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# City of Novi

*Audit Presentation*

*For the Year Ended June 30, 2013*

**Randy Morse, Partner**

**December 2, 2013**



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**Andrews Hooper Pavlik PLC**

# City of Novi – Results of the Audit

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- 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

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- GFOA Certificate of Excellence in Financial Reporting for June 30, 2012 – the 15<sup>th</sup> 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

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- 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

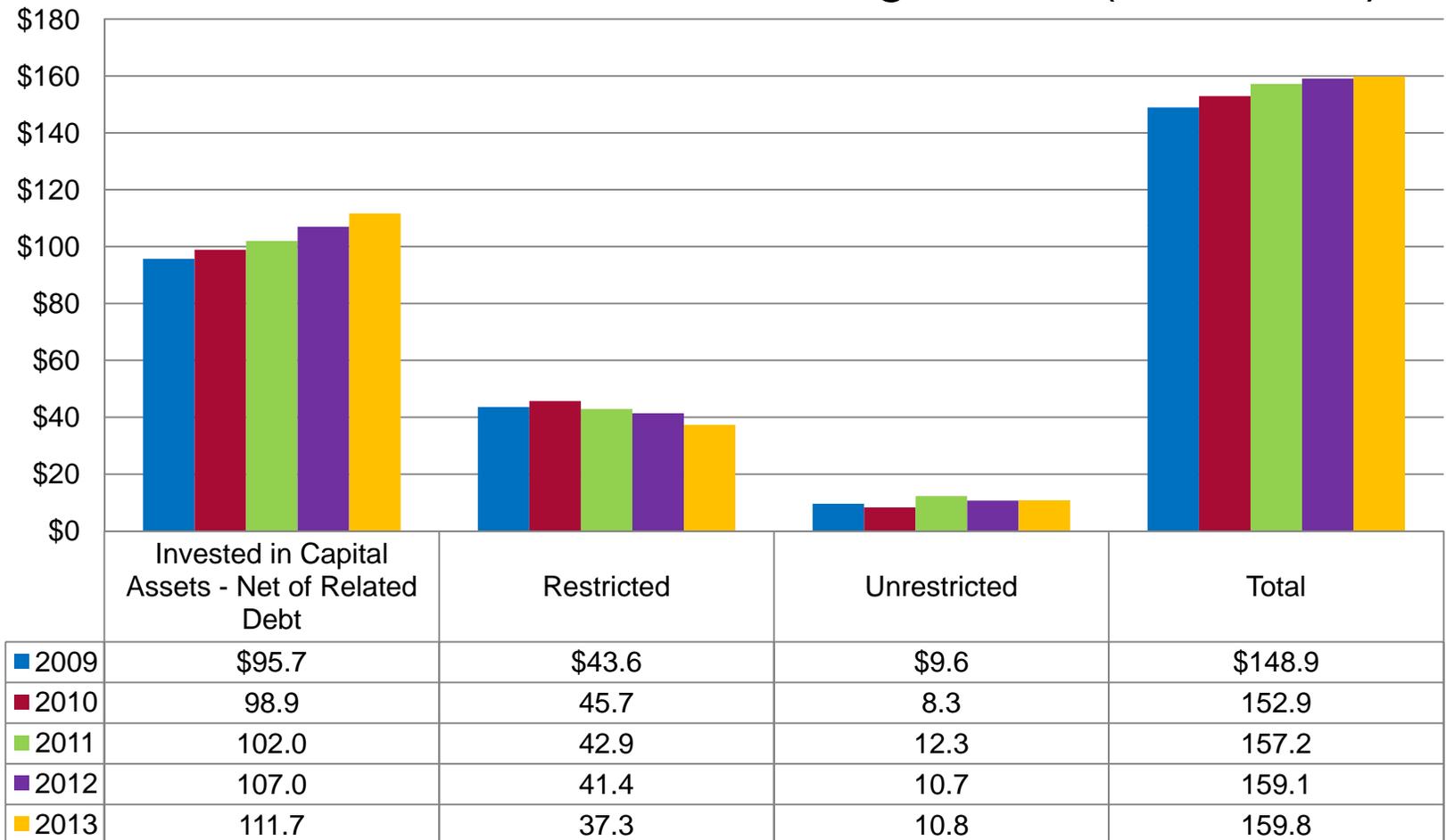
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- Total assets of \$11.1 million
- Total liabilities of \$2.3 million
- Total fund balance of \$8.8 million – a decrease of \$753 thousand
- Revenues of \$24 million – up \$104 thousand
- Expenditures of \$29.1 million – up \$1.5 million
- Other financing 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

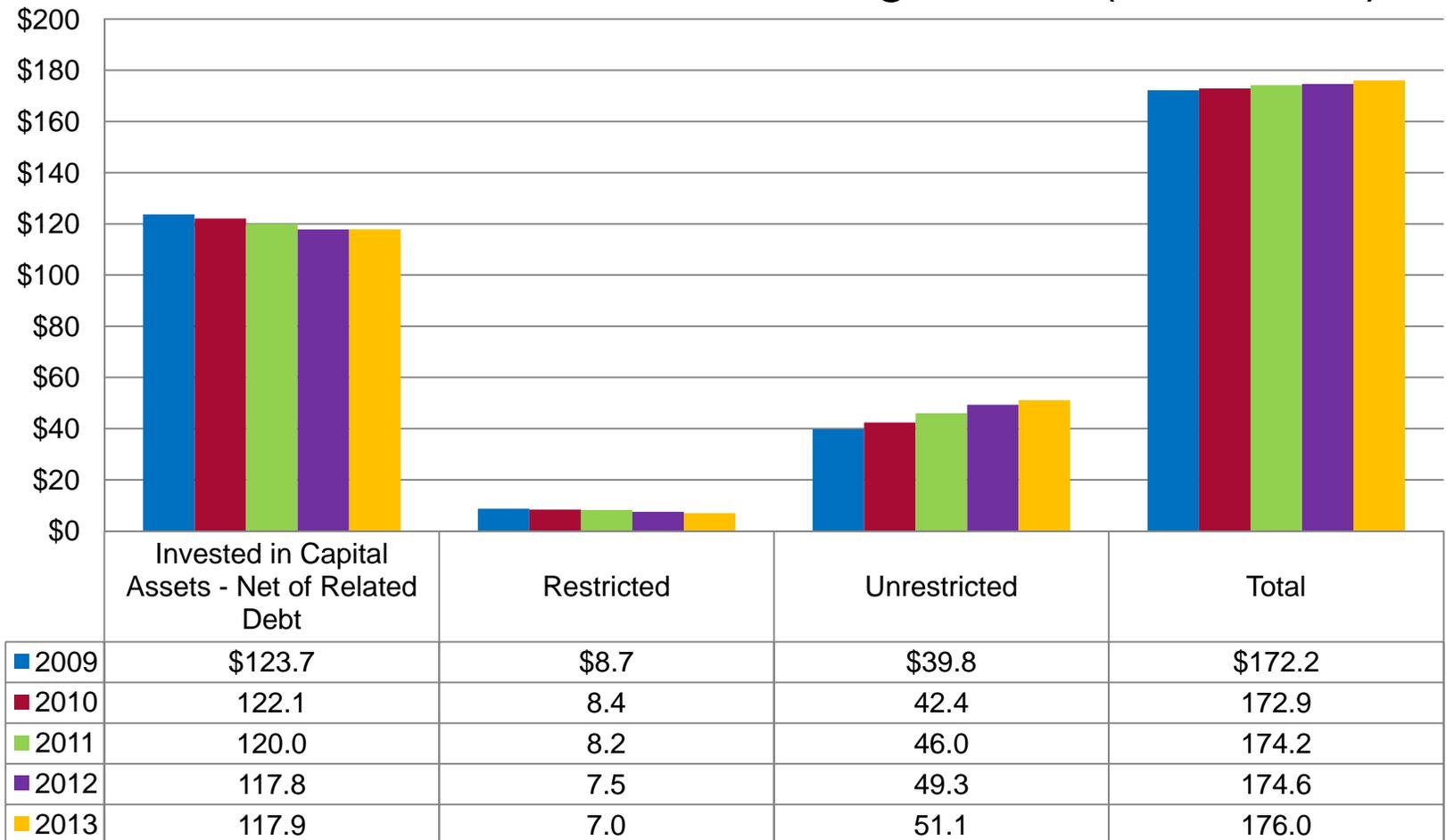
Years Ended June 30, 2009 Through 2013 (in millions)



# Government-Wide Statements

## Business-Type Activities Net Position

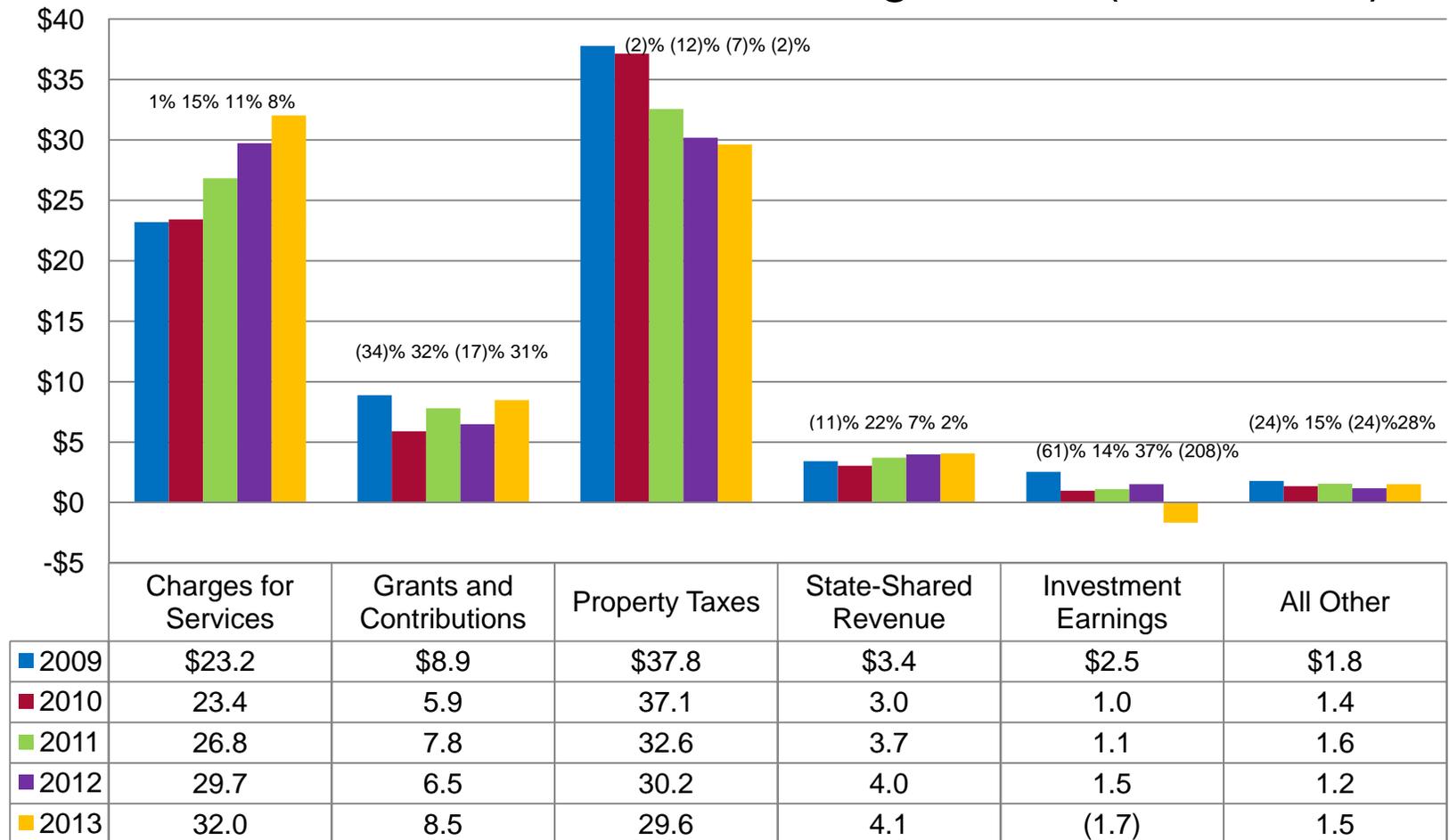
Years Ended June 30, 2009 Through 2013 (in millions)



# Government-Wide Statements

## Revenue Trends

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



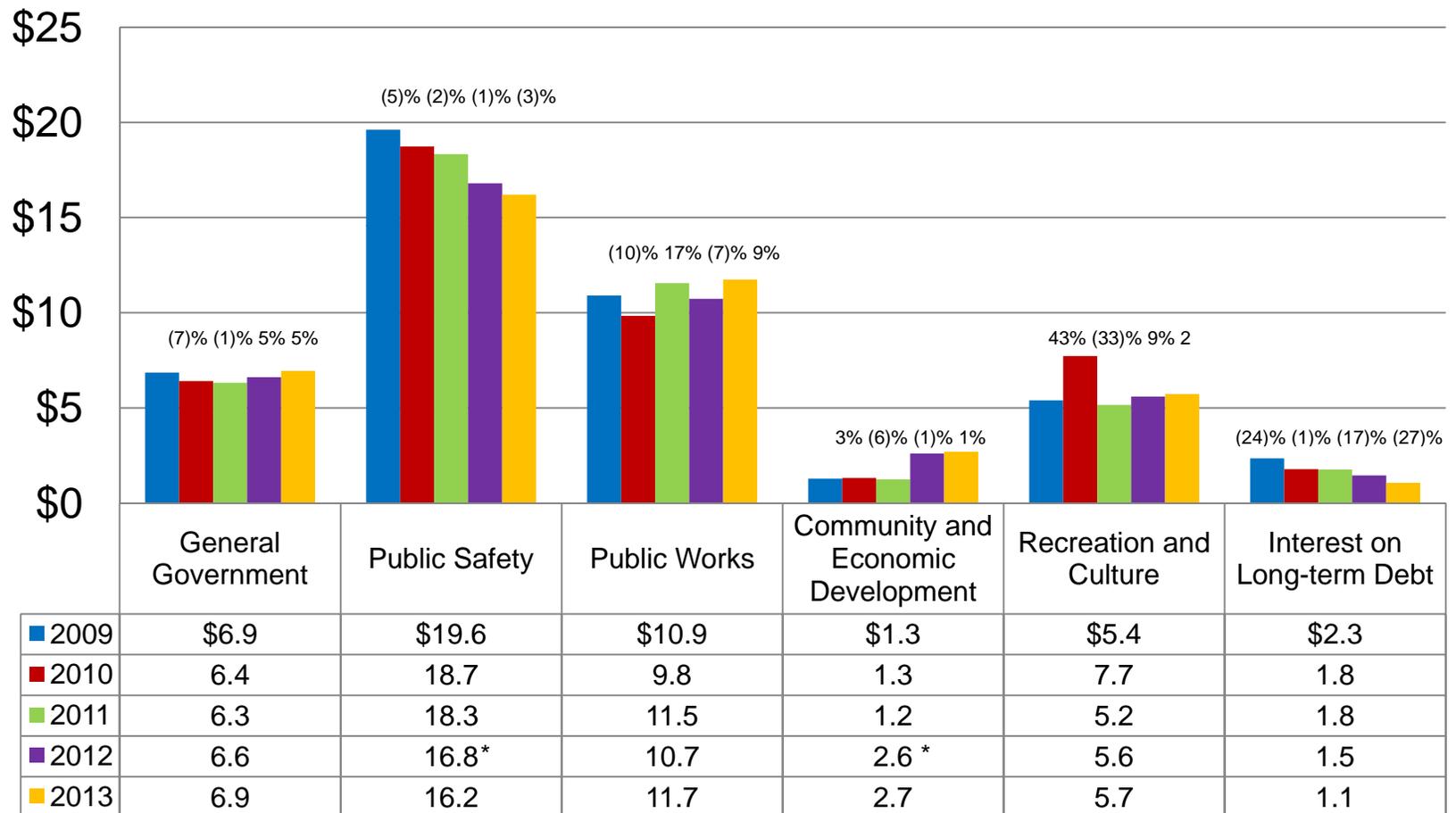
Note: Percentages indicated are the percentage changes from the prior year.



# Government-Wide Statements

## Governmental Activities Expense Trends

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



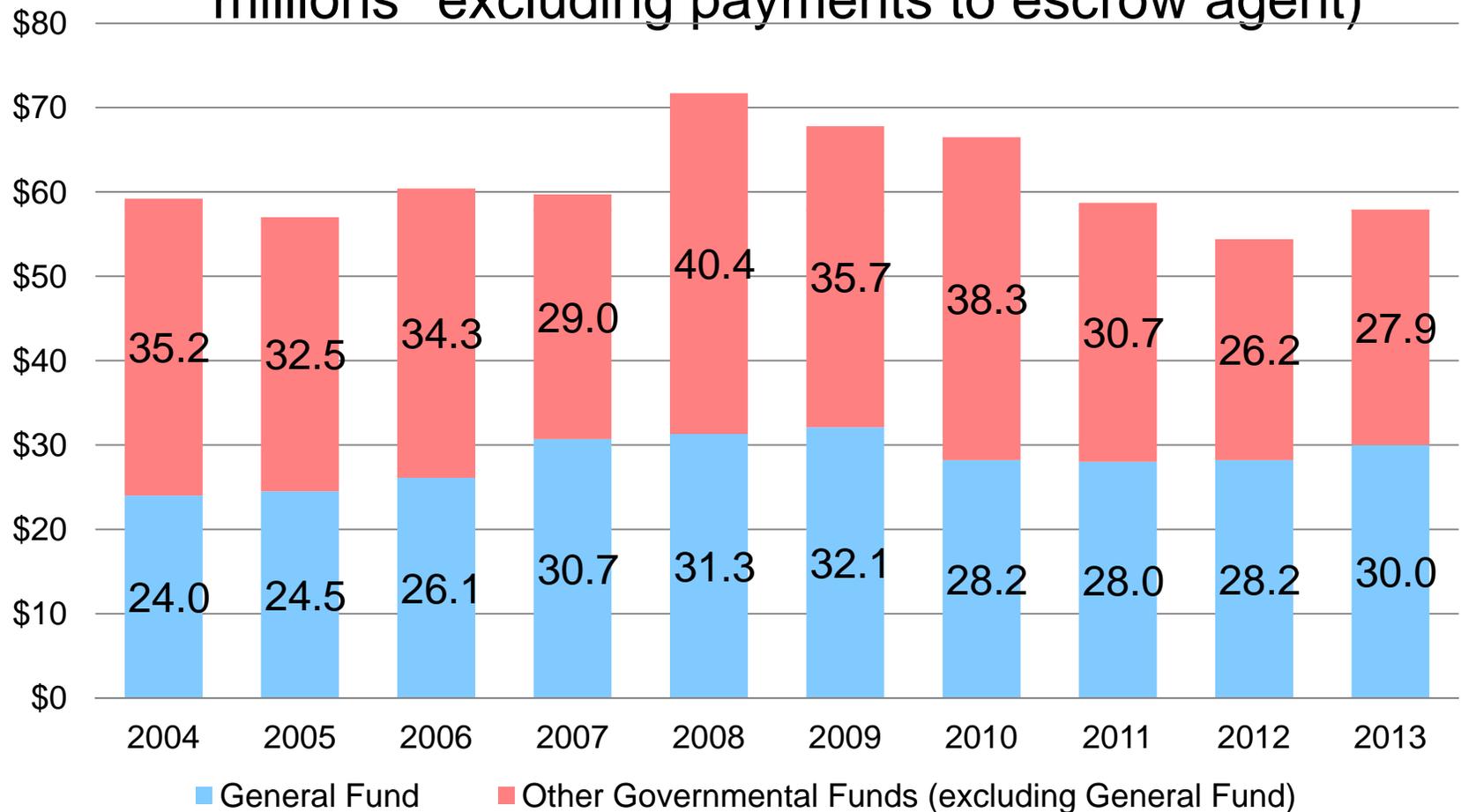
\*Due to a reclassification of the building department expenses from Public Safety to Community and Economic Development ; 2009-2011 as originally reported.

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)

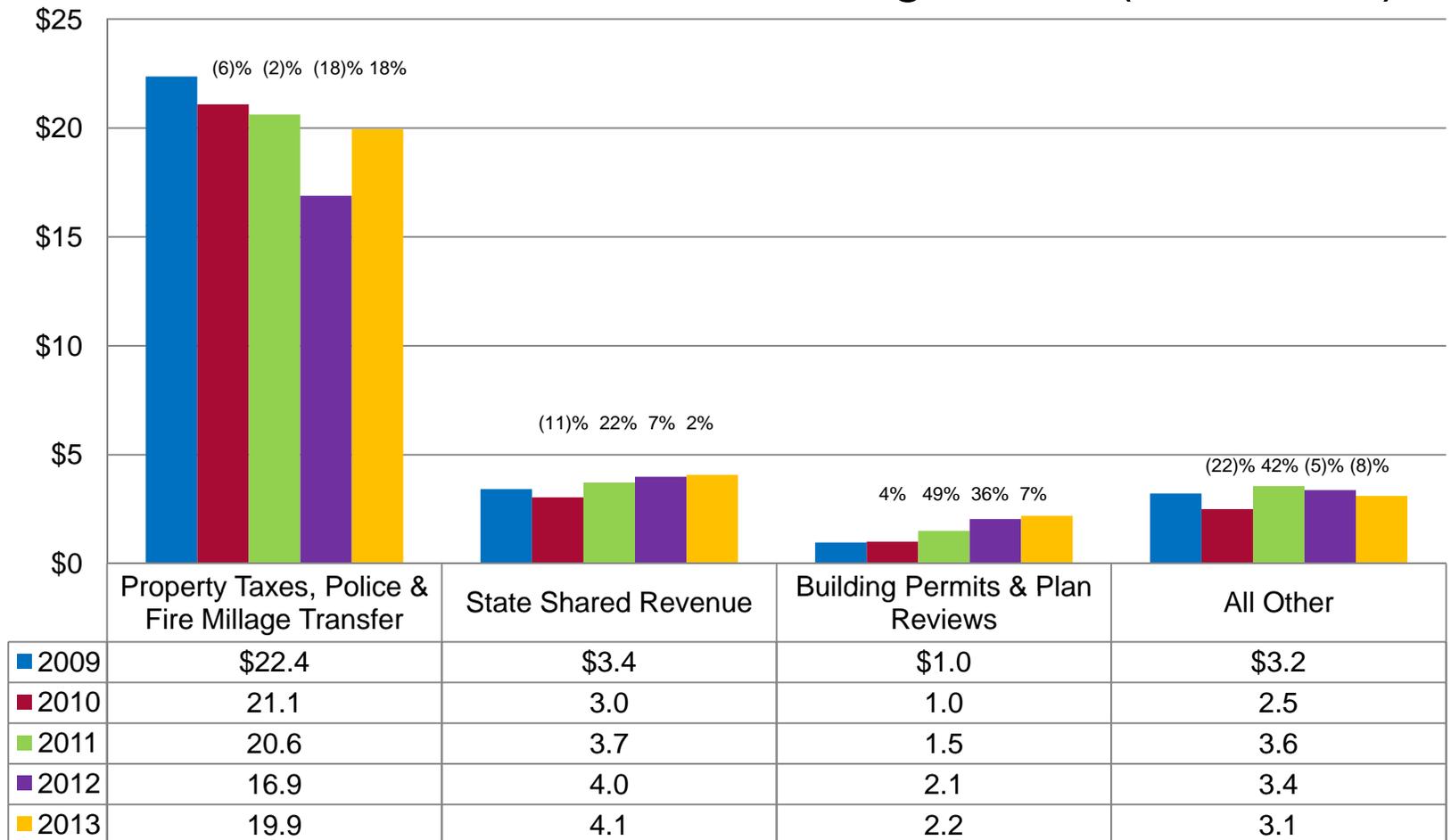


The increase in expenditures in 2008 was due to street construction and drug forfeiture fund building improvements.

# Governmental Funds Statements

## General Fund Revenue Trends

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



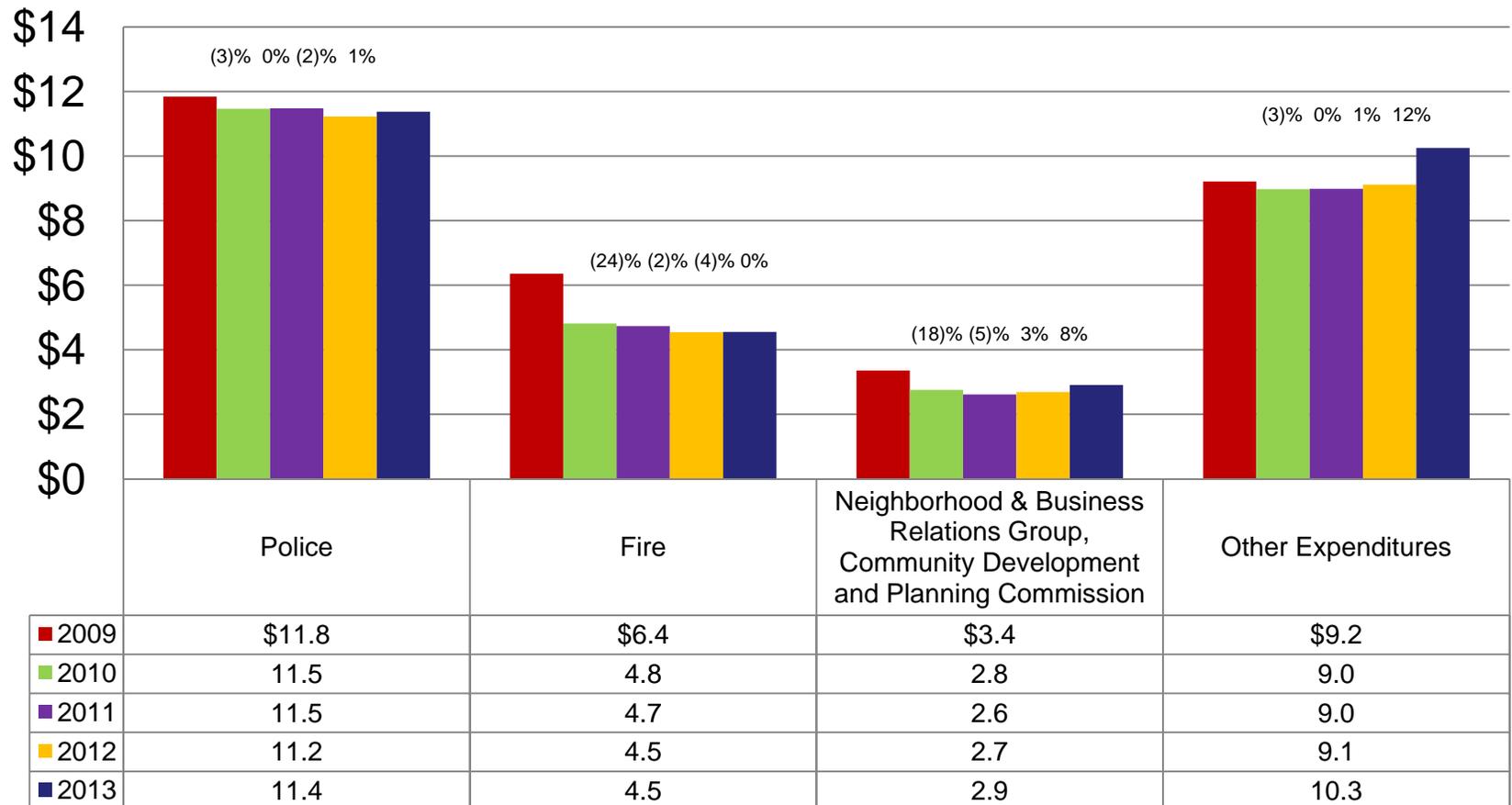
Note: Percentages indicated are the percentage changes from the prior year.



# 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.

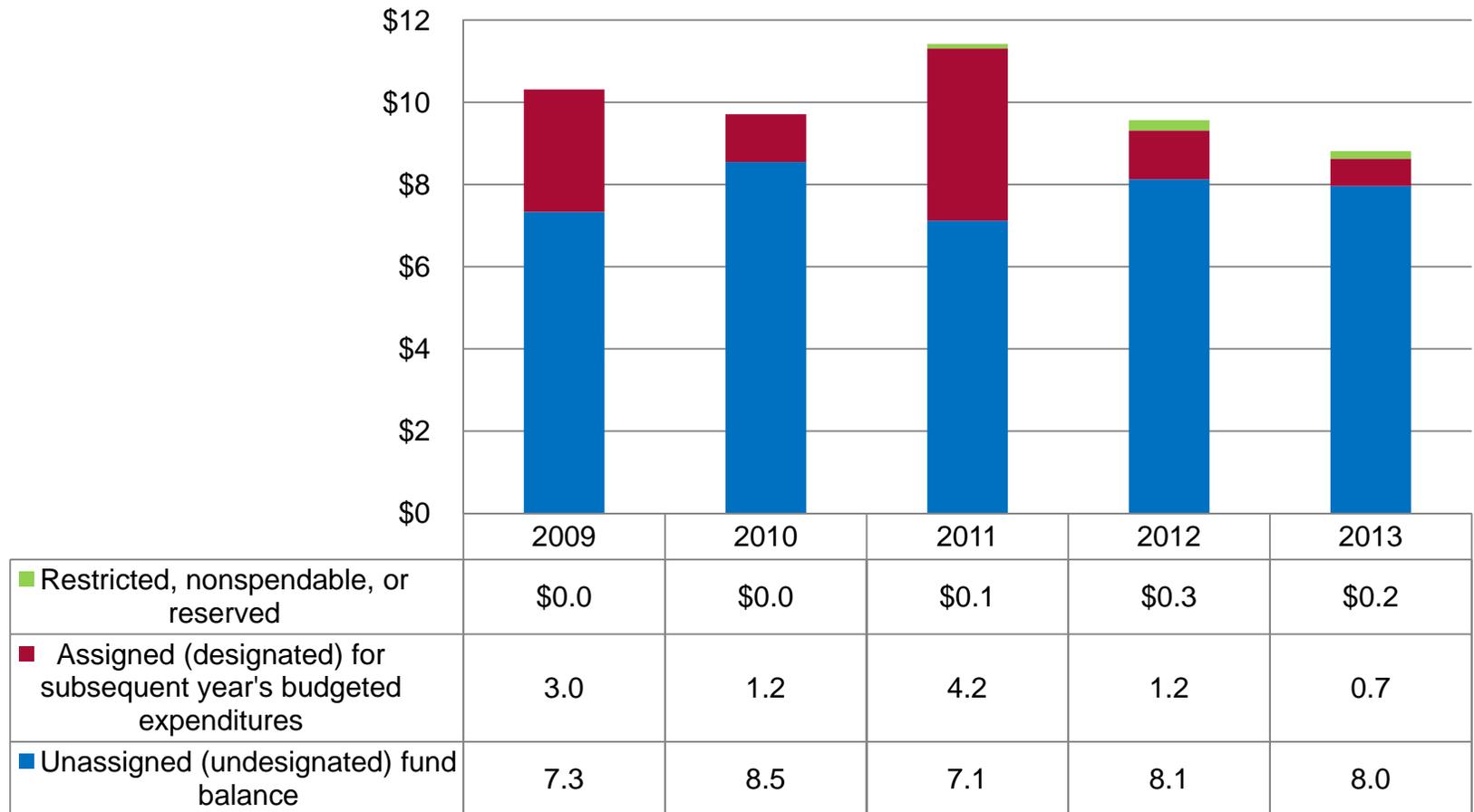
Note: Percentages indicated are the percentage changes from the prior year.



# Governmental Funds Statements

## General Fund – Fund Balance

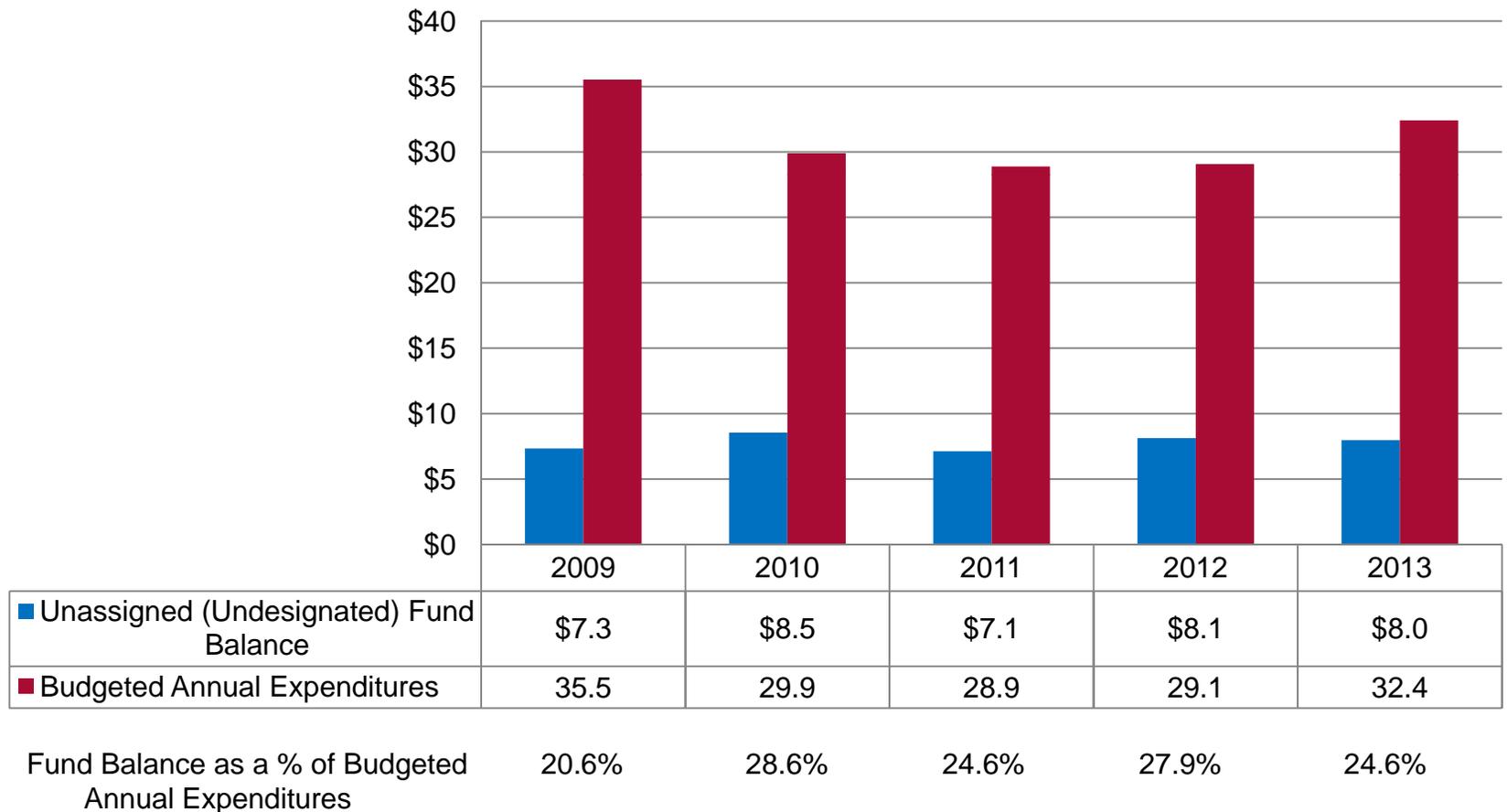
Years Ended June 30, 2009 Through 2013 (in millions)



# Governmental Funds Statements

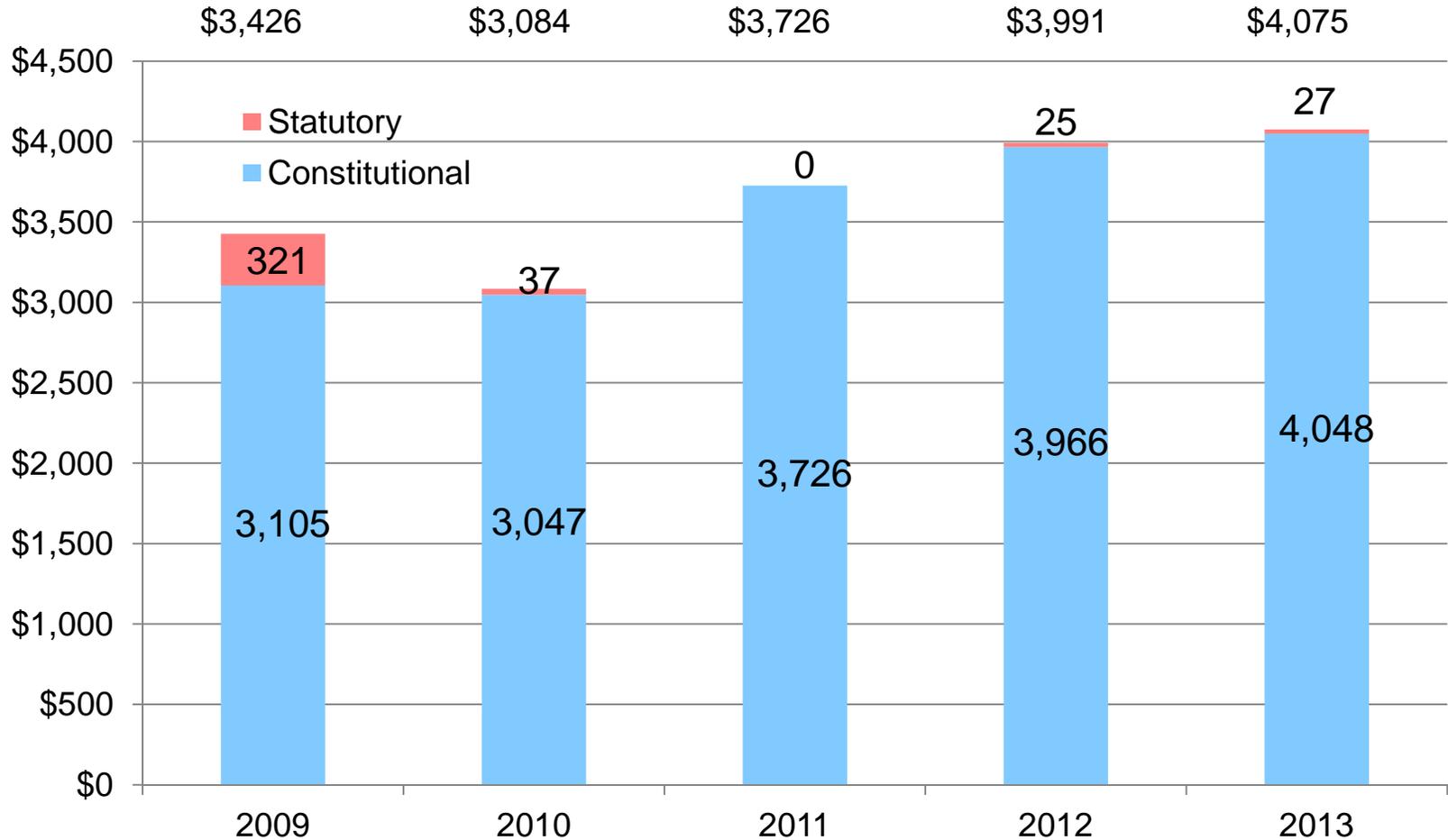
## General Fund Unassigned (Undesignated) Fund Balance as a Percentage of Budgeted Annual Expenditures

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



# City of Novi

## State Shared Revenue (in thousands)

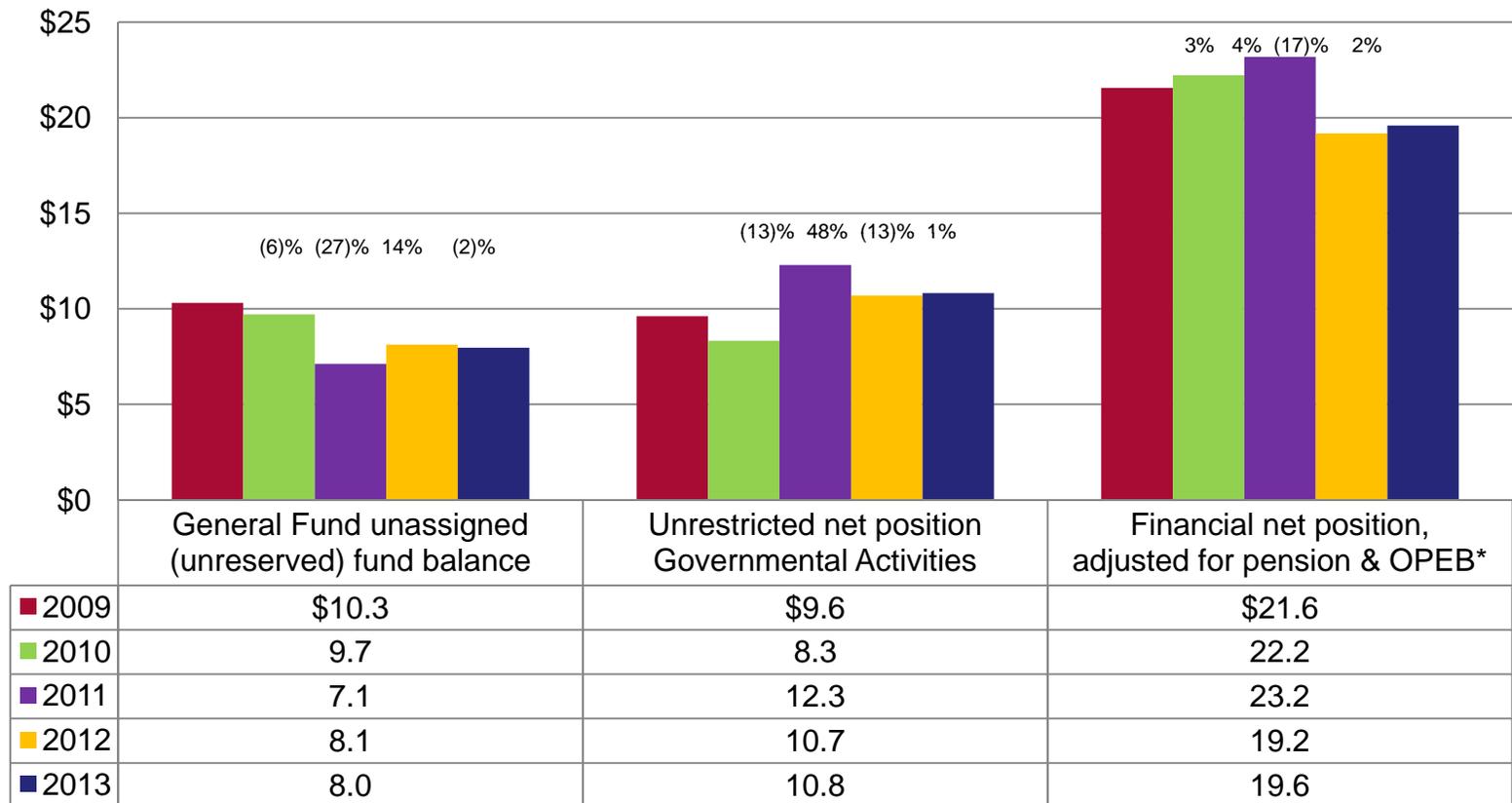


Constitutional is the only portion guaranteed. Statutory portion is now EVIP.  
The new 2010 Census was effective for FY2011.

# City of Novi

## Fiscal Health Measures

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

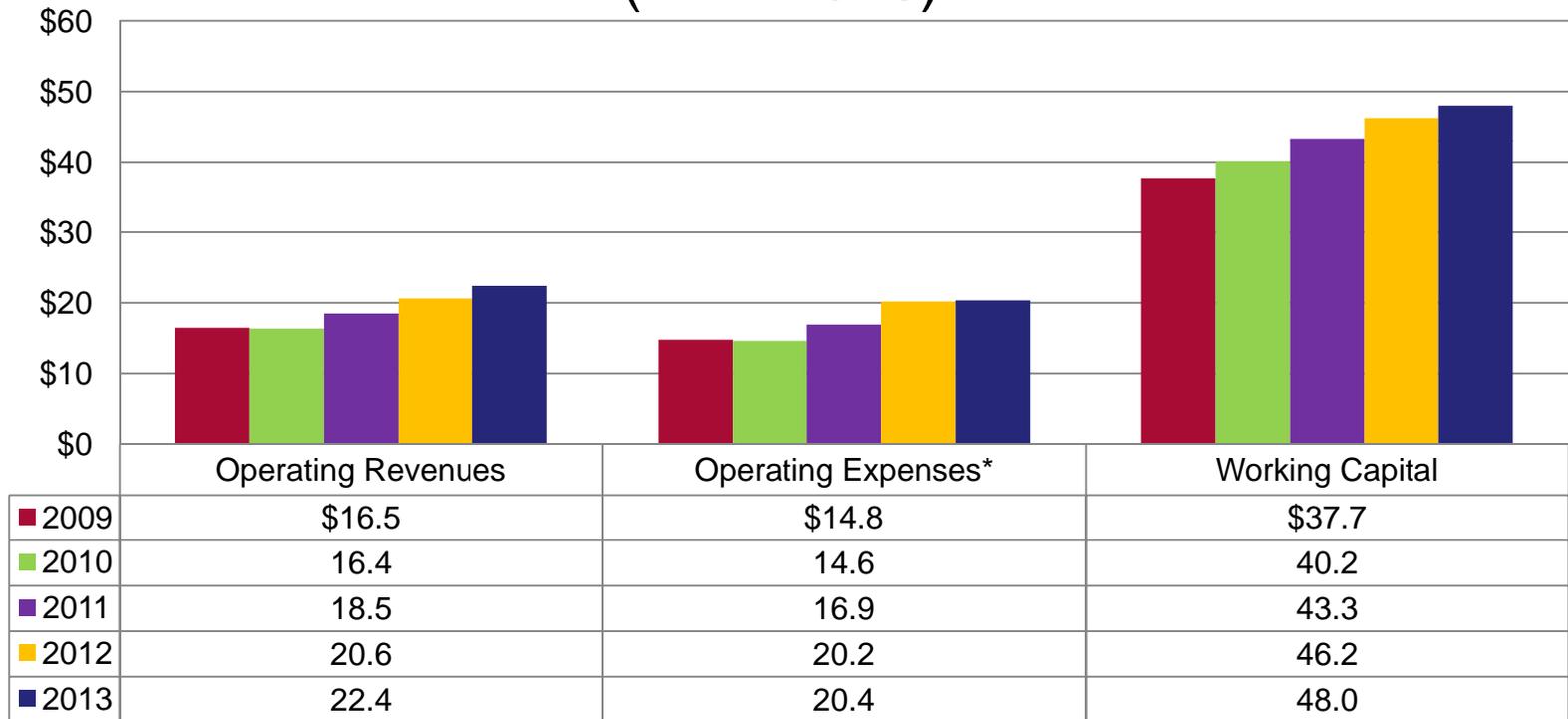


\*The decrease in financial net position, adjusted for pension & OPEB, in 2012 can be attributed to a decrease in the City's capital assets and an increase in the unfunded pension amount.

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

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# Thank You!

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