

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

**For The Year Ended  
December 31, 2007**

**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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**CITY OF PLYMOUTH, MINNESOTA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**Year Ended December 31, 2007**

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June 18, 2008

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

Minnesota Statutes require all cities to issue an annual report on its financial position and activity prepared in accordance with generally accepted account principles (GAAP), and audited in accordance with 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, 2007.

This report consists of management's representations concerning the finances of the City of Plymouth. Consequently, management assumes full responsibility for the completeness and reliabilities of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Plymouth has established a comprehensive internal control framework that is designed both to protect the government's 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 has been designed to provide reasonable rather than absolute assurance that the financial statements will be 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 have been 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, 2007, 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, based upon the audit, 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, 2007, 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 it. The MD&A can be found immediately following the independent auditors' report.

### **Reporting Entity**

In accordance with GASB Statement No. 14, the City includes all funds of the City as well as its component unit. The Plymouth Housing and Redevelopment Authority (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 72,000 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, plus state highways 55 and 169.

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

The City provides a full range of services to residents and businesses, including police and fire protection, construction and maintenance of streets and other infrastructure, park and recreational activities, planning, zoning and inspection services, transit services and administration. It also provides water, sewer, and solid waste services.

The annual budget serves as the foundation for the City's financial planning and control. All departments and agencies of the City of Plymouth 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 City Manager then presents this proposed budget to the Council for review prior to August 31. The City adopts a preliminary budget and tax levy by September 15<sup>th</sup> each year. The council is required to hold public hearings on the proposed budget and to adopt a final budget and tax levy 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. From 1980 to 1990, population growth was 19,274 for an increase of 61%, and from 1990 to 2000, population growth was 15,005 for an increase of 29.5%. As of 2007, the estimated population was approximately 71,000. The key relationship between continued development in the City and the budget is our ability to generate funds sufficient to deliver appropriate public services.

The City continued a progressive and sound financial program during 2007, while providing needed services to its citizens. Plymouth's standards for services are considered excellent by our residents. Financial resources at year-end remained strong. Although all conditions are not currently favorable, the City's promising growth and sound financial condition, as reflected in the following financial report, place the City in an enviable position.



The challenge confronting the City is to develop and maintain fiscal systems which will enhance its ability to remain healthy in the years ahead as the community begins to mature and its capital facilities (infrastructure) begin to age and require repair or replacement.

The City has taken a leading role in the TwinWest Chamber of Commerce. The chamber represents eight suburban municipalities and promotes sound development policies in the western metropolitan area.

The City is well positioned to maneuver through the nation's economic slow down. City officials see a stable local economy.

It is anticipated that the commercial and residential growth of the community will slow down during the next decade. In 1980, there were 10,491 households in the City. As of 2007, there were estimated to be 27,962 households. The Metropolitan Council projects that by 2020 there will be 31,500 households.

Job opportunities within the City are expected to increase modestly over the next few years. In 1980, 20,212 persons were employed in the City. The last employment figures prepared by the Metropolitan Council estimated there were 51,043 persons employed in the City. The City projects employment to reach 63,400 by 2020.

The payable 2007 total market value of the City was \$9,492,551,000, an increase of \$755,813,000 over 2006. The increase in total market value between payable 2006 and payable 2007 was 8.7%; the value has increased 53% over the past five years.

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
2001	66,675	25,159	52,842
2002	67,824	25,829	49,304
2003	70,238	26,871	48,740
2004	70,682	27,206	50,060
2005	70,455	27,457	50,842
2006	70,676	27,771	51,043
2010	73,000	29,000	59,900
2020	76,000	31,500	63,400
2030	78,500	33,500	64,500

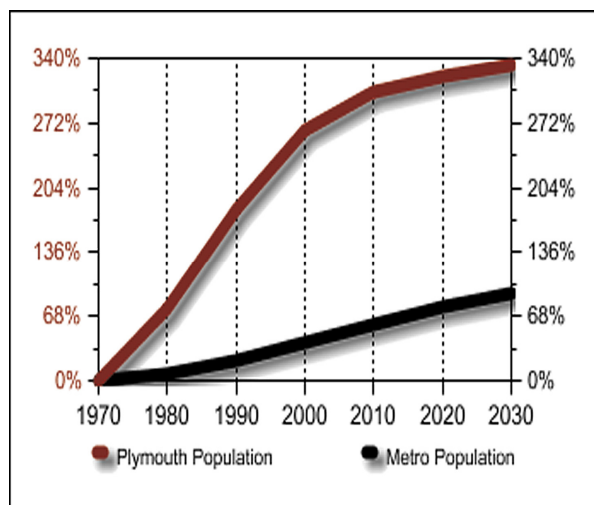


Table Source: Metropolitan Council

### 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 30% 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.

In 2007, Plymouth continued the process to update the City's Comprehensive Plan, a long-term planning document that will guide the community's future development and redevelopment. Development of the plan began with input from residents, community partners, City board and commission members, other government agencies and elected officials. The final plan, following Metropolitan Council review, is expected to be adopted in 2008.

The City Council, recognizing the long-term importance of safe and functioning public infrastructure, expanded the street reconstruction program to further preserve and lengthen the life of existing streets, water main, sanitary sewer and storm sewer infrastructure.

After Request For Proposal process, the City contracted with New World Systems of Troy, Michigan for the purchase of an Enterprise Resource Planning software solution to replace the City's financial management, human resource and utility billing software. The fully-integrated application will replace 15 individual programs, and is expected to ease maintenance, increase workflow, improve security and enhance reporting.

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**

The City's 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 which have not had approval, are not released until such funding or approval is made available. Open encumbrances are reported as reservations of fund balance. The budget as adopted can be revised by the City Council. A contingency appropriation is provided for this purpose. All amendments, individual and in total, were not material in relation to the original appropriation.

### **Cash Management**

The primary financial goal of the City's cash management program is to maximize the amount of cash available, both to meet daily cash needs as well as to increase the amount available for investing, and to earn the maximum return on cash invested with minimal credit and market risk.

All of the City's temporary cash surpluses are pooled into an investment trust account. This pooled cash concept provides for investing greater amounts of money at more favorable interest rates. The City's concept of a working fund for its cash permits some funds to be overdrawn and others to show cash balances when, in fact, the City as a whole has positive cash balance. All monies, when originally received, are deposited directly into a money market savings account, which represents our operating cash. Interest earnings are distributed to the participating funds quarterly based on their total cash invested.

For further information on the City's cash and investments, please see Note 3 of the City's notes to the basic financial statements.

### **Risk Management**

The City established the Risk Management Fund to account for self-insurance programs. Under our self-insuring programs, the City is responsible up to a maximum of \$760,000 per occurrence for all workers' compensation claims. The City accrues for outstanding claims and claims incurred but not reported in this fund. The City has contracted with an outside firm to administer the program. Fund revenues are primarily contributions from other funds and interest earnings. The League of Minnesota Cities Insurance Trust covers the general liability insurance for the City of Plymouth. The program provides coverage for damages up to \$1,000,000 per incident and limits the City's liability to \$50,000 per claim and \$230,000 per year. Minnesota Statutes provide a \$1,000,000 limit per incident in liability claims against the City.

claim and \$230,000 per year. Minnesota Statutes provide a \$1,000,000 limit per incident in liability claims against the City.

Local government, not unlike private enterprise, must adopt sound management concepts and techniques to carry out its service responsibilities effectively. Recognizing risk management as a basic and fundamental management function, the City Council adopted a Comprehensive Risk Management Program. The responsibility of risk management is to protect the financial integrity of the City from perils beyond the control of the City Council and to provide for the safety and welfare of our citizens and all city employees.

For further information on the City's risk management activities, please refer to Note 8 of the City's notes to the basic financial statements.

### **Independent Audit**

The City requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. This requirement has been complied with, and the independent auditors' report has been included in this report.

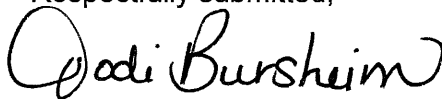
### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (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, 2006. This was the 25<sup>th</sup> 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. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,

A handwritten signature in black ink that reads "Jodi Bursheim". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

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, 2006

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.



*Charles S. Cox*

President

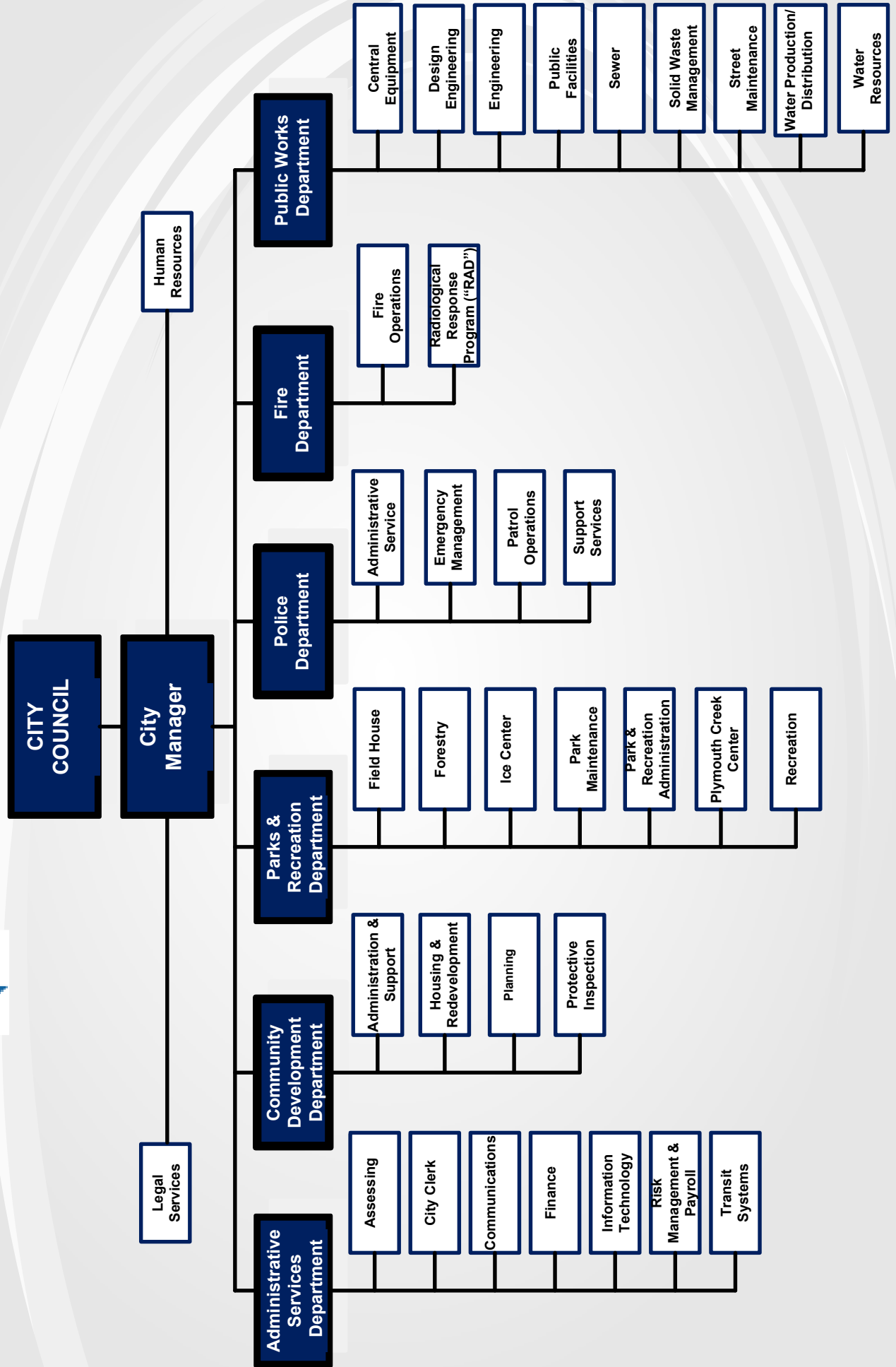
*Jeffrey R. Emen*

Executive Director



# City of Plymouth

Organizational Chart  
City-wide Departments



**City of Plymouth**  
**LISTING OF CITY OFFICIALS**  
**at December 31, 2007**

Elected Officials

	<u>Ward</u>	<u>Term of Office</u>	<u>Term Expires</u>
Mayor Kelli Slavik		Four Years	12-31-10
Councilmember Sandy Hewitt	1	Four Years	12-31-08
Councilmember Kathleen Murdock	2	Four Years	12-31-10
Councilmember Bob Stein	3	Four Years	12-31-08
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	12-31-08

Effective January 1, 2008

	<u>Ward</u>	<u>Term of Office</u>	<u>Term Expires</u>
Mayor Kelli Slavik		Four Years	12-31-10
Councilmember Sandy Hewitt	1	Four Years	12-31-08
Councilmember Kathleen Murdock	2	Four Years	12-31-10
Councilmember Bob Stein	3	Four Years	12-31-08
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	12-31-08

City Officials and Department Directors

City Manager	Laurie Ahrens
Director of Administrative Services & City Treasurer	Calvin Portner
Director of Community Development	Steve Juetten
Director of Parks & 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

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, 2007, 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, 2006, and in our report dated May 17, 2007, 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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, 2007, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund 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, 2006, from which such partial information was derived.

(continued)



In accordance with *Government Auditing Standards*, we have also issued a report dated June 5, 2008 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.

The Management's Discussion and Analysis, which follows this report letter, is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken 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 on them.

*Malloy, Montague, Karnowski, Radonovich & Co. P.A.*

June 5, 2008



**City of Plymouth, Minnesota**  
**For the Year Ended December 31, 2007**  
**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, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v- ix of this report.

**Financial Highlights**

- At year-end 2007, the City of Plymouth's assets exceeded its liabilities by \$353 million (*net assets*). Net assets consisted of:
  - \$23.1 million (6.6% of total net assets) restricted for specific purposes
  - \$241.7 million (68.5% 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
  - \$87.8 million (24.9% 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.
- In 2007, the City's net assets increased by \$13.4 million. Of this amount, \$12.7 million was from governmental activities, and \$691 thousand was from business-type activities. The increase for governmental activities is attributable to increases in property tax revenue. Utility rate increases generated additional revenue for the business-type activities, as well as an increase in investment revenue from prior year.
- The City's governmental funds reported combined ending fund balances of approximately \$54.4 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 \$11.8 million, or 21.7%, of total governmental fund balances have been 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 \$11.0 million. The General Fund's balance represents approximately 43.8% of annual budgeted spending in this fund. Fund balance in the General Fund increased \$667 thousand during the year.
- The City's total governmental activity bonded debt increased by approximately \$1.1 million, or 6% from the prior-year. Total City debt represents a very modest ratio of only 8.8% of 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 \$3.7 million which represents approximately 18% of governmental debt outstanding at year-end 2007 and approximately 157% of scheduled payments of interest and principal for 2008. In addition, the net revenues of the Water Sewer Utility are pledged for the debt service of the business activity debt service.

## **Overview of the Financial Statements**

This discussion and analysis is intended to serve 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 government's near-term financing requirements.

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

The governmental fund statements are on pages 15 - 22 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 23 - 32 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 33 - 56 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 \$353 million at the end of fiscal year 2007. A portion of the City of Plymouth's net assets (68.5%) 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**  
*(amounts in thousands of dollars)*

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
<b>Assets:</b>						
Current and other assets	\$ 82,527	\$ 75,943	\$ 36,520	\$ 37,716	\$ 119,047	\$ 113,659
Capital assets net of accumulated depreciation	170,685	161,940	102,169	101,047	272,854	262,987
Total assets	<u>\$ 253,212</u>	<u>\$ 237,883</u>	<u>\$ 138,689</u>	<u>\$ 138,763</u>	<u>\$ 391,901</u>	<u>\$ 376,646</u>
<b>Liabilities:</b>						
Current and other liabilities	\$ 8,496	\$ 7,015	\$ 1,645	\$ 1,667	\$ 10,141	\$ 8,682
Long-term liabilities	19,260	18,113	9,885	10,628	29,145	28,741
Total liabilities	<u>27,756</u>	<u>25,128</u>	<u>11,530</u>	<u>12,295</u>	<u>39,286</u>	<u>37,423</u>
<b>Net Assets:</b>						
Invested in capital assets net of related debt	150,167	147,612	91,541	89,696	241,708	237,308
Restricted net assets	4,772	17,534	18,377	20,053	23,149	37,587
Unrestricted net assets	70,517	47,609	17,241	16,719	87,758	64,328
Total net assets	<u>225,456</u>	<u>212,755</u>	<u>127,159</u>	<u>126,468</u>	<u>352,615</u>	<u>339,223</u>
Total liabilities and net assets	<u>\$ 253,212</u>	<u>\$ 237,883</u>	<u>\$ 138,689</u>	<u>\$ 138,763</u>	<u>\$ 391,901</u>	<u>\$ 376,646</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 (\$87.8 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 \$12.7 million or 6%. This increase relates primarily to an increase in property tax revenue.

**Business-type activities** – The net assets of business-type activities increased by approximately \$691 thousand or .5%. This increase relates primarily to increased revenues for charges for services and an increase in investment earnings from prior year.

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

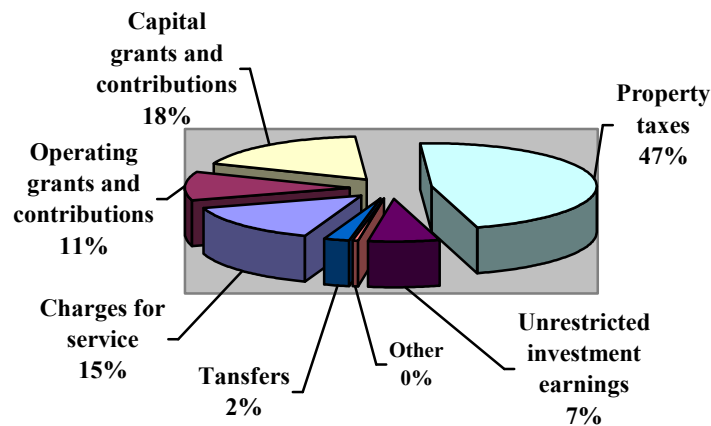
**City of Plymouth, Minnesota**  
**Changes in Net Assets**  
*(amounts in thousands of dollars)*

	Governmental Activities		Business-type Activities		Total	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues:						
Program revenues:						
Charges for service	\$ 8,258	\$ 6,544	\$ 16,654	\$ 14,878	\$ 24,912	\$ 21,422
Operating grants and contributions	6,027	6,253	186	522	6,213	6,775
Capital grants and contributions	10,043	12,842	2,138	6,187	12,181	19,029
General revenues:						
Property taxes	26,086	23,357	-	-	26,086	23,357
Unrestricted investment earnings	3,962	3,018	2,229	1,579	6,191	4,597
Gain on disposal of capital assets	10	138	-	-	10	138
Other	216	102	113	250	329	352
Total revenues	<u>54,602</u>	<u>52,254</u>	<u>21,320</u>	<u>23,416</u>	<u>75,922</u>	<u>75,670</u>
Expenses:						
General government	8,268	5,172	-	-	8,268	5,172
Parks and recreation	7,694	6,931	-	-	7,694	6,931
Public safety	12,221	12,222	-	-	12,221	12,222
Public works	10,051	10,978	-	-	10,051	10,978
Public service	4,377	6,004	-	-	4,377	6,004
Water and sewer utility	-	-	14,528	13,206	14,528	13,206
Ice center	-	-	1,700	1,603	1,700	1,603
Solid waste management	-	-	969	813	969	813
Water resource management	-	-	1,714	1,942	1,714	1,942
Field house	-	-	307	305	307	305
Interest on long-term debt	701	745	-	-	701	745
Total expenses	<u>43,312</u>	<u>42,052</u>	<u>19,218</u>	<u>17,869</u>	<u>62,530</u>	<u>59,921</u>
Change in Net Assets Before Transfers:	11,290	10,202	2,102	5,547	13,392	15,749
Transfers in (out)	1,411	(257)	(1,411)	257	-	-
Change in Net Assets	12,701	9,945	691	5,804	13,392	15,749
Net Assets at Beginning of Year	212,755	202,810	126,468	120,664	339,223	323,474
Net Assets at End of Year	<u>\$225,456</u>	<u>\$212,755</u>	<u>\$127,159</u>	<u>\$126,468</u>	<u>\$352,615</u>	<u>\$339,223</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 citizens. 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 \$102 million in 2007. Capital (fixed) assets represented approximately 74% 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.

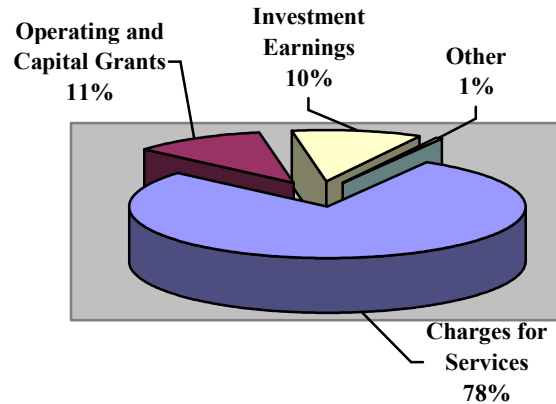
Operating income starts with revenues generated by charges for sales and service. As of December 31, 2007, there were 20,447 water and/or sewer customers, an increase of 175 for the current year. The water and sewer utility sales represented approximately 71% of total business-type charges for service revenue in 2007. Before depreciation, the City's business-type activities generate positive operating income.

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. While operating income is positive, it is not enough to fully offset or fund depreciation on capital assets.

In 2007, the City reported positive operating income of approximately \$1.9 million. After depreciation, the City reported an operating loss of approximately \$2 million. Including non-operating income, the City's business-type activities posted positive net income (increase in net assets) of approximately \$691 thousand for 2007.

Significant non-operating revenues in 2007 included area-wide assessments of \$3.2 million, investment income of \$2.2 million, and capital contributions from developers of \$2.1 million. The following chart visually 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 2007; the fund balance at year-end was \$11 million, or 43.8% of 2007 budgeted expenditures.

#### Transit Fund-

- In the Transit Fund, the fund balance increased by \$762 thousand as a result of increased revenues, primarily due to additional grant dollars received and an increase in transit fares.

#### Improvement Projects Fund-

- The fund balance increased in the Improvement Projects Fund by \$3.3 million during the year. This increase is due to approved transfers to cover costs for construction projects for streets, street reconstruction, and other infrastructure improvements.

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

### **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 2007 General Fund budget anticipated an expenditure increase of 5.7%. This was below the City's growth rate plus inflation. New spending in the General Fund was focused on street maintenance, public safety equipment replacement and upgrades and capital equipment purchases.

General Fund revenues and other financing sources exceeded budget estimates by \$2.3 million during the year. One of the contributing factors for this increase was that license and permit revenue was higher than anticipated due to a strong commercial and industrial market. In addition, the City returned tax increment funds to Hennepin County for redistribution to allowable taxing jurisdictions. The City portion of the redistribution was \$452 thousand and resulted in an increase in property tax revenue for 2007. The remainder of the increase is due to additional Police State aid received, interest earnings stronger than expected, and an unplanned transfer relating to the repeal of the local HACA penalty.

General Fund expenditures were under budget estimates by \$588 thousand due to shared restraint by all departments, as well as salary vacancies with replacements at lower wages. Other financing uses exceeded budget by \$2.3 million. The primary reason for this overage was that the budget surplus allowed the General Fund to make an unplanned transfer of \$2.2 million of which \$1.6 million was to the Infrastructure Replacement Fund, \$300 thousand to the Park Replacement Fund, and \$300 thousand to the Public Facilities Fund. The remaining amount of \$75 thousand was due to a couple of minor transfers approved at year end by Council specifically related to compensated absences and the Vicksburg Lane improvement project. The remaining surplus still provided adequate funds to maintain the fund balance policy minimum of 40%.

### **CAPITAL ASSETS AND LONG-TERM DEBT**

#### *Capital Assets*

The City's total investment in long-term (capital) assets, net of accumulated depreciation totaled \$272.9 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>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Land	\$ 24,529	\$ 21,657	\$ 3,199	\$ 3,199	\$ 27,728	\$ 24,856
Infrastructure	73,923	76,657	47,798	43,888	121,721	120,545
Buildings	30,878	27,073	39,027	38,135	69,905	65,208
Improvements other than buildings	8,133	8,008	2,159	2,092	10,292	10,100
Machinery and equipment	13,425	12,871	7,567	7,540	20,992	20,411
Water meters	-	-	715	727	715	727
Construction in progress	19,797	15,674	1,704	5,466	21,501	21,140
Total capital assets	<u>\$170,685</u>	<u>\$161,940</u>	<u>\$102,169</u>	<u>\$101,047</u>	<u>\$272,854</u>	<u>\$262,987</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 \$31.1 million at year-end, compared to \$30.7 million at the beginning of the year. During the year the City made debt service payments on existing bonds in the amount of \$2.3 million. \$2.7 million of general obligation debt was added in 2007 for the acquisition of open space. The City's debt holds the highest rating from Moody's Investors Services: Aaa.

See footnote 5, pages 47 – 50, 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 2008 budget will be impacted by two primary factors, the State budget deficit and the effects of a slowing state and local economy.

Reductions in the Market Value Homestead Credit paid to cities could impact revenue as could a number of potential legislative mandates. Changes in the economy could affect revenue anticipated from permits and licenses as well as property valuation in the near term.

The 2008 budget was conservatively developed to account for economic and legislative activity and a modest property tax increase imposed to maintain current service levels and continue the community street improvement program. In addition, fees and user rates charges were increased to account for the resources required to deliver the service.

### **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.ci.plymouth.mn.us](http://www.ci.plymouth.mn.us).

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**CITY OF PLYMOUTH, MINNESOTA**  
**STATEMENT OF NET ASSETS**  
**December 31, 2007**

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Housing and Redevelopment Authority</b>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 76,489,826	\$ 29,703,498	\$ 106,193,324	\$ 3,637,352
Receivables (net)				
Accounts	405,906	2,800,696	3,206,602	29,518
Notes	1,657,468	-	1,657,468	1,056,892
Taxes	407,277	-	407,277	5,931
Special assessments	623,434	5,188,780	5,812,214	-
Accrued interest	561,624	218,158	779,782	25,085
Due from other governments	661,123	-	661,123	-
Internal balances	1,436,466	(1,436,466)	-	-
Inventories	154,888	45,646	200,534	-
Prepaid items	18,044	-	18,044	274,635
Deferred charges	111,699	-	111,699	118,657
Capital assets:				
Nondepreciable	44,325,837	4,903,117	49,228,954	1,333,840
Depreciable, net	126,358,665	97,266,062	223,624,727	13,462,781
<b>TOTAL ASSETS</b>	<b>\$ 253,212,257</b>	<b>\$ 138,689,491</b>	<b>\$ 391,901,748</b>	<b>\$ 19,944,691</b>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 1,846,327	\$ 441,406	\$ 2,287,733	\$ 99,377
Contracts payable	1,732,610	11,307	1,743,917	-
Accrued salaries and wages	582,977	133,002	715,979	21,607
Accrued fringe benefits	7,989	-	7,989	-
Deposits payable	553,488	-	553,488	241,235
Due to other governments	14,273	-	14,273	3,467
Unearned revenue	388,072	152,762	540,834	-
Accrued interest	292,154	164,026	456,180	75,465
Noncurrent liabilities:				
Due within one year	3,078,189	743,000	3,821,189	181,268
Due in more than one year	19,260,217	9,884,837	29,145,054	14,460,527
Total liabilities	<b>27,756,296</b>	<b>11,530,340</b>	<b>39,286,636</b>	<b>15,082,946</b>
<b><u>NET ASSETS</u></b>				
Invested in capital assets, net of related debt	150,166,834	91,541,342	241,708,176	154,826
Restricted for:				
Debt service	3,690,774	-	3,690,774	167,801
Tax Increment Financing	1,035,968	-	1,035,968	-
Perpetual care	45,500	-	45,500	-
Affordable housing	-	-	-	153,891
Utility trunk	-	16,276,959	16,276,959	-
Water resources	-	2,100,017	2,100,017	-
Unrestricted	70,516,885	17,240,833	87,757,718	4,385,227
Total net assets	<b>225,455,961</b>	<b>127,159,151</b>	<b>352,615,112</b>	<b>4,861,745</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 253,212,257</b>	<b>\$ 138,689,491</b>	<b>\$ 391,901,748</b>	<b>\$ 19,944,691</b>

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

**CITY OF PLYMOUTH, MINNESOTA**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2007**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
PRIMARY GOVERNMENT:				
Governmental Activities:				
General government	\$ 8,268,433	\$ 3,731,419	\$ 79,325	\$ 135,452
Parks and recreation	7,694,281	1,279,802	-	496,205
Public safety	12,220,642	1,313,525	1,093,514	10,586
Public works	10,050,775	807,778	620,816	8,678,187
Public service	4,376,860	1,125,884	4,232,880	721,985
Interest on long-term debt	700,747	-	-	-
Total governmental activities	<u>43,311,738</u>	<u>8,258,408</u>	<u>6,026,535</u>	<u>10,042,415</u>
Business-type Activities:				
Water sewer utility	14,528,465	11,830,544	-	2,063,210
Ice center	1,700,203	1,260,927	10,000	-
Solid waste management	968,573	1,071,804	163,852	-
Water resources	1,714,421	2,190,339	12,505	75,000
Field house	306,768	300,572	-	-
Total business-type activities	<u>19,218,430</u>	<u>16,654,186</u>	<u>186,357</u>	<u>2,138,210</u>
Total primary government	<u>\$ 62,530,168</u>	<u>\$ 24,912,594</u>	<u>\$ 6,212,892</u>	<u>\$ 12,180,625</u>
COMPONENT UNIT:				
Housing and Redevelopment Authority	<u>\$ 5,977,861</u>	<u>\$ 1,420,337</u>	<u>\$ 3,828,953</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
\$ (4,322,237)	\$	\$ (4,322,237)	\$
(5,918,274)		(5,918,274)	
(9,803,017)		(9,803,017)	
56,006		56,006	
1,703,889		1,703,889	
(700,747)		(700,747)	
(18,984,380)		(18,984,380)	
-	(634,711)	(634,711)	
-	(429,276)	(429,276)	
-	267,083	267,083	
-	563,423	563,423	
-	(6,196)	(6,196)	
-	(239,677)	(239,677)	
(18,984,380)	(239,677)	(19,224,057)	
			(728,571)
26,086,130	-	26,086,130	473,506
3,962,134	2,229,329	6,191,463	225,424
9,596	-	9,596	-
215,781	112,829	328,610	700
1,411,435	(1,411,435)	-	-
31,685,076	930,723	32,615,799	699,630
12,700,696	691,046	13,391,742	(28,941)
212,755,265	126,468,105	339,223,370	4,890,686
\$ 225,455,961	\$ 127,159,151	\$ 352,615,112	\$ 4,861,745

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**CITY OF PLYMOUTH, MINNESOTA**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**December 31, 2007**  
**(with partial comparative information for December 31, 2006)**

	<u>General Fund</u>	<u>Special Revenue Transit System</u>	<u>Capital Project Improvement Projects</u>	<u>Nonmajor Governmental Funds</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 12,269,921	\$ 3,245,734	\$ 7,309,269	\$ 32,794,009
Receivables (net)				
Accounts	100,544	156,697	22,000	104,863
Notes	-	-	-	1,657,468
Taxes - unremitted	99,071	-	3	22,438
Taxes - delinquent	285,374	-	391	-
Special assessments:				
Unremitted	111	-	-	2,159
Delinquent	14,739	-	-	6,654
Deferred	3,267	-	-	596,504
Accrued interest	103,260	23,845	53,740	230,256
Due from other governments	62,220	-	-	597,426
Due from other funds	21,047	-	-	-
Prepaid expenses	9,604	-	-	-
Advance to other funds	-	-	847,434	1,353,695
<b>TOTAL ASSETS</b>	<b>\$ 12,969,158</b>	<b>\$ 3,426,276</b>	<b>\$ 8,232,837</b>	<b>\$ 37,365,472</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$ 373,065	\$ 535,870	\$ -	\$ 39,361
Contracts payable	-	-	1,583,425	149,185
Accrued salaries and wages	499,782	2,767	7,442	23,515
Deposits payable	552,199	-	-	1,289
Due to other funds	-	-	-	6,047
Due to other governments	-	14,273	-	-
Advance from other funds	-	-	-	847,434
Deferred revenue	523,319	-	390	2,428,760
Total liabilities	<u>1,948,365</u>	<u>552,910</u>	<u>1,591,257</u>	<u>3,495,591</u>
Fund Balances:				
Reserved for:				
Advances	-	-	847,434	1,353,695
Debt service	-	-	-	3,478,400
Prepays	9,604	-	-	-
Encumbrances	68,183	-	38,381	145,661
Contracts	-	-	1,892,728	-
Special revenue projects	-	-	-	92,438
Cemetery perpetual care	-	-	-	45,500
Construction projects	-	-	-	3,039,075
Tax Increment Financing	-	-	-	777,545
Contingencies	-	-	-	-
Unreserved, designated for, reported in:				
General fund for working capital	10,931,339	-	-	-
Transit fund	-	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	-	-	3,863,037	13,208,607
Unreserved, undesignated, reported in:				
General fund	11,667	-	-	-
Special revenue funds	-	2,873,366	-	752,993
Capital project funds	-	-	-	10,851,799
Permanent fund	-	-	-	124,168
Total fund balances	<u>11,020,793</u>	<u>2,873,366</u>	<u>6,641,580</u>	<u>33,869,881</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 12,969,158</b>	<b>\$ 3,426,276</b>	<b>\$ 8,232,837</b>	<b>\$ 37,365,472</b>

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

<b>Totals</b>	
<b><u>2007</u></b>	<b><u>2006</u></b>
\$ 55,618,933	\$ 50,478,549
384,104	189,993
1,657,468	1,505,542
121,512	198,685
285,765	230,189
2,270	3,267
21,393	17,464
599,771	732,642
411,101	511,416
659,646	89,075
21,047	3,487
9,604	-
2,201,129	2,463,522
<u>\$ 61,993,743</u>	<u>\$ 56,423,831</u>
\$ 948,296	\$ 620,127
1,732,610	990,594
533,506	445,548
553,488	578,655
6,047	3,487
14,273	14,273
847,434	1,030,185
2,952,469	2,835,077
<u>7,588,123</u>	<u>6,517,946</u>
2,201,129	2,463,522
3,478,400	3,309,086
9,604	-
252,225	342,233
1,892,728	-
92,438	-
45,500	45,500
3,039,075	20,742,236
777,545	-
-	880,573
10,931,339	10,353,800
-	2,110,901
-	772,297
17,071,644	8,899,330
11,667	-
3,626,359	-
10,851,799	(128,374)
124,168	114,781
<u>54,405,620</u>	<u>49,905,885</u>
<u>\$ 61,993,743</u>	<u>\$ 56,423,831</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET ASSETS**  
**December 31, 2007**

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FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 54,405,620

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 funds.  | 163,534,586   |
| 2. Long-term liabilities, including bonds payable, are not due and payable in the current period, therefore are not reported in the funds.   | (20,809,822)  |
| 3. Deferred revenue in governmental funds is susceptible to full accrual on government-wide statements.  | 2,564,397     |
| 4. Other long-term assets are not available to pay current-period expenditures, therefore are deferred in the funds.   | 111,699       |
| 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. | 25,566,710    |
| 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>82,771</u> |

NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ 225,455,961

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

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**CITY OF PLYMOUTH, MINNESOTA**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<u>General Fund</u>	<u>Special Revenue Transit System</u>	<u>Capital Project Improvement Projects</u>	<u>Nonmajor Governmental Funds</u>
REVENUES:				
General property taxes	\$ 20,273,516	\$ -	\$ -	\$ 5,757,038
Special assessments	14,048	-	-	138,057
Licenses and permits	3,420,287	-	-	-
Intergovernmental	982,495	3,870,463	1,146,921	4,824,224
Charges for current services	1,274,022	1,125,807	-	1,150,942
Fines and forfeitures	894,046	-	-	-
Contributions	-	-	15,832	617,010
Interest on special assessments	-	-	-	39,219
Interest on investments	376,465	113,291	196,483	1,526,363
Net increase in the fair value of investments	145,773	31,647	53,218	369,389
Loan repayments	-	-	-	106,712
Other revenue	91,170	25	6,645	253,926
Total revenues	<u>27,471,822</u>	<u>5,141,233</u>	<u>1,419,099</u>	<u>14,782,880</u>
EXPENDITURES:				
Current:				
General government	4,962,841	-	-	345,789
Parks and recreation	4,319,432	-	-	1,752,633
Public safety	10,993,810	-	-	660,938
Public works	4,098,766	-	-	-
Public service	225,168	3,754,751	-	382,206
Interest on interfund advances	-	-	-	61,811
Debt service:				
Principal retirement	-	-	-	1,535,000
Bond issuance costs	-	-	-	30,703
Interest and fiscal charges	-	-	-	723,459
Capital outlay	-	-	11,463,042	5,710,666
Total expenditures	<u>24,600,017</u>	<u>3,754,751</u>	<u>11,463,042</u>	<u>11,203,205</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,871,805</u>	<u>1,386,482</u>	<u>(10,043,943)</u>	<u>3,579,675</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	498,899	2,622	13,362,313	3,037,170
Transfers out	(2,703,711)	(626,639)	(22,559)	(9,592,448)
General Obligation bonds issued	-	-	-	2,715,000
Discount on debt	-	-	-	(6,916)
Sale of capital assets	-	-	-	41,985
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,204,812)</u>	<u>(624,017)</u>	<u>13,339,754</u>	<u>(3,805,209)</u>
NET CHANGE IN FUND BALANCES	666,993	762,465	3,295,811	(225,534)
FUND BALANCES AT BEGINNING OF YEAR	<u>10,353,800</u>	<u>2,110,901</u>	<u>3,345,769</u>	<u>34,095,415</u>
FUND BALANCES AT END OF YEAR	<u>\$ 11,020,793</u>	<u>\$ 2,873,366</u>	<u>\$ 6,641,580</u>	<u>\$ 33,869,881</u>

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

<b>Totals</b>	
<u><b>2007</b></u>	<u><b>2006</b></u>
\$ 26,030,554	\$ 23,299,115
152,105	171,699
3,420,287	3,137,998
10,824,103	8,019,385
3,550,771	3,049,761
894,046	939,015
632,842	1,423,998
39,219	47,333
2,212,602	1,909,819
600,027	264,523
106,712	180,181
351,766	264,543
<u>48,815,034</u>	<u>42,707,370</u>
5,308,630	4,800,986
6,072,065	5,548,438
11,654,748	10,718,462
4,098,766	3,159,209
4,362,125	4,595,842
61,811	72,155
1,535,000	1,390,000
30,703	-
723,459	783,035
<u>17,173,708</u>	<u>11,820,529</u>
<u>51,021,015</u>	<u>42,888,656</u>
<u>(2,205,981)</u>	<u>(181,286)</u>
16,901,004	5,551,620
(12,945,357)	(4,291,836)
2,715,000	-
(6,916)	-
<u>41,985</u>	<u>-</u>
<u>6,705,716</u>	<u>1,259,784</u>
4,499,735	1,078,498
<u>49,905,885</u>	<u>48,827,387</u>
<u>\$ 54,405,620</u>	<u>\$ 49,905,885</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, 2007**

---

NET INCREASE (DECREASE) IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 4,499,735

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

1.	Governmental funds report capital outlays as expenditures. However, in the statements 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	\$ 14,471,936	
	Depreciation expense	<u>(7,960,342)</u>	6,511,594
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.		(64,787)
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		1,535,000
	New debt issued		<u>(2,715,000)</u>
4.	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 government-wide financial statements.		37,619
5.	Interest expense in the government-wide statement of activities differs from the amount reported in governmental funds because additional accrued interest was calculated for bonds payable, and additional expense was recognized on the amortization of bond discounts and premiums which are expended in the governmental fund statements.		
	Accrued interest payable	18,574	
	Amortization of bond discount and premium	<u>(8,848)</u>	9,726
6.	Capital assets contributed to the City by developers are not current financial resources and, therefore, not reported in governmental funds.		1,587,864
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.		143,346
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 fund, which are reported with governmental activities.		1,265,559
9.	The net effect of various transactions involving capital assets (i.e. sales and dispositions) is to decrease net assets.		<u>(109,960)</u>
	CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 12,700,696</u></u>

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, 2007

(with partial comparative information for year ended December 31, 2006)

	2007			2006
	Original and Final Budget	Actual	Variance with Final Budget	Actual
REVENUES:				
Taxes and special assessments	\$ 19,874,955	\$ 20,287,564	\$ 412,609	\$ 18,257,261
Licenses and permits	2,370,915	3,420,287	1,049,372	3,137,998
Intergovernmental	822,493	982,495	160,002	905,615
Charges for current services	1,091,010	1,274,022	183,012	1,237,817
Fines and forfeitures	870,000	894,046	24,046	939,015
Interest income	280,000	376,465	96,465	315,283
Net increase in the fair value of investments	-	145,773	145,773	53,573
Other revenues	41,000	91,170	50,170	47,222
Total revenues	<u>25,350,373</u>	<u>27,471,822</u>	<u>2,121,449</u>	<u>24,893,784</u>
EXPENDITURES:				
Current:				
General government	5,133,741	4,962,841	170,900	4,800,986
Parks and recreation	4,376,734	4,319,432	57,302	3,927,178
Public safety	11,077,170	10,993,810	83,360	10,128,924
Public works	3,911,312	4,098,766	(187,454)	3,159,209
Public service	688,906	225,168	463,738	218,839
Total expenditures	<u>25,187,863</u>	<u>24,600,017</u>	<u>587,846</u>	<u>22,235,136</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>162,510</u>	<u>2,871,805</u>	<u>2,709,295</u>	<u>2,658,648</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	265,923	498,899	232,976	274,975
Transfers out	(428,433)	(2,703,711)	(2,275,278)	(2,009,479)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(162,510)</u>	<u>(2,204,812)</u>	<u>(2,042,302)</u>	<u>(1,734,504)</u>
NET CHANGE IN TOTAL FUND BALANCE	-	666,993	666,993	924,144
FUND BALANCE AT BEGINNING OF YEAR	<u>10,353,800</u>	<u>10,353,800</u>	-	<u>9,429,656</u>
FUND BALANCE AT END OF YEAR	<u>\$ 10,353,800</u>	<u>\$ 11,020,793</u>	<u>\$ 666,993</u>	<u>\$ 10,353,800</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, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b>2007</b>			<b>2006</b>	
	<b><u>Original Budget</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>	<b><u>Actual</u></b>
REVENUES:					
Intergovernmental	\$ 3,427,000	\$ 3,439,247	\$ 3,870,463	\$ 431,216	\$ 3,554,480
Charges for current services	800,000	800,000	1,125,807	325,807	802,332
Interest on investments	50,000	50,000	113,291	63,291	89,734
Net increase in the fair value of investments	-	-	31,647	31,647	9,003
Other revenues	-	-	25	25	-
Total revenues	<u>4,277,000</u>	<u>4,289,247</u>	<u>5,141,233</u>	<u>851,986</u>	<u>4,455,549</u>
EXPENDITURES:					
Current:					
Personal services	158,799	158,799	116,570	42,229	152,341
Materials and supplies	179,450	179,450	52	179,398	2,345
Contractual services	<u>3,997,551</u>	<u>4,009,798</u>	<u>3,638,129</u>	<u>371,669</u>	<u>3,839,869</u>
Total expenditures	<u>4,335,800</u>	<u>4,348,047</u>	<u>3,754,751</u>	<u>593,296</u>	<u>3,994,555</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(58,800)</u>	<u>(58,800)</u>	<u>1,386,482</u>	<u>1,445,282</u>	<u>460,994</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	75,683	75,683	2,622	(73,061)	-
Transfers out	<u>(16,883)</u>	<u>(16,883)</u>	<u>(626,639)</u>	<u>(609,756)</u>	<u>(174,475)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>58,800</u>	<u>58,800</u>	<u>(624,017)</u>	<u>(682,817)</u>	<u>(174,475)</u>
NET CHANGE IN FUND BALANCE	-	-	762,465	762,465	286,519
FUND BALANCE AT BEGINNING OF YEAR	<u>2,110,901</u>	<u>2,110,901</u>	<u>2,110,901</u>	<u>-</u>	<u>1,824,382</u>
FUND BALANCE AT END OF YEAR	<u>\$ 2,110,901</u>	<u>\$ 2,110,901</u>	<u>\$ 2,873,366</u>	<u>\$ 762,465</u>	<u>\$ 2,110,901</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, 2007**  
**(with partial comparative information as of December 31, 2006)**

	<b>Business-type Activities</b>		
	<b>Water Sewer Utility</b>	<b>Ice Center</b>	<b>Nonmajor Funds</b>
<b><u>ASSETS</u></b>			
Current assets:			
Cash and investments	\$ 23,770,757	\$ 454,012	\$ 5,478,729
Accounts receivable	2,619,872	165,084	15,740
Notes receivable	-	-	-
Special assessments receivable:			
Unremitted	13,828	-	-
Delinquent	52,458	-	-
Deferred	5,122,494	-	-
Accrued interest receivable	174,649	3,318	40,191
Due from other governments	-	-	-
Inventory	41,952	3,694	-
Prepaid items	-	-	-
Total current assets	<u>31,796,010</u>	<u>626,108</u>	<u>5,534,660</u>
Capital assets:			
Land	2,074,062	1,077,650	47,551
Buildings	38,077,364	12,307,701	1,401,187
Infrastructure	69,448,373	-	1,699,785
Improvements other than buildings	1,173,163	1,234,484	430,084
Machinery and equipment	8,661,760	877,808	233,609
Water meters	2,434,603	-	-
Office equipment	-	-	-
Construction in process	1,129,377	-	574,477
Total property, plant, and equipment	<u>122,998,702</u>	<u>15,497,643</u>	<u>4,386,693</u>
Less accumulated depreciation	<u>(35,995,638)</u>	<u>(3,565,399)</u>	<u>(1,152,822)</u>
Net capital assets	<u>87,003,064</u>	<u>11,932,244</u>	<u>3,233,871</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 118,799,074</u></u>	<u><u>\$ 12,558,352</u></u>	<u><u>\$ 8,768,531</u></u>

(Continued...)

Enterprise Funds		Governmental Activities	
Totals		Internal Service Funds	
<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
\$ 29,703,498	\$ 31,877,502	\$ 20,870,893	\$ 20,095,756
2,800,696	2,398,468	21,802	15,415
-	100,000	-	-
13,828	5,560	-	-
52,458	51,673	-	-
5,122,494	4,304,141	-	-
218,158	320,031	150,523	199,826
-	54,321	1,477	1,249
45,646	33,756	154,888	150,831
-	-	8,440	-
<u>37,956,778</u>	<u>39,145,452</u>	<u>21,208,023</u>	<u>20,463,077</u>
3,199,263	3,199,263	33,520	33,520
51,786,252	49,338,225	-	-
71,148,158	66,008,550	-	-
2,837,731	2,628,528	-	-
9,773,177	8,903,521	12,942,606	12,133,859
2,434,603	2,373,580	-	-
-	-	2,455,368	1,990,199
1,703,854	5,465,932	-	-
142,883,038	137,917,599	15,431,494	14,157,578
(40,713,859)	(36,870,732)	(8,281,578)	(7,762,654)
102,169,179	101,046,867	7,149,916	6,394,924
<u>\$ 140,125,957</u>	<u>\$ 140,192,319</u>	<u>\$ 28,357,939</u>	<u>\$ 26,858,001</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET ASSETS**  
**December 31, 2007**  
**(with partial comparative information as of December 31, 2006)**

(Continued from previous page)

	<b>Business-type Activities</b>		
	<b><u>Water Sewer Utility</u></b>	<b><u>Ice Center</u></b>	<b><u>Nonmajor Funds</u></b>
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable	\$ 291,997	\$ 32,976	\$ 116,433
Contracts payable	-	-	11,307
Accrued salaries and wages payable	89,723	17,561	25,718
Accrued compensated absences	-	-	-
Accrued fringe benefits	-	-	-
Due to other funds	-	-	-
Unearned revenue	46,790	105,972	-
Accrued interest payable	164,026	-	-
Advance from other funds	-	83,823	-
Revenue bonds payable-current	743,000	-	-
Total current liabilities	<u>1,335,536</u>	<u>240,332</u>	<u>153,458</u>
Noncurrent liabilities:			
Compensated absences	-	-	-
Advance from other funds	-	1,269,872	-
Revenue bonds payable (net of unamortized discounts)	9,884,837	-	-
Total noncurrent liabilities	<u>9,884,837</u>	<u>1,269,872</u>	<u>-</u>
Total liabilities	<u>11,220,373</u>	<u>1,510,204</u>	<u>153,458</u>
<b><u>NET ASSETS</u></b>			
Invested in capital assets, net of related debt	76,375,227	11,932,244	3,233,871
Restricted for:			
Utility trunk	16,276,959	-	-
Water resources	-	-	2,100,017
Unrestricted	14,926,515	(884,096)	3,281,185
Total net assets	<u>107,578,701</u>	<u>11,048,148</u>	<u>8,615,073</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 118,799,074</u></u>	<u><u>\$ 12,558,352</u></u>	<u><u>\$ 8,768,531</u></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.

Enterprise Funds		Governmental Activities	
Totals		Internal Service Funds	
<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
\$ 441,406	\$ 496,159	\$ 898,031	\$ 645,515
11,307	44,075	-	-
133,002	115,262	49,471	41,896
-	-	1,474,405	1,464,193
-	-	7,989	14,407
-	-	15,000	-
152,762	115,617	-	-
164,026	173,089	-	-
83,823	79,642	-	-
743,000	723,000	-	-
<u>1,729,326</u>	<u>1,746,844</u>	<u>2,444,896</u>	<u>2,166,011</u>
-	-	346,333	303,906
1,269,872	1,353,695	-	-
9,884,837	10,627,837	-	-
<u>11,154,709</u>	<u>11,981,532</u>	<u>346,333</u>	<u>303,906</u>
<u>12,884,035</u>	<u>13,728,376</u>	<u>2,791,229</u>	<u>2,469,917</u>
91,541,342	89,696,030	7,149,916	6,394,924
16,276,959	20,052,965	-	-
2,100,017	-	-	-
<u>17,323,604</u>	<u>16,714,948</u>	<u>18,416,794</u>	<u>17,993,160</u>
<u>127,241,922</u>	<u>126,463,943</u>	<u>25,566,710</u>	<u>24,388,084</u>
<u>\$ 140,125,957</u>	<u>\$ 140,192,319</u>	<u>\$ 28,357,939</u>	<u>\$ 26,858,001</u>
\$ 127,241,922	\$ 126,463,943		
(82,771)	4,162		
<u>\$ 127,159,151</u>	<u>\$ 126,468,105</u>		

**CITY OF PLYMOUTH, MINNESOTA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b>Business-type Activities</b>		
	<b>Water Sewer Utility</b>	<b>Ice Center</b>	<b>Nonmajor Funds</b>
OPERATING REVENUES:			
Charges for services	\$ 11,533,331	\$ 1,195,458	\$ 2,849,632
Other fees	297,213	65,469	713,083
Other sales	-	-	-
Total operating revenues	<u>11,830,544</u>	<u>1,260,927</u>	<u>3,562,715</u>
OPERATING EXPENSES:			
Personal services	2,881,787	481,012	862,132
Materials and supplies	661,330	148,536	196,380
Contractual services	7,249,640	510,790	1,761,987
Total operating expenses	<u>10,792,757</u>	<u>1,140,338</u>	<u>2,820,499</u>
OPERATING INCOME BEFORE DEPRECIATION	<u>1,037,787</u>	<u>120,589</u>	<u>742,216</u>
DEPRECIATION	<u>3,249,092</u>	<u>473,276</u>	<u>160,816</u>
OPERATING INCOME (LOSS)	<u>(2,211,305)</u>	<u>(352,687)</u>	<u>581,400</u>
OTHER REVENUES (EXPENSES):			
Interest income	1,585,312	24,306	225,424
Net increase in the fair value of investments	328,389	6,597	59,301
Intergovernmental	-	-	238,852
Assessments	3,185,558	-	-
Gain (loss) on disposal of capital assets	(29,944)	-	-
Contributions	-	10,000	12,505
Other	110,941	1,888	-
Interest expense	<u>(397,475)</u>	<u>(75,250)</u>	<u>-</u>
Total non-operating revenues	<u>4,782,781</u>	<u>(32,459)</u>	<u>536,082</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	2,571,476	(385,146)	1,117,482
CAPITAL CONTRIBUTIONS	2,071,320	-	-
TRANSFERS IN	47,188	-	591
TRANSFERS OUT	<u>(4,413,380)</u>	<u>(27,675)</u>	<u>(203,877)</u>
CHANGE IN NET ASSETS	<u>276,604</u>	<u>(412,821)</u>	<u>914,196</u>
NET ASSETS AT BEGINNING OF YEAR	<u>107,302,097</u>	<u>11,460,969</u>	<u>7,700,877</u>
NET ASSETS AT END OF YEAR	<u>\$ 107,578,701</u>	<u>\$ 11,048,148</u>	<u>\$ 8,615,073</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 on government-wide statement of activities

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

<b>Enterprise Funds</b>		<b>Governmental Activities</b>	
<b>Totals</b>		<b>Internal Service Funds</b>	
<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
\$ 15,578,421	\$ 13,845,144	\$ 7,969,870	\$ 7,279,901
1,075,765	1,032,958	-	-
-	-	323,800	460,381
<u>16,654,186</u>	<u>14,878,102</u>	<u>8,293,670</u>	<u>7,740,282</u>
4,224,931	4,155,885	3,693,889	1,623,307
1,006,246	807,291	1,143,829	1,068,738
9,522,417	9,077,019	2,906,533	4,325,412
<u>14,753,594</u>	<u>14,040,192</u>	<u>7,744,251</u>	<u>7,017,457</u>
1,900,592	837,910	549,419	722,825
<u>3,883,184</u>	<u>3,327,575</u>	<u>1,265,388</u>	<u>1,177,827</u>
<u>(1,982,592)</u>	<u>(2,489,665)</u>	<u>(715,969)</u>	<u>(455,002)</u>
1,835,042	1,387,993	923,901	759,914
394,287	191,007	240,004	94,430
238,852	330,242	-	-
3,185,558	1,531,360	-	-
(29,944)	1,000	9,596	138,401
22,505	-	-	-
112,829	249,071	51,380	27,767
<u>(472,725)</u>	<u>(494,369)</u>	<u>-</u>	<u>-</u>
<u>5,286,404</u>	<u>3,196,304</u>	<u>1,224,881</u>	<u>1,020,512</u>
3,303,812	706,639	508,912	565,510
2,071,320	7,027,387	28,208	86,883
47,779	124,058	909,281	820,503
<u>(4,644,932)</u>	<u>(2,015,842)</u>	<u>(267,775)</u>	<u>(188,503)</u>
<u>777,979</u>	<u>5,842,242</u>	<u>1,178,626</u>	<u>1,284,393</u>
<u>126,463,943</u>	<u>120,621,701</u>	<u>24,388,084</u>	<u>23,103,691</u>
<u>\$ 127,241,922</u>	<u>\$ 126,463,943</u>	<u>\$ 25,566,710</u>	<u>\$ 24,388,084</u>
\$ 777,979	\$ 5,842,242		
(86,933)	(37,980)		
<u>\$ 691,046</u>	<u>\$ 5,804,262</u>		



**CITY OF PLYMOUTH, MINNESOTA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for the year ended December 31, 2006)**

	<b>Business-type Activities</b>		
	<b><u>Water Sewer Utility</u></b>	<b><u>Ice Center</u></b>	<b><u>Nonmajor Funds</u></b>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers or users	\$ 11,581,822	\$ 1,111,223	\$ 3,601,301
Payments to suppliers	(7,965,514)	(659,921)	(1,968,316)
Payments to employees	(2,869,303)	(479,360)	(858,526)
Other operating revenue	-	77,357	-
Net cash provided by operating activities	<u>747,005</u>	<u>49,299</u>	<u>774,459</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Intergovernmental revenues	-	-	238,852
Contributions	737,680	-	12,505
Advances from other funds	-	-	-
Payment on advances from other funds	-	(79,642)	-
Transfers in from other funds	47,188	-	591
Transfers out to other funds	<u>(4,413,380)</u>	<u>(27,675)</u>	<u>(203,877)</u>
Net cash provided (used) by noncapital financing activities	<u>(3,628,512)</u>	<u>(107,317)</u>	<u>48,071</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(3,270,444)	(73,907)	(366,772)
Special assessments for future construction	2,427,701	-	-
Contributions	-	100,000	-
Proceeds from sale of capital assets	-	-	-
Principal paid on capital debt	(725,000)	-	-
Interest paid on debt	<u>(404,538)</u>	<u>(75,250)</u>	<u>-</u>
Net cash used in capital and related financing activities	<u>(1,972,281)</u>	<u>(49,157)</u>	<u>(366,772)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment earnings	<u>2,005,682</u>	<u>33,627</u>	<u>291,892</u>
Net cash provided by investing activities	<u>2,005,682</u>	<u>33,627</u>	<u>291,892</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,848,106)	(73,548)	747,650
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>26,618,863</u>	<u>527,560</u>	<u>4,731,079</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 23,770,757</u>	<u>\$ 454,012</u>	<u>\$ 5,478,729</u>

(Continued...)

<b>Business-type Activities</b>		<b>Governmental Activities</b>	
<b>Enterprise Funds</b>		<b>Internal Service Funds</b>	
<b><u>2007</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
\$ 16,294,346	\$ 14,714,816	\$ 8,282,998	\$ 7,700,716
(10,593,751)	(9,745,117)	(3,971,928)	(5,501,640)
(4,207,189)	(4,153,093)	(3,625,094)	(1,521,804)
77,357	341,845	51,380	61,847
<u>1,570,763</u>	<u>1,158,451</u>	<u>737,356</u>	<u>739,119</u>
238,852	492,643	-	-
750,185	191,563	-	-
-	73,350	-	-
(79,642)	(71,797)	-	-
47,779	124,058	909,281	595,280
<u>(4,644,932)</u>	<u>(2,015,842)</u>	<u>(267,775)</u>	<u>(188,503)</u>
<u>(3,687,758)</u>	<u>(1,206,025)</u>	<u>641,506</u>	<u>406,777</u>
(3,711,123)	(3,577,690)	(1,923,146)	(1,196,710)
2,427,701	1,839,246	-	-
100,000	160,000	-	-
-	1,000	106,212	177,924
(725,000)	(715,000)	-	-
<u>(479,788)</u>	<u>(501,306)</u>	<u>-</u>	<u>-</u>
<u>(2,388,210)</u>	<u>(2,793,750)</u>	<u>(1,816,934)</u>	<u>(1,018,786)</u>
<u>2,331,201</u>	<u>1,507,937</u>	<u>1,213,209</u>	<u>798,147</u>
<u>2,331,201</u>	<u>1,507,937</u>	<u>1,213,209</u>	<u>798,147</u>
(2,174,004)	(1,333,387)	775,137	925,257
<u>31,877,502</u>	<u>33,210,889</u>	<u>20,095,756</u>	<u>19,170,499</u>
<u>\$ 29,703,498</u>	<u>\$ 31,877,502</u>	<u>\$ 20,870,893</u>	<u>\$ 20,095,756</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for the year ended December 31, 2006)**

(Continued from previous page)

	<b>Business-type Activities</b>		
	<b><u>Water Sewer</u></b>	<b><u>Ice</u></b>	<b><u>Nonmajor</u></b>
	<b><u>Utility</u></b>	<b><u>Center</u></b>	<b><u>Funds</u></b>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (2,211,305)	\$ (352,687)	\$ 581,400
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	3,249,092	473,276	160,816
Other revenue	110,941	11,888	-
Changes in assets and liabilities:			
Accounts receivable	(312,862)	(98,631)	(15,735)
Special assessments receivable	(69,548)	-	-
Inventory	(13,075)	1,184	-
Due from other governments	-	-	54,321
Prepaid expenses	-	-	-
Accounts payable	(31,551)	(1,779)	(9,949)
Contracts payable	(9,917)	-	-
Compensated absences payable	-	-	-
Accrued salaries payable	12,482	1,652	3,606
Unearned revenue	22,748	14,396	-
Total adjustments	2,958,310	401,986	193,059
Net cash provided by operating activities	\$ 747,005	\$ 49,299	\$ 774,459
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Contributions receivable from others	25,000	-	-
Contributions of capital assets from other City funds	262,834	-	-
Contribution of capital asset from others	1,279,583	-	-
Trade-in values on capital asset purchase	-	-	-
Transfer of capital assets to other City funds	-	-	-
Increase (decrease) in capital assets from accounts and contracts payable	(120,489)	-	83,909

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

Business-type Activities		Governmental Activities	
Enterprise Funds		Internal Service Funds	
<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
\$ (1,982,592)	\$ (2,489,665)	\$ (715,969)	\$ (455,002)
3,883,184	3,327,575	1,265,388	1,177,827
122,829	235,282	51,380	27,767
(427,228)	42,510	(4,274)	2,682
(69,548)	(30,124)	-	-
(11,891)	3,527	(6,170)	(10,431)
54,321	(54,321)	(228)	334
-	-	(8,440)	6,513
(43,279)	127,778	86,873	(107,490)
(9,917)	7,888	-	-
-	-	61,221	95,149
17,740	2,789	7,575	6,354
37,144	(14,788)	-	(4,584)
<u>3,553,355</u>	<u>3,648,116</u>	<u>1,453,325</u>	<u>1,194,121</u>
\$ <u>1,570,763</u>	\$ <u>1,158,451</u>	\$ <u>737,356</u>	\$ <u>739,119</u>

25,000	-	-	-
262,834	705,423	26,144	225,223
1,279,583	5,404,267	-	86,883
-	-	22,000	-
-	-	115,133	-
(36,580)	1,026,733	165,642	-

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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**

**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 Fund*
  - *Transit System Fund* – Revenues from the Minnesota Vehicle Excise Tax and fares, and expenditures for the Plymouth Metrolink system are accounted for in this fund.
- *Capital Project Fund*
  - *Improvement Projects Fund* – This fund is used to account for expenditures incurred in the construction of certain public improvements such as residential streets, sidewalks, and storm sewers.

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

- *Water Sewer Utility Fund* – This fund is used to account for providing water and sewer services to the City's residents.
- *Ice Center Fund* – This fund is used to account for the operations of the City's ice center.

Other Funds – The City reports the following other funds:

- *Internal Service Funds* - Internal Service Funds are 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, as under 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 fixed 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".

All trade and property tax receivables are shown net of an allowance for uncollectibles. The allowances are based on a percentage of historical uncollectible activity applied to the outstanding balance at year end.

**3. *Inventories and Prepaid Items***

Inventory is valued at the lower of average cost or market based on physical counts. The cost of inventory is recorded as an expense 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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**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 assets 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 backtrending (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).

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**

The City compensates all employees upon termination for unused vacation and extended illness up to a maximum based upon length of service. Such pay is reflected as a liability in the government-wide financial statement and is accrued as an expense as it is earned in an internal service fund.

Employees accrue sick leave at varying rates based upon length of service. They are entitled to draw upon any unused sick leave. Employees are not compensated for unused sick leave upon termination. Sick leave is expended/expensed as it is paid from all funds.

**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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

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. 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.

**8. 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.

**9. Property Taxes**

Property tax levies are set by the City Council in December of each year and are certified to Hennepin County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes.

The County spreads all levies over taxable property. Such taxes become a lien on January 1 in the year for which taxes were levied and are recorded as receivables by the City at that date. 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.

**10. Special Assessments**

Special assessment receivables include the following components:

- Unremitted - include amounts held by the county as collection agent.
- Delinquent - include amounts billed to property owners but not paid.
- Deferred - include assessment installments which will be billed to property owners in future years.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

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.

**11. Notes Receivable**

The City and the HRA, in efforts to further develop the community, lend funds to certain developers for specific projects and to homeowners for first-time home buyer purchases as notes receivable. The 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.

**12. Comparative Data/Reclassifications**

Comparative total information for the prior year has been presented only for the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year date have been reclassified in order to be consistent with the current year's presentation.

**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.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution.

**CITY OF PLYMOUTH, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2007**

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**Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY-CONTINUED**

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. DEFICIT FUND EQUITY**

There were no funds with deficit fund equity at December 31, 2007.

**Note 3: CASH AND INVESTMENTS**

**A. COMPONENTS OF CASH AND INVESTMENTS**

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

	Primary Government	Component Unit	Total
Deposits	\$ (419,959)	\$ 215,976	\$ (203,983)
Investments	106,610,843	3,420,376	110,031,219
Cash on hand	2,440	1,000	3,440
Total	<u>\$ 106,193,324</u>	<u>\$ 3,637,352</u>	<u>\$ 109,830,676</u>

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

Cash and investments - Statement of Net Assets	<u>\$ 106,193,324</u>	<u>\$ 3,637,352</u>	<u>\$ 109,830,676</u>
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**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.

**Note 3: CASH AND INVESTMENTS-CONTINUED**

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. During the year, all deposits and investments were collateralized in accordance with these provisions. 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 (\$419,959) while the balance on the bank records was \$279,029. The carrying amount of the component unit's deposits was \$215,976 while the balance on the bank records was \$225,156. At December 31, 2007, 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 Statutes 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, 2007**

**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 Agency Securities:					
Federal Farm Credit Bank	\$ 2,497,825	\$ 2,040,310	\$ -	\$ -	\$ 4,538,135
Federal Home Loan Bank	11,971,587	19,866,525	1,000,080	-	32,838,192
Federal Home Loan Mortgage Corporation	1,993,120	6,528,850	9,575,775	1,001,410	19,099,155
Federal National Mortgage Association	4,586,013	10,309,025	-	-	14,895,038
Federal National Mortgage Association Discount	1,985,139	-	-	-	1,985,139
Commercial Paper	2,976,580	-	-	-	2,976,580
Repurchase Agreement	1,998,865	-	-	-	1,998,865
Money Market Mutual Fund	31,700,115	-	-	-	31,700,115
Total investments	<u>\$ 59,709,244</u>	<u>\$ 38,744,710</u>	<u>\$ 10,575,855</u>	<u>\$ 1,001,410</u>	<u>110,031,219</u>
Deposits					(203,983)
Change funds					3,440
Cash and investments					<u>\$ 109,830,676</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 statute 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, 2007, 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. The City's investments in commercial paper were rated A1 by Standard & Poor's, F-1 by Fitch Ratings, and P-1 by Moody's Investors Service. The City's money market mutual fund investments were rated AAAM by Standard & Poor's and Aaa by Moody's Investors Service. Repurchase agreements were backed by collateral of which 61.11% was rated Aaa, 16.52% was rated Aa1, and 22.37% was rated Aa3 by Moody's Investors Service.



**Note 3: CASH AND INVESTMENTS - CONTINUED**

**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 54.27% of investments with a maturity date within one year, 35.21% with a maturity date between one and five years, 9.61% with a maturity date between six and ten years, and .91% with a maturity date between eleven and fifteen years.

**D. SECURITIES LENDING TRANSACTIONS**

Minnesota State Statutes authorize governmental entities to enter into securities lending agreements with specified institutions. The City has entered into a securities lending agreement with US Bancorp Asset Management (USBAM) to engage in securities lending as the City’s agent.

During the year USBAM lent, on behalf of the City, certain US government agency securities held in custody by US Bank National Association (corporate parent of USBAM) and received as collateral: cash, securities issued or guaranteed by the United States Government or its agencies, and bank letters of credit. Neither the City nor USBAM has the ability to pledge or sell collateral securities absent a borrower default. Borrowers are initially required to deliver collateral for each loan in an amount at least equal to 102% of the market value of the loaned securities, plus any accrued interest. Borrowers are required to mark-to-market and maintain at least 100% of the market value of the loaned securities, plus any accrued interest on a daily basis.

The City did not impose any restrictions during the fiscal year on the amount of the loans that USBAM made on its behalf. USBAM indemnified the City by agreeing to purchase replacement securities or return the cash collateral in the event a borrower failed to return a loaned security or pay distributions thereon. No borrower failed to return loaned securities or pay distributions thereon during the fiscal year. In addition, there were no losses during the fiscal year resulting from default of the borrowers or USBAM.

On December 31, 2007, the City had no credit risk from borrowers. The following provides information related to the securities invested by USBAM:

Market value of securities on loan	\$ 67,683,323
Collateral held	68,958,263
Collateral in excess of market value	<u>\$ 1,274,940</u>

During the fiscal year, the City and borrowers maintained the right to terminate all securities lending transactions on demand. Because the loans were terminable at will, their duration did not generally match the duration of the investments made with cash collateral.

**CITY OF PLYMOUTH, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2007**

**Note 4: CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2007 was as follows:

	Beginning Balance	Additions	Decreases	Ending Balance
<u>Primary government:</u>				
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 21,657,527	\$ 2,871,295	\$ -	\$ 24,528,822
Construction in progress	15,673,860	11,224,969	(7,101,814)	19,797,015
Total capital assets, not being depreciated	<u>37,331,387</u>	<u>14,096,264</u>	<u>(7,101,814)</u>	<u>44,325,837</u>
Capital assets, being depreciated				
Infrastructure	195,675,359	2,939,258	-	198,614,617
Buildings	34,443,719	4,935,880	(121,042)	39,258,557
Improvements other than buildings	13,634,754	784,936	(18,871)	14,400,819
Machinery and equipment	24,266,580	2,544,272	(952,667)	25,858,185
Total capital assets, being depreciated	<u>268,020,412</u>	<u>11,204,346</u>	<u>(1,092,580)</u>	<u>278,132,178</u>
(Less) Accumulated depreciation for:				
Infrastructure	(119,017,650)	(5,673,761)	-	(124,691,411)
Buildings	(7,370,942)	(1,038,491)	28,591	(8,380,842)
Improvements other than buildings	(5,627,142)	(654,173)	12,971	(6,268,344)
Machinery and equipment	(11,396,053)	(1,859,306)	822,443	(12,432,916)
Total accumulated depreciation	<u>(143,411,787)</u>	<u>(9,225,731)</u>	<u>864,005</u>	<u>(151,773,513)</u>
Total capital assets, being depreciated, net	124,608,625	1,978,615	(228,575)	126,358,665
Governmental activities capital assets, net	<u>\$ 161,940,012</u>	<u>\$ 16,074,879</u>	<u>\$ (7,330,389)</u>	<u>\$ 170,684,502</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 3,199,263	\$ -	\$ -	\$ 3,199,263
Construction in progress	5,465,932	443,927	(4,206,005)	1,703,854
Total capital assets, not being depreciated	<u>8,665,195</u>	<u>443,927</u>	<u>(4,206,005)</u>	<u>4,903,117</u>
Capital assets, being depreciated				
Infrastructure	66,008,550	5,209,608	(70,000)	71,148,158
Buildings	49,338,225	2,448,027	-	51,786,252
Improvements other than buildings	2,628,528	209,203	-	2,837,731
Machinery and equipment	8,903,521	869,656	-	9,773,177
Water meters	2,373,580	61,023	-	2,434,603
Total capital assets, being depreciated	<u>129,252,404</u>	<u>8,797,517</u>	<u>(70,000)</u>	<u>137,979,921</u>
(Less) Accumulated depreciation for:				
Infrastructure	(22,121,117)	(1,269,058)	40,057	(23,350,118)
Buildings	(11,202,764)	(1,556,256)	-	(12,759,020)
Improvements other than buildings	(535,641)	(143,304)	-	(678,945)
Machinery and equipment	(1,364,445)	(841,305)	-	(2,205,750)
Water meters	(1,646,765)	(73,261)	-	(1,720,026)
Total accumulated depreciation	<u>(36,870,732)</u>	<u>(3,883,184)</u>	<u>40,057</u>	<u>(40,713,859)</u>
Total capital assets, being depreciated, net	92,381,672	4,914,333	(29,943)	97,266,062
Business-type activities capital assets, net	<u>\$ 101,046,867</u>	<u>\$ 5,358,260</u>	<u>\$ (4,235,948)</u>	<u>\$ 102,169,179</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2007**

**Note 4: CAPITAL ASSETS - CONTINUED**

	Beginning Balance	Additions	Decreases	Ending Balance
<u>Component unit:</u>				
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 160,570	\$ -	\$ (160,570)	-
Business-type activities				
Capital assets, not being depreciated				
Land	1,333,840	-	-	1,333,840
Total capital assets, not being depreciated	1,494,410	-	(160,570)	1,333,840
Capital assets, being depreciated				
Buildings	14,727,715	367,109	-	15,094,824
Improvements other than buildings	342,116	8,067	-	350,183
Machinery and equipment	607,942	-	-	607,942
Total capital assets, being depreciated	15,677,773	375,176	-	16,052,949
(Less) Accumulated depreciation for:				
Buildings	(1,798,453)	(489,727)	-	(2,288,180)
Improvements other than buildings	(46,988)	(14,874)	-	(61,862)
Machinery and equipment	(198,947)	(41,179)	-	(240,126)
Total accumulated depreciation	(2,044,388)	(545,780)	-	(2,590,168)
Total capital assets, being depreciated, net	13,633,385	(170,604)	-	13,462,781
Total capital assets, net	\$ 15,127,795	\$ (170,604)	\$ (160,570)	\$ 14,796,621

<u>Primary government:</u>	<u>Amount</u>
Depreciation expense was charged to governmental functions as follows:	
General Government	\$ 224,648
Parks and Recreation	1,174,487
Public Safety	516,641
Public Works	5,892,719
Public Service	151,848
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	1,265,388
Total depreciation expense - governmental activities	<u>\$ 9,225,731</u>

Depreciation expense was charged to business-type functions as follows:	
Water Sewer Utility	\$ 3,249,092
Ice Center	473,276
Water Resources	55,446
Field House	105,370
Total depreciation expense - business-type activities	<u>\$ 3,883,184</u>

<u>Component unit:</u>	
Depreciation expense was charged to business-type functions as follows:	
Plymouth Towne Square	\$ 176,597
Vicksburg Crossing	369,183
Total depreciation expense - component unit activities	<u>\$ 545,780</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2007**

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**Note 4: CAPITAL ASSETS - CONTINUED**

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:

	Remaining Commitment	
	Governmental activities	Business-type activities
<u>Primary government:</u>		
Project		
Residential streets	\$ 1,892,728	\$ -
Water resources management	-	51,910
Total	<u>\$ 1,892,728</u>	<u>\$ 51,910</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. During the year, general obligation bonds totaling \$2,715,000 were issued to finance costs for the acquisition of land for parks, greenways and open space as approved by the electors at an election held on November 7, 2006.

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, 2007**

**Note 5: LONG-TERM DEBT - CONTINUED**

**C. OBLIGATIONS OUTSTANDING**

Long-term obligations outstanding at December 31, 2007 are summarized as follows:

	Interest Rates (%)	Payment Dates	Issue Date	Final Maturity Date	Authorized and Issued	Amount Retired	Debt Outstanding
<u>Primary government</u>							
Governmental activities:							
GENERAL OBLIGATION BONDS:							
Activity Center and Field House Bonds of 1998	3.4-4.375	02-01 08-01	12-01-98	02-01-14	\$ 4,500,000	\$ 2,065,000	\$ 2,435,000
Street Reconstruction Bonds - Series 2003B	2.00-3.50	02-01 08-01	05-27-03	02-01-14	1,465,000	405,000	1,060,000
Capital Improvement Bonds - Series 2004A	3.00-4.75	02-01 08-01	09-09-04	02-01-25	7,480,000	425,000	7,055,000
Open Spaces Bonds - Series 2007A	3.75-3.90	02-01 08-01	11-15-07	02-01-24	2,715,000	-	2,715,000
Total general obligation					<u>16,160,000</u>	<u>2,895,000</u>	<u>13,265,000</u>
GENERAL OBLIGATION BONDS - REFUNDING:							
Open Space Refunding Bonds - Series 2003D	2.25-3.05	02-01 08-01	11-25-03	02-01-11	1,355,000	410,000	945,000
GENERAL OBLIGATION - TAX INCREMENT BONDS:							
Tax Increment Bonds - 1998A	4.15-4.65	02-01 08-01	10-01-98	02-01-23	2,900,000	195,000	2,705,000
Tax Increment Bonds - 2005A	2.80-4.25	02-01 08-01	04-01-05	02-01-23	1,370,000	-	1,370,000
Total tax increment obligation					<u>4,270,000</u>	<u>195,000</u>	<u>4,075,000</u>
SPECIAL ASSESSMENT BONDS:							
Housing Improvement Bonds of 1998B	5.20-5.90	02-01 08-01	10-01-98	02-01-14	1,030,000	435,000	595,000
G. O. Improvement Bonds (Street Reconstruction) - Series 2003C	2.25-2.75	02-01 08-01	11-25-03	02-01-10	2,895,000	1,330,000	1,565,000
Total special assessment					<u>3,925,000</u>	<u>1,765,000</u>	<u>2,160,000</u>
Total governmental activities					<u>25,710,000</u>	<u>5,265,000</u>	<u>20,445,000</u>
Business-type activities:							
General Obligation Water Revenue Bonds Series 2004B	3.00-4.00	02-01 08-01	12-08-04	02-01-19	13,140,000	2,490,000	10,650,000
Total bonds payable					<u>\$ 38,850,000</u>	<u>\$ 7,755,000</u>	<u>\$ 31,095,000</u>
<u>Component unit</u>							
Business-type activities:							
PLYMOUTH TOWNE SQUARE							
Governmental Housing Project Refunding Bonds - Series 2003	1.75-4.50	04-01 10-01	02-20-03	10-01-23	\$ 4,860,000	\$ 795,000	\$ 4,065,000
VICKSBURG CROSSING							
Governmental Housing Project Housing Bonds - Series 2005	3.75-5.00	02-01 08-01	05-01-05	02-01-35	10,650,000	-	10,650,000
Total component unit bonds payable					<u>\$ 15,510,000</u>	<u>\$ 795,000</u>	<u>\$ 14,715,000</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2007**

**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
2008	\$ 1,600,000	\$ 751,480	\$ 745,000	\$ 382,488	\$ 185,000	\$ 642,835
2009	1,690,000	730,699	760,000	359,913	315,000	635,866
2010	1,920,000	672,144	785,000	335,756	340,000	625,482
2011	1,455,000	612,906	805,000	308,913	355,000	613,745
2012	1,260,000	560,408	830,000	280,300	380,000	600,669
2013 - 2017	5,080,000	2,089,883	4,620,000	894,788	2,300,000	2,758,060
2018 - 2022	4,945,000	1,123,575	2,105,000	85,100	3,025,000	2,224,248
2023 - 2027	2,495,000	143,603	-	-	2,455,000	1,561,991
2028 - 2032	-	-	-	-	3,000,000	972,788
2033 - 2035	-	-	-	-	2,360,000	182,250
	<u>\$ 20,445,000</u>	<u>\$ 6,684,698</u>	<u>\$ 10,650,000</u>	<u>\$ 2,647,258</u>	<u>\$ 14,715,000</u>	<u>\$ 10,817,934</u>

**D. CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for the year ended December 31, 2007 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts due within one year
<u>Primary government:</u>					
Governmental activities:					
Bonds:					
General obligation	\$ 11,250,000	\$ 2,715,000	\$ 700,000	\$ 13,265,000	\$ 725,000
General obligation - refunding	1,155,000	-	210,000	945,000	215,000
General obligation - tax increment	4,130,000	-	55,000	4,075,000	75,000
Special assessment	2,730,000	-	570,000	2,160,000	585,000
Deferred amounts:					
Issuance premiums (discounts)	83,722	(6,916)	4,138	72,668	3,784
Total bonds payable	19,348,722	2,708,084	1,539,138	20,517,668	1,603,784
Compensated absences	1,768,099	1,484,099	1,431,460	1,820,738	1,474,405
Total governmental activities					
Long-term liabilities	<u>\$ 21,116,821</u>	<u>\$ 4,192,183</u>	<u>\$ 2,970,598</u>	<u>\$ 22,338,406</u>	<u>\$ 3,078,189</u>
Business-type activities:					
Bonds:					
General obligation water revenue bonds	\$ 11,375,000	\$ -	\$ 725,000	\$ 10,650,000	\$ 745,000
Deferred amounts:					
Issuance discounts	(24,163)	-	(2,000)	(22,163)	(2,000)
Total business-type activities					
Long-term liabilities	<u>11,350,837</u>	<u>-</u>	<u>723,000</u>	<u>10,627,837</u>	<u>743,000</u>
Total primary government activities					
Long-term liabilities	<u>\$ 32,467,658</u>	<u>\$ 4,192,183</u>	<u>\$ 3,693,598</u>	<u>\$ 32,966,243</u>	<u>\$ 3,821,189</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2007**

**Note 5: LONG-TERM DEBT - CONTINUED**

<u>Component unit:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts due within one year</u>
Business-type activities:					
Bonds:					
General obligation bonds - refunding	\$ 4,245,000	\$ -	\$ 180,000	\$ 4,065,000	\$ 185,000
General obligation bonds	10,650,000	-	-	10,650,000	-
Deferred amounts:					
Issuance discounts	(76,937)	-	(3,732)	(73,205)	(3,732)
Total bonds payable	<u>\$ 14,818,063</u>	<u>\$ -</u>	<u>\$ 176,268</u>	<u>\$ 14,641,795</u>	<u>\$ 181,268</u>

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.

There are a number of financial limitations and restrictions contained in the various bond indentures. At December 31, 2007, the City is in compliance with all significant financial limitations and restrictions, and has no federal arbitrage payable. There are no authorized and unissued bonds.

**Note 6: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of December 31, 2007, 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>
General	Nonmajor Governmental Funds	\$ 6,047
	Internal Service - Employee Benefits Fund	15,000
		<u>\$ 21,047</u>

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 Projects Construction	Nonmajor Governmental Funds	\$ 847,434
Nonmajor Governmental Funds	Ice Center	1,353,695
		<u>\$ 2,201,129</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2007**

**Note 6: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - CONTINUED**

Transfers to and from other funds are other financing sources and uses within the fund financial statements. The purpose of the 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	Transit System	Improvement Projects	Nonmajor Governmental Funds
General	\$ -	\$ -	\$ 11,225	\$ 2,013,032
Transit System	16,883	-	609,756	-
Improvement Projects	-	-	-	19,800
Nonmajor Governmental Funds	240,476	-	8,455,845	876,176
Water Sewer Utility	168,391	-	4,169,487	-
Ice Center	11,254	-	-	-
Nonmajor Enterprise Funds	36,895	-	116,000	-
Internal Service Funds	25,000	2,622	-	128,162
Total Transfers	<u>\$ 498,899</u>	<u>\$ 2,622</u>	<u>\$ 13,362,313</u>	<u>\$ 3,037,170</u>

Transfer Out	Transfer In:			
	Water Sewer Utility	Nonmajor Enterprise Funds	Internal Service Funds	Total
General	\$ -	\$ -	\$ 679,454	\$ 2,703,711
Transit System	-	-	-	626,639
Improvement Projects	-	-	2,759	22,559
Nonmajor Governmental Funds	-	-	19,951	9,592,448
Water Sewer Utility	-	-	75,502	4,413,380
Ice Center	-	-	16,421	27,675
Nonmajor Enterprise Funds	44,980	-	6,002	203,877
Internal Service Funds	2,208	591	109,192	267,775
Total Transfers	<u>\$ 47,188</u>	<u>\$ 591</u>	<u>\$ 909,281</u>	<u>\$ 17,858,064</u>



**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.

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 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, 2007, there were 26 series of Industrial Revenue, Housing Revenue, and Health Revenue Bonds outstanding with an aggregate principal amount payable of approximately \$97 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 general insurance coverage. The agreement for formation of the LMCIT provides that the LMCIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$200,000 for each insured event for blanket coverage on real and personal property and other property, and for claims on the boiler and machinery equal to the amount of the property insurance.

The City has established an Internal Service Fund, called the Risk Management Fund, to account for the self-insurance programs. Under the Risk Management Fund, the City is self-insured up to a maximum of \$760,000 per occurrence for all workers' compensation claims and property and liability deductibles.

The general liability policy is on a claims-made basis and provides \$50,000 per occurrence and a \$200,000 annual aggregate deductible with a Minnesota statutory limit of \$300,000 per person and \$1,000,000 per accident. 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 coverages for each of the past three fiscal years.

**CITY OF PLYMOUTH, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2007**

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**Note 8: RISK MANAGEMENT - CONTINUED**

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

	<u>2007</u>	<u>2006</u>
Liability at beginning of year	\$ 402,519	\$ 505,764
Incurred claims & changes in estimates	527,289	171,925
Claims paid	<u>(466,605)</u>	<u>(275,170)</u>
Liability at end of year	<u>\$ 463,203</u>	<u>\$ 402,519</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 Public Employees Retirement Fund (PERF), 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.

PERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. 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 PERF's Coordinated and Basic 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 for a Basic Plan member is 2.2% of average salary for each of the first 10 years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member 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 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members 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 PEPFF members. For all PEPFF members and PERF 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 Basic and 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.

**Note 9: RETIREMENT PLANS - CONTINUED**

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 PERF and PEPFF. That report may be obtained on the web at [www.mnpera.org](http://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.

**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. PERF Basic Plan members and Coordinated Plan members were required to contribute 9.10% and 5.75%, respectively, of their annual covered salary in 2007. Contribution rates in the Coordinated Plan will increase in 2008 to 6.0%. PEPFF members were required to contribute 7.8% of their annual covered salary in 2007. That rate will increase to 8.6% in 2008. PECF members are required to contribute 5.83% of their annual covered salary. The City of Plymouth is required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan PERF members, 6.0% for Coordinated Plan PERF members, 11.7% for PEPFF members, and 8.75% for PECF members. Employer contribution rates for the Coordinated Plan and PEPFF will increase to 6.5% and 12.9% respectively, effective January 1, 2008. The City's contributions to the Public Employees Retirement Fund for the years ended December 31, 2007, 2006, and 2005 were \$755,279, \$679,428, and \$604,512, respectively. The City's contributions to the Public Employees Police & Fire Fund for the years ended December 31, 2007, 2006, and 2005 were \$598,187, \$520,930, and \$440,321, 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 Statutes, 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, 2007 was \$3,070; 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.

**Note 9: RETIREMENT PLANS - CONTINUED**

**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.

**B. Funding Policy**

Minnesota Statutes 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, \$425,827, 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	\$425,827
Contributions made:	
City	--
State aid	\$425,827
Actuarial valuation date	12/31/06
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

**CITY OF PLYMOUTH, MINNESOTA**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2007**

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**Note 9: RETIREMENT PLANS - CONTINUED**

**C. Annual Pension Cost and Net Pension Obligation**

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

<u>Year</u> <u>Ended</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
12/31/05	\$477,303	100%	--
12/31/06	491,376	100%	--
12/31/07	425,827	100%	--

**D. Required Supplementary Information**

The date of the latest available actuarial valuation is December 31, 2006. An actuarial valuation was not performed in 2007, so the actuarial accrued liability for 2007 is estimated to increase 5%. There are no payroll earnings for volunteer firefighters subject to pension funding requirements.

Trend Information:

<u>Actuarial</u> <u>Valuation</u> <u>Date</u>	<u>Actuarial</u> <u>Value of</u> <u>Assets</u>	<u>Actuarial</u> <u>Accrued</u> <u>Liability</u>	<u>Assets in</u> <u>Excess of/</u> <u>(Unfunded)</u> <u>Accrued</u> <u>Liability</u>	<u>Funded</u> <u>Ratio</u>	<u>Pension</u> <u>Benefit</u> <u>Per Year</u> <u>of Service</u>
12/31/2005	\$ 5,440,563	\$ 5,245,092	\$ 195,471	103.7%	\$ 7,000
12/31/2006	6,154,426	5,192,227	962,199	118.5%	7,000
None*	6,462,490	5,451,838	1,010,652	118.5%	7,000

\*No actuarial valuation in 2007 – liability estimated at a 5% increase over 12/31/06.

**Note 10: RECEIVABLES**

Receivables not expected to be collected within one year are notes receivable of \$1,657,468 and deferred special assessments receivable of \$4,649,506.

**CITY OF PLYMOUTH, MINNESOTA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**December 31, 2007**  
**(with partial comparative information for December 31, 2006)**

					<b>Totals</b>	
	<b><u>Special Revenue</u></b>	<b><u>Debt Service</u></b>	<b><u>Capital Projects</u></b>	<b><u>Permanent Fund</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
<b><u>ASSETS</u></b>						
Cash and investments	\$ 975,366	\$ 3,443,965	\$ 28,206,245	\$ 168,433	\$ 32,794,009	\$ 33,725,151
Receivables (net):						
Accounts	98,267	-	6,596	-	104,863	20,629
Notes	1,186,831	-	470,637	-	1,657,468	1,505,542
Taxes - unremitted	3,542	8,268	10,628	-	22,438	33,921
Special assessments:						
Unremitted	-	839	1,320	-	2,159	1,686
Delinquent	-	810	5,844	-	6,654	6,534
Deferred	-	503,718	92,786	-	596,504	724,822
Accrued interest	7,174	25,328	196,519	1,235	230,256	343,753
Due from other governments	30,352	-	567,074	-	597,426	21,327
Advance to other funds	-	-	1,353,695	-	1,353,695	1,433,337
<b>TOTAL ASSETS</b>	<b>\$ 2,301,532</b>	<b>\$ 3,982,928</b>	<b>\$ 30,911,344</b>	<b>\$ 169,668</b>	<b>\$ 37,365,472</b>	<b>\$ 37,816,702</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>						
Liabilities:						
Accounts payable	\$ 27,353	\$ -	\$ 12,008	\$ -	\$ 39,361	\$ 29,995
Contracts payable	-	-	149,185	-	149,185	220,872
Accrued salaries and wages	23,432	-	83	-	23,515	19,448
Deposits payable	1,289	-	-	-	1,289	2,125
Due to other funds	6,047	-	-	-	6,047	3,487
Advance from other funds	-	-	847,434	-	847,434	1,030,185
Deferred revenue	1,354,965	504,528	569,267	-	2,428,760	2,415,175
Total liabilities	<u>1,413,086</u>	<u>504,528</u>	<u>1,577,977</u>	<u>-</u>	<u>3,495,591</u>	<u>3,721,287</u>
Fund Balances:						
Reserved for:						
Advances	-	-	1,353,695	-	1,353,695	1,433,337
Debt service	-	3,478,400	-	-	3,478,400	3,309,086
Encumbrances	43,015	-	102,646	-	145,661	42,600
Special revenue projects	92,438	-	-	-	92,438	-
Cemetery perpetual care	-	-	-	45,500	45,500	45,500
Construction projects	-	-	3,039,075	-	3,039,075	18,726,285
Tax Increment Financing	-	-	777,545	-	777,545	-
Contingencies	-	-	-	-	-	880,573
Unreserved, designated for, reported in:						
Special revenue funds	-	-	-	-	-	772,297
Capital projects funds	-	-	13,208,607	-	13,208,607	8,899,330
Unreserved, undesignated, reported in:						
Special revenue funds	752,993	-	-	-	752,993	-
Capital projects funds	-	-	10,851,799	-	10,851,799	(128,374)
Permanent fund	-	-	-	124,168	124,168	114,781
Total fund balances	<u>888,446</u>	<u>3,478,400</u>	<u>29,333,367</u>	<u>169,668</u>	<u>33,869,881</u>	<u>34,095,415</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,301,532</b>	<b>\$ 3,982,928</b>	<b>\$ 30,911,344</b>	<b>\$ 169,668</b>	<b>\$ 37,365,472</b>	<b>\$ 37,816,702</b>

**CITY OF PLYMOUTH, MINNESOTA**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent Fund</u>	<u>Totals</u>	
					<u>2007</u>	<u>2006</u>
REVENUES:						
General property taxes	\$ 677,651	\$ 1,887,035	\$ 3,192,352	\$ -	\$ 5,757,038	\$ 5,056,495
Special assessments	-	123,703	14,354	-	138,057	157,058
Intergovernmental	760,143	9,921	4,054,160	-	4,824,224	1,855,507
Charges for current services	1,150,942	-	-	-	1,150,942	1,009,612
Contributions	11,032	-	605,978	-	617,010	1,349,774
Interest on special assessments	-	39,219	-	-	39,219	47,333
Interest on investments	37,245	88,870	1,392,790	7,458	1,526,363	1,223,964
Net increase in the fair value of investments	11,505	37,887	318,068	1,929	369,389	116,386
Loan repayments	106,712	-	-	-	106,712	180,181
Other revenue	2,067	-	251,859	-	253,926	215,471
Total revenues	<u>2,757,297</u>	<u>2,186,635</u>	<u>9,829,561</u>	<u>9,387</u>	<u>14,782,880</u>	<u>11,211,781</u>
EXPENDITURES:						
Current:						
General government	-	-	345,789	-	345,789	-
Parks and recreation	1,701,976	-	50,657	-	1,752,633	1,621,260
Public safety	537,680	-	123,258	-	660,938	589,538
Public service	382,206	-	-	-	382,206	382,448
Interest on interfund advances	-	-	61,811	-	61,811	72,155
Debt service:						
Principal retirement	-	1,535,000	-	-	1,535,000	1,390,000
Bond issuance costs	-	-	30,703	-	30,703	-
Interest and fiscal charges	-	723,459	-	-	723,459	783,035
Capital outlay	-	-	5,710,666	-	5,710,666	2,034,777
Total expenditures	<u>2,621,862</u>	<u>2,258,459</u>	<u>6,322,884</u>	<u>-</u>	<u>11,203,205</u>	<u>6,873,213</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>135,435</u>	<u>(71,824)</u>	<u>3,506,677</u>	<u>9,387</u>	<u>3,579,675</u>	<u>4,338,568</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	18,000	120,000	2,899,170	-	3,037,170	2,415,959
Transfers out	(37,286)	(621)	(9,554,541)	-	(9,592,448)	(1,986,882)
General obligation bonds issued	-	121,759	2,593,241	-	2,715,000	-
Discount on bonds issued	-	-	(6,916)	-	(6,916)	-
Sale of capital assets	-	-	41,985	-	41,985	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(19,286)</u>	<u>241,138</u>	<u>(4,027,061)</u>	<u>-</u>	<u>(3,805,209)</u>	<u>429,077</u>
NET CHANGE IN FUND BALANCES	116,149	169,314	(520,384)	9,387	(225,534)	4,767,645
FUND BALANCES AT BEGINNING OF YEAR	<u>772,297</u>	<u>3,309,086</u>	<u>29,853,751</u>	<u>160,281</u>	<u>34,095,415</u>	<u>29,327,770</u>
FUND BALANCES AT END OF YEAR	<u>\$ 888,446</u>	<u>\$ 3,478,400</u>	<u>\$ 29,333,367</u>	<u>\$ 169,668</u>	<u>\$ 33,869,881</u>	<u>\$ 34,095,415</u>

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**CITY OF PLYMOUTH, MINNESOTA  
SPECIAL REVENUE FUNDS  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
December 31, 2007**

**(with partial comparative information for December 31, 2006)**

	<u>Recreation</u>	<u>Parkers Lake Cemetery Maintenance</u>	<u>Community Development</u>	<u>Economic Development</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 523,786	\$ 144,179	\$ 44,376	\$ 173,845
Receivables (net):				
Accounts	93,577	-	-	-
Notes	-	-	246,853	-
Taxes - unremitted	2,936	-	-	-
Accrued interest	3,858	1,057	325	1,275
Due from other governments	-	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 624,157</u></b>	<b><u>\$ 145,236</u></b>	<b><u>\$ 291,554</u></b>	<b><u>\$ 175,120</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$ 20,867	\$ -	\$ -	\$ -
Accrued salaries and wages	19,382	-	-	-
Deposits payable	1,289	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	168,135	-	246,853	-
Total liabilities	<u>209,673</u>	<u>-</u>	<u>246,853</u>	<u>-</u>
Fund balances:				
Reserved for:				
Encumbrances	192	-	-	-
Special revenue projects	-	-	-	-
Unreserved:				
Designated for special revenue projects	-	-	-	-
Undesignated	414,292	145,236	44,701	175,120
Total fund balances	<u>414,484</u>	<u>145,236</u>	<u>44,701</u>	<u>175,120</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 624,157</u></b>	<b><u>\$ 145,236</u></b>	<b><u>\$ 291,554</u></b>	<b><u>\$ 175,120</u></b>

<b>Community Development Block Grant</b>	<b>Public Safety Grants</b>	<b>Lawful Gambling</b>	<b>Totals</b>	
			<b><u>2007</u></b>	<b><u>2006</u></b>
\$ 66,804	\$ 82	\$ 22,294	\$ 975,366	\$ 957,423
-	3,312	1,378	98,267	11,545
939,978	-	-	1,186,831	1,039,625
606	-	-	3,542	5,728
494	-	165	7,174	9,605
14,558	15,794	-	30,352	21,327
<u>\$ 1,022,440</u>	<u>\$ 19,188</u>	<u>\$ 23,837</u>	<u>\$ 2,301,532</u>	<u>\$ 2,045,253</u>
\$ 5,836	\$ 650	\$ -	\$ 27,353	\$ 29,995
2,036	2,014	-	23,432	19,448
-	-	-	1,289	2,125
-	6,047	-	6,047	3,487
939,977	-	-	1,354,965	1,217,901
<u>947,849</u>	<u>8,711</u>	<u>-</u>	<u>1,413,086</u>	<u>1,272,956</u>
5,990	36,833	-	43,015	-
68,601	-	23,837	92,438	-
-	-	-	-	772,297
-	(26,356)	-	752,993	-
<u>74,591</u>	<u>10,477</u>	<u>23,837</u>	<u>888,446</u>	<u>772,297</u>
<u>\$ 1,022,440</u>	<u>\$ 19,188</u>	<u>\$ 23,837</u>	<u>\$ 2,301,532</u>	<u>\$ 2,045,253</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, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<u>Recreation</u>	<u>Parkers Lake Cemetery Maintenance</u>	<u>Community Development</u>	<u>Economic Development</u>
REVENUES:				
General property taxes	\$ 658,733	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for current services	1,114,924	75	-	-
Contributions	-	-	-	-
Interest on investments	17,982	6,386	1,965	7,698
Net increase in the fair value of investements	6,112	1,652	508	1,991
Loan repayments	-	-	-	-
Other revenues	2,067	-	-	-
Total revenues	<u>1,799,818</u>	<u>8,113</u>	<u>2,473</u>	<u>9,689</u>
EXPENDITURES:				
Current:				
Parks and recreation	1,701,976	-	-	-
Public safety	-	-	-	-
Public service	-	247	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>1,701,976</u>	<u>247</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>97,842</u>	<u>7,866</u>	<u>2,473</u>	<u>9,689</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	18,000	-	-	-
Transfers out	(18,223)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(223)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	97,619	7,866	2,473	9,689
FUND BALANCES AT BEGINNING OF YEAR	<u>316,865</u>	<u>137,370</u>	<u>42,228</u>	<u>165,431</u>
FUND BALANCES AT END OF YEAR	<u>\$ 414,484</u>	<u>\$ 145,236</u>	<u>\$ 44,701</u>	<u>\$ 175,120</u>

<b>Community Development Block Grant</b>	<b>Public Safety Grants</b>	<b>Lawful Gambling</b>	<b>Totals</b>	
			<b><u>2007</u></b>	<b><u>2006</u></b>
\$ 18,918	\$ -	\$ -	\$ 677,651	\$ 646,778
255,705	504,438	-	760,143	783,923
-	35,943	-	1,150,942	1,009,612
-	4,000	7,032	11,032	9,370
1,520	580	1,114	37,245	31,011
915	-	327	11,505	4,583
106,712	-	-	106,712	180,181
-	-	-	2,067	1,409
<u>383,770</u>	<u>544,961</u>	<u>8,473</u>	<u>2,757,297</u>	<u>2,666,867</u>
-	-	-	1,701,976	1,621,260
-	537,680	-	537,680	589,538
381,959	-	-	382,206	382,448
-	-	-	-	15,359
<u>381,959</u>	<u>537,680</u>	<u>-</u>	<u>2,621,862</u>	<u>2,608,605</u>
<u>1,811</u>	<u>7,281</u>	<u>8,473</u>	<u>135,435</u>	<u>58,262</u>
-	-	-	18,000	13,000
<u>(1,063)</u>	<u>-</u>	<u>(18,000)</u>	<u>(37,286)</u>	<u>(30,676)</u>
<u>(1,063)</u>	<u>-</u>	<u>(18,000)</u>	<u>(19,286)</u>	<u>(17,676)</u>
748	7,281	(9,527)	116,149	40,586
<u>73,843</u>	<u>3,196</u>	<u>33,364</u>	<u>772,297</u>	<u>731,711</u>
<u>\$ 74,591</u>	<u>\$ 10,477</u>	<u>\$ 23,837</u>	<u>\$ 888,446</u>	<u>\$ 772,297</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**RECREATION SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b>2007</b>				<b>2006</b>
	<b><u>Original Budget</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>	<b><u>Actual</u></b>
REVENUES:					
General property taxes	\$ 658,735	\$ 658,735	\$ 658,733	\$ (2)	\$ 623,572
Charges for current services	957,100	1,022,095	1,114,924	92,829	1,009,467
Interest on investments	8,000	8,000	17,982	9,982	12,942
Net increase in the fair value of investments	-	-	6,112	6,112	2,544
Other revenues	13,800	13,800	2,067	(11,733)	1,309
Total revenues	<u>1,637,635</u>	<u>1,702,630</u>	<u>1,799,818</u>	<u>97,188</u>	<u>1,649,834</u>
EXPENDITURES:					
Current:					
Personal services	893,163	893,163	885,746	7,417	872,554
Materials and supplies	89,145	89,145	97,537	(8,392)	90,535
Contractual services	666,905	731,900	718,693	13,207	658,171
Total expenditures	<u>1,649,213</u>	<u>1,714,208</u>	<u>1,701,976</u>	<u>12,232</u>	<u>1,621,260</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(11,578)</u>	<u>(11,578)</u>	<u>97,842</u>	<u>109,420</u>	<u>28,574</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	18,000	18,000	18,000	-	13,000
Transfers out	<u>(6,422)</u>	<u>(6,422)</u>	<u>(18,223)</u>	<u>(11,801)</u>	<u>(17,676)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>11,578</u>	<u>11,578</u>	<u>(223)</u>	<u>(11,801)</u>	<u>(4,676)</u>
NET CHANGE IN FUND BALANCE	-	-	97,619	97,619	23,898
FUND BALANCE AT BEGINNING OF YEAR	<u>316,865</u>	<u>316,865</u>	<u>316,865</u>	<u>-</u>	<u>292,967</u>
FUND BALANCE AT END OF YEAR	<u>\$ 316,865</u>	<u>\$ 316,865</u>	<u>\$ 414,484</u>	<u>\$ 97,619</u>	<u>\$ 316,865</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b>2007</b>				<b>2006</b>
	<b><u>Original Budget</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>	<b><u>Actual</u></b>
REVENUES:					
General property taxes	\$ 18,918	\$ 18,918	\$ 18,918	\$ -	\$ 23,206
Intergovernmental	272,208	314,208	255,705	(58,503)	180,291
Interest on investments	500	500	1,520	1,020	1,985
Net increase in the fair value of investments	-	-	915	915	212
Loan repayments	50,000	50,000	106,712	56,712	180,181
Total revenues	<u>341,626</u>	<u>383,626</u>	<u>383,770</u>	<u>144</u>	<u>385,875</u>
EXPENDITURES:					
Current:					
Personal services	90,930	90,930	49,991	40,939	62,272
Materials and supplies	525	525	-	525	169
Contractual services	250,171	292,171	331,968	(39,797)	319,926
Total expenditures	<u>341,626</u>	<u>383,626</u>	<u>381,959</u>	<u>1,667</u>	<u>382,367</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>1,811</u>	<u>1,811</u>	<u>3,508</u>
OTHER FINANCING USES:					
Transfers out	<u>-</u>	<u>-</u>	<u>(1,063)</u>	<u>(1,063)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	748	748	3,508
FUND BALANCE AT BEGINNING OF YEAR	<u>73,843</u>	<u>73,843</u>	<u>73,843</u>	<u>-</u>	<u>70,335</u>
FUND BALANCE AT END OF YEAR	<u>\$ 73,843</u>	<u>\$ 73,843</u>	<u>\$ 74,591</u>	<u>\$ 748</u>	<u>\$ 73,843</u>

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**CITY OF PLYMOUTH, MINNESOTA**  
**DEBT SERVICE FUNDS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**December 31, 2007**  
**(with partial comparative information for December 31, 2006)**

	<b>General Obligation Bonds</b>	<b>Tax Increment Bonds</b>	<b>Special Assessment Bonds</b>	<b>Totals</b>	
				<b>2007</b>	<b>2006</b>
<b><u>ASSETS</u></b>					
Cash and investments	\$ 2,107,449	\$ 74,199	\$ 1,262,317	\$ 3,443,965	\$ 3,255,769
Receivables (net):					
Taxes - unremitted	6,456	-	1,812	8,268	12,651
Special assessments:					
Unremitted	-	-	839	839	1,001
Delinquent	-	-	810	810	685
Deferred	-	-	503,718	503,718	627,546
Accrued interest	15,501	554	9,273	25,328	39,666
<b>TOTAL ASSETS</b>	<b>\$ 2,129,406</b>	<b>\$ 74,753</b>	<b>\$ 1,778,769</b>	<b>\$ 3,982,928</b>	<b>\$ 3,937,318</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Deferred revenue	\$ -	\$ -	\$ 504,528	\$ 504,528	\$ 628,232
Fund Balances:					
Reserved for debt service	2,129,406	74,753	1,274,241	3,478,400	3,309,086
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,129,406</b>	<b>\$ 74,753</b>	<b>\$ 1,778,769</b>	<b>\$ 3,982,928</b>	<b>\$ 3,937,318</b>



**CITY OF PLYMOUTH, MINNESOTA**  
**DEBT SERVICE FUNDS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b>General Obligation Bonds</b>	<b>Tax Increment Bonds</b>	<b>Special Assessment Bonds</b>	<b>Totals</b>	
				<b><u>2007</u></b>	<b><u>2006</u></b>
REVENUES:					
General property taxes	\$ 1,463,638	\$ -	\$ 423,397	\$ 1,887,035	\$ 1,880,021
Special assessments	-	-	123,703	123,703	146,054
Intergovernmental	-	9,921	-	9,921	10,857
Interest on special assessments	-	-	39,219	39,219	47,333
Interest on investments	46,668	766	41,436	88,870	80,942
Net increase in the fair value of investments	22,812	-	15,075	37,887	13,362
Total revenues	<u>1,533,118</u>	<u>10,687</u>	<u>642,830</u>	<u>2,186,635</u>	<u>2,178,569</u>
EXPENDITURES:					
Debt Service:					
Principal retirement	910,000	55,000	570,000	1,535,000	1,390,000
Interest and fiscal charges	467,380	175,149	80,930	723,459	783,035
Total expenditures	<u>1,377,380</u>	<u>230,149</u>	<u>650,930</u>	<u>2,258,459</u>	<u>2,173,035</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	155,738	(219,462)	(8,100)	(71,824)	5,534
OTHER FINANCING SOURCES (USES)					
Transfers in	-	120,000	-	120,000	124,000
Transfers out	-	-	(621)	(621)	(663)
General obligation bonds issued	121,759	-	-	121,759	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>121,759</u>	<u>120,000</u>	<u>(621)</u>	<u>241,138</u>	<u>123,337</u>
NET CHANGE IN FUND BALANCES	277,497	(99,462)	(8,721)	169,314	128,871
FUND BALANCES AT BEGINNING OF YEAR	<u>1,851,909</u>	<u>174,215</u>	<u>1,282,962</u>	<u>3,309,086</u>	<u>3,180,215</u>
FUND BALANCES AT END OF YEAR	<u>\$ 2,129,406</u>	<u>\$ 74,753</u>	<u>\$ 1,274,241</u>	<u>\$ 3,478,400</u>	<u>\$ 3,309,086</u>

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**CITY OF PLYMOUTH, MINNESOTA**  
**CAPITAL PROJECTS FUNDS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**December 31, 2007**  
**(with partial comparative information for December 31, 2006)**

	<b><u>General Capital Projects</u></b>	<b><u>Minnesota State Aid</u></b>	<b><u>Community Improvement</u></b>	<b><u>Park Replacement</u></b>	<b><u>Building and Equipment Revolving</u></b>
<b><u>ASSETS</u></b>					
Cash and investments	\$ 3,201,721	\$ 1,107,099	\$ 7,535,929	\$ 2,311,855	\$ 1,794,647
Receivables (net):					
Accounts	-	-	-	-	1,051
Notes	-	-	-	-	-
Taxes - unremitted	-	-	-	-	-
Special assessments:					
Unremitted	-	-	1,320	-	-
Delinquent	-	-	5,844	-	-
Deferred	-	-	92,786	-	-
Accrued interest	23,474	8,102	55,263	14,762	13,158
Due from other governments	-	567,074	-	-	-
Advance to other funds	-	-	-	1,353,695	-
<b>TOTAL ASSETS</b>	<b><u>\$ 3,225,195</u></b>	<b><u>\$ 1,682,275</u></b>	<b><u>\$ 7,691,142</u></b>	<b><u>\$ 3,680,312</u></b>	<b><u>\$ 1,808,856</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 6,820	\$ -
Contracts payable	89,857	-	-	-	58,251
Accrued salaries and wages	-	-	-	-	83
Advance from other funds	-	847,434	-	-	-
Deferred revenue	-	-	98,630	-	-
<b>Total liabilities</b>	<b><u>89,857</u></b>	<b><u>847,434</u></b>	<b><u>98,630</u></b>	<b><u>6,820</u></b>	<b><u>58,334</u></b>
Fund Balances:					
Reserved for:					
Advances	-	-	-	1,353,695	-
Encumbrances	96,263	-	-	-	-
Construction projects	3,039,075	-	-	-	-
Tax Increment Financing	-	-	-	-	-
Contingencies	-	-	-	-	-
Unreserved:					
Designated for improvements and project contingencies	-	-	900,000	2,294,000	1,750,522
Undesignated	-	834,841	6,692,512	25,797	-
<b>Total fund balances</b>	<b><u>3,135,338</u></b>	<b><u>834,841</u></b>	<b><u>7,592,512</u></b>	<b><u>3,673,492</u></b>	<b><u>1,750,522</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 3,225,195</u></b>	<b><u>\$ 1,682,275</u></b>	<b><u>\$ 7,691,142</u></b>	<b><u>\$ 3,680,312</u></b>	<b><u>\$ 1,808,856</u></b>

<u>Project Administration</u>	<u>Park Construction</u>	<u>Infrastructure Replacement</u>	<u>Capital Improvement</u>	<u>GO Open Space 2007A</u>	<u>Tax Increment Projects</u>	<u>Totals</u>	
						<u>2007</u>	<u>2006</u>
\$ 3,296,283	\$ 2,566,560	\$ 4,265,566	\$ 1,354,658	\$ -	\$ 771,927	\$28,206,245	\$ 29,353,266
-	-	5,545	-	-	-	6,596	9,084
212,214	-	-	-	-	258,423	470,637	465,917
-	-	9,123	1,505	-	-	10,628	15,542
-	-	-	-	-	-	1,320	685
-	-	-	-	-	-	5,844	5,849
-	-	-	-	-	-	92,786	97,276
24,148	18,815	19,616	9,944	-	9,237	196,519	292,894
-	-	-	-	-	-	567,074	-
-	-	-	-	-	-	1,353,695	1,433,337
<u>\$ 3,532,645</u>	<u>\$ 2,585,375</u>	<u>\$ 4,299,850</u>	<u>\$ 1,366,107</u>	<u>\$ -</u>	<u>\$ 1,039,587</u>	<u>\$30,911,344</u>	<u>\$ 31,673,850</u>
\$ -	\$ 2,646	\$ -	\$ -	\$ -	\$ 2,542	\$ 12,008	\$ -
-	-	-	-	-	1,077	149,185	220,872
-	-	-	-	-	-	83	-
-	-	-	-	-	-	847,434	1,030,185
212,214	-	-	-	-	258,423	569,267	569,042
<u>212,214</u>	<u>2,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>262,042</u>	<u>1,577,977</u>	<u>1,820,099</u>
-	-	-	-	-	-	1,353,695	1,433,337
-	6,383	-	-	-	-	102,646	42,600
-	-	-	-	-	-	3,039,075	18,726,285
-	-	-	-	-	777,545	777,545	-
-	-	-	-	-	-	-	880,573
910,389	2,576,346	4,299,850	477,500	-	-	13,208,607	8,770,956
2,410,042	-	-	888,607	-	-	10,851,799	-
<u>3,320,431</u>	<u>2,582,729</u>	<u>4,299,850</u>	<u>1,366,107</u>	<u>-</u>	<u>777,545</u>	<u>29,333,367</u>	<u>29,853,751</u>
<u>\$ 3,532,645</u>	<u>\$ 2,585,375</u>	<u>\$ 4,299,850</u>	<u>\$ 1,366,107</u>	<u>\$ -</u>	<u>\$ 1,039,587</u>	<u>\$30,911,344</u>	<u>\$ 31,673,850</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**CAPITAL PROJECTS FUNDS**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b><u>General Capital Projects</u></b>	<b><u>Minnesota State Aid</u></b>	<b><u>Community Improvement</u></b>	<b><u>Park Replacement</u></b>	<b><u>Building and Equipment Revolving</u></b>
REVENUES:					
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	14,354	-	-
Intergovernmental	12,480	3,501,664	-	-	-
Contributions	103,800	-	-	-	129,651
Interest on investments	139,323	54,583	333,313	170,855	80,191
Net increase in the fair value of investments	35,634	11,473	86,185	24,491	21,118
Other revenue	-	-	1	3,000	119,056
Total revenues	<u>291,237</u>	<u>3,567,720</u>	<u>433,853</u>	<u>198,346</u>	<u>350,016</u>
EXPENDITURES -					
Current:					
General government	-	-	-	-	233,466
Parks and recreation	-	-	-	-	50,657
Public safety	-	-	-	-	123,258
Interest on interfund advances	-	61,811	-	-	-
Debt service:					
Bond issuance costs	-	-	-	-	-
Capital outlay	<u>633,589</u>	<u>-</u>	<u>-</u>	<u>115,983</u>	<u>6,586</u>
Total expenditures	<u>633,589</u>	<u>61,811</u>	<u>-</u>	<u>115,983</u>	<u>413,967</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(342,352)</u>	<u>3,505,909</u>	<u>433,853</u>	<u>82,363</u>	<u>(63,951)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	782,848	-	-	376,322	51,335
Transfers out	(3,290)	(2,542,694)	(156)	(435,578)	(19,620)
General obligation bonds issued	-	-	-	-	-
Discount on bonds issued	-	-	-	-	-
Sale of capital assets	-	-	-	41,985	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>779,558</u>	<u>(2,542,694)</u>	<u>(156)</u>	<u>(17,271)</u>	<u>31,715</u>
NET CHANGE IN FUND BALANCES	437,206	963,215	433,697	65,092	(32,236)
FUND BALANCES AT BEGINNING OF YEAR	<u>2,698,132</u>	<u>(128,374)</u>	<u>7,158,815</u>	<u>3,608,400</u>	<u>1,782,758</u>
FUND BALANCES AT END OF YEAR	<u>\$ 3,135,338</u>	<u>\$ 834,841</u>	<u>\$ 7,592,512</u>	<u>\$ 3,673,492</u>	<u>\$ 1,750,522</u>

<u>Project Administration</u>	<u>Park Construction</u>	<u>Infrastructure Replacement</u>	<u>Capital Improvement</u>	<u>GO Open Space 2007A</u>	<u>Tax Increment Projects</u>	<u>Totals</u>	
						<u>2007</u>	<u>2006</u>
\$ -	\$ -	\$ 2,074,040	\$ 337,652	\$ -	\$ 780,660	\$ 3,192,352	\$ 2,529,696
-	-	-	-	-	-	14,354	11,004
-	-	540,016	-	-	-	4,054,160	1,060,727
-	372,027	500	-	-	-	605,978	1,340,404
154,575	118,578	204,841	57,382	-	79,149	1,392,790	1,106,015
40,316	28,954	54,637	15,260	-	-	318,068	97,689
16,893	-	112,909	-	-	-	251,859	214,062
<u>211,784</u>	<u>519,559</u>	<u>2,986,943</u>	<u>410,294</u>	<u>-</u>	<u>859,809</u>	<u>9,829,561</u>	<u>6,359,597</u>
112,323	-	-	-	-	-	345,789	-
-	-	-	-	-	-	50,657	-
-	-	-	-	-	-	123,258	-
-	-	-	-	-	-	61,811	72,155
-	-	-	-	30,703	-	30,703	-
-	36,793	961	277,444	2,624,487	2,014,823	5,710,666	2,019,418
<u>112,323</u>	<u>36,793</u>	<u>961</u>	<u>277,444</u>	<u>2,655,190</u>	<u>2,014,823</u>	<u>6,322,884</u>	<u>2,091,573</u>
<u>99,461</u>	<u>482,766</u>	<u>2,985,982</u>	<u>132,850</u>	<u>(2,655,190)</u>	<u>(1,155,014)</u>	<u>3,506,677</u>	<u>4,268,024</u>
19,800	-	1,600,000	-	68,865	-	2,899,170	2,278,959
(232,976)	(287,973)	(5,886,242)	(26,012)	-	(120,000)	(9,554,541)	(1,955,543)
-	-	-	-	2,593,241	-	2,593,241	-
-	-	-	-	(6,916)	-	(6,916)	-
-	-	-	-	-	-	41,985	-
<u>(213,176)</u>	<u>(287,973)</u>	<u>(4,286,242)</u>	<u>(26,012)</u>	<u>2,655,190</u>	<u>(120,000)</u>	<u>(4,027,061)</u>	<u>323,416</u>
(113,715)	194,793	(1,300,260)	106,838	-	(1,275,014)	(520,384)	4,591,440
<u>3,434,146</u>	<u>2,387,936</u>	<u>5,600,110</u>	<u>1,259,269</u>	<u>-</u>	<u>2,052,559</u>	<u>29,853,751</u>	<u>25,262,311</u>
<u>\$ 3,320,431</u>	<u>\$ 2,582,729</u>	<u>\$ 4,299,850</u>	<u>\$ 1,366,107</u>	<u>\$ -</u>	<u>\$ 777,545</u>	<u>\$ 29,333,367</u>	<u>\$ 29,853,751</u>

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**CITY OF PLYMOUTH, MINNESOTA  
PARKERS LAKE CEMETERY PERPETUAL CARE  
PERMANENT FUND  
NONMAJOR GOVERNMENTAL FUND  
COMPARATIVE BALANCE SHEET  
December 31, 2007 and 2006**

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<b><u>ASSETS</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
Cash and investments	\$ 168,433	\$ 158,693
Accrued interest receivable	1,235	1,588
<b>TOTAL ASSETS</b>	<b><u>\$ 169,668</u></b>	<b><u>\$ 160,281</u></b>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>		
Fund balance:		
Reserved for cemetery perpetual care	\$ 45,500	\$ 45,500
Unreserved, undesignated	124,168	114,781
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 169,668</u></b>	<b><u>\$ 160,281</u></b>



**CITY OF PLYMOUTH, MINNESOTA**  
**PARKERS LAKE CEMETERY PERPETUAL CARE**  
**PERMANENT FUND**  
**NONMAJOR GOVERNMENTAL FUND**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**Year ended December 31, 2007**  
**(with comparative information for year ended December 31, 2006)**

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	<u><b>2007</b></u>	<u><b>2006</b></u>
REVENUES		
Interest on investments	\$ 7,458	\$ 5,996
Net increase in the fair value		
of investments	<u>1,929</u>	<u>752</u>
Total revenues	<u>9,387</u>	<u>6,748</u>
NET CHANGE IN FUND BALANCE	9,387	6,748
FUND BALANCE AT BEGINNING OF YEAR	<u>160,281</u>	<u>153,533</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ 169,668</u></u>	<u><u>\$ 160,281</u></u>

**CITY OF PLYMOUTH, MINNESOTA**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEET**  
**December 31, 2007 and 2006**

<b><u>ASSETS</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
Cash and investments	\$ 12,269,921	\$ 11,328,064
Receivables (net):		
Accounts	100,544	85,150
Taxes:		
Unremitted	99,071	164,756
Delinquent	285,374	229,798
Special assessments:		
Unremitted	111	1,581
Delinquent	14,739	10,930
Deferred	3,267	7,820
Accrued interest	103,260	113,361
Due from other governments	62,220	67,748
Due from other funds	21,047	3,487
Prepaid expenses	9,604	-
<b>TOTAL ASSETS</b>	<b>\$ 12,969,158</b>	<b>\$ 12,012,695</b>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accounts payable	\$ 373,065	\$ 247,879
Accrued salaries and wages	499,782	414,974
Deposits payable	552,199	576,530
Deferred revenue	523,319	419,512
Total liabilities	<u>1,948,365</u>	<u>1,658,895</u>
Fund Balance:		
Reserved for:		
Prepays	9,604	-
Encumbrances	68,183	-
Unreserved:		
Designated for working capital	10,931,339	10,353,800
Unreserved, undesignated	11,667	-
Total fund balance	<u>11,020,793</u>	<u>10,353,800</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 12,969,158</b>	<b>\$ 12,012,695</b>

**CITY OF PLYMOUTH, MINNESOTA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND TRANSFERS - BUDGET AND ACTUAL**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	2007			2006
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Taxes and special assessments:				
Property taxes	\$ 19,874,955	\$ 20,273,516	\$ 398,561	\$ 18,242,620
Special assessments	-	14,048	14,048	14,641
Total taxes and special assessments	<u>19,874,955</u>	<u>20,287,564</u>	<u>412,609</u>	<u>18,257,261</u>
Licenses and permits:				
Nonbusiness	2,174,500	3,201,760	1,027,260	2,939,820
Business	196,415	218,527	22,112	198,178
Total licenses and permits	<u>2,370,915</u>	<u>3,420,287</u>	<u>1,049,372</u>	<u>3,137,998</u>
Intergovernmental revenues:				
Market value homestead credit aid	-	-	-	6,674
State grants and aids	612,493	712,274	99,781	637,637
Federal grants	10,000	1,794	(8,206)	19,564
Other	200,000	268,427	68,427	241,740
Total intergovernmental revenues	<u>822,493</u>	<u>982,495</u>	<u>160,002</u>	<u>905,615</u>
Charges for current services:				
General government	<u>1,091,010</u>	<u>1,274,022</u>	<u>183,012</u>	<u>1,237,817</u>
Fines and forfeitures	<u>870,000</u>	<u>894,046</u>	<u>24,046</u>	<u>939,015</u>
Investment income:				
Interest income	280,000	376,465	96,465	315,283
Net increase in the fair value of investments	-	145,773	145,773	53,573
Total investment income	<u>280,000</u>	<u>522,238</u>	<u>242,238</u>	<u>368,856</u>
Other revenues:				
Miscellaneous	41,000	57,991	16,991	44,741
Contributions	-	33,179	33,179	2,481
Total other revenues	<u>41,000</u>	<u>91,170</u>	<u>50,170</u>	<u>47,222</u>
Total revenues	<u>25,350,373</u>	<u>27,471,822</u>	<u>2,121,449</u>	<u>24,893,784</u>
Other financing sources:				
Transfers from other funds:				
Building & Equipment Revolving Fund	7,500	7,500	-	-
Central Equipment Fund	25,000	25,000	-	30,000
Field House	3,605	3,605	-	3,500
Project Administration Fund	-	232,976	232,976	-
Ice Center Fund	11,254	11,254	-	10,927
Sewer Fund	53,391	53,391	-	51,836
Solid Waste Fund	16,900	16,900	-	16,407
Transit Fund	16,883	16,883	-	16,391
Utility Trunk Fund	40,000	40,000	-	50,000
Water Fund	75,000	75,000	-	80,000
Water Resources Fund	16,390	16,390	-	15,914
Total other financing sources	<u>265,923</u>	<u>498,899</u>	<u>232,976</u>	<u>274,975</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 25,616,296</u>	<u>\$ 27,970,721</u>	<u>\$ 2,354,425</u>	<u>\$ 25,168,759</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b>2007</b>			<b>2006</b>
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
<b>GENERAL GOVERNMENT:</b>				
Legislative:				
Personal services	\$ 81,611	\$ 80,133	\$ 1,478	\$ 75,741
Materials and supplies	7,200	7,200	-	8,179
Contractual services	20,957	14,160	6,797	25,370
Total legislative	<u>109,768</u>	<u>101,493</u>	<u>8,275</u>	<u>109,290</u>
Judicial:				
Contractual services	<u>416,000</u>	<u>365,874</u>	<u>50,126</u>	<u>355,034</u>
Executive:				
Personal services	3,485,815	3,463,641	22,174	3,341,694
Materials and supplies	57,595	57,726	(131)	54,453
Contractual services	1,062,063	974,107	87,956	940,515
Capital outlay	2,500	-	2,500	-
Total executive	<u>4,607,973</u>	<u>4,495,474</u>	<u>112,499</u>	<u>4,336,662</u>
TOTAL GENERAL GOVERNMENT	<u>5,133,741</u>	<u>4,962,841</u>	<u>170,900</u>	<u>4,800,986</u>
<b>PARKS AND RECREATION:</b>				
Personal services	2,474,608	2,439,820	34,788	2,315,910
Materials and supplies	421,432	349,287	72,145	319,956
Contractual services	1,427,544	1,457,684	(30,140)	1,289,032
Capital outlay	53,150	72,641	(19,491)	2,280
TOTAL PARKS AND RECREATION	<u>4,376,734</u>	<u>4,319,432</u>	<u>57,302</u>	<u>3,927,178</u>
<b>PUBLIC SAFETY:</b>				
Police:				
Personal services	7,084,559	7,173,112	(88,553)	6,471,137
Materials and supplies	202,678	176,464	26,214	181,218
Contractual services	1,806,425	1,728,414	78,011	1,644,278
Capital outlay	5,450	17,063	(11,613)	34,866
Total police	<u>9,099,112</u>	<u>9,095,053</u>	<u>4,059</u>	<u>8,331,499</u>
Fire:				
Personal services	1,043,763	1,061,686	(17,923)	988,192
Materials and supplies	102,800	70,875	31,925	58,326
Contractual services	737,147	678,818	58,329	668,537
Capital outlay	-	-	-	2,675
Total fire	<u>1,883,710</u>	<u>1,811,379</u>	<u>72,331</u>	<u>1,717,730</u>

(Continued...)

**CITY OF PLYMOUTH, MINNESOTA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

(Continued from previous page)

	<b>2007</b>			<b>2006</b>
	<b><u>Original and Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>	<b><u>Actual</u></b>
Civil defense:				
Personal services	\$ 58,452	\$ 57,104	\$ 1,348	\$ 53,854
Materials and supplies	3,285	2,222	1,063	679
Contractual services	17,775	28,052	(10,277)	25,162
Allocations	14,836	-	14,836	-
Total civil defense	94,348	87,378	6,970	79,695
TOTAL PUBLIC SAFETY	11,077,170	10,993,810	83,360	10,128,924
PUBLIC WORKS:				
Engineering:				
Personal services	337,242	321,873	15,369	342,883
Materials and supplies	6,700	6,934	(234)	6,294
Contractual services	61,008	137,823	(76,815)	111,030
Allocations	102,018	-	102,018	4,524
Total engineering	506,968	466,630	40,338	464,731
Streets:				
Personal services	903,735	897,625	6,110	817,713
Materials and supplies	600,050	707,064	(107,014)	466,101
Contractual services	1,193,709	1,298,116	(104,407)	744,773
Capital outlay	41,250	24,274	16,976	-
Total streets	2,738,744	2,927,079	(188,335)	2,028,587
Street and traffic lights:				
Personal services	-	-	-	293
Materials and supplies	1,500	3,096	(1,596)	2,658
Contractual services	664,100	701,961	(37,861)	662,940
Total street and traffic lights	665,600	705,057	(39,457)	665,891
TOTAL PUBLIC WORKS	3,911,312	4,098,766	(187,454)	3,159,209
PUBLIC SERVICE:				
Contractual services	688,906	225,168	463,738	218,839
TOTAL PUBLIC SERVICE	688,906	225,168	463,738	218,839
TOTAL EXPENDITURES	25,187,863	24,600,017	587,846	22,235,136

(Continued...)

**CITY OF PLYMOUTH, MINNESOTA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

(Continued from previous page)

	<b>2007</b>			<b>2006</b>
	<b><u>Original and Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>	<b><u>Actual</u></b>
OTHER FINANCING USES:				
Operating transfers to other funds:				
Building and Equipment Revolving Fund	40,000	40,000	-	52,608
Central Equipment Fund	43,982	43,982	-	71,276
Employee Benefits Fund	50,000	114,053	(64,053)	149,108
Improvement Project Construction	-	11,225	(11,225)	140,225
Information Technology Fund	3,995	3,995	-	36,476
Infrastructure Replacement Fund	-	1,600,000	(1,600,000)	1,280,000
Park Replacement Fund	73,032	373,032	(300,000)	70,905
Public Facilities Fund	-	300,000	(300,000)	20,600
Risk Management Fund	217,424	217,424	-	188,281
Total other financing uses	<u>428,433</u>	<u>2,703,711</u>	<u>(2,275,278)</u>	<u>2,009,479</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 25,616,296</u>	<u>\$ 27,303,728</u>	<u>\$ (1,687,432)</u>	<u>\$ 24,244,615</u>

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**CITY OF PLYMOUTH, MINNESOTA**  
**ENTERPRISE FUNDS**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET ASSETS**  
**December 31, 2007**  
**(with partial comparative information for December 31, 2006)**

	<b>Solid Waste Management</b>	<b>Water Resources</b>	<b>Field House</b>	<b>Totals</b>	
				<b>2007</b>	<b>2006</b>
<b><u>ASSETS</u></b>					
Current assets:					
Cash and investments	\$ 2,708,334	\$ 2,223,162	\$ 547,233	\$ 5,478,729	\$ 4,731,079
Accounts receivable	15,740	-	-	15,740	5
Accrued interest receivable	19,864	16,312	4,015	40,191	47,358
Due from other governments	-	-	-	-	54,321
Total current assets	<u>2,743,938</u>	<u>2,239,474</u>	<u>551,248</u>	<u>5,534,660</u>	<u>4,832,763</u>
Capital assets:					
Land	-	-	47,551	47,551	47,551
Buildings	-	-	1,401,187	1,401,187	1,401,187
Infrastructure	-	1,699,785	-	1,699,785	1,624,785
Improvements other than buildings	-	181,716	248,368	430,084	430,084
Machinery and equipment	-	99,279	134,330	233,609	225,627
Construction in process	-	574,477	-	574,477	206,778
Total capital assets	-	2,555,257	1,831,436	4,386,693	3,936,012
Less accumulated depreciation	-	(176,119)	(976,703)	(1,152,822)	(992,006)
Net capital assets	-	2,379,138	854,733	3,233,871	2,944,006
<b>TOTAL ASSETS</b>	<u><b>\$ 2,743,938</b></u>	<u><b>\$ 4,618,612</b></u>	<u><b>\$ 1,405,981</b></u>	<u><b>\$ 8,768,531</b></u>	<u><b>\$ 7,776,769</b></u>
<b><u>LIABILITIES</u></b>					
Current liabilities:					
Accounts payable	\$ 204	\$ 107,569	\$ 8,660	\$ 116,433	\$ 53,780
Contracts payable	-	11,307	-	11,307	-
Accrued salaries and wages payable	2,749	20,581	2,388	25,718	22,112
Total current liabilities	<u>2,953</u>	<u>139,457</u>	<u>11,048</u>	<u>153,458</u>	<u>75,892</u>
<b><u>NET ASSETS</u></b>					
Invested in capital assets	-	2,379,138	854,733	3,233,871	2,944,006
Restricted	-	2,100,017	-	2,100,017	1,961,425
Unrestricted	2,740,985	-	540,200	3,281,185	2,795,446
Total Net Assets	<u>2,740,985</u>	<u>4,479,155</u>	<u>1,394,933</u>	<u>8,615,073</u>	<u>7,700,877</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 2,743,938</b></u>	<u><b>\$ 4,618,612</b></u>	<u><b>\$ 1,405,981</b></u>	<u><b>\$ 8,768,531</b></u>	<u><b>\$ 7,776,769</b></u>



**CITY OF PLYMOUTH, MINNESOTA**  
**ENTERPRISE FUNDS**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

				<b>Totals</b>	
	<b><u>Solid Waste Management</u></b>	<b><u>Water Resources</u></b>	<b><u>Field House</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
OPERATING REVENUES:					
Charges for services	\$ 410,879	\$ 2,153,305	\$ 285,448	\$ 2,849,632	\$ 2,688,676
Other fees	660,925	37,034	15,124	713,083	555,406
Total operating revenues	<u>1,071,804</u>	<u>2,190,339</u>	<u>300,572</u>	<u>3,562,715</u>	<u>3,244,082</u>
OPERATING EXPENSES:					
Personal services	124,362	656,752	81,018	862,132	819,911
Materials and supplies	48,428	137,711	10,241	196,380	123,589
Contractual services	797,335	855,891	108,761	1,761,987	1,963,150
Total operating expenses	<u>970,125</u>	<u>1,650,354</u>	<u>200,020</u>	<u>2,820,499</u>	<u>2,906,650</u>
OPERATING INCOME BEFORE DEPRECIATION	<u>101,679</u>	<u>539,985</u>	<u>100,552</u>	<u>742,216</u>	<u>337,432</u>
DEPRECIATION	<u>-</u>	<u>55,446</u>	<u>105,370</u>	<u>160,816</u>	<u>144,267</u>
OPERATING INCOME (LOSS)	<u>101,679</u>	<u>484,539</u>	<u>(4,818)</u>	<u>581,400</u>	<u>193,165</u>
NONOPERATING REVENUES					
Interest income	113,900	88,082	23,442	225,424	156,987
Net increase in the fair value of investments	29,509	24,154	5,638	59,301	16,451
Intergovernmental	163,852	75,000	-	238,852	330,242
Contributions	-	12,505	-	12,505	-
Total nonoperating revenue	<u>307,261</u>	<u>199,741</u>	<u>29,080</u>	<u>536,082</u>	<u>503,680</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	408,940	684,280	24,262	1,117,482	696,845
CAPITAL CONTRIBUTIONS	-	-	-	-	191,563
TRANSFERS IN	591	-	-	591	4,694
TRANSFERS OUT	<u>(39,390)</u>	<u>(156,950)</u>	<u>(7,537)</u>	<u>(203,877)</u>	<u>(248,663)</u>
CHANGE IN NET ASSETS	370,141	527,330	16,725	914,196	644,439
NET ASSETS AT BEGINNING OF YEAR	<u>2,370,844</u>	<u>3,951,825</u>	<u>1,378,208</u>	<u>7,700,877</u>	<u>7,056,438</u>
NET ASSETS AT END OF YEAR	<u>\$ 2,740,985</u>	<u>\$ 4,479,155</u>	<u>\$ 1,394,933</u>	<u>\$ 8,615,073</u>	<u>\$ 7,700,877</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**ENTERPRISE FUNDS**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b><u>Solid Waste Management</u></b>	<b><u>Water Resources</u></b>	<b><u>Field House</u></b>	<b><u>Totals</u></b>	
				<b><u>2007</u></b>	<b><u>2006</u></b>
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers	\$ 1,056,064	\$ 2,244,665	\$ 300,572	\$ 3,601,301	\$ 3,180,201
Payments to suppliers	(861,366)	(983,266)	(123,684)	(1,968,316)	(2,103,655)
Payments to employees	(122,016)	(654,723)	(81,787)	(858,526)	(818,287)
Other operating revenue	-	-	-	-	28,104
Net cash provided by operating activities	<u>72,682</u>	<u>606,676</u>	<u>95,101</u>	<u>774,459</u>	<u>286,363</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Intergovernmental revenues	163,852	75,000	-	238,852	492,643
Contributions	-	12,505	-	12,505	191,563
Transfers in from other funds	591	-	-	591	4,694
Transfers out to other funds	(39,390)	(156,950)	(7,537)	(203,877)	(248,663)
Net cash provided (used) by noncapital financing activities	<u>125,053</u>	<u>(69,445)</u>	<u>(7,537)</u>	<u>48,071</u>	<u>440,237</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets	-	(360,275)	(6,497)	(366,772)	(238,064)
Net cash used in capital and related financing activities	<u>-</u>	<u>(360,275)</u>	<u>(6,497)</u>	<u>(366,772)</u>	<u>(238,064)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment earnings	<u>147,203</u>	<u>115,252</u>	<u>29,437</u>	<u>291,892</u>	<u>156,764</u>
Net cash provided by investing activities	<u>147,203</u>	<u>115,252</u>	<u>29,437</u>	<u>291,892</u>	<u>156,764</u>
INCREASE IN CASH AND CASH EQUIVALENTS	344,938	292,208	110,504	747,650	645,300
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,363,396</u>	<u>1,930,954</u>	<u>436,729</u>	<u>4,731,079</u>	<u>4,085,779</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 2,708,334</u>	<u>\$ 2,223,162</u>	<u>\$ 547,233</u>	<u>\$ 5,478,729</u>	<u>\$ 4,731,079</u>

(Continued...)

**CITY OF PLYMOUTH, MINNESOTA**  
**ENTERPRISE FUNDS**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

(Continued from previous page)

	<b><u>Solid Waste Management</u></b>	<b><u>Water Resources</u></b>	<b><u>Field House</u></b>	<b><u>Totals</u></b>	
				<b><u>2007</u></b>	<b><u>2006</u></b>
RECONCILIATION OF OPERATING INCOME					
TO NET CASH PROVIDED (USED) BY					
OPERATING ACTIVITIES:					
Operating income (loss)	\$ 101,679	\$ 484,539	\$ (4,818)	\$ 581,400	\$ 193,165
Adjustments to reconcile operating income					
(loss) to net cash provided					
by operating activities:					
Depreciation	-	55,446	105,370	160,816	144,267
Changes in assets and liabilities:					
Accounts receivable	(15,740)	5	-	(15,735)	18,544
Due from other governments	-	54,321	-	54,321	(54,321)
Accounts payable	(15,603)	10,336	(4,682)	(9,949)	(16,916)
Accrued salaries payable	2,346	2,029	(769)	3,606	1,624
Total adjustments	(28,997)	122,137	99,919	193,059	93,198
Net cash provided by operating	\$ 72,682	\$ 606,676	\$ 95,101	\$ 774,459	\$ 286,363
activities					
NONCASH INVESTING, CAPITAL, AND					
FINANCING ACTIVITIES:					
Increase (decrease) in capital assets from					
accounts and contracts payable	-	83,909	-	83,909	(60,654)

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**CITY OF PLYMOUTH, MINNESOTA**  
**INTERNAL SERVICE FUNDS**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET ASSETS**  
**December 31, 2007**  
**(with comparative totals for December 31, 2006)**

	<b><u>Central Equipment</u></b>	<b><u>Information Technology</u></b>	<b><u>Public Facilities</u></b>	<b><u>Risk Management</u></b>
<b><u>ASSETS</u></b>				
Current assets:				
Cash and investments	\$ 3,973,464	\$ 4,241,013	\$ 3,163,441	\$ 5,930,669
Receivables:				
Accounts	9,092	2,113	134	10,463
Accrued interest	29,124	31,110	20,993	43,492
Due from other governments	1,477	-	-	-
Inventory	154,888	-	-	-
Prepaid items	1,764	4,557	2,119	-
Total current assets	<u>4,169,809</u>	<u>4,278,793</u>	<u>3,186,687</u>	<u>5,984,624</u>
Capital assets:				
Land	33,520	-	-	-
Machinery and equipment	12,912,822	-	-	-
Office equipment	-	2,455,368	-	-
Total capital assets	<u>12,946,342</u>	<u>2,455,368</u>	<u>-</u>	<u>-</u>
Less accumulated depreciation	<u>(6,735,236)</u>	<u>(1,532,276)</u>	<u>-</u>	<u>-</u>
Net capital assets	<u>6,211,106</u>	<u>923,092</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 10,380,915</u></b>	<b><u>\$ 5,201,885</u></b>	<b><u>\$ 3,186,687</u></b>	<b><u>\$ 5,984,624</u></b>
<b><u>LIABILITIES</u></b>				
Current liabilities:				
Accounts payable	\$ 82,342	\$ 259,751	\$ 51,411	\$ 495,925
Accrued salaries and wages	11,079	21,969	5,010	2,057
Compensated absences	-	-	-	-
Accrued fringe benefits	-	-	-	-
Due to other funds	-	-	-	-
Total current liabilities	<u>93,421</u>	<u>281,720</u>	<u>56,421</u>	<u>497,982</u>
Noncurrent liabilities:				
Compensated absences	-	-	-	-
Total liabilities	<u>93,421</u>	<u>281,720</u>	<u>56,421</u>	<u>497,982</u>
<b><u>NET ASSETS</u></b>				
Invested in capital assets	6,211,106	923,092	-	-
Unrestricted	4,076,388	3,997,073	3,130,266	5,486,642
Total net assets	<u>10,287,494</u>	<u>4,920,165</u>	<u>3,130,266</u>	<u>5,486,642</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 10,380,915</u></b>	<b><u>\$ 5,201,885</u></b>	<b><u>\$ 3,186,687</u></b>	<b><u>\$ 5,984,624</u></b>

<u>Employee Benefits</u>	<u>Design Engineering</u>	<u>Totals</u>	
		<u>2007</u>	<u>2006</u>
\$ 3,386,592	\$ 175,714	\$ 20,870,893	\$ 20,095,756
-	-	21,802	15,415
24,511	1,293	150,523	199,826
-	-	1,477	1,249
-	-	154,888	150,831
-	-	8,440	-
<u>3,411,103</u>	<u>177,007</u>	<u>21,208,023</u>	<u>20,463,077</u>
-	-	33,520	33,520
-	29,784	12,942,606	12,133,859
-	-	2,455,368	1,990,199
-	29,784	15,431,494	14,157,578
-	(14,066)	(8,281,578)	(7,762,654)
-	15,718	7,149,916	6,394,924
<u>\$ 3,411,103</u>	<u>\$ 192,725</u>	<u>\$ 28,357,939</u>	<u>\$ 26,858,001</u>
\$ 8,568	\$ 34	\$ 898,031	\$ 645,515
-	9,356	49,471	41,896
1,474,405	-	1,474,405	1,464,193
7,989	-	7,989	14,407
15,000	-	15,000	-
<u>1,505,962</u>	<u>9,390</u>	<u>2,444,896</u>	<u>2,166,011</u>
346,333	-	346,333	303,906
<u>1,852,295</u>	<u>9,390</u>	<u>2,791,229</u>	<u>2,469,917</u>
-	15,718	7,149,916	6,394,924
1,558,808	167,617	18,416,794	17,993,160
1,558,808	183,335	25,566,710	24,388,084
<u>\$ 3,411,103</u>	<u>\$ 192,725</u>	<u>\$ 28,357,939</u>	<u>\$ 26,858,001</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, 2007**  
**(with comparative totals for year ended December 31, 2006)**

	<u>Central Equipment</u>	<u>Information Technology</u>	<u>Public Facilities</u>	<u>Risk Management</u>
OPERATING REVENUES:				
Charges for services	\$ 2,037,856	\$ 2,134,023	\$ 1,106,162	\$ -
Other	-	836	-	322,964
Total operating revenues	<u>2,037,856</u>	<u>2,134,859</u>	<u>1,106,162</u>	<u>322,964</u>
OPERATING EXPENSES:				
Personal services	350,213	638,895	150,876	61,479
Materials and supplies	673,689	263,913	200,066	4,118
Contractual services	<u>157,082</u>	<u>920,483</u>	<u>693,318</u>	<u>972,298</u>
Total operating expenses	<u>1,180,984</u>	<u>1,823,291</u>	<u>1,044,260</u>	<u>1,037,895</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	856,872	311,568	61,902	(714,931)
DEPRECIATION	<u>1,106,795</u>	<u>158,061</u>	<u>-</u>	<u>-</u>
OPERATING INCOME (LOSS)	<u>(249,923)</u>	<u>153,507</u>	<u>61,902</u>	<u>(714,931)</u>
NON-OPERATING REVENUES:				
Interest income	188,811	185,633	128,644	265,555
Net increase in the fair value of investments	49,511	47,935	33,242	70,792
Gain on disposal of capital assets	5,716	3,880	-	-
Other	<u>1,843</u>	<u>34,048</u>	<u>12,855</u>	<u>943</u>
Total non-operating revenues	<u>245,881</u>	<u>271,496</u>	<u>174,741</u>	<u>337,290</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(4,042)	425,003	236,643	(377,641)
CAPITAL CONTRIBUTIONS	26,144	2,064	-	-
TRANSFERS IN	92,587	28,995	300,247	311,001
TRANSFERS OUT	<u>(63,022)</u>	<u>(13,027)</u>	<u>(122,228)</u>	<u>(49,014)</u>
CHANGE IN NET ASSETS	51,667	443,035	414,662	(115,654)
NET ASSETS AT BEGINNING OF YEAR	<u>10,235,827</u>	<u>4,477,130</u>	<u>2,715,604</u>	<u>5,602,296</u>
NET ASSETS AT END OF YEAR	<u>\$ 10,287,494</u>	<u>\$ 4,920,165</u>	<u>\$ 3,130,266</u>	<u>\$ 5,486,642</u>

<b>Employee Benefits</b>	<b>Design Engineering</b>	<b>Totals</b>	
		<b><u>2007</u></b>	<b><u>2006</u></b>
\$ 2,306,889	\$ 384,940	\$ 7,969,870	\$ 7,661,172
-	-	323,800	79,110
<u>2,306,889</u>	<u>384,940</u>	<u>8,293,670</u>	<u>7,740,282</u>
2,192,102	300,324	3,693,889	1,623,307
200	1,843	1,143,829	1,068,738
<u>108,274</u>	<u>55,078</u>	<u>2,906,533</u>	<u>4,325,412</u>
<u>2,300,576</u>	<u>357,245</u>	<u>7,744,251</u>	<u>7,017,457</u>
6,313	27,695	549,419	722,825
-	532	1,265,388	1,177,827
<u>6,313</u>	<u>27,163</u>	<u>(715,969)</u>	<u>(455,002)</u>
149,672	5,586	923,901	759,914
36,685	1,839	240,004	94,430
-	-	9,596	138,401
<u>1,691</u>	<u>-</u>	<u>51,380</u>	<u>27,767</u>
<u>188,048</u>	<u>7,425</u>	<u>1,224,881</u>	<u>1,020,512</u>
194,361	34,588	508,912	565,510
-	-	28,208	86,883
164,451	12,000	909,281	820,503
<u>(18,551)</u>	<u>(1,933)</u>	<u>(267,775)</u>	<u>(188,503)</u>
340,261	44,655	1,178,626	1,284,393
<u>1,218,547</u>	<u>138,680</u>	<u>24,388,084</u>	<u>23,103,691</u>
<u>\$ 1,558,808</u>	<u>\$ 183,335</u>	<u>\$ 25,566,710</u>	<u>\$ 24,388,084</u>



**CITY OF PLYMOUTH, MINNESOTA**  
**INTERNAL SERVICE FUNDS**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<u>Central Equipment</u>	<u>Information Technology</u>	<u>Public Facilities</u>	<u>Risk Management</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers or users	\$ 2,022,528	\$ 2,137,302	\$ 1,108,373	\$ 322,965
Payments to suppliers	(883,481)	(1,124,454)	(909,222)	(895,362)
Payments to employees	(348,069)	(635,738)	(150,209)	(61,233)
Other operating revenue	1,843	34,048	12,855	943
Net cash provided by (used in) operating activities	792,821	411,158	61,797	(632,687)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in from other funds	92,587	28,995	300,247	311,001
Transfers out to other funds	(63,022)	(13,027)	(122,228)	(49,014)
Net cash provided by noncapital financing activities	29,565	15,968	178,019	261,987
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(1,449,620)	(458,883)	-	-
Proceeds from sale of capital assets	101,662	4,550	-	-
Net cash used in capital and related financing activities	(1,347,958)	(454,333)	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment earnings	251,714	241,667	168,472	352,405
Net cash provided by investing activities	251,714	241,667	168,472	352,405
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(273,858)	214,460	408,288	(18,295)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4,247,322	4,026,553	2,755,153	5,948,964
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 3,973,464	\$ 4,241,013	\$ 3,163,441	\$ 5,930,669

(Continued...)

<b>Employee Benefits</b>	<b>Design Engineering</b>	<b>Totals</b>	
		<b><u>2007</u></b>	<b><u>2006</u></b>
\$ 2,306,889	\$ 384,941	\$ 8,282,998	\$ 7,700,716
(102,522)	(56,887)	(3,971,928)	(5,501,640)
(2,130,881)	(298,964)	(3,625,094)	(1,521,804)
<u>1,691</u>	<u>-</u>	<u>51,380</u>	<u>61,847</u>
<u>75,177</u>	<u>29,090</u>	<u>737,356</u>	<u>739,119</u>
164,451	12,000	909,281	595,280
<u>(18,551)</u>	<u>(1,933)</u>	<u>(267,775)</u>	<u>(188,503)</u>
<u>145,900</u>	<u>10,067</u>	<u>641,506</u>	<u>406,777</u>
-	(14,643)	(1,923,146)	(1,196,710)
<u>-</u>	<u>-</u>	<u>106,212</u>	<u>177,924</u>
<u>-</u>	<u>(14,643)</u>	<u>(1,816,934)</u>	<u>(1,018,786)</u>
<u>191,381</u>	<u>7,570</u>	<u>1,213,209</u>	<u>798,147</u>
<u>191,381</u>	<u>7,570</u>	<u>1,213,209</u>	<u>798,147</u>
412,458	32,084	775,137	925,257
<u>2,974,134</u>	<u>143,630</u>	<u>20,095,756</u>	<u>19,170,499</u>
<u>\$ 3,386,592</u>	<u>\$ 175,714</u>	<u>\$ 20,870,893</u>	<u>\$ 20,095,756</u>

**CITY OF PLYMOUTH, MINNESOTA**  
**INTERNAL SERVICE FUNDS**  
**NONMAJOR PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

(Continued from previous page)

	<u>Central Equipment</u>	<u>Information Technology</u>	<u>Public Facilities</u>	<u>Risk Management</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (249,923)	\$ 153,507	\$ 61,902	\$ (714,931)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1,106,795	158,061	-	-
Other revenues	1,843	34,048	12,855	943
Changes in assets and liabilities:				
Accounts receivable	(6,486)	-	2,211	1
Inventory	(8,614)	2,444	-	-
Due from other governments	(228)	-	-	-
Prepaid expenses	(1,764)	(4,557)	(2,119)	-
Accounts payable	(50,946)	64,497	(13,719)	81,054
Compensated absences payable	-	-	-	-
Accrued salaries payable	2,144	3,158	667	246
Unearned revenue	-	-	-	-
Total adjustments	<u>1,042,744</u>	<u>257,651</u>	<u>(105)</u>	<u>82,244</u>
Net cash provided (used) by operating activities	<u>\$ 792,821</u>	<u>\$ 411,158</u>	<u>\$ 61,797</u>	<u>\$ (632,687)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Contributions of capital assets from other City funds	26,144	-	-	-
Contribution of capital asset from others	-	-	-	-
Trade-in values on capital asset purchase	22,000	-	-	-
Transfer of capital assets to other City funds	-	-	115,133	-
Increase in capital assets from accounts and contracts payable	-	165,642	-	-

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<u>Employee Benefits</u>	<u>Design Engineering</u>	<u>Totals</u>	
		<u>2007</u>	<u>2006</u>
<u>\$ 6,313</u>	<u>\$ 27,163</u>	<u>\$ (715,969)</u>	<u>\$ (455,002)</u>
-	532	1,265,388	1,177,827
1,691	-	51,380	27,767
-	-	(4,274)	2,682
-	-	(6,170)	(10,431)
-	-	(228)	334
-	-	(8,440)	6,513
5,952	35	86,873	(107,490)
61,221	-	61,221	95,149
-	1,360	7,575	6,354
-	-	-	(4,584)
<u>68,864</u>	<u>1,927</u>	<u>1,453,325</u>	<u>1,194,121</u>
<u>\$ 75,177</u>	<u>\$ 29,090</u>	<u>\$ 737,356</u>	<u>\$ 739,119</u>

-	-	26,144	225,223
-	-	-	86,883
-	-	22,000	-
-	-	115,133	-
-	-	165,642	-

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**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**STATEMENT OF NET ASSETS**  
**December 31, 2007**  
**(with partial comparative information for December 31, 2006)**

	<b>Governmental</b>	<b>Business-</b>	<b>Total</b>	
	<b>Activities</b>	<b>type</b>		
		<b>Activities</b>	<b>2007</b>	<b>2006</b>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 2,040,012	\$ 1,597,340	\$ 3,637,352	\$ 3,872,507
Receivables (net):				
Accounts	28,412	1,106	29,518	37,110
Notes	1,056,892	-	1,056,892	734,292
Taxes	5,931	-	5,931	8,079
Accrued interest	14,956	10,129	25,085	37,685
Due from other governments	-	-	-	8,069
Prepaid items	259,170	15,465	274,635	261,190
Deferred charges	-	118,657	118,657	124,413
Capital assets:				
Nondepreciable	-	1,333,840	1,333,840	1,494,410
Depreciable, net	-	13,462,781	13,462,781	13,633,385
<b>TOTAL ASSETS</b>	<b>\$ 3,405,373</b>	<b>\$ 16,539,318</b>	<b>\$ 19,944,691</b>	<b>\$ 20,211,140</b>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 6,888	\$ 92,489	\$ 99,377	\$ 87,167
Contracts payable	-	-	-	100,000
Accrued salaries and wages	11,879	9,728	21,607	17,682
Deposits payable	13	241,222	241,235	55,408
Due to other governments	3,467	-	3,467	-
Accrued interest	-	75,465	75,465	242,134
Noncurrent liabilities:				
Due within one year	-	181,268	181,268	177,566
Due in more than one year	-	14,460,527	14,460,527	14,640,497
<b>Total liabilities</b>	<b>22,247</b>	<b>15,060,699</b>	<b>15,082,946</b>	<b>15,320,454</b>
<b><u>NET ASSETS</u></b>				
Invested in capital, net of related debt	-	154,826	154,826	1,058,058
Restricted for debt service	-	167,801	167,801	437,156
Restricted for affordable housing	153,891	-	153,891	147,137
Unrestricted	3,229,235	1,155,992	4,385,227	3,248,335
<b>Total net assets</b>	<b>3,383,126</b>	<b>1,478,619</b>	<b>4,861,745</b>	<b>4,890,686</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,405,373</b>	<b>\$ 16,539,318</b>	<b>\$ 19,944,691</b>	<b>\$ 20,211,140</b>

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

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<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
Public service	\$ 4,017,897	\$ -	\$ 3,828,953	\$ -
Business-type Activities:				
Plymouth Towne Square	781,590	841,647	-	-
Vicksburg Crossing	1,178,374	578,690	-	-
Total business-type activities	1,959,964	1,420,337	-	-
Total component unit activities	\$ 5,977,861	\$ 1,420,337	\$ 3,828,953	\$ -
GENERAL REVENUES				
Property tax				
Unrestricted investment earnings				
Other				
TRANSFERS				
Total general revenues and transfers				
CHANGE IN NET ASSETS				
NET ASSETS - BEGINNING				
NET ASSETS - ENDING				

Net (Expense) Revenue and Changes in Net Assets			
Governmental Activities	Business- type Activities	Totals	
		2007	2006
\$ (188,944)	\$	\$ (188,944)	\$ (476,417)
-	60,057	60,057	35,544
-	(599,684)	(599,684)	(143,852)
-	(539,627)	(539,627)	(108,308)
(188,944)	(539,627)	(728,571)	(584,725)
473,506	-	473,506	504,062
139,763	85,661	225,424	259,774
700	-	700	6,870
(165,000)	165,000	-	-
448,969	250,661	699,630	770,706
260,025	(288,966)	(28,941)	185,981
3,123,101	1,767,585	4,890,686	4,704,705
\$ 3,383,126	\$ 1,478,619	\$ 4,861,745	\$ 4,890,686



**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**December 31, 2007**  
**(with partial comparative information for December 31, 2006)**

			<b>Totals</b>	
	<b><u>General</u></b>	<b><u>Housing Assistance</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 1,580,281	\$ 459,731	\$ 2,040,012	\$ 1,935,599
Receivables:				
Accounts	-	28,412	28,412	21,474
Notes	1,056,892	-	1,056,892	734,292
Taxes:				
Unremitted	1,787	-	1,787	3,704
Delinquent	4,144	-	4,144	4,375
Accrued interest	11,599	3,357	14,956	19,375
Due from other governments	-	-	-	8,069
Prepaid expenses	-	259,170	259,170	250,868
<b>TOTAL ASSETS</b>	<b><u>\$ 2,654,703</u></b>	<b><u>\$ 750,670</u></b>	<b><u>\$ 3,405,373</u></b>	<b><u>\$ 2,977,756</u></b>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 49	\$ 6,839	\$ 6,888	\$ 4,973
Accrued salaries and wages	5,331	6,548	11,879	10,239
Deposits payable	-	13	13	13
Due to other governments	-	3,467	3,467	-
Deferred revenue	1,061,036	28,412	1,089,448	759,043
Total liabilities	<u>1,066,416</u>	<u>45,279</u>	<u>1,111,695</u>	<u>774,268</u>
<b><u>FUND BALANCES</u></b>				
Reserved for:				
Affordable housing	153,891	-	153,891	147,137
Prepaid expenses	-	259,170	259,170	-
Unreserved:				
Designated for housing and redevelopment projects	1,434,396	446,221	1,880,617	2,056,351
Total fund balances	<u>1,588,287</u>	<u>705,391</u>	<u>2,293,678</u>	<u>2,203,488</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>\$ 2,654,703</u></b>	<b><u>\$ 750,670</u></b>	<b><u>\$ 3,405,373</u></b>	<b><u>\$ 2,977,756</u></b>

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET ASSETS**  
**December 31, 2007**

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FUND BALANCE - TOTAL GOVERNMENTAL FUNDS	\$ 2,293,678
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Amounts reported for governmental activities in the statement of net assets are different because:

1. Deferred revenue in governmental funds is susceptible to full accrual on government-wide statements.	1,089,448
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NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 3,383,126</u>
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**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

			<u>Totals</u>	
	<u>General</u>	<u>Housing Assistance</u>	<u>2007</u>	<u>2006</u>
REVENUES:				
Taxes	\$ 473,737	\$ -	\$ 473,737	\$ 503,230
Intergovernmental	310,926	3,400,879	3,711,805	3,564,442
Contributions	109,112	-	109,112	9,829
Interest on investments	64,655	29,043	93,698	83,416
Net increase in the fair value of investments	18,219	5,246	23,465	15,110
Other revenues	700	-	700	6,869
Total revenues	<u>977,349</u>	<u>3,435,168</u>	<u>4,412,517</u>	<u>4,182,896</u>
EXPENDITURES:				
Current:				
Public service	743,166	3,413,611	4,156,777	4,307,306
Other expenditures	-	550	550	-
Total expenditures	<u>743,166</u>	<u>3,414,161</u>	<u>4,157,327</u>	<u>4,307,306</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	234,183	21,007	255,190	(124,410)
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(165,000)</u>	<u>-</u>	<u>(165,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	69,183	21,007	90,190	(124,410)
FUND BALANCES AT BEGINNING OF YEAR	<u>1,519,104</u>	<u>684,384</u>	<u>2,203,488</u>	<u>2,327,898</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,588,287</u>	<u>\$ 705,391</u>	<u>\$ 2,293,678</u>	<u>\$ 2,203,488</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, 2007**

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NET INCREASE (DECREASE) IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 90,190

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

1. Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. 30,405
2. 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. 300,000
3. The net effect of the sale of land is to decrease net assets. (160,570)

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CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 260,025

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**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, 2007**

**(with partial comparative information for year ended December 31, 2006)**

	<b>2007</b>				<b>2006</b>
	<b><u>Original Budget</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>	<b><u>Actual</u></b>
REVENUES:					
General property taxes	\$ 484,699	\$ 484,699	\$ 473,737	\$ (10,962)	\$ 503,230
Intergovernmental	-	375,000	310,926	(64,074)	22,807
Contributions	30,000	30,000	109,112	79,112	9,829
Interest on investments	30,000	30,000	64,655	34,655	58,605
Net increase in the fair value of investments	-	-	18,219	18,219	10,137
Other revenue	-	-	700	700	6,869
Total revenues	<u>544,699</u>	<u>919,699</u>	<u>977,349</u>	<u>57,650</u>	<u>611,477</u>
				(57,650)	
EXPENDITURES:					
Current:					
Public service:					
Personal services	188,958	188,958	159,450	(29,508)	161,445
Materials and supplies	470	470	-	(470)	49
Contractual services:				-	
Housing assistance	300,000	300,000	234,182	(65,818)	280,276
Housing loans	-	210,000	300,000	90,000	250,000
Other	55,271	55,271	49,534	(5,737)	76,524
Total expenditures	<u>544,699</u>	<u>754,699</u>	<u>743,166</u>	<u>(11,533)</u>	<u>768,294</u>
				(11,533)	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>165,000</u>	<u>234,183</u>	<u>69,183</u>	<u>(156,817)</u>
OTHER FINANCING SOURCES (USES):					
Transfers out	<u>-</u>	<u>(165,000)</u>	<u>(165,000)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>69,183</u>	<u>69,183</u>	<u>(156,817)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>1,519,104</u>	<u>1,519,104</u>	<u>1,519,104</u>	<u>-</u>	<u>1,675,921</u>
FUND BALANCE AT END OF YEAR	<u>\$ 1,519,104</u>	<u>\$ 1,519,104</u>	<u>\$ 1,588,287</u>	<u>\$ 69,183</u>	<u>\$ 1,519,104</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**HOUSING ASSISTANCE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUNDBALANCE - BUDGET AND ACTUAL**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b>2007</b>			<b>2006</b>
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
REVENUES:				
Intergovernmental	\$ 3,623,000	\$ 3,400,879	\$ (222,121)	\$ 3,541,635
Interest on investments	20,000	29,043	9,043	24,811
Net increase in the fair value of investments	-	5,246	5,246	4,973
Total revenues	<u>3,643,000</u>	<u>3,435,168</u>	<u>(207,832)</u>	<u>3,571,419</u>
EXPENDITURES:				
Current:				
Public service:				
Personal services	207,513	206,356	1,157	198,612
Material and supplies	500	504	(4)	469
Contractual services:				
Housing assistance	3,357,200	3,145,157	212,043	3,282,808
Other	62,068	61,594	474	57,123
Other	-	550	(550)	-
Total expenditures	<u>3,627,281</u>	<u>3,414,161</u>	<u>213,120</u>	<u>3,539,012</u>
NET CHANGE IN FUND BALANCE	15,719	21,007	5,288	32,407
FUND BALANCE AT BEGINNING OF YEAR	<u>684,384</u>	<u>684,384</u>	<u>-</u>	<u>651,977</u>
FUND BALANCE AT END OF YEAR	<u>\$ 700,103</u>	<u>\$ 705,391</u>	<u>\$ 5,288</u>	<u>\$ 684,384</u>

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**ENTERPRISE FUNDS**  
**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF NET ASSETS**  
**December 31, 2007**  
**(with partial comparative information for December 31, 2006)**

	<b>Plymouth Towne Square</b>	<b>Vicksburg Crossing</b>	<b>Totals</b>	
			<b>2007</b>	<b>2006</b>
<b><u>ASSETS</u></b>				
Current assets:				
Cash and investments	\$ 904,379	\$ 692,961	\$ 1,597,340	\$ 1,936,908
Receivables (net):				
Accounts	921	185	1,106	15,636
Accrued interest	5,953	4,176	10,129	18,310
Prepaid items	7,685	7,780	15,465	10,322
Total current assets	<u>918,938</u>	<u>705,102</u>	<u>1,624,040</u>	<u>1,981,176</u>
Noncurrent assets:				
Deferred charges	<u>50,648</u>	<u>68,009</u>	<u>118,657</u>	<u>124,413</u>
Capital assets:				
Land	459,247	874,593	1,333,840	1,333,840
Buildings	6,069,398	9,025,426	15,094,824	14,727,715
Improvements other than buildings	111,390	238,793	350,183	342,116
Machinery and equipment	247,759	360,183	607,942	607,942
Total capital assets	<u>6,887,794</u>	<u>10,498,995</u>	<u>17,386,789</u>	<u>17,011,613</u>
Less accumulated depreciation	<u>(2,190,380)</u>	<u>(399,788)</u>	<u>(2,590,168)</u>	<u>(2,044,388)</u>
Total capital assets (net of accumulated depreciation)	<u>4,697,414</u>	<u>10,099,207</u>	<u>14,796,621</u>	<u>14,967,225</u>
Total noncurrent assets	<u>4,748,062</u>	<u>10,167,216</u>	<u>14,915,278</u>	<u>15,091,638</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 5,667,000</u></b>	<b><u>\$ 10,872,318</u></b>	<b><u>\$ 16,539,318</u></b>	<b><u>\$ 17,072,814</u></b>
<b><u>LIABILITIES</u></b>				
Current liabilities:				
Accounts payable	\$ 66,543	\$ 25,946	\$ 92,489	\$ 82,194
Contracts payable	-	-	-	100,000
Accrued salaries and wages	6,697	3,031	9,728	7,443
Accrued interest	39,928	201,294	241,222	242,134
Deposits payable	40,375	35,090	75,465	55,395
Revenue bonds payable - current	182,566	(1,298)	181,268	177,566
Total current liabilities	<u>336,109</u>	<u>264,063</u>	<u>600,172</u>	<u>664,732</u>
Noncurrent liabilities:				
Revenue bonds payable (net of unamortized discounts)	<u>3,843,085</u>	<u>10,617,442</u>	<u>14,460,527</u>	<u>14,640,497</u>
Total liabilities	<u>4,179,194</u>	<u>10,881,505</u>	<u>15,060,699</u>	<u>15,305,229</u>
<b><u>NET ASSETS</u></b>				
Invested in capital assets, net of related debt	671,763	(516,937)	154,826	897,488
Restricted for debt service	135,281	32,520	167,801	437,156
Unrestricted	680,762	475,230	1,155,992	432,941
Total net assets	<u>1,487,806</u>	<u>(9,187)</u>	<u>1,478,619</u>	<u>1,767,585</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 5,667,000</u></b>	<b><u>\$ 10,872,318</u></b>	<b><u>\$ 16,539,318</u></b>	<b><u>\$ 17,072,814</u></b>

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**ENTERPRISE FUNDS**  
**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b>Plymouth Towne Square</b>	<b>Vicksburg Crossing</b>	<b>Totals</b>	
			<b>2007</b>	<b>2006</b>
OPERATING REVENUES:				
Rental revenue	\$ 841,647	\$ 578,690	\$ 1,420,337	\$ 870,402
Total operating revenues	<u>841,647</u>	<u>578,690</u>	<u>1,420,337</u>	<u>870,402</u>
OPERATING EXPENSES:				
Personal services	94,760	95,706	190,466	142,049
Materials and supplies	14,941	30,442	45,383	20,855
Contractual services	<u>327,305</u>	<u>195,691</u>	<u>522,996</u>	<u>409,457</u>
Total operating expenses	<u>437,006</u>	<u>321,839</u>	<u>758,845</u>	<u>572,361</u>
OPERATING INCOME BEFORE DEPRECIATION	404,641	256,851	661,492	298,041
DEPRECIATION AND AMORTIZATION	<u>182,178</u>	<u>373,088</u>	<u>555,266</u>	<u>197,682</u>
OPERATING INCOME	<u>222,463</u>	<u>(116,237)</u>	<u>106,226</u>	<u>100,359</u>
NONOPERATING REVENUES (EXPENSES):				
Interest income	38,120	27,511	65,631	33,469
Net increase in the fair value of investments	9,720	10,310	20,030	117,672
Other	-	-	-	-
Interest expense	<u>(162,406)</u>	<u>(483,447)</u>	<u>(645,853)</u>	<u>(208,667)</u>
Total nonoperating revenues (expenses)	<u>(114,566)</u>	<u>(445,626)</u>	<u>(560,192)</u>	<u>(57,526)</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	107,897	(561,863)	(453,966)	42,833
TRANSFERS IN	<u>165,000</u>	<u>-</u>	<u>165,000</u>	<u>-</u>
CHANGES IN NET ASSETS	272,897	(561,863)	(288,966)	42,833
NET ASSETS AT BEGINNING OF YEAR	<u>1,214,909</u>	<u>552,676</u>	<u>1,767,585</u>	<u>1,724,752</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,487,806</u>	<u>\$ (9,187)</u>	<u>\$ 1,478,619</u>	<u>\$ 1,767,585</u>



**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**ENTERPRISE FUNDS**  
**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

	<b>Plymouth Towne Square</b>	<b>Vicksburg Crossing</b>	<b>Totals</b>	
			<b>2007</b>	<b>2006</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from residents	\$ 856,652	\$ 598,285	\$ 1,454,937	\$ 877,704
Payments to suppliers	(340,768)	(234,207)	(574,975)	(393,396)
Payments to employees	(94,764)	(93,417)	(188,181)	(139,931)
Other revenues	-	-	-	-
Net cash provided by operating activities	421,120	270,661	691,781	344,377
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers in from other funds	165,000	-	165,000	-
Net cash provided (used) by noncapital financing activities	165,000	-	165,000	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition and construction of capital assets	(276,536)	(186,890)	(463,426)	(8,266,771)
Principal paid on capital debt	(180,000)	-	(180,000)	(170,000)
Interest paid on capital debt	(163,310)	(483,455)	(646,765)	(166,710)
Net cash used in capital and related financing activities	(619,846)	(670,345)	(1,290,191)	(8,603,481)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Investment earnings	50,076	43,766	93,842	146,207
Net cash provided by investing activities	50,076	43,766	93,842	146,207
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	16,350	(355,918)	(339,568)	(8,112,897)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	888,029	1,048,879	1,936,908	10,049,805
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 904,379	\$ 692,961	\$ 1,597,340	\$ 1,936,908

(Continued...)

**HOUSING AND REDEVELOPMENT AUTHORITY OF PLYMOUTH, MINNESOTA**  
**ENTERPRISE FUNDS**  
**PROPRIETARY FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2007**  
**(with partial comparative information for year ended December 31, 2006)**

(Continued from previous page)

	<b><u>Plymouth Towne Square</u></b>	<b><u>Vicksburg Crossing</u></b>	<b><u>Totals</u></b>	
			<b><u>2007</u></b>	<b><u>2006</u></b>
RECONCILIATION OF OPERATING				
INCOME TO NET CASH PROVIDED				
BY OPERATING ACTIVITIES:				
Operating income	\$ 222,463	\$ (116,237)	\$ 106,226	\$ 100,359
Adjustments to reconcile operating income				
to net cash provided by operating				
activities:				
Depreciation and amortization	182,178	373,088	555,266	197,682
Changes in assets and liabilities:				
Accounts receivable	12,375	2,155	14,530	(11,796)
Deferred charges	-	-	-	3,364
Prepaid expenses	(1,461)	(3,682)	(5,143)	13,741
Accounts payable	2,939	(4,392)	(1,453)	19,811
Accrued salaries payable	(4)	2,289	2,285	2,118
Deposits payable	2,630	17,440	20,070	19,098
Total adjustments	198,657	386,898	585,555	244,018
Net cash provided by operating				
activities	\$ 421,120	\$ 270,661	\$ 691,781	\$ 344,377
NONCASH INVESTING, CAPITAL, AND				
FINANCING ACTIVITIES:				
Increase (decrease) in capital assets from				
accounts and contracts payable	21,770	(110,020)	(88,250)	-

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

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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.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	104
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property tax.	110
<b>Debt Capacity</b> 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.	114
<b>Demographic and Economic Information</b> 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.	119
<b>Operating Information</b> 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.	121

**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 FIVE FISCAL YEARS**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<b>Fiscal Year</b>				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities					
Invested in capital assets, net of related debt	\$ 131,702	\$ 134,717	\$ 140,490	\$ 147,612	\$ 150,167
Restricted	17,864	15,397	15,338	17,533	4,772
Unrestricted	<u>36,500</u>	<u>44,798</u>	<u>46,982</u>	<u>47,610</u>	<u>70,517</u>
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>
Business-type activities					
Invested in capital assets, net of related debt	\$ 54,900	\$ 65,713	\$ 83,108	\$ 89,696	\$ 91,541
Restricted	38,527	28,414	18,655	20,053	18,377
Unrestricted	<u>17,569</u>	<u>23,886</u>	<u>18,901</u>	<u>16,719</u>	<u>17,241</u>
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>
Primary government					
Invested in capital assets, net of related debt	\$ 186,602	\$ 200,430	\$ 223,598	\$ 237,308	\$ 241,708
Restricted	56,391	43,811	33,993	37,586	23,149
Unrestricted	<u>54,069</u>	<u>68,684</u>	<u>65,883</u>	<u>64,329</u>	<u>87,758</u>
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>

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 FIVE FISCAL YEARS**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Expenses</b>					
Governmental activities:					
General government	\$ 4,811	\$ 4,897	\$ 4,905	\$ 5,172	\$ 8,268
Parks and recreation	6,058	6,530	6,634	6,932	7,694
Public safety	8,624	9,387	9,865	12,222	12,221
Public works	8,828	8,794	9,101	10,978	10,051
Public service	4,744	5,187	5,013	6,004	4,377
Interest on long-term debt	440	623	776	745	701
Total governmental activities expenses	<u>33,505</u>	<u>35,418</u>	<u>36,294</u>	<u>42,053</u>	<u>43,312</u>
Business-type activities:					
Water sewer utility	10,094	9,956	10,790	13,206	14,528
Ice center	1,060	1,129	1,650	1,602	1,700
Solid waste management	782	789	915	813	969
Water resources	1,379	1,600	1,862	1,942	1,714
Field house	299	291	302	305	307
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>
Total primary government expenses	<u>\$ 47,119</u>	<u>\$ 49,183</u>	<u>\$ 51,813</u>	<u>\$ 59,921</u>	<u>\$ 62,530</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 2,824	\$ 2,807	\$ 2,999	\$ 3,441	\$ 3,731
Parks and recreation	1,137	1,096	1,111	1,172	1,280
Public safety	215	220	232	266	1,313
Public works	621	655	647	863	808
Public service	11	226	754	803	1,126
Operating grants and contributions	5,537	5,646	5,501	6,253	6,027
Capital grants and contributions	7,780	4,545	9,849	12,842	10,042
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>

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

	<b>Fiscal Year</b>				
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Business-type activities:					
Charges for services:					
Water sewer utility	\$ 8,878	\$ 9,023	\$ 9,611	\$ 10,404	\$ 11,830
Ice center	854	962	1,278	1,230	1,261
Solid waste management	810	1,004	1,073	917	1,072
Water resources	1,617	1,655	1,864	2,032	2,190
Field house	267	304	299	294	301
Operating grants and contributions	170	213	244	522	186
Capital grants and contributions	1,455	5,145	1,908	6,187	2,138
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>
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>
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental activities:					
Property taxes	\$ 17,787	\$ 19,051	\$ 21,134	\$ 23,357	\$ 26,086
Unrestricted investment earnings	1,429	1,559	1,547	3,018	3,962
Gain on sale of capital assets	97	653	140	138	10
Other	160	101	637	102	216
Transfers	13	(879)	(359)	(257)	1,411
Total governmental activities	<u>19,486</u>	<u>20,485</u>	<u>23,099</u>	<u>26,358</u>	<u>31,685</u>
Business-type activities:					
Unrestricted investment earnings	1,461	1,337	1,230	1,579	2,229
Gain on sale of capital assets	26	-	-	-	-
Other	319	259	304	250	113
Transfers	(13)	879	359	257	(1,411)
Total business-type activities	<u>1,793</u>	<u>2,475</u>	<u>1,893</u>	<u>2,086</u>	<u>931</u>
Total primary government	<u>\$ 21,279</u>	<u>\$ 22,960</u>	<u>\$ 24,992</u>	<u>\$ 28,444</u>	<u>\$ 32,616</u>
<b>Change in Net Assets</b>					
Governmental activities	\$ 4,106	\$ 262	\$ 7,898	\$ 9,945	\$ 12,700
Business-type activities	2,230	7,016	2,651	5,804	691
Total primary government	<u>\$ 6,336</u>	<u>\$ 7,278</u>	<u>\$ 10,549</u>	<u>\$ 15,749</u>	<u>\$ 13,391</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 FIVE FISCAL YEARS**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

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<u>Fiscal Year</u>	<u>Property Tax</u>
2003	17,787
2004	19,051
2005	21,134
2006	23,357
2007	26,086

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 FIVE FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	<b>Fiscal Year</b>				
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 78
Unreserved	8,458	8,949	9,430	10,354	10,943
Total general fund	<u>\$ 8,458</u>	<u>\$ 8,949</u>	<u>\$ 9,430</u>	<u>\$ 10,354</u>	<u>\$ 11,021</u>
All other governmental funds					
Reserved	\$ 30,219	\$ 35,509	\$ 29,746	\$ 27,770	\$ 11,711
Unreserved, reported in:					
Special revenue funds	2,321	2,470	2,448	2,768	3,626
Capital project funds	8,370	4,408	7,095	8,899	27,924
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>
Total Governmental Funds	<u>\$ 49,368</u>	<u>\$ 51,336</u>	<u>\$ 48,827</u>	<u>\$ 49,906</u>	<u>\$ 54,406</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 FIVE FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year				
	2003	2004	2005	2006	2007
<b>Revenues</b>					
General property taxes	\$ 17,818	\$ 19,002	\$ 21,115	\$ 23,299	\$ 26,030
Special assessments	127	369	201	172	152
Licenses and permits	2,643	2,632	2,726	3,138	3,420
Intergovernmental	9,054	6,287	9,921	8,019	10,824
Charges for current services	1,803	2,151	2,717	3,050	3,551
Fines and forfeitures	568	881	860	939	894
Contributions	1,489	838	1,241	1,424	633
Interest on special assessments	54	45	66	47	39
Interest on investments	1,085	1,185	1,146	2,174	2,813
Other revenue	444	199	733	445	459
Total Revenue	<u>35,085</u>	<u>33,589</u>	<u>40,726</u>	<u>42,707</u>	<u>48,815</u>
<b>Expenditures</b>					
General government	4,267	4,545	4,604	4,801	5,309
Parks and recreation	4,905	5,225	5,478	5,548	6,072
Public safety	8,625	8,945	9,697	10,718	11,655
Public works	3,258	3,204	3,472	3,159	4,099
Public service	4,511	4,308	4,777	4,596	4,362
Interest on interfund advances	8,606	91	82	72	62
Capital outlay	8,606	11,325	16,502	11,821	17,174
Debt service:					
Principal retirement	465	500	990	1,390	1,535
Bond issuance costs	-	-	-	-	30
Interest and fiscal charges	439	509	758	783	723
Total Expenditures	<u>43,682</u>	<u>38,652</u>	<u>46,360</u>	<u>42,888</u>	<u>51,021</u>
Excess of revenues over (under) expenditures	(8,597)	(5,063)	(5,634)	(181)	(2,206)
<b>Other financing sources (uses)</b>					
Transfers in	10,459	6,681	12,183	5,552	16,901
Transfers out	(9,685)	(7,860)	(9,115)	(4,292)	(12,945)
Bonds issued	5,715	7,480	1,370	-	2,715
Payment on refunded bonds	-	-	(1,300)	-	-
Premium (discount) on debt	10	98	(12)	-	(7)
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>
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>
Debt service as a percentage of noncapital expenditures	2.50%	3.57%	5.57%	6.24%	6.25%

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**  
**ASSESSED VALUE/TAX CAPACITY VALUE AND ESTIMATED MARKET VALUE**  
**LAST TEN FISCAL YEARS**  
**(amounts expressed in thousands)**

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Population	62,979	64,313	65,894	66,675	67,824	70,238	70,682	70,455	70,676	71,147
Real Property										
Assessed/tax capacity value	\$ 86,262	\$ 86,104	\$ 92,674	\$ 103,428	\$ 76,277	\$ 81,310	\$ 86,602	\$ 94,585	\$ 102,569	\$ 112,009
Estimated market value	\$ 4,137,400	\$ 4,458,402	\$ 4,863,052	\$ 5,421,670	\$ 6,187,584	\$ 6,844,156	\$ 7,375,678	\$ 8,053,678	\$ 8,690,753	\$ 9,440,899
Personal Property										
Assessed/tax capacity value	\$ 1,423	\$ 1,296	\$ 1,318	\$ 1,302	\$ 782	\$ 804	\$ 845	\$ 894	\$ 913	\$ 1,023
Estimated market value	\$ 35,564	\$ 37,084	\$ 38,835	\$ 38,373	\$ 39,306	\$ 40,441	\$ 42,517	\$ 44,940	\$ 45,985	\$ 51,652
Total Real and Personal Property										
Assessed/tax capacity value	\$ 87,685	\$ 87,400	\$ 93,992	\$ 104,730	\$ 77,059	\$ 82,114	\$ 87,447	\$ 95,479	\$ 103,482	\$ 113,032
Estimated market value	\$ 4,172,964	\$ 4,495,486	\$ 4,901,887	\$ 5,460,043	\$ 6,226,890	\$ 6,884,597	\$ 7,418,195	\$ 8,098,618	\$ 8,736,738	\$ 9,492,551

**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			
						Dist #270 Operating	Dist #279 Operating	Dist #281 Operating	Dist #284 Operating
1998	14.08	0.49	14.57	38.39	6.72	61.06	56.38	65.35	52.00
1999	14.86	0.54	15.40	40.99	7.79	58.94	54.34	47.72	53.82
2000	14.92	0.52	15.44	39.66	7.92	56.56	53.28	48.49	49.19
2001	13.99	0.49	14.48	37.62	7.62	44.22	56.86	46.68	46.39
2002	23.89	0.77	24.66	50.41	7.39	15.03	30.09	30.21	26.79
2003	23.46	0.74	24.20	50.61	7.76	20.59	35.04	29.18	23.26
2004	23.18	0.74	23.92	47.32	7.49	22.20	23.71	34.26	22.12
2005	23.13	0.68	23.81	44.17	7.38	19.18	24.34	29.99	20.71
2006	23.20	0.55	23.75	41.02	7.54	21.57	21.82	28.49	21.89
2007	23.28	0.47	23.75	39.11	7.78	19.02	23.76	28.75	20.25

Source: City Department of Administrative Services, Hennepin County, and School District records.

(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	2007			1998		
	Tax Capacity Value	Rank	Percentage of Total Tax Capacity Value	Tax Capacity Value	Rank	Percentage of Total Taxable Assessed Value
Carlson Companies	\$ 1,821	1	1.63%	\$ 2,980	1	3.41%
St Paul Properties Inc	1,171	2	1.05%	1,239	4	1.42%
Liberty Property Ltd Partnership	888	3	0.79%	820	8	0.94%
Principal Life Insurance Co.	793	4	0.71%	-	-	-
Sentinel Real Estate Corp	770	5	0.69%	1,179	5	1.35%
Tallcott III Atria LLC	725	6	0.65%	-	-	-
505 Waterford Park LP	581	7	0.52%	1,053	6	1.20%
Westhealth	556	8	0.50%	-	-	-
FE Trotter Inc	554	9	0.49%	-	-	-
Utah State Retirement Fund	503	10	0.45%	869	7	0.99%
Prudential Insurance Company	-	-	-	2,386	2	2.73%
AMB Retail Income Fund Inc	-	-	-	1,244	3	1.42%
Park Place	-	-	-	622	9	0.71%
Fingerhut Corporation	-	-	-	572	10	0.66%
	<u>\$ 8,362</u>		<u>7.48%</u>	<u>\$ 12,964</u>		<u>14.83%</u>

**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
1998	\$ 14,699	\$ 14,627	99.51%	59	\$ 14,686	99.91%
1999	15,036	14,973	99.58%	74	15,047	100.07%
2000	16,073	16,001	99.55%	71	16,072	99.99%
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	18,352	18,291	99.67%	57	18,348	99.98%
2004	19,680	19,559	99.39%	115	19,674	99.97%
2005	21,738	21,606	99.39%	114	21,720	99.92%
2006	23,765	23,032	96.92%	678	23,710	99.77%
2007	25,889	25,136	97.09%	-	25,136	97.09%

**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			
1998	\$ 6,655	\$ 3,015	\$ 5,550	\$ 2,200	\$ 17,420	1.26%	\$ 277
1999	6,565	2,350	2,900	1,385	13,200	0.94%	205
2000	6,260	1,710	2,900	575	11,445	0.48%	174
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

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 119 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)
1998	\$ 6,655	\$ 72	\$ 6,583	0.16%	\$ 105
1999	6,565	404	6,161	0.14%	96
2000	6,260	500	5,760	0.12%	87
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

(1) See the Schedule of Assessed Value/Tax Capacity Value and Estimated Market Value on page 110 for property value data and population.



**CITY OF PLYMOUTH, MINNESOTA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF DECEMBER 31, 2007**  
**(amounts expressed in thousands)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable(1)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Hennepin County	\$ 663,775	7.3%	\$ 34,322
ISD #270 (Hopkins)	105,050	3.6%	3,686
ISD #279 (Osseo)	243,050	9.7%	21,225
ISD #281 (Robbinsdale)	242,110	23.4%	53,379
IDS #284 (Wayzata)	75,140	57.9%	37,598
Metropolitan Council	1,079,037	3.3%	3,932
Three Rivers Park District	89,860	9.7%	7,127
Hennepin County Regional Railroad Auth.	44,900	7.3%	3,268
Subtotal, overlapping debt			<u>164,537</u>
City of Plymouth direct debt (2)			<u>12,081</u>
Total direct and overlapping debt			<u><u>\$ 176,618</u></u>

Source: Administrative Services Department and Hennepin County.

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, there 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.

(1) 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.

(2) City of Plymouth, Minnesota direct debt excludes special assessment, tax increment, and revenue bonds.

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

	<b>Fiscal Year</b>									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	\$ 89,910	\$ 98,038	\$ 109,201	\$ 124,538	\$ 124,538	\$ 130,294	\$ 143,088	\$ 158,977	\$ 172,690	\$ 188,344
Total net debt applicable to limit	6,583	6,476	5,760	5,356	4,939	5,701	12,699	11,569	10,553	12,081
Legal debt margin	<u>\$ 83,327</u>	<u>\$ 91,562</u>	<u>\$ 103,441</u>	<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>
Total net debt applicable to the limit as a percentage of debt limit	7.32%	6.61%	5.27%	4.30%	3.97%	4.38%	8.87%	7.28%	6.11%	6.41%

**Legal Debt Margin Calculation for Fiscal Year 2007**

Estimated taxable market value	\$ 9,417,202
Debt limit (2% of total market value)	188,344
Debt applicable to limit:	
Activity Center/Field House Bonds	2,435
Street Reconstruction Bonds 2003B	1,060
Open Space Refunding Bonds 2003D	945
Capital Improvement Bonds 2004A	7,055
Open Spaces GO Bonds 2007A	2,715
Less: Amount set aside for repayment of general obligation debt	<u>(2,129)</u>
Total net debt applicable to limit	<u>12,081</u>
Legal debt margin	<u>\$ 176,263</u>

Note: Under State of Minnesota law, the City of Plymouth's outstanding general obligation debt should not exceed 2 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	
1998	\$ 9,064	\$ 7,246	\$ 1,818	\$ 810	\$ 100	2.00	\$ 1,901	\$ 780	\$ 116	2.12
1999	8,997	6,764	2,233	815	70	2.52	1,910	665	129	2.41
2000	9,524	6,780	2,744	810	39	3.23	1,632	640	107	2.18
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

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**

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Fiscal Year	Population (A)	Personal Income (In Thousands)	Per Capita Personal Income (B)	School Enrollment (C)	Unemployment Rate (D)
1996	60,344	\$ 1,322,016	\$ 21,908	51,717	3.1%
1997	61,620	1,349,971	21,908	51,986	2.5%
1998	62,979	1,379,744	21,908	53,274	2.0%
1999	64,313	1,408,969	21,908	52,979	2.2%
2000 (B)	65,894	2,392,348	36,306	53,924	2.0%
2001	66,675	2,420,703	36,306	53,077	2.7%
2002	67,824	2,462,418	36,306	52,993	4.2%
2003	70,238	2,550,061	36,306	52,952	3.2%
2004	70,682	2,566,181	36,306	52,506	3.0%
2005	70,455	2,557,939	36,306	52,047	3.1%
2006	70,676	2,565,963	36,306	53,102	2.9%
2007	71,147	2,632,439	37,000	53,251	3.7%

Source: (A) Metropolitan Council estimate  
(B) U.S. Census Bureau, data is available every 10 years.  
(C) School district boundaries do not conform to city boundaries, and enrollment totals include students from surrounding communities.  
(D) Figures are for the City of Plymouth, Unemployment Statistics, Minnesota Department of Economic Security Research and Statistics Office.

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

Employer	2007			1998		
	Employees	Rank	Percentage of Total Plymouth Employment	Employees	Rank	Percentage of Total Plymouth Employment
Carlson Companies	2,225	1	5.33%	2,150	1	5.56%
Prudential Insurance Company	1,600	2	3.83%	1,800	2	4.66%
Qwest Communications	700	3	1.68%	700	5	1.81%
Boston Scientific	600	4	1.44%	-	-	-
Honeywell Inc.	500	5	1.20%	750	3	1.94%
Select Comfort Corp	475	6	1.14%	-	-	-
Upsher - Smith Laboratories	400	7	0.96%	-	-	-
US Food Service	400	8	0.96%	-	-	-
Fortis Health	390	9	0.93%	-	-	-
Deltak Corp	370	10	0.89%	-	-	-
Value Rx	-	-	-	750	4	1.94%
Advance Machine Company	-	-	-	700	6	1.81%
Solid States Electronic Center	-	-	-	580	7	1.50%
Banner Engineering	-	-	-	500	8	1.29%
ITT Insurance	-	-	-	500	9	1.29%
Schneider USA, Inc	-	-	-	480	10	1.24%
	<u>7,660</u>		<u>18.34%</u>	<u>8,910</u>		<u>23.04%</u>

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

Function	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government										
Administration	10	10	10	10	10	10	10	10	10	10
Assessing	6	6	6	6	6	6	6	6	6	6
Finance	15	15	15	15	15	15	15	15	15	15
Inspection	9	10	10	11	11	11	11	11	12	12
Planning	10	10	11	11	11	11	11	11	11	11
Information Technology	6	6	6	7	7	7	7	7	7	7
Parks										
Administration	4	4	4	4	4	4	5	5	5	5
Park Maintenance	23	24	24	25	25	25	26	26	26	26
Plymouth Creek				4	5	5	5	5	5	5
Public Safety										
Police- Sworn	57	58	60	60	61	61	65	67	67	69
Police - Civilian	16	16	16	16	16	16	16	16	16	17
Fire Prevention	2	2	2	2	2	2	2	2	2	2
Full Time Fire Fighters	2	2	2	4	5	5	6	7	7	7
Public Works										
Engineering	16	16	17	17	17	17	17	18	18	17
Streets	17	19	19	20	20	20	21	20	20	19
Central Equipment	4	4	4	4	4	4	4	4	4	4
Recycling Administration	1	1	1	1	1	1	1	1	1	1
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	4	4	5	5	6	6	6	6	6	6
Sewer/Water	17	17	18	19	19	21	22	22	22	24
Transit	1	1	1	1	1	1	1	2	2	2
	<u>223</u>	<u>228</u>	<u>234</u>	<u>245</u>	<u>249</u>	<u>251</u>	<u>260</u>	<u>264</u>	<u>265</u>	<u>268</u>

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

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	FISCAL YEAR	
	2006	2007
Police		
Medical calls	2,526	2,925
Traffic stops	17,156	16,647
Other	46,117	45,677
Fire		
Inspections	2,321	2,301
Fire calls - Residential	725	814
Fire calls - Structural	1,041	355
Fire calls - Other	311	343
Inspections		
Permit related	8,908	16,942
Non-permit related	24,422	7,332
Recreation		
Hours of ice time	7,851	7,054
Number of programs	1,721	1,818
Plymouth Creek Center rentals	4,083	4,464
Water		
Gallons of water production	3,540,616	3,609,790
Watermain breaks	59	88
Publicworks		
Snowplowing hours	1,348	1,730

(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									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	16	16	16	16	16	15	17	17	17	21
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)	28	28	28	26	24	24	24	24	28	28
Other streets & alleys (miles)	262	263	263	268	277	277	276	277	283	284
Sidewalks (miles)	9	9	9	9	9	9	9	9	9	9
Streetlights	2,564	2,592	2,592	2,651	2,678	2,694	2,694	2,694	2,910	2,910
Parks and recreation										
Acreage	927	923	868	868	900	1,000	1,000	1,000	1,000	1,200
Number of parks and playgrounds	37	38	39	40	42	45	45	45	45	49
Trails (miles)	78	78	83	84	90	90	100	100	110	110
Community center				1	1	1	1	1	1	1
Water										
Water mains (miles)	304	307	307	315	320	322	322	326	350	352
Fire hydrants:										
Private	1,706	1,741	1,741	1,801	1,809	1,505	1,538	1,514	1,545	1,545
Public	3,617	3,665	3,665	3,797	3,896	4,202	4,092	4,133	4,297	4,333
Wastewater										
Sanitary sewer (miles)	279	281	281	288	293	294	296	297	307	309
Storm sewer (miles)	106	111	111	118	123	124	126	127	129	133

Sources: Various city departments.

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



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