

MEMORANDUM



TO: Honorable Mayor and City Council Members

FROM: Clay J. Pearson, City Manager
Kathy Smith-Roy, Finance Director/Treasurer

CC: Leadership Group

SUBJECT: Quarterly Financial Information Report

DATE: April 19, 2012

4/23/12
To: Mayor & City
Council Members
FYI

The purpose of this memorandum is to transmit certain financial information for the third quarter ended March 31, 2012. The revenue and expenditures in this report do not reflect any significant changes from our "Estimated" 2011-12 figures included in the City Manager's recommended budget. The "Estimated" amounts included in the recommended budget have taken into consideration the highlighted items below (i.e. State Shared Revenue, Community Development fees, etc.). There are no other significant items to highlight.]*

Revenue and Expenditures/Budget and Actual Third Quarter Ended March 31, 2012 Review Highlights

I. General Fund Revenue

Overall, actual revenue for the nine months ended December 31, 2011 was \$22.8 million representing 77% of budgeted revenue.

- A. *Property Tax* budget of \$14.5 million represents 49% of General Fund Revenue ✓
Budget of \$29 million.
1. *Tax Tribunals* – The City has recorded a liability for unsettled cases in all funds with property tax revenue as of the fiscal year ended June 30, 2011. At this time the reserves appear to be adequate to cover the outstanding cases, annual write-off of uncollectible personal property tax and projections for the 2011-12 fiscal year.
 2. *State Shared Revenue* – Budgeted for \$3.57 million represents 12.3% of fiscal year ended June 30, 2012 General Fund Annual Revenue. Receipts from the State Treasury are scheduled to be received in October, December, February, April, June and August (generally received the first week of the following month). The City is expected to receive an additional \$600,000 in 2011-12 as compared to the prior year as a result of the 2010 census. The State revised the 2011-12 constitutional revenue payment projections, the City's estimated state shared revenue is \$3.9 million; \$360,900 greater than the original budget.
- B. *Investment Income* – The budget of \$261,000 compares to the actual through March of approximately \$135,600. Investments are made in institutions meeting the requirements of State regulations and the City's investment policy. Please see the quarterly investment report for additional information.

- C. *Licenses, Permits and Charges for Services Revenue* – The original budget of \$2.31 million, compares to the actual through March 31, 2012 of \$2.73 million.

II. General Fund Expenditures

Overall, total actual expenditures for the nine months ended were \$21.3 million or 72.3% of the \$29.5 million expenditure budget as amended through March 31st.

- A. Several steps have been taken to align resources with workload. Savings continue from a reduction in positions as well as reductions in smaller operating line items. Future savings are anticipated through future contract awards.
- B. Other expenditures appear to be in line with the budget when cyclical items are taken into consideration. For example, the property and liability insurance was paid in entirety for the fiscal year in July. Included in the Personnel Services category are the transfers to the Retiree Health Care Fund for the entire fiscal year was made in September in the amount of \$1,498,004 (City-wide). The Personnel Services category includes the payroll ended March 30, 2012. The City's payroll is on a bi-weekly basis which for this fiscal year's schedule resulted in 3 pay periods in September 2011 and March 2012.

III. Other Funds

A. Special Revenue Funds

There are no significant items to highlight in this report. Like the General Fund those Special Revenue Funds with property tax revenue have sufficient reserves.

The Special Revenue Funds like the General Fund are reported on a modified accrual basis at year-end, and the budgeted amounts represent the amended budget as approved by City Council.

B. Debt Service Funds

There are no significant items to highlight in this report. Like the General Fund those Debt Service Funds with property tax revenue have sufficient reserves. The State Budgeting Act does not require the budget for these funds to be adopted by City Council.

C. Enterprise Funds

The Enterprise Funds are business-type funds that are reported on a full-accrual accounting basis with those adjustments being made at the end of the fiscal year only. As such, certain items like debt service and capital outlay are recorded differently than the governmental funds. The State Budgeting Act does not require the budget for these funds to be adopted by City Council.

The Water & Sewer Fund pass-through costs for sewerage treatment and water purchases lag by three months and one month, respectively from the actual usage period. Due to the delay in receipt of the vendor invoices, the City only recognizes this timing difference in the year-end report.

D. Fiduciary Fund – Retiree Health Care fund

This expendable trust fund accounts for medical benefits provided to retirees that retired after June 30, 1994. Medical benefits for individuals that retired prior to that date are recorded in the General Fund, and are reported as additional contributions in the City's annual financial report. The net investment income for the nine months ended of approximately \$616,400 is in line with the City's benchmarks. The investment activity in this fund should be viewed on a long-term basis.

E. Component Unit – Economic Development Corporation (EDC)

This fund is a component unit of the City. The annual financial statements are provided to the EDC and the City Council.

If you have any questions, or need any additional information, please do not hesitate to contact us.

CITY OF NOVI
REVENUES & EXPENDITURES
Period Ended March 31, 2012

| DESCRIPTION | AMENDED BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|---|-----------------------------|-----------------------------|---------------------|
| <i>Fund 101 - GENERAL FUND 101</i> | | | |
| <i>Revenues</i> | | | |
| Property tax revenue | \$ 14,526,000 | \$ 14,527,763 | 100.0% |
| Trailer fees | 7,900 | 5,937 | 75.1% |
| Penalty and interest | 195,000 | (312) | -0.2% |
| Licenses, permits & charges for services | 2,309,570 | 2,726,163 | 118.0% |
| Federal grants | 35,400 | 30,922 | 87.4% |
| State sources | 3,599,720 | 2,063,298 | 57.3% |
| Other revenue | 492,975 | 535,763 | 108.7% |
| Fines and forfeitures | 484,500 | 389,043 | 80.3% |
| Interest income | 261,000 | 135,624 | 52.0% |
| Transfers in | 2,380,000 | 2,380,000 | 100.0% |
| Appropriation of fund balance | 5,166,110 | | 0.0% |
| <i>Total Revenue</i> | <u>\$ 29,458,175</u> | <u>\$ 22,794,201</u> | <u>77.4%</u> |
| <i>Expenditures</i> | | | |
| <i>Dept 101.00: CITY COUNCIL</i> | | | |
| Personnel services | \$ 4,625 | \$ 2,919 | 63.1% |
| Other services and charges | 9,647 | 7,082 | 73.4% |
| | <u>\$ 14,272</u> | <u>\$ 10,001</u> | <u>70.1%</u> |
| <i>Dept 172.00: CITY MANAGER</i> | | | |
| Personnel services | \$ 380,127 | \$ 289,396 | 76.1% |
| Other services and charges | 32,424 | 12,336 | 38.0% |
| Supplies | 472 | 398 | 84.2% |
| Capital outlay | 24,000 | - | 0.0% |
| | <u>\$ 437,023</u> | <u>\$ 302,130</u> | <u>69.1%</u> |
| <i>Dept 201.00: FINANCE DEPARTMENT</i> | | | |
| Personnel services | \$ 695,561 | \$ 525,013 | 75.5% |
| Other services and charges | 72,080 | 59,640 | 82.7% |
| Capital outlay | 40,700 | 3,235 | 7.9% |
| | <u>\$ 808,341</u> | <u>\$ 587,887</u> | <u>72.7%</u> |
| <i>Dept 205.00: INFORMATION TECHNOLOGY</i> | | | |
| Personnel services | 488,461 | 338,061 | 69.2% |
| Other services and charges | 126,030 | 107,059 | 84.9% |
| Supplies | 34,100 | 32,247 | 94.6% |
| | <u>\$ 648,591</u> | <u>\$ 477,368</u> | <u>73.6%</u> |

CITY OF NOVI
REVENUES & EXPENDITURES
Period Ended March 31, 2012

| DESCRIPTION | AMENDED BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|--|---------------------|------------------------|----------------|
| <i>Dept 209.00: ASSESSING DEPARTMENT</i> | | | |
| Personnel services | \$ 461,955 | \$ 327,151 | 70.8% |
| Other services and charges | 257,455 | 219,335 | 85.2% |
| Supplies | 11,300 | 11,307 | 100.1% |
| | \$ 730,710 | \$ 557,793 | 76.3% |
| <i>Dept 210.00: CITY ATTORNEY</i> | | | |
| Other services and charges | \$ 372,000 | \$ 299,610 | 80.5% |
| <i>Dept 215.00: CLERKS OFFICE</i> | | | |
| Personnel services | \$ 455,511 | \$ 358,951 | 78.8% |
| Other services and charges | 32,050 | 19,306 | 60.2% |
| Supplies | 27,000 | 13,252 | 49.1% |
| Capital outlay | 27,380 | - | 0.0% |
| | \$ 541,941 | \$ 391,509 | 72.2% |
| <i>Dept 253.00: TREASURY</i> | | | |
| Personnel services | \$ 223,173 | \$ 170,806 | 76.5% |
| Other services and charges | 49,691 | 33,345 | 67.1% |
| Supplies | 15,550 | 12,474 | 80.2% |
| | \$ 288,414 | \$ 216,625 | 75.1% |
| <i>Dept 265.00: FACILITY OPERATIONS</i> | | | |
| Personnel services | 255,727 | 201,937 | 79.0% |
| Other services and charges | 395,690 | 284,342 | 71.9% |
| Supplies | 22,800 | 17,442 | 76.5% |
| Capital outlay | 320,000 | 44,420 | 13.9% |
| | \$ 994,217 | \$ 548,141 | 55.1% |
| <i>Dept 270.00: HUMAN RESOURCES</i> | | | |
| Personnel services | \$ 330,642 | \$ 251,553 | 76.1% |
| Other services and charges | 67,625 | 46,867 | 69.3% |
| | \$ 398,267 | \$ 298,419 | 74.9% |
| <i>Dept 295.00: NEIGHBORHOOD & BUSINESS RELATIONS GROUF</i> | | | |
| Personnel services | \$ 379,307 | \$ 270,016 | 71.2% |
| Other services and charges | 391,580 | 244,663 | 62.5% |
| Supplies | 9,800 | 7,119 | 72.6% |
| Capital outlay | 281,340 | - | 0.0% |
| | \$ 1,062,027 | \$ 521,799 | 49.1% |
| <i>Dept 299.00: GENERAL ADMINISTRATION</i> | | | |
| Personnel services | \$ 1,014,874 | \$ 843,674 | 83.1% |
| Other services and charges | 500,516 | 362,646 | 72.5% |
| Supplies | 42,490 | 23,555 | 55.4% |
| Capital outlay | 6,300 | 6,253 | 99.2% |
| | \$ 1,564,180 | \$ 1,236,127 | 79.0% |

CITY OF NOVI
REVENUES & EXPENDITURES
Period Ended March 31, 2012

| DESCRIPTION | AMENDED BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|---|----------------------|------------------------|----------------|
| <i>Dept 301.00 & 337.00: PUBLIC SAFETY</i> | | | |
| Personnel services | \$ 14,351,061 | \$ 11,039,353 | 76.9% |
| Other services and charges | 1,318,941 | 965,291 | 73.2% |
| Supplies | 301,310 | 183,979 | 61.1% |
| Capital outlay | 6,300 | 6,486 | 103.0% |
| | \$ 15,977,612 | \$ 12,195,110 | 76.3% |
| <i>Dept 371.00 & 807.00: COMMUNITY DEVELOPMENT</i> | | | |
| Personnel services | \$ 1,611,011 | \$ 1,283,066 | 79.6% |
| Other services and charges | 294,570 | 113,013 | 38.4% |
| Supplies | 48,900 | 29,665 | 60.7% |
| Capital outlay | 59,300 | 14,000 | 23.6% |
| | \$ 2,013,781 | \$ 1,439,744 | 71.5% |
| <i>Dept 442: DEPARTMENT OF PUBLIC SERVICES</i> | | | |
| Personnel services | \$ 2,942,271 | \$ 2,131,768 | 72.5% |
| Other services and charges | 845,363 | 577,248 | 68.3% |
| Supplies | 143,525 | 92,288 | 64.3% |
| Capital outlay | 1,149,810 | 342,998 | 29.8% |
| Allocated to other funds | (2,071,120) | (1,511,742) | 73.0% |
| | \$ 3,009,849 | \$ 1,632,559 | 54.2% |
| <i>Dept 800.00: PLANNING COMMISSION</i> | | | |
| Other services and charges | \$ 12,800 | \$ 475 | 3.7% |
| Supplies | 250 | 224 | 89.6% |
| | \$ 13,050 | \$ 699 | 5.4% |
| <i>Dept 940.00: TRANSFER TO OTHER FUNDS</i> | | | |
| Transfers out | \$ 583,900 | \$ 584,048 | 100.0% |
| TOTAL GENERAL FUND EXPENDITURES | \$ 29,458,175 | \$ 21,299,570 | 72.3% |

CITY OF NOVI
REVENUES & EXPENDITURES
Period Ended March 31, 2012

| DESCRIPTION | AMENDED BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|--|----------------------------|----------------------------|---------------------|
| <i>Fund 202 - MAJOR STREET FUND (excluding SAD's)</i> | | | |
| <i>Revenue</i> | | | |
| Gas and Weight Tax | \$ 2,080,400 | \$ 1,338,643 | 64.3% |
| Other income | - | 12,861 | - |
| Interest income | 2,300 | 1,294 | 56.3% |
| Appropriation of fund balance | 974,920 | | |
| <i>Total Revenue</i> | <u>\$ 3,057,620</u> | <u>\$ 1,352,798</u> | <u>44.2%</u> |
| <i>Expenditures</i> | | | |
| Transfers out | \$ 520,100 | \$ 417,173 | 80.2% |
| Construction | 1,376,620 | 532,541 | 38.7% |
| Administration | 500 | 500 | 100.0% |
| Maintenance | 1,160,400 | 537,850 | 46.4% |
| <i>Total Expenditures</i> | <u>\$ 3,057,620</u> | <u>\$ 1,488,065</u> | <u>48.7%</u> |
| <i>Fund 203 - LOCAL STREET FUND (excluding SAD's)</i> | | | |
| <i>Revenue</i> | | | |
| Gas and Weight Tax | \$ 728,300 | \$ 478,436 | 65.7% |
| Other income | - | 1,184 | - |
| Interest income | 1,900 | 1,817 | 95.6% |
| Transfers in | 1,420,100 | 1,317,173 | 92.8% |
| Appropriation of fund balance | 1,138,050 | | |
| <i>Total Revenue</i> | <u>\$ 3,288,350</u> | <u>\$ 1,798,609</u> | <u>54.7%</u> |
| <i>Expenditures</i> | | | |
| Construction | \$ 2,367,250 | \$ 1,031,387 | 43.6% |
| Maintenance | 920,600 | 625,383 | 67.9% |
| Administration | 500 | 500 | 100.0% |
| <i>Total Expenditures</i> | <u>\$ 3,288,350</u> | <u>\$ 1,657,270</u> | <u>50.4%</u> |
| <i>Fund 204 - MUNICIPAL STREET FUND (excluding SAD's)</i> | | | |
| <i>Revenue</i> | | | |
| Special assessments levied | \$ 15,370 | \$ 18,442 | 120.0% |
| Property tax revenue | 2,234,000 | 2,233,574 | 100.0% |
| Interest income | 14,880 | 12,348 | 83.0% |
| Other revenue | 93,390 | (70,971) | -76.0% |
| Appropriation of fund balance | 1,423,020 | | |
| <i>Total Revenue</i> | <u>\$ 3,780,660</u> | <u>\$ 2,193,392</u> | <u>58.0%</u> |
| <i>Expenditures</i> | | | |
| Construction | \$ 3,300,210 | \$ 1,398,858 | 42.4% |
| Maintenance | 430,000 | 308,757 | 71.8% |
| Administration | 1,700 | 1,700 | 100.0% |
| Capital outlay | 48,750 | 24,080 | 49.4% |
| <i>Total Expenditures</i> | <u>\$ 3,780,660</u> | <u>\$ 1,733,395</u> | <u>45.8%</u> |

CITY OF NOVI
REVENUES & EXPENDITURES
Period Ended March 31, 2012

| DESCRIPTION | AMENDED BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|---|----------------------------|----------------------------|----------------------|
| <i>Fund 205 - PUBLIC SAFETY FUND</i> | | | |
| <i>Revenue</i> | | | |
| Property tax revenue | \$ 4,134,000 | \$ 4,132,647 | 100.0% |
| Interest income | 38,900 | 10,651 | 27.4% |
| Appropriation to fund balance | (1,792,900) | | |
| <i>Total Revenue</i> | <u>\$ 2,380,000</u> | <u>\$ 4,143,298</u> | <u>174.1%</u> |
| <i>Expenditures</i> | | | |
| Transfers out | \$ 2,380,000 | \$ 2,380,000 | 100.0% |
| <i>Fund 208 - PARKS, RECREATION & FOREST 208</i> | | | |
| <i>Revenue</i> | | | |
| Property tax revenue | \$ 1,116,000 | \$ 1,116,063 | 100.0% |
| Federal grants | 550,806 | 21,953 | 4.0% |
| Program revenue | 977,140 | 853,782 | 87.4% |
| Older adult program revenue | 150,059 | 122,618 | 81.7% |
| Interest income | 5,000 | 6,228 | 124.6% |
| Other revenue | 5,000 | 4,724 | 94.5% |
| Transfers in | 339,000 | 289,306 | 85.3% |
| Appropriation of fund balance | 736,430 | | |
| <i>Total Revenue</i> | <u>\$ 3,879,435</u> | <u>\$ 2,414,674</u> | <u>62.2%</u> |
| <i>Expenditures</i> | | | |
| Personnel services | \$ 893,188 | \$ 622,017 | 69.6% |
| Other services and charges | 534,821 | 284,376 | 53.2% |
| Supplies | 61,680 | 13,900 | 22.5% |
| Capital outlay | 1,445,790 | 185,388 | 12.8% |
| Program expenditures | 693,841 | 485,811 | 70.0% |
| Older Adult Program expenditures | 250,115 | 135,657 | 54.2% |
| <i>Total Expenditures</i> | <u>\$ 3,879,435</u> | <u>\$ 1,727,149</u> | <u>44.5%</u> |
| <i>Fund 209 - TREE FUND</i> | | | |
| <i>Revenue</i> | | | |
| Interest income | \$ 10,200 | \$ 5,391 | 52.9% |
| Other revenue | 10,500 | 10,175 | 96.9% |
| Appropriation of fund balance | 279,300 | | |
| <i>Total Revenue</i> | <u>\$ 300,000</u> | <u>\$ 15,566</u> | <u>5.2%</u> |
| <i>Expenditures</i> | | | |
| Other services and charges | \$ 75,000 | \$ 2,850 | 3.8% |
| Capital - trees | 225,000 | 15,994 | 7.1% |
| <i>Total Expenditures</i> | <u>\$ 300,000</u> | <u>\$ 18,844</u> | <u>6.3%</u> |

CITY OF NOVI
REVENUES & EXPENDITURES
Period Ended March 31, 2012

| DESCRIPTION | AMENDED BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|---|----------------------------|----------------------------|---------------------|
| <i>Fund 210 - DRAIN FUND (excluding SAD's)</i> | | | |
| <i>Revenue</i> | | | |
| Property tax revenue | \$ 765,000 | \$ 770,257 | 100.7% |
| Federal grants | 202,500 | 23,318 | 11.5% |
| Interest income | 54,800 | 29,356 | 53.6% |
| Other income | 5,000 | 24,675 | 493.5% |
| Appropriation of fund balance | 1,034,990 | | |
| <i>Total Revenue</i> | <u>\$ 2,062,290</u> | <u>\$ 847,607</u> | <u>41.1%</u> |
| <i>Expenditures</i> | | | |
| Construction | \$ 1,227,240 | \$ 772,593 | 63.0% |
| Administration | 800 | 1,050 | 131.3% |
| Maintenance | 785,500 | 565,775 | 72.0% |
| Capital outlay | 48,750 | 24,080 | 49.4% |
| <i>Total Expenditures</i> | <u>\$ 2,062,290</u> | <u>\$ 1,363,498</u> | <u>66.1%</u> |
| <i>Dept 211 - DRAIN PERPETUAL MAINTENANCE</i> | | | |
| <i>Revenue</i> | | | |
| Tap-in fees | \$ - | \$ 36,275 | - |
| Interest income | 89,500 | 51,072 | 57.1% |
| Appropriation to fund balance | (89,500) | | |
| <i>Total Revenue</i> | <u>\$ -</u> | <u>\$ 87,347</u> | <u>-</u> |
| <i>Fund 235 - SPECIAL ASSESSMENT REVOLOVING FUND</i> | | | |
| <i>Revenue</i> | | | |
| Interest income | \$ 25,000 | \$ 7,616 | 30.5% |
| Appropriation to fund balance | 875,500 | | |
| | <u>\$ 900,500</u> | <u>\$ 7,616</u> | <u>-</u> |
| <i>Expenditures</i> | | | |
| Other services and charges | \$ 500 | \$ 410 | 82.0% |
| Transfers out | 900,000 | 900,000 | 100.0% |
| | <u>\$ 900,500</u> | <u>\$ 900,410</u> | <u>-</u> |
| <i>Fund 265 - CONTRIBUTIONS & DONATIONS FUND</i> | | | |
| <i>Revenue</i> | | | |
| Interest income | \$ 1,520 | \$ 575 | 37.8% |
| Donations | 51,000 | 8,923 | 17.5% |
| Appropriation to fund balance | (1,520) | | |
| <i>Total Revenue</i> | <u>\$ 51,000</u> | <u>\$ 9,498</u> | <u>18.6%</u> |
| <i>Expenditures</i> | | | |
| Supplies & program expenditures | \$ - | \$ 2,936 | - |
| Transfers out | 51,000 | 1,306 | 2.6% |
| <i>Total Expenditures</i> | <u>\$ 51,000</u> | <u>\$ 4,242</u> | <u>8.3%</u> |

CITY OF NOVI
REVENUES & EXPENDITURES
Period Ended March 31, 2012

| DESCRIPTION | AMENDED BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|--|---------------------|------------------------|----------------|
| <i>Fund 266 - FORFEITURE FUND</i> | | | |
| <i>Revenue</i> | | | |
| Fines and forfeitures | \$ 90,000 | \$ 168,861 | 187.6% |
| Interest income | 1,100 | 741 | 67.3% |
| Other revenue | - | 8,016 | - |
| Appropriation of fund balance | 372,370 | | |
| <i>Total Revenue</i> | \$ 463,470 | \$ 177,617 | 38.3% |
| <i>Expenditures</i> | | | |
| Other services and charges | \$ 69,420 | \$ 34,181 | 49.2% |
| Supplies | 10,000 | 3,355 | 33.6% |
| Capital outlay | 384,050 | 321,611 | 83.7% |
| <i>Total Expenditures</i> | \$ 463,470 | \$ 359,147 | 77.5% |
| <i>Fund 268 - LIBRARY FUND</i> | | | |
| <i>Revenue</i> | | | |
| Property tax revenue | \$ 2,234,000 | \$ 2,233,574 | 100.0% |
| State sources | 20,000 | 9,889 | 49.4% |
| Fines and forfeitures | 107,600 | 112,542 | 104.6% |
| Interest income | 14,000 | 18,643 | 133.2% |
| Other revenue | 35,850 | 44,245 | 123.4% |
| Donations | 2,000 | 8,229 | 411.4% |
| Appropriation of fund balance | 282,537 | | |
| <i>Total Revenue</i> | \$ 2,695,987 | \$ 2,427,121 | 90.0% |
| <i>Expenditures</i> | | | |
| Personnel services | \$ 1,764,450 | \$ 1,291,650 | 73.2% |
| Other services and charges | 415,337 | 288,501 | 69.5% |
| Supplies | 503,700 | 345,408 | 68.6% |
| Capital outlay | 12,500 | - | 0.0% |
| Transfers out | - | 10,258 | - |
| <i>Total Expenditures</i> | \$ 2,695,987 | \$ 1,935,817 | 71.8% |
| <i>Fund 269 - WALKER LIBRARY FUND</i> | | | |
| <i>Revenue</i> | | | |
| Interest income | \$ 16,300 | \$ 13,847 | 84.9% |
| Donations | - | 39,105 | - |
| Transfers in | - | 10,258 | - |
| Appropriation to fund balance | (16,300) | | |
| <i>Total Revenue</i> | \$ - | \$ 63,210 | - |
| <i>Expenditures</i> | | | |
| Other services and charges | \$ - | \$ - | - |
| Supplies | - | 9,593 | - |
| <i>Total Expenditures</i> | \$ - | \$ 9,593 | - |

CITY OF NOVI
REVENUES & EXPENDITURES
Period Ended March 31, 2012

| |
|--------------------|
| Debt Service Funds |
|--------------------|

| DESCRIPTION | BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|--|---------------------|------------------------|----------------|
| <i>Fund 310 - 2002 GENERAL OBLIGATION LIMITED TAX BONDS</i> | | | |
| Revenue - Transfers In | \$ 295,900 | \$ 296,048 | 100.0% |
| Expenditures | | | |
| Principal | \$ 275,000 | \$ 275,000 | 100.0% |
| Interest expense | 20,900 | 21,048 | 100.7% |
| Total Expenditures | \$ 295,900 | \$ 296,048 | 100.0% |
| <i>Fund 317 - 2008 LIBRARY CONSTRUCTION DEBT FUND</i> | | | |
| Revenue | | | |
| Property tax revenue | \$ 558,700 | \$ 560,530 | 100.3% |
| Interest on investments | 800 | 608 | 76.0% |
| Appropriation of fund balance | 600,000 | | |
| Total Revenue | \$ 1,159,500 | \$ 561,138 | 48.4% |
| Expenditures | | | |
| Principal | \$ 500,000 | \$ 500,000 | 100.0% |
| Interest expense | 659,500 | 659,410 | 100.0% |
| Total Expenditures | \$ 1,159,500 | \$ 1,159,410 | 100.0% |
| <i>Fund 395 - 2010 REFUNDING DEBT FUND</i> | | | |
| Revenue | | | |
| Property tax revenue | \$ 1,112,520 | \$ 1,142,927 | 102.7% |
| Interest on investments | 800 | 84 | 10.5% |
| Appropriation to fund balance | (25,000) | | |
| Total Revenue | \$ 1,088,320 | \$ 1,143,011 | 105.0% |
| Expenditures | | | |
| Principal | \$ 935,000 | \$ 935,000 | 100.0% |
| Interest expense | 153,320 | 153,048 | 99.8% |
| Total Expenditures | \$ 1,088,320 | \$ 1,088,048 | 100.0% |

CITY OF NOVI
REVENUES & EXPENDITURES
Period Ended March 31, 2012

Debt Service Funds (continued)

| DESCRIPTION | BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|---|---------------------|------------------------|----------------|
| <i>Fund 396 - 2003 REFUNDING DEBT</i> | | | |
| Revenue | | | |
| Property tax revenue | \$ 1,001,250 | \$ 1,030,660 | 102.9% |
| Interest on investments | 200 | 112 | 55.9% |
| Appropriation of fund balance | 50,000 | | |
| Total Revenue | \$ 1,051,450 | \$ 1,030,772 | 98.0% |
| Expenditures | | | |
| Principal | \$ 1,000,000 | \$ 1,000,000 | 100.0% |
| Interest expense | 51,450 | 51,248 | 99.6% |
| Total Expenditures | \$ 1,051,450 | \$ 1,051,248 | 100.0% |
| <i>Fund 397 - 2002 STREET & REFUNDING DEBT</i> | | | |
| Revenue | | | |
| Property tax revenue | \$ 2,831,940 | \$ 2,755,232 | 97.3% |
| Interest on investments | 1,000 | 2,842 | 284.2% |
| Appropriation of fund balance | 200,000 | | |
| Total Revenue | \$ 3,032,940 | \$ 2,758,074 | 90.9% |
| Expenditures | | | |
| Principal | \$ 2,745,000 | \$ 2,745,000 | 100.0% |
| Interest expense | 287,940 | 287,723 | 99.9% |
| Total Expenditures | \$ 3,032,940 | \$ 3,032,723 | 100.0% |

Enterprise Funds

CITY OF NOVI

INTERIM STATEMENT OF CHANGES IN NET ASSETS

For the nine months ended March 31, 2012

| DESCRIPTION | BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|---|-----------------------|------------------------|----------------|
| <i>Fund 592 - WATER AND SEWER FUND (excluding SAD's)</i> | | | |
| Operating Revenue | | | |
| Sewer service charges | \$ 8,819,000 | \$ 7,320,529 | 83.0% |
| Water sales | 9,596,000 | 7,942,204 | 82.8% |
| Water installations | 130,000 | 231,787 | 178.3% |
| IWC Charges | 404,760 | 345,355 | 85.3% |
| Sewer inspection fees | 10,000 | 16,020 | 160.2% |
| Penalty and interest | 160,000 | 134,007 | 83.8% |
| Other revenue | 25,500 | 7,482 | 29.3% |
| Total operating revenue | \$ 19,145,260 | \$ 15,997,384 | 83.6% |
| Operating Expenses | | | |
| Personnel services | 1,026,040 | 704,898 | 68.7% |
| Other services and charges | 17,048,305 | 11,537,517 | 68.4% |
| Depreciation | 3,600,000 | 2,583,685 | 71.8% |
| Supplies | 53,500 | 49,269 | 92.1% |
| Total operating expenses | \$ 21,727,845 | \$ 14,875,369 | 68.5% |
| Income (Loss) - before non-operating and capital contributions | \$ (2,582,585) | \$ 1,122,015 | -43.4% |
| Nonoperating - Interest Income | \$ 280,500 | \$ 256,181 | 91.3% |
| Capital contributions | \$ 1,230,000 | \$ 887,969 | 72.2% |
| Change in Net Assets | \$ (1,072,085) | \$ 2,266,165 | -211.4% |

Enterprise Funds (continued)

CITY OF NOVI

INTERIM STATEMENT OF CHANGES IN NET ASSETS

For the nine months ended March 31, 2012

| DESCRIPTION | BUDGET | FISCAL YEAR-TO-DATE | % OF BUDGET |
|--|---------------------|------------------------|----------------|
| <i>Fund 590 - ICE ARENA FUND</i> | | | |
| Operating Revenue | | | |
| Program revenue | \$ 1,931,280 | \$ 1,599,898 | 82.8% |
| Cell tower revenue | 65,960 | - | 0.0% |
| Other revenue | 1,500 | - | 0.0% |
| Pro Shop lease | 18,000 | 13,500 | 75.0% |
| Total operating revenue | \$ 2,016,740 | \$ 1,613,398 | 80.0% |
| Operating Expenses | | | |
| Other services and charges | \$ 999,822 | \$ 761,450 | 75.6% |
| Program expenditures | 171,979 | 116,059 | 67.5% |
| Depreciation | 259,330 | 190,919 | 73.6% |
| Supplies | 29,300 | 13,473 | 46.0% |
| Total operating expenses | \$ 1,460,431 | \$ 1,081,901 | 74.1% |
| Nonoperating Income (Expense) | | | |
| Interest income | \$ 14,700 | \$ 4,360 | 29.7% |
| Interest expense | (276,940) | (215,144) | 77.7% |
| | \$ (262,240) | \$ (210,783) | 80.4% |
| Change in Net Assets | \$ 294,069 | \$ 320,713 | 109.1% |
| <i>Fund 594 - SENIOR HOUSING FUND</i> | | | |
| Operating Revenue | | | |
| Rental income | \$ 1,866,495 | \$ 1,439,818 | 77.1% |
| Other revenue | 19,120 | 15,956 | 83.5% |
| Total operating revenue | \$ 1,885,615 | \$ 1,455,774 | 77.2% |
| Operating Expenses | | | |
| Other services and charges | \$ 638,962 | \$ 436,593 | 70.9% |
| Depreciation | 362,910 | 273,371 | 75.3% |
| Supplies | 27,100 | 12,476 | 46.0% |
| Total operating expenses | \$ 1,028,972 | \$ 722,440 | 70.2% |
| Nonoperating Income (Expense) | | | |
| Interest income | \$ 10,000 | \$ 2,311 | 23.1% |
| Interest expense | (534,890) | (419,412) | 78.4% |
| | (524,890) | (417,101) | 79.5% |
| Change in Net Assets | \$ 331,753 | \$ 316,233 | 95.3% |

| |
|-----------------------|
| Fiduciary Fund |
|-----------------------|

CITY OF NOVI
STATEMENT OF ADDITIONS AND DEDUCTIONS
For the nine months ended March 31, 2012

Fund 710 - RETIREE HEALTH CARE FUND

Additions

| | |
|------------------------|------------------|
| Contributions employer | \$ 1,498,004 |
| Net investment income | <u>618,379</u> |
| Total Additions | 2,116,383 |

Deductions - Healthcare insurance premiums & actuary services (421,319)

Change in Net Assets \$ 1,695,064

| |
|-----------------------|
| Component Unit |
|-----------------------|

CITY OF NOVI
For the nine months ended March 31, 2012

Fund 566 - ECONOMIC DEVELOPMENT CORPORATION

Revenue - Interest income \$ 39

Expenditures

| | |
|----------------------------|-------------------------|
| Personnel services | \$ 7,968 |
| Other services and charges | <u>5,886</u> |
| | <u><u>\$ 13,854</u></u> |