

Charter Township of Flint

**Financial Report
with Supplemental Information
December 31, 2013**

Charter Township of Flint

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Independent Auditor's Report

To the Board of Trustees
Charter Township of Flint

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Charter Township of Flint (the "Township"), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Charter Township of Flint's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the Board of Trustees
Charter Township of Flint

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Charter Township of Flint as of December 31, 2013 and the respective changes in its financial position and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 16 to the basic financial statements, in 2013, the Township adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. As a result, property tax revenue levied for the following year is reported as a deferred inflow of resources, rather than as a liability, and revenue that is not collected soon enough to be considered available in the governmental funds (such as special assessment receivables) are reported as deferred inflows. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and OPEB system schedules of funding progress, and the major fund budgetary comparison schedules, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 supplemental 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Flint's basic financial statements. The other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

To the Board of Trustees
Charter Township of Flint

The other supplemental information, as identified in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 other supplemental information, as identified in the table of contents, is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2014 on our consideration of the Charter Township of Flint's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 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 Charter Township of Flint's internal control over financial reporting and compliance.

Plante & Morse, PLLC

May 15, 2014

Charter Township of Flint

Management's Discussion and Analysis

Our discussion and analysis of the Charter Township of Flint's (the "Township") financial performance provides an overview of the Township's financial activities for the fiscal year ended December 31, 2013. Please read it in conjunction with the Township's financial statements.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the Charter Township of Flint as a whole and present a longer-term view of the Charter Township of Flint's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year, and whether the taxpayers have funded the full cost of providing government services.

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the Charter Township of Flint's operations in more detail than the government-wide financial statements by providing information about the Township's most significant funds. The fiduciary fund statements provide financial information about activities for which the Township acts solely as a trustee or agent for the benefit of those outside of the government.

Governmental and Business-type Activities

The following table shows, in a condensed format, the current year's net position and changes in net position, compared to the prior year:

	Governmental Activities		Business-type Activities		Total	
	2013	2012*	2013	2012	2013	2012
Assets						
Cash and investments	\$ 6,699,718	\$ 8,167,756	\$ 5,906,768	\$ 5,212,607	\$ 12,606,486	\$ 13,380,363
Current receivables	6,610,110	6,590,417	3,627,319	3,611,836	10,237,429	10,202,253
Prepaid items	232,790	157,928	6,909	5,892	239,699	163,820
Net pension asset	1,414,796	1,475,263	-	-	1,414,796	1,475,263
Capital assets	14,975,737	15,982,427	2,695,130	2,616,442	17,670,867	18,598,869
Total assets	29,933,151	32,373,791	12,236,126	11,446,777	42,169,277	43,820,568
Liabilities						
Current liabilities	1,047,214	939,907	2,021,143	1,792,563	3,068,357	2,732,470
Long-term liabilities	6,643,386	6,455,936	674,899	652,664	7,318,285	7,108,600
Total liabilities	7,690,600	7,395,843	2,696,042	2,445,227	10,386,642	9,841,070
Deferred Inflows of Resources	6,217,570	6,338,726	-	-	6,217,570	6,338,726
Net Position						
Net invested in capital assets	12,273,627	12,982,626	2,265,497	2,166,809	14,539,124	15,149,435
Restricted	2,553,029	3,124,764	-	-	2,553,029	3,124,764
Unrestricted	1,198,325	2,531,832	7,274,587	6,834,741	8,472,912	9,366,573
Total net position	\$ 16,024,981	\$ 18,639,222	\$ 9,540,084	\$ 9,001,550	\$ 25,565,065	\$ 27,640,772

(* Amounts in 2012 have been restated for the implementation of GASB No. 65, as disclosed in the notes to the financial statements)

Charter Township of Flint

Management's Discussion and Analysis (Continued)

The governmental net position decreased 14 percent from a year ago - decreasing from \$18,639,222 to \$16,024,981. Last year's net position decreased by 6 percent.

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenue						
Program revenue:						
Charges for services	\$ 3,184,608	\$ 3,167,280	\$ 10,929,476	\$ 10,854,183	\$ 14,114,084	\$ 14,021,463
Operating grants	497,283	871,490	-	-	497,283	871,490
Capital grants	80,819	211,743	17,573	19,850	98,392	231,593
General revenue:						
Property taxes	4,577,145	5,439,304	-	-	4,577,145	5,439,304
State-shared revenue	2,373,589	2,328,131	-	-	2,373,589	2,328,131
Investment earnings	82,159	107,338	4,825	5,893	86,984	113,231
Other revenue	675,014	789,420	-	-	675,014	789,420
Total revenue	<u>11,470,617</u>	<u>12,914,706</u>	<u>10,951,874</u>	<u>10,879,926</u>	<u>22,422,491</u>	<u>23,794,632</u>
Program Expenses						
General government	2,935,649	3,320,443	-	-	2,935,649	3,320,443
Public safety	8,120,603	7,497,350	-	-	8,120,603	7,497,350
Public works	2,779,290	2,983,323	-	-	2,779,290	2,983,323
Recreation and cultural	87,957	197,897	-	-	87,957	197,897
Sewer and water	-	-	10,413,340	10,184,421	10,413,340	10,184,421
Interest on long-term debt	161,359	169,896	-	-	161,359	169,896
Total expenses	<u>14,084,858</u>	<u>14,168,909</u>	<u>10,413,340</u>	<u>10,184,421</u>	<u>24,498,198</u>	<u>24,353,330</u>
Change in Net Position	<u>\$ (2,614,241)</u>	<u>\$ (1,254,203)</u>	<u>\$ 538,534</u>	<u>\$ 695,505</u>	<u>\$ (2,075,707)</u>	<u>\$ (558,698)</u>

Unrestricted net position - the part of net position that can be used to finance day-to-day operations - decreased by \$1,333,507 for governmental activities. The current level of unrestricted net position for our governmental activities stands at \$1,198,325 or about 8.5 percent of expenditures.

The Township's business-type activities consist of the Sewer and Water Fund. The total net position of business-type activities increased by \$538,534 or 6 percent. Last year's net position increased by 8 percent.

Unrestricted net position of the business-type activities increased by \$439,846 or approximately 6 percent.

Financial Analysis of the Township's Funds

As the Township completed the year, its General Fund reported a fund balance of \$4,369,352. This represents a decrease of \$674,482 from the prior year. The Township's General Fund revenues, excluding other financing sources, were approximately \$9.9 million. Property taxes were \$3.6 million or 36.3 percent of the total revenues. State revenue sharing made up \$2.4 million or 25 percent of total revenue.

Charter Township of Flint

Management's Discussion and Analysis (Continued)

The Township Board passed a 2013 General Fund budget anticipating a decrease of approximately \$1,237,000 of fund balance. However, the change in fund balance was a decrease of \$674,000. The Township's actual expenditures were \$450,283 less than the final amended budget.

Budgetary Highlights

Amended to Actual - General Fund revenues totaled \$9,866,909, \$92,619 more than the final amended budget. The largest differences between budget and actual revenue were more than anticipated charges for services (\$84,000), licenses and permits (\$41,000), state-shared revenue and grants (\$34,000), and cable franchise fees (\$37,000).

General Fund expenditures totaled \$10,561,761, \$450,283 less than the final amended budget. General government expenditures totaled \$2,565,823, \$231,248 less than the final amended budget.

Capital Assets

At the end of 2013, the Township had invested \$14.5 million in capital assets, net of related debt. This amount complies with methods established by the Governmental Accounting Standards Board (GASB).

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

- Numerous street paving projects totaling \$381,000
- Equipment purchases of \$170,000
- Public Safety vehicle purchases of \$150,000
- The Township also disposed of approximately \$201,000 of vehicles used in the Police and Fire Departments.

Additional information on the Township's capital assets can be found in Note 5 of this report.

Long-term Debt

At year end, the Township had approximately \$7 million in governmental long-term debt, including \$1 million in special assessment debt. Included in long-term debt is the postemployment benefit obligation (OPEB) for retiree healthcare. The business-type activities had approximately \$675,000 in debt including the Fenton Road Watermain debt and the postemployment benefit obligation (OPEB) for retiree healthcare.

At year end, \$4,060,203 and \$245,266 was the balance for OPEB liability for the governmental and business-type activities, respectively.

Charter Township of Flint

Management's Discussion and Analysis (Continued)

Additional information on the Township's long-term debt can be found in Note 7 of this report.

Economic Factors

- The unemployment rate for the Greater Flint Area (which borders Flint Township) was 9.6 percent for 2013. This compares to an unemployment rate of 9.1 percent for the previous year.

Contacting the Township's Financial Administration

This financial report is intended to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Charter Township of Flint's finances and to demonstrate the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Township Clerk's Department, 1490 South Dye Road, Flint, Michigan 48532-4121.

Charter Township of Flint

Statement of Net Position December 31, 2013

	Primary Government			Economic Development Corporation
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents (Note 3)	\$ 6,497,324	\$ 5,406,768	\$ 11,904,092	\$ 859
Investments	202,394	500,000	702,394	-
Receivables:				
Property taxes receivable	4,459,950	-	4,459,950	-
Receivables from sales to customers on account	173,013	3,652,618	3,825,631	-
Accrued interest receivable	577	295	872	-
Other receivables	7,101	-	7,101	-
Due from other governmental units	430,728	-	430,728	-
Special assessments receivable	1,513,147	-	1,513,147	-
Internal balances	25,594	(25,594)	-	-
Prepaid expenses and other assets	232,790	6,909	239,699	-
Capital assets (Note 5):				
Assets not subject to depreciation	2,836,802	-	2,836,802	-
Assets subject to depreciation	12,138,935	2,695,130	14,834,065	-
Net pension asset	1,414,796	-	1,414,796	-
Total assets	29,933,151	12,236,126	42,169,277	859
Liabilities				
Accounts payable	418,770	188,822	607,592	-
Due to other governmental units	-	1,802,334	1,802,334	-
Refundable deposits, bonds, etc.	8,545	22,725	31,270	-
Accrued liabilities and other	277,600	7,262	284,862	-
Noncurrent liabilities (Note 7):				
Due within one year	342,299	20,000	362,299	-
Due in more than one year	6,643,386	654,899	7,298,285	-
Total liabilities	7,690,600	2,696,042	10,386,642	-
Deferred Inflows of Resources (Note 4)				
Property taxes levied for the following year	5,283,962	-	5,283,962	-
Other resources received before the period resources may be used	933,608	-	933,608	-
Total deferred inflows of resources	6,217,570	-	6,217,570	-
Net Position				
Net investment in capital assets	12,273,627	2,265,497	14,539,124	-
Restricted for:				
Police	245,370	-	245,370	-
ROW	31,765	-	31,765	-
Fire	511,421	-	511,421	-
Roads	233,976	-	233,976	-
Debt service	862,240	-	862,240	-
Public access programming	15,775	-	15,775	-
Grants	652,482	-	652,482	-
Unrestricted	1,198,325	7,274,587	8,472,912	859
Total net position	\$ 16,024,981	\$ 9,540,084	\$ 25,565,065	\$ 859

The Notes to Financial Statements are an
Integral Part of this Statement.

Charter Township of Flint

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 2,938,970	\$ 849,556	\$ -	\$ -
Public safety	8,120,603	732,169	533,723	11,573
Public works	2,779,290	1,587,821	48,544	-
Recreation and culture	75,608	-	-	899
Interest on long-term debt	129,359	-	-	-
Total governmental activities	14,043,830	3,169,546	582,267	12,472
Business-type activities	10,413,340	10,929,476	-	17,573
Total primary government	\$ 24,457,170	\$ 14,099,022	\$ 582,267	\$ 30,045
Component units	\$ 289	\$ -	\$ -	\$ -
General revenue:				
Property taxes				
State-shared revenue				
Investment income				
Cable franchise fees				
Other miscellaneous income				
Total general revenue				

Change in Net Position

Net Position - Beginning of year

Net Position - End of year

Statement of Activities
Year Ended December 31, 2013

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Economic Development Corporation
\$ (2,089,414)	\$ -	\$ (2,089,414)	\$ -
(6,843,138)	-	(6,843,138)	-
(1,142,925)	-	(1,142,925)	-
(74,709)	-	(74,709)	-
(129,359)	-	(129,359)	-
(10,279,545)	-	(10,279,545)	-
-	533,709	533,709	-
(10,279,545)	533,709	(9,745,836)	-
-	-	-	(289)
4,577,145	-	4,577,145	-
2,373,589	-	2,373,589	-
82,159	4,825	86,984	-
511,614	-	511,614	-
120,797	-	120,797	-
7,665,304	4,825	7,670,129	-
(2,614,241)	538,534	(2,075,707)	(289)
18,639,222	9,001,550	27,640,772	1,148
\$ 16,024,981	\$ 9,540,084	\$ 25,565,065	\$ 859

Charter Township of Flint

Governmental Funds Balance Sheet December 31, 2013

	General Fund	Municipal Street Fund	Nonmajor Funds	Total
Assets				
Cash and cash equivalents	\$ 4,352,529	\$ 460,568	\$ 1,684,227	\$ 6,497,324
Investments	202,394	-	-	202,394
Receivables:				
Property taxes receivable	3,640,850	327,678	491,422	4,459,950
Special assessments receivable	933,608	102,353	477,186	1,513,147
Receivables from sales to customers on account	173,013	-	-	173,013
Accrued interest receivable	577	-	-	577
Other receivables	2,580	4,521	-	7,101
Due from other governmental units	429,513	-	1,215	430,728
Due from other funds	27,190	22,518	12,840	62,548
Prepaid expenses and other assets	232,790	-	-	232,790
	<u>\$ 9,995,044</u>	<u>\$ 917,638</u>	<u>\$ 2,666,890</u>	<u>\$13,579,572</u>
Total assets				
Liabilities				
Accounts payable	\$ 148,191	\$ 270,479	\$ 100	\$ 418,770
Due to other funds	21,250	-	15,704	36,954
Refundable deposits, bonds, etc.	8,545	-	-	8,545
Accrued liabilities and other	263,059	-	-	263,059
	<u>441,045</u>	<u>270,479</u>	<u>15,804</u>	<u>727,328</u>
Total liabilities				
Deferred Inflows of Resources				
Property taxes levied for the following year	4,251,039	413,183	619,740	5,283,962
Other resources received before the period resources may be used	933,608	102,353	477,186	1,513,147
	<u>5,184,647</u>	<u>515,536</u>	<u>1,096,926</u>	<u>6,797,109</u>
Total deferred inflows of resources				
Fund Balances				
Nonspendable - Prepaids	232,790	-	-	232,790
Restricted:				
Roads	-	131,623	-	131,623
Police	240,167	-	5,203	245,370
Fire	-	-	511,421	511,421
Debt service	-	-	385,054	385,054
Grants	-	-	652,482	652,482
Public access programming	15,775	-	-	15,775
ROW	31,765	-	-	31,765
Assigned - Subsequent year's budget	1,775,310	-	-	1,775,310
Unassigned	2,073,545	-	-	2,073,545
	<u>4,369,352</u>	<u>131,623</u>	<u>1,554,160</u>	<u>6,055,135</u>
Total fund balances				
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,995,044</u>	<u>\$ 917,638</u>	<u>\$ 2,666,890</u>	<u>\$13,579,572</u>

Charter Township of Flint

Governmental Funds Reconciliation of the Balance Sheet to the Statement of Net Position December 31, 2013

Fund Balance Reported in Governmental Funds	\$	6,055,135
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 are not reported in the funds		14,975,737
Special assessment receivables that are collected after year end, such that they are not available to pay bills outstanding as of year end, are not recognized in the funds		579,539
Accrued interest is not due and payable in the current period and is not reported in the funds		(14,541)
Employee compensated absences are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities		(223,372)
Bonds payable are not due and payable in the current period and are not reported in the funds		(2,702,110)
Other long-term assets, such as net pension assets, are not available for current financial resources and are not reported as fund assets		1,414,796
Other long-term liabilities, such as net other postemployment benefit obligations, do not present a claim on current financial resources and are not reported as fund liabilities		(4,060,203)
Net Position of Governmental Activities	\$	<u>16,024,981</u>

Charter Township of Flint

Governmental Funds

Statement of Revenue, Expenditures, and Changes in Fund Balances Year Ended December 31, 2013

	General Fund	Municipal Street Fund	Nonmajor Funds	Total
Revenue				
Property taxes	\$ 3,640,325	\$ 374,669	\$ 562,151	\$ 4,577,145
Licenses and permits	332,963	-	-	332,963
Federal grants	54,121	-	437,121	491,242
State-shared revenue and grants	2,460,449	-	-	2,460,449
Charges for services	1,283,313	-	-	1,283,313
Fines and forfeitures	208,759	-	-	208,759
Investment income	37,790	9,118	35,251	82,159
Rental income	18,100	-	144,472	162,572
Other revenue:				
Special assessments	1,197,103	42,936	166,970	1,407,009
Cable franchise fees	511,614	-	-	511,614
Other miscellaneous income	122,372	-	-	122,372
Total revenue	9,866,909	426,723	1,345,965	11,639,597
Expenditures				
Current:				
General government	2,565,823	-	27,022	2,592,845
Public safety	6,279,764	-	1,395,938	7,675,702
Public works	1,652,170	308,934	36,336	1,997,440
Recreation and culture	62,868	-	9,080	71,948
Debt service:				
Principal	1,124	106,567	229,337	337,028
Interest on long-term debt	12	19,027	73,292	92,331
Total expenditures	10,561,761	434,528	1,771,005	12,767,294
Excess of Expenditures Over Revenue	(694,852)	(7,805)	(425,040)	(1,127,697)
Other Financing Sources (Uses)				
Face value of debt issue	-	-	1,425,000	1,425,000
Proceeds from sale of capital assets	20,370	-	-	20,370
Transfers in	-	-	32,000	32,000
Transfers out	-	(32,000)	-	(32,000)
Payment to bond refunding escrow agent	-	-	(1,423,605)	(1,423,605)
Total other financing sources (uses)	20,370	(32,000)	33,395	21,765
Net Change in Fund Balances	(674,482)	(39,805)	(391,645)	(1,105,932)
Fund Balances - Beginning of year	5,043,834	171,428	1,945,805	7,161,067
Fund Balances - End of year	<u>\$ 4,369,352</u>	<u>\$ 131,623</u>	<u>\$ 1,554,160</u>	<u>\$ 6,055,135</u>

The Notes to Financial Statements are an
Integral Part of this Statement.

Charter Township of Flint

Proprietary Funds Statement of Net Position December 31, 2013

	Enterprise Funds Sewer and Water
Assets	
Current assets:	
Cash and cash equivalents	\$ 5,406,768
Investments	500,000
Receivables:	
Receivables from sales to customers on account	3,652,618
Accrued interest receivable	295
Due from other funds	381
Prepaid expenses and other assets	6,909
Total current assets	9,566,971
Noncurrent assets - Capital assets	2,695,130
Total assets	12,262,101
Liabilities	
Current liabilities:	
Accounts payable	188,822
Due to other governmental units	1,802,334
Due to other funds	25,975
Refundable deposits, bonds, etc.	22,725
Accrued liabilities and other	7,262
Current portion of long-term debt (Note 7)	20,000
Total current liabilities	2,067,118
Noncurrent liabilities:	
Net OPEB obligation (Note 14)	245,266
Long-term debt (Note 7)	409,633
Total noncurrent liabilities	654,899
Total liabilities	2,722,017
Net Position	
Net investment in capital assets	2,265,497
Unrestricted	7,274,587
Total net position	<u>\$ 9,540,084</u>

Charter Township of Flint

Proprietary Funds Statement of Revenue, Expenses, and Changes in Net Position Year Ended December 31, 2013

	<u>Enterprise Fund</u> <u>Sewer and</u> <u>Water</u>
Operating Revenue	
Charges for service	\$ 10,674,359
Fines and penalties	248,192
Miscellaneous	<u>6,925</u>
Total operating revenue	10,929,476
Operating Expenses	
Cost of water	5,409,611
Cost of sewage treatment	3,566,640
Supplies	2,936
Repairs	519,580
Personnel services	577,278
Contractual	53,433
Insurance	61,292
Other postemployment benefit expense	42,435
Professional services	9,838
Miscellaneous	2,918
Depreciation	<u>156,336</u>
Total operating expenses	<u>10,402,297</u>
Operating Income	527,179
Nonoperating Revenue (Expenses)	
Investment income	4,825
Interest expense	<u>(11,043)</u>
Total nonoperating expenses	<u>(6,218)</u>
Income - Before contributions	520,961
Capital Contributions	<u>17,573</u>
Change in Net Position	538,534
Net Position - Beginning of year	<u>9,001,550</u>
Net Position - End of year	<u><u>\$ 9,540,084</u></u>

Charter Township of Flint

Proprietary Funds Statement of Cash Flows Year Ended December 31, 2013

	<u>Enterprise Fund</u> <u>Sewer and</u> <u>Water</u>
Cash Flows from Operating Activities	
Receipts from customers	\$ 10,908,177
Receipts from interfund services and reimbursements	(381)
Payments to suppliers	(9,677,758)
Payments to employees	(298,405)
Internal activity - Payments to other funds	5,512
	<u>937,145</u>
Cash Flows from Capital and Related Financing Activities	
Special assessment collections	18,221
Purchase of capital assets	(235,024)
Principal and interest paid on capital debt	(31,044)
	<u>(247,847)</u>
Cash Flows from Investing Activities - Interest received on investments	<u>4,863</u>
Net Increase in Cash and Cash Equivalents	694,161
Cash and Cash Equivalents - Beginning of year	<u>4,712,607</u>
Cash and Cash Equivalents - End of year	<u><u>\$ 5,406,768</u></u>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating income	\$ 527,179
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation and amortization	156,336
Changes in assets and liabilities:	
Receivables	(21,299)
Due from others	(381)
Prepaid and other assets	(1,017)
Accounts payable	228,898
Due to others	5,512
Accrued and other liabilities	41,917
	<u>937,145</u>
Net cash provided by operating activities	<u><u>\$ 937,145</u></u>

Charter Township of Flint

Fiduciary Funds Statement of Fiduciary Net Position December 31, 2013

	<u>Trust Funds</u>	<u>Agency Funds</u>
Assets		
Cash and cash equivalents	\$ 53,943	\$ 508,028
Investments - Mutual funds	5,551,702	-
Receivables	-	316,256
Accrued interest	5,386	-
	<u>5,611,031</u>	<u>\$ 824,284</u>
Liabilities		
Due to other governmental units	-	\$ 221,800
Undistributed taxes	-	379,345
Refundable deposits, bonds, etc.	-	173,168
Accrued liabilities and other	-	49,971
	<u>-</u>	<u>\$ 824,284</u>
Net Position Held in Trust for Pension and Other Employee Benefits	<u>\$ 5,611,031</u>	

Charter Township of Flint

Fiduciary Funds

Statement of Changes in Fiduciary Net Position - Trust Funds Year Ended December 31, 2013

	<u>Trust Funds</u>
Additions	
Investment income:	
Interest and dividends	\$ 257,081
Net increase in fair value of investments	<u>626,443</u>
Net investment income	883,524
Contributions:	
Employer	881,493
Employee	<u>60,412</u>
Total contributions	<u>941,905</u>
Total additions	1,825,429
Deductions	
Benefit payments	1,046,058
Administrative expenses	<u>7,563</u>
Total deductions	<u>1,053,621</u>
Net Increase in Net Position Held in Trust	771,808
Net Position Held in Trust for Pension and Other Employee Benefits - Beginning of year	<u>4,839,223</u>
Net Position Held in Trust for Pension and Other Employee Benefits - End of year	<u><u>\$ 5,611,031</u></u>

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 1 - Nature of Business and Significant Accounting Policies

Reporting Entity

The Charter Township of Flint (the "Township") was incorporated on July 17, 1978 under the provisions of Act 90, P.A. 1976, as amended. The accompanying financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the Township's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Township (see discussion below for description).

Blended Component Units

The Charter Township of Flint Firefighters' Trust Fund - The Charter Township of Flint Firefighters' Trust Fund (the "Trust Fund") is made up of Township employees and elected officials. The Pension Board approves investment policies. The Pension Board provides services exclusively to Township employees (current and retired).

Charter Township of Flint Building Authority - The Charter Township of Flint Building Authority (the "Authority") governing board is made up of Township employees and Township residents. The Authority Board provides services exclusively to the Township for the purpose of overseeing future construction projects.

Discretely Presented Component Units

Charter Township of Flint Economic Development Corporation - The Charter Township of Flint Economic Development Corporation (the "Corporation") board is appointed by the Township. The Township approves the annual budget and provides employees and facilities to the Corporation.

All financial information of this component unit has been included in these financial statements. There are no separately issued financial statements.

Accounting and Reporting Principles

The Township follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Government Accounting Standards Board.

Fund Accounting

The Township accounts for its various activities in several different funds, in order to demonstrate accountability for how we have spent certain resources - separate funds allow us to show the particular expenditures that specific revenues were used for. The various funds are aggregated into three broad fund types:

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The Township reports the following funds as “major” governmental funds:

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide general government services, other than those specifically assigned to another fund.
- The Municipal Street Fund accounts for revenue and expenditures for the purpose of street repairs and construction.

Proprietary funds include enterprise funds, which provide goods or services to users in exchange for charges or fees. The Township reports the following fund as a “major” enterprise fund:

- The Water and Sewer Fund is maintained for the operations of the water distribution system and sewage pumping and collection systems.

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts will not be used to operate our government's programs. Activities that are reported as fiduciary include:

- The Pension Trust Fund accounts for the activities of the Fire Fighters' Trust Fund utilized to pay for Township fire fighter retirees. The Fund accumulates resources for pension benefits financed by both employer and employee contributions.
- The Postemployment Benefit Trust Fund accumulates resources for post-employment benefit payments for Township retired employees.
- The Agency Fund accounts for assets held by the Township in a trustee capacity. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Interfund Activity - During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note I - Nature of Business and Significant Accounting Policies (Continued)

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the government has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care related costs, or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenues are not recognized until they are collected, or collected soon enough after the end of the year that they are available to pay for obligations outstanding at the end of the year. For this purpose, the Township considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: state-shared revenue, federal grant reimbursements, and interest associated with the current fiscal period. Conversely, special assessments will be collected after the period of availability; receivables have been recorded for these, along with a "deferred inflow of resources".

Proprietary funds and fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Note I - Nature of Business and Significant Accounting Policies (Continued)

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. 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. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. 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. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

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 for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes and other items not properly included among program revenues are reported instead as general revenue.

For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the Township's water and sewer function and various other functions of the Township. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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.

Specific Balances and Transactions

Cash, Cash Equivalents, and Investments - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Receivables and Payables - In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown as net of allowance for uncollectible amounts.

Prepaid Items - Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets - Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Infrastructure, intangibles, buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

<u>Capital Asset Class</u>	<u>Lives</u>
Infrastructure	10 - 20 years
Water and sewer systems	40 years
Building improvements	7 - 20 years
Buildings and building improvements	30 years
Vehicles	2 - 15 years
Equipment and furniture	3 - 18 years
Computer equipment	5 - 10 years

Compensated Absences - It is the Township's policy to pay firefighters one-half of their unused sick days at the time of retirement. All other Township employees are paid for unused sick days on an annual basis. Employees lose any unused vacation time at the end of the year. The liability for sick time is accrued when incurred in the government-wide financial statements. A liability for this amount is reported in governmental funds only for firefighter terminations as of the year end. Compensated absences attributable to the governmental activities will be liquidated primarily by the General Fund.

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Long-term Obligations - In the government-wide financial statements and the 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, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. 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 are reported as other financing uses. Issuance costs are reported as debt service expenditures. Claims and judgments liabilities will generally be liquidated through the Township's General Fund.

Pension and Other Postemployment Benefit Costs - The Township offers both pension and retiree health care benefits to retirees. The Township receives an actuarial valuation to compute the annual required contribution (ARC) necessary to fund the obligation over the remaining amortization period. In the governmental funds, pension and OPEB costs are recognized as contributions are made. For the government-wide statements and proprietary funds, the Township reports the full accrual cost equal to the current year required contribution, adjusted for interest and "adjustment to the ARC" on the beginning of year underpaid amount, if any. The net pension obligation and net OPEB obligation have generally been liquidated from the funds that the individual employee's salaries are paid, which are generally the General Fund and Sewer and Water Fund.

Deferred Outflows/Inflows 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, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has no deferred outflows 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds and government-wide statements report unavailable revenues from property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Note I - Nature of Business and Significant Accounting Policies (Continued)

Net Position Flow Assumption

Sometimes the Township will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Township's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumption

Sometimes the Township will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

In the fund financial statements, governmental funds report the following components of fund balance.

Nonspendable - Amounts that are not in spendable form or are legally or contractually required to be maintained intact.

Restricted - Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.

Committed - Amounts that have been formally set aside by the Township for use for specific purposes. Commitments are made and can be rescinded only via resolutions of the Township Board.

Assigned - Intent to spend resources on specific purposes expressed by the governing body. Assignments must be authorized by resolution and approved by the governing body.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note I - Nature of Business and Significant Accounting Policies (Continued)

Unassigned - Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

Property Tax Revenue

Property taxes are levied on each December 1 on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time penalties and interest are assessed.

The Township's 2012 tax is levied and collectible on December 1, 2012 and is recognized as revenue in the year ended December 31, 2013, when the proceeds of the levy are budgeted and available for the financing of operations.

The 2012 taxable valuation of the Township totaled \$844.7 million. Taxes were levied as follows:

<u>Purpose</u>	<u>Millage Rate</u>	<u>Revenue</u>
General operating	4.6423	\$ 3,921,351
Police operating (10 years 2007-2016)	.500	422,350
Roads (10 years 2006-2015)	.500	422,350
Fire equipment (5 years 2011-2015)	.250	211,175
Total	<u>5.8923</u>	<u>\$ 4,977,226</u>

Proprietary Funds Operating Classification - 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 Sewer and Water Fund and internal service funds are charges to customers for sales and services. The Sewer and Water Fund also recognizes 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.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

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.

Note 2 - Stewardship, Compliance, and Accountability

Construction Code Fees - The Township oversees building construction, in accordance with the State's Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The Township charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative surplus or shortfall generated since January 1, 2000 is as follows:

Shortfall at January 1, 2013	\$ (735,448)
Current year permit revenue	108,606
Related expenses - Professional services	<u>(144,217)</u>
Current year shortfall	<u>(35,611)</u>
Cumulative shortfall at December 31, 2013	<u>\$ (771,059)</u>

Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

Note 3 - Deposits and Investments (Continued)

The Pension Trust Fund and Retiree Health Care Fund are also authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate (if the trust fund's assets exceed \$250 million), debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

The Township has designated five banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of state statutory authority as listed above. The Township's deposits and investment policies are in accordance with statutory authority.

The Township's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year end, the Township had \$11,130,557 of bank deposits (certificates of deposit, checking, and savings accounts) that were uninsured and uncollateralized. At year end, all of the bank deposits of the EDC were insured. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Custodial Credit Risk of Investments - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township does not have a policy for custodial credit risk. At year end, \$1,209,793 of investment securities were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Township's name.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 3 - Deposits and Investments (Continued)

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. The Township's investment policy does not restrict investment maturities, other than commercial paper which can only be purchased with a 270-day maturity.

At year end, the Township had the following investments:

Investment	Fair Value	Weighted Average Maturity (Years)
Fiduciary Funds - Mutual fund - Fixed income	\$ 1,948,747	4 - 12 years

Credit Risk - State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Fair Value	Rating	Rating Organization
Primary Government - Repurchase agreement	\$ 1,209,793	Not rated	N/A
Fiduciary Funds			
Mutual fund - Fixed income	\$ 1,948,747	Not rated	N/A
Money market	97,322	Not rated	N/A
Total	\$ 2,046,069		

Note 4 - Deferred Inflows of Resources

At the end of the current fiscal year, the various components of deferred inflows of resources are as follows:

	Governmental Funds	Governmental Activities
Property taxes levied for 2014 operations	\$ 5,283,962	\$ 5,283,962
Special assessments - Unavailable	579,539	-
Rubbish fee levied for 2014 operations	933,608	933,608
Total deferred inflows	\$ 6,797,109	\$ 6,217,570

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 5 - Capital Assets

Capital asset activity of the Township's governmental and business-type activities was as follows:

	Balance			Balance
	January 1, 2013	Additions	Disposals	December 31, 2013
Governmental Activities				
Capital assets not being depreciated -				
Land	\$ 2,836,802	\$ -	\$ -	\$ 2,836,802
Capital assets being depreciated:				
Infrastructure	24,336,025	381,413	-	24,717,438
Buildings and improvements	7,152,428	-	-	7,152,428
Machinery and equipment	3,301,002	169,714	(33,292)	3,437,424
Vehicles	2,470,009	149,862	(201,617)	2,418,254
Office furnishings	180,203	-	-	180,203
Subtotal	37,439,667	700,989	(234,909)	37,905,747
Accumulated depreciation:				
Infrastructure	16,788,921	1,163,263	-	17,952,184
Buildings and improvements	2,462,818	180,676	-	2,643,494
Machinery and equipment	3,375,698	155,422	(32,418)	3,498,702
Vehicles	1,526,971	188,237	(191,149)	1,524,059
Office furnishings	139,634	8,739	-	148,373
Subtotal	24,294,042	1,696,337	(223,567)	25,766,812
Net capital assets being depreciated	13,145,625	(995,348)	(11,342)	12,138,935
Net capital assets	\$ 15,982,427	\$ (995,348)	\$ (11,342)	\$ 14,975,737
Business-type Activities				
Capital assets being depreciated:				
Water and sewer lines	\$ 40,424,006	\$ 232,455	\$ -	\$ 40,656,461
Office furnishings	108,582	2,569	-	111,151
Subtotal	40,532,588	235,024	-	40,767,612
Accumulated depreciation:				
Water and sewer lines	37,844,904	152,867	-	37,997,771
Office furnishings	71,242	3,469	-	74,711
Subtotal	37,916,146	156,336	-	38,072,482
Net capital assets being depreciated	2,616,442	78,688	-	2,695,130
Net capital assets	\$ 2,616,442	\$ 78,688	\$ -	\$ 2,695,130

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

Governmental activities:

General government	\$ 223,139
Public safety	304,290
Public works	1,163,263
Recreation and culture	5,645
Total governmental activities	<u>\$ 1,696,337</u>
Business-type activities - Water and sewer	<u>\$ 156,336</u>

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 6 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
Due to/from Other Funds		
General Fund	Sewer and Water Fund	\$ 25,975
	Other governmental funds	1,215
	Total General Fund	27,190
Municipal Street Fund	Other governmental funds	22,518
Other governmental funds	General Fund	12,840
Sewer and Water Fund	General Fund	381
	Total	<u>\$ 62,929</u>

These balances result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Interfund transfers reported in the fund financial statements are comprised of the following:

Receivable Fund	Payable Fund	Amount
Municipal Street Fund	Other governmental funds	<u>\$ 32,000</u>

The transfer from the Municipal Street Fund to the Road Debt Service Fund is related to the debt payment, which is paid out of the Road Debt Service Fund.

Note 7 - Long-term Debt

The Township 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 Township. County contractual agreements and installment purchase agreements are also general obligations of the government. 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. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the Township is obligated to provide resources to cover the deficiency until other resources (such as tax sale proceeds or a re-assessment of the Township) are received. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 7 - Long-term Debt (Continued)

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities							
Building Authority Bonds - Series 2002	4.3% - 5%	2031	\$ 1,435,000	\$ -	\$ 1,435,000	\$ -	\$ -
Building Authority Bonds - Series 2013 Refunded	2.490%	2024	-	1,425,000	35,000	1,390,000	100,000
Capital lease - Copier	n/a	2013	1,124	-	1,124	-	-
Road assessment	n/a	2018	403,677	-	106,567	297,110	97,299
Special assessment - Capital Road Bonds	2% - 4.25%	2020	1,160,000	-	145,000	1,015,000	145,000
Total bonds payable			2,999,801	1,425,000	1,722,691	2,702,110	342,299
Accumulated compensated absences	n/a	n/a	222,997	34,701	34,326	223,372	-
Net OPEB liability	n/a	n/a	3,530,829	529,374	-	4,060,203	-
Total governmental activities			<u>\$ 6,753,627</u>	<u>\$ 1,989,075</u>	<u>\$ 1,757,017</u>	<u>\$ 6,985,685</u>	<u>\$ 342,299</u>
Business-type Activities							
Fenton Road Watermain Debt	2.50%	April 1, 2031	\$ 449,633	\$ -	\$ 20,000	\$ 429,633	\$ 20,000
Net OPEB liability	n/a	n/a	203,031	42,235	-	245,266	-
Total business-type activities			<u>\$ 652,664</u>	<u>\$ 42,235</u>	<u>\$ 20,000</u>	<u>\$ 674,899</u>	<u>\$ 20,000</u>

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

Year Ending December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2014	\$ 342,299	\$ 82,320	\$ 424,619	\$ 20,000	\$ 5,370	\$ 25,370
2015	340,435	70,887	411,322	20,000	5,120	25,120
2016	332,076	59,361	391,437	20,000	4,870	24,870
2017	282,300	47,867	330,167	20,000	4,621	24,621
2018	270,000	38,834	308,834	22,500	4,371	26,871
2019-2023	985,000	83,731	1,068,731	115,000	17,633	132,633
2024-2028	150,000	3,735	153,735	127,500	10,133	137,633
2029-2033	-	-	-	84,633	2,143	86,776
Total	<u>\$ 2,702,110</u>	<u>\$ 386,735</u>	<u>\$ 3,088,845</u>	<u>\$ 429,633</u>	<u>\$ 54,261</u>	<u>\$ 483,894</u>

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 7 - Long-term Debt (Continued)

Advance and Current Refundings - During the year, the Township issued \$1,425,000 in general obligation (revenue) bonds with an average interest rate of 3.9 percent. The proceeds of these bonds were used to advance refund \$1,435,000 of outstanding Building Authority Bonds - Series 2002 with an average interest rate of 4.75 percent. The net proceeds of \$1,423,605 (after payment of \$1,395 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the original bonds. As a result, the bonds are considered to be defeased and the liability for the bonds has been removed from the governmental activities debt. The advance refunding reduced total debt service payments over the next 17 years by \$534,191, which represents an economic gain of \$312,406.

Note 8 - No Commitment Debt

The Economic Development Corporation of the Charter Township of Flint (the "Corporation") has issued limited obligation economic development revenue bonds. Since the bonds are payable solely from the net revenues derived from the project and the bonds are not a general obligation of the Corporation or the Township, the bonds have not been reflected in the financial statements of the Township. Information regarding the status of each bond issue, including possible default, must be obtained from the paying agent or other knowledgeable source. As of December 31, 2013, there is approximately \$14,000,000 no commitment debt outstanding.

Note 9 - Risk Management

The Township 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 Township has purchased commercial insurance for property, liability, wrongful acts, law enforcement, automobile, bond, crime, inland marine, boiler claims, and health care. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Townships Participating Plan operates as an insurance purchasing pool for local units of government in Michigan. The plan purchases commercial insurance on behalf of its members at a lower cost than would be available on an individual basis.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 10 - Defined Benefit Pension Plan

Plan Description - The Fire Fighters' Pension Plan is a single-employer defined benefit pension plan that is administered by the Charter Township of Flint. The Fire Fighters' Pension Plan covers substantially all full-time firefighters. The plan was established in accordance with the State of Michigan's Public Act 345 of 1937. The plan is administered by a five-member board of trustees comprised of two members of the Township's administration and three other Township employees. Investments of the plan are made through JPMorgan Chase Bank Trust Department. The plan provides that the employer/employees contribute amounts necessary to fund the actuarially determined benefits. The system provides retirement, disability, and death benefits to plan members and their beneficiaries. At December 31, 2012, the date of the most recent actuarial valuation, membership consisted of 15 retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them, and 12 current active employees. The plan does not issue a separate financial report.

Contributions - Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Please refer to Note 1 for further significant accounting policies.

Funding Policy - The obligation to contribute to and maintain the system for these employees was established by negotiation with the Township's competitive bargaining units and requires a contribution from the employees of 8 percent. The funding policy provides for periodic employer contributions at actuarially determined rates; the current rate is 39.32 percent. The Township's contribution to the plan was equal to a rate of 40.18 percent.

Annual Pension Cost and Net Pension Asset

Annual required contribution	\$ 299,353
Interest on net pension asset	(34,005)
Adjustment to annual required contribution	<u>72,958</u>
Annual pension cost (APC)	338,306
Contributions made	<u>(305,900)</u>
Decrease in net pension asset	(32,406)
Net pension asset - Beginning of year	<u>850,135</u>
Net pension asset - End of year	<u>\$ 817,729</u>

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 10 - Defined Benefit Pension Plan (Continued)

Annual Pension Cost - For the year ended December 31, 2013, the Township's annual pension cost of \$338,306 for the plan was more than the Township's required contribution of \$299,353 and actual contribution of \$305,900. The pension cost for the three most recent years is as follows:

	Fiscal Year Ended December 31		
	2013	2012	2011
Annual pension cost (APC)	\$ 338,306	\$ 361,916	\$ 365,608
Percentage of APC contributed	90.4 %	89.6 %	90.4 %
Net pension asset	\$ 817,729	\$ 850,135	\$ 887,592

Funding Status and Funding Progress - As of December 31, 2012, the most recent actuarial valuation date, the plan was 57.1 percent funded. The actuarial accrued liability for benefits was \$8,239,231, and the actuarial value of assets was \$4,704,198, resulting in an unfunded actuarial accrued liability of \$3,535,033. The covered payroll (annual payroll to active employees covered by the plan) was \$881,598, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 400.9 percent.

The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

Actuarial Methods and Assumptions - The annual required contribution was determined as part of an actuarial valuation at December 31, 2012, using the entry age actuarial cost method. Significant actuarial assumptions used include (a) an 8 percent investment rate of return, (b) projected salary increases of 4.5 to 7.5 percent per year, and (c) 0 percent per year cost of living adjustments. Both (a) and (b) include an inflation component of 4.5 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a four-year period. The unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period is 17 years.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 11 - Defined Benefit Pension Plan - Police Officers'

Plan Description - The Township participates in the Michigan Municipal Employees' Retirement System (the "System"), an agent multiple-employer defined benefit pension plan that covers all police officers of the Township. The system provides retirement, disability, and death benefits to plan members and their beneficiaries. At December 31, 2012, the date of the most recent actuarial report, membership consisted of 26 retirees and beneficiaries, five inactive vested members, and 34 current active employees. The Michigan Municipal Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the System at 1134 Municipal Way, Lansing, MI 48917.

Funding Policy - The obligation to contribute to and maintain the System for these employees was established by negotiation with the Township's competitive bargaining units and requires a contribution from the employees of 7 percent for the Chief of Police, 10 percent for the patrol officers, 10 percent for police officers, and 10 percent for the police command officers of gross wages. The funding policy provides for periodic employer contributions at actuarially determined rates; the current rate is 17.18 for the police chief, 24.02 percent for police command officers, and 2.46 percent for police patrol officers. As per the collective bargaining agreement, the Township contributed those percentages respectively.

Annual Pension Cost and Net Pension Asset

Annual required contribution	\$ 519,223
Interest on net pension obligation	(23,004)
Adjustment to annual required contribution	<u>49,258</u>
Annual pension cost (APC)	545,477
Contributions made	<u>519,223</u>
Decrease in net pension asset	(26,254)
Net pension asset - Beginning of year	<u>575,105</u>
Net pension asset - End of year	<u>\$ 548,851</u>

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 11 - Defined Benefit Pension Plan - Police Officers' (Continued)

For the year ended December 31, 2013, the Township's annual pension cost of \$545,477 for the plan was more than the Township's required contribution of \$519,223. The annual required contribution was determined as part of an actuarial valuation at December 31, 2012, using the entry age actuarial cost method. Significant actuarial assumptions used include (a) an 8 percent investment rate of return, (b) projected salary increases of 4.5 to 17.5 percent per year, depending on age, and (c) 4.5 percent per year cost of living adjustments. Both (a) and (b) include an inflation component of 4.5 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a four-year period. The unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period is eight years.

Three-year Trend Information

	Actuarial Valuation as of December 31		
	2012	2011	2010
Actuarial value of assets	\$ 15,367,120	\$ 15,115,647	\$ 14,707,192
Actuarial accrued liability (AAL) (entry age)	\$ 22,842,742	\$ 21,761,609	\$ 20,059,840
Unfunded AAL (UAAL)	\$ 7,475,622	\$ 6,645,962	\$ 5,352,648
Funded ratio	67.3 %	69.5 %	73.3 %
Covered payroll	\$ 2,262,412	\$ 2,121,973	\$ 2,397,368
UAAL as a percentage of covered payroll	330.4 %	313.2 %	223.3 %

Note 12 - Defined Benefit Pension Plan - Full-time Clerical/Non-Union

Plan Description - The Township participates in the Michigan Municipal Employees' Retirement System (the "System"), an agent multiple-employer defined benefit pension plan that covers clerical/full-time and some non-union employees of the Township. The System provides retirement, disability, and death benefits to plan members and their beneficiaries. At December 31, 2012, the date of the most recent actuarial report, membership consisted of three retirees and beneficiaries, two inactive vested members, and 20 current active employees. The Michigan Municipal Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the System at 1134 Municipal Way, Lansing, MI 48917.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 12 - Defined Benefit Pension Plan - Full-time Clerical/Non-Union (Continued)

Funding Policy - The obligation to contribute to and maintain the System for these employees was established by negotiation with the Township's competitive bargaining units and requires a contribution from the employees of 5.97 percent. The funding policy provides for periodic employer contributions at actuarially determined rates; the current rate is 5.97 percent. As per the collective bargaining agreement, the Township contributed 5.97 percent.

Annual Pension Cost and Net Pension Asset

Annual required contribution	\$ 43,894
Interest on net pension asset	(2,002)
Adjustment to annual required contribution	<u>3,809</u>
Annual pension cost (APC)	45,701
Contributions made	<u>43,894</u>
Decrease in net pension asset	(1,807)
Net pension asset - Beginning of year	<u>50,023</u>
Net pension asset - End of year	<u>\$ 48,216</u>

Annual Pension Cost - For the year ended December 31, 2013, the Township's annual pension cost of \$45,701 for the plan was more than the Township's required and actual contribution of \$43,894.

Actuarial Methods and Assumptions - The annual required contribution was determined as part of an actuarial valuation at December 31, 2012, using the entry age actuarial cost method. Significant actuarial assumptions used include (a) an 8 percent investment rate of return, (b) projected salary increases of 4.5 to 17.5 percent per year, and (c) 4.5 percent per year cost of living adjustments. Both (a) and (b) include an inflation component of 4.5 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility over a four-year period. The unfunded actuarial liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period is 24 years.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 12 - Defined Benefit Pension Plan - Full-time Clerical/Non-Union (Continued)

Three-year Trend Information

	Actuarial Valuation as of December 31		
	2012	2011	2010
Actuarial value of assets	\$ 2,902,881	\$ 2,797,623	\$ 2,608,968
Actuarial accrued liability (AAL) (entry age)	\$ 2,945,518	\$ 2,810,357	\$ 2,489,011
Unfunded AAL (UAAL)	\$ 42,637	\$ 12,734	\$ (119,957)
Funded ratio	98.6 %	99.5 %	104.8 %
Covered payroll	\$ 760,372	\$ 717,252	\$ 798,054
UAAL as a percentage of covered payroll	5.6 %	1.8 %	(15.0)%

Note 13 - Defined Contribution Pension Plan

All other employees not described in a previous plan changed to a defined contribution plan administered through the Michigan Municipal Employees' Retirement System (MERS). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

	Elected Officials and Non-Union Employees	Police Communication Operators
Employer contribution percentage	10 %	5 %
Employee contribution percentage	5 %	- %
Vesting	Immediate	20% per year over 5 years
Employee contributions for December 31, 2013	\$ 27,717	\$ -
Employer contributions for December 31, 2013	39,785	7,162
Covered payroll	397,852	143,294
Total payroll	4,561,996	4,561,996

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 14 - Other Postemployment Benefits

Plan Description - The Township provides retiree health care benefits to eligible employees and their spouses. Currently, the plan has 116 members (including employees in active service, terminated employees not yet receiving benefits, and retired employees and beneficiaries currently receiving benefits).

This is a single employer defined benefit plan administered by the Township. The benefits are provided under collective bargaining agreements. The plan does not issue a separate stand-alone financial statement. Administrative costs are paid by the employer.

Funding Policy - Retiree health care costs are recognized when paid by the Township on a "pay-as-you-go" basis. The Township has no obligation to make contributions in advance of when the insurance premiums are due for payment. In the current year, the Township paid postemployment health care premiums of \$570,392, plus it contributed \$5,200 into a prefunded Retiree Health Care Fund.

Funding Progress - For the year ended December 31, 2013, the Township has estimated the cost of providing retiree health care benefits through an actuarial valuation as of January 1, 2011. The valuation computes an annual required contribution, which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. This valuation's computed contribution and actual funding are summarized as follows:

Annual OPEB Cost and Net OPEB Obligation

Annual required contribution	\$ 1,231,465
Interest on the prior year's net OPEB obligation	149,354
Less adjustment to the annual required contribution	<u>(233,618)</u>
Annual OPEB cost	1,147,201
Payments of current premiums	(570,392)
Advance funding	<u>(5,200)</u>
Increase in net OPEB obligation	571,609
Net OPEB obligation - Beginning of year	<u>3,733,860</u>
Net OPEB obligation - End of year	<u>\$ 4,305,469</u>

Note 14 - Other Postemployment Benefits (Continued)

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, shown above, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2011 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 3 percent initially. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2012 was 26 years.

Charter Township of Flint

Notes to Financial Statements December 31, 2013

Note 15 - Commitment

The Township entered into a contract with Richfield Equities to provide waste management services effective January 1, 2011 and expires December 31, 2014. During 2012, Richfield Equities filed for Chapter 11 bankruptcy and the company was subsequently purchased by Emterra Environmental. Emterra Environmental is honoring the contract the Township had with Richfield Equities. The following amount is to be paid to the vendor per the current contract based on the 2013 home count of 9,676, which is a decrease of eight homes from the previous year. Each year's cost will be adjusted based on the annual home count. The current annual mobile home collection fee is \$99,294. Additionally, a Michigan landfill fee totaling \$214 is paid annually to Emterra. Per the contract with Richfield Equities, the pricing for years 2012-2014 may be adjusted based upon excessive fuel price increases or decreases.

2014 \$ 1,226,742

Note 16 - Change in Accounting

During the current year, the Township adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The objective of this statement is to establish standards that reclassify certain items that were previously reported as assets and liabilities and instead to classify them as deferred inflows of resources, deferred outflows of resources, or as outflows of resources.

As a result of implementing this statement, the following assets and liabilities have been reclassified, as indicated:

Item	Amount	Prior Reporting Classification/Treatment	New Classification After Adoption of GASB No. 65
Property taxes billed, but which were levied for next year's budget	\$ 5,283,962	Liability	Deferred inflow of resources
Special assessments billed, but which were levied for next year's budget	579,539	Liability	Deferred inflow of resources
Rubbish collection fees billed, but which were levied for next year's budget	933,608	Liability	Deferred inflow of resources

Note 17 - Upcoming Accounting Pronouncements

In June 2012, the GASB issued two new pension standards, GASB Statement No. 67, *Financial Reporting for Pension Plans*, and No. 68, *Accounting and Financial Reporting for Pensions*. These new standards significantly revise the current accounting and reporting for pensions, both from an employer perspective as well as from a plan perspective. Employers providing defined benefit pensions to its employees must now, under these new standards, recognize their unfunded pension benefit obligation as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This net pension liability that will be recorded on the government-wide, proprietary, and discretely presented component units statements will be computed differently than the current unfunded actuarial accrued liability, using specific parameters set forth by the GASB. The statement also enhances accountability and transparency through revised and expanded note disclosures and required supplementary information (RSI). Statement No. 67 is required to be adopted for December 31, 2014 and Statement No. 68 one year later.

Required Supplemental Information

Charter Township of Flint

Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended December 31, 2013

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 3,808,200	\$ 3,808,200	\$ 3,640,325	\$ (167,875)
Licenses and permits	291,550	291,550	332,963	41,413
Federal grants	48,232	48,232	54,121	5,889
State-shared revenue and grants	2,426,900	2,426,900	2,460,449	33,549
Charges for services	1,198,651	1,198,651	1,283,313	84,662
Fines and forfeitures	140,900	140,900	208,759	67,859
Investment income	60,000	60,000	37,790	(22,210)
Rental income	20,400	20,400	18,100	(2,300)
Other revenue:				
Special assessments	1,200,000	1,200,000	1,197,103	(2,897)
Cable franchise fees	475,000	475,000	511,614	36,614
Other miscellaneous income	104,457	104,457	122,372	17,915
Total revenue	9,774,290	9,774,290	9,866,909	92,619
Expenditures - Current				
General government:				
Township Board	36,860	36,860	42,951	(6,091)
Supervisor's office	129,564	136,564	127,013	9,551
Controller's office	209,029	209,029	206,626	2,403
Treasurer	293,113	293,113	275,014	18,099
Assessing	328,673	328,673	296,566	32,107
Board of Review	7,175	7,175	4,338	2,837
Clerk	156,311	156,311	145,828	10,483
Elections	107,796	136,072	135,619	453
Buildings and grounds	196,325	196,325	170,108	26,217
Insurance and other functions	1,292,250	1,285,250	1,156,944	128,306
Planning Commission	8,949	8,949	3,954	4,995
Civil service	2,750	2,750	862	1,888
Total general government	2,768,795	2,797,071	2,565,823	231,248
Public safety:				
Police	4,460,797	4,460,797	4,425,835	34,962
Fire	1,737,711	1,737,711	1,577,102	160,609
Building department and trade inspections	287,725	294,041	276,827	17,214
Total public safety	6,486,233	6,492,549	6,279,764	212,785
Public works	1,667,557	1,667,557	1,652,170	15,387
Recreation and culture	41,050	48,050	62,868	(14,818)
Debt service:				
Principal	6,817	6,817	1,124	5,693
Interest on long-term debt	-	-	12	(12)
Total expenditures	10,970,452	11,012,044	10,561,761	450,283
Excess of Expenditures Over Revenue	(1,196,162)	(1,237,754)	(694,852)	542,902
Other Financing Sources - Proceeds from sale of capital assets	1,000	1,000	20,370	19,370
Net Change in Fund Balance	(1,195,162)	(1,236,754)	(674,482)	562,272
Fund Balance - Beginning of year	5,043,834	5,043,834	5,043,834	-
Fund Balance - End of year	\$ 3,848,672	\$ 3,807,080	\$ 4,369,352	\$ 562,272

Charter Township of Flint

Note to Required Supplemental Information Year Ended December 31, 2013

Budgetary Information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all Special Revenue Funds. All annual appropriations lapse at fiscal year end. Prior to January 1, the budget is legally enacted on a departmental (activity) basis through passage of a resolution for all budgeted funds. The supervisor or designee is authorized to transfer budgeted amounts within departmental appropriation accounts; however, any revisions that alter the total expenditures of any department must be approved by the Township Board.

Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

The following is a comparison of budget on a project (grant) length basis and actual expenditures for the Community Development Fund for the year ended December 31, 2013.

	Revised Project (Grant) Length Budget	Project Funds Expended During 2013	Total Project Funds Expended Through December 31, 2013	Unexpended Balance at December 31, 2013
Special Revenue Fund type -				
Community Development Fund:				
Public works projects 2011	\$ 194,542	\$ 103,327	\$ 156,755	\$ 37,787
Public safety projects 2011	236,000	210,518	221,101	14,899
Recreation and cultural projects 2011	9,738	7,764	9,738	-
Recreation and cultural projects 2012	9,738	4,378	4,378	5,360
Total Community Development Fund	<u>\$ 450,018</u>	<u>\$ 325,987</u>	<u>\$ 391,972</u>	<u>\$ 58,046</u>

Charter Township of Flint

Required Supplemental Information Budgetary Comparison Schedule - Major Special Revenue Fund Municipal Street Fund Year Ended December 31, 2013

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 385,590	\$ 385,590	\$ 374,669	\$ (10,921)
Investment income	8,014	8,014	9,118	1,104
Other revenue:				
Special assessments	23,031	23,031	42,936	19,905
Local donations	45,000	45,000	-	(45,000)
Total revenue	461,635	461,635	426,723	(34,912)
Expenditures				
Current - Public works	305,750	356,493	308,934	47,559
Debt service	133,738	133,738	125,594	8,144
Total expenditures	439,488	490,231	434,528	55,703
Other Financing Uses - Transfers out	(32,000)	(32,000)	(32,000)	-
Net Change in Fund Balance	(9,853)	(60,596)	(39,805)	20,791
Fund Balance - Beginning of year	171,428	171,428	171,428	-
Fund Balance - End of year	<u>\$ 161,575</u>	<u>\$ 110,832</u>	<u>\$ 131,623</u>	<u>\$ 20,791</u>

Charter Township of Flint

Required Supplemental Information Pension System Schedule of Funding Progress Fire Fighters' Pension Year Ended December 31, 2013

The schedule of funding progress is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (Percent) (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll
12/31/06	\$ 3,721,093	\$ 6,876,518	\$ 3,155,425	54.1	\$ 1,000,057	315.5
12/31/07	4,037,110	7,086,243	3,049,133	57.0	1,001,071	304.6
12/31/08	4,076,685	7,240,933	3,164,248	56.3	996,212	317.6
12/31/09	4,291,101	7,720,283	3,429,182	55.6	1,086,506	315.6
12/31/10	4,347,371	8,050,201	3,702,830	54.0	964,696	383.8
12/31/11	4,355,646	7,995,528	3,639,882	54.5	893,306	407.5
12/31/12	4,704,198	8,239,231	3,535,033	57.1	881,598	401.0

The schedule of employer contributions is as follows:

Fiscal Year Ended	Actuarial Valuation Date	Annual Required Contribution *	Percentage Contributed
12/31/08	12/31/07	\$ 291,496	132.8
12/31/09	12/31/08	337,360	125.6
12/31/10	12/31/09	313,672	102.1
12/31/11	12/31/10	329,630	100.3
12/31/12	12/31/11	324,462	100.0
12/31/13	12/31/12	299,353	102.2

* The required contribution is expressed to the Township as a percentage of payroll.

The information presented above was determined as part of the actuarial valuations at the dates indicated. Additional information as of December 31, 2012, the latest actuarial valuation, follows:

Amortization method	Entry age, closed
Amortization period (perpetual)	17 years
Asset valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	4.5% - 7.5%
*Includes inflation at	4.5%
Cost of living adjustments	None

Charter Township of Flint

Required Supplemental Information Pension System Schedule of Funding Progress - Police Officers' Pension Year Ended December 31, 2013

The schedule of funding progress is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (Percent) (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll
12/31/06	\$ 10,996,269	\$ 14,016,675	\$ 3,020,406	78.5	\$ 2,645,770	114.2
12/31/07	12,194,987	15,388,799	3,193,812	79.2	2,642,965	120.8
12/31/08	13,095,809	16,644,202	3,548,393	78.7	2,820,999	125.8
12/31/09	13,974,863	18,672,444	4,697,581	74.8	2,813,269	167.0
12/31/10	14,707,192	20,059,840	5,352,648	73.3	2,397,368	223.3
12/31/11	15,115,647	21,761,609	6,645,962	69.5	2,121,973	313.2
12/31/12	15,367,120	22,842,742	7,475,622	67.3	2,262,412	330.4

The schedule of employer contributions is as follows:

Fiscal Year Ended	Actuarial Valuation Date	Annual Required Contribution *	Percentage Contributed
12/31/08	12/31/07	\$ 189,835	136.0
12/31/09	12/31/08	191,595	140.6
12/31/10	12/31/09	180,004	161.0
12/31/11	12/31/10	232,194	162.4
12/31/12	12/31/11	432,661	101.1
12/31/13	12/31/12	519,223	100.0

The information presented above was determined as part of the actuarial valuations at the dates indicated. Additional information as of December 31, 2012, the latest actuarial valuation, follows:

Amortization method	Level percent
Amortization period (perpetual)	16 years
Asset valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	4.5% - 8.5%
*Includes inflation at	4.5%
Cost of living adjustments	None

Charter Township of Flint

Required Supplemental Information Pension System Schedule of Funding Progress - Full-time Clerical/Non-Union Year Ended December 31, 2013

The schedule of funding progress is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (Percent) (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll
12/31/06	\$ 1,677,612	\$ 1,918,748	\$ 241,136	87.4	\$ 764,028	31.6
12/31/07	1,896,484	2,019,551	123,067	93.9	768,727	16.0
12/31/08	2,098,552	2,235,889	137,337	93.9	863,449	15.9
12/31/09	2,332,894	2,262,258	(70,636)	103.1	835,182	(8.5)
12/31/10	2,608,968	2,489,011	(119,957)	104.8	798,054	(15.0)
12/31/11	2,797,623	2,810,357	12,734	99.5	717,252	1.8
12/31/12	2,902,881	2,945,518	42,637	98.6	760,372	5.6

The schedule of employer contributions is as follows:

Fiscal Year Ended	Actuarial Valuation Date	Annual Required Contribution *	Percentage Contributed
12/31/08	12/31/07	\$ 51,630	115.0
12/31/09	12/31/08	46,925	115.0
12/31/10	12/31/09	48,014	100.0
12/31/11	12/31/10	41,047	100.0
12/31/12	12/31/11	36,950	100.0
12/31/13	12/31/12	43,893	100.0

The information presented above was determined as part of the actuarial valuations at the dates indicated. Additional information as of December 31, 2012, the latest actuarial valuation, follows:

Amortization method	Level percent
Amortization period (perpetual)	16 years
Asset valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	4.5% - 8.5%
*Includes inflation at	4.5%
Cost of living adjustments	None

Charter Township of Flint

Required Supplemental Information Schedule of Funding Progress - OPEB Year Ended December 31, 2013

The schedule of funding progress is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (Percent) (a/b)	Annual OPEB Costs	Percentage of OPEB Costs Contributed
1/1/11	\$ 60,209	\$ 13,876,220	\$ 13,816,011	0.4	\$ 1,150,486	1,200.9
1/1/08	25,000	13,806,492	13,781,492	0.2	1,139,164	1,209.8

The schedule of employer contributions is as follows:

Fiscal Year Ended	Actuarial Valuation Date	Annual Required Contribution *	Percentage Contributed
12/31/13	1/1/11	\$ 1,231,465	46.7
12/31/12	1/1/11	1,203,350	43.2
12/31/11	1/1/11	1,169,345	39.2
12/31/10	1/1/08	1,227,960	35.9

The information presented above was determined as part of the actuarial valuations at the dates indicated. Additional information as of December 31, 2012, the latest actuarial valuation, follows:

Amortization method	Level percent
Amortization period (perpetual)	26 years
Asset valuation method	4-year smoothed market
Actuarial assumptions:	
Investment rate of return	4.0%
Projected salary increases	3.0%
*Includes inflation at	4.5%
Cost of living adjustments	None

Other Supplemental Information

Charter Township of Flint

Other Supplemental Information Combining Balance Sheet Nonmajor Governmental Funds December 31, 2013

	Special Revenue Funds				Debt Service Funds		Total Nonmajor Governmental Funds	
	Community Development	JAG Grant Fund	Police Grants Fund	Fire Safety Equipment	Police Special Millage	Road Debt Service		Building Authority Debt
Assets								
Cash and investments	\$ -	\$ 666,971	\$ -	\$ 554,162	\$ 77,940	\$ 363,787	\$ 21,367	\$ 1,684,227
Receivables:								
Property taxes receivable	-	-	-	163,816	327,606	-	-	491,422
Special assessments receivable	-	-	-	-	-	477,186	-	477,186
Due from other governmental units	1,215	-	-	-	-	-	-	1,215
Due from other funds	-	-	-	-	12,840	-	-	12,840
Total assets	\$ 1,215	\$ 666,971	\$ -	\$ 717,978	\$ 418,386	\$ 840,973	\$ 21,367	\$ 2,666,890
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ 100
Due to other funds	1,215	14,489	-	-	-	-	-	15,704
Total liabilities	1,215	14,489	-	-	-	-	100	15,804
Deferred Inflows of Resources								
Property taxes levied for the following year	-	-	-	206,557	413,183	-	-	619,740
Other resources received before the period resources may be used	-	-	-	-	-	477,186	-	477,186
Total deferred inflows of resources	-	-	-	206,557	413,183	477,186	-	1,096,926
Fund Balances								
Nonspendable:								
Restricted:								
Police	-	-	-	-	5,203	-	-	5,203
Fire	-	-	-	511,421	-	-	-	511,421
Debt service	-	-	-	-	-	363,787	21,267	385,054
Grants	-	652,482	-	-	-	-	-	652,482
Total fund balances	-	652,482	-	511,421	5,203	363,787	21,267	1,554,160
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,215	\$ 666,971	\$ -	\$ 717,978	\$ 418,386	\$ 840,973	\$ 21,367	\$ 2,666,890

Charter Township of Flint

Other Supplemental Information Combining Statement of Revenue, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds Year Ended December 31, 2013

	Special Revenue Funds					Debt Service Funds			Total Nonmajor Governmental Funds
	Community Development	JAG Grant Fund	Police Grants Fund	Fire Safety Equipment	Police Special Millage	Road Debt Service	Building Authority Debt	Total	
Revenue									
Property taxes	\$ -	\$ -	\$ -	\$ 187,300	\$ 374,851	\$ -	\$ -	\$ -	\$ 562,151
Federal grants	48,646	230,045	158,430	-	-	-	-	-	437,121
Investment income	-	2,383	-	1,545	577	30,709	37	30,746	35,251
Rental income	-	-	-	-	-	-	144,472	144,472	144,472
Other revenue	-	-	-	-	-	166,970	-	166,970	166,970
Total revenue	48,646	232,428	158,430	188,845	375,428	197,679	144,509	342,188	1,345,965
Expenditures									
Current:									
General									
government	-	-	-	-	-	-	27,022	27,022	27,022
Public safety	3,230	848,883	158,430	12,376	373,019	-	-	-	1,395,938
Public works	36,336	-	-	-	-	-	-	-	36,336
Recreation and culture	9,080	-	-	-	-	-	-	-	9,080
Debt service:									
Principal	-	-	-	-	-	145,000	84,337	229,337	229,337
Interest on long-term debt	-	-	-	-	-	37,338	35,954	73,292	73,292
Total expenditures	48,646	848,883	158,430	12,376	373,019	182,338	147,313	329,651	1,771,005
Excess of Revenue (Under) Over Expenditures	-	(616,455)	-	176,469	2,409	15,341	(2,804)	12,537	(425,040)
Other Financing Sources (Uses)									
Face value of debt issue	-	-	-	-	-	-	1,425,000	1,425,000	1,425,000
Transfers in	-	-	-	-	-	32,000	-	32,000	32,000
Payment to bond refunding escrow agent	-	-	-	-	-	-	(1,423,605)	(1,423,605)	(1,423,605)
Total other financing sources	-	-	-	-	-	32,000	1,395	33,395	33,395
Net Change in Fund Balances	-	(616,455)	-	176,469	2,409	47,341	(1,409)	45,932	(391,645)
Fund Balances - Beginning of year	-	1,268,937	-	334,952	2,794	316,446	22,676	339,122	1,945,805
Fund Balances - End of year	\$ -	\$ 652,482	\$ -	\$ 511,421	\$ 5,203	\$ 363,787	\$ 21,267	\$ 385,054	\$ 1,554,160

Charter Township of Flint

Other Supplemental Information Nonmajor Governmental Fund - Community Development Budgetary Comparison Year Ended December 31, 2013

	Original Budget Unaudited	Amended Budget Unaudited	Actual	Variance with Amended Budget
Revenue - Federal grants	\$ 250,000	\$ 250,000	\$ 48,646	\$ (201,354)
Expenditures - Current				
Public safety	195,000	195,000	3,230	191,770
Public works	38,200	38,200	36,336	1,864
Recreation and culture	16,800	16,800	9,080	7,720
Total expenditures	<u>250,000</u>	<u>250,000</u>	<u>48,646</u>	<u>201,354</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Charter Township of Flint

Other Supplemental Information Nonmajor Governmental Fund - JAG Grant Fund Budgetary Comparison Year Ended December 31, 2013

	Original Budget Unaudited	Amended Budget Unaudited	Actual	Variance with Amended Budget
Revenue				
Federal grants	\$ 200,000	\$ 229,045	\$ 230,045	\$ 1,000
Investment income	3,750	3,750	2,383	(1,367)
Total revenue	203,750	232,795	232,428	(367)
Expenditures - Current - Public safety	203,750	886,899	848,883	38,016
Net Change in Fund Balance	-	(654,104)	(616,455)	37,649
Fund Balance - Beginning of year	1,268,937	1,268,937	1,268,937	-
Fund Balance - End of year	<u>\$ 1,268,937</u>	<u>\$ 614,833</u>	<u>\$ 652,482</u>	<u>\$ 37,649</u>

Charter Township of Flint

Other Supplemental Information Nonmajor Governmental Fund - Police Grants Fund Budgetary Comparison Year Ended December 31, 2013

	Original Budget Unaudited	Amended Budget Unaudited	Actual	Variance with Amended Budget
Revenue - Federal grants	\$ 259,999	\$ 259,999	\$ 158,430	\$ (101,569)
Expenditures - Current - Public safety	<u>259,999</u>	<u>259,999</u>	<u>158,430</u>	<u>101,569</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Charter Township of Flint

Other Supplemental Information Nonmajor Governmental Fund - Fire Safety Equipment Budgetary Comparison Year Ended December 31, 2013

	Original Budget Unaudited	Amended Budget Unaudited	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 192,800	\$ 192,800	\$ 187,300	\$ (5,500)
Investment income	1,000	1,000	1,545	545
Total revenue	193,800	193,800	188,845	(4,955)
Expenditures - Current - Public safety	52,500	52,500	12,376	40,124
Net Change in Fund Balance	141,300	141,300	176,469	35,169
Fund Balance - Beginning of year	334,952	334,952	334,952	-
Fund Balance - End of year	<u>\$ 476,252</u>	<u>\$ 476,252</u>	<u>\$ 511,421</u>	<u>\$ 35,169</u>

Charter Township of Flint

Other Supplemental Information Nonmajor Governmental Fund - Police Special Millage Budgetary Comparison Year Ended December 31, 2013

	Original Budget Unaudited	Amended Budget Unaudited	Actual	Variance with Amended Budget
Revenue				
Property taxes	\$ 385,590	\$ 385,590	\$ 374,851	\$ (10,739)
Investment income	500	500	577	77
Total revenue	386,090	386,090	375,428	(10,662)
Expenditures - Current - Public safety	386,085	386,085	373,019	13,066
Net Change in Fund Balance	5	5	2,409	2,404
Fund Balance - Beginning of year	2,794	2,794	2,794	-
Fund Balance - End of year	<u>\$ 2,799</u>	<u>\$ 2,799</u>	<u>\$ 5,203</u>	<u>\$ 2,404</u>

Charter Township of Flint

Other Supplemental Information Nonmajor Governmental Fund - Road Debt Service Budgetary Comparison Year Ended December 31, 2013

	Original Budget Unaudited	Amended Budget Unaudited	Actual	Variance with Amended Budget
Revenue				
Investment income	\$ 31,271	\$ 31,271	\$ 30,709	\$ (562)
Other revenue	91,241	91,241	166,970	75,729
Total revenue	122,512	122,512	197,679	75,167
Expenditures - Current - Debt service	182,338	182,338	182,338	-
Excess of Revenue (Under) Over Expenditures	(59,826)	(59,826)	15,341	75,167
Other Financing Sources -				
Transfers in	32,000	32,000	32,000	-
Net Change in Fund Balance	(27,826)	(27,826)	47,341	75,167
Fund Balance - Beginning of year	316,446	316,446	316,446	-
Fund Balance - End of year	\$ 288,620	\$ 288,620	\$ 363,787	\$ 75,167

Charter Township of Flint

Other Supplemental Information Nonmajor Governmental Fund - Building Authority Debt Budgetary Comparison Year Ended December 31, 2013

	Original Budget Unaudited	Amended Budget Unaudited	Actual	Variance with Amended Budget
Revenue				
Investment income	\$ 10	\$ 25	\$ 37	\$ 12
Rental income	114,100	144,472	144,472	-
Total revenue	114,110	144,497	144,509	12
Expenditures				
Current - General government	-	26,922	27,022	(100)
Debt service	114,375	1,543,712	120,291	1,423,421
Total expenditures	114,375	1,570,634	147,313	1,423,321
Other Financing Sources (Uses)				
Face value of debt issue	-	1,425,000	1,425,000	-
Payment to bond refunding escrow agent	-	-	(1,423,605)	(1,423,605)
Net Change in Fund Balance	(265)	(1,137)	(1,409)	(272)
Fund Balance - Beginning of year	22,676	22,676	22,676	-
Fund Balance - End of year	<u>\$ 22,411</u>	<u>\$ 21,539</u>	<u>\$ 21,267</u>	<u>\$ (272)</u>

Charter Township of Flint

Other Supplemental Information Combining Statement of Net Position Fiduciary Funds December 31, 2013

	Pension Trust Funds			Agency Funds		
	Firefighters' Pension Trust Fund	Retiree Health Care Trust Fund	Total Pension and Other Employee Benefit Trust Funds	General Agency	Tax Collection	Total Agency Funds
Assets						
Cash and cash equivalents	\$ 53,943	\$ -	\$ 53,943	\$ 192,526	\$ 315,502	\$ 508,028
Investments - Mutual funds	5,454,380	97,322	5,551,702	-	-	-
Receivables	-	-	-	316,256	-	316,256
Accrued interest	5,386	-	5,386	-	-	-
Total assets	<u>5,513,709</u>	<u>97,322</u>	<u>5,611,031</u>	<u>\$ 508,782</u>	<u>\$ 315,502</u>	<u>\$ 824,284</u>
Liabilities						
Due to other governmental units	-	-	-	\$ 221,800	\$ -	\$ 221,800
Undistributed taxes	-	-	-	63,843	315,502	379,345
Refundable deposits, bonds, etc.	-	-	-	173,168	-	173,168
Accrued liabilities and other	-	-	-	49,971	-	49,971
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 508,782</u>	<u>\$ 315,502</u>	<u>\$ 824,284</u>
Net Position Held in Trust for Pension and Postemployment Benefits	<u>\$ 5,513,709</u>	<u>\$ 97,322</u>	<u>\$ 5,611,031</u>			

Charter Township of Flint

Other Supplemental Information Combining Statement of Changes in Fiduciary Net Position Fiduciary Funds Year Ended December 31, 2013

	Firefighters' Pension Trust Fund	Retiree Health Care Trust Fund	Total
Additions			
Investment income:			
Interest and dividends	\$ 257,081	\$ -	\$ 257,081
Net increase in fair value of investments	<u>612,769</u>	<u>13,674</u>	<u>626,443</u>
Net investment income	869,850	13,674	883,524
Contributions:			
Employer	305,900	575,593	881,493
Employee	<u>60,412</u>	<u>-</u>	<u>60,412</u>
Net contributions	<u>366,312</u>	<u>575,593</u>	<u>941,905</u>
Total additions	1,236,162	589,267	1,825,429
Deductions			
Benefit payments	475,665	570,393	1,046,058
Administrative expenses	<u>7,150</u>	<u>413</u>	<u>7,563</u>
Total deductions	<u>482,815</u>	<u>570,806</u>	<u>1,053,621</u>
Net Increase in Net Position Held in Trust	753,347	18,461	771,808
Net Position Held in Trust for Pension and Postemployment Benefits - Beginning of year	<u>4,760,362</u>	<u>78,861</u>	<u>4,839,223</u>
Net Position Held in Trust for Pension and Postemployment Benefits - End of year	<u><u>\$ 5,513,709</u></u>	<u><u>\$ 97,322</u></u>	<u><u>\$ 5,611,031</u></u>