

Financial Overview 2015



City of Plymouth

Prepared by: Finance Manager | Administrative Services Director | City Manager

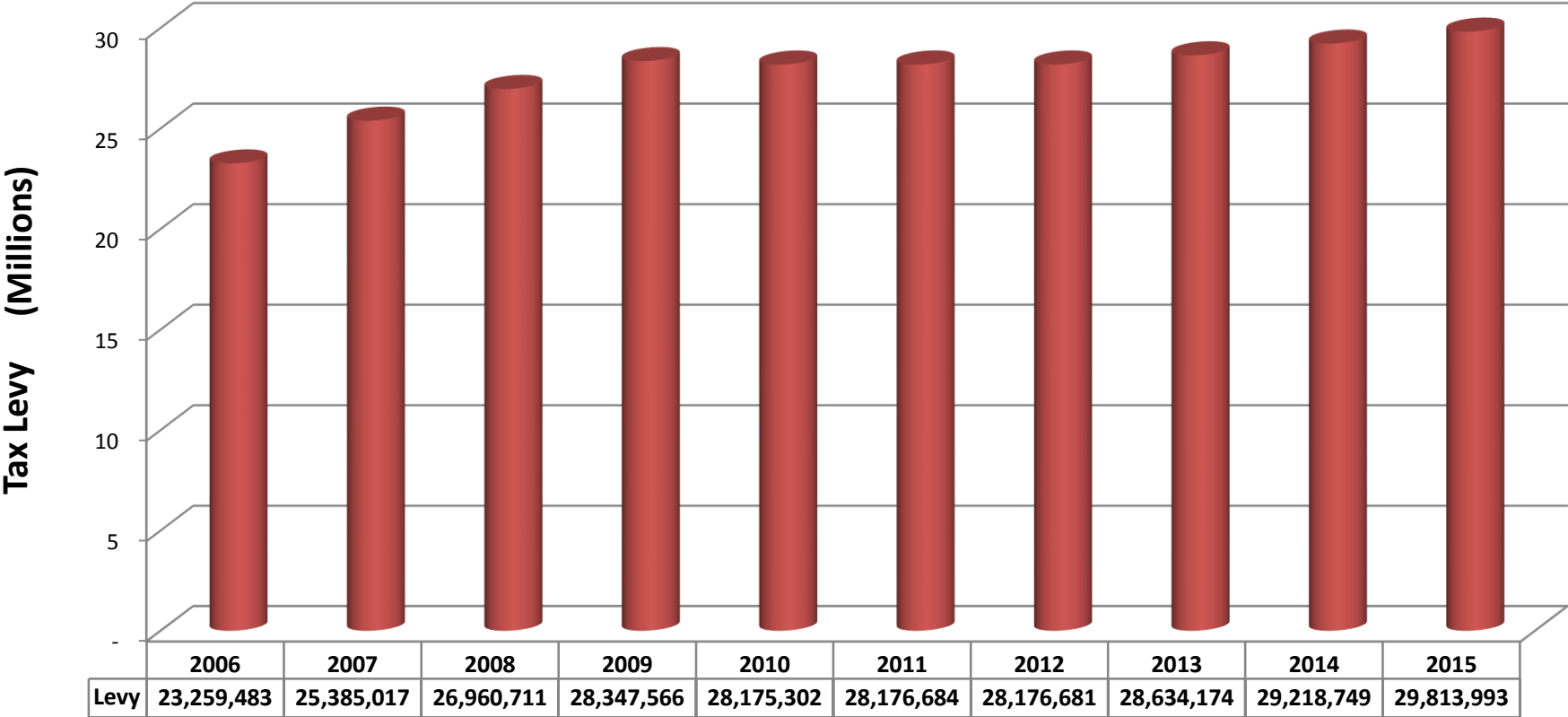


Financial Overview Focus Areas

- Local taxes
- Local economy
- Organizational focus on fiscal health

Tax Levy History

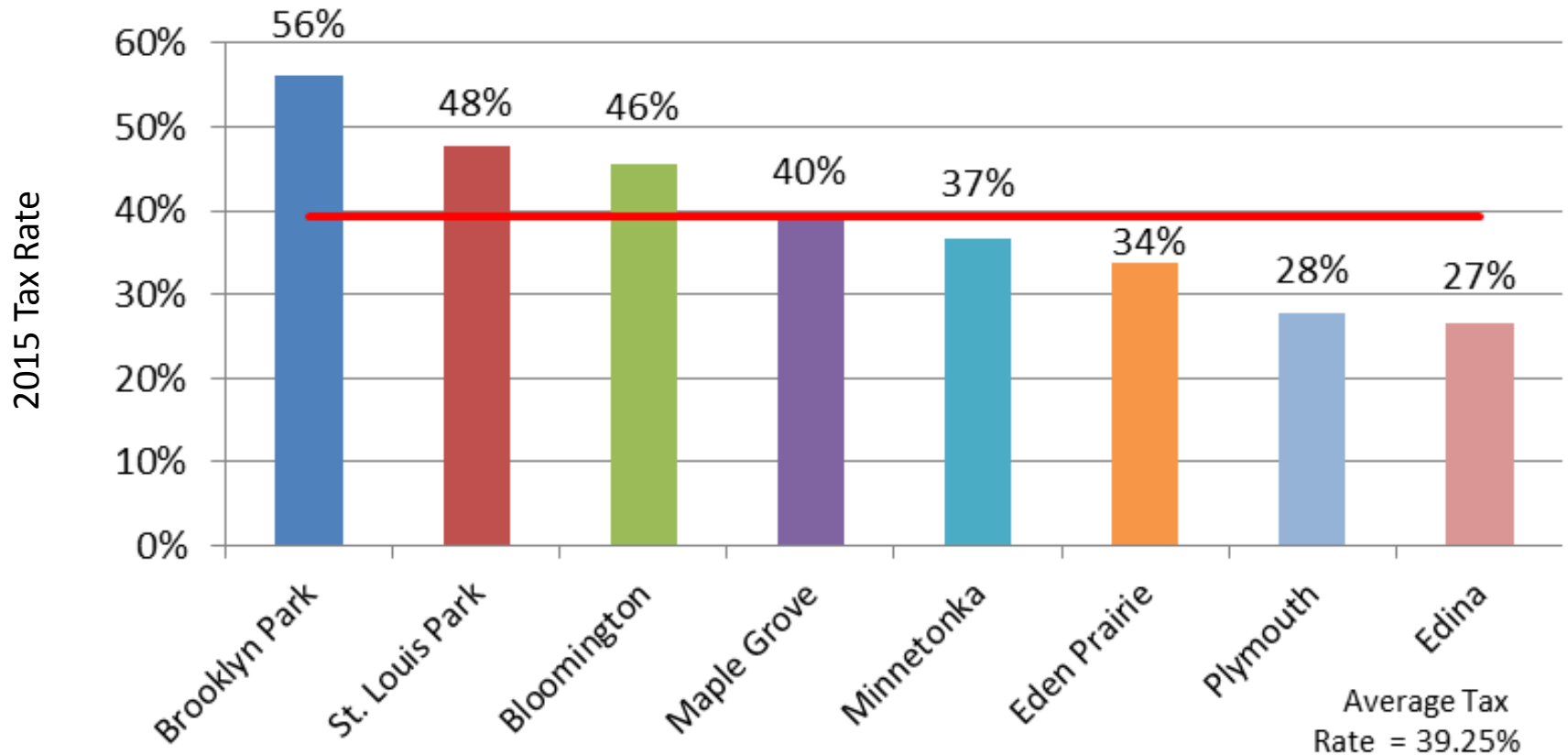
2006-2015



Includes operating, debt, and special levies
Does not include HRA levy

Plymouth has a conservative levy history. In 2010, the levy decreased. It stayed the same from 2011-2012. It increased 1.6 percent in 2013, and 2 percent in 2014. To meet the needs of Plymouth’s growing community, the 2015 levy increased 2 percent.

Tax Rate Comparisons Hennepin Suburbs Over 45,000



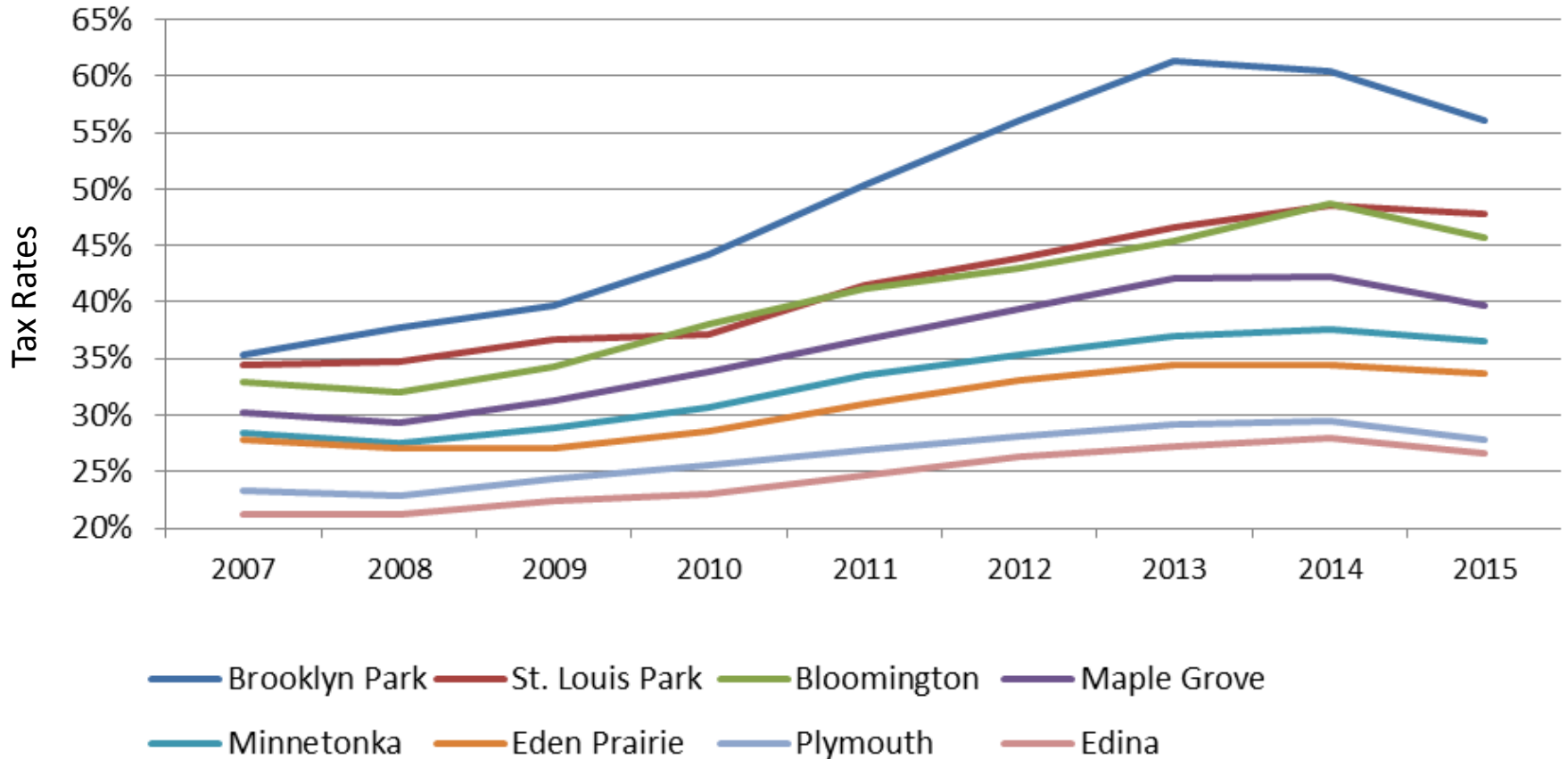
Source: Hennepin County

Plymouth has consistently maintained the second-lowest tax rate of comparable Hennepin County cities (with populations of more than 45,000).



Tax Rate History

Hennepin Cities Over 45,000

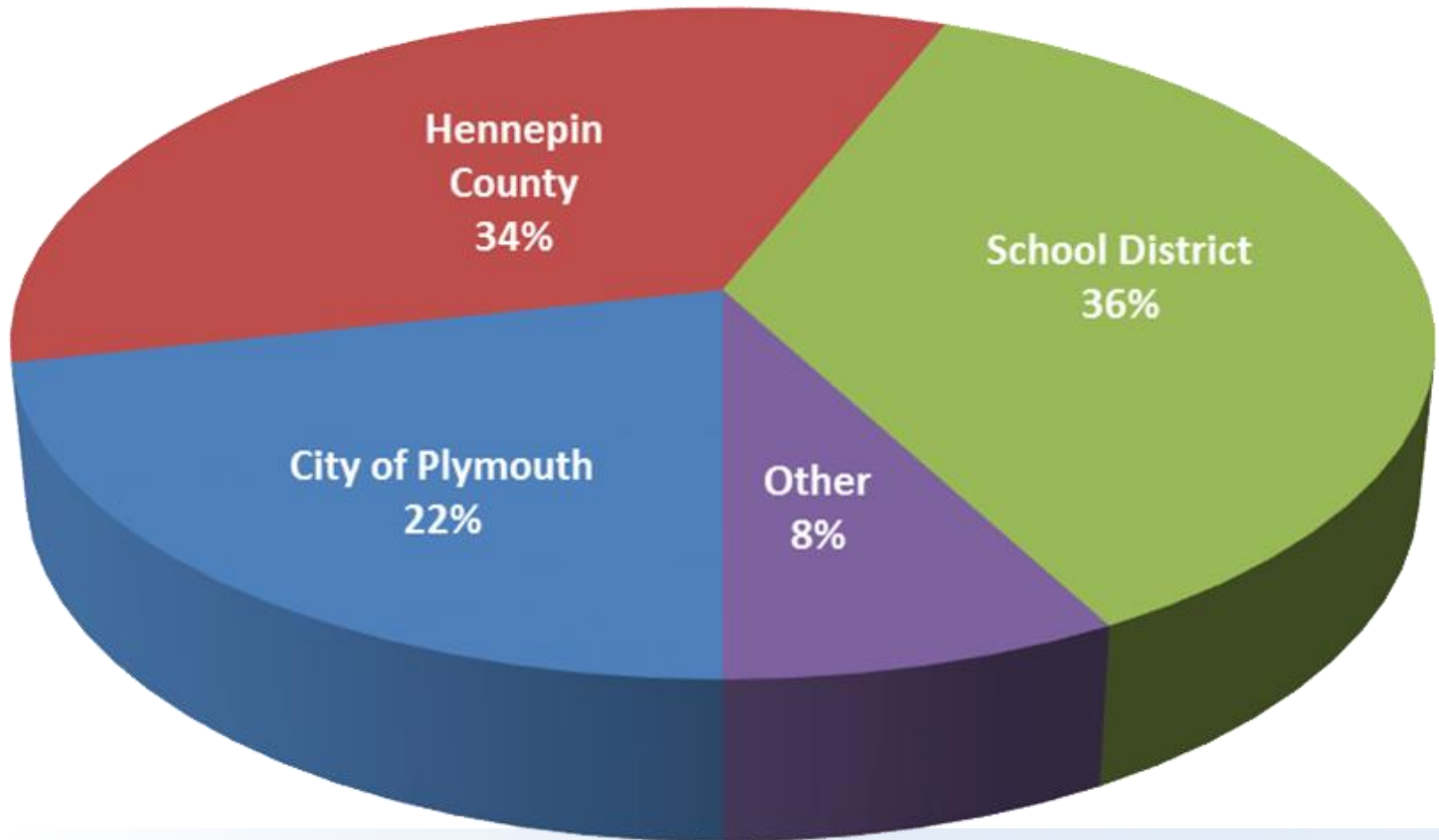


Plymouth's tax rate has experienced smaller growth than comparable Hennepin County cities (populations of more than 45,000) – and it's the second lowest.



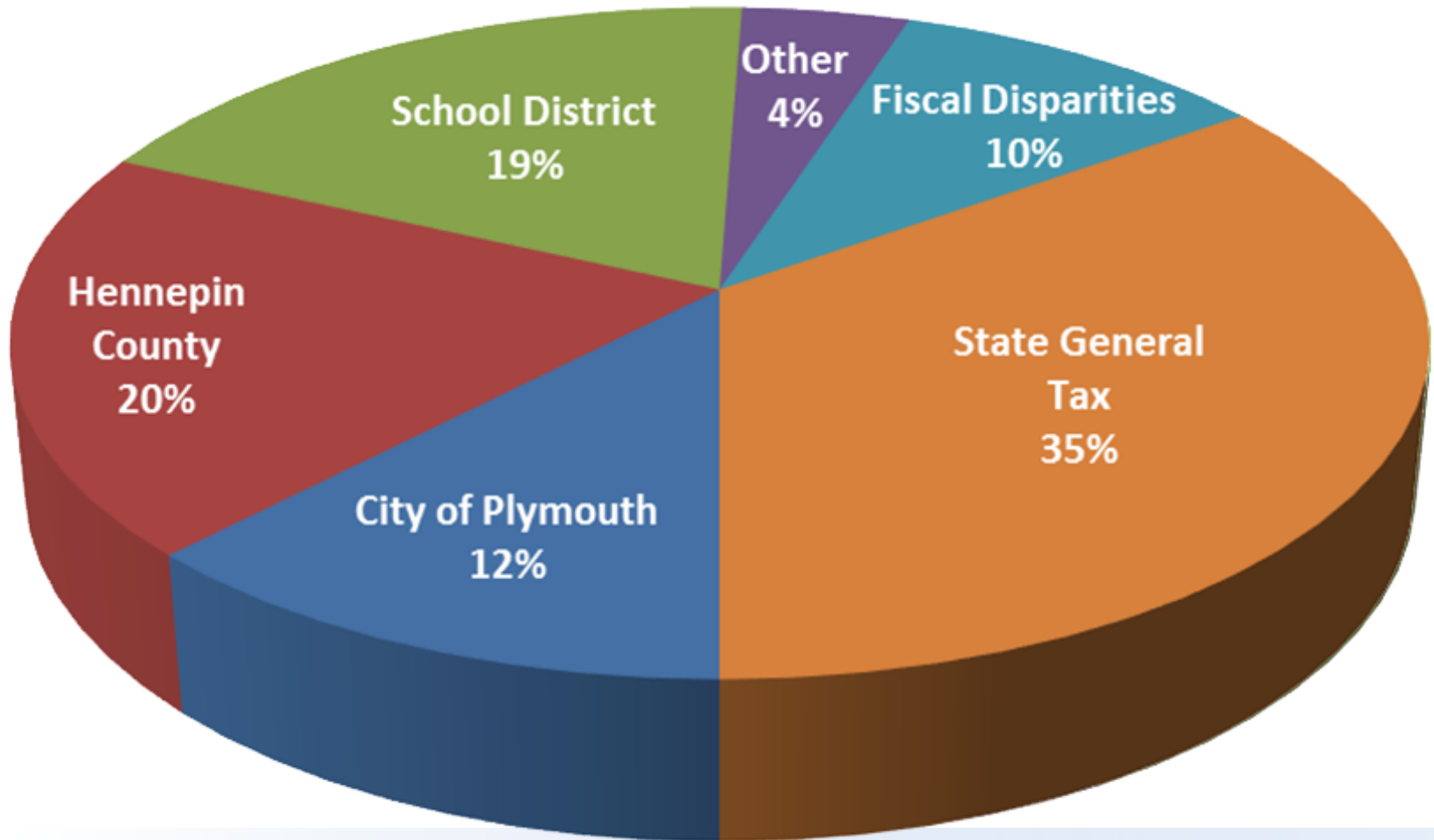
Property Tax Dollar - 2015

Residential Homesteaded Property



Plymouth only collects 22 cents of every residential tax dollar. The rest goes to Hennepin County, the schools and other jurisdictions.

Property Tax Dollar - 2015 Commercial/Industrial Property

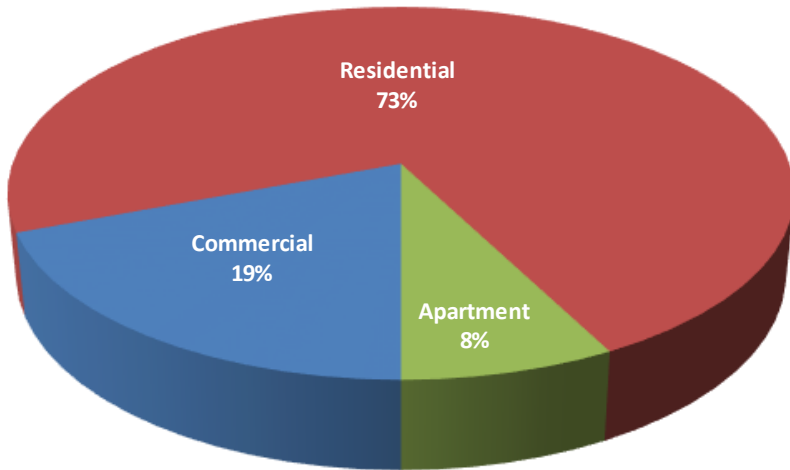


Plymouth only collects 12 cents for every commercial/industrial tax dollar. The rest goes to the state, Hennepin County, schools, the fiscal disparities pool and other jurisdictions.

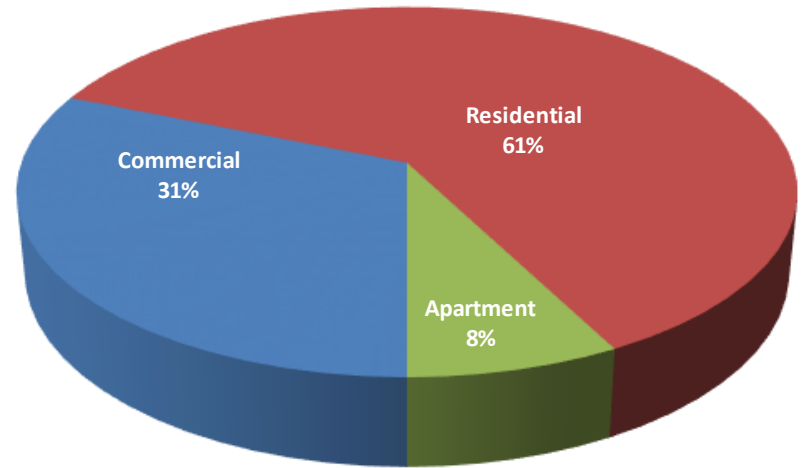
| Hennepin Cities over 10,000 Population | 2015 Tax Rate | City Taxes on \$300k Homestead | City Taxes on \$1M Business |
|---|------------------|-----------------------------------|--------------------------------|
| Brooklyn Center | 70.03% | 2,029 | 13,480 |
| Minneapolis | 66.33% | 1,922 | 12,769 |
| Richfield | 60.13% | 1,742 | 11,576 |
| Hopkins | 61.01% | 1,768 | 11,744 |
| Golden Valley | 54.63% | 1,583 | 10,516 |
| Brooklyn Park | 56.14% | 1,627 | 10,806 |
| New Hope | 54.93% | 1,592 | 10,575 |
| Crystal | 49.10% | 1,423 | 9,452 |
| Bloomington | 45.67% | 1,323 | 8,792 |
| St. Louis Park | 47.75% | 1,384 | 9,193 |
| Champlin | 41.24% | 1,195 | 7,939 |
| Maple Grove | 39.65% | 1,149 | 7,633 |
| Minnetonka | 36.57% | 1,060 | 7,039 |
| Eden Prairie | 33.75% | 978 | 6,497 |
| Plymouth | 27.85% | 807 | 5,361 |
| Edina | 26.61% | 771 | 5,121 |
| Average | 48.21% | 1,397 | 9,281 |
| Difference Plymouth to Average | | (590) | (3,920) |
| Difference Plymouth to Highest | | (1,222) | (8,119) |

Market Value versus Taxes Paid

Tax Base – 2015
Market Value % by Class



Tax Impact – 2015
Tax Capacity % by Class



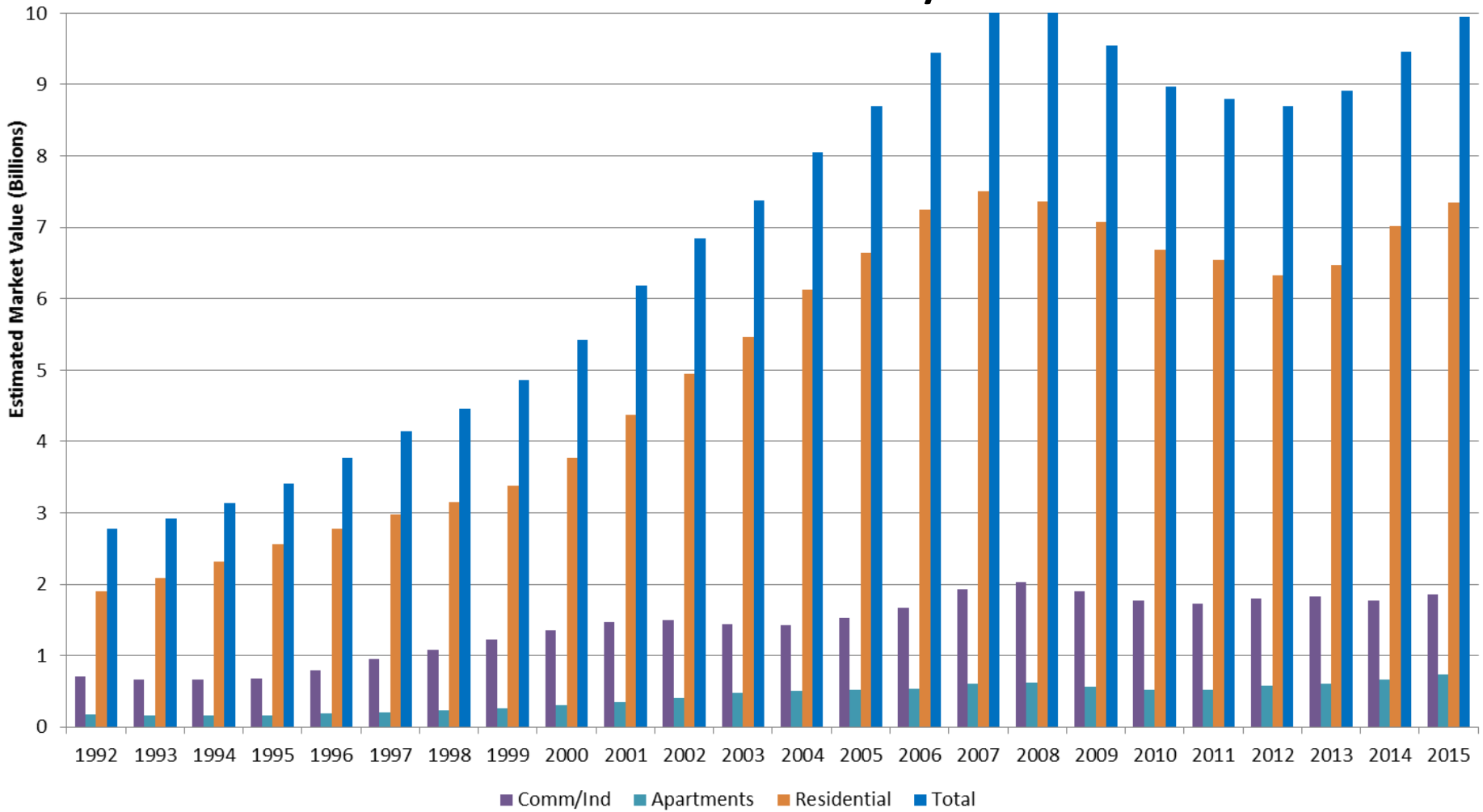
Residential properties make up 73 percent of the total market value in the city, but our strong commercial/industrial market means homeowners only fund 61 percent of the total tax collected.

Local Economy

One of Plymouth's strengths is its local economy

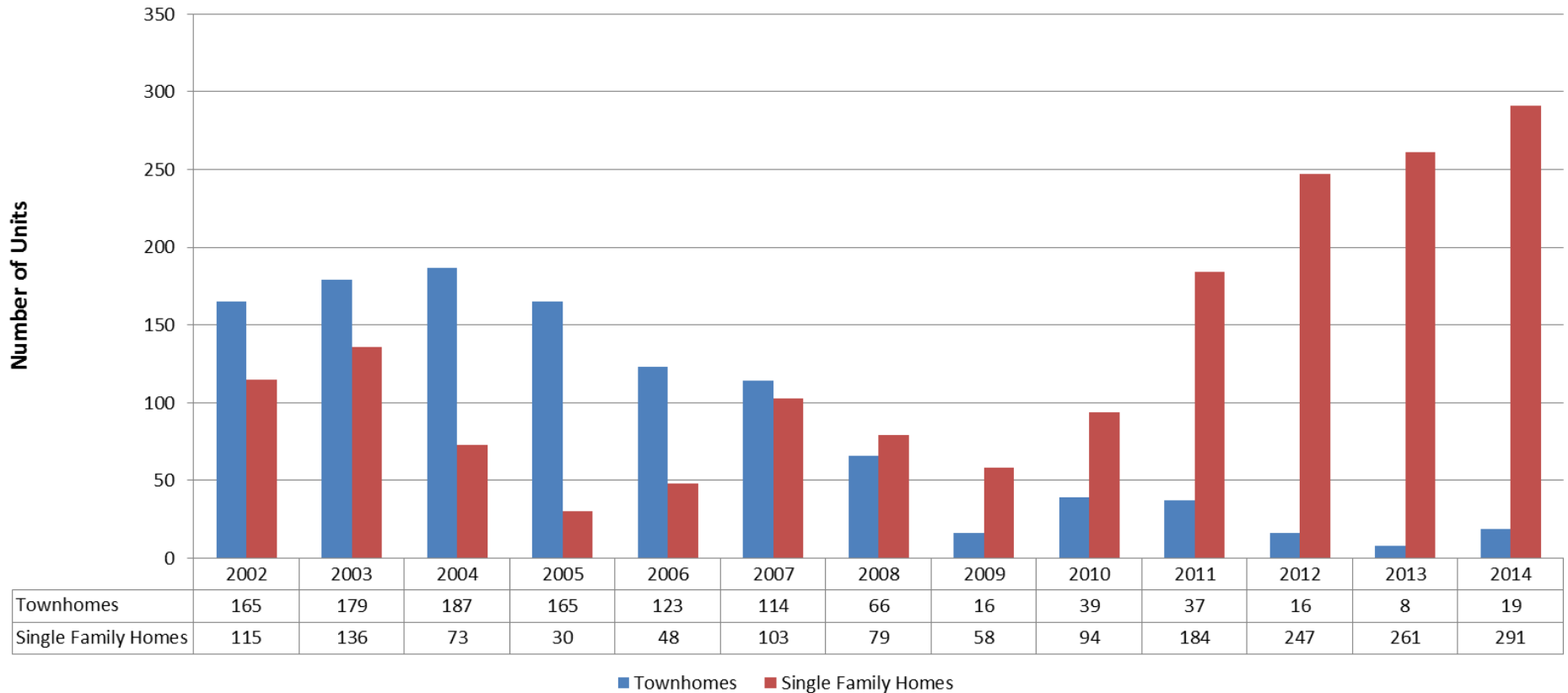
- How is the private market performing?
- Where is growth occurring?
- What's our role?

Market Value History

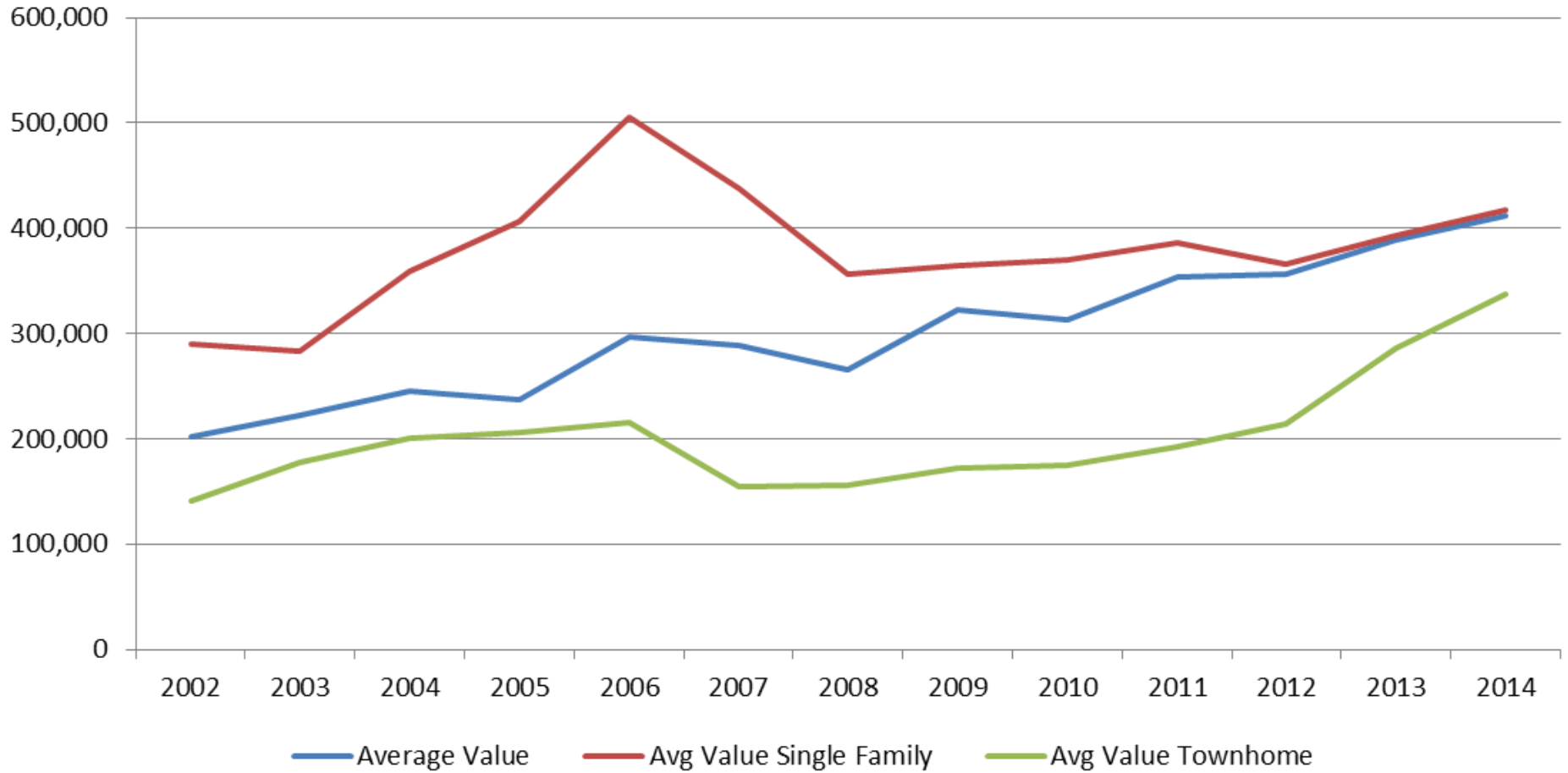


Plymouth’s market values have made a great recovery over the past three years – and have almost completely recovered to pre-recession levels.

Number of New Single-Family Residential Units

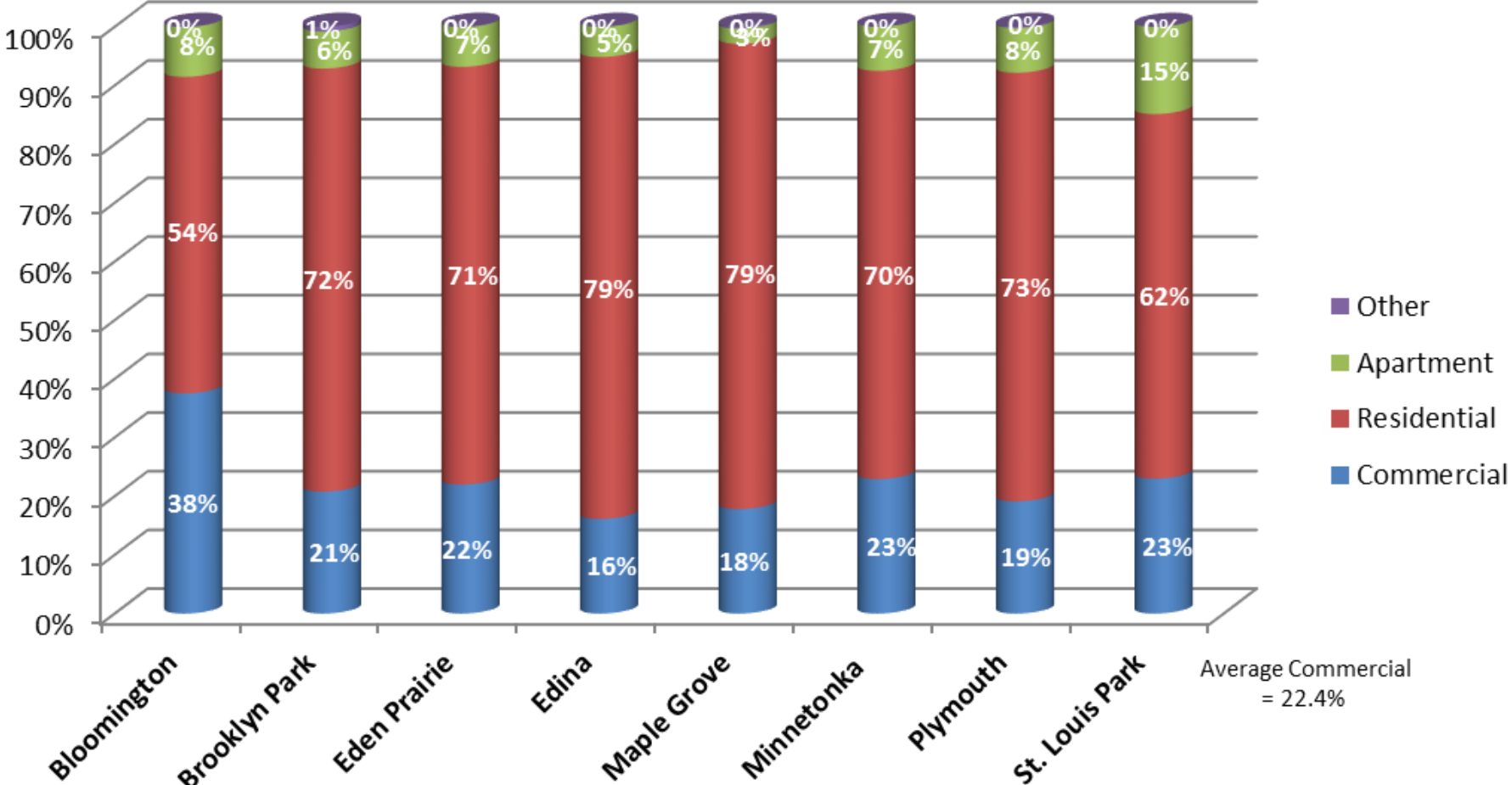


Average Values for New Homes

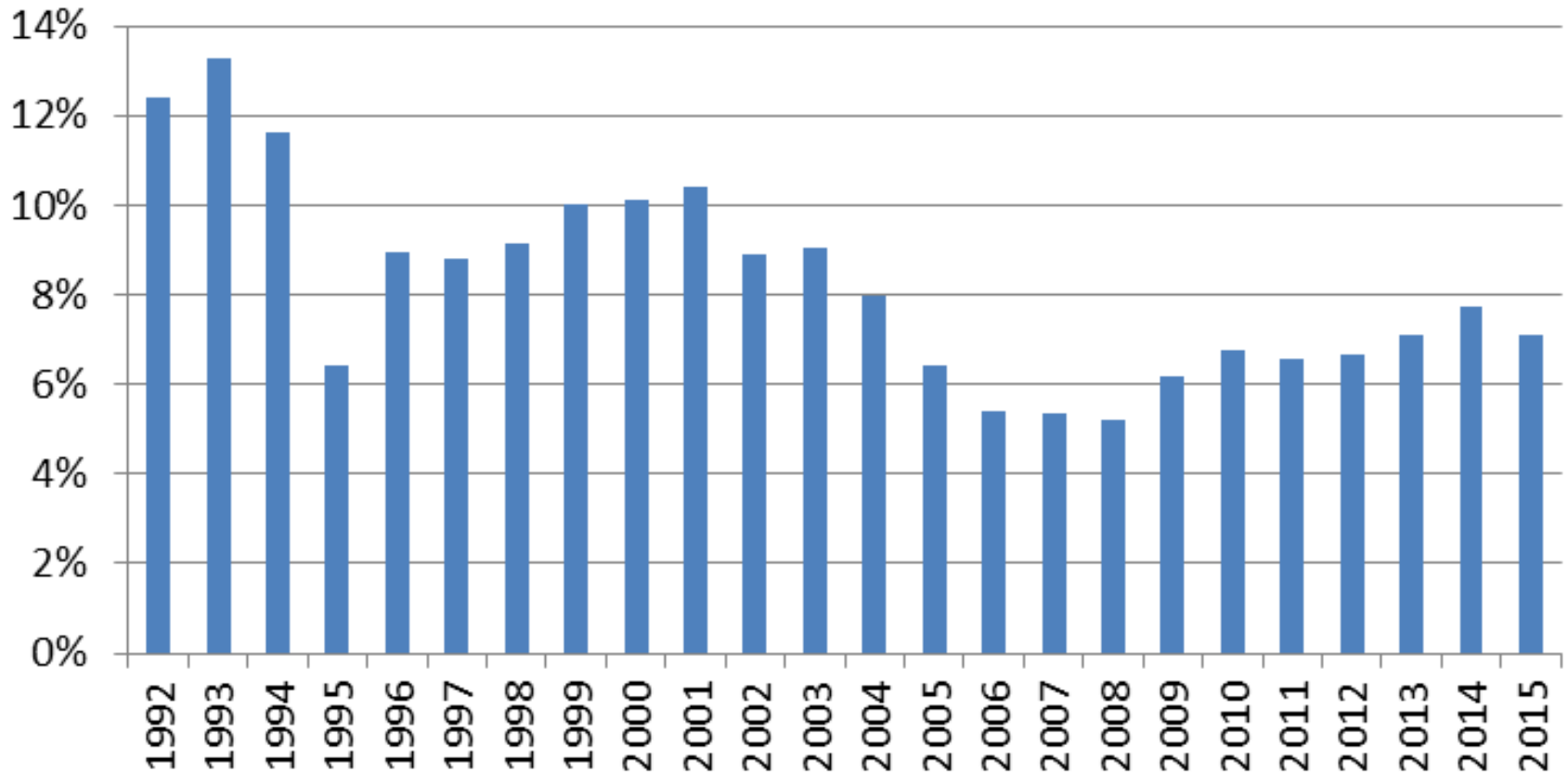


The average value of a new home in Plymouth has been trending up since 2010.

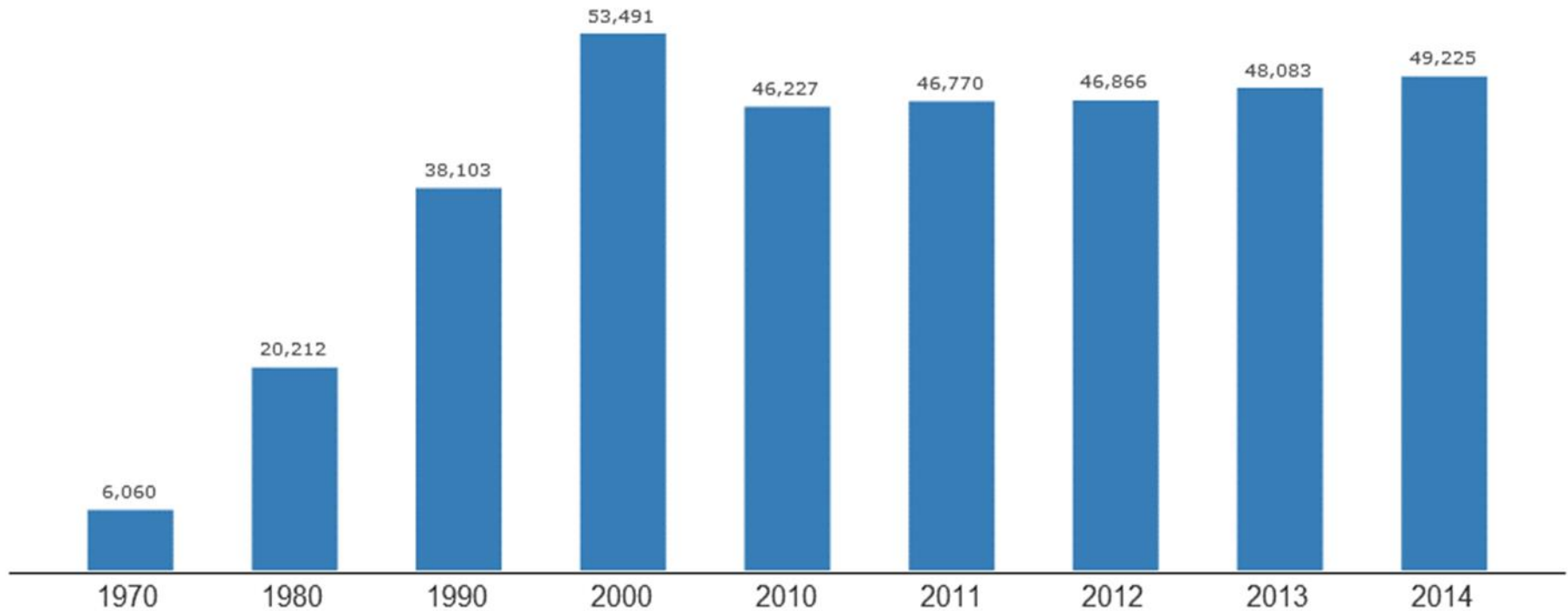
Tax Base Composition - 2015



Net Tax Base Lost to Fiscal Disparities



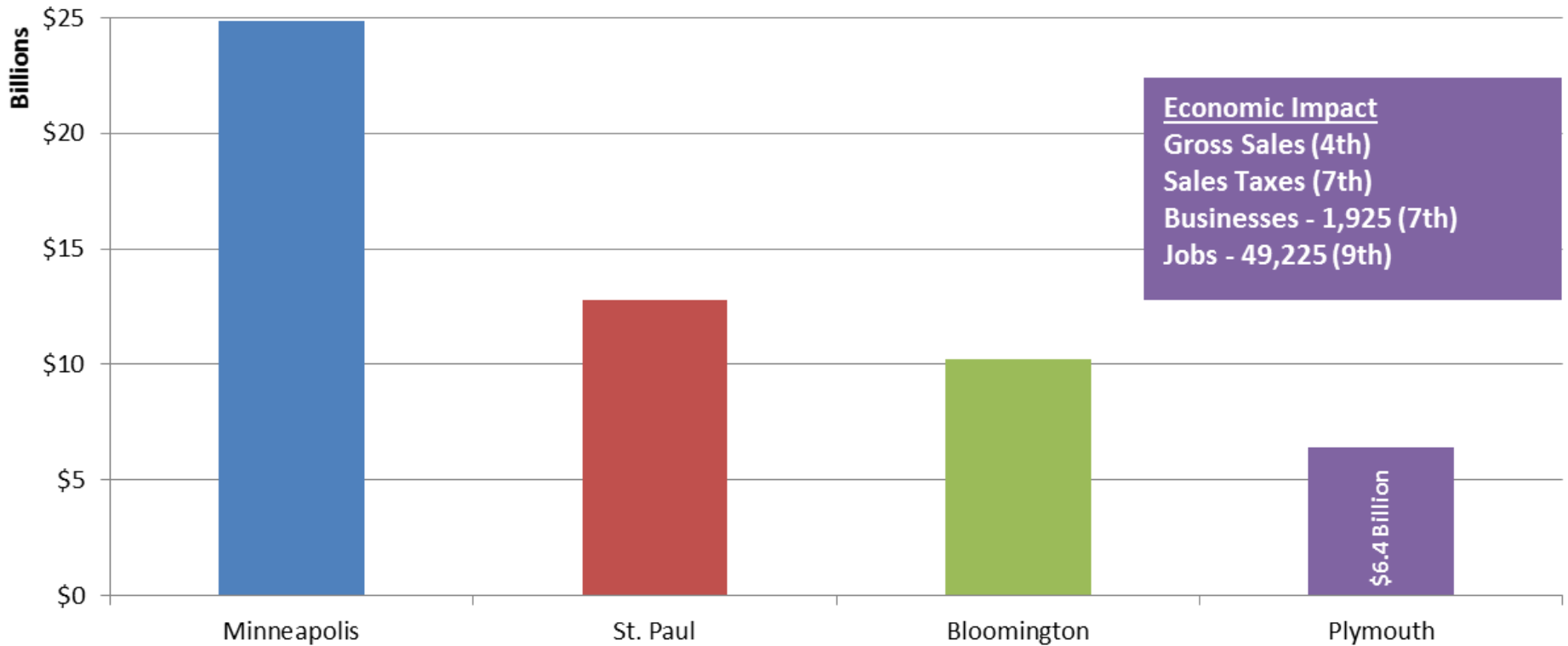
Employment in Plymouth



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.

Gross Business Sales by City

MN Dept. of Revenue – 2013



Plymouth has the state's fourth-largest economy, as measured by gross business sales. Over \$6.4 billion in economic activity occurred in Plymouth in the last reporting period.

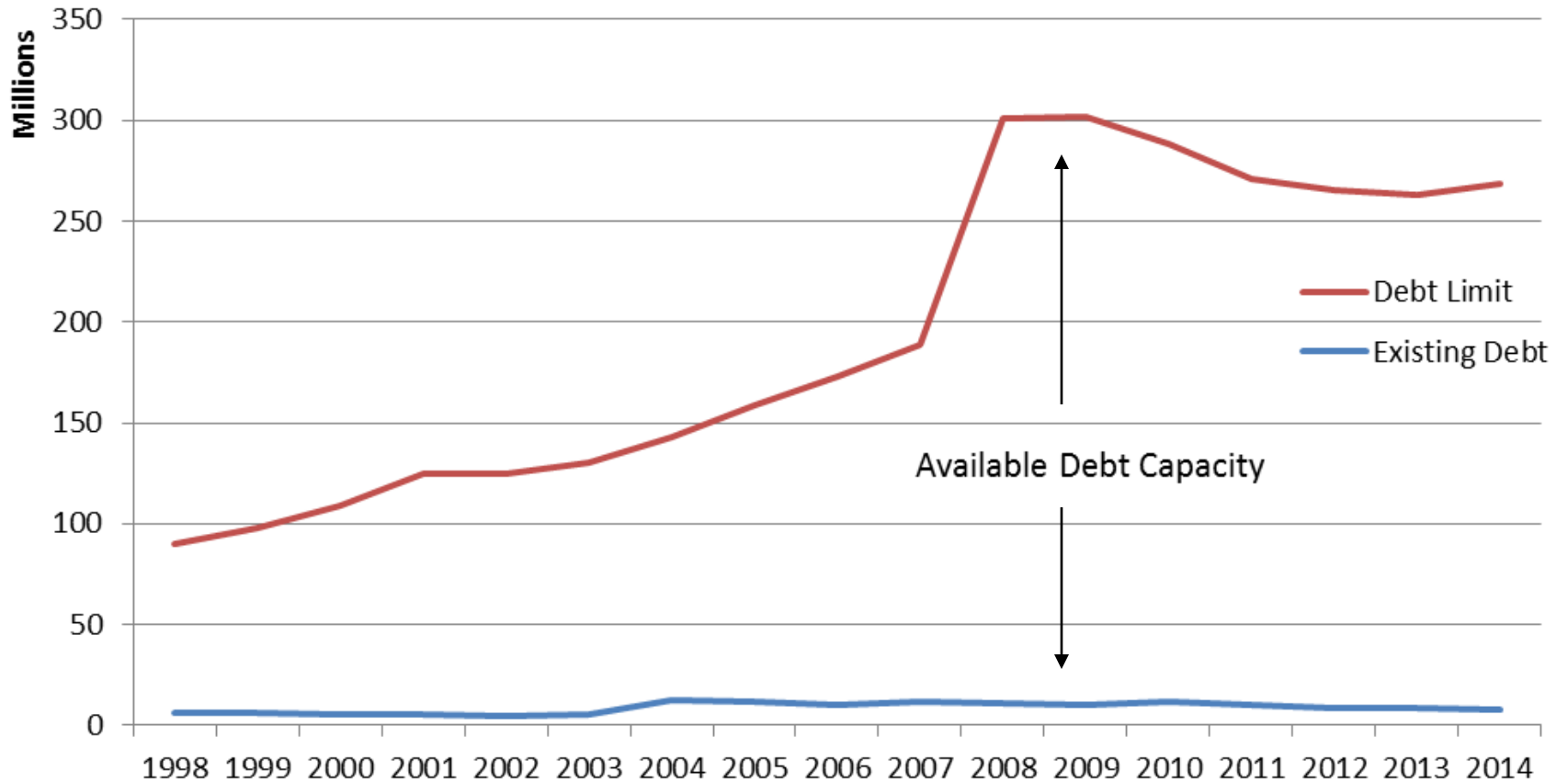


Focus on Fiscal Health

We know our economy is strong and our market is stable, what are we doing to ensure that our operations stay in line?

- Careful use of debt
- Stable governmental employment
- Keen eye to the horizon with ten year financial plan

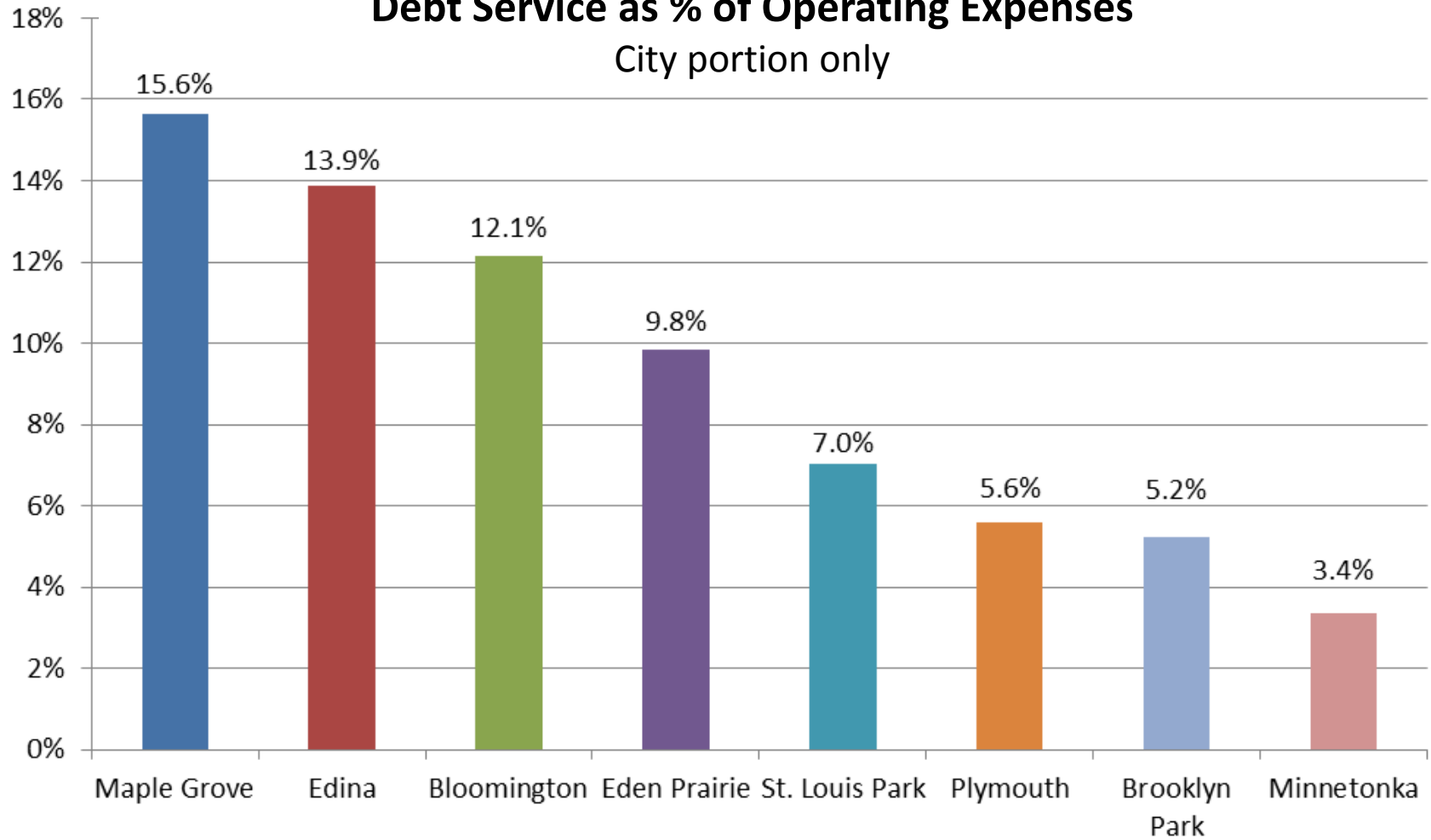
Statutory Debt Limit Versus Actual Debt



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

Debt Service as % of Operating Expenses

City portion only



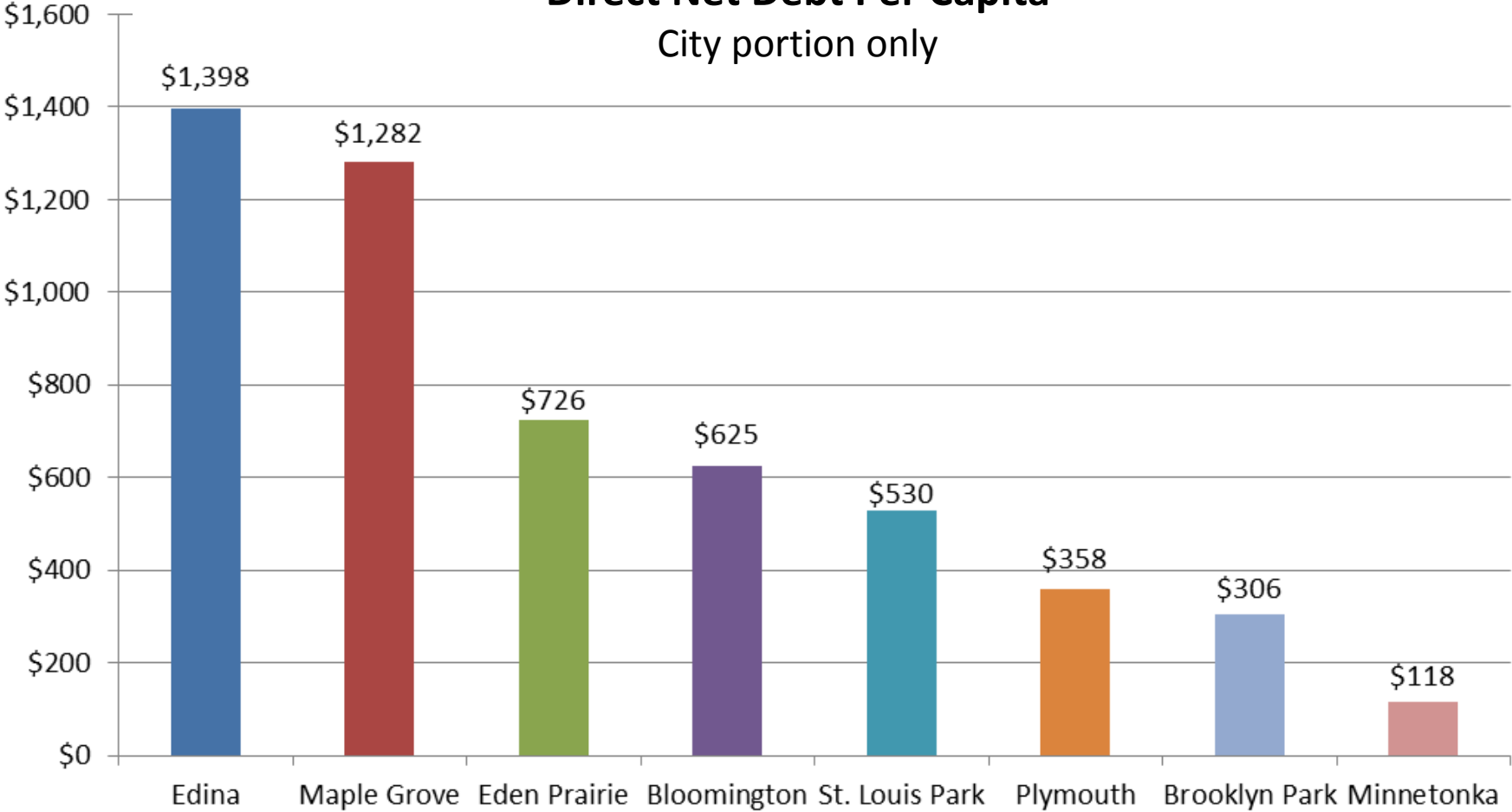
Source: Ehlers 2013

Average = 9%

Plymouth's debt cost represents 5.6 percent of its total operating expense. This is well below most peer communities.

Direct Net Debt Per Capita

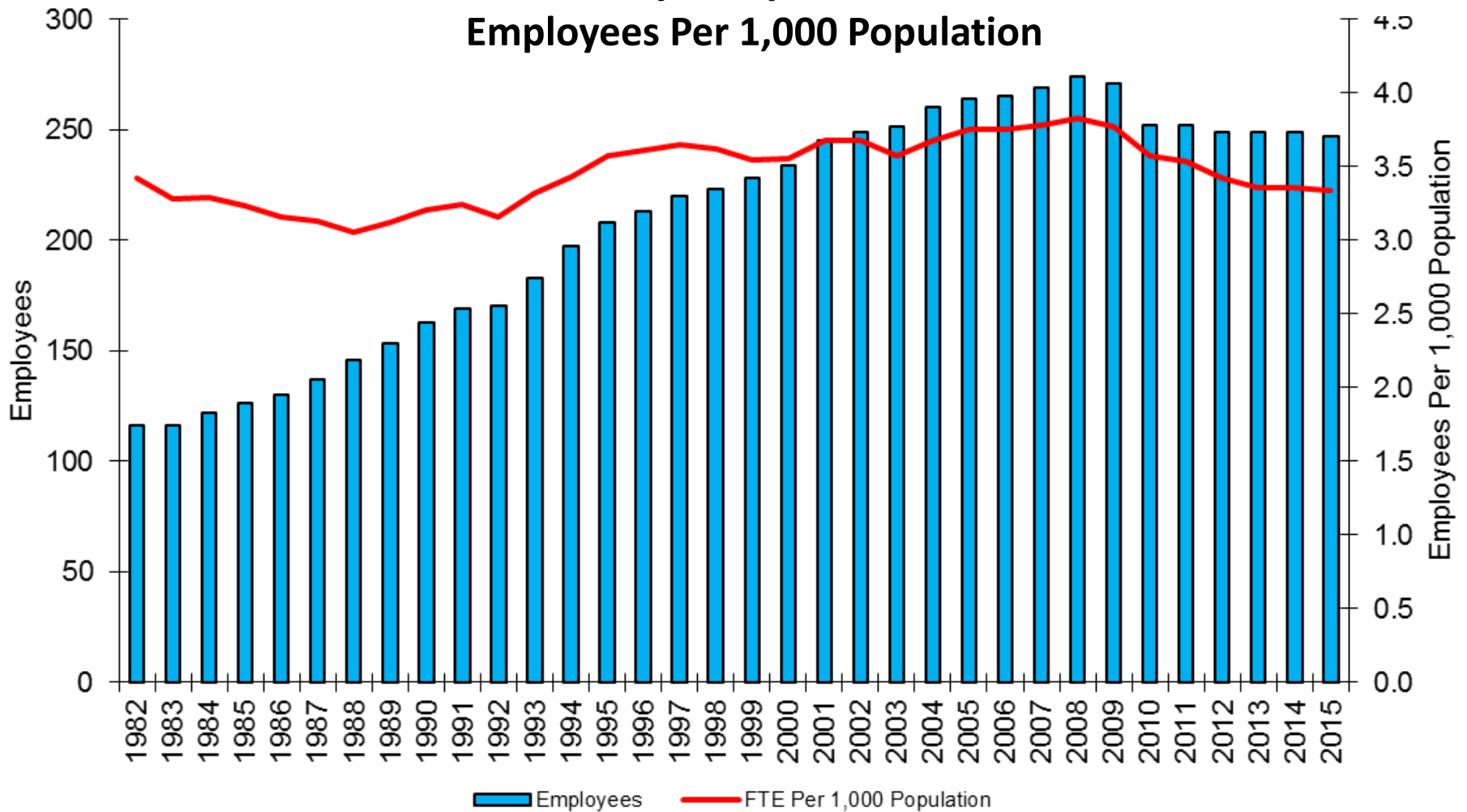
City portion only



Source: Ehlers 2013

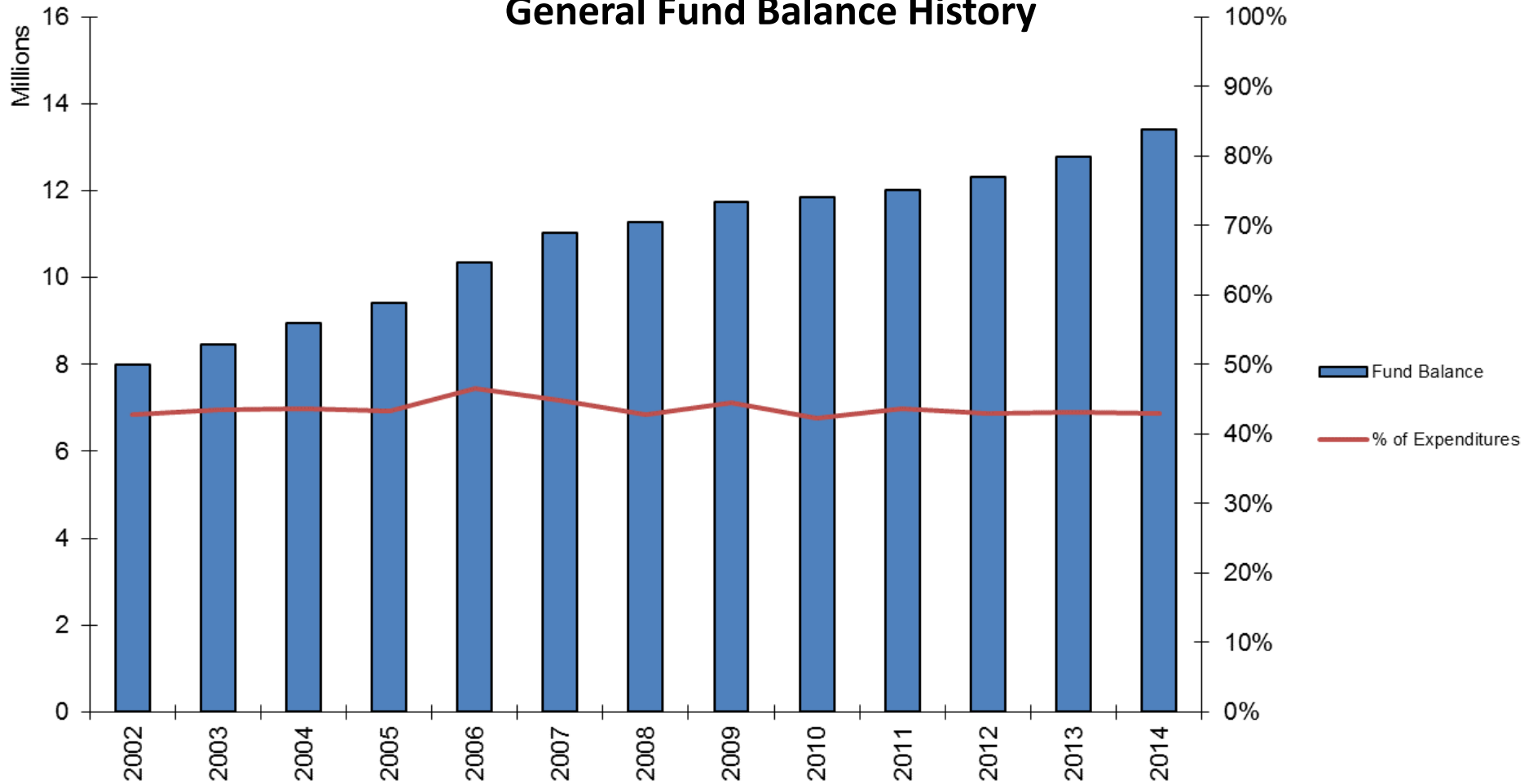
Average = \$668

City of Plymouth Employees 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 2015, 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.

City of Plymouth Bond Rating



**STANDARD
& POOR'S**

Aaa

AAA