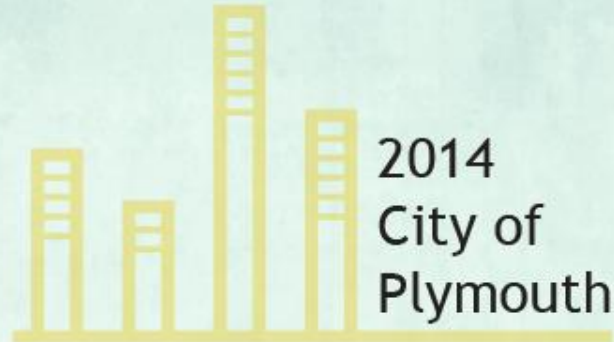




AAA  
Aaa



2014  
City of  
Plymouth

# FINANCIAL OVERVIEW

Prepared by:  
Finance Manager  
Administrative Services Director  
City Manager



MUNICIPAL  
BOND



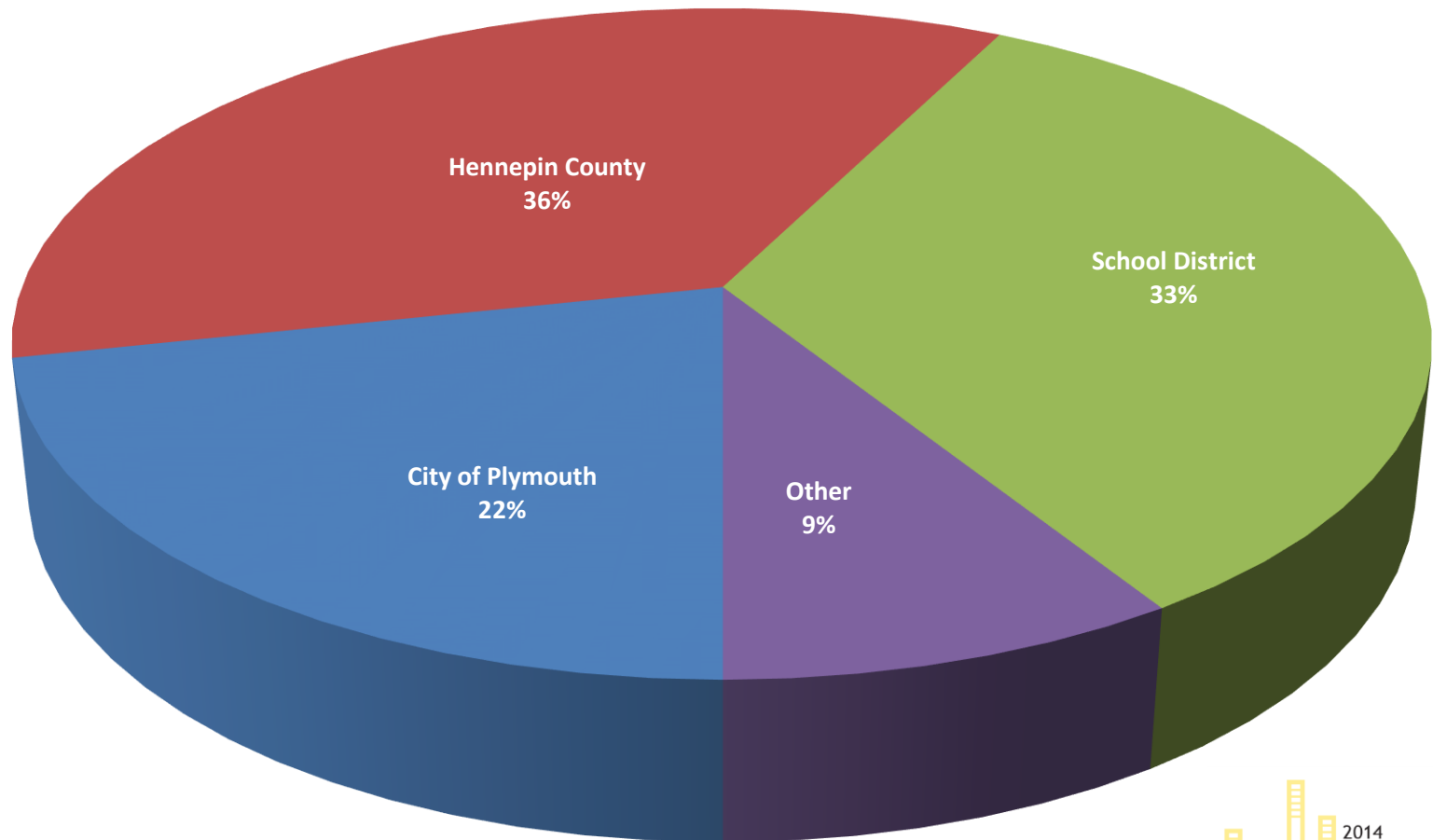
# Financial Overview

- Key Financial and Economic Indicators
- Comparative Data – Comparable Communities
- Importance of Financial Benchmarking

# Key Financial and Economic Indicators

## Property Tax Dollar - 2014

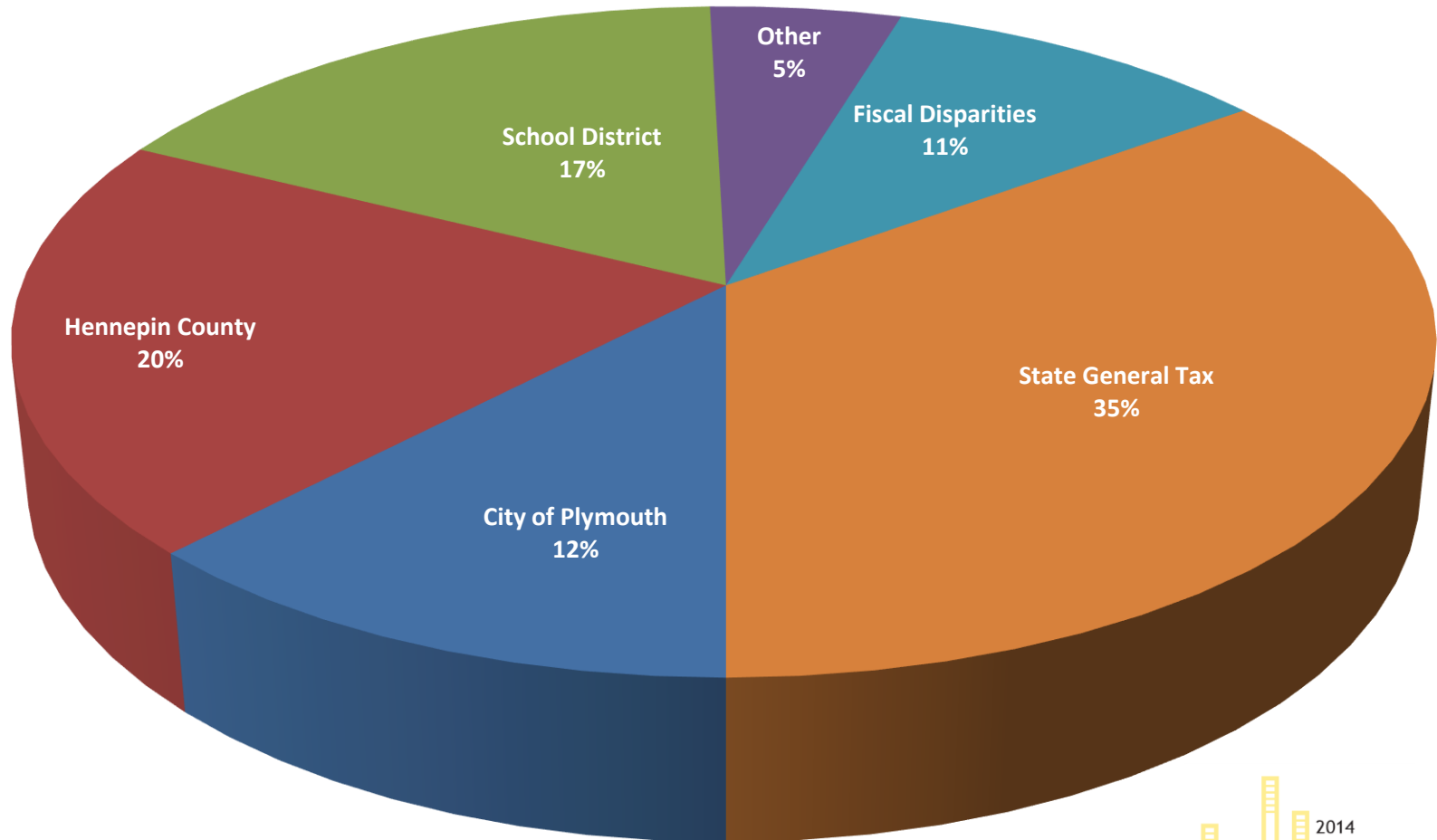
### Residential Homesteaded Property



The City of Plymouth receives about 22 percent of each residential property tax dollar. The remainder is allocated to Hennepin County, school districts and miscellaneous tax jurisdictions.

## Property Tax Dollar - 2014

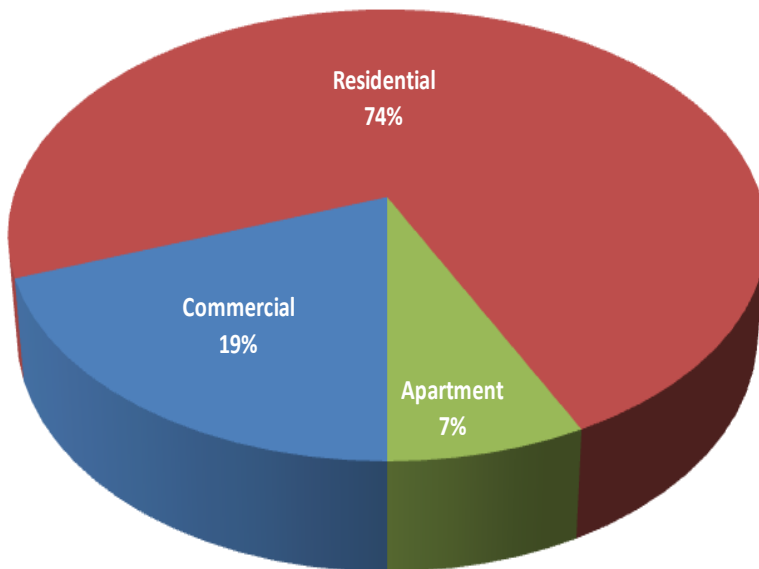
### Commercial/Industrial Property



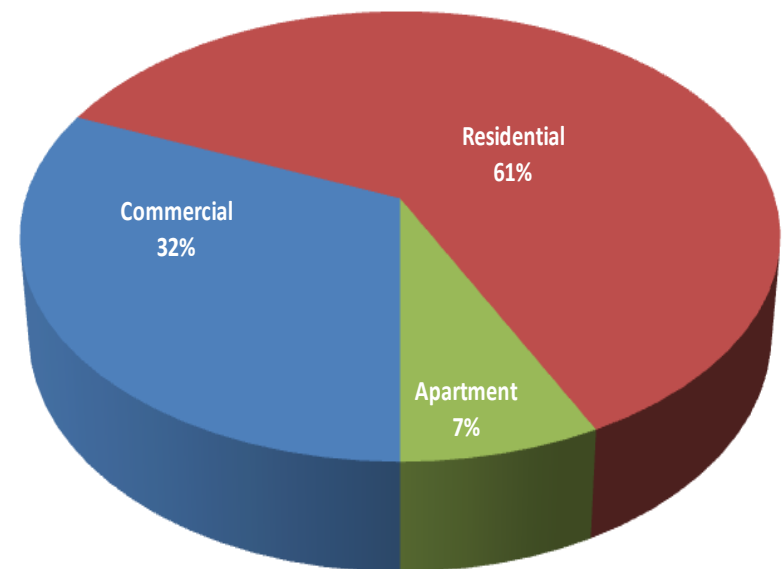
For every commercial property tax dollar collected, the City of Plymouth receives about 12 percent. The remainder is allocated to Hennepin County, state general tax, school districts, fiscal disparities and other taxing jurisdictions.

## Market Value versus Taxes Paid

**Tax Base - 2014**  
Market Value % by Class

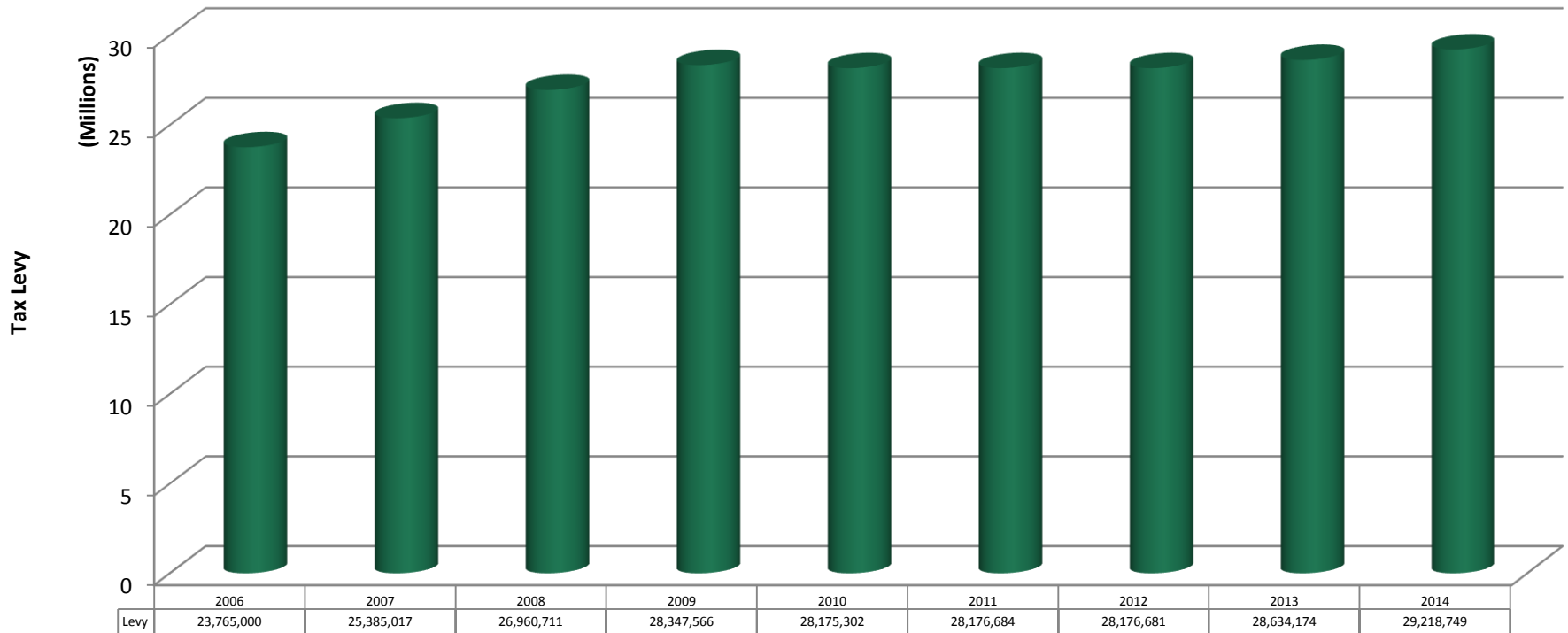


**Tax Impact - 2014**  
Tax Capacity % by Class



Based on state law, city taxes are weighted to shift some of the tax burden off residential property owners to other areas of Plymouth's tax base. Residential market value makes up 74 percent of the total tax base, though residential properties contribute 61 percent of total taxes.

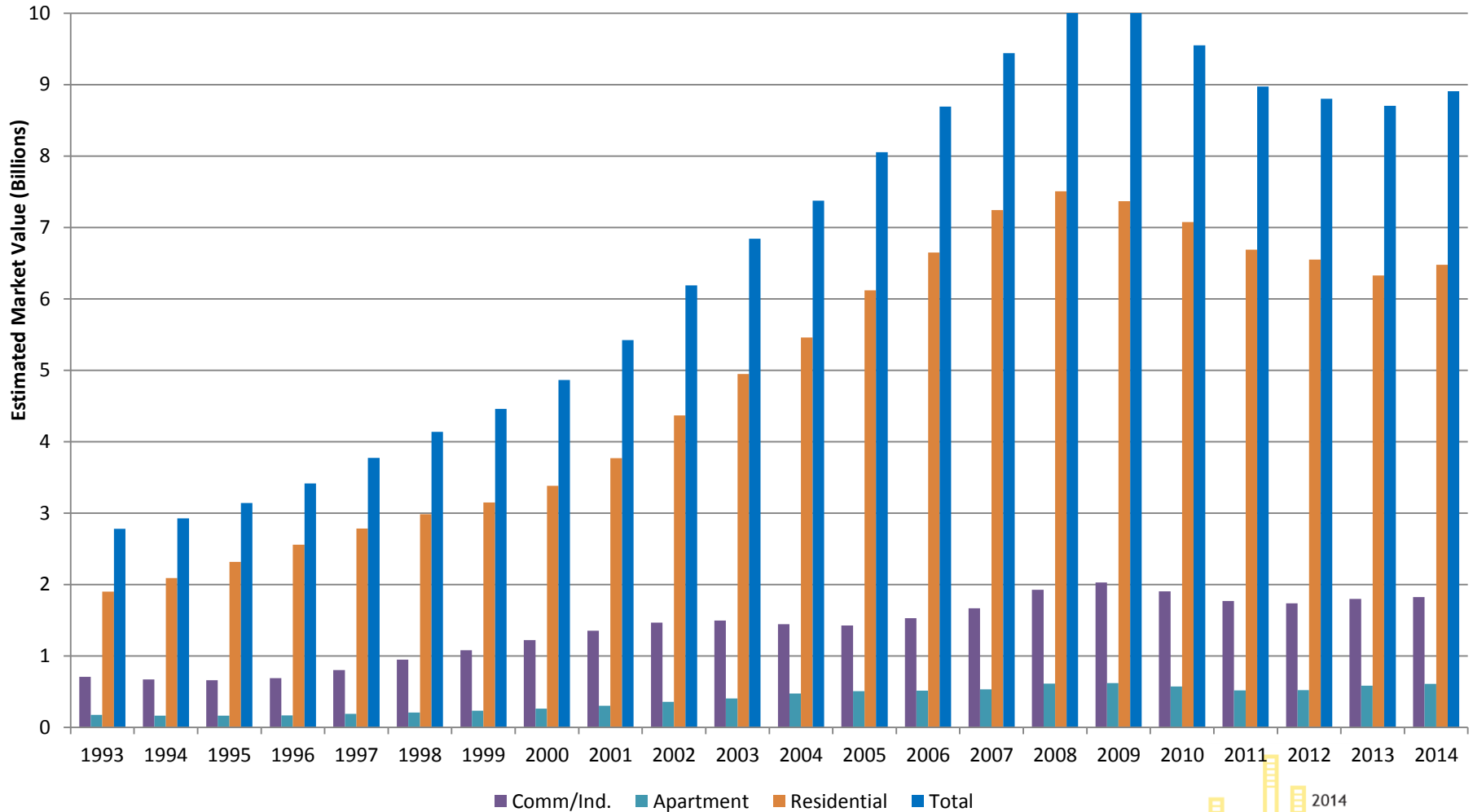
## Tax Levy History 2006-2014



Does not include HRA levy

Plymouth's track record of levy change is conservative. In 2010, the levy decreased .06 percent; in 2011 and 2012, the levy did not increase; in 2013, the levy increased 1.6 percent; and in 2014, the levy increased 2 percent.

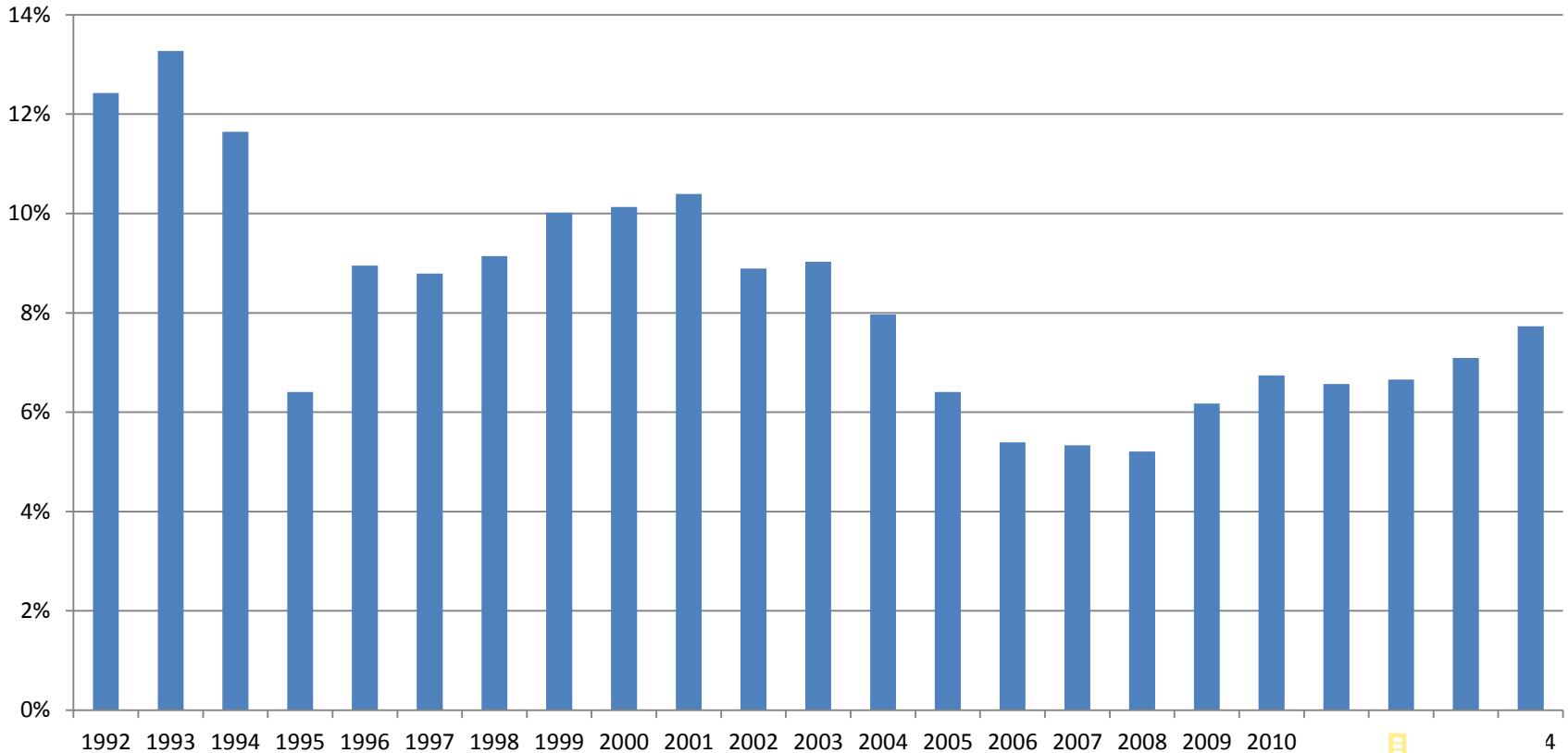
## Market Value History



The year 2014 was the first year for Plymouth's market value to show signs of improvement since the 2008-2009 recession. A total of 74 percent of Plymouth's market value is residential property.

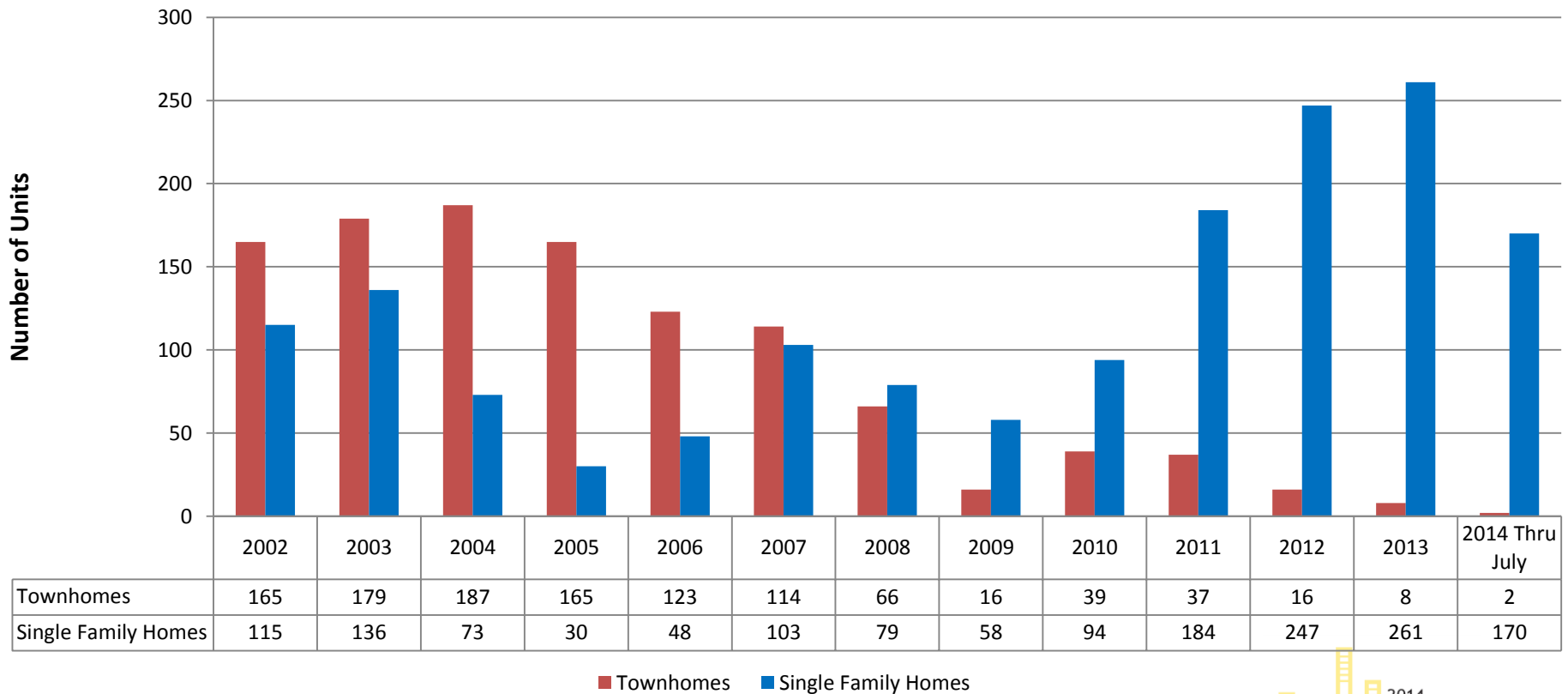


## Net Tax Base Lost to Fiscal Disparities



The city contributes almost 8 percent of its tax base to the Metropolitan Fiscal Disparities Program. The state-mandated program is a tax-base sharing pool from commercial/industrial properties. The City of Plymouth is one of the top five contributors to the program in the seven-county area.

## Number of New Single Family Residential Units



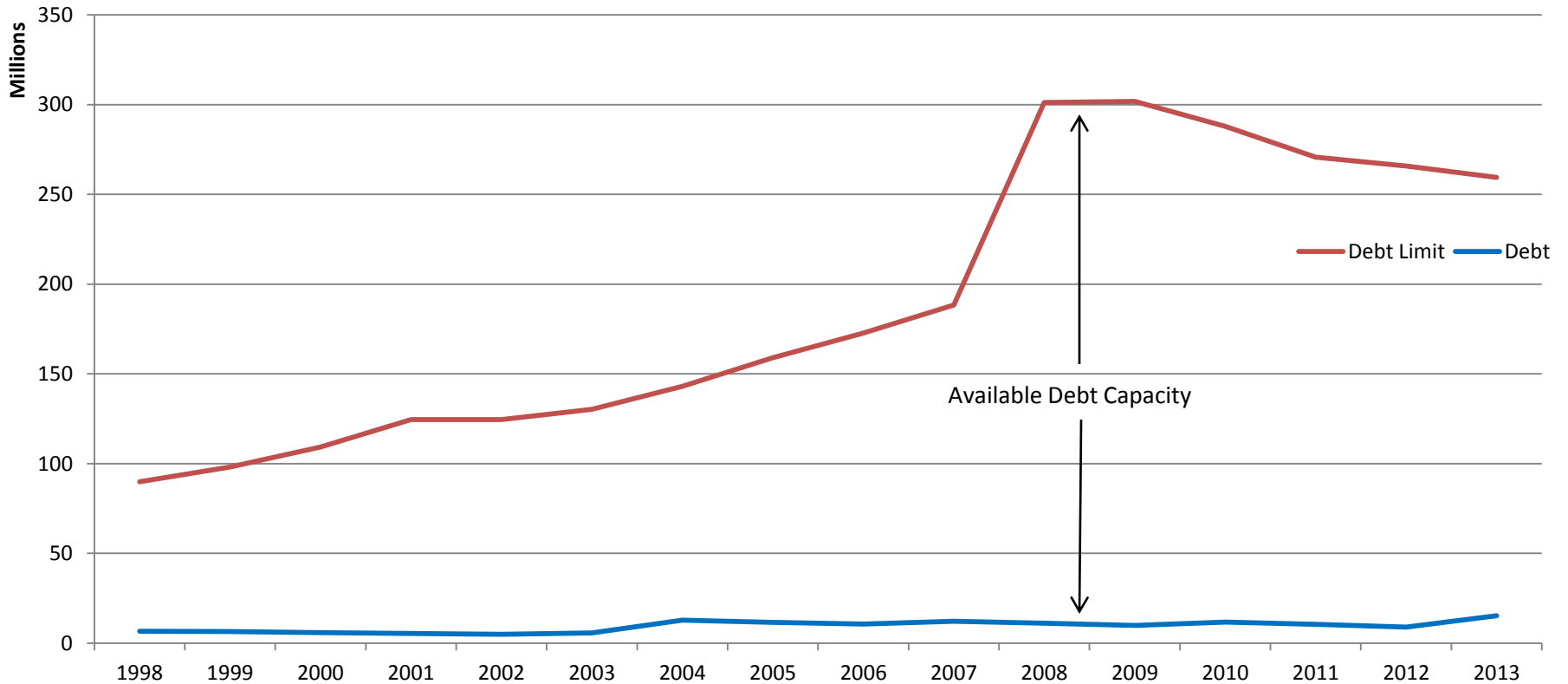
Since 2008, residential development in Plymouth has increasingly shifted from townhomes to single family homes. Overall residential development has been on the incline since 2009.

## Average Values for New Homes



Average values for new homes in Plymouth, including single family units and townhomes, have been on an upward trend throughout the past decade. Values are determined at the time building permits are issued and do not include land value.

### Statutory Debt Limit Versus Actual Debt

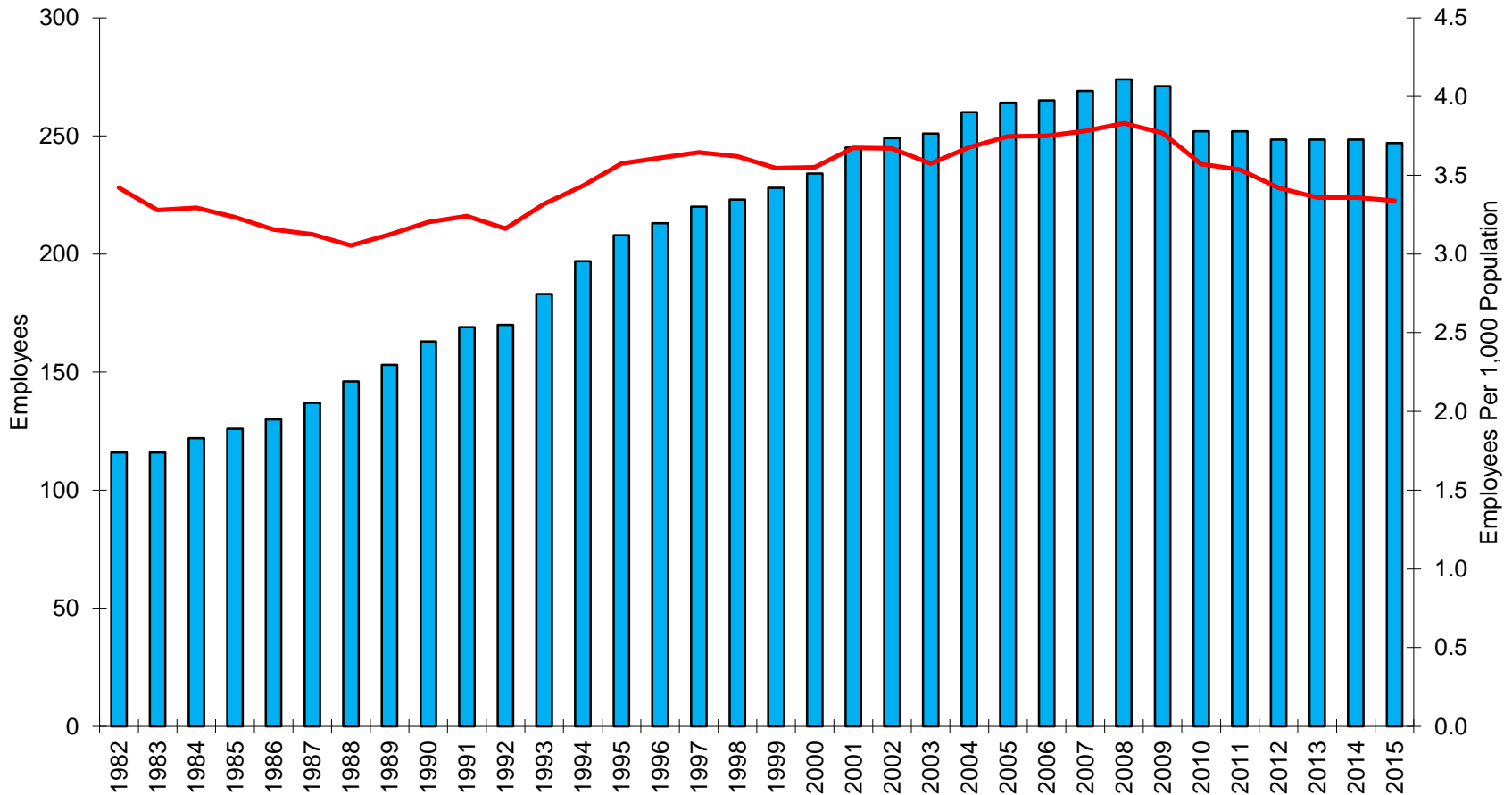


\* In 2008, State Statute was changed from 2% to 3% of taxable market value

The amount of debt carried by the city has remained consistently well below the state-set debt limit.

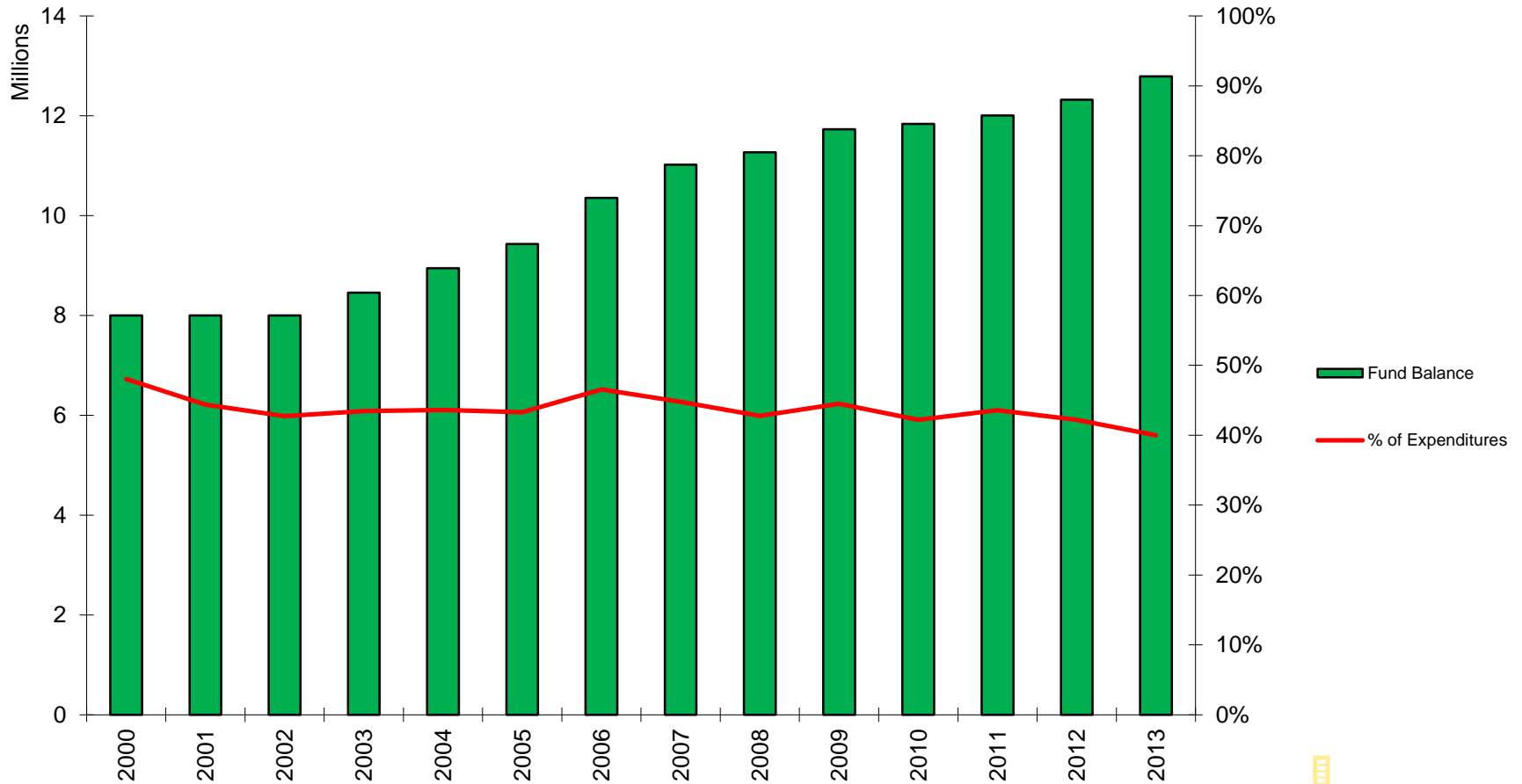
### City of Plymouth Employees Per 1,000 Population

■ Employees    — FTE Per 1,000 Population



Although Plymouth’s population has increased since 1980, the number of city employees per 1,000 residents has remained stable. In 1980, there were 3.5 city employees per 1,000 residents – and in 2014, there were 3.4 city employees per 1,000 residents.

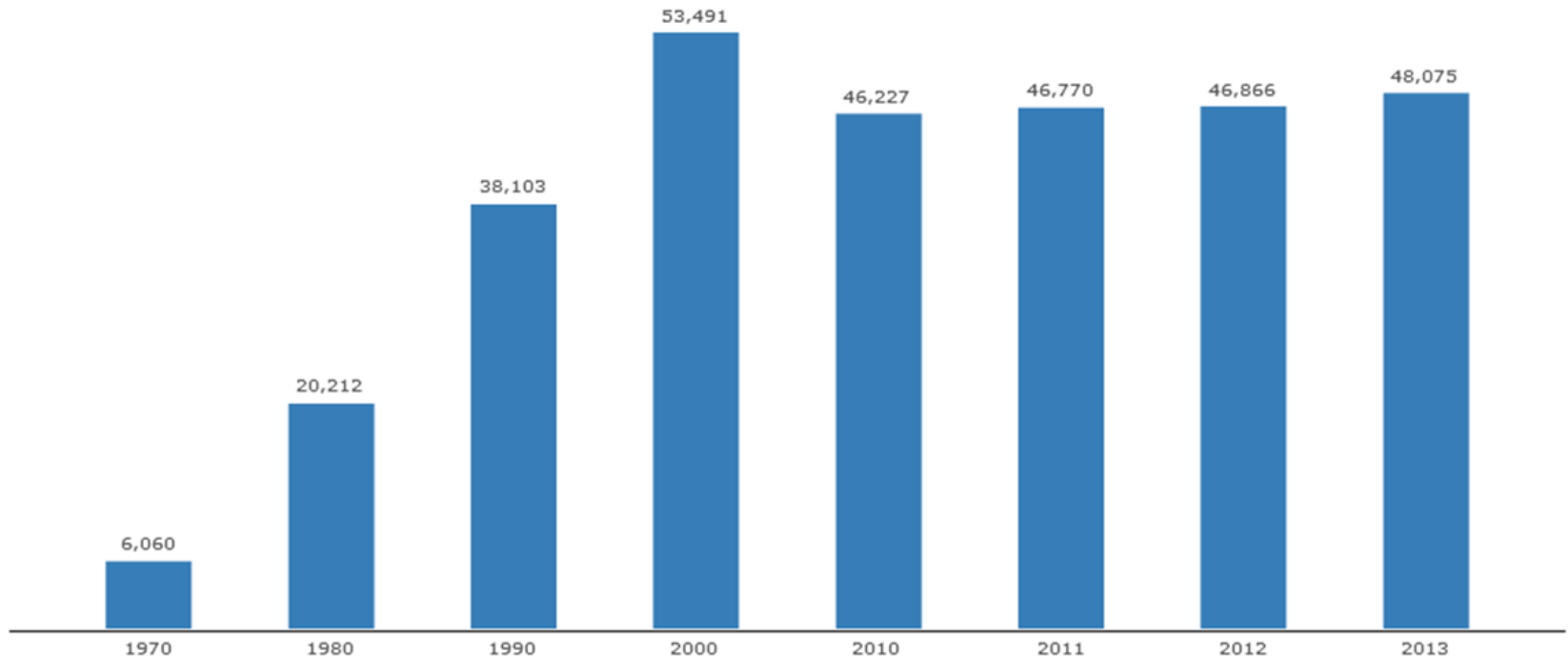
## City of Plymouth General Fund Balance History



Though Plymouth's general fund balance has increased through the past decade, to demonstrate the city's sound fiscal planning, the percentage of funds dedicated to annual expenditures has remained stable.

## Employment in Plymouth (place of work)

Due to data restrictions, employment data may not be available for all years.



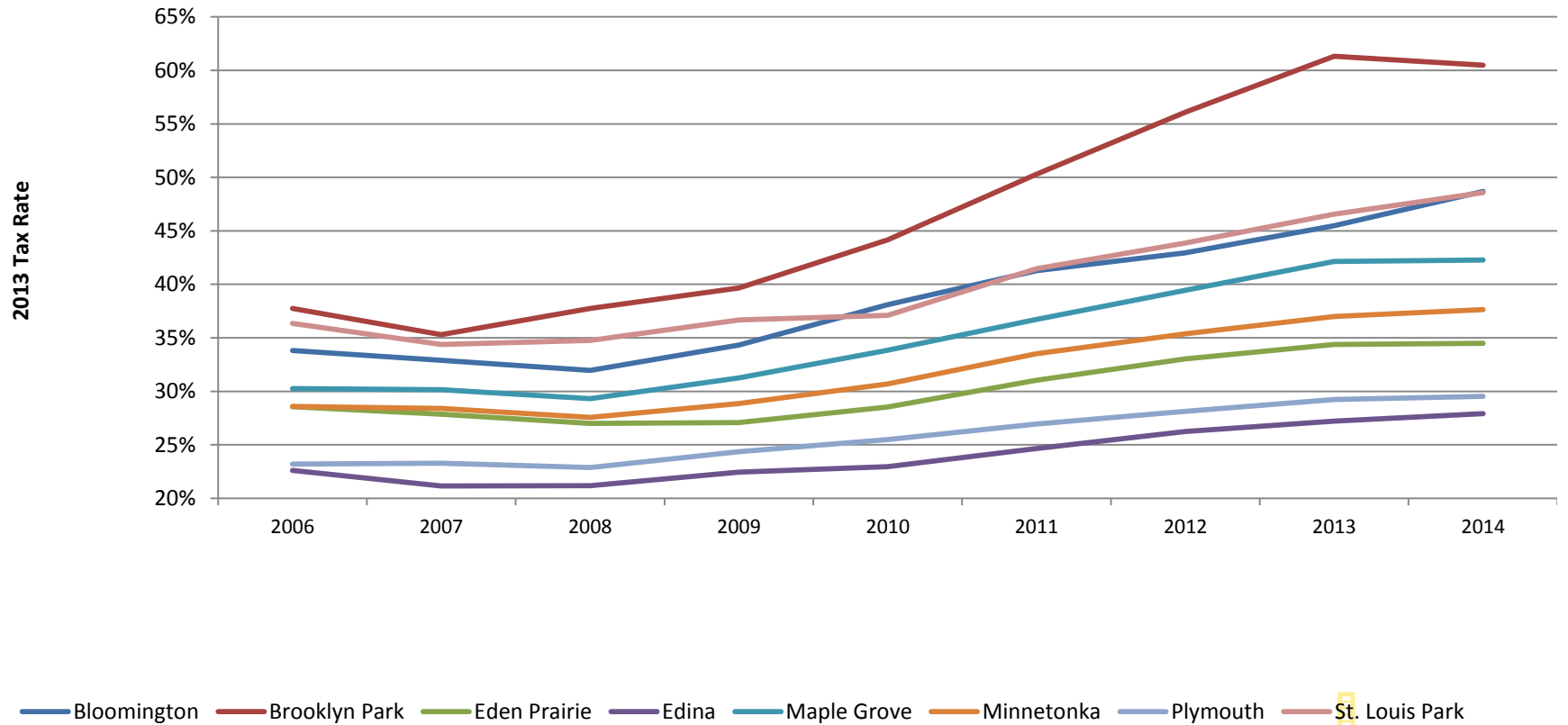
Source: [Quarterly Census of Employment and Wages](#), Minnesota Department of Employment and Economic Development, 2nd quarter data; Metropolitan Council staff have estimated some data points.

Plymouth has experienced a trend in consistent job growth since 2010. Growing industries in Plymouth include healthcare, med-tech and manufacturing.

# Comparative Data of Comparable Communities

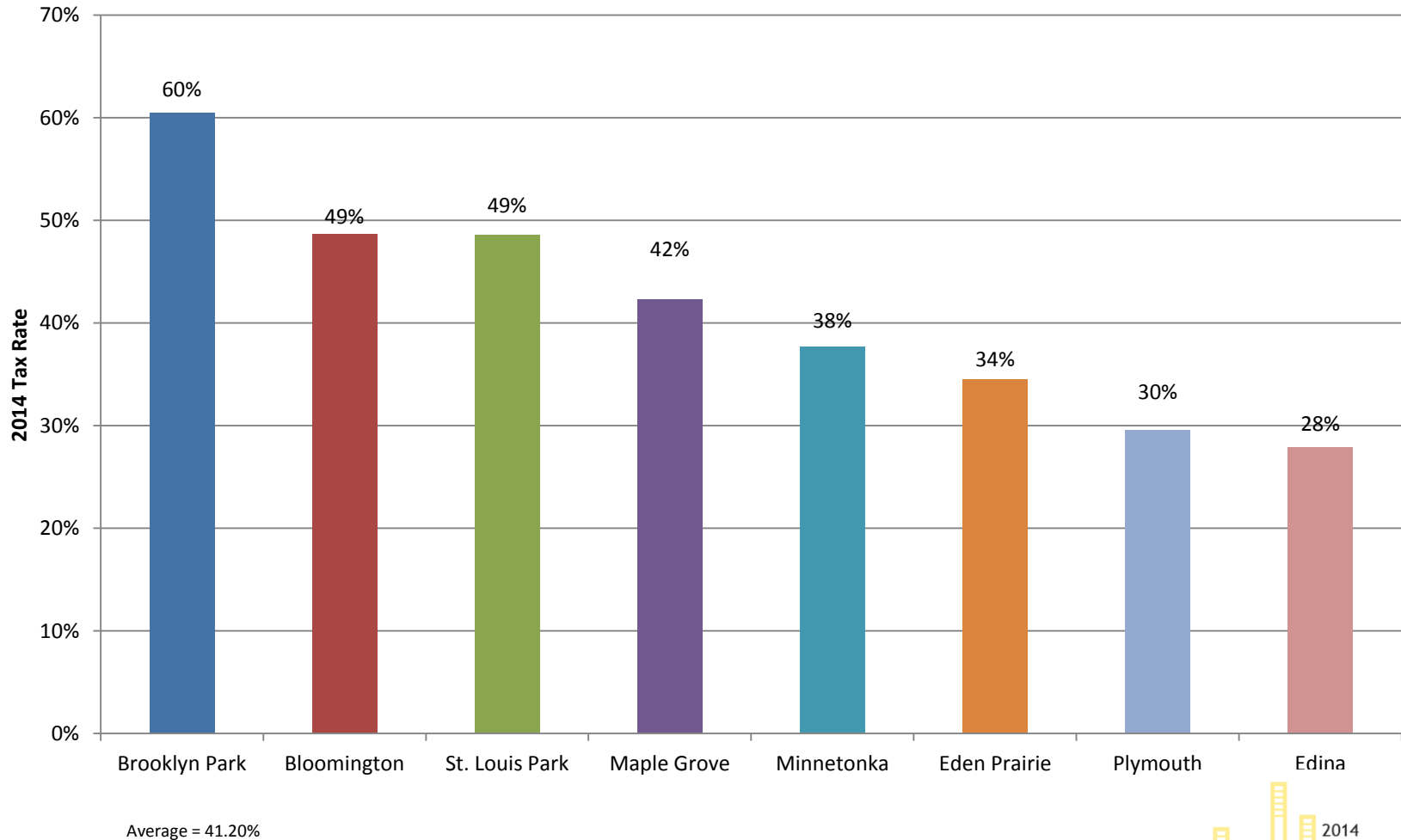


## Tax Rate History Hennepin Cities Over 45,000



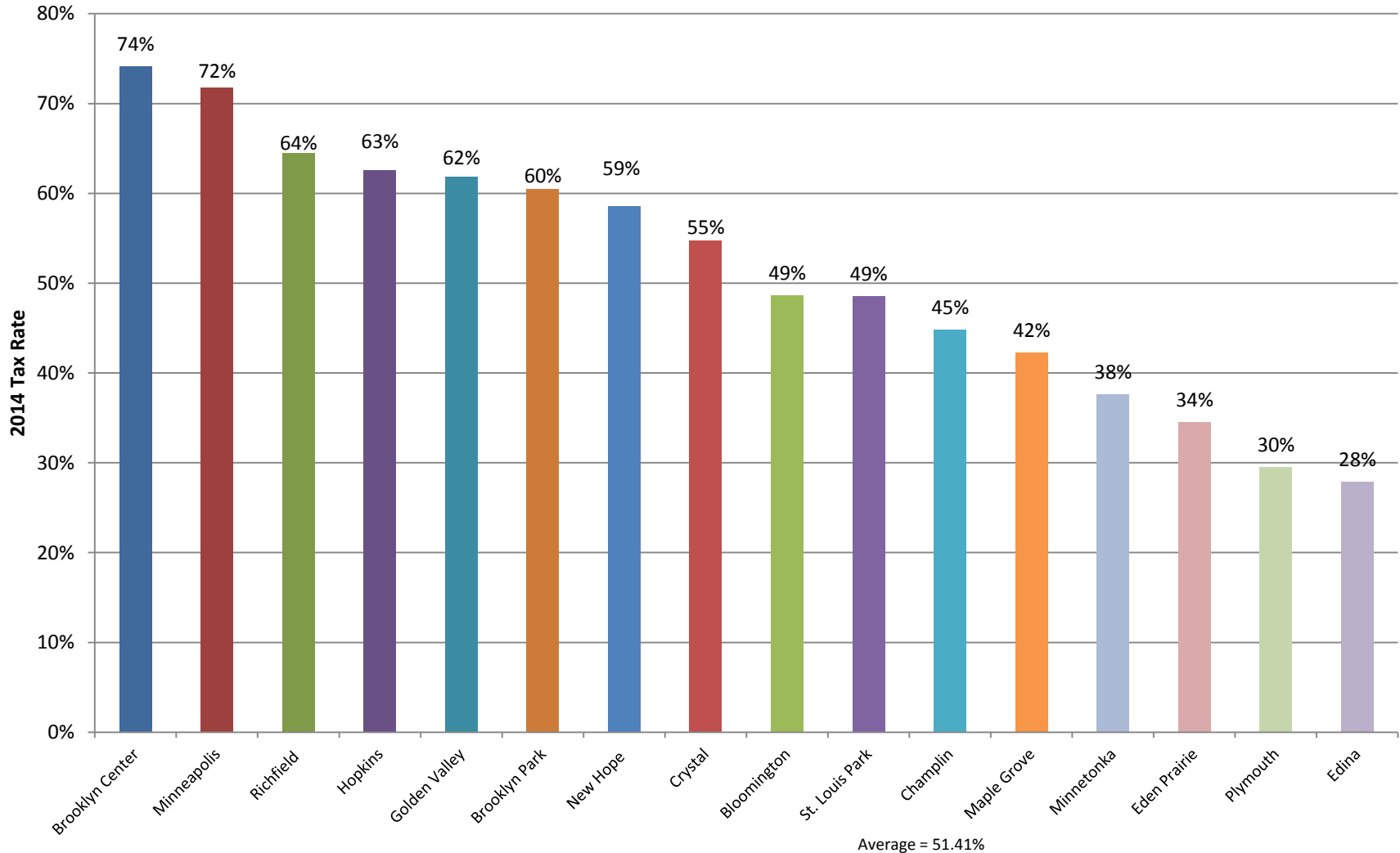
Plymouth has consistently maintained the second lowest tax rate of Hennepin County cities with a population of more than 45,000. Similarly valued properties pay less municipal tax in Plymouth than these comparable cities.

## Tax Rate Comparisons Hennepin Suburbs over 45,000



Plymouth has the second lowest tax rate of Hennepin County cities with a population of more than 45,000. In fact, Plymouth's tax rate is 11.2 percent lower than the average of these comparable cities.

## Tax Rate Comparison Hennepin Cities over 10,000

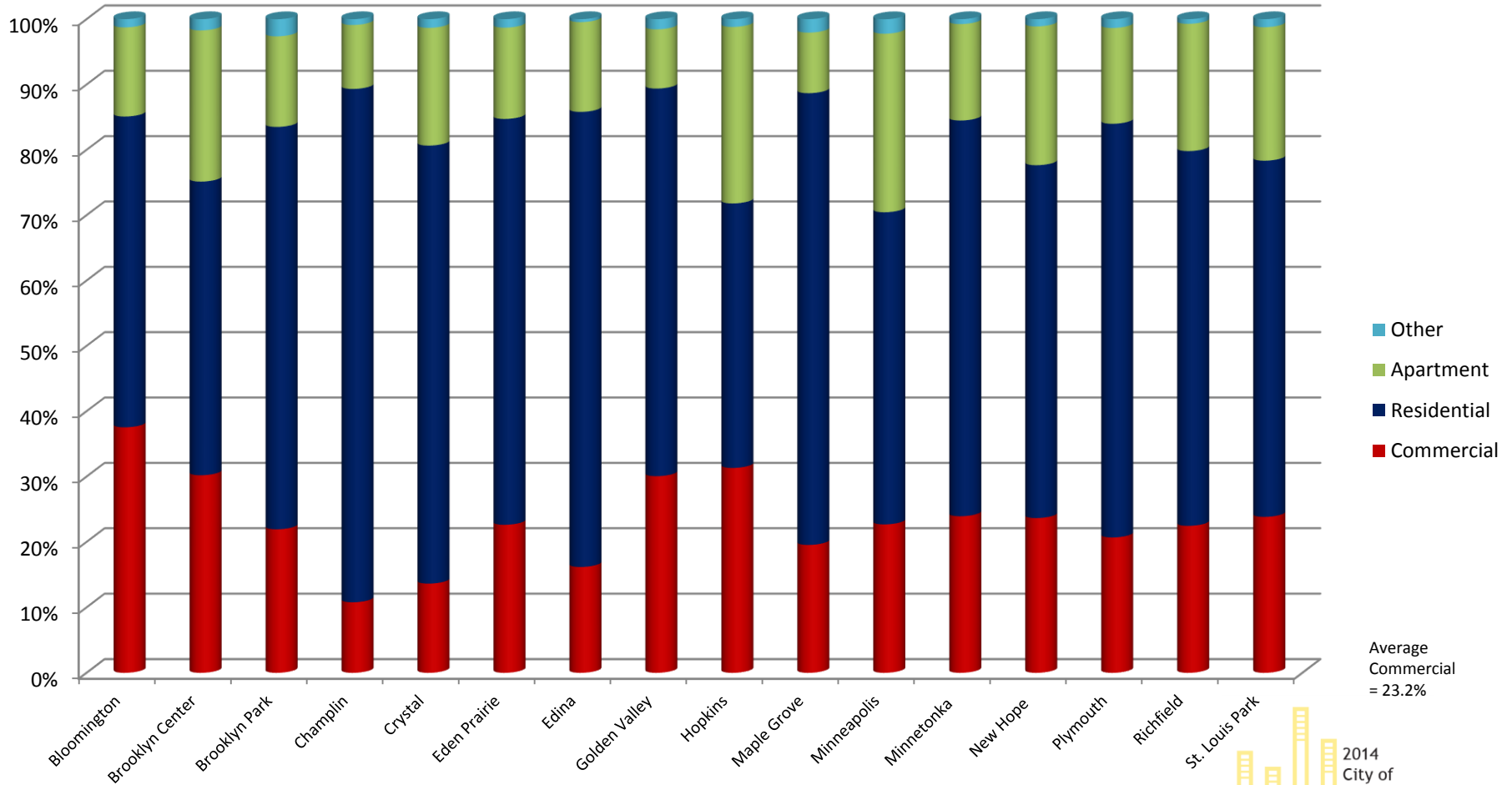


Plymouth has the second lowest tax rate of Hennepin County cities with a population of more than 10,000. In fact, Plymouth's tax rate is 21.41 percent lower than the average of these comparable cities.

Hennepin Cities over 10,000 Population	2014 Tax Rate	City Taxes on \$250k Homestead	City Taxes on \$1M Business
Brooklyn Center	74.13%	1,744	14,271
Minneapolis	71.80%	1,689	13,822
Richfield	64.46%	1,517	12,409
Hopkins	62.61%	1,473	12,051
Golden Valley	61.84%	1,455	11,904
Brooklyn Park	60.47%	1,423	11,640
New Hope	58.60%	1,379	11,280
Crystal	54.77%	1,289	10,544
Bloomington	48.68%	1,145	9,371
St. Louis Park	48.57%	1,143	9,350
Champlin	44.80%	1,054	8,625
Maple Grove	42.27%	994	8,136
Minnetonka	37.65%	886	7,248
Eden Prairie	34.49%	811	6,640
<b>Plymouth</b>	<b>29.55%</b>	<b>695</b>	<b>5,688</b>
Edina	27.92%	657	5,375
<b>Average</b>	<b>51.41%</b>	<b>1,210</b>	<b>9,897</b>
Difference Plymouth to Average		(514)	(4,209)
Difference Plymouth to Highest		(1,049)	(8,583)

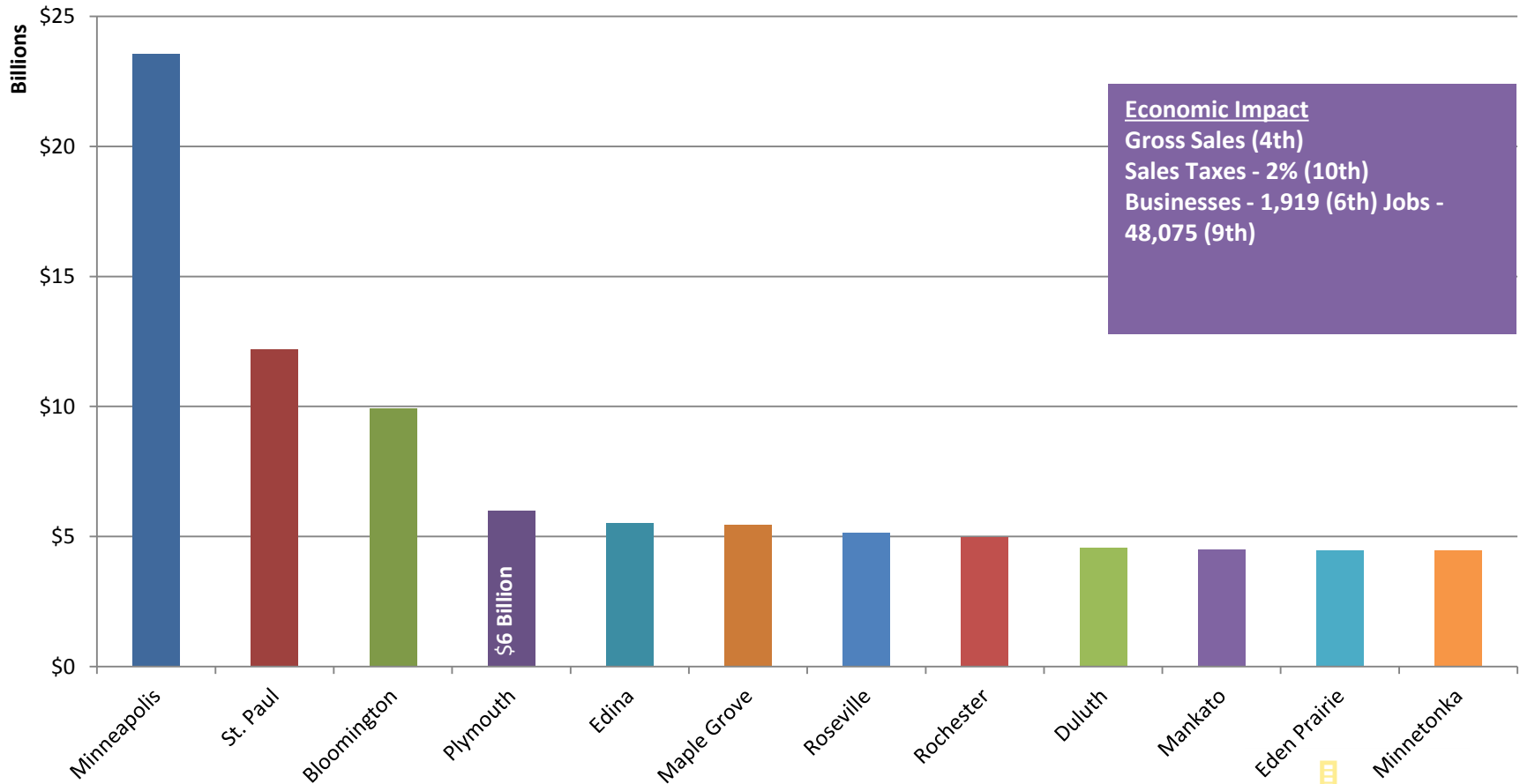
A \$250,000 homestead in Plymouth pays \$514 less per year than the average homestead taxes of these comparable cities. A \$1 million business in Plymouth pays \$4,209 less than the average annual taxes of these comparable cities.

## Tax Base Composition 2014



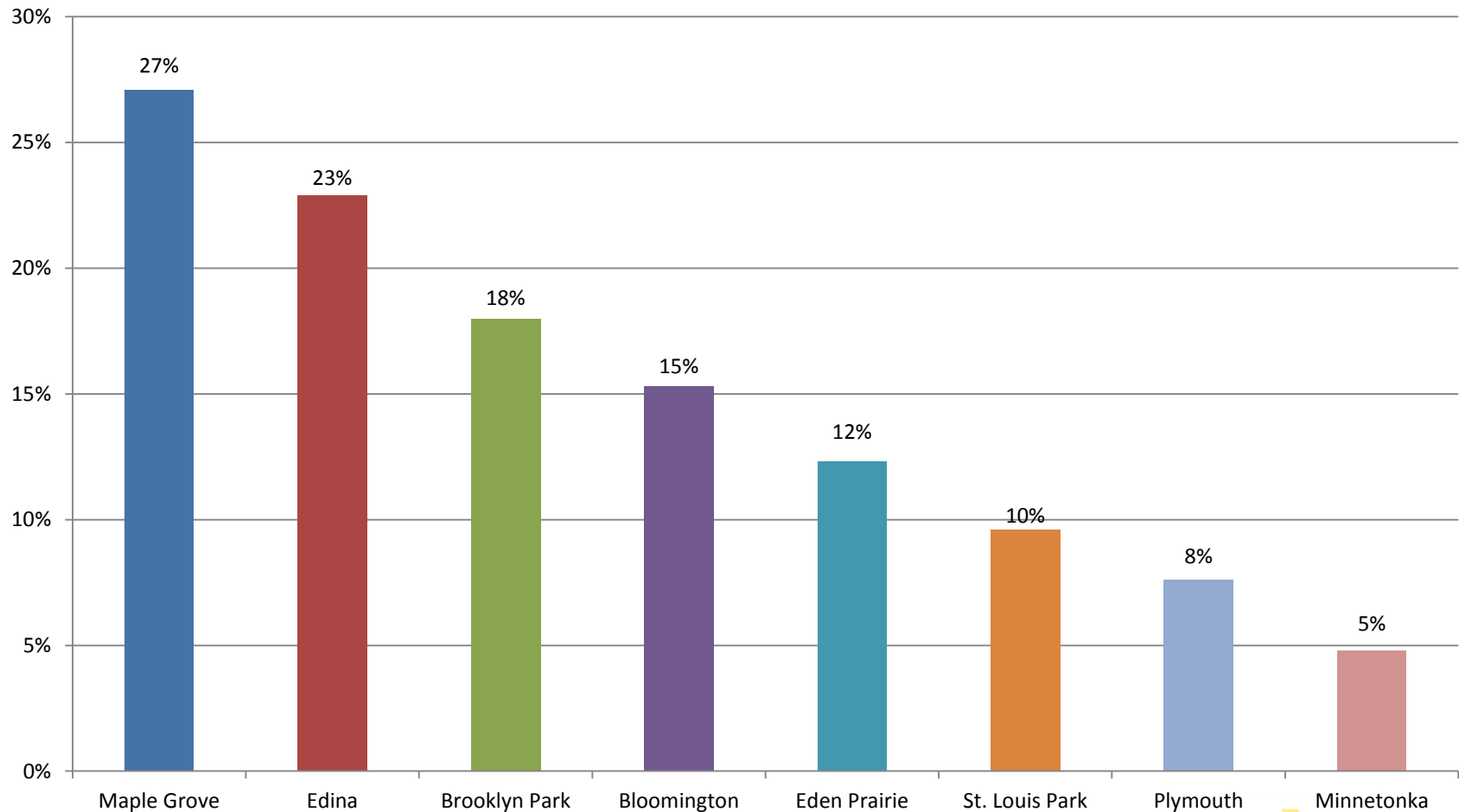
Plymouth's tax base is comprised primarily of residential property. Of that tax base, 63 percent is residential property, 21 percent is commercial property and 15 percent is apartment property.

## Gross Business Sales by City MN Dept. of Revenue - 2012



Plymouth is fourth in the State of Minnesota for gross business sales, totaling about \$6 billion in 2012. Plymouth is also sixth in the state for the number of businesses within the city.

## Debt Service as % of Operating Expenses City portion only

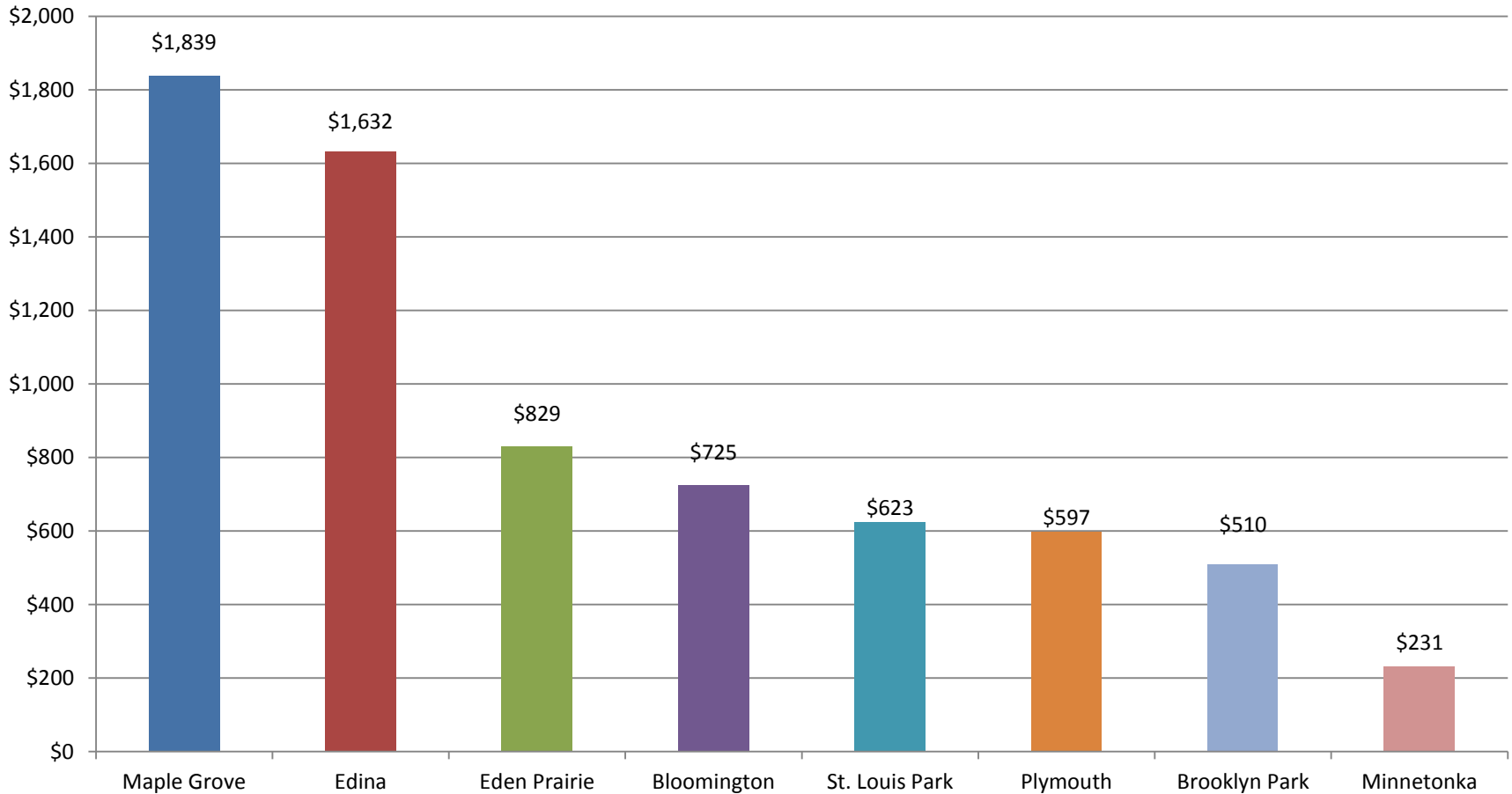


Source: Moody's 2012

Average = 15%

Plymouth carries debt service equal to 8 percent of its operating expenses – an amount that ranks second lowest of these comparable cities and is 7 percent below the average.

## Direct Net Debt Per Capita City portion only



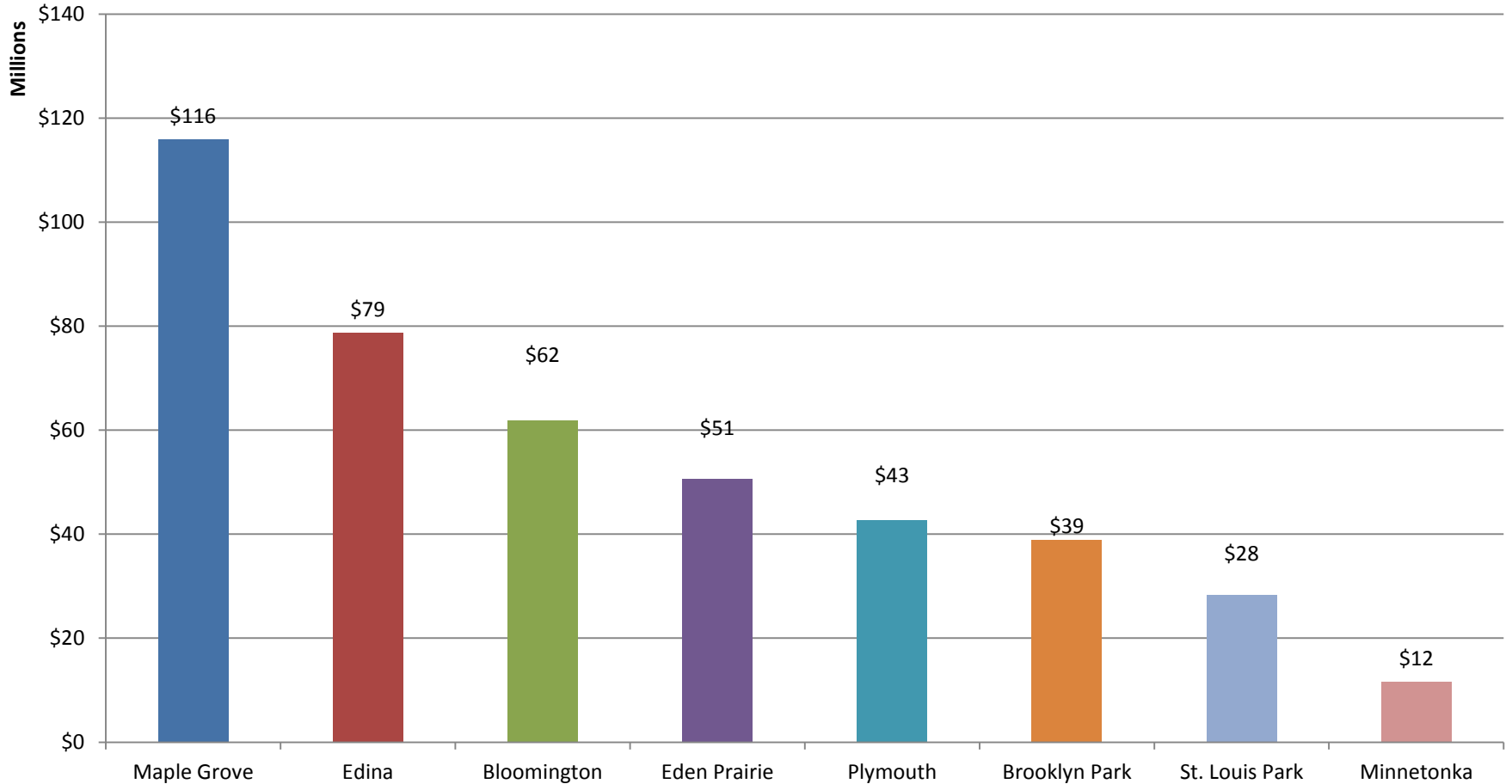
Source: Moody's 2012

Average = \$873

Plymouth has a direct net debt per capita of \$597 – the third lowest of these comparable cities.



## Direct Net Debt Outstanding City portion only



Source: Moody's 2012

Average = \$54 million

Plymouth's direct net debt, \$43 million, is \$11 million less than the average of these comparable cities.

**TAX INCREMENT PROPERTY TAX DATA  
TAXES PAYABLE 2013**



Adding Quality to Life

	NUMBER OF DISTRICTS	TAX CAPACITY VALUE			TAX INCREMENT TAX		
		TOTAL TAX CAPACITY	CAPTURED VALUE	CAPTURED/TOTAL	GROSS	EXCESS	NET
<b>HENNEPIN COUNTY</b>							
OSSEO	9	\$2,306,493	\$391,066	16.96%	\$646,884	\$136,404	\$510,480
ST ANTHONY	2	\$8,083,457	\$1,059,793	13.11%	\$2,011,198	\$605,467	\$1,405,731
BROOKLYN CENTER	3	\$17,487,883	\$2,169,035	12.40%	\$3,779,871	\$543,981	\$3,235,890
RICHFIELD	8	\$28,818,371	\$2,926,590	10.16%	\$4,594,191	\$365,268	\$4,228,923
HOPKINS	5	\$19,249,126	\$1,769,103	9.19%	\$2,738,179	\$239,776	\$2,498,403
GOLDEN VALLEY	2	\$36,109,836	\$3,275,801	9.07%	\$4,858,930	\$8,109	\$4,850,821
ST LOUIS PARK	14	\$61,908,294	\$5,587,609	9.03%	\$7,436,990	\$736,710	\$6,700,280
BLOOMINGTON	10	\$131,538,905	\$9,889,757	7.52%	\$13,213,137	\$425,880	\$12,787,257
MINNEAPOLIS	88	\$395,982,655	\$26,241,688	6.63%	\$41,519,068	\$4,589,894	\$36,929,174
EDINA	4	\$106,529,983	\$4,194,083	3.94%	\$4,970,281	\$7,583	\$4,962,698
MOUND	2	\$9,917,462	\$327,557	3.30%	\$445,556	\$41,899	\$403,657
BROOKLYN PARK	6	\$55,987,174	\$1,773,849	3.17%	\$2,670,248	\$230,650	\$2,439,598
CORCORAN	1	\$6,581,178	\$201,558	3.06%	\$290,261	\$0	\$290,261
LONG LAKE	2	\$2,617,707	\$78,483	3.00%	\$100,170	\$9,434	\$90,736
MEDINA	1	\$14,421,967	\$416,740	2.89%	\$448,979	\$64,050	\$384,929
ROBBINSDALE	8	\$8,246,710	\$238,045	2.89%	\$350,675	\$63,152	\$287,523
EDEN PRAIRIE	9	\$103,799,639	\$2,990,202	2.88%	\$3,729,686	\$166,287	\$3,563,399
SPRING PARK	1	\$2,526,662	\$70,853	2.80%	\$84,863	\$8,663	\$76,200
GREENFIELD	1	\$4,005,900	\$101,923	2.54%	\$145,256	\$13,429	\$131,827
WAYZATA	1	\$17,951,975	\$424,544	2.36%	\$477,930	\$0	\$477,930
NEW HOPE	4	\$15,664,668	\$366,752	2.34%	\$553,958	\$37,311	\$516,647
LORETTO	1	\$568,867	\$13,310	2.34%	\$19,028	\$1,146	\$17,882
CRYSTAL	4	\$13,201,931	\$298,492	2.26%	\$448,278	\$79,042	\$369,236
DAYTON	2	\$4,824,659	\$97,441	2.02%	\$145,661	\$13,030	\$132,631
MINNETONKA	4	\$92,513,707	\$1,839,866	1.99%	\$2,350,248	\$82,876	\$2,267,372
EXCELSIOR	1	\$3,994,527	\$77,600	1.94%	\$95,188	\$8,108	\$87,080
CHAMPLIN	2	\$17,017,756	\$248,727	1.46%	\$330,120	\$47,474	\$282,646
ROGERS	4	\$18,383,489	\$258,878	1.41%	\$378,506	\$22,145	\$356,361
<b>PLYMOUTH</b>	<b>7</b>	<b>\$104,760,615</b>	<b>\$926,735</b>	<b>0.88%</b>	<b>\$1,091,296</b>	<b>\$42,342</b>	<b>\$1,048,954</b>
MAPLE GROVE	2	\$80,938,625	\$315,387	0.39%	\$409,577	\$8,192	\$401,385
ORONO	1	\$26,946,124	\$54,813	0.20%	\$55,532	\$2,727	\$52,805
<b>COUNTY TOTAL</b>	<b>209</b>	<b>\$1,412,886,345</b>	<b>\$68,626,280</b>	<b>4.86%</b>	<b>\$100,389,745</b>	<b>\$8,601,029</b>	<b>\$91,788,716</b>
<b>STATE TOTAL</b>	<b>1,570</b>	<b>\$3,870,392,818</b>	<b>\$190,812,915</b>	<b>4.93%</b>	<b>\$256,478,412</b>	<b>\$20,192,156</b>	<b>\$236,286,256</b>

Plymouth has used economic development incentives carefully. Plymouth captures less than 1 percent of its total tax base for tax increments, which create funding targeted to repay public infrastructure investments related to economic development and housing projects.

# Importance of Financial Benchmarking

- Public Transparency and Context
- Sets Goals and Expectations
- Moody's and Standard & Poor's Credit Rating



**Aaa**



**AAA**

The City of Plymouth continues to hold the highest bond ratings possible from two rating agencies – Moody's Investors Service and Standard & Poor's – and is one of only seven Minnesota cities to do so.