



2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2019 | City of Plymouth, Minnesota

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

**For The Year Ended
December 31, 2019**

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
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June 30, 2020

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, 2019.

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, 2019, 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, 2019, 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 units. The Plymouth Housing and Redevelopment Authority (HRA) is included as a discretely presented component unit. The Plymouth Economic Development Authority (EDA) was created in 2016. The EDA is included as a blended component unit, however, there was no financial activity during the year.

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 79,000 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.

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 30 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's population 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 13% from 2010 to 2019. As of 2019 the population is 79,475. 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 2019, 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.

Shortly after the 2019 fiscal year-end, the worldwide spread of the novel coronavirus (COVID-19) has caused significant volatility in the economy and financial markets. There is significant uncertainty about the breadth and duration of potential business disruptions related to COVID-19 and its economic impact in the United States and around the world. At this time, the City is unable to determine what effect this may have on its future financial condition. 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 2019 total estimated market value of the City was \$12,219,492,800 an increase of \$869,819,700 from 2018. The increase in total market value between payable 2018 and payable 2019 was 7.7%.

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	46,227
2020	79,475*	31,800	53,900
2030	81,400	33,400	57,700
2040	85,100	34,700	61,500

* 2019 estimated population
 ** Population figures through 2010 are based on census reporting.

Long-term Financial Planning

The city has prepared biennial budgets since 2008. In 2019, the city prepared the biennial budget for the period covering fiscal years 2020-2021. This important document required significant planning and scenario building to ensure a workable operating budget under changing economic conditions.

The City also continually updates a ten year revolving financial plan for the General Fund. This is a critical tool utilized during the budget process to guide discussions and model the impact these decisions will have on the community.

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.

In 2019, the City extended it’s five year capital plan to ten years to provide a more comprehensive look at upcoming projects.

In 2018, the City implemented an asset management software called Cartegraph within the Parks and Forestry, Public Works, and Engineering divisions. Cartegraph allows the City to manage its assets more effectively, allowing for a more seamless succession planning transition, deploys and tracks resources efficiently, and better tracks asset conditions to help make more informed capital replacement/upgrade decisions. In 2019, as an extension of this software, the city implemented SeeClickFix which incorporates a customer portal to streamline communication with customers. This software tracks questions and responses with regards to any assets or services provided by the City.

Plymouth is continually evaluating its position to ensure 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.

Currently underway are a couple larger renovation and expansion projects. The first is Plymouth Creek Center (PCC) expansion project. Built in 1997, the PCC is still a well-used community space with over 300,000 annual visitors. Even though the PCC is valued and well utilized, it is not without its challenges. The size and types of spaces do not meet current and future needs of a growing community with an appetite for active recreation programs and services. The second project, is renovation of two of the city's three fire stations. Station 2 is nearing the end of its useful life span and doesn't have the operational or programming space to support the needs of current and future response models and station 3 has significant health and safety concerns and also does not meet the needs of the current department profile. To enhance technology to residents and businesses to meet the needs of the community, the city implemented community development software (BS&A) that provides enhanced permit tracking and the ability to provide online payments.

Financial Policies

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.

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, 2018. This was the 37th 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,

A handwritten signature in cursive script that reads "Jodi Bursheim". The ink is dark and the signature is fluid and legible.

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

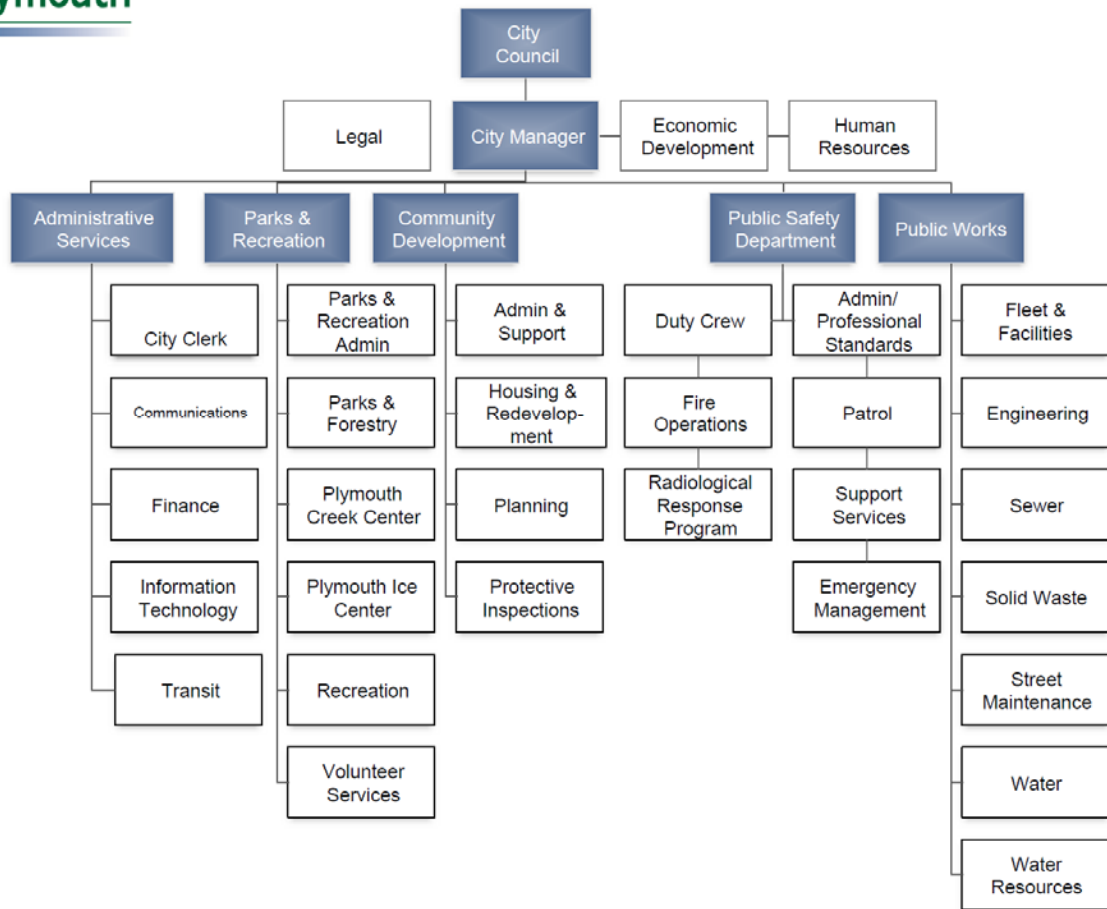
December 31, 2018

Christopher P. Morrill

Executive Director/CEO



2019 Organizational Chart



**City of Plymouth
LISTING OF CITY OFFICIALS
at December 31, 2019**

Elected Officials

	<u>Ward</u>	<u>Term of Office</u>	<u>Term Expires</u>
Mayor Jeffry Wosje		Four Years	12-31-22
Councilmember Alise McGregor	1	Four Years	12-31-20
Councilmember Nick Roehl	2	Four Years	12-31-22
Councilmember Jim Davis	3	Four Years	12-31-20
Councilmember Jim Prom	4	Four Years	12-31-22
Councilmember Ned Carroll	At-Large	Four Years	12-31-22
Councilmember Jim Willis	At-Large	Four Years	12-31-20

City Officials and Department Directors

City Manager	Dave Callister
Director of Administrative Services	Laurie Hokkanen
Director of Community Development	Steve Juetten
Director of Parks and Recreation	Diane Evans
Director of Public Works	Michael Thompson
Director of Public Safety	Mike Goldstein
Fire Chief	Rodger Coppa
City Clerk	Sandy Engdahl
City Attorney	Roger Knutson
City Assessor	Hennepin County



FINANCIAL SECTION



PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT

To the City Council and Management
City of Plymouth, Minnesota

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying 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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express opinions on these financial statements based on our audit. We 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, 2019, 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 and the required supplementary information (RSI), 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 RSI 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 2018 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 10, 2019. In our opinion, the partial comparative information presented herein as of and for the year ended December 31, 2018 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, 2020, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Minneapolis, Minnesota

June 12, 2020

City of Plymouth, Minnesota
For the Year Ended December 31, 2019
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, 2019. 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-ix of this report.

Financial Highlights

- At year-end 2019, the City of Plymouth's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$511.6 million (*net position*). Net position consisted of:
 - \$51.9 million (10.2% of total net position) restricted for specific purposes
 - \$377.2 million (73.7% 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
 - \$82.4 million (16.1% 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 \$7.8 million and business-type activities resulted in an increase of \$8.1 million. Overall, the City's net position increased by \$15.9 million in 2019. Operating and capital grants and contributions increased significantly due to construction activity; along with cost savings from personnel attrition and overall restraint on spending resulted in an increase of \$15.9 million to the net position.
- The City's governmental funds reported combined ending fund balances of approximately \$70.5 million. Unlike net position, governmental fund balance measures only currently available, spendable resources. Approximately \$531 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 \$24.0 million for specific purposes that are subject to external legal restrictions such as debt service and other restrictive uses. The remainder fund balance of \$45.9 million is comprised of \$39.3 million of assigned fund balance for purposes such as construction of long-term assets or other desired uses and \$6.6 million is unassigned.
- The City's main operating fund, the General Fund, reported a year-end balance of approximately \$17.4 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 \$730 thousand during the year.
- The City's total governmental activity bonded debt decreased by approximately \$1.1 million, or 11.3% from the prior-year. This debt represents a very modest ratio of only 2.5% of governmental net position. The City's restricted resources for governmental debt service are approximately \$2.2 million which represents approximately 26.1% of governmental debt outstanding at year-end. The City's business-type activity bonded debt decreased \$1.0 million, with the final payment in the current year. Net revenues of the Water Sewer Utility were 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 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 15-17 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 20-28 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, liabilities, and deferred outflows/inflows 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 primary 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 30-39 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 41 - 79 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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$511.6 million at the end of fiscal year 2019. A portion of the City of Plymouth's net position (73.7%) 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
(amounts in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets:						
Current and other assets	\$ 144,167	\$ 132,759	\$ 34,635	\$ 33,713	\$ 178,802	\$ 166,472
Capital assets net of accumulated depreciation	241,390	243,990	144,608	138,589	385,998	382,579
Total assets	385,557	376,749	179,243	172,302	564,800	549,051
Deferred Outflows of Resources:						
OPEB deferments	129	120	-	-	129	120
Pension plan deferments	9,894	14,282	-	-	9,894	14,282
Total deferred outflows of resources	10,023	14,402	-	-	10,023	14,402
Total assets and deferred outflows of resources	\$ 395,580	\$ 391,151	\$ 179,243	\$ 172,302	\$ 574,823	\$ 563,453
Liabilities:						
Current and other liabilities	\$ 10,962	\$ 10,472	\$ 2,890	\$ 2,826	\$ 13,852	\$ 13,298
Long-term liabilities	34,176	34,754	-	1,193	34,176	35,947
Total liabilities	45,138	45,226	2,890	4,019	48,028	49,245
Deferred Inflows of Resources:						
OPEB deferments	408	-	-	-	408	-
Pension plan deferments	14,815	18,507	-	-	14,815	18,507
Total deferred inflows of resources	15,223	18,507	-	-	15,223	18,507
Net Position:						
Net investment in capital assets	232,592	234,395	144,608	137,396	377,200	371,791
Restricted net position	30,035	25,663	21,911	20,626	51,946	46,289
Unrestricted net position	72,592	67,360	9,834	10,261	82,426	77,621
Total net position	335,219	327,418	176,353	168,283	511,572	495,701
Total liabilities, deferred inflows of resources, and net position	\$ 395,580	\$ 391,151	\$ 179,243	\$ 172,302	\$ 574,823	\$ 563,453

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 (\$82.4 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. The net investment in capital assets increased due to significant capital asset activity using City resources.

- **Governmental activities** – Governmental activities increased the City of Plymouth’s net position by approximately \$7.8 million or 2.4%. Several factors contributed to this increase include additional capital construction, elevated development activity throughout the city resulting in significant increase in permit revenue, increased fair value of investments, and significant cost savings from personnel attrition and overall restraint on spending.
- **Business-type activities** – The net position of business-type activities increased by \$8.1 million or 4.8%. The change in net position is the result of a positive increase from operations and capital grants.

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
(amounts in thousands of dollars)

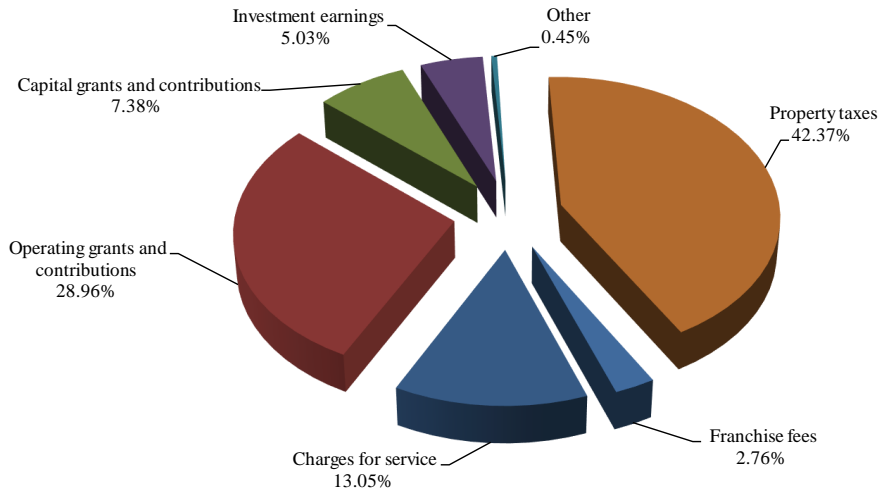
	Governmental Activities		Business-type Activities		Total	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenues:						
Program revenues:						
Charges for service	\$ 11,372	\$ 10,780	\$ 25,049	\$ 24,244	\$ 36,421	\$ 35,024
Operating grants and contributions	25,239	10,796	197	255	25,436	11,051
Capital grants and contributions	6,427	10,240	2,905	5,467	9,332	15,707
General revenues:						
Property taxes	36,925	35,375	-	-	36,925	35,375
Franchise fees	2,401	2,297	-	-	2,401	2,297
Investment earnings	4,384	1,889	1,220	655	5,604	2,544
Gain on sale of capital assets	95	122	-	-	95	122
Other	299	868	-	-	299	868
Total revenues	<u>87,142</u>	<u>72,367</u>	<u>29,371</u>	<u>30,621</u>	<u>116,513</u>	<u>102,988</u>
Expenses:						
General government	7,056	6,916	-	-	7,056	6,916
Economic development	1,783	882	-	-	1,783	882
Parks and recreation	10,153	9,630	-	-	10,153	9,630
Public safety	21,211	19,495	-	-	21,211	19,495
Public service	5,644	5,431	-	-	5,644	5,431
Public works	30,504	15,345	-	-	30,504	15,345
Water sewer utility	-	-	17,889	16,217	17,889	16,217
Ice center	-	-	2,055	1,974	2,055	1,974
Water resources	-	-	2,537	2,661	2,537	2,661
Solid waste management	-	-	1,222	1,089	1,222	1,089
Field house	-	-	390	312	390	312
Interest on long-term debt	198	234	-	-	198	234
Total expenses	<u>76,549</u>	<u>57,933</u>	<u>24,093</u>	<u>22,253</u>	<u>100,642</u>	<u>80,186</u>
Change in Net Position Before Transfers	10,593	14,434	5,278	8,368	15,871	22,802
Transfers in (out)	<u>(2,792)</u>	<u>1,379</u>	<u>2,792</u>	<u>(1,379)</u>	<u>-</u>	<u>-</u>
Change in Net Position	7,801	15,813	8,070	6,989	15,871	22,802
Net Position at Beginning of Year	327,418	311,605	168,283	161,294	495,701	472,899
Net Position at End of Year	<u>\$ 335,219</u>	<u>\$ 327,418</u>	<u>\$ 176,353</u>	<u>\$ 168,283</u>	<u>\$ 511,572</u>	<u>\$ 495,701</u>

Operating grants and contributions and Public Works expenses increased significantly as a result of a joint bridge improvement project with the State and County. Capital grants and contributions decreased based on the nature of capital projects completed during the year.

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. Capital grants and contributions represent funds received for the construction of infrastructure and other capital improvements. Certain operating grants and contributions represent contributions on joint projects managed by the city.

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 \$144.6 million in 2019; which is approximately 80.7% of total business-type assets.

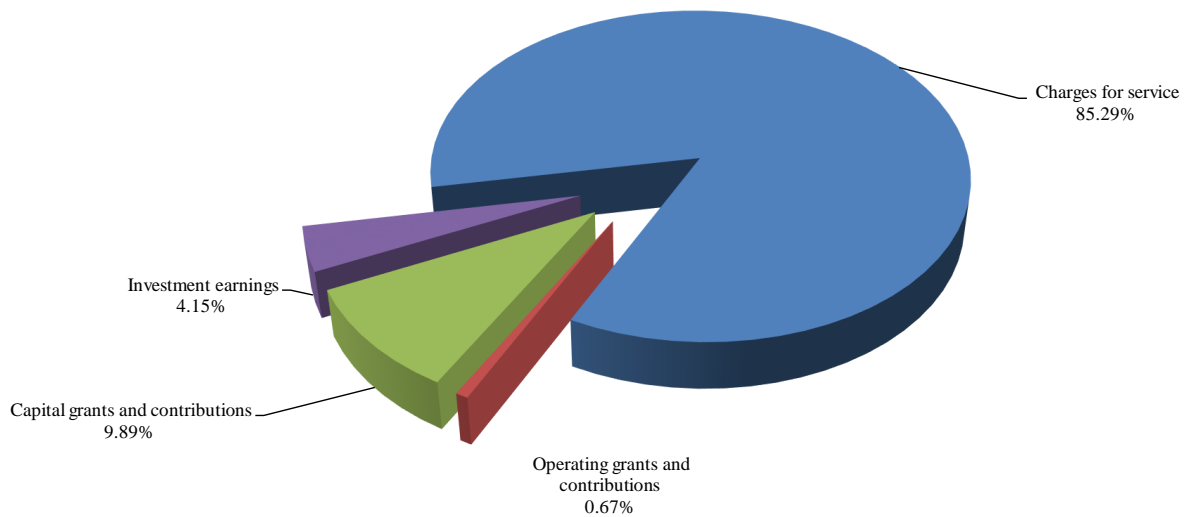
The principal challenge for the City’s business activities is financing the replacement, maintenance, and expansion of their capital assets (asset maintenance). The City of Plymouth combines operating and non-operating sources (primarily area-wide assessments) to finance its investment in business-type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

Operating income starts with revenues generated by charges for sales and service. As of December 31, 2019, there were 23,917 water and/or sewer customers. The water and sewer utility represented approximately 71.5% of total business-type charges for service revenue in 2019. 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.

In 2019, the City reported positive operating income, in total, excluding depreciation, of approximately \$6.9 million. After depreciation, the City reported an operating income of approximately \$513 thousand. After considering remaining increases and decreases to net position, business-type activities reported an increase of \$8.1 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 2019; the fund balance at year-end was \$17.4 million, or 40% of 2020 budgeted expenditures and transfers out.

Transit System Fund-

- In the Transit System Fund, the fund balance increased by \$1.4 million. This increase is primarily due to an increase in the City’s proportionate share of motor vehicle tax.

General Capital Projects Fund-

- The fund balance increased in the General Capital Projects Fund by \$192 thousand during the year. This increase is due to approved funding transfers of various capital projects throughout the current year for construction of the City’s buildings and park improvements.

Improvement Projects Fund-

- The fund balance decreased in the Improvement Projects Fund by \$12.9 million during the year. This decrease is due to the timing and review of capital projects completed throughout the current year for construction of streets and other infrastructure improvements.

Street Replacement Fund-

- The fund balance increased in the Street Replacement Fund by \$729 thousand during the year. This increase is due to taxes and fees collected, investment earnings, and the increase of capital projects completed throughout the current year for construction of streets and other infrastructure improvements.

Of the total governmental funds fund balance of \$70.5 million, \$531 thousand is nonspendable, \$24.0 million is restricted for specific uses based on external regulations, \$39.3 million is assigned internally for specific uses and \$6.6 is unassigned.

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

Water Sewer Utility Fund-

- Unrestricted net position at the end of the year was \$9.7 million. The total increase in net position was \$1.9 million.

Ice Center Fund-

- Unrestricted net position at the end of the year was a deficit \$90 thousand. The total increase in net position was \$1.8 million.

Water Resources Fund-

- Restricted net position at the end of the year was \$3.9 million. The total increase in net position was \$3.7 million.

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 2019 General Fund budget anticipated an expenditure and transfers out increase over 2018 budget of 5.4%. This increase included planned wage and benefit adjustments and inflationary adjustments.

General Fund revenues and other financing sources exceeded budget estimates by \$1.9 million during the year. Contributing factors for this increase included additional license and permit revenue due to elevated development activity and increased state grants and aids.

General Fund expenditures were over budget estimates by \$235 thousand due to a pass-through grant for economic development that was offset by revenue. The remaining change is due to decreases in personal services costs due to attrition and cost restraints shared by all departments. Other financing uses exceeded budget by \$919 thousand. The primary reason for this overage was that the net positive year-end position allowed the General Fund to make unplanned transfers of \$885 thousand to the General Capital Projects fund for future improvement projects.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The City's total investment in capital assets, net of accumulated depreciation totaled \$386.0 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	
	2019	2018	2019	2018	2019	2018
Land	\$ 45,843	\$ 45,843	\$ 3,281	\$ 3,281	\$ 49,124	\$ 49,124
Construction in progress	10,100	26,452	1,537	10,275	11,637	36,727
Buildings	28,578	21,464	30,782	26,639	59,360	48,103
Improvements other than buildings	15,302	13,352	5,966	5,077	21,268	18,429
Machinery and equipment	21,837	19,598	7,263	2,617	29,100	22,215
Infrastructure	119,730	117,281	95,779	90,700	215,509	207,981
Total capital assets	<u>\$ 241,390</u>	<u>\$ 243,990</u>	<u>\$ 144,608</u>	<u>\$ 138,589</u>	<u>\$ 385,998</u>	<u>\$ 382,579</u>

See footnote 4, pages 54-56, to the financial statements for additional information about the City's capital assets.

Long-Term Bonded Debt

The City's long-term bonded debt (excluding unamortized premiums) totaled \$8.3 million at year-end, compared to \$10.3 million at the beginning of the year. During the year, the City made regular debt service payments of \$1.0 million on governmental activity bonds and \$1.0 million 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 57-60, 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 2020 budget was conservatively developed to account for economic and legislative activity. It provides for a balanced budget and a sound financial plan for 2020 that maintains core service levels and is sensitive to the financial concerns of Plymouth taxpayers. The tax levy increased 7.3% from 2019.

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.

Shortly after the 2020 fiscal year began, the worldwide spread of the novel coronavirus (COVID-19) has caused significant volatility in the economy and financial markets. There is a significant uncertainty about the breadth and duration of potential business disruptions related to COVID-19 and its economic impact in the United States and around the world. At this time, the City is unable to determine what effect this may have on its future financial condition and operations.

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, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Housing and Redevelopment Authority
ASSETS				
Cash and investments	\$ 115,688,319	\$ 27,698,549	\$ 143,386,868	\$ 5,427,647
Accounts receivable	952,228	4,495,632	5,447,860	2,633
Notes receivable	2,016,126	-	2,016,126	1,063,586
Taxes receivable	251,092	-	251,092	4,184
Special assessments receivable	57,499	3,841,121	3,898,620	-
Accrued interest receivable	717,674	136,741	854,415	143,145
Due from City	-	-	-	80,000
Due from other governments	15,408,334	550,558	15,958,892	45,536
Internal balances	2,771,336	(2,771,336)	-	-
Inventory	125,887	91,916	217,803	-
Prepaid items	1,218,517	592,088	1,810,605	51,045
Net pension asset - fire relief	4,959,475	-	4,959,475	-
Capital assets - nondepreciable	55,943,039	4,817,588	60,760,627	1,333,840
Capital assets - depreciable (net)	185,447,419	139,790,581	325,238,000	8,332,088
Total capital assets	241,390,458	144,608,169	385,998,627	9,665,928
Total assets	385,556,945	179,243,438	564,800,383	16,483,704
DEFERRED OUTFLOWS OF RESOURCES				
OPEB deferments	129,189	-	129,189	-
Pension plan deferments - PERA	9,794,681	-	9,794,681	-
Pension plan deferments - fire relief	99,007	-	99,007	-
Total deferred outflows of resources	10,022,877	-	10,022,877	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 395,579,822	\$ 179,243,438	\$ 574,823,260	\$ 16,483,704
LIABILITIES				
Accounts payable	\$ 2,325,185	\$ 606,817	\$ 2,932,002	\$ 29,572
Contracts payable	2,979,070	902,984	3,882,054	-
Accrued salaries and benefits payable	1,331,429	181,879	1,513,308	28,377
Deposits payable	3,203,069	22,900	3,225,969	137,147
Due to component unit	80,000	-	80,000	-
Due to other governments	92,666	215,862	308,528	96,715
Unearned revenue	851,452	960,254	1,811,706	848
Accrued interest payable	98,877	-	98,877	103,014
Noncurrent liabilities:				
Due within one year	3,231,189	-	3,231,189	748,855
Due in more than one year	30,945,358	-	30,945,358	9,004,994
Total liabilities	45,138,295	2,890,696	48,028,991	10,149,522
DEFERRED INFLOWS OF RESOURCES				
OPEB deferments	407,530	-	407,530	-
Pension plan deferments - PERA	13,848,517	-	13,848,517	-
Pension plan deferments - fire relief	966,553	-	966,553	-
Total deferred inflows of resources	15,222,600	-	15,222,600	-
NET POSITION				
Net investment in capital assets	232,591,571	144,608,169	377,199,740	(84,066)
Restricted for:				
Transit System	10,712,158	-	10,712,158	-
Lawful Gambling	813	-	813	-
Debt Service	2,155,127	-	2,155,127	561,967
Housing Projects	929,176	-	929,176	3,654,997
Highway/Street Improvements	936,799	-	936,799	-
Park Construction	6,575,207	-	6,575,207	-
Tax Increment Financing	4,429,315	-	4,429,315	-
Cemetery perpetual care:				
Non-expendable	45,860	-	45,860	-
Expendable	159,135	-	159,135	-
Utility trunk	-	17,959,446	17,959,446	-
Water resources	-	3,951,065	3,951,065	-
Fire relief pensions	4,091,929	-	4,091,929	-
Unrestricted	72,591,837	9,834,062	82,425,899	2,201,284
Total net position	335,218,927	176,352,742	511,571,669	6,334,182
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 395,579,822	\$ 179,243,438	\$ 574,823,260	\$ 16,483,704

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

**CITY OF PLYMOUTH, MINNESOTA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

<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>
PRIMARY GOVERNMENT:				
Governmental activities:				
General government	\$ 7,056,303	\$ 1,591,066	\$ 127,651	\$ -
Economic development	1,782,809	5,000	980,864	-
Parks and recreation	10,152,979	1,816,532	38,438	16,730
Public safety	21,211,191	4,848,078	2,772,606	4,031
Public service	5,643,686	1,193,212	5,322,968	-
Public works	30,504,192	1,917,407	15,996,540	6,406,326
Interest on long-term debt	197,995	-	-	-
Total governmental activities	<u>76,549,155</u>	<u>11,371,295</u>	<u>25,239,067</u>	<u>6,427,087</u>
Business-type activities:				
Water sewer utility	17,889,041	17,913,944	28,536	2,354,036
Ice center	2,055,524	1,800,443	773	85,976
Water resources	2,536,578	4,089,131	988	465,024
Solid waste management	1,221,850	844,570	166,528	-
Field house	390,265	400,353	140	-
Total business-type activities	<u>24,093,258</u>	<u>25,048,441</u>	<u>196,965</u>	<u>2,905,036</u>
Total primary government	<u>\$ 100,642,413</u>	<u>\$ 36,419,736</u>	<u>\$ 25,436,032</u>	<u>\$ 9,332,123</u>
COMPONENT UNIT:				
Housing and Redevelopment Authority	<u>\$ 5,221,955</u>	<u>\$ 2,038,076</u>	<u>\$ 2,945,058</u>	<u>\$ 80,000</u>

General revenues:
Property taxes
Franchise fees
Investment earnings
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
\$ (5,337,586)	\$ -	\$ (5,337,586)	\$ -
(796,945)	-	(796,945)	-
(8,281,279)	-	(8,281,279)	-
(13,586,476)	-	(13,586,476)	-
872,494	-	872,494	-
(6,183,919)	-	(6,183,919)	-
(197,995)	-	(197,995)	-
<u>(33,511,706)</u>	<u>-</u>	<u>(33,511,706)</u>	<u>-</u>
-	2,407,475	2,407,475	-
-	(168,332)	(168,332)	-
-	2,018,565	2,018,565	-
-	(210,752)	(210,752)	-
-	10,228	10,228	-
<u>-</u>	<u>4,057,184</u>	<u>4,057,184</u>	<u>-</u>
<u>(33,511,706)</u>	<u>4,057,184</u>	<u>(29,454,522)</u>	<u>-</u>
			<u>(158,821)</u>
36,924,727	-	36,924,727	578,348
2,401,240	-	2,401,240	-
4,383,919	1,220,427	5,604,346	137,992
95,358	-	95,358	-
299,346	-	299,346	38,800
(2,792,458)	2,792,458	-	-
<u>41,312,132</u>	<u>4,012,885</u>	<u>45,325,017</u>	<u>755,140</u>
7,800,426	8,070,069	15,870,495	596,319
<u>327,418,501</u>	<u>168,282,673</u>	<u>495,701,174</u>	<u>5,737,863</u>
<u>\$ 335,218,927</u>	<u>\$ 176,352,742</u>	<u>\$ 511,571,669</u>	<u>\$ 6,334,182</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.

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

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.

Street 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.

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CITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2019
(with comparative totals for December 31, 2018)

	Special Revenue		Capital Project		
	General	Transit System	General Capital Projects	Improvement Projects	Street Replacement
ASSETS					
Cash and investments	\$ 20,506,981	\$ 10,690,211	\$ 7,394,556	\$ 1,059,398	\$ 8,825,246
Accounts receivable	313,254	-	-	-	616,986
Notes receivable	-	-	-	-	-
Taxes receivable	212,395	-	-	-	23,555
Special assessments receivable	25,669	-	-	-	2,576
Accrued interest receivable	104,934	52,260	31,249	-	48,335
Due from other funds	10,360	-	-	-	8,936,690
Due from other governments	205,659	712,510	-	14,423,776	-
Inventory	-	-	-	-	-
Prepaid items	470,723	12,452	-	-	-
Advances to other funds	-	-	398,014	-	-
TOTAL ASSETS	\$ 21,849,975	\$ 11,467,433	\$ 7,823,819	\$ 15,483,174	\$ 18,453,388
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 556,907	\$ 747,163	\$ 104,066	\$ 4,049	\$ 168
Contracts payable	-	-	306,344	2,311,199	-
Accrued salaries and benefits payable	1,204,805	6,985	-	-	-
Deposits payable	1,937,680	-	1,202,939	-	-
Due to other funds	6,153	1,127	-	8,936,690	-
Due to component unit	-	-	-	-	-
Due to other governments	42,849	-	-	34,105	-
Advances from other funds	-	-	-	-	-
Unearned revenue	503,033	-	-	-	-
Total liabilities	4,251,427	755,275	1,613,349	11,286,043	168
Deferred inflows of resources:					
Unavailable revenue	182,226	157,269	-	14,423,776	19,056
Fund balances (deficits):					
Nonspendable	470,723	12,452	-	-	-
Restricted	-	10,542,437	-	-	-
Assigned	133,006	-	6,210,470	-	18,434,164
Unassigned	16,812,593	-	-	(10,226,645)	-
Total fund balances (deficits)	17,416,322	10,554,889	6,210,470	(10,226,645)	18,434,164
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 21,849,975	\$ 11,467,433	\$ 7,823,819	\$ 15,483,174	\$ 18,453,388

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

Nonmajor Governmental Funds	Totals	
	2019	2018
\$ 28,621,051	\$ 77,097,443	\$ 83,077,091
21,988	952,228	1,008,633
2,016,126	2,016,126	1,981,925
15,142	251,092	397,479
29,254	57,499	55,036
291,967	528,745	579,302
-	8,947,050	13,678
50,335	15,392,280	1,984,106
1,109	1,109	1,246
1,134	484,309	97,836
830,481	1,228,495	1,844,779
<u>\$ 31,878,587</u>	<u>\$ 106,956,376</u>	<u>\$ 91,041,111</u>

\$ 385,297	\$ 1,797,650	\$ 1,304,437
-	2,617,543	2,158,055
46,219	1,258,009	1,154,488
62,450	3,203,069	3,949,145
10,360	8,954,330	19,496
80,000	80,000	80,000
15,503	92,457	73,187
631,807	631,807	962,737
348,419	851,452	817,624
<u>1,580,055</u>	<u>19,486,317</u>	<u>10,519,169</u>

<u>2,221,721</u>	<u>17,004,048</u>	<u>3,457,356</u>
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48,103	531,278	144,942
13,493,521	24,035,958	20,047,533
14,535,187	39,312,827	40,362,787
-	6,585,948	16,509,324
<u>28,076,811</u>	<u>70,466,011</u>	<u>77,064,586</u>

<u>\$ 31,878,587</u>	<u>\$ 106,956,376</u>	<u>\$ 91,041,111</u>
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**CITY OF PLYMOUTH, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019**

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 70,466,011

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 and, therefore, are not reported in the fund statements.

Capital assets	476,461,589	
Accumulated depreciation	<u>(260,464,993)</u>	215,996,596

2. Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements.

Bonds payable	(8,270,000)	
Premium / discount on bonds	(233,166)	
Accrued interest payable	<u>(98,877)</u>	(8,602,043)

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

17,004,048

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, deferred outflows/inflows, and liabilities (including capital assets) of the internal services funds are included in governmental activities in the statement of net position.

34,078,233

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.

2,184,153

6. The fire relief net pension asset and related pension plan deferments are not considered current financial resources, therefore are not reported in the fund statements.

4,091,929

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 335,218,927

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, 2019
(with comparative actual amounts for year ended December 31, 2018)

	Special Revenue		Capital Project		
	General	Transit System	General Capital Projects	Improvement Projects	Street Replacement
REVENUES:					
Property taxes	\$ 29,623,326	\$ -	\$ -	\$ -	\$ 2,604,507
Special assessments	17,089	-	-	-	-
Licenses and permits	4,960,592	-	-	-	135,373
Intergovernmental	3,950,320	4,971,175	-	279,495	27
Charges for services	3,462,536	1,193,212	-	-	560
Franchise fees	-	-	-	-	2,401,240
Fines and forfeitures	538,654	-	-	-	-
Contributions	99,725	-	28,105	-	-
Investment earnings (charges)	563,728	369,211	266,195	(516)	728,038
Loan repayments	-	-	-	-	-
Other revenues	187,149	859	26,748	-	-
Total revenues	<u>43,403,119</u>	<u>6,534,457</u>	<u>321,048</u>	<u>278,979</u>	<u>5,869,745</u>
EXPENDITURES:					
Current:					
General government	6,783,430	-	26,748	-	-
Economic development	1,107,852	-	-	-	-
Parks and recreation	6,472,620	-	64,465	-	-
Public safety	21,353,243	-	-	-	-
Public service	-	5,143,112	-	-	-
Public works	5,869,430	-	-	14,896,618	4,338
Interest on interfund advances	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	163,870	-	3,591,246	9,399,495	-
Total expenditures	<u>41,750,445</u>	<u>5,143,112</u>	<u>3,682,459</u>	<u>24,296,113</u>	<u>4,338</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	<u>1,652,674</u>	<u>1,391,345</u>	<u>(3,361,411)</u>	<u>(24,017,134)</u>	<u>5,865,407</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	196,424	-	3,675,641	11,305,373	59,183
Transfers out	(1,119,198)	-	(122,467)	(234,694)	(5,195,518)
Total other financing sources (uses)	<u>(922,774)</u>	<u>-</u>	<u>3,553,174</u>	<u>11,070,679</u>	<u>(5,136,335)</u>
NET CHANGE IN FUND BALANCES	729,900	1,391,345	191,763	(12,946,455)	729,072
FUND BALANCES AT BEGINNING OF YEAR	16,686,422	9,163,544	6,018,707	2,719,810	17,705,092
FUND BALANCES (DEFICITS) AT END OF YEAR	\$ 17,416,322	\$ 10,554,889	\$ 6,210,470	\$ (10,226,645)	\$ 18,434,164

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

	Nonmajor Governmental Funds	Totals	
		2019	2018
\$	4,697,031	\$ 36,924,864	\$ 35,358,529
	6,098	23,187	27,995
	-	5,095,965	4,583,168
	3,291,233	12,492,250	10,789,420
	1,505,582	6,161,890	5,800,624
	-	2,401,240	2,297,295
	-	538,654	520,206
	1,758,830	1,886,660	2,602,681
	1,027,916	2,954,572	1,289,591
	8,833	8,833	8,573
	47,673	262,429	830,500
	<u>12,343,196</u>	<u>68,750,544</u>	<u>64,108,582</u>
	1,205	6,811,383	6,704,488
	670,719	1,778,571	902,658
	1,977,821	8,514,906	8,233,977
	68	21,353,311	20,096,377
	406,975	5,550,087	5,318,292
	9,759	20,780,145	6,056,858
	32,872	32,872	43,520
	1,050,000	1,050,000	1,000,000
	252,656	252,656	287,667
	-	13,154,611	16,630,598
	<u>4,402,075</u>	<u>79,278,542</u>	<u>65,274,435</u>
	<u>7,941,121</u>	<u>(10,527,998)</u>	<u>(1,165,853)</u>
	74,278	15,310,899	17,801,153
	<u>(4,709,599)</u>	<u>(11,381,476)</u>	<u>(12,709,422)</u>
	<u>(4,635,321)</u>	<u>3,929,423</u>	<u>5,091,731</u>
	3,305,800	(6,598,575)	3,925,878
	<u>24,771,011</u>	<u>77,064,586</u>	<u>73,138,708</u>
\$	<u>28,076,811</u>	<u>\$ 70,466,011</u>	<u>\$ 77,064,586</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, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (6,598,575)

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 costs 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.

Capital outlay	\$ 13,299,604	
Assets contributed by internal service funds	51,588	
Assets contributed to internal service funds	(10,438,514)	
Assets of governmental activities reassigned to proprietary funds	(5,302,807)	
Depreciation expense	<u>(12,421,544)</u>	(14,811,673)

2. The net effect of various transactions involving capital assets (i.e. sales and dispositions) is to decrease net position. (6,162)

3. Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. 13,474,488

4. The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position.

Principal repayments		1,050,000
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5. 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 expended in the governmental fund statements.

Accrued interest payable	12,792	
Amortization of bond premiums and discounts	<u>41,869</u>	54,661

6. Capital assets contributed to the City by developers are not current financial resources, therefore are not reported in the governmental funds statements. 1,332,400

7. Governmental funds report outlays of housing loans as expenditures while in the government-wide statement the disbursement increases notes receivable in the statement of net position and does not affect the statement of activities. 62,204

7. Governmental funds report outlays of business assistance loans as expenditures while in the government-wide statement the disbursement increases notes receivable in the statement of net position and does not affect the statement of activities. 10,000

8. Internal service funds are used to charge the cost certain activities, such as of 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. 12,949,263

9. The net effect of transactions involving the fire relief pension plan increased net position, but are not reported in the governmental funds. 283,820

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 7,800,426

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, 2019**

(with comparative actual amounts for year ended December 31, 2018)

	2019			2018
	Original and Final Budget	Actual	Variance with Final Budget	Actual
REVENUES:				
Property Taxes	\$ 29,958,324	\$ 29,623,326	\$ (334,998)	\$ 27,836,128
Special assessments	11,500	17,089	5,589	19,856
Licenses and permits	4,071,330	4,960,592	889,262	4,441,208
Intergovernmental	2,818,866	3,950,320	1,131,454	2,926,320
Charges for services	3,577,035	3,462,536	(114,499)	3,189,093
Fines and forfeitures	615,500	538,654	(76,846)	520,206
Contributions	86,600	99,725	13,125	88,875
Investment earnings	195,000	563,728	368,728	264,307
Other revenues	179,900	187,149	7,249	255,558
Total revenues	<u>41,514,055</u>	<u>43,403,119</u>	<u>1,889,064</u>	<u>39,541,551</u>
EXPENDITURES:				
Current:				
General government	6,577,584	6,783,430	(205,846)	6,499,056
Economic development	266,893	1,107,852	(840,959)	181,094
Parks and recreation	6,608,703	6,472,620	136,083	6,218,175
Public safety	21,782,671	21,353,243	429,428	20,096,377
Public works	6,254,704	5,869,430	385,274	5,178,743
Capital outlay	25,000	163,870	(138,870)	201,504
Total expenditures	<u>41,515,555</u>	<u>41,750,445</u>	<u>(234,890)</u>	<u>38,374,949</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,500)</u>	<u>1,652,674</u>	<u>1,654,174</u>	<u>1,166,602</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	202,000	196,424	(5,576)	310,927
Transfers out	(200,500)	(1,119,198)	(918,698)	(626,917)
Total other financing sources (uses)	<u>1,500</u>	<u>(922,774)</u>	<u>(924,274)</u>	<u>(315,990)</u>
NET CHANGE IN FUND BALANCE	-	729,900	729,900	850,612
FUND BALANCE AT BEGINNING OF YEAR	<u>16,686,422</u>	<u>16,686,422</u>	-	<u>15,835,810</u>
FUND BALANCE AT END OF YEAR	<u>\$ 16,686,422</u>	<u>\$ 17,416,322</u>	<u>\$ 729,900</u>	<u>\$ 16,686,422</u>

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

CITY OF PLYMOUTH, MINNESOTA
TRANSIT SYSTEM SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019
(with comparative actual amounts for year ended December 31, 2018)

	2019		Variance with Final Budget	2018
	Original and Final Budget	Actual		Actual
REVENUES:				
Intergovernmental	\$ 4,132,432	\$ 4,971,175	\$ 838,743	\$ 4,874,148
Charges for services	1,241,000	1,193,212	(47,788)	1,154,709
Investment earnings	77,500	369,211	291,711	136,192
Other revenues	-	859	859	9,279
Total revenues	<u>5,450,932</u>	<u>6,534,457</u>	<u>1,083,525</u>	<u>6,174,328</u>
EXPENDITURES:				
Current:				
Public service:				
Personal services	145,883	143,288	2,595	132,517
Materials and supplies	474,300	496,230	(21,930)	618,164
Contractual services	4,771,180	4,500,611	270,569	4,252,962
Other	2,409	2,983	(574)	1,236
Capital outlay	-	-	-	25,080
Total expenditures	<u>5,393,772</u>	<u>5,143,112</u>	<u>250,660</u>	<u>5,029,959</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>57,160</u>	<u>1,391,345</u>	<u>1,334,185</u>	<u>1,144,369</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(57,160)</u>	<u>-</u>	<u>57,160</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	1,391,345	1,391,345	1,144,369
FUND BALANCE AT BEGINNING OF YEAR	<u>9,163,544</u>	<u>9,163,544</u>	<u>-</u>	<u>8,019,175</u>
FUND BALANCE AT END OF YEAR	<u>\$ 9,163,544</u>	<u>\$ 10,554,889</u>	<u>\$ 1,391,345</u>	<u>\$ 9,163,544</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.

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.

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CITY OF PLYMOUTH, MINNESOTA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2019
(with comparative totals for December 31, 2018)

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>				
Current assets:				
Cash and investments	\$ 21,205,899	\$ 508,752	\$ 3,479,457	\$ 2,504,441
Accounts receivable	2,733,741	773,876	644,622	343,393
Special assessments receivable	865,954	-	19,833	7,995
Accrued interest receivable	103,559	3,912	17,030	12,240
Due from other funds	10,249	-	3,356	8
Due from other governments	550,177	-	-	381
Inventory	83,495	8,421	-	-
Prepaid items	549,956	20,013	21,519	600
Total current assets	<u>26,103,030</u>	<u>1,314,974</u>	<u>4,185,817</u>	<u>2,869,058</u>
Noncurrent assets:				
Special assessments receivable	2,945,324	-	1,458	557
Capital assets:				
Land	2,074,063	1,158,324	1,000	47,551
Buildings	43,760,384	15,576,516	-	1,667,293
Improvements other than buildings	1,673,393	2,334,255	4,394,375	468,484
Machinery and equipment	17,252,656	1,482,124	226,693	239,285
Infrastructure	122,516,476	36,577	21,720,155	-
Construction in progress	271,586	-	1,265,064	-
Total capital assets	<u>187,548,558</u>	<u>20,587,796</u>	<u>27,607,287</u>	<u>2,422,613</u>
Less accumulated depreciation	<u>(79,964,859)</u>	<u>(8,889,354)</u>	<u>(3,753,357)</u>	<u>(950,515)</u>
Net capital assets	<u>107,583,699</u>	<u>11,698,442</u>	<u>23,853,930</u>	<u>1,472,098</u>
Total noncurrent assets	<u>110,529,023</u>	<u>11,698,442</u>	<u>23,855,388</u>	<u>1,472,655</u>
Total assets	<u>136,632,053</u>	<u>13,013,416</u>	<u>28,041,205</u>	<u>4,341,713</u>
Deferred outflows of resources:				
OPEB deferments	-	-	-	-
Pension plan deferments - PERA	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 136,632,053</u>	<u>\$ 13,013,416</u>	<u>\$ 28,041,205</u>	<u>\$ 4,341,713</u>

(Continued...)

				Governmental Activities - Internal Service Funds	
Totals		Totals			
2019	2018	2019	2018		
\$ 27,698,549	\$ 26,659,970	\$ 38,590,876	\$ 35,958,946		
4,495,632	5,012,256	-	8,138		
893,782	1,026,493	-	-		
136,741	140,134	188,929	188,590		
13,613	11,346	-	-		
550,558	16,045	16,054	10,472		
91,916	69,916	124,778	113,141		
592,088	596,895	734,208	460,269		
<u>34,472,879</u>	<u>33,533,055</u>	<u>39,654,845</u>	<u>36,739,556</u>		
2,947,339	3,285,538	-	-		
3,280,938	3,280,938	33,520	33,520		
61,004,193	55,546,628	9,455,440	1,163,233		
8,870,507	7,724,928	3,133,543	1,202,168		
19,200,758	15,530,261	27,018,600	25,538,629		
144,273,208	136,154,321	172,787	172,787		
1,536,650	10,274,967	297,540	458,498		
<u>238,166,254</u>	<u>228,512,043</u>	<u>40,111,430</u>	<u>28,568,835</u>		
<u>(93,558,085)</u>	<u>(89,922,549)</u>	<u>(14,717,568)</u>	<u>(14,061,015)</u>		
<u>144,608,169</u>	<u>138,589,494</u>	<u>25,393,862</u>	<u>14,507,820</u>		
<u>147,555,508</u>	<u>141,875,032</u>	<u>25,393,862</u>	<u>14,507,820</u>		
<u>182,028,387</u>	<u>175,408,087</u>	<u>65,048,707</u>	<u>51,247,376</u>		
-	-	129,189	120,318		
-	-	9,794,681	13,839,702		
-	-	9,923,870	13,960,020		
<u>\$ 182,028,387</u>	<u>\$ 175,408,087</u>	<u>\$ 74,972,577</u>	<u>\$ 65,207,396</u>		

CITY OF PLYMOUTH, MINNESOTA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2019
(with comparative totals for December 31, 2018)

(Continued from previous page)

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
<u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>				
Current liabilities:				
Accounts payable	\$ 350,908	\$ 67,342	\$ 67,248	\$ 121,319
Contracts payable	762,238	-	140,746	-
Accrued salaries and benefits payable	101,388	36,806	34,473	9,212
Compensated absences payable	-	-	-	-
Deposits payable	-	-	22,900	-
Due to other funds	491	3,617	-	-
Due to other governments	208,066	6,942	176	678
Unearned revenue	32,768	693,743	-	233,743
Accrued interest payable	-	-	-	-
Advances from other funds	-	156,901	-	-
Revenue bonds payable	-	-	-	-
Capital lease payable	-	-	-	-
Total current liabilities	<u>1,455,859</u>	<u>965,351</u>	<u>265,543</u>	<u>364,952</u>
Noncurrent liabilities:				
Capital lease payable	-	-	-	-
Total OPEB liability	-	-	-	-
Net pension liability	-	-	-	-
Compensated absences payable	-	-	-	-
Advances from other funds	-	439,787	-	-
Revenue bonds payable (net of unamortized premiums/discounts)	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>439,787</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,455,859</u>	<u>1,405,138</u>	<u>265,543</u>	<u>364,952</u>
Deferred inflows of resources:				
OPEB plan deferments	-	-	-	-
Pension plan deferments - PERA	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u>				
Net investment in capital assets	107,583,699	11,698,442	23,853,930	1,472,098
Restricted for:				
Utility trunk	17,901,382	-	-	-
Water resources	-	-	3,921,732	-
Unrestricted	9,691,113	(90,164)	-	2,504,663
Total net position	<u>135,176,194</u>	<u>11,608,278</u>	<u>27,775,662</u>	<u>3,976,761</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 136,632,053</u>	<u>\$ 13,013,416</u>	<u>\$ 28,041,205</u>	<u>\$ 4,341,713</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			
2019	2018	2019	2018		
\$ 606,817	\$ 820,637	\$ 527,535	\$ 765,411		
902,984	453,128	361,527	-		
181,879	146,864	73,420	57,489		
-	-	2,072,259	2,045,895		
22,900	-	-	-		
4,108	3,511	2,225	2,017		
215,862	237,820	209	160		
960,254	1,155,169	-	-		
-	12,563	-	-		
156,901	285,354	-	-		
-	1,005,000	-	-		
-	-	73,930	-		
<u>3,051,705</u>	<u>4,120,046</u>	<u>3,111,105</u>	<u>2,870,972</u>		
-	-	221,791	-		
-	-	2,791,575	3,119,544		
-	-	19,643,540	19,250,764		
-	-	870,286	742,810		
439,787	596,688	-	-		
-	188,240	-	-		
<u>439,787</u>	<u>784,928</u>	<u>23,527,192</u>	<u>23,113,118</u>		
<u>3,491,492</u>	<u>4,904,974</u>	<u>26,638,297</u>	<u>25,984,090</u>		
-	-	407,530	-		
-	-	13,848,517	18,130,623		
-	-	14,256,047	18,130,623		
144,608,169	137,396,254	25,098,141	14,507,820		
17,901,382	17,312,271	-	-		
3,921,732	3,171,155	-	-		
12,105,612	12,623,433	8,980,092	6,584,863		
<u>178,536,895</u>	<u>170,503,113</u>	<u>34,078,233</u>	<u>21,092,683</u>		
<u>\$ 182,028,387</u>	<u>\$ 175,408,087</u>	<u>\$ 74,972,577</u>	<u>\$ 65,207,396</u>		
\$ 178,536,895	\$ 170,503,113				
(2,184,153)	(2,220,440)				
<u>\$ 176,352,742</u>	<u>\$ 168,282,673</u>				

CITY OF PLYMOUTH, MINNESOTA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
OPERATING REVENUES:				
Charges for services	\$ 17,718,345	\$ 1,762,922	\$ 3,767,349	\$ 1,224,990
Other fees	-	-	11,524	24,723
Total operating revenue	<u>17,718,345</u>	<u>1,762,922</u>	<u>3,778,873</u>	<u>1,249,713</u>
OPERATING EXPENSES:				
Personal services	2,023,849	637,632	714,744	205,993
Materials and supplies	635,470	97,467	85,300	35,620
Insurance claims	-	-	-	-
Contractual services	10,211,691	717,674	1,062,425	1,228,671
Depreciation	4,897,436	613,608	690,864	138,791
Total operating expenses	<u>17,768,446</u>	<u>2,066,381</u>	<u>2,553,333</u>	<u>1,609,075</u>
OPERATING INCOME (LOSS)	<u>(50,101)</u>	<u>(303,459)</u>	<u>1,225,540</u>	<u>(359,362)</u>
NONOPERATING REVENUES (EXPENSES):				
Investment earnings	990,834	33,685	95,416	100,492
Intergovernmental	575,827	-	32,639	166,446
Gain (loss) on disposal of capital assets	(141,909)	29,007	-	(1,308)
Contributions	-	-	-	-
Contributions to governmental activities	-	-	-	-
Other	195,599	37,521	310,258	(4,790)
Interest expense	-	(13,231)	-	-
Total nonoperating revenues (expenses)	<u>1,620,351</u>	<u>86,982</u>	<u>438,313</u>	<u>260,840</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>1,570,250</u>	<u>(216,477)</u>	<u>1,663,853</u>	<u>(98,522)</u>
CAPITAL CONTRIBUTIONS	4,430,640	2,172,717	1,832,259	883,978
TRANSFERS IN	27,213	-	411,636	-
TRANSFERS OUT	<u>(4,163,133)</u>	<u>(172,171)</u>	<u>(216,225)</u>	<u>(92,236)</u>
CHANGES IN NET POSITION	1,864,970	1,784,069	3,691,523	693,220
NET POSITION AT BEGINNING OF YEAR	<u>133,311,224</u>	<u>9,824,209</u>	<u>24,084,139</u>	<u>3,283,541</u>
NET POSITION AT END OF YEAR	<u>\$ 135,176,194</u>	<u>\$ 11,608,278</u>	<u>\$ 27,775,662</u>	<u>\$ 3,976,761</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			
2019	2018			2019	2018		
\$ 24,473,606	\$ 24,113,384	\$		\$ 12,938,792	\$ 12,682,363		
36,247	95,352			108,245	126,837		
<u>24,509,853</u>	<u>24,208,736</u>			<u>13,047,037</u>	<u>12,809,200</u>		
3,582,218	3,565,843			5,746,219	4,911,771		
853,857	1,003,579			1,125,989	1,092,307		
-	-			353,466	260,017		
13,220,461	12,778,839			2,846,115	2,960,576		
6,340,699	5,043,479			2,490,565	1,879,701		
<u>23,997,235</u>	<u>22,391,740</u>			<u>12,562,354</u>	<u>11,104,372</u>		
512,618	1,816,996			484,683	1,704,828		
1,220,427	655,024			1,453,640	634,523		
774,912	773,228			40,848	16,029		
(114,210)	3,080			95,358	121,826		
-	34,652			137,873	236,747		
-	-			(51,588)	(33,217)		
538,588	35,406			36,917	37,460		
(13,231)	(19,096)			-	-		
<u>2,406,486</u>	<u>1,482,294</u>			<u>1,713,048</u>	<u>1,013,368</u>		
2,919,104	3,299,290			2,197,731	2,718,196		
9,319,594	8,119,895			10,512,326	988,025		
438,849	761,578			506,896	495,189		
(4,643,765)	(5,363,259)			(231,403)	(985,239)		
8,033,782	6,817,504			12,985,550	3,216,171		
<u>170,503,113</u>	<u>163,685,609</u>			<u>21,092,683</u>	<u>17,876,512</u>		
<u>\$ 178,536,895</u>	<u>\$ 170,503,113</u>	<u>\$</u>		<u>\$ 34,078,233</u>	<u>\$ 21,092,683</u>		
\$ 8,033,782	\$ 6,817,504						
36,287	170,817						
<u>\$ 8,070,069</u>	<u>\$ 6,988,321</u>						

CITY OF PLYMOUTH, MINNESOTA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from external customers or users	\$ 17,309,370	\$ 1,826,267	\$ 3,766,400	\$ 1,311,236
Receipts from internal customers or users	120,845	-	26,229	38
Payments to suppliers	(11,064,195)	(819,552)	(1,202,443)	(1,240,503)
Payments to employees	(2,007,890)	(628,225)	(706,438)	(204,650)
Other operating revenue (expense)	7,359	37,521	310,258	(4,790)
Net cash flows from operating activities	<u>4,365,489</u>	<u>416,011</u>	<u>2,194,006</u>	<u>(138,669)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Intergovernmental revenues	575,827	-	32,639	166,446
Contributions	-	-	-	-
Transfers in from other funds	27,213	-	411,636	-
Transfers out to other funds	<u>(4,163,133)</u>	<u>(172,171)</u>	<u>(216,225)</u>	<u>(92,236)</u>
Net cash flows from noncapital financing activities	<u>(3,560,093)</u>	<u>(172,171)</u>	<u>228,050</u>	<u>74,210</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(2,761,666)	(174,841)	(2,020,590)	(11,995)
Capital lease proceeds received	-	-	-	-
Contributions	-	85,976	-	-
Special assessments for future construction	2,572,656	-	-	-
Proceeds from sale of capital assets	-	31,000	-	3,534
Principal paid on capital debt	(1,005,000)	-	-	-
Payment on advances from other funds	-	(285,354)	-	-
Interest paid on capital debt	<u>(12,563)</u>	<u>(13,231)</u>	<u>-</u>	<u>-</u>
Net cash flows from capital and related financing activities	<u>(1,206,573)</u>	<u>(356,450)</u>	<u>(2,020,590)</u>	<u>(8,461)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment earnings	<u>995,672</u>	<u>32,826</u>	<u>94,046</u>	<u>101,276</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	594,495	(79,784)	495,512	28,356
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>20,611,404</u>	<u>588,536</u>	<u>2,983,945</u>	<u>2,476,085</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 21,205,899</u></u>	<u><u>\$ 508,752</u></u>	<u><u>\$ 3,479,457</u></u>	<u><u>\$ 2,504,441</u></u>

(Continued...)

				Governmental Activities - Internal Service Funds			
Totals		Totals		Totals		Totals	
2019	2018	2019	2018	2019	2018	2019	2018
\$ 24,213,273	\$ 23,592,832	\$ 1,158,829	\$ 1,385,417				
147,112	161,115	11,888,091	11,430,927				
(14,326,693)	(14,107,290)	(4,848,765)	(4,503,109)				
(3,547,203)	(3,551,803)	(5,347,393)	(5,130,210)				
350,348	35,406	36,917	37,460				
<u>6,836,837</u>	<u>6,130,260</u>	<u>2,887,679</u>	<u>3,220,485</u>				
774,912	773,228	40,848	16,029				
-	34,652	137,873	236,747				
438,849	761,578	506,896	495,189				
<u>(4,643,765)</u>	<u>(5,363,259)</u>	<u>(231,403)</u>	<u>(985,239)</u>				
<u>(3,430,004)</u>	<u>(3,793,801)</u>	<u>454,214</u>	<u>(237,274)</u>				
(4,969,092)	(4,802,427)	(2,776,630)	(3,079,071)				
-	-	369,652	-				
85,976	85,976	73,812	-				
2,572,656	2,681,861	-	-				
34,534	3,080	243,833	131,344				
(1,005,000)	(990,000)	(73,931)	-				
(285,354)	(278,956)	-	-				
<u>(25,794)</u>	<u>(62,415)</u>	<u>-</u>	<u>-</u>				
<u>(3,592,074)</u>	<u>(3,362,881)</u>	<u>(2,163,264)</u>	<u>(2,947,727)</u>				
<u>1,223,820</u>	<u>623,773</u>	<u>1,453,301</u>	<u>587,944</u>				
1,038,579	(402,649)	2,631,930	623,428				
<u>26,659,970</u>	<u>27,062,619</u>	<u>35,958,946</u>	<u>35,335,518</u>				
<u>\$ 27,698,549</u>	<u>\$ 26,659,970</u>	<u>\$ 38,590,876</u>	<u>\$ 35,958,946</u>				

CITY OF PLYMOUTH, MINNESOTA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

(Continued from previous page)

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ (50,101)	\$ (303,459)	\$ 1,225,540	\$ (359,362)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	4,897,436	613,608	690,864	138,791
Other revenue (expense)	7,359	37,521	310,258	(4,790)
Changes in assets, deferred outflows, liabilities, and deferred inflows:				
Accounts receivable	213,685	258,383	(11,556)	56,112
Special assessments receivable	39,500	-	2,646	557
Due from other funds	(2,033)	-	(234)	-
Due from other governments	(539,969)	-	-	5,456
Inventory	(21,741)	(260)	-	-
Prepaid items	(1,304)	(1,855)	7,191	776
Deferred outflows for pension plan deferments	-	-	-	-
Deferred outflows for OPEB plan deferments	-	-	-	-
Accounts payable	(172,313)	(2,299)	(62,085)	22,875
Due to other funds	35	562	-	-
Due to other governments	(21,711)	(559)	176	137
Accrued salaries payable	15,959	9,407	8,306	1,343
Deposits payable	-	-	22,900	-
Total OPEB liability	-	-	-	-
Net pension liability	-	-	-	-
Compensated absences payable	-	-	-	-
Unearned revenue	687	(195,038)	-	(564)
Deferred inflows for pension plan deferments	-	-	-	-
Deferred inflows for OPEB plan deferments	-	-	-	-
Total adjustments	<u>4,415,590</u>	<u>719,470</u>	<u>968,466</u>	<u>220,693</u>
Net cash flows from operating activities	<u>\$ 4,365,489</u>	<u>\$ 416,011</u>	<u>\$ 2,194,006</u>	<u>\$ (138,669)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Contributions of capital assets from City funds	932,214	2,086,741	1,399,874	883,978
Contribution of capital asset from others	1,353,977	-	432,384	-
(Increase) decrease in special assessment contributions receivable	428,206	-	-	-
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	670,896	-	(221,038)	-

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

				Governmental Activities - Internal Service Funds			
Totals		Totals		Totals		Totals	
2019	2018	2019	2018	2019	2018	2019	2018
\$ 512,618	\$ 1,816,996	\$ 484,683	\$ 1,704,828				
6,340,699	5,043,479	2,490,565	1,879,701				
350,348	35,406	36,917	37,460				
516,624	(1,142,772)	8,139	(8,138)				
42,703	423	-	-				
(2,267)	(168)	-	-				
(534,513)	84,723	(5,582)	12,608				
(22,001)	(27,428)	(11,637)	690				
4,808	(551,376)	(273,939)	(105,934)				
-	-	4,045,021	3,941,981				
-	-	(8,871)	(20,246)				
(213,822)	318,502	(237,876)	(85,034)				
597	(304)	208	1,495				
(21,957)	(64,266)	49	(1,426)				
35,015	14,040	15,931	7,831				
22,900	-	-	-				
-	-	(327,969)	165,187				
-	-	392,776	(3,405,107)				
-	-	153,840	84,746				
(194,915)	603,005	-	-				
-	-	(4,282,106)	(990,157)				
-	-	407,530	-				
<u>6,324,219</u>	<u>4,313,264</u>	<u>2,402,996</u>	<u>1,515,657</u>				
<u>\$ 6,836,837</u>	<u>\$ 6,130,260</u>	<u>\$ 2,887,679</u>	<u>\$ 3,220,485</u>				

5,302,807	1,388,323	10,438,514	988,025
1,786,361	4,136,009	-	-
428,206	172,274	-	-
-	-	-	9,518
-	-	(51,588)	(33,217)
449,858	179,666	361,526	(29,876)

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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 (GAAP), 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 units. The component units discussed below are included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

Blended Component Units

The City created the Economic Development Authority (EDA) in 2016. The EDA did not have financial activity during the year.

Discretely Presented Component Units

The component unit columns in the government-wide statements include the financial data of the City's discretely presented 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.

The HRA does not publish separate financial statements. The financial statements are included in this report.

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 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*
 - *General Capital Projects Fund* – Used to account for construction costs related to the City’s buildings and park improvements.
 - *Improvement Projects Fund* – Used to account for expenditures incurred in the construction of certain public improvements such as residential streets, sidewalks, and storm sewers.
 - *Street Replacement Fund* – Used to account for accumulation of resources for major infrastructure repair and replacement. The major source of revenue is property taxes.

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.
- *Water Resources Fund* – Used to account for administering the City’s surface water plan, erosion control, wetland regulations and environmental programs.

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 of resources 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. 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 other long-term liabilities, 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 and deferred outflows/inflows, 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.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quotes prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

See Note 3 for the City's recurring fair value measurements as of year-end.

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.

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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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.

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. The notes receivable of the City and HRA have a balance of \$3,079,712. These notes have interest rates ranging from 1.0% to 6.0%.

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 \$2,003,532, interest on notes receivable of \$164,531 and special assessments receivable of \$2,984,002.

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 acquisition 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).

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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>
Buildings	5 - 50
Improvements other than buildings	10 - 25
Machinery and equipment	2 - 20
Infrastructure	15 - 100

Major outlays for capital assets and improvements are capitalized as projects are 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 and liabilities, the statement of financial position will sometimes report a separate section for deferred outflows or inflows of resources. These separate financial elements represent a consumption or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of resources (revenue) until then.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The City reports deferred outflows and inflows of resources related to pensions and other post-employment benefits (OPEB) in the government-wide and enterprise funds Statement of Net Position. These deferred outflows and inflows result from differences between expected and actual economic experience, changes in actuarial assumptions, differences between projected and actual investment earnings, changes in proportion, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

Unavailable revenue from property taxes, special assessments, and notes receivables arises under a modified accrual basis of accounting and is reported only in the governmental funds Balance Sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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. Pursuant to Council Resolution, 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. Statewide Pension Plans

For purposes of measuring the net pension liability/asset, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the applicable pension and additions to/deductions from the pension plan’s fiduciary net position have been determined on the same basis as they are reported by the plan except that the Public Employees Retirement Association’s (PERA) fiscal year-end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The PERA has a special funding situation created by a direct aid contribution made by the state of Minnesota. The direct aid is a result of the merger of the Minneapolis Employees Retirement Fund into the PERA on January 1, 2015.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

11. *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.

12. *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.

13. *Net Position*

Net position represent the difference between assets plus deferred outflows of resources and deferred inflows of resources 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. 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 assignments 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

Expenditures exceeded appropriations in the General Fund by \$234,890, the Recreation Special Revenue Fund by \$72,302, and the Community Development Block Grant Special Revenue Fund by \$65,517. These variances were financed with revenues in excess of budget and fund balance reserves.

C. DEFICIT FUND EQUITY

The following funds had a deficit fund equity as of December 31, 2019. The Improvement Projects fund deficit will be eliminated with recognition of contributions on joint projects. The Employee Benefits fund deficit will remain until which time the net pension liability is fully funded. 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 Equity</u>
Improvement Projects	(10,226,645)
Employee Benefits	(23,903,788)
Component Unit - Vicksburg Crossing	(609,020)

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

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	\$ 108,953	\$ 140,927	\$ 249,880
Investments	143,268,956	5,286,720	148,555,676
Cash on hand	8,959	-	8,959
Total	<u>\$ 143,386,868</u>	<u>\$ 5,427,647</u>	<u>\$ 148,814,515</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 \$108,953 while the balance on the bank records was \$110,635. The carrying amount of the component unit’s deposits was \$140,927 while the balance on the bank records was \$140,927. At December 31, 2019, 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, 2019

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 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	Fair Value Measurement	Interest Risk - Maturity in Years				Total
		Less than 1	1 to 5	6 to 10	11 to 15	
US Government Securities:						
US Treasury	Level 1	\$ 497,615	\$ -	\$ -	\$ -	\$ 497,615
US Small Business Administration	Level 1	-	481,942	-	-	481,942
GNMA Pass Through Pool	Level 1	-	-	830,864	-	830,864
US Agency Securities:						
Federal Agriculture						
Mortgage Corporation	Level 2	-	1,989,520	-	-	1,989,520
Federal Farm Credit Bank	Level 2	1,998,380	12,990,660	-	-	14,989,040
Federal Home Loan Bank	Level 2	1,997,830	8,199,822	3,834,173	-	14,031,825
Federal Home Loan						
Mortgage Corporation	Level 2	1,999,140	7,520,425	-	-	9,519,565
Federal National						
Mortgage Association	Level 2	1,999,600	6,103,068	2,490,708	-	10,593,376
FNMA Pass Through Pool	Level 2	-	158,182	12,212,937	1,541,241	13,912,360
Municipal Bonds	Level 2	7,022,160	29,435,360	15,150,904	-	51,608,424
Negotiable Certificate of Deposit	Level 2	-	1,518,460	-	-	1,518,460
Banker's Acceptance	Level 2	4,988,061	-	-	-	4,988,061
Commercial Paper	Level 2	23,594,624	-	-	-	23,594,624
Total investments		<u>\$ 43,599,795</u>	<u>\$ 68,397,439</u>	<u>\$ 34,519,586</u>	<u>\$ 1,541,241</u>	<u>148,555,676</u>
Deposits						249,880
Change funds						8,959
Cash and investments						<u>\$ 148,814,515</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, 2019, the City's investments in US agency securities were rated AA+ or better by Standard & Poor's and/or Aaa or better by Moody's Investors Service, municipal bonds were rated AA- or higher by Standard & Poor's and/or Aa1 or higher by Moody's Investor Service, bankers' acceptance was rated A-1+ by Standard & Poor's and P1 by Moody's Investor Service and the City's commercial paper investments were rated A-1+ by Standard & Poor's and P1 by Moody's Investors Service. Non-negotiable CD's and US government securities held by the City are not rated.

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 were 15.9%. At year end, the City's investments in five 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, Federal National Mortgage Association and FNMA Pass Through Pool. 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 29.7% of investments with a maturity date within one year, 46.1% with a maturity date between one and five years, 23.2% with a maturity date between six and ten years, and 1.0% with a maturity date between eleven and fifteen years.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Additions	Completed Construction	Disposals	Ending Balance
Primary government:					
Governmental activities					
Capital assets, not being depreciated					
Land	\$ 45,843,106	\$ -	\$ -	\$ -	\$ 45,843,106
Construction in progress	26,452,081	13,946,964	(30,299,112)	-	10,099,933
Total capital assets, not being depreciated	<u>72,295,187</u>	<u>13,946,964</u>	<u>(30,299,112)</u>	<u>-</u>	<u>55,943,039</u>
Capital assets, being depreciated					
Buildings	41,251,164	155,596	8,203,955	-	49,610,715
Improvements other than buildings	28,912,533	40,924	3,039,694	(38,451)	31,954,700
Machinery and equipment	42,596,110	2,294,276	3,023,839	(2,137,970)	45,776,255
Infrastructure	321,227,093	1,332,400	10,728,817	-	333,288,310
Total capital assets, being depreciated	<u>433,986,900</u>	<u>3,823,196</u>	<u>24,996,305</u>	<u>(2,176,421)</u>	<u>460,629,980</u>
(Less) Accumulated depreciation for:					
Buildings	(19,787,055)	(1,245,617)	-	-	(21,032,672)
Improvements other than buildings	(15,560,826)	(1,130,511)	-	38,451	(16,652,886)
Machinery and equipment	(22,998,503)	(2,924,055)	-	1,983,333	(23,939,225)
Infrastructure	(203,945,852)	(9,611,926)	-	-	(213,557,778)
Total accumulated depreciation	<u>(262,292,236)</u>	<u>(14,912,109)</u>	<u>-</u>	<u>2,021,784</u>	<u>(275,182,561)</u>
Total capital assets, being depreciated, net	<u>171,694,664</u>	<u>(11,088,913)</u>	<u>24,996,305</u>	<u>(154,637)</u>	<u>185,447,419</u>
Governmental activities capital assets, net	<u>\$ 243,989,851</u>	<u>\$ 2,858,051</u>	<u>\$ (5,302,807)</u>	<u>\$ (154,637)</u>	<u>\$ 241,390,458</u>
Business-type activities:					
Capital assets, not being depreciated					
Land	\$ 3,280,938	\$ -	\$ -	\$ -	\$ 3,280,938
Construction in progress	10,274,967	5,232,113	(13,970,430)	-	1,536,650
Total capital assets, not being depreciated	<u>13,555,905</u>	<u>5,232,113</u>	<u>(13,970,430)</u>	<u>-</u>	<u>4,817,588</u>
Capital assets, being depreciated					
Buildings	55,546,628	-	5,829,701	(372,136)	61,004,193
Improvements other than buildings	7,724,928	15,229	1,130,350	-	8,870,507
Machinery and equipment	15,530,261	186,837	5,965,431	(2,481,771)	19,200,758
Infrastructure	136,154,321	1,771,132	6,347,755	-	144,273,208
Total capital assets, being depreciated	<u>214,956,138</u>	<u>1,973,198</u>	<u>19,273,237</u>	<u>(2,853,907)</u>	<u>233,348,666</u>
(Less) Accumulated depreciation for:					
Buildings	(28,907,753)	(1,686,446)	-	372,136	(30,222,063)
Improvements other than buildings	(2,647,634)	(256,963)	-	-	(2,904,597)
Machinery and equipment	(12,913,370)	(1,356,856)	-	2,333,027	(11,937,199)
Infrastructure	(45,453,792)	(3,040,434)	-	-	(48,494,226)
Total accumulated depreciation	<u>(89,922,549)</u>	<u>(6,340,699)</u>	<u>-</u>	<u>2,705,163</u>	<u>(93,558,085)</u>
Total capital assets, being depreciated, net	<u>125,033,589</u>	<u>(4,367,501)</u>	<u>19,273,237</u>	<u>(148,744)</u>	<u>139,790,581</u>
Business-type activities capital assets, net	<u>\$ 138,589,494</u>	<u>\$ 864,612</u>	<u>\$ 5,302,807</u>	<u>\$ (148,744)</u>	<u>\$ 144,608,169</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 4: CAPITAL ASSETS – CONTINUED

	Beginning Balance	Additions	Completed Construction	Disposals	Ending Balance
<u>Component unit:</u>					
Governmental activities:					
Capital assets, being depreciated					
Buildings	\$ 175,169	\$ -	\$ -	\$ -	\$ 175,169
(Less) Accumulated depreciation for:					
Buildings	(47,685)	(5,839)	-	-	(53,524)
Governmental activities capital assets, net	<u>\$ 127,484</u>	<u>\$ (5,839)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 121,645</u>
Business-type activities:					
Capital assets, not being depreciated					
Land	\$ 1,333,840	\$ -	\$ -	\$ -	\$ 1,333,840
Construction in progress	-	-	-	-	-
Total capital assets, not being depreciated	<u>1,333,840</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,333,840</u>
Capital assets, being depreciated					
Buildings	15,870,280	44,903	-	-	15,915,183
Improvements other than buildings	421,213	35,794	-	-	457,007
Machinery and equipment	842,689	50,855	-	(19,500)	874,044
Total capital assets, being depreciated	<u>17,134,182</u>	<u>131,552</u>	<u>-</u>	<u>(19,500)</u>	<u>17,246,234</u>
(Less) Accumulated depreciation for:					
Buildings	(7,660,828)	(460,680)	-	-	(8,121,508)
Improvements other than buildings	(234,336)	(19,972)	-	-	(254,308)
Machinery and equipment	(649,999)	(21,078)	-	11,102	(659,975)
Total accumulated depreciation	<u>(8,545,163)</u>	<u>(501,730)</u>	<u>-</u>	<u>11,102</u>	<u>(9,035,791)</u>
Total capital assets, being depreciated, net	<u>8,589,019</u>	<u>(370,178)</u>	<u>-</u>	<u>(8,398)</u>	<u>8,210,443</u>
Business-type activities capital assets, net	<u>\$ 9,922,859</u>	<u>\$ (370,178)</u>	<u>\$ -</u>	<u>\$ (8,398)</u>	<u>\$ 9,544,283</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 4: CAPITAL ASSETS – CONTINUED

<u>Primary government:</u>	<u>Amount</u>
Depreciation expense was charged to governmental functions as follows:	
General Government	\$ 217,393
Parks and Recreation	1,640,383
Public Safety	439,273
Public Works	9,967,138
Public Service	157,357
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>2,490,565</u>
Total depreciation expense - governmental activities	<u>\$ 14,912,109</u>
Depreciation expense was charged to business-type functions as follows:	
Water Sewer Utility	\$ 4,897,436
Ice Center	613,608
Water Resources	690,864
Solid Waste Management	5,683
Field House	<u>133,108</u>
Total depreciation expense - business-type activities	<u>\$ 6,340,699</u>
<u>Component unit:</u>	
Depreciation expense was charged to governmental functions as follows:	
Public Service	<u>\$ 5,839</u>
Depreciation expense was charged to business-type functions as follows:	
Plymouth Towne Square	\$ 193,958
Vicksburg Crossing	<u>307,772</u>
Total depreciation expense - component unit activities	<u>\$ 501,730</u>

Construction commitments

The City has active construction projects at year end. The projects include street improvements, construction of City capital assets, water and sewer facilities, and park and recreation facilities. At year end the commitments are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
<u>Primary Government</u>		
Park improvement	\$ 2,156,767	\$ -
Residential streets	3,413,129	-
Information Technology	16,446	-
Water resources management	-	198,795
Water and sewer utility	-	<u>20,792</u>
Total	<u>\$ 5,586,342</u>	<u>\$ 219,587</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.

C. CAPITAL LEASES

The City has two capital leases outstanding at year-end for information technology equipment. The leases have a 5-year term, bear no interest and have a final maturity in 2023. The capital leases will be repaid by the Information Technology Fund. The gross amount of capital assets and accumulated depreciation recorded related to the capital leases was \$210,952 and \$27,589, respectively. Net book value of \$183,363 is recorded as part of machinery and equipment.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 5: LONG-TERM DEBT – CONTINUED

D. OBLIGATIONS OUTSTANDING

Long-term obligations outstanding at December 31, 2019 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:							
Open Space Bonds - 2010A	2.00-3.25	2/01 8/01	8/24/10	2/1/26	\$ 2,990,000	\$ 1,420,000	\$ 1,570,000
GO Refunding Bonds - 2012A	2.00-3.00	2/01 8/01	4/5/12	2/1/25	4,815,000	1,850,000	2,965,000
Open Space Bonds - 2015A	2.00-3.00	2/01 8/01	3/4/15	2/1/27	3,295,000	625,000	2,670,000
Total general obligation					<u>11,100,000</u>	<u>3,895,000</u>	<u>7,205,000</u>
GENERAL OBLIGATION BONDS - TAX INCREMENT:							
Tax Increment Refunding Bonds - 2009A	3.00-3.50	2/01 8/01	11/24/09	2/1/23	2,490,000	1,425,000	1,065,000
Total governmental activities					<u>13,590,000</u>	<u>5,320,000</u>	<u>8,270,000</u>
Business-type activities:							
GO Refunding Bonds - 2012A	2.00-3.00	2/01 8/01	4/5/12	2/1/19	4,955,000	4,955,000	-
Total primary government bonds payable					<u>\$ 18,545,000</u>	<u>\$ 10,275,000</u>	<u>\$ 8,270,000</u>
Governmental activities:							
CAPITAL LEASE:							
Vantage Financial Lease		07/01	7/1/19	6/30/24	\$ 173,394	\$ 34,679	\$ 138,715
Cisco Lease		05/01	5/1/19	4/30/24	196,258	39,252	157,006
Total primary government capital leases payable					<u>\$ 369,652</u>	<u>\$ 73,931</u>	<u>\$ 295,721</u>
<u>Component unit</u>							
Business-type activities:							
Governmental Housing Project Refunding Bonds - 2011A	3.00-3.25	04/01 10/01	2/23/11	10/1/23	\$ 3,165,000	\$ 1,880,000	\$ 1,285,000
Governmental Housing Project Refunding Bonds - 2012A	2.00-3.25	02/01 08/01	4/5/12	2/1/35	9,890,000	1,430,000	8,460,000
Total component unit bonds payable					<u>\$ 13,055,000</u>	<u>\$ 3,310,000</u>	<u>\$ 9,745,000</u>

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

Year Ending December 31	Primary Government Governmental Activities Bonds Payable		Primary Government Governmental Activities Capital Leases Payable		Component Unit Business-type Activities Bonds Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 1,085,000	\$ 221,394	\$ 73,930	\$ -	\$ 745,000	\$ 258,588
2021	1,140,000	187,731	73,930	-	770,000	240,538
2022	1,180,000	151,594	73,930	-	785,000	221,838
2023	1,230,000	114,019	73,931	-	805,000	202,788
2024	965,000	81,431	-	-	480,000	181,800
2025-2029	2,670,000	85,403	-	-	2,570,000	721,856
2030-2034	-	-	-	-	2,945,000	337,275
2035	-	-	-	-	645,000	10,481
	<u>\$ 8,270,000</u>	<u>\$ 841,572</u>	<u>\$ 295,721</u>	<u>\$ -</u>	<u>\$ 9,745,000</u>	<u>\$ 2,175,163</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 5: LONG-TERM DEBT – CONTINUED

E. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2019 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	\$ 8,035,000	\$ -	\$ 830,000	\$ 7,205,000	\$ 850,000
General obligation bonds - tax increment	1,285,000	-	220,000	1,065,000	235,000
Deferred amounts:					
Issuance premiums (discounts)	275,035	-	41,869	233,166	-
Total bonds payable	9,595,035	-	1,091,869	8,503,166	1,085,000
Capital leases payable	-	369,652	73,931	295,721	73,930
Total OPEB liability	3,119,544	258,099	586,068	2,791,575	-
Net pension liability	19,250,764	3,455,396	3,062,620	19,643,540	-
Compensated absences	2,788,705	2,165,742	2,011,902	2,942,545	2,072,259
Governmental activity					
Long-term liabilities	34,754,048	6,248,889	6,826,390	34,176,547	3,231,189
Business-type activities:					
Bonds payable:					
General obligation bonds - refunding	1,005,000	-	1,005,000	-	-
Deferred amounts:					
Issuance premiums (discounts)	188,240	-	188,240	-	-
Business-type activity					
Long-term liabilities	1,193,240	-	1,193,240	-	-
Primary government					
Long-term liabilities	\$ 35,947,288	\$ 6,248,889	\$ 8,019,630	\$ 34,176,547	\$ 3,231,189
<u>Component unit:</u>					
Business-type activities:					
General obligation bonds - refunding	\$ 10,475,000	\$ -	\$ 730,000	\$ 9,745,000	\$ 745,000
Deferred amounts:					
Issuance premiums (discounts)	10,073	-	5,079	4,994	-
Total bonds payable	10,485,073	-	735,079	9,749,994	745,000
Compensated absences	6,289	7,405	9,839	3,855	3,855
Component unit					
Long-term liabilities	\$ 10,491,362	\$ 7,405	\$ 744,918	\$ 9,753,849	\$ 748,855

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, capital leases, compensated absences, total OPEB and net pension liability, which are reported in the internal service funds, are included in the above amounts. Also, for the governmental activities, capital leases, compensated absences, total OPEB and net pension liability are generally liquidated by the general fund.

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

There are a number of financial limitations and restrictions contained in the various bond indentures. At December 31, 2019, the City is in compliance with all significant financial limitations and restrictions and has no federal arbitrage payable.

**CITY OF PLYMOUTH, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 Year Ended December 31, 2019**

Note 5: LONG-TERM DEBT – CONTINUED

F. PLEDGED REVENUE

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

Bond Issue	Use of Proceeds	Revenue Pledged			Remaining Principal and Interest	Current Year	
		Type	Percent of Total Debt Service	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
Tax Increment Refunding Bonds - 2009A	Site Improvements within Housing District	Tax Increment	100%	2010-until debt obligations are paid in full	\$ 1,142,962	\$ 261,125	\$ 201,012
Governmental Housing Refunding Bonds - 2011A	Governmental Housing Project	Rental Revenue	100%	2011-2023	\$ 1,386,150	\$ 343,238	\$ 191,953
Governmental Housing Refunding Bonds - 2012A	Senior Housing Project	Rental Revenue	100%	2015-2035	\$ 10,534,013	\$ 662,950	\$ 703,767

Note 6: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2019, is as follows:

Due from other funds and due to other funds are short-term receivables/payables within the financial statements and are due to short-term cash deficits and utility charges.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 10,360
Street Replacement	Improvement Projects	8,936,690
Water Sewer Utility	General	5,028
Water Sewer Utility	Transit System	1,127
Water Sewer Utility	Ice Center	2,544
Water Sewer Utility	Internal Service Funds	1,550
Water Resources	General	1,117
Water Resources	Water Sewer Utility	491
Water Resources	Ice Center	1,073
Water Resources	Internal Service Funds	675
Nonmajor Enterprise	General	8
		<u>\$ 8,960,663</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 6: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS – CONTINUED

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 4.0%.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Capital Projects	Nonmajor Governmental	\$ 398,014
Nonmajor Governmental	Nonmajor Governmental	233,793
Nonmajor Governmental	Ice Center	596,688
		<u>\$ 1,228,495</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:	Transfer In:				
	General	General Capital Projects	Improvement Projects	Street Replacement	Nonmajor Governmental Funds
General	\$ -	\$ 884,091	\$ -	\$ -	\$ -
General Capital Projects	-	-	-	-	4,632
Improvement Projects	104,571	-	-	59,183	3,306
Street Replacement	-	-	5,195,518	-	-
Nonmajor Governmental Funds	59,427	2,441,699	2,142,133	-	66,340
Water Sewer Utility	-	-	3,751,497	-	-
Ice Center	-	172,171	-	-	-
Water Resources	-	-	216,225	-	-
Nonmajor Enterprise Funds	-	92,236	-	-	-
Internal Service Funds	32,426	85,444	-	-	-
Total	<u>\$ 196,424</u>	<u>\$ 3,675,641</u>	<u>\$ 11,305,373</u>	<u>\$ 59,183</u>	<u>\$ 74,278</u>

Transfer Out:	Transfer In:			
	Water Sewer Utility	Water Resources	Internal Service Funds	Total
General	\$ -	\$ -	\$ 235,107	\$ 1,119,198
General Capital Projects	-	-	117,835	122,467
Improvement Projects	27,213	-	40,421	234,694
Street Replacement	-	-	-	5,195,518
Nonmajor Governmental Funds	-	-	-	4,709,599
Water Sewer Utility	-	411,636	-	4,163,133
Ice Center	-	-	-	172,171
Water Resources	-	-	-	216,225
Nonmajor Enterprise Funds	-	-	-	92,236
Internal Service Funds	-	-	113,533	231,403
Total Transfers	<u>\$ 27,213</u>	<u>\$ 411,636</u>	<u>\$ 506,896</u>	<u>\$ 16,256,644</u>

Note 7: CONTINGENCIES AND COMMITMENTS

Federal and State Funding

Amounts recorded or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of claims which may be disallowed by the grantor agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

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, 2019, there were 12 series of Industrial Revenue, Housing Revenue, and Health Revenue Bonds outstanding with an aggregate principal amount payable of approximately \$37.7 million.

Encumbrances

The encumbrances summarized below have been reported as assigned fund balance within the General Fund as of December 31, 2019. The purchase orders remain open for future services related to active construction projects.

	<u>General</u>
Repair and maintenance (PO)	\$ 121,973
Supplies and services (PO)	11,033
Total	<u>\$ 133,006</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 8: TAX ABATEMENT AGREEMENTS

The City, in order to spur economic development and redevelopment will enter into private development and redevelopment agreements to encourage a developer to construct, expand, or improve new or existing properties and buildings or clean-up and redevelop blighted areas. These agreements may in substance be a tax abatement but will depend on their individual circumstances.

The City is authorized to create a tax increment financing plan under Minnesota Statute, Chapter 469.175. The criteria that must be met under the statute are that, in the opinion of the municipality:

- The proposed development or redevelopment would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future;
- The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the district permitted by the plan. The requirements of this item do not apply if the district is a housing district;
- The tax increment financing plan conforms to the general plan for the development or redevelopment of the municipality as a whole; and
- The tax increment financing plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the development or redevelopment of the project by private enterprise.

The City has development agreements with private developers for properties within the City's Tax Increment Districts. As part of the agreements, the City has agreed to reimburse the developers for certain costs through pay-as-you-go tax increment notes. The notes provide for the payment of principal equal to the developers' costs, plus interest at rates ranging from 5.0% to 8.5%. Payments of the notes will be made at the lesser of the scheduled note payments or the accrual net tax increment received during the period specified in the agreement. Each note will be cancelled at the end of the agreement term, whether it has been fully repaid or not. The accumulated outstanding principal balance of these notes as of December 31, 2019 is \$3,098,684. These notes are not included in the City's long-term debt, because repayment is required only to the extent sufficient tax increments are received. The City's position is that this is an obligation to assign future and uncertain revenue sources and, as such, is not actual debt in substance.

The City currently has three agreements that would be considered a tax abatement under GASB Statement No. 77. For these agreements, the City used an economic development vehicle known as tax increment financing whereby tax increment revenue is generated on the incremental increase in value above a base value established on the date that the tax increment district is created.

The three agreements were to assist the developer with the financing of certain costs of a project constructed within the Development District and are as follows:

- In 2006, the City entered into a development agreement with Common Bond. The City will abate 95 percent of the incremental taxes received through execution of a tax increment revenue note to be retired in 2034. The outstanding principal balance as of December 31, 2019 was \$51,901 and the City rebated \$15,221 in the current year.
- In 2012, the City entered into a development agreement with KTJ 198, LLC. The City will abate 90 percent of the incremental taxes received through execution of a tax increment revenue note to be retired in 2034. The outstanding principal balance as of December 31, 2019 was \$863,491 and the City rebated \$140,466 in the current year.
- In 2015, the City entered into a development agreement with 169/55, LLC. The City will abate 90 percent of the incremental taxes received through execution of a tax increment revenue note to be retired in 2040. The outstanding principal balance as of December 31, 2019 was \$2,183,292 and the City rebated \$205,924 in the current year.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 9: 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. Coverage limits decreased based on a thorough review of covered property. 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>2018</u>	<u>2019</u>
Liability at beginning of year	\$ 252,529	\$ 289,252
Incurred claims and changes in estimates	213,749	141,043
Claims paid	<u>(177,026)</u>	<u>(171,102)</u>
Liability at end of year	<u>\$ 289,252</u>	<u>\$ 259,193</u>

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

	<u>2018</u>	<u>2019</u>
Liability at beginning of year	\$ 56,617	\$ 54,058
Incurred claims and changes in estimates	229,971	256,800
Claims paid	<u>(223,429)</u>	<u>(240,927)</u>
Liability at end of year	<u>\$ 54,058</u>	<u>\$ 69,931</u>

Note 10: RETIREMENT PLANS

DEFINED BENEFIT PENSION PLANS – STATEWIDE

A. Plan Description

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the PERA. PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

1. General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the City are covered by the General Employees Retirement Fund (GERF). GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

2. Public Employees Police and Fire Fund (PEPFF)

The Public Employees Police and Fire Fund (PEPFF), originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the PEPFF also covers police officers and firefighters belonging to local relief associations that elected to merge with and transfer assets and administration to the PERA.

B. Benefits Provided

The PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the State Legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

1. GERF Benefits

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 the PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent of average salary for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent of average salary for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Annuities, disability benefits, and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the postretirement increase will be equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

2. PEPFF Benefits

Benefits for PEPFF members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50 percent after five years up to 100 percent after 10 years of credited service. Benefits for PEPFF members first hired after June 30, 2014, vest on a prorated basis from 50 percent after 10 years up to 100 percent after 20 years of credited service. The annuity accrual rate is 3 percent of average salary for each year of service. A full, unreduced pension is earned when members are age 55 and vested, or for members who were first hired prior to July 1, 1989, when age plus years of service equal at least 90.

Note 10: RETIREMENT PLANS – CONTINUED

Annuities, disability benefits, and survivor benefits are increased effective every January 1. Beginning January 1, 2019, the postretirement increase will be fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

C. Contributions

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

1. GERF Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in calendar year 2019. The City was required to contribute 7.50 percent for Coordinated Plan members in calendar year 2019. The City’s contributions to the GERF for the year ended December 31, 2019 were \$1,051,185. The City’s contributions were equal to the required contributions as set by state statute.

2. PEPFF Contributions

Police and fire member’s contribution rates increased from 10.80 percent of pay to 11.30 percent and employer rates increased from 16.20 percent to 16.95 percent on January 1, 2019. The City’s contributions to the PEPFF for the year ended December 31, 2019 were \$1,560,526. The City’s contributions were equal to the required contributions as set by state statute.

D. Pension Costs

1. GERF Pension Costs

At December 31, 2019, the City reported a liability of \$10,742,410 for its proportionate share of the GERF’s net pension liability. The City’s net pension liability reflected a reduction due to the State of Minnesota’s contribution of \$16 million to the fund in 2019. The State of Minnesota is considered a non-employer contributing entity and the state’s contribution meets the definition of a special funding situation. The State of Minnesota’s proportionate share of the net pension liability associated with the City totaled \$333,819. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportionate share of the net pension liability was based on the City’s contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2018 through June 30, 2019, relative to the total employer contributions received from all of the PERA’s participating employers. The City’s proportionate share was 0.1943 percent at the end of the measurement period and 0.1953 percent for the beginning of the period.

The amount recognized by the City as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the City were as follows:

City’s proportionate share of net pension liability	\$ 10,742,410
State’s proportionate share of the net pension liability associated with the City	\$ 333,819

For the year ended December 31, 2019, the City recognized pension expense of \$1,345,881 for its proportionate share of the GERF’s pension expense. In addition, the City recognized an additional \$25,000 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota’s contribution of \$16 million to the GERF.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 10: RETIREMENT PLANS – CONTINUED

At December 31, 2019, the City reported its proportionate share of the GERS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 300,770	\$ –
Changes in actuarial assumptions	–	854,844
Differences between projected and actual investment earnings	–	1,108,315
Changes in proportion	36,536	146,940
Contributions paid to the PERA subsequent to the measurement date	<u>531,268</u>	<u>–</u>
Total	<u>\$ 868,574</u>	<u>\$ 2,110,099</u>

Deferred outflows of resources reported \$531,268 related to pensions resulting from city contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Pension Expense Amount</u>
2020	\$ (615,340)
2021	\$ (944,682)
2022	\$ (230,082)
2023	\$ 17,311

2. PEPFF Pension Costs

At December 31, 2019, the City reported a liability of \$8,901,130 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2018 through June 30, 2019, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was 0.8361 percent at the end of the measurement period and 0.7896 percent at the beginning of the period.

For the year ended December 31, 2019, the City recognized pension expense of \$1,535,562 for its proportionate share of the PEPFF's pension expense. The City also recognized \$112,873 for the year ended December 31, 2019, as revenue and an offsetting reduction of net pension liability for its proportionate share of the state of Minnesota's on-behalf contributions to the PEPFF. Legislation passed in 2013 required the state of Minnesota to begin contributing \$9.0 million to the PEPFF each year until the plan is 90 percent funded or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. In addition, the state will pay \$4.5 million on October 1, 2018 and October 1, 2019 in direct state aid. Thereafter, by October 1 each year, the state will pay \$9.0 million until full funding is reached or July 1, 2048, whichever is earlier.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 10: RETIREMENT PLANS – CONTINUED

At December 31, 2019, the City reported its proportionate share of the PEPFF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 353,096	\$ 1,144,689
Changes in actuarial assumptions	6,254,827	8,863,217
Differences between projected and actual investment earnings	–	1,730,512
Changes in proportion	1,526,030	–
Contributions paid to the PERA subsequent to the measurement date	792,154	–
	<u>8,926,107</u>	<u>11,738,418</u>
Total	<u>\$ 8,926,107</u>	<u>\$ 11,738,418</u>

Deferred outflows of resources reported \$792,154 related to pensions resulting from city contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Pension Expense Amount
2020	\$ (273,444)
2021	\$ (845,323)
2022	\$ (2,751,318)
2023	\$ 190,548
2024	\$ 75,072

E. Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.50% per year
Active member payroll growth	3.25% per year
Investment rate of return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabled members were based on RP-2014 tables for all plans for males or females, as appropriate, with slight adjustments to fit the PERA's experience. Cost of living benefit increases for retirees are assumed to be: 1.25 percent per year for the GERF and 1.0 percent per year for the PEPFF.

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the GERF was completed in 2019. The most recent four-year experience study for the PEPFF was completed in 2016. Economic assumptions were updated in 2018 based on a review of inflation and investment return assumptions.

Note 10: RETIREMENT PLANS – CONTINUED

The following changes in actuarial assumptions and plan provisions occurred in 2019:

GERF – Changes in actuarial assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

GERF – Changes in plan provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State’s special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

PEPPF – Changes in actuarial assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

The Minnesota State Board of Investment, which manages the investments of the PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best-estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic stocks	35.5 %	5.10 %
Private markets	25.0	5.90
Fixed income	20.0	0.75
International equity	17.5	5.90
Cash equivalents	2.0	–
Total	<u>100 %</u>	

F. Discount Rate

The discount rate used to measure the total pension liability in 2019 was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net positions of the GERF and the PEPFF were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 10: RETIREMENT PLANS – CONTINUED

G. Pension Liability Sensitivity

The following table presents the City’s proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6.5%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
The City’s proportionate share of the GERF net pension liability	\$ 17,659,946	\$ 10,742,410	\$ 5,030,612
The City’s proportionate share of the PEPFF net pension liability	\$ 19,456,214	\$ 8,901,130	\$ 172,245

H. Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the PERA website at www.mnpera.org; by writing to the PERA at 60 Empire Drive, Suite 200, St. Paul, Minnesota 55103; or by calling (651) 296-7460 or (800) 652-9026.

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 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 Statutes, Chapter 353D.03, specifies plan provisions, including 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 employee contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may 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, the PERA receives 2 percent of employer contributions and twenty-five hundredths of 1 percent (0.0025) of the assets in each member’s account annually.

Total contributions made by the City during fiscal year 2019 were:

For the Year Ended December 31,	Contribution Amount		Percentage of Covered Payroll		Required Rate for Employees and Employers
	Employee	Employer	Employee	Employer	
2019	\$ 4,027	\$ 4,027	5%	5%	5%

Note 10: RETIREMENT PLANS – CONTINUED

PLYMOUTH FIREFIGHTERS’ RELIEF ASSOCIATION RETIREMENT PLAN - SINGLE EMPLOYER

A. Plan Description

All members of the City of Plymouth Fire Department (the Department) are covered by a defined benefit plan administered by the Plymouth Firefighters’ Relief Association (the Association). As of December 31, 2019, the plan covered 61 active firefighters and 24 vested terminated firefighters whose pension benefits are deferred. The plan is a single employer retirement plan and is established and administered in accordance with Minnesota Statute, Chapter 69.

The Association maintains a separate Special Fund to accumulate assets to fund the retirement benefits earned by the Department’s membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter’s Relief Association Financing Guidelines Act of 1971 (Chapter 261 as amended by Chapter 509 of Minnesota Statutes 1980). Funds are also derived from investment income.

B. Benefits Provided

A firefighter who completes at least 20 years as an active member of the Department is entitled, after age 50, to a full service pension upon retirement.

The bylaws of the Association also provide for an early vested service pension for a retiring member who has completed fewer than 20 years of service. The reduced pension, available to members with 10 years of service, shall be equal to 60 percent of the pension as described by the bylaws. This percentage increases 4 percent per year so that at 20 years of service, the full amount prescribed is paid. Members who retire with less than 20 years of service and have reached the age of 50 years and have completed at least 10 years of active membership are entitled to a reduced service pension not to exceed the amount calculated by multiplying the member’s service pension for the completed years of service times the applicable non-forfeitable percentage of pension.

C. Contributions

Minnesota Statutes, Chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings, and, if necessary, employer contributions as specified in Minnesota Statutes and voluntary city contributions (if applicable). The state of Minnesota contributed \$541,606 in fire state aid to the plan on behalf of the Department for the year ended December 31, 2019, which was recorded as a revenue. Required employer contributions are calculated on an actuarial basis annually based on statutory provisions. The City’s statutorily-required contributions to the plan for the year ended December 31, 2019 were \$0. The City made no voluntary contributions to the plan. Furthermore, the firefighter has no obligation to contribute to the plan.

D. Pension Costs

At December 31, 2019, the City reported a net pension liability (asset) of (\$4,959,475) for the plan. The net pension liability (asset) was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability (asset) in accordance with GASB Statement No. 68 was determined by applying an actuarial formula to specific census data certified by the Department as of December 31, 2019.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 10: RETIREMENT PLANS – CONTINUED

The following table presents the changes in net pension liability (asset) during the year:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning balance – January 1, 2019	\$ 4,317,026	\$ 8,059,315	\$ (3,742,289)
Changes for the year			
Service cost	269,531	–	269,531
Interest on pension liability (asset)	318,580	–	318,580
Differences between expected and actual experience	(294,042)	–	(294,042)
Change in assumptions	113,653	–	113,653
Change in benefit terms	309,551	–	309,551
Contributions (state)	–	541,606	(541,606)
Net investment income	–	1,419,811	(1,419,811)
Benefit payments	(70,828)	(70,828)	–
Administrative costs	–	(26,958)	26,958
Total net changes	<u>646,445</u>	<u>1,863,631</u>	<u>(1,217,186)</u>
Ending balance – December 31, 2019	<u>\$ 4,963,471</u>	<u>\$ 9,922,946</u>	<u>\$ (4,959,475)</u>

For the year ended December 31, 2019, the City recognized pension revenue of \$541,606 and pension expense of \$257,786.

At December 31, 2019, the City reported deferred inflows of resources and deferred outflows of resources, related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual liability	\$ –	\$ 509,924
Change in assumptions	99,007	68,597
Net difference between projected and actual earnings on plan investments	–	388,032
Total	<u>\$ 99,007</u>	<u>\$ 966,553</u>

Amounts reported as deferred outflows/inflows of resources related to the plan will be recognized in pension expense as follows:

2020	\$ (194,844)
2021	\$ (189,086)
2022	\$ (63,960)
2023	\$ (247,122)
2024	\$ (75,464)
Thereafter	\$ (97,070)

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 10: RETIREMENT PLANS – CONTINUED

E. Actuarial Assumptions

The total pension liability at December 31, 2019 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Retirement eligibility at 100 percent service pension at age 50 with 20 years of service, early vested retirement at age 50 with 10 years of service vested at 60 percent and increased by 4 percent for each additional year of service up to 20 and eligibility for deferred service pension payable at age 50 with 20 years of service

Inflation rate	2.50% per year
Investment rate of return	6.50%
20 year municipal bond yield	2.75%

The following changes in actuarial assumptions occurred in 2019:

- The expected investment return and discount rate decreased from 7.00% to 6.50% to reflect updated capital market assumptions.
- The mortality assumption was updated from the rates used in the July 1, 2017 Minnesota PERA Police and Fire Plan actuarial valuations to the rates used in the July 1, 2019 Minnesota PERA Police and Fire Plan actuarial valuation.
- Deferred members terminating after May 17, 1028 have the option of an income earning benefit on the amount of their accrued lump sum pension. We have assumed a 3% rate of return.
- The inflation assumption decreased from 2.75% to 2.50%

The following changes in plan provisions occurred in 2019:

- The lump sum benefit amount increased from \$10,000 to \$10,500. Deferred members terminating after May 17, 2018 have the option of an income earning benefit on the amount of their accrued lump sum pension. The reduction in the lump sum pension was changed from 4% per year for less than 20 years of service to 12% per year for less than 10 years of service.

The 6.5 percent long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using the plan’s target investment allocation along with long-term return expectations by asset class. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	50.00 %	7.26 %
International equity	10.00	7.91
Fixed income	35.00	4.51
Real estate and alternatives	5.00	7.03
Cash and equivalents	0.00	3.24
Total	<u>100.00 %</u>	6.50 %

Note 10: RETIREMENT PLANS – CONTINUED

F. Discount Rate

The discount rate used to measure the total pension liability was 6.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Liability (Asset) Sensitivity

The following presents the City’s net pension liability (asset) for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City’s net pension liability (asset) would be if it were calculated using a discount rate 1 percent lower or 1 percent higher than the current discount rate:

	<u>1 Percent Decrease (5.50%)</u>	<u>Current (6.50%)</u>	<u>1 Percent Increase (7.50%)</u>
Net pension liability (asset)	\$ (4,760,417)	\$ (4,959,475)	\$ (5,149,151)

H. Pension Plan Fiduciary Net Position

The Association issues a publicly available financial report. This report may be obtained by writing to the Plymouth Firefighters’ Relief Association, P.O. Box 47101, 3400 Plymouth Blvd., Plymouth, MN 55447.

Note 11: OTHER POSTEMPLOYMENT BENEFITS PLAN

A. Plan Description

The City provides post-employment insurance benefits to certain eligible employees through its OPEB Plan, a single-employer defined benefit plan administered by the City. All post-employment benefits are based on contractual agreements with employee groups. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a publicly available financial report. No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

B. Benefits Provided

All retirees of the City have the option under state law to continue their medical insurance coverage through the City from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of all employee groups, the retiree must pay the full premium to continue coverage for medical and dental insurance. Per state statutes, the City is also required to contribute towards the cost of continued health insurance coverage for officers and firefighters disabled or killed in the line of duty.

The City is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees until the retiree reaches Medicare eligibility, whether the premiums are paid by the City or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the City’s younger and statistically healthier active employees.

Note 11: OTHER POSTEMPLOYMENT BENEFITS PLAN – CONTINUED

C. Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the City. The City’s current year required pay-as-you-go contributions to finance the benefits described in the previous section totaled \$129,189.

D. Membership

Membership in the plan consisted of the following as of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	18
Active plan members	<u>260</u>
 Total members	 <u>278</u>

E. Total OPEB Liability of the City

The City’s total OPEB liability of \$2,791,575 as of year-end was measured as of January 1, 2019, and was determined by an actuarial valuation as of January 1, 2019.

F. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.80%
20-year municipal bond yield	3.80%
Inflation rate	2.50%
Salary increases	3.00%
Medical trend rate	6.50% grading to 5.00% over 6 years

The actuarial assumptions used in the latest valuation were based on those used to value pension liabilities for Minnesota city employees. The state pension plans base their assumptions on periodic experience studies. Economic assumptions are based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information as well as for consistency with the other economic assumptions.

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield rate of 3.80 percent, which was set by considering published rate information for 20-year high quality, tax-exempt, general obligation municipal bonds as of the measurement date.

Mortality rates were based on the RP-2014 White Collar Mortality Tables with MP-2018 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel).

The following changes in actuarial assumptions occurred in 2019:

- The health care trend rates were changed to better anticipate short term and long term medical increases
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvements Scale (with Blue Collar adjustment for Police and Fire Personnel).
- The retirement and withdrawal tables for Police and Fire Personnel were updated.
- The discount rate was changed from 3.30% to 3.80%

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 11: OTHER POSTEMPLOYMENT BENEFITS PLAN – CONTINUED

G. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Beginning balance	\$ 3,119,544
Changes for the year	
Service cost	152,104
Interest	105,995
Changes in assumptions	(95,237)
Differences between expected and actual experience	(370,513)
Benefit payments	<u>(120,318)</u>
Total net changes	<u>(327,969)</u>
Ending balance	<u>\$ 2,791,575</u>

H. Total OPEB Liability Sensitivity to Discount and Health-Care Cost Trend Rate Changes

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

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
OPEB discount rate	2.80%	3.80%	4.80%
Total OPEB liability	\$ 3,011,474	\$ 2,791,575	\$ 2,587,277

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

	<u>1% Decrease in Healthcare Trend Rate</u>	<u>Healthcare Trend Rate</u>	<u>1% Increase in Healthcare Trend Rate</u>
OPEB medical trend rate	5.50% decreasing to 4.00% over 6 years	6.50% decreasing to 5.00% over 6 years	7.50% decreasing to 6.00% over 6 years
Total OPEB liability	\$ 2,518,405	\$ 2,791,575	\$ 3,110,517

Note 11: OTHER POSTEMPLOYMENT BENEFITS PLAN – CONTINUED

I. OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the current year ended, the City recognized OPEB expense of \$199,879. As of year-end, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
City's contributions subsequent to the measurement date	\$ 129,189	\$ –
Gain on net OPEB liability	–	324,198
Changes in assumptions	–	83,332
	<u>\$ 129,189</u>	<u>\$ 407,530</u>

A total of \$129,189 reported as deferred outflows of resources related to OPEB resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>OPEB Expense Amount</u>
2020	\$ (58,220)
2021	\$ (58,220)
2022	\$ (58,220)
2023	\$ (58,220)
2024	\$ (58,220)
Thereafter	\$ (116,430)

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 12: 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 System	General Capital Projects	Improvement Projects	Street Replacement		
Nonspendable							
Prepaid items	\$ 470,723	\$ 12,452	\$ -	\$ -	\$ -	\$ 1,134	\$ 484,309
Cemetery Perpetual Care - Principal	-	-	-	-	-	45,860	45,860
Inventory	-	-	-	-	-	1,109	1,109
Total nonspendable	470,723	12,452	-	-	-	48,103	531,278
Restricted							
Transit System	-	10,542,437	-	-	-	-	10,542,437
Lawful Gambling	-	-	-	-	-	813	813
Debt Service	-	-	-	-	-	2,250,578	2,250,578
Housing Projects	-	-	-	-	-	56,737	56,737
Highway/Street Improvements	-	-	-	-	-	936,799	936,799
Park Construction	-	-	-	-	-	6,575,207	6,575,207
Tax Increment Financing	-	-	-	-	-	3,514,252	3,514,252
Cemetery Perpetual Care	-	-	-	-	-	159,135	159,135
Total restricted	-	10,542,437	-	-	-	13,493,521	24,035,958
Assigned							
Infrastructure Improvements	-	-	-	-	18,434,164	-	18,434,164
Recreation Programming	-	-	-	-	-	689,340	689,340
Park Improvements	-	-	-	-	-	2,350,882	2,350,882
Cemetery Maintenance	-	-	-	-	-	143,490	143,490
Other capital projects & improvements	133,006	-	6,210,470	-	-	11,351,475	17,694,951
Total assigned	133,006	-	6,210,470	-	18,434,164	14,535,187	39,312,827
Unassigned	16,812,593	-	-	(10,226,645)	-	-	6,585,948
Total	\$ 17,416,322	\$ 10,554,889	\$ 6,210,470	\$(10,226,645)	\$ 18,434,164	\$ 28,076,811	\$ 70,466,011

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, 2019, the fund balance of the General Fund was 40% percent of the subsequent year's annual projected expenditures and transfers out.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2019

Note 13: PENSION PLANS SUMMARY

The City has reported the following balances for defined benefit pension plans of the City:

	PERA Plans			FRA	City Total
	GERF	PEPFF	Subtotal		
Net pension asset	\$ -	\$ -	\$ -	\$ 4,959,475	\$ 4,959,475
Deferred outflows of pension resources	\$ 868,574	\$ 8,926,107	\$ 9,794,681	\$ 99,007	\$ 9,893,688
Net pension liability	\$ 10,742,410	\$ 8,901,130	\$ 19,643,540	\$ -	\$ 19,643,540
Deferred inflows of pension resources	\$ 2,110,099	\$ 11,738,418	\$ 13,848,517	\$ 966,553	\$ 14,815,070
Pension revenue	\$ 25,000	\$ 112,873	\$ 137,873	\$ 541,606	\$ 679,479
Pension expense	\$ 1,370,881	\$ 1,648,435	\$ 3,019,316	\$ 257,786	\$ 3,277,102

Note 14: SUBSEQUENT EVENTS

Shortly after the 2019 fiscal year-end, the worldwide spread of the novel coronavirus (COVID-19) has caused significant volatility in the economy and financial markets. There is significant uncertainty about the breadth and duration of potential disruptions related to COVID-19 and its economic impact in the United States and around the world. At this time, the City is unable to determine what effect this may have on its future financial condition and operation.

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REQUIRED SUPPLEMENTARY INFORMATION

**Schedule of City's and Non-Employer Proportionate Share of Net Pension Liability
PERA - General Employees Retirement Fund
Required Supplementary Information (Last Ten Years*)**

City Fiscal Year End Date	PERA Fiscal Year End Date (Measurement Date)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the total Pension Liability
12/31/2019	6/30/2019	0.1943%	\$ 10,742,410	\$ 333,819	\$ 11,076,229	\$ 13,749,744	78.13%	80.20%
12/31/2018	6/30/2018	0.1953%	\$ 10,834,442	\$ 355,378	\$ 11,189,820	\$ 13,126,274	82.54%	79.50%
12/31/2017	6/30/2017	0.1986%	\$ 12,678,491	\$ 159,412	\$ 12,837,903	\$ 12,781,136	99.20%	75.90%
12/31/2016	6/30/2016	0.1968%	\$ 15,979,184	\$ 208,725	\$ 16,187,909	\$ 12,176,534	131.23%	68.90%
12/31/2015	6/30/2015	0.1920%	\$ 9,950,436	\$ -	\$ 9,950,436	\$ 11,283,040	88.19%	78.20%

**Schedule of City Contributions
PERA - General Employees Retirement Fund
Required Supplementary Information (Last Ten Years*)**

City Fiscal Year End Date	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
12/31/2019	\$ 1,051,185	\$ 1,051,185	\$ -	\$ 14,015,059	7.50%
12/31/2018	\$ 1,012,271	\$ 1,012,271	\$ -	\$ 13,496,850	7.50%
12/31/2017	\$ 965,039	\$ 965,039	\$ -	\$ 12,867,302	7.50%
12/31/2016	\$ 948,459	\$ 948,459	\$ -	\$ 12,645,800	7.50%
12/31/2015	\$ 867,352	\$ 867,352	\$ -	\$ 11,564,653	7.50%

* - The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

**Schedule of City's Proportionate Share of Net Pension Liability
PERA - Public Employees Police and Fire Fund
Required Supplementary Information (Last Ten Years*)**

City Fiscal Year End Date	PERA Fiscal Year End Date (Measurement Date)	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	City's Covered Payroll (b)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the total Pension Liability
12/31/2019	6/30/2019	0.8361%	\$ 8,901,130	\$ 8,813,785	100.99%	89.30%
12/31/2018	6/30/2018	0.7896%	\$ 8,416,322	\$ 8,322,240	101.13%	88.80%
12/31/2017	6/30/2017	0.7390%	\$ 9,977,380	\$ 7,487,593	133.25%	85.40%
12/31/2016	6/30/2016	0.7080%	\$ 28,413,271	\$ 6,825,726	416.27%	63.90%
12/31/2015	6/30/2015	0.7010%	\$ 7,965,000	\$ 6,414,783	124.17%	86.60%

**Schedule of City Contributions
PERA - Public Employees Police and Fire Fund
Required Supplementary Information (Last Ten Years*)**

City Fiscal Year End Date	Statutorily Required Contributions (a)	Contributions in Relation to the Statutorily Required Contributions (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
12/31/2019	\$ 1,560,526	\$ 1,560,526	\$ -	\$ 9,206,639	16.95%
12/31/2018	\$ 1,387,084	\$ 1,387,084	\$ -	\$ 8,562,237	16.20%
12/31/2017	\$ 1,287,178	\$ 1,287,178	\$ -	\$ 7,930,730	16.23%
12/31/2016	\$ 1,154,248	\$ 1,154,248	\$ -	\$ 7,125,502	16.20%
12/31/2015	\$ 1,059,442	\$ 1,059,442	\$ -	\$ 6,541,475	16.20%

* - The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015.

**Schedule of Changes in Plymouth Firefighters'
Relief Association's Net Pension Asset and Related Ratios
Required Supplementary Information (Last Ten Years*)**

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Total Pension Liability					
Service cost	\$ 269,531	\$ 249,274	\$ 275,925	\$ 246,422	\$ 239,827
Interest	318,580	282,809	348,725	297,396	306,924
Differences between expected and actual experience	(294,042)	-	(373,102)	-	-
Change in assumptions	113,653	-	(8,599)	(113,973)	-
Change in benefit	309,551	184,831	-	797,225	-
Benefit payments	(70,828)	(381,488)	(1,934,430)	(528,341)	(895,936)
Net change in total pension liability	646,445	335,426	(1,691,481)	698,729	(349,185)
Total pension liability - beginning	4,317,026	3,981,600	5,673,081	4,974,352	5,323,537
Total pension liability - ending	<u>\$ 4,963,471</u>	<u>\$ 4,317,026</u>	<u>\$ 3,981,600</u>	<u>\$ 5,673,081</u>	<u>\$ 4,974,352</u>
Plan Fiduciary Net Position					
Contributions (state and local)	\$ 541,606	\$ 523,681	\$ 517,911	\$ 489,748	\$ 480,863
Net investment income	1,419,811	(334,812)	1,173,474	507,848	19,391
Benefit payments	(70,828)	(381,488)	(1,934,430)	(528,341)	(895,936)
Administrative costs	(26,958)	(33,293)	(27,325)	(30,723)	(25,044)
Net change in plan fiduciary net position	1,863,631	(225,912)	(270,370)	438,532	(420,726)
Total pension liability - beginning	8,059,315	8,285,227	8,555,597	8,117,065	8,537,791
Total pension liability - ending	<u>\$ 9,922,946</u>	<u>\$ 8,059,315</u>	<u>\$ 8,285,227</u>	<u>\$ 8,555,597</u>	<u>\$ 8,117,065</u>
Net pension liability/(asset) - ending	<u>\$ (4,959,475)</u>	<u>\$ (3,742,289)</u>	<u>\$ (4,303,627)</u>	<u>\$ (2,882,516)</u>	<u>\$ (3,142,713)</u>
Plan fiduciary net position as a percentage of the total pension liability	199.92%	186.69%	208.09%	150.81%	163.18%

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015

Note: This is a volunteer firefighters' relief association. There is no percentage of payroll to calculate.

**Schedule of Employer Contributions -
Plymouth Firefighters' Relief Association
Required Supplementary Information (Last Ten Years*)**

City Fiscal Year End Date	Actuarial Determined Contributions (a)	Contributions in Relation to the Actuarial Determined Contributions (b)	Contribution Deficiency (Excess) (a-b)	Voluntary City Contribution
12/31/2019	\$ -	\$ 541,606	\$ (541,606)	\$ -
12/31/2018	\$ 32,398	\$ 523,681	\$ (491,283)	\$ -
12/31/2017	\$ 32,398	\$ 517,911	\$ (485,513)	\$ -
12/31/2016	\$ 108,897	\$ 489,748	\$ (380,851)	\$ -
12/31/2015	\$ 108,897	\$ 480,863	\$ (371,966)	\$ -

* This schedule is provided prospectively beginning with the fiscal year ended December 31, 2015

Note: This is a volunteer firefighters' relief association. There is no percentage of payroll to calculate.

**Other Post-Employment Benefits Plan
Schedule of Changes in the City's Total
OPEB Liability and Related Ratios
Required Supplementary Information (Last Ten Years*)**

	December 31,	
	2019	2018
Total OPEB liability		
Service cost	\$ 152,104	\$ 163,991
Interest	105,995	101,268
Changes of assumptions	(95,237)	–
Differences between expected and actual experience	(370,513)	–
Benefit payments	(120,318)	(100,072)
Net change in total OPEB liability	(327,969)	165,187
 Total OPEB liability – beginning of year	3,119,544	2,954,357
 Total OPEB liability – end of year	\$ 2,791,575	\$ 3,119,544
 Covered payroll	\$ 21,316,231	\$ 20,461,560
 Total OPEB liability as a percentage of covered payroll	13.10%	15.25%

* The City implemented GASB Statement No. 75 in fiscal 2018. This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

Note 1: No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2019

A. GENERAL EMPLOYEES RETIREMENT FUND PENSION PLAN

1. 2019 Changes

- Changes in Actuarial Assumptions:
 - The mortality projection scale was changed from MP-2017 to MP-2018.
- Changes in Plan Provisions
 - The employer supplemental contribution was changes prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2. 2018 Changes

- Changes in Actuarial Assumptions:
 - The mortality projection scale was changed from MP-2015 to MP-2017.
 - The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.
- Changes in Plan Provisions
 - The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
 - Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
 - Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
 - Contribution stabilizer provisions were repealed.
 - Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
 - For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
 - Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

3. 2017 Changes

- Changes in Actuarial Assumptions:
 - The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for nonvested deferred member liability.
 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years, to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2019

A. GENERAL EMPLOYEES RETIREMENT FUND PENSION PLAN - CONTINUED

- Changes in Plan Provisions:
 - The state's contribution to the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.
 - The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state's contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

- 4. 2016 Changes
 - Changes in Actuarial Assumptions:
 - The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
 - The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
 - Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

- 5. 2015 Changes
 - Changes in Actuarial Assumptions:
 - The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% per year thereafter.

 - Changes in Plan Provisions:
 - On January 1, 2015 the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

B. PUBLIC EMPLOYEES POLICE AND FIRE FUND PENSION PLAN

- 1. 2019 Changes
 - Changes in Actuarial Assumptions:
 - The mortality projection scale was changed from MP-2017 to MP-2018.

- 2. 2018 Changes
 - Changes in Actuarial Assumptions:
 - The mortality projection scale was changed from MP-2016 to MP-2017.

 - Changes in Plan Provisions:
 - Postretirement benefit increases were changed to 1.00 percent for all years, with no trigger.

B. PUBLIC EMPLOYEES POLICE AND FIRE FUND PENSION PLAN - CONTINUED

- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution.
 - New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier.
 - Member contributions were changed from 10.80 percent to 11.30 percent of pay, effective January 1, 2019 and 11.80 percent of pay, effective January 1, 2020.
 - Employer contributions were changed from 16.20 percent to 16.95 percent of pay, effective January 1, 2019 and 17.70 percent of pay, effective January 1, 2020.
 - Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
 - Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
 - Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.
3. 2017 Changes
- Changes in Actuarial Assumptions:
 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates.
 - Assumed rates of retirement were changed, resulting in fewer retirements.
 - The Combined Service Annuity (CSA) load was 30 percent for vested and nonvested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for nonvested members.
 - The base mortality table for healthy annuitants was changed from the RP-2000 Fully Generational Table to the RP-2014 Fully Generational Table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 Disabled Mortality Table to the mortality tables assumed for healthy retirees.
 - Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
 - Assumed percentage of married female members was decreased from 65 percent to 60 percent.
 - Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
 - The assumed percentage of female members electing joint and survivor annuities was increased.
 - The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064, and 2.50 percent thereafter.
 - The single discount rate changed from 5.60 percent to 7.50 percent.

B. PUBLIC EMPLOYEES POLICE AND FIRE FUND PENSION PLAN - CONTINUED

4. 2016 Changes

- Changes in Actuarial Assumptions:
 - The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% thereafter to 1.0% per year for all future years.
 - The assumed investment return was changed from 7.9% to 7.5%.
 - The single discount rate changed from 7.9% to 5.6%.
 - The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

5. 2015 Changes

- Changes in Actuarial Assumptions:
 - The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2037 and 2.5% per year thereafter.
- Changes in Plan Provisions:
 - The post-retirement benefit increase to be paid after attainment of the 90% funding threshold was changed, from inflation up to 2.5%, to a fixed rate of 2.5%.

C. PLYMOUTH FIREFIGHTERS' RELIEF ASSOCIATION

1. 2019 Changes

- Changes in Actuarial Assumptions:
 - The expected investment return and discount rate decreased from 7.00% to 6.50% to reflect updated capital market assumptions.
 - The mortality assumption was updated from the rates used in the July 1, 2017 Minnesota PERA Police and Fire Plan actuarial valuation to the rates used in the July 1, 2019 Minnesota PERA Police and Fire Plan actuarial valuation.
 - Deferred members terminating after May 17, 2018 have the option of an income earning benefit on the amount of their accrued lump sum pension. We have assumed a 3% rate of return.
 - The inflation assumption decreased from 2.75% to 2.50%.
- Changes in Plan Provisions:
 - The lump sum benefit amount increased from \$10,000 to \$10,500. Deferred members terminating after May 17, 2018 have the option of an income earning benefit on the amount of their accrued lump sum pension. The reduction in the lump sum pension was changed from 4% per year for less than 20 years of service to 12% per year for less than 10 years of service.

C. PLYMOUTH FIREFIGHTERS' RELIEF ASSOCIATION - CONTINUED

2. 2018 Changes

- Changes in Plan Provisions:
 - Increase in the lump sum pension from \$9,500 to \$10,000 per year of service.

3. 2017 Changes

- Change in Actuarial Assumptions:
 - Mortality and termination rates were changed to those used in the most recent Minnesota PERA Police and Fire Plan actuarial valuation.

4. 2016 Changes

- Change in Actuarial Assumptions:
 - The discount rate was changed from 6.0% to 7.0%.
- Changes in Plan Provisions:
 - Increase in the lump sum pension from \$9,000 to \$9,500 per year of service.
 - The years of service required to take a lump sum pension was reduced from 10 years of service to 5 years of service if after age 50.

D. PLYMOUTH OPEB PLAN

1. 2019 Changes

- Changes in Actuarial Assumptions:
 - The health care trend rates were changes to better anticipate short term and long term medical increases.
 - The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel) to the RP-2014 White Collar Mortality Tables with MP-2018 Generational Improvement Scale (with Blue Collar adjustment for Police and Fire Personnel).
 - The retirement and withdrawal tables for Police and Fire Personnel were updated.
 - The discount rate was changed from 3.30% to 3.80%.



**NONMAJOR GOVERNMENTAL COMBINING
AND INDIVIDUAL FUNDS**

**CITY OF PLYMOUTH, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019
(with comparative totals for December 31, 2018)**

	Special Revenue	Debt Service	Capital Project	Permanent Fund	Totals	
					2019	2018
ASSETS						
Cash and investments	\$ 1,430,243	\$ 2,645,045	\$ 24,341,765	\$ 203,998	\$ 28,621,051	\$ 24,920,485
Accounts receivable	21,988	-	-	-	21,988	23,086
Notes receivable	1,180,126	-	836,000	-	2,016,126	1,981,925
Taxes receivable	(3,659)	6,972	11,829	-	15,142	88,131
Special assessments receivable	-	-	29,254	-	29,254	30,358
Accrued interest receivable	92,715	-	198,255	997	291,967	272,977
Due from other governments	50,335	-	-	-	50,335	41,291
Inventory	1,109	-	-	-	1,109	1,226
Prepaid items	1,134	-	-	-	1,134	865
Advances to other funds	-	-	830,481	-	830,481	1,342,819
TOTAL ASSETS	\$ 2,773,991	\$ 2,652,017	\$ 26,247,584	\$ 204,995	\$ 31,878,587	\$ 28,703,163
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 51,317	\$ -	\$ 333,980	\$ -	\$ 385,297	\$ 303,988
Accrued salaries and benefits payable	46,219	-	-	-	46,219	41,775
Deposits payable	-	-	62,450	-	62,450	-
Due to other funds	10,360	-	-	-	10,360	13,678
Due to component unit	-	-	80,000	-	80,000	80,000
Due to other governments	8,091	-	7,412	-	15,503	15,643
Advances from other funds	-	398,014	233,793	-	631,807	962,737
Unearned revenue	334,004	-	14,415	-	348,419	324,407
Total liabilities	449,991	398,014	732,050	-	1,580,055	1,742,228
Deferred inflows of resources:						
Unavailable revenue	1,266,320	3,425	951,976	-	2,221,721	2,189,924
Fund balances:						
Nonspendable	2,243	-	-	45,860	48,103	47,951
Restricted	57,550	2,250,578	11,026,258	159,135	13,493,521	10,883,989
Assigned	997,887	-	13,537,300	-	14,535,187	13,839,071
Total fund balances	1,057,680	2,250,578	24,563,558	204,995	28,076,811	24,771,011
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,773,991	\$ 2,652,017	\$ 26,247,584	\$ 204,995	\$ 31,878,587	\$ 28,703,163

CITY OF PLYMOUTH, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019
(with comparative actual amounts for year ended December 31, 2018)

	Special Revenue	Debt Service	Capital Project	Permanent Fund	Totals	
					2019	2018
REVENUES:						
Property taxes	\$ 668,476	\$ 1,222,960	\$ 2,805,595	\$ -	\$ 4,697,031	\$ 4,965,517
Special assessments	-	-	6,098	-	6,098	8,139
Intergovernmental	345,515	8	2,945,710	-	3,291,233	2,963,483
Charges for services	1,445,950	-	59,632	-	1,505,582	1,456,822
Contributions	25,662	-	1,733,168	-	1,758,830	2,468,988
Investment earnings	50,793	2,791	966,664	7,668	1,027,916	434,935
Loan repayments	8,833	-	-	-	8,833	8,573
Other revenues	10,885	-	36,788	-	47,673	25,351
Total revenues	<u>2,556,114</u>	<u>1,225,759</u>	<u>8,553,655</u>	<u>7,668</u>	<u>12,343,196</u>	<u>12,331,808</u>
EXPENDITURES:						
Current:						
General government	3	-	1,202	-	1,205	1,362
Economic development	10,020	5,139	655,560	-	670,719	721,564
Parks and recreation	1,972,436	4,171	1,214	-	1,977,821	1,957,837
Public safety	-	68	-	-	68	-
Public service	406,975	-	-	-	406,975	313,413
Public works	-	-	9,733	26	9,759	31,097
Interest on interfund advances	-	19,049	13,823	-	32,872	43,520
Debt service:						
Principal retirement	-	1,050,000	-	-	1,050,000	1,000,000
Interest and fiscal charges	-	252,656	-	-	252,656	287,667
Total expenditures	<u>2,389,434</u>	<u>1,331,083</u>	<u>681,532</u>	<u>26</u>	<u>4,402,075</u>	<u>4,356,460</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>166,680</u>	<u>(105,324)</u>	<u>7,872,123</u>	<u>7,642</u>	<u>7,941,121</u>	<u>7,975,348</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	-	66,340	7,938	-	74,278	82,188
Transfers out	(59,426)	-	(4,650,173)	-	(4,709,599)	(7,093,480)
Total other financing sources (uses)	<u>(59,426)</u>	<u>66,340</u>	<u>(4,642,235)</u>	<u>-</u>	<u>(4,635,321)</u>	<u>(7,011,292)</u>
NET CHANGE IN FUND BALANCES	<u>107,254</u>	<u>(38,984)</u>	<u>3,229,888</u>	<u>7,642</u>	<u>3,305,800</u>	<u>964,056</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>950,426</u>	<u>2,289,562</u>	<u>21,333,670</u>	<u>197,353</u>	<u>24,771,011</u>	<u>23,806,955</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,057,680</u>	<u>\$ 2,250,578</u>	<u>\$ 24,563,558</u>	<u>\$ 204,995</u>	<u>\$ 28,076,811</u>	<u>\$ 24,771,011</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, 2019
(with comparative totals for December 31, 2018)**

	<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	\$ 1,078,807	\$ 142,792	\$ 60,014	\$ 104,240	\$ 44,390
Accounts receivable	11,055	-	-	-	-
Notes receivable	-	-	225,000	125,648	829,478
Taxes receivable	(3,723)	-	-	-	64
Accrued interest receivable	5,287	698	49,146	510	36,834
Due from other governments	3,042	-	-	-	47,293
Inventory	1,109	-	-	-	-
Prepaid items	1,134	-	-	-	-
TOTAL ASSETS	\$ 1,096,711	\$ 143,490	\$ 334,160	\$ 230,398	\$ 958,059
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 24,511	\$ -	\$ -	\$ -	\$ 26,806
Accrued salaries and benefits payable	44,143	-	-	-	2,076
Due to other funds	-	-	-	-	-
Due to other governments	8,091	-	-	-	-
Unearned revenue	334,004	-	-	-	-
Total liabilities	410,749	-	-	-	28,882
Deferred inflows of resources:					
Unavailable revenue	(5,621)	-	273,853	125,648	872,440
Fund balances:					
Nonspendable	2,243	-	-	-	-
Restricted	-	-	-	-	56,737
Assigned	689,340	143,490	60,307	104,750	-
Total fund balances	691,583	143,490	60,307	104,750	56,737
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,096,711	\$ 143,490	\$ 334,160	\$ 230,398	\$ 958,059

Lawful Gambling	Totals	
	2019	2018
\$ -	\$ 1,430,243	\$ 1,289,765
10,933	21,988	23,086
-	1,180,126	1,145,925
-	(3,659)	6,574
240	92,715	88,757
-	50,335	41,291
-	1,109	1,226
-	1,134	865
<u>\$ 11,173</u>	<u>\$ 2,773,991</u>	<u>\$ 2,597,489</u>
\$ -	\$ 51,317	\$ 33,599
-	46,219	41,775
10,360	10,360	13,678
-	8,091	8,110
-	334,004	310,412
<u>10,360</u>	<u>449,991</u>	<u>407,574</u>
-	1,266,320	1,239,489
-	2,243	2,091
813	57,550	104,283
-	997,887	844,052
<u>813</u>	<u>1,057,680</u>	<u>950,426</u>
<u>\$ 11,173</u>	<u>\$ 2,773,991</u>	<u>\$ 2,597,489</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, 2019
(with comparative actual amounts for year ended December 31, 2018)

	Recreation	Parkers Lake Cemetery Maintenance	Community Development	Economic Development	Community Development Block Grant
REVENUES:					
Property taxes	\$ 662,089	\$ -	\$ -	\$ -	\$ 6,387
Intergovernmental	6	-	-	-	345,509
Charges for services	1,386,927	55	-	-	-
Contributions	25,662	-	-	-	-
Investment earnings	32,031	5,488	2,255	6,710	3,035
Loan repayments	-	-	-	8,833	-
Other revenues	10,885	-	-	-	-
Total revenues	<u>2,117,600</u>	<u>5,543</u>	<u>2,255</u>	<u>15,543</u>	<u>354,931</u>
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Economic development	-	-	8	10,012	-
Parks and recreation	1,972,436	-	-	-	-
Public service	-	4,498	-	-	402,477
Total expenditures	<u>1,972,436</u>	<u>4,498</u>	<u>8</u>	<u>10,012</u>	<u>402,477</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>145,164</u>	<u>1,045</u>	<u>2,247</u>	<u>5,531</u>	<u>(47,546)</u>
OTHER FINANCING SOURCES (USES):					
Transfers out	-	-	-	-	-
NET CHANGE IN FUND BALANCES	145,164	1,045	2,247	5,531	(47,546)
FUND BALANCES AT BEGINNING OF YEAR	<u>546,419</u>	<u>142,445</u>	<u>58,060</u>	<u>99,219</u>	<u>104,283</u>
FUND BALANCES AT END OF YEAR	<u>\$ 691,583</u>	<u>\$ 143,490</u>	<u>\$ 60,307</u>	<u>\$ 104,750</u>	<u>\$ 56,737</u>

Lawful Gambling	Totals	
	2019	2018
\$ -	\$ 668,476	\$ 649,764
-	345,515	360,385
58,968	1,445,950	1,423,029
-	25,662	20,633
1,274	50,793	21,033
-	8,833	8,573
-	10,885	8,998
<u>60,242</u>	<u>2,556,114</u>	<u>2,492,415</u>
3	3	4
-	10,020	20,022
-	1,972,436	1,948,572
-	406,975	313,413
<u>3</u>	<u>2,389,434</u>	<u>2,282,011</u>
<u>60,239</u>	<u>166,680</u>	<u>210,404</u>
<u>(59,426)</u>	<u>(59,426)</u>	<u>(119,821)</u>
813	107,254	90,583
-	950,426	859,843
<u>\$ 813</u>	<u>\$ 1,057,680</u>	<u>\$ 950,426</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, 2019
(with comparative actual amounts for year ended December 31, 2018)

	2019		2018	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
REVENUES:				
Property taxes	\$ 670,143	\$ 662,089	\$ (8,054)	\$ 643,672
Intergovernmental	-	6	6	7
Charges for services	1,230,608	1,386,927	156,319	1,360,024
Contributions	15,000	25,662	10,662	20,633
Investment earnings	5,250	32,031	26,781	11,867
Other revenues	8,500	10,885	2,385	8,998
Total revenues	<u>1,929,501</u>	<u>2,117,600</u>	<u>188,099</u>	<u>2,045,201</u>
EXPENDITURES:				
Current:				
Parks and recreation:				
Personal services	1,183,481	1,138,138	45,343	1,131,825
Materials and supplies	77,947	79,275	(1,328)	76,772
Contractual services	596,706	715,165	(118,459)	699,778
Other	42,000	39,858	2,142	40,197
Total expenditures	<u>1,900,134</u>	<u>1,972,436</u>	<u>(72,302)</u>	<u>1,948,572</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>29,367</u>	<u>145,164</u>	<u>115,797</u>	<u>96,629</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(29,367)</u>	<u>-</u>	<u>29,367</u>	<u>(56,588)</u>
NET CHANGE IN FUND BALANCE	-	145,164	145,164	40,041
FUND BALANCE AT BEGINNING OF YEAR	<u>546,419</u>	<u>546,419</u>	<u>-</u>	<u>506,378</u>
FUND BALANCE AT END OF YEAR	<u>\$ 546,419</u>	<u>\$ 691,583</u>	<u>\$ 145,164</u>	<u>\$ 546,419</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, 2019
(with comparative actual amounts for year ended December 31, 2018)

	2019		2018	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
REVENUES:				
Property taxes	\$ 6,454	\$ 6,387	\$ (67)	\$ 6,092
Intergovernmental	329,506	345,509	16,003	360,378
Investment earnings	1,000	3,035	2,035	351
Total revenues	<u>336,960</u>	<u>354,931</u>	<u>17,971</u>	<u>366,821</u>
EXPENDITURES:				
Current:				
Public service:				
Personal services	54,397	58,263	(3,866)	51,175
Materials and supplies	300	1,230	(930)	51
Contractual services	16,347	12,755	3,592	10,139
Other	265,916	330,229	(64,313)	248,738
Total expenditures	<u>336,960</u>	<u>402,477</u>	<u>(65,517)</u>	<u>310,103</u>
NET CHANGE IN FUND BALANCE	-	(47,546)	(47,546)	56,718
FUND BALANCE AT BEGINNING OF YEAR	<u>104,283</u>	<u>104,283</u>	-	<u>47,565</u>
FUND BALANCE AT END OF YEAR	<u>\$ 104,283</u>	<u>\$ 56,737</u>	<u>\$ (47,546)</u>	<u>\$ 104,283</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.

CITY OF PLYMOUTH, MINNESOTA
DEBT SERVICE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019
(with comparative totals for December 31, 2018)

	General Obligation Bonds	Tax Increment Bonds	Totals	
			2019	2018
<u>ASSETS</u>				
Cash and investments	\$ 1,456,703	\$ 1,188,342	\$ 2,645,045	\$ 2,785,096
Taxes receivable	6,046	926	6,972	10,212
TOTAL ASSETS	\$ 1,462,749	\$ 1,189,268	\$ 2,652,017	\$ 2,795,308
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Advances from other funds	\$ -	\$ 398,014	\$ 398,014	\$ 501,960
Deferred inflows of resources:				
Unavailable revenue	3,425	-	3,425	3,786
Fund balances:				
Restricted	1,459,324	791,254	2,250,578	2,289,562
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,462,749	\$ 1,189,268	\$ 2,652,017	\$ 2,795,308

CITY OF PLYMOUTH, MINNESOTA
DEBT SERVICE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019
(with comparative actual amounts for year ended December 31, 2018)

	General Obligation Bonds	Tax Increment Bonds	Totals	
			2019	2018
REVENUES:				
Property taxes	\$ 826,710	\$ 396,250	\$ 1,222,960	\$ 1,532,406
Intergovernmental	8	-	8	12
Investment earnings	1,263	1,528	2,791	2,135
Total revenues	<u>827,981</u>	<u>397,778</u>	<u>1,225,759</u>	<u>1,534,553</u>
EXPENDITURES:				
Current:				
Economic development	-	5,139	5,139	-
Parks and recreation	4,171	-	4,171	-
Public safety	68	-	68	-
Interest on interfund advances	-	19,049	19,049	23,086
Debt service:				
Principal retirement	830,000	220,000	1,050,000	1,000,000
Interest and fiscal charges	211,531	41,125	252,656	287,667
Total expenditures	<u>1,045,770</u>	<u>285,313</u>	<u>1,331,083</u>	<u>1,310,753</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(217,789)</u>	<u>112,465</u>	<u>(105,324)</u>	<u>223,800</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>-</u>	<u>66,340</u>	<u>66,340</u>	<u>54,167</u>
NET CHANGE IN FUND BALANCES	(217,789)	178,805	(38,984)	277,967
FUND BALANCES AT BEGINNING OF YEAR	<u>1,677,113</u>	<u>612,449</u>	<u>2,289,562</u>	<u>2,011,595</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,459,324</u>	<u>\$ 791,254</u>	<u>\$ 2,250,578</u>	<u>\$ 2,289,562</u>



CAPITAL PROJECTS FUNDS – NONMAJOR

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.

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.

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, 2019
(with comparative totals for December 31, 2018)**

	<u>Minnesota State Aid</u>	<u>Community Improvement</u>	<u>Park Replacement</u>	<u>Project Administration</u>	<u>Park Construction</u>
<u>ASSETS</u>					
Cash and investments	\$ 932,292	\$ 6,102,386	\$ 2,633,380	\$ 226,132	\$ 6,543,247
Notes receivable	-	-	-	-	-
Taxes receivable	-	-	8,754	-	-
Special assessments receivable	-	29,254	-	-	-
Accrued interest receivable	4,507	28,652	13,375	828	31,960
Advances to other funds	-	233,793	-	-	-
TOTAL ASSETS	<u>\$ 936,799</u>	<u>\$ 6,394,085</u>	<u>\$ 2,655,509</u>	<u>\$ 226,960</u>	<u>\$ 6,575,207</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits payable	-	-	50,051	-	-
Due to component unit	-	-	-	-	-
Due to other governments	-	-	-	-	-
Advances from other funds	-	-	233,793	-	-
Deferred revenue	-	-	14,415	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>298,259</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:					
Unavailable revenue	<u>-</u>	<u>28,675</u>	<u>6,368</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted	936,799	-	-	-	6,575,207
Assigned	<u>-</u>	<u>6,365,410</u>	<u>2,350,882</u>	<u>226,960</u>	<u>-</u>
Total fund balances	<u>936,799</u>	<u>6,365,410</u>	<u>2,350,882</u>	<u>226,960</u>	<u>6,575,207</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 936,799</u>	<u>\$ 6,394,085</u>	<u>\$ 2,655,509</u>	<u>\$ 226,960</u>	<u>\$ 6,575,207</u>

Capital Improvement	Tax Increment Projects	Totals	
		2019	2018
\$ 3,976,104	\$ 3,928,224	\$ 24,341,765	\$ 20,649,304
-	836,000	836,000	836,000
3,075	-	11,829	71,345
-	-	29,254	30,358
20,050	98,883	198,255	183,187
596,688	-	830,481	1,342,819
<u>\$ 4,595,917</u>	<u>\$ 4,863,107</u>	<u>\$ 26,247,584</u>	<u>\$ 23,113,013</u>
\$ -	\$ 333,980	\$ 333,980	\$ 270,389
-	12,399	62,450	-
-	80,000	80,000	80,000
-	7,412	7,412	7,533
-	-	233,793	460,777
-	-	14,415	13,995
<u>-</u>	<u>433,791</u>	<u>732,050</u>	<u>832,694</u>
<u>1,869</u>	<u>915,064</u>	<u>951,976</u>	<u>946,649</u>
-	3,514,252	11,026,258	8,338,651
4,594,048	-	13,537,300	12,995,019
<u>4,594,048</u>	<u>3,514,252</u>	<u>24,563,558</u>	<u>21,333,670</u>
<u>\$ 4,595,917</u>	<u>\$ 4,863,107</u>	<u>\$ 26,247,584</u>	<u>\$ 23,113,013</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, 2019
(with comparative actual amounts for year ended December 31, 2018)

	<u>Minnesota State Aid</u>	<u>Community Improvement</u>	<u>Park Replacement</u>	<u>Project Administration</u>	<u>Park Construction</u>
REVENUES:					
Property taxes	\$ -	\$ -	\$ 878,273	\$ -	\$ -
Special assessments	-	6,098	-	-	-
Intergovernmental	2,945,697	-	9	-	-
Charges for services	-	-	53,632	-	-
Contributions	-	-	-	-	1,733,168
Investment earnings	109,848	234,052	112,698	16,659	242,152
Other revenues	-	-	-	-	-
Total revenues	<u>3,055,545</u>	<u>240,150</u>	<u>1,044,612</u>	<u>16,659</u>	<u>1,975,320</u>
EXPENDITURES:					
Current:					
General government	-	736	-	-	-
Economic development	-	-	-	-	-
Parks and recreation	-	-	402	-	812
Public works	296	-	-	9,437	-
Interest on interfund advances	-	-	13,823	-	-
Total expenditures	<u>296</u>	<u>736</u>	<u>14,225</u>	<u>9,437</u>	<u>812</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,055,249</u>	<u>239,414</u>	<u>1,030,387</u>	<u>7,222</u>	<u>1,974,508</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	3,306	-	4,432	-	200
Transfers out	<u>(2,142,133)</u>	<u>-</u>	<u>(1,015,544)</u>	<u>(310,931)</u>	<u>(1,115,225)</u>
Total other financing sources (uses)	<u>(2,138,827)</u>	<u>-</u>	<u>(1,011,112)</u>	<u>(310,931)</u>	<u>(1,115,025)</u>
NET CHANGE IN FUND BALANCES	916,422	239,414	19,275	(303,709)	859,483
FUND BALANCES AT BEGINNING OF YEAR	<u>20,377</u>	<u>6,125,996</u>	<u>2,331,607</u>	<u>530,669</u>	<u>5,715,724</u>
FUND BALANCES AT END OF YEAR	<u>\$ 936,799</u>	<u>\$ 6,365,410</u>	<u>\$ 2,350,882</u>	<u>\$ 226,960</u>	<u>\$ 6,575,207</u>

Capital Improvement	Tax Increment Projects	Totals	
		2019	2018
\$ 444,508	\$ 1,482,814	\$ 2,805,595	\$ 2,783,347
-	-	6,098	8,139
4	-	2,945,710	2,603,086
-	6,000	59,632	33,793
-	-	1,733,168	2,448,355
143,255	108,000	966,664	408,412
-	36,788	36,788	16,353
<u>587,767</u>	<u>1,633,602</u>	<u>8,553,655</u>	<u>8,301,485</u>
466	-	1,202	1,358
-	655,560	655,560	701,542
-	-	1,214	9,265
-	-	9,733	31,070
-	-	13,823	20,434
<u>466</u>	<u>655,560</u>	<u>681,532</u>	<u>763,669</u>
587,301	978,042	7,872,123	7,537,816
-	-	7,938	28,021
-	(66,340)	(4,650,173)	(6,973,659)
-	(66,340)	(4,642,235)	(6,945,638)
587,301	911,702	3,229,888	592,178
4,006,747	2,602,550	21,333,670	20,741,492
<u>\$ 4,594,048</u>	<u>\$ 3,514,252</u>	<u>\$ 24,563,558</u>	<u>\$ 21,333,670</u>

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PERMANENT FUND – 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, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
Cash and investments	\$ 203,998	\$ 196,320
Accrued interest receivable	997	1,033
Total assets	<u>\$ 204,995</u>	<u>\$ 197,353</u>
<u>FUND BALANCES</u>		
Fund balance:		
Nonspendable	\$ 45,860	\$ 45,860
Restricted	159,135	151,493
Total fund balance	<u>\$ 204,995</u>	<u>\$ 197,353</u>

**CITY OF PLYMOUTH, MINNESOTA
PARKERS LAKE CEMETERY PERPETUAL CARE
PERMANENT FUND
NONMAJOR GOVERNMENTAL FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
REVENUES:		
Investment earnings	\$ 7,668	\$ 3,355
EXPENDITURES:		
Current:		
Public works	<u>26</u>	<u>27</u>
NET CHANGE IN FUND BALANCE	7,642	3,328
FUND BALANCE AT BEGINNING OF YEAR	<u>197,353</u>	<u>194,025</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 204,995</u></u>	<u><u>\$ 197,353</u></u>



**GENERAL FUND
COMPARATIVE INFORMATION**

**CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2019 AND 2018**

	Totals	
	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
Cash and investments	\$ 20,506,981	\$ 20,406,006
Accounts receivable	313,254	377,892
Taxes receivable	212,395	285,278
Special assessments receivable	25,669	22,102
Accrued interest receivable	104,934	110,082
Due from other funds	10,360	13,678
Due from other governments	205,659	330,380
Inventory	-	20
Prepaid items	470,723	96,656
TOTAL ASSETS	<u>\$ 21,849,975</u>	<u>\$ 21,642,094</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 556,907	\$ 485,068
Contracts payable	-	4,018
Accrued salaries and benefits payable	1,204,805	1,106,969
Deposits payable	1,937,680	2,624,002
Due to other funds	6,153	5,659
Due to other governments	42,849	56,370
Unearned revenue	503,033	493,217
Total liabilities	<u>4,251,427</u>	<u>4,775,303</u>
Deferred inflows of resources:		
Unavailable revenue	<u>182,226</u>	<u>180,369</u>
Fund balances:		
Nonspendable	470,723	96,676
Assigned	133,006	80,422
Unassigned	16,812,593	16,509,324
Total fund balances	<u>17,416,322</u>	<u>16,686,422</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 21,849,975</u>	<u>\$ 21,642,094</u>

CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES AND TRANSFERS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019
(with comparative actual amounts for year ended December 31, 2018)

	2019		Variance with Final Budget	2018
	Original and Final Budget	Actual		Actual
REVENUES:				
Property taxes	\$ 29,958,324	\$ 29,623,326	\$ (334,998)	\$ 27,836,128
Special assessments	11,500	17,089	5,589	19,856
Licenses and permits	4,071,330	4,960,592	889,262	4,441,208
Intergovernmental:				
State grants and aids	2,238,498	3,328,320	1,089,822	2,319,062
Federal grants	58,368	49,054	(9,314)	90,902
Other	522,000	572,946	50,946	516,356
Total intergovernmental	2,818,866	3,950,320	1,131,454	2,926,320
Charges for services	3,577,035	3,462,536	(114,499)	3,189,093
Fines and forfeitures	615,500	538,654	(76,846)	520,206
Contributions	86,600	99,725	13,125	88,875
Investment earnings	195,000	563,728	368,728	264,307
Other revenues	179,900	187,149	7,249	255,558
Total revenues	41,514,055	43,403,119	1,889,064	39,541,551
OTHER FINANCING SOURCES:				
Transfers from other funds:				
Lawful Gambling	42,000	59,427	17,427	63,233
Improvement Project Construction	150,000	104,571	(45,429)	179,312
Resource Planning	10,000	32,426	22,426	68,382
Total other financing sources	202,000	196,424	(5,576)	310,927
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 41,716,055	\$ 43,599,543	\$ 1,883,488	\$ 39,852,478

CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2019
(with comparative actual amounts for year ended December 31, 2018)

	2019		2018	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
GENERAL GOVERNMENT:				
Personal services	\$ 3,551,591	\$ 3,712,648	\$ (161,057)	\$ 3,650,715
Materials and supplies	23,050	15,525	7,525	25,140
Contractual services	2,578,514	2,866,717	(288,203)	2,538,362
Capital outlay	7,000	-	7,000	18,743
Other	417,429	188,540	228,889	284,839
Total general government	<u>6,577,584</u>	<u>6,783,430</u>	<u>(205,846)</u>	<u>6,517,799</u>
ECONOMIC DEVELOPMENT:				
Personal services	208,468	171,857	36,611	149,616
Materials and supplies	500	450	50	93
Contractual services	52,925	35,545	17,380	31,385
Other	5,000	900,000	(895,000)	-
Total economic development	<u>266,893</u>	<u>1,107,852</u>	<u>(840,959)</u>	<u>181,094</u>
PARKS AND RECREATION:				
Personal services	3,589,777	3,491,634	98,143	3,290,614
Materials and supplies	535,007	491,115	43,892	540,650
Contractual services	2,466,069	2,468,525	(2,456)	2,376,392
Capital outlay	10,000	6,800	3,200	142,704
Other	17,850	21,346	(3,496)	10,519
Total parks and recreation	<u>6,618,703</u>	<u>6,479,420</u>	<u>139,283</u>	<u>6,360,879</u>
PUBLIC SAFETY:				
Personal services	16,279,141	15,846,028	433,113	14,803,798
Materials and supplies	403,475	310,314	93,161	337,526
Contractual services	4,473,755	4,538,886	(65,131)	4,281,496
Capital outlay	-	46,438	(46,438)	13,881
Other	626,300	658,015	(31,715)	673,557
Total public safety	<u>21,782,671</u>	<u>21,399,681</u>	<u>382,990</u>	<u>20,110,258</u>
PUBLIC WORKS:				
Personal services	2,642,797	2,292,282	350,515	2,241,574
Materials and supplies	401,300	575,972	(174,672)	396,965
Contractual services	3,210,307	2,998,690	211,617	2,538,523
Capital outlay	15,000	110,632	(95,632)	26,176
Other	300	2,486	(2,186)	1,681
Total public works	<u>6,269,704</u>	<u>5,980,062</u>	<u>289,642</u>	<u>5,204,919</u>
Total expenditures	<u>41,515,555</u>	<u>41,750,445</u>	<u>(234,890)</u>	<u>38,374,949</u>
OTHER FINANCING USES:				
Transfers to other funds:				
General Capital Projects	-	884,091	(884,091)	476,066
Central Equipment	-	-	-	1,351
Information Technology	-	34,607	(34,607)	-
Resource Planning	200,500	200,500	-	149,500
Total other financing uses	<u>200,500</u>	<u>1,119,198</u>	<u>(918,698)</u>	<u>626,917</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 41,716,055</u>	<u>\$ 42,869,643</u>	<u>\$ (1,153,588)</u>	<u>\$ 39,001,866</u>

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PROPRIETARY COMBINING AND INDIVIDUAL FUNDS

Enterprise Funds - Nonmajor

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, 2019
(with comparative totals for December 31, 2018)

	<u>Solid Waste Management</u>	<u>Field House</u>	<u>Totals</u>	
			<u>2019</u>	<u>2018</u>
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 1,120,626	\$ 1,383,815	\$ 2,504,441	\$ 2,476,085
Accounts receivable	172,243	171,150	343,393	399,505
Special assessments receivable	7,995	-	7,995	9,109
Accrued interest receivable	5,477	6,763	12,240	13,024
Due from other funds	8	-	8	8
Due from other governments	381	-	381	5,837
Prepaid items	600	-	600	1,376
Total current assets	<u>1,307,330</u>	<u>1,561,728</u>	<u>2,869,058</u>	<u>2,904,944</u>
Noncurrent assets:				
Special assessments receivable	557	-	557	-
Capital assets:				
Land	-	47,551	47,551	47,551
Buildings	-	1,667,293	1,667,293	1,306,187
Improvements other than buildings	147,885	320,599	468,484	396,253
Machinery and equipment	-	239,285	239,285	161,990
Total capital assets	<u>147,885</u>	<u>2,274,728</u>	<u>2,422,613</u>	<u>1,911,981</u>
Less accumulated depreciation	<u>(26,991)</u>	<u>(923,524)</u>	<u>(950,515)</u>	<u>(1,192,223)</u>
Net capital assets	<u>120,894</u>	<u>1,351,204</u>	<u>1,472,098</u>	<u>719,758</u>
Total noncurrent assets	<u>121,451</u>	<u>1,351,204</u>	<u>1,472,655</u>	<u>719,758</u>
TOTAL ASSETS	<u><u>\$ 1,428,781</u></u>	<u><u>\$ 2,912,932</u></u>	<u><u>\$ 4,341,713</u></u>	<u><u>\$ 3,624,702</u></u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	\$ 108,115	\$ 13,204	\$ 121,319	\$ 98,444
Accrued salaries and benefits payable	1,889	7,323	9,212	7,869
Due to other governments	-	678	678	541
Unearned revenue	-	233,743	233,743	234,307
Total liabilities	<u>110,004</u>	<u>254,948</u>	<u>364,952</u>	<u>341,161</u>
<u>NET POSITION</u>				
Net investment in capital assets	120,894	1,351,204	1,472,098	719,758
Unrestricted	<u>1,197,883</u>	<u>1,306,780</u>	<u>2,504,663</u>	<u>2,563,783</u>
Total net position	<u>1,318,777</u>	<u>2,657,984</u>	<u>3,976,761</u>	<u>3,283,541</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 1,428,781</u></u>	<u><u>\$ 2,912,932</u></u>	<u><u>\$ 4,341,713</u></u>	<u><u>\$ 3,624,702</u></u>

CITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

	<u>Solid Waste Management</u>	<u>Field House</u>	<u>Totals</u>	
			<u>2019</u>	<u>2018</u>
OPERATING REVENUES:				
Charges for services	\$ 828,249	\$ 396,741	\$ 1,224,990	\$ 1,160,039
Other fees	21,594	3,129	24,723	20,369
Total operating revenue	<u>849,843</u>	<u>399,870</u>	<u>1,249,713</u>	<u>1,180,408</u>
OPERATING EXPENSES:				
Personal services	78,445	127,548	205,993	211,544
Materials and supplies	27,148	8,472	35,620	7,235
Contractual services	1,110,586	118,085	1,228,671	1,114,959
Depreciation	5,683	133,108	138,791	69,428
Total operating expenses	<u>1,221,862</u>	<u>387,213</u>	<u>1,609,075</u>	<u>1,403,166</u>
OPERATING INCOME (LOSS)	<u>(372,019)</u>	<u>12,657</u>	<u>(359,362)</u>	<u>(222,758)</u>
NONOPERATING REVENUES (EXPENSES):				
Investment earnings	47,723	52,769	100,492	43,216
Intergovernmental	166,446	-	166,446	178,141
Gain (loss) on disposal of capital assets	-	(1,308)	(1,308)	-
Other	(5,273)	483	(4,790)	(4,284)
Total nonoperating revenues (expenses)	<u>208,896</u>	<u>51,944</u>	<u>260,840</u>	<u>217,073</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(163,123)</u>	<u>64,601</u>	<u>(98,522)</u>	<u>(5,685)</u>
CAPITAL CONTRIBUTIONS	-	883,978	883,978	-
TRANSFERS IN	-	-	-	23,004
TRANSFERS OUT	<u>-</u>	<u>(92,236)</u>	<u>(92,236)</u>	<u>(32,095)</u>
CHANGES IN NET POSITION	<u>(163,123)</u>	<u>856,343</u>	<u>693,220</u>	<u>(14,776)</u>
NET POSITION AT BEGINNING OF YEAR	<u>1,481,900</u>	<u>1,801,641</u>	<u>3,283,541</u>	<u>3,298,317</u>
NET POSITION AT END OF YEAR	<u>\$ 1,318,777</u>	<u>\$ 2,657,984</u>	<u>\$ 3,976,761</u>	<u>\$ 3,283,541</u>

CITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

	Solid Waste Management	Field House	Totals	
			2019	2018
CASH FLOWS FROM				
OPERATING ACTIVITIES:				
Receipts from external customers or users	\$ 853,390	\$ 457,846	\$ 1,311,236	\$ 1,145,317
Receipts from internal customers or users	38	-	38	27
Payments to suppliers	(1,107,025)	(133,478)	(1,240,503)	(1,112,590)
Payments to employees	(78,106)	(126,544)	(204,650)	(212,806)
Other operating revenue (expense)	(5,273)	483	(4,790)	(4,284)
Net cash flows from operating activities	(336,976)	198,307	(138,669)	(184,336)
CASH FLOWS FROM NONCAPITAL				
FINANCING ACTIVITIES:				
Intergovernmental revenues	166,446	-	166,446	178,141
Transfers in from other funds	-	-	-	23,004
Transfers out to other funds	-	(92,236)	(92,236)	(32,095)
Net cash flows from noncapital financing activities	166,446	(92,236)	74,210	169,050
CASH FLOWS FROM CAPITAL AND				
RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	-	(11,995)	(11,995)	-
Proceeds from sale of capital assets	-	3,534	3,534	-
Net cash used by capital and related financing activities	-	(8,461)	(8,461)	-
CASH FLOWS FROM				
INVESTING ACTIVITIES:				
Investment earnings	48,778	52,498	101,276	40,054
NET CHANGE IN CASH				
AND CASH EQUIVALENTS				
	(121,752)	150,108	28,356	24,768
CASH AND CASH EQUIVALENTS AT				
BEGINNING OF YEAR				
	1,242,378	1,233,707	2,476,085	2,451,317
CASH AND CASH EQUIVALENTS AT				
END OF YEAR				
	\$ 1,120,626	\$ 1,383,815	\$ 2,504,441	\$ 2,476,085
RECONCILIATION OF OPERATING				
INCOME (LOSS) TO NET CASH FLOWS				
FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ (372,019)	\$ 12,657	\$ (359,362)	\$ (222,758)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	5,683	133,108	138,791	69,428
Other expense	(5,273)	483	(4,790)	(4,284)
Changes in assets and liabilities:				
Accounts receivable	(2,428)	58,540	56,112	(47,743)
Special assessments receivable	557	-	557	(557)
Due from other governments	5,456	-	5,456	-
Due from other funds	-	-	-	(8)
Prepaid items	(600)	1,376	776	599
Accounts payable	31,309	(8,434)	22,875	9,038
Due to other governments	-	137	137	(33)
Accrued salaries payable	339	1,004	1,343	(1,262)
Unearned revenue	-	(564)	(564)	13,244
Total adjustments	35,043	185,650	220,693	38,422
Net cash flows from operating activities	\$ (336,976)	\$ 198,307	\$ (138,669)	\$ (184,336)
NONCASH INVESTING, CAPITAL AND				
FINANCING ACTIVITIES:				
Contributions of capital assets from City funds	-	883,978	883,978	-

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2019
(with comparative totals for December 31, 2018)

	Central Equipment	Public Facilities	Information Technology	Risk Management
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current assets:				
Cash and investments	\$ 9,528,977	\$ 6,866,764	\$ 5,775,848	\$ 6,727,553
Accounts receivable	-	-	-	-
Accrued interest receivable	46,577	33,562	28,600	32,788
Due from other governments	8,299	-	7,755	-
Inventory	124,778	-	-	-
Prepaid items	2,524	6,720	595,102	124,980
Total current assets	<u>9,711,155</u>	<u>6,907,046</u>	<u>6,407,305</u>	<u>6,885,321</u>
Noncurrent assets:				
Capital assets:				
Land	33,520	-	-	-
Buildings	-	9,455,440	-	-
Improvements other than buildings	-	2,208,557	924,986	-
Machinery and equipment	22,067,568	2,073,913	2,877,119	-
Infrastructure	-	-	172,787	-
Construction in progress	149,525	-	148,015	-
Total capital assets	<u>22,250,613</u>	<u>13,737,910</u>	<u>4,122,907</u>	<u>-</u>
Less accumulated depreciation	<u>(11,396,760)</u>	<u>(1,154,948)</u>	<u>(2,165,860)</u>	<u>-</u>
Net capital assets	<u>10,853,853</u>	<u>12,582,962</u>	<u>1,957,047</u>	<u>-</u>
Total assets	<u>20,565,008</u>	<u>19,490,008</u>	<u>8,364,352</u>	<u>6,885,321</u>
Deferred outflows of resources:				
OPEB deferments	-	-	-	-
Pension plan deferments - PERA	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 20,565,008</u>	<u>\$ 19,490,008</u>	<u>\$ 8,364,352</u>	<u>\$ 6,885,321</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Current liabilities:				
Accounts payable	\$ 80,837	\$ 79,232	\$ 19,310	\$ 276,572
Contracts payable	-	170,282	191,245	-
Accrued salaries and benefits payable	23,715	9,052	31,988	-
Compensated absences payable	-	-	-	-
Due to other funds	834	1,391	-	-
Due to other governments	-	-	209	-
Capital lease payable	-	-	73,930	-
Total current liabilities	<u>105,386</u>	<u>259,957</u>	<u>316,682</u>	<u>276,572</u>
Noncurrent liabilities:				
Capital lease payable	-	-	221,791	-
Total OPEB liability	-	-	-	-
Net pension liability	-	-	-	-
Compensated absences payable	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>221,791</u>	<u>-</u>
Total liabilities	<u>105,386</u>	<u>259,957</u>	<u>538,473</u>	<u>276,572</u>
Deferred inflows of resources:				
OPEB plan deferments	-	-	-	-
Pension plan deferments - PERA	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	10,853,853	12,582,962	1,661,326	-
Unrestricted	9,605,769	6,647,089	6,164,553	6,608,749
Total net position	<u>20,459,622</u>	<u>19,230,051</u>	<u>7,825,879</u>	<u>6,608,749</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 20,565,008</u>	<u>\$ 19,490,008</u>	<u>\$ 8,364,352</u>	<u>\$ 6,885,321</u>

Employee Benefits	Resource Planning	Totals	
		2019	2018
\$ 5,857,433	\$ 3,834,301	\$ 38,590,876	\$ 35,958,946
-	-	-	8,138
28,064	19,338	188,929	188,590
-	-	16,054	10,472
-	-	124,778	113,141
-	4,882	734,208	460,269
<u>5,885,497</u>	<u>3,858,521</u>	<u>39,654,845</u>	<u>36,739,556</u>
-	-	33,520	33,520
-	-	9,455,440	1,163,233
-	-	3,133,543	1,202,168
-	-	27,018,600	25,538,629
-	-	172,787	172,787
-	-	297,540	458,498
-	-	40,111,430	28,568,835
-	-	(14,717,568)	(14,061,015)
-	-	25,393,862	14,507,820
<u>5,885,497</u>	<u>3,858,521</u>	<u>65,048,707</u>	<u>51,247,376</u>
129,189	-	129,189	120,318
9,794,681	-	9,794,681	13,839,702
<u>9,923,870</u>	<u>-</u>	<u>9,923,870</u>	<u>13,960,020</u>
<u>\$ 15,809,367</u>	<u>\$ 3,858,521</u>	<u>\$ 74,972,577</u>	<u>\$ 65,207,396</u>
\$ 70,783	\$ 801	\$ 527,535	\$ 765,411
-	-	361,527	-
8,665	-	73,420	57,489
2,072,259	-	2,072,259	2,045,895
-	-	2,225	2,017
-	-	209	160
-	-	73,930	-
<u>2,151,707</u>	<u>801</u>	<u>3,111,105</u>	<u>2,870,972</u>
-	-	221,791	-
2,791,575	-	2,791,575	3,119,544
19,643,540	-	19,643,540	19,250,764
870,286	-	870,286	742,810
<u>23,305,401</u>	<u>-</u>	<u>23,527,192</u>	<u>23,113,118</u>
<u>25,457,108</u>	<u>801</u>	<u>26,638,297</u>	<u>25,984,090</u>
407,530	-	407,530	-
13,848,517	-	13,848,517	18,130,623
<u>14,256,047</u>	<u>-</u>	<u>14,256,047</u>	<u>18,130,623</u>
-	-	25,098,141	14,507,820
(23,903,788)	3,857,720	8,980,092	6,584,863
<u>(23,903,788)</u>	<u>3,857,720</u>	<u>34,078,233</u>	<u>21,092,683</u>
<u>\$ 15,809,367</u>	<u>\$ 3,858,521</u>	<u>\$ 74,972,577</u>	<u>\$ 65,207,396</u>

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

	<u>Central Equipment</u>	<u>Public Facilities</u>	<u>Information Technology</u>	<u>Risk Management</u>
OPERATING REVENUES:				
Charges for services	\$ 3,577,067	\$ 1,909,079	\$ 2,571,027	\$ 636,789
Other fees	-	-	-	108,245
Total operating revenue	<u>3,577,067</u>	<u>1,909,079</u>	<u>2,571,027</u>	<u>745,034</u>
OPERATING EXPENSES:				
Personal services	467,303	265,636	673,314	5,650
Materials and supplies	717,149	35,003	248,242	-
Insurance Claims	-	-	-	353,466
Contractual services	308,225	873,320	1,055,382	561,467
Depreciation	1,650,984	541,904	297,677	-
Total operating expenses	<u>3,143,661</u>	<u>1,715,863</u>	<u>2,274,615</u>	<u>920,583</u>
OPERATING INCOME (LOSS)	<u>433,406</u>	<u>193,216</u>	<u>296,412</u>	<u>(175,549)</u>
NONOPERATING REVENUES (EXPENSES):				
Investment earnings	347,559	248,343	223,451	254,914
Intergovernmental	-	-	9,302	-
Gain on disposal of capital assets	110,432	-	(15,074)	-
Contributions	-	-	-	-
Contributions to Governmental Activities	-	-	-	-
Other	4,696	23,398	(634)	(33,053)
Total nonoperating revenues (expenses)	<u>462,687</u>	<u>271,741</u>	<u>217,045</u>	<u>221,861</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	896,093	464,957	513,457	46,312
CAPITAL CONTRIBUTIONS	175,655	10,262,859	-	-
TRANSFERS IN	47,121	-	259,273	-
TRANSFERS OUT	<u>-</u>	<u>(85,444)</u>	<u>-</u>	<u>(6,700)</u>
CHANGES IN NET POSITION	1,118,869	10,642,372	772,730	39,612
NET POSITION AT BEGINNING OF YEAR	<u>19,340,753</u>	<u>8,587,679</u>	<u>7,053,149</u>	<u>6,569,137</u>
NET POSITION AT END OF YEAR	<u>\$ 20,459,622</u>	<u>\$ 19,230,051</u>	<u>\$ 7,825,879</u>	<u>\$ 6,608,749</u>

Employee Benefits	Resource Planning	Totals	
		2019	2018
\$ 3,982,830	\$ 262,000	\$ 12,938,792	\$ 12,682,363
-	-	108,245	126,837
<u>3,982,830</u>	<u>262,000</u>	<u>13,047,037</u>	<u>12,809,200</u>
4,334,316	-	5,746,219	4,911,771
-	125,595	1,125,989	1,092,307
-	-	353,466	260,017
647	47,074	2,846,115	2,960,576
-	-	2,490,565	1,879,701
<u>4,334,963</u>	<u>172,669</u>	<u>12,562,354</u>	<u>11,104,372</u>
<u>(352,133)</u>	<u>89,331</u>	<u>484,683</u>	<u>1,704,828</u>
240,092	139,281	1,453,640	634,523
-	31,546	40,848	16,029
-	-	95,358	121,826
137,873	-	137,873	236,747
-	(51,588)	(51,588)	(33,217)
299	42,211	36,917	37,460
<u>378,264</u>	<u>161,450</u>	<u>1,713,048</u>	<u>1,013,368</u>
26,131	250,781	2,197,731	2,718,196
-	73,812	10,512,326	988,025
-	200,502	506,896	495,189
-	(139,259)	(231,403)	(985,239)
26,131	385,836	12,985,550	3,216,171
<u>(23,929,919)</u>	<u>3,471,884</u>	<u>21,092,683</u>	<u>17,876,512</u>
<u>\$ (23,903,788)</u>	<u>\$ 3,857,720</u>	<u>\$ 34,078,233</u>	<u>\$ 21,092,683</u>

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

	Central Equipment	Public Facilities	Information Technology	Risk Management
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from external customers or users	\$ 20,791	\$ 1	\$ 1,535	\$ 108,245
Receipts from internal customers or users	3,554,622	1,909,079	2,571,028	636,789
Payments to suppliers	(1,198,730)	(954,185)	(1,598,542)	(934,108)
Payments to employees	(460,891)	(268,580)	(669,516)	(5,650)
Other operating revenues (expenses)	4,696	23,398	(634)	(33,053)
Net cash flows from operating activities	<u>1,920,488</u>	<u>709,713</u>	<u>303,871</u>	<u>(227,777)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Intergovernmental revenues	-	-	9,302	-
Contributions	-	-	-	-
Transfers in from other funds	47,121	-	259,273	-
Transfers out to other funds	-	(85,444)	-	(6,700)
Net cash flows from noncapital financing activities	<u>47,121</u>	<u>(85,444)</u>	<u>268,575</u>	<u>(6,700)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(1,622,548)	(111,636)	(990,858)	-
Capital lease proceeds received	-	-	369,652	-
Contributions	-	-	-	-
Proceeds from sale of capital assets	238,209	-	5,624	-
Principal paid on capital debt	-	-	(73,931)	-
Net cash flows from capital and related financing activities	<u>(1,384,339)</u>	<u>(111,636)</u>	<u>(689,513)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment earnings	<u>346,218</u>	<u>246,907</u>	<u>224,668</u>	<u>257,192</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	929,488	759,540	107,601	22,715
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>8,599,489</u>	<u>6,107,224</u>	<u>5,668,247</u>	<u>6,704,838</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 9,528,977</u>	<u>\$ 6,866,764</u>	<u>\$ 5,775,848</u>	<u>\$ 6,727,553</u>

(Continued...)

Employee Benefits	Resource Planning	Totals	
		2019	2018
\$ 864,757	\$ 163,500	\$ 1,158,829	\$ 1,385,417
3,118,073	98,500	11,888,091	11,430,927
17,571	(180,771)	(4,848,765)	(4,503,109)
(3,942,756)	-	(5,347,393)	(5,130,210)
299	42,211	36,917	37,460
<u>57,944</u>	<u>123,440</u>	<u>2,887,679</u>	<u>3,220,485</u>
-	31,546	40,848	16,029
137,873	-	137,873	236,747
-	200,502	506,896	495,189
<u>-</u>	<u>(139,259)</u>	<u>(231,403)</u>	<u>(985,239)</u>
<u>137,873</u>	<u>92,789</u>	<u>454,214</u>	<u>(237,274)</u>
-	(51,588)	(2,776,630)	(3,079,071)
-	-	369,652	-
-	73,812	73,812	-
-	-	243,833	131,344
<u>-</u>	<u>-</u>	<u>(73,931)</u>	<u>-</u>
<u>-</u>	<u>22,224</u>	<u>(2,163,264)</u>	<u>(2,947,727)</u>
<u>240,119</u>	<u>138,197</u>	<u>1,453,301</u>	<u>587,944</u>
435,936	376,650	2,631,930	623,428
<u>5,421,497</u>	<u>3,457,651</u>	<u>35,958,946</u>	<u>35,335,518</u>
<u>\$ 5,857,433</u>	<u>\$ 3,834,301</u>	<u>\$ 38,590,876</u>	<u>\$ 35,958,946</u>

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

(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)	\$ 433,406	\$ 193,216	\$ 296,412	\$ (175,549)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	1,650,984	541,904	297,677	-
Other revenues (expenses)	4,696	23,398	(634)	(33,053)
Changes in assets, deferred outflows, liabilities, and deferred inflows:				
Accounts receivable	-	1	5,464	-
Due from other governments	(1,654)	-	(3,928)	-
Inventory	(11,637)	-	-	-
Prepaid items	(664)	(4,735)	(275,062)	10,424
Deferred outflow for pension plan deferments	-	-	-	-
Deferred outflow for OPEB plan deferments	-	-	-	-
Accounts payable	(161,291)	(41,099)	(19,905)	(29,599)
Due to other funds	236	(28)	-	-
Due to other governments	-	-	49	-
Accrued salaries payable	6,412	(2,944)	3,798	-
Total OPEB liability	-	-	-	-
Net pension liability	-	-	-	-
Compensated absences payable	-	-	-	-
Deferred inflow for pension plan deferments	-	-	-	-
Deferred inflow for OPEB plan deferments	-	-	-	-
Total adjustments	<u>1,487,082</u>	<u>516,497</u>	<u>7,459</u>	<u>(52,228)</u>
Net cash flows from operating activities	<u>\$ 1,920,488</u>	<u>\$ 709,713</u>	<u>\$ 303,871</u>	<u>\$ (227,777)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Contributions of capital assets from City funds	175,655	10,262,859	-	-
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	-	170,282	191,244	-

<u>Employee Benefits</u>	<u>Resource Planning</u>	<u>Totals</u>	
		<u>2019</u>	<u>2018</u>
\$ (352,133)	\$ 89,331	\$ 484,683	\$ 1,704,828
-	-	2,490,565	1,879,701
299	42,211	36,917	37,460
2,674	-	8,139	(8,138)
-	-	(5,582)	12,608
-	-	(11,637)	690
-	(3,902)	(273,939)	(105,934)
4,045,021	-	4,045,021	3,941,981
(8,871)	-	(8,871)	(20,246)
18,218	(4,200)	(237,876)	(85,034)
-	-	208	1,495
-	-	49	(1,426)
8,665	-	15,931	7,831
(327,969)	-	(327,969)	165,187
392,776	-	392,776	(3,405,107)
153,840	-	153,840	84,746
(4,282,106)	-	(4,282,106)	(990,157)
407,530	-	407,530	-
<u>410,077</u>	<u>34,109</u>	<u>2,402,996</u>	<u>1,515,657</u>
\$ 57,944	\$ 123,440	\$ 2,887,679	\$ 3,220,485

-	-	10,438,514	988,025
-	-	-	9,518
-	(51,588)	(51,588)	(33,217)
-	-	361,526	(29,876)

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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, 2019

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and investments	\$ 2,425,942	\$ 3,001,705	\$ 5,427,647
Accounts receivable	2,633	-	2,633
Notes receivable	1,063,586	-	1,063,586
Taxes receivable	4,184	-	4,184
Accrued interest receivable	136,810	6,335	143,145
Due from City	-	80,000	80,000
Due from other governments	45,536	-	45,536
Prepaid items	348	50,697	51,045
Capital assets:			
Nondepreciable:			
Land	-	1,333,840	1,333,840
Depreciable (net):			
Buildings	121,645	7,793,675	7,915,320
Improvements other than buildings	-	202,699	202,699
Machinery and equipment	-	214,069	214,069
TOTAL ASSETS	<u>\$ 3,800,684</u>	<u>\$ 12,683,020</u>	<u>\$ 16,483,704</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 1,652	\$ 27,920	\$ 29,572
Accrued salaries and benefits payable	22,071	6,306	28,377
Deposits payable	-	137,147	137,147
Due to other governments	319	96,396	96,715
Unearned revenue	-	848	848
Accrued interest payable	-	103,014	103,014
Noncurrent liabilities:			
Due within one year	-	748,855	748,855
Due in more than one year	-	9,004,994	9,004,994
Total liabilities	<u>24,042</u>	<u>10,125,480</u>	<u>10,149,522</u>
<u>NET POSITION</u>			
Net investment in capital assets	121,645	(205,711)	(84,066)
Restricted for:			
Debt Service	-	561,967	561,967
Housing projects	3,654,997	-	3,654,997
Unrestricted	-	2,201,284	2,201,284
Total net position	<u>3,776,642</u>	<u>2,557,540</u>	<u>6,334,182</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 3,800,684</u>	<u>\$ 12,683,020</u>	<u>\$ 16,483,704</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019

<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	\$ 3,312,843	\$ 9,900	\$ 2,945,058	\$ -
Business-type activities:				
Plymouth Towne Square	809,538	758,817	-	80,000
Vicksburg Crossing	1,099,574	1,269,359	-	-
Total business-type activities	1,909,112	2,028,176	-	80,000
Total HRA government	\$ 5,221,955	\$ 2,038,076	\$ 2,945,058	\$ 80,000

General revenues:
Property taxes
Investment earnings
Other
Transfers
Total general revenues and transfers

CHANGE IN NET POSITION

NET POSITION - BEGINNING

NET POSITION - ENDING

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (357,885)	\$ -	\$ (357,885)
-	29,279	29,279
-	169,785	169,785
	199,064	199,064
(357,885)	199,064	(158,821)
578,348	-	578,348
74,285	63,707	137,992
33,636	5,164	38,800
(240,000)	240,000	-
446,269	308,871	755,140
88,384	507,935	596,319
3,688,258	2,049,605	5,737,863
\$ 3,776,642	\$ 2,557,540	\$ 6,334,182

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2019
(with comparative totals for December 31, 2018)

	<u>General</u>	<u>Housing Assistance</u>	<u>Totals</u>	
			<u>2019</u>	<u>2018</u>
<u>ASSETS</u>				
Cash and investments	\$ 1,892,487	\$ 533,455	\$ 2,425,942	\$ 2,358,389
Accounts receivable	-	2,633	2,633	8,245
Notes receivable	1,063,586	-	1,063,586	1,076,846
Taxes receivable	4,184	-	4,184	5,796
Accrued interest receivable	136,810	-	136,810	129,436
Due from other governments	-	45,536	45,536	13,018
Prepaid items	348	-	348	315
TOTAL ASSETS	\$ 3,097,415	\$ 581,624	\$ 3,679,039	\$ 3,592,045
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 1,652	\$ -	\$ 1,652	\$ 5,849
Accrued salaries and benefits payable	11,814	10,257	22,071	20,220
Due to other governments	-	319	319	5,202
Total liabilities	13,466	10,576	24,042	31,271
Deferred inflows of resources:				
Unavailable revenue	1,193,245	46,821	1,240,066	1,214,851
Fund balances:				
Nonspendable				
Prepaid items	348	-	348	315
Restricted for housing projects	1,890,356	524,227	2,414,583	2,345,608
Total fund balances	1,890,704	524,227	2,414,931	2,345,923
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 3,097,415	\$ 581,624	\$ 3,679,039	\$ 3,592,045

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019**

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 2,414,931

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 and, therefore, are not reported in the fund statements.

Capital assets	175,169	
Accumulated depreciation	<u>(53,524)</u>	121,645

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

1,240,066

NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 3,776,642

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

	General	Housing Assistance	Totals	
			2019	2018
REVENUES:				
Property taxes	\$ 578,403	\$ -	\$ 578,403	\$ 569,325
Intergovernmental	6	2,919,782	2,919,788	2,953,000
Charges for services	9,900	-	9,900	9,900
Investment earnings	73,414	871	74,285	43,314
Other revenues	33,636	-	33,636	35,873
Total revenues	<u>695,359</u>	<u>2,920,653</u>	<u>3,616,012</u>	<u>3,611,412</u>
EXPENDITURES:				
Current:				
Public service	<u>338,161</u>	<u>2,968,843</u>	<u>3,307,004</u>	<u>3,352,965</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>357,198</u>	<u>(48,190)</u>	<u>309,008</u>	<u>258,447</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(240,000)</u>	<u>-</u>	<u>(240,000)</u>	<u>(800,000)</u>
NET CHANGE IN FUND BALANCE	117,198	(48,190)	69,008	(541,553)
FUND BALANCES AT BEGINNING OF YEAR	<u>1,773,506</u>	<u>572,417</u>	<u>2,345,923</u>	<u>2,887,476</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,890,704</u>	<u>\$ 524,227</u>	<u>\$ 2,414,931</u>	<u>\$ 2,345,923</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, 2019**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 69,008

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)

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.

25,215

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 88,384

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, 2019
(with comparative actual amounts for year ended December 31, 2018)

	2019			2018
	Original and Final Budget	Actual	Variance with Final Budget	Actual
REVENUES:				
Property taxes	\$ 584,074	\$ 578,403	\$ (5,671)	\$ 569,325
Intergovernmental	-	6	6	6
Charges for services	9,900	9,900	-	9,900
Investment earnings	27,500	73,414	45,914	42,670
Other revenues	7,500	33,636	26,136	35,873
Total revenues	<u>628,974</u>	<u>695,359</u>	<u>66,385</u>	<u>657,774</u>
EXPENDITURES:				
Public service:				
Personal services	264,756	219,212	45,544	254,897
Materials and supplies	700	1,065	(365)	1,184
Contractual services:				
Grant awards	-	46	(46)	30,925
Other	142,496	117,838	24,658	131,775
Total expenditures	<u>407,952</u>	<u>338,161</u>	<u>69,791</u>	<u>418,781</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>221,022</u>	<u>357,198</u>	<u>136,176</u>	<u>238,993</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	5,000	-	(5,000)	-
Transfers out	<u>(226,022)</u>	<u>(240,000)</u>	<u>(13,978)</u>	<u>(800,000)</u>
Total other financing sources (uses)	<u>(221,022)</u>	<u>(240,000)</u>	<u>(18,978)</u>	<u>(800,000)</u>
NET CHANGE IN FUND BALANCE	-	117,198	117,198	(561,007)
FUND BALANCES AT BEGINNING OF YEAR	<u>1,773,506</u>	<u>1,773,506</u>	-	<u>2,334,513</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,773,506</u>	<u>\$ 1,890,704</u>	<u>\$ 117,198</u>	<u>\$ 1,773,506</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, 2019
(with comparative actual amounts for year ended December 31, 2018)

	2019		2018	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
REVENUES:				
Intergovernmental	\$ 3,190,750	\$ 2,919,782	\$ (270,968)	\$ 2,952,994
Investment earnings	250	871	621	644
Total revenues	<u>3,191,000</u>	<u>2,920,653</u>	<u>(270,347)</u>	<u>2,953,638</u>
EXPENDITURES:				
Public service:				
Personal services	228,722	226,682	2,040	225,729
Materials and supplies	100	-	100	79
Contractual services:				
Housing assistance	2,940,000	2,705,999	234,001	2,673,867
Other	44,882	36,162	8,720	34,509
Total expenditures	<u>3,213,704</u>	<u>2,968,843</u>	<u>244,861</u>	<u>2,934,184</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(22,704)</u>	<u>(48,190)</u>	<u>(25,486)</u>	<u>19,454</u>
OTHER FINANCING SOURCES:				
Transfers in	<u>22,704</u>	<u>-</u>	<u>(22,704)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	(48,190)	(48,190)	19,454
FUND BALANCES AT BEGINNING OF YEAR	<u>572,417</u>	<u>572,417</u>	<u>-</u>	<u>552,963</u>
FUND BALANCES AT END OF YEAR	<u>\$ 572,417</u>	<u>\$ 524,227</u>	<u>\$ (48,190)</u>	<u>\$ 572,417</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2019
(with comparative totals for December 31, 2018)

	<u>Plymouth</u>	<u>Vicksburg</u>	<u>Totals</u>	
	<u>Towne Square</u>	<u>Crossing</u>	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 964,363	\$ 2,037,342	\$ 3,001,705	\$ 2,877,628
Accounts receivable	-	-	-	826
Accrued interest receivable	3,414	2,921	6,335	6,479
Due from City	80,000	-	80,000	80,000
Prepaid items	31,964	18,733	50,697	33,864
Total current assets	<u>1,079,741</u>	<u>2,058,996</u>	<u>3,138,737</u>	<u>2,998,797</u>
Noncurrent assets:				
Capital assets:				
Land	459,247	874,593	1,333,840	1,333,840
Buildings	6,859,909	9,055,274	15,915,183	15,870,280
Improvements other than buildings	205,947	251,060	457,007	421,213
Machinery and equipment	470,082	403,962	874,044	842,689
Total capital assets	<u>7,995,185</u>	<u>10,584,889</u>	<u>18,580,074</u>	<u>18,468,022</u>
Less accumulated depreciation	<u>(4,470,502)</u>	<u>(4,565,289)</u>	<u>(9,035,791)</u>	<u>(8,545,163)</u>
Net capital assets	<u>3,524,683</u>	<u>6,019,600</u>	<u>9,544,283</u>	<u>9,922,859</u>
TOTAL ASSETS	<u><u>\$ 4,604,424</u></u>	<u><u>\$ 8,078,596</u></u>	<u><u>\$ 12,683,020</u></u>	<u><u>\$ 12,921,656</u></u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	\$ 14,113	\$ 13,807	\$ 27,920	\$ 38,253
Accrued salaries and benefits payable	3,005	3,301	6,306	4,979
Deposits payable	65,808	71,339	137,147	134,991
Due to other governments	35,320	61,076	96,396	93,599
Unearned revenue	588	260	848	16
Accrued interest payable	9,847	93,167	103,014	108,851
Compensated absences payable	488	3,367	3,855	6,289
Revenue bonds payable	305,000	440,000	745,000	730,000
Total current liabilities	<u>434,169</u>	<u>686,317</u>	<u>1,120,486</u>	<u>1,116,978</u>
Noncurrent liabilities:				
Revenue bonds payable (net of unamortized premiums/discounts)	<u>1,003,695</u>	<u>8,001,299</u>	<u>9,004,994</u>	<u>9,755,073</u>
Total liabilities	<u>1,437,864</u>	<u>8,687,616</u>	<u>10,125,480</u>	<u>10,872,051</u>
<u>NET POSITION</u>				
Net investment in capital assets	2,215,988	(2,421,699)	(205,711)	(562,214)
Restricted for debt service	140,561	421,406	561,967	563,709
Unrestricted	810,011	1,391,273	2,201,284	2,048,110
Total net position	<u>3,166,560</u>	<u>(609,020)</u>	<u>2,557,540</u>	<u>2,049,605</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 4,604,424</u></u>	<u><u>\$ 8,078,596</u></u>	<u><u>\$ 12,683,020</u></u>	<u><u>\$ 12,921,656</u></u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

	Plymouth	Vicksburg	Totals	
	Towne Square	Crossing	2019	2018
OPERATING REVENUES:				
Rental revenue	\$ 758,817	\$ 1,269,359	\$ 2,028,176	\$ 1,969,891
Other	1,359	3,805	5,164	46,310
Total operating revenues	<u>760,176</u>	<u>1,273,164</u>	<u>2,033,340</u>	<u>2,016,201</u>
OPERATING EXPENSES:				
Personal services	133,864	144,995	278,859	258,571
Materials and supplies	34,062	26,337	60,399	54,330
Contractual services	398,937	394,260	793,197	890,979
Depreciation	193,958	307,772	501,730	479,692
Total operating expenses	<u>760,821</u>	<u>873,364</u>	<u>1,634,185</u>	<u>1,683,572</u>
OPERATING INCOME (LOSS)	<u>(645)</u>	<u>399,800</u>	<u>399,155</u>	<u>332,629</u>
NONOPERATING REVENUES (EXPENSES):				
Investment earnings	30,796	32,911	63,707	29,686
Loss on sale of asset	(8,398)	-	(8,398)	-
Amortization	6,319	(1,240)	5,079	5,079
Interest expense	(46,638)	(224,970)	(271,608)	(288,888)
Total nonoperating revenues (expenses)	<u>(17,921)</u>	<u>(193,299)</u>	<u>(211,220)</u>	<u>(254,123)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(18,566)	206,501	187,935	78,506
CAPITAL CONTRIBUTIONS	80,000	-	80,000	80,000
TRANSFERS IN	<u>185,000</u>	<u>55,000</u>	<u>240,000</u>	<u>800,000</u>
CHANGES IN NET POSITION	246,434	261,501	507,935	958,506
NET POSITION AT BEGINNING OF YEAR	<u>2,920,126</u>	<u>(870,521)</u>	<u>2,049,605</u>	<u>1,091,099</u>
NET POSITION AT END OF YEAR	<u>\$ 3,166,560</u>	<u>\$ (609,020)</u>	<u>\$ 2,557,540</u>	<u>\$ 2,049,605</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019
(with comparative totals for year ended December 31, 2018)

	<u>Plymouth</u>	<u>Vicksburg</u>	<u>Totals</u>	
	<u>Towne Square</u>	<u>Crossing</u>	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers or users	\$ 759,364	\$ 1,272,626	\$ 2,031,990	\$ 1,975,543
Payments to suppliers	(452,964)	(425,001)	(877,965)	(938,153)
Payments to employees	(133,523)	(146,443)	(279,966)	(257,595)
Other operating revenue	1,359	3,805	5,164	46,310
Net cash flows from operating activities	<u>174,236</u>	<u>704,987</u>	<u>879,223</u>	<u>826,105</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in from other funds	<u>185,000</u>	<u>55,000</u>	<u>240,000</u>	<u>800,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(68,322)	(63,230)	(131,552)	(44,252)
Contributions	80,000	-	80,000	80,000
Principal paid on capital debt	(295,000)	(435,000)	(730,000)	(710,000)
Interest paid on capital debt	(48,850)	(228,595)	(277,445)	(294,567)
Net cash flows from capital and related financing activities	<u>(332,172)</u>	<u>(726,825)</u>	<u>(1,058,997)</u>	<u>(968,819)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment earnings	<u>30,941</u>	<u>32,910</u>	<u>63,851</u>	<u>28,954</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS				
	<u>58,005</u>	<u>66,072</u>	<u>124,077</u>	<u>686,240</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR				
	<u>906,358</u>	<u>1,971,270</u>	<u>2,877,628</u>	<u>2,191,388</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR				
	<u>\$ 964,363</u>	<u>\$ 2,037,342</u>	<u>\$ 3,001,705</u>	<u>\$ 2,877,628</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ (645)</u>	<u>\$ 399,800</u>	<u>\$ 399,155</u>	<u>\$ 332,629</u>
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	193,958	307,772	501,730	479,692
Changes in assets and liabilities:				
Accounts receivable	454	372	826	933
Prepaid items	(15,787)	(1,046)	(16,833)	(1,639)
Accounts payable	(5,886)	(4,447)	(10,333)	6,307
Accrued salaries payable	448	879	1,327	416
Deposits payable	(479)	2,635	2,156	4,776
Due to other governments	1,708	1,089	2,797	2,488
Unearned revenue	572	260	832	(57)
Compensated absences payable	(107)	(2,327)	(2,434)	560
Total adjustments	<u>174,881</u>	<u>305,187</u>	<u>480,068</u>	<u>493,476</u>
Net cash flows from operating activities	<u>\$ 174,236</u>	<u>\$ 704,987</u>	<u>\$ 879,223</u>	<u>\$ 826,105</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Amortization of premium/discount on capital debt	6,319	(1,240)	5,079	5,079
Loss on disposal of capital assets	8,398	-	8,398	-

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - HOUSING CHOICE VOUCHERS
FINANCIAL DATA SCHEDULE
BALANCE SHEET
DECEMBER 31, 2019**

ASSETS

Current assets:

111	Cash - unrestricted	\$	523,948
113	Cash - other restricted		9,507
121	Accounts receivable - PHA projects		1,348
122	Accounts receivable - HUD other projects		30,198
128	Fraud recovery		10,774
144	Inter prgram due from		5,849
190	Total assets	\$	<u>581,624</u>

LIABILITIES

Current liabilities:

321	Accrued wage/payroll taxes payable	\$	10,257
332	Accounts payable - PHA projects		319
300	Total liabilities		<u>10,576</u>

NET POSITION

511.4	Restricted net position		20,424
512.4	Unrestricted net position		550,624
513	Total net position		<u>571,048</u>
600	Total liabilities, deferred inflows of resources and net position	\$	<u>581,624</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, 2019**

REVENUES:	
70600 HUD PHA operating grants	\$ 1,909,242
71100 Investment Income - unrestricted	871
71400 Fraud recovery	4,602
71500 Other revenue	936,448
70000 Total revenue	<u>2,851,163</u>
OPERATING EXPENSES:	
Administrative:	
91100 Administrative salaries	175,422
91200 Auditing fees	7,374
91500 Employee benefit contributions - administrative	51,260
91600 Office expenses	11,523
91900 Other	3,815
91000 Total administrative	<u>249,394</u>
General expenses:	
96140 All other insurance	817
96100 Total insurance premium	<u>817</u>
Other general expenses:	
96200 Other general expenses	11,051
96900 Total operating expenses	<u>261,262</u>
EXCESS (DEFICIENCY) OF OPERATING REVENUES OVER (UNDER) OPERATING EXPENSES	2,589,901
OTHER EXPENSES:	
97300 Housing assistance payments	1,730,236
97350 HAP Portability-In	876,594
90000 Total expenses	<u>2,868,092</u>
EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXPENSES	(16,929)
NET POSITION AT BEGINNING OF YEAR	<u>587,977</u>
NET POSITION AT END OF YEAR	<u>\$ 571,048</u>
MEMO ACCOUNT INFORMATION:	
11170 Administrative fee equity	550,624
11180 Housing assistance payments equity	20,424
Total net position	<u>\$ 571,048</u>
11190 Unit months available	2,520
11210 Number of unit months leased	2,516

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, 2019**

ASSETS

Current assets:

122	Accounts receivable - HUD other projects	\$ 5,849
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LIABILITIES

Current liabilities:

347	Inter program - due to	\$ 5,849
-----	------------------------	----------

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, 2019**

REVENUES:		
70600 HUD PHA operating grants		<u>\$ 100,751</u>
OPERATING EXPENSES:		
Administrative:		
91600 Office expenses		<u>12,632</u>
96900 Total operating expenses		<u>12,632</u>
EXCESS (DEFICIENCY) OF OPERATING REVENUES OVER (UNDER) OPERATING EXPENSES		88,119
OTHER EXPENSES:		
97300 Housing assistance payments		<u>88,119</u>
90000 Total expenses		<u>100,751</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, 2019**

ASSETS

Current assets:

111	Cash - unrestricted	\$ 1,892,487
124	Accounts receivable - other government	4,184
129	Accrued interest receivable	136,810
142	Prepaid expenses and other assets	348
150	Total current assets	<u>2,033,829</u>

Non-current assets:

162	Buildings	175,169
166	Accumulated depreciation	(53,524)
171	Notes, loans, and mortgages receivable - non-current	1,063,586
180	Total non-current assets	<u>1,185,231</u>
190	Total assets	<u>\$ 3,219,060</u>

LIABILITIES

Current liabilities:

312	Accounts payable <= 90 days	\$ 1,652
321	Accrued wage/payroll taxes payable	11,814
300	Total liabilities	<u>13,466</u>

NET POSITION

508.4	Net investment in capital assets	121,645
512.4	Unrestricted net position	3,083,949
513	Total net position	<u>3,205,594</u>
600	Total liabilities and net position	<u>\$ 3,219,060</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, 2019**

REVENUES:

71100	Investment income - unrestricted	\$ 73,414
71500	Other revenue	<u>615,899</u>
70000	Total revenue	<u>689,313</u>

OPERATING EXPENSES:

Administrative:

91100	Administrative salaries	178,008
91200	Auditing fees	1,846
91500	Employee benefit contributions - administrative	41,204
91600	Office expenses	27,238
91700	Legal expense	1,791
91900	Other	<u>4,320</u>
91000	Total administrative	254,407

Ordinary maintenance and operations:

94300	Contracts	<u>2,931</u>
94000	Total maintenance	2,931

General expenses:

96140	All other insurance	<u>727</u>
96100	Total insurance premium	727

Other general expenses:

96200	Other general expenses	<u>80,096</u>
96900	Total operating expenses	<u>338,161</u>

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

351,152

OTHER EXPENSES:

97400	Depreciation	<u>5,839</u>
90000	Total expenses	<u>344,000</u>

OTHER FINANCING SOURCES (USES):

10020	Operating transfers out	<u>(240,000)</u>
10100	Total other financing sources (uses)	<u>(240,000)</u>

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

105,313

NET POSITION AT BEGINNING OF YEAR

3,100,281

NET POSITION AT END OF YEAR

\$ 3,205,594

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, 2019**

ASSETS

Current assets:

111	Cash - unrestricted	\$	37,850
114	Cash - tenant security deposit		140,030
131	Investments - unrestricted		1,516,858
132	Investments - restricted		561,967
135	Investments - restricted for payment of current liabilities		745,000
124	Accounts receivable - other government		80,000
129	Accrued interest receivable		6,335
142	Prepaid expenses and other assets		50,697
150	Total current assets		<u>3,138,737</u>

Non-current assets:

161	Land		1,333,840
162	Buildings		16,372,190
163	Furniture, equipment & machinery - dwellings		843,608
164	Furniture, equipment & machinery - administration		30,436
166	Accumulated depreciation		<u>(9,035,791)</u>
180	Total non-current assets		<u>9,544,283</u>
190	Total assets		<u><u>\$12,683,020</u></u>

LIABILITIES

Current liabilities:

312	Accounts payable <= 90 days	\$	27,920
321	Accrued wage/payroll taxes payable		6,306
322	Accrued compensated absences - current portion		3,855
325	Accrued interest payable		103,014
333	Accounts payable - other government		96,396
341	Tenant security deposit		137,147
342	Unearned revenue		848
343	Current portion of long-term debt - capital projects and mortgage revenue bonds		<u>745,000</u>
310	Total current liabilities		<u>1,120,486</u>

Noncurrent liabilities:

351	Long-term debt, net of current - capital projects and mortgage revenue bonds		<u>9,004,994</u>
300	Total liabilities		<u>10,125,480</u>

NET POSITION

508.4	Net investment in capital assets		(205,711)
511.4	Restricted net position		561,967
512.4	Unrestricted net position		<u>2,201,284</u>
513	Total net position		<u>2,557,540</u>
600	Total liabilities and net position		<u><u>\$12,683,020</u></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, 2019

REVENUES:

70300	Net tenant rental revenue	\$ 1,927,915
70400	Tenant revenue - other	100,261
70500	Total tenant revenue	<u>2,028,176</u>
71100	Investment income - unrestricted	62,646
71500	Other revenue	85,164
71600	Gain (loss) on sale of assets	(8,398)
72000	Investments income - restricted	1,061
70000	Total revenue	<u>2,168,649</u>

OPERATING EXPENSES:

Administrative:

91100	Administrative salaries	120,067
91200	Auditing fees	1,664
91300	Management fee	111,840
91400	Advertising and marketing	1,968
91500	Employee benefit contributions - administrative	51,276
91600	Office expenses	33,904
91000	Total administrative	<u>320,719</u>

Tenant services:

92400	Other	16,579
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Utilities:

93100	Water	35,969
93200	Electricity	39,429
93300	Gas	41,618
93000	Total utilities	<u>117,016</u>

Ordinary maintenance and operations:

94100	Labor	106,073
94200	Materials and other	43,992
94300	Contracts	373,289
94000	Total maintenance and operations	<u>523,354</u>

General expenses:

96110	Property insurance	58,391
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Other general expenses:

96300	Payments in lieu of taxes	96,396
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Interest expense:

96710	Interest on mortgage (or bonds) payable	271,608
96730	Amortization of bond issue costs	(5,079)
96700	Total interest expense and amortization costs	<u>266,529</u>
96900	Total operating expenses	<u>1,398,984</u>

(Continued...)

**CITY OF PLYMOUTH, MINNESOTA
HOUSING AND REDEVELOPMENT AUTHORITY - BUSINESS ACTIVITIES
FINANCIAL DATA SCHEDULE
INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2019**

(Continued from previous page)

EXCESS (DEFICIENCY) OF OPERATING REVENUES OVER (UNDER) OPERATING EXPENSES	769,665
OTHER EXPENSES:	
97400 Depreciation	501,730
90000 Total expenses	<u>1,900,714</u>
OTHER FINANCING SOURCES (USES):	
10010 Operating transfers in	240,000
10100 Total other financing sources (uses)	<u>240,000</u>
EXCESS (DEFICIENCY) OF TOTAL REVENUE OVER (UNDER) TOTAL EXPENSES	507,935
NET POSITION AT BEGINNING OF YEAR	<u>2,049,605</u>
NET POSITION AT END OF YEAR	<u><u>\$ 2,557,540</u></u>
MEMO ACCOUNT INFORMATION:	
11020 Required annual debt principal payments	\$ 730,000
11190 Unit months available	2,340
11210 Number of unit months leased	2,296

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, 2019

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
STATISTICAL SECTION (UNAUDITED)**

This part of the City of Plymouth, Minnesota's (the City) Comprehensive Annual Financial Report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, not disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant revenue source, including property tax revenue.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment in which the City's financial activities take place.

Operating Indicators

These schedules contain service and infrastructure data to help the reader understand how the information in the City's CAFR relates to the services the City provides and the activities it performs.

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 155,551	\$ 161,820	\$ 166,158	\$ 166,354	\$ 188,060	\$ 192,834	\$ 223,538	\$ 224,669	\$ 234,395	\$ 232,592
Restricted	5,744	16,127	16,637	17,234	13,365	24,401	25,313	23,182	25,663	30,035
Unrestricted	79,792	76,773	79,439	83,007	88,808	76,392	59,654	64,680	67,360	72,592
Total government activities net position	<u>\$ 241,087</u>	<u>\$ 254,720</u>	<u>\$ 262,234</u>	<u>\$ 266,595</u>	<u>\$ 290,233</u>	<u>\$ 293,627</u>	<u>\$ 308,505</u>	<u>\$ 312,531</u>	<u>\$ 327,418</u>	<u>\$ 335,219</u>
Business-type activities										
Net investment in capital assets	\$ 92,171	\$ 98,947	\$ 101,819	\$ 106,156	\$ 108,738	\$ 109,940	\$ 121,172	\$ 130,912	\$ 137,396	\$ 144,608
Restricted	20,833	22,515	24,362	26,906	27,846	24,095	19,850	22,209	20,626	21,911
Unrestricted	13,541	12,781	12,870	9,382	8,231	9,127	8,249	8,173	10,261	9,834
Total business-type activities net position	<u>\$ 126,545</u>	<u>\$ 134,243</u>	<u>\$ 139,051</u>	<u>\$ 142,444</u>	<u>\$ 144,815</u>	<u>\$ 143,162</u>	<u>\$ 149,271</u>	<u>\$ 161,294</u>	<u>\$ 168,283</u>	<u>\$ 176,353</u>
Primary government										
Net investment in capital assets	\$ 247,722	\$ 260,767	\$ 267,977	\$ 272,510	\$ 296,798	\$ 302,774	\$ 344,710	\$ 355,581	\$ 371,791	\$ 377,200
Restricted	26,577	38,642	40,999	44,140	41,211	48,496	45,163	45,391	46,289	51,946
Unrestricted	93,333	89,554	92,309	92,389	97,039	85,519	67,903	72,853	77,621	82,426
Total primary government net position	<u>\$ 367,632</u>	<u>\$ 388,963</u>	<u>\$ 401,285</u>	<u>\$ 409,039</u>	<u>\$ 435,048</u>	<u>\$ 436,789</u>	<u>\$ 457,776</u>	<u>\$ 473,825</u>	<u>\$ 495,701</u>	<u>\$ 511,572</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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 4,733	\$ 4,300	\$ 4,736	\$ 4,483	\$ 4,743	\$ 5,836	\$ 7,742	\$ 6,596	\$ 6,916	\$ 7,056
Economic development	226	353	354	345	653	679	724	2,178	882	1,783
Parks and recreation	7,977	8,115	8,044	7,987	8,427	8,833	9,216	9,206	9,630	10,153
Public safety	14,296	13,714	14,310	15,311	16,111	16,815	22,203	19,476	19,495	21,211
Public service	5,102	4,431	4,020	4,310	4,131	4,410	4,669	5,147	5,431	5,644
Public works	10,615	11,936	12,189	12,164	12,700	13,610	12,253	16,642	15,345	30,504
Interest on long-term debt	648	636	808	624	592	553	301	272	234	198
Total governmental activities expenses	<u>43,597</u>	<u>43,485</u>	<u>44,461</u>	<u>45,224</u>	<u>47,357</u>	<u>50,736</u>	<u>57,108</u>	<u>59,517</u>	<u>57,933</u>	<u>76,549</u>
Business-type activities:										
Water sewer utility	14,234	14,497	15,045	15,404	15,664	17,384	16,869	15,622	16,217	17,889
Ice center	1,669	1,726	1,695	1,734	1,708	1,717	1,906	1,901	1,974	2,055
Water resources	1,829	1,818	1,932	1,966	1,996	2,751	2,660	2,303	2,661	2,537
Solid waste management	1,049	1,055	900	916	922	1,060	1,082	1,087	1,089	1,222
Field house	255	230	236	310	324	284	292	287	312	390
Total business-type activities expenses	<u>19,036</u>	<u>19,326</u>	<u>19,808</u>	<u>20,330</u>	<u>20,614</u>	<u>23,196</u>	<u>22,809</u>	<u>21,200</u>	<u>22,253</u>	<u>24,093</u>
Total primary government expenses	<u>\$ 62,633</u>	<u>\$ 62,811</u>	<u>\$ 64,269</u>	<u>\$ 65,554</u>	<u>\$ 67,971</u>	<u>\$ 73,932</u>	<u>\$ 79,917</u>	<u>\$ 80,717</u>	<u>\$ 80,186</u>	<u>\$ 100,642</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 469	\$ 539	\$ 423	\$ 487	\$ 416	\$ 487	\$ 1,470	\$ 1,443	\$ 1,564	\$ 1,591
Economic development	7	7	-	-	-	-	-	-	-	5
Parks and recreation	1,461	1,519	1,582	1,525	1,599	1,520	1,989	1,534	2,081	1,817
Public safety	2,385	3,884	3,705	4,032	4,516	5,641	4,434	4,211	4,428	4,848
Public service	953	1,078	979	895	1,007	994	1,019	1,055	1,155	1,193
Public works	1,503	1,935	1,479	1,644	2,833	1,910	2,701	1,171	1,553	1,918
Operating grants and contributions	6,910	5,579	7,770	7,858	9,405	9,393	9,434	10,241	10,795	25,239
Capital grants and contributions	3,578	9,094	4,582	5,525	15,343	9,871	14,970	9,268	10,240	6,427
Total governmental activities program revenues	<u>\$ 17,266</u>	<u>\$ 23,635</u>	<u>\$ 20,520</u>	<u>\$ 21,966</u>	<u>\$ 35,119</u>	<u>\$ 29,816</u>	<u>\$ 36,017</u>	<u>\$ 28,923</u>	<u>\$ 31,816</u>	<u>\$ 43,038</u>

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-type activities:										
Charges for services:										
Water sewer utility	\$ 12,950	\$ 13,546	\$ 14,238	\$ 15,059	\$ 14,354	\$ 15,315	\$ 15,314	\$ 17,019	\$ 17,915	\$ 17,914
Ice center	1,401	1,407	1,465	1,471	1,508	1,603	1,608	1,537	1,648	1,801
Water resources	2,591	2,562	2,573	2,619	2,705	2,816	3,045	3,251	3,505	4,089
Solid waste management	710	941	632	523	498	519	596	764	757	845
Field house	369	348	335	393	378	392	376	389	419	400
Operating grants and contributions	1,087	372	329	446	327	378	629	262	255	197
Capital grants and contributions	778	10,564	5,036	2,417	3,970	1,987	6,200	5,208	5,467	2,905
Total business-type activities program revenues	19,886	29,740	24,608	22,928	23,740	23,010	27,768	28,430	29,966	28,151
Total primary government program revenues	\$ 37,152	\$ 53,375	\$ 45,128	\$ 44,894	\$ 58,859	\$ 52,826	\$ 63,785	\$ 57,353	\$ 61,782	\$ 71,189
Net (expense) revenue										
Governmental activities	\$ (26,331)	\$ (19,850)	\$ (23,941)	\$ (23,258)	\$ (12,238)	\$ (20,920)	\$ (21,091)	\$ (30,594)	\$ (26,117)	\$ (33,511)
Business-type activities	850	10,414	4,800	2,598	3,126	(186)	4,959	7,230	7,713	4,058
Total primary government	\$ (25,481)	\$ (9,436)	\$ (19,141)	\$ (20,660)	\$ (9,112)	\$ (21,106)	\$ (16,132)	\$ (23,364)	\$ (18,404)	\$ (29,453)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 28,581	\$ 28,551	\$ 29,256	\$ 29,695	\$ 30,038	\$ 31,108	\$ 32,191	\$ 33,824	\$ 35,375	\$ 36,925
Franchise fees	-	-	-	-	-	2,631	2,164	2,211	2,297	2,401
Investment earnings	361	1,704	1,109	(1,594)	3,448	1,644	1,116	1,472	1,889	4,384
Gain on sale of capital assets	81	-	133	91	144	83	39	111	122	95
Other	348	12	233	290	326	432	993	1,197	868	299
Transfers	1,954	3,216	724	(863)	1,920	(299)	(534)	(4,195)	1,379	(2,792)
Total governmental activities	31,325	33,483	31,455	27,619	35,876	35,599	35,969	34,620	41,930	41,312
Business-type activities:										
Investment earnings	366	489	671	(68)	1,165	676	616	598	655	1,220
Other	21	11	61	-	-	-	-	-	-	-
Transfers	(1,954)	(3,216)	(724)	863	(1,920)	299	534	4,195	(1,379)	2,792
Total business-type activities	(1,567)	(2,716)	8	795	(755)	975	1,150	4,793	(724)	4,012
Total primary government	\$ 29,758	\$ 30,767	\$ 31,463	\$ 28,414	\$ 35,121	\$ 36,574	\$ 37,119	\$ 39,413	\$ 41,206	\$ 45,324
Change in Net Position										
Governmental activities	\$ 4,994	\$ 13,633	\$ 7,514	\$ 4,361	\$ 23,638	\$ 14,679	\$ 14,878	\$ 4,026	\$ 15,813	\$ 7,801
Business-type activities	(717)	7,698	4,808	3,393	2,371	789	6,109	12,023	6,989	8,070
Total primary government	\$ 4,277	\$ 21,331	\$ 12,322	\$ 7,754	\$ 26,009	\$ 15,468	\$ 20,987	\$ 16,049	\$ 22,802	\$ 15,871

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 Taxes</u>
2010	\$ 28,581
2011	28,551
2012	29,256
2013	29,695
2014	30,038
2015	31,108
2016	32,191
2017	33,824
2018	35,375
2019	36,925

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General fund										
Nonspendable	\$ 6	\$ 10	\$ 62	\$ 37	\$ 474	\$ 69	\$ 81	\$ 69	\$ 97	\$ 471
Assigned	585	633	447	518	689	180	160	57	80	133
Unassigned	11,246	11,365	11,814	12,234	12,240	14,349	14,836	15,710	16,509	16,812
Total general fund	<u>\$ 11,837</u>	<u>\$ 12,008</u>	<u>\$ 12,323</u>	<u>\$ 12,789</u>	<u>\$ 13,403</u>	<u>\$ 14,598</u>	<u>\$ 15,077</u>	<u>\$ 15,836</u>	<u>\$ 16,686</u>	<u>\$ 17,416</u>
All other governmental funds										
Nonspendable	\$ 46	\$ 46	\$ 52	\$ 51	\$ 60	\$ 54	\$ 53	\$ 54	\$ 48	\$ 60
Restricted	14,515	15,289	19,475	20,227	16,233	19,065	20,422	17,822	20,048	24,036
Assigned	34,137	38,214	41,654	43,961	48,901	48,915	34,509	39,427	40,283	39,180
Unassigned	(1)	(1)	-	-	(542)	-	-	-	-	(10,226)
Total all other governmental funds	<u>48,697</u>	<u>53,548</u>	<u>61,181</u>	<u>64,239</u>	<u>64,652</u>	<u>68,034</u>	<u>54,984</u>	<u>57,303</u>	<u>60,379</u>	<u>53,050</u>
Total Governmental Funds	<u>\$ 60,534</u>	<u>\$ 65,556</u>	<u>\$ 73,504</u>	<u>\$ 77,028</u>	<u>\$ 78,055</u>	<u>\$ 82,632</u>	<u>\$ 70,061</u>	<u>\$ 73,139</u>	<u>\$ 77,065</u>	<u>\$ 70,466</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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Property taxes	\$ 28,633	\$ 28,547	\$ 29,336	\$ 29,721	\$ 30,017	\$ 31,184	\$ 32,100	\$ 33,974	\$ 35,359	\$ 36,925
Special assessments	86	88	92	82	76	36	20	32	28	23
Licenses and permits	2,466	3,242	3,942	4,232	5,078	5,954	4,643	4,982	4,583	5,096
Intergovernmental	8,399	6,809	4,923	5,658	13,181	11,569	15,138	11,772	10,789	12,492
Charges for services	4,061	4,635	4,235	4,483	4,840	4,680	6,212	5,263	5,801	6,162
Franchise fees	-	-	-	-	839	2,631	2,164	2,211	2,297	2,401
Fines and forfeitures	733	878	847	683	606	636	444	539	520	539
Contributions	1,151	1,476	897	2,178	1,301	3,582	2,157	2,365	2,603	1,887
Investment earnings	290	1,234	831	(1,093)	2,525	1,225	853	997	1,290	2,955
Loan repayments	7	7	7	7	8	8	8	8	8	9
Other revenue	333	262	207	226	291	389	946	1,181	831	262
Total Revenue	46,159	47,178	45,317	46,177	58,762	61,894	64,685	63,324	64,109	68,751
Expenditures										
General government	4,365	4,177	4,627	4,579	4,492	5,598	7,348	6,391	6,704	6,811
Economic development	226	953	354	346	673	690	694	2,161	903	1,779
Parks and recreation	6,621	6,744	6,815	6,821	7,314	7,624	7,708	7,737	8,234	8,515
Public safety	13,856	13,478	14,173	15,014	15,913	16,720	17,801	18,942	20,096	21,353
Public service	4,017	4,248	3,892	4,139	4,021	4,284	4,545	5,016	5,318	5,550
Public works	5,065	5,118	4,873	5,184	5,353	6,223	4,864	8,309	6,057	20,780
Interest on interfund advances	27	76	56	51	45	56	64	54	44	33
Debt service:										
Principal retirement	1,920	1,445	1,915	1,320	1,345	1,810	995	2,595	1,000	1,050
Interest and fiscal charges	682	652	649	727	646	601	408	348	288	253
Bond issuance costs	37	-	-	-	-	63	-	-	-	-
Capital outlay	11,909	10,289	8,255	7,788	23,691	15,773	35,874	12,020	16,631	13,155
Total Expenditures	48,725	47,180	45,609	45,969	63,493	59,442	80,301	63,573	65,275	79,279
Excess of revenues over (under) expenditures	(2,566)	(2)	(292)	208	(4,731)	2,452	(15,616)	(249)	(1,166)	(10,528)

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Other financing sources (uses)										
Transfers in	\$ 16,611	\$ 16,988	\$ 12,006	\$ 12,377	\$ 30,790	\$ 24,202	\$ 27,623	\$ 25,585	\$ 17,801	\$ 15,311
Transfers out	(14,658)	(11,965)	(8,926)	(9,061)	(25,033)	(20,918)	(24,577)	(22,258)	(12,709)	(11,382)
Bonds issued	2,990	-	4,815	-	-	3,295	-	-	-	-
Premium (discount) on debt	49	-	345	-	-	121	-	-	-	-
Payment on refunded bonds	(3,950)	-	-	-	-	(4,575)	-	-	-	-
Total other financing sources (uses)	<u>1,042</u>	<u>5,023</u>	<u>8,240</u>	<u>3,316</u>	<u>5,757</u>	<u>2,125</u>	<u>3,046</u>	<u>3,327</u>	<u>5,092</u>	<u>3,929</u>
Net change in fund balances	<u>\$ (1,524)</u>	<u>\$ 5,021</u>	<u>\$ 7,948</u>	<u>\$ 3,524</u>	<u>\$ 1,026</u>	<u>\$ 4,577</u>	<u>\$ (12,570)</u>	<u>\$ 3,078</u>	<u>\$ 3,926</u>	<u>\$ (6,599)</u>
Capitalized expenditures	\$ 11,909	\$ 10,289	\$ 8,255	\$ 8,005	\$ 23,860	\$ 15,963	\$ 36,323	\$ 12,444	\$ 16,879	\$ 13,300
Debt service as a percentage of noncapital expenditures	7.07%	5.68%	6.86%	5.39%	5.02%	5.55%	3.19%	5.76%	2.66%	1.97%

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 Taxes</u>
2010	\$ 28,633
2011	28,547
2012	29,336
2013	29,721
2014	30,017
2015	31,184
2016	32,100
2017	33,974
2018	35,359
2019	36,925

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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Population (1)	70,576	71,263	72,644	72,969	73,633	74,592	75,452	76,882	78,351	79,475
Real Property										
Assessed/tax capacity value	\$ 116,187	\$ 108,748	\$ 103,968	\$ 103,542	\$ 105,159	\$ 112,282	\$ 117,851	\$ 127,423	\$ 134,893	\$ 144,761
Estimated market value	\$ 9,548,268	\$ 8,973,492	\$ 8,802,943	\$ 8,704,104	\$ 8,872,822	\$ 9,510,688	\$ 9,966,663	\$ 10,707,728	\$ 11,258,884	\$ 12,119,522
Personal Property										
Assessed/tax capacity value	\$ 944	\$ 1,021	\$ 1,071	\$ 1,219	\$ 1,296	\$ 1,378	\$ 1,466	\$ 1,633	\$ 1,799	\$ 1,983
Estimated market value	\$ 47,820	\$ 51,696	\$ 54,454	\$ 61,736	\$ 65,587	\$ 69,647	\$ 74,290	\$ 82,544	\$ 90,789	\$ 99,971
Total Real and Personal Property										
Assessed/tax capacity value	\$ 117,131	\$ 109,769	\$ 105,039	\$ 104,761	\$ 106,455	\$ 113,660	\$ 119,317	\$ 129,056	\$ 136,692	\$ 146,744
Estimated market value	\$ 9,596,088	\$ 9,025,188	\$ 8,857,397	\$ 8,765,840	\$ 8,938,409	\$ 9,580,335	\$ 10,040,953	\$ 10,790,272	\$ 11,349,673	\$ 12,219,493
Total direct tax rate (2)	26.01	27.49	28.72	29.81	30.12	28.38	27.84	26.96	26.80	26.36

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)									
	Housing & Redevelopment Authority		Total City Rate	Hennepin County Operating	Other Districts Operating	School Districts				Watershed Districts			
	Operating					Dist #270 Operating	Dist #279 Operating	Dist #281 Operating	Dist #284 Operating	Dist #2 Operating	Dist #3 Operating	Dist #7 Operating	Dist #8 Operating
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	-
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
2014	29.55	0.57	30.12	49.96	10.56	32.36	29.82	34.78	24.57	-	1.81	0.75	-
2015	27.85	0.53	28.38	46.40	9.80	30.34	27.16	33.23	26.25	0.13	1.74	0.78	0.26
2016	27.33	0.51	27.84	45.36	9.53	28.51	26.27	33.83	26.11	0.22	1.72	0.90	0.25
2017	26.48	0.48	26.96	44.09	9.33	25.61	26.73	31.61	26.29	0.40	1.74	0.90	0.27
2018	26.34	0.46	26.80	42.81	8.97	29.04	24.92	31.96	25.46	0.31	1.69	0.88	0.08
2019	25.92	0.44	26.36	41.86	8.55	27.02	26.36	26.36	24.83	0.32	1.57	0.87	0.34

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	2019			2010		
	Tax Capacity Value	Rank	Percentage of Total Tax Capacity Value	Tax Capacity Value	Rank	Percentage of Total Tax Capacity Value
G&I VIII 605 Waterford LLC	\$ 1,399	1	0.95%	\$ -	-	-
IRET Properties Et Al	1,113	2	0.76%	-	-	-
TFO Reva Wildamere PCC LLC	1,091	3	0.74%	-	-	-
Talcott III Atria LLC	976	4	0.67%	785	6	0.67%
Stoneleigh Apartments LLC	871	5	0.59%	-	-	-
St Paul Properties Inc	834	6	0.57%	1,173	2	1.00%
HSRE-WH MOB LLC	763	7	0.52%	-	-	-
MFREVF II - Maple Grove LLC	727	8	0.50%	-	-	-
CVIII Vicksburg Village LLC	683	9	0.47%	-	-	-
LCS-Westminster Prtshp V LLP	672	10	0.46%	-	-	-
CSM Equities	-	-	-	1,241	1	1.06%
Carlson Companies	-	-	-	997	3	0.85%
United Properties	-	-	-	918	4	0.78%
Plymouth Properties Realty	-	-	-	819	5	0.70%
Liberty Property Ltd. Partnership	-	-	-	785	6	0.67%
Bigos	-	-	-	726	8	0.62%
James Campbell Estate aka F E Trotter	-	-	-	625	9	0.53%
Park Place Portfolio	-	-	-	575	10	0.49%
	<u>\$ 9,129</u>		<u>6.23%</u>	<u>\$ 8,644</u>		<u>7.37%</u>

Source: Hennepin County.

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
2010	\$ 28,727	\$ 27,853	96.96%	\$ 231	\$ 28,084	97.76%
2011	28,728	27,817	96.83%	224	28,041	97.61%
2012	28,728	28,545	99.36%	164	28,709	99.93%
2013	29,185	29,022	99.44%	163	29,185	100.00%
2014	29,770	29,601	99.43%	110	29,711	99.80%
2015	30,365	30,371	100.02%	65	30,436	100.23%
2016	31,273	31,144	99.59%	178	31,322	100.16%
2017	32,805	32,657	99.55%	25	32,682	99.63%
2018	34,347	34,158	99.45%	67	34,225	99.64%
2019	36,031	35,835	99.46%	-	35,835	99.46%

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	Capital Leases				
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	0.96%	443
2013	15,576	-	3,163	-	11,073	29,812	0.85%	409
2014	14,420	-	2,938	-	5,127	22,485	0.65%	305
2015	12,494	-	1,852	-	4,176	18,522	0.54%	248
2016	11,586	-	1,685	-	3,210	16,481	0.46%	218
2017	9,144	-	1,493	-	2,214	12,851	0.34%	167
2018	8,303	-	1,292	-	1,193	10,788	0.27%	138
2019	7,433	-	1,070	296	-	8,799	0.20%	111

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(2)	Total	Percentage of Estimated Actual Taxable Value of Property(1)	Per Capita(1)
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%	330
2013	29,812	7,767	22,045	0.25%	302
2014	22,485	7,523	14,962	0.17%	203
2015	18,522	2,213	16,309	0.17%	218
2016	16,481	2,344	14,137	0.14%	187
2017	12,851	2,012	10,839	0.10%	141
2018	10,788	2,290	8,498	0.07%	108
2019	8,503	2,251	6,252	0.05%	79

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.

(2) The City is using governmental fund balance restricted for debt service. We believe this to be the best amount available to present a consistent net amount when refunding bonds are held for payment, which are not restricted on entity-wide statements due to conversion for full accrual accounting.

CITY OF PLYMOUTH, MINNESOTA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2019
(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	\$ 1,334,420	7.6%	\$ 69,908
ISD #270 (Hopkins)	167,740	3.5%	5,802
ISD #279 (Osseo)	174,725	9.9%	13,887
ISD #281 (Robbinsdale)	200,245	23.9%	37,588
IDS #284 (Wayzata)	223,335	56.0%	120,047
Metropolitan Council	1,555,384	3.6%	5,147
Three Rivers Park District	61,035	10.6%	3,920
Hennepin County Regional Railroad Auth.	98,385	10.6%	6,513
Subtotal, overlapping debt			<u>262,812</u>
City of Plymouth direct debt			<u>8,270</u>
Total direct and overlapping debt			<u><u>\$ 271,082</u></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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 287,883	\$ 270,756	\$ 265,722	\$ 262,975	\$ 268,152	\$ 287,410	\$ 301,229	\$ 323,708	\$ 340,490	\$ 366,585
Total net debt applicable to limit	11,605	10,388	8,844	8,274	7,690	10,183	9,435	7,218	5,745	5,746
Legal debt margin	<u>\$ 276,278</u>	<u>\$ 260,368</u>	<u>\$ 256,878</u>	<u>\$ 254,701</u>	<u>\$ 260,462</u>	<u>\$ 277,227</u>	<u>\$ 291,794</u>	<u>\$ 316,490</u>	<u>\$ 334,745</u>	<u>\$ 360,839</u>
Total net debt applicable to the limit as a percentage of debt limit	4.03%	3.84%	3.33%	3.15%	2.87%	3.54%	3.13%	2.23%	1.69%	1.57%

Legal Debt Margin Calculation for Fiscal Year 2019

Estimated market value	\$ 12,219,493
Debt limit (3% of estimated market value)	366,585
Debt applicable to limit:	
Open Space Bonds 2010A	1,570
Refunding Bonds 2012A	2,965
Open Space Bonds 2015A	2,670
Less: Amount set aside for repayment of general obligation debt	<u>(1,459)</u>
Total net debt applicable to limit	<u>5,746</u>
Legal debt margin	<u>\$ 360,839</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(1)	Interest			Principal	Interest	
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	-	-	-	-
2014	15,386	11,408	3,978	950	253	3.31	-	-	-	-
2015	15,856	13,066	2,790	920	87	2.77	-	-	-	-
2016	15,816	12,987	2,829	935	60	2.84	-	-	-	-
2017	17,535	11,872	5,663	965	31	5.69	-	-	-	-
2018	18,461	12,483	5,978	990	2	6.03	-	-	-	-
2019	19,481	12,871	6,610	1,005	-	6.58	-	-	-	-

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.

(1) Refunding payments have been excluded.

**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)
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	72,644	3,346,927	46,073	51,553	4.3%
2013	72,969	3,515,428	48,177	51,480	3.6%
2014	73,633	3,456,922	46,948	51,613	2.6%
2015	74,592	3,459,204	46,375	51,425	2.6%
2016	75,452	3,556,053	47,130	51,697	3.0%
2017	76,882	3,774,752	49,098	52,169	2.4%
2018	78,351	3,941,682	50,308	52,677	2.2%
2019	79,475	4,307,545	54,200	53,052	2.4%

- 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	2019			2010		
	Employees	Rank	Percentage of Total Plymouth Employment	Employees	Rank	Percentage of Total Plymouth Employment
Prudential Financial	3,000	1	5.33%	642	3	1.63%
Zayo Group	2,000	2	3.56%	-	-	-
I.S.D. No. 284 (Wayzata)	1,235	3	2.20%	1,344	1	3.42%
Medtronic	1,001	4	1.78%	-	-	-
Aimia	1,000	5	1.78%	-	-	-
U.S. Foods	605	6	1.08%	-	-	-
Meritain Health	600	7	1.07%	-	-	-
Minnesota Rubber & Plastics	500	8	0.89%	-	-	-
TCF Bank	500	8	0.89%	-	-	-
Miracle-Ear Inc	450	10	0.80%	-	-	-
Carlson Companies	-	-	-	1,175	2	2.99%
EV3, Inc.	-	-	-	584	4	1.49%
Allied Interstate	-	-	-	573	5	1.46%
Honeywell	-	-	-	525	6	1.34%
Boston Scientific	-	-	-	500	7	1.27%
Select Comfort	-	-	-	475	8	1.21%
Nilfisk-Advance, Inc.	-	-	-	399	9	1.02%
Turck, Inc.	-	-	-	358	10	0.91%
	<u>10,891</u>		<u>19.36%</u>	<u>6,575</u>		<u>16.74%</u>

Note: Data is based on the most current information available.

Sources: City Economic Development Division

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

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Administration	11	8	9	8	8	12	12	12	12	12
Assessing	7	7	7	7	-	-	-	-	-	-
Finance	13	10	12	12	11	9	9	8	8	8
Inspection	12	10	11	11	11	12	12	11	10	9
Planning	11	11	11	11	12	12	12	12	12	12
Information Technology	7	5	6	6	6	6	6	6	6	6
Economic Development										
Administration	-	-	-	-	-	-	-	1	1	1
Parks										
Administration	9	9	9	9	9	10	10	10	10	11
Park Maintenance	21	20	20	19	20	22	23	22	23	23
Plymouth Creek	5	5	5	5	5	5	5	5	5	5
Ice Center	4	5	5	5	5	4	4	4	4	4
Public Safety										
Police- Sworn	66	68	64	67	71	71	73	78	80	76
Police and Fire - Civilian	17	15	16	17	17	13	16	14	15	17
Full Time Fire Fighters	6	6	6	6	6	6	7	12	14	21
Public Works										
Engineering	13	13	10	9	11	11	11	9	7	9
Streets	13	13	13	13	15	16	14	15	15	18
Central Equipment	5	5	6	6	6	5	7	6	6	8
Recycling Administration	2	2	1	1	1	1	1	-	-	-
Risk Management	1	1	1	1	1	1	1	1	1	1
Building Management	2	2	3	2	2	2	1	1	2	2
Public Service										
House and Development	3	3	3	2	2	2	2	2	2	2
Sewer/Water	23	23	23	24	25	22	24	22	23	22
Transit	1	1	1	1	-	-	1	1	1	1
	<u>252</u>	<u>242</u>	<u>242</u>	<u>241</u>	<u>243</u>	<u>241</u>	<u>249</u>	<u>252</u>	<u>256</u>	<u>267</u>

Sources: City human resources records.

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Medical calls	3,257	3,284	3,417	3,564	3,765	3,892	4,043	4,267	4,339	4,620
Traffic incidents	16,380	20,318	17,632	16,161	14,473	14,186	10,965	15,951	16,638	17,788
Citations	11,072	13,729	10,925	11,712	10,140	11,580	7,113	9,659	8,606	10,401
Other	17,398	13,582	14,254	12,831	13,982	15,063	20,477	17,688	16,267	16,756
Fire										
Inspections	1,007	1,221	1,093	1,070	1,191	1,488	1,305	1,112	874	775
Fire calls - Fire	162	161	164	123	165	182	203	193	185	192
Fire calls - Pressure rupture/explosion	6	8	5	11	5	11	6	7	7	2
Fire calls - Rescue & EMS	172	194	207	208	235	222	234	341	323	514
Fire calls - Hazardous condition	202	152	141	185	128	129	159	135	192	178
Fire calls - Service calls	135	148	144	146	165	115	159	227	240	286
Fire calls - Good intent	377	411	347	378	381	386	394	336	441	415
Fire calls - False alarm/call	348	455	362	452	440	433	367	410	443	424
Fire calls - Severe weather/disaster	3	2	1	1	2	-	-	1	1	1
Fire calls - Special incidents	3	1	-	-	-	-	1	1	2	1
Inspections										
Permit related	18,036	18,043	19,641	17,750	20,370	23,468	21,098	21,433	21,639	22,311
Non-permit related	2,185	2,240	2,556	2,564	2,595	2,244	2,005	1,874	1,855	2,127
Recreation										
Hours of ice time	7,166	7,315	6,847	6,784	6,889	6,902	6,713	6,235	8,882	8,330
Number of programs	2,011	2,003	2,079	2,146	2,113	2,150	2,191	1,615	2,085	1,741
Plymouth Creek Center rentals	3,956	4,218	4,068	4,086	4,204	4,081	3,998	3,567	3,779	3,906
Water										
Gallons of water production (in thousands)	3,183,085	3,146,805	3,629,615	3,198,740	2,898,520	2,925,594	2,944,140	3,006,304	2,982,075	2,667,870
Watermain breaks	29	53	34	35	39	35	35	39	35	34
Public Works										
Snowplowing hours	3,003	970	3,023	2,786	1,682	1,749	1,872	4,008	6,078	3,580

Sources: Various city departments.

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	38	33	23	17	19	21	21	23	22	22
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)	26	26	26	26	26	26	26	26	26	26
Other streets & alleys (miles)	290	294	297	300	305	310	313	320	323	324
Sidewalks (miles)	12	12	12	12	12	17	17	17	20	20
Streetlights	3,028	3,059	3,042	3,133	3,181	3,219	3,322	3,313	3,309	3,402
Parks and recreation										
Acreage	1,400	1,410	1,685	1,688	1,691	1,670	1,672	1,728	1,735	1,855
Number of parks and playgrounds	50	50	50	52	54	65	75	79	81	86
Trails (miles)	136	137	140	145	145	158	164	168	172	174
Community center	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	354	361	366	369	373	381	385	389	390	393
Fire hydrants:										
Private	1571	1571	1573	1579	1588	1599	1610	1618	1624	1649
Public	4434	4528	4580	4638	4703	4700	4700	4957	4991	5019
Wastewater										
Sanitary sewer (miles)	309	319	322	325	328	334	338	342	344	345
Storm sewer (miles)	134	140	143	146	150	157	162	168	170	174

Sources: Various city departments.

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

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