



City of
Plymouth

Adding Quality to Life



Comprehensive Annual Financial Report

For the year ended December 31, 2013

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
CITY OF PLYMOUTH, MINNESOTA**

**For The Year Ended
December 31, 2013**

Dave Callister – City Manager

**Prepared by
Administrative Services Department, Finance Division**

**Members of the Government Finance Officers
Association of the United States and Canada**

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INTRODUCTORY SECTION

CITY OF PLYMOUTH, MINNESOTA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended December 31, 2013

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June 30, 2014

Honorable Mayor, Members of the City Council,
City Manager, and Residents
City of Plymouth, Minnesota

Minnesota Statutes require all cities to prepare and issue an annual report on their financial position and activity in accordance with U.S. Generally Accepted Accounting Principles (GAAP), and audited in accordance with U.S. Generally Accepted Auditing Standards by a firm of licensed certified public accountants, or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Plymouth for the fiscal year ended December 31, 2013.

This report consists of management's representations of the City of Plymouth's finances. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation for the city's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the city's comprehensive framework of internal controls was designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief the financial report is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position and results of operations of the city as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the city's financial affairs have been included.

The City of Plymouth's financial statements were audited by Malloy, Montague, Karnowski, Radosevich, & Co., P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended December 31, 2013, 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 that there was a reasonable basis for rendering an unmodified opinion that the City of Plymouth's financial statements for the fiscal year ended December 31, 2013, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The organization, form, and contents of this report were prepared in accordance with the standards prescribed by the Governmental Accounting Standards Board (GASB), the Government Finance Officers Association of the United States and Canada, the American Institute of Certified Public Accountants, the Minnesota State Auditor's Office, and the Plymouth City Charter.

This transmittal letter is designed to complement the Management Discussion and Analysis (MD&A) and should be read in conjunction with the MD&A. The MD&A can be found immediately following the independent auditors' report.

Reporting Entity

In accordance with GASB statements, included are all funds of the city and its component unit, the Plymouth Housing and Redevelopment Authority (HRA). The HRA is included as a discretely presented component unit.

Profile of the Government

The City of Plymouth, incorporated in 1955, is a suburban community located northwest of Minneapolis in Hennepin County. The City has a land area of 35 square miles and serves a population of approximately 73,000 residents. Plymouth is currently the 7th largest city in the state. The city has excellent access to the Minneapolis-St. Paul metropolitan area via interstate highways I-494 and I-394, US Highway 169 and Minnesota State Highway 55.

The city operates under the Mayor-Council form of government. Policymaking and legislative authority are vested in the City Council consisting of a mayor, four ward council members, and two at-large council members. The mayor and council members are elected on a non-partisan basis to serve four-year terms, with council members serving staggered terms. The Council is responsible for passing ordinances, adopting the budget, appointing board and commission members, and hiring a city manager. The city manager is responsible for carrying out the policies and ordinances of the Council, overseeing day-to-day operations of city government, and for hiring all employees.

The city provides a full range of services to residents and businesses, including police and fire protection, construction and maintenance of streets, municipal water and sanitary sewer service, maintaining parks and trails, providing recreational activities, planning, zoning and inspection services, transit services and administration.

The annual budget serves as the foundation for financial planning and control. The city uses a biennial budget model, covering two fiscal years, for planning purposes. The first year of the budget is adopted as the annual budget; the second year is adopted in concept, pending the approval of a new tax levy in the second year. All departments and agencies submit requests for appropriation to the city manager in July of each year. The city manager uses these requests as the starting point for developing a proposed budget. The proposed budget is presented to the Council for review prior to August 31. The Council adopts a preliminary budget and tax levy by September 15 of each year. Minnesota Statutes require a budget meeting be held for the public to provide comments. The final budget and tax levy are adopted by December 31, the close of the City of Plymouth's fiscal year.

Economic Condition and Outlook

The city grew substantially during the 1980s and 1990s, increasing by 61%. Plymouth's population increased 29% from 1990 to 2000; 7% from 2000 to 2010 and 3% from 2010 to 2013. As of 2013 the population is 72,969. The key relationship between development and the budget is our ability to generate sufficient funds to deliver appropriate public services.

The city continued a progressive and sound financial program throughout 2013, while providing core services as well as services that are intended to enhance quality of life. Community surveys and national publications rate Plymouth's services at a very high level.

In 2011, the city produced its third biennial budget covering fiscal years 2012-2013. This important document required significant planning and scenario-building to ensure a workable operating budget under changing economic conditions. In July of 2012, the city reviewed and updated the second year (2013) of this document following the outcomes of legislative adjustments, levy limit calculation, and review of revenue and expenditure patterns for the most recent activity trends.

Although current external economic conditions are challenging, Plymouth’s continued growth and sound financial condition, as reflected in the following financial report, place the city in an enviable position.

The payable 2013 total market value of the City was \$8,765,840,400 a decrease of \$91,557,400 from 2012. The decrease in total market value between payable 2012 and payable 2013 was 1.0%, trending less than other similar communities.

Commercial and residential growth is increasing as development expands to the northwest area of the City and as commercial properties redevelop.

Source: Metropolitan Council

Year	Population	Households	Employment
1970	18,077	4,645	6,060
1980	31,615	10,491	20,212
1990	50,889	18,361	38,103
2000	65,894	24,820	53,491
2010	70,576	28,663	59,900
2020	76,000	31,500	63,400
2030	78,500	33,500	64,500

** Population figures through 2010 are based on census reporting.

Important Events and Future Prospects

Planning is the key to the development of a diverse economic base without sacrificing the standards required to ensure quality and order. Industrial, commercial and utility properties make up about 40% of the city’s tax capacity. The city’s land use guide plan designates all land uses including areas available for commercial and industrial development.

The City continues to rely on its Comprehensive Plan, a long-term planning document that guides the community’s future development and redevelopment.

The City Council, in June 2012, completed a thorough review of the cash flows for each of the outstanding bond issues. The short-term and long-term implications of the bonds were addressed and the funding sources were reviewed to ensure sufficient funds are available. Budget software was purchased in 2012 to assist in long-term forecasting and improved reporting.

Plymouth’s continued focus on long-term planning, public infrastructure protection and improvements, and increased accountability ensures the community is prepared for future phases of development and redevelopment, able to adapt to unforeseen economic challenges, and able to meet the needs of a maturing community.

Accounting System and Budgetary Control

Accounting records are maintained on the accrual or modified accrual basis, as appropriate. Budgetary control is maintained by an encumbrance system whereby purchase orders are pre-audited as to availability of funds prior to their release to vendors. Purchase orders which exceed appropriation balances, or were not approved, are not released until funding is available or approval is given. Open encumbrances are reported as assignments of fund balance. The budget, as adopted, can be revised by the City Council and a contingency appropriation is provided for. All amendments, individual and in total, were not material in relation to the original appropriation.

Independent Audit

State statutes require an annual audit of the books of account, financial records, and transactions of all administrative departments by independent certified public accountants selected by the City Council. The city is in compliance with state statutes, and the independent auditors' report has been included in this report.

Awards and Acknowledgements

GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Plymouth for its Comprehensive Annual Financial Report for the year ended December 31, 2012. This was the 31st consecutive year that the City of Plymouth has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. The report must satisfy GAAP requirements and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement program's requirements, and it will be submitted to the GFOA to determine eligibility for another certificate.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Administrative Services Department. We would like to express our appreciation to all members of the department for their work in preparing this report. We also wish to thank the city manager and members of the City Council for their interest and support in planning and conducting the financial operations of the city in a responsible and progressive manner.

Respectfully submitted,



Jodi Bursheim
Finance Manager



Government Finance Officers Association

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

Presented to

**City of Plymouth
Minnesota**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

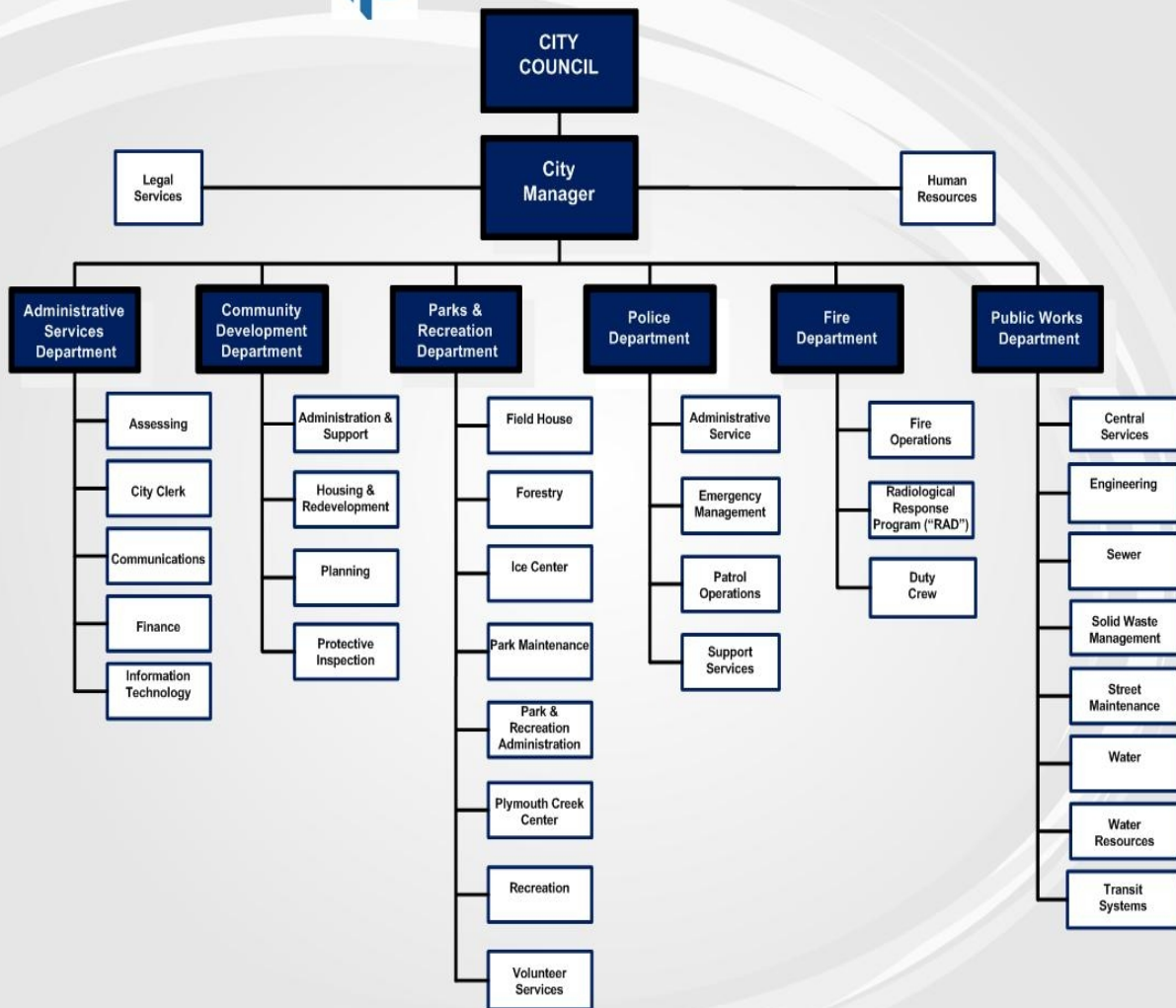
December 31, 2012

Executive Director/CEO



City of Plymouth

Organizational Chart



**City of Plymouth
LISTING OF CITY OFFICIALS
at December 31, 2013**

Elected Officials

	<u>Ward</u>	<u>Term of Office</u>	<u>Term Expires</u>
Mayor Kelli Slavik		Four Years	12-31-14
Councilmember Judy Johnson	1	Four Years	12-31-16
Councilmember Jeffry Wosje	2	Four Years	12-31-14
Councilmember Bob Stein	3	Four Years	12-31-16
Councilmember Jim Prom	4	Four Years	12-31-14
Councilmember Tim Bildsoe	At-Large	Four Years	12-31-14
Councilmember Jim Willis	At-Large	Four Years	12-31-16

City Officials and Department Directors

City Manager	Dave Callister
Director of Administrative Services	Luke Fischer
Director of Community Development	Steve Juetten
Director of Parks and Recreation	Diane Evans
Director of Public Works	Doran Cote
Police Chief	Mike Goldstein
Fire Chief	Rick Kline
City Clerk	Sandy Engdahl
City Attorney	Roger Knutson
City Assessor	Janene Hebert

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FINANCIAL SECTION



PRINCIPALS

Thomas M. Montague, CPA
Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA

INDEPENDENT AUDITOR'S REPORT

To the City Council and Management
City of Plymouth, Minnesota

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Plymouth, Minnesota (the City) as of and for the year ended December 31, 2013, 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express opinions on these financial statements based on our audit. We 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 City'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 City'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.

(continued)

OPINIONS

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund and the major special revenue fund 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, the Plymouth Firefighters' Relief Association Schedule of Funding Progress and the Other Postemployment Benefits Plan Schedule of Funding Progress, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is 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.

(continued)

Prior Year Comparative Information

We have previously audited the City's 2012 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information in our report dated June 14, 2013. In our opinion, the partial comparative information presented herein as of and for the year ended December 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Malloy, Montague, Karnowski, Radosevich & Co., P. A.

Minneapolis, Minnesota
June 12, 2014

City of Plymouth, Minnesota
For the Year Ended December 31, 2013
Management's Discussion and Analysis

As management of the City of Plymouth, we offer readers of the City of Plymouth's financial statements this narrative overview and analysis of the financial activities of the City of Plymouth for the fiscal year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v-viii of this report.

Financial Highlights

- At year-end 2013, the City of Plymouth's assets exceeded its liabilities by \$409 million (*net position*). Net position consisted of:
 - \$44.1 million (10.8% of total net position) restricted for specific purposes
 - \$272.5 million (66.6% of total net position) represent the City's investment in long-term assets (including roads, bridges and other infrastructure assets) net of long-term debt used to finance these assets
 - \$92.4 million (22.6% of total net position) are unrestricted and are available to meet the City's obligations consistent with City policy, legislative intent and direction of the City Council.
- Governmental activities recognized an increase in net position of \$4.4 million and business-type activities resulted in an increase of \$3.4 million. Overall, the City's net position increased by \$7.8 million in 2013. Permit revenue increased significantly due to elevated development activity throughout the city; along with cost savings from personnel attrition and overall restraint on spending.
- The City's governmental funds reported combined ending fund balances of approximately \$77.0 million. Unlike net position, which measure all of the City's assets less all of the City's liabilities, governmental fund balance measures only currently available, spendable resources. Approximately \$89 thousand of total governmental fund balances are nonspendable such as inventory, prepaid items and principal of the Cemetery Perpetual Care fund. The city's restricted fund balance is approximately \$20.2 million for specific purposes that are subject to external legal restrictions such as debt service and other restrictive uses. The remainder fund balance of \$56.7 million is comprised of \$44.5 million of assigned fund balance for purposes such as construction of long-term assets or other desired uses and \$12.2 million is unassigned.
- The City's main operating fund, the General Fund, reported a year-end balance of approximately \$12.8 million. The General Fund's balance represents approximately 40% of subsequent year annual budgeted spending in this fund. Fund balance in the General Fund increased \$466 thousand during the year.
- The City's total governmental activity bonded debt decreased by approximately \$1.4 million, or 6.8% from the prior-year. This debt represents a very modest ratio of only 7.0% of governmental net position. The City's restricted resources for governmental debt service are approximately \$2.7 million which represents approximately 12.1% of governmental debt outstanding at year-end. The City's business-type activity bonded debt decreased \$969 thousand. Net revenues of the Water Sewer Utility are pledged for the debt service of the business-type activities.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to the City of Plymouth's basic financial statements. The City of Plymouth's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements - *government-wide financial statements* provide users with a broad overview of the City's finances similar to the financial statements of private-sector businesses.

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

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

Both of the government-wide financial statements distinguish functions of the City of Plymouth that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Plymouth include general government, economic development, parks and recreation, public safety, public service, and public works. Business-type activities are primarily financed through user-charges or fees. The business-type activities of the City of Plymouth include the water sewer utility, ice center, water resources, solid waste management and field house.

The government-wide financial statements can be found on pages 13-15 of this report.

Fund Financial Statements – A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City Council establishes funds for a variety of purposes, the most important of which is to promote fulfilling its stewardship role with respect to using certain resources such as taxes and grants. The City of Plymouth's funds are divided into two major groups: governmental funds and proprietary funds. Each of these types of funds needs and uses different accounting approaches to provide information relevant to their functions.

Governmental Funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

The governmental fund statements are on pages 18-26 of this report.

Proprietary Fund statements, like the government-wide statements, measure all the economic resources of a fund and the claims against those resources. Also, like government-wide statements, the proprietary fund statements use a full accrual method of accounting for changes in the assets and liabilities of the fund. The City uses proprietary funds to account for two types of activities.

Enterprise funds account for functions, which are reported as *business-type* activities in the government-wide statements. The City of Plymouth uses enterprise funds to account for its water sewer utility, ice center, water resources, solid waste management and field house operations. *Internal Service funds* are businesses whose only customer is the government itself. These funds are an accounting device used to accumulate and allocate costs internally among the City of Plymouth's various functions. The City of Plymouth uses internal service funds to account for central equipment, public facilities, information technology, risk management, employee benefits and resource planning functions. Most of the costs allocated through internal service funds benefit the government activities rather than its business activities. Therefore, internal service activities are included among the City's governmental activities in the government-wide statements.

Proprietary fund statements are on pages 28-37 of this report.

Notes to the Financial Statements 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 are on pages 39 - 65 of this report.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Plymouth, assets exceeded liabilities by approximately \$409 million at the end of fiscal year 2013. A portion of the City of Plymouth's net position (66.6%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Plymouth uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Plymouth's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Plymouth, Minnesota						
Net Position						
<i>(amounts in thousands of dollars)</i>						
	Governmental Activities		Business-type Activities		Total	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Assets:						
Current and other assets	\$ 116,238	\$ 110,805	\$ 42,649	\$ 44,020	\$ 158,887	\$ 154,825
Capital assets net of accumulated depreciation	180,279	181,449	112,222	108,659	292,501	290,108
Total assets	<u>\$ 296,517</u>	<u>\$ 292,254</u>	<u>\$ 154,871</u>	<u>\$ 152,679</u>	<u>\$ 451,388</u>	<u>\$ 444,933</u>
Liabilities:						
Current and other liabilities	\$ 7,558	\$ 6,582	\$ 1,354	\$ 1,586	\$ 8,912	\$ 8,168
Long-term liabilities	22,364	23,438	11,073	12,042	33,437	35,480
Total liabilities	<u>29,922</u>	<u>30,020</u>	<u>12,427</u>	<u>13,628</u>	<u>42,349</u>	<u>43,648</u>
Net Position:						
Net investment in capital assets	166,354	166,158	106,156	101,819	272,510	267,977
Restricted net position	17,234	16,637	26,906	24,362	44,140	40,999
Unrestricted net position	83,007	79,439	9,382	12,870	92,389	92,309
Total net position	<u>266,595</u>	<u>262,234</u>	<u>142,444</u>	<u>139,051</u>	<u>409,039</u>	<u>401,285</u>
Total liabilities and net position	<u>\$ 296,517</u>	<u>\$ 292,254</u>	<u>\$ 154,871</u>	<u>\$ 152,679</u>	<u>\$ 451,388</u>	<u>\$ 444,933</u>

A portion of the City of Plymouth's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$92.4 million) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Plymouth is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

- **Governmental activities** – Governmental activities increased the City of Plymouth’s net position by approximately \$4.4 million or 1.7%. Several factors contributed to this increase include additional capital contributions this year due to the timing of project completion, elevated development activity throughout the city resulting in significant increase in permit revenue, and significant cost savings from personnel attrition and overall restraint on spending.
- **Business-type activities** – The net position of business-type activities increased by \$3.4 million or 2.4%. The positive results are the result of significant capital contributions this year due to the timing of project completions.

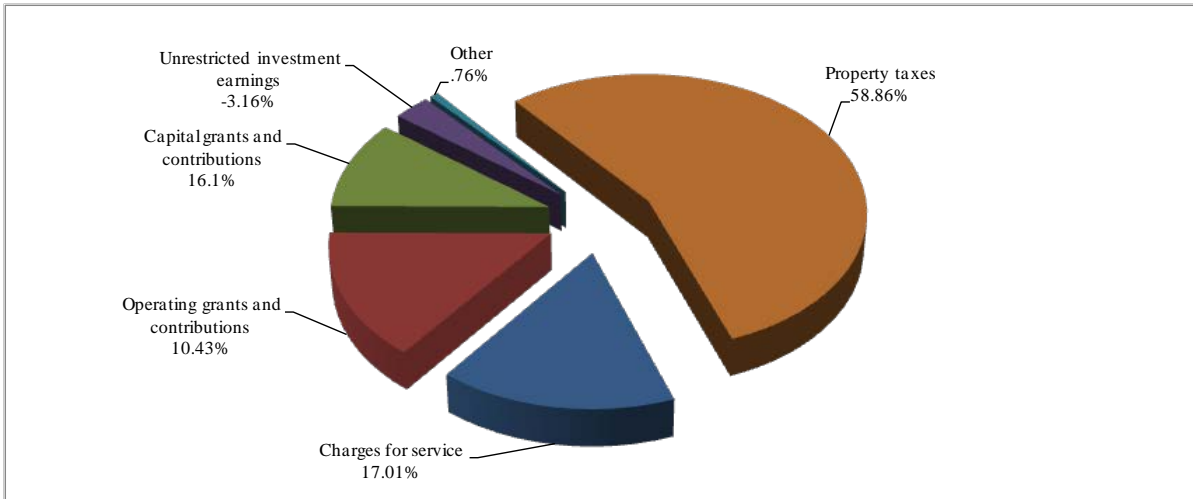
The following table indicates the changes in net position for the City’s governmental and business-type activities:

City of Plymouth, Minnesota						
Changes in Net Position						
<i>(amounts in thousands of dollars)</i>						
	Governmental		Business-type		Total	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues:						
Program revenues:						
Charges for service	\$ 8,583	\$ 8,168	\$ 20,065	\$ 19,243	\$ 28,648	\$ 27,411
Operating grants and contributions	7,858	7,770	446	329	8,304	8,099
Capital grants and contributions	5,525	4,582	2,417	5,036	7,942	9,618
General revenues:						
Property taxes	29,695	29,256	-	-	29,695	29,256
Unrestricted investment earnings	(1,594)	1,109	(68)	671	(1,662)	1,780
Gain on sale of capital assets	91	133	-	-	91	133
Other	290	233	-	61	290	294
Total revenues	<u>50,448</u>	<u>51,251</u>	<u>22,860</u>	<u>25,340</u>	<u>73,308</u>	<u>76,591</u>
Expenses:						
General government	4,483	4,736	-	-	4,483	4,736
Economic development	345	354	-	-	345	354
Parks and recreation	7,987	8,044	-	-	7,987	8,044
Public safety	15,311	14,310	-	-	15,311	14,310
Public service	4,310	4,020	-	-	4,310	4,020
Public works	12,164	12,189	-	-	12,164	12,189
Water sewer utility	-	-	15,404	15,045	15,404	15,045
Ice center	-	-	1,734	1,695	1,734	1,695
Water resources	-	-	1,966	1,932	1,966	1,932
Solid waste management	-	-	916	900	916	900
Field house	-	-	310	236	310	236
Interest on long-term debt	624	808	-	-	624	808
Total expenses	<u>45,224</u>	<u>44,461</u>	<u>20,330</u>	<u>19,808</u>	<u>65,554</u>	<u>64,269</u>
Change in Net Position Before Transfers	5,224	6,790	2,530	5,532	7,754	12,322
Transfers in (out)	(863)	724	863	(724)	-	-
Change in Net Position	<u>4,361</u>	<u>7,514</u>	<u>3,393</u>	<u>4,808</u>	<u>7,754</u>	<u>12,322</u>
Net Position at Beginning of Year	<u>262,234</u>	<u>254,720</u>	<u>139,051</u>	<u>134,243</u>	<u>401,285</u>	<u>388,963</u>
Net Position at End of Year	<u>\$ 266,595</u>	<u>\$ 262,234</u>	<u>\$ 142,444</u>	<u>\$ 139,051</u>	<u>\$ 409,039</u>	<u>\$ 401,285</u>

Governmental Activities:

Revenues - A distinguishing financial characteristic of governmental activities is that the cost of government is paid, at least in part, by taxes. Revenues financing the City’s governmental activities costs were as follows:

Revenue Sources – Governmental Activities



Most of the City’s revenues are “home-grown”; the City of Plymouth does not rely heavily on State aids or grants. This helps insulate the City from changes imposed by the State Legislature.

Business-type Activities

The City’s Business-type activities provide water sewer utility, ice center, water resources, solid waste management, and field house services to its residents. The City’s business-type activities are accounted for, financed, and operated in a manner similar to private business enterprises. It is generally intended that the cost of providing services to the public be financed or recovered primarily through user charges.

The City’s business-type activities are capital intensive. The City’s investment in capital assets (net of accumulated depreciation) of its business activities totaled approximately \$112.2 million in 2013; which is approximately 72.5% of total business-type assets.

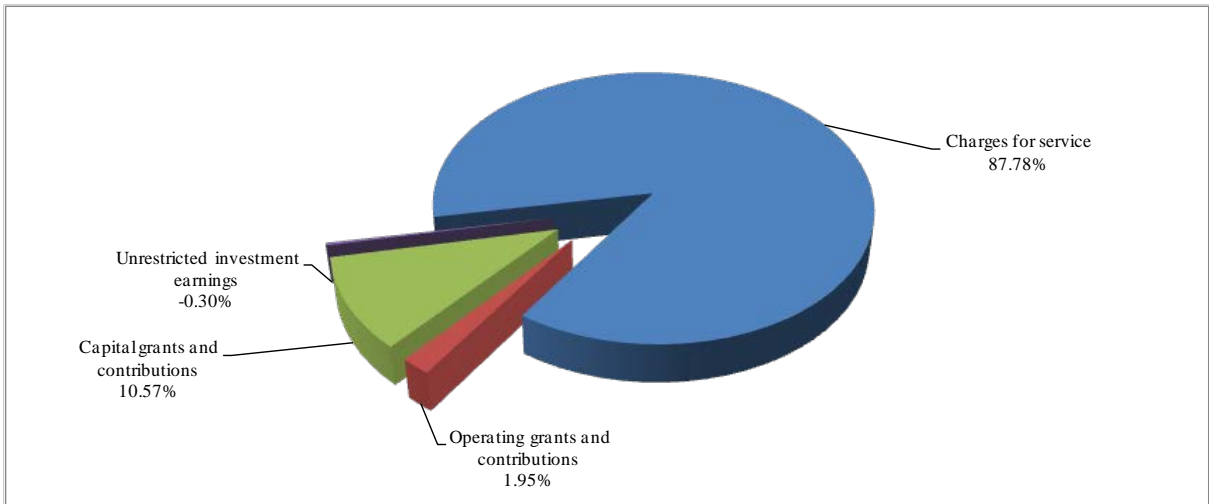
The principal challenge for the City’s business activities is financing the replacement, maintenance, and expansion of their capital assets (asset maintenance). The City of Plymouth combines operating and non-operating sources (primarily area-wide assessments) to finance its investment in business-type assets.

Operating income starts with revenues generated by charges for sales and service. As of December 31, 2013, there were 22,172 water and/or sewer customers. The water and sewer utility represented approximately 75.4% of total business-type charges for service revenue in 2013. Operating income alone is not sufficient to provide for the replacement, maintenance and expansion of the City’s business-type capital assets. Depreciation allocates the cost of capital assets over their estimated useful lives; it approximates the amount of capital assets “used-up” during the year. The City’s business-type activities generate positive operating income before depreciation, although it is not enough to fully offset or fund depreciation on capital assets.

In 2013, the City reported positive operating income, excluding depreciation, of approximately \$4.7 million. After depreciation, the City reported operating income of approximately \$36 thousand. Including non-operating income, the City’s business-type activities resulted in an overall increase in net position of approximately \$3.4 million for 2013. Significant non-operating revenues in 2013 included grant revenue from other governmental agencies of \$434 thousand and capital contributions of \$7.2 million including area-wide assessments of \$2.9 million and other capital contributions of \$4.3 million.

The following chart illustrates the City’s revenue sources for its business-type activities:

Revenue Sources – Business-type Activities



Financial Analysis of the City of Plymouth’s Funds

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

Governmental Funds – The focus of the City of Plymouth’s *governmental funds* is to provide information on *near-term* inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Plymouth’s financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the amount of available, spendable resources potentially available for appropriation by the City Council to finance the City’s day-to-day activities.

General Fund-

- The fund balance of the General Fund is the City’s principal liquidity reserve.
- The City Council has adopted a long-range financial plan to provide adequate operating cash for future years. The goal is to maintain a total fund balance of approximately 40% of the General Fund expenditure and transfers out budget for the following year. The City met this goal in 2013; the fund balance at year-end was \$12.8 million, or 40% of 2014 budgeted expenditures and transfers out.

Transit Fund-

- In the Transit Fund, the fund balance decreased by \$302 thousand. This decrease is primarily due to an increase in operating expenditures.

Improvement Projects Fund-

- The fund balance decreased in the Improvement Projects Fund by \$181 thousand during the year. This decrease is due to approved funding of various capital projects throughout the current year for construction of streets and other infrastructure improvements.

Infrastructure Replacement Fund-

- The fund balance decreased in the Infrastructure Fund by \$545 thousand during the year. This decrease is due to approved funding of various capital projects throughout the current year for construction of street and other infrastructure improvements.

Park Replacement Fund –

- The fund balance decreased in the park replacement fund by \$191 thousand during the year. This decrease is due to approved funding of various capital projects throughout the current year for replacement of park infrastructure and equipment.

Of the total governmental funds fund balance of \$77.0 million, \$89 thousand is nonspendable, \$20.2 million is restricted for specific uses based on external regulations, \$44.5 million is assigned internally for specific uses and \$12.2 is unassigned.

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

Water Sewer Utility Fund-

- Unrestricted net position at the end of the year was \$5.8 million. The total increase in net position was \$2.1 million.

Ice Center Fund-

- Unrestricted net position was \$136 thousand due to the large value of capital assets in this fund. The total decrease in net position was \$258 thousand.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Plymouth’s business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final General Fund budget represents the originally adopted budget, since no amendments were approved during the course of the year by the City Council.

The 2013 General Fund budget anticipated an expenditure increase over 2012 budget of 2.6%. This increase included planned wage and benefit adjustments and inflationary adjustments.

General Fund revenues and other financing sources exceeded budget estimates by \$2.8 million during the year. Contributing factors for this increase included additional license and permit revenue due to elevated development activity, increased state grants and aids, and additional project administration fees due to increased number of projects completed this year.

General Fund expenditures were under budget estimates by \$826 thousand due to decreases in personal costs due to attrition and cost restraints shared by all departments. Other financing uses exceeded budget by \$3.2 million. The primary reason for this overage was that the net positive year-end position allowed the General Fund to make unplanned transfers of \$2.9 million to the General Capital Projects fund for future improvement projects.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The City’s total investment in long-term (capital) assets, net of accumulated depreciation totaled \$292.5 million at year-end.

Components of the City’s capital assets by type and activity are described in the table below:

**City of Plymouth, Minnesota
Summary of Capital Assets
(amounts in thousands of dollars)**

	Governmental Capital Assets		Business-type Capital Assets		Total Capital Assets	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$ 33,985	\$ 32,582	\$ 3,199	\$ 3,199	\$ 37,184	\$ 35,781
Construction in progress	8,094	15,349	573	4,488	8,667	19,837
Buildings	25,502	26,072	32,902	32,377	58,404	58,449
Improvements other than buildings	11,056	11,728	3,412	1,907	14,468	13,635
Machinery and equipment	12,590	12,758	4,844	5,202	17,434	17,960
Infrastructure	89,052	82,960	67,292	61,486	156,344	144,446
Total capital assets	<u>\$ 180,279</u>	<u>\$ 181,449</u>	<u>\$ 112,222</u>	<u>\$ 108,659</u>	<u>\$ 292,501</u>	<u>\$ 290,108</u>

See footnote 4, pages 51-53, to the financial statements for additional information about the City’s capital assets.

Long-Term Bonded Debt

The City’s long-term bonded debt totaled \$29.1 million at year-end, compared to \$31.3 million at the beginning of the year. During the year, the City made regular debt service payments of \$1.3 million on governmental activity bonds and \$940 thousand on business-type activity bonds.

The City’s debt holds the highest rating from Moody’s Investors Services: Aaa, as well as from Standard and Poor’s Ratings Services: AAA. The dual rating placed City of Plymouth among only six other cities in the state to receive this distinction.

See footnote 5, pages 53-56, to the financial statements for a schedule showing the City’s long-term debt activity.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The 2014 budget was conservatively developed to account for economic and legislative activity. It provides for a balanced budget and a sound financial plan for 2014 that maintains core service levels and is sensitive to the financial concerns of Plymouth taxpayers. The tax levy increased 2.0% from 2013.

As a result of the City’s responsible stewardship, the quality services our residents have come to expect continue to be provided at a reasonable price.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

Questions concerning the information provided in this report or requests for additional financial information should be addressed to the City of Plymouth, Administrative Services Department, 3400 Plymouth Boulevard, Plymouth, MN 55447-1482, 763-509-5300 or the City’s web site at www.plymouthmn.gov.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are intended to provide a financial overview of municipal operations.

**CITY OF PLYMOUTH, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2013**

	Primary Government			Component Unit Housing and Redevelopment Authority
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and investments	\$ 105,594,774	\$ 27,648,447	\$ 133,243,221	\$ 4,792,577
Restricted cash and investments	4,836,545	5,006,917	9,843,462	9,532,645
Accounts receivable	146,397	3,213,957	3,360,354	37,590
Notes receivable	2,300,939	-	2,300,939	1,143,955
Taxes receivable	417,516	-	417,516	7,584
Special assessments receivable	100,962	6,892,978	6,993,940	-
Accrued interest receivable	536,549	146,485	683,034	113,997
Due from other governments	951,103	131,402	1,082,505	2,091
Internal balances	931,448	(931,448)	-	-
Inventory	149,341	110,556	259,897	-
Prepaid items	272,689	428,971	701,660	271,203
Capital assets:				
Nondepreciable:				
Land	33,985,327	3,199,264	37,184,591	1,333,840
Construction in progress	8,094,174	573,507	8,667,681	-
Depreciable (net):				
Buildings	25,501,607	32,902,222	58,403,829	9,912,070
Improvements other than buildings	11,055,631	3,411,621	14,467,252	195,850
Machinery and equipment	12,590,297	4,843,621	17,433,918	265,457
Infrastructure	89,051,870	67,292,140	156,344,010	-
TOTAL ASSETS	\$ 296,517,169	\$ 154,870,640	\$ 451,387,809	\$ 27,608,859
LIABILITIES				
Accounts payable	\$ 2,020,884	\$ 363,067	\$ 2,383,951	\$ 45,333
Contracts payable	522,878	88,907	611,785	-
Accrued salaries and benefits payable	566,679	106,849	673,528	22,379
Deposits payable	2,696,944	-	2,696,944	133,335
Due to other governments	564,335	400,761	965,096	88,364
Unearned revenue	912,746	239,729	1,152,475	-
Accrued interest payable	273,623	154,604	428,227	316,182
Noncurrent liabilities:				
Due within one year	2,941,629	5,925,000	8,866,629	455,000
Due in more than one year	19,422,270	5,147,793	24,570,063	22,244,021
Total liabilities	<u>29,921,988</u>	<u>12,426,710</u>	<u>42,348,698</u>	<u>23,304,614</u>
NET POSITION				
Net investment in capital assets	166,354,418	106,156,499	272,510,917	(1,459,159)
Restricted for:				
Transit	3,933,642	-	3,933,642	-
Lawful Gambling	12,741	-	12,741	-
Debt Service	2,707,993	-	2,707,993	459,179
Housing Projects	1,180,338	-	1,180,338	3,899,294
Highway/Street Improvements	1,813,883	-	1,813,883	-
Park Construction	4,177,815	-	4,177,815	-
Tax Increment	3,226,949	-	3,226,949	-
Cemetery perpetual care:				
Non-expendable	45,730	-	45,730	-
Expendable	135,055	-	135,055	-
Utility trunk	-	23,411,990	23,411,990	-
Water resources	-	3,493,634	3,493,634	-
Unrestricted	<u>83,006,617</u>	<u>9,381,807</u>	<u>92,388,424</u>	<u>1,404,931</u>
Total net position	<u>266,595,181</u>	<u>142,443,930</u>	<u>409,039,111</u>	<u>4,304,245</u>
TOTAL LIABILITIES AND NET POSITION	\$ 296,517,169	\$ 154,870,640	\$ 451,387,809	\$ 27,608,859

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

**CITY OF PLYMOUTH, MINNESOTA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2013**

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government	\$ 4,482,796	\$ 487,182	\$ 358,680	\$ 57,041
Economic development	345,562	-	-	-
Parks and recreation	7,986,581	1,524,767	15	3,429,652
Public safety	15,311,199	4,032,148	2,407,453	370
Public service	4,310,050	894,836	2,867,372	-
Public works	12,163,788	1,643,688	2,225,334	2,037,864
Interest on long-term debt	624,018	-	-	-
Total governmental activities	<u>45,223,994</u>	<u>8,582,621</u>	<u>7,858,854</u>	<u>5,524,927</u>
Business-type activities:				
Water sewer utility	15,403,794	15,059,260	35,030	1,160,724
Ice center	1,733,567	1,471,191	11,730	-
Water resources	1,966,356	2,618,871	190,715	731,121
Solid waste management	916,478	522,717	208,381	66,238
Field house	310,353	393,335	-	458,660
Total business-type activities	<u>20,330,548</u>	<u>20,065,374</u>	<u>445,856</u>	<u>2,416,743</u>
Total primary government	<u>\$ 65,554,542</u>	<u>\$ 28,647,995</u>	<u>\$ 8,304,710</u>	<u>\$ 7,941,670</u>
COMPONENT UNIT:				
Housing and Redevelopment Authority	<u>\$ 5,823,974</u>	<u>\$ 1,844,155</u>	<u>\$ 3,187,932</u>	<u>\$ -</u>
GENERAL REVENUES:				
Property taxes				
Investment earnings (loss)				
Gain on sale of capital assets				
Other				
TRANSFERS				
Total general revenues and transfers				
CHANGE IN NET POSITION				
NET POSITION - BEGINNING				
NET POSITION - ENDING				

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Housing and Redevelopment Authority
\$ (3,579,893)	\$ -	\$ (3,579,893)	\$ -
(345,562)	-	(345,562)	-
(3,032,147)	-	(3,032,147)	-
(8,871,228)	-	(8,871,228)	-
(547,842)	-	(547,842)	-
(6,256,902)	-	(6,256,902)	-
(624,018)	-	(624,018)	-
<u>(23,257,592)</u>	<u>-</u>	<u>(23,257,592)</u>	<u>-</u>
-	851,220	851,220	-
-	(250,646)	(250,646)	-
-	1,574,351	1,574,351	-
-	(119,142)	(119,142)	-
-	541,642	541,642	-
-	2,597,425	2,597,425	-
<u>(23,257,592)</u>	<u>2,597,425</u>	<u>(20,660,167)</u>	<u>-</u>
			<u>(791,887)</u>
29,694,615	-	29,694,615	527,951
(1,594,030)	(67,634)	(1,661,664)	12,337
91,181	-	91,181	-
289,968	-	289,968	38,650
(863,162)	863,162	-	-
<u>27,618,572</u>	<u>795,528</u>	<u>28,414,100</u>	<u>578,938</u>
4,360,980	3,392,953	7,753,933	(212,949)
262,234,201	139,050,977	401,285,178	4,517,194
<u>\$ 266,595,181</u>	<u>\$ 142,443,930</u>	<u>\$ 409,039,111</u>	<u>\$ 4,304,245</u>

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GOVERNMENTAL FUNDS

GENERAL FUND - The General Fund accounts for resources devoted to financing the general services. These include general government, economic development, parks and recreation, public safety, public service, and public works. Revenues are recorded by source, i.e., taxes, license and permit, intergovernmental, service charges, fines and forfeitures, etc. General Fund expenditures are primarily for day-to-day operating costs and equipment. This fund accounts for all financial transactions not properly accounted for in another fund.

SPECIAL REVENUE FUNDS

Special revenue funds are established to account for taxes and other revenues set aside for a particular purpose.

Transit System Fund - Revenues from Minnesota Vehicle Excise Tax and fares, and expenditures for the Plymouth Metrolink system are accounted for in this fund.

CAPITAL PROJECT FUNDS

Capital projects funds are used to account for the construction and financing of large capital projects.

Improvement Projects Fund - This fund is used to account for expenditures incurred in the construction of certain public improvements such as residential streets, sidewalks, and storm sewers.

Infrastructure Replacement Fund - This fund is used to account for accumulation of resources for major infrastructure repair and replacement. The major source of revenue is property taxes.

Park Replacement Fund - This fund is used to account for the accumulation of resources for the major repairs and replacement of the City's park facilities and trails.

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**CITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)**

	Special Revenue		Capital Project		
	General	Transit System	Improvement Projects	Infrastructure Replacement	Park Replacement
ASSETS					
Cash and investments	\$ 15,704,103	\$ 3,805,787	\$ 8,966,853	\$ 14,167,298	\$ 4,996,840
Restricted cash and investments	-	-	-	-	-
Accounts receivable	92,878	-	-	19,154	5,485
Notes receivable	-	-	-	-	1,795
Taxes receivable	333,835	-	-	43,187	-
Special assessments receivable	10,717	-	391	-	-
Accrued interest receivable	64,256	13,136	30,975	48,451	17,239
Due from other governments	386,764	414,663	-	-	-
Inventory	-	-	-	-	-
Prepaid items	36,561	6,236	-	-	-
Advances to other funds	-	-	-	-	766,911
TOTAL ASSETS	\$ 16,629,114	\$ 4,239,822	\$ 8,998,219	\$ 14,278,090	\$ 5,788,270
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 491,889	\$ 301,936	\$ 133,294	\$ -	\$ -
Contracts payable	-	-	508,459	-	-
Accrued salaries and benefits payable	482,717	4,244	-	-	-
Deposits payable	1,848,796	-	13,804	-	-
Due to other governments	43,366	-	492,510	-	-
Advances from other funds	-	-	-	-	1,500,295
Unearned revenue	704,131	-	-	-	9,714
Total liabilities	3,570,899	306,180	1,148,067	-	1,510,009
Deferred inflows of resources:					
Unavailable revenue	269,707	-	391	29,020	29
Fund balances:					
Nonspendable	36,561	6,236	-	-	-
Restricted	-	3,927,406	-	-	-
Assigned	518,162	-	7,849,761	14,249,070	4,278,232
Unassigned	12,233,785	-	-	-	-
Total fund balances	12,788,508	3,933,642	7,849,761	14,249,070	4,278,232
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 16,629,114	\$ 4,239,822	\$ 8,998,219	\$ 14,278,090	\$ 5,788,270

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

Nonmajor Governmental Funds	Totals	
	2013	2012
\$ 28,615,267	\$ 76,256,148	\$ 71,321,537
4,836,545	4,836,545	5,003,429
16,295	133,812	106,952
2,299,144	2,300,939	2,453,906
40,494	417,516	523,959
89,854	100,962	165,095
261,389	435,446	322,720
125,342	926,769	391,972
20	20	100
-	42,797	68,636
1,500,295	2,267,206	2,578,590
<u>\$ 37,784,645</u>	<u>\$ 87,718,160</u>	<u>\$ 82,936,896</u>

\$ 241,128	\$ 1,168,247	\$ 1,087,938
14,419	522,878	637,533
19,661	506,622	413,463
834,344	2,696,944	1,673,261
23,745	559,621	300,781
-	1,500,295	1,690,390
193,699	907,544	588,745
<u>1,326,996</u>	<u>7,862,151</u>	<u>6,392,111</u>

<u>2,528,694</u>	<u>2,827,841</u>	<u>3,041,138</u>
------------------	------------------	------------------

45,750	88,547	114,236
16,299,509	20,226,915	19,475,003
17,583,696	44,478,921	42,100,785
-	12,233,785	11,813,623
<u>33,928,955</u>	<u>77,028,168</u>	<u>73,503,647</u>
<u>\$ 37,784,645</u>	<u>\$ 87,718,160</u>	<u>\$ 82,936,896</u>

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**CITY OF PLYMOUTH, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2013**

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS	\$	77,028,168
Amounts reported for governmental activities in the statement of net position are different because:		
1. Capital assets used in governmental activities are not financial resources, therefore are not reported in the fund statements.		
Capital assets	368,977,892	
Accumulated depreciation	<u>(196,498,682)</u>	172,479,210
2. Long-term liabilities are not due and payable in the current period, therefore are not reported in the fund statements.		
Bonds payable	(18,345,000)	
Premium / discount on bonds	(394,488)	
Accrued interest payable	<u>(273,623)</u>	(19,013,111)
3. Unavailable revenue in governmental funds is susceptible to full accrual on government-wide statements.		2,827,841
4. Internal service funds are used to charge the costs of fleet and building management, management information systems, employee benefits, and other items to individual funds. The assets and liabilities (including capital assets) of the internal service funds are included in governmental activities in the statement of net position.		33,108,536
5. Internal balances which are the result of the allocation of internal service fund operations to the business-type activities are eliminated on the statement of net position.		<u>164,537</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u><u>266,595,181</u></u>

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

CITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)

	General	Special Revenue	Capital Project		
		Transit System	Improvement Projects	Infrastructure Replacement	Park Replacement
REVENUES:					
Property taxes	\$ 23,466,327	\$ -	\$ -	\$ 2,763,990	\$ 329,688
Special assessments	10,173	-	-	-	-
Licenses and permits	4,115,220	-	-	116,189	-
Intergovernmental	2,694,777	2,595,515	-	74	9
Charges for services	2,184,559	1,029,169	-	-	14,288
Fines and forfeitures	683,261	-	-	-	-
Contributions	5,937	-	-	-	-
Investment earnings (loss)	(355,662)	(62,892)	(145,474)	(198,886)	(58,355)
Loan repayments	-	-	-	-	-
Other revenues	185,712	-	7,042	-	6,428
Total revenues	<u>32,990,304</u>	<u>3,561,792</u>	<u>(138,432)</u>	<u>2,681,367</u>	<u>292,058</u>
EXPENDITURES:					
Current:					
General government	4,579,483	-	-	-	-
Economic development	-	-	-	524	-
Parks and recreation	5,027,083	-	-	-	12,000
Public safety	15,014,462	-	-	-	-
Public service	-	3,844,432	-	-	-
Public works	4,948,807	-	225,510	-	-
Interest on interfund advances	-	-	-	-	50,712
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	90,250	-	6,541,466	-	-
Total expenditures	<u>29,660,085</u>	<u>3,844,432</u>	<u>6,766,976</u>	<u>524</u>	<u>62,712</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,330,219</u>	<u>(282,640)</u>	<u>(6,905,408)</u>	<u>2,680,843</u>	<u>229,346</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	646,529	-	7,474,842	152,504	21,600
Transfers out	(3,510,829)	(19,314)	(749,947)	(3,378,251)	(442,420)
General obligation refunding bonds issued	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-
Total other financing sources (uses)	<u>(2,864,300)</u>	<u>(19,314)</u>	<u>6,724,895</u>	<u>(3,225,747)</u>	<u>(420,820)</u>
NET CHANGE IN FUND BALANCES	465,919	(301,954)	(180,513)	(544,904)	(191,474)
FUND BALANCES AT BEGINNING OF YEAR	<u>12,322,589</u>	<u>4,235,596</u>	<u>8,030,274</u>	<u>14,793,974</u>	<u>4,469,706</u>
FUND BALANCES AT END OF YEAR	<u>\$ 12,788,508</u>	<u>\$ 3,933,642</u>	<u>\$ 7,849,761</u>	<u>\$ 14,249,070</u>	<u>\$ 4,278,232</u>

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

Nonmajor Governmental Funds	Totals	
	2013	2012
\$ 3,161,258	\$ 29,721,263	\$ 29,336,363
71,813	81,986	91,758
-	4,231,409	3,942,077
367,523	5,657,898	4,923,053
1,254,404	4,482,420	4,234,570
-	683,261	847,244
2,172,457	2,178,394	896,807
(271,580)	(1,092,849)	831,160
7,380	7,380	7,149
27,069	226,251	207,478
<u>6,790,324</u>	<u>46,177,413</u>	<u>45,317,659</u>
-	4,579,483	4,626,626
345,038	345,562	354,241
1,782,216	6,821,299	6,815,064
-	15,014,462	14,173,003
294,339	4,138,771	3,891,609
9,598	5,183,915	4,873,053
-	50,712	56,248
1,320,000	1,320,000	1,915,000
726,674	726,674	649,659
1,156,455	7,788,171	8,254,718
<u>5,634,320</u>	<u>45,969,049</u>	<u>45,609,221</u>
1,156,004	208,364	(291,562)
4,081,439	12,376,914	12,006,054
(959,996)	(9,060,757)	(8,926,445)
-	-	4,815,000
-	-	344,847
<u>3,121,443</u>	<u>3,316,157</u>	<u>8,239,456</u>
4,277,447	3,524,521	7,947,894
29,651,508	73,503,647	65,555,753
<u>\$ 33,928,955</u>	<u>\$ 77,028,168</u>	<u>\$ 73,503,647</u>

CITY OF PLYMOUTH, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2013

NET INCREASE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 3,524,521

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

<p>1. Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p> <p style="padding-left: 20px;">Capital outlay \$ 8,004,925</p> <p style="padding-left: 20px;">Assets of governmental activities reassigned to proprietary funds (2,655,207)</p> <p style="padding-left: 20px;">Depreciation expense <u>(9,591,021)</u></p>	(4,241,303)
<p>2. Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.</p>	(213,151)
<p>3. The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p> <p style="padding-left: 20px;">Principal repayments 1,320,000</p>	1,320,000
<p>4. Interest expense in the government-wide statement of activities differs from the amount reported in governmental funds because additional accrued interest was calculated for bonds payable, and additional expense was recognized on the amortization of bond discounts and premiums which are expensed in the governmental fund statements.</p> <p style="padding-left: 20px;">Accrued interest payable 55,743</p> <p style="padding-left: 20px;">Amortization of bond discounts and premium <u>46,912</u></p>	102,655
<p>5. Capital assets contributed to the City by developers are not current financial resources, therefore not reported in the governmental fund statements.</p>	2,705,674
<p>6. Internal service funds are used to charge the cost of certain activities, such as insurance, fleet and building management, management information systems, employee benefits, and other items to individual funds. This amount represents the change in net position of the internal service funds, which are reported with governmental activities.</p>	1,168,381
<p>7. The net effect of various transactions involving capital assets (i.e. sales and dispositions) is to decrease net position.</p>	<u>(5,797)</u>
<p>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</p>	<u><u>\$ 4,360,980</u></u>

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

**CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)**

	2013		Variance with Final Budget	2012
	Original and Final Budget	Actual		Actual
REVENUES:				
Property Taxes	\$ 23,466,633	\$ 23,466,327	\$ (306)	\$ 22,779,828
Special assessments	2,600	10,173	7,573	5,231
Licenses and permits	2,755,600	4,115,220	1,359,620	3,803,616
Intergovernmental	1,982,678	2,694,777	712,099	2,097,962
Charges for services	1,559,272	2,184,559	625,287	1,966,354
Fines and forfeitures	765,500	683,261	(82,239)	847,244
Contributions	700	5,937	5,237	21,118
Investment earnings (loss)	20,000	(355,662)	(375,662)	113,762
Other revenues	51,200	185,712	134,512	142,026
Total revenues	<u>30,604,183</u>	<u>32,990,304</u>	<u>2,386,121</u>	<u>31,777,141</u>
EXPENDITURES:				
General government	4,519,065	4,579,483	(60,418)	4,680,096
Parks and recreation	5,235,574	5,027,083	208,491	4,970,159
Public safety	14,964,570	15,014,462	(49,892)	14,207,987
Public works	5,766,764	5,039,057	727,707	4,880,400
Total expenditures	<u>30,485,973</u>	<u>29,660,085</u>	<u>825,888</u>	<u>28,738,642</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>118,210</u>	<u>3,330,219</u>	<u>3,212,009</u>	<u>3,038,499</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	202,290	646,529	444,239	305,094
Transfers out	(320,500)	(3,510,829)	(3,190,329)	(3,028,966)
Total other financing sources (uses)	<u>(118,210)</u>	<u>(2,864,300)</u>	<u>(2,746,090)</u>	<u>(2,723,872)</u>
NET CHANGE IN FUND BALANCE	-	465,919	465,919	314,627
FUND BALANCE AT BEGINNING OF YEAR	<u>12,322,589</u>	<u>12,322,589</u>	-	<u>12,007,962</u>
FUND BALANCE AT END OF YEAR	<u>\$ 12,322,589</u>	<u>\$ 12,788,508</u>	<u>\$ 465,919</u>	<u>\$ 12,322,589</u>

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

CITY OF PLYMOUTH, MINNESOTA
TRANSIT SYSTEM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)

	2013			2012
	Original and Final Budget	Actual	Variance with Final Budget	Actual
REVENUES:				
Intergovernmental	\$ 2,400,000	\$ 2,595,515	\$ 195,515	\$ 2,105,844
Charges for services	1,100,000	1,029,169	(70,831)	1,006,367
Investment earnings (loss)	15,000	(62,892)	(77,892)	48,890
Total revenues	<u>3,515,000</u>	<u>3,561,792</u>	<u>46,792</u>	<u>3,161,101</u>
EXPENDITURES:				
Current:				
Public service:				
Personal services	175,064	176,001	(937)	169,065
Materials and supplies	1,100	2,598	(1,498)	930
Contractual services	4,354,301	3,665,833	688,468	3,393,592
Total expenditures	<u>4,530,465</u>	<u>3,844,432</u>	<u>686,033</u>	<u>3,563,587</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,015,465)</u>	<u>(282,640)</u>	<u>732,825</u>	<u>(402,486)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,034,100	-	(1,034,100)	-
Transfers out	(18,635)	(19,314)	(679)	(18,635)
Total other financing sources (uses)	<u>1,015,465</u>	<u>(19,314)</u>	<u>(1,034,779)</u>	<u>(18,635)</u>
NET CHANGE IN FUND BALANCE	-	(301,954)	(301,954)	(421,121)
FUND BALANCE AT BEGINNING OF YEAR	<u>4,235,596</u>	<u>4,235,596</u>	<u>-</u>	<u>4,656,717</u>
FUND BALANCE AT END OF YEAR	<u>\$ 4,235,596</u>	<u>\$ 3,933,642</u>	<u>\$ (301,954)</u>	<u>\$ 4,235,596</u>

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



PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs are to be recovered primarily through user charges.

Water Sewer Utility Fund - The Water Sewer Utility Fund provides municipal water and sanitary sewer service to the community. The Fund finances the operations, maintenance and construction of the water and sanitary sewer systems.

Ice Center Fund - The Ice Center Fund provides ice arena facility services to the community through hockey, figure skating and public skating programs.

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CITY OF PLYMOUTH, MINNESOTA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)

	Business-type Activities - Enterprise Funds		
	Water Sewer Utility	Ice Center	Nonmajor Funds
ASSETS			
Current assets:			
Cash and investments	19,525,990	801,870	7,320,587
Restricted cash and investments	\$ 5,006,917	\$ -	\$ -
Accounts receivable	2,977,141	223,253	13,563
Special assessments receivable	1,464,507	-	-
Accrued interest receivable	118,456	2,759	25,270
Due from other governments	111,399	-	20,003
Inventory	102,881	7,675	-
Prepaid items	423,791	1,507	3,673
Total current assets	<u>29,731,082</u>	<u>1,037,064</u>	<u>7,383,096</u>
Noncurrent assets:			
Restricted cash and investments	-	-	-
Special assessments receivable	5,428,471	-	-
Capital assets:			
Land	2,074,063	1,077,650	47,551
Buildings	40,580,263	12,363,762	1,306,187
Improvements other than buildings	1,336,950	1,234,484	2,510,929
Machinery and equipment	13,039,480	1,021,584	403,664
Infrastructure	92,900,808	-	7,332,691
Construction in progress	487,811	-	85,696
Total capital assets	<u>150,419,375</u>	<u>15,697,480</u>	<u>11,686,718</u>
Less accumulated depreciation	<u>(57,462,670)</u>	<u>(6,327,265)</u>	<u>(1,791,263)</u>
Net capital assets	<u>92,956,705</u>	<u>9,370,215</u>	<u>9,895,455</u>
Total noncurrent assets	<u>98,385,176</u>	<u>9,370,215</u>	<u>9,895,455</u>
TOTAL ASSETS	<u>\$ 128,116,258</u>	<u>\$ 10,407,279</u>	<u>\$ 17,278,551</u>

(Continued...)

		Governmental Activities - Internal Service Funds	
Totals		Totals	
2013	2012	2013	2012
27,648,447	29,138,366	29,338,626	28,951,254
\$ 5,006,917	\$ -	\$ -	\$ -
3,213,957	3,296,006	12,585	-
1,464,507	1,318,375	-	-
146,485	88,907	101,103	87,524
131,402	-	24,334	11,474
110,556	55,950	149,321	133,382
428,971	407,570	229,892	191,806
<u>38,151,242</u>	<u>34,305,174</u>	<u>29,855,861</u>	<u>29,375,440</u>
-	5,201,909	-	-
5,428,471	5,584,399	-	-
3,199,264	3,199,264	33,520	33,520
54,250,212	52,701,942	578,661	129,967
5,082,363	3,385,362	633,671	536,725
14,464,728	13,827,158	18,573,231	17,574,141
100,233,499	92,452,952	-	-
573,507	4,488,030	-	396,756
<u>177,803,573</u>	<u>170,054,708</u>	<u>19,819,083</u>	<u>18,671,109</u>
<u>(65,581,198)</u>	<u>(61,396,122)</u>	<u>(12,019,387)</u>	<u>(11,242,680)</u>
<u>112,222,375</u>	<u>108,658,586</u>	<u>7,799,696</u>	<u>7,428,429</u>
<u>117,650,846</u>	<u>119,444,894</u>	<u>7,799,696</u>	<u>7,428,429</u>
<u>\$ 155,802,088</u>	<u>\$ 153,750,068</u>	<u>\$ 37,655,557</u>	<u>\$ 36,803,869</u>

**CITY OF PLYMOUTH, MINNESOTA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 DECEMBER 31, 2013
 (with comparative totals for December 31, 2012)**

(Continued from previous page)

	Business-type Activities - Enterprise Funds		
	Water Sewer Utility	Ice Center	Nonmajor Funds
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	\$ 190,422	\$ 57,684	\$ 114,961
Contracts payable	49,902	-	39,005
Accrued salaries and benefits payable	66,261	16,574	24,014
Compensated absences payable	-	-	-
Due to other governments	358,451	4,741	37,569
Unearned revenue	122,166	55,020	62,543
Accrued interest payable	154,604	-	-
Advances from other funds	-	123,109	-
Revenue bonds payable	5,925,000	-	-
Total current liabilities	<u>6,866,806</u>	<u>257,128</u>	<u>278,092</u>
Noncurrent liabilities:			
OPEB (net)	-	-	-
Compensated absences payable	-	-	-
Advances from other funds	-	643,802	-
Revenue bonds payable (net of unamortized premiums/discounts)	5,147,793	-	-
Total noncurrent liabilities	<u>5,147,793</u>	<u>643,802</u>	<u>-</u>
Total liabilities	<u>12,014,599</u>	<u>900,930</u>	<u>278,092</u>
<u>NET POSITION</u>			
Net investment in capital assets	86,890,829	9,370,215	9,895,455
Restricted for:			
Utility trunk	23,411,990	-	-
Water resources	-	-	3,493,634
Unrestricted	5,798,840	136,134	3,611,370
Total net position	<u>116,101,659</u>	<u>9,506,349</u>	<u>17,000,459</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 128,116,258</u>	<u>\$ 10,407,279</u>	<u>\$ 17,278,551</u>

Total net position - Enterprise funds
 Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.
 Net position of business-type activities

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

		Governmental Activities - Internal Service Funds	
Totals		Totals	
2013	2012	2013	2012
\$ 363,067	\$ 482,870	\$ 852,637	\$ 1,347,290
88,907	305,817	-	137,431
106,849	93,088	60,057	57,075
-	-	1,596,629	1,621,802
400,761	337,076	4,714	7,932
239,729	161,660	5,202	996
154,604	205,329	-	-
123,109	121,289	-	-
5,925,000	940,000	-	-
<u>7,402,026</u>	<u>2,647,129</u>	<u>2,519,239</u>	<u>3,172,526</u>
-	-	1,135,565	945,228
-	-	892,217	764,737
643,802	766,911	-	-
<u>5,147,793</u>	<u>11,101,737</u>	<u>-</u>	<u>-</u>
<u>5,791,595</u>	<u>11,868,648</u>	<u>2,027,782</u>	<u>1,709,965</u>
<u>13,193,621</u>	<u>14,515,777</u>	<u>4,547,021</u>	<u>4,882,491</u>
106,156,499	101,818,758	7,799,696	7,428,429
23,411,990	21,233,359	-	-
3,493,634	3,129,034	-	-
9,546,344	13,053,140	25,308,840	24,492,949
<u>142,608,467</u>	<u>139,234,291</u>	<u>33,108,536</u>	<u>31,921,378</u>
<u>\$ 155,802,088</u>	<u>\$ 153,750,068</u>	<u>\$ 37,655,557</u>	<u>\$ 36,803,869</u>
\$ 142,608,467	\$ 139,234,291		
(164,537)	(183,314)		
<u>\$ 142,443,930</u>	<u>\$ 139,050,977</u>		

CITY OF PLYMOUTH, MINNESOTA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2013
(with comparative totals for year ended December 31, 2012)

	Business-type Activities - Enterprise Funds		
	Water Sewer Utility	Ice Center	Nonmajor Funds
OPERATING REVENUES:			
Charges for services	\$ 14,983,966	\$ 1,469,105	\$ 3,420,082
Other fees	37,609	-	109,234
Total operating revenue	<u>15,021,575</u>	<u>1,469,105</u>	<u>3,529,316</u>
OPERATING EXPENSES:			
Personal services	2,418,130	549,230	919,769
Materials and supplies	976,367	155,041	165,221
Contractual services	7,737,753	563,061	1,786,165
Depreciation	3,957,557	438,483	317,388
Total operating expenses	<u>15,089,807</u>	<u>1,705,815</u>	<u>3,188,543</u>
OPERATING INCOME (LOSS)	<u>(68,232)</u>	<u>(236,710)</u>	<u>340,773</u>
NONOPERATING REVENUES (EXPENSES):			
Investment earnings (loss)	63,116	(9,829)	(120,921)
Intergovernmental	35,030	-	399,096
Gain on disposal of capital assets	414	-	-
Contributions	-	11,730	-
Other	37,685	2,086	5,607
Interest expense	(352,251)	(13,323)	-
Total nonoperating revenues (expenses)	<u>(216,006)</u>	<u>(9,336)</u>	<u>283,782</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(284,238)</u>	<u>(246,046)</u>	<u>624,555</u>
CAPITAL CONTRIBUTIONS	5,904,225	-	1,256,019
TRANSFERS IN	28,581	-	-
TRANSFERS OUT	<u>(3,531,674)</u>	<u>(11,939)</u>	<u>(365,307)</u>
CHANGES IN NET POSITION	2,116,894	(257,985)	1,515,267
NET POSITION AT BEGINNING OF YEAR	<u>113,984,765</u>	<u>9,764,334</u>	<u>15,485,192</u>
NET POSITION AT END OF YEAR	<u>\$ 116,101,659</u>	<u>\$ 9,506,349</u>	<u>\$ 17,000,459</u>

Change in net position - Enterprise funds
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.
Change in net position of business-type activities

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

				Governmental Activities - Internal Service Funds			
Totals				Totals			
2013	2012			2013	2012		
\$ 19,873,153	\$ 18,996,499	\$		\$ 10,404,746	\$ 9,661,107		
146,843	246,657			-	-		
<u>20,019,996</u>	<u>19,243,156</u>			<u>10,404,746</u>	<u>9,661,107</u>		
3,887,129	3,857,145			4,794,798	3,855,326		
1,296,629	1,255,930			1,112,501	1,105,744		
10,086,979	9,862,266			2,353,996	2,747,826		
4,713,428	4,458,206			1,393,390	1,315,549		
<u>19,984,165</u>	<u>19,433,547</u>			<u>9,654,685</u>	<u>9,024,445</u>		
35,831	(190,391)			750,061	636,662		
(67,634)	670,202			(459,049)	325,968		
434,126	328,391			8,716	7,838		
414	406			91,181	132,559		
11,730	-			-	-		
45,378	60,541			63,717	25,899		
<u>(365,574)</u>	<u>(426,221)</u>			<u>-</u>	<u>-</u>		
<u>58,440</u>	<u>633,319</u>			<u>(295,435)</u>	<u>492,264</u>		
94,271	442,928			454,626	1,128,926		
7,160,244	7,658,400			168,350	110,551		
28,581	6,028			980,310	445,660		
<u>(3,908,920)</u>	<u>(3,351,750)</u>			<u>(416,128)</u>	<u>(179,547)</u>		
3,374,176	4,755,606			1,187,158	1,505,590		
<u>139,234,291</u>	<u>134,478,685</u>			<u>31,921,378</u>	<u>30,415,788</u>		
<u>\$ 142,608,467</u>	<u>\$ 139,234,291</u>	<u>\$</u>		<u>\$ 33,108,536</u>	<u>\$ 31,921,378</u>		
\$ 3,374,176	\$ 4,755,606						
18,777	52,288						
<u>\$ 3,392,953</u>	<u>\$ 4,807,894</u>						

**CITY OF PLYMOUTH, MINNESOTA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2013
 (with comparative totals for year ended December 31, 2012)**

	Business-type Activities - Enterprise Funds		
	Water Sewer Utility	Ice Center	Nonmajor Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers or users	\$ 15,094,819	\$ 1,480,096	\$ 3,511,146
Payments to suppliers	(8,870,741)	(731,280)	(1,913,710)
Payments to employees	(2,408,172)	(547,966)	(917,230)
Other operating revenue	37,685	2,086	5,607
Net cash flows from operating activities	<u>3,853,591</u>	<u>202,936</u>	<u>685,813</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Intergovernmental revenues	35,030	-	399,096
Contributions	-	11,730	-
Payment on advances from other funds	-	(121,289)	-
Transfers in from other funds	28,581	-	-
Transfers out to other funds	(3,531,674)	(11,939)	(365,307)
Net cash flows from noncapital financing activities	<u>(3,468,063)</u>	<u>(121,498)</u>	<u>33,789</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(6,600,488)	(5,898)	(1,362,846)
Bond proceeds received	-	-	-
Contributions	3,053,582	-	731,121
Special assessments for future construction	2,823,090	-	-
Proceeds from sale of capital assets	414	-	-
Principal paid on capital debt	(940,000)	-	-
Interest paid on capital debt	(431,920)	(13,323)	-
Net cash flows from capital and related financing activities	<u>(2,095,322)</u>	<u>(19,221)</u>	<u>(631,725)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment earnings (loss)	8,837	(10,307)	(123,741)
Purchase/Sale of investments	194,992	-	-
Net cash flows from investing activities	<u>203,829</u>	<u>(10,307)</u>	<u>(123,741)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,505,965)	51,910	(35,864)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	21,031,955	749,960	7,356,451
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 19,525,990	\$ 801,870	\$ 7,320,587

(Continued...)

				Governmental Activities - Internal Service Funds			
Totals				Totals			
2013	2012			2013	2012		
\$ 20,086,061	\$ 19,153,884	\$		10,387,541	\$	9,655,674	
(11,515,731)	(11,259,860)			(4,155,826)		(3,241,773)	
(3,873,368)	(3,837,899)			(4,503,206)		(3,781,037)	
45,378	60,541			63,717		25,899	
<u>4,742,340</u>	<u>4,116,666</u>			<u>1,792,226</u>		<u>2,658,763</u>	
434,126	328,691			8,716		7,838	
11,730	-			-		-	
(121,289)	(102,861)			-		-	
28,581	6,028			980,310		445,660	
<u>(3,908,920)</u>	<u>(3,351,750)</u>			<u>(416,128)</u>		<u>(179,547)</u>	
<u>(3,555,772)</u>	<u>(3,119,892)</u>			<u>572,898</u>		<u>273,951</u>	
(7,969,232)	(2,632,785)			(1,817,039)		(2,391,438)	
-	5,319,497			-		-	
3,784,703	729,923			168,350		110,551	
2,823,090	2,701,580			-		-	
414	406			143,564		156,681	
(940,000)	(830,000)			-		-	
<u>(445,243)</u>	<u>(332,332)</u>			<u>-</u>		<u>-</u>	
<u>(2,746,268)</u>	<u>4,956,289</u>			<u>(1,505,125)</u>		<u>(2,124,206)</u>	
(125,211)	675,216			(472,627)		332,804	
194,992	(5,201,909)			-		-	
<u>69,781</u>	<u>(4,526,693)</u>			<u>(472,627)</u>		<u>332,804</u>	
(1,489,919)	1,426,370			387,372		1,141,312	
<u>29,138,366</u>	<u>27,711,996</u>			<u>28,951,254</u>		<u>27,809,942</u>	
<u>\$ 27,648,447</u>	<u>\$ 29,138,366</u>	<u>\$</u>		<u>29,338,626</u>	<u>\$</u>	<u>28,951,254</u>	

**CITY OF PLYMOUTH, MINNESOTA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2013
 (with comparative totals for year ended December 31, 2012)**

(Continued from previous page)

	Business-type Activities - Enterprise Funds		
	Water Sewer Utility	Ice Center	Nonmajor Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ (68,232)	\$ (236,710)	\$ 340,773
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation	3,957,557	438,483	317,388
Other revenue	37,685	2,086	5,607
Changes in assets and liabilities:			
Accounts receivable	70,842	45	11,162
Special assessments receivable	37,349	-	-
Due from other governments	(23,780)	-	(20,003)
Inventory	(54,354)	(251)	-
Prepaid expenses	(20,079)	(1,362)	41
Accounts payable	(109,443)	(12,210)	1,850
Due to other funds	-	-	-
Due to other governments	27,255	645	35,785
Accrued salaries payable	9,958	1,264	2,539
OPEB	-	-	-
Compensated absences payable	-	-	-
Unearned revenue	(11,167)	10,946	(9,329)
Total adjustments	<u>3,921,823</u>	<u>439,646</u>	<u>345,040</u>
Net cash flows from operating activities	<u>\$ 3,853,591</u>	<u>\$ 202,936</u>	<u>\$ 685,813</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Contributions receivable from others	1,243,000	-	-
Contributions of capital assets from City funds	1,810,582	-	844,625
Contribution of capital asset from others	-	-	411,394
Trade-in values on capital asset purchases	-	-	-
Transfer of capital assets to other City funds	-	-	-
Increase (decrease) in capital assets from accounts and contracts payable	23,614	-	(240,524)

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

				Governmental Activities - Internal Service Funds	
Totals		Totals			
2013	2012	2013	2012		
\$ 35,831	\$ (190,391)	\$ 750,061	\$ 636,662		
4,713,428	4,458,206	1,393,390	1,315,549		
45,378	60,541	63,717	25,899		
82,049	(54,517)	(12,585)	2,863		
37,349	(52,383)	-	-		
(43,783)	-	(12,860)	(6,079)		
(54,605)	(5,037)	(15,939)	3,537		
(21,400)	(405,507)	(38,088)	7,782		
(119,803)	104,886	(632,084)	733,104		
-	-	-	(20,000)		
63,685	163,994	(3,218)	(132,626)		
13,761	19,246	2,982	(104,707)		
-	-	190,337	167,739		
-	-	102,307	28,394		
(9,550)	17,628	4,206	646		
<u>4,706,509</u>	<u>4,307,057</u>	<u>1,042,165</u>	<u>2,022,101</u>		
<u>\$ 4,742,340</u>	<u>\$ 4,116,666</u>	<u>\$ 1,792,226</u>	<u>\$ 2,658,763</u>		

1,243,000	-	-	-		
2,655,207	196,000	255,972	21,400		
411,394	3,774,383	-	7,400		
-	-	101,860	51,500		
-	-	(11,845)	(11,845)		
(216,910)	26,051	(137,431)	137,431		

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NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Plymouth, Minnesota (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (generally accepted accounting principles), as applied to governmental units by the Governmental Accounting Standards Board (GASB). The City's significant accounting policies are described below.

A. FINANCIAL REPORTING ENTITY

The City of Plymouth, Minnesota (the City) was formed and operates pursuant to applicable Minnesota laws and statutes. On January 1, 1993, the City adopted a home rule charter and operates under a council-manager form of government. The council is composed of a mayor, four ward council members, and two at-large council members.

As required by accounting principles generally accepted in the United States of America (generally accepted accounting principles), these financial statements present the City of Plymouth (the primary government) and its component unit. The component unit discussed below is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

Discretely Presented Component Units

The component unit columns in the government-wide statements include the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

The Housing and Redevelopment Authority (HRA) of Plymouth is a separate legal entity governed by a board, which is appointed by the City Council. The Council reviews and approves the HRA tax levies and budgets, and the City provides major community development financing for HRA activities. Debt issued for HRA activities are City general obligation debt issues. The HRA is established to provide housing and redevelopment assistance to the City's citizens and to carry out certain housing and redevelopment projects and programs using City employees, which enables the City to meet federal and state housing requirements. The HRA provides assistance through general taxes and administers the City's Community Development Block Grant program.

The HRA operates the Section 8 rental subsidy program as a direct recipient from the Department of Housing and Urban Development. The HRA operates Plymouth Towne Square, a 99-unit senior independent living community for moderate and low-income Plymouth citizens. In addition, the HRA operates Vicksburg Crossing, a 96-unit senior independent community of which a portion of the units are available for moderate and low-income Plymouth citizens, and the remainder are market rate. Rental subsidies are made to tenants by a portion of the HRA property tax levy.

As the City appoints the HRA commission and has the ability to hire or dismiss those persons responsible for its day-to-day operations, the HRA is considered a component unit of the City.

Separate financial statements for the HRA may be obtained from the administrative offices at city hall:

Plymouth Housing and Redevelopment Authority
3400 Plymouth Boulevard
Plymouth, Minnesota 55447

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements include both government-wide 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 of the non-fiduciary activities of the primary government and its component units.

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. *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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The government-wide Statement of Activities reflect the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, service, 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*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separated columns in the fund financial statements. Each financial presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements' governmental column, a reconciliation is presented that briefly explains the adjustments necessary to reconcile ending net position and the change in net position.

In the fund financial statements, financial transactions and accounts of the City are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Major Governmental Funds – The City reports the following major governmental funds:

- *General Fund* – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. This fund records revenues such as property tax revenues, licenses and permits, fines and penalties, intergovernmental revenues, and investment earnings. Most of the current day-to-day operations of the governmental units are financed from this fund.
- *Special Revenue Fund*
 - *Transit System Fund* – Revenues from the Minnesota Vehicle Excise Tax and fares, and expenditures for the Plymouth Metrolink system are accounted for in this fund.
- *Capital Project Funds*
 - *Improvement Projects Fund* – Used to account for expenditures incurred in the construction of certain public improvements such as residential streets, sidewalks, and storm sewers.
 - *Infrastructure Replacement Fund* – This fund is used to account for accumulation of resources for major infrastructure repair and replacement.
 - *Park Replacement Fund* – This fund is used to account for the accumulation of resources for the major repairs and replacement of park facilities and trails.

Major Proprietary Funds – The City reports the following major proprietary funds:

- *Water Sewer Utility Fund* – Used to account for providing water and sewer services to the City’s residents.
- *Ice Center Fund* – Used to account for the operations of the City’s ice center.

Other Funds – The City reports the following other funds:

- *Internal Service Funds* - Used to account for central equipment, public facilities, information technology, risk management, employee benefits, and resource planning services provided to other departments of the City on a cost-reimbursement basis.

The accounting and reporting treatment applied to a fund is determined by its measurement focus.

Governmental Funds:

- *Measurement Focus* - Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources (if any), current liabilities, and deferred inflows generally are included on the balance sheet. Reported fund balance is considered a measure of “available spendable resources”. Governmental fund operating statements represent increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current position.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

- *Basis of Accounting* - Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.
- *Revenues* - 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 property taxes, including delinquent taxes received within 60 days after year-end to be available. Licenses and permits, fines and forfeitures, intergovernmental revenues, charges for services, and investment earnings are considered to be available if they are collected within 60 days. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.
- *Unavailable Revenues* - unavailable revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unavailable revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when all revenue recognition criteria are met, the liability for unavailable revenue is removed and revenue is recognized.
- *Expenditures* - Expenditures generally are recorded when a liability is incurred, defined as accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, compensated absences, and other postemployment benefits, are recorded only when payment is due.

Proprietary Funds:

- *Measurement Focus* - Proprietary funds are accounted for on a flow of economic resources measurement focus. This means that all assets, including capital assets, and all liabilities, including long-term liabilities, associated with fund activity are included on the balance sheets. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.
- *Basis of Accounting* - Proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred. Unbilled utility service receivables are recorded at year-end.
- *Operating versus Non-operating Items* - Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenue of the City’s enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS OF RESOURCES, AND NET POSITION, OR EQUITY

1. Cash and Investments

Deposits and Investments

The cash balances of the City and its component unit funds are pooled and invested for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at year end, based on market prices. The City has the ability and intent to hold its investments to maturity. The individual funds' portions of the pool's fair value are presented as "Cash and investments". Earnings from such investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund.

Cash and Cash Equivalents

The City considers cash and cash equivalents in proprietary funds to be cash on hand and demand deposits. In addition, because the pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Restricted Cash and Investments

Restricted cash and investments represent assets held in escrow for specific purposes. It represents crossover refunding bond proceeds placed in an escrow account pending the call of the refunded bonds. Earnings on these investments are allocated directly to these funds.

2. Receivables and Payables

During the course of operations, transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet and are short-term in nature. Advances to other funds and advances from other funds are considered long-term receivables/payables. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

The City Council annually adopts a tax levy and certifies it to the County in December (levy/assessment date) of each year for collection in the following year. The County is responsible for billing and collecting all property taxes for itself, the City, the local School District, and other taxing authorities. Such taxes become a lien on January 1 and are recorded as receivables by the City. The City has no ability to enforce payment of property taxes by property owners. The County possesses this authority. The County spreads all levies over taxable property.

Within the governmental fund financial statements, property taxes are accrued and recognized as revenue, excluding delinquent taxes received over 60 days after year-end. Taxes that remain unpaid are classified as delinquent taxes receivable and are fully offset by unavailable revenue, because they are not known to be available to finance current expenditures. An allowance for abated taxes has been recorded as a reduction in property tax revenue and unavailable revenue. Unavailable revenue in governmental activities is susceptible to full accrual on the government-wide statements. Real property taxes may be paid by taxpayers in two equal installments, on May 15 and October 15. Personal property taxes may be paid on May 15. The county provides tax settlements to cities and other taxing districts four times a year, in June, July, December, and January of the following year.

Special Assessments are levied against benefited properties for the cost, or a portion of the cost, of special assessment improvement projects in accordance with Minnesota Statutes. These assessments are collectible by the City over a term of years. Collection of annual installments (including interest) is handled by the County Auditor in the same manner as property taxes. Property owners are allowed to prepay future installments without interest or prepayment penalties.

Within the governmental fund financial statements, special assessment principal installments are recognized as revenue when they become measurable and available. Special assessment interest revenues are recognized when due, net of delinquencies. Unavailable revenue in governmental activities is susceptible to full accrual on the government-wide statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Trade receivables include amounts billed for services provided before year end. Unbilled utility enterprise fund receivables account for the majority of these receivables. The City annually certifies delinquent water and sewer accounts to the County for collection in the following year. Therefore, there has been no allowance for doubtful accounts established.

The City and the HRA, in efforts to further develop the community, lend funds to certain developers for specific projects and to homeowners for first-time home buyer purchases as notes receivable. The disbursement under the notes are recorded as current expenditures. The note receivable is also recorded with a corresponding unavailable revenue amount. As the notes are repaid, the repayments are recorded as current revenue, and the notes receivable and unavailable revenue amounts are reduced accordingly. Unavailable revenue in governmental activities is susceptible to full accrual on the government-wide statements.

As part of the rehabilitation program, interest-free loans are given to low and moderate-income households to maintain, repair, and improve their homes. The loan disbursements are recorded as current expenditures. Payments are deferred and loans are forgiven after 20 years if the homeowner continues to own and occupy the home. The HRA does not recognize notes receivable and corresponding unavailable revenue on these loans. If the property is sold within 20 years, the loan is required to be repaid and is recorded as current revenue.

Receivables not expected to be collected within one year are notes receivable of \$2,291,539, interest on notes receivable of \$113,054 and unavailable special assessments receivable of \$5,491,365.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of inventory is recorded as an expenditure when consumed (i.e., consumption method) in the Governmental Fund types.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than purchased.

4. 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 more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. 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.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back-trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Land and construction in progress are not depreciated. Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	15 - 100
Buildings	5 - 50
Improvements other than buildings	10 - 25
Machinery and equipment	2 - 20

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

5. *Compensated Absences*

Employees accrue *vacation/annual leave* at increments based on years of service. Such pay is reflected as a liability in the employee benefit fund as well as the government-wide statement of net position. The related expenditures/expenses are reflected on the fund statements based on each employees' distribution. The City compensates all employees upon termination for unused leave up to a maximum of 480 hours.

Employees accrue *extended illness leave* up to a maximum lifetime accrual of 600 hours. They are entitled to draw upon their banks for approved leave extending beyond three weeks in duration. This type of leave is expended/expensed as it is paid from all funds. Employees are not compensated upon termination for remaining balances.

6. *Long-Term Obligations*

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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. Premiums received on debt issuances are reported as other financing sources and discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

7. *Interfund Activity*

Interfund services provided and used are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

8. *Deferred Outflows/Inflows of Resources*

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, special assessments, grants, and other miscellaneous receivables not received within 60 days. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

9. Fund Balance Classifications

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory, and other long-term assets.
- **Restricted** – Consists of amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.
- **Committed** – Consists of amounts that can be used only for specific purposes determined by a formal action of the government’s high level of decision-making authority. The Council is the highest level of decision-making authority for the City that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.
- **Assigned** – Consists of internally imposed constraints. These constraints consist of amounts intended to be used for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority. The City Manager, Administrative Services Director, or Finance Manager are authorized to establish assignments of fund balance.
- **Unassigned** – The residual classification for the General Fund which also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to first use restricted resources, then use unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use, it is the City’s policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

10. Use of Estimates

The preparation of financial statements, in accordance with accounting principles generally accepted in the United States of America, requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

11. Comparative Data/Reclassifications

Comparative total information for the prior year has been presented only for the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year have been reclassified in order to be consistent with the current year’s presentation.

12. Net Position

Net position represent the difference between assets plus deferred outflows of resources (if any) and deferred inflows of resources (if any) plus liabilities. Net position is displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets.
- b. Restricted net position – Net position whose use is limited by external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- c. Unrestricted net position – All other net position that does not meet the definition of “net investment in capital assets” or “restricted”.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETS AND BUDGETARY ACCOUNTING

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General and certain Special Revenue Funds.

Budgeted amounts are as originally adopted, or as amended by the City Council. Individual amendments were not material in relation to the original appropriations which were amended. All budgetary amendments and transfers require approval of the City Council. Budgeted expenditure appropriations lapse at year-end.

Encumbrance accounting is employed in Governmental Funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as commitments of fund balances and do not constitute expenditures or liabilities because the resources will be reappropriated and honored during the subsequent year.

Legal Compliance – Budgets

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

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is held to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution.
4. The City Council may authorize transfers of budgeted amounts between city funds.
5. The City legally adopts budgets and formal budgetary integration is employed as a management control device during the year for the General Fund and certain Special Revenue Funds (Recreation Fund, Community Development Block Grant Fund, and Transit System Fund).

Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through bond indenture provisions, or for Capital Projects Funds because budgetary control is alternatively achieved through the use of project controls.

6. The legal level of budgetary control is at the fund level. Monitoring of budgets is maintained at the expenditure category level (i.e., salaries, wages, and benefits; material, supplies, and services; capital outlay) within each activity. This means that General Fund and certain Special Revenue Fund individual line items may overspend budgeted amounts without council approval as long as the actual fund expenditures do not exceed the total fund budget.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

There were no funds with excess expenditures over appropriations for the year ended December 31, 2013.

C. DEFICIT FUND EQUITY

The following funds had a deficit fund balance as of December 31, 2013. Vicksburg Crossing's deficit will be eliminated over time as the occupancy rate increases and debt service obligations and depreciation decrease.

<u>Fund</u>	<u>Fund Balance</u>
Component Unit - Vicksburg Crossing	(1,420,718)

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 3: CASH AND INVESTMENTS

A. COMPONENTS OF CASH AND INVESTMENTS

Cash and investments at year-end consist of the following:

	Primary <u>Government</u>	Component <u>Unit</u>	<u>Total</u>
Deposits	\$ 2,286,132	\$ 688,634	\$ 2,974,766
Investments	140,795,271	13,636,588	154,431,859
Cash on hand	<u>5,280</u>	<u>-</u>	<u>5,280</u>
Total	<u>\$ 143,086,683</u>	<u>\$ 14,325,222</u>	<u>\$ 157,411,905</u>

Cash and investments are presented in the financial statements as follows:

Statement of Net Position:

Cash and investments	\$ 133,243,221	\$ 4,792,577	\$ 138,035,798
Restricted cash and investments	<u>9,843,462</u>	<u>9,532,645</u>	<u>19,376,107</u>
Total cash and investments	<u>\$ 143,086,683</u>	<u>\$ 14,325,222</u>	<u>\$ 157,411,905</u>

B. DEPOSITS

In accordance with applicable Minnesota Statutes, the City and its component unit maintain deposits at depository banks authorized by the City Council, including checking and savings accounts.

The following is considered the most significant risk associated with deposits:

Custodial credit risk – In the case of deposits, this is the risk that in the event of a bank failure, the deposits may be lost.

Minnesota Statutes require that all city deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated “A” or better; revenue obligations rated “AA” or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The City has no additional deposit policies addressing custodial credit risk for deposits.

At year-end, the carrying amount of the City’s deposits was \$2,286,132 while the balance on the bank records was \$2,676,586. The carrying amount of the component unit’s deposits was \$688,634 while the balance on the bank records was \$694,904. At December 31, 2013, all deposits were fully covered by federal depository insurance or by collateral held by the City’s agent in the City’s name.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 3: CASH AND INVESTMENTS - CONTINUED

C. INVESTMENTS

The City is authorized by Minnesota Statute Chapter 118A, and the City's investment policy, to invest in the following:

1. Bonds, notes, bills, mortgages (excluding high-risk mortgage-backed securities), and other securities, which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by Congress.
2. State and local securities that consist of the following:
 - any security which is a general obligation of any state or local government with taxing powers which is rated "A" or better by a national bond rating agency;
 - any security which is a revenue obligation of any state or local government with taxing powers which is rated "AA" or better by a national bond rating agency; or
3. Commercial paper, with a maturity of 270 days or less, issued by United States corporations or their Canadian subsidiaries that is rated highest tier by at least two nationally recognized rating agencies, and is not rated less than highest tier by any nationally recognized rating agency.
4. Repurchase agreements with qualified institutions backed by collateral consisting of the foregoing.
5. Securities lending agreements with qualified financial institutions.
6. Banker's acceptances of United States banks that are eligible for purchase by the Federal Reserve System.
7. Money market mutual funds meeting the conditions of rule 2a-7 of the Securities and Exchange Commission and is rated in one of the two highest rating categories for money market funds by at least one nationally recognized rating organization.

The City and its component unit have the following cash and investment balances at year end:

Investment Type	Interest Risk - Maturity in Years				Total
	Less than 1	1 to 5	6 to 10	11 to 15	
US Government Securities:					
US Treasury Securities	\$ 212,600	\$ 9,321,059	\$ -	\$ -	\$ 9,533,659
GNMA Pass Through Pool	-	-	-	4,810,354	4,810,354
US Agency Securities:					
Federal Agriculture					
Mortgage Corporation	-	1,961,080	1,864,140	-	3,825,220
Federal Farm Credit Bank	-	6,424,320	1,872,440	-	8,296,760
Federal Home Loan Bank	-	7,358,080	11,296,870	1,824,490	20,479,440
Federal Home Loan					
Mortgage Corporation	8,767,996	10,807,110	5,684,390	-	25,259,496
Federal National					
Mortgage Association	896,191	12,755,137	13,497,570	-	27,148,898
FNMA Pass Through Pool	-	-	2,845,423	1,941,733	4,787,156
Municipal Bonds	4,699,677	8,521,960	7,822,025	870,000	21,913,662
Negotiable Certificate of Deposit	-	1,241,137	-	-	1,241,137
Banker's Acceptance	4,999,614	-	-	-	4,999,614
Commerical Paper	22,136,463	-	-	-	22,136,463
Total investments	<u>\$ 41,712,541</u>	<u>\$ 58,389,883</u>	<u>\$ 44,882,858</u>	<u>\$ 9,446,577</u>	154,431,859
Deposits					2,974,766
Change funds					5,280
Cash and investments					<u>\$ 157,411,905</u>

Note 3: CASH AND INVESTMENTS – CONTINUED

The investments are potentially subject to various risks; the following of which are considered the most significant:

Custodial credit risk – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the City would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy addresses this risk by requiring that securities be held by a third-party custodian. The City does not have a custodial credit risk because all investments are held in the City's name.

Credit risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. This risk is addressed by confining investments to those securities specifically authorized by state statutes and the City's investment policy. It is the City's policy to limit its investments in the authorized investment types to those rated in the top rating tiers issued by nationally recognized statistical rating organizations. As of December 31, 2013, the City's investments in US government securities and US agency securities were rated AA- or better by Standard & Poor's and/or A2 or better by Moody's Investors Service, municipal bonds were rated AA or higher by Standard & Poor's and/or AA3 or higher by Moody's Investor Service, bankers acceptance was rated A1+ by Standard & Poor's and P1 by Moody's Investor Service and the City's commercial paper investments were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.

Concentration risk – This is the risk associated with investing a significant portion of the City's investments (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as Treasuries), investment pools, and mutual funds. It is the City's policy to limit its investment in commercial paper to no more than 20% of the total portfolio. The City's holdings at year end fully complied with this requirement. At year end, the City's investments in four U.S. Agency issuers did exceed 5% of the total portfolio. These issuers were the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association. These issuers have an implicit guarantee from the federal government but are not backed by the full faith and credit of the federal government.

Interest rate risk – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City does have an investment policy which requires diversification in terms of maturity and limits the maximum maturity of an investment to 15 years. At year end, the City had 27.00% of investments with a maturity date within one year, 37.81% with a maturity date between one and five years, 29.07% with a maturity date between six and ten years, and 6.12% with a maturity date between eleven and fifteen years.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013 was as follows:

<u>Primary government:</u>	Beginning Balance	Additions	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 32,582,331	\$ 1,402,996	\$ -	\$ 33,985,327
Construction in progress	15,349,116	7,987,535	(15,242,477)	8,094,174
Total capital assets, not being depreciated	<u>47,931,447</u>	<u>9,390,531</u>	<u>(15,242,477)</u>	<u>42,079,501</u>
Capital assets, being depreciated				
Buildings	39,712,800	486,293	-	40,199,093
Improvements other than buildings	21,881,173	308,778	-	22,189,951
Machinery and equipment	30,609,632	1,821,057	(735,099)	31,695,590
Infrastructure	239,524,589	13,108,251	-	252,632,840
Total capital assets, being depreciated	<u>331,728,194</u>	<u>15,724,379</u>	<u>(735,099)</u>	<u>346,717,474</u>
(Less) Accumulated depreciation for:				
Buildings	(13,641,178)	(1,056,308)	-	(14,697,486)
Improvements other than buildings	(10,153,102)	(981,218)	-	(11,134,320)
Machinery and equipment	(17,851,259)	(1,930,952)	676,918	(19,105,293)
Infrastructure	(156,565,037)	(7,015,933)	-	\$ (163,580,970)
Total accumulated depreciation	<u>(198,210,576)</u>	<u>(10,984,411)</u>	<u>676,918</u>	<u>(208,518,069)</u>
Total capital assets, being depreciated, net	<u>133,517,618</u>	<u>4,739,968</u>	<u>(58,181)</u>	<u>138,199,405</u>
Governmental activities capital assets, net	<u>\$ 181,449,065</u>	<u>\$ 14,130,499</u>	<u>\$ (15,300,658)</u>	<u>\$ 180,278,906</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 3,199,264	\$ -	\$ -	\$ 3,199,264
Construction in progress	4,488,030	3,961,720	(7,876,243)	573,507
Total capital assets, not being depreciated	<u>7,687,294</u>	<u>3,961,720</u>	<u>(7,876,243)</u>	<u>3,772,771</u>
Capital assets, being depreciated				
Buildings	52,701,942	2,074,270	(526,000)	54,250,212
Improvements other than buildings	3,385,362	1,697,001	-	5,082,363
Machinery and equipment	13,827,158	639,922	(2,352)	14,464,728
Infrastructure	92,452,952	7,780,547	-	100,233,499
Total capital assets, being depreciated	<u>162,367,414</u>	<u>12,191,740</u>	<u>(528,352)</u>	<u>174,030,802</u>
(Less) Accumulated depreciation for:				
Buildings	(20,325,312)	(1,548,678)	526,000	(21,347,990)
Improvements other than buildings	(1,478,685)	(192,057)	-	(1,670,742)
Machinery and equipment	(8,624,613)	(998,846)	2,352	(9,621,107)
Infrastructure	(30,967,512)	(1,973,847)	-	(32,941,359)
Total accumulated depreciation	<u>(61,396,122)</u>	<u>(4,713,428)</u>	<u>528,352</u>	<u>(65,581,198)</u>
Total capital assets, being depreciated, net	<u>100,971,292</u>	<u>7,478,312</u>	<u>-</u>	<u>108,449,604</u>
Business-type activities capital assets, net	<u>\$ 108,658,586</u>	<u>\$ 11,440,032</u>	<u>\$ (7,876,243)</u>	<u>\$ 112,222,375</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 4: CAPITAL ASSETS – CONTINUED

	Beginning Balance	Additions	Decreases	Ending Balance
<u>Component unit:</u>				
Governmental activities:				
Capital assets, being depreciated				
Buildings	\$ 175,169	\$ -	\$ -	\$ 175,169
(Less) Accumulated depreciation for:				
Buildings	(12,651)	(5,839)	-	(18,490)
Governmental activities capital assets, net	<u>\$ 162,518</u>	<u>\$ (5,839)</u>	<u>\$ -</u>	<u>\$ 156,679</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 1,333,840	\$ -	\$ -	\$ 1,333,840
Capital assets, being depreciated				
Buildings	15,094,825	-	-	15,094,825
Improvements other than buildings	350,183	-	-	350,183
Machinery and equipment	754,634	-	(3,253)	751,381
Total capital assets, being depreciated	<u>16,199,642</u>	<u>-</u>	<u>(3,253)</u>	<u>16,196,389</u>
(Less) Accumulated depreciation for:				
Buildings	(4,831,058)	(508,376)	-	(5,339,434)
Improvements other than buildings	(138,921)	(15,412)	-	(154,333)
Machinery and equipment	(442,141)	(46,006)	2,223	(485,924)
Total accumulated depreciation	<u>(5,412,120)</u>	<u>(569,794)</u>	<u>2,223</u>	<u>(5,979,691)</u>
Total capital assets, being depreciated, net	<u>10,787,522</u>	<u>(569,794)</u>	<u>(1,030)</u>	<u>10,216,698</u>
Business-type activities capital assets, net	<u>\$ 12,121,362</u>	<u>\$ (569,794)</u>	<u>\$ (1,030)</u>	<u>\$ 11,550,538</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 4: CAPITAL ASSETS – CONTINUED

General Government	\$ 279,845
Parks and Recreation	1,307,348
Public Safety	507,130
Public Works	7,303,293
Public Service	193,405
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>1,393,390</u>
Total depreciation expense - governmental activities	<u>\$ 10,984,411</u>

Depreciation expense was charged to business-type functions as follows:

Water Sewer Utility	\$ 3,957,557
Ice Center	438,483
Water Resources	245,666
Solid Waste Management	184
Field House	<u>71,538</u>
Total depreciation expense - business-type activities	<u>\$ 4,713,428</u>

Component unit:

Depreciation expense was charged to governmental functions as follows:

Public Service	<u>\$ 5,839</u>
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Depreciation expense was charged to business-type functions as follows:

Plymouth Towne Square	\$ 202,127
Vicksburg Crossing	<u>367,667</u>
Total depreciation expense - component unit activities	<u>\$ 569,794</u>

Note 5: LONG-TERM DEBT

A. GENERAL OBLIGATION BONDS

Primary government

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities.

Component unit

The HRA issues general obligation bonds to provide funds for the acquisition and construction of capital facilities.

B. GENERAL OBLIGATION WATER REVENUE BONDS

General Obligation Revenue Bonds

The City issues bonds that are general obligations of the City for which the City pledges its full faith and credit and power to levy taxes. In addition, the City pledges net revenues of its water utility.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 5: LONG-TERM DEBT – CONTINUED

C. OBLIGATIONS OUTSTANDING

Long-term obligations outstanding at December 31, 2013 are summarized as follows:

<u>Primary government</u>	<u>Interest Rates (%)</u>	<u>Payment Dates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Amount Retired</u>	<u>Debt Outstanding</u>
Governmental activities:							
GENERAL OBLIGATION BONDS:							
Capital Improvement Bonds - 2004A	3.00-4.75	2/01 8/01	9/9/04	2/1/25	\$ 7,480,000	\$ 2,210,000	\$ 5,270,000
Open Space Bonds - 2007A	3.75-3.90	2/01 8/01	11/15/07	2/1/24	2,715,000	590,000	2,125,000
Activity Center and Field House Refunding Bonds - 2009B	3.00	2/01 8/01	11/24/09	2/1/14	1,445,000	1,065,000	380,000
Open Space Bonds - 2010A	2.00-3.25	2/01 8/01	8/24/10	2/1/26	2,990,000	300,000	2,690,000
GO Refunding Bonds - 2012A	2.00-3.00	2/01 8/01	4/5/12	2/1/25	4,815,000	90,000	4,725,000
Total general obligation					<u>19,445,000</u>	<u>4,255,000</u>	<u>15,190,000</u>
GENERAL OBLIGATION BONDS - TAX INCREMENT:							
Tax Increment Bonds - 2005A	2.80-4.25	2/01 8/01	4/1/05	2/1/23	1,370,000	365,000	1,005,000
Tax Increment Refunding Bonds - 2009A	3.00-3.50	2/01 8/01	11/24/09	2/1/23	2,490,000	340,000	2,150,000
Total tax increment obligation					<u>3,860,000</u>	<u>705,000</u>	<u>3,155,000</u>
Total governmental activities					<u>23,305,000</u>	<u>4,960,000</u>	<u>18,345,000</u>
Business-type activities:							
General Obligation Water Revenue Bonds - 2004B	3.00-4.00	2/01 8/01	12/8/04	2/1/19	13,140,000	7,275,000	5,865,000
GO Refunding Bonds - 2012A	2.00-3.00	2/01 8/01	4/5/12	2/1/25	4,955,000	80,000	4,875,000
Total business-type activities					<u>18,095,000</u>	<u>7,355,000</u>	<u>10,740,000</u>
Total primary government bonds payable					<u>\$ 41,400,000</u>	<u>\$ 12,315,000</u>	<u>\$ 29,085,000</u>
<u>Component unit</u>							
Business-type activities:							
Governmental Housing Project Housing Bonds - 2005	3.75-5.00	02/01 08/01	5/1/05	2/1/35	\$ 10,650,000	\$ 770,000	\$ 9,880,000
Governmental Housing Project Refunding Bonds - 2011A	3.00-3.25	04/01 10/01	2/23/11	10/1/23	3,165,000	245,000	2,920,000
Governmental Housing Project Refunding Bonds - 2012A	2.00-3.25	02/01 08/01	4/5/12	2/1/35	9,890,000	-	9,890,000
Total component unit bonds payable					<u>\$ 23,705,000</u>	<u>\$ 1,015,000</u>	<u>\$ 22,690,000</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 5: LONG-TERM DEBT – CONTINUED

Annual debt service requirements to maturity for bonds are as follows:

Year Ending December 31	Primary Government Governmental Activities		Primary Government Business-type Activities		Component Unit Business-type Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
	2014	\$ 1,345,000	\$ 635,120	\$ 5,925,000	\$ 253,150	\$ 455,000
2015	5,550,000	494,941	920,000	126,050	9,690,000	560,625
2016	1,010,000	360,168	935,000	102,825	670,000	328,688
2017	1,065,000	326,659	965,000	74,325	690,000	310,088
2018	1,100,000	291,126	990,000	45,000	710,000	293,338
2019 - 2023	6,280,000	859,183	1,005,000	15,075	3,835,000	1,199,938
2024 - 2028	1,995,000	70,741	-	-	2,510,000	786,744
2029 - 2033	-	-	-	-	2,860,000	423,069
2034 - 2035	-	-	-	-	1,270,000	41,600
	<u>\$ 18,345,000</u>	<u>\$ 3,037,937</u>	<u>\$ 10,740,000</u>	<u>\$ 616,425</u>	<u>\$ 22,690,000</u>	<u>\$ 4,734,200</u>

D. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts due within one year
<u>Primary government:</u>					
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 16,300,000	\$ -	\$ 1,110,000	\$ 15,190,000	\$ 1,115,000
General obligation bonds - tax increment	3,365,000	-	210,000	3,155,000	230,000
Deferred amounts:					
Issuance premiums (discounts)	441,400	-	46,912	394,488	-
Total bonds payable	20,106,400	-	1,366,912	18,739,488	1,345,000
OPEB liability	945,228	349,546	159,209	1,135,565	-
Compensated absences	2,386,539	1,667,630	1,565,323	2,488,846	1,596,629
Governmental activity					
Long-term liabilities	23,438,167	2,017,176	3,091,444	22,363,899	2,941,629
Business-type activities:					
Bonds payable:					
General obligation water revenue bonds	6,725,000	-	860,000	5,865,000	5,865,000
General obligation bonds - refunding	4,955,000	-	80,000	4,875,000	60,000
Deferred amounts:					
Issuance premiums (discounts)	361,737	-	28,944	332,793	-
Business-type activity					
Long-term liabilities	12,041,737	-	968,944	11,072,793	5,925,000
Primary government					
Long-term liabilities	\$ 35,479,904	\$ 2,017,176	\$ 4,060,388	\$ 33,436,692	\$ 8,866,629
<u>Component unit:</u>					
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 10,065,000	\$ -	\$ 185,000	\$ 9,880,000	\$ 205,000
General obligation bonds - refunding	13,055,000	-	245,000	12,810,000	250,000
Deferred amounts:					
Issuance premiums (discounts)	12,846	-	3,825	9,021	-
Total bonds payable	\$ 23,132,846	\$ -	\$ 433,825	\$ 22,699,021	\$ 455,000

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 5: LONG-TERM DEBT – CONTINUED

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, compensated absences and OPEB, which are reported in the internal service funds, are included in the above amounts. Also, for the governmental activities, compensated absences and OPEB are generally liquidated by the general fund.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. If special assessments are not adequate to retire outstanding debt, the City’s full faith and credit are pledged for their redemption.

On April 5, 2012, the City issued General Obligation Refunding Bonds, series 2012A, with an average interest rate of 2.95%, and will refund the General Obligation Capital Improvement Plan Bonds, series 2004A and the General Obligation Water Revenue Bonds, series 2004B, with average interest rates of 4.62% and 4.15%, respectively. The retirement of the 2004A and 2004B series will occur on February 1, 2015 and February 1, 2014, respectively. The refunding will result in a \$750,440 gross debt service savings over the next 13 years and an economic gain of \$684,262.

On April 5, 2012, the HRA issued Governmental Housing Project Refunding Bonds, series 2012A, with an average interest rate of 2.72%, and will refund the Governmental Housing Project Bonds, series 2005, with an average interest rate of 4.74%. The retirement of the 2005 series will occur on February 1, 2015. The refunding will result in a \$1,869,606 gross debt service savings over the next 23 years and an economic gain of \$1,215,590.

There were \$3,295,000 in Open Space Bonds authorized in November 2006 that were unissued as of December 31, 2013.

There are a number of financial limitations and restrictions contained in the various bond indentures. At December 31, 2013, the City is in compliance with all significant financial limitations and restrictions and has no federal arbitrage payable.

E. PLEDGED REVENUE

The following table reflects bonds in which revenue is pledged to meet the debt obligations required.

Bond Issue	Use of Proceeds	Type	Revenue Pledged		Remaining Principal and Interest	Current Year	
			Percent of Total Debt Service	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
Water Revenue Bonds - 2004B	Water Treatment System Refunding of Series 2004 Bonds above	Utility Charges	100%	2004-2019	\$ 6,594,700	\$ 1,110,188	\$ 1,165,697
Water Refunding Bonds - 2012A		*	100%	* 2005-until debt obligations are paid in full	*	*	*
Tax Increment Bonds - 2005A	Redevelopment	Tax Increment	100%	2010-until debt obligations are paid in full	\$ 1,225,129	\$ 122,136	\$ 249,026
Tax Increment Refunding Bonds - 2009A	Site Improvements within Housing District	Tax Increment	100%	2010-until debt obligations are paid in full	\$ 2,569,200	\$ 171,250	\$ 143,282
Governmental Housing Refunding Bonds - 2011A	Governmental Housing Project	Rental Revenue	100%	2011-2023	\$ 3,434,025	\$ 332,631	\$ 220,068
Governmental Housing Bonds - 2005	Senior Housing Project	Rental Revenue	100%	2005-2035	\$ 10,316,963	\$ 639,193	\$ 1,054,359
Governmental Housing Refunding Bonds - 2012A	Refunding of Series 2005 Bonds above	**	100%	**	**	**	**

*These bonds are refunding Water Revenue Bonds, Series 2004 - crossover date 2/1/2014.

** These bonds are refunding Governmental Housing Bonds, Series 2005 - crossover date 2/1/2015.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 6: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2013, is as follows:

Advances to other funds and advances from other funds represent interfund borrowing to provide interim financing for construction projects or other purposes. Such loans bear interest at the rate of 1.5% to 3.0%.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Park Replacement	Ice Center	\$ 766,911
Nonmajor Governmental	Park Replacement	1,500,295
		<u>\$ 2,267,206</u>

The purpose of transfers are to provide funding for capital improvement projects and capital outlay, provide funding for operating purposes, return unused funds, and other miscellaneous items.

Transfer Out:	<u>Transfer In:</u>			
	General	Improvement Projects	Infrastructure Replacement	Park Replacement
General	\$ -	\$ 237,107	\$ -	\$ -
Transit System	-	19,314	-	-
Improvement Projects	416,769	-	152,504	-
Infrastructure Replacement	-	3,298,920	-	-
Park Replacement	25,000	11,340	-	-
Nonmajor Governmental Funds	-	416,602	-	21,600
Water Sewer Utility	141,210	3,252,456	-	-
Ice Center	11,939	-	-	-
Nonmajor Enterprise Funds	39,141	239,103	-	-
Internal Service Funds	12,470	-	-	-
Total	<u>\$ 646,529</u>	<u>\$ 7,474,842</u>	<u>\$ 152,504</u>	<u>\$ 21,600</u>

Transfer Out:	<u>Transfer In:</u>			
	Nonmajor Governmental Funds	Water Sewer Utility	Internal Service Funds	Total
General	\$ 2,895,666	\$ -	\$ 378,056	\$ 3,510,829
Transit System	-	-	-	19,314
Improvement Projects	-	7,110	173,564	749,947
Infrastructure Replacement	79,331	-	-	3,378,251
Park Replacement	406,080	-	-	442,420
Nonmajor Governmental Funds	509,794	-	12,000	959,996
Water Sewer Utility	-	-	138,008	3,531,674
Ice Center	-	-	-	11,939
Nonmajor Enterprise Funds	66,238	-	20,825	365,307
Internal Service Funds	124,330	21,471	257,857	416,128
Total Transfers	<u>\$ 4,081,439</u>	<u>\$ 28,581</u>	<u>\$ 980,310</u>	<u>\$ 13,385,805</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 7: CONTINGENCIES AND COMMITMENTS

General Litigation

In the opinion of management, there are no potential claims against the City which would materially affect the financial statements of the City.

Tax Increment Districts

The City's tax increment districts are subject to review by the Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue, Housing Revenue, and Health Facilities Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial, commercial, housing, and health facilities deemed to be in the public's interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2013, there were 21 series of Industrial Revenue, Housing Revenue, and Health Revenue Bonds outstanding with an aggregate principal amount payable of approximately \$84.9 million.

Encumbrances

The encumbrances summarized below have been reported as assigned fund balance within the General Fund as of December 31, 2013. The purchase orders remain open for future services related to active construction projects.

	<u>General</u>
Repair and maintenance (PO)	\$ 131,729
Supplies and services (PO)	<u>110,633</u>
Total	<u>\$ 242,362</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 8: RISK MANAGEMENT

The City is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City joined together with other cities throughout Minnesota to form the League of Minnesota Cities Insurance Trust (LMCIT), a public entity risk pool currently operating as a common risk management and insurance program for member cities as this is more economically justifiable than obtaining insurance on its own.

The City pays an annual premium to the LMCIT for its insurance coverage. The LMCIT is self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of reserved amounts for each insured event. The LMCIT allows for the pool to make additional assessments to make the pool self-sustaining. Current state statutes (Minnesota Statute subd. 466.04) provide limits of liability for the City. These limits are that the combination of defense expense and indemnification expense shall not exceed \$500,000 in the case of one claimant or \$1,500,000 for any number of claims arising out of a single occurrence.

The City has established an Internal Service Fund, called the Risk Management Fund, to account for the self-insurance programs. Fund revenues are primarily charges to other funds and investment earnings.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Settlements have not exceeded coverage for each of the past three fiscal years.

Changes in the balances of workers compensation claims liabilities during the past two years ended December 31 are as follows:

	<u>2012</u>	<u>2013</u>
Liability at beginning of year	\$ 528,821	\$ 721,012
Incurred claims and changes in estimates	509,271	23,802
Claims paid	<u>(317,080)</u>	<u>(157,076)</u>
Liability at end of year	<u>\$ 721,012</u>	<u>\$ 587,738</u>

Changes in the balances of dental claims liabilities during the past two years ended December 31 are as follows:

	<u>2012</u>	<u>2013</u>
Liability at beginning of year	\$ 17,534	\$ 56,449
Incurred claims and changes in estimates	252,567	238,106
Claims paid	<u>(213,652)</u>	<u>(237,707)</u>
Liability at end of year	<u>\$ 56,449</u>	<u>\$ 56,848</u>

Note 9: RETIREMENT PLANS

DEFINED BENEFIT PENSION PLANS – STATEWIDE

A. Plan Description

All full-time and certain part-time employees of the City are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF), and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

All GERF members belong to the Coordinated Plan. Plan members are covered by Social Security. All police officers, firefighters, and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute, and vest after five years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for PERA's Coordinated Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate is 1.2% of average salary for each of the first 10 years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 1.7% for each year of service. For PEPFF members, the annuity accrual rate is 3.0% for each year of service. The annuity accrual rate is 1.9% for each year of service for PECF members. For all PEPFF members and GERF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced social security benefits capped at age 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree - no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time they last terminated their public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF and PEPFF. That report may be obtained on the internet at www.mnpera.org, by writing PERA at 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088, or by calling (651) 296-7460 or 1-800-652-9026.

B. Funding Policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. GERF Coordinated Plan members were required to contribute 6.25% of their annual covered salary in 2013. PEPFF members were required to contribute 9.6% of their annual covered salary in 2013. The City of Plymouth was required to contribute the following percentages of annual covered payroll: 7.25% for Coordinated Plan GERF members and 14.4% for PEPFF members. The City's contributions to the General Employees Retirement Fund for the years ended December 31, 2013, 2012, and 2011 were \$834,986, \$826,421, and \$809,848, respectively. The City's contributions to the Public Employees Police & Fire Fund for the years ended December 31, 2013, 2012, and 2011 were \$882,458, \$837,733, and \$795,684, respectively. The City's contributions were equal to the contractually required contributions for each year as set by state statute.

Note 9: RETIREMENT PLANS – CONTINUED

DEFINED CONTRIBUTION PLAN – STATEWIDE

Seven council members of the City of Plymouth are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by the Public Employees Retirement Association of Minnesota (PERA). The PEDCP is a tax qualified plan under Section 401 (a) of the Internal Revenue Code and all contributions by, or on behalf of, employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statute, Chapter 353D.03, specifies the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary. Employer contributions for volunteer personnel must be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2 percent of the employer contributions and twenty-five hundredths of one percent of the assets in each member's account annually.

The City's contribution to the Public Employees Defined Contribution Plan for the year ended December 31, 2013 was \$3,744; an amount identical to the employee contribution. The percentage of covered payroll from employee and employer was 5.0% which is the same as the required rate.

PLYMOUTH FIREFIGHTERS' RELIEF ASSOCIATION RETIREMENT PLAN - SINGLE EMPLOYER

A. Plan Description

The volunteer firefighters of the City of Plymouth are members of the Plymouth Firefighters' Relief Association. The Plymouth Firefighters' Relief Association (Association) is the administrator of a single employer defined benefit pension plan established to provide benefits for members of the Plymouth Fire Department. The plan is established and administered in accordance with Minnesota Statutes, Chapter 69.

The Association provides retirement benefits and disability benefits to members as well as benefits to survivors upon death of eligible members. Benefits are established in accordance with state statute and vest after ten years of credited service. The defined retirement benefits are based on a member's years of service. Benefit provisions can be amended by the Association within the parameters provided by state statutes.

The Association issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Plymouth Firefighters' Relief Association, P.O. Box 47101, 3400 Plymouth Blvd., Plymouth MN 55447.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 9: RETIREMENT PLANS – CONTINUED

B. Funding Policy

Minnesota Statute Chapter 69.772 sets the minimum contribution requirement for the City of Plymouth and state aid on an annual basis. These statutes are established and amended by the state legislature. The City passes through state aid allocated to the plan in accordance with state statutes. The amount shown as contributions of state aid, \$450,270, is recognized as revenue and expense during the year. The Association is comprised of volunteers; therefore, there are no payroll expenditures or covered payroll percentage calculations. The City’s annual pension cost for the current year and related information for the plan is as follows:

Annual contribution requirement	\$450,270
Contributions made:	
City	--
State aid	\$450,270
Actuarial valuation date	12/31/2013
Actuarial cost method	Entry age normal
Amortization method	Level dollar closed
Remaining amortization period:	
Normal cost	20 years
Prior service cost	10 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return	5%
Projected salary increases	N/A
Inflation rate	N/A
Cost of living adjustments	None

C. Annual Pension Cost and Net Pension Obligation

Three-year trend information for the Association is as follows:

<u>Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/13	\$450,270	100%	--
12/31/12	\$315,432	100%	--
12/31/11	\$306,862	100%	--

D. Schedule of Funding Progress

The date of the latest available actuarial valuation is December 31, 2013. There are no payroll earnings for volunteer firefighters subject to pension funding requirements.

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Assets in Excess of/ (Unfunded) Accrued Liability</u>	<u>Funded Ratio</u>	<u>Pension Benefit Per Year of Service</u>
12/31/2013	\$ 8,361,785	\$ 6,293,821	\$ 2,067,964	132.9%	\$ 7,500

The Schedule of Funding Progress immediately following the notes to basic financial statements presents multi-year trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

Note 10: OTHER POSTEMPLOYMENT BENEFITS PLAN

A. Plan Description

The City administers a single-employer defined benefit healthcare plan. The City provides medical insurance to eligible retired city employees and beneficiaries through the City’s group health insurance plan, which covers both active and retired employees. Benefit provisions are established through Minnesota Statutes 471.61 and 299A.465, which require public sector employers to provide eligible retirees and beneficiaries continuation in the group health insurance plan at the group plan premium rate. The plan does not issue a publicly available financial report.

B. Funding Policy

The contribution requirements of plan members and the City are established by State Statutes and the City Council. Eligible retired city employees and beneficiaries contribute 100% of the group health insurance plan premium. For fiscal year 2013, the City contributed \$159,209.

C. Annual OPEB Cost and Net OPEB Obligation

The City’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation to the plan:

Annual Required Contribution	\$ 365,814
Interest on Net OPEB Obligation	42,535
Adjustment to Annual Required Contribution	<u>(58,803)</u>
Annual OPEB Cost	349,546
Contributions made	<u>(159,209)</u>
Increase in Net OPEB Obligation	190,337
Net OPEB Obligation beginning of year	<u>945,228</u>
Net OPEB Obligation end of year	<u><u>\$ 1,135,565</u></u>

The City’s annual OPEB cost, contribution, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years ended December 31:

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$349,546	\$159,209	45.5%	\$1,135,565
2012	\$349,860	\$182,121	52.1%	\$945,228
2011	\$315,921	\$145,177	46.0%	\$777,489

Note 10: OTHER POSTEMPLOYMENT BENEFITS PLAN – CONTINUED

D. Funding Status and Funding Progress

As of January 1, 2013, the actuarial accrued liability for benefits was \$3,008,511 all of which was unfunded and represents the implicit rate subsidies for eligible retirees and beneficiaries. The covered payroll (annual payroll of active employees covered by the plan) was \$16,645,698, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 18.1%.

The projection of future benefit payments for an ongoing plan involves estimates of the value of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the City and plan members to that point. The actuarial methods and assumptions used include techniques that are designed short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of calculations.

For the January 1, 2013 actuarial valuation, the projected unit credit with thirty year amortization of the unfunded liability method was used. The actuarial assumptions included a discount rate of 4.5% (net of investment expenses), an inflation rate of 2.5%, and an annual healthcare cost trend rate of 7.5% initially, reduced to an ultimate rate of 5.0% in five years. The UAAL is being amortized on a level dollar basis over a closed period. The remaining amortization period at December 31, 2013 was 25 years.

The following actuarial assumptions were included:

Retirement age of active employees – Based on the retirement rates used in the PERA plan of which the employee is a participant and is adjusted for OPEB purposes.

Marital Status – Marital status of plan members at the calculation date was assumed to continue throughout retirement at a assumed factor of 85% for males and 65% for females.

Mortality – Life expectancies were based on the RP2000 mortality tables from the Society of Actuaries.

F. Plan Members

The following summarizes the participant data at January 1, 2013, the date of the latest actuarial valuation:

Active participants	242
Participants/surviving Spouses receiving benefits	19
Spouses of Retired Participants receiving benefit	<u>5</u>
Total participants	<u>266</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2013

Note 11: FUND BALANCES

The following is a breakdown of equity components of governmental funds which are defined earlier in the report.

A. Classifications

	Primary Government							Total
	Special Revenue		Capital Projects			Nonmajor Governmental Funds		
	General Fund	Transit	Improvement Projects	Infrastructure Replacement	Park Replacement			
Nonspendable								
Prepaid items	\$ 36,561	\$ 6,236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,797
Cemetery Perpetual Care - Principal	-	-	-	-	-	-	45,730	45,730
Inventory	-	-	-	-	-	-	20	20
Total nonspendable	36,561	6,236	-	-	-	-	45,750	88,547
Restricted								
Transit Services	-	3,927,406	-	-	-	-	-	3,927,406
Lawful Gambling	-	-	-	-	-	-	12,741	12,741
Debt Service	-	-	-	-	-	-	7,766,854	7,766,854
Housing Projects	-	-	-	-	-	-	52,955	52,955
Highway/Street Improvements	-	-	-	-	-	-	1,813,883	1,813,883
Park Construction	-	-	-	-	-	-	4,177,815	4,177,815
Tax Increment Financing	-	-	-	-	-	-	2,340,206	2,340,206
Cemetery Perpetual Care	-	-	-	-	-	-	135,055	135,055
Total restricted	-	3,927,406	-	-	-	-	16,299,509	20,226,915
Assigned								
Infrastructure Improvements	-	-	-	14,249,070	-	-	-	14,249,070
Recreation Programming	-	-	-	-	-	-	306,481	306,481
Park Improvements	-	-	-	-	4,278,232	-	-	4,278,232
Cemetery Maintenance	-	-	-	-	-	-	147,865	147,865
Other capital projects & improvements	518,162	-	7,849,761	-	-	-	17,129,350	25,497,273
Total assigned	518,162	-	7,849,761	14,249,070	4,278,232	-	17,583,696	44,478,921
Unassigned	12,233,785	-	-	-	-	-	-	12,233,785
Total unassigned	12,233,785	-	-	-	-	-	-	12,233,785
Total	\$ 12,788,508	\$ 3,933,642	\$ 7,849,761	\$ 14,249,070	\$ 4,278,232	\$ 33,928,955	\$ 77,028,168	

B. Minimum Unassigned Fund Balance Policy

The City has formally adopted a fund balance policy regarding the minimum fund balance for the General Fund. The policy establishes a minimum General Fund balance of 40% percent of the subsequent year projected expenditures and transfers out. At December 31, 2013, the fund balance of the General Fund was 40% percent of the subsequent year's annual projected expenditures and transfers out.

Note 12: SUBSEQUENT EVENTS

On April 7, 2014 the City entered into a construction contract for the repair of a failing roadway. The construction costs are expected to be approximately \$500,000.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PLYMOUTH, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2013

Plymouth Firefighters' Relief Association
Schedule of Funding Progress *

Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Plan Assets	Assets in Excess of Actuarial Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Payroll
December 31, 2013	\$ 6,293,821	\$ 8,361,785	\$ 2,067,964	132.9%	N/A	N/A
December 31, 2012	\$ 5,948,071	\$ 7,071,831	\$ 1,123,760	118.9%	N/A	N/A
December 31, 2011	\$ 5,612,117	\$ 6,333,430	\$ 721,313	112.9%	N/A	N/A

* Refer to Note 9 in the Notes to the basic financial statements for additional details regarding this Schedule of Funding Progress.

Other Postemployment Benefits Plan
Schedule of Funding Progress **

Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Plan Assets	Unfunded Actuarial Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Payroll
January 1, 2013	\$ 3,008,511	\$ -	\$ 3,008,511	0.0%	\$ 16,645,698	18.1%
January 1, 2011	\$ 3,072,106	\$ -	\$ 3,072,106	0.0%	\$ 16,110,899	19.1%
January 1, 2009	\$ 2,346,338	\$ -	\$ 2,346,338	0.0%	\$ 16,589,598	14.1%

** Refer to Note 10 in the Notes to the basic financial statement for additional details regarding this Schedule of Funding Progress.

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**NONMAJOR GOVERNMENTAL COMBINING
AND INDIVIDUAL FUNDS**

CITY OF PLYMOUTH, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)

	Special Revenue	Debt Service	Capital Project	Permanent Fund	Totals	
					2013	2012
ASSETS						
Cash and investments	\$ 817,703	\$ 2,854,417	\$ 24,762,984	\$ 180,163	\$ 28,615,267	\$ 23,889,114
Restricted cash and investments	-	4,836,545	-	-	4,836,545	5,003,429
Accounts receivable	16,295	-	-	-	16,295	16,581
Notes receivable	1,463,144	-	836,000	-	2,299,144	2,453,906
Taxes receivable	8,857	18,961	12,676	-	40,494	47,749
Special assessments receivable	-	17,281	72,573	-	89,854	151,800
Accrued interest receivable	65,134	69,412	126,221	622	261,389	179,680
Due from other governments	56,342	-	69,000	-	125,342	31,956
Inventory	20	-	-	-	20	-
Prepaid items	-	-	-	-	-	210
Advances to other funds	-	-	1,500,295	-	1,500,295	1,690,390
TOTAL ASSETS	\$ 2,427,495	\$ 7,796,616	\$ 27,379,749	\$ 180,785	\$ 37,784,645	\$ 33,464,815
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 30,059	\$ -	\$ 211,069	\$ -	\$ 241,128	\$ 238,917
Contracts payable	-	-	14,419	-	14,419	32,973
Accrued salaries and benefits payable	19,661	-	-	-	19,661	18,064
Deposits payable	1,208	-	833,136	-	834,344	572,041
Due to other governments	17,730	-	6,015	-	23,745	7,201
Unearned revenue	193,699	-	-	-	193,699	198,129
Total liabilities	262,357	-	1,064,639	-	1,326,996	1,067,325
Deferred inflows of resources:						
Unavailable revenue	1,538,434	29,762	960,498	-	2,528,694	2,745,982
Fund balances:						
Nonspendable	20	-	-	45,730	45,750	45,710
Restricted	65,696	7,766,854	8,331,904	135,055	16,299,509	15,245,808
Assigned	560,988	-	17,022,708	-	17,583,696	14,359,990
Total fund balances	626,704	7,766,854	25,354,612	180,785	33,928,955	29,651,508
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,427,495	\$ 7,796,616	\$ 27,379,749	\$ 180,785	\$ 37,784,645	\$ 33,464,815

CITY OF PLYMOUTH, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)

	Special Revenue	Debt Service	Capital Project	Permanent Fund	Totals	
					2013	2012
REVENUES:						
Property taxes	\$ 582,479	\$ 1,516,274	\$ 1,062,505	\$ -	\$ 3,161,258	\$ 3,736,714
Special assessments	-	60,630	11,183	-	71,813	87,636
Intergovernmental	271,872	30	95,621	-	367,523	718,926
Charges for services	1,254,174	-	-	230	1,254,404	1,247,978
Contributions	24,019	-	2,148,438	-	2,172,457	875,689
Investment earnings (loss)	(12,154)	45,000	(301,599)	(2,827)	(271,580)	303,977
Loan repayments	7,380	-	-	-	7,380	7,149
Other revenues	2,812	-	24,257	-	27,069	55,383
Total revenues	<u>2,130,582</u>	<u>1,621,934</u>	<u>3,040,405</u>	<u>(2,597)</u>	<u>6,790,324</u>	<u>7,033,452</u>
EXPENDITURES:						
Current:						
Economic development	-	-	345,038	-	345,038	353,928
Parks and recreation	1,703,778	-	78,438	-	1,782,216	1,855,481
Public service	286,434	-	7,905	-	294,339	328,005
Public works	7,915	-	1,683	-	9,598	3,476
Debt service:						
Principal retirement	-	1,320,000	-	-	1,320,000	1,915,000
Interest and fiscal charges	-	726,674	-	-	726,674	649,659
Capital outlay						
Total expenditures	<u>1,998,127</u>	<u>2,046,674</u>	<u>1,589,519</u>	<u>-</u>	<u>5,634,320</u>	<u>6,894,202</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>132,455</u>	<u>(424,740)</u>	<u>1,450,886</u>	<u>(2,597)</u>	<u>1,156,004</u>	<u>139,250</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	23,721	102,316	3,955,402	-	4,081,439	2,036,606
Transfers out	(57,321)	(102,326)	(800,349)	-	(959,996)	(2,524,304)
General obligation refunding bonds issued	-	-	-	-	-	4,815,000
Premium on refunding bonds issued	-	-	-	-	-	344,847
Total other financing sources (uses)	<u>(33,600)</u>	<u>(10)</u>	<u>3,155,053</u>	<u>-</u>	<u>3,121,443</u>	<u>4,672,149</u>
NET CHANGE IN FUND BALANCES	<u>98,855</u>	<u>(424,750)</u>	<u>4,605,939</u>	<u>(2,597)</u>	<u>4,277,447</u>	<u>4,811,399</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>527,849</u>	<u>8,191,604</u>	<u>20,748,673</u>	<u>183,382</u>	<u>29,651,508</u>	<u>24,840,109</u>
FUND BALANCES AT END OF YEAR	<u>\$ 626,704</u>	<u>\$ 7,766,854</u>	<u>\$ 25,354,612</u>	<u>\$ 180,785</u>	<u>\$ 33,928,955</u>	<u>\$ 29,651,508</u>



SPECIAL REVENUE FUNDS – NONMAJOR

Recreation Fund - Transfers are received from the General Fund and revenue from participants in the City's recreational programs. These revenues are used to finance the recreational programs offered to the citizens of Plymouth and other participants.

Parkers Lake Cemetery Maintenance Fund - Revenues derived from the sale of cemetery lots are receipted into this fund and are used to finance cemetery maintenance costs.

Community Development Fund - This fund is used to account for funds to assist with financing the costs of community development functions, such as comprehensive plan updates, land use maps, and other development activities.

Economic Development Fund - This fund was established to account for activities to encourage economic development by supplementing conventional financing sources available to existing and new businesses.

Community Development Block Grant Fund - This fund receives and expends the City's allocation of the Federal Community Development Block Grant Program funds. The primary beneficiaries from the activities of this fund are persons of low and moderate income.

Lawful Gambling Fund - The Plymouth Lions manage lawful gambling operations in the City of Plymouth. The City receives fees and makes expenditures in accordance with state statutes.

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**CITY OF PLYMOUTH, MINNESOTA
SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)**

	<u>Recreation</u>	<u>Parkers Lake Cemetery Maintenance</u>	<u>Community Development</u>	<u>Economic Development</u>	<u>Community Development Block Grant</u>
<u>ASSETS</u>					
Cash and investments	\$ 530,361	\$ 147,356	\$ 53,040	\$ 52,251	\$ 28,421
Accounts receivable	8,840	-	-	988	-
Notes receivable	-	-	225,000	144,878	1,093,266
Taxes receivable	8,615	-	-	-	242
Accrued interest receivable	1,853	509	35,536	180	27,056
Due from other governments	3,910	-	-	-	52,432
Inventory	20	-	-	-	-
Prepaid items	-	-	-	-	-
TOTAL ASSETS	<u>\$ 553,599</u>	<u>\$ 147,865</u>	<u>\$ 313,576</u>	<u>\$ 198,297</u>	<u>\$ 1,201,417</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 10,613	\$ -	\$ -	\$ -	\$ 19,446
Accrued salaries and benefits payable	18,028	-	-	-	1,633
Deposits payable	1,208	-	-	-	-
Due to other governments	17,730	-	-	-	-
Unearned revenue	193,699	-	-	-	-
Total liabilities	<u>241,278</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,079</u>
Deferred inflows of resources:					
Unavailable revenue	5,820	-	260,353	144,878	1,127,383
Fund balances:					
Nonspendable	20	-	-	-	-
Restricted	-	-	-	-	52,955
Assigned	306,481	147,865	53,223	53,419	-
Total fund balances	<u>306,501</u>	<u>147,865</u>	<u>53,223</u>	<u>53,419</u>	<u>52,955</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 553,599</u>	<u>\$ 147,865</u>	<u>\$ 313,576</u>	<u>\$ 198,297</u>	<u>\$ 1,201,417</u>

Lawful Gambling	Totals	
	2013	2012
\$ 6,274	\$ 817,703	\$ 734,010
6,467	16,295	16,581
-	1,463,144	1,600,906
-	8,857	11,094
-	65,134	62,218
-	56,342	31,956
-	20	-
-	-	210
<u>\$ 12,741</u>	<u>\$ 2,427,495</u>	<u>\$ 2,456,975</u>
\$ -	\$ 30,059	\$ 32,946
-	19,661	18,064
-	1,208	1,100
-	17,730	1,862
-	193,699	198,129
<u>-</u>	<u>262,357</u>	<u>252,101</u>
<u>-</u>	<u>1,538,434</u>	<u>1,677,025</u>
-	20	210
12,741	65,696	53,856
-	560,988	473,783
<u>12,741</u>	<u>626,704</u>	<u>527,849</u>
<u>\$ 12,741</u>	<u>\$ 2,427,495</u>	<u>\$ 2,456,975</u>

CITY OF PLYMOUTH, MINNESOTA
SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)

	<u>Recreation</u>	<u>Parkers Lake Cemetery Maintenance</u>	<u>Community Development</u>	<u>Economic Development</u>	<u>Community Development Block Grant</u>
REVENUES:					
Property taxes	\$ 558,951	\$ -	\$ -	\$ -	\$ 23,528
Intergovernmental	15	-	-	-	271,857
Charges for services	1,254,134	40	-	-	-
Contributions	250	-	-	-	-
Investment earnings (loss)	(11,761)	(2,302)	(832)	3,635	(407)
Loan repayments	-	-	-	7,380	-
Other revenues	2,812	-	-	-	-
Total revenues	<u>1,804,401</u>	<u>(2,262)</u>	<u>(832)</u>	<u>11,015</u>	<u>294,978</u>
EXPENDITURES:					
Current:					
Parks and recreation	1,703,778	-	-	-	-
Public service	-	3,735	-	-	282,699
Capital outlay	7,915	-	-	-	-
Total expenditures	<u>1,711,693</u>	<u>3,735</u>	<u>-</u>	<u>-</u>	<u>282,699</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>92,708</u>	<u>(5,997)</u>	<u>(832)</u>	<u>11,015</u>	<u>12,279</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	23,721	-	-	-	-
Transfers out	<u>(33,600)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(9,879)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	82,829	(5,997)	(832)	11,015	12,279
FUND BALANCES AT BEGINNING OF YEAR	<u>223,672</u>	<u>153,862</u>	<u>54,055</u>	<u>42,404</u>	<u>40,676</u>
FUND BALANCES AT END OF YEAR	<u>\$ 306,501</u>	<u>\$ 147,865</u>	<u>\$ 53,223</u>	<u>\$ 53,419</u>	<u>\$ 52,955</u>

Lawful Gambling	Totals	
	2013	2012
\$ -	\$ 582,479	\$ 581,717
-	271,872	291,693
-	1,254,174	1,247,978
23,769	24,019	13,289
(487)	(12,154)	17,680
-	7,380	7,149
-	2,812	3,128
<u>23,282</u>	<u>2,130,582</u>	<u>2,162,634</u>
-	1,703,778	1,761,675
-	286,434	328,005
-	7,915	-
<u>-</u>	<u>1,998,127</u>	<u>2,089,680</u>
<u>23,282</u>	<u>132,455</u>	<u>72,954</u>
-	23,721	13,342
<u>(23,721)</u>	<u>(57,321)</u>	<u>(523,343)</u>
<u>(23,721)</u>	<u>(33,600)</u>	<u>(510,001)</u>
(439)	98,855	(437,047)
<u>13,180</u>	<u>527,849</u>	<u>964,896</u>
<u>\$ 12,741</u>	<u>\$ 626,704</u>	<u>\$ 527,849</u>

**CITY OF PLYMOUTH, MINNESOTA
RECREATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)**

	2013		2012	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
REVENUES:				
Property taxes	\$ 559,480	\$ 558,951	\$ (529)	\$ 560,234
Intergovernmental	-	15	15	64
Charges for services	1,135,653	1,254,134	118,481	1,247,798
Contributions	-	250	250	-
Investment earnings (loss)	6,000	(11,761)	(17,761)	9,437
Other revenues	1,300	2,812	1,512	3,128
Total revenues	<u>1,702,433</u>	<u>1,804,401</u>	<u>101,968</u>	<u>1,820,661</u>
EXPENDITURES:				
Current:				
Parks and recreation:				
Personal services	918,010	889,960	28,050	927,872
Materials and supplies	72,960	53,847	19,113	68,706
Contractual services	737,338	759,971	(22,633)	765,097
Capital outlay	-	7,915	(7,915)	-
Total expenditures	<u>1,728,308</u>	<u>1,711,693</u>	<u>16,615</u>	<u>1,761,675</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(25,875)</u>	<u>92,708</u>	<u>118,583</u>	<u>58,986</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	45,875	23,721	(22,154)	13,342
Transfers out	(20,000)	(33,600)	(13,600)	(510,000)
Total other financing sources (uses)	<u>25,875</u>	<u>(9,879)</u>	<u>(35,754)</u>	<u>(496,658)</u>
NET CHANGE IN FUND BALANCE	-	82,829	82,829	(437,672)
FUND BALANCE AT BEGINNING OF YEAR	<u>223,672</u>	<u>223,672</u>	<u>-</u>	<u>661,344</u>
FUND BALANCE AT END OF YEAR	<u>\$ 223,672</u>	<u>\$ 306,501</u>	<u>\$ 82,829</u>	<u>\$ 223,672</u>

**CITY OF PLYMOUTH, MINNESOTA
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)**

	2013		Variance with Final Budget	2012
	Original and Final Budget	Actual		Actual
REVENUES:				
Property taxes	\$ 23,514	\$ 23,528	\$ 14	\$ 21,483
Intergovernmental	323,700	271,857	(51,843)	291,629
Investment earnings (loss)	500	(407)	(907)	433
Total revenues	<u>347,714</u>	<u>294,978</u>	<u>(52,736)</u>	<u>313,545</u>
EXPENDITURES:				
Current:				
Public service:				
Personal services	88,441	75,822	12,619	84,844
Materials and supplies	300	22	278	-
Contractual services	258,973	206,855	52,118	239,604
Total expenditures	<u>347,714</u>	<u>282,699</u>	<u>65,015</u>	<u>324,448</u>
NET CHANGE IN FUND BALANCE	-	12,279	12,279	(10,903)
FUND BALANCE AT BEGINNING OF YEAR	<u>40,676</u>	<u>40,676</u>	-	<u>51,579</u>
FUND BALANCE AT END OF YEAR	<u>\$ 40,676</u>	<u>\$ 52,955</u>	<u>\$ 12,279</u>	<u>\$ 40,676</u>

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DEBT SERVICE FUNDS – NONMAJOR

General Obligation Bonds Fund - This fund is used to account for the accumulation of resources for payment of general obligation bonds or other general indebtedness and interest thereon.

Tax Increment Bonds Fund - This fund is used to account for the accumulation of resources for payment of tax increment general obligation bonds and interest thereon. These bonds were sold to finance the construction of public collector and distributor roadway improvements, drainage improvements, and other public development costs in the City.

Special Assessment Bonds Fund - This fund is used to account for the accumulation of resources for the payment of special assessment bonds. These bonds were sold to finance certain public improvements such as residential streets, sidewalks, storm sewers, or the provision of services, which are to be paid for wholly or in part from special assessments, levied against benefited property.

**CITY OF PLYMOUTH, MINNESOTA
DEBT SERVICE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)**

	General Obligation Bonds	Tax Increment Bonds	Special Assessment Bonds	Totals	
				2013	2012
ASSETS					
Cash and investments	\$ 2,007,583	\$ 496,154	\$ 350,680	\$ 2,854,417	\$ 3,169,489
Restricted cash and investments	4,836,545	-	-	4,836,545	5,003,429
Taxes receivable	17,841	1,026	94	18,961	29,801
Special assessments receivable	-	-	17,281	17,281	78,341
Accrued interest receivable	66,487	1,714	1,211	69,412	9,289
TOTAL ASSETS	\$ 6,928,456	\$ 498,894	\$ 369,266	\$ 7,796,616	\$ 8,290,349
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 3,419
Deferred inflows of resources:					
Unavailable revenue	12,387	-	17,375	29,762	95,326
Fund balances:					
Restricted	6,916,069	498,894	351,891	7,766,854	8,191,604
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 6,928,456	\$ 498,894	\$ 369,266	\$ 7,796,616	\$ 8,290,349

CITY OF PLYMOUTH, MINNESOTA
DEBT SERVICE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)

	General Obligation Bonds	Tax Increment Bonds	Special Assessment Bonds	Totals	
				2013	2012
REVENUES:					
Property taxes	\$ 1,123,966	\$ 392,308	\$ -	\$ 1,516,274	\$ 2,073,866
Special assessments	-	-	60,630	60,630	76,029
Intergovernmental	30	-	-	30	194
Investment earnings (loss)	55,719	(9,759)	(960)	45,000	8,323
Total revenues	<u>1,179,715</u>	<u>382,549</u>	<u>59,670</u>	<u>1,621,934</u>	<u>2,158,412</u>
EXPENDITURES:					
Debt service:					
Principal retirement	1,110,000	210,000	-	1,320,000	1,915,000
Interest and fiscal charges	610,016	116,481	177	726,674	649,659
Total expenditures	<u>1,720,016</u>	<u>326,481</u>	<u>177</u>	<u>2,046,674</u>	<u>2,564,659</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(540,301)</u>	<u>56,068</u>	<u>59,493</u>	<u>(424,740)</u>	<u>(406,247)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	102,316	-	-	102,316	127,670
Transfers out	(102,326)	-	-	(102,326)	(1,116)
General obligation refunding bonds issued	-	-	-	-	4,815,000
Premium on refunding bonds issued	-	-	-	-	344,847
Total other financing sources	<u>(10)</u>	<u>-</u>	<u>-</u>	<u>(10)</u>	<u>5,286,401</u>
NET CHANGE IN FUND BALANCES	(540,311)	56,068	59,493	(424,750)	4,880,154
FUND BALANCES AT BEGINNING OF YEAR	<u>7,456,380</u>	<u>442,826</u>	<u>292,398</u>	<u>8,191,604</u>	<u>3,311,450</u>
FUND BALANCES AT END OF YEAR	<u>\$ 6,916,069</u>	<u>\$ 498,894</u>	<u>\$ 351,891</u>	<u>\$ 7,766,854</u>	<u>\$ 8,191,604</u>



CAPITAL PROJECTS FUNDS – NONMAJOR

General Capital Projects Fund - This fund is used to account for construction costs related to the City's buildings and park improvements.

Minnesota State Aid Fund - This fund is used to account for the City's allocation of the state collected highway user tax. The allocation is based on population and need for construction of designated state aid streets in the City.

Community Improvement Fund - This fund is used to account for expenditures, which may be made only for items of a capital nature. Allowed expenditures are provided for by ordinance. Funds are deposited into this fund from surplus money or special assessment collections that remain after an improvement project has been fully funded and the bonds issued for the project paid.

Project Administration - Revenues received are a portion of all special assessments, which are levied on benefiting properties, and are used to provide funds for project contingencies and other special projects.

Park Construction Fund - These funds are used to account for the monies received from land developers and are used for the acquisition and development of park land.

Capital Improvement Fund - This fund was established to accumulate resources for capital improvements, such as building construction, without the need to issue bonds.

Tax Increment Projects Fund - This fund is used to account for expenditures incurred in the construction of public collector and distributor roadway improvements, drainage improvements, and other public development costs in the City.

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**CITY OF PLYMOUTH, MINNESOTA
CAPITAL PROJECT FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)**

	<u>General Capital Projects</u>	<u>Minnesota State Aid</u>	<u>Community Improvement</u>	<u>Project Administration</u>	<u>Park Construction</u>
<u>ASSETS</u>					
Cash and investments	\$ 6,950,053	\$ 1,807,649	\$ 5,280,678	\$ 511,251	\$ 4,166,990
Notes receivable	-	-	-	-	-
Taxes receivable	-	-	-	-	-
Special assessments receivable	-	-	72,573	-	-
Accrued interest receivable	14,001	6,234	18,228	1,765	14,378
Due from other governments	69,000	-	-	-	-
Advances to other funds	-	-	1,500,295	-	-
TOTAL ASSETS	<u>\$ 7,033,054</u>	<u>\$ 1,813,883</u>	<u>\$ 6,871,774</u>	<u>\$ 513,016</u>	<u>\$ 4,181,368</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 64,498	\$ -	\$ -	\$ -	\$ 3,553
Contracts payable	14,419	-	-	-	-
Deposits payable	833,136	-	-	-	-
Due to other governments	-	-	-	-	-
Total liabilities	<u>912,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,553</u>
Deferred inflows of resources:					
Unavailable revenue	-	-	70,334	-	-
Fund balances:					
Restricted	-	1,813,883	-	-	4,177,815
Assigned	6,121,001	-	6,801,440	513,016	-
Total fund balances	<u>6,121,001</u>	<u>1,813,883</u>	<u>6,801,440</u>	<u>513,016</u>	<u>4,177,815</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 7,033,054</u>	<u>\$ 1,813,883</u>	<u>\$ 6,871,774</u>	<u>\$ 513,016</u>	<u>\$ 4,181,368</u>

Capital Improvement	Tax Increment Projects	Totals	
		2013	2012
\$ 3,572,823	\$ 2,473,540	\$ 24,762,984	\$ 19,802,791
-	836,000	836,000	853,000
5,516	7,160	12,676	6,854
-	-	72,573	73,459
12,333	59,282	126,221	107,615
-	-	69,000	-
-	-	1,500,295	1,690,390
<u>\$ 3,590,672</u>	<u>\$ 3,375,982</u>	<u>\$ 27,379,749</u>	<u>\$ 22,534,109</u>
\$ -	\$ 143,018	\$ 211,069	\$ 202,552
-	-	14,419	32,973
-	-	833,136	570,941
-	6,015	6,015	5,339
<u>-</u>	<u>149,033</u>	<u>1,064,639</u>	<u>811,805</u>
3,421	886,743	960,498	973,631
-	2,340,206	8,331,904	6,862,466
3,587,251	-	17,022,708	13,886,207
<u>3,587,251</u>	<u>2,340,206</u>	<u>25,354,612</u>	<u>20,748,673</u>
<u>\$ 3,590,672</u>	<u>\$ 3,375,982</u>	<u>\$ 27,379,749</u>	<u>\$ 22,534,109</u>

CITY OF PLYMOUTH, MINNESOTA
CAPITAL PROJECT FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)

	<u>General Capital Projects</u>	<u>Minnesota State Aid</u>	<u>Community Improvement</u>	<u>Project Administration</u>	<u>Park Construction</u>
REVENUES:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	11,183	-	-
Intergovernmental	76,000	19,610	-	-	-
Contributions	130,514	-	-	-	2,017,924
Investment earnings (loss)	(66,866)	(26,761)	(33,789)	(8,091)	(66,552)
Other revenues	11,757	-	-	12,500	-
Total revenues	<u>151,405</u>	<u>(7,151)</u>	<u>(22,606)</u>	<u>4,409</u>	<u>1,951,372</u>
EXPENDITURES:					
Current:					
Economic development	11,757	-	-	-	-
Parks and recreation	78,438	-	-	-	-
Public service	7,905	-	-	-	-
Public works	-	-	-	75	-
Capital outlay	1,156,455	-	-	-	-
Total expenditures	<u>1,254,555</u>	<u>-</u>	<u>-</u>	<u>75</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,103,150)</u>	<u>(7,151)</u>	<u>(22,606)</u>	<u>4,334</u>	<u>1,951,372</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	3,931,869	-	13,089	-	-
Transfers out	(23,523)	(416,603)	(7,605)	-	(352,618)
Total other financing sources (uses)	<u>3,908,346</u>	<u>(416,603)</u>	<u>5,484</u>	<u>-</u>	<u>(352,618)</u>
NET CHANGE IN FUND BALANCES	2,805,196	(423,754)	(17,122)	4,334	1,598,754
FUND BALANCES AT BEGINNING OF YEAR	<u>3,315,805</u>	<u>2,237,637</u>	<u>6,818,562</u>	<u>508,682</u>	<u>2,579,061</u>
FUND BALANCES AT END OF YEAR	<u>\$ 6,121,001</u>	<u>\$ 1,813,883</u>	<u>\$ 6,801,440</u>	<u>\$ 513,016</u>	<u>\$ 4,177,815</u>

Capital Improvement	Tax Increment Projects	Totals	
		2013	2012
\$ 391,062	\$ 671,443	\$ 1,062,505	\$ 1,081,131
-	-	11,183	11,607
11	-	95,621	427,039
-	-	2,148,438	862,400
(57,424)	(42,116)	(301,599)	275,901
-	-	24,257	52,255
<u>333,649</u>	<u>629,327</u>	<u>3,040,405</u>	<u>2,710,333</u>
-	333,281	345,038	353,928
-	-	78,438	93,806
-	-	7,905	-
-	1,608	1,683	3,476
-	-	1,156,455	1,788,653
-	<u>334,889</u>	<u>1,589,519</u>	<u>2,239,863</u>
<u>333,649</u>	<u>294,438</u>	<u>1,450,886</u>	<u>470,470</u>
10,444	-	3,955,402	1,895,594
-	-	(800,349)	(1,999,845)
<u>10,444</u>	<u>-</u>	<u>3,155,053</u>	<u>(104,251)</u>
344,093	294,438	4,605,939	366,219
<u>3,243,158</u>	<u>2,045,768</u>	<u>20,748,673</u>	<u>20,382,454</u>
<u>\$ 3,587,251</u>	<u>\$ 2,340,206</u>	<u>\$ 25,354,612</u>	<u>\$ 20,748,673</u>

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PERMANENT FUNDS – NONMAJOR

Parkers Lake Cemetery Perpetual Care Fund - The Parkers Lake Cemetery Perpetual Care Fund was established to account for funds dedicated to perpetual maintenance of the cemetery; only earnings, and not principal, may be expended for major capital improvements.

**CITY OF PLYMOUTH, MINNESOTA
 PARKERS LAKE CEMETERY PERPETUAL CARE
 PERMANENT FUND
 NONMAJOR GOVERNMENTAL FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Cash and investments	\$ 180,163	\$ 182,824
Accrued interest receivable	622	558
Total Assets	<u>\$ 180,785</u>	<u>\$ 183,382</u>
<u>FUND BALANCES</u>		
Fund balance:		
Nonspendable	\$ 45,730	\$ 45,500
Restricted	135,055	137,882
Total fund balance	<u>\$ 180,785</u>	<u>\$ 183,382</u>

**CITY OF PLYMOUTH, MINNESOTA
 PARKERS LAKE CEMETERY PERPETUAL CARE
 PERMANENT FUND
 NONMAJOR GOVERNMENTAL FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 YEARS ENDED DECEMBER 31, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<u>REVENUES:</u>		
Charges for services	\$ 230	\$ -
Investment earnings (loss)	<u>(2,827)</u>	<u>2,073</u>
Total revenues	<u>(2,597)</u>	<u>2,073</u>
 NET CHANGE IN FUND BALANCE	 (2,597)	 2,073
 FUND BALANCE AT BEGINNING OF YEAR	 <u>183,382</u>	 <u>181,309</u>
 FUND BALANCE AT END OF YEAR	 <u><u>\$ 180,785</u></u>	 <u><u>\$ 183,382</u></u>



**GENERAL FUND
COMPARATIVE INFORMATION**

**CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2013 AND 2012**

	Totals	
	2013	2012
<u>ASSETS</u>		
Cash and investments	\$ 15,704,103	\$ 14,304,170
Accounts receivable	92,878	65,044
Taxes receivable	333,835	424,032
Special assessments receivable	10,717	12,904
Accrued interest receivable	64,256	51,491
Due from other governments	386,764	95,166
Inventory	-	100
Prepaid items	36,561	62,025
TOTAL ASSETS	<u>\$ 16,629,114</u>	<u>\$ 15,014,932</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 491,889	\$ 514,775
Accrued salaries and benefits payable	482,717	391,413
Deposits payable	1,848,796	1,101,074
Due to other governments	43,366	38,580
Unearned revenue	704,131	381,184
Total liabilities	<u>3,570,899</u>	<u>2,427,026</u>
Deferred inflows of resources:		
Unavailable revenue	<u>269,707</u>	<u>265,317</u>
Fund balances:		
Nonspendable	36,561	62,125
Assigned	518,162	446,841
Unassigned	<u>12,233,785</u>	<u>11,813,623</u>
Total fund balance	<u>12,788,508</u>	<u>12,322,589</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 16,629,114</u>	<u>\$ 15,014,932</u>

CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES AND TRANSFERS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)

	2013		Variance with Final Budget	2012
	Original and Final Budget	Actual		Actual
REVENUES:				
Property taxes	\$ 23,466,633	\$ 23,466,327	\$ (306)	\$ 22,779,828
Special assessments	2,600	10,173	7,573	5,231
Licenses and permits:				
Nonbusiness	2,405,000	3,729,638	1,324,638	3,420,117
Business	350,600	385,582	34,982	383,499
Total licenses and permits	2,755,600	4,115,220	1,359,620	3,803,616
Intergovernmental:				
State grants and aids	1,553,670	1,819,163	265,493	1,559,707
Federal grants	61,800	486,984	425,184	160,732
Other	367,208	388,630	21,422	377,523
Total intergovernmental	1,982,678	2,694,777	712,099	2,097,962
Charges for services	1,559,272	2,184,559	625,287	1,966,354
Fines and forfeitures	765,500	683,261	(82,239)	847,244
Contributions	700	5,937	5,237	21,118
Investment earnings (loss)	20,000	(355,662)	(375,662)	113,762
Other revenues	51,200	185,712	134,512	142,026
Total revenues	30,604,183	32,990,304	2,386,121	31,777,141
OTHER FINANCING SOURCES:				
Transfers from other funds:				
Transit	-	-	-	18,635
Improvement Project Construction	-	416,769	416,769	43,169
Park Replacement	-	25,000	25,000	-
Water Sewer Utility	141,210	141,210	-	141,210
Water Resources	17,388	17,388	-	17,388
Ice Center	11,939	11,939	-	11,939
Solid Waste	17,929	17,929	-	17,929
Field House	3,824	3,824	-	3,824
Resource Planning	10,000	12,470	2,470	51,000
Total other financing sources	202,290	646,529	444,239	305,094
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 30,806,473	\$ 33,636,833	\$ 2,830,360	\$ 32,082,235

**CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)**

	2013			2012
	Original and Final Budget	Actual	Variance with Final Budget	Actual
GENERAL GOVERNMENT:				
Legislative:				
Personal services	\$ 281,357	\$ 272,531	\$ 8,826	\$ 321,774
Materials and supplies	4,700	4,045	655	3,395
Contractual services	675,397	670,947	4,450	855,172
Other	226,900	303,992	(77,092)	148,925
Total legislative	<u>1,188,354</u>	<u>1,251,515</u>	<u>(63,161)</u>	<u>1,329,266</u>
Administration:				
Personal services	1,585,991	1,652,458	(66,467)	1,555,817
Materials and supplies	10,900	6,108	4,792	18,086
Contractual services	737,865	700,125	37,740	739,616
Capital outlay	-	-	-	53,470
Other	2,650	6,814	(4,164)	10,723
Total administration	<u>2,337,406</u>	<u>2,365,505</u>	<u>(28,099)</u>	<u>2,377,712</u>
Community development:				
Personal services	818,135	796,545	21,590	804,646
Materials and supplies	6,000	2,047	3,953	5,053
Contractual services	169,170	163,871	5,299	163,419
Total community development	<u>993,305</u>	<u>962,463</u>	<u>30,842</u>	<u>973,118</u>
Total general government	<u>4,519,065</u>	<u>4,579,483</u>	<u>(60,418)</u>	<u>4,680,096</u>
PARKS AND RECREATION:				
Personal services	2,806,885	2,645,791	161,094	2,592,976
Materials and supplies	339,062	368,426	(29,364)	375,108
Contractual services	2,071,827	1,971,059	100,768	1,971,557
Capital outlay	-	-	-	10,576
Other	17,800	41,807	(24,007)	19,942
Total parks and recreation	<u>5,235,574</u>	<u>5,027,083</u>	<u>208,491</u>	<u>4,970,159</u>
PUBLIC SAFETY:				
Police:				
Personal services	8,735,038	8,602,404	132,634	8,018,605
Materials and supplies	173,900	170,491	3,409	133,861
Contractual services	1,914,939	2,076,735	(161,796)	1,994,423
Capital outlay	700	-	700	-
Other	95,000	69,372	25,628	71,495
Total police	<u>10,919,577</u>	<u>10,919,002</u>	<u>575</u>	<u>10,218,384</u>
Fire:				
Personal services	1,223,311	1,265,220	(41,909)	1,233,169
Materials and supplies	122,000	108,801	13,199	102,794
Contractual services	1,022,736	995,822	26,914	1,029,983
Capital outlay	10,000	-	10,000	34,984
Other	315,000	451,380	(136,380)	314,526
Total fire	<u>2,693,047</u>	<u>2,821,223</u>	<u>(128,176)</u>	<u>2,715,456</u>
Civil defense:				
Personal services	-	2,722	(2,722)	-
Materials and supplies	1,100	631	469	1,499
Contractual services	39,133	32,740	6,393	22,577
Total civil defense	<u>40,233</u>	<u>36,093</u>	<u>4,140</u>	<u>24,076</u>

(Continued...)

**CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)**

(Continued from previous page)

	2013		Variance with Final Budget	2012
	Original and Final Budget	Actual		Actual
Protective inspections				
Personal services	1,103,559	1,043,561	59,998	1,053,228
Materials and supplies	6,750	2,269	4,481	3,449
Contractual services	186,404	183,543	2,861	186,714
Other	15,000	8,771	6,229	6,680
Total protective inspections	<u>1,311,713</u>	<u>1,238,144</u>	<u>73,569</u>	<u>1,250,071</u>
Total public safety	<u>14,964,570</u>	<u>15,014,462</u>	<u>(49,892)</u>	<u>14,207,987</u>
PUBLIC WORKS:				
Engineering:				
Personal services	894,177	743,986	150,191	845,376
Materials and supplies	4,200	3,758	442	1,802
Contractual services	262,877	245,222	17,655	218,460
Total engineering	<u>1,161,254</u>	<u>992,966</u>	<u>168,288</u>	<u>1,065,638</u>
Streets:				
Personal services	1,042,953	1,042,002	951	988,890
Materials and supplies	877,550	798,796	78,754	828,604
Contractual services	2,587,577	2,114,819	472,758	1,986,435
Capital outlay	92,300	90,250	2,050	10,823
Other	5,130	224	4,906	10
Total streets	<u>4,605,510</u>	<u>4,046,091</u>	<u>559,419</u>	<u>3,814,762</u>
Total public works	<u>5,766,764</u>	<u>5,039,057</u>	<u>727,707</u>	<u>4,880,400</u>
Total expenditures	<u>30,485,973</u>	<u>29,660,085</u>	<u>825,888</u>	<u>28,738,642</u>
OTHER FINANCING USES:				
Transfers to other funds:				
Improvement Project Construction	-	237,107	(237,107)	305,324
Infrastructure Replacement	-	-	-	2,368,734
General Capital Projects	-	2,895,666	(2,895,666)	13,650
Water Resources	-	-	-	2,885
Public Facilities	-	-	-	56,353
Information Technology	100,000	100,000	-	2,520
Resource Planning	220,500	278,056	(57,556)	279,500
Total other financing uses	<u>320,500</u>	<u>3,510,829</u>	<u>(3,190,329)</u>	<u>3,028,966</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 30,806,473</u>	<u>\$ 33,170,914</u>	<u>\$ (2,364,441)</u>	<u>\$ 31,767,608</u>



PROPRIETARY COMBINING AND INDIVIDUAL FUNDS

Enterprise Funds - Nonmajor

Water Resources Fund - This fund is used to account for resources used to administer the City's surface water plan, erosion control, wetland regulations, and environmental programs including planning, projects, and maintenance.

Solid Waste Management Fund - The Solid Waste Management Fund provides collection services for various recyclable materials. Solid waste expenditures are primarily costs for curbside collections.

Field House Fund - The Field House Fund accounts for the operations of an inflatable dome erected over an indoor soccer field from October through March. Activities include soccer, football, golf, and walking.

Internal Service Funds

Central Equipment Fund - The Central Equipment Fund was established to own and maintain all operating equipment of the City. Equipment maintenance, repair, and replacement costs are provided from rental rates which the Central Equipment Fund charges the City's operating departments for use of equipment.

Public Facilities Fund - The Public Facilities Fund was established to provide services for the operations of City facilities. Facility maintenance, repair, and replacement costs are provided from charges to the City's operating departments for use of the facilities.

Information Technology Fund - The Information Technology Fund was established to account for the planning, designing, and implementing of information systems. Equipment and software maintenance repair, and replacement costs are provided from rental rates charged to the City's operating departments for use of equipment.

Risk Management Fund - The Risk Management Fund administers the City's property, casualty, and self-insured worker's compensation insurance programs. Fund revenues are primarily charges to other funds and interest earnings.

Employee Benefits Fund - The Employee Benefits Fund serves as the recording fund for all employee fringe benefits. Fund revenues are primarily charges to other funds and interest earnings.

Resource Planning Fund - The Resource Planning Fund is used to account for the accumulation of resources for future projects.

**CITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)**

	<u>Water</u>	<u>Solid Waste</u>	<u>Field</u>	<u>Totals</u>	
	<u>Resources</u>	<u>Management</u>	<u>House</u>	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>					
Current assets:					
Cash and investments	\$ 3,595,872	\$ 2,397,737	\$ 1,326,978	\$ 7,320,587	\$ 7,356,451
Accounts receivable	-	-	13,563	13,563	24,725
Accrued interest receivable	12,414	8,275	4,581	25,270	22,450
Due from other governments	5,750	14,253	-	20,003	-
Prepaid items	1,836	600	1,237	3,673	3,713
Total current assets	<u>3,615,872</u>	<u>2,420,865</u>	<u>1,346,359</u>	<u>7,383,096</u>	<u>7,407,339</u>
Noncurrent assets:					
Capital assets:					
Land	-	-	47,551	47,551	47,551
Buildings	-	-	1,306,187	1,306,187	1,401,187
Improvements other than buildings	2,196,323	66,238	248,368	2,510,929	945,411
Machinery and equipment	241,674	-	161,990	403,664	376,004
Infrastructure	7,332,691	-	-	7,332,691	5,987,829
Construction in progress	85,696	-	-	85,696	1,807,516
Total capital assets	<u>9,856,384</u>	<u>66,238</u>	<u>1,764,096</u>	<u>11,686,718</u>	<u>10,565,498</u>
Less accumulated depreciation	<u>(948,060)</u>	<u>(184)</u>	<u>(843,019)</u>	<u>(1,791,263)</u>	<u>(1,999,874)</u>
Net capital assets	<u>8,908,324</u>	<u>66,054</u>	<u>921,077</u>	<u>9,895,455</u>	<u>8,565,624</u>
TOTAL ASSETS	<u>\$ 12,524,196</u>	<u>\$ 2,486,919</u>	<u>\$ 2,267,436</u>	<u>\$ 17,278,551</u>	<u>\$ 15,972,963</u>
<u>LIABILITIES</u>					
Current liabilities:					
Accounts payable	\$ 35,668	\$ 60,352	\$ 18,941	\$ 114,961	\$ 113,111
Contracts payable	39,005	-	-	39,005	279,529
Accrued salaries and benefits payable	18,746	1,773	3,495	24,014	21,475
Due to other governments	28,819	8,750	-	37,569	1,784
Unearned revenue	-	-	62,543	62,543	71,872
Total liabilities	<u>122,238</u>	<u>70,875</u>	<u>84,979</u>	<u>278,092</u>	<u>487,771</u>
<u>NET POSITION</u>					
Net investment in capital assets	8,908,324	66,054	921,077	9,895,455	8,565,624
Restricted	3,493,634	-	-	3,493,634	3,129,034
Unrestricted	-	2,349,990	1,261,380	3,611,370	3,790,534
Total net position	<u>12,401,958</u>	<u>2,416,044</u>	<u>2,182,457</u>	<u>17,000,459</u>	<u>15,485,192</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 12,524,196</u>	<u>\$ 2,486,919</u>	<u>\$ 2,267,436</u>	<u>\$ 17,278,551</u>	<u>\$ 15,972,963</u>

**CITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2013
(with comparative totals for year ended December 31, 2012)**

	<u>Water Resources</u>	<u>Solid Waste Management</u>	<u>Field House</u>	<u>Totals</u>	
				<u>2013</u>	<u>2012</u>
OPERATING REVENUES:					
Charges for services	\$ 2,612,252	\$ 423,753	\$ 384,077	\$ 3,420,082	\$ 3,320,358
Other fees	1,012	98,964	9,258	109,234	219,777
Total operating revenue	<u>2,613,264</u>	<u>522,717</u>	<u>393,335</u>	<u>3,529,316</u>	<u>3,540,135</u>
OPERATING EXPENSES:					
Personal services	702,442	106,209	111,118	919,769	966,398
Materials and supplies	147,559	11,169	6,493	165,221	185,349
Contractual services	864,569	799,877	121,719	1,786,165	1,727,811
Depreciation	245,666	184	71,538	317,388	193,917
Total operating expenses	<u>1,960,236</u>	<u>917,439</u>	<u>310,868</u>	<u>3,188,543</u>	<u>3,073,475</u>
OPERATING INCOME (LOSS)	<u>653,028</u>	<u>(394,722)</u>	<u>82,467</u>	<u>340,773</u>	<u>466,660</u>
NONOPERATING REVENUES:					
Investment earnings (loss)	(61,899)	(38,014)	(21,008)	(120,921)	75,104
Intergovernmental	190,715	208,381	-	399,096	303,391
Other	5,607	-	-	5,607	5,348
Total nonoperating revenues	<u>134,423</u>	<u>170,367</u>	<u>(21,008)</u>	<u>283,782</u>	<u>383,843</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	787,451	(224,355)	61,459	624,555	850,503
CAPITAL CONTRIBUTIONS	731,121	66,238	458,660	1,256,019	997,834
TRANSFERS IN	-	-	-	-	6,028
TRANSFERS OUT	<u>(277,316)</u>	<u>(84,167)</u>	<u>(3,824)</u>	<u>(365,307)</u>	<u>(411,855)</u>
CHANGES IN NET POSITION	1,241,256	(242,284)	516,295	1,515,267	1,442,510
NET POSITION AT BEGINNING OF YEAR	<u>11,160,702</u>	<u>2,658,328</u>	<u>1,666,162</u>	<u>15,485,192</u>	<u>14,042,682</u>
NET POSITION AT END OF YEAR	<u>\$ 12,401,958</u>	<u>\$ 2,416,044</u>	<u>\$ 2,182,457</u>	<u>\$ 17,000,459</u>	<u>\$ 15,485,192</u>

CITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2013
(with comparative totals for year ended December 31, 2012)

	Water Resources	Solid Waste Management	Field House	Totals	
				2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers or users	\$ 2,607,514	\$ 508,519	\$ 395,113	\$ 3,511,146	\$ 3,558,837
Payments to suppliers	(975,170)	(806,898)	(131,642)	(1,913,710)	(1,977,932)
Payments to employees	(701,096)	(105,780)	(110,354)	(917,230)	(964,039)
Other operating revenue	5,607	-	-	5,607	5,348
Net cash flows from operating activities	936,855	(404,159)	153,117	685,813	622,214
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Intergovernmental revenues	190,715	208,381	-	399,096	303,691
Transfers in from other funds	-	-	-	-	6,028
Transfers out to other funds	(277,316)	(84,167)	(3,824)	(365,307)	(411,855)
Net cash flows from noncapital financing activities	(86,601)	124,214	(3,824)	33,789	(102,136)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets	(1,362,846)	-	-	(1,362,846)	(543,854)
Contributions	731,121	-	-	731,121	-
Net cash used by capital and related financing activities	(631,725)	-	-	(631,725)	(543,854)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment earnings (loss)	(63,808)	(38,003)	(21,930)	(123,741)	77,597
NET CHANGE IN CASH AND CASH EQUIVALENTS	154,721	(317,948)	127,363	(35,864)	53,821
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	3,441,151	2,715,685	1,199,615	7,356,451	7,302,630
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 3,595,872	\$ 2,397,737	\$ 1,326,978	\$ 7,320,587	\$ 7,356,451
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:					
Operating income (loss)	\$ 653,028	\$ (394,722)	\$ 82,467	\$ 340,773	\$ 466,660
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation	245,666	184	71,538	317,388	193,917
Other revenue	5,607	-	-	5,607	5,348
Changes in assets and liabilities:					
Accounts receivable	-	55	11,107	11,162	11,352
Due from other governments	(5,750)	(14,253)	-	(20,003)	-
Prepaid expenses	1,727	(450)	(1,236)	41	(1,650)
Accounts payable	6,412	(4,150)	(412)	1,850	(64,906)
Due to other governments	28,819	8,748	(1,782)	35,785	1,784
Accrued salaries payable	1,346	429	764	2,539	2,359
Unearned revenue	-	-	(9,329)	(9,329)	7,350
Total adjustments	283,827	(9,437)	70,650	345,040	155,554
Net cash flows from operating activities	\$ 936,855	\$ (404,159)	\$ 153,117	\$ 685,813	\$ 622,214
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:					
Contributions of capital assets from City funds	319,727	66,238	458,660	844,625	45,166
Contributions of capital assets from others	411,394	-	-	411,394	952,666
Increase (decrease) in capital assets from accounts and contracts payable	(240,524)	-	-	(240,524)	59,660

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)

	Central Equipment	Public Facilities	Information Technology	Risk Management
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 6,207,891	\$ 4,438,053	\$ 5,086,041	\$ 6,659,189
Accounts receivable	-	-	-	-
Accrued interest receivable	21,426	15,316	17,628	22,969
Due from other governments	16,364	-	-	5,000
Inventory	149,321	-	-	-
Prepaid items	1,470	1,891	105,008	120,901
Total current assets	<u>6,396,472</u>	<u>4,455,260</u>	<u>5,208,677</u>	<u>6,808,059</u>
Noncurrent assets:				
Capital assets:				
Land	33,520	-	-	-
Buildings	-	578,661	-	-
Improvements other than buildings	-	176,307	457,364	-
Machinery and equipment	15,630,867	448,317	2,494,047	-
Construction in progress	-	-	-	-
Total capital assets	<u>15,664,387</u>	<u>1,203,285</u>	<u>2,951,411</u>	<u>-</u>
Less accumulated depreciation	<u>(9,657,052)</u>	<u>(105,110)</u>	<u>(2,257,225)</u>	<u>-</u>
Net capital assets	<u>6,007,335</u>	<u>1,098,175</u>	<u>694,186</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 12,403,807</u>	<u>\$ 5,553,435</u>	<u>\$ 5,902,863</u>	<u>\$ 6,808,059</u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	\$ 79,405	\$ 48,185	\$ 56,874	\$ 604,788
Contracts Payable	-	-	-	-
Accrued salaries and benefits payable	10,942	6,087	16,895	3,698
Compensated absences payable	-	-	-	-
Due to other governments	2,378	11	453	-
Unearned revenue	-	-	-	5,000
Total current liabilities	<u>92,725</u>	<u>54,283</u>	<u>74,222</u>	<u>613,486</u>
Noncurrent liabilities:				
OPEB (net)	-	-	-	-
Compensated absences payable	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>92,725</u>	<u>54,283</u>	<u>74,222</u>	<u>613,486</u>
<u>NET POSITION</u>				
Net investment in capital assets	6,007,335	1,098,175	694,186	-
Unrestricted	6,303,747	4,400,977	5,134,455	6,194,573
Total net position	<u>12,311,082</u>	<u>5,499,152</u>	<u>5,828,641</u>	<u>6,194,573</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 12,403,807</u>	<u>\$ 5,553,435</u>	<u>\$ 5,902,863</u>	<u>\$ 6,808,059</u>

Employee Benefits	Resource Planning	Totals	
		2013	2012
\$ 4,562,319	\$ 2,385,133	\$ 29,338,626	\$ 28,951,254
4,034	8,551	12,585	-
15,541	8,223	101,103	87,524
2,970	-	24,334	11,474
-	-	149,321	133,382
-	622	229,892	191,806
<u>4,584,864</u>	<u>2,402,529</u>	<u>29,855,861</u>	<u>29,375,440</u>
-	-	33,520	33,520
-	-	578,661	129,967
-	-	633,671	536,725
-	-	18,573,231	17,574,141
-	-	-	396,756
-	-	19,819,083	18,671,109
-	-	(12,019,387)	(11,242,680)
-	-	7,799,696	7,428,429
<u>\$ 4,584,864</u>	<u>\$ 2,402,529</u>	<u>\$ 37,655,557</u>	<u>\$ 36,803,869</u>
\$ 60,929	\$ 2,456	\$ 852,637	\$ 1,347,290
-	-	-	137,431
22,435	-	60,057	57,075
1,596,629	-	1,596,629	1,621,802
1,853	19	4,714	7,932
-	202	5,202	996
<u>1,681,846</u>	<u>2,677</u>	<u>2,519,239</u>	<u>3,172,526</u>
1,135,565	-	1,135,565	945,228
892,217	-	892,217	764,737
<u>2,027,782</u>	<u>-</u>	<u>2,027,782</u>	<u>1,709,965</u>
<u>3,709,628</u>	<u>2,677</u>	<u>4,547,021</u>	<u>4,882,491</u>
-	-	7,799,696	7,428,429
875,236	2,399,852	25,308,840	24,492,949
<u>875,236</u>	<u>2,399,852</u>	<u>33,108,536</u>	<u>31,921,378</u>
<u>\$ 4,584,864</u>	<u>\$ 2,402,529</u>	<u>\$ 37,655,557</u>	<u>\$ 36,803,869</u>

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2013
(with comparative totals for year ended December 31, 2012)

	<u>Central Equipment</u>	<u>Public Facilities</u>	<u>Information Technology</u>	<u>Risk Management</u>
OPERATING REVENUES:				
Charges for services	\$ 2,579,977	\$ 1,546,721	\$ 1,651,863	\$ 1,163,587
OPERATING EXPENSES:				
Personal services	370,843	168,071	603,626	81,348
Materials and supplies	822,405	49,985	132,451	14
Contractual services	307,490	758,905	748,931	521,956
Depreciation	1,110,410	42,121	240,859	-
Total operating expenses	<u>2,611,148</u>	<u>1,019,082</u>	<u>1,725,867</u>	<u>603,318</u>
OPERATING INCOME (LOSS)	<u>(31,171)</u>	<u>527,639</u>	<u>(74,004)</u>	<u>560,269</u>
NONOPERATING REVENUES (EXPENSES):				
Investment earnings (loss)	(98,271)	(68,392)	(81,291)	(106,251)
Intergovernmental	6,526	-	2,100	-
Gain (loss) on disposal of capital assets	96,731	-	(5,550)	-
Other	3,304	8,541	1,095	-
Total nonoperating revenues (expenses)	<u>8,290</u>	<u>(59,851)</u>	<u>(83,646)</u>	<u>(106,251)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(22,881)	467,788	(157,650)	454,018
CAPITAL CONTRIBUTIONS	97,140	-	-	-
TRANSFERS IN	332,396	-	100,000	-
TRANSFERS OUT	<u>-</u>	<u>(99,686)</u>	<u>(279,327)</u>	<u>-</u>
CHANGES IN NET POSITION	406,655	368,102	(336,977)	454,018
NET POSITION AT BEGINNING OF YEAR	<u>11,904,427</u>	<u>5,131,050</u>	<u>6,165,618</u>	<u>5,740,555</u>
NET POSITION AT END OF YEAR	<u>\$ 12,311,082</u>	<u>\$ 5,499,152</u>	<u>\$ 5,828,641</u>	<u>\$ 6,194,573</u>

Employee Benefits	Resource Planning	Totals	
		2013	2012
\$ 3,373,394	\$ 89,204	\$ 10,404,746	\$ 9,661,107
3,570,910	-	4,794,798	3,855,326
-	107,646	1,112,501	1,105,744
-	16,714	2,353,996	2,747,826
-	-	1,393,390	1,315,549
<u>3,570,910</u>	<u>124,360</u>	<u>9,654,685</u>	<u>9,024,445</u>
(197,516)	(35,156)	750,061	636,662
(65,892)	(38,952)	(459,049)	325,968
-	90	8,716	7,838
-	-	91,181	132,559
3,802	46,975	63,717	25,899
<u>(62,090)</u>	<u>8,113</u>	<u>(295,435)</u>	<u>492,264</u>
(259,606)	(27,043)	454,626	1,128,926
-	71,210	168,350	110,551
-	547,914	980,310	445,660
-	(37,115)	(416,128)	(179,547)
(259,606)	554,966	1,187,158	1,505,590
<u>1,134,842</u>	<u>1,844,886</u>	<u>31,921,378</u>	<u>30,415,788</u>
<u>\$ 875,236</u>	<u>\$ 2,399,852</u>	<u>\$ 33,108,536</u>	<u>\$ 31,921,378</u>

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2013
(with comparative totals for year ended December 31, 2012)

	<u>Central Equipment</u>	<u>Public Facilities</u>	<u>Information Technology</u>	<u>Risk Management</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers or users	\$ 2,571,671	\$ 1,546,721	\$ 1,655,279	\$ 1,163,587
Payments to suppliers	(1,230,846)	(957,981)	(1,058,105)	(772,260)
Payments to employees	(368,003)	(165,369)	(600,813)	(79,743)
Other operating revenue	3,304	8,541	1,095	-
Net cash flows from operating activities	<u>976,126</u>	<u>431,912</u>	<u>(2,544)</u>	<u>311,584</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Intergovernmental revenues	6,526	-	2,100	-
Transfers in from other funds	332,396	-	100,000	-
Transfers out to other funds	-	(99,686)	(279,327)	-
Net cash flows from noncapital financing activities	<u>338,922</u>	<u>(99,686)</u>	<u>(177,227)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(1,366,520)	(256,780)	(193,739)	-
Contributions	97,140	-	-	-
Proceeds from sale of capital assets	143,437	-	127	-
Net cash flows from capital and related financing activities	<u>(1,125,943)</u>	<u>(256,780)</u>	<u>(193,612)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment earnings (loss)	<u>(100,991)</u>	<u>(70,355)</u>	<u>(82,010)</u>	<u>(109,574)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	88,114	5,091	(455,393)	202,010
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>6,119,777</u>	<u>4,432,962</u>	<u>5,541,434</u>	<u>6,457,179</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 6,207,891</u></u>	<u><u>\$ 4,438,053</u></u>	<u><u>\$ 5,086,041</u></u>	<u><u>\$ 6,659,189</u></u>

(Continued...)

Employee Benefits	Resource Planning	Totals	
		2013	2012
\$ 3,370,424	\$ 79,859	\$ 10,387,541	\$ 8,445,301
197	(136,831)	(4,155,826)	(3,241,773)
(3,289,278)	-	(4,503,206)	(3,781,037)
3,802	46,975	63,717	1,236,272
<u>85,145</u>	<u>(9,997)</u>	<u>1,792,226</u>	<u>2,658,763</u>
-	90	8,716	7,838
-	547,914	980,310	445,660
-	(37,115)	(416,128)	(179,547)
<u>-</u>	<u>510,889</u>	<u>572,898</u>	<u>273,951</u>
-	-	(1,817,039)	(2,391,438)
-	71,210	168,350	110,551
-	-	143,564	156,681
<u>-</u>	<u>71,210</u>	<u>(1,505,125)</u>	<u>(2,124,206)</u>
<u>(67,718)</u>	<u>(41,979)</u>	<u>(472,627)</u>	<u>332,804</u>
17,427	530,123	387,372	1,141,312
<u>4,544,892</u>	<u>1,855,010</u>	<u>28,951,254</u>	<u>27,809,942</u>
<u>\$ 4,562,319</u>	<u>\$ 2,385,133</u>	<u>\$ 29,338,626</u>	<u>\$ 28,951,254</u>

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2013
(with comparative totals for year ended December 31, 2012)

(Continued from previous page)

	<u>Central Equipment</u>	<u>Public Facilities</u>	<u>Information Technology</u>	<u>Risk Management</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ (31,171)	\$ 527,639	\$ (74,004)	\$ 560,269
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	1,110,410	42,121	240,859	-
Other revenues	3,304	8,541	1,095	-
Changes in assets and liabilities:				
Accounts receivable	-	-	-	-
Due from other governments	(8,306)	-	3,416	(5,000)
Inventory	(15,939)	-	-	-
Prepaid expenses	(1,187)	(1,128)	80,750	(115,901)
Accounts payable	(82,616)	(147,862)	(254,975)	(134,389)
Due to other funds	-	-	-	-
Due to other governments	(1,209)	(101)	(2,498)	-
Accrued salaries payable	2,840	2,702	2,813	1,605
OPEB	-	-	-	-
Compensated absences payable	-	-	-	-
Unearned revenue	-	-	-	5,000
Total adjustments	<u>1,007,297</u>	<u>(95,727)</u>	<u>71,460</u>	<u>(248,685)</u>
Net cash flows from operating activities	<u>\$ 976,126</u>	<u>\$ 431,912</u>	<u>\$ (2,544)</u>	<u>\$ 311,584</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Contributions of capital assets from City funds	255,972	-	-	-
Contribution of capital asset from others	-	-	-	-
Trade-in values on capital asset purchases	101,860	-	-	-
Transfer of capital assets to other City funds	-	-	-	-
Increase (decrease) in capital assets from accounts and contracts payable	-	(137,431)	-	-

Employee Benefits	Resource Planning	Totals	
		2013	2012
<u>\$ (197,516)</u>	<u>\$ (35,156)</u>	<u>\$ 750,061</u>	<u>\$ 636,662</u>
-	-	1,393,390	1,315,549
3,802	46,975	63,717	25,899
(4,034)	(8,551)	(12,585)	2,863
(2,970)	-	(12,860)	(6,079)
-	-	(15,939)	3,537
-	(622)	(38,088)	7,782
(374)	(11,868)	(632,084)	733,104
-	-	-	(20,000)
571	19	(3,218)	(132,626)
(6,978)	-	2,982	(104,707)
190,337	-	190,337	167,739
102,307	-	102,307	28,394
-	(794)	4,206	646
<u>282,661</u>	<u>25,159</u>	<u>1,042,165</u>	<u>2,022,101</u>
<u>\$ 85,145</u>	<u>\$ (9,997)</u>	<u>\$ 1,792,226</u>	<u>\$ 2,658,763</u>

-	-	255,972	21,400
-	-	-	7,400
-	-	101,860	51,500
-	(11,845)	(11,845)	(11,845)
-	-	(137,431)	137,431

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COMPONENT UNIT FINANCIAL STATEMENTS

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH (HRA)

The HRA is a component unit of the City. Its operations are presented as a separate column on the combined financial statements labeled component unit.

GOVERNMENTAL FUNDS

Housing and Redevelopment Authority General Fund - This fund is used to account for the general programs and activities of the HRA. Revenues are derived from the HRA property tax levy. Expenditures include rental subsidies for senior citizens, housing planning, and other general housing and redevelopment activities.

Housing Assistance Special Revenue Fund - This fund is used to account for federal grants used for low-income rental assistance.

PROPRIETARY FUNDS

Plymouth Towne Square Enterprise Fund - This fund accounts for the operation of the Plymouth Towne Square Senior Housing Development. This development is a 99-unit senior independent living community for moderate and low-income Plymouth citizens. A portion of the HRA property tax levy subsidizes the project.

Vicksburg Crossing Enterprise Fund - This fund accounts for the operation of the Vicksburg Crossing Senior Housing Development. This development is a 96-unit senior independent living community for Plymouth citizens. A portion of the units are rented at affordable rental rates and the remainder are at market rates.

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and investments	\$ 2,423,566	\$ 2,369,011	\$ 4,792,577
Restricted cash and investments	-	9,532,645	9,532,645
Accounts receivable	36,770	820	37,590
Notes receivable	1,143,955	-	1,143,955
Taxes receivable	7,584	-	7,584
Accrued interest receivable	91,180	22,817	113,997
Due from other governments	2,091	-	2,091
Prepaid items	237,963	33,240	271,203
Capital assets:			
Nondepreciable:			
Land	-	1,333,840	1,333,840
Depreciable (net):			
Buildings	156,679	9,755,391	9,912,070
Improvements other than buildings	-	195,850	195,850
Machinery and equipment	-	265,457	265,457
TOTAL ASSETS	<u>\$ 4,099,788</u>	<u>\$ 23,509,071</u>	<u>\$ 27,608,859</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 9,910	\$ 35,423	\$ 45,333
Accrued salaries and benefits payable	11,910	10,469	22,379
Deposits payable	20,000	113,335	133,335
Due to other governments	1,995	86,369	88,364
Accrued interest payable	-	316,182	316,182
Noncurrent liabilities:			
Due within one year	-	455,000	455,000
Due in more than one year	-	22,244,021	22,244,021
Total liabilities	<u>43,815</u>	<u>23,260,799</u>	<u>23,304,614</u>
<u>NET POSITION</u>			
Net investment in capital assets	156,679	(1,615,838)	(1,459,159)
Restricted for:			
Debt Service	-	459,179	459,179
Housing projects	3,899,294	-	3,899,294
Unrestricted	-	1,404,931	1,404,931
Total net position	<u>4,055,973</u>	<u>248,272</u>	<u>4,304,245</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 4,099,788</u>	<u>\$ 23,509,071</u>	<u>\$ 27,608,859</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2013

<u>Functions / Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
Public service	\$ 3,508,781	\$ -	\$ 3,187,932	\$ -
Business-type activities:				
Plymouth Towne Square	741,396	671,144	-	-
Vicksburg Crossing	1,573,797	1,173,011	-	-
Total business-type activities	2,315,193	1,844,155	-	-
Total HRA government	\$ 5,823,974	\$ 1,844,155	\$ 3,187,932	\$ -

GENERAL REVENUES:

Property taxes
Unrestricted interest income
Other

TRANSFERS

Total general revenues

CHANGE IN NET POSITION

NET POSITION - BEGINNING

NET POSITION - ENDING

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (320,849)	\$ -	\$ (320,849)
-	(70,252)	(70,252)
-	(400,786)	(400,786)
(320,849)	(471,038)	(791,887)
527,951	-	527,951
(30,954)	43,291	12,337
38,650	-	38,650
(236,004)	236,004	-
299,643	279,295	578,938
(21,206)	(191,743)	(212,949)
4,077,179	440,015	4,517,194
\$ 4,055,973	\$ 248,272	\$ 4,304,245

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)

	General	Housing Assistance	Totals	
			2013	2012
ASSETS				
Cash and investments	\$ 2,061,305	\$ 362,261	\$ 2,423,566	\$ 2,405,137
Accounts receivable	-	36,770	36,770	30,898
Notes receivable	1,143,955	-	1,143,955	1,172,690
Taxes receivable	7,584	-	7,584	9,601
Accrued interest receivable	89,949	1,231	91,180	83,290
Due from other governments	-	2,091	2,091	-
Prepaid items	326	237,637	237,963	242,909
TOTAL ASSETS	\$ 3,303,119	\$ 639,990	\$ 3,943,109	\$ 3,944,525
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 882	\$ 9,028	\$ 9,910	\$ 419
Accrued salaries and benefits payable	5,140	6,770	11,910	9,445
Deposits Payable	20,000	-	20,000	20,000
Due to other governments	-	1,995	1,995	-
Total liabilities	26,022	17,793	43,815	29,864
Deferred inflows of resources:				
Unavailable revenue	1,231,548	36,770	1,268,318	1,283,945
Fund balances:				
Nonspendable				
Prepaid items	326	237,637	237,963	242,909
Restricted for housing projects	2,045,223	347,790	2,393,013	2,387,807
Total fund balances	2,045,549	585,427	2,630,976	2,630,716
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 3,303,119	\$ 639,990	\$ 3,943,109	\$ 3,944,525

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2013**

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 2,630,976

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

1. Capital assets used in governmental activities are not financial resources, therefore are not reported in the fund statements.

Capital assets	175,169	
Accumulated depreciation	<u>(18,490)</u>	156,679

2. Unavailable revenue in governmental funds is susceptible to full accrual on government-wide statements.

	<u>1,268,318</u>
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NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 4,055,973

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2013
(with comparative totals for year ended December 31, 2012)

	General	Housing Assistance	Totals	
			2013	2012
REVENUES:				
Property taxes	\$ 528,505	\$ -	\$ 528,505	\$ 531,527
Intergovernmental	14	3,202,991	3,203,005	3,002,508
Interest income (loss)	(25,966)	(4,988)	(30,954)	38,989
Other revenues	38,650	-	38,650	51,631
Total revenues	<u>541,203</u>	<u>3,198,003</u>	<u>3,739,206</u>	<u>3,624,655</u>
EXPENDITURES:				
Current:				
Public service	<u>225,389</u>	<u>3,277,553</u>	<u>3,502,942</u>	<u>3,440,688</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>315,814</u>	<u>(79,550)</u>	<u>236,264</u>	<u>183,967</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(236,004)</u>	<u>-</u>	<u>(236,004)</u>	<u>(240,000)</u>
NET CHANGE IN FUND BALANCE	79,810	(79,550)	260	(56,033)
FUND BALANCES AT BEGINNING OF YEAR	<u>1,965,739</u>	<u>664,977</u>	<u>2,630,716</u>	<u>2,686,749</u>
FUND BALANCES AT END OF YEAR	<u>\$ 2,045,549</u>	<u>\$ 585,427</u>	<u>\$ 2,630,976</u>	<u>\$ 2,630,716</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2013**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 260

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

1. Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation expense	(5,839)
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2. Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.

	<u>(15,627)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (21,206)

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)

	2013		Variance with Final Budget	2012
	Original and Final Budget	Actual		Actual
REVENUES:				
Property taxes	\$ 527,763	\$ 528,505	\$ 742	\$ 531,527
Intergovernmental	-	14	14	60
Interest income (loss)	5,000	(25,966)	(30,966)	31,372
Other revenues	21,250	38,650	17,400	51,631
Total revenues	<u>554,013</u>	<u>541,203</u>	<u>(12,810)</u>	<u>614,590</u>
EXPENDITURES:				
Public service:				
Personal services	180,413	183,693	(3,280)	177,689
Materials and supplies	500	190	310	1,030
Contractual services:				
Grant awards	-	-	-	584
Other	57,951	41,506	16,445	39,453
Total expenditures	<u>238,864</u>	<u>225,389</u>	<u>13,475</u>	<u>218,756</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>315,149</u>	<u>315,814</u>	<u>665</u>	<u>395,834</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(315,149)</u>	<u>(236,004)</u>	<u>79,145</u>	<u>(240,000)</u>
NET CHANGE IN FUND BALANCE	-	79,810	79,810	155,834
FUND BALANCES AT BEGINNING OF YEAR	<u>1,965,739</u>	<u>1,965,739</u>	-	<u>1,809,905</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,965,739</u>	<u>\$ 2,045,549</u>	<u>\$ 79,810</u>	<u>\$ 1,965,739</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
HOUSING ASSISTANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2013
(with comparative actual amounts for year ended December 31, 2012)

	2013		2012	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
REVENUES:				
Intergovernmental	\$ 3,276,276	\$ 3,202,991	\$ (73,285)	\$ 3,002,448
Interest income (loss)	2,000	(4,988)	(6,988)	7,617
Total revenues	<u>3,278,276</u>	<u>3,198,003</u>	<u>(80,273)</u>	<u>3,010,065</u>
EXPENDITURES:				
Public service:				
Personal services	232,093	233,454	(1,361)	220,006
Materials and supplies	250	43	207	2
Contractual services:				
Housing assistance	2,994,401	2,998,949	(4,548)	2,955,908
Other	51,532	45,107	6,425	46,016
Total expenditures	<u>3,278,276</u>	<u>3,277,553</u>	<u>723</u>	<u>3,221,932</u>
NET CHANGE IN FUND BALANCE	-	(79,550)	(79,550)	(211,867)
FUND BALANCES AT BEGINNING OF YEAR	<u>664,977</u>	<u>664,977</u>	-	<u>876,844</u>
FUND BALANCES AT END OF YEAR	<u>\$ 664,977</u>	<u>\$ 585,427</u>	<u>\$ (79,550)</u>	<u>\$ 664,977</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2013
(with comparative totals for December 31, 2012)

	Plymouth	Vicksburg	Totals	
	Towne Square	Crossing	2013	2012
ASSETS				
Current assets:				
Cash and investments	\$ 1,096,080	\$ 1,272,931	\$ 2,369,011	\$ 2,219,185
Accounts receivable	820	-	820	5,735
Accrued interest receivable	3,346	19,471	22,817	4,671
Prepaid items	15,782	17,458	33,240	33,575
Total current assets	1,116,028	1,309,860	2,425,888	2,263,166
Noncurrent assets:				
Restricted cash and investments	-	9,532,645	9,532,645	9,811,588
Capital assets:				
Land	459,247	874,593	1,333,840	1,333,840
Buildings	6,069,398	9,025,428	15,094,826	15,094,825
Improvements other than buildings	111,390	238,793	350,183	350,183
Machinery and equipment	400,966	350,416	751,382	754,634
Total capital assets	7,041,001	10,489,230	17,530,231	17,533,482
Less accumulated depreciation	(3,374,832)	(2,604,861)	(5,979,693)	(5,412,120)
Net capital assets	3,666,169	7,884,369	11,550,538	12,121,362
Total noncurrent assets	3,666,169	17,417,014	21,083,183	21,932,950
TOTAL ASSETS	\$ 4,782,197	\$ 18,726,874	\$ 23,509,071	\$ 24,196,116
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 18,987	\$ 16,436	\$ 35,423	\$ 26,846
Accrued salaries and benefits payable	5,131	5,338	10,469	13,550
Deposits payable	53,989	59,346	113,335	106,016
Due to other governments	31,385	54,984	86,369	88,019
Accrued interest payable	22,109	294,073	316,182	388,824
Revenue bonds payable	250,000	205,000	455,000	430,000
Total current liabilities	381,601	635,177	1,016,778	1,053,255
Noncurrent liabilities:				
Revenue bonds payable (net of unamortized discounts)	2,731,606	19,512,415	22,244,021	22,702,846
Total liabilities	3,113,207	20,147,592	23,260,799	23,756,101
NET POSITION				
Net investment in capital assets	684,563	(2,300,401)	(1,615,838)	(1,199,896)
Restricted for debt service	108,647	350,532	459,179	435,958
Unrestricted	875,780	529,151	1,404,931	1,203,953
Total net position	1,668,990	(1,420,718)	248,272	440,015
TOTAL LIABILITIES AND NET POSITION	\$ 4,782,197	\$ 18,726,874	\$ 23,509,071	\$ 24,196,116

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED DECEMBER 31, 2013
(with comparative totals for year ended December 31, 2012)

	Plymouth Towne Square	Vicksburg Crossing	Totals	
			2013	2012
OPERATING REVENUES:				
Rental revenue	\$ 671,144	\$ 1,173,011	\$ 1,844,155	\$ 1,819,830
OPERATING EXPENSES:				
Personal services	90,412	103,202	193,614	187,771
Materials and supplies	23,131	15,450	38,581	46,147
Contractual services	337,533	363,438	700,971	699,448
Depreciation	202,127	367,667	569,794	565,107
Total operating expenses	<u>653,203</u>	<u>849,757</u>	<u>1,502,960</u>	<u>1,498,473</u>
OPERATING INCOME (LOSS)	<u>17,941</u>	<u>323,254</u>	<u>341,195</u>	<u>321,357</u>
NONOPERATING REVENUES (EXPENSES):				
Interest income	(14,675)	57,966	43,291	29,561
Gain (loss) on sale of asset	-	(1,030)	(1,030)	-
Amortization	6,319	(2,494)	3,825	(202,822)
Interest expense	<u>(94,512)</u>	<u>(720,516)</u>	<u>(815,028)</u>	<u>(833,300)</u>
Total nonoperating revenues (expenses)	<u>(102,868)</u>	<u>(666,074)</u>	<u>(768,942)</u>	<u>(1,006,561)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(84,927)	(342,820)	(427,747)	(685,204)
TRANSFERS IN	<u>206,004</u>	<u>30,000</u>	<u>236,004</u>	<u>240,000</u>
CHANGES IN NET POSITION	121,077	(312,820)	(191,743)	(445,204)
NET POSITION AT BEGINNING OF YEAR	<u>1,547,913</u>	<u>(1,107,898)</u>	<u>440,015</u>	<u>885,219</u>
NET POSITION AT END OF YEAR	<u>\$ 1,668,990</u>	<u>\$ (1,420,718)</u>	<u>\$ 248,272</u>	<u>\$ 440,015</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2013
(with comparative totals for year ended December 31, 2012)

	Plymouth Towne Square	Vicksburg Crossing	Totals	
			2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers or users	\$ 678,129	\$ 1,178,260	\$ 1,856,389	\$ 1,829,566
Payments to suppliers	(355,249)	(377,040)	(732,290)	(743,426)
Payments to employees	(91,927)	(104,768)	(196,695)	(183,203)
Net cash flows from operating activities	<u>230,953</u>	<u>696,452</u>	<u>927,404</u>	<u>902,937</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in from other funds	<u>206,004</u>	<u>30,000</u>	<u>236,004</u>	<u>240,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	-	-	-	(138,695)
Bond proceeds received	-	-	-	9,811,588
Principal paid on capital debt	(245,000)	(185,000)	(430,000)	(3,455,000)
Interest paid on capital debt	(96,350)	(791,320)	(887,670)	(697,341)
Net cash flows from capital and related financing activities	<u>(341,350)</u>	<u>(976,320)</u>	<u>(1,317,670)</u>	<u>5,520,552</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest income	(15,278)	40,422	25,145	30,425
Purchase of investments	-	278,943	278,943	(9,811,588)
Net cash flows from investing activities	<u>(15,278)</u>	<u>319,365</u>	<u>304,088</u>	<u>(9,781,163)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>80,329</u>	<u>69,497</u>	<u>149,826</u>	<u>(3,117,674)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,015,751</u>	<u>1,203,434</u>	<u>2,219,185</u>	<u>5,336,859</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,096,080</u>	<u>\$ 1,272,931</u>	<u>\$ 2,369,011</u>	<u>\$ 2,219,185</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ 17,941	\$ 323,254	\$ 341,195	\$ 321,357
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	202,127	367,667	569,794	565,107
Changes in assets and liabilities:				
Accounts receivable	4,214	701	4,915	1,446
Prepaid expenses	419	(83)	335	(4,202)
Accounts payable	6,116	2,461	8,577	1,984
Accrued salaries payable	(1,515)	(1,566)	(3,081)	4,568
Due to other governments	(1,120)	(530)	(1,650)	4,387
Deposits payable	2,771	4,548	7,319	8,290
Total adjustments	<u>213,012</u>	<u>373,198</u>	<u>586,209</u>	<u>581,580</u>
Net cash flows from operating activities	<u>\$ 230,953</u>	<u>\$ 696,452</u>	<u>\$ 927,404</u>	<u>\$ 902,937</u>

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - HOUSING CHOICE VOUCHERS
FINANCIAL DATA SCHEDULE
BALANCE SHEET
DECEMBER 31, 2013**

ASSETS

Current assets:

111	Cash - unrestricted	\$	289,132
113	Cash - other restricted		62,617
115	Cash - restricted for payment of current liabilities		1,528
121	Accounts receivable - PHA projects		2,091
128	Fraud recovery		36,770
129	Accrued interest receivable		1,231
142	Prepaid expenses and other assets		<u>237,637</u>
190	Total assets	\$	<u><u>631,006</u></u>

LIABILITIES

Current liabilities:

312	Accounts payable <= 90 days	\$	44
321	Accrued wage/payroll taxes payable		6,770
331	Accounts payable - HUD PHA programs		1,528
332	Accounts payable - PHA projects		235
333	Accounts payable - other government		<u>232</u>
310	Total liabilities		<u>8,809</u>

NET POSITION

511.1	Restricted net position		80,767
512.1	Unrestricted net position		<u>541,430</u>
513	Total net position		<u>622,197</u>
600	Total liabilities and net position	\$	<u><u>631,006</u></u>

The notes to the financial data schedule are an integral part of this statement.

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - HOUSING CHOICE VOUCHERS
FINANCIAL DATA SCHEDULE
INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2013**

REVENUES:

70600	HUD PHA operating grants	\$ 1,645,618
71100	Investment income - unrestricted	(4,988)
71400	Fraud recovery	16,337
71500	Other revenue	<u>1,429,009</u>
70000	Total revenue	<u>3,085,976</u>

OPERATING EXPENSES:

Administrative expenses:

91100	Administrative salaries	178,644
91200	Auditing fees	5,856
91500	Employee benefit contributions - administrative	54,809
91600	Office expenses	2,682
91900	Other	<u>13,173</u>
91000	Total operating administrative expenses	<u>255,164</u>

Insurance premiums:

96110	Property insurance	3,235
96120	Liability insurance	3,235
96130	Workmen's compensation	<u>3,235</u>
96100	Total insurance premiums	<u>9,705</u>

General expenses:

96200	Other general expenses	<u>5,840</u>
96900	Total operating expenses	<u>270,709</u>

EXCESS (DEFICIENCY) OF OPERATING REVENUE
OVER (UNDER) OPERATING EXPENSES

2,815,267

OTHER EXPENSES:

97300	Housing assistance payments	1,540,408
97350	HAP Portability-in	<u>1,347,628</u>
90000	Total other expenses	<u>2,888,036</u>

EXCESS (DEFICIENCY) OF TOTAL REVENUE
OVER (UNDER) TOTAL EXPENSES

(72,769)

NET POSITION AT BEGINNING OF YEAR

694,966

NET POSITION AT END OF YEAR

\$ 622,197

MEMO ACCOUNT INFORMATION:

11170	Administrative fee equity	541,430
11180	Housing assistance payments equity	<u>80,767</u>
	Total net assets	<u>\$ 622,197</u>

11190	Unit months available	2,520
11210	Number of unit months leased	2,518

The notes to the financial data schedule are an integral part of this statement.

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - MAINSTREAM VOUCHERS
FINANCIAL DATA SCHEDULE
BALANCE SHEET
DECEMBER 31, 2013**

ASSETS

Current assets:

115	Cash - restricted for payment of current liabilities	\$	8,984
121	Accounts receivable - PHA projects		-
122	Accounts receivable - HUD other projects		-
129	Accrued interest receivable		-
142	Prepaid expenses and other assets		-
			<hr/>
190	Total assets	\$	<u>8,984</u>

LIABILITIES

Current liabilities:

331	Accounts payable - HUD PHA programs	\$	<u>8,984</u>
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The notes to the financial data schedule are an integral part of this statement.

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - MAINSTREAM VOUCHERS
FINANCIAL DATA SCHEDULE
INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2013**

REVENUES:		
70600 HUD PHA operating grants		\$ 118,808
OPERATING EXPENSES:		
Administrative expenses:		
91900 Other		<u>13,735</u>
EXCESS (DEFICIENCY) OF OPERATING REVENUE OVER (UNDER) OPERATING EXPENSES		105,073
OTHER EXPENSES:		
97300 Housing assistance payments		<u>105,073</u>
EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXPENSES		-
NET POSITION AT BEGINNING OF YEAR		<u>-</u>
NET POSITION AT END OF YEAR		<u><u>\$ -</u></u>
MEMO ACCOUNT INFORMATION:		
11190 Unit months available		180
11210 Number of unit months leased		177

The notes to the financial data schedule are an integral part of this statement.

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - STATE/LOCAL
FINANCIAL DATA SCHEDULE
BALANCE SHEET
DECEMBER 31, 2013**

ASSETS

Current assets:

131	Investments - unrestricted	\$	2,061,305
124	Accounts receivable - other government		7,584
129	Accrued interest receivable		89,949
142	Prepaid expenses and other assets		326
150	Total current assets		<u>2,159,164</u>

Noncurrent assets:

162	Buildings		175,169
166	Accumulated depreciation		(18,490)
171	Notes, loans and mortgages receivable - non-current		1,143,955
180	Total noncurrent assets		<u>1,300,634</u>

190	Total assets	\$	<u><u>3,459,798</u></u>
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LIABILITIES

Current liabilities:

312	Accounts payable <= 90 days	\$	882
321	Accrued wage/payroll taxes payable		5,140
345	Other current liabilities		20,000
310	Total current liabilities		<u>26,022</u>

NET POSITION

508.1	Net investment in capital assets		156,679
512.1	Unrestricted net position		<u>3,277,097</u>
513	Total net position		<u>3,433,776</u>
600	Total liabilities and net position	\$	<u><u>3,459,798</u></u>

The notes to the financial data schedule are an integral part of this statement.

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - STATE/LOCAL
FINANCIAL DATA SCHEDULE
INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2013**

REVENUES:

71100	Investment income - unrestricted	\$ (25,965)
71500	Other revenue	<u>544,760</u>
	Total revenue	518,795

OPERATING EXPENSES:

Administrative expenses:

91100	Administrative salaries	146,211
91200	Auditing fees	1,612
91500	Employee benefit contributions - administrative	37,482
91600	Office expenses	21,299
91700	Legal expense	2,710
91900	Other	<u>2,024</u>
91000	Total administrative expenses	211,338

Ordinary maintenance and operations:

94300	Contracts	4,226
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Insurance premiums:

96110	Property insurance	3,275
96120	Liability insurance	3,275
96130	Workmen's compensation	<u>3,275</u>
96100	Total insurance premiums	<u>9,825</u>

Total operating expenses	<u>225,389</u>
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EXCESS (DEFICIENCY) OF OPERATING REVENUE
OVER (UNDER) OPERATING EXPENSES

293,406

OTHER EXPENSES:

97400	Depreciation	5,839
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OTHER FINANCING USES:

10020	Operating Transfers out	<u>236,004</u>
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EXCESS (DEFICIENCY) OF TOTAL REVENUE
OVER (UNDER) TOTAL EXPENSES

51,563

NET POSITION AT BEGINNING OF YEAR

3,382,213

NET POSITION AT END OF YEAR

\$ 3,433,776

The notes to the financial data schedule are an integral part of this statement.

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - BUSINESS ACTIVITIES
FINANCIAL DATA SCHEDULE
BALANCE SHEET
DECEMBER 31, 2013**

ASSETS

Current assets:

111	Investments - unrestricted	\$ 1,800,400
114	Cash - tenant security deposit	113,611
132	Investments - restricted	9,532,645
135	Investments - restricted for payment of current liabilities	455,000
125	Accounts receivable - miscellaneous	674
126	Accounts receivable - tenants	146
129	Accrued interest receivable	22,817
142	Prepaid expenses and other assets	33,240
150	Total current assets	<u>11,958,533</u>

Noncurrent assets:

161	Land	1,333,840
162	Buildings	15,445,008
163	Furniture, equipment & machinery - dwellings	720,946
164	Furniture, equipment & machinery - administration	30,436
166	Accumulated depreciation	<u>(5,979,692)</u>
180	Total non-current assets	<u>11,550,538</u>

190	Total assets	<u>\$ 23,509,071</u>
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LIABILITIES

Current liabilities:

312	Accounts payable <= 90 days	\$ 35,423
321	Accrued wage/payroll taxes payable	7,561
322	Accrued compensated absences - current portion	2,908
325	Accrued interest payable	316,182
333	Accounts payable - other government	86,369
341	Tenant security deposit	113,335
343	Current portion of long-term debt - capital projects and mortgage revenue bonds	<u>455,000</u>
310	Total current liabilities	<u>1,016,778</u>

Noncurrent liabilities:

351	Long-term debt, net of current - capital projects and mortgage revenue bonds	<u>22,244,021</u>
300	Total liabilities	<u>23,260,799</u>

NET POSITION

508.1	Net investment in capital assets	(1,615,838)
511.1	Restricted net position	459,179
512.1	Unrestricted net position	<u>1,404,931</u>
513	Total net position	<u>248,272</u>
600	Total liabilities and net position	<u>\$ 23,509,071</u>

The notes to the financial data schedule are an integral part of this statement.

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - BUSINESS ACTIVITIES
FINANCIAL DATA SCHEDULE
INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2013**

REVENUES:

70300	HUD PHA operating grants	\$ 1,753,033
70400	Other revenue	<u>76,653</u>
70500	Total tenant revenue	1,829,686
71100	Investment income - unrestricted	6,494
71500	Other revenue	14,469
71600	Gain (loss) on sale of capital assets	(1,030)
72000	Investments income - restricted	<u>36,797</u>
	Total revenue	1,886,416

OPERATING EXPENSES:

Administrative expenses:

91100	Administrative salaries	89,285
91200	Auditing fees	2,609
91300	Management fee	100,800
91500	Employee benefit contributions - administrative	37,970
91600	Office expense	24,168
91900	Other	<u>3,273</u>
91000	Total administrative expenses	258,105

Tenant services:

92400	Other	12,887
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Utilities:

93100	Water	22,108
93200	Electricity	53,391
93300	Gas	<u>47,293</u>
93000	Total utilities expenses	122,792

Ordinary maintenance and operations:

94100	Labor	64,563
94200	Materials and other	25,266
94300	Contracts	<u>302,139</u>
94000	Total maintenance expenses	391,968

Protective services:

96110	Property insurance	61,045
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General expenses:

96300	Payments in lieu of taxes	86,369
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(Continued...)

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - BUSINESS ACTIVITIES
FINANCIAL DATA SCHEDULE
INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2013**

(Continued from previous page)

Interest expense:	
96710 Interest on mortgage (or Bonds) payable	<u>811,203</u>
96900 Total operating expenses	<u>1,744,369</u>
EXCESS (DEFICIENCY) OF OPERATING REVENUES OVER (UNDER) OPERATING EXPENSES	142,047
OTHER EXPENSES:	
97400 Depreciation	569,794
OTHER FINANCING SOURCES:	
10010 Operating Transfers in	<u>(236,004)</u>
EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXPENSES	(191,743)
NET POSITION AT BEGINNING OF YEAR	<u>440,015</u>
NET POSITION AT END OF YEAR	<u>\$ 248,272</u>
MEMO ACCOUNT INFORMATION:	
11020 Required annual debt principal payments	\$ 430,000
11190 Unit months available	2,340
11210 Number of unit months leased	2,286

The notes to the financial data schedule are an integral part of this statement.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL DATA SCHEDULE
Year Ended December 31, 2013

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial data schedules are presented on a full accrual basis of accounting. The information in these schedules is presented in accordance with the U.S. Department of Housing and Urban Development (HUD), Office of Public and Indian Housing, Real Estate Assessment Center and the Financial Assessment Subsystem-Public Housing (FASS-PH). Therefore, some of the amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the City's basic financial statements.



STATISTICAL SECTION

CITY OF PLYMOUTH, MINNESOTA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Net investment in capital assets	\$ 134,717	\$ 140,490	\$ 147,612	\$ 150,167	\$ 155,191	\$ 154,183	\$ 155,551	\$ 161,820	\$ 166,158	\$ 166,354
Restricted	15,397	15,338	17,533	4,772	5,324	5,615	5,744	16,127	16,637	17,234
Unrestricted	44,798	46,982	47,610	70,517	73,960	76,294	79,792	76,773	79,439	83,007
Total government activities net of position	<u>\$ 194,912</u>	<u>\$ 202,810</u>	<u>\$ 212,755</u>	<u>\$ 225,456</u>	<u>\$ 234,475</u>	<u>\$ 236,092</u>	<u>\$ 241,087</u>	<u>\$ 254,720</u>	<u>\$ 262,234</u>	<u>\$ 266,595</u>
Business-type activities										
Net investment in capital assets	\$ 65,713	\$ 83,108	\$ 89,696	\$ 91,541	\$ 91,502	\$ 92,630	\$ 92,171	\$ 98,947	\$ 101,819	\$ 106,156
Restricted	28,414	18,655	20,053	18,377	19,658	18,876	20,833	22,515	24,362	26,906
Unrestricted	23,886	18,901	16,719	17,241	16,054	15,756	13,541	12,781	12,870	9,382
Total business-type activities net position	<u>\$ 118,013</u>	<u>\$ 120,664</u>	<u>\$ 126,468</u>	<u>\$ 127,159</u>	<u>\$ 127,214</u>	<u>\$ 127,262</u>	<u>\$ 126,545</u>	<u>\$ 134,243</u>	<u>\$ 139,051</u>	<u>\$ 142,444</u>
Primary government										
Net investment in capital assets	\$ 200,430	\$ 223,598	\$ 237,308	\$ 241,708	\$ 246,693	\$ 246,813	\$ 247,722	\$ 260,767	\$ 267,977	\$ 272,510
Restricted	43,811	33,993	37,586	23,149	24,982	24,491	26,577	38,642	40,999	44,140
Unrestricted	68,684	65,883	64,329	87,758	90,014	92,050	93,333	89,554	92,309	92,389
Total primary government net position	<u>\$ 312,925</u>	<u>\$ 323,474</u>	<u>\$ 339,223</u>	<u>\$ 352,615</u>	<u>\$ 361,689</u>	<u>\$ 363,354</u>	<u>\$ 367,632</u>	<u>\$ 388,963</u>	<u>\$ 401,285</u>	<u>\$ 409,039</u>

CITY OF PLYMOUTH, MINNESOTA
CHANGES IN NET POSITION-CONTINUED ON FOLLOWING PAGE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities:										
General government	\$ 4,897	\$ 4,905	\$ 5,172	\$ 8,268	\$ 5,398	\$ 4,979	\$ 4,733	\$ 4,300	\$ 4,736	\$ 4,483
Economic development	-	-	-	-	-	-	226	353	354	345
Parks and recreation	6,530	6,634	6,932	7,694	7,914	7,498	7,977	8,115	8,044	7,987
Public safety	9,387	9,865	12,222	12,221	14,214	14,214	14,296	13,714	14,310	15,311
Public service	5,187	5,013	6,004	4,377	4,541	4,323	5,102	4,431	4,020	4,310
Public works	8,794	9,101	10,978	10,051	10,374	10,876	10,615	11,936	12,189	12,164
Interest on long-term debt	623	776	745	701	772	757	648	636	808	624
Total governmental activities expenses	<u>35,418</u>	<u>36,294</u>	<u>42,053</u>	<u>43,312</u>	<u>43,213</u>	<u>42,647</u>	<u>43,597</u>	<u>43,485</u>	<u>44,461</u>	<u>45,224</u>
Business-type activities:										
Water sewer utility	9,956	10,790	13,206	14,528	14,620	14,789	14,234	14,497	15,045	15,404
Ice center	1,129	1,650	1,602	1,700	1,761	1,623	1,669	1,726	1,695	1,734
Water resources	1,600	1,862	1,942	1,714	1,922	2,086	1,829	1,818	1,932	1,966
Solid waste management	789	915	813	969	1,029	944	1,049	1,055	900	916
Field house	291	302	305	307	299	293	255	230	236	310
Total business-type activities expenses	<u>13,765</u>	<u>15,519</u>	<u>17,868</u>	<u>19,218</u>	<u>19,631</u>	<u>19,736</u>	<u>19,036</u>	<u>19,326</u>	<u>19,808</u>	<u>20,330</u>
Total primary government expenses	<u>\$ 49,183</u>	<u>\$ 51,813</u>	<u>\$ 59,921</u>	<u>\$ 62,530</u>	<u>\$ 62,844</u>	<u>\$ 62,382</u>	<u>\$ 62,633</u>	<u>\$ 62,811</u>	<u>\$ 64,269</u>	<u>\$ 65,554</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,807	\$ 2,999	\$ 3,441	\$ 3,731	\$ 3,588	\$ 333	\$ 469	\$ 539	\$ 423	\$ 487
Economic development	-	-	-	-	-	-	7	7	-	-
Parks and recreation	1,096	1,111	1,172	1,280	1,451	1,312	1,461	1,519	1,582	1,525
Public safety	220	232	266	1,313	293	2,176	2,385	3,884	3,705	4,032
Public service	226	754	803	1,126	1,098	1,009	953	1,078	979	895
Public works	655	647	863	808	806	576	1,503	1,935	1,479	1,644
Operating grants and contributions	5,646	5,501	6,253	6,027	10,075	7,118	6,910	5,579	7,770	7,858
Capital grants and contributions	4,545	9,849	12,842	10,042	2,869	2,138	3,578	9,094	4,582	5,525
Total governmental activities program revenues	<u>\$ 15,195</u>	<u>\$ 21,093</u>	<u>\$ 25,640</u>	<u>\$ 24,327</u>	<u>\$ 20,180</u>	<u>\$ 14,662</u>	<u>\$ 17,266</u>	<u>\$ 23,635</u>	<u>\$ 20,520</u>	<u>\$ 21,966</u>

CITY OF PLYMOUTH, MINNESOTA
CHANGES IN NET POSITION-CONTINUED
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business-type activities:										
Charges for services:										
Water sewer utility	\$ 9,023	\$ 9,611	\$ 10,404	\$ 11,830	\$ 12,276	\$ 13,089	\$ 12,950	\$ 13,546	\$ 14,238	\$ 15,059
Ice center	962	1,278	1,230	1,261	1,372	1,406	1,401	1,407	1,465	1,471
Water resources	1,655	1,864	2,032	2,190	2,366	2,547	2,591	2,562	2,573	2,619
Solid waste management	1,004	1,073	917	1,072	1,296	411	710	941	632	523
Field house	304	299	294	301	358	364	369	348	335	393
Operating grants and contributions	213	244	522	186	717	236	1,087	372	329	446
Capital grants and contributions	5,145	1,908	6,187	2,138	1,071	589	778	10,564	5,036	2,417
Total business-type activities program revenues	18,306	16,277	21,586	18,978	19,456	18,642	19,886	29,740	24,608	22,928
Total primary government program revenues	\$ 33,501	\$ 37,370	\$ 47,226	\$ 43,305	\$ 39,636	\$ 33,304	\$ 37,152	\$ 53,375	\$ 45,128	\$ 44,894
Net (expense) revenue										
Governmental activities	\$ (20,223)	\$ (15,201)	\$ (16,413)	\$ (18,985)	\$ (23,033)	\$ (27,985)	\$ (26,331)	\$ (19,850)	\$ (23,941)	\$ (23,258)
Business-type activities	4,541	758	3,718	(240)	(175)	(1,094)	850	10,414	4,800	2,598
Total primary government	\$ (15,682)	\$ (14,443)	\$ (12,695)	\$ (19,225)	\$ (23,208)	\$ (29,078)	\$ (25,481)	\$ (9,436)	\$ (19,141)	\$ (20,660)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 19,051	\$ 21,134	\$ 23,357	\$ 26,086	\$ 27,543	\$ 29,057	\$ 28,581	\$ 28,551	\$ 29,256	\$ 29,695
Unrestricted investment earnings	1,559	1,547	3,018	3,962	2,881	732	361	1,704	1,109	(1,594)
Gain on sale of capital assets	653	140	138	10	59	102	81	-	133	91
Other	101	637	102	216	241	195	348	12	233	290
Transfers	(879)	(359)	(257)	1,411	1,328	(485)	1,954	3,216	724	(863)
Total governmental activities	20,485	23,099	26,358	31,685	32,052	29,602	31,325	33,483	31,455	27,619
Business-type activities:										
Unrestricted investment earnings	1,337	1,230	1,579	2,229	1,433	571	366	489	671	(68)
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Other	259	304	250	113	125	85	21	11	61	-
Transfers	879	359	257	(1,411)	(1,328)	485	(1,954)	(3,216)	(724)	863
Total business-type activities	2,475	1,893	2,086	931	230	1,142	(1,567)	(2,716)	8	795
Total primary government	\$ 22,960	\$ 24,992	\$ 28,444	\$ 32,616	\$ 32,282	\$ 30,743	\$ 29,758	\$ 30,767	\$ 31,463	\$ 28,414
Change in Net Position										
Governmental activities	\$ 262	\$ 7,898	\$ 9,945	\$ 12,700	\$ 9,019	\$ 1,617	\$ 4,994	\$ 13,633	\$ 7,514	\$ 4,361
Business-type activities	7,016	2,651	5,804	691	55	48	(717)	7,698	4,808	3,393
Total primary government	\$ 7,278	\$ 10,549	\$ 15,749	\$ 13,391	\$ 9,074	\$ 1,665	\$ 4,277	\$ 21,331	\$ 12,322	\$ 7,754

CITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Property Tax</u>
2004	\$ 19,051
2005	21,134
2006	23,357
2007	26,086
2008	27,543
2009	29,057
2010	28,581
2011	28,551
2012	29,256
2013	29,695

CITY OF PLYMOUTH, MINNESOTA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General fund										
Nonspendable	\$ -	\$ -	\$ -	\$ 10	\$ 8	\$ 7	\$ 6	\$ 10	\$ 62	\$ 37
Assigned	-	-	-	68	1,333	246	585	633	447	518
Unassigned	8,949	9,430	10,354	10,943	9,927	11,478	11,246	11,365	11,814	12,234
Total general fund	<u>\$ 8,949</u>	<u>\$ 9,430</u>	<u>\$ 10,354</u>	<u>\$ 11,021</u>	<u>\$ 11,268</u>	<u>\$ 11,731</u>	<u>\$ 11,837</u>	<u>\$ 12,008</u>	<u>\$ 12,323</u>	<u>\$ 12,789</u>
All other governmental funds										
Nonspendable	\$ 46	\$ 46	\$ 46	\$ 46	\$ 46	\$ 46	\$ 46	\$ 46	\$ 52	\$ 51
Restricted	7,670	8,217	10,082	10,769	12,568	16,777	14,515	15,289	19,475	20,227
Assigned	37,546	32,125	29,552	32,570	32,571	33,505	34,137	38,214	41,654	43,961
Unassigned	(2,875)	(991)	(128)	-	-	(1)	(1)	(1)	-	-
Total all other governmental funds	<u>42,387</u>	<u>39,397</u>	<u>39,552</u>	<u>43,385</u>	<u>45,185</u>	<u>50,327</u>	<u>48,697</u>	<u>53,548</u>	<u>61,181</u>	<u>64,239</u>
Total Governmental Funds	<u>\$ 51,336</u>	<u>\$ 48,827</u>	<u>\$ 49,906</u>	<u>\$ 54,406</u>	<u>\$ 56,453</u>	<u>\$ 62,058</u>	<u>\$ 60,534</u>	<u>\$ 65,556</u>	<u>\$ 73,504</u>	<u>\$ 77,028</u>

CITY OF PLYMOUTH, MINNESOTA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
General property taxes	\$ 19,002	\$ 21,115	\$ 23,299	\$ 26,030	\$ 27,465	\$ 29,037	\$ 28,633	\$ 28,547	\$ 29,336	\$ 29,721
Special assessments	369	201	172	152	134	128	86	88	92	82
Licenses and permits	2,632	2,726	3,138	3,420	3,828	2,272	2,466	3,242	3,942	4,232
Intergovernmental	6,287	9,921	8,019	10,824	8,099	7,687	8,399	6,809	4,923	5,658
Charges for current services	2,151	2,717	3,050	3,551	3,238	3,422	4,061	4,635	4,235	4,483
Fines and forfeitures	881	860	939	894	897	798	733	878	847	683
Contributions	838	1,241	1,424	633	705	92	1,151	1,476	897	2,178
Interest Income (Loss)	1,230	1,212	2,221	2,852	2,095	568	290	1,234	831	(1,093)
Loan Repayments	-	-	-	-	-	5	7	7	7	7
Other revenue	199	733	445	459	278	227	333	262	207	226
Total Revenue	33,589	40,726	42,707	48,815	46,739	44,236	46,159	47,178	45,317	46,177
Expenditures										
General government	4,545	4,604	4,801	5,309	4,341	4,103	4,365	4,177	4,627	4,579
Economic development	-	-	-	-	-	-	226	953	354	346
Parks and recreation	5,225	5,478	5,548	6,072	6,219	6,300	6,621	6,744	6,815	6,821
Public safety	8,945	9,697	10,718	11,655	13,222	13,511	13,856	13,478	14,173	15,014
Public service	4,308	4,777	4,596	4,362	4,452	4,449	4,017	4,248	3,892	4,139
Public works	3,204	3,472	3,159	4,099	4,294	4,155	5,065	5,118	4,873	5,184
Interest on interfund advances	91	82	72	62	51	39	27	76	56	51
Debt service:										
Principal retirement	500	990	1,390	1,535	1,600	1,690	1,920	1,445	1,915	1,320
Interest and fiscal charges	509	758	783	723	752	759	682	652	649	727
Bond issuance costs	-	-	-	30	-	49	37	-	-	-
Capital outlay	11,325	16,502	11,821	17,174	11,235	7,636	11,909	10,289	8,255	7,788
Total Expenditures	38,652	46,360	42,888	51,021	46,166	42,691	48,725	47,180	45,609	45,969
Excess of revenues over (under) expenditures	(5,063)	(5,634)	(181)	(2,206)	573	1,545	(2,566)	(2)	(292)	208

CITY OF PLYMOUTH, MINNESOTA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS-CONTINUED
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Other financing sources (uses)										
Transfers in	\$ 6,681	\$ 12,183	\$ 5,552	\$ 16,901	\$ 11,858	\$ 8,505	\$ 16,611	\$ 16,988	\$ 12,006	\$ 12,377
Transfers out	(7,860)	(9,115)	(4,292)	(12,945)	(10,384)	(8,449)	(14,658)	(11,965)	(8,926)	(9,061)
Bonds issued	7,480	1,370	-	2,715	-	3,935	2,990	-	4,815	-
Premium (discount) on debt	98	(12)	-	(7)	-	69	49	-	345	-
Payment on refunded bonds	-	(1,300)	-	-	-	-	(3,950)	-	-	-
Sale of capital assets	697	-	-	42	-	-	-	-	-	-
Total other financing sources (uses)	<u>7,096</u>	<u>3,126</u>	<u>1,260</u>	<u>6,706</u>	<u>1,474</u>	<u>4,060</u>	<u>1,042</u>	<u>5,023</u>	<u>8,240</u>	<u>3,316</u>
Net change in fund balances	<u>\$ 2,033</u>	<u>\$ (2,508)</u>	<u>\$ 1,079</u>	<u>\$ 4,500</u>	<u>\$ 2,047</u>	<u>\$ 5,605</u>	<u>\$ (1,524)</u>	<u>\$ 5,021</u>	<u>\$ 7,948</u>	<u>\$ 3,524</u>
Debt service as a percentage of noncapital expenditures	3.58%	5.58%	6.24%	6.18%	6.63%	6.70%	7.07%	5.68%	6.86%	5.36%

CITY OF PLYMOUTH, MINNESOTA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Property Tax</u>
2004	\$ 19,002
2005	21,115
2006	23,299
2007	26,030
2008	27,465
2009	29,037
2010	28,633
2011	28,547
2012	29,336
2013	29,721

CITY OF PLYMOUTH, MINNESOTA
ASSESSED VALUE/TAX CAPACITY VALUE AND ESTIMATED MARKET VALUE
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except for population and direct tax rate)

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Population (1)	70,682	70,455	70,676	71,147	71,536	72,268	70,576	71,263	71,644	72,969
Real Property										
Assessed/tax capacity value	\$ 86,602	\$ 94,585	\$ 102,569	\$ 112,009	\$ 121,295	\$ 122,107	\$ 116,187	\$ 108,748	\$ 103,968	\$ 103,542
Estimated market value	\$ 7,375,678	\$ 8,053,678	\$ 8,690,753	\$ 9,440,899	\$ 10,041,803	\$ 10,012,350	\$ 9,548,268	\$ 8,973,492	\$ 8,802,943	\$ 8,704,104
Personal Property										
Assessed/tax capacity value	\$ 845	\$ 894	\$ 913	\$ 1,023	\$ 943	\$ 942	\$ 944	\$ 1,021	\$ 1,071	\$ 1,219
Estimated market value	\$ 42,517	\$ 44,940	\$ 45,985	\$ 51,652	\$ 47,578	\$ 47,640	\$ 47,820	\$ 51,696	\$ 54,454	\$ 61,736
Total Real and Personal Property										
Assessed/tax capacity value	\$ 87,447	\$ 95,479	\$ 103,482	\$ 113,032	\$ 122,238	\$ 123,048	\$ 117,131	\$ 109,769	\$ 105,039	\$ 104,761
Estimated market value	\$ 7,418,195	\$ 8,098,618	\$ 8,736,738	\$ 9,492,551	\$ 10,089,381	\$ 10,059,990	\$ 9,596,088	\$ 9,025,188	\$ 8,857,397	\$ 8,765,840
Total direct tax rate (2)	23.92	23.81	23.75	23.75	23.35	24.86	26.01	27.49	28.72	29.81

Source: Hennepin County

(1) See the Schedule of Demographic and Economic Statistics for population data.

(2) See the Schedule of Direct and Overlapping Property Tax Rates for the direct tax rate data.

**CITY OF PLYMOUTH, MINNESOTA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31	City of Plymouth Rates			Overlapping Rates (1)								
	Operating	Housing & Redevelopment Authority	Total City Rate	Hennepin County Operating	Other Districts Operating	School Districts				Watershed Districts		
						Dist #270 Operating	Dist #279 Operating	Dist #281 Operating	Dist #284 Operating	Dist #3 Operating	Dist #7 Operating	Dist #8 Operating
2004	23.18	0.74	23.92	47.32	6.75	22.20	23.71	34.26	22.12	0.77	1.04	-
2005	23.13	0.68	23.81	44.17	6.70	19.18	24.34	29.99	20.71	1.28	0.34	-
2006	23.20	0.55	23.75	41.02	6.99	21.57	21.82	28.49	21.89	1.07	0.43	0.07
2007	23.28	0.47	23.75	39.11	7.31	19.02	23.76	28.75	20.25	1.12	0.12	-
2008	22.89	0.46	23.35	38.57	7.40	19.22	19.71	27.24	19.67	1.40	0.65	0.27
2009	24.37	0.49	24.86	40.41	7.15	20.08	21.03	27.21	20.41	1.49	0.54	0.05
2010	25.50	0.51	26.01	42.64	8.14	23.05	22.38	28.62	23.31	1.51	0.69	0.08
2011	26.94	0.55	27.49	45.84	9.17	26.46	24.22	34.39	24.03	1.61	0.67	0.57
2012	28.15	0.57	28.72	48.23	9.52	29.27	24.93	32.81	25.33	1.71	0.62	0.00
2013	29.24	0.57	29.81	49.46	10.09	29.73	27.97	32.35	25.24	1.77	0.84	0.10

Source: Hennepin County

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Plymouth. Not all overlapping rates apply to all City of Plymouth property owners (e.g., only one school district will assess taxes to any one given property).

**CITY OF PLYMOUTH, MINNESOTA
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO
 (amounts expressed in thousands)**

Taxpayer	2013			2004		
	Tax Capacity Value	Rank	Percentage of Total Tax Capacity Value	Tax Capacity Value	Rank	Percentage of Total Tax Capacity Value
GS Park Place LLC	\$ 625	1	0.60%	-	-	-
FSP 505 Waterford Corporation	575	2	0.55%	-	-	-
Bigos Management Inc	492	3	0.47%	-	-	-
AX Waterford LP	474	4	0.45%	-	-	-
CBC North-South LLC	471	5	0.45%	-	-	-
HSRE-WH MOB LLC	433	6	0.41%	-	-	-
Columbia II Rockridge Center	368	7	0.35%	-	-	-
James Campbell Co LLC	367	8	0.35%	-	-	-
Inland Real Estate Corporation	364	9	0.35%	-	-	-
Investors Warranty of America	317	10	0.30%	-	-	-
Carlson Companies	-	-	-	2,146	1	2.45%
St Paul Properties Inc	-	-	-	1,035	2	1.18%
Liberty Property, Ltd. Partnership	-	-	-	865	3	0.99%
Moen Leuer Development	-	-	-	857	4	0.98%
Sentinel Real Estate Corp	-	-	-	797	5	0.91%
Equity Residential Property Trust	-	-	-	770	6	0.88%
Principal Life Insurance Co.	-	-	-	583	7	0.67%
OPUS Corp	-	-	-	556	8	0.64%
505 Waterford Corporation	-	-	-	539	9	0.62%
Prudential Insurance	-	-	-	449	10	0.57%
	<u>\$ 4,486</u>		<u>4.29%</u>	<u>\$ 8,597</u>		<u>9.89%</u>

Source: City of Plymouth assessing division.

CITY OF PLYMOUTH, MINNESOTA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	\$ 19,813	\$ 19,010	95.95%	\$ 72	\$ 19,082	96.31%
2005	21,816	21,043	96.46%	158	21,201	97.18%
2006	23,765	23,030	96.91%	164	23,194	97.60%
2007	25,889	25,679	99.19%	199	25,878	99.96%
2008	27,485	26,960	98.09%	275	27,235	99.09%
2009	28,899	27,915	96.60%	272	28,187	97.54%
2010	28,727	27,797	96.76%	232	28,029	97.57%
2011	28,728	27,748	96.59%	202	27,950	97.29%
2012	28,728	28,411	98.90%	117	28,528	99.30%
2013	29,185	28,870	98.92%	-	28,870	98.92%

CITY OF PLYMOUTH, MINNESOTA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal Year Ended December 31	Governmental Activities			Business- Type Activities	Total Primary Government	Percentage of Personal Income (1)	Per Capita(1)
	General Obligation Bonds	Special Assessment Bonds	Tax Increment Financing Bonds	Water Revenue Bonds			
2004	\$ 15,155	\$ 3,680	\$ 2,845	\$ 13,112	34,792	1.36%	492
2005	13,280	3,300	4,163	12,064	32,807	1.28%	466
2006	12,500	2,730	4,119	11,351	30,700	1.20%	434
2007	14,293	2,160	4,065	10,628	31,146	1.02%	438
2008	13,349	1,575	3,990	9,885	28,799	0.87%	403
2009	13,861	980	6,382	9,127	30,350	0.90%	420
2010	14,259	370	3,741	8,344	26,714	0.82%	379
2011	13,044	285	3,575	7,541	24,445	0.73%	343
2012	16,732	-	3,374	12,042	32,148	0.97%	449
2013	15,576	-	3,163	11,073	29,812	0.85%	409

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF PLYMOUTH, MINNESOTA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal Year Ended December 31	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property(1)	Per Capita(1)
2004	\$ 34,792	\$ 2,351	\$ 12,699	0.17%	\$ 180
2005	32,807	1,611	11,569	0.14%	164
2006	30,700	1,852	10,553	0.12%	149
2007	31,146	2,129	12,081	0.13%	170
2008	28,799	2,248	11,022	0.11%	154
2009	30,350	3,913	26,437	0.26%	366
2010	26,714	2,505	24,209	0.25%	343
2011	24,445	3,311	21,134	0.23%	297
2012	32,148	8,192	23,956	0.27%	334
2013	29,812	7,767	22,045	0.25%	302

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

(1) See the Schedule of Assessed Value/Tax Capacity Value and Estimated Market Value for property value data and population.

CITY OF PLYMOUTH, MINNESOTA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2013
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable *</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Hennepin County	\$ 1,107,290	7.3%	\$ 53,377
ISD #270 (Hopkins)	171,505	3.6%	6,141
ISD #279 (Osseo)	138,715	10.1%	7,992
ISD #281 (Robbinsdale)	155,710	26.1%	39,853
IDS #284 (Wayzata)	56,070	55.0%	29,762
Metropolitan Council	1,638,249	3.4%	5,347
Three Rivers Park District	77,115	10.0%	5,433
Hennepin County Regional Railroad Auth.	37,675	10.0%	3,746
Subtotal, overlapping debt			<u>151,651</u>
City of Plymouth direct debt			<u>18,739</u>
Total direct and overlapping debt			<u>\$ 170,390</u>

Source: Hennepin County, Minnesota

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City of Plymouth. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Plymouth. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

* The percentage applicable to the City of Plymouth was determined by dividing the portion of tax capacity within the City by the total tax capacity of the taxing jurisdiction.

**CITY OF PLYMOUTH, MINNESOTA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$ 143,088	\$ 158,977	\$ 172,690	\$ 188,344	\$ 301,248	\$ 301,800	\$ 287,883	\$ 270,756	\$ 265,722	\$ 262,975
Total net debt applicable to limit	12,699	11,569	10,553	12,081	11,022	9,827	11,605	10,388	8,844	8,274
Legal debt margin	<u>\$ 130,389</u>	<u>\$ 147,408</u>	<u>\$ 162,137</u>	<u>\$ 176,263</u>	<u>\$ 290,226</u>	<u>\$ 291,973</u>	<u>\$ 276,278</u>	<u>\$ 260,368</u>	<u>\$ 256,878</u>	<u>\$ 254,701</u>
Total net debt applicable to the limit as a percentage of debt limit	8.87%	7.28%	6.11%	6.41%	3.66%	3.26%	4.03%	3.84%	3.33%	3.15%

Legal Debt Margin Calculation for Fiscal Year 2013

Estimated taxable market value	\$ 8,765,840
Debt limit (3% of total market value)	262,975
Debt applicable to limit:	
Capital Improvement Bonds 2004A	5,270
Open Spaces GO Bonds 2007A	2,125
Activity Center/Field House Refunding Bonds 2009 B	380
Open Space Bonds 2010A	2,690
Refunding Bonds 2012A	4,725
Less: Amount set aside for repayment of general obligation debt	(6,916)
Total net debt applicable to limit	<u>8,274</u>
Legal debt margin	<u>\$ 254,701</u>

Note: Under State of Minnesota law, the City of Plymouth's outstanding general obligation debt should not exceed 3 percent of the market value of taxable property. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for the extinguishment of those obligations.

CITY OF PLYMOUTH, MINNESOTA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended December 31	Water Revenue Bonds						Special Assessment Bonds				
	Water-Sewer Utility Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Special Assessment Collections	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2004	\$ 10,764	\$ 8,586	\$ 2,178	\$ -	\$ -	0.00	\$ 1,233	\$ 60	\$ 92	8.11	
2005	11,278	9,376	1,902	1,050	296	1.41	1,195	380	109	2.44	
2006	11,862	10,085	1,777	1,765	419	0.81	1,999	570	96	3.00	
2007	13,568	10,793	2,775	725	397	2.47	1,522	570	81	2.34	
2008	13,567	10,682	2,885	745	382	2.56	1,437	585	66	2.21	
2009	13,677	11,136	2,541	760	360	2.27	1,489	595	49	2.31	
2010	13,380	10,523	2,857	785	336	2.55	1,253	610	31	1.95	
2011	13,712	10,654	3,058	805	309	2.75	1,264	85	19	12.15	
2012	14,900	10,900	4,000	830	280	3.60	1,541	285	20	5.05	
2013	15,158	11,132	4,026	940	432	2.93	1,681	-	-	-	

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

Gross Revenue includes operating revenue, investment income and non-operating revenues exclusive of connection fees plus operating transfers in for other funds' share of debt service requirements.

Operating Expenses include personal services, materials and supplies, and contractual services.

**CITY OF PLYMOUTH, MINNESOTA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS**

Fiscal Year	Population (A)	Personal Income (In Thousands)	Per Capita Personal Income (B)	School Enrollment (C)	Unemployment Rate (A)
2004	70,682	2,566,393	36,309	52,506	3.0%
2005	70,455	2,558,151	36,309	52,047	3.1%
2006	70,676	2,566,175	36,309	53,102	2.9%
2007	71,147	3,053,772	42,922	53,251	3.7%
2008	71,536	3,293,231	46,036	51,262	6.4%
2009	72,268	3,370,869	46,644	51,215	6.0%
2010 (D)	70,576	3,275,079	46,405	51,116	6.1%
2011	71,263	3,363,257	47,195	51,807	4.6%
2012	71,644	3,300,854	46,073	51,553	4.3%
2013	72,969	3,515,428	48,177	51,480	3.6%

- Source:
- (A) Minnesota Department of Employment and Economic Development
 - (B) Metropolitan Council
 - (C) School district boundaries do not conform to city boundaries; enrollment totals include students from surrounding communities.
 - (D) US population census data; available every 10 years

**CITY OF PLYMOUTH, MINNESOTA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2013			2004		
	Employees	Rank	Percentage of Total Plymouth Employment	Employees	Rank	Percentage of Total Plymouth Employment
I.S.D. #284 (Wayzata)	1,505	1	3.13%	-	-	-
EV3, Inc	875	2	1.82%	-	-	-
Boston Scientific	625	3	1.30%	-	-	-
Prudential Insurance Company	598	4	1.24%	3,500	1	6.66%
Honeywell International	525	5	1.09%	560	5	1.07%
Allied Interstate	475	6	0.99%	-	-	-
Nilfisk-Advance, Inc	500	7	1.04%	-	-	-
U.S. Foods	500	8	1.04%	-	-	-
Aimia	450	9	0.94%	-	-	-
Miracle Ear, Inc	450	10	0.94%	-	-	-
Carlson Travel	-	-	-	1,150	2	2.19%
Carlson Marketing	-	-	-	1,000	3	1.90%
US West Communications	-	-	-	700	4	1.33%
ITT Insurance	-	-	-	500	6	0.95%
Value RX	-	-	-	500	7	0.95%
Schneider USA, Inc	-	-	-	480	8	0.91%
Select Comfort Corp	-	-	-	475	9	0.90%
JT Food Service	-	-	-	300	10	0.57%
	<u>6,503</u>		<u>13.53%</u>	<u>9,165</u>		<u>17.43%</u>

Note: Data is based on the most current information available. 2004 data is equal to 2000 data.

Sources: City Community Development Department, 2013 Ehlers

**CITY OF PLYMOUTH, MINNESOTA
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Administration	10	10	10	10	10	10	11	8	9	8
Assessing	6	6	6	6	6	6	7	7	7	7
Finance	15	15	15	15	15	14	13	10	12	12
Inspection	11	11	12	12	12	12	12	10	11	11
Planning	11	11	11	11	11	11	11	11	11	11
Information Technology	7	7	7	7	8	7	7	5	6	6
Parks										
Administration	4	5	5	5	5	5	9	9	9	9
Park Maintenance	25	25	25	25	26	26	21	20	20	19
Plymouth Creek	5	5	5	5	5	6	5	5	5	5
Ice Center	5	5	5	5	5	5	4	5	5	5
Public Safety										
Police- Sworn	65	67	67	69	70	70	66	68	64	67
Police - Civilian	16	16	16	16	17	16	17	15	16	17
Fire Prevention	2	2	2	2	2	2	0	0	0	0
Full Time Fire Fighters	6	7	7	7	7	6	6	6	6	6
Public Works										
Engineering	17	18	18	17	17	17	13	13	10	9
Streets	20	19	19	18	19	19	13	13	13	13
Central Equipment	4	4	4	4	4	4	5	5	6	6
Recycling Administration	1	1	1	1	1	1	2	2	1	1
Risk Management	1	1	1	1	1	1	1	1	1	1
Building Management	2	2	2	2	2	2	2	2	3	2
Public Service										
House and Development	6	6	6	6	6	6	3	3	3	2
Sewer/Water	21	21	21	23	23	23	23	23	23	24
Transit	1	2	2	2	2	2	1	1	1	1
	<u>261</u>	<u>266</u>	<u>267</u>	<u>269</u>	<u>274</u>	<u>271</u>	<u>252</u>	<u>242</u>	<u>242</u>	<u>241</u>

**CITY OF PLYMOUTH, MINNESOTA
OPERATING INDICATORS BY FUNCTION
LAST EIGHT FISCAL YEARS**

	FISCAL YEAR							
	2006	2007	2008	2009	2010	2011	2012	2013
Police								
Medical calls	2,526	2,925	2,314	2,962	2,548	2,517	2,585	2,523
Traffic stops	17,156	16,647	17,418	15,131	12,843	19,650	16,372	15,043
Other	46,117	45,677	37,309	33,149	34,392	42,931	38,189	38,414
Fire								
Inspections	2,321	2,301	1,758	1,629	1,007	1,221	1,093	1,070
Fire calls - Residential	725	814	743	701	786	926	800	916
Fire calls - Structural	1,041	355	312	270	248	285	240	267
Fire calls - Other	311	343	290	278	374	325	334	322
Inspections								
Permit related	8,908	16,942	17,464	14,568	18,036	18,043	19,641	17,750
Non-permit related	24,422	7,332	10,940	7,627	2,185	2,240	2,556	2,564
Recreation								
Hours of ice time	7,851	7,054	6,612	6,801	7,166	7,315	6,847	6,784
Number of programs	1,721	1,818	1,862	1,908	2,011	2,003	2,079	2,146
Plymouth Creek Center rentals	4,083	4,053	3,838	3,757	3,956	4,218	4,068	4,086
Water								
Gallons of water production (in thousands)	3,540,616	3,609,790	3,399,495	3,524,110	3,183,085	3,146,805	3,629,615	3,198,740
Watermain breaks	59	88	54	43	29	53	34	35
Publicworks								
Snowplowing hours	1,348	1,730	1,954	2,179	3,003	970	3,023	2,786

(1) Fiscal year 2006 was the first year of implementing GASB Statement No. 44.

**CITY OF PLYMOUTH, MINNESOTA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	17	17	17	21	25	38	38	33	23	17
Fire stations	3	3	3	3	3	3	3	3	3	3
Public works										
Trunk highways (miles)	20	20	20	20	20	20	20	20	20	20
Paved - County (miles)	24	24	28	28	28	26	26	26	26	26
Other streets & alleys (miles)	276	277	283	284	287	287	290	294	297	300
Sidewalks (miles)	9	9	9	9	11	11	12	12	12	12
Streetlights	2,694	2,694	2,910	2,910	2,973	2,984	3,028	3,059	3,042	3,133
Parks and recreation										
Acreage	1,000	1,000	1,000	1,200	1,273	1,273	1,400	1,410	1,685	1,688
Number of parks and playgrounds	45	45	45	49	49	50	50	50	50	52
Trails (miles)	100	100	110	110	136	136	136	137	140	145
Community center	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	322	326	350	352	353	353	354	361	366	369
Fire hydrants:										
Private	1,538	1,514	1,545	1,545	1,562	1,569	1,571	1,571	1,573	1,579
Public	4,092	4,133	4,297	4,333	4,345	4,429	4,434	4,528	4,580	4,638
Wastewater										
Sanitary sewer (miles)	296	297	307	309	309	309	309	319	322	325
Storm sewer (miles)	126	127	129	133	134	134	134	140	143	146

Sources: Various city departments.

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