

# **Fund Financial Statements**

# City of Flint, Michigan

## Balance Sheet Governmental Funds June 30, 2006

	<b>General Fund</b>	<b>Other Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
Pooled cash and investments	\$ 9,233,337	\$ 16,757,019	\$ 25,990,356
Cash and cash equivalents	1,298,079	1,968,971	3,267,050
Receivable (net of allowance for estimated uncollectible accounts of \$5,850,151)			
Property taxes receivable	2,443,105	1,014,486	3,457,591
Special assessment receivable	73,129	-	73,129
Notes and leases receivable	-	5,434,318	5,434,318
Other receivables	2,752,405	63,811	2,816,216
Due from other funds	-	8,811	8,811
Due from other governments	4,314,216	3,463,491	7,777,707
Due from component units	-	855,905	855,905
Prepaid items	343,475	432,000	775,475
Inventories	-	126,510	126,510
Restricted pooled cash and investments	-	3,114,056	3,114,056
Total assets	<u>\$ 20,457,746</u>	<u>\$ 33,239,378</u>	<u>\$ 53,697,124</u>

(continued)

# City of Flint, Michigan

## Balance Sheet

### Governmental Funds (continued)

June 30, 2006

	<b>General Fund</b>	<b>Other Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 1,790,029	\$ 2,473,114	\$ 4,263,143
Retainage payable	-	47,987	47,987
Due to other funds	7,279,154	1,987,245	9,266,399
Due to other governments	30,276	27,575	57,851
Due to component unit	29,904	-	29,904
Deposits payable	-	792,190	792,190
Deferred revenue	2,413,129	6,057,669	8,470,798
Total liabilities	11,542,492	11,385,780	22,928,272
<b>Fund balances</b>			
Reserved for encumbrances	448,431	1,215,811	1,664,242
Reserved for long-term lease receivable	-	1,336,000	1,336,000
Reserved for prepaids	343,475	432,000	775,475
Reserved for inventory	-	126,510	126,510
Reserved for Saginaw street repairs	-	3,000,000	3,000,000
Designated for City jail	430,265	-	430,265
Designated for subsequent years' expenditures -			
General fund	2,512,158	-	2,512,158
Special revenue funds	-	6,828,065	6,828,065
Capital project funds	-	1,657,333	1,657,333
Unreserved, reported in:			
General fund	5,180,925	-	5,180,925
Special revenue funds	-	6,254,926	6,254,926
Debt service funds	-	6,721	6,721
Capital project funds	-	996,232	996,232
Total fund balances	8,915,254	21,853,598	30,768,852
Total liabilities and fund balances	\$ 20,457,746	\$ 33,239,378	\$ 53,697,124

The notes to financial statements are an integral part of this statement.

# City of Flint, Michigan

## Reconciliation of the Balance Sheet to the Statement of Net Assets Year Ended June 30, 2006

Fund balances reported in the governmental funds	\$ 30,768,852
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 are not reported in the funds.	136,196,522
Other long term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	7,949,091
Internal service funds are included as part of governmental activities This amount is the net assets held by the internal service funds.	2,856,228
Bonds payable and capital lease obligations are not due and payable in the current period and are not reported in the funds	(13,905,581)
Employee compensated absences are payable over a long period of years, and do not represent a claim on current resources: therefore, they are not reported as fund liabilities	(8,831,380)
Net Assets of governmental activities	<u>\$ 155,033,732</u>

*The notes to financial statements are an integral part of this statement.*

# City of Flint, Michigan

## Statement of Revenue, Expenditures, and Changes in Fund Balances Governmental Funds Year Ended June 30, 2006

	General Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenue</b>			
Property taxes	\$ 12,540,496	\$ 12,783,556	\$ 25,324,052
Income taxes	19,660,536	-	19,660,536
Special assessments	174,930	-	174,930
Federal revenue	1,343,724	6,202,508	7,546,232
State revenue	20,040,661	13,506,144	33,546,805
Licenses and permits	1,155,971	1,418,428	2,574,399
Fines and forfeits	2,414,034	189,581	2,603,615
Charges for services	8,683,052	743,493	9,426,545
Local grants	605,034	326,218	931,252
Interest	1,877,114	863,660	2,740,774
Other	453,766	601,641	1,055,407
Total revenue	68,949,318	36,635,229	105,584,547
<b>Expenditures</b>			
Current:			
Legislative	1,274,989	-	1,274,989
Judicial	5,325,026	-	5,325,026
General government	12,144,081	241,632	12,385,713
Police	24,291,062	4,101,154	28,392,216
Emergency dispatch	2,364,558	-	2,364,558
Fire	13,291,689	19,056	13,310,745
Building inspection	-	4,669,425	4,669,425
Transportation	2,192,082	13,587,045	15,779,127
Public works	-	4,963,933	4,963,933
Parks and recreation	3,559,042	695,029	4,254,071
Community development	1,166,670	8,225,051	9,391,721
Debt Service:			
Principal retirement	-	2,844,077	2,844,077
Interest and fiscal charges	-	436,945	436,945
Total expenditures	65,609,199	39,783,347	105,392,546
Excess of revenues over expenditures	3,340,119	(3,148,118)	192,001
Other financing sources (uses):			
Proceeds from sale of capital assets	678,848	-	678,848
Note proceeds	-	3,840,000	3,840,000
Transfers in	-	4,569,980	4,569,980
Transfers out	(1,203,670)	(3,366,310)	(4,569,980)
Total other financing sources	(524,822)	5,043,670	4,518,848
<b>Net change in fund balances</b>	<b>2,815,297</b>	<b>1,895,552</b>	<b>4,710,849</b>
<b>Fund Balances - Beginning of year</b>	<b>6,099,957</b>	<b>19,958,046</b>	<b>26,058,003</b>
<b>Fund Balances - End of year</b>	<b>\$ 8,915,254</b>	<b>\$ 21,853,598</b>	<b>\$ 30,768,852</b>

The notes to financial statements are an integral part of this statement.

## City of Flint, Michigan

### Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2006

Net change in fund balances - total governmental funds \$ 4,710,849

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures; however in the statement of activities these costs are allocated over their estimated useful lives and as depreciation :

Capital outlay	12,239,711
Depreciation expense	(12,690,504)
Net book value of assets disposed of	(342,920)

Repayment of bond principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt) 2,844,077

The issuance of long term debt is recorded as note proceeds revenue in the fund financial statements. However on the statement of net assets, note proceeds are recorded as an addition to long term debt payable and do not affect net assets. (3,840,000)

Increases in accumulated employee sick and vacation pay and other similar expenses reported in the statement of activities do not require the use of current resources, and therefore are not reported in the fund statements until they come due for payment (688,584)

Revenues are recorded in the statement of activities when earned; they are not reported in the funds until collected or collectible within 60 days of year end 3,703,468

Internal service funds are also included as governmental activities 622

Changes in net assets of governmental activities \$ 5,936,719

*The notes to financial statements are an integral part of this statement.*

# City of Flint, Michigan

## Statement of Net Assets Proprietary Funds June 30, 2006

	<b>Enterprise Funds</b>	
	<b>Hurley Medical Center</b>	<b>Water Supply Division</b>
<b>Assets</b>		
Current assets:		
Pooled cash and investments	\$ -	\$ 8,110,120
Cash and cash equivalents	22,665,908	81,236
Receivables:		
Customer receivables (net of uncollectible allowance of \$19,487,408)	67,116,061	7,400,546
Due from other funds	-	321
Inventories	3,343,833	460,326
Prepaid items	3,637,584	-
Note receivable - current portion	-	-
Total current assets	96,763,386	16,052,549
Noncurrent assets:		
Restricted assets:		
Pooled cash and investments	-	5,332,008
Cash and equivalents	14,209,730	-
Investments	57,952,346	-
Accrued interest receivable	774,398	-
Advances to other funds	-	-
Note receivable - long term	-	-
Capital assets - not depreciated	6,777,870	20,376,561
Capital assets - net of accumulated depreciation	55,333,032	36,516,974
Investment in joint ventures	7,450,437	-
Other	3,527,043	-
Total noncurrent assets	146,024,856	62,225,543
Total assets	242,788,242	78,278,092

*The notes to financial statements are an integral part of this statement.*

<b>Enterprise Funds</b>				
<b>Sewage Disposal Division</b>	<b>Nonmajor Enterprise Fund Golf Course</b>	<b>Total Enterprise Funds</b>		<b>Governmental Activities Internal Service Funds</b>
\$ 28,056,642	\$ 101,219	\$ <b>36,267,981</b>		\$ <b>6,767,091</b>
-	3,025	<b>22,750,169</b>		<b>189,517</b>
5,463,894	-	<b>79,980,501</b>		<b>14,424</b>
10,371,594	-	<b>10,371,915</b>		-
848,249	12,639	<b>4,665,047</b>		<b>177,969</b>
-	-	<b>3,637,584</b>		<b>152,201</b>
-	-	-		<b>130,000</b>
<b>44,740,379</b>	116,883	<b>157,673,197</b>		<b>7,431,202</b>
-	-	<b>5,332,008</b>		-
-	-	<b>14,209,730</b>		-
-	-	<b>57,952,346</b>		-
-	-	<b>774,398</b>		-
5,251,361	-	<b>5,251,361</b>		-
-	-	-		<b>780,000</b>
38,077	870,205	<b>28,062,713</b>		-
80,588,587	3,874,545	<b>176,313,138</b>		<b>7,106,302</b>
-	-	<b>7,450,437</b>		-
434,318	-	<b>3,961,361</b>		-
<b>86,312,343</b>	4,744,750	<b>299,307,492</b>		<b>7,886,302</b>
131,052,722	4,861,633	<b>456,980,689</b>		<b>15,317,504</b>

(continued)

# City of Flint, Michigan

## Statement of Net Assets (continued)

### Proprietary Funds

June 30, 2006

	<b>Enterprise Funds</b>	
	<b>Hurley Medical Center</b>	<b>Water Supply Division</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Current liabilities (payable from current assets):		
Accounts payable	15,017,133	3,008,023
Accrued liabilities	33,839,335	393,423
Deposits and advances	-	1,015,976
Retainage payable	-	334,567
Due to other funds	-	-
Capital lease obligation - current portion	1,602,912	152,894
Note payable - current portion	-	4,245
General obligation bonds - current portion	-	-
Revenue bonds - current portion	2,195,000	1,860,000
Total current liabilities	<u>52,654,380</u>	<u>6,769,128</u>
Noncurrent liabilities:		
Accrued expenses - long term	40,952,281	-
Claims payable	-	-
Advances from other funds	-	-
Capital lease obligation - long term portion	1,379,634	79,037
Note payable - long term portion	-	16,769
General obligation bonds - long term portion	-	-
Revenue bonds - long term portion	66,130,000	35,664,432
Total noncurrent liabilities	<u>108,461,915</u>	<u>35,760,238</u>
Total liabilities	<u>161,116,295</u>	<u>42,529,366</u>
<b>Net Assets:</b>		
Invested in capital assets, net of related debt	6,954,524	19,124,557
Restricted for debt service	-	2,809,860
Restricted for capital replacement	-	2,522,147
Restricted for donor restrictions and other	3,523,037	-
Unrestricted	71,194,386	11,292,162
Total net assets	<u>\$ 81,671,947</u>	<u>35,748,726</u>

The notes to financial statements are an integral part of this statement.

<b>Enterprise Funds</b>			
<b>Sewage Disposal Division</b>	<b>Nonmajor Enterprise Fund Golf Course</b>	<b>Total Enterprise Funds</b>	<b>Governmental Activities Internal Service Funds</b>
1,011,562	18,586	<b>19,055,304</b>	<b>1,733,876</b>
282,438	58,481	<b>34,573,677</b>	<b>2,009,437</b>
-	-	<b>1,015,976</b>	-
84,206	-	<b>418,773</b>	-
-	-	-	<b>495,116</b>
152,894	-	<b>1,908,700</b>	-
57,580	5,442	<b>67,267</b>	-
1,316,938	-	<b>1,316,938</b>	-
-	-	<b>4,055,000</b>	-
<b>2,905,618</b>	<b>82,509</b>	<b>62,411,635</b>	<b>4,238,429</b>
-	-	<b>40,952,281</b>	-
-	-	-	<b>3,683,443</b>
-	711,957	<b>711,957</b>	<b>4,539,404</b>
79,037	-	<b>1,537,708</b>	-
227,451	21,498	<b>265,718</b>	-
371,633	-	<b>371,633</b>	-
-	-	<b>101,794,432</b>	-
<b>678,120</b>	<b>733,456</b>	<b>145,633,729</b>	<b>8,222,847</b>
<b>3,583,738</b>	<b>815,965</b>	<b>208,045,364</b>	<b>12,461,276</b>
78,421,131	4,005,853	<b>108,506,065</b>	<b>2,566,898</b>
-	-	<b>2,809,860</b>	-
-	-	<b>2,522,147</b>	-
-	-	<b>3,523,037</b>	-
49,047,854	39,815	<b>131,574,217</b>	<b>289,330</b>
<b>\$ 127,468,985</b>	<b>\$ 4,045,668</b>	<b>\$ 248,935,326</b>	<b>\$ 2,856,228</b>

# City of Flint, Michigan

## Statement of Revenues, Expenses, and Changes in Fund Net Assets Proprietary Funds Year Ended June 30, 2006

	<u>Enterprise Funds</u>	
	<b>Hurley Medical Center</b>	<b>Water Supply Division</b>
<b>Operating revenue</b>		
Charges for services	\$ 327,335,663	\$ 34,177,436
Costs of materials or services rendered	-	15,779,772
Operating expenses:		
Salaries, wages, and fringe benefits	212,550,725	7,176,705
Utilities	4,467,448	529,576
Equipment operation	-	204,309
Repairs and maintenance	3,441,639	143,367
Supplies	37,738,735	496,659
Insurance	15,554,162	-
Depreciation and amortization	10,571,377	3,792,119
Bad debt	25,783,919	4,679
Professional services	14,831,503	507,347
Claims and settlements	-	-
Administrative costs	-	1,089,345
Miscellaneous	14,287,271	485,197
Total operating expenses	339,226,779	14,429,303
Total materials, services, and operating expenses	339,226,779	30,209,075
Operating income (loss)	(11,891,116)	3,968,361
Non-operating revenues (expenses)		
Interest and dividend income	329,840	571,007
Interest expense	(4,503,057)	(16,687)
Net income from joint ventures	2,734,278	-
Grants for capital improvements	-	642,419
Restricted contributions net of expenses	541,689	-
Gain (loss) on sale of capital assets	(477,746)	-
Total non-operating revenues (expenses)	(1,374,996)	1,196,739
<b>Change in net assets</b>	(13,266,112)	5,165,100
<b>Net assets - beginning of year</b>	94,938,059	30,583,626
<b>Net assets - end of year</b>	\$ 81,671,947	\$ 35,748,726

*The notes to financial statements are an integral part of this statement.*

**Enterprise Funds**

<b>Sewage Disposal Division</b>	<b>Nonmajor Enterprise Fund Golf Course</b>	<b>Total Enterprise Funds</b>	<b>Governmental Activities Internal Service Funds</b>
\$ 18,782,008	\$ 1,035,664	\$ 381,330,771	\$ 32,159,006
-	-	15,779,772	22,198,797
9,125,462	596,196	229,449,088	3,276,677
2,715,650	49,426	7,762,100	-
223,272	13,275	440,856	-
759,116	114,310	4,458,432	509,299
1,014,596	59,226	39,309,216	1,537,361
-	-	15,554,162	515,130
4,879,071	370,231	19,612,798	1,017,503
8,529	-	25,797,127	-
578,268	38,000	15,955,118	1,917,679
-	-	-	1,290,960
713,233	125,378	1,927,956	-
538,740	4,183	15,315,391	13,908
20,555,937	1,370,225	375,582,244	10,078,516
20,555,937	1,370,225	391,362,016	32,277,313
(1,773,929)	(334,561)	(10,031,245)	(118,307)
1,031,373	294	1,932,514	133,744
(152,092)	(1,677)	(4,673,513)	(14,815)
-	-	2,734,278	-
-	-	642,419	-
-	-	541,689	-
-	(234,789)	(712,535)	-
879,281	(236,172)	464,852	118,929
(894,648)	(570,733)	(9,566,393)	622
128,363,633	4,616,401	258,501,719	2,855,606
\$ 127,468,985	\$ 4,045,668	\$ 248,935,326	\$ 2,856,228

# City of Flint, Michigan

## Statement of Cash Flows Proprietary Funds Year Ended June 30, 2006

	<b>Enterprise Funds</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	\$ 282,979,411	\$ 34,543,980	\$ 18,199,081
Payments to vendors	(116,417,682)	(19,322,910)	(5,540,008)
Payments for interfund services	-	(500,321)	(500,000)
Payments to employees	(140,526,566)	(7,131,301)	(9,115,455)
Net cash provided by operating activities	26,035,163	7,589,448	3,043,618
Cash flows from investing activities:			
Distributions from joint ventures	2,100,000	-	-
Disposal (purchases) of investments	(14,579,891)	-	-
Interest on investments	146,440	571,007	1,031,373
Net cash provided by (used in) investing activities	(12,333,451)	571,007	1,031,373
Cash flows from non-capital financing activities:			
Contributions for restricted purposes	541,689	-	-
Pooled cash advances repaid to other funds	-	-	-
Payments received on long term note receivable	-	-	-
Advances to other funds	-	-	(5,733,652)
Interest paid	-	-	-
Net cash provided by (used in) non-capital financing activities	541,689	-	(5,733,652)
Cash flows from capital and related financing activities:			
Proceeds from issuance of bonds	-	3,650,942	-
Principal payments on long term debt	(3,627,256)	(1,960,264)	(1,508,297)
Grants received for capital asset purchase	-	642,419	-
Purchase of capital assets	(13,105,828)	(3,849,484)	(1,639,669)
Proceeds from sale of assets	684,250	-	-
Interest payments	(4,373,849)	(16,687)	(152,092)
Net cash provided by (used in) capital and related financing activities	(20,422,683)	(1,533,074)	(3,300,058)
Net increase (decrease) in cash and cash equivalents	(6,179,282)	6,627,381	(4,958,719)
Cash and cash equivalents - beginning of year	43,054,920	6,895,983	33,015,361
Cash and cash equivalents - end of year	<u>\$ 36,875,638</u>	<u>\$ 13,523,364</u>	<u>\$ 28,056,642</u>

# City of Flint, Michigan

## Statement of Cash Flows Proprietary Funds Year Ended June 30, 2006

	<b>Enterprise Funds</b>		
	<b>Nonmajor Enterprise Fund Golf Course</b>	<b>Total Enterprise Funds</b>	<b>Governmental Activities Internal Service Funds</b>
Cash flows from operating activities:			
Receipts from customers and users	\$ 1,035,664	\$ 336,758,136	\$ 32,344,903
Payments to vendors	(391,444)	(141,672,044)	(26,353,368)
Payments for interfund services	-	(1,000,321)	-
Payments to employees	(600,307)	(157,373,629)	(3,096,878)
Net cash provided by operating activities	43,913	36,712,142	2,894,657
Cash flows from investing activities:			
Distributions from joint ventures	-	2,100,000	-
Disposal (purchases) of investments	-	(14,579,891)	-
Interest on investments	294	1,749,114	108,436
Net cash provided by (used in) investing activities	294	(10,730,777)	108,436
Cash flows from non-capital financing activities:			
Contributions for restricted purposes	-	541,689	-
Pooled cash advances repaid to other funds	-	-	(52,479)
Payments received on long term note receivable	-	-	130,000
Advances to other funds	-	(5,733,652)	-
Interest paid	-	-	14,518
Net cash provided by (used in) non-capital financing activities	-	(5,191,963)	92,039
Cash flows from capital and related financing activities:			
Proceeds from issuance of bonds	-	3,650,942	-
Principal payments on long term debt	(5,161)	(7,100,978)	(154,026)
Grants received for capital asset purchase	-	642,419	-
Purchase of capital assets	(64,222)	(18,659,203)	(464,541)
Proceeds from sale of assets	74,912	759,162	-
Interest payments	(1,677)	(4,544,305)	(4,025)
Net cash provided by (used in) capital and related financing activities	3,852	(25,251,963)	(622,592)
Net increase (decrease) in cash and cash equivalents	48,059	(4,462,561)	2,472,540
Cash and cash equivalents - beginning of year	56,185	83,022,449	4,484,068
Cash and cash equivalents - end of year	\$ 104,244	\$ 78,559,888	\$ 6,956,608

# City of Flint, Michigan

## Statement of Cash Flows Proprietary Funds Year Ended June 30, 2006

	<b>Enterprise Funds</b>		
	<b>Hurley Medical Center</b>	<b>Water Supply Division</b>	<b>Sewage Disposal Division</b>
Cash flows from operating activities:			
Operating income (loss)	\$ (11,891,116)	\$ 3,968,361	\$ (1,773,929)
Adjustments to reconcile operating income (loss) to net cash provided by operations:			
Depreciation and amortization	10,571,377	3,792,119	4,879,071
Provision for bad debt	25,783,919	-	-
Amortization of deferred defeasance and bond issuance costs	412,136	-	-
Changes in operating assets and liabilities:			
Accounts receivable	(18,572,333)	370,902	(569,427)
Inventories	241,885	(35,567)	64,077
Prepaid items and other assets	(48,902)	-	-
Accounts payable	838,375	(459,581)	433,820
Customer deposits	-	(92,190)	-
Accrued liabilities	18,699,822	45,404	10,005
	<u>\$ 26,035,163</u>	<u>\$ 7,589,448</u>	<u>\$ 3,043,618</u>
Net cash provided by operating activities	<u>\$ 26,035,163</u>	<u>\$ 7,589,448</u>	<u>\$ 3,043,618</u>

### Non cash transactions:

During 2006, the Golf course fund purchased equipment of \$711,957 with monies advanced from the sewer fund.

# City of Flint, Michigan

## Statement of Cash Flows Proprietary Funds Year Ended June 30, 2006

	<u>Enterprise Funds</u>		
	<u>Nonmajor Enterprise Fund Golf Course</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
Cash flows from operating activities:			
Operating income (loss)	\$ (334,561)	\$ (10,031,245)	\$ (118,307)
Adjustments to reconcile operating income (loss) to net cash provided by operations:			
Depreciation and amortization	370,231	19,612,798	1,017,503
Provision for bad debt	-	25,783,919	-
Amortization of deferred defeasance and bond issuance costs	-	412,136	-
Changes in operating assets and liabilities:			
Accounts receivable	-	(18,770,858)	119,384
Inventories	13,028	283,423	(2,817)
Prepaid items and other assets	-	(48,902)	644,216
Accounts payable	(674)	811,940	1,054,880
Customer deposits	-	(92,190)	-
Accrued liabilities	(4,111)	18,751,120	179,798
	<u>\$ 43,913</u>	<u>\$ 36,712,142</u>	<u>\$ 2,894,657</u>

### Non cash transactions:

During 2006, the Golf course fund purchased equipment with monies advanced from the sewer fund.

# City of Flint, Michigan

## Statement of Net Assets Fiduciary Funds June 30, 2006

	<b>Pension &amp; Benefit Trust Funds</b>	<b>Agency Funds</b>
	<u>                    </u>	<u>                    </u>
<b>Assets</b>		
Cash and cash equivalents:		
Pooled cash and investments	\$ 273,310	\$ 2,107,373
Cash and cash equivalents	58,817,494	897,992
Investments:		
U.S. Government obligations	91,883,293	-
Domestic stocks	454,696,902	-
Domestic corporate bonds	148,090,108	-
Partnership investment	33,256,723	-
Cash and securities held as collateral for securities lending	108,193,056	-
Taxes receivable	-	5,478,885
Accrued interest and dividends	1,571,414	-
Due from component unit	-	7,108
Prepaid items	-	-
Loans receivables	-	345,797
	<u>                    </u>	<u>                    </u>
Total assets	<u>896,782,300</u>	<u>8,837,155</u>
<b>Liabilities</b>		
Accounts payable	750,930	587,488
Deposits and advances	-	466,473
Due to other governments	-	7,670,965
Due to component unit	-	102,885
Due to other funds	609,867	9,344
Obligations under securities lending agreements	108,193,056	-
	<u>                    </u>	<u>                    </u>
Total liabilities	<u>109,553,853</u>	<u>8,837,155</u>
<b>Net Assets</b>		
Held in trust for pension benefits and other employee benefits	<u>\$ 787,228,447</u>	

The notes to financial statements are an integral part of this statement.

# City of Flint, Michigan

## Statement of Changes in Fiduciary Net Assets Fiduciary Funds Year Ended June 30, 2006

	<b>Pension &amp; Benefit Trust Funds</b>
<b>Additions</b>	
Investment income:	
Interest	\$ 9,482,814
Dividends	2,894,846
Net increase in fair value of investments	51,834,987
Other investment income	394,045
Less investment expense	<u>(2,546,087)</u>
Net investment income	<u>62,060,605</u>
Contributions:	
Members' contributions	3,873,758
Employer contributions	<u>22,295,491</u>
Total contributions	<u>26,169,249</u>
Securities lending income:	
Interest and fees	5,047,173
Less borrower rebates and bank fees	<u>(4,888,200)</u>
Net securities lending income	158,973
Transfers in	1,426,618
Total additions	<u>89,815,445</u>
<b>Deductions</b>	
Benefits payments	80,762,028
Refunds of contributions	927,863
Administrative expenses	630,002
Transfers out	<u>1,426,618</u>
Total deductions	<u>83,746,511</u>
<b>Net Increase in Net Assets Held in Trust</b>	6,068,934
<b>Net Assets</b>	
Beginning of year	<u>781,159,513</u>
End of year	<u>\$ 787,228,447</u>

*The notes to the financial statements are an integral part of this statement.*

# City of Flint, Michigan

## Component Units Combining Statement of Net Assets June 30, 2006

	<b>Downtown Development Authority</b>	<b>Atwood Stadium Building Authority</b>
	<hr/>	<hr/>
<b>Assets</b>		
Cash and equivalents	\$ 549,306	\$ 16,450
Investments	-	-
Receivables:		
Accounts	33,800	-
Notes and leases receivable (net allowance of (\$550,975))	767,837	-
Due from primary government	-	-
Assets held for resale - seized property	-	-
Prepaid and other current assets	-	-
Capital assets (not depreciated)	5,498,512	-
Capital assets (net of accumulated depreciation)	411,564	-
	<hr/>	<hr/>
Total assets	7,261,019	16,450
	<hr/>	<hr/>

*The notes to financial statements are an integral part of this statement.*

<b>Economic Development Corporation</b>	<b>Flint Area Enterprise Community</b>	<b>Totals</b>
\$ 153,942	\$ 508,049	\$ 1,227,747
499,091	-	499,091
-	20,978	54,778
10,159	1,555,817	2,333,813
132,789	-	132,789
-	113,000	113,000
12,900	4,742	17,642
93,860	-	5,592,372
451,932	45,454	908,950
<b>1,354,673</b>	<b>2,248,040</b>	<b>10,880,182</b>

(continued)

# City of Flint, Michigan

## Component Units

### Combining Statement of Net Assets (continued)

June 30, 2006

	<b>Downtown Development Authority</b>	<b>Atwood Stadium Building Authority</b>
<b>Liabilities</b>		
Accounts payable	15,509	-
Due to primary governmental units	767,837	-
Due to other governments	-	7,108
Refundable bonds and deposits	15,525	-
Accrued liabilities	9,135	-
Deferred revenue	109,700	-
Restricted liabilities-deposits payable	-	-
	<hr/>	<hr/>
Total liabilities	917,706	7,108
	<hr/>	<hr/>
<b>Net Assets</b>		
Invested in capital assets, net of related debt	5,910,076	-
Restricted for:		
Economic development	-	-
Community development	-	-
Capital improvements	10,570	-
Revolving loan program	-	-
Unrestricted (deficit)	422,667	9,342
	<hr/>	<hr/>
Total net assets	\$ 6,343,313	\$ 9,342
	<hr/> <hr/>	<hr/> <hr/>

*The notes to financial statements are an integral part of this statement.*

<b>Economic Development Corporation</b>	<b>Flint Area Enterprise Community</b>	<b>Totals</b>
9,502	10,548	35,559
88,068	-	855,905
-	-	7,108
22,005	-	37,530
-	13,512	22,647
-	-	109,700
6,228	-	6,228
<hr/> 125,803	<hr/> 24,060	<hr/> 1,074,677
545,792	45,454	6,501,322
697,555	-	697,555
-	2,168,694	2,168,694
-	-	10,570
-	-	-
(14,477)	(985,278)	(567,746)
<hr/> <hr/> \$ 1,228,870	<hr/> <hr/> \$ 1,228,870	<hr/> <hr/> \$ 8,810,395

# City of Flint, Michigan

**Component Units  
Combining Statement of Activities  
Year Ended June 30, 2006**

Functions\Programs	<u>Program revenues</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Downtown Development Authority:</b>			
Governmental activities:			
Development administration	\$ 227,883	\$ -	\$ -
Community promotion and development	702		
Business-type activities:			
Parking	1,020,744	785,809	32,700
<b>Atwood Stadium Building Community</b>	-	-	-
<b>Flint Area Enterprise Community:</b>			
Governmental activities:			
Community development	783,046	103,977	375,241
<b>Economic Development Corporation:</b>			
Governmental activities:			
Economic development	136,002	35,062	29,904
Business-type activities:			
Economic development	186,650	93,680	-
Total component units	<u>\$ 2,355,027</u>	<u>\$ 1,018,528</u>	<u>\$ 437,845</u>
General Revenues:			
Property taxes			
Interest			
Unrestricted income			
Unrestricted other revenues			
Total general revenues			
Change in net assets			
Net assets - Beginning of year			
Net assets - Ending of year			

*The notes to financial statements are an integral part of this statement.*

**Net (Expense) Revenue and  
Changes in Net Assets**

<b>Component Units</b>			
<b>Downtown Development Authority</b>	<b>Atwood Stadium Building Authority</b>	<b>Economic Development Corporation</b>	<b>Flint Area Enterprise Community</b>
\$ (227,883)	\$ -	\$ -	\$ -
(702)	-	-	-
(202,235)	-	-	-
-	-	-	-
-	-	-	(303,828)
-	-	(71,036)	-
-	-	(92,970)	-
(430,820)	-	(164,006)	(303,828)
67,684	-	-	-
-	-	44,820	121,591
15,035	-	-	249,142
172,557	-	-	-
255,276	-	44,820	370,733
(175,544)	-	(119,186)	66,905
6,518,857	9,342	1,348,056	2,157,075
\$ 6,343,313	\$ 9,342	\$ 1,228,870	\$ 2,223,980