



# 2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended December 31, 2022 | City of Plymouth, MN



CITY OF PLYMOUTH  
HENNEPIN COUNTY, MINNESOTA

Annual Comprehensive  
Financial Report

for the Year Ended  
December 31, 2022

Dave Callister  
City Manager

Report Prepared by  
Administrative Services Department, Finance Division

Member of Government Finance Officers Association  
of the United States and Canada

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CITY OF PLYMOUTH

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## **INTRODUCTORY SECTION**





June 27, 2023

To the 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 to be 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 Annual Comprehensive Financial Report (ACFR) of the City of Plymouth (the City) for the fiscal year ended December 31, 2022.

This report consists of management's representations of the City'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'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, 2022, 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's financial statements for the fiscal year ended December 31, 2022, 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 (GFOA) 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, 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 81,000 residents. The City is currently the seventh 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 nonpartisan basis to serve four-year terms, with council members serving staggered terms. The City 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 City 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 June 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 City Council for review prior to August 31. The City 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's fiscal year.

## **Economic Condition and Outlook**

The City's population grew substantially during the 1980's and 1990's, increasing by 61 percent. The City's population increased 29 percent from 1990 to 2000; 7 percent from 2000 to 2010 and 15 percent from 2010 to 2020. The City's population as of the most current U.S. Census (2020) is 81,026. The key relationship between development and the budget is the City's ability to generate sufficient funds to deliver appropriate public services.

The City continued a progressive and sound financial program throughout 2022, while providing core services, as well as services that are intended to enhance quality of life. Community surveys and national publications rate the City's services at a very high level.

The payable 2022 total estimated market value of the City was \$14,374,021,000, an increase of \$520,688,000 from 2021. The increase in total market value between payable 2021 and payable 2022 was 3.8 percent.

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

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	81,026	32,041	52,025
2022*	80,762	32,283	54,543
2030*	81,400	33,400	57,700
2040*	85,100	34,700	61,500

\* Estimated

Source: Metropolitan Council

### Long-Term Financial Planning

*Operating Budget* – The City has prepared biennial budgets since 2008. In 2021, the City prepared the biennial budget for the period covering fiscal years 2022–2023. This important document required significant planning and scenario building to ensure a workable operating budget under changing economic conditions. In July 2022, the City reviewed and updated the second year (2023) of this document following the outcomes of legislative adjustments and performed a review of revenue and expenditure patterns for the most recent activity trends.

The City also continually updates a 10-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.

*Capital Budget* – In 2019, the City extended its 5-year capital plan to 10 years, to provide a more comprehensive look at upcoming projects.

Over the past few years, in this document, we’ve discussed a couple of larger projects – Plymouth Community Center (PCC) expansion and fire station renovations. In 2022, the City completed the PCC expansion project. The PCC Construction Fund currently has an internal loan from the General Capital Projects Fund, which is planned to be repaid with reimbursement from the state and county. The second project is the renovation of two of the City’s three fire stations. These renovations are expected to be completed in 2023.

Another project, Chankahda Trail, formerly known as the County Road 47 corridor, began construction in 2022. This 1920’s rural road is unable to accommodate the urban development and traffic volumes associated with the City’s development activity. With the close of the 2023 State Legislative Session, the City was approved for \$7 million in state bond funds to assist with the infrastructure improvements. The improvements will include pedestrian trails, school crossings, and dedicated turn lanes, among others.

*Development* – 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 30 percent of the City’s tax capacity. The City’s land use guide plan designates all land uses, including areas available for commercial and industrial development.

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

The City has used pay-as-you-go (PAYGO) tax increment notes to reimburse developers for certain costs and these agreements may be construed as tax abatement. In order for a development project to be feasible, the City may agree to pay the developer back a portion of the excess property taxes that are created from the development of the property. The City currently has three agreements, which are outlined in the notes to basic financial statements. Below illustrates the increase in market value for the tax increment districts with PAYGO tax increment notes:

	<u>Original Market Value</u>	<u>Pay 2022 Market Value</u>	<u>Percent Increase in Valuation</u>
<b>TIF 1-2</b>	\$ 1,487,700	\$ 10,606,000	613 %
<b>TIF 1-3</b>	\$ 2,544,100	\$ 19,711,000	675 %
<b>TIF 7-8</b>	\$ 1,244,900	\$ 36,877,000	2,862 %

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.

### **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**

The GFOA of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the year ended December 31, 2021. This was the 40th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. 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 ACFR continues to meet the Certificate of Achievement program's requirements, and it will be submitted to the GFOA of the United States and Canada 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,



Andrea Rich, Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Plymouth  
Minnesota**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO

# 2022 Organizational Chart





CITY OF PLYMOUTH

Elected Officials and City Officials and Department Directors  
December 31, 2022

**ELECTED OFFICIALS**

		<u>Term Expires</u>
Jeffry Wosje	Mayor	December 31, 2022
Alise McGregor	Councilmember – Ward 1	December 31, 2024
Julie Peterson	Councilmember – Ward 2	December 31, 2022
Jim Davis	Councilmember – Ward 3	December 31, 2024
Jim Prom	Councilmember – Ward 4	December 31, 2022
Ned Carroll	At-Large	December 31, 2022
Jim Willis	At-Large	December 31, 2024

**CITY OFFICIALS AND DEPARTMENT DIRECTORS**

Dave Callister	City Manager
Maria Solano	Deputy City Manager
Grant Fernelius	Community and Economic Development Director
Andrea Rich	Director of Finance
Rodger Coppa	Fire Chief
Ali Timpone	Director of Human Resources
Jennifer Tomlinson	Director of Parks and Recreation
Erik Fadden	Director of Public Safety
Michael Thompson	Director of Public Works
Jodi Gallup	City Clerk
Soren Mattick	City Attorney
Hennepin County	City Assessor

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**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

**OPINIONS**

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, 2022, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above 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, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparisons 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.

**BASIS FOR OPINIONS**

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. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**EMPHASIS OF MATTER**

***Change in Accounting Principle***

As described in Note 1 to the basic financial statements, in fiscal 2022, the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

(continued)

## **RESPONSIBILITIES OF MANAGEMENT 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

(continued)

## **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 is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB, 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.

## **SUPPLEMENTARY 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 supplementary information, as listed in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such 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. The 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.

## **OTHER INFORMATION**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or if the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

## **PRIOR YEAR COMPARATIVE INFORMATION**

We have previously audited the City's 2021 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 July 20, 2022. In our opinion, the partial comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

(continued)

**OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2023, 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 27, 2023



## CITY OF PLYMOUTH

### Management's Discussion and Analysis Year Ended December 31, 2022

As management of the City of Plymouth, Minnesota (the City), we offer readers of the City's Annual Comprehensive Financial Report (ACFR) this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which is presented in the introductory section of this report.

#### **FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows of resources by \$574.8 million (net position) at the close of the most recent fiscal year. Of this amount, \$78.1 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$12.7 million in 2022, including an increase of \$8.1 million attributable to governmental activities, and an increase of \$4.6 million attributable to business-type activities.
- The City's outstanding bonded debt decreased by \$3.2 million during the fiscal year, due to annual bond principal payments and amortization of outstanding premium/discount on bonds.
- As described in Note 1 of the notes to basic financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, during the fiscal year ended December 31, 2022. This standard changed the way lease transactions are reported by the City, but did not result in a restatement of net position in the current year.
- The City's governmental funds reported combined ending fund balances of \$90.9 million at December 31, 2022, a decrease of \$13.1 million from the prior year from operations, and a prior period adjustment as noted below. The overall decrease was largely as anticipated with capital spending for street replacement, the Plymouth Community Center Expansion, and fire station renovations.
- The City reported a prior period adjustment in the governmental funds increasing fund balance by \$6.9 million in the current year. This change was to correct the reporting of land purchased in the prior year that is currently held for resale.
- At the end of the current fiscal year, the City's main operating fund, the General Fund, reported a total fund balance of \$20.0 million, or approximately 40 percent, of 2023 General Fund budgeted expenditures and transfers out.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

These financial statements include not only the City itself (known as the primary government), but also the Housing and Redevelopment Authority of Plymouth, Minnesota (the HRA), known as a component unit of the City. The HRA has been presented as a discretely present component unit on the City's financial statements in accordance with accounting principles generally accepted in the United States of America. The City created the Economic Development Authority (EDA) in 2016. The EDA is presented as a blended component unit of the City; however, the EDA did not have financial activity during the year.

**Government-Wide Financial Statements** – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows, as applicable, with the difference 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 is improving or deteriorating.

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

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

**Fund Financial Statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the 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 funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains several individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances for the City's individual major governmental funds. They are as follows:

- General Fund
- Transit System Fund
- General Capital Projects Fund
- Improvement Projects Fund
- Street Replacement Fund
- Plymouth Community Center Expansion Fund
- Fire Stations Construction Fund
- Tax Increment Projects Fund

Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts annual appropriated budgets for its General Fund, the Transit System Fund, the Recreation Fund, and the Community Development Block Grant Fund. Budgetary comparison statements or schedules have been provided for these funds to demonstrate compliance with their respective budgets.

**Proprietary Funds** – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The City uses enterprise funds to account for its water sewer utility, ice center, water resources operations, solid waste management, and field house. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water sewer utility, ice center, and water resources operations enterprise funds, all of which are considered to be major funds of the City.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its central equipment, public facilities, information technology, risk management, employee benefits, and resource planning needs. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements, labeled Governmental Activities – Internal Service Funds. Because all of these services predominately benefit governmental, rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

**Notes to Basic Financial Statements** – The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information** – In addition to the basic financial statements and accompanying notes, the financial section also presents required supplementary information, and the combining and individual fund statements and schedules (presented as supplementary information) referred to earlier in connection with nonmajor funds and internal service funds, which are presented immediately following the basic financial statements.

Furthermore, a statistical section has been included as part of the ACFR to facilitate additional analysis, and is the third and final section of the report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

An analysis of the City's financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the City's net position and changes in net position. It should be noted that the financial position can also be affected by nonfinancial factors, including economic conditions, population growth, and new regulations.

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. As presented in the following condensed version of the Statement of Net Position, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$574.8 million at December 31, 2022.

### City of Plymouth's Net Position (amounts in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 150,390	\$ 169,771	\$ 43,593	\$ 41,255	\$ 193,983	\$ 211,026
Capital assets, net of accumulated depreciation/amortization	339,642	316,276	157,489	153,572	497,131	469,848
<b>Total assets</b>	<b>\$ 490,032</b>	<b>\$ 486,047</b>	<b>\$ 201,082</b>	<b>\$ 194,827</b>	<b>\$ 691,114</b>	<b>\$ 680,874</b>
Deferred outflows of resources	\$ 33,029	\$ 19,681	\$ –	\$ –	\$ 33,029	\$ 19,681
Current liabilities	\$ 12,947	\$ 21,567	\$ 2,348	\$ 2,836	\$ 15,295	\$ 24,403
Long-term liabilities	127,126	90,118	–	–	127,126	90,118
<b>Total liabilities</b>	<b>\$ 140,073</b>	<b>\$ 111,685</b>	<b>\$ 2,348</b>	<b>\$ 2,836</b>	<b>\$ 142,421</b>	<b>\$ 114,521</b>
Deferred inflows of resources	\$ 4,733	\$ 23,928	\$ 2,166	\$ –	\$ 6,899	\$ 23,928
Net position						
Net investment in capital assets	\$ 271,492	\$ 263,556	\$ 156,847	\$ 152,951	\$ 428,339	\$ 416,507
Restricted	37,866	24,222	30,471	30,023	68,337	54,245
Unrestricted	68,897	82,337	9,250	9,017	78,147	91,354
<b>Total net position</b>	<b>\$ 378,255</b>	<b>\$ 370,115</b>	<b>\$ 196,568</b>	<b>\$ 191,991</b>	<b>\$ 574,823</b>	<b>\$ 562,106</b>

The largest portion of the City's net position, \$428.3 million, or 74.5 percent, reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, and infrastructure); less any outstanding related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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.

An additional portion of the City's net position, \$68.3 million, or 11.9 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance representing unrestricted net position (\$78.1 million) may be used to meet the government's ongoing obligations to citizens and creditors. Certain balances within unrestricted net position may have internally imposed commitments or limitations, which may further limit the purpose for which such net position may be used.

At the end of the current fiscal year, the City reports 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. Ongoing development activity in the City and changes in state-wide pension obligations contributed to the fluctuations in the above table.

The following table provides a condensed version of the Statement of Activities for the year ended December 31, 2022, with comparative totals for the year ended December 31, 2021. The City's total net position increased by \$12.7 million, or 2.3 percent, during the current fiscal year.

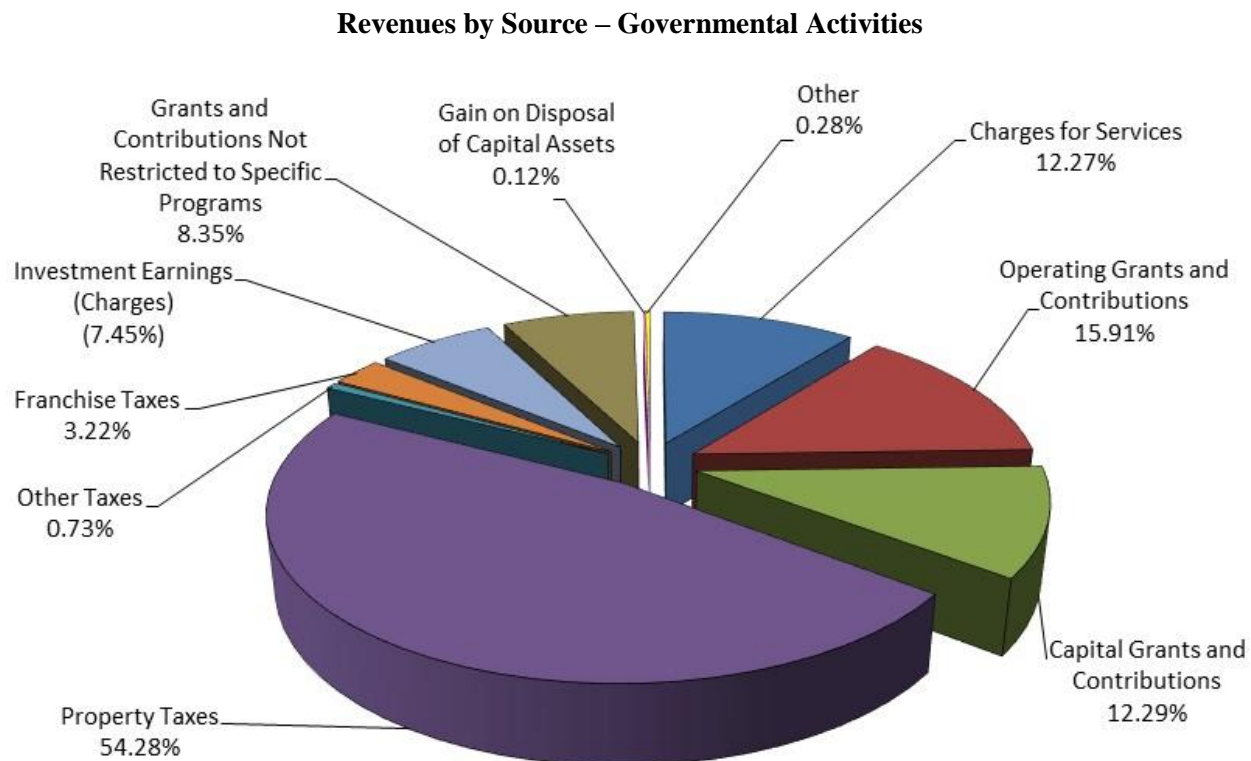
**City of Plymouth's Change in Net Position**  
(amounts in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues</b>						
Charges for services	\$ 10,319	\$ 9,598	\$ 29,420	\$ 28,487	\$ 39,739	\$ 38,085
Operating grants and contributions	13,382	12,849	348	187	13,730	13,036
Capital grants and contributions	10,337	18,059	3,660	4,655	13,997	22,714
Property taxes	45,664	43,834	–	–	45,664	43,834
Other taxes	612	434	–	–	612	434
Franchise taxes	2,712	2,598	–	–	2,712	2,598
Investment earnings (charges)	(6,257)	(550)	(1,608)	189	(7,865)	(361)
Grants and contributions not restricted to specific programs	7,021	–	–	–	7,021	–
Gain on disposal of capital assets	100	176	–	–	100	176
Other	239	298	–	–	239	298
<b>Total revenues</b>	<b>84,129</b>	<b>87,296</b>	<b>31,820</b>	<b>33,518</b>	<b>115,949</b>	<b>120,814</b>
<b>Expenses</b>						
General government	8,020	6,990	–	–	8,020	6,990
Economic development	220	3,858	–	–	220	3,858
Parks and recreation	14,433	10,966	–	–	14,433	10,966
Public safety	27,662	26,211	–	–	27,662	26,211
Public service	5,620	5,319	–	–	5,620	5,319
Public works	17,585	17,235	–	–	17,585	17,235
Interest on long-term debt	1,277	1,294	–	–	1,277	1,294
Water sewer utility	–	–	20,415	19,342	20,415	19,342
Ice center	–	–	2,700	2,139	2,700	2,139
Water resources	–	–	3,382	3,076	3,382	3,076
Solid waste management	–	–	1,511	1,411	1,511	1,411
Field house	–	–	407	420	407	420
<b>Total expenses</b>	<b>74,817</b>	<b>71,873</b>	<b>28,415</b>	<b>26,388</b>	<b>103,232</b>	<b>98,261</b>
<b>Change in net position before transfers</b>	<b>9,312</b>	<b>15,423</b>	<b>3,405</b>	<b>7,130</b>	<b>12,717</b>	<b>22,553</b>
Transfers in (out)	(1,172)	4,456	1,172	(4,456)	–	–
<b>Change in net position</b>	<b>8,140</b>	<b>19,879</b>	<b>4,577</b>	<b>2,674</b>	<b>12,717</b>	<b>22,553</b>
Net position – beginning	370,115	350,236	191,991	189,317	562,106	539,553
Net position – ending	<u>\$ 378,255</u>	<u>\$ 370,115</u>	<u>\$ 196,568</u>	<u>\$ 191,991</u>	<u>\$ 574,823</u>	<u>\$ 562,106</u>

## GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position before transfers by \$9.3 million. Revenues were down from the prior year with less capital grants from development activities and a decrease in investment earnings, due to adjustments to investments due to market conditions. Partially offsetting these revenue losses was an increase in grants and contributions not restricted to specific programs, which increased with the recognition of more COVID-19-related funding in the current year. Expenses increased as anticipated in the approved budget for natural inflationary increases and due to changes in the state pension plan obligations in the current year.

The following chart illustrates the City's revenues by source for its governmental activities:



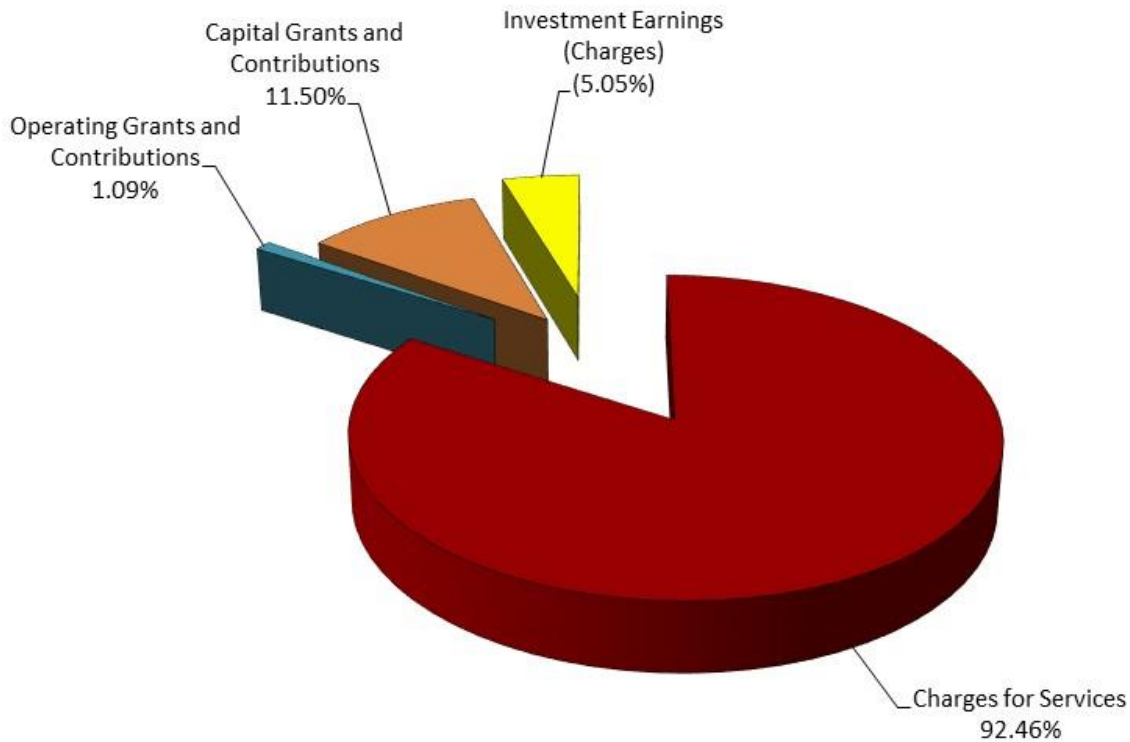
Most of the City's revenues are "home-grown;" the City does not rely heavily on state aids or grants. This helps insulate the City from changes imposed by the State Legislature. Capital grants and contributions represent funds recognized for the construction of infrastructure and other capital improvements.

## BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's net position before transfers by \$3.4 million. Like governmental activities, revenues were down with less capital grants from development activities and a decrease in investment earnings, due to adjustments for market conditions on investments. Expenses also increased, like governmental activities, for inflation and pension-related obligations.

The following chart illustrates the City's revenues by source for its business-type activities:

**Revenues by Source – Business-Type Activities**



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.

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

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

**Governmental Funds** – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of currently available resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year for appropriation by the City Council to finance the City's day-to-day activities.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$90.9 million. The unassigned fund balance constitutes \$18.7 million, which is available for spending at the government's discretion (this amount is primarily in the General Fund and is typically available to meet cash flow needs). A small amount (\$148,000) is classified as nonspendable for prepaid items and perpetual care. The City has \$36.6 million classified as restricted for transit system, tax increment financing, housing projects, debt service capital, and other spending purposes. The remainder of the fund balance (\$35.5 million) is considered to be assigned for specific purposes and unavailable for discretionary spending.

### **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 percent of the General Fund expenditures and transfers out budget for the following year. The City met this goal in 2022; the fund balance at year-end was \$20.0 million, or approximately 40 percent, of 2023 budgeted expenditures and transfers out.

### **Transit System Fund** –

- In the Transit System Fund, the fund balance increased by \$1.8 million from current year operations and by \$6.9 million from the prior period adjustment previously discussed. An increase in intergovernmental funding contributed to current year revenues exceeding expenditures and other financing uses.

### **General Capital Projects Fund** –

- The fund balance decreased in the General Capital Projects Fund by \$74,000 during the year. Revenues and transfers in from other funds nearly matched capital and other spending in the current year.

### **Improvement Projects Fund** –

- The fund balance increased in the Improvement Projects Fund by \$699,000 during the year. This increase is due to approved transfers and 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 decreased in the Street Replacement Fund by \$9.0 million during the year. This decrease is due to the timing of capital projects completed throughout the current year for construction of streets and other infrastructure improvements.

### **Plymouth Community Center (PCC) Expansion Fund** –

- The fund balance decreased in the PCC Expansion Fund by \$8.9 million during the year. This decrease is due to the multi-year development project of the community center and the use of funds restricted for the expansion project.



**Fire Stations Construction Fund –**

- The fund balance decreased in the Fire Stations Construction Fund by \$9.0 million during the year. This decrease is due to the multi-year construction and renovation projects for fire stations #2 and #3 and the use of funds restricted for these projects.

**Tax Increment Projects Fund –**

- The fund balance increased in the Tax Increment Projects Fund by \$847,000 during the year. This increase is due primarily to tax increment collections exceeding payments on developer notes and other economic development spending in the current year.

**Enterprise Funds –** The City’s enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. Financial highlights for the significant changes in the City’s enterprise funds are consistent with the previous discussion on business-type activities with additional details as follows:

**Water Sewer Utility Fund –**

- Unrestricted net position at the end of the year was \$9.3 million. The total increase in net position was \$1.8 million.

**Ice Center Fund –**

- Unrestricted net position at the end of the year was a deficit \$6,000. The total increase in net position was \$661,000.

**Water Resources Fund –**

- Restricted net position for water resources at the end of the year was \$6.7 million. The total increase in net position was \$2.7 million.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

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

The City Council adopted a balanced budget for the General Fund for fiscal 2022. The 2022 General Fund budget anticipated an expenditure and transfers out increase over the 2021 budget of 4.5 percent. This increase included planned wage, benefit, and inflationary adjustments.

Actual revenues were \$6.7 million over budget, while other financing sources (transfers in) were \$48,000 more than anticipated. Some of the significant variances between budget and actual include:

- Intergovernmental revenue was \$7.5 million over budget, mainly due to the City recognizing its Federal Coronavirus State and Local Fiscal Recovery Funds allocation that was not in the budget.
- Investment earnings (charges) were under budget by \$674,000, due to required market adjustments to investments in the current year.

Expenditures were \$1.2 million less than the budgeted amount, spread across all functions for current expenditures. The City benefited from lower personal services (salaries and benefits), partially attributable to vacant positions. Expenditures were over budget for capital in parks and recreation, partially offsetting the savings in personal services.

## CAPITAL ASSETS AND LONG-TERM DEBT

**Capital Assets** – The City’s investment in capital assets for its governmental and business-type activities as of December 31, 2022 was \$497.1 million (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, machinery and equipment, machinery and equipment – leased, infrastructure, and collection/distribution systems for the City’s utilities. The City’s investment in capital assets for the current fiscal year increased by \$27.3 million. This change was mainly due to several capital projects ongoing in the current year, as discussed previously with the financial analysis of the City’s governmental funds. The prior period adjustment noted earlier, and in the table below, increased current financial assets, but reduced beginning capital assets.

### City of Plymouth’s Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2022	2021*	2022	2021	2022	2021*
Land	\$ 48,351	\$ 52,866	\$ 3,281	\$ 3,281	\$ 51,632	\$ 56,147
Construction in progress	57,395	65,348	1,803	2,636	59,198	67,984
Buildings	67,550	29,808	28,221	27,906	95,771	57,714
Improvements other than buildings	17,993	16,819	6,652	6,656	24,645	23,475
Machinery and equipment	22,902	22,216	3,730	5,139	26,632	27,355
Machinery and equipment – leased	644	–	–	–	644	–
Infrastructure	124,807	129,219	–	–	124,807	129,219
Collection/distribution systems	–	–	113,802	107,954	113,802	107,954
	<u>–</u>	<u>–</u>	<u>113,802</u>	<u>107,954</u>	<u>113,802</u>	<u>107,954</u>
Total (net of depreciation/amortization)	<u>\$ 339,642</u>	<u>\$ 316,276</u>	<u>\$ 157,489</u>	<u>\$ 153,572</u>	<u>\$ 497,131</u>	<u>\$ 469,848</u>

\* The City reported a prior period adjustment that reduced the land value at the beginning of the year as disclosed in Note 1 of the notes to basic financial statements. Prior year balances have not been restated for this change.

Additional information on the City’s capital assets can be found in Note 6 of the notes to basic financial statements.

**Long-Term Debt** – At the end of the current fiscal year, the City had total bonded debt (excluding unamortized premium) outstanding of \$60.8 million, compared to \$63.8 at the beginning of the year. All city debt is general obligation debt, which is backed by the full faith and credit of the government. Furthermore, the City has long-term liabilities of \$3.6 million for unamortized bond premium/discount, \$134,000 for finance purchases payable, \$635,000 for leases payable, \$4.0 million for total other post-employment benefits, \$55.0 million for net pension liability, and \$2.9 million for compensated absences. Changes in state-wide pension plan obligations, which city employees participate, changed significantly contributing to the overall increase in long-term liabilities on the government-wide Statement of Net Position.

Bond principal repayments during 2022 totaled \$2.9 million. 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 the City on a short list of local governments in the state to receive this distinction.

Minnesota Statutes limit the amount of general obligation debt a Minnesota city may issue to 3 percent of total estimated market value. The current debt limitation for the City is \$431.2 million, which is significantly more than the City’s outstanding general obligation debt. Additional information on the City’s long-term debt may be found in Note 7 of the notes to basic financial statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The 2023 budget was conservatively developed to account for economic and legislative activity. It provides for a balanced budget and a sound financial plan for 2023 that maintains core service levels and is sensitive to the financial concerns of the City's taxpayers. The tax levy increased 6.5 percent from 2022.

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.

## **REQUESTS FOR INFORMATION**

This ACFR is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this ACFR, or requests for additional financial information, should be directed to the City of Plymouth, Administrative Services Department, 3400 Plymouth Boulevard, Plymouth, Minnesota 55447-1482, 763-509-5300, or the City's website at [www.plymouthmn.gov](http://www.plymouthmn.gov).

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## **BASIC FINANCIAL STATEMENTS**



## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

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CITY OF PLYMOUTH

Statement of Net Position  
December 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Housing and Redevelopment Authority
<b>Assets</b>				
Cash and investments	\$ 127,750,195	\$ 32,076,453	\$ 159,826,648	\$ 4,527,740
Restricted cash and investments	1,716,943	–	1,716,943	–
Receivables				
Accounts	1,453,002	5,290,652	6,743,654	18,121
Notes	2,827,740	–	2,827,740	1,491,521
Taxes	592,275	–	592,275	8,106
Special assessments	27,955	5,697,386	5,725,341	–
Accrued interest	699,113	138,672	837,785	160,596
Leases	4,040,213	2,183,444	6,223,657	–
Due from other governments	725,445	9,768	735,213	206,953
Internal balances	2,496,967	(2,496,967)	–	–
Inventory	144,139	79,275	223,414	–
Prepaid items	1,023,532	614,310	1,637,842	44,402
Land held for resale	6,892,804	–	6,892,804	–
Capital assets				
Not depreciated/amortized	105,746,454	5,083,948	110,830,402	1,493,858
Depreciated/amortized, net of accumulated depreciation/amortization	233,895,624	152,405,447	386,301,071	8,823,414
Total capital assets, net of accumulated depreciation/amortization	<u>339,642,078</u>	<u>157,489,395</u>	<u>497,131,473</u>	<u>10,317,272</u>
Total assets	490,032,401	201,082,388	691,114,789	16,774,711
<b>Deferred outflows of resources</b>				
OPEB plan deferments	679,002	–	679,002	–
Pension plan deferments – PERA	32,349,544	–	32,349,544	–
Total deferred outflows of resources	<u>33,028,546</u>	<u>–</u>	<u>33,028,546</u>	<u>–</u>
Total assets and deferred outflows of resources	<u>\$ 523,060,947</u>	<u>\$ 201,082,388</u>	<u>\$ 724,143,335</u>	<u>\$ 16,774,711</u>
<b>Liabilities</b>				
Accounts payable	\$ 2,313,648	\$ 345,640	\$ 2,659,288	\$ 64,406
Contracts payable	5,002,970	642,757	5,645,727	–
Accrued salaries and benefits payable	665,173	92,093	757,266	16,672
Deposits payable	2,217,905	93,030	2,310,935	149,904
Due to other governments	766,677	13,495	780,172	104,051
Unearned revenue	1,327,991	1,161,283	2,489,274	5,193
Accrued interest payable	652,873	–	652,873	62,116
Long-term liabilities				
Due within one year	4,990,334	–	4,990,334	763,129
Due in more than one year	122,135,512	–	122,135,512	6,825,250
Total long-term liabilities	<u>127,125,846</u>	<u>–</u>	<u>127,125,846</u>	<u>7,588,379</u>
Total liabilities	140,073,083	2,348,298	142,421,381	7,990,721
<b>Deferred inflows of resources</b>				
OPEB deferments	232,870	–	232,870	–
Pension plan deferments – PERA	508,114	–	508,114	–
Lease revenue received for subsequent years	3,991,814	2,165,825	6,157,639	–
Total deferred inflows of resources	<u>4,732,798</u>	<u>2,165,825</u>	<u>6,898,623</u>	<u>–</u>
<b>Net position</b>				
Net investment in capital assets	271,492,280	156,846,638	428,338,918	2,739,255
Restricted for				
Transit system	17,314,854	–	17,314,854	–
Tax increment financing	4,647,516	–	4,647,516	–
Housing projects	941,243	–	941,243	3,319,580
Lawful gambling	3,782	–	3,782	–
Opioid settlement	76,641	–	76,641	–
Debt service	3,513,029	–	3,513,029	503,767
Highway/street improvements	2,332,045	–	2,332,045	–
Park construction	8,838,013	–	8,838,013	–
Cemetery perpetual care				
Nonexpendable	45,860	–	45,860	–
Expendable	153,177	–	153,177	–
Utility trunk	–	23,760,701	23,760,701	–
Water resources	–	6,710,240	6,710,240	–
Unrestricted	68,896,626	9,250,686	78,147,312	2,221,388
Total net position	<u>378,255,066</u>	<u>196,568,265</u>	<u>574,823,331</u>	<u>8,783,990</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 523,060,947</u>	<u>\$ 201,082,388</u>	<u>\$ 724,143,335</u>	<u>\$ 16,774,711</u>

CITY OF PLYMOUTH

Statement of Activities  
Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 8,019,586	\$ 1,710,690	\$ 24,439	\$ 62,932
Economic development	220,513	21,194	–	–
Parks and recreation	14,433,237	2,390,454	74,611	4,459,258
Public safety	27,662,519	4,200,950	2,712,215	–
Public service	5,619,198	279,418	8,005,986	–
Public works	17,585,465	1,716,061	2,564,132	5,815,127
Interest on long-term debt	1,276,542	–	–	–
Total governmental activities	<u>74,817,060</u>	<u>10,318,767</u>	<u>13,381,383</u>	<u>10,337,317</u>
Business-type activities				
Water sewer utility	20,414,481	20,848,805	57,581	2,663,388
Ice center	2,700,170	2,236,652	27,242	–
Water resources	3,381,865	4,758,730	98,534	997,152
Solid waste management	1,511,100	1,215,276	163,979	–
Field house	407,005	360,266	390	–
Total business-type activities	<u>28,414,621</u>	<u>29,419,729</u>	<u>347,726</u>	<u>3,660,540</u>
Total government	<u>\$ 103,231,681</u>	<u>\$ 39,738,496</u>	<u>\$ 13,729,109</u>	<u>\$ 13,997,857</u>
Component unit				
Housing and Redevelopment Authority	<u>\$ 5,770,187</u>	<u>\$ 2,178,998</u>	<u>\$ 3,481,635</u>	<u>\$ –</u>

General revenues

Property taxes

Other taxes

Franchise taxes

Investment earnings (charges)

Grants and contributions not  
restricted to specific programs

Gain on sale of capital assets

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

Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Housing and Redevelopment Authority
\$ (6,221,525)	\$ —	\$ (6,221,525)	\$ —
(199,319)	—	(199,319)	—
(7,508,914)	—	(7,508,914)	—
(20,749,354)	—	(20,749,354)	—
2,666,206	—	2,666,206	—
(7,490,145)	—	(7,490,145)	—
(1,276,542)	—	(1,276,542)	—
<u>(40,779,593)</u>	<u>—</u>	<u>(40,779,593)</u>	<u>—</u>
—	3,155,293	3,155,293	—
—	(436,276)	(436,276)	—
—	2,472,551	2,472,551	—
—	(131,845)	(131,845)	—
—	(46,349)	(46,349)	—
<u>—</u>	<u>5,013,374</u>	<u>5,013,374</u>	<u>—</u>
(40,779,593)	5,013,374	(35,766,219)	—
			(109,554)
45,663,827	—	45,663,827	609,163
612,244	—	612,244	—
2,712,052	—	2,712,052	—
(6,256,747)	(1,607,934)	(7,864,681)	(59,952)
7,021,371	—	7,021,371	—
100,298	—	100,298	—
238,483	—	238,483	68,749
(1,171,664)	1,171,664	—	—
<u>48,919,864</u>	<u>(436,270)</u>	<u>48,483,594</u>	<u>617,960</u>
8,140,271	4,577,104	12,717,375	508,406
<u>370,114,795</u>	<u>191,991,161</u>	<u>562,105,956</u>	<u>8,275,584</u>
<u>\$ 378,255,066</u>	<u>\$ 196,568,265</u>	<u>\$ 574,823,331</u>	<u>\$ 8,783,990</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, licenses and permits, 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 project 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.

Plymouth Community Center Expansion Fund – This fund is used to account for expenditures incurred in the renovation and expansion of the Plymouth Community Center.

Fire Stations Construction Fund – This fund is used to account for expenditures incurred in the renovation and expansion of fire stations #2 and #3.

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.

CITY OF PLYMOUTH

Balance Sheet  
Governmental Funds  
December 31, 2022

(With Comparative Totals for December 31, 2021)

	General	Special Revenue	Capital Project		
		Transit System	General Capital Projects	Improvement Projects	Street Replacement
<b>Assets</b>					
Cash and investments	\$ 22,428,136	\$ 10,552,082	\$ 9,530,553	\$ 5,159,698	\$ 7,933,954
Restricted cash and investments	–	–	–	–	–
Receivables					
Accounts	321,443	56	30,856	366,681	651,436
Notes	–	–	331,000	–	–
Taxes	471,187	–	–	–	36,448
Special assessments	27,186	–	–	–	–
Accrued interest	129,264	42,199	11,292	20,897	31,539
Leases	3,086,224	–	–	–	–
Due from other funds	19,052	–	–	–	–
Due from other governments	160,453	529,294	8,577	–	–
Inventory	92	–	–	–	–
Prepaid items	73,783	–	27,260	–	–
Advances to other funds	–	–	1,785	–	–
Land held for resale	–	6,892,804	–	–	–
<b>Total assets</b>	<b>\$ 26,716,820</b>	<b>\$ 18,016,435</b>	<b>\$ 9,941,323</b>	<b>\$ 5,547,276</b>	<b>\$ 8,653,377</b>
<b>Liabilities</b>					
Accounts payable	\$ 577,825	\$ 364,238	\$ 66,643	\$ –	\$ 102
Contracts payable	82,021	332,333	122,122	1,992,670	–
Accrued salaries and benefits payable	561,007	3,582	–	–	–
Deposits payable	840,918	–	1,254,886	–	–
Due to other funds	10,544	1,428	–	–	–
Due to other governments	549,221	–	–	–	–
Advances from other funds	–	–	–	–	–
Unearned revenue	662,252	–	–	–	–
<b>Total liabilities</b>	<b>3,283,788</b>	<b>701,581</b>	<b>1,443,651</b>	<b>1,992,670</b>	<b>102</b>
<b>Deferred inflows of resources</b>					
Unavailable revenue – notes and related interest	–	–	–	–	–
Unavailable revenue – taxes	211,964	–	–	–	16,504
Unavailable revenue – special assessments	26,648	–	–	–	–
Unavailable revenue – other receivables	101,144	–	–	13,389	–
Lease revenue for subsequent years	3,053,661	–	–	–	–
<b>Total deferred inflows of resources</b>	<b>3,393,417</b>	<b>–</b>	<b>–</b>	<b>13,389</b>	<b>16,504</b>
<b>Fund balances (deficits)</b>					
Nonspendable	73,875	–	27,260	–	–
Restricted	–	17,314,854	–	–	–
Assigned	839	–	8,470,412	3,541,217	8,636,771
Unassigned	19,964,901	–	–	–	–
<b>Total fund balances (deficits)</b>	<b>20,039,615</b>	<b>17,314,854</b>	<b>8,497,672</b>	<b>3,541,217</b>	<b>8,636,771</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 26,716,820</b>	<b>\$ 18,016,435</b>	<b>\$ 9,941,323</b>	<b>\$ 5,547,276</b>	<b>\$ 8,653,377</b>

Plymouth Community Center Expansion	Fire Stations Construction	Tax Increment Projects	Nonmajor Governmental Funds	Total	
				2022	2021
\$ -	\$ -	\$ 3,715,187	\$ 30,879,120	\$ 90,198,730	\$ 96,623,379
142,044	1,574,899	-	-	1,716,943	23,666,209
-	-	-	68,491	1,438,963	1,007,140
-	-	1,363,000	1,133,740	2,827,740	2,665,843
-	-	-	84,640	592,275	1,094,102
-	-	-	769	27,955	33,996
-	-	109,232	205,859	550,282	419,739
-	-	-	953,989	4,040,213	-
-	-	-	-	19,052	84,689
-	-	-	20,783	719,107	1,087,048
-	-	-	725	817	1,163
-	-	-	-	101,043	158,889
-	-	-	288,256	290,041	543,139
-	-	-	-	6,892,804	-
<u>\$ 142,044</u>	<u>\$ 1,574,899</u>	<u>\$ 5,187,419</u>	<u>\$ 33,636,372</u>	<u>\$ 109,415,965</u>	<u>\$ 127,385,336</u>
\$ 13,340	\$ 65,646	\$ 315,471	\$ 97,494	\$ 1,500,759	\$ 2,031,828
1,393,284	1,080,540	-	-	5,002,970	8,599,083
-	-	-	26,577	591,166	577,754
-	-	11,851	110,250	2,217,905	3,865,960
-	-	-	19,052	31,024	95,629
-	-	210,796	4,510	764,527	934,321
-	-	1,785	-	1,785	177,353
-	-	-	665,739	1,327,991	4,364,213
<u>1,406,624</u>	<u>1,146,186</u>	<u>539,903</u>	<u>923,622</u>	<u>11,438,127</u>	<u>20,646,141</u>
-	-	1,456,223	1,230,786	2,687,009	2,188,534
-	-	-	27,086	255,554	212,202
-	-	-	-	26,648	31,447
-	-	-	2,000	116,533	288,939
-	-	-	938,153	3,991,814	-
<u>-</u>	<u>-</u>	<u>1,456,223</u>	<u>2,198,025</u>	<u>7,077,558</u>	<u>2,721,122</u>
-	-	-	46,585	147,720	205,912
-	428,713	3,191,293	15,630,459	36,565,319	40,121,760
-	-	-	14,837,681	35,486,920	45,067,886
<u>(1,264,580)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,700,321</u>	<u>18,622,515</u>
<u>(1,264,580)</u>	<u>428,713</u>	<u>3,191,293</u>	<u>30,514,725</u>	<u>90,900,280</u>	<u>104,018,073</u>
<u>\$ 142,044</u>	<u>\$ 1,574,899</u>	<u>\$ 5,187,419</u>	<u>\$ 33,636,372</u>	<u>\$ 109,415,965</u>	<u>\$ 127,385,336</u>

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CITY OF PLYMOUTH

Reconciliation of the Balance Sheet to the  
Statement of Net Position  
Governmental Funds  
December 31, 2022

Total fund balances – governmental funds	\$ 90,900,280
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	
Capital assets	612,873,636
Accumulated depreciation/amortization	(299,886,853)
Long-term liabilities are not payable with current financial resources and, therefore, are not reported in governmental funds.	
Bonds payable	(60,845,000)
Premium/discount	(3,581,902)
Interest on long-term debt is included in the change in net position as it accrues, regardless of when payment is due. However, it is included in the change in fund balances when due.	(652,873)
Unavailable revenue in governmental funds is susceptible to full accrual on government-wide statements.	
Unavailable revenue – notes and related interest	2,687,009
Unavailable revenue – taxes	255,554
Unavailable revenue – special assessments	26,648
Unavailable revenue – other receivables	116,533
Internal service funds are used by management 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 of resources, and liabilities (including capital assets) of the internal service funds are included in governmental activities in the Statement of Net Position.	34,139,030
Internal balances which are the result of the allocation of internal service fund operations to the business-type activities are eliminated on the Statement of Net Position.	<u>2,223,004</u>
Total net position – governmental activities	<u><u>\$ 378,255,066</u></u>

CITY OF PLYMOUTH

Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Governmental Funds  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	General	Special Revenue	Capital Project		
		Transit System	General Capital Projects	Improvement Projects	Street Replacement
<b>Revenues</b>					
Property taxes	\$ 35,700,992	\$ -	\$ -	\$ -	\$ 2,755,772
Special assessments	8,947	-	-	-	2,576
Licenses and permits	3,935,053	-	-	-	109,160
Other taxes	-	-	-	-	-
Intergovernmental	10,400,260	7,635,227	8,577	609,653	24
Charges for services	3,395,976	279,418	-	11	980
Franchise taxes	-	-	-	-	2,712,052
Fines and forfeitures	314,918	-	-	-	-
Contributions	57,439	-	30,856	335,693	-
Investments earnings (charges)	(458,507)	(525,485)	(717,988)	107,894	(1,043,874)
Loan repayments	-	-	-	-	-
Other	62,805	18	4	39,188	-
Total revenues	53,417,883	7,389,178	(678,551)	1,092,439	4,536,690
<b>Expenditures</b>					
<b>Current</b>					
General government	7,250,036	-	-	-	-
Economic development	35,799	-	-	-	-
Parks and recreation	7,400,565	-	-	-	-
Public safety	24,196,642	-	-	-	-
Public service	-	5,041,873	-	-	-
Public works	6,417,076	-	123,788	1,369	5,634
Interest on interfund advances	-	-	-	-	-
<b>Debt service</b>					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
Capital outlay	287,002	-	2,230,833	22,364,076	-
Total expenditures	45,587,120	5,041,873	2,354,621	22,365,445	5,634
Excess (deficiency) of revenues over (under) expenditures	7,830,763	2,347,305	(3,033,172)	(21,273,006)	4,531,056
<b>Other financing sources (uses)</b>					
Transfers in	241,073	-	8,569,646	22,109,786	-
Transfers out	(6,814,500)	(517,760)	(5,610,556)	(137,737)	(13,575,458)
Issuance of debt	-	-	-	-	-
Premium on debt issued	-	-	-	-	-
Total other financing sources (uses)	(6,573,427)	(517,760)	2,959,090	21,972,049	(13,575,458)
Net change in fund balances	1,257,336	1,829,545	(74,082)	699,043	(9,044,402)
<b>Fund balances</b>					
Beginning of year, as previously reported	18,782,279	8,592,505	8,571,754	2,842,174	17,681,173
Prior period adjustment	-	6,892,804	-	-	-
Beginning of year, restated	18,782,279	15,485,309	8,571,754	2,842,174	17,681,173
End of year	\$ 20,039,615	\$ 17,314,854	\$ 8,497,672	\$ 3,541,217	\$ 8,636,771

Plymouth Community Center Expansion	Fire Stations Construction	Tax Increment Projects	Nonmajor Governmental Funds	Total	
				2022	2021
\$ -	\$ -	\$ 1,750,082	\$ 5,413,629	\$ 45,620,475	\$ 43,855,923
-	-	-	5,633	17,156	11,254
-	-	-	-	4,044,213	4,095,777
-	-	-	408,183	408,183	289,050
-	-	-	3,610,338	22,264,079	19,476,135
-	-	28,724	2,284,315	5,989,424	5,213,611
-	-	-	-	2,712,052	2,597,808
-	-	-	-	314,918	349,414
-	-	-	4,174,060	4,598,048	1,613,558
166,869	89,655	(164,349)	(1,513,862)	(4,059,647)	(366,659)
-	-	-	15,503	15,503	14,933
21,009	-	-	86,776	209,800	252,753
<u>187,878</u>	<u>89,655</u>	<u>1,614,457</u>	<u>14,484,575</u>	<u>82,134,204</u>	<u>77,403,557</u>
-	-	-	9	7,250,045	6,810,345
-	-	688,306	224	724,329	3,886,949
61,213	-	-	2,841,526	10,303,304	9,213,605
-	77,608	-	5,639	24,279,889	23,127,606
-	-	-	404,560	5,446,433	5,234,311
-	-	-	601	6,548,468	5,969,495
-	-	-	5,935	5,935	10,481
-	-	-	2,925,000	2,925,000	930,000
-	-	-	1,555,526	1,555,526	933,719
-	-	-	-	-	153,848
13,410,735	9,044,573	-	-	47,337,219	67,113,714
<u>13,471,948</u>	<u>9,122,181</u>	<u>688,306</u>	<u>7,739,020</u>	<u>106,376,148</u>	<u>123,384,073</u>
(13,284,070)	(9,032,526)	926,151	6,745,555	(24,241,944)	(45,980,516)
4,344,314	-	1,667	1,386,670	36,653,156	23,258,979
-	-	(80,428)	(5,685,370)	(32,421,809)	(15,718,944)
-	-	-	-	-	19,915,000
-	-	-	-	-	1,043,175
<u>4,344,314</u>	<u>-</u>	<u>(78,761)</u>	<u>(4,298,700)</u>	<u>4,231,347</u>	<u>28,498,210</u>
(8,939,756)	(9,032,526)	847,390	2,446,855	(20,010,597)	(17,482,306)
7,675,176	9,461,239	2,343,903	28,067,870	104,018,073	121,500,379
-	-	-	-	6,892,804	-
<u>7,675,176</u>	<u>9,461,239</u>	<u>2,343,903</u>	<u>28,067,870</u>	<u>110,910,877</u>	<u>121,500,379</u>
<u>\$ (1,264,580)</u>	<u>\$ 428,713</u>	<u>\$ 3,191,293</u>	<u>\$ 30,514,725</u>	<u>\$ 90,900,280</u>	<u>\$ 104,018,073</u>

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CITY OF PLYMOUTH

Reconciliation of the Statement of  
Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
Governmental Funds  
Year Ended December 31, 2022

Total net change in fund balances – governmental funds \$ (20,010,597)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.

Capital outlay	47,434,955
Assets contributed to internal service funds	(235,845)
Assets contributed to enterprise funds	(3,937,092)
Depreciation/amortization expense	(15,195,478)

A gain or loss on the disposal of capital assets, including the difference between the carrying value and any related sale proceeds, is included in the change in net position. However, only the sale proceeds are included in the change in fund balance.

Net book value of capital assets disposed	(214,100)
---	-----------

Capital assets contributed to the City by other governments and developers are not current financial resources, therefore are not reported in the governmental fund statements.

	1,947,684
--	-----------

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Other long-term adjustments are also made between the governmental funds and the Statement of Activities for debt premiums.

Principal payments for debt	2,925,000
Debt premiums	287,603

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

	(6,840)
--	---------

Certain revenues included in net position as soon as they are earned are not included in the change in fund balances until available to liquidate liabilities of the current period.

Unavailable revenue – notes and related interest	498,475
Unavailable revenue – taxes	43,352
Unavailable revenue – special assessments	(4,799)
Unavailable revenue – other receivables	(172,406)

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.

	<u>(5,219,641)</u>
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Change in net position – governmental activities	<u>\$ 8,140,271</u>
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CITY OF PLYMOUTH

Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 General Fund  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	2022		2021	
	Original and Final Budget	Actual	Over (Under) Final Budget	Actual
<b>Revenues</b>				
Property taxes	\$ 35,851,779	\$ 35,700,992	\$ (150,787)	\$ 33,852,858
Special assessments	10,000	8,947	(1,053)	2,550
Licenses and permits	3,699,480	3,935,053	235,573	3,999,026
Intergovernmental	2,892,306	10,400,260	7,507,954	3,016,629
Charges for services	3,639,732	3,395,976	(243,756)	3,374,948
Fines and forfeits	415,000	314,918	(100,082)	330,776
Contributions	6,300	57,439	51,139	60,520
Investment earnings (charges)	215,500	(458,507)	(674,007)	(84,273)
Other	32,600	62,805	30,205	80,668
<b>Total revenues</b>	<u>46,762,697</u>	<u>53,417,883</u>	<u>6,655,186</u>	<u>44,633,702</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	7,676,460	7,250,036	(426,424)	6,809,290
Economic development	286,766	35,799	(250,967)	144,215
Parks and recreation	7,556,943	7,400,565	(156,378)	6,738,443
Public safety	24,581,358	24,196,642	(384,716)	23,123,800
Public works	6,704,670	6,417,076	(287,594)	5,880,832
Capital outlay	–	287,002	287,002	225,515
<b>Total expenditures</b>	<u>46,806,197</u>	<u>45,587,120</u>	<u>(1,219,077)</u>	<u>42,922,095</u>
Excess (deficiency) of revenues over expenditures	(43,500)	7,830,763	7,874,263	1,711,607
<b>Other financing sources (uses)</b>				
Transfers in	193,000	241,073	48,073	578,667
Transfers out	(149,500)	(6,814,500)	(6,665,000)	(1,471,862)
<b>Total other financing sources (uses)</b>	<u>43,500</u>	<u>(6,573,427)</u>	<u>(6,616,927)</u>	<u>(893,195)</u>
<b>Net change in fund balances</b>	<u>\$ –</u>	<u>1,257,336</u>	<u>\$ 1,257,336</u>	<u>\$ 818,412</u>
<b>Fund balances</b>				
Beginning of year		<u>18,782,279</u>		<u>17,963,867</u>
End of year		<u>\$ 20,039,615</u>		<u>\$ 18,782,279</u>

CITY OF PLYMOUTH

Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Budget and Actual  
 Transit System Special Revenue Fund  
 Year Ended December 31, 2022  
 (With Comparative Totals for Year Ended December 31, 2021)

	2022			2021
	Original and Final Budget	Actual	Over (Under) Final Budget	Actual
<b>Revenues</b>				
Intergovernmental	\$ 5,229,000	\$ 7,635,227	\$ 2,406,227	\$ 6,875,366
Charges for services	716,000	279,418	(436,582)	194,569
Investment earnings (charges)	73,000	(525,485)	(598,485)	(77,193)
Other revenues	—	18	18	25
Total revenues	<u>6,018,000</u>	<u>7,389,178</u>	<u>1,371,178</u>	<u>6,992,767</u>
<b>Expenditures</b>				
Current				
Public service:				
Personal services	160,061	179,992	19,931	166,277
Materials and supplies	560,800	390,289	(170,511)	246,012
Contractual services	5,104,079	4,332,151	(771,928)	4,143,278
Other	193,060	139,441	(53,619)	2,542
Capital outlay	—	—	—	6,892,804
Total expenditures	<u>6,018,000</u>	<u>5,041,873</u>	<u>(976,127)</u>	<u>11,450,913</u>
Excess (deficiency) of revenues over expenditures	—	2,347,305	2,347,305	(4,458,146)
<b>Other financing sources (uses)</b>				
Transfers out	—	(517,760)	(517,760)	(81,017)
Net change in fund balances	<u>\$ —</u>	<u>1,829,545</u>	<u>\$ 1,829,545</u>	<u>(4,539,163)</u>
<b>Fund balances</b>				
Beginning of year, as previously reported		8,592,505		13,131,668
Prior period adjustment		6,892,804		—
Beginning of year, restated		<u>15,485,309</u>		<u>13,131,668</u>
End of year		<u>\$ 17,314,854</u>		<u>\$ 8,592,505</u>

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## **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.

CITY OF PLYMOUTH

Statement of Net Position  
 Proprietary Funds  
 December 31, 2022

(With Comparative Totals for December 31, 2021)

	Business-Type Activities – Enterprise Funds		
	Water Sewer Utility	Ice Center	Water Resources
<b>Assets</b>			
<b>Current assets</b>			
Cash and investments	\$ 23,671,523	\$ 444,139	\$ 6,039,437
Receivables			
Accounts	3,286,489	774,955	779,824
Special assessments	689,872	–	37,926
Accrued interest	105,088	1,749	24,150
Leases	2,024,723	158,721	–
Due from other funds	10,560	–	9,510
Due from other governments	5,612	–	–
Inventory	70,641	8,634	–
Prepaid items	614,310	–	–
Total current assets	<u>30,478,818</u>	<u>1,388,198</u>	<u>6,890,847</u>
<b>Noncurrent assets</b>			
Special assessments receivable	4,951,476	–	3,928
<b>Capital assets</b>			
Land	2,074,063	1,158,324	1,000
Buildings	44,548,409	17,175,033	–
Improvements other than buildings	1,673,393	2,345,801	5,936,375
Machinery and equipment	17,584,032	1,842,253	186,736
Machinery and equipment – leased	–	–	–
Infrastructure	141,615,505	36,576	31,435,992
Construction in progress	1,128,307	–	674,703
Total capital assets	<u>208,623,709</u>	<u>22,557,987</u>	<u>38,234,806</u>
Less accumulated depreciation/amortization	<u>(95,456,071)</u>	<u>(10,725,505)</u>	<u>(6,841,548)</u>
Net capital assets	<u>113,167,638</u>	<u>11,832,482</u>	<u>31,393,258</u>
Total noncurrent assets	<u>118,119,114</u>	<u>11,832,482</u>	<u>31,397,186</u>
Total assets	<u>148,597,932</u>	<u>13,220,680</u>	<u>38,288,033</u>
<b>Deferred outflows of resources</b>			
Pension plan deferments – PERA	–	–	–
OPEB plan deferments	–	–	–
Total deferred outflows of resources	<u>–</u>	<u>–</u>	<u>–</u>
<b>Total assets and deferred outflows of resources</b>	<u>\$ 148,597,932</u>	<u>\$ 13,220,680</u>	<u>\$ 38,288,033</u>

Nonmajor Funds	Totals		Governmental Activities – Internal Service Funds	
	Totals		Totals	
	2022	2021	2022	2021
\$ 1,921,354	\$ 32,076,453	\$ 31,023,248	\$ 37,551,465	\$ 39,524,144
449,384	5,290,652	5,536,948	14,039	22,058
12,771	740,569	724,213	–	–
7,685	138,672	80,113	148,831	101,512
–	2,183,444	–	–	–
31	20,101	17,962	–	–
4,156	9,768	13,572	6,338	24,817
–	79,275	76,574	143,322	117,616
–	614,310	607,235	922,489	991,941
<u>2,395,381</u>	<u>41,153,244</u>	<u>38,079,865</u>	<u>38,786,484</u>	<u>40,782,088</u>
1,413	4,956,817	5,423,975	–	–
47,551	3,280,938	3,280,938	33,520	33,520
1,667,293	63,390,735	61,360,620	10,348,390	10,389,746
511,602	10,467,171	10,167,152	3,356,638	3,253,516
250,338	19,863,359	19,937,109	30,321,508	30,016,776
–	–	–	761,988	–
–	173,088,073	163,479,965	301,110	301,110
–	1,803,010	2,636,039	1,877,124	628,973
<u>2,476,784</u>	<u>271,893,286</u>	<u>260,861,823</u>	<u>47,000,278</u>	<u>44,623,641</u>
<u>(1,380,767)</u>	<u>(114,403,891)</u>	<u>(107,289,467)</u>	<u>(20,344,983)</u>	<u>(18,427,002)</u>
<u>1,096,017</u>	<u>157,489,395</u>	<u>153,572,356</u>	<u>26,655,295</u>	<u>26,196,639</u>
<u>1,097,430</u>	<u>162,446,212</u>	<u>158,996,331</u>	<u>26,655,295</u>	<u>26,196,639</u>
<u>3,492,811</u>	<u>203,599,456</u>	<u>197,076,196</u>	<u>65,441,779</u>	<u>66,978,727</u>
–	–	–	679,002	730,159
–	–	–	32,349,544	18,950,716
–	–	–	33,028,546	19,680,875
<u>\$ 3,492,811</u>	<u>\$ 203,599,456</u>	<u>\$ 197,076,196</u>	<u>\$ 98,470,325</u>	<u>\$ 86,659,602</u>

CITY OF PLYMOUTH

Statement of Net Position  
 Proprietary Funds (continued)  
 December 31, 2022

(With Comparative Totals for December 31, 2021)

	Business-Type Activities – Enterprise Funds		
	Water Sewer Utility	Ice Center	Water Resources
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 159,117	\$ 16,658	\$ 70,028
Contracts payable	459,950	–	182,807
Accrued salaries and benefits payable	49,255	17,751	19,345
Compensated absences payable	–	–	–
Deposits payable	–	–	93,030
Due to other funds	1,724	4,084	–
Due to other governments	13,112	–	383
Unearned revenue	34,481	911,224	–
Advances from other funds	–	81,183	–
Finance purchases payable	–	–	–
Leases payable	–	–	–
Total OPEB liability	–	–	–
Total current liabilities	<u>717,639</u>	<u>1,030,900</u>	<u>365,593</u>
Noncurrent liabilities			
Finance purchases payable	–	–	–
Leases payable	–	–	–
Total OPEB liability	–	–	–
Net pension liability	–	–	–
Compensated absences payable	–	–	–
Advances from other funds	–	207,073	–
Total noncurrent liabilities	<u>–</u>	<u>207,073</u>	<u>–</u>
Total liabilities	<u>717,639</u>	<u>1,237,973</u>	<u>365,593</u>
Deferred inflows of resources			
OPEB plan deferments	–	–	–
Pension plan deferments – PERA	–	–	–
Lease revenue received for subsequent years	2,009,609	156,216	–
Total deferred inflows of resources	<u>2,009,609</u>	<u>156,216</u>	<u>–</u>
Net position			
Net investment in capital assets	112,707,688	11,832,482	31,210,451
Restricted for utility trunk	23,829,452	–	–
Restricted for water resources	–	–	6,711,989
Unrestricted	9,333,544	(5,991)	–
Total net position	<u>145,870,684</u>	<u>11,826,491</u>	<u>37,922,440</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 148,597,932</u>	<u>\$ 13,220,680</u>	<u>\$ 38,288,033</u>

Net position – total enterprise funds

Adjustment to reflect the consolidation of the internal  
 service fund activities related to enterprise funds

Net position – business-type activities

Nonmajor Funds	Totals		Governmental Activities – Internal Service Funds	
	Totals		Totals	
	2022	2021	2022	2021
\$ 99,837	\$ 345,640	\$ 512,488	\$ 812,889	\$ 466,472
–	642,757	621,196	–	–
5,742	92,093	83,787	74,007	79,802
–	–	–	2,528,683	2,297,312
–	93,030	73,900	–	2,374
–	5,808	4,648	2,321	1,550
–	13,495	102,092	2,150	–
215,578	1,161,283	1,442,312	–	–
–	81,183	77,530	–	–
–	–	–	85,930	73,930
–	–	–	200,552	–
–	–	–	185,169	150,337
<u>321,157</u>	<u>2,435,289</u>	<u>2,917,953</u>	<u>3,891,701</u>	<u>3,071,777</u>
–	–	–	48,000	73,930
–	–	–	434,720	–
–	–	–	3,818,789	3,680,426
–	–	–	54,980,062	15,288,593
–	–	–	417,039	914,397
–	207,073	288,256	–	–
–	<u>207,073</u>	<u>288,256</u>	<u>59,698,610</u>	<u>19,957,346</u>
<u>321,157</u>	<u>2,642,362</u>	<u>3,206,209</u>	<u>63,590,311</u>	<u>23,029,123</u>
–	–	–	232,870	291,090
–	–	–	508,114	23,636,540
–	2,165,825	–	–	–
<u>–</u>	<u>2,165,825</u>	<u>–</u>	<u>740,984</u>	<u>23,927,630</u>
1,096,017	156,846,638	152,951,160	25,886,093	26,048,779
–	23,829,452	23,721,236	–	–
–	6,711,989	6,275,359	–	–
2,075,637	11,403,190	10,922,232	8,252,937	13,654,070
<u>3,171,654</u>	<u>198,791,269</u>	<u>193,869,987</u>	<u>34,139,030</u>	<u>39,702,849</u>
<u>\$ 3,492,811</u>	<u>\$ 203,599,456</u>	<u>\$ 197,076,196</u>	<u>\$ 98,470,325</u>	<u>\$ 86,659,602</u>
	\$ 198,791,269	\$ 193,869,987		
	<u>(2,223,004)</u>	<u>(1,878,826)</u>		
	<u>\$ 196,568,265</u>	<u>\$ 191,991,161</u>		

CITY OF PLYMOUTH

Statement of Revenues, Expenses, and Changes in Net Position  
 Proprietary Funds  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	Business-Type Activities – Enterprise Funds		
	Water Sewer Utility	Ice Center	Water Resources
Operating revenues			
Charges for services	\$ 20,802,372	\$ 2,209,752	\$ 4,577,510
Other fees	–	–	–
Total operating revenue	<u>20,802,372</u>	<u>2,209,752</u>	<u>4,577,510</u>
Operating expenses			
Personal services	2,441,505	857,199	992,123
Materials and supplies	839,644	172,272	59,501
Insurance claims	–	–	–
Contractual services	11,458,939	893,067	1,060,286
Depreciation/amortization	5,293,186	688,996	1,181,214
Total operating expenses	<u>20,033,274</u>	<u>2,611,534</u>	<u>3,293,124</u>
Operating income (loss)	769,098	(401,782)	1,284,386
Nonoperating revenues (expenses)			
Investment earnings (charges)	(1,128,213)	(35,401)	(326,984)
Other taxes	–	–	–
Intergovernmental	48,817	–	94,991
Gain (loss) on disposal of capital assets	(39,723)	–	–
Contributions	–	25,000	–
Interest expense	–	(5,487)	–
Other revenue	46,433	26,900	181,220
Other expense	(126,840)	(17,576)	(28,012)
Total nonoperating revenues (expenses)	<u>(1,199,526)</u>	<u>(6,564)</u>	<u>(78,785)</u>
Income (loss) before contributions and transfers	(430,428)	(408,346)	1,205,601
Capital contributions	5,896,579	1,213,111	2,048,708
Transfers in	–	–	–
Transfers out	(3,617,111)	(144,189)	(564,894)
Changes in net position	1,849,040	660,576	2,689,415
Net position			
Beginning of year	<u>144,021,644</u>	<u>11,165,915</u>	<u>35,233,025</u>
End of year	<u>\$ 145,870,684</u>	<u>\$ 11,826,491</u>	<u>\$ 37,922,440</u>

Change in net position – total enterprise funds

Adjustment to reflect the consolidation of the internal  
 service fund activities related to enterprise funds

Change in net position – business-type activities

Nonmajor Funds	Totals		Governmental Activities – Internal Service Funds	
	2022	2021	Totals	
	2022	2021	2022	2021
\$ 1,548,054	\$ 29,137,688	\$ 28,365,666	\$ 14,149,469	\$ 13,160,186
11,681	11,681	5,004	339,920	164,566
<u>1,559,735</u>	<u>29,149,369</u>	<u>28,370,670</u>	<u>14,489,389</u>	<u>13,324,752</u>
276,466	4,567,293	4,289,809	10,254,640	3,076,992
10,840	1,082,257	801,296	1,517,476	944,397
–	–	–	800,007	412,798
1,458,827	14,871,119	14,210,359	3,500,070	3,163,219
144,272	7,307,668	7,123,249	3,006,702	2,915,164
<u>1,890,405</u>	<u>27,828,337</u>	<u>26,424,713</u>	<u>19,078,895</u>	<u>10,512,570</u>
(330,670)	1,321,032	1,945,957	(4,589,506)	2,812,182
(117,336)	(1,607,934)	188,642	(2,199,745)	(180,998)
–	–	–	204,061	144,503
163,462	307,270	183,939	20,531	19,783
–	(39,723)	338	100,298	176,152
–	25,000	–	479,139	149,842
–	(5,487)	(6,597)	(1,779)	–
15,807	270,360	116,092	47,905	58,660
(9,012)	(181,440)	(170,494)	(19,222)	(13,714)
<u>52,921</u>	<u>(1,231,954)</u>	<u>311,920</u>	<u>(1,368,812)</u>	<u>354,228</u>
(277,749)	89,078	2,257,877	(5,958,318)	3,166,410
–	9,158,398	7,851,627	299,652	112,959
–	–	145,767	177,703	257,253
–	(4,326,194)	(7,799,659)	(82,856)	(143,396)
(277,749)	4,921,282	2,455,612	(5,563,819)	3,393,226
<u>3,449,403</u>	<u>193,869,987</u>	<u>191,414,375</u>	<u>39,702,849</u>	<u>36,309,623</u>
<u>\$ 3,171,654</u>	<u>\$ 198,791,269</u>	<u>\$ 193,869,987</u>	<u>\$ 34,139,030</u>	<u>\$ 39,702,849</u>
	\$ 4,921,282	\$ 2,455,612		
	(344,178)	218,452		
	<u>\$ 4,577,104</u>	<u>\$ 2,674,064</u>		

CITY OF PLYMOUTH

Statement of Cash Flows  
Proprietary Funds

Year Ended December 31, 2022

(With Comparative Totals for the Year Ended December 31, 2021)

	Business-Type Activities – Enterprise Funds		
	Water Sewer Utility	Ice Center	Water Resources
Cash flows from operating activities			
Cash receipts from external customers or users	\$ 20,526,065	\$ 2,337,766	\$ 4,474,748
Cash receipts from internal customers or users	158,804	–	68,938
Cash payments to suppliers	(12,660,393)	(1,121,531)	(1,139,549)
Cash payments to employees for services	(2,437,205)	(855,851)	(991,263)
Other operating revenue (expense)	46,433	26,900	181,220
Net cash flows from operating activities	<u>5,633,704</u>	<u>387,284</u>	<u>2,594,094</u>
Cash flows from noncapital financing activities			
Intergovernmental revenues	48,817	–	94,991
Contributions	–	25,000	–
Other taxes	–	–	–
Transfers in	–	–	–
Transfers out	(3,617,111)	(144,189)	(564,894)
Net cash flows from noncapital financing activities	<u>(3,568,294)</u>	<u>(119,189)</u>	<u>(469,903)</u>
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	(2,604,568)	(71,744)	(1,385,292)
Capital debt proceeds	–	–	–
Contributions	–	–	–
Special assessments for future construction	2,443,420	–	–
Proceeds from sale of capital assets	–	–	–
Principal paid on capital debt	–	–	–
Payment on advances from other funds	–	(77,530)	–
Interest paid on capital debt	–	(5,487)	–
Net cash flows from capital and related financing activities	<u>(161,148)</u>	<u>(154,761)</u>	<u>(1,385,292)</u>
Cash flows from investing activities			
Investment earnings and changes in fair value on investments	<u>(1,174,215)</u>	<u>(35,997)</u>	<u>(336,614)</u>
Net increase in cash and cash equivalents	730,047	77,337	402,285
Cash and cash equivalents			
Beginning of year	<u>22,941,476</u>	<u>366,802</u>	<u>5,637,152</u>
End of year	<u>\$ 23,671,523</u>	<u>\$ 444,139</u>	<u>\$ 6,039,437</u>



Nonmajor Funds	Total		Governmental Activities – Internal Service Funds	
	Totals		Totals	
	2022	2021	2022	2021
\$ 1,536,027	\$ 28,874,606	\$ 27,593,630	\$ 1,317,579	\$ 1,188,150
–	227,742	181,646	13,198,308	12,189,966
(1,477,425)	(16,398,898)	(15,484,757)	(5,446,065)	(4,693,452)
(274,668)	(4,558,987)	(4,266,619)	(7,196,075)	(5,854,333)
15,807	270,360	116,092	47,905	58,660
(200,259)	8,414,823	8,139,992	1,921,652	2,888,991
163,462	307,270	183,939	20,531	19,783
–	25,000	–	479,139	149,842
–	–	–	204,061	144,503
–	–	145,767	177,703	257,253
–	(4,326,194)	(7,799,659)	(82,856)	(143,396)
163,462	(3,993,924)	(7,469,953)	798,578	427,985
–	(4,061,604)	(2,788,706)	(2,695,426)	(1,868,028)
–	–	–	60,000	–
–	–	–	63,807	63,144
–	2,443,420	2,677,896	–	–
–	–	338	328,199	209,783
–	–	–	(200,646)	(73,930)
–	(77,530)	(74,002)	–	–
–	(5,487)	(6,597)	(1,779)	–
–	(1,701,201)	(191,071)	(2,445,845)	(1,669,031)
(119,667)	(1,666,493)	200,475	(2,247,064)	(162,887)
(156,464)	1,053,205	679,443	(1,972,679)	1,485,058
2,077,818	31,023,248	30,343,805	39,524,144	38,039,086
\$ 1,921,354	\$ 32,076,453	\$ 31,023,248	\$ 37,551,465	\$ 39,524,144

CITY OF PLYMOUTH

Statement of Cash Flows (continued)

Proprietary Funds

Year Ended December 31, 2022

(With Comparative Totals for the Year Ended December 31, 2021)

	Business-Type Activities – Enterprise Funds		
	Water Sewer Utility	Ice Center	Water Resources
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	\$ 769,098	\$ (401,782)	\$ 1,284,386
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Depreciation/amortization	5,293,186	688,996	1,181,214
Other revenues (expenses)	(80,407)	9,324	153,208
Change in assets, deferred outflows of resources, liabilities, and deferred inflows of resources			
Accounts receivable	(95,638)	406,784	(40,188)
Special assessments receivable	(1,657)	–	(10,686)
Due from other funds	(38)	–	(2,080)
Due from other governments	(5,612)	–	–
Inventory	(3,094)	393	–
Prepaid items	(31,908)	1,840	22,393
Deferred outflows of resources for OPEB plan deferments	–	–	–
Deferred outflows of resources for pension plan deferments	–	–	–
Accounts payable	(122,203)	(37,071)	(13,719)
Accrued salaries and benefits payable	4,300	1,348	860
Due to other funds	1,183	(23)	–
Due to other governments	(78,948)	(3,755)	(424)
Deposits payable	–	–	19,130
Total OPEB liability	–	–	–
Net pension liability	–	–	–
Compensated absences payable	–	–	–
Unearned revenue	556	(276,265)	–
Leases net of deferred inflow for subsequent years	(15,114)	(2,505)	–
Deferred inflows of resources for OPEB plan deferments	–	–	–
Deferred inflows of resources for pension plan deferments	–	–	–
Total adjustments	<u>4,864,606</u>	<u>789,066</u>	<u>1,309,708</u>
Net cash flows from operating activities	<u>\$ 5,633,704</u>	<u>\$ 387,284</u>	<u>\$ 2,594,094</u>
Schedule of noncash investing, capital and related financing activities			
Contributions of capital assets from city funds	\$ 1,672,425	\$ 1,213,111	\$ 1,051,556
Contributions of capital assets from others	\$ 2,247,021	\$ –	\$ 997,152
(Increase) decrease in special assessment contributions receivable	\$ 466,287	\$ –	\$ –
Net book value on disposal of capital assets	\$ (39,723)	\$ –	\$ –
Capital assets acquired through lease purchases	\$ –	\$ –	\$ –
Increase (decrease) in capital assets from accounts and contracts payable	\$ 39,775	\$ (1,878)	\$ (16,336)

Nonmajor Funds	Totals		Governmental Activities – Internal Service Funds	
	2022	2021	Totals	
	2022	2021	2022	2021
\$ (330,670)	\$ 1,321,032	\$ 1,945,957	\$ (4,589,506)	\$ 2,812,182
144,272	7,307,668	7,123,249	3,006,702	2,915,164
6,795	88,920	(54,402)	28,683	44,946
(24,662)	246,296	(930,091)	8,019	87,535
(3,142)	(15,485)	(9,220)	–	–
(21)	(2,139)	(2,887)	–	–
9,416	3,804	328	18,479	(10,204)
–	(2,701)	22,948	(25,706)	5,778
600	(7,075)	(580,518)	69,452	117,459
–	–	–	51,157	(429,996)
–	–	–	(13,398,828)	(11,620,680)
6,145	(166,848)	102,314	346,417	(283,961)
1,798	8,306	23,190	(5,795)	19,800
–	1,160	1,753	(53)	236
(5,470)	(88,597)	(12,375)	600	(424)
–	19,130	28,000	–	–
–	–	–	173,195	697,717
–	–	–	39,691,469	(7,807,290)
–	–	–	(265,987)	(110,192)
(5,320)	(281,029)	481,746	–	(95)
–	(17,619)	–	–	–
–	–	–	(58,220)	(58,220)
–	–	–	(23,128,426)	16,509,236
<u>130,411</u>	<u>7,093,791</u>	<u>6,194,035</u>	<u>6,511,158</u>	<u>76,809</u>
<u>\$ (200,259)</u>	<u>\$ 8,414,823</u>	<u>\$ 8,139,992</u>	<u>\$ 1,921,652</u>	<u>\$ 2,888,991</u>
\$ –	\$ 3,937,092	\$ 289,650	\$ 235,845	\$ 49,815
\$ –	\$ 3,244,173	\$ 4,117,983	\$ –	\$ –
\$ –	\$ 466,287	\$ (766,099)	\$ –	\$ –
\$ –	\$ (39,723)	\$ –	\$ (227,901)	\$ –
\$ –	\$ –	\$ –	\$ 761,988	\$ –
\$ –	\$ 21,561	\$ (69,985)	\$ –	\$ (16,655)

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# CITY OF PLYMOUTH

## Notes to Basic Financial Statements December 31, 2022

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Organization**

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.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's more significant accounting policies are described below.

#### **B. Reporting Entity**

In accordance with accounting principles generally accepted in the United States of America, these financial statements include the City (the primary government) and its component units. The City includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which elected officials of the City are financially accountable and are included within the basic financial statements of the City because of the significance of their operational or financial relationships with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

As a result of applying the component unit definition criteria above, certain organizations are presented in this report as blended component units (which are reported as if they were a part of the City) or discretely presented component units (which are reported separately of 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 column in the government-wide statements includes 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.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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 oversees operations of 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.

### **C. Government-Wide Financial Statement Presentation**

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all of the financial activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which significantly rely upon sales, 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 Statement of Activities demonstrates 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, services, or privileges provided by a given function or segment, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other internally directed revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes and special assessments are recognized as revenues in the fiscal year for which they are certified for levy. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, charges between the City's enterprise funds and other functions are not eliminated, as that would distort the direct costs and program revenues reported in those functions. Depreciation/amortization expense is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### D. Fund Financial Statement Presentation

Separate fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. Aggregated information for the remaining nonmajor governmental funds is reported in a single column in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting, transactions are recorded in the following manner:

- 1. Revenue Recognition** – Revenue is recognized when it becomes 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. For this purpose, the City considers revenues to be available if they are collected within 60 days after year-end. 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. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. Proceeds of long-term debt and acquisitions under leases are reported as other financing sources.

Major revenue that is susceptible to accrual includes property taxes, special assessments, intergovernmental revenue, charges for services, and interest earned on investments. Major revenue that is not susceptible to accrual includes licenses and permits, fees, and miscellaneous revenue. Such revenue is recorded only when received because it is not measurable until collected.

- 2. Recording of Expenditures** – Expenditures are generally recorded when a liability is incurred, except for principal and interest on long-term debt and other long-term obligations, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as capital outlay expenditures in the governmental funds.

Proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting, similar to the government-wide financial statements. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the City’s enterprise funds and internal service funds are charges to customers for sales and services. The operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses that do not meet this definition are reported as nonoperating revenues and expenses.

Aggregated information for the internal service funds is reported in a single column in the proprietary fund financial statements. Because the principal user of the internal services is the City’s governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Descriptions of Funds

The City reports the following major governmental funds:

**General Fund** – This fund is the City’s primary operating fund. It accounts for all financial resources of the general government, except those 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.

**Transit System Fund** – This special revenue fund accounts for revenues from the Minnesota vehicle excise tax and fares, and expenditures for the Plymouth Metrolink system.

**General Capital Projects Fund** – This capital project fund accounts for construction costs related to the City’s buildings and park improvements.

**Improvement Projects Fund** – This capital project fund accounts for expenditures incurred in the construction of certain public improvements, such as residential streets, sidewalks, and storm sewers.

**Street Replacement Fund** – This capital project fund accounts for accumulation of resources for major infrastructure repair and replacement. The major source of revenue is property taxes.

**Plymouth Community Center Expansion Fund** – This capital project fund accounts for expenditures incurred in the renovation and expansion of the Plymouth Community Center.

**Fire Stations Construction Fund** – This capital project fund accounts for expenditures incurred for the Fire Station #2 and Fire Station #3 replacement projects.

**Tax Increment Projects Fund** – This capital project fund accounts for expenditures incurred in the construction of public collector and distributor roadway improvements, drainage improvements, and other public development costs in the City.

The City reports the following major enterprise funds:

**Water Sewer Utility Fund** – This fund accounts for providing water and sewer services to the City’s residents.

**Ice Center Fund** – This fund accounts for the operations of the City’s ice center.

**Water Resources Fund** – This fund accounts for administering the City’s surface water plan, erosion control, wetland regulations, and environmental programs.

Additionally, the City reports the following fund type:

**Internal Service Funds** – Internal service funds 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.



## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **E. Cash and Investments**

The cash and investment 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.

Restricted cash and investments represent resources restricted for specific purposes as required under debt issuance. Earnings from such investments are recorded directly to the applicable 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.

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.

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

### **F. Receivables**

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 only receivables not expected to be collected within one year are leases receivable, property taxes receivable, special assessments receivable, notes receivable, and interest on notes receivable.

### **G. Interfund 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."

### **H. Property Taxes**

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.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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. No allowance for uncollectible taxes has been provided because such amounts are not expected to be material.

### **I. Special Assessments**

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

Within the governmental fund financial statements, special assessment principal installments are recognized as revenue when they become measurable and available. Special assessment interest revenues are recognized when due, net of delinquencies. Unavailable revenue in governmental activities is susceptible to full accrual on the government-wide statements. Governmental fund special assessments receivable which remain unpaid on December 31 are offset by a deferred inflow of resources in the governmental fund financial statements. At year-end, the City has recorded \$29,284 of delinquent special assessments receivable.

### **J. Notes Receivable**

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 disbursements 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 \$4,319,261. These notes have interest rates ranging from 1.0 percent to 6.0 percent.

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.

### **K. Inventories and Prepaid Items**

Inventories of supplies are valued at cost, while inventories held for resale are valued at the lower of cost or market value, on a first-in, first-out method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of inventories and prepaid items is recorded as expenses/expenditures when consumed rather than when purchased.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### L. Property Held for Resale

Property is acquired by the City for redevelopment purposes. Property held for resale is reported as an asset in the government-wide and fund financial statements. These assets are reported at the lower of cost or acquisition value.

### M. 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 and proprietary fund 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. Leased capital assets are recorded based on the measurement of payments applicable to the lease term. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Land and construction in progress are not depreciated. Leased assets are amortized over the term of the lease or over the useful life of the applicable asset class listed below, if future ownership is anticipated. 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:

Buildings	5–50 years
Improvements other than buildings	10–25 years
Machinery and equipment	2–20 years
Infrastructure	15–100 years
Collection/distribution systems	15–100 years

### N. 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 expenses/expenditures 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 expensed/expended as it is paid from all funds. Employees are not compensated upon termination for remaining balances.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **O. Long-Term Obligations**

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, if material, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are expensed in the period incurred.

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, while 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.

### **P. Interfund Activity**

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

### **Q. 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 assets 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.

The City reports deferred outflows and inflows of resources related to pensions and other post-employment benefits (OPEB) in the government-wide and proprietary fund Statements 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.

The City reports deferred inflows of resources related to lease receivables in the government-wide and proprietary fund Statements of Net Position and governmental funds Balance Sheet, which requires lessors to recognize deferred inflows of resources to correspond to lease receivables. These amounts are deferred and amortized in a systematic and rationale manner over the term of the lease.

Unavailable revenue from notes and related interest, taxes, special assessments, and other 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.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### R. State-Wide Pension Plans

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from the PERA's fiduciary net position have been determined on the same basis as they are reported by the PERA. 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.

### S. Risk Management

The City is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries insurance. The City obtains insurance through participation in the League of Minnesota Cities Insurance Trust (LMCIT), which is a risk-sharing pool with other governmental units. The City pays an annual premium to the LMCIT for its workers' compensation and property and casualty insurance. The LMCIT is self-sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event. There were no significant reductions in insurance from the previous year or settled claims in excess of insurance coverage for any of the past three fiscal years.

The City has established an internal service fund, called the Risk Management Fund, to account for the self-insurance workers' compensation and dental 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. This estimate 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 payouts), 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 amounts are allocated to specific claims. Estimated recoveries, such as from salvage or subrogation, are another component of the claims liability estimate.

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

	<u>2021</u>	<u>2022</u>
Liability at beginning of year	\$ 432,142	\$ 196,560
Incurred claims and changes in estimates	(98,163)	656,711
Claims paid	<u>(137,419)</u>	<u>(213,221)</u>
Liability at end of year	<u>\$ 196,560</u>	<u>\$ 640,050</u>

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

	<u>2021</u>	<u>2022</u>
Liability at beginning of year	\$ 65,072	\$ 66,354
Incurred claims and changes in estimates	274,267	292,068
Claims paid	<u>(272,985)</u>	<u>(293,350)</u>
Liability at end of year	<u>\$ 66,354</u>	<u>\$ 65,072</u>

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### T. Net Position Classifications and Flow Assumptions

In the government-wide and proprietary fund financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in three components:

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation and amortization, reduced by any outstanding debt attributable to acquire capital assets.
- **Restricted Net Position** – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments or enabling legislation.
- **Unrestricted Net Position** – All remaining net position that do not meet the definition of “restricted” or “net investment in capital assets.”

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.

### U. Fund Balance Classifications and Flow Assumptions

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 where there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments, or enabling legislation.
- **Committed** – Consists of internally imposed constraints that are established by resolution of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – Consists of internally imposed constraints. These constraints consist of amounts intended to be used by the City 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 City Council resolution, the city manager, deputy city manager, or director of finance 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.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **V. Use of Estimates**

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

### **W. 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.

### **X. Prior Period Adjustment**

A prior period adjustment, increasing fund balance by \$6,892,804 was recorded in the Transit System Special Revenue Fund in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances. This change was related to the City's correction to report assets purchased with the intent for resale at the fund-based financial statement level. This asset was captured in the entity-wide financial statements in the prior year and, therefore, did not require a restatement of net position on those statements, but did require an adjustment to the presentation of capital assets as also noted later in these footnotes. Prior year partial comparative amounts have not been restated.

### **Y. Change in Accounting Principle**

During the year ended December 31, 2022, the City implemented GASB Statement No. 87, *Leases*. This statement included major changes in recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Certain amounts necessary to fully restate fiscal year 2021 financial information are not determinable; therefore, prior year comparative amounts have not been restated. The implementation of this new GASB statement in the current year resulted in the City reporting a new lease receivable and deferred inflows of resources, a new capital asset category for leased assets and lease liability, but did not require a restatement of net position. See Note 4, Note 6, and Note 7 for additional details on this change in the current year.

## **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 Fund 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.

## NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

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 (Transit System Fund, Recreation Fund, and Community Development Block Grant Fund).
6. 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.
7. 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**

For the year ended December 31, 2022, expenditures exceeded budget by \$315,377 in the Recreation Special Revenue Fund and by \$17,039 in the Community Development Block Grant Special Revenue Fund. These variances were funded by revenues in excess of budget and available fund balance. Expenditures in excess of budget were approved by the City Council either through the disbursement process or separate City Council action.

### **C. Deficit Fund Net Position/Fund Balance**

The following funds had a deficit fund net position or deficit fund balance as of December 31, 2022. The Plymouth Community Center Expansion Fund deficit fund balance will be eliminated with future revenues and transfers from other funds. The Employee Benefits Fund deficit net position will remain until which time the net pension liability and total OPEB liability are fully funded.

<u>Fund</u>	<u>Fund Equity</u>
Governmental funds	
Plymouth Community Center Expansion Fund	\$ (1,264,580)
Proprietary funds	
Internal Service Fund – Employee Benefits Fund	\$ (24,009,367)



### NOTE 3 – CASH AND INVESTMENTS

#### A. Components of Cash and Investments

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

	Primary Government	Component Unit	Total
Deposits	\$ 116,622	\$ 146,922	\$ 263,544
Investments	161,417,779	4,380,818	165,798,597
Cash on hand	9,190	–	9,190
Total	<u>\$ 161,543,591</u>	<u>\$ 4,527,740</u>	<u>\$ 166,071,331</u>

Cash and investments are included on the basic financial statements as follows:

	Primary Government	Component Unit	Total
Statement of Net Position			
Cash and investments	\$ 159,826,648	\$ 4,527,740	\$ 164,354,388
Restricted cash and investments	1,716,943	–	1,716,943
Total	<u>\$ 161,543,591</u>	<u>\$ 4,527,740</u>	<u>\$ 166,071,331</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 City’s deposits may be lost.

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issued of U.S. governmental agencies; general obligations rate “A” or better; revenue obligations rate “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.

At year-end, the carrying amount of the City’s deposits was \$116,622, while the balance on the bank records was \$118,389. The carrying amount and balance on the bank records of the component unit’s deposits was \$146,922. At December 31, 2022, all deposits were fully covered by federal depository insurance or by collateral held by the City’s agent in the City’s name.

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**C. Investments**

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

Investment Type	Credit Risk		Fair Value Measurements Using	Interest Risk – Maturity Duration in Years			Total
	Rating	Agency		Less Than 1	1 to 5	6 to 10	
U.S. government securities							
U.S. Small Business Administration	N/R	N/A	Level 2	\$ –	\$ 73,751	\$ –	\$ 73,751
U.S. treasuries	N/R	N/A	Level 2	570,000	887,930	–	1,457,930
Governmental National Mortgage Association	N/R	N/A	Level 2	–	206,562	409,738	616,300
U.S. agency securities							
Federal Agriculture Mortgage Corporation	AAA	S&P	Level 2	–	–	4,124,740	4,124,740
Federal Farm Credit Bank	AA	S&P	Level 2	–	863,550	–	863,550
Federal Home Loan Bank Federal National Mortgage Association	AA	S&P	Level 2	993,380	5,548,670	818,460	7,360,510
Municipal bonds	AAA	S&P	Level 2	1,710,818	17,352,854	10,325,397	29,389,067
Municipal bonds	AAA	Moody's	Level 2	–	10,205,679	3,328,370	13,534,049
Municipal bonds	AAA	Moody's	Level 2	–	1,886,040	800,310	2,686,350
Municipal bonds	AA	S&P	Level 2	7,539,344	8,949,117	9,707,434	26,195,895
Municipal bonds	AA	Moody's	Level 2	3,725,616	7,795,155	6,466,117	17,986,888
Negotiable certificates of deposit	N/R	N/A	Level 2	243,314	2,331,322	213,908	2,788,544
Banker acceptances	N/R	N/A	Level 2	7,941,479	–	–	7,941,479
U.S. Bank Commercial Paper	A-1	S&P	Level 2	10,975,370	–	–	10,975,370
Mutual funds	AAA	S&P	Level 1	39,804,174	–	–	39,804,174
Total investments				<u>\$ 73,503,495</u>	<u>\$ 56,100,630</u>	<u>\$ 36,194,474</u>	165,798,597
Deposits							263,544
Cash on hand for change funds							9,190
Total Cash and investments							<u>\$ 166,071,331</u>

N/R – Not Rated  
N/A – Not Applicable

Investments are 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 any 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.

**Concentration risk** – This is the risk associated with investing a significant portion of the City's investments (considered 5.0 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 20.0 percent of the total portfolio. At year-end, the City's investment in the Federal National Mortgage Association and U.S. Bank Commercial Paper represented 17.7 and 6.6 percent, respectively of the total investments of the City.

**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.

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**Credit risk** – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the City’s investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated “A” or better; revenue obligations rated “AA” or better; general obligations of the Minnesota Housing Finance Agency rated “A” or better; bankers’ acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities brokers-dealers. 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.

**NOTE 4 – LEASES RECEIVABLE**

The City has entered into lease receivable agreements for cell tower rental space and training space on city property. The leases are reported using incremental rates ranging from 0.31 percent to 1.53 percent with a final maturity through fiscal 2050. During the current year, the City received principal payments of \$462,786 and interest payments of \$30,106 on these lease agreements. The City reported a receivable balance of \$6,223,657 on leases at December 31, 2022.

**NOTE 5 – INTERFUND TRANSACTIONS**

**A. Due To and From Other Funds**

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. The composition of interfund balances as of December 31, 2022, was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 19,052
Water Sewer Utility	General	5,920
Water Sewer Utility	Transit System	296
Water Sewer Utility	Ice Center	2,819
Water Sewer Utility	Internal Service Funds	1,525
Water Resources	General	4,621
Water Resources	Transit System	1,104
Water Resources	Water Sewer Utility	1,724
Water Resources	Ice Center	1,265
Water Resources	Internal Service Funds	796
Nonmajor Enterprise	General	3
Nonmajor Enterprise	Transit System	28
		<u>\$ 39,153</u>

**NOTE 5 – INTERFUND TRANSACTIONS (CONTINUED)**

**B. Advances To and Advances From Other Funds**

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 percent. The composition of advances to and advances from other funds as of December 31, 2022, was as follows:

Receivable Fund	Payable Fund	Amount
General Capital Projects	Tax Increment Projects	\$ 1,785
Nonmajor Governmental	Ice Center	288,256
		<u>\$ 290,041</u>

**C. Transfers In and Transfers Out**

Transfers in and transfers out for the year ended December 31, 2022 were as follows:

	Transfer In				
	General	General Capital Projects	Improvement Projects	Plymouth Community Center Expansion	Tax Increment Projects
Transfer out					
General	\$ –	\$ 6,665,000	\$ –	\$ –	\$ –
Transit System	–	–	517,760	–	–
General Capital Projects	–	–	–	4,344,314	–
Improvement Projects	69,534	–	–	–	–
Street Replacement	–	–	13,575,458	–	–
Tax Increment Projects	–	–	–	–	–
Nonmajor Governmental Funds	88,683	1,760,457	3,834,563	–	1,667
Water Sewer Utility	–	–	3,617,111	–	–
Ice Center	–	144,189	–	–	–
Water Resources	–	–	564,894	–	–
Internal Service Funds	82,856	–	–	–	–
Total	<u>\$ 241,073</u>	<u>\$ 8,569,646</u>	<u>\$ 22,109,786</u>	<u>\$ 4,344,314</u>	<u>\$ 1,667</u>
	Transfer In				
	Nonmajor Governmental Funds	Internal Service Funds	Total		
Transfer out					
General	\$ –	\$ 149,500	\$ 6,814,500		
Transit System	–	–	517,760		
General Capital Projects	1,266,242	–	5,610,556		
Improvement Projects	40,000	28,203	137,737		
Street Replacement	–	–	13,575,458		
Tax Increment Projects	80,428	–	80,428		
Nonmajor Governmental Funds	–	–	5,685,370		
Water Sewer Utility	–	–	3,617,111		
Ice Center	–	–	144,189		
Water Resources	–	–	564,894		
Internal Service Funds	–	–	82,856		
Total	<u>\$ 1,386,670</u>	<u>\$ 177,703</u>	<u>\$ 36,830,859</u>		

## **NOTE 5 – INTERFUND TRANSACTIONS (CONTINUED)**

Transfers are made in accordance with budget appropriations or as approved by the City Council for special funding of city activities. The purpose of transfers are to provide funding for capital improvement projects, capital outlay, and operating purposes, to return unused funds, and other miscellaneous items. Generally, transfers are used to move revenues from the fund that collects them to the fund that the budget requires to expend them.

During the year ended December 31, 2022, a majority of the transfers were for purposes identified above, with capital project funds making transfers to support capital-related spending. Transfers in the current year also included amounts to support debt service requirements. These transfers were largely as planned in the budget or anticipated in debt and capital financing plans. The General Fund made an unplanned transfer of \$6,665,000 to the General Capital Project Fund in accordance with the City's fund balance policy.

## NOTE 6 – CAPITAL ASSETS

### A. City (Primary Government)

Capital asset activity of the City for the year ended December 31, 2022 was as follows:

	Beginning Balance*	Additions	Disposals	Completed Construction	Transfers	Ending Balance
Primary government						
Governmental activities						
Capital assets, not depreciated/amortized						
Land	\$ 45,973,783	\$ 91,200	\$ –	\$ 2,285,976	\$ –	\$ 48,350,959
Construction in progress	65,348,103	47,847,359	–	(51,862,875)	(3,937,092)	57,395,495
Total capital assets, not depreciated/amortized	111,321,886	47,938,559	–	(49,576,899)	(3,937,092)	105,746,454
Capital assets, depreciated/amortized						
Buildings	53,459,563	13,689	(203,169)	40,159,589	–	93,429,672
Improvements other than buildings	35,924,450	149,722	(685,340)	2,664,091	–	38,052,923
Machinery and equipment	50,045,472	1,406,848	(1,895,832)	2,915,777	–	52,472,265
Machinery and equipment – leased	–	761,988	–	–	–	761,988
Infrastructure	363,003,923	2,569,247	–	3,837,442	–	369,410,612
Total capital assets, depreciated/amortized	502,433,408	4,901,494	(2,784,341)	49,576,899	–	554,127,460
Less accumulated depreciation/amortization on						
Buildings	(23,651,763)	(2,381,275)	153,612	–	–	(25,879,426)
Improvements other than buildings	(19,105,464)	(1,475,336)	521,065	–	–	(20,059,735)
Machinery and equipment	(27,829,599)	(3,408,319)	1,667,663	–	–	(29,570,255)
Machinery and equipment – leased	–	(118,439)	–	–	–	(118,439)
Infrastructure	(233,785,170)	(10,818,811)	–	–	–	(244,603,981)
Total accumulated depreciation/amortization	(304,371,996)	(18,202,180)	2,342,340	–	–	(320,231,836)
Total capital assets, depreciated/amortized	198,061,412	(13,300,686)	(442,001)	49,576,899	–	233,895,624
Governmental activities net capital assets	\$ 309,383,298	\$ 34,637,873	\$ (442,001)	\$ –	\$ (3,937,092)	\$ 339,642,078

\*The beginning balance of land has been restated for an asset reclassified to land held for resale totaling \$6,892,804 as a prior period adjustment in the current year.

	Beginning Balance	Additions	Disposals	Completed Construction	Transfers	Ending Balance
Primary government						
Business-type activities						
Capital assets, not depreciated/amortized						
Land	\$ 3,280,938	\$ –	\$ –	\$ –	\$ –	\$ 3,280,938
Construction in progress	2,636,039	4,045,987	–	(4,879,016)	–	1,803,010
Total capital assets, not being depreciated/amortized	5,916,977	4,045,987	–	(4,879,016)	–	5,083,948
Capital assets, depreciated/amortized						
Buildings	61,360,620	11,579	–	805,425	1,213,111	63,390,735
Improvements other than buildings	10,167,152	98,820	–	201,199	–	10,467,171
Machinery and equipment	19,937,109	25,598	(180,399)	81,051	–	19,863,359
Collection/distribution systems	163,479,965	3,145,354	(52,568)	3,791,341	2,723,981	173,088,073
Total capital assets, depreciated/amortized	254,944,846	3,281,351	(232,967)	4,879,016	3,937,092	266,809,338
Less accumulated depreciation/amortization on						
Buildings	(33,454,604)	(1,714,854)	–	–	–	(35,169,458)
Improvements other than buildings	(3,511,307)	(303,775)	–	–	–	(3,815,082)
Machinery and equipment	(14,798,312)	(1,478,977)	144,319	–	–	(16,132,970)
Collection/distribution systems	(55,525,244)	(3,810,062)	48,925	–	–	(59,286,381)
Total accumulated depreciation/amortization	(107,289,467)	(7,307,668)	193,244	–	–	(114,403,891)
Total capital assets, depreciated/amortized	147,655,379	(4,026,317)	(39,723)	4,879,016	3,937,092	152,405,447
Business-type activities net capital assets	\$ 153,572,356	\$ 19,670	\$ (39,723)	\$ –	\$ 3,937,092	\$ 157,489,395

**NOTE 6 – CAPITAL ASSETS (CONTINUED)**

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

Primary government	
Governmental activities	
General government	\$ 238,783
Parks and recreation	3,404,802
Public safety	439,281
Public works	10,973,097
Public service	139,515
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>3,006,702</u>
Total depreciation/amortization expense – governmental activities	<u>\$ 18,202,180</u>
Business-type activities	
Water sewer utility	\$ 5,293,186
Ice center	688,996
Water resources	1,181,214
Solid waste management	691
Field house	<u>143,581</u>
Total depreciation/amortization expense – business-type activities	<u>\$ 7,307,668</u>

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>
Primary government		
Transit system	\$ 391,718	\$ –
Park improvement	85,813	–
Residential streets	1,572,992	–
Community center expansion	119,272	–
Fire Station #2 and #3 renovation	606,229	–
Water resources management	–	500,632
Water and sewer utility	–	<u>420,849</u>
Total	<u>\$ 2,776,024</u>	<u>\$ 921,481</u>

**NOTE 6 – CAPITAL ASSETS (CONTINUED)**

**B. HRA (Component Unit)**

	Beginning Balance	Additions	Disposals	Completed Construction	Ending Balance
Component unit					
Governmental activities					
Capital assets, not depreciated/amortized					
Land	\$ 152,553	\$ –	\$ –	\$ –	\$ 152,553
Capital assets, depreciated/amortized					
Buildings	1,023,865	–	–	–	1,023,865
Improvements other than buildings	37,250	–	–	–	37,250
Total capital assets, depreciated/amortized	1,061,115	–	–	–	1,061,115
Less accumulated depreciation/amortization on					
Buildings	(71,488)	(28,628)	–	–	(100,116)
Improvements other than buildings	–	(2,483)	–	–	(2,483)
Total accumulated depreciation/amortization	(71,488)	(31,111)	–	–	(102,599)
Total capital assets, depreciated/amortized	989,627	(31,111)	–	–	958,516
Governmental activities net capital assets	<u>\$ 1,142,180</u>	<u>\$ (31,111)</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 1,111,069</u>
	Beginning Balance	Additions	Disposals	Completed Construction	Ending Balance
Component unit					
Business-type activities					
Capital assets, not depreciated/amortized					
Land	\$ 1,333,840	\$ –	\$ –	\$ –	\$ 1,333,840
Construction in progress	757,093	7,465	–	(757,093)	7,465
Total capital assets, not depreciated/amortized	2,090,933	7,465	–	(757,093)	1,341,305
Capital assets, depreciated/amortized					
Buildings	16,034,174	75,960	–	757,093	16,867,227
Improvements other than buildings	473,304	–	–	–	473,304
Machinery and equipment	1,076,725	20,137	–	–	1,096,862
Machinery and equipment – leased	–	10,277	–	–	10,277
Total capital assets, depreciated/amortized	17,584,203	106,374	–	757,093	18,447,670
Less accumulated depreciation/amortization on					
Buildings	(9,049,698)	(464,694)	–	–	(9,514,392)
Improvements other than buildings	(296,639)	(20,995)	–	–	(317,634)
Machinery and equipment	(703,444)	(44,143)	–	–	(747,587)
Machinery and equipment – leased	–	(3,159)	–	–	(3,159)
Total accumulated depreciation/amortization	(10,049,781)	(532,991)	–	–	(10,582,772)
Total capital assets, depreciated/amortized	7,534,422	(426,617)	–	757,093	7,864,898
Business-type activities net capital assets	<u>\$ 9,625,355</u>	<u>\$ (419,152)</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 9,206,203</u>

Depreciation and amortization expense was charged to functions/programs of the HRA as follows:

Component unit	
Governmental activities	
Public service	<u>\$ 31,111</u>
Business-type activities	
Plymouth Towne Square	\$ 208,596
Vicksburg Crossing	<u>324,395</u>
Total depreciation/amortization expense – business-type activities	<u>\$ 532,991</u>



## NOTE 7 – LONG-TERM DEBT

### A. General Obligation Bonds and Notes Payable

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.

**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. These bonds will be paid by the City's debt service funds. On February 1, 2022, the City called the remaining 2012A bonds using available reserves to reduce future debt service payments by \$94,050.

**Component Unit** – The HRA issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The HRA has a note payable to the primary government that was utilized to pay bonds early to save on interest expense. General obligation bonds and notes have been issued for business-type activities. These bonds and notes will be paid by the Plymouth Towne Square and Vicksburg Crossing Enterprise Funds. On February 1, 2022, the HRA called the remaining Governmental Housing Project Refunding Bonds, Series 2012A using available resources from the 2021A bonds issue. This refunding will reduce debt service payments by \$800,606, resulting in an economic gain of \$743,016.

The City and its component unit currently have the following general obligation bonds and notes payable outstanding:

	Interest Rate	Original Issue	Final Maturity Date	Principal Outstanding
Primary government				
Governmental activities				
General obligation bonds				
G.O. Open Space Bonds 2015A	2.000–3.000%	\$ 3,295,000	02/01/2027	\$ 2,075,000
G.O. Tax Abatement Bonds 2020A	2.000–4.000%	\$ 38,965,000	02/01/2041	38,560,000
G.O. Capital Improvements Bonds 2021A	1.625–3.000%	\$ 19,915,000	02/01/2042	19,915,000
Total general obligation bonds				<u>60,550,000</u>
General obligation tax increment bonds				
G.O. Tax Increment Refunding Bonds 2009A	3.000–3.500%	\$ 2,490,000	02/01/2023	295,000
Total governmental activities				<u>\$ 60,845,000</u>
Component unit				
Business-type activities				
General obligation bonds				
Government Housing Project Refunding Bonds 2021A	1.000%–3.000%	\$ 6,920,000	02/01/2035	\$ 6,920,000
Note payable				
Notes Payable 2021A	1.000%	\$ 980,000	10/01/2023	331,000
Total component unit				<u>\$ 7,251,000</u>

### B. Finance Purchases Payable

**Primary Government** – From time to time the City has entered into agreements to finance mobile and technology equipment for the City. The agreements fully mature by August 2027. There was no stated interest included on these agreements and management determined the amount to be trivial to the financial statements. Annual principal on these agreement will be paid from the Central Equipment and Information Technology Internal Service Funds. Terms of the agreement include rights and remedies for the debtor upon default that provide for repossession of the property and allow the debtor to take action to be made whole for amounts within the agreement. At December 31, 2022, a balance of \$133,930 remained outstanding on these finance purchases payable.

## NOTE 7 – LONG-TERM DEBT (CONTINUED)

### C. Leases Payable

**Primary Government** – The City has entered into agreements to lease vehicles and technology equipment for the organization. The lease agreements fully mature by fiscal 2027. Imputed interest used for these leases range between 0.50 percent and 3.14 percent. Annual principal and interest on these agreement will be paid from the Central Equipment and Information Technology Internal Service Funds. Terms of the leases include rights and remedies for the debtor upon default that provide for repossession of the property and allow the debtor to take action to be made whole for amounts within the leases. At December 31, 2022, a balance of \$635,272 remained outstanding on these leases payable.

**Component Unit** – The HRA has entered into agreements to lease copier equipment for the organization. The lease agreements fully mature by fiscal 2027. Imputed interest used for these leases range between 0.22 percent and 3.16 percent. Annual principal and interest on these agreement will be paid from the Plymouth Towne Square and Vicksburg Crossing Enterprise Funds. Terms of the lease agreements include rights and remedies for the debtor upon default that provide for repossession of the property and allow the debtor to take action to be made whole for amounts within the lease agreements. At December 31, 2022, a balance of \$7,065 remained outstanding on these leases payable.

### D. Other Long-Term Liabilities

**Primary Government and Component Unit** – The City and HRA provide its employees with various benefits, including compensated absences, pension benefits, and OPEB as further described elsewhere in these notes. The General Fund and Enterprise Funds will primarily be used to liquidate these liabilities through the Employee Benefits Internal Service Fund for the primary government. Compensated absences for the HRA will be financed by the Plymouth Towne Square and Vicksburg Crossing Enterprise Funds.

### E. Changes in Long-Term Debt

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Primary government					
Governmental activities					
General obligation bonds	\$ 63,200,000	\$ –	\$ 2,650,000	\$ 60,550,000	\$ 1,695,000
General obligation tax increment bonds	570,000	–	275,000	295,000	295,000
Unamortized premium/discount	3,869,505	–	287,603	3,581,902	–
Total bonds payable	67,639,505	–	3,212,603	64,426,902	1,990,000
Finance purchases payable	147,860	60,000	73,930	133,930	85,930
Leases payable	–	761,988	126,716	635,272	200,552
Total OPEB liability	3,830,763	323,532	150,337	4,003,958	185,169
Net pension liability	15,288,593	42,886,314	3,194,845	54,980,062	–
Compensated absences payable	3,211,709	2,189,045	2,455,032	2,945,722	2,528,683
Governmental activities					
Total long-term liabilities	<u>\$ 90,118,430</u>	<u>\$ 46,220,879</u>	<u>\$ 9,213,463</u>	<u>\$ 127,125,846</u>	<u>\$ 4,990,334</u>
Component unit					
Business-type activities					
General obligation refunding bonds	\$ 14,490,000	\$ –	\$ 7,570,000	\$ 6,920,000	\$ 420,000
Notes payable	659,000	–	328,000	331,000	331,000
Unamortized premium/discount	330,210	–	10,258	319,952	–
Total bonds and notes payable	15,479,210	–	7,908,258	7,570,952	751,000
Leases payable	–	10,277	3,212	7,065	1,767
Compensated absences	7,769	10,527	7,934	10,362	10,362
Business-type activities					
Total long-term liabilities	<u>\$ 15,486,979</u>	<u>\$ 20,804</u>	<u>\$ 7,919,404</u>	<u>\$ 7,588,379</u>	<u>\$ 763,129</u>

## NOTE 7 – LONG-TERM DEBT (CONTINUED)

### F. Minimum Debt Payments

The City’s annual debt service requirements to maturity for bonds payable, finance purchases payable, and leases payable are as follows:

Year Ending December 31,	Primary Government – Governmental Activities					
	Bonds Payable		Finance Purchases Payable		Leases Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 1,990,000	\$ 1,528,856	\$ 85,930	\$ –	\$ 200,552	\$ 9,136
2024	2,590,000	1,445,294	12,000	–	203,905	5,783
2025	2,910,000	1,350,059	12,000	–	171,115	2,525
2026	3,015,000	1,248,513	12,000	–	56,661	473
2027	3,370,000	1,140,138	12,000	–	3,039	19
2028–2032	14,690,000	4,189,700	–	–	–	–
2033–2037	16,580,000	2,361,106	–	–	–	–
2038–2042	15,700,000	694,650	–	–	–	–
<b>Total</b>	<b>\$ 60,845,000</b>	<b>\$ 13,958,316</b>	<b>\$ 133,930</b>	<b>\$ –</b>	<b>\$ 635,272</b>	<b>\$ 17,936</b>

The component unit’s annual debt service requirements to maturity for bonds and notes payable and leases payable are as follows:

Year Ending December 31,	Component Unit – Business-Type Activities			
	Bonds and Notes Payable		Leases Payable	
	Principal	Interest	Principal	Interest
2023	\$ 751,000	\$ 144,100	\$ 1,767	\$ 189
2024	470,000	127,440	1,291	149
2025	485,000	113,115	1,333	107
2026	495,000	98,415	1,375	65
2027	515,000	83,265	1,299	21
2028–2032	2,770,000	222,828	–	–
2033–2035	1,765,000	38,473	–	–
<b>Total</b>	<b>\$ 7,251,000</b>	<b>\$ 827,636</b>	<b>\$ 7,065</b>	<b>\$ 531</b>

### G. Arbitrage Rebate and Debt Compliance

There are a number of financial limitations and restrictions contained in the various bond indentures. At December 31, 2022, the City is in compliance with all significant financial limitations and restrictions and in the opinion of management has no federal arbitrage payable.

### H. Revenue Pledged

Future revenue pledged for the payment of long-term debt is as follows:

Bond Issue	Use of Proceeds	Type	Revenue Pledged		Remaining Principal and Interest	Current Year	
			Percent of Total Debt Service	Term of Pledge		Principal and Interest Paid	Pledged Revenue Received
Tax Increment Refunding Bonds – 2009A	Site Improvements Within Housing District	Tax Increment	100%	2009–2023	\$ 300,163	\$ 290,138	\$ 231,352
Governmental Housing Refunding Bonds – 2021A	Senior Housing Project	Rental Revenue	100%	2021–2035	7,744,326	109,500	1,323,916
Governmental Housing Refunding Bonds – 2021A	Government Housing Project	Rental Revenue	100%	2021–2023	334,310	334,590	809,332

## NOTE 8 – RETIREMENT PLANS

As described in the notes that follow, the City has reported the following balances for pension plans:

	PERA Plans			Fire Relief Association	City Total
	GERF	PEPFF	Subtotal		
Deferred outflows of pension resources	\$ 4,996,112	\$ 27,353,432	\$ 32,349,544	\$ –	\$ 32,349,544
Net pension liability	16,307,348	38,672,714	54,980,062	–	54,980,062
Deferred inflows of pension resources	271,336	236,778	508,114	–	508,114
Pension revenue	71,458	407,681	479,139	–	479,139
Pension expense	2,379,960	4,379,695	6,759,655	574,691	7,334,346

## NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE

### A. Plan Descriptions

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

#### 1. General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of the City are covered by the GERF. The 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 statutes 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 Plan members is 1.2 percent for each of the first 10 years of service, and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated Plan members is 1.7 percent 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 age 66.

## **NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

Benefit increases are provided to benefit recipients each January. The post-retirement increase is equal to 50.0 percent of the cost of living adjustment (COLA) announced by the Social Security Administration, with a minimum increase of at least 1.0 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. 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 the PEPFF members first hired after June 30, 2010 but before July 1, 2014, vest on a prorated basis from 50.0 percent after five years, up to 100.0 percent after 10 years of credited service. Benefits for the PEPFF members first hired after June 30, 2014 vest on a prorated basis from 50.0 percent after 10 years, up to 100.0 percent after 20 years of credited service. The annuity accrual rate is 3.0 percent of average salary for each year of service. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Benefit increases are provided to benefit recipients each January. The post-retirement increase is fixed at 1.0 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. 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 fiscal year 2022, and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the GERF for the year ended December 31, 2022, were \$1,189,464. The City's contributions were equal to the required contributions as set by state statutes.

### **2. PEPFF Contributions**

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2022, and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the PEPFF for the year ended December 31, 2022, were \$1,922,207. The City's contributions were equal to the required contributions as set by state statutes.

**NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**D. Pension Costs**

**1. GERS Pension Costs**

At December 31, 2022, the City reported a liability of \$16,307,348 for its proportionate share of the GERS's net pension liability. The City's net pension liability reflected a reduction, due to the state of Minnesota's contribution of \$16.0 million. The state of Minnesota is considered a nonemployer 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 \$478,226. The net pension liability was measured as of June 30, 2022, 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 proportion 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, 2021 through June 30, 2022, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was 0.2059 percent at the end of the measurement period and 0.2069 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 the net pension liability	\$ 16,307,348
State's proportionate share of the net pension liability associated with the City	\$ 478,226

For the year ended December 31, 2022, the City recognized pension expense of \$2,308,502 for its proportionate share of the GERS's pension expense. In addition, the City recognized an additional \$71,458 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's contribution of \$16.0 million to the GERS.

At December 31, 2022, 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	\$ 136,211	\$ 174,593
Changes in actuarial assumptions	3,708,031	64,715
Net collective difference between projected and actual investment earnings	237,078	-
Changes in proportion	271,089	32,028
Contributions paid to the PERA subsequent to the measurement date	<u>643,703</u>	<u>-</u>
Total	<u>\$ 4,996,112</u>	<u>\$ 271,336</u>

## NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

A total of \$643,703 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2023	\$ 1,587,695
2024	\$ 1,559,065
2025	\$ (540,443)
2026	\$ 1,474,756

### 2. PEPFF Pension Costs

At December 31, 2022, the City reported a liability of \$38,672,714 for its proportionate share of the PEPFF's net pension liability. The net pension liability was measured as of June 30, 2022, 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 proportion 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, 2021 through June 30, 2022, relative to the total employer contributions received from all of the PERA's participating employers. The City's proportionate share was 0.8887 percent at the end of the measurement period and 0.8360 percent for the beginning of the period.

The state of Minnesota contributed \$18.0 million to the PEPFF in the plan fiscal year ended June 30, 2022. The contribution consisted of \$9.0 million in direct state aid that does meet the definition of a special funding situation and \$9.0 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9.0 million direct state aid was paid on October 1, 2021. Thereafter, by October 1 of each year, the state will pay \$9.0 million to the PEPFF until full funding is reached or July 1, 2048, whichever is earlier. The \$9.0 million in supplemental state aid will continue until the fund is 90.0 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90.0 percent funded, whichever occurs later.

The state of Minnesota is included as a nonemployer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9.0 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the state of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2022, the City recognized pension expense of \$4,051,996 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized an additional \$327,699 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's pension expense for the contribution of \$9.0 million to the PEPFF.

**NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

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 the net pension liability	\$ 38,672,714
State's proportionate share of the net pension liability associated with the City	\$ 1,689,396

The state of Minnesota is not included as a nonemployer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9.0 million in supplemental state aid. The City recognized \$79,982 for the year ended December 31, 2022 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.

At December 31, 2022, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 2,303,059	\$ –
Changes in actuarial assumptions	22,286,550	215,688
Net collective difference between projected and actual investment earnings	1,094,362	–
Changes in proportion	630,322	21,090
Contributions paid to the PERA subsequent to the measurement date	<u>1,039,139</u>	<u>–</u>
Total	<u>\$ 27,353,432</u>	<u>\$ 236,778</u>

A total of \$1,039,139 reported as deferred outflows of resources 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, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2023	\$ 5,224,583
2024	\$ 5,109,107
2025	\$ 4,555,491
2026	\$ 7,902,884
2027	\$ 3,285,450



## NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

### E. Long-Term Expected Return on Investments

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.50 %	5.10 %
International equity	16.50	5.30 %
Fixed income	25.00	0.75 %
Private markets	25.00	5.90 %
Total	100.00 %	

### F. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.50 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.50 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan and 2.25 percent for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan. The Police and Fire Plan benefit increase is fixed at 1.00 percent per year and that increase was used in the valuation.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.00 percent after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.00 percent after 24 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit the PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent four-year experience study for the Police and Fire Plan was completed in 2020, adopted by the Board, and became effective with the July 1, 2021 actuarial valuation.

## **NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

The following changes in actuarial assumptions occurred in 2022:

### **1. GERF**

#### **CHANGES IN ACTUARIAL ASSUMPTIONS**

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

### **2. PEPFF**

#### **CHANGES IN ACTUARIAL ASSUMPTIONS**

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50 percent to 5.40 percent.

### **G. Discount Rate**

The discount rate for the General Employees Plan used to measure the total pension liability in 2022 was 6.50 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 position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In the Police and Fire Fund, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2060. Beginning in fiscal year ended June 30, 2061, projected benefit payments exceed the fund's projected fiduciary net position. Benefit payments projected after were discounted at the municipal bond rate of 3.69 percent (based on the weekly rate closest to, but not later than, the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The resulting equivalent single discount rate of 5.40 percent for the Police and Fire Fund was determined to give approximately the same present value of projected benefits when applied to all years of projected benefits as the present value of projected benefits using 6.50 percent applied to all years of projected benefits through the point of asset depletion and 3.69 percent thereafter.

**NOTE 9 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)**

**H. 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:

	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
GERF discount rate	5.50%	6.50%	7.50%
City’s proportionate share of the GERF net pension liability	\$ 25,758,310	\$ 16,307,348	\$ 8,556,100
PEPFF discount rate	4.40%	5.40%	6.40%
City’s proportionate share of the PEPFF net pension liability	\$ 58,526,192	\$ 38,672,714	\$ 22,622,365

**I. 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 internet at [www.mnpera.org](http://www.mnpera.org).

**NOTE 10 – DEFINED CONTRIBUTION PLAN – STATE-WIDE**

Councilmembers of the City 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 IRC, 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 5.00 percent of their salary, which is matched by the elected official’s employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees, 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 2.00 percent of employer contributions and 25 hundredths of 1.00 percent (0.25 percent) of the assets in each member’s account annually.

Total contributions made by the City during fiscal 2022 were:

For the Year Ended December 31,	<u>Contribution Amount</u>		<u>Percentage of Covered Payroll</u>		Required Rate for Employees and Employers
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>	
2022	\$ 4,209	\$ 4,209	5.00%	5.00%	5.00%

## **NOTE 11 – DEFINED CONTRIBUTION PLAN – FIRE RELIEF ASSOCIATION**

### **A. Plan Description**

Firefighters of the City are members of the Plymouth Firefighter’s Relief Association (the Association). As of July 1, 2021, the Association is the administrator of a single-employer defined contribution pension plan available to firefighters. Prior to July 1, 2021, the Association was the administrator of a single-employer defined benefit plan. The current plan was established under the provisions of Minnesota laws 1965, chapter 446 as amended and Minnesota Statutes § 69 and 424. It is governed by a Board of Trustees made up of six members elected by the members of the Association for two-year terms. The mayor, city manager, deputy city manager and fire chief serve as ex-officio members of the Board of Trustees.

For financial reporting purposes, the Association’s financial statements are not included in the City’s financial statements because it is not a component unit of the City. The Association issues a publicly available financial report. A copy of the report may be obtained at: Plymouth City Hall, 3400 Plymouth Boulevard, Plymouth, Minnesota 55447.

### **B. Pension Benefits**

Minnesota Statutes Chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. In order to be entitled to a pension benefit, a firefighter must have completed a minimum of 5 years of service with the fire department, 5 years of membership in the Association, and attain the age of 50 years. Full vesting in the plan requires a member to have served for at least 10 years, to have reached the age of 50 years, and to have been a member of the Association for at least 5 years.

Because this plan is a defined contribution plan, the amount of the retirement benefit is not predetermined, but rather is based on the individual member’s allocable portion of contributions made during the participation period.

Firefighters also have the availability of other pension benefits, such as deferred pension, disability pension, death benefits, and supplemental death benefits. Each of these other pensions are determined based on age and years of service.

### **C. Contributions Required and Contributions Made**

Contributions to the plan include State Fire Aid pursuant to Minnesota Statutes Chapter 69. In addition, the City is allowed to make voluntary contributions of other public funds pursuant to Minnesota Statutes Chapter 69. The City’s contribution to the Association in fiscal 2022, included state fire aid passed through the City totaling \$574,691 (including \$4,000 of supplemental reimbursement). The Association is comprised of volunteers; therefore, there are no payroll expenditures or covered payroll percentage calculations.

## NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) 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.

### 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 \$185,169.

### D. Membership

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

Retirees and beneficiaries receiving benefits	20
Active plan members	<u>282</u>
Total members	<u><u>302</u></u>

### E. Total OPEB Liability of the City

The City’s total OPEB liability of \$4,003,958 as of year-end was measured as of January 1, 2022, and was determined by an actuarial valuation as of January 1, 2021.

## NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

### F. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.00%
20-year municipal bond yield	2.00%
Inflation rate	2.00%
Salary increases	Service graded table used to value state pensions
Healthcare trend rate	6.25% grading to 5.00% over 5 years and then to 4.00% over 48 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.

Mortality rates were based on Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Safety) with MP-2020 Generational Improvement Scale.

### G. Changes in the Total OPEB Liability

	Total OPEB Liability
Beginning balance	\$ 3,830,763
Changes for the year	
Service cost	243,542
Interest	79,990
Benefit payments	(150,337)
Total net changes	<u>173,195</u>
Ending balance	<u><u>\$ 4,003,958</u></u>

### H. Total OPEB Liability Sensitivity to Discount and Healthcare 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:

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
OPEB discount rate	1.00%	2.00%	3.00%
Total OPEB liability	\$ 4,323,950	\$ 4,003,958	\$ 3,707,551

**NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)**

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

	<u>1% Decrease in Healthcare Trend Rate</u>	<u>Current Healthcare Trend Rate</u>	<u>1% Increase in Healthcare Trend Rate</u>
OPEB healthcare trend rate	5.25% decreasing to 4.00% over 5 years, then 3.00% over 48 years	6.25% decreasing to 5.00% over 5 years, then 4.00% over 48 years	7.25% decreasing to 6.00% over 5 years, then 5.00% over 48 years
Total OPEB liability	\$ 3,559,792	\$ 4,003,958	\$ 4,526,495

**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 \$351,301. 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>
Differences between expected and actual economic experience	\$ 301,915	\$ 185,253
Changes in actuarial assumptions	191,918	47,617
Contributions paid subsequent to the measurement date	185,169	–
	<u>\$ 679,002</u>	<u>\$ 232,870</u>

A total of \$185,169 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, 2023. 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 December 31,</u>	<u>OPEB Expense Amount</u>
2023	\$ 27,769
2024	\$ 27,769
2025	\$ 27,769
2026	\$ 27,779
2027	\$ 85,986
Thereafter	\$ 63,891

**NOTE 13 – NET POSITION/FUND BALANCES**

**A. Net Investment in Capital Assets**

The government-wide statement of net position at December 31, 2022 includes the City’s net investment in capital assets calculated as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Primary government			
Net investment in capital assets			
Capital assets			
Not depreciated/amortized	\$ 105,746,454	\$ 5,083,948	\$ 110,830,402
Depreciated/amortized, net of accumulated depreciation/amortization	233,895,624	152,405,447	386,301,071
Less capital-related long-term debt outstanding	(65,196,104)	–	(65,196,104)
Adjustment to debt for unspent bond proceeds	1,716,943	–	1,716,943
Less capital-related accounts/contracts payable	(4,670,637)	(642,757)	(5,313,394)
Total net investment in capital assets	<u>\$ 271,492,280</u>	<u>\$ 156,846,638</u>	<u>\$ 428,338,918</u>
Component unit			
Net investment in capital assets			
Capital assets			
Not depreciated/amortized	\$ 152,553	\$ 1,341,305	\$ 1,493,858
Depreciated/amortized, net of accumulated depreciation/amortization	958,516	7,864,898	8,823,414
Less capital-related long-term debt outstanding	–	(7,578,017)	(7,578,017)
Total net investment in capital assets	<u>\$ 1,111,069</u>	<u>\$ 1,628,186</u>	<u>\$ 2,739,255</u>



**NOTE 13 – NET POSITION/FUND BALANCES (CONTINUED)**

**B. Governmental Fund Balance Classifications**

At December 31, 2022, a summary of the City’s governmental fund balance classifications are as follows:

	Capital Projects									Total
	General	Special Revenue Transit System	General Capital Projects	Improvement Projects	Street Replacement	Plymouth Community Center Expansion	Fire Stations Construction	Tax Increment Projects	Nonmajor Governmental Funds	
<b>Nonspendable</b>										
Inventory	\$ 92	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 725	\$ 817
Prepaid items	73,783	-	27,260	-	-	-	-	-	-	101,043
Cemetery perpetual care – principal	-	-	-	-	-	-	-	-	45,860	45,860
Total nonspendable	73,875	-	27,260	-	-	-	-	-	46,585	147,720
<b>Restricted</b>										
Transit system	-	17,314,854	-	-	-	-	-	-	-	17,314,854
Other capital projects and improvements	-	-	-	-	-	-	428,713	-	-	428,713
Tax increment financing	-	-	-	-	-	-	-	3,191,293	-	3,191,293
Housing projects	-	-	-	-	-	-	-	-	74,462	74,462
Lawful gambling	-	-	-	-	-	-	-	-	3,782	3,782
Opioid settlement	-	-	-	-	-	-	-	-	76,641	76,641
Debt service	-	-	-	-	-	-	-	-	4,152,339	4,152,339
Highway/street improvements	-	-	-	-	-	-	-	-	2,332,045	2,332,045
Park construction	-	-	-	-	-	-	-	-	8,838,013	8,838,013
Cemetery perpetual care	-	-	-	-	-	-	-	-	153,177	153,177
Total restricted	-	17,314,854	-	-	-	-	428,713	3,191,293	15,630,459	36,565,319
<b>Assigned</b>										
Other capital projects and improvements	839	-	8,470,412	-	-	-	-	-	12,382,308	20,853,559
Infrastructure improvements	-	-	-	3,541,217	8,636,771	-	-	-	-	12,177,988
Recreation programming	-	-	-	-	-	-	-	-	457,019	457,019
Cemetery maintenance	-	-	-	-	-	-	-	-	118,178	118,178
Community and economic development	-	-	-	-	-	-	-	-	210,704	210,704
Park improvements	-	-	-	-	-	-	-	-	1,669,472	1,669,472
Total committed	839	-	8,470,412	3,541,217	8,636,771	-	-	-	14,837,681	35,486,920
<b>Unassigned</b>	19,964,901	-	-	-	-	(1,264,580)	-	-	-	18,700,321
<b>Total</b>	<u>\$ 20,039,615</u>	<u>\$ 17,314,854</u>	<u>\$ 8,497,672</u>	<u>\$ 3,541,217</u>	<u>\$ 8,636,771</u>	<u>\$ (1,264,580)</u>	<u>\$ 428,713</u>	<u>\$ 3,191,293</u>	<u>\$ 30,514,725</u>	<u>\$ 90,900,280</u>

**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, 2022, the fund balance of the General Fund was 40 percent of the subsequent year’s annual projected expenditures and transfers out.

**NOTE 14 – 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 Statutes, 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;

## NOTE 14 – TAX ABATEMENT AGREEMENTS (CONTINUED)

- 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 percent to 6.0 percent. 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, 2022 is \$1,922,123. 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, 2022 was \$6,365 and the City rebated \$18,617 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, 2022 was \$604,507 and the City rebated \$131,701 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, 2022 was \$1,311,251 and the City rebated \$328,030 in the current year.

## **NOTE 15 – COMMITMENTS AND CONTINGENCIES**

### **A. 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.

### **B. Legal Claims**

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

### **C. Tax Increment Districts**

The City's tax increment districts are subject to review by the Minnesota Office of the State Auditor. 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.

### **D. Conduit Debt Obligations**

The City has issued private activity bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds constitute special obligations of the City, payable solely from revenues of the projects pledged to the payment thereof. The bonds do not constitute a debt of the City and the City has no obligation for repayment. Accordingly, the bonds are not reported as liabilities in the City's financial statements. Bonds outstanding at December 31, 2022 are as follows:

- As of December 31, 2022, there were eight series of industrial revenue, housing revenue, and health revenue bonds outstanding with an aggregate principal amount payable of approximately \$12.1 million.

## **NOTE 16 – SUBSEQUENT EVENTS**

### **New Accounting Standards**

A new standard was issued by the GASB for Subscription Based Information Technology Arrangements (SBITAs). An SBITA is a contract that conveys control of the right to use another party's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange-like transaction. At the commencement of the subscription term, a government should recognize a subscription liability and an intangible right-to-use asset. This standard will be adopted by the City beginning in 2023, and will require the restatement of certain balances reported as of December 31, 2022. The effects of this change have not yet been determined and are not reflected in these financial statements.

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**REQUIRED SUPPLEMENTARY INFORMATION**



CITY OF PLYMOUTH

PERA – General Employees Retirement Fund  
 Schedule of City’s and Nonemployer Proportionate Share of Net Pension Liability  
 Year Ended December 31, 2022

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	City’s Proportionate Share of the Net Pension Liability	City’s Proportionate Share of the Net Pension Liability	City’s Covered Payroll	City’s Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	06/30/2015	0.1920%	\$ 9,950,436	\$ –	\$ 9,950,436	\$ 11,283,040	88.19%	78.20%
12/31/2016	06/30/2016	0.1968%	\$ 15,979,184	\$ 208,725	\$ 16,187,909	\$ 12,176,534	131.23%	68.90%
12/31/2017	06/30/2017	0.1986%	\$ 12,678,491	\$ 159,412	\$ 12,837,903	\$ 12,781,136	99.20%	75.90%
12/31/2018	06/30/2018	0.1953%	\$ 10,834,442	\$ 355,378	\$ 11,189,820	\$ 13,126,274	82.54%	79.50%
12/31/2019	06/30/2019	0.1943%	\$ 10,742,410	\$ 333,819	\$ 11,076,229	\$ 13,749,744	78.13%	80.20%
12/31/2020	06/30/2020	0.2009%	\$ 12,044,874	\$ 371,430	\$ 12,416,304	\$ 14,328,484	84.06%	79.10%
12/31/2021	06/30/2021	0.2069%	\$ 8,835,558	\$ 269,923	\$ 9,105,481	\$ 14,898,360	59.31%	87.00%
12/31/2022	06/30/2022	0.2059%	\$ 16,307,348	\$ 478,226	\$ 16,785,574	\$ 15,423,485	105.73%	76.70%

PERA – General Employees Retirement Fund  
 Schedule of City Contributions  
 Year Ended December 31, 2022

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 867,352	\$ 867,352	\$ –	\$ 11,564,653	7.50%
12/31/2016	\$ 948,459	\$ 948,459	\$ –	\$ 12,645,800	7.50%
12/31/2017	\$ 965,039	\$ 965,039	\$ –	\$ 12,867,302	7.50%
12/31/2018	\$ 1,012,271	\$ 1,012,271	\$ –	\$ 13,496,850	7.50%
12/31/2019	\$ 1,051,185	\$ 1,051,185	\$ –	\$ 14,015,059	7.50%
12/31/2020	\$ 1,138,185	\$ 1,138,185	\$ –	\$ 15,175,799	7.50%
12/31/2021	\$ 1,133,627	\$ 1,133,627	\$ –	\$ 15,114,860	7.50%
12/31/2022	\$ 1,189,464	\$ 1,189,464	\$ –	\$ 15,857,890	7.50%

Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

CITY OF PLYMOUTH

PERA – Public Employees Police and Fire Fund  
 Schedule of City's and Nonemployer Proportionate Share of Net Pension Liability  
 Year Ended December 31, 2022

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	City's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability of the City's State of Minnesota's Share of the Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	06/30/2015	0.7010%	\$ 7,965,000	\$ -	\$ 7,965,000	\$ 6,414,783	124.17%	86.60%
12/31/2016	06/30/2016	0.7080%	\$ 28,413,271	\$ -	\$ 28,413,271	\$ 6,825,726	416.27%	63.90%
12/31/2017	06/30/2017	0.7390%	\$ 9,977,380	\$ -	\$ 9,977,380	\$ 7,487,593	133.25%	85.40%
12/31/2018	06/30/2018	0.7896%	\$ 8,416,322	\$ -	\$ 8,416,322	\$ 8,322,240	101.13%	88.80%
12/31/2019	06/30/2019	0.8361%	\$ 8,901,130	\$ -	\$ 8,901,130	\$ 8,813,785	100.99%	89.30%
12/31/2020	06/30/2020	0.8384%	\$ 11,051,009	\$ 260,327	\$ 11,311,336	\$ 9,458,600	116.84%	87.20%
12/31/2021	06/30/2021	0.8360%	\$ 6,453,035	\$ 290,116	\$ 6,743,151	\$ 9,880,810	65.31%	93.70%
12/31/2022	06/30/2022	0.8887%	\$ 38,672,714	\$ 1,689,396	\$ 40,362,110	\$ 10,795,228	358.24%	70.50%

PERA – Public Employees Police and Fire Fund  
 Schedule of City Contributions  
 Year Ended December 31, 2022

City Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 1,059,442	\$ 1,059,442	\$ -	\$ 6,541,475	16.20%
12/31/2016	\$ 1,154,248	\$ 1,154,248	\$ -	\$ 7,125,502	16.20%
12/31/2017	\$ 1,287,178	\$ 1,287,178	\$ -	\$ 7,930,730	16.23%
12/31/2018	\$ 1,387,084	\$ 1,387,084	\$ -	\$ 8,562,237	16.20%
12/31/2019	\$ 1,560,526	\$ 1,560,526	\$ -	\$ 9,206,639	16.95%
12/31/2020	\$ 1,771,945	\$ 1,771,945	\$ -	\$ 10,004,453	17.71%
12/31/2021	\$ 1,851,570	\$ 1,851,570	\$ -	\$ 10,467,634	17.69%
12/31/2022	\$ 1,922,207	\$ 1,922,207	\$ -	\$ 10,856,229	17.71%

Note: The City implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.



CITY OF PLYMOUTH

Plymouth Firefighters' Relief Association  
 Schedule of Changes in the Relief Association's  
 Net Pension Liability (Asset) and Related Ratios  
 Year Ended December 31, 2022

City fiscal year-end dated December 31,	2015	2016	2017	2018	2019	2020
<b>Total pension liability</b>						
Service cost	\$ 239,827	\$ 246,422	\$ 275,925	\$ 249,274	\$ 269,531	\$ 287,021
Interest	306,924	297,396	348,725	282,809	318,580	318,171
Differences between expected and actual experience	–	–	(373,102)	–	(294,042)	–
Changes of assumptions	–	(113,973)	(8,599)	–	113,653	77,630
Changes of benefits terms	–	797,225	–	184,831	309,551	216,742
Benefit payments	<u>(895,936)</u>	<u>(528,341)</u>	<u>(1,934,430)</u>	<u>(381,488)</u>	<u>(70,828)</u>	<u>(711,093)</u>
Net change in total pension liability	(349,185)	698,729	(1,691,481)	335,426	646,445	188,471
<b>Total pension liability</b>						
Beginning of year	<u>5,323,537</u>	<u>4,974,352</u>	<u>5,673,081</u>	<u>3,981,600</u>	<u>4,317,026</u>	<u>4,963,471</u>
End of year	<u>\$ 4,974,352</u>	<u>\$ 5,673,081</u>	<u>\$ 3,981,600</u>	<u>\$ 4,317,026</u>	<u>\$ 4,963,471</u>	<u>\$ 5,151,942</u>
<b>Plan fiduciary net position</b>						
Contributions (state and local)	\$ 480,863	\$ 489,748	\$ 517,911	\$ 523,681	\$ 541,606	\$ 582,032
Net investment income	19,391	507,848	1,173,474	(334,812)	1,419,811	1,140,537
Benefit payments	(895,936)	(528,341)	(1,934,430)	(381,488)	(70,828)	(711,093)
Administrative costs	<u>(25,044)</u>	<u>(30,723)</u>	<u>(27,325)</u>	<u>(33,293)</u>	<u>(26,958)</u>	<u>(56,216)</u>
Net change in plan fiduciary net position	<u>(420,726)</u>	<u>438,532</u>	<u>(270,370)</u>	<u>(225,912)</u>	<u>1,863,631</u>	<u>955,260</u>
<b>Plan fiduciary net position</b>						
Beginning of year	<u>8,537,791</u>	<u>8,117,065</u>	<u>8,555,597</u>	<u>8,285,227</u>	<u>8,059,315</u>	<u>9,922,946</u>
End of year	<u>\$ 8,117,065</u>	<u>\$ 8,555,597</u>	<u>\$ 8,285,227</u>	<u>\$ 8,059,315</u>	<u>\$ 9,922,946</u>	<u>\$10,878,206</u>
<b>Net pension liability (asset) – ending</b>	<u>\$ (3,142,713)</u>	<u>\$ (2,882,516)</u>	<u>\$ (4,303,627)</u>	<u>\$ (3,742,289)</u>	<u>\$ (4,959,475)</u>	<u>\$ (5,726,264)</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<u>163.18%</u>	<u>150.81%</u>	<u>208.09%</u>	<u>186.69%</u>	<u>199.92%</u>	<u>211.15%</u>

Note 1: The City implemented GASB Statement No. 68 in fiscal 2015. This information is not available for previous fiscal years.

Note 2: In fiscal year 2021, the plan was changed to a defined contribution plan, which does not necessitate this required supplementary information beginning with the fiscal year ended December 31, 2021.

Note 3: This is a volunteer firefighters' relief association. There is no percentage of payroll to calculate.

CITY OF PLYMOUTH

Plymouth Firefighters' Relief Association  
 Schedule of Employer Contributions  
 Year Ended December 31, 2022

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
12/31/2015	\$ 108,897	\$ 480,863	\$ (371,966)	\$ -
12/31/2016	\$ 108,897	\$ 489,748	\$ (380,851)	\$ -
12/31/2017	\$ 32,398	\$ 517,911	\$ (485,513)	\$ -
12/31/2018	\$ 32,398	\$ 523,681	\$ (491,283)	\$ -
12/31/2019	\$ -	\$ 541,606	\$ (541,606)	\$ -
12/31/2020	\$ -	\$ 582,032	\$ (582,032)	\$ -

Note 1: The City implemented GASB Statement No. 68 in fiscal 2015. This information is not available for previous fiscal years.

Note 2: In fiscal year 2021, the plan was changed to a defined contribution plan, which does not necessitate this required supplementary information beginning with the fiscal year ended December 31, 2021.

Note 3: This is a volunteer firefighters' relief association. There is no percentage of payroll to calculate.

CITY OF PLYMOUTH

Other Post-Employment Benefits Plan  
 Schedule of Changes in the City's Total  
 OPEB Liability and Related Ratios  
 Year Ended December 31, 2022

	Fiscal Year Ended				
	2018	2019	2020	2021	2022
Total OPEB liability					
Service cost	\$ 163,991	\$ 152,104	\$ 183,324	\$ 236,449	\$ 243,542
Interest	101,268	105,995	110,614	95,620	79,990
Differences between expected and actual experience	–	(370,513)	–	402,555	–
Changes of assumptions	–	(95,237)	176,733	108,615	–
Benefit payments	(100,072)	(120,318)	(129,200)	(145,522)	(150,337)
Net change in total OPEB liability	165,187	(327,969)	341,471	697,717	173,195
Total OPEB liability – beginning of year	2,954,357	3,119,544	2,791,575	3,133,046	3,830,763
Total OPEB liability – end of year	<u>\$ 3,119,544</u>	<u>\$ 2,791,575</u>	<u>\$ 3,133,046</u>	<u>\$ 3,830,763</u>	<u>\$ 4,003,958</u>
Covered-employee payroll	<u>\$ 20,461,560</u>	<u>\$ 21,316,231</u>	<u>\$ 21,955,718</u>	<u>\$ 24,012,312</u>	<u>\$ 24,732,681</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>15.25%</u>	<u>13.10%</u>	<u>14.27%</u>	<u>15.95%</u>	<u>16.19%</u>

Note 1: The City has not established a trust fund to finance GASB Statement No. 75 related benefits.

Note 2: 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.

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CITY OF PLYMOUTH

Notes to Required Supplementary Information  
December 31, 2022

**PERA – GENERAL EMPLOYEES RETIREMENT FUND**

**2022 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

**2021 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

**2020 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years two through five, and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 General Mortality Table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 Disabled Annuitant Mortality Table to the Pub-2010 General/Teacher Disabled Annuitant Mortality Table, with adjustments.
- The mortality improvement scale was changed from MP-2018 to MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100.00 percent joint and survivor option changed from 35.00 percent to 45.00 percent. The assumed number of married female new retirees electing the 100.00 percent joint and survivor option changed from 15.00 percent to 30.00 percent. The corresponding number of married new retirees electing the life annuity option was adjusted accordingly.

**2020 CHANGES IN PLAN PROVISIONS**

- Augmentation for current privatized members was reduced to 2.00 percent for the period July 1, 2020 through December 31, 2023, and zero percent thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

CITY OF PLYMOUTH

Notes to Required Supplementary Information (continued)  
December 31, 2022

**PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)**

**2019 CHANGES IN ACTUARIAL ASSUMPTIONS**

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

**2019 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.

**2018 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.

**2018 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 zero percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement 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.

CITY OF PLYMOUTH

Notes to Required Supplementary Information (continued)  
December 31, 2022

**PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)**

**2017 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year for all years, to 1.00 percent per year through 2044, and 2.50 percent per year thereafter.

**2017 CHANGES IN PLAN PROVISIONS**

- The state's contribution for 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.

**2016 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter, to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

**2015 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter, to 1.00 percent per year through 2035, and 2.50 percent per year thereafter.

**2015 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 \$892.0 million. Upon consolidation, state and employer contributions were revised; the state's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

CITY OF PLYMOUTH

Notes to Required Supplementary Information (continued)  
December 31, 2022

**PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND**

**2022 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- This single discount rate changed from 6.50 percent to 5.40 percent.

**2021 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 Public Safety Mortality Table. The mortality improvement scale was changed from MP-2019 to MP-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 Healthy Annuitant Mortality Table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety Disabled Annuitant Mortality Table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25–44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60.00 percent to 70.00 percent. Minor changes to form of payment assumptions were applied.

**2020 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The mortality projection scale was changed from MP-2018 to MP-2019.

**2019 CHANGES IN ACTUARIAL ASSUMPTIONS**

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



CITY OF PLYMOUTH

Notes to Required Supplementary Information (continued)  
December 31, 2022

**PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND (CONTINUED)**

**2018 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The mortality projection scale was changed from MP-2016 to MP-2017.

**2018 CHANGES IN PLAN PROVISIONS**

- Post-retirement benefit increases were changed to 1.00 percent for all years, with no trigger.
- 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 100.00 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 zero 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.

**2017 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 CSA load was 30.00 percent for vested and nonvested deferred members. The CSA has been changed to 33.00 percent for vested members, and 2.00 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 3.00 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 65.00 percent to 60.00 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 was changed from 5.60 percent per annum to 7.50 percent per annum.

CITY OF PLYMOUTH

Notes to Required Supplementary Information (continued)  
December 31, 2022

**PERA – PUBLIC EMPLOYEES POLICE AND FIRE FUND (CONTINUED)**

**2016 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2037, and 2.50 percent per year thereafter, to 1.00 percent per year for all future years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent.
- The single discount rate changed from 7.90 percent to 5.60 percent.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

**2015 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030, and 2.50 percent per year thereafter, to 1.00 percent per year through 2037, and 2.50 percent per year thereafter.

**2015 CHANGES IN PLAN PROVISIONS**

- The post-retirement benefit increase to be paid after attainment of the 90.00 percent funding threshold was changed from inflation up to 2.50 percent, to a fixed rate of 2.50 percent.

CITY OF PLYMOUTH

Notes to Required Supplementary Information (continued)  
December 31, 2022

**PLYMOUTH FIREFIGHTERS' RELIEF ASSOCIATION**

**2021 CHANGES IN PLAN TYPE**

- In 2021, the Plymouth Firefighters' Relief Association changed from a defined benefit pension plan to a defined contribution plan and does not necessitate the required supplementary information beginning with the fiscal year ended December 31, 2021.

**2020 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The expected investment return and discount rate decreased from 6.50 percent to 6.25 percent to reflect updated capital market assumptions.
- The inflation assumption decreased from 2.50 percent to 2.25 percent.
- The index rate assumption for 20-year, tax-exempt municipal bonds decreased from 2.75 percent to 2.00 percent.

**2020 CHANGES IN PLAN PROVISIONS**

- The lump sum benefit amount increased from \$10,500 to \$11,000.
- The reduction in the lump sum pension was changed from 4.00 percent per year for less than 20 years of service to 12.00 percent per year for less than 10 years of service.

**2019 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The expected investment return and discount rate decreased from 7.00 percent to 6.50 percent 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 3.00 percent rate of return.
- The inflation assumption decreased from 2.75 percent to 2.50 percent.

**2019 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 4.00 percent per year for less than 20 years of service to 12.00 percent per year for less than 10 years of service.

CITY OF PLYMOUTH

Notes to Required Supplementary Information (continued)  
December 31, 2022

**PLYMOUTH FIREFIGHTERS' RELIEF ASSOCIATION (CONTINUED)**

**2018 CHANGES IN PLAN PROVISIONS**

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

**2017 CHANGES IN ACTUARIAL ASSUMPTIONS**

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

**2016 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The discount rate was changed from 6.00 percent to 7.00 percent.

**2016 CHANGES IN PLAN PROVISIONS**

- The lump sum benefit amount increased from \$9,000 to \$9,500 per year of service.
- The years of service required to take a lump sum pension were reduced from 10 years of service to 5 years of service if after age 50.

CITY OF PLYMOUTH

Notes to Required Supplementary Information (continued)  
December 31, 2022

**OTHER POST-EMPLOYMENT BENEFITS PLAN**

**2021 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The healthcare trend rates, mortality tables, and salary increase rates were updated.
- The retirement and withdrawal rates for nonsafety personnel were updated.
- The inflation rate was changed from 2.50 percent to 2.00 percent.
- The discount rate was changed from 2.90 percent to 2.00 percent.

**2020 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The discount rate was changed from 3.80 percent to 2.90 percent.

**2019 CHANGES IN ACTUARIAL ASSUMPTIONS**

- The healthcare 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 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 percent to 3.80 percent.

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**COMBINING AND INDIVIDUAL FINANCIAL STATEMENTS**





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CITY OF PLYMOUTH

Nonmajor Governmental Funds  
 Combining Balance Sheet  
 December 31, 2022  
 (With Comparative Totals for December 31, 2021)

	Special Revenue	Debt Service	Capital Project
<b>Assets</b>			
Cash and investments	\$ 1,669,107	\$ 4,082,828	\$ 24,928,941
Receivables			
Accounts	36,028	28,027	4,436
Notes	1,133,740	-	-
Taxes	10,317	55,047	19,276
Special assessments	-	-	769
Accrued interest	104,315	-	100,751
Leases	-	-	953,989
Due from other governments	17,679	-	3,104
Inventory	725	-	-
Prepaid items	-	-	-
Advances to other funds	-	-	288,256
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 2,971,911</u>	<u>\$ 4,165,902</u>	<u>\$ 26,299,522</u>
<b>Liabilities</b>			
Accounts payable	\$ 96,266	\$ -	\$ 1,228
Accrued salaries and benefits payable	26,577	-	-
Deposits payable	-	-	110,250
Due to other funds	19,052	-	-
Due to other governments	3,158	-	1,352
Advances from other funds	-	-	-
Unearned revenue	649,987	-	15,752
Total liabilities	<u>795,040</u>	<u>-</u>	<u>128,582</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue – notes and related interest	1,230,786	-	-
Unavailable revenue – taxes	4,574	13,563	8,949
Unavailable revenue – other receivables	-	-	2,000
Lease revenue for subsequent years	-	-	938,153
Total deferred inflows of resources	<u>1,235,360</u>	<u>13,563</u>	<u>949,102</u>
<b>Fund balances</b>			
Nonspendable	725	-	-
Restricted	154,885	4,152,339	11,170,058
Assigned	785,901	-	14,051,780
Total fund balances	<u>941,511</u>	<u>4,152,339</u>	<u>25,221,838</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,971,911</u>	<u>\$ 4,165,902</u>	<u>\$ 26,299,522</u>

Permanent Fund	Totals	
	2022	2021
\$ 198,244	\$ 30,879,120	\$ 27,787,628
–	68,491	81,985
–	1,133,740	1,170,843
–	84,640	725,087
–	769	391
793	205,859	154,358
–	953,989	–
–	20,783	148,267
–	725	1,071
–	–	5,583
–	288,256	365,786
<u>\$ 199,037</u>	<u>\$ 33,636,372</u>	<u>\$ 30,440,999</u>
\$ –	\$ 97,494	\$ 64,281
–	26,577	25,402
–	110,250	195,300
–	19,052	84,689
–	4,510	7,289
–	–	177,353
–	665,739	519,271
–	923,622	1,073,585
–	1,230,786	1,264,031
–	27,086	19,824
–	2,000	15,689
–	938,153	–
–	2,198,025	1,299,544
45,860	46,585	52,514
153,177	15,630,459	12,055,959
–	14,837,681	15,959,397
<u>199,037</u>	<u>30,514,725</u>	<u>28,067,870</u>
<u>\$ 199,037</u>	<u>\$ 33,636,372</u>	<u>\$ 30,440,999</u>

CITY OF PLYMOUTH

Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	Special Revenue	Debt Service	Capital Project
<b>Revenue</b>			
Property taxes	\$ 779,764	\$ 3,205,269	\$ 1,428,596
Special assessments	-	-	5,633
Other taxes	-	408,183	-
Intergovernmental	406,393	23	3,203,922
Charges for services	2,116,533	-	167,782
Fines and forfeitures	-	-	-
Contributions	23,721	-	4,150,339
Investment earnings (charges)	(102,123)	21	(1,400,096)
Loan repayments	15,503	-	-
Other	86,776	-	-
Total revenues	<u>3,326,567</u>	<u>3,613,496</u>	<u>7,556,176</u>
<b>Expenditures</b>			
<b>Current</b>			
General government	9	-	-
Economic development	29	195	-
Parks and recreation	2,778,321	134	63,071
Public safety	3	5,636	-
Public service	404,560	-	-
Public works	-	-	572
Interest on interfund advances	-	5,935	-
<b>Debt service</b>			
Principal retirement	-	2,925,000	-
Interest and fiscal charges	-	1,555,526	-
Total expenditures	<u>3,182,922</u>	<u>4,492,426</u>	<u>63,643</u>
Excess (deficiency) of revenues over expenditures	143,645	(878,930)	7,492,533
<b>Other financing sources (uses)</b>			
Transfers in	-	1,346,670	40,000
Transfers out	(88,683)	(1,667)	(5,595,020)
Total other financing sources (uses)	<u>(88,683)</u>	<u>1,345,003</u>	<u>(5,555,020)</u>
Net change in fund balances	54,962	466,073	1,937,513
<b>Fund balances</b>			
Beginning of year	<u>886,549</u>	<u>3,686,266</u>	<u>23,284,325</u>
End of year	<u>\$ 941,511</u>	<u>\$ 4,152,339</u>	<u>\$ 25,221,838</u>

Permanent Fund	Totals	
	2022	2021
\$ —	\$ 5,413,629	\$ 5,612,934
—	5,633	8,704
—	408,183	289,050
—	3,610,338	3,850,812
—	2,284,315	1,569,282
—	—	18,638
—	4,174,060	1,523,999
(11,664)	(1,513,862)	(118,355)
—	15,503	14,933
—	86,776	11,884
<u>(11,664)</u>	<u>14,484,575</u>	<u>12,781,881</u>
—	9	3
—	224	168
—	2,841,526	2,343,668
—	5,639	83
—	404,560	676,202
29	601	979
—	5,935	10,481
—	2,925,000	930,000
—	1,555,526	933,719
<u>29</u>	<u>7,739,020</u>	<u>4,895,303</u>
(11,693)	6,745,555	7,886,578
—	1,386,670	79,138
<u>—</u>	<u>(5,685,370)</u>	<u>(4,514,581)</u>
<u>—</u>	<u>(4,298,700)</u>	<u>(4,435,443)</u>
(11,693)	2,446,855	3,451,135
<u>210,730</u>	<u>28,067,870</u>	<u>24,616,735</u>
<u>\$ 199,037</u>	<u>\$ 30,514,725</u>	<u>\$ 28,067,870</u>

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## **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 the City 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. The City receives fees and makes expenditures in accordance with state statutes.

Opioid Settlement Fund – This fund is used to account for the receipt of opioid settlement funds and expenditures for opioid remediation activities or restitution.

CITY OF PLYMOUTH

Nonmajor Special Revenue Funds  
 Combining Balance Sheet  
 December 31, 2022  
 (With Comparative Totals for December 31, 2021)

	<u>Recreation</u>	<u>Parkers Lake Cemetery Maintenance</u>	<u>Community Development</u>
<b>Assets</b>			
Cash and investments	\$ 1,173,210	\$ 117,707	\$ 58,425
Receivables			
Accounts	13,013	-	-
Notes	-	-	225,000
Taxes	10,213	-	-
Accrued interest	4,690	471	55,838
Due from other governments	-	-	-
Inventory	725	-	-
Prepaid items	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 1,201,851</u>	<u>\$ 118,178</u>	<u>\$ 339,263</u>
<b>Liabilities</b>			
Accounts payable	\$ 60,149	\$ -	\$ -
Accrued salaries and benefits payable	26,286	-	-
Due to other funds	-	-	-
Due to other governments	3,158	-	-
Unearned revenue	649,987	-	-
Total liabilities	<u>739,580</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue – notes and related interest	-	-	280,603
Unavailable revenue – taxes	4,527	-	-
Unavailable revenue – other receivables	-	-	-
Total deferred inflows of resources	<u>4,527</u>	<u>-</u>	<u>280,603</u>
<b>Fund balances</b>			
Nonspendable	725	-	-
Restricted	-	-	-
Assigned	457,019	118,178	58,660
Total fund balances	<u>457,744</u>	<u>118,178</u>	<u>58,660</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,201,851</u>	<u>\$ 118,178</u>	<u>\$ 339,263</u>



Economic Development	Community Development Block Grant	Lawful Gambling	Opioid Settlement	Totals	
				2022	2021
\$ 150,874	\$ 92,556	\$ -	\$ 76,335	\$ 1,669,107	\$ 1,371,433
566	-	22,449	-	36,028	49,728
83,449	825,291	-	-	1,133,740	1,170,843
-	104	-	-	10,317	7,655
604	42,021	385	306	104,315	96,696
-	17,679	-	-	17,679	148,267
-	-	-	-	725	1,071
-	-	-	-	-	5,583
<u>\$ 235,493</u>	<u>\$ 977,651</u>	<u>\$ 22,834</u>	<u>\$ 76,641</u>	<u>\$ 2,971,911</u>	<u>\$ 2,851,276</u>
\$ -	\$ 36,117	\$ -	\$ -	\$ 96,266	\$ 64,142
-	291	-	-	26,577	25,402
-	-	19,052	-	19,052	84,689
-	-	-	-	3,158	7,289
-	-	-	-	649,987	503,978
-	36,408	19,052	-	795,040	685,500
83,449	866,734	-	-	1,230,786	1,264,031
-	47	-	-	4,574	3,943
-	-	-	-	-	11,253
<u>83,449</u>	<u>866,781</u>	<u>-</u>	<u>-</u>	<u>1,235,360</u>	<u>1,279,227</u>
-	-	-	-	725	6,654
-	74,462	3,782	76,641	154,885	60,166
152,044	-	-	-	785,901	819,729
<u>152,044</u>	<u>74,462</u>	<u>3,782</u>	<u>76,641</u>	<u>941,511</u>	<u>886,549</u>
<u>\$ 235,493</u>	<u>\$ 977,651</u>	<u>\$ 22,834</u>	<u>\$ 76,641</u>	<u>\$ 2,971,911</u>	<u>\$ 2,851,276</u>

CITY OF PLYMOUTH

Nonmajor Special Revenue Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	Recreation	Parkers Lake Cemetery Maintenance	Community Development
Revenue			
Property taxes	\$ 771,830	\$ -	\$ -
Intergovernmental	7	-	-
Charges for services	2,022,257	115	-
Contributions	23,721	-	-
Investment earnings (charges)	(71,995)	(7,668)	(3,436)
Loan repayments	-	-	-
Other	10,198	-	-
Total revenues	<u>2,756,018</u>	<u>(7,553)</u>	<u>(3,436)</u>
Expenditures			
Current			
General government	-	-	-
Economic development	-	-	8
Parks and recreation	2,778,321	-	-
Public safety	-	-	-
Public service	-	14,258	-
Total expenditures	<u>2,778,321</u>	<u>14,258</u>	<u>8</u>
Excess (deficiency) of revenues over expenditures	(22,303)	(21,811)	(3,444)
Other financing sources (uses)			
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(22,303)	(21,811)	(3,444)
Fund balances			
Beginning of year	<u>480,047</u>	<u>139,989</u>	<u>62,104</u>
End of year	<u>\$ 457,744</u>	<u>\$ 118,178</u>	<u>\$ 58,660</u>

Economic Development	Community Development Block Grant	Lawful Gambling	Opioid Settlement	Totals	
				2022	2021
\$ -	\$ 7,934	\$ -	\$ -	\$ 779,764	\$ 741,564
-	406,386	-	-	406,393	648,898
-	-	94,161	-	2,116,533	1,471,873
-	-	-	-	23,721	5,780
(5,181)	(11,288)	(2,667)	112	(102,123)	(5,978)
15,503	-	-	-	15,503	14,933
-	46	-	76,532	86,776	9,332
<u>10,322</u>	<u>403,078</u>	<u>91,494</u>	<u>76,644</u>	<u>3,326,567</u>	<u>2,886,402</u>
-	-	9	-	9	3
21	-	-	-	29	23
-	-	-	-	2,778,321	2,193,424
-	-	-	3	3	-
-	390,302	-	-	404,560	676,202
<u>21</u>	<u>390,302</u>	<u>9</u>	<u>3</u>	<u>3,182,922</u>	<u>2,869,652</u>
10,301	12,776	91,485	76,641	143,645	16,750
-	-	(88,683)	-	(88,683)	(90,275)
10,301	12,776	2,802	76,641	54,962	(73,525)
<u>141,743</u>	<u>61,686</u>	<u>980</u>	<u>-</u>	<u>886,549</u>	<u>960,074</u>
<u>\$ 152,044</u>	<u>\$ 74,462</u>	<u>\$ 3,782</u>	<u>\$ 76,641</u>	<u>\$ 941,511</u>	<u>\$ 886,549</u>

CITY OF PLYMOUTH

Recreation Special Revenue Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –  
 Budget and Actual  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	2022		Over (Under) Final Budget	2021
	Original and Final Budget	Actual		Actual
<b>Revenues</b>				
Property taxes	\$ 775,774	\$ 771,830	\$ (3,944)	\$ 734,774
Intergovernmental	–	7	7	7
Charges for services	1,538,670	2,022,257	483,587	1,380,803
Contributions	18,000	23,721	5,721	5,780
Investment earnings (charges)	21,000	(71,995)	(92,995)	(7,484)
Other	9,500	10,198	698	9,332
Total revenues	<u>2,362,944</u>	<u>2,756,018</u>	<u>393,074</u>	<u>2,123,212</u>
<b>Expenditures</b>				
Current				
Parks and recreation				
Personal services	1,519,455	1,579,395	59,940	1,346,775
Materials and supplies	84,900	150,713	65,813	109,347
Contractual services	716,889	974,064	257,175	683,989
Other	41,700	74,149	32,449	53,313
Capital outlay	100,000	–	(100,000)	–
Total expenditures	<u>2,462,944</u>	<u>2,778,321</u>	<u>315,377</u>	<u>2,193,424</u>
Excess (deficiency) of revenues over expenditures	(100,000)	(22,303)	77,697	(70,212)
<b>Other financing sources</b>				
Transfers in	100,000	–	(100,000)	–
Net change in fund balances	<u>\$ –</u>	<u>(22,303)</u>	<u>\$ (22,303)</u>	<u>(70,212)</u>
<b>Fund balances</b>				
Beginning of year		<u>480,047</u>		<u>550,259</u>
End of year		<u>\$ 457,744</u>		<u>\$ 480,047</u>

CITY OF PLYMOUTH

Community Development Block Grant Special Revenue Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –  
 Budget and Actual  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	2022			2021
	Original and Final Budget	Actual	Over (Under) Final Budget	Actual
<b>Revenues</b>				
Property taxes	\$ 7,963	\$ 7,934	\$ (29)	\$ 6,790
Intergovernmental	365,000	406,386	41,386	648,891
Investment earnings (charges)	300	(11,288)	(11,588)	(137)
Other	–	46	46	–
Total revenues	<u>373,263</u>	<u>403,078</u>	<u>29,815</u>	<u>655,544</u>
<b>Expenditures</b>				
Current				
Public service				
Personal services	48,707	74,027	25,320	37,703
Materials and supplies	300	61	(239)	181
Contractual services	14,455	41,196	26,741	9,107
Other	<u>309,801</u>	<u>275,018</u>	<u>(34,783)</u>	<u>624,715</u>
Total expenditures	<u>373,263</u>	<u>390,302</u>	<u>17,039</u>	<u>671,706</u>
Net change in fund balance	<u>\$ –</u>	<u>12,776</u>	<u>\$ 12,776</u>	<u>(16,162)</u>
<b>Fund balances</b>				
Beginning of year		<u>61,686</u>		<u>77,848</u>
End of year		<u>\$ 74,462</u>		<u>\$ 61,686</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 developments costs of the City.

CITY OF PLYMOUTH

Nonmajor Debt Service Funds

Combining Balance Sheet

December 31, 2022

(With Comparative Totals for December 31, 2021)

	General Obligation Bonds	Tax Increment Bonds	Totals	
			2022	2021
<b>Assets</b>				
Cash and investments	\$ 2,764,419	\$ 1,318,409	\$ 4,082,828	\$ 3,824,353
Receivables				
Accounts	28,027	–	28,027	27,821
Taxes	33,430	21,617	55,047	19,886
	<u>2,825,876</u>	<u>1,340,026</u>	<u>4,165,902</u>	<u>3,872,060</u>
<b>Total assets</b>				
	<u>\$ 2,825,876</u>	<u>\$ 1,340,026</u>	<u>\$ 4,165,902</u>	<u>\$ 3,872,060</u>
<b>Liabilities</b>				
Advances from other funds	\$ –	\$ –	\$ –	\$ 177,353
<b>Deferred inflows of resources</b>				
Unavailable revenue – taxes	13,563	–	13,563	8,441
<b>Fund balances</b>				
Restricted	<u>2,812,313</u>	<u>1,340,026</u>	<u>4,152,339</u>	<u>3,686,266</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>				
	<u>\$ 2,825,876</u>	<u>\$ 1,340,026</u>	<u>\$ 4,165,902</u>	<u>\$ 3,872,060</u>



CITY OF PLYMOUTH

Nonmajor Debt Service Funds  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 Year Ended December 31, 2022

(With Comparative Totals for the Year Ended December 31, 2021)

	General	Tax	Totals	
	Obligation Bonds	Increment Bonds	2022	2021
<b>Revenues</b>				
Property taxes	\$ 2,810,965	\$ 394,304	\$ 3,205,269	\$ 2,801,710
Other taxes	408,183	–	408,183	289,050
Intergovernmental	23	–	23	21
Investment earnings	10	11	21	32
Total revenues	<u>3,219,181</u>	<u>394,315</u>	<u>3,613,496</u>	<u>3,090,813</u>
<b>Expenditures</b>				
Current				
Economic development	–	195	195	145
Parks and recreation	134	–	134	51
Public safety	5,636	–	5,636	83
Interest on interfund advances	–	5,935	5,935	10,481
Debt service				
Principal retirement	2,650,000	275,000	2,925,000	930,000
Interest and fiscal charges	1,540,388	15,138	1,555,526	933,719
Total expenditures	<u>4,196,158</u>	<u>296,268</u>	<u>4,492,426</u>	<u>1,874,479</u>
Excess (deficiency) of revenues over expenditures	(976,977)	98,047	(878,930)	1,216,334
<b>Other financing sources (uses)</b>				
Transfers in	1,266,242	80,428	1,346,670	58,772
Transfers out	–	(1,667)	(1,667)	(22,243)
Total other financing sources (uses)	<u>1,266,242</u>	<u>78,761</u>	<u>1,345,003</u>	<u>36,529</u>
Net change in fund balances	289,265	176,808	466,073	1,252,863
<b>Fund balances</b>				
Beginning of year	<u>2,523,048</u>	<u>1,163,218</u>	<u>3,686,266</u>	<u>2,433,403</u>
End of year	<u>\$ 2,812,313</u>	<u>\$ 1,340,026</u>	<u>\$ 4,152,339</u>	<u>\$ 3,686,266</u>

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## **CAPITAL PROJECT 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 Fund – 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.

CITY OF PLYMOUTH

Nonmajor Capital Project Funds  
 Combining Balance Sheet  
 December 31, 2022  
 (With Comparative Totals for December 31, 2021)

	<u>Minnesota State Aid</u>	<u>Community Improvement</u>	<u>Park Replacement</u>	<u>Project Administration</u>
<b>Assets</b>				
Cash and investments	\$ 2,322,774	\$ 6,274,631	\$ 1,761,430	\$ 243,561
Receivables				
Accounts	-	-	4,436	-
Taxes	-	-	12,894	-
Special assessments	-	769	-	-
Accrued interest	9,271	25,093	8,389	692
Leases	-	-	953,989	-
Due from other governments	-	-	3,104	-
Advances to other funds	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 2,332,045</u>	<u>\$ 6,300,493</u>	<u>\$ 2,744,242</u>	<u>\$ 244,253</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	1,228	\$ -
Deposits payable	-	-	110,250	-
Due to other governments	-	-	1,352	-
Unearned revenue	-	-	15,752	-
Total liabilities	<u>          </u>	<u>          </u>	<u>128,582</u>	<u>          </u>
<b>Deferred inflows of resources</b>				
Unavailable revenue – taxes	-	-	6,035	-
Unavailable revenue – other receivables	-	-	2,000	-
Lease revenue for subsequent years	-	-	938,153	-
Total deferred inflows of resources	<u>          </u>	<u>          </u>	<u>946,188</u>	<u>          </u>
<b>Fund balances</b>				
Restricted	2,332,045	-	-	-
Assigned	<u>          </u>	<u>6,300,493</u>	<u>1,669,472</u>	<u>244,253</u>
Total fund balances	<u>2,332,045</u>	<u>6,300,493</u>	<u>1,669,472</u>	<u>244,253</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,332,045</u>	<u>\$ 6,300,493</u>	<u>\$ 2,744,242</u>	<u>\$ 244,253</u>

Park Construction	Capital Improvement	Totals	
		2022	2021
\$ 8,802,801	\$ 5,523,744	\$ 24,928,941	\$ 22,381,654
–	–	4,436	4,436
–	6,382	19,276	697,546
–	–	769	391
35,212	22,094	100,751	57,120
–	–	953,989	–
–	–	3,104	–
–	288,256	288,256	365,786
<u>\$ 8,838,013</u>	<u>\$ 5,840,476</u>	<u>\$ 26,299,522</u>	<u>\$ 23,506,933</u>
\$ –	\$ –	\$ 1,228	\$ 139
–	–	110,250	195,300
–	–	1,352	–
–	–	15,752	15,293
–	–	128,582	210,732
–	2,914	8,949	7,440
–	–	2,000	4,436
–	–	938,153	–
–	2,914	949,102	11,876
8,838,013	–	11,170,058	8,144,657
–	5,837,562	14,051,780	15,139,668
<u>8,838,013</u>	<u>5,837,562</u>	<u>25,221,838</u>	<u>23,284,325</u>
<u>\$ 8,838,013</u>	<u>\$ 5,840,476</u>	<u>\$ 26,299,522</u>	<u>\$ 23,506,933</u>

CITY OF PLYMOUTH

Nonmajor Capital Project Funds  
 Combining Statement of Revenues, Expenditures,  
 and Changes in Fund Balances  
 Year Ended December 31, 2022

(With Comparative Totals for the Year Ended December 31, 2021)

	<u>Minnesota State Aid</u>	<u>Community Improvement</u>	<u>Park Replacement</u>	<u>Project Administration</u>
<b>Revenues</b>				
Property taxes	\$ -	\$ -	\$ 947,773	\$ -
Special assessments	-	5,633	-	-
Intergovernmental	3,200,806	-	3,112	-
Charges for services	-	-	167,782	-
Fines and forfeitures	-	-	-	-
Contributions	-	-	7,796	-
Investment earnings (charges)	(156,589)	(368,897)	(152,925)	(14,330)
Other	-	-	-	-
Total revenues	<u>3,044,217</u>	<u>(363,264)</u>	<u>973,538</u>	<u>(14,330)</u>
<b>Expenditures</b>				
<b>Current</b>				
Parks and recreation	-	936	60,243	-
Public works	535	-	-	37
Total expenditures	<u>535</u>	<u>936</u>	<u>60,243</u>	<u>37</u>
Excess (deficiency) of revenues over expenditures	3,043,682	(364,200)	913,295	(14,367)
<b>Other financing sources (uses)</b>				
Transfers in	40,000	-	-	-
Transfers out	(3,617,558)	-	(1,811,550)	-
Total other financing sources (uses)	<u>(3,577,558)</u>	<u>-</u>	<u>(1,811,550)</u>	<u>-</u>
Net change in fund balances	(533,876)	(364,200)	(898,255)	(14,367)
<b>Fund balances</b>				
Beginning of year	<u>2,865,921</u>	<u>6,664,693</u>	<u>2,567,727</u>	<u>258,620</u>
End of year	<u>\$ 2,332,045</u>	<u>\$ 6,300,493</u>	<u>\$ 1,669,472</u>	<u>\$ 244,253</u>

Park Construction	Capital Improvement	Totals	
		2022	2021
\$ -	\$ 480,823	\$ 1,428,596	\$ 2,069,660
-	-	5,633	8,704
-	4	3,203,922	3,201,893
-	-	167,782	97,179
-	-	-	18,638
4,142,543	-	4,150,339	1,518,219
(416,231)	(291,124)	(1,400,096)	(111,259)
-	-	-	2,552
<u>3,726,312</u>	<u>189,703</u>	<u>7,556,176</u>	<u>6,805,586</u>
1,123	769	63,071	150,193
-	-	572	354
<u>1,123</u>	<u>769</u>	<u>63,643</u>	<u>150,547</u>
3,725,189	188,934	7,492,533	6,655,039
-	-	40,000	20,366
(165,912)	-	(5,595,020)	(4,402,063)
<u>(165,912)</u>	<u>-</u>	<u>(5,555,020)</u>	<u>(4,381,697)</u>
3,559,277	188,934	1,937,513	2,273,342
<u>5,278,736</u>	<u>5,648,628</u>	<u>23,284,325</u>	<u>21,010,983</u>
<u>\$ 8,838,013</u>	<u>\$ 5,837,562</u>	<u>\$ 25,221,838</u>	<u>\$ 23,284,325</u>

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**PERMANENT FUND – NONMAJOR**

Parkers Lake Cemetery Perpetual Care Fund – This 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

Nonmajor Permanent Fund  
Parkers Lake Cemetery Perpetual Care Fund  
Comparative Balance Sheet  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and investments	\$ 198,244	\$ 210,188
Receivables		
Accrued interest	<u>793</u>	<u>542</u>
Total assets	<u>\$ 199,037</u>	<u>\$ 210,730</u>
Fund balances		
Nonspendable	\$ 45,860	\$ 45,860
Restricted	<u>153,177</u>	<u>164,870</u>
Total fund balances	<u>\$ 199,037</u>	<u>\$ 210,730</u>

CITY OF PLYMOUTH

Nonmajor Permanent Fund  
 Parkers Lake Cemetery Perpetual Care Fund  
 Comparative Schedule of Revenues, Expenditures,  
 and Changes in Fund Balances  
 Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues		
Charges for services	\$           –	\$           230
Investment earnings (charges)	<u>(11,664)</u>	<u>(1,150)</u>
Total revenues	(11,664)	(920)
Expenditures		
Current		
Public works	<u>29</u>	<u>625</u>
Net change in fund balances	(11,693)	(1,545)
Fund balances		
Beginning of year	<u>210,730</u>	<u>212,275</u>
End of year	<u><u>\$ 199,037</u></u>	<u><u>\$ 210,730</u></u>

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**GENERAL FUND – COMPARATIVE INFORMATION**

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CITY OF PLYMOUTH

General Fund  
Comparative Balance Sheet  
December 31, 2022

(With Comparative Totals for December 31, 2021)

	Totals	
	2022	2021
<b>Assets</b>		
Cash and investments	\$ 22,428,136	\$ 21,595,035
Receivables		
Accounts	321,443	277,895
Taxes	471,187	338,220
Special assessments	27,186	31,029
Accrued interest	129,264	58,703
Leases	3,086,224	-
Due from other funds	19,052	84,689
Due from other governments	160,453	165,540
Inventory	92	92
Prepaid items	73,783	146,197
	<u>26,716,820</u>	<u>22,697,400</u>
	<u>\$ 26,716,820</u>	<u>\$ 22,697,400</u>
<b>Liabilities</b>		
Accounts payable	\$ 577,825	\$ 471,901
Contracts payable	82,021	-
Accrued salaries and benefits payable	561,007	548,846
Deposits payable	840,918	1,649,409
Due to other funds	10,544	9,637
Due to other governments	549,221	517,392
Unearned revenue	662,252	334,256
	<u>3,283,788</u>	<u>3,531,441</u>
	3,283,788	3,531,441
<b>Deferred inflows of resources</b>		
Unavailable revenue – taxes	211,964	174,660
Unavailable revenue – special assessments	26,648	28,871
Unavailable revenue – other receivables	101,144	180,149
Lease revenue for subsequent years	3,053,661	-
	<u>3,393,417</u>	<u>383,680</u>
	3,393,417	383,680
<b>Fund balances</b>		
Nonspendable	73,875	146,289
Assigned	839	13,475
Unassigned	19,964,901	18,622,515
	<u>20,039,615</u>	<u>18,782,279</u>
	20,039,615	18,782,279
	<u>\$ 26,716,820</u>	<u>\$ 22,697,400</u>
	\$ 26,716,820	\$ 22,697,400
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 26,716,820</u>	<u>\$ 22,697,400</u>
	\$ 26,716,820	\$ 22,697,400

CITY OF PLYMOUTH

General Fund  
 Schedule of Revenues and Other Financing Sources –  
 Budget and Actual

Year Ended December 31, 2022

(With Comparative Totals for the Year Ended December 31, 2021)

	2022		2021	
	Original and Final Budget	Actual	Over (Under) Final Budget	Actual
Revenues				
Property taxes	\$ 35,851,779	\$ 35,700,992	\$ (150,787)	\$ 33,852,858
Special assessments	10,000	8,947	(1,053)	2,550
Licenses and permits	3,699,480	3,935,053	235,573	3,999,026
Intergovernmental				
State grants and aids	2,335,895	2,712,116	376,221	2,482,870
Federal grants	53,621	7,172,010	7,118,389	141,921
Other	502,790	516,134	13,344	391,838
Total intergovernmental	<u>2,892,306</u>	<u>10,400,260</u>	<u>7,507,954</u>	<u>3,016,629</u>
Charges for services	3,639,732	3,395,976	(243,756)	3,374,948
Fines and forfeitures	415,000	314,918	(100,082)	330,776
Contributions	6,300	57,439	51,139	60,520
Investment earnings (charges)	215,500	(458,507)	(674,007)	(84,273)
Other	32,600	62,805	30,205	80,668
Total revenues	<u>46,762,697</u>	<u>53,417,883</u>	<u>6,655,186</u>	<u>44,633,702</u>
Other financing sources				
Transfers in	<u>193,000</u>	<u>241,073</u>	<u>48,073</u>	<u>578,667</u>
Total revenues and other financing sources	<u>\$ 46,955,697</u>	<u>\$ 53,658,956</u>	<u>\$ 6,703,259</u>	<u>\$ 45,212,369</u>



CITY OF PLYMOUTH

General Fund  
 Schedule of Expenditures and Other Financing Uses –  
 Budget and Actual  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	2022		2021	
	Original and Final Budget	Actual	Over (Under) Final Budget	Actual
<b>Expenditures</b>				
<b>General government</b>				
Personal services	\$ 4,272,264	\$ 4,119,137	\$ (153,127)	\$ 3,761,299
Materials and supplies	28,550	22,502	(6,048)	11,197
Contractual services	3,021,482	2,866,990	(154,492)	2,761,879
Other	354,164	241,407	(112,757)	274,915
Total general government	7,676,460	7,250,036	(426,424)	6,809,290
<b>Economic development</b>				
Personal services	231,249	–	(231,249)	105,647
Materials and supplies	500	–	(500)	–
Contractual services	50,017	35,799	(14,218)	38,568
Other	5,000	–	(5,000)	–
Total economic development	286,766	35,799	(250,967)	144,215
<b>Parks and recreation</b>				
Personal services	4,265,160	3,844,796	(420,364)	3,537,050
Materials and supplies	378,300	384,119	5,819	454,911
Contractual services	2,887,308	3,141,859	254,551	2,731,009
Capital outlay	–	267,020	267,020	118,245
Other	26,175	29,791	3,616	15,473
Total parks and recreation	7,556,943	7,667,585	110,642	6,856,688
<b>Public safety</b>				
Personal services	18,675,243	18,074,594	(600,649)	17,483,846
Materials and supplies	453,856	474,176	20,320	419,993
Contractual services	4,781,659	4,952,916	171,257	4,479,079
Capital outlay	–	19,982	19,982	107,270
Other	670,600	694,956	24,356	740,882
Total public safety	24,581,358	24,216,624	(364,734)	23,231,070
<b>Public works</b>				
Personal services	2,932,730	2,653,817	(278,913)	2,644,056
Materials and supplies	484,200	438,257	(45,943)	358,653
Contractual services	3,284,140	3,320,828	36,688	2,874,053
Other	3,600	4,174	574	4,070
Total public works	6,704,670	6,417,076	(287,594)	5,880,832
Total expenditures	46,806,197	45,587,120	(1,219,077)	42,922,095
<b>Other financing uses</b>				
Transfers out	149,500	6,814,500	6,665,000	1,471,862
Total expenditures and other financing uses	\$ 46,955,697	\$ 52,401,620	\$ 5,445,923	\$ 44,393,957

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## **PROPRIETARY COMBINING 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 and the City's self-insured dental insurance program. 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

Enterprise Funds  
 Nonmajor Proprietary Funds  
 Combining Statement of Net Position  
 December 31, 2022  
 (With Comparative Totals for December 31, 2021)

	Solid Waste Management	Field House	Totals	
			2022	2021
<b>Assets</b>				
<b>Current assets</b>				
Cash and investments	\$ 547,737	\$ 1,373,617	\$ 1,921,354	\$ 2,077,818
Receivables				
Accounts	248,258	201,126	449,384	424,722
Special assessments	12,771	–	12,771	9,939
Accrued interest	2,191	5,494	7,685	5,354
Due from other funds	31	–	31	10
Due from other governments	4,156	–	4,156	13,572
Prepaid items	–	–	–	600
Total current assets	815,144	1,580,237	2,395,381	2,532,015
<b>Noncurrent assets</b>				
Special assessments receivable	1,413	–	1,413	1,103
<b>Capital assets</b>				
Land	–	47,551	47,551	47,551
Buildings	–	1,667,293	1,667,293	1,667,293
Improvements other than buildings	147,885	363,717	511,602	468,484
Machinery and equipment	–	250,338	250,338	250,338
Construction in progress	–	–	–	43,118
Total capital assets	147,885	2,328,899	2,476,784	2,476,784
Less accumulated depreciation/amortization	(39,050)	(1,341,717)	(1,380,767)	(1,236,495)
Net capital assets	108,835	987,182	1,096,017	1,240,289
Total noncurrent assets	110,248	987,182	1,097,430	1,241,392
Total assets	\$ 925,392	\$ 2,567,419	\$ 3,492,811	\$ 3,773,407
<b>Current liabilities</b>				
Accounts payable	\$ 90,143	\$ 9,694	\$ 99,837	\$ 93,692
Accrued salaries and benefits payable	2,408	3,334	5,742	3,944
Due to other governments	–	–	–	5,470
Unearned revenue	–	215,578	215,578	220,898
Total current liabilities	92,551	228,606	321,157	324,004
<b>Net position</b>				
Net investment in capital assets	108,835	987,182	1,096,017	1,240,289
Unrestricted	724,006	1,351,631	2,075,637	2,209,114
Total net position	832,841	2,338,813	3,171,654	3,449,403
Total liabilities and net position	\$ 925,392	\$ 2,567,419	\$ 3,492,811	\$ 3,773,407

CITY OF PLYMOUTH

Enterprise Funds  
 Nonmajor Proprietary Funds  
 Combining Statement of Revenues, Expenses,  
 and Changes in Net Position  
 Year Ended December 31, 2022

(With Comparative Totals for the Year Ended December 31, 2021)

	Solid Waste Management	Field House	Totals	
			2022	2021
Operating revenues				
Charges for services	\$ 1,195,294	\$ 352,760	\$ 1,548,054	\$ 1,376,899
Other fees	4,175	7,506	11,681	5,004
Total operating revenues	<u>1,199,469</u>	<u>360,266</u>	<u>1,559,735</u>	<u>1,381,903</u>
Operating expenses				
Personal services	155,142	121,324	276,466	295,668
Materials and supplies	9,314	1,526	10,840	21,364
Contractual services	1,327,510	131,317	1,458,827	1,365,287
Depreciation/amortization	691	143,581	144,272	152,281
Total operating expenses	<u>1,492,657</u>	<u>397,748</u>	<u>1,890,405</u>	<u>1,834,600</u>
Operating income (loss)	(293,188)	(37,482)	(330,670)	(452,697)
Nonoperating revenue (expenses)				
Investment earnings (charges)	(38,226)	(79,110)	(117,336)	(11,976)
Intergovernmental	163,462	–	163,462	152,366
Gain on sale of capital assets	–	–	–	338
Other revenue	15,807	–	15,807	18,940
Other expense	(8,812)	(200)	(9,012)	(7,224)
Total nonoperating revenue (expenses)	<u>132,231</u>	<u>(79,310)</u>	<u>52,921</u>	<u>152,444</u>
Changes in net position	(160,957)	(116,792)	(277,749)	(300,253)
Net position				
Beginning of year	<u>993,798</u>	<u>2,455,605</u>	<u>3,449,403</u>	<u>3,749,656</u>
End of year	<u>\$ 832,841</u>	<u>\$ 2,338,813</u>	<u>\$ 3,171,654</u>	<u>\$ 3,449,403</u>

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CITY OF PLYMOUTH

Enterprise Funds  
 Nonmajor Proprietary Funds  
 Combining Statement of Cash Flows  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	Solid Waste Management	Field House	Totals	
			2022	2021
Cash flows from operating activities				
Cash receipts from external customers or users	\$ 1,176,882	\$ 359,145	\$ 1,536,027	\$ 1,308,666
Cash receipts from internal customers or users	–	–	–	26
Payments to suppliers	(1,336,645)	(140,780)	(1,477,425)	(1,387,756)
Payments to employees	(154,067)	(120,601)	(274,668)	(295,864)
Other operating revenue	15,807	–	15,807	18,940
Net cash flows from operative activities	<u>(298,023)</u>	<u>97,764</u>	<u>(200,259)</u>	<u>(355,988)</u>
Cash flows from noncapital financing activities				
Intergovernmental revenues	163,462	–	163,462	152,366
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	–	–	–	(22,050)
Proceeds from the disposal of capital assets	–	–	–	338
Net cash flows from capital and related financing activities	<u>–</u>	<u>–</u>	<u>–</u>	<u>(21,712)</u>
Cash flows from investing activities				
Interest received and changes in fair value on investments	<u>(38,560)</u>	<u>(81,107)</u>	<u>(119,667)</u>	<u>(10,188)</u>
Net increase (decrease) in cash and cash equivalents	<u>(173,121)</u>	<u>16,657</u>	<u>(156,464)</u>	<u>(235,522)</u>
Cash and cash equivalents				
Beginning of year	<u>720,858</u>	<u>1,356,960</u>	<u>2,077,818</u>	<u>2,313,340</u>
End of year	<u>\$ 547,737</u>	<u>\$ 1,373,617</u>	<u>\$ 1,921,354</u>	<u>\$ 2,077,818</u>
Reconciliation of operating income (loss) to net cash flows from operating activities				
Operating income (loss)	\$ (293,188)	\$ (37,482)	\$ (330,670)	\$ (452,697)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Depreciation/amortization	691	143,581	144,272	152,281
Other revenues (expenses)	6,995	(200)	6,795	11,716
Change in assets and liabilities				
Accounts receivable	(28,861)	4,199	(24,662)	(72,966)
Special assessments receivable	(3,142)	–	(3,142)	(1,391)
Due from other funds	(21)	–	(21)	(4)
Due from other governments	9,416	–	9,416	(1,898)
Prepaid items	600	–	600	90
Accounts payable	8,412	(2,267)	6,145	780
Accrued salaries and benefits payable	1,075	723	1,798	(196)
Due to other governments	–	(5,470)	(5,470)	5,249
Unearned revenue	–	(5,320)	(5,320)	3,048
Total adjustments	<u>(4,835)</u>	<u>135,246</u>	<u>130,411</u>	<u>96,709</u>
Net cash flows from operating activities	<u>\$ (298,023)</u>	<u>\$ 97,764</u>	<u>\$ (200,259)</u>	<u>\$ (355,988)</u>

CITY OF PLYMOUTH

Internal Service Funds  
 Proprietary Funds  
 Combining Statement of Net Position  
 December 31, 2022

(With Comparative Totals for December 31, 2021)

	Central Equipment	Public Facilities	Information Technology	Risk Management
<b>Assets</b>				
Current assets				
Cash and investments	\$ 10,950,917	\$ 5,967,597	\$ 6,225,820	\$ 5,613,820
Receivables				
Accounts	-	-	-	-
Accrued interest	43,795	23,870	24,896	22,333
Due from other governments	6,311	-	27	-
Inventory	143,322	-	-	-
Prepaid items	-	-	492,611	147,371
Total current assets	<u>11,144,345</u>	<u>5,991,467</u>	<u>6,743,354</u>	<u>5,783,524</u>
Noncurrent assets				
Capital assets				
Land	33,520	-	-	-
Buildings	-	10,348,390	-	-
Improvements other than buildings	-	2,348,941	1,007,697	-
Machinery and equipment	23,970,916	3,040,692	3,309,900	-
Machinery and equipment – leased	527,677	-	234,311	-
Infrastructure	-	-	301,110	-
Construction in progress	1,248,756	628,368	-	-
Total capital assets	<u>25,780,869</u>	<u>16,366,391</u>	<u>4,853,018</u>	<u>-</u>
Less accumulated depreciation/amortization	<u>(13,865,204)</u>	<u>(3,096,756)</u>	<u>(3,383,023)</u>	<u>-</u>
Net capital assets	<u>11,915,665</u>	<u>13,269,635</u>	<u>1,469,995</u>	<u>-</u>
Total assets	<u>23,060,010</u>	<u>19,261,102</u>	<u>8,213,349</u>	<u>5,783,524</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>\$ 23,060,010</u>	<u>\$ 19,261,102</u>	<u>\$ 8,213,349</u>	<u>\$ 5,783,524</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 32,283	\$ 42,548	\$ 14,128	\$ 646,580
Accrued salaries and benefits payable	12,751	6,730	15,955	-
Compensated absences payable	-	-	-	-
Due to other funds	862	1,459	-	-
Due to other governments	2,150	-	-	-
Finance purchases payable	12,000	-	73,930	-
Leases payable	146,393	-	54,159	-
Total OPEB liability	-	-	-	-
Total current liabilities	<u>206,439</u>	<u>50,737</u>	<u>158,172</u>	<u>646,580</u>
Noncurrent liabilities				
Finance purchases payable	48,000	-	-	-
Leases payable	305,835	-	128,885	-
Total OPEB liability	-	-	-	-
Net pension liability	-	-	-	-
Compensated absences payable	-	-	-	-
Total noncurrent liabilities	<u>353,835</u>	<u>-</u>	<u>128,885</u>	<u>-</u>
Total liabilities	<u>560,274</u>	<u>50,737</u>	<u>287,057</u>	<u>646,580</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>
<b>Net position</b>				
Net investment in capital assets	11,403,437	13,269,635	1,213,021	-
Unrestricted	11,096,299	5,940,730	6,713,271	5,136,944
Total net position	<u>22,499,736</u>	<u>19,210,365</u>	<u>7,926,292</u>	<u>5,136,944</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 23,060,010</u>	<u>\$ 19,261,102</u>	<u>\$ 8,213,349</u>	<u>\$ 5,783,524</u>



Employee Benefits	Resource Planning	Totals	
		2022	2021
\$ 5,432,559	\$ 3,360,752	\$ 37,551,465	\$ 39,524,144
28	14,011	14,039	22,058
21,362	12,575	148,831	101,512
–	–	6,338	24,817
–	–	143,322	117,616
282,507	–	922,489	991,941
<u>5,736,456</u>	<u>3,387,338</u>	<u>38,786,484</u>	<u>40,782,088</u>
–	–	33,520	33,520
–	–	10,348,390	10,389,746
–	–	3,356,638	3,253,516
–	–	30,321,508	30,016,776
–	–	761,988	–
–	–	301,110	301,110
–	–	1,877,124	628,973
–	–	47,000,278	44,623,641
–	–	(20,344,983)	(18,427,002)
–	–	26,655,295	26,196,639
<u>5,736,456</u>	<u>3,387,338</u>	<u>65,441,779</u>	<u>66,978,727</u>
679,002	–	679,002	730,159
32,349,544	–	32,349,544	18,950,716
<u>33,028,546</u>	<u>–</u>	<u>33,028,546</u>	<u>19,680,875</u>
<u>\$ 38,765,002</u>	<u>\$ 3,387,338</u>	<u>\$ 98,470,325</u>	<u>\$ 86,659,602</u>
\$ 65,072	\$ 12,278	\$ 812,889	\$ 466,472
38,571	–	74,007	79,802
2,528,683	–	2,528,683	2,297,312
–	–	2,321	2,374
–	–	2,150	1,550
–	–	85,930	73,930
–	–	200,552	–
185,169	–	185,169	150,337
<u>2,817,495</u>	<u>12,278</u>	<u>3,891,701</u>	<u>3,071,777</u>
–	–	48,000	73,930
–	–	434,720	–
3,818,789	–	3,818,789	3,680,426
54,980,062	–	54,980,062	15,288,593
417,039	–	417,039	914,397
<u>59,215,890</u>	<u>–</u>	<u>59,698,610</u>	<u>19,957,346</u>
<u>62,033,385</u>	<u>12,278</u>	<u>63,590,311</u>	<u>23,029,123</u>
232,870	–	232,870	291,090
508,114	–	508,114	23,636,540
<u>740,984</u>	<u>–</u>	<u>740,984</u>	<u>23,927,630</u>
–	–	25,886,093	26,048,779
(24,009,367)	3,375,060	8,252,937	13,654,070
<u>(24,009,367)</u>	<u>3,375,060</u>	<u>34,139,030</u>	<u>39,702,849</u>
<u>\$ 38,765,002</u>	<u>\$ 3,387,338</u>	<u>\$ 98,470,325</u>	<u>\$ 86,659,602</u>

CITY OF PLYMOUTH

Internal Service Funds

Proprietary Funds

Combining Statement of Revenues, Expenditures, and

Changes in Net Position

Year Ended December 31, 2022

(With Comparative Totals for the Year Ended December 31, 2021)

	Central Equipment	Public Facilities	Information Technology	Risk Management
Operating revenues				
Charges for services	\$ 3,834,680	\$ 2,042,344	\$ 2,727,617	\$ 695,036
Other fees	-	-	-	339,920
Total operating revenue	<u>3,834,680</u>	<u>2,042,344</u>	<u>2,727,617</u>	<u>1,034,956</u>
Operating expenses				
Personal services	551,157	363,838	771,058	35,022
Materials and supplies	912,036	254,956	247,079	-
Insurance claims	-	-	-	800,007
Contractual services	279,669	779,112	1,534,760	871,627
Depreciation/amortization	1,881,033	699,524	426,145	-
Total operating expenses	<u>3,623,895</u>	<u>2,097,430</u>	<u>2,979,042</u>	<u>1,706,656</u>
Operating income (loss)	210,785	(55,086)	(251,425)	(671,700)
Nonoperating revenues (expenses)				
Investment earnings (charges)	(627,698)	(327,597)	(362,106)	(331,276)
Other taxes	-	-	-	-
Intergovernmental	-	-	6,791	-
Gain (loss) on disposal of capital assets	247,260	(146,962)	-	-
Contributions	-	-	-	-
Interest expense	(628)	-	(1,151)	-
Other revenue	12,397	19,229	3,007	-
Other expense	(1,606)	(850)	(928)	(13,612)
Total nonoperating revenues (expenses)	<u>(370,275)</u>	<u>(456,180)</u>	<u>(354,387)</u>	<u>(344,888)</u>
Income (loss) before contributions and transfers	(159,490)	(511,266)	(605,812)	(1,016,588)
Capital contributions	110,514	65,482	59,849	-
Transfers in	28,203	-	-	-
Transfers out	-	-	-	-
Changes in net position	(20,773)	(445,784)	(545,963)	(1,016,588)
Net position				
Beginning of year	<u>22,520,509</u>	<u>19,656,149</u>	<u>8,472,255</u>	<u>6,153,532</u>
End of year	<u>\$ 22,499,736</u>	<u>\$ 19,210,365</u>	<u>\$ 7,926,292</u>	<u>\$ 5,136,944</u>

Employee Benefits	Resource Planning	Totals	
		2022	2021
\$ 4,694,792	\$ 155,000	\$ 14,149,469	\$ 13,160,186
–	–	339,920	164,566
<u>4,694,792</u>	<u>155,000</u>	<u>14,489,389</u>	<u>13,324,752</u>
8,533,565	–	10,254,640	3,076,992
–	103,405	1,517,476	944,397
–	–	800,007	412,798
700	34,202	3,500,070	3,163,219
–	–	3,006,702	2,915,164
<u>8,534,265</u>	<u>137,607</u>	<u>19,078,895</u>	<u>10,512,570</u>
(3,839,473)	17,393	(4,589,506)	2,812,182
(371,004)	(180,064)	(2,199,745)	(180,998)
–	204,061	204,061	144,503
–	13,740	20,531	19,783
–	–	100,298	176,152
479,139	–	479,139	149,842
–	–	(1,779)	–
2,602	10,670	47,905	58,660
(1,763)	(463)	(19,222)	(13,714)
<u>108,974</u>	<u>47,944</u>	<u>(1,368,812)</u>	<u>354,228</u>
(3,730,499)	65,337	(5,958,318)	3,166,410
–	63,807	299,652	112,959
–	149,500	177,703	257,253
–	(82,856)	(82,856)	(143,396)
(3,730,499)	195,788	(5,563,819)	3,393,226
<u>(20,278,868)</u>	<u>3,179,272</u>	<u>39,702,849</u>	<u>36,309,623</u>
<u>\$ (24,009,367)</u>	<u>\$ 3,375,060</u>	<u>\$ 34,139,030</u>	<u>\$ 39,702,849</u>

CITY OF PLYMOUTH

Internal Service Funds  
 Proprietary Funds  
 Combining Statement of Cash Flows  
 Year Ended December 31, 2022  
 (With Comparative Totals for the Year Ended December 31, 2021)

	<u>Central Equipment</u>	<u>Public Facilities</u>	<u>Information Technology</u>	<u>Risk Management</u>
Cash flows from operating activities				
Receipts from external customers or users	\$ 81,970	\$ -	\$ 8,035	\$ 339,920
Receipts from internal customers or users	3,771,099	2,042,344	2,727,600	695,036
Payments to suppliers	(1,230,240)	(1,074,313)	(1,745,294)	(1,242,864)
Payments to employees	(547,183)	(363,873)	(769,378)	(35,022)
Other operating revenues (expenses)	12,397	19,229	3,007	-
Net cash flows from operating activities	<u>2,088,043</u>	<u>623,387</u>	<u>223,970</u>	<u>(242,930)</u>
Cash flows from noncapital financing activities				
Intergovernmental revenues	-	-	6,791	-
Contributions	-	-	-	-
Other taxes	-	-	-	-
Transfers in	28,203	-	-	-
Transfers out	-	-	-	-
Net cash flows from noncapital financing activities	<u>28,203</u>	<u>-</u>	<u>6,791</u>	<u>-</u>
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	(2,369,508)	(252,386)	(73,532)	-
Capital debt proceeds	60,000	-	-	-
Contributions	-	-	-	-
Proceeds from sale of capital assets	328,199	-	-	-
Principal paid on capital debt	(75,449)	-	(125,197)	-
Interest paid on capital debt	(628)	-	(1,151)	-
Net cash flows from capital and related financing activities	<u>(2,057,386)</u>	<u>(252,386)</u>	<u>(199,880)</u>	<u>-</u>
Cash flows from investing activities				
Investment earnings and changes of fair value on investments	<u>(641,776)</u>	<u>(336,173)</u>	<u>(370,089)</u>	<u>(337,917)</u>
Net change in cash and cash equivalents	(582,916)	34,828	(339,208)	(580,847)
Cash and cash equivalents				
Beginning of year	<u>11,533,833</u>	<u>5,932,769</u>	<u>6,565,028</u>	<u>6,194,667</u>
End of year	<u>\$ 10,950,917</u>	<u>\$ 5,967,597</u>	<u>\$ 6,225,820</u>	<u>\$ 5,613,820</u>

Employee Benefits	Resource Planning	Totals	
		2022	2021
\$ 887,654	\$ –	\$ 1,317,579	\$ 1,188,150
3,807,332	154,897	13,198,308	12,189,966
(7,417)	(145,937)	(5,446,065)	(4,693,452)
(5,480,619)	–	(7,196,075)	(5,854,333)
2,602	10,670	47,905	58,660
<u>(790,448)</u>	<u>19,630</u>	<u>1,921,652</u>	<u>2,888,991</u>
–	13,740	20,531	19,783
479,139	–	479,139	149,842
–	204,061	204,061	144,503
–	149,500	177,703	257,253
<u>–</u>	<u>(82,856)</u>	<u>(82,856)</u>	<u>(143,396)</u>
479,139	284,445	798,578	427,985
–	–	(2,695,426)	(1,868,028)
–	–	60,000	–
–	63,807	63,807	63,144
–	–	328,199	209,783
–	–	(200,646)	(73,930)
<u>–</u>	<u>–</u>	<u>(1,779)</u>	<u>–</u>
–	63,807	(2,445,845)	(1,669,031)
<u>(376,864)</u>	<u>(184,245)</u>	<u>(2,247,064)</u>	<u>(162,887)</u>
(688,173)	183,637	(1,972,679)	1,485,058
<u>6,120,732</u>	<u>3,177,115</u>	<u>39,524,144</u>	<u>38,039,086</u>
<u>\$ 5,432,559</u>	<u>\$ 3,360,752</u>	<u>\$ 37,551,465</u>	<u>\$ 39,524,144</u>

CITY OF PLYMOUTH

Internal Service Funds  
Proprietary Funds

Combining Statement of Cash Flows (continued)

Year Ended December 31, 2022

(With Comparative Totals for Year Ended December 31, 2021)

	<u>Central Equipment</u>	<u>Public Facilities</u>	<u>Information Technology</u>	<u>Risk Management</u>
Reconciliation of operating income (loss) to net cash flows from operating activities				
Operating income (loss)	\$ 210,785	\$ (55,086)	\$ (251,425)	\$ (671,700)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Depreciation/amortization	1,881,033	699,524	426,145	-
Other revenues (expenses)	10,791	18,379	2,079	(13,612)
Changes in assets, deferred outflows, liabilities, and deferred inflows:				
Accounts receivable	8,150	-	-	-
Due from other governments	10,239	-	8,018	-
Inventory	(25,706)	-	-	-
Prepaid items	1,123	4,851	60,087	6,944
Deferred outflow for OPEB plan deferments	-	-	-	-
Deferred outflow for pension plan deferments	-	-	-	-
Accounts payable	(13,132)	(44,142)	(22,479)	435,438
Accrued salaries and benefits payable	3,974	(35)	1,680	-
Due to other funds	51	(104)	-	-
Due to other governments	735	-	(135)	-
Total OPEB liability	-	-	-	-
Net pension liability	-	-	-	-
Compensated absences payable	-	-	-	-
Unearned revenue	-	-	-	-
Deferred inflow for OPEB plan deferments	-	-	-	-
Deferred inflow for pension plan deferments	-	-	-	-
Total adjustments	<u>1,877,258</u>	<u>678,473</u>	<u>475,395</u>	<u>428,770</u>
Net cash flows from operating activities	<u>\$ 2,088,043</u>	<u>\$ 623,387</u>	<u>\$ 223,970</u>	<u>\$ (242,930)</u>
Noncash investing, capital and financing activities				
Contributions of capital assets from city funds	\$ 110,514	\$ 65,482	\$ 59,849	\$ -
Net book value on disposal of capital assets	\$ (80,939)	\$ (146,962)	\$ -	\$ -
Capital assets acquired through lease purchases	\$ 527,677	\$ -	\$ 234,311	\$ -
Increase (decrease) in capital assets from accounts and contracts payable	\$ -	\$ -	\$ -	\$ -

Employee Benefits	Resource Planning	Totals	
		2022	2021
\$ (3,839,473)	\$ 17,393	\$ (4,589,506)	\$ 2,812,182
-	-	3,006,702	2,915,164
839	10,207	28,683	44,946
(28)	(103)	8,019	87,535
222	-	18,479	(10,204)
-	-	(25,706)	5,778
(3,615)	62	69,452	117,459
51,157	-	51,157	(429,996)
(13,398,828)	-	(13,398,828)	(11,620,680)
(1,339)	(7,929)	346,417	(283,961)
(11,414)	-	(5,795)	19,800
-	-	(53)	236
-	-	600	(424)
173,195	-	173,195	697,717
39,691,469	-	39,691,469	(7,807,290)
(265,987)	-	(265,987)	(110,192)
-	-	-	(95)
(58,220)	-	(58,220)	(58,220)
(23,128,426)	-	(23,128,426)	16,509,236
<u>3,049,025</u>	<u>2,237</u>	<u>6,511,158</u>	<u>76,809</u>
<u>\$ (790,448)</u>	<u>\$ 19,630</u>	<u>\$ 1,921,652</u>	<u>\$ 2,888,991</u>
\$ -	\$ -	\$ 235,845	\$ 49,815
\$ -	\$ -	\$ (227,901)	\$ -
\$ -	\$ -	\$ 761,988	\$ -
\$ -	\$ -	\$ -	\$ (16,655)

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**COMPONENT UNIT FINANCIAL STATEMENTS**



## **COMPONENT UNIT FINANCIAL STATEMENTS**

### **HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH (HRA)**

The HRA is a component unit of the City. HRA operations are presented as a separate column on the government-wide 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.

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HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

Statement of Net Position  
December 31, 2022

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 1,471,220	\$ 3,056,520	\$ 4,527,740
Receivables			
Accounts	8,005	10,116	18,121
Notes	1,491,521	-	1,491,521
Taxes	8,106	-	8,106
Accrued interest	150,994	9,602	160,596
Due from other governments	206,953	-	206,953
Prepaid items	-	44,402	44,402
Capital assets			
Not depreciated/amortized			
Land	152,553	1,333,840	1,486,393
Construction in progress	-	7,465	7,465
Depreciated/amortized net			
Buildings	923,749	7,352,835	8,276,584
Improvements other than buildings	34,767	155,670	190,437
Machinery and equipment	-	349,275	349,275
Machinery and equipment – leased	-	7,118	7,118
Net capital assets	1,111,069	9,206,203	10,317,272
Total assets	\$ 4,447,868	\$ 12,326,843	\$ 16,774,711
<b>Liabilities</b>			
Accounts payable	\$ 3,314	\$ 61,092	\$ 64,406
Accrued salaries and benefits payable	7,384	9,288	16,672
Deposits payable	3,700	146,204	149,904
Due to other governments	2,821	101,230	104,051
Unearned revenue	-	5,193	5,193
Accrued interest payable	-	62,116	62,116
Long-term liabilities			
Due within one year	-	763,129	763,129
Due in more than one year	-	6,825,250	6,825,250
Total long-term liabilities	-	7,588,379	7,588,379
Total liabilities	17,219	7,973,502	7,990,721
<b>Net position</b>			
Net investment in capital assets	1,111,069	1,628,186	2,739,255
Restricted for			
Debt service	-	503,767	503,767
Housing projects	3,319,580	-	3,319,580
Unrestricted	-	2,221,388	2,221,388
Total net position	4,430,649	4,353,341	8,783,990
Total liabilities and net position	\$ 4,447,868	\$ 12,326,843	\$ 16,774,711

HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

Statement of Activities  
Year Ended December 31, 2022

Functions / Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental activities			
Public service	\$ 3,771,483	\$ 45,750	\$ 3,481,635
Business-type activities			
Plymouth Towne Square	858,149	809,332	-
Vicksburg Crossing	1,140,555	1,323,916	-
Total business-type activities	<u>1,998,704</u>	<u>2,133,248</u>	<u>-</u>
Total HRA government	<u>\$ 5,770,187</u>	<u>\$ 2,178,998</u>	<u>\$ 3,481,635</u>
	General revenues		
	Property taxes		
	Investment earnings (charges)		
	Other		
	Transfers		
	Total general revenues and transfers		
	Change in net position		
	Net position – beginning of year		
	Net position – end of year		

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (244,098)	\$ —	\$ (244,098)
—	(48,817)	(48,817)
—	183,361	183,361
<u>—</u>	<u>134,544</u>	<u>134,544</u>
(244,098)	134,544	(109,554)
609,163	—	609,163
(3,415)	(56,537)	(59,952)
59,519	9,230	68,749
<u>(305,000)</u>	<u>305,000</u>	<u>—</u>
<u>360,267</u>	<u>257,693</u>	<u>617,960</u>
116,169	392,237	508,406
<u>4,314,480</u>	<u>3,961,104</u>	<u>8,275,584</u>
<u>\$ 4,430,649</u>	<u>\$ 4,353,341</u>	<u>\$ 8,783,990</u>

HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

Governmental Funds  
Balance Sheet  
December 31, 2022  
(With Comparative Totals for December 31, 2021)

	General	Housing Assistance	Totals	
			2022	2021
<b>Assets</b>				
Cash and investments	\$ 851,142	\$ 620,078	\$ 1,471,220	\$ 1,593,240
Receivables				
Accounts	3,300	4,705	8,005	5,537
Notes	1,491,521	-	1,491,521	1,501,040
Taxes	8,106	-	8,106	16,286
Accrued interest	150,994	-	150,994	145,600
Due from other governments	200,500	6,453	206,953	406,453
Prepaid items	-	-	-	2,668
	<u>\$ 2,705,563</u>	<u>\$ 631,236</u>	<u>\$ 3,336,799</u>	<u>\$ 3,670,824</u>
<b>Liabilities</b>				
Accounts payable	\$ 2,329	\$ 985	\$ 3,314	\$ 7,038
Contracts payable	-	-	-	480,706
Accrued salaries and benefits payable	2,328	5,056	7,384	6,664
Deposits payable	3,700	-	3,700	1,000
Due to other governments	-	2,821	2,821	3,116
Total liabilities	<u>8,357</u>	<u>8,862</u>	<u>17,219</u>	<u>498,524</u>
<b>Deferred inflows of resources</b>				
Unavailable revenue – notes and related interest	1,640,206	-	1,640,206	1,642,350
Unavailable revenue – taxes	3,715	-	3,715	3,305
Unavailable revenue – other receivables	1,650	11,158	12,808	11,991
Total deferred inflows of resources	<u>1,645,571</u>	<u>11,158</u>	<u>1,656,729</u>	<u>1,657,646</u>
<b>Fund balances</b>				
Nonspendable				
Prepaid items	-	-	-	2,668
Restricted for housing projects	1,051,635	611,216	1,662,851	1,511,986
Total fund balances	<u>1,051,635</u>	<u>611,216</u>	<u>1,662,851</u>	<u>1,514,654</u>
	<u>\$ 2,705,563</u>	<u>\$ 631,236</u>	<u>\$ 3,336,799</u>	<u>\$ 3,670,824</u>
	<u>\$ 2,705,563</u>	<u>\$ 631,236</u>	<u>\$ 3,336,799</u>	<u>\$ 3,670,824</u>



HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

Reconciliation of the Balance Sheet to the  
Statement of Net Position  
Governmental Funds  
December 31, 2022

Total fund balances – governmental funds		\$ 1,662,851
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Amounts reported for governmental activities in the Statement of Net Position are different because:

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

Cost of capital assets	\$ 1,213,668		
Less accumulated depreciation/amortization	<u>(102,599)</u>		1,111,069

Unavailable revenue in governmental funds is susceptible to full accrual on government-wide statements.			<u>1,656,729</u>
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Total net position – governmental activities		<u><u>\$ 4,430,649</u></u>
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HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended December 31, 2022  
(With Comparative Totals for the Year Ended December 31, 2021)

	General	Housing Assistance	Totals	
			2022	2021
<b>Revenues</b>				
Property taxes	\$ 608,753	\$ -	\$ 608,753	\$ 607,525
Intergovernmental	5	3,486,257	3,486,262	3,823,430
Charges for services	42,450	-	42,450	24,450
Investment earnings (charges)	(3,421)	6	(3,415)	(10,216)
Contributions	-	-	-	25,295
Other revenues	59,519	-	59,519	1,269,052
Total revenues	<u>707,306</u>	<u>3,486,263</u>	<u>4,193,569</u>	<u>5,739,536</u>
<b>Expenditures</b>				
Current				
Public service	268,422	3,471,950	3,740,372	5,429,245
Capital outlay	-	-	-	697,363
Total expenditures	<u>268,422</u>	<u>3,471,950</u>	<u>3,740,372</u>	<u>6,126,608</u>
Excess (deficiency) of revenue over expenditures	438,884	14,313	453,197	(387,072)
<b>Other financing sources (uses)</b>				
Transfers out	<u>(305,000)</u>	<u>-</u>	<u>(305,000)</u>	<u>(298,000)</u>
Net change in fund balance	133,884	14,313	148,197	(685,072)
<b>Fund balance</b>				
Beginning of year	<u>917,751</u>	<u>596,903</u>	<u>1,514,654</u>	<u>2,199,726</u>
End of year	<u>\$ 1,051,635</u>	<u>\$ 611,216</u>	<u>\$ 1,662,851</u>	<u>\$ 1,514,654</u>

HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

Reconciliation of the Statement of  
Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities  
Governmental Funds  
Year Ended December 31, 2022

Net change in fund balances – total governmental funds \$ 148,197

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.

Depreciation/amortization expense (31,111)

Revenues in the government-wide Statement of Activities that do not provide current financial resources are not reported as revenue in the governmental funds.

(917)

Change in net position – governmental activities \$ 116,169

HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

General Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances –  
Budget and Actual  
Year Ended December 31, 2022  
(With Comparative Totals for the Year Ended December 31, 2021)

	2022			2021
	Original and Final Budget	Actual	Over (Under) Final Budget	Actual
<b>Revenues</b>				
Property taxes	\$ 610,990	\$ 608,753	\$ (2,237)	\$ 607,525
Intergovernmental	–	5	5	500,006
Charges for services	47,500	42,450	(5,050)	24,450
Investment earnings (charges)	23,500	(3,421)	(26,921)	(10,225)
Contributions	–	–	–	25,295
Other revenues	17,000	59,519	42,519	1,269,052
Total revenues	<u>698,990</u>	<u>707,306</u>	<u>8,316</u>	<u>2,416,103</u>
<b>Expenditures</b>				
<b>Current</b>				
<b>Public service</b>				
Personal services	271,038	130,085	(140,953)	259,232
Materials and supplies	500	2,858	2,358	520
<b>Contractual services</b>				
Grant awards	10,000	–	(10,000)	501,610
Other	62,588	135,479	72,891	1,381,943
Capital outlay	–	–	–	697,363
Total expenditures	<u>344,126</u>	<u>268,422</u>	<u>(75,704)</u>	<u>2,840,668</u>
Excess (deficiency) of revenue over expenditures	354,864	438,884	84,020	(424,565)
<b>Other financing sources (uses)</b>				
Transfers out	<u>(354,864)</u>	<u>(305,000)</u>	<u>49,864</u>	<u>(298,000)</u>
Net change in fund balance	<u>\$ –</u>	<u>133,884</u>	<u>\$ 133,884</u>	<u>(722,565)</u>
<b>Fund balance</b>				
Beginning of year		<u>917,751</u>		<u>1,640,316</u>
End of year		<u>\$ 1,051,635</u>		<u>\$ 917,751</u>

HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

Housing Assistance Special Revenue Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances –  
Budget and Actual  
Year Ended December 31, 2022  
(With Comparative Totals for the Year Ended December 31, 2021)

	2022			2021
	Original and Final Budget	Actual	Over (Under) Final Budget	Actual
Revenues				
Intergovernmental	\$ 3,308,656	\$ 3,486,257	\$ 177,601	\$ 3,323,424
Investment earnings	200	6	(194)	9
Total revenues	3,308,856	3,486,263	177,407	3,323,433
Expenditures				
Public service				
Personal services	262,970	247,986	(14,984)	232,829
Materials and supplies	100	116	16	1,137
Contractual services				
Housing assistance	3,000,000	3,177,683	177,683	2,981,927
Other	45,786	46,165	379	70,047
Total expenditures	3,308,856	3,471,950	163,094	3,285,940
Net change in fund balance	\$ –	14,313	\$ 14,313	37,493
Fund balance				
Beginning of year		596,903		559,410
End of year		\$ 611,216		\$ 596,903

HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

Enterprise Funds  
Proprietary Funds  
Statement of Net Position  
December 31, 2022

(With Comparative Totals for December 31, 2021)

	Plymouth Towne Square	Vicksburg Crossing	Totals	
			2022	2021
<b>Assets</b>				
Current assets				
Cash and investments	\$ 1,082,288	\$ 1,974,232	\$ 3,056,520	\$ 10,151,934
Receivables				
Accounts	4,886	5,230	10,116	2,272
Accrued interest	4,159	5,443	9,602	23,331
Prepaid items	21,613	22,789	44,402	48,255
Total current assets	<u>1,112,946</u>	<u>2,007,694</u>	<u>3,120,640</u>	<u>10,225,792</u>
Capital assets				
Land	459,247	874,593	1,333,840	1,333,840
Construction in progress	7,465	-	7,465	757,093
Buildings	6,962,740	9,904,487	16,867,227	16,034,174
Improvements other than buildings	211,914	261,390	473,304	473,304
Machinery and equipment	493,528	603,334	1,096,862	1,076,725
Machinery and equipment – leased	3,608	6,669	10,277	-
Total capital assets	<u>8,138,502</u>	<u>11,650,473</u>	<u>19,788,975</u>	<u>19,675,136</u>
Less accumulated depreciation/amortization	<u>(5,057,231)</u>	<u>(5,525,541)</u>	<u>(10,582,772)</u>	<u>(10,049,781)</u>
Net capital assets	<u>3,081,271</u>	<u>6,124,932</u>	<u>9,206,203</u>	<u>9,625,355</u>
<b>Total assets</b>	<u><u>\$ 4,194,217</u></u>	<u><u>\$ 8,132,626</u></u>	<u><u>\$ 12,326,843</u></u>	<u><u>\$ 19,851,147</u></u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	\$ 28,407	\$ 32,685	\$ 61,092	\$ 35,903
Accrued salaries and benefits payable	4,665	4,623	9,288	8,331
Deposits payable	71,613	74,591	146,204	144,122
Due to other governments	37,633	63,597	101,230	98,386
Unearned revenue	1,422	3,771	5,193	4,592
Accrued interest payable	828	61,288	62,116	111,730
Compensated absences payable	4,135	6,227	10,362	7,769
Revenue bonds and notes payable	331,000	420,000	751,000	7,898,000
Leases payable	516	1,251	1,767	-
Total current liabilities	<u>480,219</u>	<u>668,033</u>	<u>1,148,252</u>	<u>8,308,833</u>
Noncurrent liabilities				
Revenue bonds and notes payable (net of unamortized premiums/discounts)	-	6,819,952	6,819,952	7,581,210
Leases payable	-	5,298	5,298	-
Total noncurrent liabilities	<u>-</u>	<u>6,825,250</u>	<u>6,825,250</u>	<u>7,581,210</u>
Total liabilities	<u>480,219</u>	<u>7,493,283</u>	<u>7,973,502</u>	<u>15,890,043</u>
<b>Net position</b>				
Net investment in capital assets	2,749,755	(1,121,569)	1,628,186	1,256,145
Restricted for debt service	49,128	454,639	503,767	551,400
Unrestricted	915,115	1,306,273	2,221,388	2,153,559
Total net position	<u>3,713,998</u>	<u>639,343</u>	<u>4,353,341</u>	<u>3,961,104</u>
<b>Total liabilities and net position</b>	<u><u>\$ 4,194,217</u></u>	<u><u>\$ 8,132,626</u></u>	<u><u>\$ 12,326,843</u></u>	<u><u>\$ 19,851,147</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, 2022  
(With Comparative Totals for the Year Ended December 31, 2021)

	Plymouth Towne Square	Vicksburg Crossing	Totals	
			2022	2021
Operating revenues				
Rental revenue	\$ 809,332	\$ 1,323,916	\$ 2,133,248	\$ 2,068,644
Other	560	8,670	9,230	36,353
Total operating revenues	<u>809,892</u>	<u>1,332,586</u>	<u>2,142,478</u>	<u>2,104,997</u>
Operating expenses				
Personal services	155,716	159,725	315,441	291,652
Materials and supplies	24,681	21,073	45,754	51,096
Contractual services	462,731	481,334	944,065	903,527
Depreciation/amortization	208,596	324,395	532,991	527,407
Total operating expenses	<u>851,724</u>	<u>986,527</u>	<u>1,838,251</u>	<u>1,773,682</u>
Operating income (loss)	(41,832)	346,059	304,227	331,315
Nonoperating revenues (expenses)				
Investment earnings (charges)	(52,832)	(3,705)	(56,537)	(34,738)
Amortization of premium/discount	–	10,258	10,258	20,549
Interest expense and fiscal charges	(6,425)	(164,286)	(170,711)	(402,828)
Total nonoperating revenues (expenses)	<u>(59,257)</u>	<u>(157,733)</u>	<u>(216,990)</u>	<u>(417,017)</u>
Income (loss) before contributions and transfers	(101,089)	188,326	87,237	(85,702)
Capital contributions	–	–	–	718,833
Transfers in	<u>260,000</u>	<u>45,000</u>	<u>305,000</u>	<u>298,000</u>
Changes in net position	158,911	233,326	392,237	931,131
Net position				
Beginning of year	<u>3,555,087</u>	<u>406,017</u>	<u>3,961,104</u>	<u>3,029,973</u>
End of year	<u>\$ 3,713,998</u>	<u>\$ 639,343</u>	<u>\$ 4,353,341</u>	<u>\$ 3,961,104</u>

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HOUSING AND REDEVELOPMENT AUTHORITY  
OF PLYMOUTH, MINNESOTA

Enterprise Funds  
Proprietary Funds  
Statement of Cash Flows  
Year Ended December 31, 2022  
(With Comparative Totals for the Year Ended December 31, 2021)

	Plymouth Towne Square	Vicksburg Crossing	Totals	
			2022	2021
Cash flows from operating activities				
Receipts from customers or users	\$ 806,907	\$ 1,321,180	\$ 2,128,087	\$ 2,074,087
Payments to suppliers	(475,485)	(482,448)	(957,933)	(953,684)
Payments to employees	(153,325)	(158,566)	(311,891)	(291,543)
Other operating revenue	560	8,670	9,230	36,353
Net cash flows from operating activities	<u>178,657</u>	<u>688,836</u>	<u>867,493</u>	<u>865,213</u>
Cash flows from noncapital financing activities				
Transfers in from other funds	260,000	45,000	305,000	298,000
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	(14,866)	(88,696)	(103,562)	(191,294)
Bond and note proceeds received	-	-	-	8,250,844
Principal paid on capital debt	(331,092)	(7,570,120)	(7,901,212)	(1,751,000)
Interest and fiscal charges paid on capital debt	(7,244)	(213,081)	(220,325)	(388,157)
Net cash flows from capital and related financing activities	<u>(353,202)</u>	<u>(7,871,897)</u>	<u>(8,225,099)</u>	<u>5,920,393</u>
Cash flows from investing activities				
Investment earnings and changes in fair value in investments	(37,258)	(5,550)	(42,808)	(51,830)
Net change in cash and cash equivalents	48,197	(7,143,611)	(7,095,414)	3,120,158
Cash and cash equivalents				
Beginning of year	<u>1,034,091</u>	<u>9,117,843</u>	<u>10,151,934</u>	<u>3,120,158</u>
End of year	<u>\$ 1,082,288</u>	<u>\$ 1,974,232</u>	<u>\$ 3,056,520</u>	<u>\$ 10,151,934</u>
Reconciliation of operating income (loss) to net cash flows from operating activities				
Operating income (loss)	\$ (41,832)	\$ 346,059	\$ 304,227	\$ 331,315
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Depreciation/amortization	208,596	324,395	532,991	527,407
Changes in assets and liabilities				
Accounts receivable	(2,619)	(5,225)	(7,844)	(1,286)
Prepaid items	1,903	1,950	3,853	(5,784)
Accounts payable	8,243	16,946	25,189	6,579
Accrued salaries payable	491	466	957	398
Deposits payable	157	1,925	2,082	3,857
Due to other governments	1,781	1,063	2,844	144
Unearned revenue	37	564	601	2,872
Compensated absences payable	1,900	693	2,593	(289)
Total adjustments	<u>220,489</u>	<u>342,777</u>	<u>563,266</u>	<u>533,898</u>
Net cash flows from operating activities	<u>\$ 178,657</u>	<u>\$ 688,836</u>	<u>\$ 867,493</u>	<u>\$ 865,213</u>
Noncash investing, capital and financing activities				
Amortization of premium/discount on capital debt	\$ -	\$ 10,258	\$ 10,258	\$ 20,549
Capital assets acquired through lease purchase	\$ 3,608	\$ 6,669	\$ 10,277	\$ -
Contribution of capital asset from others	\$ -	\$ -	\$ -	\$ 718,833

CITY OF PLYMOUTH

Housing and Redevelopment Authority –  
Housing Choice Vouchers  
Financial Data Schedule  
Balance Sheet  
December 31, 2022

Assets		
Current assets		
111	Cash – unrestricted	\$ 617,770
113	Cash – other restricted	2,250
122	Accounts receivable – HUD projects	58
128	Fraud recovery	<u>11,158</u>
190	Total assets	<u>\$ 631,236</u>
Liabilities		
Current liabilities		
312	Accounts payable <= 90 days	\$ 985
321	Accrued wage/payroll taxes payable	5,056
332	Accounts payable – PHA projects	<u>2,821</u>
300	Total liabilities	<u>8,862</u>
Net position		
511.4	Restricted net position	4,602
512.4	Unrestricted net position	<u>617,772</u>
513	Total net position	<u>622,374</u>
600	Total liabilities, deferred inflows of resources and net position	<u>\$ 631,236</u>

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

CITY OF PLYMOUTH

Housing and Redevelopment Authority –  
Housing Choice Vouchers  
Financial Data Schedule  
Income Statement  
Year Ended December 31, 2022

Revenues		
70600	HUD PHA operating grants	\$ 2,300,657
71100	Investment income – unrestricted	6
71400	Fraud recovery	4,498
71500	Other revenue	<u>1,043,335</u>
70000	Total revenue	<u>3,348,496</u>
Operating expenses		
Administrative		
91100	Administrative salaries	183,347
91200	Auditing fees	10,305
91500	Employee benefit contributions – administrative	64,639
91600	Office expenses	9,846
91900	Other	<u>9,058</u>
91000	Total administrative	<u>277,195</u>
General expenses		
96130	Workmens' compensation	1,006
96140	All other insurance	<u>1,003</u>
96100	Total insurance premium	<u>2,009</u>
Other general expenses		
96200	Other general expenses	<u>22,809</u>
96900	Total operating expenses	<u>302,013</u>
	Excess of revenue over operating expenses	3,046,483
Other expenses		
97300	Housing assistance payments	2,058,921
97350	HAP portability-in	<u>972,431</u>
90000	Total expenses	<u>3,333,365</u>
Other financing sources (uses)		
10020	Transfers out	<u>–</u>
	Excess of operating revenues over total expenses	15,131
Net position		
	Beginning of year	<u>607,243</u>
	End of year	<u><u>\$ 622,374</u></u>
Memo account information		
11170	Administrative fee equity	\$ 617,772
11180	Housing assistance payments equity	<u>4,602</u>
	Total net position	<u><u>\$ 622,374</u></u>
11190	Unit months available	2,655
11210	Number of unit months leased	2,623

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

CITY OF PLYMOUTH

Housing and Redevelopment Authority –  
Mainstream Vouchers  
Financial Data Schedule  
Balance Sheet  
December 31, 2022

Assets

Current assets

113	Cash – other restricted	<u>\$ 58</u>
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Liabilities

Current liabilities

331	Accounts payable – HUD PHA programs	<u>\$ 58</u>
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The notes to the financial data schedule are an integral part of this statement.

CITY OF PLYMOUTH

Housing and Redevelopment Authority –  
Mainstream Vouchers  
Financial Data Schedule  
Income Statement  
Year Ended December 31, 2022

Revenues		
70600 HUD PHA operating grants		\$ 138,585
Operating expenses		
Administrative:		
91600 Office expenses		<u>15,063</u>
96900 Total operating expenses		<u>15,063</u>
Excess of operating revenues over expenditures		123,522
Other expenses		
97300 Housing assistance payments		<u>123,522</u>
90000 Total expenses		<u>138,585</u>
Excess of total revenue over total expenses		–
Net position		
Beginning of year		<u>–</u>
End of year		<u>\$ –</u>
Memo account information		
11190 Unit months available		180
11210 Number of unit months leased		179

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

CITY OF PLYMOUTH

Housing and Redevelopment Authority –  
 State/Local  
 Financial Data Schedule  
 Balance Sheet  
 December 31, 2022

Assets		
Current assets		
111	Cash – unrestricted	\$ 851,142
124	Accounts receivable – other government	208,606
125	Accounts receivable – miscellaneous	3,300
129	Accrued interest receivable	<u>150,994</u>
150	Total current assets	<u>1,214,042</u>
Noncurrent assets		
162	Buildings	1,213,668
166	Accumulated depreciation	(102,599)
171	Notes, loans, and mortgages receivable – noncurrent	<u>1,491,521</u>
180	Total noncurrent assets	<u>2,602,590</u>
190	Total assets	<u><u>\$ 3,816,632</u></u>
Liabilities		
Current liabilities		
312	Accounts payable <= 90 days	\$ 2,329
321	Accrued wage/payroll taxes payable	2,328
345	Other current liabilities	<u>3,700</u>
300	Total liabilities	<u>8,357</u>
Net position		
508.4	Net investment in capital assets	1,111,069
512.4	Unrestricted net position	<u>2,697,206</u>
513	Total net position	<u>3,808,275</u>
600	Total liabilities and net position	<u><u>\$ 3,816,632</u></u>

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

CITY OF PLYMOUTH

Housing and Redevelopment Authority –  
 State/Local  
 Financial Data Schedule  
 Income Statement  
 Year Ended December 31, 2022

Revenues		
71100	Investment income – unrestricted	\$ (3,421)
71500	Other revenue	708,992
70000	Total revenue	<u>705,571</u>
Operating expenses		
Administrative		
91100	Administrative salaries	98,001
91200	Auditing fees	2,425
91500	Employee benefit contributions – administrative	32,085
91600	Office expenses	31,655
91700	Legal expense	2,873
91900	Other	17,954
91000	Total administrative	<u>184,993</u>
Ordinary maintenance and operations		
94300	Contracts	16,085
94000	Total maintenance	<u>16,085</u>
Other general expenses		
96200	Other general expenses	67,344
96000	Total other general expenses	<u>67,344</u>
96900	Total operating expenses	<u>268,422</u>
	Excess of operating revenues over operating expenses	437,149
Other expenses		
97400	Depreciation	31,111
90000	Total expenses	<u>299,533</u>
Other financing sources (uses)		
10020	Operating transfers out	(305,000)
10100	Total other financing sources (uses)	<u>(305,000)</u>
	Excess of total revenue over total expenses	101,038
Net position		
	Beginning of year	<u>3,707,237</u>
	End of year	<u>\$ 3,808,275</u>

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

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CITY OF PLYMOUTH

Housing and Redevelopment Authority –  
 Business Activities  
 Financial Data Schedule  
 Balance Sheet  
 December 31, 2022

Assets

Current assets

111	Cash – unrestricted	\$ 46,435
114	Cash – tenant security deposit	146,922
131	Investments – unrestricted	1,608,396
132	Investments – restricted	503,767
135	Investments – restricted for payment of current liabilities	751,000
125	Accounts receivable – miscellaneous	2,525
126	Accounts receivable – tenants	7,591
129	Accrued interest receivable	9,602
142	Prepaid expenses and other assets	44,402
150	Total current assets	<u>3,120,640</u>

Noncurrent assets

161	Land	1,333,840
162	Buildings	17,340,531
163	Furniture, equipment, and machinery – dwellings	1,066,426
164	Furniture, equipment, and machinery – administration	40,713
166	Accumulated depreciation	(10,582,772)
167	Construction in progress	7,465
180	Total noncurrent assets	<u>9,206,203</u>

190	Total assets	<u><u>\$ 12,326,843</u></u>
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Liabilities

Current liabilities

312	Accounts payable <= 90 days	\$ 61,092
321	Accrued wage/payroll taxes payable	9,288
322	Accrued compensated absences – current portion	10,362
325	Accrued interest payable	62,116
333	Accounts payable – other government	101,230
341	Tenant security deposit	146,204
342	Unearned revenue	5,193
343	Current portion of long-term debt – capital projects and mortgage revenue bonds	752,767
310	Total current liabilities	<u>1,148,252</u>

Noncurrent liabilities

351	Long-term debt, net of current – capital projects and mortgage revenue bonds	6,825,250
300	Total liabilities	<u>7,973,502</u>

Net position

508.4	Net investment in capital assets	1,628,186
511.4	Restricted net position	503,767
512.4	Unrestricted net position	2,221,388
513	Total net position	<u>4,353,341</u>
600	Total liabilities and net position	<u><u>\$ 12,326,843</u></u>

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

CITY OF PLYMOUTH

Housing and Redevelopment Authority –  
 Business Activities  
 Financial Data Schedule  
 Income Statement  
 Year Ended December 31, 2022

Revenues		
70300	Net tenant rental revenue	\$ 2,024,600
70400	Tenant revenue – other	108,648
70500	Total tenant revenue	<u>2,133,248</u>
71100	Investment income – unrestricted	(85,128)
71500	Other revenue	9,230
72000	Investment income – restricted	28,591
70000	Total revenue	<u>2,085,941</u>
Operating expenses		
Administrative		
91100	Administrative salaries	130,960
91200	Auditing fees	2,176
91300	Management fee	117,408
91400	Advertising and marketing	1,124
91500	Employee benefit contributions – administrative	70,177
91600	Office expenses	39,945
91000	Total administrative	<u>361,790</u>
Tenant services		
92400	Other	16,331
Utilities		
93100	Water	52,612
93200	Electricity	69,934
93300	Gas	44,085
93000	Total utilities	<u>166,631</u>
Ordinary maintenance and operations		
94100	Labor	114,046
94200	Materials and other	44,734
94300	Contracts	414,295
94000	Total maintenance and operations	<u>573,075</u>
General expenses		
96110	Property insurance	88,010
Other general expenses		
96300	Payments in lieu of taxes	99,423
Interest expense		
96710	Interest on mortgage (or bonds) payable	170,711
96730	Amortization of bond issue costs	(10,258)
96700	Total interest expense and amortization costs	<u>160,453</u>
96900	Total operating expenses	<u>1,465,713</u>
Excess of operating revenues over operating expenses		620,228

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

CITY OF PLYMOUTH

Housing and Redevelopment Authority –  
 Business Activities  
 Financial Data Schedule  
 Income Statement (continued)  
 Year Ended December 31, 2022

Operating expenses (continued)		
Other expenses		
97400	Depreciation	<u>532,991</u>
90000	Total expenses	<u>1,998,704</u>
Other financing sources (uses)		
10010	Operating transfers in	<u>305,000</u>
10100	Total other financing sources (uses)	<u>305,000</u>
Excess of total revenue over total expenses		392,237
Net position		
Beginning of year		<u>3,961,104</u>
End of year		<u><u>\$ 4,353,341</u></u>
Memo account information		
11020	Required annual debt principal payments	\$ 7,901,212
11190	Unit months available	2,328
11210	Number of unit months leased	2,260

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

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CITY OF PLYMOUTH

Notes to Financial Data Schedules  
December 31, 2022

**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.

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**STATISTICAL SECTION**





## **STATISTICAL SECTION (UNAUDITED)**

This part of the City of Plymouth, Minnesota's (the City) Annual Comprehensive Financial Report (ACFR) presents detailed information as a context for understanding what the information in the financial statements, note 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 has 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 ACFR relates to the services the City provides, and the activities it performs.

Source: Unless otherwise noted, the information in these schedules is derived from the ACFR for the relevant year.

CITY OF PLYMOUTH

Net Position by Component  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 (amounts expressed in thousands)

	Fiscal Year			
	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ 166,354	\$ 188,060	\$ 192,834	\$ 223,538
Restricted	17,234	13,365	24,401	25,313
Unrestricted	83,007	88,808	76,392	59,654
Total governmental activities net position	<u>\$ 266,595</u>	<u>\$ 290,233</u>	<u>\$ 293,627</u>	<u>\$ 308,505</u>
Business-type activities				
Net investment in capital assets	\$ 106,156	\$ 108,738	\$ 109,940	\$ 121,172
Restricted	26,906	27,846	24,095	19,850
Unrestricted	9,382	8,231	9,127	8,249
Total business-type activities net position	<u>\$ 142,444</u>	<u>\$ 144,815</u>	<u>\$ 143,162</u>	<u>\$ 149,271</u>
Primary government				
Net investment in capital assets	\$ 272,510	\$ 296,798	\$ 302,774	\$ 344,710
Restricted	44,140	41,211	48,496	45,163
Unrestricted	92,389	97,039	85,519	67,903
Total primary government net position	<u>\$ 409,039</u>	<u>\$ 435,048</u>	<u>\$ 436,789</u>	<u>\$ 457,776</u>

2017	2018	2019	2020	2021	2022
\$ 224,669	\$ 234,395	\$ 232,592	\$ 243,569	\$ 263,556	\$ 271,492
23,182	25,663	30,035	32,914	24,222	37,866
64,680	67,360	72,592	73,753	82,337	68,897
<u>\$ 312,531</u>	<u>\$ 327,418</u>	<u>\$ 335,219</u>	<u>\$ 350,236</u>	<u>\$ 370,115</u>	<u>\$ 378,255</u>
\$ 130,912	\$ 137,396	\$ 144,608	\$ 153,569	\$ 152,951	\$ 156,847
22,209	20,626	21,911	27,497	30,023	30,471
8,173	10,261	9,834	8,251	9,017	9,250
<u>\$ 161,294</u>	<u>\$ 168,283</u>	<u>\$ 176,353</u>	<u>\$ 189,317</u>	<u>\$ 191,991</u>	<u>\$ 196,568</u>
\$ 355,581	\$ 371,791	\$ 377,200	\$ 397,138	\$ 416,507	\$ 428,339
45,391	46,289	51,946	60,411	54,245	68,337
72,853	77,621	82,426	82,004	91,354	78,147
<u>\$ 473,825</u>	<u>\$ 495,701</u>	<u>\$ 511,572</u>	<u>\$ 539,553</u>	<u>\$ 562,106</u>	<u>\$ 574,823</u>

CITY OF PLYMOUTH

Changes in Net Position  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 (amounts expressed in thousands)

	Fiscal Year			
	2013	2014	2015	2016
<b>Expenses</b>				
<b>Governmental activities</b>				
General government	\$ 4,483	\$ 4,743	\$ 5,836	\$ 7,742
Economic development	345	653	679	724
Parks and recreation	7,987	8,427	8,833	9,216
Public safety	15,311	16,111	16,815	22,203
Public service	4,310	4,131	4,410	4,669
Public works	12,164	12,700	13,610	12,253
Interest and fiscal charges	624	592	553	301
Total governmental activities expenses	<u>45,224</u>	<u>47,357</u>	<u>50,736</u>	<u>57,108</u>
<b>Business-type activities</b>				
Water sewer utility	15,404	15,664	17,384	16,869
Ice center	1,734	1,708	1,717	1,906
Water resources	1,966	1,996	2,751	2,660
Solid waste management	916	922	1,060	1,082
Field house	310	324	284	292
Total business-type activities	<u>20,330</u>	<u>20,614</u>	<u>23,196</u>	<u>22,809</u>
Total primary government expenses	<u>\$ 65,554</u>	<u>\$ 67,971</u>	<u>\$ 73,932</u>	<u>\$ 79,917</u>
<b>Program revenues</b>				
<b>Governmental activities</b>				
<b>Charges for services</b>				
General government	\$ 487	\$ 416	\$ 487	\$ 1,470
Economic development	-	-	-	-
Parks and recreation	1,525	1,599	1,520	1,989
Public safety	4,032	4,516	5,641	4,434
Public service	895	1,007	994	1,019
Public works	1,644	2,833	1,910	2,701
Operating grants and contributions	7,858	9,405	9,393	9,434
Capital grants and contributions	5,525	15,343	9,871	14,970
Total governmental activities program revenues	<u>21,966</u>	<u>35,119</u>	<u>29,816</u>	<u>36,017</u>

	2017	2018	2019	2020	2021	2022
\$	6,596	\$ 6,916	\$ 7,056	\$ 7,632	\$ 6,990	\$ 8,020
	2,178	882	1,783	1,688	3,858	220
	9,206	9,630	10,153	10,188	10,966	14,433
	19,476	19,495	21,211	22,039	26,211	27,662
	5,147	5,431	5,644	5,021	5,319	5,620
	16,642	15,345	30,504	17,782	17,235	17,585
	272	234	198	509	1,294	1,277
	<u>59,517</u>	<u>57,933</u>	<u>76,549</u>	<u>64,859</u>	<u>71,873</u>	<u>74,817</u>
	15,622	16,217	17,889	18,834	19,342	20,415
	1,901	1,974	2,055	1,878	2,139	2,700
	2,303	2,661	2,537	2,702	3,076	3,382
	1,087	1,089	1,222	1,280	1,411	1,511
	287	312	390	360	420	407
	<u>21,200</u>	<u>22,253</u>	<u>24,093</u>	<u>25,054</u>	<u>26,388</u>	<u>28,415</u>
\$	<u>80,717</u>	<u>\$ 80,186</u>	<u>\$ 100,642</u>	<u>\$ 89,913</u>	<u>\$ 98,261</u>	<u>\$ 103,232</u>

\$	1,443	\$ 1,564	\$ 1,591	\$ 1,517	\$ 1,674	\$ 1,711
	–	–	5	27	36	21
	1,534	2,081	1,817	779	1,543	2,391
	4,211	4,428	4,848	3,830	4,213	4,201
	1,055	1,155	1,193	305	195	279
	1,171	1,553	1,918	1,802	1,937	1,716
	10,241	10,795	25,239	12,610	12,849	13,382
	9,268	10,240	6,427	9,205	18,059	10,337
	<u>28,923</u>	<u>31,816</u>	<u>43,038</u>	<u>30,075</u>	<u>40,506</u>	<u>34,038</u>

CITY OF PLYMOUTH

Changes in Net Position  
 Last Ten Fiscal Years (continued)  
 (accrual basis of accounting)  
 (amounts expressed in thousands)

	Fiscal Year			
	2013	2014	2015	2016
Program revenues (continued)				
Business-type activities				
Charges for services				
Water sewer utility	\$ 15,059	\$ 14,354	\$ 15,315	\$ 15,314
Ice center	1,471	1,508	1,603	1,608
Water resources	2,619	2,705	2,816	3,045
Solid waste management	523	498	519	596
Field house	393	378	392	376
Operating grants and contributions	446	327	378	629
Capital grants and contributions	2,417	3,970	1,987	6,200
Total business-type activities program revenues	<u>22,928</u>	<u>23,740</u>	<u>23,010</u>	<u>27,768</u>
Total primary government program revenues	<u>\$ 44,894</u>	<u>\$ 58,859</u>	<u>\$ 52,826</u>	<u>\$ 63,785</u>
Net (expense) revenue				
Governmental activities	\$ (23,258)	\$ (12,238)	\$ (20,920)	\$ (21,091)
Business-type activities	<u>2,598</u>	<u>3,126</u>	<u>(186)</u>	<u>4,959</u>
Total primary government net expense	<u>\$ (20,660)</u>	<u>\$ (9,112)</u>	<u>\$ (21,106)</u>	<u>\$ (16,132)</u>
General revenues and other changes in net position				
Governmental activities				
Property taxes	\$ 29,695	\$ 30,038	\$ 31,108	\$ 32,191
Other taxes	-	-	-	-
Franchise taxes	-	-	2,631	2,164
Unrestricted investment earnings (charges)	(1,594)	3,448	1,644	1,116
Unrestricted grants and contributions	-	-	-	-
Gain on sale of capital assets	91	144	83	39
Other	290	326	432	993
Transfers	(863)	1,920	(299)	(534)
Total governmental activities	<u>27,619</u>	<u>35,876</u>	<u>35,599</u>	<u>35,969</u>
Business-type activities				
Unrestricted investment earnings (charges)	(68)	1,165	676	616
Unrestricted grants and contributions	-	-	-	-
Other	-	-	-	-
Transfers	863	(1,920)	299	534
Total business-type activities	<u>795</u>	<u>(755)</u>	<u>975</u>	<u>1,150</u>
Total primary government	<u>\$ 28,414</u>	<u>\$ 35,121</u>	<u>\$ 36,574</u>	<u>\$ 37,119</u>
Change in net position				
Governmental activities	\$ 4,361	\$ 23,638	\$ 14,679	\$ 14,878
Business-type activities	<u>3,393</u>	<u>2,371</u>	<u>789</u>	<u>6,109</u>
Total primary government	<u>\$ 7,754</u>	<u>\$ 26,009</u>	<u>\$ 15,468</u>	<u>\$ 20,987</u>

	2017	2018	2019	2020	2021	2022
\$	17,019	\$ 17,915	\$ 17,914	\$ 18,706	\$ 20,952	\$ 20,849
	1,537	1,648	1,801	1,294	1,855	2,237
	3,251	3,505	4,089	4,093	4,279	4,759
	764	757	845	950	1,090	1,215
	389	419	400	209	311	360
	262	255	197	200	187	348
	5,208	5,467	2,905	8,140	4,655	3,660
	<u>28,430</u>	<u>29,966</u>	<u>28,151</u>	<u>33,592</u>	<u>33,329</u>	<u>33,428</u>
\$	<u>57,353</u>	\$ <u>61,782</u>	\$ <u>71,189</u>	\$ <u>63,667</u>	\$ <u>73,835</u>	\$ <u>67,466</u>
\$	(30,594)	\$ (26,117)	\$ (33,511)	\$ (34,784)	\$ (31,367)	\$ (40,779)
	7,230	7,713	4,058	8,538	6,941	5,013
\$	<u>(23,364)</u>	\$ <u>(18,404)</u>	\$ <u>(29,453)</u>	\$ <u>(26,246)</u>	\$ <u>(24,426)</u>	\$ <u>(35,766)</u>
\$	33,824	\$ 35,375	\$ 36,925	\$ 40,056	\$ 43,834	\$ 45,664
	–	–	–	52	434	612
	2,211	2,297	2,401	2,537	2,598	2,712
	1,472	1,889	4,384	4,058	(550)	(6,257)
	–	–	–	5,515	–	7,021
	111	122	95	195	176	100
	1,197	868	299	234	298	239
	(4,195)	1,379	(2,792)	(2,846)	4,456	(1,172)
	<u>34,620</u>	<u>41,930</u>	<u>41,312</u>	<u>49,801</u>	<u>51,246</u>	<u>48,919</u>
	598	655	1,220	1,153	189	(1,608)
	–	–	–	427	–	–
	–	–	–	–	–	–
	4,195	(1,379)	2,792	2,846	(4,456)	1,172
	<u>4,793</u>	<u>(724)</u>	<u>4,012</u>	<u>4,426</u>	<u>(4,267)</u>	<u>(436)</u>
\$	<u>39,413</u>	\$ <u>41,206</u>	\$ <u>45,324</u>	\$ <u>54,227</u>	\$ <u>46,979</u>	\$ <u>48,483</u>
\$	4,026	\$ 15,813	\$ 7,801	\$ 15,017	\$ 19,879	\$ 8,140
	12,023	6,989	8,070	12,964	2,674	4,577
\$	<u>16,049</u>	\$ <u>22,802</u>	\$ <u>15,871</u>	\$ <u>27,981</u>	\$ <u>22,553</u>	\$ <u>12,717</u>

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CITY OF PLYMOUTH

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>	<u>Other Taxes</u>	<u>Franchise Taxes</u>	<u>Total Taxes</u>
2013	\$ 29,695	\$ —	\$ —	\$ 29,695
2014	30,038	—	—	30,038
2015	31,108	—	2,631	33,739
2016	32,191	—	2,164	34,355
2017	33,824	—	2,211	36,035
2018	35,375	—	2,297	37,672
2019	36,925	—	2,401	39,326
2020	40,056	52	2,537	42,645
2021	43,834	434	2,598	46,866
2022	45,664	612	2,712	48,988

CITY OF PLYMOUTH

Fund Balances of Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 (amounts expressed in thousands)

	Fiscal Year			
	2013	2014	2015	2016
General Fund				
Nonspendable	\$ 37	\$ 474	\$ 69	\$ 81
Assigned	518	689	180	160
Unassigned	12,234	12,240	14,349	14,836
Total General Fund	<u>\$ 12,789</u>	<u>\$ 13,403</u>	<u>\$ 14,598</u>	<u>\$ 15,077</u>
All other governmental funds				
Nonspendable	\$ 51	\$ 60	\$ 54	\$ 53
Restricted	20,227	16,233	19,065	20,422
Assigned	43,961	48,901	48,915	34,509
Unassigned	-	(542)	-	-
Total all other governmental funds	<u>\$ 64,239</u>	<u>\$ 64,592</u>	<u>\$ 68,034</u>	<u>\$ 54,984</u>
Total all funds	<u>\$ 77,028</u>	<u>\$ 77,995</u>	<u>\$ 82,632</u>	<u>\$ 70,061</u>

2017	2018	2019	2020	2021	2022
\$ 69	\$ 97	\$ 471	\$ 149	\$ 146	\$ 74
57	80	133	58	13	1
15,710	16,509	16,812	17,757	18,623	19,965
<u>\$ 15,836</u>	<u>\$ 16,686</u>	<u>\$ 17,416</u>	<u>\$ 17,964</u>	<u>\$ 18,782</u>	<u>\$ 20,040</u>
\$ 54	\$ 48	\$ 60	\$ 59	\$ 60	\$ 74
17,822	20,048	24,036	60,937	40,122	36,565
39,427	40,283	39,180	42,540	45,054	35,486
—	—	(10,226)	—	—	(1,265)
<u>\$ 57,303</u>	<u>\$ 60,379</u>	<u>\$ 53,050</u>	<u>\$ 103,536</u>	<u>\$ 85,236</u>	<u>\$ 70,860</u>
<u>\$ 73,139</u>	<u>\$ 77,065</u>	<u>\$ 70,466</u>	<u>\$ 121,500</u>	<u>\$ 104,018</u>	<u>\$ 90,900</u>

CITY OF PLYMOUTH

Changes in Fund Balances of Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 (amounts expressed in thousands)

	Fiscal Year			
	2013	2014	2015	2016
<b>Revenues</b>				
Property taxes	\$ 29,721	\$ 30,017	\$ 31,184	\$ 32,100
Special assessments	82	76	36	20
Licenses and permits	4,232	5,078	5,954	4,643
Other taxes	-	-	-	-
Intergovernmental	5,658	13,181	11,569	15,138
Charges for services	4,483	4,840	4,680	6,212
Franchise taxes	-	839	2,631	2,164
Fines and forfeits	683	606	636	444
Contributions	2,178	1,301	3,582	2,157
Investment earnings (charges)	(1,093)	2,525	1,225	853
Loan repayments	7	8	8	8
Other revenue	226	291	389	946
Total revenues	<u>46,177</u>	<u>58,762</u>	<u>61,894</u>	<u>64,685</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	4,579	4,492	5,598	7,348
Economic development	346	673	690	694
Parks and recreation	6,821	7,314	7,624	7,708
Public safety	15,014	15,913	16,720	17,801
Public services	4,139	4,021	4,284	4,545
Public works	5,184	5,353	6,223	4,864
Interest on interfund advances	51	45	56	64
Capital outlay	7,788	23,691	15,773	35,874
<b>Debt service</b>				
Principal retirement	1,320	1,345	1,810	995
Interest and fiscal charges	727	646	601	408
Debt issuance costs	-	-	63	-
Total expenditures	<u>45,969</u>	<u>63,493</u>	<u>59,442</u>	<u>80,301</u>
Excess (deficiency) of revenues over expenditures	208	(4,731)	2,452	(15,616)
<b>Other financing sources (uses)</b>				
Transfers in	12,377	30,790	24,202	27,623
Transfers out	(9,061)	(25,033)	(20,918)	(24,577)
Debt issued	-	-	3,295	-
Premium (discount) on debt	-	-	121	-
Payment on refunded debt	-	-	(4,575)	-
Total other financing sources (uses)	<u>3,316</u>	<u>5,757</u>	<u>2,125</u>	<u>3,046</u>
Net change in fund balances	<u>\$ 3,524</u>	<u>\$ 1,026</u>	<u>\$ 4,577</u>	<u>\$ (12,570)</u>
Debt service as a percentage of noncapital expenditures	<u>5.4%</u>	<u>5.0%</u>	<u>5.5%</u>	<u>3.2%</u>

	2017	2018	2019	2020	2021	2022
\$	33,974	\$ 35,359	\$ 36,925	\$ 39,976	\$ 43,856	\$ 45,620
	32	28	23	46	11	17
	4982	4,583	5,096	4,105	4,096	4,044
	–	–	–	34	289	408
	11,772	10,789	12,492	30,772	19,476	22,264
	5,263	5,801	6,162	4,267	5,214	5,989
	2,211	2,297	2,401	2,537	2,598	2,712
	539	520	539	322	349	315
	2,365	2,603	1,887	1,433	1,614	4,598
	997	1,290	2,955	2,669	(367)	(4,060)
	8	8	9	12	15	16
	1,181	831	262	66	253	210
	<u>63,324</u>	<u>64,109</u>	<u>68,751</u>	<u>86,239</u>	<u>77,404</u>	<u>82,133</u>
	6,391	6,704	6,811	7,306	6,810	7,250
	2,161	903	1,779	1,707	3,887	724
	7,737	8,234	8,515	8,434	9,214	10,303
	18,942	20,096	21,353	22,227	23,128	24,280
	5,016	5,318	5,550	4,917	5,234	5,446
	8,309	6,057	20,780	7,641	5,969	6,548
	54	44	33	22	10	6
	12,020	16,631	13,155	27,426	67,114	47,337
	2,595	1,000	1,050	2,450	930	2,925
	348	288	253	204	934	1,556
	–	–	–	243	154	–
	<u>63,573</u>	<u>65,275</u>	<u>79,279</u>	<u>82,577</u>	<u>123,384</u>	<u>106,375</u>
	(249)	(1,166)	(10,528)	3,662	(45,980)	(24,242)
	25,585	17,801	15,311	28,291	23,259	36,653
	(22,258)	(12,709)	(11,382)	(22,756)	(15,719)	(32,422)
	–	–	–	38,965	19,915	–
	–	–	–	2,872	1,043	–
	–	–	–	–	–	–
	<u>3,327</u>	<u>5,092</u>	<u>3,929</u>	<u>47,372</u>	<u>28,498</u>	<u>4,231</u>
\$	<u>3,078</u>	<u>\$ 3,926</u>	<u>\$ (6,599)</u>	<u>\$ 51,034</u>	<u>\$ (17,482)</u>	<u>\$ (20,011)</u>
	<u>5.8%</u>	<u>2.7%</u>	<u>2.0%</u>	<u>4.8%</u>	<u>3.3%</u>	<u>7.6%</u>

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CITY OF PLYMOUTH

Governmental Funds 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>	<u>Other Taxes</u>	<u>Franchise Taxes</u>	<u>Total Taxes</u>
2013	\$ 29,721	\$ -	\$ -	\$ 29,721
2014	30,017	-	839	30,856
2015	31,184	-	2,631	33,815
2016	32,100	-	2,164	34,264
2017	33,974	-	2,211	36,185
2018	35,359	-	2,297	37,656
2019	36,925	-	2,401	39,326
2020	39,976	34	2,537	42,547
2021	43,856	289	2,598	46,743
2022	45,620	408	2,712	48,740

CITY OF PLYMOUTH

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	Population	Real Property		Personal Property	
		Assessed/Tax Capacity Value Property	Estimated Market Value	Assessed/Tax Capacity Value Property	Estimated Market Value
2013	72,969	\$ 103,542	\$ 8,704,104	\$ 1,219	\$ 61,736
2014	73,633	105,159	8,872,822	1,296	65,587
2015	74,592	112,282	9,510,688	1,378	69,647
2016	75,452	117,851	9,966,663	1,466	71,290
2017	76,882	127,423	10,707,728	1,633	82,544
2018	78,351	134,893	11,258,884	1,799	90,789
2019	79,475	144,761	12,119,522	1,983	99,971
2020	81,026	155,816	12,983,195	2,010	101,377
2021	81,184	165,696	13,745,903	2,132	107,430
2022	80,762	172,009	14,310,041	1,263	63,980

Note 1: See the Schedule of Demographic and Economic Statistics for population data.

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

Source: Hennepin County



Total Real and Personal Property		
Assessed/Tax Capacity Value Property	Estimated Market Value	Total Direct Tax Capacity Rate
\$ 104,761	\$ 8,765,840	29.81
106,455	8,938,409	30.12
113,660	9,580,335	28.38
119,317	10,037,953	27.84
129,056	10,790,272	26.96
136,692	11,349,673	26.80
146,744	12,219,493	26.36
157,826	13,084,572	26.21
167,828	13,853,333	26.51
173,272	14,374,021	27.58

CITY OF PLYMOUTH

Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years

Fiscal Year	City of Plymouth Rates			Overlapping Rates (1)			
	Operating	Housing and Redevelopment Authority	Total City	Hennepin County Operating	Other Districts Operating	School Districts	
		ISD No. 270 Operating	ISD No. 279 Operating				
2013	29.240	0.57	29.81	49.46	10.09	29.73	27.97
2014	29.550	0.57	30.12	49.96	10.56	32.36	29.82
2015	27.850	0.53	28.38	46.40	9.80	30.34	27.16
2016	27.330	0.51	27.84	45.36	9.53	28.51	26.27
2017	26.480	0.48	26.96	44.09	9.33	25.61	26.73
2018	26.340	0.46	26.80	42.81	8.97	29.04	24.92
2019	25.920	0.44	26.36	41.86	8.55	27.02	26.36
2020	25.800	0.41	26.21	41.08	8.22	27.19	22.01
2021	26.120	0.39	26.51	38.21	7.81	26.48	22.12
2022	27.190	0.39	27.58	38.54	5.61	26.78	21.93

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

Source: Hennepin County

Overlapping Rates (1)

School Districts		Watershed Districts			
ISD No. 281 Operating	ISD No. 284 Operating	District No. 2 Operating	District No. 3 Operating	District No. 7 Operating	District No. 8 Operating
32.35	25.24	–	1.77	0.84	0.10
34.78	24.57	–	1.81	0.75	–
33.23	26.25	0.13	1.74	0.78	0.26
33.83	26.11	0.22	1.72	0.90	0.25
31.61	26.29	0.40	1.74	0.90	0.27
31.96	25.46	0.31	1.69	0.88	0.08
26.36	24.83	0.32	1.57	0.87	0.34
26.45	26.68	0.17	1.49	0.85	0.16
25.53	26.91	0.07	1.42	0.79	0.84
26.51	29.30	0.16	1.37	0.89	0.41

CITY OF PLYMOUTH

Principal Property Taxpayers  
 Current Fiscal Year and Nine Years Prior  
 (amounts expressed in thousands)

Taxpayer	2022			2013		
	Net Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value	Net Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value
IRET Properties	\$ 1,240	1	0.72 %	\$ -	-	- %
Pembroke TCM Atria LLC	1,135	2	0.66	-	-	-
TFO Reva Wildamere PCC, LLC	1,126	3	0.65	-	-	-
Weidner Property Management LLC	943	4	0.54	-	-	-
Bigos Management, Inc.	878	5	0.51	492	3	0.47
CenterPoint Energy	834	6	0.48	-	-	-
FSP 505 Waterford Corporation	810	7	0.47	575	2	0.55
Abbott Laboratories Inc.	773	8	0.45	-	-	-
GS Park Place LLC	745	9	0.43	625	1	0.60
AX Waterford LP	699	10	0.40	474	4	0.45
CBC North-South LLC	-	-	-	471	5	0.45
HSRE-WH MOB, LLC	-	-	-	433	6	0.41
Columbia II Rockridge Center, LLC	-	-	-	368	7	0.35
James Campbell Company LLC	-	-	-	367	8	0.35
Inland Real Estate Corporation	-	-	-	364	9	0.35
Investors Warranty of America, LLC	-	-	-	317	10	0.30
<b>Total</b>	<b>\$ 9,183</b>		<b>5.30 %</b>	<b>\$ 4,486</b>		<b>4.28 %</b>

Source: Ehlers

CITY OF PLYMOUTH

Property Tax Levies and Collections  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

Fiscal Year	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 29,185	\$ 29,022	99.44 %	\$ 163	\$ 29,185	100.00 %
2014	29,770	29,601	99.43	169	29,770	100.00
2015	30,365	30,365	100.00	–	30,365	100.00
2016	31,273	31,144	99.59	112	31,256	99.95
2017	32,805	32,657	99.55	148	32,805	100.00
2018	34,347	34,158	99.45	144	34,302	99.87
2019	36,031	35,835	99.46	179	36,014	99.95
2020	38,683	38,201	98.75	455	38,656	99.93
2021	41,921	41,796	99.70	59	41,855	99.84
2022	44,273	43,710	98.73	–	43,710	98.73

CITY OF PLYMOUTH

Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years  
 (amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities				Business-Type Activities
	General Obligation Bonds	Tax Increment Bonds	Finance Purchases	Leases	Water Revenue Bonds
2013	\$ 15,576	\$ 3,163	\$ -	\$ -	\$ 11,073
2014	14,420	2,938	-	-	5,127
2015	12,494	1,852	-	-	4,176
2016	11,586	1,685	-	-	3,210
2017	9,144	1,493	-	-	2,214
2018	8,303	1,292	-	-	1,193
2019	7,433	1,070	296	-	-
2020	46,976	833	222	-	-
2021	67,068	572	148	-	-
2022	64,132	295	134	635	-

(1) See Demographic and Economic Statistics schedule for population and personal income information.

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

	Total Primary Government	Per Capita (1)	Percentage of Personal Income (1)	
\$	29,812	\$ 409	0.85	%
	22,485	305	0.65	
	18,522	248	0.54	
	16,481	218	0.46	
	12,851	167	0.34	
	10,788	138	0.27	
	8,799	111	0.20	
	48,031	593	1.05	
	67,788	835	1.43	
	65,196	807	1.30	

CITY OF PLYMOUTH

Ratios of General Bonded Debt Outstanding  
 Last Ten Fiscal Years  
 (amounts expressed in thousands, except per capita amount)

<u>Fiscal Year December 31,</u>	<u>General Obligation Bonds</u>	<u>Finance Purchases and Leases</u>	<u>Less Amounts Available in Debt Service Fund (2)</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property (1)</u>	<u>Per Capita (1)</u>
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	219
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	296	2,251	6,548	0.05	82
2020	47,809	222	2,433	45,598	0.35	563
2021	67,640	148	3,686	64,102	0.46	790
2022	64,427	769	4,152	61,044	0.42	756

(1) See the Schedule of Assessed Value Tax Capacity Value and Estimated Market Value for property and data 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 government-wide statements, due to conversion for full accrual accounting.

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



CITY OF PLYMOUTH

Direct and Overlapping Governmental Activities Debt  
 December 31, 2022  
 (amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Overlapping debt			
Hennepin County	\$ 1,018,886	7.2 %	\$ 73,665
ISD No. 270, Hopkins	151,301	3.4	5,129
ISD No. 279, Osseo	132,949	9.0	11,952
ISD No. 281, Robbinsdale	188,583	22.7	42,771
ISD No. 284, Wayzata	196,032	56.9	111,621
Metropolitan Council	83,059	3.9	3,264
Three Rivers Park District	47,651	10.0	4,779
Hennepin County Regional Railroad	85,465	7.2	6,179
Total overlapping debt			259,360
Direct debt			
City of Plymouth direct debt			57,780
Total direct and overlapping debt			\$ 317,140

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

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt 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.

Source: Hennepin County

CITY OF PLYMOUTH

Legal Debt Margin Information  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

	2013	2014	2015	Fiscal Year 2016
Debt limit	\$ 268,152	\$ 287,410	\$ 301,229	\$ 323,708
Total net debt applicable to the limit	<u>32,791</u>	<u>31,234</u>	<u>23,890</u>	<u>21,937</u>
Legal debt margin	<u>\$ 235,361</u>	<u>\$ 256,176</u>	<u>\$ 277,339</u>	<u>\$ 301,771</u>
Total net debt applicable to the limit as a percentage of debt limit	12.23%	10.87%	7.93%	6.78%

Note: Under State of Minnesota law, the City'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.

2017	2018	2019	2020	2021	2022
\$ 340,490	\$ 366,585	\$ 392,537	\$ 415,600	\$ 415,600	\$ 431,221
18,922	16,941	15,202	50,522	74,004	57,738
<u>\$ 321,568</u>	<u>\$ 349,644</u>	<u>\$ 377,335</u>	<u>\$ 365,078</u>	<u>\$ 341,596</u>	<u>\$ 373,483</u>
5.56%	4.62%	3.87%	12.16%	17.81%	13.39%

Legal Debt Margin Calculations for Fiscal Year 2022

Market value	\$ 14,374,021
Debt limit (3% of market value)	431,221
Debt applicable to the limit	60,550
Less amount set aside for related debt repayment	<u>(2,812)</u>
Total net debt applicable to limit	<u>57,738</u>
Legal debt margin	<u>\$ 373,483</u>

CITY OF PLYMOUTH

Pledged Revenue Coverage  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

Fiscal Year Ended December 31	Water Revenue Bonds							Coverage
	Water-Sewer		Less Operating Expenses	Net Available Revenue	Debt Service			
	Utility Gross Revenues				Principal	Interest		
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	
2020	–	–	–	–	–		–	
2021	–	–	–	–	–		–	
2022	–	–	–	–	–		–	

Note 1: Details regarding the government’s outstanding debt can be found in the notes to the financial statements.

Note 2: Gross revenue includes operating revenue, investment income and nonoperating revenues exclusive of connection fees plus operating transfers in for other funds’ share of debt service requirements.

Note 3: Operating expenses include personal services, materials and supplies, and contractual services.

CITY OF PLYMOUTH

Demographic and Economic Statistics  
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (In Thousands)	Per Capita Personal Income (2)	School Enrollment (3)	Unemployment Rate (1)
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
2020	81,026	4,569,866	56,400	53,201	3.5
2021	81,184	4,754,297	58,562	51,985	1.9
2022	80,762	5,029,050	62,270	51,312	2.3

(1) Minnesota Department of Employment and Economic Development.

(2) Metropolitan Council.

(3) School district boundaries do not conform to city boundaries; enrollment totals include students from surrounding communities.

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CITY OF PLYMOUTH

Principal Employers  
Current Fiscal Year and Nine Years Prior

Taxpayer	2022			2013		
	Employees	Rank	Percentage of Total Plymouth Employment	Employees	Rank	Percentage of Total Plymouth Employment
Zayo Group	2,000	1	2.5 %	–	–	– %
ISD No. 284, Wayzata	1,857	2	2.3	1,505	1	3.1
Medtronic	1,001	3	1.2	–	–	–
Huntington Bank	1,000	4	1.2	–	–	–
U.S. Foods	700	5	0.9	500	6	1.0
Meritain Health	600	6	0.7	–	–	–
City of Plymouth	515	7	0.6	–	–	–
Sterilmed, Inc	500	8	0.6	–	–	–
ICU Medical	420	9	0.5	–	–	–
Life Time Fitness	325	10	0.4	–	–	–
EV3, Inc.	–	–	–	875	2	1.8
Boston Scientific	–	–	–	625	3	1.3
Prudential Insurance Company	–	–	–	598	4	1.2
Honeywell International	–	–	–	525	5	1.1
Nilfisk-Advance, Inc.	–	–	–	500	6	1.0
Allied Interstate	–	–	–	475	8	1.0
Aimia	–	–	–	450	9	0.9
Miracle Ear, Inc.	–	–	–	450	9	0.9
Total	<u>8,918</u>		<u>11.0 %</u>	<u>6,503</u>		<u>13.5 %</u>

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

Source: Ehlers

CITY OF PLYMOUTH

Full-Time Equivalent City Government Employees by Function  
Last Ten Fiscal Years

	Fiscal Year			
	2013	2014	2015	2016
General government				
Administration	8	8	12	12
Assessing	7	–	–	–
Finance	12	11	9	9
Inspection	11	11	12	12
Planning	11	12	12	12
Information technology	6	6	6	6
Economic development				
Administration	–	–	–	–
Parks and recreation				
Administration	9	9	10	10
Park maintenance	19	20	22	23
Plymouth Community Center	5	5	5	5
Ice center	5	5	4	4
Public safety				
Police administration	67	71	71	73
Police and fire – civilian	17	17	13	16
Full-time firefighters	6	6	6	7
Public works				
Engineering	9	11	11	11
Streets	13	15	16	14
Central equipment	6	6	5	7
Recycling administration	1	1	1	1
Risk management	1	1	1	1
Building management	2	2	2	1
Public service				
Housing and development	2	2	2	2
Sewer/water	24	25	22	24
Transit	1	–	–	1
	<u>242</u>	<u>244</u>	<u>242</u>	<u>251</u>
Total employees	<u>242</u>	<u>244</u>	<u>242</u>	<u>251</u>

Source: City's Human Resources Department



<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
12	12	12	13	15	14
-	-	-	-	-	-
8	8	8	8	9	9
11	10	9	9	9	10
12	12	12	11	13	13
6	6	6	6	5	6
1	1	1	1	-	-
10	10	11	11	14	12
22	23	23	23	26	24
5	5	5	6	7	7
4	4	4	5	5	5
78	80	76	80	78	71
14	15	17	19	20	25
12	14	21	22	24	28
9	7	9	11	12	6
15	15	18	17	16	18
6	6	8	8	6	5
-	-	-	-	-	-
1	1	1	1	1	1
1	2	2	1	3	3
2	2	2	2	-	-
22	23	22	25	25	33
<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<u><u>252</u></u>	<u><u>257</u></u>	<u><u>268</u></u>	<u><u>280</u></u>	<u><u>289</u></u>	<u><u>291</u></u>

CITY OF PLYMOUTH

Operating Indicators by Function  
Last Ten Years

Function/Program	Fiscal Year			
	2013	2014	2015	2016
<b>Police</b>				
Medical calls	3,564	3,765	3,892	4,043
Traffic incidents	16,161	14,473	14,186	10,965
Citations	11,712	10,140	11,580	7,113
Other	12,831	13,982	15,063	20,477
<b>Fire</b>				
Inspections	1,070	1,191	1,488	1,305
<b>Fire calls</b>				
Fire	123	165	182	203
Pressure rupture/explosion	11	5	11	6
Rescue and EMS	208	235	222	234
Hazardous condition	185	128	129	129
Service calls	146	165	115	159
Good intent	378	381	386	394
False alarm/call	452	440	433	367
Severe weather	1	2	2	-
Special incidents	-	-	-	1
Other	-	-	-	-
<b>Inspections</b>				
Permit-related	17,750	20,370	23,468	21,098
Nonpermit-related	2,564	2,595	2,244	2,005
<b>Recreation</b>				
Hours of ice time	6,784	6,889	6,902	6,713
Number of programs	2,146	2,113	2,150	2,191
Plymouth Community Center rentals	4,086	4,204	4,081	3,998
<b>Water</b>				
Gallons of water production (in thousands)	3,198,740	2,898,520	2,925,520	2,944,140
Watermain breaks	35	39	35	35
<b>Public works</b>				
Snowplowing hours	2,786	1,682	1,749	1,872

Source: Various city departments

2017	2018	2019	2020	2021	2022
4,267	4,339	4,620	4,509	4,956	5,257
15,951	16,638	17,788	10,393	10,695	10,219
9,659	8,606	10,401	6,113	5,146	4,090
17,688	16,267	16,756	21,326	22,517	26,019
1,112	874	775	668	579	750
193	185	192	160	189	164
7	7	2	4	6	1
341	323	514	932	1,332	1,781
135	192	178	158	181	188
227	240	286	401	471	409
336	441	415	466	579	677
410	443	424	423	452	495
1	1	1	5	–	1
1	2	1	–	3	6
–	–	–	65	54	68
21,433	21,639	22,311	20,808	20,876	19,125
1,874	1,855	2,127	1,460	1,644	1,859
6,235	8,882	8,330	5,717	8,921	7,508
1,615	2,085	1,741	1,170	2,035	2,493
3,567	3,779	3,906	1,537	1,274	1,305
3,006,304	2,982,075	2,667,870	3,210,000	3,585,425	3,395,310
39	35	34	37	57	41
4,008	6,078	3,580	5,803	2,760	3,443

CITY OF PLYMOUTH

Capital Assets Statistics by Function/Program  
Last Ten Years

Function/Program	Fiscal Year			
	2013	2014	2015	2016
<b>Public safety</b>				
Police				
Stations	1	1	1	1
Patrol units	17	19	21	21
Fire stations	3	3	3	3
<b>Public works</b>				
Trunk highways (miles)	20	20	20	20
Paved – county (miles)	26	26	26	26
Other streets and alleys (miles)	300	305	310	313
Sidewalks (miles)	12	12	17	17
Streetlights	3,133	3,181	3,219	3,322
<b>Parks and recreation</b>				
Acreage	1,688	1,691	1,670	1,672
Parks, natural areas, and open space	52	54	65	75
Trails (miles)	145	145	158	164
Community center	1	1	1	1
<b>Water</b>				
Water mains (miles)	369	373	381	385
Fire hydrants				
Private	1,579	1,588	1,599	1,610
Public	4,638	4,703	4,700	4,700
<b>Wastewater</b>				
Sanitary sewer (miles)	325	328	334	338
Storm sewer	146	150	157	162

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

Source: Various city departments

2017	2018	2019	2020	2021	2022
1	1	1	1	1	1
23	22	22	21	21	21
3	3	3	3	3	3
20	20	20	20	20	20
26	26	26	26	26	26
320	323	324	325	325	332
17	20	20	20	21	20
3,313	3,309	3,402	3,426	3,426	3,425
1,728	1,735	1,855	1,855	1,827	1,827
79	81	86	86	84	84
168	172	174	175	175	177
1	1	1	1	1	1
389	390	393	396	397	401
1,618	1,624	1,649	1,657	1,667	1,675
4,957	4,991	5,019	5,060	5,077	5,137
342	344	345	347	348	350
168	170	174	177	179	184

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