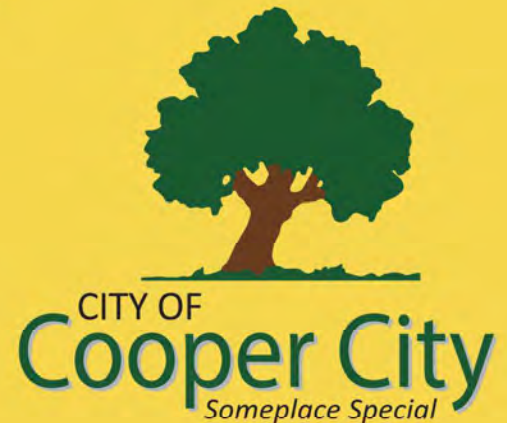


City of Cooper City, Florida

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2021



CITY OF COOPER CITY, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021

PREPARED BY:
CITY OF COOPER CITY FINANCE DEPARTMENT

CITY OF COOPER CITY, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SEPTEMBER 30, 2021

Table of Contents

	<u>PAGE</u>
INTRODUCTORY SECTION	
Letter of Transmittal.....	i
Organization Chart	x
Listing of Elected and Appointed Officials.....	xi
FINANCIAL SECTION	
Independent Auditors' Report.....	1-3
Management's Discussion and Analysis.....	4-18
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	19
Statement of Activities.....	20
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	21
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	22
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Net Position - Proprietary Funds	25
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds.....	26
Statement of Cash Flows - Proprietary Funds	27-28
Statement of Fiduciary Net Position - Fiduciary Funds.....	29
Statement of Changes in Fiduciary Net Position - Fiduciary Funds.....	30
Notes to Basic Financial Statements.....	31-106
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund.....	107-108
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – ARPA Fund.....	109
Notes to the Required Supplementary Information	110

CITY OF COOPER CITY, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SEPTEMBER 30, 2021

Table of Contents

	<u>PAGE</u>
FINANCIAL SECTION (Continued)	
Required Supplementary Information (Continued):	
Schedule of Changes in Net Pension Liability and Related Ratios – GEPP	111
Schedule of City Contributions –GEPP	112
Schedule of Annual Money-Weighted Rate of Return – GEPP	113
Schedule of Changes in Net Pension Liability and Related Ratios – FRP	114
Schedule of City Contributions –FRP	115
Schedule of Annual Money-Weighted Rate of Return – FRP	116
Schedule of Changes in Net Pension Liability and Related Ratios – PORP	117
Schedule of City Contributions –PORP	118
Schedule of Annual Money-Weighted Rate of Return – PORP	119
Schedule of Changes in Net Pension Liability and Related Ratios – FMPTF	120
Schedule of City Contributions – FMPTF	121
Schedule of the City’s Proportionate Share of the Net Pension Liability and Related Ratios – FRS	122
Schedule of City Contributions – FRS	123
Schedule of the City’s Proportionate Share of the Net Pension Liability and Related Ratios – HIS	124
Schedule of City Contributions – HIS	125
Schedule of the City’s Total OPEB Liability and Related Ratios	126
Other Supplementary Information	
Combining Balance Sheet - Nonmajor Governmental Funds.....	127
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds	128
Combining Statement of Fiduciary Net Position-Fiduciary Funds.....	129
Combining Statement of Changes in Fiduciary Net Position-Fiduciary Funds.....	130
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
Capital Improvement Fund.....	131
Nonmajor Governmental Funds:	
Building Inspection Fund.....	132
Road and Bridge Fund.....	133
Police Confiscation Fund	134
Tree Trust Fund.....	135

CITY OF COOPER CITY, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SEPTEMBER 30, 2021

Table of Contents

	<u>PAGE</u>
STATISTICAL SECTION	
Table 1 Net Position by Component	136
Table 2 Changes in Net Position	137-138
Table 3 Fund Balances, Governmental Funds	139
Table 4 Changes in Fund Balances, Governmental Funds	140
Table 5 Assessed and Estimated Actual Value of Taxable Property	141
Table 6 Property Tax Rates – Direct and Overlapping Governments	142
Table 7 Principal Property Taxpayers	143
Table 8 Property Tax Levies and Collections	144
Table 9 Ratios of Outstanding Debt by Type	145
Table 10 Ratios of General Bonded Debt Outstanding	146
Table 11 Direct and Overlapping Governmental Activities Debt	147
Table 12 Pledged Revenue Coverage	148
Table 13 Demographic and Economic Statistics	149
Table 14 Principal Employers	150
Table 15 Full-time Equivalent Government – Employees by Function/Program	151
Table 16 Operating Indicators by Function/Program	152
Table 17 Capital Asset Statistics by Function/Program	153
COMPLIANCE SECTION	
Schedule of Expenditures of Federal Awards and Local Awards.....	154
Notes to the Schedule of Expenditures of Federal Awards and Local Awards.....	155
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 <i>Government Auditing Standards</i>	156-157
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.500, Rules of the <i>Florida Auditor General</i>	158-159
Summary Schedule of Prior Audit Findings	160
Schedule of Findings and Questioned Costs – Federal Awards and Local Awards	161-162
Management Letter Pursuant to the Rules of the Auditor General for the State of Florida.....	163-165
Independent Accountant’s Report on Compliance Pursuant to Section 218.415 Florida Statutes.....	166
Corrective Action Plan.....	167

June 30, 2022

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

We are pleased to present the City of Cooper City's Annual Comprehensive Financial Report for the fiscal year ended September 30, 2021. This report is hereby submitted pursuant to Section 11.45, Florida Statutes and Chapter 10.550 of the *Rules of the Auditor General* of the State of Florida. The financial statements included in the report are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards and government 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 Annual Comprehensive Financial Report of the City of Cooper City for the fiscal year ended September 30, 2021.

This report consists of management's representations concerning the finances of the City of Cooper City. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established 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's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Cooper City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatements. 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's financial statements have been audited by GLSC & Company, PLLC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Cooper City for the fiscal year ended September 30, 2021, 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 unmodified opinion that the City of Cooper City's financial statements for the fiscal year ended September 30, 2021, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

This year, the independent auditor also performed the federally mandated "Single Audit", since federal funds received from the Coronavirus Aid, Relief, and Economic Security Act (CARES), geared to assist our community during the height of the pandemic, exceeded the Single Audit threshold amount of \$750,000.



Greg Ross, Mayor
Jeff Green, Commissioner
Max Pulcini, Commissioner
Howard Meltzer, Commissioner
Ryan C. Shrouder, Commissioner
Joseph Napoli, City Manager

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 MD&A and should be read in conjunction with it. The City of Cooper City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY

The City of Cooper City, incorporated in 1959, is located in southwest Broward County, Florida in the southeast region of the state. It is a bedroom community with limited opportunity for further development. The City of Cooper City currently occupies a land area of eight square miles and serves a population of approximately 34,401, according to the 2020 Decennial Census. The City of Cooper City 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 Commission 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 at-large to serve a four-year term. The four other commission members are elected by their districts to represent a certain district within the City.

The City of Cooper City provides a full range of services, including the construction and maintenance of streets, and other infrastructure; water and sewer; stormwater; community development; parks and recreational activities and cultural events. Certain sanitation services are provided through a franchise agreement with a private company. Police, code enforcement, and fire protection and emergency services are contracted with the Broward Sheriff's Office (BSO).

FINANCIAL PLANNING

This report includes all funds of the City in accordance with Government Accounting Standards Board (GASB) Statement No. 61 entitled "The Financial Reporting Entity: omnibus" an amendment of GASB statements No. 14 and No. 34. This statement modified certain requirements for inclusion of component units in the financial reporting entity. For component units previously included due to meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that component unit. This statement also clarifies the manner in which determination should be made and the types of relationships that generally should be considered when including a component unit that does not meet the financial accountability criterion, but would be misleading to exclude such component unit in the financial statements. 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's financial planning and control. All departments of the City of Cooper City are required to submit requests for appropriation to the City Manager. The City Manager then presents a proposed budget to the Commission for review by August 15. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget by September 30, the close of the City of Cooper City's fiscal year. The appropriated budget is prepared by fund and department (e.g., Parks and Recreation). Budgets are monitored at the activity level within each department. Transfers of appropriations between departments, in excess of 2.5% of total budget, require the special approval of the City Commission. A transfer of appropriations greater than \$10,000 requires notifications to the City Commission prior to executing the transfer. 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 Fund, 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 AND DEMOGRAPHIC CONDITIONS AND OUTLOOK

The City has completed its Evaluation and Appraisal Report (EAR) of its Comprehensive Plan pursuant to Florida Statutes which requires municipalities 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.

Homeowner pride contributes to what makes Cooper City “Someplace Special” and contributes significantly to the City’s economic outlook. Cooper City has the highest rate of owner-occupied units in Broward County at 84%. It also has one of the highest rates of family households at 90% and one of the lowest homeowner vacancy rates at 0.4% of our units. The median housing value in Cooper City is estimated at \$411,700 (2020 American Community Survey) and Cooper City’s median household income is \$108,763 (2020 American Community Survey). Accordingly, Cooper City has one of the lowest rates of cost-burdened households, where on average, approximately 24% of residents’ household income goes towards housing expenses.

CONSTRUCTION OVERVIEW

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

RESIDENTIAL CONSTRUCTION

Monterra Age-restricted Apartments

City Commission approved the rezoning and site plan for this project to create a 175-unit, multi-family 4-story building for age-restricted (55+) residents. Construction has now been completed and a certificate of occupancy has been issued for this apartment complex located on the west side of University Drive, south of Monterra Boulevard.

The unit mix consists of 98 one-bedroom and 77 two-bedroom units. The one-bedroom units range from over 700 sq. ft. to 870 sq. ft. The two bedrooms are from just over 1,000 square feet to over 1,200 square feet in area. The architectural style of the building is compatible with the adjacent Monterra’s architecture.

Sienna Subdivision

This nine-acre property on Sheridan Street was previously approved for a single-family community, with 30 single-family homes. The previous developer, D.R Horton, walked away from the project and Mattamy Homes, the developer, has purchased the property. A revised Site Plan and Variance petitions were then submitted for development review through the Development Review Committee (DRC), and have since received approval from both the City Commission and Planning and Zoning Board.

Kingfisher Reserve

CC Devco purchased the 20-acre property from Cameo Farms located on the east side of SW 106th Avenue and has received City Commission approval to build 39 single-family homes. The project consists of one and two story single-family homes, 3 to 6 bedrooms, with models from 2,600 to 4,100 square feet.

Arbor Reserve a.k.a Royal Estates

CC Devco purchased the 10-acre property located on the west side of SW 106th Avenue to build 20 single-family homes. This project was previously approved as the Royal Estates subdivision. Slight modifications to the site plan were made with lot sizes all above 18,000 square feet. Home prices were estimated to be in the \$700,000 to \$1M-plus range. Permits have been issued for every lot in this project and 18 of 20 homes have been completed and Certificate of Occupancies issued for those homes.

La Palma Subdivision

Five acre-estate single-family homes in Royal Palm Ranches are currently under review by the Development Review Committee (DRC).

COMMERCIAL DEVELOPMENT

Nur-Ul-Islam

The first phase of this project was approved to include a 12,000 square foot school building which has completed construction. Phase 2 is a proposed 12,600 square foot mosque with a 100-foot tall minaret which is pending a submittal to be reviewed by the Development Review Committee (DRC), the Planning and Zoning Board and City Commission. Phase 3 is another proposed 11,900 square foot school building, which is also pending a submittal to be reviewed by the Development Review Committee (DRC), the Planning and Zoning Board and City Commission.

Chabad of SW Broward

This project is located at 5960 SW 106th Avenue, generally located on the east side of SW 106th Avenue north of Stirling Road. The Chabad has received Commission approval of a Rezoning from M/I, Medic, Institutional District to X-1, Civic District. Other uses approved on site include a daycare center, secondary school for students living on campus, accessory dormitory rooms, a Mikveh, retreat center administrative offices in Phase I of the development and a permanent sanctuary in Phase II. The project is currently in phase one of construction and phase two is nearing completion.

Shoppes at Monterra Commons and BrightStar Corporate Offices

City Commission approved the Shoppes at Monterra and BrightStar Corporate office Site Plan in 2020. This site was the last remaining large commercial tract in Monterra, on University Drive. This project consists of a proposed 70,000+ square foot, three-story office building for BrightStar Credit Union corporate headquarters, including a branch credit union with drive-thru lanes. The plans also reflect The Shoppes at Monterra Commons which will consist of four commercial buildings: totaling 39,000 square feet and a 10,000 square foot daycare center. Permits have been submitted for all of the buildings and it is estimated the completion of this project will take one to two years.

Sun Credit Union

Sun Credit Union was issued City Commission Approval in 2021. This project consists of a proposed 32,000 square foot, one story office building for the Sun Credit Union corporate headquarters including a branch credit union with drive-thru lanes. Permits have been submitted for review and estimated completion of this project will be a one to two-year time frame.

MAJOR INITIATIVES AND FUTURE PROJECTS

Community Development Block Grant (CDBG) Funding

In 2022, Cooper City reinstated the Minor Home Repair program along with the Purchase Assistance program administered by Broward County, which is designed to provide repair assistance to low income single-family homeowners whose homes are in need of repair. The CDBG funding is designed to assist homeowners with repairs limited to corrective action that will eliminate conditions in and around the home that pose a threat to the health, safety, and welfare of the household occupants. As a final component of the CDBG grant funding, \$18,000 will help fund the Senior Transportation Program. The program is designed to provide free transportation to our senior citizens via a shuttle bus. Riders are transported to and from their doctors and dentist's offices, or other institutional agencies or businesses.

Commitment to Improvements and Excellence

- Maintained excellent ISO (Insurance Survey Organization) rating through Fiscal Year 2021.
- Issued permits for \$69.2 million of construction cost through Fiscal Year 2021.
- Maintained the highest level of service to residents, business owners and contractors throughout all stages of the pandemic and changes to organizational infrastructure.
- Implemented an electronic sign-in system to properly document all persons and manage social distancing requirements or preferences.
- Streamlined Local Business Tax Receipt application acceptance, review and document issuance process.
- Elevated our active Business Community by exposure and assisted our stakeholders in the recruitment of qualified, employable candidates with the launch and execution of our first annual Business Expo and Job Fair.

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 it 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.

ACCOMPLISHMENTS

In Fiscal Year 2021, the City continued adapting to the community's current needs in the midst of the pandemic while also looking toward long-term goals, by accomplishing the following:

- Mitigating the unpredictable effects of the COVID-19 pandemic, the City has operated as normal and continues to provide its residents a high level of service while maintaining safety for visitors to City facilities and staff.

- The City developed its first-ever Strategic Plan to establish a vision and align the City's goals and priorities with the operations and future development of Cooper City.
- Effectively managed the impacts of the CARES Act funding and funneled hundreds of thousands of federal dollars into the residential and business communities most negatively affected by the pandemic.
- Formed steering committee, identified potential improvement projects, and entered the early steps needed for City Commission approval, prior to receiving the first tranche of funding provided by the American Rescue Plan Act of 2021 (ARPA).
- Cooper City remained among the 15 safest cities in Florida according to the National Council for Home Safety and Security.
- Developed a strategy and initiated a Revitalization and Beautification Plan for the City over the next several years commencing with a program to bring commercial centers up to code and landscaping standards.
- Launched online payment ability for building permits and local business tax receipts, while maintaining an electronic submittal process for single use permits not requiring signed and sealed drawings.
- Revamped and modernized the City website.
- Diversified our communications, while implementing new strategies and content to reach a larger number of residents and stakeholders through the City website, social media platforms, e-newsletters, and print materials.

In Fiscal Year 2021, the Public Works Department completed the following projects:

- Increased the number of LED lamps on City building interiors and exteriors.
- Painted and revitalized irrigation pump houses.
- Completed Phase II of asphalt resurfacing at Flamingo Gardens.
- Completed court resurfacing projects at the basketball courts located within Forest Lake Park and the Pool and Tennis Center.
- Renovated the Pool and Tennis Center's fitness room.
- Renovated all football and soccer fields with sod at Suellen H. Fardelmann and Bill Lips Sports Complexes.
- Updated access control software for RV lots and Public Works and Fleet entry gates.
- Updated regulatory signs throughout City parks.
- Completed installation of freestanding generator at the Community Center.
- Completed the citywide pressure-cleaning program, which included the courts, playgrounds, sidewalks, and furniture in 23 passive parks.
- Completed the transition from hockey rink to pickleball courts at Suellen H. Fardelmann Sports Complex and opened the courts for public use.

The following is a summary of the noteworthy activities undertaken by the Utilities Department and City Engineer's Office during Fiscal Year 2021. This summary focuses on "big picture" items and does not include day-to-day activities that, despite being routine, are valuable to our customers.

- Produced 558.2 million gallons of potable water, while maintaining 100% compliance with state, federal, and local regulations.
- Completed replacement of the 500,000-gallon steel water storage tank at the Utilities complex.
- Rehabilitated Lift Station 48, installed approximately 1,200 feet of new sewer force main piping, and rehabilitated 6,400 linear feet of gravity sewer mains.
- Maintained 100% operation of all 82 sewer-pumping stations with no overflows.

- Treated 718 million gallons of wastewater while maintaining 100% compliance with state, federal, and local regulations.
- Entered into a contract and commenced with rehabilitation and capacity increase of the City's Deep Injection Well.
- Continued remote check deposit procedure, which has reduced the amount of trips to the bank and has shown a large drop in deposit discrepancies that come from the bank's check reading software.
- Continued the replacement of old water meters on a case-by-case basis, to provide residents with the most accurate information possible with the use of WaterSmart.
- Provided exemplary service while halting scheduled water shut-offs and late fees due to the effects of COVID-19.
- Limited water and sewer rate increases to the increase in the consumer price index (CPI).
- Completed an update to the water, sewer, and stormwater utility 10-year financial forecast and implemented new stormwater rates.

The Water and Wastewater Capital Improvement Master Plan (updated June 2020) provides a detailed program of capital improvements to be undertaken through the year 2029. The following is a list of improvements that have been identified for implementation within the next 3 years:

- Flamingo Gardens Townhomes water service lines replacement.
- Water Treatment Plant rehabilitation, specifically for replacement of treatment membranes.
- Rehabilitation of water supply wells #6 and #8.
- Rehabilitation of gravity sewer lines and manholes in order to control and reduce the infiltration and inflow of non-wastewater sources into the sewer system.
- Rehabilitation of lift station #46.
- Replace deteriorating components of Wastewater Treatment Plant (WWTP). The metal components of WWTP deteriorate over time due to exposure to corrosive environment and conditions.
- Construct a pre-treatment facility at the Wastewater Treatment Plan to remove debris and grit, and provide improved odor control.

AWARDS AND ACKNOWLEDGEMENTS

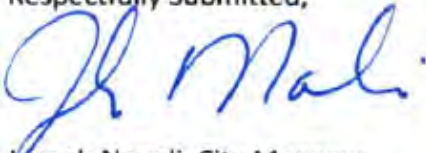
The City received the GFOA's Distinguished Budget Presentation Award for its annual budget document for Fiscal Year 2021. To qualify for this award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device. This was the second year in a row that the City has received this prestigious award.

We would be remiss not to mention our City's outstanding ability to continue meeting unprecedented challenges posed by the COVID-19 pandemic and global strife. Our City has been steadfast in providing outstanding essential services, while mitigating the risks posed by the pandemic, coupled with inflationary pressures that have affected City operations in a growing number of ways. Still, the City has persevered in its mission to ensure the health, safety, and welfare of our residents.

While the full economic impacts of this pandemic and ensuing inflationary period are to be determined in the future, we will embrace every opportunity to adapt to their challenges and emerge better than before.

The preparation of this report could not be accomplished without the dedicated services of our City staff, and specifically Finance Department, who participated in the compilation of the report. We would also like to thank our City Commission for their interest, guidance, and support in planning and approving the financial operations of the City in a responsible and insightful manner.

Respectfully Submitted,

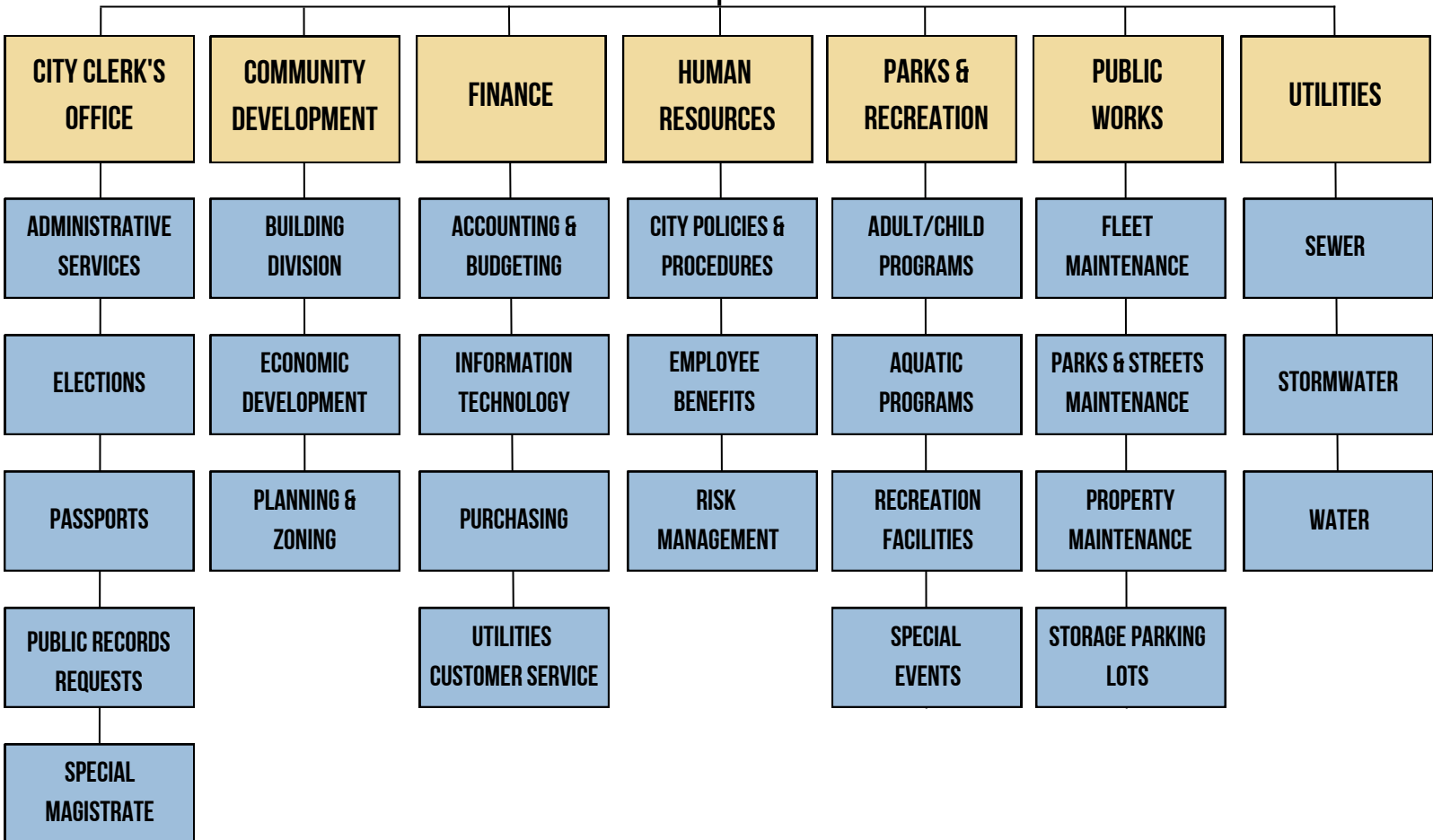
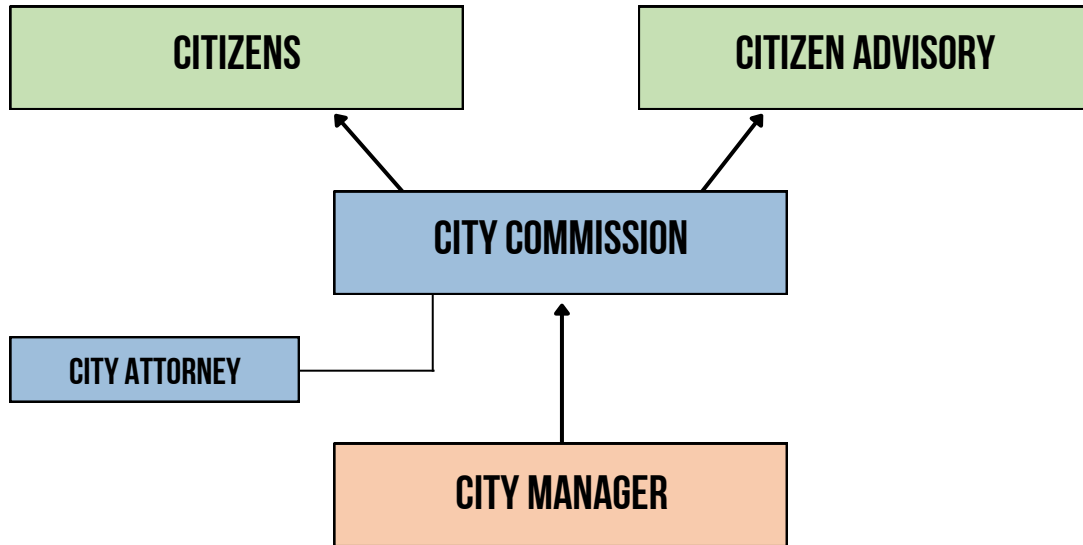


Joseph Napoli, City Manager



Aaron Kendrick, Chief Financial Officer

CITYWIDE ORGANIZATION CHART



CITY OF COOPER CITY, FLORIDA
LIST OF ELECTED AND APPOINTED OFFICIALS
(As of June 30, 2022)

City Commission

MAYOR

Greg Ross

COMMISSIONER

Jeff Green – District 3

COMMISSIONER

Massimo Pulcini – District 1

COMMISSIONER

Howard Meltzer – District 2

COMMISSIONER

Ryan C. Shrouder – District 4

CITY MANAGER

Joseph Napoli

CITY ATTORNEY

Law Offices of Goren, Cherof, Doody & Ezrol, P.A.

DEPARTMENT DIRECTORS

Community Development

Finance

Public Works

Recreation

Utilities

Human Resources

City Clerk

Carlos Vega

Aaron Kendrick, CFO

Thomas Good

Stacie Weiss

Raj Verma

Lourdes Mantecon

Tedra Allen



INDEPENDENT AUDITORS' REPORT

Honorable Mayor, 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, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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 25% and 35%, respectively, of the net position, 22% and 39%, respectively, of the additions to, and 24% and 44%, respectively, of the deductions from the fiduciary fund totals. 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 the 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 of Cooper City, Florida, as of September 30, 2021, 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, budgetary comparison schedules and other post-employment benefits and pension schedules as listed in the table of contents and included on pages 4 through 18, pages 107 through 125, and pages 130 through 135 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 and other auditors 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 of Cooper City, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, combining fiduciary fund financial statements, schedules of revenue, expenditures, and changes in fund balances – budget and actual, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and local award is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, combining fiduciary fund financial statements, schedules of revenues, expenditures, and changes in fund balances – budget and actual, and the schedule of expenditures of federal awards and local awards 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, the combining fiduciary fund financial statements, schedules of revenues and expenditures, and changes in fund balances – budget and actual, and the schedule of expenditures of federal awards and local awards 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 30, 2022 on our consideration of the City of Cooper City, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Cooper City, Florida's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Cooper City, Florida's internal control over financial reporting and compliance.

GLSC & Company, PLLC

Miami, Florida
June 30, 2022

CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

As management of the City of Cooper City, Florida (the "City"), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. The City's Management Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) identify any material deviations from the financial plan (the approved budget), and (c) identify any individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be located on pages i through ix in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Cooper City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$110.7 million (*net position*), as compared with \$106.7 million for the previous year.
- The City's total net position increased by \$4 million during the fiscal year. Included in the net position is the governmental net position which increased \$3.4 million and the business-type net position, which increased \$0.6 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$13.9 million, an increase of \$4.7 million in comparison with prior year. Approximately \$7.6 million of this total amount is available for spending at the City's discretion (unassigned fund balance).
- Capital assets decreased approximately \$3.2 million as compared to the previous year mainly because depreciation expense exceeded capital asset additions during fiscal year 2021. There were no significant capital asset additions during the year primarily due to the negative economic impact of Covid-19, which slowed down construction projects.

Overview of the Financial Statements

In addition to this discussion and analysis, the financial section of this annual report contains the basic financial statements, required supplementary information, and other supplementary information including combining statements and schedules of non-major funds. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to these basic financial statements, this report also contains other supplementary information.

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.

The *statement of net position* presents information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

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.

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 government-wide financial statements can be located on pages 19 and 20 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. The City's funds 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*.

The City of Cooper City maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Improvement Fund, and ARPA Fund as they are considered to be major funds. All the other governmental funds

CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

are combined for presentation purposes as nonmajor funds. Individual fund data for each of these nonmajor funds and 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 budget for its General Fund. A budgetary comparison schedule and the notes to the budgetary comparison schedule have been provided for the General Fund to demonstrate compliance with the budget on page 107 through 110. The governmental fund financial statements can be found on pages 21 through 24 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 25 through 28 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 29 and 30 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 31 through 106 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 and post-employment benefits. Required supplementary information can be found on pages 107 through 126 of this report.

The combining statements for non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules are presented immediately following the required supplementary information on pages 127 through 130 of this report.

CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

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 and deferred outflow of resources exceeded liabilities and deferred inflows of resources by \$110.7 million as of September 30, 2021.

The largest portion of the City's net position consists of \$98.8 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. The City's net position for the last two fiscal years is summarized as follows:

City of Cooper City Summary of Net Position September 30, 2021 and 2020 (In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Current & other assets	\$ 25,643	\$ 12,532	\$ 18,567	\$ 17,015	\$ 44,210	\$ 29,547
Capital assets	51,321	53,925	48,586	49,150	99,907	103,075
Total assets	76,964	66,457	67,153	66,165	144,117	132,622
Total deferred outflow s of resources	5,212	4,443	1,302	1,465	6,514	5,908
Other liabilities	2,576	3,485	2,017	1,929	4,593	5,414
Long-term liabilities	14,440	16,482	7,734	8,750	22,174	25,232
Total liabilities	17,016	19,967	9,751	10,679	26,767	30,646
Total deferred inflow s of resources	11,456	656	1,686	520	13,142	1,176
Net position:						
Net investment in capital assets	51,321	53,925	47,443	47,823	98,764	101,748
Restricted	2,238	885	-	-	2,238	885
Unrestricted	146	(4,533)	9,575	8,608	9,721	4,075
Total net position	\$ 53,705	\$ 50,277	\$ 57,018	\$ 56,431	\$110,723	\$106,708

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

City of Cooper City Changes in Net Position Fiscal Years Ended September 30, 2021 and 2020 (In Thousands)						
	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 7,726	\$ 6,544	\$ 13,239	\$ 13,242	\$ 20,965	\$ 19,786
Operating grants and contributions	1,492	3,059	-	-	1,492	3,059
Capital grants and contributions	273	893	179	331	452	1,224
General revenues:						
Property taxes	19,374	20,245	-	-	19,374	20,245
Other taxes	9,623	8,735	-	-	9,623	8,735
programs	2,022	2,403			2,022	2,403
Other	491	324	351	92	842	416
Total revenues	<u>41,001</u>	<u>42,203</u>	<u>13,769</u>	<u>13,665</u>	<u>54,770</u>	<u>55,868</u>
Operating expenses:						
General government	5,758	4,968	-	-	5,758	4,968
Public safety	26,519	29,547	-	-	26,519	29,547
Physical environment	598	638	-	-	598	638
Transportation	1,608	2,256	-	-	1,608	2,256
Culture and recreation	5,066	4,209	-	-	5,066	4,209
Interest	141	-	-	-	141	-
Parking	-	-	111	124	111	124
Water and sewer	-	-	10,534	12,798	10,534	12,798
Stormwater	-	-	418	320	418	320
Total operating expenses	<u>39,690</u>	<u>41,618</u>	<u>11,063</u>	<u>13,242</u>	<u>50,753</u>	<u>54,860</u>
Increase/Decrease in net position					-	-
before transfers	1,310	585	2,706	423	4,016	1,008
Transfers	<u>2,118</u>	<u>427</u>	<u>(2,118)</u>	<u>(427)</u>	<u>-</u>	<u>(0)</u>
Change in net position	3,428	1,012	588	(5)	4,016	1,007
Net position, beginning	<u>50,277</u>	<u>49,264</u>	<u>56,430</u>	<u>55,835</u>	<u>106,707</u>	<u>105,099</u>
Net position, ending	<u>\$ 53,705</u>	<u>\$ 50,277</u>	<u>\$ 57,018</u>	<u>\$ 55,830</u>	<u>\$ 110,723</u>	<u>\$ 106,107</u>

Governmental activities

Property tax and grant revenue experienced a combined decrease of \$3.4 million during the current fiscal year. However, overall net position for governmental activities increased by \$3.4 million due primarily to Public Safety expenditures decreasing by \$3.0 million as a result of the changes made to the terms of the BSO contract and an incremental increase of \$1.2 million in charges for services resulting from various increases including the addition of a school resource officer and city services being available for the full fiscal year after experiencing disruption during fiscal year 2020 due to the Covid-19 pandemic.

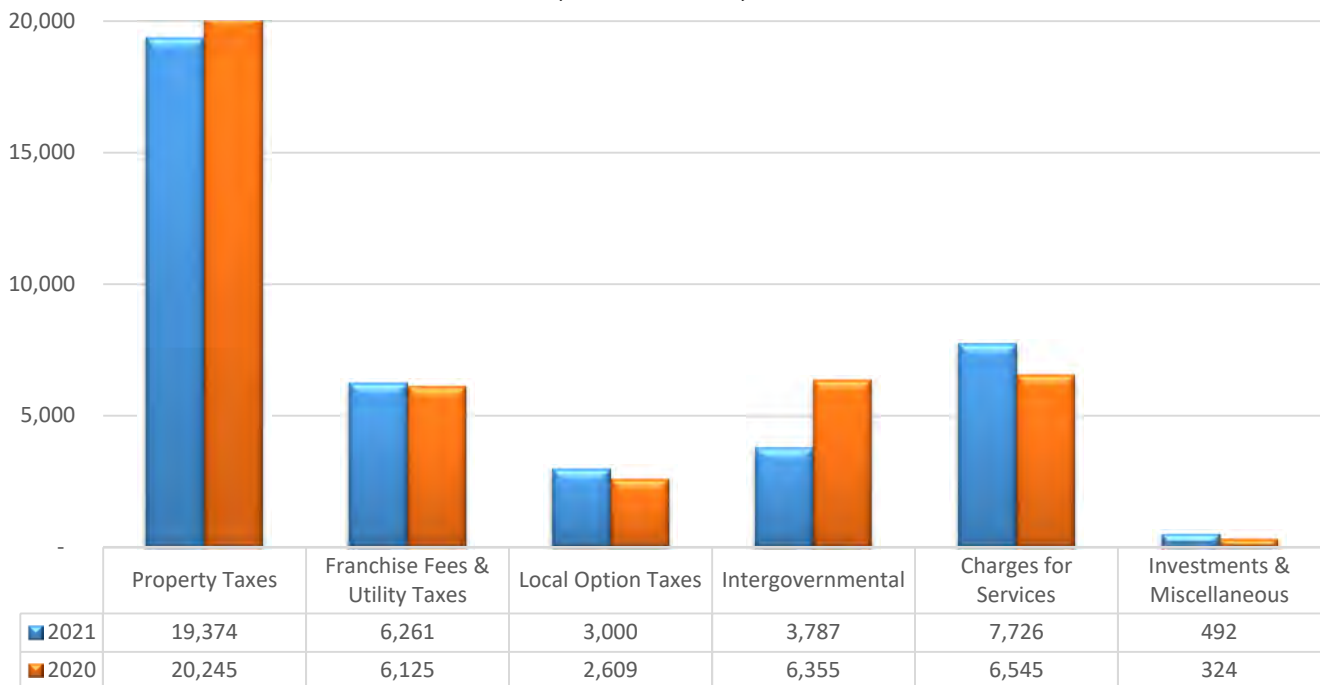
CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

Revenues

Revenues from governmental activities decreased 3% or \$1.2 million compared to the prior year. The decrease is mainly due to reductions in property taxes of \$871 thousand due to a decrease in the millage rate and a decrease in grant revenue of \$2.6 million. The City experienced a significant increase in grant revenue in fiscal year 2020 due to FEMA awards received.

**Revenues by Source – Governmental Activities
(In thousands)**

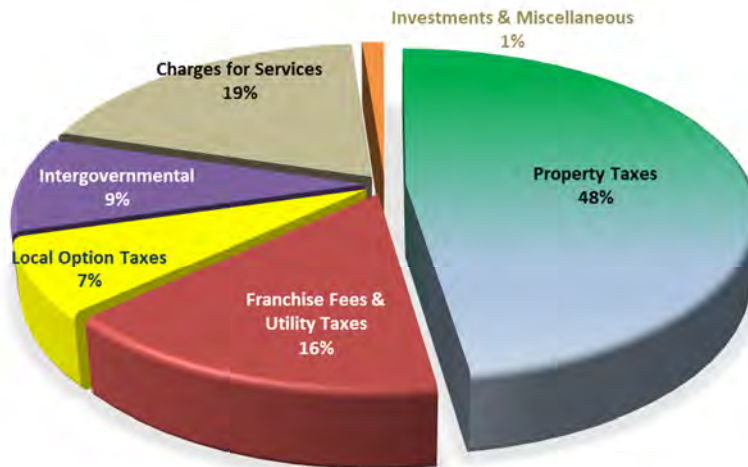


CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

The following chart provides an overall view of the various governmental revenue sources. 48% of the revenues received were derived from property taxes, 19% from charges for services, 9% from intergovernmental revenues, 16% from franchise fees and utility taxes, 7% from local option taxes and the remaining 1% from impact fees, investments and miscellaneous.

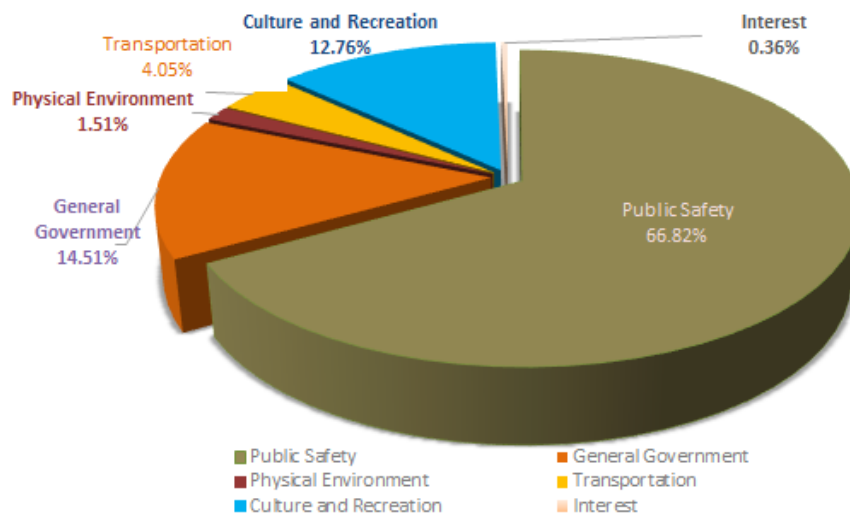
Revenues by Source – Governmental Activities



Expenses

Public safety continues to be the City's single largest governmental activity, comprising 67% of its expenses.

Expenses by Function – Governmental Activities



CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

As shown in graph below, costs for public safety decreased to \$26.5 million in the current fiscal year from \$29.5 million last fiscal year. This decrease is mainly due to a renegotiation of the BSO contract which, resulted in a reduction of personnel (4 positions) and legacy pension costs of \$2.0 million paid by the City during the gap period before the new contract was finalized. As part of the new agreement, the City continues to contribute to the pension cost. The cost paid during the contract lapse period is currently being litigated by the City and BSO. Additionally, a rental fee previously collected by the city from BSO for use of the City's facilities was also removed from the agreement and the related pass-through costs were reduced.

**Expenses by Function – Governmental Activities
(In thousands)**



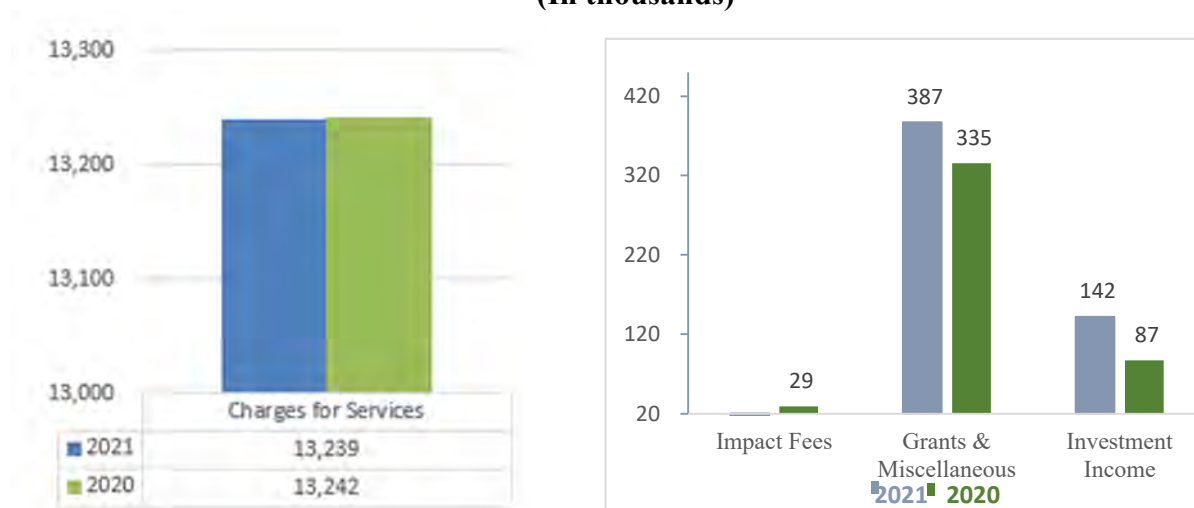
CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

Business-type activities

During the current fiscal year, overall net position for business-type activities increased by \$588 thousand for an ending net position of \$57.0 million.

Revenues by Source – Business-type Activities (In thousands)

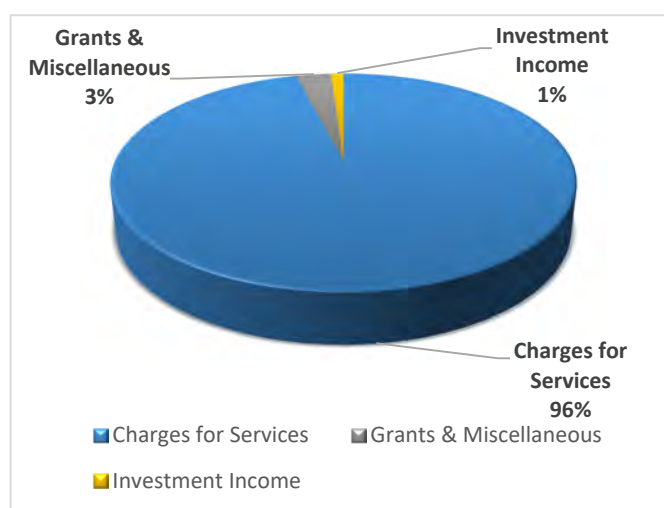


Revenues

Revenues from business-type activities increased slightly by \$0.1 million from the prior year. Revenue growth was stagnant in fiscal year 2021 primarily due to the continued effects of COVID-19. Key elements of revenue are diagramed below.

Revenues by Source – Business-type Activities

The following chart provides an overall view of the various business-type activities. 96% of the revenues received are derived from charges for services. Grants and miscellaneous revenues accounted for 3% of the total revenues and the remaining 1% from mostly investment income while impact fees comprise less than a quarter of a percent.

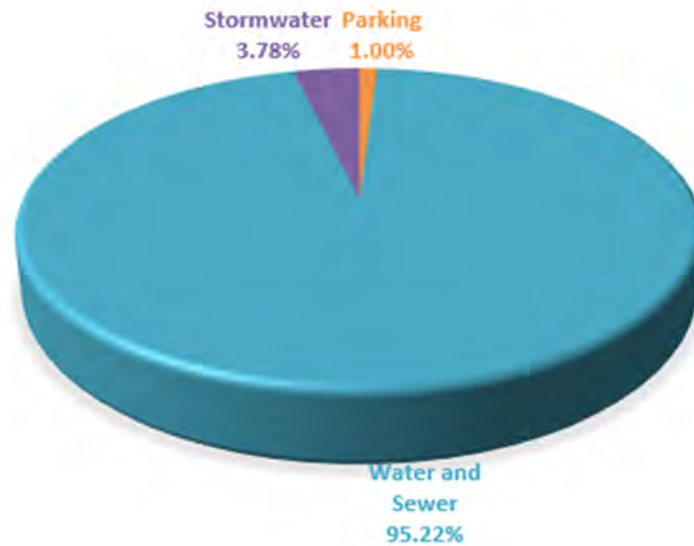


CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

Expenses

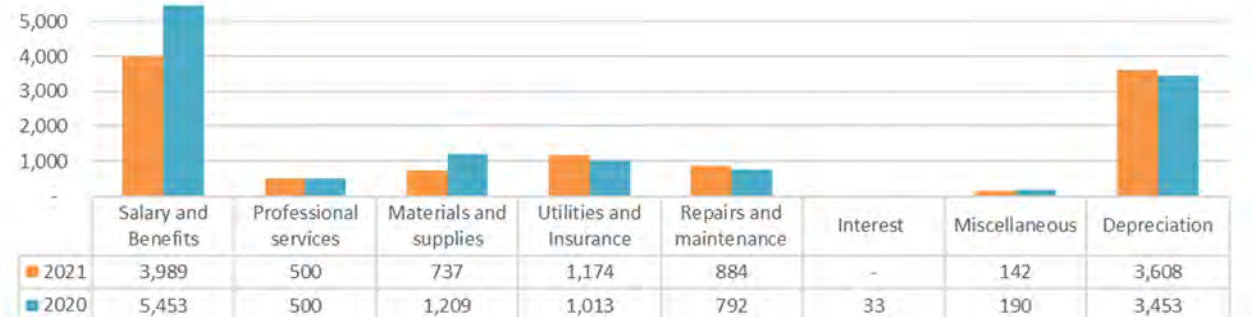
The Water and Sewer Utilities represent the single largest business-type activity of the City, accounting for approximately 95% of total expenses.

Expenses by Function – Business-type Activities



Expenses decreased by approximately \$1.6 million, of which approximately \$1.0 million is attributable to a decrease in personnel cost mainly due to a reduction in the pension expense used to adjust the net pension liability based on the actuarial valuations completed for the September 30, 2021 reporting year. Materials and supplies also experienced a significant decrease as the City implemented safe distance protocols due to Covid-19 in the previous fiscal year. Additionally, consumption was down, which led to lower material requirements. The remainder of expenses are spread fairly evenly throughout the remaining expense categories as shown below.

Expenses by Object – Business-type Activities
(In thousands)



CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

Governmental Funds Financial Analysis

The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing financing requirements. Unassigned fund balance may serve as a useful measure of the net resources available for spending at the end of the fiscal year.

On September 30, 2021, the City's governmental funds reported combined ending fund balances of approximately \$13.9 million, a \$4.7 million increase in comparison with the prior year. Approximately \$7.6 million of the fund balance is *unassigned fund balance*, which is available for spending at the City's discretion in the General Fund. The remainder of the balance is nonspendable (\$31 thousand), committed (\$3.5 million) for emergency preparedness and future projects, assigned for future employee payouts (\$423 thousand), encumbrances (\$100.2 thousand).

The General Fund is the main operating fund for the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$7.7 million while the total fund balance was \$11.7 million. As a measure of the general fund's liquidity and in accordance with the City's fund balance policy, it is useful to compare unassigned fund balance and assigned fund balance to total general fund expenditures, including transfers. Revenues in the general fund were \$37.3 million, which represents a decrease of \$1.5 million from prior year or 3.8%. The decrease was due primarily to a decrease in intergovernmental shared revenues of \$1.3 million due to the negative impact of Covid-19 on the economics of the State's cost-sharing programs. Additionally, local property tax collections decreased by \$871 thousand due to a reduction in millage. Conversely, expenditures in the general fund were relatively stable year over year with an overall increase of \$0.2 million or less than 1%.

The Capital Improvement Fund is used to account for major governmental capital improvements. At the end of the current fiscal year, the fund had a deficit fund balance of \$37 thousand compared to \$688 thousand the prior year. During the fiscal year, grants totaled \$273 thousand and Impact fees contributed another \$85 thousand totaling \$357 thousand, a decrease of 72.7% from prior year. The Capital Improvement Fund's revenue in the prior fiscal year was higher due to increases in grant funding. Expenditures were \$141 thousand, a decrease of 24.8% compared to prior year. The change in fund balance for this fund was a positive \$651 thousand, primarily due to \$576 thousand of transfers in from the General Fund.

Proprietary Funds Financial Analysis

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position for business-type funds was \$9.6 million consisting of \$9.5 million for the water and sewer fund, \$30 thousand for the parking lot fund; and a fund deficit of \$3 thousand for the stormwater fund. Total net position for these funds was \$57.0 million as compared to \$56.4 the prior year which represents an increase of approximately 2% due to year-over-year stagnant revenue growth due to Covid-19, and a

CITY OF COOPER CITY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2021

significant drop in expenses mostly attributable to personnel cost associated with high operational turnover and retirements.

General Fund Budgetary Highlights

The most significant differences between the final budget and actual results were as follows:

- Charges for services – Charges for services were lower than budget due to \$0.4 million of facility lease revenue that was budgeted but was removed for fiscal year 2021 upon renegotiation of contract terms with BSO and a shortfall of \$0.3 million of recreational facilities revenues which can be attributed to Covid-19.
- Local Option Taxes – Revenue share from the state for sales tax came in higher than anticipated based on the State's revenue estimates.
- Fines & forfeitures – Local fines and forfeitures continued their precipitous drop due to Covid-19. Judgments and County Court fines fell as well.
- Intergovernmental – Actual revenue was \$1.8 million higher than budget. The budget did not include \$1.4 million received through CARES Act funding and state revenue sharing revenue was \$0.4 million higher than budget. This helped offset the revenue shortfall in charges for services.
- Public safety – The BSO agreement was renegotiated during fiscal year 2021 and overall costs decreased under the terms of the new agreement. The new agreement contained less personnel and removed the facility lease portion that was included in the previous agreement. During fiscal year 2020, while the terms of the contract were still under negotiation, the City paid \$2 million for police officers and firefighter pension costs. The City is pursuing a claim for reimbursement by BSO of the pension costs paid by the City during fiscal year 2020. The matter is currently in litigation.
- Culture and recreation - Certain expenditures were no longer needed with many recreation programs and special events being suspended, discontinued or held at reduced capacity directly due to Covid-19 restrictions for safety. Staff were repurposed to provide assistance to the community at no cost.
- Investment earnings were lower than anticipated as the market interests on investment dropped significantly during the year.
- Due to the uncertainty surrounding the impact of Covid-19, City management adopted a conservative fiscal monitoring approach to certain operational spending. This approach resulted in a deliberate reduction or elimination of qualified expenditures and has resulted in relatively stable spending when compared to prior year for general government and physical environment expenditures.

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

Capital Asset Activity

The City's net investment in capital assets for its governmental and business type activities as of September 30, 2021, amounted to \$98.8 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, 2021 and 2020						
(In Thousands, net of depreciation)						
	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$29,919	\$21,790	\$ 1,038	\$ 1,038	\$ 30,957	\$ 22,828
Construction in progress	-	-	2,117	1,441	2,117	1,441
Buildings	4,222	4,936	29,086	28,723	33,308	33,659
Improvements other than buildings	13,276	14,694	9,272	10,390	22,548	25,084
Equipment, vehicles, and software	1,441	1,644	2,797	3,102	4,238	4,746
Infrastructure	2,463	10,861	4,276	4,456	6,739	15,317
Total capital assets	<u>\$51,321</u>	<u>\$53,925</u>	<u>\$48,586</u>	<u>\$49,150</u>	<u>\$ 99,907</u>	<u>\$103,075</u>

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

- Replaced approximately 250 water meters with new electronic meters
- Tested 499 water system backflow preventers
- Inspected and cleaned approximately 20 inlets/structures and 300 liner feet of drainage pipe
- Complete replacement of 500,000-gallon steel water storage tank at Utilities complex (\$1.1 million).
- Rehabilitated Lift Station 48, installed approximately 1,200 feet of new sewer force main piping, and rehabilitated 6,400 linear feet of gravity sewer mains.
- Renovated the Pool & Tennis Center.
- Major roof repair at Fire Station.
- Installation of back-up generator at community center.
- Rehabilitation of sewer pumping stations.
- Renovated football/soccer fields with new sod at Suellen H. Fardelmann and Bill Lips Sports Complex.
- Completed Phase II of asphalt resurfacing of Flamingo Gardens.
- Resurfaced Forest Lake Pool, Tennis & Basketball courts.
- Resurfaced Tamarind Park tennis court.
- Implemented new fleet maintenance software.
- Completed rehabilitation of deep injection well (\$2.84 million).

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

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

Debt Administration Activity

At the end of the current fiscal year, the City's total debt amounted to \$1.1 million for a note payable in the stormwater fund. The note payable is secured by a specific revenue source. Additional information on the City's long-term debt can be found in Note 6 of this report.

City of Cooper City
Long-term Debt
September 30, 2021 and 2020
(In Thousands)

	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Notes Payable	\$ -	\$ -	\$ 1,143	\$ 1,327	\$ 1,143	\$ 1,327
Total debt	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,143</u>	<u>\$ 1,327</u>	<u>\$ 1,143</u>	<u>\$ 1,327</u>

Economic Factors and Next Year's Budgets and Rates

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

The Covid-19 pandemic caused a disruption to the City's operations, primarily affecting the recreation department, as many programs, special events, and the use of recreation facilities were either suspended, discontinued, or reduced directly due to Covid-19 restrictions for safety. Although the pandemic had a negative impact on the net position of the City during the year ended September 30, 2020, the negative impact was offset by grant reimbursements received through the CARES Act funding during fiscal year 2021. While a disruption was expected during the stabilization period, the City of Cooper City took proactive measures to mitigate the possibility of substantial disruptions and as a result, did not incur any major interruptions of service during the pandemic. The City will continue to sponsor safety protocols with its workforce and frequently assess the extent of the fiscal impact of Covid-19 on the water and sewer operational and financial performance.

CITY OF COOPER CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

The City is emphasizing a disciplined approach in its allocation of resources and fiscal prudence to keep fund balance in the general fund to a level in accordance with the fund balance policy. For fiscal year 2021, the millage rate was decreased creating additional challenges for the City, but the proactive measures taken to reduce Public Safety costs, and General Government costs along with CARES Act reimbursements of \$1.4 million provided the City with the necessary funding to offset reductions in revenue.

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, 9090 SW 50th Place, Cooper City, Florida 33328.

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 22,961,892	\$ 10,083,665	\$ 33,045,557
Investments	1,147,866	858,229	2,006,095
Accounts receivable, net	793,401	1,136,382	1,929,783
Due from other governments	708,727	-	708,727
Advances to other funds	-	1,166,900	1,166,900
Inventory	30,935	-	30,935
Prepaid items	-	3,500,000	3,500,000
Net pension asset	-	666,315	666,315
Restricted asset, cash and cash equivalents	-	1,064,280	1,064,280
Restricted investments	-	90,670	90,670
Capital assets			
Non-depreciable	29,919,031	3,154,887	33,073,918
Depreciable, net	21,402,377	45,431,434	66,833,811
Total assets	<u>76,964,229</u>	<u>67,152,762</u>	<u>144,116,991</u>
Deferred outflows of resources			
Pension	4,768,602	981,539	5,750,141
OPEB	443,576	320,851	764,427
Total deferred outflows of resources	<u>5,212,178</u>	<u>1,302,390</u>	<u>6,514,568</u>
Liabilities			
Accounts payable	898,756	743,443	1,642,199
Accrued liabilities	223,592	103,855	327,447
Refundable deposits	47,500	1,154,950	1,202,450
Unearned revenue	132,922	14,402	147,324
Advances from other funds	1,166,900	-	1,166,900
Noncurrent liabilities			
Due within one year	105,857	302,202	408,059
Due in more than one year	14,440,020	7,431,801	21,871,821
Total liabilities	<u>17,015,547</u>	<u>9,750,653</u>	<u>26,766,200</u>
Deferred inflows of resources			
Pension	1,742,825	1,394,520	3,137,345
OPEB	406,131	291,348	697,479
Unavailable revenue	9,306,761	-	9,306,761
Total deferred inflows of resources	<u>11,455,717</u>	<u>1,685,868</u>	<u>13,141,585</u>
Net position			
Net investment in capital assets	51,321,408	47,443,259	98,764,667
Restricted for:			
Building department	1,370,684	-	1,370,684
Culture and recreation	107,613	-	107,613
Transportation	547,579	-	547,579
Public safety	212,352	-	212,352
Unrestricted	145,507	9,575,372	9,720,879
Total net position	<u>\$ 53,705,143</u>	<u>\$ 57,018,631</u>	<u>\$ 110,723,774</u>

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

CITY OF COOPER CITY, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 5,758,456	\$ 334,824	\$ -	\$ -	\$ (5,423,632)	\$ -	\$ (5,423,632)
Public safety	26,519,088	7,077,657	-	-	(19,441,431)	-	(19,441,431)
Physical environment	597,864	-	1,491,883	-	894,019	-	894,019
Transportation	1,607,503	-	-	-	(1,607,503)	-	(1,607,503)
Culture and recreation	5,065,703	313,105	-	272,560	(4,480,038)	-	(4,480,038)
Interest on interfund loan	141,361	-	-	-	(141,361)	-	(141,361)
Total governmental activities	39,689,975	7,725,586	1,491,883	272,560	(30,199,946)	-	(30,199,946)
Business-type activities:							
Parking	111,012	146,014	-	-	-	35,002	35,002
Water and sewer	10,534,046	12,612,077	-	178,750	-	2,256,781	2,256,781
Stormwater	417,577	481,316	-	-	-	63,739	63,739
Total business-type activities	11,062,635	13,239,407	-	178,750	-	2,355,522	2,355,522
Total	\$ 50,752,610	\$ 20,964,993	\$ 1,491,883	\$ 451,310	(30,199,946)	2,355,522	(27,844,424)
General revenues:							
Property taxes					19,374,008	-	19,374,008
Franchise fees and utility taxes					6,260,566	-	6,260,566
Local option sales tax					2,422,826	-	2,422,826
Local option gasoline tax					577,419	-	577,419
Local business tax					362,043	-	362,043
Unrestricted intergovernmental revenues					2,021,562	-	2,021,562
Investment earnings					6	777	783
Interest from interfund loan					-	141,361	141,361
Miscellaneous					491,723	8,228	499,951
Claims settlement					-	200,000	200,000
Transfers					2,117,997	(2,117,997)	-
Total general revenues and transfers					33,628,150	(1,767,631)	31,860,519
Change in net position					3,428,204	587,891	4,016,095
Net position, beginning of year					50,276,939	56,430,740	106,707,679
Net position, end of year					\$ 53,705,143	\$ 57,018,631	\$ 110,723,774

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

CITY OF COOPER CITY, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	General Fund	Capital Improvement Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 10,658,064	\$ 1,113,880	\$ 8,880,507	\$ 2,309,441	\$ 22,961,892
Investments	907,931	43,220	-	196,715	1,147,866
Accounts receivable, net	793,401	-	-	-	793,401
Due from other governments	649,693	-	-	59,034	708,727
Inventory	30,935	-	-	-	30,935
Total assets	<u>\$ 13,040,024</u>	<u>\$ 1,157,100</u>	<u>\$ 8,880,507</u>	<u>\$ 2,565,190</u>	<u>\$ 25,642,821</u>
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	\$ 571,277	\$ 27,446	\$ -	\$ 300,033	\$ 898,756
Accrued liabilities	207,447	-	-	16,145	223,592
Refundable deposits	47,500	-	-	-	47,500
Unearned revenue	132,922	-	-	-	132,922
Advances from other funds	-	1,166,900	-	-	1,166,900
Total liabilities	<u>959,146</u>	<u>1,194,346</u>	<u>-</u>	<u>316,178</u>	<u>2,469,670</u>
Deferred inflows of resources					
Unavailable revenue	<u>415,470</u>	<u>-</u>	<u>8,880,507</u>	<u>10,784</u>	<u>9,306,761</u>
Fund balances					
Nonspendable	30,935	-	-	-	30,935
Restricted					
Building department	-	-	-	1,370,684	1,370,684
Culture and recreation	-	-	-	107,613	107,613
Transportation	-	-	-	547,579	547,579
Public safety	-	-	-	212,352	212,352
Committed to:					
Emergency preparedness	3,000,000	-	-	-	3,000,000
Future projects	450,000	-	-	-	450,000
Assigned to:					
Future employee payouts	423,425	-	-	-	423,425
Encumbrances	100,245	-	-	-	100,245
Unassigned	<u>7,660,803</u>	<u>(37,246)</u>	<u>-</u>	<u>-</u>	<u>7,623,557</u>
Total fund balances	<u>11,665,408</u>	<u>(37,246)</u>	<u>-</u>	<u>2,238,228</u>	<u>13,866,390</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 13,040,024</u>	<u>\$ 1,157,100</u>	<u>\$ 8,880,507</u>	<u>\$ 2,565,190</u>	<u>\$ 25,642,821</u>

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

CITY OF COOPER CITY, FLORIDA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

Fund balances - total governmental funds (page 21)		\$ 13,866,390
--	--	---------------

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

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

Governmental capital assets	93,127,972	
Accumulated depreciation	<u>(41,806,564)</u>	51,321,408

Deferred outflows, deferred inflows, the net pension liability and the total OPEB liability related to the City's pension and OPEB plans are not expected to be liquidated with expendable available financial resources and, therefore are not reported in the funds

Deferred outflows - pensions and OPEB	5,212,178	
Deferred inflows - pensions and OPEB	(2,148,956)	
Total OPEB liability	(4,082,745)	
Net pension liability	<u>(10,039,706)</u>	(11,059,229)

Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.

Compensated absences		<u>(423,426)</u>
----------------------	--	------------------

Net position of governmental activities		<u><u>\$ 53,705,143</u></u>
---	--	-----------------------------

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	General Fund	Capital Improvement Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 19,374,008	\$ -	\$ -	\$ -	\$ 19,374,008
Franchise fees and utility taxes	6,260,566	-	-	-	6,260,566
Local business tax	362,043	-	-	-	362,043
Licenses and permits	-	-	-	2,010,614	2,010,614
Intergovernmental revenues	5,543,793	272,560	84,773	885,124	6,786,250
Charges for services	5,492,114	-	-	50,204	5,542,318
Fines and forfeitures	86,678	-	-	1,384	88,062
Impact fees	-	84,592	-	-	84,592
Investment earnings	272	(94)	-	(172)	6
Miscellaneous revenues	224,985	-	-	266,736	491,721
Total revenues	<u>37,344,459</u>	<u>357,058</u>	<u>84,773</u>	<u>3,213,890</u>	<u>41,000,180</u>
Expenditures					
Current:					
General government	5,526,288	-	84,773	-	5,611,061
Public safety	26,553,527	-	-	820,608	27,374,135
Physical environment	487,204	-	-	-	487,204
Transportation	-	-	-	1,333,557	1,333,557
Culture and recreation	3,146,280	-	-	156,303	3,302,583
Capital outlay	-	141,158	-	-	141,158
Total expenditures	<u>35,713,299</u>	<u>141,158</u>	<u>84,773</u>	<u>2,310,468</u>	<u>38,249,698</u>
Excess of revenues over expenditures	<u>1,631,160</u>	<u>215,900</u>	<u>-</u>	<u>903,422</u>	<u>2,750,482</u>
Other financing sources (uses):					
Interest on interfund loan	-	(141,361)	-	-	(141,361)
Transfers in	2,386,713	576,230	-	756,514	3,719,457
Transfers out	(1,294,247)	-	-	(307,213)	(1,601,460)
Total other financing sources (uses)	<u>1,092,466</u>	<u>434,869</u>	<u>-</u>	<u>449,301</u>	<u>1,976,636</u>
Change in fund balances	<u>2,723,626</u>	<u>650,769</u>	<u>-</u>	<u>1,352,723</u>	<u>4,727,118</u>
Fund balances, beginning of year	<u>8,941,782</u>	<u>(688,015)</u>	<u>-</u>	<u>885,505</u>	<u>9,139,272</u>
Fund balances, ending	<u>\$ 11,665,408</u>	<u>\$ (37,246)</u>	<u>\$ -</u>	<u>\$ 2,238,228</u>	<u>\$ 13,866,390</u>

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

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, 2021

Net change in fund balances - total governmental funds (page 23)	\$ 4,727,118
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 are depreciated over their estimated useful lives.	
Capital outlay	\$ 203,983
Less current year depreciation	<u>(2,718,529)</u>
Net adjustment	(2,514,546)
The net effect of various miscellaneous transactions involving capital assets (i.e. disposals) is to decrease net position.	(88,843)
Revenues that are earned but not received within the availability period are recognized in the statement of activities when earned and subsequently recognized in the governmental fund financial statements as they become available. The difference is recorded as a reconciling item.	(19,899)
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.	
Changes in compensated absences	26,810
OPEB benefit	24,317
Pension benefit	<u>1,273,247</u>
	1,324,374
Change in net position of governmental activities	<u><u>\$ 3,428,204</u></u>

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021**

	Water and Sewer Fund	Stormwater Fund	Parking Lot Fund	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 9,877,218	\$ 169,751	\$ 36,696	\$ 10,083,665
Investments	840,641	14,462	3,126	858,229
Restricted cash and cash equivalents	1,044,468	-	19,812	1,064,280
Restricted investments	88,982	-	1,688	90,670
Accounts receivable, net	1,067,355	54,483	14,544	1,136,382
Advances to other funds	1,166,900	-	-	1,166,900
Total current assets	14,085,564	238,696	75,866	14,400,126
Noncurrent assets				
Prepays	3,500,000	-	-	3,500,000
Net pension asset	666,315	-	-	666,315
Capital assets, non-depreciable	2,619,395	-	535,492	3,154,887
Capital assets, depreciable, net	40,436,614	4,733,772	261,048	45,431,434
Total noncurrent assets	47,222,324	4,733,772	796,540	52,752,636
Total assets	61,307,888	4,972,468	872,406	67,152,762
Deferred outflows of resources				
Pension	954,785	26,754	-	981,539
OPEB	311,374	9,477	-	320,851
Total deferred outflows of resources	1,266,159	36,231	-	1,302,390
Liabilities				
Current liabilities				
Accounts payable	725,340	8,496	9,607	743,443
Accrued liabilities	91,593	11,961	301	103,855
Unearned revenue	-	-	14,402	14,402
Notes payable	-	188,210	-	188,210
Compensated absences	108,401	5,591	-	113,992
Liabilities payable from restricted assets				
Customer deposits payable	1,133,450	-	21,500	1,154,950
Total current liabilities	2,058,784	214,258	45,810	2,318,852
Noncurrent liabilities				
Compensated absences	325,204	16,775	-	341,979
Notes payables, net of current portion	-	954,852	-	954,852
Total OPEB liability	2,736,248	81,859	-	2,818,107
Net pension liability	3,181,406	135,457	-	3,316,863
Total noncurrent liabilities	6,242,858	1,188,943	-	7,431,801
Total liabilities	8,301,642	1,403,201	45,810	9,750,653
Deferred inflows of resources				
Pension	1,385,034	9,486	-	1,394,520
OPEB	282,785	8,563	-	291,348
Total deferred inflows of resources	1,667,819	18,049	-	1,685,868
Net position				
Net investment in capital assets	43,056,009	3,590,710	796,540	47,443,259
Unrestricted	9,548,577	(3,261)	30,056	9,575,372
Total net position	\$ 52,604,586	\$ 3,587,449	\$ 826,596	\$ 57,018,631

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Water and Sewer Fund	Stormwater Fund	Parking Lot Fund	Total
Operating revenues				
Charges for services	\$ 12,604,612	\$ 481,316	\$ 146,014	\$ 13,231,942
Impact fees	7,465	-	-	7,465
Miscellaneous	7,903	-	325	8,228
Total operating revenues	<u>12,619,980</u>	<u>481,316</u>	<u>146,339</u>	<u>13,247,635</u>
Operating expenses				
Personnel services and benefits	3,842,380	122,379	24,049	3,988,808
Professional services	424,310	45,920	29,548	499,778
Materials and supplies	733,824	3,030	-	736,854
Utilities	714,023	-	5,457	719,480
Insurance	454,470	-	-	454,470
Repairs and maintenance	854,521	14,432	15,000	883,953
Miscellaneous	142,301	119	-	142,420
Depreciation	3,368,217	203,129	36,958	3,608,304
Total operating expenses	<u>10,534,046</u>	<u>389,009</u>	<u>111,012</u>	<u>11,034,067</u>
Operating income	<u>2,085,934</u>	<u>92,307</u>	<u>35,327</u>	<u>2,213,568</u>
Nonoperating revenues and (expenses)				
Interest on interfund loan	141,361	-	-	141,361
Investment income	754	(43)	66	777
Claims settlement	200,000	-	-	200,000
Interest expense	-	(28,568)	-	(28,568)
Total nonoperating revenues and (expenses)	<u>342,115</u>	<u>(28,611)</u>	<u>66</u>	<u>313,570</u>
Income before capital contributions and transfers	2,428,049	63,696	35,393	2,527,138
Capital contributions	<u>178,750</u>	<u>-</u>	<u>-</u>	<u>178,750</u>
Transfers out	(2,019,150)	(32,593)	(66,254)	(2,117,997)
Total transfers	<u>(2,019,150)</u>	<u>(32,593)</u>	<u>(66,254)</u>	<u>(2,117,997)</u>
Change in net position	587,649	31,103	(30,861)	587,891
Total net position, beginning of year	<u>52,016,937</u>	<u>3,556,346</u>	<u>857,457</u>	<u>56,430,740</u>
Total net position, end of year	<u>\$ 52,604,586</u>	<u>\$ 3,587,449</u>	<u>\$ 826,596</u>	<u>\$ 57,018,631</u>

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Water and Sewer Fund	Storm Water Fund	Parking Lot Fund	Total
Cash flows from operating activities:				
Cash received from customers for services	\$ 12,931,976	\$ 469,946	\$ 133,181	\$ 13,535,103
Cash payments to suppliers for goods and services	(3,339,186)	(59,438)	(40,703)	(3,439,327)
Cash payments to employees for services	(4,314,726)	(128,477)	(24,049)	(4,467,252)
Net cash provided by operating activities	5,278,064	282,031	68,429	5,628,524
Cash flows from noncapital financing activities:				
Transfer to other funds	(2,019,150)	(32,593)	(66,254)	(2,117,997)
Proceeds from advances to other funds	693,100	-	-	693,100
Net cash (used for) noncapital financing activities	(1,326,050)	(32,593)	(66,254)	(1,424,897)
Cash flows from capital and related financing activities:				
Principal paid on note payable	-	(183,988)	-	(183,988)
Acquisition and construction of capital assets	(2,470,253)	(10,044)	-	(2,480,297)
Interest paid	-	(28,568)	-	(28,568)
Net cash (used for) capital and related financing activities	(2,470,253)	(222,600)	-	(2,692,853)
Cash flows from investing activities:				
Proceeds from settlement	200,000	-	-	200,000
Proceeds from sale of investments	62,673	1,073	1,032	64,778
Interest received	142,115	-	66	142,181
Net cash provided by investing activities	404,788	1,073	1,098	406,959
Net increase in cash and cash equivalents	1,886,549	27,911	3,273	1,917,733
Cash and cash equivalents at beginning of year	9,035,137	141,840	53,235	9,230,212
Cash and cash equivalents at end of year	<u>\$ 10,921,686</u>	<u>\$ 169,751</u>	<u>\$ 56,508</u>	<u>\$ 11,147,945</u>
Displayed as:				
Unrestricted	\$ 9,877,218	\$ 169,751	\$ 36,696	\$ 10,083,665
Restricted	1,044,468	-	19,812	1,064,280
Total pooled cash and cash equivalents	<u>\$ 10,921,686</u>	<u>\$ 169,751</u>	<u>\$ 56,508</u>	<u>\$ 11,147,945</u>

(continued)

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

CITY OF COOPER CITY, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(continued)

	<u>Water and Sewer Fund</u>	<u>Storm Water Fund</u>	<u>Parking Lot Fund</u>	<u>Total</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 2,085,934	\$ 92,307	\$ 35,327	\$ 2,213,568
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	3,368,217	203,129	36,958	3,608,304
Change in operating assets and liabilities:				
Decrease (Increase) in assets:				
Accounts receivable	292,651	(11,370)	(7,132)	274,149
Net pension asset	(666,315)	-	-	(666,315)
Pension deferred outflow of resources	1,238,926	2,420	-	1,241,346
OPEB deferred outflow of resources	85,247	2,592	-	87,839
Increase (decrease) in liabilities:				
Accounts payable	(15,737)	4,063	3,276	(8,398)
Compensated absences	(47,062)	237	-	(46,825)
Customer deposits	19,345	-	-	19,345
Net pension liability	(980,186)	(8,216)	-	(988,402)
OPEB liability	(102,956)	(3,131)	-	(106,087)
Net cash provided by operating activities	<u>\$ 5,278,064</u>	<u>\$ 282,031</u>	<u>\$ 68,429</u>	<u>\$ 5,628,524</u>
Noncash Capital and Financing Activities				
Contributed capital improvements	\$ 178,750	\$ -	\$ -	\$ 178,750
Capital improvements acquired via payable	385,426	-	-	385,426

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

CITY OF COOPER CITY, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS SEPTEMBER 30, 2021

	Pension Trust Funds	Custodial Fund
Assets		
Cash and cash equivalents	\$ 4,144,878	\$ 1,034,680
Receivables/prepays		
Employer contributions	339,357	-
Employee contributions	474	-
Prepaid items	1,308	-
Interest receivable	70,383	-
Due from others	3,767	-
Total receivables	<u>415,289</u>	<u>-</u>
Investments, at fair value		
U.S. government and agency securities	13,320,276	-
Corporate bonds	6,911,655	-
Equity securities	44,106,611	-
Equity mutual funds	24,560,774	-
Collateralized mortgage obligations	1,102,526	-
Mortgage/asset backed securities	1,422,835	-
Municipal obligations	201,066	-
Foreign bonds notes & debentures	146,452	-
Commingled real estate funds	12,977,861	-
Total investments	<u>104,750,056</u>	<u>-</u>
Total assets	<u><u>109,310,223</u></u>	<u><u>1,034,680</u></u>
Liabilities		
Accounts payable	150,392	-
Total liabilities	<u>150,392</u>	<u>-</u>
Deferred Inflows		
Advanced contributions from employer	7,271	-
Total deferred inflows	<u>7,271</u>	<u>-</u>
Net Position		
Restricted for pension benefits - active and retired members' benefits	109,152,560	-
Restricted for private organizations	-	1,034,680
Total net position restricted for benefits	<u><u>\$ 109,152,560</u></u>	<u><u>\$ 1,034,680</u></u>

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

CITY OF COOPER CITY, FLORIDA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Pension Trust Funds	Custodial Fund
Additions		
Contributions:		
City	\$ 2,344,834	\$ -
Employees	252,370	-
Broward County Sheriff's Office	546,838	-
State/other	566,889	-
Total contributions	<u>3,710,931</u>	<u>-</u>
Investment income:		
Net increase in fair market value	16,910,743	-
Interest and dividend income	2,033,082	-
Less investment expenses	(556,097)	-
Net investment income	<u>18,387,728</u>	<u>-</u>
Other additions:		
Fees collected for private organizations	-	4,084,433
Total other additions	<u>-</u>	<u>4,084,433</u>
Total additions	22,098,659	4,084,433
Deductions		
Pension benefits	5,987,113	-
DROP distributions	2,546,856	-
Share distributions	188,760	-
Administrative expenses	297,775	-
Disbursement of fees collected for private organizations	-	3,379,777
Total deductions	<u>9,020,504</u>	<u>3,379,777</u>
Change in net position	13,078,155	704,656
Net position, restricted for pension benefits		
Beginning of year (as restated for custodial fund - see note 1)	<u>96,074,405</u>	<u>330,024</u>
End of year	<u><u>\$ 109,152,560</u></u>	<u><u>\$ 1,034,680</u></u>

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

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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 (“EMS”), 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 basic 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 City's significant accounting policies 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 the other organizations for which the nature and significance of their relationship with the City are such that, if excluded, the financial statement 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 a cost sharing multiple-employer pension plan and an agent multiple-employer pension plan that publish their 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 non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this are payments-in-lieu of taxes and other charges between the City’s water and sewer function and various other functions of the City, as elimination would distort the direct costs and program revenues reported for various functions concerned. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead 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. All remaining governmental funds are aggregated and reported as nonmajor funds.

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 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, 2021

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 timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, compensated absences and claims and judgments are recognized as expenditures to the extent they become due (matured).

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

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.

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

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

American Rescue Plan Act (ARPA) Fund – This fund is used to account for ARPA federal grant funds provided for eligible expenses. Eligible expenses include governmental services/revenue replacement, infrastructure, public health, negative economic impact, premium pay, and services to disproportionately impacted communities.

The City reports the following nonmajor governmental funds:

The *special revenue funds* account for the proceeds of specific revenue sources (other than those for major capital improvements that are restricted legally to expenditures for specified purposes. These include the *Building Inspection, Road and Bridge, Police Confiscation Funds*, and *Tree Trust Fund*. The *Tree Trust Fund* – used to establish tree canopies on real property within the City, to fund education outreach programs, to fund tree donations that promote canopy preservation and to support tree maintenance and preservation throughout the City– is a new fund adopted during the year ended September 30, 2021 under Ordinance No. 20-6-01.

The City reports the following as major proprietary funds:

Water and Sewer Fund – This fund is used to account for water and wastewater services provided to the residents of the City.

Stormwater Fund – This fund is used to account for the stormwater control activities of the City.

The City reports the following nonmajor proprietary funds:

Parking Lot Fund – This fund is used to account for the revenues and expenses related to the maintenance of the City’s two vehicle storage lots.

Additionally, the City reports the following fund types:

The *custodial fund* is used to account for assets held by the City in a purely custodial capacity. The reporting entity includes one custody fund – Sanitation Fund – that is used to account for assets held by the City as the collection agent for private organizations.

The *Pension Trust Funds* are used to account for the General Employees’ Pension Plan (“GEPP”), the City’s Firefighters Retirement Plan (“FRP”) and the City’s Police Officers Retirement Plan (“PORP”), which accumulate resources for pension benefits.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and 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 are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities, Deferred Outflows/(Inflows) of Resources, and Net Position/Fund Balance

1. Cash and Investments

Bank accounts are not separately maintained for each of the City's funds, as certain funds maintain their deposits in pooled accounts. Accounting records are maintained to show the portion of the pooled accounts attributable to each participant fund. For the purpose of the proprietary funds' Statement of Cash Flows, the City defines cash equivalents as instruments with an original maturity date of three months or less, when purchased, including restricted/designated cash and cash equivalents.

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

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.

2. Receivables

All trade receivables are reported net of an allowance for uncollectible accounts, which is generally based on historical collection rates. The City records an allowance for the entire balance of any receivables arising from emergency medical services provided.

3. Inventory

Inventory in the General Fund is composed of materials and supplies for fleet maintenance and is 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.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities, Deferred Outflows/(Inflows) of Resources, and Net Position/Fund Balance (continued)

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of the prepaid items are recorded as expenditures/expenses when consumed rather than when purchased. As of September 30, 2021, the \$3,500,000 lump-sum payment made to City of Miramar for wastewater capacity rights has been recorded as a prepaid item. Once the expansion of the City of Miramar's reuse system is complete, this amount will be recorded as an intangible asset and amortized over the period set forth in the interlocal agreement between the City and the City of Miramar.

5. Restricted Assets

These assets represent amounts held for customer deposits from the Parking Lot Fund and Water and Sewer Fund. Liabilities which will be payable from restricted/designated assets have been segregated and separately identified in the accompanying financial statements.

6. 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 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 acquisition value at the date of donation.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. 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.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities, Deferred Outflows/(Inflows) of Resources, and Net Position/Fund Balance (continued)

6. Capital Assets (continued)

Land and construction-in-progress are not depreciated. The other property, plant and equipment and infrastructure of the City are depreciated using the straight-line method over the following estimated useful lives:

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

7. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports 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 future periods and therefore will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position applicable to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City reports the following deferred inflows of resources: Unavailable revenues, deferred pensions, and revenues received in advance. Unavailable revenues are deferred and recognized as revenues in the period that the amounts become available. Deferred inflows of resources relating to pensions account for the net difference between projected and actual earnings on pension plan investments which are deferred and amortized over a closed five-year period. Deferred inflows of resources related to unavailable revenue consists primarily of grant proceeds received from the American Rescue Plan Act award, prepaid local business taxes and prepaid fire inspection fees.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities, Deferred Outflows/(Inflows) of Resources, and Net Position/Fund Balance (continued)

7. Deferred Outflows and Inflows of Resources (continued)

Certain changes in the net pension liability and total OPEB liability are recognized as pension or OPEB expenses 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 or total OPEB 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 or OPEB expense over the expected remaining service life of plan members. Changes in actuarial assumptions which adjust the net pension and total OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension or OPEB 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 5 year period. The change in proportion and differences between City contributions and its proportionate share of contributions are also deferred and amortized against pension expense over a 5 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.

8. Unearned Revenue

Unearned revenue is recorded for governmental fund receivables that are not both measurable and available.

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 issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities, Deferred Outflows/(Inflows) of Resources, and Net Position/Fund Balance (continued)

9. Noncurrent Liabilities

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 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 reporting period in which they are incurred.

10. Pension and Other Post-employment Benefits (OPEB) Accounting

For the purpose of measuring the net pension liability, OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB expense, information about the fiduciary net position of the City's plans and additions to/deductions from the 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 refund 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 actuarially determined contribution. The OPEB plan is funded on a pay as you go basis.

A net pension liability is reported in the government-wide financial statements, Water and Sewer Fund and Stormwater Fund. The net pension liability represents the difference between the total pension liability and the fiduciary net position as of the measurement date. A total OPEB liability is reported in the government-wide financial statements, Water and Sewer Fund and Stormwater Fund as the City funds the plan on a pay as you go basis. There is no fiduciary net position to offset the total OPEB liability.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities, Deferred Outflows/(Inflows) of Resources, and Net Position/Fund Balance (continued)

11. Net Position/Fund Balance Classification

Net Position. Net position in government-wide and proprietary fund financial statements is categorized as investment in capital assets, reduced by accumulated depreciation, any outstanding debt incurred and related deferred inflows/outflows to acquire, construct or improve those assets excluding un-extended bond proceeds, restricted or unrestricted to arrive at net investment in capital assets. This category represents net position related to property, plant, equipment, and infrastructure. The restricted category represents the balance of net position restricted by requirements of debt indentures and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets. Unrestricted net position consists of all net position that does not meet the definition of either of the other two components.

Fund Balance. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Nonspendable Fund Balance – Amounts that are not in spendable form or legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loan and notes receivable, as well as property acquired for resale unless the proceeds are restricted, committed or assigned).

Restricted Fund Balance – Amounts that can be spent only for specific purpose stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Amounts constrained for a specific purpose by formal action of a government using its highest level of decision-making authority. Commitments include amounts that can only be used pursuant to internal constraints imposed by the City’s code of Ordinances. Commitments may be changed or lifted only by the City Commission taking the same formal action that imposed the original constraint. Action to constrain resources must occur prior to year-end; however, the amount can be determined in the subsequent period.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Assets, Liabilities, Deferred Outflows/(Inflows) of Resources, and Net Position/Fund Balance (continued)

11. Net Position/Fund Balance Classification (continued)

Assigned Fund Balance – In the General Fund, these are spendable amounts constrained by the City's intent to use for a specific purpose but are neither restricted nor committed. The intent shall be expressed by the City Manager based on City Commission direction. For all governmental funds other than the General Fund, assigned fund balance is any residual positive amount not classified as nonspendable, restricted or committed.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City's policy is to spend restricted amounts first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the spendable fund balance classifications could be used.

12. Fund Balance Reserve Policy

The City adopted a fund balance reserve policy for the General Fund. This fund balance reserve policy does not create any specific reservation of fund balance for the Special Revenue Funds, the Debt Service Fund or the Capital Projects Fund, except, at a minimum, for the Capital Projects Fund, the fiscal year end fund balance and estimated revenues for the ensuing fiscal year must be sufficient to meet all outstanding fund encumbrances. The policy provides for the maintenance of an unrestricted fund balance for the General Fund at a level that is equivalent to two months of operating expenditures (excluding on-behalf benefits payments) and required transfers. For the fiscal year ended September 30, 2021, the average of two months expenditures before required transfers is approximately \$5.95 million.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

12. Fund Balance Reserve Policy (continued)

In the event funds are not available to maintain the established required balances, a plan will be submitted by the City Manager to restore the minimum balance within a three-year period. Use of the fund balance below the recommended threshold is permitted only in an emergency, or in the case of an unanticipated economic downturn, which causes a material loss of revenues.

During the year ended September 30, 2021, the City Commission proposed and ratified via ordinance the reclassification of \$3 million from the assigned fund for emergency preparedness to committed fund balance for the same purpose effective immediately. The fund balance takes into consideration nonspendable items, restricted funds for building activities, debt service, transportation, and public safety. It properly assigns funds to cover employee payouts, outstanding encumbrances at the end of the year and committed funds as per the highest level of government.

At September 30, 2021, the Capital Improvement fund, a major fund, had a fund deficit of \$37,246. It is unusual for a capital improvement fund, especially one that finances capital projects mainly by borrowings, to report a deficit. The reason for the deficit in this case is from the large capital project in the prior year, which was funded from an advance from the Water and Sewer Fund and grant revenue. The advance was reported as a fund liability in the Capital Improvement Fund balance sheet (rather than an inflow on the statement of revenues, expenditures, and changes in fund balances). Furthermore, the grant revenue is recorded once the City receives the funds. As transfers in and grant revenue are the main sources of revenue for the fund, the result is an overall fund deficit. The deficit will be eliminated as resources are obtained (e.g., from revenues and transfers in) based on the five-year construction in progress plan.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Revenues and Expenditures/Expenses

1. 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 from the Broward County Revenue Collector on or about October 1 (the levy date) of each year and are payable with discounts of up to 4% offered for early payment. Property taxes attach as an enforceable lien on property on January 1. 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 6.2280 mills for operations, which was below the maximum millage allowed by statute.

2. 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 for balances over 550 hours. Employees with 5 to 9 years of completed full-time service vest in 25% of sick leave, employees with 10 to 14 years vest at 50% and employees with greater than 15 years 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. A 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 the government-wide financial statements.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. New Pronouncements

1. Pronouncement implemented in the current year

GASB Statement 84, *Fiduciary Activities* (GASB 84), improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of GASB 84 became effective for the fiscal year 2021. The Sanitation Fund, previously reported as an agency fund, meets the criteria for fiduciary activities and is presented as a custodial fund. A change in accounting principle was made to restate the beginning fiduciary net position to comply with the new standard. The total net position restated on the custodial fund was \$330,024.

In October 2021, the GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. The objective of this statement is to establish the term annual comprehensive financial report and replace the term of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local government. The City implemented this statement for fiscal year ended September 30, 2021. No changes were made to the report's structure or content. Implementation of this statement did not have a significant impact on the City's financial statements for the fiscal year ended September 30, 2021.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 2. DEPOSITS AND INVESTMENTS

At September 30, 2021, the City had the following deposits and investments:

Statement of Net Position:

Cash on hand	\$ 1,864
Deposits with financial institutions	34,009,347
State Board of Administration	98,626
Florida Municipal Investment Trust	2,096,765
Total	<u>36,206,602</u>

Fiduciary Funds:

Cash and cash equivalents	4,144,878
U.S. Government and agency obligations	13,320,276
Corporate bonds	7,058,107
Equity securities	44,106,611
Equity mutual funds	24,560,774
Collateralized mortgage obligations	1,102,526
Mortgage/asset backed securities	1,422,835
Municipal obligations	201,066
Commingled real estate funds	12,977,861
Total	<u>108,894,934</u>
Total cash and investments	<u>\$ 145,101,536</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

The City's cash, cash equivalents and investments, as reported in the accompanying financial statements as of September 30, 2021, were as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 33,045,557
Investments	2,006,095
Restricted asset, cash and cash equivalents	1,064,280
Restricted investments	90,670
	<u>\$ 36,206,602</u>
Fiduciary Funds:	
Cash and cash equivalents	\$ 4,144,878
Investments	104,750,056
	<u>\$ 108,894,934</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 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.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

The City has a comprehensive written investment policy, which applies to all funds held or controlled by the City in excess of those required to meet current expenses. The City has confined its depository and investment activities to those that are authorized pursuant to its investment policy. Among other things, the policy designates the qualified institutions, 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.

The investments of fiduciary funds are managed by The Boards of Trustees of the City of Cooper City retirement trust funds who have authorized the funds' investment managers to invest and maintain the funds' assets. Their portfolios may consist of obligations guaranteed by the U.S. government, time or savings accounts, corporate bonds, common or preferred stocks, collateralized mortgage obligations, mortgage/asset backed securities, international equity funds and mutual funds. The purchase of common stocks may not exceed 60% of the total assets of the fund. 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 and to maintain sufficient liquidity to meet operating requirements. The optimization of investment returns is secondary to the safety of principal and liquidity of funds. 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 policy requires diversification of assets to control risks resulting from over concentration of assets in a specific maturity, issuer, instrument, dealer or bank. The Police Officers 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.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. Deposits and Investments (continued)

Interest rate risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. 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. The City's investment policy state that securities purchased by or on behalf of the City shall have a final maturity of five years or less from the date of settlement, and the overall weighted average duration of principal return for portfolios should be less than three years. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the Securities Industry and Financial Markets Association (SIFMA) Master Repurchase Agreement.

Information about the exposure of the City's debt type investments to this risk using the segmented time distribution model is noted below:

Investments	Total	Maturities (years)			
		Less than 1	1-5	6-10	More than 10
Governmental and Business-Type Activities:					
Florida Municipal Investment Trust	\$ 2,096,765	\$ 247,007	\$ 1,849,758	\$ -	\$ -
Fiduciary funds:					
Equity securities	\$ 44,106,611	N/A	\$ -	\$ -	\$ -
Equity mutual funds	24,560,774	N/A	-	-	-
Cash and cash equivalents	4,144,878	N/A	-	-	-
Commingled real estate fund	12,977,861	N/A	-	-	-
Collateralized mortgage obligations	1,102,526	-	46,964	317,032	738,531
Mortgage/asset backed securities	1,422,835	-	58,835	978,535	385,465
U.S. Government and agency obligations	13,320,276	1,400,966	2,523,133	6,102,152	3,294,025
Municipal obligations	201,066	-	118,545	82,521	-
Corporate bonds	7,058,107	50,234	1,301,652	5,003,654	702,567
	<u>\$ 108,894,934</u>	<u>\$ 1,451,200</u>	<u>\$ 4,049,129</u>	<u>\$ 12,483,893</u>	<u>\$ 5,120,587</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. Deposits and Investments (continued)

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

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, 2021, the General Employee Pension Plan held \$44,245,038; the Fire Pension Plan held \$26,984,492; and the Police Pension Plan held \$37,665,404 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.

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. The ratings for each debt type investment of the fiduciary funds 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	Collateralized Mortgage Obligations	Mortgage/Asset Backed Securities	Corporate Bonds	U.S. Government and Agency Obligations
Aaa	\$ 301,235	\$ 209,853	\$ 63,709	\$ 10,216,066
Aa1	-	-	-	301,962
Aa2	-	-	65,468	-
Aa3	-	-	24,242	-
A1	-	-	1,052,767	-
A2	93,820	-	2,466,805	-
A3	-	-	1,052,502	-
Baa1-3	-	-	2,050,556	-
Unrated	707,471	1,212,982	282,058	2,802,248
	<u>\$ 1,102,526</u>	<u>\$ 1,422,835</u>	<u>\$ 7,058,107</u>	<u>\$ 13,320,276</u>
	Municipal Obligations	Commingled Real Estate Fund	Total	
Aaa	\$ 72,470	\$ -	\$ 10,863,333	
Aa1	-	-	301,962	
Aa2	107,082	-	172,550	
Aa3	-	-	24,242	
A1	21,514	-	1,074,281	
A2	-	-	2,560,625	
A3	-	-	1,052,502	
Baa1-3	-	-	2,050,556	
Unrated	-	12,977,861	17,982,620	
	<u>\$ 201,066</u>	<u>\$ 12,977,861</u>	<u>\$ 36,082,671</u>	

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 2. Deposits and Investments (continued)

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. Level 3 inputs are significant unobservable inputs. Level 3 inputs are developed using a government's own data and cannot be corroborated by observable market data.

The City has the following recurring fair value measurements in its fiduciary funds as of September 30, 2021:

Investments	Fair Value	Level 1	Level 2	Level 3
Equity securities	\$ 44,106,611	\$ 38,892,548	\$ 5,214,063	\$ -
Equity mutual funds	24,560,774	24,560,774	-	-
U.S. Government and agency obligations	13,320,276	7,897,382	5,422,894	-
Corporate bonds	7,058,107	-	7,058,107	-
Collateralized mortgage obligations	1,102,526	-	1,102,526	-
Mortgage/asset backed securities	1,422,835	-	1,422,835	-
Municipal obligations	201,066	-	201,066	-
Commingled real estate funds	2,370,781	-	-	2,370,781
Total investments measured at fair value	\$ 94,142,976	<u>\$ 71,350,704</u>	<u>\$ 20,421,491</u>	<u>\$ 2,370,781</u>
Investments measured at Net Asset Value (NAV)				
Cash and cash equivalents	4,144,878			
Commingled real estate funds	<u>10,607,080</u>			
Total investments	<u>\$ 108,894,934</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, 2021**

NOTE 3. RECEIVABLES

Receivables and the related allowance for uncollectible accounts as of September 30, 2021 are as follows:

	<u>General Fund</u>	<u>Non-major Government Fund</u>	<u>Water and Sewer Fund</u>
Receivables			
Accounts receivable:			
EMS transport	\$ 1,831,123	\$ -	\$ -
Trade	-	-	1,617,051
Miscellaneous	153,526	-	-
Franchise fees and utility taxes	639,875	-	-
Less allowance for uncollectible receivables	(1,831,123)	-	(549,696)
Due from other governments	<u>649,693</u>	<u>59,034</u>	<u>-</u>
	<u>\$ 1,443,094</u>	<u>\$ 59,034</u>	<u>\$ 1,067,355</u>
	<u>Stormwater Fund</u>	<u>Parking Lot Fund</u>	<u>Total</u>
Receivables			
Accounts receivable:			
EMS transport	\$ -	\$ -	\$ 1,831,123
Trade	54,483	14,544	1,686,078
Miscellaneous	-	-	153,526
Franchise fees and utility taxes	-	-	639,875
Less allowance for uncollectible receivables	-	-	(2,380,819)
Due from other governments	<u>-</u>	<u>-</u>	<u>708,727</u>
	<u>\$ 54,483</u>	<u>\$ 14,544</u>	<u>\$ 2,638,510</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 4. CAPITAL ASSETS

Capital assets activities for governmental funds for the fiscal year ended September 30, 2021 were as follows:

	Beginning Balance	Additions	Deletions	Net Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 21,790,931	\$ -	\$ -	\$ 8,128,100 *	\$ 29,919,031
Total capital assets, not being depreciated	21,790,931	-	-	-	29,919,031
Capital assets, being depreciated:					
Buildings	15,265,621	-	(36,169)	-	15,229,452
Improvements other than buildings	20,747,430	81,435	(52,674)	-	20,776,191
Machinery and equipment	5,328,607	111,822	-	-	5,440,429
Software and licenses	-	10,726	-	-	10,726
Infrastructure	29,880,243	-	-	(8,128,100) *	21,752,143
Total capital assets, being depreciated	71,221,901	203,983	(88,843)	(8,128,100)	63,208,941
Less accumulated depreciation for:					
Buildings	(10,329,237)	(678,120)	-	-	(11,007,357)
Improvements other than buildings	(6,054,334)	(1,445,713)	-	-	(7,500,047)
Machinery and equipment	(3,684,812)	(323,912)	-	-	(4,008,724)
Software and licenses	-	(1,178)	-	-	(1,178)
Infrastructure	(19,019,652)	(269,606)	-	-	(19,289,258)
Total accumulated depreciation	(39,088,035)	(2,718,529)	-	-	(41,806,564)
Total capital assets, being depreciated, net	32,133,866	(2,514,546)	(88,843)	(8,128,100)	21,402,377
Governmental activities capital assets, net	<u>\$ 53,924,797</u>	<u>\$(2,514,546)</u>	<u>\$ (88,843)</u>	<u>\$ -</u>	<u>\$ 51,321,408</u>

*Transfer of \$8,128,100 represents a reclassification of right of way assets previously disclosed as depreciable in the infrastructure asset category. However, these assets are not depreciable and have been reclassified to land.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 4. CAPITAL ASSETS (continued)

Capital assets activities for business-type activities for the fiscal year ended September 30, 2021 were 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	1,441,550	2,742,212	-	(2,067,184)	2,116,578
Total capital assets, not being depreciated	2,479,859	2,742,212	-	(2,067,184)	3,154,887
Capital assets, being depreciated:					
Buildings	65,681,331	283,635	-	2,063,793	68,028,759
Improvements other than buildings	16,115,813	-	-	-	16,115,813
Machinery and equipment	6,749,159	11,974	-	-	6,761,133
Infrastructure	9,699,889	6,652	-	3,391	9,709,932
Total capital assets, being depreciated	98,246,192	302,261	-	2,067,184	100,615,637
Less accumulated depreciation for:					
Buildings	(36,957,869)	(1,984,777)	-	-	(38,942,646)
Improvements other than buildings	(5,726,104)	(1,117,491)	-	-	(6,843,595)
Machinery and equipment	(3,647,412)	(316,509)	-	-	(3,963,921)
Infrastructure	(5,244,514)	(189,527)	-	-	(5,434,041)
Total accumulated depreciation	(51,575,899)	(3,608,304)	-	-	(55,184,203)
Total capital assets, being depreciated, net	46,670,293	(3,306,043)	-	2,067,184	45,431,434
Business-type activities capital assets, net	\$ 49,150,152	\$ (563,831)	\$ -	\$ -	\$ 48,586,321

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 4. CAPITAL ASSETS (continued)

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

Governmental activities:

General government services	\$ 246,583
Public safety	192,661
Physical environment	128,246
Transportation	273,946
Culture/recreation	1,877,093
Total	<u>\$ 2,718,529</u>

Business-type activities:

Parking	\$ 36,958
Water and sewer	3,368,217
Stormwater	203,129
Total	<u>\$ 3,608,304</u>

NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund transfers for the year ended September 30, 2021 is as follows:

Transfers In

Transfers Out	<u>General Fund</u>	<u>Road & Bridge</u>	<u>Capital Improvement</u>	Total
General Fund	\$ -	\$ 718,017	\$ 576,230	\$ 1,294,247
Building Inspection Services	307,213	-	-	307,213
Parking Lot	57,059	9,195	-	66,254
Storm Water	20,593	12,000	-	32,593
Water & Sewer	<u>2,001,848</u>	<u>17,302</u>	<u>-</u>	<u>2,019,150</u>
Total	<u>\$ 2,386,713</u>	<u>\$ 756,514</u>	<u>\$ 576,230</u>	<u>\$ -</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

Transfers are used to: 1) move revenues from the fund with collection authorization to the fund with expenditure authorization, 2) move unrestricted revenues to finance various programs accounted for in other funds in accordance with budgetary authorizations and 3) transfer residual equity to separate building services fund to special revenue fund.

The composition of interfund balances as of September 30, 2021 is as follows:

Advance from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water and sewer fund	Capital improvement fund	\$ 1,166,900

The amount payable to the water and sewer fund relates to an advance of \$1,860,000 made to the capital improvement fund. During the year ended September 30, 2021, the Capital Improvement Fund paid \$834,460 (\$693,100 for principal and \$141,361 for interest) for principal and interest owed for fiscal year 2020 and for the fiscal year 2021 scheduled repayment. The advance is to be repaid in annual installments bearing interest at a rate of 4.61% through September 2024 as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	371,214	46,016	417,230
2023	388,693	28,537	417,230
2024	406,993	10,237	417,230
Total	<u>\$ 1,166,900</u>	<u>\$ 84,790</u>	<u>\$ 1,251,690</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 6. NONCURRENT LIABILITIES

The following is a summary of the noncurrent liability activity of the City for the year ended September 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Total OPEB liability	\$ 4,224,109	\$ 96,108	\$ (237,472)	\$ 4,082,745	\$ -
Net pension liability	11,919,943	491,201	(2,371,438)	10,039,706	-
Compensated absences	450,236	338,103	(364,913)	423,426	105,857
Total governmental activities	<u>\$ 16,594,288</u>	<u>\$ 925,412</u>	<u>\$ (2,973,823)</u>	<u>\$ 14,545,877</u>	<u>\$ 105,857</u>
Business-type activities:					
Note payable	\$ 1,327,050	\$ -	\$ (183,988)	\$ 1,143,062	\$ 188,210
Total OPEB liability	2,924,194	72,124	(178,211)	2,818,107	-
Net pension liability	4,305,265	27,085	(1,015,487)	3,316,863	-
Compensated absences	502,796	269,378	(316,203)	455,971	113,992
Total business-type activities	<u>\$ 9,059,305</u>	<u>\$ 368,587</u>	<u>\$ (1,693,889)</u>	<u>\$ 7,734,003</u>	<u>\$ 302,202</u>

Note payable: In April 2017, the City entered into a note payable agreement with a financial institution to borrow \$1,900,000 for the purpose of financing improvements to the City's stormwater management utility system. This note bears interest at a rate of 2.27% through the maturity date of April 1, 2027. The note payable is secured by a lien upon and pledge of i) stormwater revenues and ii) an additional covenant to budget and appropriate from legally available non-ad valorem revenue if the pledged revenue is insufficient or unavailable to pay the principal of and interest on the Note. The City may prepay and redeem the Note, in whole or part, at any time or from time to time, without penalty or premium. The Note contains events of default provisions such as payment defaults, breaches of covenants or representation and warranties, the occurrence of a material adverse effect and certain bankruptcy events providing the lender the authority to pursue action in any court to enforce collection. However, it is not construed as granting the lender a lien on any real property of the City.

Total Other Post-Employment Benefits (OPEB) liability: This amount represents the City's total OPEB liability as of September 30, 2021. The governmental activities total OPEB liability is generally liquidated from the General Fund and the business-type activities total OPEB liability is generally liquidated by the Water and Sewer and Stormwater funds.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 6. NONCURRENT LIABILITIES (continued)

The annual debt service payments required on outstanding debt at September 30, 2021, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 188,210	\$ 24,346	\$ 212,556
2023	192,519	20,037	212,556
2024	196,926	15,630	212,556
2025	201,434	11,122	212,556
2026	206,047	6,509	212,556
2027	<u>157,926</u>	<u>6,079</u>	<u>159,719</u>
Total	<u>\$ 1,143,062</u>	<u>\$ 79,437</u>	<u>\$ 1,222,499</u>

Compensated absences: This amount represents the City's long-term liability for earned and unpaid vacation and sick leave benefits as of September 30, 2021. Such benefits 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.

Net pension liability: This amount represents the City's net pension liability as of September 30, 2021. The governmental activities net pension liability is generally liquidated from the General Fund and the business-type activities net pension liability is generally liquidated by the Water and Sewer and Stormwater Funds.

Line of credit: On December 19, 2019, the City entered into a qualified tax-exempt Emergency Line of Credit Revolving Note (the "Note") with a maximum borrowing amount of \$10,000,000. Proceeds from the Note are expected to be used primarily to finance the cost of emergency disaster recovery. The Note bears interest at a variable rate of the Prime Rate, as defined, less one hundred twenty five basis points multiplied by 80.25%. Payments of accrued interest on outstanding draws will be due on the first day of each February, May, August and November. Any grant funds received from Federal Emergency Management Agency ("FEMA") or the State of Florida will be applied to repay the note. Any outstanding principal or interest on the note shall be payable on the Maturity Date, December 15, 2022, with the option to renew at the bank's discretion. During the year ended September 30, 2021, the City did not withdraw any amounts under this agreement or subsequent to year end as of the date of this report.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS

The City maintains three separate single-employer public employee retirement system (“PERS”) pension plans, (1) the City of Cooper City General Employees’ Retirement Plan (“GEPP”), (2) the City of Cooper City Firefighters Retirement Plan (“FRP”), and (3) the City of Cooper City 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.

A. General Employees’ Retirement Plan

Basis of Accounting

The Plan’s policy is to prepare its financial statements on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investment and administrative expenses are paid out of Plan assets that are replenished by investment earnings and employee and City contributions in order to maintain the Plan actuarially sound.

Method Used to Value Investments

Investments are reported at fair value in the financial statements based on the quoted market prices as reported by recognized security exchanges. Bonds are reported at established fair value. Securities that have no quoted market price are presented at estimated fair value as provided by the custodial bank and investment counsel.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

A. General Employees' Retirement Plan (continued)

The GEPP Pension Trust Fund does not issue separate stand-alone financial statements; therefore, included below is the Statement of Net Position – Fiduciary Fund as of September 30, 2021 and the Statement of Changes in Net Position – Fiduciary Fund for the year end September 30, 2021.

**General Employees' Pension Trust Fund
Statement of Net Position
Fiduciary Fund
September 30, 2021**

Assets	
Cash and cash equivalents	\$ 1,214,837
Employer contributions receivable	2,317
Prepaid items	1,308
Interest receivable	31,301
Investments, at fair value	
U.S. government and agency securities	2,622,490
Corporate bonds	3,732,121
Equity securities	28,886,820
Equity mutual funds	32,747
Collateralized mortgage obligations	1,102,526
Mortgage/asset backed securities	1,422,835
Municipal obligations	201,066
Foreign bonds notes and debentures	146,452
Commingled real estate funds	4,883,144
Total investments	<u>43,030,201</u>
Total assets	44,279,964
Liabilities	
Accounts payable	<u>87,831</u>
Total liabilities	<u>87,831</u>
Net Position	
Restricted for pension benefits - active and retired members' benefits	<u>44,192,133</u>
Total liabilities and net position	<u>\$ 44,279,964</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

A. General Employees' Retirement Plan (continued)

**General Employees' Pension Trust Fund
Statement of Changes in Net Position
Fiduciary Fund
For the Year Ended September 30, 2021**

Additions

Contributions:

City	\$ 773,105
Employees	240,793
Broward County Sheriff's Office	207,952
State/other	8,128
Total contributions	<u>1,229,978</u>

Investment income:

Net increase in fair market value	6,908,490
Interest and dividend income	834,855
Less investment expenses	<u>(259,382)</u>
Net investment income	<u>7,483,963</u>
Total additions	<u>8,713,941</u>

Deductions

Pension benefits	2,143,785
DROP distributions	619,429
Administrative expenses	<u>133,897</u>
Total deductions	<u>2,897,111</u>

Change in net position	5,816,830
------------------------	-----------

Net position, restricted for pension benefits

Beginning of year	<u>38,375,303</u>
End of year	<u><u>\$ 44,192,133</u></u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

A. General Employees' Retirement Plan (continued)

General Information

All full-time general employees hired before October 25, 2011 were 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. Earnable compensation mean a member's 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 monthly rate of earnable compensation over the highest three years of credited service.

At October 1, 2019, the date of the latest actuarial valuation, participation in the GEPP consisted of the following:

Retirees and beneficiaries currently receiving benefits	102
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>45</u>
Total	<u>151</u>

Normal Retirement – A member may retire on the first day of the month coincident with or next following the attainment of age 55 and completion of 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.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

A. General Employees' Retirement Plan (continued)

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 6 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 6 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.

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.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

A. General Employees' Retirement Plan (continued)

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 6 years of credited service will receive a refund of their employee accumulated contributions with interest.

Refunds – All members terminating employment with less than 6 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. 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, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.1%. 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, 2021

NOTE 7. PENSION PLANS (continued)

A. General Employees' Retirement Plan (continued)

Net Pension Liability of the City

The components of the net pension liability of the City are as follows:

Total pension liability	\$ 42,890,530
Plan fiduciary net position	<u>(38,375,303)</u>
City net pension liability	<u><u>\$ 4,515,227</u></u>
Plan fiduciary net position as a percentage of total pension liability	89.47%
Net pension liability as a percentage of covered payroll	156.57%

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, 2021, the City reported a net pension liability of \$4,515,227 related to the GEPP. The net pension liability was measured as of September 30, 2020, using an annual actuarial valuation as of October 1, 2019, rolled forward to September 30, 2021, using standard update procedures. For the fiscal year ended September 30, 2021, the City recognized pension benefit of \$193,254 related to the GEPP.

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>City Net Pension Liability</u>
Balances at September 30, 2020			
Changes for the year:	\$ 41,333,422	\$ 36,544,312	\$ 4,789,110
Service cost	636,998	-	636,998
Interest	2,783,130	-	2,783,130
Experience differences	(194,382)	-	(194,382)
Assumption changes	415,451	-	415,451
Contributions - employer	-	757,491	(757,491)
Contributions - non-employer contributing entity (from BSO)	-	135,719	(135,719)
Contributions - employee	-	317,825	(317,825)
Net investment income	-	2,769,440	(2,769,440)
Benefit payments, including refunds of employee contributions	(2,084,089)	(2,084,089)	-
Administrative expense	-	(65,395)	65,395
Net change	<u>1,557,108</u>	<u>1,830,991</u>	<u>(273,833)</u>
Balances at September 30, 2021	<u><u>\$ 42,890,530</u></u>	<u><u>\$ 38,375,303</u></u>	<u><u>\$ 4,515,227</u></u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

A. 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, 2021, 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	\$ -	\$ 55,538
Assumption Changes	118,700	-
Net difference between projected and actual earnings on GEPP investments	-	260,650
GEPP contributions subsequent to the measurement date	773,105	
Total	<u>\$ 891,805</u>	<u>\$ 316,188</u>

The deferred outflows of resources related to the GEPP totaling \$773,105, 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 ending September 30, 2022. 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
2022	\$ (186,452)
2023	(56,178)
2024	108,408
2025	(63,266)
Total	<u>\$ (197,488)</u>

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

A. General Employees' Retirement Plan (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (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, 2019
Measurement date	September 30, 2020
Actuarial cost method	Entry age normal
Investment rate of return	6.70%
Salary increases	6.00%, including inflation
Inflation	2.50%
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 preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS) for the July 1, 2018 actuarial valuation, as mandated by Chapter 112.63, Florida Statutes.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

A. General Employees' Retirement Plan (continued)

Actuarial Methods and Significant Assumptions (continued)

A single discount rate of 6.70% 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 6.70%. 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, 2021, the measurement date, are summarized in the following table:

<u>Asset Class</u>	<u>Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash equivalents and short-term investments	2%	2.25%
Domestic and international equities	55%	7.30%
Domestic and international fixed income	31%	3.75%
Real estate	12%	6.60%
Private Equity	0%	10.00%

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

A. General Employees' Retirement Plan (continued)

Actuarial Methods and Significant Assumptions (continued)

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 6.70%, 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 (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
\$ 9,074,951	\$ 4,515,227	\$ 650,427

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, 2021, was \$1,174,602.

B. Firefighter Retirement Plan

The FRP is a single-employer defined benefit retirement pension plan covering all eligible firefighters. The FRP was established by the City in accordance with a City ordinance and state statutes. Management of the FRP 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, 2021. Requests for the 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, 2021

NOTE 7. PENSION PLANS (continued)

B. Firefighters Retirement Plan (continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows 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, 2021, the City reported a net pension liability of \$2,946,011 related to the FRP. The net pension liability was measured as of September 30, 2020, using an annual actuarial valuation date of October 1, 2019. For the fiscal year ended September 30, 2021, the City recognized a pension benefit of \$165,015 related to the FRP.

The components of net pension liability of the FRP as reported at September 30, 2021, were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2020			
Changes for the year:	\$ 28,227,153	\$ 24,983,748	\$ 3,243,405
Service cost	83,619	-	83,619
Interest	1,746,468	-	1,746,468
Experience differences	19,190	-	19,190
Assumption changes	-	-	-
Contributions - employer	-	683,761	(683,761)
Contributions - non-employer contributing entity (from BSO)	-	-	-
Contributions - employee	-	10,724	(10,724)
Net investment income	-	1,543,370	(1,543,370)
Benefit payments, including refunds of employee contributions	(2,884,061)	(2,884,061)	-
Administrative expense	-	(82,000)	82,000
Other (change in share plan reserve)	9,184	-	9,184
Net change	(1,025,600)	(728,206)	(297,394)
Balances at September 30, 2021	<u>\$ 27,201,553</u>	<u>\$ 24,255,542</u>	<u>\$ 2,946,011</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

B. Firefighters Retirement Plan (continued)

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

At September 30, 2021, the City reported deferred outflows 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	\$ 222,356	\$ -
FRP contributions subsequent to the measurement date	437,786	-
Total	<u>\$ 660,142</u>	<u>\$ -</u>

The deferred outflows of resources related to the FRP totaling \$437,786, 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 ending September 30, 2022. The remaining amounts reported as net deferred inflows of resources related to the FRP will be recognized in pension expenses as follows:

Fiscal Year Ending September 30:	Amount
2022	\$ (6,734)
2023	100,739
2024	127,000
2025	1,351
Total	<u>\$ 222,356</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

B. Firefighters Retirement Plan (continued)

Actuarial Methods and Significant Assumptions

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

Valuation date	October 1, 2019
Measurement date	September 30, 2020
Actuarial cost method	Entry Age Normal
Investment rate of return	6.50%
Salary increases	7.25%, including inflation
Inflation	2.50%
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 preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS) for the July 1, 2018 actuarial valuation, as mandated by Chapter 112.63, Florida Statutes.

A single discount rate of 6.50% 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 6.50%. 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, 2021

NOTE 7. PENSION PLANS (continued)

B. Firefighters 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, 2021 are summarized in the following table:

<u>Index</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	8.30%
International equity	4.10%
Fixed income	3.10%
TIPS	2.60%
Real estate	5.50%
Master limited partnerships	7.50%
REITs	8.20%

The following was the Board's adopted asset allocation policy as of September 30, 2021.

<u>Type of Investments</u>	<u>Target Allocation</u>
Domestic equity	23%-69%
International equity	8%-25%
Fixed income	No maximum
Global infrastructure	0%-10%
Private real estate	0%-10%
Cash and cash equivalents	N/A

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

B. 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 6.50%, 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 (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
<u>\$ 5,885,590</u>	<u>\$ 2,946,001</u>	<u>\$ 508,476</u>

DROP Account

A portion of the FRP fiduciary net position is designated for benefits that accrue in a relation to the DROP account as described in the plan description. The DROP balance for the fiscal year ended September 30, 2021 was \$1,394,927.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

C. Police Officers Retirement Plan

The PORP is a single-employer defined benefit retirement pension plan covering all eligible police officers. The PORP was established by the City in accordance with a City ordinance and state statutes. Management of the PORP is vested in the Board, which consist 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, 2021. Requests for the 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 PORP is measured as the total pension liability less the pension plan's fiduciary net position. At September 30, 2021, the City reported a net pension liability of \$3,713,987 related to the PORP. The net pension liability was measured as of September 30, 2020, using an annual actuarial valuation as of October 1, 2019, rolled forward to September 30, 2021, using standard update procedures. For the fiscal year ended September 30, 2021, the City recognized a pension benefit related to the PORP of \$871,559.

The components of net pension liability of the PORP as reported at September 30, 2021, were as follows:

	<u>Total Pension Liability</u>	<u>Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances at September 30, 2020			
Changes for the year:	\$ 36,249,036	\$ 33,015,375	\$ 3,233,661
Service cost	32,178	-	32,178
Interest	2,430,372	-	2,430,372
Experience differences	285,666	-	285,666
Assumption changes	277,144	-	277,144
Contributions - employer	-	1,772,997	(1,772,997)
Contributions - non-employer contributing entity (from BSO)	-	-	-
Contributions - employee	-	11,222	(11,222)
Net investment income	-	849,853	(849,853)
Benefit payments, including refunds of employee contributions	(2,116,849)	(2,116,849)	-
Administrative expense	-	(89,038)	89,038
Net change	<u>908,511</u>	<u>428,185</u>	<u>480,326</u>
Balances at September 30, 2021	<u>\$ 37,157,547</u>	<u>\$ 33,443,560</u>	<u>\$ 3,713,987</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

C. 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, 2021, 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	\$ 1,274,450	\$ -
PORP contributions subsequent to the measurement date	1,472,829	-
Total	<u>\$ 2,747,279</u>	<u>\$ -</u>

The deferred outflows of resources related to the PORP totaling \$1,472,829, 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 ending September 30, 2022. The remaining amount reported as deferred inflows of resources related to the PROP will be recognized as pension expense as follows:

Fiscal Year Ending September 30:	Amount
2022	\$ 175,540
2023	396,296
2024	419,882
2025	282,732
Total	<u>\$ 1,274,450</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

C. Police Officers Retirement Plan (continued)

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

Actuarial Methods and Significant Assumptions

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

Valuation date	October 1, 2019
Measurement date	September 30, 2020
Actuarial cost method	Entry age normal
Investment rate of return	6.80%
Salary increases	5-10%, depending on service, including inflation
Inflation	2.50%
Retirement age	100% when first eligible for normal retirement or DROP entry.
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS) for the July 1, 2018 actuarial valuation, as mandated by Chapter 112.63 Florida Statutes.

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.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

C. Police Officers Retirement Plan (continued)

Actuarial Methods and Significant Assumptions (continued)

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, 2021 are summarized in the following table:

<u>Index</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic large cap equities	27.5%-67.5%	6.51%
Domestic mid cap equities	27.5%-67.5%	8.29%
Domestic small cap equities	27.5%-67.5%	7.73%
Fixed income	12.5%-47.5%	2.37%
Real estate	0%-20%	6.45%
International equities	0%-15%	4.88%

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 6.80%, 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:

<u>1% Decrease (5.80%)</u>	<u>Current Discount Rate (6.80%)</u>	<u>1% Increase (7.80%)</u>
\$ 6,788,924	\$ 3,713,987	\$ 1,153,610

DROP Account

A portion of the FRP fiduciary net positions 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, 2021, was \$6,934,146.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

D. 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, which are 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 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.

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.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

Benefits Provided

Benefits under the Pension Plan are computed on the basis of age and/or years of experience, 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 6 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 5 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 6 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 5 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 6 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 5 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 6 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 5 highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least 6 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 5 highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to 8 years of credited service for all these members and normal retirement increases 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 8 highest years of salary.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

D. Florida Retirement System Plan (continued)

Plan Description (continued)

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 July 1, 2020 through June 30, 2021, and from July 1, 2021 through September 30, 2021, respectively, were as follows: Regular—8.28% and 9.10%; Special Risk Administrative Support—34.12% and 36.04%; Special Risk—22.73% and 24.17%; Senior Management Service—25.57% and 27.29%; Elected Officers’—47.46% and 49.70%; and DROP participants—15.26% and 16.62%. These employer contribution rates do not include 1.66% HIS Plan subsidy for the periods July 1, 2020 through June 30, 2021, and from July 1, 2021 through September 30, 2021.

The City’s contributions, including employee contributions, to the Pension Plan totaled \$327,623 for the measurement period ended June 30, 2021.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

D. 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, 2021, the City reported a liability of \$649,633 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportionate share of the net pension liability was based on the City's 2021 fiscal year contributions relative to the 2020 fiscal year contributions of all participating members. At June 30, 2021, the City's proportionate share was 0.008600007%, which was a decrease of 0.000892479% from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021, the City recognized pension benefit of \$195,554. 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	\$ 111,348	\$ -
Change of assumptions	444,511	-
Net difference between projected and actual earnings on pension plan investments	-	2,266,406
Changes in proportion and differences between City pension plan contributions and proportionate share of contributions	380,625	38,169
City pension plan contributions subsequent to the measurement date	91,189	-
Total	<u>\$ 1,027,673</u>	<u>\$ 2,304,575</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

D. 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 \$91,189 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 ending September 30, 2022. 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:	Amount
2022	\$ (185,509)
2023	(256,678)
2024	(409,207)
2025	(554,649)
2026	37,952
Total	<u>\$ (1,368,091)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.80%, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

D. Florida Retirement System Plan (continued)

Actuarial Assumptions (continued)

The long-term expected rate of return assumption of 6.80% consist of two building block components: 1) an inferred real (in excess of inflation) return of 4.30%, which is consistent with the 4.17% real return from the capital market outlook model developed by the FRS consulting actuary, Milliman; and 2) a long-term average annual inflation assumption of 2.40% as adopted in October 2021 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary, both components and the overall 6.80% return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice. The 6.80% reported investment return assumption is the same as the investment return assumption chosen by the 2021 FRS Actuarial Assumption Conference for funding policy purposes.

For reference, the table below contains a summary of the actuarial assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.00%	2.10%	2.10%	1.10%
Fixed income	20.00%	3.80%	3.70%	3.30%
Global equity	54.20%	8.20%	6.70%	17.80%
Real estate	10.30%	7.10%	6.20%	13.80%
Private equity	10.80%	11.70%	8.50%	26.40%
Strategic investments	3.70%	5.70%	5.40%	8.40%
Total	<u>100.00%</u>			
Assumed Inflation - Mean			2.40%	1.20%

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

D. Florida Retirement System Plan (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.80%. 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, if future experience follows assumptions and the actuarially determined contributions is contributed in full each year. Therefore, the discount rate for calculation of the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City's Proportionate Share of the Net Pension 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 6.80%, 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 or one percentage point higher than the current rate:

	<u>1% Decrease (5.80%)</u>	<u>Current Discount Rate (6.80%)</u>	<u>1% Increase (7.80%)</u>
City's proportionate share of the net pension liability	\$ 2,905,201	\$ 649,633	\$(1,235,770)

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 Annual Comprehensive Financial Report.

Payables to the Pension Plan

At September 30, 2021, there were no payables for outstanding contributions to the FRS Plan.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

E. HIS Plan

Plan Description

The HIS Plan is a non-qualified, cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, *Florida Statutes*. The Florida legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The benefit is a monthly payment to assist eligible retirees and surviving beneficiaries of state-administered retirement systems in paying their health insurance costs. The HIS Plan is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended September 30, 2021, 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 can include Medicare.

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 specified employees. For the fiscal year ended September 30, 2021, the HIS contribution for the period October 1, 2020 through September 30, 2021, was 1.66%. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions 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, the legislation may reduce or cancel HIS payments.

The City's contributions to the HIS Plan totaled \$73,398 for the measurement period ended June 30, 2021.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

E. HIS Plan (continue)

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

At September 30, 2021, the City reported a liability of \$1,531,711 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The City's proportionate share of the net pension liability was based on the City's 2021 fiscal year contributions relative to the 2020 fiscal year contributions of all participating members.

At June 30, 2021, the City's proportionate share was 0.012486940%, which was an increase of 0.000252947% from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$134,882. 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	\$ 50,613	\$ -
Change of assumptions	120,358	63,110
Net differences between projected and actual earnings on HIS Plan investments	1,597	-
Changes in proportion and differences between City HIS Plan contributions	231,524	-
City HIS Plan contributions subsequent to the measurement date	19,150	-
Total	<u>\$ 423,242</u>	<u>\$ 63,110</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

E. HIS Plan (continue)

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 HIS Plan, totaling \$19,150 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 ending September 30, 2022. 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
2022	\$ 113,740
2023	81,592
2024	71,415
2025	41,510
2026	26,572
Thereafter	6,153
Total	<u>\$ 340,982</u>

Actuarial Assumptions

The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	2.16%

The actuarial assumptions used in the July 1, 2020 valuation were based on certain results from the most recent experience study of the FRS for the period July 1, 2013 – June 30, 2018.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

E. HIS Plan (continued)

Discount Rate

The discount rate used to measure the total pension liability was 2.16%. In general, the discount rate for calculating the total pension liability under GASB 67 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. The single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. 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 Pension 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 2.16%, 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 or one percentage point higher than the current rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
City's proportionate share of the net pension liability	\$ 1,770,806	\$ 1,531,711	\$ 1,335,826

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 Annual Comprehensive Financial Report.

Payables to the Pension Plan

At September 30, 2021, there were no payables for outstanding contributions to the HIS Plan.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

F. Investment Plan

The State Board Administration (“SBA”) administers the defined contribution retirement plan officially titled the Florida Retirement System Investment Plan (“Investment Plan”). The Investment Plan is reported in the SBA’s annual financial statements and in the State of Florida Annual Comprehensive 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 0.06% of payroll and by forfeited benefits of plan members. Contributions to the investment members’ accounts during the 2021 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%. For the year ended September 30, 2021, the City contributed \$138,538 to the Investment Plan.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

F. Investment Plan (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service in the employer contributions and any 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. Unvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5 year period, the balance, plus accrued earnings, will be returned to the employee's account. If the employee does not return within the 5 year period, the employee will forfeit the unvested balance. For the fiscal year ended September 30, 2021, 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.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

G. 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 were required 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.

As of October 1, 2020, the date of the latest actuarial valuation, participation by City employees in the FMPTF consisted of the following:

Retirees and beneficiaries currently receiving benefits	6
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	-
Active DROP participants	<u>2</u>
Total	<u>8</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

G. Florida Municipal Pension Trust Fund (continued)

Plan Description (continued)

Eligibility – All full-time management employees hired before October 25, 2011, were 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 Plan represents the managerial employees of the City and is bifurcated into two groups, Group 1 and Group 2. The benefit received is computed based on the number of years of credited service multiplied by 2.0% and 2.25% for Group 1 and Group 2 employees, respectively, 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 before 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.

CITY OF COOPER CITY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

G. Florida Municipal Pension Trust Fund (continued)

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*. The City did not contribute funds for the fiscal year ended September 30, 2021. The excess contributions from previous periods were used to cover the actuarially determined contribution for the fiscal year. The entry age normal method is used for valuing assets of the plan.

Deferred Retirement Option Plan ("DROP")

A member is eligible to participate in DROP once they have attained normal retirement age.

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

The City's net pension asset for the FMPTF is measured as the total pension liability less the pension plan's fiduciary net position. At September 30, 2021, the City reported a net pension asset of \$666,315 related to the plan. The net pension asset was measured as of September 30, 2021 using an annual actuarial valuation as of October 1, 2020. The City recognized a pension benefit of \$396,122 for the year ended September 30, 2021.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

G. Florida Municipal Pension Trust Fund (continued)

Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

The components of net pension asset of the City as of September 30, 2021, related to the FMPTF were as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2020			
Changes for the year:	\$ 5,184,653	\$ 5,059,927	\$ 124,726
Service cost	56,316	-	56,316
Interest	703,653	-	703,653
Experience differences	(106,553)	-	(106,553)
Assumption changes	(186,088)	-	(186,088)
Contributions - employer	-	-	-
Contributions – employee	-	9,254	(9,254)
Net investment income	-	1,276,106	1,276,106
Benefit payments, including refunds of employee contributions	(753,995)	(753,995)	-
Administrative expense	-	(26,991)	26,991
Net change	(286,667)	504,374	(791,041)
Balances at September 30, 2021	<u>\$ 4,897,986</u>	<u>\$ 5,564,301</u>	<u>\$ (666,315)</u>

At September 30, 2021, 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
Net difference between projected and actual earnings on FMPTF investments	\$ -	\$ 453,472
Total	<u>\$ -</u>	<u>\$ 453,472</u>

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

G. Florida Municipal Pension Trust Fund (continued)

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

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
2022	\$ (107,722)
2023	(103,913)
2024	(118,556)
2025	(123,281)
Total	<u>\$ (453,472)</u>

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 4.38% plus 2.62% for long-term inflation. 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 (4.38%) 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, 2021

NOTE 7. PENSION PLANS (continued)

G. Florida Municipal Pension Trust Fund (continued)

Actuarial Assumptions

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

Valuation date	October 1, 2020
Measurement date	September 30, 2021
Discount rate	7.00% per annum (2.62% 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 PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.
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.

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.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7. PENSION PLANS (continued)

G. Florida Municipal Pension Trust Fund (continued)

Actuarial Assumptions (continued)

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, 2020, the measurement date, are summarized in the following table:

Index	Asset Allocation	Long-Term Expected Real Rate of Return
Core bonds	15.00%	1.60%
Core plus	15.00%	2.10%
U.S. large cap equity	25.00%	4.60%
U.S. small cap equity	14.00%	5.50%
Non-U.S. equity	21.00%	6.70%
Core real estate	10.00%	5.00%

Sensitivity Analysis of the Net Pension Asset

Regarding the sensitivity of the net pension asset to changes in the single discount rate, the following presents the plan's net pension asset, calculated using a single discount rate of 7.00%, as well as what the plan's net pension asset 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%)
\$ (234,157)	\$ (666,315)	\$ (1,038,672)

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 7. PENSION PLANS (continued)

Applicable totals for the City's defined benefit pension plans are reflected below:

	GEPP	FRP	PORP	FRS
Net pension asset	\$ -	\$ -	\$ -	\$ -
Net pension liability	4,515,227	2,946,011	3,713,987	649,633
Deferred outflows of resources	891,805	660,142	2,747,279	1,027,673
Deferred inflows of resources	316,188	-	-	2,304,575
Pension expense (benefit)	(193,254)	(165,015)	(871,559)	(195,554)

	HIS	FMPTF	Total
Net pension asset	\$ -	\$ 666,315	\$ 666,315
Net pension liability	1,531,711	-	13,356,569
Deferred outflows of resources	423,242	-	5,750,141
Deferred inflows of resources	63,110	453,472	3,137,345
Pension expense (benefit)	134,882	(396,122)	(1,686,622)

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS

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 is a single employer plan and does not issue a publicly available financial report.

Participants of the plan consisted of the following as of September 30, 2021, the measurement date:

Retirees and beneficiaries currently receiving benefits	26
Inactive employees entitled to but not yet receiving benefits	-
Active employees	96
Total	<u>122</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS (continued)

Contributions

The City has elected to fund the plan on a “pay as you go” basis. The City contributes the current year benefit costs of the plan which are not paid by the retiree. For the fiscal year ended September 30, 2021, the City contributed \$413,683 for the pay as you go benefits for the plan.

Total OPEB Liability of the City

The City’s total OPEB liability was measured as of September 30, 2021 and was determined by using an actuarial valuation as of October 1, 2020, rolled forward to the measurement date, using standard update procedures.

Actuarial assumptions.

The total OPEB liability in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	2.43%
Healthcare Cost Trend Rate:	2.00% - 7.50%, initial 4.50%, Ultimate rate is reached in 2036
Inflation Rate:	3.00%
Salary increase:	4.00%, including inflation
Participation rate:	20%

Mortality rates were based on the Pub G.H-2010 Mortality Table - General.

The actuarial assumptions used in the September 30, 2021 valuation were based on the results of an actuarial experience study for the period 2010-2011.

Discount rate

The discount rate used to measure the total OPEB liability was 2.43%. This is the S&P Municipal Bond 20-Year High-Grade Rate Index as of September 30, 2021.

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS (continued)

Changes in the Total OPEB Liability of the City

The changes in the total OPEB liability of the City for the year ended September 30, 2021, were as follows:

	Total OPEB Liability
Balance at September 30, 2020	\$ 7,148,303
Changes for the year:	
Service cost	224,943
Interest	148,526
Difference between expected and actual experience	(205,237)
Changes of assumptions and other inputs	-
Benefit payments	(415,683)
Net change	(247,451)
Balance at September 30, 2021	\$ 6,900,852

The required schedule of changes in the City's total OPEB liability and related ratios immediately following the notes to the financial statements present multiyear trend information about the total OPEB liability.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

1% Decrease (1.43%)	Current Discount Rate (2.43%)	1% Increase (3.43%)
\$ 7,657,468	\$ 6,900,852	\$ 6,269,234

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

1% Decrease	Current rate	1% Increase
\$ 6,253,644	\$ 6,900,852	\$ 7,663,445

CITY OF COOPER CITY, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8. OTHER POST-EMPLOYMENT BENEFITS (continued)

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 continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective.

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

For the year ended September 30, 2021, the City recognized OPEB benefit of \$42,569. At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Assumption changes	\$ 764,427	\$ 447,885
Experience differences	-	249,594
Total	<u>\$ 764,427</u>	<u>\$ 697,479</u>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending September 30:	
2022	\$ (350)
2023	(350)
2024	20,592
2025	37,400
2026	30,730
Thereafter	<u>(21,074)</u>
Total	<u>\$ 66,948</u>

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 9. DEFERRED COMPENSATION PLAN

The City offers a deferred compensation plan to its employees in addition to the pension plans. 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 plans 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. These amounts are included within the assigned fund balance on the face of the governmental fund financial statements, as applicable, and are assigned primarily for various capital projects. Encumbrances as of September 30, 2021, are as follows:

General Fund	\$ 100,245
--------------	------------

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 12. COMMITMENTS AND CONTINGENCIES

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 "Original Agreement"). The Original Agreement was for 5 years with two additional 5 year options. The City exercised the first 5 year option in 2010 and the second 5 year option in 2014. The Original Agreement reached its final expiration during fiscal year ended September 30, 2019. The Original Agreement provided for a one-year transition period under the same terms and conditions (the "Transition Period"), during which time the City and BSO continued to negotiate a new contract for law enforcement and fire rescue services. On or about October 1, 2020, the City and BSO entered into new 5-year agreements for law enforcement and fire protection/prevention and emergency medical services. The City and BSO were in disagreement about each party's pension obligations during the Transition Period. During the Transition Period, BSO continued to provide services to the City, and the City made payments to BSO under protest, pending resolution of the dispute about each party's pension obligations. On or about October 9, 2020, the City filed a lawsuit against BSO seeking to recover the pension payments made by the City during the Transition Period. As late as May 23, 2022, the City filed an additional complaint and is vigorously pursuing its legal recourse. Thus, as of the date of this report, the City and BSO are part of an ongoing litigation, the outcome of which is not determinable at this time.

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.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 12. COMMITMENTS AND CONTINGENCIES (continued)

Outstanding Construction Commitments: The City has active construction projects as of September 30, 2021. The outstanding construction commitments are as follows:

Project Name	Vendor Name	Original Amount	Balance
Repair road and drainage, asphalt, and concrete paving	Concrete Works & Paving Inc	\$ 15,000	\$ 4,728
New roof for utilities building	Duro-Last, Inc	136,526	136,526
Deep injection well rehab	Aecom	171,639	72,088
Lift Station 50 rehab	Hinterland Group, Inc	97,705	97,705
Sewer water lining	Shenandoah General Construction	299,999	277,024
Improvement deep well – deep well injection rehab	All Webbs Enterprises, Inc.	2,843,625	848,373
Total		<u>\$ 3,564,494</u>	<u>\$ 1,436,444</u>

In addition, the City has other commitments in the various proprietary funds other than outstanding construction in the following amounts:

Stormwater Fund	\$ 29,180
Water & Sewer Fund	539,888
Total	<u>\$ 569,068</u>

Contingencies: The City participates in various federal and state grant programs, the principal of which is subject to audit and adjustment. If any expenditures are disallowed by grantor agency as result of such audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreement and applicable federal and state laws and regulations.

The City is not a defendant in any lawsuit at this time. The City only has regular insurance claims.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 12. COMMITMENTS AND CONTINGENCIES (continued)

COVID-19: The COVID-19 coronavirus outbreak in the United States has resulted in disruption of national and global markets and economies since the declaration of the pandemic in March 2020. The City continues to evaluate and monitor the potential adverse effect COVID-19 may have on its financial position, operations, and cash flows. The full impact of COVID-19 is unknown, and therefore, the City is unable to estimate the extent of the impact of COVID-19 on the City's operational and financial performance.

On March 11, 2021, Congress passed the American Rescue Plan Act of 2021. The bill provides additional relief to address the continued impact of COVID-19. The Coronavirus Local Fiscal Recovery Funds (CLFRF) program is a component of the American Rescue Plan Act of 2021. It provides funding to local governments to broadly respond to the COVID-19 public health emergency. This City was awarded approximately \$18 million through this Act with a spending deadline of December 31, 2024. The City received the first tranche of the award amounting to \$8.9 million in fiscal year 2021, and the remaining \$11 million is expected to be received within the next fiscal year. As of September 30, 2021, \$84,773 was spent and the remaining \$8.9 million received is reported as a deferred inflow of resources in the accompanying financial statements.

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	\$ 19,378,929	\$ 19,378,929	\$ 19,374,008	\$ (4,921)
Franchise fees and utility taxes	6,009,766	6,009,766	6,260,566	250,800
Licenses and permits	490,000	490,000	362,043	(127,957)
Intergovernmental revenues	3,706,783	3,706,783	5,543,793	1,837,010
Charges for services	6,285,765	6,285,765	5,492,114	(793,651)
Fines and forfeitures	170,000	170,000	86,678	(83,322)
Investment earnings	100,000	100,000	272	(99,728)
Miscellaneous revenues	179,250	179,250	224,985	45,735
Total revenues	36,320,493	36,320,493	37,344,459	1,023,966
Expenditures				
Current:				
General government				
City Commission	287,998	287,998	231,118	56,880
Administrative	484,098	488,098	436,430	51,668
City Clerk	644,574	644,574	616,907	27,667
Finance	1,112,948	1,150,356	1,073,642	76,714
Legal	418,000	478,800	466,321	12,479
Boards and committees	12,200	12,200	7,702	4,498
Community development	368,867	368,867	309,879	58,988
Public works administration	656,796	656,796	481,563	175,233
Fleet services	393,131	393,131	370,740	22,391
Nondepartmental	923,755	809,558	1,531,986	(722,428)
Total general government	5,302,367	5,290,378	5,526,288	(235,910)
Public safety				
Code enforcement	480,750	480,750	474,030	6,720
Police	15,557,882	15,557,882	14,252,226	1,305,656
Fire	12,079,395	12,082,423	11,827,271	255,152
Total public safety	28,118,027	28,121,055	26,553,527	1,567,528

(continued)

CITY OF COOPER CITY, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(continued)**

	Budgeted Amounts		Actual	Variance with final budget
	Original	Final		
Expenditures:				
Physical environment				
Property maintenance	521,553	529,053	487,204	41,849
Total physical environment	521,553	529,053	487,204	41,849
Culture and recreation				
Parks	1,799,721	1,818,315	1,628,706	189,609
Recreation	1,803,253	1,803,253	1,517,574	285,679
Total culture and recreation	3,602,974	3,621,568	3,146,280	475,288
Total expenditures	37,544,921	37,562,054	35,713,299	1,848,755
Excess of revenues (deficiency) over (under) expenditures	(1,224,428)	(1,241,561)	1,631,160	2,872,721
Other financing sources (uses)				
Transfers in	1,971,840	1,971,840	2,386,713	414,873
Transfers out	(1,294,247)	(1,294,247)	(1,294,247)	-
Total other financing sources (uses)	677,593	677,593	1,092,466	414,873
Change in fund balance	(546,835)	(563,968)	2,723,626	3,287,594
Fund balances, beginning of year	8,941,782	8,941,782	8,941,782	-
Fund balances, end of year	<u>\$ 8,394,947</u>	<u>\$ 8,377,814</u>	<u>\$ 11,665,408</u>	<u>\$ 3,287,594</u>

The accompanying notes to the RSI are an integral part of this schedule.

CITY OF COOPER CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ARPA FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues	\$ -	\$ 108,938	\$ 84,773	\$ (24,165)
Total revenues	-	108,938	84,773	(24,165)
Expenditures				
Current				
General government	-	108,938	84,773	24,165
Total expenditures	-	108,938	84,773	24,165
Excess of revenues over expenditures	-	-	-	-
Change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

The accompanying notes to the RSI are an integral part of this schedule.

CITY OF COOPER CITY, FLORIDA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1. BUDGETS 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 August 15, the City Manager submits to the City Commission a proposed operating budget 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 Proprietary 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 proprietary funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
7. Budget amounts are as originally adopted or as amended by the City Commission.

NOTE 2. BUDGETARY EXPENDITURES IN EXCESS OF APPROPRIATIONS

Nondepartmental expenditures exceeded the budgeted amount for the fiscal year ended September 30, 2021 due to expenditures incurred in connection with the COVID-19 pandemic. During the FY 2021 budget process (July thru August of 2020), these expenses were not anticipated as the full extent of COVID-19 was not completely known, nor was the degree to which the Federal Government would fund (CARES ACT) antiviral personal protective equipment and other mitigating services and equipment.

CITY OF COOPER CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES' PENSION PLAN

Reporting period as of:	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Measurement date as of:	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total pension liability:							
Service cost	\$ 636,998	\$ 677,417	\$ 668,832	\$ 817,482	\$ 802,604	\$ 801,521	\$ 871,704
Interest	2,783,130	2,709,166	2,627,781	2,519,908	2,492,570	2,444,577	2,317,934
Difference between expected and actual experience	(194,382)	61,745	174,284	109,331	(630,774)	(533,237)	22,168
Assumption change	415,451	405,082	392,598	824,532	345,787	335,762	-
Benefit payments	(2,084,089)	(2,211,697)	(2,085,119)	(2,064,187)	(2,240,698)	(1,545,365)	(1,153,732)
Refunds	-	-	-	-	-	(49,992)	(64,469)
Net change in total pension liability	1,557,108	1,641,713	1,778,376	2,207,066	769,489	1,453,266	1,993,605
Total pension liability - beginning	41,333,422	39,691,709	37,913,333	35,706,267	34,936,778	33,483,512	31,489,907
Total pension liability - ending	<u>\$ 42,890,530</u>	<u>\$ 41,333,422</u>	<u>\$ 39,691,709</u>	<u>\$ 37,913,333</u>	<u>\$ 35,706,267</u>	<u>\$ 34,936,778</u>	<u>\$ 33,483,512</u>
Plan fiduciary net position:							
Contributions - employer (City)	\$ 757,491	\$ 764,183	\$ 813,108	\$ 786,998	\$ 860,950	\$ 999,117	\$ 993,478
Contributions - non-employer contributing entity (BSO)	135,719	108,544	121,532	126,703	135,040	96,707	248,338
Contributions - employee	317,825	343,129	367,684	413,738	437,430	364,865	527,463
Net investment income	2,769,440	1,590,091	3,152,883	3,134,831	2,401,377	741,361	2,812,142
Benefit payments	(2,084,089)	(2,211,697)	(2,085,119)	(2,064,187)	(2,240,698)	(1,545,365)	(1,153,732)
Refunds	-	-	-	-	-	(76,770)	(64,469)
Administrative expenses	(65,395)	(65,620)	(61,705)	(51,226)	(57,388)	(77,950)	(40,559)
Net change in plan fiduciary net position	1,830,991	528,630	2,308,383	2,346,857	1,536,711	501,965	3,322,661
Plan fiduciary net position - beginning	36,544,312	36,015,682	33,707,299	31,360,442	29,823,731	29,321,766	25,999,105
Plan fiduciary net position - ending	<u>\$ 38,375,303</u>	<u>\$ 36,544,312</u>	<u>\$ 36,015,682</u>	<u>\$ 33,707,299</u>	<u>\$ 31,360,442</u>	<u>\$ 29,823,731</u>	<u>\$ 29,321,766</u>
Net pension liability	\$ 4,515,227	\$ 4,789,110	\$ 3,676,027	\$ 4,206,034	\$ 4,345,825	\$ 5,113,047	\$ 4,161,746
Plan fiduciary net position as a percentage of the total pension liability	89.5%	88.4%	90.7%	88.9%	87.8%	85.4%	87.6%
Covered payroll	\$ 2,883,883	\$ 3,123,915	\$ 3,139,861	\$ 3,770,460	\$ 3,755,374	\$ 3,812,310	\$ 4,137,685
Net pension liability as a percentage of covered payroll	156.6%	153.3%	117.1%	111.6%	115.7%	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:	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Actuarially determined contribution	\$ 973,885	\$ 946,938	\$ 950,442	\$ 999,254	\$ 963,025	\$ 1,068,704	\$ 1,269,828	\$ 1,278,957
Actual City Contribution	984,919	966,289	931,174	1,000,080	981,925	1,068,704	1,095,824	1,375,537
Contribution Deficiency/(Excess)	<u>\$ (11,034)</u>	<u>\$ (19,351)</u>	<u>\$ 19,268</u>	<u>\$ (826)</u>	<u>\$ (18,900)</u>	<u>\$ -</u>	<u>\$ 174,004</u>	<u>\$ (96,580)</u>
Covered payroll	\$ 2,546,576	\$ 2,883,883	\$ 3,123,915	\$ 3,139,861	\$ 3,770,460	\$ 3,755,374	\$ 3,812,310	\$ 4,137,685
Contributions as a percentage of covered payroll	38.68%	33.51%	29.81%	31.85%	26.04%	28.46%	28.74%	33.24%

Notes to Schedule:

Actuarial cost method	Entry Age Normal
Inflation	2.50%
Salary increases	6.00%, including inflation
Investment rate of return	6.70%
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 preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS) for the July 1, 2018 actuarial valuation, as mandated by Chapter 112.63, Florida Statutes.

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:	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Annual money-weighted rate of return	<u>7.10%</u>	<u>7.10%</u>	<u>6.80%</u>	<u>6.75%</u>	<u>7.20%</u>	<u>4.50%</u>	<u>3.12%</u>	<u>10.60%</u>

Notes to 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 NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS PENSION PLAN

Reporting period as of: Measurement date as of:	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total pension liability:							
Service cost	\$ 83,619	\$ 68,885	\$ 92,137	\$ 127,131	\$ 159,041	\$ 158,031	\$ 188,438
Interest	1,746,468	1,877,264	1,937,118	1,961,774	1,973,413	1,939,322	1,885,382
Difference between expected and actual experience	19,190	177,506	213,127	(368,423)	(544,532)	47,678	104,017
Assumption changes	-	1,277,986	-	(300,125)	-	-	-
Benefit payments	(2,884,061)	(3,858,027)	(2,290,342)	(1,184,833)	(2,259,752)	(1,058,286)	(1,727,969)
Other	9,184	5,349	-	-	-	-	10,020
Net change in total pension liability	(1,025,600)	(451,037)	(47,960)	235,524	(671,830)	1,086,745	459,888
Total pension liability - beginning	28,227,153	28,678,190	28,726,150	28,490,626	29,162,456	28,075,711	27,615,823
Total pension liability - ending	<u>\$ 27,201,553</u>	<u>\$ 28,227,153</u>	<u>\$ 28,678,190</u>	<u>\$ 28,726,150</u>	<u>\$ 28,490,626</u>	<u>\$ 29,162,456</u>	<u>\$ 28,075,711</u>
Plan fiduciary net position:							
Contributions - employer (City)	\$ 472,643	\$ 98,221	\$ 105,415	\$ 55,398	\$ 29,947	\$ -	\$ 1,580
Contributions - employer (State)	211,118	200,485	188,622	238,638	238,638	255,058	304,056
Contributions - non-employer contributing entity (BSO)	-	946,677	1,043,371	942,216	985,120	299,251	1,032,767
Contributions - employee	10,724	8,788	9,147	13,068	16,021	18,257	20,357
Net investment income	1,543,370	1,135,710	1,893,466	2,183,286	1,995,879	(542,222)	2,339,825
Benefit payments	(2,884,061)	(3,858,027)	(2,290,342)	(1,184,833)	(2,259,752)	(1,058,286)	(1,727,969)
Administrative expenses	(82,000)	(99,285)	(87,968)	(78,548)	(97,893)	(71,424)	(60,591)
Net change in plan fiduciary net position	(728,206)	(1,567,431)	861,711	2,169,225	907,960	(1,099,366)	1,910,025
Plan fiduciary net position - beginning	24,983,748	26,551,179	25,689,468	23,520,243	22,612,283	23,711,649	21,801,624
Plan fiduciary net position - ending	<u>\$ 24,255,542</u>	<u>\$ 24,983,748</u>	<u>\$ 26,551,179</u>	<u>\$ 25,689,468</u>	<u>\$ 23,520,243</u>	<u>\$ 22,612,283</u>	<u>\$ 23,711,649</u>
Net pension liability	\$ 2,946,011	\$ 3,243,405	\$ 2,127,011	\$ 3,036,682	\$ 4,970,383	\$ 6,550,173	\$ 4,364,062
Plan fiduciary net position as a percentage of the total pension liability	89.2%	88.5%	92.6%	89.4%	82.6%	77.5%	84.5%
Covered payroll	\$ 141,767	\$ 254,661	\$ 245,265	\$ 378,798	\$ 464,086	\$ 529,204	\$ 590,048
Net pension liability as a percentage of covered payroll	2078.1%	1273.6%	867.2%	801.7%	1071.0%	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:	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Actuarially determined contribution	\$ 646,195	\$ 673,865	\$ 1,256,550	\$ 1,337,407	\$ 1,220,415	\$ 1,279,156	\$ 1,358,054	\$ 1,296,957
Actual City Contribution	646,196	674,577	1,245,383	1,337,408	1,236,252	1,253,705	554,309	1,328,383
Contribution Deficiency/(Excess)	<u>\$ (1)</u>	<u>\$ (712)</u>	<u>\$ 11,167</u>	<u>\$ (1)</u>	<u>\$ (15,837)</u>	<u>\$ 25,451</u>	<u>\$ 803,745</u>	<u>\$ (31,426)</u>
Covered payroll	\$ -	\$ 141,767	\$ 254,661	\$ 245,265	\$ 378,798	\$ 464,086	\$ 529,204	\$ 590,048
Contributions as a percentage of covered payroll	N/A	475.83%	489.04%	545.29%	326.36%	270.14%	104.74%	225.13%

Notes to Schedule:

Actuarial cost method	Entry Age Normal
Asset valuation method	5 year smoothed market
Inflation	2.50%
Salary increases	7.25%
Investment rate of return	6.50%
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS) for the July 1, 2018 actuarial valuation, as mandated by Chapter 112.63, Florida Statutes.

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:	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Annual money-weighted rate of return	18.40%	7.10%	5.00%	7.90%	9.80%	9.50%	2.00%	11.40%

Note 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 NET PENSION LIABILITY AND RELATED RATIOS
POLICE OFFICERS PENSION PLAN

Reporting period as of: Measurement date as of:	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015	9/30/2015 9/30/2014
Total pension liability:							
Service cost	\$ 32,178	\$ 56,603	\$ 120,978	\$ 108,626	\$ 134,806	\$ 130,185	\$ 130,185
Interest	2,430,372	2,387,144	2,320,098	2,312,576	2,304,869	2,267,290	2,218,607
Difference between expected and actual experience	285,666	514,495	504,319	146,557	(228,987)	(120,237)	53,154
Assumption changes	277,144	276,580	-	411,295	671,944	-	-
Benefit payments	(2,116,849)	(2,062,483)	(1,783,947)	(1,705,552)	(1,675,341)	(1,886,260)	(1,619,438)
Net change in total pension liability	908,511	1,172,339	1,161,448	1,273,502	1,207,291	390,978	782,508
Total pension liability - beginning	36,249,036	35,076,697	33,915,249	32,641,747	31,434,456	31,043,478	30,260,970
Total pension liability - ending	<u>\$ 37,157,547</u>	<u>\$ 36,249,036</u>	<u>\$ 35,076,697</u>	<u>\$ 33,915,249</u>	<u>\$ 32,641,747</u>	<u>\$ 31,434,456</u>	<u>\$ 31,043,478</u>
Plan fiduciary net position:							
Contributions - employer (City)	\$ 1,430,224	\$ 28,735	\$ 37,897	\$ 38,846	\$ 33,729	\$ 261,740	\$ 68,240
Contributions - employer (State)	342,773	344,843	319,503	301,180	299,282	-	263,432
Contributions - non-employer contributing entity (BSO)	-	1,317,193	1,253,792	1,117,071	865,777	-	921,133
Contributions - employee	11,222	19,937	91,839	37,028	173,408	92,898	43,899
Net investment income	849,853	1,533,635	2,204,851	3,060,337	2,376,767	(91,957)	2,463,427
Benefit payments	(2,116,849)	(2,062,483)	(1,783,947)	(1,705,552)	(1,675,341)	(1,886,260)	(1,619,438)
Administrative expenses	(89,038)	(95,515)	(97,551)	(77,654)	(94,541)	(77,791)	(65,442)
Net change in plan fiduciary net position	428,185	1,086,345	2,026,384	2,771,256	1,979,081	(1,701,370)	2,075,251
Plan fiduciary net position - beginning	33,015,375	31,929,030	29,902,646	27,131,390	25,152,309	26,853,679	24,778,428
Plan fiduciary net position - ending	<u>\$ 33,443,560</u>	<u>\$ 33,015,375</u>	<u>\$ 31,929,030</u>	<u>\$ 29,902,646</u>	<u>\$ 27,131,390</u>	<u>\$ 25,152,309</u>	<u>\$ 26,853,679</u>
Net pension liability	\$ 3,713,987	\$ 3,233,661	\$ 3,147,667	\$ 4,012,603	\$ 5,510,357	\$ 6,282,147	\$ 4,189,799
Plan fiduciary net position as a percentage of the total pension liability	90.00%	91.08%	91.03%	88.17%	83.12%	80.02%	86.50%
Covered payroll	\$ 131,668	\$ 222,733	\$ 379,803	\$ 492,517	\$ 605,532	\$ 606,307	\$ 583,916
Net pension liability as a percentage of covered payroll	2820.72%	1451.81%	828.76%	814.71%	910.00%	1036.13%	717.53%

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
POLICE OFFICERS PENSION PLAN**

Reporting period:	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Actuarially determined contribution	\$ 1,758,940	\$ 1,752,785	\$ 1,625,926	\$ 1,562,525	\$ 1,461,567	\$ 1,531,436	\$ 1,380,815	\$ 1,048,841
Actual City Contribution	1,758,940	1,721,857	1,638,596	1,571,687	1,426,753	1,198,788	261,740	1,252,805
Contribution Deficiency/(Excess)	<u>\$ -</u>	<u>\$ 30,928</u>	<u>\$ (12,670)</u>	<u>\$ (9,162)</u>	<u>\$ 34,814</u>	<u>\$ 332,648</u>	<u>\$ 1,119,075</u>	<u>\$ (203,964)</u>
Covered payroll	\$ 145,965	\$ 131,668	\$ 222,733	\$ 379,803	\$ 492,517	\$ 605,532	\$ 606,307	\$ 583,916
Contributions as a percentage of covered payroll	1205.04%	1307.73%	735.68%	413.82%	289.69%	197.97%	43.17%	214.55%

Notes to Schedule:

Actuarial cost method	Entry Age Normal
Asset valuation method	Level dollar
Remaining amortization period	5 years
Asset valuation method	5 years smoothed market
Inflation	2.50%
Salary increases	5-10%, based on service, including inflation
Investment rate of return	6.80%
Retirement age	100% when first eligible for Normal Retirement or DROP entry
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for post-retirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS) for the July 1, 2018 actuarial valuation, as mandated by Chapter 112.63, Florida Statutes.

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:	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Annual money-weighted rate of return	21.10%	3.00%	4.99%	7.78%	11.44%	9.56%	0.05%	10.30%

Note 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 NET PENSION LIABILITY AND RELATED RATIOS
FLORIDA MUNICIPAL PENSION TRUST FUND

Measurement date as of:	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Total pension liability:							
Service cost	\$ 56,316	\$ 56,316	\$ 60,324	\$ 57,604	\$ 51,781	\$ 51,781	\$ 43,630
Interest	703,653	351,780	363,172	327,264	330,375	313,814	356,197
Difference between expected and actual experience	(106,553)	(56,902)	(22,497)	201,569	-	11,098	-
Assumption changes	(186,088)	-	-	85,442	(125,142)	126,551	-
Benefit payments	(753,995)	(295,462)	(559,765)	(246,044)	(244,921)	(244,921)	(350,405)
Net change in total pension liability	(286,667)	55,732	(158,766)	425,835	12,093	258,323	49,422
Total pension liability - beginning	5,184,653	5,128,921	5,287,687	4,861,852	4,849,759	4,591,436	4,542,014
Total pension liability - ending	<u>\$ 4,897,986</u>	<u>\$ 5,184,653</u>	<u>\$ 5,128,921</u>	<u>\$ 5,287,687</u>	<u>\$ 4,861,852</u>	<u>\$ 4,849,759</u>	<u>\$ 4,591,436</u>
Plan fiduciary net position:							
Contributions - employer (City)	\$ -	\$ 137,084	\$ 378,645	\$ 415,079	\$ 407,167	\$ 366,299	\$ 506,288
Contributions - employee	9,254	23,114	31,616	31,636	30,554	29,366	28,150
Net investment income	1,276,106	267,552	347,409	536,281	289,334	(9,895)	240,525
Benefit payments	(753,995)	(295,462)	(559,765)	(246,044)	(244,921)	(244,921)	(261,166)
Administrative expenses	(26,991)	(14,159)	(17,383)	(10,544)	(8,288)	(12,748)	(7,138)
Net change in plan fiduciary net position	504,374	118,129	180,522	726,408	473,846	128,101	506,659
Plan fiduciary net position - beginning	5,059,927	4,941,798	4,761,276	4,034,868	3,561,022	3,432,921	2,926,262
Plan fiduciary net position - ending	<u>\$ 5,564,301</u>	<u>\$ 5,059,927</u>	<u>\$ 4,941,798</u>	<u>\$ 4,761,276</u>	<u>\$ 4,034,868</u>	<u>\$ 3,561,022</u>	<u>\$ 3,432,921</u>
Net pension (asset) liability	\$ (666,315)	\$ 124,726	\$ 187,123	\$ 526,411	\$ 826,984	\$ 1,288,737	\$ 1,158,515
Plan fiduciary net position as a percentage of the total pension liability	113.6%	97.6%	96.4%	90.0%	83.0%	73.4%	74.8%
Covered payroll	\$ 161,650	\$ 298,277	\$ 303,864	\$ 288,873	\$ 266,146	\$ 266,146	\$ 255,910
Net pension (asset) liability as a percentage of covered payroll	-412.2%	41.8%	61.6%	182.2%	310.7%	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 CITY CONTRIBUTIONS
FLORIDA MUNICIPAL PENSION TRUST FUND**

Reporting period:	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Actuarially determined contribution	\$ 103,310	\$ 158,132	\$ 158,132	\$ 174,977	\$ 210,104	\$ 183,587	\$ 183,587	\$ 506,288
Actual City Contribution	-	-	137,084	378,645	415,079	407,167	366,299	506,288
Contribution Deficiency/(Excess)	<u>\$ 103,310</u>	<u>\$ 158,132</u>	<u>\$ 21,048</u>	<u>\$ (203,668)</u>	<u>\$ (204,975)</u>	<u>\$ (223,580)</u>	<u>\$ (182,712)</u>	<u>\$ -</u>
Covered payroll	\$ 161,650	\$ 298,277	\$ 298,277	\$ 303,864	\$ 288,873	\$ 266,146	\$ 266,146	\$ 255,910
Contributions as a percentage of covered payroll	0.00%	0.00%	45.96%	124.61%	143.69%	152.99%	137.63%	197.84%

Notes to Schedule:

Inflation	2.62%
Salary increases	4.00% per annum
Mortality	Sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.

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 AND RELATED RATIOS
FLORIDA RETIREMENT SYSTEM PENSION PLAN

Reporting period as of: Measurement date as of:	<u>9/30/2021</u> 6/30/2021	<u>9/30/2020</u> 6/30/2020	<u>9/30/2019</u> 6/30/2019	<u>9/30/2018</u> 6/30/2018	<u>9/30/2017</u> 6/30/2017	<u>9/30/2016</u> 6/30/2016	<u>9/30/2015</u> 6/30/2015	<u>9/30/2014</u> 6/30/2014
City's proportion of the FRS net pension liability	0.008600007%	0.007707528%	0.007853738%	0.007980310%	0.006409960%	0.005146441%	0.483135000%	0.003887584%
City's proportionate share of the FRS net pension liability	649,633	3,340,556	2,704,718	2,403,711	1,896,021	1,299,481	624,034	237,200
Covered payroll	\$ 4,398,150	\$ 4,095,748	\$ 3,788,107	\$ 2,873,589	\$ 2,799,670	\$ 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 payroll	14.77%	81.56%	71.40%	83.65%	67.72%	78.43%	51.55%	22.24%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

Notes to the Schedule:

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

A publicly available financial statement for the Plan can be obtained from the Florida Department of Management Services (DMS), Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida 32315-9000: phone 850-488-5706; website (www.dms.myflorida.com) which includes additional financial reporting requirements, including the annual money-weighted rate of return on pension investments.

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

Reporting period:	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Contractually required FRS contribution	\$ 327,623	\$ 256,087	\$ 243,523	\$ 229,865	\$ 166,867	\$ 125,504	\$ 117,792	\$ 85,155
FRS contributions in relation to the contractually required FRS contribution	327,623	256,087	243,523	229,865	166,867	125,504	117,792	85,155
FRS Contribution Deficiency/(Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,398,150	\$ 4,095,748	\$ 3,836,597	\$ 3,788,107	\$ 2,873,589	\$ 2,799,670	\$ 1,656,858	\$ 1,210,578
FRS contributions as a percentage of covered payroll	7.45%	6.25%	6.35%	6.07%	5.81%	4.48%	7.11%	7.03%

Notes to Schedule:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.8%, net of pension plan investment expense, including inflation
Mortality	PUB-2010 base

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

A publicly available financial statement for the Plan can be obtained from the Florida Department of Management Services (DMS), Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida 32315-9000: phone 850-488-5706; website (www.dms.myflorida.com) which includes additional financial reporting requirements, including the annual money-weighted rate of return on pension investments.

CITY OF COOPER CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS
RETIREE HEALTH INSURANCE SUBSIDY PENSION PLAN

Reporting period as of: Measurement date as of:	<u>9/30/2021</u> 6/30/2021	<u>9/30/2020</u> 6/30/2020	<u>9/30/2019</u> 6/30/2019	<u>9/30/2018</u> 6/30/2018	<u>9/30/2017</u> 6/30/2017	<u>9/30/2016</u> 6/30/2016	<u>9/30/2015</u> 6/30/2015	<u>9/30/2014</u> 6/30/2014
City's proportion of the HIS net pension liability	0.012486940%	0.012233992%	0.012070592%	0.012040480%	0.009212296%	0.007545538%	0.006719761%	0.005526173%
City's proportionate share of the HIS net pension liability	1,531,711	1,493,751	1,350,579	1,274,378	985,021	879,401	685,310	516,711
Covered payroll	\$ 4,398,150	\$ 4,095,748	\$ 3,788,107	\$ 2,873,589	\$ 2,799,670	\$ 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 payroll	34.83%	36.47%	35.65%	44.35%	35.18%	53.08%	56.61%	48.45%
FRS Plan fiduciary net position as a percentage of the HIS total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

Notes to the Schedule:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	2.16%, net of pension plan investment expense, including inflation
Mortality	PUB-2010 base

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

A publicly available financial statement for the Plan can be obtained from the Florida Department of Management Services (DMS), Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida 32315-9000: phone 850-488-5706; website (www.dms.myflorida.com) which includes additional financial reporting requirements, including the annual money-weighted rate of return on pension investments.

**CITY OF COOPER CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
RETIREE HEALTH INSURANCE SUBSIDY PENSION PLAN**

Reporting period:	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Contractually required HIS contribution	\$ 73,398	\$ 70,499	\$ 67,027	\$ 65,493	\$ 48,754	\$ 38,676	\$ 25,687	\$ 18,931
HIS contributions in relation to the contractually required HIS contribution	73,398	70,499	67,027	65,493	48,754	38,676	25,687	18,931
HIS Contribution Deficiency/(Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,398,150	\$ 4,095,748	\$ 3,836,597	\$ 3,788,107	\$ 2,873,589	\$ 2,799,670	\$ 1,656,858	\$ 1,210,578
HIS contributions as a percentage of covered payroll	1.67%	1.72%	1.75%	1.73%	1.70%	1.38%	1.55%	1.56%
Notes to Schedule:								
Inflation	2.40%							
Salary increases	3.25%, average, including inflation							
Investment rate of return	2.16%							

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

A publicly available financial statement for the Plan can be obtained from the Florida Department of Management Services (DMS), Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida 32315-9000: phone 850-488-5706; website (www.dms.myflorida.com) which includes additional financial reporting requirements, including the annual money-weighted rate of return on pension investments.

CITY OF COOPER CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:				
Service Cost	\$ 224,943	\$ 200,267	\$ 345,032	\$ 333,449
Interest on total OPEB liability	148,526	230,300	226,550	212,199
Experience differences	-	(297,119)	-	(99,432)
Changes of assumptions and other inputs	(205,237)	757,078	38,360	(41,026)
Benefit payments	(415,683)	(362,181)	(429,273)	(332,286)
Other Changes	-	-	615	(134,672)
Net change in total OPEB liability	<u>(247,451)</u>	<u>528,345</u>	<u>181,284</u>	<u>(61,768)</u>
Total OPEB liability - beginning	<u>7,148,303</u>	<u>6,619,958</u>	<u>6,438,674</u>	<u>6,500,442</u>
Total OPEB liability - ending	<u><u>\$ 6,900,852</u></u>	<u><u>\$ 7,148,303</u></u>	<u><u>\$ 6,619,958</u></u>	<u><u>\$ 6,438,674</u></u>
 Covered-employee payroll	 \$ 5,806,899	 \$ 5,498,370	 \$ 6,772,929	 \$ 6,608,393
Total OPEB liability as a percentage of covered-employee payroll	118.84%	130.01%	97.74%	97.43%

Notes to the Schedule:

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

The City is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB statement No. 75 for payment of future OPEB benefits.

THIS PAGE INTENTIONALLY LEFT BLANK

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted or committed/assigned to expenditures for particular purposes. The following

Building Inspection Fund – This fund is used to account for the financial transactions of the building department.

Road and Bridge Fund – This fund is used to account for the receipt and disbursement of funds earmarked for construction and maintenance of streets, roads, and bridges.

Police Confiscation Fund – This fund is used to account for assets confiscated from individuals who have committed a crime. Available funds can only be spent on a very limited range of policing-related activities.

Tree Trust Fund – This fund is used to account for the maintenance and preservation of trees throughout the City

CITY OF COOPER CITY, FLORIDA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Building Inspection Fund	Road and Bridge Fund	Police Confiscation Fund	Tree Trust Fund	
Assets					
Cash and cash equivalents	\$ 1,280,078	\$ 670,745	\$ 195,682	\$ 162,936	\$ 2,309,441
Investments	109,026	57,139	16,670	13,880	196,715
Due from other governments	10,784	48,250	-	-	59,034
Total assets	<u>\$ 1,399,888</u>	<u>\$ 776,134</u>	<u>\$ 212,352</u>	<u>\$ 176,816</u>	<u>\$ 2,565,190</u>
Liabilities, deferred inflows of resources and fund balances					
Liabilities					
Accounts payable	\$ 2,275	\$ 228,555	\$ -	\$ 69,203	\$ 300,033
Accrued liabilities	16,145	-	-	-	16,145
Total liabilities	<u>18,420</u>	<u>228,555</u>	<u>-</u>	<u>69,203</u>	<u>316,178</u>
Deferred inflows of resources					
Unavailable revenue	<u>10,784</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,784</u>
Fund balances					
Restricted					
Building department	1,370,684	-	-	-	1,370,684
Culture and recreation	-	-	-	107,613	107,613
Transportation	-	547,579	-	-	547,579
Public safety	-	-	212,352	-	212,352
Total fund balances	<u>1,370,684</u>	<u>547,579</u>	<u>212,352</u>	<u>107,613</u>	<u>2,238,228</u>
Total liabilities and fund balances	<u>\$ 1,399,888</u>	<u>\$ 776,134</u>	<u>\$ 212,352</u>	<u>\$ 176,816</u>	<u>\$ 2,565,190</u>

CITY OF COOPER CITY, FLORIDA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Building Inspection Fund	Road and Bridge Fund	Police Confiscation Fund	Tree Trust	
Revenues					
Licenses and permits	\$ 2,010,614	\$ -	\$ -	\$ -	\$ 2,010,614
Intergovernmental revenues	-	885,124	-	-	885,124
Charges for services	50,204	-	-	-	50,204
Fines and forfeitures	-	-	1,384	-	1,384
Investment earnings	(73)	(143)	19	25	(172)
Miscellaneous revenues	2,845	-	-	263,891	266,736
Total revenues	2,063,590	884,981	1,403	263,916	3,213,890
Expenditures					
Current					
Public safety	820,608	-	-	-	820,608
Transportation	-	1,333,557	-	-	1,333,557
Culture and recreation	-	-	-	156,303	156,303
Total expenditures	820,608	1,333,557	-	156,303	2,310,468
Excess (deficiency) of revenues over (under) expenditures	1,242,982	(448,576)	1,403	107,613	903,422
Other financing sources (uses)					
Transfers in	-	756,514	-	-	756,514
Transfers out	(307,213)	-	-	-	(307,213)
Total other financing sources (uses)	(307,213)	756,514	-	-	449,301
Change in fund balances	935,769	307,938	1,403	107,613	1,352,723
Fund balances, beginning of year	434,915	239,641	210,949	-	885,505
Fund balances, end of year	\$ 1,370,684	\$ 547,579	\$ 212,352	\$ 107,613	\$ 2,238,228

CITY OF COOPER CITY, FLORIDA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021**

	Pension Trust Funds			
	General Employees	Police	Firefighters	Totals
Assets				
Cash and cash equivalents	\$ 1,214,837	\$ 2,123,421	\$ 806,620	\$ 4,144,878
Receivables/prepays				
Employer contributions	2,317	331,729	5,311	339,357
Employee contributions	-	474	-	474
Prepaid items	1,308	-	-	1,308
Interest receivable	31,301	21,762	17,320	70,383
Other receivables	-	-	3,767	3,767
Total receivables	34,926	353,965	26,398	415,289
Investments, at fair value				
U.S. government and agency securities	2,622,490	5,294,637	5,403,149	13,320,276
Corporate bonds	3,732,121	1,868,349	1,311,185	6,911,655
Equity securities	28,886,820	11,828,691	3,391,100	44,106,611
Equity mutual funds	32,747	10,826,370	13,701,657	24,560,774
Collateralized mortgage obligations	1,102,526	-	-	1,102,526
Mortgage/asset backed securities	1,422,835	-	-	1,422,835
Municipal obligations	201,066	-	-	201,066
Foreign bonds notes & debentures	146,452	-	-	146,452
Commingled real estate funds	4,883,144	5,723,936	2,370,781	12,977,861
Total investments	43,030,201	35,541,983	26,177,872	104,750,056
Total assets	44,279,964	38,019,369	27,010,890	109,310,223
Liabilities				
Accounts payable	87,831	37,976	24,585	150,392
Total liabilities	87,831	37,976	24,585	150,392
Deferred Inflows				
Advanced contributions from employer	-	7,271	-	7,271
Total deferred inflows	-	7,271	-	7,271
Net Position				
Restricted for pension benefits - active and retired members' benefits	\$ 44,192,133	\$ 37,974,122	\$ 26,986,305	\$ 109,152,560

CITY OF COOPER CITY, FLORIDA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	General Employees	Police	Firefighters	Total
Additions				
Contributions:				
City	\$ 773,105	\$ 1,472,829	\$ 98,900	\$ 2,344,834
Employees	240,793	11,577	-	252,370
Broward County Sheriff's Office	207,952	-	338,886	546,838
State/other	8,128	331,729	227,032	566,889
Total contributions:	<u>1,229,978</u>	<u>1,816,135</u>	<u>664,818</u>	<u>3,710,931</u>
Investment income:				
Net increase in fair market value	6,908,490	6,265,078	3,737,175	16,910,743
Interest and dividend income	834,855	632,200	566,027	2,033,082
Less investment expenses	(259,382)	(183,835)	(112,880)	(556,097)
Net investment income	<u>7,483,963</u>	<u>6,713,443</u>	<u>4,190,322</u>	<u>18,387,728</u>
Total additions	<u>8,713,941</u>	<u>8,529,578</u>	<u>4,855,140</u>	<u>22,098,659</u>
Deductions				
Pension benefits	2,143,785	2,231,781	1,611,547	5,987,113
DROP distributions	619,429	1,494,697	432,730	2,546,856
Share distributions	-	188,760	-	188,760
Administrative expenses	133,897	83,778	80,100	297,775
Total deductions	<u>2,897,111</u>	<u>3,999,016</u>	<u>2,124,377</u>	<u>9,020,504</u>
Change in net position	5,816,830	4,530,562	2,730,763	13,078,155
Net position, restricted for pension benefits				
Beginning of year	<u>38,375,303</u>	<u>33,443,560</u>	<u>24,255,542</u>	<u>96,074,405</u>
End of year	<u>\$ 44,192,133</u>	<u>\$ 37,974,122</u>	<u>\$ 26,986,305</u>	<u>\$ 109,152,560</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, 2021

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Impact fees				
Public safety	\$ 1,000	\$ 1,000	\$ 4,022	\$ 3,022
Park improvement	2,000	2,000	19,200	17,200
General government	15,000	15,000	61,370	46,370
Intergovernmental revenues	-	-	272,560	272,560
Investment earnings	2,000	2,000	(94)	(2,094)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>357,058</u>	<u>337,058</u>
Expenditures				
Capital outlay				
Culture and recreation	146,000	146,000	141,158	4,842
Total expenditures	<u>146,000</u>	<u>146,000</u>	<u>141,158</u>	<u>4,842</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(126,000)</u>	<u>(126,000)</u>	<u>215,900</u>	<u>341,900</u>
Other financing sources				
Interest on interfund loan	-	-	(141,361)	141,361
Transfers in	576,230	502,980	576,230	73,250
Transfers out	(417,230)	(417,230)	-	417,230
Total other financing sources	<u>159,000</u>	<u>85,750</u>	<u>434,869</u>	<u>631,841</u>
Change in fund balance	33,000	(40,250)	650,769	973,741
Fund balance, beginning of year	(688,015)	(688,015)	(688,015)	-
Fund balance, end of year	<u>\$ (655,015)</u>	<u>\$ (728,265)</u>	<u>\$ (37,246)</u>	<u>\$ 973,741</u>

CITY OF COOPER CITY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUILDING INSPECTION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 1,075,663	\$ 1,075,663	\$ 2,010,614	\$ 934,951
Charges for services	75,000	75,000	50,204	(24,796)
Investment earnings	1,500	1,500	(73)	(1,573)
Miscellaneous revenues	3,000	3,000	2,845	(155)
Total revenues	<u>1,155,163</u>	<u>1,155,163</u>	<u>2,063,590</u>	<u>908,427</u>
Expenditures				
Current				
Public safety	<u>847,950</u>	<u>847,950</u>	<u>820,608</u>	<u>27,342</u>
Total expenditures	<u>847,950</u>	<u>847,950</u>	<u>820,608</u>	<u>27,342</u>
Excess of revenues over expenditures	<u>307,213</u>	<u>307,213</u>	<u>1,242,982</u>	<u>935,769</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	<u>(307,213)</u>	<u>(307,213)</u>	<u>(307,213)</u>	<u>-</u>
Total other financing sources (uses)	<u>(307,213)</u>	<u>(307,213)</u>	<u>(307,213)</u>	<u>-</u>
Net change in fund balances	-	-	935,769	935,769
Fund balances, beginning of year	434,915	434,915	434,915	-
Fund balances, end of year	<u>\$ 434,915</u>	<u>\$ 434,915</u>	<u>\$ 1,370,684</u>	<u>\$ 935,769</u>

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues				
Local option fuel tax	\$ 320,344	\$ 320,344	\$ 339,423	\$ 19,079
Additional local option fuel tax	221,702	221,702	237,996	16,294
State revenue sharing	243,440	243,440	307,705	64,265
Investment earnings	5,000	5,000	(143)	(5,143)
Total revenues	<u>790,486</u>	<u>790,486</u>	<u>884,981</u>	<u>94,495</u>
 Expenditures				
Current				
Transportation	<u>1,547,000</u>	<u>1,622,000</u>	<u>1,333,557</u>	<u>288,443</u>
Total expenditures	<u>1,547,000</u>	<u>1,622,000</u>	<u>1,333,557</u>	<u>288,443</u>
 Deficiency of revenues under expenditures	<u>(756,514)</u>	<u>(831,514)</u>	<u>(448,576)</u>	<u>382,938</u>
 Other financing sources (uses)				
Transfers in	<u>756,514</u>	<u>756,514</u>	<u>756,514</u>	<u>-</u>
Change in fund balance	-	(75,000)	307,938	382,938
Fund balance, beginning of year	<u>239,641</u>	<u>239,641</u>	<u>239,641</u>	<u>-</u>
Fund balance, end of year	<u>\$ 239,641</u>	<u>\$ 164,641</u>	<u>\$ 547,579</u>	<u>\$ 382,938</u>

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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Fines and forfeitures	\$ 24,000	\$ 24,000	\$ 1,384	\$ (22,616)
Investment earnings	2,000	2,000	19	(1,981)
Total revenues	26,000	26,000	1,403	(24,597)
Expenditures				
Current				
Public safety	236,903	236,903	-	236,903
Total expenditures	236,903	236,903	-	236,903
Change in fund balance	(210,903)	(210,903)	1,403	212,306
Fund balance, beginning of year	210,949	210,949	210,949	-
Fund balance, end of year	\$ 46	\$ 46	\$ 212,352	\$ 212,306

CITY OF COOPER CITY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
TREE TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Miscellaneous revenues	\$ 175,791	\$ 175,791	\$ 263,891	\$ 88,100
Investment earnings	-	-	25	25
Total revenues	175,791	175,791	263,916	88,125
Expenditures				
Current				
Culture and recreation	163,500	163,500	156,303	7,197
Total expenditures	163,500	163,500	156,303	7,197
Change in fund balance	12,291	12,291	107,613	95,322
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ 12,291	\$ 12,291	\$ 107,613	\$ 95,322

THIS PAGE INTENTIONALLY LEFT BLANK

STATISTICAL SECTION
(Unaudited)

This section of the City of Cooper City, Florida's Annual Comprehensive Financial Report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information and how it relates to the City's overall financial health.

	<u>PAGE</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time	136
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax..	141
Debt Capacity	
These schedules present information to 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..	145
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.....	149
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.....	151

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

City of Cooper City, Florida
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Table 1)
(Amounts expressed in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
Net investment in capital assets	\$ 46,474	\$ 42,338	\$ 41,965	\$ 43,811	\$ 45,488	\$ 45,407	\$ 50,232	\$ 55,530	\$ 53,925	\$ 51,321
Restricted	507	553	533	861	-	-	461	1,055	885	2,238
Unrestricted	6,345	12,668	12,945	1,181	(91)	2,441	(5,868)	(7,321)	(4,533)	146
Total governmental activities net assets	\$ 53,326	\$ 55,559	\$ 55,443	\$ 45,853	\$ 45,397	\$ 47,848	\$ 44,825	\$ 49,264	\$ 50,277	\$ 53,705
Business-type activities:										
Net investment in capital assets	\$ 34,607	\$ 34,543	\$ 35,835	\$ 45,558	\$ 48,450	\$ 51,553	\$ 51,442	\$ 49,269	\$ 47,823	\$ 47,443
Restricted	1,494	51	5	-	-	88	-	-	-	-
Unrestricted	11,814	17,012	18,013	12,265	9,862	7,385	5,296	6,566	8,608	9,576
Total business-type activities net assets	\$ 47,915	\$ 51,606	\$ 53,853	\$ 57,823	\$ 58,312	\$ 59,026	\$ 56,738	\$ 55,835	\$ 56,431	\$ 57,019
Primary government:										
Invested in capital assets, net of related debt	\$ 81,081	\$ 76,881	\$ 77,800	\$ 89,369	\$ 93,938	\$ 96,960	\$ 101,674	\$ 104,799	\$ 101,748	\$ 98,764
Restricted	2,001	604	538	861	-	88	461	1,055	885	2,238
Unrestricted	18,159	29,680	30,958	13,446	9,771	9,826	(572)	(755)	4,075	9,722
Total primary government net assets	\$ 101,241	\$ 107,165	\$ 109,296	\$ 103,676	\$ 103,709	\$ 106,874	\$ 101,563	\$ 105,099	\$ 106,708	\$ 110,724

City of Cooper City, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Table 2)
(Amounts expressed in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General Government	\$ 4,264	\$ 4,554	\$ 4,286	\$ 3,727	\$ 5,395	\$ 4,629	\$ 4,927	\$ 5,242	\$ 4,968	\$ 5,758
Public Safety	18,162	17,653	20,113	18,442	22,411	22,563	24,643	25,626	29,547	26,519
Physical Environment	1,121	1,089	1,019	618	714	790	798	725	639	598
Transportation	646	1,750	1,422	1,613	1,909	1,852	1,783	1,311	2,256	1,608
Culture and Recreation	3,208	3,044	3,085	2,788	3,186	3,662	7,615	4,285	4,208	5,066
Interest on interfund loan	-	-	-	-	-	-	-	-	-	141
Interest on long-term debt	65	48	40	32	27	19	11	2	-	-
Total governmental activities expenses	\$ 27,466	\$ 28,138	\$ 29,965	\$ 27,220	\$ 33,642	\$ 33,515	\$ 39,777	\$ 37,191	\$ 41,618	\$ 39,690
Business-type activities:										
Water and sewer utility	\$ 8,678	\$ 9,595	\$ 9,035	\$ 8,427	\$ 11,389	\$ 11,469	\$ 11,691	\$ 11,724	\$ 12,048	\$ 10,534
Parking facilities	40	58	54	96	140	143	101	127	92	111
Stormwater utility	365	329	346	366	399	403	447	370	502	418
Total business-type activities expenses	9,083	9,982	9,435	8,889	11,928	12,015	12,239	12,221	12,642	11,063
Total primary government expenses	\$ 36,549	\$ 38,120	\$ 39,400	\$ 36,109	\$ 45,570	\$ 45,530	\$ 52,016	\$ 49,412	\$ 54,260	\$ 50,753
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	\$ 117	\$ 157	\$ 173	\$ 171	\$ 1,154	\$ 1,263	\$ 244	\$ 197	\$ 138	\$ 335
Public Safety	5,962	5,885	5,513	5,730	5,595	5,498	6,211	5,690	6,133	7,078
Transportation	52	52	54	55	-	-	-	-	-	-
Culture and Recreation	596	566	527	530	634	973	748	731	274	313
Human Services	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	273	625	115	136	-	497	49	176	3,059	1,492
Capital grants and contributions	810	896	41	482	89	308	207	425	893	272
Total governmental activities program revenues	\$ 7,810	\$ 8,181	\$ 6,423	\$ 7,104	\$ 7,472	\$ 8,539	\$ 7,459	\$ 7,219	\$ 10,497	\$ 9,490
Business-type activities:										
Charges for services:										
Water and sewer utility	\$ 11,175	\$ 11,805	\$ 11,229	\$ 11,780	\$ 11,678	\$ 11,950	\$ 11,858	\$ 11,970	\$ 12,798	\$ 12,612
Parking facilities	96	95	136	99	89	106	123	126	124	146
Stormwater utility	279	282	129	114	280	283	311	321	320	481
Operating grants and contributions	-	-	-	-	-	76	-	-	-	-
Capital grants and contributions	-	-	521	5,193	259	202	220	314	331	179
Total business-type activities program revenues	11,550	12,182	12,015	17,186	12,306	12,617	12,512	12,731	13,573	13,418
Total primary government program revenues	\$ 19,360	\$ 20,363	\$ 18,438	\$ 24,290	\$ 19,778	\$ 21,156	\$ 19,971	\$ 19,950	\$ 24,070	\$ 22,908

City of Cooper City, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Table 2 - Continued)
(Amounts expressed in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (expense)/revenue										
Governmental activities	\$ (19,656)	\$ (19,957)	\$ (23,542)	\$ (20,116)	\$ (26,170)	\$ (24,976)	\$ (32,318)	\$ (29,972)	\$ (31,121)	\$ (30,200)
Business-type activities	2,467	2,200	2,580	8,297	378	602	273	510	931	2,355
Total primary government net expense	\$ (17,189)	\$ (17,757)	\$ (20,962)	\$ (11,819)	\$ (25,792)	\$ (24,374)	\$ (32,045)	\$ (29,462)	\$ (30,190)	\$ (27,845)
General Revenues and Other Charges in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 9,602	\$ 11,657	\$ 12,652	\$ 13,441	\$ 14,808	\$ 16,688	\$ 19,673	\$ 20,557	\$ 20,245	\$ 19,374
Franchise fees and utility taxes	5,740	5,939	6,273	6,310	6,126	6,072	6,132	6,307	6,125	6,261
Local option sales tax	-	-	-	-	2,173	2,204	2,307	2,311	2,070	2,423
Local option gasoline tax	-	-	-	-	597	614	615	619	539	577
Unrestricted intergovernmental revenues	-	-	-	-	1,525	1,361	1,380	2,455	2,402	2,021
Local business tax	-	-	-	-	-	-	-	-	-	362
Intergovernmental	2,950	3,480	3,416	7,135	-	-	-	-	-	-
Income on investments	100	41	106	109	156	203	173	229	145	-
Other revenues	148	375	209	285	315	283	246	271	180	492
Special item	28	-	-	-	-	-	-	-	-	-
Net transfers	622	698	772	932	14	-	1,290	1,662	428	2,118
Total governmental activities	\$ 19,190	\$ 22,190	\$ 23,428	\$ 28,212	\$ 25,714	\$ 27,425	\$ 31,816	\$ 34,411	\$ 32,134	\$ 33,628
Business-type activities:										
Income on investments	119	79	124	69	124	113	100	178	87	1
Interest on interfund loan	-	-	-	-	-	-	-	-	-	141
Other revenues	823	2,111	315	-	-	-	-	71	4	209
Net transfers	(622)	(698)	(772)	(932)	(14)	-	(1,290)	(1,662)	(427)	(2,118)
Total business-type activities	320	1,492	(333)	(863)	110	113	(1,190)	(1,413)	(336)	(1,767)
Total primary government	\$ 19,510	\$ 23,682	\$ 23,095	\$ 27,349	\$ 25,824	\$ 27,538	\$ 30,626	\$ 32,998	\$ 31,798	\$ 31,861
Change in Net Position										
Governmental activities	\$ (466)	\$ 2,233	\$ (114)	\$ 8,096	\$ (456)	\$ 2,449	\$ (502)	\$ 4,438	\$ 1,013	\$ 3,428
Business-type activities	2,787	3,692	2,247	7,434	488	715	(917)	(903)	595	588
Total primary government	\$ 2,321	\$ 5,925	\$ 2,133	\$ 15,530	\$ 32	\$ 3,164	\$ (1,419)	\$ 3,535	\$ 1,608	\$ 4,016

City of Cooper City, Florida
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Table 3)
(Amounts expressed in thousands)

	be									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 26	\$ 27	\$ 27	\$ 24	\$ 25	\$ 28	\$ 30	\$ 33	\$ 27	\$ 31
Restricted	-	-	-	-	-	-	249	-	-	-
Committed	-	-	-	-	-	-	-	-	-	3,450
Assigned	1,408	530	777	1,528	2,582	4,104	2,728	3,518	4,057	523
Unassigned	5,922	7,236	7,589	8,684	7,438	3,601	(134)	2,833	4,858	7,661
Total general fund	\$ 7,356	\$ 7,793	\$ 8,393	\$ 10,236	\$ 10,045	\$ 7,733	\$ 2,873	\$ 6,384	\$ 8,942	\$ 11,665
All other governmental funds										
Restricted, reported in:										
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 166	\$ 928	\$ 886	\$ 2,238
Debt Service Funds	-	-	-	-	-	-	45	126	-	-
Assigned, reported in:										
Special Revenue Funds	392	435	429	774	902	700	701	-	-	-
Debt Service Funds	115	117	105	88	72	61	-	-	-	-
Capital Projects Funds	3,837	4,376	4,396	4,718	4,838	5,830	3,652	-	-	-
Unassigned, reported in:										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Debt Service Funds	-	-	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	(2,312)	(688)	(37)
Total all other governmental funds	\$ 4,344	\$ 4,928	\$ 4,930	\$ 5,580	\$ 5,812	\$ 6,591	\$ 4,564	\$ (1,258)	\$ 198	\$ 2,201

City of Cooper City, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Table 4)
(Amounts expressed in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property taxes	\$ 9,602	\$ 11,657	\$ 12,652	\$ 13,441	\$ 14,808	\$ 16,688	\$ 19,673	\$ 20,557	\$ 20,245	\$ 19,374
Franchise fees and utility taxes	5,740	5,939	6,273	6,310	6,126	6,072	6,132	6,307	6,125	6,261
Licenses and permits	1,897	1,576	1,151	1,195	1,105	1,154	1,597	1,391	1,902	2,373
Intergovernmental revenues*	2,950	3,533	3,468	5,013	4,294	4,375	4,811	4,910	8,711	6,786
Charges for services	4,589	4,804	4,353	4,743	5,641	5,931	5,233	5,227	4,642	5,542
Fines and forfeitures	241	227	479	543	550	273	236	420	98	88
Impact fees	710	896	41	481	88	377	136	54	415	84
Grant revenues	-	-	-	-	907	33	49	601	-	-
Investment earnings	100	41	106	109	156	203	173	229	145	-
Miscellaneous revenues	594	944	379	372	316	283	246	267	181	492
Total revenues	26,423	29,617	28,902	32,207	33,991	35,389	38,286	39,963	42,464	41,000
Expenditures										
General government	3,976	4,299	3,918	4,224	5,121	4,848	4,871	4,785	4,690	5,611
Public safety	18,419	19,056	19,695	20,564	22,201	24,333	25,674	26,559	28,522	27,374
Physical environment	473	497	484	515	648	718	711	553	461	487
Transportation	643	1,750	1,422	1,196	1,242	1,494	1,462	1,018	1,973	1,334
Culture and recreation	2,641	2,493	2,473	2,406	2,784	3,854	7,145	3,474	3,045	3,303
Capital outlay	420	823	704	1,365	1,591	1,300	6,226	6,456	188	141
Debt service										
Principal retirement	458	327	334	341	349	356	364	200	-	-
Interest and fiscal charges	65	49	42	35	27	19	11	2	-	-
Total expenditures	27,095	29,294	29,072	30,646	33,963	36,922	46,464	43,047	38,879	38,250
Excess (deficiencies) of revenues over expenditures	(672)	323	(170)	1,561	28	(1,533)	(8,178)	(3,084)	3,585	2,750
Other Financing Sources (uses)										
Interest on interfund loan	-	-	-	-	-	-	-	-	-	(141)
Transfers in	1,194	2,299	2,257	2,791	2,285	2,495	5,940	2,309	2,453	3,719
Transfers out	(572)	(1,601)	(1,485)	(1,859)	(2,271)	(2,495)	(4,650)	(647)	(2,025)	(1,601)
Total other financing sources (uses)	622	698	772	932	14	-	1,290	1,662	428	1,977
Net change in fund balances	\$ (50)	\$ 1,021	\$ 602	\$ 2,493	\$ 42	\$ (1,533)	\$ (6,888)	\$ (1,422)	\$ 4,013	\$ 4,727
Debt service as a percentage of noncapital expenditures	2.0%	1.3%	1.3%	1.3%	1.2%	1.1%	0.9%	0.5%	0.0%	0.0%

*In fiscal year 2020 and 2021 the grant revenues are included in the intergovernmental revenues

City of Cooper City, Florida
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(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
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%
2017	4,266,200,670	55,014,530	1,665,031,000	2,656,184,200	4,321,215,200	6.5272	61.47%
2018	4,507,528,860	58,859,418	1,748,454,790	2,817,933,488	4,566,388,278	7.2678	61.71%
2019	4,770,857,970	63,672,124	1,877,438,250	2,957,091,844	4,834,530,094	7.2343	61.17%
2020	4,980,031,390	63,000,915	1,950,843,198	3,092,189,107	5,043,032,305	6.8102	61.32%
2021	5,088,974,500	65,402,239	1,917,410,180	3,236,966,559	5,154,376,739	6.2280	62.80%

Source: Certification from Broward County Property Appraisers Office.

Note⁽¹⁾: Property in Broward County is reassessed once every year, on average. The County assesses property at approximately 85-100% of actual value for commercial and industrial property and 85-100% 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
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
2012	5.053	0.2153	5.2679	5.553	7.418	0.479	0.750	0.436	0.035	19.939
2013	5.687	0.1906	5.8772	5.553	7.456	0.490	0.600	0.429	0.035	20.440
2014	5.709	0.1685	5.8772	5.723	7.480	0.488	0.400	0.411	0.035	20.414
2015	5.720	0.1570	5.8772	5.723	7.438	0.488	0.186	0.384	0.035	20.131
2016	5.929	0.1479	6.0772	5.723	7.274	0.488	0.174	0.355	0.032	20.123
2017	6.385	0.1425	6.5272	5.669	6.906	0.488	0.162	0.331	0.032	20.115
2018	7.135	0.1331	7.2678	5.669	6.539	0.488	0.150	0.310	0.032	20.456
2019	7.135	0.0996	7.2343	5.669	6.403	0.488	0.141	0.294	0.032	20.261
2020	6.810	-	6.8102	5.669	6.739	0.488	0.126	0.280	0.032	20.144
2021	6.228	-	6.2280	5.669	6.505	0.488	0.120	0.268	0.032	19.310

Source: Broward County, Florida Property Appraiser.

City of Cooper City, Florida
Principal Property Tax Payers
Current Year and Ten Years Ago
(Table 7)

Taxpayer	2021			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Morguard Monterra LLC	48,858,377	1	1.51%			
Florida Power & Light Co	37,419,965	2	1.16%	15,404,980	5	0.83%
Regency Centers LP	35,366,030	3	1.09%			
Publix Super Markets Inc	24,647,090	4	0.76%	19,608,970	3	1.05%
As Cooper City Owner LLC	22,886,323	5	0.71%			
Zom Monterra LP	22,359,502	6	0.69%			
Weingarten Realty Investors	19,330,880	7	0.60%	16,927,070	4	0.91%
Spg Cooper City Tr Spg Trust Corp Trstee	17,437,430	8	0.54%	10,232,010	7	0.55%
Wal-Mart Stores East LP	14,650,210	9	0.45%	10,422,940	6	0.56%
Stirling Property Investment LLC	14,539,330	10	0.45%			
CC Broward Property VII LLC				37,005,340	1	1.98%
IRT Property Company				21,478,520	2	1.15%
Centre at Stirling & Palm Inc.				9,740,400	8	0.52%
Prince of Cooper City LLC				9,090,010	9	0.49%
CC Broward Property LLC				8,740,020	10	0.47%
Total	<u>\$ 257,495,137</u>		<u>7.95%</u>	<u>\$ 158,650,260</u>		<u>8.51%</u>

Source: Broward County, Florida, Department of Revenue

City of Cooper City, Florida
Property Tax Levies and Collections
Last Ten Fiscal 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
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%
2017	16,951,589	16,315,865	96.25%	1,717	16,317,582	96.26%
2018	20,154,861	19,287,960	95.70%	5,016	19,292,976	95.72%
2019	21,129,592	20,242,064	95.80%	12,299	20,254,363	95.86%
2020	21,450,196	20,227,889	94.30%	925	20,228,814	94.31%
2021	20,990,930	19,369,417	92.28%	1,008	19,370,424	92.28%

Source: 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
Ratios 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			
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
2017	656	-	-	-	1,811	2,467	0.24%	115
2018	292	-	-	-	1,682	1,974	0.18%	89
2019	-	-	-	-	1,507	1,507	0.13%	137
2020	-	-	-	-	1,327	1,327	0.11%	120
2021	-	-	-	-	1,142	1,142	0.09%	100

Source: City's Audited Financial Statements

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

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

City of Cooper City, Florida
Ratios 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⁾
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	1,275	-	1,275	0.04%	36.51
2016	1,013	-	1,013	0.02%	28.64
2017	656	-	656	0.02%	18.53
2018	292	-	292	0.01%	8.17
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-

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.

Source: City's Audited Financial Statements

City of Cooper City, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2021
(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	\$ 84,173	1.54%	\$ 1,297
Broward School District Board ⁽²⁾	1,755,444	1.54%	27,044
Subtotal, overlapping debt	\$ 1,839,617		28,340
City of Cooper City, Direct Debt			-
Total Direct and Overlapping Debt			\$ 28,340

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

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, 2021.

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 Bond(s)			Water & Sewer Revenue Note(s)		
				Debt Service		Coverage	Debt Service		Coverage
				Principal	Interest		Principal	Interest	
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	-	-	-	-	-	-
2017	11,509	5,092	6,417	-	-	-	-	-	-
2018	11,463	7,859	3,604	-	-	-	-	-	-
2019	11,844	8,571	3,273	-	-	-	-	-	-
2020	12,769	8,815	3,954	-	-	-	-	-	-
2021	12,605	7,534	5,071	-	-	-	-	-	-

Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Stormwater Revenue Notes		
				Debt Service		Coverage
				Principal	Interest	
2018	311	245	66	173	40	0.31
2019	322	172	150	176	37	0.70
2020	320	285	35	180	33	0.16
2021	481	186	295	184	29	1.38

Source: City's Audited Financial Statements

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expense. Fiscal year 2017 was the first year for the Stormwater Fund note payable.

City of Cooper City, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years
(Table 13)

Year	Population ⁽¹⁾	Person Income ⁽²⁾ (In thousands)	Per Capita Personal Income ⁽²⁾	Median Age ⁽³⁾	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2012	29,076	918,198	31,579	41.0	5,950	7.6
2013	32,892	1,037,415	31,540	41.0	5,740	5.6
2014	33,206	1,051,304	31,660	41.0	5,926	5.2
2015	33,214	1,057,377	31,835	41.0	6,057	4.9
2016	33,761	1,010,089	29,919	41.0	6,350	4.6
2017	33,758	1,046,714	31,006	41.0	6,418	3.3
2018	33,900	1,125,745	33,208	41.0	6,476	2.8
2019	33,991	1,178,809	34,247	41.0	6,601	2.9
2020	34,006	1,239,964	42,301	41.0	6,375	7.8
2021	34,397	1,514,529	42,171	40.0	6,161	2.7

Sources: ⁽¹⁾Furnished by Buereau of Economic and Business Research, University of Florida
⁽²⁾Furnished by the Census Bureau's 2014-2018 QuickFacts
⁽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 Prior
(Table 14)

Employer	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
School Board	554	1	3.00%	411	2	4.24%
Publix	346	2	1.87%	421	1	4.34%
Wal-Mart	286	3	1.55%	405	3	4.18%
Integrated Medical Center	217	4	1.18%	124	6	1.28%
City of Cooper City	122	5	0.66%	97	7	1.00%
Leader Animal Specialty Hospital ⁽¹⁾	105	6	0.57%	64	10	0.66%
The Sheridan at Cooper City	101	7	0.55%	0	N/A	0.00%
Florida Solar & Air, Inc.	67	8	0.36%	0	N/A	0.00%
Walgreens	52	9	0.28%	65	9	0.67%
McDonalds	45	10	0.24%	0	N/A	0.00%
Beverly Hill Café ⁽²⁾	0	N/A	0.00%	65	8	0.67%
Winn-Dixie	0	N/A	0.00%	140	5	1.45%
High Point of Florida	0	N/A	0.00%	170	4	1.76%
Totals	1,895		10.27%	1,962		20.25%

Source: Various employers within the City.

Notes:

(1) Business previously known as Animal Medical Center.

(2) Beverly Hills Café closed on 10/2020.

City of Cooper City, Florida
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years
(Table 15)

Function/Program	2012	2013	2014	2015	2016	2017	2017	2017	2018	2019	2020	2021
Commission	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administration	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	4.0	3.0	3.0	3.0
Building	8.0	8.0	8.0	6.0	7.0	8.0	8.0	8.0	7.0	6.2	5.2	10.5
City Clerk	5.0	5.0	5.0	5.0	5.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0
Finance ⁽⁴⁾	6.0	6.0	6.0	7.0	8.0	8.0	8.0	8.0	9.0	9.0	8.7	8.7
Growth Management	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.6	2.6	-
Public Works												
Administration ⁽⁵⁾	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Property Maintenance	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.0
Parks Maintenance ⁽³⁾	12.0	12.0	12.0	11.0	11.0	11.0	11.0	11.0	11.0	15.1	15.1	15.6
Fleet Maintenance ⁽⁶⁾	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0
Recreation												
Administration ⁽²⁾	11.0	12.0	11.0	9.0	11.0	8.0	8.0	8.0	12.0	23.6	23.6	23.4
Utilities												
Administration	5.0	5.0	5.0	6.0	6.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0
Customer Service ⁽¹⁾⁽⁶⁾	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	5.3	5.1	5.1
Stormwater	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Wastewater												
Wastewater Transmission	9.0	9.0	9.0	9.0	8.0	7.0	7.0	7.0	7.0	8.0	8.0	8.0
Wastewater Plant	6.0	6.0	6.0	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Water												
Water Distribution ⁽⁶⁾	8.0	8.0	8.0	9.0	8.0	8.0	8.0	8.0	9.0	9.0	9.0	10.0
Water Plant	7.0	8.0	7.0	7.0	9.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Total	97.0	99.0	96.0	95.0	103.0	97.0	97.0	97.0	105.0	121.7	119.3	122.3

Source: Various City departments.

- Notes: ⁽¹⁾In 2019, Utilities Customer Service included part-time staff in the FTE count.
⁽²⁾In 2019, Recreation included part-time & seasonal staff in the FTE count.
⁽³⁾In 2019, Public Works-Parks Maintenance included part-time staff in the FTE count.
⁽⁴⁾In 2020, Sr Accountant position replaced Customer Svc Spvsr position in FY20 and is split between Finance and Utilities Customer Svc.
⁽⁵⁾In 2020, Capital Projects Coordinator position has been reclassified to a Field Operations Supervisor.
⁽⁶⁾In 2021, One Fleet Mechanic funded by Utilities (Dept 910 Water Distribution).

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick time.)
Full-time equivalent employment is calculated by dividing total labor hours by 2080.
In fiscal years prior to 2019, total number of positions was reported rather than FTE.

City of Cooper City, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Table 16)

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Building permits issued	4,854	3,314	2,316	2,765	2,488	2,605	3,450	2,888	2,677	3,592
Building inspections conducted	25,547	17,266	7,022	7,003	7,340	7,179	8,889	8,243	7,061	10,925
Police										
Arrests	541	477	423	460	404	393	296	333	243	172
Parking violations	951	584	148	1,081	772	756	621	769	613	116
Traffic violations	4,558	3,727	4,284	3,803	6,705	8,007	6,564	5,952	2,612	3,964
Fire										
Emergency responses	2,429	2,472	2,642	2,345	2,517	2,266	2,847	2,737	2,693	2,757
Fires Extinguished	45	50	49	30	34	32	17	16	46	17
Inspections	869	1,022	849	901	910	753	544	918	766	724
Streets										
Street resurfacing (miles)	-	0	1	-	6	2	1	-	7	3
Potholes repaired	186	173	129	105	133	125	214	115	203	217
Culture and recreation										
Athletic field permits issued	3	3	2	2	2	3	4	21	12	151
Community Center admissions	63,510	59,153	55,800	54,316	54,336	53,896	14,990	43,979	16,942	7,923
Pool & Tennis Center admissions	96,400	82,816	65,000	51,446	60,578	61,193	62,279	62,278	37,566	24,609
Water										
New connections	377	273	31	16	24	15	5	5	5	10
Water main breaks	12	3	3	1	2	2	4	6	-	3
Average daily consumption (thousands of gallons)	3,026	3,060	3,100	3,162	3,106	2,993	3,067	2,920	2,995	3,070
Peak daily consumption (thousands of gallons)	4,180	4,170	4,194	4,539	4,704	4,476	4,248	5,078	4,325	4,353
Wastewater										
Average daily sewage treatment (thousands of gallons)	2,634	2,439	2,485	2,550	2,450	2,447	2,447	2,491	2,551	2,560
Transportation										
Senior Citizens Bus Trips	2,493	2,218	2,172	2,592	3,138	2,906	3,922	3,576	1,077	1,490

Source: Various City Departments

City of Cooper City, Florida

**Capital Asset Statistics by Function
Last Ten Fiscal Years
(Table 17)**

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
City Hall building	1	1	1	1	1	1	1	1	1	1
Public safety										
Police:										
Station(s)	1	1	1	1	1	1	1	1	1	1
Fire:										
Station(s)	1	1	1	1	1	1	1	1	1	1
Streets										
Streets (miles)	74	121	121	121	121	121	121	121	121	121
Streetlights	2,052	2,052	2,052	2,052	2,052	2,100	2,101	2,101	2,101	2,101
Traffic signals	27	27	27	27	27	27	27	27	27	27
Culture and recreation										
Baseball/softball diamonds	12	11	12	11	11	11	11	11	11	11
Basketball courts	10	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	4	4	5	5	5
Hockey rinks	2	2	2	2	2	2	1	1	-	-
Multi-purpose fields		2	2	2	2	2	15	19	15	13
Parks	21	22	21	21	21	21	23	23	23	23
Parks acreage	106	106	106	106	106	106	106	106	106	106
Pavillions	5	5	5	5	5	5	5	5	7	7
Playgrounds	21	21	21	21	21	21	21	22	22	22
Racquetball Courts		10	10	10	10	10	10	10	10	10
Soccer/football fields	5	5	5	5	5	5	5	9	9	9
Tennis courts	15	15	15	15	14	14	14	14	14	14
Volleyball Courts		7	7	7	7	7	12	12	12	12
Pickleball Courts					2	2	2	6	6	8
Water										
Water plants	1	1	1	1	1	1	1	1	1	1
Water mains (miles)	105	105	105	141	141	141	141	141	143	144
Fire hydrants	1,115	1,115	1,115	1,289	1,289	1,379	1,379	1,379	1,397	1,410
Storage capacity (thousands of gallons)	1,800	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,550	3,550
Wastewater										
Wastewater treatment plants	1	1	1	1	1	1	1	1	1	1
Sanitary sewers Gravity (miles)	90	90	90	90	90	90	90	90	90	90
Sanitary sewers force (miles)				37	37	37	37	37	37	37
Storm sewers (miles)	50	51	11	55	55	55	55	55	57	57
Treatment capacity (thousands of gallons)	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000

Source: Various City Departments.

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF COOPER CITY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND LOCAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or Identifying Number</u>	<u>Total Award</u>	<u>Expenditures</u>
U.S. Department of Treasury				
<i>Pass-Through Broward County</i>				
Coronavirus Relief Fund - CARES	21.019	None	\$ 1,391,437	\$ 1,391,437
<i>Pass-Through Florida Division of Emergency Management</i>				
American Rescue Plan Act	21.027	Y5181 / FL0061	8,965,280	84,773
Total U.S. Department of Treasury				\$ 1,476,210
U.S. Department of Housing and Urban Development				
<i>Pass-Through Broward County</i>				
Community Development Block Grant	14.218	None	\$ 15,673	\$ 15,673
Total U.S. Department of Housing and Urban Development				\$ 15,673
U.S. Department of Interior, National Park Service				
<i>Pass-Through Florida Department of Environmental Protection</i>				
Outdoor Recreation, Acquisition, Development and Planning Land and Water Conservation Fund Grants	15.916	12-00658/LW058	\$ 199,994	\$ 199,994
Total U.S. Department of Interior, National Park Service				\$ 199,994
U.S. Department of Homeland Security				
<i>Pass-Through Florida Division of Emergency Management</i>				
Hazard Mitigation Grant Program	97.039	H0192	\$ 72,566	\$ 72,566
Total U.S. Department of Homeland Security				\$ 72,566
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 1,764,443
<u>Local Agency/Pass-Through Grantor/Program Title</u>		<u>Grant or Identifying Number</u>	<u>Total Award</u>	<u>Expenditures</u>
Broward County Local Awards				
Small Cities Grant - E-Permitting		None	\$ 6,000	\$ 6,000
Total Broward County Local Awards				\$ 6,000
TOTAL EXPENDITURES OF LOCAL AWARDS				\$ 6,000

See Notes to the Schedule of Expenditures of Federal Awards and Local Awards.

CITY OF COOPER CITY, FLORIDA
Notes to the Schedule of Expenditures of Federal Awards
and Local Awards
For the Year Ended September 30, 2021

NOTE A. BASIS FOR PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and Local Awards (the “Schedule”) includes the federal and local grant activity of the City of Cooper City, Florida (the “City”). The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, Audits of States, Local Governments, and Nonprofit Organizations, and Chapter 10.550, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City. Therefore, some amounts presented in the Schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Summary of Significant Accounting Policies

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

Contingency

The federal and local awards received are subject to audit and adjustment. If any expenditures are disallowed by the grantor agency as result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and other applicable regulations.

Indirect Cost Rate

The City has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Prior Year Expenditures

The Schedule includes financial assistance from the U.S. Department of Homeland Security and U.S Department of Interior, National Park Services in the amounts of \$72,566 and \$199,994, respectively, that represents expenditures from fiscal years 2017 to 2019.



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

To the Honorable Mayor, City Commissioners, and City Manager
City of Cooper City, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cooper City, Florida (the "City"), as of and for the year ended September 30, 2021, 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 30, 2022. Our report includes a reference to other auditors who audited the financial statements of the Pension Trust Funds of the City of Cooper City's Firefighters Retirement Plan and the City of Cooper City's 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit, we did not identify any deficiencies in internal controls that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item SD2021-001, that we consider to be a significant deficiency.

Compliance and Other Matters

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

City of Cooper City, Florida's Response to Finding

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

GLSC & Company, PLLC

Miami, Florida
June 30, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
CHAPTER 10.550, RULES OF THE FLORIDA AUDITOR GENERAL**

To the Honorable Mayor, City Commissioners, and City Manager
City of Cooper City, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of Cooper City, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2021. The City's major federal programs and are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, *Rules of the Florida Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Florida Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Cooper City, Florida, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2021.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General*. Accordingly, this report is not suitable for any other purpose.

GLSC & Company, PLLC

Miami, Florida
June 30, 2022



CITY OF COOPER CITY, FLORIDA

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

PRIOR YEAR FINANCIAL STATEMENT FINDING

SD 2021-001 (previously SD 2020-001)—Internal Controls Over Financial Closing and Reporting was repeated in the current year.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

**CITY OF COOPER CITY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS—
FEDERAL AWARDS AND LOCAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified? _____ yes x no

Significant deficiency(ies) identified? x yes _____ no

Noncompliance material to financial statements noted? _____ yes x no

Financial Awards

Type of auditors’ report issued on compliance for major federal programs and state projects:

Unmodified Opinion

Internal control over major federal programs and local awards:

Material weakness(es) identified? _____ yes x no

Significant deficiency(ies) identified? _____ yes x no

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Rule 10.554(1)(i)? _____ yes x no

Identification of major federal programs:

Federal program or cluster

CFDA No.

Coronavirus Relief Fund – CARES

21.019

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee? _____ yes x no

**CITY OF COOPER CITY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS—
FEDERAL AWARDS AND LOCAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

SECTION II – FINANCIAL STATEMENT FINDINGS

Significant Deficiency

SD 2021-001 (formerly) SD2020-001 Internal Controls Over Financial Closing & Reporting

Condition

During our audit, we identified several errors in the amounts recorded across various account balances, which resulted in the proposal of numerous audit adjustments. These audit adjustments were subsequently recorded by management. The errors detected included primarily errors in the accounting for fixed assets related to governmental activities on the government wide financial statements and certain year-end accrual adjustments. Such adjusting journal entries are typically completed as part of the financial statement month-end and/or year-end closing procedures.

Cause of Condition

There was turnover within the finance department, including turnover at the finance director position for two consecutive years near the City's fiscal year-end. The review of the financial statement closing was not performed timely and certain personnel with specialized knowledge of accounting procedures and policies were no longer employed by the City.

Effect

Potential effects of this condition could result in misstatement of multiple accounts affected and inaccurate reporting in the financial statements of the City at the time of the year-end financial reporting phase.

Recommendation

GLSC recommends that the City review its internal controls over financial reporting, including relevant policies and procedures, and assign the appropriate resources to complete and review the month-end and year-end accounting procedures in accordance with a detailed financial statement closing schedule.

View of Responsible Officials and Planned Corrective Action

See accompanying corrective action plan.



MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Honorable Mayor, City Commissioners, and City Manager
City of Cooper City, Florida

REPORT ON THE FINANCIAL STATEMENTS

We have audited 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, 2021, which collectively comprise the City’s basic financial statements and have issued our report thereon dated June 30, 2022. We did not audit the financial statements of Pension Trust Funds of the City of Cooper City’s Firefighters Retirement Plan or the City of Cooper City’s Police Officers Retirement Plan. Those financial statements were audited by other auditors whose reports thereon 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 reports 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*.

OTHER REPORTING REQUIREMENTS

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors’ Report on Compliance for each major Federal Program and Report on Internal control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated June 30, 2022 should be considered in conjunction with this management letter.

PRIOR AUDIT FINDINGS

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The prior year finding SD2020-001 was not fully corrected in the current fiscal year and remains in the schedule of findings and questioned costs as finding SD2021-001 for the year ended September 30, 2021.

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 was incorporated in 1959 pursuant to Chapter 59-1195 of the Laws of Florida. The City has no component units.

FINANCIAL CONDITION AND MANAGEMENT

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. This assessment was performed as of September 30, 2021.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. Refer to Item SD2021-001 in the Schedule of Findings and Questioned Costs.

ADDITIONAL MATTERS

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not identify 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 Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank the City of Cooper City, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor and the courtesies extended to us.

GLSC & Company, PLLC

Miami, Florida
June 30, 2022



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

Honorable Mayor, City Commissioners, and City Manager
City of Cooper City, Florida

We have examined City of Cooper City, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2021. 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination the City's compliance with specified requirements. In our opinion, the City complied, in all material respects, with the specified requirements for the year ended September 30, 2021.

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

GLSC & Company, PLLC

Miami, Florida
June 30, 2022

CORRECTIVE ACTION PLAN

June 30, 2022

The City of Cooper City respectfully submits the following corrective action plan for the year ended September 30, 2021.

FINDINGS—FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCY

2021-001 Internal Controls Over Financial Closing and Reporting

Management agrees with the recommendation. To rectify the deficiency, management will perform the following steps:

1. Effective July 1, 2022, the *Assistant Finance Director* will assume overall operational responsibility for correcting the identified Significant Deficiency “Internal Controls Over Financial Closing and Reporting”
2. The *Purchasing Agent* responsible for Fixed Asset tracking and monitoring will engage Cooper City’s ERP system provider (BS&A), to establish/engage a complete review of Cooper City’s Fixed Assets inventory. The review will be designed with the ultimate goal of reconciling Cooper City’s BS&A Fixed Asset module with Cooper City’s general ledger accounts.
3. Once BS&A Fixed Assets module is reconciled, the *Purchasing Agent* will be responsible for capturing on a monthly basis all Cooper City newly acquired Fixed Assets. Additionally, the Fixed Assets in BS&A’s module will be rolled forward (capturing the current months depreciation) on a monthly basis.
4. Cooper City CFO will review and monitor the progress of the initial reconciliation program. Once completed, the CFO will review the depreciation capture and rollforward schedule on a monthly basis.

It is anticipated the depreciation catchup/reconciliation program will take approximately ten to twelve weeks to complete.

Anticipated Completion Date: September 2022

Person(s) Responsible:

Aaron Kendrick

Chief Finance Officer

AKendrick@coopercityfl.gov

(954) 434-4300