

County of  
Saginaw,  
Michigan



Year Ended  
September 30,  
2024

Financial  
Statements

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# COUNTY OF SAGINAW, MICHIGAN

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## INDEPENDENT AUDITORS' REPORT

March 28, 2025

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, 2024, 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, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparisons for the general fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

	Percent of Assets and Deferred Outflows	Percent of Revenues	Percent of Net Position
Road Commission	60%	77%	67%

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



***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 28, 2025 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.

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

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

# COUNTY OF SAGINAW, MICHIGAN

## 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, 2024. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements.

### Financial Highlights

· Total primary government net position	\$ 118,917,178
· Change in total primary government net position	38,357,102
· Fund balances, governmental funds	77,009,080
· Change in fund balances, governmental funds	9,916,031
· Unassigned fund balance, general fund	6,709,408
· Change in fund balance, general fund	1,768,271
· Primary government installment debt outstanding	118,030,457
· Primary government change in installment debt	2,191,485

### 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.

## COUNTY OF SAGINAW, MICHIGAN

### Management's Discussion and Analysis

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental 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, and American Rescue Plan Act 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.

## COUNTY OF SAGINAW, MICHIGAN

### Management's Discussion and Analysis

#### 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 \$118,917,178 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Assets</b>						
Current and other assets	\$ 176,549,456	\$ 132,714,612	\$ 42,796,192	\$ 45,849,009	\$ 219,345,648	\$ 178,563,621
Capital assets, net	75,131,540	73,973,784	46,516,565	39,556,228	121,648,105	113,530,012
<b>Total assets</b>	<u>251,680,996</u>	<u>206,688,396</u>	<u>89,312,757</u>	<u>85,405,237</u>	<u>340,993,753</u>	<u>292,093,633</u>
<b>Deferred outflows of resources</b>	<u>10,781,661</u>	<u>19,112,103</u>	<u>-</u>	<u>-</u>	<u>10,781,661</u>	<u>19,112,103</u>
<b>Liabilities</b>						
Long-term liabilities	126,275,894	131,362,209	44,029,624	44,906,293	170,305,518	176,268,502
Other liabilities	49,586,108	47,583,923	6,205,439	5,634,258	55,791,547	53,218,181
<b>Total liabilities</b>	<u>175,862,002</u>	<u>178,946,132</u>	<u>50,235,063</u>	<u>50,540,551</u>	<u>226,097,065</u>	<u>229,486,683</u>
<b>Deferred inflows of resources</b>	<u>6,761,171</u>	<u>1,158,977</u>	<u>-</u>	<u>-</u>	<u>6,761,171</u>	<u>1,158,977</u>
<b>Net position</b>						
Net investment in capital assets	20,025,028	17,169,468	24,319,802	14,982,918	44,344,830	32,152,386
Restricted	61,966,916	36,692,157	-	-	61,966,916	36,692,157
Unrestricted (deficit)	(2,152,460)	(8,166,235)	14,757,892	19,881,768	12,605,432	11,715,533
<b>Total net position</b>	<u>\$ 79,839,484</u>	<u>\$ 45,695,390</u>	<u>\$ 39,077,694</u>	<u>\$ 34,864,686</u>	<u>\$ 118,917,178</u>	<u>\$ 80,560,076</u>

One of the largest portions of the County's net position, \$44,344,830 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, \$61,966,916 represents resources that are subject to external restrictions on how they may be used. This leaves an unrestricted net position of \$12,605,432.

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 \$43,834,844 due to the requirements of GASB 75 recording an OPEB asset of \$17,243,878. The County also issued bonds for the benefit of Saginaw County Road Commission. Unspent bond proceeds amounted to \$5,505,618 and a receivable was recorded for the total principal payments due from the Road Commission of \$9,035,000. The County also received additional amounts from the Opioid Settlement of \$2,013,111 and recorded an increase in the Opioid receivable of \$2,535,363 for the net present value of Opioid Settlement revenues. Other liabilities increased by \$2,002,185 due to recording a liability to the Other Postemployment Benefits fund of \$1,768,270 for 1/3 of the General Fund surplus per the County's Fund Balance Policy. Long-term liabilities decreased by \$5,086,315 due to the requirements of GASB Statement No. 68 and 75 recording net pension and OPEB liabilities (assets). In addition, deferred outflows of resources decreased by \$8,330,442 and deferred inflows of resources increased by \$5,602,194 due to the above pension and OPEB requirements.

## COUNTY OF SAGINAW, MICHIGAN

### Management's Discussion and Analysis

In business-type activities, current and other assets decreased by \$3,052,817 due to a one-time transfer of funds from the Delinquent Tax Fund to support the improvements at the DOW Event Center related to the Memorial Cup.

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 31,780,776	\$37,355,719	\$ 15,267,733	\$12,491,088	\$ 47,048,509	\$ 49,846,807
Operating grants and contributions	61,428,211	48,221,457	1,951,195	247,716	63,379,406	48,469,173
Capital grants and contributions	-	2,366	-	-	-	2,366
General revenues:						
Property taxes	63,739,007	60,177,556	2,648,967	2,480,960	66,387,974	62,658,516
Accommodations tax	3,865,833	3,755,353	-	-	3,865,833	3,755,353
Grants and contributions not restricted to specific programs	3,204,378	1,654,434	-	-	3,204,378	1,654,434
Investment income	4,759,082	2,007,598	1,433,320	935,523	6,192,402	2,943,121
<b>Total revenues</b>	<b>168,777,287</b>	<b>153,174,483</b>	<b>21,301,215</b>	<b>16,155,287</b>	<b>190,078,502</b>	<b>169,329,770</b>
<b>Expenses</b>						
Legislative	549,278	555,058	-	-	549,278	555,058
Judicial	16,459,279	18,061,887	-	-	16,459,279	18,061,887
General government	16,952,327	16,755,552	-	-	16,952,327	16,755,552
Public safety	39,425,244	37,547,778	-	-	39,425,244	37,547,778
Public works	6,975,419	928,640	-	-	6,975,419	928,640
Health and welfare	44,967,211	44,082,285	-	-	44,967,211	44,082,285
Community and economic development	3,849,107	3,950,809	-	-	3,849,107	3,950,809
Recreation and culture	3,269,037	3,079,785	-	-	3,269,037	3,079,785
Interest on long-term liabilities	2,819,334	2,921,487	-	-	2,819,334	2,921,487
Delinquent tax revolving	-	-	2,692,685	2,814,619	2,692,685	2,814,619
Delinquent tax foreclosure	-	-	1,717,754	1,312,566	1,717,754	1,312,566
Building Authority						
Event Center	-	-	10,295,805	6,703,572	10,295,805	6,703,572
Building Authority administration	-	-	26,493	123,937	26,493	123,937
Parking system	-	-	20,638	19,136	20,638	19,136
Harry W. Browne Airport	-	-	888,569	859,393	888,569	859,393
Inmate services	-	-	813,220	1,068,169	813,220	1,068,169
<b>Total expenses</b>	<b>135,266,236</b>	<b>127,883,281</b>	<b>16,455,164</b>	<b>12,901,392</b>	<b>151,721,400</b>	<b>140,784,673</b>
Change in net position before transfers	33,511,051	25,291,202	4,846,051	3,253,895	38,357,102	28,545,097
<b>Transfers</b>	<b>633,043</b>	<b>2,773,739</b>	<b>(633,043)</b>	<b>(2,773,739)</b>	<b>-</b>	<b>-</b>
Change in net position	34,144,094	28,064,941	4,213,008	480,156	38,357,102	28,545,097
Net position:						
Beginning of year	45,695,390	17,630,449	34,864,686	34,384,530	80,560,076	52,014,979
<b>End of year</b>	<b>\$ 79,839,484</b>	<b>\$ 45,695,390</b>	<b>\$ 39,077,694</b>	<b>\$ 34,864,686</b>	<b>\$ 118,917,178</b>	<b>\$ 80,560,076</b>

# COUNTY OF SAGINAW, MICHIGAN

## Management's Discussion and Analysis

**Governmental activities.** Governmental activities increased the County’s net position by \$34,144,094 as compared to an increase of \$28,064,941 in the previous year. Key elements of this increase over the prior year are as follows:

- Revenues from FY 2023 to FY 2024 showed an increase of \$15,602,804 (10.2 percent). This was mainly the result of decrease in charges for services in the amount of \$5,574,943 due to prior year activity relating to the sale of property. This decrease was offset by increases of \$13,206,754 in operating grants and contributions and \$3,561,451 in property taxes. These increases are due to recognition of revenue due from the Saginaw County Road Commission for their portion of debt issued on their behalf as well as increased property values. Investment income also increased \$2,751,484 due to the adjustment to fair market value of pooled cash investments.
- Expenses increased during the year as compared to the prior year by \$7,382,955 (5.8 percent). Public safety and public works increased from last year in the amounts of \$1,877,466 and \$6,046,779, respectively, due to an increase in American Rescue Plan Act spending as well as spending of bond proceeds issued on behalf of the Saginaw County Road Commission. These increases were offset by a decrease in judicial expenses of \$1,602,608 due to elimination of internal service funds net income (loss) at the government-wide level.

**Business-type activities.** Business-type activities increased the County’s net position by \$4,213,008 as compared to an increase of \$480,156 in the previous year. Key elements of this increase from the prior year are as follows:

- Revenues increased 31.9 percent, or \$5,145,928 mainly in the area of charges for services due to an increase in activity and events held at the DOW Event Center. Operating grants and contributions also increased significantly in the amount of \$1,703,479 due to recognition of federal revenue for a runway project at Harry W. Browne Airport.
- Expenses increased 27.5 percent, or \$3,553,772, mainly as a result of increased activity and events held at the DOW Event Center surrounding the Memorial Cup.
- Transfers netted to a decrease of \$2,140,696 or 77.2 percent. This is mainly the result of recording a transfer from the Public Improvement Fund of \$1,785,820 to support the improvements at the DOW Event Center in preparation for the Memorial Cup.

### 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 \$77,009,080, an increase of \$9,916,031 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
Prepays	142,141	-	142,141
Restricted	-	35,385,915	35,385,915
Committed	-	-	-
Assigned	34,335,226	-	34,335,226
Unassigned	6,709,408	-	6,709,408
<b>Total</b>	<b>\$ 41,623,165</b>	<b>\$ 35,385,915</b>	<b>\$ 77,009,080</b>

## COUNTY OF SAGINAW, MICHIGAN

### Management's Discussion and Analysis

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	\$ 406,889
Restricted	245,062
Assigned	16,138,661
Unassigned	<u>6,709,408</u>
Total	<u>\$ 23,500,020</u>

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 48 percent of total General Fund expenditures, while total fund balance represents 49 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
Ending fund balance	\$ 23,500,020	\$ 11,055,250	\$ 193,340	\$ 3,279,367	\$ 231,850
Net change in fund balance	1,768,271	1,518,210	(16,470)	2,014,111	179,168

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

- Property tax revenue increased \$1,544,168 (5.39 percent) due to an increase in taxable value of properties .
- State grant revenue increased \$1,224,672 (12.95%) due to the increase in State Shared revenues as well as reimbursement for election costs.
- Investment income increased \$1,662,778 (214.77%) due to the continual fluctuations in investments and recording investments at fair market value per GASB 72.
- Reimbursements decreased \$481,272 (10.68%) mainly due to the decrease in reimbursement of indirect costs allocated to other county departments in accordance with our Cost Allocation Plan.
- Expenditures increased a modest \$886,245 (1.88%) with the largest increase in general government mainly due to the transfer of 1/3 of the general fund surplus to the Other Postemployment Benefits Fund. This increase in general government was offset by decreases in several departments such as Corporate Counsel, County Clerk, Administrator's Office (formerly Controller) and County Treasurer.
- Transfers in remained steady from FY 2023 to FY 2024 with a slight increase of \$15,732 (0.28%).
- Transfers out increased \$1,139,290 (11.49%) mainly due to an increase in the transfer of funds to our Health Department in response to the increase in indirect cost allocation as well as the transfer to the Public Improvement Fund for 1/3 of the General Fund surplus per county policy.

The Health Department special revenue fund had an increase in fund balance of \$1,518,210, for an ending fund balance of \$11,055,250. 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 a decrease in fund balance of \$16,470, for an ending fund balance of \$193,340. This decrease was a result of using strategic planning monies to cover administrative charges in excess of the cap allowed by their various grants.

The Opioid Settlements special revenue fund had an increase of \$2,014,111 in fund balance, for an ending fund balance of \$3,279,367. 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 \$179,168 in fund balance, for an ending fund balance of \$231,850, which was due to interest earnings on unspent ARPA funds.

# COUNTY OF SAGINAW, MICHIGAN

## Management's Discussion and Analysis

The Road Debt (Act 51 Bonds) debt service fund had an ending fund balance of \$0. 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 vector 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	\$ 8,666,979	\$ 5,367,662	\$ 631,884	\$ 10,239,830
Increase (decrease) in net position	(2,387,950)	5,122,106	1,477,148	2,880,979

**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.

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.

The Delinquent Property Tax Foreclosure Fund accounts 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 as well as any proceeds from the sale of foreclosed properties.

**General Fund budgetary highlights.** The differences between the original budget and final amended budget for expenditures resulted in a 0.66 percent increase (\$325,315 increase in appropriations); whereas the difference between the original budget and final amended budget for revenues resulted in a 0.73 percent increase (\$380,114 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 Board of Commissioners approved a change to the step/level and an increase in compensation for several Probate Court employees resulting in an increase of \$25,852 offset with the use of fund balance.
- The Administrator (or acting Controller/CAO) approved the carry forward of several budgetary items previously approved in FY 2023 budget. These were \$19,450 for the recruitment of a new County Administrator, and \$2,835 for the purchase of a truck topper for the Medical Examiner's office, both offset with the use of fund balance. Additionally, \$164,792 was approved as carry forward for approved ARPA revenue replacement projects offset with an increase in federal revenue.
- The Board of Commissioners approved an increase in the Maintenance Department's budget of \$35,000 offset with the use of fund balance to assist with their relocation to the old Animal Control building located on Gratiot Road.
- The Board of Commissioners approved to create an Early Vote Center to be managed by the County Clerk with an estimated cost of \$528,876 with the understanding that these costs would be reimbursed by the cities, villages and townships within the County and the State of Michigan.

## COUNTY OF SAGINAW, MICHIGAN

### Management's Discussion and Analysis

- The Board of Commissioners approved various wage adjustment and retention payments to the Prosecutor's Office resulting in an increase to wages and fringes of an increase of \$215,900, offset by a increases in contractual revenue and use of fund balance.
- The Board of Commissioners approved the County's Cost Allocation and Information Technology Plans which affected multiple budgets resulting in a decrease in reimbursement revenue of \$626,753, an increase to the transfer out to the Health Department of \$199,148, and an increase in the use of fund balance of \$221,074.
- The Board of Commissioners approved the hiring of Gallagher, Inc. to complete a compensation study and perform a compensation plan update for \$79,950. Funds were moved between the Personnel budget and the Administrator's budget to cover these costs.

Overall during the year, actual General Fund revenues and expenditures were more than the amended budgetary estimates, resulting in an actual increase in fund balance of \$1,768,271 and the final amended budget amount was expected to be a decrease of \$523,160 in fund balance.

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 \$794,476 occurred due to conservative budgeting for this revenue combined with a larger than anticipated increase in overall taxable value.
- The unfavorable variance in Federal grant revenue of \$1,000,366 relates to delaying the recognition of American Rescue Plan Act funds earmarked for Revenue Replacement in order to evenly distribute these funds over the next two budget cycles and avoid a swing in revenue.
- The favorable variance of \$1,146,584 in State Grants relates to higher than anticipated State Shared Revenues.
- The favorable variance of \$2,236,947 in investment income occurred due to the recording of investments at fair market value to comply with GASB 72.
- The favorable variance for total judicial expenditures of \$789,387 relates to the staff retirements as well as the continued struggle of the Courts to maintain a full staffing complement.
- The unfavorable variance for the contributions to the postemployment health benefits trust fund included in general government of \$1,768,270 relates to application of County policy and transferring 1/3 of the General Fund surplus to the Other Postemployment Benefits fund. The County did not budget to have a surplus for FY 2024.
- The unfavorable variance for transfers out of \$1,569,753 relates to application of County policy and transferring 1/3 of the General Fund surplus to the Public Improvement fund. The County did not budget to have a surplus for FY 2024.

## COUNTY OF SAGINAW, MICHIGAN

### Management's Discussion and Analysis

**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, 2024 and September 30, 2023, along with the amount and percentage of increases and decreases in relation to the 2023 amounts:

	2024	2023	Variance from 2023	Percent Increase/ (Decrease)
Revenues	\$ 55,117,647	\$ 50,983,708	\$ 4,133,939	8.11%
Expenditures	(47,973,319)	(47,087,074)	(886,245)	1.88%
<b>Revenues over expenditures</b>	<u>7,144,328</u>	<u>3,896,634</u>	<u>3,247,694</u>	
<b>Other financing sources (uses)</b>				
Proceeds from issuance of bonds, notes and other long-term liabilities	-	355,865	(355,865)	100.00%
Transfers in	5,675,718	5,659,986	15,732	0.28%
Transfers out	(11,051,775)	(9,912,485)	(1,139,290)	11.49%
<b>Net change in fund balance</b>	1,768,271	-	1,768,271	
Fund balance, beginning of year	<u>21,731,749</u>	<u>21,731,749</u>	<u>-</u>	
<b>Fund balance, end of year</b>	<u>\$ 23,500,020</u>	<u>\$ 21,731,749</u>	<u>\$ 1,768,271</u>	8.14%

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

	Fund Balance Analysis			
	Nonspendable	Restricted	Assigned and Unassigned	Total Fund Balance
<b>Fund balance, beginning of year</b>	<u>\$ 429,908</u>	<u>\$ 231,767</u>	<u>\$ 21,070,074</u>	<u>\$ 21,731,749</u>
Fiscal year transactions:				
Excess revenue over (under) expenditures	(23,019)	13,295	7,154,052	7,144,328
Total other financing sources (uses)	-	-	(5,376,057)	(5,376,057)
Fiscal year net increase (decrease)	<u>(23,019)</u>	<u>13,295</u>	<u>1,777,995</u>	<u>1,768,271</u>
<b>Fund balance, end of year</b>	<u>\$ 406,889</u>	<u>\$ 245,062</u>	<u>\$ 22,848,069</u>	<u>\$ 23,500,020</u>

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 \$15,109,818 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 \$6,709,408 or 9.89 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 \$1,028,843 represents the budgeted use of fund balance for FY 2025.

**Fiduciary operations.** The fiduciary operations of the County include a postemployment health benefits 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.

## COUNTY OF SAGINAW, MICHIGAN

### Management's Discussion and Analysis

#### 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, 2024 amounted to \$121,648,105 (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 7.2 percent (a 1.6 percent increase for governmental activities and a 17.6 percent increase for business-type activities).

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

- Information Technology completed the Wi-Fi Installation project with costs totaling \$135,888.
- Additional improvements were completed at the DOW Event Center for parking center upgrades that totaled \$21,193. The DOW Event Center hosted the Memorial Cup in May 2024 and had construction costs totaling \$5,336,710. The County also had capital contributions to the Memorial Cup for a statue totaling \$241,779.
- Multiple departments purchased vehicles during fiscal year 2024 at a total cost of \$442,754. The Sheriff's department purchased eight (8) vehicles at a total cost of \$337,247 and a patrol boat for \$199,079. Parks and Recreation purchased a pick-up truck at a total cost of \$46,655. Mosquito Control purchased two (2) pick-up trucks at a total cost of \$58,852.
- Mosquito Control is relocating to a new building located at 705 N. Towerline Road with a purchase price of \$600,000. Construction costs totaled \$1,593,391 in fiscal year 2024 and final renovations to the new building were finished up in January 2025.
- Construction was done on the roof at 3333 Hospital Road for the Health Department totaling \$122,500. Multiple general improvements were done around the Courthouse totaling \$221,515 for outside repairs and improvements and \$160,129 towards the Inmate elevator.
- Property was purchased at Melbourne Rd for \$325,000 for a land swap land with the State of Michigan for improvements to the Bay/Zilwaukee Trailhead.
- Construction began at the Harry W. Browne Airport to rehabilitate the taxiway and reconstruction lighting totaling \$1,813,843.

## COUNTY OF SAGINAW, MICHIGAN

### Management's Discussion and Analysis

	Capital Assets (net of depreciation/amortization)					
	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	\$ 4,045,091	\$ 3,885,729	\$ 2,258,248	\$ 2,258,248	\$ 6,303,339	\$ 6,143,977
Air rights	-	-	238,854	238,854	238,854	238,854
Construction in progress	1,635,447	1,366,994	1,813,843	20,071,935	3,449,290	21,438,929
Land improvements	4,577,638	4,724,086	1,621,202	1,767,628	6,198,840	6,491,714
Buildings and improvements	56,934,407	55,896,728	36,854,312	11,371,651	93,788,719	67,268,379
Leased buildings	3,286,342	3,279,532	-	-	3,286,342	3,279,532
Machinery and equipment	2,711,961	2,576,471	626,638	618,960	3,338,599	3,195,431
Office furniture & fixtures	62,694	132,277	20,883	21,583	83,577	153,860
Planning and development	-	-	3,054,380	3,172,527	3,054,380	3,172,527
Vehicles	1,394,083	1,665,029	28,205	34,842	1,422,288	1,699,871
Subscription assets	483,877	446,938	-	-	483,877	446,938
<b>Total</b>	<b>\$ 75,131,540</b>	<b>\$ 73,973,784</b>	<b>\$ 46,516,565</b>	<b>\$ 39,556,228</b>	<b>\$ 121,648,105</b>	<b>\$ 113,530,012</b>

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 (less accrued compensated absences and bond premium) of \$162,197,183. Of this amount, \$128,017,082 comprises debt backed by the full faith and credit of the government and \$34,180,101 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	
	2024	2023	2024	2023
General obligation bonds	\$ 75,668,186	\$ 72,905,404	\$ 18,535,000	\$ 19,415,000
Installment purchase agreements	192,271	-	-	-
Delinquent tax notes	-	-	23,635,000	23,518,568
<b>Total</b>	<b>\$ 75,860,457</b>	<b>\$ 72,905,404</b>	<b>\$ 42,170,000</b>	<b>\$ 42,933,568</b>

	Outstanding Debt			
	Component Units		Totals	
	2024	2023	2024	2023
General obligation bonds	\$ 44,270,354	\$ 44,418,177	\$ 138,473,540	\$ 136,738,581
Delinquent tax notes	-	-	23,635,000	23,518,568
Finance purchase agreement	88,643	174,746	88,643	174,746
<b>Total</b>	<b>\$ 44,358,997</b>	<b>\$ 44,592,923</b>	<b>\$ 162,197,183</b>	<b>\$ 160,431,895</b>

# COUNTY OF SAGINAW, MICHIGAN

## Management's Discussion and Analysis

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:

	Amount	Issue	Rate
2024 Road Commission Project Bonds	9,035,000	5/1/2024	2.97%
Delinquent Tax General Obligation Notes, Series 2024	15,085,000	5/29/2024	5.30%
Eastwood Drain Bonds, Series 2023	910,000	10/4/2023	4.00%-5.00%
Savage Drain Bonds, Series 2023	2,420,000	10/4/2023	4.00%-5.00%
Little Eagle Creek Drain Notes, Series 2023	208,000	10/10/2023	5.00%
Smith Drain Bonds, Series 2024	177,000	2/21/2024	4.95%

The County's total debt increased by \$1,765,288 (1.1 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 \$872,376,250, 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 2025 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 6.52 percent for fiscal 2025.+E417:Q419
- **Wages and Fringe Benefits** – The County's authorized staff count saw an increase from 2024 to 2025 with the addition of 8.50 F.T.E.'s for a total of 602.72 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 2025 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 \$12,000 to \$10,000 per FTE. Contributions to the MERS DB unfunded liability were budgeted using 32% of budgeted wages for 2025 which is an increase of 1.50% from the 2024 budget (which was budgeted using 30.5% 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 2025 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 \$944,900 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 in FY 2025 and 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.

## COUNTY OF SAGINAW, MICHIGAN

### Management's Discussion and Analysis

- The FY 2025 budget confirms the Board of Commissioner's priorities set during their FY 2019 Strategic Planning Sessions. The Board identified three (2) Vision/Priorities Categories: Quality of Life, Accessibility of Services and Revenue/Cost Control/Efficiency. Within these categories, the Board has identified the following priorities: competitive pay system; construction of a modern, more efficient jail; construction of a "stat of the arts" animal shelter; enhancing senior services; improving technology; enhancing preventative health services; job creation and business expansion; and crime reduction. These priorities were reviewed during the FY 2025 budget process and will impact future budget cycles in various ways including where the Board prioritizes departmental budget requests. Additionally, the Board of Commissioners will continue to review and update these priorities as necessary.
- 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**

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**COUNTY OF SAGINAW, MICHIGAN**

**Statement of Net Position**

September 30, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and investment pool	\$ 93,326,086	\$ 23,509,654	\$ 116,835,740	\$ 22,901,113
Restricted cash	26,280,918	-	26,280,918	-
Receivables, net	38,730,135	19,063,977	57,794,112	50,937,397
Internal balances	(91,367)	91,367	-	-
Inventory	-	102,528	102,528	1,529,119
Prepays	659,806	28,666	688,472	291,337
Advances to component unit	400,000	-	400,000	-
Advance to land bank	-	-	-	393,550
Net OPEB asset	17,243,878	-	17,243,878	-
Capital assets:				
Not being depreciated/amortized	5,680,538	4,310,945	9,991,483	58,481,568
Being depreciated/amortized, net	69,451,002	42,205,620	111,656,622	217,797,166
<b>Total assets</b>	<b>251,680,996</b>	<b>89,312,757</b>	<b>340,993,753</b>	<b>352,331,250</b>
<b>Deferred outflows of resources</b>				
Deferred pension amounts	10,176,255	-	10,176,255	1,825,871
Deferred OPEB amounts	605,406	-	605,406	69,380
<b>Total deferred outflows of resources</b>	<b>10,781,661</b>	<b>-</b>	<b>10,781,661</b>	<b>1,895,251</b>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	19,767,217	4,643,657	24,410,874	2,168,602
Unearned revenue	29,818,891	253,082	30,071,973	1,000,000
Advances from primary government	-	-	-	400,000
Advance from brownfield redevelopment	-	-	-	393,550
Bonds, notes and other long-term liabilities:				
Due within one year	10,283,857	9,527,959	19,811,816	4,419,338
Due in more than one year	75,462,400	34,501,665	109,964,065	40,803,329
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	-	1,144,600	1,144,600	-
Net pension liability, due in more than one year	40,529,637	-	40,529,637	14,764,048
Net OPEB liability, due in more than one year	-	-	-	9,129,865
<b>Total liabilities</b>	<b>175,862,002</b>	<b>50,235,063</b>	<b>226,097,065</b>	<b>73,078,732</b>
<b>Deferred inflows of resources</b>				
Deferred pension amounts	-	-	-	705,587
Deferred OPEB amounts	5,945,699	-	5,945,699	17,685
Deferred lease amounts	815,472	-	815,472	-
<b>Total deferred inflows of resources</b>	<b>6,761,171</b>	<b>-</b>	<b>6,761,171</b>	<b>723,272</b>
<b>Net position</b>				
Net investment in capital assets	20,025,028	24,319,802	44,344,830	241,230,405
Restricted for:				
Other postemployment health benefits	17,243,878	-	17,243,878	-
Public improvement	5,563,370	-	5,563,370	-
Road construction	3,786,998	-	3,786,998	-
Drain projects	-	-	-	10,905,607
Debt service	2,442,126	-	2,442,126	36,258,901
Capital projects	-	-	-	307,615
Public safety	4,959,356	-	4,959,356	-
Health and welfare	12,742,653	-	12,742,653	-
Recreation	1,716,836	-	1,716,836	-
Community and economic development	1,775,435	-	1,775,435	-
Opioid remediation	10,069,199	-	10,069,199	-
Other	1,667,065	-	1,667,065	-
Unrestricted (deficit)	(2,152,460)	14,757,892	12,605,432	(8,278,031)
<b>Total net position</b>	<b>\$ 79,839,484</b>	<b>\$ 39,077,694</b>	<b>\$ 118,917,178</b>	<b>\$ 280,424,497</b>

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

**COUNTY OF SAGINAW, MICHIGAN**

**Statement of Activities**

For the Year Ended September 30, 2024

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government</b>						
Governmental activities:						
Legislative	\$ 547,593	\$ 1,685	\$ -	\$ -	\$ -	\$ (549,278)
Judicial	16,185,096	274,183	2,562,775	5,831,980	-	(8,064,524)
General government	19,936,012	(2,983,685)	9,149,542	10,758,708	-	2,955,923
Public safety	38,540,903	884,341	12,579,336	9,094,178	-	(17,751,730)
Public works	6,971,334	4,085	717,870	9,035,000	-	2,777,451
Health and welfare	43,529,043	1,438,168	6,626,815	26,338,312	-	(12,002,084)
Community and economic development	3,759,569	89,538	1,211	51,949	-	(3,795,947)
Recreation and culture	2,992,636	276,401	143,227	318,084	-	(2,807,726)
Interest on long-term liabilities	2,819,334	-	-	-	-	(2,819,334)
<b>Total governmental activities</b>	<b>135,281,520</b>	<b>(15,284)</b>	<b>31,780,776</b>	<b>61,428,211</b>	<b>-</b>	<b>(42,057,249)</b>
Business-type activities:						
Delinquent tax revolving	2,692,685	-	4,590,914	-	-	1,898,229
Delinquent tax foreclosure	1,717,754	-	1,141,025	-	-	(576,729)
Building Authority Event Center	10,295,802	3	7,573,513	130,208	-	(2,592,084)
Building Authority administration	26,493	-	18,818	-	-	(7,675)
Parking system	20,659	(21)	45,634	-	-	24,996
Harry W. Browne Airport	888,256	313	665,029	1,820,987	-	1,597,447
Inmate services	798,231	14,989	1,232,800	-	-	419,580
<b>Total business-type activities</b>	<b>16,439,880</b>	<b>15,284</b>	<b>15,267,733</b>	<b>1,951,195</b>	<b>-</b>	<b>763,764</b>
<b>Total primary government</b>	<b>\$ 151,721,400</b>	<b>\$ -</b>	<b>\$ 47,048,509</b>	<b>\$ 63,379,406</b>	<b>\$ -</b>	<b>\$ (41,293,485)</b>
<b>Component units</b>						
Road Commission	\$ 28,246,746	\$ -	\$ 142,912	\$ 36,729,754	\$ -	\$ 8,625,920
Brownfield Redevelopment Authority	83,348	-	-	81,780	-	(1,568)
Department of Public Works	2,529,708	-	186,834	-	496,163	(1,846,711)
Drain Commission	4,940,449	-	-	842,625	7,448,016	3,350,192
Economic Development Corporation	20,249	-	22,261	-	-	2,012
Land Bank Authority	2,708,128	-	-	1,135,554	228,500	(1,344,074)
<b>Total component units</b>	<b>\$ 38,528,628</b>	<b>\$ -</b>	<b>\$ 352,007</b>	<b>\$ 38,789,713</b>	<b>\$ 8,172,679</b>	<b>\$ 8,785,771</b>

continued...

**COUNTY OF SAGINAW, MICHIGAN**

**Statement of Activities**

For the Year Ended September 30, 2024

Functions/Programs	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Change in net position</b>				
Net (expense) revenue	\$ (42,057,249)	\$ 763,764	\$ (41,293,485)	\$ 8,785,771
General revenues:				
Property taxes	63,739,007	2,648,967	66,387,974	11,325
Accommodations tax	3,865,833	-	3,865,833	-
Grants and contributions not restricted to specific program:	3,204,378	-	3,204,378	-
Investment income	4,759,082	1,433,320	6,192,402	566,246
Transfers - internal activities	633,043	(633,043)	-	-
Total general revenues and transfers	76,201,343	3,449,244	79,650,587	577,571
<b>Change in net position</b>	34,144,094	4,213,008	38,357,102	9,363,342
Net position, beginning of year	45,695,390	34,864,686	80,560,076	271,061,155
<b>Net position, end of year</b>	<u>\$ 79,839,484</u>	<u>\$ 39,077,694</u>	<u>\$ 118,917,178</u>	<u>\$ 280,424,497</u>

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, 2024

	Special Revenue Funds				
	General	Health Department	Michigan Works!	Opioid Settlements	American Rescue Plan Act
<b>Assets</b>					
Cash and investment pool	\$ 21,870,218	\$ 15,049,464	\$ 1,411,583	\$ 3,278,367	\$ -
Restricted cash	-	-	-	-	26,280,918
Receivables:					
Taxes	6,755,069	8,828	-	-	-
Accounts	1,431,289	316,651	53,355	6,790,832	-
Loans	-	-	-	-	-
Installment sales agreement	-	-	-	-	-
Leases	570,075	-	-	-	-
Due from other governmental units	1,343,806	90,633	813,542	-	-
Due from other funds	-	-	-	-	-
Advances to component units	400,000	-	-	-	-
Prepays	6,889	5,713	71,658	-	-
<b>Total assets</b>	<b>\$ 32,377,346</b>	<b>\$ 15,471,289</b>	<b>\$ 2,350,138</b>	<b>\$ 10,069,199</b>	<b>\$ 26,280,918</b>
<b>Liabilities</b>					
Accounts payable	\$ 2,483,273	\$ 719,263	\$ 1,608,621	\$ -	\$ 138,727
Accrued liabilities	840,683	176,739	33,130	-	2,364
Checks issued in excess of pooled cash	-	-	-	-	-
Due to other funds	1,768,270	-	-	-	-
Due to other governmental units	5,681	2,189,041	464,300	-	-
Deposits payable	-	29,094	-	-	-
Unearned revenue	394,191	1,293,074	50,747	-	25,907,977
<b>Total liabilities</b>	<b>5,492,098</b>	<b>4,407,211</b>	<b>2,156,798</b>	<b>-</b>	<b>26,049,068</b>
<b>Deferred inflows of resources</b>					
Unavailable revenue:					
Property taxes	2,851,050	8,828	-	-	-
Long-term receivables	-	-	-	6,789,832	-
Deferred lease amounts	534,178	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>3,385,228</b>	<b>8,828</b>	<b>-</b>	<b>6,789,832</b>	<b>-</b>
<b>Fund balances</b>					
Nonspendable	406,889	5,713	71,658	-	-
Restricted	245,062	-	-	3,279,367	-
Assigned	16,138,661	11,049,537	121,682	-	231,850
Unassigned	6,709,408	-	-	-	-
<b>Total fund balances</b>	<b>23,500,020</b>	<b>11,055,250</b>	<b>193,340</b>	<b>3,279,367</b>	<b>231,850</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 32,377,346</b>	<b>\$ 15,471,289</b>	<b>\$ 2,350,138</b>	<b>\$ 10,069,199</b>	<b>\$ 26,280,918</b>

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

Road Debt (Act 51 Bonds) Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 38,917,747	\$ 80,527,379
-	-	26,280,918
-	270,084	7,033,981
-	3,067,859	11,659,986
-	1,892,061	1,892,061
-	2,380,799	2,380,799
-	301,937	872,012
9,035,000	3,075,634	14,358,615
-	1,768,270	1,768,270
-	-	400,000
-	57,881	142,141
<u>\$ 9,035,000</u>	<u>\$ 51,732,272</u>	<u>\$ 147,316,162</u>
\$ -	\$ 4,920,959	\$ 9,870,843
-	690,737	1,743,653
-	241,561	241,561
-	-	1,768,270
-	388,243	3,047,265
-	4,630	33,724
-	2,172,902	29,818,891
-	8,419,032	46,524,207
-	198,865	3,058,743
9,035,000	4,083,828	19,908,660
-	281,294	815,472
<u>9,035,000</u>	<u>4,563,987</u>	<u>23,782,875</u>
-	94,271	578,531
-	31,861,486	35,385,915
-	6,793,496	34,335,226
-	-	6,709,408
-	38,749,253	77,009,080
<u>\$ 9,035,000</u>	<u>\$ 51,732,272</u>	<u>\$ 147,316,162</u>

## COUNTY OF SAGINAW, MICHIGAN

### Reconciliation

Fund Balances for Governmental Funds  
To Net Position of Governmental Activities  
September 30, 2024

<b>Fund balances - total governmental funds</b>	\$ 77,009,080
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	5,680,538
Capital assets, being depreciated/amortized	69,451,002
Less: Internal service fund capital assets, net	(1,462,903)
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 for long-term receivables and unavailable property tax revenue	22,967,403
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	(40,529,637)
Deferred outflows related to the net pension liability	10,176,255
Net OPEB asset	17,243,878
Deferred outflows related to the net OPEB asset	605,406
Deferred inflows related to the net OPEB liability asset	(5,945,699)
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	11,702,733
Portion of the governmental activity's internal service fund net position allocated to business-type activities	(91,367)
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	(79,527,341)
Premium on bond issuance	(4,390,112)
Accrued interest on bonds payable	(1,304,185)
Accrued compensated absences	(1,745,567)
<b>Net position of governmental activities</b>	<u>\$ 79,839,484</u>

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, 2024

	Special Revenue Funds				
	General	Health Department	Michigan Works!	Opioid Settlements	American Rescue Plan Act
<b>Revenues</b>					
Property taxes	\$ 30,212,292	\$ 2,821,081	\$ -	\$ -	\$ -
Accommodations tax	-	-	-	-	-
Licenses and permits	112,758	541,293	-	-	-
Federal grants	1,953,402	4,161,265	9,034,705	-	2,403,692
State grants	10,681,070	2,599,346	2,175,652	-	-
Local grants and contributions	6,500	623,767	-	-	-
Charges for services	5,238,067	679,228	17,948	-	-
Fines and forfeitures	379,021	-	-	-	-
Investment income	2,436,997	447,497	9,262	28,380	179,169
Rental revenue	-	-	-	-	-
Donations	-	616	138,126	-	-
Reimbursements	4,023,037	2,457,958	2,051,689	1,000	-
Other revenue	74,503	432,713	-	1,984,731	-
<b>Total revenues</b>	<b>55,117,647</b>	<b>14,764,764</b>	<b>13,427,382</b>	<b>2,014,111</b>	<b>2,582,861</b>
<b>Expenditures</b>					
Current:					
Legislative	655,165	-	-	-	-
Judicial	15,332,798	-	-	-	-
General government	18,805,435	-	-	-	-
Public safety	10,346,458	-	-	-	2,403,693
Public works	279,684	-	-	-	-
Health and welfare	2,142,620	15,025,659	12,549,637	-	-
Community and economic development	250,000	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	30,870	20,044	884,064	-	-
Debt service:					
Principal	122,125	-	838,875	-	-
Interest and fiscal charges	8,164	-	55,340	-	-
<b>Total expenditures</b>	<b>47,973,319</b>	<b>15,045,703</b>	<b>14,327,916</b>	<b>-</b>	<b>2,403,693</b>
Revenues over (under) expenditures	7,144,328	(280,939)	(900,534)	2,014,111	179,168
<b>Other financing sources (uses)</b>					
Proceeds from issuance of bonds, notes and other long-term liabilities	-	-	884,064	-	-
Premium on issuance of bonds, notes and other long-term liabilities	-	-	-	-	-
Transfers in	5,675,718	1,799,149	-	-	-
Transfers out	(11,051,775)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(5,376,057)</b>	<b>1,799,149</b>	<b>884,064</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>1,768,271</b>	<b>1,518,210</b>	<b>(16,470)</b>	<b>2,014,111</b>	<b>179,168</b>
Fund balances, beginning of year as previously reported	21,731,749	9,537,040	209,810	-	52,682
Change within financial reporting entity (nonmajor to major fund)	-	-	-	1,265,256	-
Fund balances, beginning of year as adjusted	21,731,749	9,537,040	209,810	1,265,256	52,682
<b>Fund balances, end of year</b>	<b>\$ 23,500,020</b>	<b>\$ 11,055,250</b>	<b>\$ 193,340</b>	<b>\$ 3,279,367</b>	<b>\$ 231,850</b>

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

Road Debt (Act 51 Bonds) Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 30,322,121	\$ 63,355,494
-	3,865,833	3,865,833
-	111,166	765,217
-	5,821,450	23,374,514
-	14,454,972	29,911,040
-	1,175,212	1,805,479
-	7,415,296	13,350,539
-	41,345	420,366
-	1,353,781	4,455,086
-	197,955	197,955
-	323,611	462,353
500	6,514,108	15,048,292
-	82,204	2,574,151
500	71,679,054	159,586,319
-	-	655,165
-	6,030,365	21,363,163
-	948,675	19,754,110
-	28,454,372	41,204,523
-	6,747,604	7,027,288
-	19,015,768	48,733,684
-	3,912,936	4,162,936
-	3,158,881	3,158,881
-	5,402,125	6,337,103
-	6,487,445	7,448,445
500	3,056,409	3,120,413
500	83,214,580	162,965,711
-	(11,535,526)	(3,379,392)
-	9,547,137	10,431,201
-	1,012,339	1,012,339
-	11,359,389	18,834,256
-	(5,930,598)	(16,982,373)
-	15,988,267	13,295,423
-	4,452,741	9,916,031
-	35,561,768	67,093,049
-	(1,265,256)	-
-	34,296,512	67,093,049
\$ -	\$ 38,749,253	\$ 77,009,080

**COUNTY OF SAGINAW, MICHIGAN**

**Reconciliation**

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

**Net change in fund balances - total governmental funds** \$ 9,916,031

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	5,386,718
Loss on disposal of capital assets	(197,370)
Depreciation/amortization expense	(3,894,417)

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 related to unavailable property tax revenue	383,513
Change in deferred inflows related to long-term installment sales agreement receivable	(89,005)
Change in deferred inflows related to long-term loans receivable	8,991,150
Change in deferred inflows related to long-term opioid receivable	2,534,363

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	(10,431,201)
Premium on bonds, notes and other long-term liabilities	(1,012,339)
Principal payments on bonds, notes and other long-term liabilities	7,448,445
Change in accrued interest payable and amortization of bond premium	246,036

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	2,099,443
Change in net other postemployment benefit liability (asset) and related deferred amounts	9,836,325
Change in accrued compensated absences	47,127

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	2,880,979
Operating income from governmental activities in internal service funds charged to business-type activities	(1,704)

**Change in net position of governmental activities** \$ 34,144,094

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 - General Fund  
For the Year Ended September 30, 2024

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Actual Over (Under) Final Budget</b>
<b>Revenues</b>				
Property taxes	\$ 29,417,816	\$ 29,417,816	\$ 30,212,292	\$ 794,476
Licenses and permits	156,500	156,500	112,758	(43,742)
Federal grants	2,840,777	2,953,768	1,953,402	(1,000,366)
State grants	9,534,486	9,534,486	10,681,070	1,146,584
Local grants and contributions	6,500	6,500	6,500	-
Charges for services	5,099,553	5,279,553	5,238,067	(41,486)
Fines and forfeitures	335,500	335,500	379,021	43,521
Investment income	200,050	200,050	2,436,997	2,236,947
Reimbursements	4,432,136	4,519,259	4,023,037	(496,222)
Other revenue	57,721	57,721	74,503	16,782
<b>Total revenues</b>	<b>52,081,039</b>	<b>52,461,153</b>	<b>55,117,647</b>	<b>2,656,494</b>
<b>Expenditures</b>				
<b>Current:</b>				
Legislative - Board of Commissioners	682,488	682,929	655,165	(27,764)
<b>Judicial:</b>				
Circuit Court	3,916,438	3,784,523	3,670,545	(113,978)
District Court	5,924,351	5,881,302	5,453,065	(428,237)
Probate Court	1,402,983	1,399,433	1,374,430	(25,003)
Law Library	57,500	13,500	-	(13,500)
Family Division	3,144,926	3,044,564	2,882,185	(162,379)
Probation - Circuit Court	67,480	74,480	71,135	(3,345)
Probation - District Court	1,017,439	999,220	956,275	(42,945)
Assigned Counsel	924,855	924,855	924,855	-
Jury Commission	300	308	308	-
<b>Total judicial</b>	<b>16,456,272</b>	<b>16,122,185</b>	<b>15,332,798</b>	<b>(789,387)</b>
<b>General government:</b>				
Elections	367,477	358,277	245,446	(112,831)
Auditing	131,500	145,850	143,850	(2,000)
Corporate Counsel	216,291	216,291	166,462	(49,829)
County Clerk	1,953,832	1,895,207	1,766,541	(128,666)
Administrator	2,172,405	2,305,104	2,066,823	(238,281)
Equalization	850,479	861,788	841,019	(20,769)
Prosecuting Attorney	5,234,417	5,326,631	4,942,861	(383,770)
Prosecuting Attorney - Welfare	868,758	783,992	783,297	(695)
Register of Deeds	851,494	843,539	768,263	(75,276)
County Treasurer	1,132,661	1,074,604	1,011,663	(62,941)
Maintenance	3,441,918	4,023,395	3,452,800	(570,595)
Maintenance - Telephone	62,000	63,313	62,247	(1,066)
Public Works Commissioner	641,900	644,726	610,538	(34,188)
Contributions to postemployment health benefits trust fund	-	-	1,768,270	1,768,270
Contributions to other agencies	176,100	176,100	175,355	(745)
<b>Total general government</b>	<b>18,101,232</b>	<b>18,718,817</b>	<b>18,805,435</b>	<b>86,618</b>

continued...

**COUNTY OF SAGINAW, MICHIGAN**

**Statement of Revenues, Expenditures and Changes in Fund Balance**  
 Budget and Actual - General Fund  
 For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Expenditures (continued):</b>				
Current (continued):				
Public safety:				
Sheriff	\$ 955,202	\$ 903,564	\$ 877,806	\$ (25,758)
Marine Law Enforcement	3,555	7,700	7,011	(689)
Sheriff - Jail Division	9,667,096	9,647,306	9,403,991	(243,315)
Corrections Reimbursement	72,927	58,901	57,650	(1,251)
Total public safety	<u>10,698,780</u>	<u>10,617,471</u>	<u>10,346,458</u>	<u>(271,013)</u>
Public works - Drains	350,000	348,687	279,684	(69,003)
Health and welfare:				
Medical Examiner	1,557,846	1,561,944	1,346,456	(215,488)
Veterans Burial	27,500	27,500	17,203	(10,297)
Contributions to other agencies	778,961	778,961	778,961	-
Total health and welfare	<u>2,364,307</u>	<u>2,368,405</u>	<u>2,142,620</u>	<u>(225,785)</u>
Community and economic development:				
Plat Board	300	300	-	(300)
Contributions to other agencies	250,000	250,000	250,000	-
Total community and economic development	<u>250,300</u>	<u>250,300</u>	<u>250,000</u>	<u>(300)</u>
Capital outlay	40,000	79,000	30,870	(48,130)
Debt service:				
Principal	-	72,200	122,125	49,925
Interest and fiscal charges	-	8,700	8,164	(536)
Total debt service	<u>-</u>	<u>80,900</u>	<u>130,289</u>	<u>49,389</u>
<b>Total expenditures</b>	<u>48,943,379</u>	<u>49,268,694</u>	<u>47,973,319</u>	<u>(1,295,375)</u>
Revenues over expenditures	<u>3,137,660</u>	<u>3,192,459</u>	<u>7,144,328</u>	<u>3,951,869</u>
<b>Other financing sources (uses)</b>				
Transfers in	5,766,403	5,766,403	5,675,718	(90,685)
Transfers out	(9,281,631)	(9,482,022)	(11,051,775)	1,569,753
<b>Total other financing sources (uses)</b>	<u>(3,515,228)</u>	<u>(3,715,619)</u>	<u>(5,376,057)</u>	<u>1,660,438</u>
<b>Net change in fund balance</b>	(377,568)	(523,160)	1,768,271	2,291,431
Fund balance, beginning of year	<u>21,731,749</u>	<u>21,731,749</u>	<u>21,731,749</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 21,354,181</u>	<u>\$ 21,208,589</u>	<u>\$ 23,500,020</u>	<u>\$ 2,291,431</u>

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, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Property taxes	\$ 2,803,929	\$ 2,803,929	\$ 2,821,081	\$ 17,152
Licenses and permits	505,300	505,300	541,293	35,993
Federal grants	3,713,026	4,474,937	4,161,265	(313,672)
State grants	2,936,006	3,305,006	2,599,346	(705,660)
Local grants and contributions	604,420	758,395	623,767	(134,628)
Charges for services	734,300	734,300	679,228	(55,072)
Investment income	-	-	447,497	447,497
Donations	1,600	1,600	616	(984)
Reimbursements	2,863,304	2,863,304	2,457,958	(405,346)
Other revenue	611,496	611,496	432,713	(178,783)
<b>Total revenues</b>	<b>14,773,381</b>	<b>16,058,267</b>	<b>14,764,764</b>	<b>(1,293,503)</b>
<b>Expenditures</b>				
Current:				
Health and welfare	17,890,438	19,132,196	15,025,659	(4,106,537)
Capital outlay	-	12,000	20,044	8,044
<b>Total expenditures</b>	<b>17,890,438</b>	<b>19,144,196</b>	<b>15,045,703</b>	<b>(4,098,493)</b>
Revenues over (under) expenditures	(3,117,057)	(3,085,929)	(280,939)	2,804,990
<b>Other financing sources (uses)</b>				
Transfers in	1,600,000	1,799,149	1,799,149	-
<b>Net change in fund balance</b>	<b>(1,517,057)</b>	<b>(1,286,780)</b>	<b>1,518,210</b>	<b>2,804,990</b>
Fund balance, beginning of year	9,537,040	9,537,040	9,537,040	-
<b>Fund balance, end of year</b>	<b>\$ 8,019,983</b>	<b>\$ 8,250,260</b>	<b>\$ 11,055,250</b>	<b>\$ 2,804,990</b>

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 - Michigan Works! Special Revenue Fund  
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Federal grants	\$ 10,690,083	\$ 14,607,159	\$ 9,034,705	\$ (5,572,454)
State grants	2,057,674	5,437,041	2,175,652	(3,261,389)
Charges for services	-	36,134	17,948	(18,186)
Rental revenue	8,476	8,476	-	(8,476)
Investment income	-	-	9,262	9,262
Donations	-	169,939	138,126	(31,813)
Reimbursements	2,341,360	2,199,754	2,051,689	(148,065)
<b>Total revenues</b>	<u>15,097,593</u>	<u>22,458,503</u>	<u>13,427,382</u>	<u>(9,031,121)</u>
<b>Expenditures</b>				
Current:				
Health and welfare	<u>15,097,593</u>	<u>21,563,836</u>	<u>12,549,637</u>	<u>(9,014,199)</u>
Capital outlay	<u>-</u>	<u>884,358</u>	<u>884,064</u>	<u>(294)</u>
Debt service:				
Principal	-	839,319	838,875	(444)
Interest and fiscal charges	-	55,348	55,340	(8)
Total debt service	<u>-</u>	<u>894,667</u>	<u>894,215</u>	<u>(452)</u>
<b>Total expenditures</b>	<u>15,097,593</u>	<u>23,342,861</u>	<u>14,327,916</u>	<u>(9,014,945)</u>
Revenues over (under) expenditures	-	(884,358)	(900,534)	(16,176)
<b>Other financing sources</b>				
Proceeds from issuance of bonds, notes and other long-term liabilities	<u>-</u>	<u>884,358</u>	<u>884,064</u>	<u>(294)</u>
<b>Net change in fund balance</b>	-	-	(16,470)	(16,470)
Fund balance, beginning of year	<u>209,810</u>	<u>209,810</u>	<u>209,810</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 209,810</u>	<u>\$ 209,810</u>	<u>\$ 193,340</u>	<u>\$ (16,470)</u>

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 - Opioid Settlements Special Revenue Fund

For the Year Ended September 30, 2024

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Actual Over (Under) Final Budget</b>
<b>Revenues</b>				
Investment income (loss)	\$ -	\$ -	\$ 28,380	\$ 28,380
Reimbursements	-	-	1,000	1,000
Other revenue	-	130,000	1,984,731	1,854,731
<b>Total revenues</b>	-	130,000	2,014,111	1,884,111
Fund balance, beginning of year	1,265,256	1,265,256	1,265,256	-
<b>Fund balance, end of year</b>	<u>\$ 1,265,256</u>	<u>\$ 1,395,256</u>	<u>\$ 3,279,367</u>	<u>\$ 1,884,111</u>

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 - American Rescue Plan Act Special Revenue Fund

For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>				
Federal grants	\$ 633,578	\$ 9,818,095	\$ 2,403,692	\$ (7,414,403)
Investment income (loss)	-	-	179,169	179,169
<b>Total revenues</b>	633,578	9,818,095	2,582,861	(7,235,234)
<b>Expenditures</b>				
Public safety	633,578	9,818,095	2,403,693	(7,414,402)
<b>Net change in fund balance</b>	-	-	179,168	179,168
Fund balance, beginning of year	52,682	52,682	52,682	-
<b>Fund balance, end of year</b>	<u>\$ 52,682</u>	<u>\$ 52,682</u>	<u>\$ 231,850</u>	<u>\$ 179,168</u>

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

# COUNTY OF SAGINAW, MICHIGAN

## Statement of Net Position

Proprietary Funds  
September 30, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Assets</b>					
Current assets:					
Cash and investment pool	\$ 13,570,695	\$ 8,401,299	\$ 1,537,660	\$ 23,509,654	\$ 13,040,268
Receivables, net:					
Taxes	14,224,999	18,483	-	14,243,482	-
Accounts	2,025,413	82,276	133,245	2,240,934	532,681
Interest and fees	2,547,561	-	-	2,547,561	-
Due from other governmental units	-	-	32,000	32,000	-
Inventory	-	70,186	32,342	102,528	-
Prepays	-	14,903	13,763	28,666	517,665
<b>Total current assets</b>	<b>32,368,668</b>	<b>8,587,147</b>	<b>1,749,010</b>	<b>42,704,825</b>	<b>14,090,614</b>
Noncurrent assets:					
Capital assets not being depreciated	-	1,223,614	3,087,331	4,310,945	-
Capital assets being depreciated, net	-	38,441,942	3,763,678	42,205,620	1,462,903
<b>Total noncurrent assets</b>	<b>-</b>	<b>39,665,556</b>	<b>6,851,009</b>	<b>46,516,565</b>	<b>1,462,903</b>
<b>Total assets</b>	<b>32,368,668</b>	<b>48,252,703</b>	<b>8,600,019</b>	<b>89,221,390</b>	<b>15,553,517</b>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	58,379	1,911,280	1,063,034	3,032,693	342,760
Accrued liabilities	8,310	325,914	10,524	344,748	3,424,787
Deposits payable	-	1,227,467	38,749	1,266,216	-
Unearned revenue	-	253,082	-	253,082	-
Accrued compensated absences	-	-	4,819	4,819	-
Current portion due to Saginaw Hockey Club, LLC	-	164,100	-	164,100	-
Current portion of notes payable	8,550,000	-	-	8,550,000	-
Current portion of bonds payable	-	973,140	-	973,140	-
<b>Total current liabilities</b>	<b>8,616,689</b>	<b>4,854,983</b>	<b>1,117,126</b>	<b>14,588,798</b>	<b>3,767,547</b>
Noncurrent liabilities:					
Due to Saginaw Hockey Club, LLC	-	1,144,600	-	1,144,600	-
Accrued compensated absences	-	-	-	-	83,237
Notes payable, net of current portion	15,085,000	-	-	15,085,000	-
Bonds payable, net of current portion	-	19,416,665	-	19,416,665	-
<b>Total noncurrent liabilities</b>	<b>15,085,000</b>	<b>20,561,265</b>	<b>-</b>	<b>35,646,265</b>	<b>83,237</b>
<b>Total liabilities</b>	<b>23,701,689</b>	<b>25,416,248</b>	<b>1,117,126</b>	<b>50,235,063</b>	<b>3,850,784</b>
<b>Net position</b>					
Net investment in capital assets	-	17,468,793	6,851,009	24,319,802	1,462,903
Unrestricted	8,666,979	5,367,662	631,884	14,666,525	10,239,830
<b>Total net position</b>	<b>\$ 8,666,979</b>	<b>\$ 22,836,455</b>	<b>\$ 7,482,893</b>	<b>38,986,327</b>	<b>\$ 11,702,733</b>
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities				91,367	
<b>Net position of business-type activities</b>				<b>\$ 39,077,694</b>	

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, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Operating revenues</b>					
Charges for services	\$ 257,369	\$ 6,185,632	\$ 2,893,715	\$ 9,336,716	\$ 232,898
Interest on delinquent taxes	2,584,886	-	1,186	2,586,072	-
Fines and forfeitures	-	-	165	165	-
Rental revenue	-	-	110,166	110,166	395,009
Reimbursements	-	-	90,074	90,074	27,380,321
Other revenue	1,748,659	1,387,881	8,000	3,144,540	127,382
<b>Total operating revenues</b>	<b>4,590,914</b>	<b>7,573,513</b>	<b>3,103,306</b>	<b>15,267,733</b>	<b>28,135,610</b>
<b>Operating expenses</b>					
Personnel services	-	2,243,625	3,041	2,246,666	1,090,505
Fringe benefits	-	-	-	-	18,342,686
Supplies	-	959,801	531,560	1,491,361	286,453
Services and charges	2,683,529	2,822,437	2,596,721	8,102,687	4,326,986
Other	-	2,018,113	-	2,018,113	-
Depreciation	-	1,658,913	317,366	1,976,279	293,157
<b>Total operating expenses</b>	<b>2,683,529</b>	<b>9,702,889</b>	<b>3,448,688</b>	<b>15,835,106</b>	<b>24,339,787</b>
Operating income (loss)	1,907,385	(2,129,376)	(345,382)	(567,373)	3,795,823
<b>Nonoperating revenues (expenses)</b>					
Property taxes	-	2,648,967	-	2,648,967	-
Federal grants	-	-	1,735,555	1,735,555	-
State grants	-	130,208	85,432	215,640	-
Investment income	713,821	301,585	417,914	1,433,320	303,996
Interest expense and fiscal charges	(9,156)	(612,606)	-	(621,762)	-
<b>Total nonoperating revenues (expenses)</b>	<b>704,665</b>	<b>2,468,154</b>	<b>2,238,901</b>	<b>5,411,720</b>	<b>303,996</b>
Income (loss) before transfers	2,612,050	338,778	1,893,519	4,844,347	4,099,819
Transfers in	-	4,785,820	7,800	4,793,620	354
Transfers out	(5,000,000)	(2,492)	(424,171)	(5,426,663)	(1,219,194)
<b>Change in net position</b>	<b>(2,387,950)</b>	<b>5,122,106</b>	<b>1,477,148</b>	<b>4,211,304</b>	<b>2,880,979</b>
Net position, beginning of year	11,054,929	17,714,349	6,005,745		8,821,754
<b>Net position, end of year</b>	<b>\$ 8,666,979</b>	<b>\$ 22,836,455</b>	<b>\$ 7,482,893</b>		<b>\$ 11,702,733</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				1,704	
Change in net position of business-type activities				\$ 4,213,008	

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

**COUNTY OF SAGINAW, MICHIGAN**

**Statement of Cash Flows**

Proprietary Funds

For the Year Ended September 30, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Cash flows from operating activities</b>					
Receipts from customers and users	\$ 1,883,511	\$ 8,134,982	\$ 3,315,375	\$ 13,333,868	\$ -
Receipts from interfund services provided	-	-	-	-	28,084,539
Payments to employees	-	(2,249,820)	(3,045)	(2,252,865)	(1,886,227)
Payments to suppliers	(2,697,168)	(7,528,043)	(2,737,501)	(12,962,712)	(21,803,637)
<b>Net cash provided by (used in) operating activities</b>	<b>(813,657)</b>	<b>(1,642,881)</b>	<b>574,829</b>	<b>(1,881,709)</b>	<b>4,394,675</b>
<b>Cash flows from noncapital financing activities</b>					
Property tax collections	-	2,648,549	-	2,648,549	-
State and federal grant proceeds	-	130,208	-	130,208	-
Transfers in	-	4,785,820	7,800	4,793,620	354
Transfers out	(5,000,000)	(2,492)	(424,171)	(5,426,663)	(1,219,194)
Proceeds from issuance of long-term liabilities	15,085,000	-	-	15,085,000	-
Principal paid on long-term liabilities	(14,968,568)	-	-	(14,968,568)	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(4,883,568)</b>	<b>7,562,085</b>	<b>(416,371)</b>	<b>2,262,146</b>	<b>(1,218,840)</b>
<b>Cash flows from capital and related financing activities</b>					
Repayment of advances from other funds	-	-	(20,000)	(20,000)	(353,339)
Collections on advances to other funds	353,339	-	-	353,339	-
Reimbursements paid to Saginaw Hockey Club, LLC	-	475,900	-	475,900	-
Principal paid on long-term liabilities	-	(880,000)	-	(880,000)	-
Interest paid on long-term liabilities	-	(710,021)	-	(710,021)	-
Payments for capital asset acquisition	-	(6,464,768)	(152,603)	(6,617,371)	(155,982)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>353,339</b>	<b>(7,578,889)</b>	<b>(172,603)</b>	<b>(7,398,153)</b>	<b>(509,321)</b>
<b>Cash flows from investing activities</b>					
Investment income	-	-	417,914	417,914	307,976
Investment appreciation (depreciation)	704,665	301,585	-	1,006,250	(3,980)
<b>Net cash provided by (used in) investing activities</b>	<b>704,665</b>	<b>301,585</b>	<b>417,914</b>	<b>1,424,164</b>	<b>303,996</b>
<b>Net change in cash and investment pool</b>	<b>(4,639,221)</b>	<b>(1,358,100)</b>	<b>403,769</b>	<b>(5,593,552)</b>	<b>2,970,510</b>
Cash and investment pool:					
Beginning of year	18,209,916	9,759,399	1,133,891	29,103,206	10,069,758
<b>End of year</b>	<b>\$ 13,570,695</b>	<b>\$ 8,401,299</b>	<b>\$ 1,537,660</b>	<b>\$ 23,509,654</b>	<b>\$ 13,040,268</b>

continued...

**COUNTY OF SAGINAW, MICHIGAN**

**Statement of Cash Flows**

Proprietary Funds

For the Year Ended September 30, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>					
Operating income (loss)	\$ 1,907,385	\$ (2,129,376)	\$ (345,382)	\$ (567,373)	\$ 3,795,823
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	1,658,913	317,366	1,976,279	293,157
Changes in operating assets and liabilities that provided (used) cash:					
Receivables, net	(2,713,631)	138,663	237,867	(2,337,101)	(51,425)
Due from other funds	-	-	-	-	354
Due from other governmental units	6,228	-	(32,000)	(25,772)	-
Inventory	-	(10,684)	16,976	6,292	-
Prepays	-	-	(12,680)	(12,680)	461,405
Accounts payable	(14,434)	(1,688,506)	887,804	(815,136)	33,302
Accrued liabilities	795	(34,697)	1,328	(32,574)	(138,668)
Deposits payable	-	339,421	6,202	345,623	-
Due to other funds	-	-	(502,691)	(502,691)	(354)
Unearned revenue	-	83,385	-	83,385	-
Accrued compensated absences	-	-	39	39	1,081
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (813,657)</u>	<u>\$ (1,642,881)</u>	<u>\$ 574,829</u>	<u>\$ (1,881,709)</u>	<u>\$ 4,394,675</u>
					concluded
<b>Noncash transactions:</b>					
Capital assets purchased with accounts payable	\$ -	\$ 498,258	\$ -	\$ 498,258	\$ -
Capital assets purchased with MDOT administered grant funds	-	-	1,820,987	1,820,987	-
<b>Total noncash transactions</b>	<u>\$ -</u>	<u>\$ 498,258</u>	<u>\$ 1,820,987</u>	<u>\$ 2,319,245</u>	<u>\$ -</u>

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

# COUNTY OF SAGINAW, MICHIGAN

## Statement of Fiduciary Net Position

Fiduciary Funds

September 30, 2024

	Post- employment Health Benefits Trust Fund	Custodial Funds
<b>Assets</b>		
Current assets:		
Cash and investment pool	\$ 32,976,124	\$ 16,786,832
Investments, at fair value - mutual funds	27,741,012	-
Receivables (net):		
Accounts	1,768,939	2,781,913
Due from other governmental units	-	220,186
Prepays	101,987	-
<b>Total assets</b>	<u>62,588,062</u>	<u>19,788,931</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	27,527	1,554,494
Accrued liabilities	159,014	-
Deposits payable	-	3,535,581
Due to other governmental units	-	14,679,923
<b>Total liabilities (all current)</b>	<u>186,541</u>	<u>19,769,998</u>
<b>Net position restricted for</b>		
Other postemployment benefits	62,401,521	-
Individuals, organizations and other governments	-	18,933
<b>Total net position</b>	<u>\$ 62,401,521</u>	<u>\$ 18,933</u>

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

## COUNTY OF SAGINAW, MICHIGAN

### Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For the Year Ended September 30, 2024

	Post- employment Health Benefits Trust Fund	Custodial Funds
<b>Additions</b>		
Contributions:		
Employer	\$ 8,824,110	\$ -
Investment earnings:		
Net appreciation in fair value of investments	6,173,313	-
State education tax collected for other governments	-	38,233,906
Fees and fines collected on behalf of other units of government	-	8,920,547
Employee medical withholdings collected	-	51,652
<b>Total additions</b>	<u>14,997,423</u>	<u>47,206,105</u>
<b>Deductions</b>		
Participant benefits	1,828,687	-
Administrative expenses	182,844	-
Payments of state education tax to other governments	-	38,233,906
Fees and fines remitted to other units of government	-	8,920,547
Employee medical withholdings remitted	-	45,017
<b>Total deductions</b>	<u>2,011,531</u>	<u>47,199,470</u>
<b>Change in net position</b>	12,985,892	6,635
Net position, beginning of year	<u>49,415,629</u>	<u>12,298</u>
<b>Net position, end of year</b>	<u>\$ 62,401,521</u>	<u>\$ 18,933</u>

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

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# COUNTY OF SAGINAW, MICHIGAN

## Combining Statement of Net Position

Discretely Presented Component Units

September 30, 2024

	Road Commission*	Brownfield Redevelopment Authority	Department of Public Works	Drain Commission
<b>Assets</b>				
Cash and investment pool	\$ 6,375,562	\$ 670,997	\$ 1,084,985	\$ 13,378,261
Receivables	5,346,947	484,628	10,147,307	34,016,918
Inventory	893,720	-	-	-
Prepays	285,920	-	-	-
Advance to land bank	-	393,550	-	-
Capital assets:				
Not being depreciated	54,095,529	-	-	4,386,039
Being depreciated, net	145,143,649	-	3,978	72,649,539
<b>Total assets</b>	<b>212,141,327</b>	<b>1,549,175</b>	<b>11,236,270</b>	<b>124,430,757</b>
<b>Deferred outflows of resources</b>				
Deferred pension amounts	1,825,871	-	-	-
Deferred OPEB amounts	69,380	-	-	-
<b>Total deferred outflows of resources</b>	<b>1,895,251</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	735,189	74,107	162,997	1,034,388
Unearned revenue	1,000,000	-	-	-
Advances from primary government	-	-	-	400,000
Advance from brownfield redevelopment	-	-	-	-
Bonds, notes and other long-term liabilities:				
Due within one year	88,643	-	513,151	3,817,544
Due in more than one year	863,670	-	9,432,700	30,506,959
Net pension liability, due in more than one year	14,764,048	-	-	-
Net OPEB liability, due in more than one year	9,129,865	-	-	-
<b>Total liabilities</b>	<b>26,581,415</b>	<b>74,107</b>	<b>10,108,848</b>	<b>35,758,891</b>
<b>Deferred inflows of resources</b>				
Deferred pension amounts	705,587	-	-	-
Deferred OPEB amounts	17,685	-	-	-
<b>Total deferred inflows of resources</b>	<b>723,272</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net position</b>				
Net investment in capital assets	199,150,535	-	1,005	42,078,865
Restricted for:				
Drain projects	-	-	-	10,905,607
Debt service	-	-	571,507	35,687,394
Capital projects	-	-	307,615	-
Unrestricted (deficit)	(12,418,644)	1,475,068	247,295	-
<b>Total net position</b>	<b>\$ 186,731,891</b>	<b>\$ 1,475,068</b>	<b>\$ 1,127,422</b>	<b>\$ 88,671,866</b>

\*Component unit is presented on its fiscal year end of December 31, 2023.

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

<b>Economic Development Corporation</b>	<b>Land Bank Authority</b>	<b>Total</b>
\$ 282,030	\$ 1,109,278	\$ 22,901,113
20,676	920,921	50,937,397
-	635,399	1,529,119
-	5,417	291,337
-	-	393,550
-	-	58,481,568
-	-	217,797,166
<u>302,706</u>	<u>2,671,015</u>	<u>352,331,250</u>
-	-	1,825,871
-	-	69,380
-	-	1,895,251
3,200	158,721	2,168,602
-	-	1,000,000
-	-	400,000
-	393,550	393,550
-	-	4,419,338
-	-	40,803,329
-	-	14,764,048
-	-	9,129,865
<u>3,200</u>	<u>552,271</u>	<u>73,078,732</u>
-	-	705,587
-	-	17,685
-	-	723,272
-	-	241,230,405
-	-	10,905,607
-	-	36,258,901
-	-	307,615
<u>299,506</u>	<u>2,118,744</u>	<u>(8,278,031)</u>
<u>\$ 299,506</u>	<u>\$ 2,118,744</u>	<u>\$ 280,424,497</u>

## COUNTY OF SAGINAW, MICHIGAN

### Combining Statement of Activities

Discretely Presented Component Units  
For the Year Ended September 30, 2024

	Program Revenues			Net (Expense) Revenue	
	Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
<b>Road Commission</b>					
Governmental activities:					
Highways and streets	\$ 28,246,746	\$ 142,912	\$ 36,729,754	\$ -	\$ 8,625,920
<b>Brownfield Redevelopment Authority</b>					
Governmental activities:					
Community and economic development	83,348	-	81,780	-	(1,568)
<b>Department of Public Works</b>					
Governmental activities:					
Public works	1,954,811	-	-	496,163	(1,458,648)
Interest on long-term liabilities	380,598	-	-	-	(380,598)
Business-type activities:					
Public works	194,299	186,834	-	-	(7,465)
<b>Total Department of Public Works</b>	<b>2,529,708</b>	<b>186,834</b>	<b>-</b>	<b>496,163</b>	<b>(1,846,711)</b>
<b>Drain Commission</b>					
Governmental activities:					
Public works	3,886,168	-	842,625	7,448,016	4,404,473
Interest on long-term liabilities	1,054,281	-	-	-	(1,054,281)
<b>Total Drain Commission</b>	<b>4,940,449</b>	<b>-</b>	<b>842,625</b>	<b>7,448,016</b>	<b>3,350,192</b>
<b>Economic Development Corporation</b>					
Business-type activities:					
Community and economic development	20,249	22,261	-	-	2,012
<b>Land Bank Authority</b>					
Business-type activities:					
Community and economic development	2,708,128	-	1,135,554	228,500	(1,344,074)
<b>Total component units</b>	<b>\$ 38,528,628</b>	<b>\$ 352,007</b>	<b>\$ 38,789,713</b>	<b>\$ 8,172,679</b>	<b>\$ 8,785,771</b>

continued...

## COUNTY OF SAGINAW, MICHIGAN

### Combining Statement of Activities

Discretely Presented Component Units  
For the Year Ended September 30, 2024

	Road Commission*	Brownfield Redevelopment Authority	Department of Public Works	Drain Commission	Economic Development Corporation
<b>Change in net position</b>					
Net (expense) revenue	\$ 8,625,920	\$ (1,568)	\$ (1,846,711)	\$ 3,350,192	\$ 2,012
General revenues:					
Property taxes	-	11,325	-	-	-
Investment income	85,221	35,944	110,692	228,109	6,094
Total general revenues	85,221	47,269	110,692	228,109	6,094
<b>Change in net position</b>	8,711,141	45,701	(1,736,019)	3,578,301	8,106
Net position, beginning of year	178,020,750	1,429,367	2,863,441	85,093,565	291,400
<b>Net position, end of year</b>	<u>\$ 186,731,891</u>	<u>\$ 1,475,068</u>	<u>\$ 1,127,422</u>	<u>\$ 88,671,866</u>	<u>\$ 299,506</u>

\*Component unit is presented on its fiscal year end of December 31, 2023.

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



<b>Land Bank Authority</b>	<b>Total</b>
<u>\$ (1,344,074)</u>	<u>\$ 8,785,771</u>
-	11,325
<u>100,186</u>	<u>566,246</u>
<u>100,186</u>	<u>577,571</u>
(1,243,888)	9,363,342
<u>3,362,632</u>	<u>271,061,155</u>
<u><u>\$ 2,118,744</u></u>	<u><u>\$ 280,424,497</u></u>

concluded

## **NOTES TO FINANCIAL STATEMENTS**

# COUNTY OF SAGINAW, MICHIGAN

## 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 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### *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, 2023 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.

# COUNTY OF SAGINAW, MICHIGAN

## 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to 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 Settlement reached in July 2021. Money for the operation of this fund is supplied from the settlement dollars received by pharmaceutical distributors. 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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 vector 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the 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.

#### ***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.

The restricted cash and investment pool on the governmental activities statement of net position consists of unspent ARPA funds.

#### ***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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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. The County is only required to reimburse the Club if an increased millage is approved by the County voters commencing in tax year 2021. If the millage passes, the County will be required to repay its portion of the improvements from the increased millage proceeds over a ten year period. If the millage does not pass, the County will not be required to reimburse the Club for any amounts related to the building improvements. The Club has expended \$1,880,871 on the agreed upon building improvements. The increased millage did pass by the County voters commencing in tax year 2021 and the County has reimbursed the Club \$104,100 under this agreement in FY 2024, resulting in the County recognizing a remaining liability of \$728,700 at year end.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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 improvement 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 FY 2024, resulting in the County recognizing a remaining liability of \$580,000.

### ***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).

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### **Compensated Absence Liability Recognition**

Accumulated PTO is accrued when incurred in the governmental activities and in the proprietary funds. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The unpaid PTO pay that is applicable to governmental fund types is reported in the governmental activities Statement of Net Position.

### ***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 leases. 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.

## COUNTY OF SAGINAW, MICHIGAN

### Notes to Financial Statements

*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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### *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 Saginaw 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 \$15,109,818 assigned for the Employee Payroll Reserve and an additional amount of \$6,709,408 set aside within unassigned fund balance for the Budget Stabilization Reserve.

### *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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### *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 in an amount up to \$75,000. 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.
- The County adopted a policy to establish the manner in which a surplus fund balance in the General Fund is distributed among the County funds. This policy requires that the General Fund budget surplus will first be used to bring any reserve balances in the General Fund into compliance with the policy as well as 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 (1/3) of any such surplus to the Public Improvement Special Revenue Fund; one-third (1/3) distributed to the OPEB fund (reported as contributions to postemployment health benefits trust fund, in the General Fund), and; the remaining one-third (1/3) to be distributed to the General Fund assigned fund balance accounts to be used towards maintaining an adequate level of reserves.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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, 2024, 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	\$ -	\$ 1,768,270	\$ 1,768,270
Health and welfare:			
Contributions to other agencies	778,961	778,961	-
Debt service:			
Principal	72,200	122,125	49,925
Transfers out	9,482,022	11,051,775	1,569,753
Health Department Special Revenue Fund:			
Capital outlay	12,000	20,044	8,044

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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

- 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
<b>Statement of Net Position</b>			
Cash and investment pool	\$ 116,835,740	\$ 22,901,113	\$ 139,736,853
Restricted cash	26,280,918	-	26,280,918
<b>Statement of Net Position - Fiduciary Funds</b>			
Postemployment Health Benefits Trust Fund:			
Cash and investment pool	32,976,124	-	32,976,124
Investments	27,741,012	-	27,741,012
Custodial Funds:			
Cash and investment pool	16,786,832	-	16,786,832
<b>Total</b>	<u>\$ 220,620,626</u>	<u>\$ 22,901,113</u>	<u>\$ 243,521,739</u>
<b>Deposits and Investments</b>			
Bank deposits:			
Checking and savings accounts			\$ 146,794,828
Certificates of deposit:			
Due in one to five years			17,341,996
Due in more than five years			4,282,089
Investments:			
Primary government			43,868,102
Fiduciary funds			27,741,013
Cash on hand			22,582
Timing difference for component unit with different fiscal year end			<u>3,471,129</u>
<b>Total</b>			<u>\$ 243,521,739</u>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

	Carrying Amount (Fair Value)	No Maturity	Maturity Less than 1 Year	Maturity 1-5 Years	Maturity 5-10 Years
<b>Investments</b>					
Municipal bonds	\$ 15,789,620	\$ -	\$ 2,760,853	\$ 9,930,887	\$ 496,535
U.S. government bonds	13,319,616	-	2,813,494	8,194,709	1,549,630
Michigan Class investment pool	1,586,568	1,586,568	-	-	-
Commercial paper	4,087,328	-	4,087,328	-	-
Mutual funds	27,741,012	27,741,012	-	-	-
Money market	9,084,971	9,084,971	-	-	-
<b>Total</b>	<b>\$ 71,609,115</b>	<b>\$ 38,412,551</b>	<b>\$ 9,661,675</b>	<b>\$ 18,125,596</b>	<b>\$ 2,046,165</b>

continued...

	Maturity 10-15 Years	Maturity 15-20 Years
<b>Investments</b>		
Municipal bonds	\$ 857,169	\$ 1,744,176
U.S. government bonds	-	761,783
Michigan Class investment pool	-	-
Commercial paper	-	-
Mutual funds	-	-
Money market	-	-
<b>Total</b>	<b>\$ 857,169</b>	<b>\$ 2,505,959</b>

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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

*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:

Investments	Carrying Amount (Fair Value)
AA+	\$ 5,892,703
AA	11,559,225
A+	608,705
A1	2,043,664
A	1,000,316
AA-	1,745,468
Not rated	<u>48,759,034</u>
<b>Total</b>	<u><u>\$ 71,609,115</u></u>

*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, \$160,549,798 of the County’s bank balance of \$163,289,000 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, 2024, the County has no investments that exceeded 5% of total investments.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### *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	\$ -	\$ 15,789,620	\$ -	\$ 15,789,620
U.S. government	-	13,319,616	-	13,319,616
Mutual funds	27,741,012	-	-	27,741,012
	<u>\$ 27,741,012</u>	<u>\$ 29,109,236</u>	<u>\$ -</u>	<u>56,850,248</u>
Investments not subject to fair value hierarchy:				
Michigan Class investment pool (NAV)				1,586,568
Commercial paper (amortized cost)				4,087,328
Money market funds (amortized cost)				<u>9,084,971</u>
Total investments				<u>\$ 71,609,115</u>

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 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

At year end, the net asset value of the County's investment in Michigan CLASS was \$1,586,568. 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	\$ 7,033,981	\$ 14,243,482	\$ -
Special assessments:			
Due within one year	-	-	2,372,528
Due in more than one year	-	-	28,436,797
Accounts			
Due within one year	6,063,431	2,240,934	1,030,267
Due in more than one year	6,129,236	-	-
Loans:			
Due within one year	-	-	7,572
Due in more than one year	1,892,061	-	451,254
Installment sales agreement:			
Due within one year	365,000	-	-
Due in more than one year	2,015,799	-	-
Leases:			
Due within one year	72,524	-	-
Due in more than one year	799,488	-	-
Interest, net	-	2,547,561	28,231
Due from other governmental units:			
Due within one year	6,008,615	32,000	5,801,332
Due in more than one year	8,350,000	-	12,809,416
<b>Total receivables, net</b>	<b>\$ 38,730,135</b>	<b>\$ 19,063,977</b>	<b>\$ 50,937,397</b>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

The interest receivable in the business-type activities is net of an allowance for uncollectible accounts of approximately \$184,000.

### 5. CAPITAL ASSETS

Primary government capital asset activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Governmental activities</b>					
Capital assets not being depreciated/amortized:					
Land	\$ 3,885,729	\$ 239,000	\$ (79,638)	\$ -	\$ 4,045,091
Construction in progress	1,366,994	1,625,240	-	(1,356,787)	1,635,447
	<u>5,252,723</u>	<u>1,864,240</u>	<u>(79,638)</u>	<u>(1,356,787)</u>	<u>5,680,538</u>
Capital assets being depreciated/amortized:					
Land improvements	9,834,142	117,289	-	-	9,951,431
Buildings and improvements	80,051,445	1,225,984	-	1,336,806	82,614,235
Leased building (Note 9)	4,895,017	851,858	(716,882)	-	5,029,993
Machinery and equipment	8,895,327	756,168	(237,872)	19,981	9,433,604
Office furniture & fixtures	1,151,355	-	-	-	1,151,355
Vehicles	4,954,509	450,678	(210,612)	-	5,194,575
Subscription assets (Note 10)	576,822	276,483	(62,110)	-	791,195
	<u>110,358,617</u>	<u>3,678,460</u>	<u>(1,227,476)</u>	<u>1,356,787</u>	<u>114,166,388</u>
Less accumulated depreciation/amortization:					
Land improvements	(5,110,056)	(263,737)	-	-	(5,373,793)
Buildings and improvements	(24,154,717)	(1,525,111)	-	-	(25,679,828)
Leased building (Note 9)	(1,615,485)	(845,048)	716,882	-	(1,743,651)
Machinery and equipment	(6,318,856)	(640,659)	237,872	-	(6,721,643)
Office furniture & fixtures	(1,019,078)	(69,583)	-	-	(1,088,661)
Vehicles	(3,289,480)	(654,615)	143,603	-	(3,800,492)
Subscription assets (Note 10)	(129,884)	(188,821)	11,387	-	(307,318)
	<u>(41,637,556)</u>	<u>(4,187,574)</u>	<u>1,109,744</u>	<u>-</u>	<u>(44,715,386)</u>
Total capital assets being depreciated/amortized, net	<u>68,721,061</u>	<u>(509,114)</u>	<u>(117,732)</u>	<u>1,356,787</u>	<u>69,451,002</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 73,973,784</u>	<u>\$ 1,355,126</u>	<u>\$ (197,370)</u>	<u>\$ -</u>	<u>\$ 75,131,540</u>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

As of September 30, 2024, the County had an outstanding commitment for the Towerline Property project in the amount of \$6,045,235.

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Business-type activities</b>					
Capital assets not being depreciated:					
Land	\$ 2,258,248	\$ -	\$ -	\$ -	\$ 2,258,248
Air rights	238,854	-	-	-	238,854
Construction in progress	20,071,935	1,813,843	-	(20,071,935)	1,813,843
	<u>22,569,037</u>	<u>1,813,843</u>	<u>-</u>	<u>(20,071,935)</u>	<u>4,310,945</u>
Capital assets being depreciated:					
Land improvements	4,399,361	120,364	-	-	4,519,725
Buildings and improvements	19,945,270	6,843,364	-	19,962,771	46,751,405
Machinery and equipment	1,451,588	98,469	-	-	1,550,057
Office furniture & fixtures	61,201	-	-	-	61,201
Planning and development	12,307,792	60,576	-	109,164	12,477,532
Vehicles	179,318	-	-	-	179,318
	<u>38,344,530</u>	<u>7,122,773</u>	<u>-</u>	<u>20,071,935</u>	<u>65,539,238</u>
Less accumulated depreciation:					
Land improvements	(2,631,733)	(266,790)	-	-	(2,898,523)
Buildings and improvements	(8,573,619)	(1,323,474)	-	-	(9,897,093)
Machinery and equipment	(832,628)	(90,791)	-	-	(923,419)
Office furniture & fixtures	(39,618)	(700)	-	-	(40,318)
Planning and development	(9,135,265)	(287,887)	-	-	(9,423,152)
Vehicles	(144,476)	(6,637)	-	-	(151,113)
	<u>(21,357,339)</u>	<u>(1,976,279)</u>	<u>-</u>	<u>-</u>	<u>(23,333,618)</u>
Total capital assets being depreciated, net					
	<u>16,987,191</u>	<u>5,146,494</u>	<u>-</u>	<u>20,071,935</u>	<u>42,205,620</u>
<b>Business-type activities capital assets, net</b>					
	<u>\$ 39,556,228</u>	<u>\$ 6,960,337</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,516,565</u>

As of September 30, 2024, 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 \$1,017,053 and \$360,328, respectively.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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

### Governmental activities

Judicial	\$ 54,973
General government	1,442,361
Public safety	1,569,265
Public works	86,225
Health and welfare	469,699
Recreation and culture	271,894
Capital assets held by the government's internal service funds are charged to the various functions based on the usage of the assets	<u>293,157</u>
	<u>\$ 4,187,574</u>

### Business-type activities

Building Authority Event Center	\$ 1,658,913
Harry W. Browne Airport	316,797
Parking system	<u>569</u>
	<u>\$ 1,976,279</u>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### Discretely presented component units

Road Commission capital asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	\$ 558,635	\$ 192,607	\$ -	\$ -	\$ 751,242
Land improvements and infrastructure	50,330,692	2,712,706	-	-	53,043,398
Construction in progress	-	300,889	-	-	300,889
	<u>50,889,327</u>	<u>3,206,202</u>	<u>-</u>	<u>-</u>	<u>54,095,529</u>
Capital assets being depreciated:					
Land improvements	420,355	25,475	-	-	445,830
Depletable assets	35,013	-	-	-	35,013
Buildings and improvements	3,920,336	-	-	-	3,920,336
Office furniture & fixtures	644,560	-	-	-	644,560
Infrastructure	366,739,175	10,976,839	-	-	377,716,014
Equipment	24,088,495	2,633,609	(741,048)	-	25,981,056
	<u>395,847,934</u>	<u>13,635,923</u>	<u>(741,048)</u>	<u>-</u>	<u>408,742,809</u>
Less accumulated depreciation:					
Land improvements	(403,484)	(2,977)	-	-	(406,461)
Depletable assets	(19,098)	(1,751)	-	-	(20,849)
Buildings and improvements	(2,543,102)	(112,256)	-	-	(2,655,358)
Office furniture & fixtures	(510,472)	(32,155)	-	-	(542,627)
Infrastructure	(228,958,416)	(9,539,314)	-	-	(238,497,730)
Equipment	(20,246,829)	(1,970,354)	741,048	-	(21,476,135)
	<u>(252,681,401)</u>	<u>(11,658,807)</u>	<u>741,048</u>	<u>-</u>	<u>(263,599,160)</u>
Total capital assets being depreciated, net	<u>143,166,533</u>	<u>1,977,116</u>	<u>-</u>	<u>-</u>	<u>145,143,649</u>
<b>Road Commission capital assets, net</b>	<u>\$ 194,055,860</u>	<u>\$ 5,183,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 199,239,178</u>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

Department of Public Works capital asset activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets being depreciated:					
Vehicles	\$ 71,603	\$ -	\$ -	\$ -	\$ 71,603
Less accumulated depreciation:					
Vehicles	(43,757)	(23,868)	-	-	(67,625)
	<u>\$ 27,846</u>	<u>\$ (23,868)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,978</u>

Drain Commission capital asset activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets not being depreciated:					
Construction in progress	\$ 8,583,305	\$ 3,423,054	\$ -	\$ (7,620,320)	\$ 4,386,039
Capital assets being depreciated:					
Infrastructure	107,579,043	939,136	-	7,620,320	116,138,499
Equipment	548,056	-	-	-	548,056
Vehicles	121,261	-	-	-	121,261
	<u>108,248,360</u>	<u>939,136</u>	<u>-</u>	<u>7,620,320</u>	<u>116,807,816</u>
Less accumulated depreciation:					
Infrastructure	(41,366,658)	(2,241,836)	-	-	(43,608,494)
Equipment	(387,541)	(50,264)	-	-	(437,805)
Vehicles	(106,341)	(5,637)	-	-	(111,978)
	<u>(41,860,540)</u>	<u>(2,297,737)</u>	<u>-</u>	<u>-</u>	<u>(44,158,277)</u>
Total capital assets being depreciated, net	<u>66,387,820</u>	<u>(1,358,601)</u>	<u>-</u>	<u>7,620,320</u>	<u>72,649,539</u>
<b>Drain Commission capital assets, net</b>	<u>\$ 74,971,125</u>	<u>\$ 2,064,453</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,035,578</u>

As of September 30, 2024, the County had outstanding commitments related to the Eastwood Drain of \$280,348 and Savage Drain of \$121,900.

# COUNTY OF SAGINAW, MICHIGAN

## 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	\$ 10,213,603	\$ 3,032,693	\$ 1,678,224
Accrued liabilities	5,168,440	146,488	6,724
Due to other government units	3,047,265	-	-
Deposits payable	33,724	1,266,216	-
Accrued interest on long-term debt	1,304,185	198,260	483,654
<b>Total accounts payable and accrued liabilities</b>	<b><u>\$ 19,767,217</u></b>	<b><u>\$ 4,643,657</u></b>	<b><u>\$ 2,168,602</u></b>

### 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	\$ -	\$ 1,768,270
Nonmajor governmental funds	1,768,270	-
	<b><u>\$ 1,768,270</u></b>	<b><u>\$ 1,768,270</u></b>

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.

# COUNTY OF SAGINAW, MICHIGAN

## 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
<b>Total</b>	<u>\$ 400,000</u>	<u>\$ 400,000</u>

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	\$ 393,550	\$ -
Land Bank Authority	-	393,550
<b>Total</b>	<u>\$ 393,550</u>	<u>\$ 393,550</u>

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.

For the year ended September 30, 2024, interfund transfers consisted of the following:

Transfers Out	Transfers In		
	General Fund	Health Department	Nonmajor Governmental Funds
General fund	\$ -	\$ 1,799,149	\$ 9,252,626
Nonmajor governmental funds	3,675,718	-	878,403
Delinquent Tax Revolving	2,000,000	-	-
Building Authority Event Center	-	-	-
Nonmajor enterprise funds	-	-	9,520
Internal Service funds	-	-	1,218,840
	<u>\$ 5,675,718</u>	<u>\$ 1,799,149</u>	<u>\$ 11,359,389</u>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

Transfers Out	Transfers In			Total
	Building Authority Event Center	Nonmajor Enterprise Funds	Internal Service Funds	
General fund	\$ -	\$ -	\$ -	\$ 11,051,775
Nonmajor governmental funds	1,371,169	5,308	-	5,930,598
Delinquent Tax Revolving	3,000,000	-	-	5,000,000
Building Authority Event Center	-	2,492	-	2,492
Nonmajor enterprise funds	414,651	-	-	424,171
Internal Service funds	-	-	354	1,219,194
	<u>\$ 4,785,820</u>	<u>\$ 7,800</u>	<u>\$ 354</u>	<u>\$ 23,628,230</u>

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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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

Bonds, notes and other long-term liabilities activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Primary Government</b>					
Governmental activities:					
General obligation bonds:					
2013 pension bonds	\$ 20,685,000	\$ -	\$ (3,755,000)	\$ 16,930,000	\$ 3,930,000
2017 Sheriff's Adult Detention and Administration Facility bonds	34,555,000	-	(765,000)	33,790,000	800,000
2019 Mainframe Modernization project bonds	5,920,000	-	(870,000)	5,050,000	915,000
2018 Community Mental Health Facility bonds	2,945,000	-	(355,000)	2,590,000	365,000
2020 Animal Care and Control Resource Center bonds	8,415,000	-	(375,000)	8,040,000	395,000
2024 Road Commission project bonds	-	9,035,000	-	9,035,000	685,000
2010 Capital Improvement bonds	385,404	-	(152,218)	233,186	154,802
	<u>72,905,404</u>	<u>9,035,000</u>	<u>(6,272,218)</u>	<u>75,668,186</u>	<u>7,244,802</u>
Direct placement:					
Installment purchase agreements:					
In-car cameras hardware	-	190,705	(51,165)	139,540	33,101
Body worn cameras	-	77,155	(24,424)	52,731	12,508
	<u>-</u>	<u>267,860</u>	<u>(75,589)</u>	<u>192,271</u>	<u>45,609</u>
Total installment debt	72,905,404	9,302,860	(6,347,807)	75,860,457	7,290,411
Leases liability (Note 9)	3,194,575	851,857	(801,816)	3,244,616	682,552
Subscription liability (Note 10)	444,606	276,484	(298,822)	422,268	174,984
Compensated absences	1,874,850	3,109,712	(3,155,758)	1,828,804	1,745,566
Bond premium	3,700,629	1,012,339	(322,856)	4,390,112	390,344
	<u>82,120,064</u>	<u>14,553,252</u>	<u>(10,927,059)</u>	<u>85,746,257</u>	<u>10,283,857</u>

continued...

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Business-type activities:					
Direct placement:					
Delinquent tax notes	\$ 23,518,568	\$ 15,085,000	\$ (14,968,568)	\$ 23,635,000	\$ 8,550,000
General obligation bonds	19,415,000	-	(880,000)	18,535,000	860,000
	42,933,568	15,085,000	(15,848,568)	42,170,000	9,410,000
Bond premium	1,967,945	-	(113,140)	1,854,805	113,140
Compensated absences	4,780	20,113	(20,074)	4,819	4,819
	44,906,293	15,105,113	(15,981,782)	44,029,624	9,527,959
<b>Total primary government</b>	<b>\$ 127,026,357</b>	<b>\$ 29,658,365</b>	<b>\$ (26,908,841)</b>	<b>\$ 129,775,881</b>	<b>\$ 19,811,816</b>

concluded

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for those funds are included as part of the above totals for governmental activities. At year-end, \$83,237 of internal service funds compensated absences are included in the above amounts. For governmental activities, compensated absences are generally liquidated by the General Fund and internal service funds.

General obligation bonds and notes payable are direct obligations and pledge the full faith and credit of the County and Road Commission. 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%	\$ 75,860,457
Business-type activities	1.90 - 2.85%	42,170,000
<b>Total primary government</b>		<b><u>\$ 118,030,457</u></b>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

Annual debt service requirements to maturity for governmental activities general obligation bonds payable are as follows:

Year Ending September 30,	Governmental Activities			
	General Obligation Bonds		Direct Placement Obligations	
	Principal	Interest	Principal	Interest
2025	\$ 7,244,802	\$ 3,263,051	\$ 45,609	\$ 6,751
2026	7,538,384	2,880,593	47,210	5,149
2027	7,820,000	2,512,980	48,868	3,492
2028	8,205,000	2,129,796	50,584	1,776
2029	3,645,000	1,726,681	-	-
2030-2034	14,115,000	6,533,031	-	-
2035-2039	9,800,000	4,050,644	-	-
2040-2044	9,160,000	2,280,194	-	-
2045-2048	8,140,000	582,575	-	-
<b>Total</b>	<b>\$ 75,668,186</b>	<b>\$ 25,959,545</b>	<b>\$ 192,271</b>	<b>\$ 17,168</b>

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

Year Ending September 30,	Business-type Activities			
	Direct Placement Obligations		Other Debt	
	Principal	Interest	Principal	Interest
2025	\$ 8,550,000	\$ 1,270,610	\$ 860,000	\$ 696,680
2026	15,085,000	799,505	890,000	666,630
2027	-	-	930,000	634,744
2028	-	-	960,000	601,110
2029	-	-	1,000,000	565,938
2030-2034	-	-	5,155,000	2,208,748
2035-2039	-	-	5,480,000	1,158,950
2040-2043	-	-	3,260,000	204,125
<b>Total</b>	<b>\$ 23,635,000</b>	<b>\$ 2,070,115</b>	<b>\$ 18,535,000</b>	<b>\$ 6,736,925</b>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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 \$12,610,000. 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	\$ 174,746	\$ -	\$ (86,103)	\$ 88,643	\$ 88,643
Compensated absences	820,782	135,195	(92,307)	863,670	-
	<u>\$ 995,528</u>	<u>\$ 135,195</u>	<u>\$ (178,410)</u>	<u>\$ 952,313</u>	<u>\$ 88,643</u>

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

Year Ending December 31,	Principal	Interest
2024	<u>\$ 88,643</u>	<u>\$ 2,615</u>

#### Department of Public Works Component Unit

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Direct Placement:					
General obligation bonds	\$ 9,011,519	\$ -	\$ (746,000)	\$ 8,265,519	\$ 362,000
General obligation bonds	1,979,000	-	(406,952)	1,572,048	145,000
	10,990,519	-	(1,152,952)	9,837,567	507,000
Bond premium	114,435	-	(6,151)	108,284	6,151
	<u>\$ 11,104,954</u>	<u>\$ -</u>	<u>\$ (1,159,103)</u>	<u>\$ 9,945,851</u>	<u>\$ 513,151</u>

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

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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 general obligation bonds are as follows:

Year Ending September 30,	Direct Placement Obligations		Other Debt	
	Principal	Interest	Principal	Interest
2025	\$ 362,000	\$ 322,434	\$ 145,000	\$ 59,545
2026	378,000	310,428	68,000	52,440
2027	388,000	297,871	71,000	49,965
2028	413,000	283,665	73,000	47,370
2029	429,000	268,609	76,000	44,685
2030-2034	2,350,000	1,098,638	272,000	189,510
2035-2039	2,103,000	640,348	273,000	149,685
2040-2044	1,464,000	218,307	320,000	105,300
2045-2049	309,519	24,379	274,048	53,490
2050-2054	24,000	5,023	-	5,010
2055-2059	25,000	2,844	-	-
2060-2063	20,000	700	-	-
<b>Total</b>	<b>\$ 8,265,519</b>	<b>\$ 3,473,246</b>	<b>\$ 1,572,048</b>	<b>\$ 757,000</b>

### Drain Commission Component Unit

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Direct placement:					
Notes payable	\$ 1,080,430	\$ 385,000	\$ (54,430)	\$ 1,411,000	\$ 1,038,000
General obligation bonds	32,185,550	3,330,000	(2,746,449)	32,769,101	2,770,450
	33,265,980	3,715,000	(2,800,879)	34,180,101	3,808,450
Bond premium	47,243	106,255	(9,096)	144,402	9,094
	<u>\$ 33,313,223</u>	<u>\$ 3,821,255</u>	<u>\$ (2,809,975)</u>	<u>\$ 34,324,503</u>	<u>\$ 3,817,544</u>

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%.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

Annual debt service requirements to maturity for general obligation bonds and direct placement notes are as follows:

Year Ending September 30,	Direct Placement Obligations		Other Debt	
	Principal	Interest	Principal	Interest
2025	\$ 1,038,000	\$ 31,052	\$ 2,770,450	\$ 935,538
2026	43,000	17,763	2,655,450	898,667
2027	43,000	16,019	2,439,450	825,721
2028	27,000	14,275	2,319,000	754,485
2029	26,000	12,930	2,259,250	687,884
2030-2034	130,000	45,215	9,312,500	2,538,430
2035-2039	62,000	17,928	7,147,500	1,198,514
2040-2044	42,000	6,089	2,627,500	396,855
2045-2049	-	-	1,238,001	93,925
<b>Total</b>	<u>\$ 1,411,000</u>	<u>\$ 161,271</u>	<u>\$ 32,769,101</u>	<u>\$ 8,330,019</u>

## 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 2 to 8 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

The net present value of future minimum payments as of September 30, 2024, were as follows:

Governmental Activities		
Year Ended September 30,	Principal	Interest
2025	\$ 682,552	\$ 54,546
2026	693,095	44,004
2027	703,847	33,251
2028	535,550	22,577
2029	255,444	14,845
2030-2032	374,128	14,690
<b>Total</b>	<b>\$ 3,244,616</b>	<b>\$ 183,913</b>

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, 2024 was \$86,942, consisting of interest of \$14,418, in governmental activities.

### Remaining Term of Agreements

#### Asset Type

Land	20 years
Buildings	8 years

## 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

The net present value of future minimum payments as of September 30, 2024, were as follows:

Year Ended September 30,	Principal	Interest
2025	\$ 174,984	\$ 13,238
2026	96,180	7,650
2027	101,862	4,378
2028	49,242	1,592
<b>Total</b>	<b>\$ 422,268</b>	<b>\$ 26,858</b>

### 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](http://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. Member contributions range from 0% to 4.34%. The MERS plan is closed to all new hires.

*Employees Covered by Benefit Terms.* As of the most recent valuation date, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	537
Inactive employees entitled to but not yet receiving benefits	23
Active employees	6
<b>Total membership</b>	<b>566</b>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

*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 2024, the actuarially determined monthly employer contributions ranged from \$615 to \$127,459 for all divisions.

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

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

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

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

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

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

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

*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	<u>20.00%</u>	7.00%	1.40%
	<u>100.00%</u>		
Inflation			2.50%
Dedicated gains adjustment			-0.07%
Administrative expenses netted above			<u>0.25%</u>
<b>Investment rate of return</b>			<u><u>7.18%</u></u>

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

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

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### *Changes in Net Pension Liability*

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

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at December 31, 2022	\$ 148,997,189	\$ 101,830,321	\$ 47,166,868
Changes for the year:			
Service cost	39,641	-	39,641
Interest	10,207,194	-	10,207,194
Difference between expected and actual experience	(628,921)	-	(628,921)
Changes in assumptions	849,913	-	849,913
Employer contributions	-	6,127,896	(6,127,896)
Employee contributions	-	6,019	(6,019)
Net investment income	-	11,204,420	(11,204,420)
Benefit payments, including refunds of employee contributions	(13,286,725)	(13,286,725)	-
Administrative expense	-	(233,277)	233,277
Net changes	<u>(2,818,898)</u>	<u>3,818,333</u>	<u>(6,637,231)</u>
<b>Balances at December 31, 2023</b>	<u>\$ 146,178,291</u>	<u>\$ 105,648,654</u>	<u>\$ 40,529,637</u>

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

*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:

	<b>1% Decrease (6.18%)</b>	<b>Current Discount Rate (7.18%)</b>	<b>1% Increase (8.18%)</b>
County's net pension liability	\$ 53,413,186	\$ 40,529,637	\$ 28,826,339

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

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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

For the year ended September 30, 2024, the County recognized pension expense of \$3,521,904. 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	\$ 6,022,782	\$ -	\$ 6,022,782
Contributions subsequent to the measurement date	4,153,473	-	4,153,473
<b>Total</b>	<u>\$ 10,176,255</u>	<u>\$ -</u>	<u>\$ 10,176,255</u>

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, 2025. Other amounts reported as pension-related deferred outflows of resources will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2025	\$ 981,416
2026	2,269,026
2027	3,603,972
2028	<u>(831,632)</u>
<b>Total</b>	<u>\$ 6,022,782</u>

*Payable to the Pension Plan.* At September 30, 2024, the County has no amounts payable for contributions to the pension plan.

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

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### 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 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](http://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. Member contributions were 4.00% to 4.70% of annual compensation. Four of the seven divisions included in the Plan are closed to new hires.

*Employees Covered by Benefit Terms.* At December 31, 2022, the date of the most recent actuarial valuation, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	105
Inactive employees entitled to but not yet receiving benefits	15
Active employees	<u>70</u>
<b>Total membership</b>	<b><u><u>190</u></u></b>

*Contributions.* The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees. For the year ended December 31, 2023, employer contributions ranged from 0% to 4.70% of annual payroll for open divisions. Closed divisions have a monthly employer contribution ranging from \$55 to \$51,635.

*Net Pension Liability.* The Commission's net pension liability was measured as of December 31, 2022, the date of the actuary report, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

*Actuarial Assumptions.* The total pension liability was rolled forward to December 31, 2023 using the December 31, 2022 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, 2022 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%
Administrative and investment expenses netted above			0.25%
			7.25%

*Discount Rate.* The discount rate used to measure the total pension liability is 7.25%. 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### *Changes in Net Pension Liability*

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

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at December 31, 2022	\$ 40,137,227	\$ 23,722,287	\$ 16,414,940
Changes for the year:			
Service cost	464,180	-	464,180
Interest	2,831,369	-	2,831,369
Employer contributions	-	1,359,591	(1,359,591)
Employee contributions	-	223,885	(223,885)
Net investment income	-	2,588,517	(2,588,517)
Benefit payments, including refunds of employee contributions	(2,632,011)	(2,632,011)	-
Differences between expected and actual experience	(764,747)	-	(764,747)
Administrative expense	-	(54,990)	54,990
Other changes	(64,691)	-	(64,691)
Net changes	<u>(165,900)</u>	<u>1,484,992</u>	<u>(1,650,892)</u>
<b>Balances at December 31, 2023</b>	<b><u>\$ 39,971,327</u></b>	<b><u>\$ 25,207,279</u></b>	<b><u>\$ 14,764,048</u></b>

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

*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 7.25%, as well as what the Commission's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Commission's net pension liability	\$ 19,131,752	\$ 14,764,048	\$ 11,081,430

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

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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

For the year ended December 31, 2023, the Commission recognized pension expense of \$2,752,918. 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	\$ 1,143,510	\$ -	\$ 1,143,510
Differences in experience	-	705,587	(705,587)
Differences in assumptions	682,361	-	682,361
	<u>\$ 1,825,871</u>	<u>\$ 705,587</u>	<u>\$ 1,120,284</u>

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

Year Ended December 31,	Amount
2024	\$ 241,956
2025	470,175
2026	589,884
2027	<u>(181,731)</u>
<b>Total</b>	<u>\$ 1,120,284</u>

*Payable to the Pension Plan.* At December 31, 2023, the Commission reported \$129,282 payable to the pension plan required for the year ended December 31, 2022.

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

# COUNTY OF SAGINAW, MICHIGAN

## 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 \$2,237,390 and employee contributions were \$1,670,798.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### 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, 2024, the County contributed \$8,824,110 to the Plan.

At September 30, 2024, the date of the latest actuarial valuation, participants in the plan consisted of:

Retirees and beneficiaries currently receiving benefits	696
Active employees	<u>518</u>
<b>Total</b>	<u><u>1,214</u></u>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

*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:

Years of Service	Retirement on or after October 1, 2013	
	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, 2024, retiree contributions amounted to \$236,471.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### *Changes in Net OPEB (Asset) Liability*

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

	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (Asset) (a) - (b)</b>
Balances at September 30, 2023	\$ 51,490,906	\$ 49,415,629	\$ 2,075,277
Changes for the year:			
Service cost	390,289	-	390,289
Interest	3,058,009	-	3,058,009
Difference between expected and actual experience	(4,772,280)	-	(4,772,280)
Changes in assumptions	(3,180,594)	-	(3,180,594)
Employer contributions	-	8,824,110	(8,824,110)
Net investment income	-	6,173,313	(6,173,313)
Benefit payments, including refunds of employee contributions	(1,828,687)	(1,828,687)	-
Administrative expenses	-	(182,844)	182,844
Net changes	<u>(6,333,263)</u>	<u>12,985,892</u>	<u>(19,319,155)</u>
<b>Balances at September 30, 2024</b>	<u>\$ 45,157,643</u>	<u>\$ 62,401,521</u>	<u>\$ (17,243,878)</u>

*Changes in Assumptions.* 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.

*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, 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

*Spousal Election Rates*— 80% 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 7.25% and a post-65 rate of 5.50% 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, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 11.71%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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%
	<u>100.0%</u>		
Inflation			<u>2.50%</u>
<b>Investment rate of return</b>			<u><u>6.00%</u></u>

*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 Liability (Asset) to Changes in the Discount Rate.* The following presents the net OPEB liability (asset) of the County, calculated using the discount rate of 6.00%, as well as what the County's net OPEB liability (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 liability (asset)	\$ (11,989,773)	\$ (17,243,878)	\$ (21,624,626)

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

*Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates.* The following presents the net OPEB liability (asset) of the County, calculated using the healthcare cost trend rate of 7.25% (post-65 5.50%), as well as what the County's net OPEB liability (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 (6.25% post-65 4.50%)	Current Trend Rate (7.25% post-65 5.50%)	1% Increase (8.25% post-65 6.50%)
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County's net OPEB liability (asset)    \$ (21,490,284)    \$ (17,243,878)    \$ (12,192,524)

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

For the year ended September 30, 2024, the County recognized OPEB expense (benefit) of \$(1,012,215). 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	\$ -	\$ 3,631,752	\$ (3,631,752)
Changes in assumptions	211,815	2,313,947	(2,102,132)
Net difference between projected and actual earnings on OPEB plan investments	393,591	-	393,591
<b>Total</b>	<u>\$ 605,406</u>	<u>\$ 5,945,699</u>	<u>\$ (5,340,293)</u>

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

Year Ended September 30,	Amount
2025	\$ (1,548,227)
2026	(1,135,693)
2027	(2,055,572)
2028	<u>(600,801)</u>
<b>Total</b>	<u>\$ (5,340,293)</u>

*Payable to the OPEB Plan.* At September 30, 2024, the County reported no payable to the OPEB plan required for the year ended September 30, 2024.

The net OPEB liability (asset) is generally liquidated by the General Fund.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### 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, 2023, retirement plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	98
Active employees	<u>30</u>
<b>Total</b>	<b><u>128</u></b>

*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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### *Changes in Net OPEB Liability*

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

	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a) - (b)</b>
Balances at December 31, 2022	\$ 10,550,274	\$ 1,153,459	\$ 9,396,815
Changes for the year:			
Service cost	74,778	-	74,778
Interest	721,213	-	721,213
Net investment income	-	143,734	(143,734)
Differences between expected and actual experience	(135,585)	-	(135,585)
Changes in assumptions	57,440	-	57,440
Contributions to OPEB trust	-	199,649	(199,649)
Employer contributions	-	643,994	(643,994)
Benefit payments, including refunds of employee contributions	(643,994)	(643,994)	-
Administrative expenses	-	(2,581)	2,581
Net changes	<u>73,852</u>	<u>340,802</u>	<u>(266,950)</u>
<b>Balances at December 31, 2023</b>	<u><u>\$ 10,624,126</u></u>	<u><u>\$ 1,494,261</u></u>	<u><u>\$ 9,129,865</u></u>

*Changes in Assumptions*—(1) 20-year Aa Municipal bond rate (S&P Municipal Bond 20-year high grade rate index) decreased from 4.31% to 4.00% and (2) improvement scale changed from MP-2021 to IRS 2024 adjusted scale MP-2021.

*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, 2022 and rolled forward to December 31, 2023, 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.

# COUNTY OF SAGINAW, MICHIGAN

## 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. A rate 8.25% 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 or Return*— Based on the historical and expected returns of the County’s long-term investment portfolio, a discount rate of 7.00%, 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%	2.00%	0.40%
Private investment	20.0%	7.00%	1.40%
	<u>100.0%</u>		
Inflation			<u>2.50%</u>
<b>Investment rate of return</b>			<u><u>7.00%</u></u>

*Discount Rate.* The discount rate used to measure the total OPEB liability was 7.00%. 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, 2022, the discount rate used to value OPEB liabilities was 7.00%.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

*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 7.00%, as well as what the Commission's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Commission's net OPEB liability	\$ 10,135,242	\$ 9,129,865	\$ 8,276,766

*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 8.25% reducing to an ultimate rate of 4.50%, 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:

	<b>1% Decrease (7.25%)</b>	<b>Current Trend Rate (8.25%)</b>	<b>1% Increase (9.25%)</b>
Commission's net OPEB liability	\$ 8,342,379	\$ 9,129,865	\$ 10,071,749

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

For the year ended December 31, 2023, the Commission recognized OPEB expense (benefit) of \$(1,432,422). The Road Commission reported deferred outflows/inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
Difference between expected and actual experience	\$ -	\$ 17,685	\$ (17,685)
Changes in assumptions	7,492	-	7,492
Net difference between projected and actual earnings on OPEB plan investments	61,888	-	61,888
<b>Total</b>	<u>\$ 69,380</u>	<u>\$ 17,685</u>	<u>\$ 51,695</u>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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

Year Ended December 31,	Amount
2024	\$ 7,772
2025	23,775
2026	30,489
2027	<u>(10,341)</u>
<b>Total</b>	<u><u>\$ 51,695</u></u>

*Payable to the OPEB Plan.* At December 31, 2023, the 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, 2024, 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

The changes in the claims liability for the years ended September 30, 2024 and 2023, are as follows:

	Beginning of Period Liability	Claims and Changes in Estimates	Claim Payments	End of Period Liability
2023	\$ 171,342	\$ 731,928	\$ 214,390	\$ 688,880
2024	688,880	(311,155)	110,933	266,792

### **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, 2024 and 2023, are as follows:

	Beginning of Period Liability	Claims and Changes in Estimates	Claim Payments	End of Period Liability
2023	\$ 338,778	\$ 565,232	\$ 555,477	\$ 348,533
2024	348,533	436,409	446,849	338,093

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### 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, 2024 and 2023, are as follows:

	Beginning of Period Liability	Claims and Changes in Estimates	Claim Payments	End of Period Liability
2023	\$ 1,754,845	\$ 5,120,458	\$ 6,047,605	\$ 827,698
2024	827,698	5,888,332	5,342,208	1,373,822

## 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, 2023 totaled \$6,158,775,441. The tax levy for 2023/2024 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
Childrens zoo	0.1997	mills
Health Department	0.4792	mills

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

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, 2024, the County is not able to reasonably estimate this potential liability. Accordingly, no amounts for this potential liability have been recognized in the County's delinquent tax foreclosure fund.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### 17. NET POSITION

#### *Restricted Net Position*

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

	<b>Governmental Activities</b>	<b>Component Units</b>
Other postemployment health benefits	\$ 17,243,878	\$ -
Public improvement	5,563,370	-
Road construction	3,786,998	-
Drain projects	-	10,905,607
Debt service	2,442,126	36,258,901
Capital projects	-	307,615
Public safety	4,959,356	-
Health and welfare	12,742,653	-
Recreation	1,716,836	-
Community and economic development	1,775,435	-
Opioid remediation	10,069,199	-
Other:		
Public works	899,105	-
CMH renovations	265,319	-
Register of Deeds	459,961	-
Endowment:		
Nonexpendable	36,390	-
Expendable	6,290	-
<b>Total restricted net position</b>	<b><u>\$ 61,966,916</u></b>	<b><u>\$ 47,472,123</u></b>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### *Net Investment in Capital Assets*

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

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Component Units</b>
Capital assets:			
Capital assets not being depreciated/amortized	\$ 5,680,538	\$ 4,310,945	\$ 58,481,568
Capital assets being depreciated/amortized, net	<u>69,451,002</u>	<u>42,205,620</u>	<u>217,797,166</u>
	<u>75,131,540</u>	<u>46,516,565</u>	<u>276,278,734</u>
Related debt:			
Bonds notes and other long-term liabilities	85,746,257	45,338,324	45,222,667
Accounts and retainage payable	266,614	498,258	635,183
Less:			
Road commission project bonds Department of	(9,035,000)	-	-
Public Works conduit debt	-	-	(9,945,851)
Compensated absences	(1,828,804)	(4,819)	(863,670)
Delinquent tax notes	-	(23,635,000)	-
Animal Care and Control Resource Center unexpended bond proceeds	(522,555)	-	-
Community Mental Health bonds	(2,590,000)	-	-
Pension bonds	<u>(16,930,000)</u>	<u>-</u>	<u>-</u>
	<u>55,106,512</u>	<u>22,196,763</u>	<u>35,048,329</u>
<b>Net investment in capital assets</b>	<u>\$ 20,025,028</u>	<u>\$ 24,319,802</u>	<u>\$ 241,230,405</u>

**COUNTY OF SAGINAW, MICHIGAN**

**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	Nonmajor Governmental Funds	Total
Nonspendable:							
Long-term advances	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Prepays	6,889	5,713	71,658	-	-	57,881	142,141
Permanent fund corpus	-	-	-	-	-	36,390	36,390
<b>Total nonspendable</b>	<b>406,889</b>	<b>5,713</b>	<b>71,658</b>	<b>-</b>	<b>-</b>	<b>94,271</b>	<b>578,531</b>
Restricted for:							
Public safety	-	-	-	-	-	4,861,230	4,861,230
Public works	-	-	-	-	-	899,105	899,105
Health and welfare	-	-	-	-	-	12,371,776	12,371,776
Community and economic development	-	-	-	-	-	72,406	72,406
Recreation	-	-	-	-	-	1,693,437	1,693,437
Family counseling	245,062	-	-	-	-	-	245,062
Register of Deeds	-	-	-	-	-	459,961	459,961
Debt service	-	-	-	-	-	1,364,861	1,364,861
Public improvement	-	-	-	-	-	5,557,548	5,557,548
Opioid remediation	-	-	-	3,279,367	-	-	3,279,367
Mainframe conversion	-	-	-	-	-	522,555	522,555
CMH renovations	-	-	-	-	-	265,319	265,319
Road construction	-	-	-	-	-	3,786,998	3,786,998
Permanent trusts	-	-	-	-	-	6,290	6,290
<b>Total restricted</b>	<b>245,062</b>	<b>-</b>	<b>-</b>	<b>3,279,367</b>	<b>-</b>	<b>31,861,486</b>	<b>35,385,915</b>
Assigned for:							
Employee payroll reserve	15,109,818	-	-	-	-	-	15,109,818
G.I.S. System	-	-	-	-	-	29,267	29,267
Courts	-	-	-	-	-	972,570	972,570
General government	-	-	-	-	-	2,102,824	2,102,824
Public safety	-	-	-	-	231,850	466,872	698,722
Health and welfare	-	11,049,537	121,682	-	-	1,986,782	13,158,001
Capital projects	-	-	-	-	-	98,955	98,955
Debt service	-	-	-	-	-	1,136,226	1,136,226
Subsequent year	1,028,843	-	-	-	-	-	1,028,843
<b>Total assigned</b>	<b>16,138,661</b>	<b>11,049,537</b>	<b>121,682</b>	<b>-</b>	<b>231,850</b>	<b>6,793,496</b>	<b>34,335,226</b>
Unassigned	6,709,408	-	-	-	-	-	6,709,408
<b>Total fund balances, governmental funds</b>	<b>\$ 23,500,020</b>	<b>\$ 11,055,250</b>	<b>\$ 193,340</b>	<b>\$ 3,279,367</b>	<b>\$ 231,850</b>	<b>\$ 38,749,253</b>	<b>\$ 77,009,080</b>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### 19. TAX ABATEMENTS

The County received reduced property tax revenues during 2024 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 2024 were as follows:

Governmental Entity	Taxable Value	Abatement Amount
Townships:		
Bridgeport	\$ 1,850,800	\$ 11,947
Buena Vista	7,546,800	48,715
Carrollton	124,600	804
Frankenmuth	79,400	513
Jonesfield	4,600,000	29,693
Saginaw	2,374,952	15,330
Spaulding	79,300	512
Thomas	50,937,876	328,804
Tittabawassee	294,400	1,900
Cities:		
Frankenmuth	2,393,088	18,869
Saginaw	3,956,518	25,539
Zilwaukee	171,255	1,105
		\$ 483,731

# COUNTY OF SAGINAW, MICHIGAN

## 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 2024 were as follows:

Governmental Entity	Taxable Value	Abatement Amount
City of Saginaw	\$ 274,539,500	\$ 3,544,305
Buena Vista Township	131,316,000	1,695,290
Thomas Township	17,789,200	229,659
		<u>\$ 5,469,254</u>

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 2024 were as follows:

Governmental Entity	Taxable Value	Abatement Amount
City of Saginaw	\$ 3,439,825	\$ 41,318
Village of Merrill	412,480	5,160
Tittabwassee Township	145,516	1,820
		<u>\$ 48,298</u>

## 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, 2023, the Federal aid received and expended by the Road Commission was \$6,327,448 for contracted projects and \$697,045 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.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### 21. OPIOID SETTLEMENT

The County is part of a \$21 billion nationwide settlement reached in July 2021 to resolve all Opioids litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors: McKesson, Cardinal Health, and AmerisourceBergen (Distributors), and a \$5 billion nationwide settlement with manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (Janssen). The term of the settlement varies by entity; however, the County expects to receive eighteen (18) installments from the Distributors with the first two installments being paid early in 2023 and the remaining 16 installments expected to be made annually beginning in 2024. Additionally, the County expects to receive eleven (11) installments from Janssen with the first five installments being paid early in 2023 and the remaining installments expected to be made annually beginning in 2026. The County is currently allocated approximately 0.64066% of the total State of Michigan local unit settlement and the total amount of the settlement is expected to be \$5,296,506 and \$1,222,391 from the Distributors and Janssen, respectively.

In 2022, additional settlements with pharmacies and manufacturers were announced, including CVS, Walgreens, Walmart, Allergan, and Teva, and the associated state-subdivision agreement was finalized in 2023. In 2023, additional settlements with Mallinckrodt and Meijer were announced. The term of the settlement varies by pharmacy and manufacturer; however, the County expects to receive installment payments beginning in 2024. The total amount of these settlements is expected to be \$9,932,895. Additional settlements with other pharmacies and manufacturers may be forthcoming as well. However, as of September 30, 2024, 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.

The receivable for the various settlement agreements was recorded at the net present value, using a discount rate for payments to be received subsequent to 2024 of 3%. The net present value of the combined settlement payments to be received as of September 30, 2024 is \$6,790,832.

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

The County previously reported the Opioid Settlements Fund as a nonmajor special revenue fund. The Opioid Settlements Fund meets the quantitative threshold for major funds in accordance with GAAP, for the fiscal year ended September 30, 2024.

	Opioid Settlements	Nonmajor Governmental Funds
Fund balance, September 30, 2023, as previously reported	\$ -	\$ 35,561,768
Change from nonmajor to major fund	<u>1,265,256</u>	<u>(1,265,256)</u>
Fund balance, September 30, 2023, as adjusted	<u>\$ 1,265,256</u>	<u>\$ 34,296,512</u>

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Financial Statements

### 23. SUBSEQUENT EVENTS

On October 1, 2024, the County issued the White Beach Drain Notes, Series 2024, in the amount of \$344,000 due June 1, 2044 with annual interest at 4.40%.

On October 1, 2024, the County issued the New Tamarack Drain Notes, Series 2024, in the amount of \$584,000 due June 1, 2044 with annual interest at 4.40%.



## **REQUIRED SUPPLEMENTARY INFORMATION**

## COUNTY OF SAGINAW, MICHIGAN

### 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,			
	2024	2023	2022	2021
<b>Total pension liability</b>				
Service cost	\$ 39,641	\$ 45,966	\$ 52,629	\$ 60,841
Interest	10,207,194	10,075,564	10,473,423	11,851,105
Difference between expected and actual experience	(628,921)	212,451	(447,384)	72,218
Changes in assumptions	849,913	-	4,455,981	5,545,935
Benefit payments, including refunds of employee contributions	(13,286,725)	(13,302,644)	(13,273,286)	(13,343,085)
Other changes	-	-	-	-
<b>Net change in total pension liability</b>	<u>(2,818,898)</u>	<u>(2,968,663)</u>	<u>1,261,363</u>	<u>4,187,014</u>
Total pension liability, beginning of year	<u>148,997,189</u>	<u>151,965,852</u>	<u>150,704,489</u>	<u>146,517,475</u>
<b>Total pension liability, end of year</b>	<u>146,178,291</u>	<u>148,997,189</u>	<u>151,965,852</u>	<u>150,704,489</u>
<b>Plan fiduciary net position</b>				
Employer contributions	6,127,896	5,675,973	4,529,343	3,595,010
Employee contributions	6,019	6,224	6,566	8,070
Net investment income (loss)	11,204,420	(13,530,187)	15,220,153	14,591,798
Benefit payments, including refunds of employee contributions	(13,286,725)	(13,302,644)	(13,273,286)	(13,343,085)
Administrative expense	(233,277)	(219,690)	(181,112)	(218,068)
<b>Net change in plan fiduciary net position</b>	<u>3,818,333</u>	<u>(21,370,324)</u>	<u>6,301,664</u>	<u>4,633,725</u>
Plan fiduciary net position, beginning of year	<u>101,830,321</u>	<u>123,200,645</u>	<u>116,898,981</u>	<u>112,265,256</u>
<b>Plan fiduciary net position, end of year</b>	<u>105,648,654</u>	<u>101,830,321</u>	<u>123,200,645</u>	<u>116,898,981</u>
<b>County's net pension liability</b>	<u>\$ 40,529,637</u>	<u>\$ 47,166,868</u>	<u>\$ 28,765,207</u>	<u>\$ 33,805,508</u>
Plan fiduciary net position as a percentage of total pension liability	72.3%	68.3%	81.1%	77.6%
Covered payroll	\$ 345,452	\$ 432,452	\$ 498,231	\$ 499,531
County's net pension liability as a percentage of covered payroll	11732.3%	10906.8%	5773.5%	6767.4%

See notes to required supplementary information.

Year Ended September 30,					
2020	2019	2018	2017	2016	2015
\$ 63,245	\$ 141,797	\$ 271,358	\$ 343,667	\$ 366,482	\$ 470,724
11,000,096	11,077,621	11,161,488	11,214,831	11,030,766	11,028,920
(142,834)	747,985	5,196	(125,333)	(116,667)	-
4,725,317	-	-	-	6,937,875	-
(13,195,896)	(12,598,428)	(12,244,774)	(11,882,834)	(11,572,681)	(11,276,793)
-	(3)	2	3	(159)	(415)
2,449,928	(631,028)	(806,730)	(449,666)	6,645,616	222,436
144,067,547	144,698,575	145,505,305	145,954,971	139,309,355	139,086,919
146,517,475	144,067,547	144,698,575	145,505,305	145,954,971	139,309,355
3,245,914	2,457,345	1,141,350	401,184	384,689	52,025,528
20,360	56,056	54,021	61,122	95,891	98,809
14,210,014	(4,496,238)	15,139,260	12,879,155	(1,845,639)	7,963,230
(13,195,896)	(12,598,428)	(12,244,774)	(11,882,834)	(11,572,681)	(11,276,793)
(244,503)	(231,362)	(240,839)	(254,838)	(277,640)	(292,649)
4,035,889	(14,812,627)	3,849,018	1,203,789	(13,215,380)	48,518,125
108,229,367	123,041,994	119,192,976	117,989,187	131,204,567	82,686,442
112,265,256	108,229,367	123,041,994	119,192,976	117,989,187	131,204,567
\$ 34,252,219	\$ 35,838,180	\$ 21,656,581	\$ 26,312,329	\$ 27,965,784	\$ 8,104,788
76.6%	75.1%	85.0%	81.9%	80.8%	94.2%
\$ 513,152	\$ 1,081,792	\$ 2,079,913	\$ 2,579,083	\$ 2,767,719	\$ 3,525,912
6674.9%	3312.9%	1041.2%	1020.2%	1010.4%	229.9%

## COUNTY OF SAGINAW, MICHIGAN

### 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
2015	\$ 338,547	\$ 338,547	\$ -	\$ 3,566,631	9.5%
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%

See notes to required supplementary information.

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Required Supplementary Information

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

#### Notes to Schedule of Changes in 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 2024, amounts reported as changes in assumptions resulted from a decrease in the assumed rate of return from 7.00% to 6.93%.
- \* In 2022, amounts reported as changes of assumptions resulted from a decrease in the assumed rate of return from 7.35% to 7.00%.
- \* In 2021, amounts reported as changes of assumptions related to updated demographic assumptions, including adjustments to the following actuarial assumptions: mortality, retirement, disability, and termination rates.
- \* In 2020, amounts reported as changes of assumptions resulted primarily from a decrease in the assumed rate of return from 7.75% to 7.35%, and a decrease in the assumed rate of wage inflation from 3.75% to 3.00%.
- \* In 2016, amounts reported as changes in assumptions resulted in primarily from adjustments to the mortality table to reflect longer lifetimes, decreases in the assumed rate of return and changes in asset smoothing.

#### Notes to Schedule of Contributions

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

#### Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	10-15 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
Retirement age	Age 60
Mortality	Pre-retirement mortality based on 100% of Pub-2010 Juvenile Mortality Tables for ages 0-17, 100% of PubG-2010 Employee Mortality Tables for Ages 18-80, and 100% of PubG-2010 Healthy Retiree Tables for ages 81-120.

## COUNTY OF SAGINAW, MICHIGAN

### Notes to Required Supplementary Information

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

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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## COUNTY OF SAGINAW, MICHIGAN

### 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,			
	2024	2023	2022	2021
<b>Total OPEB liability</b>				
Service cost	\$ 390,289	\$ 374,478	\$ 455,645	\$ 468,981
Interest	3,058,009	2,983,854	3,433,024	3,384,923
Differences between expected and actual experience	(4,772,280)	(351,225)	(4,479,458)	891,997
Changes in assumptions	(3,180,594)	465,485	(4,816,553)	(1,431,902)
Changes in benefits	-	-	198,315	-
Benefit payments, including refunds of employee contributions	(1,828,687)	(2,676,195)	(1,715,830)	(3,750,981)
<b>Net change in total OPEB liability</b>	(6,333,263)	796,397	(6,924,857)	(436,982)
Total OPEB liability, beginning of year	51,490,906	50,694,509	57,619,366	58,056,348
<b>Total OPEB liability, end of year</b>	45,157,643	51,490,906	50,694,509	57,619,366
<b>Plan fiduciary net position</b>				
Employer contributions	8,824,110	6,992,307	7,573,764	7,450,740
Net investment income (loss)	6,173,313	2,693,746	(5,363,149)	4,289,785
Benefit payments, including refunds of employee contributions	(1,828,687)	(2,676,195)	(1,715,830)	(3,750,981)
Administrative expense	(182,844)	(182,412)	(205,525)	(206,352)
<b>Net change in plan fiduciary net position</b>	12,985,892	6,827,446	289,260	7,783,192
Plan fiduciary net position, beginning of year	49,415,629	42,588,183	42,298,923	34,515,731
<b>Plan fiduciary net position, end of year</b>	62,401,521	49,415,629	42,588,183	42,298,923
<b>County's net OPEB (asset) liability</b>	<u>\$ (17,243,878)</u>	<u>\$ 2,075,277</u>	<u>\$ 8,106,326</u>	<u>\$ 15,320,443</u>
Plan fiduciary net position as a percentage of total OPEB liability	138.2%	96.0%	84.0%	73.4%
Covered-employee payroll	\$ 32,142,316	\$ 22,413,718	\$ 22,600,876	\$ 8,585,103
County's net OPEB liability (asset) as a percentage of covered-employee payroll	-53.6%	9.3%	35.9%	178.5%

See notes to required supplementary information.

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

## COUNTY OF SAGINAW, MICHIGAN

### 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%

See notes to required supplementary information.

## COUNTY OF SAGINAW, MICHIGAN

### 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%

\* 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.

# COUNTY OF SAGINAW, MICHIGAN

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

# COUNTY OF SAGINAW, MICHIGAN

## Notes to Required Supplementary Information

### Single Employer Defined Benefit Other Postemployment Benefit Plan

#### 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.

#### 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:

Actuarial cost method	Individual entry-age normal
Amortization method	Level percent of payroll
Remaining amortization period	23 years
Asset valuation method	Market value of assets
Health care inflation rates	7.25% (pre age 65) 5.50% (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.
Mortality	<i>Pre-Retirement</i> : Pub-2010 General Employees Mortality Table without adjustment. <i>Healthy Retirees</i> : Pub-2010 General Retiree Mortality Table scaled by a factor of 106%. <i>Disabled Retirees</i> : 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.

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## **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

# COUNTY OF SAGINAW, MICHIGAN

## 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.

## COUNTY OF SAGINAW, MICHIGAN

### 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.

# COUNTY OF SAGINAW, MICHIGAN

## 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.

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

# COUNTY OF SAGINAW, MICHIGAN

## 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.

# COUNTY OF SAGINAW, MICHIGAN

## 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.

**Animal Care and Control Resource Center Construction Fund** - This fund was established to account for the acquisition of property and construction of a new Animal Care and Control Resource facility. Money for the operation of this fund is supplied from bond proceeds.

**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 vector dumping areas for the benefit of the Saginaw County Road Commission. Money for the operation of this fund is supplied from bond proceeds.

## COUNTY OF SAGINAW, MICHIGAN

### ■ Nonmajor Governmental Funds

#### 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.

COUNTY OF SAGINAW, MICHIGAN

**Combining Balance Sheet**  
 Nonmajor Governmental Funds  
 September 30, 2024

	Special Revenue Funds					
	Law Enforcement	Parks & Recreation Commission	Geographic Information System	Friend of the Court	Solid Waste Management	Lodging Excise Tax
<b>Assets</b>						
Cash and investment pool	\$ 1,977,983	\$ 1,628,705	\$ 35,921	\$ 511,955	\$ 809,155	\$ -
Receivables:						
Taxes	62,572	12,023	-	-	-	-
Accounts	293,528	1,575	-	6,400	116,088	1,164,820
Loans	-	-	-	-	-	-
Installment sales agreement	-	-	-	-	-	-
Leases	-	301,937	-	-	-	-
Due from other governmental units	9,707	8,387	-	572,809	-	-
Due from other funds	-	-	-	-	-	-
Prepays	7,657	964	-	2,789	-	-
<b>Total assets</b>	<u>\$ 2,351,447</u>	<u>\$ 1,953,591</u>	<u>\$ 35,921</u>	<u>\$ 1,093,953</u>	<u>\$ 925,243</u>	<u>\$ 1,164,820</u>
<b>Liabilities</b>						
Accounts payable	\$ 43,728	\$ 64,635	\$ -	\$ 5,287	\$ 26,138	\$ 1,104,833
Accrued liabilities	176,966	24,179	6,654	113,307	-	-
Deposits payable	4,270	-	-	-	-	-
Checks issued in excess of pooled cash	-	-	-	-	-	59,987
Due to other governmental units	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
<b>Total liabilities</b>	<u>224,964</u>	<u>88,814</u>	<u>6,654</u>	<u>118,594</u>	<u>26,138</u>	<u>1,164,820</u>
<b>Deferred inflows of resources</b>						
Unavailable revenue:						
Property taxes	62,571	12,023	-	-	-	-
Long-term receivables	-	-	-	-	-	-
Deferred lease amounts	-	281,294	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>62,571</u>	<u>293,317</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>						
Nonspendable	7,657	964	-	2,789	-	-
Restricted	2,056,255	1,570,496	-	-	899,105	-
Assigned	-	-	29,267	972,570	-	-
<b>Total fund balances</b>	<u>2,063,912</u>	<u>1,571,460</u>	<u>29,267</u>	<u>975,359</u>	<u>899,105</u>	<u>-</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 2,351,447</u>	<u>\$ 1,953,591</u>	<u>\$ 35,921</u>	<u>\$ 1,093,953</u>	<u>\$ 925,243</u>	<u>\$ 1,164,820</u>

Special Revenue Funds							
Castle Museum & Historical Activities	Commission on Aging	Mosquito Control	Dredged Materials Disposal	Planning	Principal Residence Exemption	Courthouse Preservation Technology	Animal Control
\$ 186,878	\$ 2,065,098	\$ 9,288,824	\$ -	\$ 118,474	\$ 94,508	\$ 46,340	\$ 711,272
10,412	25,638	34,313	-	-	71,219	-	12,739
-	4,949	1,801	2,048	-	-	39,250	3,511
-	-	-	-	1,892,061	-	-	-
-	-	-	-	-	-	-	-
-	630,516	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	37,271	-	-	-	-	-	890
<u>\$ 197,290</u>	<u>\$ 2,763,472</u>	<u>\$ 9,324,938</u>	<u>\$ 2,048</u>	<u>\$ 2,010,535</u>	<u>\$ 165,727</u>	<u>\$ 85,590</u>	<u>\$ 728,412</u>
\$ 63,937	\$ 84,540	\$ 530,856	\$ 61	\$ 46,068	\$ 23,247	\$ -	\$ 44,826
-	103,065	56,736	-	-	-	-	37,996
-	-	-	-	-	-	-	-
-	-	-	1,349	-	-	-	-
-	-	-	-	189,032	70,900	-	-
-	-	-	-	-	-	-	10,000
<u>63,937</u>	<u>187,605</u>	<u>587,592</u>	<u>1,410</u>	<u>235,100</u>	<u>94,147</u>	<u>-</u>	<u>92,822</u>
10,412	25,639	34,312	-	-	-	-	12,740
-	-	-	-	1,703,029	-	-	-
-	-	-	-	-	-	-	-
<u>10,412</u>	<u>25,639</u>	<u>34,312</u>	<u>-</u>	<u>1,703,029</u>	<u>-</u>	<u>-</u>	<u>12,740</u>
-	37,271	-	-	-	-	-	890
122,941	2,512,957	8,703,034	-	72,406	-	-	621,960
-	-	-	638	-	71,580	85,590	-
<u>122,941</u>	<u>2,550,228</u>	<u>8,703,034</u>	<u>638</u>	<u>72,406</u>	<u>71,580</u>	<u>85,590</u>	<u>622,850</u>
<u>\$ 197,290</u>	<u>\$ 2,763,472</u>	<u>\$ 9,324,938</u>	<u>\$ 2,048</u>	<u>\$ 2,010,535</u>	<u>\$ 165,727</u>	<u>\$ 85,590</u>	<u>\$ 728,412</u>

continued...

**COUNTY OF SAGINAW, MICHIGAN**

**Combining Balance Sheet**

Nonmajor Governmental Funds  
September 30, 2024

	Special Revenue Funds					
	Register of Deeds Automation	Indigent Care	E-911 Telephone Surcharge	Mobile Data Maintenance & Repair	Concealed Pistol Licensing	County Library Board
<b>Assets</b>						
Cash and investment pool	\$ 474,320	\$ 2,341,018	\$ 114,965	\$ 1,906,243	\$ 191,457	\$ -
Receivables:						
Taxes	-	-	6,346	-	-	-
Accounts	466	-	1,346,159	-	462	-
Loans	-	-	-	-	-	-
Installment sales agreement	-	-	-	-	-	-
Leases	-	-	-	-	-	-
Due from other governmental units	-	-	65,196	-	-	-
Due from other funds	-	-	-	-	-	-
Prepays	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ 474,786</u>	<u>\$ 2,341,018</u>	<u>\$ 1,532,666</u>	<u>\$ 1,906,243</u>	<u>\$ 191,919</u>	<u>\$ -</u>
<b>Liabilities</b>						
Accounts payable	\$ 14,825	\$ 379,439	\$ 17,345	\$ -	\$ 466	\$ -
Accrued liabilities	-	-	-	-	1,750	-
Deposits payable	-	-	-	-	-	-
Checks issued in excess of pooled cash	-	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-
Unearned revenue	-	1,961,579	-	-	-	-
<b>Total liabilities</b>	<u>14,825</u>	<u>2,341,018</u>	<u>17,345</u>	<u>-</u>	<u>2,216</u>	<u>-</u>
<b>Deferred inflows of resources</b>						
Unavailable revenue:						
Property taxes	-	-	6,346	-	-	-
Long-term receivables	-	-	-	-	-	-
Deferred lease amounts	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>6,346</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted	459,961	-	1,508,975	-	189,703	-
Assigned	-	-	-	1,906,243	-	-
<b>Total fund balances</b>	<u>459,961</u>	<u>-</u>	<u>1,508,975</u>	<u>1,906,243</u>	<u>189,703</u>	<u>-</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 474,786</u>	<u>\$ 2,341,018</u>	<u>\$ 1,532,666</u>	<u>\$ 1,906,243</u>	<u>\$ 191,919</u>	<u>\$ -</u>

**Special Revenue Funds**

Remun- eration	Special Projects	Sheriff Special Projects	Prosecutor Special Projects	Community Corrections	Local Correction Officer Training	MSU Extension
\$ 40,725	\$ 121,037	\$ 417,663	\$ -	\$ 252,906	\$ 155,679	\$ -
-	-	-	-	-	-	-
-	15,925	27,424	-	-	3,383	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
52,695	265,073	102,305	21,445	66,615	-	-
-	-	-	-	-	-	-
-	144	-	-	-	2,344	-
<u>\$ 93,420</u>	<u>\$ 402,179</u>	<u>\$ 547,392</u>	<u>\$ 21,445</u>	<u>\$ 319,521</u>	<u>\$ 161,406</u>	<u>\$ -</u>
\$ 79,589	\$ 144,631	\$ 16,085	\$ 3,164	\$ 13,763	\$ 578	\$ -
6,000	21,352	5,470	7,036	13,459	7,291	-
-	-	360	-	-	-	-
-	-	-	10,274	-	-	-
-	-	-	-	-	-	-
-	120,491	58,605	-	22,227	-	-
<u>85,589</u>	<u>286,474</u>	<u>80,520</u>	<u>20,474</u>	<u>49,449</u>	<u>7,869</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	144	-	-	-	2,344	-
-	-	-	-	270,072	151,193	-
<u>7,831</u>	<u>115,561</u>	<u>466,872</u>	<u>971</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7,831</u>	<u>115,705</u>	<u>466,872</u>	<u>971</u>	<u>270,072</u>	<u>153,537</u>	<u>-</u>
<u>\$ 93,420</u>	<u>\$ 402,179</u>	<u>\$ 547,392</u>	<u>\$ 21,445</u>	<u>\$ 319,521</u>	<u>\$ 161,406</u>	<u>\$ -</u>

continued...

**COUNTY OF SAGINAW, MICHIGAN**

**Combining Balance Sheet**

Nonmajor Governmental Funds  
September 30, 2024

	Special Revenue Funds					Debt Service Funds
	Department of Human Services	Child Care	County Veteran Service	Hospital Millage	Saginaw Children's Zoo Millage	MERS (DB) Pension Obligation Bond
<b>Assets</b>						
Cash and investment pool	\$ 555	\$ 1,222,483	\$ -	\$ 1,155,785	\$ 63,072	\$ 5,001
Receivables:						
Taxes	-	-	-	28,593	5,578	-
Accounts	295	35,367	3,268	-	-	-
Loans	-	-	-	-	-	-
Installment sales agreement	-	-	-	-	-	-
Leases	-	-	-	-	-	-
Due from other governmental units	-	1,095,556	51,229	-	-	-
Due from other funds	-	-	-	-	-	-
Prepays	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ 850</u>	<u>\$ 2,353,406</u>	<u>\$ 54,497</u>	<u>\$ 1,184,378</u>	<u>\$ 68,650</u>	<u>\$ 5,001</u>
<b>Liabilities</b>						
Accounts payable	\$ 850	\$ 128,837	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	109,476	-	-	-	-
Deposits payable	-	-	-	-	-	-
Checks issued in excess of pooled cash	-	-	54,497	-	-	-
Due to other governmental units	-	128,311	-	-	-	-
Unearned revenue	-	-	-	-	-	-
<b>Total liabilities</b>	<u>850</u>	<u>366,624</u>	<u>54,497</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources</b>						
Unavailable revenue:						
Property taxes	-	-	-	28,593	5,578	-
Long-term receivables	-	-	-	-	-	-
Deferred lease amounts	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,593</u>	<u>5,578</u>	<u>-</u>
<b>Fund balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	1,155,785	63,072	5,001
Assigned	-	1,986,782	-	-	-	-
<b>Total fund balances</b>	<u>-</u>	<u>1,986,782</u>	<u>-</u>	<u>1,155,785</u>	<u>63,072</u>	<u>5,001</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 850</u>	<u>\$ 2,353,406</u>	<u>\$ 54,497</u>	<u>\$ 1,184,378</u>	<u>\$ 68,650</u>	<u>\$ 5,001</u>

Debt Service Funds						Capital Projects Funds	
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	Parks Building & Site	Community Mental Health Renovations
\$ 248	\$ 35,475	\$ 1,123,833	\$ 1,130	\$ 12,393	\$ 1,323,007	\$ -	\$ 265,319
-	651	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	2,380,799	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	134,101	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 248</u>	<u>\$ 36,126</u>	<u>\$ 1,123,833</u>	<u>\$ 2,381,929</u>	<u>\$ 12,393</u>	<u>\$ 1,323,007</u>	<u>\$ 134,101</u>	<u>\$ 265,319</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,282	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	115,454	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	120,736	-
-	651	-	-	-	-	-	-
-	-	-	2,380,799	-	-	-	-
-	-	-	-	-	-	-	-
-	651	-	2,380,799	-	-	-	-
-	-	-	-	-	-	-	-
248	35,475	-	1,130	-	1,323,007	-	265,319
-	-	1,123,833	-	12,393	-	13,365	-
<u>248</u>	<u>35,475</u>	<u>1,123,833</u>	<u>1,130</u>	<u>12,393</u>	<u>1,323,007</u>	<u>13,365</u>	<u>265,319</u>
<u>\$ 248</u>	<u>\$ 36,126</u>	<u>\$ 1,123,833</u>	<u>\$ 2,381,929</u>	<u>\$ 12,393</u>	<u>\$ 1,323,007</u>	<u>\$ 134,101</u>	<u>\$ 265,319</u>

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**COUNTY OF SAGINAW, MICHIGAN**

**Combining Balance Sheet**

Nonmajor Governmental Funds  
September 30, 2024

	Capital Projects Funds				Permanent Fund	Total Nonmajor Governmental Funds
	Public Improvement	Animal Care and Control Resource Center Construction	Mainframe Conversion Project	Road Construction	Rail Trail Endowment	
<b>Assets</b>						
Cash and investment pool	\$ 3,992,762	\$ -	\$ 789,169	\$ 5,393,709	\$ 42,680	\$ 38,917,747
Receivables:						
Taxes	-	-	-	-	-	270,084
Accounts	1,140	-	-	-	-	3,067,859
Loans	-	-	-	-	-	1,892,061
Installment sales agreement	-	-	-	-	-	2,380,799
Leases	-	-	-	-	-	301,937
Due from other governmental units	-	-	-	-	-	3,075,634
Due from other funds	1,768,270	-	-	-	-	1,768,270
Prepays	5,822	-	-	-	-	57,881
<b>Total assets</b>	<u>\$ 5,767,994</u>	<u>\$ -</u>	<u>\$ 789,169</u>	<u>\$ 5,393,709</u>	<u>\$ 42,680</u>	<u>\$ 51,732,272</u>
<b>Liabilities</b>						
Accounts payable	\$ 204,624	\$ -	\$ 266,614	\$ 1,606,711	\$ -	\$ 4,920,959
Accrued liabilities	-	-	-	-	-	690,737
Deposits payable	-	-	-	-	-	4,630
Checks issued in excess of pooled cash	-	-	-	-	-	241,561
Due to other governmental units	-	-	-	-	-	388,243
Unearned revenue	-	-	-	-	-	2,172,902
<b>Total liabilities</b>	<u>204,624</u>	<u>-</u>	<u>266,614</u>	<u>1,606,711</u>	<u>-</u>	<u>8,419,032</u>
<b>Deferred inflows of resources</b>						
Unavailable revenue:						
Property taxes	-	-	-	-	-	198,865
Long-term receivables	-	-	-	-	-	4,083,828
Deferred lease amounts	-	-	-	-	-	281,294
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,563,987</u>
<b>Fund balances</b>						
Nonspendable	5,822	-	-	-	36,390	94,271
Restricted	5,557,548	-	522,555	3,786,998	6,290	31,861,486
Assigned	-	-	-	-	-	6,793,496
<b>Total fund balances</b>	<u>5,563,370</u>	<u>-</u>	<u>522,555</u>	<u>3,786,998</u>	<u>42,680</u>	<u>38,749,253</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 5,767,994</u>	<u>\$ -</u>	<u>\$ 789,169</u>	<u>\$ 5,393,709</u>	<u>\$ 42,680</u>	<u>\$ 51,732,272</u>

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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, 2024

	Special Revenue Funds					
	Law Enforcement	Parks & Recreation Commission	Geographic Information System	Friend of the Court	Solid Waste Management	Lodging Excise Tax
<b>Revenue</b>						
Property taxes	\$ 10,296,985	\$ 1,730,916	\$ -	\$ -	\$ -	\$ -
Accommodations tax	-	-	-	-	-	3,865,833
Licenses and permits	-	-	-	-	-	-
Federal grants	-	-	-	3,235,466	-	-
State grants	261,327	114,245	-	262,614	-	-
Local grants and contributions	-	2,070	-	-	-	-
Charges for services	63,957	39,848	-	288,773	449,379	-
Fines and forfeitures	-	-	-	-	-	-
Investment income (loss)	139,276	94,829	-	-	26,185	-
Rental revenue	-	28,303	-	-	-	-
Donations	-	17,544	-	-	-	-
Reimbursements	745,535	108	286,764	227	-	-
Other revenue	-	5,974	-	-	-	-
<b>Total revenue</b>	<b>11,507,080</b>	<b>2,033,837</b>	<b>286,764</b>	<b>3,787,080</b>	<b>475,564</b>	<b>3,865,833</b>
<b>Expenditures</b>						
Current:						
Judicial	-	-	-	5,262,918	-	-
General government	-	-	280,750	-	-	-
Public safety	8,218,802	-	-	-	-	-
Public works	-	-	-	-	237,831	-
Health and welfare	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	3,865,833
Recreation and culture	-	1,859,207	-	-	-	-
Capital outlay	1,054,563	143,805	-	-	-	-
Debt service:						
Principal	148,751	-	-	-	-	-
Interest and fiscal charges	1,249	-	-	-	-	-
<b>Total expenditures</b>	<b>9,423,365</b>	<b>2,003,012</b>	<b>280,750</b>	<b>5,262,918</b>	<b>237,831</b>	<b>3,865,833</b>
Revenues over (under) expenditures	2,083,715	30,825	6,014	(1,475,838)	237,733	-
<b>Other financing sources (uses)</b>						
Proceeds from issuance of bonds, notes and other long-term liabilities	512,137	-	-	-	-	-
Premium on issuance of bonds, notes and other long-term liabilities	-	-	-	-	-	-
Transfers in	507,042	-	-	1,700,028	-	-
Transfers out	(3,329,250)	-	-	-	(45,999)	-
<b>Total other financing sources (uses)</b>	<b>(2,310,071)</b>	<b>-</b>	<b>-</b>	<b>1,700,028</b>	<b>(45,999)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(226,356)</b>	<b>30,825</b>	<b>6,014</b>	<b>224,190</b>	<b>191,734</b>	<b>-</b>
Fund balances, beginning of year as previously reported	2,290,268	1,540,635	23,253	751,169	707,371	-
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-	-
Fund balances, beginning of year as adjusted	2,290,268	1,540,635	23,253	751,169	707,371	-
<b>Fund balances, end of year</b>	<b>\$ 2,063,912</b>	<b>\$ 1,571,460</b>	<b>\$ 29,267</b>	<b>\$ 975,359</b>	<b>\$ 899,105</b>	<b>\$ -</b>

Special Revenue Funds							
Castle Museum & Historical Activities	Commission on Aging	Mosquito Control	Dredged Materials Disposal	Planning	Principal Residence Exemption	Courthouse Preservation Technology	Animal Control
\$ 1,175,463	\$ 3,471,805	\$ 5,891,879	\$ -	\$ -	\$ -	\$ -	\$ 2,499,629
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	8,920
-	1,878,105	-	-	-	-	-	-
57,786	632,292	303,799	-	-	-	-	122,962
-	21,844	-	-	-	-	-	18,551
-	29,203	53,630	-	-	1,211	69,465	65,196
-	-	-	-	-	-	-	-
7,782	135,961	289,477	1	4,178	8,937	2,405	33,385
-	-	4,500	310	-	-	-	-
-	150,656	-	-	-	-	-	95,793
28,646	10,967	117,888	-	-	-	-	-
-	31,501	526	-	43,849	-	-	-
<u>1,269,677</u>	<u>6,362,334</u>	<u>6,661,699</u>	<u>311</u>	<u>48,027</u>	<u>10,148</u>	<u>71,870</u>	<u>2,844,436</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,173,191
-	-	-	-	-	-	-	-
-	6,166,493	3,495,531	-	-	-	-	-
-	-	-	-	46,158	-	-	-
1,259,326	-	-	-	-	-	-	-
-	16,134	1,652,243	-	-	-	-	11,105
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,259,326</u>	<u>6,182,627</u>	<u>5,147,774</u>	<u>-</u>	<u>46,158</u>	<u>-</u>	<u>-</u>	<u>2,184,296</u>
<u>10,351</u>	<u>179,707</u>	<u>1,513,925</u>	<u>311</u>	<u>1,869</u>	<u>10,148</u>	<u>71,870</u>	<u>660,140</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	15,372
-	-	-	-	-	-	(75,000)	(650,161)
-	-	-	-	-	-	(75,000)	(634,789)
<u>10,351</u>	<u>179,707</u>	<u>1,513,925</u>	<u>311</u>	<u>1,869</u>	<u>10,148</u>	<u>(3,130)</u>	<u>25,351</u>
112,590	2,370,521	7,189,109	327	70,537	61,432	88,720	597,499
-	-	-	-	-	-	-	-
<u>112,590</u>	<u>2,370,521</u>	<u>7,189,109</u>	<u>327</u>	<u>70,537</u>	<u>61,432</u>	<u>88,720</u>	<u>597,499</u>
<u>\$ 122,941</u>	<u>\$ 2,550,228</u>	<u>\$ 8,703,034</u>	<u>\$ 638</u>	<u>\$ 72,406</u>	<u>\$ 71,580</u>	<u>\$ 85,590</u>	<u>\$ 622,850</u>

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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, 2024

	Special Revenue Funds					
	Register of Deeds Automation	Indigent Care	E-911 Telephone Surcharge	Mobile Data Maintenance & Repair	Concealed Pistol Licensing	County Library Board
<b>Revenue</b>						
Property taxes	\$ -	\$ -	\$ 1,646,398	\$ -	\$ -	\$ -
Accommodations tax	-	-	-	-	-	-
Licenses and permits	-	-	-	-	102,246	-
Federal grants	-	-	-	-	-	-
State grants	-	6,050,408	473,319	-	-	-
Local grants and contributions	-	924,855	-	154,500	-	-
Charges for services	141,165	-	5,526,823	143,069	17,805	-
Fines and forfeitures	-	-	-	-	-	40,348
Investment income (loss)	15,526	-	17,991	67,387	6,896	-
Rental revenue	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Reimbursements	-	50,887	86,944	13,368	-	-
Other revenue	-	-	-	-	-	-
<b>Total revenue</b>	<b>156,691</b>	<b>7,026,150</b>	<b>7,751,475</b>	<b>378,324</b>	<b>126,947</b>	<b>40,348</b>
<b>Expenditures</b>						
Current:						
Judicial	-	-	-	-	-	-
General government	74,784	-	-	-	-	-
Public safety	-	7,026,150	7,711,098	363,541	118,184	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	40,348
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	66,475	-	-	-	-	-
Interest and fiscal charges	4,375	-	-	-	-	-
<b>Total expenditures</b>	<b>145,634</b>	<b>7,026,150</b>	<b>7,711,098</b>	<b>363,541</b>	<b>118,184</b>	<b>40,348</b>
Revenues over (under) expenditures	11,057	-	40,377	14,783	8,763	-
<b>Other financing sources (uses)</b>						
Proceeds from issuance of bonds, notes and other long-term liabilities	-	-	-	-	-	-
Premium on issuance of bonds, notes and other long-term liabilities	-	-	-	-	-	-
Transfers in	-	-	-	148,458	-	-
Transfers out	-	-	-	(25,459)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>122,999</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>11,057</b>	<b>-</b>	<b>40,377</b>	<b>137,782</b>	<b>8,763</b>	<b>-</b>
Fund balances, beginning of year as previously reported	448,904	-	1,468,598	1,768,461	180,940	-
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-	-
Fund balances, beginning of year as adjusted	448,904	-	1,468,598	1,768,461	180,940	-
<b>Fund balances, end of year</b>	<b>\$ 459,961</b>	<b>\$ -</b>	<b>\$ 1,508,975</b>	<b>\$ 1,906,243</b>	<b>\$ 189,703</b>	<b>\$ -</b>

Special Revenue Funds							
Remon- mentation	Special Projects	Sheriff Special Projects	Prosecutor Special Projects	(Formerly Nonmajor) Opioid Settlements	Community Corrections	Local Correction Officer Training	MSU Extension
\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
-	-	-	-		-	-	-
-	-	-	-		-	-	-
-	505,823	147,663	-		-	-	-
88,908	540,228	348,708	269,231		616,872	-	-
-	-	-	-		-	-	-
-	915	40,584	-		720	39,614	-
-	97	900	-		-	-	-
-	714	2,288	-		-	5,662	3
-	-	-	-		-	-	-
-	16,100	-	-		-	-	-
-	268,491	109,140	-		-	-	-
-	-	-	-		-	-	-
<u>88,908</u>	<u>1,332,368</u>	<u>649,283</u>	<u>269,231</u>		<u>617,592</u>	<u>45,276</u>	<u>3</u>
-	767,447	-	-		-	-	-
88,683	-	-	301,352		348	-	99
-	217,312	713,873	-		616,521	55,820	-
-	268,967	-	-		-	-	-
-	249,449	-	-		-	-	-
-	945	-	-		-	-	-
-	-	-	-		-	-	-
-	-	8,915	-		-	-	-
-	-	-	-		-	-	-
-	-	-	-		-	-	-
<u>88,683</u>	<u>1,504,120</u>	<u>722,788</u>	<u>301,352</u>		<u>616,869</u>	<u>55,820</u>	<u>99</u>
<u>225</u>	<u>(171,752)</u>	<u>(73,505)</u>	<u>(32,121)</u>		<u>723</u>	<u>(10,544)</u>	<u>(96)</u>
-	-	-	-		-	-	-
-	-	-	-		-	-	-
-	137,284	63,626	32,121		-	-	-
-	-	(3,000)	-		-	-	-
-	137,284	60,626	32,121		-	-	-
<u>225</u>	<u>(34,468)</u>	<u>(12,879)</u>	<u>-</u>		<u>723</u>	<u>(10,544)</u>	<u>(96)</u>
7,606	150,173	479,751	971	\$ 1,265,256	269,349	164,081	96
-	-	-	-	(1,265,256)	-	-	-
<u>7,606</u>	<u>150,173</u>	<u>479,751</u>	<u>971</u>	<u>-</u>	<u>269,349</u>	<u>164,081</u>	<u>96</u>
<u>\$ 7,831</u>	<u>\$ 115,705</u>	<u>\$ 466,872</u>	<u>\$ 971</u>	<u>\$ -</u>	<u>\$ 270,072</u>	<u>\$ 153,537</u>	<u>\$ -</u>

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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, 2024

	Special Revenue Funds					Debt Service Funds
	Department of Human Services	Child Care	County Veteran Service	Hospital Millage	Saginaw Children's Zoo Millage	MERS (DB) Pension Obligation Bond
<b>Revenue</b>						
Property taxes	\$ -	\$ -	\$ -	\$ 2,432,733	\$ 1,176,067	\$ -
Accommodations tax	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Federal grants	-	54,393	-	-	-	-
State grants	-	3,954,332	101,228	130,274	57,873	-
Local grants and contributions	-	53,392	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Investment income (loss)	-	-	-	48,766	4,062	129
Rental revenue	-	-	-	-	-	-
Donations	-	43,518	-	-	-	-
Reimbursements	-	14,134	-	-	-	4,781,009
Other revenue	-	-	-	-	-	-
<b>Total revenue</b>	<u>-</u>	<u>4,119,769</u>	<u>101,228</u>	<u>2,611,773</u>	<u>1,238,002</u>	<u>4,781,138</u>
<b>Expenditures</b>						
Current:						
Judicial	-	-	-	-	-	-
General government	-	-	-	-	-	-
Public safety	-	-	-	-	1,239,880	-
Public works	-	-	-	-	-	-
Health and welfare	17,815	6,316,684	101,228	2,668,568	-	-
Community and economic development	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	3,755,000
Interest and fiscal charges	-	-	-	-	-	1,026,009
<b>Total expenditures</b>	<u>17,815</u>	<u>6,316,684</u>	<u>101,228</u>	<u>2,668,568</u>	<u>1,239,880</u>	<u>4,781,009</u>
Revenues over (under) expenditures	<u>(17,815)</u>	<u>(2,196,915)</u>	<u>-</u>	<u>(56,795)</u>	<u>(1,878)</u>	<u>129</u>
<b>Other financing sources (uses)</b>						
Proceeds from issuance of bonds, notes and other long-term liabilities	-	-	-	-	-	-
Premium on issuance of bonds, notes and other long-term liabilities	-	-	-	-	-	-
Transfers in	17,815	2,944,583	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>17,815</u>	<u>2,944,583</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>747,668</u>	<u>-</u>	<u>(56,795)</u>	<u>(1,878)</u>	<u>129</u>
Fund balances, beginning of year as previously reported	-	1,239,114	-	1,212,580	64,950	4,872
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-	-
Fund balances, beginning of year as adjusted	<u>-</u>	<u>1,239,114</u>	<u>-</u>	<u>1,212,580</u>	<u>64,950</u>	<u>4,872</u>
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ 1,986,782</u>	<u>\$ -</u>	<u>\$ 1,155,785</u>	<u>\$ 63,072</u>	<u>\$ 5,001</u>

Debt Service Funds						Capital Projects Funds	
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	Parks Building & Site	Community Mental Health Renovations
\$ -	\$ 246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	68,566	-
-	-	-	443,939	-	-	-	-
7	1,264	43,605	-	5,929	39,813	479	18,966
164,842	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
164,849	1,510	43,605	443,939	5,929	39,813	69,045	18,966
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	28,175
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	68,566	237,820
152,219	-	375,000	355,000	870,000	765,000	-	-
12,623	-	229,969	87,884	296,500	1,397,800	-	-
164,842	-	604,969	442,884	1,166,500	2,162,800	68,566	265,995
7	1,510	(561,364)	1,055	(1,160,571)	(2,122,987)	479	(247,029)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	538,262	-	1,166,500	2,137,384	-	-
-	-	(1,096)	-	-	(4,212)	-	-
-	-	537,166	-	1,166,500	2,133,172	-	-
7	1,510	(24,198)	1,055	5,929	10,185	479	(247,029)
241	33,965	1,148,031	75	6,464	1,312,822	12,886	512,348
-	-	-	-	-	-	-	-
241	33,965	1,148,031	75	6,464	1,312,822	12,886	512,348
\$ 248	\$ 35,475	\$ 1,123,833	\$ 1,130	\$ 12,393	\$ 1,323,007	\$ 13,365	\$ 265,319

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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, 2024

	Capital Projects Funds				Permanent Fund	Total Nonmajor Governmental Funds
	Public Improvement	Animal Care and Control Resource Center Construction	Mainframe Conversion Project	Road Construction	Rail Trail Endowment	
<b>Revenue</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,322,121
Accommodations tax	-	-	-	-	-	3,865,833
Licenses and permits	-	-	-	-	-	111,166
Federal grants	-	-	-	-	-	5,821,450
State grants	-	-	-	-	-	14,454,972
Local grants and contributions	-	-	-	-	-	1,175,212
Charges for services	-	-	-	-	-	7,415,296
Fines and forfeitures	-	-	-	-	-	41,345
Investment income (loss)	283,229	27,646	39,004	(19,535)	1,534	1,353,781
Rental revenue	-	-	-	-	-	197,955
Donations	-	-	-	-	-	323,611
Reimbursements	-	-	-	-	-	6,514,108
Other revenue	354	-	-	-	-	82,204
<b>Total revenue</b>	<b>283,583</b>	<b>27,646</b>	<b>39,004</b>	<b>(19,535)</b>	<b>1,534</b>	<b>71,679,054</b>
<b>Expenditures</b>						
Current:						
Judicial	-	-	-	-	-	6,030,365
General government	103,001	-	71,483	-	-	948,675
Public safety	-	-	-	-	-	28,454,372
Public works	-	-	-	6,240,806	-	6,747,604
Health and welfare	-	-	-	-	-	19,015,768
Community and economic development	-	-	-	-	-	3,912,936
Recreation and culture	-	-	-	-	-	3,158,881
Capital outlay	1,880,356	189,277	139,341	-	-	5,402,125
Debt service:						
Principal	-	-	-	-	-	6,487,445
Interest and fiscal charges	-	-	-	-	-	3,056,409
<b>Total expenditures</b>	<b>1,983,357</b>	<b>189,277</b>	<b>210,824</b>	<b>6,240,806</b>	<b>-</b>	<b>83,214,580</b>
Revenues over (under) expenditures	(1,699,774)	(161,631)	(171,820)	(6,260,341)	1,534	(11,535,526)
<b>Other financing sources (uses)</b>						
Proceeds from issuance of bonds, notes and other long-term liabilities	-	-	-	9,035,000	-	9,547,137
Premium on issuance of bonds, notes and other long-term liabilities	-	-	-	1,012,339	-	1,012,339
Transfers in	1,883,015	67,899	-	-	-	11,359,389
Transfers out	(1,796,421)	-	-	-	-	(5,930,598)
<b>Total other financing sources (uses)</b>	<b>86,594</b>	<b>67,899</b>	<b>-</b>	<b>10,047,339</b>	<b>-</b>	<b>15,988,267</b>
<b>Net change in fund balances</b>	<b>(1,613,180)</b>	<b>(93,732)</b>	<b>(171,820)</b>	<b>3,786,998</b>	<b>1,534</b>	<b>4,452,741</b>
Fund balances, beginning of year as previously reported	7,176,550	93,732	694,375	-	41,146	35,561,768
Change within financial reporting entity (nonmajor to major fund)	-	-	-	-	-	(1,265,256)
Fund balances, beginning of year as adjusted	7,176,550	93,732	694,375	-	41,146	34,296,512
<b>Fund balances, end of year</b>	<b>\$ 5,563,370</b>	<b>\$ -</b>	<b>\$ 522,555</b>	<b>\$ 3,786,998</b>	<b>\$ 42,680</b>	<b>\$ 38,749,253</b>

concluded

## COUNTY OF SAGINAW, MICHIGAN

### 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, 2024

	<b>Delinquent Property Tax Foreclosure</b>	<b>Building Authority Administration</b>	<b>Parking System</b>	<b>Harry W. Browne Airport</b>	<b>Inmate Services</b>	<b>Total</b>
<b>Assets</b>						
Current assets:						
Cash and investment pool	\$ 937,134	\$ 195,278	\$ 113,904	\$ 277,335	\$ 14,009	\$ 1,537,660
Receivables, net:						
Accounts	-	-	260	51,245	81,740	133,245
Due from other governmental units	-	-	-	32,000	-	32,000
Inventory	-	-	-	32,342	-	32,342
Prepays	-	-	-	13,763	-	13,763
<b>Total current assets</b>	<b>937,134</b>	<b>195,278</b>	<b>114,164</b>	<b>406,685</b>	<b>95,749</b>	<b>1,749,010</b>
Noncurrent assets:						
Capital assets not being depreciated	-	-	41,273	3,046,058	-	3,087,331
Capital assets being depreciated, net	-	-	5,078	3,758,600	-	3,763,678
<b>Total noncurrent assets</b>	<b>-</b>	<b>-</b>	<b>46,351</b>	<b>6,804,658</b>	<b>-</b>	<b>6,851,009</b>
<b>Total assets</b>	<b>937,134</b>	<b>195,278</b>	<b>160,515</b>	<b>7,211,343</b>	<b>95,749</b>	<b>8,600,019</b>
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	921,834	160	2,699	106,341	32,000	1,063,034
Accrued liabilities	10,481	43	-	-	-	10,524
Deposits payable	-	-	-	-	38,749	38,749
Accrued compensated absences	4,819	-	-	-	-	4,819
<b>Total liabilities (all current)</b>	<b>937,134</b>	<b>203</b>	<b>2,699</b>	<b>106,341</b>	<b>70,749</b>	<b>1,117,126</b>
<b>Net position</b>						
Investment in capital assets	-	-	46,351	6,804,658	-	6,851,009
Unrestricted	-	195,075	111,465	300,344	25,000	631,884
<b>Total net position</b>	<b>\$ -</b>	<b>\$ 195,075</b>	<b>\$ 157,816</b>	<b>\$ 7,105,002</b>	<b>\$ 25,000</b>	<b>\$ 7,482,893</b>

**COUNTY OF SAGINAW, MICHIGAN**

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

Nonmajor Enterprise Funds

For the Year Ended September 30, 2024

	<b>Delinquent Property Tax Foreclosure</b>	<b>Building Authority Administration</b>	<b>Parking System</b>	<b>Harry W. Browne Airport</b>	<b>Inmate Services</b>	<b>Total</b>
<b>Operating revenues</b>						
Charges for services	\$ 1,084,611	\$ 18,818	\$ 45,469	\$ 547,249	\$ 1,197,568	\$ 2,893,715
Interest on delinquent taxes	1,186	-	-	-	-	1,186
Fines and forfeitures	-	-	165	-	-	165
Rental revenue	-	-	-	110,166	-	110,166
Reimbursements	55,228	-	-	7,414	27,432	90,074
Other revenue	-	-	-	200	7,800	8,000
<b>Total operating revenues</b>	<b>1,141,025</b>	<b>18,818</b>	<b>45,634</b>	<b>665,029</b>	<b>1,232,800</b>	<b>3,103,306</b>
<b>Operating expenses</b>						
Personnel services	-	2,033	1,008	-	-	3,041
Supplies	-	-	17	3,017	528,526	531,560
Services and charges	1,717,754	6,404	18,910	568,959	284,694	2,596,721
Depreciation	-	-	569	316,797	-	317,366
<b>Total operating expenses</b>	<b>1,717,754</b>	<b>8,437</b>	<b>20,504</b>	<b>888,773</b>	<b>813,220</b>	<b>3,448,688</b>
Operating income (loss)	(576,729)	10,381	25,130	(223,744)	419,580	(345,382)
<b>Nonoperating revenues (expenses)</b>						
Federal grants	-	-	-	1,735,555	-	1,735,555
State grants	-	-	-	85,432	-	85,432
Investment income	408,351	9,563	-	-	-	417,914
<b>Total nonoperating revenues (expenses)</b>	<b>408,351</b>	<b>9,563</b>	<b>-</b>	<b>1,820,987</b>	<b>-</b>	<b>2,238,901</b>
Income (loss) before transfers	(168,378)	19,944	25,130	1,597,243	419,580	1,893,519
Transfers in	-	7,800	-	-	-	7,800
Transfers out	-	-	(4,588)	-	(419,583)	(424,171)
<b>Change in net position</b>	<b>(168,378)</b>	<b>27,744</b>	<b>20,542</b>	<b>1,597,243</b>	<b>(3)</b>	<b>1,477,148</b>
Net position, beginning of year	168,378	167,331	137,274	5,507,759	25,003	6,005,745
<b>Net position, end of year</b>	<b>\$ -</b>	<b>\$ 195,075</b>	<b>\$ 157,816</b>	<b>\$ 7,105,002</b>	<b>\$ 25,000</b>	<b>\$ 7,482,893</b>

**COUNTY OF SAGINAW, MICHIGAN**

**Combining Statement of Cash Flows**

Nonmajor Enterprise Funds

For the Year Ended September 30, 2024

	<b>Delinquent Property Tax Foreclosure</b>	<b>Building Authority Administration</b>	<b>Parking System</b>	<b>Harry W. Browne Airport</b>	<b>Inmate Services</b>	<b>Total</b>
<b>Cash flows from operating activities</b>						
Receipts from customers	\$ 1,141,025	\$ 18,818	\$ 45,558	\$ 603,914	\$ 1,506,060	\$ 3,315,375
Payments to employees	-	(2,037)	(1,008)	-	-	(3,045)
Payments to suppliers	(805,469)	(114,479)	(16,303)	(466,519)	(1,334,731)	(2,737,501)
<b>Net cash provided by (used in) operating activities</b>	<u>335,556</u>	<u>(97,698)</u>	<u>28,247</u>	<u>137,395</u>	<u>171,329</u>	<u>574,829</u>
<b>Cash flows from noncapital financing activities</b>						
Transfers in	-	7,800	-	-	-	7,800
Transfers out	-	-	(4,588)	-	(419,583)	(424,171)
<b>Net cash provided by (used in) noncapital financing activities</b>	<u>-</u>	<u>7,800</u>	<u>(4,588)</u>	<u>-</u>	<u>(419,583)</u>	<u>(416,371)</u>
<b>Cash flows from capital and related financing activities</b>						
Repayment of advances from other funds	-	-	-	-	(20,000)	(20,000)
Payments for capital asset acquisition	-	-	-	(152,603)	-	(152,603)
<b>Net cash used in capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(152,603)</u>	<u>(20,000)</u>	<u>(172,603)</u>
<b>Cash flows from investing activities</b>						
Investment income	408,351	9,563	-	-	-	417,914
<b>Net change in cash and investment pool</b>	743,907	(80,335)	23,659	(15,208)	(268,254)	403,769
Cash and investment pool: Beginning of year	193,227	275,613	90,245	292,543	282,263	1,133,891
<b>End of year</b>	<u>\$ 937,134</u>	<u>\$ 195,278</u>	<u>\$ 113,904</u>	<u>\$ 277,335</u>	<u>\$ 14,009</u>	<u>\$ 1,537,660</u>

continued...

**COUNTY OF SAGINAW, MICHIGAN**

**Combining Statement of Cash Flows**

Nonmajor Enterprise Funds

For the Year Ended September 30, 2024

	Delinquent Property Tax Foreclosure	Building Authority Administration	Parking System	Harry W. Browne Airport	Inmate Services	Total
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>						
Operating income (loss)	\$ (576,729)	\$ 10,381	\$ 25,130	\$ (223,744)	\$ 419,580	\$ (345,382)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	-	-	569	316,797	-	317,366
Changes in operating assets and liabilities that provided (used) cash:						
Receivables, net	-	-	(76)	(29,115)	267,058	237,867
Due from other governments	-	-	-	(32,000)	-	(32,000)
Inventory	-	-	-	16,976	-	16,976
Prepays	-	-	-	(12,680)	-	(12,680)
Accounts payable	910,914	(108,075)	2,624	101,161	(18,820)	887,804
Accrued liabilities	1,332	(4)	-	-	-	1,328
Deposits payable	-	-	-	-	6,202	6,202
Due to other funds	-	-	-	-	(502,691)	(502,691)
Accrued compensated absences	39	-	-	-	-	39
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 335,556</u>	<u>\$ (97,698)</u>	<u>\$ 28,247</u>	<u>\$ 137,395</u>	<u>\$ 171,329</u>	<u>\$ 574,829</u>
						concluded
<b>Noncash transactions:</b>						
Capital assets purchased with MDOT administered grant funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,820,987</u>	<u>\$ -</u>	<u>\$ 1,820,987</u>

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## COUNTY OF SAGINAW, MICHIGAN

### 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, 2024

	MERS (DB) Retirement	MERS (DC) Retirement	Information Technology	Equipment Revolving
<b>Assets</b>				
Current assets:				
Cash and investment pool	\$ 769,340	\$ 1,513,119	\$ 388,661	\$ 15,249
Receivables:				
Accounts	118	187,917	185,885	-
Prepays	-	-	-	-
Total current assets	<u>769,458</u>	<u>1,701,036</u>	<u>574,546</u>	<u>15,249</u>
Noncurrent assets:				
Capital assets being depreciated, net	-	-	1,455,302	-
<b>Total assets</b>	<u>769,458</u>	<u>1,701,036</u>	<u>2,029,848</u>	<u>15,249</u>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	118	183,615	31,806	-
Accrued liabilities	-	1,022	39,021	-
Total current liabilities	<u>118</u>	<u>184,637</u>	<u>70,827</u>	<u>-</u>
Noncurrent liabilities:				
Accrued compensated absences	-	3,477	64,496	-
<b>Total liabilities</b>	<u>118</u>	<u>188,114</u>	<u>135,323</u>	<u>-</u>
<b>Net position</b>				
Investment in capital assets	-	-	1,455,302	-
Unrestricted	769,340	1,512,922	439,223	15,249
<b>Total net position</b>	<u>\$ 769,340</u>	<u>\$ 1,512,922</u>	<u>\$ 1,894,525</u>	<u>\$ 15,249</u>

Motor Pool	Risk Management	Investment Pool	Employee Benefits	Retiree Health Savings Plan	Total
\$ 232,413	\$ 2,766,525	\$ 36,212	\$ 7,318,139	\$ 610	\$ 13,040,268
-	60,066	-	75,788	22,907	532,681
-	352,791	-	164,874	-	517,665
<u>232,413</u>	<u>3,179,382</u>	<u>36,212</u>	<u>7,558,801</u>	<u>23,517</u>	<u>14,090,614</u>
7,601	-	-	-	-	1,462,903
<u>240,014</u>	<u>3,179,382</u>	<u>36,212</u>	<u>7,558,801</u>	<u>23,517</u>	<u>15,553,517</u>
18,754	7,977	3,350	74,398	22,742	342,760
-	1,890,825	918	1,493,001	-	3,424,787
<u>18,754</u>	<u>1,898,802</u>	<u>4,268</u>	<u>1,567,399</u>	<u>22,742</u>	<u>3,767,547</u>
-	5,672	3,007	6,585	-	83,237
<u>18,754</u>	<u>1,904,474</u>	<u>7,275</u>	<u>1,573,984</u>	<u>22,742</u>	<u>3,850,784</u>
7,601	-	-	-	-	1,462,903
<u>213,659</u>	<u>1,274,908</u>	<u>28,937</u>	<u>5,984,817</u>	<u>775</u>	<u>10,239,830</u>
<u>\$ 221,260</u>	<u>\$ 1,274,908</u>	<u>\$ 28,937</u>	<u>\$ 5,984,817</u>	<u>\$ 775</u>	<u>\$ 11,702,733</u>

## COUNTY OF SAGINAW, MICHIGAN

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

Internal Service Funds

For the Year Ended September 30, 2024

	MERS (DB) Retirement	MERS (DC) Retirement	Information Technology	Equipment Revolving
<b>Operating revenues</b>				
Charges for services	\$ -	\$ -	\$ 199,614	\$ -
Rental revenue	-	-	-	-
Reimbursements	5,876,402	4,409,210	4,417,427	-
Other revenue	-	127,377	-	-
<b>Total operating revenues</b>	<b>5,876,402</b>	<b>4,536,587</b>	<b>4,617,041</b>	<b>-</b>
<b>Operating expenses</b>				
Personnel services	-	21,075	872,182	-
Fringe benefits	5,542,092	4,418,962	722,494	-
Supplies	-	-	18,892	-
Services and charges	100,752	804	1,816,847	-
Depreciation	-	-	286,642	-
<b>Total operating expenses</b>	<b>5,642,844</b>	<b>4,440,841</b>	<b>3,717,057</b>	<b>-</b>
Operating income (loss)	233,558	95,746	899,984	-
<b>Nonoperating revenues (expenses)</b>				
Investment income (loss)	15,913	52,413	(3,980)	548
Income (loss) before transfers	249,471	148,159	896,004	548
Transfers in	-	-	-	-
Transfers out	-	-	(1,166,500)	-
<b>Total transfers</b>	<b>-</b>	<b>-</b>	<b>(1,166,500)</b>	<b>-</b>
<b>Change in net position</b>	<b>249,471</b>	<b>148,159</b>	<b>(270,496)</b>	<b>548</b>
Net position, beginning of year	519,869	1,364,763	2,165,021	14,701
<b>Net position, end of year</b>	<b>\$ 769,340</b>	<b>\$ 1,512,922</b>	<b>\$ 1,894,525</b>	<b>\$ 15,249</b>

Motor Pool	Risk Management	Investment Pool	Employee Benefits	Retiree Health Savings Plan	Total
\$ 24,000	\$ 9,284	\$ -	\$ -	\$ -	\$ 232,898
395,009	-	-	-	-	395,009
-	1,722,184	91,750	10,321,168	542,180	27,380,321
-	-	-	5	-	127,382
<u>419,009</u>	<u>1,731,468</u>	<u>91,750</u>	<u>10,321,173</u>	<u>542,180</u>	<u>28,135,610</u>
-	71,021	18,860	107,367	-	1,090,505
-	43,167	29,427	7,586,544	-	18,342,686
178,310	185	-	89,066	-	286,453
214,798	1,605,777	25,945	20,049	542,014	4,326,986
6,515	-	-	-	-	293,157
<u>399,623</u>	<u>1,720,150</u>	<u>74,232</u>	<u>7,803,026</u>	<u>542,014</u>	<u>24,339,787</u>
19,386	11,318	17,518	2,518,147	166	3,795,823
-	77,169	-	161,739	194	303,996
<u>19,386</u>	<u>88,487</u>	<u>17,518</u>	<u>2,679,886</u>	<u>360</u>	<u>4,099,819</u>
-	-	-	354	-	354
-	(52,340)	-	-	(354)	(1,219,194)
-	(52,340)	-	354	(354)	(1,218,840)
19,386	36,147	17,518	2,680,240	6	2,880,979
201,874	1,238,761	11,419	3,304,577	769	8,821,754
<u>\$ 221,260</u>	<u>\$ 1,274,908</u>	<u>\$ 28,937</u>	<u>\$ 5,984,817</u>	<u>\$ 775</u>	<u>\$ 11,702,733</u>

# COUNTY OF SAGINAW, MICHIGAN

## Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended September 30, 2024

	MERS (DB) Retirement	MERS (DC) Retirement	Information Technology	Equipment Revolving
<b>Cash flows from operating activities</b>				
Receipts from interfund services provided	\$ 5,876,517	\$ 4,509,162	\$ 4,632,491	\$ -
Payments to employees	-	(20,891)	(1,596,369)	-
Payments to suppliers	(5,642,959)	(4,397,469)	(1,805,535)	-
<b>Net cash provided by (used in) operating activities</b>	<u>233,558</u>	<u>90,802</u>	<u>1,230,587</u>	<u>-</u>
<b>Cash flows from noncapital financing activities</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(1,166,500)	-
<b>Net cash flows provided by (used in) noncapital financing activities</b>	<u>-</u>	<u>-</u>	<u>(1,166,500)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>				
Repayment of advances	-	-	(353,339)	-
Payments for capital asset acquisition	-	-	(155,982)	-
<b>Net cash used in capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>(509,321)</u>	<u>-</u>
<b>Cash flows from investing activities</b>				
Investment income	15,913	52,413	-	548
Investment depreciation	-	-	(3,980)	-
<b>Net cash flows provided by (used in) investing activities</b>	<u>15,913</u>	<u>52,413</u>	<u>(3,980)</u>	<u>548</u>
<b>Net change in cash and investment pool</b>	<u>249,471</u>	<u>143,215</u>	<u>(449,214)</u>	<u>548</u>
Cash and investment pool:				
Beginning of year	<u>519,869</u>	<u>1,369,904</u>	<u>837,875</u>	<u>14,701</u>
<b>End of year</b>	<u>\$ 769,340</u>	<u>\$ 1,513,119</u>	<u>\$ 388,661</u>	<u>\$ 15,249</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>				
Operating income (loss)	\$ 233,558	\$ 95,746	\$ 899,984	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	-	-	286,642	-
Changes in operating assets and liabilities that provided (used) cash:				
Receivables, net	115	(27,425)	15,450	-
Due from other funds	-	-	-	-
Prepays	-	-	450	-
Accounts payable	(115)	22,152	29,754	-
Accrued liabilities	-	145	(1,843)	-
Due to other funds	-	-	-	-
Accrued compensated absences	-	184	150	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 233,558</u>	<u>\$ 90,802</u>	<u>\$ 1,230,587</u>	<u>\$ -</u>

Motor Pool	Risk Management	Investment Pool	Employee Benefits	Retiree Health Savings Plan	Total
\$ 419,009	\$ 1,687,324	\$ 91,750	\$ 10,328,768	\$ 539,518	\$ 28,084,539
-	(113,596)	(48,109)	(107,262)	-	(1,886,227)
(394,207)	(1,348,052)	(22,595)	(7,653,657)	(539,163)	(21,803,637)
24,802	225,676	21,046	2,567,849	355	4,394,675
-	-	-	354	-	354
-	(52,340)	-	-	(354)	(1,219,194)
-	(52,340)	-	354	(354)	(1,218,840)
-	-	-	-	-	(353,339)
-	-	-	-	-	(155,982)
-	-	-	-	-	(509,321)
-	77,169	-	161,739	194	307,976
-	-	-	-	-	(3,980)
-	77,169	-	161,739	194	303,996
24,802	250,505	21,046	2,729,942	195	2,970,510
207,611	2,516,020	15,166	4,588,197	415	10,069,758
<u>\$ 232,413</u>	<u>\$ 2,766,525</u>	<u>\$ 36,212</u>	<u>\$ 7,318,139</u>	<u>\$ 610</u>	<u>\$ 13,040,268</u>
\$ 19,386	\$ 11,318	\$ 17,518	\$ 2,518,147	\$ 166	\$ 3,795,823
6,515	-	-	-	-	293,157
-	(44,144)	-	7,595	(3,016)	(51,425)
-	-	-	-	354	354
-	586,686	-	(125,731)	-	461,405
(1,099)	(4,023)	3,350	(39,459)	22,742	33,302
-	(324,753)	128	207,546	(19,891)	(138,668)
-	-	-	(354)	-	(354)
-	592	50	105	-	1,081
<u>\$ 24,802</u>	<u>\$ 225,676</u>	<u>\$ 21,046</u>	<u>\$ 2,567,849</u>	<u>\$ 355</u>	<u>\$ 4,394,675</u>

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## COUNTY OF SAGINAW, MICHIGAN

### 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, payroll deductions for income taxes, 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, 2024

	General Custodial	State Education Tax	Library Penal Fine	Dependent Care	Medical Spending Reimbursement	Total
<b>Assets</b>						
Cash and investment pool	\$ 2,455,051	\$ 14,203,256	\$ 109,592	\$ 13,240	\$ 5,693	\$ 16,786,832
Receivables:						
Accounts	2,554,081	-	227,832	-	-	2,781,913
Due from other governmental units	181,724	38,462	-	-	-	220,186
<b>Total assets</b>	<b>5,190,856</b>	<b>14,241,718</b>	<b>337,424</b>	<b>13,240</b>	<b>5,693</b>	<b>19,788,931</b>
<b>Liabilities</b>						
Accounts payable	1,554,494	-	-	-	-	1,554,494
Deposits payable	3,535,581	-	-	-	-	3,535,581
Due to other governmental units	100,781	14,241,718	337,424	-	-	14,679,923
<b>Total liabilities</b>	<b>5,190,856</b>	<b>14,241,718</b>	<b>337,424</b>	<b>-</b>	<b>-</b>	<b>19,769,998</b>
<b>Net position</b>						
Restricted for:						
Individuals, organizations and other governments	\$ -	\$ -	\$ -	\$ 13,240	\$ 5,693	\$ 18,933

**COUNTY OF SAGINAW, MICH**

**Combining Statement of Changes in Fiduciary Net Position**

Custodial Funds

For the Year Ended September 30, 2024

	General Custodial	State Education Tax	Library Penal Fine	Dependent Care	Medical Spending Reimbursement	Total
<b>Additions</b>						
State education tax collected for other governments	\$ -	\$ 38,233,906	\$ -	\$ -	\$ -	\$ 38,233,906
Fees and fines collected on behalf of other units of government	8,440,961	-	479,586	-	-	8,920,547
Employee medical withholdings collected	-	-	-	38,206	13,446	51,652
<b>Total additions</b>	<u>8,440,961</u>	<u>38,233,906</u>	<u>479,586</u>	<u>38,206</u>	<u>13,446</u>	<u>47,206,105</u>
<b>Deductions</b>						
Payments of state education tax to other governments	-	38,233,906	-	-	-	38,233,906
Fees and fines remitted to other units of government	8,440,961	-	479,586	-	-	8,920,547
Employee medical withholdings remitted	-	-	-	31,721	13,296	45,017
<b>Total deductions</b>	<u>8,440,961</u>	<u>38,233,906</u>	<u>479,586</u>	<u>31,721</u>	<u>13,296</u>	<u>47,199,470</u>
<b>Change in net position</b>	-	-	-	6,485	150	6,635
Net position, beginning of year	-	-	-	6,755	5,543	12,298
<b>Net position, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,240</u>	<u>\$ 5,693</u>	<u>\$ 18,933</u>

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## COUNTY OF SAGINAW, MICHIGAN

### **Brownfield Redevelopment Authority**

Component Unit of Saginaw County

**Brownfield Redevelopment Authority Fund** - This fund is used to account for the operations of the County's Brownfield Redevelopment Authority that designs, adopts and implements a redevelopment plan for each Brownfield project. Money for the operation of this fund is supplied from recaptured taxes. It is subject to the budgetary requirements of Act 2 of the Public Acts of 1968, as amended.

# COUNTY OF SAGINAW, MICHIGAN

## Statement of Net Position and Governmental Fund Balance Sheet

Brownfield Redevelopment Authority Component Unit

September 30, 2024

	Brownfield Redevelopment Authority	Adjustments	Statement of Net Position
<b>Assets</b>			
Cash and investment pool	\$ 670,997	\$ -	\$ 670,997
Receivables:			
Loans	438,150	-	438,150
Accrued interest	28,231	-	28,231
Due from other governmental units	18,247	-	18,247
Advances to land bank	393,550	-	393,550
<b>Total assets</b>	<u>\$ 1,549,175</u>	<u>-</u>	<u>1,549,175</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	\$ 74,107	\$ -	\$ 74,107
<b>Fund balance</b>			
Nonspendable	\$ 831,700	\$ (831,700)	-
Unassigned	643,368	(643,368)	-
<b>Total fund balance</b>	<u>\$ 1,475,068</u>	<u>(1,475,068)</u>	<u>-</u>
<b>Total liabilities and fund balance</b>	<u>\$ 1,549,175</u>		
<b>Net position</b>			
Unrestricted		<u>\$ 1,475,068</u>	<u>\$ 1,475,068</u>

## COUNTY OF SAGINAW, MICHIGAN

### Statement of Activities and Statement of Revenues, Expenditures

and Changes in Fund Balance

Brownfield Redevelopment Authority Component Unit

For the Year Ended September 30, 2024

	Brownfield Redevelopment Authority	Adjustments	Statement of Activities
<b>Revenues</b>			
Property taxes	\$ 11,325	\$ -	\$ 11,325
State grants	81,780	-	81,780
Investment income	35,944	-	35,944
	<hr/>	<hr/>	<hr/>
<b>Total revenues</b>	129,049	-	129,049
<b>Expenditures / expenses</b>			
Current:			
Community and economic development	83,348	-	83,348
	<hr/>	<hr/>	<hr/>
<b>Change in fund balance / net position</b>	45,701	-	45,701
Fund balance / net position, beginning of year	1,429,367	-	1,429,367
	<hr/>	<hr/>	<hr/>
<b>Fund balance / net position, end of year</b>	<u>\$ 1,475,068</u>	<u>\$ -</u>	<u>\$ 1,475,068</u>

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## COUNTY OF SAGINAW, MICHIGAN

### 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.

# COUNTY OF SAGINAW, MICHIGAN

## Statement of Net Position

Department of Public Works Component Unit

September 30, 2024

	Governmental Activities	Business-type Activities	Totals
<b>Assets</b>			
Cash and investment pool	\$ 725,655	\$ 359,330	\$ 1,084,985
Accounts receivable	10,147,307	-	10,147,307
	<u>10,872,962</u>	<u>359,330</u>	<u>11,232,292</u>
Noncurrent assets:			
Capital assets being depreciated, net	-	3,978	3,978
	<u>-</u>	<u>3,978</u>	<u>3,978</u>
<b>Total assets</b>	<u>10,872,962</u>	<u>363,308</u>	<u>11,236,270</u>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	156,273	6,724	162,997
Bonds, notes and other long-term liabilities:			
Due within one year	513,151	-	513,151
Due in more than one year	9,432,700	-	9,432,700
	<u>9,432,700</u>	<u>-</u>	<u>9,432,700</u>
<b>Total liabilities</b>	<u>10,102,124</u>	<u>6,724</u>	<u>10,108,848</u>
<b>Net position</b>			
Investment in capital assets	-	1,005	1,005
Restricted for:			
Debt service	571,507	-	571,507
Capital projects	307,615	-	307,615
Unrestricted (deficit)	(108,284)	355,579	247,295
	<u>(108,284)</u>	<u>355,579</u>	<u>247,295</u>
<b>Total net position</b>	<u>\$ 770,838</u>	<u>\$ 356,584</u>	<u>\$ 1,127,422</u>

# COUNTY OF SAGINAW, MICHIGAN

## Statement of Activities

Department of Public Works Component Unit  
For the Year Ended September 30, 2024

Functions / Programs	Expenses	Program Revenues		Net (Expense) Revenues	
		Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Governmental activities:					
Public works	\$ 1,954,811	\$ -	\$ 496,163	\$ (1,458,648)	\$ -
Interest on long-term liabilities	380,598	-	-	(380,598)	-
Total governmental activities	2,335,409	-	496,163	(1,839,246)	-
Business-type activities:					
Public works	194,299	186,834	-	-	(7,465)
<b>Total</b>	<u>\$ 2,529,708</u>	<u>\$ 186,834</u>	<u>\$ 496,163</u>		
Net (expense) revenue				(1,839,246)	(7,465)
General revenues:					
Investment income				110,692	-
<b>Change in net position</b>				(1,728,554)	(7,465)
Net position, beginning of year				2,499,392	364,049
Net position, end of year				<u>\$ 770,838</u>	<u>\$ 356,584</u>

# COUNTY OF SAGINAW, MICHIGAN

## Combining Balance Sheet

Department of Public Works Component Unit - Governmental Funds

September 30, 2024

	Debt Service	Capital Projects Construction Fund	Totals
<b>Assets</b>			
Cash and investment pool	\$ 415,067	\$ 310,588	\$ 725,655
Accounts receivable	68,425	-	68,425
Due from other governmental units	9,925,582	-	9,925,582
<b>Total assets</b>	<u>\$ 10,409,074</u>	<u>\$ 310,588</u>	<u>\$ 10,719,662</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 2,973	\$ 2,973
<b>Deferred inflows of resources</b>			
Unavailable revenue - long-term receivables	9,837,567	-	9,837,567
<b>Fund balances</b>			
Restricted	<u>571,507</u>	<u>307,615</u>	<u>879,122</u>
<b>Total liabilities, deferred inflow of resources and fund balances</b>	<u>\$ 10,409,074</u>	<u>\$ 310,588</u>	<u>\$ 10,719,662</u>

## COUNTY OF SAGINAW, MICHIGAN

### 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, 2024

**Fund balances - governmental funds - Department of Public Works** \$ 879,122

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	153,300
Deferred long-term receivables	9,837,567

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	(9,945,851)
Accrued interest on bonds, notes and other long-term liabilities	<u>(153,300)</u>

**Net position of governmental activities - Department of Public Works** \$ 770,838

# COUNTY OF SAGINAW, MICHIGAN

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

Department of Public Works Component Unit - Governmental Funds

For the Year Ended September 30, 2024

	Debt Service	Capital Projects Construction Fund	Totals
<b>Revenues</b>			
Federal grants	\$ -	\$ 45,000	\$ 45,000
Local grants and contributions	1,614,112	-	1,614,112
Investment income (loss)	10,446	100,246	110,692
<b>Total revenues</b>	<u>1,624,558</u>	<u>145,246</u>	<u>1,769,804</u>
<b>Expenditures</b>			
Current:			
Public works	-	1,954,811	1,954,811
Debt service:			
Principal	1,152,952	-	1,152,952
Interest and fiscal charges	396,746	-	396,746
<b>Total expenditures</b>	<u>1,549,698</u>	<u>1,954,811</u>	<u>3,504,509</u>
<b>Net change in fund balances</b>	74,860	(1,809,565)	(1,734,705)
Fund balances, beginning of year	<u>496,647</u>	<u>2,117,180</u>	<u>2,613,827</u>
<b>Fund balances, end of year</b>	<u>\$ 571,507</u>	<u>\$ 307,615</u>	<u>\$ 879,122</u>

## COUNTY OF SAGINAW, MICHIGAN

### 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, 2024

**Net change in fund balances of governmental fund - Department of Public Works** \$ (1,734,705)

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 long-term receivables (1,162,949)

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 1,152,952

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 9,997

Amortization of bond premium 6,151

**Change in net position of governmental activities - Department of Public Works** \$ (1,728,554)

# COUNTY OF SAGINAW, MICHIGAN

## Statement of Net Position

Department of Public Works Component Unit - Proprietary Fund

September 30, 2024

	<b>Administration</b>
<b>Assets</b>	
Current assets:	
Cash and investment pool	\$ 359,330
Noncurrent assets:	
Capital assets being depreciated, net	<u>3,978</u>
<b>Total assets</b>	<u>363,308</u>
<b>Liabilities</b>	
Accrued liabilities	<u>6,724</u>
<b>Net position</b>	
Investment in capital assets	1,005
Unrestricted	<u>355,579</u>
<b>Total net position</b>	<u><u>\$ 356,584</u></u>

# COUNTY OF SAGINAW, MICHIGAN

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

Department of Public Works Component Unit - Proprietary Fund

For the Year Ended September 30, 2024

	<b>Administration</b>
<b>Operating revenues</b>	
Licenses and permits	\$ 181,534
Other revenue	<u>5,300</u>
<b>Total operating revenue</b>	<u>186,834</u>
<b>Operating expenses</b>	
Personnel services	160,450
Supplies	2,792
Services and charges	7,189
Depreciation	<u>23,868</u>
<b>Total operating expenses</b>	<u>194,299</u>
Operating income (loss)	(7,465)
Net position, beginning of year	<u>364,049</u>
<b>Net position, end of year</b>	<u><u>\$ 356,584</u></u>

# COUNTY OF SAGINAW, MICHIGAN

## Statement of Cash Flows

Department of Public Works Component Unit - Proprietary Fund  
For the Year Ended September 30, 2024

	<b>Administration</b>
<b>Cash flows from operating activities</b>	
Receipts from customers	\$ 186,834
Payments to employees	(162,278)
Payments to suppliers	<u>(9,981)</u>
<b>Net cash provided by (used in) operating activities (equal to net change in cash and investment pool)</b>	14,575
Cash and investment pool:	
Beginning of year	<u>344,755</u>
<b>End of year</b>	<u><u>\$ 359,330</u></u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>	
Operating income (loss)	\$ (7,465)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation	23,868
Changes in operating assets and liabilities that provided (used) cash:	
Accrued liabilities	<u>(1,828)</u>
<b>Net cash provided by (used in) operating activities</b>	<u><u>\$ 14,575</u></u>

# COUNTY OF SAGINAW, MICHIGAN

## 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 Fund Balance Sheet

Drain Commission Component Unit

September 30, 2024

	Debt Service Fund	Capital Projects Funds	
	Chapter 8 Drains	Special Assessment Drain	Chapter 8 Drains
<b>Assets</b>			
Cash and investment pool	\$ 3,043,963	\$ 6,973,451	\$ 2,812,071
Receivables:			
Special assessments	30,768,706	-	-
Accounts	-	9,611	1,067
Due from other governmental units	2,986,966	-	250,568
Due from other funds	-	-	14,411
Advance to other funds	-	775,260	-
Capital assets:			
Assets not being depreciated	-	-	-
Assets being depreciated, net	-	-	-
<b>Total assets</b>	<u>\$ 36,799,635</u>	<u>\$ 7,758,322</u>	<u>\$ 3,078,117</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 77,825	\$ 632,211
Accrued liabilities	-	-	-
Due to other funds	14,411	-	-
Advance from other funds	775,260	-	-
Advances from primary government	-	-	-
Long-term liabilities:			
Due within one year	-	-	-
Due in more than one year	-	-	-
<b>Total liabilities</b>	<u>789,671</u>	<u>77,825</u>	<u>632,211</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue - long-term receivables	33,755,672	-	-
<b>Fund balances / net position</b>			
Restricted for:			
Debt service	2,254,292	-	-
Capital projects	-	7,680,497	2,445,906
<b>Total fund balances</b>	<u>2,254,292</u>	<u>7,680,497</u>	<u>2,445,906</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 36,799,635</u>	<u>\$ 7,758,322</u>	<u>\$ 3,078,117</u>
<b>Net position:</b>			
Net investment in capital assets			
Restricted for:			
Debt service			
Acquisition/construction of capital assets			
<b>Total net position</b>			

Capital Projects Funds		Total		Statement of
Revolving Drain	Revolving Drain Maintenance	Governmental Funds	Adjustments	Net Position
\$ 326,000	\$ 222,776	\$ 13,378,261	\$ -	\$ 13,378,261
-	-	30,768,706	-	30,768,706
-	-	10,678	-	10,678
-	-	3,237,534	-	3,237,534
74,000	-	88,411	(88,411)	-
-	-	775,260	(775,260)	-
-	-	-	4,386,039	4,386,039
-	-	-	72,649,539	72,649,539
<u>\$ 400,000</u>	<u>\$ 222,776</u>	<u>\$ 48,258,850</u>	<u>76,171,907</u>	<u>124,430,757</u>
\$ -	\$ 1,782	\$ 711,818	-	711,818
-	-	-	322,570	322,570
-	74,000	88,411	(88,411)	-
-	-	775,260	(775,260)	-
400,000	-	400,000	-	400,000
-	-	-	3,817,544	3,817,544
-	-	-	30,506,959	30,506,959
<u>400,000</u>	<u>75,782</u>	<u>1,975,489</u>	<u>33,783,402</u>	<u>35,758,891</u>
-	-	33,755,672	(33,755,672)	-
-	-	2,254,292	(2,254,292)	-
-	146,994	10,273,397	(10,273,397)	-
-	146,994	12,527,689	(12,527,689)	-
<u>\$ 400,000</u>	<u>\$ 222,776</u>	<u>\$ 48,258,850</u>		
			42,078,865	42,078,865
			35,687,394	35,687,394
			10,905,607	10,905,607
			<u>\$ 88,671,866</u>	<u>\$ 88,671,866</u>

# 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, 2024

	Debt	Capital Projects Funds	
	Service Fund	Special Assessment Drain	Chapter 8 Drains
	Chapter 8 Drains		Chapter 8 Drains
<b>Revenues</b>			
Special assessments	\$ 3,239,865	\$ 1,083,308	\$ 888,891
Federal grants and contributions	-	-	750,080
State grants and contributions	-	-	456,341
Local grants and contributions	548,959	106,941	46,522
Investment income	177,256	36,049	14,624
Reimbursements	2,424	2,351	-
<b>Total revenues</b>	<u>3,968,504</u>	<u>1,228,649</u>	<u>2,156,458</u>
<b>Expenditures / expenses</b>			
Current:			
Public works	-	1,360,803	4,555,582
Depreciation	-	-	-
Debt service:			
Principal	2,800,879	-	-
Interest and fiscal charges	957,616	-	50,260
<b>Total expenditures</b>	<u>3,758,495</u>	<u>1,360,803</u>	<u>4,605,842</u>
Revenues over (under) expenditures/expenses	<u>210,009</u>	<u>(132,154)</u>	<u>(2,449,384)</u>
<b>Other financing sources</b>			
Transfers in	6,760	2,372,765	14,417
Transfers out	(14,411)	(53,051)	(2,326,480)
Proceeds from issuance of bonds, notes and other long-term liabilities	-	-	3,715,000
Premium on issuance of bonds, notes and other long-term liabilities	-	-	106,255
<b>Total other financing sources (uses)</b>	<u>(7,651)</u>	<u>2,319,714</u>	<u>1,509,192</u>
<b>Change in fund balance / net position</b>	<u>202,358</u>	<u>2,187,560</u>	<u>(940,192)</u>
Fund balances / net position, beginning of year	<u>2,051,934</u>	<u>5,492,937</u>	<u>3,386,098</u>
<b>Fund balances / net position, end of year</b>	<u>\$ 2,254,292</u>	<u>\$ 7,680,497</u>	<u>\$ 2,445,906</u>

Capital Projects Funds		Total		
Revolving Drain	Revolving Drain Maintenance	Governmental Funds	Adjustments	Statement of Net Position
\$ -	\$ -	\$ 5,212,064	\$ 1,077,189	\$ 6,289,253
-	-	750,080	-	750,080
-	-	456,341	-	456,341
-	-	702,422	-	702,422
-	180	228,109	-	228,109
-	87,770	92,545	-	92,545
-	87,950	7,441,561	1,077,189	8,518,750
-	34,235	5,950,620	(4,362,189)	1,588,431
-	-	-	2,297,737	2,297,737
-	-	2,800,879	(2,800,879)	-
-	-	1,007,876	46,405	1,054,281
-	34,235	9,759,375	(4,818,926)	4,940,449
-	53,715	(2,317,814)	5,896,115	3,578,301
-	-	2,393,942	(2,393,942)	-
-	-	(2,393,942)	2,393,942	-
-	-	3,715,000	(3,715,000)	-
-	-	106,255	(106,255)	-
-	-	3,821,255	(3,821,255)	-
-	53,715	1,503,441	2,074,860	3,578,301
-	93,279	11,024,248	74,069,317	85,093,565
\$ -	\$ 146,994	\$ 12,527,689	\$ 76,144,177	\$ 88,671,866

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## COUNTY OF SAGINAW, MICHIGAN

### **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, 2024

	Economic Development Corporation	Adjustments	Statement of Net Position
<b>Assets</b>			
Cash and investment pool	\$ 282,030	\$ -	\$ 282,030
Loans receivable	20,676	-	20,676
<b>Total assets</b>	<u>\$ 302,706</u>	<u>-</u>	<u>302,706</u>
<b>Liabilities</b>			
Accounts payable	\$ 3,200	-	3,200
<b>Deferred inflows of resources</b>			
Unavailable revenue - long-term loans receivables	20,676	(20,676)	<u>-</u>
<b>Fund balance / net position</b>			
Unassigned	<u>278,830</u>	<u>(278,830)</u>	-
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<u>\$ 302,706</u>		
<b>Net position:</b>			
Unrestricted		<u>\$ 299,506</u>	<u>\$ 299,506</u>

# COUNTY OF SAGINAW, MICHIGAN

## Statement of Activities and Statement of Revenues, Expenditures and Changes

in Fund Balance

Economic Development Corporation Component Unit

For the Year Ended September 30, 2024

	Economic Development Corporation	Adjustments	Statement of Net Position
<b>Revenues</b>			
Investment income	\$ 6,094	\$ -	\$ 6,094
Rental revenue	21,644	-	21,644
Reimbursements	8,002	(7,385)	617
<b>Total revenues</b>	35,740	(7,385)	28,355
<b>Expenditures / expenses</b>			
Current:			
Community and economic development	20,249	-	20,249
<b>Change in fund balance / net position</b>	15,491	(7,385)	8,106
Fund balance / net position, beginning of year	263,339	28,061	291,400
<b>Fund balance / net position, end of year</b>	<u>\$ 278,830</u>	<u>\$ 20,676</u>	<u>\$ 299,506</u>

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