
City of Novi

Audit Presentation

For the Year Ended June 30, 2012

Randy Morse, Partner

December 3, 2012



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 During the Audit
 - Unqualified Opinion
 - No Single Audit Findings or Questioned Costs
 - No Internal Control Deficiencies
 - Excellent Results

2012 Summary

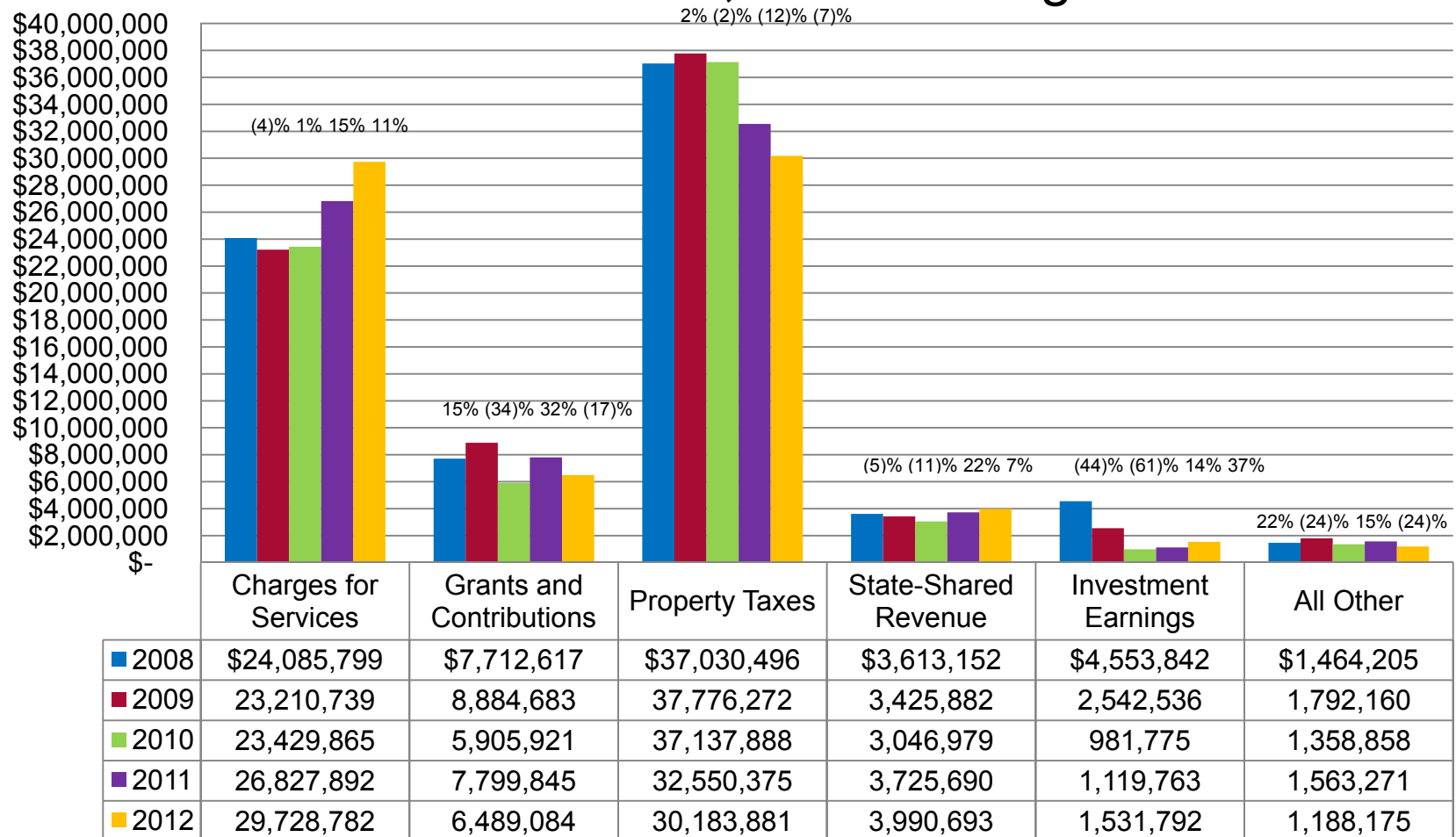
- Standard & Poor's bond rating of AA+
- Top performing community fostering entrepreneurial growth and economic development in iLabs study
- Four-star community for eCities 2011
- Revenue sharing distribution increased 7%
- Increase in government-wide net assets of \$2.3 million to \$333.7 million
- Decrease in bonds payable of \$7.9 million to \$48 million

2012 Summary (continued)

- Government wide revenue decreased \$474,000
- Government wide expenses increased \$2.8 million
- Government wide net assets at June 30, 2012 of \$333.7 million
- Decrease in General Fund total fund balance of \$1.9 million due primarily to budgeted decrease in transfers from other funds
- General Fund revenue, including transfers in, decreased \$3.4 million
- General Fund expenditures, including transfers out, increased slightly by \$119,000

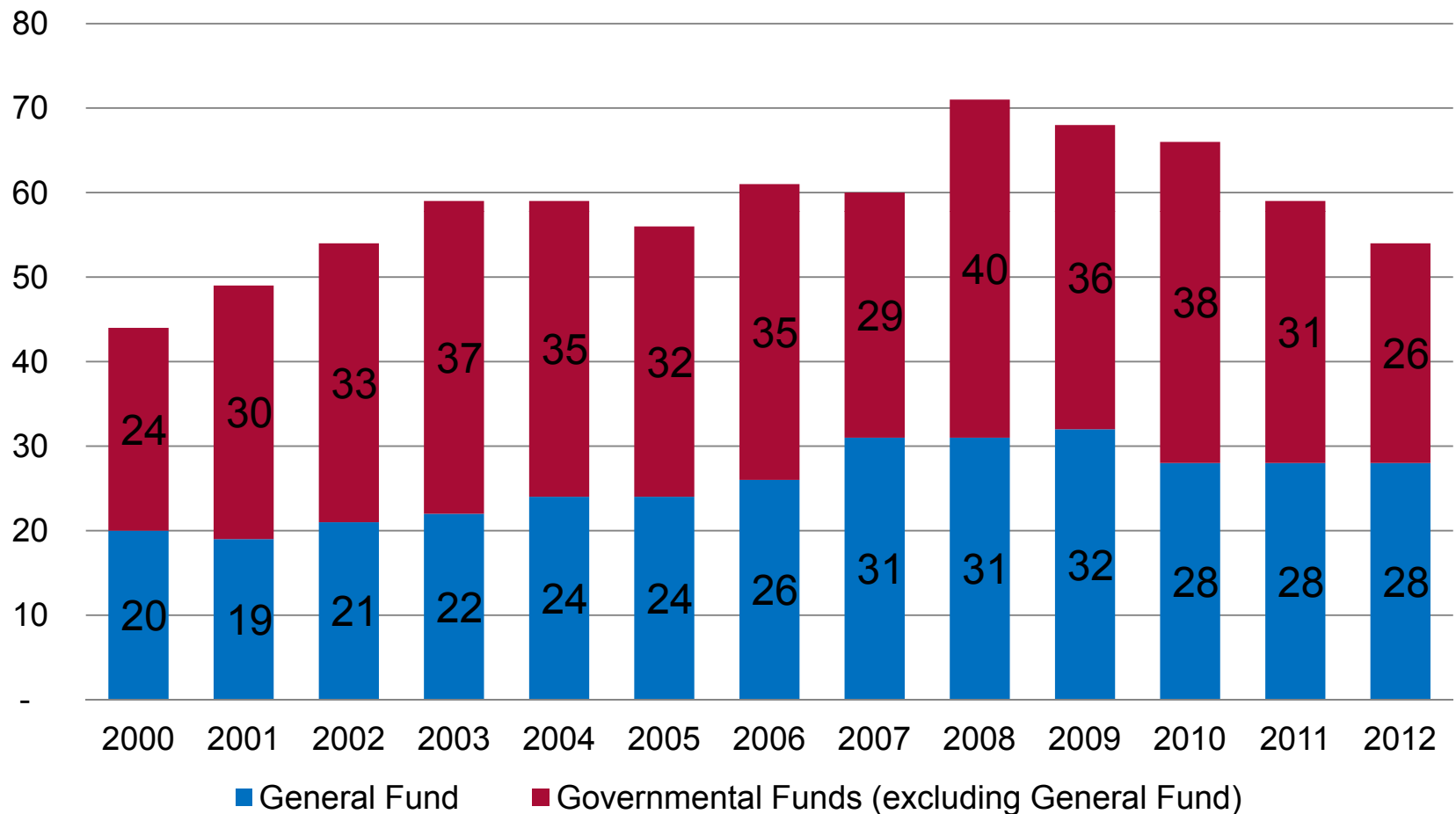
City of Novi

Government Wide Revenue Trends Years Ended June 30, 2008 Through 2012



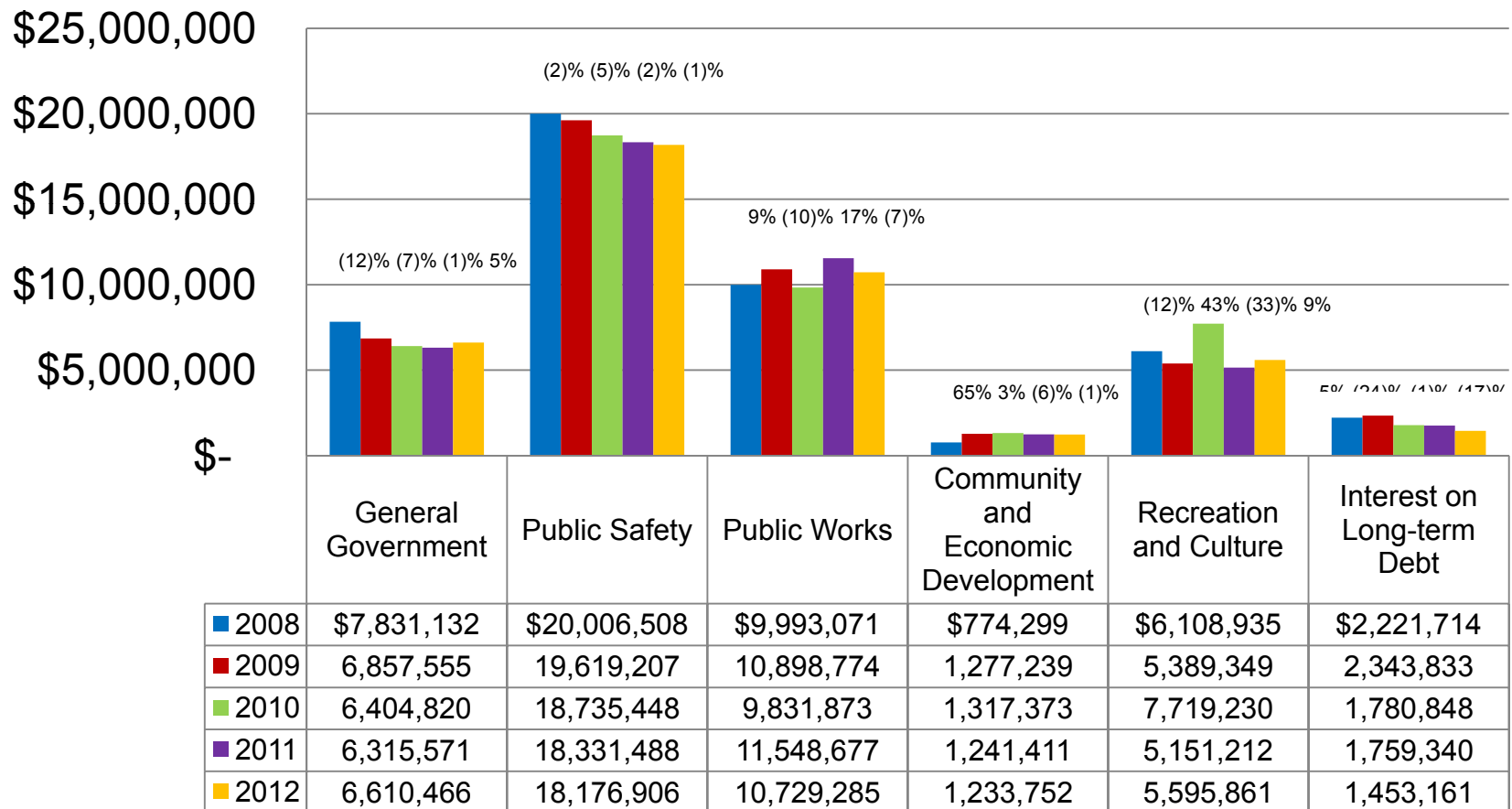
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Governmental Funds Expenditures (including transfers out, in millions)



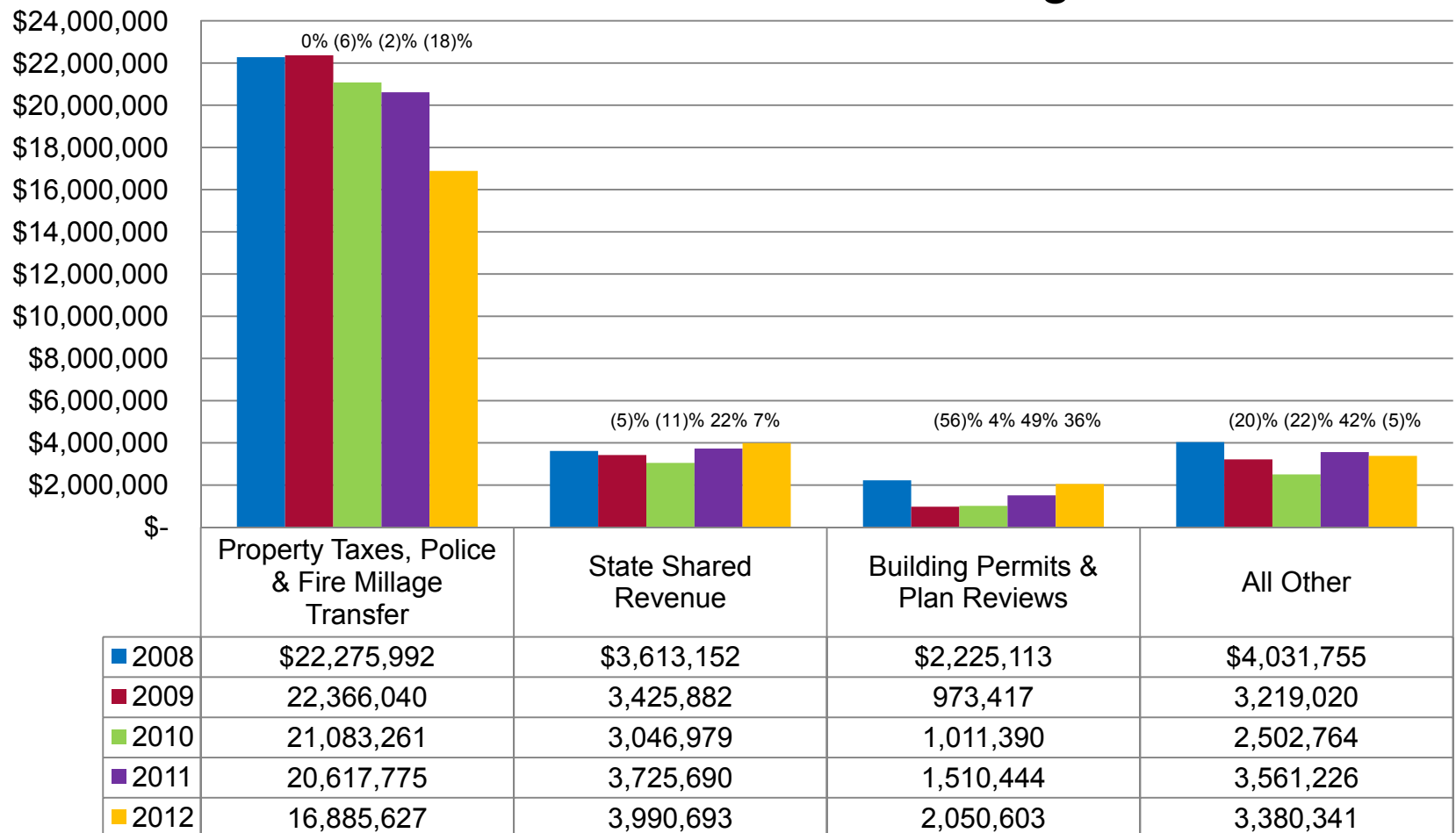
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Governmental Activities Expense Trends Years Ended June 30, 2008 Through 2012

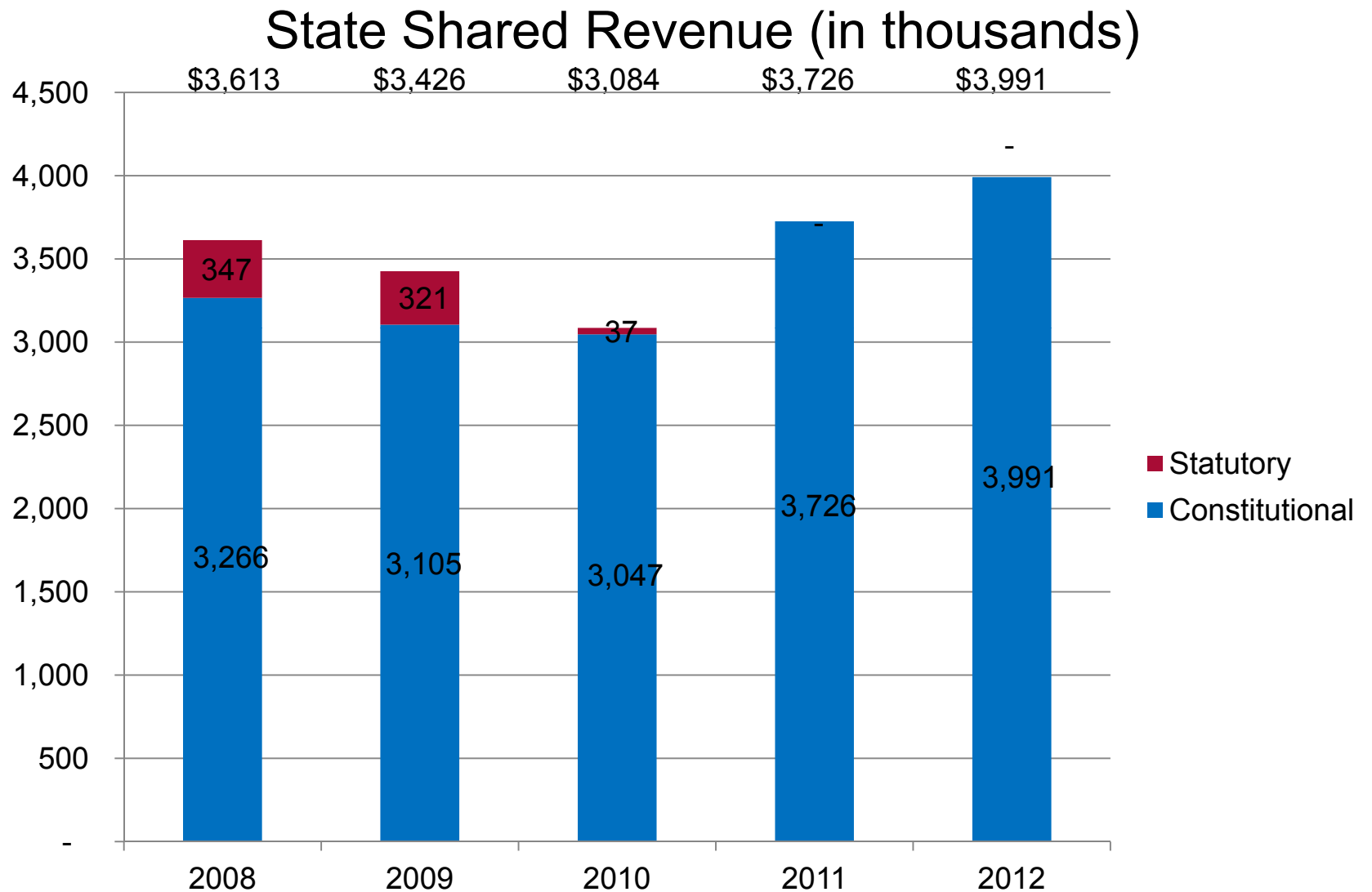


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General Fund Revenue Trends Years Ended June 30, 2008 Through 2012



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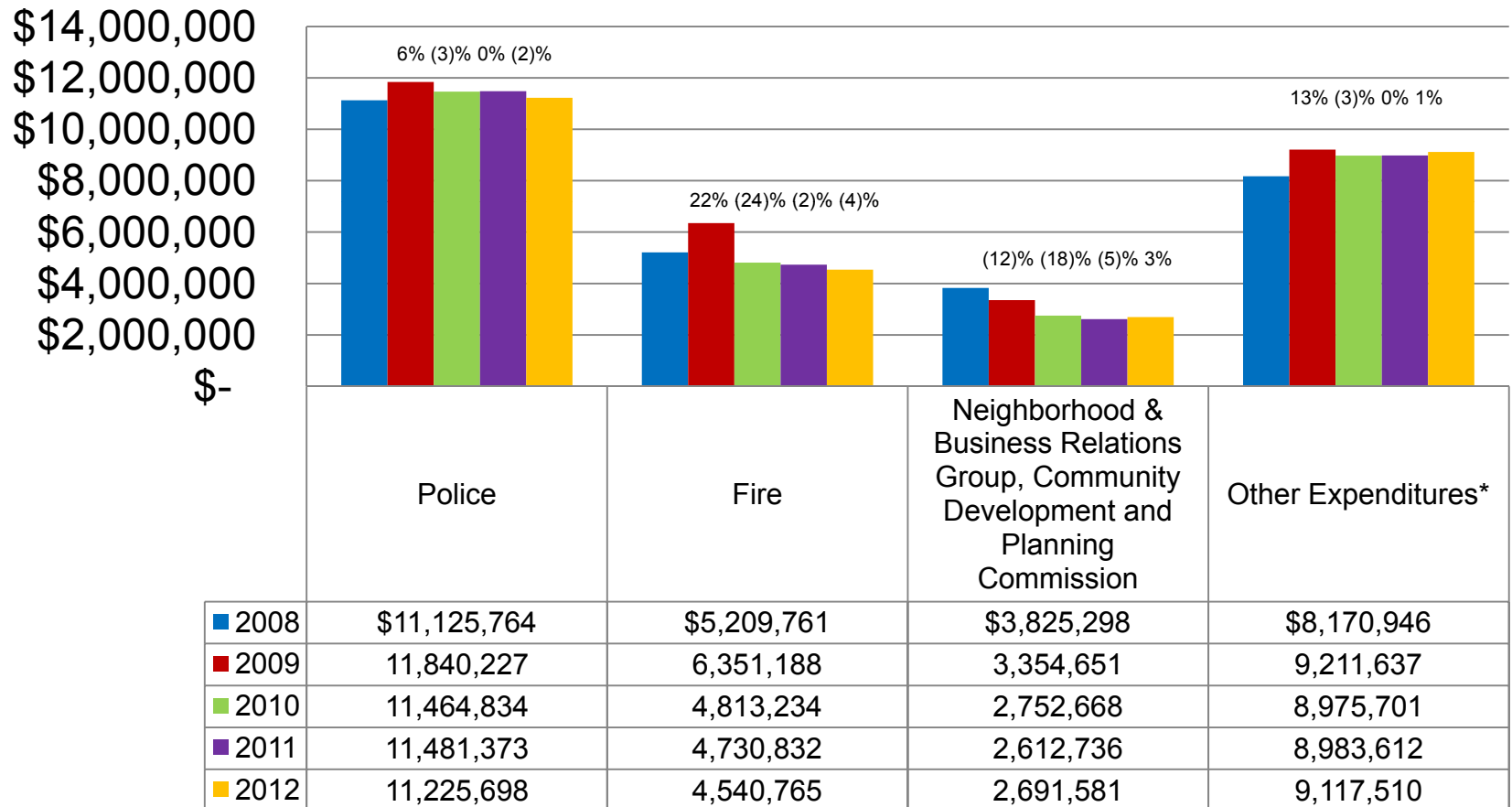


Constitutional is the only portion guaranteed.

City of Novi

General Fund Expenditure Trends

Years Ended June 30, 2008 Through 2012



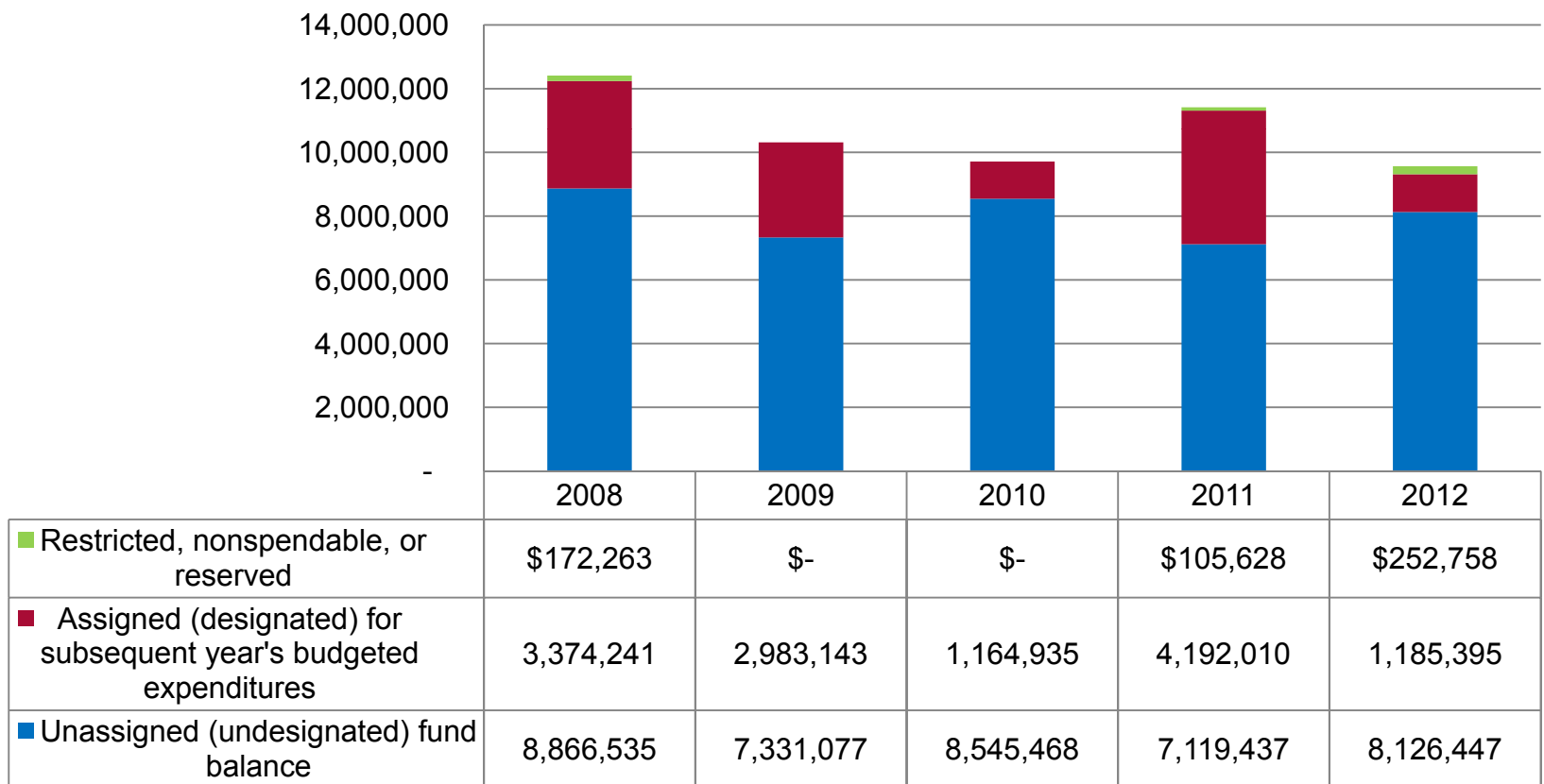
* Excludes operating transfers

2009 Includes Fire Station #2 building improvements and equipment purchases



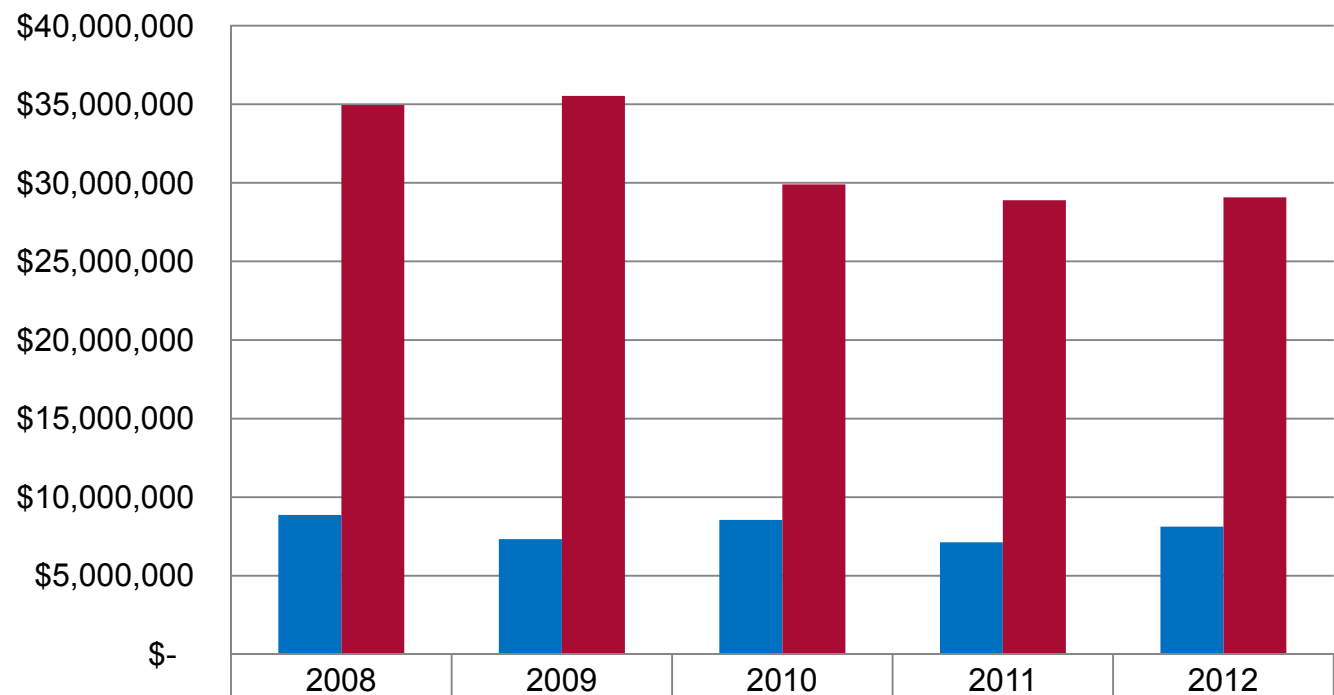
City of Novi

General Fund – Fund Balance Years Ended June 30, 2008 Through 2012



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General Fund Unassigned (Undesignated) Fund Balance as a Percentage of Budgeted Annual Expenditures Years Ended June 30, 2008 Through 2012

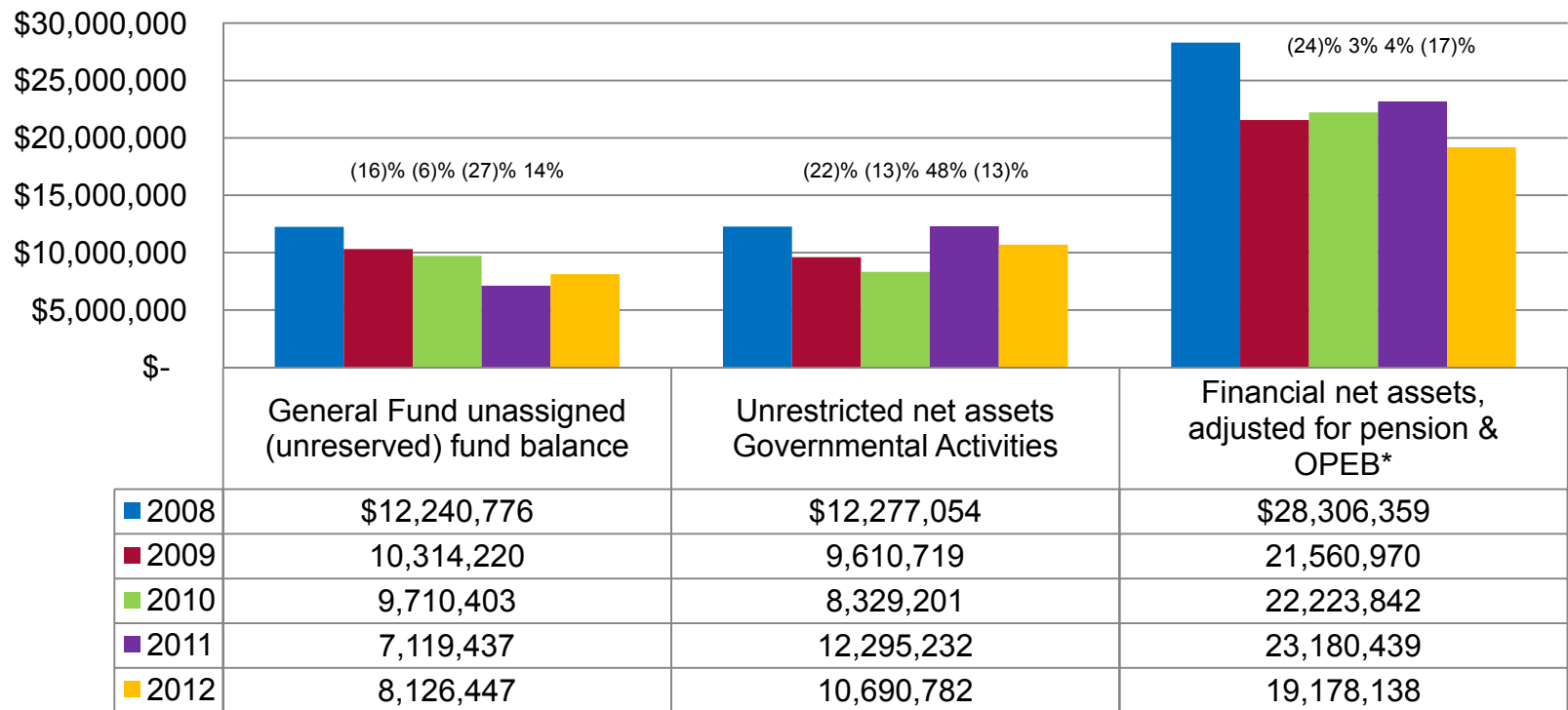


■ Unassigned (Undesignated) Fund Balance	\$8,866,535	\$7,331,077	\$8,545,468	\$7,119,437	\$8,126,447
■ Budgeted Annual Expenditures	34,956,422	35,528,979	29,906,293	28,891,920	29,077,725
Fund Balance as a % of Budgeted Annual Expenditures	25.4%	20.6%	28.6%	24.6%	27.9%



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Fiscal Health Measures Years Ended June 30, 2008 Through 2012

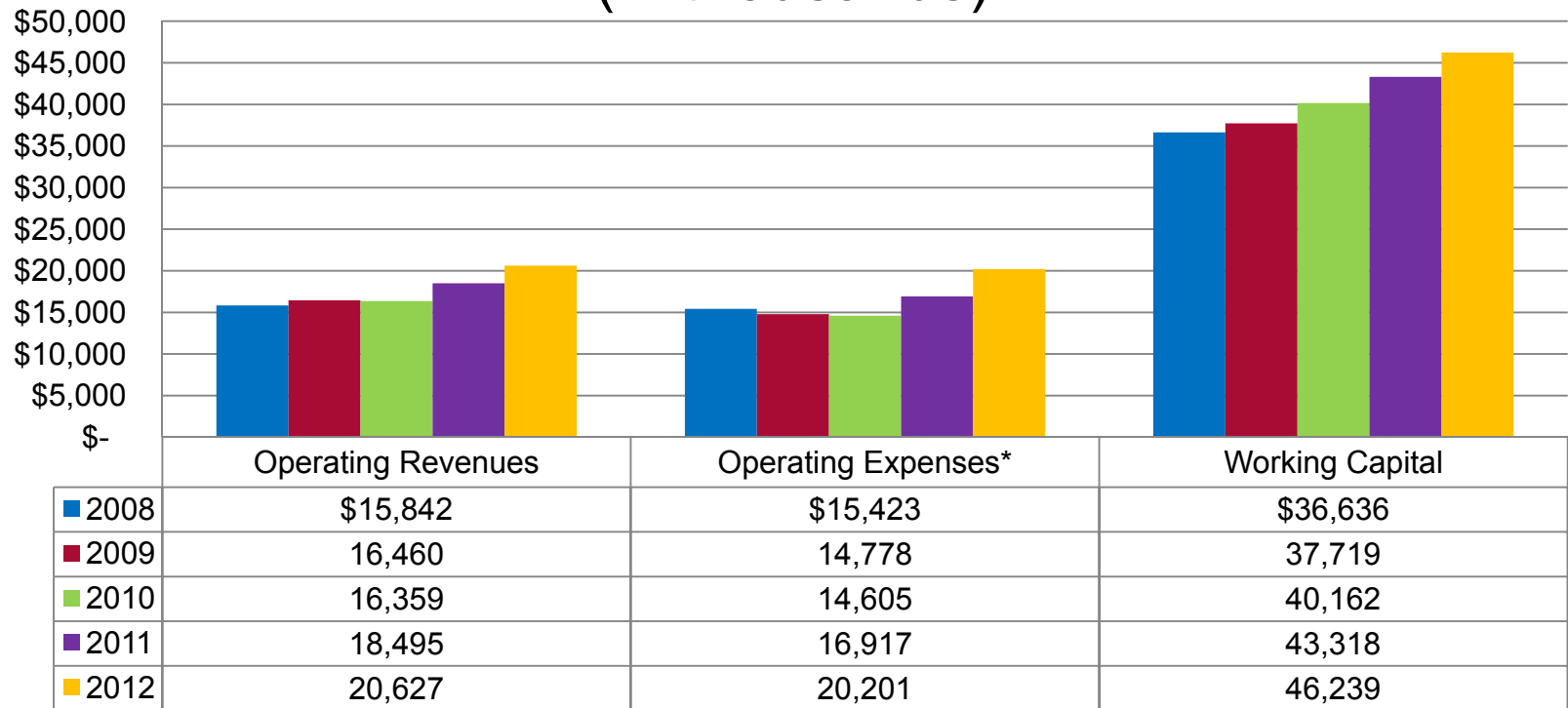


*The decrease in financial net assets, adjusted for pension & OPEB, in 2009 can be attributed to the spending of Library bond proceeds. The decrease in 2012 can be attributed to an increase in the City's capital assets and an increase in the unfunded pension amount.



City of Novi

Water and Sewer Fund Operations Years Ended June 30, 2008 Through 2012 (in thousands)



*Excludes depreciation

City of Novi

Thank You!

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