funding policy:

The City funds the contributions to its pension plans based on the actuarial required contribution.

A net pension liability is reported in the government-wide financial statements and represents the cumulative difference between total pension liability and fiduciary net position since implementation.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

O. Pension Accounting – Continued

Deferred Outflows and Inflows of Resources:

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City has deferred inflows and deferred outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service life of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. The changes in proportion and differences between City contributions and proportionate share of contributions are also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

P. Net Position / Fund Balance Classification

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure into one component of net position. Accumulated depreciation and the outstanding balance of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

P. Net Position / Fund Balance Classification – Continued

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions in enabling legislation. At year end, governmental activities net position restricted for other purposes was composed of amounts related to purposes as noted in the Statement of Net Position.

Unrestricted Net Position – This category represents net position that does not meet the definition of “net investment in capital assets” or “restricted”.

In accordance with GASB Statement No. 54, the City classifies governmental fund balance as follows:

Nonspendable Fund Balance – This represents amounts that cannot be spent due to form (e.g. inventories, prepaid amounts) or legally or contractually required to be maintained intact.

Restricted Fund Balance – This represents amounts constrained for a specific purpose by external parties, such as creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - This represents amounts that can only be used for specific purposes determined by a formal action (ordinance) of the City Commission, the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City removes those constraints by taking the same type of action.

Assigned Fund Balance - Assigned fund balances includes spendable fund balance amounts established by the City Commission that are intended to be used for a specific purposes that are neither considered restricted or committed. Intent is expressed by the City Commission to assign amounts to be used for specific purposes. Appropriations of existing fund balances to eliminate deficits in a future budget and encumbrances are considered assignments of fund balance.

Unassigned Fund Balance – This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it such as in grant agreements requiring dollar for dollar spending.

When committed, assigned and unassigned funds are available for expenditure, committed funds should be spent first, assigned funds second, and unassigned funds last.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Q. NEW ACCOUNTING STANDARDS ADOPTED

During fiscal year 2016, the City adopted GASB Statement No. 72, *Fair Value Measurement and Application*. The objective of this statement is to address the accounting and financial reporting issues related to fair value measurements. This statement provides guidance for determining a fair value measurement for financial reporting purposes, and also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

NOTE 2 – DEPOSITS AND INVESTMENTS

At September 30, 2016, the City had the following investments:

Statement of Net Position	
Cash on hand	\$ 3,300
Deposits with financial institutions	7,061,701
State Board of Administration	18,905
Certificates of deposit	20,042,275
Total	<u>27,126,181</u>
Fiduciary Funds:	
Cash and cash equivalents	1,794,801
U.S. government and agency obligations	8,952,602
Corporate bonds	14,449,849
Equity securities	20,586,301
Equity mutual funds	25,980,886
Municipal obligations	85,831
American Core Realty Fund	9,375,621
Total	<u>81,225,891</u>
Total cash and investments	<u><u>\$ 108,352,072</u></u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS – CONTINUED

The City's cash, cash equivalents and investments, as reported in the accompanying financial statements for the fiscal year ended September 30, 2016, were as follows:

Statement of Net Position:

Cash and cash equivalents - current	\$ 6,012,711
Cash and cash equivalents - current restricted	1,071,195
Investments	20,042,275
	<u>\$ 27,126,181</u>

Fiduciary Funds:

Cash and cash equivalents	\$ 1,794,801
Investments	79,431,090
	<u>\$ 81,225,891</u>

All deposits, including certificates of deposit, are insured or collateralized by a financial institution collateral pool as required by Florida State Statutes. Under this pool, financial institutions holding public funds pledge collateral to a common pool. The collateral pledged by each financial institution must equal a certain percentage of the uninsured public deposits held. If any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. If the collateral pool is inadequate to meet obligations of the pool, each member institution will be responsible for its pro-rata share of the deficiency.

The City pools substantially all of its cash and investments, except for separate cash and investment accounts (e.g. employee retirement funds and proceeds from bond issues) that are maintained in accordance with legal restrictions. This pooling of funds enables the City to maximize the funds available for investment, and increases efficiencies related to investment pricing, rate of return, safekeeping and administration. The investment income earned on pooled investments is allocated to the various funds based on their respective equity participation in the pool.

Pursuant to its investment practice, the City has confined its depository and investment activities to those that are authorized pursuant to Chapters 166 and 280, Florida Statutes and other legal provisions. Among other things, the statutes designate the institutions that qualify as depositories for public funds, the types of investments the City can undertake, and the extent to which the City can concentrate funds in any of the permitted types. The City used financial institutions from the list of financial institutions and depositories authorized to provide investment services.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS – CONTINUED

The City does not have a written investment policy and as such, its practice is to follow Florida Statute 218.415 which limits the types of investments that local government units may invest. Those units of local government electing not to adopt a written investment policy in accordance with policies developed by the State may only invest surplus public funds in the State Pool or similar, highly rated money market funds, time deposits or savings accounts or direct obligations of the U.S. Treasury.

The Boards of Trustees of the City of Cooper City retirement trust funds have authorized the funds' investment manager to invest and maintain the funds' assets in any type of security; however, the purchase of common stocks may not exceed 60% of the total assets of the fund. In addition, the funds used security broker/dealers from an approved list of broker/dealers selected by creditworthiness. In addition, the Boards of Trustees have authorized investments in real estate.

In line with its policies, practices and statutory provisions, the City structured its portfolio, firstly, to ensure preservation of capital, secondly, to maintain sufficient liquidity to meet ongoing obligations, and lastly, to yield a return on investment that approaches the market rate of return to the fullest extent possible, considering the prior objectives. The City strives to preserve capital by mitigating its credit and interest rate risks. The City maintains sufficient liquidity by structuring its portfolio so that it contains an adequate amount of securities with active secondary or resale markets, or enough money market mutual funds or local government investment pools that offer same-day liquidity for short-term funds.

Concentration of credit risk: The City's practice is not to have any concentrations of more than 5% in stocks of a particular company. The Police and Firefighters' Pension Funds limit amounts that may be invested in any one issuer to no more than 5% of the plan net position, other than those issued by the U.S. Government or its Agencies. More than 5% of the funds plan net position are invested in debt securities issued by the Federal National Mortgage Association.

Interest rate risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. The City has no formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City will minimize the risk that the fair value of securities in the portfolio will fall due to changes in general interest rates, 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. Information about the exposure of the City's debt type investments to this risk using the segmented time distribution model is noted on the following page:

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS – CONTINUED

Interest rate risk – Continued:

Investments	Fair Value	Maturities (years)			
		Less than 1	1 - 5	6 - 10	More than 10
Governmental and Business- Type Activities:					
SBA Florida PRIME	\$ 18,905	\$ 18,905	\$ -	\$ -	\$ -
Certificates of deposit	20,042,275	18,042,275	2,000,000	-	-
	<u>\$ 20,061,180</u>	<u>\$ 18,061,180</u>	<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ -</u>
Fiduciary funds:					
Equity securities	\$ 26,065,485	N/A	\$ -	\$ -	\$ -
Equity mutual funds	20,501,702	N/A	-	-	-
Real estate fund	9,375,621	N/A	-	-	-
U.S. government and agency obligations	8,952,602	1,494,583	3,273,131	1,730,969	2,453,919
Municipal obligations	85,831	-	-	85,831	-
Corporate bonds	14,449,849	650,384	4,871,429	8,546,182	381,854
	<u>\$ 79,431,090</u>	<u>\$ 2,144,967</u>	<u>\$ 8,144,560</u>	<u>\$ 10,362,982</u>	<u>\$ 2,835,773</u>

Certain investments are subject to various risks which have the potential to result in a change in the value of the investments.

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 the investments or collateral securities that are in the possession of an outside party. The investment policy of the City minimizes this risk by prohibiting purchase of securities subject to custodial credit risk. The pension plans' investments are registered, but not insured. The investments are registered in the plans' name. As of September 30, 2016, the General Employee Pension Plan held \$30,440,896; the Fire Pension Plan held \$22,928,887; and the Police Pension Plan held \$26,061,307 in uninsured investments, held by its custodial bank. Cash and short term investments exceed the Federally Insured limits. The City has no formal policy for custodial credit risk.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 2 – DEPOSITS AND INVESTMENTS – CONTINUED

Credit risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the rating for each debt type investment. The ratings for each debt type investment are included in the following table. The City has no formal policy for credit risk. The ratings meet the minimum rating required for each debt type investment:

Average Rating	U.S. Government				Total
	Corporate Bonds	and Agency Obligations	Municipal Obligations	Real Estate Fund	
Aaa	\$ 576,426	\$ 6,785,044	\$ -	\$ -	\$ 7,361,470
Aa1	311,168	-	50,961	-	362,129
Aa2	1,060,863	-	-	-	1,060,863
Aa3	713,769	-	-	-	713,769
A1	1,776,763	-	34,870	-	1,811,633
A2	1,525,189	-	-	-	1,525,189
A3	4,121,203	-	-	-	4,121,203
Baa1-3	3,978,047	-	-	-	3,978,047
Unrated	386,421	2,167,558	-	9,375,621	11,929,600
	<u>\$ 14,449,849</u>	<u>\$ 8,952,602</u>	<u>\$ 85,831</u>	<u>\$ 9,375,621</u>	<u>\$ 32,863,903</u>

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets and Level 2 inputs are significant other observable inputs.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 2 – DEPOSITS AND INVESTMENTS – CONTINUED

The City has the following recurring fair value measurements as of September 30, 2016:

<u>Investments</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>
U.S. government and agency obligations	\$ 8,952,602	\$ 6,439,408	\$ 2,513,194
Corporate bonds	14,449,849	-	14,449,849
Equity securities	26,065,485	26,065,485	-
Equity mutual funds	20,501,702	20,501,702	-
Municipal obligations	85,831	-	85,831
Total investments measured at fair value	\$ 70,055,469	<u>\$ 53,006,595</u>	<u>\$ 17,048,874</u>
Investments measured at Net Asset Value (NAV)			
Real estate fund	9,375,621		
Total investments	<u>\$ 79,431,090</u>		

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities including U.S. obligations, corporate bonds, and municipal obligations classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The real estate fund is an open-end diversified core real estate commingled fund that invests primarily in core institutional office, retail, industrial, and multi-family properties located throughout the United States. The investment is valued at net asset value and its redemptions must be received by the fund ten days prior to quarter end.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 3 – RECEIVABLES

Receivables as of September 30, 2016, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Parking Lot Fund</u>	<u>Water and Sewer Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
Receivables						
Accounts receivable:						
EMS Transport	\$ 1,375,422	\$ -	\$ -	\$ -	\$ -	\$ 1,375,422
Trade	-	-	254	1,922,888	24,670	1,947,812
Miscellaneous	24,256	-	-	-	-	24,256
Franchise fees and utility taxes	628,938	-	-	-	-	628,938
Due from other governments	738,707	49,589	-	-	-	788,296
Less allowance for uncollectible receivables	<u>(723,748)</u>	<u>-</u>	<u>-</u>	<u>(464,034)</u>	<u>-</u>	<u>(1,187,782)</u>
	<u><u>\$ 2,043,575</u></u>	<u><u>\$ 49,589</u></u>	<u><u>\$ 254</u></u>	<u><u>\$ 1,458,854</u></u>	<u><u>\$ 24,670</u></u>	<u><u>\$ 3,576,942</u></u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 4 – CAPITAL ASSETS

Governmental activities capital assets for the fiscal year ended September 30, 2016, was as follows:

	Beginning Balance	Additions	Deletions	Net Transfers	Ending Balance
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 21,790,931	\$ -	\$ -	\$ -	\$ 21,790,931
Construction in progress	492,997	259,948	-	(347,520)	405,425
Total assets not being depreciated	<u>22,283,928</u>	<u>259,948</u>	<u>-</u>	<u>(347,520)</u>	<u>22,196,356</u>
Capital assets being depreciated					
Buildings	11,893,617	502,608	(9,779)	347,520	12,733,966
Improvements other than buildings	9,337,922	367,476	(9,223)		9,696,175
Machinery and equipment	3,875,910	615,486	(83,947)		4,407,449
Infrastructure	29,873,868	6,375			29,880,243
Total assets being depreciated	<u>54,981,317</u>	<u>1,491,945</u>	<u>(102,949)</u>	<u>347,520</u>	<u>56,717,833</u>
Less accumulated depreciation					
Buildings	(7,796,016)	(513,906)	1,000	-	(8,308,922)
Improvements other than buildings	(4,081,977)	(321,637)	3,484		(4,400,130)
Machinery and equipment	(2,788,335)	(224,706)	78,304	-	(2,934,737)
Infrastructure	(17,419,165)	(363,385)	-	-	(17,782,550)
Total accumulated depreciation	<u>(32,085,493)</u>	<u>(1,423,634)</u>	<u>82,788</u>	<u>-</u>	<u>(33,426,339)</u>
Total assets depreciated, net	<u>22,895,824</u>	<u>68,311</u>	<u>(20,161)</u>	<u>347,520</u>	<u>23,291,494</u>
Governmental activities, net	<u>\$ 45,179,752</u>	<u>\$ 328,259</u>	<u>\$ (20,161)</u>	<u>\$ -</u>	<u>\$ 45,487,850</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 4 – CAPITAL ASSETS – CONTINUED

Business-type activities capital assets for the fiscal year ended September 30, 2016, was as follows:

	Beginning Balance	Additions	Deletions	Net Transfers	Ending Balance
Business-type Activities					
Capital assets not being depreciated:					
Land	\$ 1,038,309	\$ -	\$ -	\$ -	\$ 1,038,309
Construction in progress	5,064,306	4,228,792	-	(1,344,544)	7,948,554
Total assets not being depreciated	<u>6,102,615</u>	<u>4,228,792</u>	<u>-</u>	<u>(1,344,544)</u>	<u>8,986,863</u>
Capital assets being depreciated					
Buildings and plant	59,639,405	3,585,095	-	1,344,544	64,569,044
Improvements other than buildings	5,401,683	2,950	-	-	5,404,633
Machinery and equipment	3,857,201	121,469	-	-	3,978,670
Infrastructure	6,789,356	60,617	-	-	6,849,973
Total assets being depreciated	<u>75,687,645</u>	<u>3,770,131</u>	<u>-</u>	<u>1,344,544</u>	<u>80,802,320</u>
Less accumulated depreciation					
Buildings and plant	(28,389,239)	(1,791,064)	-	-	(30,180,303)
Improvements other than buildings	(1,135,886)	(288,211)	-	-	(1,424,097)
Machinery and equipment	(2,118,680)	(315,323)	-	-	(2,434,003)
Infrastructure	(4,413,339)	(158,641)	-	-	(4,571,980)
Total accumulated depreciation	<u>(36,057,144)</u>	<u>(2,553,239)</u>	<u>-</u>	<u>-</u>	<u>(38,610,383)</u>
Total assets depreciated, net	<u>39,630,501</u>	<u>1,216,892</u>	<u>-</u>	<u>1,344,544</u>	<u>42,191,937</u>
Business-type activities, net	<u>\$ 45,733,116</u>	<u>\$ 5,445,684</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,178,800</u>

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 4 – CAPITAL ASSETS – CONTINUED

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

Governmental activities:	
General government	\$ 238,953
Public safety	155,067
Physical environment	75,120
Transportation	373,777
Culture and recreation	580,717
	<u>\$ 1,423,634</u>
Business-type activities:	
Parking	\$ 36,700
Water and Sewer	2,354,190
Stormwater	162,349
	<u>\$ 2,553,239</u>

NOTE 5 – INTERFUND TRANSFERS

Interfund transfer activity for the fiscal year ended September 30, 2016, was as follows:

Transfers In	Transfers Out		Total
	General Fund	Water and Sewer Fund	
Road and Bridge Fund	\$ 705,166	\$ -	\$ 705,166
Capital Improvement Fund	1,565,562	14,438	1,580,000
Total	<u>\$ 2,270,728</u>	<u>\$ 14,438</u>	<u>\$ 2,285,166</u>

Transfers are used to: (1) *move* revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) *move* unrestricted revenues to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 6 – LONG TERM LIABILITIES

The following is a summary of long-term liability transactions of the City for the year ended September 30, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental activities					
General obligation bonds	\$ 1,361,760	\$ -	\$ (348,712)	\$ 1,013,048	\$ 356,736
Net OPEB obligation	1,852,326	375,315	(177,308)	2,050,333	-
Net pension liability	12,414,438	7,989,438	(1,719,984)	18,683,892	-
Compensated absences	586,796	388,678	(373,455)	602,019	144,485
Total governmental activities	<u>\$ 16,215,320</u>	<u>\$ 8,753,431</u>	<u>\$ (2,619,459)</u>	<u>\$ 22,349,292</u>	<u>\$ 501,221</u>
Business-type activities					
Notes payable	\$ 175,577	\$ -	\$ (175,577)	\$ -	\$ -
Net OPEB obligation	1,046,606	213,376	(94,317)	1,165,665	-
Net pension liability	2,768,664	1,753,779	(1,793,349)	2,729,094	-
Compensated absences	405,070	244,347	(211,666)	437,751	105,061
Total business-type activities	<u>\$ 4,395,917</u>	<u>\$ 2,211,502</u>	<u>\$ (2,274,909)</u>	<u>\$ 4,332,510</u>	<u>\$ 105,061</u>

The City's long-term debt liabilities as of September 30, 2016, are composed of the following:

General Obligation Bonds Payable: On April 1, 1999, the City issued bonds in the amount of \$5,500,000. Of this amount, \$2,500,000 was used for construction of Phase II of the Sports Complex and \$3,000,000 was used for constructing, furnishing, and equipping a new police station in the City. These bonds consist of one issue bearing interest at 2.2% per annum and maturing on March 31, 2019. Principal and interest payments are made on a quarterly basis. The City has determined that they are in compliance with bond covenants at September 30, 2016.

Compensated absences: This amount represents the City's long-term liability for earned and unpaid vacation and sick leave benefits as of September 30, 2016, which are not expected to be paid with current available resources. Governmental activities compensated absences are generally paid out of the General Fund, and Business-type activities compensated absences are paid out of the Water and Sewer and Stormwater funds.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 6 – LONG TERM LIABILITIES – CONTINUED

The annual debt service payments required on outstanding debt at September 30, 2016, are as follows:

Fiscal Year	Principal	Interest	Total
2017	\$ 356,736	\$ 19,074	\$ 375,810
2018	364,649	11,161	375,810
2019	291,663	3,143	294,806
	<u>\$ 1,013,048</u>	<u>\$ 33,378</u>	<u>\$ 1,046,426</u>

NOTE 7 – PENSION PLANS

The City maintains three separate single-employer public employee retirement system (“PERS”) pension plans, the General Employees’ Retirement Plan (“GEPP”), the Firefighters Retirement Plan (“FRP”), and the Police Officers Retirement Plan (“PORP”) to provide benefits for its employees. The City also participates in a cost-sharing multiple employer plan (the Florida Retirement System) and an agent multiple employer pension plan (the Florida Municipal Pension Trust Fund).

The Boards of Trustees of the City of Cooper City Retirement Trust Funds are the administrators of the three single employer plans. The Trustees have authority for establishing and amending benefits and funding policies for each of the respective plans. The three PERS plans are considered to be part of the City’s financial reporting entity and are included in the City’s financial reports as pension trust funds.

Effective October 25, 2011, the GEPP was closed to new hires. Employees participating in the GEPP prior to closure had the option to continue in the plan or to participate in the Florida Retirement System (“FRS”). As of April 1, 2012, all new hires were required to participate in FRS.

GENERAL EMPLOYEES’ RETIREMENT PLAN

General Information

All full-time general employees hired before October 25, 2011, are eligible for membership on the date of employment. After October 25, 2011, the Plan was closed to new hires. Service is measured as the total number of years and completed months as a general employee with the City of Cooper City. Base compensation including pick-up contributions for all straight time hours worked, but excluding bonuses, overtime, any other non-regular payments and lump sum payments of unused leave. Final Monthly Compensation (“FMC”) is the average of compensation over the highest three years of credited service. The GEPP does not issue stand-alone financial statements.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

GENERAL EMPLOYEES' RETIREMENT PLAN – CONTINUED

General Information – Continued

At September 30, 2016, participation in the GEPP consisted of the following:

Retirees and beneficiaries currently receiving benefits	87
Terminated plan members entitled to but not yet receiving benefits	3
Active plan members	62
Total	<u>152</u>

Normal Retirement – A member may retire on the first day of the month coinciding with or next following age 55 and 6 years of credited service. The GEPP benefit is computed as 2.50% of FMC multiplied by credited service. In addition, the member will receive a monthly supplemental benefit equal to \$20 multiplied by credited service. For those who became Broward Sheriff Office (BSO) employees, the multiplier is 1% for service before October 1, 1981, 1.75% from October 1, 1981 through September 30, 1993 and 2% thereafter unless the employee chose to purchase a higher multiplier of 2.25%. The normal form of benefit is a single life annuity, with other options available.

Early Retirement – A member may elect to retire earlier than the normal retirement eligibility upon attainment of age 53 and 10 years of credited service. The normal retirement benefit is reduced by 4% for each year by which the Early Retirement date precedes the normal retirement date.

Deferred Retirement Option Plan – The GEPP offers a Deferred Retirement Option Plan ("DROP"). Plan members who have attained age 55 and 6 years of credited service are eligible for the DROP. The member's credited service and FMC are frozen upon entry into the DROP. The monthly retirement benefit is calculated based upon the frozen credited service and FMC. The maximum DROP period is 5 years. The member's DROP account is credited at an interest rate based upon the option chosen by the member. Members may elect from the following options: (1) gain or loss at the same rate earned by the GEPP, or (2) gain or loss at the rate earned by a self-directed investment account. Members may elect one of the following normal benefit options: (1) a single lump sum, (2) annual installments, (3) equal monthly installments, (4) a combination of lump sum and periodic payments, or (5) direct rollover to another qualified retirement plan.

Death Benefits – Members are eligible for survivor benefits after the completion of six or more years of credited service. A death benefit is payable as though the member had retired on the date of death and elected 100% joint and survivor option; other options are also available. The benefit is payable for the life of the beneficiary. The beneficiary of a plan member with less than six years of credited service at the time of death will receive a refund of the member's accumulated contributions with interest. Post-retirement death benefits are determined by the form of benefit elected upon retirement.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

GENERAL EMPLOYEES' RETIREMENT PLAN – CONTINUED

General Information – Continued

Disability Benefit – Any member who becomes totally and permanently disabled and unable to perform regular and continuous duties for the City as a result of an act occurring in the performance of service for the City is immediately eligible for a disability benefit. The benefit received is the accrued normal retirement benefit taking into account compensation earned and service credited as of the date of disability. There will be no actuarial reduction for the period of time that the date of disability precedes the normal retirement date. The benefit is payable until death or recovery from disability.

Non-Service Connected Disability – Any member who has 10 years of Credited Service and becomes totally and permanently disabled and unable to perform regular and continuous duties for the City is immediately eligible for a non-service connected disability benefit. The benefit received is the accrued normal retirement benefit taking into account compensation earned and service credited as of the date of disability. There will be no actuarial reduction for the period of time that the date of disability precedes the normal retirement date. The benefit is payable until death or recovery from disability.

Vested Termination – A member has earned a non-forfeitable right to GEPP benefits after the completion of 6 years of credited service. The benefit is the member's accrued normal retirement benefit as of the date of termination and begins on the member's normal retirement date. The normal form of benefit is a single life annuity; other options are also available. Members terminating employment with less than six years of credited service will receive a refund of their employee accumulated contributions with interest.

Refunds – All members terminating employment with less than six years of credited service are eligible for refunds. Optionally, vested members (those with 6 or more years of credited service) may elect a refund in lieu of the vested benefits otherwise due. Refund of the member's contributions with interest. Interest is currently credited at a rate equal to the actual return on investment.

Contributions

Member contributions for the GEPP are 10.43% of earnings for City employees and 0% for BSO employees. Employer contributions are any additional amount determined by the actuary needed to fund the plan properly so as to comply with State laws. In lieu of electing the normal form of benefit, the optional forms of benefits available to all retirees are the 10 year certain and life thereafter and joint and last survivor options.

Rate of Return

For the fiscal year ended September 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.12%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

GENERAL EMPLOYEES' RETIREMENT PLAN – CONTINUED

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

The City's net pension liability for the GEPP is measured as the total pension liability less the pension plan's fiduciary net position. At September 30, 2016, the City reported a net pension liability of \$5,113,047 related to the GEPP. The net pension liability was measured as of September 30, 2015, using an annual actuarial valuation as of October 1, 2014, rolled forward to September 30, 2015, using standard update procedures. For the fiscal year ended September 30, 2016, the City recognized pension expense of \$772,318 related to the GEPP.

The components of net pension liability of the GEPP as measured at September 30, 2015, the measurement date, were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2015	\$ 33,483,512	\$ 29,321,766	\$ 4,161,746
Changes for the year:			
Service cost	801,521	-	801,521
Interest	2,444,577	-	2,444,577
Experience differences	(533,237)	-	(533,237)
Assumption changes	335,762	-	335,762
Contributions - employer	-	999,117	(999,117)
Contributions - non-employer contributing entity (from BSO)	-	96,707	(96,707)
Contributions - employee	-	364,865	(364,865)
Net investment income	-	741,361	(741,361)
Benefit payments, including refunds of employee contributions	(1,545,365)	(1,545,365)	-
Administrative expense	-	(77,950)	77,950
Other changes	(49,992)	(76,770)	26,778
Balances at September 30, 2016	<u>\$ 34,936,778</u>	<u>\$ 29,823,731</u>	<u>\$ 5,113,047</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

GENERAL EMPLOYEES' RETIREMENT PLAN – CONTINUED

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

At September 30, 2016, the City reported deferred outflows and inflows of resources related to the GEPP from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,880	\$ 319,942
Assumption changes	201,457	-
Net difference between projected and actual earnings on GEPP investments	587,771	-
City GEPP contributions subsequent to the measurement date	860,950	-
Total	<u>\$ 1,657,058</u>	<u>\$ 319,942</u>

The deferred outflows of resources related to the GEPP totaling \$860,950, resulting from employer contributions to the GEPP subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. The remaining amounts reported as deferred outflows and inflows of resources related to the GEPP will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2017	\$ 30,053
2018	62,668
2019	102,165
2020	281,280
2021	-
Thereafter	-

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 7 – PENSION PLANS – CONTINUED

GENERAL EMPLOYEES' RETIREMENT PLAN – CONTINUED

Actuarial Methods and Significant Assumptions

Significant actuarial assumptions and other inputs used to measure the total pension liability for the GEPP are as follows:

Valuation date	October 1, 2014
Measurement date	September 30, 2015
Actuarial cost method	Entry age normal
Investment rate of return	7.20%
Salary increases	6.00%, including inflation
Inflation	3.00%
Retirement age	Experience based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected using Scale AA for all years after 2000.

A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 7 – PENSION PLANS – CONTINUED

GENERAL EMPLOYEES' RETIREMENT PLAN – CONTINUED

Actuarial Methods and Significant Assumptions – Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2015, the measurement date, are summarized in the following table:

Asset Class	Allocation	Long-Term Expected Real Rate of Return
Large Cap Equity	50%	7.88%
Real Estate	10%	6.25%
Small Growth	5%	8.95%
International Stock	5%	8.25%
Money Market/Cash	4%	-0.40%
Intermediary Fixed Income	26%	1.90%

Sensitivity Analysis of the Net Pension Liability

Regarding the sensitivity of the GEPP's net pension liability to changes in the single discount rate, the following presents the GEPP's net pension liability, calculated using a single discount rate of 7.20%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage-point higher:

1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
\$ 8,801,208	\$ 5,113,047	\$ 1,994,279

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

GENERAL EMPLOYEES' RETIREMENT PLAN – CONTINUED

DROP Account

A portion of the GEPP fiduciary net position is designated for benefits that accrue in relation to the DROP account as described in the plan description. The DROP balance for the fiscal year ended September 30, 2016, is presented below as determined by the actuary's most recent valuation:

Designated for DROP	\$ 1,033,088
Undesignated net position	28,790,643
Total net position	<u>\$ 29,823,731</u>

FIREFIGHTERS RETIREMENT PLAN

The FRP is a single-employer defined benefit retirement plan covering all eligible firefighters. The Plan was established by the City of Cooper City (the "City") in accordance with a City ordinance and state statutes. Management of the Plan is vested in the Board, which consists of five trustees – two trustees are elected by plan participants, two shall be residents of the City and appointed by the City manager, and a fifth appointed by the other four participants of the board.

Audited financial statements were issued for the FRP for the fiscal year ended September 30, 2016. Requests for financial statements should be addressed to the Office of the Finance Director of Cooper City, Florida, P.O. Box 290910, Cooper City, Florida 33329-0910.

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

The City's net pension liability for the FRP is measured as the total pension liability less the pension plan's fiduciary net position. At September 30, 2016, the City reported a net pension liability of \$6,550,173 related to the FRP. The net pension liability was measured as of September 30, 2015, using an annual actuarial valuation as of October 1, 2014, rolled forward to September 30, 2015, using standard update procedures. For the fiscal year ended September 30, 2016, the City recognized pension expense of \$546,724 related to the FRP.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FIREFIGHTERS RETIREMENT PLAN – CONTINUED

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

The components of net pension liability of the FRP as measured at September 30, 2015, were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2015	\$ 28,075,711	\$ 23,711,649	\$ 4,364,062
Changes for the year:			
Service cost	158,031	-	158,031
Interest	1,939,322	-	1,939,322
Experience differences	47,678	-	47,678
Contributions - employer	-	255,058	(255,058)
Contributions - non-employer contributing entity (from BSO)	-	299,251	(299,251)
Contributions - employee	-	18,257	(18,257)
Net investment income	-	(542,222)	542,222
Benefit payments, including refunds of employee contributions	(1,058,286)	(1,058,286)	-
Administrative expense	-	(71,424)	71,424
Balances at September 30, 2016	<u>\$ 29,162,456</u>	<u>\$ 22,612,283</u>	<u>\$ 6,550,173</u>

At September 30, 2016, the City reported deferred outflows and inflows of resources related to the FRP from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on FRP investments	\$ 1,248,778	-
City FRP contributions subsequent to the measurement date	238,638	-
Total	<u>\$ 1,487,416</u>	<u>\$ -</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 7 – PENSION PLANS – CONTINUED

FIREFIGHTERS RETIREMENT PLAN – CONTINUED

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

The deferred outflows of resources related to the FRP totaling \$238,638, resulting from employer contributions to the FRP subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. The remaining amounts reported as deferred outflows and inflows of resources related to the FRP will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2017	\$ 270,756
2018	270,756
2019	270,756
2020	436,510
2021	-
Thereafter	-

Actuarial Methods and Significant Assumptions

Significant actuarial assumptions and other inputs used to measure the total pension liability for the GEPP are as follows:

Valuation date	October 1, 2014
Measurement date	September 30, 2015
Actuarial cost method	Entry age normal
Investment rate of return	7.00%
Salary increases	7.25%
Inflation	3.00%
Retirement age	Experience based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected using Scale AA for all years after 2000.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 7 – PENSION PLANS – CONTINUED

FIREFIGHTERS RETIREMENT PLAN – CONTINUED

Actuarial Methods and Significant Assumptions – Continued

A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2015, the measurement date, are summarized in the following table:

Index	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	26-69%	7.50%
International equity	8-25%	3.10%
Bonds	No limits	3.90%
TIPS	5-10%	3.20%
Real estate	0-10%	4.70%
REITS	0-10%	6.90%
MLPs	0-10%	10.4%

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 7 – PENSION PLANS – CONTINUED

FIREFIGHTERS RETIREMENT PLAN – CONTINUED

Sensitivity Analysis of the Net Pension Liability

Regarding the sensitivity of the FRP's net pension liability to changes in the single discount rate, the following presents the FRP's net pension liability, calculated using a single discount rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage-point higher:

1% Decrease	Current	1% Increase
(6.00%)	Discount Rate	(8.00%)
	(7.00%)	
\$ 9,415,691	\$ 6,550,173	\$ 4,170,517

DROP Account

A portion of the FRP fiduciary net position is designated for benefits that accrue in relation to the DROP account as described in the plan description. The DROP balance for the fiscal year ended September 30, 2016 is presented below as determined by the actuary's most recent valuation:

Designated for DROP	\$ 3,658,079
Undesignated net position	18,954,204
Total net position	<u>\$ 22,612,283</u>

POLICE OFFICERS RETIREMENT PLAN

The PORP is a single-employer defined benefit retirement plan covering all eligible police officers. The Plan was established by the City in accordance with a City ordinance and state statutes. Management of the Plan is vested in the Board, which consists of five members - two elected by plan participants, two appointed by the City Manager, and a fifth appointed by the other four from the residents of the City

Audited financial statements were issued for the PORP for the fiscal year ended September 30, 2016. Requests for financial statements should be addressed to the Office of the Finance Director of Cooper City, Florida, P.O. Box 290910, Cooper City, Florida 33329-0910.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

POLICE OFFICERS RETIREMENT PLAN – CONTINUED

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

The City's net pension liability for the PORP is measured as the total pension liability less the pension plan's fiduciary net position. At September 30, 2016, the City reported a net pension liability of \$6,282,147 related to the PORP. The net pension liability was measured as of September 30, 2015, using an annual actuarial valuation as of October 1, 2014, rolled forward to September 30, 2015, using standard update procedures. For the fiscal year ended September 30, 2016, the City recognized pension expense related to the PORP of \$593,664.

The components of net pension liability of the PORP as measured at September 30, 2015, were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2015	\$ 31,043,478	\$ 26,853,679	\$ 4,189,799
Changes for the year:			
Service cost	130,185	-	130,185
Interest	2,267,290	-	2,267,290
Experience differences	(120,237)	-	(120,237)
Contributions - employer	-	261,740	(261,740)
Contributions - employee	-	92,898	(92,898)
Net investment income	-	(91,957)	91,957
Benefit payments, including refunds of employee contributions	(1,886,260)	(1,886,260)	-
Administrative expense	-	(77,791)	77,791
Balances at September 30, 2016	<u>\$ 31,434,456</u>	<u>\$ 25,152,309</u>	<u>\$ 6,282,147</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 7 – PENSION PLANS – CONTINUED

POLICE OFFICERS RETIREMENT PLAN – CONTINUED

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

At September 30, 2016, the City reported deferred outflows and inflows of resources related to the PORP from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on PORP investments	\$ 1,264,742	-
City PORP contributions subsequent to the measurement date	1,198,788	-
Total	\$ 2,463,530	\$ -

The deferred outflows of resources related to the PORP totaling \$1,198,788, resulting from employer contributions to the PORP subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. The remaining amounts reported as deferred outflows and inflows of resources related to the PORP will be recognized in pension expense as follows:

Fiscal Year Ending	Amount
September 30:	
2017	\$ 285,206
2018	285,206
2019	285,206
2020	409,124
2021	-
Thereafter	-

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

POLICE OFFICERS RETIREMENT PLAN – CONTINUED

Actuarial Methods and Significant Assumptions

Significant actuarial assumptions and other inputs used to measure the total pension liability for the GEPP are as follows:

Valuation date	October 1, 2014
Measurement date	September 30, 2015
Actuarial cost method	Entry age normal
Investment rate of return	7.50%
Salary increases	5-10%, depending on service, including inflation
Inflation	3.00%
Retirement age	Experience based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected using Scale AA for all years after 2000.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2015, the measurement date, are summarized in the following table:

Index	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equities	27.5-67.5%	6.4 - 9.6%
Fixed income	12.5-47.5%	2.50%
Real estate	0-15%	7.40%
International equities	0-30%	3.90%

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

POLICE OFFICERS RETIREMENT PLAN – CONTINUED

Sensitivity Analysis of the Net Pension Liability

Regarding the sensitivity of the PORP's net pension liability to changes in the single discount rate, the following presents the PORP's net pension liability, calculated using a single discount rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage-point higher:

1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
<u>\$ 9,199,851</u>	<u>\$ 6,282,147</u>	<u>\$ 3,830,414</u>

DROP Account

A portion of the FRP fiduciary net position is designated for benefits that accrue in relation to the DROP account as described in the plan description. The DROP balance for the fiscal year ended September 30, 2016, is presented below as determined by the actuary's most recent valuation:

Designated for DROP	\$ 2,870,590
Undesignated net position	<u>22,281,719</u>
Total net position	<u><u>\$ 25,152,309</u></u>

FLORIDA RETIREMENT SYSTEM PLAN

General Information

As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating Town or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA RETIREMENT SYSTEM PLAN – CONTINUED

General Information – Continued

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:
www.dms.myflorida.com/workforce_operations/retirement/publications.

Plan Description

The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees.

Benefits Provided – Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.

Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers’ class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA RETIREMENT SYSTEM PLAN – CONTINUED

Plan Description (Continued)

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

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

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute 3% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2015 through June 30, 2016, and from July 1, 2016 through September 30, 2016, respectively, were as follows: Regular–7.26% and 7.52%; Special Risk Administrative Support–32.95% and 28.06%; Special Risk–22.04% and 22.57%; Senior Management Service–21.43% and 21.77%; Elected Officers'–42.27% and 42.47%; and DROP participants–12.88% and 12.99%. These employer contribution rates include 1.66% HIS Plan subsidy for the periods October 1, 2015 through June 30, 2016, and from July 1, 2016 through September 30, 2016.

The City's contributions, including employee contributions, to the Pension Plan totaled \$125,504 for the fiscal year ended September 30, 2016.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA RETIREMENT SYSTEM PLAN – CONTINUED

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

At September 30, 2016, the City reported a liability of \$1,299,481 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The City's proportionate share of the net pension liability was based on the City's 2015-16 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2016, the City's proportionate share was 0.00514644%, which was an increase of 0.00031509% from its proportionate share measured as of June 30, 2015.

For the fiscal year ended September 30, 2016, the City recognized pension expense of \$109,769. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 99,498	\$ 12,099
Change of assumptions	78,615	-
Net difference between projected and actual earnings on Pension Plan investments	335,900	
Changes in proportion and differences between City Pension Plan contributions and proportionate share of contributions	272,982	-
City Pension Plan contributions subsequent to the measurement date	48,567	-
Total	<u>\$ 835,562</u>	<u>\$ 12,099</u>

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA RETIREMENT SYSTEM PLAN – CONTINUED

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

The deferred outflows of resources related to the Pension Plan, totaling \$48,567 resulting from City contributions to FRS subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	<u>Amount</u>
2016	\$ 154,979
2017	154,979
2018	154,979
2019	154,979
2020	154,980
Thereafter	-

Actuarial Assumptions

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	7.60%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA RETIREMENT SYSTEM PLAN – CONTINUED

Actuarial Assumptions – Continued

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.00%	3.11%	3.10%	1.65%
Intermediate-Term Bonds	18.00%	4.18%	4.05%	5.15%
High Yield Bonds	3.00%	6.79%	6.25%	10.95%
Broad US Equities	26.50%	8.51%	6.95%	18.90%
Developed Foreign Entities	21.20%	8.66%	6.85%	20.40%
Emerging Market Equities	5.30%	11.58%	7.60%	31.15%
Private Equity	6.00%	11.80%	8.11%	30.00%
Hedge Funds/Absolute Return	7.00%	5.81%	5.35%	10.00%
Real Estate (Property)	12.00%	7.11%	6.35%	13.00%
Total	<u>100.00%</u>			
Assumed Inflation - Mean		2.60%		2.00%

(1) As outlined in the Pension Plan's investment policy

Discount Rate

The discount rate used to measure the total pension liability was 7.60%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA RETIREMENT SYSTEM PLAN – CONTINUED

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 7.60%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.60%) or one percentage point higher (8.60%) than the current rate:

	1% Decrease (6.60%)	Current Discount Rate (7.60%)	1% Increase (8.60%)
City's proportionate share of the net pension liability	\$ 2,392,431	\$ 1,299,481	\$ 389,743

Pension Plan Fiduciary Net Position

Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan

At September 30, 2016, the City reported a payable in the amount of \$0 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2016.

HIS PLAN

Plan Description

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

Benefits Provided

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

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 7 – PENSION PLANS – CONTINUED

HIS PLAN – CONTINUED

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2016, the HIS contribution for the period October 1, 2015 through September 30, 2016, was 1.66%. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contribution are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The City's contributions to the HIS Plan totaled \$38,676 for the fiscal year ended September 30, 2016.

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

At September 30, 2016, the City reported a liability of \$879,401 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The City's proportionate share of the net pension liability was based on the City's 2015-16 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2016, the City's proportionate share was 0.00754554%, which was an increase of 0.00082578% from its proportionate share measured as of June 30, 2015.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

HIS PLAN – CONTINUED

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

For the fiscal year ended September 30, 2016, the City recognized pension expense of \$19,370. In addition the City reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,003
Change of assumptions	138,000	-
Net difference between projected and actual earnings on HIS Plan investments	445	-
Changes in proportion and differences between City HIS Plan contributions and proportionate share of contributions	203,444	-
City HIS Plan contributions subsequent to the measurement date	11,856	
Total	<u>\$ 353,745</u>	<u>\$ 2,003</u>

The deferred outflows of resources related to the HIS Plan, totaling \$11,856 resulting from City contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2017	\$ 67,977
2018	67,977
2019	67,977
2020	67,977
2021	67,978
Thereafter	-

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

HIS PLAN – CONTINUED

Actuarial Assumptions

The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.25%, average, including inflation
Investment rate of return	2.85%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2009 through June 30, 2014.

Discount Rate

The discount rate used to measure the total pension liability was 2.85%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 2.85%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.85%) or one percentage point higher (3.85%) than the current rate:

	1% Decrease (1.85%)	Current Discount Rate (2.85%)	1% Increase (3.85%)
City's proportionate share of the net pension liability	\$ 1,008,872	\$ 879,401	\$ 771,946

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

HIS PLAN – CONTINUED

Pension Plan Fiduciary Net Position

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan

At September 30, 2016, the City reported a payable in the amount of \$0 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2016.

INVESTMENT PLAN

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2014-15 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 6.30%, Special Risk Administrative Support class 7.95%, Special Risk class 14.00%, Senior Management Service class 7.67% and Elected Officers class 11.34%.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

INVESTMENT PLAN – CONTINUED

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

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

FLORIDA MUNICIPAL PENSION TRUST FUND

Plan Description

The City began participating in the Florida Municipal Pension Trust Fund ("FMPTF") on November 1, 2002. Effective October 25, 2011, FMPTF was closed to new hires. Employees participating in the Plan prior to closure had the option to continue in the Plan or to participate in the Florida Retirement System ("FRS"). As of April 1, 2012, all new hires had to participate in FRS. FMPTF is an agent multiple-employer defined benefit pension plan (the City receives a separate actuarial valuation) that acts as a common investment and administrative agent for any agency or political subdivision in or of the State of Florida including, but not limited to counties, municipalities, special districts, school districts and any other government entities. The pension trust program is sponsored and administered by the Florida League of Cities and benefit provisions of the plan are provided through Florida law. FMPTF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing Florida League of Cities, Inc. 301 South Bronough Street, Suite 300 Post Office Box 1757, Tallahassee, Florida 32302-1757. Consequently, this plan is not included in the accompanying pension trust funds of the City.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA MUNICIPAL PENSION TRUST FUND – CONTINUED

Plan Description – Continued

Eligibility – All full time management employees hired before October 25, 2011, are eligible for membership on the date of employment. After October 25, 2011, the Plan was closed to new hires. Base compensation includes total cash remuneration paid to a plan participant for services rendered, but shall exclude overtime, sick leave, vacation pay, and lump-sum payments of accumulated annual leave. The average final compensation of plan members is the average of salary paid during the best three years of creditable service.

Normal Retirement – Members are eligible for normal retirement at age 55 with 6 years of credited service. The benefit received is computed based on the number of years of credited service multiplied by 2.25% and multiplied by the final average compensation. A supplemental benefit for life of \$20 per month for each year of service will also be awarded. The form of benefit is a 10 year certain and life annuity.

Early Retirement – Members are eligible for early retirement at age 50 with 6 years of credited service. The amount of the accrued benefit will be reduced by 6% for each year until the normal retirement date.

Disability Benefits – A member deemed to be totally and permanently disabled from injury, disease or mental disorder for a period of 6 months will receive an amount equal to the accrued retirement benefit at the date of the disability.

Death Benefits (preretirement) – The beneficiary of a deceased member who was not vested or eligible for retirement shall receive a refund of 100% of the member's accumulated contributions. If a member dies prior to retirement, but is vested, the beneficiary shall receive the pension benefit otherwise payable as a 100% joint and survivor benefit calculated as though the member had retired on the date of their death.

Termination Benefits – A member with less than 6 years credited service shall be entitled to a full refund of his contributions. A member with 6 or more years of credited service shall be entitled to his accrued monthly retirement benefit if the member has not elected to withdraw his contributions and provided he survives to his normal or early retirement date.

Contributions

The member contribution rate is 11.00% of earnings. Employer contributions are equal to the remaining amount necessary for payment of normal (current year) cost and amortization of the accrued past service liability as provided in Part VII of Florida Statutes, Chapter 112. City contributions were \$441,601 for the fiscal year ended September 30, 2016. The entry age normal method is used for valuing assets of the plan.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA MUNICIPAL PENSION TRUST FUND – CONTINUED

Deferred Retirement Option Plan ("DROP")

A member is eligible to participate in DROP once they have attained normal retirement age. In order to receive the maximum period of 5 years, the member must also have completed 15 years of credited service.

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

The City's net pension liability for the FMPTF is measured as the total pension liability less the pension plan's fiduciary net position. At September 30, 2016, the City reported a net pension liability of \$1,288,737 related to the plan. The net pension liability was measured as of September 30, 2015, using an annual actuarial valuation as of October 1, 2014, rolled forward to September 30, 2015, using standard update procedures. The City recognized \$211,204 as pension expense as of the measurement date of September 30, 2015.

The components of net pension liability of the City as of September 30, 2016, related to the FMPTF were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2015	\$ 4,591,436	\$ 3,432,921	\$ 1,158,515
Changes for the year:			
Service cost	51,781	-	51,781
Interest	313,814	-	313,814
Experience differences	11,098	-	11,098
Assumption changes	126,551	-	126,551
Contributions - employer	-	366,299	(366,299)
Contributions - employee	-	29,366	(29,366)
Net investment income	-	(9,895)	9,895
Benefit payments, including refunds of employee contributions	(244,921)	(244,921)	-
Administrative expense	-	(12,748)	12,748
Balances at September 30, 2016	<u>\$ 4,849,759</u>	<u>\$ 3,561,022</u>	<u>\$ 1,288,737</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA MUNICIPAL PENSION TRUST FUND – CONTINUED

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

At September 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to the FMPTF from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,659	\$ -
Assumption changes	75,931	-
Net difference between projected and actual earnings on PORP investments	207,651	-
City PORP contributions subsequent to the measurement date	407,167	-
Total	\$ 697,408	\$ -

The deferred outflows of resources related to the FMPTF pension, totaling \$407,167, resulting from employer contributions to the FMPTF subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2017	\$ 84,949
2018	84,949
2019	68,431
2020	51,912
2021	-
Thereafter	-

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA MUNICIPAL PENSION TRUST FUND – CONTINUED

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

A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 4.08%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (4.08%) was applied to all periods of projected benefit payments to determine the total pension liability.

Actuarial Assumptions

Actuarial methods and significant actuarial assumptions used to measure the total pension liability of the FMPTF are as follows:

Valuation date	October 1, 2014
Measurement date	September 30, 2015
Discount rate:	7.00% per annum (2.92% per annum is attributable to long-term inflation); this rate was used to discount all future benefit payments.
Salary increases	4.00% per annum
Cost-of-living increases	None assumed
Mortality	Sex-distinct rates set forth in the RP-2000 Mortality Table for annuitants, projected to 2015 by Scale AA, as published by the Internal Revenue Service for purposes of Internal Revenue Code section 430; future generational improvements in mortality have not been reflected.
Retirement age	Retirement is assumed to occur at the later of normal retirement age or one year after the valuation date.
Other decrements	None assumed
Future contributions	Contributions from the employer and employees are assumed to be made as legally required.
Changes	Since the prior measurement date, the discount rate was decreased from 8.07% per annum to 7.00% per annum.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

FLORIDA MUNICIPAL PENSION TRUST FUND – CONTINUED

Actuarial Assumptions – Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2015, the measurement date, are summarized in the following table:

Index	Asset Allocation	Long-Term Expected Real Rate of Return
Core bonds	16.00%	0.58%
Multi-sector	24.00%	1.08%
U.S. large cap equity	39.00%	6.08%
U.S. small cap equity	11.00%	6.83%
Non-U.S. equity	10.00%	6.83%

Sensitivity Analysis of the Net Pension Liability

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage point lower or 1-percentage-point higher:

1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 1,799,173	\$ 1,288,737	\$ 863,463

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 7 – PENSION PLANS – CONTINUED

Applicable totals for all of the City’s defined benefit pension plans are reflected below:

	GEPP	FRP	PORP	FRS
City's net pension liability	\$ 5,113,047	\$ 6,550,173	\$ 6,282,147	\$ 1,299,481
Deferred outflows of resources	1,657,058	1,487,416	2,463,530	835,562
Deferred inflows of resources	319,942	-	-	12,099
Pension expense / expenditure	772,318	546,724	593,664	109,769

	HIS	FMPTF	Total
City's net pension liability	\$ 879,401	\$ 1,288,737	\$ 21,412,986
Deferred outflows of resources	353,745	697,408	7,494,719
Deferred inflows of resources	2,003	-	334,044
Pension expense / expenditure	19,370	211,204	2,253,049

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

Pursuant to Section 112.081, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. These retirees pay 100% of the blended rate for active and retired employees. Because the blended rate is greater than that of a plan including active employees only and less than that of a plan including retirees only, the amount the City expends for active employees includes an implicit subsidy for participating retirees and dependents.

The OPEB Plan does not issue a publicly available financial report.

Participants of the plan consisted of the following as of September 30, 2016:

Retirees and beneficiaries currently receiving benefits	17
Active employees	97
Total	<u>114</u>

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS – CONTINUED

B. Annual OPEB Cost and Net OPEB Obligation

An actuarial valuation was performed as of October 1, 2014, for the purpose of enhancing the City's understanding of the OPEB obligation and to establish policy implications regarding the funding of this obligation. At this time, the City has opted to pay as you go rather than fund a portion or the entire net OPEB obligation. Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the City and plan members to that point.

The following table shows the components of the City's annual OPEB cost for the fiscal year ended September 30, 2016, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the OPEB Plan.

Annual required employer contribution	\$ 633,932
Interest on net OPEB obligation	115,957
Adjustment to annual required contribution	(161,199)
Annual OPEB cost	<u>588,690</u>
Employer and retiree contributions for period ended September 30, 2016	<u>271,624</u>
Increase in net OPEB obligation	317,066
Net OPEB obligation beginning of year	2,898,932
Net OPEB obligation end of year	<u><u>\$ 3,215,998</u></u>

C. Trend Information

Fiscal Year Ended	Annual OPEB Cost (APC)	Actual Employer Contribution	Percentage of APC Contributed	Net OPEB Obligation
09/30/14	\$ 566,981	\$ 243,764	43.0 %	\$ 2,547,445
09/30/15	594,177	242,690	40.8	2,898,932
09/30/16	588,690	271,624	46.1	3,215,998

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS – CONTINUED

As of the most recent valuation date, October 1, 2014, the funded status of the OPEB Plan is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
10/1/2014	\$ -	\$ 5,673,642	\$ 5,673,642	- %	\$ 5,732,805	99.0 %

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net position is increasing or decreasing over time relative to the actuarial accrued liability.

D. Actuarial Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the plan in effect at October 1, 2014. The assumptions used in the October 1, 2014, actuarial valuation are as follows:

Valuation date	October 1, 2014
Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Amortization period	30 years
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return (includes inflation)	4.00%
Projected salary increases	4.00%
Healthcare inflation:	
Pre-Medicare	7% (grading down to 4.5% in 2022)
Post-Medicare	5% (grading down to 4.5% in 2022)

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2016

NOTE 9 – DEFERRED COMPENSATION PLAN

The City offers a deferred compensation plan to its employees in addition to the pension plan. Participation is optional. The City has adopted the provisions of IRS Code Section 457(g) and GASB Statement No. 32, Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans. Under these provisions, all assets and income for the plan are held in trust for the exclusive benefit of participants. Accordingly, the assets and liabilities of the plan are not reported within the City's financial statements.

NOTE 10 – 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; natural disasters and pollution related activities. The City's participation in the risk pool described below requires annual premium payments in return for transferring risks among pool participants. Settled claims from these risks have not exceeded the risk pool insurance limits nor have additional premiums been assessed relative to the past three fiscal years.

The City is a member of a purchasing cooperative of government agencies for the purpose of providing employee health benefits through Public Risk Management of Florida Group Health Trust. The City offers to its employees and covered dependents a choice of two medical plans, two dental plans, vision, life and long and short term disability insurance. Medical plans do not have a lifetime maximum per insured.

NOTE 11 – ENCUMBRANCES

Purchase orders are issued throughout the year to encumber budgets in the governmental funds. Encumbrances as of September 30, 2016, are as follows:

Major Funds:

General Fund	\$ 292,955
Road and Bridge Fund	199,285
Police Confiscation Fund	4,178
Capital Improvement Fund	82,070
Total encumbrances	<u>\$ 578,488</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Contract with Broward Sheriff's Office: On January 13, 2004, the City entered in an agreement with the Sheriff of Broward County, Florida ("BSO") whereby the BSO would provide the City with daily law enforcement, fire protection/prevention and emergency medical services. The agreement is for five years with two additional five year options. The City exercised the first five year option in 2010 and the second five year option in 2014. Cancellation of the agreement needs to be in writing and provide for 180 days notice. The agreement requires the City to pay BSO approximately \$1,900,000 per month for such services and includes a provision calling for annual increases of 5%.

The City's public safety employees became employees of BSO on February 15, 2004, the effective date of the agreement, and BSO assumed the City's liability for accrued sick, vacation and other leave time. BSO provided the new employees the option of remaining with the City's pension plan or switching to the Florida Retirement System ("FRS") Plan and, accordingly, is remitting to the City required contributions attributable to those employees that remained with the City's pension plan.

In addition, BSO leased the fire and police facility from the City in the amount of \$29,710 per month. This lease will run in tandem with the BSO contract terms. All machinery and equipment used by the public safety department of the City has been transferred to BSO for their use until such a time as the relationship between the City and BSO has been terminated. At that time, BSO shall return the assets, or like assets, to the City. The City has also committed to donate land to BSO upon BSO's construction of a regional fire/rescue facility.

Outstanding Construction Commitments: The City had outstanding construction commitments in the amount of \$2,078,649 as of the fiscal year ended September 30, 2016.

Contingencies: During a prior year, the City's annual special assessment for "fire rescue services" from 2006 – 2010 were challenged. The Plaintiffs assert that the special assessments allegedly funded emergency medical services and were improperly apportioned among the City's property owners. The City has filed its answers and affirmative defenses. The matter has not been set for trial but the Plaintiffs have sought and obtained class action certification. The City appealed the certification order. The appeal was denied. Proceedings have continued in the trial court, and both parties moved for summary judgement. The Plaintiffs also voluntarily dismissed their claim that the special assessment did not confer a special benefit on the property, leaving only their claim that it was improperly apportioned. The trial court entered summary judgement for the Plaintiff, finding that the claim was not barred by the 20-day deadline imposed by City Ordinance and that the evidence shows that special assessments are improperly apportioned. The City has appealed this judgement in trial court. No adjustments have been made to the financial statements as the impact on the City cannot be determined at this time as it is unclear how events will unfold.

There are other lawsuits pending involving the City. In the opinion of the City's management, the aggregate liabilities or potential losses, if any, not covered by insurance, would not have a material adverse effect on the financial position of the City.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 13 – SUBSEQUENT EVENTS

In April 2017, the City Commission approved a resolution authorizing the issuance of a loan in the principal amount of \$1.9 million to finance improvements to the City's stormwater system. This loan is to be repaid over a ten year period and carries interest at 2.27%.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF COOPER CITY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	\$ 14,467,802	\$ 14,467,802	\$ 14,447,724	\$ (20,078)
Franchise fees and utility taxes	6,460,100	6,460,100	6,126,336	(333,764)
Licenses and permits	1,268,200	1,268,200	1,104,792	(163,408)
Intergovernmental revenues	3,863,000	3,863,000	3,697,365	(165,635)
Charges for services	5,834,980	5,834,980	5,641,120	(193,860)
Fines and forfeitures	280,000	280,000	549,718	269,718
Grant revenues	64,535	64,535	906,962	842,427
Investment earnings	86,000	86,000	111,703	25,703
Miscellaneous revenues	227,000	227,000	230,386	3,386
Total revenues	<u>32,551,617</u>	<u>32,551,617</u>	<u>32,816,106</u>	<u>264,489</u>
Expenditures				
Current				
General government				
City Commission	387,209	414,209	381,692	32,517
Administrative	461,962	474,720	447,698	27,022
City Clerk	573,106	601,306	567,486	33,820
Finance	971,287	1,028,222	967,579	60,643
Legal	254,000	247,000	240,178	6,822
Boards and committees	11,200	11,200	8,361	2,839
Comprehensive planning	411,755	448,505	385,902	62,603
Public works administrative	500,408	622,055	572,429	49,626
Fleet services	373,310	366,198	295,994	70,204
Nondepartmental	1,376,224	1,292,996	1,254,004	38,992
Total general government	<u>5,320,461</u>	<u>5,506,411</u>	<u>5,121,323</u>	<u>385,088</u>
Public safety				
Building	908,893	908,893	846,487	62,406
Code enforcement	372,600	372,600	364,027	8,573
Police	12,161,900	12,154,226	12,082,605	71,621
Fire	8,866,800	8,909,374	8,889,600	19,774
Total public safety	<u>22,310,193</u>	<u>22,345,093</u>	<u>22,182,719</u>	<u>162,374</u>
Physical environment				
Property maintenance	<u>666,160</u>	<u>741,065</u>	<u>648,494</u>	<u>92,571</u>
Total physical environment	<u>666,160</u>	<u>741,065</u>	<u>648,494</u>	<u>92,571</u>

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

CITY OF COOPER CITY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures (continued)				
Current				
Culture and recreation				
Parks	\$ 1,554,244	\$ 1,536,410	\$ 1,375,995	\$ 160,415
Recreation	1,619,864	1,615,364	1,407,613	207,751
Total culture and recreation	3,174,108	3,151,774	2,783,608	368,166
Total expenditures	31,470,922	31,744,343	30,736,144	1,008,199
Excess (deficiency) of revenues over (under) expenditures	1,080,695	807,274	2,079,962	1,272,688
Other financing sources (uses)				
Transfers out	(2,470,778)	(2,320,778)	(2,270,728)	50,050
Total other financing sources (uses)	(2,470,778)	(2,320,778)	(2,270,728)	50,050
Change in fund balance	(1,390,083)	(1,513,504)	(190,766)	1,322,738
Fund balance, beginning of year	10,236,109	10,236,109	10,236,109	-
Fund balance, end of year	\$ 8,846,026	\$ 8,722,605	\$ 10,045,343	\$ 1,322,738

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

CITY OF COOPER CITY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental revenues				
Local option fuel tax	330,000	330,000	347,836	\$ 17,836
Additional local option fuel tax	240,000	240,000	249,166	9,166
Investment earnings	-	-	3,353	3,353
Total revenues	<u>570,000</u>	<u>570,000</u>	<u>600,355</u>	<u>30,355</u>
Expenditures				
Current				
Transportation	1,275,166	1,566,505	1,241,752	324,753
Total expenditures	<u>1,275,166</u>	<u>1,566,505</u>	<u>1,241,752</u>	<u>324,753</u>
Deficiency of revenues over expenditures	<u>(705,166)</u>	<u>(996,505)</u>	<u>(641,397)</u>	<u>355,108</u>
Other financing sources				
Transfers in	705,166	705,166	705,166	-
Total other financing sources	<u>705,166</u>	<u>705,166</u>	<u>705,166</u>	<u>-</u>
Change in fund balance	-	(291,339)	63,769	355,108
Fund balance, beginning of year	<u>407,631</u>	<u>407,631</u>	<u>407,631</u>	<u>-</u>
Fund balance, end of year	<u>\$ 407,631</u>	<u>\$ 116,292</u>	<u>\$ 471,400</u>	<u>\$ 355,108</u>

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

CITY OF COOPER CITY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
POLICE CONFISCATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Investment earnings	\$ -	\$ -	\$ 3,303	\$ 3,303
Miscellaneous revenues	-	-	79,507	79,507
Total revenues	-	-	82,810	82,810
Expenditures				
Current				
Public safety	82,900	65,185	18,738	46,447
Capital outlay	58,000	75,715	-	75,715
Total expenditures	140,900	140,900	18,738	122,162
Change in fund balance	(140,900)	(140,900)	64,072	204,972
Fund balance, beginning of year	366,155	366,155	366,155	-
Fund balance, end of year	\$ 225,255	\$ 225,255	\$ 430,227	\$ 204,972

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

CITY OF COOPER CITY, FLORIDA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1. BUDGET AND BUDGETARY ACCOUNTING

The annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the City Manager submits to the City Commission a proposed operating budgets for such funds as may be required by law or by sound financial practices for the year commencing on October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Annual budgets are legally adopted for the General, Debt Service, Capital Improvement, Special Revenue and Enterprise Funds.
3. Public hearings are conducted to obtain taxpayer comments.
4. Prior to October 1, the budget is legally enacted through passage of an appropriate ordinance.
5. The legal level of budgetary control, the level at which expenditures may not exceed budget, is at the fund level. Budgets are monitored at the activity level within each department, however, at the City Manager's discretion, actual expenditures may exceed their budget within an individual department. Expenditures may not, however, legally exceed their budget at the individual fund level. Only the City Commission can legally amend the original budget once it is enacted.
6. Budgets for the governmental funds and the enterprise funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Budget amounts are as originally adopted or as amended by the City Commission.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES' PENSION PLAN**

Reporting Period Ending Measurement Date	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total pension liability		
Service cost	\$ 801,521	\$ 871,704
Interest	2,444,577	2,317,934
Difference between expected and actual experience	(533,237)	22,168
Assumption changes	335,762	-
Benefit payments	(1,545,365)	(1,153,732)
Refunds	(49,992)	(64,469)
Net change in total pension liability	1,453,266	1,993,605
Total pension liability - beginning	33,483,512	31,489,907
Total pension liability - ending	<u>\$ 34,936,778</u>	<u>\$ 33,483,512</u>
Plan fiduciary net position		
Contributions - employer (City)	\$ 999,117	\$ 993,478
Contributions - non-employer contributing entity (BSO)	96,707	248,338
Contributions - employee	364,865	527,463
Net investment income	741,361	2,812,142
Benefit payments	(1,545,365)	(1,153,732)
Refunds	(76,770)	(64,469)
Administrative expense	(77,950)	(40,559)
Net change in plan fiduciary net position	501,965	3,322,661
Plan fiduciary net position - beginning	29,321,766	25,999,105
Plan fiduciary net position - ending	<u>\$ 29,823,731</u>	<u>\$ 29,321,766</u>
Net pension liability	<u>\$ 5,113,047</u>	<u>\$ 4,161,746</u>
Plan fiduciary net position as a percentage of the total pension liability	85.4%	87.6%
Covered employee payroll	<u>\$ 3,812,310</u>	<u>\$ 4,137,685</u>
Net pension liability as a percentage of covered employee payroll	134.1%	100.6%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
GENERAL EMPLOYEES' PENSION PLAN**

Reporting Period Ending	9/30/2016	9/30/2015
Measurement Date	9/30/2015	9/30/2014
Actuarially determined contribution	<u>\$ 1,269,828</u>	<u>\$ 1,278,957</u>
Actual City contribution	<u>1,095,824</u>	<u>1,375,537</u>
Contribution deficiency (excess)	<u>\$ 174,004</u>	<u>\$ (96,580)</u>
Covered employee payroll	\$ 3,812,310	\$ 4,137,685
Contributions as a percentage of covered employee payroll	28.7%	33.24%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN
GENERAL EMPLOYEES' PENSION PLAN**

Reporting Period Ending	9/30/2016	9/30/2015
Measurement Date	9/30/2015	9/30/2014
	<hr/>	<hr/>
Annual money-weighted rate of return	<u>3.12%</u>	<u>10.60%</u>

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS PENSION PLAN**

Reporting Period Ending Measurement Date	<u>9/30/2016</u> <u>9/30/2015</u>	<u>9/30/2015</u> <u>9/30/2014</u>
Total pension liability		
Service cost	\$ 158,031	\$ 188,438
Interest	1,939,322	1,885,382
Difference between expected and actual experience	47,678	104,017
Benefit payments	(1,058,286)	(1,727,969)
Other	-	10,020
Net change in total pension liability	1,086,745	459,888
Total pension liability - beginning	28,075,711	27,615,823
Total pension liability - ending	<u>\$ 29,162,456</u>	<u>\$ 28,075,711</u>
Plan fiduciary net position		
Contributions - employer (City)	\$ 255,058	\$ 1,580
Contributions - employer (State)	-	304,056
Contributions - non-employer contributing entity (BSO)	299,251	1,032,767
Contributions - employee	18,257	20,357
Net investment income	(542,222)	2,339,825
Benefit payments	(1,058,286)	(1,727,969)
Administrative expense	(71,424)	(60,591)
Net change in plan fiduciary net position	(1,099,366)	1,910,025
Plan fiduciary net position - beginning	23,711,649	21,801,624
Plan fiduciary net position - ending	<u>\$ 22,612,283</u>	<u>\$ 23,711,649</u>
Net pension liability	<u>\$ 6,550,173</u>	<u>\$ 4,364,062</u>
Plan fiduciary net position as a percentage of the total pension liability	77.5%	84.5%
Covered employee payroll	<u>\$ 529,204</u>	<u>\$ 590,048</u>
Net pension liability as a percentage of covered employee payroll	1237.7%	739.6%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CITY CONTRIBUTIONS

FIREFIGHTERS PENSION PLAN

Reporting Period Ending	9/30/2016	9/30/2015
Measurement Date	9/30/2015	9/30/2014
Actuarially determined contribution	<u>\$ 1,358,054</u>	<u>\$ 1,296,957</u>
Actual City contribution	<u>554,309</u>	<u>1,328,383</u>
Contribution deficiency (excess)	<u><u>\$ 803,745</u></u>	<u><u>\$ (31,426)</u></u>
Covered employee payroll	\$ 529,204	\$ 590,048
Contributions as a percentage of covered employee payroll	104.7%	225.1%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN
FIREFIGHTERS PENSION PLAN**

Reporting Period Ending	9/30/2016	9/30/2015
Measurement Date	<u>9/30/2015</u>	<u>9/30/2014</u>
Annual money-weighted rate of return	<u><u>2.00%</u></u>	<u><u>11.40%</u></u>

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
POLICE OFFICERS PENSION PLAN**

Reporting Period Ending Measurement Date	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total pension liability		
Service cost	\$ 130,185	\$ 130,185
Interest	2,267,290	2,218,607
Difference between expected and actual experience	(120,237)	53,154
Benefit payments	<u>(1,886,260)</u>	<u>(1,619,438)</u>
Net change in total pension liability	390,978	782,508
Total pension liability - beginning	<u>31,043,478</u>	<u>30,260,970</u>
Total pension liability - ending	<u><u>\$ 31,434,456</u></u>	<u><u>\$ 31,043,478</u></u>
Plan fiduciary net position		
Contributions - employer (City)	\$ 261,740	\$ 68,240
Contributions - employer (State)	-	263,432
Contributions - non-employer contributing entity (BSO)	-	921,133
Contributions - employee	92,898	43,899
Net investment income	(91,957)	2,463,427
Benefit payments	(1,886,260)	(1,619,438)
Administrative expense	<u>(77,791)</u>	<u>(65,422)</u>
Net change in plan fiduciary net position	(1,701,370)	2,075,271
Plan fiduciary net position - beginning	<u>26,853,699</u>	<u>24,778,428</u>
Plan fiduciary net position - ending	<u><u>\$ 25,152,329</u></u>	<u><u>\$ 26,853,699</u></u>
Net pension liability	<u><u>\$ 6,282,127</u></u>	<u><u>\$ 4,189,779</u></u>
Plan fiduciary net position as a percentage of the total pension liability	80.0%	86.5%
Covered employee payroll	<u><u>\$ 606,307</u></u>	<u><u>\$ 583,916</u></u>
Net pension liability as a percentage of covered employee payroll	1036.1%	717.5%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS

POLICE OFFICERS PENSION PLAN

Reporting Period Ending	9/30/2016	9/30/2015
Measurement Date	9/30/2015	9/30/2014
Actuarially determined contribution	<u>\$ 1,380,815</u>	<u>\$ 1,048,841</u>
Actual City contribution	<u>261,740</u>	<u>1,252,805</u>
Contribution deficiency (excess)	<u><u>\$ 1,119,075</u></u>	<u><u>\$ (203,964)</u></u>
Covered employee payroll	\$ 606,307	\$ 583,916
Contributions as a percentage of covered employee payroll	43.17%	214.55%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN
POLICE OFFICERS PENSION PLAN**

Reporting Period Ending	9/30/2016	9/30/2015
Measurement Date	<u>9/30/2015</u>	<u>9/30/2014</u>
Annual money-weighted rate of return	<u><u>0.05%</u></u>	<u><u>10.3%</u></u>

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FLORIDA MUNICIPAL PENSION TRUST FUND**

Reporting Period Ending Measurement Date	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total pension liability		
Service cost	\$ 51,781	\$ 43,630
Interest	313,814	356,197
Difference between expected and actual experience	11,098	-
Assumption changes	126,551	-
Benefit payments	(244,921)	(350,405)
Net change in total pension liability	258,323	49,422
Total pension liability - beginning	4,591,436	4,542,014
Total pension liability - ending	<u>\$ 4,849,759</u>	<u>\$ 4,591,436</u>
Plan fiduciary net position		
Contributions - employer (City)	\$ 366,299	\$ 506,288
Contributions - employee	29,366	28,150
Net investment income	(9,895)	240,525
Benefit payments	(244,921)	(261,166)
Administrative expense	(12,748)	(7,138)
Net change in plan fiduciary net position	128,101	506,659
Plan fiduciary net position - beginning	3,432,921	2,926,262
Plan fiduciary net position - ending	<u>\$ 3,561,022</u>	<u>\$ 3,432,921</u>
Net pension liability	<u>\$ 1,288,737</u>	<u>\$ 1,158,515</u>
Plan fiduciary net position as a percentage of the total pension liability	73.4%	74.8%
Covered employee payroll	<u>\$ 266,146</u>	<u>\$ 255,910</u>
Net pension liability as a percentage of covered employee payroll	484.2%	452.7%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS

FLORIDA MUNICIPAL PENSION TRUST FUND

Reporting Period Ending	9/30/2016	9/30/2015
Measurement Date	9/30/2015	9/30/2014
Actuarially determined contribution	\$ 183,587	\$ 183,587
Actual City contribution	407,167	366,299
Contribution deficiency (excess)	<u>\$ (223,580)</u>	<u>\$ (182,712)</u>
Covered employee payroll	\$ 266,146	\$ 255,910
Contributions as a percentage of covered employee payroll	152.99%	143.14%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
FLORIDA RETIREMENT SYSTEM PENSION PLAN**

Reporting Period Ending Measurement Date	<u>9/30/2016</u> <u>6/30/2016</u>	<u>9/30/2015</u> <u>6/30/2015</u>	<u>9/30/2014</u> <u>6/30/2014</u>
City's proportion of the FRS net pension liability	0.005146441%	0.004831350%	0.003887584%
City's proportionate share of the FRS net pension liability	\$ 1,299,481	\$ 624,034	\$ 237,200
City's covered employee payroll	\$ 1,656,858	\$ 1,210,578	\$ 1,066,552
City's proportionate share of the FRS net pension liability as a percentage of its covered employee payroll	78.43%	51.55%	22.24%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	92.00%	92.00%	96.09%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM PENSION PLAN**

Reporting Period Ending Measurement Date	9/30/2016 6/30/2016	9/30/2015 6/30/2015	9/30/2014 6/30/2014
Contractually required FRS contribution	\$ 125,504	\$ 117,792	\$ 85,155
FRS Contributions in relation to the contractually required FRS contribution	<u>125,504</u>	<u>117,792</u>	<u>85,155</u>
FRS Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 1,656,858	\$ 1,210,578	\$ 1,066,552
FRS Contributions as a percentage of covered employee payroll	7.57%	9.73%	7.98%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
HEALTH INSURANCE SUBSIDY PENSION PLAN**

Reporting Period Ending Measurement Date	<u>9/30/2016</u> <u>6/30/2016</u>	<u>9/30/2015</u> <u>6/30/2015</u>	<u>9/30/2014</u> <u>6/30/2014</u>
City's proportion of the HIS net pension liability	0.007545538%	0.006719761%	0.005526173%
City's proportionate share of the HIS net pension liability	\$ 879,401	\$ 685,310	\$ 516,711
City's covered employee payroll	\$ 1,656,858	\$ 1,210,578	\$ 1,066,552
City's proportionate share of the HIS net pension liability as a percentage of its covered employee payroll	53.08%	56.61%	48.45%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	1.22%	1.22%	1.06%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PENSION PLAN**

Reporting Period Ending Measurement Date	9/30/2016 6/30/2016	9/30/2015 6/30/2015	9/30/2014 6/30/2014
Contractually required HIS contribution	\$ 38,676	\$ 25,687	\$ 18,931
HIS Contributions in relation to the contractually required HIS contribution	<u>38,676</u>	<u>25,687</u>	<u>18,931</u>
HIS Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 1,656,858	\$ 1,210,578	\$ 1,066,552
HIS Contributions as a percentage of covered employee payroll	2.33%	2.12%	1.77%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

CITY OF COOPER CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION

OPEB SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
10/1/2008	\$ -	\$ 4,254,742	\$ 4,254,742	- %	\$ 5,466,021	77.8 %
10/1/2011	-	5,477,021	5,477,021	-	5,501,417	99.6
10/1/2014	-	5,673,642	5,673,642	-	5,732,805	99.0

SUPPLEMENTARY INFORMATION

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2016**

	Pension Trust Funds			
	General Employees	Police	Firefighters	Total
Assets				
Cash and cash equivalents	\$ 531,490	\$ 813,074	\$ 450,237	\$ 1,794,801
Receivables / prepaids				
Employer contributions	5,975	-	83,988	89,963
Interest receivable	117,640	33,174	34,116	184,930
Due from other governments	-	299,282	48,018	347,300
Due from others	-	2,329	500	2,829
Due from broker	322,054	-	-	322,054
Total receivables	<u>445,669</u>	<u>334,785</u>	<u>166,622</u>	<u>947,076</u>
Investments, at fair value				
U.S. Government and agency securities	2,857,648	2,184,695	3,910,259	8,952,602
Corporate bonds	6,377,890	4,202,958	3,869,001	14,449,849
Equity securities	16,821,108	-	3,765,193	20,586,301
Equity mutual funds	125,418	15,733,516	10,121,952	25,980,886
Municipal obligations	85,831	-	-	85,831
American Core Realty Fund	4,173,001	3,940,138	1,262,482	9,375,621
Total investments	<u>30,440,896</u>	<u>26,061,307</u>	<u>22,928,887</u>	<u>79,431,090</u>
Total assets	<u>\$ 31,418,055</u>	<u>\$ 27,209,166</u>	<u>\$ 23,545,746</u>	<u>\$ 82,172,967</u>
Liabilities				
Accounts payable	\$ 60,116	\$ 28,381	\$ 25,503	\$ 114,000
Due to broker	-	49,395	-	49,395
Total liabilities	<u>60,116</u>	<u>77,776</u>	<u>25,503</u>	<u>163,395</u>
Net Position				
Restricted for pension benefits - active and retired members' benefits	<u>31,357,939</u>	<u>27,131,390</u>	<u>23,520,243</u>	<u>82,009,572</u>
Total liabilities and net position	<u>\$ 31,418,055</u>	<u>\$ 27,209,166</u>	<u>\$ 23,545,746</u>	<u>\$ 82,172,967</u>

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	Pension Trust Funds			
	General Employees	Police	Firefighters	Total
Additions				
Contributions				
City	\$ 860,950	\$ 899,506	\$ -	\$ 1,760,456
Employees	364,716	173,408	16,021	554,145
Broward County Sheriff's Office	205,252	-	1,015,067	1,220,319
State / other	3,512	310,445	238,690	552,647
Total contributions	<u>1,434,430</u>	<u>1,383,359</u>	<u>1,269,778</u>	<u>4,087,567</u>
Investment income				
Net increase in fair market value	1,887,826	2,026,155	1,566,445	5,480,426
Interest and dividend income	739,776	479,653	529,015	1,748,444
Less investment expense	<u>(213,702)</u>	<u>(140,204)</u>	<u>(99,633)</u>	<u>(453,539)</u>
Net investment income	<u>2,413,900</u>	<u>2,365,604</u>	<u>1,995,827</u>	<u>6,775,331</u>
Total additions	<u>3,848,330</u>	<u>3,748,963</u>	<u>3,265,605</u>	<u>10,862,898</u>
Deductions				
Pension benefits	2,240,698	1,643,127	1,145,016	5,028,841
DROP distributions	-	32,214	1,114,736	1,146,950
Administrative expenses	<u>73,424</u>	<u>94,541</u>	<u>97,893</u>	<u>265,858</u>
Total deductions	<u>2,314,122</u>	<u>1,769,882</u>	<u>2,357,645</u>	<u>6,441,649</u>
Change in net position	<u>1,534,208</u>	<u>1,979,081</u>	<u>907,960</u>	<u>4,421,249</u>
Net position, restricted for pension benefits				
Beginning of year	<u>29,823,731</u>	<u>25,152,309</u>	<u>22,612,283</u>	<u>77,588,323</u>
End of year	<u>\$ 31,357,939</u>	<u>\$ 27,131,390</u>	<u>\$ 23,520,243</u>	<u>\$ 82,009,572</u>

CITY OF COOPER CITY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	\$ 376,000	\$ 376,000	\$ 360,580	\$ (15,420)
Total revenues	<u>376,000</u>	<u>376,000</u>	<u>360,580</u>	<u>(15,420)</u>
Expenditures				
Debt service				
Principal retirement	349,000	349,000	348,712	288
Interest	<u>27,000</u>	<u>27,000</u>	<u>27,096</u>	<u>(96)</u>
Total expenditures	<u>376,000</u>	<u>376,000</u>	<u>375,808</u>	<u>192</u>
Change in fund balance	-	-	(15,228)	(15,228)
Fund balance, beginning of year	<u>87,645</u>	<u>87,645</u>	<u>87,645</u>	<u>-</u>
Fund balance, end of year	<u>\$ 87,645</u>	<u>\$ 87,645</u>	<u>\$ 72,417</u>	<u>\$ (15,228)</u>

CITY OF COOPER CITY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES—BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Impact fees				
Public safety	\$ -	\$ -	\$ 364	\$ 364
Park improvement	-	-	84,092	84,092
General government	-	-	3,384	3,384
Investment earnings	-	-	37,594	37,594
Miscellaneous revenues	-	-	5,409	5,409
Total revenues	<u>-</u>	<u>-</u>	<u>130,843</u>	<u>130,843</u>
Expenditures				
Capital outlay				
General government	125,000	704,300	58,982	645,318
Public safety	-	12,113	12,113	-
Physical environment	470,000	572,803	524,304	48,499
Transportation	-	295,900	295,900	-
Culture and recreation	1,695,000	4,652,881	699,341	3,953,540
Total expenditures	<u>2,290,000</u>	<u>6,237,997</u>	<u>1,590,640</u>	<u>4,647,357</u>
Deficiency of revenues				
over expenditures	<u>(2,290,000)</u>	<u>(6,237,997)</u>	<u>(1,459,797)</u>	<u>4,778,200</u>
Other financing sources				
Issuance of debt	400,000	400,000	-	(400,000)
Transfers in	1,780,000	1,780,000	1,580,000	(200,000)
Total other financing sources	<u>2,180,000</u>	<u>2,180,000</u>	<u>1,580,000</u>	<u>(600,000)</u>
Change in fund balance	(110,000)	(4,057,997)	120,203	4,178,200
Fund balance, beginning of year	<u>4,718,234</u>	<u>4,718,234</u>	<u>4,718,234</u>	<u>-</u>
Fund balance, end of year	<u>\$ 4,608,234</u>	<u>\$ 660,237</u>	<u>\$ 4,838,437</u>	<u>\$ 4,178,200</u>

STATISTICAL SECTION

(Unaudited)

This section of the City of Cooper City, Florida'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 City's overall financial health.

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These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changes over time.	111
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These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	117
Debt Capacity	
These schedules present information help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	121
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	125
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	127

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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CITY OF COOPER CITY, FLORIDA

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Table 1) (Amounts expressed in thousands)**

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	\$ 44,395	\$ 43,611	\$ 43,205	\$ 44,401	\$ 46,173	\$ 46,474	\$ 42,338	\$ 41,965	\$ 43,811	\$ 45,488
Restricted	678	698	662	591	602	507	553	533	861	-
Unrestricted	13,521	15,187	13,089	9,573	7,017	6,345	12,668	12,945	1,181	(91)
Total governmental activities net position	<u>\$ 58,594</u>	<u>\$ 59,496</u>	<u>\$ 56,956</u>	<u>\$ 54,565</u>	<u>\$ 53,792</u>	<u>\$ 53,326</u>	<u>\$ 55,559</u>	<u>\$ 55,443</u>	<u>\$ 45,853</u>	<u>\$ 45,397</u>
Business-type activities										
Net investment in capital assets	\$ 31,743	\$ 31,116	\$ 30,645	\$ 32,846	\$ 33,139	\$ 34,607	\$ 34,543	\$ 35,835	\$ 45,558	\$ 48,450
Restricted	701	604	1,890	1,782	1,627	1,494	51	5	-	-
Unrestricted	1,948	3,634	4,216	6,360	10,362	11,814	17,012	18,013	12,265	9,862
Total business-type activities net position	<u>\$ 34,392</u>	<u>\$ 35,354</u>	<u>\$ 36,751</u>	<u>\$ 40,988</u>	<u>\$ 45,128</u>	<u>\$ 47,915</u>	<u>\$ 51,606</u>	<u>\$ 53,853</u>	<u>\$ 57,823</u>	<u>\$ 58,312</u>
Primary government										
Net investment in capital assets	\$ 76,138	\$ 74,727	\$ 73,850	\$ 77,247	\$ 79,312	\$ 81,081	\$ 76,881	\$ 77,800	\$ 89,369	\$ 93,938
Restricted	1,379	1,302	2,552	2,373	2,229	2,001	604	538	861	-
Unrestricted	15,469	18,821	17,305	15,933	17,379	18,159	29,680	30,958	13,446	9,771
Total primary government net position	<u>\$ 92,986</u>	<u>\$ 94,850</u>	<u>\$ 93,707</u>	<u>\$ 95,553</u>	<u>\$ 98,920</u>	<u>\$101,241</u>	<u>\$107,165</u>	<u>\$109,296</u>	<u>\$103,676</u>	<u>\$103,709</u>

CITY OF COOPER CITY, FLORIDA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Table 2) (Amounts expressed in thousands)**

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 4,040	\$ 4,478	\$ 4,676	\$ 4,359	\$ 4,413	\$ 4,264	\$ 4,554	\$ 4,286	\$ 3,727	\$ 5,395
Public safety	13,918	14,622	17,008	17,094	17,830	18,162	17,653	20,113	18,442	22,411
Physical environment	1,178	1,096	554	1,084	1,044	1,121	1,089	1,019	618	714
Transportation	1,059	810	908	753	761	646	1,750	1,422	1,613	1,909
Culture and recreation	3,108	3,077	2,974	3,256	3,495	3,208	3,044	3,085	2,788	3,186
Human services	163	271	224	167	-	-	-	-	-	-
Interest on long-term debt	228	224	193	159	123	65	48	40	32	27
Total governmental activities expenses	23,694	24,578	26,537	26,872	27,666	27,466	28,138	29,965	27,220	33,642
Business-type activities:										
Water and sewer utility	8,848	8,100	8,579	8,729	8,630	8,678	9,595	9,035	8,427	11,389
Parking facilities	41	38	38	42	43	40	58	54	96	140
Stormwater utility	315	275	314	319	307	365	329	346	366	399
Total business-type activities expenses	9,204	8,413	8,931	9,090	8,980	9,083	9,982	9,435	8,889	11,928
Total primary government expenses	\$ 32,898	\$ 32,991	\$ 35,468	\$ 35,962	\$ 36,646	\$ 36,549	\$ 38,120	\$ 39,400	\$ 36,109	\$ 45,570
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 578	\$ 129	\$ 925	\$ 731	\$ 144	\$ 117	\$ 157	\$ 173	\$ 171	\$ 1,154
Public safety	3,203	2,683	2,952	4,170	4,999	5,962	5,885	5,513	5,730	5,595
Transportation	-	-	154	8	51	52	52	54	55	-
Culture and recreation	546	578	-	553	596	596	566	527	530	634
Operating grants and contributions	383	-	100	85	327	273	625	115	136	-
Capital grants and contributions	2,234	934	45	5	1,953	810	896	41	482	89
Total governmental activities program revenues	6,944	4,324	4,176	5,552	8,070	7,810	8,181	6,423	7,104	7,472
Business type activities:										
Charges for services:										
Water and sewer utility	8,112	8,752	9,913	10,049	10,418	11,175	11,805	11,229	11,780	11,678
Parking facilities	99	97	91	89	97	96	95	136	99	89
Stormwater utility	269	272	272	275	277	279	282	129	114	280
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	422	80	13	312	1	-	-	521	5,193	259
Total business-type activities program revenues	8,902	9,201	10,289	10,725	10,793	11,550	12,182	12,015	17,186	12,306
Total primary government program revenues	\$ 15,846	\$ 13,525	\$ 14,465	\$ 16,277	\$ 18,863	\$ 19,360	\$ 20,363	\$ 18,438	\$ 24,290	\$ 19,778

CITY OF COOPER CITY, FLORIDA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

(Table 2)

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue										
Governmental activities	\$ (16,750)	\$ (20,254)	\$ (22,361)	\$ (21,320)	\$ (19,596)	\$ (19,656)	\$ (19,957)	\$ (23,542)	\$ (20,116)	\$ (26,170)
Business-type activities	(302)	788	1,358	1,635	1,813	2,467	2,200	2,580	8,297	378
Total primary government net expense	<u>\$ (17,052)</u>	<u>\$ (19,466)</u>	<u>\$ (21,003)</u>	<u>\$ (19,685)</u>	<u>\$ (17,783)</u>	<u>\$ (17,189)</u>	<u>\$ (17,757)</u>	<u>\$ (20,962)</u>	<u>\$ (11,819)</u>	<u>\$ (25,792)</u>
General Revenues and Other Changes In Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 11,427	\$ 10,559	\$ 10,153	\$ 9,387	\$ 9,469	\$ 9,602	\$ 11,657	\$ 12,652	\$ 13,441	\$ 14,808
Franchise fees and utility taxes	5,403	5,681	5,570	5,639	5,567	5,740	5,939	6,273	6,310	6,126
Local option sales tax	-	-	-	-	-	-	-	-	-	2,173
Local option gasoline tax	-	-	-	-	-	-	-	-	-	597
Unrestricted intergovernmental revenues	-	-	-	-	-	-	-	-	-	1,525
Intergovernmental	3,251	3,595	3,024	2,986	2,999	2,950	3,480	3,416	7,135	-
Income on Investments	765	716	547	273	151	100	41	106	109	156
Other revenues	142	243	105	181	168	148	375	209	285	315
Special item	-	-	-	-	-	28	-	-	-	-
Net Transfers	427	362	421	462	469	622	698	772	932	14
Total governmental activities	<u>21,415</u>	<u>21,156</u>	<u>19,820</u>	<u>18,928</u>	<u>18,823</u>	<u>19,190</u>	<u>22,190</u>	<u>23,428</u>	<u>28,212</u>	<u>25,714</u>
Business-type activities:										
Income on Investments	565	467	395	252	183	119	79	124	69	124
Other revenues	56	70	65	524	2,614	823	2,111	315	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Net Transfers	(427)	(362)	(421)	(462)	(469)	(622)	(698)	(772)	(932)	(14)
Total business-type activities	<u>194</u>	<u>175</u>	<u>39</u>	<u>314</u>	<u>2,328</u>	<u>320</u>	<u>1,492</u>	<u>(333)</u>	<u>(863)</u>	<u>110</u>
Total primary government	<u>21,609</u>	<u>21,331</u>	<u>19,859</u>	<u>19,242</u>	<u>21,151</u>	<u>19,510</u>	<u>23,682</u>	<u>23,095</u>	<u>27,349</u>	<u>25,824</u>
Change in Net Position										
Governmental activities	\$ 4,665	\$ 902	\$ (2,541)	\$ (2,392)	\$ (773)	\$ (466)	\$ 2,233	\$ (114)	\$ 8,096	\$ (456)
Business-type activities	(108)	963	1,397	1,949	4,141	2,787	3,692	2,247	7,434	488
Total primary government	<u>\$ 4,557</u>	<u>\$ 1,865</u>	<u>\$ (1,144)</u>	<u>\$ (443)</u>	<u>\$ 3,368</u>	<u>\$ 2,321</u>	<u>\$ 5,925</u>	<u>\$ 2,133</u>	<u>\$ 15,530</u>	<u>\$ 32</u>

CITY OF COOPER CITY, FLORIDA

**FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(Table 3) (Amounts expressed in thousands)**

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 22	\$ 26	\$ 27	\$ 27	\$ 24	\$ 25
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	1,670	1,408	530	777	1,528	2,582
Unassigned	-	-	-	-	6,428	5,922	7,236	7,589	8,684	7,438
Reserved	73	22	25	23	-	-	-	-	-	-
Unreserved	11,408	13,651	12,176	9,675	-	-	-	-	-	-
Total general fund	<u>\$ 11,481</u>	<u>\$ 13,673</u>	<u>\$ 12,201</u>	<u>\$ 9,698</u>	<u>\$ 8,120</u>	<u>\$ 7,356</u>	<u>\$ 7,793</u>	<u>\$ 8,393</u>	<u>\$ 10,236</u>	<u>\$ 10,045</u>
All Other Governmental Funds										
Assigned, reported in:										
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 392	\$ 435	\$ 429	\$ 774	\$ 902
Debt Service Funds	-	-	-	-	103	115	117	105	88	72
Capital Projects Funds	-	-	-	-	3,027	3,837	4,376	4,396	4,718	4,838
Unassigned, reported in:										
Special Revenue Funds	522	558	528	472	-	-	-	-	-	-
Debt Service Funds	161	141	134	119	-	-	-	-	-	-
Capital Projects Funds	728	823	792	1,371	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 1,411</u>	<u>\$ 1,522</u>	<u>\$ 1,454</u>	<u>\$ 1,962</u>	<u>\$ 3,630</u>	<u>\$ 4,344</u>	<u>\$ 4,928</u>	<u>\$ 4,930</u>	<u>\$ 5,580</u>	<u>\$ 5,812</u>

Note: GASB 54 was implemented during fiscal year 2011.

CITY OF COOPER CITY, FLORIDA

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(Table 4) (Amounts expressed in thousands)**

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Property taxes	\$ 11,427	\$ 10,559	\$ 10,153	\$ 9,387	\$ 9,469	\$ 9,602	\$ 11,657	\$ 12,652	\$ 13,441	\$ 14,808
Franchise fees and utility taxes	5,403	5,539	5,712	5,639	5,566	5,740	5,939	6,273	6,310	6,126
Licenses and permits	1,413	984	925	1,682	2,175	1,897	1,576	1,151	1,195	1,105
Intergovernmental revenues	6,841	3,594	3,024	2,986	2,999	2,950	3,533	3,468	5,013	4,294
Charges for services	2,750	2,245	2,952	3,051	3,521	4,589	4,804	4,353	4,743	5,641
Fines and forfeitures	165	144	154	155	94	241	227	479	543	550
Impact fees	-	-	-	-	1,479	710	896	41	481	88
Grant revenues	-	-	-	-	-	-	-	-	-	907
Investment earnings	765	716	546	273	151	100	41	106	109	156
Miscellaneous revenues	142	2,082	252	845	849	594	944	379	372	316
Total revenues	28,906	25,863	23,718	24,018	26,303	26,423	29,617	28,902	32,207	33,991
Expenditures										
General government	4,144	4,212	4,096	4,010	4,056	3,976	4,299	3,918	4,224	5,121
Public safety	13,764	14,467	15,933	16,910	17,532	18,419	19,056	19,695	20,564	22,201
Physical environment	599	496	482	483	457	473	497	484	515	648
Transportation	1,059	810	908	747	758	643	1,750	1,422	1,196	1,242
Culture and recreation	2,617	2,567	2,773	2,713	2,804	2,641	2,493	2,473	2,406	2,784
Human services	163	205	141	155	-	-	-	-	-	-
Capital outlay	1,661	387	386	501	377	420	823	704	1,365	1,591
Debt service										
Principal retirement	641	740	765	799	562	458	327	334	341	349
Interest and fiscal charges	228	224	193	158	136	65	49	42	35	27
Total expenditures	24,876	24,108	25,677	26,476	26,682	27,095	29,294	29,072	30,646	33,963
Excess of revenues over (under) expenditures	4,030	1,755	(1,959)	(2,458)	(379)	(672)	323	(170)	1,561	28

CITY OF COOPER CITY, FLORIDA

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(Table 4) (Amounts expressed in thousands)**

	FISCAL YEAR									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Other Financing Sources (uses)										
Proceeds from debt obligations	1,300	-	-	-	-	-	-	-	-	-
Transfers in	1,051	991	1,285	1,355	988	1,194	2,299	2,257	2,791	2,285
Transfers out	(624)	(629)	(864)	(893)	(519)	(572)	(1,601)	(1,485)	(1,859)	(2,271)
Total other financing sources (uses)	1,727	362	421	462	469	622	698	772	932	14
Net change in fund balances	<u>\$ 5,757</u>	<u>\$ 2,117</u>	<u>\$ (1,538)</u>	<u>\$ (1,996)</u>	<u>\$ 90</u>	<u>\$ (50)</u>	<u>\$ 1,021</u>	<u>\$ 602</u>	<u>\$ 2,493</u>	<u>\$ 42</u>
Debt service as a percentage of noncapital expenditures	3.9%	4.1%	3.8%	3.8%	2.7%	2.0%	1.3%	1.3%	1.3%	1.2%

CITY OF COOPER CITY, FLORIDA

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)
(Table 5)**

Fiscal Year	Real Property	Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Estimated Actual Value ⁽¹⁾	Total Direct Tax Rate	Ratio Of Total Assessed To Total Estimated Actual Value
2007	\$ 3,724,382,920	\$ 51,857,323	\$ 1,649,183,642	\$ 2,127,056,601	\$ 3,776,240,243	5.6030	56.33%
2008	4,028,761,170	54,542,758	1,838,396,037	2,244,907,891	4,083,303,928	4.9530	54.98%
2009	3,631,225,180	54,256,673	1,626,193,952	2,059,287,901	3,685,481,853	4.9704	55.88%
2010	3,147,599,890	54,085,325	1,244,594,519	1,957,090,696	3,201,685,215	4.9804	61.13%
2011	2,838,462,240	53,066,769	1,026,285,080	1,865,243,929	2,891,529,009	5.2679	64.51%
2012	2,901,845,880	50,878,528	1,054,690,447	1,898,033,961	2,952,724,408	5.2679	64.28%
2013	3,043,273,240	52,922,283	1,039,472,095	2,056,723,428	3,096,195,523	5.8772	66.43%
2014	3,264,309,230	58,880,433	1,093,893,026	2,229,296,637	3,323,189,663	5.8772	67.08%
2015	3,630,960,310	60,100,345	1,291,091,362	2,399,969,293	3,691,060,655	5.8772	65.02%
2016	4,033,657,860	62,477,739	1,557,899,836	2,538,235,763	4,096,135,599	6.0772	61.97%

SOURCE: Certification from County Property Appraisers Office

Note: Property in Broward County is reassessed once every year, on average. The County assesses property at approximately 85-100 percent of actual value for commercial and industrial property and 85-100 percent for residential property, as required by Florida law. Estimated actual taxable value is calculated by dividing taxable value by those percentages. Tax rates are per \$1,000 of assessed value.

CITY OF COOPER CITY, FLORIDA

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(rate per \$1,000 of assessed value)
(Table 6)**

Fiscal Year	City of Cooper City			Overlapping Rates						
	Operating Millage	Debt Service Millage	Total City Millage	Broward County	Broward County School District	Children's Services	South Broward Hospital District	South Florida Water Management District	Florida Inland Navigation District	Total Direct & Overlapping Rates
2007	5.400	0.203	5.603	6.066	7.869	0.407	1.330	0.697	0.039	22.011
2008	4.770	0.183	4.953	5.287	7.648	0.357	1.164	0.624	0.035	20.068
2009	4.770	0.200	4.970	5.315	7.417	0.375	1.191	0.624	0.035	19.927
2010	4.770	0.210	4.980	5.389	7.431	0.424	1.273	0.624	0.035	20.156
2011	5.048	0.220	5.268	5.553	7.631	0.470	1.273	0.624	0.035	20.854
2012	5.053	0.215	5.268	5.553	7.418	0.479	0.750	0.436	0.035	19.939
2013	5.687	0.191	5.878	5.553	7.456	0.490	0.600	0.429	0.035	20.441
2014	5.709	0.169	5.878	5.723	7.480	0.488	0.400	0.411	0.035	20.415
2015	5.720	0.157	5.877	5.723	7.438	0.488	0.186	0.384	0.035	20.131
2016	5.929	0.148	6.077	5.723	7.274	0.488	0.174	0.355	0.032	20.123

SOURCE: Broward County, Florida Property Appraiser

CITY OF COOPER CITY, FLORIDA

PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND NINE YEARS AGO

(Table 7)

Taxpayer	<u>2016</u>			<u>2007</u>		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Morguard Monterra LP	\$ 47,702,350	1	1.88%			
ZOM Monterra LP	22,955,503	2	0.90%			
Equity One Inc	21,735,720	3	0.86%			
Florida Power & Light Co.	18,520,924	4	0.73%	12,574,058	6	0.59%
Weingarten Realty Investors	15,825,510	5	0.62%	15,998,930	5	0.75%
Publix Supermarket	15,132,970	6	0.60%	19,594,580	3	0.92%
SPG Cooper City TR	11,616,670	7	0.46%			
Walmart Stores East LP	11,228,250	8	0.44%	10,808,050	7	0.51%
MLMT 2005 LC	9,700,000	9	0.38%			
Centre at Stirling & Palm Inc	9,308,060	10	0.37%	9,423,860	9	0.44%
Tousa/Kolter LLC				49,630,000	1	2.33%
Monterra Community Development District				29,333,500	2	1.38%
IRT Property Company				19,424,080	4	0.91%
Cooper City Commerce Center, Inc				10,202,240	8	0.48%
Pine Lake Plaza Inc.				6,147,500	10	0.29%
Total	<u>\$ 183,725,957</u>		<u>7.24%</u>	<u>\$ 183,136,798</u>		<u>8.60%</u>

SOURCE: Broward County, Florida, Department of Revenue

CITY OF COOPER CITY, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS

(Table 8)

Fiscal Year	Total Tax Levy For Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Collections ⁽¹⁾	Percentage of Levy
2007	\$ 11,479,756	\$ 10,890,656	94.87%	\$ 61,164	\$ 10,951,820	95.40%
2008	10,751,219	10,099,871	93.94%	7,040	10,106,911	94.01%
2009	9,827,250	9,413,709	95.79%	211,333	9,625,042	97.94%
2010	9,340,130	8,950,858	95.83%	14,545	8,965,403	95.99%
2011	9,328,588	9,058,960	97.11%	8,752	9,067,712	97.20%
2012	9,625,695	9,216,486	95.75%	26,954	9,243,440	96.03%
2013	11,697,551	11,070,255	94.64%	189,975	11,260,230	96.26%
2014	12,739,120	12,274,842	96.36%	2,788	12,277,630	96.38%
2015	13,748,235	13,145,632	95.62%	(62,959) ⁽²⁾	13,082,673	95.16%
2016	15,064,191	14,421,975	95.74%	13,410	14,435,385	95.83%

SOURCE: City's Audited Financial Statements and Broward County Property Appraiser's Office.

NOTES:

⁽¹⁾ Collections do not include discount amounts.

⁽²⁾ Delinquent tax collections are negative in fiscal year 2015 because of refunds to property owners determined by the value adjustment board.

CITY OF COOPER CITY, FLORIDA

**RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

(Table 9)(Amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government ⁽¹⁾	Percentage of Personal Income ⁽¹⁾	Per Capita
	General Obligation Bonds	Notes Payable	Capital Leases	Revenue Bonds	Notes Payable			
2007	\$ 3,793	\$ 1,912	\$ 9	\$ 1,218	\$ 4,000	\$ 10,932	1.27%	\$ 365
2008	3,541	1,436	-	987	3,544	9,508	1.08%	313
2009	3,276	937	-	778	3,108	8,099	0.91%	269
2010	3,000	420	-	588	2,657	6,665	0.71%	222
2011	2,699	142	-	416	2,188	5,445	0.59%	191
2012	2,363	-	-	260	1,700	4,323	0.47%	149
2013	2,036	-	-	-	1,194	3,230	0.31%	100
2014	1,702	-	-	-	669	2,371	0.23%	69
2015	1,361	-	-	-	175	1,536	0.14%	44
2016	1,013	-	-	-	-	1,013	0.10%	29

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

⁽¹⁾ See Table 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

⁽²⁾ See Table 5 footnote for explanation of Actual Estimated Value of Property.

CITY OF COOPER CITY, FLORIDA

**RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

(Table 10) (Amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property ⁽¹⁾	Per Capita ⁽²⁾
2007	\$ 3,793	\$ -	\$ 3,793	0.10%	\$ 126.76
2008	3,541	-	3,541	0.09%	116.69
2009	3,276	-	3,276	0.09%	108.88
2010	3,000	-	3,000	0.09%	99.75
2011	2,699	-	2,699	0.09%	94.55
2012	2,363	-	2,363	0.08%	81.27
2013	2,036	-	2,036	0.07%	62.95
2014	1,618	-	1,618	0.05%	47.41
2015	1,361	-	1,361	0.04%	36.51
2016	1,013	-	1,013	0.04%	28.64

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

⁽¹⁾ See Table 5 for property value data

⁽²⁾ See Table 13 for population data

CITY OF COOPER CITY, FLORIDA

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2016**

(Table 11) (Amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Percentage Applicable to Cooper City ⁽¹⁾	Amount Applicable to Cooper City
Debt repaid with property taxes:			
Broward County	\$ 247,369	1.69%	\$ 4,181
Broward County School District Board ⁽²⁾	160	1.69%	3
Subtotal, overlapping debt			
City of Cooper City, Direct Debt			<u>1,013</u>
Total direct and overlapping debt			<u><u>\$ 5,196</u></u>

NOTES:

⁽¹⁾ Ratio of assessed valuation of taxable property in overlapping unit that is within the City of Cooper City.

⁽²⁾ Net debt outstanding as of September 30, 2016.

Sources: Assessed value data used to estimate applicable percentage provided by Broward County Property Appraiser.
Debt outstanding data provided by each governmental unit.

CITY OF COOPER CITY, FLORIDA

PLEDGED - REVENUE COVERAGE

LAST TEN FISCAL YEARS

(Table 12) (Amounts expressed in thousands)

Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Water & Sewer Revenue Bonds			Water & Sewer Revenue Notes		
				Debt Service		Coverage	Debt Service		Coverage
				Principal	Interest		Principal	Interest	
2007	\$ 8,636	\$ 5,790	\$ 2,846	\$ 265	\$ 1,695	1.45	\$ 403	\$ 160	5.06
2008	9,185	5,963	3,222	230	1,721	1.65	419	145	5.71
2009	10,251	6,646	3,605	210	1,742	1.85	435	129	6.39
2010	10,551	6,402	4,149	190	1,754	2.13	452	112	7.36
2011	10,633	6,611	4,022	172	1,766	2.08	469	95	7.13
2012	11,360	6,384	4,976	156	1,793	2.55	487	75	8.85
2013	11,963	5,145	6,818	141	1,791	3.53	506	58	12.09
2014	11,507	6,673	4,834	-	-	-	525	39	8.57
2015	11,437	7,059	4,378	-	-	-	175	3	24.60
2016	11,602	9,032	2,570	-	-	-	-	-	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest and depreciation expense.

CITY OF COOPER CITY, FLORIDA

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Table 13)**

Year	Population ⁽¹⁾	Personal Income ⁽²⁾ (In Thousands)	Per Capita Personal Income	Median Age ⁽³⁾	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2007	29,919	\$ 863,313	\$ 28,855	36.7	6,259	4.2%
2008	30,345	884,279	29,141	36.7	6,126	6.1%
2009	30,087	894,097	29,717	36.7	6,143	9.8%
2010	30,074	935,372	31,102	41.0	5,984	10.6%
2011	28,547	916,137	32,092	41.0	5,907	9.4%
2012	29,076	918,198	31,579	41.0	5,950	7.6%
2013	32,345	1,037,415	32,073	41.0	5,740	5.6%
2014	34,129	1,051,304	30,805	41.0	5,926	5.2%
2015	34,923	1,057,377	30,277	41.0	6,057	4.9%
2016	35,364	1,010,089	28,563	41.0	6,350	4.6%

Sources: ⁽¹⁾ Furnished by Quick Facts from the US Census Bureau.

⁽²⁾ Furnished by Bureau of Economic Analysis and Fed Stats - estimate used since statistical data is unavailable at this time.

⁽³⁾ Furnished by the U.S. Census Bureau (national survey is conducted every 10 years).

⁽⁴⁾ Furnished by the School Board of Broward County.

⁽⁵⁾ Furnished by the Bureau of Labor Statistics.

CITY OF COOPER CITY, FLORIDA

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Table 14)**

Employer	2016			2007		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
School Board	585	1	5.68%	553	1	5.32%
Wal-Mart	435	2	4.22%	242	3	2.33%
Publix	421	3	4.09%	413	2	3.97%
Intergrated Medical Center	120	4	1.17%	103	7	0.99%
Winn Dixie	110	5	1.07%	139	4	1.34%
City of Cooper City	103	6	1.00%	104	6	1.00%
CVS Pharmacy	95	7	0.92%			
Walgreens	89	8	0.86%			
Animal Medical	78	9	0.76%	95	9	0.91%
Beverley Hill Café	70	10	0.68%	130	5	1.25%
High Point of Florida				97	8	0.93%
Albertson				87	10	0.84%
Total	<u>2,106</u>		<u>20.45%</u>	<u>1,963</u>		<u>18.88%</u>

CITY OF COOPER CITY, FLORIDA

**FULL-TIME EQUIVALENT GOVERNMENT - EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Table 15)**

Function / Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Commission	-	-	1	1	1	1	1	1	1	1
Administration	2	2	2	2	2	2	2	2	2	3
Building Department	10	10	9	9	9	8	8	8	6	7
City Clerk	6	6	5	5	5	5	5	5	5	5
Finance	6	6	6	6	6	6	6	6	7	8
Growth Management	4	4	4	4	4	3	3	2	2	2
Public Works										
Administration	4	4	4	4	4	4	4	4	4	5
Property Maintenance	5	4	4	5	4	4	4	4	5	5
Parks Maintenance	13	14	12	11	12	12	12	12	11	11
Fleet Maintenance	2	2	2	2	2	2	2	2	3	3
Recreation										
Administration	6	6	6	8	8	11	12	11	9	11
Pool & Tennis Center ⁽²⁾	4	4	4	4	4	-	-	-	-	-
Health and Social Services ⁽¹⁾	2	2	2	-	-	-	-	-	-	-
Utilities										
Administration	6	6	5	5	5	5	5	5	6	6
Customer Service	3	3	3	3	3	3	3	3	3	4
Stormwater	1	1	1	1	1	1	1	1	1	1
Wastewater										
Wastewater Transmission	9	9	9	9	9	9	9	9	9	8
Wastewater Plant	6	6	6	6	6	6	6	6	5	6
Water										
Water Distribution	8	8	8	8	8	8	8	8	9	8
Water Plant	7	7	7	7	7	7	8	7	7	9
Total	<u>104</u>	<u>104</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>97</u>	<u>99</u>	<u>96</u>	<u>95</u>	<u>103</u>

Source: Annual Budget

⁽¹⁾ In 2010, Recreation combined Admin and Health & Social Services.

⁽²⁾ In 2012, Recreation combined Admin with Pool & Tennis Center.

CITY OF COOPER CITY, FLORIDA

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Table 16)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function/Program										
General Government										
Building permits issued	3,460	2,603	1,939	3,922	5,361	4,854	3,314	2,316	2,765	2,488
Building inspections conducted	17,389	15,091	9,380	5,624	25,411	25,547	17,266	7,022	7,003	7,340
Police										
Arrests	547	439	491	489	371	541	477	423	460	404
Parking violations	1,118	971	1,017	746	506	951	584	148	1,081	772
Traffic violations	3,657	4,397	3,972	3,575	3,118	4,558	3,727	4,284	3,803	6,705
Fire										
Emergency responses	2,495	2,447	2,474	2,390	2,387	2,429	2,472	2,642	2,345	2,517
Fires extinguished	53	63	63	67	59	45	50	49	30	34
Inspections	1,107	1,019	949	841	815	869	1,022	849	901	910
Streets										
Street resurfacing (miles)	3.29	1.00	2.67	2.63	0.25	-	0.06	1.00	-	6.00
Potholes repaired	82	73	99	188	85	186	173	129	105	133
Culture and recreation										
Athletic field permits issued	1	2	2	3	3	3	3	2	2	2
Community Center admissions	62,682	90,462	88,690	66,443	67,931	63,510	59,153	55,800	54,316	54,336
Pool & Tennis Center admissions	111,186	109,901	113,428	104,999	104,122	96,400	82,816	65,000	51,446	60,578
Water										
New connections	150	7	9	224	405	377	273	31	16	24
Water main breaks	4	4	1	4	-	12	3	3	1	2
Average daily consumption (thousands of gallons)	3,140	2,986	2,885	2,700	2,700	3,010	3,060	3,200	3,200	3,200
Peak daily consumption (thousands of gallons)	4,529	3,650	4,371	3,200	3,200	3,630	3,710	3,900	5,862	4,704
Wastewater										
Average daily sewage treatment (thousands of gallons)	2,604	2,634	2,434	2,634	2,634	2,634	2,439	2,485	2,550	2,450
Transportation										
Total route miles ⁽¹⁾	43,884	47,770	48,390	42,784	-	-	-	-	-	-
Passengers ⁽¹⁾	19,225	19,921	18,924	13,406	-	-	-	-	-	-
Senior citizens bus trips	1,513	1,602	1,501	1,571	2,533	2,493	2,218	2,172	2,592	3,138

Sources: Various City departments

⁽¹⁾ County transit no longer in operation beginning in 2011.

CITY OF COOPER CITY, FLORIDA

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(Table 17)**

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Safety										
Police:										
Station	1	1	1	1	1	1	1	1	1	1
Fire:										
Station	1	1	1	1	1	1	1	1	1	1
Streets										
Streets (miles)	64.37	64.37	65.57	74.22	74.00	74.00	121.12	121.12	121.12	121.12
Streetlights	1,954	1,954	2,053	1,953	2,052	2,052	2,052	2,052	2,052	2,052
Traffic Signals	21	21	22	27	27	27	27	27	27	27
Culture and Recreation										
Baseball/softball diamonds	12	12	12	12	12	12	11	12	11	11
Basketball courts	9	10	10	10	10	10	10	10	10	10
Community centers	2	2	2	2	2	2	2	2	2	2
Concession Stands	-	-	-	-	-	-	3	3	4	4
Hockey rinks	2	2	2	2	2	2	2	2	2	2
Multi-purpose fields	-	-	-	-	-	-	2	2	2	2
Parks	20	21	21	21	21	21	22	21	21	21
Parks acreage	81	106	106	106	106	106	106	106	106	106
Pavilions	5	4	4	5	5	5	5	5	5	5
Playgrounds	20	21	21	21	21	21	21	21	21	21
Racquetball courts	-	-	-	-	-	-	10	10	10	10
Soccer/football fields	5	5	5	5	5	5	5	5	5	5
Tennis courts	14	15	15	15	15	15	15	15	15	14
Volleyball courts	-	-	-	-	-	-	7	7	7	7
Pickleball courts	-	-	-	-	-	-	-	-	-	2
Water										
Water plant	1	1	1	1	1	1	1	1	1	1
Water mains (miles)	104.24	104.24	106.00	104.00	104.00	105.00	105.00	105.38	141.00	141.00
Fire hydrants	971	971	1,061	1,101	1,101	1,115	1,115	1,115	1,289	1,289
Storage capacity (thousands of gallons)	1,980	1,980	1,980	1,900	1,800	3,500	3,500	3,500	3,500	3,500
Wastewater										
Wastewater treatment plants	1	1	1	1	1	1	1	1	1	1
Sanitary sewers gravity (miles)	88.83	88.83	91.00	89.00	89.00	90.00	90.00	90.38	90.00	90.00
Sanitary sewers force (miles)	-	-	-	-	-	-	-	-	37.00	37.00
Storm sewers (miles)	49.86	49.86	52.00	50.00	50.00	51.00	51.00	11.31	55.00	55.00
Treatment capacity (thousands of gallons)	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750

Note: No capital asset indicators are available for the general government function.

Sources: Various City Departments.

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OTHER REPORTS

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**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**

Honorable Mayor and Members of
the City Commission,
City of Cooper City, FL

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cooper City, Florida (the "City"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 7, 2017. Our report includes a reference to other auditors who audited the financial statements of the City of Cooper City Firefighters Retirement Plan and the City of Cooper City Police Officers Retirement Plan as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

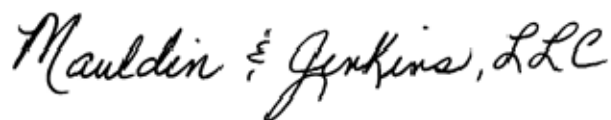
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Bradenton, Florida
June 7, 2017

CITY OF COOPER CITY, FLORIDA

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of auditor's report issued

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

____ yes X no

Significant deficiencies identified not considered
to be material weaknesses?

____ yes X no

Noncompliance material to financial statements noted?

____ yes X no

Federal Programs and State Financial Assistance Projects

There was not an audit of major federal award programs or state award programs as of September 30, 2016, due to the total amount expended being less than \$750,000.

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None noted.

**SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

Not applicable.

**SECTION IV
STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

Not applicable.

CITY OF COOPER CITY, FLORIDA

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

STATUS OF PRIOR YEAR FINDINGS

None noted.



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor, Members of the City
Commission and City Manager,
City of Cooper City, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Cooper City, Florida (the "City"), as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated June 7, 2017. We did not audit the financial statements of the City of Cooper City's Firefighters Retirement Plan or the City of Cooper City's Police Officers Retirement Plan, which represent 62% and 65%, respectively of the total assets and total additions of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Cooper City's Firefighters Retirement Plan and the City of Cooper City's Police Officers Retirement Plan is based solely on the report of other auditors.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 7, 2017, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City of Cooper City, Florida was incorporated in 1959 pursuant to Chapter 59-1195 of the Laws of Florida. The City has no component units.

Financial Condition

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

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

Annual Financial Report

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

Other Matters

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

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

Purpose of this Letter

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

Mauldin & Jenkins, LLC

Bradenton, Florida
June 7, 2017

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of the City
Commission and City Manager,
City of Cooper City, Florida

We have examined the City of Cooper City, Florida's (the "City") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

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

Mauldin & Jenkins, LLC

Bradenton, Florida
June 7, 2017