

City of Flint,  
Michigan



Year Ended June  
30, 2024

Annual  
Comprehensive  
Financial Report

Prepared by:  
City of Flint Finance Department

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# CITY OF FLINT, MICHIGAN

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## **INTRODUCTORY SECTION**

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# **CITY OF FLINT, MICHIGAN**

## **ELECTED AND CITY OFFICERS**

**For the Year Ended June 30, 2024**

### **Elected Officials**

Sheldon Neeley – Elected Mayor November 2022

### **City Council**

(Elected November 2021 for four-year terms)

Leon El-Alamin – First Ward

Ladel Lewis – Second Ward

Quincy Murphy – Third Ward

Judy Priestley – Fourth Ward

Jerri Winfrey-Carter – Fifth Ward

Tonya Burns – Sixth Ward

Candice Mushatt – Seventh Ward

Dennis Pfeiffer – Eighth Ward

Jonathan Jarrett – Ninth Ward

### **Appointed and Other City Officials**

Clyde Edwards – City Administrator

Joseph Kuptz – City Attorney

Ed Taylor – Chief of Staff

Phillip Moore – Chief Financial Officer

Davina Donahue – City Clerk

Terence Green – Chief of Police

Theron Wiggins – Interim Fire Chief

Eddie Smith – Human Resources & Labor Relations Director

Vacant as of June 30, 2024– Department of Public Works Director

Emily Doerr – Planning & Development Director

Amanda Trujillo – City Treasurer

Stacey Kaake – City Assessor

Marquita Blair – Fleet Administrator

Jeff Keen – Information Technology Director

Lauren Rowley – Purchasing Manager

Rodney McGaha – Transportation Director

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Sheldon Neeley  
Mayor

## CITY OF FLINT, MICHIGAN Department of Finance

Clyde Edwards  
City Administrator

Phillip J. Moore  
Chief Financial Officer

Paul Borle  
Deputy CFO

December 22, 2025

### **To the Mayor, Members of the City Council, City Administrator, and Citizens of the City of Flint:**

Michigan Public Act 2 of 1968 as amended, requires that all local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the City of Flint for the fiscal year ended June 30, 2024.

This report consists of management's representations concerning the finances of the City of Flint. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Flint has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Flint's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Flint's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Rehmann Robson, Certified Public Accountants, have audited the City of Flint's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Flint for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Flint's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Flint was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City of Flint's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Flint's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

The City of Flint, incorporated in 1855, is in the eastern part of the State of Michigan. The City currently occupies a land area of 32.8 square miles and serves a population of 81,252 (2020 Census). The City is empowered to levy a property tax on both real and personal properties located within its boundaries, as well as a 1% income tax for those who live within the City limits (or .5% for those who only work within the City limits).

The City of Flint has operated under the strong mayor / council form of government since November 4, 1975, when the previous charter was adopted. The new charter adopted August 7, 2017, and in effect since January 1, 2018, reestablished this form of government. According to the Charter, legislative authority is vested in a City Council consisting of nine members elected from each of the nine wards in the City and serving a four-year term. The City Council is responsible for, among other things, passing ordinances, adopting the budget, approving resolutions and appointing committees. The Mayor is an elected official who serves as the chief executive officer of the City for a four-year term of office (the Mayor may be re-elected for additional terms and the newly adopted Charter mandates a three-year term to align the election of City Council with that of the Mayor). The Mayor appoints a City Administrator to be the chief administrative officer of the City, overseeing the day-to-day operations of the government. The Mayor also appoints the principal officials responsible for budget, personnel, planning, legal counsel, and administrative services. In addition, the Mayor may appoint department heads over such departments as may be necessary to administer the responsibilities of the City for public safety, public works, utilities, parks and recreation, transportation, finance, community development, and environmental protection. The City Council must approve these appointments. The City Council and the Mayor are elected on a non-partisan basis.

The City of Flint provides a full range of services, including police and fire protection, the construction and maintenance of streets and other infrastructures, recreational activities and cultural events, water and sewer services, and contracts for municipal solid waste pickup services. The Board of Hospital Managers has the exclusive authority to manage and operate Hurley Medical Center. The Flint Downtown Development Authority Board promotes the rehabilitation of the downtown area. The City of Flint Economic Development Corporation provides financing and development opportunities for businesses located in the City of Flint.

The Board of Hospital Managers has the exclusive authority to manage and operate Hurley Medical Center. The Flint Downtown Development Authority Board promotes the rehabilitation of the downtown area. The City of Flint Economic Development Corporation provides financing and development opportunities for businesses located in the City of Flint. The Flint Housing Commission provide low-income housing through rentals and Section 8 vouchers.

The annual budget serves as the foundation for the City of Flint's financial planning and control. Under the Charter, all departments and agencies of the City of Flint are required to submit requests for appropriations to the Chief Financial Officer. The Chief Financial Officer uses these requests as the starting point for developing a proposed budget. The Mayor then presents this proposed budget to the City Council on the first Monday in March (as per the new Charter, which was previously the first Monday in April). The Council is required to hold public hearings on the proposed budget and to adopt a final budget, by charter, on the first Monday in June. The City's fiscal year ends on June 30. The current appropriated budget is prepared by fund, function (e.g., public safety), department (e.g., police), and line item. Budget-to-actual comparisons are provided in this document for governmental funds for which an appropriated annual budget has been adopted.

## Factors Affecting Economic and Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment in which the City of Flint operates.

Property and Income Taxes. Property values in Flint are increasing. The table below shows that property values in Flint are increasing at faster than the rate of inflation:

Tax Year	Taxable Value	% Change	State Equalized Value	% Change
2020	\$ 771,356,890		\$ 951,598,380	
2021	804,246,571	4.26%	1,012,912,664	6.44%
2022	836,290,716	3.98%	1,079,909,610	6.61%
2023	905,635,796	8.29%	1,226,382,034	13.56%

The State Equalized Value is estimated to be half the true cash value of all the property in Flint. The Taxable Value is the value of the property that is capped by the rate of inflation. From TY 2019 to TY 2022, the estimate true cash value of the property has increased by 29%. We are optimistic that Flint has begun sustained growth in property values.

The Administration, through the City's Economic Development Department, will continue to seek community development opportunities as well as to work with the Genesee County Land Bank to bring vacant properties back onto the City tax rolls.

*Economic Development.* Over the past year, the City of Flint's economic development function has merged back within the Planning and Development Department for better coordination between economic development, zoning, and building permits/inspections. This increased focus on customer service for business and property owners - referred to as a "Concierge Program" - is being headed up by the new Deputy Director of Business Services who was previously working as the city's Small Business Specialist. This promotion is notable because the ability to use the foundation of prior small business support work while adding a formalized partnership between these different city functions is good government!! Because of this new structure, the Concierge Program has increased the city's ability to facilitate investment in the community.

Additionally, from November 2021- present, the City of Flint has been a pilot site of the Small Business Administration's Community Navigator Pilot Program to assist businesses with preparing for and accessing capital. To date, that program has helped small businesses in Flint access over \$1,500,000 to expand their businesses and create 365 new jobs. These efforts have leveraged private as well as public (state and federal) funding and support systems to diversify the city's economy.

The Flint Commerce Center redevelopment project in progress at the former Buick City site was aided through the passage of a Brownfield Plan to reimburse upfront development costs totaling over \$72M. This project is projected to bring 3,000 new jobs and new real and personal property investment beyond \$300 million - this is all within the light industrial redevelopment project itself. The ripple effect on the surrounding housing and business supply chain is unparalleled in the last 50 years of Flint's history.

The next addition to this Concierge Program is to bring the Business Licensing function over from the Clerk's Office to utilize data from recent building permits / inspections to ensure that all businesses are meeting basic public safety expectations.

*Grants.* The City received a \$94,726,664 American Rescue Plan Act (ARPA) grant. The grant provides the City with flexibility over how the funds are allocated and spent. The City have developed a plan and budget for using the funds.

In FY2024, the City moved \$39,953,572 from the ARPA Fund to the General Fund through the revenue replacement program. The plan is to use the funds in similar allocation as the original ARPA allocation plan. Over the past several years, the City has done an excellent job in obtaining grant funding to move the City forward. Additionally, the City was successful in receiving or renewing several grants from local foundations that granted increased staffing capacity, parks maintenance, support for public safety and more, two grants from the U.S. Department of Housing and Urban Development for residential lead abatement, the most recent received in 2021 for \$2.2 million and the five-year renewal of SAMHSA's ReCAST grant for \$5 million. The grant is nearing the end. A new residential lead abatement grant has is under consideration. There were several other grants received including the \$10 million for Berston Field House, \$20 million for Clean Water, \$2.5 million for recycling carts, and \$2.5 million for the sexual assault kit initiative. The City also received many smaller grants that helped to increase capacity of community partnerships and deepen the impact of city initiatives.

*Infrastructure.* The City is consistently working to upgrade infrastructure, particularly in the Department of Public Works, including the Water Plant, Water Pollution Control Facilities, and Transportation.

Water Plant - The City of Flint has undertaken to fully restore and upgrade the Water Treatment Plant to a new, modern, fully automated, D-1 Limited Treatment Water Plant. The project included a new chemical feed building on the main water plant grounds, which began in August of 2020 and was completed 2023 In FY2024, more lead service lines were replaced with a cost of \$10.1 million.

Water Pollution Control - The Water Pollution Control Facility has secured Clean Water State Revolving Fund (CWSRF) loans to update, replace, and refurbish old, broken, and obsolete equipment. In FY 2024, the major projects included:

The aeration improvements for the activated sludge included the replacing three 1,750 horsepower (HP) blowers with three new turbo blowers. The new blowers can be operated at variable speeds using from 300 HP to 700 HP each. Additional blowers come online automatically when more air is needed. Most of the time only one blower is needed which saves substantial energy and operational costs. This project was completed in FY2025.

The Ultraviolet Light Disinfection project will allow WPC to meet all the environmental requirements for disinfection of the plant effluent and eliminate two very dangerous chemicals previously used: Chlorine and Sulfur Dioxide. The use of chemicals was a safety concern for both the staff and the near-by citizens, and it has been eradicated. The project was completed and became operational in FY2024.

The City has begun phase three and four of the plant upgrades. The phase three projects include improvements to the electrical distribution system, grit flow control and the waste unloading station. The phase four projects include demolishing the Avon pump station, rehabilitating the Third Avenue force main and additional electrical distribution improvements.

Transportation - Major capital improvements in transportation in FY2024 include the Saginaw Street bricks the Flint River to Court Street; resurfacing Miller Road and 12th Street; replacing the Dort Highway culvert; installation of speed humps throughout the city; sidewalk replacements including around City Hall.

Pension and Other Post-employment Benefits. The City of Flint is a member of the Municipal Employees Retirement System (MERS). MERS is a statewide multiple employer pension system which administers various defined benefit and defined contribution pension plans for its public safety and most non-public safety employees. New non-public safety employees hired after FY2013 are to be enrolled in a hybrid plan administered by MERS; similar plans for new public safety employees were made effective in FY2014.

The Flint pension system had been on a downward spiral since 2014. According to its own meeting minutes in 2017, the Receivership Transition Advisory Board acknowledged that the pension system was in serious trouble. The City of Flint has lost more than \$100 million dollars in pension assets since 2014. To address the massive leaks in the pension system, the city has had to increase contributions by over \$10 million a year beginning in FY 2021. FY 2023, the pension contribution was \$30 million. The pension contribution was forecast to increase to \$39 million FY2024. With the pension grants, the city's contribution has stabilized at ~\$20 million for the next several years. The pension contribution is the biggest expenditure in the city budget.

Thanks to the strong fiscal diligence of Mayor Neeley, his Administration, and our Lansing partners, the City of Flint has received a cash infusion of \$170,000,000 directly into our pension system. The Mayor and his team are working toward securing an additional \$50,000,000 for the pension fund. While the large infusion of cash greatly helps our pension system, it does not solve all our pension funding problems. The City will need to continue to focus on solving our pension funding problems.

Each year, an independent actuary engaged by the pension system calculates the amount of the annual contribution that the City of Flint must make to the pension system to ensure that the plan will be able to meet its obligations to retired employees. The City of Flint makes monthly contributions to the system in accordance with the contribution rate determined by the independent actuary. Despite the City of Flint's funding activities, the overall retirement system as of December 31, 2022 (the latest actuarial report) was only 27% funded. As of that same date, there are 1,673 retirees and beneficiaries receiving pension benefits from the City of Flint, but only 444 active employees working toward earning that benefit.

The City of Flint also provides post-retirement health and vision care benefits for retirees and their dependents. As of June 30, 2024 (the most recent actuarial valuation), there were 1,350 retirees receiving benefits, but only 159 active employees working toward earning that benefit in retirement. Retiree healthcare benefits are financed on a pay-as-you-go basis, meaning the City is zero percent prefunded. The actuarially calculated liability related to these benefits is just over \$125 million. During the year ended June 30, 2024, the City paid \$5.6 million in premiums and other benefits. Starting in FY2015, new employees are no longer eligible for retiree healthcare but are, instead, enrolled in a retiree medical savings account. This program will eventually eliminate retiree health care liabilities for the City. Currently, there are several lawsuits pending against the City related to retiree health care. Additional information on the City of Flint's retiree healthcare plan can be found in Note 16 of the June 30, 2024, audited financial statements.

Respectfully Submitted,



Phillip J. Moore  
Chief Financial Officer

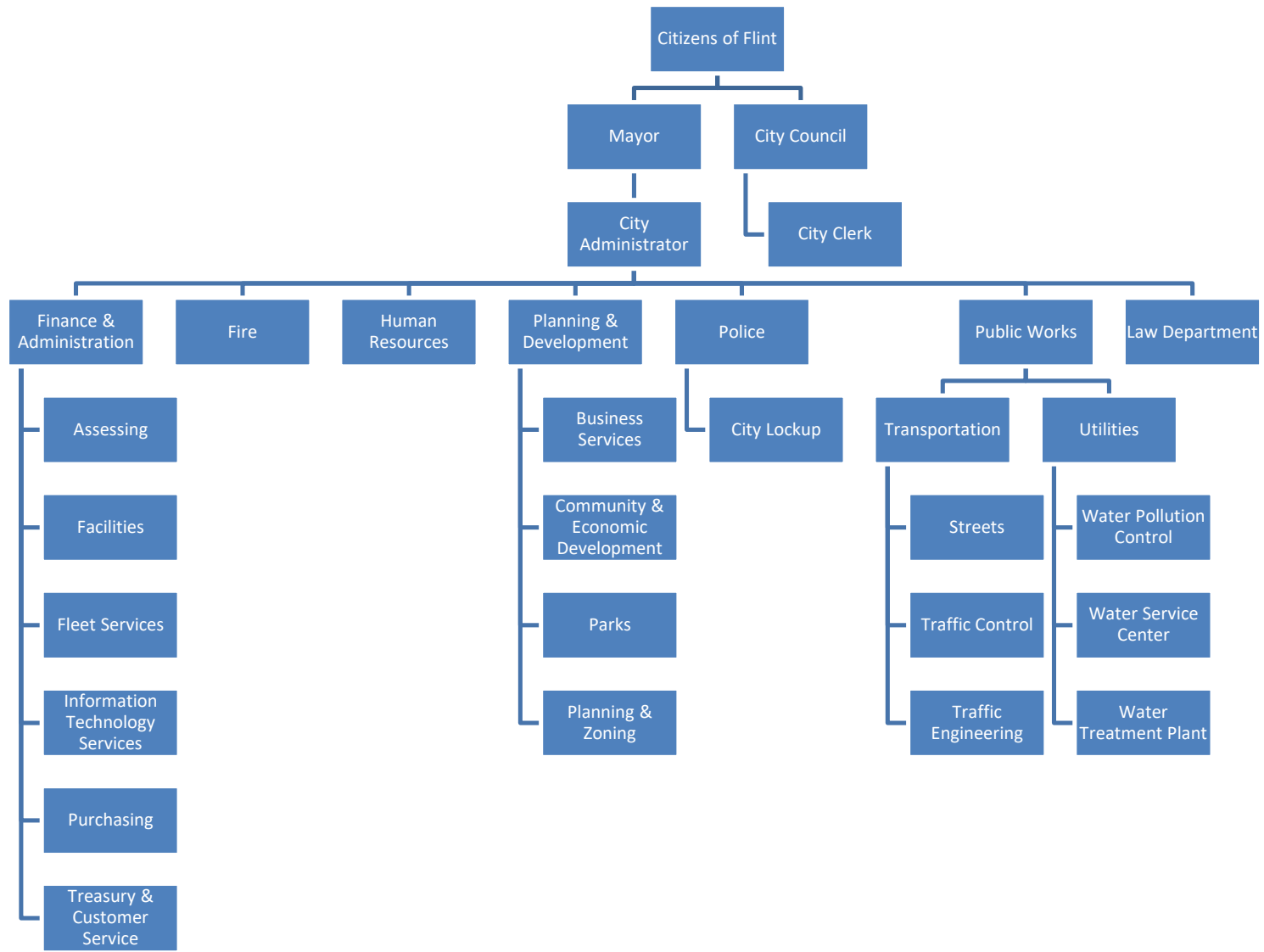


Clyde Edwards  
City Administrator

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## CITY OF FLINT - ORGANIZATIONAL CHART



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## INDEPENDENT AUDITORS' REPORT

December 22, 2025

Members of the City Council  
City of Flint, Michigan

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Flint, Michigan** (the "City") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Flint, Michigan, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparisons for the general fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the following entities, which represent the indicated percentages of total aggregate discretely presented component units:

	Percent of Assets and Deferred Outflows	Percent of Revenues	Percent of Net Position
Hurley Medical Center	89.1%	93.4%	62.0%
Housing Commission	7.0%	6.0%	31.6%
Downtown Development Authority	2.0%	0.4%	4.9%

Those statements were audited by other auditors whose reports thereon were furnished to us, and our opinions, insofar as they relate to the amounts included for the above entities, are based solely on the reports of the other auditors. The financial statements of the Downtown Development Authority were not audited in accordance with *Government Auditing Standards*.



### ***Restatement of Beginning Net Position***

As described in Note 20 to the financial statements, the beginning net position of the Flint Housing Commission component unit was restated. Our opinion is not modified with respect to this matter.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Independent Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the schedules for the pension and other postemployment benefit plans, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated December 22, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Lehmann Lobson LLC". The signature is written in a cursive, flowing style.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## CITY OF FLINT, MICHIGAN

### Management's Discussion and Analysis

The following is a brief overview and analysis of the financial statements for the City of Flint, Michigan (the "City") for the 2024 fiscal year, which began on July 1, 2023 and ended on June 30, 2024 (FY 2023/24). The reader is encouraged to not only consider the comments made here but to review the statements in their entirety.

The City provides a full range of municipal services, including police and fire protection, construction and maintenance of streets, sidewalks, and other infrastructure, maintenance and operation of water and sewer systems, maintenance of parks, and solid waste collection. These activities comprise the majority of the City's governmental and business-type activities.

In addition to governmental and business-type activities, the financial statements include the activities of Hurley Medical Center, Flint Downtown Development Authority, Flint Housing Commission, and Flint Economic Development Corporation. While part of the City government, these entities are presented as "discrete component units" because of their independent management authority.

#### Financial Highlights

The City returned to local government control in April 2015. This process was completed in April 4, 2018 with the removal of the State appointed Receivership Transition Advisory Board, which was put in place to oversee and approve City operational decisions. (The City had been in state receivership under an Emergency Manager since December 1, 2011).

The City has adopted a two-year operating budget and new ordinances addressing the achievement and maintenance of financial stability. These ordinances include requirements for creating and maintaining a strategic plan; adopting a biennial budget and five year financial projections; establishing a fund balance reserve, including a budget stabilization fund; and an update of the City's purchasing ordinance.

The City's general fund ended FY 2023/24 with a fund balance of \$54.0 million. The City's unrestricted cash at June 30, 2024 was \$175.6 million compared to \$142.5 million on June 30, 2023 across all governmental and business-type activities.

In FY 2023/24, the City billed \$441.5 million in taxes, fees, and grants for governmental and business-type activities, and spent \$213.8 million to provide City services. During the course of the year, the City's capital assets increased by approximately \$11.4 million in governmental activities. The City's capital assets for business-type activities increased approximately \$19.3 million. Significant additions to capital assets are discussed further below in the capital assets section.

The City's statement of net position on June 30, 2024, highlights primary government assets, including deferred outflows, totaling \$800.8 million and liabilities and deferred inflows totaling \$567.8 million, for a total net position of \$233.0 million. Unrestricted net position was a deficit of \$203.5 million in governmental activities and \$11.7 million in the business-type activities. This amount was netted against restricted net position and net investment in capital assets to reach \$233.0 million total net position on the statement of net position.

The City has a 1 percent income tax for residents and a ½ percent income tax for non-residents. Non-residents do not live in the City but work in the City. In FY 2023/24, the City's income tax revenue generated \$21.0 million (an increase from the \$18.7 million figure from FY 2022/23).

For the year ended June 30, 2024, the City has estimated the cost of providing retiree healthcare benefits through an actuarial valuation as of June 30, 2024. The City's annual Other Post Employment Benefit (OPEB) expenses recognized in FY 2023/24 was an expense of \$30.0 million. The City made OPEB contributions of \$5.6 million, on a pay-as-you-go basis for the fiscal year. The City's total OPEB liability increased from \$100.8 million in 2023 to \$125.1 million in 2024.



## CITY OF FLINT, MICHIGAN

### Management's Discussion and Analysis

The City adopted Governmental Accounting Standards Board (GASB) Statements 75 effective June 30, 2018. This GASB statement required the City to recognize the long-term obligation for OPEB benefits as a liability and to measure the annual costs of the OPEB benefits. Although these items existed prior to implementation of the Statement, they were not required to be reported. Additional information regarding the City's \$125.1 million total OPEB liability may be found in Note 16 to the financial statements.

The City's pension legacy costs continue to be a significant issue for the City. During calendar year 2023 (the plan's activity is measured and reported by the calendar year instead of the fiscal year), the City contributed \$29.9 million (excludes the contributions from the Protecting MI Pension grant) to the MERS pension system; however, benefits paid to retirees totaled \$48.9 million. The funded status of the plan increased from 28.9% as of December 31, 2022 to 57.4% as of December 31, 2023. As of December 31, 2023, the City's unfunded pension liability totals \$225.6 million. For FY 2023/24 the City's pension plan received a \$170.0 million grant under the Protecting MI Pension Grant Award. This grant was specifically aimed at bolstering the financial stability of municipal pension plans. The funds were deposited into the MERS pension plan, significantly enhancing the fiduciary net position of the City's pension plan and ensuring long-term sustainability for its beneficiaries. Additionally, during FY 2023/24 the City received a supplemental grant award for \$2.4 million which was also deposited into the MERS pension plan.

Administration of the pension system was transferred to the Municipal Employees' Retirement System, a state-wide multi-employer system in FY 2012/13.

#### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include legislative, general government, judicial, public safety, public works, health and welfare, recreation and culture, and community development. The business-type activities of the City include water and sewer operations.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

## CITY OF FLINT, MICHIGAN

### Management's Discussion and Analysis

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains numerous individual governmental funds. Information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances for the general, grants, major streets, and American Rescue Plan Act funds, each of which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and schedules elsewhere in this report.

**Proprietary Funds.** The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for water and sewer operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for fringe benefits, data processing, central maintenance garage and self-insurance.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water fund and sewer fund, both of which are considered to be major funds of the City. The City's internal service fund is presented in the proprietary fund financial statements in the Governmental Activities - Internal Service Fund column.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain information concerning the City's pension and other postemployment benefits plans.

#### Government-wide Financial Analysis

Net position may serve, over time, as a useful indicator of a government's financial position. Total assets and deferred outflows of resources of the City are \$800.8 million. Total liabilities and deferred inflows of resources are \$567.8 million. The largest portion of these liabilities are \$225.6 million of net pension liability and \$125.1 million of other postemployment benefit liabilities.

Total net position (total assets and deferred outflows of resources less total liabilities and deferred inflows of resources) is \$233.0 million, this includes \$336.5 million of net investment in capital assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## CITY OF FLINT, MICHIGAN

### Management's Discussion and Analysis

Of the remaining portion of the City's total net position, \$111.7 million represents resources which are subject to external restrictions on how they may be used. The unrestricted deficit at year end was \$215.2 million, which decreased from the FY 2022/23 deficit of \$377.6 million. There is no remaining balance of unrestricted net position that may be used to meet the government's ongoing obligations to citizens and creditors. Net position is divided between governmental activities and business-type activities. Governmental activities and business-type activities show a \$203.5 million deficit and \$11.7 million in unrestricted net position, respectively. The \$21.2 million in total governmental activities deficit is primarily driven by the pension and OPEB liability. Business-type activities show a total net position of \$254.2 million.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Assets</b>						
Current and other assets	\$ 208,254,351	\$ 211,588,462	\$ 177,119,931	\$ 197,261,963	\$ 385,374,282	\$ 408,850,425
Capital assets, net	99,704,951	88,323,768	294,495,724	275,203,386	394,200,675	363,527,154
	<u>307,959,302</u>	<u>299,912,230</u>	<u>471,615,655</u>	<u>472,465,349</u>	<u>779,574,957</u>	<u>772,377,579</u>
<b>Total deferred outflows of resources</b>	<u>17,472,658</u>	<u>23,633,533</u>	<u>3,775,472</u>	<u>5,596,791</u>	<u>21,248,130</u>	<u>29,230,324</u>
<b>Liabilities</b>						
Long-term liabilities	20,055,346	23,083,873	129,973,566	135,641,762	150,028,912	158,725,635
Pension and OPEB liabilities	268,569,113	399,445,045	82,130,079	112,748,520	350,699,192	512,193,565
Current and other liabilities	56,559,869	109,751,497	8,826,632	13,360,999	65,386,501	123,112,496
	<u>345,184,328</u>	<u>532,280,415</u>	<u>220,930,277</u>	<u>261,751,281</u>	<u>566,114,605</u>	<u>794,031,696</u>
<b>Total deferred inflows of resources</b>	<u>1,437,436</u>	<u>1,918,010</u>	<u>240,198</u>	<u>371,966</u>	<u>1,677,634</u>	<u>2,289,976</u>
<b>Net position</b>						
Net investment in capital assets	95,271,682	82,916,210	241,253,377	225,510,594	336,525,059	308,426,804
Restricted	87,025,143	74,495,664	24,680,934	-	111,706,077	74,495,664
Unrestricted (deficit)	<u>(203,486,629)</u>	<u>(368,064,536)</u>	<u>(11,713,659)</u>	<u>(9,571,701)</u>	<u>(215,200,288)</u>	<u>(377,636,237)</u>
<b>Total net position</b>	<u>\$ (21,189,804)</u>	<u>\$ (210,652,662)</u>	<u>\$ 254,220,652</u>	<u>\$ 215,938,893</u>	<u>\$ 233,030,848</u>	<u>\$ 5,286,231</u>

### Management's Discussion and Analysis

#### Governmental Activities

Changes in net position provide some insight into current year activities as compared to those of the prior year. Total net position for governmental activities increased by \$189.5 million. Total assets and deferred outflows of resources increased by \$1.9 million and total liabilities and deferred inflows of resources decreased by \$187.6 million from FY 2022/23 due to the city being a recipient of the Protecting MI Pension grant, which reduced the city's pension liability. In addition, the city's utilization of the unspent ARPA fund also was a contributing factor. At a high level, the increase in total net position is primarily attributed to increased activity throughout the City as they return to work after the COVID-19 pandemic and the pension grant discussed above. Revenues in FY 2023/24 were \$213.0 million higher than in FY 2022/23. The City had an increase in grants and contributions not restricted to specific programs of \$177.0 million as it uses APRA funds for City operations and use of the Protecting MI Pension grant. Further, unrestricted investment earnings (losses) increased by \$4.7 million mainly due to market fluctuations. The FY 2023/24 expenses increased by \$77.8 million mainly due to public safety expenses increasing \$43.8 million as a result of unplanned vacancies in personnel and adjustments for pension and OPEB expenses and general government expenses increasing by \$11.4 million due to adjustments for pension expense related to the city using the Protecting MI Pension grant to increase funding to the city's plan. In addition, community development expenses increased by \$17.8 million due to the costs related to the renovations and upgrades to the Berston Fieldhouse and Clark Commons.

#### Business-type Activities

Business-type activities have \$254.2 million of total net position. Business-type activities do not usually encumber at year-end and normally do not appropriate net position as part of the budget process. Total net position for business-type activities increased by \$38.3 million. Expenses increased by \$8.8 million in FY 2023/24 from FY 2022/23, while revenue increased by \$24.8 million. Business-type activities, Water and Sewer services, have \$254.2 million of total net position; however, it is important to look at the components of net position to understand the financial state of these activities. That \$254.2 million is made up of three components - \$215.3 million of capital assets net of related debt and depreciation/amortization, \$24.7 million of sewer bond reserve and \$11.7 million of unrestricted deficit net position. Capital grants revenue decreased \$5.4 million due to decreases in State Capital Grants/DWSRF. Further, sewer expenses increased \$5.9 million and water fund expenses increased \$2.9 million from the previous year primarily due to the pension grant that was applied to the pension liabilities. Current and other related liabilities decreased by \$4.5 million due to capital related projects being completed within the fiscal year and the outstanding retainage was released.

# CITY OF FLINT, MICHIGAN

## Management's Discussion and Analysis

		Change in Net position					
		Governmental Activities		Business-type Activities		Total	
		2024	2023	2024	2023	2024	2023
<b>Program revenues</b>							
Charges for services	\$ 13,814,591	\$ 14,291,846	\$ 55,864,599	\$ 58,514,406	\$ 69,679,190	\$ 72,806,252	
Operating grants	53,715,287	38,517,932	-	-	53,715,287	38,517,932	
Capital grants	11,692,151	494,472	11,392,441	16,782,833	23,084,592	17,277,305	
<b>General revenues</b>							
Property taxes	26,078,894	23,277,946	-	-	26,078,894	23,277,946	
Income taxes	20,953,861	18,700,983	-	-	20,953,861	18,700,983	
Grants and contributions not restricted to specific programs	190,530,595	13,579,993	30,751,552	-	221,282,147	13,579,993	
State revenue sharing	16,653,870	16,195,063	-	-	16,653,870	16,195,063	
Unrestricted investments earnings (losses)	7,022,693	2,369,769	3,033,872	938,336	10,056,565	3,308,105	
<b>Total revenues</b>	<b>340,461,942</b>	<b>127,428,004</b>	<b>101,042,464</b>	<b>76,235,575</b>	<b>441,504,406</b>	<b>203,663,579</b>	
<b>Expenses</b>							
Legislative	1,898,859	955,752	-	-	1,898,859	955,752	
General government	24,338,315	12,976,771	-	-	24,338,315	12,976,771	
Judicial	1,115,537	1,097,668	-	-	1,115,537	1,097,668	
Public safety	59,276,314	15,454,109	-	-	59,276,314	15,454,109	
Public works	28,624,271	25,507,913	-	-	28,624,271	25,507,913	
Health and welfare	802,463	-	-	-	802,463	-	
Recreation and culture	1,516,247	1,320,927	-	-	1,516,247	1,320,927	
Community development	30,552,441	12,794,395	-	-	30,552,441	12,794,395	
Interest on long-term liabilities	506,789	719,194	-	-	506,789	719,194	
Sewer	-	-	29,911,800	24,035,951	29,911,800	24,035,951	
Water	-	-	35,216,753	32,280,562	35,216,753	32,280,562	
<b>Total expenses</b>	<b>148,631,236</b>	<b>70,826,729</b>	<b>65,128,553</b>	<b>56,316,513</b>	<b>213,759,789</b>	<b>127,143,242</b>	
Change in net position, before transfers	191,830,706	56,601,275	35,913,911	19,919,062	227,744,617	76,520,337	
Transfers	(2,367,848)	(2,085,129)	2,367,848	2,085,129	-	-	
<b>Change in net position</b>	<b>189,462,858</b>	<b>54,516,146</b>	<b>38,281,759</b>	<b>22,004,191</b>	<b>227,744,617</b>	<b>76,520,337</b>	
<b>Net position:</b>							
Beginning of year	(210,652,662)	(265,168,808)	215,938,893	193,934,702	5,286,231	(71,234,106)	
<b>End of year</b>	<b>\$ (21,189,804)</b>	<b>\$ (210,652,662)</b>	<b>\$ 254,220,652</b>	<b>\$ 215,938,893</b>	<b>\$ 233,030,848</b>	<b>\$ 5,286,231</b>	

## CITY OF FLINT, MICHIGAN

### Management's Discussion and Analysis

#### Analysis of Fund Financial Statements

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2024, the City's governmental funds reported combined ending fund balance of \$105.2 million, an increase of \$43.4 million in comparison to the prior year. Of that total fund balance of \$105.2 million, \$230 thousand is considered nonspendable, and \$46.3 million is unassigned. \$58.7 million is considered restricted for various reasons and can only be used for its particular restricted purpose. Examples of restrictions are dedicated millages or the terms of a particular grant as determined by the granting agency.

The City's governmental funds include the general, grants, major streets, American Rescue Plan Act, and nonmajor governmental funds. The general fund pays for most of the City's governmental services. The general fund recorded \$167.8 million in expenditures to provide City services in fiscal year FY 2023/24. The most significant expenditures were for public safety (police & fire). Public safety must account for at least 55.5% of the general fund budget per Ordinance.

Public safety services are partially supported by two special millages, a public safety millage and a neighborhood policing millage. These millages are recorded in separate special revenue funds. The neighborhood policing fund had expenditures of \$5.4 million and the public safety fund had expenditures of \$16.4 million. The public safety fund includes both police and fire.

Fund balance in the governmental funds increased \$43.4 million from the prior year, general fund accounted for \$39.2 million of that increase. In FY 2023/24, general fund revenues increased \$109.3 million, primarily due to receipt of the pension grant from the state and a transfer of ARPA funds into the general fund. General fund expenditures increased \$107.1 million due primarily to pension grant being applied to the pension liability.

The grants fund decreased its fund balance by \$4.3 million, primarily due to reimbursements that were not received within sixty days of year-end. The Mental Health Crisis Recovery grant and Choice grants all missed this window to recognize the revenue and are recorded within unavailable revenue at year-end.

The major streets fund increased its fund balance by \$2.5 million primarily due to a combination of higher interest income than The City received \$94.7 million in American Rescue Plan Act (ARPA) funding during a prior year. After extensive community engagement, discussions with the City Council, key partners and stakeholders, and internal review, the City presented the plan to invest the City's \$94.7 million in the community. During FY 2023/24, the City spent \$48.8 million of the ARPA funds resulting in \$29.0 million available for expenditure in the future.

## CITY OF FLINT, MICHIGAN

### Management's Discussion and Analysis

#### Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position in the sewer fund is \$84.4 million for FY2023/24, increasing \$20.1 million from the net position of \$64.3 million in FY2022/23. The sewer fund had a net operating loss of \$625 thousand in FY 2023/24. For FY 2023/24 sewer fund expenses totaled \$27.1 million. Operating expenses increased \$3.2 million mostly due to an increase in maintenance projects.

Total net position in the water fund is \$166.7 million, including an operating loss of \$527 thousand during the year. For FY 2023/24 water fund expenses totaled \$30.0 million. Operating expenses decreased \$2.2 million mostly due to fewer maintenance projects than in FY FY2022/23 and a reduction in other post employment benefits.

#### Capital Assets

At June 30, 2024, the City's investment in capital assets for the governmental and business-type activities amounted to \$394.2 million. The investment in capital assets covers a broad variety of land, construction in progress, land improvement, infrastructure, buildings and improvements, machinery and equipment, and vehicles and is reduced by the amount of related outstanding debt. The City's investment in capital assets increased \$30.7 million.

Major capital asset funded during the current fiscal year included the following:

- Cedar Street Reservoir and Cedar Street Pump Station
- Primary clarifiers and B-Grit rehabilitation
- Third Avenue pump station
- Sewer relining
- Dort pump station rehabilitation
- Water Plant Roof Rehabilitation
- Saginaw Street bricks
- Fire equipment replacement

	Capital Assets (Net of Depreciation/Amortization)					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 14,841,737	\$ 14,817,714	\$ 1,175,844	\$ 1,175,844	\$ 16,017,581	\$ 15,993,558
Construction in progress	16,407,203	5,712,074	61,021,120	73,171,339	77,428,323	78,883,413
Land improvements	1,382,683	944,453	2,582,792	2,731,186	3,965,475	3,675,639
Infrastructure	45,490,143	49,986,581	172,074,000	152,810,691	217,564,143	202,797,272
Buildings and improvements	6,686,773	5,507,890	24,052,168	10,201,546	30,738,941	15,709,436
Machinery and equipment	3,041,973	1,941,755	32,177,402	34,566,760	35,219,375	36,508,515
Vehicles	9,363,781	8,101,124	1,412,398	546,020	10,776,179	8,647,144
Lease building	301,829	-	-	-	301,829	-
Lease equipment	942,707	913,181	-	-	942,707	913,181
Subscription asset	1,246,122	398,996	-	-	1,246,122	398,996
<b>Total capital assets, net</b>	<b>\$ 99,704,951</b>	<b>\$ 88,323,768</b>	<b>\$ 294,495,724</b>	<b>\$ 275,203,386</b>	<b>\$ 394,200,675</b>	<b>\$ 363,527,154</b>

Additional information on the City's capital assets can be found in Note 8.

## CITY OF FLINT, MICHIGAN

### Management's Discussion and Analysis

#### Debt Administration

Debt is administered through three debt service funds and the public improvement fund. In addition, the water fund services debt for bonds issued for Karegnondi Water Authority ("KWA").

#### General Obligation Bonds

The City issued \$10 million in General Obligation Bonds in fiscal year 2008 on behalf of the Flint Downtown Development Authority (the "DDA") for construction of the new Rutherford parking structure. The City has pledged a portion of state-shared revenue as security for the bond. The DDA has pledged net revenue from the parking operations for the repayment of the bond. However, in the City's approved deficit elimination plan, it was determined by the City that the DDA's commitment to funding its portion of the debt service for the parking ramp was unrealistic given the decline in property values and revenues expected to be received through operations were not realized. The City as the guarantor continues to make the debt service payments.

#### Long-term Debt

At year end, the City had \$20.0 million in long-term debt outstanding for governmental activities and \$130.0 million outstanding for business-type activities. Additional information on the City's long-term debt can be found in Note 9.

	Long-term Debt					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Bonds payable	\$ 9,710,000	\$ 10,450,000	\$ 47,871,744	\$ 41,376,079	\$ 57,581,744	\$ 51,826,079
Loans payable	4,905,267	7,402,392	-	-	4,905,267	7,402,392
Bond premium	707,004	785,560	-	-	707,004	785,560
Subscription liability	448,235	368,123	-	-	448,235	368,123
Lease liability	1,158,765	340,368	-	-	1,158,765	340,368
Agreement payable	-	-	81,454,500	93,720,799	81,454,500	93,720,799
Installment purchases payable	261,861	1,016,034	-	-	261,861	1,016,034
Compensated absences	2,864,214	2,721,396	647,322	544,884	3,511,536	3,266,280
<b>Total</b>	<b>\$ 20,055,346</b>	<b>\$ 23,083,873</b>	<b>\$ 129,973,566</b>	<b>\$ 135,641,762</b>	<b>\$ 150,028,912</b>	<b>\$ 158,725,635</b>

During the year, the City issued new debt of \$7.9 million of the Sewage Disposal System Junior Lien Revenue Bond SRF Series 2021.

The City entered into an agreement with KWA to purchase raw water and pledge the City's full faith and credit towards the repayment of a portion of KWA debt. Subsequent to this agreement the City transferred 97% of those water rights to the Great Lakes Water Authority (GLWA). The City has a liability of \$81.5 million to the KWA and a receivable from GLWA of \$79.0 million. The sale of the water rights to GLWA is being paid in the form of a credit on the City's water bill from GLWA. The other three percent represents an intangible asset on the City's books.

#### Limitations on Debt

The State limits the amount of general obligation debt the City can issue to up to 10 percent of the assessed value of all taxable property within the City's corporate limits. The amount of debt available to the City (unused portion of the debt limitation) is \$105.4 million. The City can issue bonds through the Michigan Municipal Bonding Authority's state-shared revenue program. This program may require a pledge of the City's future state-shared revenues.

#### Bond Ratings

The City does not have an underlying bond rating from any rating agency at this time.



## CITY OF FLINT, MICHIGAN

### Management's Discussion and Analysis

#### General Fund Budgetary Highlights

The City reviews its budgets on a monthly basis and makes various amendments to address unexpected operating events throughout the year. The general fund originally budgeted for a decrease in fund balance of \$3.0 million and was amended for an increase in fund balance of \$23.6 million, an increase of approximately \$26.6 million. There were significant changes between the original and final budget for state source revenue and expenditures in most functions. These changes to the budget are primarily a result of the pension grant discussed above and related expense recognized related to the grant.

The general fund budgeted for an increase in fund balance of \$23.6 million and the actual change in fund balance was an increase of \$39.2 million. Significant budgetary variances are as follows:

- Income tax revenue was over budget by \$1.5 million due to being cautious in estimating the expected revenue.
- State source revenue was under budget by \$4.0 million due to over estimating the amount of two state grants the City thought they were likely to receive.
- Charges for services were over budget by \$1.1 million due to number of different charges. Among the larger items were indirect cost charges, property affidavit fees, impound related fees, and structural fire fees.
- Investment appreciation was over budget by \$3.4 million due primarily to higher interest revenue than the City anticipated.
- Total general government expenditures were under budget by \$3.9 million due to less overtime and unplanned vacancies.
- Police expenditures were under budget by \$3.4 million due to less overtime and unplanned vacancies.
- Fire expenditures were under budget by \$1.5 million due to less overtime and unplanned vacancies.
- Health and welfare expenditures were under budget by \$2.5 million due to ARPA funds not being spent as quickly as anticipated.
- Community development expenditures were under budget by \$4.4 million due to the office construction project starting later than planned.
- Capital outlay expenditures were over budget by \$1.5 million due to unplanned capital subscriptions and leases.
- Issuance of long-term liability were over budget by \$1.5 million due to unplanned capital subscriptions and leases.
- Transfers in were under budget by \$2.4 million due to due to not transferring funds from the Fringe benefit fund.

#### Economic Factors and Next Year's Budgets and Rates

The City has made great progress toward rebuilding to full financial strength. However, the City will continue to be challenged for several more years as it works to enhance its level of services. A sound vision for the provision of quality services while remaining solvent is crucial to redevelop the City as an attractive place to live, play, study, work, and visit.

In summary, challenges include:

- Attracting new business and industry to Flint
- Reducing the legacy costs of the City's pension system and retiree health care
- Developing an asset management plan to address the aging infrastructure including water, sewer, streets and sidewalks
- Continuing efforts to reduce crime and blight in the City
- Make Flint attractive to new residential developments
- Abate blight throughout the City
- Making Flint an attractive place for new residents and families
- Address the underlying issues that create relatively high water and sewer rates

There are many positive steps being taken by and within the City to improve the financial solvency of the city, including:

- Ongoing commitment to new policies, practices, and organizational changes focused on financial stability
- Seeking innovative ways to reduce costs and improve efficiencies throughout the City
- With the assistance of the State of Michigan, the pension system has reduced its liabilities with pensions grants.
- Strong partnership with the Greater Regional Flint Chamber of Commerce and the State of Michigan to promote economic development
- Strong financial and vocal support from the Mott Foundations, the Kellogg Foundation and Ford Foundation
- Continued diversification of Flint's economic base, especially in higher education and health care

## CITY OF FLINT, MICHIGAN

### Management's Discussion and Analysis

#### Long-term Financial Planning

- The City will continue to seek additional income tax revenue through a partnership with the Michigan Department of Treasury.
- The City will continue to carefully manage resources that are available for operations and improvements.
- The City will continue to monitor all operating programs to determine if the program provides a quality level of service at a fair cost.
- The City is developing asset management plans for the water, sewer and street systems.
- The City will continue to implement the rules established by the City Charter, including establishing a Revenue Estimating Committee charged with providing revenue estimates that are reasonable and fair.
- The City will continue to follow adopted Ordinances including the adoption of a biennial budget with a five-year projection. Through this long-term planning, the City will continue to evaluate and monitor its budgets. Adjustments will be made to address changes in economic conditions and other events as they present themselves.
- The Capital Improvement Plan was developed, reviewed by the public, and approved by the Planning Commission and the City Council and is updated on a yearly basis.
- The City has a Master Plan. The plan paints a new vision for the City and is focused on making Flint an attractive place to live, work, learn, and play.

#### Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the financial position of the City. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Financial Officer, City of Flint, 1101 South Saginaw Street, Room #203, Flint, Michigan 48502.

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## **BASIC FINANCIAL STATEMENTS**

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# CITY OF FLINT, MICHIGAN

## Statement of Net Position

June 30, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Totals	
<b>Assets</b>				
Cash and investments	\$ 139,540,698	\$ 36,106,971	\$ 175,647,669	\$ 87,188,389
Receivables, net	39,985,577	105,897,186	145,882,763	140,346,610
Internal balances	(3,142,107)	3,142,107	-	-
Other assets	1,373,071	7,292,733	8,665,804	10,618,973
Restricted cash and investments	30,497,112	24,680,934	55,178,046	159,151,100
Investment in joint venture	-	-	-	7,597,975
Capital assets not being depreciated/amortized	31,248,940	62,196,964	93,445,904	24,855,877
Capital assets being depreciated/amortized, net	68,456,011	232,298,760	300,754,771	143,618,268
Net OPEB asset	-	-	-	13,766,608
<b>Total assets</b>	<b>307,959,302</b>	<b>471,615,655</b>	<b>779,574,957</b>	<b>587,143,800</b>
<b>Deferred outflows of resources</b>				
Deferred charge on refunding	73,311	-	73,311	1,078,402
Deferred pension amounts	17,399,347	3,775,472	21,174,819	46,586,546
Deferred OPEB amounts	-	-	-	2,836,540
<b>Total deferred outflows of resources</b>	<b>17,472,658</b>	<b>3,775,472</b>	<b>21,248,130</b>	<b>50,501,488</b>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	24,117,105	8,826,632	32,943,737	126,980,151
Unearned revenue	32,442,764	-	32,442,764	930,758
Bonds, notes and other long-term liabilities:				
Due within one year	2,986,546	3,958,503	6,945,049	9,489,270
Due in more than one year	17,068,800	126,015,063	143,083,863	92,955,576
Net pension liability (due in more than one year)	185,389,312	40,227,472	225,616,784	245,364,699
Total OPEB liability (due in more than one year)	83,179,801	41,902,607	125,082,408	-
<b>Total liabilities</b>	<b>345,184,328</b>	<b>220,930,277</b>	<b>566,114,605</b>	<b>475,720,454</b>
<b>Deferred inflows of resources</b>				
Deferred pension amounts	1,106,959	240,198	1,347,157	2,689,256
Deferred OPEB amounts	-	-	-	16,461,857
Deferred lease amounts	330,477	-	330,477	6,019,815
<b>Total deferred inflows of resources</b>	<b>1,437,436</b>	<b>240,198</b>	<b>1,677,634</b>	<b>25,170,928</b>
<b>Net position</b>				
Net investment in capital assets	95,271,682	241,253,377	336,525,059	73,976,589
Restricted for:				
Public safety	11,300,119	-	11,300,119	-
Public works	37,482,213	-	37,482,213	-
Recreation and culture	266,371	-	266,371	-
Community development	680,969	-	680,969	896,036
Opioid remediation	14,642,416	-	14,642,416	-
Grants	13,037,894	-	13,037,894	-
Debt service	9,615,161	-	9,615,161	6,855,449
OPEB asset	-	-	-	13,766,608
Donor restricted	-	-	-	2,125,910
Sewer bond reserve	-	24,680,934	24,680,934	-
Unrestricted (deficit)	(203,486,629)	(11,713,659)	(215,200,288)	39,133,314
<b>Total net position (deficit)</b>	<b>\$ (21,189,804)</b>	<b>\$ 254,220,652</b>	<b>\$ 233,030,848</b>	<b>\$ 136,753,906</b>

The accompanying notes are an integral part of these basic financial statements.

# CITY OF FLINT, MICHIGAN

## Statement of Activities

For the Year Ended June 30, 2024

Functions / Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenues
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government						
Governmental activities:						
Legislative	\$ 1,898,859	\$ -	\$ -	\$ -	\$ -	\$ (1,898,859)
General government	30,848,890	(6,510,575)	380,465	2,087,510	-	(21,870,340)
Judicial	1,115,537	-	-	-	-	(1,115,537)
Public safety	58,157,851	1,118,463	5,215,747	4,457,242	-	(49,603,325)
Public works	27,619,914	1,004,357	30,415	16,269,694	-	(12,324,162)
Health and welfare	802,463	-	7,409,135	-	-	6,606,672
Recreation and culture	1,017,131	499,116	-	74,168	-	(1,442,079)
Community development	30,552,441	-	778,829	30,826,673	11,692,151	12,745,212
Interest on long-term liabilities	506,789	-	-	-	-	(506,789)
Total governmental activities	152,519,875	(3,888,639)	13,814,591	53,715,287	11,692,151	(69,409,207)
Business-type activities:						
Sewer	27,909,954	2,001,846	26,436,689	-	-	(3,475,111)
Water	33,329,960	1,886,793	29,427,910	-	11,392,441	5,603,598
Total business-type activities	61,239,914	3,888,639	55,864,599	-	11,392,441	2,128,487
Total primary government	\$ 213,759,789	\$ -	\$ 69,679,190	\$ 53,715,287	\$ 23,084,592	\$ (67,280,720)
Component units						
Downtown Development Authority	\$ 1,669,295	\$ -	\$ 597,093	\$ 335,586	\$ -	\$ (736,616)
Economic Development Corporation	724,596	-	737,420	-	596,377	609,201
Housing Commission	15,315,076	-	1,456,514	11,764,042	-	(2,094,520)
Hurley Medical Center	526,568,427	-	450,849,755	90,592,262	-	14,873,590
Total component units	\$ 544,277,394	\$ -	\$ 453,640,782	\$ 102,691,890	\$ 596,377	\$ 12,651,655

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# CITY OF FLINT, MICHIGAN

## Statement of Activities

For the Year Ended June 30, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Totals	
<b>Changes in net position</b>				
Net (expense) revenues	\$ (69,409,207)	\$ 2,128,487	\$ (67,280,720)	\$ 12,651,655
General revenues:				
Property taxes	26,078,894	-	26,078,894	1,197,053
Income taxes	20,953,861	-	20,953,861	-
Grants and contributions not restricted to specific programs	190,530,595	30,751,552	221,282,147	-
State shared revenue	16,653,870	-	16,653,870	-
Unrestricted investment appreciation (depreciation)	7,022,693	3,033,872	10,056,565	7,748,917
Other revenues	-	-	-	22,678,130
Transfers - internal activities	(2,367,848)	2,367,848	-	-
Total general revenues and transfers	258,872,065	36,153,272	295,025,337	31,624,100
<b>Change in net position</b>	189,462,858	38,281,759	227,744,617	44,275,755
Net position, beginning of year, as previously reported	(210,652,662)	215,938,893	5,286,231	69,135,099
Restatement:				
Housing Commission previously not included (Note 20)	-	-	-	20,703,803
Previously unrecorded projects (Note 20)	-	-	-	2,639,249
Net position (deficit), beginning of year, as restated	(210,652,662)	215,938,893	5,286,231	92,478,151
<b>Net position (deficit), end of year</b>	<u>\$ (21,189,804)</u>	<u>\$ 254,220,652</u>	<u>\$ 233,030,848</u>	<u>\$ 136,753,906</u>

concluded

The accompanying notes are an integral part of these basic financial statements.



# CITY OF FLINT, MICHIGAN

## Balance Sheet

Governmental Funds

June 30, 2024

	Special Revenue Funds				Nonmajor Governmental Funds	Totals
	General	Grants	Major Streets	American Rescue Plan Act		
<b>Assets</b>						
Cash and investments	\$ 48,053,422	\$ -	\$ 26,557,401	\$ -	\$ 34,383,504	\$ 108,994,327
Restricted cash and investments	-	-	-	30,497,112	-	30,497,112
Receivables:						
Accounts, net	313,653	200,668	-	300	9,996,805	10,511,426
Property taxes	103,178	-	-	-	151,327	254,505
Income taxes, net	1,705,432	-	-	-	-	1,705,432
Due from other governments	3,141,743	12,359,823	1,875,935	-	834,124	18,211,625
Loans	-	3,657,000	-	-	15,000	3,672,000
Leases	333,273	-	-	-	-	333,273
Due from component unit - loan	-	-	-	-	5,282,713	5,282,713
Due from other funds	3,131,718	-	-	65,620	-	3,197,338
Prepays	191,045	-	33,406	-	5,256	229,707
<b>Total assets</b>	<u>\$ 56,973,464</u>	<u>\$ 16,217,491</u>	<u>\$ 28,466,742</u>	<u>\$ 30,563,032</u>	<u>\$ 50,668,729</u>	<u>\$ 182,889,458</u>
<b>Liabilities</b>						
Accounts payable	\$ 1,575,000	\$ 4,025,923	\$ 2,118,186	\$ 1,579,479	\$ 813,061	\$ 10,111,649
Accrued and other liabilities	451,003	58,434	39,027	643	124,535	673,642
Due to other governments	187,791	-	-	-	155	187,946
Due to other funds	65,620	3,086,499	-	-	45,219	3,197,338
Deposits payable	-	-	-	-	2,015,696	2,015,696
Unearned revenue	-	3,377,267	-	28,982,910	82,587	32,442,764
<b>Total liabilities</b>	<u>2,279,414</u>	<u>10,548,123</u>	<u>2,157,213</u>	<u>30,563,032</u>	<u>3,081,253</u>	<u>48,629,035</u>
<b>Deferred inflows of resources</b>						
Unavailable revenue - loans	-	3,657,000	-	-	5,295,782	8,952,782
Unavailable revenue - grants	275,806	9,121,402	-	-	259,492	9,656,700
Unavailable revenue - taxes	39,418	-	-	-	57,814	97,232
Unavailable revenue - other long-term receivables	-	-	-	-	9,971,726	9,971,726
Deferred lease amounts	330,477	-	-	-	-	330,477
<b>Total deferred inflows of resources</b>	<u>645,701</u>	<u>12,778,402</u>	<u>-</u>	<u>-</u>	<u>15,584,814</u>	<u>29,008,917</u>
<b>Fund balances</b>						
Nonspendable	191,045	-	33,406	-	5,256	229,707
Restricted	-	-	26,276,123	-	32,476,692	58,752,815
Unassigned (deficit)	53,857,304	(7,109,034)	-	-	(479,286)	46,268,984
<b>Total fund balances</b>	<u>54,048,349</u>	<u>(7,109,034)</u>	<u>26,309,529</u>	<u>-</u>	<u>32,002,662</u>	<u>105,251,506</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 56,973,464</u>	<u>\$ 16,217,491</u>	<u>\$ 28,466,742</u>	<u>\$ 30,563,032</u>	<u>\$ 50,668,729</u>	<u>\$ 182,889,458</u>

The accompanying notes are an integral part of these basic financial statements.

## CITY OF FLINT, MICHIGAN

### Reconciliation

Fund Balances of Governmental Funds  
to Net Position of Governmental Activities  
June 30, 2024

**Fund balances for governmental funds** \$ 105,251,506

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

Capital assets used in governmental activities are not financial resources,  
and therefore are not reported in the fund statement.

Capital assets not being depreciated/amortized	31,248,940
Capital assets being depreciated/amortized, net	57,633,351

The focus of governmental funds is on short-term financing. Accordingly, some assets  
will not be available to pay for current-period expenditures. Those assets  
(such as certain receivables) are offset by deferred inflows of resources  
in the governmental funds, and thus are not included in fund balance.

Deferred inflow for loans receivable	8,952,782
Deferred inflow for grants receivable	9,656,700
Deferred inflow for taxes receivable	97,232
Deferred inflow for other long-term receivables	9,971,726

Internal service funds are used by management to charge the costs of certain  
activities, such as insurance and other centralized costs, to individual funds.  
The assets and liabilities of certain internal service funds are included in  
governmental activities.

Net position of internal service funds	31,073,632
Internal service funds net position accounted for in business-type activities	(3,142,107)

Certain liabilities, such as bonds payable, are not due and payable  
in the current period, and therefore are not reported in the funds.

Bonds, notes and other long-term liabilities	(16,029,384)
Deferred charge on bond refunding	73,311
Bond premium, net	(707,004)
Accrued interest on bonds, notes and other long-term liabilities	(129,550)
Compensated absences	(2,864,214)

Certain pension and other postemployment benefit-related amounts, such as the net  
pension and other postemployment benefit liabilities and deferred amounts,  
are not due and payable in the current period or do not represent current  
financial resources, and therefore are not reported in the funds.

Net pension liability	(185,389,312)
Deferred outflows related to the net pension liability	17,399,347
Deferred inflows related to the net pension liability	(1,106,959)
Total OPEB liability	<u>(83,179,801)</u>

**Net position of governmental activities** \$ (21,189,804)

The accompanying notes are an integral part of these financial statements.

# CITY OF FLINT, MICHIGAN

## Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2024

	Special Revenue Funds				Nonmajor Governmental Funds	Totals
	General	Grants	Major Streets	American Rescue Plan Act		
<b>Revenues</b>						
Property taxes	\$ 7,267,300	\$ -	\$ -	\$ -	\$ 18,880,115	\$ 26,147,415
Income taxes	20,953,861	-	-	-	-	20,953,861
Cable franchise fees	689,039	-	-	-	-	689,039
Federal sources	-	16,331,191	-	48,818,768	565,067	65,715,026
State sources	124,090,707	3,969,252	17,123,882	-	28,760,638	173,944,479
Charges for services	8,277,178	511,000	30,415	-	3,729,020	12,547,613
Licenses and permits	55,461	-	-	-	3,991,890	4,047,351
Local contributions	-	13,227,598	-	-	22,399	13,249,997
Investment appreciation	3,441,329	189,926	1,118,507	-	1,200,301	5,950,063
Other revenues	911,297	7,069	187,661	-	198,733	1,304,760
<b>Total revenues</b>	<b>165,686,172</b>	<b>34,236,036</b>	<b>18,460,465</b>	<b>48,818,768</b>	<b>57,348,163</b>	<b>324,549,604</b>
<b>Expenditures</b>						
Current:						
Legislative	1,898,859	-	-	-	-	1,898,859
General government	39,532,099	545,116	-	8,865,196	-	48,942,411
Judicial	1,115,537	-	-	-	-	1,115,537
Public safety	117,280,943	4,900,038	-	-	29,475,602	151,656,583
Public works	-	2,388,045	15,872,960	-	19,315,135	37,576,140
Health and welfare	90,108	-	-	-	-	90,108
Recreation and culture	-	-	-	-	1,685,926	1,685,926
Community development	5,621,300	27,135,705	-	-	793,415	33,550,420
Capital outlay	1,529,564	-	-	-	508,195	2,037,759
Debt service:						
Principal	729,122	1,907,000	117,802	-	1,251,912	4,005,836
Interest	4,568	70,624	3,803	-	492,190	571,185
<b>Total expenditures</b>	<b>167,802,100</b>	<b>36,946,528</b>	<b>15,994,565</b>	<b>8,865,196</b>	<b>53,522,375</b>	<b>283,130,764</b>
Revenues over (under) expenditures	(2,115,928)	(2,710,492)	2,465,900	39,953,572	3,825,788	41,418,840
<b>Other financing sources (uses)</b>						
Issuance of long-term liability	1,460,163	-	-	-	508,195	1,968,358
Transfers in	39,953,572	90,147	-	-	3,400,612	43,444,331
Transfers out	(90,147)	(1,704,062)	-	(39,953,572)	(1,696,550)	(43,444,331)
<b>Total other financing sources (uses)</b>	<b>41,323,588</b>	<b>(1,613,915)</b>	<b>-</b>	<b>(39,953,572)</b>	<b>2,212,257</b>	<b>1,968,358</b>
<b>Net change in fund balances</b>	<b>39,207,660</b>	<b>(4,324,407)</b>	<b>2,465,900</b>	<b>-</b>	<b>6,038,045</b>	<b>43,387,198</b>
Fund balances (deficit), beginning of year	14,840,689	(2,784,627)	23,843,629	-	25,964,617	61,864,308
<b>Fund balances (deficit), end of year</b>	<b>\$ 54,048,349</b>	<b>\$ (7,109,034)</b>	<b>\$ 26,309,529</b>	<b>\$ -</b>	<b>\$ 32,002,662</b>	<b>\$ 105,251,506</b>

The accompanying notes are an integral part of these basic financial statements.

## CITY OF FLINT, MICHIGAN

### Reconciliation

Net Changes in Fund Balances of Governmental Funds  
to Change in Net Position of Governmental Activities  
For the Year Ended June 30, 2024

**Net change in fund balances - total governmental funds** \$ 43,387,198

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.

Capital assets purchased/constructed	13,418,006
Depreciation and amortization	(8,872,880)
Governmental activities transfer of capital assets to internal service funds and business-type activities	(3,231,448)
Loss on sale of capital assets	(108,579)
Capital assets donated to governmental activities from third parties	11,692,151

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following fiscal year.

Net change in deferred other long-term receivables	5,282,869
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Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term debt in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position.

Principal payments on bonds, notes and other long-term liabilities	4,005,836
Issuance of bonds, notes and other long-term liabilities	(1,968,358)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued interest payable on bonds, notes and other long-term liabilities	24,293
Amortization of bond premium	78,556
Net change in deferred charge	(7,062)
Change in the net pension liability and related deferred amounts	141,361,073
Change in the total OPEB liability and related deferred amounts	(16,180,558)
Change in compensated absences	(142,818)

An internal service fund is used by management to charge the costs of certain services to individual governmental funds. The net revenue (expense) attributable to those funds is reported with governmental activities.

Total change in net position of the internal service funds	(2,798,559)
Internal service fund change in net position accounted for in business-type activities	3,523,138

**Change in net position of governmental activities** \$ 189,462,858

The accompanying notes are an integral part of these financial statements.

# CITY OF FLINT, MICHIGAN

## Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Property taxes	\$ 7,000,000	\$ 7,000,000	\$ 7,267,300	\$ 267,300
Income taxes	19,500,000	19,500,000	20,953,861	1,453,861
Cable franchise fees	575,000	575,000	689,039	114,039
State sources	23,067,232	128,118,122	124,090,707	(4,027,415)
Charges for services	7,216,723	7,216,723	8,277,178	1,060,455
Fines and forfeitures	700	700	-	(700)
Licenses and permits	40,000	40,000	55,461	15,461
Investment appreciation	-	-	3,441,329	3,441,329
Other revenues	1,045,844	1,045,844	911,297	(134,547)
<b>Total revenues</b>	<b>58,445,499</b>	<b>163,496,389</b>	<b>165,686,172</b>	<b>2,189,783</b>
<b>Expenditures</b>				
Current:				
Legislative:				
City council	1,171,451	2,142,165	1,898,859	(243,306)
General government:				
Mayor's office	1,206,705	2,793,467	2,778,548	(14,919)
Finance	6,476,796	16,169,070	15,559,401	(609,669)
Clerk	1,640,076	3,490,487	2,932,673	(557,814)
Law office	1,686,610	4,021,381	3,692,388	(328,993)
Human resources	1,082,698	2,774,242	2,579,096	(195,146)
General government	6,314,791	9,641,878	7,816,658	(1,825,220)
City administrator	590,345	1,507,838	1,374,231	(133,607)
Facilities maintenance	1,916,442	3,052,712	2,799,104	(253,608)
Total general government	20,914,463	43,451,075	39,532,099	(3,918,976)
Judicial:				
68th district court	1,115,587	1,115,587	1,115,537	(50)
Public safety:				
Police	28,081,724	80,364,327	76,947,509	(3,416,818)
Fire	13,342,105	41,834,938	40,333,434	(1,501,504)
Total public safety	41,423,829	122,199,265	117,280,943	(4,918,322)
Health and welfare	-	2,595,586	90,108	(2,505,478)
Community development	2,038,864	10,051,939	5,621,300	(4,430,639)
Capital outlay	-	-	1,529,564	1,529,564
Debt service:				
Principal	-	704,538	729,122	24,584
Interest	-	3,282	4,568	1,286
Total debt service	-	707,820	733,690	25,870
<b>Total expenditures</b>	<b>66,664,194</b>	<b>182,263,437</b>	<b>167,802,100</b>	<b>(14,461,337)</b>
Revenues over (under) expenditures	<b>(8,218,695)</b>	<b>(18,767,048)</b>	<b>(2,115,928)</b>	<b>16,651,120</b>

continued...

## CITY OF FLINT, MICHIGAN

### Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Other financing sources (uses)</b>				
Issuance of long-term liability	\$ -	\$ -	\$ 1,460,163	\$ 1,460,163
Transfers in	5,218,695	42,323,170	39,953,572	(2,369,598)
Transfers out	-	-	(90,147)	90,147
<b>Total other financing sources (uses)</b>	<u>5,218,695</u>	<u>42,323,170</u>	<u>41,323,588</u>	<u>(999,582)</u>
<b>Net change in fund balance</b>	(3,000,000)	23,556,122	39,207,660	15,651,538
Fund balance, beginning of year	<u>14,840,689</u>	<u>14,840,689</u>	<u>14,840,689</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ 11,840,689</u></u>	<u><u>\$ 38,396,811</u></u>	<u><u>\$ 54,048,349</u></u>	<u><u>\$ 15,651,538</u></u>

concluded

The accompanying notes are an integral part of these basic financial statements.

## CITY OF FLINT, MICHIGAN

### Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Grants Special Revenue Fund  
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Federal sources	\$ -	\$ 49,801,924	\$ 16,331,191	\$ (33,470,733)
State sources	-	30,643,142	3,969,252	(26,673,890)
Charges for services	505,000	505,000	511,000	6,000
Local contributions	-	4,541,368	13,227,598	8,686,230
Investment appreciation	176,000	176,855	189,926	13,071
Other revenues	450	6,663	7,069	406
<b>Total revenues</b>	<b>681,450</b>	<b>85,674,952</b>	<b>34,236,036</b>	<b>(51,438,916)</b>
<b>Expenditures</b>				
Current:				
General government:				
Human resources	-	227,041	-	(227,041)
City administrator	-	866,954	545,116	(321,838)
Total general government	-	1,093,995	545,116	(548,879)
Public safety:				
Police	-	10,267,700	4,900,038	(5,367,662)
Fire	-	2,020	-	(2,020)
Total public safety	-	10,269,720	4,900,038	(5,369,682)
Public works	-	21,716,829	2,388,045	(19,328,784)
Community development	-	38,192,485	27,135,705	(11,056,780)
Debt service:				
Principal	587,000	587,000	1,907,000	1,320,000
Interest	171,367	171,367	70,624	(100,743)
Total debt service	758,367	758,367	1,977,624	1,219,257
<b>Total expenditures</b>	<b>758,367</b>	<b>72,031,396</b>	<b>36,946,528</b>	<b>(35,084,868)</b>
Revenues over (under) expenditures	(76,917)	13,643,556	(2,710,492)	(16,354,048)
<b>Other financing sources (uses)</b>				
Transfers in	9,124	9,124	90,147	81,023
Transfers out	-	-	(1,704,062)	(1,704,062)
<b>Total other financing sources (uses)</b>	<b>9,124</b>	<b>9,124</b>	<b>(1,613,915)</b>	<b>(1,623,039)</b>
<b>Net change in fund balance</b>	<b>(67,793)</b>	<b>13,652,680</b>	<b>(4,324,407)</b>	<b>(17,977,087)</b>
Fund balance (deficit), beginning of year	-	(2,784,627)	(2,784,627)	-
<b>Fund balance (deficit), end of year</b>	<b>\$ (67,793)</b>	<b>\$ 10,868,053</b>	<b>\$ (7,109,034)</b>	<b>\$ (17,977,087)</b>

The accompanying notes are an integral part of these basic financial statements.

## CITY OF FLINT, MICHIGAN

### Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Major Streets Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
State sources	\$ 13,005,000	\$ 18,116,427	\$ 17,123,882	\$ (992,545)
Charges for services	22,500	22,500	30,415	7,915
Investment appreciation	-	-	1,118,507	1,118,507
Other revenues	82,500	82,500	187,661	105,161
<b>Total revenues</b>	<u>13,110,000</u>	<u>18,221,427</u>	<u>18,460,465</u>	<u>239,038</u>
<b>Expenditures</b>				
Current:				
Public works:				
Streets	19,013,886	24,157,946	15,872,960	(8,284,986)
Debt service:				
Principal	177,756	145,123	117,802	(27,321)
Interest	3,497	3,497	3,803	306
<b>Total expenditures</b>	<u>19,195,139</u>	<u>24,306,566</u>	<u>15,994,565</u>	<u>(8,312,001)</u>
<b>Net change in fund balance</b>	(6,085,139)	(6,085,139)	2,465,900	8,551,039
Fund balance, beginning of year	<u>23,843,629</u>	<u>23,843,629</u>	<u>23,843,629</u>	-
<b>Fund balance, end of year</b>	<u>\$ 17,758,490</u>	<u>\$ 17,758,490</u>	<u>\$ 26,309,529</u>	<u>\$ 8,551,039</u>

The accompanying notes are an integral part of these basic financial statements.



## CITY OF FLINT, MICHIGAN

### Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - American Rescue Plan Act Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Federal sources	\$ -	\$ -	\$ 48,818,768	\$ 48,818,768
<b>Expenditures</b>				
Current:				
General government	-	35,808,343	8,865,196	(26,943,147)
Revenues over (under) expenditures	-	(35,808,343)	39,953,572	75,761,915
<b>Other financing sources (uses)</b>				
Transfers out	-	(37,104,475)	(39,953,572)	2,849,097
<b>Net change in fund balance</b>	-	(72,912,818)	-	72,912,818
Fund balance, beginning of year	-	-	-	-
<b>Fund balance (deficit), end of year</b>	<u>\$ -</u>	<u>\$ (72,912,818)</u>	<u>\$ -</u>	<u>\$ 72,912,818</u>

The accompanying notes are an integral part of these basic financial statements.

# CITY OF FLINT, MICHIGAN

## Statement of Net Position

Proprietary Funds

June 30, 2024

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sewer	Water	Totals	Internal Service Funds
<b>Assets</b>				
Current assets:				
Cash and investments	\$ 24,538,173	\$ 11,568,798	\$ 36,106,971	\$ 30,546,371
Accounts receivable, net	10,296,892	10,896,614	21,193,506	14,603
Due from other governments	2,036,723	3,656,092	5,692,815	-
Due from GLWA	-	2,383,290	2,383,290	-
Inventory	781,623	249,171	1,030,794	127,153
Prepays	14,500	4,047,374	4,061,874	1,016,211
Total current assets	37,667,911	32,801,339	70,469,250	31,704,338
Noncurrent assets:				
Due from GLWA, net of current portion	-	76,627,575	76,627,575	-
Right to use asset	-	2,200,065	2,200,065	-
Restricted cash and investments	24,680,934	-	24,680,934	-
Capital assets not being depreciated/amortized	58,206,379	3,990,585	62,196,964	-
Capital assets being depreciated/amortized, net	60,494,387	171,804,373	232,298,760	10,822,660
Total noncurrent assets	143,381,700	254,622,598	398,004,298	10,822,660
<b>Total assets</b>	181,049,611	287,423,937	468,473,548	42,526,998
<b>Deferred outflows of resources</b>				
Deferred pension amounts	2,104,778	1,670,694	3,775,472	-
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	4,315,805	2,908,640	7,224,445	3,504,627
Accrued liabilities	117,339	66,464	183,803	99,171
Deposits payable	-	1,174,530	1,174,530	-
Accrued interest	243,854	-	243,854	15,505
Current portion of claims payable	-	-	-	3,960,603
Current portion of compensated absences	25,728	15,775	41,503	-
Current portion of bonds, notes and other long-term liabilities	1,460,000	2,457,000	3,917,000	449,536
Total current liabilities	6,162,726	6,622,409	12,785,135	8,029,442
Noncurrent liabilities:				
Claims payable, net of current portion	-	-	-	3,418,716
Compensated absences, net of current portion	375,555	230,264	605,819	-
Bonds, notes and other long-term liabilities, net of current portion	46,411,744	78,997,500	125,409,244	5,208
Net pension liability	22,426,308	17,801,164	40,227,472	-
Total OPEB liability	23,265,328	18,637,279	41,902,607	-
Total noncurrent liabilities	92,478,935	115,666,207	208,145,142	3,423,924
<b>Total liabilities</b>	98,641,661	122,288,616	220,930,277	11,453,366
<b>Deferred inflows of resources</b>				
Deferred pension amounts	133,907	106,291	240,198	-
<b>Net position</b>				
Net investment in capital assets	66,633,234	174,620,143	241,253,377	10,328,725
Sewer bond reserve	24,680,934	-	24,680,934	-
Unrestricted (deficit)	(6,935,347)	(7,920,419)	(14,855,766)	20,744,907
<b>Total net position</b>	\$ 84,378,821	\$ 166,699,724	\$ 251,078,545	\$ 31,073,632

The accompanying notes are an integral part of these basic financial statements.

## CITY OF FLINT, MICHIGAN

### Reconciliation

Net Position of Enterprise Funds  
to Net Position of Business-type Activities  
June 30, 2024

<b>Net position - total enterprise funds</b>	\$ 251,078,545
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Amounts reported for *business-type activities* in the statement of net position are different because:

Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. A portion of the net position of the internal service funds is allocated to the enterprise funds and reported in the statement of net position.

Net position of business-type activities accounted for in governmental activities internal service funds	3,142,107
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<b>Net position of business-type activities</b>	<u><u>\$ 254,220,652</u></u>
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The accompanying notes are an integral part of these financial statements.

## CITY OF FLINT, MICHIGAN

### Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sewer	Water	Totals	Internal Service Funds
<b>Operating revenues</b>				
Charges for services	\$ 26,123,489	\$ 29,420,322	\$ 55,543,811	\$ 41,633,314
Other	313,200	7,588	320,788	18,409,818
<b>Total operating revenues</b>	<b>26,436,689</b>	<b>29,427,910</b>	<b>55,864,599</b>	<b>60,043,132</b>
<b>Operating expenses</b>				
Salaries and benefits	14,289,699	9,842,737	24,132,436	7,906,513
Supplies	1,114,709	1,407,410	2,522,119	1,069,345
Contractual services	1,628,907	995,164	2,624,071	5,707,329
Utilities	1,260,274	465,013	1,725,287	-
Equipment operation	408,558	172,906	581,464	-
Repairs and maintenance	800,175	209,699	1,009,874	199,499
Insurance	-	-	-	1,773,806
Costs of materials and services rendered	-	8,102,183	8,102,183	-
Retirement, OPEB and fringes	-	-	-	48,560,271
Bad debts	2,720,436	3,030,977	5,751,413	-
Other	133,141	124,152	257,293	228,530
Depreciation/amortization	4,706,273	5,604,348	10,310,621	3,676,500
<b>Total operating expenses</b>	<b>27,062,172</b>	<b>29,954,589</b>	<b>57,016,761</b>	<b>69,121,793</b>
Operating income (loss)	(625,483)	(526,679)	(1,152,162)	(9,078,661)
<b>Nonoperating revenues (expenses)</b>				
Investment appreciation	2,100,439	933,433	3,033,872	1,261,701
Interest expense and fees	(940,402)	(3,368,027)	(4,308,429)	(31,391)
Gain (Loss) on sale of capital assets	-	(280,225)	(280,225)	-
State grant proceeds	17,150,110	13,601,442	30,751,552	4,186,192
<b>Total nonoperating revenues (expenses)</b>	<b>18,310,147</b>	<b>10,886,623</b>	<b>29,196,770</b>	<b>5,416,502</b>
Income (loss) before transfers and capital contributions	17,684,664	10,359,944	28,044,608	(3,662,159)
<b>Transfers</b>				
Transfers in	2,367,848	-	2,367,848	863,600
<b>Capital contributions</b>				
State	-	11,392,441	11,392,441	-
<b>Change in net position</b>	<b>20,052,512</b>	<b>21,752,385</b>	<b>41,804,897</b>	<b>(2,798,559)</b>
Net position, beginning of year	64,326,309	144,947,339	209,273,648	33,872,191
<b>Net position, end of year</b>	<b>\$ 84,378,821</b>	<b>\$ 166,699,724</b>	<b>\$ 251,078,545</b>	<b>\$ 31,073,632</b>

The accompanying notes are an integral part of these basic financial statements.

## CITY OF FLINT, MICHIGAN

### Reconciliation

Change in Net Position of Enterprise Funds  
to Change in Net Position of Business-type Activities  
For the Year Ended June 30, 2024

<b>Change in net position - total enterprise funds</b>	<b>\$ 41,804,897</b>
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Amounts reported for *business-type activities* in the statement of activities are different because:

Internal service funds are used by management to charge the costs of certain activities, such as insurance and other centralized costs, to individual funds. A portion of the operating income (loss) of the internal service funds is allocated to the enterprise funds and reported in the statement of activities.

Net operating income from business-type activities accounted for in governmental activities internal service funds	<u>(3,523,138)</u>
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<b>Change in net position of business-type activities</b>	<b><u>\$ 38,281,759</u></b>
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The accompanying notes are an integral part of these financial statements.

# CITY OF FLINT, MICHIGAN

## Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sewer	Water	Totals	Internal Service Funds
<b>Cash flows from operating activities</b>				
Cash received from customers	\$ 24,647,330	\$ 26,928,822	\$ 51,576,152	\$ -
Cash received from interfund services	-	-	-	60,058,585
Cash payments for goods and services	(6,844,374)	(14,084,549)	(20,928,923)	(55,038,805)
Cash payments to employees	(29,930,907)	(22,961,313)	(52,892,220)	(7,964,000)
<b>Net cash provided by (used in) operating activities</b>	<u>(12,127,951)</u>	<u>(10,117,040)</u>	<u>(22,244,991)</u>	<u>(2,944,220)</u>
<b>Cash flows from noncapital financing activities</b>				
Payments received from GLWA	-	1,997,511	1,997,511	-
State grant proceeds	17,150,110	13,601,442	30,751,552	4,186,192
<b>Net cash provided by (used in) noncapital financing activities</b>	<u>17,150,110</u>	<u>15,598,953</u>	<u>32,749,063</u>	<u>4,186,192</u>
<b>Cash flows from capital and related financing activities</b>				
Capital contributions	2,482,076	17,552,902	20,034,978	-
Acquisition/construction of capital assets	(14,454,274)	(13,061,062)	(27,515,336)	(1,033,631)
Proceeds from issuance of bonds, notes and other long-term liabilities	7,921,915	-	7,921,915	-
Principal paid on bonds, notes and other long-term liabilities	(1,426,250)	(2,365,500)	(3,791,750)	(1,279,322)
Interest paid	(893,487)	(3,368,027)	(4,261,514)	(53,853)
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(6,370,020)</u>	<u>(1,241,687)</u>	<u>(7,611,707)</u>	<u>(2,366,806)</u>
<b>Cash flows from investing activities</b>				
Investment appreciation	2,100,439	933,433	3,033,872	1,261,701
<b>Net change in cash and investments</b>	<u>752,578</u>	<u>5,173,659</u>	<u>5,926,237</u>	<u>136,867</u>
Cash and investments, beginning of year	48,466,529	6,395,139	54,861,668	30,409,504
<b>Cash and investments, end of year</b>	<u>\$ 49,219,107</u>	<u>\$ 11,568,798</u>	<u>\$ 60,787,905</u>	<u>\$ 30,546,371</u>
<b>Reconciliation to statement of net position</b>				
Cash and investments	\$ 24,538,173	\$ 11,568,798	\$ 36,106,971	\$ 30,546,371
Restricted cash and investments	24,680,934	-	24,680,934	-
	<u>\$ 49,219,107</u>	<u>\$ 11,568,798</u>	<u>\$ 60,787,905</u>	<u>\$ 30,546,371</u>

continued...

# CITY OF FLINT, MICHIGAN

## Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds			Governmental Activities
	Sewer	Water	Totals	Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>				
Operating income (loss)	\$ (625,483)	\$ (526,679)	\$ (1,152,162)	\$ (9,078,661)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Bad debts	2,720,436	3,030,977	5,751,413	-
Depreciation/amortization	4,706,273	5,604,348	10,310,621	3,676,500
Change in operating assets and liabilities that provided (used) cash:				
Accounts receivable	(1,789,359)	(2,342,502)	(4,131,861)	(9,955)
Due from other governments	-	-	-	25,408
Inventory	766	50,512	51,278	(1,930)
Prepays	565	(140,485)	(139,920)	(203,353)
Right to use asset	-	473,374	473,374	-
Accounts payable	(1,499,941)	(2,991,423)	(4,491,364)	(251,036)
Accrued liabilities	43,402	23,266	66,668	(57,487)
Claims payable	-	-	-	2,956,294
Deposits	-	(156,586)	(156,586)	-
Compensated absences	62,663	39,775	102,438	-
Change in net pension liability	(21,186,631)	(17,582,919)	(38,769,550)	-
Change in deferred outflows - pensions	985,117	836,202	1,821,319	-
Change in deferred inflows - pensions	(71,449)	(60,319)	(131,768)	-
Change in total OPEB liability	4,525,690	3,625,419	8,151,109	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (12,127,951)</u>	<u>\$ (10,117,040)</u>	<u>\$ (22,244,991)</u>	<u>\$ (2,944,220)</u>
<b>Noncash capital and related financing activities</b>				
Purchase of capital assets through issuance of long-term liability	\$ -	\$ -	\$ -	\$ 224,011
Purchase of capital assets with accounts payable	4,195,788	1,174,815	-	39,191
Capital assets transferred from governmental activities	2,367,848	-	2,367,848	863,600
Reduction in KWA Agreement Payable	-	9,900,799	9,900,799	-
				concluded

The accompanying notes are an integral part of these basic financial statements.

## CITY OF FLINT, MICHIGAN

### Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2024

	Custodial Funds
<b>Assets</b>	
Cash and cash equivalents	\$ 6,377,096
Accounts receivable	<u>12,067</u>
<b>Total assets</b>	<u>6,389,163</u>
<b>Liabilities</b>	
Undistributed receipts	5,906,788
Due to other governments	<u>427</u>
<b>Total liabilities</b>	<u>5,907,215</u>
<b>Net position</b>	
Restricted for:	
Individuals, organizations, and other governments	<u><u>\$ 481,948</u></u>

The accompanying notes are an integral part of these basic financial statements.



## CITY OF FLINT, MICHIGAN

### Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended June 30, 2024

	Custodial Funds
<b>Additions</b>	
Interest	\$ 94
Other taxes collected for other governments	36,854,330
<b>Total additions</b>	<u>36,854,424</u>
<b>Deductions</b>	
Payments of other taxes to other governments	36,854,330
Bad debt from uncollectible loans	75,000
<b>Total deductions</b>	<u>36,929,330</u>
<b>Change in net position</b>	(74,906)
Net position, beginning of year	<u>556,854</u>
<b>Net position, end of year</b>	<u><u>\$ 481,948</u></u>

The accompanying notes are an integral part of these basic financial statements.

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## **COMPONENT UNITS**

# CITY OF FLINT, MICHIGAN

## Combining Statement of Net Position

Discretely Presented Component Units

June 30, 2024

	Downtown Development Authority	Economic Development Corporation	Housing Commission	Hurley Medical Center	Totals
<b>Assets</b>					
Cash and investments	\$ 760,164	\$ 463,386	\$ 2,357,112	\$ 83,607,727	\$ 87,188,389
Receivables, net	604,852	9,584,005	30,808,672	99,349,081	140,346,610
Other assets	6,596	8,674	194,567	10,409,136	10,618,973
Restricted cash and investments	-	956,131	237,987	157,956,982	159,151,100
Investment in joint venture	-	-	-	7,597,975	7,597,975
Capital assets not being depreciated/amortized	4,878,067	93,860	5,151,328	14,732,622	24,855,877
Capital assets being depreciated/amortized, net	6,586,826	720,836	6,019,015	130,291,591	143,618,268
Net OPEB asset	-	-	-	13,766,608	13,766,608
<b>Total assets</b>	<b>12,836,505</b>	<b>11,826,892</b>	<b>44,768,681</b>	<b>517,711,722</b>	<b>587,143,800</b>
<b>Deferred outflows of resources</b>					
Deferred charge on refunding	34,291	14,521	-	1,029,590	1,078,402
Deferred pension amounts	-	-	-	46,586,546	46,586,546
Deferred OPEB amounts	-	-	-	2,836,540	2,836,540
<b>Total deferred outflows of resources</b>	<b>34,291</b>	<b>14,521</b>	<b>-</b>	<b>50,452,676</b>	<b>50,501,488</b>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	579,558	74,236	469,485	125,856,872	126,980,151
Unearned revenue	25,000	-	905,758	-	930,758
Bonds, notes and other long-term liabilities:					
Due within one year	565,388	272,686	34,044	8,617,152	9,489,270
Due in more than one year	4,956,879	6,647,609	79,070	81,272,018	92,955,576
Net pension liability (due in more than one year)	-	-	-	245,364,699	245,364,699
<b>Total liabilities</b>	<b>6,126,825</b>	<b>6,994,531</b>	<b>1,488,357</b>	<b>461,110,741</b>	<b>475,720,454</b>
<b>Deferred inflows of resources</b>					
Deferred pension amounts	-	-	-	2,689,256	2,689,256
Deferred OPEB amounts	-	-	-	16,461,857	16,461,857
Deferred lease amounts	-	2,931,149	-	3,088,666	6,019,815
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>2,931,149</b>	<b>-</b>	<b>22,239,779</b>	<b>25,170,928</b>
<b>Net position</b>					
Net investment in capital assets	5,976,917	814,696	11,170,343	56,014,633	73,976,589
Restricted	-	896,036	-	22,747,967	23,644,003
Unrestricted	767,054	205,001	32,109,981	6,051,278	39,133,314
<b>Total net position</b>	<b>\$ 6,743,971</b>	<b>\$ 1,915,733</b>	<b>\$ 43,280,324</b>	<b>\$ 84,813,878</b>	<b>\$ 136,753,906</b>

The accompanying notes are an integral part of these basic financial statements.

## CITY OF FLINT, MICHIGAN

### Combining Statement of Activities

Discretely Presented Component Units

For the Year Ended June 30, 2024

	Downtown Development Authority	Economic Development Corporation	Housing Commission	Hurley Medical Center	Totals
<b>Expenses</b>					
Downtown Development Authority	\$ 1,669,295	\$ -	\$ -	\$ -	\$ 1,669,295
Economic Development Corporation	-	724,596	-	-	724,596
Housing Commission	-	-	15,315,076	-	15,315,076
Hurley Medical Center	-	-	-	526,568,427	526,568,427
<b>Total expenses</b>	<b>1,669,295</b>	<b>724,596</b>	<b>15,315,076</b>	<b>526,568,427</b>	<b>544,277,394</b>
<b>Program revenues</b>					
Charges for services	597,093	737,420	1,456,514	450,849,755	453,640,782
Operating grants and contributions	335,586	-	11,764,042	90,592,262	102,691,890
Capital grants and contributions	-	596,377	-	-	596,377
<b>Total program revenues</b>	<b>932,679</b>	<b>1,333,797</b>	<b>13,220,556</b>	<b>541,442,017</b>	<b>556,929,049</b>
Net program revenue (expense)	(736,616)	609,201	(2,094,520)	14,873,590	12,651,655
<b>General revenues</b>					
Property taxes	1,197,053	-	-	-	1,197,053
Unrestricted investment appreciation	-	111,272	11,012	7,626,633	7,748,917
Other revenue	221,512	44,202	22,020,780	391,636	22,678,130
<b>Total general revenues</b>	<b>1,418,565</b>	<b>155,474</b>	<b>22,031,792</b>	<b>8,018,269</b>	<b>31,624,100</b>
<b>Change in net position</b>	<b>681,949</b>	<b>764,675</b>	<b>19,937,272</b>	<b>22,891,859</b>	<b>44,275,755</b>
Net position, beginning of year, as previously reported	6,062,022	1,151,058	-	61,922,019	69,135,099
Restatement:					
Housing Commission previously not included (Note 20)	-	-	20,703,803	-	20,703,803
Previously unrecorded projects (Note 20)	-	-	2,639,249	-	2,639,249
Net position, beginning of year, as restated	6,062,022	1,151,058	23,343,052	61,922,019	92,478,151
<b>Net position, end of year</b>	<b>\$ 6,743,971</b>	<b>\$ 1,915,733</b>	<b>\$ 43,280,324</b>	<b>\$ 84,813,878</b>	<b>\$ 136,753,906</b>

The accompanying notes are an integral part of these basic financial statements.

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## **NOTES TO FINANCIAL STATEMENTS**

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the City of Flint, Michigan (the "City") conform in all material respects to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). Following is a summary of the significant policies:

##### **Reporting Entity**

As required by generally accepted accounting principles, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The financial data of the component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

##### *Discretely Presented Component Units*

Discretely presented component units are entities that are legally separate from the City but for which the City is financially accountable, or their relationship with the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. The discretely presented component units, each with a June 30 fiscal year end, are as follows:

**The Flint Downtown Development Authority** (the "DDA") was created under state law to promote and rehabilitate the downtown area. The DDA sponsors downtown events and manages parking facilities. State law provides for a specific tax levy for the operations of the DDA. The City appoints the board and has to approve the annual budget and the issuance of any debt. Any surplus funds remaining at the termination of the DDA vest to the City. The DDA has both governmental and business-type activities.

**The Flint Economic Development Corporation** (the "EDC") was created under state law to provide financing and development opportunities for businesses located within the City. The City appoints the board. The EDC provides loans to start-up or expanding businesses and manages rental property that leases space to commercial and light industrial manufacturing companies. Surplus funds existing at the termination of the EDC vest to the City. The EDC has both governmental and business-type activities. The EDC does not issue a separate audit report.

**The Flint Housing Commission** (the "FHC") was created to provide low-income housing within the City. The City appoints the board and has to approve the annual budget and the issuance of any debt. The FHC contracts with the U.S. Department of Housing and Urban Development (HUD) to provide housing to low-income families. The FHC is presented as a business-type activity.

**The Hurley Medical Center** (the "HMC" or the "Medical Center") provides inpatient, outpatient, and emergency care services in Genesee and surrounding counties. The financial statements present HMC and its wholly owned subsidiary, Hurley Health Services, Inc., on a consolidated basis. HMC is the sole member of Hurley Health Services, Inc. (HHS), a municipal support organization organized on a non-profit, non-stock membership basis. HHS, on a consolidated basis, is comprised of two non-profit entities (HHS and The Hurley Clinics, THC) and one "for-profit" corporation (Hurley Practice Management Services). HHS began operations January 1, 1998. The City appoints the board of directors and there is an ongoing financial benefit/burden relationship between the City and Hurley Medical Center. HMC is presented as a governmental activity.



## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### *Component Unit Financial Statements*

Complete financial statements for the individual component units may be obtained from each entity's administrative offices.

Flint Downtown Development Authority  
Suite 206  
412 S. Saginaw Street  
Flint, Michigan 48502

Flint Housing Commission  
3820 Richfield Road  
Flint, Michigan 48506

Hurley Medical Center  
One Hurley Plaza  
Flint, Michigan 48503

#### ***Joint Ventures***

The Hurley Medical Center participates in a privately held joint venture. The corporate joint venture is recorded in the financial statements under the equity method of accounting. Joint venture financial statements can be obtained by contacting the Medical Center. The Medical Center is unaware of any circumstances that would cause an additional financial benefit or burden to the Medical Center in the near future.

Genesys Hurley Cancer Institute (GHCI) is a joint venture between Hurley Medical Center and Genesys Regional Medical Center. The venture was established during 2001 to provide outpatient oncology services, including laboratory and radiation oncology. The Medical Center's net investment at June 30, 2024 was \$7,597,975. The arrangement provides that the two entities will share equally in the income or losses of the joint venture. The equity gain (loss) to the Medical Center from this joint venture was \$291,598 for the year ended June 30, 2024, and is included in other revenue (expense) on the statement of activities. No distributions were made to the Medical Center during the year ended June 30, 2024. GHCI paid the Medical Center \$696,408 for leased employees for the year ended June 30, 2024. The following is a summary of financial position and results of operations of GHCI as of and for the year ended June 30, 2024 (in thousands):

Total assets	\$ 17,996
Total liabilities	<u>2,903</u>
Net assets	<u><u>\$ 15,093</u></u>
Operating revenues	\$ 7,658
Operating expenses	<u>7,802</u>
Operating income (loss)	(144)
Nonoperating income (expense)	<u>618</u>
Excess of revenue over expense	<u><u>\$ 474</u></u>

### Notes to Financial Statements

#### ***Government-wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues reported in the governmental funds to be available if they are collected within three months after year-end, except for income taxes that use a 45-day collection period and property taxes that use a 60-day collection period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, intergovernmental revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

The City reports the following major governmental funds:

The *general fund* is the City's primary operating fund. It accounts for all the financial resources of the primary government, except those accounted for and reported in another fund.

The *grants fund* accounts for entitlement and specific purpose grants received from the U.S. Department of Housing and Urban Development and other grantors.

The *major streets fund* accounts for the maintenance and improvement activities for streets designated as "major" within the City. Funding is primarily through state-shared gas and weight taxes.

The *American Rescue Plan Act fund* accounts for receipt and use of the funds related to the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds.

The City reports the following major enterprise funds:

The *sewer fund* accounts for the activities of the City's sewage disposal and treatment system.

The *water fund* accounts for the activities of the City's water distribution and treatment system.

Additionally, the City reports the following fund types:

*Special revenue funds* account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects and require separate accounting because of legal or regulatory provisions or administrative requirements.

*Debt service funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal, interest and related costs.

*Internal service funds* account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.

*Custodial funds.* The custodial funds account for assets held by the City in a fiduciary capacity.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The City allocates indirect expenses primarily comprised of central governmental services to operating functions and programs benefiting from those services. Central services include City management, accounting, financial reporting, customer service center, procurement contracting and oversight, payroll, personnel services, and other central administrative services. Allocations are charged to programs based on use of central services determined by various allocating methodologies. These charges are separately reported in the statement of activities.

### Notes to Financial Statements

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Restricted net position represents amounts that are subject to restrictions beyond the government's control. The restrictions may be externally imposed or imposed by law. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

#### Property Tax Revenue

Property taxes are levied on each July 1 on the taxable valuation of property as of the preceding December 31 and are payable in two installments. Summer taxes are considered delinquent on September 1, at which time penalties and interest are assessed. Winter taxes are considered delinquent on February 15 of the following year, at which time a 3 percent penalty is assessed. Summer and winter taxes (including any penalty and interest) are turned over to Genesee County for collection.

The City 2023 tax is levied and collectible on July 1, 2023 and is recognized as revenue in the year ended June 30, 2024, when the proceeds of the levy are budgeted and available for the financing of operations.

The 2023 taxable valuation of the City totaled approximately \$886 million, on which taxes levied consisted of 7.5 mills for operating purposes, 2.5 mills for public improvement, 0.5 mills for parks and recreation, 6.0 for public safety, and 2.0 mills for neighborhood police.

**Notes to Financial Statements**

**Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Equity**

***Deposits and Investments***

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value.

State statutes authorize the government to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances, and mutual funds composed of otherwise legal investments. The State's Pension Investment Act, as amended, authorizes the pension trust fund to invest in common stocks, real estate, and various other investment instruments, subject to certain limitations.

Investments are stated at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have established market values are reported at estimated fair value. Cash deposits are reported at carrying amounts, which reasonably approximates fair value.

***Restricted Cash and Investments***

The American Rescue Plan Act fund restricted cash and investments relates to advanced grant funds received restricted to use under the American Rescue Plan Act. Restricted cash and investments in the sewer fund consists of amounts restricted for operations and maintenance and bond redemption in accordance with the terms of the Junior Lien Revenue Bonds, SRF Series 2020 and 2021. Restricted assets recorded in the Hurley Medical Center discretely presented component unit consist of (1) proceeds of debt issues and funds of HMC deposited with a trustee and limited to use in accordance with the requirements of an indenture (2) assets restricted by outside donors.

***Receivables and Payables***

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

***Inventories and Prepaids***

All inventories are valued at cost using the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financials.

## Notes to Financial Statements

### *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets having a useful life in excess of one year and whose costs exceed \$25,000 or more (\$5,000 or more for federal grant purchased assets). Capital assets are stated at historical cost or estimated historical cost where actual cost information is not available. Donated capital assets are recorded at their estimated acquisition cost as of the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the asset constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Years
Land improvements	5-50
Buildings	50
Building improvements	40-50
Improvements other than buildings	5-50
Public domain infrastructure	10-50
Water and sewer infrastructure	10-50
Machinery and equipment	3-20
Other furnishings	5-7

### *Leases*

*Lessee.* The City is a lessee for several noncancellable leases of building and equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$25,000 or more (\$5,000 or more for federal grant purchased assets).

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price (if applicable) that the City is reasonably certain to exercise.

### Notes to Financial Statements

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

*Lessor.* The City is a lessor for several noncancellable leases. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for prepaid lease payments received at lease inception. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The City uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### ***Subscription-Based Information Technology Arrangements (SBITA)***

The City has noncancellable subscription-based information technology arrangements. The City recognizes a subscription liability and an intangible right-to-use subscription asset in the financial statements. The City recognizes subscription liabilities with an initial, individual value of \$25,000 or more (\$5,000 or more for federal grant purchased assets).

At the commencement of a subscription, the City initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to subscriptions include how the City determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) subscription term, and (3) subscription payments. The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs. The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price (if applicable) that the City is reasonably certain to exercise.

### Notes to Financial Statements

The City monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

#### ***Deferred Outflows of Resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources until then. The City reports deferred outflows for the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also reports deferred outflows of resources related to the pension and OPEB plans.

#### ***Compensated Absences***

The City's policy concerning compensated absences changed as of July 1, 2014. All time off including vacation, personal time as well as health, maternity leave and FMLA was reclassified to paid time off (PTO). All employees had up to 200 hours of their accumulated annual bank placed in the employee's maximum accumulation hours bank. PTO time in excess of 200 hours was placed in a holding bank to be paid out at retirement, death, termination of employment at the rate of 100% of the employee's straight time hourly rate in effect as of July 1, 2014. Such payment shall not be included as final average compensation for the purpose of computing retirement benefits. PTO time is computed and accrued on a basis of each payroll period that a regular employee has at least 72 straight time hours or a part time employee has at least 29 straight time hours. PTO time is based on City seniority as defined in the article entitled Seniority of this Agreement.

#### ***Unearned Revenue***

Within the government-wide statement of net position and the grants, American Rescue Plan Act special revenue funds, nonmajor governmental funds, and component unit balance sheet, grant moneys received in advance of incurring eligible expenditures is recorded as unearned revenue.

#### ***Long-term Obligations***

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expense when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.



### Notes to Financial Statements

#### ***Deferred Inflows of Resources***

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflows of resources related to the pension and OPEB plans as well as lease agreements. The deferred lease amounts are amortized over the remaining life of the lease. The governmental funds also report unavailable revenues, which arise only under a modified accrual basis of accounting, that are reported as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### ***Fund Balances***

Governmental funds report *nonspendable fund balance* for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. *Restricted fund balance* is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. *Committed fund balance* is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-makers, the City Council. A formal resolution of the City Council is required to establish, modify, or rescind a fund balance commitment. The City reports *assigned fund balance* for amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed. The City Council has not delegated the authority to assign fund balance. Unassigned fund balance is the residual classification for the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When the City incurs an expenditure for purposes for which various fund balance classifications can be used, it is the government's policy to use restricted fund balance first, then committed, assigned, and finally unassigned.

#### ***Interfund Transactions***

During the course of normal operations, the City has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers. The amounts recorded as subsidies or advances are determined by the City. Balances outstanding at year-end are reported as due to/from other funds. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements. Internal service funds are used to record charges for services to all City departments and funds as transfers or operating revenue. All City funds record these payments to the internal service funds as transfers or operating expenditures/expenses. The general fund records charges for services to funds as operating revenue. All City funds record these payments to the general fund as operating expenditures/expenses.

**Notes to Financial Statements**

***Pensions and Other Postemployment Benefits***

For purposes of measuring the net pension liabilities and the net/total other postemployment benefit liabilities (assets), deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits, and pension and other postemployment benefit expense, information about the fiduciary net position of the plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

***Hurley Medical Center – Patient Accounts Receivable***

Patient accounts receivable at June 30, 2024 and revenue for the year then ended include estimated amounts due from various third party payors which are computed in accordance with their respective reimbursement formulas. In addition, the Medical Center has established an estimated allowance for uncollectible accounts of approximately \$12,000,000 for 2024. The Medical Center grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements.

***Hurley Medical Center – Net Patient Service Revenue***

The Medical Center has agreements with third-party payers that provide for payments to the Medical Center at amounts different from its established rates. Cost report settlements result from the adjustment of interim payments to final reimbursement under the Medicare, Medicaid, and Blue Cross/Blue Shield of Michigan programs and are subject to audit by fiscal intermediaries. The Medical Center recognized an insignificant decrease in net patient service revenue during the year ended June 30, 2024 as a result of unfavorable and favorable changes to prior year settlement estimates and activity.

***Hurley Medical Center – Charity Care***

The Medical Center provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Medical Center does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. Charity care is determined based on established policies, using patient income and assets to determine payment ability. The amount reflects the cost of free or discounted health services, net of contributions and other revenue received, as direct assistance for the provision of charity care. The estimated cost of providing charity services is based on data derived from the Medical Center's cost accounting system using the ratio of cost to charges.

**Notes to Financial Statements**

**2. BUDGETARY INFORMATION**

The City followed these procedures in establishing the budgetary data reflected in the financial statements:

1. On June 8, 2023, the City Council approved adopting the operating budget for the fiscal year commencing the following July 1. The legally adopted operating budgets included expenditures and the means of financing them for the general and special revenue funds (these funds are required to have budgets per Michigan law). Informational summaries of projected revenue and expenditures/expenses were provided for all City funds, as well as estimated total costs and proposed methods of financing all capital construction projects.
2. Department heads are authorized to transfer budgeted amounts with departmental appropriation accounts, except as those designated by the City's "Amendment of Adopted Budgets" ordinance. Revisions that require Council approval must be adopted by resolution.
3. Formal budgetary integration was employed as a management control device during the year for all budgetary funds. Also, all budgets, except for the grant funds, were adopted on a basis consistent with generally accepted accounting principles. The grant budgets were rolled from the prior year based on the budget balances of the grants at year end. Budget appropriations lapse at year end.
4. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end do not constitute expenditures or liabilities because the goods or services have not been received as of year-end; the commitments will be re-appropriated and honored during the subsequent year.

The CARES Act Special Revenue Fund budget was adopted on a lifetime basis, therefore only the final budget is presented in the budgetary schedules.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

##### *Expenditures in Excess of Appropriations*

State statutes provide that a local unit shall not incur expenditures in excess of the amount appropriated. Excess of expenditures or transfers out over appropriated amounts in individual funds are as follows:

	Final Budget	Actual	Over Budget
<b>General fund</b>			
Capital outlay	\$ -	\$ 1,529,564	\$ 1,529,564
Debt service:			
Principal	704,538	729,122	24,584
Interest	3,282	4,568	1,286
Transfers out	-	90,147	90,147
<b>Grants fund</b>			
Debt service:			
Principal	587,000	1,907,000	1,320,000
<b>Major Streets special revenue fund</b>			
Debt service:			
Interest	3,497	3,803	306
<b>American Rescue Plan Act special revenue fund</b>			
Transfers out	37,104,475	39,953,572	2,849,097
<b>State Act 251 Forfeiture special revenue fund</b>			
Capital outlay	-	508,195	508,195

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### 4. DEPOSITS AND INVESTMENTS

State of Michigan statutes authorize the City to invest in bonds and other direct and certain indirect obligations of the US Treasury; certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is a member of the Federal Deposit Insurance Corporation, or National Credit Union Administration; and commercial paper must be rated within the two highest classifications established by not less than two standard rating services. The City is also authorized to invest in U.S. government or federal agency obligation repurchase agreements, bankers' acceptances of U.S. banks, and mutual funds comprised of investments as outlined above. The City's investment policy allows for all of these types of investments.

As of year end, the City's deposits and investments were reported in the basic financial statements in the following categories:

	Primary Government	Component Units	Totals
<b>Statement of Net Position</b>			
Cash and investments	\$ 175,647,669	\$ 87,188,389	\$ 262,836,058
Restricted cash and investments	55,178,046	159,151,100	214,329,146
	230,825,715	246,339,489	477,165,204
<b>Statement of Fiduciary Net Position</b>			
Custodial funds:			
Cash and cash equivalents	6,377,096	-	6,377,096
<b>Total</b>	<b>\$ 237,202,811</b>	<b>\$ 246,339,489</b>	<b>\$ 483,542,300</b>
<b>Deposits and investments</b>			
Bank deposits (checking and savings accounts)			\$ 211,704,682
Certificates of deposit with maturities less than one year			11,847,868
Certificates of deposit with maturities greater than one year			21,671,224
Investments:			
Commercial paper		3,587,335	
Treasury obligations		85,696,784	
U.S. government bonds		15,470,164	
Money market accounts		7,457,745	
Municipal bonds		7,258,243	
Michigan CLASS		35,230,364	
Total investments			154,700,635
Hurley Medical Center restricted cash and investments			83,607,727
Cash on hand			10,164
<b>Total</b>			<b>\$ 483,542,300</b>

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### *Investment and Deposit Risk*

**Interest Rate Risk.** Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. State law limits investment maturities for commercial paper to no more than 270 days after date of purchase. The City's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest. The City's weighted average maturity dates are disclosed below:

	Fair Value	Weighted Average Maturity (Years)
U.S. government bonds	\$ 15,470,164	2.51
Municipal bonds	<u>7,258,243</u>	4.47
Total	<u>\$ 22,728,407</u>	

**Credit Risk.** State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investments. Commercial paper must be rated within the two highest classifications established by not less than two standard rating services. The City's investment policy does not have specific limits in excess of state law on investment credit risk. As of year end, the City's investment ratings are disclosed below:

	Value	Standard & Poor's Rating
Commercial paper	\$ 3,587,335	A-2
Treasury obligations	85,696,784	N/A
U.S. government bonds	14,471,514	N/A
U.S. government bonds	998,650	AA+
Money market accounts	7,384,770	N/A
Municipal bonds	2,976,604	N/A
Municipal bonds	1,697,406	AA1
Municipal bonds	1,583,807	AA+
Municipal bonds	771,443	AA
Municipal bonds	301,958	AA-
Michigan CLASS	<u>35,230,364</u>	N/A
Total	<u>\$ 154,700,635</u>	

**Custodial Credit Risk – Deposits.** Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. State law does not require and the City does not have a policy for deposit custodial credit risk. As of year end, \$151,294,314 of the City's bank balance of \$153,089,314 was exposed to custodial credit risk because it was uninsured and uncollateralized.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

*Custodial Credit Risk – Investments.* As of year end, the City's investments consisted of mutual funds, government obligations and other assets. For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that investment securities be held in third-party safekeeping by a designated institution and that the safekeeping agent follow the procedure of delivery vs. payment. As of year end, none of the City's investments were exposed to risk since the securities are held in the City's name by the counterparty.

*Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. State law limits allowable investments but does not limit concentration of credit risk as identified in the list of authorized investments in the summary of significant accounting policies. The City's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year end are reported above.

*Fair Value Measurements.* The City categorizes the fair value measurements of its investments within the fair value hierarchy established by generally accepted accounting principles. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs – other than quoted prices – included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable and are based on estimates and assumptions. These levels are determined by the City's management review of the type and substance of investments held by the City.

The City had the following recurring fair value measurements as of year end:

	Level 1	Level 2	Level 3	Total
Commercial paper	\$ 2,185,607	\$ 1,401,728	\$ -	\$ 3,587,335
Treasury obligations	-	85,696,784	-	85,696,784
U.S. government bonds	7,356,508	8,113,656	-	15,470,164
Municipal bonds	170,146	7,088,097	-	7,258,243
<b>Total investments at fair value</b>	<b>\$ 9,712,261</b>	<b>\$ 102,300,265</b>	<b>\$ -</b>	<b>112,012,526</b>
<b>Investments not measured at fair value:</b>				
Money market funds (carried at amortized cost)				7,457,745
Michigan CLASS (carried at net asset value)				35,230,364
				<b>\$ 154,700,635</b>

Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. After the initial offering period, commercial paper, treasury obligations, U.S. government bonds, and municipal bonds are valued based on active trade data for comparable investments.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

The valuation method for investments measured at net asset value per share (or its equivalent) is presented in the table below.

#### *Investments in Entities that Calculate Net Asset Value per Share*

The City holds shares or interests in investment companies where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At year end, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Carrying Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
Michigan CLASS	\$ 35,230,364	-	N/A	N/A

The Michigan CLASS investment pool invests in U.S. Treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated A1 or better), collateralized bank deposits, repurchase agreements (collateralized at 102 percent by treasuries and agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities, and other public agencies.

#### **Hurley Medical Center Component Unit**

All required cash and investment disclosures for the Hurley Medical Center are available in the separately issued Hurley Medical Center financial statements.

### 5. RECEIVABLES

Receivables as of year end including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 11,707,394	\$ 46,223,913	\$ 14,094,609
Property taxes	424,175	-	-
Income taxes	12,865,662	-	-
Patient	-	-	73,157,944
Estimated third-party payor settlements	-	-	22,747,160
Loans	6,826,774	-	28,900,000
Installment sales agreement	-	-	6,505,000
Leases	333,273	-	5,282,694
Due from other governments	18,357,473	5,696,653	1,672,403
Due from GLWA	-	79,010,865	-
Due from component units	5,282,713	-	-
Less: allowance for uncollectibles	(15,811,887)	(25,034,245)	(12,013,200)
	<u>\$ 39,985,577</u>	<u>\$ 105,897,186</u>	<u>\$ 140,346,610</u>



## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

Of the amounts reported for receivables above, the following are not expected to be collected within one year:

	Governmental Activities	Business-type Activities	Component Units
Accounts	\$ 9,971,726	\$ -	\$ -
Loans	6,826,774	-	28,900,000
Installment sales agreement	-	-	6,260,000
Leases	333,273	-	2,993,473
Due from GLWA	-	76,627,575	-
Due from component units	4,809,157	-	-
	<u>\$ 21,940,930</u>	<u>\$ 76,627,575</u>	<u>\$ 38,153,473</u>

The \$5,282,713 amount due from the DDA component unit to the City is a result of the City's issuance of bonds on the Authority's behalf for the James Rutherford Parking Deck. The Authority has pledged tax increment revenue and net operating revenue of the parking system to repay the obligations. The DDA has not been able to make the full bond payments to date and each year an amount is determined to be forgiven.

### 6. INTANGIBLE ASSET - RIGHT TO USE

Effective December 1, 2017, the City, Great Lakes Water Authority ("GLWA"), Karegnondi Water Authority (KWA), Genesee County Drain Commission ("GCDC") and the State of Michigan entered into a long-term partnership agreement to satisfy a number of critical water service needs across the region. Key provisions of a master agreement includes: 1) a 30-year water service contract with the City of Flint that establishes the Authority as the long-term water source for the City of Flint and credits the City of Flint for its debt service payment obligations on existing KWA bonds for the building of its raw water intake and supply line; 2) a long-term lease to GLWA of the 72-inch line serving the City of Flint; and 3) a 30-year contract for reciprocal, emergency water services between GLWA and GCDC.

The 30-year water service contract with the City includes a license to raw water rights of 18 MGD purchased by Flint as part of KWA bond obligation of which 97% (17.46 MGD) was transferred to GLWA through an agreement between GLWA and the City (see FN 9). The remaining 3% constitute an intangible right to use asset for the City under governmental accounting standards. The City is amortizing the intangible asset over the agreement period of 30 years.

# CITY OF FLINT, MICHIGAN

## Notes to Financial Statements

### 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

An interfund balance existed between governmental activities and business-type activities in the amount of \$3,142,107. This resulted from the allocation of a portion of internal service fund net position of governmental activities internal service funds to business-type activities.

Interfund balances and transfers between the funds within the primary government were as follows:

Due to other funds	Due from other funds		Totals
	General fund	American Rescue Plan Act fund	
General fund	\$ -	\$ 65,620	\$ 65,620
Grants	3,086,499	-	3,086,499
Nonmajor governmental funds	45,219	-	45,219
	<u>\$ 3,131,718</u>	<u>\$ 65,620</u>	<u>\$ 3,197,338</u>

Transfers out	Transfers In			Totals
	Grants	Nonmajor Governmental Funds	General Fund	
General fund	\$ 90,147	\$ -	\$ -	\$ 90,147
Grants	-	1,704,062	-	1,704,062
American Rescue Plan Act fund	-	-	39,953,572	39,953,572
Nonmajor governmental funds	-	1,696,550	-	1,696,550
	<u>\$ 90,147</u>	<u>\$ 3,400,612</u>	<u>\$ 39,953,572</u>	<u>\$ 43,444,331</u>

Transfers are used to: (1) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (3) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service funds as debt service payments become due. Governmental activities transferred capital assets of \$863,000 to internal service funds and \$2,367,848 to the sewer fund during 2024 for capital assets that were purchased in the grants fund initially. The transfer out of the American Rescue Plan Act (ARPA) fund to the general fund was to cover allowable ARPA expenditures in the general fund.

# CITY OF FLINT, MICHIGAN

## Notes to Financial Statements

### 8. CAPITAL ASSETS

Capital asset activity for the current year was as follows:

#### Primary Government

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Governmental Activities</b>					
Capital assets, not being depreciated/amortized:					
Land	\$ 14,817,714	\$ 24,023	\$ -	\$ -	\$ 14,841,737
Construction in progress	5,712,074	18,728,627	-	(8,033,498)	16,407,203
	<u>20,529,788</u>	<u>18,752,650</u>	<u>-</u>	<u>(8,033,498)</u>	<u>31,248,940</u>
Capital assets, being depreciated/amortized:					
Land improvements	14,704,626	156,579	-	514,816	15,376,021
Infrastructure	372,788,752	1,198,273	-	1,257,009	375,244,034
Buildings, additions and improvements	24,618,341	385,186	-	1,237,413	26,240,940
Machinery and equipment	8,269,456	1,888,526	-	977,901	11,135,883
Vehicles	22,355,465	1,763,648	(1,090,747)	2,656,412	25,684,778
Lease building (Note 10)	-	333,841	-	-	333,841
Lease equipment (Note 10)	1,877,613	792,702	(360,743)	(977,901)	1,331,671
Subscription asset (Note 11)	626,107	1,135,228	(8,212)	-	1,753,123
	<u>445,240,360</u>	<u>7,653,983</u>	<u>(1,459,702)</u>	<u>5,665,650</u>	<u>457,100,291</u>
Less accumulated depreciation/amortization for:					
Land improvements	(13,760,173)	(233,165)	-	-	(13,993,338)
Infrastructure	(322,802,171)	(6,951,720)	-	-	(329,753,891)
Buildings, additions and improvements	(19,110,451)	(443,716)	-	-	(19,554,167)
Machinery and equipment	(6,327,701)	(788,308)	-	(977,901)	(8,093,910)
Vehicles	(14,254,341)	(3,157,403)	1,090,747	-	(16,320,997)
Lease building (Note 10)	-	(32,012)	-	-	(32,012)
Lease equipment (Note 10)	(964,432)	(654,597)	252,164	977,901	(388,964)
Subscription asset (Note 11)	(227,111)	(288,102)	8,212	-	(507,001)
	<u>(377,446,380)</u>	<u>(12,549,023)</u>	<u>1,351,123</u>	<u>-</u>	<u>(388,644,280)</u>
Total capital assets being depreciated/amortized, net	<u>67,793,980</u>	<u>(4,895,040)</u>	<u>(108,579)</u>	<u>5,665,650</u>	<u>68,456,011</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 88,323,768</u>	<u>\$ 13,857,610</u>	<u>\$ (108,579)</u>	<u>\$ (2,367,848)</u>	<u>\$ 99,704,951</u>

# CITY OF FLINT, MICHIGAN

## Notes to Financial Statements

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Business-type Activities</b>					
Capital assets, not being depreciated/amortized:					
Land	\$ 1,175,844	\$ -	\$ -	\$ -	\$ 1,175,844
Construction in progress	73,171,339	13,127,114	-	(25,277,333)	61,021,120
	<u>74,347,183</u>	<u>13,127,114</u>	<u>-</u>	<u>(25,277,333)</u>	<u>62,196,964</u>
Capital assets, being depreciated/amortized:					
Land improvements	6,249,260	-	-	-	6,249,260
Infrastructure	257,121,892	11,227,383	-	13,369,139	281,718,414
Buildings, additions and improvements	57,689,421	1,046,092	(280,225)	14,276,042	72,731,330
Machinery and equipment	115,969,156	766,918	-	-	116,736,074
Vehicles	3,995,739	1,347,829	(198,873)	-	5,144,695
	<u>441,025,468</u>	<u>14,388,222</u>	<u>(479,098)</u>	<u>27,645,181</u>	<u>482,579,773</u>
Less accumulated depreciation/amortization for:					
Land improvements	(3,518,074)	(148,394)	-	-	(3,666,468)
Infrastructure	(104,311,201)	(5,333,213)	-	-	(109,644,414)
Buildings, additions and improvements	(47,487,875)	(1,191,287)	-	-	(48,679,162)
Machinery and equipment	(81,402,396)	(3,156,276)	-	-	(84,558,672)
Vehicles	(3,449,719)	(481,451)	198,873	-	(3,732,297)
	<u>(240,169,265)</u>	<u>(10,310,621)</u>	<u>198,873</u>	<u>-</u>	<u>(250,281,013)</u>
Total capital assets being depreciated/amortized, net	<u>200,856,203</u>	<u>4,077,601</u>	<u>(280,225)</u>	<u>27,645,181</u>	<u>232,298,760</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 275,203,386</u>	<u>\$ 17,204,715</u>	<u>\$ (280,225)</u>	<u>\$ 2,367,848</u>	<u>\$ 294,495,724</u>

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

#### Depreciation/amortization of governmental activities by function

General government	\$ 858,294
Public safety	844,898
Public works	6,818,696
Recreation and culture	350,635
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>3,676,500</u>

**Total depreciation/amortization expense - governmental activities** \$ 12,549,023

#### Depreciation/amortization of business-type activities by function

Sewer	\$ 4,706,273
Water	<u>5,604,348</u>

**Total depreciation/amortization expense - business-type activities** \$ 10,310,621

#### Construction Commitments

The City has active construction projects as of June 30, 2024. The projects and City commitments with contractors were as follows:

	Spent to Date	Remaining Commitment
Water supply improvements (BTA)	\$ 393,667	\$ 5,222,042
Road rehabilitation (GA)	4,833,383	3,423,302
Water pollution control (BTA)	58,182,882	28,661,393
Planning and development (GA)	63,110	222,213
Facilities (GA)	<u>381,436</u>	<u>1,073,037</u>
Total	<u><u>\$ 63,854,478</u></u>	<u><u>\$ 38,601,987</u></u>

# CITY OF FLINT, MICHIGAN

## Notes to Financial Statements

### Discretely Presented Component Units

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Component Unit -</b>					
<b>Downtown Development Authority</b>					
Capital assets, not being depreciated/amortized -					
Land	\$ 4,878,067	\$ -	\$ -	\$ -	\$ 4,878,067
Capital assets, being depreciated/amortized:					
Land improvements	10,934,166	-	-	-	10,934,166
Parking deck and improvements	5,824,574	-	-	-	5,824,574
Buildings, additions and improvements	331,632	-	-	-	331,632
Machinery and equipment	1,874,977	-	(117,897)	-	1,757,080
Vehicles	45,251	9,000	-	-	54,251
	<u>19,010,600</u>	<u>9,000</u>	<u>(117,897)</u>	<u>-</u>	<u>18,901,703</u>
Less accumulated depreciation/amortization for:					
Land improvements	(4,945,069)	(270,412)	-	-	(5,215,481)
Parking deck and improvements	(5,697,341)	(23,644)	-	-	(5,720,985)
Buildings, additions and improvements	(70,193)	(8,291)	-	-	(78,484)
Machinery and equipment	(1,298,611)	(75,815)	117,897	-	(1,256,529)
Vehicles	(29,067)	(14,331)	-	-	(43,398)
	<u>(12,040,281)</u>	<u>(392,493)</u>	<u>117,897</u>	<u>-</u>	<u>(12,314,877)</u>
Total capital assets being depreciated/amortized, net	<u>6,970,319</u>	<u>(383,493)</u>	<u>-</u>	<u>-</u>	<u>6,586,826</u>
<b>Downtown Development Authority capital assets, net</b>	<u>\$ 11,848,386</u>	<u>\$ (383,493)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,464,893</u>

# CITY OF FLINT, MICHIGAN

## Notes to Financial Statements

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Component Unit -</b>					
<b>Economic Development Corporation</b>					
Capital assets, not being depreciated/amortized -					
Land	\$ 93,860	\$ -	\$ -	\$ -	\$ 93,860
Capital assets, being depreciated/amortized:					
Buildings	514,782	-	-	-	514,782
Building improvements	772,538	596,377	-	-	1,368,915
Machinery and equipment	276,502	-	-	-	276,502
	<u>1,563,822</u>	<u>596,377</u>	<u>-</u>	<u>-</u>	<u>2,160,199</u>
Less accumulated depreciation/amortization for:					
Buildings	(514,782)	-	-	-	(514,782)
Building improvements	(600,565)	(47,514)	-	-	(648,079)
Machinery and equipment	(276,502)	-	-	-	(276,502)
	<u>(1,391,849)</u>	<u>(47,514)</u>	<u>-</u>	<u>-</u>	<u>(1,439,363)</u>
Total capital assets being depreciated/amortized, net	<u>171,973</u>	<u>548,863</u>	<u>-</u>	<u>-</u>	<u>720,836</u>
<b>Economic Development Corporation capital assets, net</b>	<u>\$ 265,833</u>	<u>\$ 548,863</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 814,696</u>
<b>Component Unit -</b>					
<b>Flint Housing Commission</b>					
Capital assets, not being depreciated/amortized -					
Land	\$ 2,122,367	\$ -	\$ (972,708)	\$ -	\$ 1,149,659
Construction in progress	2,243,413	2,788,265	(1,030,009)	-	4,001,669
	<u>4,365,780</u>	<u>2,788,265</u>	<u>(2,002,717)</u>	<u>-</u>	<u>5,151,328</u>
Capital assets, being depreciated/amortized:					
Buildings	47,390,425	-	(8,798,537)	-	38,591,888
Furniture and equipment - Dwellings	813,405	-	(387,289)	-	426,116
Furniture and equipment - Admin	865,489	-	(164,328)	-	701,161
Leasehold improvements	59,994,106	-	(28,384,575)	-	31,609,531
	<u>109,063,425</u>	<u>-</u>	<u>(37,734,729)</u>	<u>-</u>	<u>71,328,696</u>
Less accumulated depreciation/amortization for:					
Buildings	(45,235,571)	(4,074)	8,455,862	-	(36,783,783)
Furniture and equipment - Dwellings	(646,056)	(29,413)	249,353	-	(426,116)
Furniture and equipment - Admin	(752,580)	(68,908)	314,256	-	(507,232)
Leasehold improvements	(50,784,538)	(927,614)	24,119,602	-	(27,592,550)
	<u>(97,418,745)</u>	<u>(1,030,009)</u>	<u>33,139,073</u>	<u>-</u>	<u>(65,309,681)</u>
Total capital assets being depreciated/amortized, net	<u>11,644,680</u>	<u>(1,030,009)</u>	<u>(4,595,656)</u>	<u>-</u>	<u>6,019,015</u>
<b>Flint Housing Commission capital assets, net</b>	<u>\$ 16,010,460</u>	<u>\$ 1,758,256</u>	<u>\$ (6,598,373)</u>	<u>\$ -</u>	<u>\$ 11,170,343</u>

# CITY OF FLINT, MICHIGAN

## Notes to Financial Statements

	Beginning Balance	Additions	Disposals and Transfers	Ending Balance
<b>Component Unit -</b>				
<b>Hurley Medical Center</b>				
Capital assets, not being depreciated/amortized:				
Land	\$ 4,535,986	\$ -	\$ -	\$ 4,535,986
Construction in progress	11,062,810	17,129,808	(17,995,982)	10,196,636
	<u>15,598,796</u>	<u>17,129,808</u>	<u>(17,995,982)</u>	<u>14,732,622</u>
Capital assets, being depreciated/amortized:				
Land improvements	3,667,339	9,650	-	3,676,989
Buildings	180,313,135	6,069,678	(201,190)	186,181,623
Machinery and equipment	125,166,947	11,918,078	(23,132,736)	113,952,289
Automotive equipment	259,880	59,302	-	319,182
Equipment and furnishings	642,331	10,718	-	653,049
Leasehold improvements	270,567	6,205	-	276,772
Right-to-use asset - Buildings (Note 10)	5,908,649	1,676,219	(643,557)	6,941,311
Right-to-use asset - Equipment (Note 10)	4,040,421	4,995,018	(1,277,649)	7,757,790
Right-to-use asset - SBITA (Note 11)	6,824,762	6,276,946	(255,120)	12,846,588
	<u>327,094,031</u>	<u>31,021,814</u>	<u>(25,510,252)</u>	<u>332,605,593</u>
Less accumulated depreciation/amortization for:				
Land improvements	(2,086,623)	(276,387)	-	(2,363,010)
Buildings	(102,936,126)	(5,847,439)	174,294	(108,609,271)
Machinery and equipment	(95,217,041)	(9,137,805)	23,091,979	(81,262,867)
Automotive equipment	(165,214)	(30,346)	-	(195,560)
Equipment and furnishings	(602,116)	(6,432)	-	(608,548)
Leasehold improvements	(185,268)	(7,435)	-	(192,703)
Right-to-use asset - Buildings (Note 10)	(2,215,237)	(1,063,902)	643,528	(2,635,611)
Right-to-use asset - Equipment (Note 10)	(1,755,753)	(1,249,770)	1,207,842	(1,797,681)
Right-to-use asset - SBITA (Note 11)	(2,749,366)	(2,154,506)	255,121	(4,648,751)
	<u>(207,912,744)</u>	<u>(19,774,022)</u>	<u>25,372,764</u>	<u>(202,314,002)</u>
Total capital assets being depreciated/amortized, net	<u>119,181,287</u>	<u>11,247,792</u>	<u>(137,488)</u>	<u>130,291,591</u>
<b>Hurley Medical Center</b>				
<b>capital assets, net</b>	<u>\$ 134,780,083</u>	<u>\$ 28,377,600</u>	<u>\$ (18,133,470)</u>	<u>\$ 145,024,213</u>



# CITY OF FLINT, MICHIGAN

## Notes to Financial Statements

### 9. BONDS, NOTES AND OTHER LONG-TERM LIABILITIES

#### Primary Government

The City issues bonds to provide for the acquisition and construction of major capital projects. General obligation bonds are direct obligations and pledge the full faith and credit of the City. City contractual agreements, capital leases, and installment purchase agreements are also general obligations of the City. Special assessment bonds provide for capital improvements that benefit specific properties, and will be repaid from amounts levied against those properties benefited from the construction. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service.

Long-term debt activity for the primary government for the year was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within Year	One
<b>Governmental Activities</b>						
Bonds payable	\$ 10,450,000	-	\$ (740,000)	\$ 9,710,000	\$ 770,000	
Direct borrowings and direct placements -						
Loans payable	7,402,392	-	(2,497,125)	4,905,267	1,155,701	
Installment purchase agreement	1,016,034	-	(754,173)	261,861	261,861	
	8,418,426	-	(3,251,298)	5,167,128	1,417,562	
Total installment debt	18,868,426	-	(3,991,298)	14,877,128	2,187,562	
Bond premium	785,560	-	(78,556)	707,004	78,556	
Subscription liability (Note 11)	368,123	1,065,826	(985,714)	448,235	241,447	
Lease liability (Note 10)	340,368	1,126,543	(308,146)	1,158,765	288,959	
Compensated absences	2,721,396	1,726,110	(1,583,292)	2,864,214	190,022	
<b>Total governmental activities</b>	<b>\$ 23,083,873</b>	<b>\$ 3,918,479</b>	<b>\$ (6,947,006)</b>	<b>\$ 20,055,346</b>	<b>\$ 2,986,546</b>	
<b>Business-type Activities</b>						
Direct borrowings and direct placements -						
KWA agreement payable	\$ 93,720,799	\$ -	\$ (12,266,299)	\$ 81,454,500	\$ 2,457,000	
Sewage Disposal System Junior Lien Revenue Bond, SRF Series 2020	27,555,000	-	(750,000)	26,805,000	770,000	
Sewage Disposal System Junior Lien Revenue Bond, SRF Series 2021	13,821,079	7,921,915	(676,250)	21,066,744	690,000	
Total installment debt	135,096,878	7,921,915	(13,692,549)	129,326,244	3,917,000	
Compensated absences	544,884	584,784	(482,346)	647,322	41,503	
<b>Total business-type activities</b>	<b>\$ 135,641,762</b>	<b>\$ 8,506,699</b>	<b>\$ (14,174,895)</b>	<b>\$ 129,973,566</b>	<b>\$ 3,958,503</b>	

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

For the governmental activities, compensated absences, net pension liability and total OPEB liability are generally liquidated by the general fund.

Installment debt outstanding for governmental activities as of the end of the year are as follows:

	Interest Rate	Year of Maturity	Original Amount	Outstanding Principal
Bonds payable:				
2019A Local Government Loan Program	5.00%	2033	\$ 6,475,000	\$ 4,610,000
2019B Local Government Loan Program	2.36-3.56%	2036	6,795,000	5,100,000
Loans payable:				
Section 108 Loan - 500 Block	1.34-4.13%	2026	3,840,000	592,000
Section 108 Loan - Guaranteed Funds	0.56-4.28%	2028	5,180,000	159,000
Section 108 Loan - W. Carpenter Rd	LIBOR + 1.50%	2029	1,875,000	500,000
SIB 3rd Avenue Reconstruction Loan	0.50%	2029	2,241,000	584,267
Emergency Loan - G.O. Limited Tax 2014-15	2.09%	2030	7,000,000	3,070,000
Installment purchase agreements payable:				
Snow Plows	3.80%	2025	1,491,805	261,861
Total			<u>\$ 34,897,805</u>	<u>\$ 14,877,128</u>

*Revenues Pledged in Connection with Component Unit Debt* – The City has pledged, as security for bonds issued by the City on behalf of the Flint Downtown Development Authority, a portion of the City's state-shared revenues. The bonds issued during 2008 in the amount of \$10,000,000 were used to provide funding for the James Rutherford Parking Deck capital project and upgrade of the Riverfront Parking Deck. The bonds are payable through 2032. The Flint Downtown Development Authority has pledged tax increment revenues and net operating revenues of the parking system to repay the obligations. Cash flow projections indicate that the DDA's annual debt service to the City for repayment of the bonds will not coincide with the City's annual debt service obligation.

*Section 108 Loans* – The Section 108 loans were obtained through an economic development loan program administered by the U.S. Department of Housing and Urban Development (HUD). The proceeds of the loans were then loaned to private entities for economic development purposes. Loans under the programs are owed to HUD and are secured by future federal grant allocations to the City through the Community Development Block Grant Program.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

Revenues Pledged in Connection with Sewer Fund Debt – Revenue bonds are secured by pledged sewer revenues. Proceeds

#### *Defeased Debt*

In 2023, the City allocated \$1,419,477 of CDBG grant funds that were placed in an escrow fund for the purpose of funding future debt service payments of \$1,419,477 of the Section 108 Loan - Guaranteed Funds loan payable. As a result, the \$1,390,000 of the loans payable are considered defeased and the liability has been removed from the statement of net position.

In 2024, the City deposited \$1,348,248 in an escrow fund for the purpose of funding future debt service payments of \$1,348,248 of the Section 108 Loan - Guaranteed Funds loan payable. As a result, the \$1,320,000 of the loans payable are considered defeased and the liability has been removed from the statement of net position.

Annual debt service requirements to maturity for installment debt for governmental activities are as follows:

Year Ended June 30,	Governmental Activities			
	Direct Borrowings and Direct Placements		Bonds Payable	
	Principal	Interest	Principal	Interest
2025	\$ 1,417,562	\$ 238,458	\$ 770,000	\$ 378,094
2026	1,007,280	190,837	810,000	347,072
2027	721,861	159,511	835,000	314,253
2028	732,445	89,729	870,000	259,693
2029	747,980	25,553	910,000	243,151
2030-2034	540,000	11,285	4,520,000	609,058
2035-2036	-	-	995,000	35,688
	<u>\$ 5,167,128</u>	<u>\$ 715,373</u>	<u>\$ 9,710,000</u>	<u>\$ 2,187,009</u>

**KWA Agreement Payable** - Karegnondi Water Authority (KWA) was formed in 2013 for the purpose of constructing a new raw water supply system (the "System"). Effective August 1, 2013, the City entered into an agreement (the "Agreement") with KWA and Genesee County (the "County") to issue debt to acquire, construct, and operate the System, which became operational in 2018. The County's share of the debt is 65.8 percent and the City's share of the debt is 34.2 percent. The City pledged its full faith and credit of certain state revenue as security of the repayment of the City's portion of this debt. During the year ended June 30, 2024, the City made total payments on this agreement in the amount of \$2,365,500, while the remaining decrease of \$9,900,799 was due to the forgiveness of a portion of the debt by KWA. In addition, the City reached a 30-year agreement with the Great Lakes Water Authority ("GLWA") to purchase water. The contract with GLWA includes a monthly credit to the City equal to 97% (17.46 MGD of the 18 MGD) of the City's obligation under the Agreement, which offsets the debt and is recorded as a receivable in the City's water fund. The City pays the debt service payments to KWA on a monthly basis.

**Sewage Disposal System Junior Lien Revenue Bond, SRF Series 2020** - The City issued \$28,288,000 of Series 2020, Sewer Revenue bonds. Principal payments ranging from \$733,000 to \$1,345,000 are due annually on April 1 through fiscal year 2050. Interest is charged on the outstanding balance at 2.25% and is due April 1 and October 1 of each year.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

**Sewage Disposal System Junior Lien Revenue Bond, SRF Series 2021** - The City issued \$27,941,250 of Series 2021, Sewer Revenue bonds. Principal payments ranging from \$676,250 to \$1,245,000 are due annually on October 1 through fiscal year 2053. Interest is charged on the outstanding balance at 2.125% and is due April 1 and October 1 of each year.

Annual debt service requirements to maturity for the installment debt for business-type activities are as follows:

Business-type Activities		
Direct Borrowings and Direct Placements		
Year Ended June 30,	Principal	Interest
2025	\$ 3,917,000	\$ 5,342,065
2026	4,065,000	5,185,621
2027	4,227,500	5,022,425
2028	4,402,500	4,850,902
2029	4,581,000	4,666,749
2030-2034	25,924,500	20,270,325
2035-2039	31,784,500	14,310,635
2040-2044	36,217,500	8,694,559
2045-2049	14,230,000	1,577,534
2050-2053	6,175,000	238,194
	<u>135,524,500</u>	<u>70,159,009</u>
Remaining available to draw	(6,198,256)	-
	<u>\$ 129,326,244</u>	<u>\$ 70,159,009</u>

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### Discretely Presented Component Units

##### *Downtown Development Authority*

The DDA issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City of Flint. Long-term obligation activity is summarized as follows:

	Year of Maturity	Interest Rates	Original Amount	Outstanding Principal
<b>Downtown Development Authority</b>				
Direct placement:				
James Rutherford Parking Deck				
Note Payable (Refunded)	2033	5.00%	\$ 6,475,000	\$ 4,610,000
Electric Vehicle Charging Loan	2026	6.69%	31,494	10,574
Parking System Improvement Revenue Bonds	2027	2.50%	648,964	194,689
<b>Total</b>				<u><u>\$ 4,815,263</u></u>

Debt service requirements to maturity for the DDA's long-term debt are as follows:

Year Ended June 30,	Direct Placement		Bonds Payable	
	Principal	Interest	Principal	Interest
2025	\$ 421,936	\$ 220,619	\$ 64,896	\$ 4,056
2026	443,638	198,821	64,896	2,434
2027	460,000	176,250	64,897	811
2028	480,000	152,750	-	-
2029	510,000	128,000	-	-
2030-2033	2,305,000	237,625	-	-
	<u><u>\$ 4,620,574</u></u>	<u><u>\$ 1,114,065</u></u>	<u><u>\$ 194,689</u></u>	<u><u>\$ 7,301</u></u>

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

**Changes in long-term debt.** Long-term debt activity for fiscal year 2024 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Downtown Development Authority</b>					
Notes from direct borrowings and direct placements -					
James Rutherford Parking -					
Deck Note Payable	\$ 5,005,000	\$ -	\$ (395,000)	\$ 4,610,000	\$ 415,000
Electric Vehicle					
Charging Loan	17,059	-	(6,485)	10,574	6,936
	5,022,059	-	(401,485)	4,620,574	421,936
Parking System Improvement					
Revenue Bonds	259,584	-	(64,895)	194,689	64,896
Total installment debt	5,281,643	-	(466,380)	4,815,263	486,832
Bond premium	785,560	-	(78,556)	707,004	78,556
<b>Total</b>	<b>\$ 6,067,203</b>	<b>\$ -</b>	<b>\$ (544,936)</b>	<b>\$ 5,522,267</b>	<b>\$ 565,388</b>

Contractual Obligations - The above contractual obligations to the City for the James Rutherford Parking Deck are the result of the City's issuance of bonds on the Authority's behalf. The Authority has pledged tax increment revenue and net operating revenue of the parking system to repay the obligations. During the current year, the operating loss from the parking operations was \$692,216 and TIF payments were \$1,092,385.

At year end, the funds generated by the Authority from the parking structure, net operating revenue, and tax increment revenue did cover its debt obligation for the bonds. The DDA has not been able to make the full bond payments to date and each year an amount is determined to be forgiven.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### *Economic Development Corporation*

On August 30, 2022, the Authority issued \$6,710,000 of Limited Obligation Revenue Refunding Bonds, Series 2022. Principal payments ranging from \$205,000 to \$460,000 are due annually on October 1 through fiscal year 2039. Beginning in fiscal year 2033 principal becomes due semi-annually on April 1 and October 1. Interest is charged on the outstanding balance at 3.75% to 5.00% and is due April 1 and October 1 of each year.

Long-term liability activity for EDC for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Economic Development Corporation</b>					
Limited obligation revenue refunding bonds, Series 2022, due in principal payments ranging from \$205,000 to \$460,000 with interest ranging from 3.75% to 5.00%	\$ 6,710,000	\$ -	\$ (205,000)	\$ 6,505,000	\$ 245,000
Bond premium	442,981	-	(27,686)	415,295	27,686
<b>Total</b>	<u>\$ 7,152,981</u>	<u>\$ -</u>	<u>\$ (232,686)</u>	<u>\$ 6,920,295</u>	<u>\$ 272,686</u>

Debt service requirements to maturity for the EDC's bond are as follows:

Year Ending June 30,	Principal	Interest
2025	\$ 245,000	\$ 282,300
2026	255,000	269,800
2027	270,000	256,675
2028	300,000	242,425
2029	350,000	226,175
2030-2034	2,345,000	838,625
2035-2039	<u>2,740,000</u>	<u>295,256</u>
	<u>\$ 6,505,000</u>	<u>\$ 2,411,256</u>

#### *Pledged Revenue*

Revenue bonds are secured by pledged Authority revenues. Proceeds of these bonds were utilized for economic development. The related bond agreements require future principal and interest payments totaling \$8,916,256 through 2039. For the year ended June 30, 2024, the Economic Development Corporation component unit incurred principal and interest expense of \$205,000 and \$293,550, respectively. Net revenue pledged for debt service was \$521,388 for the year ended June 30, 2024.

# CITY OF FLINT, MICHIGAN

## Notes to Financial Statements

### Flint Housing Commission

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within Year	One
Compensated absences	\$ 153,278	\$ 340,809	\$ (380,973)	\$ 113,114	\$	34,044

### Hurley Medical Center

Long-term debt activity for Hurley Medical Center for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within Year	One
<b>Hurley Medical Center</b>						
Notes from direct borrowings and direct placements:						
Series 2013A	\$ 17,795,000	\$ -	\$ (1,435,000)	\$ 16,360,000	\$	1,505,000
Series 2013B	6,585,000	-	(1,035,000)	5,550,000		1,085,000
Series 2020	45,465,000	-	(195,000)	45,270,000		925,000
	69,845,000	-	(2,665,000)	67,180,000		3,515,000
Lease liability (Note 10)	6,207,817	6,678,434	(2,117,524)	10,768,727		2,416,437
Subscription liability (Note 11)	3,961,537	5,179,417	(2,354,728)	6,786,226		2,685,715
Unamortized bond premium	5,658,650	-	(504,433)	5,154,217		-
<b>Total Hurley Medical Center</b>	<b>\$ 85,673,004</b>	<b>\$ 11,857,851</b>	<b>\$ (7,641,685)</b>	<b>\$ 89,889,170</b>	<b>\$</b>	<b>8,617,152</b>



## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Year Ended June 30,	Notes from Direct Borrowings and Direct Placements	
	Principal	Interest
2025	\$ 3,515,000	\$ 2,951,876
2026	3,635,000	2,769,001
2027	3,775,000	2,588,194
2028	3,925,000	2,392,094
2029	3,680,000	2,197,636
2030-2034	15,765,000	8,996,410
2035-2039	19,610,000	5,103,988
2040-2042	13,275,000	1,039,200
	<u>\$ 67,180,000</u>	<u>\$ 28,038,399</u>

#### *Direct Borrowings and Direct Placements*

The Medical Center's outstanding revenue refunding bonds are payable from the revenue of the Medical Center pursuant to lease/purchase agreements between the Medical Center and the City of Flint Hospital Building Authority. Under terms of the lease/purchase agreements, the Medical Center transferred title to substantially all of its facilities to the Authority and leases such facilities from the Authority. Ownership of the facilities reverts to the Medical Center upon payment of the bonds. Rental payments to the Authority are equal to the amounts required to make principal and interest payments on the bonds. Payments on Series 2013A range from \$1,505,000 in 2025 to \$930,000 in 2040, plus interest from 5.0 to 5.25 percent through 2040. Payments on Series 2013B range from \$1,085,000 in 2025 to \$905,000 in 2029, plus interest ranging from 4.75 percent to 5.0 percent over the life of the bond. Payments on Series 2020 range from \$925,000 in 2025 to \$4,605,000 in 2035, plus interest from 4.0 to 5.0 percent over the life of the bond.

The net revenue of the Medical Center is pledged for payment of principal and interest on the revenue rental and revenue refunding bonds. Accordingly, the basic financial statements of the Medical Center include the facilities as if owned by the Medical Center and the bonds as if issued by the Medical Center.

The contract of lease with the Authority includes certain restrictive covenants, including maintaining a certain debt service coverage ratio and minimum days cash on hand. Under the contract of lease, if the Medical Center fails to achieve the required debt service ratio, then the Medical Center is required to promptly retain a consultant to examine the rates, fees, and charges of the Medical Center, and the methods of operation, and to make such recommendations as to rates, fees, and charges as the consultant agrees are appropriate. The Medical Center is not default as a result of violating the covenants unless the Medical Center fails to hire a consultant within 90 days of year end or if days cash on hand falls below 50 days. The Medical Center was not in default as of June 30, 2024.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### Other Debt

The outstanding lease purchase agreement contains certain restrictive covenants, including maintaining a certain minimum debt service ratio and minimum days cash on hand. The Medical Center was not in default as of June 30, 2024.

### 10. LEASES

**Lessee** - The City is involved in several agreements as a lessee that qualify as long-term lease agreements. Below is a summary of the nature of these agreements. These agreements qualify as intangible, right-to-use assets and not financed purchases, as the City will not own the asset at the end of the contract term and the noncancelable term of the agreement surpasses one year. The present values are discounted using the City's incremental borrowing rate for the leases.

	Remaining Term of Agreements
<b>Asset Type</b>	
Building	5 years
Equipment	1 to 6 years

The right-to-use assets and the related activity are included in Note 6, Capital Assets. The lease liability and related activity are presented in Note 9, Bonds, Notes and Other Long-Term Liabilities.

The net present value of future minimum payments as of year end, were as follows:

Governmental Activities		
Year Ended June 30,	Principal	Interest
2025	\$ 288,959	\$ 52,957
2026	263,373	39,593
2027	275,648	27,319
2028	235,635	15,112
2029	62,630	3,369
2030	32,520	481
<b>Total</b>	<b>\$ 1,158,765</b>	<b>\$ 138,831</b>

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

**Lessor** - The City is involved in several agreements as a lessor that qualify as long-term lease agreements. Below is a summary of these agreements included in governmental activities and the economic development corporation component unit. These agreements qualify as long-term lease agreements as the City and EDC will not surrender control of the asset at the end of the term and the noncancelable term of the agreement surpasses one year. Total lease revenue for the year ended June 30, 2024 for the City and EDC was \$14,368 and \$57,662, respectively.

	Remaining Term of Agreements
<b>Asset Type</b>	
Land	2 to 50 years

#### *Hurley Medical Center Component Unit*

The Medical Center leases certain assets from various third parties. The assets leased include equipment and buildings. Payments are generally fixed monthly with certain variable payments included in the measurement of the lease liability required based on Consumer Price Index.

Future principal and interest payment requirements related to the Medical Center's lease liability as of year end, were as follows:

Year Ended June 30,	Principal	Interest
2025	\$ 2,416,437	\$ 345,870
2026	2,202,246	262,012
2027	1,904,589	185,180
2028	1,642,907	121,007
2029	1,102,278	68,461
2030-2032	1,500,270	83,921
	<u>\$ 10,768,727</u>	<u>\$ 1,066,451</u>

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### 11. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT

The City is involved in several arrangements that qualify as long-term subscription-based information technology arrangements ("SBITA"). Below is a summary of the nature of these arrangements. These arrangements qualify as intangible, right-to-use subscription assets as the City has the control of the right to use another party's IT software and the noncancelable term of the arrangements surpass one year. The present value is discounted using the City's incremental borrowing rate.

	Remaining Term of Arrangement
<b>Asset Type</b>	
Subscription assets	2 to 5 years

The right-to-use asset and the related activity are included in Note 6, Capital Assets. The subscription liability and related activity are presented in Note 9, Bonds, Notes and Other Long-term Liabilities.

The net present value of future minimum payments as of year end, were as follows:

Year Ended June 30,	Governmental Activities	
	Principal	Interest
2025	\$ 241,447	\$ 15,226
2026	109,564	6,836
2027	36,619	2,416
2028	37,732	1,302
2029	22,873	272
<b>Total</b>	<b>\$ 448,235</b>	<b>\$ 26,052</b>

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### *Hurley Medical Center Component Unit*

In accordance with GASB 96, the Medical Center also obtains the right to use vendors' information technology software through various long-term contracts. Payments are generally fixed monthly, with certain variable payments not included in the measurement of the subscription liability. Subscription asset activity of the Medical Center is included in Note 8.

Future principal and interest payment requirements related to the Medical Center's subscription-based liabilities at year end were as follows:

Year Ended June 30,	Principal	Interest
2025	\$ 2,685,715	\$ 138,125
2026	1,960,280	78,024
2027	909,365	38,536
2028	885,168	17,439
2029	345,698	2,220
	<u>\$ 6,786,226</u>	<u>\$ 274,344</u>

## 12. RISK MANAGEMENT

#### *Primary Government*

The City is a defendant in various civil and administrative legal actions arising during the normal course of its activities. The City accrues for loss contingencies when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The City is exposed to various risks of loss related to property loss torts, errors and omissions, employee injuries, unemployment benefits, as well as medical and worker's compensation benefits provided to employees. The City has purchased commercial insurance for fleet equipment and tort claims, boiler and machinery, certain property and equipment damage and theft, employee theft, and limited tort claims for specific City facilities or events.

The City Attorney protects the legal interests of the City by vigorously defending these actions. The City has estimated the claims that have been incurred through the end of the year, including both those claims that have been reported as well as those that have not yet been reported to the City. The estimate is based on legal counsel's recommendation and past settlement history. Often, the City Attorney negotiates expedient settlements on behalf of the City in amounts substantially less than the amount sought by the claimants. The City does not admit liability, however, in any of the cases settled.

The City has a commercial insurance policy that covers certain general tort liability. The per claim limit is \$10,000,000 with a \$3,000,000 deductible per occurrence and a \$10,000,000 aggregate claim annually. The commercial policy covers public officials, employment practices, employee benefits, law enforcement, and commercial auto.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### *Component Units*

The Flint Economic Development Corporation is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The government has purchased commercial insurance for all claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three years.

The Flint Downtown Development Authority is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The government has purchased commercial insurance for all claims.

The Flint Housing Commission is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The FHC manages risk through the purchase of commercial insurance. Management believes such coverage is sufficient to preclude any significant uninsured losses to the FHC. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The Medical Center is exposed to various risks of loss, including hospital professional and patient general liability claims. The Medical Center has established an irrevocable trust to assist in accumulating resources to fund excess insurance premiums and to pay claims.

#### *Conditional Asset Retirement Obligation*

The Medical Center has an obligation related to various diagnostic imaging radiation equipment. As the disposal of this equipment is included as part of the service agreement when purchasing new equipment, no liability has been recorded at this time.

### 13. SELF INSURANCE

#### **General Liability**

The self-insurance program for general liability is accounted for in the self-insurance internal service fund for claims not covered by the commercial insurance policy. The revenues for this fund's operation are reimbursements from various funds and a transfer from the general fund. Funds are charged for general liability insurance based on total budget. Losses, deductibles, legal and administrative fees are paid from this fund. The liability for known claims is estimated by the City as determined by the City Attorney.

Changes in the reported liability for the fiscal years 2023 and 2024 are as follows:

Fiscal Year	Liability at Beginning of Year	Current-Year Claims and Changes in Estimates	Claim Payments	Liability at End of Year
2023	\$ 3,024,451	\$ 286,667	\$ (676,603)	\$ 2,634,515
2024	2,634,515	2,807,841	(514,402)	4,927,954

As of year end, general liability insurance has \$1,509,238 of current claims payable, and the remaining \$3,418,716 is classified as long-term and is recorded in the self-insurance internal service fund. Other types of risk are covered by commercial insurance. There were no insurance settlements that exceeded coverage in the last three years.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### Health, Dental and Eye Insurance

The City is self-insured for medical benefits provided to active employees and retirees. The benefits are funded on a pay-as-you-go basis. Claims are being paid out of the fringe benefits internal service fund for active employee and retirees. The two plans are administered by Blue Cross/Blue Shield (BCBSM) and HAP of Michigan. Once the individual contract or aggregate stop-loss amount is reached. Reinsurance provides the remaining benefits. The City is protected from catastrophic claims by an excess insurance policy which provides \$2,000,000 in coverage per specific contract with a \$175,000 self-insured retention (SIR). The City did not have any claims in excess of the stop-loss deductible during the year. The self-insured coverages provided through BCBSM were protected by specific stop-loss coverage, which provided an unlimited excess with a \$175,000 deductible. The City also provides fully insured HMO health insurance coverage to a limited number of employees.

Changes in the reported liability for the fiscal years 2023 and 2024 are as follows:

Fiscal Year	Liability at Beginning of Year	Current-Year Claims and Changes in Estimates	Claim Payments	Liability at End of Year
2023	\$ 865,386	\$ 6,165,223	\$ (6,241,010)	\$ 789,599
2024	789,599	6,930,107	(6,833,936)	885,770

As of year end, \$885,770 is considered current claims payable and is recorded in the fringe benefit internal service fund.

The City is self-insured for active employee dental and eye care benefits on a pay-as-you-go basis. The self-insurance program is administered by a third-party administrator. All claims and benefits are paid out of the fringe benefits internal service fund. The amount of estimated claims payable at year end was not material.

#### Workers' Compensation

The City is self-insured for worker's compensation on a pay-as-you go basis for claims up to \$1,000,000, with reinsurance coverage provided once claims exceed \$1,000,000 in the aggregate. The self-insurance program is administered by a third-party administrator. All workers' compensation benefits are paid out of the fringe benefits internal service fund.

Changes in the reported liability for the fiscal years 2023 and 2024 are as follows:

Fiscal Year	Liability at Beginning of Year	Current-Year Claims and Changes in Estimates	Claim Payments	Liability at End of Year
2023	\$ 1,074,226	\$ 18,726	\$ (94,041)	\$ 998,911
2024	998,911	836,223	(269,539)	1,565,595

As of year end, \$1,565,595 is considered current claims payable and is recorded in the fringe benefit internal service fund.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### Hurley Medical Center Component Unit

The Medical Center's self-insured retention is \$6 million per occurrence annually, with excess claims made coverage up to \$20 million annually. The Medical Center employs the use of an actuary to provide an analysis of the existing claims and to estimate the liability for incurred but not reported (IBNR) claims.

Changes in the aggregate malpractice claims for the fiscal years 2023 and 2024 are as follows:

Fiscal Year	Liability at Beginning of Year	Current-Year Claims and Changes in Estimates	Claim Payments	Liability at End of Year
2023	\$ 27,949,000	\$ 18,033,395	\$ (9,167,395)	\$ 36,815,000
2024	36,815,000	4,576,237	(14,807,237)	26,584,000

Professional liability for claims is reported in accounts payable and accrued liabilities for the year ending June 30, 2024. Of this amount, \$4,088,050 is considered to be current. The carrying amount of the insurance trust assets (at market) amounted to \$14,200,000 at June 30, 2024.

The Medical Center is self-insured for workers' compensation claims with a self-insured retainer of \$600,000 per claim. As of June 30, 2024, the Medical Center has recorded long-term accrued liabilities for workers' compensation of \$882,645. The changes in the aggregate workers' compensation claims for the past two years were as follows:

Fiscal Year	Liability at Beginning of Year	Current-Year Claims and Changes in Estimates	Claim Payments	Liability at End of Year
2023	\$ 1,358,979	\$ 298,039	\$ (465,889)	\$ 1,191,129
2024	1,191,129	216,519	(525,003)	882,645

As of year end, \$882,645 is considered long-term and reported in accounts payable and accrued liabilities.

There are various legal actions pending against HHS, its subsidiaries, and certain employees. Due to the inconclusive nature of these actions, it is not possible for legal counsel of HHS to determine in the aggregate either the probable outcome of these actions or a reasonable estimate of HHS' ultimate liability, if any. HHS maintains what it believes to be adequate coverage of malpractice, errors and omissions, and directors and officers insurances to cover any possible claims.



### Notes to Financial Statements

#### 14. CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

Numerous cases arising out of the Flint Water Crisis were previously filed, naming the City or one or more of its former officials or employees (including, for these purposes, former state-appointed Emergency Managers). A settlement agreement was negotiated and approved by the U.S. District Court for the Eastern District of Michigan and the 7th Circuit Court in Genesee County. That settlement agreement resolves both the class actions and individual cases against the City of Flint and its former officials and employees. It is currently being implemented. The courts have entered dismissals of the pending cases.

The last remaining potential liability against the City as a result of the Flint Water Crisis will likely consist of claims of minors, who are subject to special protections under the law and will be able to bring claims until they reach 19 years of age ("future minor claimants"). To minimize those risks, the settlement agreement explicitly reserves funds for such future minor claimants. Combined with restrictive case management orders, exposure of the City to future Flint Water Crisis claims should be minimized to the extent possible.

The City was previously involved in long-standing litigation regarding the City's water rates in state court. Those matters were dismissed by the trial court and the dismissal was upheld by the Michigan Court of Appeals. An application for leave to appeal is currently pending.

Related to other litigation, the City of Flint is a party in a variety of lawsuits involving matters ranging from discrimination, retaliation, personal injury, rental code violations, election law, tort, civil rights claims, pension, healthcare and other benefits for City of Flint retirees, licensing appeals, and other legal proceedings and investigations that occur in the normal course of governmental operations.

#### ***Component Units***

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Hurley Medical Center's management believes that it is in compliance with all applicable laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs.

The FHC received financial assistance from federal agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the FHC. The amount, if any, of disbursements which may be disallowed by the grantor cannot be determined at this time, although the FHC expects such amounts, if any, to be immaterial.

The FHC is a defendant in several lawsuits arising from its normal course of business. Where possible, estimates have been made and reflected in the financial statements for the effect, if any, of such contingencies. The ultimate outcome of these matters is not presently determinable.

## Notes to Financial Statements

## 15. PENSION PLANS

**Michigan Municipal Employees' Retirement System*****General Information about the Pension Plan***

*Plan Description.* The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at [www.mersofmich.com](http://www.mersofmich.com).

*Benefits Provided.* Benefits provided include plans with multipliers ranging from 1.50% to 2.60%. Vesting periods range from 6 to 15 years. Normal retirement age ranging from 55 to 60 years with early retirement ranging from 50 to 60 with 10 to 30 years of service, including some plans that have 23 to 25 years and out options. Final average compensation is calculated based on 3 years. Member contributions range from 0% to 12%.

*Employees Covered by Benefit Terms.* At the December 31, 2023 valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	1,639
Inactive employees entitled to but not yet receiving benefits	131
Active employees	<u>466</u>
<b>Total membership</b>	<b><u><u>2,236</u></u></b>

*Contributions.* The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In addition, the employer may establish contribution rates to be paid by its covered employees.

*Net Pension Liability.* The City's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	6.93%, net of investment and administrative expense including inflation

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

The base mortality tables used are constructed as described below and are based on amount weighted sex distinct rates:

- Pre-retirement mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 100% of PubG-2010 Employee Mortality Tables for Ages 18-80, and 100% of PubG-2010 Healthy Retiree Tables for ages 81-120
- Non-disabled retired plan members and beneficiaries mortality based on 106% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 106% of PubG-2010 Employee Mortality Tables for Ages 18-49, and 106% of PubG-2010 Healthy Retiree Tables for ages 50-120
- Disabled retired plan members mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, and 100% of PubNS-2010 Disabled Retiree Tables for ages 18-120

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of the most recent actuarial experience study of 2014-2018.

*Long-term Expected Rate of Return.* The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	60.0%	4.50%	2.70%
Global fixed income	20.0%	2.00%	0.40%
Private investments	20.0%	7.00%	1.40%
	<u>100.00%</u>		
Inflation			2.50%
Dedicated gains adjustment			-0.07%
Administrative expenses netted above			<u>0.25%</u>
<b>Investment rate of return</b>			<u><b>7.18%</b></u>

In February 2022, the MERS Retirement Board adopted a Dedicated Gains Policy. The purpose of the Policy is to automatically reduce the assumed rate of investment return for annual actuarial valuation purposes if the plan year's market value of investment income exceeds the expected investment income. Investment performance measured for the one-year period ending December 31, 2023 resulted in current year excess gains for use in lowering the assumed rate of investment return, as reflected above.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

*Discount Rate*. The discount rate used to measure the total pension liability as of December 31, 2023 was 7.18% (down from 7.25% at December 31, 2022). The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### **Changes in Net Pension Liability**

The components of the change in the net pension liability are summarized as follows:

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at December 31, 2022	<u>\$ 537,997,366</u>	<u>\$ 126,554,541</u>	<u>\$ 411,442,825</u>
Changes for the year:			
Service cost	2,232,089	-	2,232,089
Interest	37,313,349	-	37,313,349
Differences between expected and actual experience	(2,694,315)	-	(2,694,315)
Changes in assumption	3,113,677		3,113,677
Employer contributions	-	201,219,043	(201,219,043)
Employee contributions	-	960,055	(960,055)
Net investment income (loss)	-	24,024,445	(24,024,445)
employee contributions	(48,893,052)	(48,893,052)	-
Administrative expense	-	(412,702)	412,702
Net changes	<u>(8,928,252)</u>	<u>176,897,789</u>	<u>(185,826,041)</u>
<b>Balances at December 31, 2023</b>	<u><b>\$ 529,069,114</b></u>	<u><b>\$ 303,452,330</b></u>	<u><b>\$ 225,616,784</b></u>

For the year ended June 30, 2024, the City reported \$172,436,378 as revenue for support provided by nonemployer contributing entities, which represents amounts received from the State of Michigan Protecting MI Pension Grant Program.

*Changes in assumptions*. Amounts reported as changes in assumptions resulted from a decrease in the assumed rate of return from 7.00% to 6.93%.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents the net pension liability of the City, calculated using the discount rate of 7.18%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.18%) or 1% higher (8.18%) than the current rate:

1% Decrease (6.18%)	Current Discount Rate (7.18%)	1% Increase (8.18%)
\$ 274,080,446	\$ 225,616,784	\$ 184,145,126

*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial statements.

#### ***Pension Expense and Deferred Outflows/Deferred Inflows of Resources Related to Pensions***

For the year ended June 30, 2024, the City recognized pension expense of \$21,463,839. The City reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ -	\$ 1,347,157	\$ (1,347,157)
Changes in assumptions	1,556,838	-	1,556,838
Net difference between projected and actual earnings on pension plan investments	4,632,593	-	4,632,593
	6,189,431	1,347,157	4,842,274
Contributions subsequent to the measurement date	14,985,388	-	14,985,388
<b>Total</b>	<b>\$ 21,174,819</b>	<b>\$ 1,347,157</b>	<b>\$ 19,827,662</b>

The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending June 30, 2025. Other amounts reported as deferred outflows of resources related to the pension will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2025	826,045
2026	2,103,867
2027	3,773,882
2028	(1,861,520)
<b>Total</b>	<b>\$ 4,842,274</b>

Notes to Financial Statements

*Payable to the Pension Plan.* At June 30, 2024, the City had \$2,496,457 payable for contributions to the pension plan.

**Hurley Medical Center Component Unit**

The Hurley Medical Center also participates in MERS and has a defined contribution plan, profit-sharing plan and deferred compensation plan. Detailed information on these plans, including all required footnote disclosures, is available in the separately issued Hurley Medical Center financial statements.

16. OTHER POSTEMPLOYMENT BENEFITS

***General Information about the OPEB Plan***

*Plan Description.* The City administers a single-employer defined-benefit other postemployment benefits plan (the "Plan"). The Plan does not issue a separate stand-alone financial statement. Administrative costs are paid by the Plan through employer contributions. The Plan does not cover Hurley Medical Center employees. City Council has the authority to establish and amend the contribution requirements of the City and the Plan members.

*Benefits Provided.* The City provides retiree healthcare benefits to eligible employees and their spouses. Benefits are provided to public safety and general employees. The benefits are provided under collective bargaining agreements of Local 1799, Local 1600, Fire Local 352, Police Officers Association, and Appointed Officials, Police Sergeants Association, Lieutenants and Captains Union, and Exempt and Non-Union Employees.

The City also provides postemployment death benefits to certain retirees who retired after July 1, 1978, under the terms of collective bargaining agreements with two employee unions. If the retiree was a member of one of the bargaining units at the time of retirement, his or her designated beneficiary will receive a death benefit at the time of the retiree's death. The death benefit ranges from \$2,000 to \$38,000 depending on the employee's contract. Employees who retired as of June 30, 2012 are eligible for this benefit.

*Employees Covered by Benefit Terms.* At July 1, 2024 (the date of the most recent actuarial valuation report rolled back to June 30, 2024), the following employees were covered by the benefit terms:

Inactive employees/beneficiaries receiving benefits	1,350
Active employees	<u>159</u>
<b>Total membership</b>	<b><u>1,509</u></b>

*Contributions.* The collective bargaining agreements require a contribution of 20% of premiums toward retiree health plan insurance. The City has no obligation to make contributions in advance of when the insurance premiums are due for payment. The City recognizes the expenses in the funds on a "pay-as-you-go" basis. The costs of administering the plan are borne by the City's general fund.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### **Total OPEB Liability**

The City is not prefunding the plan and the total OPEB liability was measured as of June 30, 2024.

*Actuarial Assumptions.* The total OPEB liability in the July 1, 2024 valuation was determined using the following actuarial assumptions, applied consistently to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.00% per year for wage inflation plus merit and productivity increase
Investment rate of return	Not applicable; OPEB plan is unfunded
Retirement age	Experience-based tables that are specific to the type of eligibility condition
Healthcare cost trend rate	8.00% non-Medicare / 6.50% Medicare gradually decreasing to an ultimate rate of 4.50%

Mortality rates were based on the following tables: (1) SOA Pub-2010 General Headcount Weighted Mortality fully generational using Scale MP-2021, (2) Police and Fire retirees: SOA Pub-2010 Safety Employee or Retiree Headcount-Weighted Mortality Table fully generational using Scale MP-2021 and (3) Survivors: SOA Pub-2010 Continuing Survivor Headcount-Weighted Mortality Table fully generational using Scale MP-2021.

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study done during the fiscal year ending June 30, 2005.

*Discount Rate.* The discount rate used to measure the total OPEB liability was 4.21%. The projection of cash flows used to determine the discount rate assumed that Plan does not require and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Plan is funded on a pay-as-you-go basis, therefore, the AA/Aa or higher municipal index bond rate of 4.21% was applied for future periods. The municipal index bond rate was obtained from the S&P Municipal Bond 20 Year High Grade Rate Index.

*Changes in the Total OPEB Liability.* The components of the change in the total OPEB liability are summarized as follows:

	<b>Total OPEB Liability</b>
Balances at June 30, 2023	<u>\$ 100,750,741</u>
Changes for the year:	
Service cost	1,269,094
Interest on total OPEB liability	4,097,972
Differences between expected and actual experience	20,723,589
Changes in assumptions	3,888,829
Benefit payments	<u>(5,647,817)</u>
Net changes	<u>24,331,667</u>
<b>Balances at June 30, 2024</b>	<u><u>\$ 125,082,408</u></u>

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

*Changes in assumptions.* In 2024, the amounts reported as changes in assumptions resulted primarily from health care trend rates from (1) Getzen 2023 table with an initial rate of 7.00% non-Medicare / 6.00% Medicare decreasing gradually to an ultimate rate of 3.94% by 2075 to (2) an initial rate of 8.00% non-Medicare / 6.50% Medicare decreasing by 0.50% or 0.25% annually to an ultimate rate of 4.50%, and the discount rate was been updated from 4.13% to 4.21%.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the City, calculated using the discount rate of 4.21%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.21%) or 1% higher (5.21%) than the current rate:

	1% Decrease (3.21%)	Current Discount Rate (4.21%)	1% Increase (5.21%)
City's total OPEB liability	\$ 141,887,250	\$ 125,082,408	\$ 111,310,784

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the total OPEB liability of the City, calculated using the healthcare cost trend rate of 8.00% non-Medicare / 6.50% Medicare (decreasing to an ultimate rate of 4.5%), as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower (7.00% non-Medicare / 5.5% Medicare trending to 4.5%) or 1% higher (8.00% non-Medicare / 6.50% Medicare trending to 4.5%) than the current rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
City's total OPEB liability	\$ 113,785,042	\$ 125,082,408	\$ 136,922,217

#### ***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended June 30, 2024, the City recognized OPEB expense of \$29,979,484. The City reported no deferred outflows or inflows of resources related to OPEB.

*Payable to the OPEB Plan.* At June 30, 2024, the City had no amount payable to the OPEB plan.

#### **Hurley Medical Center Component Unit**

The Hurley Medical Center operates its own Retiree Health Benefits Plan. Detailed information on this plan, including all required footnote disclosures, is available in the separately issued Hurley Medical Center financial statements.



## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### 17. NET INVESTMENT IN CAPITAL ASSETS

The composition of net investment in capital assets at year end, was as follows:

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated/amortized	\$ 31,248,940	\$ 62,196,964	\$ 24,855,877
Capital assets being depreciated/amortized, net	68,456,011	232,298,760	143,618,268
	<u>99,704,951</u>	<u>294,495,724</u>	<u>168,474,145</u>
Total installment debt	14,877,128	129,326,244	78,500,263
Net premium/discount	707,004	-	6,276,516
Less noncapital debt:			
Grant program related debt	(1,251,000)	-	-
Debt used for noncapital purposes	(12,780,000)	(81,454,500)	(6,920,295)
Deferred charge on advanced refunding	-	-	(1,063,881)
Net premium/discount	(707,004)	-	-
Lease liability	1,158,765	-	10,768,727
Subscription liability	448,235	-	6,786,226
Capital related payables and retainage	1,980,141	5,370,603	150,000
	<u>4,433,269</u>	<u>53,242,347</u>	<u>94,497,556</u>
<b>Net investment in capital assets</b>	<u>\$ 95,271,682</u>	<u>\$ 241,253,377</u>	<u>\$ 73,976,589</u>

Certain loans payable are not considered capital-related, as they were used for grant programs or government operations.

The KWA agreement payable is not considered to be capital-related debt, in that it is partially offset by a long-term receivable from GLWA and the City does not have ownership of the related capital assets, which are owned by KWA.

**Notes to Financial Statements**

**18. TAX ABATEMENTS**

The City received reduced property tax revenues during the current year as a result of industrial facilities tax exemptions (IFT's) entered into by the City.

The IFT's were entered into based upon the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption), PA 198 of 1974, as amended. IFT's provide a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. Properties qualifying for IFT status are taxed at 50% of the millage rate applicable to other real and personal property in the City. The abatements for the current year amounted to approximately \$272,000 in reduced tax revenues.

**Payment in Lieu of Taxes (PILOT)**

The Michigan State Housing Development Authority uses the State Housing Development Authority Act of 1966 MCL 125.1415a, referred to as PILOT (payment in lieu of taxes), as a means to exempt subsidized housing from taxes. The City approves an ordinance for each PILOT service charge that details the actual fee as a percentage of rents, as well as the length of time. These properties are then excluded from the ad valorem tax roll.

For the fiscal year ended June 30, 2024, the City abated \$633,000 of taxes under PILOT tax exemptions. There are no provisions to recapture taxes.

Other than the above abatement programs, there are no significant abatements made by other governments that reduce the City's tax revenue.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### 19. DETAILS OF FUND BALANCE CATEGORIES AND CLASSIFICATIONS

Fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds, is as follows:

	Nonmajor Governmental Funds	General	Grants	Major Streets	Total Governmental Funds
<b>Nonspendable</b>					
Prepays	\$ 5,256	\$ 191,045	\$ -	\$ 33,406	\$ 229,707
<b>Restricted</b>					
Roads	4,513,040	-	-	26,276,123	30,789,163
Opioid remediation	4,670,690	-	-	-	4,670,690
Public safety	1,720,402	-	-	-	1,720,402
Police	2,155,732	-	-	-	2,155,732
Parks and recreation	263,743	-	-	-	263,743
Street lights	6,659,644	-	-	-	6,659,644
Garbage collection	-	-	-	-	-
Revolving loans	667,900	-	-	-	667,900
State forfeitures	888,317	-	-	-	888,317
Building inspections	6,488,365	-	-	-	6,488,365
Debt service	4,448,859	-	-	-	4,448,859
	<u>32,476,692</u>	<u>-</u>	<u>-</u>	<u>26,276,123</u>	<u>58,752,815</u>
<b>Unassigned (deficit)</b>	<u>(479,286)</u>	<u>53,857,304</u>	<u>(7,109,034)</u>	<u>-</u>	<u>46,268,984</u>
<b>Total fund balances, governmental funds</b>	<u>\$ 32,002,662</u>	<u>\$ 54,048,349</u>	<u>\$ (7,109,034)</u>	<u>\$ 26,309,529</u>	<u>\$ 105,251,506</u>

#### *Deficit Fund Equity*

The grants fund, rubbish collection fund, and CARES Act fund reported an unassigned fund balance deficit of \$7,109,034, \$210,407, and \$268,879, respectively, at June 30, 2024.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### 20. REPORTING UNITS AFFECTED BY ADJUSTMENTS TO BEGINNING BALANCES

The City previously did not report the balances for the Flint Housing Commission. These funds meet the definition of a discretely presented component unit and should be reflected in the City's financial reporting in accordance with GAAP for the year ended June 30, 2024, this entity is presented in the table below.

	Housing Commission	Component Units
Net position, beginning of year, as previously reported	\$ -	\$ 69,135,099
Restatement:		
Housing Commission previously not included	20,703,803	20,703,803
Previously unrecorded projects	<u>2,639,249</u>	<u>2,639,249</u>
Net position, beginning of year, as restated	<u>\$ 23,343,052</u>	<u>\$ 92,478,151</u>

During the current year, the FHC recorded an adjustment to correct beginning net position which was understated for Projects as of June 30, 2024. The adjustment increased the prior year change in net position and ending reported net position by \$2,639,249.

#### 21. OPIOID SETTLEMENT

The City is part of a \$21 billion nationwide settlement reached in July 2021 to resolve all Opioids litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors: McKesson, Cardinal Health, and AmerisourceBergen (Distributors), and a \$5 billion nationwide settlement with manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (Janssen). The term of the settlement varies by entity; however, the City expects to receive eighteen (18) installments from the Distributors with the first two installments being paid early in 2023 and the remaining 16 installments expected to be made annually beginning in 2024. Additionally, the City expects to receive eleven (11) installments from Janssen with the first five installments being paid early in 2023 and the remaining installments expected to be made annually beginning in 2026. The City is currently allocated approximately 2.849% of the total State of Michigan local unit settlement and the total remaining amount of the settlement to be collected is expected to be \$6,823,330 and \$500,946 from the Distributors and Janssen, respectively.

In 2022, additional settlements with pharmacies and manufacturers were announced, including CVS, Walgreens, Walmart, Allergan, and Teva, and the associated state-subdivision agreement was finalized in 2023. In 2023, additional settlements with Mallinckrodt and Meijer were announced. The term of the settlement varies by pharmacy and manufacturer; however, the City expects to receive installment payments beginning in 2024. The total remaining amount of these settlements is expected to be \$5,596,250. Additional settlements with other pharmacies and manufacturers may be forthcoming as well. However, as of June 30, 2024, the amounts to be allocated to and collected by the City were not able to be determined, and as such, no amounts have been reported related to these settlements in the financial statements.

The receivable for the various settlement agreements was recorded at the net present value, using a discount rate for payments to be received subsequent to 2024 of 4%. The net present value of the combined settlement payments to be received as of June 30, 2024 is \$9,971,726.

## CITY OF FLINT, MICHIGAN

### Notes to Financial Statements

#### 22. SUBSEQUENT EVENTS

Subsequent to June 30, 2024, the City committed to various capital and development projects for approximately \$104,000,000.

Subsequent to June 30, 2024 the City issued \$46,745,000 million in Sewer Revolving fund bonds for continued improvement to sewer infrastructure.

On December 5, 2024 the City issued Water Supply System Refunding Bonds (Karegnondi Water Pipeline), Series 2024, in the amount of \$162,515,000.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

# CITY OF FLINT, MICHIGAN

## Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of Changes in the City's Net Pension Liability and Related Ratios

	Year Ended June 30,			
	2024	2023	2022	2021
<b>Change in total pension liability</b>				
Service cost	\$ 2,232,089	\$ 2,090,051	\$ 2,100,246	\$ 2,222,725
Interest	37,313,349	38,230,217	39,792,036	39,680,575
Differences between expected and actual experience	(2,694,315)	(3,874,642)	(4,793,675)	(4,373,958)
Changes in assumptions	3,113,677	-	16,118,960	13,913,983
Benefit payments, including refunds of member contributions	(48,893,052)	(49,433,148)	(49,523,955)	(50,307,036)
Other changes	-	-	-	-
<b>Net change in total pension liability</b>	<u>(8,928,252)</u>	<u>(12,405,882)</u>	<u>3,693,612</u>	<u>1,136,289</u>
<b>Total pension liability, beginning</b>	<u>537,997,366</u>	<u>550,984,891</u>	<u>547,291,279</u>	<u>546,154,990</u>
<b>Total pension liability, ending (a)</b>	<u>529,069,114</u>	<u>537,997,366</u>	<u>550,984,891</u>	<u>547,291,279</u>
<b>Change in plan fiduciary net position</b>				
Contributions - employer	201,219,043	32,986,514	32,436,120	28,790,184
Contributions - member	960,055	1,109,332	1,152,231	1,286,075
Net investment income (loss)	24,024,445	(17,189,615)	19,586,970	18,651,212
Benefit payments, including refunds of member contributions	(48,893,052)	(49,433,148)	(49,523,955)	(50,307,036)
Administrative expense	(412,702)	(274,610)	(233,683)	(292,390)
<b>Net change in plan fiduciary net position</b>	<u>176,897,789</u>	<u>(32,219,887)</u>	<u>3,417,683</u>	<u>(1,871,955)</u>
<b>Plan fiduciary net position, beginning</b>	<u>126,554,541</u>	<u>159,356,072</u>	<u>155,938,389</u>	<u>157,810,344</u>
<b>Plan fiduciary net position, ending (b)</b>	<u>303,452,330</u>	<u>126,554,541</u>	<u>159,356,072</u>	<u>155,938,389</u>
<b>City's net pension liability, ending (a)-(b)</b>	<u><u>\$ 225,616,784</u></u>	<u><u>\$ 411,442,824</u></u>	<u><u>\$ 391,628,819</u></u>	<u><u>\$ 391,352,890</u></u>
Plan fiduciary net position as a percentage of the total pension liability	57.36%	23.52%	28.92%	28.49%
Covered payroll	\$ 26,443,850	\$ 23,752,277	\$ 24,634,006	\$ 24,083,465
City's net pension liability as a percentage of covered payroll	853.19%	1732.22%	1589.79%	1624.99%

See notes to required supplementary information.



Year Ended June 30,					
2020	2019	2018	2017	2016	2015
\$ 2,164,613	\$ 2,225,716	\$ 2,271,177	\$ 2,233,013	\$ 2,240,734	\$ 2,288,673
41,008,971	41,507,314	41,968,824	42,351,721	41,160,626	41,626,038
55,724	1,196,815	823,878	1,729,337	(3,016,376)	-
17,084,353	-	-	-	24,031,996	-
(51,377,003)	(50,880,152)	(50,739,893)	(51,497,082)	(50,963,762)	(51,039,410)
-	-	(3)	(882)	1,705,992	1,293,199
8,936,658	(5,950,307)	(5,676,017)	(5,183,893)	15,159,210	(5,831,500)
537,218,332	543,168,639	548,844,656	554,028,549	538,869,339	544,700,839
546,154,990	537,218,332	543,168,639	548,844,656	554,028,549	538,869,339
23,133,233	23,514,772	18,869,912	22,022,738	8,119,213	20,420,923
1,523,222	1,624,560	1,558,004	1,665,719	2,128,481	2,999,208
20,591,049	(6,736,753)	24,736,166	22,386,661	(3,316,770)	16,151,453
(51,377,003)	(50,880,152)	(50,739,893)	(51,497,082)	(50,963,762)	(51,039,410)
(353,408)	(357,675)	(395,183)	(443,862)	(512,817)	(584,862)
(6,482,907)	(32,835,248)	(5,970,994)	(5,865,826)	(44,545,655)	(12,052,688)
164,293,251	197,128,499	203,099,493	208,965,319	253,510,974	265,563,662
157,810,344	164,293,251	197,128,499	203,099,493	208,965,319	253,510,974
<u>\$ 388,344,646</u>	<u>\$ 372,925,081</u>	<u>\$ 346,040,140</u>	<u>\$ 345,745,163</u>	<u>\$ 345,063,230</u>	<u>\$ 285,358,365</u>
28.89%	30.58%	36.29%	37.00%	37.72%	47.04%
\$ 22,736,587	\$ 22,408,172	\$ 22,010,179	\$ 21,427,792	\$ 18,783,674	\$ 18,635,475
1708.02%	1664.24%	1572.18%	1613.54%	1837.04%	1531.26%

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## CITY OF FLINT, MICHIGAN

### Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan  
Schedule of Contributions

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Covered Payroll
2024	\$ 29,907,987	\$ 29,907,987	-	\$ 27,786,939	107.6%
2023	32,575,623	32,575,623	-	24,642,683	132.2%
2022	33,397,553	33,397,553	-	25,323,610	131.9%
2021	32,359,819	32,359,819	-	23,413,002	138.2%
2020	24,218,053	24,218,053	-	23,351,589	103.7%
2019	22,023,688	22,023,688	-	23,282,295	94.6%
2018	18,869,913	22,756,482	(3,886,569)	22,649,859	100.5%
2017	17,325,673	16,964,535	361,138	21,927,937	77.4%
2016	17,194,662	16,598,425	596,237	22,376,956	74.2%
2015	16,676,472	16,545,459	131,013	24,228,491	68.3%

See notes to required supplementary information.

## CITY OF FLINT, MICHIGAN

### Notes to Required Supplementary Information

#### MERS Agent Multiple-Employer Defined Benefit Pension Plan

#### Notes to Schedule of Changes in the City's Net Pension Liability and Related Ratios

The amounts presented for each fiscal year were determined as of December 31 of the preceding year.

*Changes in assumptions.* In 2024, amounts reported as changes in assumptions resulted from a decrease in the assumed rate of return from 7.00% to 6.93%.

*Changes in assumptions.* The 2022 assumption changes resulted from a decrease in the assumed rate of return from 7.35% to 7.00%.

*Changes in assumptions.* The 2021 assumption changes resulted from a 5-year experience study analyzing historical experience from 2013 through 2018 was completed in February 2020. In addition to changes to the economic assumptions which took effect with the fiscal year 2021 contribution rates, the experience study recommended updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, disability, and termination rates.

*Changes in assumptions.* The 2020 assumption changes resulted primarily from a decrease in the assumed rate of return from 7.75% to 7.35%, and a decrease in the assumed rate of wage inflation from 3.75% to 3.00%.

*Changes in assumptions.* The 2016 assumption changes resulted from a change in the investment rate of return from 8.00% to 7.75% and the mortality table was adjusted to reflect longer lifetimes. In 2019, amounts reported as changes of assumptions resulted primarily from a decrease in the assumed rate of return from 7.75% to 7.35%, and a decrease in the assumed rate of wage inflation from 3.75% to 3.00%.

## CITY OF FLINT, MICHIGAN

### Notes to Required Supplementary Information

#### MERS Agent Multiple-Employer Defined Benefit Pension Plan

##### Notes to Schedule of Contributions

Valuation Date                      Actuarially determined contribution rates are calculated as of the December 31 that is 18 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates (2024, based on the 12/31/2021 actuarial valuation):

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, open
Remaining amortization period	18 years
Asset valuation method	5-year smoothed fair value
Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	7.00%, net of investment and administrative expense including inflation
Normal retirement age	Age 60
Mortality	Pre-retirement mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 100% of PubG-2010 Employee Mortality Tables for Ages 18-80, and 100% of PubG-2010 Healthy Retiree Tables for ages 81-120 Non-disabled retired plan members and beneficiaries mortality based on 106% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 106% of PubG-2010 Employee Mortality Tables for Ages 18-49, and 106% of PubG-2010 Healthy Retiree Tables for ages 50-120 Disabled retired plan members mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, and 100% of PubNS-2010 Disabled Retiree Tables for ages 18-120

## CITY OF FLINT, MICHIGAN

### Required Supplementary Information

Other Postemployment Benefits Plan

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

	Year Ended June 30,		
	2024	2023	2022
<b>Total OPEB liability</b>			
Service cost	\$ 1,269,094	\$ 1,223,223	\$ 1,713,717
Interest	4,097,972	6,518,767	4,227,070
Differences between expected and actual experience	20,723,589	(50,528,008)	21,290,420
Changes of assumptions	3,888,829	(10,043,088)	(51,139,695)
Benefit payments, including refunds of employee contributions	(5,647,817)	(9,069,083)	(9,440,430)
<b>Net change in total OPEB liability</b>	<u>24,331,667</u>	<u>(61,898,189)</u>	<u>(33,348,918)</u>
Total OPEB liability, beginning of year	<u>100,750,741</u>	<u>162,648,930</u>	<u>195,997,848</u>
<b>Total OPEB liability, end of year</b>	<u><u>\$ 125,082,408</u></u>	<u><u>\$ 100,750,741</u></u>	<u><u>\$ 162,648,930</u></u>
Covered-employee payroll	\$ 10,945,927	\$ 11,067,410	\$ 20,375,654
City's total OPEB liability as a percentage of covered-employee payroll	1142.73%	910.34%	798.25%

The City funds this plan on a pay-as-you-go basis and therefore there are no assets accumulated in a trust to pay the future benefits.

See notes to required supplementary information.



Year Ended June 30,			
2021	2020	2019	2018
\$ 2,202,617	\$ 1,694,385	\$ 1,919,202	\$ 2,312,576
6,990,415	8,625,830	10,625,304	11,083,100
(92,199,811)	(12,188,738)	(42,174,650)	(23,163,328)
24,262,502	30,062,708	13,670,455	(12,462,521)
(11,629,273)	(11,656,543)	(13,557,337)	(14,730,209)
(70,373,550)	16,537,642	(29,517,026)	(36,960,382)
266,371,398	249,833,756	279,350,782	316,311,164
<u>\$ 195,997,848</u>	<u>\$ 266,371,398</u>	<u>\$ 249,833,756</u>	<u>\$ 279,350,782</u>
\$ 19,639,185	\$ 13,104,499	\$ 14,281,760	\$ 17,034,088
997.99%	2032.67%	1749.32%	1639.95%

## CITY OF FLINT, MICHIGAN

### Required Supplementary Information

Other Postemployment Benefits Plan

Schedule of Contributions

Fiscal Year Ended June 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as Percentage of Covered- Employee Payroll
2024	\$ 5,859,753	\$ 5,647,817	\$ 211,936	\$ 10,945,927	51.6%
2023	6,184,382	9,069,083	(2,884,701)	11,067,410	81.9%
2022	9,440,430	9,440,430	-	20,375,654	46.3%
2021	14,196,422	11,629,273	2,567,149	19,639,185	59.2%
2020	14,011,557	11,656,543	2,355,014	13,104,499	89.0%
2019	16,291,451	13,557,337	2,734,114	14,281,760	94.9%
2018	14,730,209	14,730,209	-	17,034,088	86.5%

See notes to required supplementary information.



## CITY OF FLINT, MICHIGAN

### Notes to Required Supplementary Information

#### Other Postemployment Benefits Plan

#### Notes to Schedule of Changes in the City's Net OPEB Liability and Related Ratios

The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

*Changes in assumptions.* In 2024, the amounts reported as changes in assumptions resulted primarily from health care trend rates from (1) Getzen 2023 table with an initial rate of 7.00% non-Medicare / 6.00% Medicare decreasing gradually to an ultimate rate of 3.94% by 2075 to (2) an initial rate of 8.00% non-Medicare / 6.50% Medicare decreasing by 0.50% or 0.25% annually to an ultimate rate of 4.50%, and the discount rate was been updated from 4.13% to 4.21%.

*Changes in assumptions.* In 2023, the amounts reported as changes in assumptions resulted primarily from health care trend rates from (1) an initial rate of 8.00% for fiscal year ending June 30, 2022 decreasing by 0.50% annually to an ultimate rate of 4.50% to (2) Getzen 2023 table with an initial rate of 7.00% non-Medicare / 6.00% Medicare decreasing gradually to an ultimate rate of 3.94% by 2075, and the discount rate was been updated from 4.09% to 4.13%.

*Changes in assumptions.* In 2022, the amounts reported as changes in assumptions resulted primarily from health care trend rates were reset to an initial rate of 7.5% decreasing by 0.5% annually to an ultimate rate of 4.5% for pre-Medicare and post-Medicare medical/rx costs, and the discount rate was been updated from 2.19% to 4.09%.

*Changes in assumptions.* In 2021, the amounts reported as changes in assumptions resulted primarily from health care trend rates were reset to an initial rate of 8.0% decreasing by 0.5% annually to an ultimate rate of 4.5% for pre-Medicare and post-Medicare medical/rx costs, mortality tables were updated from using Scale MP-2019 to Scale MP-2020, the salary scale for Merit and Longevity was updated based on the MERS December 31, 2020 actuarial valuation, and the discount rate was been updated from 2.66% to 2.19%.

*Changes in assumptions.* In 2020, the amounts reported as changes in assumptions resulted primarily from health care trend rates were updated to an initial rate of 7.50% decreasing by 0.5% annually to an ultimate rate of 4.5% for pre-Medicare and post-Medicare medical/rx costs and the discount rate was been updated from 3.51% to 2.66%.

*Changes in assumptions.* In 2019, the amounts reported as changes in assumptions resulted primarily from updates to the mortality tables used, health care trend rates were updated to an initial rate of 8.0% decreasing by 0.5% annually to an ultimate rate of 4.5% for pre-Medicare and post-Medicare medical/rx costs, the Michigan Hard Cap healthcare cost trend rate was updated from 4% annually to 3.5% annually based on historical increases, and the discount rate was been updated from 3.87% to 3.51%.

*Changes in assumptions.* In 2018, the amounts reported as changes in assumptions resulted primarily from updates to the mortality tables used and health care trend rates were updated to an initial rate of 9.0% decreasing by 0.5% annually to an ultimate rate of 4.5% for pre-Medicare period and 8.0% decreasing by 0.5% annually to an ultimate rate of 4.5% for Medicare period.

## CITY OF FLINT, MICHIGAN

### Notes to Required Supplementary Information

#### Other Postemployment Benefits Plan

#### Notes to Schedule of Contributions

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Valuation Date	Actuarially determined contribution rates are calculated as of June 30, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.
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Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	25 years
Asset valuation method	Smoothed fair value
Discount rate	4.13%
Inflation	2.50%
Salary increases	3.00%,
Retirement age	Experience-based tables of rates are specific to the type of eligibility condition
Healthcare cost trend rate	7.00% and gradually decreasing to an ultimate trend rate of 3.94%
Mortality	(1) General retirees: Pub-2010 General Employee or Retiree Headcount-Weighted Mortality Table projected fully generationally using Scale MP-2021, (2) Police and Fire retirees: Pub-2010 Safety Employee or Retiree Headcount-Weighted Mortality Table fully generational using Scale MP-2021 and (3) Survivors: Pub-2010 Safety or General Contingent Survivors Headcount-Weighted Mortality Table fully generational using Scale MP-2021.

**COMBINING AND INDIVIDUAL FUND FINANCIAL  
STATEMENTS AND SCHEDULES**

## CITY OF FLINT, MICHIGAN

### Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2024

	Special Revenue	Debt Service	Totals
<b>Assets</b>			
Cash and investments	\$ 29,858,789	\$ 4,524,715	\$ 34,383,504
Receivables:			
Accounts, net	9,996,805	-	9,996,805
Property taxes	116,934	34,393	151,327
Loans	15,000	-	15,000
Due from other governments	834,124	-	834,124
Due from component unit - loan	-	5,282,713	5,282,713
Prepays	5,256	-	5,256
<b>Total assets</b>	<b>\$ 40,826,908</b>	<b>\$ 9,841,821</b>	<b>\$ 50,668,729</b>
<b>Liabilities</b>			
Accounts payable	\$ 715,951	\$ 97,110	\$ 813,061
Accrued and other liabilities	124,535	-	124,535
Due to other governments	155	-	155
Due to other funds	45,219	-	45,219
Deposits payable	2,015,696	-	2,015,696
Unearned revenue	82,587	-	82,587
<b>Total liabilities</b>	<b>2,984,143</b>	<b>97,110</b>	<b>3,081,253</b>
<b>Deferred inflows of resources</b>			
Unavailable revenue - loans	13,069	5,282,713	5,295,782
Unavailable revenue - grants	259,492	-	259,492
Unavailable revenue - taxes	44,675	13,139	57,814
Unavailable revenue - long-term receivables	9,971,726	-	9,971,726
<b>Total deferred inflows of resources</b>	<b>10,288,962</b>	<b>5,295,852</b>	<b>15,584,814</b>
<b>Fund balances</b>			
Nonspendable	5,256	-	5,256
Restricted	28,027,833	4,448,859	32,476,692
Unassigned (deficit)	(479,286)	-	(479,286)
<b>Total fund balances</b>	<b>27,553,803</b>	<b>4,448,859</b>	<b>32,002,662</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 40,826,908</b>	<b>\$ 9,841,821</b>	<b>\$ 50,668,729</b>

# CITY OF FLINT, MICHIGAN

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds  
For the Year Ended June 30, 2024

	Special Revenue	Debt Service	Totals
<b>Revenues</b>			
Property taxes	\$ 16,709,143	\$ 2,170,972	\$ 18,880,115
Federal sources	565,067	-	565,067
State sources	28,527,481	233,157	28,760,638
Charges for services	3,729,020	-	3,729,020
Licenses and permits	3,991,890	-	3,991,890
Local contributions	-	22,399	22,399
Investment appreciation	998,700	201,601	1,200,301
Other revenues	198,733	-	198,733
<b>Total revenues</b>	<b>54,720,034</b>	<b>2,628,129</b>	<b>57,348,163</b>
<b>Expenditures</b>			
Current:			
Public safety	29,475,602	-	29,475,602
Public works	19,315,135	-	19,315,135
Recreation and culture	874,044	811,882	1,685,926
Community development	793,415	-	793,415
Capital outlay	508,195	-	508,195
Debt service:			
Principal	36,912	1,215,000	1,251,912
Interest	10,640	481,550	492,190
<b>Total expenditures</b>	<b>51,013,943</b>	<b>2,508,432</b>	<b>53,522,375</b>
Revenues over (under) expenditures	3,706,091	119,697	3,825,788
<b>Other financing sources (uses)</b>			
Issuance of long-term liability	508,195	-	508,195
Transfers in	1,704,062	1,696,550	3,400,612
Transfers out	-	(1,696,550)	(1,696,550)
<b>Total other financing sources (uses)</b>	<b>2,212,257</b>	<b>-</b>	<b>2,212,257</b>
<b>Net change in fund balances</b>	<b>5,918,348</b>	<b>119,697</b>	<b>6,038,045</b>
Fund balances, beginning of year	21,635,455	4,329,162	25,964,617
<b>Fund balances, end of year</b>	<b>\$ 27,553,803</b>	<b>\$ 4,448,859</b>	<b>\$ 32,002,662</b>

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## CITY OF FLINT, MICHIGAN

### Nonmajor Special Revenue Funds

*Local Streets Fund* – This fund accounts for the City’s share of proceeds from gas and weight taxes levied by the State and distributed to local government units for local street construction and maintenance.

*Public Safety Fund* – This fund accounts for a special property tax levy approved by voters to provide support for public safety departments.

*Neighborhood Policing Fund* – This fund is used to account for a special property tax levy approved by voters to provide additional police protection for neighborhoods.

*Parks and Recreation Fund* – This fund was established to account for the annual ½ mil tax levy for the purpose of providing dedicated funds for the improvement and maintenance of City parks, forestry, and recreation services.

*Street Light Fund* - This fund accounts for a special property tax assessment allowed to provide support for utility cost of the City’s street lighting.

*Rubbish Collection Fund* – This fund accounts for a special property tax assessment allowed to provide garbage and compost collection services.

*EDA Revolving Loan Fund* – This fund accounts is used to account for monies received from the U.S. Economic Development Administration. The grant was used to establish a revolving loan fund to loan money to economic development projects which meet program criteria.

*State Act 251 Forfeiture Fund* – This fund accounts is used to account for proceeds from the sale of confiscated property seized in drug-related crimes.

*Building Inspection Fund* – This fund accounts for the operational revenues and expenditures of the City’s code inspection and building inspection department in accordance with State Construction Code Act of 1999 (PA 245 of 1999).

*CARES Act Fund* – This fund accounts for Coronavirus Relief Funds which provides for payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak.

*Opioid Settlement Fund* – This fund accounts for settlements that were reached to resolve all opioid litigation brought by states and local units of government against several pharmaceutical companies named in the lawsuits.

# CITY OF FLINT, MICHIGAN

## Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2024

	Local Streets	Public Safety	Neighborhood Policing	Parks and Recreation	Street Light
<b>Assets</b>					
Cash and investments	\$ 4,013,776	\$ 1,673,134	\$ 2,154,385	\$ 279,069	\$ 6,993,424
Receivables:					
Accounts, net	-	9,355	1,822	-	-
Property taxes	-	82,542	27,514	6,878	-
Loans	-	-	-	-	-
Due from other governments	549,466	24,696	-	-	-
Prepays	-	-	-	-	-
<b>Total assets</b>	<u>\$ 4,563,242</u>	<u>\$ 1,789,727</u>	<u>\$ 2,183,721</u>	<u>\$ 285,947</u>	<u>\$ 6,993,424</u>
<b>Liabilities</b>					
Negative equity in pooled cash	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	23,780	38	2,365	18,395	333,759
Accrued and other liabilities	26,422	37,752	15,112	1,181	21
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deposits payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
<b>Total liabilities</b>	<u>50,202</u>	<u>37,790</u>	<u>17,477</u>	<u>19,576</u>	<u>333,780</u>
<b>Deferred inflows of resources</b>					
Unavailable revenue - loans	-	-	-	-	-
Unavailable revenue - grants	-	-	-	-	-
Unavailable revenue - taxes	-	31,535	10,512	2,628	-
Unavailable revenue - long-term receivables	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>31,535</u>	<u>10,512</u>	<u>2,628</u>	<u>-</u>
<b>Fund balances</b>					
Nonspendable	-	-	-	-	-
Restricted	4,513,040	1,720,402	2,155,732	263,743	6,659,644
Unassigned (deficit)	-	-	-	-	-
<b>Total fund balances</b>	<u>4,513,040</u>	<u>1,720,402</u>	<u>2,155,732</u>	<u>263,743</u>	<u>6,659,644</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 4,563,242</u>	<u>\$ 1,789,727</u>	<u>\$ 2,183,721</u>	<u>\$ 285,947</u>	<u>\$ 6,993,424</u>



Rubbish Collection	EDA Revolving Loan	State Act 251 - Forfeiture	Building Inspection	CARES Act	Opioid Settlement	Totals
\$ -	\$ 666,124	\$ 1,126,484	\$ 8,343,184	\$ -	\$ 4,980,106	\$ 30,229,686
575	-	-	13,327	-	9,971,726	9,996,805
-	-	-	-	-	-	116,934
-	15,000	-	-	-	-	15,000
-	-	-	470	259,492	-	834,124
-	-	5,256	-	-	-	5,256
<u>\$ 575</u>	<u>\$ 681,124</u>	<u>\$ 1,131,740</u>	<u>\$ 8,356,981</u>	<u>\$ 259,492</u>	<u>\$ 14,951,832</u>	<u>\$ 41,197,805</u>
\$ 208,599	\$ -	\$ -	\$ -	\$ 162,298	\$ -	\$ 370,897
1,011	-	8,658	-	22,293	305,652	715,951
1,372	-	12,123	25,087	1,701	3,764	124,535
-	155	-	-	-	-	155
-	-	45,219	-	-	-	45,219
-	-	172,167	1,843,529	-	-	2,015,696
-	-	-	-	82,587	-	82,587
<u>210,982</u>	<u>155</u>	<u>238,167</u>	<u>1,868,616</u>	<u>268,879</u>	<u>309,416</u>	<u>3,355,040</u>
-	13,069	-	-	-	-	13,069
-	-	-	-	259,492	-	259,492
-	-	-	-	-	-	44,675
-	-	-	-	-	9,971,726	9,971,726
-	13,069	-	-	259,492	9,971,726	10,288,962
-	-	5,256	-	-	-	5,256
-	667,900	888,317	6,488,365	-	4,670,690	28,027,833
(210,407)	-	-	-	(268,879)	-	(479,286)
<u>(210,407)</u>	<u>667,900</u>	<u>893,573</u>	<u>6,488,365</u>	<u>(268,879)</u>	<u>4,670,690</u>	<u>27,553,803</u>
<u>\$ 575</u>	<u>\$ 681,124</u>	<u>\$ 1,131,740</u>	<u>\$ 8,356,981</u>	<u>\$ 259,492</u>	<u>\$ 14,951,832</u>	<u>\$ 41,197,805</u>

# CITY OF FLINT, MICHIGAN

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended June 30, 2024

	Local Streets	Public Safety	Neighborhood Policing	Parks and Recreation	Street Light
<b>Revenues</b>					
Property taxes	\$ -	\$ 5,257,490	\$ 1,754,679	\$ 438,542	\$ 2,764,936
Federal sources	-	-	-	-	-
State sources	8,122,169	12,030,356	3,813,441	292,846	11,612
Charges for services	-	8,581	16,685	-	-
Licenses and permits	-	-	-	-	-
Investment appreciation	168,156	68,279	90,545	11,671	295,512
Other revenues	140,788	-	495	5,138	-
<b>Total revenues</b>	<b>8,431,113</b>	<b>17,364,706</b>	<b>5,675,845</b>	<b>748,197</b>	<b>3,072,060</b>
<b>Expenditures</b>					
Current:					
Public safety	-	16,413,767	5,364,809	-	-
Health	-	-	-	-	-
Public works:					
Streets	9,743,903	-	-	-	-
Street lights	-	-	-	-	2,391,859
Garbage and rubbish	-	-	-	-	-
Recreation and culture	-	-	-	874,044	-
Community development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	1,785	-	-
Interest	-	-	205	-	-
<b>Total expenditures</b>	<b>9,743,903</b>	<b>16,413,767</b>	<b>5,366,799</b>	<b>874,044</b>	<b>2,391,859</b>
Revenues over (under) expenditures	(1,312,790)	950,939	309,046	(125,847)	680,201
<b>Other financing sources</b>					
Issuance					
of long-term liability	-	-	-	-	-
Transfers in	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(1,312,790)</b>	<b>950,939</b>	<b>309,046</b>	<b>(125,847)</b>	<b>680,201</b>
Fund balances (deficit), beginning of year	5,825,830	769,463	1,846,686	389,590	5,979,443
<b>Fund balances (deficit), end of year</b>	<b>\$ 4,513,040</b>	<b>\$ 1,720,402</b>	<b>\$ 2,155,732</b>	<b>\$ 263,743</b>	<b>\$ 6,659,644</b>

Rubbish Collection	EDA Revolving Loan	State Act 251 - Forfeiture	Building Inspection	CARES Act	Opioid Settlement	Totals
\$ 6,493,496	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,709,143
-	-	-	-	565,067	-	565,067
213,692	-	-	4,018,378	24,987	-	28,527,481
-	-	660	24,111	-	3,678,983	3,729,020
-	-	-	3,991,890	-	-	3,991,890
-	1,034	39,681	323,822	-	-	998,700
1,425	-	50,887	-	-	-	198,733
6,708,613	1,034	91,228	8,358,201	590,054	3,678,983	54,720,034
-	-	182,591	6,802,080	-	-	28,763,247
-	-	-	-	-	712,355	712,355
-	-	-	-	-	-	9,743,903
-	-	-	-	-	-	2,391,859
7,179,373	-	-	-	-	-	7,179,373
-	-	-	-	-	-	874,044
-	1,019	-	-	792,396	-	793,415
-	-	508,195	-	-	-	508,195
-	-	33,342	1,785	-	-	36,912
-	-	10,230	205	-	-	10,640
7,179,373	1,019	734,358	6,804,070	792,396	712,355	51,013,943
(470,760)	15	(643,130)	1,554,131	(202,342)	2,966,628	3,706,091
-	-	508,195	-	-	-	508,195
-	-	-	-	-	1,704,062	1,704,062
-	-	508,195	-	-	1,704,062	2,212,257
(470,760)	15	(134,935)	1,554,131	(202,342)	4,670,690	5,918,348
260,353	667,885	1,028,508	4,934,234	(66,537)	-	21,635,455
\$ (210,407)	\$ 667,900	\$ 893,573	\$ 6,488,365	\$ (268,879)	\$ 4,670,690	\$ 27,553,803

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Local Streets Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
State sources	\$ 4,100,000	\$ 8,324,804	\$ 8,122,169	\$ (202,635)
Investment appreciation	-	-	168,156	168,156
Other revenues	45,000	45,000	140,788	95,788
<b>Total revenues</b>	4,145,000	8,369,804	8,431,113	61,309
<b>Expenditures</b>				
Current:				
Public works:				
Streets	7,812,546	12,037,350	9,743,903	(2,293,447)
<b>Net change in fund balance</b>	(3,667,546)	(3,667,546)	(1,312,790)	2,354,756
Fund balance, beginning of year	5,825,830	5,825,830	5,825,830	-
<b>Fund balance, end of year</b>	<u>\$ 2,158,284</u>	<u>\$ 2,158,284</u>	<u>\$ 4,513,040</u>	<u>\$ 2,354,756</u>

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Public Safety Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Property taxes	\$ 4,069,217	\$ 4,069,217	\$ 5,257,490	\$ 1,188,273
State sources	280,000	11,898,260	12,030,356	132,096
Investment appreciation	-	-	68,279	68,279
Charges for services	20,000	20,000	8,581	(11,419)
<b>Total revenues</b>	4,369,217	15,987,477	17,364,706	1,377,229
<b>Expenditures</b>				
Current:				
Public safety	5,036,441	16,658,978	16,413,767	(245,211)
<b>Net change in fund balance</b>	(667,224)	(671,501)	950,939	1,622,440
Fund balance, beginning of year	769,463	769,463	769,463	-
<b>Fund balance, end of year</b>	\$ 102,239	\$ 97,962	\$ 1,720,402	\$ 1,622,440

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Neighborhood Policing Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Property taxes	\$ 1,339,685	\$ 1,339,685	\$ 1,754,679	\$ 414,994
State sources	95,000	3,820,459	3,813,441	(7,018)
Investment appreciation	-	-	90,545	90,545
Charges for services	25,000	25,000	16,685	(8,315)
Other revenues	-	-	495	495
<b>Total revenues</b>	<u>1,459,685</u>	<u>5,185,144</u>	<u>5,675,845</u>	<u>490,701</u>
<b>Expenditures</b>				
Current:				
Public safety	2,120,027	5,843,496	5,364,809	(478,687)
Debt service:				
Principal	-	1,785	1,785	-
Interest	-	205	205	-
<b>Total expenditures</b>	<u>2,120,027</u>	<u>5,845,486</u>	<u>5,366,799</u>	<u>(478,687)</u>
<b>Net change in fund balance</b>	(660,342)	(660,342)	309,046	969,388
Fund balance, beginning of year	<u>1,846,686</u>	<u>1,846,686</u>	<u>1,846,686</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,186,344</u>	<u>\$ 1,186,344</u>	<u>\$ 2,155,732</u>	<u>\$ 969,388</u>

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Parks and Recreation Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Property taxes	\$ 334,847	\$ 334,847	\$ 438,542	\$ 103,695
State sources	32,000	278,215	292,846	14,631
Investment appreciation	-	-	11,671	11,671
Other revenues	1,000	1,000	5,138	4,138
<b>Total revenues</b>	367,847	614,062	748,197	134,135
<b>Expenditures</b>				
Current:				
Recreation and culture	810,032	1,306,247	874,044	(432,203)
<b>Net change in fund balance</b>	(442,185)	(692,185)	(125,847)	566,338
Fund balance, beginning of year	389,590	389,590	389,590	-
<b>Fund balance (deficit), end of year</b>	<u>\$ (52,595)</u>	<u>\$ (302,595)</u>	<u>\$ 263,743</u>	<u>\$ 566,338</u>

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Street Light Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Property taxes	\$ 4,007,217	\$ 4,007,217	\$ 2,764,936	\$ (1,242,281)
State sources	-	11,612	11,612	-
Investment appreciation	-	-	295,512	295,512
<b>Total revenues</b>	4,007,217	4,018,829	3,072,060	(946,769)
<b>Expenditures</b>				
Current:				
Public works:				
Street lights	2,850,741	2,862,353	2,391,859	(470,494)
<b>Net change in fund balance</b>	1,156,476	1,156,476	680,201	(476,275)
Fund balance, beginning of year	5,979,443	5,979,443	5,979,443	-
<b>Fund balance, end of year</b>	<u>\$ 7,135,919</u>	<u>\$ 7,135,919</u>	<u>\$ 6,659,644</u>	<u>\$ (476,275)</u>



## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Rubbish Collection Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Property taxes	\$ 6,800,547	\$ 6,800,547	\$ 6,493,496	\$ (307,051)
State sources	-	213,692	213,692	-
Licenses and permits	1,500	1,500	-	(1,500)
Other revenues	-	-	1,425	1,425
<b>Total revenues</b>	6,802,047	7,015,739	6,708,613	(307,126)
<b>Expenditures</b>				
Current:				
Public works:				
Garbage and rubbish	7,271,558	7,485,250	7,179,373	(305,877)
<b>Net change in fund balance</b>	(469,511)	(469,511)	(470,760)	(1,249)
Fund balance, beginning of year	260,353	260,353	260,353	-
<b>Fund balance (deficit), end of year</b>	<u>\$ (209,158)</u>	<u>\$ (209,158)</u>	<u>\$ (210,407)</u>	<u>\$ (1,249)</u>

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - EDA Revolving Loan Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Investment appreciation	\$ -	\$ -	\$ 1,034	\$ 1,034
<b>Expenditures</b>				
Current:				
Community development	426,200	426,200	1,019	(425,181)
<b>Net change in fund balance</b>	(426,200)	(426,200)	15	426,215
Fund balance, beginning of year	667,885	667,885	667,885	-
<b>Fund balance, end of year</b>	<u>\$ 241,685</u>	<u>\$ 241,685</u>	<u>\$ 667,900</u>	<u>\$ 426,215</u>

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - State Act 251 Forfeiture Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Charges for services	\$ -	\$ -	\$ 660	\$ 660
Investment appreciation	-	-	39,681	39,681
Other revenues	-	-	50,887	50,887
<b>Total revenues</b>	-	-	91,228	91,228
<b>Expenditures</b>				
Current:				
Public safety	309,761	751,869	182,591	(569,278)
Capital outlay	-	-	508,195	508,195
Debt service:				
Principal	-	33,342	33,342	-
Interest	-	10,230	10,230	-
<b>Total expenditures</b>	309,761	795,441	734,358	(61,083)
Revenues over (under) expenditures	(309,761)	(795,441)	(643,130)	152,311
<b>Other financing sources</b>				
Issuance of long-term liability	-	-	508,195	508,195
<b>Net change in fund balance</b>	(309,761)	(795,441)	(134,935)	660,506
Fund balance, beginning of year	1,028,508	1,028,508	1,028,508	-
<b>Fund balance, end of year</b>	<u>\$ 718,747</u>	<u>\$ 233,067</u>	<u>\$ 893,573</u>	<u>\$ 660,506</u>

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Building Inspection Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
State sources	\$ -	\$ 4,018,378	\$ 4,018,378	\$ -
Charges for services	8,000	8,000	24,111	16,111
Licenses and permits	1,385,000	1,385,000	3,991,890	2,606,890
Investment appreciation	-	-	323,822	323,822
<b>Total revenues</b>	<u>1,393,000</u>	<u>5,411,378</u>	<u>8,358,201</u>	<u>2,946,823</u>
<b>Expenditures</b>				
Current:				
Public safety	3,383,314	9,909,702	6,802,080	(3,107,622)
Debt service:				
Principal	-	1,785	1,785	-
Interest	-	205	205	-
<b>Total expenditures</b>	<u>3,383,314</u>	<u>9,911,692</u>	<u>6,804,070</u>	<u>(3,107,622)</u>
<b>Net change in fund balance</b>	(1,990,314)	(4,500,314)	1,554,131	6,054,445
Fund balance, beginning of year	<u>4,934,234</u>	<u>4,934,234</u>	<u>4,934,234</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 2,943,920</u>	<u>\$ 433,920</u>	<u>\$ 6,488,365</u>	<u>\$ 6,054,445</u>

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - CARES Act Special Revenue Fund

For the Year Ended June 30, 2024

	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Federal sources	\$ 3,403,158	\$ 565,067	\$ (2,838,091)
State sources	24,987	24,987	-
<b>Total revenues</b>	3,428,145	590,054	(2,838,091)
<b>Expenditures</b>			
Current:			
Community development	2,544,649	792,396	(1,752,253)
<b>Net change in fund balance</b>	883,496	(202,342)	(1,085,838)
Fund balance (deficit), beginning of year	(66,537)	(66,537)	-
<b>Fund balance (deficit), end of year</b>	\$ 816,959	\$ (268,879)	\$ (1,085,838)

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Opioid Settlement Special Revenue Fund

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Charges for services	\$ 5,383,046	\$ 5,383,046	\$ 3,678,983	\$ (1,704,063)
<b>Expenditures</b>				
Current:				
Health	1,525,326	1,525,326	712,355	(812,971)
Revenues over (under) expenditures	3,857,720	3,857,720	2,966,628	(891,092)
<b>Other financing sources</b>				
Transfers in	-	-	1,704,062	1,704,062
<b>Net change in fund balance</b>	3,857,720	3,857,720	4,670,690	812,970
Fund balance, beginning of year	-	-	-	-
<b>Fund balance, end of year</b>	<u>\$ 3,857,720</u>	<u>\$ 3,857,720</u>	<u>\$ 4,670,690</u>	<u>\$ 812,970</u>

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## CITY OF FLINT, MICHIGAN

### Nonmajor Debt Service Funds

*Parking Deck Fund* – This fund was established to accumulate resources for the payment of bonds issued to construct a parking deck facility.

*Public Improvement Fund* – This fund was established to account for the annual 2.5 mill tax levy reserved by Section 7 201 of the City Charter for capital improvements and servicing of general obligation debt.



## CITY OF FLINT, MICHIGAN

### Combining Balance Sheet

Nonmajor Debt Service Funds

June 30, 2024

	Parking Deck	Public Improvement Fund	Totals
<b>Assets</b>			
Cash and investments	\$ 527,816	\$ 3,996,899	\$ 4,524,715
Receivables:			
Property taxes	-	34,393	34,393
Due from component unit - loan	-	5,282,713	5,282,713
<b>Total assets</b>	<u>\$ 527,816</u>	<u>\$ 9,314,005</u>	<u>\$ 9,841,821</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 97,110	\$ 97,110
<b>Deferred inflows of resources</b>			
Unavailable revenue - loans	-	5,282,713	5,282,713
Unavailable revenue - taxes	-	13,139	13,139
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>5,295,852</u>	<u>5,295,852</u>
<b>Fund balances</b>			
Restricted	<u>527,816</u>	<u>3,921,043</u>	<u>4,448,859</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 527,816</u>	<u>\$ 9,314,005</u>	<u>\$ 9,841,821</u>

## CITY OF FLINT, MICHIGAN

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Debt Service Funds  
For the Year Ended June 30, 2024

	Parking Deck	Public Improvement Fund	Totals
<b>Revenues</b>			
Property taxes	\$ -	\$ 2,170,972	\$ 2,170,972
State sources	-	233,157	233,157
Local contributions	-	22,399	22,399
Investment appreciation	-	201,601	201,601
<b>Total revenues</b>	-	2,628,129	2,628,129
<b>Expenditures</b>			
Current:			
Recreation and culture	-	811,882	811,882
Debt service:			
Principal	1,215,000	-	1,215,000
Interest	481,550	-	481,550
<b>Total expenditures</b>	1,696,550	811,882	2,508,432
Revenues over (under) expenditures	(1,696,550)	1,816,247	119,697
<b>Other financing sources (uses)</b>			
Transfers in	1,696,550	-	1,696,550
Transfers out	-	(1,696,550)	(1,696,550)
<b>Total other financing sources (uses)</b>	1,696,550	(1,696,550)	-
<b>Net change in fund balances</b>	-	119,697	119,697
Fund balances, beginning of year	527,816	3,801,346	4,329,162
<b>Fund balances, end of year</b>	<u>\$ 527,816</u>	<u>\$ 3,921,043</u>	<u>\$ 4,448,859</u>

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## CITY OF FLINT, MICHIGAN

### Internal Service Funds

*Fringe Benefits Fund* – This fund is used as a clearing account for the City's payroll and related fringe benefits, and to make payments for workers' compensation and unemployment claims. Monies are accumulated in this fund as a result of payroll allocations made on a departmental and/or bargaining unit basis.

*Data Processing Fund* – This fund distributes the costs of central data processing services to the various user departments.

*Central Maintenance Garage Fund* – This fund accounts for the costs of vehicles and equipment provided to City funds.

*Self-Insurance Fund* – This fund was established to accumulate monies which are available to settle claims against the City when no insurance coverage exists and to make insurance premium payments. The fund is reimbursed by the user departments for insurance premium payments made and monies accumulated for self-insurance.

## CITY OF FLINT, MICHIGAN

### Combining Statement of Net Position

Internal Service Funds

June 30, 2024

	Fringe Benefits	Data Processing	Central Maintenance Garage	Self-Insurance	Totals
<b>Assets</b>					
Current assets:					
Cash and investments	\$ 20,453,231	\$ 1,884,979	\$ 1,748,399	\$ 6,459,762	\$ 30,546,371
Accounts receivable, net	14,603	-	-	-	14,603
Inventory	-	-	127,153	-	127,153
Prepays	-	299,805	13,769	702,637	1,016,211
Total current assets	20,467,834	2,184,784	1,889,321	7,162,399	31,704,338
Noncurrent assets:					
Capital assets being depreciated/amorized, net	22,201	1,119,520	9,665,795	15,144	10,822,660
<b>Total assets</b>	20,490,035	3,304,304	11,555,116	7,177,543	42,526,998
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	3,053,337	236,722	48,811	165,757	3,504,627
Accrued liabilities	81,416	11,240	6,515	-	99,171
Accrued interest	1,708	12,042	1,656	99	15,505
Current portion of claims payable	2,451,365	-	-	1,509,238	3,960,603
Current portion of bonds, notes and other long-term liabilities	21,406	113,126	305,068	9,936	449,536
Total current liabilities	5,609,232	373,130	362,050	1,685,030	8,029,442
Noncurrent liabilities:					
Claims, net of current portion	-	-	-	3,418,716	3,418,716
Bonds, notes and other long-term liabilities, net of current portion	-	-	-	5,208	5,208
Total noncurrent liabilities	-	-	-	3,423,924	3,423,924
<b>Total liabilities</b>	5,609,232	373,130	362,050	5,108,954	11,453,366
<b>Net position</b>					
Net investment in capital assets	795	967,203	9,360,727	-	10,328,725
Unrestricted	14,880,008	1,963,971	1,832,339	2,068,589	20,744,907
<b>Total net position</b>	\$ 14,880,803	\$ 2,931,174	\$ 11,193,066	\$ 2,068,589	\$ 31,073,632

# CITY OF FLINT, MICHIGAN

## Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds

For the Year Ended June 30, 2024

	Fringe Benefits	Data Processing	Central Maintenance Garage	Self-Insurance	Totals
<b>Operating revenues</b>					
Charges for services	\$ 34,188,251	\$ 3,409,615	\$ 4,035,448	\$ -	\$ 41,633,314
Other	14,912,102	218	421,913	3,075,585	18,409,818
<b>Total operating revenues</b>	<b>49,100,353</b>	<b>3,409,833</b>	<b>4,457,361</b>	<b>3,075,585</b>	<b>60,043,132</b>
<b>Operating expenses</b>					
Salaries and benefits	1,005,832	3,396,911	3,361,580	142,190	7,906,513
Supplies	-	2,268	1,067,077	-	1,069,345
Contractual services	216,452	1,105,743	106,234	4,278,900	5,707,329
Repairs and maintenance	-	-	199,499	-	199,499
Insurance	-	-	-	1,773,806	1,773,806
Retirement, OPEB and fringes	48,560,271	-	-	-	48,560,271
Other	18,282	157,424	2,601	50,223	228,530
Depreciation/amortization	20,389	462,878	3,184,070	9,163	3,676,500
<b>Total operating expenses</b>	<b>49,821,226</b>	<b>5,125,224</b>	<b>7,921,061</b>	<b>6,254,282</b>	<b>69,121,793</b>
<b>Operating income (loss)</b>	<b>(720,873)</b>	<b>(1,715,391)</b>	<b>(3,463,700)</b>	<b>(3,178,697)</b>	<b>(9,078,661)</b>
<b>Nonoperating revenues (expenses)</b>					
Investment appreciation	830,700	79,510	74,556	276,935	1,261,701
Interest expense and fees	(1,820)	(16,882)	(12,045)	(644)	(31,391)
Gain (loss) on sale of capital assets	-	-	-	-	-
State grants	464,553	1,858,211	1,863,428	-	4,186,192
<b>Total nonoperating revenues (expenses)</b>	<b>1,293,433</b>	<b>1,920,839</b>	<b>1,925,939</b>	<b>276,291</b>	<b>5,416,502</b>
<b>Income (loss) before transfers</b>	<b>572,560</b>	<b>205,448</b>	<b>(1,537,761)</b>	<b>(2,902,406)</b>	<b>(3,662,159)</b>
<b>Transfers in</b>	<b>-</b>	<b>-</b>	<b>863,600</b>	<b>-</b>	<b>863,600</b>
<b>Change in net position</b>	<b>572,560</b>	<b>205,448</b>	<b>(674,161)</b>	<b>(2,902,406)</b>	<b>(2,798,559)</b>
<b>Net position, beginning of year</b>	<b>14,308,243</b>	<b>2,725,726</b>	<b>11,867,227</b>	<b>4,970,995</b>	<b>33,872,191</b>
<b>Net position, end of year</b>	<b>\$ 14,880,803</b>	<b>\$ 2,931,174</b>	<b>\$ 11,193,066</b>	<b>\$ 2,068,589</b>	<b>\$ 31,073,632</b>

# CITY OF FLINT, MICHIGAN

## Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2024

	Fringe Benefits	Data Processing	Central Maintenance Garage	Self-Insurance	Totals
<b>Cash flows from operating activities</b>					
Cash received from interfund services	\$ 49,090,398	\$ 3,409,833	\$ 4,457,361	\$ 3,100,993	\$ 60,058,585
Cash payments for goods and services	(48,230,343)	(1,398,822)	(1,454,814)	(3,954,826)	(55,038,805)
Cash payments to employees	(1,067,479)	(3,394,653)	(3,359,678)	(142,190)	(7,964,000)
<b>Net cash provided by (used in) operating activities</b>	(207,424)	(1,383,642)	(357,131)	(996,023)	(2,944,220)
<b>Cash flows from noncapital financing activities</b>					
State grant proceeds	464,553	1,858,211	1,863,428	-	4,186,192
<b>Cash flows from capital and related financing activities</b>					
Acquisition and construction of capital assets	-	(87,195)	(946,436)	-	(1,033,631)
Principal paid on bonds, notes and other long-term liabilities	(19,763)	(413,532)	(836,864)	(9,163)	(1,279,322)
Interest paid on long-term debt	(1,237)	(13,549)	(38,461)	(606)	(53,853)
<b>Net cash used in capital and related financing activities</b>	(21,000)	(514,276)	(1,821,761)	(9,769)	(2,366,806)
<b>Cash flows from investing activities</b>					
Investment appreciation	830,700	79,510	74,556	276,935	1,261,701
<b>Net change in cash and investments</b>	1,066,829	39,803	(240,908)	(728,857)	136,867
Cash and investments, beginning of year	19,386,402	1,845,176	1,989,307	7,188,619	30,409,504
<b>Cash and investments, end of year</b>	\$ 20,453,231	\$ 1,884,979	\$ 1,748,399	\$ 6,459,762	\$ 30,546,371

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## CITY OF FLINT, MICHIGAN

### Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2024

	Fringe Benefits	Data Processing	Central Maintenance Garage	Self-Insurance	Totals
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>					
Operating income (loss)	\$ (720,873)	\$ (1,715,391)	\$ (3,463,700)	\$ (3,178,697)	\$ (9,078,661)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation/amortization	20,389	462,878	3,184,070	9,163	3,676,500
Change in operating assets and liabilities that provided (used) cash:					
Accounts receivable, net	(9,955)	-	-	-	(9,955)
Due from other governments	-	-	-	25,408	25,408
Inventory	-	-	(1,930)	-	(1,930)
Prepays	-	(111,150)	9,683	(101,886)	(203,353)
Accounts payable	(98,193)	(22,237)	(87,156)	(43,450)	(251,036)
Accrued liabilities	(61,647)	2,258	1,902	-	(57,487)
Claims payable	662,855	-	-	2,293,439	2,956,294
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (207,424)</u>	<u>\$ (1,383,642)</u>	<u>\$ (357,131)</u>	<u>\$ (996,023)</u>	<u>\$ (2,944,220)</u>
<b>Noncash capital and related financing activities</b>					
Purchase of capital assets through issuance of long-term liability	\$ -	\$ 224,011	\$ -	\$ -	\$ 224,011
Purchase of capital assets with accounts payable	-	39,191	-	-	39,191
Capital assets transferred from governmental activities	-	-	863,600	-	863,600
					concluded



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## CITY OF FLINT, MICHIGAN

### Custodial Funds

*Tax Collection Fund* – This fund is used to account for delinquent property taxes levied by other taxing units and other assets held by the City as an agent for individuals, private organizations, other governments, and other funds.

*County Revolving Loan Fund* – This fund is used to account for monies held in a custodial capacity for the use of the Genesee County Economic Development Corporation.

## CITY OF FLINT, MICHIGAN

### Combining Statement of Fiduciary Net Position

Custodial Funds

June 30, 2024

	Tax Collection	County Revolving Loan	Totals
<b>Assets</b>			
Cash and investments	\$ 5,894,721	\$ 482,375	\$ 6,377,096
Accounts receivable	12,067	-	12,067
<b>Total assets</b>	<u>5,906,788</u>	<u>482,375</u>	<u>6,389,163</u>
<b>Liabilities</b>			
Undistributed receipts	\$ 5,906,788	\$ -	\$ 5,906,788
Due to other governments	-	427	427
<b>Total liabilities</b>	<u>5,906,788</u>	<u>427</u>	<u>5,907,215</u>
<b>Net position</b>			
Restricted for:			
Individuals, organizations, and other governments	<u>\$ -</u>	<u>\$ 481,948</u>	<u>\$ 481,948</u>

## CITY OF FLINT, MICHIGAN

### Combining Statement of Changes in Fiduciary Net Position

Custodial Funds

For the Year Ended June 30, 2024

	Tax Collection	County Revolving Loan	Totals
<b>Additions</b>			
Interest	\$ -	\$ 94	\$ 94
Other taxes collected for other governments	36,854,330	-	36,854,330
<b>Total additions</b>	36,854,330	94	36,854,424
<b>Deductions</b>			
Payments of other taxes to other governments	36,854,330	-	36,854,330
Bad debt from uncollectible loans	-	75,000	75,000
<b>Total deductions</b>	36,854,330	75,000	36,929,330
<b>Change in net position</b>	-	(74,906)	(74,906)
Net position, beginning of year	-	556,854	556,854
<b>Net position, end of year</b>	\$ -	\$ 481,948	\$ 481,948

## CITY OF FLINT, MICHIGAN

### Statement of Net Position

Economic Development Corporation Component Unit  
June 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 213,854	\$ 249,532	\$ 463,386
Receivables, net	6,505,000	3,079,005	9,584,005
Other assets	-	8,674	8,674
Restricted cash and investments	956,131	-	956,131
Capital assets not being depreciated/amortized	-	93,860	93,860
Capital assets being depreciated/amortized, net	-	720,836	720,836
<b>Total assets</b>	<b>7,674,985</b>	<b>4,151,907</b>	<b>11,826,892</b>
<b>Deferred outflows of resources</b>			
Deferred charge on refunding	14,521	-	14,521
<b>Liabilities</b>			
Accounts payable	60,095	14,141	74,236
Long-term liabilities:			
Due within one year	272,686	-	272,686
Due in more than one year	6,647,609	-	6,647,609
<b>Total liabilities</b>	<b>6,980,390</b>	<b>14,141</b>	<b>6,994,531</b>
<b>Deferred inflows of resources</b>			
Deferred lease amounts	-	2,931,149	2,931,149
<b>Net position</b>			
Investment in capital assets	-	814,696	814,696
Restricted for economic development activity	896,036	-	896,036
Unrestricted (deficit)	(186,920)	391,921	205,001
<b>Total net position</b>	<b>\$ 709,116</b>	<b>\$ 1,206,617</b>	<b>\$ 1,915,733</b>

## CITY OF FLINT, MICHIGAN

### Statement of Activities

Economic Development Corporation Component Unit

For the Year Ended June 30, 2024

		Program Revenues			
Functions / Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Governmental activities:					
Economic development	\$ 486,006	\$ 484,588	\$ -	\$ -	\$ (1,418)
Business-type activities:					
Rental operations	238,590	252,832	-	596,377	610,619
Total	\$ 724,596	\$ 737,420	\$ -	\$ 596,377	\$ 609,201

continued...

## CITY OF FLINT, MICHIGAN

### Statement of Activities

Economic Development Corporation Component Unit

For the Year Ended June 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Changes in net position</b>			
Net (expense) revenue	\$ (1,418)	\$ 610,619	\$ 609,201
General revenues:			
Investment appreciation	19,593	91,679	111,272
Other revenue	44,202	-	44,202
Total general revenues	63,795	91,679	155,474
<b>Change in net position</b>	62,377	702,298	764,675
Net position, beginning of year	646,739	504,319	1,151,058
<b>Net position, end of year</b>	<u>\$ 709,116</u>	<u>\$ 1,206,617</u>	<u>\$ 1,915,733</u>

concluded

## CITY OF FLINT, MICHIGAN

### Economic Development Corporation Component Unit

*General fund* – This fund is used to account for activity of Flint’s Economic Development Corporation (the “EDC”). The EDC was created under state law to provide financing and development opportunities for businesses located within the City. The EDC provides loans to start-up or expanding businesses and manages rental property that leases space to commercial and light industrial manufacturing companies.

*State loan revolving fund* – This fund is used to account for monies loaned by the EDC from the revolving loan fund program.

*Oak business center enterprise fund* – This fund is used to account for the activity of the Oak Business Center. The Oak Business Center works to create jobs by helping entrepreneurs and small businesses access needed resources for growth and long-term success. Conveniently located just north of downtown Flint, the incubator provides high quality space for companies to conduct business. It accommodates more than a dozen offices, two conference rooms, kitchen, and work center.



## CITY OF FLINT, MICHIGAN

### Balance Sheet – Governmental Funds

Economic Development Corporation Component Unit

June 30, 2024

	General Fund	State Loan Revolving Fund	Total Governmental Funds
<b>Assets</b>			
Cash and investments	\$ 213,854	\$ -	\$ 213,854
Restricted cash and investments	400,335	555,796	956,131
Receivables:			
Installment sales agreement	6,505,000	-	6,505,000
<b>Total assets</b>	<u>\$ 7,119,189</u>	<u>\$ 555,796</u>	<u>\$ 7,674,985</u>
<b>Liabilities</b>			
Due to other governments	\$ -	\$ 433	\$ 433
<b>Deferred inflows of resources</b>			
Unavailable revenues - installment sales agreement receivable	6,505,000	-	6,505,000
<b>Fund balances</b>			
Restricted for economic development activity	400,335	555,363	955,698
Unassigned	213,854	-	213,854
<b>Total fund balances</b>	<u>614,189</u>	<u>555,363</u>	<u>1,169,552</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 7,119,189</u>	<u>\$ 555,796</u>	<u>\$ 7,674,985</u>

## CITY OF FLINT, MICHIGAN

### Reconciliation

Fund Balances for Governmental Funds  
to Net Position of Governmental Activities  
Economic Development Corporation Component Unit  
June 30, 2024

<b>Fund balances - total governmental funds</b>	<b>\$ 1,169,552</b>
---	---------------------

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

Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (such as certain receivables) are offset by deferred inflows in the governmental funds, and thus are not included in fund balance.

Unavailable installment sales agreement receivable	6,505,000
--	-----------

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Bonds, notes and other long-term liabilities	(6,505,000)
Deferred charge on bond refunding	14,521
Bond premium, net	(415,295)
Accrued interest on bonds, notes and other long-term liabilities	(59,662)
	<hr/>

<b>Net position of governmental activities</b>	<b><u><u>\$ 709,116</u></u></b>
--	---------------------------------

## CITY OF FLINT, MICHIGAN

### Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Economic Development Corporation Component Unit

For the Year Ended June 30, 2024

	General Fund	State Loan Revolving Fund	Total Governmental Funds
<b>Revenue</b>			
Charges for services	\$ 7,655	\$ -	\$ 7,655
Rental income	681,933	-	681,933
Interest	18,869	724	19,593
Other	30,000	14,202	44,202
	<u>738,457</u>	<u>14,926</u>	<u>753,383</u>
<b>Total revenue</b>			
	<u>738,457</u>	<u>14,926</u>	<u>753,383</u>
<b>Expenditures</b>			
Current:			
General government	217,069	502	217,571
Debt service:			
Principal	205,000	-	205,000
Interest	293,550	-	293,550
	<u>715,619</u>	<u>502</u>	<u>716,121</u>
<b>Total expenditures</b>			
	<u>715,619</u>	<u>502</u>	<u>716,121</u>
<b>Net change in fund balances</b>			
	22,838	14,424	37,262
Fund balances, beginning of year	591,351	540,939	1,132,290
	<u>591,351</u>	<u>540,939</u>	<u>1,132,290</u>
<b>Fund balances, end of year</b>			
	<u>\$ 614,189</u>	<u>\$ 555,363</u>	<u>\$ 1,169,552</u>

## CITY OF FLINT, MICHIGAN

### Reconciliation

Net Changes in Fund Balance of Governmental Funds  
to Change in Net Position of Governmental Activities  
Economic Development Corporation Component Unit  
For the Year Ended June 30, 2024

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 37,262</b>
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following fiscal year.	
Net change in deferred long-term receivables	(205,000)
Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal payments on long-term liabilities	205,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.	
Change in accrued interest payable on long-term liabilities	<u>25,115</u>
<b>Change in net position of governmental activities</b>	<b><u>\$ 62,377</u></b>

## CITY OF FLINT, MICHIGAN

### Schedule of Revenues, Expenditures and Change in Fund Balance

Budget and Actual - General Fund

Economic Development Corporation Component Unit

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Charges for services	\$ -	\$ -	\$ 7,655	\$ 7,655
Rental income	-	-	681,933	681,933
Interest revenue	-	-	18,869	18,869
Other revenue	-	47,384	30,000	(17,384)
<b>Total revenues</b>	-	47,384	738,457	691,073
<b>Expenditures</b>				
Current:				
General government:				
Professional services	-	47,384	217,069	169,685
Debt service:				
Principal	-	-	205,000	205,000
Interest	-	-	293,550	293,550
Total debt service	-	-	498,550	498,550
<b>Total expenditures</b>	-	47,384	715,619	668,235
<b>Net change in fund balance</b>	-	-	22,838	22,838
Fund balance, beginning of year	591,351	591,351	591,351	-
<b>Fund balance, end of year</b>	<u>\$ 591,351</u>	<u>\$ 591,351</u>	<u>\$ 614,189</u>	<u>\$ 22,838</u>

## CITY OF FLINT, MICHIGAN

### Statement of Net Position

Proprietary Fund  
Economic Development Corporation Component Unit  
June 30, 2024

	Enterprise Fund
	Oak Business Center
<b>Assets</b>	
Current assets:	
Cash and investments	\$ 249,532
Receivables:	
Accounts, net	72,332
Leases	2,993,473
Due from other governments	13,200
Prepays	8,674
	<hr/>
Total current assets	3,337,211
	<hr/>
Noncurrent assets:	
Capital assets not being depreciated/amortized	93,860
Capital assets being depreciated/amortized, net	720,836
	<hr/>
Total noncurrent assets	814,696
	<hr/>
<b>Total assets</b>	4,151,907
	<hr/>
<b>Liabilities</b>	
Current liabilities:	
Accounts payable	14,141
	<hr/>
<b>Deferred inflows of resources</b>	
Deferred lease amounts	2,931,149
	<hr/>
<b>Net Position</b>	
Investment in capital assets	814,696
Unrestricted	391,921
	<hr/>
<b>Total net position</b>	\$ 1,206,617
	<hr/>

## CITY OF FLINT, MICHIGAN

### Statement of Revenue, Expenses and Changes in Fund Net Position

Proprietary Fund  
Economic Development Corporation Component Unit  
For the Year Ended June 30, 2024

	Enterprise Fund
	Oak Business Center
<b>Operating revenue</b>	
Lease income	\$ 252,832
<b>Operating expenses</b>	
Utilities	46,661
Professional services	13,723
Insurance	66,295
Supplies	1,612
Depreciation/amortization	47,514
Repairs and maintenance	18,133
Bad debts	44,652
<b>Total operating expenses</b>	238,590
<b>Operating income (loss)</b>	14,242
<b>Nonoperating revenues</b>	
Investment appreciation	91,679
Contribution from primary government	596,377
<b>Total nonoperating revenues</b>	688,056
<b>Change in net position</b>	702,298
Net position, beginning of year	504,319
<b>Net position, end of year</b>	\$ 1,206,617

## CITY OF FLINT, MICHIGAN

### Statement of Cash Flows

Proprietary Fund  
Economic Development Corporation Component Unit  
For the Year Ended June 30, 2024

	Enterprise Fund
	Oak Business Center
<b>Cash flows from operating activities</b>	
Cash received from customers and users	\$ 114,596
Cash payments to suppliers for goods and services	(202,866)
<b>Net cash provided by (used in) operating activities</b>	(88,270)
<b>Cash flows from investing activities</b>	
Investment appreciation	91,679
<b>Net change in cash and investments</b>	3,409
<b>Cash and investments, beginning of year</b>	246,123
<b>Cash and investments, end of year</b>	\$ 249,532
<b>Cash flows from operating activities</b>	
Operating income (loss)	\$ 14,242
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:	
Depreciation/amortization	47,514
Change in:	
Accounts receivable, net	(66,212)
Prepays	(8,674)
Due from other governments	(9,700)
Lease receivables	(62,324)
Accounts payable	(3,116)
<b>Net cash provided by (used in) operating activities</b>	\$ (88,270)
<b>Noncash capital and related financing activities</b>	
Capital assets contributed from primary government	\$ 596,377



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## **STATISTICAL SECTION**

## CITY OF FLINT, MICHIGAN

### Statistical Section Table of Contents

This part of the City of Flint, Michigan's (the "City") annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

	<b><u>Page</u></b>
<b>Financial Trends</b>	These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 172-180
<b>Revenue Capacity</b>	These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property taxes. 182-189
<b>Debt Capacity</b>	These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 190-196
<b>Demographic and Economic Information</b>	These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments. 197-198
<b>Operating Information</b>	These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs. 200-208

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

## CITY OF FLINT, MICHIGAN

### Net Position by Component

Last Ten Fiscal Years

	2015	2016	2017	2018
<b>Governmental activities</b>				
Net investment in capital assets	\$ 127,601,186	\$ 120,193,431	\$ 112,083,639	\$ 102,839,672
Restricted	38,525,638	17,600,308	17,288,837	10,289,601
Unrestricted (deficit)	<u>(348,263,708)</u>	<u>(335,931,410)</u>	<u>(339,067,428)</u>	<u>(412,970,756)</u>
<b>Total governmental activities</b>	<u><u>\$ (182,136,884)</u></u>	<u><u>\$ (198,137,671)</u></u>	<u><u>\$ (209,694,952)</u></u>	<u><u>\$ (299,841,483)</u></u>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 77,042,464	\$ 75,805,935	\$ 75,820,800	\$ 106,432,575
Restricted	5,848,116	5,113,523	5,113,523	6,786,490
Unrestricted	<u>(33,880,794)</u>	<u>(23,158,249)</u>	<u>(20,785,595)</u>	<u>(72,377,243)</u>
<b>Total business-type activities</b>	<u><u>\$ 49,009,786</u></u>	<u><u>\$ 57,761,209</u></u>	<u><u>\$ 60,148,728</u></u>	<u><u>\$ 40,841,822</u></u>
<b>Primary government</b>				
Net investment in capital assets	\$ 204,643,650	\$ 195,999,366	\$ 187,904,439	\$ 209,272,247
Restricted	44,373,754	22,713,831	22,402,360	17,076,091
Unrestricted (deficit)	<u>(382,144,502)</u>	<u>(359,089,659)</u>	<u>(359,853,023)</u>	<u>(485,347,999)</u>
<b>Total primary government</b>	<u><u>\$ (133,127,098)</u></u>	<u><u>\$ (140,376,462)</u></u>	<u><u>\$ (149,546,224)</u></u>	<u><u>\$ (258,999,661)</u></u>

Table 1 - Unaudited

2019	2020	2021	2022	2023	2024
\$ 98,672,771	\$ 92,077,130	\$ 89,750,681	\$ 84,743,776	\$ 82,916,210	\$ 95,271,682
35,841,677	53,687,493	51,833,997	64,659,396	74,495,664	87,025,143
(393,768,702)	(442,526,378)	(421,243,500)	(414,571,980)	(368,064,536)	(203,486,629)
<u>\$ (259,254,254)</u>	<u>\$ (296,761,755)</u>	<u>\$ (279,658,822)</u>	<u>\$ (265,168,808)</u>	<u>\$ (210,652,662)</u>	<u>\$ (21,189,804)</u>
\$ 143,175,417	\$ 169,838,283	\$ 207,317,158	\$ 209,087,788	\$ 225,510,594	\$ 241,253,377
-	-	-	-	-	24,680,934
(85,962,501)	(84,664,020)	(34,576,129)	(15,153,086)	(9,571,701)	(11,713,659)
<u>\$ 57,212,916</u>	<u>\$ 85,174,263</u>	<u>\$ 172,741,029</u>	<u>\$ 193,934,702</u>	<u>\$ 215,938,893</u>	<u>\$ 254,220,652</u>
\$ 241,848,188	\$ 261,915,413	\$ 297,067,839	\$ 293,831,564	\$ 308,426,804	\$ 336,525,059
35,841,677	53,687,493	51,833,997	64,659,396	74,495,664	111,706,077
(479,731,203)	(527,190,398)	(455,819,629)	(429,725,066)	(377,636,237)	(215,200,288)
<u>\$ (202,041,338)</u>	<u>\$ (211,587,492)</u>	<u>\$ (106,917,793)</u>	<u>\$ (71,234,106)</u>	<u>\$ 5,286,231</u>	<u>\$ 233,030,848</u>

## CITY OF FLINT, MICHIGAN

### Changes in Net Position

Governmental Activities  
Last Ten Fiscal Years

	2015	2016	2017	2018
<b>Expenses</b>				
Legislative	\$ -	\$ -	\$ -	\$ -
General government	10,540,197	14,042,753	15,334,791	6,992,491
Judicial	5,032,427	5,143,547	530,845	964,009
Public safety	36,224,195	49,407,091	48,981,359	34,029,935
Building inspection	1,282,613	1,254,516	1,561,223	667,157
Public works	26,380,580	27,140,462	25,165,859	23,447,961
Health and welfare	-	-	-	-
Recreation and culture	4,112,910	1,723,835	1,825,123	2,080,501
Community development	5,617,598	8,988,332	5,750,353	5,283,465
Facilities maintenance	-	-	-	-
Interest on long-term liabilities	1,166,786	1,280,956	1,306,639	1,239,453
	<u>90,357,306</u>	<u>108,981,492</u>	<u>100,456,192</u>	<u>74,704,972</u>
<b>Program revenues</b>				
Charges for services:				
General government	7,017,607	8,466,185	7,356,125	9,742,833
Judicial	1,449,274	680,908	177,055	128,854
Public safety	2,531,669	2,285,236	2,313,574	2,419,312
Building inspection	2,726,592	3,149,559	2,232,541	1,687,234
Public works	25,798	106,319	47,301	47,437
Health and welfare	-	-	-	-
Recreation and culture	5,171	1,236	61,208	1,124,316
Community development	495	523	5,224	692
Operating grants and contributions	16,880,612	18,497,749	18,821,609	23,094,453
Capital grants and contributions	1,924,929	6,240,235	2,092,816	1,734,315
	<u>32,562,147</u>	<u>39,427,950</u>	<u>33,107,453</u>	<u>39,979,446</u>
<b>Net (expenses) revenues</b>	<u>(57,795,159)</u>	<u>(69,553,542)</u>	<u>(67,348,739)</u>	<u>(34,725,526)</u>
<b>General revenues and other changes in net position</b>				
Property taxes	19,757,581	18,429,084	19,861,396	19,452,524
Income taxes	14,012,171	15,540,594	15,487,439	15,277,949
Grants and contributions not restricted to specific programs	-	-	-	-
State shared revenues	14,458,731	14,451,256	14,899,242	15,199,286
Franchise fees	-	-	1,022,650	-
Unrestricted investment earnings (losses)	742,926	1,113,097	773,736	1,160,090
Gain (loss) on capital assets	1,567,571	-	-	-
Other revenues	2,990,000	1,028,722	967,327	1,094,886
Transfers	-	2,990,000	2,779,668	1,536,235
	<u>53,528,980</u>	<u>53,552,753</u>	<u>55,791,458</u>	<u>53,720,970</u>
<b>Total governmental activities changes in net position</b>	<u>\$ (4,266,179)</u>	<u>\$ (16,000,789)</u>	<u>\$ (11,557,281)</u>	<u>\$ 18,995,444</u>

Table 2 - Unaudited

2019	2020	2021	2022	2023	2024
\$ 810,869	\$ 1,160,836	\$ 925,090	\$ 936,704	\$ 955,752	\$ 1,898,859
4,328,789	16,723,478	13,911,324	8,514,812	11,259,693	24,338,315
750,288	850,055	1,133,385	1,059,999	1,097,668	1,115,537
27,666,372	83,877,208	44,064,111	37,434,383	15,454,109	59,276,314
-	-	-	-	-	-
20,423,068	27,795,199	22,716,601	26,996,784	25,507,913	28,624,271
-	-	-	-	-	802,463
918,638	1,022,805	822,757	579,527	1,320,927	1,516,247
9,222,386	4,275,895	7,399,573	13,418,113	12,794,395	30,552,441
1,590,576	1,643,599	1,493,134	1,615,661	1,717,078	-
1,055,294	1,182,972	871,065	802,497	719,194	506,789
66,766,280	138,532,047	93,337,040	91,358,480	70,826,729	148,631,236
9,065,826	11,089,629	11,741,163	4,537,704	1,547,729	380,465
-	-	-	-	-	-
3,265,430	2,942,936	3,234,396	2,433,980	4,053,148	5,215,747
-	-	-	-	-	-
68,115	38,692	16,825	29,544	19,291	30,415
-	-	-	-	7,945,636	7,409,135
-	-	-	-	-	-
553,645	569,752	551,621	678,758	726,042	778,829
35,960,712	32,657,667	39,028,986	37,630,061	38,517,932	53,715,287
-	-	-	519,585	494,472	11,692,151
48,913,728	47,298,676	54,572,991	45,829,632	53,304,250	79,222,029
(17,852,552)	(91,233,371)	(38,764,049)	(45,528,848)	(17,522,479)	(69,409,207)
20,279,812	20,927,464	23,710,945	22,745,182	23,277,946	26,078,894
16,019,035	17,020,456	15,028,812	19,076,507	18,700,983	20,953,861
-	-	-	3,349,993	13,579,993	190,530,595
15,576,579	14,595,029	16,910,747	16,845,764	16,195,063	16,653,870
-	-	-	-	-	-
1,439,377	1,182,921	177,770	(2,676,422)	2,369,769	7,022,693
-	-	38,708	-	-	-
-	-	-	-	-	-
2,570,708	-	-	924,141	(2,085,129)	(2,367,848)
55,885,511	53,725,870	55,866,982	60,265,165	72,038,625	258,872,065
\$ 38,032,959	\$ (37,507,501)	\$ 17,102,933	\$ 14,736,317	\$ 54,516,146	\$ 189,462,858

## CITY OF FLINT, MICHIGAN

### Changes in Net Position

Business-type Activities  
Last Ten Fiscal Years

	2015	2016	2017	2018
<b>Operating revenue</b>				
Sale of water	\$ 33,777,658	\$ 32,355,881	\$ 29,504,500	\$ 28,154,629
Sewage disposal charges	30,435,699	29,031,074	30,057,960	30,542,329
Other charges for services	123,224	37,051	298,954	173,574
	<u>64,336,581</u>	<u>61,424,006</u>	<u>59,861,414</u>	<u>58,870,532</u>
<b>Operating expenses</b>				
Cost of water produced/purchased	-	8,354,748	17,307,301	14,798,508
Water supply	18,805,048	22,478,663	26,775,638	31,868,876
Sewage disposal	18,898,748	22,052,088	27,360,299	20,995,457
Depreciation	6,036,783	7,039,991	7,067,711	6,932,145
	<u>43,740,579</u>	<u>59,925,490</u>	<u>78,510,949</u>	<u>74,594,986</u>
<b>Operating income (loss)</b>	<u>20,596,002</u>	<u>1,498,516</u>	<u>(18,649,535)</u>	<u>(15,724,454)</u>
<b>Nonoperating revenue (expenses)</b>				
Federal grants	-	-	1,253,227	-
State grants	-	6,000,000	19,109,149	-
Local grants	-	2,374,748	1,745,252	-
Investment income	247,722	613,207	362,738	645,390
Interest expense	(565,869)	(170,301)	(32,296)	(24,396)
Gain (loss) on disposal of assets	225,465	-	(490)	-
Debt forgiveness	-	-	-	20,770,336
Miscellaneous revenue	(6,571)	(5,981)	(4,376)	-
	<u>(99,253)</u>	<u>8,811,673</u>	<u>22,433,204</u>	<u>21,391,330</u>
<b>Income (loss) before transfers and capital grants</b>	20,496,749	10,310,189	3,783,669	5,666,876
Grants for capital improvements	-	-	-	31,735,104
Transfers from other funds	800,000	-	210,332	336,041
Transfers to other funds	<u>(3,790,000)</u>	<u>(2,990,000)</u>	<u>(2,990,000)</u>	<u>(1,872,276)</u>
<b>Total business-type activities changes in net position</b>	<u>\$ 17,506,749</u>	<u>\$ 7,320,189</u>	<u>\$ 1,004,001</u>	<u>\$ 35,865,745</u>
<b>Change in net position - primary government</b>	<u>\$ 13,240,070</u>	<u>\$ (8,680,600)</u>	<u>\$ (9,169,762)</u>	<u>\$ 54,471,171</u>



Table 3 - Unaudited

2019	2020	2021	2022	2023	2024
\$ 31,007,646	\$ 29,500,861	\$ 29,839,670	\$ 31,406,588	\$ 31,357,773	\$ 29,427,910
25,727,230	25,550,538	25,875,398	27,676,173	27,156,633	26,436,689
20,077	330,134	32,652	417,729	-	-
56,754,953	55,381,533	55,747,720	59,500,490	58,514,406	55,864,599
11,566,113	11,052,227	12,354,561	13,620,399	12,736,873	8,102,183
20,692,406	27,694,429	(13,467,548)	19,593,707	14,593,000	21,510,222
36,244,712	13,343,366	127,898	11,208,948	20,102,479	25,205,527
7,044,520	7,658,571	7,977,481	8,411,820	8,884,161	10,310,621
75,547,751	59,748,593	6,992,392	52,834,874	56,316,513	65,128,553
(18,792,798)	(4,367,060)	48,755,328	6,665,616	2,197,893	(9,263,954)
-	-	170	5,106	-	-
-	-	-	-	-	30,751,552
-	-	-	-	-	-
1,244,819	1,321,264	80,889	(1,443,020)	938,336	3,033,872
(13,190)	(7,834)	(8,057)	(238,108)	-	-
-	-	(37,150)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,231,629	1,313,430	35,852	(1,676,022)	938,336	33,785,424
(17,561,169)	(3,053,630)	48,791,180	4,989,594	3,136,229	24,521,470
37,946,742	29,379,346	42,235,846	13,203,536	16,782,833	11,392,441
-	-	-	-	2,085,129	2,367,848
(2,570,708)	-	-	-	-	-
\$ 17,814,865	\$ 26,325,716	\$ 91,027,026	\$ 18,193,130	\$ 22,004,191	\$ 38,281,759
\$ 57,170,103	\$ (9,546,154)	\$ 104,669,699	\$ 35,929,990	\$ 76,520,337	\$ 227,744,617

## CITY OF FLINT, MICHIGAN

### Fund Balances Governmental Funds

Last Ten Fiscal Years

	2015	2016	2017	2018
<b>General fund</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Assigned	-	-	-	-
Unassigned (deficit)	3,346,327	10,037,581	17,073,792	20,374,004
<b>Total general fund</b>	<u>3,346,327</u>	<u>10,037,581</u>	<u>17,073,792</u>	<u>20,374,004</u>
<b>All other governmental funds</b>				
Nonspendable	-	-	-	-
Restricted	26,419,102	28,279,651	30,676,075	35,677,268
Unassigned (deficit)	(108,770)	-	-	-
<b>Total all other governmental funds</b>	<u>26,310,332</u>	<u>28,279,651</u>	<u>30,676,075</u>	<u>35,677,268</u>
<b>Total all governmental funds</b>	<u>\$ 29,656,659</u>	<u>\$ 38,317,232</u>	<u>\$ 47,749,867</u>	<u>\$ 56,051,272</u>

Table 4 - Unaudited

2019	2020	2021	2022	2023	2024
\$ -	\$ 37,192	\$ 61,757	\$ 49,836	\$ 135,690	\$ 191,045
2,070,811	1,632,576	13,087,906	14,094,070	3,000,000	-
<u>22,366,581</u>	<u>15,925,521</u>	<u>9,789,704</u>	<u>4,988,355</u>	<u>11,704,999</u>	<u>53,857,304</u>
<u>24,437,392</u>	<u>17,595,289</u>	<u>22,939,367</u>	<u>19,132,261</u>	<u>14,840,689</u>	<u>54,048,349</u>
-	76,529	152,501	34,589	140,438	38,662
36,051,327	38,679,911	45,207,609	47,894,423	51,568,207	58,752,815
<u>-</u>	<u>(76,529)</u>	<u>(753,258)</u>	<u>(3,644,857)</u>	<u>(4,685,026)</u>	<u>(7,588,320)</u>
<u>36,051,327</u>	<u>38,679,911</u>	<u>44,606,852</u>	<u>44,284,155</u>	<u>47,023,619</u>	<u>51,203,157</u>
<u>\$ 60,488,719</u>	<u>\$ 56,275,200</u>	<u>\$ 67,546,219</u>	<u>\$ 63,416,416</u>	<u>\$ 61,864,308</u>	<u>\$ 105,251,506</u>

# CITY OF FLINT, MICHIGAN

## Changes in Fund Balances Governmental Funds

Last Ten Fiscal Years

	2015	2016	2017	2018
<b>Revenues</b>				
Property taxes	\$ 16,696,873	\$ 15,581,099	\$ 16,960,809	\$ 16,443,315
Income taxes	14,314,826	15,864,085	15,644,292	15,471,994
Cable franchise fees	-	-	1,022,650	979,569
Special assessments	13,493,216	-	-	-
Federal sources	21,699,780	7,007,040	5,783,334	7,905,710
State sources	1,144,948	36,047,846	30,386,628	33,417,100
Charges for services	582,869	8,390,598	11,181,260	13,871,362
Fines and forfeitures	7,975,310	3,081,246	429,860	273,269
Licenses and permits	2,450,924	1,154,277	2,227,748	1,605,360
Local contributions	4,976,610	275,028	1,046,885	1,800,813
Interest	-	983,837	672,739	930,348
Other revenues	-	1,460,982	1,499,523	1,739,879
<b>Total revenues</b>	<b>83,335,356</b>	<b>89,846,038</b>	<b>86,855,728</b>	<b>94,438,719</b>
<b>Expenditures</b>				
Legislative	557,841	841,240	870,950	900,620
General government	11,033,750	10,771,374	10,339,533	12,688,374
Judicial	5,294,069	3,783,089	901,361	858,955
Public safety	40,331,305	38,680,868	41,497,939	44,776,943
Public works	15,801,065	6,155,898	10,714,513	11,105,954
Health and welfare	-	-	-	-
Recreation and culture	2,980,851	358,444	584,219	360,304
Community development	5,582,858	7,745,212	5,576,085	5,585,435
Facilities maintenance	-	1,661,747	1,643,145	1,799,705
Transportation	-	12,012,988	6,084,566	6,813,018
Capital outlay	-	-	-	-
Debt service:				
Principal	1,239,070	1,659,622	1,755,725	2,629,731
Interest	1,168,901	1,292,981	1,233,055	1,278,549
<b>Total expenditures</b>	<b>83,989,710</b>	<b>84,963,463</b>	<b>81,201,091</b>	<b>88,797,588</b>
Revenues over (under) expenditures	(654,354)	4,882,575	5,654,637	5,641,131
<b>Other financing sources (uses)</b>				
Issuance of long-term liabilities	7,000,000	-	-	-
Proceeds from sale of capital assets	500	-	-	-
Transfers in	5,454,157	5,085,992	5,092,663	6,035,471
Transfers out	(1,676,159)	(1,307,994)	(1,314,665)	(3,375,197)
<b>Total other financing sources</b>	<b>10,778,498</b>	<b>3,777,998</b>	<b>3,777,998</b>	<b>2,660,274</b>
<b>Net change in fund balance</b>	<b>\$ 10,124,144</b>	<b>\$ 8,660,573</b>	<b>\$ 9,432,635</b>	<b>\$ 8,301,405</b>
Debt service as a percentage of noncapital expenditures	3.1%	3.8%	4.0%	4.5%

Table 5 - Unaudited

2019	2020	2021	2022	2023	2024
\$ 20,279,812	\$ 20,927,464	\$ 23,710,945	\$ 22,813,977	\$ 23,296,464	\$ 26,147,415
16,019,035	17,020,456	15,028,812	19,076,507	18,700,983	20,953,861
941,961	881,931	919,339	887,414	794,297	689,039
-	-	-	-	-	-
10,995,680	10,038,406	10,654,495	12,586,174	25,309,885	65,715,026
36,389,470	32,998,037	39,471,430	39,875,551	37,738,516	173,944,479
10,586,067	12,107,288	13,598,528	5,658,592	10,188,313	12,547,613
235,651	273,802	231,576	44,250	35,104	-
2,132,138	2,260,879	1,714,741	1,977,744	3,005,330	4,047,351
1,910,797	1,949,539	3,800,540	3,392,140	3,244,557	13,249,997
1,284,586	971,971	368,354	(1,994,680)	1,808,307	5,950,063
1,039,167	1,139,018	880,819	1,958,829	1,645,349	1,304,760
101,814,364	100,568,791	110,379,579	106,276,498	125,767,105	324,549,604
765,717	1,020,917	833,422	936,704	955,752	1,898,859
17,194,733	19,805,631	19,600,468	18,459,978	31,650,208	48,942,411
750,288	850,055	1,133,385	1,059,999	1,097,668	1,115,537
43,483,079	51,180,023	42,428,740	50,612,222	48,883,156	151,656,583
19,832,593	21,421,183	22,022,675	21,201,495	23,226,811	37,576,140
-	-	-	-	-	90,108
617,174	532,917	697,735	485,088	2,205,012	1,685,926
9,667,090	6,761,698	8,778,703	13,402,003	13,784,692	33,550,420
1,531,620	1,470,117	1,347,172	1,615,661	1,717,078	-
-	-	-	-	-	-
-	-	-	-	-	2,037,759
1,620,288	1,790,849	1,840,679	1,756,981	3,373,409	4,005,836
1,115,884	1,288,223	801,381	876,170	698,490	571,185
96,578,466	106,121,613	99,484,360	110,406,301	127,592,276	283,130,764
5,235,898	(5,552,822)	10,895,219	(4,129,803)	(1,825,171)	41,418,840
-	519,785	375,800	-	273,063	1,968,358
-	-	-	-	-	-
6,755,396	4,390,222	7,264,431	1,731,420	1,964,622	43,444,331
(3,396,690)	(3,570,704)	(7,264,431)	(1,731,420)	(1,964,622)	(43,444,331)
3,358,706	1,339,303	375,800	-	273,063	1,968,358
\$ 8,594,604	\$ (4,213,519)	\$ 11,271,019	\$ (4,129,803)	\$ (1,552,108)	\$ 43,387,198
3.0%	2.9%	2.9%	2.4%	3.4%	1.7%

## CITY OF FLINT, MICHIGAN

### Taxable Value and Actual Value of Taxable Property

Last Ten Years

Tax Year	Fiscal year ended June 30,	Taxable Value by Property Type:				
		Real Property			Personal Property	Total Taxable Value
		Residential	Commercial	Industrial		
2014	2015	\$ 358,826,466	\$ 174,669,232	\$ 78,779,274	\$ 146,551,100	\$ 758,826,072
2015	2016	351,627,021	175,031,857	67,448,512	155,838,600	749,945,990
2016	2017	344,250,125	171,595,307	66,040,606	129,048,800	710,934,838
2017	2018	341,664,450	173,709,042	66,063,625	133,145,700	714,582,817
2018	2019	337,466,043	177,932,764	73,668,354	144,818,600	733,885,761
2019	2020	338,527,026	179,959,673	73,750,141	150,681,900	742,918,740
2020	2021	345,535,505	181,032,421	81,445,564	163,343,400	771,356,890
2021	2022	370,785,448	203,019,229	119,664,514	175,947,400	869,416,591
2022	2023	415,936,738	208,362,108	98,234,950	183,102,000	905,635,796
2023	2024	463,312,680	217,054,402	98,940,134	189,966,400	969,273,616

*Notes: Under Michigan law, the revenue base is referred to as "Taxable Value". This amount represents assessed value (50% of true cash value), limited for each property by the lower of 5% or inflation.*

*Taxes levied in a particular "tax year" become revenue of the subsequent fiscal year. Tax rates are per \$1,000 of assessed value.*

*Using the assessed value instead of estimated actual value starting TY2020.*

*Source: City Assessor*

Table 6 - Unaudited

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Tax Rate (mills)	Estimated Actual Value	Taxable Value as a % of Actual	Industrial Facilities Tax Abated Taxable Value
66.4550	\$ 1,563,630,500	48.53%	\$ 17,607,300
66.9603	1,550,764,900	48.36%	19,771,400
67.9853	1,594,595,400	44.58%	29,670,872
68.1838	1,623,760,348	44.01%	32,175,818
68.1838	1,623,760,348	45.20%	38,387,229
69.1083	1,623,760,348	45.75%	39,887,165
70.7929	1,029,344,080	74.94%	34,508,149
71.6245	1,088,988,064	79.84%	31,295,200
71.1328	1,226,382,034	73.85%	28,420,500
66.7252	2,771,417,194	34.97%	28,947,170

## CITY OF FLINT, MICHIGAN

### Direct and Overlapping Property Tax Rates

Last Ten Years

Fiscal Year Ending	Millage Rates - Direct City Taxes				
	General Operating	Public Improvements	Police	Public Transport	Parks and Recreation
2015	7.5000	2.5000	2.0000	0.6000	0.5000
2016	7.5000	2.5000	2.0000	0.6000	0.5000
2017	7.5000	2.5000	2.0000	0.6000	0.5000
2018	7.5000	2.5000	2.0000	0.6000	0.5000
2019	7.5000	2.5000	2.0000	0.6000	0.5000
2020	7.5000	2.5000	2.0000	0.6000	0.5000
2021	7.5000	2.5000	2.0000	0.6000	0.5000
2022	7.5000	2.5000	2.0000	0.6000	0.5000
2023	7.5000	2.5000	2.0000	0.6000	0.5000
2024	7.5000	2.5000	2.0000	0.6000	0.5000

*Note: The City's property tax rates may be increased only by a majority vote of the City's residents.*

*\* Overlapping rates are those of local and county governments that apply to property owners within the City.*

*\*\* Under Charter & Applicable State Law - Under the Michigan Home Rule Cities Act, a Home Rule City is allowed to extend the operating millage not to exceed two percent (2% or 20 mills) of assessed value of all real and personal property in the City.*

*Source: City Audit Dept. / City Assessor*





Millage Rates - Direct City Taxes		Overlapping Tax Rates*		
Public Safety	Total Direct Taxes**	Paramedic Services	Genesee County	County Parks & Recreation
6.0000	19.1000	0.4847	7.5472	0.7500
6.0000	19.1000	0.4847	7.5472	0.7500
6.0000	19.1000	0.4847	7.5472	0.7500
6.0000	19.1000	0.4847	7.5472	0.7500
6.0000	19.1000	0.4837	8.4920	0.7485
6.0000	19.1000	0.4805	8.4371	0.7436
6.0000	19.1000	0.4775	9.3251	0.7390
6.0000	19.1000	0.4775	9.2898	0.7390
6.0000	19.1000	0.4775	9.2898	0.7390
6.0000	19.1000	0.4775	9.2898	0.7390

continued...

ble 7 - Unaudited **CITY OF FLINT, MICHIGAN**

**Direct and Overlapping Property Tax Rates**

Last Ten Years

Tax Year	Overlapping Tax Rates*			
	Bishop Airport	MTA	District Library	Michigan S.E.T.
2015	0.4847	0.8000	3.4000	6.0000
2016	0.4847	1.2250	4.0000	6.0000
2017	0.4847	1.2250	4.0000	6.0000
2018	0.4847	1.2250	4.0000	6.0000
2019	0.4837	1.2225	4.0000	6.0000
2020	0.4805	1.2250	5.8200	6.0000
2021	0.4775	1.2175	5.8200	6.0000
2022	0.4775	1.2175	5.6700	6.0000
2023	0.4775	1.2175	5.6700	6.0000
2024	0.4775	1.2175	5.6700	6.0000

**Table 7 - Unaudited**

	Overlapping Tax Rates*			Total Tax Rate	
Mott Community College	Intermediate School District	School: Homestead	School: Non- homestead	Homestead	Non-homestead
2.8596	3.5341	4.0000	22.0000	48.9603	66.9603
2.8596	3.5341	4.0000	22.0000	49.9853	67.9853
2.8096	3.7826	4.0000	22.0000	50.1838	68.1838
2.8096	3.7826	4.0000	22.0000	50.1838	68.1838
2.8047	3.7732	4.0000	22.0000	51.1083	69.1083
2.7605	3.7457	4.0000	22.0000	52.7929	70.7929
2.7472	3.7207	4.0000	22.0000	53.6245	71.6245
2.6638	3.6950	4.0000	22.0000	53.3301	71.3301
2.6638	3.6950	4.0000	22.0000	53.3301	71.3301
2.6638	3.6950	4.0000	22.0000	53.3301	71.3301

concluded

**Principal Property Taxpayers**

Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Assessed Value	Rank	Percentage of Total City Assessed Value	Assessed Value	Rank	Percentage of Total City Assessed Value
Consumers Energy	\$ 135,262,679	1	9.76%	\$ 58,421,200	1	7.47%
General Motors Company	29,809,736	2	2.15%			
General Motors LLC *	22,415,459	3	1.62%	52,439,000	2	6.71%
Sealy Matthew Drive LLC	6,742,860	4	0.49%			
Continental Drive LP	5,516,145	5	0.40%			
4500 Matthews Drive LLC	5,301,481	6	0.38%	5,328,600	4	0.68%
Comcast of Flint, Inc.	5,013,300	7	0.36%	3,961,700	7	0.51%
MCD Flint, LLC	4,221,810	8	0.30%			
Phoenix Flint Center Road LLC	4,211,253	9	0.30%			
Saginaw & Court Assoc.	3,431,071	10	0.25%	4,539,000	6	0.58%
Barrett Outdoor Living, Inc				6,430,500	3	0.82%
IINN, Inc.				5,272,500	5	0.67%
PPG Industries				3,653,900	9	0.47%
A I - Genesee LLC				3,936,700	8	0.50%
Evergreen Regency Townhome				3,162,600	10	0.40%
Total Assessed Value, Top Ten	<u>\$ 221,925,794</u>		<u>16.01%</u>	<u>\$ 147,145,700</u>		<u>18.81%</u>
Total Ad Valorem Assessed Value	<u>\$ 1,385,708,597</u>			<u>\$ 781,815,250</u>		

\* Includes AC Rochester

Source: City Assessor

**Property Tax Levies and Collections**

Last Ten Years

Tax Year (1)	Fiscal ended June 30,	Total Tax Levy (2)	Current Tax Collections	Percent of Current Taxes Collected (3)	Delinquent Tax Collections (4)	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2014	2015	\$ 25,961,448	\$ 16,852,314	64.91%	\$ 4,665,668	\$ 21,517,982	82.88%
2015	2016	23,794,281	16,075,993	67.56%	3,305,153	19,381,146	81.45%
2016	2017	21,805,219	15,198,951	69.70%	3,252,939	18,451,890	84.62%
2017	2018	21,953,878	15,190,410	69.19%	4,624,255	19,814,665	90.26%
2018	2019	24,255,558	15,941,933	65.72%	5,905,902	21,847,835	90.07%
2019	2020	24,755,237	17,655,252	71.32%	5,597,984	23,253,236	93.93%
2020	2021	25,146,224	18,690,868	74.33%	6,080,160	24,771,028	98.51%
2021	2022	25,720,002	19,264,603	74.90%	4,708,719	23,973,322	93.21%
2022	2023	26,331,130	19,755,363	75.03%	6,569,205	26,324,568	99.98%
2023	2024	27,688,940	21,005,818	75.86%	6,683,122	27,688,940	100.00%

- 1 Taxes are levied on the first day of the subsequent fiscal year.
- 2 Does not include the taxes levied by the Flint Downtown Development Authority.
- 3 This column reflects the percent of the levy for a given year which was collected during that year.
- 4 Delinquent taxes from any previous years which were collected in the given year plus payments of delinquent taxes by Genesee County.

Note: All delinquent real property taxes outstanding as of March 1 were returned to and paid for by Genesee County Treasurer as provided for in the Michigan General Property Tax Laws. Thus, the extraordinarily high level of current and delinquent tax collections, and the correspondingly low level of outstanding delinquent tax.

Note: In 2013, Refuse Collection and Street Lighting became special assessments. A public safety millage was by also passed by citizens to support police and fire.

Source: City finance department - audit division

## CITY OF FLINT, MICHIGAN

### Debt Capacity Information

Ratios of Outstanding Debt  
Last Ten Fiscal Years

	2015	2016	2017	2018
<b>Governmental activities</b>				
General obligation bonds	\$ 8,665,000	\$ 8,355,000	\$ 8,025,000	\$ 7,680,000
Local government loan	7,420,000	7,210,000	6,990,000	6,765,000
Emergency Loan	7,000,000	6,610,000	6,200,000	5,780,000
Notes payable	11,465,073	10,715,453	9,920,278	8,280,547
Installment purchase agreements	818,935	597,648	433,737	264,558
Bond premium	-	-	-	-
Subscription liability	-	-	-	-
Lease liability	-	-	-	-
<b>Total governmental activities</b>	<b>35,369,008</b>	<b>33,488,101</b>	<b>31,569,015</b>	<b>28,770,105</b>
<b>Business type activities</b>				
Revenue bonds	20,770,336	20,770,336	20,770,336	-
KWA agreement payable	-	-	-	-
Installment purchase agreements	1,763,688	1,188,473	901,815	607,348
<b>Total business-type activities</b>	<b>22,534,024</b>	<b>21,958,809</b>	<b>21,672,151</b>	<b>607,348</b>
<b>Total debt of the government</b>	<b>\$ 57,903,032</b>	<b>\$ 55,446,910</b>	<b>\$ 53,241,166</b>	<b>\$ 29,377,453</b>
<b>Total residential personal income</b>	\$ 341,319,125	\$ 385,227,365	\$ 375,944,196	\$ 320,705,960
Total debt as percentage of personal income	16.96%	14.39%	14.16%	9.16%
<b>Total population</b>	99,002	98,310	97,386	96,448
Total debt per capita	\$ 585	\$ 564	\$ 547	\$ 305

Table 10 - Unaudited

2019	2020	2021	2022	2023	2024
\$ 7,320,000	\$ 6,075,000	\$ 5,735,000	\$ 5,380,000	\$ 5,005,000	\$ 4,610,000
6,530,000	6,445,000	6,120,000	5,785,000	5,445,000	5,100,000
5,350,000	4,910,000	4,465,000	4,010,000	3,545,000	3,070,000
7,685,257	7,084,409	6,478,922	5,866,942	3,857,392	1,835,267
751,292	3,612,908	3,428,313	1,742,566	1,016,034	261,861
-	1,021,228	942,672	864,116	785,560	707,004
-	-	-	-	368,123	448,235
-	-	-	383,472	340,368	1,158,765
<b>27,636,549</b>	<b>28,127,317</b>	<b>27,169,907</b>	<b>24,032,096</b>	<b>20,362,477</b>	<b>17,191,132</b>
-	-	6,327,420	22,647,391	41,376,079	47,871,744
103,265,747	101,029,474	98,703,117	96,267,194	93,720,799	81,454,500
294,002	-	-	-	-	-
<b>103,559,749</b>	<b>101,029,474</b>	<b>105,030,537</b>	<b>118,914,585</b>	<b>135,096,878</b>	<b>129,326,244</b>
<b>\$ 131,196,298</b>	<b>\$ 129,156,791</b>	<b>\$ 132,200,444</b>	<b>\$ 142,946,681</b>	<b>\$ 155,459,355</b>	<b>\$ 146,517,376</b>
\$ 294,137,699	\$ 298,770,767	\$ 268,077,633	\$ 250,412,769	\$ 303,945,857	\$ 313,293,264
44.60%	43.23%	49.31%	57.08%	51.15%	46.77%
95,943	95,538	97,386	80,628	79,846	79,661
\$ 1,367	\$ 1,352	\$ 1,357	\$ 1,773	\$ 1,947	\$ 1,839

**Debt Capacity Information**

Ratios of General Bonded Debt Outstanding  
Last Ten Years

Fiscal Year	Tax-Limited General Obligation Bonds (LTGO)	Other General Obligation Debt	Unamortized Bond Premium	Net General Bonded Debt	Taxable Value	Debt as a Percentage of Taxable Value	Population	Debt per Capita
2015	\$ 8,665,000	\$ 25,885,073	\$ -	\$ 34,550,073	\$ 749,945,990	4.61%	99,002	\$ 349
2016	8,355,000	24,535,453	-	32,890,453	710,934,838	4.63%	98,310	335
2017	8,025,000	23,110,278	-	31,135,278	760,702,865	4.09%	97,386	320
2018	7,680,000	20,825,547	-	28,505,547	714,582,817	3.99%	96,448	296
2019	7,320,000	19,565,257	-	26,885,257	738,359,099	3.64%	95,943	280
2020	6,075,000	17,063,922	1,021,228	25,535,637	771,356,890	3.31%	95,538	267
2021	5,735,000	15,661,942	942,672	23,741,594	804,246,571	2.95%	97,386	244
2022	5,380,000	15,661,942	864,116	21,906,058	869,416,591	2.52%	80,628	272
2023	5,005,000	12,847,392	785,560	18,637,952	905,635,796	2.06%	79,846	234
2024	4,610,000	10,005,267	707,004	15,322,271	969,273,616	1.58%	79,661	192

*Note: The City has no Tax Supported Bonds (UTGO) or Pledged Debt Service Funds.*



**Debt Capacity Information**

Direct and Overlapping Governmental Activities Debt  
Current Fiscal Year

Governmental Unit	Debt Outstanding	Estimated % Applicable *	Estimated Share of Overlapping Debt
Overlapping Debt:			
Genesee County	\$ 40,540,784	7.42%	\$ 3,008,126
Genesee Intermediate School District	17,314,655	6.96%	1,205,100
Bishop Airport Authority	2,292,776	7.42%	170,124
Mott Community College	52,340,000	6.96%	3,642,864
Carman-Ainsworth School District	9,490,000	2.69%	255,281
Swartz Creek School District	46,168,190	2.31%	1,066,485
Westwood Heights School District	3,260,264	2.14%	69,770
Flint Public Library	9,579,945	100.00%	9,579,945
Total Overlapping Debt			18,997,695
Direct City Debt			17,191,132
<b>Total Direct and Overlapping Debt</b>			<b>\$ 36,188,827</b>

Sources: Assessed value data used to estimate applicable percentages provided by the City Assessor. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Flint. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

\* For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

## CITY OF FLINT, MICHIGAN

### Debt Capacity Information

Legal Debt Margin  
Last Ten Fiscal Years

	2015	2016	2017	2018
<b>Calculation of legal debt limit</b>				
Assessed valuation	\$ 771,238,344	\$ 790,981,093	\$ 811,340,683	\$ 841,624,456
7% of assessed valuation *				
(** 10% for 2018- current)	53,986,684	55,368,677	56,793,848	84,162,446
<b>Calculation of debt subject to limit:</b>				
Total bonded debt at June 30	42,751,574	53,660,787	51,905,612	28,505,547
Less debt not subject to limitation under City Charter and State Statute:				
Revenue bonds and notes	20,770,336	20,770,336	20,770,336	-
Debt subject to limitation (net debt)	21,981,238	32,890,451	31,135,276	28,505,547
Legal debt margin (unused debt limitation)	\$ 32,005,446	\$ 22,478,226	\$ 25,658,572	\$ 55,656,899
Net debt subject to limit as % of debt limit	40.72%	59.40%	54.82%	33.87%

\* Bond limit: Section 7-302 of the City Charter, adopted November 4, 1975, limits "net" debt to 7% of assessed valuation but does not define net debt. Calculations for 2009-2017 continue previous practice and are consistent

\*\* Bond limit - Section 7-302 of the City Charter, adopted on August 7, 2017 and became effective on January 1, 2018 limits net bonded indebtedness for general obligations to 10% of the assessed valuation.

Note: Corrections for FY2018 and FY2019 to remove capital leases.

Table 13 - Unaudited

2019	2020	2021	2022	2023	2024
\$ 874,376,920	\$ 956,599,547	\$ 1,029,344,080	\$ 1,088,988,064	\$ 1,079,909,610	\$ 1,226,382,034
87,437,692	95,659,955	102,934,408	108,898,806	107,990,961	122,638,203
26,885,257	24,514,409	33,497,327	46,296,015	61,030,065	65,062,876
-	-	6,327,420	22,647,391	41,376,079	47,871,744
26,885,257	24,514,409	27,169,907	23,648,624	19,653,986	17,191,132
\$ 60,552,435	\$ 71,145,546	\$ 75,764,501	\$ 85,250,182	\$ 88,336,975	\$ 105,447,071
30.75%	25.63%	26.40%	21.72%	18.20%	14.02%

**Debt Capacity Information**

Pledged-Revenue Coverage - Revenue Bonds

Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Applicable Expenses	Net Revenues	Debt Service			Coverage*
				Principal	Interest	Total	
2021	\$ 25,957,586	\$ 8,874,201	\$ 17,083,385	\$ -	\$ -	\$ -	N/A
2022	27,094,603	12,082,545	15,012,058	-	238,108	238,108	63.05
2023	27,156,633	25,698,068	1,458,565	733,000	579,386	1,312,386	1.11
2024	26,436,689	13,315,410	13,121,279	1,426,250	883,273	2,309,523	5.68

Notes: Depreciation, amortization, loss on sale of capital assets, post-employment health care expenses, and bad debt expense are not included in applicable expenses.

Note #2: While the above table is to display last 10 fiscal years, this is displaying the fiscal years that had revenue bonds as there were no revenue bonds prior to fiscal year 2021.

\*Calculation of revenue bond coverage of 1.25 to 1 is required by the State of Michigan.

**Demographic and Economic Statistics**

Last Ten Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income *	Michigan Labor Market - Jobless Rate for Flint only
2014	99,002	\$ 341,319,125	\$ 3,448	11.7%
2015	98,310	385,227,365	3,918	11.0%
2016	97,386	375,944,196	3,860	9.3%
2017	96,448	320,705,960	3,325	9.5%
2018	95,943	294,137,699	3,066	10.3%
2019	95,538	298,770,767	3,127	3.7%
2020	97,386	268,077,633	2,753	8.3%
2021	80,628	250,412,769	3,106	6.1%
2022	79,846	303,945,857	3,807	4.1%
2023	79,661	313,293,264	3,933	4.5%

Sources: US Bureau of Labor Statistics  
 Unemployment Statistics - not seasonally adjusted  
 U.S. Census Dept.  
 City of Flint Income Tax Division

\* Per capita income includes only earned wages; it does not include social security, pension income, welfare programs, etc.

Note: Population per Munetrix; Personal Income per Innovative; Local Area Unemployment Statistics per US Bureau of Labor Statistics

## CITY OF FLINT, MICHIGAN

### Principal Employers (# of W-2s)

Current Year and Nine Years Ago

Taxpayer	FY 2024 (2023) Employees	Percentage of Total	FY 2024 (2023) Rank
General Motors Corp/Motors Liquidation Co	7,806	26.16%	1
Hurley Medical Center	2,826	9.47%	2
McLaren Regional Medical Center	2,495	8.36%	3
University of Michigan	1,966	6.59%	4
Genesee County	1,323	4.43%	5
Express Services, Inc.	1,118	3.75%	6
Lear Corporation	1,008	3.38%	7
Kettering University	929	3.11%	8
City of Flint	673	2.26%	9
Quality Temporary Service	663	2.22%	10
CS Mott College			
Flint School District			
Diplomat Pharmacy			
State of Michigan			
	<u>20,807</u>	<u>69.72%</u>	
Total Employees Working in City	<u>29,843</u>		

Source: City of Flint Income Tax Division

**Table 16 - Unaudited**

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<b>FY 2015 (2014) Employees</b>	<b>Percentage of Total</b>	<b>2015 Rank</b>
8,695	19.35%	1
2,984	6.64%	3
3,020	6.72%	2
2,737	6.09%	4
1,906	4.24%	5
760	1.69%	10
1,785	3.97%	6
1,676	3.73%	7
1,064	2.37%	8
950	2.11%	9
<u>25,577</u>	<u>56.91%</u>	
<u><u>44,944</u></u>		

## CITY OF FLINT, MICHIGAN

### Full-time Equivalent Government Employees

Last Ten Fiscal Years (as of June 30)

Function / Program	2015	2016	2017
<b>Administration</b>			
City Administration	3.0	3.0	3.0
Mayor's Office	2.0	3.0	3.0
Blight	-	-	-
Legal Department	8.0	8.0	8.0
City Clerk's Office <i>(not including election workers)</i>	5.0	6.0	6.0
City Council	2.0	3.0	3.0
Ombudsman's Office	-	-	-
Human Resources - Personnel & Labor Relations	5.0	7.0	7.0
Union Representatives	1.0	1.0	1.0
<b>68th District Court</b>	28.0	-	-
<b>Finance Administration</b>			
Finance Department/Payroll/Retirement	8.0	8.0	9.0
Treasury/Customer Service/Income Tax	20.0	19.0	20.0
Assessment	9.0	9.0	9.0
Information Services/Data Processing	4.0	5.0	5.0
Facilities Maintenance/Grounds	2.0	2.0	3.0
Fleet Management	9.0	9.0	9.0
<b>Purchasing</b>			
Administration	2.0	2.0	2.0
<b>Planning &amp; Development</b>			
Community & Economic Development/Major Grants	12.0	14.0	16.0
Building Inspections/Development/Demolition	13.0	13.0	14.0
<b>Fire Department</b>	68.0	68.0	68.0
Emergency 9-1-1 (After 2015 Flint no longer has its own 9-1-1)	18.0	-	-
<b>Police Department</b>			
Sworn Officers	97.0	106.0	111.0
Civilians	14.0	16.0	15.0
<i>School Crossing Guards (not FTEs)</i>	29.0	30.0	30.0



Table 17 - Unaudited

2018	2019	2020	2021	2022	2023	2024
3.0	8.0	7.0	5.0	6.0	7.0	9.0
5.0	5.0	6.0	13.0	11.0	10.0	15.0
-	-	1.0	3.0	5.0	8.0	11.0
8.0	8.0	7.0	7.0	8.0	10.0	6.0
6.0	6.0	6.0	7.0	8.0	8.0	5.0
3.0	3.0	3.0	3.0	3.0	8.0	12.0
-	-	-	1.0	3.0	1.0	1.0
7.0	7.0	7.0	8.0	7.0	6.0	7.0
1.0	1.0	-	-	-	1.0	1.0
-	-	-	-	-	-	-
9.0	9.0	8.0	9.0	8.0	12.0	11.0
22.0	22.0	19.0	20.0	20.0	21.0	17.0
9.0	9.0	7.0	9.0	9.0	9.0	9.0
6.0	6.0	6.0	6.0	6.0	8.0	6.0
3.0	3.0	2.0	3.0	3.0	3.0	4.0
9.0	9.0	7.0	8.0	8.0	8.0	3.0
2.0	2.0	2.0	2.0	2.0	2.0	2.0
19.0	20.0	19.0	19.0	20.0	20.0	22.0
13.0	15.0	13.0	12.0	11.0	15.0	14.0
97.0	97.0	99.0	83.0	83.0	84.0	72.0
-	-	-	-	-	-	-
111.0	112.0	112.0	118.0	118.0	116.0	105.0
14.0	14.0	26.0	24.0	24.0	27.0	21.0
30.0	-	-	-	-	-	-

continued...

## CITY OF FLINT, MICHIGAN

### Full-time Equivalent Government Employees

Last Ten Fiscal Years (as of June 30)

Function / Program	2015	2016	2017
<b>Public Works &amp; Utilities Administration</b>			
Street Maintenance	17.0	22.0	21.0
Traffic Engineering	10.0	11.0	10.0
Transportation-Director/Administration	4.0	7.0	6.0
Utilities Administration	3.0	3.0	3.0
Water Service Center-Sewer Maintenance	27.0	33.0	34.0
Water Service Center- Water Distribution	33.0	33.0	34.0
Water Plant	22.0	24.0	25.0
Water Pollution Control	35.0	38.0	38.0
<b>Total Staffing (excluding school crossing guards)</b>	<b>481.0</b>	<b>473.0</b>	<b>483.0</b>

Source: City of Flint Finance Office

Table 17 - Unaudited

2018	2019	2020	2021	2022	2023	2024
21.0	26.0	30.0	27.0	29.0	26.0	25.0
10.0	10.0	10.0	8.0	8.0	6.0	7.0
7.0	8.0	7.0	7.0	6.0	6.0	3.0
3.0	3.0	3.0	3.0	3.0	3.0	3.0
34.0	34.0	32.5	34.5	33.0	34.0	21.0
34.0	34.0	32.5	34.5	33.0	34.0	26.0
25.0	18.0	19.0	18.0	18.0	19.0	16.0
38.0	38.0	39.0	37.0	36.0	38.0	36.0
<b>519.0</b>	<b>527.0</b>	<b>530.0</b>	<b>529.0</b>	<b>529.0</b>	<b>550.0</b>	<b>490.0</b>

concluded

## CITY OF FLINT, MICHIGAN

### Operating Indicators by Function/Program

Last Ten Fiscal Years

Function / Program	2015	2016	2017	2018
<b>Finance</b>				
Accounting/Risk Management:				
Payroll checks processed	17,962	16,605	16,109	16,114
<b>Fleet Maintenance</b>				
Repair work orders	1,574	1,500	1,536	1,695
Planned maintenance work orders	412	481	486	561
<b>Election Data (Calendar Year - November Elections):</b>				
Registered voters	79,206	75,437	76,276	74,128
Voters (at the polls or absentee)	23,182	14,041	33,858	20,190
Percent voting	29.3%	18.6%	44.4%	27.2%
<b>68th District Court (Calendar Year):</b>				
Number of new court cases	27,959	30,887	-	-
<b>Police:</b>				
Physical arrests (fiscal year 2010-2017 & 2019, calendar year 2018)	1,553	1,464	1,664	1,250
Traffic violations/misdemeanors/civil infractions (fiscal)	6,300	7,285	*17,072	18,874
Investigations (fiscal year 2010-2017 & 2019, calendar year 2018)	12,527	10,513	10,500	9,427
<b>Fire (Calendar Year):</b>				
Fire runs	2,695	3,211	2,609	2,457
Emergency medical runs	1,281	1,109	1,776	1,580
Inspections	380	400	508	564
<b>Public Works:</b>				
Miles of streets resurfaced	1	3	-	-
Tree removals	846	1179	373	182
Street and Parks Planting (partnership w/Genesee Conserv. District)	857	470	410	125
<b>Refuse Collection:</b>				
Household waste & residential compost - cubic yards	101,889	102,137	103,716	107,117
Tire Buyback Program (incl. Blight Division collection of tires)	4,242	1,975	2,183	1,707
<b>Parks and Recreation (Calendar Year):</b>				
Recreation Centers - Senior & Youth Participants	1,208	3,657	1,654	1,444
<b>Water:</b>				
Number of customers billed	29,596	31,468	30,404	29,984
Total consumption (ccf)	2,857,898	2,826,200	3,035,655	2,866,888
Average consumption per user (ccf)	97	90	100	96
<b>Wastewater (Calendar Year):</b>				
Average daily sewage treatment - gallons	19,900,000	19,900,000	19,900,000	20,200,000

Sources: Various City Departments - please note that some information is not available (N/A) because these statistics were not tracked/compiled in the past or the records are unavailable.

Notes: Operating Indicators are not available for the general government function.

\*Enforcement initiatives increased FY17

\*\*Water consumption changed significantly in FY15 due to the fact that the City no longer purchased water from DWSD and sold water to City residents only.

General Motors began purchasing water from Genesee County, which resulted in a decrease in consumption for the City.

\*\*\* The 68th District Court consolidated/merged with the 67th District Court beginning January 1

\*\*\*\* Flint 911 Dispatch Center merged with Genesee County 911

\*\*\*\*\* Police traffic violations and investigations were estimated for 2022 based on average from 2021 and 2020 due to data not being available. Police data for 2023 was not being available.

Table 18 - Unaudited

2019	2020	2021	2022	2023	2024
15,994	15,886	15,198	15,701	15,237	14,522
1,378	1,220	1,320	1,258	1,440	1,303
572	422	472	487	390	210
73,613	76,778	75,552	75,288	76,049	76,474
26,614	34,339	6,675	10,938	23,484	32,138
36.2%	44.7%	8.8%	14.5%	30.9%	42.0%
-	-	-	-	-	-
555	593	325	756	650	1,171
17,714	4,829	5,168	4,998	7,698	5,321
8,165	9,456	8,300	8,878	11,220	9,527
2,075	2,117	2,166	2,382	3,584	3,583
2,383	2,048	1,486	1,063	397	298
503	381	316	476	200	210
-	Not available	11	34	18	27
390	127	492	245	173	795
123	103	200	438	305	3,200
102,651	Not available	130,545	143,113	102,746	104,136
2,728	804	873	1,651	2,847	3,540
1,323	2,498	2,416	3,207	1,148	2,042
27,355	27,623	28,572	29,086	29,804	29,217
2,617,923	2,594,352	2,619,949	2,875,440	2,875,440	3,255,010
96	94	92	99	96	111
19,253,761	20,600,000	15,400,000	15,500,000	15,800,000	17,300,000

## CITY OF FLINT, MICHIGAN

### Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018
<b>Police:</b>				
Stations	1	1	1	1
Mini-Stations	6	5	5	6
Patrol units *	91	91	100	101
<b>Fire:</b>				
Stations	5	5	5	5
Fire response vehicles	14	14	14	14
Emergency medical response vehicles	3	3	3	3
<b>Public Works:</b>				
City Streets (miles):	508.18	508.18	508.18	508.18
Major streets	152.33	152.33	152.33	152.33
Local streets	355.85	355.85	355.85	355.85
Interstate Highways	10.93	10.93	10.93	10.93
Sidewalks	986.50	986.50	986.50	986.50
Streetlights	11,292	11,292	11,292	11,731
Traffic Signals/Beacons	252	252	252	252
<b>Parks and Recreation:</b>				
Acreage	1,084	1,084	1,084	1,092
Developed parks/playgrounds	63	63	63	63
Baseball/softball stadiums/diamonds	29	29	29	43
Soccer/football/rugby fields	14	14	14	12
Community centers **	5	5	5	5
Golf courses **	4	4	4	4
<b>Water:</b>				
Water mains (miles)	540	540	540	540
Fire hydrants	5,200	5,200	5,200	5,200
Storage capacity (gallons)	57,000,000	57,000,000	57,000,000	57,000,000
<b>Sewer:</b>				
Sanitary sewers (miles)	570	570	570	570
Storm sewers (miles)	350	350	350	350
Treatment capacity (gallons/day)	80,000,000	80,000,000	80,000,000	80,000,000

Source: Various City Departments

\* Marked and unmarked police vehicles are included in this number

\*\*\* For 2022 due to ongoing CWSRF construction projects related to the aeration tanks, primary tanks, and grit channels treatment capacity is temporarily reduced to 40 million gallons/day.

Note: No capital asset indicators are available for the general government function.

Table 19 - Unaudited

2019	2020	2021	2022	2023	2024
1	1	1	1	1	1
3	-	-	4	4	4
67	67	66	70	70	70
5	5	5	5	5	5
12	14	15	15	15	15
3	2	2	9	9	9
508.18	506.15	506.15	506.18	506.18	506.18
152.33	152.26	152.26	152.33	152.33	152.33
355.85	353.89	353.89	355.85	355.85	355.85
10.93	10.93	10.93	10.93	10.93	10.93
986.50	926.50	1,038.50	986.50	986.50	986.50
11,881	11,521	11,521	11,292	11,292	11,292
252	198	198	252	252	252
1,092	1,092	1,092	1,092	1,092	1,084
63	63	63	65	65	63
43	43	43	34	34	29
12	12	12	12	12	14
5	5	5	5	5	5
4	4	4	2	2	2
540	583	583	583	583	583
5,200	3,871	3,871	4,000	4,000	4,000
57,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
570	570	570	570	570	570
350	350	350	350	350	350
80,000,000	80,000,000	80,000,000	40,000,000	40,000,000	40,000,000

**Employees' Retirement System - Comparative Schedule - Actuarial Valuations**

Last 10 Actuarial Reports

(\$ amounts expressed in thousands)

Continuation Indicators							
Valuation Date	Valuation Assets	APVCPB	Funded Ratio	UAPVCPB	Ratio of UAPVCPB to APVCPB	Member Payroll	Ratio of UAPVCPB to Payroll
12/31/2014	\$ 264,000	\$ 550,119	48.0%	\$ 286,120	52.0%	\$ 51,039	560.6%
12/31/2015	242,518	565,954	48.0%	323,436	57.1%	50,964	634.6%
12/31/2016	203,100	548,845	37.0%	345,745	63.0%	51,497	671.4%
12/31/2017	197,129	543,169	36.3%	346,040	63.7%	50,740	682.0%
12/31/2018	179,957	537,218	33.5%	357,261	66.5%	50,476	707.8%
12/31/2019	159,890	557,614	28.7%	397,724	71.3%	50,527	787.2%
12/31/2020	149,785	559,118	26.8%	409,333	73.2%	50,038	818.0%
12/31/2021	158,007	563,053	28.1%	405,046	71.9%	49,299	821.6%
12/31/2022	146,546	549,637	26.7%	403,091	73.3%	47,669	845.6%
12/31/2023	332,984	540,471	61.6%	207,487	38.4%	48,047	431.8%

*APVCPB – actuarial accrued liability**UAPVCPB – unfunded actuarial present value of credited projected benefits*

No actuary report in 2013

*Actuarial assumptions were revised in 2015*