



1905 Model C

# **Fund Financial Statements**

**City of Flint, Michigan**

**Balance Sheet  
Governmental Fund  
June 30, 2005**

	<b>General</b>	<b>Other Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Assets			
Pooled cash and investment:	\$ -	\$ 15,169,717	\$ 15,169,717
Cash and cash equivalents	5,027,180	2,109,326	7,136,506
Accounts receivable (net of allowance for estimated uncollectible accounts of \$8,061,423):			
Taxes	2,825,671	1,014,481	3,840,152
Accounts	2,894,430	69,800	2,964,230
Notes and leases receivable	-	1,854,278	1,854,278
Due from other government:	6,325,875	5,558,018	11,883,893
Due from component unit:	-	1,020,145	1,020,145
Prepaid items	-	454,000	454,000
Inventories	19,388	133,891	153,279
<b>Total assets</b>	<b>\$ 17,092,544</b>	<b>\$ 27,383,656</b>	<b>\$ 44,476,200</b>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 1,755,122	\$ 2,090,380	\$ 3,845,502
Retainage payable	-	44,034	44,034
Due to other funds	7,279,153	1,817,117	9,096,270
Due to other governments	7,000	35,393	42,393
Deposits payable	-	492,358	492,358
Deferred revenue	1,951,312	2,946,328	4,897,640
<b>Total liabilities</b>	<b>10,992,587</b>	<b>7,425,610</b>	<b>18,418,197</b>
Fund balances:			
Reserved for encumbrances	-	1,469,052	1,469,052
Reserved for long-term lease receivable	-	1,336,000	1,336,000
Reserved for prepaids	-	454,000	454,000
Reserved for inventory	19,388	133,891	153,279
Designated for subsequent years' expenditures:			
General fund	1,572,584	-	1,572,584
Special revenue funds	-	6,881,747	6,881,747
Capital project funds	-	1,657,333	1,657,333
Unreserved, reported in:			
General fund	4,507,985	-	4,507,985
Special revenue funds	-	7,931,807	7,931,807
Debt service funds	-	6,578	6,578
Capital project funds	-	87,638	87,638
<b>Total fund balances</b>	<b>6,099,957</b>	<b>19,958,046</b>	<b>26,058,003</b>
<b>Total liabilities and fund balances</b>	<b>\$ 17,092,544</b>	<b>\$ 27,383,656</b>	<b>\$ 44,476,200</b>

*See notes to financial statements.*

# City of Flint, Michigan

## Reconciliation of the Fund Balance as Reported in the Governmental Balance Sheet to the Statement of Net Assets June 30, 2005

Total Governmental Funds Fund balance as reported in the Balance Sheet	
Governmental Funds (deficit)	\$ 26,058,003
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	140,110,105
Other long term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	4,245,613
Net assets (deficit) held in the internal services funds are classified as held for governmental activities on the statement of net assets but are not reported in the funds. This amount is the net assets held by the internal service fund exclusive of capital assets and long term debt which are reported elsewhere in this reconciliation.	(110,229)
Long term liabilities, including long term notes payable, are not due and payable in the current period, and therefore, are not reported in the funds.	(20,806,479)
Net Assets - Governmental Activities	<u>\$ 149,497,013</u>

*See notes to financial statements.*

**City of Flint, Michigan**

**Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2005**

	<b>General Fund</b>	<b>Other Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>			
Property taxes	\$ 12,358,403	\$ 12,493,728	\$ 24,852,131
Income taxes	20,670,108	-	20,670,108
Special assessments	327,834	-	327,834
Federal revenue	963,279	5,091,922	6,055,201
State revenue	20,248,416	10,128,710	30,377,126
Licenses and permits	1,203,770	1,342,610	2,546,380
Fines and forfeits	2,639,587	161,924	2,801,511
Charges for services	7,573,678	139,400	7,713,078
Local grants	443,071	335,780	778,851
Interest	393,956	524,641	918,597
Other	1,266,713	376,433	1,643,146
<b>Total revenues</b>	<b>68,088,815</b>	<b>30,595,148</b>	<b>98,683,963</b>
<b>Expenditures:</b>			
<b>Current:</b>			
Legislative	915,521	-	915,521
Judicial	5,156,051	-	5,156,051
General government	11,780,412	607,667	12,388,079
Police	21,484,565	4,574,351	26,058,916
Emergency dispatch	2,339,997	46,979	2,386,976
Fire	12,230,265	760,884	12,991,149
Building inspection	-	2,883,968	2,883,968
Transportation	1,880,817	13,716,694	15,597,511
Public works	2,179,839	5,287,423	7,467,262
Parks and recreation	2,304,736	1,505,674	3,810,410
Community development	113,500	3,901,367	4,014,867
<b>Debt Service:</b>			
Principal retirement	-	1,628,048	1,628,048
Interest and fiscal charges	-	313,032	313,032
<b>Total expenditures</b>	<b>60,385,703</b>	<b>35,226,087</b>	<b>95,611,790</b>
Excess (deficiency) of revenues over expenditures	7,703,112	(4,630,939)	3,072,173
<b>Other financing sources (uses):</b>			
Bond proceeds	8,000,000	-	8,000,000
Proceeds from sale of capital assets	215,223	6,180	221,403
Transfers in	986,584	3,714,625	4,701,209
Transfers out	(3,015,903)	(1,653,835)	(4,669,738)
<b>Total other financing sources</b>	<b>6,185,904</b>	<b>2,066,970</b>	<b>8,252,874</b>
<b>Net change in fund balances</b>	<b>13,889,016</b>	<b>(2,563,969)</b>	<b>11,325,047</b>
Fund balances (deficit) - beginning of year - as restated	(7,789,059)	22,522,015	14,732,956
<b>Fund balances - end of year</b>	<b>\$ 6,099,957</b>	<b>\$ 19,958,046</b>	<b>\$ 26,058,003</b>

*See notes to financial statements.*

## City of Flint

### Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2005

Net change in fund balances - total governmental funds	\$ 11,325,047
Amounts reported for governmental activities in the statement of activities are different because:	
Several economic development loans were made out of governmental fund resources. Since these loans are long term, the receivables are offset by a deferred revenue and are not included in fund balance. These receivables are not deferred on the statement of net assets. Durign the current year, a number of the loans became uncollectible and bad debt expense had to be recognized on the statement of activities, reducing net assets. No expense was recognized on the fund financial statements.	(3,183,465)
Governmental funds report capital outlay as expenditures. However in the statement of activities the cost of these assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(7,934,493)
The payment of principal on long term debt consumes the current financial resources of the governmental funds. However, on the statement of net assets, repayments of principal are recorded as a reduction to long term debt payable and do not affect net assets.	1,628,048
The issuance of long term debt is recorded as bond proceeds revenue in the fund financial statements. However on the statement of net assets, bond proceeds are recorded as an addition to long term debt payable and do not affect net assets.	(8,000,000)
Expenses recorded on the statement of changes in net assets for the accrual of compensated absences do not consume the current financial resources of the funds and, therefore, are not reported as expenditures in the governmental funds. Also, current year payouts of compensated absences are shown as expenditures in the fund statements, but are recorded as a reduction of long term debt and do not effect net assets. This is the amount by which current payouts exceed current accruals.	828,723
Certain revenues were deferred in the fund financial statements for long term receivables held at June 30, 2005. These revenues were recognized in the statement of activity.	2,220,951
The activities of the internal service funds are considered part of governmental activities on the statement of changes in net assets but are not reported in the funds. The internal services funds had a net gain of \$1,544,952 for the 2005 year and the revenues and expenses that comprise that loss are included in the statement of changes in net assets of governmental activities:	<u>1,544,952</u>
Changes in net assets of governmental activities	<u>\$ (1,570,237)</u>

*See notes to financial statements.*

**City of Flint, Michigan**

**Statement of Net Assets  
Proprietary Funds  
June 30, 2005**

	<u>Business-type Activities</u>	
	<u>Hurley Medical Center</u>	<u>Water Supply Division</u>
Assets		
Current assets:		
Pooled cash and investments	\$ -	\$ 2,438,976
Cash and cash equivalents	23,917,419	53,477
Accounts receivable (net of allowance of \$29,817,447)	74,558,489	7,771,768
Due from other funds	-	-
Inventories	3,585,718	424,759
Prepaid items	3,588,682	-
Note receivable - current portion	-	-
	<hr/>	<hr/>
Total current assets	105,650,308	10,688,980
	<hr/>	<hr/>
Noncurrent Assets:		
Restricted assets:		
Pooled cash and investments	-	4,403,530
Cash and equivalents	19,137,501	-
Investments	43,622,816	-
Accrued interest receivable	211,160	-
Note receivable - long term	-	-
Capital assets - net of accumulated depreciation	60,829,017	56,836,172
Investment in joint ventures	6,945,636	-
Other	3,848,609	-
	<hr/>	<hr/>
Total noncurrent assets	134,594,739	61,239,702
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Total assets	240,245,047	71,928,682
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<b>Enterprise Funds</b>			<b>Governmental Activities Internal Service Funds</b>
<b>Sewage Disposal Division</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	
\$ 33,015,361	\$ 53,160	\$ 35,507,497	\$ 4,077,091
-	3,025	23,973,921	406,977
4,889,496	-	87,219,753	133,809
9,896,410	-	9,896,410	-
912,327	25,667	4,948,471	175,152
-	-	3,588,682	796,417
-	-	-	130,000
<b>48,713,594</b>	<b>81,852</b>	<b>165,134,734</b>	<b>5,719,446</b>
-	-	4,403,530	-
-	-	19,137,501	-
-	-	43,622,816	-
-	-	211,160	-
-	-	-	910,000
83,750,380	4,648,502	206,064,071	3,119,861
-	-	6,945,636	-
542,897	-	4,391,506	-
<b>84,293,277</b>	<b>4,648,502</b>	<b>284,776,220</b>	<b>4,029,861</b>
<b>133,006,871</b>	<b>4,730,354</b>	<b>449,910,954</b>	<b>9,749,307</b>

(continued)

**City of Flint, Michigan**

**Statement of Net Assets (continued)**  
**Proprietary Funds**  
**June 30, 2005**

	<u>Business-type Activities</u>	
	<u>Hurley Medical Center</u>	<u>Water Supply Division</u>
Liabilities and Net Assets		
Liabilities:		
Current liabilities (payable from current assets)		
Accounts payable	14,409,600	3,802,171
Accrued liabilities	22,017,039	348,019
Deposits and advances	-	1,108,166
Retainer payable	-	-
Due to other funds	-	-
Capital lease obligation - current portion	1,540,789	146,240
Note payable - current portion	-	4,025
General obligation bonds - current portion	-	-
Revenue bonds - current portion	2,090,000	1,686,536
	<hr/>	<hr/>
Total current liabilities	40,057,428	7,095,157
	<hr/>	<hr/>
Noncurrent liabilities		
Accrued expenses - long term	33,945,547	
Capital lease obligation - long term portion	2,979,013	231,931
Note payable - long term portion	-	21,014
General obligation bonds - long term portion	-	
Revenue bonds - long term portion	68,325,000	33,996,954
	<hr/>	<hr/>
Total noncurrent liabilities	105,249,560	34,249,899
	<hr/>	<hr/>
Total liabilities	145,306,988	41,345,056
	<hr/>	<hr/>
Net Assets		
Invested in capital assets, net of related debt	3,394,215	20,749,472
Restricted for debt service	-	2,718,587
Restricted for capital replacement	-	1,684,943
Restricted for donor restrictions and other	3,129,660	53,635
Unrestricted (deficit)	88,414,184	5,376,989
	<hr/>	<hr/>
Total net assets	\$ 94,938,059	\$ 30,583,626
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*See notes to financial statements.*

<b>Enterprise Funds</b>			<b>Governmental Activities Internal Service Funds</b>
<b>Sewage Disposal Division</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	
564,255	19,260	<b>18,795,286</b>	<b>4,362,440</b>
272,431	62,592	<b>22,700,081</b>	<b>1,829,639</b>
-	-	<b>1,108,166</b>	-
92,722	-	<b>92,722</b>	-
-	-	-	<b>547,596</b>
146,240	-	<b>1,833,269</b>	<b>154,026</b>
54,657	5,160	<b>63,842</b>	-
1,307,460	-	<b>1,307,460</b>	-
-	-	<b>3,776,536</b>	-
<b>2,437,765</b>	<b>87,012</b>	<b>49,677,362</b>	<b>6,893,701</b>
	-	<b>33,945,547</b>	-
231,931		<b>3,442,875</b>	-
284,972	26,941	<b>332,927</b>	-
1,688,570	-	<b>1,688,570</b>	-
	-	<b>102,321,954</b>	-
<b>2,205,473</b>	<b>26,941</b>	<b>141,731,873</b>	-
<b>4,643,238</b>	<b>113,953</b>	<b>191,409,235</b>	<b>6,893,701</b>
80,036,550	4,616,401	<b>108,796,638</b>	<b>2,965,835</b>
-	-	<b>2,718,587</b>	-
-	-	<b>1,684,943</b>	-
-	-	<b>3,183,295</b>	-
48,327,083	-	<b>142,118,256</b>	<b>(110,229)</b>
<b>\$ 128,363,633</b>	<b>\$ 4,616,401</b>	<b>\$ 258,501,719</b>	<b>\$ 2,855,606</b>

# City of Flint, Michigan

## Statement of Revenues, Expenses, and Changes in Fund Net Asset: Proprietary Funds For the Year Ended June 30, 2005

	<b>Business-type Activities</b>	
	<b>Hurley Medical Center</b>	<b>Water Supply Division</b>
Operating revenues - charges for service:	\$ 341,685,734	\$ 30,875,582
Costs of materials or services rendered	-	15,551,071
Operating expenses:		
Salaries, wages, and fringe benefits	207,513,338	6,453,184
Utilities	4,857,145	553,672
Equipment operation	-	129,428
Repairs and maintenance	3,473,559	106,790
Supplies	35,501,721	480,914
Insurance	17,684,240	-
Depreciation and amortization	10,483,568	5,314,779
Bad debt	34,970,385	263,086
Professional services	15,406,995	552,463
Claims and settlements	-	-
Administrative costs	-	706,029
Miscellaneous	13,746,992	320,166
Total operating expenses	343,637,943	14,880,511
Total materials, services, and operating expenses	343,637,943	30,431,582
Operating income (loss)	(1,952,209)	444,000
Non-operating revenues (expenses)		
Interest and dividend income	2,277,374	285,054
Interest expense	(2,957,176)	(23,254)
Net income from joint ventures:	2,677,943	-
Grants for capital improvements	-	815,526
Restricted contributions net of expenses:	295,259	-
Gain (loss) on sale of capital assets	(105,148)	-
Gain on sale of joint ventures	229,380	-
Total non-operating revenues (expenses)	2,417,632	1,077,326
Net income (loss) before transfers	465,423	1,521,326
Capital contributions	-	-
Transfers in	-	-
Transfers out	-	-
Change in net assets	465,423	1,521,326
Net assets - beginning of year (as restated)	94,472,636	29,062,300
Net assets - end of year	\$ 94,938,059	\$ 30,583,626

*See notes to financial statements.*

<b>Enterprise Funds</b>			<b>Governmental</b>
<b>Sewage Disposal Division</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Activities Internal Service Funds</b>
\$ 20,985,941	\$ 1,165,773	\$ 394,713,030	\$ 27,963,368
-	17,264	15,568,335	19,411,141
8,295,209	451,460	222,713,191	3,008,409
2,422,327	48,280	7,881,424	-
184,679	16,038	330,145	-
964,587	50,542	4,595,478	627,401
810,403	43,340	36,836,378	1,147,985
-	-	17,684,240	476,941
4,846,346	371,703	21,016,396	779,608
54,012	-	35,287,483	-
612,969	35,150	16,607,577	1,963,708
9,629	-	9,629	815,645
690,856	75,487	1,472,372	-
333,045	6,908	14,407,111	21,239
19,224,062	1,098,908	378,841,424	8,840,936
19,224,062	1,116,172	394,409,759	28,252,077
1,761,879	49,601	303,271	(288,709)
703,060	1,145	3,266,633	119,054
(229,588)	(47,516)	(3,257,534)	(34,383)
-	-	2,677,943	-
-	-	815,526	-
-	-	295,259	-
-	1,351	(103,797)	-
-	-	229,380	-
473,472	(45,020)	3,923,410	84,671
2,235,351	4,581	4,226,681	(204,038)
-	-	-	1,530,282
-	736,405	736,405	218,708
-	(986,584)	(986,584)	-
2,235,351	(245,598)	3,976,502	1,544,952
126,128,282	4,861,999	254,525,217	1,310,654
\$ 128,363,633	\$ 4,616,401	\$ 258,501,719	\$ 2,855,606

**City of Flint, Michigan**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2005**

	<b>Business-type Activities</b>		
	<b>Hurley Medical Center</b>	<b>Water Supply Division</b>	<b>Sewage Disposal Division</b>
Cash flows from operating activities			
Receipts from customers and users	\$ 330,941,617	\$ 29,205,166	\$ 20,581,610
Payments to vendors	(189,015,993)	(17,842,577)	(5,217,202)
Payments for interfund services	-	(300,000)	(300,000)
Payments to employees	(139,953,980)	(7,005,874)	(8,604,224)
Net cash provided by (used in) operating activities	<u>1,971,644</u>	<u>4,056,715</u>	<u>6,460,184</u>
Cash flows from investing activities			
Distributions from joint ventures	1,808,126	-	-
Investment in joint venture	-	-	-
Disposal (purchases) of investments	(3,466,907)	-	-
Interest on investments	2,277,374	285,054	703,060
Net cash provided by investing activities	<u>618,593</u>	<u>285,054</u>	<u>703,060</u>
Cash flows from non-capital financing activities			
Contributions for restricted purposes	295,259	-	-
Pooled cash advanced from (repaid to) other funds	-	(3,135,658)	-
Payments received on long term note receivable	-	-	-
Payments received on monies advanced to general fund	-	-	9,986,724
Pooled cash advances repaid by other funds	-	-	7,939,272
Interest paid	-	-	-
Transfers to other funds	-	-	-
Net cash provided by (used in) non-capital financing activities	<u>295,259</u>	<u>(3,135,658)</u>	<u>17,925,996</u>
Cash flows from capital and related financing activities:			
Proceeds from issuance of bonds	-	10,941,140	-
Repayment of long-term debt	(3,413,948)	(1,183,691)	(1,400,149)
Grants received for capital asset purchase	-	815,526	-
Purchase of capital assets	(9,473,774)	(11,145,995)	(2,516,642)
Proceeds from sale of assets	94,696	-	-
Interest payments	(3,122,767)	(23,254)	(229,588)
Net cash provided by (used in) capital and related financing activities	<u>(15,915,793)</u>	<u>(596,274)</u>	<u>(4,146,379)</u>
Net increase (decrease) in cash and cash equivalents	(13,030,297)	609,837	20,942,861
Cash and cash equivalents - beginning of year	<u>56,085,217</u>	<u>6,286,146</u>	<u>12,072,500</u>
Cash and cash equivalents - end of year	<u>\$ 43,054,920</u>	<u>\$ 6,895,983</u>	<u>\$ 33,015,361</u>

*See notes to financial statements.*

Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 1,169,533 (280,487) - (465,769)	\$ 381,897,926 (212,356,259) (600,000) (156,029,847)	\$ 27,834,932 (24,911,992) - (3,058,016)
423,277	12,911,820	(135,076)
-	1,808,126	-
-	-	-
-	(3,466,907)	-
-	3,265,488	119,054
-	1,606,707	119,054
-	295,259	-
(2,329,291)	(5,464,949)	324,320
-	-	130,000
-	9,986,724	-
-	7,939,272	-
(44,038)	(44,038)	(11,032)
(250,179)	(250,179)	-
(2,623,508)	12,462,089	443,288
-	10,941,140	-
(19,609)	(6,017,397)	(383,811)
-	815,526	-
-	(23,136,411)	(129,999)
2,179,718	2,274,414	-
(2,333)	(3,377,942)	(23,351)
2,157,776	(18,500,670)	(537,161)
(42,455)	8,479,946	(109,895)
98,640	74,542,503	4,593,963
\$ 56,185	\$ 83,022,449	\$ 4,484,068

(continued)

**City of Flint, Michigan**

**Statement of Cash Flows  
Proprietary Funds (continued)  
For the Year Ended June 30, 2005**

	<b>Business-type Activities</b>		
	<b>Hurley Medical Center</b>	<b>Water Supply Division</b>	<b>Sewage Disposal Division</b>
Cash flows from operating activities			
Operating income (loss)	\$ (1,952,209)	\$ 444,000	\$ 1,761,879
Adjustments to reconcile operating income (loss) to net cash provided by operations			
Depreciation and amortization	10,483,568	5,314,779	4,846,346
Provision for bad debt	34,970,385		
Amortization of deferred defeasance and bond issuance costs	436,885	-	-
Changes in operating assets and liabilities			
Accounts receivable	(44,526,959)	(1,407,330)	397,519
Inventories	(363,270)	(49,856)	6,524
Prepaid expenses and other assets	(458,423)	-	-
Accounts payable	(1,465,242)	(428,217)	(407,558)
Customer deposits	-	104,703	-
Accrued liabilities	4,846,909	78,636	(144,526)
Net cash provided by operating activities	<u>\$ 1,971,644</u>	<u>\$ 4,056,715</u>	<u>\$ 6,460,184</u>

*See notes to financial statements.*

<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Governmental Activities Internal Service Funds</b>
\$ 49,601	\$ 303,271	\$ (288,709)
371,703	<b>21,016,396</b>	<b>779,608</b>
	<b>34,970,385</b>	-
-	<b>436,885</b>	-
3,760	<b>(45,533,010)</b>	<b>(128,436)</b>
10,592	<b>(396,010)</b>	<b>(7,647)</b>
-	<b>(458,423)</b>	<b>(576,309)</b>
(12,379)	<b>(2,313,396)</b>	<b>136,019</b>
-	<b>104,703</b>	-
-	<b>4,781,019</b>	<b>(49,602)</b>
<b>\$ 423,277</b>	<b>\$ 12,911,820</b>	<b>\$ (135,076)</b>

# City of Flint, Michigan

## Statement of Net Assets Fiduciary Fund: June 30, 2005

Assets	<u>Pension &amp; Benefit Trust Funds</u>	<u>Agency Funds</u>
Pooled cash and investment	\$ -	\$ 3,371,150
Cash and cash equivalents	59,831,528	464,274
Cash and securities held as collateral for securities lending	100,899,353	-
Total cash and equivalents	<u>160,730,881</u>	<u>3,835,424</u>
Taxes receivable	-	5,178,686
Accrued interest and dividend	1,540,843	-
Due from component unit	-	7,108
Prepaid items	556,262	-
Total receivables and prepaids	<u>2,097,105</u>	<u>5,185,794</u>
Investments at fair value		
U.S. Government obligations	123,831,074	-
Mutual Funds	122,631,165	-
Domestic stocks	440,978,786	-
Domestic corporate bonds	24,771,215	-
Partnership investment	7,717,575	-
Total investments	<u>719,929,815</u>	<u>-</u>
Total assets	<u>882,757,801</u>	<u>9,021,218</u>
Liabilities		
Accounts payable	446,391	221,839
Deposits and advances	-	358,489
Due to component unit	-	281,953
Due to other governments	-	8,158,937
Due to other funds	252,544	-
Amounts due to brokers under securities lending agreement	100,899,353	-
Total liabilities	<u>101,598,288</u>	<u>9,021,218</u>
Net Assets		
Held in trust for pension benefits and other purposes	<u>\$ 781,159,513</u>	<u>\$ - 0 -</u>

See notes to financial statements.

# City of Flint, Michigan

## Statement of Changes in Fiduciary Net Asset Fiduciary Fund: For the Year Ended June 30, 2005

	<b><u>Pension &amp; Benefit Trust Funds</u></b>
Additions:	
Members' contributions	\$ 5,747,337
Employer contributions	30,841,279
	<hr/>
Total contributions	36,588,616
	<hr/>
Net increase in fair value of investments:	46,785,670
Interest	5,514,836
Dividends	2,910,590
Other investment income	213,388
	<hr/>
Investment income	55,424,484
Less investment expense	(2,171,628)
	<hr/>
Net investment income	53,252,856
	<hr/>
Securities lending income	
Interest and fees	1,829,292
Less borrower rebates and bank fees	(1,724,140)
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Net securities lending income	105,152
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Total additions	89,946,624
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Deductions:	
Benefits	79,577,552
Refunds of contributions	871,455
Administrative	675,465
	<hr/>
Total deductions	81,124,472
	<hr/>
Change in net assets	8,822,152
Net assets - beginning of the year (as restated)	772,337,361
	<hr/>
Net assets - end of the year	<u>\$ 781,159,513</u>

See notes to financial statements.