



Adding Quality to Life



City of Plymouth, Minnesota
Comprehensive Annual Financial Report
For the Year Ended December 31, 2010

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

**For The Year Ended
December 31, 2010**

Laurie Ahrens – City Manager

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

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

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 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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June 30, 2011

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

Minnesota Statutes require all cities to prepare and issue an annual report on their financial position and activity in accordance with U.S. Generally Accepted Accounting Principles (GAAP), and audited in accordance with U.S. Generally Accepted Auditing Standards by a firm of licensed certified public accountants, or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Plymouth for the fiscal year ended December 31, 2010.

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

The City of Plymouth's financial statements were audited by Malloy, Montague, Karnowski, Radosevich, & Co., P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended December 31, 2010, 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 unqualified opinion that the City of Plymouth's financial statements for the fiscal year ended December 31, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Reporting Entity

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

Profile of the Government

The City of Plymouth, incorporated in 1955, is a suburban community located northwest of Minneapolis in Hennepin County. The City has a land area of 35 square miles and serves a population of approximately 71,000 residents. Plymouth is currently the 7th largest city in the state. The city has excellent access to the Minneapolis-St. Paul metropolitan area via interstate highways I-494 and I-394, US Highway 169 and Minnesota State Highway 55.

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

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

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

Economic Condition and Outlook

The city grew substantially during the 1980s and 1990s, increasing by 61%. Plymouth's population increased another 29.5% from 1990 to 2000 and for 2010 is 70,576. The key relationship between development and the budget is our ability to generate sufficient funds to deliver appropriate public services.

The city continued a progressive and sound financial program throughout 2010, while providing core services as well as services that are intended to enhance quality of life. Community surveys and national publications rate Plymouth's services at a very high level.

In 2009, the city produced its second biennial budget covering fiscal years 2010-2011. This important document required significant planning and scenario-building to ensure a workable operating budget under changing economic conditions. In July of 2010, the city reviewed and updated the second year (2011) of this document following the outcomes of legislative adjustments, levy limit calculation, and review of revenue and expenditure pattern for the most recent activity trends.

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

The payable 2010 total market value of the City was \$9,596,087,900, a decrease of \$463,901,700 from 2009. The decrease in total market value between payable 2009 and payable 2010 was 4.6%, trending less than other similar communities.

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

Source: Metropolitan Council

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

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

Important Events and Future Prospects

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

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

The City Council, recognizing the long-term importance of safe and functioning public infrastructure, completed analysis of the utility funds in 2010. In addition to reviewing the water and sewer rate structure, a comprehensive review of street lighting was completed. A revised street reconstruction program was also launched in 2010 to further preserve and lengthen the life of existing streets, water main, sanitary sewer, and storm sewer infrastructure.

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

Accounting System and Budgetary Control

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

Independent Audit

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

Awards and Acknowledgements

GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Plymouth for its Comprehensive Annual Financial Report for the year ended December 31, 2009. This was the 28th consecutive year that the City of Plymouth has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. The report must satisfy GAAP requirements and applicable legal requirements.

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

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

Respectfully submitted,



Jodi Bursheim
Finance Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Plymouth
Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



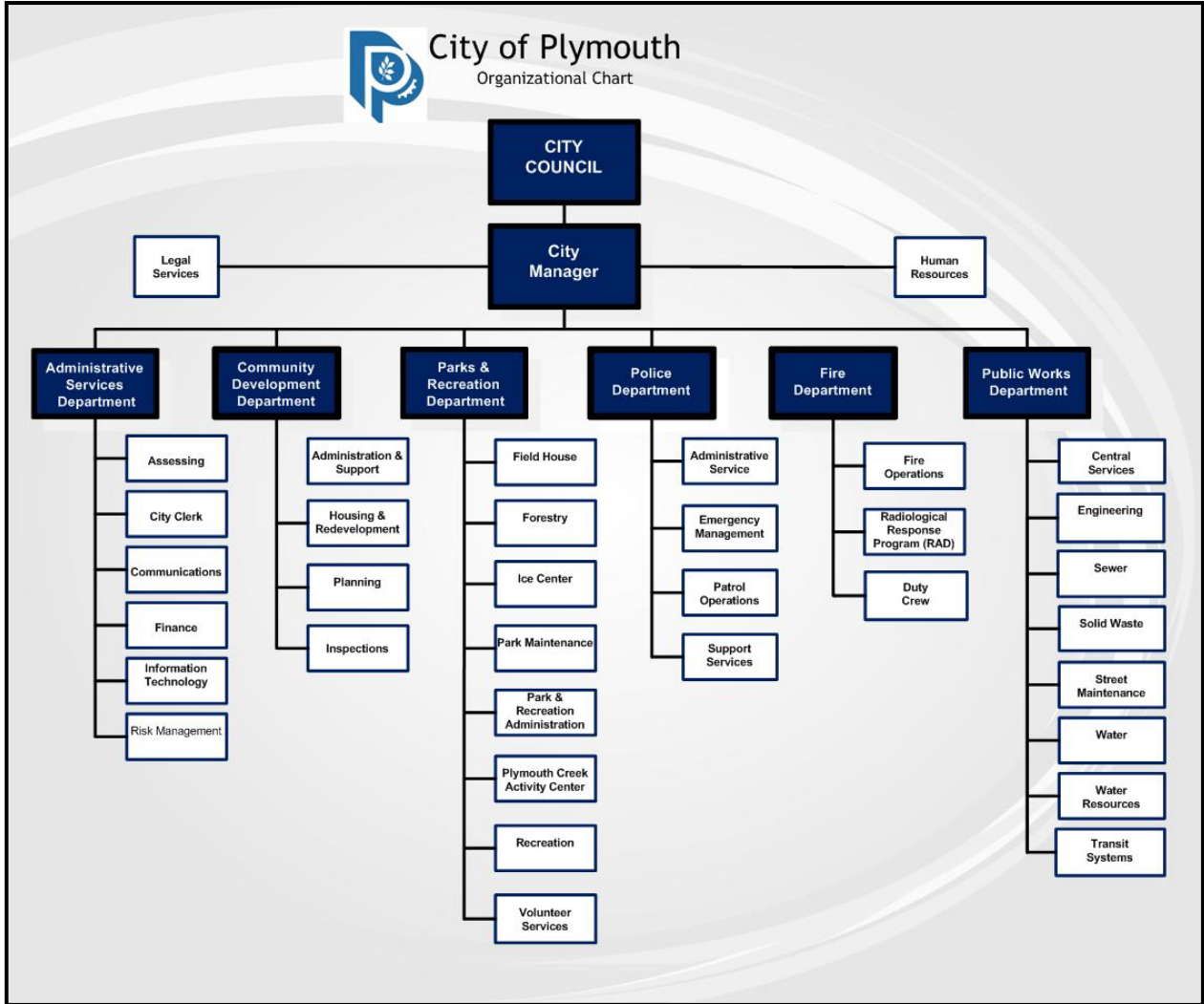
A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

CITY OF PLYMOUTH ORGANIZATIONAL CHART



**City of Plymouth
LISTING OF CITY OFFICIALS
at December 31, 2010**

Elected Officials

	<u>Ward</u>	<u>Term of Office</u>	<u>Term Expires</u>
Mayor Kelli Slavik		Four Years	12-31-10
Councilmember Judy Johnson	1	Four Years	12-31-12
Councilmember Kathleen Murdock	2	Four Years	12-31-10
Councilmember Bob Stein	3	Four Years	12-31-12
Councilmember Ginny Black	4	Four Years	12-31-10
Councilmember Tim Bildsoe	At-Large	Four Years	12-31-10
Councilmember Jim Willis	At-Large	Four Years	12-31-12

City Officials and Department Directors

City Manager	Laurie Ahrens
Director of Administrative Services and City Treasurer	Calvin Portner
Director of Community Development	Steve Juetten
Director of Parks and Recreation	Eric Blank
Director of Public Works	Doran Cote
Police Chief	Mike Goldstein
Fire Chief	Rick Kline
City Clerk	Sandy Engdahl
City Attorney	Roger Knutson
City Assessor	Janene Hebert

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PRINCIPALS

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

INDEPENDENT AUDITOR'S REPORT

To the City Council and Residents
City of Plymouth, Minnesota

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 (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year partial comparative information presented has been derived from the City's financial statements for the year ended December 31, 2009, and in our report dated June 10, 2010, we expressed unqualified 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.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes 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, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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, 2010, and the respective changes in financial position and cash flows, where applicable thereof, and the respective budgetary comparison for the General Fund and the major special revenue funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The financial statements include prior year partial comparative information. Such information does not include all of the information required in a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2009, from which such partial information was derived.

(continued)

In accordance with *Government Auditing Standards*, we have also issued a report dated June 8, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and the required supplementary information, which follows the notes to basic financial statements, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The introductory section, supplementary information, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on them.

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

June 8, 2011

City of Plymouth, Minnesota
For the Year Ended December 31, 2010
Management's Discussion and Analysis

As management of the City of Plymouth, we offer readers of the City of Plymouth's financial statements this narrative overview and analysis of the financial activities of the City of Plymouth for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v-viii of this report.

Financial Highlights

- At year-end 2010, the City of Plymouth's assets exceeded its liabilities by \$367.6 million (*net assets*). Net assets consisted of:
 - \$26.6 million (7.2% of total net assets) restricted for specific purposes
 - \$247.7 million (67.4% of total net assets) represent the City's investment in long-term assets (including roads, bridges and other infrastructure assets) net of long-term debt used to finance these assets
 - \$93.3 million (25.4% of total net assets) are unrestricted and are available to meet the City's obligations consistent with City policy, legislative intent and direction of the City Council.

- Governmental activities recognized an increase in net assets of \$5.0 million and business-type activities resulted in a decrease of \$717 thousand. Transfers to fund construction projects within governmental activities contributed to the overall loss in the business-type activities. Overall, the City's net assets increased by \$4.3 million in 2010. The majority of the increase is due to grant revenue and timing of associated expenses. Special assessment revenue increased this year due to timing of project completion. Cost savings from a bond retirement contributed to the increase; as well as decreased personnel costs due to attrition.

- The City's governmental funds reported combined ending fund balances of approximately \$60.5 million. Unlike net assets, which measure all of the City's assets less all of the City's liabilities, governmental fund balance measures only currently available, spendable resources. Approximately \$13.4 million, or 22.2%, of total governmental fund balances are reserved for specific purposes such as construction of long-term assets or debt service.

- The City's main operating fund, the General Fund, reported a year-end balance of approximately \$11.8 million. The General Fund's balance represents approximately 40% of annual budgeted spending in this fund. Fund balance in the General Fund increased \$105 thousand during the year.

- The City's total governmental activity bonded debt decreased by approximately \$2.9 million, or 13.7% from the prior-year. This debt represents a very modest ratio of only 7.6% of governmental net assets. As mentioned above, the City reserves governmental fund balances for debt service. The City's restricted resources for governmental debt service are approximately \$3.0 million which represents approximately 16.5% of governmental debt outstanding at year-end. The City's business-type activity bonded debt decreased \$785 thousand. Net revenues of the Water Sewer Utility are pledged for the debt service of the business-type activities.

Overview of the Financial Statements

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

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

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

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

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

The government-wide financial statements can be found on pages 12-14 of this report.

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

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

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

The governmental fund statements are on pages 15-23 of this report.

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

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

Proprietary fund statements are on pages 24-33 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 34 - 58 of this report.

Government-wide Financial Analysis

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Plymouth, assets exceeded liabilities by approximately \$367.6 million at the end of fiscal year 2010. A portion of the City of Plymouth's net assets (67.4%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Plymouth uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Plymouth's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Plymouth, Minnesota						
Net Assets						
<i>(amounts in thousands of dollars)</i>						
	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Assets:						
Current and other assets	\$ 93,243	\$ 92,528	\$ 35,385	\$ 35,777	\$ 128,628	\$ 128,305
Capital assets net of accumulated depreciation	173,921	171,402	100,515	101,757	274,436	273,159
Total assets	<u>\$ 267,164</u>	<u>\$ 263,930</u>	<u>\$ 135,900</u>	<u>\$ 137,534</u>	<u>\$ 403,064</u>	<u>\$ 401,464</u>
Liabilities:						
Current and other liabilities	\$ 4,675	\$ 11,412	\$ 1,011	\$ 1,928	\$ 5,686	\$ 13,340
Long-term liabilities	21,402	16,426	8,344	8,344	29,746	24,770
Total liabilities	<u>26,077</u>	<u>27,838</u>	<u>9,355</u>	<u>10,272</u>	<u>35,432</u>	<u>38,110</u>
Net Assets:						
Invested in capital assets net of related debt	155,551	154,183	92,171	92,630	247,722	246,813
Restricted net assets	5,744	5,615	20,833	18,876	26,577	24,491
Unrestricted net assets	79,792	76,294	13,541	15,756	93,333	92,050
Total net assets	<u>241,087</u>	<u>236,092</u>	<u>126,545</u>	<u>127,262</u>	<u>367,632</u>	<u>363,354</u>
Total liabilities and net assets	<u>\$ 267,164</u>	<u>\$ 263,930</u>	<u>\$ 135,900</u>	<u>\$ 137,534</u>	<u>\$ 403,064</u>	<u>\$ 401,464</u>

A portion of the City of Plymouth’s net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$93 million) may be used to meet the government’s ongoing obligations to citizens and creditors.

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

- **Governmental activities** – Governmental activities increased the City of Plymouth’s net assets by approximately \$5.0 million or 2.1%. The majority of the increase is due to grant revenue and timing of associated expenses. Special assessment revenue increased this year due to timing of project completion. Cost savings from a bond retirement contributed to the increase; as well as decreased personnel costs due to attrition.
- **Business-type activities** – The net assets of business-type activities decreased by \$717 thousand. Transfers to fund construction projects within governmental activities were the major contributor to the overall loss in the business-type activities. Other factors included reduced revenue from investment earnings due to a conservative investment approach that was maintained in 2010 to limit risk in volatile market conditions; as well as lower consumption in water and sewer due to a less dry summer.

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

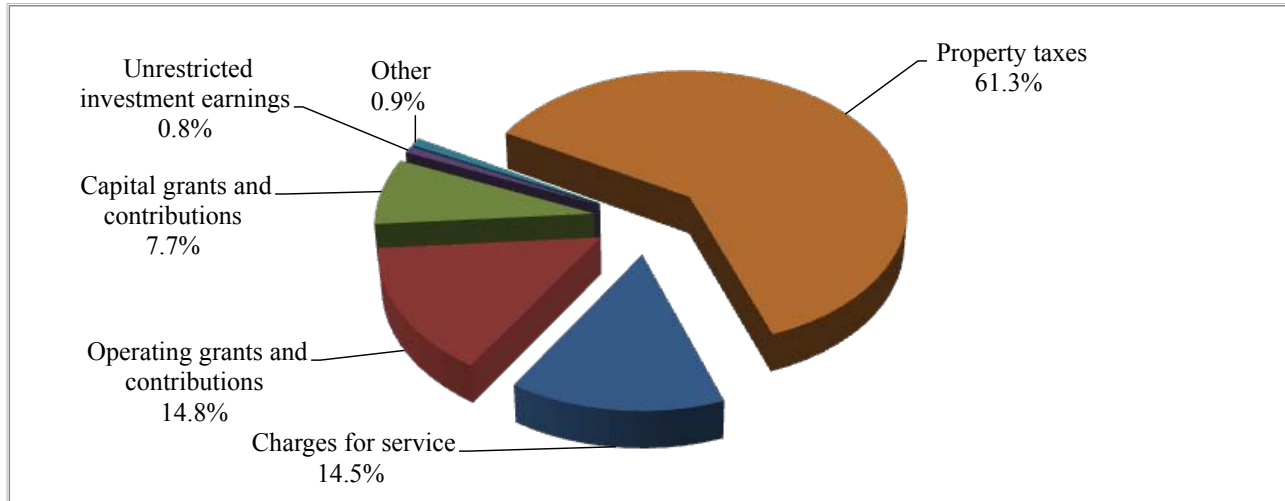
City of Plymouth, Minnesota
Changes in Net Assets
(amounts in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for service	\$ 6,778	\$ 5,406	\$ 18,021	\$ 17,817	\$ 24,799	\$ 23,223
Operating grants and contributions	6,910	7,118	1,087	236	7,997	7,354
Capital grants and contributions	3,578	2,138	778	589	4,356	2,727
General revenues:						
Property taxes	28,581	29,058	-	-	28,581	29,058
Unrestricted investment earnings	362	732	366	571	728	1,303
Gain on disposal of capital assets	81	102	-	-	81	102
Other	348	195	21	85	369	280
Total revenues	<u>46,638</u>	<u>44,749</u>	<u>20,273</u>	<u>19,298</u>	<u>66,911</u>	<u>64,047</u>
Expenses:						
General government	4,733	4,979	-	-	4,733	4,979
Economic development	226	-	-	-	226	-
Parks and recreation	7,977	7,498	-	-	7,977	7,498
Public safety	14,296	14,214	-	-	14,296	14,214
Public service	5,102	4,323	-	-	5,102	4,323
Public works	10,615	10,876	-	-	10,615	10,876
Water and sewer utility	-	-	14,234	14,789	14,234	14,789
Ice center	-	-	1,669	1,623	1,669	1,623
Solid waste management	-	-	1,049	943	1,049	943
Water resource management	-	-	1,829	2,087	1,829	2,087
Field house	-	-	255	293	255	293
Interest on long-term debt	648	757	-	-	648	757
Total expenses	<u>43,597</u>	<u>42,647</u>	<u>19,036</u>	<u>19,735</u>	<u>62,633</u>	<u>62,382</u>
Change in Net Assets Before Transfers	3,041	2,102	1,237	(437)	4,278	1,665
Transfers in (out)	1,954	(485)	(1,954)	485	-	-
Change in Net Assets	<u>4,995</u>	<u>1,617</u>	<u>(717)</u>	<u>48</u>	<u>4,278</u>	<u>1,665</u>
Net Assets at Beginning of Year	<u>236,092</u>	<u>234,475</u>	<u>127,262</u>	<u>127,214</u>	<u>363,354</u>	<u>361,689</u>
Net Assets at End of Year	<u>\$241,087</u>	<u>\$236,092</u>	<u>\$126,545</u>	<u>\$127,262</u>	<u>\$367,632</u>	<u>\$363,354</u>

Governmental Activities:

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

Revenue Sources – Governmental Activities



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

Business-type Activities

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

The City’s business-type activities are capital intensive. The City’s investment in capital assets (net of accumulated depreciation) of its business activities totaled approximately \$100.5 million in 2010. Capital (fixed) assets represented approximately 74.0% of total business-type assets.

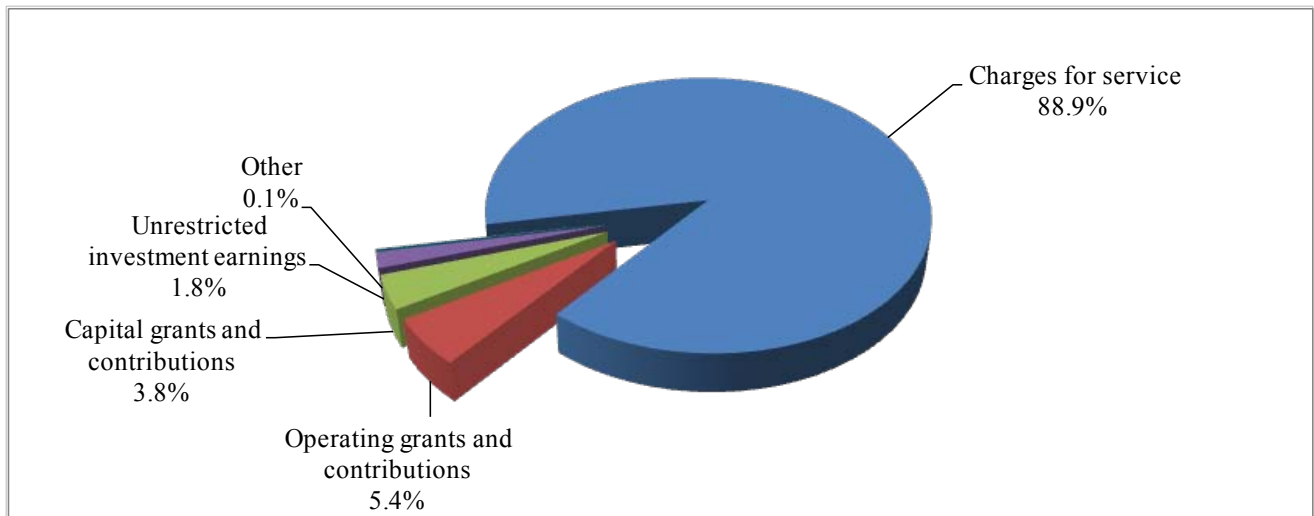
The principal challenge for the City’s business activities is financing the replacement, maintenance, and expansion of their capital assets (asset maintenance). The City of Plymouth combines operating and non-operating sources (primarily area-wide assessments) to finance its investment in business-type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

Operating income starts with revenues generated by charges for sales and service. As of December 31, 2010, there were 21,175 water and/or sewer customers. The water and sewer utility sales represented approximately 71.9% of total business-type charges for service revenue in 2010. Operating income alone is not sufficient to provide for the replacement, maintenance and expansion of the City’s business-type capital assets. Depreciation allocates the cost of capital assets over their estimated useful lives; it approximates the amount of capital assets “used-up” during the year. The City’s business-type activities generate positive operating income before depreciation, although it is not enough to fully offset or fund depreciation on capital assets.

In 2010, the City reported positive operating income before depreciation of approximately \$3.4 million. After depreciation, the City reported an operating loss of approximately \$630 thousand. Including non-operating income, the City’s business-type activities resulted in an overall net loss (decrease in net assets) of approximately \$717 thousand for 2010. Significant non-operating revenues in 2010 included grant revenue from other governmental agencies of \$1.1 million, area-wide assessments of \$699 thousand, investment

income of \$366 thousand, and capital contributions of \$780 thousand. The following chart illustrates the City's revenue sources for its business-type activities:

Revenue Sources – Business-type Activities



Financial Analysis of the City of Plymouth's Funds

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

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

General Fund-

- The fund balance of the General Fund is the City's principal liquidity reserve.
- The City Council has adopted a long-range financial plan to provide adequate operating cash for future years. The goal is to maintain a fund balance of approximately 40% of the General Fund expenditure budget. The City met this goal in 2010; the fund balance at year-end was \$11.8 million, or 40% of 2010 budgeted expenditures and transfers out.

Transit Fund-

- In the Transit Fund, the fund balance increased by \$22.2 thousand. This increase is primarily due to cost saving measures to create more efficiency within the program. Revenue was less than budgeted due to a lower than anticipated increase in ridership, so spending was adjusted accordingly. While the comparison of to prior-year revenues reflect a dramatic decline, the decrease is deceiving as 2009 revenues were inflated by deferred 2008 revenue that was not received within the first 60 days of year-end, resulting in recognition in 2009.

CDBG Fund-

- The fund balance in the CDBG fund increased by \$37.3 thousand. Expenditures are reimbursed by HUD. The CDBG program year (July 1) and the city's fiscal year (Jan. 1) are on different schedules accounting for revenue and expenditure variances. Revenue exceeded projections due to current year receipts for last year's expenditures.

Improvement Projects Fund-

- The fund balance increased in the Improvement Projects Fund by \$2.4 million during the year. This increase is due to approved transfers in for construction of streets and other infrastructure improvements.

There are no significant limitations on the future use of resources in these funds

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

Water Sewer Utility Fund-

- Unrestricted net assets at the end of the year were \$10.5 million. The total decrease in net assets was \$2.0 million.

Ice Center Fund-

- Unrestricted net assets were (\$302) thousand due to the large value of capital assets in this fund. The total decrease in net assets was \$260 thousand.

Water Resources Fund-

- Net assets in this fund are considered restricted or invested in capital assets. The total restricted net assets at the end of the year were \$3.0 million. There was an overall increase in net assets of \$1.6 million.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

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

The 2010 General Fund budget anticipated an expenditure increase of 5.0%. This increase included allocation adjustments after a thorough review of internal service funds, increased costs for benefits; as well as a larger contingency for uncertainty of pending labor contracts.

General Fund revenues and other financing sources exceeded budget estimates by \$546 thousand during the year. Contributing factors for this increase included additional contractual police services, new antenna leases, additional license and permit revenue, and a transfer from the closure of the Design Engineering fund.

General Fund expenditures were under budget estimates by \$569 thousand due to shared restraint by all departments; as well as the majority of the contingency allowance was not used. Other financing uses exceeded budget by \$1 million. The primary reason for this overage was that the net positive year-end position allowed the General Fund to make unplanned transfers of \$140 thousand to Public Facilities, \$418 to Infrastructure Replacement, and \$418 to Park Replacement funds.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The City's total investment in long-term (capital) assets, net of accumulated depreciation totaled \$274.4 million at year-end.

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

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

	Governmental Capital Assets		Business-type Capital Assets		Total Capital Assets	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Land	\$ 28,924	\$ 27,839	\$ 3,199	\$ 3,199	\$ 32,123	\$ 31,038
Infrastructure	77,579	76,993	52,092	48,188	129,671	125,181
Buildings	27,755	28,747	34,768	35,944	62,523	64,691
Improvements other than buildings	8,395	8,729	1,837	1,964	10,232	10,693
Machinery and equipment	12,951	12,671	6,613	6,576	19,564	19,247
Construction in progress	18,317	16,423	2,006	5,886	20,323	22,309
Total capital assets	<u>\$ 173,921</u>	<u>\$ 171,402</u>	<u>\$ 100,515</u>	<u>\$ 101,757</u>	<u>\$ 274,436</u>	<u>\$ 273,159</u>

See footnote 4, pages 45-47, to the financial statements for additional information about the City's capital assets.

Long-Term Bonded Debt

The City's long-term bonded debt totaled \$26.6 million at year-end, compared to \$30.2 million at the beginning of the year. During the year, the City made regular debt service payments of \$1.9 million on governmental activity bonds and \$785 thousand on business-type activity bonds. In addition, payments totaling \$4.0 million were made to retire the 1998C Activity Center and Field House bonds and the 1998A Tax Increment bonds in February. An additional \$3.0 million in GO Open Space bonds were issued in August.

The City's debt holds the highest rating from Moody's Investors Services: Aaa. In 2010, the city also received the highest rating from Standard and Poor's Ratings Services: AAA. The dual rating placed City of Plymouth among only six other cities in the state to receive this distinction.

See footnote 5, pages 48-51, to the financial statements for a schedule showing the City's long-term debt activity.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2011 budget was conservatively developed to account for economic and legislative activity. It provides for a balanced budget and a sound financial plan for 2011 that maintains core service levels, is less than the State of Minnesota-mandated levy limit, and is sensitive to the financial concerns of Plymouth taxpayers. There was an overall tax levy increase of \$1,381 from 2010.

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

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

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**CITY OF PLYMOUTH, MINNESOTA
STATEMENT OF NET ASSETS
DECEMBER 31, 2010**

	<u>Primary Government</u>			<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Housing and Redevelopment Authority</u>
<u>ASSETS</u>				
Cash and investments	\$ 87,395,105	\$ 28,868,413	\$ 116,263,518	\$ 4,271,918
Accounts receivable	262,911	3,124,213	3,387,124	36,829
Notes receivable	1,862,509	-	1,862,509	943,587
Taxes receivable	418,010	-	418,010	7,987
Special assessments receivable	330,115	4,663,433	4,993,548	-
Accrued interest receivable	222,250	43,939	266,189	68,385
Due from other governments	1,083,763	18,664	1,102,427	-
Internal balances	1,389,317	(1,389,317)	-	-
Inventory	120,886	55,817	176,703	-
Prepaid expenses	8,768	-	8,768	266,921
Deferred charges	149,288	-	149,288	98,281
Capital assets:				
Nondepreciable:				
Land	28,923,854	3,199,264	32,123,118	1,333,840
Construction in progress	18,317,141	2,005,329	20,322,470	-
Depreciable (net):				
Buildings	27,754,938	34,768,268	62,523,206	11,454,861
Improvements other than buildings	8,394,811	1,836,790	10,231,601	242,086
Machinery and equipment	12,951,882	6,613,273	19,565,155	250,717
Infrastructure	77,578,686	52,092,159	129,670,845	-
TOTAL ASSETS	<u>\$ 267,164,234</u>	<u>\$ 135,900,245</u>	<u>\$ 403,064,479</u>	<u>\$ 18,975,412</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 1,814,711	\$ 501,314	\$ 2,316,025	\$ 58,522
Contracts payable	736,781	81,569	818,350	-
Accrued salaries and benefits payable	519,454	78,954	598,408	18,487
Deposits payable	692,268	-	692,268	115,700
Due to other governments	11,846	10,618	22,464	79,402
Unearned revenue	627,872	203,801	831,673	599
Accrued interest payable	272,445	134,582	407,027	233,004
Noncurrent liabilities:				
Due within one year	2,899,895	803,000	3,702,895	351,263
Due in more than one year	18,501,992	7,540,837	26,042,829	13,461,867
Total liabilities	<u>26,077,264</u>	<u>9,354,675</u>	<u>35,431,939</u>	<u>14,318,844</u>
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	155,551,228	92,171,246	247,722,474	(531,626)
Restricted for:				
Debt service	2,998,917	-	2,998,917	602,932
Tax Increment Financing	2,566,565	-	2,566,565	-
Cemetery perpetual care:				
Nonexpendable	45,500	-	45,500	-
Expendable	132,624	-	132,624	-
Affordable housing	-	-	-	21,097
Utility trunk	-	17,849,898	17,849,898	-
Water resources	-	2,983,502	2,983,502	-
Unrestricted	79,792,136	13,540,924	93,333,060	4,564,165
Total net assets	<u>241,086,970</u>	<u>126,545,570</u>	<u>367,632,540</u>	<u>4,656,568</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 267,164,234</u>	<u>\$ 135,900,245</u>	<u>\$ 403,064,479</u>	<u>\$ 18,975,412</u>

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

**CITY OF PLYMOUTH, MINNESOTA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2010**

<u>Functions / Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
PRIMARY GOVERNMENT:				
Governmental activities:				
General government	\$ 4,732,590	\$ 469,528	\$ 49,995	\$ 54,262
Economic development	226,507	6,746	11,265	-
Parks and recreation	7,976,826	1,460,961	-	1,124,767
Public safety	14,296,327	2,384,645	2,183,532	27,483
Public service	5,102,183	953,477	3,060,791	-
Public works	10,614,534	1,502,508	1,604,138	2,371,950
Interest on long-term debt	647,858	-	-	-
Total governmental activities	<u>43,596,825</u>	<u>6,777,865</u>	<u>6,909,721</u>	<u>3,578,462</u>
Business-type activities:				
Water sewer utility	14,234,241	12,950,063	-	777,895
Ice center	1,669,145	1,400,703	-	-
Solid waste management	1,048,827	710,079	194,038	-
Water resources	1,829,392	2,591,565	892,688	-
Field house	254,664	368,795	-	-
Total business-type activities	<u>19,036,269</u>	<u>18,021,205</u>	<u>1,086,726</u>	<u>777,895</u>
Total primary government	<u>\$ 62,633,094</u>	<u>\$ 24,799,070</u>	<u>\$ 7,996,447</u>	<u>\$ 4,356,357</u>
COMPONENT UNIT:				
Housing and Redevelopment Authority	<u>\$ 6,029,136</u>	<u>\$ 2,020,114</u>	<u>\$ 3,545,462</u>	<u>\$ -</u>

GENERAL REVENUES:

Property taxes
Unrestricted investment earnings
Gain on sale of capital assets
Other

TRANSFERS

Total general revenues and transfers

CHANGE IN NET ASSETS

NET ASSETS - BEGINNING

NET ASSETS - ENDING

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

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Housing and Redevelopment Authority
\$ (4,158,805)	\$	\$ (4,158,805)	
(208,496)		(208,496)	
(5,391,098)		(5,391,098)	
(9,700,667)		(9,700,667)	
(1,087,915)		(1,087,915)	
(5,135,938)		(5,135,938)	
(647,858)		(647,858)	
<u>(26,330,777)</u>		<u>(26,330,777)</u>	
-	(506,283)	(506,283)	
-	(268,442)	(268,442)	
-	(144,710)	(144,710)	
-	1,654,861	1,654,861	
-	114,131	114,131	
-	849,557	849,557	
<u>(26,330,777)</u>	<u>849,557</u>	<u>(25,481,220)</u>	
			<u>(463,560)</u>
28,580,745	-	28,580,745	525,273
361,510	366,008	727,518	26,599
81,337	-	81,337	-
348,024	21,437	369,461	41,197
1,953,662	(1,953,662)	-	-
<u>31,325,278</u>	<u>(1,566,217)</u>	<u>29,759,061</u>	<u>593,069</u>
4,994,501	(716,660)	4,277,841	129,509
<u>236,092,469</u>	<u>127,262,230</u>	<u>363,354,699</u>	<u>4,527,059</u>
<u>\$ 241,086,970</u>	<u>\$ 126,545,570</u>	<u>\$ 367,632,540</u>	<u>\$ 4,656,568</u>

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CITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2010
(with comparative totals for December 31, 2009)

	General	Special Revenue		Capital Project	Nonmajor Governmental Funds
		Transit System	Community Development Block Grant	Improvement Projects	
ASSETS					
Cash and investments	\$ 13,318,107	\$ 4,499,877	\$ 44,685	\$ 6,763,232	\$ 37,066,911
Accounts receivable	71,906	-	-	7,785	58,243
Notes receivable	-	-	1,158,151	-	704,358
Taxes receivable	337,261	-	207	-	80,542
Special assessments receivable	28,787	-	-	391	300,937
Accrued interest receivable	22,748	6,904	22,198	10,377	120,832
Due from other funds	-	-	-	-	317,930
Due from other governments	107,151	361,750	16,434	252,474	336,778
Inventory	-	-	-	-	35
Prepaid expenses	5,691	-	-	-	-
Advances to other funds	-	-	-	230,719	1,088,792
TOTAL ASSETS	\$ 13,891,651	\$ 4,868,531	\$ 1,241,675	\$ 7,264,978	\$ 40,075,358
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 359,671	\$ 320,214	\$ 3,075	\$ 2,858	\$ 279,015
Contracts payable	-	-	-	292,934	416,079
Accrued salaries and benefits payable	332,156	3,173	1,608	-	12,059
Deposits payable	583,268	-	-	85,426	23,574
Due to other funds	-	-	-	-	317,930
Due to other governments	9,632	2	-	-	191
Advances from other funds	-	-	-	-	230,719
Deferred revenue	770,478	-	1,183,132	218,765	1,361,844
Total liabilities	2,055,205	323,389	1,187,815	599,983	2,641,411
Fund balances:					
Reserved for:					
Advances	-	-	-	230,719	1,088,792
Debt service	-	-	-	-	3,020,712
Encumbrances	185,015	-	-	895,456	40,340
Special revenue projects	-	-	53,860	-	12,760
Cemetery perpetual care:					
Nonexpendable	-	-	-	-	45,500
Expendable	-	-	-	-	132,624
Construction projects	-	-	-	5,449,880	41,235
Tax increment financing	-	-	-	-	2,293,981
Prepays	5,691	-	-	-	-
Unreserved, designated for, reported in:					
General fund for working capital	11,245,740	-	-	-	-
General fund for capital improvements	400,000	-	-	-	-
Special revenue funds for capital improvements	-	1,680,000	-	-	-
Capital project funds for capital improvements	-	-	-	88,940	17,489,999
Unreserved, undesignated, reported in:					
Special revenue funds	-	2,865,142	-	-	802,644
Debt service funds	-	-	-	-	(48,594)
Capital project funds	-	-	-	-	12,513,954
Total fund balances	11,836,446	4,545,142	53,860	6,664,995	37,433,947
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,891,651	\$ 4,868,531	\$ 1,241,675	\$ 7,264,978	\$ 40,075,358

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

Totals

2010	2009
\$ 61,692,812	\$ 62,795,775
137,934	326,869
1,862,509	1,763,028
418,010	549,615
330,115	389,214
183,059	229,281
317,930	283,837
1,074,587	403,350
35	-
5,691	7,229
1,319,511	1,630,027
<u>\$ 67,342,193</u>	<u>\$ 68,378,225</u>

\$ 964,833	\$ 1,088,830
709,013	223,773
348,996	349,162
692,268	721,053
317,930	253,837
9,825	712
230,719	448,379
3,534,219	3,234,497
<u>6,807,803</u>	<u>6,320,243</u>

1,319,511	1,630,027
3,020,712	7,224,694
1,120,811	700,214
66,620	29,381
45,500	45,500
132,624	131,996
5,491,115	3,118,464
2,293,981	1,961,110
5,691	7,229
11,245,740	11,477,496
400,000	-
1,680,000	-
17,578,939	19,600,857
3,667,786	5,265,277
(48,594)	-
12,513,954	10,865,737
<u>60,534,390</u>	<u>62,057,982</u>
<u>\$ 67,342,193</u>	<u>\$ 68,378,225</u>

**CITY OF PLYMOUTH, MINNESOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2010**

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 60,534,390

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

- | | | |
|--|----------------------|----------------|
| 1. Capital assets used in governmental activities are not financial resources, therefore are not reported in the fund statements. | | |
| Capital assets | 335,528,445 | |
| Accumulated depreciation | <u>(168,695,371)</u> | 166,833,074 |
| 2. Long-term liabilities are not due and payable in the current period, therefore are not reported in the fund statements. | | |
| Bonds payable | (18,210,000) | |
| Premium / discount on bonds | (160,084) | |
| Accrued interest payable | <u>(272,445)</u> | (18,642,529) |
| 3. Deferred revenue in governmental funds is susceptible to full accrual on government-wide statements. | | 2,906,872 |
| 4. Other long-term assets are not available to pay current-period expenditures, therefore are not included in the funds. | | 149,288 |
| 5. Internal service funds are used to charge the costs of fleet and building management, management information systems, employee benefits, and other items to individual funds. The assets and liabilities (including capital assets) of the internal service funds are included in governmental activities in the statement of net assets. | | 29,005,350 |
| 6. 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 assets. | | <u>300,525</u> |

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 241,086,970

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

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CITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	General	Special Revenue		Capital Project	Nonmajor Governmental Funds
		Transit System	Community Development Block Grant	Improvement Projects	
REVENUES:					
General property taxes	\$ 22,332,207	\$ -	\$ 13,492	\$ -	\$ 6,287,049
Special assessments	6,524	-	-	-	79,842
Licenses and permits	2,360,463	-	-	-	105,586
Intergovernmental	1,834,022	2,651,199	409,592	491,019	3,013,445
Charges for services	1,870,556	1,011,332	-	-	1,179,221
Fines and forfeitures	732,451	-	-	-	-
Contributions	5,261	-	-	-	1,145,635
Interest income	28,810	15,315	74	27,079	218,317
Loan repayments	-	-	-	-	6,745
Other revenues	69,364	8	-	242,490	21,574
Total revenues	<u>29,239,658</u>	<u>3,677,854</u>	<u>423,158</u>	<u>760,588</u>	<u>12,057,414</u>
EXPENDITURES:					
Current:					
General government	4,364,596	-	-	-	-
Economic development	-	-	-	-	226,507
Parks and recreation	4,736,544	-	-	-	1,884,109
Public safety	13,856,019	-	-	-	-
Public service	-	3,633,034	384,231	-	-
Public works	4,810,486	-	-	244,695	9,559
Interest on interfund advances	-	-	-	-	26,903
Debt service:					
Principal retirement	-	-	-	-	1,920,000
Interest and fiscal charges	-	-	-	-	682,487
Bond issuance costs	-	-	-	-	36,625
Capital outlay	276,312	-	-	8,380,569	3,252,172
Total expenditures	<u>28,043,957</u>	<u>3,633,034</u>	<u>384,231</u>	<u>8,625,264</u>	<u>8,038,362</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,195,701</u>	<u>44,820</u>	<u>38,927</u>	<u>(7,864,676)</u>	<u>4,019,052</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	632,795	-	-	10,506,739	5,471,768
Transfers out	(1,723,241)	(22,630)	(1,652)	(214,719)	(12,695,682)
General obligation bonds issued	-	-	-	-	2,990,000
Premium on bonds issued	-	-	-	-	49,206
Payment of refunded bonds	-	-	-	-	(3,950,000)
Total other financing sources (uses)	<u>(1,090,446)</u>	<u>(22,630)</u>	<u>(1,652)</u>	<u>10,292,020</u>	<u>(8,134,708)</u>
NET CHANGE IN FUND BALANCES	105,255	22,190	37,275	2,427,344	(4,115,656)
FUND BALANCES AT BEGINNING OF YEAR	<u>11,731,191</u>	<u>4,522,952</u>	<u>16,585</u>	<u>4,237,651</u>	<u>41,549,603</u>
FUND BALANCES AT END OF YEAR	<u>\$ 11,836,446</u>	<u>\$ 4,545,142</u>	<u>\$ 53,860</u>	<u>\$ 6,664,995</u>	<u>\$ 37,433,947</u>

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

Totals	
2010	2009
\$ 28,632,748	\$ 29,036,691
86,366	128,250
2,466,049	2,272,090
8,399,277	7,686,789
4,061,109	3,422,466
732,451	798,496
1,150,896	91,591
289,595	567,833
6,745	4,896
333,436	227,432
<u>46,158,672</u>	<u>44,236,534</u>
4,364,596	4,103,314
226,507	-
6,620,653	6,299,574
13,856,019	13,511,029
4,017,265	4,448,903
5,064,740	4,155,323
26,903	39,223
1,920,000	1,690,000
682,487	759,421
36,625	49,305
11,909,053	7,635,899
<u>48,724,848</u>	<u>42,691,991</u>
<u>(2,566,176)</u>	<u>1,544,543</u>
16,611,302	8,505,265
(14,657,924)	(8,449,480)
2,990,000	3,935,000
49,206	69,497
<u>(3,950,000)</u>	<u>-</u>
<u>1,042,584</u>	<u>4,060,282</u>
(1,523,592)	5,604,825
<u>62,057,982</u>	<u>56,453,157</u>
<u>\$ 60,534,390</u>	<u>\$ 62,057,982</u>

CITY OF PLYMOUTH, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2010

NET INCREASE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (1,523,592)

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

1.	Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
	Capital outlay	\$ 11,909,053	
	Internal service fund asset reassigned to governmental due to fund closure	13,433	
	Assets expensed in governmental funds and reassigned to proprietary funds	(588,032)	
	Depreciation expense	<u>(8,583,900)</u>	2,750,554
2.	Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.		28,103
3.	The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
	Principal repayments	5,870,000	
	New debt issued	<u>(2,990,000)</u>	2,880,000
5.	Debt issuance premiums and discounts are reported in the governmental funds as an other financing source or use at the time of issuance. However, they are reported as an unamortized asset or liability in the governmental fund statements.		(12,581)
6.	Interest expense in the government-wide statement of activities differs from the amount reported in governmental funds because additional accrued interest was calculated for bonds payable, and additional expense was recognized on the amortization of bond discounts and premiums which are expended in the governmental fund statements.		
	Accrued interest payable	30,648	
	Amortization of bond discounts and premium	<u>3,981</u>	34,629
7.	Governmental funds report outlays of housing loans as expenditures while in the government-wide statement the disbursement increases notes receivable in the statement of net assets and does not affect the statement of activities.		136,227
8.	Internal service funds are used to charge the cost of certain activities, such as insurance, fleet and building management, management information systems, employee benefits, and other items to individual funds. This amount represents the change in net assets of the internal service funds, which are reported with governmental activities.		705,159
9.	The net effect of various transactions involving capital assets (i.e. sales and dispositions) is to decrease net assets.		<u>(3,998)</u>
			<u>\$ 4,994,501</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

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

**CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)**

	2010		Variance with Final Budget	2009
	Original and Final Budget	Actual		Actual
REVENUES:				
Taxes and special assessments	\$ 22,292,678	\$ 22,338,731	\$ 46,053	\$ 22,202,305
Licenses and permits	2,274,865	2,360,463	85,598	2,272,090
Intergovernmental	1,799,196	1,834,022	34,826	1,575,068
Charges for services	1,516,245	1,870,556	354,311	1,082,485
Fines and forfeitures	912,500	732,451	(180,049)	798,496
Interest income	105,620	28,810	(76,810)	40,489
Other revenues	3,400	74,625	71,225	140,290
Total revenues	<u>28,904,504</u>	<u>29,239,658</u>	<u>335,154</u>	<u>28,111,223</u>
EXPENDITURES:				
General government	4,891,172	4,364,596	526,576	4,099,046
Parks and recreation	4,884,446	4,785,419	99,027	4,583,651
Public safety	13,830,652	13,868,737	(38,085)	13,511,029
Public works	5,006,731	5,025,205	(18,474)	4,155,323
Total expenditures	<u>28,613,001</u>	<u>28,043,957</u>	<u>569,044</u>	<u>26,349,049</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>291,503</u>	<u>1,195,701</u>	<u>904,198</u>	<u>1,762,174</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	422,421	632,795	210,374	207,201
Transfers out	(713,924)	(1,723,241)	(1,009,317)	(1,506,683)
Total other financing sources (uses)	<u>(291,503)</u>	<u>(1,090,446)</u>	<u>(798,943)</u>	<u>(1,299,482)</u>
NET CHANGE IN FUND BALANCE	-	105,255	105,255	462,692
FUND BALANCE AT BEGINNING OF YEAR	<u>11,731,191</u>	<u>11,731,191</u>	-	<u>11,268,499</u>
FUND BALANCE AT END OF YEAR	<u>\$ 11,731,191</u>	<u>\$ 11,836,446</u>	<u>\$ 105,255</u>	<u>\$ 11,731,191</u>

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

CITY OF PLYMOUTH, MINNESOTA
TRANSIT SYSTEM SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	2010		Variance with Final Budget	2009
	Original and Final Budget	Actual		Actual
REVENUES:				
Intergovernmental	\$ 2,745,000	\$ 2,651,199	\$ (93,801)	\$ 3,508,120
Charges for services	1,100,000	1,011,332	(88,668)	1,206,214
Interest income	30,000	15,315	(14,685)	37,324
Other revenues	-	8	8	-
Total revenues	<u>3,875,000</u>	<u>3,677,854</u>	<u>(197,146)</u>	<u>4,751,658</u>
EXPENDITURES:				
Current:				
Public service:				
Personal services	164,704	166,091	(1,387)	162,668
Materials and supplies	446,100	300	445,800	136
Contractual services	5,026,698	3,466,643	1,560,055	3,773,703
Total expenditures	<u>5,637,502</u>	<u>3,633,034</u>	<u>2,004,468</u>	<u>3,936,507</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,762,502)</u>	<u>44,820</u>	<u>1,807,322</u>	<u>815,151</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,785,132	-	(1,785,132)	-
Transfers out	(22,630)	(22,630)	-	(22,186)
Total other financing sources (uses)	<u>1,762,502</u>	<u>(22,630)</u>	<u>(1,785,132)</u>	<u>(22,186)</u>
NET CHANGE IN FUND BALANCE	-	22,190	22,190	792,965
FUND BALANCE AT BEGINNING OF YEAR	<u>4,522,952</u>	<u>4,522,952</u>	<u>-</u>	<u>3,729,987</u>
FUND BALANCE AT END OF YEAR	<u>\$ 4,522,952</u>	<u>\$ 4,545,142</u>	<u>\$ 22,190</u>	<u>\$ 4,522,952</u>

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

**CITY OF PLYMOUTH, MINNESOTA
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)**

	2010			Variance with Final Budget	2009
	Original Budget	Final Budget	Actual		Actual
REVENUES:					
General property taxes	\$ 13,811	\$ 13,811	\$ 13,492	\$ (319)	\$ 11,498
Intergovernmental	333,199	371,565	409,592	38,027	283,680
Interest income	508	508	74	(434)	828
Total revenues	<u>347,518</u>	<u>385,884</u>	<u>423,158</u>	<u>37,274</u>	<u>296,006</u>
EXPENDITURES:					
Current:					
Public service:					
Personal services	83,294	83,294	94,343	(11,049)	88,726
Materials and supplies	500	500	68	432	127
Contractual services	262,072	300,438	289,820	10,618	245,450
Total expenditures	<u>345,866</u>	<u>384,232</u>	<u>384,231</u>	<u>1</u>	<u>334,303</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,652</u>	<u>1,652</u>	<u>38,927</u>	<u>37,275</u>	<u>(38,297)</u>
OTHER FINANCING USES:					
Transfers out	<u>(1,652)</u>	<u>(1,652)</u>	<u>(1,652)</u>	<u>-</u>	<u>(1,652)</u>
NET CHANGE IN FUND BALANCE	-	-	37,275	37,275	(39,949)
FUND BALANCE AT BEGINNING OF YEAR	<u>16,585</u>	<u>16,585</u>	<u>16,585</u>	<u>-</u>	<u>56,534</u>
FUND BALANCE AT END OF YEAR	<u>\$ 16,585</u>	<u>\$ 16,585</u>	<u>\$ 53,860</u>	<u>\$ 37,275</u>	<u>\$ 16,585</u>

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

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**CITY OF PLYMOUTH, MINNESOTA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 DECEMBER 31, 2010
 (with comparative totals for December 31, 2009)**

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 21,454,266	\$ 668,713	\$ 2,994,403	\$ 3,751,031
Accounts receivable	2,852,972	233,857	-	37,384
Special assessments receivable	4,663,433	-	-	-
Accrued interest receivable	32,566	1,023	4,595	5,755
Due from other governments	57	-	15,217	3,390
Inventory	49,265	6,552	-	-
Prepaid expenses	-	-	-	-
Total current assets	<u>29,052,559</u>	<u>910,145</u>	<u>3,014,215</u>	<u>3,797,560</u>
Noncurrent assets:				
Capital assets:				
Land	2,074,063	1,077,650	-	47,551
Buildings	38,425,965	12,307,701	-	1,401,187
Improvements other than buildings	1,205,467	1,234,484	297,209	248,368
Machinery and equipment	12,163,938	895,269	99,279	134,330
Infrastructure	75,360,966	-	4,253,130	-
Construction in progress	1,316,800	-	688,529	-
Total capital assets	<u>130,547,199</u>	<u>15,515,104</u>	<u>5,338,147</u>	<u>1,831,436</u>
Less accumulated depreciation	<u>(46,107,584)</u>	<u>(4,963,124)</u>	<u>(408,477)</u>	<u>(1,237,618)</u>
Net capital assets	<u>84,439,615</u>	<u>10,551,980</u>	<u>4,929,670</u>	<u>593,818</u>
TOTAL ASSETS	<u><u>\$ 113,492,174</u></u>	<u><u>\$ 11,462,125</u></u>	<u><u>\$ 7,943,885</u></u>	<u><u>\$ 4,391,378</u></u>

(Continued...)

		Governmental Activities - Internal Service Funds	
Totals		Totals	
2010	2009	2010	2009
\$ 28,868,413	\$ 29,018,387	\$ 25,702,293	23,982,869
3,124,213	2,968,825	124,977	10,525
4,663,433	5,103,650	-	-
43,939	69,417	39,191	57,085
18,664	54,111	9,176	12,178
55,817	56,941	120,851	118,255
-	-	3,077	257,767
<u>36,774,479</u>	<u>37,271,331</u>	<u>25,999,565</u>	<u>24,438,679</u>
3,199,264	3,199,264	33,520	33,520
52,134,853	51,815,204	103,118	103,118
2,985,528	2,953,223	489,987	405,411
13,292,816	12,343,544	16,601,217	16,541,040
79,614,096	74,247,731	-	-
2,005,329	5,886,388	-	-
<u>153,231,886</u>	<u>150,445,354</u>	<u>17,227,842</u>	<u>17,083,089</u>
<u>(52,716,803)</u>	<u>(48,688,642)</u>	<u>(10,139,604)</u>	<u>(9,767,836)</u>
<u>100,515,083</u>	<u>101,756,712</u>	<u>7,088,238</u>	<u>7,315,253</u>
<u>\$ 137,289,562</u>	<u>\$ 139,028,043</u>	<u>\$ 33,087,803</u>	<u>\$ 31,753,932</u>

**CITY OF PLYMOUTH, MINNESOTA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 DECEMBER 31, 2010
 (with comparative totals for December 31, 2009)**

(Continued from previous page)

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	\$ 380,354	\$ 57,673	\$ 25,667	\$ 37,620
Contracts payable	79,503	-	2,066	-
Accrued salaries and benefits payable	49,256	9,928	15,140	4,630
Compensated absences payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	5,724	4,878	9	7
Unearned revenue	86,339	50,850	-	66,612
Accrued interest payable	134,582	-	-	-
Advances from other funds	-	97,731	-	-
Revenue bonds payable	803,000	-	-	-
Total current liabilities	<u>1,538,758</u>	<u>221,060</u>	<u>42,882</u>	<u>108,869</u>
Noncurrent liabilities:				
OPEB (net)	-	-	-	-
Compensated absences payable	-	-	-	-
Advances from other funds	-	991,061	-	-
Revenue bonds payable (net of unamortized discounts)	7,540,837	-	-	-
Total noncurrent liabilities	<u>7,540,837</u>	<u>991,061</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>9,079,595</u>	<u>1,212,121</u>	<u>42,882</u>	<u>108,869</u>
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	76,095,778	10,551,980	4,929,670	593,818
Restricted for:				
Utility trunk	17,849,898	-	-	-
Water resources	-	-	2,971,333	-
Unrestricted	10,466,903	(301,976)	-	3,688,691
Total net assets	<u>104,412,579</u>	<u>10,250,004</u>	<u>7,901,003</u>	<u>4,282,509</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 113,492,174</u>	<u>\$ 11,462,125</u>	<u>\$ 7,943,885</u>	<u>\$ 4,391,378</u>

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

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

		Governmental Activities - Internal Service Funds	
Totals		Totals	
2010	2009	2010	2009
\$ 501,314	\$ 446,577	\$ 849,878	\$ 670,852
81,569	279,984	27,768	-
78,954	91,624	170,458	47,376
-	-	1,433,808	1,624,202
-	-	-	30,000
10,618	10,263	2,021	2,983
203,801	171,256	525	750
134,582	145,213	-	-
97,731	92,856	-	-
803,000	783,000	-	-
<u>1,911,569</u>	<u>2,020,773</u>	<u>2,484,458</u>	<u>2,376,163</u>
-	-	606,745	401,788
-	-	991,250	687,676
991,061	1,088,792	-	-
<u>7,540,837</u>	<u>8,343,837</u>	<u>-</u>	<u>-</u>
<u>8,531,898</u>	<u>9,432,629</u>	<u>1,597,995</u>	<u>1,089,464</u>
<u>10,443,467</u>	<u>11,453,402</u>	<u>4,082,453</u>	<u>3,465,627</u>
92,171,246	92,629,875	7,088,238	7,315,253
17,849,898	16,883,000	-	-
2,971,333	1,976,195	-	-
<u>13,853,618</u>	<u>16,085,571</u>	<u>21,917,112</u>	<u>20,973,052</u>
<u>126,846,095</u>	<u>127,574,641</u>	<u>29,005,350</u>	<u>28,288,305</u>
<u>\$ 137,289,562</u>	<u>\$ 139,028,043</u>	<u>\$ 33,087,803</u>	<u>\$ 31,753,932</u>
\$ 126,846,095	\$ 127,574,641		
(300,525)	(312,411)		
<u>\$ 126,545,570</u>	<u>\$ 127,262,230</u>		

CITY OF PLYMOUTH, MINNESOTA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
OPERATING REVENUES:				
Charges for services	\$ 12,904,814	\$ 1,400,703	\$ 2,555,172	\$ 774,573
Other fees	45,249	-	36,393	304,301
Other sales	-	-	-	-
Total operating revenue	<u>12,950,063</u>	<u>1,400,703</u>	<u>2,591,565</u>	<u>1,078,874</u>
OPERATING EXPENSES:				
Personal services	2,339,451	498,957	762,851	245,429
Materials and supplies	815,916	124,763	142,360	35,164
Contractual services	7,367,727	484,543	838,806	967,319
Depreciation	3,403,257	470,006	97,544	57,354
Total operating expenses	<u>13,926,351</u>	<u>1,578,269</u>	<u>1,841,561</u>	<u>1,305,266</u>
OPERATING INCOME (LOSS)	<u>(976,288)</u>	<u>(177,566)</u>	<u>750,004</u>	<u>(226,392)</u>
NONOPERATING REVENUES (EXPENSES):				
Interest income	342,699	3,921	6,619	12,769
Intergovernmental	-	-	891,688	194,038
Assessments	698,746	-	-	-
Gain on disposal of capital assets	750	-	-	-
Contributions	-	-	1,000	-
Reassignment of capital assets	-	-	-	-
Other	14,350	4,737	1,600	-
Interest expense	(327,125)	(69,583)	-	-
Total nonoperating revenues (expenses)	<u>729,420</u>	<u>(60,925)</u>	<u>900,907</u>	<u>206,807</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(246,868)</u>	<u>(238,491)</u>	<u>1,650,911</u>	<u>(19,585)</u>
CAPITAL CONTRIBUTIONS	780,056	-	-	-
TRANSFERS IN	72,354	-	41,683	-
TRANSFERS OUT	<u>(2,634,995)</u>	<u>(21,439)</u>	<u>(83,020)</u>	<u>(29,152)</u>
CHANGES IN NET ASSETS	<u>(2,029,453)</u>	<u>(259,930)</u>	<u>1,609,574</u>	<u>(48,737)</u>
NET ASSETS AT BEGINNING OF YEAR	<u>106,442,032</u>	<u>10,509,934</u>	<u>6,291,429</u>	<u>4,331,246</u>
NET ASSETS AT END OF YEAR	<u>\$ 104,412,579</u>	<u>\$ 10,250,004</u>	<u>\$ 7,901,003</u>	<u>\$ 4,282,509</u>

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

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

				Governmental Activities - Internal Service Funds			
Totals				Totals			
2010	2009			2010	2009		
\$ 17,635,262	\$ 17,582,167	\$ 8,746,042	\$ 8,556,144				
385,943	235,138	-	-				
-	-	233,479	183,460				
<u>18,021,205</u>	<u>17,817,305</u>	<u>8,979,521</u>	<u>8,739,604</u>				
-							
3,846,688	4,463,781	4,059,247	4,317,369				
1,118,203	1,261,667	922,314	1,032,693				
9,658,395	9,646,448	2,952,310	2,255,790				
4,028,161	3,980,117	1,423,938	1,452,876				
<u>18,651,447</u>	<u>19,352,013</u>	<u>9,357,809</u>	<u>9,058,728</u>				
<u>(630,242)</u>	<u>(1,534,708)</u>	<u>(378,288)</u>	<u>(319,124)</u>				
366,008	571,478	90,238	194,483				
1,085,726	225,648	79,710	-				
698,746	407,576	-	-				
750	-	81,337	102,415				
1,000	10,000	3,500	3,775				
-	-	(13,433)	-				
20,687	85,225	14,597	35,141				
<u>(396,708)</u>	<u>(419,080)</u>	<u>-</u>	<u>-</u>				
<u>1,776,209</u>	<u>880,847</u>	<u>255,949</u>	<u>335,814</u>				
1,145,967	(653,861)	(122,339)	16,690				
780,056	1,514,611	138,193	107,283				
114,037	46,448	991,354	937,786				
<u>(2,768,606)</u>	<u>(894,412)</u>	<u>(290,163)</u>	<u>(145,607)</u>				
(728,546)	12,786	717,045	916,152				
<u>127,574,641</u>	<u>127,561,855</u>	<u>28,288,305</u>	<u>27,372,153</u>				
<u>\$ 126,846,095</u>	<u>\$ 127,574,641</u>	<u>\$ 29,005,350</u>	<u>\$ 28,288,305</u>				
\$ (728,546)	\$ 12,786						
11,886	35,563						
<u>\$ (716,660)</u>	<u>\$ 48,349</u>						

CITY OF PLYMOUTH, MINNESOTA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers or users	\$ 12,872,684	\$ 1,340,445	\$ 2,591,565	\$ 1,036,187
Payments to suppliers	(8,046,457)	(601,963)	(978,385)	(1,023,960)
Payments to employees	(2,350,827)	(500,165)	(762,468)	(245,898)
Other operating revenue	14,350	4,737	1,600	-
Net cash provided by operating activities	<u>2,489,750</u>	<u>243,054</u>	<u>852,312</u>	<u>(233,671)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Intergovernmental revenues	-	-	925,188	190,648
Contributions	-	-	1,000	-
Payment on advances from other funds	-	(92,856)	-	-
Transfers in from other funds	44,586	-	41,683	-
Transfers out to other funds	(2,634,995)	(21,439)	(83,020)	(29,152)
Net cash provided (used) by noncapital financing activities	<u>(2,590,409)</u>	<u>(114,295)</u>	<u>884,851</u>	<u>161,496</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(1,638,781)	-	(848,856)	-
Special assessments for future construction	1,201,780	-	-	-
Contributions	240,899	-	-	-
Proceeds from sale of capital assets	750	-	-	-
Principal paid on capital debt	(785,000)	-	-	-
Interest paid on capital debt	(335,756)	(69,583)	-	-
Net cash used by capital and related financing activities	<u>(1,316,108)</u>	<u>(69,583)</u>	<u>(848,856)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment earnings	<u>364,027</u>	<u>4,281</u>	<u>7,050</u>	<u>16,127</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,052,740)	63,457	895,357	(56,048)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>22,507,006</u>	<u>605,256</u>	<u>2,099,046</u>	<u>3,807,079</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 21,454,266</u>	<u>\$ 668,713</u>	<u>\$ 2,994,403</u>	<u>\$ 3,751,031</u>

(Continued...)

				Governmental Activities - Internal Service Funds			
Totals				Totals			
2010	2009			2010	2009		
\$ 17,840,881	\$ 18,036,856	\$		8,706,528	\$		8,576,409
(10,650,765)	(10,996,957)			(3,462,689)			(3,941,397)
(3,859,358)	(4,577,495)			(3,720,189)			(3,861,841)
20,687	85,225			248,076			218,601
<u>3,351,445</u>	<u>2,547,629</u>			<u>1,771,726</u>			<u>991,772</u>
1,115,836	225,648			79,710			-
1,000	10,000			3,500			3,775
(92,856)	(88,224)			-			-
86,269	17,495			991,354			937,786
<u>(2,768,606)</u>	<u>(894,412)</u>			<u>(262,395)</u>			<u>(145,607)</u>
<u>(1,658,357)</u>	<u>(729,493)</u>			<u>812,169</u>			<u>795,954</u>
(2,487,637)	(2,928,529)			(1,158,134)			(1,306,673)
1,201,780	1,176,806			-			-
240,899	177,010			89,318			101,283
750	-			96,212			90,412
(785,000)	(760,000)			-			-
<u>(405,339)</u>	<u>(426,581)</u>			<u>-</u>			<u>-</u>
<u>(2,234,547)</u>	<u>(2,761,294)</u>			<u>(972,604)</u>			<u>(1,114,978)</u>
<u>391,485</u>	<u>647,364</u>			<u>108,133</u>			<u>250,779</u>
(149,974)	(295,794)			1,719,424			923,527
<u>29,018,387</u>	<u>29,314,181</u>			<u>23,982,869</u>			<u>23,059,342</u>
<u>\$ 28,868,413</u>	<u>\$ 29,018,387</u>	<u>\$</u>		<u>25,702,293</u>	<u>\$</u>		<u>23,982,869</u>

**CITY OF PLYMOUTH, MINNESOTA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2010
 (with comparative totals for year ended December 31, 2009)**

(Continued from previous page)

	Business-type Activities - Enterprise Funds			
	Water Sewer Utility	Ice Center	Water Resources	Nonmajor Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (976,288)	\$ (177,566)	\$ 750,004	\$ (226,392)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	3,403,257	470,006	97,544	57,354
Other revenue	14,350	4,737	1,600	-
Changes in assets and liabilities:				
Accounts receivable	(61,143)	(68,553)	-	(25,692)
Special assessments receivable	(62,817)	-	-	-
Due from other funds	-	-	-	-
Due from other governments	124	5,212	-	-
Inventory	114	1,010	-	-
Prepaid expenses	-	-	-	-
Accounts payable	136,199	5,257	2,772	(19,874)
Contracts payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	873	1,076	9	(1,603)
Accrued salaries payable	(11,376)	(1,208)	383	(469)
OPEB	-	-	-	-
Compensated absences payable	-	-	-	-
Unearned revenue	46,457	3,083	-	(16,995)
Total adjustments	<u>3,466,038</u>	<u>420,620</u>	<u>102,308</u>	<u>(7,279)</u>
Net cash provided by operating activities	<u>\$ 2,489,750</u>	<u>\$ 243,054</u>	<u>\$ 852,312</u>	<u>\$ (233,671)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Contributions of capital assets from governmental funds	539,157	-	-	-
Contributions of capital assets from proprietary funds	27,768	-	-	-
Contribution of capital asset from others	-	-	-	-
Trade-in values on capital asset purchases	-	-	-	-
Contributions of capital assets to other City funds	-	-	-	-
Increase (decrease) in capital assets from accounts and contracts payable	(169,127)	-	(136,877)	-

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

		Governmental Activities - Internal Service Funds	
Totals		Totals	
2010	2009	2010	2009
\$ (630,242)	\$ (1,534,708)	\$ (378,288)	\$ (319,124)
4,028,161	3,980,117	1,423,938	1,452,876
20,687	85,225	14,597	35,141
(155,388)	118,443	(114,452)	28,119
(62,817)	74,526	-	-
-	38,702	-	-
5,336	(614)	3,002	15,651
1,124	(22,746)	(2,596)	(20,925)
-	-	254,690	(253,867)
124,354	(76,046)	160,803	(380,466)
-	-	-	-
-	-	(30,000)	15,000
355	9,950	(962)	2,343
(12,670)	(113,714)	123,082	(42,136)
-	-	204,957	204,957
-	-	113,180	256,213
32,545	(11,506)	(225)	(2,010)
<u>3,981,687</u>	<u>4,082,337</u>	<u>2,150,014</u>	<u>1,310,896</u>
<u>\$ 3,351,445</u>	<u>\$ 2,547,629</u>	<u>\$ 1,771,726</u>	<u>\$ 991,772</u>

539,157	938,572	48,875	-
27,768	28,953	-	-
-	399,028	-	6,000
-	-	13,000	20,000
-	-	41,201	28,952
(306,004)	55,190	(18,223)	130,735

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Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. FINANCIAL REPORTING ENTITY

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

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

Discretely Presented Component Units

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

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

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

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government and its component units.

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The government-wide Statement of Activities reflect the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, service, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

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

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

- *General Fund* – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. This fund records revenues such as property tax revenues, licenses and permits, fines and penalties, intergovernmental revenues, and interest earnings. Most of the current day-to-day operations of the governmental units are financed from this fund.
- *Special Revenue Funds*
 - *Transit System Fund* – Revenues from the Minnesota Vehicle Excise Tax and fares, and expenditures for the Plymouth Metrolink system are accounted for in this fund.
 - *Community Development Block Grant* – Receives and expends the City’s allocation of the Federal Community Development Block Grant Program. The primary beneficiaries from the activities of this fund are persons of low and moderate income.
- *Capital Project Fund*
 - *Improvement Projects Fund* – Used to account for expenditures incurred in the construction of certain public improvements such as residential streets, sidewalks, and storm sewers.

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

- *Water Sewer Utility Fund* – Used to account for providing water and sewer services to the City’s residents.
- *Ice Center Fund* – Used to account for the operations of the City’s ice center.
- *Water Resources Fund* – Accounts for administration of the City’s surface water plan, including erosion control, wetland regulations and other environmental programs.

Other Funds – The City reports the following other funds:

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

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

Governmental Funds:

- *Measurement Focus* - Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Reported fund balance is considered a measure of “available spendable resources”. Governmental fund operating statements represent increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.
- *Basis of Accounting* - Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

- *Revenues* - Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property taxes, including delinquent taxes received within 60 days after year-end to be available. Licenses and permits, fines and forfeitures, intergovernmental revenues, charges for services, and interest income are considered to be available if they are collected within 60 days. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.
- *Deferred Revenues* - Deferred revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when all revenue recognition criteria are met, the liability for deferred revenue is removed and revenue is recognized.
- *Expenditures* - Expenditures generally are recorded when a liability is incurred, defined as accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Proprietary Funds:

- *Measurement Focus* - Proprietary funds are accounted for on a flow of economic resources measurement focus. This means that all assets, including capital assets, and all liabilities, including long-term liabilities, associated with fund activity are included on the balance sheets. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.
- *Basis of Accounting* - Proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded at the time liabilities are incurred. Unbilled utility service receivables are recorded at year-end. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

- *Operating versus Nonoperating Items* - 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 revenue of the City’s enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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

D. ASSETS, LIABILITIES, AND NET ASSETS, OR EQUITY

1. *Cash and Investments*

Deposits and Investments

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

Cash and Cash Equivalents

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

2. *Receivables and Payables*

During the course of operations, transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet and are short-term in nature.

Advances to other funds and advances from other funds are considered long-term receivables/payables. The noncurrent portions of advances from other funds in the governmental funds statements are offset equally by a fund balance reserve account which indicates that they do not constitute expendable, available financial resources, and therefore, are not available for appropriation.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

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

Within the 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 deferred 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 deferred revenue. Deferred 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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.

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. Deferred revenue in governmental activities is susceptible to full accrual on the government-wide statements.

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

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

Receivables not expected to be collected within one year are notes receivable of \$1,832,509, interest on notes receivable of \$87,316 and deferred special assessments receivable of \$3,869,369.

3. *Inventories and Prepaid Items*

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & components	5 - 50
Land improvements	10 - 25
Streets, trails & bridges	15 - 50
Water & sewer system infrastructure	20 - 100
Vehicles	2 - 20
Office equipment	5 - 20
Computer equipment	5

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

5. *Compensated Absences*

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

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

6. *Long-Term Obligations*

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

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources and discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

7. *Interfund Activity*

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

8. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

9. Use of Estimates

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

10. 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.

11. Net Assets

Net assets represent the difference between assets and liabilities. Net assets are displayed in three components:

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

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETS AND BUDGETARY ACCOUNTING

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

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

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

Legal Compliance – Budgets

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

- 1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

**CITY OF PLYMOUTH, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 Year Ended December 31, 2010**

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – CONTINUED

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

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

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

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

There were no funds with excess expenditures over appropriations for the year ended December 31, 2010.

C. DEFICIT FUND EQUITY

The following funds had a deficit fund balance as of December 31, 2010. Vicksburg Crossing’s deficit will be eliminated over time as the occupancy rate increases, and debt service obligations and depreciation decrease. The remaining fund deficits will be eliminated through transfers in 2011.

<u>Fund</u>	<u>Fund Balance</u>
Tax Increment Bonds	\$ (48,594)
2007 Open Space Capital Project	(504)
2010 Open Space Capital Project	(212)
Component Unit - Vicksburg Crossing	(612,553)

Note 3: CASH AND INVESTMENTS

A. COMPONENTS OF CASH AND INVESTMENTS

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

	Primary <u>Government</u>	Component <u>Unit</u>	<u>Total</u>
Deposits	\$ 2,087,998	\$ 452,082	\$ 2,540,080
Investments	114,170,230	3,819,836	117,990,066
Cash on hand	5,290	-	5,290
Total	<u>\$ 116,263,518</u>	<u>\$ 4,271,918</u>	<u>\$ 120,535,436</u>

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

Cash and investments - Statement of Net Assets	<u>\$ 116,263,518</u>	<u>\$ 4,271,918</u>	<u>\$ 120,535,436</u>
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Note 3: CASH AND INVESTMENTS - CONTINUED

B. DEPOSITS

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

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

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

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

At year-end, the carrying amount of the City’s deposits was \$2,087,998 while the balance on the bank records was \$2,657,926. The carrying amount of the component unit’s deposits was \$452,082 while the balance on the bank records was \$454,578. At December 31, 2010, all deposits were fully covered by federal depository insurance or by collateral held by the City’s agent in the City’s name.

C. INVESTMENTS

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

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

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

Note 3: CASH AND INVESTMENTS – CONTINUED

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

Investment Type	Interest Risk - Maturity in Years				Total
	Less than 1	1 to 5	6 to 10	11 to 15	
US Government Securities:					
Treasury Receipts	\$ 24,999,750	\$ -	\$ -	\$ -	\$ 24,999,750
GNMA Pass Through Pool	-	-	-	4,770,157	4,770,157
US Agency Securities:					
Federal Farm Credit Bank	-	-	3,370,710	-	3,370,710
Federal Home Loan Bank	-	11,078,270	2,926,410	-	14,004,680
Federal Home Loan Mortgage Corporation	-	1,000,300	9,821,186	-	10,821,486
Federal National Mortgage Association	-	5,964,210	2,970,970	-	8,935,180
Commercial Paper	4,099,824				4,099,824
Money Market Mutual Fund	46,988,279	-	-	-	46,988,279
Total investments	<u>\$ 76,087,853</u>	<u>\$ 18,042,780</u>	<u>\$ 19,089,276</u>	<u>\$ 4,770,157</u>	117,990,066
Deposits					2,540,080
Change funds					5,290
Cash and investments					<u>\$ 120,535,436</u>

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

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

Credit risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. This risk is addressed by confining investments to those securities specifically authorized by state statutes and the City’s investment policy. It is the City’s policy to limit its investments in the authorized investment types to those rated in the top rating tiers issued by nationally recognized statistical rating organizations. As of December 31, 2010, the City’s investments in US government securities and US agency securities were rated AAA by Standard & Poor’s and/or Moody’s Investors Service, commercial paper was rated P1 by Standard & Poor’s and A1+ by Moody’s Investors Service, and the City’s money market mutual fund investments were rated AAA by Standard & Poor’s and Aaa by Moody’s Investors Service.

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

Interest rate risk – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The City does have an investment policy which requires diversification in terms of maturity and limits the maximum maturity of an investment to 15 years. At year end, the City had 64.49% of investments with a maturity date within one year, 15.29% with a maturity date between one and five years, 16.18% with a maturity date between six and ten years, and 4.04% with a maturity date between eleven and fifteen years.

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

Note 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010 was as follows:

	Beginning Balance	Additions	Decreases	Ending Balance
Primary government:				
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 27,839,461	\$ 1,084,393	\$ -	\$ 28,923,854
Construction in progress	16,422,976	11,842,220	(9,948,055)	18,317,141
Total capital assets, not being depreciated	<u>44,262,437</u>	<u>12,926,613</u>	<u>(9,948,055)</u>	<u>47,240,995</u>
Capital assets, being depreciated				
Infrastructure	213,647,560	6,832,888	-	220,480,448
Buildings	39,560,587	-	-	39,560,587
Improvements other than buildings	16,288,408	498,702	(19,988)	16,767,122
Machinery and equipment	27,521,726	2,278,887	(1,093,478)	28,707,135
Total capital assets, being depreciated	<u>297,018,281</u>	<u>9,610,477</u>	<u>(1,113,466)</u>	<u>305,515,292</u>
(Less) Accumulated depreciation for:				
Infrastructure	(136,655,005)	(6,246,757)	-	\$ (142,901,762)
Buildings	(10,813,370)	(992,279)	-	(11,805,649)
Improvements other than buildings	(7,559,305)	(828,997)	15,991	(8,372,311)
Machinery and equipment	(14,851,267)	(1,956,156)	1,052,170	(15,755,253)
Total accumulated depreciation	<u>(169,878,947)</u>	<u>(10,024,189)</u>	<u>1,068,161</u>	<u>(178,834,975)</u>
Total capital assets, being depreciated, net	<u>127,139,334</u>	<u>(413,712)</u>	<u>(45,305)</u>	<u>126,680,317</u>
Governmental activities capital assets, net	<u>\$ 171,401,771</u>	<u>\$ 12,512,901</u>	<u>\$ (9,993,360)</u>	<u>\$ 173,921,312</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 3,199,264	\$ -	\$ -	\$ 3,199,264
Construction in progress	5,886,388	1,520,789	(5,401,848)	2,005,329
Total capital assets, not being depreciated	<u>9,085,652</u>	<u>1,520,789</u>	<u>(5,401,848)</u>	<u>5,204,593</u>
Capital assets, being depreciated				
Infrastructure	74,247,731	5,366,365	-	79,614,096
Buildings	51,815,204	319,649	-	52,134,853
Improvements other than buildings	2,953,223	32,305	-	2,985,528
Machinery and equipment	12,343,544	949,272	-	13,292,816
Total capital assets, being depreciated	<u>141,359,702</u>	<u>6,667,591</u>	<u>-</u>	<u>148,027,293</u>
(Less) Accumulated depreciation for:				
Infrastructure	(26,060,155)	(1,461,782)	-	(27,521,937)
Buildings	(15,871,666)	(1,494,919)	-	(17,366,585)
Improvements other than buildings	(988,924)	(159,814)	-	(1,148,738)
Machinery and equipment	(5,767,897)	(911,646)	-	(6,679,543)
Total accumulated depreciation	<u>(48,688,642)</u>	<u>(4,028,161)</u>	<u>-</u>	<u>(52,716,803)</u>
Total capital assets, being depreciated, net	<u>92,671,060</u>	<u>2,639,430</u>	<u>-</u>	<u>95,310,490</u>
Business-type activities capital assets, net	<u>\$ 101,756,712</u>	<u>\$ 4,160,219</u>	<u>\$ (5,401,848)</u>	<u>\$ 100,515,083</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

Note 4: CAPITAL ASSETS – CONTINUED

	Beginning Balance	Additions	Decreases	Ending Balance
<u>Component unit:</u>				
Governmental activities:				
Capital assets, being depreciated				
Buildings	\$ -	\$ 175,169	\$ -	\$ 175,169
(Less) Accumulated depreciation for:				
Buildings	-	(973)	-	(973)
Total accumulated depreciation	-	(973)	-	(973)
Total capital assets, being depreciated, net	-	174,196	-	174,196
Governmental activities capital assets, net	<u>\$ -</u>	<u>\$ 174,196</u>	<u>\$ -</u>	<u>\$ 174,196</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 1,333,840	\$ -	\$ -	\$ 1,333,840
Capital assets, being depreciated				
Buildings	15,094,825	-	-	15,094,825
Improvements other than buildings	350,183	-	-	350,183
Machinery and equipment	612,464	-	-	612,464
Total capital assets, being depreciated	<u>16,057,472</u>	<u>-</u>	<u>-</u>	<u>16,057,472</u>
(Less) Accumulated depreciation for:				
Buildings	(3,305,712)	(508,448)	-	(3,814,160)
Improvements other than buildings	(92,685)	(15,412)	-	(108,097)
Machinery and equipment	(321,352)	(40,395)	-	(361,747)
Total accumulated depreciation	<u>(3,719,749)</u>	<u>(564,255)</u>	<u>-</u>	<u>(4,284,004)</u>
Total capital assets, being depreciated, net	<u>12,337,723</u>	<u>(564,255)</u>	<u>-</u>	<u>11,773,468</u>
Total capital assets, net	<u>\$ 13,671,563</u>	<u>\$ (564,255)</u>	<u>\$ -</u>	<u>\$ 13,107,308</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

Note 4: CAPITAL ASSETS – CONTINUED

<u>Primary government:</u>	<u>Amount</u>
Depreciation expense was charged to governmental functions as follows:	
General Government	\$ 219,590
Parks and Recreation	1,223,141
Public Safety	508,384
Public Works	6,498,240
Public Service	150,896
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>1,423,938</u>
Total depreciation expense - governmental activities	<u><u>\$ 10,024,189</u></u>
Depreciation expense was charged to business-type functions as follows:	
Water Sewer Utility	\$ 3,403,257
Ice Center	470,006
Water Resources	97,544
Field House	<u>57,354</u>
Total depreciation expense - business-type activities	<u><u>\$ 4,028,161</u></u>
<u>Component unit:</u>	
Depreciation expense was charged to governmental functions as follows:	
Public Service	<u><u>\$ 973</u></u>
Depreciation expense was charged to business-type functions as follows:	
Plymouth Towne Square	\$ 196,507
Vicksburg Crossing	<u>367,748</u>
Total depreciation expense - component unit activities	<u><u>\$ 564,255</u></u>

Construction commitments

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

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
<u>Primary Government</u>		
Energy Efficiency Improvements	\$ 14,792	\$ -
Park improvement	23,301	-
Residential streets	645,141	-
Water resources management	-	13,614
Water and sewer utility	-	<u>13,809</u>
Total	<u><u>\$ 683,234</u></u>	<u><u>\$ 27,423</u></u>

Note 5: LONG-TERM DEBT

A. GENERAL OBLIGATION BONDS

Primary government

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

Component unit

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

B. GENERAL OBLIGATION WATER REVENUE BONDS

General Obligation Revenue Bonds

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

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

Note 5: LONG-TERM DEBT – CONTINUED

C. OBLIGATIONS OUTSTANDING

Long-term obligations outstanding at December 31, 2010 are summarized as follows:

<u>Primary government</u>	<u>Interest Rates (%)</u>	<u>Payment Dates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Amount Retired</u>	<u>Debt Outstanding</u>
Governmental activities:							
GENERAL OBLIGATION BONDS:							
Activity Center and Field House							
Bonds - 1998C	3.40-4.375	2/01 8/01	12/1/98	2/1/14	\$ 4,500,000	\$ 4,500,000	\$ -
Street Reconstruction Bonds - 2003B	2.00-3.50	2/01 8/01	5/27/03	2/1/14	1,465,000	835,000	630,000
Open Space Refunding Bonds - 2003D	2.25-3.05	2/01 8/01	11/25/03	2/1/11	1,355,000	1,095,000	260,000
Capital Improvement Bonds - 2004A	3.00-4.75	2/01 8/01	9/9/04	2/1/25	7,480,000	1,270,000	6,210,000
Open Space Bonds - 2007A	3.75-3.90	2/01 8/01	11/15/07	2/1/24	2,715,000	140,000	2,575,000
Activity Center and Field House							
Refunding Bonds - 2009B	3.00	2/01 8/01	11/24/09	2/1/14	1,445,000	-	1,445,000
Open Space Bonds - 2010A	2.00-3.25	2/01 8/01	8/24/10	2/1/26	2,990,000	-	2,990,000
Total general obligation					<u>21,950,000</u>	<u>7,840,000</u>	<u>14,110,000</u>
GENERAL OBLIGATION BONDS - TAX INCREMENT:							
Tax Increment Bonds - 1998A	4.15-4.65	2/01 8/01	10/1/98	2/1/23	2,900,000	2,900,000	-
Tax Increment Bonds - 2005A	2.80-4.25	2/01 8/01	4/1/05	2/1/23	1,370,000	130,000	1,240,000
Tax Increment Refunding Bonds - 2009A	3.00-3.50	2/01 8/01	11/24/09	2/1/23	2,490,000	-	2,490,000
Total tax increment obligation					<u>6,760,000</u>	<u>3,030,000</u>	<u>3,730,000</u>
SPECIAL ASSESSMENT BONDS:							
Housing Improvement Bonds - 1998B	5.20-5.90	2/01 8/01	10/1/98	2/1/14	1,030,000	660,000	370,000
General Obligation Improvement							
Bonds - 2003C	2.25-2.75	2/01 8/01	11/25/03	2/1/10	2,895,000	2,895,000	-
Total special assessment					<u>3,925,000</u>	<u>3,555,000</u>	<u>370,000</u>
Total governmental activities					<u>32,635,000</u>	<u>14,425,000</u>	<u>18,210,000</u>
Business-type activities:							
General Obligation Water Revenue							
Bonds - 2004B	3.00-4.00	2/01 8/01	12/8/04	2/1/19	13,140,000	4,780,000	8,360,000
Total primary government bonds payable					<u>\$ 45,775,000</u>	<u>\$ 19,205,000</u>	<u>\$ 26,570,000</u>
<u>Component unit</u>							
Business-type activities:							
Governmental Housing Project							
Refunding Bonds - 2003	1.75-4.50	04/01 10/01	2/20/03	10/1/23	\$ 4,860,000	\$ 1,370,000	\$ 3,490,000
Governmental Housing Project							
Housing Bonds - 2005	3.75-5.00	2/01 8/01	5/1/05	2/1/35	10,650,000	265,000	10,385,000
Total component unit bonds payable					<u>\$ 15,510,000</u>	<u>\$ 1,635,000</u>	<u>\$ 13,875,000</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

Note 5: LONG-TERM DEBT – CONTINUED

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

Year Ending December 31	Primary Government Governmental Activities		Primary Government Business-type Activities		Component Unit Business-type Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
	2011	\$ 1,445,000	\$ 645,309	\$ 805,000	\$ 308,913	\$ 355,000
2012	1,395,000	602,358	830,000	280,300	380,000	600,669
2013	1,485,000	552,926	860,000	250,188	410,000	586,220
2014	1,550,000	500,708	890,000	216,800	435,000	570,095
2015	945,000	457,906	920,000	180,600	460,000	552,855
2016 - 2020	5,415,000	1,721,960	4,055,000	332,300	2,690,000	2,460,868
2021 - 2025	5,730,000	573,938	-	-	2,855,000	1,812,486
2026 - 2030	245,000	3,981	-	-	2,605,000	1,231,188
2031 - 2035	-	-	-	-	3,685,000	485,625
	<u>\$ 18,210,000</u>	<u>\$ 5,059,086</u>	<u>\$ 8,360,000</u>	<u>\$ 1,569,101</u>	<u>\$ 13,875,000</u>	<u>\$ 8,913,751</u>

D. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2010 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts due within one year
<u>Primary government:</u>					
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 13,740,000	\$ 2,990,000	\$ 2,620,000	\$ 14,110,000	\$ 1,195,000
General obligation bonds - tax increment	6,370,000	-	2,640,000	3,730,000	165,000
Special assessment bonds	980,000	-	610,000	370,000	85,000
Deferred amounts:					
Issuance premiums (discounts)	133,499	49,206	22,621	160,084	21,087
Total bonds payable	21,223,499	3,039,206	5,892,621	18,370,084	1,466,087
OPEB liability	401,788	291,398	86,441	606,745	-
Compensated absences	2,311,878	1,546,988	1,433,808	2,425,058	1,433,808
Governmental activity					
Long-term liabilities	23,937,165	4,877,592	7,412,870	21,401,887	2,899,895
Business-type activities:					
Bonds payable:					
General obligation water revenue bonds	9,145,000	-	785,000	8,360,000	805,000
Deferred amounts:					
Issuance discounts	(18,163)	-	(2,000)	(16,163)	(2,000)
Business-type activity					
Long-term liabilities	9,126,837	-	783,000	8,343,837	803,000
Primary government					
Long-term liabilities	<u>\$ 33,064,002</u>	<u>\$ 4,877,592</u>	<u>\$ 8,195,870</u>	<u>\$ 29,745,724</u>	<u>\$ 3,702,895</u>
<u>Component unit:</u>					
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 10,525,000	\$ -	\$ 140,000	\$ 10,385,000	\$ 150,000
General obligation bonds - refunding	3,690,000	-	200,000	3,490,000	205,000
Deferred amounts:					
Issuance discounts	(65,741)	-	(3,871)	(61,870)	(3,737)
Total bonds payable	<u>\$ 14,149,259</u>	<u>\$ -</u>	<u>\$ 336,129</u>	<u>\$ 13,813,130</u>	<u>\$ 351,263</u>

**CITY OF PLYMOUTH, MINNESOTA
 NOTES TO FINANCIAL STATEMENTS
 Year Ended December 31, 2010**

Note 5: LONG-TERM DEBT – CONTINUED

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

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

On November 24, 2009, the City issued two refunding bonds:

Tax Increment Refunding series 2009A, with an average interest rate of 3.41%, will refund the Tax Increment series 1998A with an average interest rate of 4.49%. The retirement of the 1998A series will occur on February 1, 2010. The refunding will result in a \$225,177 gross debt service savings over the next 13 years, and an economic gain of \$182,712.

Activity Center and Field House Refunding series 2009B, with an average interest rate of 3.0%, will refund the Activity Center and Field House series 1998C with an average interest rate of 4.01%. The retirement of the 1998C series will occur on February 1, 2010. The refunding will result in a \$67,715 gross debt service savings over the next 5 years, and an economic gain of \$64,043.

There were \$3,295,000 in Open Space Bonds authorized in November 2006 that were unissued as of December 31, 2010.

There are a number of financial limitations and restrictions contained in the various bond indentures. At December 31, 2010, the City is in compliance with all significant financial limitations and restrictions, and has no federal arbitrage payable. As of December 31, 2010, there were \$3,165,000 in HRA refunding bonds authorized with an issue date of February 23, 2011.

Note 6: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2010, is as follows:

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor Governmental	Nonmajor Governmental	\$ 317,930

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 5.25% to 6.0%.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Improvement Project Construction	Nonmajor Governmental	\$ 230,719
Nonmajor Governmental	Ice Center	1,088,792
		<u>\$ 1,319,511</u>

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

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

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

Transfer Out:	Transfer In:		
	General	Improvement Projects	Nonmajor Governmental Funds
General	\$ -	\$ -	\$ 965,917
Transit System	18,269	-	-
CDBG	-	-	-
Improvement Projects	214,719	-	-
Nonmajor Governmental Funds	-	8,130,440	4,481,701
Water Sewer Utility	141,871	2,343,451	-
Ice Center	11,939	-	-
Water Resources	25,449	32,848	-
Nonmajor Enterprise Funds	21,753	-	-
Internal Service Funds	198,795	-	24,150
Total	\$ 632,795	\$ 10,506,739	\$ 5,471,768

Transfer Out:	Transfer In:			
	Water Sewer Utility	Water Resources	Internal Service Funds	Total
General	\$ -	\$ -	\$ 757,324	\$ 1,723,241
Transit System	-	-	4,361	22,630
CDBG	-	-	1,652	1,652
Improvement Projects	-	-	-	214,719
Nonmajor Governmental Funds	44,586	-	38,955	12,695,682
Water Sewer Utility	-	41,683	107,990	2,634,995
Ice Center	-	-	9,500	21,439
Water Resources	-	-	24,723	83,020
Nonmajor Enterprise Funds	-	-	7,399	29,152
Internal Service Funds	27,768	-	39,450	290,163
Total Transfers	\$ 72,354	\$ 41,683	\$ 991,354	\$ 17,716,693

Note 7: CONTINGENCIES

General Litigation

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

Tax Increment Districts

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

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

Note 7: CONTINGENCIES – CONTINUED

Conduit Debt Obligations

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

As of December 31, 2010, there were 28 series of Industrial Revenue, Housing Revenue, and Health Revenue Bonds outstanding with an aggregate principal amount payable of approximately \$95.2 million.

Note 8: RISK MANAGEMENT

The City is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In prior years, the City was unable to obtain general liability insurance at a cost it considered to be economically justifiable. As such, the City joined together with other cities throughout Minnesota to form the League of Minnesota Cities Insurance Trust (LMCIT), a public entity risk pool currently operating as a common risk management and insurance program for member cities.

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

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

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

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

	<u>2009</u>	<u>2010</u>
Liability at beginning of year	\$ 720,583	\$ 451,099
Incurring claims and changes in estimates	152,625	571,811
Claims paid	<u>(422,109)</u>	<u>(424,660)</u>
Liability at end of year	<u>\$ 451,099</u>	<u>\$ 598,250</u>

Note 9: RETIREMENT PLANS

DEFINED BENEFIT PENSION PLANS – STATEWIDE

A. Plan Description

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

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

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

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

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

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

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

Note 9: RETIREMENT PLANS – CONTINUED

B. Funding Policy

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. GERF Coordinated Plan members were required to contribute 6.0% of their annual covered salary in 2010. PEPFF members were required to contribute 9.4% of their annual covered salary in 2010. The City of Plymouth was required to contribute the following percentages of annual covered payroll: 7.0% for Coordinated Plan GERF members and 14.1% for PEPFF members. The employer rate for the Coordinated Plan will increase to 7.25% and 14.4% for the PEPFF effective January 1, 2011. The City's contributions to the Public Employees Retirement Fund for the years ended December 31, 2010, 2009, and 2008 were \$840,817, \$849,561, and \$798,696, respectively. The City's contributions to the Public Employees Police & Fire Fund for the years ended December 31, 2010, 2009, and 2008 were \$810,372, \$840,597, and \$715,528, respectively. The City's contributions were equal to the contractually required contributions for each year as set by state statute.

DEFINED CONTRIBUTION PLAN – STATEWIDE

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

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

The City's contribution to the Public Employees Defined Contribution Plan for the year ended December 31, 2010 was \$3,236; an amount identical to the employee contribution. The percentage of covered payroll from employee and employer was 5.0% which is the same as the required rate.

PLYMOUTH FIREFIGHTERS' RELIEF ASSOCIATION RETIREMENT PLAN - SINGLE EMPLOYER

A. Plan Description

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

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

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

CITY OF PLYMOUTH, MINNESOTA
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2010

Note 9: RETIREMENT PLANS – CONTINUED

B. Funding Policy

Minnesota Statute Chapter 69.772 sets the minimum contribution requirement for the City of Plymouth and state aid on an annual basis. These statutes are established and amended by the state legislature. The City passes through state aid allocated to the plan in accordance with state statutes. The amount shown as contributions of state aid, \$310,510, is recognized as revenue and expense during the year. The Association is comprised of volunteers; therefore, there are no payroll expenditures or covered payroll percentage calculations. The City's annual pension cost for the current year and related information for the plan is as follows:

Annual contribution requirement	\$310,510
Contributions made:	
City	--
State aid	\$310,510
Actuarial valuation date	1/1/09
Actuarial cost method	Entry age normal
Amortization method	Level dollar closed
Remaining amortization period:	
Normal cost	20 years
Prior service cost	10 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return	5%
Projected salary increases	N/A
Inflation rate	N/A
Cost of living adjustments	None

C. Annual Pension Cost and Net Pension Obligation

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

<u>Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/10	310,510	100%	--
12/31/09	306,859	100%	--
12/31/08	362,197	100%	--

D. Required Supplementary Information

The date of the latest available actuarial valuation is January 1, 2009. An actuarial valuation was not performed in 2007, so the actuarial accrued liability was estimated at 5% over the previous year. There are no payroll earnings for volunteer firefighters subject to pension funding requirements.

Trend Information:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Assets in Excess of/ (Unfunded) Accrued Liability</u>	<u>Funded Ratio</u>	<u>Pension Benefit Per Year of Service</u>
1/1/2009	5,586,731	5,285,794	300,937	105.7%	7,500
1/1/2008	4,783,514	5,454,665	(671,151)	87.7%	7,500
1/1/2007	6,462,490	5,371,340	1,091,150	120.3%	7,000

Note 10: POSTEMPLOYMENT HEALTHCARE PLAN BENEFITS

The date of the latest available actuarial valuation is January 1, 2009. All 2010 numbers below are based on the estimates provided by this valuation.

A. Plan Description

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

B. Funding Policy

The contribution requirements of plan members and the City are established by State Statutes and the City Council. Eligible retired city employees and beneficiaries contribute 100% of the group health insurance plan premium. For fiscal year 2010, the City contributed \$86,441.

C. Annual OPEB Cost and Net OPEB Obligation

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

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

Annual Required Contribution	\$ 285,139
Interest on Net OPEB Obligation	18,080
Adjustment to Annual Required Contribution	<u>(11,821)</u>
Annual OPEB Cost	291,398
Contributions made	<u>(86,441)</u>
Increase in Net OPEB Obligation	204,957
Net OPEB Obligation beginning of year	<u>401,788</u>
Net OPEB Obligation end of year	<u><u>\$ 606,745</u></u>

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

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$291,398	\$86,441	29.7%	\$606,745
2009	\$282,175	\$77,218	27.4%	\$401,788
2008	\$293,078	\$96,247	32.8%	\$196,831

Note 10: POSTEMPLOYMENT HEALTHCARE PLAN BENEFITS – CONTINUED

D. Funding Status and Funding Progress

As of January 1, 2009, the actuarial accrued liability for benefits was \$2,346,338 all of which was unfunded and represents the implicit rate subsidies for eligible retirees and beneficiaries. The covered payroll (annual payroll of active employees covered by the plan) was \$16,589,598, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 14.1%.

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

E. Actuarial Methods and Assumptions

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

For the January 1, 2009 actuarial valuation, the projected unit credit with thirty year amortization of the unfunded liability method was used. The actuarial assumptions included a 4.5% investment rate of return and an annual healthcare cost trend rate of 9.0% initially, reduced to an ultimate rate of 5.0% in eight years. The UAAL is being amortized on a level dollar basis over a closed period. The remaining amortization period at December 31, 2010 was 28 years.

The following actuarial assumptions were included:

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

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

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

F. Plan Members

The following summarizes the participant data at January 1, 2009, the date of the latest actuarial valuation:

Active participants	251
Participants/surviving Spouses receiving benefits	17
Spouses of Retired Participants receiving benefit	<u>5</u>
Total participants	<u>273</u>

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CITY OF PLYMOUTH, MINNESOTA
REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2010

Other Postemployment Benefits Plan
Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Accrued Liability</u>	<u>Actuarial Value of Plan Assets</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Unfunded Liability as a Percentage of Payroll</u>
January 1, 2009	\$ 2,346,338	\$ -	\$ 2,346,338	0.0%	\$ 16,589,598	14.1%
January 1, 2007	2,379,815	-	2,379,815	0.0%	15,896,470	15.0%

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**CITY OF PLYMOUTH, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2010
(with comparative totals for December 31, 2009)**

	Special Revenue	Debt Service	Capital Project	Permanent Fund	Totals	
					2010	2009
ASSETS						
Cash and investments	\$ 978,392	\$ 3,270,080	\$ 32,640,588	\$ 177,851	\$ 37,066,911	\$ 41,257,644
Accounts receivable	46,083	-	12,160	-	58,243	41,428
Notes receivable	391,358	-	313,000	-	704,358	741,104
Taxes receivable	9,520	27,105	43,917	-	80,542	33,500
Special assessments receivable	-	228,181	72,756	-	300,937	370,825
Accrued interest receivable	30,105	4,623	85,831	273	120,832	155,253
Due from other funds	-	6,895	311,035	-	317,930	253,837
Due from other governments	-	-	336,778	-	336,778	432
Inventory	35	-	-	-	35	-
Advances to other funds	-	-	1,088,792	-	1,088,792	1,181,648
TOTAL ASSETS	\$ 1,455,493	\$ 3,536,884	\$ 34,904,857	\$ 178,124	\$ 40,075,358	\$ 44,035,671
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 19,832	\$ 3,504	\$ 255,679	\$ -	\$ 279,015	\$ 348,589
Contracts payable	-	-	416,079	-	416,079	91,175
Accrued salaries and benefits payable	12,059	-	-	-	12,059	14,313
Deposits payable	1,400	-	22,174	-	23,574	350
Due to other funds	-	310,612	7,318	-	317,930	253,837
Due to other governments	191	-	-	-	191	498
Advances from other funds	-	-	230,719	-	230,719	448,379
Deferred revenue	605,998	250,650	505,196	-	1,361,844	1,328,927
Total liabilities	639,480	564,766	1,437,165	-	2,641,411	2,486,068
Fund balances:						
Reserved for:						
Advances	-	-	1,088,792	-	1,088,792	1,181,648
Debt service	-	3,020,712	-	-	3,020,712	7,224,694
Encumbrances	609	-	39,731	-	40,340	99,424
Special revenue projects	12,760	-	-	-	12,760	12,796
Cemetery perpetual care:						
Nonexpendable	-	-	-	45,500	45,500	45,500
Expendable	-	-	-	132,624	132,624	131,996
Construction projects	-	-	41,235	-	41,235	3,118,464
Tax Increment Financing	-	-	2,293,981	-	2,293,981	1,961,110
Unreserved, designated for, reported in:						
Capital improvements	-	-	17,489,999	-	17,489,999	16,165,909
Unreserved, undesignated, reported in:						
Special revenue funds	802,644	-	-	-	802,644	742,325
Debt service funds	-	(48,594)	-	-	(48,594)	-
Capital project funds	-	-	12,513,954	-	12,513,954	10,865,737
Total fund balances	816,013	2,972,118	33,467,692	178,124	37,433,947	41,549,603
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,455,493	\$ 3,536,884	\$ 34,904,857	\$ 178,124	\$ 40,075,358	\$ 44,035,671

CITY OF PLYMOUTH, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	Special Revenue	Debt Service	Capital Project	Permanent Fund	Totals	
					2010	2009
REVENUES:						
General property taxes	\$ 618,092	\$ 1,986,862	\$ 3,682,095	\$ -	\$ 6,287,049	\$ 6,827,256
Special assessments	-	63,702	16,140	-	79,842	123,882
Licenses and permits	-	-	105,586	-	105,586	-
Intergovernmental	-	11,265	3,002,180	-	3,013,445	2,148,114
Charges for services	1,166,146	-	13,075	-	1,179,221	1,133,242
Contributions	3,002	-	1,142,633	-	1,145,635	68,476
Interest income	7,697	3,301	206,691	628	218,317	427,834
Loan repayments	6,745	-	-	-	6,745	4,896
Other revenues	2,954	-	18,620	-	21,574	70,220
Total revenues	<u>1,804,636</u>	<u>2,065,130</u>	<u>8,187,020</u>	<u>628</u>	<u>12,057,414</u>	<u>10,803,920</u>
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	4,268
Economic development	-	-	226,507	-	226,507	-
Parks and recreation	1,704,896	-	179,213	-	1,884,109	1,715,923
Public service	-	-	-	-	-	178,093
Public works	-	-	9,559	-	9,559	-
Interest on interfund advances	-	-	26,903	-	26,903	39,223
Debt service:						
Principal retirement	-	1,920,000	-	-	1,920,000	1,690,000
Interest and fiscal charges	-	682,487	-	-	682,487	759,421
Bond issuance costs	-	-	36,625	-	36,625	49,305
Capital outlay	-	-	3,252,172	-	3,252,172	3,970,100
Total expenditures	<u>1,704,896</u>	<u>2,602,487</u>	<u>3,730,979</u>	<u>-</u>	<u>8,038,362</u>	<u>8,406,333</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>99,740</u>	<u>(537,357)</u>	<u>4,456,041</u>	<u>628</u>	<u>4,019,052</u>	<u>2,397,587</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	3,087	247,307	5,221,374	-	5,471,768	5,707,524
Transfers out	(42,042)	(12,526)	(12,641,114)	-	(12,695,682)	(6,185,899)
General obligation bonds issued	-	-	2,990,000	-	2,990,000	3,935,000
Premium on bonds issued	-	-	49,206	-	49,206	69,497
Payment of refunded bonds	-	(3,950,000)	-	-	(3,950,000)	-
Total other financing sources (uses)	<u>(38,955)</u>	<u>(3,715,219)</u>	<u>(4,380,534)</u>	<u>-</u>	<u>(8,134,708)</u>	<u>3,526,122</u>
NET CHANGE IN FUND BALANCES	<u>60,785</u>	<u>(4,252,576)</u>	<u>75,507</u>	<u>628</u>	<u>(4,115,656)</u>	<u>5,923,709</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>755,228</u>	<u>7,224,694</u>	<u>33,392,185</u>	<u>177,496</u>	<u>41,549,603</u>	<u>35,625,894</u>
FUND BALANCES AT END OF YEAR	<u>\$ 816,013</u>	<u>\$ 2,972,118</u>	<u>\$33,467,692</u>	<u>\$ 178,124</u>	<u>\$ 37,433,947</u>	<u>\$ 41,549,603</u>

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**CITY OF PLYMOUTH, MINNESOTA
SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2010
(with comparative totals for December 31, 2009)**

	<u>Recreation</u>	<u>Parkers Lake Cemetery Maintenance</u>	<u>Community Development</u>	<u>Economic Development</u>	<u>Lawful Gambling</u>
<u>ASSETS</u>					
Cash and investments	\$ 743,973	\$ 152,479	\$ 52,424	\$ 16,776	\$ 12,740
Accounts receivable	45,096	-	-	987	-
Notes receivable	-	-	225,000	166,358	-
Taxes receivable	9,520	-	-	-	-
Accrued interest receivable	1,141	234	28,684	26	20
Due from other governments	-	-	-	-	-
Inventory	35	-	-	-	-
TOTAL ASSETS	<u>\$ 799,765</u>	<u>\$ 152,713</u>	<u>\$ 306,108</u>	<u>\$ 184,147</u>	<u>\$ 12,760</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 19,832	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits payable	12,059	-	-	-	-
Deposits payable	1,400	-	-	-	-
Due to other governments	191	-	-	-	-
Deferred revenue	186,037	-	253,603	166,358	-
Total liabilities	<u>219,519</u>	<u>-</u>	<u>253,603</u>	<u>166,358</u>	<u>-</u>
Fund balances:					
Reserved for:					
Encumbrances	609	-	-	-	-
Special revenue projects	-	-	-	-	12,760
Unreserved, undesignated	579,637	152,713	52,505	17,789	-
Total fund balances	<u>580,246</u>	<u>152,713</u>	<u>52,505</u>	<u>17,789</u>	<u>12,760</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 799,765</u>	<u>\$ 152,713</u>	<u>\$ 306,108</u>	<u>\$ 184,147</u>	<u>\$ 12,760</u>

Totals	
2010	2009
\$ 978,392	\$ 907,164
46,083	35,648
391,358	398,104
9,520	2,804
30,105	28,548
-	432
35	-
<u>\$ 1,455,493</u>	<u>\$ 1,372,700</u>

\$ 19,832	\$ 16,402
12,059	14,313
1,400	350
191	498
<u>605,998</u>	<u>585,909</u>
<u>639,480</u>	<u>617,472</u>

609	107
12,760	12,796
<u>802,644</u>	<u>742,325</u>
<u>816,013</u>	<u>755,228</u>
<u>\$ 1,455,493</u>	<u>\$ 1,372,700</u>

CITY OF PLYMOUTH, MINNESOTA
SPECIAL REVENUE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	<u>Recreation</u>	<u>Parkers Lake Cemetery Maintenance</u>	<u>Community Development</u>	<u>Economic Development</u>	<u>Lawful Gambling</u>
REVENUES:					
General property taxes	\$ 618,092	\$ -	\$ -	\$ -	\$ -
Charges for services	1,166,126	20	-	-	-
Contributions	-	-	-	-	3,002
Interest income	1,774	538	185	5,151	49
Loan repayments	-	-	-	6,745	-
Other revenues	2,954	-	-	-	-
Total revenues	<u>1,788,946</u>	<u>558</u>	<u>185</u>	<u>11,896</u>	<u>3,051</u>
EXPENDITURES:					
Current:					
Parks and recreation	1,704,896	-	-	-	-
Public service	-	-	-	-	-
Total expenditures	<u>1,704,896</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>84,050</u>	<u>558</u>	<u>185</u>	<u>11,896</u>	<u>3,051</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	3,087	-	-	-	-
Transfers out	(38,955)	-	-	-	(3,087)
Total other financing sources (uses)	<u>(35,868)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,087)</u>
NET CHANGE IN FUND BALANCES	48,182	558	185	11,896	(36)
FUND BALANCES AT BEGINNING OF YEAR	<u>532,064</u>	<u>152,155</u>	<u>52,320</u>	<u>5,893</u>	<u>12,796</u>
FUND BALANCES AT END OF YEAR	<u>\$ 580,246</u>	<u>\$ 152,713</u>	<u>\$ 52,505</u>	<u>\$ 17,789</u>	<u>\$ 12,760</u>

Totals

<u>2010</u>	<u>2009</u>
\$ 618,092	\$ 670,772
1,166,146	1,133,242
3,002	2,732
7,697	8,920
6,745	4,896
2,954	2,355
1,804,636	1,822,917
1,704,896	1,715,923
-	178,093
1,704,896	1,894,016
99,740	(71,099)
3,087	2,012
(42,042)	(38,967)
(38,955)	(36,955)
60,785	(108,054)
755,228	863,282
\$ 816,013	\$ 755,228

CITY OF PLYMOUTH, MINNESOTA
RECREATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	2010			Variance with Final Budget	2009
	Original Budget	Final Budget	Actual		Actual
REVENUES:					
General property taxes	\$ 618,497	\$ 618,497	\$ 618,092	\$ (405)	\$ 670,772
Charges for services	1,091,985	1,099,919	1,166,126	66,207	1,133,132
Contributions	-	-	-	-	725
Interest income	9,135	9,135	1,774	(7,361)	4,101
Other revenues	1,300	1,300	2,954	1,654	2,355
Total revenues	<u>1,720,917</u>	<u>1,728,851</u>	<u>1,788,946</u>	<u>60,095</u>	<u>1,811,085</u>
EXPENDITURES:					
Current:					
Parks and recreation:					
Personal services	925,419	925,419	924,841	578	930,493
Materials and supplies	57,215	65,149	62,043	3,106	52,828
Contractual services	717,502	717,502	718,012	(510)	732,602
Total expenditures	<u>1,700,136</u>	<u>1,708,070</u>	<u>1,704,896</u>	<u>3,174</u>	<u>1,715,923</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>20,781</u>	<u>20,781</u>	<u>84,050</u>	<u>63,269</u>	<u>95,162</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	15,000	15,000	3,087	(11,913)	2,012
Transfers out	(35,781)	(35,781)	(38,955)	(3,174)	(36,955)
Total other financing sources (uses)	<u>(20,781)</u>	<u>(20,781)</u>	<u>(35,868)</u>	<u>(15,087)</u>	<u>(34,943)</u>
NET CHANGE IN FUND BALANCE	-	-	48,182	48,182	60,219
FUND BALANCE AT BEGINNING OF YEAR	<u>532,064</u>	<u>532,064</u>	<u>532,064</u>	-	<u>471,845</u>
FUND BALANCE AT END OF YEAR	<u>\$ 532,064</u>	<u>\$ 532,064</u>	<u>\$ 580,246</u>	<u>\$ 48,182</u>	<u>\$ 532,064</u>

CITY OF PLYMOUTH, MINNESOTA
DEBT SERVICE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2010
(with comparative totals for December 31, 2009)

	General Obligation Bonds	Tax Increment Bonds	Special Assessment Bonds	Totals	
				2010	2009
ASSETS					
Cash and investments	\$ 2,492,169	\$ 264,022	\$ 513,889	\$ 3,270,080	\$ 7,457,377
Taxes receivable	25,108	-	1,997	27,105	8,565
Special assessments receivable	-	-	228,181	228,181	292,053
Accrued interest receivable	3,835	-	788	4,623	17,852
Due from other funds	6,895	-	-	6,895	502
TOTAL ASSETS	\$ 2,528,007	\$ 264,022	\$ 744,855	\$ 3,536,884	\$ 7,776,349
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,500	\$ 2,004	\$ -	\$ 3,504	\$ 7,000
Due to other funds	-	310,612	-	310,612	253,335
Deferred revenue	21,148	-	229,502	250,650	291,320
Total liabilities	22,648	312,616	229,502	564,766	551,655
Fund balances:					
Reserved for debt service	2,505,359	-	515,353	3,020,712	7,224,694
Unreserved, undesignated	-	(48,594)	-	(48,594)	-
Total fund balances	2,505,359	(48,594)	515,353	2,972,118	7,224,694
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,528,007	\$ 264,022	\$ 744,855	\$ 3,536,884	\$ 7,776,349

CITY OF PLYMOUTH, MINNESOTA
DEBT SERVICE FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	General Obligation Bonds	Tax Increment Bonds	Special Assessment Bonds	Totals	
				2010	2009
REVENUES:					
General property taxes	\$ 1,701,467	\$ 282,139	\$ 3,256	\$ 1,986,862	\$ 2,107,038
Special assessments	-	-	63,702	63,702	107,360
Intergovernmental	-	11,265	-	11,265	23,162
Interest income (loss)	(4,563)	(10,435)	18,299	3,301	49,300
Total revenues	<u>1,696,904</u>	<u>282,969</u>	<u>85,257</u>	<u>2,065,130</u>	<u>2,286,860</u>
EXPENDITURES:					
Debt service:					
Principal retirement	1,150,000	160,000	610,000	1,920,000	1,690,000
Interest and fiscal charges	484,721	166,634	31,132	682,487	759,421
Bond issuance costs	-	-	-	-	49,305
Total expenditures	<u>1,634,721</u>	<u>326,634</u>	<u>641,132</u>	<u>2,602,487</u>	<u>2,498,726</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>62,183</u>	<u>(43,665)</u>	<u>(555,875)</u>	<u>(537,357)</u>	<u>(211,866)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	247,307	-	247,307	-
Transfers out	-	(12,526)	-	(12,526)	-
General obligation bonds issued	-	-	-	-	3,935,000
Premium on bonds issued	-	-	-	-	69,497
Payment of refunded bonds	(1,470,000)	(2,480,000)	-	(3,950,000)	-
Total other financing sources	<u>(1,470,000)</u>	<u>(2,245,219)</u>	<u>-</u>	<u>(3,715,219)</u>	<u>4,004,497</u>
NET CHANGE IN FUND BALANCES	(1,407,817)	(2,288,884)	(555,875)	(4,252,576)	3,792,631
FUND BALANCES AT BEGINNING OF YEAR	<u>3,913,176</u>	<u>2,240,290</u>	<u>1,071,228</u>	<u>7,224,694</u>	<u>3,432,063</u>
FUND BALANCES AT END OF YEAR	<u>\$ 2,505,359</u>	<u>\$ (48,594)</u>	<u>\$ 515,353</u>	<u>\$ 2,972,118</u>	<u>\$ 7,224,694</u>

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**CITY OF PLYMOUTH, MINNESOTA
CAPITAL PROJECT FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2010
(with comparative totals for December 31, 2009)**

	<u>General Capital Projects</u>	<u>Minnesota State Aid</u>	<u>Community Improvement</u>	<u>Park Replacement</u>	<u>Project Administration</u>
<u>ASSETS</u>					
Cash and investments	\$ 3,342,979	\$ 2,156,723	\$ 6,576,949	\$ 5,390,195	\$ 490,947
Accounts receivable	95	-	-	-	-
Notes receivable	-	-	-	-	-
Taxes receivable	-	-	-	-	-
Special assessments receivable	-	-	72,756	-	-
Accrued interest receivable	4,670	3,309	10,091	7,629	753
Due from other funds	-	-	-	-	-
Due from other governments	336,778	-	-	-	-
Advances to other funds	-	-	-	1,088,792	-
TOTAL ASSETS	<u>\$ 3,684,522</u>	<u>\$ 2,160,032</u>	<u>\$ 6,659,796</u>	<u>\$ 6,486,616</u>	<u>\$ 491,700</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	\$ 11,121	\$ -	\$ -	\$ 34,224	\$ -
Contracts payable	416,079	-	-	-	-
Deposits payable	22,174	-	-	-	-
Due to other funds	-	-	-	-	-
Advances from other funds	-	230,719	-	-	-
Deferred revenue	37,718	-	71,545	8,889	-
Total liabilities	<u>487,092</u>	<u>230,719</u>	<u>71,545</u>	<u>43,113</u>	<u>-</u>
Fund balances:					
Reserved for:					
Advances	-	-	-	1,088,792	-
Encumbrances	37,731	-	-	1,000	-
Construction projects	41,235	-	-	-	-
Tax increment financing	-	-	-	-	-
Unreserved:					
Designated for capital improvement	-	-	1,400,000	5,353,711	491,700
Undesignated	3,118,464	1,929,313	5,188,251	-	-
Total fund balances	<u>3,197,430</u>	<u>1,929,313</u>	<u>6,588,251</u>	<u>6,443,503</u>	<u>491,700</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,684,522</u>	<u>\$ 2,160,032</u>	<u>\$ 6,659,796</u>	<u>\$ 6,486,616</u>	<u>\$ 491,700</u>

<u>Park Construction</u>	<u>Infrastructure Replacement</u>	<u>Capital Improvement</u>	<u>G.O. Open Space 2007A</u>	<u>G.O. Open Space 2010A</u>	<u>Tax Increment Projects</u>	<u>Totals</u>	
						<u>2010</u>	<u>2009</u>
\$ 2,619,283	\$ 7,537,661	\$ 2,387,127	\$ -	\$ -	\$ 2,138,724	\$ 32,640,588	\$ 32,716,031
-	4,865	-	-	7,200	-	12,160	5,780
77,000	-	-	-	-	236,000	313,000	343,000
-	36,669	5,456	-	-	1,792	43,917	22,131
-	-	-	-	-	-	72,756	78,772
4,019	10,923	3,663	-	-	40,774	85,831	108,429
-	-	-	-	-	311,035	311,035	253,335
-	-	-	-	-	-	336,778	-
-	-	-	-	-	-	1,088,792	1,181,648
<u>\$ 2,700,302</u>	<u>\$ 7,590,118</u>	<u>\$ 2,396,246</u>	<u>\$ -</u>	<u>\$ 7,200</u>	<u>\$ 2,728,325</u>	<u>\$ 34,904,857</u>	<u>\$ 34,709,126</u>
\$ 47,976	\$ -	\$ -	\$ 1	\$ 1,020	\$ 161,337	\$ 255,679	\$ 325,187
-	-	-	-	-	-	416,079	91,175
-	-	-	-	-	-	22,174	-
-	-	-	503	6,392	423	7,318	502
-	-	-	-	-	-	230,719	448,379
77,000	32,830	4,630	-	-	272,584	505,196	451,698
<u>124,976</u>	<u>32,830</u>	<u>4,630</u>	<u>504</u>	<u>7,412</u>	<u>434,344</u>	<u>1,437,165</u>	<u>1,316,941</u>
-	-	-	-	-	-	1,088,792	1,181,648
1,000	-	-	-	-	-	39,731	99,317
-	-	-	-	-	-	41,235	3,118,464
-	-	-	-	-	2,293,981	2,293,981	1,961,110
2,450,000	7,557,288	237,300	-	-	-	17,489,999	16,165,909
124,326	-	2,154,316	(504)	(212)	-	12,513,954	10,865,737
<u>2,575,326</u>	<u>7,557,288</u>	<u>2,391,616</u>	<u>(504)</u>	<u>(212)</u>	<u>2,293,981</u>	<u>33,467,692</u>	<u>33,392,185</u>
<u>\$ 2,700,302</u>	<u>\$ 7,590,118</u>	<u>\$ 2,396,246</u>	<u>\$ -</u>	<u>\$ 7,200</u>	<u>\$ 2,728,325</u>	<u>\$ 34,904,857</u>	<u>\$ 34,709,126</u>

CITY OF PLYMOUTH, MINNESOTA
CAPITAL PROJECT FUNDS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	<u>General Capital Projects</u>	<u>Minnesota State Aid</u>	<u>Community Improvement</u>	<u>Park Replacement</u>	<u>Project Administration</u>
REVENUES:					
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	16,140	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	614,946	2,378,296	-	-	-
Charges for services	-	-	-	13,075	-
Contributions	-	-	-	-	-
Interest income (loss)	10,424	26,735	28,827	88,584	(7,623)
Other revenues	10,020	-	-	-	5,363
Total revenues	<u>635,390</u>	<u>2,405,031</u>	<u>44,967</u>	<u>101,659</u>	<u>(2,260)</u>
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Economic development	-	-	-	-	-
Parks and recreation	55,985	-	-	20,802	-
Public works	-	-	-	-	6,040
Interest on interfund advances	-	26,903	-	-	-
Debt service:					
Bond issuance costs	-	-	-	-	-
Capital outlay	2,202,273	-	-	5,240	-
Total expenditures	<u>2,258,258</u>	<u>26,903</u>	<u>-</u>	<u>26,042</u>	<u>6,040</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	<u>(1,622,868)</u>	<u>2,378,128</u>	<u>44,967</u>	<u>75,617</u>	<u>(8,300)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	1,608,297	-	-	502,906	-
Transfers out	-	(3,343,806)	(1,349,026)	(317,515)	-
General obligation bonds issued	-	-	-	-	-
Discount on bonds issued	-	-	-	-	-
Total other financing sources (uses)	<u>1,608,297</u>	<u>(3,343,806)</u>	<u>(1,349,026)</u>	<u>185,391</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(14,571)	(965,678)	(1,304,059)	261,008	(8,300)
FUND BALANCES AT BEGINNING OF YEAR					
	<u>3,212,001</u>	<u>2,894,991</u>	<u>7,892,310</u>	<u>6,182,495</u>	<u>500,000</u>
FUND BALANCES AT END OF YEAR	<u>\$ 3,197,430</u>	<u>\$ 1,929,313</u>	<u>\$ 6,588,251</u>	<u>\$ 6,443,503</u>	<u>\$ 491,700</u>

<u>Park Construction</u>	<u>Infrastructure Replacement</u>	<u>Capital Improvement</u>	<u>G.O. Open Space 2007A</u>	<u>G.O. Open Space 2010A</u>	<u>Tax Increment Projects</u>	<u>Totals</u>	
						<u>2010</u>	<u>2009</u>
\$ -	\$ 2,526,853	\$ 368,361	\$ -	\$ -	\$ 786,881	\$ 3,682,095	\$ 4,049,446
-	-	-	-	-	-	16,140	16,522
-	105,586	-	-	-	-	105,586	-
-	8,938	-	-	-	-	3,002,180	2,124,952
-	-	-	-	-	-	13,075	65,744
1,142,633	-	-	-	-	-	1,142,633	-
4,703	38,972	6,773	(2)	1,738	7,560	206,691	368,123
-	-	-	-	-	3,237	18,620	67,865
<u>1,147,336</u>	<u>2,680,349</u>	<u>375,134</u>	<u>(2)</u>	<u>1,738</u>	<u>797,678</u>	<u>8,187,020</u>	<u>6,692,652</u>
-	-	-	-	-	-	-	4,268
-	-	-	-	-	226,507	226,507	-
102,426	-	-	-	-	-	179,213	-
-	-	-	-	-	3,519	9,559	-
-	-	-	-	-	-	26,903	39,223
-	-	-	-	36,625	-	36,625	-
-	-	-	-	1,044,659	-	3,252,172	3,970,100
<u>102,426</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,081,284</u>	<u>230,026</u>	<u>3,730,979</u>	<u>4,013,591</u>
<u>1,044,910</u>	<u>2,680,349</u>	<u>375,134</u>	<u>(2)</u>	<u>(1,079,546)</u>	<u>567,652</u>	<u>4,456,041</u>	<u>2,679,061</u>
2,192,854	418,306	253,504	-	232,981	12,526	5,221,374	5,705,512
(674,835)	(4,502,209)	(13,563)	-	(2,192,853)	(247,307)	(12,641,114)	(6,146,932)
-	-	-	-	2,990,000	-	2,990,000	-
-	-	-	-	49,206	-	49,206	-
<u>1,518,019</u>	<u>(4,083,903)</u>	<u>239,941</u>	<u>-</u>	<u>1,079,334</u>	<u>(234,781)</u>	<u>(4,380,534)</u>	<u>(441,420)</u>
2,562,929	(1,403,554)	615,075	(2)	(212)	332,871	75,507	2,237,641
<u>12,397</u>	<u>8,960,842</u>	<u>1,776,541</u>	<u>(502)</u>	<u>-</u>	<u>1,961,110</u>	<u>33,392,185</u>	<u>31,154,544</u>
<u>\$ 2,575,326</u>	<u>\$ 7,557,288</u>	<u>\$ 2,391,616</u>	<u>\$ (504)</u>	<u>\$ (212)</u>	<u>\$ 2,293,981</u>	<u>\$ 33,467,692</u>	<u>\$ 33,392,185</u>

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**CITY OF PLYMOUTH, MINNESOTA
 PARKERS LAKE CEMETERY PERPETUAL CARE
 PERMANENT FUND
 NONMAJOR GOVERNMENTAL FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash and investments	\$ 177,851	\$ 177,072
Accrued interest receivable	273	424
TOTAL ASSETS	<u>\$ 178,124</u>	<u>\$ 177,496</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Fund balance:		
Reserved for cemetery perpetual care:		
Nonexpendable	\$ 45,500	\$ 45,500
Expendable	132,624	131,996
Total fund balance	<u>178,124</u>	<u>177,496</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 178,124</u>	<u>\$ 177,496</u>

**CITY OF PLYMOUTH, MINNESOTA
 PARKERS LAKE CEMETERY PERPETUAL CARE
 PERMANENT FUND
 NONMAJOR GOVERNMENTAL FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 YEARS ENDED DECEMBER 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
<u>REVENUES:</u>		
Interest income	\$ 628	\$ 1,491
NET CHANGE IN FUND BALANCE	628	1,491
FUND BALANCE AT BEGINNING OF YEAR	<u>177,496</u>	<u>176,005</u>
FUND BALANCE AT END OF YEAR	<u>\$ 178,124</u>	<u>\$ 177,496</u>

**CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2010 AND 2009**

	Totals	
	2010	2009
<u>ASSETS</u>		
Cash and investments	\$ 13,318,107	\$ 13,175,844
Accounts receivable	71,906	67,513
Taxes receivable	337,261	515,676
Special assessments receivable	28,787	18,389
Accrued interest receivable	22,748	33,490
Due from other funds	-	30,000
Due from other governments	107,151	115,427
Prepaid expenses	5,691	7,229
TOTAL ASSETS	<u>\$ 13,891,651</u>	<u>\$ 13,963,568</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 359,671	\$ 400,687
Accrued salaries and benefits payable	332,156	324,654
Deposits payable	583,268	720,703
Due to other governments	9,632	214
Deferred revenue	770,478	786,119
Total liabilities	<u>2,055,205</u>	<u>2,232,377</u>
Fund balances:		
Reserved for:		
Encumbrances	185,015	246,466
Prepays	5,691	7,229
Unreserved, designated for working capital	11,245,740	11,477,496
Unreserved, designated for capital improvements	400,000	-
Total fund balance	<u>11,836,446</u>	<u>11,731,191</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 13,891,651</u>	<u>\$ 13,963,568</u>

CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES AND TRANSFERS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	2010		Variance with Final Budget	2009
	Original and Final Budget	Actual		Actual
REVENUES:				
Taxes and special assessments:				
Property taxes	\$ 22,292,678	\$ 22,332,207	\$ 39,529	\$ 22,197,937
Special assessments	-	6,524	6,524	4,368
Total taxes and special assessments	<u>22,292,678</u>	<u>22,338,731</u>	<u>46,053</u>	<u>22,202,305</u>
Licenses and permits:				
Nonbusiness	1,967,000	2,014,694	47,694	1,931,958
Business	307,865	345,769	37,904	340,132
Total licenses and permits	<u>2,274,865</u>	<u>2,360,463</u>	<u>85,598</u>	<u>2,272,090</u>
Intergovernmental:				
State grants and aids	1,249,673	1,236,423	(13,250)	999,908
Federal grants	140,233	171,939	31,706	183,843
Other	409,290	425,660	16,370	391,317
Total intergovernmental	<u>1,799,196</u>	<u>1,834,022</u>	<u>34,826</u>	<u>1,575,068</u>
Charges for services	<u>1,516,245</u>	<u>1,870,556</u>	<u>354,311</u>	<u>1,082,485</u>
Fines and forfeitures	<u>912,500</u>	<u>732,451</u>	<u>(180,049)</u>	<u>798,496</u>
Interest income	<u>105,620</u>	<u>28,810</u>	<u>(76,810)</u>	<u>40,489</u>
Other revenues:				
Contributions	700	5,261	4,561	23,115
Other	2,700	69,364	66,664	117,175
Total other revenues	<u>3,400</u>	<u>74,625</u>	<u>71,225</u>	<u>140,290</u>
Total revenues	<u>28,904,504</u>	<u>29,239,658</u>	<u>335,154</u>	<u>28,111,223</u>
OTHER FINANCING SOURCES:				
Transfers from other funds:				
Design Engineering	-	198,795	198,795	-
Field House	3,824	3,824	-	3,824
Ice Center	11,939	11,939	-	11,939
Improvement Project Construction	-	214,719	214,719	-
Project Administration	160,862	-	(160,862)	-
Resource Planning	51,000	-	(51,000)	2,000
Solid Waste	17,929	17,929	-	17,929
Transit	18,269	18,269	-	17,911
Water Sewer Utility	141,210	141,871	661	136,210
Water Resources	17,388	25,449	8,061	17,388
Total other financing sources	<u>422,421</u>	<u>632,795</u>	<u>210,374</u>	<u>207,201</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 29,326,925</u>	<u>\$ 29,872,453</u>	<u>\$ 545,528</u>	<u>\$ 28,318,424</u>

**CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)**

	2010		2009	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
GENERAL GOVERNMENT:				
Legislative:				
Personal services	\$ 570,466	\$ 477,365	\$ 93,101	\$ 511,825
Materials and supplies	5,200	4,902	298	4,799
Contractual services	698,110	692,323	5,787	641,200
Other	609,450	239,472	369,978	119,658
Total legislative	<u>1,883,226</u>	<u>1,414,062</u>	<u>469,164</u>	<u>1,277,482</u>
Administration:				
Personal services	1,450,326	1,463,540	(13,214)	1,405,901
Materials and supplies	18,010	16,170	1,840	6,052
Contractual services	476,790	430,597	46,193	394,989
Other	6,400	5,161	1,239	1,201
Total administration	<u>1,951,526</u>	<u>1,915,468</u>	<u>36,058</u>	<u>1,808,143</u>
Community development:				
Personal services	843,105	842,420	685	840,499
Materials and supplies	8,300	1,999	6,301	1,788
Contractual services	205,015	190,647	14,368	171,134
Total community development	<u>1,056,420</u>	<u>1,035,066</u>	<u>21,354</u>	<u>1,013,421</u>
Total general government	<u>4,891,172</u>	<u>4,364,596</u>	<u>526,576</u>	<u>4,099,046</u>
PARKS AND RECREATION:				
Personal services	2,670,809	2,750,509	(79,700)	2,740,070
Materials and supplies	360,597	296,284	64,313	367,140
Contractual services	1,784,190	1,675,007	109,183	1,467,815
Capital outlay	57,000	48,875	8,125	-
Other	11,850	14,744	(2,894)	8,626
Total parks and recreation	<u>4,884,446</u>	<u>4,785,419</u>	<u>99,027</u>	<u>4,583,651</u>
PUBLIC SAFETY:				
Police:				
Personal services	8,064,645	8,143,044	(78,399)	8,117,807
Materials and supplies	152,300	145,407	6,893	131,895
Contractual services	1,689,798	1,712,756	(22,958)	1,724,360
Capital outlay	-	12,718	(12,718)	-
Other	95,000	69,677	25,323	98,611
Total police	<u>10,001,743</u>	<u>10,083,602</u>	<u>(81,859)</u>	<u>10,072,673</u>
Fire:				
Personal services	1,116,672	1,166,116	(49,444)	1,141,292
Materials and supplies	102,290	107,103	(4,813)	168,747
Contractual services	965,180	905,634	59,546	678,378
Capital outlay	-	-	-	14,091
Other	350,000	318,977	31,023	305,859
Total fire	<u>2,534,142</u>	<u>2,497,830</u>	<u>36,312</u>	<u>2,308,367</u>
Civil defense:				
Personal services	2,537	1,939	598	20,055
Materials and supplies	3,600	9,569	(5,969)	2,923
Contractual services	29,143	22,807	6,336	31,573
Total civil defense	<u>35,280</u>	<u>34,315</u>	<u>965</u>	<u>54,551</u>

(Continued...)

**CITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)**

(Continued from previous page)

	2010		2009	
	Original and Final Budget	Actual	Variance with Final Budget	Actual
Protective inspections				
Personal services	1,095,754	1,099,302	(3,548)	932,438
Materials and supplies	7,770	2,191	5,579	2,503
Contractual services	155,963	151,497	4,466	140,497
Total protective inspections	<u>1,259,487</u>	<u>1,252,990</u>	<u>6,497</u>	<u>1,075,438</u>
Total public safety	<u>13,830,652</u>	<u>13,868,737</u>	<u>(38,085)</u>	<u>13,511,029</u>
PUBLIC WORKS:				
Engineering:				
Personal services	657,431	571,995	85,436	279,426
Materials and supplies	5,320	2,719	2,601	2,035
Contractual services	228,064	228,109	(45)	180,347
Capital outlay	-	214,719	(214,719)	-
Other	-	-	-	2,508
Total engineering	<u>890,815</u>	<u>1,017,542</u>	<u>(126,727)</u>	<u>464,316</u>
Streets:				
Personal services	950,585	990,868	(40,283)	949,266
Materials and supplies	793,350	815,908	(22,558)	674,050
Contractual services	2,367,038	2,197,166	169,872	2,062,913
Other	4,943	3,721	1,222	4,778
Total streets	<u>4,115,916</u>	<u>4,007,663</u>	<u>108,253</u>	<u>3,691,007</u>
Total public works	<u>5,006,731</u>	<u>5,025,205</u>	<u>(18,474)</u>	<u>4,155,323</u>
Total expenditures	<u>28,613,001</u>	<u>28,043,957</u>	<u>569,044</u>	<u>26,349,049</u>
OTHER FINANCING USES:				
Transfers to other funds:				
Central Equipment	-	-	-	94,627
Employee Benefits	54,660	54,660	-	53,045
General Capital Projects	-	44,705	(44,705)	-
Infrastructure Replacement	-	418,306	(418,306)	730,000
Park Replacement	84,600	502,906	(418,306)	77,480
Public Facilities	-	140,000	(140,000)	-
Resource Planning	107,000	95,000	12,000	90,398
Risk Management	467,664	467,664	-	461,133
Total other financing uses	<u>713,924</u>	<u>1,723,241</u>	<u>(1,009,317)</u>	<u>1,506,683</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ 29,326,925</u></u>	<u><u>\$ 29,767,198</u></u>	<u><u>\$ (440,273)</u></u>	<u><u>\$ 27,855,732</u></u>

CITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
DECEMBER 31, 2010
(with comparative totals for December 31, 2009)

	Solid Waste Management	Field House	Totals	
			2010	2009
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 2,633,181	\$ 1,117,850	\$ 3,751,031	\$ 3,807,079
Accounts receivable	-	37,384	37,384	11,692
Accrued interest receivable	4,040	1,715	5,755	9,113
Due from other governments	3,390	-	3,390	-
Total current assets	<u>2,640,611</u>	<u>1,156,949</u>	<u>3,797,560</u>	<u>3,827,884</u>
Noncurrent assets:				
Capital assets:				
Land	-	47,551	47,551	47,551
Buildings	-	1,401,187	1,401,187	1,401,187
Improvements other than buildings	-	248,368	248,368	248,368
Machinery and equipment	-	134,330	134,330	134,330
Total capital assets	-	<u>1,831,436</u>	<u>1,831,436</u>	<u>1,831,436</u>
Less accumulated depreciation	-	<u>(1,237,618)</u>	<u>(1,237,618)</u>	<u>(1,180,264)</u>
Net capital assets	-	<u>593,818</u>	<u>593,818</u>	<u>651,172</u>
TOTAL ASSETS	<u>\$ 2,640,611</u>	<u>\$ 1,750,767</u>	<u>\$ 4,391,378</u>	<u>\$ 4,479,056</u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	\$ 25,267	\$ 12,353	\$ 37,620	\$ 57,494
Accrued salaries and benefits payable	2,460	2,170	4,630	5,099
Due to other governments	-	7	7	1,610
Unearned revenue	-	66,612	66,612	83,607
Total liabilities	<u>27,727</u>	<u>81,142</u>	<u>108,869</u>	<u>147,810</u>
<u>NET ASSETS</u>				
Invested in capital assets	-	593,818	593,818	651,172
Unrestricted	<u>2,612,884</u>	<u>1,075,807</u>	<u>3,688,691</u>	<u>3,680,074</u>
Total net assets	<u>2,612,884</u>	<u>1,669,625</u>	<u>4,282,509</u>	<u>4,331,246</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,640,611</u>	<u>\$ 1,750,767</u>	<u>\$ 4,391,378</u>	<u>\$ 4,479,056</u>

CITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	Solid Waste Management	Field House	Totals	
			2010	2009
OPERATING REVENUES:				
Charges for services	\$ 413,066	\$ 361,507	\$ 774,573	\$ 750,061
Other fees	297,013	7,288	304,301	25,248
Total operating revenue	<u>710,079</u>	<u>368,795</u>	<u>1,078,874</u>	<u>775,309</u>
OPERATING EXPENSES:				
Personal services	142,717	102,712	245,429	234,676
Materials and supplies	25,418	9,746	35,164	33,092
Contractual services	883,488	83,831	967,319	870,043
Depreciation	-	57,354	57,354	98,028
Total operating expenses	<u>1,051,623</u>	<u>253,643</u>	<u>1,305,266</u>	<u>1,235,839</u>
OPERATING INCOME (LOSS)	<u>(341,544)</u>	<u>115,152</u>	<u>(226,392)</u>	<u>(460,530)</u>
NONOPERATING REVENUES:				
Interest income	8,938	3,831	12,769	31,100
Intergovernmental	194,038	-	194,038	186,825
Other	-	-	-	9,916
Total nonoperating revenues	<u>202,976</u>	<u>3,831</u>	<u>206,807</u>	<u>227,841</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(138,568)	118,983	(19,585)	(232,689)
TRANSFERS OUT	<u>(23,428)</u>	<u>(5,724)</u>	<u>(29,152)</u>	<u>(29,044)</u>
CHANGES IN NET ASSETS	(161,996)	113,259	(48,737)	(261,733)
NET ASSETS AT BEGINNING OF YEAR	<u>2,774,880</u>	<u>1,556,366</u>	<u>4,331,246</u>	<u>4,592,979</u>
NET ASSETS AT END OF YEAR	<u>\$ 2,612,884</u>	<u>\$ 1,669,625</u>	<u>\$ 4,282,509</u>	<u>\$ 4,331,246</u>

CITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	Solid Waste Management	Field House	Totals	
			2010	2009
CASH FLOWS FROM				
OPERATING ACTIVITIES:				
Receipts from customers or users	\$ 712,079	\$ 324,108	\$ 1,036,187	\$ 821,614
Payments to suppliers	(931,356)	(92,604)	(1,023,960)	(896,771)
Payments to employees	(142,933)	(102,965)	(245,898)	(238,900)
Other operating revenue	-	-	-	9,916
Net cash provided (used) by operating activities	<u>(362,210)</u>	<u>128,539</u>	<u>(233,671)</u>	<u>(304,141)</u>
CASH FLOWS FROM NONCAPITAL				
FINANCING ACTIVITIES:				
Intergovernmental revenues	190,648	-	190,648	186,825
Transfers out to other funds	(23,428)	(5,724)	(29,152)	(29,044)
Net cash provided (used) by noncapital financing activities	<u>167,220</u>	<u>(5,724)</u>	<u>161,496</u>	<u>157,781</u>
CASH FLOWS FROM				
INVESTING ACTIVITIES:				
Interest income	<u>11,640</u>	<u>4,487</u>	<u>16,127</u>	<u>41,157</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(183,350)	127,302	(56,048)	(105,203)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,816,531</u>	<u>990,548</u>	<u>3,807,079</u>	<u>3,912,282</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 2,633,181</u>	<u>\$ 1,117,850</u>	<u>\$ 3,751,031</u>	<u>\$ 3,807,079</u>
RECONCILIATION OF OPERATING				
INCOME TO NET CASH PROVIDED				
(USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ (341,544)</u>	<u>\$ 115,152</u>	<u>\$ (226,392)</u>	<u>\$ (460,530)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	-	57,354	57,354	98,028
Changes in assets and liabilities:				
Accounts receivable	2,000	(27,692)	(25,692)	24,811
Accounts payable	(21,250)	1,376	(19,874)	4,754
Due to other governments	(1,200)	(403)	(1,603)	1,610
Accrued salaries payable	(216)	(253)	(469)	(4,224)
Unearned revenue	-	(16,995)	(16,995)	21,494
Total adjustments	<u>(20,666)</u>	<u>13,387</u>	<u>(7,279)</u>	<u>146,473</u>
Net cash provided (used) by operating activities	<u>\$ (362,210)</u>	<u>\$ 128,539</u>	<u>\$ (233,671)</u>	<u>\$ (314,057)</u>

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CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
DECEMBER 31, 2010
(with comparative totals for December 31, 2009)

	Central Equipment	Public Facilities	Information Technology	Risk Management
<u>ASSETS</u>				
Current assets:				
Cash and investments	\$ 5,140,860	\$ 3,523,705	\$ 4,702,787	\$ 6,076,851
Accounts receivable	54	-	400	52,362
Accrued interest receivable	7,888	5,192	7,215	9,315
Due from other governments	9,176	-	-	-
Inventory	120,851	-	-	-
Prepaid expenses	-	3,077	-	-
Total current assets	<u>5,278,829</u>	<u>3,531,974</u>	<u>4,710,402</u>	<u>6,138,528</u>
Noncurrent assets:				
Capital assets:				
Land	33,520	-	-	-
Buildings	-	103,118	-	-
Improvements other than buildings	-	85,849	404,138	-
Machinery and equipment	14,178,735	191,742	2,230,740	-
Total capital assets	<u>14,212,255</u>	<u>380,709</u>	<u>2,634,878</u>	<u>-</u>
Less accumulated depreciation	<u>(8,214,676)</u>	<u>(21,977)</u>	<u>(1,902,951)</u>	<u>-</u>
Net capital assets	<u>5,997,579</u>	<u>358,732</u>	<u>731,927</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 11,276,408</u>	<u>\$ 3,890,706</u>	<u>\$ 5,442,329</u>	<u>\$ 6,138,528</u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	\$ 80,252	\$ 74,679	\$ 14,838	\$ 650,413
Contracts Payable	-	27,768	-	-
Accrued salaries and benefits payable	5,900	3,262	14,365	1,565
Compensated absences payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	1,924	-	97	-
Unearned revenue	-	-	-	-
Total current liabilities	<u>88,076</u>	<u>105,709</u>	<u>29,300</u>	<u>651,978</u>
Noncurrent liabilities:				
OPEB (net)	-	-	-	-
Compensated absences payable	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>88,076</u>	<u>105,709</u>	<u>29,300</u>	<u>651,978</u>
<u>NET ASSETS</u>				
Invested in capital assets	5,997,579	358,732	731,927	-
Unrestricted	<u>5,190,753</u>	<u>3,426,265</u>	<u>4,681,102</u>	<u>5,486,550</u>
Total net assets	<u>11,188,332</u>	<u>3,784,997</u>	<u>5,413,029</u>	<u>5,486,550</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 11,276,408</u>	<u>\$ 3,890,706</u>	<u>\$ 5,442,329</u>	<u>\$ 6,138,528</u>

Employee Benefits	Design Engineering	Resource Planning	Totals	
			2010	2009
\$ 4,514,726	\$ -	\$ 1,743,364	\$ 25,702,293	\$ 23,982,869
72,161	-	-	124,977	10,525
6,914	-	2,667	39,191	57,085
-	-	-	9,176	12,178
-	-	-	120,851	118,255
-	-	-	3,077	257,767
<u>4,593,801</u>	<u>-</u>	<u>1,746,031</u>	<u>25,999,565</u>	<u>24,438,679</u>
-	-	-	33,520	33,520
-	-	-	103,118	103,118
-	-	-	489,987	405,411
-	-	-	16,601,217	16,541,040
-	-	-	17,227,842	17,083,089
-	-	-	(10,139,604)	(9,767,836)
-	-	-	7,088,238	7,315,253
<u>\$ 4,593,801</u>	<u>\$ -</u>	<u>\$ 1,746,031</u>	<u>\$ 33,087,803</u>	<u>\$ 31,753,932</u>
\$ 28,720	\$ -	\$ 976	\$ 849,878	\$ 670,852
-	-	-	27,768	-
145,366	-	-	170,458	47,376
1,433,808	-	-	1,433,808	1,624,202
-	-	-	-	30,000
-	-	-	2,021	2,983
-	-	525	525	750
<u>1,607,894</u>	<u>-</u>	<u>1,501</u>	<u>2,484,458</u>	<u>2,376,163</u>
606,745	-	-	606,745	401,788
991,250	-	-	991,250	687,676
<u>1,597,995</u>	<u>-</u>	<u>-</u>	<u>1,597,995</u>	<u>1,089,464</u>
<u>3,205,889</u>	<u>-</u>	<u>1,501</u>	<u>4,082,453</u>	<u>3,465,627</u>
-	-	-	7,088,238	7,315,253
1,387,912	-	1,744,530	21,917,112	20,973,052
1,387,912	-	1,744,530	29,005,350	28,288,305
<u>\$ 4,593,801</u>	<u>\$ -</u>	<u>\$ 1,746,031</u>	<u>\$ 33,087,803</u>	<u>\$ 31,753,932</u>

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	Central Equipment	Public Facilities	Information Technology	Risk Management
OPERATING REVENUES:				
Charges for services	\$ 2,387,123	\$ 1,503,531	\$ 2,225,055	\$ -
Other	-	-	-	233,479
Total operating revenue	<u>2,387,123</u>	<u>1,503,531</u>	<u>2,225,055</u>	<u>233,479</u>
OPERATING EXPENSES:				
Personal services	293,616	169,343	738,496	80,970
Materials and supplies	646,290	68,368	110,778	8,686
Contractual services	223,470	1,013,356	741,312	966,328
Depreciation	1,128,433	14,296	281,209	-
Total operating expenses	<u>2,291,809</u>	<u>1,265,363</u>	<u>1,871,795</u>	<u>1,055,984</u>
OPERATING INCOME (LOSS)	<u>95,314</u>	<u>238,168</u>	<u>353,260</u>	<u>(822,505)</u>
NONOPERATING REVENUES (EXPENSES):				
Interest income	17,240	11,810	15,665	22,046
Intergovernmental	-	-	-	-
Gain (loss) on disposal of capital assets	86,829	-	(5,492)	-
Contributions	-	-	-	-
Reassignment of capital assets	-	-	-	-
Other	3,340	115	1,765	-
Total nonoperating revenues	<u>107,409</u>	<u>11,925</u>	<u>11,938</u>	<u>22,046</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>202,723</u>	<u>250,093</u>	<u>365,198</u>	<u>(800,459)</u>
CAPITAL CONTRIBUTIONS	48,875	-	-	-
TRANSFERS IN	16,824	140,000	10,000	645,444
TRANSFERS OUT	<u>(10,450)</u>	<u>(32,518)</u>	<u>-</u>	<u>(24,250)</u>
CHANGES IN NET ASSETS	257,972	357,575	375,198	(179,265)
NET ASSETS AT BEGINNING OF YEAR	<u>10,930,360</u>	<u>3,427,422</u>	<u>5,037,831</u>	<u>5,665,815</u>
NET ASSETS AT END OF YEAR	<u>\$ 11,188,332</u>	<u>\$ 3,784,997</u>	<u>\$ 5,413,029</u>	<u>\$ 5,486,550</u>

Employee Benefits	Design Engineering	Resource Planning	Totals	
			2010	2009
\$ 2,576,973	\$ -	\$ 53,360	\$ 8,746,042	\$ 8,556,144
-	-	-	233,479	183,460
<u>2,576,973</u>	<u>-</u>	<u>53,360</u>	<u>8,979,521</u>	<u>8,739,604</u>
2,776,822	-	-	4,059,247	4,317,369
-	-	88,192	922,314	1,032,693
20	-	7,824	2,952,310	2,255,790
-	-	-	1,423,938	1,452,876
<u>2,776,842</u>	<u>-</u>	<u>96,016</u>	<u>9,357,809</u>	<u>9,058,728</u>
(199,869)	-	(42,656)	(378,288)	(319,124)
17,105	-	6,372	90,238	194,483
-	-	79,710	79,710	-
-	-	-	81,337	102,415
-	-	3,500	3,500	3,775
-	(13,433)	-	(13,433)	-
8,627	-	750	14,597	35,141
<u>25,732</u>	<u>(13,433)</u>	<u>90,332</u>	<u>255,949</u>	<u>335,814</u>
(174,137)	(13,433)	47,676	(122,339)	16,690
-	-	89,318	138,193	107,283
72,086	-	107,000	991,354	937,786
-	(198,795)	(24,150)	(290,163)	(145,607)
(102,051)	(212,228)	219,844	717,045	916,152
<u>1,489,963</u>	<u>212,228</u>	<u>1,524,686</u>	<u>28,288,305</u>	<u>27,372,153</u>
<u>\$ 1,387,912</u>	<u>\$ -</u>	<u>\$ 1,744,530</u>	<u>\$ 29,005,350</u>	<u>\$ 28,288,305</u>

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	<u>Central Equipment</u>	<u>Public Facilities</u>	<u>Information Technology</u>	<u>Risk Management</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers or users	\$ 2,389,877	\$ 1,503,772	\$ 2,224,669	\$ (41,898)
Payments to suppliers	(855,639)	(1,090,066)	(792,863)	(801,209)
Payments to employees	(293,346)	(169,440)	(738,520)	(80,925)
Other operating revenue	3,340	115	1,765	233,479
Net cash provided (used) by operating activities	<u>1,244,232</u>	<u>244,381</u>	<u>695,051</u>	<u>(690,553)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Intergovernmental revenues	-	-	-	-
Contributions	-	-	-	-
Transfers in from other funds	16,824	140,000	10,000	645,444
Transfers out to other funds	(10,450)	(4,750)	-	(24,250)
Net cash provided (used) by noncapital financing activities	<u>6,374</u>	<u>135,250</u>	<u>10,000</u>	<u>621,194</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(1,045,468)	(42,956)	(69,710)	-
Contributions	-	-	-	-
Proceeds from sale of capital assets	95,912	-	300	-
Net cash used by capital and related financing activities	<u>(949,556)</u>	<u>(42,956)</u>	<u>(69,410)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment earnings	20,887	14,213	18,206	27,378
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	321,937	350,888	653,847	(41,981)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>4,818,923</u>	<u>3,172,817</u>	<u>4,048,940</u>	<u>6,118,832</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 5,140,860</u>	<u>\$ 3,523,705</u>	<u>\$ 4,702,787</u>	<u>\$ 6,076,851</u>

(Continued...)

Employee Benefits	Design Engineering	Resource Planning	Totals	
			2010	2009
\$ 2,576,973	\$ -	\$ 53,135	\$ 8,706,528	\$ 8,576,409
173,045	-	(95,957)	(3,462,689)	(3,941,397)
(2,432,437)	(5,521)	-	(3,720,189)	(3,861,841)
8,627	-	750	248,076	218,601
<u>326,208</u>	<u>(5,521)</u>	<u>(42,072)</u>	<u>1,771,726</u>	<u>991,772</u>
-	-	79,710	79,710	-
-	-	3,500	3,500	3,775
72,086	-	107,000	991,354	937,786
-	(198,795)	(24,150)	(262,395)	(145,607)
<u>72,086</u>	<u>(198,795)</u>	<u>166,060</u>	<u>812,169</u>	<u>795,954</u>
-	-	-	(1,158,134)	(1,306,673)
-	-	89,318	89,318	101,283
-	-	-	96,212	90,412
<u>-</u>	<u>-</u>	<u>89,318</u>	<u>(972,604)</u>	<u>(1,114,978)</u>
<u>19,863</u>	<u>487</u>	<u>7,099</u>	<u>108,133</u>	<u>250,779</u>
418,157	(203,829)	220,405	1,719,424	923,527
<u>4,096,569</u>	<u>203,829</u>	<u>1,522,959</u>	<u>23,982,869</u>	<u>23,059,342</u>
<u>\$ 4,514,726</u>	<u>\$ -</u>	<u>\$ 1,743,364</u>	<u>\$ 25,702,293</u>	<u>\$ 23,982,869</u>

CITY OF PLYMOUTH, MINNESOTA
INTERNAL SERVICE FUNDS
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

(Continued from previous page)

	<u>Central Equipment</u>	<u>Public Facilities</u>	<u>Information Technology</u>	<u>Risk Management</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ 95,314</u>	<u>\$ 238,168</u>	<u>\$ 353,260</u>	<u>\$ (822,505)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	1,128,433	14,296	281,209	-
Other revenues	3,340	115	1,765	-
Changes in assets and liabilities:				
Accounts receivable	-	7	(400)	(41,898)
Due from other governments	2,754	234	14	-
Inventory	(2,596)	-	-	-
Prepaid expenses	-	1,429	72,611	-
Accounts payable	16,117	(9,771)	(11,834)	173,805
Due to other funds	-	-	-	-
Due to other governments	600	-	(1,550)	-
Accrued salaries payable	270	(97)	(24)	45
OPEB	-	-	-	-
Compensated absences payable	-	-	-	-
Unearned revenue	-	-	-	-
Total adjustments	<u>1,148,918</u>	<u>6,213</u>	<u>341,791</u>	<u>131,952</u>
Net cash provided (used) by operating activities	<u>\$ 1,244,232</u>	<u>\$ 244,381</u>	<u>\$ 695,051</u>	<u>\$ (690,553)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Contributions of capital assets from other City funds	48,875	-	-	-
Contribution of capital asset from others	-	-	-	-
Trade-in values on capital asset purchases	13,000	-	-	-
Transfer of capital assets to other City funds	-	27,768	-	-
Increase (decrease) in capital assets from accounts and contracts payable	2,101	(21,478)	1,154	-

Employee Benefits	Design Engineering	Resource Planning	Totals	
			2010	2009
\$ (199,869)	\$ -	\$ (42,656)	\$ (378,288)	\$ (319,124)
-	-	-	1,423,938	1,452,876
8,627	-	750	14,597	35,141
(72,161)	-	-	(114,452)	28,119
-	-	-	3,002	15,651
-	-	-	(2,596)	(20,925)
180,650	-	-	254,690	(253,867)
(7,573)	-	59	160,803	(380,466)
(30,000)	-	-	(30,000)	15,000
(12)	-	-	(962)	2,343
128,409	(5,521)	-	123,082	(42,136)
204,957	-	-	204,957	204,957
113,180	-	-	113,180	256,213
-	-	(225)	(225)	(2,010)
<u>526,077</u>	<u>(5,521)</u>	<u>584</u>	<u>2,150,014</u>	<u>1,310,896</u>
\$ 326,208	\$ (5,521)	\$ (42,072)	\$ 1,771,726	\$ 991,772
-	-	-	48,875	-
-	-	-	-	6,000
-	-	-	13,000	20,000
-	13,433	-	41,201	28,952
-	-	-	(18,223)	130,735

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HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
STATEMENT OF NET ASSETS
DECEMBER 31, 2010

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and investments	\$ 2,271,477	\$ 2,000,441	\$ 4,271,918
Accounts receivable	33,501	3,328	36,829
Notes receivable	943,587	-	943,587
Taxes receivable	7,987	-	7,987
Accrued interest receivable	66,009	2,376	68,385
Prepaid items	238,229	28,692	266,921
Deferred charges	-	98,281	98,281
Capital assets:			
Nondepreciable:			
Land	-	1,333,840	1,333,840
Depreciable (net):			
Buildings	174,196	11,280,665	11,454,861
Improvements other than buildings	-	242,086	242,086
Machinery and equipment	-	250,717	250,717
TOTAL ASSETS	<u>\$ 3,734,986</u>	<u>\$ 15,240,426</u>	<u>\$ 18,975,412</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 22,867	\$ 35,655	\$ 58,522
Accrued salaries and benefits payable	7,545	10,942	18,487
Deposits payable	20,000	95,700	115,700
Due to other governments	-	79,402	79,402
Unearned revenue	599	-	599
Accrued interest payable	-	233,004	233,004
Noncurrent liabilities:			
Due within one year	-	351,263	351,263
Due in more than one year	-	13,461,867	13,461,867
Total liabilities	<u>51,011</u>	<u>14,267,833</u>	<u>14,318,844</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	174,196	(705,822)	(531,626)
Restricted for:			
Debt Service	-	602,932	602,932
Affordable housing	21,097	-	21,097
Unrestricted	<u>3,488,682</u>	<u>1,075,483</u>	<u>4,564,165</u>
Total net assets	<u>3,683,975</u>	<u>972,593</u>	<u>4,656,568</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,734,986</u>	<u>\$ 15,240,426</u>	<u>\$ 18,975,412</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2010

<u>Functions / Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
Public service	\$ 3,975,985	\$ -	\$ 3,545,462	\$ -
Business-type activities:				
Plymouth Towne Square	781,050	870,074	-	-
Vicksburg Crossing	1,272,101	1,150,040	-	-
Total business-type activities	2,053,151	2,020,114	-	-
Total HRA government	\$ 6,029,136	\$ 2,020,114	\$ 3,545,462	\$ -

GENERAL REVENUES:
Property taxes
Unrestricted interest income
Other
Total general revenues

CHANGE IN NET ASSETS

NET ASSETS - BEGINNING

NET ASSETS - ENDING

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (430,523)	\$	\$ (430,523)
-	89,024	89,024
-	(122,061)	(122,061)
(430,523)	(33,037)	(463,560)
525,273	-	525,273
21,847	4,752	26,599
41,197	-	41,197
588,317	4,752	593,069
157,794	(28,285)	129,509
3,526,181	1,000,878	4,527,059
<u>\$ 3,683,975</u>	<u>\$ 972,593</u>	<u>\$ 4,656,568</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2010
(with comparative totals for December 31, 2009)

			<u>Totals</u>	
	<u>General</u>	<u>Housing Assistance</u>	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>				
Cash and investments	\$ 1,686,503	\$ 584,974	\$ 2,271,477	\$ 2,398,960
Accounts receivable	1,274	32,227	33,501	37,052
Notes receivable	943,587	-	943,587	964,830
Taxes receivable	7,987	-	7,987	9,696
Accrued interest receivable	65,112	897	66,009	61,199
Prepaid expenses	-	238,229	238,229	244,042
TOTAL ASSETS	<u>\$ 2,704,463</u>	<u>\$ 856,327</u>	<u>\$ 3,560,790</u>	<u>\$ 3,715,779</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 421	\$ 22,446	\$ 22,867	\$ 23,449
Accrued salaries and benefits payable	3,355	4,190	7,545	7,526
Deposits Payable	20,000	-	20,000	-
Due to other governments	-	-	-	5
Deferred revenue	1,012,937	32,826	1,045,763	1,219,253
Total liabilities	<u>1,036,713</u>	<u>59,462</u>	<u>1,096,175</u>	<u>1,250,233</u>
Fund balances:				
Reserved for:				
Affordable housing	21,097	-	21,097	21,037
Prepaid expenses	-	238,229	238,229	244,042
Unreserved, designated for housing and redevelopment projects	1,646,653	558,636	2,205,289	2,200,467
Total fund balances	<u>1,667,750</u>	<u>796,865</u>	<u>2,464,615</u>	<u>2,465,546</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,704,463</u>	<u>\$ 856,327</u>	<u>\$ 3,560,790</u>	<u>\$ 3,715,779</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET ASSETS
 DECEMBER 31, 2010**

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 2,464,615

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

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

Capital assets	175,169	
Accumulated depreciation	<u>(973)</u>	174,196

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

	1,045,164
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NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 3,683,975

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	<u>General</u>	<u>Housing Assistance</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
REVENUES:				
General property taxes	\$ 525,636	\$ -	\$ 525,636	\$ 527,916
Intergovernmental	205,888	3,324,682	3,530,570	3,518,615
Contributions	30,000	-	30,000	-
Interest income	18,817	3,030	21,847	48,263
Other revenues	41,197	-	41,197	15,335
Total revenues	<u>821,538</u>	<u>3,327,712</u>	<u>4,149,250</u>	<u>4,110,129</u>
EXPENDITURES:				
Current:				
Public service	<u>912,941</u>	<u>3,237,240</u>	<u>4,150,181</u>	<u>4,103,756</u>
NET CHANGE IN FUND BALANCE	(91,403)	90,472	(931)	6,373
FUND BALANCES AT BEGINNING OF YEAR	<u>1,759,153</u>	<u>706,393</u>	<u>2,465,546</u>	<u>2,459,173</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,667,750</u>	<u>\$ 796,865</u>	<u>\$ 2,464,615</u>	<u>\$ 2,465,546</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2010**

NET INCREASE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (931)

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

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

Capital outlay	175,169	
Depreciation expense	<u>(973)</u>	174,196

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

(15,471)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ 157,794

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	2010			Variance with Final Budget	2009
	Original Budget	Final Budget	Actual		Actual
REVENUES:					
General property taxes	\$ 537,466	\$ 537,466	\$ 525,636	\$ (11,830)	\$ 527,916
Intergovernmental	-	273,476	205,888	(67,588)	152,523
Contributions	-	30,000	30,000	-	-
Interest income	30,000	30,000	18,817	(11,183)	40,281
Other revenues	-	42,000	41,197	(803)	15,335
Total revenues	<u>567,466</u>	<u>912,942</u>	<u>821,538</u>	<u>(91,404)</u>	<u>736,055</u>
EXPENDITURES:					
Public service:					
Personal services	173,518	173,518	164,285	9,233	180,813
Materials and supplies	500	500	203	297	78
Contractual services:					
Housing assistance	340,000	340,000	339,996	4	316,299
Grant awards	-	200,000	200,000	-	141,553
Other	53,448	198,924	208,457	(9,533)	25,887
Total expenditures	<u>567,466</u>	<u>912,942</u>	<u>912,941</u>	<u>1</u>	<u>664,630</u>
NET CHANGE IN FUND BALANCE	-	-	(91,403)	(91,403)	71,425
FUND BALANCES AT BEGINNING OF YEAR	<u>1,759,153</u>	<u>1,759,153</u>	<u>1,759,153</u>	-	<u>1,687,728</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,759,153</u>	<u>\$ 1,759,153</u>	<u>\$ 1,667,750</u>	<u>\$ (91,403)</u>	<u>\$ 1,759,153</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
HOUSING ASSISTANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	2010		Variance with Final Budget	2009
	Original and Final Budget	Actual		Actual
REVENUES:				
Intergovernmental	\$ 3,431,000	\$ 3,324,682	\$ (106,318)	\$ 3,366,092
Interest income	16,240	3,030	(13,210)	7,982
Total revenues	<u>3,447,240</u>	<u>3,327,712</u>	<u>(119,528)</u>	<u>3,374,074</u>
EXPENDITURES:				
Public service:				
Personal services	218,025	213,566	4,459	211,323
Materials and supplies	500	-	500	484
Contractual services:				
Housing assistance	3,158,600	2,965,553	193,047	3,165,751
Other	70,115	58,121	11,994	61,568
Total expenditures	<u>3,447,240</u>	<u>3,237,240</u>	<u>210,000</u>	<u>3,439,126</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>90,472</u>	<u>90,472</u>	<u>(65,052)</u>
NET CHANGE IN FUND BALANCE	-	90,472	90,472	(65,052)
FUND BALANCES AT BEGINNING OF YEAR	<u>706,393</u>	<u>706,393</u>	<u>-</u>	<u>771,445</u>
FUND BALANCES AT END OF YEAR	<u>\$ 706,393</u>	<u>\$ 796,865</u>	<u>\$ 90,472</u>	<u>\$ 706,393</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
DECEMBER 31, 2010
(with comparative totals for December 31, 2009)

	Plymouth	Vicksburg	Totals	
	Towne Square	Crossing	2010	2009
ASSETS				
Current assets:				
Cash and investments	\$ 1,001,946	\$ 998,495	\$ 2,000,441	\$ 1,779,427
Accounts receivable	767	2,561	3,328	1,108
Accrued interest receivable	1,351	1,025	2,376	3,563
Prepaid expenses	14,345	14,347	28,692	31,865
Total current assets	1,018,409	1,016,428	2,034,837	1,815,963
Noncurrent assets:				
Deferred charges	40,939	57,342	98,281	107,149
Capital assets:				
Land	459,247	874,593	1,333,840	1,333,840
Buildings	6,069,398	9,025,427	15,094,825	15,094,825
Improvements other than buildings	111,390	238,793	350,183	350,183
Machinery and equipment	258,796	353,668	612,464	612,464
Total capital assets	6,898,831	10,492,481	17,391,312	17,391,312
Less accumulated depreciation	(2,780,087)	(1,503,917)	(4,284,004)	(3,719,749)
Net capital assets	4,118,744	8,988,564	13,107,308	13,671,563
Total noncurrent assets	4,159,683	9,045,906	13,205,589	13,778,712
TOTAL ASSETS	\$ 5,178,092	\$ 10,062,334	\$ 15,240,426	\$ 15,594,675
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 18,873	\$ 16,782	\$ 35,655	\$ 30,595
Accrued salaries and benefits payable	5,471	5,471	10,942	8,590
Deposits payable	45,367	50,333	95,700	92,396
Due to other governments	29,053	50,349	79,402	75,820
Unearned revenue	-	-	-	370
Accrued interest payable	35,843	197,161	233,004	236,767
Revenue bonds payable	202,517	148,746	351,263	336,268
Total current liabilities	337,124	468,842	805,966	780,806
Noncurrent liabilities:				
Revenue bonds payable (net of unamortized discounts)	3,255,822	10,206,045	13,461,867	13,812,991
Total liabilities	3,592,946	10,674,887	14,267,833	14,593,797
NET ASSETS				
Invested in capital assets, net of related debt	660,405	(1,366,227)	(705,822)	(477,696)
Restricted for debt service	115,170	487,762	602,932	688,415
Unrestricted	809,571	265,912	1,075,483	790,159
Total net assets	1,585,146	(612,553)	972,593	1,000,878
TOTAL LIABILITIES AND NET ASSETS	\$ 5,178,092	\$ 10,062,334	\$ 15,240,426	\$ 15,594,675

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET ASSETS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	<u>Plymouth</u>	<u>Vicksburg</u>	<u>Totals</u>	
	<u>Towne Square</u>	<u>Crossing</u>	<u>2010</u>	<u>2009</u>
OPERATING REVENUES:				
Rental revenue	\$ 870,074	\$ 1,150,040	\$ 2,020,114	\$ 1,924,548
OPERATING EXPENSES:				
Personal services	97,934	100,231	198,165	194,532
Materials and supplies	14,821	16,846	31,667	37,969
Contractual services	317,069	306,719	623,788	614,133
Depreciation	196,507	367,748	564,255	566,069
Total operating expenses	<u>626,331</u>	<u>791,544</u>	<u>1,417,875</u>	<u>1,412,703</u>
OPERATING INCOME	<u>243,743</u>	<u>358,496</u>	<u>602,239</u>	<u>511,845</u>
NONOPERATING REVENUES (EXPENSES):				
Interest income	3,559	1,193	4,752	10,656
Gain on sale of asset	-	-	-	3,598
Amortization	(6,235)	(6,503)	(12,738)	(9,486)
Interest expense	<u>(148,484)</u>	<u>(474,054)</u>	<u>(622,538)</u>	<u>(633,344)</u>
Total nonoperating revenues (expenses)	<u>(151,160)</u>	<u>(479,364)</u>	<u>(630,524)</u>	<u>(628,576)</u>
CHANGES IN NET ASSETS	92,583	(120,868)	(28,285)	(116,731)
NET ASSETS AT BEGINNING OF YEAR	<u>1,492,563</u>	<u>(491,685)</u>	<u>1,000,878</u>	<u>1,117,609</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,585,146</u>	<u>\$ (612,553)</u>	<u>\$ 972,593</u>	<u>\$ 1,000,878</u>

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

	Plymouth Towne Square	Vicksburg Crossing	Totals	
			2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers or users	\$ 870,916	\$ 1,149,912	\$ 2,020,828	\$ 1,930,483
Payments to suppliers	(330,261)	(313,377)	(643,638)	(649,940)
Payments to employees	(97,987)	(97,826)	(195,813)	(194,115)
Net cash provided by operating activities	<u>442,668</u>	<u>738,709</u>	<u>1,181,377</u>	<u>1,086,428</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	-	-	-	(11,038)
Proceeds from sale of capital assets	-	-	-	8,593
Principal paid on capital debt	(200,000)	(140,000)	(340,000)	(315,000)
Interest paid on capital debt	(150,059)	(476,242)	(626,301)	(636,649)
Net cash used by capital and related financing activities	<u>(350,059)</u>	<u>(616,242)</u>	<u>(966,301)</u>	<u>(954,094)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest income	<u>4,141</u>	<u>1,797</u>	<u>5,938</u>	<u>14,133</u>
INCREASE IN CASH AND CASH EQUIVALENTS	<u>96,750</u>	<u>124,264</u>	<u>221,014</u>	<u>146,467</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>905,196</u>	<u>874,231</u>	<u>1,779,427</u>	<u>1,632,960</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,001,946</u>	<u>\$ 998,495</u>	<u>\$ 2,000,441</u>	<u>\$ 1,779,427</u>

(Continued...)

HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA
ENTERPRISE FUNDS
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2010
(with comparative totals for year ended December 31, 2009)

(Continued from previous page)

	<u>Plymouth Towne Square</u>	<u>Vicksburg Crossing</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income	<u>\$ 243,743</u>	<u>\$ 358,496</u>	<u>\$ 602,239</u>	<u>\$ 511,845</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	196,507	367,748	564,255	566,069
Changes in assets and liabilities:				
Accounts receivable	241	(2,461)	(2,220)	1,133
Prepaid expenses	(1,446)	4,620	3,174	(6,188)
Accounts payable	3,392	1,668	5,060	(67,468)
Accrued salaries payable	(53)	2,405	2,352	417
Due to other governments	(317)	3,900	3,583	75,820
Unearned revenue	-	(370)	(370)	(145)
Deposits payable	601	2,703	3,304	4,945
Total adjustments	<u>198,925</u>	<u>380,213</u>	<u>579,138</u>	<u>574,583</u>
Net cash provided by operating activities	<u>\$ 442,668</u>	<u>\$ 738,709</u>	<u>\$ 1,181,377</u>	<u>\$ 1,086,428</u>

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**CITY OF PLYMOUTH, MINNESOTA
STATISTICAL SECTION
(Unaudited)**

This part of the City of Plymouth, Minnesota's comprehensive annual financial report 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	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	104
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property tax.	112
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.	116
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	120
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	123

Source: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in 2003 therefore tables presenting government-wide information include information beginning in that year.

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

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in capital assets, net of related debt	\$ 131,702	\$ 134,717	\$ 140,490	\$ 147,612	\$ 150,167	\$ 155,191	\$ 154,183	\$ 155,551
Restricted	17,864	15,397	15,338	17,533	4,772	5,324	5,615	5,744
Unrestricted	36,500	44,798	46,982	47,610	70,517	73,960	76,294	79,792
Total government activities net of assets	<u>\$ 186,066</u>	<u>\$ 194,912</u>	<u>\$ 202,810</u>	<u>\$ 212,755</u>	<u>\$ 225,456</u>	<u>\$ 234,475</u>	<u>\$ 236,092</u>	<u>\$ 241,087</u>
Business-type activities								
Invested in capital assets, net of related debt	\$ 54,900	\$ 65,713	\$ 83,108	\$ 89,696	\$ 91,541	\$ 91,502	\$ 92,630	\$ 92,171
Restricted	38,527	28,414	18,655	20,053	18,377	19,658	18,876	20,833
Unrestricted	17,569	23,886	18,901	16,719	17,241	16,054	15,756	13,541
Total business-type activities net assets	<u>\$ 110,996</u>	<u>\$ 118,013</u>	<u>\$ 120,664</u>	<u>\$ 126,468</u>	<u>\$ 127,159</u>	<u>\$ 127,214</u>	<u>\$ 127,262</u>	<u>\$ 126,545</u>
Primary government								
Invested in capital assets, net of related debt	\$ 186,602	\$ 200,430	\$ 223,598	\$ 237,308	\$ 241,708	\$ 246,693	\$ 246,813	\$ 247,722
Restricted	56,391	43,811	33,993	37,586	23,149	24,982	24,491	26,577
Unrestricted	54,069	68,684	65,883	64,329	87,758	90,014	92,050	93,333
Total primary government net assets	<u>\$ 297,062</u>	<u>\$ 312,925</u>	<u>\$ 323,474</u>	<u>\$ 339,223</u>	<u>\$ 352,615</u>	<u>\$ 361,689</u>	<u>\$ 363,354</u>	<u>\$ 367,632</u>

Note: Net assets are not available for years prior to 2003. The City will expand to ten years in future reports.

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

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental activities:								
General government	\$ 4,811	\$ 4,897	\$ 4,905	\$ 5,172	\$ 8,268	\$ 5,398	\$ 4,979	\$ 4,733
Economic development	-	-	-	-	-	-	-	226
Parks and recreation	6,058	6,530	6,634	6,932	7,694	7,914	7,498	7,977
Public safety	8,624	9,387	9,865	12,222	12,221	14,214	14,214	14,296
Public works	8,828	8,794	9,101	10,978	10,051	10,374	10,876	10,615
Public service	4,744	5,187	5,013	6,004	4,377	4,541	4,323	5,102
Interest on long-term debt	440	623	776	745	701	772	757	648
Total governmental activities expenses	<u>33,505</u>	<u>35,418</u>	<u>36,294</u>	<u>42,053</u>	<u>43,312</u>	<u>43,213</u>	<u>42,647</u>	<u>43,597</u>
Business-type activities:								
Water sewer utility	10,094	9,956	10,790	13,206	14,528	14,620	14,789	14,234
Ice center	1,060	1,129	1,650	1,602	1,700	1,761	1,623	1,669
Solid waste management	782	789	915	813	969	1,029	944	1,049
Water resources	1,379	1,600	1,862	1,942	1,714	1,922	2,086	1,829
Field house	299	291	302	305	307	299	293	255
Total business-type activities expenses	<u>13,614</u>	<u>13,765</u>	<u>15,519</u>	<u>17,868</u>	<u>19,218</u>	<u>19,631</u>	<u>19,736</u>	<u>19,036</u>
Total primary government expenses	<u>\$ 47,119</u>	<u>\$ 49,183</u>	<u>\$ 51,813</u>	<u>\$ 59,921</u>	<u>\$ 62,530</u>	<u>\$ 62,844</u>	<u>\$ 62,382</u>	<u>\$ 62,633</u>
Program Revenues								
Governmental activities:								
Charges for services:								
General government	\$ 2,824	\$ 2,807	\$ 2,999	\$ 3,441	\$ 3,731	\$ 3,588	\$ 333	\$ 469
Economic development	-	-	-	-	-	-	-	7
Parks and recreation	1,137	1,096	1,111	1,172	1,280	1,451	1,312	1,461
Public safety	215	220	232	266	1,313	293	2,176	2,385
Public works	621	655	647	863	808	806	576	1,503
Public service	11	226	754	803	1,126	1,098	1,009	953
Operating grants and contributions	5,537	5,646	5,501	6,253	6,027	10,075	7,118	6,910
Capital grants and contributions	7,780	4,545	9,849	12,842	10,042	2,869	2,138	3,578
Total governmental activities program revenues	<u>\$ 18,125</u>	<u>\$ 15,195</u>	<u>\$ 21,093</u>	<u>\$ 25,640</u>	<u>\$ 24,327</u>	<u>\$ 20,180</u>	<u>\$ 14,662</u>	<u>\$ 17,266</u>

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

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Business-type activities:								
Charges for services:								
Water sewer utility	\$ 8,878	\$ 9,023	\$ 9,611	\$ 10,404	\$ 11,830	\$ 12,276	\$ 13,089	\$ 12,950
Ice center	854	962	1,278	1,230	1,261	1,372	1,406	1,401
Solid waste management	810	1,004	1,073	917	1,072	1,296	411	710
Water resources	1,617	1,655	1,864	2,032	2,190	2,366	2,547	2,591
Field house	267	304	299	294	301	358	364	369
Operating grants and contributions	170	213	244	522	186	717	236	1,087
Capital grants and contributions	1,455	5,145	1,908	6,187	2,138	1,071	589	778
Total business-type activities program revenues	<u>14,051</u>	<u>18,306</u>	<u>16,277</u>	<u>21,586</u>	<u>18,978</u>	<u>19,456</u>	<u>18,642</u>	<u>19,886</u>
Total primary government program revenues	<u>\$ 32,176</u>	<u>\$ 33,501</u>	<u>\$ 37,370</u>	<u>\$ 47,226</u>	<u>\$ 43,305</u>	<u>\$ 39,636</u>	<u>\$ 33,304</u>	<u>\$ 37,152</u>
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Property taxes	\$ 17,787	\$ 19,051	\$ 21,134	\$ 23,357	\$ 26,086	\$ 27,543	\$ 29,057	\$ 28,581
Unrestricted investment earnings	1,429	1,559	1,547	3,018	3,962	2,881	732	361
Gain on sale of capital assets	97	653	140	138	10	59	102	81
Other	160	101	637	102	216	241	195	348
Transfers	13	(879)	(359)	(257)	1,411	1,328	(485)	1,954
Total governmental activities	<u>19,486</u>	<u>20,485</u>	<u>23,099</u>	<u>26,358</u>	<u>31,685</u>	<u>32,052</u>	<u>29,602</u>	<u>31,325</u>
Business-type activities:								
Unrestricted investment earnings	1,461	1,337	1,230	1,579	2,229	1,433	571	366
Gain on sale of capital assets	26	-	-	-	-	-	-	-
Other	319	259	304	250	113	125	85	21
Transfers	(13)	879	359	257	(1,411)	(1,328)	485	(1,954)
Total business-type activities	<u>1,793</u>	<u>2,475</u>	<u>1,893</u>	<u>2,086</u>	<u>931</u>	<u>230</u>	<u>1,142</u>	<u>(1,567)</u>
Total primary government	<u>\$ 21,279</u>	<u>\$ 22,960</u>	<u>\$ 24,992</u>	<u>\$ 28,444</u>	<u>\$ 32,616</u>	<u>\$ 32,282</u>	<u>\$ 30,743</u>	<u>\$ 29,758</u>
Change in Net Assets								
Governmental activities	\$ 4,106	\$ 262	\$ 7,898	\$ 9,945	\$ 12,700	\$ 9,019	\$ 1,617	\$ 4,994
Business-type activities	2,230	7,016	2,651	5,804	691	55	48	(717)
Total primary government	<u>\$ 6,336</u>	<u>\$ 7,278</u>	<u>\$ 10,549</u>	<u>\$ 15,749</u>	<u>\$ 13,391</u>	<u>\$ 9,074</u>	<u>\$ 1,665</u>	<u>\$ 4,277</u>

Note: Changes in net assets are not available for years prior to 2003. The City will expand to ten years in future reports.

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

<u>Fiscal Year</u>	<u>Property Tax</u>
2003	\$ 17,787
2004	19,051
2005	21,134
2006	23,357
2007	26,086
2008	27,543
2009	29,057
2010	28,581

Note: Tax revenues by source are not available for years prior to 2003. The City will expand to ten years in future reports.

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

	Fiscal Year							
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General fund								
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 78	\$ 1,341	\$ 254	\$ 191
Unreserved	8,458	8,949	9,430	10,354	10,943	9,927	11,477	11,646
Total general fund	<u>\$ 8,458</u>	<u>\$ 8,949</u>	<u>\$ 9,430</u>	<u>\$ 10,354</u>	<u>\$ 11,021</u>	<u>\$ 11,268</u>	<u>\$ 11,731</u>	<u>\$ 11,837</u>
All other governmental funds								
Reserved	\$ 30,219	\$ 35,509	\$ 29,746	\$ 27,770	\$ 11,711	\$ 10,066	\$ 14,595	\$ 13,305
Unreserved, reported in:								
Special revenue funds	2,321	2,470	2,448	2,768	3,626	4,300	5,265	5,348
Debt service funds	-	-	-	-	-	-	-	(49)
Capital project funds	8,370	4,408	7,095	8,899	27,924	30,819	30,467	30,093
Permanent fund	-	-	108	115	124	-	-	-
Total all other governmental funds	<u>40,910</u>	<u>42,387</u>	<u>39,397</u>	<u>39,552</u>	<u>43,385</u>	<u>45,185</u>	<u>50,327</u>	<u>48,697</u>
Total Governmental Funds	<u>\$ 49,368</u>	<u>\$ 51,336</u>	<u>\$ 48,827</u>	<u>\$ 49,906</u>	<u>\$ 54,406</u>	<u>\$ 56,453</u>	<u>\$ 62,058</u>	<u>\$ 60,534</u>

Note: Fund balances of government funds are not readily available for years prior to 2003. The City will expand to ten years in future reports.

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

	Fiscal Year							
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues								
General property taxes	\$ 17,818	\$ 19,002	\$ 21,115	\$ 23,299	\$ 26,030	\$ 27,465	\$ 29,037	\$ 28,633
Special assessments	127	369	201	172	152	134	128	86
Licenses and permits	2,643	2,632	2,726	3,138	3,420	3,828	2,272	2,466
Intergovernmental	9,054	6,287	9,921	8,019	10,824	8,099	7,687	8,399
Charges for current services	1,803	2,151	2,717	3,050	3,551	3,238	3,422	4,061
Fines and forfeitures	568	881	860	939	894	897	798	733
Contributions	1,489	838	1,241	1,424	633	705	92	1,151
Interest Income	1,139	1,230	1,212	2,221	2,852	2,095	568	290
Loan Repayments	-	-	-	-	-	-	5	7
Other revenue	444	199	733	445	459	278	227	333
Total Revenue	<u>35,085</u>	<u>33,589</u>	<u>40,726</u>	<u>42,707</u>	<u>48,815</u>	<u>46,739</u>	<u>44,236</u>	<u>46,159</u>
Expenditures								
General government	4,267	4,545	4,604	4,801	5,309	4,341	4,103	4,365
Economic development	-	-	-	-	-	-	-	226
Parks and recreation	4,905	5,225	5,478	5,548	6,072	6,219	6,300	6,621
Public safety	8,625	8,945	9,697	10,718	11,655	13,222	13,511	13,856
Public works	3,258	3,204	3,472	3,159	4,099	4,294	4,155	5,065
Public service	4,511	4,308	4,777	4,596	4,362	4,452	4,449	4,017
Interest on interfund advances	8,606	91	82	72	62	51	39	27
Capital outlay	8,606	11,325	16,502	11,821	17,174	11,235	7,636	11,909
Debt service:								
Principal retirement	465	500	990	1,390	1,535	1,600	1,690	1,920
Bond issuance costs	-	-	-	-	30	-	49	37
Interest and fiscal charges	439	509	758	783	723	752	759	682
Total Expenditures	<u>43,682</u>	<u>38,652</u>	<u>46,360</u>	<u>42,888</u>	<u>51,021</u>	<u>46,166</u>	<u>42,691</u>	<u>48,725</u>
Excess of revenues over (under) expenditures	(8,597)	(5,063)	(5,634)	(181)	(2,206)	573	1,545	(2,566)

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

	Fiscal Year							
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Other financing sources (uses)								
Transfers in	\$ 10,459	\$ 6,681	\$ 12,183	\$ 5,552	\$ 16,901	\$ 11,858	\$ 8,505	\$ 16,611
Transfers out	(9,685)	(7,860)	(9,115)	(4,292)	(12,945)	(10,384)	(8,449)	(14,658)
Bonds issued	5,715	7,480	1,370	-	2,715	-	3,935	2,990
Payment on refunded bonds	-	-	(1,300)	-	-	-	-	(3,950)
Premium (discount) on debt	10	98	(12)	-	(7)	-	69	49
Sale of capital assets	-	697	-	-	42	-	-	-
Total other financing sources (uses)	<u>6,499</u>	<u>7,096</u>	<u>3,126</u>	<u>1,260</u>	<u>6,706</u>	<u>1,474</u>	<u>4,060</u>	<u>1,042</u>
Net change in fund balances	<u>\$ (2,098)</u>	<u>\$ 2,033</u>	<u>\$ (2,508)</u>	<u>\$ 1,079</u>	<u>\$ 4,500</u>	<u>\$ 2,047</u>	<u>\$ 5,605</u>	<u>\$ (1,524)</u>
Debt service as a percentage of noncapital expenditures	2.52%	3.58%	5.58%	6.24%	6.18%	6.63%	6.70%	7.07%

Note: Changes in fund balances of governmental funds are not readily available for years prior to 2003. The City will expand to ten years in future reports.

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

<u>Fiscal Year</u>	<u>Property Tax</u>
2003	\$ 17,818
2004	19,002
2005	21,115
2006	23,299
2007	26,030
2008	27,465
2009	29,037
2010	28,633

Note: General governmental tax revenues by source are not available for years prior to 2003. The City will expand to ten years in future reports.

CITY OF PLYMOUTH, MINNESOTA
ASSESSED VALUE/TAX CAPACITY VALUE AND ESTIMATED MARKET VALUE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Population	66,675	67,824	70,238	70,682	70,455	70,676	71,147	71,536	72,268	70,576
Real Property										
Assessed/tax capacity value	<u>\$ 103,428</u>	<u>\$ 76,277</u>	<u>\$ 81,310</u>	<u>\$ 86,602</u>	<u>\$ 94,585</u>	<u>\$ 102,569</u>	<u>\$ 112,009</u>	<u>\$ 121,295</u>	<u>\$ 122,107</u>	<u>\$ 116,187</u>
Estimated market value	<u>\$ 5,421,670</u>	<u>\$ 6,187,584</u>	<u>\$ 6,844,156</u>	<u>\$ 7,375,678</u>	<u>\$ 8,053,678</u>	<u>\$ 8,690,753</u>	<u>\$ 9,440,899</u>	<u>\$ 10,041,803</u>	<u>\$ 10,012,350</u>	<u>\$ 9,548,268</u>
Personal Property										
Assessed/tax capacity value	<u>\$ 1,302</u>	<u>\$ 782</u>	<u>\$ 804</u>	<u>\$ 845</u>	<u>\$ 894</u>	<u>\$ 913</u>	<u>\$ 1,023</u>	<u>\$ 943</u>	<u>\$ 942</u>	<u>\$ 944</u>
Estimated market value	<u>\$ 38,373</u>	<u>\$ 39,306</u>	<u>\$ 40,441</u>	<u>\$ 42,517</u>	<u>\$ 44,940</u>	<u>\$ 45,985</u>	<u>\$ 51,652</u>	<u>\$ 47,578</u>	<u>\$ 47,640</u>	<u>\$ 47,820</u>
Total Real and Personal Property										
Assessed/tax capacity value	<u>\$ 104,730</u>	<u>\$ 77,059</u>	<u>\$ 82,114</u>	<u>\$ 87,447</u>	<u>\$ 95,479</u>	<u>\$ 103,482</u>	<u>\$ 113,032</u>	<u>\$ 122,238</u>	<u>\$ 123,048</u>	<u>\$ 117,131</u>
Estimated market value	<u>\$ 5,460,043</u>	<u>\$ 6,226,890</u>	<u>\$ 6,884,597</u>	<u>\$ 7,418,195</u>	<u>\$ 8,098,618</u>	<u>\$ 8,736,738</u>	<u>\$ 9,492,551</u>	<u>\$ 10,089,381</u>	<u>\$ 10,059,990</u>	<u>\$ 9,596,088</u>
Total direct tax rate	<u>\$ 14.48</u>	<u>\$ 24.66</u>	<u>\$ 24.20</u>	<u>\$ 23.92</u>	<u>\$ 23.81</u>	<u>\$ 23.75</u>	<u>\$ 23.75</u>	<u>\$ 23.35</u>	<u>\$ 24.86</u>	<u>\$ 26.01</u>

Source: Hennepin County

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

Fiscal Year Ended December 31	City of Plymouth Rates			Overlapping Rates (1)								
	Operating	Housing & Redevelopment Authority	Total City Rate	Hennepin County Operating	Other Districts Operating	School Districts				Watershed Districts		
						Dist #270 Operating	Dist #279 Operating	Dist #281 Operating	Dist #284 Operating	Dist #3 Operating	Dist #7 Operating	Dist #8 Operating
2001	13.99	0.49	14.48	37.62	7.13	44.22	56.86	46.68	46.39	1.36	-	-
2002	23.89	0.77	24.66	50.41	6.62	15.03	30.09	30.21	26.79	2.46	-	-
2003	23.46	0.74	24.20	50.61	7.02	20.59	35.04	29.18	23.26	1.24	-	-
2004	23.18	0.74	23.92	47.32	6.75	22.20	23.71	34.26	22.12	0.77	1.04	-
2005	23.13	0.68	23.81	44.17	6.70	19.18	24.34	29.99	20.71	1.28	0.34	-
2006	23.20	0.55	23.75	41.02	6.99	21.57	21.82	28.49	21.89	1.07	0.43	0.07
2007	23.28	0.47	23.75	39.11	7.31	19.02	23.76	28.75	20.25	1.12	0.12	-
2008	22.89	0.46	23.35	38.57	7.40	19.22	19.71	27.24	19.67	1.40	0.65	0.27
2009	24.37	0.49	24.86	40.41	7.15	20.08	21.03	27.21	20.41	1.49	0.54	0.05
2010	25.50	0.51	26.01	42.64	8.14	23.05	22.38	28.62	23.31	1.51	0.69	0.08

Source: Hennepin County

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

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

Taxpayer	2010			2001		
	Tax Capacity Value	Rank	Percentage of Total Tax Capacity Value	Tax Capacity Value	Rank	Percentage of Total Taxable Assessed Value
St Paul Properties Inc	\$ 1,173	1	1.00%	\$ 844	3	0.81%
CSM Equities	1,241	2	1.06%	-	-	-
Carlson Companies	997	3	0.85%	2,496	1	-
United Properties	918	4	0.78%	-	-	-
Plymouth Properties Realty	819	5	0.70%	-	-	-
Liberty Property, Ltd. Partnership	785	6	0.67%	840	4	-
Tallcott III Atria LLC	785	7	0.67%	-	-	-
Bigos	726	8	0.62%	-	-	-
James Campbell Estate aka F E Trotter	625	9	0.53%	-	-	-
Park Place Portfolio	575	10	0.49%	603	8	0.58%
Sentinel Real Estate Corp.	-	-	-	931	2	0.89%
505 Waterford Corportation	-	-	-	652	5	0.62%
3033 Campus VEF III LLC	-	-	-	647	6	0.62%
Prudential Insurance	-	-	-	635	7	0.61%
Utah State Retirement Fund	-	-	-	538	9	0.51%
Metropolitan Life Insurance Co	-	-	-	469	10	0.45%
	<u>\$ 8,644</u>		<u>7.38%</u>	<u>\$ 8,655</u>		<u>5.08%</u>

Source: MN Department of Employment and Economic Development.

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

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$ 16,721	\$ 16,645	99.55%	75	\$ 16,720	99.99%
2002	18,311	18,234	99.58%	75	18,309	99.99%
2003	18,641	17,766	95.31%	117	17,883	95.93%
2004	19,813	19,010	95.95%	72	19,082	96.31%
2005	21,816	21,043	96.46%	158	21,201	97.18%
2006	23,765	23,030	96.91%	162	23,192	97.59%
2007	25,889	25,679	99.19%	186	25,865	99.91%
2008	27,485	26,960	98.09%	244	27,204	98.98%
2009	28,899	27,915	96.60%	202	28,117	97.29%
2010	28,727	27,797	96.76%	-	27,797	96.76%

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

Fiscal Year Ended December 31	Governmental Activities			Business- Type Activities	Total Primary Government	Percentage of Personal Income (1)	Per Capita(1)
	General Obligation Bonds	Special Assessment Bonds	Tax Increment Financing Bonds	Water Revenue Bonds			
2001	\$ 5,910	\$ 1,300	\$ 2,900	\$ 295	\$ 10,405	0.43%	\$ 156
2002	5,545	900	2,900	-	9,345	0.38%	138
2003	7,980	3,740	2,875	-	14,595	0.57%	208
2004	15,050	3,680	2,845	13,140	34,715	1.36%	491
2005	13,180	3,300	4,175	12,090	32,745	1.26%	465
2006	12,405	2,730	4,130	11,375	30,640	1.17%	434
2007	14,210	2,160	4,075	10,650	31,095	1.18%	437
2008	13,270	1,575	4,000	9,905	28,750	1.11%	402
2009	13,740	980	6,370	9,145	30,235	0.92%	418
2010	14,110	370	3,730	8,360	26,570	0.81%	376

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

(1) See the Schedule of Demographic and Economic Statistics on page 121 for personal income and population data.

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

Fiscal Year Ended December 31	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property(1)	Per Capita(1)
2001	\$ 5,910	\$ 554	\$ 5,356	0.10%	\$ 80
2002	5,545	606	4,939	0.08%	73
2003	7,980	2,279	5,701	0.08%	81
2004	15,050	2,351	12,699	0.17%	180
2005	13,180	1,611	11,569	0.14%	164
2006	12,405	1,852	10,553	0.12%	149
2007	14,210	2,129	12,081	0.13%	170
2008	13,270	2,248	11,022	0.11%	154
2009	13,740	3,913	9,827	0.10%	136
2010	14,110	2,505	11,605	0.12%	164

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

(1) See the Schedule of Assessed Value/Tax Capacity Value and Estimated Market Value on page 112 for property value data and population.

CITY OF PLYMOUTH, MINNESOTA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2010
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable *</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Hennepin County	\$ 1,129,045	7.1%	\$ 48,559
ISD #270 (Hopkins)	160,660	3.3%	5,263
ISD #279 (Osseo)	276,385	9.7%	20,933
ISD #281 (Robbinsdale)	207,440	23.7%	34,626
IDS #284 (Wayzata)	60,535	55.5%	27,670
Metropolitan Council	1,283,406	3.2%	5,867
Three Rivers Park District	83,155	9.5%	6,452
Hennepin County Regional Railroad Auth.	41,865	7.1%	2,810
Subtotal, overlapping debt			<u>152,180</u>
City of Plymouth direct debt			<u>18,210</u>
Total direct and overlapping debt			<u>\$ 170,390</u>

Source: Hennepin County, Minnesota

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

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

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

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$ 124,538	\$ 124,538	\$ 130,294	\$ 143,088	\$ 158,977	\$ 172,690	\$ 188,344	\$ 301,248	\$ 301,800	\$ 287,883
Total net debt applicable to limit	5,356	4,939	5,701	12,699	11,569	10,553	12,081	11,022	9,827	11,605
Legal debt margin	<u>\$ 119,182</u>	<u>\$ 119,599</u>	<u>\$ 124,593</u>	<u>\$ 130,389</u>	<u>\$ 147,408</u>	<u>\$ 162,137</u>	<u>\$ 176,263</u>	<u>\$ 290,226</u>	<u>\$ 291,973</u>	<u>\$ 276,278</u>
Total net debt applicable to the limit as a percentage of debt limit	4.30%	3.97%	4.38%	8.87%	7.28%	6.11%	6.41%	3.66%	3.26%	4.03%

Legal Debt Margin Calculation for Fiscal Year 2010

Estimated taxable market value	\$ 9,596,088
Debt limit (3% of total market value)	287,883
Debt applicable to limit:	
Street Reconstruction Bonds 2003B	630
Open Space Refunding Bonds 2003D	260
Capital Improvement Bonds 2004A	6,210
Open Spaces GO Bonds 2007A	2,575
Activity Center/Field House Refunding Bonds 2009 B	1,445
Open Space Bonds 2010A	2,990
Less: Amount set aside for repayment of general obligation debt	<u>(2,505)</u>
Total net debt applicable to limit	<u>11,605</u>
Legal debt margin	<u>\$ 276,278</u>

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

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

Fiscal Year Ended December 31	Water Revenue Bonds						Special Assessment Bonds				
	Water-Sewer Utility Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Special Assessment Collections	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2001	\$ 9,937	\$ 7,468	\$ 2,469	\$ 280	\$ 18	8.29	\$ 1,443	\$ 410	\$ 81	2.94	
2002	8,711	7,778	933	295	6	3.10	1,519	400	61	3.30	
2003	10,917	8,733	2,184	-	-	0.00	1,317	55	49	12.66	
2004	10,764	8,586	2,178	-	-	0.00	1,233	60	92	8.11	
2005	11,278	9,376	1,902	1,050	296	1.41	1,195	380	109	2.44	
2006	11,862	10,085	1,777	1,765	419	0.81	1,999	570	96	3.00	
2007	13,568	10,793	2,775	725	397	2.47	1,522	570	81	2.34	
2008	13,567	10,682	2,885	745	382	2.56	1,437	585	66	2.21	
2009	13,677	11,136	2,541	760	360	2.27	1,489	595	49	2.31	
2010	13,380	10,523	2,857	785	336	2.55	1,253	610	31	1.95	

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

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

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

Fiscal Year	Population (A)	Personal Income (In Thousands)	Per Capita Personal Income (B)	School Enrollment (C)	Unemployment Rate (D)
2001 (B)	66,675	\$ 2,420,903	\$ 36,309	53,077	2.7%
2002	67,824	2,462,622	36,309	52,993	4.2%
2003	70,238	2,550,272	36,309	52,952	3.2%
2004	70,682	2,566,393	36,309	52,506	3.0%
2005	70,455	2,558,151	36,309	52,047	3.1%
2006	70,676	2,566,175	36,309	53,102	2.9%
2007	71,147	3,053,772	42,922	53,251	3.7%
2008	71,536	3,293,231	46,036	51,262	6.4%
2009	72,268	3,295,059	45,595	51,215	6.0%
2010 (E)	70,576	3,291,947	46,644	51,116	6.1%

Source:

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

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

Employer	2010			2001		
	Employees	Rank	Percentage of Total Plymouth Employment	Employees	Rank	Percentage of Total Plymouth Employment
I.S.D. #284 (Wayzata)	1,344	1	3.42%	-	-	-
Carlson Companies	1,175	2	2.99%	-	-	-
Prudential Insurance Company	642	3	1.63%	3,500	1	6.66%
EV3, Inc.	584	4	1.49%	-	-	-
Allied Interstate	573	5	1.46%	-	-	-
Honeywell International	525	6	1.34%	560	5	1.07%
Boston Scientific	500	7	1.27%	-	-	-
Select Comfort Corp	475	8	1.21%	475	9	0.90%
Nilfisk-Advance, Inc	399	9	1.02%	-	-	-
Turck, Inc.	358	10	0.91%	-	-	-
Carlson Travel	-	-	-	1,150	2	2.19%
Carlson Marketing	-	-	-	1,000	3	1.90%
US West Communications	-	-	-	700	4	1.33%
ITT Insurance	-	-	-	500	6	0.95%
Value RX	-	-	-	500	7	0.95%
Schneider USA, Inc	-	-	-	480	8	0.91%
JT Food Service	-	-	-	300	10	0.57%
	<u>6,575</u>		<u>16.74%</u>	<u>9,165</u>		<u>17.43%</u>

Note: Data is based on the most current information available. 2001 data is equal to 2000 data.

Sources: Community Development department, 2010 Ehler's City of Plymouth study.

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

Function	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government										
Administration	10	10	10	10	10	10	10	10	10	11
Assessing	6	6	6	6	6	6	6	6	6	7
Finance	15	15	15	15	15	15	15	15	14	13
Inspection	11	11	11	11	11	12	12	12	12	12
Planning	11	11	11	11	11	11	11	11	11	11
Information Technology	7	7	7	7	7	7	7	8	7	7
Parks										
Administration	4	4	4	4	5	5	5	5	5	9
Park Maintenance	24	24	24	25	25	25	25	26	26	21
Plymouth Creek	4	5	5	5	5	5	5	5	6	5
Ice Center	5	5	5	5	5	5	5	5	5	4
Public Safety										
Police- Sworn	60	61	61	65	67	67	69	70	70	66
Police - Civilian	16	16	16	16	16	16	16	17	16	17
Fire Prevention	2	2	2	2	2	2	2	2	2	0
Full Time Fire Fighters	4	5	5	6	7	7	7	7	6	6
Public Works										
Engineering	17	17	17	17	18	18	17	17	17	13
Streets	19	19	19	20	19	19	18	19	19	13
Central Equipment	4	4	4	4	4	4	4	4	4	5
Recycling Administration	1	1	1	1	1	1	1	1	1	2
Risk Management	1	1	1	1	1	1	1	1	1	1
Building Management	2	2	2	2	2	2	2	2	2	2
Public Service										
House and Development	5	6	6	6	6	6	6	6	6	3
Sewer/Water	18	18	20	21	21	21	23	23	23	23
Transit	1	1	1	1	2	2	2	2	2	1
	<u>247</u>	<u>251</u>	<u>253</u>	<u>261</u>	<u>266</u>	<u>267</u>	<u>269</u>	<u>274</u>	<u>271</u>	<u>252</u>

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

	FISCAL YEAR				
	2006	2007	2008	2009	2010
Police					
Medical calls	2,526	2,925	2,314	2,962	2,548
Traffic stops	17,156	16,647	17,418	15,131	12,843
Other	46,117	45,677	37,309	33,149	34,392
Fire					
Inspections	2,321	2,301	1,758	1,629	1,007
Fire calls - Residential	725	814	743	701	786
Fire calls - Structural	1,041	355	312	270	248
Fire calls - Other	311	343	290	278	374
Inspections					
Permit related	8,908	16,942	17,464	14,568	18,036
Non-permit related	24,422	7,332	10,940	7,627	2,185
Recreation					
Hours of ice time	7,851	7,054	6,612	6,801	7,166
Number of programs	1,721	1,818	1,862	1,908	2,011
Plymouth Creek Center rentals	4,083	4,053	3,838	3,757	3,956
Water					
Gallons of water production (in thousands)	3,540,616	3,609,790	3,399,495	3,524,110	3,183,085
Watermain breaks	59	88	54	43	29
Publicworks					
Snowplowing hours	1,348	1,730	1,954	2,179	3,003

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

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

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	16	16	15	17	17	17	21	25	38	38
Fire stations	3	3	3	3	3	3	3	3	3	3
Public works										
Trunk highways (miles)	20	20	20	20	20	20	20	20	20	20
Paved - County (miles)	26	24	24	24	24	28	28	28	26	26
Other streets & alleys (miles)	268	277	277	276	277	283	284	287	287	290
Sidewalks (miles)	9	9	9	9	9	9	9	11	11	12
Streetlights	2,651	2,678	2,694	2,694	2,694	2,910	2,910	2,973	2,984	3,028
Parks and recreation										
Acreage	868	900	1,000	1,000	1,000	1,000	1,200	1,273	1,273	1,400
Number of parks and playgrounds	40	42	45	45	45	45	49	49	50	50
Trails (miles)	84	90	90	100	100	110	110	136	136	136
Community center	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	315	320	322	322	326	350	352	353	353	354
Fire hydrants:										
Private	1,801	1,809	1,505	1,538	1,514	1,545	1,545	1,562	1,569	1,571
Public	3,797	3,896	4,202	4,092	4,133	4,297	4,333	4,345	4,429	4,434
Wastewater										
Sanitary sewer (miles)	288	293	294	296	297	307	309	309	309	309
Storm sewer (miles)	118	123	124	126	127	129	133	134	134	134

Sources: Various city departments.

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

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