
City of Novi

Audit Presentation

For the Year Ended June 30, 2013

Randy Morse, Partner

December 2, 2013



Andrews Hooper Pavlik PLC

City of Novi – Results of the Audit

- Great Cooperation with Management
- AHP Responsibility is to the City Council
- AHP Required Communications all Affirmative
- No Significant Matters Noted
- Unmodified/Clean Opinion
- No Single Audit Findings or Questioned Costs
- No Internal Control Deficiencies
- Excellent Results

2013 General Summary

- GFOA Certificate of Excellence in Financial Reporting for June 30, 2012 – the 15th year received
- Standard & Poor's bond rating of AA+
- Top performing community fostering entrepreneurial growth and economic development in iLabs study
- Evaluated by MEDC as a redevelopment ready community in 2013
- Constitutional Revenue sharing distribution increased 2% due to sales tax growth rate. Statutory revenue sharing through the Economic Vitality Incentive Program (EVIP) remains negligible due to State formula.
- Upcoming GASBs – Note 14 in report beginning on page 51

Government-Wide Statements Summary

- Total assets of \$389.7 million
- Total liabilities of \$53.8 million
- Total net position of \$335.9 million – an increase of \$2.2 million
- Decrease in bonds payable of \$6.6 million to \$41 million
- Program revenues of \$40.5 million – up \$4.3 million
- Expenses of \$71.8 million – up \$1 million
- General revenues of \$33.6 million – down \$3.3 million

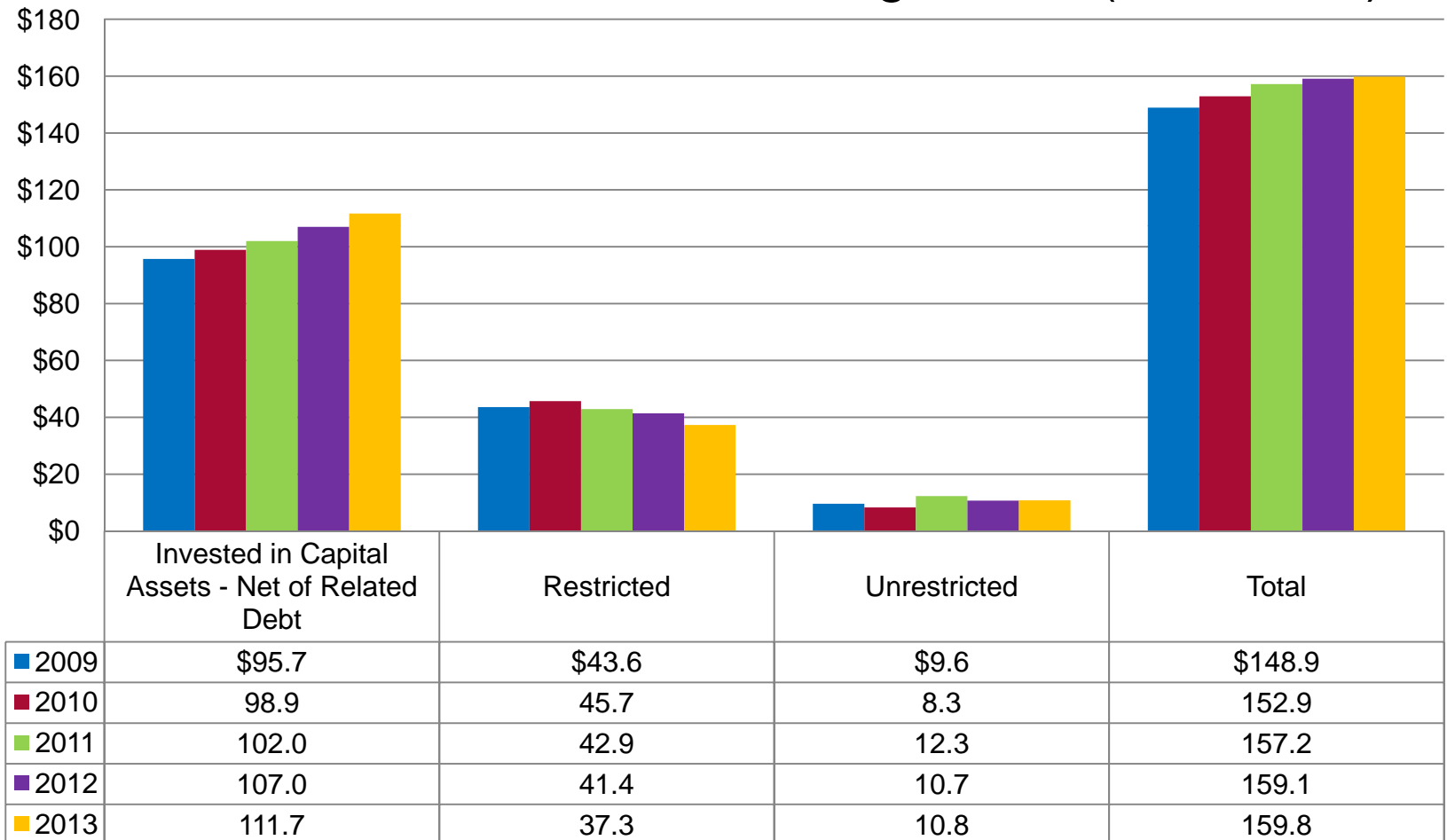
General Fund Summary

- Total assets of \$11.1 million
- Total liabilities of \$2.3 million
- Total fund balance of \$8.8 million – a decrease of \$753 thousand
- Revenues of \$24 million – up \$104 thousand
- Expenditures of \$29.1 million – up \$1.5 million
- Other financing sources of \$4.3 million – up \$2.5 million
- No significant budget to actual differences – revenues 98% of budget and expenditures 93% of budget

Government-Wide Statements

Governmental Activities Net Position

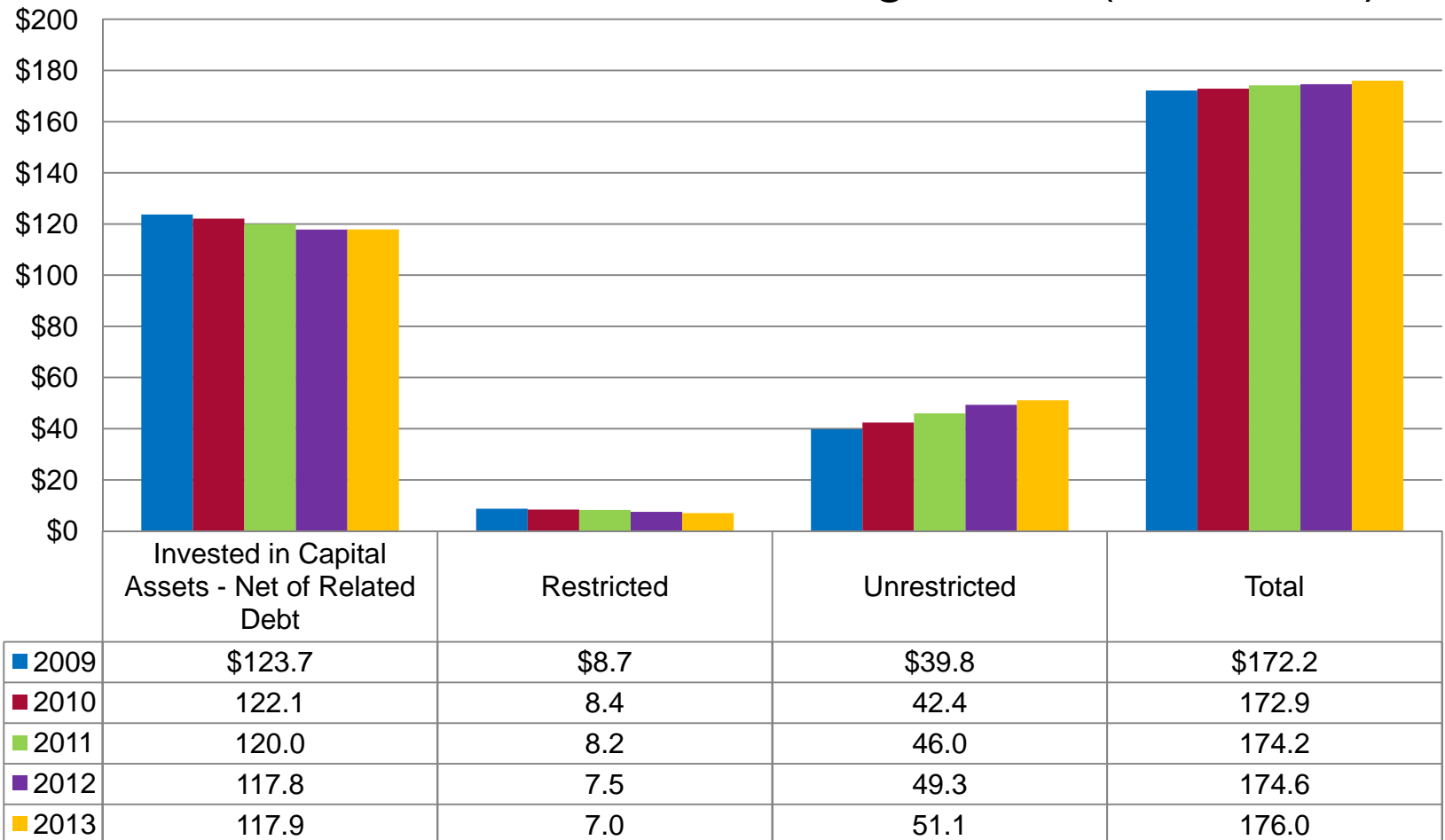
Years Ended June 30, 2009 Through 2013 (in millions)



Government-Wide Statements

Business-Type Activities Net Position

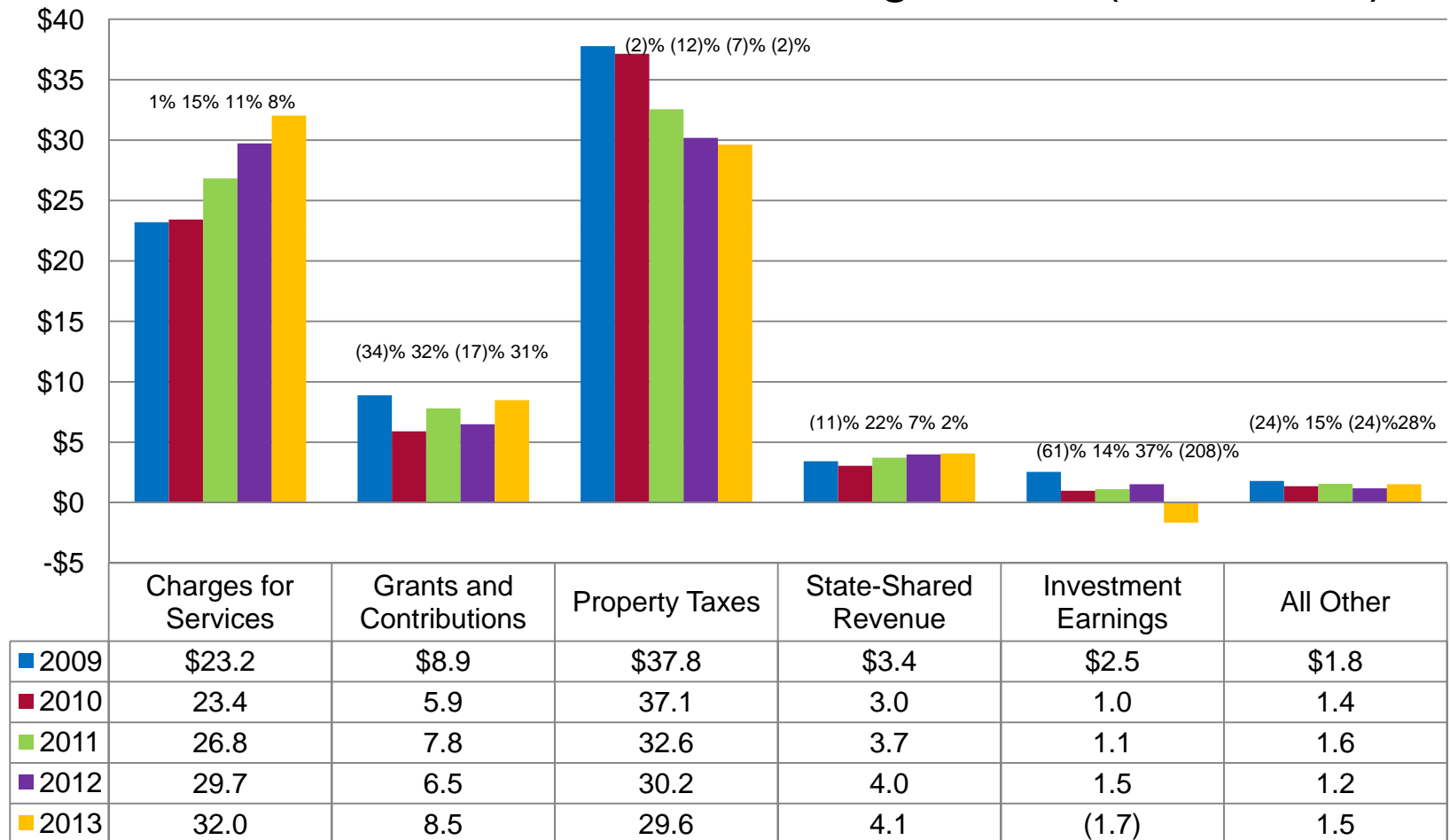
Years Ended June 30, 2009 Through 2013 (in millions)



Government-Wide Statements

Revenue Trends

Years Ended June 30, 2009 Through 2013 (in millions)



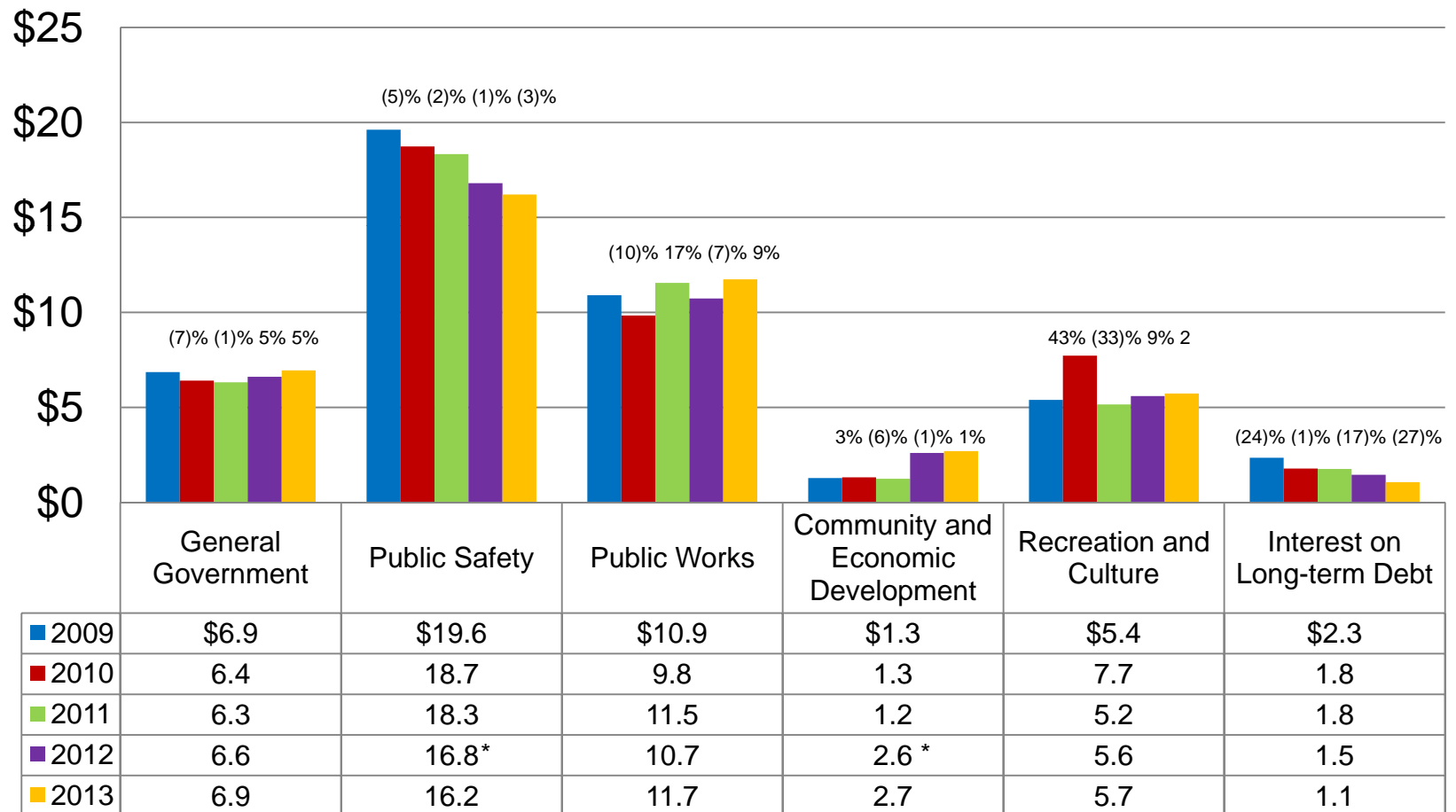
Note: Percentages indicated are the percentage changes from the prior year.



Government-Wide Statements

Governmental Activities Expense Trends

Years Ended June 30, 2009 Through 2013 (in millions)



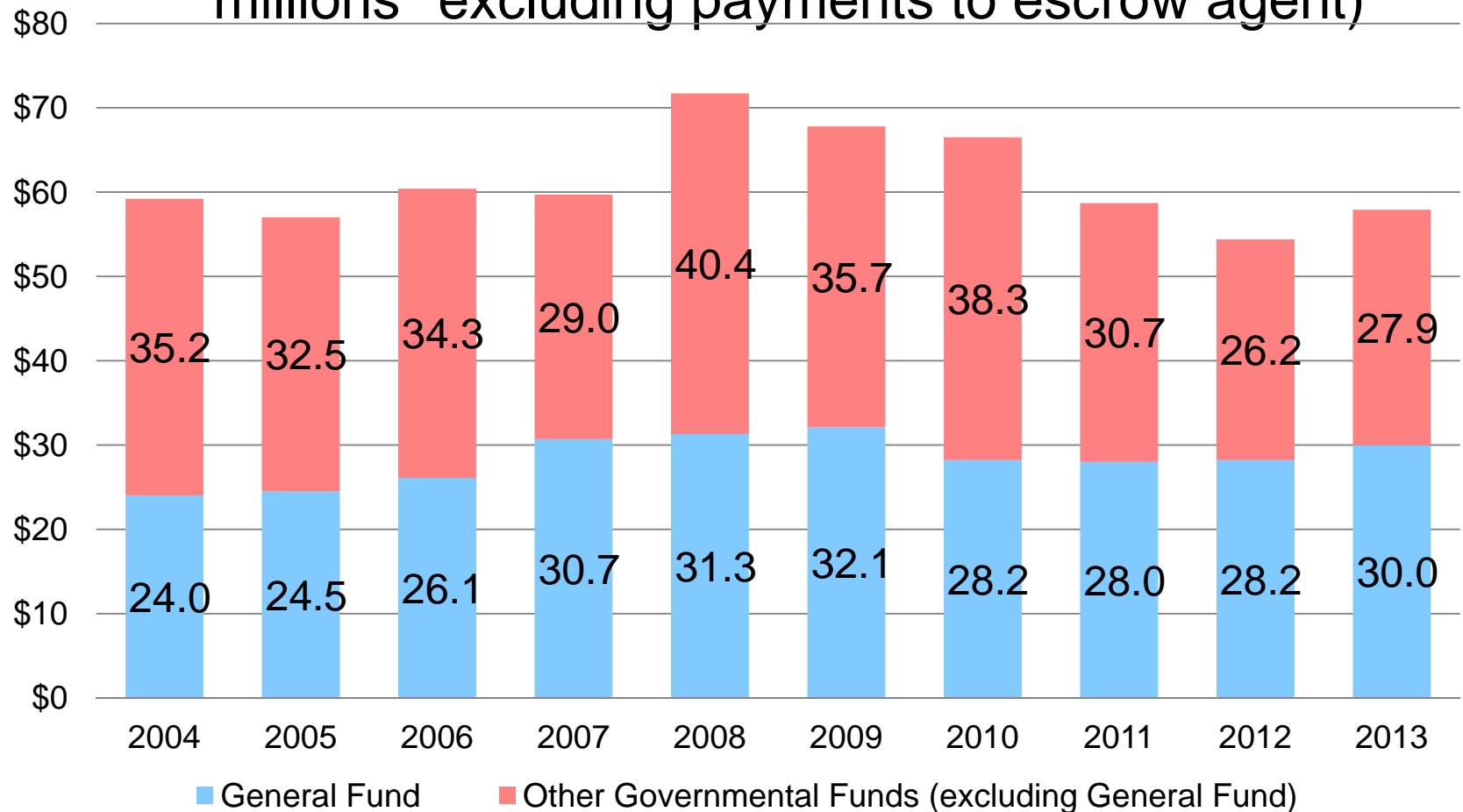
*Due to a reclassification of the building department expenses from Public Safety to Community and Economic Development ; 2009-2011 as originally reported.

Note: Percentages indicated are the percentage changes from the prior year.



Governmental Funds Statements

General and Other Governmental Funds Expenditures (including other financing uses, in millions *excluding payments to escrow agent)

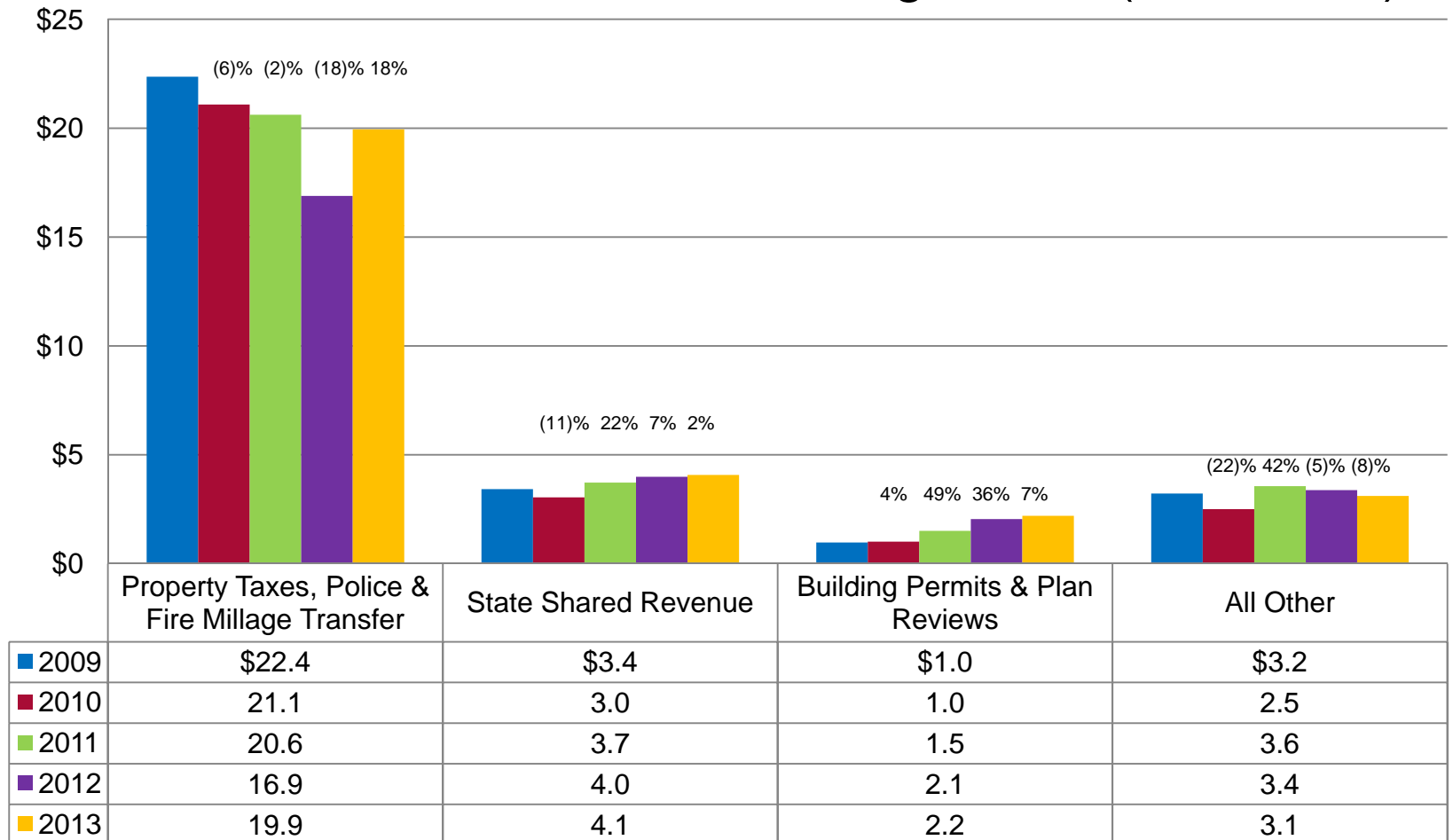


The increase in expenditures in 2008 was due to street construction and drug forfeiture fund building improvements.

Governmental Funds Statements

General Fund Revenue Trends

Years Ended June 30, 2009 Through 2013 (in millions)



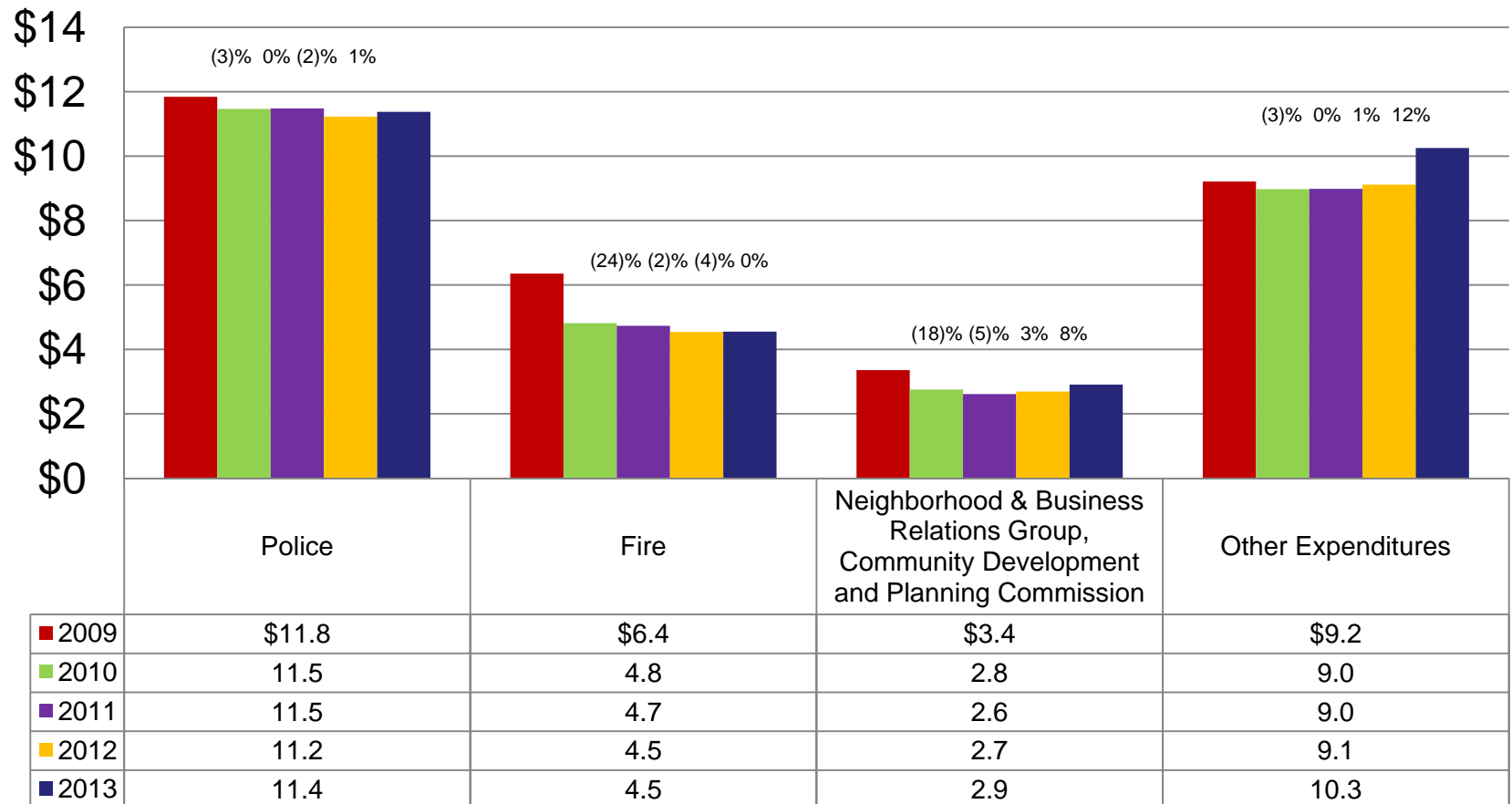
Note: Percentages indicated are the percentage changes from the prior year.



Governmental Funds Statements

General Fund Expenditure Trends

Years Ended June 30, 2009 Through 2013 (in millions)



Expenditures listed exclude operating transfers. 2009 Includes Fire Station #2 building improvements and equipment purchases. Parks and Recreation and Library are not included above as both are Special Revenue Funds.

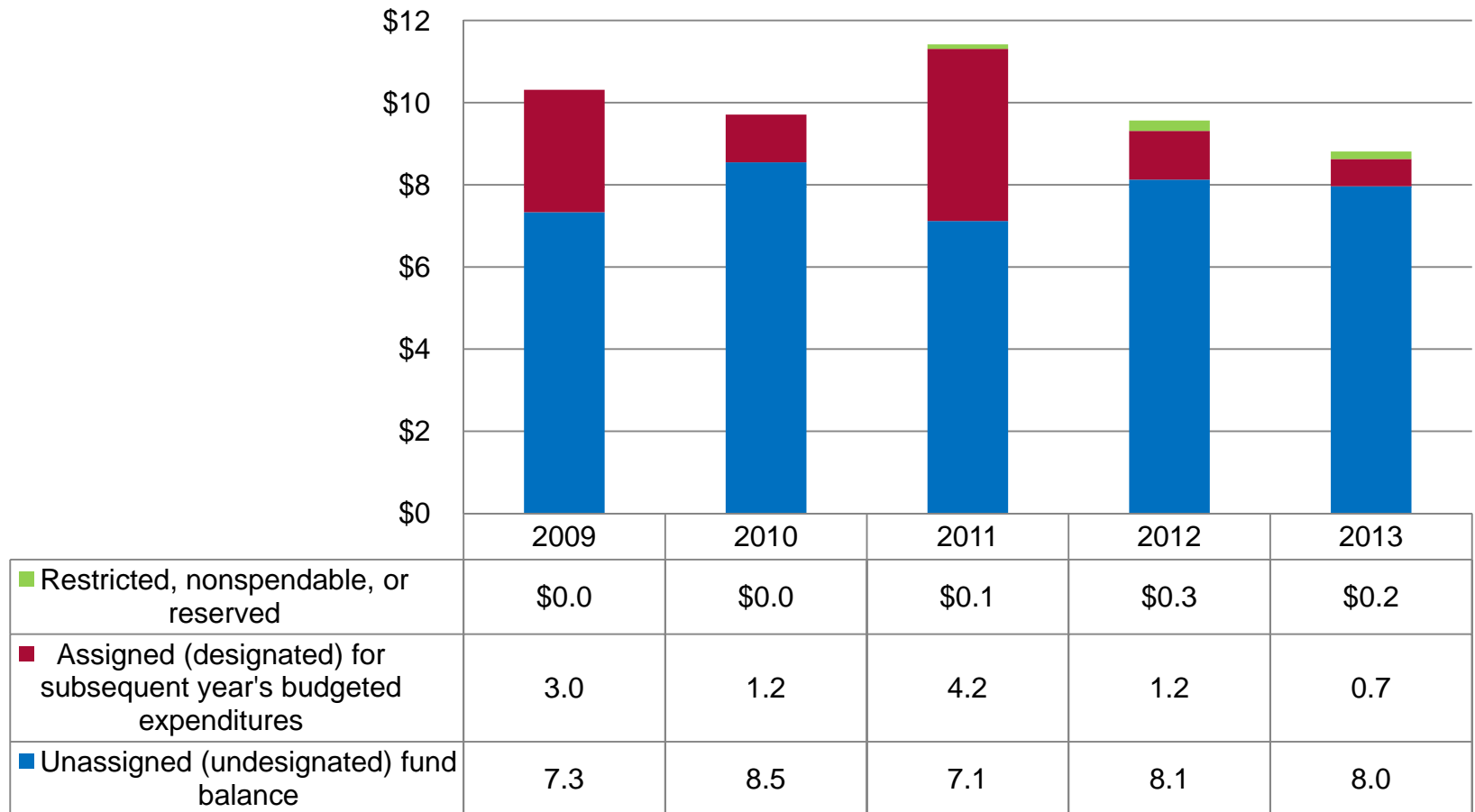
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Governmental Funds Statements

General Fund – Fund Balance

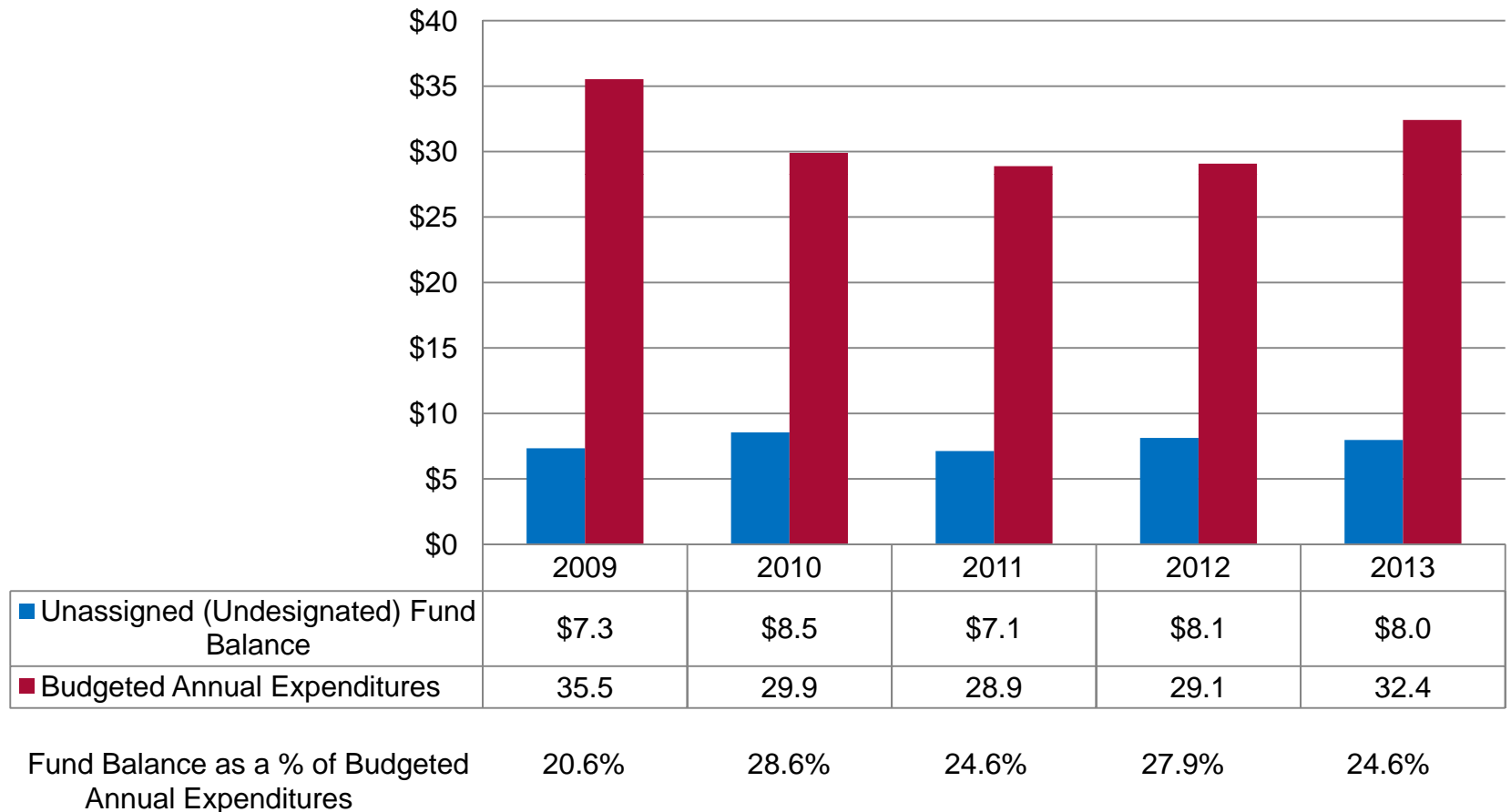
Years Ended June 30, 2009 Through 2013 (in millions)



Governmental Funds Statements

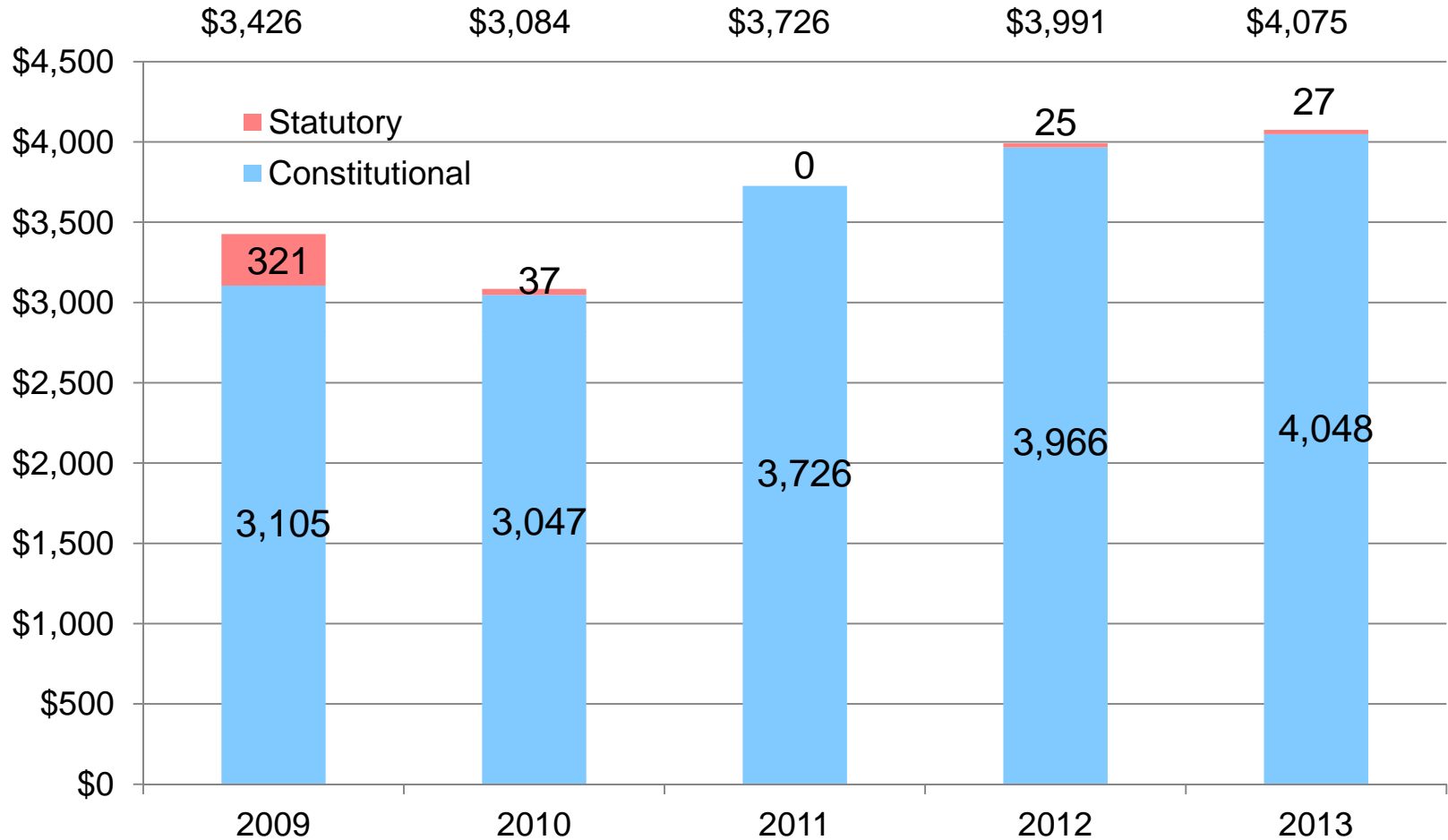
General Fund Unassigned (Undesignated) Fund Balance as a Percentage of Budgeted Annual Expenditures

Years Ended June 30, 2009 Through 2013 (in millions)



City of Novi

State Shared Revenue (in thousands)

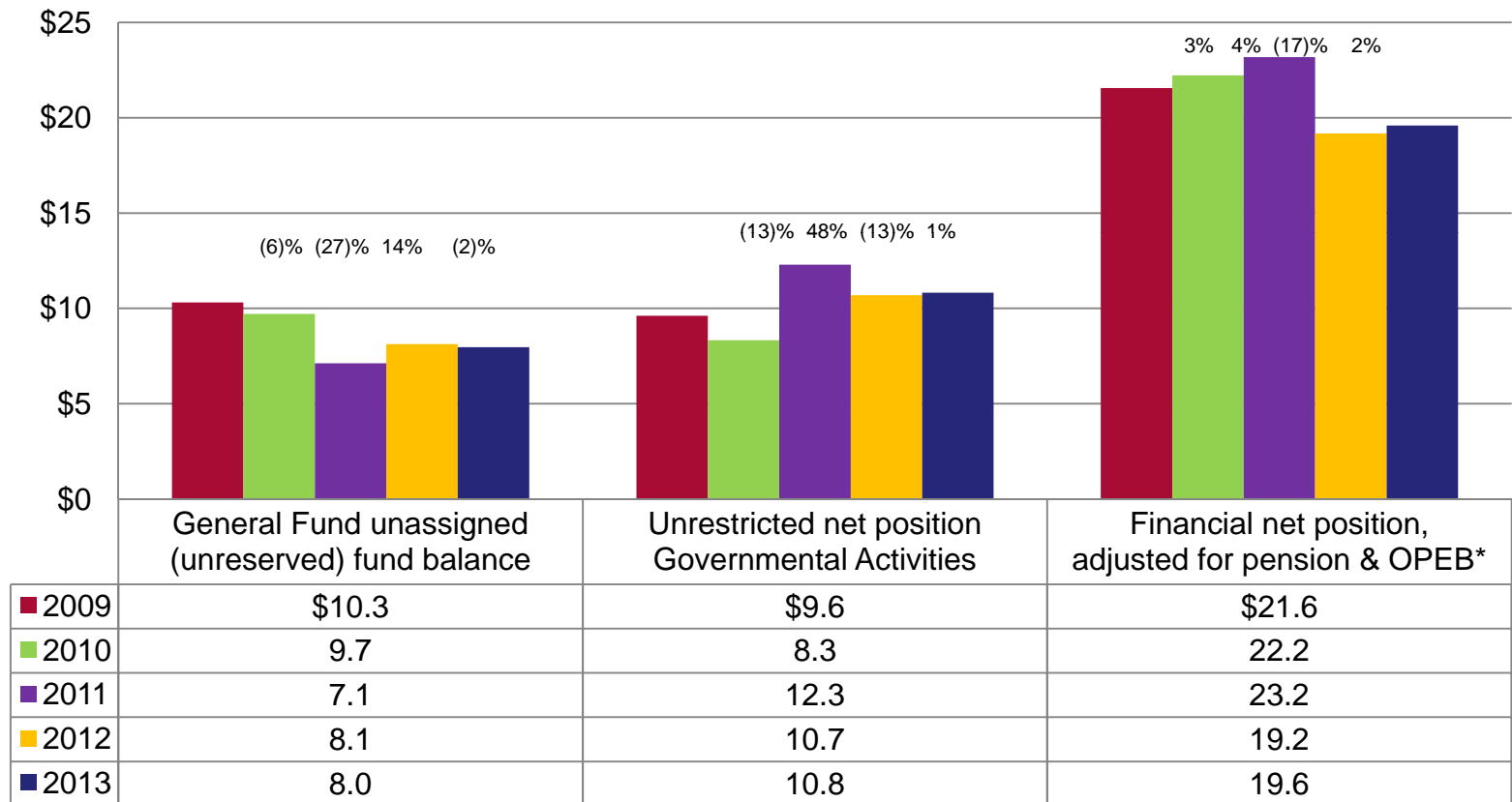


Constitutional is the only portion guaranteed. Statutory portion is now EVIP.
The new 2010 Census was effective for FY2011.

City of Novi

Fiscal Health Measures

Years Ended June 30, 2009 Through 2013 (in millions)

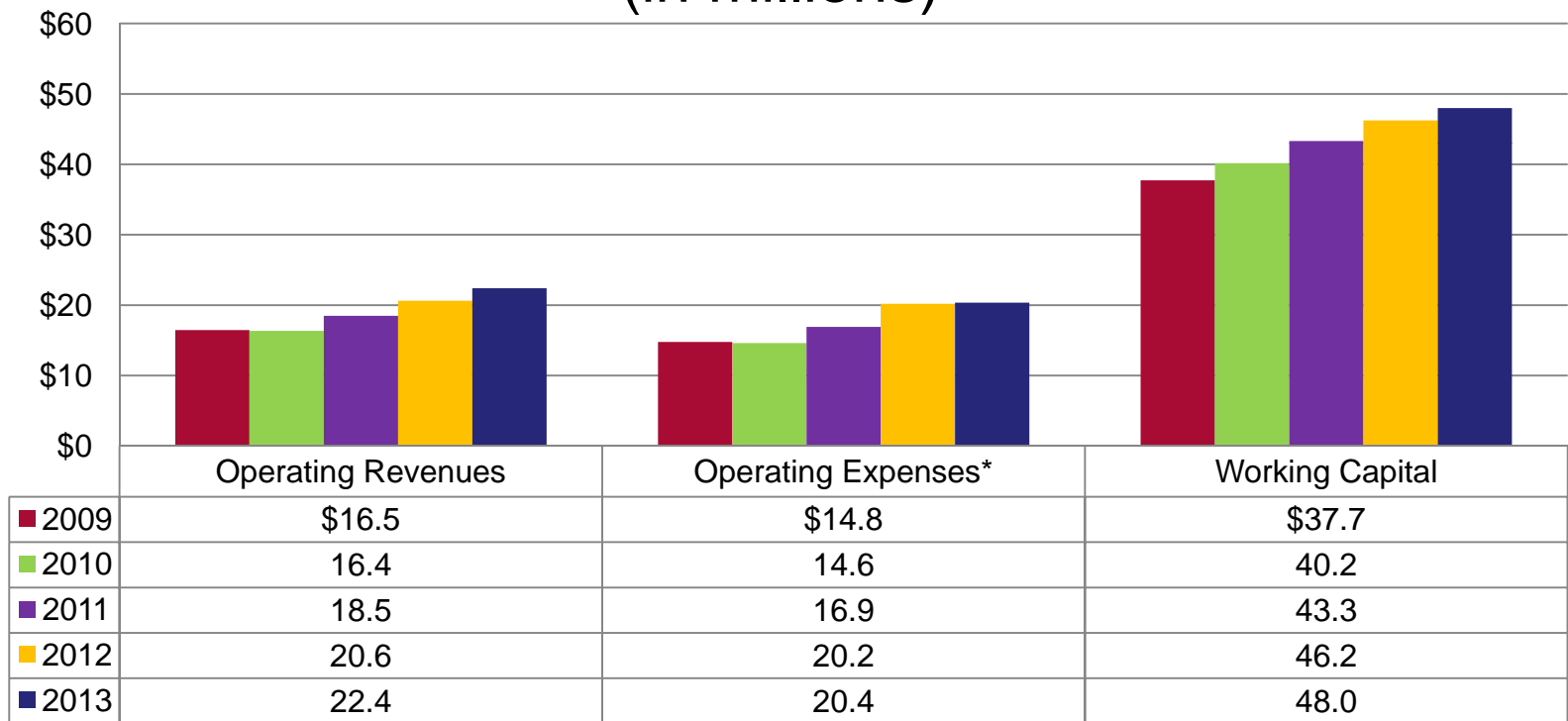


*The decrease in financial net position, adjusted for pension & OPEB, in 2012 can be attributed to a decrease in the City's capital assets and an increase in the unfunded pension amount.

Note: Percentages indicated are the percentage changes from the prior year.

City of Novi

Water and Sewer Fund Operations Years Ended June 30, 2009 Through 2013 (in millions)



*Excludes depreciation

City of Novi

Thank You!

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