County of Saginaw, Michigan

Year Ended September 30, 2025

Financial Statements

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COUNTY OF SAGINAW, MICHIGAN

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INDEPENDENT AUDITORS' REPORT

March 19, 2026

Board of Commissioners
County of Saginaw
Saginaw, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the ***County of Saginaw, Michigan*** (the "County"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons for the general fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

	Percent of Assets and Deferred Outflows of Resources	Percent of Revenues	Percent of Net Position
Road Commission	62%	78%	67%

Those statements were audited by other auditors whose report thereon was furnished to us, and our opinions, insofar as they relate to the amounts included for the above entity, are based solely on the reports of the other auditors.

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Implementation of GASB Statement No. 101

As described in Note 22, the County implemented the provisions of GASB Statement No. 101, *Compensated Absences,* in the current year. Accordingly, beginning net position of governmental activities was restated. Our opinion is not modified with respect to this matter.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Independent Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are 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, under separate cover, our report dated March 19, 2026 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Rehmann Robson LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the ***County of Saginaw, Michigan***, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements.

Financial Highlights

· Total primary government net position	$ 146,534,437
· Change in total primary government net position	29,213,147
· Fund balances, governmental funds	76,697,122
· Change in fund balances, governmental funds	(311,958)
· Unassigned fund balance, general fund	8,085,844
· Change in fund balance, general fund	1,282,950
· Primary government installment debt outstanding	111,065,969
· Primary government change in installment debt	(6,964,488)

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected special assessments and accrued interest on long-term debt).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include legislative, judicial, general government, public safety, public works, health and welfare, community and economic development, and recreation and culture. The business-type activities of the County include the delinquent tax revolving, building authority event center, building authority administration, delinquent property tax foreclosure, parking system, Harry W. Browne Airport, and inmate services operations.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also includes the Road Commission, Brownfield Redevelopment Authority, Department of Public Works, Drain Commission, Economic Development Corporation and Land Bank Authority which are legally separate entities that the County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. Financial statements for the Road Commission were issued separately from the County and other component units. The County of Saginaw Building Authority, although legally separate, functions for all practical purposes as a department of the County, and therefore has been included as a blended component unit of the primary government.

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

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

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

The County maintains many individual governmental funds. Information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances for the general fund, health department, Michigan works! fund, opioid settlements, American rescue plan act fund, and road debt (Act 51 bonds) debt service fund each of which is considered to be a major fund. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements have been provided herein to demonstrate compliance with the budgets of the general and major special revenue funds.

Proprietary funds. The County maintains two different types of proprietary funds: enterprise funds and internal service funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its delinquent tax revolving, building authority event center, delinquent property tax foreclosure, building authority administration, parking system, Harry W. Browne airport, and inmate services operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its MERS (Defined Benefit) retirement system, MERS (Defined Contribution) retirement system, information technology operations, equipment revolving (computer equipment maintenance and replacement) activities, motor pool operations, risk management program, investment pool, employee benefits, and retiree health savings plan activities. Because these services predominately benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the delinquent tax revolving fund and building authority event center, each of which are considered to be major funds. Data from the other proprietary funds are combined and presented in two separate columns distinguishing between business-type activities and governmental activities. Individual fund data for each of these nonmajor enterprise funds and internal service funds are provided in the form of combining statements elsewhere in this report.

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain information concerning the County's progress in funding its obligation to provide pension and other post employment benefits to its retirees as well as other supplementary information such as the combining and individual fund financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, as the following table demonstrates, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $146,534,437 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	$ 183,267,151	$ 176,549,456	$ 45,227,928	$ 42,796,192	$ 228,495,079	$ 219,345,648
Capital assets, net	80,736,762	75,131,540	44,340,999	46,516,565	125,077,761	121,648,105
Total assets	264,003,913	251,680,996	89,568,927	89,312,757	353,572,840	340,993,753
Deferred outflows of resources	9,749,190	10,781,661	-	-	9,749,190	10,781,661
Liabilities						
Long-term liabilities	115,647,194	126,275,894	44,153,346	44,029,624	159,800,540	170,305,518
Other liabilities	41,417,466	49,586,108	5,346,195	6,205,439	46,763,661	55,791,547
Total liabilities	157,064,660	175,862,002	49,499,541	50,235,063	206,564,201	226,097,065
Deferred inflows of resources	10,223,392	6,761,171	-	-	10,223,392	6,761,171
Net position						
Net investment in capital assets	29,046,681	20,025,028	23,779,734	24,319,802	52,826,415	44,344,830
Restricted	81,684,946	61,966,916	-	-	81,684,946	61,966,916
Unrestricted (deficit)	(4,266,576)	(2,152,460)	16,289,652	14,757,892	12,023,076	12,605,432
Total net position	$ 106,465,051	$ 79,839,484	$ 40,069,386	$ 39,077,694	$ 146,534,437	$ 118,917,178

One of the largest portions of the County's net position, $52,826,415 reflects its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment, vehicles) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position, $81,684,946 represents resources that are subject to external restrictions on how they may be used. This leaves an unrestricted net position of $12,023,076.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net position for the government as a whole.

In governmental activities, current and other assets increased by $6,717,695 due to the requirements of GASB 75 recording an addition to our OPEB asset of $15,176,305. The County also spent down previously accumulated funds for Road Commission bonds, American Rescue Act Plan dollars, and Mosquito Control for facility relocation/improvements. Long-term liabilities decreased by $10,628,700 due to the requirements of GASB Statement No. 68 and 75 recording net pension and OPEB liabilities (assets). Other liabilities decreased by $8,168,642 due to the reduction in unearned revenue for spending of American Rescue Plan Act dollars. In addition, deferred outflows of resources decreased by $1,032,471 and deferred inflows of resources increased by $3,462,221 due to the above pension and OPEB requirements.

Management's Discussion and Analysis

In business-type activities, current and other assets increased by $2,431,736 due to State MEDC grant funds received in 2025 for support on building improvements made to the DOW Event Center in 2024. Further, other liabilities decreased by $859,244 due to debt service payments made on DOW Event Center bonds issued in prior years as well as activity related to the issuance and payment of general obligation notes in the Delinquent Tax fund.

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues:						
Charges for services	$ 30,473,878	$31,780,776	$ 13,845,241	$15,267,733	$ 44,319,119	$ 47,048,509
Operating grants and contributions	57,527,732	61,428,211	1,395,094	130,208	58,922,826	61,558,419
Capital grants and contributions	-	-	190,267	1,820,987	190,267	1,820,987
General revenues:						
Property taxes	79,458,711	63,739,007	2,820,108	2,648,967	82,278,819	66,387,974
Accommodations tax	4,294,024	3,865,833	-	-	4,294,024	3,865,833
Grants and contributions not restricted to specific programs	7,296,430	3,204,378	-	-	7,296,430	3,204,378
Investment income	3,644,147	4,759,082	952,688	1,433,320	4,596,835	6,192,402
Total revenues	182,694,922	168,777,287	19,203,398	21,301,215	201,898,320	190,078,502
Expenses						
Legislative	596,957	549,278	-	-	596,957	549,278
Judicial	17,043,950	16,459,279	-	-	17,043,950	16,459,279
General government	13,617,559	16,952,327	-	-	13,617,559	16,952,327
Public safety	44,756,846	39,425,244	-	-	44,756,846	39,425,244
Public works	18,497,558	6,975,419	-	-	18,497,558	6,975,419
Health and welfare	51,385,429	44,967,211	-	-	51,385,429	44,967,211
Community and economic development	4,391,524	3,849,107	-	-	4,391,524	3,849,107
Recreation and culture	3,376,890	3,269,037	-	-	3,376,890	3,269,037
Interest on long-term liabilities	2,724,873	2,819,334	-	-	2,724,873	2,819,334
Delinquent tax revolving	-	-	3,109,797	2,692,685	3,109,797	2,692,685
Delinquent tax foreclosure	-	-	1,493,640	1,717,754	1,493,640	1,717,754
Building authority event center	-	-	10,020,725	10,295,805	10,020,725	10,295,805
Building authority administration	-	-	26,133	26,493	26,133	26,493
Parking system	-	-	17,966	20,638	17,966	20,638
Harry W. Browne airport	-	-	876,552	888,569	876,552	888,569
Inmate services	-	-	748,774	813,220	748,774	813,220
Total expenses	156,391,586	135,266,236	16,293,587	16,455,164	172,685,173	151,721,400

continued…

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Change in net position before transfers	$ 26,303,336	$ 33,511,051	$ 2,909,811	$ 4,846,051	$ 29,213,147	$ 38,357,102
Transfers	1,918,119	633,043	(1,918,119)	(633,043)	-	-
Change in net position	28,221,455	34,144,094	991,692	4,213,008	29,213,147	38,357,102
Net position:						
Beginning of year	79,839,484	45,695,390	39,077,694	34,864,686	118,917,178	80,560,076
Restatement*	(1,595,888)	-	-	-	(1,595,888)	-
End of year	$ 106,465,051	$ 79,839,484	$ 40,069,386	$ 39,077,694	$ 146,534,437	$ 118,917,178

concluded

*During the year ended September 30, 2025, the County implemented the provisions of GASB Statement 101, *Compensated Absences.* See additional details in Note 22.

Governmental activities. Governmental activities increased the County's net position by $28,221,455 as compared to an increase of $34,144,094 in the previous year. Key elements of this increase over the prior year are as follows:

- Revenues from fiscal year 2024 to fiscal year 2025 showed an increase of $13,917,635 (8.2 percent). This was mainly the result of decrease in operating grants and contributions in the amount of $3,900,479 due to a reduction in federal and state grants received by our Health Department. This decrease was offset by increases of $15,719,704 in property taxes and $4,092,052 in grants and contributions not restricted to specific programs. These increases are due to a new millage passed by the citizens of Saginaw County consisting of 2.000 mills specifically to support the Road Commission as well as the recognition of revenue for American Rescue Plan Act funds spent during the fiscal year.

- Expenses increased during the year as compared to the prior year by $21,125,350 (15.6 percent). General government expenses decreased in the amount of $3,334,768 due to adjustments made at the Government Wide statement level. This decrease was offset by increases in public safety, public works, and health and welfare expenses from last year in the amounts of $5,331,602, $11,522,139, and $6,418,218, respectively. These increases were due to an increase in spending of American Rescue Plan Act funds, distribution of the new Road Commission millage dollars and an increase in spending of Michigan Works! programs.

Business-type activities. Business-type activities increased the County's net position by $991,692 as compared to an increase of $4,213,008 in the previous year. Key elements of this increase from the prior year are as follows:

- Revenues decreased 9.8 percent, or $2,097,817 mainly in the area of charges for service due to prior year activity and events held at the DOW Event Center surrounding the 2024 Memorial Cup.

- Expenses decreased 0.7 percent, or $161,577, mainly as a result of prior year activity and events held at the DOW Event Center surrounding the 2024 Memorial Cup and also in decreased delinquent tax activity.

- Transfers netted to an increase of $1,285,076 or 203.0 percent. This is mainly the result of a one-time transfer in 2024 from the public improvement fund of $1,785,820 to support the improvements at the DOW Event Center in preparation for the Memorial Cup offset with a reduction in the annual contribution from the Delinquent Tax Fund to the General Fund of $500,000.

Management's Discussion and Analysis

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $76,697,122, a decrease of $311,958 in comparison with the prior year. Fund balances are separated into two main categories, restricted and unrestricted. Restricted fund balance indicates that it is not available for new spending because it has already been set aside for specific purposes. Unrestricted is further separated into nonspendable, committed, assigned, and unassigned fund balance. The underlying distinction between committed and assigned is that committed fund balance has been committed for a specific purpose and can only be uncommitted by a formal Board motion. Total governmental fund's had the following fund balance classifications at year end:

	Fund Balances		
	Unrestricted	**Restricted**	**Total**
Nonspendable:			
Advances:			
Drain Commission component unit	$ 400,000	$ -	$ 400,000
Permanent fund	36,390	-	36,390
Prepaids	127,066	-	127,066
Restricted	-	32,098,571	32,098,571
Assigned	35,949,251	-	35,949,251
Unassigned	8,085,844	-	8,085,844
Total	$ 44,598,551	$ 32,098,571	$ 76,697,122

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, fund balance was separated into the following categories:

Nonspendable	$ 410,078
Restricted	257,277
Assigned	16,029,771
Unassigned	8,085,844
Total	$ 24,782,970

As a measure of the General Fund's liquidity, it may be useful to compare unassigned and assigned fund balance and total fund balance to total fund expenditures. Unassigned and assigned fund balance represents 49.2 percent of total General Fund expenditures, while total fund balance represents 50.6 percent of that same amount. Ending fund balance and net change in fund balance for each major fund is as follows:

	General	Health Department	Michigan Works!	Opioid Settlements	American Rescue Plan Act	Road Debt (Act 51 Bonds)
Ending fund balance	$ 24,782,970	$ 12,580,707	$ 195,189	$ 3,963,614	$ 1,191,885	$ 240
Net change in fund balance	1,282,950	1,525,457	1,849	684,247	960,035	240

Key factors in the change in the fund balance of the County's General Fund are as follows:

- Property tax revenue increased $1,599,944 (5.3 percent) due to an increase in taxable value of properties .
- Federal grant revenue increased $787,030 (40.3%) due to recognizing additional Revenue Replacement dollars through the American Rescue Plan act. State grant revenue increased $1,017,696 (9.53%) due to the increase in State Shared revenues as well as recognition of revenue for Prosecutor High Crime Reduction grant.

- Investment income decreased $1,708,557 (70.1%) due to the continual fluctuations in investments and recording investments at fair market value per GASB 72.

- Reimbursements increased $531,638 (13.2%) mainly due to the increase in reimbursement of indirect costs allocated to other county departments in accordance with our Cost Allocation Plan as well as an increase in the reimbursement from Michigan Department of Corrections for diverted felons.

- Expenditures increased a modest $991,993 (2.1%) with the largest increase in judicial mainly due to an increase in staffing costs, payments to family division attorneys and cost allocation.

- Transfers in decreased $345,857 (6.1%) due to a reduction in the transfer in from the Delinquent Tax Revolving Fund of $500,000. This brings the contribution back in line with previous fiscal years.

- Transfers out increased $1,368,005 (12.4%) mainly due to an increase in the transfer of funds to the Public Improvement Fund as compared to prior year. The 2025 budget included $1,500,000 as a transfer to the Public Improvement Fund and is a reflection of management's proactive decision to fund future building needs.

The Health Department special revenue fund had an increase in fund balance of $1,525,457, for an ending fund balance of $12,580,707. This increase was the result of collecting property tax revenue to support future relocation and expanded services of the Health Department.

The Michigan Works! special revenue fund had an increase in fund balance of $1,849, for an ending fund balance of $195,189. As of October 1, 2025, the operations of Michigan Works! special revenue fund were transferred to Isabella County, Michigan.

The Opioid Settlements special revenue fund had an increase of $684,247 in fund balance, for an ending fund balance of $3,963,614. This was due to receiving settlement funds during the current year that are anticipated to be spent in future years when the Board of Commissioners allocate those funds for substance abuse treatment and remediation.

The American Rescue Plan Act special revenue fund had an increase of $960,035 in fund balance, for an ending fund balance of $1,191,885, which was due to interest earnings on unspent ARPA funds.

The Road Debt (Act 51 Bonds) debt service fund had an ending fund balance of $240. This fund was created in 2024 when the County issued bonds on behalf of the Saginaw County Road Commission for certain capital improvements including, but not limited to, salt barns, lean-to structures and vactor dumping areas for the benefit of the Saginaw County Road Commission. Money in this fund is received from Act 51 monies received from the State of Michigan for the Saginaw County Road Commission.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities. The ending unrestricted net position as well as the change in net position is as follows:

	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Internal Service Funds
Unrestricted ending net position	$ 9,205,244	$ 6,248,401	$ 747,674	$ 11,583,703
Increase (decrease) in net position	538,265	407,025	49,436	1,750,387

Enterprise operations. The enterprise operations of the County include the use of seven enterprise funds: the delinquent tax revolving fund, the building authority event center fund, the delinquent property tax foreclosure fund, the building authority administration fund, the parking system fund, the Harry W. Browne airport fund and the inmate services fund. The current year information for these funds was included with business-type activities above.

The Delinquent Tax Revolving Fund accounts for the purchase of delinquent taxes from other local taxing units. Money for the operation of this fund is supplied from limited general obligation bonds or notes, delinquent tax collections, interest earnings from investments, and interest and collection fees from delinquent taxes.

Management's Discussion and Analysis

The Building Authority Event Center Fund accounts for the operations of the County-owned facility that includes an arena, theater, conference center, and an outdoor pavilion. The facilities are run by an outside management company. Money for the operation of this fund is supplied through a voter approved millage of 0.45 mills to be levied through fiscal year 2031, grants, charges for services, as well as donations received for specific purposes. This millage was renewed and extended by the voters in March 2020 to continue support for the on-going operations, upkeep and investment in the facility.

General Fund budgetary highlights. The differences between the original budget and final amended budget for expenditures resulted in a 3.1 percent increase ($1,521,630 increase in appropriations); whereas the difference between the original budget and final amended budget for revenues resulted in a 1.7 percent increase ($925,677 increase in revenues). All of these budgetary adjustments were offset by either an adjustment to other expenditures and transfers out or to revenues and transfers in and use of fund balance.

The budgetary differences are summarized as follows:

- The Administrator approved the carry forward of several budgetary items previously approved in FY 2024 budget. These were $3,993 for the purchase of chairs in District Court, $79,950 for the compensation plan update, and $50,000 for contractual services on a broadband feasibility study,

- The Board of Commissioners approved to establish a Legal Self-Help Center using grant dollars provided by the State Court Administrator's Office (SCAO) in the amount of $50,400. Additionally, the SCAO awarded an additional $6,000 for Technology Implementation for the Legal Self-Help Center.

- Due to funding cuts in the local Emergency Management Planning Grant (EMPG) allocations, the Board of Commissioners approved an increase in the transfer out to Emergency Management of $41,716 with an offset to use of fund balance to cover the funding cuts.

- The Board of Commissioners approved an increase in Family Division budget of $216,000 to increase the contracted amount for attorney representation in the 10th Circuit Court Juvenile and Family Division. Additionally, the Board of Commissioners also approved an increase in the transfer to the Child Care fund of $18,470 to cover increased medical costs for juveniles housed at the Saginaw County Detention Center. Both of these increases were offset with the use of fund balance for the same amounts.

- The Board of Commissioners approved a transfer in from the Sheriff's Law Enforcement budget of $13,500 to cover marine patrol services due to a reduction in grant revenue. This approval also included a reduction in grant revenue of $2,850 and an increase in the marine law enforcement activity of $10,650.

- The Board of Commissioners approved an increase to the Circuit Court/Due Process budget of $90,000 to cover court appointed attorney payments for appeal cases, an increase in appeal transcript costs an increase in the jury questionnaire processing. This was offset with an increase of $17,000 in reimbursements from the Michigan Appellate Assigned Counsel System (MAACS) and an increase in use of fund balance of $73,000.

- The Board of Commissioners approved the County's Cost Allocation and Information Technology Plans which affected multiple budgets resulting in an increase in reimbursement revenue of $230,342, an increase to the transfer out to the Health Department of $117,862, and an increase in the use of fund balance of $226,672.

- The Board of Commissioners approved several Collective Bargaining Agreements as well as wage increases for nonunion employees during the fiscal year resulting in an increase in wages and fringes totaling $668,166 across several county departments. These adjustments were offset with increases to the following accounts: $664,320 in State Shared revenues and $3,846 in Federal Grants for Prosecutor Welfare,

Overall during the year, actual General Fund revenues and expenditures were less than the amended budgetary estimates, resulting in an actual increase in fund balance of $1,282,950 and the final amended budget amount was expected to be a decrease of $1,643,201 in fund balance.

Management's Discussion and Analysis

The significant budgetary variances between the final amended budget and actual results for the General Fund can be summarized as follows:

- The favorable variance in property taxes of $1,323,600 occurred due to conservative budgeting for this revenue combined with larger than anticipated increase in overall taxable value.
- The favorable variance of $637,913 in charges for services relates to higher than anticipated court costs and fees in our District Court as well as in revenue received for housing federal inmates in our jail.
- The favorable variance of $528,440 in investment income occurred due to the recording of investments at fair market value to comply with GASB 72.
- The unfavorable variance for the contributions to the postemployment health benefits trust fund included in general government of $1,361,513 relates to application of County policy and transferring one third of the General Fund surplus to the Other Postemployment Benefits fund. The County did not budget to have a surplus for FY 2025.
- The unfavorable variance for transfers out of $1,188,212 relates to application of County policy and transferring one third of the General Fund surplus to the Public Improvement fund. The County did not budget to have a surplus for FY 2025.

General Fund. The following schedule presents a comparative summary of changes in the fund balance of the General Fund for the fiscal years ended September 30, 2025 and September 30, 2024, along with the amount and percentage of increases and decreases in relation to the 2024 amounts:

	2025	2024	Change from 2024	Percent Increase/ (Decrease)
Revenues	$ 57,334,404	$ 55,117,647	$ 2,216,757	4.0%
Expenditures	(48,966,212)	(47,973,319)	(992,893)	2.1%
Revenues over expenditures	8,368,192	7,144,328	1,223,864	
Total other financing sources (uses)	(7,085,242)	(5,376,057)	(1,709,185)	31.8%
Net change in fund balance	1,282,950	1,768,271	(485,321)	
Fund balance, beginning of year	23,500,020	21,731,749	1,768,271	
Fund balance, end of year	$ 24,782,970	$ 23,500,020	$ 1,282,950	5.5%

Management's Discussion and Analysis

The following schedule enumerates the particular changes in the General Fund's classifications of fund balance.

	Fund Balance Analysis				
	Nonspendable	Restricted	Assigned	Unassigned	Total Fund Balance
Fund balance, beginning of year	$ 406,889	$ 245,062	$ 16,138,661	$ 6,709,408	$ 23,500,020
Fiscal year transactions:					
Excess revenue over (under) expenditures	3,189	12,215	(108,890)	8,461,678	8,368,192
Total other financing sources (uses)	-	-	-	(7,085,242)	(7,085,242)
Fiscal year net increase (decrease)	3,189	12,215	(108,890)	1,376,436	1,282,950
Fund balance, end of year	$ 410,078	$ 257,277	$ 16,029,771	$ 8,085,844	$ 24,782,970

The Board of Commissioners approved the fund balance policy within Saginaw County policies which establishes an employee payroll reserve and a budget stabilization reserve in the General Fund. The policy authorizes earmarking a minimum of fifty percent of the most current Board approved General Fund budget for property tax collections for the employee payroll reserve and a minimum of five percent of the most current Board approved General Fund budget for the budget stabilization reserve.

The current balance for employee payroll reserve is $16,011,871 or 50.0 percent of the most current Board approved General Fund budget for property tax collections and the current balance for budget stabilization is $8,085,844 or 12.06 percent of the most current Board approved General Fund budget. These amounts are presented as assigned and unassigned fund balance, respectively, in the governmental funds balance sheet. The remaining balance in the assigned fund balance category of $17,900 represents the budgeted use of fund balance for fiscal year 2026.

Fiduciary operations. The fiduciary operations of the County include a postemployment health benefits trust fund and five custodial funds: a general custodial fund, the state education tax fund, the library penal fine fund, the dependent care fund and the medical spending reimbursement fund.

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2025 amounted to $125,077,761 (net of accumulated depreciation/amortization). This investment in capital assets includes land, air rights, construction in progress, land improvements, buildings, leasehold improvements, machinery and equipment, office furniture and fixtures, vehicles, and subscription assets. The total increase in the County's investment in capital assets for the current fiscal year was 2.8 percent (a 7.5 percent increase for governmental activities and a 4.7 percent decrease for business-type activities).

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

- Multiple departments purchased vehicles during the year with a total cost of $822,044. The Sheriff's department purchased 11 vehicles at a total cost of $510,990, Commission on Aging purchased a mobility transport van and a truck at a total cost of $124,988, Mosquito Control purchased a Chevy Blazer and a plow/spreader totaling $45,834, Maintenance purchased a truck and a salt box/plow totaling $63,261 and the Department of Public Works purchased a new truck totaling $51,107.

- The final renovations to the new building at 705 N. Towerline Road for Mosquito Control were completed with construction costs totaling $5,264,178. Also, miscellaneous machinery and equipment were purchased for the new building totaling $241,299.

- The County began the Courthouse HVAC renovation project with costs totaling $2,007,375.

- Construction continued at the Harry W. Browne Airport to rehabilitate the taxiway and reconstruct lighting totaling $198,101. Asphalt repairs were also made to Runway 10/28 totaling $54,905.

- Audio and visual system upgrades started in multiple Courtrooms totaling $450,706. The audio and visual upgrades for Probate Court and Circuit Court were finished during the year, and the upgrades District Court will be finished in fiscal year 2026.

- The Sheriff's Department purchased Tasers totaling $114,964.

- Department of Public Works purchased a new Freightliner and a trailer with air ramps at a total cost of $201,637. Also, a new Crossing replacement was needed at the Gage Drain totaling $184,250.

- The Benton St. Drain ad Savage Drain were completed during the year for a total of $2,384,331.

	Capital Assets (net of depreciation/amortization)					
	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 4,370,091	$ 4,045,091	$ 2,258,248	$ 2,258,248	$ 6,628,339	$ 6,303,339
Air rights	-	-	238,854	238,854	238,854	238,854
Construction in progress	2,118,455	1,635,447	1,937,064	1,813,843	4,055,519	3,449,290
Land improvements	4,314,306	4,577,638	1,408,823	1,621,202	5,723,129	6,198,840
Buildings and improvements	62,011,573	56,934,407	35,041,445	36,854,312	97,053,018	93,788,719
Leased buildings	2,563,452	3,286,342	-	-	2,563,452	3,286,342
Machinery and equipment	3,484,837	2,711,961	570,073	626,638	4,054,910	3,338,599
Office furniture & fixtures	35,184	62,694	20,183	20,883	55,367	83,577
Planning and development	-	-	2,833,281	3,054,380	2,833,281	3,054,380
Vehicles	1,486,396	1,394,083	33,028	28,205	1,519,424	1,422,288
Subscription assets	352,468	483,877	-	-	352,468	483,877
Total	$ 80,736,762	$ 75,131,540	$ 44,340,999	$ 46,516,565	$ 125,077,761	$ 121,648,105

Additional information on the County’s capital assets can be found in the Note 5 in the financial statements.

Long-term debt. At the end of the current fiscal year, the County and its component units had total installment debt outstanding of $165,872,187. Of this amount, $129,381,537 comprises debt backed by the full faith and credit of the government and $36,490,650 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment.

	Outstanding Debt			
	Governmental Activities		Business-type Activities	
	2025	2024	2025	2024
General obligation bonds	$ 68,423,383	$ 75,668,186	$ 17,675,000	$ 18,535,000
Installment purchase agreements	237,586	192,271	-	-
Notes payable	-	-	-	-
Delinquent tax notes	-	-	24,730,000	23,635,000
Total	$ 68,660,969	$ 75,860,457	$ 42,405,000	$ 42,170,000

	Outstanding Debt			
	Component Units		Totals	
	2025	2024	2025	2024
General obligation bonds	$ 52,752,218	$ 42,606,668	$ 138,850,601	$ 136,809,854
Installment purchase agreements	-	88,643	237,586	280,914
Notes payable	2,054,000	1,411,000	2,054,000	1,411,000
Delinquent tax notes	-	-	24,730,000	23,635,000
Total	$ 54,806,218	$ 44,106,311	$ 165,872,187	$ 162,136,768

During the year, the County of Saginaw and its component units (not including the Road Commission component unit) issued the following tax-exempt bonds and notes (not including installment purchase agreements):

	Amount	Issue	Rate
Delinquent Tax General Obligation Notes, Series 2025	$ 17,230,000	5/29/2025	4.70%
White Beech Drain Notes, Series 2024	344,000	10/1/2024	4.40%
New Tamarack Drain Notes, Series 2024	584,000	10/1/2024	4.40%
Youngs Intercounty Drain Notes, Series 2024	800,000	11/20/2024	1.69%
Cheboyganing Creek Intercounty Drain Bonds, Series 2025	2,920,000	8/8/2025	4.06%
Marsh Creek #2 Drain Bonds, Series 2025	1,518,000	5/28/2025	4.26%

The County's total installment debt decreased by $3,735,419 (2.3 percent) during the fiscal year.

The County has an “Aa2” rating with Moody’s for its general obligation debt.

State statute (Article 7, Section 11, Michigan Constitution of 1963) limits the amount of general obligation debt a governmental entity may issue to 10 percent of its total state equalized valuation. The current debt limitation for the County is $930,768,846, which is significantly higher than the County’s outstanding general obligation debt.

Additional information on the County’s long-term debt can be found in the Note 8 in the financial statements.

Economic Factors and Next Year’s Budget and Rates

The following factors were considered in preparing the County’s budget for the 2026 fiscal year:

- Property Taxes – Estimates received from the County Equalization Department anticipated that property tax revenue for the General Fund and the special millage funds would increase by 5.97 percent for fiscal 2026.

- Wages and Fringe Benefits – The County's authorized staff count saw a decrease from 2025 to 2026 with the reduction of 7.10 F.T.E.'s for a total of 595.62 F.T.E.'s budgeted. The wage rates for these positions were budgeted according to the Collective Bargaining Agreements plus any Step adjustments. Positions without a Collective Bargaining Agreement covering FY 2026 were budgeted with a zero base wage increase plus any step adjustments. Certain fringe benefits are fixed in terms of actual dollar amounts per employee, while others vary as a percentage of the employee's compensation. Fixed fringe benefits include: illustrative premiums for health, dental, life, and vision as well as MERS DB unfunded liability contributions and retiree health reserve contributions. Illustrative health premiums increased due the cost of providing health insurance and contributions to the retiree health reserve decreased from $10,000 to $5,000 per FTE. Contributions to the MERS DB unfunded liability were budgeted using 30.5% of budgeted wages for 2026 which is a decrease of 1.50% from the 2025 budget (which was budgeted using 32.0% of budgeted wages). The County continues to allocate both the MERS DB unfunded liability and retiree health reserve costs in a consistent manner across all funds as we contend with the ongoing structural budget deficit due to the increase in costs of providing these benefits as well as provide for the most equitable approach in allocating these costs. All other fixed fringe benefits remained constant due to favorable negotiations and competitive bidding. Variable benefits include: social security tax, workers' compensation insurance, DC retirement contributions, retiree health savings contributions, and disability insurance. None of the actual or illustrative rates for these items rose, however, costs associated with these items rose in proportion to any compensation increases.

- Use of Reserves – Structural Deficit – The structural budget deficit situation was still an issue for fiscal 2026 with the Board of Commissioners approving to use American Rescue Plan Act Revenue Replacement funds in an amount of $2,264,889 and budgeting the use of fund balance in an initial amount of $17,900 for the following purposes: balancing revenues with expenditures; budgeting for the increase in wages and fringes associated with Collective Bargaining Agreements and increased costs in providing benefits along with the adverse impact inflation is having on supplies and services.

- Continuing into future budget cycles, the Board of Commissioners and the County Administrator will continue to communicate with all County departments regarding the County's continuing financial challenges and the use of reserves to balance the general fund budget in an effort to eliminate the reliance on the use of American Rescue Plan Act revenue replacement funds and fund balance in future budget cycles.

- The FY 2026 budget reflects the 2023 *Proposed* Board of Commissioner's priorities identified during their April 2023 Strategic Planning Sessions. During these sessions, the Board identified seven (7) Proposed Board Priorities, which include (1) increased collaboration between public and private sectors; (2) continued management of fiscal resources; (3) comprehensive economic development; (4) improved public safety perception; (5) improved employee engagement; (6) state of the art county facilities; and (7) enhanced infrastructure. The 2026 budget includes funding for a Board Retreat to re-align priorities and give guidance on how to address the loss of ARPA revenue replacement dollars in our 2027 budget. Additionally, the 2026 Budget incorporates a substantial appropriation from the Public Improvement Fund to address current deferred maintenance projects and necessary identified improvements.

- Inflationary trends in the region were expected to compare favorably to national indices. Non personnel costs were either held steady or budgeted to increase by inflationary trends.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County of Saginaw's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County of Saginaw Administrator's Office, 111 S. Michigan Ave., Saginaw, Michigan 48602.

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BASIC FINANCIAL STATEMENTS

Statement of Net Position
September 30, 2025

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Cash and investment pool	$ 93,197,127	$ 25,571,646	$ 118,768,773	$ 25,106,927
Restricted cash	19,771,797	-	19,771,797	-
Receivables, net	37,207,360	19,397,525	56,604,885	54,138,299
Internal balances	(88,333)	88,333	-	-
Inventory	-	103,804	103,804	2,495,531
Prepaids	359,017	66,620	425,637	322,773
Advances to component unit	400,000	-	400,000	-
Advance to land bank	-	-	-	317,926
Net OPEB asset	32,420,183	-	32,420,183	-
Capital assets:				
Not being depreciated/amortized	6,488,546	4,434,166	10,922,712	76,170,780
Being depreciated/amortized, net	74,248,216	39,906,833	114,155,049	225,439,029
Total assets	264,003,913	89,568,927	353,572,840	383,991,265
Deferred outflows of resources				
Deferred pension amounts	9,460,251	-	9,460,251	1,463,774
Deferred OPEB amounts	288,939	-	288,939	43,514
Total deferred outflows of resources	9,749,190	-	9,749,190	1,507,288
Liabilities				
Accounts payable and accrued liabilities	20,269,995	3,974,182	24,244,177	4,853,291
Unearned revenue	21,147,471	227,413	21,374,884	37,500
Advances from primary government	-	-	-	400,000
Advance from brownfield redevelopment	-	-	-	317,926
Bonds, notes and other long-term liabilities:				
Due within one year	11,272,034	12,507,110	23,779,144	5,392,741
Due in more than one year	67,717,506	31,646,236	99,363,742	51,532,856
Due to Saginaw Hockey Club, LLC, due within one year	-	164,100	164,100	-
Due to Saginaw Hockey Club, LLC, due in more than one year	-	980,500	980,500	-
Net pension liability, due in more than one year	36,657,654	-	36,657,654	14,988,713
Net OPEB liability, due in more than one year	-	-	-	8,886,841
Total liabilities	157,064,660	49,499,541	206,564,201	86,409,868
Deferred inflows of resources				
Deferred pension amounts	-	-	-	234,128
Deferred OPEB amounts	9,494,687	-	9,494,687	964
Deferred lease amounts	728,705	-	728,705	-
Total deferred inflows of resources	10,223,392	-	10,223,392	235,092
Net position				
Net investment in capital assets	29,046,681	23,779,734	52,826,415	254,606,509
Restricted for:				
OPEB	32,420,183	-	32,420,183	-
Public improvement	8,145,397	-	8,145,397	-
Road construction	13,098	-	13,098	-
Drain projects	-	-	-	13,329,810
Debt service	10,828,891	-	10,828,891	38,275,043
Capital projects	-	-	-	228,239
Public safety	5,540,101	-	5,540,101	-
Health and welfare	9,602,578	-	9,602,578	-
Recreation	1,858,227	-	1,858,227	-
Community and economic development	1,591,958	-	1,591,958	-
Opioid remediation	10,289,114	-	10,289,114	-
Other	1,395,399	-	1,395,399	-
Unrestricted (deficit)	(4,266,576)	16,289,652	12,023,076	(7,586,008)
Total net position	$ 106,465,051	$ 40,069,386	$ 146,534,437	$ 298,853,593

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

COUNTY OF SAGINAW, MICHIGAN

Statement of Activities

For the Year Ended September 30, 2025

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government						
Governmental activities:						
Legislative	$ 594,573	$ 2,384	$ 900	$ -	$ -	$ (596,057)
Judicial	16,589,584	454,366	2,823,522	6,277,938	-	(7,942,490)
General government	17,058,900	(3,441,341)	9,167,122	12,381,917	-	7,931,480
Public safety	43,944,141	812,705	8,489,210	9,273,059	-	(26,994,577)
Public works	18,485,518	12,040	1,994,388	14,719	-	(16,488,451)
Health and welfare	49,586,811	1,798,618	7,812,982	29,146,751	-	(14,425,696)
Community and economic development	4,342,398	49,126	1,380	22,976	-	(4,367,168)
Recreation and culture	3,073,410	303,480	184,374	410,372	-	(2,782,144)
Interest on long-term liabilities	2,724,873	-	-	-	-	(2,724,873)
Total governmental activities	156,400,208	(8,622)	30,473,878	57,527,732	-	(68,389,976)
Business-type activities:						
Delinquent tax revolving	3,109,797	-	4,749,493	-	-	1,639,696
Delinquent tax foreclosure	1,493,640	-	1,057,764	-	-	(435,876)
Building authority event center	10,020,723	2	6,123,503	1,395,094	-	(2,502,128)
Building authority administration	26,133	-	18,818	-	-	(7,315)
Parking system	17,966	-	10,125	-	-	(7,841)
Harry W. Browne airport	875,992	560	712,908	-	190,267	26,623
Inmate services	740,714	8,060	1,172,630	-	-	423,856
Total business-type activities	16,284,965	8,622	13,845,241	1,395,094	190,267	(862,985)
Total primary government	$ 172,685,173	$ -	$ 44,319,119	$ 58,922,826	$ 190,267	$ (69,252,961)
Component units						
Road Commission	$ 29,992,922	$ -	$ 109,769	$ 43,714,840	$ -	$ 13,831,687
Brownfield Redevelopment Authority	663,814	-	-	643,743	-	(20,071)
Department of Public Works	602,308	-	168,532	-	348,826	(84,950)
Drain Commission	5,239,571	-	-	786,356	8,685,781	4,232,566
Economic Development Corporation	12,800	-	22,071	-	-	9,271
Land Bank Authority	1,282,792	-	-	832,868	205,479	(244,445)
Total component units	$ 37,794,207	$ -	$ 300,372	$ 45,977,807	$ 9,240,086	$ 17,724,058

continued…

Statement of Activities
For the Year Ended September 30, 2025

Functions/Programs	Primary Government Governmental Activities	Primary Government Business-type Activities	Primary Government Total	Component Units
Change in net position				
Net (expense) revenue	$ (68,389,976)	$ (862,985)	$ (69,252,961)	$ 17,724,058
General revenues:				
Property taxes	79,458,711	2,820,108	82,278,819	15,471
Accommodations tax	4,294,024	-	4,294,024	-
Grants and contributions not restricted to specific programs	7,296,430	-	7,296,430	-
Unrestricted investment income	3,644,147	952,688	4,596,835	689,567
Transfers - internal activities	1,918,119	(1,918,119)	-	-
Total general revenues and transfers	96,611,431	1,854,677	98,466,108	705,038
Change in net position	28,221,455	991,692	29,213,147	18,429,096
Net position, beginning of year, as previously reported	79,839,484	39,077,694	118,917,178	280,424,497
Restatement (Note 22)	(1,595,888)	-	(1,595,888)	-
Net position, beginning of year, as restated	78,243,596	39,077,694	117,321,290	280,424,497
Net position, end of year	$ 106,465,051	$ 40,069,386	$ 146,534,437	$ 298,853,593

concluded

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

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COUNTY OF SAGINAW, MICHIGAN

Balance Sheet
Governmental Funds
September 30, 2025

		Special Revenue Funds			
	General	Health Department	Michigan Works!	Opioid Settlements	American Rescue Plan Act
Assets					
Cash and investment pool	$ 21,414,073	$ 15,445,043	$ 2,906,280	$ 4,006,223	$ 1,191,885
Restricted cash	-	-	-	-	19,771,797
Receivables:					
Taxes	6,154,769	13,243	-	-	-
Accounts	536,563	207,123	34,278	6,325,500	-
Loans	-	-	-	-	-
Installment sales agreement	-	-	-	-	-
Leases	502,200	-	-	-	-
Due from other governmental units	1,101,054	148,471	1,811,499	-	-
Due from other funds	2,294,322	-	-	-	-
Advances to component units	400,000	-	-	-	-
Prepaids	10,078	53,915	4,424	-	-
Total assets	$ 32,413,059	$ 15,867,795	$ 4,756,481	$ 10,331,723	$ 20,963,682
Liabilities					
Negative equity in pooled cash	$ -	$ -	$ -	$ -	$ -
Accounts payable	2,126,604	393,991	3,463,680	42,609	279,563
Accrued liabilities	942,839	205,814	69,374	-	2,749
Due to other funds	1,361,745	-	-	-	2,264,889
Due to other governmental units	5,681	1,156,169	1,028,238	-	-
Deposits payable	-	31,209	-	-	-
Unearned revenue	-	1,486,662	-	-	17,224,596
Total liabilities	4,436,869	3,273,845	4,561,292	42,609	19,771,797
Deferred inflows of resources					
Unavailable revenue:					
Property taxes	2,732,722	13,243	-	-	-
Long-term receivables	-	-	-	6,325,500	-
Deferred lease amounts	460,498	-	-	-	-
Total deferred inflows of resources	3,193,220	13,243	-	6,325,500	-
Fund balances					
Nonspendable	410,078	53,915	4,424	-	-
Restricted	257,277	-	-	3,963,614	-
Assigned	16,029,771	12,526,792	190,765	-	1,191,885
Unassigned	8,085,844	-	-	-	-
Total fund balances	24,782,970	12,580,707	195,189	3,963,614	1,191,885
Total liabilities, deferred inflows of resources and fund balances	$ 32,413,059	$ 15,867,795	$ 4,756,481	$ 10,331,723	$ 20,963,682

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

Debt Serivce Fund		
Road Debt (Act 51 Bonds)	Nonmajor Governmental Funds	Total Governmental Funds
$ 240	$ 32,699,441	$ 77,663,185
-	-	19,771,797
-	308,303	6,476,315
-	3,301,716	10,405,180
-	1,763,850	1,763,850
-	2,225,000	2,225,000
-	294,330	796,530
8,350,000	3,716,701	15,127,725
-	1,374,348	3,668,670
-	-	400,000
-	58,649	127,066
$ 8,350,240	$ 45,742,338	$ 138,425,318
$ -	$ 259,168	$ 259,168
-	3,538,530	9,844,977
-	796,957	2,017,733
-	28,413	3,655,047
-	350,377	2,540,465
-	4,630	35,839
-	2,436,213	21,147,471
-	7,414,288	39,500,700
-	260,368	3,006,333
8,350,000	3,816,958	18,492,458
-	268,207	728,705
8,350,000	4,345,533	22,227,496
-	95,039	563,456
240	27,877,440	32,098,571
-	6,010,038	35,949,251
-	-	8,085,844
240	33,982,517	76,697,122
$ 8,350,240	$ 45,742,338	$ 138,425,318

Reconciliation

Fund Balances for Governmental Funds
To Net Position of Governmental Activities
September 30, 2025

Fund balances - total governmental funds	$ 76,697,122
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets, not being depreciated/amortized	6,488,546
Capital assets, being depreciated/amortized	74,248,216
Less: Internal service fund capital assets, net	(1,869,417)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the governmental funds.	
Deferred inflows of resources for long-term receivables and unavailable property tax revenue	21,498,791
Certain pension and other postemployment benefit (OPEB)-related amounts, such as the net pension and OPEB (liabilities) assets and related deferred amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.	
Net pension liability	(36,657,654)
Deferred outflows of resources related to the net pension liability	9,460,251
Net OPEB asset	32,420,183
Deferred outflows of resources related to the net OPEB asset	288,939
Deferred inflows of resources related to the net OPEB asset	(9,494,687)
Internal service funds are used by management to charge the costs of certain activities to individual funds. A portion of the assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
Net position of the governmental activity internal service funds	13,453,120
Portion of the governmental activity's internal service fund net position allocated to business-type activities	(88,333)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds, notes and other long-term liabilities	(71,485,507)
Premium on bond issuance	(3,999,769)
Accrued interest on bonds payable	(1,135,331)
Accrued compensated absences	(3,359,419)
Net position of governmental activities	$ 106,465,051

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

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COUNTY OF SAGINAW, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2025

		Special Revenue Funds			
	General	Health Department	Michigan Works!	Opioid Settlements	American Rescue Plan Act
Revenues					
Property taxes	$ 31,812,236	$ 3,000,375	$ -	$ -	$ -
Accommodations tax	-	-	-	-	-
Licenses and permits	100,776	588,521	-	-	-
Federal grants	2,740,432	4,036,140	10,507,344	-	6,418,492
State grants	11,698,766	3,247,374	3,607,811	-	-
Local grants and contributions	6,500	346,489	-	-	-
Charges for services	5,194,951	724,741	11,411	-	-
Fines and forfeitures	466,846	-	-	-	-
Investment income	728,440	395,690	17,747	97,267	960,035
Rental revenue	-	-	-	-	-
Donations	-	127	43,364	-	-
Reimbursements	4,554,675	3,331,600	2,122,888	-	-
Other revenue	30,782	662,759	-	687,939	-
Total revenues	57,334,404	16,333,816	16,310,565	785,206	7,378,527
Expenditures					
Current:					
Legislative	725,024	-	-	-	-
Judicial	16,202,656	-	-	-	-
General government	18,857,396	-	-	-	-
Public safety	10,334,146	-	-	100,959	5,944,489
Public works	323,932	-	-	-	-
Health and welfare	2,051,646	16,697,843	15,547,723	-	-
Community and economic development	400,000	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	4,677	54,369	18,489	-	474,003
Debt service:				-	-
Principal	62,566	-	706,294	-	-
Interest and fiscal charges	4,169	-	54,699	-	-
Total expenditures	48,966,212	16,752,212	16,327,205	100,959	6,418,492
Revenues over (under) expenditures	8,368,192	(418,396)	(16,640)	684,247	960,035
Other financing sources (uses)					
Proceeds from issuance of bonds, notes and other long-term liabilities	4,677	-	18,489	-	-
Transfers in	5,329,861	1,943,853	-	-	-
Transfers out	(12,419,780)	-	-	-	-
Total other financing sources (uses)	(7,085,242)	1,943,853	18,489	-	-
Net change in fund balances	1,282,950	1,525,457	1,849	684,247	960,035
Fund balances, beginning of year	23,500,020	11,055,250	193,340	3,279,367	231,850
Fund balances, end of year	$ 24,782,970	$ 12,580,707	$ 195,189	$ 3,963,614	$ 1,191,885

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

Debt Service Fund		
Road Debt (Act 51 Bonds)	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ 44,698,510	$ 79,511,121
-	4,294,024	4,294,024
-	139,390	828,687
-	6,039,175	29,741,583
-	14,256,739	32,810,690
-	1,302,726	1,655,715
-	7,618,625	13,549,728
-	55,028	521,874
240	1,121,713	3,321,132
-	179,320	179,320
-	496,025	539,516
1,174,896	7,311,247	18,495,306
-	302,587	1,684,067
1,175,136	87,815,109	187,132,763
-	-	725,024
-	6,370,642	22,573,298
-	903,174	19,760,570
-	29,851,732	46,231,326
-	18,245,291	18,569,223
-	21,401,735	55,698,947
-	4,483,768	4,883,768
-	3,281,470	3,281,470
-	6,943,140	7,494,678
685,000	6,785,634	8,239,494
489,896	2,789,853	3,338,617
1,174,896	101,056,439	190,796,415
240	(13,241,330)	(3,663,652)
-	174,494	197,660
-	12,718,545	19,992,259
	(4,418,445)	(16,838,225)
-	8,474,594	3,351,694
240	(4,766,736)	(311,958)
-	38,749,253	77,009,080
$ 240	$ 33,982,517	$ 76,697,122

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Change in Net Position of Governmental Activities
For the Year Ended September 30, 2025

Net change in fund balances - total governmental funds	$ (311,958)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.	
Capital assets purchased/constructed	9,432,282
Loss on disposal of capital assets	(273,166)
Depreciation/amortization expense	(3,960,408)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to subsequent fiscal years.	
Change in deferred inflows of resources related to:	
Unavailable property tax revenue	(52,410)
Long-term installment sales agreement receivable	(155,799)
Long-term loans receivable	(796,071)
Long-term opioid receivable	(464,332)
Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Issuance of bonds, notes and other long-term liabilities	(197,660)
Principal payments on bonds, notes and other long-term liabilities	8,239,494
Change in accrued interest payable and amortization of bond premium	559,197
Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds.	
Change in net pension liability and related deferred amounts	3,155,979
Change in net other postemployment benefit asset and related deferred amounts	11,310,850
Change in accrued compensated absences	(17,964)
Internal service funds are used by management to charge the costs of certain activities to individual funds. Some of the net revenue (expense) attributable to those funds is reported with governmental activities.	
Change in net position of internal service funds	1,750,387
Operating income from governmental activities in internal service funds charged to business-type activities	3,034
Change in net position of governmental activities	$ 28,221,455

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

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	$ 30,488,636	$ 30,488,636	$ 31,812,236	$ 1,323,600
Licenses and permits	156,500	156,500	100,776	(55,724)
Federal grants	2,801,074	2,753,839	2,740,432	(13,407)
State grants	10,863,077	11,605,647	11,698,766	93,119
Local grants and contributions	6,500	6,500	6,500	-
Charges for services	4,557,038	4,557,038	5,194,951	637,913
Fines and forfeitures	335,500	335,500	466,846	131,346
Investment income	200,000	200,000	728,440	528,440
Reimbursements	4,512,259	4,742,601	4,554,675	(187,926)
Other revenue	26,000	26,000	30,782	4,782
Total revenues	53,946,584	54,872,261	57,334,404	2,462,143
Expenditures				
Current:				
Legislative - board of commissioners	688,601	738,491	725,024	(13,467)
Judicial:				
Circuit court	3,710,202	4,115,015	4,068,452	(46,563)
District court	5,564,748	5,635,151	5,506,300	(128,851)
Probate court	1,423,609	1,410,160	1,358,916	(51,244)
Family division	3,058,315	3,374,251	3,209,561	(164,690)
Probation - circuit court	148,550	148,550	118,437	(30,113)
Probation - district court	1,009,923	1,069,460	1,009,827	(59,633)
Assigned counsel	924,855	924,855	924,855	-
Jury commission	9,790	9,790	6,308	(3,482)
Total judicial	15,849,992	16,687,232	16,202,656	(484,576)
General government:				
Elections	301,782	291,530	140,362	(151,168)
Auditing	187,000	187,000	148,000	(39,000)
Corporate counsel	221,675	221,675	177,477	(44,198)
County clerk	1,880,506	1,871,843	1,765,727	(106,116)
Administrator	2,139,378	2,331,109	2,143,299	(187,810)
Equalization	979,355	1,014,902	929,165	(85,737)
Prosecuting attorney	5,459,263	5,503,872	5,246,542	(257,330)
Prosecuting attorney - welfare	800,735	740,834	720,151	(20,683)
Register of deeds	796,032	850,665	822,750	(27,915)
County treasurer	1,071,984	1,069,903	1,057,325	(12,578)
Maintenance	3,906,459	4,114,769	3,431,410	(683,359)
Maintenance - telephone	64,500	72,500	71,894	(606)
Public works commissioner	704,739	709,838	661,903	(47,935)
Contributions to postemployment health benefits trust fund	-	-	1,361,513	1,361,513
Contributions to other agencies	180,800	180,800	179,878	(922)
Total general government	18,694,208	19,161,240	18,857,396	(303,844)

continued…

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (continued):				
Current (continued):				
Public safety:				
Sheriff	$ 898,063	$ 725,904	$ 710,386	$ (15,518)
Marine law enforcement	7,700	18,350	18,350	-
Sheriff - jail division	9,757,085	10,037,073	9,535,300	(501,773)
Corrections reimbursement	61,528	71,596	70,110	(1,486)
Total public safety	10,724,376	10,852,923	10,334,146	(518,777)
Public works - drains	350,000	350,000	323,932	(26,068)
Health and welfare:				
Medical examiner	1,571,148	1,538,554	1,257,027	(281,527)
Veterans burial	24,000	24,000	15,658	(8,342)
Contributions to other agencies	778,961	778,961	778,961	-
Total health and welfare	2,374,109	2,341,515	2,051,646	(289,869)
Community and economic development:				
Contributions to other agencies	400,000	400,000	400,000	-
Capital outlay	-	4,700	4,677	(23)
Debt service:				
Principal	-	62,589	62,566	(23)
Interest and fiscal charges	-	4,226	4,169	(57)
Total debt service	-	66,815	66,735	(80)
Total expenditures	49,081,286	50,602,916	48,966,212	(1,636,704)
Revenues over expenditures	4,865,298	4,269,345	8,368,192	4,098,847
Other financing sources (uses)				
Proceeds from issuance of bonds, notes and other long-term liabilities	-	4,700	4,677	(23)
Transfers in	5,300,822	5,314,322	5,329,861	15,539
Transfers out	(11,053,520)	(11,231,568)	(12,419,780)	1,188,212
Total other financing sources (uses)	(5,752,698)	(5,912,546)	(7,085,242)	1,172,696
Net change in fund balance	(887,400)	(1,643,201)	1,282,950	2,926,151
Fund balance, beginning of year	23,500,020	23,500,020	23,500,020	-
Fund balance, end of year	$ 22,612,620	$ 21,856,819	$ 24,782,970	$ 2,926,151

concluded

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

COUNTY OF SAGINAW, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Health Department Special Revenue Fund
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	$ 2,986,749	$ 2,986,749	$ 3,000,375	$ 13,626
Licenses and permits	544,900	544,900	588,521	43,621
Federal grants	4,768,550	4,782,385	4,036,140	(746,245)
State grants	3,592,112	3,969,610	3,247,374	(722,236)
Local grants and contributions	389,623	423,582	346,489	(77,093)
Charges for services	737,000	737,000	724,741	(12,259)
Investment income	-	-	395,690	395,690
Donations	500	500	127	(373)
Reimbursements	2,743,973	2,102,728	3,331,600	1,228,872
Other revenue	473,738	473,738	662,759	189,021
Total revenues	16,237,145	16,021,192	16,333,816	312,624
Expenditures				
Current:				
Health and welfare	19,140,568	21,112,349	16,697,843	(4,414,506)
Capital outlay	35,000	65,781	54,369	(11,412)
Total expenditures	19,175,568	21,178,130	16,752,212	(4,425,918)
Revenues over (under) expenditures	(2,938,423)	(5,156,938)	(418,396)	4,738,542
Other financing sources				
Transfers in	1,825,991	1,943,853	1,943,853	-
Net change in fund balance	(1,112,432)	(3,213,085)	1,525,457	4,738,542
Fund balance, beginning of year	11,055,250	11,055,250	11,055,250	-
Fund balance, end of year	$ 9,942,818	$ 7,842,165	$ 12,580,707	$ 4,738,542

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

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Michigan Works! Special Revenue Fund
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Federal grants	$ 14,610,672	$ 16,290,253	$ 10,507,344	$ (5,782,909)
State grants	2,769,264	4,823,870	3,607,811	(1,216,059)
Charges for services	-	-	11,411	11,411
Investment income	-	-	17,747	17,747
Donations	170,000	170,000	43,364	(126,636)
Reimbursements	2,487,749	2,567,228	2,122,888	(444,340)
Total revenues	20,037,685	23,851,351	16,310,565	(7,540,786)
Expenditures				
Current:				
Health and welfare	20,023,235	23,075,807	15,547,723	(7,528,084)
Capital outlay	-	18,490	18,489	(1)
Debt service:				
Principal	14,400	720,745	706,294	(14,451)
Interest and fiscal charges	50	54,799	54,699	(100)
Total debt service	14,450	775,544	760,993	(14,551)
Total expenditures	20,037,685	23,869,841	16,327,205	(7,542,636)
Revenues over (under) expenditures	-	(18,490)	(16,640)	1,850
Other financing sources				
Proceeds from issuance of bonds, notes and other long-term liabilities	-	18,490	18,489	(1)
Net change in fund balance	-	-	1,849	1,849
Fund balance, beginning of year	193,340	193,340	193,340	-
Fund balance, end of year	$ 193,340	$ 193,340	$ 195,189	$ 1,849

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

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Opioid Settlements Special Revenue Fund
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Investment income	$ -	$ -	$ 97,267	$ 97,267
Other revenue	500,000	630,000	687,939	57,939
Total revenues	500,000	630,000	785,206	155,206
Expenditures				
Current:				
Public safety	100,959	100,959	100,959	-
Net change in fund balance	399,041	529,041	684,247	155,206
Fund balance, beginning of year	3,279,367	3,279,367	3,279,367	-
Fund balance, end of year	$ 3,678,408	$ 3,808,408	$ 3,963,614	$ 155,206

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

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - American Rescue Plan Act Special Revenue Fund
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Federal grants	$ 4,050,026	$ 15,320,278	$ 6,418,492	$ (8,901,786)
Investment income	-	-	960,035	960,035
Total revenues	4,050,026	15,320,278	7,378,527	(7,941,751)
Expenditures				
Current:				
Public safety	4,050,026	14,820,278	5,944,489	(8,875,789)
Capital outlay	-	500,000	474,003	(25,997)
Total expenditures	4,050,026	15,320,278	6,418,492	(8,901,786)
Net change in fund balance	-	-	960,035	960,035
Fund balance, beginning of year	231,850	231,850	231,850	-
Fund balance, end of year	$ 231,850	$ 231,850	$ 1,191,885	$ 960,035

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

Statement of Net Position

Proprietary Funds
September 30, 2025

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets					
Current assets:					
Cash and investment pool	$ 15,441,068	$ 8,733,516	$ 1,397,062	$ 25,571,646	$ 15,793,110
Receivables, net:					
Taxes	15,834,427	21,494	-	15,855,921	-
Accounts	383,022	83,961	103,271	570,254	412,760
Interest and fees	2,971,350	-	-	2,971,350	-
Due from other funds	-	-	43,723	43,723	1,895
Inventory	-	69,533	34,271	103,804	-
Prepaids	-	56,948	9,672	66,620	231,951
Total current assets	34,629,867	8,965,452	1,587,999	45,183,318	16,439,716
Noncurrent assets:					
Capital assets not being depreciated	-	1,223,614	3,210,552	4,434,166	325,000
Capital assets being depreciated, net	-	36,332,730	3,574,103	39,906,833	1,544,417
Total noncurrent assets	-	37,556,344	6,784,655	44,340,999	1,869,417
Total assets	34,629,867	46,521,796	8,372,654	89,524,317	18,309,133
Liabilities					
Current liabilities:					
Accounts payable	642,718	938,256	668,075	2,249,049	1,003,926
Accrued liabilities	8,182	488,290	12,126	508,598	3,691,723
Deposits payable	-	1,133,045	83,490	1,216,535	-
Due to other funds	43,723	-	-	43,723	15,518
Unearned revenue	-	157,460	69,953	227,413	-
Current portion of accrued compensated absences	-	-	3,970	3,970	110,141
Current portion due to Saginaw Hockey Club, LLC	-	164,100	-	164,100	-
Current portion of notes payable	11,500,000	-	-	11,500,000	-
Current portion of bonds payable	-	1,003,140	-	1,003,140	-
Total current liabilities	12,194,623	3,884,291	837,614	16,916,528	4,821,308
Noncurrent liabilities:					
Due to Saginaw Hockey Club, LLC, net of current portion	-	980,500	-	980,500	-
Accrued compensated absences, net of current portion	-	-	2,711	2,711	34,705
Notes payable, net of current portion	13,230,000	-	-	13,230,000	-
Bonds payable, net of current portion	-	18,413,525	-	18,413,525	-
Total noncurrent liabilities	13,230,000	19,394,025	2,711	32,626,736	34,705
Total liabilities	25,424,623	23,278,316	840,325	49,543,264	4,856,013

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Statement of Net Position

Proprietary Funds
September 30, 2025

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Net position					
Net investment in capital assets	$ -	$ 16,995,079	$ 6,784,655	$ 23,779,734	$ 1,869,417
Unrestricted	9,205,244	6,248,401	747,674	16,201,319	11,583,703
Total net position	$ 9,205,244	$ 23,243,480	$ 7,532,329	39,981,053	$ 13,453,120
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities				88,333	
Net position of business-type activities				$ 40,069,386	

concluded

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

COUNTY OF SAGINAW, MICHIGAN

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues					
Charges for services	$ 190,823	$ 5,572,935	$ 2,752,423	$ 8,516,181	$ 223,654
Interest on delinquent taxes	2,974,110	-	1,403	2,975,513	-
Fines and forfeitures	-	-	161	161	-
Rental revenue	-	-	113,046	113,046	348,641
Reimbursements	-	-	96,062	96,062	29,582,759
Other revenue	1,584,560	550,568	9,150	2,144,278	132,143
Total operating revenues	4,749,493	6,123,503	2,972,245	13,845,241	30,287,197
Operating expenses					
Personnel services	-	2,035,152	2,406	2,037,558	1,306,356
Fringe benefits	-	-	-	-	20,561,823
Supplies	42,034	677,937	512,357	1,232,328	218,722
Services and charges	1,914,604	3,970,590	2,299,934	8,185,128	5,245,332
Other	-	616,076	-	616,076	-
Depreciation	-	2,162,615	323,660	2,486,275	291,677
Total operating expenses	1,956,638	9,462,370	3,138,357	14,557,365	27,623,910
Operating income (loss)	2,792,855	(3,338,867)	(166,112)	(712,124)	2,663,287
Nonoperating revenues (expenses)					
Property taxes	-	2,820,108	-	2,820,108	-
Federal grants	-	-	182,432	182,432	-
State grants	-	1,395,094	7,835	1,402,929	-
Investment income	398,569	113,414	440,705	952,688	323,015
Interest expense and fiscal charges	(1,153,159)	(580,029)	-	(1,733,188)	-
Total nonoperating revenues (expenses)	(754,590)	3,748,587	630,972	3,624,969	323,015
Income (loss) before transfers	2,038,265	409,720	464,860	2,912,845	2,986,302
Transfers in	144,000	-	8,432	152,432	-
Transfers out	(1,644,000)	(2,695)	(423,856)	(2,070,551)	(1,235,915)
Change in net position	538,265	407,025	49,436	994,726	1,750,387
Net position, beginning of year	8,666,979	22,836,455	7,482,893		11,702,733
Net position, end of year	$ 9,205,244	$ 23,243,480	$ 7,532,329		$ 13,453,120
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(3,034)	
Change in net position of business-type activities				$ 991,692	

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

Statement of Cash Flows

Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities					
Receipts from customers and users	$ 4,358,667	$ 5,931,774	$ 3,105,190	$ 13,395,631	$ -
Receipts from interfund services provided	-	-	-	-	30,410,223
Payments to employees	-	(2,041,347)	(2,356)	(2,043,703)	(2,020,980)
Payments to suppliers	(1,328,704)	(6,099,654)	(3,201,674)	(10,630,032)	(24,025,310)
Net cash provided by (used in) operating activities	3,029,963	(2,209,227)	(98,840)	721,896	4,363,933
Cash flows from noncapital financing activities					
Property tax collections	-	2,817,097	-	2,817,097	-
State and federal grant proceeds	-	1,395,094	-	1,395,094	-
Transfers in	144,000	-	8,432	152,432	-
Transfers out	(1,644,000)	(2,695)	(423,856)	(2,070,551)	(1,235,915)
Proceeds from issuance of long-term liabilities	17,230,000	-	-	17,230,000	-
Principal paid on long-term liabilities	(16,135,000)	-	-	(16,135,000)	-
Interest paid on long-term liabilities	(1,153,159)	-	-	(1,153,159)	-
Net cash provided by (used in) noncapital financing activities	(1,558,159)	4,209,496	(415,424)	2,235,913	(1,235,915)
Cash flows from capital and related financing activities					
Reimbursements paid to Saginaw Hockey Club, LLC	-	(164,100)	-	(164,100)	-
Principal paid on long-term liabilities	-	(860,000)	-	(860,000)	-
Interest paid on long-term liabilities	-	(703,963)	-	(703,963)	-
Payments for capital asset acquisition	-	(53,403)	(67,039)	(120,442)	(698,191)
Net cash provided by (used in) capital and related financing activities	-	(1,781,466)	(67,039)	(1,848,505)	(698,191)
Cash flows from investing activities					
Investment income	-	-	440,705	440,705	323,015
Investment appreciation	398,569	113,414	-	511,983	-
Net cash provided by (used in) investing activities	398,569	113,414	440,705	952,688	323,015
Net change in cash and investment pool	1,870,373	332,217	(140,598)	2,061,992	2,752,842
Cash and investment pool:					
Beginning of year	13,570,695	8,401,299	1,537,660	23,509,654	13,040,268
End of year	$ 15,441,068	$ 8,733,516	$ 1,397,062	$ 25,571,646	$ 15,793,110

continued...

Statement of Cash Flows

Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	$ 2,792,855	$ (3,338,867)	$ (166,112)	$ (712,124)	$ 2,663,287
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	2,162,615	323,660	2,486,275	291,677
Changes in operating assets and liabilities that provided (used) cash:					
Receivables, net	(390,826)	(1,685)	29,974	(362,537)	119,921
Due from other funds	-	-	(43,723)	(43,723)	(1,895)
Due from other governmental units	-	-	32,000	32,000	-
Inventory	-	653	(1,929)	(1,276)	-
Prepaids	-	(42,045)	4,091	(37,954)	285,714
Accounts payable	584,339	(973,024)	(394,959)	(783,644)	661,166
Accrued liabilities	(128)	173,170	1,602	174,644	266,936
Deposits payable	-	(94,422)	44,741	(49,681)	-
Due to other funds	43,723	-	-	43,723	15,518
Unearned revenue	-	(95,622)	69,953	(25,669)	-
Accrued compensated absences	-	-	1,862	1,862	61,609
Net cash provided by (used in) operating activities	$ 3,029,963	$ (2,209,227)	$ (98,840)	$ 721,896	$ 4,363,933
Noncash transactions:					
Capital assets purchased with MDOT administered grant funds	$ -	$ -	$ 190,267	$ 190,267	$ -

concluded

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

Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2025

	Post-employment Health Benefits Trust Fund	Custodial Funds
Assets		
Current assets:		
Cash and investment pool	$ 39,111,693	$ 16,123,752
Investments, at fair value - mutual funds	30,149,225	-
Receivables:		
Accounts	1,363,717	2,171,480
Due from other governmental units	-	432,492
Prepaids	8,820	-
Total assets	70,633,455	18,727,724
Liabilities		
Current liabilities:		
Accounts payable	49,512	1,034,167
Accrued liabilities	259,436	-
Deposits payable	-	3,731,457
Due to other governmental units	-	13,942,852
Total liabilities (all current)	308,948	18,708,476
Net position restricted for		
Other postemployment benefits	70,324,507	-
Individuals, organizations and other governments	-	19,248
Total net position	$ 70,324,507	$ 19,248

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

Statement of Changes in Fiduciary Net Position

Fiduciary Funds
For the Year Ended September 30, 2025

	Post-employment Health Benefits Trust Fund	Custodial Funds
Additions		
Employer contributions	$ 7,284,963	$ -
Net investment income	3,382,792	-
State education tax collected for other governments	-	39,952,089
Fees and fines collected on behalf of other units of government	-	10,461,778
Employee medical withholdings collected	-	65,628
Total additions	10,667,755	50,479,495
Deductions		
Participant benefits	2,487,142	-
Administrative expenses	257,627	-
Payments of state education tax to other governments	-	39,952,089
Fees and fines remitted to other units of government	-	10,461,778
Employee medical withholdings remitted	-	65,313
Total deductions	2,744,769	50,479,180
Change in net position	7,922,986	315
Net position, beginning of year	62,401,521	18,933
Net position, end of year	$ 70,324,507	$ 19,248

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

Combining Statement of Net Position

Discretely Presented Component Units
September 30, 2025

	Road Commission*	Brownfield Redevelopment Authority	Department of Public Works	Drain Commission
Assets				
Cash and investment pool	$ 5,044,757	$ 758,608	$ 1,020,496	$ 16,684,864
Receivables	8,145,231	480,030	9,576,651	35,314,625
Inventory	1,971,431	-	-	-
Prepaids	304,202	-	-	-
Advance to land bank	-	317,926	-	-
Capital assets:				
Not being depreciated	70,075,941	-	-	6,094,839
Being depreciated, net	152,378,446	-	-	73,060,583
Total assets	237,920,008	1,556,564	10,597,147	131,154,911
Deferred outflows of resources				
Deferred pension amounts	1,463,774	-	-	-
Deferred OPEB amounts	43,514	-	-	-
Total deferred outflows of resources	1,507,288	-	-	-
Liabilities				
Accounts payable and accrued liabilities	3,510,601	56,475	151,313	954,196
Unearned revenue	37,500	-	-	-
Advances from primary government	-	-	-	400,000
Advance from brownfield redevelopment	-	-	-	-
Bonds, notes and other long-term liabilities:				
Due within one year	736,046	-	451,151	4,205,544
Due in more than one year	10,180,890	-	8,931,550	32,420,416
Net pension liability, due in more than one year	14,988,713	-	-	-
Net OPEB liability, due in more than one year	8,886,841	-	-	-
Total liabilities	38,340,591	56,475	9,534,014	37,980,156
Deferred inflows of resources				
Deferred pension amounts	234,128	-	-	-
Deferred OPEB amounts	964	-	-	-
Total deferred inflows of resources	235,092	-	-	-
Net position				
Net investment in capital assets	212,458,095	-	-	42,148,414
Restricted for:				
Drain projects	-	-	-	13,329,810
Debt service	-	-	578,512	37,696,531
Capital projects	-	-	228,239	-
Unrestricted (deficit)	(11,606,482)	1,500,089	256,382	-
Total net position	$ 200,851,613	$ 1,500,089	$ 1,063,133	$ 93,174,755

*Component unit is presented on its fiscal year end of December 31, 2024.

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

Economic Development Corporation	Land Bank Authority	Total
$ 303,408	$ 1,294,794	$ 25,106,927
13,102	608,660	54,138,299
-	524,100	2,495,531
-	18,571	322,773
-	-	317,926
-	-	76,170,780
-	-	225,439,029
316,510	2,446,125	383,991,265
-	-	1,463,774
-	-	43,514
-	-	1,507,288
3,200	177,506	4,853,291
-	-	37,500
-	-	400,000
-	317,926	317,926
-	-	5,392,741
-	-	51,532,856
-	-	14,988,713
-	-	8,886,841
3,200	495,432	86,409,868
-	-	234,128
-	-	964
-	-	235,092
-	-	254,606,509
-	-	13,329,810
-	-	38,275,043
-	-	228,239
313,310	1,950,693	(7,586,008)
$ 313,310	$ 1,950,693	$ 298,853,593

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Activities

Discretely Presented Component Units
For the Year Ended September 30, 2025

		Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Road Commission					
Governmental activities:					
Highways and streets	$ 29,992,922	$ 109,769	$ 43,714,840	$ -	$ 13,831,687
Brownfield Redevelopment Authority					
Governmental activities:					
Community and economic development	663,814	-	643,743	-	(20,071)
Department of Public Works					
Governmental activities:					
Public works	88,364	-	-	348,826	260,462
Interest on long-term liabilities	347,344	-	-	-	(347,344)
Business-type activities:					
Public works	166,600	168,532	-	-	1,932
Total Department of Public Works	602,308	168,532	-	348,826	(84,950)
Drain Commission					
Governmental activities:					
Public works	4,212,900	-	786,356	8,685,781	5,259,237
Interest on long-term liabilities	1,026,671	-	-	-	(1,026,671)
Total Drain Commission	5,239,571	-	786,356	8,685,781	4,232,566
Economic Development Corporation					
Business-type activities:					
Community and economic development	12,800	22,071	-	-	9,271
Land Bank Authority					
Business-type activities:					
Community and economic development	1,282,792	-	832,868	205,479	(244,445)
Total component units	$ 37,794,207	$ 300,372	$ 45,977,807	$ 9,240,086	$ 17,724,058

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Combining Statement of Activities

Discretely Presented Component Units
For the Year Ended September 30, 2025

	Road Commission*	Brownfield Redevelopment Authority	Department of Public Works	Drain Commission
Change in net position				
Net (expense) revenue	$ 13,831,687	$ (20,071)	$ (84,950)	$ 4,232,566
General revenues:				
Property taxes	-	15,471	-	-
Investment income	288,035	29,621	20,661	270,323
Total general revenues	288,035	45,092	20,661	270,323
Change in net position	14,119,722	25,021	(64,289)	4,502,889
Net position, beginning of year	186,731,891	1,475,068	1,127,422	88,671,866
Net position, end of year	$ 200,851,613	$ 1,500,089	$ 1,063,133	$ 93,174,755

*Component unit is presented on its fiscal year end of December 31, 2024.

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

Economic Development Corporation	Land Bank Authority	Total
$ 9,271	$ (244,445)	$ 17,724,058
-	-	15,471
4,533	76,394	689,567
4,533	76,394	705,038
13,804	(168,051)	18,429,096
299,506	2,118,744	280,424,497
$ 313,310	$ 1,950,693	$ 298,853,593

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NOTES TO FINANCIAL STATEMENTS

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The boundaries of the ***County of Saginaw, Michigan*** (the "County") were set by proclamation of Governor Cass on September 10, 1822. These boundaries were subsequently changed by an act of the Legislative Council, approved March 2, 1831. During 1834, the question of conferring on the Township of Saginaw the status of a County was discussed and a resolution of the Council passed to the effect: - "That the County of Saginaw shall be organized when this act takes effect" - This act of organization was approved January 28, 1835, and put in force the second Monday of February 1835. The County of Saginaw now contains 3 cities, 27 townships and 5 incorporated villages. The population of the County according to the Federal Census of 2020 is 190,124.

The accounting policies of the County conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant policies:

Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the County and its component units. The component units discussed below are included in the County's reporting entity because they are entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and as such, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the government.

Blended Component Units

The Building Authority component unit – The Building Authority has been included as part of the County's financial statements since the County appoints the governing authority and the Building Authority provides its services entirely to the County. The Building Authority does not issue a separate financial statement.

The Postemployment Health Benefits Trust component unit – The Postemployment Health Benefits Trust Fund is considered a fiduciary component unit. The County created a trust fund to account for the activities of the retiree healthcare, which accumulates resources for other postemployment benefit payments to qualified retirees. The Trust fund meets the criteria of a fiduciary component unit because the trust is considered a legally separate entity. The Trust Fund Board consists of 3 members and they are appointed by the Board of Commissioners. Because the County makes contributions to the Trust fund it is considered to have a financial burden/benefit.

Discretely Presented Component Units

Saginaw County Road Commission (the “Road Commission”) – The Road Commission is governed by a five-member board of County Road Commissioners appointed by the Saginaw County Board of Commissioners. The Road Commission deposits receipts with the County, has a balance in the County’s common bank account and has investments through the County. The County does not have appropriation authority or budgetary control over the activities of the Road Commission; however, the nature and significance of the relationship between the primary government and the Road Commission is such that exclusion would cause the reporting entity’s financial statements to be misleading. Due to the difference in the fiscal year-end of the Road Commission, the December 31, 2024 amounts have been included in the County audit.

Brownfield Redevelopment Authority – Property tax revenues received from the captured portion of these properties are restricted to pay site clean up expenditures and future development depending on the development plan adopted for each project. The members of the governing Board of the Authority are appointed by the County Board of Commissioners and they review and approve development plans for businesses relocating within designated areas of the County where property was once contaminated. The nature and significance of the relationship between the County and the Authority is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Department of Public Works – Pursuant to Michigan Compiled Law 123.732, the County entered into a program of water supply and sanitary sewer facility construction. The Department of Public Works is under the general control of the County and under the immediate control of the Public Works Commissioner. Bonds issued are authorized by an ordinance or a resolution approved by the Public Works Commissioner and by the County. The nature and significance of the relationship between the County and the Department of Public Works is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Drain Commission – Each of the drainage districts established pursuant to the Drain Code of 1956 are separate legal entities, with the power to contract, to sue and be sued, to hold, manage and dispose of real and personal property, etc. The County Public Works Commissioner has sole responsibility to administer the drainage district established pursuant to Chapters 3 and 4 of the Drain Code. The drainage Board or Public Works Commissioner, on behalf of the drainage district, may issue debt and levy special assessments authorized by the Drain Code without the prior approval of the County Board of Commissioners. The full faith and credit of the County may be given for the debt of the drainage district. The County employs all full-time employees and the elected officials of the Drain Commission. The Drain Commission deposits its receipts with the County Treasurer. The nature and significance of the relationship between the County and the Drain Commission is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Economic Development Corporation – The Economic Development Corporation is governed by a nine-member Board who are approved by the Saginaw County Board of Commissioners. The County has appropriation authority and budgetary control over the activities of the Economic Development Corporation. The Economic Development Corporation provides the means and methods of encouragement and assistance to strengthen and revitalize the economy of Saginaw County by improving the atmosphere for progress and growth through new employment opportunities and an increased tax base.

Notes to Financial Statements

Land Bank Authority – The Saginaw County Land Bank Authority is a public body corporate organized pursuant to the Michigan Land Bank Fast Track P.A. 258 and an Intergovernmental Agreement entered into between the Michigan Land Bank Fast Track Authority and the Treasurer of the County of Saginaw, Michigan. The Land Bank Authority was created to acquire, hold, manage and develop tax-foreclosed properties, as well as other vacant and abandoned properties. The Authority was legally established on December 7, 2005, and began operations on that date. The Authority is comprised of seven members, as follows: Treasurer of Saginaw County and six members appointed by the Saginaw County Board of Commissioners. One of the six members is appointed to represent the interest of the City of Saginaw and one of the six members to represent the interest of the other units of local government in Saginaw County.

Component Unit Financial Statements

Complete financial statements for the Road Commission may be obtained from the entity's administrative office. Separate financial statements are not prepared for the remaining component units.

Saginaw County Road Commission
3020 Sheridan Avenue
Saginaw, Michigan 48601

Government-wide and Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, or within one year for reimbursement-based grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

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

The *Health Department Fund* (special revenue) accounts for the operations of the Saginaw County Health Department. Money for the operation of this fund is supplied from a special voted tax, contributions from other County funds, federal and state grants, and user fees. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

The *Michigan Works! Fund* (special revenue) accounts for the grant revenues and the related job placement operations of the Great Lakes Bay Michigan Works! consortium.

The *Opioid Settlements Fund* (special revenue) accounts for funds received from a nationwide Opioid Settlements. Money for the operation of this fund is supplied from the settlement dollars. It is to be spent in accordance with Exhibit E of the settlement documents and is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

The *American Rescue Plan Act Fund* (special revenue) accounts for funds received under the American Rescue Plan Act (ARPA) of 2021. These funds will be spent on appropriate COVID-19 related expenditures in accordance with federal regulations.

The *Road Debt (Act 51 Bonds) Fund* (debt service) accounts for the payment of interest and principal on long-term debt. This debt was created when the County issued bonds on behalf of the Saginaw County Road Commission for certain capital improvements including, but not limited to, salt barns, lean to structures and vactor dumping areas for the benefit of the Saginaw County Road Commission. Money in this fund is received from Act 51 monies received from the State of Michigan for the Saginaw County Road Commission.

The government reports the following major proprietary funds:

The *Delinquent Tax Revolving Fund* accounts for the purchase of delinquent taxes from other local taxing units.

The *Building Authority Event Center Fund* accounts for the operations of the Saginaw County Event Center.

Additionally, the County reports the following fund types:

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditure for specified purposes other than debt service or capital projects.

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Permanent Funds account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the County's programs.

Enterprise Funds account for those operations that are financed and operated in a manner similar to private business or where the County has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Internal Service Funds account for the data processing, fringe benefits and fleet management services provided to other departments or agencies of the County on a cost reimbursement basis.

Custodial Funds are used to account for assets held by the County in a fiduciary capacity, including tax collections.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the delinquent tax revolving and building authority event center enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenues interest income and fees associated with banquet room rentals, and the sale of entertainment admission. Operating expenses for enterprise 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.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, deferred outflows of resources, liabilities, deferred inflows of resources and equity

Cash and Cash Equivalents

For purposes of the statement of cash flows, the County considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

The restricted cash on the governmental activities statement of net position consists of unspent American Rescue Plan Act (ARPA) funds.

Investments

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

Receivables and Payables

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

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

Amounts due from other governments include amounts due from grantors for specific programs and capital projects. Program grants and capital grants for capital assets are recorded as receivables and revenues at the time reimbursable project costs are incurred. Amounts received in advance of project costs being incurred are reported as unearned revenue.

Certain receivables in governmental funds consist of rehabilitation and redevelopment loans that are generally not expected or scheduled to be collected in the subsequent year.

Advances

Advances to and advances from governmental funds represent noncurrent portions of interfund receivables and payables. The governmental fund making the advance establishes a nonspendable fund balance equal to the amount of the advance.

Inventory and Prepaids

Inventory consists of various food and beverage and other supplies and are valued at cost using the first-in/first-out ("FIFO") method. Costs related to inventory purchases are recorded as assets when purchased and are charged to expense when used. Inventory in the Land Bank Authority represents land inventory held for resale.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the County), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects when constructed. Capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

	Years
Land improvements	15-20
Buildings and improvements	5-45
Machinery and equipment	3-10
Office furniture & fixtures	5-20
Planning and development	5-30
Vehicles	2-8
Infrastructure	50

Lease and subscription assets are amortized using the straight-line method over the remaining length of the agreement term.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and, as such, will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows of resources related to its pension and OPEB plans.

Due to Saginaw Hockey Club, LLC

On August 23, 2016, the County entered into an agreement with the Saginaw Hockey Club, LLC (the "Club"), tenant of the County's Event Center, to reimburse the Club for certain building improvements. The agreement requires the County to reimburse the Club for up to 60% of the total cost of the building improvements up to a maximum County reimbursement of $1,041,000. An increased millage was approved and passed by the County voters commencing in tax year 2021 and the County is required to repay its portion of the improvements from the increased millage proceeds over a ten year period. The Club has expended $1,880,871 on the agreed upon building improvements and the County has reimbursed the Club $104,100 under this agreement in fiscal year 2025, resulting in the County recognizing a remaining liability of $624,600 at year end.

On October 24, 2023, the County entered into another agreement with the Saginaw Hockey Club, LLC (the "Club"), to reimburse the Club for the cost of building improvements related to installation of a Watchfire Ribbon Display video board (Video Ribbon) and LED Curved Wall Display. The agreement requires the County to reimburse the Club for up to 60% of the total cost of the building improvements up to a maximum County Reimbursement of $600,000 to be repaid over a ten year period. The County has reimbursed the Club $20,000 under this agreement in fiscal year 2025, resulting in the County recognizing a remaining liability of $520,000.

Unearned Revenue

Unearned revenue consists of amounts received prior to the delivery of goods/service or expenditure on allowable costs.

Long-term Obligations

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

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

Compensated Absences

Union Employees

In March 1989, the County modified its sick leave policy for certain bargaining units. The sick day bank was frozen and accrual of sick days for these employees was discontinued. Sick leave was replaced with disability payments at 60% of the employees' annual salary, for a duration of one year. In April 2006, the County modified its vacation and sick leave policy for certain union employees. Previously accumulated vacation, personal leave and frozen sick leave were converted to Paid-Time-Off days ("PTO"). Union employees are granted PTO days, based on length of service and may carry over unlimited hours of PTO to any subsequent year. Upon separation from the County, employees are compensated for one-half of their accumulated PTO hours at their current hourly rate, up to a maximum of 600 hours (maximum payout is for 300 hours / 37.5 days).

Non-union Employees

Non-union employees are granted PTO days, based on length of service and may carry over 700 hours of PTO to any subsequent year. Upon separation from the County, employees are compensated for one-half of their accumulated PTO hours at their current hourly rate, up to a maximum of 600 hours (maximum payout is for 300 hours / 37.5 days).

Compensated Absence Liability Recognition

The County recognizes a liability for compensated absences in the governmental activities and the proprietary funds for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, the County has two types of leave that qualify for liability recognition for compensated absences - vacation/paid time off and sick time. The liability for compensated absences includes salary related benefits, where applicable.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues, which arise only under a modified accrual basis of accounting, from property taxes and long-term receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the County reports deferred inflows of resources in the government-wide financial statements related to its pension and OPEB plans. Finally, the statement of net position and governmental funds balance sheet report deferred inflows related to lease receivables. The amounts are deferred and amortized over the remaining life of the lease.

Leases

Lessee. The County is a lessee for noncancellable leases of buildings. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of $5,000 or more.

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

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

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

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

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

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

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

Subscription-Based Information Technology Arrangements (SBITA)

The County has noncancellable subscription-based information technology arrangements. The County recognizes a subscription liability and an intangible right-to-use subscription asset in the financial statements. The County recognizes subscription liabilities with an initial, individual value of $5,000 or more.

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

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

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

Fund Balances

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority, the Board of Commissioners. A formal resolution of the Board of Commissioners is required to establish, modify, or rescind a fund balance commitment. The County reports assigned fund balance for amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed. The County Administrator has been given the authority to assign fund balances. Unassigned fund balance is the residual classification for the General Fund.

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

The Board of Commissioners has established a fund balance policy within the County policies which establish an employee payroll reserve and a budget stabilization reserve in the General Fund. The policy authorizes earmarking a minimum of fifty percent of the most current Board approved General Fund budget for property tax collections for the employee payroll reserve and a minimum of five percent of the most current Board approved General Fund budget for the budget stabilization reserve. At year end, the County had $16,011,871 assigned for the employee payroll reserve and an additional amount of $8,805,844 set aside within unassigned fund balance for the budget stabilization reserve.

Further, any budget surplus in the sheriff's jail division will be transferred to the Sheriff's Adult Detention and Administration Facility Bonds debt service fund. Any remaining General Fund budgeted surplus is to be transferred as follows: one-third of any such surplus to the Public Improvement Special Revenue Fund; one-third distributed to the OPEB fund (reported as contributions to postemployment health benefits trust fund, in the General Fund), and; the remaining one-third to be distributed to the General Fund assigned fund balance accounts to be used towards maintaining an adequate level of reserves.

Interfund Transactions

During the course of normal operations, the County has numerous transactions between funds, including expenditures and transfers of resources to provide services and to service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers.

Internal service funds record charges for services to all County departments and funds as operating revenue. All affected County funds record these payments to the internal service funds as operating expenditures or expenses.

Pensions and OPEB Plans

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

2. BUDGETARY INFORMATION

The County follows these procedures in establishing the budgetary data reflected in the financial statements.

- Annual budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the General Fund and special revenue funds. Annual Informational Budget Summaries are prepared for enterprise funds and internal service funds.

- The County Administrator is authorized to transfer budgeted amounts from one category to another within an activity and between activities within the same fund. Revisions that alter the total expenditures of any fund must be approved by the Board of Commissioners. The activity level in the General Fund and the special revenue funds is the legal level of control.

- Budgets for the General and special revenue funds are prepared on a modified accrual basis, while the internal service and enterprise fund informational budgets are prepared using the accrual basis of accounting. Both methods are consistent with generally accepted accounting principles ("GAAP").

- Budget appropriations lapse at year-end with certain exceptions based on the approval of the Administrator.

- The original budget was amended during the year in compliance with local and state laws. The budget to actual expenditures in the financial statements represent the final budgeted expenditures as amended by the County. Supplemental appropriations were necessary during the year.

P.A. 621 of 1978, as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended September 30, 2025, the County incurred expenditures in certain activities within budgetary funds which were in excess of the amounts appropriated, as follows:

	Final Budget	Actual	Variance
General Fund:			
General government:			
Contributions to postemployment health benefits trust fund	$ -	$ 1,361,513	$ 1,361,513
Transfers out	11,231,568	12,419,780	1,188,212

The above items represent a violation of the County's budgeting policies. Revenues were sufficient to cover expenditures in total.

3. DEPOSITS AND INVESTMENTS

In May of 1996 the County Board of Commissioners adopted a comprehensive investment policy describing the types of investments in which the County Treasurer may invest. Management believes that the guidelines of this policy are in accordance with State of Michigan statutory guidelines as disclosed below.

Statutes authorize the County to invest in the following:

- Bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States.
- Certificates of deposit, savings accounts, deposit accounts or depository receipts of a financial institution.
- Commercial paper rated at the time of purchase at the highest classifications (except for GMAC) established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.

- Repurchase agreements consisting of instruments in item one above.
- Banker's acceptances of United States banks.
- Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
- Obligations described above, if purchased through an interlocal agreement under the Urban Cooperation Act of 1967. 1967 (ExSess) PA 7, MCL 124.501 to 124.512.
- Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, MCL 129.111 to 129.118.
- Investment pools organized under the local government Investment Pool Act, 1985 PA 121, MCL 129.141 to 129.150.
- Mutual Funds registered under Investment Company Act of 1940, Title I of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-3 and 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. The Mutual Fund must be limited to securities whose intention is to maintain a net asset value of $1 per share. Only the interest rate will differ from day to day.

A reconciliation of cash and investments as shown in the basic financial statements to the County's deposits and investments is as follows:

	Primary Government	Component Units	Totals
Statement of Net Position			
Cash and investment pool	$ 118,768,773	$ 25,106,927	$ 143,875,700
Restricted cash	19,771,797	-	19,771,797
Statement of Net Position - Fiduciary Funds			
Postemployment Health Benefits Trust Fund:			
Cash and investment pool	39,111,693	-	39,111,693
Investments	30,149,225	-	30,149,225
Custodial Funds:			
Cash and investment pool	16,123,752	-	16,123,752
Total	$ 223,925,240	$ 25,106,927	$ 249,032,167

Deposits and Investments	
Bank deposits:	
Checking and savings accounts	$ 158,256,379
Certificates of deposit	24,102,881
Investments:	
Primary government	45,360,735
Fiduciary funds	30,149,225
Cash on hand	22,582
Timing difference for component unit with different fiscal year end	(8,859,635)
Total	$ 249,032,167

	Carrying Amount	No Maturity	Maturity Less than 1 Year	Maturity 1-5 Years	Maturity 5-10 Years
Investments					
Municipal bonds	$ 15,743,047	$ -	$ 1,218,969	$ 11,740,010	$ 250,058
U.S. government bonds	20,803,619	-	1,667,061	13,604,361	1,551,179
Michigan Class investment pool	1,659,552	1,659,552	-	-	-
Mutual funds	30,149,225	30,149,225	-	-	-
Money market	7,154,517	7,154,517	-	-	-
Total	$ 75,509,960	$ 38,963,294	$ 2,886,030	$ 25,344,371	$ 1,801,237

continued...

	Maturity 10-15 Years	Maturity 15-20 Years
Investments		
Municipal bonds	$ 839,282	$ 1,694,728
U.S. government bonds	750,387	3,230,631
Michigan Class investment pool	-	-
Mutual funds	-	-
Money market	-	-
Total	$ 1,589,669	$ 4,925,359

concluded

Investment and Deposit Risk

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments. The County further limits the allowable investments and maturities of some allowable investments in their investment policy. The investment policy states that the County will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the County will not directly invest in securities maturing more than three years from the date of purchase. The County may collateralize its repurchase agreements using longer-dated investments not to exceed three years to maturity. Reserve funds may be invested in securities exceeding three years if the maturity of such investments are made to coincide as nearly as possible with the expected use of the funds. The maturity dates for investments are summarized above for investments held at year-end.

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified above. The County's investment policy does not have specific limits in excess of state law on investment credit risk. The Standard and Poor's or Moody's ratings for each investment identified above for investments held at year-end are as followings:

	Carrying Amount (Fair Value)
Investments	
AA+	$ 15,437,028
AA	9,821,641
A+	1,592,684
AA-	2,554,229
Not rated	46,104,378
Total	$ 75,509,960

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned. State law does not require and the County does not have a policy for deposit custodial credit risk. As of year-end, $173,843,910 of the County's bank balance of $177,097,052 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk – Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require a policy for investment custodial credit risk. The County's investment policy does not address custodial credit risk for investments. However, while uninsured and unregistered, the County's funds are not exposed to custodial credit risk since the securities are held in the counterparty's trust department in the County's name.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified above. The County's investment policy does not limit concentration of credit risk. At September 30, 2025, the County has no investments that exceeded 5% of total investments.

Fair Value Measurement

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observables inputs; Level 3 inputs are significant unobservable inputs. The County had the following recurring fair value measurements as of year end:

Investment Type	Level 1	Level 2	Level 3	Total Fair Value
Municipal bonds	$ -	$ 15,743,047	$ -	$ 15,743,047
U.S. government bonds	-	20,803,619	-	20,803,619
Mutual funds	30,149,225	-	-	30,149,225
	$ 30,149,225	$ 36,546,666	$ -	66,695,891
Investments not subject to fair value hierarchy:				
Michigan Class investment pool (NAV)				1,659,552
Money market funds (amortized cost)				7,154,517
Total investments				$ 75,509,960

There have been no changes from the prior year in the methodologies used. The following is a description of the valuation methodology used for assets recorded at fair value:

Mutual funds classified as Level 1 of the fair value hierarchy are valued based on quoted market prices in active markets.

Municipal bonds and U.S. government bonds are classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Investments in Entities that Calculate Net Asset Value per Share

The County holds shares in Michigan CLASS whereby the fair value of the investment is measured on a recurring basis using net asset value per share (or its equivalent) of the investment pool as a practical expedient.

Notes to Financial Statements

At year end, the net asset value of the County's investment in Michigan CLASS was $1,659,552. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period required. The Michigan CLASS investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The program seeks to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies.

4. RECEIVABLES

Receivables, net are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Property taxes, due within one year	$ 6,476,315	$ 15,855,921	$ -
Special assessments:			
Due within one year	-	-	3,829,892
Due in more than one year	-	-	28,007,211
Accounts			
Due within one year	5,172,504	570,254	748,027
Due in more than one year	5,645,436	-	-
Loans:			
Due within one year	-	-	7,764
Due in more than one year	1,763,850	-	442,569
Installment sales agreement:			
Due within one year	375,000	-	-
Due in more than one year	1,850,000	-	-
Leases:			
Due within one year	80,075	-	-
Due in more than one year	716,455	-	-
Interest, net, due within one year	-	2,971,350	35,496
Due from other governmental units:			
Due within one year	7,537,725	-	8,505,913
Due in more than one year	7,590,000	-	12,561,427
Total receivables, net	$ 37,207,360	$ 19,397,525	$ 54,138,299

The interest receivable in the business-type activities is net of an allowance for uncollectible accounts of approximately $215,100.

Notes to Financial Statements

5. CAPITAL ASSETS

Primary government capital asset activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated/amortized:					
Land	$ 4,045,091	$ 325,000	$ -	$ -	$ 4,370,091
Construction in progress	1,635,447	2,076,399		(1,593,391)	2,118,455
	5,680,538	2,401,399	-	(1,593,391)	6,488,546
Capital assets being depreciated/amortized:					
Land improvements	9,951,431	-	-	-	9,951,431
Buildings and improvements	82,614,235	5,347,119	(504,265)	1,593,391	89,050,480
Machinery and equipment	9,433,604	1,477,215	(411,771)	-	10,499,048
Office furniture and fixtures	1,151,355	-	-	-	1,151,355
Vehicles	5,175,827	822,044	(566,213)	-	5,431,658
Leased building (Note 9)	5,029,993	-	-	-	5,029,993
Subscription assets (Note 10)	791,195	82,696	(244,314)	-	629,577
	114,147,640	7,729,074	(1,726,563)	1,593,391	121,743,542
Less accumulated depreciation/amortization:					
Land improvements	(5,373,793)	(263,332)	-	-	(5,637,125)
Buildings and improvements	(25,679,828)	(1,663,929)	304,850	-	(27,038,907)
Machinery and equipment	(6,721,643)	(701,488)	408,920	-	(7,014,211)
Office furniture and fixtures	(1,088,661)	(27,510)	-	-	(1,116,171)
Vehicles	(3,781,744)	(658,831)	495,313	-	(3,945,262)
Leased building (Note 9)	(1,743,651)	(722,890)	-	-	(2,466,541)
Subscription assets (Note 10)	(307,318)	(214,105)	244,314	-	(277,109)
	(44,696,638)	(4,252,085)	1,453,397	-	(47,495,326)
Total capital assets being depreciated/amortized, net	69,451,002	3,476,989	(273,166)	1,593,391	74,248,216
Governmental activities capital assets, net	$ 75,131,540	$ 5,878,388	$ (273,166)	$ -	$ 80,736,762

As of September 30, 2025, the County had an outstanding commitment for the Courthouse renovation project in the amount of $5,760,265.

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated:					
Land	$ 2,258,248	$ -	$ -	$ -	$ 2,258,248
Air rights	238,854	-	-	-	238,854
Construction in progress	1,813,843	123,221	-	-	1,937,064
	4,310,945	123,221	-	-	4,434,166
Capital assets being depreciated:					
Land improvements	4,519,725	54,905	-	-	4,574,630
Buildings and improvements	46,751,405	20,981	-	-	46,772,386
Machinery and equipment	1,550,057	26,922	-	-	1,576,979
Office furniture and fixtures	61,201	-	-	-	61,201
Planning and development	12,477,532	74,880	-	-	12,552,412
Vehicles	179,318	9,800	(29,518)	-	159,600
	65,539,238	187,488	(29,518)	-	65,697,208
Less accumulated depreciation:					
Land improvements	(2,898,523)	(267,284)	-	-	(3,165,807)
Buildings and improvements	(9,897,093)	(1,833,848)	-	-	(11,730,941)
Machinery and equipment	(923,419)	(83,487)	-	-	(1,006,906)
Office furniture and fixtures	(40,318)	(700)	-	-	(41,018)
Planning and development	(9,423,152)	(295,979)	-	-	(9,719,131)
Vehicles	(151,113)	(4,977)	29,518	-	(126,572)
	(23,333,618)	(2,486,275)	29,518	-	(25,790,375)
Total capital assets being depreciated, net	42,205,620	(2,298,787)	-	-	39,906,833
Business-type activities capital assets, net	$ 46,516,565	$ (2,175,566)	$ -	$ -	$ 44,340,999

As of September 30, 2025, the County had outstanding commitments for the H.W. Browne Airport Rehabilitate Taxiway - C, D, E East and Reconstruct Taxiway Lighting - C, D, E East construction project in the amounts of $130,532 and $37,798, respectively.

Notes to Financial Statements

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

Governmental activities		
Judicial	$	76,006
General government		1,320,441
Public safety		1,655,430
Public works		77,983
Health and welfare		550,508
Recreation and culture		280,040
Capital assets held by the government's internal service funds are charged to the various functions based on the usage of the assets		291,677
	$	4,252,085
Business-type activities		
Building Authority Event Center	$	2,162,615
Harry W. Browne Airport		323,090
Parking system		570
	$	2,486,275

Discretely presented component units

Road Commission capital asset activity for the year ended December 31, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	$ 751,242	$ -	$ -	$ -	$ 751,242
Land improvements and infrastructure	53,043,398	5,356,903	-	-	58,400,301
Construction in progress	300,889	10,623,509	-	-	10,924,398
	54,095,529	15,980,412	-	-	70,075,941
Capital assets being depreciated:					
Land improvements	445,830	-	-	-	445,830
Depletable assets	35,013	-	-	-	35,013
Buildings and improvements	3,920,336	83,182	-	-	4,003,518
Office furniture & fixtures	644,560	-	-	-	644,560
Infrastructure	377,716,014	17,767,333	-	-	395,483,347
Equipment	25,981,056	1,205,450	(555,108)	-	26,631,398
	408,742,809	19,055,965	(555,108)	-	427,243,666
Less accumulated depreciation:					
Land improvements	(406,461)	(3,885)	-	-	(410,346)
Depletable assets	(20,849)	(1,750)	-	-	(22,599)
Buildings and improvements	(2,655,358)	(130,306)	-	-	(2,785,664)
Office furniture & fixtures	(542,627)	(24,600)	-	-	(567,227)
Infrastructure	(238,497,730)	(9,798,799)	-	-	(248,296,529)
Equipment	(21,476,135)	(1,861,828)	555,108	-	(22,782,855)
	(263,599,160)	(11,821,168)	555,108	-	(274,865,220)
Total capital assets being depreciated, net	145,143,649	7,234,797	-	-	152,378,446
Road Commission capital assets, net	$ 199,239,178	$ 23,215,209	$ -	$ -	$ 222,454,387

Notes to Financial Statements

Department of Public Works capital asset activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets being depreciated:					
Vehicles	$ 71,603	$ -	$ -	$ -	$ 71,603
Less accumulated depreciation:					
Vehicles	(67,625)	(3,978)	-	-	(71,603)
	$ 3,978	$ (3,978)	$ -	$ -	$ -

Drain Commission capital asset activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets not being depreciated:					
Construction in progress	$ 4,386,039	$ 4,093,131	$ -	$ (2,384,331)	$ 6,094,839
Capital assets being depreciated:					
Infrastructure	116,138,499	2,300	-	2,384,331	118,525,130
Equipment	548,056	407,399	-	-	955,455
Vehicles	121,261	-	(28,184)	-	93,077
	116,807,816	409,699	(28,184)	2,384,331	119,573,662
Less accumulated depreciation:					
Infrastructure	(43,608,494)	(2,308,334)	-	-	(45,916,828)
Equipment	(437,805)	(65,369)	-	-	(503,174)
Vehicles	(111,978)	(3,287)	22,188	-	(93,077)
	(44,158,277)	(2,376,990)	22,188	-	(46,513,079)
Total capital assets being depreciated, net	72,649,539	(1,967,291)	(5,996)	2,384,331	73,060,583
Drain Commission capital assets, net	$ 77,035,578	$ 2,125,840	$ (5,996)	$ -	$ 79,155,422

As of September 30, 2025, the County had outstanding commitments related to the Marsh Drain #2 of $954,127, Eastwood Drain of $51,840, and New Tamarack Drain of $157,016.

Notes to Financial Statements

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are comprised of the following at year-end:

	Governmental Activities	Business-type Activities	Component Units
Accounts payable	$ 10,848,903	$ 2,249,049	$ 4,364,222
Accrued liabilities	5,709,456	278,245	9,506
Due to other government units	2,540,465	-	-
Deposits payable	35,839	1,216,535	-
Accrued interest on long-term debt	1,135,332	230,353	479,563
Total accounts payable and accrued liabilities	$ 20,269,995	$ 3,974,182	$ 4,853,291

7. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The composition of interfund balances as of year-end, was as follows:

Due to/from primary government funds:

	Due from Other Funds	Due to Other Funds
General fund	$ 2,294,322	$ 1,361,745
American Rescue Plan Act fund	-	2,264,889
Nonmajor governmental funds	1,374,348	28,413
Internal service funds	1,895	15,518
Total	$ 3,670,565	$ 3,670,565

The County has interfund balances between many of its funds. The sum of all balances presented in the tables above agrees with the sum of interfund balances presented in the statements of net position/balance sheet for governmental funds and proprietary funds. These interfund balances resulted primarily from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Notes to Financial Statements

Advances to and from component units:

	Advance to Component Unit	Advance from Primary Government
General fund	$ 400,000	$ -
Drain Commission	-	400,000
Total	$ 400,000	$ 400,000

The advance to the Drain Commission component unit in the General fund is to maintain adequate cash reserves and assist with acquisition of equipment, if necessary.

	Advance to Component Unit	Advance from Component Unit
Brownfield Redevelopment Authority	$ 317,926	$ -
Land Bank Authority	-	317,926
Total	$ 317,926	$ 317,926

The advance to the Land Bank in the Brownfield Redevelopment Authority was provided for the demolition and redevelopment of the Property known as “Baker-Perkins”, which is located on Hess St. in the City of Saginaw. The was set up to demolish a large office building that was attached to the operating business next door and clean up parts of the site for future redevelopment.

Notes to Financial Statements

For the year ended September 30, 2025, interfund transfers consisted of the following:

	Transfers In		
Transfers Out	General Fund	Health Department	Nonmajor Governmental Funds
General fund	$ -	$ 1,943,853	$ 10,475,927
Nonmajor governmental funds	3,402,674	-	1,010,034
Delinquent tax revolving	1,500,000	-	-
Building authority event center	-	-	-
Nonmajor enterprise funds	411,648	-	12,208
Internal service funds	15,539	-	1,220,376
	$ 5,329,861	$ 1,943,853	$ 12,718,545

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	Transfers In		
	Delinquent Tax Revolving	Nonmajor Enterprise Funds	Total
General fund	$ -	$ -	$ 12,419,780
Nonmajor governmental funds	-	5,737	4,418,445
Delinquent tax revolving	144,000	-	1,644,000
Building authority event center	-	2,695	2,695
Nonmajor enterprise funds	-	-	423,856
Internal service funds	-	-	1,235,915
	$ 144,000	$ 8,432	$ 20,144,691

concluded

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

8. BONDS, NOTES AND OTHER LONG-TERM LIABILITIES

Bonds, notes and other long-term liabilities activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Primary Government					
Governmental activities:					
General obligation bonds:					
2013 pension bonds	$ 16,930,000	$ -	$ (3,930,000)	$ 13,000,000	$ 4,120,000
2017 Sheriff's Adult Detention and Administration Facility bonds	33,790,000	-	(800,000)	32,990,000	835,000
2019 Mainframe Modernization project bonds	5,050,000	-	(915,000)	4,135,000	960,000
2018 Community Mental Health Facility bonds	2,590,000	-	(365,000)	2,225,000	375,000
2020 Animal Care and Control Resource Center bonds	8,040,000	-	(395,000)	7,645,000	410,000
2024 Road Commission project bonds	9,035,000	-	(685,000)	8,350,000	760,000
2010 Capital Improvement bonds	233,186	-	(154,803)	78,383	78,383
	75,668,186	-	(7,244,803)	68,423,383	7,538,383
Direct placement:					
Installment purchase agreements:					
In-car cameras hardware	139,540	-	(33,101)	106,439	34,263
Body worn cameras	52,731	-	(12,508)	40,223	12,947
Tasers	-	114,964	(24,040)	90,924	21,911
	192,271	114,964	(69,649)	237,586	69,121
Total installment debt	75,860,457	114,964	(7,314,452)	68,660,969	7,607,504
Leases liability (Note 9)	3,244,616	-	(682,552)	2,562,064	693,095
Subscription liability (Note 10)	422,268	82,696	(242,490)	262,474	100,502
Compensated absences	3,424,691	79,573	-	3,504,264	2,480,589
Bond premium	4,390,112	-	(390,343)	3,999,769	390,344
	87,342,144	277,233	(8,629,837)	78,989,540	11,272,034

continued...

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Business-type activities:					
Direct placement:					
Delinquent tax notes	$ 23,635,000	$ 17,230,000	$ (16,135,000)	$ 24,730,000	$ 11,500,000
General obligation bonds	18,535,000	-	(860,000)	17,675,000	890,000
	42,170,000	17,230,000	(16,995,000)	42,405,000	12,390,000
Bond premium	1,854,805	-	(113,140)	1,741,665	113,140
Compensated absences	4,819	1,862	-	6,681	3,970
	44,029,624	17,231,862	(17,108,140)	44,153,346	12,507,110
Total primary government	$ 131,371,768	$ 17,509,095	$ (25,737,977)	$ 123,142,886	$ 23,779,144

concluded

The change in compensated absences is a net change for the year.

General obligation bonds and notes payable are direct obligations and pledge the full faith and credit of the County. These bonds are generally issued as 5 to 20-year serial bonds with varying amounts of principal maturing each year through fiscal year 2048. Delinquent tax notes payable generally mature within 24 months of issuance with interest due annually. General obligation bonds and notes payable currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities	1.90 - 5.75%	$ 68,660,969
Business-type activities	1.90 - 2.85%	42,405,000
Total primary government		$ 111,065,969

Notes to Financial Statements

Annual debt service requirements to maturity for governmental activities direct placement obligations and other debt are as follows:

	Governmental Activities			
	Direct Placement Obligations		Other Debt	
Year Ending September 30,	Principal	Interest	Principal	Interest
2026	$ 69,121	$ 7,583	$ 7,538,383	$ 2,880,592
2027	71,221	5,483	7,820,000	2,512,980
2028	73,582	3,122	8,205,000	2,129,796
2029	23,662	683	3,645,000	1,726,681
2030	-	-	2,625,000	1,552,491
2031-2035	-	-	13,315,000	5,922,409
2036-2040	-	-	10,145,000	3,708,119
2041-2045	-	-	8,915,000	1,932,063
2046-2048	-	-	6,215,000	331,363
Total	$ 237,586	$ 16,871	$ 68,423,383	$ 22,696,494

Annual debt service requirements to maturity for business-type activities direct placement obligations and other debt are as follows:

	Business-type Activities			
	Direct Placement Obligations		Other Debt	
Year Ending September 30,	Principal	Interest	Principal	Interest
2026	$ 11,500,000	$ 1,209,410	$ 890,000	$ 670,798
2027	-	809,810	930,000	637,820
2028	13,230,000	809,810	960,000	603,295
2029	-	-	1,000,000	567,335
2030	-	-	1,040,000	527,688
2031-2035	-	-	5,125,000	1,999,610
2036-2040	-	-	5,700,000	941,050
2041-2043	-	-	2,030,000	104,775
Total	$ 24,730,000	$ 2,829,030	$ 17,675,000	$ 6,052,371

The County is party to an agreement with HealthSource Saginaw ("HealthSource"), a Municipal Health Facilities Organization under Public Act 230 of Public Acts of 1987, whereas HealthSource issued bonds to fund improvements to its facility. The County has agreed to levy the voter-approved property tax millage and provide these funds to HealthSource for it to make the required principal and interest payments. HealthSource has pledged its net revenue as security on the bonds. The County provided its full faith and credit for the prompt repayment of these bonds; however, the County does not expect to be obligated for any payments since the voters have approved a property tax millage to fund the bond obligation and HealthSource has pledged its net revenues. At year end, the outstanding balance on these bonds, which mature May 1, 2029, was $10,395,000. Because the County only provides a guarantee related to these bonds, there is no related liability recorded in these financial statements.

Component Units

Road Commission Component Unit

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Direct placements:					
Installment purchase agreement	$ 88,643	$ -	$ (88,643)	$ -	$ -
Contract with Saginaw County-bonds	-	9,035,000	-	9,035,000	685,000
	88,643	9,035,000	(88,643)	9,035,000	685,000
Bond premium	-	1,012,338	(51,046)	961,292	51,046
Compensated absences	863,670	118,737	(61,763)	920,644	-
	$ 952,313	$ 10,166,075	$ (201,452)	$ 10,916,936	$ 736,046

During 2024, the Road Commission bonded through Saginaw County for the construction of two salt barns. Varying principal payments are due through 2034. Interest is set at 5%.

Annual debt service requirements to maturity for direct placement installment debt are as follows:

Year Ending December 31,	Principal	Interest
2025	$ 685,000	$ 434,625
2026	760,000	398,500
2027	795,000	359,625
2028	835,000	318,875
2029	875,000	276,125
2030-2034	5,085,000	660,625
Total	$ 9,035,000	$ 2,448,375

Department of Public Works Component Unit

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Direct Placement:					
General obligation bonds	$ 8,265,519	$ -	$ (412,000)	$ 7,853,519	$ 377,000
General obligation bonds	1,572,048	-	(145,000)	1,427,048	68,000
	9,837,567	-	(557,000)	9,280,567	445,000
Bond premium	108,285	-	(6,151)	102,134	6,151
	$ 9,945,852	$ -	$ (563,151)	$ 9,382,701	$ 451,151

General obligation bonds are issued by the County to finance construction projects managed and administered by the Department of Public Works.

These bonds are direct obligations, and pledge the full faith and credit of the County and the associated municipalities and authorities. The bonds are issued as 8 to 40-year serial bonds with varying amounts of principal maturing each year through fiscal year 2063 and bear interest at varying rates from 3.00% to 5.90%.

Annual debt service requirements to maturity for direct placement obligations and other debt are as follows:

	Direct Placement Obligations		Other Debt	
Year Ending September 30,	Principal	Interest	Principal	Interest
2026	$ 377,000	$ 308,289	$ 68,000	$ 45,121
2027	386,000	295,108	71,000	42,661
2028	411,000	280,984	73,000	40,081
2029	429,000	265,866	76,000	37,426
2030	442,000	250,249	78,000	34,666
2031-2035	2,418,000	1,000,261	245,000	144,847
2036-2040	1,956,000	535,591	282,000	105,997
2041-2045	1,203,000	146,443	330,000	60,907
2046-2050	166,519	10,639	204,048	11,824
2051-2055	25,000	4,594	-	-
2056-2060	25,000	2,406	-	-
2061-2063	15,000	394	-	-
Total	$ 7,853,519	$ 3,100,824	$ 1,427,048	$ 523,530

Notes to Financial Statements

Drain Commission Component Unit

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Direct placement:					
Notes payable	$ 1,411,000	$ 1,728,000	$ (1,085,000)	$ 2,054,000	$ 891,000
General obligation bonds	32,769,101	4,438,000	(2,770,450)	34,436,651	3,305,450
	34,180,101	6,166,000	(3,855,450)	36,490,651	4,196,450
Bond premium	144,402	-	(9,093)	135,309	9,094
	$ 34,324,503	$ 6,166,000	$ (3,864,543)	$ 36,625,960	$ 4,205,544

General obligation drain improvement bonds and notes are issued by the County to finance certain drainage district construction projects. General obligation bonds have been issued for governmental activities. These bonds and notes are direct obligations, and pledge the full faith and credit of the County and the respective drainage districts. The bonds are generally issued as 10 to 20-year serial bonds with varying amounts of principal maturing each year through fiscal year 2048 and bear interest rates varying from 1.05% to 5.00%.

Annual debt service requirements to maturity for direct placement obligations and other debt are as follows:

	Direct Placement Obligations		Other Debt	
Year Ending September 30,	Principal	Interest	Principal	Interest
2026	$ 891,000	$ 95,613	$ 3,305,450	$ 866,973
2027	91,000	52,671	2,884,450	809,689
2028	75,000	48,815	2,749,000	737,006
2029	73,000	45,358	2,684,250	666,396
2030	72,000	41,994	2,454,500	597,268
2031-2035	360,000	160,178	11,115,500	2,055,794
2036-2040	275,000	85,690	6,132,500	797,949
2041-2045	217,000	24,250	2,182,500	288,574
2046-2048	-	-	928,501	56,355
Total	$ 2,054,000	$ 554,569	$ 34,436,651	$ 6,876,004

Notes to Financial Statements

9. LEASES

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

	Remaining Term of Agreements
Asset Type	
Building	1 to 7 years

The right-to-use asset and the related activity are included in Note 5, Capital Assets. The leases liability and related activity are presented in Note 8, Bonds, Notes and Other Long-term Liabilities.

The net present value of future minimum payments as of September 30, 2025, were as follows:

Governmental Activities		
Year Ended September 30,	Principal	Interest
2026	$ 693,095	$ 44,004
2027	703,847	33,251
2028	535,550	22,577
2029	255,444	14,845
2030	170,749	8,540
2031-2032	203,379	6,150
Total	$ 2,562,064	$ 129,367

Lessor - The County is involved in two agreements as a lessor that qualify as long-term lease agreements. Below is a summary of these agreements. These agreements qualify as long-term lease agreements as the County will not surrender control of the asset at the end of the term and the noncancelable term of the agreement surpasses one year. Total lease revenue for the year ended September 30, 2025 was $89,550, consisting of interest of $13,329, in governmental activities.

	Remaining Term of Agreements
Asset Type	
Land	19 years
Buildings	7 years

Notes to Financial Statements

10. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT

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

	Remaining Term of Arrangement
Asset Type	
Subscription assets	2 to 4 years

The right-to-use asset and the related activity are included in Note 5, Capital Assets. The subscription liability and related activity are presented in Note 8, Bonds, Notes and Other Long-term Liabilities.

The net present value of future minimum payments as of September 30, 2025, were as follows:

Year Ended September 30,	Principal	Interest
2026	$ 100,502	$ 8,056
2027	106,281	4,689
2028	52,420	1,778
2029	3,271	94
Total	$ 262,474	$ 14,617

11. DEFINED BENEFIT PENSION PLANS

Primary Government

General Information About the Plan

Plan Description. The County participates in the Municipal Employees' Retirement System (MERS) of Michigan, a defined benefit pension plan providing certain retirement, disability and death benefits to plan members and beneficiaries. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. Public Act 427 of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided. Pension benefits vary by division/bargaining unit and are calculated as final average compensation (based on a 3 or 5 year period) and multipliers ranging from 2.25% to 2.50%. Participants are considered to be fully vested in the plan after 6 years. Normal retirement age is 60 with early retirement options including 25 years of service and out and ages 50 to 55 with 15 to 25 years of service, depending on division/bargaining unit.

Employees Covered by Benefit Terms. At the December 31, 2024 valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	526
Inactive employees entitled to but not yet receiving benefits	19
Active employees	6
Total membership	551

Contributions. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees. For fiscal year 2025, the actuarially determined monthly employer contributions ranged from $355 to $144,059 for all divisions. Member contributions range from 0% to 4.34%. The MERS plan is closed to all new hires.

Net Pension Liability. The County's net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of the most recent actuarial experience study of 2019-2023.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	60.00%	4.50%	2.70%
Global fixed income	20.00%	2.00%	0.40%
Private investments	20.00%	7.00%	1.40%
	100.00%		
Inflation			2.50%
Dedicated gains adjustment			-0.07%
Administrative expenses netted above			0.25%
Investment rate of return			7.18%

In February 2022, the MERS Retirement Board adopted a Dedicated Gains Policy. The purpose of the Policy is to automatically reduce the assumed rate of investment return for annual actuarial valuation purposes if the plan year’s market value of investment income exceeds the expected investment income.

Discount Rate. The discount rate used to measure the total pension liability as of December 31, 2024 was 7.18%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2023	$ 146,178,291	$ 105,648,654	$ 40,529,637
Changes for the year:			
Service cost	43,314	-	43,314
Interest	9,963,208	-	9,963,208
Difference between expected and actual experience	(19,588)	-	(19,588)
Changes in assumptions	(573,407)	-	(573,407)
Employer contributions	-	5,747,370	(5,747,370)
Employee contributions	-	3,401	(3,401)
Net investment income	-	7,762,784	(7,762,784)
Benefit payments, including refunds of employee contributions	(13,219,037)	(13,219,037)	-
Administrative expense	-	(228,045)	228,045
Net changes	(3,805,510)	66,473	(3,871,983)
Balances at December 31, 2024	$ 142,372,781	$ 105,715,127	$ 36,657,654

Changes in assumptions. In 2025, amounts reported as changes in assumptions related to updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, and termination rates.

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

	1% Decrease (6.18%)	Current Discount Rate (7.18%)	1% Increase (8.18%)
County's net pension liability	$ 48,899,228	$ 36,657,654	$ 25,526,685

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

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

For the year ended September 30, 2025, the County recognized pension expense of $3,253,801. The County reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Net difference between projected and actual earnings on pension plan investments	$ 4,678,560	$ -	$ 4,678,560
Contributions subsequent to the measurement date	4,781,691	-	4,781,691
Total	$ 9,460,251	$ -	$ 9,460,251

The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending September 30, 2026. Other amounts reported as pension-related deferred outflows of resources will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2026	$ 2,178,324
2027	3,513,270
2028	(922,334)
2029	(90,700)
Total	$ 4,678,560

Payable to the Pension Plan. At September 30, 2025, the County has no amounts payable for contributions to the pension plan.

The net pension liability is generally liquidated by the General Fund.

Component Unit – Road Commission

General Information About the Plan

Plan Description. The Road Commission participates in the Municipal Employees' Retirement System (MERS) of Michigan, a defined benefit pension plan providing certain retirement, disability and death benefits to plan members and beneficiaries. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1946 and administered by a nine member Retirement Board. Public Act 427 of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided. Pension benefits vary by division/bargaining unit and are calculated as final average compensation (based on a 3 or 5 year period) and multipliers ranging from 1.50% to 2.50%. Participants are considered to be fully vested in the plan after 6 or 10 years. Normal retirement age is 60 with early retirement at age 55 with 15 to 25 years of service or age 50 with 25 years of service. Four of the seven divisions included in the Plan are closed to new hires.

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

Inactive employees or beneficiaries currently receiving benefits	107
Inactive employees entitled to but not yet receiving benefits	17
Active employees	73
Total membership	197

Contributions. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees. For the year ended December 31, 2023, employee contributions ranged from 4.00% to 4.70% of annual payroll. Monthly employer contributions ranged from $181 to $61,496.

Actuarial Assumptions. The total pension liability was rolled forward to December 31, 2024 using the December 31, 2023 actuarial valuation with the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.00% in the long-term
Investment rate of return	7.00%, net of investment and administrative expense including inflation

The mortality table used were based on a version of Pub-2010 and fully generational MP-2019.

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

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	60.00%	4.50%	2.70%
Global fixed income	20.00%	2.00%	0.40%
Private Investments	20.00%	7.00%	1.40%
	100.00%		
Inflation			2.50%
Dedicated gains adjustment			-0.07%
Administrative and investment expenses netted above			0.25%
			7.18%

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

Changes in Net Pension Liability

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2023	$ 39,971,327	$ 25,207,279	$ 14,764,048
Changes for the year:			
Service cost	473,836	-	473,836
Interest	2,791,068	-	2,791,068
Employer contributions	-	1,415,336	(1,415,336)
Employee contributions	-	229,348	(229,348)
Net investment income	-	1,866,021	(1,866,021)
Benefit payments, including refunds of employee contributions	(2,670,862)	(2,670,862)	-
Differences between expected and actual experience	285,678	-	285,678
Assumption changes	284,040	-	284,040
Administrative expense	-	(55,252)	55,252
Other changes	(154,504)	-	(154,504)
Net changes	1,009,256	784,591	224,665
Balances at December 31, 2024	$ 40,980,583	$ 25,991,870	$ 14,988,713

Changes in Assumptions. In 2023, amounts reported as changes in assumptions resulted from a decrease in the assumed rate of return from 7.00% to 6.93%.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the Commission, calculated using the discount rate of 7.18%, as well as what the Commission's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.18%) or 1% higher (5.18%) than the current rate:

	1% Decrease (6.18%)	Current Discount Rate (7.18%)	1% Increase (8.18%)
Commission's net pension liability	$ 19,442,840	$ 14,988,713	$ 11,235,475

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

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

For the year ended December 31, 2024, the Commission recognized pension expense of $1,530,638. The Commission reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Net difference between projected and actual earnings on pension plan investments	$ 909,564	$ -	$ 909,564
Differences in experience	-	234,128	(234,128)
Differences in assumptions	554,210	-	554,210
	$ 1,463,774	$ 234,128	$ 1,229,646

Amounts reported as pension-related deferred outflows/inflows of resources will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2025	$ 593,612
2026	713,321
2027	(58,295)
2028	(18,992)
Total	$ 1,229,646

Payable to the Pension Plan. At December 31, 2024, the Commission reported $134,045 payable to the pension plan.

Additional information and required supplementary information can be found in the Commission's separately issued report.

Notes to Financial Statements

12. DEFINED CONTRIBUTION PENSION PLAN

The Saginaw County Employees Defined Contribution Pension Plan (the "Plan") is a single employer defined contribution pension plan, established by the County and administered by MERS. All County employees hired after January 1, 1994, with the exception of certain bargaining units, are required to participate in the Plan. As the union contracts of the non-participating bargaining units are renegotiated, new employees of these units are added to the Plan. All other County employees that are not vested in the County's Defined Benefit Plan are automatically enrolled in the Defined Contribution Plan. Employees vest in the County's contributions in accordance with the following scale:

Years of Service Completed	Vested
1	0%
2	0%
3	25%
4	50%
5	75%
6	100%

Currently, the County has a two-tiered system regarding employee and employer contributions to the defined contribution pension plan based upon the employee's date of hire. Current plan provisions do not allow for any employee to change his/her election contribution. Each bargaining group negotiated a specific date to use when defining an employee as a new hire or as a current employee and these dates generally reflect the date its contract was ratified. These dates range for new hires between November 2004 and September 2007 (refer to specific bargaining agreements for exact dates).

Employees classified as current employees under each bargaining agreement are required to contribute 3% of their annual salary, and the County is required to contribute 9% of the employee's salary. New employees are required to contribute 6% of their annual salary, and the County is required to contribute 6% of the employee's annual salary.

More recently, employees who were previously contributing 0% of their annual salary with a 6% County contribution shall transition into the employee contributing 3% of their annual salary with the County contributing 9%. Employees who were previously contributing 0% of their annual salary with a 3% County contribution will transition into the employee contributing 6% of their annual salary with the County contributing 6%.

Plan provisions and contribution requirements are established and may be amended by the Saginaw County Board of Commissioners.

Employer contributions to the Plan for the year amounted to $2,460,606 and employee contributions were $1,780,945.

13. POSTEMPLOYMENT HEALTH BENEFITS

Primary Government

Plan Description. The County provides a defined benefit postemployment group hospitalization plan provided proper application is made prior to retirement for union and non-union employees. This Plan was established through employees' union contracts and through a Board resolution for non-union employees. A vested employee who leaves County employment before attaining the age and service required to receive a pension shall not be eligible for health insurance coverage. Employees who retire on or after January 1, 1993, may elect to receive a monthly stipend ranging from $75 to $200 per month in lieu of health coverage provided they are not covered as a dependent under a County-paid health plan. New hires after January 1, 1993, will receive only single coverage for their health insurance upon retirement. The plan is closed to all new hires.

Basis of Accounting. The postemployment health benefits fund financial statements are prepared using the accrual basis of accounting. 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.

Method Used to Value Investments. Investments are reported at fair value which is determined using selected bases as follows: short-term investments are reported at cost, which approximates fair value; securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; investments for which market quotations are not readily available are valued at fair market values as determined by the custodian under the direction of the Board of Commissioners, with the assistance of a valuation service; and cash deposits are reported at carrying amounts which reasonably estimates fair value.

Funding Policy. The contribution requirements of the Plan members and the County are established and may be amended by the County Board of Commissioners, in accordance with County policies, union contracts, and Plan provisions. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined through the annual actuarial valuation. For the year ended September 30, 2025, the County contributed $7,284,963 to the Plan.

At September 30, 2025, the date of the latest actuarial valuation, participants in the plan consisted of:

Retirees and beneficiaries currently receiving benefits	698
Active employees	518
Total	1,216

Benefits. The County pays between 0%-100% of the health insurance premiums for these retirees. At age 65 retirees and covered spouses are required to enroll in Medicare parts A and B when eligible. The retiree is responsible for payment of the Medicare part B premiums. Effective August 1, 2017, eligible retirees and their spouses that become Medicare eligible are transferred into a Medicare Plus Blue PPO (Medicare Advantage) fully insured plan. Retirees are required to enroll in both Part A and Part B of Medicare to continue under the County's group coverage. A premium share at the percentage indicated below, as established by Board resolution, is required by non-union retirees:

	Retirement on or after October 1, 2013	
Years of Service	**Employer Pays**	**Employee Pays**
0-5	0%	100%
6	10%	90%
7	15%	85%
8	20%	80%
9	25%	75%
10	30%	70%
11	35%	65%
12	40%	60%
13	45%	55%
14	50%	50%
15	55%	45%
16	60%	40%
17	65%	35%
18	70%	30%
19	75%	25%
20 or more	80%	20%

Except for employees retired prior to January 1, 1991 in which no premium contributions is required, all other non-union employees are required to pay premiums as follows: *Pub. H. Nurses. Retired prior to October 1, 2013:* varies by retirement date, *OPEIU hired prior to March 29, 1986:* contributes percentages of funding premium according to table above, except that members with 20 or more years of service pay 0% of funding premium.

Union employees are also subject to the same or similar co-pay percentages based on retirement eligibility and years of service as specified in their individual union contracts. During year ended September 30, 2025, retiree contributions amounted to $202,815.

Notes to Financial Statements

Changes in Net OPEB Asset

The components of the change in the net OPEB asset are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Asset (a) - (b)
Balances at September 30, 2024	$ 45,157,643	$ 62,401,521	$ (17,243,878)
Changes for the year:			
Service cost	307,994	-	307,994
Interest	2,653,325	-	2,653,325
Difference between expected and actual experience	(223,311)	-	(223,311)
Changes in assumptions	(7,678,909)	-	(7,678,909)
Changes in benefits	174,724	-	174,724
Employer contributions	-	7,284,963	(7,284,963)
Net investment income	-	3,382,792	(3,382,792)
Benefit payments, including refunds of employee contributions	(2,487,142)	(2,487,142)	-
Administrative expenses	-	(257,627)	257,627
Net changes	(7,253,319)	7,922,986	(15,176,305)
Balances at September 30, 2025	$ 37,904,324	$ 70,324,507	$ (32,420,183)

Changes in Assumptions. In 2025, changes in assumptions resulted from the following: 1) immediate medical trend was increased to 7.50% pre-65 and 5.75% post-65 per industry studies and expectations; 2) medical plan participation for eligible future retirees was reduced from 100% to 80% per on the 2025 actuarial experience study; 3) future participating retirees are assumed to elect Division 0058 medical plan at retirement instead of Division 0026, as required under the Plan; 4) the percentage of eligibly future retirees assumed to be married and covering their spouse on the medical plan was reduced from 80% to 60% per the 2025 actuarial experience study; and 5) retirement and termination rates were updated per the 2025 actuarial experience study.

Changes in Benefits. In 2025, for employees that retire on or after January 1, 2026, the life insurance coverage in retirement was increased from $4,000 to $8,000.

Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and 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 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.

The total OPEB liability was calculated as of September 30, 2025, using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Retirement Age for Active Employees— Based on the retirement rates used in the most recent MERS pension valuation.

Spousal Election Rates— 60% of participating retirees are assumed to be married and will cover their spouse for medical coverage.

Mortality—Pre-Retirement : Pub-2010 General Employees Mortality Table without adjustment. *Healthy Retirees* : Pub-2010 General Retiree Mortality Table scaled by a factor of 106%. *Disabled Retirees* : PubNS-2010 Disabled Retiree Mortality Table without adjustment. The mortality assumptions include a margin for future mortality improvements using Scale MP-2019 projected fully-generationally from the central year of data, 2010.

Healthcare Cost Trend Rate— The expected rate of increase in healthcare insurance premiums was based on projections by the County's management. A pre-65 rate of 7.50% and a post-65 rate of 5.75% were used for the first year reducing by .25% each year until leveling out at 4.50%.

Inflation Rate— The expected long-term inflation assumption used was 2.50%.

Payroll Growth Rate— The expected long-term payroll growth was 3.00%.

Investment Rate of Return— Based on the historical and expected returns of the County's long-term investment portfolio, a discount rate of 6.00% was used.

Investments

Investment Policy. The OPEB Plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Board. The investment policy has been formulated based on consideration of a wide range of policies and describes the prudent investment processes that the Board deems appropriate. The OPEB Plan's asset allocation policy is shown below.

Rate of Return. For the year ended September 30, 2025, the annual money-weighted rate of return on investments, net of investment expense, was 5.23%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB Plan investments was determined using a forward looking estimate of capital market returns model for each investment major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and investment expenses. The target allocation and best estimates of arithmetic real rates of return for each asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Domestic fixed income	40.0%	1.00%	0.41%
Domestic equity	50.0%	5.50%	2.75%
International equity	5.0%	6.50%	0.36%
Other	5.0%	-0.50%	-0.02%
	100.0%		
Inflation			2.50%
Investment rate of return			6.00%

Discount Rate. The discount rate used to measure the total OPEB liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB asset to Changes in the Discount Rate. The following presents the net OPEB asset of the County, calculated using the discount rate of 6.00%, as well as what the County's net OPEB asset would be if it were calculated using a discount rate that is 1% lower (5.00%) or 1% higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
County's net OPEB asset	$ (28,327,746)	$ (32,420,183)	$ (35,995,080)

Sensitivity of the Net OPEB Asset to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB asset of the County, calculated using the healthcare cost trend rate of 7.50% (post-65 5.75%), as well as what the County's net OPEB asset would be if it were calculated using a healthcare cost trend rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (6.50% post-65 4.75%)	Current Trend Rate (7.50% post-65 5.75%)	1% Increase (8.50% post-65 6.75%)
County's net OPEB asset	$ (36,093,968)	$ (32,420,183)	$ (28,239,178)

OPEB Expense (Benefit) and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended September 30, 2025, the County recognized OPEB expense (benefit) of $(4,025,887). The County reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	$ -	$ 2,399,935	$ (2,399,935)
Changes in assumptions	84,980	7,094,752	(7,009,772)
Net difference between projected and actual earnings on OPEB plan investments	203,959	-	203,959
Total	$ 288,939	$ 9,494,687	$ (9,205,748)

Amounts reported as OPEB-related deferred outflows/inflows of resources will be recognized in OPEB expense as follows:

Year Ended September 30,	Amount
2026	$ (3,126,726)
2027	(4,046,605)
2028	(2,131,918)
2029	99,501
Total	$ (9,205,748)

Payable to the OPEB Plan. At September 30, 2025, the County reported no payable to the OPEB plan required for the year ended September 30, 2025.

Component Unit - Road Commission

Plan Description. The Road Commission administers a single employer defined benefit postemployment benefit plan (the “Plan”). The Plan provides healthcare, dental and life insurance benefits in accordance with the Saginaw County Road Commission's union contract Article 28, to all employees who retire from the Road Commission and qualify for benefits under MERS. Coverage for non-union employees is provided upon the discretion of management. The Plan provides up to 100% of health insurance benefits depending on coverage elected by the employee. The Plan is closed to union members and managers hired on or after December 27, 2011 for medical, dental or life insurance benefits and commissioners hired on or after January 1, 2020 for medical or dental insurance.

Contributions. The Saginaw County Road Commission OPEB was established and is being funded under the authority of the Road Commission and under agreements with the unions representing various classes of employees. The plan's funding policy is that the Road Commission will contribute $200,000 annually in addition to making benefit payments from general operating funds until the OPEB trust meets its goal of 40% funded status while continuing to pay plan benefits from general operating funds. There are no long term contracts for contributions to the plan.

At December 31, 2024, retirement plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	100
Active employees	27
Total	127

Benefits. Dental premiums, life insurance premiums stipends for retirees opting out of medical coverage are fully paid by the Commission. Union retirees hired on or after February 9, 2004 pay a percentage of their medical premiums based on their service years at retirement. If healthcare premiums exceed the hard caps as set by the State of Michigan under MCL 15.563, retirees must contribute the cost of the medical premiums in excess of those caps.

Changes in Net OPEB Liability

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

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at December 31, 2023	$ 10,624,126	$ 1,494,261	$ 9,129,865
Changes for the year:			
Service cost	67,984	-	67,984
Interest	727,476	-	727,476
Net investment income	-	117,320	(117,320)
Differences between expected and actual experience	(97,392)	-	(97,392)
Changes in assumptions	91,839	-	91,839
Contributions to OPEB trust	-	320,000	(320,000)
Employer contributions	-	599,199	(599,199)
Benefit payments, including refunds of employee contributions	(599,199)	(599,199)	-
Administrative expenses	-	(3,588)	3,588
Net changes	190,708	433,732	(243,024)
Balances at December 31, 2024	$ 10,814,834	$ 1,927,993	$ 8,886,841

Changes in Assumptions—(1) Trend rates updated to those prescribed by PA 202 for year 2023; (2) discount rate updated to 6.93%; and 3) future utilizations assumptions were updated.

Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and 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 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.

The total OPEB liability was measured as of December 31, 2024 using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Retirement Age for Active Employees— Based on the retirement rates used in the most recent MERS pension valuation.

Election Rates— 100% of participants will elect coverage at retirement.

Notes to Financial Statements

Mortality— 2010 Public-General Employees and Healthy Retirees, Headcount weighted.

Healthcare cost trend rate— The expected rate of increase in healthcare insurance premiums was based on projections by the County's management. Pre-Medicare 7.25% graded down to 4.5% by .25% per year; post-Medicare, 5.5% graded down to 4.5% by .25% per year; dental 3% per year; PA 152 cap 2.85% per year.

Inflation Rate— The expected long-term inflation assumption used was 2.50%.

Payroll Growth Rate— The expected long-term payroll growth was 3.25%.

Investment Rate or Return— Based on the historical and expected returns of the County's long-term investment portfolio, a discount rate of 6.93%, including inflation, was used.

The long-term expected rate of return on OPEB Plan investments was determined using a forward looking estimate of capital market returns model for each investment major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and investment expenses. The target allocation and best estimates of arithmetic real rates of return for each asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	60.0%	4.50%	2.70%
Global fixed income	20.0%	2.16%	0.43%
Private investment	20.0%	6.50%	1.30%
	100.0%		
Inflation			2.50%
Investment rate of return			6.93%

Discount Rate. The discount rate used to measure the total OPEB liability was 6.93%. The projection of cash flows used to determine the discount rate assumed that the Road Commission made an annual contribution to the trust of $200,000 until the plan attains 40% funded status. In addition, it is assumed that the plan sponsor will continue to pay current benefits from general operating funds. Based on these assumptions, the retirement plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members, therefore, there is no cross-over point depletion date. Projected benefits were discounted at a discount rate equal to the long-term rate of return, plus inflation, as shown above. At December 31, 2023, the discount rate used to value OPEB liabilities was 7.00%.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the Commission, calculated using the discount rate of 6.93%, as well as what the Commission's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (5.93%) or 1% higher (7.93%) than the current rate:

	1% Decrease (5.93%)	Current Discount Rate (6.93%)	1% Increase (7.93%)
Commission's net OPEB liability	$ 9,908,155	$ 8,886,841	$ 8,020,272

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability of the Commission, calculated using the healthcare cost trend rate of 7.25% (post-65 5.50%), as well as what the Commission's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (6.25% post-65 4.50%)	Current Trend Rate (7.25% post-65 5.50%)	1% Increase (8.25% post-65 6.50%)
Commission's net OPEB liability	$ 8,143,931	$ 8,886,841	$ 9,762,786

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the Commission recognized OPEB expense of $685,320. The Road Commission reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	$ -	$ 964	$ (964)
Changes in assumptions	909	-	909
Net difference between projected and actual earnings on OPEB plan investments	42,605	-	42,605
Total	$ 43,514	$ 964	$ 42,550

Amounts reported as OPEB-related deferred outflows/inflows of resources will be recognized in OPEB expense as follows:

Year Ended December 31,	Amount
2025	23,390
2026	30,159
2027	(10,671)
2028	(328)
Total	$ 42,550

Payable to the OPEB Plan. At December 31, 2024, the Road Commission did not have any outstanding contributions payable to the OPEB plan.

Additional information and required supplementary information can be found in the Road Commission's separately issued report.

14. RISK MANAGEMENT

The County is self-funded for worker’s compensation, general liability, health, dental and vision insurance.

Worker’s Compensation

The self-insurance program for worker’s compensation is accounted for in the Employee Benefits Fund (an internal service fund). An independent administrator is hired to process the daily claims and to perform auditing and management duties. The County is self-insured for $500,000 in liability for each occurrence except for Classification 7720, Police Officers, who has a specific retention of $750,000. The ASU Group, the County's administrator for worker's compensation, insures the remainder, through Midwest Employers Casualty Company, up to $1,000,000 for each occurrence. The revenue for this activity’s operation is derived through reimbursements from various funds having employees. Losses, damages and administrative expenses are all paid from this fund.

The claims liability as reported at September 30, 2025, is based on requirements that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. The claim liability is estimated by the claims administrator and management. Management estimates the incurred but not reported (“IBNR”) liability based on prior experience and both the estimated claims liability and the IBNR estimates are recorded as a current expenditure. No annuity contracts have been purchased to satisfy claim liabilities. Settled claims have not exceeded insurance coverage in any of the past three years.

The changes in the claims liability for the years ended September 30, 2025 and 2024, are as follows:

	Beginning of Period Liability	Claims and Changes in Estimates	Claim Payments	End of Period Liability
2024	$ 688,880	$ (311,155)	$ (110,933)	$ 266,792
2025	266,792	66,740	(175,499)	158,033

General Liability

The self-insurance program for general liability is accounted for in the Risk Management Fund (an internal service fund). Presently, the County insures the first $250,000 for each claim. After the first $250,000 and up to $15,000,000, insurance is provided by Michigan Municipal Risk Management (MMRMA). The revenues for this fund's operation are reimbursements from various funds. The funds are charged for general liability insurance based on number of employees, previous claims, modifiers, number of vehicles and other pertinent criteria.

Losses, damages and administrative expenses are all paid from this fund. The claims liability for known claims and incurred but not reported claims is estimated by management and the insurance administrators. No annuity contracts have been purchased to satisfy claim liabilities. Settled claims have not exceeded insurance coverage in any of the past three years.

The changes in the claims liability for the years ended September 30, 2025 and 2024, are as follows:

	Beginning of Period Liability	Claims and Changes in Estimates	Claim Payments	End of Period Liability
2024	$ 348,533	$ 436,409	$ (446,849)	$ 338,093
2025	338,093	557,849	(472,061)	423,881

Health Insurance

The self-insurance program for health insurance is accounted for in the Employee Benefits Fund (internal service fund) and the Postemployment Health Benefits Fund (an other employee benefit trust fund). An independent administrator (ASR/HAP) is hired to process the daily claims. The County is responsible for individual claims up to $300,000 and Companion Life is responsible for paying the claims above this amount. There were no reductions of insurance coverage from the prior year. The County is also responsible for paying administrative charges and for actual prescription claims. Effective August 1, 2017, eligible retirees and their spouses that become Medicare eligible are transferred into a Humana Medicare Advantage PPO (Medicare Advantage) fully insured plan. Retirees are required to enroll in both Part A and Part B of Medicare to continue under the County's group coverage. The revenues for this Fund’s operation are reimbursements from various funds and employee payroll withholdings. The liability at the end of the year is based on claims already incurred and reported and on estimates of incurred but not reported claims as provided by ASR/HAP. No annuity contracts have been purchased to satisfy claim liabilities. Settled claims have not exceeded insurance coverage in any of the past three years.

The changes in the claims liability for the years ended September 30, 2025 and 2024, are as follows:

	Beginning of Period Liability	Claims and Changes in Estimates	Claim Payments	End of Period Liability
2024	$ 827,698	$ 5,888,332	$ (5,342,208)	$ 1,373,822
2025	1,373,822	7,463,365	(7,410,841)	1,426,346

15. PROPERTY TAXES

The County property tax is levied each July 1st and December 1st on the taxable valuation of property located in the County as of the preceding December 31. On July or December 1, the property tax attachment is an enforceable lien on property and is payable by the last day of the next September or February, respectively.

The taxable value of real property at December 1, 2024 totaled $6,549,948,618. The tax levy for 2024/2025 operations were based on the following rates:

General operating	4.8485	mills
Mosquito control	1.0000	mills
Senior citizens	0.5891	mills
Sheriff service	1.7473	mills
County parks	0.2937	mills
Castle Museum	0.1994	mills
Event center	0.4493	mills
9-1-1 Authority	0.2795	mills
Animal control	0.4243	mills
Children's zoo	0.1997	mills
Hospital	0.4000	mills
Health Department	0.4792	mills
County roads	2.0000	mills

By agreement with various taxing authorities, the County purchases at face value the real property taxes receivable returned delinquent each March 1. These receivables are pledged for payment of general obligation limited tax notes, proceeds of which were used to liquidate the amounts due the General Fund and various other funds and governmental agencies for purchase of the receivables. Subsequent collections on delinquent taxes receivable, plus interest and collection fees thereon and investment earnings, are used to service the tax notes. This activity is accounted for in the Delinquent Tax Revolving enterprise fund.

16. CONTINGENCIES AND PENDING LITIGATION

The County is a defendant in various lawsuits. It is the opinion of County management and its counsel that the outcome of these lawsuits now pending will not materially affect the operations or the financial position of the County.

Under the terms of certain Federal and State grants, periodic audits are required and certain costs may be questioned as not representing appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. County management believes disallowances, if any, would be minimal.

The County is a defendant in litigation related to provisions of the Michigan General Property Tax Act and surplus proceeds generated through the auction of property tax-foreclosed properties under the statute, with similarly situated counties in the state. Proceedings are currently stayed while an appeal pending in the U.S. Circuit Court of Appeals is heard. The County may be required to repay in the future some portion of the surplus from previous years proceeds to former owners of property tax-foreclosed properties for the tax-foreclosed property dispositions. As of September 30, 2025, the County recorded an estimated potential liability in the amount of $523,802 in the delinquent tax revolving enterprise fund.

Notes to Financial Statements

17. NET POSITION

Restricted Net Position

The composition of restricted net position as of year end, was as follows:

	Governmental Activities	Component Units
OPEB	$ 32,420,183	$ -
Public improvement	8,145,397	-
Road construction	13,098	
Drain projects	-	13,329,810
Debt service	10,828,891	38,275,043
Capital projects	-	228,239
Public safety	5,540,101	-
Health and welfare	9,602,578	-
Recreation	1,858,227	-
Community and economic development	1,591,958	-
Opioid remediation	10,289,114	-
Other:		
Public works	883,145	-
Register of Deeds	468,483	-
Endowment:		
Nonexpendable	36,390	-
Expendable	7,381	-
Total restricted net position	$ 81,684,946	$ 51,833,092

Notes to Financial Statements

Net Investment in Capital Assets

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

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated/amortized	$ 6,488,546	$ 4,434,166	$ 76,170,780
Capital assets being depreciated/amortized, net	74,248,216	39,906,833	225,439,029
	80,736,762	44,340,999	301,609,809
Related debt:			
Bonds notes and other long-term liabilities	78,989,540	45,297,946	56,925,597
Accounts and retainage payable	287,591	-	381,048
Less:			
Non-capital related debt:			
Road commission project bonds	(8,350,000)	-	-
Department of Public Works conduit debt	-	-	(9,382,701)
Compensated absences	(3,504,264)	(6,681)	(920,644)
Delinquent tax notes	-	(24,730,000)	-
Mainframe Conversion project unexpended bond proceeds	(507,786)	-	-
Community Mental Health bonds	(2,225,000)	-	-
Pension bonds	(13,000,000)	-	-
	51,690,081	20,561,265	47,003,300
Net investment in capital assets	$ 29,046,681	$ 23,779,734	$ 254,606,509

Notes to Financial Statements

18. FUND BALANCES - GOVERNMENTAL FUNDS

Detailed information on fund balances of governmental funds is as follows:

	General Fund	Health Department	Michigan Works!	Opioid Settlements	American Rescue Plan Act	Road Debt (Act 51 Bonds)	Nonmajor Governmental Funds	Total
Nonspendable:								
Long-term advances	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 400,000
Prepaids	10,078	53,915	4,424	-	-	-	58,649	127,066
Permanent fund corpus	-	-	-	-	-	-	36,390	36,390
Total nonspendable	410,078	53,915	4,424	-	-	-	95,039	563,456
Restricted for:								
Public safety	-	-	-	-	-	-	5,427,965	5,427,965
Public works	-	-	-	-	-	-	883,145	883,145
Health and welfare	-	-	-	-	-	-	9,204,007	9,204,007
Recreation	-	-	-	-	-	-	1,831,797	1,831,797
Family counseling	257,277	-	-	-	-	-	-	257,277
Register of Deeds	-	-	-	-	-	-	468,483	468,483
Debt service	-	-	-	-	-	240	1,388,381	1,388,621
Public improvement	-	-	-	-	-	-	8,145,397	8,145,397
Opioid remediation	-	-	-	3,963,614	-	-	-	3,963,614
Mainframe conversion	-	-	-	-	-	-	507,786	507,786
Road construction	-	-	-	-	-	-	13,098	13,098
Permanent trusts	-	-	-	-	-	-	7,381	7,381
Total restricted	257,277	-	-	3,963,614	-	240	27,877,440	32,098,571
Assigned for:								
Employee payroll reserve	16,011,871	-	-	-	-	-	-	16,011,871
G.I.S. System	-	-	-	-	-	-	16,273	16,273
Courts	-	-	-	-	-	-	990,722	990,722
General government	-	-	-	-	-	-	1,394,995	1,394,995
Public safety	-	-	-	-	1,191,885	-	540,688	1,732,573
Health and welfare	-	12,526,792	190,765	-	-	-	1,801,149	14,518,706
Capital projects	-	-	-	-	-	-	99,084	99,084
Debt service	-	-	-	-	-	-	1,167,127	1,167,127
Subsequent year	17,900	-	-	-	-	-	-	17,900
Total assigned	16,029,771	12,526,792	190,765	-	1,191,885	-	6,010,038	35,949,251
Unassigned	8,085,844	-	-	-	-	-	-	8,085,844
Total fund balances, governmental funds	$ 24,782,970	$ 12,580,707	$ 195,189	$ 3,963,614	$ 1,191,885	$ 240	$ 33,982,517	$ 76,697,122

Notes to Financial Statements

19. TAX ABATEMENTS

The County received reduced property tax revenues during 2025 as a result of industrial facilities tax exemptions (IFT's), brownfield redevelopment agreements and personal property exemption (Act 328 of 1998) agreements entered into by the local municipalities.

The IFT's were entered into based upon the Plant Rehabilitation and Industrial Development Districts Act (known as the Industrial Facilities Exemption), PA 198 of 1974, as amended. IFT's provide a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. Properties qualifying for IFT status are taxed at 50% of the millage rate applicable to other real and personal property in the County. The abatements by local unit which reduced tax revenues to the County for 2025 were as follows:

Governmental Entity	Taxable Value	Abatement Amount
Townships:		
Bridgeport	$ 1,854,800	$ 12,048
Buena Vista	7,166,548	46,551
Carrollton	124,600	809
Frankenmuth	79,400	516
Jonesfield	4,600,000	29,880
Richland	127,410,700	827,609
Saginaw	2,468,320	16,033
Thomas	42,869,964	278,466
Tittabawassee	227,500	1,478
Cities:		
Frankenmuth	3,562,591	23,141
Saginaw	2,103,859	13,666
Zilwaukee	176,563	1,147
		$ 1,251,344

Notes to Financial Statements

The New Personal Property Exemption, PA 328 of 1998, (MCL 211.9 f) as amended, affords a 100% property tax exemption for specific businesses located within eligible distressed communities. This exemption is for all new personal property placed in a district that has been established by the local unit of government. The local unit of government determines the number of years granted and may grant any number of years for the exemption. Applications are filed, reviewed and approved by the local unit of government, but are also subject to review at the State level by the Property Services Division and the State Tax Commission. The abatements by local unit which reduced tax revenues to the County for 2025 were as follows:

Governmental Entity	Taxable Value	Abatement Amount
City of Saginaw	$ 317,156,165	$ 4,120,239
Buena Vista Township	117,701,800	1,529,088
Thomas Township	23,260,200	302,178
		$ 5,951,505

Brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties. These agreements were entered into based upon the Brownfield Redevelopment Act, PA 381 of 1996, as amended. Under this Act, a municipality may create a brownfield redevelopment authority to develop and implement brownfield projects. Tax increment financing may be used as a tool for property redevelopment. The abatements by local unit which reduced tax revenues to the County for 2025 were as follows:

Governmental Entity	Taxable Value	Abatement Amount
City of Saginaw	$ 3,732,850	$ 45,452
Village of Merrill	412,480	5,202
Tittabawassee Township	145,516	1,835
		$ 52,489

20. FEDERAL GRANTS - ROAD COMMISSION

The Michigan Department of Transportation (MDOT) requires that road commissions report all Federal and State grants pertaining to their county. During the year ended December 31, 2024, the Federal aid received and expended by the Road Commission was $6,860,631 for contracted projects and $47,802 for negotiated projects. Contracted projects are defined as projects performed by private contractors paid for and administered by MDOT (they are included in MDOT's single audit). Negotiated projects are projects where the Commission administers the grant and either performs the work or contracts it out. The Road Commission is subject to single audit requirements if they expended $750,000 or more for negotiated projects.

Notes to Financial Statements

21. OPIOID SETTLEMENT

The County is part of various nationwide Opioid settlements reached by states and local political subdivisions against pharmaceutical distributors, manufacturers, and pharmacies. The terms of the settlements vary by entity; however, the County received installments beginning in 2023 and expects to receive future installments through 2030. The County currently expects the total amount of the settlement to be $11,347,471. Settlement payments received during the year ended September 30, 2025 were $687,939. The total receivable for all of the settlement agreements was recorded at the net present value, using a discount rate for payments to be received subsequent to 2025 of 3%. The net present value of the combined settlement payments to be received as of September 30, 2025 is $6,325,500.

Additional settlements with other pharmacies and manufacturers may be forthcoming as well. However, as of September 30, 2025, the amounts to be allocated to and collected by the County were not able to be determined, and as such, no amounts have been reported related to these settlements in the financial statements.

22. RESTATEMENT

During the current year, the County implemented GASB Statement No. 101, *Compensated Absences.* The effects of the change in accounting principle are summarized below:

	Governmental Activities
Net position, beginning of year, as previously reported	$ 79,839,484
Restatement - GASB 101 implementation	(1,595,888)
Net position, beginning of year, as restated	$ 78,243,596

Notes to Financial Statements

23. SUBSEQUENT EVENTS

As of October 1, 2025, the operations of Michigan Works! special revenue fund were transferred to Isabella County, Michigan.

On December 10, 2025, the Department of Public Works component unit issued bonds on behalf of Richland Township in the amount of $3,700,000 due November 1, 2055 with annual interest ranging from 4.00% to 5.00%.

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REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan
Schedule of Changes in County's Net Pension Liability and Related Ratios

	Year Ended September 30,			
	2025	2024	2023	2022
Total pension liability				
Service cost	$ 43,314	$ 39,641	$ 45,966	$ 52,629
Interest	9,963,208	10,207,194	10,075,564	10,473,423
Difference between expected and actual experience	(19,588)	(628,921)	212,451	(447,384)
Changes in assumptions	(573,407)	849,913	-	4,455,981
Benefit payments, including refunds of employee contributions	(13,219,037)	(13,286,725)	(13,302,644)	(13,273,286)
Other changes	-	-	-	-
Net change in total pension liability	(3,805,510)	(2,818,898)	(2,968,663)	1,261,363
Total pension liability, beginning of year	146,178,291	148,997,189	151,965,852	150,704,489
Total pension liability, end of year	142,372,781	146,178,291	148,997,189	151,965,852
Plan fiduciary net position				
Employer contributions	5,747,370	6,127,896	5,675,973	4,529,343
Employee contributions	3,401	6,019	6,224	6,566
Net investment income (loss)	7,762,784	11,204,420	(13,530,187)	15,220,153
Benefit payments, including refunds of employee contributions	(13,219,037)	(13,286,725)	(13,302,644)	(13,273,286)
Administrative expense	(228,045)	(233,277)	(219,690)	(181,112)
Net change in plan fiduciary net position	66,473	3,818,333	(21,370,324)	6,301,664
Plan fiduciary net position, beginning of year	105,648,654	101,830,321	123,200,645	116,898,981
Plan fiduciary net position, end of year	105,715,127	105,648,654	101,830,321	123,200,645
County's net pension liability	$ 36,657,654	$ 40,529,637	$ 47,166,868	$ 28,765,207
Plan fiduciary net position as a percentage of total pension liability	74.3%	72.3%	68.3%	81.1%
Covered payroll	$ 366,999	$ 345,452	$ 432,452	$ 498,231
County's net pension liability as a percentage of covered payroll	9988.5%	11732.3%	10906.8%	5773.5%

See notes to required supplementary information.

Year Ended September 30,					
2021	2020	2019	2018	2017	2016
$ 60,841	$ 63,245	$ 141,797	$ 271,358	$ 343,667	$ 366,482
11,851,105	11,000,096	11,077,621	11,161,488	11,214,831	11,030,766
72,218	(142,834)	747,985	5,196	(125,333)	(116,667)
5,545,935	4,725,317	-	-	-	6,937,875
(13,343,085)	(13,195,896)	(12,598,428)	(12,244,774)	(11,882,834)	(11,572,681)
-	-	(3)	2	3	(159)
4,187,014	2,449,928	(631,028)	(806,730)	(449,666)	6,645,616
146,517,475	144,067,547	144,698,575	145,505,305	145,954,971	139,309,355
150,704,489	146,517,475	144,067,547	144,698,575	145,505,305	145,954,971
3,595,010	3,245,914	2,457,345	1,141,350	401,184	384,689
8,070	20,360	56,056	54,021	61,122	95,891
14,591,798	14,210,014	(4,496,238)	15,139,260	12,879,155	(1,845,639)
(13,343,085)	(13,195,896)	(12,598,428)	(12,244,774)	(11,882,834)	(11,572,681)
(218,068)	(244,503)	(231,362)	(240,839)	(254,838)	(277,640)
4,633,725	4,035,889	(14,812,627)	3,849,018	1,203,789	(13,215,380)
112,265,256	108,229,367	123,041,994	119,192,976	117,989,187	131,204,567
116,898,981	112,265,256	108,229,367	123,041,994	119,192,976	117,989,187
$ 33,805,508	$ 34,252,219	$ 35,838,180	$ 21,656,581	$ 26,312,329	$ 27,965,784
77.6%	76.6%	75.1%	85.0%	81.9%	80.8%
$ 499,531	$ 513,152	$ 1,081,792	$ 2,079,913	$ 2,579,083	$ 2,767,719
6767.4%	6674.9%	3312.9%	1041.2%	1020.2%	1010.4%

Required Supplementary Information

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

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Covered Payroll
2016	$ 300,847	$ 300,847	$ -	$ 3,014,094	10.0%
2017	701,460	701,460	-	2,486,296	28.2%
2018	2,461,020	2,461,020	-	1,963,141	125.4%
2019	3,012,960	3,012,960	-	1,135,893	265.3%
2020	3,386,952	3,386,952	-	561,185	603.5%
2021	4,219,188	4,219,188	-	499,530	844.6%
2022	5,459,784	5,459,784	-	499,898	1092.2%
2023	6,324,540	6,324,540	-	453,942	1393.2%
2024	5,537,964	5,537,964	-	398,705	1389.0%
2025	6,375,588	6,375,588	-	403,716	1579.2%

See notes to required supplementary information.

Notes to Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan

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

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

Changes in Assumptions. In 2016, amounts reported as changes in assumptions resulted primarily from adjustments to the mortality table to reflect longer lifetimes, decreases in the assumed rate of return, and changes in asset smoothing.

In 2020, amounts reported as changes in assumptions resulted primarily from a decrease in the assumed rate of return from 7.75% to 7.35%, and a decrease in the assumed rate of wage inflation from 3.75% to 3.00%.

In 2021, amounts reported as changes in assumptions related to updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, disability, and termination rates.

In 2022, amounts reported as changes in assumptions resulted from a decrease in the assumed rate of return from 7.35% to 7.00%.

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

In 2025, amounts reported as changes in assumptions related to updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, and termination rates.

Notes to Schedule of Contributions

Valuation Date	Actuarially determined contribution rates are calculated as of the December 31 that is 21 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates (2025, based on the 12/31/2022 actuarial valuation):

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, open
Remaining amortization period	9-14 years depending on division
Asset valuation method	5-year smooth market
Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	7.00%, net of investment and administrative expense including inflation
Normal retirement age	Age 60

Notes to Required Supplementary Information

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

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Required Supplementary Information

Single Employer Defined Benefit Other Postemployment Benefit Plan
Schedule of Changes in County's Net OPEB Liability (Asset) and Related Ratios

	Year Ended September 30,			
	2025	**2024**	**2023**	**2022**
Total OPEB liability				
Service cost	$ 307,994	$ 390,289	$ 374,478	$ 455,645
Interest	2,653,325	3,058,009	2,983,854	3,433,024
Differences between expected and actual experience	(223,311)	(4,772,280)	(351,225)	(4,479,458)
Changes in assumptions	(7,678,909)	(3,180,594)	465,485	(4,816,553)
Changes in benefits	174,724	-	-	198,315
Benefit payments, including refunds of employee contributions	(2,487,142)	(1,828,687)	(2,676,195)	(1,715,830)
Net change in total OPEB liability	(7,253,319)	(6,333,263)	796,397	(6,924,857)
Total OPEB liability, beginning of year	45,157,643	51,490,906	50,694,509	57,619,366
Total OPEB liability, end of year	37,904,324	45,157,643	51,490,906	50,694,509
Plan fiduciary net position				
Employer contributions	7,284,963	8,824,110	6,992,307	7,573,764
Net investment income (loss)	3,382,792	6,173,313	2,693,746	(5,363,149)
Benefit payments, including refunds of employee contributions	(2,487,142)	(1,828,687)	(2,676,195)	(1,715,830)
Administrative expense	(257,627)	(182,844)	(182,412)	(205,525)
Net change in plan fiduciary net position	7,922,986	12,985,892	6,827,446	289,260
Plan fiduciary net position, beginning of year	62,401,521	49,415,629	42,588,183	42,298,923
Plan fiduciary net position, end of year	70,324,507	62,401,521	49,415,629	42,588,183
County's net OPEB (asset) liability	$ (32,420,183)	$ (17,243,878)	$ 2,075,277	$ 8,106,326
Plan fiduciary net position as a percentage of total OPEB liability	185.5%	138.2%	96.0%	84.0%
Covered-employee payroll	$ 33,243,597	$ 32,142,316	$ 22,413,718	$ 22,600,876
County's net OPEB liability (asset) as a percentage of covered-employee payroll	-97.5%	-53.6%	9.3%	35.9%

See notes to required supplementary information.

Year Ended September 30,				
2021	2020	2019	2018	2017
$ 468,981	$ 779,823	$ 751,637	$ 941,815	$ 934,769
3,384,923	5,592,103	5,488,195	5,969,257	6,243,989
891,997	(51,173,560)	-	1,329,614	-
(1,431,902)	12,441,144	-	(12,017,195)	-
-	-	-	-	-
(3,750,981)	(4,792,873)	(4,267,244)	(4,006,144)	(7,347,208)
(436,982)	(37,153,363)	1,972,588	(7,782,653)	(168,450)
58,056,348	95,209,711	93,237,123	101,019,776	101,188,226
57,619,366	58,056,348	95,209,711	93,237,123	101,019,776
7,450,740	7,731,321	7,999,149	8,991,013	8,331,754
4,289,785	1,522,488	776,801	1,034,722	1,726,727
(3,750,981)	(4,792,873)	(4,267,244)	(4,006,144)	(7,347,208)
(206,352)	(65,918)	(147,505)	(133,404)	(160,297)
7,783,192	4,395,018	4,361,201	5,886,187	2,550,976
34,515,731	30,120,713	25,759,512	19,873,325	17,322,349
42,298,923	34,515,731	30,120,713	25,759,512	19,873,325
$ 15,320,443	$ 23,540,617	$ 65,088,998	$ 67,477,611	$ 81,146,451
73.4%	59.5%	31.6%	27.6%	19.7%
$ 8,585,103	$ 8,296,124	$ 8,418,944	$ 8,073,230	$ 9,793,458
178.5%	283.8%	773.1%	835.8%	828.6%

Required Supplementary Information

Single Employer Defined Benefit Other Postemployment Benefit Plan
Schedule of Contributions

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as Percentage of Covered-employee Payroll
2017	$ 11,412,510	$ 8,331,754	$ 3,080,756	$ 9,793,458	85.1%
2018	6,457,457	8,991,013	(2,533,556)	8,073,230	111.4%
2019	5,807,513	7,999,149	(2,191,636)	8,418,944	95.0%
2020	5,836,545	7,731,321	(1,894,776)	8,296,124	93.2%
2021	2,293,426	7,450,740	(5,157,314)	8,585,103	86.8%
2022	2,307,918	7,573,764	(5,265,846)	22,600,876	33.5%
2023	1,042,851	6,992,307	(5,949,456)	22,413,718	31.2%
2024	1,054,759	8,824,110	(7,769,351)	32,142,316	27.5%
2025	-	7,284,963	(7,284,963)	33,243,597	21.9%

See notes to required supplementary information.

Required Supplementary Information

Single Employer Defined Benefit Other Postemployment Benefit Plan
Schedule of Investment Returns

Fiscal Year Ended September 30,	Annual Rate of Return*
2017	9.74%
2018	4.73%
2019	2.82%
2020	4.83%
2021	11.85%
2022	-11.86%
2023	6.04%
2024	11.71%
2025	5.23%

* Annual money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

See notes to required supplementary information.

Notes to Required Supplementary Information

Single Employer Defined Benefit Other Postemployment Benefit Plan

Notes to Schedule of Changes in County's Net OPEB Liability (Asset) and Related Ratios

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

GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Changes in Assumptions. In 2018, actuarial valuation were (1) per-capita claims and fixed cost rates were updated to reflect experience since the previous valuation; (2) healthcare trend rates were changed to (a) pre-65 first year was reduced to 8.50% reducing 0.25% each year until reaching 4.50% (b) post-65 first year was reduced to 7.00% reducing 0.25% each year until reaching 4.50%; and (3) pre-65 healthcare cost trend assumption was adjusted to account for potential excise taxes on "Cadillac" plan benefits. Adjustment included a 0.50% increase in the ultimate trend rate.

In 2020, actuarial valuation were (1) annual wage increase rate was decreased from 3.75% to 3.00%, plus merit-related increases per the MERS of Michigan experience study published February 2020; (2) per-capita costs were updated to reflect experience and insurer changes since the previous valuation; (3) loads on healthcare trend to estimate the impact of the 'Cadillac Tax' were removed as the tax was repealed in December 2019; (4) post-65 immediate medical trend rate was decreased to 6.50%; (5) percentage of future retirees assumed to be married at retirement was increased from 70% to 80% per the MERS of Michigan experience study published February 2020; (6) mortality, withdrawal, and retirement rates were updated to the current MERS of Michigan assumptions per the experience study published February 2020; (7) pre-Medicare medical insurer was changed from BCBS (Anthem) to Aetna, and the Medicare Advantage insurer was changed from BCBS (Anthem) to Humana; and (8) premium equivalent rates were updated to reflect current rates.

In 2021, actuarial valuation had a decreased immediate trend from 8.00% to 7.50% pre-65, and from 6.25% to 5.75% post-65 for disability.

In 2022, changes in assumptions had a decreased immediate trend from 7.50% to 7.25% pre-65, and from 5.75% to 5.50% post-65 for disability.

In 2023, changes in assumptions resulted from the medical trend rate being shifted to maintain the same immediate rates of 7.25%.

In 2024, changes in assumptions resulted from the following: 1) per-capita claims were updated to reflect experience since the previous valuation; 2) rates of morbidity used to age-adjustment per-capita claim costs were updated to reflect a blend of rates published in the 2013 SOA Study Health Care Costs - from Birth to Death; and 3) medical trend rates were shifted to maintain the same immediate rates of 7.25% pre-65 and 5.50% post-65.

Notes to Required Supplementary Information

In 2025, changes in assumptions resulted from the following: 1) immediate medical trend was increased to 7.50% pre-65 and 5.75% post-65 per industry studies and expectations; 2) medical plan participation for eligible future retirees was reduced from 100% to 80% per the 2025 actuarial experience study; 3) future participating retirees are assumed to elect Division 0058 medical plan at retirement instead of Division 0026, as required under the Plan; 4) the percentage of eligibly future retirees assumed to be married and covering their spouse on the medical plan was reduced from 80% to 60% per the 2025 actuarial experience study; and 5) retirement and termination rates were updated per the 2025 actuarial experience study.

Changes in Benefits. In 2022, changes in benefits resulted primarily from the pre-Medicare medical administration moving from Aetna to ARS and pharmacy administration moving from CIGNA to Navitus, a QHDHP plan, division 0058, was added as an option for retirees, premium equivalent rates were updated to reflect current rates, including an overall decrease in Medicare Advantage premiums, and a significant increase in pre-Medicare premium rates, and those hired after the retiree health cutoff dates are now included as it was determined they are eligible for retiree life insurance.

In 2025, for employees that retire on or after January 1, 2026, the life insurance coverage in retirement was increased from $4,000 to $8,000.

Notes to Schedule of Contributions

Note: GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Valuation Date	Actuarially determined contribution rates are calculated as of September 30, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates (2025, based on the 9/30/2024 actuarial valuation):

Actuarial cost method	Individual entry-age normal
Amortization method	Level percent of payroll
Remaining amortization period	22 years
Asset valuation method	Market value of assets
Health care inflation rates	7.50% (pre age 65) 5.75% (post age 65) reduced 0.25% each year until the rate reaches 4.50%
Salary increases	Long-term salary increases consist of 3.00% increases.
Investment rate of return	6.00%
Retirement age	Rates are based on the Retirement rates used in the most recent OPEB valuation

Notes to Required Supplementary Information

Mortality	• Pre-retirement mortality based on Pub-2010 General Employees Mortality Table without adjustment. • Healthy retirees mortality based on Pub-2010 General Retiree Mortality Table scaled by a factor of 106%. • Disabled retirees mortality based on PubNS-2010 Disabled Retiree Mortality Table without adjustment. The mortality assumptions include a margin for future mortality improvements using Scale MP-2019 projected fully-generationally from the central year of data, 2010.

Notes to Schedule of Investment Returns

GASB 74 was implemented in fiscal year 2017. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

Nonmajor Governmental Funds

Special Revenue Funds

Law Enforcement Fund - This fund is used to account for the operations of the Saginaw County Sheriff's Road Patrol. Money for the operation of this fund is supplied from a special voted tax, contributions from other County funds and reimbursements. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Parks & Recreation Commission Fund - This fund is used to account for the operation and maintenance of several parks throughout the County. Money for the operation of this fund is supplied from a special voted tax and user fees. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Geographic Information System (G.I.S) Fund - This fund is used to account for the development and operations of a County-wide geographic information system. Money for the operation of this fund is supplied from reimbursement by the Saginaw Area GIS Authority. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Friend of the Court Fund - This fund is used to account for the operations of the Friend of the Court's Office. Money for the operation of this fund is supplied from federal and state grants, user fees, and marriage counseling fees. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Solid Waste Management Fund - This fund is used to account for funds earmarked for solid waste planning, regulation and ordinance administration. Money for these activities comes from application fees and surcharges paid by landfills. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Lodging Excise Tax Fund - This fund is used to account for the collection and distribution of the hotel and motel tax used to promote tourism and convention activities under the provisions of Act 263 of the Public Acts of 1974, as amended. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Castle Museum & Historical Activities Fund - This fund is used to account for the operations of the Castle Building and Historical Museum. Money for the operation of this fund is supplied from a special voted tax. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Commission on Aging Fund - This fund is used to account for the operations of the Saginaw County Commission on Aging. Money for the operation of the Commission on Aging is supplied from a special voted tax, federal and state grants. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Mosquito Control Fund - This fund is used to account for the operations of the Saginaw County Mosquito Abatement Commission. Money for the operation of the fund is supplied from a special voted tax. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Dredged Materials Disposal Fund - This fund is used to account for the operations and maintenance of an over 500 acre containment site to accept river dredging spoils from the Upper Saginaw River. Money for the operation of this fund is supplied from donations from private sources, rental agreements, and interest earnings. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Nonmajor Governmental Funds

Special Revenue Funds (Continued)

Planning Fund - This fund is used to account for the tracking and repayments of CDBG Housing Program Loans previously provided through a federal and state grant. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Principal Residence Exemption Fund - This fund is used to account for the collection of taxes and interest due from principal residential exemption (homestead) denials. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Courthouse Preservation Technology Fund - This fund is used to account for the collection of $10.00 per traffic ticket which is used to fund computer technology. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Animal Control Fund - This fund is used to account for the operations of the Saginaw County Animal Control Facility. Money for the operation of this fund is supplied from a special voted tax and user fees. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Register of Deeds Automation Fund - This fund is used to account for the collection of $5.00 of the total fee collected for each recording which is used to fund the upgrading of technology in the Register of Deeds' Office. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Indigent Care Fund - This fund was established under Public Act 93 of 2013 and is used to account for the County's plan to comply with the provisions of the Public Act to provide indigent defendants with effective counsel. Money for the operation of this fund is supplied from a state grant, and a required local share from the general fund. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

E-911 Telephone Surcharge Fund - This fund is used to account for the collection and distribution of a telephone surcharge to the Saginaw County 911 Communications Center Authority, for operations of the County 911 system. Money for the operation of this fund is supplied from a special voted assessment. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Mobile Data Maintenance & Repair Fund - This fund is used to account for the maintenance and replacement of the mobile data computers put in law enforcement vehicles throughout the County and local jurisdictions. Money for the operation of this fund is supplied from the yearly maintenance fees charged to the local law enforcement agencies. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Concealed Pistol Licensing Fund - This fund is used to account for the collection of various fees under Act 3 of the Public Acts of 2015, which is used by the County Clerk for the cost of administering the Act. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Nonmajor Governmental Funds

Special Revenue Funds (Continued)

County Library Board Fund - This fund is used to account for the collection and distribution of penal fines. Money for the operation of this fund is supplied from penal fines and is subsequently distributed to the various libraries within the County as directed by the State Library Board. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Remonumentation Fund - This fund is used to account for surveying and remonumentation activities in the County. Money for the operation of this fund is supplied from a state grant. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Special Projects Fund - This fund is used to account for the operations of the various grant-in-aid programs throughout the County. Money for the operation of this fund is supplied from federal and state grants, contributions from other County funds, reimbursements for services performed, and user fees. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Sheriff Special Projects Fund - This fund is used to account for the operations of the various grant-in-aid programs of the Saginaw County Sheriff's Department. Money for the operation of this fund is supplied from federal and state grants, contributions from other County funds, reimbursements for services performed, and user fees. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Prosecutor Special Projects Fund - This fund is used to account for the operations of the various grant-in-aid programs of the Saginaw County Prosecutor. Money for the operation of this fund is supplied from federal and state grants, contributions from other County funds and reimbursements for services performed. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Community Corrections Fund - This fund is used to account for the operations of the various grant-in-aid programs of the Saginaw Community Corrections program. Money for the operation of this fund is supplied from federal and state grants, contributions from other County funds, and reimbursements for services performed. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Local Correction Officers Training Fund - This fund is used to account for the collection and distribution of booking fees through the Saginaw County Jail. Money for the operation of this fund is supplied from booking fees and is used as a source of revenue for the local correctional officers training programs and a portion is subsequently remitted to the State in accordance with Public Act 124 of 2003. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Road Millage Fund - This fund is used to account for the collection and distribution of a County wide road millage. Money for the operation of this fund is supplied from a special voted tax. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Nonmajor Governmental Funds

Special Revenue Funds (Concluded)

Department of Human Services Fund - This fund is used to record and account for the operations of the Saginaw County Department of Human Services. The Saginaw County Department of Human Services has a separate accounting system which is prescribed by the State Department of Treasury and the State Department of Human Services. It receives revenues from federal and state grants for welfare recipients and reimbursements from recipients. In addition, it receives General Fund appropriations for the operation of the Department of Human Services Board. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Child Care Fund - This fund is used to account for the foster care of children under the authority and administration of the Saginaw County Department of Human Services and the Saginaw County Probate Court-Juvenile Division. Money for the operation of this fund is supplied from federal and state grants, reimbursements for services performed, and General Fund contributions. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

County Veteran Service Fund - This fund is used to account for county veteran service operations to meet the needs of the veterans in the county. Money for the operation of this fund is supplied from state grants. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Hospital Millage Fund - This fund is used to account for the collection and distribution of tax collections levied by the County and provided to HealthSource of Saginaw for operations and debt service.

Saginaw Children's Zoo Millage Fund - This fund is used to account for the collection and distribution of tax collections levied by the County and provided to the Children's Zoo.

Debt Service Funds

MERS (DB) Pension Obligation Bond Fund - This fund is used to account for the payment of interest and principal on long-term debt. This debt was created when the County issued bonds to fund its unfunded accrued pension liabilities for the County's defined benefit pension plan retirement program. Money in this fund is received from charges to other funds to be used for debt retirement.

Qualified Energy Bond Fund - This fund is used to account for the payment of interest and principal on long-term debt. The debt was created when the County issued bonds for energy improvements at County facilities. Money in this fund is received from lease payments from governmental departments to be used for debt retirement and interest credits received by the IRS.

Juvenile Center Renovation Fund - This fund is used to account for the payment of interest and principal on long-term debt. This debt was created when the County issued bonds for renovation of the County Juvenile Facility. The debt will be retired by revenue generated by property taxes dedicated for debt retirement.

Animal Control Building Bonds Fund - This fund is used to account for the payment of interest and principal on long-term debt. The debt was created when the County issued bonds in FY 2020 for a new Animal Care and Control Resource facility. Money from this fund is received by transfers from the Animal Control Fund.

Nonmajor Governmental Funds

Debt Service Funds (Concluded)

Community Mental Health Bonds Fund - This fund accounts for the resources accumulated from the Saginaw County Community Mental Health Authority capital lease to pay the principal and interest on the bonds.

Mainframe Modernization Bonds Fund - This fund is used to account for the payment of principal and interest on long-term debt The debt was created when the County issued bonds in FY 2019 to convert the County's existing mainframe software to new software vendors and replace existing IBM hardware. Money in this fund is received from the IT Cost allocation plan through charges to benefiting departments.

Sheriff's Adult Detention and Administration Facility Bonds Fund - This fund is used to account for the payment of interest and principal on long-term debt. The debt was created when the County issued bonds for construction of the Sheriff's Adult Detention & Administration building. Funding will generally be transfers from the General Fund Sheriff's Jail activity.

Capital Projects Funds

Parks Building & Site Fund - This fund is used to account for the acquisition and construction of the Saginaw Valley Rail Trail, Haithco Park and other major improvements of the several parks throughout the County. Money for the operation of this fund is supplied from federal, state, and local grants and interest earnings.

Community Mental Health Renovations Fund - This fund is used to account for acquiring, constructing, improving and equipping Saginaw County Community Mental Health Authority facilities. Money for the operation of this fund is supplied from bond proceeds.

Public Improvement Fund - This fund was established under Public Act 136 of 1956 and is used to account for the collection and distribution of monies specifically earmarked for statutory public improvements. Money for the operation of this fund is supplied from "Non-Tax" Revenue: charges for services, licenses and permits, sales of general capital assets, state shared revenues, and interest earned. Once money is placed in this fund, it becomes restricted and cannot be expended or transferred for purposes other than the public improvements.

Mainframe Conversion Project Fund - This fund was established to account for the conversion of the County's existing mainframe software to a .net platform and replace existing IBM hardware. It is anticipated that this conversion will take place in four separate phases over several years. Money for the operation of this fund is supplied from contributions from other funds and interest earnings.

Road Construction Fund - This fund was established to account for certain capital improvements including, but not limited to, salt barns, lean to structures and vactor dumping areas for the benefit of the Saginaw County Road Commission. Money for the operation of this fund is supplied from bond proceeds.

Permanent Fund

Rail Trail Endowment Fund - This fund is used to account for the maintenance costs associated with the construction of the Saginaw Valley Rail Trail. Money for the operation of this fund is supplied from donations from private sources and interest earnings.

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COUNTY OF SAGINAW, MICHIGAN

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	Special Revenue Funds						
	Law Enforcement	Parks & Recreation Commission	Geographic Information System	Friend of the Court	Solid Waste Management	Lodging Excise Tax	Castle Museum & Historical Activities
Assets							
Cash and investment pool	$ 2,648,242	$ 1,727,904	$ 23,952	$ 477,308	$ 779,571	$ -	$ 190,788
Receivables:							
Taxes	76,154	14,118	-	-	-	-	11,691
Accounts	294,689	4,922	-	4,861	112,873	1,280,015	1,467
Loans	-	-	-	-	-	-	-
Installment sales agreement	-	-	-	-	-	-	-
Leases	-	294,330	-	-	-	-	-
Due from other governmental units	3,632	-	-	634,252	61,424	-	-
Due from other funds	232	-	-	12,208	-	-	-
Prepaids	2,377	621	-	4,134	-	-	-
Total assets	$ 3,025,326	$ 2,041,895	$ 23,952	$ 1,132,763	$ 953,868	$ 1,280,015	$ 203,946
Liabilities							
Negative equity in pooled cash	$ -	$ -	$ -	$ -	$ -	$ 32,939	$ -
Accounts payable	32,910	32,352	-	5,990	64,167	1,247,076	59,186
Accrued liabilities	195,521	26,675	7,679	131,917	6,556	-	-
Deposits payable	4,270	-	-	-	-	-	-
Due to other funds	16,205	-	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-	-
Unearned revenue	-	1,194	-	-	-	-	-
Total liabilities	248,906	60,221	7,679	137,907	70,723	1,280,015	59,186
Deferred inflows of resources							
Unavailable revenue:							
Property taxes	76,154	14,118	-	-	-	-	11,691
Long-term receivables	-	-	-	-	-	-	-
Deferred lease amounts	-	268,207	-	-	-	-	-
Total deferred inflows of resources	76,154	282,325	-	-	-	-	11,691
Fund balances							
Nonspendable	2,377	621	-	4,134	-	-	-
Restricted	2,697,889	1,698,728	-	-	883,145	-	133,069
Assigned	-	-	16,273	990,722	-	-	-
Total fund balances	2,700,266	1,699,349	16,273	994,856	883,145	-	133,069
Total liabilities, deferred inflows of resources and fund balances	$ 3,025,326	$ 2,041,895	$ 23,952	$ 1,132,763	$ 953,868	$ 1,280,015	$ 203,946

Special Revenue Funds								
Commission on Aging	Mosquito Control	Dredged Materials Disposal	Planning	Principal Residence Exemption	Courthouse Preservation Technology	Animal Control	Register of Deeds Automation	Indigent Care
$ 1,821,935	$ 5,971,073	$ -	$ -	$ 106,987	$ 78,964	$ 637,388	$ 469,384	$ 2,701,417
29,920	42,132	-	-	47,933	-	16,128	-	-
30,024	7,933	1,711	-	-	6,412	3,993	320	-
-	-	-	1,763,850	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
582,693	-	-	5,252	-	-	-	-	-
-	-	-	395	-	-	-	-	-
38,316	688	-	-	-	-	25	-	-
$ 2,502,888	$ 6,021,826	$ 1,711	$ 1,769,497	$ 154,920	$ 85,376	$ 657,534	$ 469,704	$ 2,701,417
$ -	$ -	$ 761	$ 5,647	$ -	$ -	$ -	$ -	$ -
94,920	32,959	-	-	23,653	-	29,856	1,221	504,889
121,390	71,246	-	-	-	-	36,743	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	171,892	47,940	-	-	-	-
-	-	-	-	-	-	-	-	2,196,528
216,310	104,205	761	177,539	71,593	-	66,599	1,221	2,701,417
29,919	42,132	-	-	-	-	16,129	-	-
-	-	-	1,591,958	-	-	-	-	-
-	-	-	-	-	-	-	-	-
29,919	42,132	-	1,591,958	-	-	16,129	-	-
38,316	688	-	-	-	-	25	-	-
2,218,343	5,874,801	-	-	-	-	574,781	468,483	-
-	-	950	-	83,327	85,376	-	-	-
2,256,659	5,875,489	950	-	83,327	85,376	574,806	468,483	-
$ 2,502,888	$ 6,021,826	$ 1,711	$ 1,769,497	$ 154,920	$ 85,376	$ 657,534	$ 469,704	$ 2,701,417

continued…

COUNTY OF SAGINAW, MICHIGAN

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	Special Revenue Funds						
	E-911 Telephone Surcharge	Mobile Data Maintenance & Repair	Concealed Pistol Licensing	County Library Board	Remonu-mentation	Special Projects	Sheriff Special Projects
Assets							
Cash and investment pool	$ 30,453	$ 1,082,958	$ 243,178	$ -	$ -	$ 180,304	$ 406,062
Receivables:							
Taxes	8,465	-	-	-	-	-	-
Accounts	1,359,321	96,085	154	-	-	21,792	25,410
Loans	-	-	-	-	-	-	-
Installment sales agreement	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-
Due from other governmental units	83,977	-	5,688	-	104,736	276,700	227,821
Due from other funds	-	-	-	-	-	-	-
Prepaids	-	9,627	-	-	-	663	295
Total assets	$ 1,482,216	$ 1,188,670	$ 249,020	$ -	$ 104,736	$ 479,459	$ 659,588
Liabilities							
Negative equity in pooled cash	$ -	$ -	$ -	$ -	$ 8,925	$ -	$ -
Accounts payable	-	4,217	874	-	81,981	207,970	7,467
Accrued liabilities	-	-	1,813	-	6,000	23,244	12,136
Deposits payable	-	-	-	-	-	-	360
Due to other funds	-	-	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	120,491	98,642
Total liabilities	-	4,217	2,687	-	96,906	351,705	118,605
Deferred inflows of resources							
Unavailable revenue:							
Property taxes	8,465	-	-	-	-	-	-
Long-term receivables	-	-	-	-	-	-	-
Deferred lease amounts	-	-	-	-	-	-	-
Total deferred inflows of resources	8,465	-	-	-	-	-	-
Fund balances							
Nonspendable	-	9,627	-	-	-	663	295
Restricted	1,473,751	-	246,333	-	-	-	-
Assigned	-	1,174,826	-	-	7,830	127,091	540,688
Total fund balances	1,473,751	1,184,453	246,333	-	7,830	127,754	540,983
Total liabilities, deferred inflows of resources and fund balances	$ 1,482,216	$ 1,188,670	$ 249,020	$ -	$ 104,736	$ 479,459	$ 659,588

Special Revenue Funds

Prosecutor Special Projects	Community Corrections	Local Correction Officer Training	Road Millage Fund	Department of Human Services	Child Care	County Veteran Service	Hospital Millage	Saginaw Children's Zoo Millage
$ -	$ 240,040	$ 149,754	$ 137,333	$ 659	$ 1,086,073	$ -	$ 1,112,229	$ 11,021
-	-	-	23,837	-	-	-	30,239	7,084
20	197	3,749	14,719	-	26,635	-	2,944	1,470
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
23,359	89,973	-	-	-	1,016,054	19,091	-	-
-	-	-	-	-	-	-	-	-
-	500	1,403	-	-	-	-	-	-
$ 23,379	$ 330,710	$ 154,906	$ 175,889	$ 659	$ 2,128,762	$ 19,091	$ 1,145,412	$ 19,575
$ 14,580	$ -	$ -	$ -	$ -	$ -	$ 19,091	$ -	$ -
672	25,326	795	138,954	659	63,702	-	4,310	-
7,156	15,281	234	-	-	133,366	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	130,545	-	-	-
-	19,358	-	-	-	-	-	-	-
22,408	59,965	1,029	138,954	659	327,613	19,091	4,310	-
-	-	-	23,837	-	-	-	30,239	7,083
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	23,837	-	-	-	30,239	7,083
-	500	1,403	-	-	-	-	-	-
-	270,245	152,474	13,098	-	-	-	1,110,863	12,492
971	-	-	-	-	1,801,149	-	-	-
971	270,745	153,877	13,098	-	1,801,149	-	1,110,863	12,492
$ 23,379	$ 330,710	$ 154,906	$ 175,889	$ 659	$ 2,128,762	$ 19,091	$ 1,145,412	$ 19,575

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COUNTY OF SAGINAW, MICHIGAN

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	Debt Service Funds						
	MERS (DB) Pension Obligation Bond	Qualified Energy Bond	Juvenile Center Renovation	Animal Control Building Bonds	Community Mental Health Bonds	Mainframe Modernization Bonds	Sheriff's Adult Detention and Administration Facility Bonds
Assets							
Cash and investment pool	$ 4,620	$ 250	$ 36,598	$ 1,153,100	$ 2,520	$ 15,027	$ 1,344,392
Receivables:							
Taxes	-	-	602	-	-	-	-
Accounts	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Installment sales agreement	-	-	-	-	2,225,000	-	-
Leases	-	-	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Prepaids	-	-	-	-	-	-	-
Total assets	$ 4,620	$ 250	$ 37,200	$ 1,153,100	$ 2,227,520	$ 15,027	$ 1,344,392
Liabilities							
Negative equity in pooled cash	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts payable	-	-	-	500	-	500	-
Accrued liabilities	-	-	-	-	-	-	-
Deposits payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	-	-	-	500	-	500	-
Deferred inflows of resources							
Unavailable revenue:							
Property taxes	-	-	601	-	-	-	-
Long-term receivables	-	-	-	-	2,225,000	-	-
Deferred lease amounts	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	601	-	2,225,000	-	-
Fund balances							
Nonspendable	-	-	-	-	-	-	-
Restricted	4,620	250	36,599	-	2,520	-	1,344,392
Assigned	-	-	-	1,152,600	-	14,527	-
Total fund balances	4,620	250	36,599	1,152,600	2,520	14,527	1,344,392
Total liabilities, deferred inflows of resources and fund balances	$ 4,620	$ 250	$ 37,200	$ 1,153,100	$ 2,227,520	$ 15,027	$ 1,344,392

Capital Projects Funds					Permanent Fund	
Parks Building & Site	Community Mental Health Renovations	Public Improvement	Mainframe Conversion Project	Road Construction	Rail Trail Endowment	Total Nonmajor Governmental Funds
$ -	$ 275,308	$ 6,966,528	$ 520,069	$ 22,281	$ 43,771	$ 32,699,441
-	-	-	-	-	-	308,303
-	-	-	-	-	-	3,301,716
-	-	-	-	-	-	1,763,850
-	-	-	-	-	-	2,225,000
-	-	-	-	-	-	294,330
191,364	-	-	-	390,685	-	3,716,701
-	-	1,361,513	-	-	-	1,374,348
-	-	-	-	-	-	58,649
$ 191,364	$ 275,308	$ 8,328,041	$ 520,069	$ 412,966	$ 43,771	$ 45,742,338
$ 177,225	$ -	$ -	$ -	$ -	$ -	$ 259,168
431	275,308	170,436	12,283	412,966	-	3,538,530
-	-	-	-	-	-	796,957
-	-	-	-	-	-	4,630
-	-	12,208	-	-	-	28,413
-	-	-	-	-	-	350,377
-	-	-	-	-	-	2,436,213
177,656	275,308	182,644	12,283	412,966	-	7,414,288
-	-	-	-	-	-	260,368
-	-	-	-	-	-	3,816,958
-	-	-	-	-	-	268,207
-	-	-	-	-	-	4,345,533
-	-	-	-	-	36,390	95,039
-	-	8,145,397	507,786	-	7,381	27,877,440
13,708	-	-	-	-	-	6,010,038
13,708	-	8,145,397	507,786	-	43,771	33,982,517
$ 191,364	$ 275,308	$ 8,328,041	$ 520,069	$ 412,966	$ 43,771	$ 45,742,338

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COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Special Revenue Funds						
	Law Enforcement	Parks & Recreation Commission	Geographic Information System	Friend of the Court	Solid Waste Management	Lodging Excise Tax	Castle Museum & Historical Activities
Revenue							
Property taxes	$ 10,950,576	$ 1,840,940	$ -	$ -	$ -	$ -	$ 1,250,313
Accommodations tax	-	-	-	-	-	4,294,024	-
Licenses and permits	-	-	-	-	-	-	-
Federal grants	-	-	-	3,519,003	-	-	-
State grants	302,186	113,386	-	241,180	61,424	-	58,126
Local grants and contributions	91,025	-	-	-	-	-	-
Charges for services	135,368	60,022	-	348,235	434,128	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Investment income	72,940	54,084	-	-	24,223	-	4,692
Rental revenue	-	27,087	-	-	-	-	-
Donations	-	390	-	-	-	-	-
Reimbursements	785,307	3,218	274,344	-	-	-	16,914
Other revenue	-	19,705	-	9	-	-	-
Total revenue	12,337,402	2,118,832	274,344	4,108,427	519,775	4,294,024	1,330,045
Expenditures							
Current:							
Judicial	-	-	-	5,651,145	-	-	-
General government	-	-	287,338	-	-	-	-
Public safety	8,122,192	-	-	-	-	-	-
Public works	-	-	-	-	489,359	-	-
Health and welfare	-	-	-	-	377	-	-
Community and economic development	-	-	-	-	-	4,294,024	-
Recreation and culture	-	1,906,606	-	-	-	-	1,319,917
Capital outlay	573,318	84,337	-	-	-	-	-
Debt service:							
Principal	137,864	-	-	-	-	-	-
Interest and fiscal charges	13,125	-	-	-	-	-	-
Total expenditures	8,846,499	1,990,943	287,338	5,651,145	489,736	4,294,024	1,319,917
Revenues over (under) expenditures	3,490,903	127,889	(12,994)	(1,542,718)	30,039	-	10,128
Other financing sources (uses)							
Proceeds from issuance of bonds, notes and other long-term liabilities	155,154	-	-	-	-	-	-
Transfers in	540,101	-	-	1,562,215	-	-	-
Transfers out	(3,549,804)	-	-	-	(45,999)	-	-
Total other financing sources (uses)	(2,854,549)	-	-	1,562,215	(45,999)	-	-
Net change in fund balances	636,354	127,889	(12,994)	19,497	(15,960)	-	10,128
Fund balances, beginning of year	2,063,912	1,571,460	29,267	975,359	899,105	-	122,941
Fund balances, end of year	$ 2,700,266	$ 1,699,349	$ 16,273	$ 994,856	$ 883,145	$ -	$ 133,069

Special Revenue Funds								
Commission on Aging	Mosquito Control	Dredged Materials Disposal	Planning	Principal Residence Exemption	Courthouse Preservation Technology	Animal Control	Register of Deeds Automation	Indigent Care
$ 3,692,514	$ 6,267,243	$ -	$ -	$ -	$ -	$ 2,658,228	$ -	$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	6,500	-	-
1,737,371	-	-	5,252	-	-	-	-	-
772,166	291,501	-	-	-	-	123,684	-	5,951,253
48,933	-	-	-	-	-	21,779	-	924,855
37,585	30,524	-	-	1,380	73,234	102,092	149,502	-
-	-	-	-	-	-	-	-	-
102,210	249,876	2	4,269	10,367	1,552	22,128	11,018	-
-	-	310	-	-	-	13	-	-
151,682	-	-	-	-	-	262,449	-	-
29,875	77,830	-	-	-	-	2,481	-	-
31,676	548	1,401	106,363	-	-	-	-	-
6,604,012	6,917,522	1,713	115,884	11,747	74,786	3,199,354	160,520	6,876,108
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	81,148	-
-	-	-	-	-	-	2,596,636	-	6,876,108
-	-	-	-	-	-	-	-	-
6,717,633	4,444,891	1,401	-	-	-	-	-	-
-	-	-	188,290	-	-	-	-	-
-	-	-	-	-	-	-	-	-
179,948	5,300,176	-	-	-	-	-	-	-
-	-	-	-	-	-	-	68,628	-
-	-	-	-	-	-	-	2,222	-
6,897,581	9,745,067	1,401	188,290	-	-	2,596,636	151,998	6,876,108
(293,569)	(2,827,545)	312	(72,406)	11,747	74,786	602,718	8,522	-
-	-	-	-	-	-	-	-	-
-	-	-	71,445	-	-	4,399	-	-
-	-	-	(71,445)	-	(75,000)	(655,161)	-	-
-	-	-	-	-	(75,000)	(650,762)	-	-
(293,569)	(2,827,545)	312	(72,406)	11,747	(214)	(48,044)	8,522	-
2,550,228	8,703,034	638	72,406	71,580	85,590	622,850	459,961	-
$ 2,256,659	$ 5,875,489	$ 950	$ -	$ 83,327	$ 85,376	$ 574,806	$ 468,483	$ -

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COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Special Revenue Funds						
	E-911 Telephone Surcharge	Mobile Data Maintenance & Repair	Concealed Pistol Licensing	County Library Board	Remonu-mentation	Special Projects	Sheriff Special Projects
Revenue							
Property taxes	$ 1,751,019	$ -	$ -	$ -	$ -	$ -	$ -
Accommodations tax	-	-	-	-	-	-	-
Licenses and permits	-	-	132,890	-	-	-	-
Federal grants	-	-	-	-	-	510,189	99,965
State grants	473,107	-	-	-	88,882	423,749	375,015
Local grants and contributions	-	151,500	-	-	-	-	-
Charges for services	5,556,003	160,059	17,385	-	-	1,655	27,995
Fines and forfeitures	-	-	-	54,947	-	81	-
Investment income	13,736	48,135	4,778	-	-	480	2,109
Rental revenue	-	-	-	-	-	-	-
Donations	-	-	-	-	-	37,986	-
Reimbursements	92,762	2,700	-	-	-	296,815	134,703
Other revenue	-	138,000	-	-	-	-	-
Total revenue	7,886,627	500,394	155,053	54,947	88,882	1,270,955	639,787
Expenditures							
Current:							
Judicial	-	-	-	-	-	719,497	-
General government	-	-	-	-	88,883	-	-
Public safety	7,921,851	1,325,834	98,423	-	-	255,814	606,250
Public works	-	-	-	-	-	298,095	-
Health and welfare	-	-	-	-	-	163,046	-
Community and economic development	-	-	-	-	-	1,454	-
Recreation and culture	-	-	-	54,947	-	-	-
Capital outlay	-	19,340	-	-	-	-	21,802
Debt service:							
Principal	-	19,340	-	-	-	-	-
Interest and fiscal charges	-	10	-	-	-	-	-
Total expenditures	7,921,851	1,364,524	98,423	54,947	88,883	1,437,906	628,052
Revenues over (under) expenditures	(35,224)	(864,130)	56,630	-	(1)	(166,951)	11,735
Other financing sources (uses)							
Proceeds from issuance of bonds, notes and other long-term liabilities	-	19,340	-	-	-	-	-
Transfers in	-	123,091	-	-	-	179,000	65,376
Transfers out	-	(91)	-	-	-	-	(3,000)
Total other financing sources (uses)	-	142,340	-	-	-	179,000	62,376
Net change in fund balances	(35,224)	(721,790)	56,630	-	(1)	12,049	74,111
Fund balances, beginning of year	1,508,975	1,906,243	189,703	-	7,831	115,705	466,872
Fund balances, end of year	$ 1,473,751	$ 1,184,453	$ 246,333	$ -	$ 7,830	$ 127,754	$ 540,983

Special Revenue Funds								
Prosecutor Special Projects	Community Corrections	Local Correction Officer Training	Road Millage Fund	Department of Human Services	Child Care	County Veteran Service	Hospital Millage	Saginaw Children's Zoo Millage
$ -	$ -	$ -	$ 12,516,851	$ -	$ -	$ -	$ 2,519,710	$ 1,250,898
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	60,645	-	-	-
265,015	642,701	-	14,719	-	3,729,198	69,091	128,636	58,213
-	-	-	-	-	64,634	-	-	-
-	1,865	38,155	-	-	220	-	-	-
-	-	-	-	-	-	-	-	-
-	-	3,802	120,188	-	-	-	32,169	3,910
-	-	-	-	-	-	-	-	-
-	-	-	-	-	43,518	-	-	-
-	-	-	-	-	39,472	-	-	-
-	-	-	-	-	400	-	-	-
265,015	644,566	41,957	12,651,758	-	3,938,087	69,091	2,680,515	1,313,021
-	-	-	-	-	-	-	-	-
273,004	487	-	-	-	-	-	-	-
-	643,406	41,617	-	-	-	-	-	1,363,601
-	-	-	12,638,660	-	-	-	-	-
-	-	-	-	16,517	7,255,857	76,576	2,725,437	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
273,004	643,893	41,617	12,638,660	16,517	7,255,857	76,576	2,725,437	1,363,601
(7,989)	673	340	13,098	(16,517)	(3,317,770)	(7,485)	(44,922)	(50,580)
-	-	-	-	-	-	-	-	-
7,989	-	-	-	16,517	3,132,137	7,485	-	-
-	-	-	-	-	-	-	-	-
7,989	-	-	-	16,517	3,132,137	7,485	-	-
-	673	340	13,098	-	(185,633)	-	(44,922)	(50,580)
971	270,072	153,537	-	-	1,986,782	-	1,155,785	63,072
$ 971	$ 270,745	$ 153,877	$ 13,098	$ -	$ 1,801,149	$ -	$ 1,110,863	$ 12,492

continued...

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Debt Service Funds						
	MERS (DB) Pension Obligation Bond	Qualified Energy Bond	Juvenile Center Renovation	Animal Control Building Bonds	Community Mental Health Bonds	Mainframe Modernization Bonds	Sheriff's Adult Detention and Administration Facility Bonds
Revenue							
Property taxes	$ -	$ -	$ 218	$ -	$ -	$ -	$ -
Accommodations tax	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Federal grants	-	-	-	-	-	-	-
State grants	-	-	-	-	-	-	-
Local grants and contributions	-	-	-	-	-	-	-
Charges for services	-	-	-	-	443,218	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Investment income	119	14,087	906	28,759	229	2,134	21,354
Rental revenue	-	151,910	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Reimbursements	4,781,277	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-
Total revenue	4,781,396	165,997	1,124	28,759	443,447	2,134	21,354
Expenditures							
Current:							
Judicial	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	3,930,000	154,802	-	395,000	365,000	915,000	800,000
Interest and fiscal charges	851,777	11,193	-	214,969	77,057	253,000	1,366,500
Total expenditures	4,781,777	165,995	-	609,969	442,057	1,168,000	2,166,500
Revenues over (under) expenditures	(381)	2	1,124	(581,210)	1,390	(1,165,866)	(2,145,146)
Other financing sources (uses)							
Proceeds from issuance of bonds, notes and other long-term liabilities	-	-	-	-	-	-	-
Transfers in	-	-	-	611,161	-	1,168,000	2,171,084
Transfers out	-	-	-	(1,184)	-	-	(4,553)
Total other financing sources (uses)	-	-	-	609,977	-	1,168,000	2,166,531
Net change in fund balances	(381)	2	1,124	28,767	1,390	2,134	21,385
Fund balances, beginning of year	5,001	248	35,475	1,123,833	1,130	12,393	1,323,007
Fund balances, end of year	$ 4,620	$ 250	$ 36,599	$ 1,152,600	$ 2,520	$ 14,527	$ 1,344,392

Capital Projects Funds					Permanent Fund	
Parks Building & Site	Community Mental Health Renovations	Public Improvement	Mainframe Conversion Project	Road Construction	Rail Trail Endowment	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ 44,698,510
-	-	-	-	-	-	4,294,024
-	-	-	-	-	-	139,390
106,750	-	-	-	-	-	6,039,175
73,507	-	-	-	-	-	14,256,739
-	-	-	-	-	-	1,302,726
-	-	-	-	-	-	7,618,625
-	-	-	-	-	-	55,028
343	9,989	94,294	20,476	141,264	1,091	1,121,713
-	-	-	-	-	-	179,320
-	-	-	-	-	-	496,025
-	-	-	-	773,549	-	7,311,247
-	-	4,485	-	-	-	302,587
180,600	9,989	98,779	20,476	914,813	1,091	87,815,109
-	-	-	-	-	-	6,370,642
-	-	137,069	35,245	-	-	903,174
-	-	-	-	-	-	29,851,732
117,366	-	-	-	4,701,811	-	18,245,291
-	-	-	-	-	-	21,401,735
-	-	-	-	-	-	4,483,768
-	-	-	-	-	-	3,281,470
62,891	275,308	426,020	-	-	-	6,943,140
-	-	-	-	-	-	6,785,634
-	-	-	-	-	-	2,789,853
180,257	275,308	563,089	35,245	4,701,811	-	101,056,439
343	(265,319)	(464,310)	(14,769)	(3,786,998)	1,091	(13,241,330)
-	-	-	-	-	-	174,494
-	-	3,058,545	-	-	-	12,718,545
-	-	(12,208)	-	-	-	(4,418,445)
-	-	3,046,337	-	-	-	8,474,594
343	(265,319)	2,582,027	(14,769)	(3,786,998)	1,091	(4,766,736)
13,365	265,319	5,563,370	522,555	3,786,998	42,680	38,749,253
$ 13,708	$ -	$ 8,145,397	$ 507,786	$ -	$ 43,771	$ 33,982,517

concluded

Nonmajor Enterprise Funds

Delinquent Property Tax Foreclosure Fund - This fund is used to account for the operations of the tax foreclosure process within Saginaw County. Money for the operation of this fund is supplied through the collection of fees and interest attached to forfeited delinquent real property taxes. In addition, proceeds from the sale of foreclosed properties are also included in this fund. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Building Authority Administration Fund - This fund is used to account for the administration of County Building Authority affairs. Money for the operation of this fund is supplied from charges assessed to complete Building Authority projects. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Parking System Fund - This fund is used to account for the operations of the public parking lots within the courthouse area. Money for the operation of this fund is supplied from parking fees. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Harry W. Browne Airport Fund - This fund is used to account for the operations of the Harry W. Browne International Airport. Money for the operation of this fund is supplied from hangar rentals, landing use fees, sales of fuel and oil, and federal and state grants. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Inmate Services Fund - This fund is used to account for the operations of the Jail Inmate Exchange concession and for projects/activities contributing to the well-being of the inmates and their environment. Money for the operation of this fund is supplied from proceeds from the sale of various items to inmates and commissions on telephone usage. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2025

	Delinquent Property Tax Foreclosure	Building Authority Administration	Parking System	Harry W. Browne Airport	Inmate Services	Total
Assets						
Current assets:						
Cash and investment pool	$ 612,427	$ 220,932	$ 104,227	$ 408,456	$ 51,020	$ 1,397,062
Accounts receivable	-	-	16	22,173	81,082	103,271
Due from other funds	43,723	-	-	-	-	43,723
Inventory	-	-	-	34,271	-	34,271
Prepaids	-	-	-	9,672	-	9,672
Total current assets	656,150	220,932	104,243	474,572	132,102	1,587,999
Noncurrent assets:						
Capital assets not being depreciated	-	-	41,273	3,169,279	-	3,210,552
Capital assets being depreciated, net	-	-	4,508	3,569,595	-	3,574,103
Total noncurrent assets	-	-	45,781	6,738,874	-	6,784,655
Total assets	656,150	220,932	150,024	7,213,446	132,102	8,372,654
Liabilities						
Current liabilities:						
Accounts payable	637,436	-	51	6,976	23,612	668,075
Accrued liabilities	12,033	93	-	-	-	12,126
Deposits payable	-	-	-	-	83,490	83,490
Current portion of accrued compensated absences	3,970	-	-	-	-	3,970
Unearned revenue	-	-	-	69,953	-	69,953
Total current liabilities	653,439	93	51	76,929	107,102	837,614
Noncurrent liabilities:						
Accrued compensated absences, net of current portion	2,711	-	-	-	-	2,711
Total liabilities	656,150	93	51	76,929	107,102	840,325
Net position						
Investment in capital assets	-	-	45,781	6,738,874	-	6,784,655
Unrestricted	-	220,839	104,192	397,643	25,000	747,674
Total net position	$ -	$ 220,839	$ 149,973	$ 7,136,517	$ 25,000	$ 7,532,329

Combining Statement of Revenues, Expenses and Changes In Fund Net Position

Nonmajor Enterprise Funds
For the Year Ended September 30, 2025

	Delinquent Property Tax Foreclosure	Building Authority Administration	Parking System	Harry W. Browne Airport	Inmate Services	Total
Operating revenues						
Charges for services	$ 994,993	$ 18,818	$ 9,964	$ 590,280	$ 1,138,368	$ 2,752,423
Interest on delinquent taxes	1,403	-	-	-	-	1,403
Fines and forfeitures	-	-	161	-	-	161
Rental revenue	-	-	-	113,046	-	113,046
Reimbursements	61,368	-	-	9,232	25,462	96,062
Other revenue	-	-	-	350	8,800	9,150
Total operating revenues	1,057,764	18,818	10,125	712,908	1,172,630	2,972,245
Operating expenses						
Personnel services	-	2,172	234	-	-	2,406
Supplies	-	-	-	350	512,007	512,357
Services and charges	1,493,640	4,143	17,164	548,220	236,767	2,299,934
Depreciation	-	-	570	323,090	-	323,660
Total operating expenses	1,493,640	6,315	17,968	871,660	748,774	3,138,357
Operating income (loss)	(435,876)	12,503	(7,843)	(158,752)	423,856	(166,112)
Nonoperating revenues						
Federal grants	-	-	-	182,432	-	182,432
State grants	-	-	-	7,835	-	7,835
Investment income	435,876	4,829	-	-	-	440,705
Total nonoperating revenues	435,876	4,829	-	190,267	-	630,972
Income (loss) before transfers	-	17,332	(7,843)	31,515	423,856	464,860
Transfers in	-	8,432	-	-	-	8,432
Transfers out	-	-	-	-	(423,856)	(423,856)
Change in net position	-	25,764	(7,843)	31,515	-	49,436
Net position, beginning of year	-	195,075	157,816	7,105,002	25,000	7,482,893
Net position, end of year	$ -	$ 220,839	$ 149,973	$ 7,136,517	$ 25,000	$ 7,532,329

Combining Statement of Cash Flows

Nonmajor Enterprise Funds
For the Year Ended September 30, 2025

	Delinquent Property Tax Foreclosure	Building Authority Administration	Parking System	Harry W. Browne Airport	Inmate Services	Total
Cash flows from operating activities						
Receipts from customers	$ 1,014,041	$ 18,818	$ 10,369	$ 843,933	$ 1,218,029	$ 3,105,190
Payments to employees	-	(2,122)	(234)	-	-	(2,356)
Payments to suppliers	(1,774,624)	(4,303)	(19,812)	(645,773)	(757,162)	(3,201,674)
Net cash provided by (used in) operating activities	(760,583)	12,393	(9,677)	198,160	460,867	(98,840)
Cash flows from noncapital financing activities						
Transfers in	-	8,432	-	-	-	8,432
Transfers out	-	-	-	-	(423,856)	(423,856)
Net cash provided by (used in) noncapital financing activities	-	8,432	-	-	(423,856)	(415,424)
Cash flows from capital and related financing activities						
Payments for capital asset acquisition	-	-	-	(67,039)	-	(67,039)
Cash flows from investing activities						
Investment income	435,876	4,829	-	-	-	440,705
Net change in cash and investment pool	(324,707)	25,654	(9,677)	131,121	37,011	(140,598)
Cash and investment pool:						
Beginning of year	937,134	195,278	113,904	277,335	14,009	1,537,660
End of year	$ 612,427	$ 220,932	$ 104,227	$ 408,456	$ 51,020	$ 1,397,062

continued...

Combining Statement of Cash Flows

Nonmajor Enterprise Funds
For the Year Ended September 30, 2025

	Delinquent Property Tax Foreclosure	Building Authority Administration	Parking System	Harry W. Browne Airport	Inmate Services	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities						
Operating income (loss)	$ (435,876)	$ 12,503	$ (7,843)	$ (158,752)	$ 423,856	$ (166,112)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	-	-	570	323,090	-	323,660
Changes in operating assets and liabilities that provided (used) cash:						
Accounts receivable	-	-	244	29,072	658	29,974
Due from other funds	(43,723)	-	-	-	-	(43,723)
Due from other governments	-	-	-	32,000	-	32,000
Inventory	-	-	-	(1,929)	-	(1,929)
Prepaids	-	-	-	4,091	-	4,091
Accounts payable	(284,398)	(160)	(2,648)	(99,365)	(8,388)	(394,959)
Accrued liabilities	1,552	50	-	-	-	1,602
Deposits payable	-	-	-	-	44,741	44,741
Accrued compensated absences	1,862	-	-	-	-	1,862
Unearned revenue	-	-	-	69,953	-	69,953
Net cash provided by (used in) operating activities	$ (760,583)	$ 12,393	$ (9,677)	$ 198,160	$ 460,867	$ (98,840)
Noncash transactions:						
Capital assets purchased with MDOT administered grant funds	$ -	$ -	$ -	$ 190,267	$ -	$ 190,267

concluded

Internal Service Funds

MERS (DB) Retirement Fund - This fund is used to account for the collection and distribution of contributions to the County's defined benefit pension plan administrator. Money for the operation of this fund is supplied by employer (County) and employee contributions. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

MERS (DC) Retirement Fund - This fund is used to account for the collection and distribution of contributions to the County's defined contribution pension plan administrator. Money for the operation of this fund is supplied by employer (County) and employee contributions. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Information Technology Fund - This fund is used to account for the operation of the data processing function within the County. Money for the operation of this fund is supplied from reimbursements from user departments. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Equipment Revolving Fund - This fund is used to account for the purchase of equipment for departments within the County. Money for the operation of this fund is supplied by lease payments from departments purchasing equipment. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968 as amended.

Motor Pool Fund - This fund is used to account for the operations of the motor vehicle pool. Money for the operation of this fund is supplied from lease payments and reimbursements from user departments for vehicle use. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Risk Management Fund - This fund is used to account for the operations and administration of a self-insured general liability and vehicle claims program. Money for the operation of this fund is supplied from user departments. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Investment Pool Fund - This fund is used to account for the operations of an investment analyst providing investment services. Money for the operation of this fund is supplied from user fees. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Employee Benefits Fund - This fund is used to account for the various fringe benefits of employees within the County. Money for the operation of this fund is supplied from reimbursements from user departments, and reimbursements from employees for their share of costs. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

Retiree Health Savings Plan Fund - This fund is used to account for the collection and distribution of contributions to the County's retiree health savings plan administrator. Money for the operation of this fund is supplied by employer (County) and employee contributions. It is subject to the informational budget summary requirements of Act 2 of the Public Acts of 1968, as amended.

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Net Position

Internal Service Funds
September 30, 2025

	MERS (DB) Retirement	MERS (DC) Retirement	Information Technology	Equipment Revolving
Assets				
Current assets:				
Cash and investment pool	$ 1,677,104	$ 1,646,322	$ 1,986,258	$ -
Accounts receivable	152	228,598	313	-
Due from other funds	-	-	-	-
Prepaids	-	928	58,925	-
Total current assets	1,677,256	1,875,848	2,045,496	-
Noncurrent assets:				
Capital assets not being depreciated	-	-	-	-
Capital assets being depreciated, net	-	-	1,543,332	-
Total noncurrent assets	-	-	1,543,332	-
Total assets	1,677,256	1,875,848	3,588,828	-
Liabilities				
Current liabilities:				
Accounts payable	531,696	246,478	23,295	-
Accrued liabilities	-	1,221	52,350	-
Due to other funds	-	-	-	-
Current portion of accrued compensated absences	-	2,775	87,912	-
Total current liabilities	531,696	250,474	163,557	-
Noncurrent liabilities:				
Accrued compensated absences, net of current portion	-	4,676	18,847	-
Total liabilities	531,696	255,150	182,404	-
Net position				
Investment in capital assets	-	-	1,543,332	-
Unrestricted	1,145,560	1,620,698	1,863,092	-
Total net position	$ 1,145,560	$ 1,620,698	$ 3,406,424	$ -

Motor Pool	Risk Management	Investment Pool	Employee Benefits	Retiree Health Savings Plan	Total
$ 250,171	$ 2,883,076	$ 43,163	$ 7,306,176	$ 840	$ 15,793,110
-	81,576	-	78,460	23,661	412,760
1,070	-	-	825	-	1,895
-	58,542	-	113,556	-	231,951
251,241	3,023,194	43,163	7,499,017	24,501	16,439,716
-	325,000	-	-	-	325,000
1,085	-	-	-	-	1,544,417
1,085	325,000	-	-	-	1,869,417
252,326	3,348,194	43,163	7,499,017	24,501	18,309,133
25,486	19,399	-	153,785	3,787	1,003,926
-	2,258,482	1,096	1,358,700	19,874	3,691,723
5,000	-	10,518	-	-	15,518
-	7,613	4,491	7,350	-	110,141
30,486	2,285,494	16,105	1,519,835	23,661	4,821,308
-	1,434	3,569	6,179	-	34,705
30,486	2,286,928	19,674	1,526,014	23,661	4,856,013
1,085	325,000	-	-	-	1,869,417
220,755	736,266	23,489	5,973,003	840	11,583,703
$ 221,840	$ 1,061,266	$ 23,489	$ 5,973,003	$ 840	$ 13,453,120

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

Internal Service Funds
For the Year Ended September 30, 2025

	MERS (DB) Retirement	MERS (DC) Retirement	Information Technology	Equipment Revolving
Operating revenues				
Charges for services	$ -	$ -	$ 193,852	$ -
Rental revenue	-	-	-	-
Reimbursements	6,792,342	4,783,717	6,548,473	-
Other revenue	-	109,304	-	-
Total operating revenues	6,792,342	4,893,021	6,742,325	-
Operating expenses				
Personnel services	-	26,129	1,025,374	-
Fringe benefits	6,378,923	4,796,185	720,084	-
Supplies	-	-	16,819	-
Services and charges	46,211	2,183	2,014,988	-
Depreciation	-	-	285,161	-
Total operating expenses	6,425,134	4,824,497	4,062,426	-
Operating income (loss)	367,208	68,524	2,679,899	-
Nonoperating revenues				
Investment income	9,012	39,252	-	290
Income (loss) before transfers	376,220	107,776	2,679,899	290
Transfers out	-	-	(1,168,000)	(15,539)
Change in net position	376,220	107,776	1,511,899	(15,249)
Net position, beginning of year	769,340	1,512,922	1,894,525	15,249
Net position, end of year	$ 1,145,560	$ 1,620,698	$ 3,406,424	$ -

Motor Pool	Risk Management	Investment Pool	Employee Benefits	Retiree Health Savings Plan	Total
$ 10,000	$ 19,802	$ -	$ -	$ -	$ 223,654
348,641	-	-	-	-	348,641
-	1,917,417	70,960	8,933,682	536,168	29,582,759
-	-	-	22,839	-	132,143
358,641	1,937,219	70,960	8,956,521	536,168	30,287,197
-	80,361	26,248	148,244	-	1,306,356
-	47,617	22,039	8,596,975	-	20,561,823
154,348	72	-	47,483	-	218,722
197,197	2,049,685	28,121	370,695	536,252	5,245,332
6,516	-	-	-	-	291,677
358,061	2,177,735	76,408	9,163,397	536,252	27,623,910
580	(240,516)	(5,448)	(206,876)	(84)	2,663,287
-	79,250	-	195,062	149	323,015
580	(161,266)	(5,448)	(11,814)	65	2,986,302
-	(52,376)	-	-	-	(1,235,915)
580	(213,642)	(5,448)	(11,814)	65	1,750,387
221,260	1,274,908	28,937	5,984,817	775	11,702,733
$ 221,840	$ 1,061,266	$ 23,489	$ 5,973,003	$ 840	$ 13,453,120

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds
For the Year Ended September 30, 2025

	MERS (DB) Retirement	MERS (DC) Retirement	Information Technology	Equipment Revolving
Cash flows from operating activities				
Receipts from interfund services provided	$ 6,792,308	$ 4,852,340	$ 6,927,897	$ -
Payments to employees	-	(22,155)	(1,689,866)	-
Payments to suppliers	(5,893,556)	(4,736,234)	(2,099,243)	-
Net cash provided by (used in) operating activities	898,752	93,951	3,138,788	-
Cash flows from noncapital financing activities				
Transfers out	-	-	(1,168,000)	(15,539)
Cash flows from capital and related financing activities				
Payments for capital asset acquisition	-	-	(373,191)	-
Cash flows from investing activities				
Investment income	9,012	39,252	-	290
Net change in cash and investment pool	907,764	133,203	1,597,597	(15,249)
Cash and investment pool:				
Beginning of year	769,340	1,513,119	388,661	15,249
End of year	$ 1,677,104	$ 1,646,322	$ 1,986,258	$ -
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	$ 367,208	$ 68,524	$ 2,679,899	$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	-	-	285,161	-
Changes in operating assets and liabilities that provided (used) cash:				
Accounts receivable	(34)	(40,681)	185,572	-
Due from other funds	-	-	-	-
Prepaids	-	(928)	(58,925)	-
Accounts payable	531,578	62,863	(8,511)	-
Accrued liabilities	-	199	13,329	-
Due to other funds	-	-	-	-
Accrued compensated absences	-	3,974	42,263	-
Net cash provided by (used in) operating activities	$ 898,752	$ 93,951	$ 3,138,788	$ -

Motor Pool	Risk Management	Investment Pool	Employee Benefits	Retiree Health Savings Plan	Total
$ 362,571	$ 1,915,709	$ 70,960	$ 8,953,024	$ 535,414	$ 30,410,223
-	(124,603)	(43,056)	(141,300)	-	(2,020,980)
(344,813)	(1,376,429)	(20,953)	(9,018,749)	(535,333)	(24,025,310)
17,758	414,677	6,951	(207,025)	81	4,363,933
-	(52,376)	-	-	-	(1,235,915)
-	(325,000)	-	-	-	(698,191)
-	79,250	-	195,062	149	323,015
17,758	116,551	6,951	(11,963)	230	2,752,842
232,413	2,766,525	36,212	7,318,139	610	13,040,268
$ 250,171	$ 2,883,076	$ 43,163	$ 7,306,176	$ 840	$ 15,793,110
$ 580	$ (240,516)	$ (5,448)	$ (206,876)	$ (84)	$ 2,663,287
6,516	-	-	-	-	291,677
-	(21,510)	-	(2,672)	(754)	119,921
(1,070)	-	-	(825)	-	(1,895)
-	294,249	-	51,318	-	285,714
6,732	11,422	(3,350)	79,387	(18,955)	661,166
-	367,657	178	(134,301)	19,874	266,936
5,000	-	10,518	-	-	15,518
-	3,375	5,053	6,944	-	61,609
$ 17,758	$ 414,677	$ 6,951	$ (207,025)	$ 81	$ 4,363,933

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Fiduciary Funds

General Custodial Fund - This fund is used to account for the collection of monies to be held by the County in a custodial manner and to be distributed at a later time. Money recorded in this fund comes from current tax collections, fines and costs from other local units of government, and various other deposits payable.

State Education Tax Fund - This fund is used to account for the collection and distribution of State Education Tax.

Library Penal Fine Fund - This fund is used to account for the collection of fines imposed for state law violations and distributed later to the various libraries within the County as directed by the State Library Board.

Dependent Care Fund - This fund is used to account for the collection and distribution of pre-tax monies used for dependent care expenses incurred by employees of the County.

Medical Spending Reimbursement Fund - This fund is used to account for the collection and distribution of pre-tax monies used for medical expenses incurred by employees of the County.

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Fiduciary Net Position

Custodial Funds
September 30, 2025

	General Custodial	State Education Tax	Library Penal Fine	Dependent Care	Medical Spending Reimbursement	Total
Assets						
Cash and investment pool	$ 2,334,339	$ 13,550,786	$ 219,379	$ 14,450	$ 4,798	$ 16,123,752
Receivables:						
Accounts	2,131,404	-	40,076	-	-	2,171,480
Due from other governmental units	399,642	32,850	-	-	-	432,492
Total assets	4,865,385	13,583,636	259,455	14,450	4,798	18,727,724
Liabilities						
Accounts payable	1,034,167	-	-	-	-	1,034,167
Deposits payable	3,731,457	-	-	-	-	3,731,457
Due to other governmental units	99,761	13,583,636	259,455	-	-	13,942,852
Total liabilities	4,865,385	13,583,636	259,455	-	-	18,708,476
Net position						
Restricted for:						
Individuals, organizations and other governments	$ -	$ -	$ -	$ 14,450	$ 4,798	$ 19,248

Combining Statement of Changes in Fiduciary Net Position

Custodial Funds
For the Year Ended September 30, 2025

	General Custodial	State Education Tax	Library Penal Fine	Dependent Care	Medical Spending Reimbursement	Total
Additions						
State education tax collected for other governments	$ -	$ 39,952,089	$ -	$ -	$ -	$ 39,952,089
Fees and fines collected on behalf of other units of government	9,989,809	-	471,969	-	-	10,461,778
Employee medical withholdings collected	-	-	-	43,300	22,328	65,628
Total additions	9,989,809	39,952,089	471,969	43,300	22,328	50,479,495
Deductions						
Payments of state education tax to other governments	-	39,952,089	-	-	-	39,952,089
Fees and fines remitted to other units of government	9,989,809	-	471,969	-	-	10,461,778
Employee medical withholdings remitted	-	-	-	42,090	23,223	65,313
Total deductions	9,989,809	39,952,089	471,969	42,090	23,223	50,479,180
Change in net position	-	-	-	1,210	(895)	315
Net position, beginning of year	-	-	-	13,240	5,693	18,933
Net position, end of year	$ -	$ -	$ -	$ 14,450	$ 4,798	$ 19,248

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Department of Public Works

Component Unit of Saginaw County

Department of Public Works Debt Service Fund (DPW) - This fund is used to account for the payment of interest and principal on long-term debt resulting from DPW projects constructed by the County for other local units of government. Money received in this fund is provided by local units of government benefiting from the project in annual installments sufficient to pay the annual principal and interest on the long-term debt. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Capital Projects Construction Fund - This fund was established to account for construction of water and sewer systems by the County for other units of government. Money for the operation of this fund is supplied from federal and state grants, contributions from other local units of government, general obligation bonds and notes, and interest earnings.

Department of Public Works Administration Fund - This fund is used to account for the preliminary work performed on DPW projects that benefit other local units of government and is reported as an enterprise fund of the DPW. Money for the operation of this fund is supplied from reimbursements from other local units of government, and general fund contributions.

Statement of Net Position

Department of Public Works Component Unit
September 30, 2025

	Governmental Activities	Business-type Activities	Totals
Assets			
Cash and investment pool	$ 652,474	$ 368,022	$ 1,020,496
Receivables	9,576,651	-	9,576,651
Total assets	10,229,125	368,022	10,597,147
Liabilities			
Accounts payable and accrued liabilities	141,807	9,506	151,313
Bonds, notes and other long-term liabilities:			
Due within one year	451,151	-	451,151
Due in more than one year	8,931,550	-	8,931,550
Total liabilities	9,524,508	9,506	9,534,014
Net position			
Restricted for:			
Debt service	578,512	-	578,512
Capital projects	228,239	-	228,239
Unrestricted (deficit)	(102,134)	358,516	256,382
Total net position	$ 704,617	$ 358,516	$ 1,063,133

COUNTY OF SAGINAW, MICHIGAN

Statement of Activities

Department of Public Works Component Unit
For the Year Ended September 30, 2025

		Program Revenues		Net (Expense) Revenues		
Functions / Programs	**Expenses**	**Charges for Services**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Totals**
Governmental activities:						
Public works	$ 88,364	$ -	$ 348,826	$ 260,462	$ -	$ 260,462
Interest on long-term liabilities	347,344	-	-	(347,344)	-	(347,344)
Total governmental activities	435,708	-	348,826	(86,882)	-	(86,882)
Business-type activities:						
Public works	166,600	168,532	-	-	1,932	1,932
Total	$ 602,308	$ 168,532	$ 348,826			
Net (expense) revenue				(86,882)	1,932	(84,950)
General revenues:						
Investment income				20,661	-	20,661
Change in net position				(66,221)	1,932	(64,289)
Net position, beginning of year				770,838	356,584	1,127,422
Net position, end of year				$ 704,617	$ 358,516	$ 1,063,133

Combining Balance Sheet

Department of Public Works Component Unit - Governmental Funds
September 30, 2025

	Debt Service	Capital Projects Construction Fund	Totals
Assets			
Cash and investment pool	$ 424,235	$ 228,239	$ 652,474
Accounts receivable	66,550	-	66,550
Due from other governmental units	9,368,294	-	9,368,294
Total assets	$ 9,859,079	$ 228,239	$ 10,087,318
Deferred inflows of resources			
Unavailable revenue - long-term receivables	$ 9,280,567	$ -	$ 9,280,567
Fund balances			
Restricted	578,512	228,239	806,751
Total deferred inflow of resources and fund balances	$ 9,859,079	$ 228,239	$ 10,087,318

Reconciliation

Fund Balances of Governmental Funds of the Department of Public Works Component Unit to Net Position of the Governmental Activities of the Department of Public Works Component Unit

September 30, 2025

Fund balances - governmental funds - Department of Public Works	$	806,751
Amounts reported for *governmental activities* in the statement of net position are different because:		
Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current expenditures. Those assets (i.e., receivables) are offset by deferred inflows of resources in the governmental funds and, therefore, are not included in fund balance.		
Due from other governments related to accrued interest		141,807
Unavailable revenue - long-term receivables		9,280,567
Long-term debt and related deferred outflows are not due and payable in the current period and therefore are not reported in the fund.		
Bonds, notes and other long-term liabilities		(9,280,567)
Premium on bond issuance		(102,134)
Accrued interest on bonds, notes and other long-term liabilities		(141,807)
Net position of governmental activities - Department of Public Works	$	704,617

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Department of Public Works Component Unit - Governmental Funds
For the Year Ended September 30, 2025

	Debt Service	Capital Projects Construction Fund	Totals
Revenues			
Local grants and contributions	$ 917,319	$ -	$ 917,319
Investment income	11,538	9,123	20,661
Total revenues	928,857	9,123	937,980
Expenditures			
Current:			
Public works	-	88,364	88,364
Debt service:			
Principal	557,000	-	557,000
Interest and fiscal charges	364,987	-	364,987
Total expenditures	921,987	88,364	1,010,351
Revenues over (under) expenditures	6,870	(79,241)	(72,371)
Other financing sources (uses)			
Transfers in	119,365	-	119,365
Transfers out	(119,230)	(135)	(119,365)
Total other financing sources (uses)	135	(135)	-
Net change in fund balances	7,005	(79,376)	(72,371)
Fund balances, beginning of year	571,507	307,615	879,122
Fund balances, end of year	$ 578,512	$ 228,239	$ 806,751

Reconciliation

Net Changes in Fund Balances of Governmental Funds of the Department of Public Works Component Unit to Change in Net Position of Governmental Activities of the Department of Public Works Component Unit

For the Year Ended September 30, 2025

Net change in fund balances of governmental fund - Department of Public Works	$	(72,371)
Amounts reported for *governmental activities* in the statement of net position are different because:		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to subsequent fiscal years.		
Change in deferred inflows of resources related to long-term receivables		(568,493)
Repayment of debt principal is an expenditure in the fund, but the repayment reduces long-term debt in the statement of net position.		
Principal payments on bonds, notes and other long-term liabilities		557,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.		
Change in accrued interest payable on bonds, notes and other long-term liabilities		11,492
Amortization of bond premium		6,151
Change in net position of governmental activities - Department of Public Works	$	(66,221)

Statement of Net Position

Department of Public Works Component Unit - Proprietary Fund
September 30, 2025

	Administration
Assets (all current)	
Cash and investment pool	$ 368,022
Liabilities (all current)	
Accrued liabilities	9,506
Net position	
Unrestricted	$ 358,516

Statement of Revenues, Expenses and Changes in Fund Net Position

Department of Public Works Component Unit - Proprietary Fund
For the Year Ended September 30, 2025

	Administration
Operating revenues	
Licenses and permits	$ 156,667
Other revenue	11,865
Total operating revenue	168,532
Operating expenses	
Personnel services	154,323
Supplies	1,786
Services and charges	6,513
Depreciation	3,978
Total operating expenses	166,600
Operating income (loss)	1,932
Net position, beginning of year	356,584
Net position, end of year	$ 358,516

Statement of Cash Flows

Department of Public Works Component Unit - Proprietary Fund
For the Year Ended September 30, 2025

	Administration
Cash flows from operating activities	
Receipts from customers	$ 168,532
Payments to employees	(151,541)
Payments to suppliers	(8,299)
Net cash provided by (used in) operating activities (equal to net change in cash and investment pool)	8,692
Cash and investment pool:	
Beginning of year	359,330
End of year	$ 368,022
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities	
Operating income (loss)	$ 1,932
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation	3,978
Changes in operating assets and liabilities that provided (used) cash:	
Accrued liabilities	2,782
Net cash provided by (used in) operating activities	$ 8,692

Drain Commission

Component Unit of Saginaw County

Chapter 8 Drains Debt Service Fund - This fund is used to account for the payment of interest and principal on long-term debt resulting from "intra" and "inter" county drains, generally petitioned by the land owners adjoining the project. Money received in this fund is provided by special assessments to the land owners adjoining the project and from interest earnings from investments. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

Special Assessment Drain Capital Projects Fund - This fund is used to account for construction and maintenance of drains. Money for the operation of this fund is supplied from special assessments against property owners benefited, at-large-assessments against other local units of government, general obligation bonds or notes, and interest earnings from investments.

Chapter 8 Drains Capital Projects Fund - This fund is used to account for construction of drains, generally petitioned by the property owners. Money for the operation of this fund is supplied from special assessments against the property owners benefited.

Revolving Drain Capital Projects Fund - This fund is used to account for preliminary costs of new drains and maintenance on established drains. Money for the operation of this fund is supplied from an advance from the General Fund and reimbursements from the Special Assessment Drain Fund.

Revolving Drain Maintenance Capital Projects Fund - This fund is used to account for maintenance on drains. Money for the operation of this fund is supplied from interest earnings on consolidated drainage district account balances of less than $1,000.

COUNTY OF SAGINAW, MICHIGAN

Statement of Net Position and Governmental Funds Balance Sheet
Drain Commission Component Unit
September 30, 2025

	Debt Service Fund	Capital Projects Funds	
	Chapter 8 Drains	Special Assessment Drain	Chapter 8 Drains
Assets			
Cash and investment pool	$ 2,671,390	$ 6,843,272	$ 6,758,676
Receivables:			
Special assessments	31,801,481	-	-
Accounts	-	2,010	13,808
Due from other governmental units	3,497,289	-	-
Due from other funds	774,907	850	-
Advance to other funds	-	717,068	-
Capital assets:			
Assets not being depreciated	-	-	-
Assets being depreciated, net	-	-	-
Total assets	$ 38,745,067	$ 7,563,200	$ 6,772,484
Liabilities			
Accounts payable	$ -	$ 239,545	$ 381,049
Accrued liabilities	-	-	-
Due to other funds	-	5,872	769,885
Advance from other funds	717,068	-	-
Advances from primary government	-	-	-
Long-term liabilities:			
Due within one year	-	-	-
Due in more than one year	-	-	-
Total liabilities	717,068	245,417	1,150,934
Deferred inflows of resources			
Unavailable revenue - long-term receivables	35,298,770	-	-
Fund balances / net position			
Restricted for:			
Debt service	2,729,229	-	-
Capital projects	-	7,317,783	5,621,550
Total fund balances	2,729,229	7,317,783	5,621,550
Total liabilities, deferred inflows of resources and fund balances	$ 38,745,067	$ 7,563,200	$ 6,772,484
Net position:			
Net investment in capital assets			
Restricted for:			
Debt service			
Acquisition/construction of capital assets			
Total net position			

Capital Projects Funds				
Revolving Drain	Revolving Drain Maintenance	Total Governmental Funds	Adjustments	Statement of Net Position
$ 326,000	$ 85,526	$ 16,684,864	$ -	$ 16,684,864
-	-	31,801,481	-	31,801,481
-	-	15,818	-	15,818
-	37	3,497,326	-	3,497,326
74,000	-	849,757	(849,757)	-
-	-	717,068	(717,068)	-
-	-	-	6,094,839	6,094,839
-	-	-	73,060,583	73,060,583
$ 400,000	$ 85,563	$ 53,566,314	77,588,597	131,154,911
$ -	$ 2,134	$ 622,728	-	622,728
-	-	-	331,468	331,468
-	74,000	849,757	(849,757)	-
-	-	717,068	(717,068)	-
400,000	-	400,000	-	400,000
-	-	-	4,205,544	4,205,544
-	-	-	32,420,416	32,420,416
400,000	76,134	2,589,553	35,390,603	37,980,156
-	-	35,298,770	(35,298,770)	-
-	-	2,729,229	(2,729,229)	-
-	9,429	12,948,762	(12,948,762)	-
-	9,429	15,677,991	(15,677,991)	-
$ 400,000	$ 85,563	$ 53,566,314		
			42,148,414	42,148,414
			37,696,531	37,696,531
			13,329,810	13,329,810
			$ 93,174,755	$ 93,174,755

COUNTY OF SAGINAW, MICHIGAN

Statement of Activities and Statement of Revenues, Expenditures and Changes in Fund Balances
Drain Commission Component Unit
For the Year Ended September 30, 2025

	Debt Service Fund	Capital Projects Funds	
	Chapter 8 Drains	Special Assessment Drain	Chapter 8 Drains
Revenues			
Special assessments	$ 3,327,435	$ 937,746	$ 1,698,582
State grants and contributions	-	-	75,042
Local grants and contributions	871,058	165,896	66,923
Investment income	224,754	36,738	8,615
Reimbursements	-	20,661	659,906
Total revenues	4,423,247	1,161,041	2,509,068
Expenditures / expenses			
Current:			
Public works	9,765	1,607,989	4,471,421
Depreciation	-	-	-
Debt service:			
Principal	3,855,450	-	-
Interest and fiscal charges	1,026,864	-	-
Total expenditures	4,892,079	1,607,989	4,471,421
Revenues over (under) expenditures/expenses	(468,832)	(446,948)	(1,962,353)
Other financing sources (uses)			
Transfers in	1,052,757	84,234	54,000
Transfers out	(108,988)	-	(1,082,003)
Proceeds from issuance of bonds, notes and other long-term liabilities	-	-	6,166,000
Total other financing sources (uses)	943,769	84,234	5,137,997
Change in fund balance / net position	474,937	(362,714)	3,175,644
Fund balances / net position, beginning of year	2,254,292	7,680,497	2,445,906
Fund balances / net position, end of year	$ 2,729,229	$ 7,317,783	$ 5,621,550

Capital Projects Funds				
Revolving Drain	Revolving Drain Maintenance	Total Governmental Funds	Adjustments	Statement of Activities
$ -	$ -	$ 5,963,763	$ 1,543,099	$ 7,506,862
-	-	75,042	-	75,042
-	-	1,103,877	-	1,103,877
-	216	270,323	-	270,323
-	105,789	786,356	-	786,356
-	106,005	8,199,361	1,543,099	9,742,460
-	243,570	6,332,745	(4,496,835)	1,835,910
-	-	-	2,376,990	2,376,990
-	-	3,855,450	(3,855,450)	-
-	-	1,026,864	(193)	1,026,671
-	243,570	11,215,059	(5,975,488)	5,239,571
-	(137,565)	(3,015,698)	7,518,587	4,502,889
-	-	1,190,991	(1,190,991)	-
-	-	(1,190,991)	1,190,991	-
-	-	6,166,000	(6,166,000)	-
-	-	6,166,000	(6,166,000)	-
-	(137,565)	3,150,302	1,352,587	4,502,889
-	146,994	12,527,689	76,144,177	88,671,866
$ -	$ 9,429	$ 15,677,991	$ 77,496,764	$ 93,174,755

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Economic Development Corporation

Component Unit of Saginaw County

Economic Development Corporation - This fund is used to account for the operations of the Economic Development Corporation whose purpose is to provide the means and methods of encouragement and assistance to strengthen and revitalize the economy of Saginaw County by improving the atmosphere for progress and growth through new employment opportunities. This fund also accounts for an Energy Efficiency Revolving Loan program. Money for the operation of this fund is supplied from state grants, investment earnings, farm land rental, and principal repayments.

COUNTY OF SAGINAW, MICHIGAN

Statement of Net Position and Governmental Fund Balance Sheet

Economic Development Corporation Component Unit

September 30, 2025

	Economic Development Corporation	Adjustments	Statement of Net Position
Assets			
Cash and investment pool	$ 303,408	$ -	$ 303,408
Loans receivable	13,102	-	13,102
Total assets	$ 316,510	-	316,510
Liabilities			
Accounts payable	$ 3,200	-	3,200
Deferred inflows of resources			
Unavailable revenue - long-term loans receivables	13,102	(13,102)	-
Fund balance / net position			
Unassigned	300,208	(300,208)	-
Total liabilities, deferred inflows of resources and fund balance	$ 316,510		
Net position:			
Unrestricted		$ 313,310	$ 313,310

Statement of Activities and Statement of Revenues, Expenditures and Changes in Fund Balance
Economic Development Corporation Component Unit
For the Year Ended September 30, 2025

	Economic Development Corporation	Adjustments	Statement of Activities
Revenues			
Investment income	$ 4,533	$ -	$ 4,533
Rental revenue	21,644	-	21,644
Reimbursements	8,001	(7,574)	427
Total revenues	34,178	(7,574)	26,604
Expenditures / expenses			
Current:			
Community and economic development	12,800	-	12,800
Change in fund balance / net position	21,378	(7,574)	13,804
Fund balance / net position, beginning of year	278,830	20,676	299,506
Fund balance / net position, end of year	$ 300,208	$ 13,102	$ 313,310

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County of Saginaw, Michigan

Year Ended September 30, 2025

Single Audit Act Compliance

Rehmann

COUNTY OF SAGINAW, MICHIGAN

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INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

June 30, 2026

Board of Commissioners
County of Saginaw
Saginaw, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the ***County of Saginaw, Michigan*** (the "County"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 19, 2026, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the basic financial statements. Such information 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. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Rehmann Robson LLC

COUNTY OF SAGINAW, MICHIGAN

Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
U.S. Department of Agriculture					
Child Nutrition Cluster:					
Non-cash assistance (commodities):					
Entitlement Commodities	10.555	MDE	730008002	$ -	$ 4,950
Cash assistance:					
National School Lunch Program:					
Children's Facility	10.555	MDE	730008002	-	60,645
				-	65,595
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC):					
Women and Infant Care	10.557	MDHHS	20252250	-	781,497
Women and Infant Care - Breastfeeding	10.557	MDHHS	20252161	-	82,996
				-	864,493
SNAP Cluster:					
State Admin Match Grants for the SNAP	10.561	LEO	202020Q8750342	53,809	71,212
SAM-Grants-SNAP-50%FED/50%GF	10.561	LEO	202020Q252042	1,744	1,744
				55,553	72,956
Total U.S. Department of Agriculture				55,553	1,003,044
U.S. Department of Interior					
Fish and Wildlife Management Assistance Saginaw River Headwaters Rec Area Habitat Restoration and Reclamation	15.608	Direct	F23AP02834	-	106,750
U.S. Department of Justice					
Bulletproof Vest Partnership Program	16.607	Direct	N/A	-	5,478
Edward Byrne Memorial Justice Assistance Grant (JAG) Program:					
Edward Byrne Memorial JAG Program	16.738	Direct	15PBJA-22-GG-02326-JAGX	-	35,333
Edward Byrne Memorial JAG Program	16.738	Direct	15PBJA-23-GG-03511-JAGX	-	21,802
Edward Byrne Memorial JAG Program	16.738	Direct	15PBJA-24-GG-05173-JAGX	-	37,352
Edward Byrne Memorial JAG Program	16.738	SCAO	25-37633	-	86,686
				-	181,173
Total U.S. Department of Justice				-	186,651
U.S. Department of Labor					
Employment Services Cluster:					
Employment Service	17.207	LEO	ES334001955A26	297,335	437,017
Unemployment Insurance Program:					
UIA Admin. RESEA	17.225	LEO	UI328461960A26	351,586	443,970
Trade Adjustment Assistance:					
Trade Case Management	17.245	LEO	TA317061855A26	50,133	50,133
Workforce Innovation and Opportunity Act (WIA) Cluster:					
Workforce Innovation and Opportunity Act - Adult	17.258	LEO	AA321961855A26	1,289,783	1,541,273
Workforce Innovation and Opportunity Act - MiSTAIRS Statewide Activities	17.258	LEO	AA385362255A26	5,687	5,687
Workforce Innovation and Opportunity Act - MiREACH Statewide Activities	17.258	LEO	AA385362255A26	9,520	9,520

continued…

COUNTY OF SAGINAW, MICHIGAN

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2025

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
U.S. Department of Labor (Continued)					
Workforce Innovation and Opportunity Act (WIOA) Cluster (Continued):					
Workforce Innovation and Opportunity Act - MiCOACH Statewide Activities	17.258	LEO	AA385362255A26	$ 25,508	$ 25,508
Workforce Innovation and Opportunity Act - SWA Career Ex Events	17.258	LEO	AA385362255A26	-	13,600
Workforce Innovation and Opportunity Act - SWA High Concentration Youth	17.258	LEO	AA321961855A26	4,731	4,731
Workforce Innovation and Opportunity Act - SWA ASC RAP Apprenticeship	17.258	LEO	AA385362255A26	9,238	9,238
Workforce Innovation and Opportunity Act - SWA Employment SS	17.258	LEO	23A55AW000005	-	24,785
Workforce Innovation and Opportunity Act - RR CRM	17.258	LEO	AA321961855A26	-	2,247
Workforce Innovation and Opportunity Act - Project Phoenix	17.258	LEO	AA385362255A26	80,462	80,462
Workforce Innovation and Opportunity Act - Administration	17.258	LEO	AA321961855A26	-	86,217
Workforce Innovation and Opportunity Act - SWA Capacity Building	17.258	LEO	AA321961855A26	-	16,299
Workforce Innovation and Opportunity Act - SWA Summer Young Professionals	17.258	LEO	AA332361955A26	46,439	46,439
				1,471,368	1,866,006
Workforce Innovation and Opportunity Act - Youth	17.259	LEO	AA321961855A26	1,182,441	1,513,805
Workforce Innovation and Opportunity Act - MiSTAIRS Statewide Activities	17.259	LEO	AA321961855A26	6,105	6,105
Workforce Innovation and Opportunity Act - MiREACH Statewide Activities	17.259	LEO	AA321961855A26	10,220	10,220
Workforce Innovation and Opportunity Act - MiCOACH Statewide Activities	17.259	LEO	AA321961855A26	27,383	27,383
Workforce Innovation and Opportunity Act - SWA Career Ex Events	17.259	LEO	AA385362255A26	-	14,600
Workforce Innovation and Opportunity Act - SWA High Concentration Youth	17.259	LEO	AA321961855A26	5,079	5,079
Workforce Innovation and Opportunity Act - SWA ASC RAP Apprenticeship	17.259	LEO	AA385362255A26	9,918	9,918
Workforce Innovation and Opportunity Act - SWA Employment SS	17.259	LEO	23A55AW000005	-	26,607
Workforce Innovation and Opportunity Act - RR CRM	17.259	LEO	AA332361955A26	-	2,413
Workforce Innovation and Opportunity Act - Project Phoenix	17.259	LEO	AA321961855A26	86,378	86,378
Workforce Innovation and Opportunity Act - Administration	17.259	LEO	AA321961855A26	-	92,557
Workforce Innovation and Opportunity Act - SWA Capacity Building	17.259	LEO	AA321961855A26	-	17,497
Workforce Innovation and Opportunity Act - SWA Summer Young Professionals	17.259	LEO	AA332361955A26	49,854	49,854
				1,377,378	1,862,416

continued…

Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
U.S. Department of Labor (Concluded)					
Workforce Innovation and Opportunity Act (WIOA) Cluster (Concluded):					
Workforce Innovation and Opportunity Act - Dislocated Worker	17.278	LEO	AA332361955A26	$ 993,390	$ 1,256,165
Workforce Innovation and Opportunity Act - SWA Career Ex Events	17.278	LEO	AA385362255A26	-	11,800
Workforce Innovation and Opportunity Act - MiSTAIRS Statewide Activities	17.278	LEO	AA321961855A26	4,933	4,933
Workforce Innovation and Opportunity Act - MiREACH Statewide Activities	17.278	LEO	AA385362255A26	8,260	8,260
Workforce Innovation and Opportunity Act - MiCOACH Statewide Activities	17.278	LEO	AA385362255A26	22,132	22,132
Workforce Innovation and Opportunity Act - SWA High Concentration Youth	17.278	LEO	AA332361955A26	4,105	4,105
Workforce Innovation and Opportunity Act - Project Phoenix	17.278	LEO	AA385362255A26	69,812	69,812
Workforce Innovation and Opportunity Act - Administration	17.278	LEO	AA332361955A26	-	74,806
Workforce Innovation and Opportunity Act - SWA ASC RAP Apprenticeship	17.278	LEO	AA385362255A26	8,016	8,016
Workforce Innovation and Opportunity Act - SWA Employment SS	17.278	LEO	23A55AW000005	-	21,504
Workforce Innovation and Opportunity Act - RR CRM	17.278	LEO	AA332361955A26	-	1,950
Workforce Innovation and Opportunity Act - SWA Capacity Building	17.278	LEO	AA332361955A26	-	14,142
Workforce Innovation and Opportunity Act - SWA Summer Young Professionals	17.278	LEO	AA332361955A26	40,293	40,293
				1,150,941	1,537,918
Total Workforce Innovation and Opportunity Act (WIOA) Cluster				3,999,687	5,266,340
NFJP Career Services:					
National Farm Workers Job Program	17.264	LEO	24A60AC000097	-	4,538
MiSTAIRS SAEEI	17.285	LEO	AA321961855A26	89,173	89,173
Total U.S. Department of Labor				4,787,914	6,291,171
U.S. Department of Transportation					
Rural Transit Assistance Program (RTAP)	20.509	MPTA	N/A	-	5,309
Transit Services Programs Cluster:					
Enhanced Mobility of Seniors and Disabilities Program	20.513	MPTA	2007-0283-Z2	-	64,929
Highway Safety Cluster:					
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grant - DWI Sobriety Court	20.601	SCAO	25-37613	-	119,946
Total U.S. Department of Transportation				-	190,184
U.S. Department of Treasury					
COVID-19 Coronavirus Relief Funds:					
Coronavirus State & Local Fiscal Recovery Funds -					
Virtual Backlog Response Docket Grant	21.027	SCAO	SCAO-2023-070	-	87,458
Recovery Funds	21.027	BC	SLFRP3349	97,935	102,685
MiROAR-COVID State & Local Recovery Fund	21.027	LEO	D1VJN4L79DR3	-	10,098
Michigan Reconnect Targeted Outreach	21.027	LEO	D1VJN4L79DR3	21,170	21,170
Recovery Funds (ARPA)	21.027	Direct	N/A	-	8,683,381
Total U.S. Department of Treasury				119,105	8,904,792

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COUNTY OF SAGINAW, MICHIGAN

Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
U.S. Department of Health and Human Services					
Special Programs for the Aging - Title III, Part D -					
Disease Prevention and Health Promotion Services:					
Evidence Based Programs	93.043	MOAS	N/A	$ -	$ 18,623
COVID-19 - Preventative Health ARP	93.043	MOAS	N/A	-	1,821
				-	20,444
Aging Cluster:					
Case Coordination and Support	93.044	MOAS	N/A	-	122,166
Case Coordination and Support -					
In-Home Support Services	93.044	MOAS	N/A	-	42,871
Outreach	93.044	MOAS	N/A	-	23,177
Transportation	93.044	MOAS	N/A	-	4,807
Senior Center Staffing - MO	93.044	MOAS	N/A	-	13,150
Senior Center Staffing	93.044	MOAS	N/A	-	24,616
Senior Center Operations	93.044	MOAS	N/A	-	13,000
Program Development	93.044	MOAS	N/A	-	100
COVID-19 - Title IIIB ARP	93.044	MOAS	N/A	-	1,338
				-	245,225
Nutrition - Title III C-1 Congregate	93.045	MOAS	N/A	-	141,410
Nutrition - Title III C-2 HDM	93.045	MOAS	N/A	-	316,419
COVID-19 - Congregate ARP	93.045	MOAS	N/A	-	27,357
COVID-19 - HDM ARP	93.045	MOAS	N/A	-	7,844
				-	493,030
Nutrition Services Incentive Program Congregate	93.053	MOAS	N/A	-	27,672
Nutrition Services Incentive Program - HDM	93.053	MOAS	N/A	-	80,734
				-	108,406
Total Aging Cluster				-	846,661
National Family Caregiver Support, Title III, Part E:					
Title IIIE Kinship Care	93.052	MOAS	N/A	-	5,216
National Family Caregiver Support Program	93.052	MOAS	N/A	-	71,177
Supplemental funds - Title III E	93.052	MOAS	N/A	-	20,630
Caregiver Support ARP	93.052	MOAS	N/A	-	14,654
				-	111,677
PHEP - Bioterrorism Three	93.069	MDHHS	20245688	-	34,489
PHEP - Bioterrorism Nine	93.069	MDHHS	20251662	-	89,310
PHEP - Laboratory Services Bio	93.069	MDHHS	20251151	-	1,500
				-	125,299
Tuberculosis Control	93.116	MDHHS	20251579	-	275
Family Planning Services	93.217	MDHHS	20250973	-	204,151
Region V Public Health Training Center	93.249	RUM	22-3724056	10,000	10,000
Immunization Cooperative Agreements:					
Immunizations - IAP	93.268	MDHHS	20251487	-	57,852
Federally Funded Vaccines	93.268	MDHHS	N/A	-	202,898
Immunization Fixed Fees	93.268	MDHHS	20251468	-	4,900
COVID-19 - COVID Immunizations	93.268	MDHHS	20251452	-	25,777
				-	291,427

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COUNTY OF SAGINAW, MICHIGAN

Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
U.S. Department of Health and Human Services (Continued)					
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC):					
COVID-19 - ELC COVID-19 Contact Tracing Testing Coord	93.323	MDHHS	20254281	$ -	$ 106,399
COVID-19 - ELC Regional Lab	93.323	MDHHS	20251137	-	128,343
COVID-19 - Regional Lab Workforce	93.323	MDHHS	20251136	-	17,211
COVID-19 - Reopening Schools - HRA	93.323	MDHHS	20251303	-	1,236,410
				-	1,488,363
MICOACH HRSA	93.516	LEO	1 T29HP46708-01-00	42,010	42,010
Temporary Assistance for Needy Families:					
TANF - JET Type T	93.558	LEO	2201MITANF	2,331,740	3,976,653
GEMS	93.558	LEO	DHHS IAB	28,570	28,570
				2,360,310	4,005,223
Child Support Enforcement:					
Title IV-D Maintenance Assistance (Federal Incentive) (FOC)	93.563	MDHHS	CSFOC-24-73001	-	277,763
Title IV-D Cooperative Reimbursement Program (FOC)	93.563	MDHHS	CSFOC-24-73001	-	3,236,540
Title IV-D Cooperative Reimbursement Program (PA)	93.563	MDHHS	CSPA-24-73002	-	475,543
				-	3,989,846
Federal Access and Visitation	93.597	SCAO	SCAO-2025-044	-	4,700
Foster Care Title IV-E:					
Child and Parent Legal Representation (CPLR)	93.658	MDHHS	E20250365	-	163,046
Medicaid Cluster:					
CSHCS Care Coordination	93.778	MDHHS	20251784	-	529
CSHCS Outreach & Advocacy	93.778	MDHHS	20253462	-	69,860
CSHCS Elevated Blood Level	93.778	MDHHS	20252711	-	1,014
Harm Reduction Match	93.778	MOAS	20255423	-	13,125
POS Waiver	93.778	MOAS	N/A	-	79,411
				-	163,939
Opioid STR:					
Harm Reduction Capacity Expansion	93.788	MDHHS	20241002	-	32,751
ACA - Maternal, Infant and Early Childhood Home Visiting Grant					
NFP (Nurse Family Partnership)	93.870	MDHHS	20241257	-	267,750
National Bioterrorism Hospital Preparedness Program:					
PHEP - Bioterrorism Nine	93.889	MDHHS	20251662	-	14,157
HIV Prevention Activities Health Department Based:					
HIV Prevention	93.940	MDHHS	20253933	-	484
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs:					
Regional Perinatal Collaborative	93.946	SCCMHA	20251700	-	28,191
CDC'S Collaboration with Academia:					
Regional Lab Workforce	93.967	MDHHS	20251136	-	208,938
Public Health Infrastructure	93.967	MDHHS	20251004	-	114,065
				-	323,003
Preventative Health and Health Services STD Grant:					
Sexually Transmitted Infection (STI) Control	93.977	MDHHS	20243264	-	57,900

continued…

COUNTY OF SAGINAW, MICHIGAN

Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Federal Agency / Cluster / Program Title	Assistance Listing Number	Passed Through	Pass-through / Grantor Number	Total Subawards	Federal Expenditures
U.S. Department of Health and Human Services (Concluded)					
Maternal and Child Health Services Block Grant:					
Family Planning Services	93.994	MDHHS	20250973	$ -	$ 58,432
Fetal Infant Mortality Review (FIMR) Case Abstraction	93.994	MDHHS	20251469	-	3,211
MCH - All Other	93.994	MDHHS	20251783	-	115,680
Enabling Services Children-MCH	93.994	MDHHS	20251784	-	1,228
CSHCS Care Coordination	93.994	MDHHS	20251700	-	64,819
				-	243,370
Total U.S. Department of Health and Human Services				2,412,320	12,434,667
Corporation for National and Community Service					
Foster Grandparent/Senior Companion Cluster:					
Foster Grandparent Program	94.011	Direct	13SFNMI006	-	609,440
U.S. Department of Homeland Security					
Emergency Management Performance Grant	97.042	MSP	EMC-2025-EP-05001	-	13,429
3rd District Regional Homeland Security Grant	97.067	DHD	EMW-2023-SS-00022-S01	-	22,273
Total U.S. Department of Homeland Security				-	35,702
Total Expenditures of Federal Awards				$ 7,374,892	$ 29,762,401

concluded

See notes to schedule of expenditures of federal awards.

Notes to Schedule of Expenditures of Federal Awards

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the ***County of Saginaw, Michigan*** (the "County"), under programs of the federal government for the year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

The County's reporting entity is defined in Note 1 of the County's financial statements. The County's financial statements include the operations of the County of Saginaw Road Commission, a discretely presented component unit, which received federal awards that are not included in the Schedule for the year ended December 31, 2024, as the entity was separately audited.

Expenditures reported on the Schedule are reported on the accrual basis of accounting, which is described in Note 1 to the County's financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other applicable guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented when available.

2. DE MINIMIS COST RATE

For purposes of charging indirect costs to federal awards, the County has elected not to use the de minimis cost rate as permitted by §200.414 of the Uniform Guidance.

3. PASS-THROUGH AGENCIES

The County receives certain federal grants as subawards from non-federal entities. Pass-through entities, where applicable, have been identified in the Schedule with an abbreviation, defined as follows:

Pass-through Agency Abbreviation	Pass-through Agency Name
BC	Bay City, Michigan
DHD	District Health Department
LEO	Labor and Economic Opportunity
MDE	Michigan Department of Education
MDHHS	Michigan Department of Health and Human Services
MOAS	Michigan Office of Aging Services
MPTA	Michigan Public Transit Association
MSP	Michigan State Police

continued…

Notes to Schedule of Expenditures of Federal Awards

Pass-through Agency Abbreviation	Pass-through Agency Name
RUM	Regents of U of M
SCAO	State Court Administrative Office
SCCMHA	Saginaw County Community Mental Health Authority

4. RECONCILIATION TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

	Federal Revenue
Primary Government	
General Fund:	
Coronavirus State & Local Fiscal Recovery Funds	$ 2,264,889
Child Support Enforcement	475,543
Total General Fund	2,740,432
Major special revenue funds:	
Health Department	4,036,140
Michigan Works	10,507,344
American Rescue Plan Act	6,418,492
Total major special revenue funds	20,961,976

continued…

Notes to Schedule of Expenditures of Federal Awards

	Federal Revenue
Nonmajor special revenue funds:	
Friend of Court	$ 3,519,003
Commission on Aging	1,737,371
Planning	5,252
Special Projects	510,189
Sheriff Special Projects	99,965
Child Care	60,645
Parks building and site	106,750
Total nonmajor special revenue funds	6,039,175
Total special revenue funds	27,001,151
Nonmajor enterprise fund:	
Harry W Browne airport	182,432
Total	29,924,015
MDOT administered airport grant	(182,432)
Miscellaneous	20,818
Schedule of Expenditures of Federal Awards	$ 29,762,401

concluded

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

March 19, 2026

Board of Commissioners
County of Saginaw
Saginaw, Michigan

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the ***County of Saginaw, Michigan*** (the "County"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 19, 2026. Our report includes a reference to other auditors who audited the financial statements of Saginaw County Road Commission, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

5800 Gratiot, Suite 201, Saginaw, MI 48638 989.799.9580

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rehmann Robson LLC

Rehmann

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

June 30, 2026

Board of Commissioners
County of Saginaw
Saginaw, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of the ***County of Saginaw, Michigan*** (the "County") with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended September 30, 2025. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Independent Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Other Matter - Federal Expenditures Not Included in the Compliance Audit

The County's basic financial statements include the operations of the County of Saginaw Road Commission, which expended $6,908,433 in federal awards which is not included in the schedule of expenditures of federal awards for the year ended September 30, 2025. Our compliance audit, described in the "Opinion on Each Major Federal Program," does not include the operations of the Saginaw County Road Commission because it engaged other auditors to perform an audit of compliance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Independent Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Independent Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rehmann Robson LLC

COUNTY OF SAGINAW, MICHIGAN

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2025

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?		yes	X	no
Significant deficiency(ies) identified?		yes	X	none reported
Noncompliance material to financial statements noted?		yes	X	no

Federal Awards

Internal control over major programs:				
Material weakness(es) identified?		yes	X	no
Significant deficiency(ies) identified?		yes	X	none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		yes	X	no

Identification of major programs and type of auditors' report issued on compliance for each major program:

Assistance Listing Number	Name of Federal Program or Cluster	Type of Report
21.027	Coronavirus State and Local Fiscal Recovery Funds	Unmodified
93.563	Child Support Services	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs:	$ 1,000,000			
Auditee qualified as low-risk auditee?	X	yes		no

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted.

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2025

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None noted.

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Summary Schedule of Prior Audit Findings

For the Year Ended September 30, 2025

None noted.

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