

COUNTY OF
SAGINAW,
MICHIGAN



Year Ended
September 30,
2020

Financial
Statements

Rehmann

COUNTY OF SAGINAW, MICHIGAN

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Independent Auditors' Report

April 30, 2021

Board of Commissioners
County of Saginaw
Saginaw, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **County of Saginaw, Michigan** (the "County"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Saginaw County Road Commission, a discretely presented component unit, which represent the indicated percentages of total aggregate discretely presented component units assets and deferred outflows, net position, and revenues:

	Percent of Total Assets and Deferred Outflows	Percent of Total Net Position	Percent of Total Revenues
Saginaw County Road Commission	59%	63%	78%

Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Saginaw County Road Commission, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the ***County of Saginaw, Michigan***, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and each major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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 listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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.

Other 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.

The combining and individual fund financial statements are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 a separate cover, our report dated April 30, 2021, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Rehmann Loborn LLC

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, 2020. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements.

Financial Highlights

· Total primary government net position	\$ 11,542,328
· Change in total primary government net position	29,034,947
· Fund balances, governmental funds	68,305,814
· Change in fund balances, governmental funds	(1,833,557)
· Unassigned fund balance, general fund	6,923,721
· Change in fund balance, general fund	(916,857)
· Primary government installment debt outstanding	109,666,987
· Change in installment debt	5,078,814

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 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.

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

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

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

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

The County maintains many individual governmental funds. Information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, Michigan Works! Fund, Planning Commission Fund, Community Mental Health Bonds Fund, Animal Care and Control Resource Center Construction Fund, and Mainframe Conversion Project 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 (DB) retirement system, MERS (DC) 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.

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

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 employees as well as other supplementary information such as the combining and individual fund financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, as the following table demonstrates, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$11,542,328 at the close of the most recent fiscal year.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets						
Current and other assets	\$ 95,772,902	\$ 99,277,990	\$ 29,814,107	\$ 28,944,353	\$ 125,587,009	\$ 128,222,343
Capital assets, net	59,241,587	48,597,556	22,025,746	22,123,680	81,267,333	70,721,236
Total assets	155,014,489	147,875,546	51,839,853	51,068,033	206,854,342	198,943,579
Deferred outflows of resources	6,429,356	11,658,675	-	-	6,429,356	11,658,675
Liabilities						
Long-term liabilities	96,852,800	90,840,450	19,305,996	16,483,345	116,158,796	107,323,795
Other liabilities	72,508,494	117,216,427	2,514,438	3,554,651	75,022,932	120,771,078
Total liabilities	169,361,294	208,056,877	21,820,434	20,037,996	191,181,728	228,094,873
Deferred inflows of resources	10,559,642	-	-	-	10,559,642	-
Net position						
Net investment in capital assets	19,715,492	20,305,185	18,559,746	18,487,680	38,275,238	38,792,865
Restricted	16,450,324	11,378,807	-	-	16,450,324	11,378,807
Unrestricted (deficit)	(54,642,907)	(80,206,648)	11,459,673	12,542,357	(43,183,234)	(67,664,291)
Total net position	\$ (18,477,091)	\$ (48,522,656)	\$ 30,019,419	\$ 31,030,037	\$ 11,542,328	\$ (17,492,619)

One of the largest portions of the County's net position, \$38,275,238 (exceeding total net position), 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, \$16,450,324 represents resources that are subject to external restrictions on how they may be used. This leaves a negative net position of \$43,183,234 as an unrestricted deficit.

At the end of the current fiscal year, the County is able to report positive balances in two of the three categories of net position for the government as a whole. The third category of unrestricted net position is reporting a negative balance mainly due to the requirements of GASB Statement No. 68 and 75 to record the net pension and OPEB liabilities.

In governmental activities, other liabilities decreased by \$44,707,933 and deferred inflows of resources increased by \$10,559,642. This is due to a decrease in the net other post employment benefit liability, due in more than one year, of \$41,548,381 and also an increase in deferred OPEB amounts of \$10,559,642.

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	\$ 25,704,779	\$ 27,029,364	\$ 7,130,560	\$ 9,731,247	\$ 32,835,339	\$ 36,760,611
Operating grants and contributions	41,189,557	37,355,326	-	78,407	41,189,557	37,433,733
Capital grants and contributions	-	-	774,268	-	774,268	-
General revenues:						
Property taxes	43,974,933	41,862,305	1,127,724	1,095,038	45,102,657	42,957,343
Accommodations tax	2,161,084	3,302,644	-	-	2,161,084	3,302,644
Grants and contributions not restricted to specific programs	465,086	455,647	-	-	465,086	455,647
Investment income	1,391,138	1,825,599	588,072	541,864	1,979,210	2,367,463
Total revenues	114,886,577	111,830,885	9,620,624	11,446,556	124,507,201	123,277,441
Expenses						
Legislative	341,799	524,755	-	-	341,799	524,755
Judicial	10,831,554	17,676,889	-	-	10,831,554	17,676,889
General government	8,547,644	12,111,592	-	-	8,547,644	12,111,592
Public safety	25,688,821	28,081,811	-	-	25,688,821	28,081,811
Public works	759,974	891,933	-	-	759,974	891,933
Health and welfare	32,762,200	35,752,450	-	-	32,762,200	35,752,450
Community and economic development	2,602,162	3,999,154	-	-	2,602,162	3,999,154
Recreation and culture	2,351,950	2,520,579	-	-	2,351,950	2,520,579
Interest on long-term debt	3,345,109	3,193,505	-	-	3,345,109	3,193,505
Delinquent tax revolving	-	-	1,739,704	1,295,754	1,739,704	1,295,754
Delinquent tax foreclosure	-	-	1,329,959	1,468,322	1,329,959	1,468,322
Building Authority						
Event Center	-	-	3,734,546	5,518,288	3,734,546	5,518,288
Building Authority administration	-	-	115,941	32,883	115,941	32,883
Parking system	-	-	85,493	100,439	85,493	100,439
Harry W. Browne Airport	-	-	553,339	629,853	553,339	629,853
Inmate services	-	-	682,059	390,895	682,059	390,895
Total expenses	87,231,213	104,752,668	8,241,041	9,436,434	95,472,254	114,189,102
Change in net position before transfers	27,655,364	7,078,217	1,379,583	2,010,122	29,034,947	9,088,339
Transfers	2,390,201	3,408,095	(2,390,201)	(3,408,095)	-	-
Change in net position	30,045,565	10,486,312	(1,010,618)	(1,397,973)	29,034,947	9,088,339
Net position:						
Beginning of year (deficit)	(48,522,656)	(59,008,968)	31,030,037	32,428,010	(17,492,619)	(26,580,958)
End of year (deficit)	\$ (18,477,091)	\$ (48,522,656)	\$ 30,019,419	\$ 31,030,037	\$ 11,542,328	\$ (17,492,619)

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

Governmental activities. Governmental activities increased the County's net position by \$30,045,565. Key elements of this increase are as follows:

- Revenues from FY 2019 to FY 2020 showed an increase of \$3,055,692 (2.7 percent). This increase was the result of increases in the areas of operating grants and contributions and property taxes due to additional grant funds received from various agencies in response to the COVID-19 pandemic as well as an increase in grant funds received for MI Works activities. Property tax increases are due to the increase in taxable value of properties.
- Expenses decreased during the year as compared to the prior year by \$17,521,455 (16.7 percent). This was mainly a result of a decrease in the net OPEB liability recorded per GASB 75.

Business-type activities. Business-type activities decreased the County's net position by \$1,010,618. Key elements of this decrease are as follows:

- Revenues decreased 16.0 percent, or \$1,825,932 mainly in the area of charges for services due to the economic impacts of the world-wide COVID-19 pandemic whereby The DOW Event Center was shut down and did not hold any events.
- Expenses decreased 12.7 percent, or \$1,195,393, mainly as a result of the building authority event center activity due to the impact of the world-wide COVID-19 pandemic whereby The DOW Event Center was shut down and did not hold any events.
- Transfers netted to a decrease of \$1,017,894 or 29.9 percent. This is mainly the result of a one-time transfer made in 2019 from our Delinquent Tax Fund to the Adult Detention & Sheriff Administration project to cover additional project costs beyond the bond issuance.

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.

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$68,305,814, a decrease of \$1,833,557 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 designated based upon either the County's Fund Balance Policy or 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:			
Inmate services fund	\$ 20,000	\$ -	\$ 20,000
Drain Commission component unit	400,000	-	400,000
Permanent fund	36,390	-	36,390
Prepays	246,003	-	246,003
Restricted	-	33,036,564	33,036,564
Committed	5,902,578	-	5,902,578
Assigned	21,740,558	-	21,740,558
Unassigned	6,923,721	-	6,923,721
Total	\$ 35,269,250	\$ 33,036,564	\$ 68,305,814

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	\$ 431,830
Restricted	185,987
Assigned	13,736,159
Unassigned	6,923,721
Total	\$ 21,277,697

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 51 percent of total General Fund expenditures, while total fund balance represents 53 percent of that same amount. Ending fund balance and net change in fund balance for each major fund is as follows:

	General	Michigan Works!	Planning Commission	Community Mental Health Bonds	Animal Care and Control Resource Center Construction Fund	Mainframe Conversion Project
Ending fund balance	\$ 21,277,697	\$ 172,827	\$ 174,559	\$ 64	\$ 9,634,045	\$ 9,034,266
Net change in fund balance	(916,857)	14,587	68,689	43	9,634,045	(1,609,707)

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

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

- Property tax revenue increased \$796,899 (3.29 percent) due to an increase in taxable value of properties.
- Federal grant revenue increased \$982,402 (208.38%) due to the various grants received due to the COVID-19 pandemic through the CARES Act for Coronavirus Relief Local Government Grants (CRLGG) Program, First Responder Hazard Pay Premiums Program (FRHPPP) and Public Safety and Public Health Payroll Reimbursement Program (PSPHPR).
- State grant revenue decreased \$949,701 (11.18 percent) due to the State of Michigan withholding the County's final State Revenue Sharing payment of \$1,117,567.93 and instead awarding us funding under the CARES Act to spend on prevention and mitigation of the COVID-19 pandemic.
- Charges for services decreased by \$482,564 (9.78 percent) mainly due to a decrease in monies collected by our 10th Circuit Court and 70th District Court for court costs and other fees as the Courthouse was closed to the public for the majority of 2020 in response to the COVID-19 pandemic and no court cases were heard during that time.
- Fines and forfeitures decreased by \$181,063 (28.77 percent) also mainly due to the Courthouse being closed to the public for the majority of 2020 in response to the COVID-19 pandemic and no court cases were heard during that time.
- Investment income increased \$232,137 (73.86 percent) due to the recording of investments at fair market value per GASB 75 which resulted in a gain at year end.
- Other revenue decreased \$40,772 (48.24 percent) from prior year due to a change in accounting related to the invoicing Saginaw County 911 Authority for reimbursement on electrical usage necessary with the relocation of the Sheriff's Administration to the new Adult Detention facility.
- Expenditures increased \$739,772 (1.87 percent) with the largest increases in general government (\$1,261,029), and judicial (\$131,198) due to increased wages and fringes. There was also a decrease of \$186,748 in contributions to postemployment health benefits trust fund due to the County ending the year in a deficit so there was not a budget surplus to distribute per policy.
- Transfers in increased \$151,794 (3.09 percent) due to an increase of \$300,000 in the operating transfer from the delinquent tax fund as well as a decrease due to a one-time operating transfer of \$156,937 from Friend of the Court to move marriage counseling fees collected to the general fund.
- Transfers out increased \$1,639,592 (22.60 percent) mainly due to an increase in the amounts transferred to the adult detention & sheriff administration facility debt service fund (\$816,022), child care fund (\$546,433) and the health department (\$419,823) combined with a decrease in the amount transferred to the public improvement fund (\$186,748) in accordance with the budget surplus distribution policy and a decrease in the amount transferred to the prosecutor special project fund (\$219,975) as the auto theft and bayanet grants were not applied for.

The Michigan Works! special revenue fund had an increase in fund balance of \$14,587, for an ending fund balance of \$172,827. This increase was a result of more fund being receipted into the Strategic Planning activity than were spent.

The Planning special revenue fund had an increase in fund balance of \$68,689, for an ending fund balance of \$174,559. This increase was a result of a vacancy in the Planning Director's position for the entire year.

The Community Mental Health Bonds debt service fund had an increase in fund balance of \$43, for an ending fund balance of \$64.

The Animal Care and Control Resource Center Construction capital projects fund had an increase in its ending fund balance of \$9,634,045, for an ending fund balance of \$9,634,045. This increase was the result of a bond issue in fiscal 2020 of \$9,540,000 to be used for the purpose of constructing a new building.

The Mainframe Conversion Project capital projects fund had a decrease in its ending fund balance of \$1,609,707, for an ending fund balance of \$9,034,266. This decrease was the result of the result of expending the bond proceeds received in the prior year on the project.

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

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

	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Internal Service Funds
Unrestricted ending net position	\$ 9,382,200	\$ 1,299,445	\$ 697,651	\$ 6,263,808
Increase (decrease) in net position	(1,219,083)	(147,261)	347,582	259,775

Enterprise operations. The enterprise operations of the County include the use of seven enterprise funds: the Delinquent Tax Revolving Fund, the Delinquent Property Tax Foreclosure Fund, the Building Authority Event Center Fund, the Building Authority Administration Fund, the Parking System Fund, the Harry W. Browne Airport Fund and the Inmate Services Fund.

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 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.

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 0.225 mills to be levied through 2020, charges for services, as well as donations received for specific purposes.

The Building Authority Administration Fund accounts for the administration of the Saginaw County Building Authority and its numerous buildings. Its purpose is to accumulate sufficient funds to cover major repairs on the buildings as they are required. Revenue for operation of this fund is received from maintenance fees charged on the various Building Authority buildings.

The Parking System Fund accounts for revenues, expenses and transactions relating to the operation of the municipal parking lots located around the Courthouse. A full-time parking attendant patrols the lots and issues parking tickets for violations. Approximately 16.3 percent of the Parking System revenue is attributable to the fines received from the tickets.

The Harry W. Browne Airport Fund accounts for the operation of the Harry W. Browne Airport, including hangar and farm land rentals, and the sale of aircraft fuel.

The Inmate Services Fund is used to account for the operations of the inmates' concession service and for projects/activities contributing to the well-being of the inmates and their environment.

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

General Fund budgetary highlights. The differences between the original budget and final amended budget for expenditures resulted in a 2.3 percent decrease (\$987,015 decrease in appropriations); whereas the difference between the original budget and final amended budget for revenues resulted in a 1.1 percent increase (\$484,260 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 an increase to the transfer out to the Health Department of \$297,030 to cover the increase in costs resulting from the finalized Indirect Cost Allocation and Information Technology Allocation plans.
- When the Board of Commissioners approved the bond issuance for the Adult Detention & Sheriff Administration facility in fiscal year 2017, they also approved amending the personnel complement for the jail to eliminate a total of 20 positions. During fiscal year 2020, the remaining 19 positions were eliminated. The budget adjustment reduced the jail budget by \$1,451,708 and allocated that amount to transfers out to the debt service fund.
- The Board of Commissioners approved to contract with the Michigan Institute of Forensic Science & Medicine to take over all services required of the Medical Examiner's Office which resulted in a net decrease to the Medical Examiner's budget of \$50,000 with an offset to reduce the use of fund balance.
- The Board of Commissioners approved to contract with the Michigan Institute of Forensic Science & Medicine to take over all services required of the Medical Examiner's Office which resulted in a net decrease to the Medical Examiner's budget of \$50,000 with an offset to reduce the use of fund balance.
- The Chairman of the Board of Commissioners, along with the Controller approved to amend the budget for a \$50,000 state grant received through the MML to be used towards the 2020 Census.
- During the year, the Controller/CAO approved reclassifying the budget for receipt of funds from the State of Michigan for a Criminal Justice Officer Grant from Reimbursements to State Grants of \$78,389.
- The Board of Commissioners rejected a request by the Prosecutor for the general fund to fully support and fund the positions originally contained within his Auto Theft grant due to the grant not being properly applied for. This rejection resulted in an increase to the Prosecutor's general fund budget of \$27,621 to absorb legacy costs originally budgeted within the Auto Theft grant, a reduction in the transfer out to Prosecutor Special Projects fund of \$79,778, and a reduction in the use of fund balance of \$52,157.
- During the year, the Controller/CAO approved carrying forward \$42,410 from FY 2019 budget to FY 2020 for the Job Classification and Compensation Study with an offset to use of fund balance.
- The Board of Commissioners also approved acceptance of a \$250,000 grant received by Community Corrections from Michigan Economic Development Corporation (MEDC) that resulted in a decrease in transfers out to that fund of \$85,000 with an offsetting decrease in the use of fund balance.
- The Chairman of the Board of Commissioners and the Controller approved amending the budget for acceptance of an Enhanced Toxicology Screening & Opioid Detection Discretionary Program grant passed through to the Michigan Institute of Forensic Science & Medicine of \$53,279.
- At the end of the fiscal year, the Board of Commissioners approved amending the budget to account for Federal grant dollars received from the State for the Coronavirus Relief Local Government Grant funds in an amount of \$296,638. The offset to this occurred in the Controller's Office assigned budget activity.

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

Overall during the year, actual General Fund revenues and expenditures were less than the amended budgetary estimates, resulting in an actual decrease in fund balance of \$916,857 that was less than the final amended budget amount which expected a decrease of \$2,164,410 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 \$272,193 occurred due to a larger than anticipated increase in overall taxable value.
- The unfavorable variance in state grants of \$649,812 is a result of the State of Michigan replacing our final State Revenue Sharing Payment with federal CARES Act funding offset with a higher than anticipated amount received from the State from the Local Community Stabilization Authority.
- The favorable variance in federal grants of \$596,799 is a result of receiving federal grant dollars from the State of Michigan for the First Responder Hazard Pay Premiums Program (FRHPPP) and the Public Safety and Public Health Payroll Reimbursement Program (PSPHPR).
- The unfavorable balance in charges for services of \$945,930 and fines and forfeitures of \$173,454 is due to the Courthouse being closed to the public for the majority of 2020 from the COVID-19 pandemic and no court cases were held.
- The favorable variance in investment income of \$345,031 occurred due to the adjustment at year end to record our investments at fair market value which were positive for FY 2020.
- The unfavorable variance in reimbursements of \$539,207 is due to a decline in the revenue received by the Michigan Department of Corrections for housing of inmates in the Saginaw County jail as well as a lower amount than anticipated to be received for reimbursement for election activities.
- The majority of the favorable variances in expenditures occurred as a result of lapsed salaries and benefits because of delays in the filling of vacancies as well as the continuation of a hiring freeze which further increased the delays in filling vacancies. The COVID-19 pandemic assisted to increase the delays in filling vacancies. Additionally, a number of staff were furloughed during a portion of the summer due to the pandemic.

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, 2020 and September 30, 2019, along with the amount and percentage of increases and decreases in relation to the 2019 amounts:

	2020	2019	Variance from 2019	Percent Increase/ (Decrease)
Revenues	\$ 43,230,007	\$ 42,795,798	\$ 434,209	1.01%
Expenditures	(40,313,426)	(39,561,369)	(752,057)	1.90%
Revenues over expenditures	2,916,581	3,234,429	(317,848)	
Other financing sources (uses)				
Transfers in	5,060,420	4,908,626	151,794	3.09%
Transfers out	(8,893,858)	(7,254,266)	(1,639,592)	22.60%
Net change in fund balance	(916,857)	888,789	(1,805,646)	
Fund balance, beginning of year	22,194,554	21,305,765	888,789	
Fund balance, end of year	<u>\$ 21,277,697</u>	<u>\$ 22,194,554</u>	<u>\$ (916,857)</u>	-4.13%

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

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

	Fund Balance Analysis			
	Nonspendable	Restricted	Assigned and Unassigned	Total Fund Balance
Fund balance, beginning of year	\$ 433,391	\$ -	\$ 21,761,163	\$ 22,194,554
Fiscal year transactions:				
Excess revenue over expenditures	(1,561)	185,987	2,732,155	2,916,581
Total other financing sources (uses)	-	-	(3,833,438)	(3,833,438)
Fiscal year net increase (decrease)	(1,561)	185,987	(1,101,283)	(916,857)
Fund balance, end of year	<u>\$ 431,830</u>	<u>\$ 185,987</u>	<u>\$ 20,659,880</u>	<u>\$ 21,277,697</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 \$12,578,887 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 \$6,923,721 or 15.7 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.

Fiduciary operations. The fiduciary operations of the County include the use of seven agency funds: a Trust and Agency Fund, the State Education Tax Fund, the Library Penal Fine Fund, the Hospital Millage Fund, the Dependent Care Fund, the Medical Spending Reimbursement Fund and the Children's Zoo Millage Fund.

The State Education Tax Fund accounts for the collection and distribution of the State Education Tax. The Library Penal Fine Fund accounts for the collection of fines imposed for State law violations and distributes them to the libraries at the discretion of the State Library Board. The Hospital Millage Fund accounts for the collection and distribution of tax collections for the operations and debt of HealthSource of Saginaw.

The Dependent Care and the Medical Spending Reimbursement Funds account for the collection and distribution of pre-tax monies used for dependent care and medical spending by employees of the County. The other fiduciary fund included is the Postemployment Health Benefits Trust 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, 2020 amounted to \$81,267,333 (net of accumulated depreciation). This investment in capital assets includes land, air rights, construction in progress, land improvements, buildings, leasehold improvements, machinery and equipment, office furniture and fixtures, and vehicles. The total increase in the County's investment in capital assets for the current fiscal year was 14.9 percent (a 21.9 percent increase for governmental activities and a 0.4 percent decrease for business-type activities).

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

- Information Technology continued the fiber installation project to run fiber to all county owned facilities as a total cost of \$571,318.
- Three (3) Whisper Rooms were installed on the first floor of the Courthouse to allow for a confidential meeting space for attorneys and their clients (\$23,020).
- Due to flooding at the event center, several assets needed replaced during FY 2020. The include replacing the stage floor (\$123,490), replacing stage curtains (\$31,399), replacing dance floor (\$7,259). installation of a condensate receiver in the theater (\$22,900), replacing the fire pump & motor (\$36,713).
- Construction was completed on the new Sheriff's Adult Detention & Administration facility at a cost of \$36,481,459.
- The following projects were also completed during FY 2020: repair project at the Juvenile Detention center (\$354,500); installation of emergency call boxes around the Courthouse (\$46,105); and the chiller tie-in from the Courthouse to the Friend of the Court annex (\$153,450).
- Several vehicles were replaced in various departments at a total cost of \$413,145. This includes six (6) vehicles for the Sheriff's Department (\$159,216); seven (7) vehicles purchased for Mosquito Abatement (\$164,372); one (1) truck for Parks (\$32,308); one (1) plow system for Parks (\$6,679), and two (2) trucks for Maintenance (\$50,570).
- Mosquito Abatement purchased nine (9) Grizzly OHV Smart Flow GPS units totaling \$115,143.
- Work continued at Harry W. Browne Airport on the 10/28 runway lighting and NAVAIDS project (\$699,460).

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

	Capital Assets (net of depreciation)					
	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land	\$ 3,965,708	\$ 3,792,748	\$ 2,258,248	\$ 2,258,248	\$ 6,223,956	\$ 6,050,996
Air rights	-	-	238,854	238,854	238,854	238,854
Construction in progress	942,595	26,911,883	729,305	29,845	1,671,900	26,941,728
Land improvements	4,763,072	4,980,152	2,465,991	2,724,313	7,229,063	7,704,465
Buildings and improvements	46,072,383	9,572,424	12,837,418	13,134,790	58,909,801	22,707,214
Machinery and equipment	1,938,002	1,524,232	275,482	260,133	2,213,484	1,784,365
Office furniture & fixtures	499,573	619,844	23,683	24,383	523,256	644,227
Planning and development	-	-	3,181,765	3,433,255	3,181,765	3,433,255
Vehicles	1,060,254	1,196,273	15,000	19,859	1,075,254	1,216,132
Total	\$ 59,241,587	\$ 48,597,556	\$ 22,025,746	\$ 22,123,680	\$ 81,267,333	\$ 70,721,236

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 had total debt outstanding (less accrued compensated absences and bond premium) of \$150,718,384. Of this amount, \$119,098,988 comprises debt backed by the full faith and credit of the government and \$31,200,864 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remainder of the County debt represents capital leases secured by specific assets.

	Outstanding Debt			
	Governmental Activities		Business-type Activities	
	2020	2019	2020	2019
General obligation bonds and notes	\$ 90,366,987	\$ 85,359,296	\$ 2,425,000	\$ 2,595,000
Delinquent tax notes	-	-	16,875,000	13,885,000
Capital Lease	-	-	-	-
Total	\$ 90,366,987	\$ 85,359,296	\$ 19,300,000	\$ 16,480,000

	Outstanding Debt			
	Component Units		Totals	
	2020	2019	2020	2019
General obligation bonds and notes	40,632,865	43,381,742	\$ 133,424,852	\$ 131,336,038
Delinquent tax notes	-	-	16,875,000	13,885,000
Capital Lease	418,532	543,163	418,532	543,163
Total	\$ 41,051,397	\$ 43,924,905	\$ 150,718,384	\$ 145,764,201

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
2020 Series General Obligation Delinquent Tax Notes	\$ 12,950,000	5/27/2020	1.90%
Limited Tax General Obligation Bonds, Series 2020A - Animal Care and Control Resource Center	9,540,000	9/15/2020	2.00 - 4.00%
Prueter Drain Bonds, Series 2020	770,000	6/30/2020	2.95%

The County's total debt increased by \$4,954,183 (3.4 percent) during the fiscal year, which was the net of the new issues noted above and the scheduled principal payments on existing debt.

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 \$623,820,822, 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 2021 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 2.11 percent for fiscal 2021.
- **Wages and Fringe Benefits** – The County's authorized staff count saw a decrease from 2020 to 2021 with the reduction of 20.32 F.T.E.'s for a total of 571.65 F.T.E.'s budgeted for. The wage rates for these positions were not budgeted with a base wage increase for fiscal 2021 as a base wage increase was dependent upon the results of the 202 audit. 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 remained the same at \$13,200 per position. Contributions to the MERS DB unfunded liability were altered during the budget process. The change in allocation method went from a flat fee of \$13,700 per F.T.E. to 32% of wages for 2021. The change in allocation method to both the MERS DB unfunded liability and retiree health reserve fund were made in an effort to 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 an issue for fiscal 2021 due to the Board of Commissioners approving to use fund balance in an amount of \$1,024,158 for the following purposes: estimated budgetary savings resulting from hiring freezes, reduction in estimated hotel administrative fee, additional funding to the Health Department, continue funding for MSU Extension for 6 months; continue funding of six (6) clerical positions in the Prosecutor's office that were slated for elimination; and a reduction due to multiple changes in the Jail budget. We also anticipate through our five year financial forecast that the County will need to use reserves in future budget cycles to maintain current staffing levels and to balance anticipated revenues with expenditures.

COUNTY OF SAGINAW, MICHIGAN

Management's Discussion and Analysis

- During FY 2021 and into the FY 2022 budget cycle, the Board of Commissioners and the Controller/CAO will continue to communicate with all County departments regarding the County's continuing financial challenges of using reserves to balance the general fund budget in an effort to eliminate the reliance on the use of fund balance in future budget cycles.
- The Board of Commissioners authorized a hiring freeze in FY 2013 that has been carried over into FY 2021 to allow departments the ability to analyze their operations and justify the need for filling positions that become vacant in an effort to reduce the amount of budgeted reserves.
- The FY 2021 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 2021 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 Controller's Office, 111 S. Michigan Ave., Saginaw, Michigan 48602.

BASIC FINANCIAL STATEMENTS

COUNTY OF SAGINAW, MICHIGAN

Statement of Net Position

September 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and investment pool	\$ 75,082,946	\$ 12,490,593	\$ 87,573,539	\$ 23,358,826
Receivables, net	21,023,240	16,284,813	37,308,053	47,170,184
Internal balances	(982,327)	982,327	-	-
Inventory	-	56,309	56,309	2,163,728
Prepays	249,043	65	249,108	358,294
Advances to component unit	400,000	-	400,000	-
Advance to land bank	-	-	-	681,505
Capital assets:				
Assets not being depreciated	4,908,303	3,226,407	8,134,710	52,687,208
Assets being depreciated, net	54,333,284	18,799,339	73,132,623	186,575,280
Total assets	155,014,489	51,839,853	206,854,342	312,995,025
Deferred outflows of resources				
Deferred pension amounts	2,925,894	-	2,925,894	182,564
Deferred OPEB amounts	3,503,462	-	3,503,462	109,422
Total deferred outflows of resources	6,429,356	-	6,429,356	291,986
Liabilities				
Accounts payable and accrued liabilities	11,579,485	1,359,593	12,939,078	2,838,395
Unearned revenue	3,136,173	113,845	3,250,018	535,000
Advances from primary government	-	-	-	400,000
Advance from brownfield redevelopment	-	-	-	681,505
Long-term liabilities:				
Due within one year	7,769,635	175,000	7,944,635	3,053,290
Due in more than one year	89,083,165	19,130,996	108,214,161	38,667,466
Due to Saginaw Hockey Club, LLC, due in more than one year	-	1,041,000	1,041,000	-
Net pension liability, due in more than one year	34,252,219	-	34,252,219	11,722,345
Net other postemployment benefit liability, due in more than one year	23,540,617	-	23,540,617	20,957,217
Total liabilities	169,361,294	21,820,434	191,181,728	78,855,218
Deferred inflows of resources				
Deferred OPEB amounts	10,559,642	-	10,559,642	3,813,298
Net position				
Net investment in capital assets	19,715,492	18,559,746	38,275,238	207,243,091
Restricted for:				
Public improvement	3,422,098	-	3,422,098	-
Drain projects	-	-	-	12,529,764
Debt service	4,377,933	-	4,377,933	31,655,494
CMH renovations	572,525	-	572,525	-
Public safety	1,306,858	-	1,306,858	-
Health and welfare	1,653,047	-	1,653,047	-
Recreation	2,295,845	-	2,295,845	-
Other	2,822,018	-	2,822,018	-
Unrestricted (deficit)	(54,642,907)	11,459,673	(43,183,234)	(20,809,854)
Total net position (deficit)	\$ (18,477,091)	\$ 30,019,419	\$ 11,542,328	\$ 230,618,495

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

COUNTY OF SAGINAW, MICHIGAN

Statement of Activities

For the Year Ended September 30, 2020

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government						
Governmental activities:						
Legislative	\$ 340,893	\$ 906	\$ -	\$ -	\$ -	\$ (341,799)
Judicial	10,144,374	687,180	2,137,064	5,426,228	-	(3,268,262)
General government	10,891,919	(2,344,275)	9,123,921	6,690,517	-	7,266,794
Public safety	25,406,932	281,889	8,235,826	6,157,409	-	(11,295,586)
Public works	749,529	10,445	691,243	-	-	(68,731)
Health and welfare	31,534,997	1,227,203	5,397,245	22,431,953	-	(4,933,002)
Community and economic development	2,569,585	32,577	2,619	262,148	-	(2,337,395)
Recreation and culture	2,256,431	95,519	116,861	221,302	-	(2,013,787)
Interest on long-term debt	3,345,109	-	-	-	-	(3,345,109)
Total governmental activities	87,239,769	(8,556)	25,704,779	41,189,557	-	(20,336,877)
Business-type activities:						
Delinquent tax revolving	1,739,704	-	2,324,230	-	-	584,526
Delinquent tax foreclosure	1,329,959	-	968,180	-	-	(361,779)
Building Authority Event Center	3,734,546	-	2,359,814	-	79,782	(1,294,950)
Building Authority administration	115,941	-	42,704	-	-	(73,237)
Parking system	85,122	371	48,866	-	-	(36,627)
Harry W. Browne Airport	553,039	300	308,275	-	694,486	449,422
Inmate services	674,174	7,885	1,078,491	-	-	396,432
Total business-type activities	8,232,485	8,556	7,130,560	-	774,268	(336,213)
Total primary government	\$ 95,472,254	\$ -	\$ 32,835,339	\$ 41,189,557	\$ 774,268	\$ (20,673,090)
Component units						
Road Commission	\$ 24,158,766	\$ -	\$ 89,815	\$ 29,864,113	\$ -	\$ 5,795,162
Brownfield Redevelopment Authority	409	-	-	-	-	(409)
Department of Public Works	456,690	-	153,874	-	290,676	(12,140)
Drain Commission	4,448,122	-	-	93,766	5,351,534	997,178
Economic Development Corporation	13,473	-	22,638	-	-	9,165
Land Bank Authority	1,420,094	-	-	1,492,394	811,236	883,536
Total component units	\$ 30,497,554	\$ -	\$ 266,327	\$ 31,450,273	\$ 6,453,446	\$ 7,672,492

continued...

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

COUNTY OF SAGINAW, MICHIGAN

Statement of Activities

For the Year Ended September 30, 2020

Functions/Programs	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Change in net position				
Net (expense) revenue	\$ (20,336,877)	\$ (336,213)	\$ (20,673,090)	\$ 7,672,492
General revenues:				
Property taxes	43,974,933	1,127,724	45,102,657	6,656
Accommodations tax	2,161,084	-	2,161,084	-
Grants and contributions not restricted to specific programs	465,086	-	465,086	-
Investment income - interest earned	1,391,138	588,072	1,979,210	323,947
Transfers - internal activities	2,390,201	(2,390,201)	-	-
Total general revenues and transfers	50,382,442	(674,405)	49,708,037	330,603
Change in net position	30,045,565	(1,010,618)	29,034,947	8,003,095
Net position (deficit), beginning of year	(48,522,656)	31,030,037	(17,492,619)	222,615,400
Net position (deficit), end of year	<u>\$ (18,477,091)</u>	<u>\$ 30,019,419</u>	<u>\$ 11,542,328</u>	<u>\$ 230,618,495</u>

Concluded

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

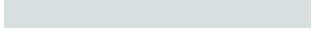
COUNTY OF SAGINAW, MICHIGAN

Balance Sheet

Governmental Funds
September 30, 2020

	Special Revenue Funds		Debt Service Fund	Capital Projects Funds		
	General	Michigan Works!	Community Mental Health Bonds	Animal Care and Control Resource Center Construction Fund	Mainframe Conversion Project	
Assets						
Cash and investment pool	\$ 17,953,457	\$ 140,925	\$ 73	\$ 64	\$ 9,795,464	\$ 9,280,903
Receivables:						
Taxes	5,502,436	-	-	-	-	-
Accounts	368,624	2,934	-	-	-	-
Loans	-	-	2,123,610	-	-	-
Lease	-	-	-	3,415,051	-	-
Interest	293,667	737	682	-	4,561	106,082
Due from other funds	616,660	-	-	-	-	-
Due from other governmental units	855,697	1,129,542	215,079	-	-	-
Advances to other funds	20,000	-	-	-	-	-
Advances to component units	400,000	-	-	-	-	-
Prepays	11,830	67,286	-	-	-	-
Total assets	<u>\$ 26,022,371</u>	<u>\$ 1,341,424</u>	<u>\$ 2,339,444</u>	<u>\$ 3,415,115</u>	<u>\$ 9,800,025</u>	<u>\$ 9,386,985</u>
Liabilities						
Accounts payable	\$ 379,957	\$ 1,072,557	\$ 350	\$ -	\$ 165,980	\$ 352,719
Accrued liabilities	518,334	27,725	11,294	-	-	-
Deposits payable	-	-	-	-	-	-
Due to other funds	-	1	29,630	-	-	-
Due to other governmental units	-	-	209,032	-	-	-
Unearned revenue	1,514,937	68,314	-	-	-	-
Total liabilities	<u>2,413,228</u>	<u>1,168,597</u>	<u>250,306</u>	<u>-</u>	<u>165,980</u>	<u>352,719</u>
Deferred inflows of resources						
Unavailable revenue - property taxes	2,331,446	-	-	-	-	-
Unavailable revenue - long-term receivables	-	-	1,914,579	3,415,051	-	-
Total deferred inflows of resources	<u>2,331,446</u>	<u>-</u>	<u>1,914,579</u>	<u>3,415,051</u>	<u>-</u>	<u>-</u>
Fund balances						
Nonspendable	431,830	67,286	-	-	-	-
Restricted	185,987	-	174,559	64	9,634,045	9,034,266
Committed	-	-	-	-	-	-
Assigned	13,736,159	105,541	-	-	-	-
Unassigned	6,923,721	-	-	-	-	-
Total fund balances	<u>21,277,697</u>	<u>172,827</u>	<u>174,559</u>	<u>64</u>	<u>9,634,045</u>	<u>9,034,266</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 26,022,371</u>	<u>\$ 1,341,424</u>	<u>\$ 2,339,444</u>	<u>\$ 3,415,115</u>	<u>\$ 9,800,025</u>	<u>\$ 9,386,985</u>

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



Nonmajor Governmental Funds	Total Governmental Funds
--	---

\$ 28,810,532	\$ 65,981,418
201,902	5,704,338
2,452,155	2,823,713
53,623	2,177,233
-	3,415,051
308,848	714,577
264,327	880,987
3,410,579	5,610,897
-	20,000
-	400,000
166,887	246,003

\$ 35,668,853 \$ 87,974,217

\$ 4,218,831	\$ 6,190,394
737,081	1,294,434
24,003	24,003
664,974	694,605
211,308	420,340
1,552,922	3,136,173

7,409,119 11,759,949

193,755 2,525,201

53,623 5,383,253

247,378 7,908,454

203,277	702,393
14,007,643	33,036,564
5,902,578	5,902,578
7,898,858	21,740,558
-	6,923,721

28,012,356 68,305,814

\$ 35,668,853 \$ 87,974,217

COUNTY OF SAGINAW, MICHIGAN

Reconciliation

Fund Balances for Governmental Funds
To Net Position of Governmental Activities
September 30, 2020

Fund balances - total governmental funds	\$ 68,305,814
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	4,908,303
Capital assets, being depreciated	54,333,284
Less: Internal service fund capital assets, net	(1,225,623)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Deferred inflows for long-term receivables and unavailable property tax revenue	7,908,454
Certain pension and other postemployment benefit (OPEB)-related amounts, such as the net pension and OPEB liabilities 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	(34,252,219)
Deferred outflows related to the net pension liability	2,925,894
Net OPEB liability	(23,540,617)
Deferred outflows related to the net OPEB liability	3,503,462
Deferred inflows related to the net OPEB liability	(10,559,642)
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	7,489,431
Portion of the governmental activity's internal service fund net position allocated to business-type activities	(80,377)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(90,366,987)
Premium on bond issuance	(4,567,960)
Accrued interest on bonds payable	(1,427,507)
Accrued compensated absences	(1,830,801)
Net position of governmental activities	<u><u>\$ (18,477,091)</u></u>

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

COUNTY OF SAGINAW, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended September 30, 2020

	General	Special Revenue Funds		Debt Service Fund	Capital Projects Funds	
		Michigan Works!	Planning Commission	Community Mental Health Bonds	Animal Care and Control Resource Center Construction Fund	Mainframe Conversion Project
Revenues						
Property taxes	\$ 25,008,876	\$ -	\$ -	\$ -	\$ -	\$ -
Accommodations tax	-	-	-	-	-	-
Licenses and permits	124,981	-	-	-	-	-
Federal grants	1,453,848	9,418,426	262,148	-	-	-
State grants	7,543,148	2,712,029	-	-	-	-
Local grants and contributions	6,500	-	-	-	-	-
Charges for services	4,511,793	24,968	-	443,010	-	-
Fines and forfeitures	448,188	-	-	-	-	-
Investment income	546,424	1,411	1,243	43	14,310	199,909
Rental revenue	-	7,253	-	-	-	-
Donations	-	-	-	-	-	-
Reimbursements	3,542,505	2,178,785	-	-	-	-
Other revenue	43,744	-	18,392	-	-	-
Total revenues	43,230,007	14,342,872	281,783	443,053	14,310	199,909
Expenditures						
Current:						
Legislative	546,367	-	-	-	-	-
Judicial	13,395,623	-	-	-	-	-
General government	13,995,822	-	-	-	-	2,059,616
Public safety	10,087,930	-	-	-	-	-
Public works	263,629	-	-	-	-	-
Health and welfare	1,709,725	14,328,285	-	-	-	-
Community and economic development	314,330	-	278,996	-	-	-
Recreation and culture	-	-	-	-	-	-
Capital outlay	-	-	-	-	585,243	-
Debt service:						
Principal	-	-	-	315,000	-	-
Interest and fiscal charges	-	-	-	128,010	-	-
Total expenditures	40,313,426	14,328,285	278,996	443,010	585,243	2,059,616
Revenues over (under) expenditures	2,916,581	14,587	2,787	43	(570,933)	(1,859,707)
Other financing sources (uses)						
Bond proceeds	-	-	-	-	9,540,000	-
Premium on bond issuance	-	-	-	-	664,978	-
Transfers in	5,060,420	-	65,902	-	-	250,000
Transfers out	(8,893,858)	-	-	-	-	-
Total other financing sources (uses)	(3,833,438)	-	65,902	-	10,204,978	250,000
Net change in fund balances	(916,857)	14,587	68,689	43	9,634,045	(1,609,707)
Fund balances, beginning of year	22,194,554	158,240	105,870	21	-	10,643,973
Fund balances, end of year	\$ 21,277,697	\$ 172,827	\$ 174,559	\$ 64	\$ 9,634,045	\$ 9,034,266

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

Nonmajor Governmental Funds	Total Governmental Funds
\$ 18,858,321	\$ 43,867,197
2,161,084	2,161,084
546,114	671,095
8,597,615	19,732,037
10,120,571	20,375,748
1,212,302	1,218,802
7,110,572	12,090,343
47,396	495,584
527,866	1,291,206
205,001	212,254
297,945	297,945
8,575,335	14,296,625
470,889	533,025
<u>58,731,011</u>	<u>117,242,945</u>
-	546,367
5,341,417	18,737,040
1,288,700	17,344,138
20,158,175	30,246,105
513,219	776,848
22,467,281	38,505,291
2,166,578	2,759,904
2,453,759	2,453,759
12,808,008	13,393,251
4,217,309	4,532,309
3,390,267	3,518,277
<u>74,804,713</u>	<u>132,813,289</u>
<u>(16,073,702)</u>	<u>(15,570,344)</u>
-	9,540,000
-	664,978
11,189,763	16,566,085
<u>(4,140,418)</u>	<u>(13,034,276)</u>
<u>7,049,345</u>	<u>13,736,787</u>
(9,024,357)	(1,833,557)
<u>37,036,713</u>	<u>70,139,371</u>
<u>\$ 28,012,356</u>	<u>\$ 68,305,814</u>

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, 2020

Net change in fund balances - total governmental funds	\$ (1,833,557)
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 expense.	
Capital assets purchased	12,010,584
Loss on disposal of capital assets	(64,237)
Depreciation expense	(2,088,799)
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	107,736
Change in deferred inflows related to long-term lease receivable	408,429
Change in deferred inflows related to long-term loans receivable	(35,214)
Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal payments on long-term liabilities	4,532,309
Bond proceeds	(9,540,000)
Premium on bond issuance	(664,978)
Change in accrued interest payable and amortization of bond premium	173,167
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	(6,275,207)
Change in net other postemployment benefit liability and related deferred amounts	33,620,588
Change in accrued compensated absences	(556,887)
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	259,775
Operating income from governmental activities in internal service funds charged to business-type activities	(8,144)
Change in net position of governmental activities	<u>\$ 30,045,565</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 - General Fund

For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Property taxes	\$ 24,736,683	\$ 24,736,683	\$ 25,008,876	\$ 272,193
Licenses and permits	148,500	148,500	124,981	(23,519)
Federal grants	507,132	857,049	1,453,848	596,799
State grants	8,064,571	8,192,960	7,543,148	(649,812)
Local grants and contributions	6,500	6,500	6,500	-
Charges for services	5,451,523	5,457,723	4,511,793	(945,930)
Fines and forfeitures	621,642	621,642	448,188	(173,454)
Investment income	123,250	201,393	546,424	345,031
Reimbursements	4,160,101	4,081,712	3,542,505	(539,207)
Other revenue	38,897	38,897	43,744	4,847
Total revenues	43,858,799	44,343,059	43,230,007	(1,113,052)
Expenditures				
Current:				
Legislative - Board of Commissioners	565,985	568,930	546,367	(22,563)
Judicial:				
Circuit Court	3,268,822	3,268,822	2,973,953	(294,869)
District Court	4,808,063	4,808,063	4,485,411	(322,652)
Probate Court	1,119,991	1,119,991	1,070,551	(49,440)
Law Library	63,000	63,000	54,491	(8,509)
Family Division	2,981,328	2,981,328	2,894,257	(87,071)
Probation - Circuit Court	75,117	75,117	68,709	(6,408)
Probation - District Court	995,709	995,709	930,580	(65,129)
Assigned Counsel	917,671	917,672	917,671	(1)
Jury Commission	300	300	-	(300)
Total judicial	14,230,001	14,230,002	13,395,623	(834,379)
General government:				
Elections	170,700	170,700	149,268	(21,432)
Auditing	113,000	113,000	107,824	(5,176)
Corporate Counsel	195,000	195,000	177,299	(17,701)
County Clerk	1,651,647	1,651,647	1,542,767	(108,880)
Controller	1,612,471	1,996,118	1,767,623	(228,495)
Equalization	664,705	670,905	647,196	(23,709)
Prosecuting Attorney	4,075,571	4,103,192	3,940,962	(162,230)
Prosecuting Attorney - Welfare	762,996	762,996	713,931	(49,065)
Register of Deeds	618,601	618,601	564,108	(54,493)
County Treasurer	920,031	920,031	904,390	(15,641)
Maintenance	3,238,304	3,238,304	2,956,146	(282,158)
Maintenance - Telephone	38,000	49,000	48,948	(52)
Public Works Commissioner	511,885	511,885	475,360	(36,525)
Total general government	14,572,911	15,001,379	13,995,822	(1,005,557)

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, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Expenditures (continued):				
Current (continued):				
Public safety:				
Sheriff	\$ 862,477	\$ 862,477	\$ 789,517	\$ (72,960)
Marine Law Enforcement	3,555	3,555	1,878	(1,677)
Sheriff - Jail Division	10,640,742	9,219,034	9,214,326	(4,708)
Corrections Reimbursement	82,365	82,365	82,209	(156)
Total public safety	<u>11,589,139</u>	<u>10,167,431</u>	<u>10,087,930</u>	<u>(79,501)</u>
Public works - Drains	350,000	350,000	263,629	(86,371)
Health and welfare:				
Medical Examiner	706,416	709,695	603,414	(106,281)
Veterans Burial	32,000	32,000	20,975	(11,025)
Contributions to other agencies	1,084,803	1,084,803	1,085,336	533
Total health and welfare	<u>1,823,219</u>	<u>1,826,498</u>	<u>1,709,725</u>	<u>(116,773)</u>
Community and economic development:				
Plat Board	300	300	-	(300)
Contributions to other agencies	325,000	325,000	314,330	(10,670)
Total community and economic development	<u>325,300</u>	<u>325,300</u>	<u>314,330</u>	<u>(10,970)</u>
Total expenditures	<u>43,456,555</u>	<u>42,469,540</u>	<u>40,313,426</u>	<u>(2,156,114)</u>
Revenues over expenditures	402,244	1,873,519	2,916,581	1,043,062
Other financing sources (uses)				
Transfers in	5,060,420	5,060,420	5,060,420	-
Transfers out	(7,466,246)	(9,098,349)	(8,893,858)	(204,491)
Total other financing sources (uses)	<u>(2,405,826)</u>	<u>(4,037,929)</u>	<u>(3,833,438)</u>	<u>(204,491)</u>
Net change in fund balance	(2,003,582)	(2,164,410)	(916,857)	1,247,553
Fund balance, beginning of year	22,194,554	22,194,554	22,194,554	-
Fund balance, end of year	<u>\$ 20,190,972</u>	<u>\$ 20,030,144</u>	<u>\$ 21,277,697</u>	<u>\$ 1,247,553</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 - Michigan Works! Special Revenue Fund
For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Federal grants	\$ 12,838,544	\$ 17,413,725	\$ 9,418,426	\$ (7,995,299)
State grants	3,644,621	3,769,810	2,712,029	(1,057,781)
Charges for services	157,600	157,600	24,968	(132,632)
Investment income	-	-	1,411	1,411
Rental revenue	-	-	7,253	7,253
Reimbursements	2,388,276	2,388,276	2,178,785	(209,491)
Total revenues	19,029,041	23,729,411	14,342,872	(9,386,539)
Expenditures				
Current:				
Health and welfare	19,029,041	23,729,411	14,328,285	(9,401,126)
Net change in fund balance	-	-	14,587	14,587
Fund balance, beginning of year	158,240	158,240	158,240	-
Fund balance, end of year	<u>\$ 158,240</u>	<u>\$ 158,240</u>	<u>\$ 172,827</u>	<u>\$ 14,587</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 - Planning Commission Special Revenue Fund
For the Year Ended September 30, 2020

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Federal grants	\$ 321,251	\$ 321,251	\$ 262,148	\$ (59,103)
State grants	21,000	21,000	-	(21,000)
Investment income	600	600	1,243	643
Other revenue	33,000	33,000	18,392	(14,608)
Total revenues	375,851	375,851	281,783	(94,068)
Expenditures				
Community and economic development	466,869	466,869	278,996	(187,873)
Revenues over (under) expenditures	(91,018)	(91,018)	2,787	93,805
Other financing sources				
Transfers in	65,902	65,902	65,902	-
Net change in fund balance	(25,116)	(25,116)	68,689	93,805
Fund balance, beginning of year	105,870	105,870	105,870	-
Fund balance, end of year	<u>\$ 80,754</u>	<u>\$ 80,754</u>	<u>\$ 174,559</u>	<u>\$ 93,805</u>

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

COUNTY OF SAGINAW, MICHIGAN

Statement of Net Position

Proprietary Funds
September 30, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets					
Current assets:					
Cash and investment pool	\$ 9,096,912	\$ 1,965,421	\$ 1,428,260	\$ 12,490,593	\$ 9,101,528
Receivables, net:					
Taxes	12,892,540	42,525	-	12,935,065	-
Accounts	190,830	71,669	177,503	440,002	329,917
Interest and fees	2,836,092	13,944	21,549	2,871,585	67,244
Due from other governmental units	8,161	-	30,000	38,161	180,270
Inventory	-	42,676	13,633	56,309	-
Prepays	-	-	65	65	3,040
Total current assets	<u>25,024,535</u>	<u>2,136,235</u>	<u>1,671,010</u>	<u>28,831,780</u>	<u>9,681,999</u>
Noncurrent assets:					
Advances to other funds	1,262,127	-	-	1,262,127	-
Capital assets not being depreciated	-	1,223,614	2,002,793	3,226,407	588,356
Capital assets being depreciated, net	-	15,029,038	3,770,301	18,799,339	637,267
Total noncurrent assets	<u>1,262,127</u>	<u>16,252,652</u>	<u>5,773,094</u>	<u>23,287,873</u>	<u>1,225,623</u>
Total assets	<u>26,286,662</u>	<u>18,388,887</u>	<u>7,444,104</u>	<u>52,119,653</u>	<u>10,907,622</u>
Liabilities					
Current liabilities:					
Accounts payable	21,839	141,168	724,174	887,181	622,113
Accrued liabilities	7,623	110,159	4,059	121,841	1,600,694
Deposits payable	-	255,415	62,803	318,218	-
Due to other funds	-	-	119,677	119,677	66,705
Due to other governmental units	-	-	32,353	32,353	-
Unearned revenue	-	109,548	4,297	113,845	-
Current portion of bonds payable	-	175,000	-	175,000	-
Total current liabilities	<u>29,462</u>	<u>791,290</u>	<u>947,363</u>	<u>1,768,115</u>	<u>2,289,512</u>
Noncurrent liabilities:					
Advances from other funds	-	220,500	20,000	240,500	1,041,627
Due to Saginaw Hockey Club, LLC	-	1,041,000	-	1,041,000	-
Accrued compensated absences	-	-	5,996	5,996	87,052
Notes payable	16,875,000	-	-	16,875,000	-
Bonds payable, net of current portion	-	2,250,000	-	2,250,000	-
Total noncurrent liabilities	<u>16,875,000</u>	<u>3,511,500</u>	<u>25,996</u>	<u>20,412,496</u>	<u>1,128,679</u>
Total liabilities	<u>16,904,462</u>	<u>4,302,790</u>	<u>973,359</u>	<u>22,180,611</u>	<u>3,418,191</u>
Net position					
Net investment in capital assets	-	12,786,652	5,773,094	18,559,746	1,225,623
Unrestricted	9,382,200	1,299,445	697,651	11,379,296	6,263,808
Total net position	<u>\$ 9,382,200</u>	<u>\$ 14,086,097</u>	<u>\$ 6,470,745</u>	<u>29,939,042</u>	<u>\$ 7,489,431</u>
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities				80,377	
Net position of business-type activities				<u>\$ 30,019,419</u>	

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, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues					
Charges for services	\$ 660,755	\$ 1,945,467	\$ 2,212,811	\$ 4,819,033	\$ 239,642
Interest on delinquent taxes	1,632,942	-	11,128	1,644,070	-
Fines and forfeitures	-	-	7,977	7,977	-
Rental revenue	-	-	105,701	105,701	255,815
Reimbursements	-	-	62,210	62,210	20,541,656
Other revenue	30,533	414,347	46,689	491,569	62,434
Total operating revenues	<u>2,324,230</u>	<u>2,359,814</u>	<u>2,446,516</u>	<u>7,130,560</u>	<u>21,099,547</u>
Operating expenses					
Personnel services	-	983,845	260,430	1,244,275	982,521
Fringe benefits	-	-	-	-	14,947,102
Supplies	53,012	269,148	422,227	744,387	136,520
Services and charges	1,427,281	1,408,529	1,813,616	4,649,426	3,556,852
Other	-	172,280	-	172,280	3,038
Depreciation	239	828,477	273,583	1,102,299	170,300
Total operating expenses	<u>1,480,532</u>	<u>3,662,279</u>	<u>2,769,856</u>	<u>7,912,667</u>	<u>19,796,333</u>
Operating income (loss)	<u>843,698</u>	<u>(1,302,465)</u>	<u>(323,340)</u>	<u>(782,107)</u>	<u>1,303,214</u>
Nonoperating revenues (expenses)					
Property taxes	-	1,127,724	-	1,127,724	-
Federal grants	-	-	659,513	659,513	-
State grants	-	79,782	34,973	114,755	-
Investment income	196,391	25,744	365,937	588,072	99,932
Loss on disposal of capital assets	-	(14,300)	-	(14,300)	(1,763)
Interest expense and fiscal charges	(259,172)	(63,046)	-	(322,218)	-
Total nonoperating revenues (expenses)	<u>(62,781)</u>	<u>1,155,904</u>	<u>1,060,423</u>	<u>2,153,546</u>	<u>98,169</u>
Income (loss) before transfers	780,917	(146,561)	737,083	1,371,439	1,401,383
Transfers in	-	-	7,000	7,000	78,143
Transfers out	(2,000,000)	(700)	(396,501)	(2,397,201)	(1,219,751)
Change in net position	<u>(1,219,083)</u>	<u>(147,261)</u>	<u>347,582</u>	<u>(1,018,762)</u>	<u>259,775</u>
Net position, beginning of year	<u>10,601,283</u>	<u>14,233,358</u>	<u>6,123,163</u>		<u>7,229,656</u>
Net position, end of year	<u>\$ 9,382,200</u>	<u>\$ 14,086,097</u>	<u>\$ 6,470,745</u>		<u>\$ 7,489,431</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>8,144</u>	
Change in net position of business-type activities				<u>\$ (1,010,618)</u>	

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, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities					
Receipts from customers	\$ 1,992,242	\$ 2,067,294	\$ 3,039,109	\$ 7,098,645	\$ -
Receipts from interfund services provided	-	-	-	-	21,379,529
Payments to employees	-	(1,035,959)	(257,794)	(1,293,753)	(1,594,442)
Payments to suppliers	(1,515,556)	(2,217,447)	(2,333,292)	(6,066,295)	(17,780,970)
Net cash provided by (used in) operating activities	<u>476,686</u>	<u>(1,186,112)</u>	<u>448,023</u>	<u>(261,403)</u>	<u>2,004,117</u>
Cash flows from noncapital financing activities					
Property tax collections	-	1,127,911	-	1,127,911	-
State grant proceeds	-	79,782	-	79,782	-
Transfers in	-	-	7,000	7,000	78,143
Transfers out	(2,000,000)	(700)	(396,501)	(2,397,201)	(1,219,751)
Proceeds from issuance of long-term debt	12,950,000	-	-	12,950,000	-
Principal paid on long-term debt	(9,960,000)	-	-	(9,960,000)	-
Interest paid on long-term debt	(259,172)	-	-	(259,172)	-
Net cash provided by (used in) noncapital financing activities	<u>730,828</u>	<u>1,206,993</u>	<u>(389,501)</u>	<u>1,548,320</u>	<u>(1,141,608)</u>
Cash flows from capital and related financing activities					
Advances from other funds	-	(31,500)	-	(31,500)	1,041,627
Advances to other funds	(1,010,127)	-	-	(1,010,127)	-
Principal paid on long-term debt	-	(170,000)	-	(170,000)	-
Interest paid on long-term debt	-	(92,239)	-	(92,239)	-
Payments for capital asset acquisition	-	(296,256)	(722,409)	(1,018,665)	(958,546)
Net cash (used in) provided by capital and related financing activities	<u>(1,010,127)</u>	<u>(589,995)</u>	<u>(722,409)</u>	<u>(2,322,531)</u>	<u>83,081</u>
Cash flows from investing activities					
Investment income received	<u>196,391</u>	<u>16,699</u>	<u>364,979</u>	<u>578,069</u>	<u>66,843</u>
Net change in cash and investment pool	<u>393,778</u>	<u>(552,415)</u>	<u>(298,908)</u>	<u>(457,545)</u>	<u>1,012,433</u>
Cash and investment pool:					
Beginning of year	<u>8,703,134</u>	<u>2,517,836</u>	<u>1,727,168</u>	<u>12,948,138</u>	<u>8,089,095</u>
End of year	<u>\$ 9,096,912</u>	<u>\$ 1,965,421</u>	<u>\$ 1,428,260</u>	<u>\$ 12,490,593</u>	<u>\$ 9,101,528</u>

continued...

COUNTY OF SAGINAW, MICHIGAN

Statement of Cash Flows

Proprietary Funds

For the Year Ended September 30, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities
	Delinquent Tax Revolving	Building Authority Event Center	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ 843,698	\$ (1,302,465)	\$ 371,146	\$ (87,621)	\$ 1,303,214
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	239	828,477	273,583	1,102,299	170,300
Changes in operating assets and liabilities that provided (used) cash:					
Receivables, net	(340,010)	148,965	(119,569)	(310,614)	398,863
Due from other funds	-	-	-	-	160
Due from other governmental units	8,022	-	(30,000)	(21,978)	(180,270)
Inventory	-	18,589	27,246	45,835	-
Prepays	-	-	2,639	2,639	111,546
Accounts payable	(34,870)	(404,899)	(176,093)	(615,862)	180,887
Accrued liabilities	(393)	(33,294)	(15)	(33,702)	(81,853)
Deposits payable	-	(429,540)	46,681	(382,859)	-
Due to other funds	-	-	16,406	16,406	61,229
Due to other governmental units	-	-	32,353	32,353	-
Unearned revenue	-	(11,945)	995	(10,950)	-
Accrued compensated absences	-	-	2,651	2,651	40,041
Net cash provided by (used in) operating activities	<u>\$ 476,686</u>	<u>\$ (1,186,112)</u>	<u>\$ 448,023</u>	<u>\$ (261,403)</u>	<u>\$ 2,004,117</u>

Concluded

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

COUNTY OF SAGINAW, MICHIGAN

Statement of Fiduciary Net Position

Fiduciary Funds
September 30, 2020

	Post- employment Health Benefits Trust Fund	Agency Funds
Assets		
Current assets:		
Cash and investment pool	\$ 13,522,623	\$ 10,788,063
Investments, at fair value - mutual funds	21,036,059	-
Receivables (net):		
Taxes	-	47,332
Accounts	72,339	1,503,074
Accrued interest	42,756	21,200
Due from other governmental units	-	75,050
Prepays	86,347	-
Total assets (all current)	<u>34,760,124</u>	<u>\$ 12,434,719</u>
Liabilities		
Current liabilities:		
Accounts payable	44,008	\$ 853,296
Accrued liabilities	200,385	-
Deposits payable	-	1,966,233
Due to other governmental units	-	9,615,190
Total liabilities (all current)	<u>244,393</u>	<u>\$ 12,434,719</u>
Net position restricted for:		
Other postemployment benefits	<u>\$ 34,515,731</u>	

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

COUNTY OF SAGINAW, MICHIGAN

Statement of Changes in Fiduciary Net Position

Fiduciary Fund - Postemployment Health Benefits Trust Fund
For the Year Ended September 30, 2020

Additions

Contributions:	
Employer	<u>\$ 7,731,321</u>
Investment earnings:	
Net appreciation in fair value of investments	663,801
Interest and dividends	<u>858,687</u>
Net investment earnings	<u>1,522,488</u>
Total additions	<u>9,253,809</u>
Deductions	
Participant benefits	4,792,873
Administrative expenses	<u>65,918</u>
Total deductions	<u>4,858,791</u>
Change in net position	4,395,018
Net position, beginning of year	<u>30,120,713</u>
Net position, end of year	<u>\$ 34,515,731</u>

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

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Net Position

Discretely Presented Component Units
September 30, 2020

	Road Commission	Brownfield Redevelopment Authority	Department of Public Works	Drain Commission
Assets				
Cash and investment pool	\$ 5,188,178	\$ 477,238	\$ 560,600	\$ 14,387,161
Receivables, net	5,717,096	218,292	9,173,219	31,363,567
Inventory	920,228	-	-	-
Prepays	358,294	-	-	-
Advance to land bank	-	681,505	-	-
Capital assets:				
Assets not being depreciated	42,301,598	-	-	10,385,610
Assets being depreciated, net	131,269,588	-	55,686	55,250,006
Total assets	185,754,982	1,377,035	9,789,505	111,386,344
Deferred outflows of resources				
Deferred pension amounts	182,564	-	-	-
Deferred OPEB amounts	109,422	-	-	-
Total deferred outflows of resources	291,986	-	-	-
Liabilities				
Accounts payable and accrued liabilities	1,154,644	194	138,823	1,507,774
Unearned revenue	535,000	-	-	-
Advances from primary government	-	-	-	400,000
Advance from brownfield redevelopment	-	-	-	-
Long-term liabilities:				
Due within one year	478,911	-	343,000	2,231,379
Due in more than one year	1,008,980	-	8,689,000	28,969,486
Net pension liability, due in more than one year	11,722,345	-	-	-
Net other postemployment benefit liability, due in more than one year	20,957,217	-	-	-
Total liabilities	35,857,097	194	9,170,823	33,108,639
Deferred inflows of resources				
Deferred OPEB amounts	3,813,298	-	-	-
Net position				
Net investment in capital assets	172,752,654	-	55,686	34,434,751
Restricted for:				
Debt service	-	-	342,304	31,313,190
Acquisition/construction of capital assets	-	-	-	12,529,764
Unrestricted (deficit)	(26,376,081)	1,376,841	220,692	-
Total net position	\$ 146,376,573	\$ 1,376,841	\$ 618,682	\$ 78,277,705

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

Economic Development Corporation	Land Bank Authority	Total
\$ 97,748	\$ 2,647,901	\$ 23,358,826
-	698,010	47,170,184
-	1,243,500	2,163,728
-	-	358,294
-	-	681,505
-	-	52,687,208
-	-	186,575,280
<u>97,748</u>	<u>4,589,411</u>	<u>312,995,025</u>
-	-	182,564
-	-	109,422
-	-	291,986
-	36,960	2,838,395
-	-	535,000
-	-	400,000
-	681,505	681,505
-	-	3,053,290
-	-	38,667,466
-	-	11,722,345
-	-	20,957,217
-	718,465	78,855,218
-	-	3,813,298
-	-	207,243,091
-	-	31,655,494
-	-	12,529,764
97,748	3,870,946	(20,809,854)
<u>\$ 97,748</u>	<u>\$ 3,870,946</u>	<u>\$ 230,618,495</u>

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Activities

Discretely Presented Component Units
For the Year Ended September 30, 2020

	Program Revenues			Net (Expense) Revenue
	Expenses	Charges for Services	Operating Grants and Contributions	
Road Commission				
Governmental activities:				
Highways and streets	\$ 24,158,766	\$ 89,815	\$ 29,864,113	\$ -
				\$ 5,795,162
Brownfield Redevelopment Authority				
Governmental Activities:				
Community and economic development	409	-	-	-
				(409)
Department of Public Works				
Business-type Activities:				
Public works	126,906	153,874	-	-
				26,968
Governmental Activities:				
Public works	-	-	-	290,676
				290,676
Interest on long-term debt	329,784	-	-	-
				(329,784)
Total Department of Public Works	456,690	153,874	-	290,676
				(12,140)
Drain Commission				
Governmental Activities:				
Public works	3,631,685	-	93,766	5,351,534
				1,813,615
Interest on long-term debt	816,437	-	-	-
				(816,437)
Total Drain Commission	4,448,122	-	93,766	5,351,534
				997,178
Economic Development Corporation				
Business-type Activities:				
Community and economic development	13,473	22,638	-	-
				9,165
Land Bank Authority				
Business-type Activities:				
Community and economic development	1,420,094	-	1,492,394	811,236
				883,536
Total component units	\$ 30,497,554	\$ 266,327	\$ 31,450,273	\$ 6,453,446
				\$ 7,672,492

continued...

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Activities

Discretely Presented Component Units
For the Year Ended September 30, 2020

	Road Commission	Brownfield Redevelopment Authority	Department of Public Works	Drain Commission
Change in net position				
Net (expense) revenue	\$ 5,795,162	\$ (409)	\$ (12,140)	\$ 997,178
General revenues:				
Property taxes	-	6,656	-	-
Investment income	176,020	22,113	699	87,823
Total general revenues	176,020	28,769	699	87,823
Change in net position	5,971,182	28,360	(11,441)	1,085,001
Net position, beginning of year	140,405,391	1,348,481	630,123	77,192,704
Net position, end of year	<u>\$ 146,376,573</u>	<u>\$ 1,376,841</u>	<u>\$ 618,682</u>	<u>\$ 78,277,705</u>

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



Economic Development Corporation	Land Bank Authority	Total
<u>\$ 9,165</u>	<u>\$ 883,536</u>	<u>\$ 7,672,492</u>
-	-	6,656
<u>282</u>	<u>37,010</u>	<u>323,947</u>
<u>282</u>	<u>37,010</u>	<u>330,603</u>
9,447	920,546	8,003,095
<u>88,301</u>	<u>2,950,400</u>	<u>222,615,400</u>
<u>\$ 97,748</u>	<u>\$ 3,870,946</u>	<u>\$ 230,618,495</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 2010 is 200,169.

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 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.

Discretely presented component units - The component unit column in the government-wide financial statements includes the financial data of the County’s other component units. These units are reported in a separate column to emphasize that they are legally separate from the County.

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, 2019 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.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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. The Economic Development Corporation's activities are reported discretely as a governmental fund type.

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

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Government-wide and Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements, except for agency funds, which do not have a measurement focus. 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.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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 *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 *Planning Commission Fund* (special revenue) accounts for the operations of the Saginaw County Planning Commission. Money for the operation of this fund is supplied from federal and state grants, reimbursements from other local units of government for work performed by the planning staff, and contributions from other County funds.

The *Community Mental Health Bonds Fund* (debt service) accounts for the resources accumulated from the Saginaw County Community Mental Health Authority capital lease to pay the principal and interest on the bonds.

The *Animal Care and Control Resource Center Construction Fund* (capital project) 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.

The *Mainframe Conversion Project* (capital project) 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.

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.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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, mail services, fringe benefits and fleet management services provided to other departments or agencies of the County on a cost reimbursement basis.

The *postemployment health benefits trust fund* is used to account for the County's postemployment health benefit activity.

Agency funds are used to account for assets held for other governments in an agency capacity, including tax collections.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the delinquent tax revolving and building authority event center enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenues interest income and fees associated with banquet room rentals, and the sale of entertainment admission. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

Cash and cash equivalents

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

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.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Receivables and payables

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

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

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

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

Advances

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

Inventory and prepaids

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

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

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the County of Saginaw), 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

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 position 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 net pension and OPEB liabilities.

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 County believes that the millage will pass and they will reimburse the club for the County's 60% share of the building improvements. As of September 30, 2020, the Club had expended \$1,880,871 on the agreed upon building improvements which has resulted in the County recognizing a liability of \$1,041,000 at year end.

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.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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 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).

Non-union employees

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

Compensated absence liability recognition

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 position/fund balance 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 net pension and OPEB liabilities.

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 Controller 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 \$12,578,887 assigned for the Employee Payroll Reserve and an additional amount of \$6,923,721 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. The County utilizes various investment instruments which are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

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 Controller 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 Controller/CAO.
- 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, 2020, 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:			
Health and welfare			
Contributions to other agencies	\$ 1,084,803	\$ 1,085,336	\$ 533

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

3. DEPOSITS AND INVESTMENTS

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

Statutes authorize the County to invest in the following:

- Bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States.
- Certificates of deposit, savings accounts, deposit accounts or depository receipts of a financial institution.
- Commercial paper rated at the time of purchase at the highest classifications (except for GMAC) established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- Repurchase agreements consisting of instruments in item one above.
- Banker's acceptances of United States banks.
- Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
- Obligations described above, if purchased through an interlocal agreement under the Urban Cooperation Act of 1967. 1967 (ExSess) PA 7, MCL 124.501 to 124.512.
- Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, MCL 129.111 to 129.118.
- Investment pools organized under the local government Investment Pool Act, 1985 PA 121, MCL 129.141 to 129.150.
- Mutual Funds registered under Investment Company Act of 1940, Title I of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-3 and 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. The Mutual Fund must be limited to securities whose intention is to maintain a net asset value of \$1 per share. Only the interest rate will differ from day to day.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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

	Primary Government	Component Units	Totals
Statement of Net Position			
Cash and investment pool	\$ 87,573,539	\$ 23,358,826	\$ 110,932,365
Statement of Net Position - Fiduciary Funds			
Postemployment Health Benefits Trust Fund:			
Cash and investment pool	13,522,623	-	13,522,623
Investments	21,036,059	-	21,036,059
Agency Funds:			
Cash and investment pool	10,788,063	-	10,788,063
Total	\$ 132,920,284	\$ 23,358,826	\$ 156,279,110

Deposits and Investments

Bank deposits:			
Checking and savings accounts			\$ 68,913,857
Certificates of deposit:			
Due within one year			16,320,042
Due in one to five years			4,012,232
Due in more than five years			3,010,657
Investments:			
Primary government			41,585,809
Fiduciary funds			21,036,059
Cash on hand			19,331
Timing difference for component unit with different fiscal year end			1,381,123
Total			\$ 156,279,110

	Carrying Amount (Fair Value)	No Maturity	Maturity Less than 1 Year	Maturity 1-5 Years	Maturity 5-10 Years
Investments					
Municipal bonds	\$ 22,667,045	\$ -	\$ 5,540,327	\$ 8,720,473	\$ 5,433,235
U.S. government bonds	7,351,343	-	3,118,607	1,236,684	2,996,052
Michigan Class investment pool	1,421,172	1,421,172	-	-	-
Commercial paper	4,858,406	-	4,858,406	-	-
Mutual funds	21,036,059	21,036,059	-	-	-
Money market	5,287,843	5,287,843	-	-	-
Total	\$ 62,621,868	\$ 27,745,074	\$ 13,517,340	\$ 9,957,157	\$ 8,429,287

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COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

	Maturity 10-15 Years	Maturity 15-20 Years
Investments		
Municipal bonds	\$ 823,236	\$ 2,149,774
U.S. government bonds	-	-
Michigan Class investment pool	-	-
Commercial paper	-	-
Mutual funds	-	-
Money market	-	-
Total	<u>\$ 823,236</u>	<u>\$ 2,149,774</u>

Concluded

Investment and deposit risk

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

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

	Carrying Amount (Fair Value)
Investments	
AA+	\$ 7,351,343
AA	9,092,266
A+	1,576,152
A-	1,145,014
Not rated	<u>43,457,093</u>
Total	<u>\$ 62,621,868</u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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, \$84,102,674 of the County’s bank balance of \$86,852,674 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, 2020, the County has no investments that exceeded 5% of total investments.

Fair Value Measurement

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable 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	\$ -	\$ 22,667,045	\$ -	\$ 22,667,045
U.S. government	-	7,351,343	-	7,351,343
Mutual funds	21,036,059	-	-	21,036,059
	<u>\$ 21,036,059</u>	<u>\$ 30,018,388</u>	<u>\$ -</u>	<u>51,054,447</u>
Investments not subject to fair value hierarchy:				
Michigan Class investment pool				1,421,172
Commercial paper (maturity less than one year)				4,858,406
Money market funds				<u>5,287,843</u>
Total investments				<u>\$ 62,621,868</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.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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.

At year end, the net asset value of the County's investment in Michigan CLASS was \$1,421,172. 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	\$ 5,704,338	\$ 12,935,065	\$ -
Special assessments:			
Due within one year	-	-	2,045,376
Due in more than one year	-	-	24,547,469
Accounts receivable	3,153,630	440,002	810,173
Loans:			
Due within one year	11,293	-	18,631
Due in more than one year	2,165,940	-	181,369
Lease:			
Due within one year	325,000	-	-
Due in more than one year	3,090,051	-	-
Interest, net	781,821	2,871,585	39,133
Due from other governmental units:			
Due within one year	5,791,167	38,161	343,000
Due in more than one year	-	-	19,185,033
Total receivables, net	\$ 21,023,240	\$ 16,284,813	\$ 47,170,184

The interest receivable in the business-type activities is net of an allowance for uncollectible accounts of approximately \$197,000.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

5. CAPITAL ASSETS

Primary government capital asset activity for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 3,792,748	\$ 172,960	\$ -	\$ -	\$ 3,965,708
Construction in progress	26,911,883	910,558	-	(26,879,846)	942,595
	<u>30,704,631</u>	<u>1,083,518</u>	<u>-</u>	<u>(26,879,846)</u>	<u>4,908,303</u>
Capital assets being depreciated:					
Land improvements	9,228,612	9,922	-	-	9,238,534
Buildings and improvements	29,392,469	10,626,069	(9,260)	26,879,846	66,889,124
Machinery and equipment	7,580,733	813,456	(57,146)	-	8,337,043
Office furniture & fixtures	1,128,335	23,020	-	-	1,151,355
Vehicles	3,613,925	413,145	(359,476)	-	3,667,594
	<u>50,944,074</u>	<u>11,885,612</u>	<u>(425,882)</u>	<u>26,879,846</u>	<u>89,283,650</u>
Less accumulated depreciation:					
Land improvements	(4,248,460)	(227,002)	-	-	(4,475,462)
Buildings and improvements	(19,820,045)	(1,002,278)	5,582	-	(20,816,741)
Machinery and equipment	(6,056,501)	(399,686)	57,146	-	(6,399,041)
Office furniture & fixtures	(508,491)	(143,291)	-	-	(651,782)
Vehicles	(2,417,652)	(486,842)	297,154	-	(2,607,340)
	<u>(33,051,149)</u>	<u>(2,259,099)</u>	<u>359,882</u>	<u>-</u>	<u>(34,950,366)</u>
Total capital assets being depreciated, net	<u>17,892,925</u>	<u>9,626,513</u>	<u>(66,000)</u>	<u>26,879,846</u>	<u>54,333,284</u>
Governmental activities capital assets, net	<u>\$ 48,597,556</u>	<u>\$ 10,710,031</u>	<u>\$ (66,000)</u>	<u>\$ -</u>	<u>\$ 59,241,587</u>

As of September 30, 2020, the County had an outstanding commitment related to the Saginaw County Adult Detention Facility and Sheriff Administration Building project in the amount of approximately \$2,476,000.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated:					
Land	\$ 2,258,248	\$ -	\$ -	\$ -	\$ 2,258,248
Air rights	238,854	-	-	-	238,854
Construction in progress	29,845	699,460	-	-	729,305
	<u>2,526,947</u>	<u>699,460</u>	<u>-</u>	<u>-</u>	<u>3,226,407</u>
Capital assets being depreciated:					
Land improvements	4,317,125	-	-	-	4,317,125
Buildings and improvements	19,710,641	250,204	-	-	19,960,845
Machinery and equipment	1,211,147	69,001	(329,336)	-	950,812
Office furniture & fixtures	61,201	-	-	-	61,201
Planning and development	11,525,825	-	-	-	11,525,825
Vehicles	139,318	-	-	-	139,318
	<u>36,965,257</u>	<u>319,205</u>	<u>(329,336)</u>	<u>-</u>	<u>36,955,126</u>
Less accumulated depreciation:					
Land improvements	(1,592,812)	(258,322)	-	-	(1,851,134)
Buildings and improvements	(6,575,851)	(547,576)	-	-	(7,123,427)
Machinery and equipment	(951,014)	(39,352)	315,036	-	(675,330)
Office furniture & fixtures	(36,818)	(700)	-	-	(37,518)
Planning and development	(8,092,570)	(251,490)	-	-	(8,344,060)
Vehicles	(119,459)	(4,859)	-	-	(124,318)
	<u>(17,368,524)</u>	<u>(1,102,299)</u>	<u>315,036</u>	<u>-</u>	<u>(18,155,787)</u>
Total capital assets being depreciated, net	<u>19,596,733</u>	<u>(783,094)</u>	<u>(14,300)</u>	<u>-</u>	<u>18,799,339</u>
Business-type activities capital assets, net	<u>\$ 22,123,680</u>	<u>\$ (83,634)</u>	<u>\$ (14,300)</u>	<u>\$ -</u>	<u>\$ 22,025,746</u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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

Governmental activities

Judicial	\$	54,661
General government		578,217
Public safety		726,066
Public works		76,250
Health and welfare		478,613
Recreation and culture		174,992
Capital assets held by the government's internal service funds are charged to the various functions based on the usage of the assets		<u>170,300</u>
	<u>\$</u>	<u>2,259,099</u>

Business-type activities

Building Authority Event Center	\$	828,477
Harry W. Browne Airport		271,210
Parking system		2,373
Delinquent tax revolving		<u>239</u>
	<u>\$</u>	<u>1,102,299</u>

Discretely presented component units

Department of Public Works capital asset activity for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets being depreciated:					
Vehicles	\$ 104,882	\$ -	\$ (34,021)	\$ -	\$ 70,861
Less accumulated depreciation:					
Vehicles	<u>(22,063)</u>	<u>(12,148)</u>	<u>19,036</u>	<u>-</u>	<u>(15,175)</u>
	<u>\$ 82,819</u>	<u>\$ (12,148)</u>	<u>\$ (14,985)</u>	<u>\$ -</u>	<u>\$ 55,686</u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Road Commission capital asset activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets not being depreciated:					
Land, land improvements and infrastructure	\$ 39,664,931	\$ 2,078,032	\$ -	\$ -	\$ 41,742,963
Land	558,635	-	-	-	558,635
	<u>40,223,566</u>	<u>2,078,032</u>	<u>-</u>	<u>-</u>	<u>42,301,598</u>
Capital assets being depreciated:					
Land improvements	486,388	-	(74,443)	-	411,945
Depletable assets	35,013	-	-	-	35,013
Buildings and improvements	3,850,390	207,807	(196,561)	-	3,861,636
Office furniture & fixtures	634,134	131,804	(132,082)	-	633,856
Infrastructure	313,607,512	13,037,324	(424,337)	-	326,220,499
Equipment	18,731,451	1,781,239	-	-	20,512,690
	<u>337,344,888</u>	<u>15,158,174</u>	<u>(827,423)</u>	<u>-</u>	<u>351,675,639</u>
Less accumulated depreciation:					
Land improvements	(451,046)	(8,424)	74,443	-	(385,027)
Depletable assets	(3,914)	(9,932)	-	-	(13,846)
Buildings and improvements	(2,206,656)	(132,034)	196,561	-	(2,142,129)
Office furniture & fixtures	(435,419)	(63,020)	132,082	-	(366,357)
Infrastructure	(191,918,982)	(9,092,531)	424,337	-	(200,587,176)
Equipment	(15,509,299)	(1,402,217)	-	-	(16,911,516)
	<u>(210,525,316)</u>	<u>(10,708,158)</u>	<u>827,423</u>	<u>-</u>	<u>(220,406,051)</u>
Total capital assets being depreciated, net	<u>126,819,572</u>	<u>4,450,016</u>	<u>-</u>	<u>-</u>	<u>131,269,588</u>
Road Commission capital assets, net	<u>\$ 167,043,138</u>	<u>\$ 6,528,048</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 173,571,186</u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Drain Commission capital asset activity for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets not being depreciated:					
Construction in progress	\$ 19,238,703	\$ 4,361,650	\$ -	\$ (13,214,743)	\$ 10,385,610
Capital assets being depreciated:					
Infrastructure	76,167,862	1,143,232	-	13,214,743	90,525,837
Equipment	542,717	5,339	-	-	548,056
Vehicles	93,077	-	-	-	93,077
	<u>76,803,656</u>	<u>1,148,571</u>	<u>-</u>	<u>13,214,743</u>	<u>91,166,970</u>
Less accumulated depreciation:					
Infrastructure	(34,021,254)	(1,588,310)	-	-	(35,609,564)
Equipment	(186,608)	(50,138)	-	-	(236,746)
Vehicles	(54,636)	(16,018)	-	-	(70,654)
	<u>(34,262,498)</u>	<u>(1,654,466)</u>	<u>-</u>	<u>-</u>	<u>(35,916,964)</u>
Total capital assets being depreciated, net	<u>42,541,158</u>	<u>(505,895)</u>	<u>-</u>	<u>13,214,743</u>	<u>55,250,006</u>
Drain Commission capital assets, net	<u>\$ 61,779,861</u>	<u>\$ 3,855,755</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,635,616</u>

As of September 30, 2020, the County had outstanding commitments related to the Misteguay Creek Drain and Pruetter Drain in the amounts of approximately \$2,825,000 and \$1,072,000, respectively.

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	\$ 6,812,507	\$ 887,181	\$ 2,441,433
Accrued liabilities	4,322,635	121,841	396,962
Due to other government units	420,340	32,353	-
Deposits payable	24,003	318,218	-
Total accounts payable and accrued liabilities	<u>\$ 11,579,485</u>	<u>\$ 1,359,593</u>	<u>\$ 2,838,395</u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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	\$ 616,660	\$ -
Michigan Works!	-	1
Planning commission	-	29,630
Nonmajor governmental funds	264,327	664,974
Nonmajor enterprise funds	-	119,677
Internal service funds	-	66,705
	<u>\$ 880,987</u>	<u>\$ 880,987</u>

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.

Advances to/from other funds:

	Advance To	Advance From
General	\$ 20,000	\$ -
Delinquent Tax Revolving	1,262,127	-
Building Authority Event Center	-	220,500
Nonmajor enterprise funds	-	20,000
Internal services funds	-	1,041,627
Total	<u>\$ 1,282,127</u>	<u>\$ 1,282,127</u>

The advances from the General Fund to the nonmajor enterprise and internal service funds exist to maintain adequate cash reserves in the funds. The advance from the Delinquent Tax Revolving fund to the Building Authority Event Center fund was used for renovations at the event center. In addition, the advance from the Delinquent Tax Revolving fund to the Internal Service fund was used for fiber installation to all County owned facilities.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Advances to and from component units:

	Advance to Component Unit	Advance from Primary Government
General	\$ 400,000	\$ -
Drainage Commission	-	400,000
Total	\$ 400,000	\$ 400,000

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

For the year ended September 30, 2020, interfund transfers consisted of the following:

Transfers Out	Transfers In			
	General Fund	Planning Commission	Mainframe Conversion Project	Internal Service Fund
General fund	\$ -	\$ 38,417	\$ -	\$ 78,143
Nonmajor governmental funds	2,783,596	27,485	250,000	-
Delinquent Tax Revolving	2,000,000	-	-	-
Building Authority Event Center	-	-	-	-
Nonmajor enterprise funds	276,824	-	-	-
Internal Service Fund	-	-	-	-
Total	\$ 5,060,420	\$ 65,902	\$ 250,000	\$ 78,143

Transfers Out	Transfers In		
	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Total
General fund	\$ 8,777,298	\$ -	\$ 8,893,858
Nonmajor governmental funds	1,073,037	6,300	4,140,418
Delinquent Tax Revolving	-	-	2,000,000
Building Authority Event Center	-	700	700
Nonmajor enterprise funds	119,677	-	396,501
Internal Service Fund	1,219,751	-	1,219,751
Total	\$ 11,189,763	\$ 7,000	\$ 16,651,228

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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

8. LONG-TERM DEBT

Long-term debt activity for the year ended September 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Primary Government					
Governmental activities:					
General obligation bonds:					
2013 pension bonds	\$ 34,275,000	\$ -	\$ (3,210,000)	\$ 31,065,000	\$ 3,325,000
2017 Sheriff's Adult Detention and Administration Facility bonds	36,675,000	-	-	36,675,000	680,000
2019 Mainframe Modernization project bonds	9,185,000	-	(865,000)	8,320,000	765,000
2018 Community Mental Health Facility bonds	4,255,000	-	(315,000)	3,940,000	325,000
2020 Animal Care and Control Resource Center bonds	-	9,540,000	-	9,540,000	410,000
2010 Capital Improvement bonds	969,296	-	(142,309)	826,987	144,724
	<u>85,359,296</u>	<u>9,540,000</u>	<u>(4,532,309)</u>	<u>90,366,987</u>	<u>5,649,724</u>
Compensated absences	1,320,925	1,630,716	(1,033,788)	1,917,853	1,830,801
Bond premium	4,160,229	664,978	(257,247)	4,567,960	289,110
	<u>90,840,450</u>	<u>11,835,694</u>	<u>(5,823,344)</u>	<u>96,852,800</u>	<u>7,769,635</u>
Business-type activities:					
Direct placement:					
Delinquent tax notes	13,885,000	12,950,000	(9,960,000)	16,875,000	-
General obligation bonds	2,595,000	-	(170,000)	2,425,000	175,000
	<u>16,480,000</u>	<u>12,950,000</u>	<u>(10,130,000)</u>	<u>19,300,000</u>	<u>175,000</u>
Compensated absences	3,345	8,631	(5,980)	5,996	-
	<u>16,483,345</u>	<u>12,958,631</u>	<u>(10,135,980)</u>	<u>19,305,996</u>	<u>175,000</u>
Total primary government	<u>\$ 107,323,795</u>	<u>\$ 24,794,325</u>	<u>\$ (15,959,324)</u>	<u>\$ 116,158,796</u>	<u>\$ 7,944,635</u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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, \$87,052 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. These bonds are generally issued as 5 to 20-year serial bonds with varying amounts of principal maturing each year through fiscal year 2049. 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%	\$ 90,366,987
Business-type activities	1.90 - 2.85%	19,300,000
Total primary government		<u>\$ 109,666,987</u>

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

Year Ending September 30,	Governmental Activities	
	Principal	Interest
2021	\$ 5,649,724	\$ 3,700,604
2022	5,792,180	3,548,701
2023	6,019,678	3,320,249
2024	6,272,219	3,057,199
2025	6,559,802	2,773,656
2026-2030	25,648,384	9,113,539
2031-2035	9,150,000	5,388,909
2036-2040	10,145,000	3,708,119
2041-2045	8,915,000	1,932,063
2046-2049	6,215,000	331,363
Total	<u>\$ 90,366,987</u>	<u>\$ 36,874,402</u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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

Year Ending September 30,	Direct Placement Obligations		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2021	\$ -	\$ 480,600	\$ 175,000	\$ 48,500
2022	3,925,000	480,600	175,000	47,813
2023	12,950,000	368,816	180,000	46,688
2024	-	-	185,000	42,638
2025	-	-	190,000	39,330
2026-2030	-	-	1,050,000	140,486
2031-2035	-	-	470,000	19,883
Total	\$ 16,875,000	\$ 1,330,016	\$ 2,425,000	\$ 385,336

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 \$20,105,000. 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:					
Michigan Transportation Note	\$ 800,000	\$ -	\$ (400,000)	\$ 400,000	\$ 400,000
Equipment lease	543,163	-	(124,631)	418,532	78,911
	1,343,163	-	(524,631)	818,532	478,911
Compensated absences	646,881	71,310	(48,832)	669,359	-
	\$ 1,990,044	\$ 71,310	\$ (573,463)	\$ 1,487,891	\$ 478,911

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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

Year Ending December 31,	Principal	Interest
2020	\$ 478,911	\$ 21,147
2021	81,239	10,019
2022	83,636	7,622
2023	86,103	5,155
2024	88,643	2,615
Total	\$ 818,532	\$ 46,558

Department of Public Works Component Unit

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Direct Placement:					
General obligation bonds	\$ 6,888,000	\$ -	\$ (252,000)	\$ 6,636,000	\$ 206,000
General obligation bonds	2,696,000	-	(300,000)	2,396,000	137,000
	\$ 9,584,000	\$ -	\$ (552,000)	\$ 9,032,000	\$ 343,000

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

These bonds are direct obligations, and pledge the full faith and credit of the County and the associated municipalities and authorities. The bonds are issued as 8 to 40-year serial bonds with varying amounts of principal maturing each year through fiscal year 2052 and bear interest at varying rates from 2.23% to 5.90%.

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

Year Ending September 30,	Direct Placement Obligations		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2021	\$ 206,000	\$ 242,160	\$ 137,000	\$ 84,795
2022	212,000	234,785	139,000	78,925
2023	225,000	227,157	141,000	72,780
2024	235,000	219,141	143,000	66,320
2025	240,000	210,824	145,000	59,545
2026-2030	1,367,000	918,005	366,000	236,370
2031-2035	1,550,000	664,259	245,000	180,765
2036-2040	1,745,000	379,746	282,000	141,360
2041-2045	705,000	133,966	330,000	95,550
2046-2050	151,000	8,240	384,000	42,150
2050-2052	-	-	84,000	1,260
Total	\$ 6,636,000	\$ 3,238,283	\$ 2,396,000	\$ 1,059,820

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Drain Commission Component Unit

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Direct placement:					
Notes payable	\$ 307,142	\$ -	\$ (61,427)	\$ 245,715	\$ 61,429
General obligation bonds	32,690,600	770,000	(2,505,450)	30,955,150	2,169,950
	<u>\$ 32,997,742</u>	<u>\$ 770,000</u>	<u>\$ (2,566,877)</u>	<u>\$ 31,200,865</u>	<u>\$ 2,231,379</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 2049 and bear interest rates varying from 1.05% to 4.00%.

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

Year Ending September 30,	Direct Placement Obligations		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2021	\$ 61,429	\$ 6,019	\$ 2,169,950	\$ 885,215
2022	61,429	4,512	2,181,650	833,695
2023	37,429	3,008	2,181,650	779,938
2024	37,429	2,106	2,192,650	723,916
2025	16,000	1,195	2,187,650	666,652
2026-2030	31,999	1,195	8,837,900	2,540,705
2031-2035	-	-	6,213,500	1,498,644
2036-2040	-	-	3,853,500	666,308
2041-2045	-	-	1,878,500	281,775
2046-2049	-	-	828,500	56,355
	<u>245,715</u>	<u>18,035</u>	<u>32,525,450</u>	<u>8,933,202</u>
Remaining available to draw	-	-	(1,570,300)	-
Total	<u>\$ 245,715</u>	<u>\$ 18,035</u>	<u>\$ 30,955,150</u>	<u>\$ 8,933,202</u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

9. DEFINED BENEFIT PENSION PLANS

Primary Government

General Information About the Plan

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

Benefits Provided. Pension benefits vary by division/bargaining unit and are calculated as final average compensation (based on a 3 or 5 year period) and multipliers ranging from 2.25% to 2.50%. Participants are considered to be fully vested in the plan after 6 years. Normal retirement age is 60 with early retirement options including 25 years of service and out and ages 50 to 55 with 15 to 25 years of service, depending on division/bargaining unit. 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	574
Inactive employees entitled to but not yet receiving benefits	39
Active employees	<u>10</u>
Total membership	<u><u>623</u></u>

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 2020, the actuarially determined monthly employer contributions ranged from \$0 to \$83,991 for all divisions.

Net Pension Liability. The County's net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using 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	7.35%, net of investment and administrative expense including inflation

The mortality table used to project the mortality experience of non-disabled plan members is a 50% male, 50% female blend of the following tables:

- The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105%
- The RP-2014 Employee Mortality Tables
- The RP-2014 Juvenile Mortality Tables

The mortality table used to project the mortality experience of disabled plan members is 50% Male, 50% Female blend of RP-2014 Disabled Retiree Mortality Tables.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of the most recent actuarial experience study of 2009-2013.

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%	5.25%	3.15%
Global fixed income	20.00%	1.25%	0.25%
Private investments	<u>20.00%</u>	7.25%	1.45%
	<u>100.00%</u>		
Inflation			2.50%
Administrative expenses netted above			<u>0.25%</u>
Investment rate of return			<u><u>7.60%</u></u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Discount Rate. The discount rate used to measure the total pension liability as of December 31, 2019 was 7.6% (down from 8.0% at December 31, 2018). The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	\$ 144,067,547	\$ 108,229,367	\$ 35,838,180
Changes for the year:			
Service cost	63,245	-	63,245
Interest	11,000,096	-	11,000,096
Difference between expected and actual experience	(142,834)	-	(142,834)
Changes in assumptions	4,725,317	-	4,725,317
Employer contributions	-	3,245,914	(3,245,914)
Employee contributions	-	20,360	(20,360)
Net investment income	-	14,210,014	(14,210,014)
Benefit payments, including refunds of employee contributions	(13,195,896)	(13,195,896)	-
Administrative expense	-	(244,503)	244,503
Net changes	<u>2,449,928</u>	<u>4,035,889</u>	<u>(1,585,961)</u>
Balances at December 31, 2019	<u>\$ 146,517,475</u>	<u>\$ 112,265,256</u>	<u>\$ 34,252,219</u>

Changes in assumptions. 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%.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.6%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.6%) or 1% higher (8.6%) than the current rate:

	1% Decrease (6.6%)	Current Discount Rate (7.6%)	1% Increase (8.6%)
County's net pension liability	\$ 47,456,991	\$ 34,252,219	\$ 22,909,856

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

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended September 30, 2020, the County recognized pension expense of \$9,659,955. The County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources, net
Net difference between projected and actual earnings on pension plan investments	\$ 385,680
Contributions subsequent to the measurement date	<u>2,540,214</u>
Total	<u><u>\$ 2,925,894</u></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, 2021. Other amounts reported as pension-related deferred outflows of resources will be recognized in pension expense as follows:

Year Ended September 30,	Amount
2021	\$ (398,830)
2022	382,577
2023	1,593,659
2024	<u>(1,191,726)</u>
Total	<u><u>\$ 385,680</u></u>

Payable to the Pension Plan. At September 30, 2020, the County had 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.

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 range from 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, 2018, the date of the most recent actuarial valuation, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	107
Inactive employees entitled to but not yet receiving benefits	11
Active employees	<u>72</u>
Total membership	<u><u>190</u></u>

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, 2018, employer contributions ranged from 3.41% to 5.18% of annual payroll for open divisions. Closed divisions have a monthly employer contribution ranging from \$100 to \$46,724.

Net Pension Liability. The Commission's net pension liability was measured as of December 31, 2019, with a December 31, 2018 valuation date, 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 was rolled forward to December 31, 2019 using the December 31, 2018 actuarial valuation with the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	3.75% in the long-term
Investment rate of return	7.75%, net of investment and administrative expense including inflation

Although no specific price inflation assumptions are needed for the valuation, the 2.5% long-term wage inflation assumption would be consistent with a price inflation of 3%-4%.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

The mortality table used to project the mortality experience of non-disabled plan members is a 50% male, 50% female blend of the following tables:

- The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105%
- The RP-2014 Employee Mortality Tables
- The RP-2014 Juvenile Mortality Tables

The mortality table used to project the mortality experience of disabled plan members is 50% Male, 50% Female blend of RP-2014 Disabled Retiree Mortality Tables.

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of the most recent actuarial experience study of 2009-2013.

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	55.50%	6.15%	3.41%
Global fixed income	18.50%	1.26%	0.24%
Private Investments	26.00%	6.15%	1.60%
	<u>100.00%</u>		
Inflation			2.50%
Administrative and investment expenses netted above			<u>0.25%</u>
			<u>8.00%</u>

Discount Rate. The discount rate used to measure the total pension liability is 8.00%. 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:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	\$ 33,891,089	\$ 21,609,226	\$ 12,281,863
Changes for the year:			
Service cost	419,674	-	419,674
Interest	2,634,219	-	2,634,219
Employer contributions	-	925,406	(925,406)
Employee contributions	-	229,247	(229,247)
Net investment income	-	2,885,592	(2,885,592)
Benefit payments, including refunds of employee contributions	(2,346,366)	(2,346,366)	-
Experience changes	380,735	-	380,735
Benefit changes	41,347	-	41,347
Administrative expense	-	(49,696)	49,696
Other changes	(44,944)	-	(44,944)
Net changes	1,084,665	1,644,183	(559,518)
Balances at December 31, 2019	\$ 34,975,754	\$ 23,253,409	\$ 11,722,345

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 8.00%, as well as what the Commission's net pension liability would be if it were calculated using a discount rate that is 1% lower (7.00%) or 1% higher (9.00%) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Commission's net pension liability	\$ 15,327,645	\$ 11,722,345	\$ 8,649,144

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 of Resources Related to Pensions

For the year ended December 31, 2019, the Commission recognized pension expense of \$1,583,453. The Commission reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources, net
Net difference between projected and actual earnings on pension plan investments	\$ 90,318
Differences in assumptions	<u>92,246</u>
	<u>\$ 182,564</u>

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

Year Ended December 31,	Amount
2020	\$ (54,802)
2021	76,347
2022	402,321
2023	<u>(241,302)</u>
Total	<u>\$ 182,564</u>

Payable to the Pension Plan. At December 31, 2019, the Commission reported no payable to the pension plan required for the year ended December 31, 2019.

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

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

10. 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	Percent 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 may elect to contribute either 0% or 3% of their annual salary. If the employee elects to contribute 0% of their salary, the County is required to contribute 6% of the employee's salary. If the employee elects to contribute 3% of their salary, the County is required to contribute 9% of the employee's annual salary.

More recently, employees classified as a new hire under each bargaining agreement may elect to contribute either 0% or 6% of their annual salary. If the employee elects to contribute 0% of their annual salary, the County is required to contribute 3% of the employee's annual salary. If the employee elects to contribute 6% of their annual salary, the County is required to contribute 6% of the employee's annual salary.

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 \$1,918,599 and employee contributions were \$1,278,978.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

11. 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 \$150 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, 2020, the County contributed \$7,731,321 to the Plan.

At September 30, 2020, the date of the latest actuarial valuation, participants in the plan consisted of:

Retirees and beneficiaries currently receiving benefits	662
Active employees	<u>149</u>
Total	<u><u>811</u></u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Benefits. The County pays between 10%-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	4%	96%
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, 2020, retiree contributions amounted to \$224,818.

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:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at September 30, 2019	95,209,711	30,120,713	65,088,998
Changes for the year:			
Service cost	779,823	-	779,823
Interest	5,592,103	-	5,592,103
Difference between expected and actual experience	(51,173,560)	-	(51,173,560)
Changes in assumptions	12,441,144	-	12,441,144
Employer contributions	-	7,731,321	(7,731,321)
Net investment income	-	1,522,488	(1,522,488)
Benefit payments, including refunds of employee contributions	(4,792,873)	(4,792,873)	-
Administrative expenses	-	(65,918)	65,918
Net changes	(37,153,363)	4,395,018	(41,548,381)
Balances at September 30, 2020	58,056,348	34,515,731	23,540,617

Changes in assumptions. In 2020, amounts reported as changes of assumptions resulted primarily from (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.

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.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

The total OPEB liability was calculated as of September 30, 2020, using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Retirement age for active employees— Based on the retirement rates used in the most recent MERS pension valuation.

Spousal election rates— 80% of participating retirees are assumed to be married at retirement. 100% of married participants at retirement will elect to cover their spouse.

Mortality— Mortality rates used were a blended rate of the Pub-2010 General Employee Mortality Table without adjustment and the Pub-2010 General Retiree Mortality Table scaled by a factor of 106%. Disabled retirees mortality rates were based on the 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 or 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 8.25% and a post-65 rate of 6.50% 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, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 4.83%. 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%
	100.0%		
Inflation			2.50%
Investment rate of return			6.00%

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

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the County, calculated using the discount rate of 6.00%, as well as what the County's net OPEB liability 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	\$ 31,144,863	\$ 23,540,617	\$ 17,292,167

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability of the County, calculated using the healthcare cost trend rate of 8.25% (post-65 6.50%), as well as what the County's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (pre-65 7.25% and post-65 5.50%)	Current Trend Rate (pre-65 8.25% post-65 6.50%)	1% Increase (pre-65 9.25% and post-65 7.50%)
County's net OPEB liability	\$ 17,327,526	\$ 23,540,617	\$ 31,050,821

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

For the year ended September 30, 2020, the County recognized OPEB expense of \$(25,768,117). 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	\$ -	\$ 10,559,642	\$ (10,559,642)
Changes in assumptions	2,567,220	-	2,567,220
Net difference between projected and actual earnings on pension plan investments	936,242	-	936,242
Total	\$ 3,503,462	\$ 10,559,642	\$ (7,056,180)

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

Year Ended September 30,	Amount
2021	\$ (7,686,117)
2022	306,304
2023	249,447
2024	74,186
Total	\$ (7,056,180)

Payable to the OPEB Plan. At September 30, 2020, the County reported no payable to the OPEB plan required for the year ended September 30, 2020.

The net OPEB liability 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 \$120,000 annually in addition to making benefit payments from general operating funds until the OPEB trust is sufficient to pay retiree healthcare. There are no long term contracts for contributions to the plan.

At December 31, 2019, retirement plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	98
Active employees	<u>40</u>
Total	<u><u>138</u></u>

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. The Commission reimburses pre-65 retirees for deductibles and copays in excess of \$2,000 per year for single coverage or in excess of \$4,000 per year for double coverage.

COUNTY OF SAGINAW, MICHIGAN

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Changes in Net OPEB Liability

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

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at December 31, 2018	29,468,908	60,000	29,408,908
Changes for the year:			
Service cost	403,299	-	403,299
Interest	883,166	-	883,166
Net investment income	-	20,424	(20,424)
Differences between expected and actual experience	(94,598)	-	(94,598)
Changes in assumptions	(8,470,250)	-	(8,470,250)
Contributions to OPEB trust	-	280,000	(280,000)
Employer contributions	-	873,149	(873,149)
Benefit payments, including refunds of employee contributions	(873,149)	(873,149)	-
Administrative expenses	-	(265)	265
Net changes	(8,151,532)	300,159	(8,451,691)
Balances at December 31, 2019	21,317,376	360,159	20,957,217

Changes in assumptions— (1) discount rate was changed from 3.00% to 5.83%; (2) healthcare trend rates were changed from (a) pre-65 of 8.50% graded down 0.5% per year to an ultimate rate of 4.50% was changed to 8.25% graded down to 4.50% by 0.25% per year (b) post-65 of 7.00% in all years was changed to 6.50% graded down to 4.50% by 0.25% per year; and (3) mortality table changed from RP-2014 adjusted to 2006 Total Data Set, Headcount-weighted, MP-2018 no pre-retirement mortality to 2010 Public-General Employees and Healthy Retirees, Headcount weighted.

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 determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019, 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.

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

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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 8.25% and a post-65 rate of 6.50% 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 3.50%.

Investment rate or return— Based on the historical and expected returns of the County’s long-term investment portfolio, a discount rate of 5.83% 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
Total market portfolio	50.0%	4.85%	2.43%
Domestic equity	<u>50.0%</u>	1.80%	0.90%
	<u>100.0%</u>		
Inflation			<u>2.50%</u>
Investment rate of return			<u><u>5.83%</u></u>

Discount Rate. The discount rate used to measure the total OPEB liability was 5.83%. The projection of cash flows used to determine the discount rate assumed that the Road Commission will make annual contributions of \$120,000 in addition to paying 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, 2018, the discount rate used to value OPEB liabilities was 3.00%.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the Commission, calculated using the discount rate of 5.83%, as well as what the Commission's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (4.83%) or 1% higher (6.83%) than the current rate:

	1% Decrease (4.83%)	Current Discount Rate (5.83%)	1% Increase (6.83%)
Commission's net OPEB liability	\$ 23,581,380	\$ 20,957,217	\$ 18,778,487

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

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% (post-65 6.50%), as well as what the Commission's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (pre-65 7.25% and post-65 5.50%)	Current Trend Rate (pre-65 8.25% post-65 6.50%)	1% Increase (pre-65 9.25% and post-65 7.50%)
Commission's net OPEB liability	\$ 18,577,979	\$ 20,957,217	\$ 23,833,168

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

For the year ended December 31, 2019, the Commission recognized OPEB expense of \$(1,661,559). The Road Commission reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 20,955	\$ 42,044	\$ (21,089)
Changes in assumptions	88,467	3,764,556	(3,676,089)
Net difference between projected and actual earnings on pension plan investments	-	6,698	(6,698)
Total	<u>\$ 109,422</u>	<u>\$ 3,813,298</u>	<u>\$ (3,703,876)</u>

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

Year Ended December 31,	Amount
2020	\$ (3,698,852)
2021	(1,674)
2022	(1,674)
2023	(1,676)
Total	<u>\$ (3,703,876)</u>

Payable to the OPEB Plan. At December 31, 2019, the Commission did not have any outstanding contributions payable to the OPEB plan for the year ended December 31, 2019.

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

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

12. 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 insured for \$500,000 in liability for each occurrence and Eagles Claims Management, 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, 2020, is based on requirements that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. The claim liability is estimated by the claims administrator and management. Management estimates the incurred but not reported (“IBNR”) liability based on prior experience and both the estimated claims liability and the IBNR estimates are recorded as a current expenditure. No annuity contracts have been purchased to satisfy claim liabilities. Settled claims have not exceeded insurance coverage in any of the past three years.

The changes in the claims liability for the years ended September 30, 2020 and 2019, are as follows:

	Beginning of Period Liability	Claims and Changes in Estimates	Claim Payments	End of Period Liability
2019	\$ 129,404	\$ 167,493	\$ 178,832	\$ 118,065
2020	118,065	62,549	128,560	52,054

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 \$10,000,000, insurance is provided by Tokio Marine. The County has an excess carrier, Markel American Insurance Company, that provides an additional \$5,000,000 for a total of \$15,000,000. There were no reductions of insurance coverage from the prior year. 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.

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

The changes in the claims liability for the years ended September 30, 2020 and 2019, are as follows:

	Beginning of Period Liability	Claims and Changes in Estimates	Claim Payments	End of Period Liability
2019	\$ 291,234	\$ 611,308	\$ 596,759	\$ 305,783
2020	305,783	422,567	424,443	303,907

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 (Blue Cross) is hired to process the daily claims. The County is responsible for individual claims up to \$300,000 and Blue Cross 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 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. 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 Blue Cross. 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, 2020 and 2019, are as follows:

	Beginning of Period Liability	Claims and Changes in Estimates	Claim Payments	End of Period Liability
2019	\$ 593,000	\$ 6,499,508	\$ 6,497,508	\$ 595,000
2020	595,000	3,955,292	4,276,180	274,112

13. 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, 2019 totaled \$5,189,864,346. The tax levy for 2019/2020 operations were based on the following rates:

General operating	4.8558	mills
Mosquito control	0.6400	mills
Senior citizens	0.5900	mills
Sheriff service	1.3394	mills
County parks	0.2942	mills
Castle Museum	0.1997	mills
Event center	0.2250	mills
9-1-1 Authority	0.2800	mills
Animal control	0.4250	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.

14. 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.

15. NET POSITION

Restricted Net Position

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

	Governmental Activities	Component Units
Public improvement	\$ 3,422,098	\$ -
Drain projects	-	12,529,764
Debt service	4,377,933	31,655,494
CMH renovations	572,525	-
Public safety	1,306,858	-
Health and welfare	1,653,047	-
Recreation	2,295,845	-
Other:		
Public works	342,249	-
Community and economic development	2,089,138	-
Register of Deeds	349,076	-
Endowment:		
Nonexpendable	36,390	-
Expendable	5,165	-
Total restricted net position	\$ 16,450,324	\$ 44,185,258

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:

	Governmental Activities	Business-type Activities	Component Units
Capital assets:			
Capital assets not being depreciated	\$ 4,908,303	\$ 3,226,407	\$ 52,687,208
Capital assets being depreciated, net	<u>54,333,284</u>	<u>18,799,339</u>	<u>186,575,280</u>
	<u>59,241,587</u>	<u>22,025,746</u>	<u>239,262,488</u>
Related debt:			
Due within one year	7,769,635	175,000	3,053,290
Due in more than one year	89,083,165	19,130,996	38,667,466
Due to Saginaw Hockey Club, LLC	-	1,041,000	-
Less:			
Department of Public Works conduit debt	-	-	(9,032,000)
Compensated absences	(1,917,853)	(5,996)	(669,359)
Delinquent tax notes	-	(16,875,000)	-
Unexpended bond proceeds	(20,403,852)	-	-
Community Mental Health bonds	(3,940,000)	-	-
Pension bonds	(31,065,000)	-	-
	<u>39,526,095</u>	<u>3,466,000</u>	<u>32,019,397</u>
Net investment in capital assets	<u>\$ 19,715,492</u>	<u>\$ 18,559,746</u>	<u>\$ 207,243,091</u>

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

16. FUND BALANCES - GOVERNMENTAL FUNDS

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

	General Fund	Michigan Works!	Planning Commission	Community Mental Health Bonds
Nonspendable:				
Long-term advances	\$ 420,000	\$ -	\$ -	\$ -
Prepays	11,830	67,286	-	-
Permanent fund corpus	-	-	-	-
Total nonspendable	431,830	67,286	-	-
Restricted for:				
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Community and economic development	-	-	174,559	-
Recreation	-	-	-	-
Family counseling	185,987	-	-	-
Register of Deeds	-	-	-	-
Debt service	-	-	-	64
Public Improvement	-	-	-	-
Mainframe conversion	-	-	-	-
Sheriff's Adult Detention and Administration Facility	-	-	-	-
Animal Care and Control Resource Center	-	-	-	-
CMH Renovations	-	-	-	-
Permanent trusts	-	-	-	-
Total restricted	185,987	-	174,559	64
Committed for:				
Public safety	-	-	-	-
Recreation	-	-	-	-
Health and welfare	-	-	-	-
Total committed	-	-	-	-
Assigned for:				
Employee payroll reserve	12,578,887	-	-	-
G.I.S. System	-	-	-	-
Courts	-	-	-	-
General government	-	-	-	-
Public safety	-	-	-	-
Community and economic development	-	105,541	-	-
Health and welfare	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Subsequent year	1,157,272	-	-	-
Total assigned	13,736,159	105,541	-	-
Unassigned	6,923,721	-	-	-
Total fund balances, governmental funds	\$ 21,277,697	\$ 172,827	\$ 174,559	\$ 64



Animal Care and Control Resource Center Construction Fund	Mainframe Conversion Project	Nonmajor Governmental Funds	Total
\$ -	\$ -	\$ -	\$ 420,000
-	-	166,887	246,003
-	-	36,390	36,390
-	-	203,277	702,393
-	-	1,292,357	1,292,357
-	-	342,249	342,249
-	-	1,619,418	1,619,418
-	-	-	174,559
-	-	2,279,416	2,279,416
-	-	-	185,987
-	-	349,076	349,076
-	-	2,389,798	2,389,862
-	-	3,422,098	3,422,098
-	9,034,266	-	9,034,266
-	-	1,735,541	1,735,541
9,634,045	-	-	9,634,045
-	-	572,525	572,525
-	-	5,165	5,165
9,634,045	9,034,266	14,007,643	33,036,564
-	-	1,654,112	1,654,112
-	-	47,098	47,098
-	-	4,201,368	4,201,368
-	-	5,902,578	5,902,578
-	-	-	12,578,887
-	-	27,862	27,862
-	-	402,685	402,685
-	-	1,780,082	1,780,082
-	-	255,319	255,319
-	-	141,774	247,315
-	-	3,534,839	3,534,839
-	-	91,778	91,778
-	-	1,664,519	1,664,519
-	-	-	1,157,272
-	-	7,898,858	21,740,558
-	-	-	6,923,721
\$ 9,634,045	\$ 9,034,266	\$ 28,012,356	\$ 68,305,814

COUNTY OF SAGINAW, MICHIGAN

Notes To Financial Statements

17. TAX ABATEMENTS

The County received reduced property tax revenues during 2020 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 2020 were as follows:

Governmental Entity	Taxable Value	Abatement Amount
Townships:		
Blumfield	\$ 1,597,300	\$ 7,067
Bridgeport	2,659,500	11,767
Buena Vista	6,980,504	30,886
Carrollton	197,000	872
Chesaning	32,900	146
Frankenmuth	167,600	742
Jonesfield	2,085,500	9,227
Kochville	552,399	2,444
Saginaw	2,421,319	10,713
Spaulding	86,143	381
Swan Creek	223,900	991
Thomas	66,880,562	295,916
Tittabawassee	417,300	1,846
Cities:		
Frankenmuth	3,066,604	13,568
Saginaw	3,401,075	15,048
Zilwaukee	550,000	2,434
		<u>\$ 404,048</u>

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 2020 were as follows:

Governmental Entity	Taxable Value	Abatement Amount
City of Saginaw	\$ 368,459,800	\$ 3,260,538
Buena Vista Township	125,586,400	1,111,327
Thomas Township	4,557,500	40,330
		<u>\$ 4,412,195</u>

18. 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, 2019, the Federal aid received and expended by the Road Commission was \$1,775,901 for contracted projects and \$0 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.

19. CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared the novel coronavirus outbreak (COVID-19) to be a global pandemic. The extent of the ultimate impact of the pandemic on the County's operational and financial performance will depend on various developments, including the duration and spread of the outbreak and its impact on employees, vendors, and taxpayers, all of which cannot be reasonably predicted at this time. In addition, it may place additional demands on the County for providing emergency services to its citizens. While management reasonably expects the COVID-19 outbreak to negatively impact the County's financial position, changes in financial position, and, where applicable, the timing and amounts of cash flows, the related financial consequences and duration are highly uncertain.

20. SUBSEQUENT EVENTS

On November 2, 2020, the County issued the Limited Tax General Obligation Bonds, Series 2020B in the amount of \$12,900,000, with a bond premium of \$2,041,263, for the Dow Event Center Improvements project. The bonds are due September 30, 2040 with an annual interest rate of 3-4% to be paid by an increased millage that was passed by the voters in March 2020 with the first levy date of December 2021. The increased millage rate is 0.4500 mills.

On February 16, 2021, the County approved the issuance of the Webster Drain District bonds in the amount not to exceed \$815,000. The bonds will bear an annual interest at a rate of not to exceed 4% and will mature not later than June 1, 2041.



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

See notes to required supplementary information.

COUNTY OF SAGINAW, MICHIGAN

Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of the County's Net Pension Liability

Fiscal Year Ended September 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as Percentage of Total Pension Liability	Covered Payroll	Net Pension Liability as Percentage of Covered Payroll
2015	\$ 139,309,355	\$ 131,204,567	\$ 8,104,788	94.2%	\$ 3,525,912	229.9%
2016	145,954,971	117,989,187	27,965,784	80.8%	2,767,719	1010.4%
2017	145,505,305	119,192,976	26,312,329	81.9%	2,579,083	1020.2%
2018	144,698,575	123,041,994	21,656,581	85.0%	2,079,913	1041.2%
2019	144,067,547	108,229,367	35,838,180	75.1%	1,081,792	3312.9%
2020	146,517,475	112,265,256	34,252,219	76.6%	513,152	6674.9%

See notes to required supplementary information.

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%

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.

GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to Schedule of the County's Net Pension Liability

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

GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Changes in assumptions. 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. 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%.

Notes to Schedule of Contributions

GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

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	21 years
Asset valuation method	5-year smooth market
Inflation	2.50%
Salary increases	3.75% in the long-term
Investment rate of return	7.75%, net of investment and administrative expense including inflation
Retirement age	Age 60
Mortality	50% Female/50% Male blend of the RP-2014 Healthy Annuitant Mortality Tables with rates multiplied by 105%, the RP-2014 Employee Mortality Tables, and the RP-2014 Juvenile Mortality Tables

COUNTY OF SAGINAW, MICHIGAN

Required Supplementary Information

Single Employer Defined Benefit Other Postemployment Benefit Plan

Schedule of Changes in County's Net OPEB Liability and Related Ratios

	Year Ended September 30,			
	2020	2019	2018	2017
Total OPEB liability				
Service cost	\$ 779,823	\$ 751,637	\$ 941,815	\$ 934,769
Interest	5,592,103	5,488,195	5,969,257	6,243,989
Differences between expected and actual experience	(51,173,560)	-	1,329,614	-
Changes in assumptions	12,441,144	-	(12,017,195)	-
Benefit payments, including refunds of employee contributions	(4,792,873)	(4,267,244)	(4,006,144)	(7,347,208)
Net change in total OPEB liability	(37,153,363)	1,972,588	(7,782,653)	(168,450)
Total OPEB liability, beginning of year	95,209,711	93,237,123	101,019,776	101,188,226
Total OPEB liability, end of year	58,056,348	95,209,711	93,237,123	101,019,776
Plan fiduciary net position				
Employer contributions	7,731,321	7,999,149	8,991,013	8,331,754
Net investment income	1,522,488	776,801	1,034,722	1,726,727
Benefit payments, including refunds of employee contributions	(4,792,873)	(4,267,244)	(4,006,144)	(7,347,208)
Administrative expense	(65,918)	(147,505)	(133,404)	(160,297)
Net change in plan fiduciary net position	4,395,018	4,361,201	5,886,187	2,550,976
Plan fiduciary net position, beginning of year	30,120,713	25,759,512	19,873,325	17,322,349
Plan fiduciary net position, end of year	34,515,731	30,120,713	25,759,512	19,873,325
County's net OPEB liability	\$ 23,540,617	\$ 65,088,998	\$ 67,477,611	\$ 81,146,451
Plan fiduciary net position as a percentage of total OPEB liability	59.5%	31.6%	27.6%	19.7%
Covered payroll	\$ 8,296,124	\$ 8,418,944	\$ 8,073,230	\$ 9,793,458
County's net OPEB liability as a percentage of covered payroll	283.8%	773.1%	835.8%	828.6%

See notes to required supplementary information.

COUNTY OF SAGINAW, MICHIGAN

Required Supplementary Information

Single Employer Defined Benefit Other Postemployment Benefit Plan

Schedule of the County's Net OPEB Liability

Fiscal Year Ended September 30,	Total OPEB Liability	Plan Net Position	Net OPEB Liability	Plan Net Position as Percentage of Total Pension Liability	Covered-Employee Payroll	Net Pension Liability as Percentage of Covered Payroll
2017	\$ 101,019,776	\$ 19,873,325	\$ 81,146,451	19.7%	\$ 9,793,458	828.6%
2018	93,237,123	25,759,512	67,477,611	27.6%	8,073,230	835.8%
2019	95,209,711	30,120,713	65,088,998	31.6%	8,418,944	773.1%
2020	58,056,348	34,515,731	23,540,617	59.5%	8,296,124	283.8%

See notes to required supplementary information.

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%

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%

* 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 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 for the September 30, 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.

Changes in assumptions for the September 30, 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.

Notes to Schedule of the County's Net OPEB Liability

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.

COUNTY OF SAGINAW, MICHIGAN

Notes to Required Supplementary Information

Single Employer Defined Benefit Other Postemployment Benefit Plan

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	28 years
Asset valuation method	Market value of assets
Health care inflation rates	8.50% (pre age 65) 7.00% (post age 65) reduced 0.25% each year until the rate reaches 4.50%
Salary increases	Long-term salary increases consist of 3.75% increases.
Investment rate of return	6.00%
Retirement age	Rates are based on the Retirement rates used in the most recent MERS pension valuation.
Mortality	Mortality rates used were a blended rate of the RP-2014 Health Annuitant Mortality Tables, with rates multiplied by 105%, RP-2014 Employee Mortality Tables and the RP-2014 Juvenile Mortality Tables of a 50% Male and 50% Female blend. Disabled retirees mortality rates were based on the 50% Male - 50% Female blend of the RP-2014 Disabled Retiree Mortality Tables.

Notes to Schedule of Investment Returns

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

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.

G.I.S. (Geographic Information System) 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.

Health Department Fund - This fund is used to account for the grant revenues and the related operations of the Saginaw County Department of Public Health.

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.

COUNTY OF SAGINAW, MICHIGAN

Nonmajor Governmental Funds

Special Revenue Funds (Continued)

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.

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.

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.

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.

Small Cities Reuse Fund - This fund is used to account for the operations of a service providing low interest loans to assist professional, commercial and industrial entities in rehabilitation and expansion of existing businesses and construction of new businesses within the County. Money for the operation of this fund is supplied from federal (pass-thru state) grants, interest earnings from loans, interest earnings from investments, and principal repayments. 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 - 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.

COUNTY OF SAGINAW, MICHIGAN

Nonmajor Governmental Funds

Special Revenue Funds (Continued)

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 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.

COUNTY OF SAGINAW, MICHIGAN

Nonmajor Governmental Funds

Special Revenue Funds (Concluded)

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.

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.

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.

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.

COUNTY OF SAGINAW, MICHIGAN

Nonmajor Governmental Funds

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.

Sheriff's Adult Detention and Administration Facility Fund - This fund was established to account for the bond proceeds that were received and the construction of the new County adult detention and administration facility.

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, 2020

	Special Revenue Funds						
	Law Enforcement	Parks & Recreation Commission	Geographic Information System	Friend of the Court	Health Department	Solid Waste Management	Lodging Excise Tax
Assets							
Cash and investment pool	\$ 1,618,778	\$ 2,275,458	\$ -	\$ 1,400	\$ 1,881,457	\$ 389,476	\$ 72,083
Receivables:							
Taxes	76,849	16,429	-	-	-	-	-
Accounts	71,551	2,522	55,963	10,142	130,031	106,088	601,188
Loans	-	-	-	-	-	-	-
Accrued interest	28,316	24,049	-	-	-	3,517	-
Due from other funds	-	-	-	-	130,959	-	-
Due from other governmental units	97,073	962	-	750,971	908,973	-	-
Prepays	8,584	630	-	1,656	6,300	-	-
Total assets	<u>\$ 1,901,151</u>	<u>\$ 2,320,050</u>	<u>\$ 55,963</u>	<u>\$ 764,169</u>	<u>\$ 3,057,720</u>	<u>\$ 499,081</u>	<u>\$ 673,271</u>
Liabilities							
Accounts payable	\$ 33,376	\$ 11,112	\$ -	\$ 5,207	\$ 200,036	\$ 25,873	\$ 673,271
Accrued liabilities	106,259	12,463	4,140	69,321	85,654	-	-
Deposits payable	1,279	-	-	-	22,364	-	-
Due to other funds	13,691	-	23,961	285,300	-	130,959	-
Due to other governmental units	7,000	-	-	-	114,051	-	-
Unearned revenue	-	-	-	-	237,020	-	-
Total liabilities	<u>161,605</u>	<u>23,575</u>	<u>28,101</u>	<u>359,828</u>	<u>659,125</u>	<u>156,832</u>	<u>673,271</u>
Deferred inflows of resources							
Unavailable revenue:							
Property taxes	76,850	16,429	-	-	-	-	-
Long-term receivables	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>76,850</u>	<u>16,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances							
Nonspendable	8,584	630	-	1,656	6,300	-	-
Restricted	-	2,279,416	-	-	-	342,249	-
Committed	1,654,112	-	-	-	-	-	-
Assigned	-	-	27,862	402,685	2,392,295	-	-
Total fund balances	<u>1,662,696</u>	<u>2,280,046</u>	<u>27,862</u>	<u>404,341</u>	<u>2,398,595</u>	<u>342,249</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,901,151</u>	<u>\$ 2,320,050</u>	<u>\$ 55,963</u>	<u>\$ 764,169</u>	<u>\$ 3,057,720</u>	<u>\$ 499,081</u>	<u>\$ 673,271</u>

Special Revenue Funds							
Castle Museum & Historical Activities	Commission on Aging	Mosquito Control	Dredged Materials Disposal	Principal Residence Exemption	Public Improvement	Courthouse Preservation Technology	Animal Control
\$ 122,436	\$ 1,554,373	\$ 4,218,933	\$ 1,146	\$ 36,806	\$ 3,393,406	\$ 68,241	\$ 606,729
13,166	33,629	38,652	-	8,148	-	-	11,548
-	11,901	94	-	-	-	9,292	1,126
-	-	-	-	-	-	-	-
1,766	16,335	47,366	52	354	38,371	865	-
-	-	-	-	-	119,677	-	-
-	196,415	-	86	-	-	-	-
-	48,314	445	-	-	-	-	-
<u>\$ 137,368</u>	<u>\$ 1,860,967</u>	<u>\$ 4,305,490</u>	<u>\$ 1,284</u>	<u>\$ 45,308</u>	<u>\$ 3,551,454</u>	<u>\$ 78,398</u>	<u>\$ 619,403</u>
\$ 77,103	\$ 36,010	\$ 36,123	\$ 842	\$ -	\$ 129,356	\$ -	\$ 27,096
-	51,372	28,902	-	-	-	-	16,651
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	8,495	-	-	-
-	72,500	-	-	-	-	-	-
<u>77,103</u>	<u>159,882</u>	<u>65,025</u>	<u>842</u>	<u>8,495</u>	<u>129,356</u>	<u>-</u>	<u>43,747</u>
13,167	33,629	38,652	-	-	-	-	11,547
-	-	-	-	-	-	-	-
<u>13,167</u>	<u>33,629</u>	<u>38,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,547</u>
-	48,314	445	-	-	-	-	-
-	1,619,142	-	-	-	3,422,098	-	564,109
47,098	-	4,201,368	-	-	-	-	-
-	-	-	442	36,813	-	78,398	-
<u>47,098</u>	<u>1,667,456</u>	<u>4,201,813</u>	<u>442</u>	<u>36,813</u>	<u>3,422,098</u>	<u>78,398</u>	<u>564,109</u>
<u>\$ 137,368</u>	<u>\$ 1,860,967</u>	<u>\$ 4,305,490</u>	<u>\$ 1,284</u>	<u>\$ 45,308</u>	<u>\$ 3,551,454</u>	<u>\$ 78,398</u>	<u>\$ 619,403</u>

continued...

COUNTY OF SAGINAW, MICHIGAN

Combining Balance Sheet
 Nonmajor Governmental Funds
 September 30, 2020

	Special Revenue Funds					
	Small Cities Reuse	Register of Deeds Automation	Indigent Care	E-911 Telephone Surcharge	Mobile Data Maintenance & Repair	Concealed Pistol Licensing
Assets						
Cash and investment pool	\$ 141,739	\$ 341,398	\$ 1,159,480	\$ 189,009	\$ 1,625,228	\$ 133,511
Receivables:						
Taxes	-	-	-	2,954	-	-
Accounts	-	6,770	-	1,274,884	-	3,884
Loans	53,623	-	-	-	-	-
Accrued interest	1,398	3,593	-	8,359	20,546	-
Due from other funds	-	-	-	-	-	-
Due from other governmental units	-	-	-	53,689	-	-
Prepays	-	-	-	-	5,134	-
Total assets	<u>\$ 196,760</u>	<u>\$ 351,761</u>	<u>\$ 1,159,480</u>	<u>\$ 1,528,895</u>	<u>\$ 1,650,908</u>	<u>\$ 137,395</u>
Liabilities						
Accounts payable	\$ 1,363	\$ 2,685	\$ 204,420	\$ 1,290,146	\$ 7,310	\$ 7,015
Accrued liabilities	-	-	-	-	-	1,006
Deposits payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-
Unearned revenue	-	-	955,060	-	24,000	-
Total liabilities	<u>1,363</u>	<u>2,685</u>	<u>1,159,480</u>	<u>1,290,146</u>	<u>31,310</u>	<u>8,021</u>
Deferred inflows of resources						
Unavailable revenue:						
Property taxes	-	-	-	2,954	-	-
Long-term receivables	53,623	-	-	-	-	-
Total deferred inflows of resources	<u>53,623</u>	<u>-</u>	<u>-</u>	<u>2,954</u>	<u>-</u>	<u>-</u>
Fund balances						
Nonspendable	-	-	-	-	5,134	-
Restricted	-	349,076	-	235,795	-	129,374
Committed	-	-	-	-	-	-
Assigned	141,774	-	-	-	1,614,464	-
Total fund balances	<u>141,774</u>	<u>349,076</u>	<u>-</u>	<u>235,795</u>	<u>1,619,598</u>	<u>129,374</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 196,760</u>	<u>\$ 351,761</u>	<u>\$ 1,159,480</u>	<u>\$ 1,528,895</u>	<u>\$ 1,650,908</u>	<u>\$ 137,395</u>

Special Revenue Funds								
County Library Board	Remuneration	Special Projects	Sheriff Special Projects	Prosecutor Special Projects	Community Corrections	Local Correction Officer Training	MSU Extension	
\$ -	\$ 41,593	\$ 1	\$ 121,630	\$ -	\$ 292,320	\$ 156,140	\$ 1,104	
-	-	-	-	-	-	-	-	-
-	-	130,582	25,636	-	30	3,160	291	-
-	-	-	-	-	-	-	-	-
-	-	-	200	-	-	1,716	104	-
-	-	-	13,691	-	-	-	-	-
-	50,185	284,208	201,743	68,918	66,273	-	-	-
-	-	320	11,944	-	-	-	-	-
<u>\$ -</u>	<u>\$ 91,778</u>	<u>\$ 415,111</u>	<u>\$ 374,844</u>	<u>\$ 68,918</u>	<u>\$ 358,623</u>	<u>\$ 161,016</u>	<u>\$ 1,499</u>	
\$ -	\$ 83,539	\$ 32,377	\$ 80,208	\$ 260	\$ 1,855	\$ (23)	\$ 1,406	
-	612	10,358	7,319	4,775	6,854	206	-	-
-	-	-	360	-	-	-	-	-
-	-	148,135	-	62,912	-	-	-	-
-	-	-	7,269	-	-	-	-	-
-	-	104,249	12,425	-	147,668	-	-	-
-	84,151	295,119	107,581	67,947	156,377	183	1,406	
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	320	11,944	-	-	-	-	-
-	-	-	-	-	202,246	160,833	-	-
-	-	-	-	-	-	-	-	-
-	7,627	119,672	255,319	971	-	-	93	
-	7,627	119,992	267,263	971	202,246	160,833	93	
<u>\$ -</u>	<u>\$ 91,778</u>	<u>\$ 415,111</u>	<u>\$ 374,844</u>	<u>\$ 68,918</u>	<u>\$ 358,623</u>	<u>\$ 161,016</u>	<u>\$ 1,499</u>	

continued...

COUNTY OF SAGINAW, MICHIGAN

Combining Balance Sheet

Nonmajor Governmental Funds
September 30, 2020

	Special Revenue Funds		Debt Service Funds		
	Department of Human Services	Child Care	MERS (DB) Pension Obligation Bond	Qualified Energy Bond	Juvenile Center Renovation
Assets					
Cash and investment pool	\$ 265,626	\$ 608,974	\$ 2,282	\$ 193	\$ 33,020
Receivables:					
Taxes	-	-	-	-	527
Accounts	-	7,020	-	-	-
Loans	-	-	-	-	-
Accrued interest	-	-	1,029	17	334
Due from other funds	-	-	-	-	-
Due from other governmental units	-	718,071	-	-	-
Prepays	-	83,060	-	-	-
Total assets	<u>\$ 265,626</u>	<u>\$ 1,417,125</u>	<u>\$ 3,311</u>	<u>\$ 210</u>	<u>\$ 33,881</u>
Liabilities					
Accounts payable	\$ -	\$ 51,189	\$ -	\$ -	\$ -
Accrued liabilities	265,626	65,563	-	-	-
Deposits payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governmental units	-	74,493	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>265,626</u>	<u>191,245</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue:					
Property taxes	-	-	-	-	527
Long-term receivables	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>527</u>
Fund balances					
Nonspendable	-	83,060	-	-	-
Restricted	-	276	3,311	210	33,354
Committed	-	-	-	-	-
Assigned	-	1,142,544	-	-	-
Total fund balances	<u>-</u>	<u>1,225,880</u>	<u>3,311</u>	<u>210</u>	<u>33,354</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 265,626</u>	<u>\$ 1,417,125</u>	<u>\$ 3,311</u>	<u>\$ 210</u>	<u>\$ 33,881</u>

Debt Service Funds			Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
Animal Control Building Bonds	Mainframe Modernization Bonds	Sheriff's Adult Detention and Administration Facility Bonds	Parks Building & Site	Community Mental Health Renovations	Sheriff's Adult Detention and Administration Facility	Rail Trail Endowment	
\$ 1,655,957	\$ 9	\$ 2,341,217	\$ 4,952	\$ 636,745	\$ 2,776,545	\$ 41,137	\$ 28,810,532
-	-	-	-	-	-	-	201,902
-	-	-	-	-	-	-	2,452,155
-	-	-	-	-	-	-	53,623
8,504	65	11,706	941	11,683	77,244	418	308,848
-	-	-	-	-	-	-	264,327
-	-	-	13,012	-	-	-	3,410,579
-	500	-	-	-	-	-	166,887
<u>\$ 1,664,461</u>	<u>\$ 574</u>	<u>\$ 2,352,923</u>	<u>\$ 18,905</u>	<u>\$ 648,428</u>	<u>\$ 2,853,789</u>	<u>\$ 41,555</u>	<u>\$ 35,668,853</u>
\$ -	\$ -	\$ -	\$ 5,525	\$ 75,903	\$ 1,118,248	\$ -	\$ 4,218,831
-	-	-	-	-	-	-	737,081
-	-	-	-	-	-	-	24,003
-	16	-	-	-	-	-	664,974
-	-	-	-	-	-	-	211,308
-	-	-	-	-	-	-	1,552,922
-	16	-	5,525	75,903	1,118,248	-	7,409,119
-	-	-	-	-	-	-	193,755
-	-	-	-	-	-	-	53,623
-	-	-	-	-	-	-	247,378
-	500	-	-	-	-	36,390	203,277
-	-	2,352,923	-	572,525	1,735,541	5,165	14,007,643
-	-	-	-	-	-	-	5,902,578
1,664,461	58	-	13,380	-	-	-	7,898,858
<u>1,664,461</u>	<u>558</u>	<u>2,352,923</u>	<u>13,380</u>	<u>572,525</u>	<u>1,735,541</u>	<u>41,555</u>	<u>28,012,356</u>
<u>\$ 1,664,461</u>	<u>\$ 574</u>	<u>\$ 2,352,923</u>	<u>\$ 18,905</u>	<u>\$ 648,428</u>	<u>\$ 2,853,789</u>	<u>\$ 41,555</u>	<u>\$ 35,668,853</u>

Concluded

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2020

	Special Revenue Funds						
	Law Enforcement	Parks & Recreation Commission	Geographic Information System	Friend of the Court	Health Department	Solid Waste Management	Lodging Excise Tax
Revenue							
Property taxes	\$ 6,702,769	\$ 1,472,576	\$ -	\$ -	\$ -	\$ -	\$ -
Accommodations tax	-	-	-	-	-	-	2,161,084
Licenses and permits	-	-	-	-	425,346	-	-
Federal grants	500,099	962	-	3,025,682	3,269,245	-	-
State grants	220,833	112,894	-	272,785	1,750,724	-	-
Local grants and contributions	-	-	-	-	42,166	-	-
Charges for services	68,474	62,599	-	349,210	424,934	415,356	-
Fines and forfeitures	-	-	-	-	-	-	-
Investment income	48,991	43,650	-	-	-	6,623	467
Rental revenue	-	-	-	-	-	-	-
Donations	-	26,620	-	-	6,007	-	-
Reimbursements	942,091	2,039	223,852	31,140	1,660,832	-	-
Other revenue	-	2,574	-	-	355,834	-	-
Total revenue	8,483,257	1,723,914	223,852	3,678,817	7,935,088	421,979	2,161,551
Expenditures							
Current:							
Judicial	-	-	-	4,752,170	-	-	-
General government	-	-	224,561	-	-	-	-
Public safety	6,056,130	-	-	-	-	-	-
Public works	-	-	-	-	-	237,004	-
Health and welfare	-	-	-	-	9,293,531	-	-
Community and economic development	-	-	-	-	-	-	2,161,551
Recreation and culture	-	1,334,731	-	-	-	-	-
Capital outlay	159,216	79,086	-	-	11,759	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total expenditures	6,215,346	1,413,817	224,561	4,752,170	9,305,290	237,004	2,161,551
Revenues over (under) expenditures	2,267,911	310,097	(709)	(1,073,353)	(1,370,202)	184,975	-
Other financing sources (uses)							
Transfers in	801,908	-	-	1,225,351	2,136,120	-	-
Transfers out	(2,831,258)	-	-	-	-	(73,484)	-
Total other financing sources (uses)	(2,029,350)	-	-	1,225,351	2,136,120	(73,484)	-
Net change in fund balances	238,561	310,097	(709)	151,998	765,918	111,491	-
Fund balances, beginning of year	1,424,135	1,969,949	28,571	252,343	1,632,677	230,758	-
Fund balances, end of year	\$ 1,662,696	\$ 2,280,046	\$ 27,862	\$ 404,341	\$ 2,398,595	\$ 342,249	\$ -

Special Revenue Funds							
Castle Museum & Historical Activities	Commission on Aging	Mosquito Control	Dredged Materials Disposal	Principal Residence Exemption	Public Improvement	Courthouse Preservation Technology	Animal Control
\$ 999,980	\$ 2,952,470	\$ 3,204,823	\$ -	\$ -	\$ -	\$ -	\$ 2,125,632
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	12,148
-	1,343,340	-	86	-	-	-	-
70,813	557,759	229,906	45,900	-	-	-	150,633
-	44,745	-	-	-	-	-	5,300
-	34,753	32,509	-	761	-	101,121	95,911
-	-	-	-	-	-	-	-
2,564	29,951	84,501	14	5,736	67,760	1,467	-
-	-	3,400	10,540	-	30,900	-	-
-	188,081	-	-	-	-	-	69,927
7,552	16,692	75,078	-	-	-	-	-
-	27,957	812	-	-	32,306	-	196
<u>1,080,909</u>	<u>5,195,748</u>	<u>3,631,029</u>	<u>56,540</u>	<u>6,497</u>	<u>130,966</u>	<u>102,588</u>	<u>2,459,747</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	188,082	-	-
-	-	-	-	-	-	-	1,424,920
-	-	-	-	-	-	-	-
-	4,675,822	2,886,328	56,336	-	-	-	-
-	-	-	-	-	-	-	-
1,076,931	-	-	-	-	-	-	-
-	17,418	426,901	-	-	854,388	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,076,931</u>	<u>4,693,240</u>	<u>3,313,229</u>	<u>56,336</u>	<u>-</u>	<u>1,042,470</u>	<u>-</u>	<u>1,424,920</u>
<u>3,978</u>	<u>502,508</u>	<u>317,800</u>	<u>204</u>	<u>6,497</u>	<u>(911,504)</u>	<u>102,588</u>	<u>1,034,827</u>
-	-	-	-	-	169,677	-	23,784
-	-	-	-	-	-	(130,000)	(838,848)
-	-	-	-	-	169,677	(130,000)	(815,064)
3,978	502,508	317,800	204	6,497	(741,827)	(27,412)	219,763
43,120	1,164,948	3,884,013	238	30,316	4,163,925	105,810	344,346
<u>\$ 47,098</u>	<u>\$ 1,667,456</u>	<u>\$ 4,201,813</u>	<u>\$ 442</u>	<u>\$ 36,813</u>	<u>\$ 3,422,098</u>	<u>\$ 78,398</u>	<u>\$ 564,109</u>

continued...

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2020

	Special Revenue Funds					
	Small Cities Reuse	Register of Deeds Automation	Indigent Care	E-911 Telephone Surcharge	Mobile Data Maintenance & Repair	Concealed Pistol Licensing
Revenue						
Property taxes	\$ -	\$ -	\$ -	\$ 1,399,824	\$ -	\$ -
Accommodations tax	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	108,620
Federal grants	-	-	-	-	-	-
State grants	-	-	2,035,262	545,452	-	-
Local grants and contributions	-	-	917,671	-	143,180	-
Charges for services	-	156,400	-	5,128,397	174,506	-
Fines and forfeitures	-	-	-	-	-	-
Investment income	2,462	6,252	-	14,639	35,377	-
Rental revenue	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Reimbursements	18,680	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenue	21,142	162,652	2,952,933	7,088,312	353,063	108,620
Expenditures						
Current:						
Judicial	-	-	-	-	-	-
General government	-	214,231	-	-	-	-
Public safety	-	-	2,929,913	7,109,524	990,104	84,922
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Community and economic development	5,027	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-
Capital outlay	-	-	23,020	-	-	9,080
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	5,027	214,231	2,952,933	7,109,524	990,104	94,002
Revenues over (under) expenditures	16,115	(51,579)	-	(21,212)	(637,041)	14,618
Other financing sources (uses)						
Transfers in	-	-	-	-	187,000	-
Transfers out	-	-	-	-	(250,000)	-
Total other financing sources (uses)	-	-	-	-	(63,000)	-
Net change in fund balances	16,115	(51,579)	-	(21,212)	(700,041)	14,618
Fund balances, beginning of year	125,659	400,655	-	257,007	2,319,639	114,756
Fund balances, end of year	\$ 141,774	\$ 349,076	\$ -	\$ 235,795	\$ 1,619,598	\$ 129,374

Special Revenue Funds							
County Library Board	Remuneration	Special Projects	Sheriff Special Projects	Prosecutor Special Projects	Community Corrections	Local Correction Officer Training	MSU Extension
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	257,866	133,219	-	5,570	-	-
-	84,416	412,076	255,960	249,614	456,142	-	15,030
-	-	-	-	-	-	-	-
-	-	1,481	21,938	-	365	41,857	-
42,097	-	4,001	-	1,298	-	-	-
-	-	-	374	-	-	2,982	169
-	-	-	-	-	-	-	-
-	-	125	-	-	-	-	-
-	-	275,887	328,225	-	-	-	-
-	-	-	859	-	-	-	-
42,097	84,416	951,436	740,575	250,912	462,077	44,839	15,199
-	-	589,247	-	-	-	-	-
-	84,417	-	-	253,076	-	-	201,554
-	-	214,950	842,365	-	437,349	67,998	-
-	-	276,215	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
42,097	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
42,097	84,417	1,080,412	842,365	253,076	437,349	67,998	201,554
-	(1)	(128,976)	(101,790)	(2,164)	24,728	(23,159)	(186,355)
-	-	101,713	63,661	2,163	-	-	186,448
-	-	-	(10,528)	-	-	-	-
-	-	101,713	53,133	2,163	-	-	186,448
-	(1)	(27,263)	(48,657)	(1)	24,728	(23,159)	93
-	7,628	147,255	315,920	972	177,518	183,992	-
\$ -	\$ 7,627	\$ 119,992	\$ 267,263	\$ 971	\$ 202,246	\$ 160,833	\$ 93

continued...

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2020

	Special Revenue Funds		Debt Service Funds		
	Department of Human Services	Child Care	MERS (DB) Pension Obligation Bond	Qualified Energy Bond	Juvenile Center Renovation
Revenue					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 247
Accommodations tax	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Federal grants	-	61,546	-	-	-
State grants	-	2,644,359	-	-	-
Local grants and contributions	-	59,240	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Investment income	-	-	1,256	24	598
Rental revenue	-	-	-	160,161	-
Donations	-	7,185	-	-	-
Reimbursements	-	92,620	4,782,177	-	-
Other revenue	-	12,197	-	-	-
Total revenue	-	2,877,147	4,783,433	160,185	845
Expenditures					
Current:					
Judicial	-	-	-	-	-
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	15,826	5,539,438	-	-	-
Community and economic development	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	3,210,000	142,309	-
Interest and fiscal charges	-	-	1,572,427	17,852	-
Total expenditures	15,826	5,539,438	4,782,427	160,161	-
Revenues over (under) expenditures	(15,826)	(2,662,291)	1,006	24	845
Other financing sources (uses)					
Transfers in	15,826	2,745,020	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	15,826	2,745,020	-	-	-
Net change in fund balances	-	82,729	1,006	24	845
Fund balances, beginning of year	-	1,143,151	2,305	186	32,509
Fund balances, end of year	\$ -	\$ 1,225,880	\$ 3,311	\$ 210	\$ 33,354

Debt Service Funds			Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
Animal Control Building Bonds	Mainframe Modernization Bonds	Sheriff's Adult Detention and Administration Facility Bonds	Parks Building & Site	Community Mental Health Renovations	Sheriff's Adult Detention and Administration Facility	Rail Trail Endowment	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,858,321
-	-	-	-	-	-	-	2,161,084
-	-	-	-	-	-	-	546,114
-	-	-	-	-	-	-	8,597,615
-	-	-	10,013	-	-	-	10,120,571
-	-	-	-	-	-	-	1,212,302
-	-	-	-	-	-	-	7,110,572
-	-	-	-	-	-	-	47,396
16,015	58	19,033	1,679	20,001	114,476	747	527,866
-	-	-	-	-	-	-	205,001
-	-	-	-	-	-	-	297,945
-	-	-	-	-	118,470	-	8,575,335
-	-	-	-	-	38,154	-	470,889
<u>16,015</u>	<u>58</u>	<u>19,033</u>	<u>11,692</u>	<u>20,001</u>	<u>271,100</u>	<u>747</u>	<u>58,731,011</u>
-	-	-	-	-	-	-	5,341,417
-	-	-	-	122,779	-	-	1,288,700
-	-	-	-	-	-	-	20,158,175
-	-	-	-	-	-	-	513,219
-	-	-	-	-	-	-	22,467,281
-	-	-	-	-	-	-	2,166,578
-	-	-	-	-	-	-	2,453,759
-	-	-	10,013	600,650	10,616,477	-	12,808,008
-	865,000	-	-	-	-	-	4,217,309
-	302,088	1,497,900	-	-	-	-	3,390,267
-	<u>1,167,088</u>	<u>1,497,900</u>	<u>10,013</u>	<u>723,429</u>	<u>10,616,477</u>	<u>-</u>	<u>74,804,713</u>
<u>16,015</u>	<u>(1,167,030)</u>	<u>(1,478,867)</u>	<u>1,679</u>	<u>(703,428)</u>	<u>(10,345,377)</u>	<u>747</u>	<u>(16,073,702)</u>
822,348	1,167,588	1,541,156	-	-	-	-	11,189,763
-	-	(6,300)	-	-	-	-	(4,140,418)
<u>822,348</u>	<u>1,167,588</u>	<u>1,534,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,049,345</u>
838,363	558	55,989	1,679	(703,428)	(10,345,377)	747	(9,024,357)
826,098	-	2,296,934	11,701	1,275,953	12,080,918	40,808	37,036,713
<u>\$ 1,664,461</u>	<u>\$ 558</u>	<u>\$ 2,352,923</u>	<u>\$ 13,380</u>	<u>\$ 572,525</u>	<u>\$ 1,735,541</u>	<u>\$ 41,555</u>	<u>\$ 28,012,356</u>

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, 2020

	Delinquent Property Tax Foreclosure	Building Authority Administration	Parking System	Harry W. Browne Airport	Inmate Services	Total
Assets						
Current assets:						
Cash and investment pool	\$ 881,269	\$ 192,995	\$ 55,909	\$ 157,733	\$ 140,354	\$ 1,428,260
Receivables:						
Accounts	-	25,303	525	23,685	127,990	177,503
Accrued interest	19,226	2,323	-	-	-	21,549
Due from other governmental units						
Inventory	-	-	-	30,000	-	30,000
Prepays	-	-	-	65	-	65
Total current assets	900,495	220,621	56,434	225,116	268,344	1,671,010
Noncurrent assets:						
Capital assets not being depreciated						
Capital assets being depreciated, net	-	-	41,273	1,961,520	-	2,002,793
Total noncurrent assets	-	-	46,830	5,726,264	-	5,773,094
Total assets	900,495	220,621	103,264	5,951,380	268,344	7,444,104
Liabilities						
Current liabilities:						
Accounts payable	678,083	682	-	4,547	40,862	724,174
Accrued liabilities	4,059	-	-	-	-	4,059
Deposits payable	-	-	-	-	62,803	62,803
Due to other funds	-	-	-	-	119,677	119,677
Due to other governmental units	-	-	-	32,353	-	32,353
Unearned revenue	-	-	-	4,297	-	4,297
Total current liabilities	682,142	682	-	41,197	223,342	947,363
Noncurrent liabilities:						
Advances from other funds						
Accrued compensated absences	5,996	-	-	-	-	5,996
Total noncurrent liabilities	5,996	-	-	-	20,000	25,996
Total liabilities	688,138	682	-	41,197	243,342	973,359
Net position						
Net investment in capital assets	-	-	46,830	5,726,264	-	5,773,094
Unrestricted	212,357	219,939	56,434	183,919	25,002	697,651
Total net position	\$ 212,357	\$ 219,939	\$ 103,264	\$ 5,910,183	\$ 25,002	\$ 6,470,745

COUNTY OF SAGINAW, MICHIGAN

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

Nonmajor Enterprise Funds

For the Year Ended September 30, 2020

	Delinquent Property Tax Foreclosure	Building Authority Administration	Parking System	Harry W. Browne Airport	Inmate Services	Total
Operating revenues						
Federal grants	\$ -	\$ -	\$ -	\$ 659,513	\$ -	\$ 659,513
State grants	-	-	-	34,973	-	34,973
Charges for services	957,052	17,401	40,889	192,506	1,004,963	2,212,811
Interest on delinquent taxes	11,128	-	-	-	-	11,128
Fines and forfeitures	-	-	7,977	-	-	7,977
Rental revenue	-	-	-	105,701	-	105,701
Reimbursements	-	25,303	-	10,068	26,839	62,210
Other revenue	-	-	-	-	46,689	46,689
Total operating revenues	968,180	42,704	48,866	1,002,761	1,078,491	3,141,002
Operating expenses						
Personnel services	192,560	2,104	65,766	-	-	260,430
Supplies	-	-	607	477	421,143	422,227
Services and charges	1,137,399	108,758	20,487	286,056	260,916	1,813,616
Depreciation	-	-	2,373	271,210	-	273,583
Total operating expenses	1,329,959	110,862	89,233	557,743	682,059	2,769,856
Operating income (loss)	(361,779)	(68,158)	(40,367)	445,018	396,432	371,146
Nonoperating revenues (expenses)						
Investment income	361,779	4,087	-	-	71	365,937
Income (loss) before transfers	-	(64,071)	(40,367)	445,018	396,503	737,083
Transfers in	-	7,000	-	-	-	7,000
Transfers out	-	-	-	-	(396,501)	(396,501)
Change in net position	-	(57,071)	(40,367)	445,018	2	347,582
Net position, beginning of year	212,357	277,010	143,631	5,465,165	25,000	6,123,163
Net position, end of year	\$ 212,357	\$ 219,939	\$ 103,264	\$ 5,910,183	\$ 25,002	\$ 6,470,745

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2020

	Delinquent Property Tax Foreclosure	Building Authority Administration	Parking System	Harry W. Browne Airport	Inmate Services	Total
Cash flows from operating activities						
Receipts from customers	\$ 957,220	\$ 17,401	\$ 49,233	\$ 965,937	\$ 1,049,318	\$ 3,039,109
Payments to employees	(188,212)	(2,290)	(67,292)	-	-	(257,794)
Payments to suppliers	(1,329,611)	(110,266)	(21,753)	(224,588)	(647,074)	(2,333,292)
Net cash provided by (used in) operating activities	(560,603)	(95,155)	(39,812)	741,349	402,244	448,023
Cash flows from noncapital financing activities						
Transfers in	-	7,000	-	-	-	7,000
Transfers out	-	-	-	-	(396,501)	(396,501)
Net cash provided by (used in) noncapital financing activities	-	7,000	-	-	(396,501)	(389,501)
Cash flows from capital and related financing activities						
Payments for capital asset acquisition	-	-	-	(722,409)	-	(722,409)
Cash flows from investing activities						
Investment income	361,779	3,129	-	-	71	364,979
Net change in cash and investment pool	(198,824)	(85,026)	(39,812)	18,940	5,814	(298,908)
Cash and investment pool: Beginning of year	1,080,093	278,021	95,721	138,793	134,540	1,727,168
End of year	\$ 881,269	\$ 192,995	\$ 55,909	\$ 157,733	\$ 140,354	\$ 1,428,260

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COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Year Ended September 30, 2020

	Delinquent Property Tax Foreclosure	Building Authority Administration	Parking System	Harry W. Browne Airport	Inmate Services	Total
Reconciliation of operating income						
(loss) to net cash provided by						
(used in) operating activities						
Operating income (loss)	\$ (361,779)	\$ (68,158)	\$ (40,367)	\$ 445,018	\$ 396,432	\$ 371,146
Adjustments to reconcile operating						
income (loss) to net cash provided						
by (used in) operating activities:						
Depreciation	-	-	2,373	271,210	-	273,583
Changes in operating assets						
and liabilities that provided						
(used) cash:						
Receivables, net	(10,960)	(25,303)	367	(7,819)	(75,854)	(119,569)
Due from other						
governments	-	-	-	(30,000)	-	(30,000)
Inventory	-	-	-	27,246	-	27,246
Prepays	-	-	-	2,639	-	2,639
Accounts payable	(192,212)	(1,508)	(659)	(293)	18,579	(176,093)
Accrued liabilities	1,123	(186)	(952)	-	-	(15)
Deposits payable	-	-	-	-	46,681	46,681
Due to other funds	-	-	-	-	16,406	16,406
Due to other						
governments	-	-	-	32,353	-	32,353
Accrued compensated						
absences	3,225	-	(574)	-	-	2,651
Unearned revenue	-	-	-	995	-	995
Net cash provided by (used in)						
operating activities	<u>\$ (560,603)</u>	<u>\$ (95,155)</u>	<u>\$ (39,812)</u>	<u>\$ 741,349</u>	<u>\$ 402,244</u>	<u>\$ 448,023</u>

Concluded

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, 2020

	MERS (DB) Retirement	MERS (DC) Retirement	Information Technology	Equipment Revolving
Assets				
Current assets:				
Cash and investment pool	\$ 204,180	\$ 977,334	\$ 1,150,791	\$ 21,870
Receivables:				
Accounts	-	59,573	1,716	-
Accrued interest	-	10,051	-	228
Due from other governmental units	-	-	180,270	-
Prepays	-	-	3,040	-
Total current assets	<u>204,180</u>	<u>1,046,958</u>	<u>1,335,817</u>	<u>22,098</u>
Noncurrent assets:				
Capital assets not being depreciated	-	-	588,356	-
Capital assets being depreciated, net	-	-	637,267	-
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>1,225,623</u>	<u>-</u>
Total assets	<u>204,180</u>	<u>1,046,958</u>	<u>2,561,440</u>	<u>22,098</u>
Liabilities				
Current liabilities:				
Accounts payable	-	59,564	67,789	105
Accrued liabilities	-	629	36,152	-
Due to other funds	-	-	-	-
Total current liabilities	<u>-</u>	<u>60,193</u>	<u>103,941</u>	<u>105</u>
Noncurrent liabilities:				
Advances from other funds	-	-	1,041,627	-
Accrued compensated absences	-	2,575	69,813	-
Total noncurrent liabilities	<u>-</u>	<u>2,575</u>	<u>1,111,440</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>62,768</u>	<u>1,215,381</u>	<u>105</u>
Net position				
Net investment in capital assets	-	-	1,225,623	-
Unrestricted	204,180	984,190	120,436	21,993
Total net position	<u>\$ 204,180</u>	<u>\$ 984,190</u>	<u>\$ 1,346,059</u>	<u>\$ 21,993</u>

Motor Pool	Risk Management	Investment Pool	Employee Benefits	Retiree Health Savings Plan	Total
\$ 163,245	\$ 3,015,197	\$ 80,982	\$ 3,487,784	\$ 145	\$ 9,101,528
101	15,230	-	247,363	5,934	329,917
-	27,266	-	29,681	18	67,244
-	-	-	-	-	180,270
-	-	-	-	-	3,040
<u>163,346</u>	<u>3,057,693</u>	<u>80,982</u>	<u>3,764,828</u>	<u>6,097</u>	<u>9,681,999</u>
-	-	-	-	-	588,356
-	-	-	-	-	637,267
-	-	-	-	-	1,225,623
<u>163,346</u>	<u>3,057,693</u>	<u>80,982</u>	<u>3,764,828</u>	<u>6,097</u>	<u>10,907,622</u>
9,994	31,686	1,170	445,871	5,934	622,113
-	971,774	555	591,584	-	1,600,694
-	-	66,705	-	-	66,705
<u>9,994</u>	<u>1,003,460</u>	<u>68,430</u>	<u>1,037,455</u>	<u>5,934</u>	<u>2,289,512</u>
-	-	-	-	-	1,041,627
-	5,475	2,600	6,589	-	87,052
-	5,475	2,600	6,589	-	1,128,679
<u>9,994</u>	<u>1,008,935</u>	<u>71,030</u>	<u>1,044,044</u>	<u>5,934</u>	<u>3,418,191</u>
-	-	-	-	-	1,225,623
<u>153,352</u>	<u>2,048,758</u>	<u>9,952</u>	<u>2,720,784</u>	<u>163</u>	<u>6,263,808</u>
<u>\$ 153,352</u>	<u>\$ 2,048,758</u>	<u>\$ 9,952</u>	<u>\$ 2,720,784</u>	<u>\$ 163</u>	<u>\$ 7,489,431</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, 2020

	MERS (DB) Retirement	MERS (DC) Retirement	Information Technology	Equipment Revolving
Operating revenues				
Charges for services	\$ -	\$ -	\$ 193,307	\$ -
Rental revenue	-	-	-	2,563
Reimbursements	3,507,818	3,229,890	3,966,540	-
Other revenue	-	60,001	-	-
Total operating revenues	3,507,818	3,289,891	4,159,847	2,563
Operating expenses				
Personnel services	-	18,666	818,176	-
Fringe benefits	3,395,883	3,243,027	633,768	-
Supplies	-	-	18,818	-
Services and charges	73,541	7,034	1,110,073	2,211
Other	-	-	-	-
Depreciation	-	-	169,446	854
Total operating expenses	3,469,424	3,268,727	2,750,281	3,065
Operating income (loss)	38,394	21,164	1,409,566	(502)
Nonoperating revenues (expenses)				
Investment income (loss)	433	18,037	(23,847)	408
Loss on disposal of capital assets	-	-	-	(1,763)
Total nonoperating revenues (expenses)	433	18,037	(23,847)	(1,355)
Income (loss) before transfers	38,827	39,201	1,385,719	(1,857)
Transfers in	-	-	-	-
Transfers out	-	-	(1,167,588)	-
Change in net position	38,827	39,201	218,131	(1,857)
Net position, beginning of year	165,353	944,989	1,127,928	23,850
Net position, end of year	\$ 204,180	\$ 984,190	\$ 1,346,059	\$ 21,993

Motor Pool	Risk Management	Investment Pool	Employee Benefits	Retiree Health Savings Plan	Total
\$ 45,251	\$ 1,084	\$ -	\$ -	\$ -	\$ 239,642
253,252	-	-	-	-	255,815
-	1,783,163	-	7,659,021	395,224	20,541,656
-	200	-	2,233	-	62,434
<u>298,503</u>	<u>1,784,447</u>	<u>-</u>	<u>7,661,254</u>	<u>395,224</u>	<u>21,099,547</u>
-	52,639	16,690	76,350	-	982,521
-	25,234	9,459	7,639,731	-	14,947,102
104,992	-	-	12,710	-	136,520
347,263	1,479,447	42,042	100,019	395,222	3,556,852
-	-	-	3,038	-	3,038
-	-	-	-	-	170,300
<u>452,255</u>	<u>1,557,320</u>	<u>68,191</u>	<u>7,831,848</u>	<u>395,222</u>	<u>19,796,333</u>
<u>(153,752)</u>	<u>227,127</u>	<u>(68,191)</u>	<u>(170,594)</u>	<u>2</u>	<u>1,303,214</u>
-	49,726	-	55,143	32	99,932
-	-	-	-	-	(1,763)
-	49,726	-	55,143	32	98,169
<u>(153,752)</u>	<u>276,853</u>	<u>(68,191)</u>	<u>(115,451)</u>	<u>34</u>	<u>1,401,383</u>
-	-	78,143	-	-	78,143
-	(52,163)	-	-	-	(1,219,751)
<u>(153,752)</u>	<u>224,690</u>	<u>9,952</u>	<u>(115,451)</u>	<u>34</u>	<u>259,775</u>
<u>307,104</u>	<u>1,824,068</u>	<u>-</u>	<u>2,836,235</u>	<u>129</u>	<u>7,229,656</u>
<u>\$ 153,352</u>	<u>\$ 2,048,758</u>	<u>\$ 9,952</u>	<u>\$ 2,720,784</u>	<u>\$ 163</u>	<u>\$ 7,489,431</u>

COUNTY OF SAGINAW, MICHIGAN

Combining Statement of Cash Flows

Internal Service Funds
For the Year Ended September 30, 2020

	MERS (DB) Retirement	MERS (DC) Retirement	Information Technology	Equipment Revolving
Cash flows from operating activities				
Receipts from interfund services provided	\$ 3,507,818	\$ 3,275,724	\$ 3,993,127	\$ 2,563
Payments to employees	-	(18,500)	(1,400,662)	-
Payments to suppliers	(3,721,743)	(3,239,030)	(1,110,816)	(2,106)
Net cash provided by (used in) operating activities	<u>(213,925)</u>	<u>18,194</u>	<u>1,481,649</u>	<u>457</u>
Cash flows from noncapital financing activities				
Transfers in	-	-	-	-
Transfers out	-	-	(1,167,588)	-
Net cash flows provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>(1,167,588)</u>	<u>-</u>
Cash flows from capital and related financing activities				
Advances from other funds	-	-	1,041,627	-
Payments for capital asset acquisition	-	-	(958,546)	-
Cash flows from capital and related financing activities	<u>-</u>	<u>-</u>	<u>83,081</u>	<u>-</u>
Cash flows from investing activities				
Investment income (loss)	465	12,656	(23,847)	289
Net change in cash and investment pool	<u>(213,460)</u>	<u>30,850</u>	<u>373,295</u>	<u>746</u>
Cash and investment pool:				
Beginning of year	417,640	946,484	777,496	21,124
End of year	<u>\$ 204,180</u>	<u>\$ 977,334</u>	<u>\$ 1,150,791</u>	<u>\$ 21,870</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ 38,394	\$ 21,164	\$ 1,409,566	\$ (502)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	-	-	169,446	854
Changes in operating assets and liabilities that provided (used) cash:				
Receivables, net	-	(14,167)	13,550	-
Due from other funds	-	-	-	-
Due from other governments	-	-	(180,270)	-
Prepays	-	875	8,602	-
Accounts payable	(252,319)	9,989	9,473	105
Accrued liabilities	-	167	16,352	-
Due to other funds	-	-	-	-
Accrued compensated absences	-	166	34,930	-
Net cash provided by (used in) operating activities	<u>\$ (213,925)</u>	<u>\$ 18,194</u>	<u>\$ 1,481,649</u>	<u>\$ 457</u>

Motor Pool	Risk Management	Investment Pool	Employee Benefits	Retiree Health Savings Plan	Total
\$ 298,402	\$ 1,797,141	\$ 61,389	\$ 8,049,629	\$ 393,736	\$ 21,379,529
-	(76,231)	(25,143)	(73,906)	-	(1,594,442)
(454,852)	(1,619,536)	(42,451)	(7,196,702)	(393,734)	(17,780,970)
(156,450)	101,374	(6,205)	779,021	2	2,004,117
-	-	78,143	-	-	78,143
-	(52,163)	-	-	-	(1,219,751)
-	(52,163)	78,143	-	-	(1,141,608)
-	-	-	-	-	1,041,627
-	-	-	-	-	(958,546)
-	-	-	-	-	83,081
-	37,615	-	39,642	23	66,843
(156,450)	86,826	71,938	818,663	25	1,012,433
319,695	2,928,371	9,044	2,669,121	120	8,089,095
<u>\$ 163,245</u>	<u>\$ 3,015,197</u>	<u>\$ 80,982</u>	<u>\$ 3,487,784</u>	<u>\$ 145</u>	<u>\$ 9,101,528</u>
\$ (153,752)	\$ 227,127	\$ (68,191)	\$ (170,594)	\$ 2	\$ 1,303,214
-	-	-	-	-	170,300
(101)	12,694	-	388,375	(1,488)	398,863
160	-	-	-	-	160
-	-	-	-	-	(180,270)
-	-	-	102,069	-	111,546
(2,597)	21,281	(409)	393,876	1,488	180,887
-	(161,370)	147	62,851	-	(81,853)
(160)	-	61,389	-	-	61,229
-	1,642	859	2,444	-	40,041
<u>\$ (156,450)</u>	<u>\$ 101,374</u>	<u>\$ (6,205)</u>	<u>\$ 779,021</u>	<u>\$ 2</u>	<u>\$ 2,004,117</u>

COUNTY OF SAGINAW, MICHIGAN

Fiduciary Funds

Trust & Agency Fund - This fund is used to account for the collection of monies to be held in trust by the County 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.

Hospital Millage Fund - This fund is used to account for the collection and distribution of tax collections for the HealthSource of Saginaw operating millage and debt service.

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

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 Assets and Liabilities

Agency Funds

September 30, 2020

	Trust & Agency	State Education Tax	Library Penal Fine	Hospital Millage
Assets				
Cash and investment pool	\$ 1,296,837	\$ 8,019,429	\$ 76,223	\$ 1,305,722
Receivables:				
Taxes	-	-	-	41,685
Accounts	1,460,064	-	41,924	-
Accrued interest	182	-	3,230	16,247
Due from other governmental units	75,050	-	-	-
Total assets	<u>\$ 2,832,133</u>	<u>\$ 8,019,429</u>	<u>\$ 121,377</u>	<u>\$ 1,363,654</u>
Liabilities				
Accounts payable	\$ 830,928	\$ -	\$ -	\$ 6,259
Deposits payable	1,966,233	-	-	-
Due to other governmental units	34,972	8,019,429	121,377	1,357,395
Total liabilities	<u>\$ 2,832,133</u>	<u>\$ 8,019,429</u>	<u>\$ 121,377</u>	<u>\$ 1,363,654</u>



Saginaw Children's Zoo Millage	Dependent Care	Medical Spending Reimbursement	Total
\$ 74,829	\$ 9,414	\$ 5,609	\$ 10,788,063
5,647	-	-	47,332
-	-	1,086	1,503,074
1,541	-	-	21,200
-	-	-	75,050
<u>\$ 82,017</u>	<u>\$ 9,414</u>	<u>\$ 6,695</u>	<u>\$ 12,434,719</u>
\$ -	\$ 9,414	\$ 6,695	\$ 853,296
-	-	-	1,966,233
<u>82,017</u>	<u>-</u>	<u>-</u>	<u>9,615,190</u>
<u>\$ 82,017</u>	<u>\$ 9,414</u>	<u>\$ 6,695</u>	<u>\$ 12,434,719</u>

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, 2020

	Brownfield Redevelopment Authority	Adjustments	Statement of Net Position
Assets			
Cash and investment pool	\$ 477,238	\$ -	\$ 477,238
Receivables:			
Loans	200,000	-	200,000
Accrued interest	18,292	-	18,292
Advances to other funds	681,505	-	681,505
Total assets	<u>\$ 1,377,035</u>	<u>-</u>	<u>1,377,035</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 194	-	194
Fund balance			
Nonspendable	881,505	(881,505)	-
Unassigned	495,336	(495,336)	-
Total fund balance	<u>1,376,841</u>	<u>(1,376,841)</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 1,377,035</u>		
Net position			
Unrestricted		<u>\$ 1,376,841</u>	<u>\$ 1,376,841</u>

COUNTY OF SAGINAW, MICHIGAN

Statement of Activities and Statement of Revenues, Expenditures

and Changes in Fund Balances

Brownfield Redevelopment Authority Component Unit

For the Year Ended September 30, 2020

	Brownfield Redevelopment Authority	Adjustments	Statement of Activities
Revenues			
Property taxes	\$ 6,656	\$ -	\$ 6,656
Investment income	22,113	-	22,113
Total revenues	28,769	-	28,769
Expenditures / expenses			
Current:			
Community and economic development	409	-	409
Change in fund balance / net position	28,360	-	28,360
Fund balance / net position, beginning of year	1,348,481	-	1,348,481
Fund balance / net position, end of year	<u>\$ 1,376,841</u>	<u>\$ -</u>	<u>\$ 1,376,841</u>

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.

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

Governmental Activities Statement of Net Position and Governmental Fund Balance Sheet

Department of Public Works Component Unit

September 30, 2020

	Debt Service	Adjustments	Governmental Activities Statement of Net Position
Assets			
Cash and investment pool	\$ 336,994	\$ -	\$ 336,994
Accounts receivable	5,310	-	5,310
Due from other governmental units	9,032,000	132,434	9,164,434
Total assets	<u>\$ 9,374,304</u>	<u>132,434</u>	<u>9,506,738</u>
Liabilities			
Accrued liabilities	\$ -	132,434	132,434
Long-term liabilities:			
Due within one year	-	343,000	343,000
Due in more than one year	-	8,689,000	8,689,000
Total liabilities	<u>-</u>	<u>9,164,434</u>	<u>9,164,434</u>
Deferred inflows of resources			
Unavailable revenue - long-term receivables	9,032,000	(9,032,000)	-
Fund balance/net position			
Restricted for:			
Debt service	342,304	(342,304)	-
Total liabilities, deferred inflow of resources and fund balance	<u>\$ 9,374,304</u>		
Net position			
Restricted for:			
Debt service		<u>\$ 342,304</u>	<u>\$ 342,304</u>

COUNTY OF SAGINAW, MICHIGAN

Governmental Activities Statement of Activities and Statement of Revenues, Expenditures and

Changes in Fund Balance
 Department of Public Works Component Unit
 For the Year Ended September 30, 2020

	Debt Service	Adjustments	Governmental Activities Statement of Activities
Revenues			
Local grants and contributions	\$ 849,726	\$ (559,050)	\$ 290,676
Investment income	699	-	699
Total revenues	<u>850,425</u>	<u>(559,050)</u>	<u>291,375</u>
Expenditures / expenses			
Debt service:			
Principal	552,000	(552,000)	-
Interest and fiscal charges	336,834	(7,050)	329,784
Total expenditures / expenses	<u>888,834</u>	<u>(559,050)</u>	<u>329,784</u>
Change in fund balance / net position	(38,409)	-	(38,409)
Fund balance / net position, beginning of year	<u>380,713</u>	<u>-</u>	<u>380,713</u>
Fund balance / net position, end of year	<u><u>\$ 342,304</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 342,304</u></u>

COUNTY OF SAGINAW, MICHIGAN

Statement of Net Position

Department of Public Works Component Unit - Proprietary Fund
September 30, 2020

	Administration
Assets	
Current assets:	
Cash and investment pool	\$ 223,606
Accounts receivable	3,475
Noncurrent assets:	
Capital assets being depreciated, net	<u>55,686</u>
Total assets	<u>282,767</u>
Liabilities	
Accrued liabilities	<u>6,389</u>
Net position	
Investment in capital assets	55,686
Unrestricted	<u>220,692</u>
Total net position	<u>\$ 276,378</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, 2020

	Administration
Operating revenues	
Licenses and permits	\$ 123,874
Other revenue	30,000
	<hr/>
Total operating revenue	153,874
	<hr/>
Operating expenses	
Personnel services	92,873
Supplies	1,416
Services and charges	5,484
Depreciation	12,148
	<hr/>
Total operating expenses	111,921
	<hr/>
Operating income (loss)	41,953
	<hr/>
Nonoperating expenses	
Loss on disposal of capital assets	(14,985)
	<hr/>
Change in net position	26,968
	<hr/>
Net position, beginning of year	249,410
	<hr/>
Net position, end of year	<u>\$ 276,378</u>

COUNTY OF SAGINAW, MICHIGAN

Statement of Cash Flows

Department of Public Works Component Unit - Proprietary Fund
For the Year Ended September 30, 2020

	Administration
Cash flows from operating activities	
Receipts from customers	\$ 150,649
Payments to employees	(89,884)
Payments to suppliers	<u>(6,900)</u>
Net cash provided by operating activities / change in cash and investment pool	53,865
Cash and investment pool:	
Beginning of year	<u>169,741</u>
End of year	<u><u>\$ 223,606</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities	
Operating income	\$ 41,953
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	12,148
Changes in operating assets and liabilities that provided (used) cash:	
Accounts receivable	(3,225)
Accrued liabilities	<u>2,989</u>
Net cash provided by operating activities	<u><u>\$ 53,865</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.

Chapter 20 Drains Debt Service Fund - This fund is used to account for the payment of interest and principal on long-term debt resulting from “intra” county drain projects. Money received in this fund is provided by special assessments to local units of government and 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.

Chapter 20 Drains Construction Fund - This fund is used to account for the construction of drains petitioned by other local units of government. Money for the operation of this fund is supplied from contributions from other local units of government and interest earnings from investments.

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 Capital Projects Maintenance 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, 2020

	Debt Service Funds		Capital Projects Funds	
	Chapter 8 Drains	Chapter 20 Drains	Special Assessment Drain	Chapter 8 Drains
Assets				
Cash and investment pool	\$ 1,807,438	\$ -	\$ 3,355,882	\$ 8,933,607
Receivables:				
Special assessments	26,379,970	-	-	-
Accounts	-	-	266	-
Due from other funds	-	-	23,310	-
Advance to other funds	-	-	538,463	-
Due from other governmental units	3,909,654	-	935,550	134,983
Capital assets:				
Assets not being depreciated	-	-	-	-
Assets being depreciated, net	-	-	-	-
Total assets	<u>\$ 32,097,062</u>	<u>\$ -</u>	<u>\$ 4,853,471</u>	<u>\$ 9,068,590</u>
Liabilities				
Accounts payable	\$ 671	\$ -	\$ 298,772	\$ 961,250
Accrued liabilities	-	-	-	-
Due to other funds	78	-	-	23,232
Advance from other funds	538,463	-	-	-
Advances from primary government	-	-	-	-
Long-term liabilities:				
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total liabilities	<u>539,212</u>	<u>-</u>	<u>298,772</u>	<u>984,482</u>
Deferred inflows of resources				
Unavailable revenue - long-term receivables	30,289,624	-	-	-
Fund balances / net position				
Restricted for:				
Debt service	1,268,226	-	-	-
Capital projects	-	-	4,554,699	8,084,108
Total fund balances (deficit)	<u>1,268,226</u>	<u>-</u>	<u>4,554,699</u>	<u>8,084,108</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 32,097,062</u>	<u>\$ -</u>	<u>\$ 4,853,471</u>	<u>\$ 9,068,590</u>
Net position:				
Net investment in capital assets				
Restricted for:				
Debt service				
Acquisition/construction of capital assets				
Total net position				

Capital Projects Funds		Total		Statement of
Revolving Drain	Revolving Drain Maintenance	Governmental Funds	Adjustments	Net Position
\$ 145,000	\$ 145,234	\$ 14,387,161	\$ -	\$ 14,387,161
-	-	26,379,970	-	26,379,970
-	3,075	3,341	-	3,341
255,000	-	278,310	(278,310)	-
-	-	538,463	(538,463)	-
-	69	4,980,256	-	4,980,256
-	-	-	10,385,610	10,385,610
-	-	-	55,250,006	55,250,006
<u>\$ 400,000</u>	<u>\$ 148,378</u>	<u>\$ 46,567,501</u>	<u>64,818,843</u>	<u>111,386,344</u>
\$ -	\$ 2,421	\$ 1,263,114	-	1,263,114
-	-	-	244,660	244,660
-	255,000	278,310	(278,310)	-
-	-	538,463	(538,463)	-
400,000	-	400,000	-	400,000
-	-	-	2,231,379	2,231,379
-	-	-	28,969,486	28,969,486
<u>400,000</u>	<u>257,421</u>	<u>2,479,887</u>	<u>30,628,752</u>	<u>33,108,639</u>
-	-	30,289,624	(30,289,624)	-
-	-	1,268,226	(1,268,226)	-
-	(109,043)	12,529,764	(12,529,764)	-
-	(109,043)	13,797,990	(13,797,990)	-
<u>\$ 400,000</u>	<u>\$ 148,378</u>	<u>\$ 46,567,501</u>		
			34,434,751	34,434,751
			31,313,190	31,313,190
			<u>12,529,764</u>	<u>12,529,764</u>
			<u>\$ 78,277,705</u>	<u>\$ 78,277,705</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, 2020

	Debt Service Funds		Capital Projects Funds	
	Chapter 8 Drains	Chapter 20 Drains	Special Assessment Drain	Chapter 8 Drains
Revenues				
Special assessments	\$ 2,464,526	\$ -	\$ 598,143	\$ 59,228
Federal grants and contributions	-	-	75,378	-
State grants and contributions	-	-	973,276	552,022
Local grants and contributions	734,562	-	196,967	1,324,610
Investment income	31,233	-	19,205	37,232
Reimbursements	(35,354)	-	(5,843)	-
Total revenues	3,194,967	-	1,857,126	1,973,092
Expenditures / expenses				
Current:				
Public works	-	-	1,989,713	5,483,810
Depreciation	-	-	-	-
Debt service:				
Principal	2,566,877	-	-	-
Interest and fiscal charges	810,106	-	-	-
Total expenditures	3,376,983	-	1,989,713	5,483,810
Revenues over (under) expenditures/expenses	(182,016)	-	(132,587)	(3,510,718)
Other financing sources (uses)				
Transfers in	-	-	60,634	-
Transfers out	-	-	(23,000)	(37,634)
Proceeds from issuance of long-term debt	-	-	-	770,000
Total other financing sources (uses)	-	-	37,634	732,366
Change in fund balance / net position	(182,016)	-	(94,953)	(2,778,352)
Fund balances (deficit) / net position, beginning of year	1,450,242	-	4,649,652	10,862,460
Fund balances (deficit) / net position, end of year	\$ 1,268,226	\$ -	\$ 4,554,699	\$ 8,084,108

Capital Projects Funds				
Revolving Drain	Revolving Drain Maintenance	Total Governmental Funds	Adjustments	Statement of Net Position
\$ -	\$ -	\$ 3,121,897	\$ (1,303,805)	\$ 1,818,092
-	69	75,447	-	75,447
-	-	1,525,298	-	1,525,298
-	75	2,256,214	(247,995)	2,008,219
-	153	87,823	-	87,823
-	59,441	18,244	-	18,244
-	59,738	7,084,923	(1,551,800)	5,533,123
-	13,918	7,487,441	(5,510,222)	1,977,219
-	-	-	1,654,466	1,654,466
-	-	2,566,877	(2,566,877)	-
-	-	810,106	6,331	816,437
-	13,918	10,864,424	(6,416,302)	4,448,122
-	45,820	(3,779,501)	4,864,502	1,085,001
-	-	60,634	(60,634)	-
-	-	(60,634)	60,634	-
-	-	770,000	(770,000)	-
-	-	770,000	(770,000)	-
-	45,820	(3,009,501)	4,094,502	1,085,001
-	(154,863)	16,807,491	60,385,213	77,192,704
\$ -	\$ (109,043)	\$ 13,797,990	\$ 64,479,715	\$ 78,277,705