



**CITY OF**  
**SAGINAW**

Michigan

**Annual Comprehensive  
Financial Report**

For the Fiscal Year Ended

June 30, 2021

**City of Saginaw, Michigan**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended June 30, 2021**

Prepared by the Department of Fiscal Services

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# CITY OF SAGINAW

1315 S. Washington Avenue  
Saginaw, MI 48601  
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November 23, 2021

To the Honorable Mayor, Members of the City Council,  
And Citizens of the City of Saginaw:

In compliance with Section 52 of the City Charter, the annual comprehensive financial report of the City of Saginaw, Michigan for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the City. To the best of our knowledge and belief, the data presented is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

State law requires that all local governments, subject to a certain size criteria, publish within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally

accepted accounting standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report.

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

## **Profile of the Government**

The City of Saginaw, Michigan has operated under a Council/Manager form of government since January 6, 1936.

As required by City Charter, the nine member City Council is elected at-large on a non-partisan basis to serve four-year terms of office. The Council is vested with all legislative powers of the City except as otherwise provided by state law or the charter. The Mayor is selected from the nine members of the Council via a vote at the first meeting following the election and serves as the executive head of the City for a two-year term. The Mayor presides at all meetings of the Council, and may speak and vote in such meetings as any other member of the Council. The Mayor Pro-Tem is also selected by a vote during the first meeting following the election and performs the duties of the Mayor in his or her absence. The City Manager is appointed by the Council and is the Chief Administrative Officer and the head of the administrative branch of the City government. The City Manager is responsible for administering the policies and ordinances of the Council, for appointing the department heads of the City's various departments, and overseeing the day-to-day operations of the City.

The City of Saginaw is located in east central Michigan near the Saginaw Bay, and covers 18.09 square miles within Saginaw County. The cities of Saginaw, Midland, and Bay City form a metropolitan region known as the Great Lakes Bay Region. It should be noted that the most recent census data reflects that the city realized a significant population decrease from 51,508 (2010 census) to 44,202 (2020 census). Saginaw still remains the largest of the three cities.

The City provides a full range of services to its citizens. These services include law enforcement; fire protection and protective inspection; sanitation; water and wastewater treatment; maintenance of highways, streets, and infrastructure;

parks; planning and zoning; other general administrative services; and other services as mandated by law.

### **Economic Conditions and Outlook**

The City remains in stable financial condition, as is demonstrated by the financial statements and schedules included in this report. The top four revenues for the City are generated by the following, in order of revenue generated: 1. City Income Tax 2. State Shared Revenues, 3. Grants, and 4. Property Taxes. It is important to note that the City is limited in property tax collection due to a 1979 Charter amendment that placed a property tax cap on general operating collections. The City may only assess 7.5 mills or collect \$3.8 million, whichever is less, for general operations.

As the economy in Michigan and nationally has declined in recent years, so has the level of state shared revenue allocated to the City by the state government. During fiscal years 2017 through 2020 the City had seen slight increases in state shared revenue, but it was still significantly lower than it should have been, had even modest increases been made annually. In fiscal year 2021, as a part of the assistance from the State of Michigan due to the COVID-19 pandemic, the Constitutional portion of state shared revenue was increased 11%. In addition, the State offset some of the revenue losses with the Coronavirus Relief Local Government Grant, which will be realized in fiscal year 2021.

The City has had to direct additional efforts to collections of delinquent funds owed to the City, such as delinquent income taxes and other fee related revenue. The management team is determined to continue to improve processes and efficiencies to manage and collect all sources of revenue that are due to the



City. Furthermore, the continuing development of a fee based service delivery system, where applicable, for the City will be a priority in the upcoming fiscal year as the City will depend more upon service fees as a means to provide the current level of services to the community.

The City of Saginaw has seen a transformation in its economic base. For many years manufacturing associated with the auto industry provided the primary source of employment for the region. The City's economy relied heavily on General Motors and Delphi Automotive Systems, which accounted for approximately a quarter of the City's taxable valuation and City income tax revenue. In the past few years, the City has experienced a shift in the economy from automotive manufacturing to medical services and the health care industry. Three of the top ten major employers, in terms of income tax withholding, are now in the health care industry (Covenant Health Care, Ascension Health Ministry, and the Department of Veterans Affairs - VA Medical Center).

The City's Office of the City Manager, Office of Management and Budget (SEDC), and Saginaw Future Inc. are currently working on projects to bring new businesses to the City of Saginaw to further diversify the economic base. Central Michigan University College of Medicine has been operating for a few years, with multiple classes studying and working in Saginaw. The school is located at Covenant Medical Center and Ascension Health Ministry, both located in the city. Additionally, the city is experiencing growth and redevelopment in the downtown and Old Town areas: 218 S. Washington Avenue – The State Bank Building, is a new three-story, mixed-use building that was recently completed. The development has a first floor commercial tenant, The State Bank, and also includes four residential apartments on the

upper floor; and at 220 South Baum Street the Jacobson Building Parking Structure has been demolished. Currently, plans are underway to construct a surface parking lot that will include two Level II electric charging stations. The other significant downtown area, Old Town, continues to experience growth, as renovations are taking place on historic buildings to provide housing in the form of condominiums and apartments. Another addition to Old Town is 700 Court Street medical facility. This is a two-story, 30,000 square foot medical office that replaces the former John Moore School.

In January 2021, Ascension Saint Mary's Hospital opened their new Emergency Care Center at its downtown location, 800 South Washington Avenue. The newly constructed addition provides patients with an airport style drop-off/pick-up and continuous drop-off canopy for inclement weather.

In May 2021, the City of Saginaw received a \$200,000 grant award from the State of Michigan, Department of Treasury and State Land Bank Authority to promote public safety and health, enhancing economic development, public and private investments. This grant was utilized to for blight elimination services at the former Baker Perkins site locate at 1010 Hess Avenue. This grant provided funding for minor lead and asbestos abatement followed by the demolition of obsolete portions of the remaining structure.

### **Long-term Financial Planning**

The City anticipates that fiscal year 2022 will be another challenging year, especially with the unknown effects related to the COVID-19 pandemic. Though the long-term effects of COVID on many revenue streams are not completely known at this point, the City has received multiple grants as a result of

the COVID pandemic. These grants cover emergency protective measures, including PPE, payroll for police officers and firefighters, delinquent sewer and water bills, and steps taken to protect the public and employees.

On March 11, 2011, the President of the United States signed into law the \$350 billion American Rescue Plan Act (ARPA) to provide continued relief from the impact of the coronavirus pandemic. This funding allocates assistance to states, local tribal and territorial governments in responding to the coronavirus pandemic. The City of Saginaw was allocated \$52,089,151 in grant funding, which will be received in two tranches. The city has yet to allocate these funds and is still awaiting the release of the “Final” final rules from the Department of Treasury.

Other significant issues relate to retirees (healthcare and pension). This situation is not unique to the City of Saginaw, but is one that faces most communities across the country. Many cities have been forced to reduce services in recent years to deal with historically accrued liabilities. The City has made several changes in the past few years to impact the long-term liability related to post-employment benefits – both pension and healthcare. Saginaw has eliminated the defined benefit pension plan for new hires and eliminated retiree healthcare for employees hired after 2009. The City also opened a new hybrid defined benefit and contribution retirement plan and was able to reamortize the necessary contributions for our traditional defined benefit retirement plans. Furthermore, on January 1, 2017, the city transferred retirees into healthcare plans that are comparable to active healthcare plans. Previously, the city had 18 different retirement plans that were cost prohibitive. Through senior management’s diligent work with these retirees to reduce the 18 plans down to two cost

effective healthcare options, operational savings has been and will continue to be realized. We continue to evaluate and work toward additional changes.

The City of Saginaw has taken a proactive approach in addressing the issue of reduced revenue. As stated previously, the City has a renewed focus on collections and timeliness related to accounts receivable. A collections specialist has been working collaboratively with the Office of the City Clerk and the Department of Neighborhood Services and Inspections to ensure the notification and collection of past due Non-owner Occupied fees, Vacant Property Registration, and Business Licenses. Additionally, the City Manager created Management Review team that continues to review city operations and make recommendations to reduce expenses and improve efficiency. The team has continued to review operations and make additional recommendations and changes. The City Manager has also established a Financial Management Team to specifically address financial concerns. Finally, the City continues to update or develop fees for services and will continue to review all user fees generated by services provided to the public.

As has been typical for the past several years, the Fiscal Year 2021 budget was developed in a year of financial challenges. In March 2020, the COVID pandemic hit the Great Lakes Bay Region, which led to many unknowns that continue through the end of 2021. With the various grant sources available including ARPA, the City will be able to recover most all of the lost revenue related to this from fiscal year 2021.

Local units of government throughout the country are struggling to find ways to maintain services, particularly those cities that once relied heavily on the manufacturing industry.

City administration's primary goal is to help build our city for the future and to develop it into what we believe it can be going forward. It is an exciting time for the city. Development, opportunity, interest, and investment are all taking place, particularly in the Riverfront Saginaw District. With all of the changes over the last several years, the city has drastically changed the way it looks and the way that it does business. Community and economic development continue to be key focuses in Saginaw and there are some major initiatives that are happening. The City of Saginaw, in conjunction with the Michigan Municipal League and Saginaw Future, Inc., continues to find ways to enhance city services and entice businesses to the area. Riverfront Saginaw is the focus for commercial and entertainment enhancement in the City, and several like-minded community and business partners are working together to spread the positive message. This group is working together to get the word out about Saginaw. The goal is to accentuate the positives in our city, and let everyone know that Saginaw is open for business! Furthermore, in June of 2019, besides the city becoming a certified Redevelopment Ready Community, the city launched its marketing campaign with the revealing of its marketing video, "This is Saginaw, We Build Opportunity". The intent of this campaign is to attract new businesses, people, and real estate development to the city through changing the city's image.

City administration continues to take a holistic approach to financial planning, organizational development, and citizen engagement initiatives. We are increasing our presence in the community, while maintaining a budget that is solvent and sustainable. Legacy costs continue to be an issue for the city, and the city is actively engaged with our union groups and retirees to reduce those costs.

As our community changes so does the City of Saginaw as an organization. The economy has forced everyone to make adjustments to the way they live. It has been more difficult than ever to make ends meet. The City of Saginaw is no exception. As you will notice from our expenditures, as well as by observing City operations, the City is not funding parks and recreation activities in the manner in which we would like. Saginaw is largely relying on volunteers and community groups to help improve and maintain our parks, and also to provide recreation services to our youth. That is why community groups are essential to the success of our City, and we do thank each and every one of those organizations.

In June of 2009, the City's Controller prepared a five-year financial forecast and presented it to the City Council in July of that year. The forecast illustrated what may happen to the City's financial position if it were to continue operating as if the economic climate has not changed. Thinking about future expenses drives city operations to this day. While the audit shows that our financial position has drastically improved, we are always aware of our future expenses and liabilities.

For the past several years the City has been dedicated to developing balanced budgets, establishing and maintaining strategic reserve funds, responsible review of capital improvement plans, and the efficient use of resources. In order to do so, the city has made necessary changes to services and operations to decrease expenses. The goal is to provide the public with the service levels that the city can afford. Expenditures will continue to be reduced through the extensive review of operations, cost containment initiatives, and the strategic use of resources. Revenue will continue to be enhanced as the City seeks new and alternative methods of funding and focuses on the collection of past due receivables.

In the coming years, the City will have to continue to implement bold and innovative measures in order to remain operationally and fiscally sound. Current planning takes this into account and provides a basis from which to focus on change through reforms and related difficult decision making.

### **Strategic Planning**

The City of Saginaw management team and Council believe that long-term planning is vitally important to ensure the City's fiscal viability. The City of Saginaw's City Council and management team meet annually to discuss and prioritize the City's goals and objectives for the year.

In January 2017, The City of Saginaw's City Council, city administration, and members of the public set a five year vision for the City. The City's five key vision areas that came from this session were: 1.) Economic Development of the Urban Core, 2.) Neighborhood Revitalization, 3.) Arts, Culture, and Recreation, 4.) Police and Fire, and 5.) Utilities Infrastructure.

City Council and the Management Team envision a city that has reclaimed its longtime position as the region's most inviting and attractive place to live, work, play, and learn and have begun earmarking funding to meet these goals. This vision spotlights five areas where the City can re-invent itself and transition to the next level of excellence in local governance

### **Economic Development**

*In five years, Saginaw will be...*

- A diverse economy including medical, manufacturing, government, and agri-business industries.
- Engaged in place-making and development around the riverfront.
- Increasing in small business support and development.
- A community that embraces underserved populations to create pathways to prosperity.

### **Neighborhood Revitalization**

*In five years, Saginaw will have...*

- More code enforcement and community policing which will equal higher property values and better quality of life.
- A plan developed for housing in the City.
- Fewer vacant homes.
- Funding to adequately enforce the city's crime-fee lease addendum.
- Valuable use of vacant land created by blight removal.
- Larger neighborhood associations for increased transparency.

### Arts, Culture, and Recreation

*In five years, Saginaw will be...*

- Structurally, focusing on improvements to a Central park area
- Administratively, developing a stronger promotion and cultural identity for the entire Celebration Square and surrounding attractions.
- Integrating promotion of Arts, Culture, and Recreation available in Saginaw into the City's promotional materials.
- Revamping City's promotional materials to meet the goal above.
- Completing the Riverwalk Loop.
- Finding a means to financially support and staff, as necessary, to accomplish the structural and administrative visions.
- Developing a resolution for Council to adopt that commits the City to this central park development, and conveys this to the public.

### Police and Fire

*In five years, Saginaw will have...*

- More public safety resources to better serve the community, resulting in more cases investigated and people feeling safe in their homes.

- Funding to stabilize Public Safety workforce, which will result in improved levels of service to the community.
- Night life safety.
- Stability of jobs to make people want to work/live here.
- More diversity in the fire department.
- A high level of service.

### Utility Infrastructure

*In five years, Saginaw will have...*

- Available resources and capacity to support development within the Water Treatment Plant and the Wastewater Treatment Plant.
- Feasibility of rehab or new water plant established.
- Wastewater improvements and continued maintenance being made and sustained.
- Established asset management plans

### Image (Brand, Perception)

In October 2017, City Council adopted a mission statement, a vision statement, and core values.

*Mission Statement:* The City of Saginaw is committed to providing high quality services to ensure an inclusive, safe, and vibrant community in which to live, work, learn, and play.

*Vision Statement:* Saginaw, through collaboration and public/private ventures, will be a welcoming community that promotes neighborhood growth; stimulates business development and innovation; and fosters entertainment and educational opportunities for all.

*Core Values:*

- Diversity and Inclusiveness – We appreciate and value the uniqueness of each individual. We treat everyone with respect and dignity.
- Service, Accountability, and Responsiveness – We put our citizens first by establishing measureable performance goals, recognizing achievements, and responding to needs.
- Unity, Collaboration, and Teamwork – We form effective partnerships that maximize resources and deliver high quality services across the community.

During the strategic planning session, city council and the management team also developed SWOT Analysis for each priority. The entire Strategic Plan can be found on the city’s website at [www.saginaw-mi.com](http://www.saginaw-mi.com).

## **Financial Information**

### **Budgetary Controls**

The City Charter requires the City Council, by resolution, to determine and adopt the budget and make the appropriations for the next fiscal year. It also requires, by resolution, for a tax levy amount necessary to be raised by taxation at least 30 days prior to the first day of the upcoming fiscal year.

Budgetary control is exercised at the department level (appropriation center) in the General Fund and at the fund level for all other funds. An encumbrance is placed on funds as purchase orders are issued as a way of accomplishing budgetary controls. Purchase orders that would exceed activity balances are not released until additional appropriations are made by City Council, or budget transfers, within the scope of authority granted by City Council, are executed. Actual expenditures are compared to anticipated expenditures and significant variances are identified and monitored monthly.

General fund line item budget transfers from one account to another with the same appropriation center (General Government, Fiscal Services, Police, Fire, Neighborhood Services, Public Service – General Fund, and Other General Fund) can be made without City Council approval. All budget transfers from one appropriation center to another must be approved by City Council. In all other funds, line item budget transfers from one account to another within the same department and fund can be made without City Council approval. These adjustments are reflected in the budget amounts in the financial statements.

### Internal Controls

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the City assets are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. We believe that the City's internal controls provide reasonable assurance of the proper recording of financial transactions. Because of inherent limitations in any internal accounting control, errors or irregularities nevertheless may occur and not be detected.

### Single Audit

As a recipient of federal and state financial assistance, the City also is responsible for ensuring that adequate controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by the City's management team.

As part of the City's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal awards, as well as to determine that the City has complied with applicable laws and regulations.

### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a certificate of achievement for Excellence in Financial Reporting to the City of Saginaw for its annual comprehensive financial report for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principals and applicable legal requirements.

A certificate of achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

**Acknowledgements**

The preparation and completion of the annual comprehensive financial report could not be accomplished on a timely basis without the dedicated services of the entire Department of Fiscal Services. Additionally, we would like to thank all members of City departments who assisted and contributed to its preparation.

We would also like to thank the Mayor, members of the City Council, and various City Departments for their leadership and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully Submitted,

A handwritten signature in black ink that reads "Timothy Morales". The signature is written in a cursive style with a prominent initial 'T' and 'M'.

Timothy Morales  
City Manager





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Saginaw  
Michigan**

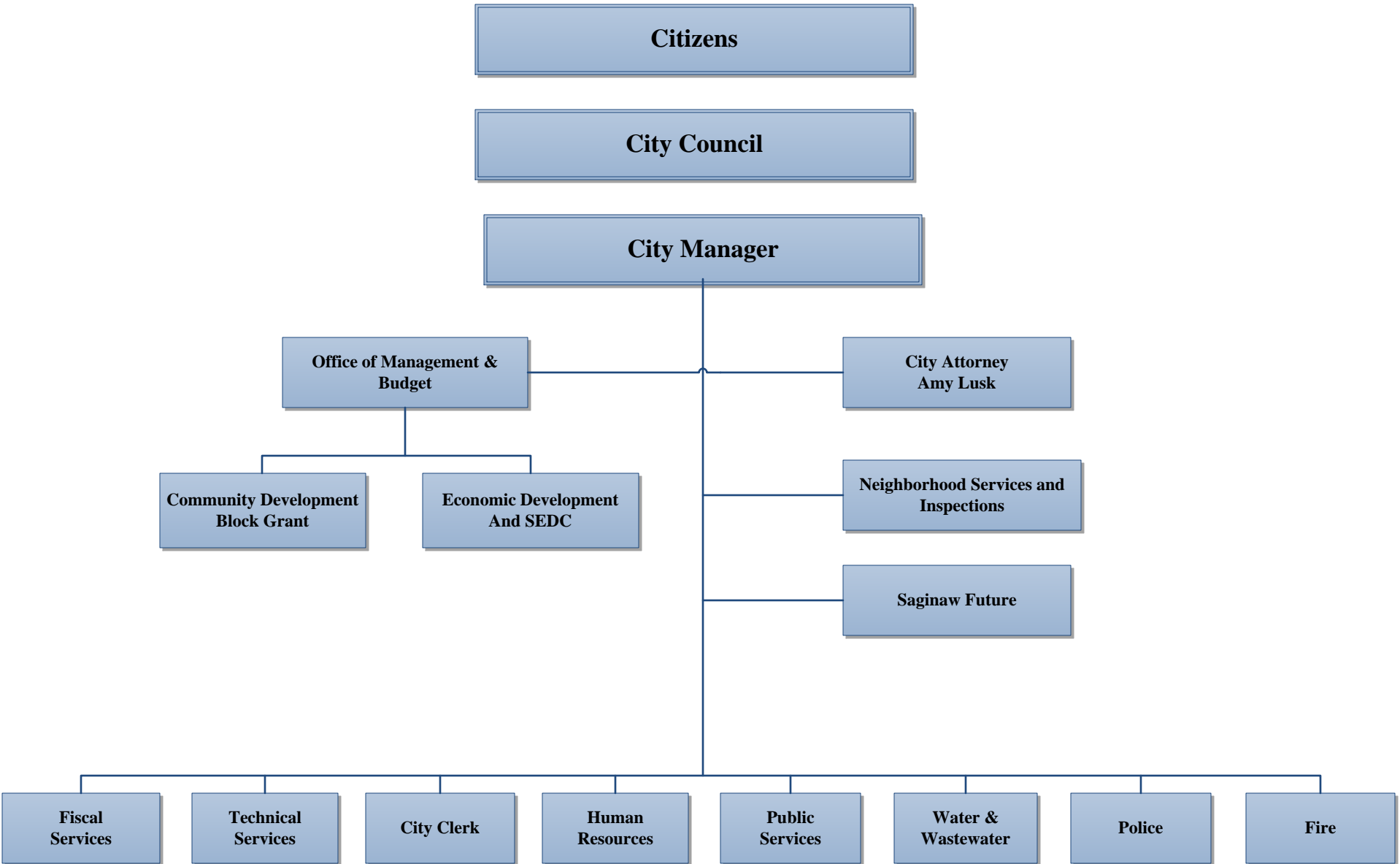
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

# CITY OF SAGINAW



- Health Officer

**City of Saginaw**  
**List of Elected and Appointed Officials**  
**June 30, 2021**

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**City Council**

Brenda F. Moore – Mayor

Michael D. Balls – Mayor Pro-Tem

Annie E. Boensch – Council Member

Reggie Williams II – Council Member

Bill J. Ostash – Council Member

Autumn L. Scherzer – Council Member

George Copeland Jr. – Council Member

Michael Flores – Council Member

Monique Lamar-Silvia – Council Member

**Administrative Staff**

Tim Morales – City Manager

Lori Brown – Finance Director



800.968.0010 | yeoandyeo.com

## Independent Auditors' Report

To the Honorable Mayor and City Council  
City of 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 City of Saginaw, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City'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.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, 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 City of Saginaw, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance 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, budgetary comparison schedules, retirement system information and other postemployment benefit information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Saginaw's basic financial statements. The introductory section, statistical section, and other supplementary information, as identified in the table of contents, are presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The other supplementary information, as identified in the table of contents, is the responsibility of management and, other than the prior year information, was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The other supplementary 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, based on our audit, the procedures performed as described above, other than the prior year information, the other supplementary information, as identified in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

## **Prior Year Supplementary Information**

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Saginaw's basic financial statements as of and for the year ended June 30, 2020, which are not presented with the accompanying financial statements. In our report dated December 1, 2020, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely present component units, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the City of Saginaw's basic

financial statements as a whole. The June 30, 2020 information in the comparative other supplementary schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the City of Saginaw's basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 June 30, 2020 information in the comparative supplementary schedules is fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2021 on our consideration of the government's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the government's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the government's internal control over financial reporting and compliance.

*Yeo & Yeo, P.C.*

Saginaw, Michigan  
November 23, 2021

**City of Saginaw**  
**Management's Discussion and Analysis**  
**June 30, 2021**

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As management of the **City of Saginaw, Michigan**, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the accompanying basic financial statements.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements 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 City's finances, in a manner similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, general services, and community and economic development. The business-type activities of the City include the Water and Sewer services and the Boat Launch activities.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a Tax Increment Finance Authority, Downtown Development Authority, Saginaw Economic Development Corporation, Local Development Finance Authority, and a Brownfield Redevelopment Authority. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 3 - 1 through 3 - 3 of this report.

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

**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.

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

The City maintains eighteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Major Streets and Community Development Fund, all of which are considered to be major funds.

Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for all funds and it is approved by the City Council per the City Charter. Budgetary comparison statements or schedules have been provided herein to demonstrate compliance with those budgets.

The basic governmental fund financial statements can be found on pages 3 - 4 through 3 - 9 of this report.

**Proprietary funds.** The City 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 City uses enterprise funds to account for its Water and Sewer services and its Boat Launch activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally

among the City's various functions. The City of Saginaw uses internal service funds to account for its Information Systems operations, Geographic Information Services, Radio Revolving activities, Motor Pool operations, Public Works Building, and Risk Management program.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund, Sewer Fund, and Boat Launch Fund, with the Water and Sewer Funds considered to be major funds. Data from the other proprietary funds are combined and presented separately. Individual fund data for the internal service funds are provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 3 - 10 through 3 - 15 of 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 City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 3 - 16 through 3 - 17 of this report.

**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. The notes to the financial statements can be found on pages 3 - 20 through 3 - 54 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information*. This includes the combining and individual fund financial



**City of Saginaw**  
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statements and schedules. Combining and individual fund statements and schedules can be found in section 5 of this report.

The following table shows the revenue and expense components of changes in net position for the year ended June 30, 2021.

**Government-wide Financial Analysis**

The City of Saginaw has combined net position of (\$252,504,672). Business type activities comprise \$37,875,479 and governmental activities make up (\$290,380,151) of the total net position.

The table below shows, in a condensed format, a comparison of the net position as for the current date to the prior year.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current assets	\$ 99,902,282	\$ 36,764,751	\$ 82,764,909	\$ 65,457,164	\$ 182,667,191	\$ 102,221,915
Capital assets	18,129,410	48,345,417	113,752,174	116,096,143	131,881,584	164,441,560
<b>Total assets</b>	<b>118,031,692</b>	<b>85,110,168</b>	<b>196,517,083</b>	<b>181,553,307</b>	<b>314,548,775</b>	<b>266,663,475</b>
Deferred outflows	13,099,253	23,270,568	6,988,356	8,889,002	20,087,609	32,159,570
<b>Total assets and deferred outflows</b>	<b>131,130,945</b>	<b>108,380,736</b>	<b>203,505,439</b>	<b>190,442,309</b>	<b>334,636,384</b>	<b>298,823,045</b>
Current liabilities	32,843,547	7,734,209	3,883,588	3,779,874	36,727,135	11,514,083
Long-term liabilities	383,890,668	398,944,426	159,543,056	144,078,158	543,433,724	543,022,584
<b>Total liabilities</b>	<b>416,734,215</b>	<b>406,678,635</b>	<b>163,426,644</b>	<b>147,858,032</b>	<b>580,160,859</b>	<b>554,536,667</b>
Deferred inflows	4,776,881	19,885	2,203,316	3,576	6,980,197	23,461
<b>Total liabilities and deferred inflows</b>	<b>421,511,096</b>	<b>406,698,520</b>	<b>165,629,960</b>	<b>147,861,608</b>	<b>587,141,056</b>	<b>554,560,128</b>
<b>Net position:</b>						
Net investment in capital assets	45,792,805	43,667,352	83,713,133	81,044,715	129,505,938	124,712,067
Restricted	3,198,365	3,126,039	-	-	3,198,365	3,126,039
Unrestricted (deficit)	(339,371,321)	(345,111,175)	(45,837,654)	(38,464,014)	(385,208,975)	(383,575,189)
<b>Total net position</b>	<b>\$ (290,380,151)</b>	<b>\$ (298,317,784)</b>	<b>\$ 37,875,479</b>	<b>\$ 42,580,701</b>	<b>\$ (252,504,672)</b>	<b>\$ (255,737,083)</b>

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Program Revenues:</b>						
Charges for Services	\$ 13,964,211	\$ 10,937,162	\$ 38,721,794	\$ 39,224,466	\$ 52,686,005	\$ 50,161,628
Operating Grants & Contributions	14,729,127	10,913,329	36,319	110	14,765,446	10,913,439
Capital Grants and Contributions	579	4,033	47,788	597,872	48,367	601,905
<b>General Revenues:</b>						
Property Taxes	6,657,337	6,546,788	-	-	6,657,337	6,546,788
Income Taxes	14,140,160	13,782,996	-	-	14,140,160	13,782,996
State Shared Revenue	9,399,205	8,085,913	-	-	9,399,205	8,085,913
Grants not restricted	1,795,383	1,386,127	-	-	1,795,383	1,386,127
Unrestricted invest earnings	458,073	685,927	37,474	235,729	495,547	921,656
Misc	42,865	249,936	2,062,739	605,527	2,105,604	855,463
Gain on Sale of Cap Assets	-	61,001	6,225	813	6,225	61,814
<b>Total Revenues</b>	<b>61,186,940</b>	<b>52,653,212</b>	<b>40,912,339</b>	<b>40,664,517</b>	<b>102,099,279</b>	<b>93,317,729</b>
<b>Expenses</b>						
General Government	7,293,888	11,737,879	-	-	7,293,888	11,737,879
Administration	2,762,034	2,944,829	-	-	2,762,034	2,944,829
Public Safety	24,443,753	41,033,612	-	-	24,443,753	41,033,612
Highway Streets	5,710,678	9,091,839	-	-	5,710,678	9,091,839
Other General Services	7,921,440	9,321,965	-	-	7,921,440	9,321,965
Community Services	1,762,495	2,295,835	-	-	1,762,495	2,295,835
Economic Development	3,246,656	2,423,422	-	-	3,246,656	2,423,422
Interest on Long-term Debt:						
Sewer	160,748	82,082	-	-	160,748	82,082
Water	-	-	22,984,898	23,405,389	22,984,898	23,405,389
Boat Launch	-	-	22,567,473	24,874,838	22,567,473	24,874,838
Total Expenses	53,301,692	78,931,463	45,565,177	48,297,789	98,866,869	127,229,252
<b>Excess or (deficiency) before transfers</b>	<b>7,885,248</b>	<b>(26,278,251)</b>	<b>(4,652,838)</b>	<b>(7,633,272)</b>	<b>3,232,410</b>	<b>(33,911,523)</b>
<b>Transfers</b>	<b>52,384</b>	<b>23,015</b>	<b>(52,384)</b>	<b>(23,015)</b>	<b>-</b>	<b>-</b>
<b>Change in net position</b>	<b>7,937,632</b>	<b>(26,255,236)</b>	<b>(4,705,222)</b>	<b>(7,656,287)</b>	<b>3,232,410</b>	<b>(33,911,523)</b>
Net position - beginning	(298,317,784)	(272,062,548)	42,580,701	50,236,988	(255,737,083)	(221,825,560)
<b>Total net position</b>	<b>\$ (290,380,152)</b>	<b>\$ (298,317,784)</b>	<b>\$ 37,875,479</b>	<b>\$ 42,580,701</b>	<b>\$ (252,504,673)</b>	<b>\$ (255,737,083)</b>

Business-type activities net position decreased \$4,705,222 during the year due to increased liabilities in OPEB and debt service payments. Governmental activities net position increased \$7,937,633 during the year due to a reduction in unrestricted deficit.

**City of Saginaw**  
**Management's Discussion and Analysis**  
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**Governmental Activities**

General revenues for governmental activities totaled approximately \$32.5 million for the year ended June 30, 2021. This is a decrease from the prior year due to decreases in all areas of general revenues. Property taxes provided \$6.7 million in revenues while income tax generated approximately \$14.1 million from residents and non-residents who live or work in the City respectively. Intergovernmental revenues, in the form of state shared revenues, continue to be of concern. While they provided approximately \$9.4 million, even with the current increase, it is uncertain what will happen in the next several years.

Expenses for governmental activities decreased by about \$25.6 million due to decreases in the public safety sector and general government, and highway and streets but most notably in the public safety sector.

**Business-type Activities**

Business-type activities operated by the City include the water and sewer systems and the boat launch. Program revenues from business-type activities were approximately \$38.7 million. Significant items include sewer service - \$19.1 million and water supply - \$19.6 million.

The water and sewer expenses decreased by \$2.7 million in fiscal year 2021, relating to the decrease in salaries and benefits expense and the refinancing of the 2011 water bond with the new 2021 water bond.

Raw water from Lake Huron is provided via the Saginaw-Midland Municipal Water Supply Corporation (SMMWSC), a joint venture between the City of Saginaw and the City of Midland. The SMMWSC pipeline supplies the City's water treatment plant as well as Midland's large industrial customers. The City owns and operates its own sanitary sewer collection and treatment system. In accordance with regulations promulgated by the Michigan Department of Environmental Quality, the sewer treatment system is operated by the City of Saginaw.

**Current economic events**

As of the date of this analysis, several issues are worth noting in evaluating the financial condition of the City of Saginaw.

COVID-19 Pandemic – The City was impacted in many areas due to the COVID-19 Pandemic. The City will recover lost revenue through various grants from the State and Federal governments including the American Rescue Plan Act of 2021 of which the City's allocation was \$52 million dollars. Along with the Coronavirus Relief Local Government Grant, First Responder Hazard Pay Grant, and the Public Safety Public Health Payroll Reimbursement Program.

Property tax cap – In 1979, the citizens of Saginaw froze the maximum dollar levy to that of the previous year, which stands to date at \$3,828,788. Therefore, the corporate millage rate must be adjusted annually with each change in taxable value to ensure adherence to the imposed dollar levy cap or 7.5 mills, whichever is lower.

Renaissance Zones – Development in Renaissance Zones has increased and allows for residents of the zone to be assessed immaterial property taxes, and no local or state income taxes. Businesses located in the Renaissance Zone are exempt from local and state corporate taxes. Recent medical activity in zones has resulted in job movement from inside and outside of the City into the zones. Recent housing developments have resulted in new residents moving into the zones.

Economic growth – The City continues to experience moderate economic growth, in both residential and commercial properties. The Saginaw Housing Commission continues to provide scattered public housing within the City of Saginaw. Future State of Michigan Public Act 425 Agreements or corresponding service agreements continue to be negotiated with other communities as they increase business and residential development. These agreements will provide a direct revenue flow to the general fund. The most promising Public Act 425 Agreement revenue stream is local income tax.

Local income tax – The City of Saginaw receives approximately 34% of its general fund revenue from local income tax. The income tax revenue in fiscal year 2021. For the 2021-2022 budget, the revenue from income taxes is expected to increase by \$425,000. This will continue to be monitored and adjusted as the impact from the pandemic continues.

**City of Saginaw**  
**Management's Discussion and Analysis**  
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State shared revenues – The City of Saginaw receives approximately 22.7% of its general fund revenue from state revenue sharing. For the 2021-2022 budget the funding has remained at levels of the 2020-2021 budget.

**Financial analysis of City funds and budgets**

The general fund ended 2020-2021 with a fund balance of approximately \$15.4 million, of which \$304,025 is nonspendable for prepaids and inventory, \$1,670,588 is restricted for general government and public safety, \$1,012,350 is committed for public safety and general government, and \$3,850,000 is assigned for community services and general government obligations.

The unassigned fund balance is \$8,621,292 as of June 30, 2021. The unassigned amount represented 24.7% of the June 30, 2021 general fund expenditures and other financing uses. That same number represents 22.8% of the fiscal year 2021-2022 budget (prior to 2021-2022 budget amendments). The net positions of several restricted fund balances for certain activities have been cleared out by the net pension liability and the net OPEB liability.

Several factors affected general fund operating results:

- City Income tax revenue increased \$357,164
- State shared revenue increased \$1,313,292
- Grants, donations and contributions increased \$2,586,418
- Licenses, permits, and fees increased \$488,197
- Miscellaneous increased \$2,608,245

The general fund budget is amended throughout the year. Revenues were \$647,007 over budget while expenditures were \$3,497,578 under budget.

The City's June 30, 2021, \$303 million in unfunded health care liability impacts all funds per the December 31, 2020, measurement. Prior to

the 2003-2004 fiscal year, the general fund was the single contributing fund to this liability. After receiving the June 30, 2001 actuary report, other funds were budgeted to contribute. The City has taken many steps to address the unfunded liability and filed a plan with the state to begin funding retiree healthcare, beginning with the fiscal year ending June 30, 2019. The City met its commitment to set aside additional funding in a trust during fiscal year 2021.

**Capital asset and debt administration**

**Capital assets**

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounted to \$164,040,865 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings, leasehold improvements, machinery and equipment, office furniture and fixtures, and vehicles.

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

- Asphalt Roads - \$2,948,729
- Tuscola Alley Improvements - \$266,148
- Bay Street Water Main Replacement - \$1,250,234
- Public Safety – Vehicles, Body Armor, Turnout Gear, Ballistic Vests, Improvements to Facilities - \$565,074

Additional information on the City's capital assets can be found beginning on page 3 - 33 of this report.

**Long-term debt**

At the end of the current fiscal year, the City of Saginaw had total debt outstanding of \$48.7 million in principal and \$15.7 million in interest. The City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds) as well as installment contracts and capital leases for equipment.

**City of Saginaw  
Management's Discussion and Analysis  
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sources (i.e., revenue bonds) as well as installment contracts and capital leases for equipment.

	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
Loans/bonds	\$ 4,464,824	\$ 505,616	\$ 44,195,506	\$ 15,223,266	\$ 48,660,330	\$ 15,728,882
Capital leases	75,626	5,016	-	-	75,626	5,016
<b>Total</b>	<b>\$ 4,540,450</b>	<b>\$ 510,632</b>	<b>\$ 44,195,506</b>	<b>\$ 15,223,266</b>	<b>\$ 48,735,956</b>	<b>\$ 15,733,898</b>

The City maintains an “BBB+” bond rating with Standard & Poor’s for its general obligation debt.

State statutes (Article 7, Section II, Michigan Constitution of 1963) limit 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 City is \$47,104,000 which is significantly higher than the City’s outstanding general obligation debt.

Additional information on the City’s long-term debt can be found on pages 3 - 36 through 3 - 39 of this report.

**Economic factors and next year’s budget**

The following factors were considered in preparing the City’s budget for the 2022 fiscal year:

- The effects of the COVID-19 pandemic on the financial position of the city
- A slight increase in property taxes
- Significant increase to the police, fire, and nonsworn pension contributions
- 3% increase in retiree healthcare costs
- 3% increase in active healthcare costs
- 2.0% increase in full-time wages, based on collective bargaining agreements
- Lead and copper galvanized line replacement

**Contacting the City of Saginaw**

This report is intended to aid our residents and other interested parties in understanding the City of Saginaw’s financial condition. Questions and comments should be directed to the Fiscal Services Department at the Saginaw City Hall, 1315 South Washington Avenue, Saginaw, Michigan 48601. Fiscal Services staff can be reached at 989-759-1443 or at [pmoran@saginaw-mi.com](mailto:pmoran@saginaw-mi.com).

**City of Saginaw**  
**Statement of Net Position**  
**June 30, 2021**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and cash equivalents	\$ 58,731,436	\$ 31,730,250	\$ 90,461,686	\$ 1,512,652
Investments	-	5,766,139	5,766,139	-
Receivables, net	4,022,551	4,485,088	8,507,639	1,499,073
Due from other units of government	4,037,338	36,321	4,073,659	11,000
Internal balances	(3,203,072)	3,203,072	-	-
Inventories	651,609	1,385,019	2,036,628	-
Prepaid items	355,720	5,144	360,864	-
Investment in Saginaw-Midland Municipal Water Supply Corporation	-	16,440,807	16,440,807	-
Restricted assets				
Cash and cash equivalents	86,891	19,713,069	19,799,960	-
Investments	3,060,528	-	3,060,528	-
Capital assets not being depreciated	18,129,410	8,085,073	26,214,483	-
Capital assets, net of accumulated depreciation	<u>32,159,281</u>	<u>105,667,101</u>	<u>137,826,382</u>	<u>-</u>
Total assets	<u>118,031,692</u>	<u>196,517,083</u>	<u>314,548,775</u>	<u>3,022,725</u>
<b>Deferred outflows of resources</b>				
Deferred amount on bond refunding	-	397,155	397,155	-
Deferred amounts related to the net pension liability	7,505,173	5,490,393	12,995,566	-
Deferred amounts related to the net OPEB liability	<u>5,594,080</u>	<u>1,100,808</u>	<u>6,694,888</u>	<u>-</u>
Total deferred outflows of resources	<u>13,099,253</u>	<u>6,988,356</u>	<u>20,087,609</u>	<u>-</u>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Statement of Net Position**  
**June 30, 2021**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Liabilities</b>				
Accounts payable	\$ 2,391,016	\$ 1,635,729	\$ 4,026,745	\$ 106,072
Accrued and other liabilities	4,407,955	2,247,859	6,655,814	-
Unearned revenue	26,044,576	-	26,044,576	-
Noncurrent liabilities due within one year				
Debt due within one year	2,451,177	3,538,889	5,990,066	-
Claims payable	2,649,808	-	2,649,808	-
Noncurrent liabilities due in more than one year				
Debt due in more than one year	3,751,145	47,522,521	51,273,666	-
Net pension liability	120,823,497	59,312,482	180,135,979	-
Net OPEB liability	254,215,041	49,169,164	303,384,205	-
Total liabilities	<u>416,734,215</u>	<u>163,426,644</u>	<u>580,160,859</u>	<u>106,072</u>
<b>Deferred inflows of resources</b>				
Deferred amount related to the net OPEB liability	476,214	92,111	568,325	-
Deferred amount related to the net pension liability	4,300,667	2,111,205	6,411,872	-
Total deferred inflows of resources	<u>4,776,881</u>	<u>2,203,316</u>	<u>6,980,197</u>	<u>-</u>
<b>Net position</b>				
Net investment in capital assets	45,792,805	83,713,133	129,505,938	-
Restricted for				
Drug forfeiture	65,146	-	65,146	-
Clean energy	1,787	-	1,787	-
Culture and recreation	12,280	-	12,280	-
Permanent fund				
Expendable	96,846	-	96,846	-
Nonexpendable	3,022,306	-	3,022,306	-
Unrestricted (deficit)	<u>(339,371,321)</u>	<u>(45,837,654)</u>	<u>(385,208,975)</u>	<u>2,916,653</u>
Total net position	<u>\$ (290,380,151)</u>	<u>\$ 37,875,479</u>	<u>\$ (252,504,672)</u>	<u>\$ 2,916,653</u>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Statement of Activities**  
**For the Year Ended June 30, 2021**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
<b>Primary government</b>								
Governmental activities								
General government	\$ 7,293,888	\$ 2,633,094	\$ 540,254	\$ -	\$ (4,120,540)	\$ -	\$ (4,120,540)	\$ -
Administration	2,762,034	2,659,583	-	-	(102,451)	-	(102,451)	-
Public safety	24,443,753	3,934,349	2,303,157	579	(18,205,668)	-	(18,205,668)	-
Highways and streets	5,710,678	43,921	8,636,396	-	2,969,639	-	2,969,639	-
General services	7,921,440	4,301,514	-	-	(3,619,926)	-	(3,619,926)	-
Community services	1,762,495	338,077	228,224	-	(1,196,194)	-	(1,196,194)	-
Economic development	3,246,656	53,673	3,021,096	-	(171,887)	-	(171,887)	-
Interest on long-term debt	160,748	-	-	-	(160,748)	-	(160,748)	-
Total governmental activities	<u>53,301,692</u>	<u>13,964,211</u>	<u>14,729,127</u>	<u>579</u>	<u>(24,607,775)</u>	<u>-</u>	<u>(24,607,775)</u>	<u>-</u>
Business-type activities								
Sewer	22,567,473	19,100,467	24,277	47,788	-	(3,394,941)	(3,394,941)	-
Water	22,984,898	19,589,373	12,042	-	-	(3,383,483)	(3,383,483)	-
Boat launch	12,806	31,955	-	-	-	19,149	19,149	-
Total business-type activities	<u>45,565,177</u>	<u>38,721,795</u>	<u>36,319</u>	<u>47,788</u>	<u>-</u>	<u>(6,759,275)</u>	<u>(6,759,275)</u>	<u>-</u>
Total primary government	<u>\$ 98,866,869</u>	<u>\$ 52,686,006</u>	<u>\$ 14,765,446</u>	<u>\$ 48,367</u>	<u>(24,607,775)</u>	<u>(6,759,275)</u>	<u>(31,367,050)</u>	<u>-</u>
<b>Component units</b>	<u>\$ 688,322</u>	<u>\$ -</u>	<u>\$ 311,017</u>	<u>\$ -</u>				<u>(377,305)</u>
General revenues								
Property taxes					6,657,337	-	6,657,337	184,504
City income taxes					14,140,160	-	14,140,160	-
Unrestricted state shared revenue					9,399,205	-	9,399,205	-
Grants not restricted to specific programs					1,795,383	-	1,795,383	-
Investment earnings					458,073	37,474	495,547	64,996
Gain on sale of capital assets					-	6,225	6,225	-
Maintenance charge					-	1,327,088	1,327,088	-
Miscellaneous					42,865	735,650	778,515	-
Transfers					52,384	(52,384)	-	-
Total general revenues and transfers					<u>32,545,407</u>	<u>2,054,053</u>	<u>34,599,460</u>	<u>249,500</u>
Change in net position					7,937,632	(4,705,222)	3,232,410	(127,805)
Net position - beginning of year					<u>(298,317,783)</u>	<u>42,580,701</u>	<u>(255,737,082)</u>	<u>3,044,458</u>
Net position - end of year					<u>\$ (290,380,151)</u>	<u>\$ 37,875,479</u>	<u>\$ (252,504,672)</u>	<u>\$ 2,916,653</u>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2021**

	<u>General</u>	<u>Major Streets</u>	<u>Community Development</u>	<u>American Rescue Plan Act</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Cash and cash equivalents	\$ 13,580,120	\$ 2,767,448	\$ -	\$ 26,044,677	\$ 3,832,213	\$ 46,224,458
Receivables, net of allowance	2,046,479	4,028	20,003	-	1,499,535	3,570,045
Due from other units of government	1,642,311	1,098,071	889,956	-	398,390	4,028,728
Due from other funds	1,008,000	-	-	-	-	1,008,000
Inventories	265,716	135,885	-	-	-	401,601
Prepaid items	38,309	-	-	-	174,865	213,174
Notes and contracts receivable	-	-	397,005	-	-	397,005
Restricted assets						
Cash and cash equivalents	-	-	86,891	-	-	86,891
Investments	303,040	-	-	-	2,757,488	3,060,528
<b>Total assets</b>	<b><u>\$ 18,883,975</u></b>	<b><u>\$ 4,005,432</u></b>	<b><u>\$ 1,393,855</u></b>	<b><u>\$ 26,044,677</u></b>	<b><u>\$ 8,662,491</u></b>	<b><u>\$ 58,990,430</u></b>
<b>Liabilities</b>						
Accounts payable	\$ 349,140	\$ 355,555	\$ 402,653	\$ -	\$ 468,655	\$ 1,576,003
Accrued and other liabilities	933,638	48,274	18,564	-	706,791	1,707,267
Due to other funds	2,076,485	-	898,709	-	109,291	3,084,485
Unearned revenue	-	-	-	26,044,576	-	26,044,576
<b>Total liabilities</b>	<b><u>3,359,263</u></b>	<b><u>403,829</u></b>	<b><u>1,319,926</u></b>	<b><u>26,044,576</u></b>	<b><u>1,284,737</u></b>	<b><u>32,412,331</u></b>

See Accompanying Notes to the Financial Statements



**City of Saginaw**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2021**

	General	Major Streets	Community Development	American Rescue Plan Act	Nonmajor Governmental Funds	Total Governmental Funds
<b>Deferred inflows of resources</b>						
Accounts receivable	\$ 35,074	\$ -	\$ 20,003	\$ -	\$ 875,442	\$ 930,519
Notes and contracts receivable	-	-	377,397	-	-	377,397
Grants	31,383	6,833	74,741	-	9,227	122,184
Total deferred inflows of resources	<u>66,457</u>	<u>6,833</u>	<u>472,141</u>	<u>-</u>	<u>884,669</u>	<u>1,430,100</u>
<b>Fund balances</b>						
Non-spendable						
Inventories	265,716	135,885	-	-	-	401,601
Prepaid items	38,309	-	-	-	174,865	213,174
Endowments	-	-	-	-	3,022,306	3,022,306
Restricted for						
General government	30,678	-	-	-	-	30,678
Roads	-	3,458,885	-	-	564,802	4,023,687
Public safety	1,639,910	-	-	-	490,998	2,130,908
Rubbish	-	-	-	-	1,573,819	1,573,819
Police grants	-	-	-	-	113,190	113,190
Drug forfeiture	-	-	-	-	65,146	65,146
Culture and recreation	-	-	-	-	12,280	12,280
Clean energy	-	-	-	-	1,787	1,787
Permanent fund	-	-	-	-	96,846	96,846
Committed	1,012,350	-	-	-	58,345	1,070,695
Assigned	3,850,000	-	-	-	325,582	4,175,582
Unassigned (deficit)	<u>8,621,292</u>	<u>-</u>	<u>(398,212)</u>	<u>101</u>	<u>(6,881)</u>	<u>8,216,300</u>
Total fund balances (deficit)	<u>15,458,255</u>	<u>3,594,770</u>	<u>(398,212)</u>	<u>101</u>	<u>6,493,085</u>	<u>25,147,999</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,883,975</u>	<u>\$ 4,005,432</u>	<u>\$ 1,393,855</u>	<u>\$ 26,044,677</u>	<u>\$ 8,662,491</u>	<u>\$ 58,990,430</u>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Governmental Funds**  
**Reconciliation of Fund Balances of Governmental Funds**  
**to the Net Position of Governmental Activities**  
**June 30, 2021**

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<b>Total fund balances for governmental funds</b>	<b>\$ 25,147,999</b>
Total net position for governmental activities in the statement of net position is different because	
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds.	31,632,594
Capital assets not being depreciated used in governmental activities are not financial resources and therefore are not reported in the funds.	18,129,410
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	1,430,100
Certain liabilities are not due and payable in the current period and are not reported in the funds.	
Accrued interest	(72,894)
Compensated absences	(1,541,180)
Deferred outflows (inflows) of resources	
Deferred outflows (inflows) of resources resulting from the net pension liability	2,770,709
Deferred outflows (inflows) of resources resulting from the net OPEB liability	4,923,087
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities.	
Long-term debt	(4,488,885)
Net pension liability	(113,413,626)
Net OPEB liability	(244,719,330)
Internal service funds are included as part of governmental activities.	<u>(10,178,135)</u>
<b>Net position of governmental activities</b>	<b><u>\$ (290,380,151)</u></b>

**City of Saginaw**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2021**

	<u>General</u>	<u>Major Streets</u>	<u>Community Development</u>	<u>American Rescue Plan Act</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>						
General operating property taxes	\$ 3,708,598	\$ -	\$ -	\$ -	\$ 2,927,323	\$ 6,635,921
City income tax	14,140,160	-	-	-	-	14,140,160
State shared revenues	9,399,205	6,347,151	-	-	1,753,984	17,500,340
Licenses, permits and fees	3,187,041	25,355	-	-	4,427,889	7,640,285
Fines, penalties and forfeitures	215,251	-	-	-	6,068	221,319
Grants, donations and contributions	6,578,881	535,261	3,418,483	-	668,273	11,200,898
Interest on loans and investments	362,720	427	5,658	101	103,395	472,301
Rents and privileges	621,879	-	4,705	-	35,554	662,138
Sale of materials and services	-	19,205	-	-	-	19,205
Loan repayments	-	-	34,426	-	-	34,426
Miscellaneous	3,066,152	40,286	20,054	-	120,036	3,246,528
Total revenues	<u>41,279,887</u>	<u>6,967,685</u>	<u>3,483,326</u>	<u>101</u>	<u>10,042,522</u>	<u>61,773,521</u>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2021**

	<u>General</u>	<u>Major Streets</u>	<u>Community Development</u>	<u>American Rescue Plan Act</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Expenditures</b>						
Current						
General government	\$ 5,080,665	\$ -	\$ -	\$ -	\$ 1,917,690	\$ 6,998,355
Administration	2,703,906	-	-	-	-	2,703,906
Public safety	21,848,391	-	-	-	3,022,626	24,871,017
Highways and streets	-	6,048,703	-	-	1,834,899	7,883,602
General services	3,364,773	-	-	-	3,944,767	7,309,540
Community services	1,694,097	-	-	-	264,778	1,958,875
Economic development	-	-	3,203,394	-	-	3,203,394
Debt service						
Principal retirement	228,639	119,648	-	-	432,830	781,117
Interest and fiscal charges	33,394	22,792	-	-	99,544	155,730
Total expenditures	<u>34,953,865</u>	<u>6,191,143</u>	<u>3,203,394</u>	<u>-</u>	<u>11,517,134</u>	<u>55,865,536</u>
Excess (deficiency) of revenues over expenditures	<u>6,326,022</u>	<u>776,542</u>	<u>279,932</u>	<u>101</u>	<u>(1,474,612)</u>	<u>5,907,985</u>
<b>Other financing sources (uses)</b>						
Transfers in	147,467	-	-	-	919,566	1,067,033
Transfers out	(658,394)	(59,158)	(142,967)	-	(154,130)	(1,014,649)
Sale of capital assets	-	-	-	-	83,086	83,086
Issuance of debt	552,627	-	-	-	-	552,627
Total other financing sources (uses)	<u>41,700</u>	<u>(59,158)</u>	<u>(142,967)</u>	<u>-</u>	<u>848,522</u>	<u>688,097</u>
Net change in fund balance	6,367,722	717,384	136,965	101	(626,090)	6,596,082
Fund balance (deficit) - beginning of year	<u>9,090,533</u>	<u>2,877,386</u>	<u>(535,177)</u>	<u>-</u>	<u>7,119,175</u>	<u>18,551,917</u>
Fund balance (deficit) - end of year	<u>\$ 15,458,255</u>	<u>\$ 3,594,770</u>	<u>\$ (398,212)</u>	<u>\$ 101</u>	<u>\$ 6,493,085</u>	<u>\$ 25,147,999</u>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Governmental Funds**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2021**

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<b>Net change in fund balances - Total governmental funds</b>	<b>\$ 6,596,082</b>
Total change in net position reported for governmental activities in the statement of activities is 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.	
Depreciation expense	(3,074,617)
Capital outlay	5,296,859
Sale of capital assets (net book value)	(409,843)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Special assessments	(81,688)
Grants	(342,000)
Notes receivable	(74,637)
Expenses are recorded when incurred in the statement of activities	
Accrued interest	(5,018)
Compensated absences	2,142,880
The statement of net position reports the net pension and OPEB liabilities and deferred outflows and deferred inflows of resources related to the net pension and OPEB liabilities and pension and OPEB expense. However, the amount recorded on the governmental funds equals actual pension and OPEB contributions.	
Net change in the deferred inflows and outflows of resources related to the net pension liability	(5,232,696)
Net change in the deferred inflows and outflows of resources related to the net OPEB liability	(9,054,816)
Net change in the net pension liability	3,127,268
Net change in the net OPEB liability	9,404,696
Bond proceeds are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.	
Issuance of debt	(552,627)
Repayments of long-term debt	781,117
Internal service funds are also included as governmental activities	(583,328)
<b>Change in net position of governmental activities</b>	<b>\$ 7,937,632</b>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2021**

	Enterprise Funds			Internal Service Funds	
	Sewer	Water	Nonmajor Boat Launch		Total
<b>Assets</b>					
Current assets					
Cash and cash equivalents	\$ 19,128,710	\$ 12,574,067	\$ 27,473	\$ 31,730,250	\$ 12,506,978
Investments	1,350,049	4,416,090	-	5,766,139	-
Receivables					
Customers	2,898,542	1,488,683	-	4,387,225	55,501
Special assessments, current	51,572	46,291	-	97,863	-
Due from other units of government	24,278	12,043	-	36,321	8,610
Due from other funds	2,076,485	-	-	2,076,485	-
Inventories	182,917	1,202,102	-	1,385,019	250,008
Prepaid items	1,769	3,375	-	5,144	142,546
Restricted cash - bond proceeds	-	19,713,069	-	19,713,069	-
<b>Total current assets</b>	<b>25,714,322</b>	<b>39,455,720</b>	<b>27,473</b>	<b>65,197,515</b>	<b>12,963,643</b>
Noncurrent assets					
Investment in Saginaw-Midland Municipal Water Supply Corporation	-	16,440,807	-	16,440,807	-
Capital assets not being depreciated	4,010,739	3,045,442	1,028,892	8,085,073	-
Capital assets, net of accumulated depreciated	43,355,389	62,275,256	36,456	105,667,101	526,687
<b>Total noncurrent assets</b>	<b>47,366,128</b>	<b>81,761,505</b>	<b>1,065,348</b>	<b>130,192,981</b>	<b>526,687</b>
<b>Total assets</b>	<b>73,080,450</b>	<b>121,217,225</b>	<b>1,092,821</b>	<b>195,390,496</b>	<b>13,490,330</b>
<b>Deferred outflows of resources</b>					
Deferred amount on bond refunding	-	397,155	-	397,155	-
Deferred amounts related to net pension liability	3,056,073	2,434,320	-	5,490,393	697,548
Deferred amounts related to net OPEB liability	632,512	468,296	-	1,100,808	212,565
<b>Total deferred outflows of resources</b>	<b>3,688,585</b>	<b>3,299,771</b>	<b>-</b>	<b>6,988,356</b>	<b>910,113</b>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2021**

	Enterprise Funds			Internal Service Funds	
	Sewer	Water	Nonmajor Boat Launch		Total
<b>Liabilities</b>					
Current liabilities					
Accounts payable	\$ 564,427	\$ 1,070,870	\$ 432	\$ 1,635,729	\$ 815,013
Accrued and other liabilities	235,670	2,012,189	-	2,247,859	2,627,794
Current portion of compensated absences	525,216	386,929	-	912,145	-
Current portion of long-term debt	1,506,456	1,120,288	-	2,626,744	14,397
Current portion of claims payable	-	-	-	-	2,649,808
Total current liabilities	<u>2,831,769</u>	<u>4,590,276</u>	<u>432</u>	<u>7,422,477</u>	<u>6,107,012</u>
Noncurrent liabilities					
Accrued compensated absences	-	-	-	-	120,692
Net pension liability	32,365,717	26,946,765	-	59,312,482	7,409,871
Net OPEB liability	28,247,546	20,921,618	-	49,169,164	9,495,711
Long-term debt net of current portion	5,270,578	42,251,943	-	47,522,521	37,168
Total noncurrent liabilities	<u>65,883,841</u>	<u>90,120,326</u>	<u>-</u>	<u>156,004,167</u>	<u>17,063,442</u>
Total liabilities	<u>68,715,610</u>	<u>94,710,602</u>	<u>432</u>	<u>163,426,644</u>	<u>23,170,454</u>
<b>Deferred inflows of resources</b>					
Deferred amounts related to net pension liability	1,152,045	959,160	-	2,111,205	263,751
Deferred amounts related to net OPEB liability	52,917	39,194	-	92,111	17,786
Total deferred inflows of resources	<u>1,204,962</u>	<u>998,354</u>	<u>-</u>	<u>2,203,316</u>	<u>281,537</u>
<b>Net position</b>					
Net investment in capital assets	40,589,094	42,058,691	1,065,348	83,713,133	475,122
Unrestricted (deficit)	<u>(33,740,631)</u>	<u>(13,250,651)</u>	<u>27,041</u>	<u>(46,964,241)</u>	<u>(9,526,670)</u>
Total net position	<u>\$ 6,848,463</u>	<u>\$ 28,808,040</u>	<u>\$ 1,092,389</u>	36,748,892	<u>\$ (9,051,548)</u>
Some amounts reported for business-type activities in the statement of net position are different because certain internal service funds assets and liabilities are reported with business-type activities				<u>1,126,587</u>	
Net position of business-type activities				<u>\$ 37,875,479</u>	

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Year Ended June 30, 2021**

	Enterprise Funds			Internal Service Funds	
	Sewer	Water	Nonmajor Boat Launch		Total
<b>Operating revenue</b>					
User charges	\$ 19,100,467	\$ 19,589,373	\$ 31,955	\$ 38,721,795	\$ 7,215,493
Other revenue	221,203	1,351,896	-	1,573,099	386,863
Total operating revenue	<u>19,321,670</u>	<u>20,941,269</u>	<u>31,955</u>	<u>40,294,894</u>	<u>7,602,356</u>
<b>Operating expenses</b>					
Salaries and benefits	12,986,736	12,053,454	-	25,040,190	3,223,750
Supplies	894,373	2,053,389	379	2,948,141	669,198
Contractual services	3,517,722	3,354,022	1,727	6,873,471	2,334,744
Claims	-	-	-	-	1,918,344
Utilities	99,452	96,493	1,460	197,405	98,312
Repairs and maintenance	63,443	90,948	-	154,391	156,141
Other expenses	1,164,635	1,055,276	4,117	2,224,028	36,619
Depreciation	<u>3,504,089</u>	<u>2,322,481</u>	<u>5,123</u>	<u>5,831,693</u>	<u>148,367</u>
Total operating expenses	<u>22,230,450</u>	<u>21,026,063</u>	<u>12,806</u>	<u>43,269,319</u>	<u>8,585,475</u>
Operating income (loss)	<u>(2,908,780)</u>	<u>(84,794)</u>	<u>19,149</u>	<u>(2,974,425)</u>	<u>(983,119)</u>

See Accompanying Notes to the Financial Statements



**City of Saginaw**  
**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Year Ended June 30, 2021**

	Enterprise Funds			Internal Service Funds	
	Sewer	Water	Nonmajor Boat Launch		Total
<b>Nonoperating revenue (expenses)</b>					
Federal grant	\$ 24,277	\$ 12,042	\$ -	\$ 36,319	\$ 8,610
Gain on sale of investments	4,057	33,417	-	37,474	4,662
Gain on sale of capital assets	-	6,225	-	6,225	62,509
Contractual obligations to SMMWSC	-	(214,448)	-	(214,448)	-
Increase in investment in SMMWSC	-	353,598	-	353,598	-
Bond issuance costs	-	(324,075)	-	(324,075)	-
Amortization	-	136,041	-	136,041	-
Interest expense	(155,465)	(1,277,860)	-	(1,433,325)	-
	<u>(127,131)</u>	<u>(1,275,060)</u>	<u>-</u>	<u>(1,402,191)</u>	<u>75,781</u>
Total nonoperating revenues (expenses)					
Income (loss) before capital contributions and transfers	(3,035,911)	(1,359,854)	19,149	(4,376,616)	(907,338)
Capital contributions	47,788	-	-	47,788	-
Transfers out	(26,677)	(21,207)	(4,500)	(52,384)	-
	<u>(3,014,800)</u>	<u>(1,381,061)</u>	<u>14,649</u>	<u>(4,381,212)</u>	<u>(907,338)</u>
Change in net position					
Net position - beginning of year	<u>9,863,263</u>	<u>30,189,101</u>	<u>1,077,740</u>		<u>(8,144,210)</u>
Net position - end of year	<u>\$ 6,848,463</u>	<u>\$ 28,808,040</u>	<u>\$ 1,092,389</u>		<u>\$ (9,051,548)</u>
Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities				<u>(324,010)</u>	
Change in net position of business-type activities				<u>\$ (4,705,222)</u>	

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2021**

	Enterprise Funds				Internal Service Funds
	Sewer	Water	Nonmajor Boat Launch	Total	
<b>Cash flows from operating activities</b>					
Receipts from customers	\$ 19,576,057	\$ 22,257,627	\$ 31,955	\$ 41,865,639	\$ -
Receipts from interfund users	-	-	-	-	7,553,785
Payments to suppliers	(5,137,122)	(5,167,141)	(7,431)	(10,311,694)	(4,727,523)
Payments to employees	(10,488,705)	(9,083,530)	-	(19,572,235)	(2,899,303)
Net cash provided (used) by operating activities	<u>3,950,230</u>	<u>8,006,956</u>	<u>24,524</u>	<u>11,981,710</u>	<u>(73,041)</u>
<b>Cash flows from noncapital financing activities</b>					
Transfers to other funds	(26,677)	(21,207)	(4,500)	(52,384)	-
Federal grant	24,277	12,042	-	36,319	6,961
Net cash provided (used) by noncapital financing activities	<u>(2,400)</u>	<u>(9,165)</u>	<u>(4,500)</u>	<u>(16,065)</u>	<u>6,961</u>
<b>Cash flows from capital and related financing activities</b>					
Proceeds from issuance of long-term debt	-	21,695,642	-	21,695,642	-
Capital contributions	47,788	-	-	47,788	-
Purchases/construction of capital assets	(1,466,613)	(2,021,111)	-	(3,487,724)	(222,314)
Principal and interest paid on long-term debt	(1,093,071)	(9,636,935)	-	(10,730,006)	(17,411)
Contractual obligations to Saginaw-Midland Municipal Water Supply Corporation	-	(214,448)	-	(214,448)	-
Proceeds from sale of capital assets	-	6,225	-	6,225	62,509
Net cash provided (used) by capital and related financing activities	<u>(2,511,896)</u>	<u>9,829,373</u>	<u>-</u>	<u>7,317,477</u>	<u>(177,216)</u>
<b>Cash flows from investing activities</b>					
Sale of investments	12,593	-	-	12,593	-
Purchase of investments	-	(51,307)	-	(51,307)	-
Interest received	4,057	34,420	-	38,477	4,661
Net cash provided (used) by investing activities	<u>16,650</u>	<u>(16,887)</u>	<u>-</u>	<u>(237)</u>	<u>4,661</u>
Net change in cash and cash equivalents	1,452,584	17,810,277	20,024	19,282,885	(238,635)
Cash and cash equivalents - beginning of year	<u>17,676,126</u>	<u>14,476,859</u>	<u>7,449</u>	<u>32,160,434</u>	<u>12,745,613</u>
Cash and cash equivalents - end of year	<u>\$ 19,128,710</u>	<u>\$ 32,287,136</u>	<u>\$ 27,473</u>	<u>\$ 51,443,319</u>	<u>\$ 12,506,978</u>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2021**

	Enterprise Funds				Internal Service Funds
	Sewer	Water	Nonmajor Boat Launch	Total	
<b>Reconciliation to the statement of net position</b>					
Cash and cash equivalents	\$ 19,128,710	\$ 12,574,067	\$ 27,473	\$ 31,730,250	\$ 12,506,978
Restricted cash	-	19,713,069	-	19,713,069	-
Cash and cash equivalents	<u>\$ 19,128,710</u>	<u>\$ 32,287,136</u>	<u>\$ 27,473</u>	<u>\$ 51,443,319</u>	<u>\$ 12,506,978</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>					
Operating income (loss)	\$ (2,908,780)	\$ (84,794)	\$ 19,149	\$ (2,974,425)	\$ (983,119)
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Depreciation	3,504,089	2,322,481	5,123	5,831,693	148,367
Noncash change - net pension liability	1,017,728	828,781	-	1,846,509	180,702
Noncash change - net OPEB liability	277,451	1,485,946	-	1,763,397	24,425
Changes in assets and liabilities					
Receivables (net)	278,665	1,328,401	-	1,607,066	(48,571)
Due from other units of government	(24,278)	(12,043)	-	(36,321)	(6,961)
Inventories	91,315	344,614	-	435,929	(26,730)
Prepaid items	104	54	-	158	(12,631)
Deferred outflows of resources	1,106,846	793,800	-	1,900,646	359,976
Accounts payable	(248,410)	191,660	252	(56,498)	34,389
Accrued and other liabilities	7,353	152,859	-	160,212	371,355
Deferred inflows of resources	1,202,852	996,888	-	2,199,740	280,823
Claims payable	-	-	-	-	(230,197)
Compensated absences	(354,705)	(341,691)	-	(696,396)	(164,869)
Net cash provided (used) by operating activities	<u>\$ 3,950,230</u>	<u>\$ 8,006,956</u>	<u>\$ 24,524</u>	<u>\$ 11,981,710</u>	<u>\$ (73,041)</u>

**Noncash Investing, Capital, and Financing Activities**

During the year ended June 30, 2021, the Water Fund recognized an increase in the Investment in Saginaw Midland Municipal Water Corporation of \$353,598 that was a noncash item. The internal service funds obtained capital lease for \$56,926, increasing long-term liabilities and capital assets.

**City of Saginaw**  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**June 30, 2021**

	<u>December 31, 2020</u>	
	<u>OPEB Trust Fund</u>	<u>Custodial Funds</u>
<b>Assets</b>		
Cash and cash equivalents	\$ -	\$ 532,636
Interest in pooled investments	<u>2,021,108</u>	<u>-</u>
Total assets	<u>2,021,108</u>	<u>532,636</u>
<b>Liabilities</b>		
Accounts payable	-	346,949
Due to other units of government	<u>-</u>	<u>185,687</u>
Total liabilities	<u>-</u>	<u>532,636</u>
<b>Net position</b>		
Restricted for other employee benefits	<u>\$ 2,021,108</u>	<u>\$ -</u>

**City of Saginaw**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2021**

	For the Year Ended December 31, 2020	
	<u>OPEB Trust Fund</u>	<u>Custodial Funds</u>
<b>Additions</b>		
Contributions		
Employer	\$ 11,329,911	\$ -
Investment earnings		
Change in fair value	48,773	-
Property tax collections	-	17,506,528
Total additions	<u>11,378,684</u>	<u>17,506,528</u>
<b>Deductions</b>		
Retiree healthcare premium payments	10,356,571	-
Administrative expenses	2,757	-
Payments of property tax to other governments	-	17,506,528
Total deductions	<u>10,359,328</u>	<u>17,506,528</u>
Change in net position	1,019,356	-
Net position - beginning of year	<u>1,001,752</u>	<u>-</u>
Net position - end of year	<u>\$ 2,021,108</u>	<u>\$ -</u>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Combining Statement of Net Position**  
**Component Units**  
**June 30, 2021**

	TIFA Activities	DDA Activities	Saginaw Economic Development Corporation	Brownfield Activities	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 5,185	\$ 148,765	\$ 1,295,026	\$ 63,676	\$ 1,512,652
Notes and contracts receivable	-	-	1,499,073	-	1,499,073
Due from other units of government	-	-	11,000	-	11,000
<b>Total assets</b>	<u>5,185</u>	<u>148,765</u>	<u>2,805,099</u>	<u>63,676</u>	<u>3,022,725</u>
<b>Liabilities</b>					
Accounts payable	-	37,634	11,000	57,438	106,072
<b>Net position</b>					
Unrestricted	<u>\$ 5,185</u>	<u>\$ 111,131</u>	<u>\$ 2,794,099</u>	<u>\$ 6,238</u>	<u>\$ 2,916,653</u>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Combining Statement of Activities**  
**Component Units**  
**For the Year Ended June 30, 2021**

Functions/Programs	Expenses	Charges for services	Operating grants and contributions	Net (expense) revenue
TIFA Activities	\$ -	\$ -	\$ -	\$ -
DDA Activities	278,609	-	51,036	(227,573)
Saginaw Economic Development Corporation	352,275	-	259,981	(92,294)
Brownfield Activities	57,438	-	-	(57,438)
<b>Total component unit activities</b>	<b>\$ 688,322</b>	<b>\$ -</b>	<b>\$ 311,017</b>	<b>\$ (377,305)</b>

**Component Units**

	TIFA Activities	DDA Activities	Saginaw Economic Development Corporation	Brownfield Activities	Total
Net expense	\$ -	\$ (227,573)	\$ (92,294)	\$ (57,438)	\$ (377,305)
General revenues:					
Property taxes	-	121,491	-	63,013	184,504
Unrestricted investment earnings	-	13	64,981	2	64,996
<b>Total general revenues</b>	<b>-</b>	<b>121,504</b>	<b>64,981</b>	<b>63,015</b>	<b>249,500</b>
Change in net position	-	(106,069)	(27,313)	5,577	(127,805)
Net position, beginning of year	5,185	217,200	2,821,412	661	3,044,458
<b>Net position, end of year</b>	<b>\$ 5,185</b>	<b>\$ 111,131</b>	<b>\$ 2,794,099</b>	<b>\$ 6,238</b>	<b>\$ 2,916,653</b>

See Accompanying Notes to the Financial Statements

**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

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**Note 1 - Summary of Significant Accounting Policies**

The accounting policies of the City of Saginaw, Michigan (the “City”) conform to accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies used by the City of Saginaw:

**Reporting entity**

City of Saginaw is governed by an elected nine-member Council. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the City’s operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City (see discussion below for description).

**Discretely presented component units**

The component unit column in the entity wide financial statements includes the financial data of the City’s four component units. These units are reported in a separate column to emphasize that they are legally separate from the City. Separately issued financial statements are not prepared for any of the discretely presented component units.

Tax Increment Finance Authority (TIFA) – One component unit – City Council established TIFA districts pursuant to Act 450 of the public Acts of 1980 for the Saginaw Division project. Property tax revenues received from the “captured” portion of this property are restricted to pay project expenditures or set aside for future development within the district depending on the development plan adopted for the project. The members of the governing Board of the TIFA are appointed by City Council and development agreement of the TIFA district is also approved by City Council. The City has the ability to significantly influence the operations of the TIFA.

Downtown Development Authority (DDA) – One component units – The members of the governing Board of the DDA are appointed by City Council and development agreements of the DDA district is also approved by City Council. The district was established for the DDA 2011. The City has the ability to significantly influence the operations of the DDA. The DDA 2011 district began capturing taxes in fiscal year 2016.

Saginaw Economic Development Corporation (SEDC) – One component unit – The members of the governing Board of the SEDC are appointed by City Council and they review and approve loans to businesses located within the City limits. The City has the ability to significantly influence the operations of the SEDC.

Brownfield Redevelopment Authority – One component unit – Property tax revenues received from the “captured” portion of these properties are restricted to pay site cleanup 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 City Council and they review and approve development plans for businesses relocating within designated areas of the City where property was once contaminated. The City has the ability to significantly influence the operations of the Brownfield Redevelopment Authority.

**OPEB Trust Fund**

The City maintains an OPEB trust fund through the Municipal Employees’ Retirement System of Michigan Retirement Health Funding Vehicle. Although legally separate from the City, it is reported as a fiduciary component unit because the plan imposes a financial burden on the City.

**Joint venture – Saginaw-Midland Municipal Water Supply Corporation (SMMWSC)**

The City of Saginaw purchases raw water from the SMMWSC. This corporation brings water from Lake Huron, beginning at Whitestone Point, through a joint supply line, to Junction Station, at which point it is



**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

pumped through separate lines to Midland and Saginaw. The joint line is operated and maintained by the Corporation, which is an inter-governmental body composed of six members. Three members each are appointed by the Saginaw and Midland City Councils. The City of Saginaw owns 23/43rds of the Saginaw-Midland Municipal Water Supply Corporation and the City of Midland owns 20/43rds.

This joint venture is accounted for in the Water Fund using the equity method. The City reported an increase in equity of \$353,598 as nonoperating revenues. At June 30, 2021, total outstanding bonded debt and loans of the SMMWSC was \$3,295,000. The City was obligated for \$1,762,442 of this total. During fiscal year 2021, the City paid the Corporation \$214,448 to finance its share of the contractual obligations. The City's equity of \$16,440,2807 in the SMMWSC is recorded as an investment within the Noncurrent Assets section on the statement of net position of the Water Fund.

The financial information for the year ended June 30, 2021, for the SMMWSC is as follows:

Total assets and deferred outflows of resources	\$ 36,176,250
Total liabilities and deferred inflows of resources	<u>5,439,087</u>
Net position:	
City of Saginaw	16,440,807
City of Midland	<u>14,296,356</u>
Total net position	<u><u>\$ 30,737,163</u></u>
Total revenues	\$ 4,692,596
Total expenses	<u>4,031,521</u>
Net gain	661,075
Net position at beginning of year	<u>30,076,088</u>
Total net position	<u><u>\$ 30,737,163</u></u>

Complete financial statements can be obtained at the Saginaw-Midland Municipal Water Supply Corporation, 4678 Three Mile Road, Bay City, Michigan 48706.

**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. *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 segments are offset by program

**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

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

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

**Measurement focus, basis of accounting, and financial statement presentation**

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

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

compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, 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 City.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Major Streets Fund receives allocations of State collected gasoline taxes and license fees to be used for the maintenance, repair and construction of major streets and bridges within the City.

The Community Development Fund accounts for the grant revenues and related community development projects under the grants.

The American Rescue Plan Act Grant Fund accounts for the federal revenues and expenditures of the grant.

The City reports the following major proprietary funds:

The Water Fund accounts for the activities of the City's water distribution and treatment system.

The Sewer Fund accounts for the activities of the City's sewage disposal and treatment system.

**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

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Additionally, the City reports the following:

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

Permanent funds account for monies provided by a private bequest that must be maintained intact and invested. Investment earnings are used based on the donors' directions.

Internal service funds account for fringe benefit, information services, radio equipment, geographic information systems, and fleet management services provided to other departments or agencies of the City on a cost reimbursement basis.

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

Other Employee Benefit Trust funds are used to account for assets held in trust for other employee benefits.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 Sewer and Water Funds and the internal service funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for sewer and water 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 City's policy to use restricted resources first, then unrestricted resources as they are needed.

**Assets, liabilities, and net position or equity**

Deposits and investments – For purposes of the statement of cash flows, the City considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

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

Activity 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

**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

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outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

All receivables are shown as net of allowance for uncollectible amounts.

Inventories and prepaid items – Inventories are valued at cost, on a first-in, first-out basis (special revenue funds) or average cost (enterprise and internal service funds) methods. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future fiscal years. For such payments in governmental funds the City follows the consumption method, and they therefore are capitalized as prepaid items in both entity-wide and fund financial statements.

Restricted assets – Restricted assets result from revenue bond ordinance reserve requirements and proceeds of bond issues stipulated for construction of capital assets. They also result from other legal and contractual requirements which restrict the use of resources.

Capital assets – Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City 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.

The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital assets at the estimated acquisition value of the item at the date of its donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. No such interest expense was incurred during the current fiscal year.

Property, plant and equipment are depreciated using the straight-line method over the following useful lives:

Streets system infrastructure	7 to 50 years
Buildings and improvements	50 years
Combined sewer overflow facilities	25 years
Plan equipment	15 years
Radio equipment	8 years
Office and data processing equipment	5 years
Vehicles	5 years

Deferred outflows of resources – A deferred outflow of resources is a consumption of net position by the City that is applicable to a future reporting period. The City may report deferred outflows of resources as a result of pension or OPEB earnings. This amount is the result of a difference between what the plan expected to earn from plan investments and what is earned. This amount will be amortized over the next four years and included in pension or OPEB expense. Assumption and experience differences relating to the net pension and OPEB liabilities is deferred and amortized over the expected remaining service lives of the employees and retirees in the plans. The City also reports deferred outflows of resources for pension and OPEB contributions made after the measurement date. This amount will reduce the net pension liability and net OPEB liability in the following

**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

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year. In addition, the City reports deferred outflows of resources for deferred losses on bond refunding. A deferred loss results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is amortized using the shorter of the life of the refunded or refunding debt.

Compensated absences – The liability for unused sick and vacation/paid time off (PTO) hours as earned by employees at various rates has been recorded as current and long-term liabilities in the governmental and business-type activities. AFSCME, SEIU and non-union management employees are paid for all of their accumulated PTO days, up to a maximum of 1,312 hours, upon death, termination or retirement. Fire fighters are paid for all of their accumulated PTO days, up to a maximum of 2,148 hours, upon death, termination or retirement. COAM and POAM union employees are paid for one-half of their accumulated unused sick days upon death or retirement up to a maximum of 1,312 hours in addition to their unused vacation hours. Certain employee groups are allowed to accumulate overtime hours and later use these accumulated hours as time off in lieu of a cash payment. The limitations on hours carried forward and paid out vary depending on bargaining units and dates of hire. 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.

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported

as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The City is subject to a legal debt limit equal to 10 percent of the most recent December 31 assessed valuation of property. As of June 30, 2021, the City has the capacity to issue \$42,556,000 of additional debt.

Deferred inflows of resources – A deferred inflow of resources is an acquisition of net position by the City that is applicable to a future reporting period. For governmental funds this includes unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period. The City reports deferred inflows of resources as a result of pension and OPEB earnings. This amount is the result of a difference between what the plan expected to earn from plan investments and what is actually earned. This amount will be amortized over the next four years and included in OPEB expense. Assumption and experience differences relating to the net pension and OPEB liabilities is deferred and amortized over the expected remaining service lives of the employees and retirees in the plans.

Pensions – The City offers pension benefits to retirees. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported to the system. 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.

Other postemployment benefits – For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the

**City of Saginaw**  
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plan have been determined on the same basis as they are reported by the City. For this purpose, the City recognizes benefit payments when due and payable in accordance with the benefit terms.

Fund equity – In the fund financial statements, governmental funds report fund balance in the following categories:

Non-spendable – amounts that are not available in a spendable form.

Restricted – amounts that are legally imposed or otherwise required by external parties to be used for a specific purpose.

Committed – amounts constrained on use imposed by the City’s highest level of decision-making, the City Council. A fund balance commitment may be established, modified, or rescinded by a resolution of the City Council.

Assigned – amounts intended to be used for specific purposes. The City Council has authorized the City Manager to assign fund balance for a specific purpose. Residual amounts in governmental funds other than the general fund are automatically assigned by their nature.

Unassigned – all other resources; the remaining fund balances after non-spendable, restrictions, commitments and assignments. The General Fund is the only fund that may report positive unassigned fund balance. In the case of a deficit fund balance, other funds may report a negative unassigned fund balance.

The following are the details of the committed fund balance as of June 30, 2021:

General Fund	
General government	\$ 59,000
Public safety	704,840
Public services	248,510
Public Employee Healthcare	<u>58,345</u>
 Total committed fund balance	 <u>\$ 1,070,695</u>

The following are the details of the assigned fund balance as of June 30, 2021:

General Fund	
Community services	\$ 850,000
General government	3,000,000
Capital Projects	132,301
Arts and Enrichment Commission	<u>193,281</u>
 Total assigned fund balance	 <u>\$ 4,175,582</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City’s policy is to consider restricted funds spent first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts could be used, the City’s policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

**Comparative data**

The financial information for the year ended June 30, 2020, presented for comparative purposes, is not intended to be a complete financial statement presentation.

**City of Saginaw**  
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**Use of estimates**

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

**Adoption of new accounting standards**

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, (1) increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

Statement No. 98, *The Annual Comprehensive Financial Report* establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly

objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness.

**Upcoming accounting and reporting changes**

Statement No. 87, *Leases* is to improve accounting and financial reporting for leases. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The effective date is for the fiscal year ending June 30, 2022.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. It requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reporting in a business-type activity or enterprise fund. Interest cost incurred before the end of a construction period should be recognized as an expenditure for financial statements prepared using the current financial resources measurement. The requirements of this Statement are effective for the fiscal year ending June 30, 2022.

Statement No. 91, *Conduit Debt Obligations* provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving

**City of Saginaw**  
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required note disclosures. This statement is effective for the year ending June 30, 2023.

Statement No. 93, *Replacement of Interbank Offered Rates* establishes accounting and financial reporting requirements related to the replacement of IBORs in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The requirements of this Statement apply to the financial statements of all state and local governments. This statement is effective for the year ending June 30, 2022.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This statement is effective for the year ending June 30, 2023.

Statement No. 96, *Subscription-Based Information Technology Arrangements*, is based on the standards established in Statement No. 87 *Leases*. This statement (1) defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction (2) requires governments with SBITAs to recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability, and (3) provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. This statement is effective for the year ending June 30, 2023.

The City is evaluating the impact that the above GASB Statements will have on its financial reporting.

## **Note 2 - Stewardship, Compliance, and Accountability**

### **Budgetary information**

The City Charter requires the City Council, by resolution, to determine and adopt the budget and make the appropriations for the next fiscal year and to provide, by resolution, for a tax levy of the amount necessary to be raised by taxation at least 30 days prior to the first day of the upcoming fiscal year. The Community Policing Fund, Local Law Enforcement Fund, Police Training Fund, Police ELERV Grant Fund, Justice Victims Grant and Youth Initiative Grant funds are budgeted as one fund. Budgetary control is exercised at the department (appropriation center) level in the General Fund and at the fund level for all other budgeted funds. General Fund line item budget transfers from one account to another within the same appropriation center can be made without City Council approval. All budget transfers from one appropriation center to another or from the General Fund contingent appropriation account must be approved by City Council. In all other funds, line item budget transfers from one account to another within the same department and fund can be made without City Council approval.



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All unencumbered appropriations lapse at the end of the fiscal year unless specific requests to reserve funds for capital items are made by the departments and approved by the City Controller. The subsequent fiscal year's budget is then amended when these expenditures are recorded. Encumbrances outstanding at June 30 do not lapse but are brought forward to the new fiscal year.

Significant encumbrances were as follows:

General Fund	\$ 939,189
Major Streets Fund	1,500,567
Community Development Fund	313,784
Sewer Fund	957,545
Water Fund	1,104,136
Nonmajor funds	<u>141,294</u>
 Total	 <u>\$ 4,956,515</u>

The General Fund, Community Development, Major Streets, American Rescue Plan Act, Local Streets, Clean Energy Coalition, Public Safety Millage, Rubbish Collection, Police Grants (all budgeted as one fund), Drug Forfeiture, Andersen Center Operation, Arts and Enrichment Commission, Public Employee Healthcare and Economic Development special revenue funds are under formal budgetary control as is required by Michigan Public Act 621. Budgets shown in the financial statements were prepared on the modified accrual basis. This is the same basis used to reflect actual results and consists only of those amounts contained in the formal budget approved by City Council. Special revenue funds are considered to be departments for budgetary purposes. All enterprise and internal service funds are budgeted annually for internal control purposes only. Budgetary information for these funds is not required in the financial statements. Budgetary control for the Capital Projects Fund is on a project basis because most exceed one fiscal year. Any funds not expended during the current fiscal year are carried forward until spent or reallocated. City Council does not formally adopt budgets for the custodial fund.

**State construction code act**

The City oversees building construction, in accordance with the State's Construction Code Act, including inspection on building construction renovation to ensure compliance with the building codes. The City charges fees for these services. Beginning January 1, 2000, the law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs.

A summary of the current year activity and the cumulative shortfall generated since January 1, 2000, follows:

Shortfall at July 1, 2020	\$ (8,812,606)
Current year building permit revenue	271,773
Related expenditures	<u>(1,077,755)</u>
Cumulative shortfall at June 30, 2021	<u>\$ (9,618,588)</u>

**Fund deficits**

The City has an accumulated unassigned or unrestricted fund balance or net position deficit in the following funds as of June 30, 2021:

Community Development Fund	\$ 398,212
Coronavirus Emergency Supplemental Fund	6,881
Sewer Fund	33,740,631
Water Fund	13,250,651
Information Services Fund	3,554,019
GIS Fund	578,159
Motor Pool Fund	7,966,442
Public Works Building Fund	105,990

None of the deficits require deficit elimination plans to be filed with the State of Michigan.

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**Note 3 - Deposits and Investments**

At year end the City's deposits and investments were reported in the financial statements in the following categories:

	Cash and Cash Equivalents	Investments	Restricted Cash and Cash Equivalents	Restricted Investments	Total
Governmental activities	\$ 58,731,436	\$ -	\$ 86,891	\$ 3,060,528	\$ 61,878,855
Business-type activities	31,730,250	5,766,139	19,713,069	-	57,209,458
<b>Total primary government</b>	<b>90,461,686</b>	<b>5,766,139</b>	<b>19,799,960</b>	<b>3,060,528</b>	<b>119,088,313</b>
Fiduciary funds	532,636	2,021,108	-	-	2,553,744
Component unit	1,512,652	-	-	-	1,512,652
<b>Total</b>	<b>\$ 92,506,974</b>	<b>\$ 7,787,247</b>	<b>\$ 19,799,960</b>	<b>\$ 3,060,528</b>	<b>\$ 123,154,709</b>

The breakdown between deposits and investments is as follows:

	Primary Government	Fiduciary Funds	Component Units	Total
Bank deposits (checking and savings accounts, money markets and certificates of deposit)	\$ 114,259,121	\$ 532,636	\$ 1,512,652	\$ 116,304,409
Investments in securities, mutual funds and similar vehicles	4,824,992	2,021,108	-	6,846,100
Petty cash and cash on hand	4,200	-	-	4,200
	<b>\$ 119,088,313</b>	<b>\$ 2,553,744</b>	<b>\$ 1,512,652</b>	<b>\$ 123,154,709</b>

As of year-end, the City had the following investments:

Investment	Carrying Value	Rating	Rating Organization
<b>Primary government</b>			
U.S. government obligations			
FNMA	\$ 402,139	AA+	S&P
FHLMC	472,298	AA+	S&P
FHLB	1,045,472	AA+	S&P
FFCB	1,654,176	AA+	S&P
USTNB	1,250,907	AA+	S&P
<b>Total primary government</b>	<b>\$ 4,824,992</b>		

**Interest rate risk** – The City does not have a formal investment policy to manage its exposure to fair value losses from changes in interest rates. The City uses the weighted average maturity method. As of June 30, 2021, maturities of the City's debt securities were as follows:

	Total	Less than 1 year	1 year to 5 years
U.S. government agencies	\$ 4,824,992	\$ 1,209,634	\$ 3,615,358

**Credit risk** – Michigan Compiled Laws, Section 129.91, authorizes local governmental units to make deposits and invest in the accounts of federally insured banks and credit unions that have offices in Michigan. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds

**City of Saginaw**  
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composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

*Concentration of credit risk* – The City has no policy that would limit the amount that may be issued in any one issuer.

*Custodial credit risk – deposits* – In the case of deposits, this is the risk that in the event of bank failure, the City’s deposits may not be returned to it. The City does not have a policy for custodial credit risk. As of year-end, \$113,052,229 was exposed to custodial credit risk because it was uninsured and uncollateralized.

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

**Note 4 - Fair Value Measurement**

The City 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 asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The City has the following recurring fair value measurements as of June 30, 2021:

- U.S. government obligations of \$4,824,992 are valued using other inputs, such as interest rates and yield curves, which are observable at commonly quoted intervals (Level 2 inputs).

**Investments in Entities that Calculate Net Asset Value Per Share**

The interest in pooled investments of \$2,021,108 is measured at net asset value (NAV) and is invested in MERS Retiree Health Funding Vehicle’s MERS Diversified Bond Portfolio. This portfolio has a combination of U.S. and foreign bonds with a focus on stability in the short term, minimizing fluctuations in value. There are no unfunded commitments or redemption restrictions.

**Note 5 - Receivables**

Receivables as of year-end for the City’s governmental and business-type activities in the aggregate, are as follows:

	Governmental Activities	Business-type Activities	Component Units
<b>Primary government</b>			
Income taxes	\$ 1,732,378	\$ -	\$ -
Accounts	1,746,978	4,617,298	-
Assessments			
Due within one year	185,219	97,863	-
Notes			
Due within one year	36,736	-	-
Due after one year	360,269	-	1,527,032
Total receivables	4,061,580	4,715,161	1,527,032
Less allowance	(39,029)	(230,073)	(27,959)
Total receivables, net	<u>\$ 4,022,551</u>	<u>\$ 4,485,088</u>	<u>\$ 1,499,073</u>
Intergovernmental	<u>\$ 4,037,338</u>	<u>\$ 36,321</u>	<u>\$ 11,000</u>

**City of Saginaw**  
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**Note 6 - Interfund Receivables, Payable, and Transfers**

transferred amounts to the Public Employee Healthcare Fund to help cover costs.

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Community Development Fund	\$ 898,709
General Fund	Nonmajor governmental funds	109,291
Sewer Fund	General Fund	<u>2,076,485</u>
		<u>\$ 3,084,485</u>

The outstanding balances between funds result mainly 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.

The details for interfund transfers are as follows:

Funds Transferred From	Funds Transferred To	Amount
General Fund	Nonmajor governmental funds	\$ 658,394
Community Development Fund	General Fund	142,967
Nonmajor governmental funds	Nonmajor governmental funds	154,130
Nonmajor enterprise funds	General Fund	4,500
Major Streets Fund	Nonmajor governmental funds	59,158
Sewer Fund	Nonmajor governmental funds	26,677
Water Fund	Nonmajor governmental funds	<u>21,207</u>
		<u>\$ 1,067,033</u>

Transfers are used to move unrestricted General Fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs. Transfers from the Community Development Fund offset the costs of community police officers. Transfers from the General Fund and Rubbish Fund are for installment contract payments all paid out of the Capital Projects Fund. Additionally, the General Fund, Major Streets Fund, Local Streets Fund, Rubbish Fund, Sewer Fund and Water fund

**City of Saginaw**  
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**Note 7 - Capital Assets**

Capital assets activity of the primary government for the current year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$ 14,245,703	\$ -	\$ -	\$ 14,245,703
Construction-in-progress	4,001,774	3,376,665	3,494,732	3,883,707
Total capital assets not being depreciated	<u>18,247,477</u>	<u>3,376,665</u>	<u>3,494,732</u>	<u>18,129,410</u>
Capital assets being depreciated				
Land improvements	2,544,790	266,148	-	2,810,938
Infrastructure	54,154,567	3,598,990	370,405	57,383,152
Buildings, additions and improvements	25,645,765	125,107	-	25,770,872
Machinery and equipment	16,292,644	1,137,286	23,117	17,406,813
Vehicles	13,687,763	566,637	750,632	13,503,768
Total capital assets being depreciated	<u>112,325,529</u>	<u>5,694,168</u>	<u>1,144,154</u>	<u>116,875,543</u>
Less accumulated depreciation for				
Land improvements	271,594	56,782	-	328,376
Infrastructure	38,556,958	1,459,079	11,597	40,004,440
Buildings, additions and improvements	20,859,867	320,512	-	21,180,379
Machinery and equipment	11,698,929	746,808	23,117	12,422,620
Vehicles	10,840,241	639,803	699,597	10,780,447
Total accumulated depreciation	<u>82,227,589</u>	<u>3,222,984</u>	<u>734,311</u>	<u>84,716,262</u>
Net capital assets being depreciated	<u>30,097,940</u>	<u>2,471,184</u>	<u>409,843</u>	<u>32,159,281</u>
Governmental activities capital assets, net	<u>\$ 48,345,417</u>	<u>\$ 5,847,849</u>	<u>\$ 3,904,575</u>	<u>\$ 50,288,691</u>

**City of Saginaw**  
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	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 2,507,939	\$ -	\$ -	\$ 2,507,939
Construction-in-progress	5,509,926	1,931,422	1,864,214	5,577,134
Total capital assets not being depreciated	8,017,865	1,931,422	1,864,214	8,085,073
Capital assets being depreciated				
Buildings, additions and improvements	198,087,060	1,638,531	-	199,725,591
CSO facility	102,666,913	245,624	-	102,912,537
Machinery and equipment	15,571,356	1,123,601	16,990	16,677,967
Vehicle equipment	4,703,414	412,760	65,449	5,050,725
Total capital assets being depreciated	321,028,743	3,420,516	82,439	324,366,820
Less accumulated depreciation for				
Buildings, additions and improvements	110,626,914	3,277,894	-	113,904,808
CSO facility	90,586,727	1,528,218	-	92,114,945
Machinery and equipment	9,466,160	592,184	16,990	10,041,354
Vehicle equipment	2,270,664	433,397	65,449	2,638,612
Total accumulated depreciation	212,950,465	5,831,693	82,439	218,699,719
Net capital assets being depreciated	108,078,278	(2,411,177)	-	105,667,101
Business-type capital assets, net	<u>\$ 116,096,143</u>	<u>\$ (479,755)</u>	<u>\$ 1,864,214</u>	<u>\$ 113,752,174</u>

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

**Governmental activities**

General government	\$ 64,873
Administration	16,351
Public safety	518,732
Highways and streets	1,738,253
General services	604,569
Community services	131,839
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>148,367</u>

Total governmental activities 3,222,984

**Business-type activities**

Sewer	3,504,089
Water	2,322,481
Boat Launch	<u>5,123</u>

Total business-type activities 5,831,693

Total primary government \$ 9,054,677

**Construction commitments**

The City has active construction projects as of June 30, 2021, consisting of the following:

	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Commitment Remaining</u>
Davenport - Michigan to Niagara - Design	\$ 57,200	\$ 43,401	\$ 13,799
Mackinaw - Congress to State	1,381,750	1,331,750	50,000
Additional Construction Services - 1701 S Jefferson Construction Administration	67,787	59,584	8,203
Norman Street Bridge Rehab - tech	26,118	24,788	1,330
Mackinaw- Alexander to Hamilton - Design	22,880	21,542	1,338
Mackinaw- Alexander to Hamilton	225,280	201,833	23,447
Water/Wastewater Admin Building - Construction	700,000	230,352	469,648
2021 Mill & Resurface C-1672	357,066	351,223	5,843
17 Street- Whittier to Walnut	538,279	-	538,279
Center St. Bridge Rehab	710,379	-	710,379
Holland St Bridge Rehab - Design	159,779	6,292	153,487
Genesee Ave Bridge Scour Countermeasures	24,800	8,004	16,796
M-46 Pump Station	23,365	12,328	11,037
Baum Street Reconstruction	29,400	2,712	26,688
Cass/Adams Reconstruction - Design	347,151	343,620	3,532
Hancock Reconstruction - Design	41,761	24,118	17,644
Wadsworth Reconstruction - Design	45,700	26,954	18,747
S. Wheeler- W. Michigan to Gratiot - Design	30,900	29,328	1,572
M-13/M-81 Lane Reduction	119,082	18,834	100,248
2021 Sidewalk & ADA Ramp Replacement C-1668	122,542	-	122,542
Lapeer - Rossevelt Austin to 6th - Design	278,831	256,858	21,973
Kochville Pump Station (incorrectly attached to Davis Rd)	73,550	32,373	41,177
W Wickes Park Drive Conversion IBT - Design	225,000	153,207	71,793
W Holland Rehab - Design	9,800	7,212	2,588
Frankenmuth Transmission main loop - Design	116,848	83,167	33,681
	<u>104,500</u>	<u>-</u>	<u>104,500</u>
Total	\$ 5,839,748	\$ 3,269,478	\$ 2,570,270

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**Note 8 - Long-Term Debt**

The City issues bonds to provide for the acquisition and construction of major capital projects. General obligation bonds are direct obligations and pledge the full faith and credit of the City. City contractual agreements and installment purchase agreements are also general obligations of the City. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service.

Long-term obligation activity is summarized as follows:

	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>									
Bonds and notes payable									
Direct borrowings and direct placements									
General obligation bonds									
Capital Improvement Bonds	\$ 3,692,946	2027	3.12%	\$380,433 - \$380,529	\$ 2,645,578	\$ -	\$ 362,500	\$ 2,283,078	\$ 380,529
Energy reduction revolving loan fund	100,000	2027	2.50%	\$6,796 - \$7,921	51,360	-	6,796	44,564	6,967
Notes payable	3,389,052	Varies	3.00 - 3.70%	\$30,000 - \$329,354	1,918,595	552,627	334,040	2,137,182	375,679
Total bonds and notes payable					4,615,533	552,627	703,336	4,464,824	763,175
Accrued sick and vacation payable					3,969,621	1,793,275	4,101,024	1,661,872	1,661,872
Capital Leases	518,347	Varies	Varies	\$3,012 - \$66,618	113,892	56,926	95,192	75,626	26,130
Total other long-term obligations					4,083,513	1,850,201	4,196,216	1,737,498	1,688,002
Total governmental activities					<u>\$ 8,699,046</u>	<u>\$ 2,402,828</u>	<u>\$ 4,899,552</u>	<u>\$ 6,202,322</u>	<u>\$ 2,451,177</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for those funds are included as part of the above totals for governmental activities.

For the governmental activities, accrued sick and vacation/PTO compensatory time payable are generally paid by the General Fund and certain special revenue funds.



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	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Business-type activities</b>									
Bonds and notes payable									
General obligation bonds									
State of Michigan sewage disposal system bonds	\$ 8,631,362	2033	2.25%	\$145,000 - \$275,000	\$ 2,891,458	\$ -	\$ 220,015	\$ 2,671,443	\$ 225,000
State of Michigan wastewater treatment improvement bonds	9,227,726	2028	1.625%	\$290,000 - \$517,813	3,632,726	-	480,000	3,152,726	490,000
Refunding Drake/Douglas sewage general obligation bonds	830,000	2024	2.13%	\$95,000	290,000	-	100,000	190,000	95,000
Revenue bonds									
2021 water revenue refunding bonds	18,225,000	2042	4.00%	\$655,000 - \$1,210,000	-	18,225,000	-	18,225,000	-
2011 water revenue bonds	11,370,000	2032	4.00 - 5.25%	N/A	6,815,000	-	6,815,000	-	-
2016 water revenue refunding bonds	23,730,000	2036	4.00 - 5.00%	\$890,000 - \$1,710,000	20,255,000	-	1,220,000	19,035,000	1,335,000
Subtotal					<u>33,884,184</u>	<u>18,225,000</u>	<u>8,835,015</u>	<u>43,274,169</u>	<u>2,145,000</u>
Bonds and notes payable from direct borrows and direct placements									
General obligation bonds									
Capital Improvement Bonds	1,402,054	2027	3.12%	\$144,471 - \$144,823	1,004,769	-	137,591	867,178	144,471
Notes payable	73,149	2026	3.70%	\$10,063 - \$11,635	63,865	-	9,706	54,159	10,063
Subtotal					1,068,634	-	147,297	921,337	154,534
Issuance premiums					2,645,059	3,470,642	161,942	5,953,759	327,210
Total bonds payable					37,597,877	21,695,642	9,144,254	50,149,265	2,626,744
Accrued sick and vacation payable					1,608,541	1,009,892	1,706,288	912,145	912,145
Total business-type activities					<u>\$ 39,206,418</u>	<u>\$ 22,705,534</u>	<u>\$ 10,850,542</u>	<u>\$ 51,061,410</u>	<u>\$ 3,538,889</u>

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The annual requirements to pay principal and interest on long-term obligations outstanding at June 30, 2021, excluding capital leases, accrued sick and vacation/PTO compensatory time payable, workers' compensation claims payable and insurance claims payable are as follows:

Year Ending June 30,	Governmental Activities	
	Bonds and notes payable from Direct borrowings and Direct placements	
	Principal	Interest
2022	\$ 763,175	\$ 137,772
2023	775,186	111,401
2024	787,824	85,982
2025	857,964	67,048
2026	461,228	26,803
2027 - 2031	606,820	53,656
2032 - 2036	<u>212,627</u>	<u>18,954</u>
	<u>\$ 4,464,824</u>	<u>\$ 501,616</u>

Year Ending June 30,	Business-type Activities			
	Bonds		Bonds and notes payable from Direct borrowings and Direct placements	
	Principal	Interest	Principal	Interest
2022	\$ 2,145,000	\$ 1,451,131	\$ 154,534	\$ 67,314
2023	3,095,000	1,641,204	154,891	55,066
2024	3,065,000	1,534,659	155,280	42,807
2025	3,240,000	1,426,659	155,703	30,533
2026	3,327,813	1,311,812	156,106	12,324
2027 - 2031	13,404,913	4,727,260	144,823	5,936
2032 - 2036	9,901,443	2,281,461	-	-
2037 - 2041	4,160,000	616,400	-	-
2042	<u>935,000</u>	<u>18,700</u>	<u>-</u>	<u>-</u>
	<u>\$ 43,274,169</u>	<u>\$ 15,009,286</u>	<u>\$ 921,337</u>	<u>\$ 213,980</u>

State law and the City's revenue bond ordinances require that the City maintain such user charges and fees for service as may be required to meet all operating, reserve and debt service requirements. These ordinances also require various accounts be maintained to cover operation and maintenance; improvements and extension; repairs and replacements; and a reserve for bond and interest redemption. Annual contributions are made to these accounts as required and to the reserve for bond and interest redemption to maintain it at a level equal to the largest annual debt service payment outstanding. Any funds remaining after meeting these requirements may be placed in a surplus fund to be used to meet future debt or reserve requirements or to provide a means of financing further improvements and extensions to the water system.

**Deferred amount on debt refunding**

The City issued bonds in prior years to advance refund and retire previously issued bonds. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt. This amount is reported in the accompanying statement of net position as a deferred outflow of resources and is being charged to activities through the year.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Deferred amount on refunding	\$ 423,057	\$ -	\$ 25,902	\$ 397,155	\$ 25,901

**Defeased debt**

The City previously refunded bonds and the resources were used to purchase U.S. government securities that were placed in an irrevocable trust to generate resources for all future debt service payments. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the business-type activities. The defeased debt will be repaid annually through July 1, 2028, with principal installments ranging from \$600,000 to \$900,000 at interest rates of 4.00% to 5.25%.

**City of Saginaw**  
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**Bond Refunding**

During fiscal year 2021 the City issued refunding bonds amounting to \$18,225,000, a portion of which was used to refund the 2011 Water Revenue Bonds. The proceeds were used to purchase U.S. government securities that were placed in an escrow account in order to fund all future debt service payments. The escrow fund repaid these bonds on August 1, 2021. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the business-type activities. The outstanding principal of the defeased bonds is \$6,815,000 at June 30, 2021. The refunding reduced total debt service payments over the next 10 years by \$600,000. This results in an economic gain of \$891,335

**Pledged revenues**

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$18,225,000 in water system revenue bonds issued in May 2021. Proceeds from the bonds provided financing for the rehabilitation or replacement of water distribution and transmission mains, the construction of a new parallel transmission main from Portsmouth Road main to the pump station at Junction and Reimer Roads, the construction of improvements to the raw reservoir site and pump station in Kochville Township, including the addition diesel fuel nurse tanks for emergency power supply, and the construction of improvements to the City's water treatment plant with related appurtenances. The proceeds also refunded a portion of the 2011 Water Supply System Bonds and paid the costs of issuing the Series 2021 Bonds. The bonds are payable solely from the Net Revenues of the City's Water Supply System and are payable through 2041. The City has covenanted to charge rates which will produce annual Net Revenues sufficient to provide for 110% of annual debt service requirements on all outstanding Bonds for each year and to provide for such other expenditures and funds of the Water Supply System as are required by the Bond Resolution. The total principal and interest remaining to be paid on the bonds is \$25,644,475. There were no payments in the current fiscal year.

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$23,730,000 in water system revenue bonds issued in October 2016. Proceeds from the bonds provided financing for replacing a raw water transmission main along Davis Road, replacing finished water transmission mains along Davis Road, abandoning existing water transmission mains along Davis Road, and improvements to the reservoir and pump station in Kochville Township. The proceeds also refunded a portion of the 2008 Water Supply System Bonds and paid the costs of issuing the Series 2016 Bonds. The bonds are payable solely from the Net Revenues of the City's Water Supply System and are payable through 2036. The City has covenanted to charge rates which will produce annual Net Revenues sufficient to provide for 110% of annual debt service requirements on all outstanding Bonds for each year and to provide for such other expenditures and funds of the Water Supply System as are required by the Bond Resolution. The total principal and interest remaining to be paid on the bonds is \$26,036,600. Principal and interest paid for the current year and total customer net revenues, net of pension expense, were \$2,149,450 and \$3,994,718, respectively.

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**Note 9 - Leases**

**Capital leases**

The City has capital leases for network switches and vehicles. The future minimum lease payments are as follows:

<u>Year ending June 30,</u>		
2022	\$	27,354
2023		27,355
2024		11,385
2025		<u>11,386</u>
Total minimum lease payments		77,480
Less amount representing interest		<u>(1,854)</u>
Present value of minimum lease payments	\$	<u>75,626</u>
Asset		
Machinery and equipment	\$	115,323
Vehicles		327,550
Less accumulated depreciation		<u>(121,757)</u>
Total	\$	<u>321,116</u>

**Operating leases**

The City leases various IBM computer equipment under non-cancelable operating leases. Total costs for such leases were \$90,361 for the year ended June 30, 2021.

The future minimum lease payments for these leases are as follows:

<u>Year ending June 30,</u>		
2022	\$	138,000
2023		138,000
2024		138,000
2025		<u>138,000</u>
		<u>\$ 552,000</u>

**Note 10 - Risk Management**

The City is a defendant in various civil and administrative legal actions arising during the normal course of its activities. In accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the City accrues for loss contingencies when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated.

The City Attorney protects the legal interests of the City by vigorously defending these actions and believes these actions will either be favorably resolved or that it is too early to estimate any possible loss upon the outcome of such cases. Often, the City Attorney negotiates expedient settlements on behalf of the City in amounts substantially less than the amount sought by the claimants. The City does not admit liability, however, in any of the cases settled.

The City is self-insured for workers' compensation. Over the past few years, the number of workers' compensation claims has greatly decreased. In accordance with GASB Statement No. 10, an estimate of the City's workers' compensation liability has been recorded in an internal service fund.

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**Note 11 - Self-Insurance**

**General liability**

The City's insurance carriers are Argonaut Insurance Company for general liability and automobile coverage, and Arch Insurance Company for an additional umbrella policy. The City is insured up to \$10 million with a \$250,000 deductible per occurrence for general and automobile liability and a \$10,000 deductible for automobile physical damage. In addition, BCS Insurance Company provides cyber and privacy liability coverage with a \$10,000 deductible.

The self-insurance program for general liability is accounted for in the self-insurance internal service fund. The revenues for this fund's operation are reimbursements from various funds and a transfer from the general fund. Funds are charged for general liability insurance based on total budget. Losses, deductibles, legal and administrative fees are paid from this fund. The liability for known claims is estimated by ASC, a third-party claims administrator.

The changes in the claims liability for the fiscal years ended June 30, 2021 and 2020 are as follows:

	Beginning Claims Liability	Current Year Claims and Changes in Reserves	Claims Paid	Ending Claims Liability
06/30/2020	\$ 342,089	\$ 875,293	\$ (576,314)	\$ 641,068
06/30/2021	641,068	1,118,717	(629,279)	1,130,505

Other types of risk are covered by commercial insurance. There were no insurance settlements that exceeded coverage in the last three years. The ending claims liability is reported as current in the Employee Benefits and Insurance Fund.

**Health insurance**

The self-insurance program for health insurance is accounted for in the employee benefits agency fund, with any claims charged to the

applicable departments within the City's other funds, and the Public Employee Healthcare Fund. An independent administrator (Blue Cross) is hired to process the daily claims. The City is responsible for individual claims up to \$140,000 and Blue Cross is responsible for paying the claims above this amount. There were no reductions of insurance coverage from the prior year. The City is also responsible for paying administrative charges. The additions to this fund's operation are reimbursements from various funds. 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.

The changes in the claims liability for the fiscal years ended June 30, 2021 and 2020 are as follows:

	Beginning Claims Liability	Current Year Claims and Changes in Reserves	Claims Paid	Ending Claims Liability
06/30/2020	\$ 963,726	\$ 13,047,037	\$(12,983,335)	\$ 1,027,428
06/30/2021	1,027,428	13,617,722	(13,671,027)	974,123

The ending claims liability is reported as current in the Employee Benefits and Insurance Fund.

**Workers' compensation**

The self-insurance program for workers' compensation is accounted for in the workers' compensation internal service fund. Comprehensive Risk Services administers this program. They are responsible for processing incident reports, claims investigation, payment of claims and coordinating workers' compensation cases with the City's human resources division. The revenues for this fund's operation are reimbursements from various funds and a transfer from the general fund. Funds are charged for workers' compensation insurance on a percentage of actual salaries. The percentages vary depending on the payroll classification of each employee and are a composite of the rates of several insurance companies. Deposits for claims and administrative expenses are paid from this fund. The liability for known claims is

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estimated by Comprehensive Risk Services. Incurred but not reported claims are judged to be immaterial by management.

The City also carries excess workers' compensation coverage for claims exceeding \$750,000 through Safety National Insurance Company.

The changes in the claims liability for the fiscal years ended June 30, 2021 and 2020 are as follows:

	Beginning Claims Liability	Current Year Claims and Changes in Reserves	Claims Paid	Ending Claims Liability
06/30/2020	\$ 1,041,563	\$ 1,738,723	\$ (1,568,777)	\$ 1,211,509
06/30/2021	1,211,509	423,591	(1,089,920)	545,180

The ending claims liability is reported as current in the Workers' Compensation Fund

**Note 12 - Employee Retirement and Benefit Systems**

**Retirement systems**

Municipal Employees' Retirement System (MERS) of Michigan currently administers the Defined Benefit Plan, the Defined Contribution Plan for Non-Public Safety Employees and the Hybrid plan for the City. MERS is an independent, professional retirement services company that was created to administer the retirement plans for Michigan's local units of government on a not-for-profit basis. In addition, the International City/County Managers Association – Retirement Corporation (ICMA-RC) provides the Defined Contribution plan for Public Safety Employees. ICMA-RC's mission is to help public sector employees build retirement security.

**Defined contribution pension plan**

The City of Saginaw Employees Defined Contribution Pension Plan (the "Plan") is a single employer defined contribution pension plan,

established by the City and administered by MERS. All City employees hired after July 1, 2000, with the exception of certain bargaining units, were required to participate in the Plan. All IAFF union employees hired after July 1, 2001 were also required to participate in the plan. POAM & COAM union employees hired after January 1, 2002, were required to participate in the plan.

Employees vest in the City's contributions according to years of service completed. Employees with 3 years of service are 20% vested. The vesting schedule increases 20% for each additional year of service, with the employee becoming fully vested upon 7 years of completed service.

At June 30, 2021, there were 130 general city plan members and 52 public safety plan members. The City is required to contribute 10% of the employees' gross wages and the eligible employee is required to contribute 5% of their gross wages for general city employees. The City is required to contribute 13% of the employees' gross wages and the eligible employee is required to contribute 8% of their gross wages for public safety employees. The contribution requirements of plan members and the City are established and may be amended by the City Council.

Employer contributions to the Plan for the year ended June 30, 2021, amounted to \$595,128 and employee contributions were \$386,115.

A stand-alone pension plan report has not been issued for the defined contribution plan.

**Hybrid defined contribution and defined benefit pension plan**

POAM Union employees hired after January 1, 2015 are required to enroll in the Hybrid Plan. IAFF Union employees hired after January 1, 2016 are required to enroll in the Hybrid Plan and effective July 1, 2016, AFSCME Union, SEIU Union and Non-Union employees are required to enroll in the Hybrid plan.

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The Hybrid plan contains both a defined benefit element and a defined contribution element.

For the defined benefit portion of the Hybrid Plan, participants are fully vested at 6 years of completed service. For the defined contribution portion, employees are 20% vested with 1 year of service. The vesting schedule increases 20% for each additional year of service.

At June 30, 2021, there were 159 general city plan members and 72 public safety plan members. The City is required to contribute 10% of the employees' gross wages and the eligible employee is required to contribute 5% of their gross wages for general city employees. The City is required to contribute 13% of the employees' gross wages and the eligible employee is required to contribute 8% of their gross wages for public safety employees. The contribution requirements of plan members and the City are established and may be amended by the City Council.

Employer contributions to the Plan for the year ended June 30, 2021, amounted to \$1,087,426 and employee contributions were \$588,203.

**Defined benefit pension plan**

Plan description – The City participates in the Michigan Municipal Employees' Retirement System (MERS), an agent multiple-employer defined benefit pension plan that covers all employees of the City. The plan was established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. The system provides retirement, disability and death benefits to plan members and their beneficiaries. MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to MERS at 1134 Municipal Way, Lansing, Michigan 48917 or on the web at <http://www.mersofmich.com>.

Benefits provided – At the December 31, 2020 valuation date, the benefits provided were as follows:

	<u>Gnrl AFSCME</u>	<u>Gnrl 466M</u>	<u>Gnrl NonUnion</u>
Status	Closed to new hires	Closed to new hires	Closed to new hires
Benefit Multiplier	2.50% (80% max)	2.50% (80% max)	2.50% (80% max)
Normal Retirement Age	60	60	60
Vesting	8 years	8 years	8 years
Early Retirement (Unreduced)	50/25	50/25	50/25
Early Retirement (Reduced)	55/15	55/15	55/15
Final Average Compensation	3 years	3 years	3 years
COLA for Future Retirees	N/A	N/A	2.50% (Non-Compound)
COLA for Current Retirees	2.50% (Non-Compound)	2.50% (Non-Compound)	2.50% (Non-Compound)
Employee Contributions	4.70%	4.70%	5.00%
DC Plan for New Hires	1/1/2000	7/1/2000	1/1/2000

	<u>City Manager</u>	<u>TSAE</u>
Status	Closed to new hires	Closed to new hires
Benefit Multiplier	2.50% (80% max)	2.50% (80% max)
Normal Retirement Age	60	60
Vesting	10 years	10 years
Early Retirement (Unreduced)	50/25	50/25
Early Retirement (Reduced)	55/15	55/15
Final Average Compensation	3 years	3 years
COLA for Future Retirees	2.50% (Non-Compound)	N/A
COLA for Current Retirees	2.50% (Non-Compound)	2.50% (Non-Compound)
Employee Contributions	0.00%	3% under \$4,200; 5% over \$4,200
DC Plan for New Hires	N/A	1/1/2000

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	<u>POAM Patrol</u>	<u>COAM-Command</u>	<u>Sworn Police Officers</u>
Status	Closed to new hires	Closed to new hires	Open
Benefit Multiplier	2.60% (65% max)	2.60% - 2.75% (74% max)	1.50%
Normal Retirement Age	52	52	60
Vesting	10 years	10 years	6 years
Early Retirement (Unreduced)	20 and out	20 and out	55/25
Early Retirement (Reduced)	-	-	-
Final Average Compensation	3 out of 10	3 out of 10	3 years
COLA for Future Retirees	2.50% (Non-Compound)	2.50% (Non-Compound)	N/A
COLA for Current Retirees	Varies	Varies	N/A
Employee Contributions	11.50%	11.50%	0.00%
RS50% Percentage		60%	N/A

DROP: Traditional

Duty Disability 65% of FAC Minimum.

If a member terminates with at least 18 years of service, deferred benefits commence when member would have attained 20 years of service if the member had not terminated employment

Non-duty Disability Benefit (up to 10 years of service added until total service equals 20 years)  
 Non-Duty Disability Eligibility: 5 years

	<u>Fire</u>	<u>DC Fire after 1/1/16</u>	<u>AFSCME on/aft 7/1/16</u>
Status	Closed to new hires	Open	Open
Benefit Multiplier	2.80% (84% max)	1.50%	1.50%
Normal Retirement Age	52	60	60
Vesting	10 years	6 years	6 years
Early Retirement (Unreduced)	49/20	55/25	55/25
Final Average Compensation	3 out of 10	3 years	3 years
COLA for Current Retirees	Varies	-	-
Employee Contributions	8.00%	0.00%	0.00%
RS50% Percentage:	60.00%	-	-
D-2	D-2 (80%)	-	-

NonUnion aft 7/1/16

SEIU aft 7/1/16

Status	Closed	Closed
Benefit Multiplier	1.50%	1.50%
Normal Retirement Age	60	60
Vesting	6 years	6 years
Early Retirement (Unreduced)	55/25	55/25
Final Average Compensation	3 years	3 years
Employee Contributions	0.00%	0.00%

The contribution requirements of the City are established and may be amended by the Retirement Board of MERS. The contribution requirements of plan members are established and may be amended by the City, depending on the MERS contribution program adopted by the City.

Employees covered by benefit terms – At the December 31, 2020 valuation date, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving benefits	839
Inactive employees entitled to but not receiving benefits	39
Active employees	<u>226</u>
	<u>1,104</u>



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Contributions – The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by 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. All defined benefit divisions are closed to new hires. Closed divisions to new employees had annual employer contributions ranging from \$0 to \$3,868,320.

Net pension liability – The employer’s net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date. Substantially all funds are used to liquidate this liability.

Actuarial assumptions – The total pension liability in the December 31, 2020 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement include: 1) Inflation 2.5%; 2) Salary increases 3.00%; 3) Investment rate of return of 7.35%, net of investment expense, including inflation. Mortality rates used were based on the Pub-2010 or PubG-2010 mortality tables.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study, which was completed in 2020 and covered the years 2013 through 2018.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Target Allocation Gross Rate of Return</u>	<u>Long-Term Expected Gross Rate of Return</u>	<u>Inflation Assumption</u>	<u>Long-term Expected Real rate of Return</u>
Global equity	60.00%	7.75%	4.65%	2.50%	3.15%
Global fixed income	20.00%	3.75%	0.75%	2.50%	0.25%
Private investments	20.00%	9.75%	1.95%	2.50%	1.45%
	100.00%		7.35%		4.85%

Discount rate – The discount rate used to measure the total pension liability is 7.60%. 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 plans 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.

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**Notes to the Financial Statements**  
**June 30, 2021**

Changes in the net pension liability during the measurement year were as follows:

**Total Pension Liability**

Service cost	\$ 1,472,066
Interest on the total pension liability	25,278,926
Experience differences	1,701,005
Changes in actuarial assumptions	8,238,371
Benefit payments and refunds	<u>(29,854,864)</u>
Net change in total pension liability	6,835,504
Total pension liability - beginning	<u>346,808,851</u>
Total pension liability - ending (a)	<u>\$ 353,644,355</u>

**Plan Fiduciary Net Position**

Employer contributions	\$ 16,097,048
Employee contributions	400,014
Pension plan net investment income (loss)	21,614,823
Benefit payments and refunds	(29,854,864)
Pension plan administrative expense	<u>(321,460)</u>
Net change in plan fiduciary net position	7,935,561
Plan fiduciary net position - beginning	<u>165,572,815</u>
Plan fiduciary net position - ending (b)	<u>\$ 173,508,376</u>
Net pension liability (a-b)	<u>\$ 180,135,979</u>
Plan fiduciary net position as a percentage of total pension liability	49.06%
Covered payroll	\$ 13,055,851
Net pension liability as a percentage of covered payroll	1379.73%

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the employer, calculated using the discount rate of 7.60%, as well as what the employer’s net pension liability would be using a discount rate that is 1% point lower (6.60%) or 1% higher (8.60%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	<u>\$ 214,370,726</u>	<u>\$ 180,135,979</u>	<u>\$ 151,104,379</u>

Pension expense and deferred outflows and inflows of resources related to pensions – For the year ended June 30, 2021, the City recognized pension expense of \$22,922,479. The City reported deferred outflows related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>	<u>Total to Amortize</u>
Net difference between projected and actual earnings on plan investments	\$ -	\$ (6,411,872)	\$ (6,411,872)	\$ (6,411,872)
Experience differences	850,502	-	850,502	850,502
Assumptions changes	4,119,185	-	4,119,185	4,119,185
Contributions subsequent to the measurement date*	<u>8,025,879</u>	<u>-</u>	<u>8,025,879</u>	<u>-</u>
Total	<u>\$ 12,995,566</u>	<u>\$ (6,411,872)</u>	<u>\$ 6,583,694</u>	<u>\$ (1,442,185)</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 2022.

**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

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

Year ended June 30,	
2022	3,668,507
2023	439,462
2024	(3,639,933)
2025	<u>(1,910,221)</u>
	<u>\$ (1,442,185)</u>

**Employee benefits**

In addition to contributing to the Michigan Municipal Employees Retirement System described above, all full time City employees, except sworn Police and Fire personnel, contribute to Social Security (6.20%), up to a maximum of \$8,854, and Medicare (1.45%). All sworn Police and Fire personnel hired after April 1, 1986 contribute 1.45% to Medicare. All regular part time employees, those who work thirty-two hours per week, contribute 1.45% to Medicare and 3.75% to a deferred compensation account in lieu of Social Security. The City contributes a matching 3.75%. Part Time employees hired after July 1, 2011 and working 28 hours per week or less, contribute 6.20% to Social Security and 1.45% to Medicare, the same as a regular full-time employee.

**Active employee benefits**

The City paid or accrued premiums, claims and administrative fees to third party administrators for its full-time employees totaling \$4,674,804, a decrease of 3% from the prior fiscal year, as follows:

	<u>06/30/2021</u>	<u>06/30/2020</u>	<u>Change</u>
Health insurance	\$ 3,969,067	\$ 4,139,004	\$ (169,937)
Dental insurance	234,763	215,710	19,053
Life insurance	104,807	92,270	12,537
Short/long term disability	310,969	303,931	7,038
Vision care	<u>55,198</u>	<u>49,559</u>	<u>5,639</u>
Total payments	<u>\$ 4,674,804</u>	<u>\$ 4,800,474</u>	<u>\$ (125,670)</u>

The cost of these premiums is charged to City funds based on the actual cost for each employee.

Employees make bi-weekly pre-tax premium payments for healthcare costs based on contributions outlined in applicable collective bargaining agreements.

**Other postemployment benefits (retirees)**

In addition to the pension benefits described previously, the City of Saginaw provides retiree Healthcare benefits for retirees and eligible beneficiaries for employees who were hired prior to July 1, 2009. The levels of benefits available are dependent on the plans that were in place at the time of the employee's retirement or those benefits that were made available as the result of a January 1, 2017 court settlement for specified retirees. Employees hired after July 1, 2009 are enrolled in a Health Care Savings Plan and are not eligible for any retiree health benefits.

Life insurance is available for the retiree only upon retirement, based on the benefit level that was in place within their bargaining unit at the time of retirement. Benefit levels range from \$2,500 up to \$10,000. Dental insurance is discontinued upon retirement for all employees with the exception of full-time non-union employees and only those fire

**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

fighters covered by benefits provided by their respective collective bargaining agreement at the time of eligible retirement.

Vision insurance is terminated for all employees at the time of retirement except full time non-union employees who are vested and retire after July 31, 2001.

In addition to the health care expenditures for full time employees above, expenditures in the amount of \$9,721,200 were recognized for postemployment health care benefits, an increase of 3% from the prior fiscal year, as follows:

	No. of Retirees	06/30/2021	06/30/2020
Health insurance	691	\$ 9,637,937	\$ 9,364,473
Dental insurance	87	53,001	14,964
Life insurance	627	28,658	25,208
Vision Insurance	19	1,604	838
Total payments		<u>\$ 9,721,200</u>	<u>\$ 9,405,483</u>

The cost of these premiums is charged to City funds based on the actual cost for each retiree.

Employees covered by benefit terms – At the December 31, 2020 valuation date, the following employees were covered by benefit terms:

Active employees	160
Retirees and covered spouses	<u>1,134</u>
	<u>1,294</u>

The retiree plan is closed to new members.

Contributions – The City has the authority to establish and amend the contribution requirements of the City and plan members. The City establishes rates based on an actuarially determined rate. For the year ended June 30, 2021, the City contributed based on the “pay-as-you-

go-method.” Going forward, the City will use the actuarially determined contribution. Plan members are not required to contribute to the plan.

Total OPEB liability – The total OPEB liability was measured as of December 31, 2020. Substantially all funds are used to liquidate this liability.

The City of Saginaw adopted the MERS Retiree Health Funding Vehicle (RHFV) in March of 2019. The RHFV is designed as an IRC section 115 and PA 149 compliant Trust. The purpose of the trust is to provide a qualified account to make retiree health contributions for unfunded OPEB liabilities.

Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions, applied to all periods included in the measurement.

Mortality rates were based on the Pub-2010 Mortality Tables for males or females, as appropriate.

Inflation	2.50%
Salary increases	3.00%
Healthcare cost trend rates	8.25% initial, decreasing by .25% each year to an ultimate rate of 4.5%

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period of 2014 to 2018.

Discount rate – The discount rate used to measure the total OPEB liability was 3.00%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates.

The investment policy of the City is determined based on the goals and objectives of the Plan and the risk tolerance of the City. The City’s

**City of Saginaw**  
**Notes to the Financial Statements**  
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objective in selecting the expected long-term rate of return on assets is to estimate the single rate of return that reflects the historical returns, future expectations for each asset class, and the asset mix of the plan assets. The City is 100% invested in the MERS Diversified Bond Portfolio. It is a diversified portfolio that invests in a combination of U.S. and foreign bonds, seeking to preserve capital and provide income. The fund has a target allocation of 100% bonds and is rebalanced quarterly between the target bond allocation as shown below. This fund has a focus on stability with a short time horizon and aims to minimize fluctuations in value.

Asset Classes	Target Allocation	Real Rate of Return
Global bonds	15%	1.25%
U.S. bonds	85%	0.37%
Expected real rate of return		0.50%
Inflation rate		2.50%
Total investment rate of return		3.00%

The assumption change was the decrease in the healthcare trend rates for the year immediately after the measurement date, which was based on a trend survey published by Segal Consulting in Fall 2018.

Changes in the net OPEB liability:

<b>Total OPEB Liability</b>	
Service cost	\$ 2,878,521
Interest on the total OPEB liability	9,247,914
Changes in actuarial assumptions	(8,367,382)
Benefit payments and refunds	<u>(10,356,571)</u>
	(6,597,518)
Net change in total OPEB liability	(6,597,518)
Total OPEB liability - beginning	<u>312,002,831</u>
	\$ 305,405,313
Total OPEB liability - ending (a)	<u>\$ 305,405,313</u>
<b>Plan Fiduciary Net Position</b>	
Employer contributions	\$ 11,329,911
OPEB plan net investment income	48,773
Benefit payments and refunds	(10,356,571)
OPEB plan administrative expense	<u>(2,757)</u>
	1,019,356
Net change in plan fiduciary net position	1,019,356
Plan fiduciary net position - beginning	<u>1,001,752</u>
	\$ 2,021,108
Plan fiduciary net position - ending (b)	<u>\$ 2,021,108</u>
	\$ 303,384,205
Net OPEB liability (a-b)	<u>\$ 303,384,205</u>
	0.66%
Plan fiduciary net position as a percentage of total OPEB liability	0.66%
Covered payroll	\$ 11,037,471
Net OPEB liability as a percentage of covered payroll	2,748.67%

**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.00%) or 1% higher (4.00%) than the current discount rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$ 361,274,549	\$ 303,384,205	\$ 258,433,052

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if were calculated using healthcare cost trend rates that are 1% lower (7.25%) or 1% higher (9.25%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Trend</u>	<u>1% Increase</u>
Net OPEB liability	\$ 255,299,058	\$ 303,384,205	\$ 364,804,031

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended June 30, 2021 the employer recognized OPEB expense of \$16,255,931. The employer reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>	<u>Total to Amortize</u>
Differences in assumptions	\$ -	\$ (547,399)	\$ (547,399)	\$ (547,399)
Net difference between projected and actual earnings on plan investments	-	(20,926)	(20,926)	(20,926)
Contributions subsequent to the measurement date*	<u>6,694,888</u>	<u>-</u>	<u>6,694,888</u>	<u>-</u>
Total	<u>\$ 6,694,888</u>	<u>\$ (568,325)</u>	<u>\$ 6,126,563</u>	<u>\$ (568,325)</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 total OPEB liability for the year ending 2022.

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

Year ended, June 30,	
2022	\$ (554,096)
2023	(6,697)
2024	(6,698)
2025	<u>(834)</u>
	<u>\$ (568,325)</u>

**Note 13 - Contingent Liabilities**

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City’s counsel that resolution of these matters will not have a material adverse effect on the financial condition of the City.

**Note 14 - Property Taxes**

City property taxes are levied each July 1 on the taxable value of property located in the City as of the preceding December 31, tax day and the lien date. In accordance with the provisions of Proposal A (see below), taxable value is the lower of the following three computations: 1) assessed/state equalized value; 2) the prior year’s taxable value

**City of Saginaw**  
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**June 30, 2021**

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multiplied by the increase in the consumer price index or five percent (5%), whichever is less; or 3) the multiplier value. Proposal A requires the City Assessor to annually establish the assessed values and the equalization of said assessed values by the State of Michigan at 50 percent of current market value, prior to the application of formulas to determine the taxable value. Real property taxable value for the July 1, 2020, levy was assessed at \$383,664,462 and personal property taxable value was assessed at \$68,974,100.

The City of Saginaw's operating tax rate for the fiscal year ended June 30, 2021, was 7.3830 mills (limited to 7.5000 mills). Additionally, the City levied 7.5000 mills for public safety. The City did not levy for debt service.

On March 15, 1994, voters in the State of Michigan approved Proposal A, a property tax reform proposal, which shifted the funding of education from property taxes to a combination of property taxes, higher sales tax and a real estate transfer tax. Property taxes were reduced to a maximum of six mills for homestead property and eighteen mills for non-homestead property; the State Sales Tax was increased from four cents to six cents; and a new real estate transfer tax of \$7.50 per thousand dollars was added. In addition, Proposal A restricted the growth of assessments on individual properties to the increase in the consumer price index or five percent (5%), whichever is less, until ownership of the property is transferred. The citizens of Saginaw subsequently approved an additional four mills for public libraries when Proposal A eliminated their millage from the school's millage and another three mills to operate a public transportation system.

Taxes are due and payable on July 1 at the City Treasurer's Office and become delinquent after 30 days. To all real and personal taxes paid on or after August 1, there is added interest at the rate of  $\frac{1}{2}$  of 1 percent for every month, or fraction thereof, from August 1 until the date of payment. A penalty of  $\frac{1}{2}$  of 1 percent is also added after July 31. From March 1 and thereafter, real taxes are collected by the Treasurer of Saginaw County, who adds and keeps a collection fee of four percent (4%) on the unpaid balance, and in addition, adds interest at the rate of

one percent (1%) per month from March 1 until the date of payment. Unpaid taxes, together with all charges thereon, become a continuing lien on the property assessed. The general tax law provides that real estate with delinquent taxes shall be sold at a land sale.

Tax Limitation – By general law, property taxes for City purposes are limited to two percent (2%) of the assessed valuation of all real and personal property in the municipality, provided that no such restriction shall prevent the levy of taxes required for the payment of general debt obligations. The charter of the City of Saginaw provided that City taxes shall be subject to the overall limitation (City, School and County) imposed by Section 21, Article X, of the Michigan State Constitution, which is 1-1/2 percent of assessed value exclusive of debt incurred prior to December 8, 1932. Act No. 44, Public Acts of 1948, effective August 20, 1948, amended all Michigan city charters nullifying charter limitations and authorized that the levy for city purposes shall not exceed one percent (1%) of assessed valuation in any one year, unless and until a different tax rate limitation is provided by charter. State equalized valuations have been used in place of local assessed valuations.

On November 6, 1979, pursuant to an initiatory referendum, the City Charter was amended by the electors of the City of Saginaw to reduce the maximum property tax, which may be levied by the City in any year from 10 mills to 7.50 mills. The amendment further provided that if in subsequent years the assessed value of all property within the City is increased for any reason, this maximum 7.50 mill rate would have to be permanently reduced so as to yield the same gross dollar revenue as the fiscal year 1979 property tax revenue yield (\$3,828,778). The amendment further provided for up to a 3-mill emergency levy if a specific emergency is declared by the Mayor and concurred with by a 3/4ths vote of the full Council.

**Note 15 - Tax Abatements**

The City enters into property tax abatement agreements with local businesses under several programs as authorized under Public Act 146

**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

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of 2000, as amended (PA 146), Public Act 147 of 1992 (PA 147), Public Act 198 of 1974, as amended (PA 198), Public Act 328 of 1998 (PA 328), Public Act 346 of 1966 (PA 346), and Public Act 381 of 1996, as amended (PA 381).

PA 146 (Obsolete Property Rehabilitation Act) provides property tax exemptions for commercial properties that are rehabilitated and meet the requirements of the Act. Properties must meet eligibility requirements including a statement of obsolescence by the local assessor. The property must be located in an established Obsolete Property Rehabilitation District. Exemptions are approved for a term of 1 to 12 years as determined by the City. The City abated \$54,464 related to PA 146 during fiscal year 2021.

PA 147 (Neighborhood Enterprise Zone Act) provides property tax exemptions for properties that provides for the development and rehabilitation for residential housing and meet the requirements of the Act. Properties must be in a designated neighborhood enterprise zone. Exemptions may range from 6 to 17 years dependent on the type of property. The City abated \$285 related to PA 147 during fiscal year 2021.

PA 198 (Industrial Property Tax Abatement) allows abatements to encourage Michigan manufacturers to build new plans, expand existing plans, renovate aging plants, or add new machinery and equipment. High technology operations are also eligible for the abatement. Once approved the firm pays an Industrial Facilities Tax (IFT), instead of property taxes, which reflects the abatement savings. The exemption covers only the specific project that is the subject of the application. Any buildings and equipment that existed prior to the construction of a new facility are not exempt. Likewise, any structures or equipment added after completion of the project are fully taxable. The IFT on new plant and non-industrial personal property is computed at half the local property mileage rate, resulting in a reduction of property taxes of approximately 50%. For an obsolete plant or machinery that is being replaced or restored, the IFT is frozen at the assessed value of the plant prior to improvement, resulting in a 100% exemption from property tax

on the value of the improvements. A speculative building would be eligible for a reduction in property taxes of approximately 50%. Commercial personal property will receive an automatic reduction of 12 mills for local school on their property tax bill. The City abated \$53,467 related to PA 198 during fiscal year 2021.

PA 328 (Personal Property Tax Relief in Distressed Communities) allows eligible distressed communities to abate taxes on new investments made by eligible commercial businesses that reduce unemployment, promote economic growth, and increase capital investment. Neighborhood Enterprise Zone designation would qualify a community as eligible for the PA 328 exemption. Eligible projects include manufacturing, mining, research and development, wholesale trade, and office operations. Retail businesses and casinos are not eligible. Abatements reduce property taxes by the full millage rate. The law does not specify a maximum or a minimum number of years to be abated. The City abated \$443,109 related to PA 328 during fiscal year 2021.

PA 346 (State Housing Development Authority Act) provides property tax abatements in the form of payments in lieu of taxes for nonprofit housing corporations, consumer housing cooperatives, limited dividend housing corporations, mobile home park corporations, and mobile home park associations. Properties must meet eligibility requirements. The City abated \$105,923 related to PA 346 during fiscal year 2021.

PA 381 (Brownfield Redevelopment Abatement) encourages the purchase and revitalization of properties in which redevelopment or reuse may be complicated by the presence or perception of contamination. Revitalizing and redeveloping these properties protects the environment, reuses existing infrastructure, minimizes urban sprawl and creates economic opportunities. The City abated \$10,940 related to PA 381 during fiscal year 2021.

The City Charter caps the property tax revenue at \$3,828,778. The 2020 real and personal levy totaled \$3,294,735. Therefore, the net



**City of Saginaw**  
**Notes to the Financial Statements**  
**June 30, 2021**

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effect of the all the tax abatements listed above was \$534,043. As property values increase, the effect of these abatements will decrease.

**Note 16 - Endowments**

The City has received multiple donor-restricted endowments for cemeteries and parks with an original total value of \$47,000. The City has interpreted the Uniform Prudent Management of Institutional Funds Act as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The City classifies the original value of \$47,000 as non-spendable fund balance. The remaining portion of the donor-restricted endowments that is not classified as non-spendable is classified as restricted for Cemeteries and Parks. At June 30, 2021, the City has \$96,846 that has accumulated through net appreciation and interest and dividend earnings that is available for authorization for expenditure by the City Council for the specified purposes. Any spending is authorized through budgetary appropriation, as outlined in the City Charter. Any expenditures of said fund balance will be in done accordance with the original trust documents.

**Note 17 - Economic Development Projects**

**Brownfield Authority Site Remediation Revolving Fund (“SRRF”)**

The City received funding from the U.S. Environmental Protection Agency for a Brownfield Assessment Demonstration Pilot. Peerless Environmental Services, Inc. was selected to prepare an inventory of contaminated sites, prioritize the sites and perform environmental assessments. Businesses must prepare a Redevelopment Plan to clean up the site and make improvements. The eligible costs can be reimbursed from property taxes that are captured from the increase in the taxable value established at the date the City Council approves the Plan and the taxable value after improvements are completed. School taxes are excluded from captured taxes unless the project receives special review from the Michigan Department of Environmental Quality.

**City of Saginaw**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
<b>Revenues</b>				
General operating property taxes	\$ 3,638,045	\$ 3,638,045	\$ 3,708,598	\$ 70,553
City income tax	13,795,000	13,795,000	14,140,160	345,160
State shared revenues	8,938,118	9,157,984	9,399,205	241,221
Licenses, permits and fees	2,937,095	3,373,094	3,187,041	(186,053)
Fines, penalties and forfeitures	407,500	317,500	215,251	(102,249)
Grants, donations and contributions	4,368,986	6,091,738	6,578,881	487,143
Interest	619,004	589,004	362,720	(226,284)
Rents and privileges	761,302	761,302	621,879	(139,423)
Other revenues	665,616	2,909,213	3,066,152	156,939
	<u>36,130,666</u>	<u>40,632,880</u>	<u>41,279,887</u>	<u>647,007</u>
Total revenues				

**City of Saginaw**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
<b>Expenditures</b>				
General government	\$ 4,866,520	\$ 5,334,324	\$ 5,080,665	\$ (253,659)
Administration	3,028,361	3,028,361	2,703,906	(324,455)
Public safety				
Police department	13,777,273	14,441,376	13,237,749	(1,203,627)
Fire department	8,605,631	9,615,415	8,872,675	(742,740)
General services	3,749,057	4,211,433	3,364,773	(846,660)
Community services	1,742,517	1,820,534	1,694,097	(126,437)
	<u>35,769,359</u>	<u>38,451,443</u>	<u>34,953,865</u>	<u>(3,497,578)</u>
Total expenditures				
Excess of revenues over expenditures	<u>361,307</u>	<u>2,181,437</u>	<u>6,326,022</u>	<u>4,144,585</u>
<b>Other financing sources (uses)</b>				
Issuance of debt	-	552,628	552,627	(1)
Transfers in	142,967	147,467	147,467	-
Transfers out	(504,274)	(743,699)	(658,394)	(85,305)
	<u>(361,307)</u>	<u>(43,604)</u>	<u>41,700</u>	<u>(85,306)</u>
Total other financing sources (uses)				
Net change in fund balance	-	2,137,833	6,367,722	4,229,889
Fund balance - beginning of year	<u>9,090,533</u>	<u>9,090,533</u>	<u>9,090,533</u>	<u>-</u>
Fund balance - end of year	<u>\$ 9,090,533</u>	<u>\$ 11,228,366</u>	<u>15,458,255</u>	<u>\$ 4,229,889</u>

**City of Saginaw**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Major Streets Fund**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Licenses and permits	\$ 36,500	\$ 36,500	\$ 25,355	\$ (11,145)
State revenue sharing	6,595,107	6,595,107	6,347,151	(247,956)
Other state grants	477,427	477,427	535,261	57,834
Interest income	-	-	427	427
Other revenue	18,150	46,211	40,286	(5,925)
Sale of capital assets	1,000	29,027	19,205	(9,822)
Total revenues	<u>7,128,184</u>	<u>7,184,272</u>	<u>6,967,685</u>	<u>(216,587)</u>
<b>Expenditures</b>				
Public works				
Routine maintenance of roads and streets	1,941,846	2,199,936	1,684,620	(515,316)
Routine maintenance of bridges	50,374	50,374	47,477	(2,897)
Winter maintenance of roads and streets	589,278	655,010	559,350	(95,660)
Traffic services maintenance	661,249	757,999	612,691	(145,308)
State trunkline maintenance	457,085	440,849	383,985	(56,864)
Administration	979,854	1,051,549	902,187	(149,362)
Total public works expenditures	<u>4,679,686</u>	<u>5,155,717</u>	<u>4,190,310</u>	<u>(965,407)</u>
Capital outlay	<u>2,624,433</u>	<u>3,090,893</u>	<u>1,858,393</u>	<u>(1,232,500)</u>
Debt service				
Principal retirement	279,649	119,649	119,648	(1)
Interest and fiscal charges	22,792	23,653	22,792	(861)
Total debt service	<u>302,441</u>	<u>143,302</u>	<u>142,440</u>	<u>(862)</u>
Total expenditures	<u>7,606,560</u>	<u>8,389,912</u>	<u>6,191,143</u>	<u>(2,198,769)</u>
Excess (deficiency) of revenues over expenditures	<u>(478,376)</u>	<u>(1,205,640)</u>	<u>776,542</u>	<u>1,982,182</u>

**City of Saginaw**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Major Streets Fund**  
**For the Year Ended June 30, 2021**

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	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Other financing sources (uses)</b>				
Transfers out	\$ (14,158)	\$ (59,158)	\$ (59,158)	\$ -
Net change in fund balance	(492,534)	(1,264,798)	717,384	1,982,182
Fund balance - beginning of year	<u>2,877,386</u>	<u>2,877,386</u>	<u>2,877,386</u>	<u>-</u>
Fund balance - end of year	<u>\$ 2,384,852</u>	<u>\$ 1,612,588</u>	<u>\$ 3,594,770</u>	<u>\$ 1,982,182</u>

**City of Saginaw**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Community Development Fund**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Federal grants	\$ 3,899,249	\$ 9,198,183	\$ 3,418,483	\$ (5,779,700)
Other state grants	-	200,000	-	(200,000)
Interest income	4,000	4,000	5,658	1,658
Loan repayments	30,000	47,188	34,426	(12,762)
Rental income	5,412	5,412	4,705	(707)
Miscellaneous	-	132,823	20,054	(112,769)
	<u>3,938,661</u>	<u>9,587,606</u>	<u>3,483,326</u>	<u>(6,104,280)</u>
<b>Expenditures</b>				
Current				
Economic development	<u>3,795,694</u>	<u>8,979,664</u>	<u>3,203,394</u>	<u>(5,776,270)</u>
Excess (deficiency) of revenues over expenditures	<u>142,967</u>	<u>607,942</u>	<u>279,932</u>	<u>(328,010)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	59,204	-	(59,204)
Transfers out	<u>(142,967)</u>	<u>(142,967)</u>	<u>(142,967)</u>	<u>-</u>
Total other financing sources (uses)	<u>(142,967)</u>	<u>(83,763)</u>	<u>(142,967)</u>	<u>(59,204)</u>
Net change in fund balance	-	524,179	136,965	(387,214)
Fund balance - beginning of year (deficit)	<u>(535,177)</u>	<u>(535,177)</u>	<u>(535,177)</u>	<u>-</u>
Fund balance - end of year (deficit)	<u>\$ (535,177)</u>	<u>\$ (10,998)</u>	<u>\$ (398,212)</u>	<u>\$ (387,214)</u>

**City of Saginaw**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**American Rescue Plan Act Fund**  
**For the Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Interest income	\$ -	\$ -	\$ 101	\$ 101
Total revenues	-	-	101	101
Total expenditures	-	-	-	-
Net change in fund balance	-	-	101	101
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101</u>	<u>\$ 101</u>

**City of Saginaw**  
**Required Supplementary Information**  
**Municipal Employees Retirement System of Michigan**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**June 30, 2021**

	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>							
Service cost	\$ 1,472,066	\$ 1,627,096	\$ 1,663,289	\$ 1,556,417	\$ 1,663,167	\$ 1,048,864	\$ 575,614
Interest on the total pension liability	25,278,926	25,838,194	25,680,216	25,670,554	25,738,756	19,616,632	11,155,106
Transfer of police/fire liability	-	-	-	-	81,663,416	105,033,295	-
Other changes	-	-	16,430	(13)	1	2,042,459	1
Experience differences	1,701,005	533,762	3,638,071	1,694,853	312,010	(1,859,583)	-
Changes in actuarial assumptions	8,238,371	11,177,822	-	-	-	7,774,598	-
Benefit payments and refunds	(29,854,864)	(29,063,798)	(28,946,607)	(28,762,319)	(28,263,841)	(20,924,135)	(12,034,147)
Net change in total pension liability	6,835,504	10,113,076	2,051,399	159,492	81,113,509	112,732,130	(303,426)
Total pension liability - beginning	346,808,851	336,695,775	334,644,376	334,484,884	253,371,375	140,639,245	140,942,671
Total pension liability - ending (a)	<u>\$ 353,644,355</u>	<u>\$ 346,808,851</u>	<u>\$ 336,695,775</u>	<u>\$ 334,644,376</u>	<u>\$ 334,484,884</u>	<u>\$ 253,371,375</u>	<u>\$ 140,639,245</u>
<b>Plan Fiduciary Net Position</b>							
Employer contributions	\$ 16,097,048	\$ 14,626,627	\$ 15,067,206	\$ 13,392,466	\$ 24,998,362	\$ 18,787,296	\$ 10,025,340
Employee contributions	400,014	405,911	417,958	476,491	566,489	1,679,412	209,067
Pension plan net investment income (loss)	21,614,823	20,805,544	(6,585,645)	21,922,423	18,522,381	(1,354,036)	3,964,552
Benefit payments and refunds	(29,854,864)	(29,063,798)	(28,946,607)	(28,762,319)	(28,263,841)	(20,924,135)	(12,034,147)
Pension plan administrative expense	(321,460)	(357,967)	(337,481)	(348,525)	(365,433)	(313,371)	(145,308)
Transfer of police/fire assets	-	-	-	-	32,924,049	60,369,090	-
Other	-	(250)	-	(250)	(251)	275,770	-
Net change in plan fiduciary net position	7,935,561	6,416,067	(20,384,569)	6,680,286	48,381,756	58,520,026	2,019,504
Plan fiduciary net position - beginning	165,572,815	159,156,748	179,541,317	172,861,031	124,479,275	65,959,249	63,939,745
Plan fiduciary net position - ending (b)	<u>\$ 173,508,376</u>	<u>\$ 165,572,815</u>	<u>\$ 159,156,748</u>	<u>\$ 179,541,317</u>	<u>\$ 172,861,031</u>	<u>\$ 124,479,275</u>	<u>\$ 65,959,249</u>
Net pension liability (a-b)	<u>\$ 180,135,979</u>	<u>\$ 181,236,036</u>	<u>\$ 177,539,027</u>	<u>\$ 155,103,059</u>	<u>\$ 161,623,853</u>	<u>\$ 128,892,100</u>	<u>\$ 74,679,996</u>
Plan fiduciary net position as a percentage of total pension liability	49.06%	47.74%	47.27%	53.65%	51.68%	49.13%	46.90%
Covered payroll	\$ 13,055,851	\$ 13,463,854	\$ 12,266,069	\$ 11,352,264	\$ 11,109,314	\$ 6,255,078	\$ 4,379,041
Net pension liability as a percentage of covered payroll	1379.73%	1346.09%	1447.40%	1366.27%	1454.85%	2060.60%	1,705.40%

Note: GASB Statement No. 68 was implemented for the fiscal year ended June 30, 2015 and does not require retroactive implementation.  
Data will be added as information is available until 10 years of such data is available.



**City of Saginaw**  
**Required Supplementary Information**  
**Municipal Employees Retirement System of Michigan**  
**Schedule of Employer Contributions**  
**June 30, 2021**

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
6/30/2015	\$ 11,101,725	\$ 11,101,725	\$ -	\$ 11,692,526	94.95%
6/30/2016	12,905,325	12,905,325	-	12,421,345	103.90%
6/30/2017	11,503,189	12,507,269	(1,004,080)	11,927,122	104.86%
6/30/2018	13,030,383	15,030,383	(2,000,000)	12,686,320	118.48%
6/30/2019	13,000,836	14,068,682	(1,067,846)	13,605,040	103.41%
6/30/2020	14,180,747	15,237,064	(1,056,317)	14,671,802	103.85%
6/30/2021	16,024,832	16,073,449	(48,617)	15,163,784	106.00%

Note: GASB Statement No. 68 was implemented for the fiscal year ended June 30, 2015 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

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

Actuarial cost method	Individual entry-age
Amortization method	Level-dollar closed
Remaining amortization period	15-22 years
Asset valuation method	5-year smoothed value of assets
Inflation	2.5%
Salary increases	3.75%
Investment rate of return	7.75%
Retirement age	52 to 60
Mortality	RP-2014 Healthy Annuitant Mortality Tables - 50% male and 50% female blend RP-2014 Employee Mortality Tables - 50% male and 50% female blend RP-2014 Juvenile Mortality Tables - 50% male and 50% female blend RP-2014 Disabled Retiree Mortality Tables - 50% male and 50% female blend

Note: Actuarially determined contribution amounts are calculated as of December 31 each year, which is 18 months prior to the beginning of the fiscal year in which contributions are reported.

**City of Saginaw**  
**Required Supplementary Information**  
**Other Post Employment Benefits**  
**Schedule of Changes in Net OPEB Liability and Related Ratios**  
**June 30, 2021**

December 31,	2020	2019	2018	2017
<b>Total OPEB Liability</b>				
Service cost	\$ 2,878,521	\$ 2,344,768	\$ 2,534,106	\$ 3,054,260
Interest on the total OPEB liability	9,247,914	9,567,170	8,947,895	8,136,797
Experience differences	-	1,730,792	-	3,266,252
Changes in actuarial assumptions	(8,367,382)	41,031,416	(17,699,012)	3,862,495
Benefit payments and refunds	(10,356,571)	(8,666,545)	(9,750,762)	(9,860,001)
Net change in total OPEB liability	(6,597,518)	46,007,601	(15,967,773)	8,459,803
Total OPEB liability - beginning	312,002,831	265,995,230	281,963,003	273,503,200
Total OPEB liability - ending (a)	<u>\$ 305,405,313</u>	<u>\$ 312,002,831</u>	<u>\$ 265,995,230</u>	<u>\$ 281,963,003</u>
<b>Plan Fiduciary Net Position</b>				
Employer contributions	\$ 11,329,911	\$ 9,639,885	\$ -	\$ -
OPEB plan net investment income (loss)	48,773	29,326	-	-
Benefit payments and refunds	(10,356,571)	(8,666,545)	-	-
OPEB plan administrative expense	(2,757)	(914)	-	-
Net change in plan fiduciary net position	1,019,356	1,001,752	-	-
Plan fiduciary net position - beginning	1,001,752	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ 2,021,108</u>	<u>\$ 1,001,752</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability (a-b)	<u>\$ 303,384,205</u>	<u>\$ 311,001,079</u>	<u>\$ 265,995,230</u>	<u>\$ 281,963,003</u>
Plan fiduciary net position as a percentage of total OPEB liability	0.66%	0.32%	-	%
Covered payroll	\$ 11,037,471	\$ 9,858,048	N/A	N/A
Net OPEB liability as a percentage of covered payroll	2748.67%	3154.79%	N/A	N/A

Note: GASB Statement No. 75 was implemented for the fiscal year ended June 30, 2018 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available. For 2018 and 2019 contributions were not based on a measure of payroll, therefore per GASB Statement No. 85, covered payroll was not presented. Beginning in fiscal year 2020, contributions were calculated in accordance with the requirements of Public Act 202 of 2017 and were based on payroll.

**City of Saginaw**  
**Required Supplementary Information**  
**Other Post Employment Benefits**  
**Schedule of Employer Contributions**  
**June 30, 2021**

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
6/30/2018	\$ 9,463,741	\$ 9,818,456	\$ (354,715)	N/A	N/A
6/30/2019	9,923,670	10,267,157	(343,487)	N/A	N/A
6/30/2020	17,744,097	9,638,067	8,106,030	10,908,313	88.36%
6/30/2021	19,781,677	12,868,080	6,913,597	10,308,039	124.84%

Note: GASB Statement No. 75 was implemented for the fiscal year ended June 30, 2018 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available. For fiscal years 2018 and 2019 contributions were not based on a measure of payroll, therefore per GASB Statement No. 85, covered payroll was not presented. Beginning in fiscal year 2020, contributions were calculated in accordance with the requirements of Public Act 202 of 2017 and were based on payroll.

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

Actuarial cost method	Individual entry-age as a level percentage of payroll
Inflation	2.5%
Healthcare cost trend rates	8% initial, decreasing by 0.5% each year to an ultimate rate of 4%
Salary increases	3.75%
Retirement age	50 to 60 years
Mortality	RP-2014 Healthy Annuitant Mortality Tables - 50% male and 50% female blend RP-2014 Employee Mortality Tables - 50% male and 50% female blend RP-2014 Juvenile Mortality Tables - 50% male and 50% female blend RP-2014 Disabled Retiree Mortality Tables - 50% male and 50% female blend

Note: Actuarially determined contribution amounts are calculated as of December 31 each year, which is 18 months prior to the beginning of the fiscal year in which contributions are reported.

**City of Saginaw**  
**Required Supplementary Information**  
**Other Post Employment Benefits**  
**Schedule of Investment Returns**

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<u>Plan Year</u> <u>Ending December 31,</u>	<u>Annual</u> <u>Return (1)</u>
2017	0.00%
2018	0.00%
2019	9.41%
2020	3.12%

Note:

1 - Annual money-weighted rate of return, net of investment expenses.

**City of Saginaw**  
**Other Supplementary Information**  
**General Fund**  
**Balance Sheet**  
**June 30, 2021**

(With Comparative Actual Amounts for June 30, 2020)

	2021	2020
<b>Assets</b>		
Cash and cash equivalents	\$ 13,580,120	\$ 9,025,920
Receivables		
Taxes receivable	1,732,378	1,680,143
Customers	142,482	91,238
Special assessments	171,619	160,554
Accrued interest and other	-	53,866
Due from other units of government	1,642,311	697,517
Due from other funds	1,008,000	334,280
Inventories	265,716	221,252
Prepaid items	38,309	24,084
Restricted assets		
Investments	303,040	304,392
Total assets	\$ 18,883,975	\$ 12,593,246
<b>Liabilities</b>		
Accounts payable	\$ 349,140	\$ 484,320
Accrued and other liabilities	933,638	882,022
Due to other funds	2,076,485	2,076,485
Due to other units of government	-	8,769
Total liabilities	3,359,263	3,451,596

**City of Saginaw**  
**Other Supplementary Information**  
**General Fund**  
**Balance Sheet**  
**June 30, 2021**

(With Comparative Actual Amounts for June 30, 2020)

	2021	2020
<b>Deferred inflows of resources</b>		
Accounts receivable	\$ 35,074	\$ 21,608
Grants	31,383	29,509
Total deferred inflows of resources	66,457	51,117
<b>Fund balances</b>		
Non-spendable		
Inventories	265,716	221,252
Prepaid items	38,309	24,084
Restricted for		
General government	30,678	13,023
Public safety	1,639,910	500
Economic development	-	4,625
Committed for		
General government	59,000	10,416
Public safety	704,840	138,542
Public services	248,510	-
Assigned for		
Community services	850,000	743,400
General government	3,000,000	70,000
Unassigned	8,621,292	7,864,691
Total fund balances	15,458,255	9,090,533
Total liabilities, deferred inflows of resources, and fund balances	\$ 18,883,975	\$ 12,593,246

# **NONMAJOR GOVERNMENTAL FUNDS**

## **SPECIAL REVENUE FUNDS**

### ***LOCAL STREETS FUNDS***

The Local Streets Fund receives allocations of State collected gasoline taxes and license fees to be used for the maintenance, repair and construction of streets and bridges within the City.

### ***PUBLIC SAFETY MILLAGE FUND***

The City levies a special property tax earmarked to support the cost of police and firefighters. This fund accounts for the tax levy proceeds and other reimbursements. It also records the expenditures for the payroll and related costs of the police officers and firefighters assigned to this fund.

### ***RUBBISH COLLECTION FUND***

This fund accounts for the annual household rubbish fees, compost fees, and trash removal fees. It also records the expenditures for rubbish collection, hauling and disposal, recycling, composting and trash cleanup.

### ***CLEAN ENERGY COALITION FUND***

Clean energy coalition receives funding from Michigan's Cities of Promise municipalities to establish a clean energy program that will encourage ongoing energy efficiency and renewable energy installations and programs by improving municipal facilities with energy efficiency and renewable energy equipment.

### ***COMMUNITY POLICING FUND***

This fund accounts for the revenues and expenditures of Police officers assigned to various City neighborhoods. This program provides the residents with a greater sense of protection and gives them the responsibility for developing and implementing problem solving strategies for their neighborhoods.

# **NONMAJOR GOVERNMENTAL FUNDS**

## ***(continued)***

### **SPECIAL REVENUE FUNDS**

#### ***LOCAL LAW ENFORCEMENT***

This fund accounts for grant funds received from Saginaw County. The funds are used by the City of Saginaw Police department to purchase equipment and for training.

#### ***POLICE TRAINING FUND***

The fund accounts for allocations received from the State of Michigan pursuant to Act 302 of the Public Acts of 1982. Distributions are made twice annually based on the number of sworn Police officers. These funds can only be expended for direct costs of criminal justice training of Police officers.

#### ***POLICE ENHANCING LAW ENFORCEMENT RESPONSE TO VICTIMS (ELERV) FUND***

The fund accounts for grant funds received from the Office for Victims of Crime. The funds are used by the Saginaw Police Department to implement an ELERV strategy, which includes enhanced police practices, cooperation between police and organizations, and improves law enforcement response to victims of crime.

#### ***YOUTH INITIATIVE GRANT FUND***

This fund accounts for grant funds received from Saginaw County. The funds will be used to engage youths and their families in programs that will enhance their self-awareness, self-esteem and reduce their use of substances through participation in substance abuse programs.

#### ***JUSTICE VICTIMS GRANT FUND***

This fund accounts for all expenditures and funds received from the Justice Victims Grant.

#### ***DRUG FORFEITURE FUND***

This fund accounts for all expenditures and funds received from the forfeiture of cash and property seized during drug raids.

#### ***CORONAVIRUS EMERGENCY SUPPLEMENTAL FUND***

This fund accounts for all expenditures and funds received from the Justice Victims Grant.

#### ***ANDERSEN CENTER OPERATION FUND***

This fund accounts for the operation and maintenance expenditures, foundation, private, and corporate contributions, and building rentals for the Andersen Enrichment Center as well as numerous community events.



# **NONMAJOR GOVERNMENTAL FUNDS**

*(continued)*

## **SPECIAL REVENUE FUNDS**

### ***ARTS AND ENRICHMENT COMMISSION FUND***

This fund accounts for the private, corporate, state and federal contributions to provide financial support to cultural and creative arts organizations and to sponsor various social and community events to improve the quality of life in the City.

### ***PUBLIC EMPLOYEE HEALTHCARE FUND***

This fund was established to start funding the unfunded health insurance premiums that are fully paid for all City retirees.

## **CAPITAL PROJECTS FUND**

This fund accounts for the revenues and expenditures related to the acquisition, development, improvement, and/or maintenance of capital assets.

## **PERMANENT FUND**

The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for cemetery care and parks improvements purposes in support of the City's programs.

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds			
	Local Street	Public Safety Millage	Rubbish Collection	Clean Energy Coalition
<b>Assets</b>				
Cash and cash equivalents	\$ 315,448	\$ 609,525	\$ 1,404,230	\$ 2,020
Receivables				
Customers	-	-	1,489,234	-
Special assessments	3,686	-	6,225	-
Due from other units of government	288,013	-	-	-
Prepaid items	-	-	174,865	-
Restricted assets				
Investments	-	-	-	-
Total assets	<u>\$ 607,147</u>	<u>\$ 609,525</u>	<u>\$ 3,074,554</u>	<u>\$ 2,020</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds						
	Police Grants Funds						
	Community Policing	Local Law Enforcement	Police Training	Police ELERV Grant	Youth Initiative Grant	Justice Victims Grant	Drug Forfeiture
<b>Assets</b>							
Cash and cash equivalents	\$ 54,323	\$ 57,385	\$ -	\$ 675	\$ 283	\$ -	\$ 538,136
Receivables							
Customers	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Due from other units of government	-	-	-	-	-	39,987	-
Prepaid items	-	-	-	-	-	-	-
Restricted assets							
Investments	-	-	-	-	-	-	-
Total assets	<u>\$ 54,323</u>	<u>\$ 57,385</u>	<u>\$ -</u>	<u>\$ 675</u>	<u>\$ 283</u>	<u>\$ 39,987</u>	<u>\$ 538,136</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Coronavirus Emergency Supplemental	Andersen Center Operation	Arts and Enrichment Commission	Public Employee Healthcare	Capital Projects	Permanent Fund	
<b>Assets</b>							
Cash and cash equivalents	\$ -	\$ 20,188	\$ 195,166	\$ 58,345	\$ 214,855	\$ 361,634	\$ 3,832,213
Receivables							
Customers	-	360	-	-	-	30	1,489,624
Special assessments	-	-	-	-	-	-	9,911
Due from other units of government	69,343	-	1,047	-	-	-	398,390
Prepaid items	-	-	-	-	-	-	174,865
Restricted assets							
Investments	-	-	-	-	-	2,757,488	2,757,488
Total assets	<u>\$ 69,343</u>	<u>\$ 20,548</u>	<u>\$ 196,213</u>	<u>\$ 58,345</u>	<u>\$ 214,855</u>	<u>\$ 3,119,152</u>	<u>\$ 8,662,491</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds			
	Local Street	Public Safety Millage	Rubbish Collection	Clean Energy Coalition
<b>Liabilities</b>				
Accounts payable	\$ 25,236	\$ -	\$ 331,067	\$ -
Accrued and other liabilities	16,294	118,527	119,361	233
Due to other funds	-	-	-	-
Total liabilities	<u>41,530</u>	<u>118,527</u>	<u>450,428</u>	<u>233</u>
<b>Deferred inflows of resources</b>				
Accounts receivable	-	-	875,442	-
Grants	815	-	-	-
Total deferred inflows of resources	<u>815</u>	<u>-</u>	<u>875,442</u>	<u>-</u>
<b>Fund balances</b>				
Non-spendable				
Prepaid items	-	-	174,865	-
Endowments	-	-	-	-
Restricted	564,802	490,998	1,573,819	1,787
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>564,802</u>	<u>490,998</u>	<u>1,748,684</u>	<u>1,787</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 607,147</u>	<u>\$ 609,525</u>	<u>\$ 3,074,554</u>	<u>\$ 2,020</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds						
	Police Grants Funds						
	Community Policing	Local Law Enforcement	Police Training	Police ELERV Grant	Youth Initiative Grant	Justice Victims Grant	Drug Forfeiture
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 48	\$ 22,532	\$ -
Accrued and other liabilities	-	-	-	-	235	428	440,836
Due to other funds	-	-	-	-	-	15,736	32,154
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>283</u>	<u>38,696</u>	<u>472,990</u>
<b>Deferred inflows of resources</b>							
Accounts receivable	-	-	-	-	-	-	-
Grants	-	-	-	-	-	484	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>484</u>	<u>-</u>
<b>Fund balances</b>							
Non-spendable							
Prepaid items	-	-	-	-	-	-	-
Endowments	-	-	-	-	-	-	-
Restricted	54,323	57,385	-	675	-	807	65,146
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-
Total fund balances	<u>54,323</u>	<u>57,385</u>	<u>-</u>	<u>675</u>	<u>-</u>	<u>807</u>	<u>65,146</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 54,323</u>	<u>\$ 57,385</u>	<u>\$ -</u>	<u>\$ 675</u>	<u>\$ 283</u>	<u>\$ 39,987</u>	<u>\$ 538,136</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Coronavirus Emergency Supplemental	Andersen Center Operation	Arts and Enrichment Commission	Public Employee Healthcare	Capital Projects	Permanent Fund	
<b>Liabilities</b>							
Accounts payable	\$ 97	\$ 7,078	\$ 43	\$ -	\$ 82,554	\$ -	\$ 468,655
Accrued and other liabilities	7,845	1,190	1,842	-	-	-	706,791
Due to other funds	61,401	-	-	-	-	-	109,291
Total liabilities	<u>69,343</u>	<u>8,268</u>	<u>1,885</u>	<u>-</u>	<u>82,554</u>	<u>-</u>	<u>1,284,737</u>
<b>Deferred inflows of resources</b>							
Accounts receivable	-	-	-	-	-	-	875,442
Grants	6,881	-	1,047	-	-	-	9,227
Total deferred inflows of resources	<u>6,881</u>	<u>-</u>	<u>1,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>884,669</u>
<b>Fund balances</b>							
Non-spendable							
Prepaid items	-	-	-	-	-	-	174,865
Endowments	-	-	-	-	-	3,022,306	3,022,306
Restricted	-	12,280	-	-	-	96,846	2,918,868
Committed	-	-	-	58,345	-	-	58,345
Assigned	-	-	193,281	-	132,301	-	325,582
Unassigned (deficit)	(6,881)	-	-	-	-	-	(6,881)
Total fund balances	<u>(6,881)</u>	<u>12,280</u>	<u>193,281</u>	<u>58,345</u>	<u>132,301</u>	<u>3,119,152</u>	<u>6,493,085</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 69,343</u>	<u>\$ 20,548</u>	<u>\$ 196,213</u>	<u>\$ 58,345</u>	<u>\$ 214,855</u>	<u>\$ 3,119,152</u>	<u>\$ 8,662,491</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds			
	Local Street	Public Safety Millage	Rubbish Collection	Clean Energy Coalition
<b>Revenues</b>				
Taxes	\$ -	\$ 2,924,096	\$ 3,227	\$ -
Federal grants	-	-	9,000	-
State revenue sharing	1,753,984	-	-	-
Other state grants	-	-	-	-
Local contributions	-	-	-	-
Charges for services	-	-	4,338,055	-
Fines and forfeitures	-	-	-	-
Interest income	342	-	102,105	-
Rental income	-	-	-	-
Other revenue	19,517	-	3,120	-
<b>Total revenues</b>	<u>1,773,843</u>	<u>2,924,096</u>	<u>4,455,507</u>	<u>-</u>



**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds						
	Police Grants Funds						
	Community Policing	Local Law Enforcement	Police Training	Police ELERV Grant	Youth Initiative Grant	Justice Victims Grant	Drug Forfeiture
<b>Revenues</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	-	58,928	-	-	-	185,050	-
State revenue sharing	-	-	-	-	-	-	-
Other state grants	-	-	6,412	-	-	-	-
Local contributions	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	6,068
Interest income	-	1	-	-	-	-	262
Rental income	-	-	-	-	-	-	-
Other revenue	-	-	-	-	52,408	-	15,213
<b>Total revenues</b>	<b>-</b>	<b>58,929</b>	<b>6,412</b>	<b>-</b>	<b>52,408</b>	<b>185,050</b>	<b>21,543</b>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds						
	Coronavirus Emergency Supplemental	Andersen Center Operation	Arts and Enrichment Commission	Public Employee Healthcare	Capital Projects	Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,927,323
Federal grants	112,418	-	-	-	-	-	365,396
State revenue sharing	-	-	-	-	-	-	1,753,984
Other state grants	-	-	-	-	-	-	6,412
Local contributions	-	28,800	167,665	-	100,000	-	296,465
Charges for services	-	-	8,935	-	-	80,899	4,427,889
Fines and forfeitures	-	-	-	-	-	-	6,068
Interest income	-	2	638	39	6	-	103,395
Rental income	-	35,554	-	-	-	-	35,554
Other revenue	-	8,753	21,025	-	-	-	120,036
	<u>112,418</u>	<u>73,109</u>	<u>198,263</u>	<u>39</u>	<u>100,006</u>	<u>80,899</u>	<u>10,042,522</u>
Total revenues							

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds			
	Local Street	Public Safety Millage	Rubbish Collection	Clean Energy Coalition
<b>Expenditures</b>				
Current				
General government	\$ -	\$ -	\$ -	\$ -
Public safety	-	2,556,347	-	-
Public works				
Highways and streets	1,834,899	-	-	-
Garbage and rubbish	-	-	3,915,315	29,452
Recreation and culture	-	-	-	-
Debt service				
Principal retirement	-	-	70,414	-
Interest and fiscal charges	-	-	14,651	8,002
	<u>1,834,899</u>	<u>2,556,347</u>	<u>4,000,380</u>	<u>37,454</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(61,056)</u>	<u>367,749</u>	<u>455,127</u>	<u>(37,454)</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds						
	Police Grants Funds						
	Community Policing	Local Law Enforcement	Police Training	Police ELERV Grant	Youth Initiative Grant	Justice Victims Grant	Drug Forfeiture
<b>Expenditures</b>							
Current							
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	82,343	10,612	156	58,758	163,278	31,833
Public works							
Highways and streets	-	-	-	-	-	-	-
Garbage and rubbish	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-
Debt service							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>82,343</u>	<u>10,612</u>	<u>156</u>	<u>58,758</u>	<u>163,278</u>	<u>31,833</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>(23,414)</u>	<u>(4,200)</u>	<u>(156)</u>	<u>(6,350)</u>	<u>21,772</u>	<u>(10,290)</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	<u>Special Revenue Funds</u>						<u>Total</u>
	<u>Coronavirus Emergency Supplemental</u>	<u>Andersen Center Operation</u>	<u>Arts and Enrichment Commission</u>	<u>Public Employee Healthcare</u>	<u>Capital Projects</u>	<u>Permanent Fund</u>	<u>Nonmajor Governmental Funds</u>
<b>Expenditures</b>							
Current							
General government	\$ -	\$ -	\$ -	\$ 973,340	\$ 944,350	\$ -	\$ 1,917,690
Public safety	119,299	-	-	-	-	-	3,022,626
Public works							
Highways and streets	-	-	-	-	-	-	1,834,899
Garbage and rubbish	-	-	-	-	-	-	3,944,767
Recreation and culture	-	68,554	196,224	-	-	-	264,778
Debt service							
Principal retirement	-	-	-	-	362,416	-	432,830
Interest and fiscal charges	-	-	-	-	76,891	-	99,544
Total expenditures	<u>119,299</u>	<u>68,554</u>	<u>196,224</u>	<u>973,340</u>	<u>1,383,657</u>	<u>-</u>	<u>11,517,134</u>
Excess (deficiency) of revenues over expenditures	<u>(6,881)</u>	<u>4,555</u>	<u>2,039</u>	<u>(973,301)</u>	<u>(1,283,651)</u>	<u>80,899</u>	<u>(1,474,612)</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds			
	Local Street	Public Safety Millage	Rubbish Collection	Clean Energy Coalition
<b>Other financing sources (uses)</b>				
Transfers in	\$ -	\$ -	\$ -	\$ 35,261
Transfers out	(9,347)	-	(144,783)	-
Sale of capital assets	-	-	25,800	-
Total other financing sources and uses	<u>(9,347)</u>	<u>-</u>	<u>(118,983)</u>	<u>35,261</u>
Net change in fund balance	(70,403)	367,749	336,144	(2,193)
Fund balance (deficit) - beginning of year	<u>635,205</u>	<u>123,249</u>	<u>1,412,540</u>	<u>3,980</u>
Fund balance (deficit) - end of year	<u>\$ 564,802</u>	<u>\$ 490,998</u>	<u>\$ 1,748,684</u>	<u>\$ 1,787</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds						
	Police Grants Funds						
	Community Policing	Local Law Enforcement	Police Training	Police ELERV Grant	Youth Initiative Grant	Justice Victims Grant	Drug Forfeiture
<b>Other financing sources (uses)</b>							
Transfers in	\$ -	\$ -	\$ 4,200	\$ -	\$ 30	\$ -	\$ -
Transfers out	-	-	-	-	-	-	-
Sale of capital assets	-	57,286	-	-	-	-	-
Total other financing sources and uses	-	57,286	4,200	-	30	-	-
Net change in fund balance	-	33,872	-	(156)	(6,320)	21,772	(10,290)
Fund balance (deficit) - beginning of year	54,323	23,513	-	831	6,320	(20,965)	75,436
Fund balance (deficit) - end of year	<u>\$ 54,323</u>	<u>\$ 57,385</u>	<u>\$ -</u>	<u>\$ 675</u>	<u>\$ -</u>	<u>\$ 807</u>	<u>\$ 65,146</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	<u>Special Revenue Funds</u>						Total Nonmajor Governmental Funds
	<u>Coronavirus Emergency Supplemental</u>	<u>Andersen Center Operation</u>	<u>Arts and Enrichment Commission</u>	<u>Public Employee Healthcare</u>	<u>Capital Projects</u>	<u>Permanent Fund</u>	
<b>Other financing sources (uses)</b>							
Transfers in	\$ -	\$ -	\$ -	\$ 178,000	\$ 702,075	\$ -	\$ 919,566
Transfers out	-	-	-	-	-	-	(154,130)
Sale of capital assets	-	-	-	-	-	-	83,086
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>178,000</u>	<u>702,075</u>	<u>-</u>	<u>848,522</u>
Net change in fund balance	(6,881)	4,555	2,039	(795,301)	(581,576)	80,899	(626,090)
Fund balance (deficit) - beginning of year	<u>-</u>	<u>7,725</u>	<u>191,242</u>	<u>853,646</u>	<u>713,877</u>	<u>3,038,253</u>	<u>7,119,175</u>
Fund balance (deficit) - end of year	<u><u>\$ (6,881)</u></u>	<u><u>\$ 12,280</u></u>	<u><u>\$ 193,281</u></u>	<u><u>\$ 58,345</u></u>	<u><u>\$ 132,301</u></u>	<u><u>\$ 3,119,152</u></u>	<u><u>\$ 6,493,085</u></u>



**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Local Streets Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
State revenue sharing	\$ 1,822,857	\$ 1,753,984	\$ (68,873)
Interest income	-	342	342
Other revenue	-	19,517	19,517
Sale of capital assets	28,027	-	(28,027)
	<u>1,850,884</u>	<u>1,773,843</u>	<u>(77,041)</u>
Total revenues			
<b>Expenditures</b>			
Public works			
Routine maintenance of roads and streets	639,966	445,381	(194,585)
Winter maintenance of roads and streets	91,028	77,161	(13,867)
Traffic services maintenance	274,723	216,371	(58,352)
Administration	1,352,874	1,095,986	(256,888)
Transfers out	9,347	9,347	-
	<u>2,367,938</u>	<u>1,844,246</u>	<u>(523,692)</u>
Total public works expenditures			
Excess (deficiency) of revenues over expenditures	(517,054)	(70,403)	446,651
Fund balance - beginning of year	<u>635,205</u>	<u>635,205</u>	<u>-</u>
Fund balance - end of year	<u>\$ 118,151</u>	<u>\$ 564,802</u>	<u>\$ 446,651</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Public Safety Millage Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Final Budget</u>
<b>Revenues</b>			
Taxes	\$ 2,830,552	\$ 2,924,096	\$ 93,544
<b>Expenditures</b>			
Public safety			
Police patrol	1,967,961	1,901,749	(66,212)
Fire suppression	<u>862,591</u>	<u>654,598</u>	<u>(207,993)</u>
Total public safety expenditures	<u>2,830,552</u>	<u>2,556,347</u>	<u>(274,205)</u>
Excess (deficiency) of revenues over expenditures	-	367,749	367,749
Fund balance - beginning of year	<u>123,249</u>	<u>123,249</u>	<u>-</u>
Fund balance - end of year	<u>\$ 123,249</u>	<u>\$ 490,998</u>	<u>\$ 367,749</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Rubbish Collection Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Taxes	\$ 3,004	\$ 3,227	\$ 223
Federal grants	9,000	9,000	-
Charges for services	4,056,941	4,338,055	281,114
Interest income	75,000	102,105	27,105
Other revenue	-	3,120	3,120
Sale of capital assets	25,800	25,800	-
	<u>4,169,745</u>	<u>4,481,307</u>	<u>311,562</u>
<b>Expenditures</b>			
Public works			
Administration	600,500	581,232	(19,268)
Rubbish collection and disposal	2,079,987	1,989,710	(90,277)
Brush collection and disposal	337,818	291,623	(46,195)
Recycling and composting	1,232,732	1,052,750	(179,982)
Principal retirement	162,414	70,414	(92,000)
Interest and fiscal charges	14,747	14,651	(96)
Transfers out	144,782	144,783	1
	<u>4,572,980</u>	<u>4,145,163</u>	<u>(427,817)</u>
Excess (deficiency) of revenues over expenditures	(403,235)	336,144	739,379
Fund balance - beginning of year	<u>1,412,540</u>	<u>1,412,540</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,009,305</u>	<u>\$ 1,748,684</u>	<u>\$ 739,379</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Clean Energy Coalition Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Transfers in	\$ 40,000	\$ 35,261	\$ (4,739)
<b>Expenditures</b>			
Public works			
Contractual services	32,000	29,452	(2,548)
Debt service			
Interest and fiscal charges	8,000	8,002	2
Total expenditures	40,000	37,454	(2,546)
Excess (deficiency) of revenues over expenditures	-	(2,193)	(2,193)
Fund balance - beginning of year	3,980	3,980	-
Fund balance - end of year	\$ 3,980	\$ 1,787	\$ (2,193)

**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Police Grants Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Federal grants	\$ 569,119	\$ 243,978	\$ (325,141)
Other state grants	14,000	6,412	(7,588)
Interest income	-	1	1
Other revenue	182,033	52,408	(129,625)
Sale of capital assets	51,572	57,286	5,714
Transfers in	<u>25,592</u>	<u>4,230</u>	<u>(21,362)</u>
Total revenues	842,316	364,315	(478,001)
<b>Expenditures</b>			
Public safety	<u>913,289</u>	<u>315,147</u>	<u>(598,142)</u>
Excess (deficiency) of revenues over expenditures	(70,973)	49,168	120,141
Fund balance - beginning of year	<u>64,022</u>	<u>64,022</u>	<u>-</u>
Fund balance - end of year	<u>\$ (6,951)</u>	<u>\$ 113,190</u>	<u>\$ 120,141</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Drug Forfeiture Special Revenue Fund**  
**For the Year Ended June 30, 2021**

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	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Fines and forfeitures	\$ -	\$ 6,068	\$ 6,068
Interest income	1,000	262	(738)
Other revenue	12,981	15,213	2,232
Total revenues	13,981	21,543	7,562
<b>Expenditures</b>			
Public safety	79,937	31,833	(48,104)
Excess (deficiency) of revenues over expenditures	(65,956)	(10,290)	55,666
Fund balance - beginning of year	75,436	75,436	-
Fund balance - end of year	\$ 9,480	\$ 65,146	\$ 55,666

**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Coronavirus Emergency Supplemental Fund**  
**For the Year Ended June 30, 2021**

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	<u>Final Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Final Budget</u>
<b>Revenues</b>			
Federal grants	\$ 184,048	\$ 112,418	\$ (71,630)
<b>Expenditures</b>			
Public safety	<u>184,048</u>	<u>119,299</u>	<u>(64,749)</u>
Excess (deficiency) of revenues over expenditures	-	(6,881)	(6,881)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) - end of year	<u><u>\$ -</u></u>	<u><u>\$ (6,881)</u></u>	<u><u>\$ (6,881)</u></u>

**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Andersen Center Operation Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Local contributions	\$ 28,800	\$ 28,800	\$ -
Interest income	-	2	2
Rental income	52,079	35,554	(16,525)
Other revenue	<u>15,000</u>	<u>8,753</u>	<u>(6,247)</u>
Total revenues	95,879	73,109	(22,770)
<b>Expenditures</b>			
Recreation and culture	<u>88,579</u>	<u>68,554</u>	<u>(20,025)</u>
Excess (deficiency) of revenues over expenditures	7,300	4,555	(2,745)
Fund balance - beginning of year	<u>7,725</u>	<u>7,725</u>	<u>-</u>
Fund balance - end of year	<u>\$ 15,025</u>	<u>\$ 12,280</u>	<u>\$ (2,745)</u>



**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Arts and Enrichment Commission Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Local contributions	\$ 167,665	\$ 167,665	\$ -
Charges for services	8,877	8,935	58
Interest income	450	638	188
Other revenue	43,943	21,025	(22,918)
Total revenues	220,935	198,263	(22,672)
<b>Expenditures</b>			
Recreation and culture	198,265	196,224	(2,041)
Excess (deficiency) of revenues over expenditures	22,670	2,039	(20,631)
Fund balance - beginning of year	191,242	191,242	-
Fund balance - end of year	\$ 213,912	\$ 193,281	\$ (20,631)

**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Public Employee Healthcare Fund**  
**For the Year Ended June 30, 2021**

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	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
Interest income	\$ 18,882	\$ 39	\$ (18,843)
Transfers in	178,000	178,000	-
Total revenues	196,882	178,039	(18,843)
<b>Expenditures</b>			
Current			
General government	992,222	973,340	(18,882)
Excess (deficiency) of revenues over expenditures	(795,340)	(795,301)	39
Fund balance - beginning of year	853,646	853,646	-
Fund balance - end of year	\$ 58,306	\$ 58,345	\$ 39

**City of Saginaw**  
**Other Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes**  
**in Fund Balance - Budget to Actual**  
**Capital Projects Fund**  
**For the Year Ended June 30, 2021**

	Final Budget	Actual	Actual Over (Under) Final Budget
<b>Revenues</b>			
State revenue sharing	\$ 40,370	\$ -	\$ (40,370)
Local contributions	-	100,000	100,000
Interest income	-	6	6
Other revenue	110,000	-	(110,000)
Transfers in	<u>802,075</u>	<u>702,075</u>	<u>(100,000)</u>
 Total revenues	 952,445	 802,081	 (150,364)
<b>Expenditures</b>			
Current			
General government	1,230,817	944,350	(286,467)
Debt service			
Principal retirement	361,355	362,416	1,061
Interest and fiscal charges	<u>115,223</u>	<u>76,891</u>	<u>(38,332)</u>
 Total expenditures	 <u>1,707,395</u>	 <u>1,383,657</u>	 <u>(323,738)</u>
 Excess (deficiency) of revenues over expenditures	 (754,950)	 (581,576)	 173,374
 Fund balance - beginning of year	 <u>713,877</u>	 <u>713,877</u>	 <u>-</u>
 Fund balance (deficit) - end of year	 <u>\$ (41,073)</u>	 <u>\$ 132,301</u>	 <u>\$ 173,374</u>

# INTERNAL SERVICE FUNDS

## ***INFORMATION SERVICES FUND***

Computer and information services are provided to City operating departments through this fund. The operation is financed by service charges levied against user departments and service contracts with other governmental agencies.

## ***GIS FUND***

This fund is used to account for the development and operations of a City-wide geographic information system. Money for the operation of this fund is supplied from contributions from other City funds.

## ***MOTOR POOL FUND***

This fund is responsible for maintaining vehicles and other motorized equipment for use in general City operations. The costs of maintenance and repairs are recovered through rates charged to City operations using the vehicles and equipment.

## ***RADIO FUND***

This fund acquires, installs and maintains two-way radio equipment for use by City operating departments. Rental fees are charged to using departments to recover the cost of maintaining and replacing equipment.

## ***EMPLOYEE BENEFITS AND INSURANCE FUND***

This fund was established by City Council to serve as a general insurance reserve for liabilities and claims not covered by commercial carriers and to pay deductibles. This fund accounts for the payment of insurance premiums, the distribution of insurance costs to other City funds and records the insurance claims liability. In addition, this fund accounts for employee benefits, withholdings and related insurance claims.

## ***WORKERS' COMPENSATION FUND***

This fund accounts for all expenses, revenues and claims liability relating to the City's self-insured workers' compensation program. Premiums are charged to other City funds based on budgeted salaries.

## ***PUBLIC WORKS BUILDING FUND***

This fund was established to account for all operating and capital expenses required to maintain the Public Works Service Center. Rent is charged to the departments occupying the building based on square footage.

**City of Saginaw**  
**Other Supplementary Information**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**June 30, 2021**

	Information Services	GIS	Motor Pool	Radio
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 1,258,876	\$ 297,534	\$ 1,471,073	\$ 1,041,343
Accounts receivable	-	-	-	-
Due from other units of government	2,146	-	1,649	-
Inventories	-	-	250,008	-
Prepaid items	63,906	27,319	-	-
Total current assets	1,324,928	324,853	1,722,730	1,041,343
Noncurrent assets				
Capital assets, net of accumulated depreciation	274,203	4,117	118,227	14,477
Total assets	1,599,131	328,970	1,840,957	1,055,820
<b>Deferred outflows of resources</b>				
Deferred amount related to net pension liability	176,996	65,580	355,405	11,292
Deferred amount related to net OPEB liability	67,660	9,650	134,290	965
Total deferred outflows of resources	244,656	75,230	489,695	12,257

**City of Saginaw**  
**Other Supplementary Information**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**June 30, 2021**

	Employee Benefits and Insurance	Workers' Compensation	Public Works Building	Total
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 4,959,729	\$ 2,905,850	\$ 572,573	\$ 12,506,978
Accounts receivable	55,501	-	-	55,501
Due from other units of government	-	-	4,815	8,610
Inventories	-	-	-	250,008
Prepaid items	51,321	-	-	142,546
Total current assets	5,066,551	2,905,850	577,388	12,963,643
Noncurrent assets				
Capital assets, net of accumulated depreciation	-	-	115,663	526,687
Total assets	5,066,551	2,905,850	693,051	13,490,330
<b>Deferred outflows of resources</b>				
Deferred amount related to net pension liability	7,480	19,530	61,265	697,548
Deferred amount related to net OPEB liability	-	-	-	212,565
Total deferred outflows of resources	7,480	19,530	61,265	910,113

**City of Saginaw**  
**Other Supplementary Information**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**June 30, 2021**

	Information Services	GIS	Motor Pool	Radio
<b>Liabilities</b>				
Accounts payable	\$ 69,992	\$ 325	\$ 15,659	\$ 29
Accrued and other liabilities	14,054	5,705	23,297	1,020
Current portion of noncurrent liabilities	<u>14,397</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>98,443</u>	<u>6,030</u>	<u>38,956</u>	<u>1,049</u>
Noncurrent liabilities				
Compensated absences	34,049	13,668	50,050	-
Net pension liability	1,906,531	502,607	3,948,776	120,459
Net OPEB liability	3,025,448	437,228	5,989,311	43,724
Long-term debt net of current portion	<u>37,168</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>5,003,196</u>	<u>953,503</u>	<u>9,988,137</u>	<u>164,183</u>
Total liabilities	5,101,639	959,533	10,027,093	165,232
<b>Deferred inflows of resources</b>				
Deferred amount related to net pension liability	67,862	17,890	140,555	4,288
Deferred amount related to net OPEB liability	<u>5,667</u>	<u>819</u>	<u>11,219</u>	<u>81</u>
Total deferred inflows of resources	<u>73,529</u>	<u>18,709</u>	<u>151,774</u>	<u>4,369</u>
<b>Net position</b>				
Net investment in capital assets	222,638	4,117	118,227	14,477
Unrestricted (deficit)	<u>(3,554,019)</u>	<u>(578,159)</u>	<u>(7,966,442)</u>	<u>883,999</u>
Total net position	<u>\$ (3,331,381)</u>	<u>\$ (574,042)</u>	<u>\$ (7,848,215)</u>	<u>\$ 898,476</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**June 30, 2021**

	Employee Benefits and Insurance	Workers' Compensation	Public Works Building	Total
<b>Liabilities</b>				
Accounts payable	\$ 128,790	\$ 560,984	\$ 39,234	\$ 815,013
Accrued and other liabilities	2,576,605	1,729	5,384	2,627,794
Current portion of noncurrent liabilities	<u>2,104,628</u>	<u>545,180</u>	<u>-</u>	<u>2,664,205</u>
Total current liabilities	<u>4,810,023</u>	<u>1,107,893</u>	<u>44,618</u>	<u>6,107,012</u>
Noncurrent liabilities				
Compensated absences	2,428	7,522	12,975	120,692
Net pension liability	67,018	201,045	663,435	7,409,871
Net OPEB liability	-	-	-	9,495,711
Long-term debt net of current portion	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,168</u>
Total noncurrent liabilities	<u>69,446</u>	<u>208,567</u>	<u>676,410</u>	<u>17,063,442</u>
Total liabilities	4,879,469	1,316,460	721,028	23,170,454
<b>Deferred inflows of resources</b>				
Deferred amount related to net pension liability	2,385	7,156	23,615	263,751
Deferred amount related to net OPEB liability	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,786</u>
Total deferred inflows of resources	<u>2,385</u>	<u>7,156</u>	<u>23,615</u>	<u>281,537</u>
<b>Net position</b>				
Net investment in capital assets	-	-	115,663	475,122
Unrestricted (deficit)	<u>192,177</u>	<u>1,601,764</u>	<u>(105,990)</u>	<u>(9,526,670)</u>
Total net position	<u>\$ 192,177</u>	<u>\$ 1,601,764</u>	<u>\$ 9,673</u>	<u>\$ (9,051,548)</u>



**City of Saginaw**  
**Other Supplementary Information**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Balance**  
**For the Year Ended June 30, 2021**

	Information Services	GIS	Motor Pool	Radio
<b>Operating revenue</b>				
User charges	\$ 1,632,619	\$ 348,970	\$ 2,264,003	\$ 167,392
Other revenue	4,492	8,904	1,649	156
Total operating revenue	<u>1,637,111</u>	<u>357,874</u>	<u>2,265,652</u>	<u>167,548</u>
<b>Operating expenses</b>				
Salaries and benefits	1,173,400	256,549	1,379,091	73,610
Supplies	274,036	1,798	370,039	2,527
Contractual services	358,014	62,953	361,116	16,513
Claims	-	-	-	-
Utilities	-	-	1,499	-
Repairs and maintenance	2,736	-	124,079	4,747
Other expenses	-	-	257	18,975
Depreciation	31,383	1,783	47,697	55,129
Total operating expenses	<u>1,839,569</u>	<u>323,083</u>	<u>2,283,778</u>	<u>171,501</u>
Operating income (loss)	<u>(202,458)</u>	<u>34,791</u>	<u>(18,126)</u>	<u>(3,953)</u>
<b>Nonoperating revenue</b>				
Federal grant	2,146	-	1,649	-
Interest income	53	13	71	51
Gain on sale of capital assets	-	-	62,509	-
Total nonoperating revenues	<u>2,199</u>	<u>13</u>	<u>64,229</u>	<u>51</u>
Change in net position	(200,259)	34,804	46,103	(3,902)
Net position - beginning of year	<u>(3,131,122)</u>	<u>(608,846)</u>	<u>(7,894,318)</u>	<u>902,378</u>
Net position - end of year	<u>\$ (3,331,381)</u>	<u>\$ (574,042)</u>	<u>\$ (7,848,215)</u>	<u>\$ 898,476</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Balance**  
**For the Year Ended June 30, 2021**

	Employee Benefits and Insurance	Workers' Compensation	Public Works Building	Total
<b>Operating revenue</b>				
User charges	\$ 1,295,718	\$ 939,179	\$ 567,612	\$ 7,215,493
Other revenue	367,866	3,796	-	386,863
Total operating revenue	<u>1,663,584</u>	<u>942,975</u>	<u>567,612</u>	<u>7,602,356</u>
<b>Operating expenses</b>				
Salaries and benefits	3,817	77,570	259,713	3,223,750
Supplies	-	445	20,353	669,198
Contractual services	1,051,964	390,497	93,687	2,334,744
Claims	1,118,717	799,627	-	1,918,344
Utilities	-	-	96,813	98,312
Repairs and maintenance	-	-	24,579	156,141
Other expenses	13,410	-	3,977	36,619
Depreciation	-	-	12,375	148,367
Total operating expenses	<u>2,187,908</u>	<u>1,268,139</u>	<u>511,497</u>	<u>8,585,475</u>
Operating income (loss)	<u>(524,324)</u>	<u>(325,164)</u>	<u>56,115</u>	<u>(983,119)</u>
<b>Nonoperating revenue</b>				
Federal grant	-	-	4,815	8,610
Interest income	63	4,383	28	4,662
Gain on sale of capital assets	-	-	-	62,509
Total nonoperating revenues	<u>63</u>	<u>4,383</u>	<u>4,843</u>	<u>75,781</u>
Change in net position	(524,261)	(320,781)	60,958	(907,338)
Net position - beginning of year	<u>716,438</u>	<u>1,922,545</u>	<u>(51,285)</u>	<u>(8,144,210)</u>
Net position - end of year	<u>\$ 192,177</u>	<u>\$ 1,601,764</u>	<u>\$ 9,673</u>	<u>\$ (9,051,548)</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended June 30, 2021**

	Information Services	GIS	Motor Pool	Radio	Employee Benefits and Insurance	Workers' Compensation	Public Works Building	Total
<b>Cash flows from operating activities</b>								
Receipts from interfund users	\$ 1,637,111	\$ 357,874	\$ 2,265,652	\$ 167,548	\$ 1,615,013	\$ 942,975	\$ 567,612	\$ 7,553,785
Payments to suppliers	(465,870)	(75,517)	(659,535)	(43,527)	(1,395,893)	(1,854,399)	(232,782)	(4,727,523)
Payments to employees	(778,893)	(233,213)	(1,556,640)	(31,504)	(30,820)	(66,888)	(201,345)	(2,899,303)
Net cash provided (used) by operating activities	392,348	49,144	49,477	92,517	188,300	(978,312)	133,485	(73,041)
<b>Cash flows from noncapital financing activities</b>								
Federal grant	2,146	-	-	-	-	-	4,815	6,961
<b>Cash flows from capital and related financing activities</b>								
Proceeds from capital debt	-	-	-	-	-	-	-	-
Purchases/construction of capital assets	(95,625)	-	(39,407)	-	-	-	(87,282)	(222,314)
Principal and interest paid on long-term debt	(17,411)	-	-	-	-	-	-	(17,411)
Proceeds from sale of capital assets	-	-	62,509	-	-	-	-	62,509
Net cash provided (used) by capital and related financing activities	(113,036)	-	23,102	-	-	-	(87,282)	(177,216)
<b>Cash flows from investing activities</b>								
Interest received	53	13	71	50	63	4,383	28	4,661
Net change in cash and cash equivalents	281,511	49,157	72,650	92,567	188,363	(973,929)	51,046	(238,635)
Cash and cash equivalents - beginning of year	977,365	248,377	1,398,423	948,776	4,771,366	3,879,779	521,527	12,745,613
Cash and cash equivalents - end of year	\$ 1,258,876	\$ 297,534	\$ 1,471,073	\$ 1,041,343	\$ 4,959,729	\$ 2,905,850	\$ 572,573	\$ 12,506,978
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>								
Operating income (loss)	\$ (202,458)	\$ 34,791	\$ (18,126)	\$ (3,953)	\$ (524,324)	\$ (325,164)	\$ 56,115	\$ (983,119)
Adjustments to reconcile operating income (loss) to net cash from operating activities								
Depreciation and amortization expense	31,383	1,783	47,697	55,129	-	-	12,375	148,367
Noncash change - net pension liability	43,087	20,308	108,632	3,178	(29,437)	8,124	26,810	180,702
Noncash change - net OPEB liability	347,060	(9,171)	(349,542)	36,078	-	-	-	24,425
Changes in assets and liabilities								
Receivables (net)	-	-	-	-	(48,571)	-	-	(48,571)
Due from other units of government	(2,146)	-	-	-	-	-	(4,815)	(6,961)
Inventories	-	-	(26,730)	-	-	-	-	(26,730)
Prepaid items	18,469	(27,319)	-	-	(3,781)	-	-	(12,631)
Deferred outflows of resources	93,363	17,522	241,574	204	2,927	1,020	3,366	359,976
Accounts payable	56,142	(1,669)	(15,863)	(1,237)	(13,772)	1,287	9,501	34,389
Accrued and other liabilities	3,088	700	(1,526)	268	366,692	192	1,941	371,355
Deferred inflows of resources	73,327	18,675	151,296	4,369	2,385	7,156	23,615	280,823
Claims payable	-	-	-	-	436,132	(666,329)	-	(230,197)
Compensated absences	(68,967)	(6,476)	(87,935)	(1,519)	49	(4,598)	4,577	(164,869)
Net cash provided (used) by operating activities	\$ 392,348	\$ 49,144	\$ 49,477	\$ 92,517	\$ 188,300	\$ (978,312)	\$ 133,485	\$ (73,041)

# FIDUCIARY FUNDS

## ***OPEB TRUST FUND***

The OPEB Trust Fund maintains investments in the MERS Retiree Health Funding Vehicle to cover future other postemployment benefit costs.

## ***CUSTODIAL FUNDS***

These funds are used to account for property taxes collected by the City for other units of government until the tax proceeds are remitted to them.

**City of Saginaw**  
**Other Supplementary Information**  
**Fiduciary Funds**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2021**

	Custodial Funds				Totals
	December 31, 2020 OPEB Trust Fund	PILOT	Delinquent Tax Collection	Undistributed Tax Collection	
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ 278,626	\$ 92,007	\$ 162,003	\$ 532,636
Interest in pooled investments	<u>2,021,108</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,021,108</u>
Total assets	<u>2,021,108</u>	<u>278,626</u>	<u>92,007</u>	<u>162,003</u>	<u>2,553,744</u>
<b>Liabilities</b>					
Accounts payable	-	184,946	-	162,003	346,949
Due to other units of government	<u>-</u>	<u>93,680</u>	<u>92,007</u>	<u>-</u>	<u>185,687</u>
Total liabilities	<u>-</u>	<u>278,626</u>	<u>92,007</u>	<u>162,003</u>	<u>532,636</u>
<b>Net position</b>					
Restricted for					
Other employee benefits	<u>\$ 2,021,108</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,021,108</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2021**

	Custodial Funds				Total
	For the Year Ended December 31, 2020	PILOT	Delinquent Tax Collection	Undistributed Tax Collection	
	OPEB Trust Fund				
<b>Additions</b>					
Contributions					
Employer	\$ 11,329,911	\$ -	\$ -	\$ -	\$ 11,329,911
Investment earnings					
Change in fair value	48,773	-	-	-	48,773
Property tax collections	-	278,626	75,049	17,152,853	17,506,528
Total additions	<u>11,378,684</u>	<u>278,626</u>	<u>75,049</u>	<u>17,152,853</u>	<u>28,885,212</u>
<b>Deductions</b>					
Retiree healthcare premium payments	10,356,571	-	-	-	10,356,571
Administrative expenses	2,757	-	-	-	2,757
Payments of property tax to other governments	-	278,626	75,049	17,152,853	17,506,528
Total deductions	<u>10,359,328</u>	<u>278,626</u>	<u>75,049</u>	<u>17,152,853</u>	<u>27,865,856</u>
Change in net position	1,019,356	-	-	-	1,019,356
Net position - beginning of year	<u>1,001,752</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,001,752</u>
Net position - end of year	<u>\$ 2,021,108</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,021,108</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**TIFA Component Units**  
**June 30, 2021**

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	<u>Saginaw Division TIFA</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 5,185	\$ -	\$ 5,185
<b>Fund balance</b>			
Restricted for TIFA projects	\$ 5,185	(5,185)	-
Net position - unrestricted		\$ 5,185	\$ 5,185

**City of Saginaw**  
**Other Supplementary Information**  
**Statement of Activities and Governmental Fund Statement of Revenues,**  
**Expenditures and Changes in Fund Balances**  
**TIFA Component Units**  
**For the Year Ended June 30, 2021**

	Saginaw Division TIFA	Adjustments	Statement of Activities
<b>Revenues</b>			
Investment income	\$ -	\$ -	\$ -
<b>Expenditures</b>			
Current			
Community and economic development	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance/net position - beginning of year	<u>5,185</u>	<u>-</u>	<u>5,185</u>
Fund balance/net position - end of year	<u>\$ 5,185</u>	<u>\$ -</u>	<u>\$ 5,185</u>



**City of Saginaw**  
**Other Supplementary Information**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**DDA Component Unit**  
**June 30, 2021**

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	Downtown Development Authority	Adjustments	Statement of Net Position
<b>Assets</b>			
Cash and cash equivalents	\$ 148,765	\$ -	\$ 148,765
<b>Liabilities</b>			
Accounts payable	\$ 37,634	-	37,634
<b>Fund Balance</b>			
Restricted for DDA projects	111,131	(111,131)	-
Total liabilities and fund balance	\$ 148,765		
Net position - unrestricted		\$ 111,131	\$ 111,131

**City of Saginaw**  
**Other Supplementary Information**  
**Statement of Activities and Governmental Fund Statement of Revenues,**  
**Expenditures and Changes in Fund Balances**  
**DDA Component Unit**  
**For the Year Ended June 30, 2021**

	Downtown Development Authority	Adjustments	Statement of Activities
<b>Revenues</b>			
Taxes	\$ 121,491	\$ -	\$ 121,491
Federal grants	51,036	-	51,036
Interest income	13	-	13
	<u>172,540</u>	<u>-</u>	<u>172,540</u>
<b>Expenditures</b>			
Current			
Recreation and culture	<u>278,609</u>	<u>-</u>	<u>278,609</u>
Deficiency of revenues over expenditures	(106,069)	-	(106,069)
Fund balance/net position - beginning of year	<u>217,200</u>	<u>-</u>	<u>217,200</u>
Fund balance/net position - end of year	<u><u>\$ 111,131</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 111,131</u></u>

**City of Saginaw**  
**Other Supplementary Information**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**Saginaw Economic Development Corporation**  
**June 30, 2021**

	Saginaw Economic Development Corporation	Adjustments	Statement of Net Position
<b>Assets</b>			
Cash and cash equivalents	\$ 1,295,026	\$ -	\$ 1,295,026
Notes and contracts receivable	1,499,073	-	1,499,073
Due from other units of government	<u>11,000</u>	<u>-</u>	<u>11,000</u>
 Total assets	 <u>\$ 2,805,099</u>	 <u>-</u>	 <u>2,805,099</u>
<b>Liabilities</b>			
Accounts payable	\$ 11,000	-	<u>11,000</u>
<b>Deferred inflows of resources</b>			
Contracts	1,460,627	(1,460,627)	-
<b>Fund balance/net position</b>			
Restricted for specific projects	<u>1,333,472</u>	<u>(1,333,472)</u>	<u>-</u>
 Total liabilities, deferred inflows of resources, and fund balance	 <u>\$ 2,805,099</u>		
 Net position - unrestricted		 <u>\$ 2,794,099</u>	 <u>\$ 2,794,099</u>

**City of Saginaw**  
**Other Supplementary Information**  
**Statement of Activities and Governmental Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Saginaw Economic Development Corporation**  
**For the Year Ended June 30, 2021**

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	Saginaw Economic Development Corporation	Adjustments	Statement of Activities
<b>Revenues</b>			
Federal grants	\$ 259,500	\$ -	\$ 259,500
Interest income	29,521	35,460	64,981
Fees and loan repayments	203,369	(202,888)	481
Total revenues	492,390	(167,428)	324,962
<b>Expenditures</b>			
Current			
Community and economic development	321,634	30,641	352,275
Excess (deficiency) of revenues over expenditures	170,756	(198,069)	(27,313)
Fund balance/net position - beginning of year	1,162,716	1,658,696	2,821,412
Fund balance/net position - end of year	\$ 1,333,472	\$ 1,460,627	\$ 2,794,099

**City of Saginaw**  
**Other Supplementary Information**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**Brownfield Component Unit**  
**June 30, 2021**

	Brownfield Authority SRRF	Adjustments	Statement of Net Position
<b>Assets</b>			
Cash and cash equivalents	\$ 63,676	\$ -	\$ 63,676
<b>Liabilities</b>			
Accounts payable	\$ 57,438	-	57,438
<b>Fund balance/net position</b>			
Restricted for specific projects	6,238	(6,238)	-
Total liabilities and fund balance	\$ 63,676		
Net position - unrestricted		\$ 6,238	\$ 6,238

**City of Saginaw**  
**Other Supplementary Information**  
**Statement of Activities and Governmental Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Brownfield Component Unit**  
**For the Year Ended June 30, 2021**

	Brownfield Authority SRRF	Adjustments	Statement of Activities
<b>Revenues</b>			
Taxes	\$ 63,013	\$ -	\$ 63,013
Interest income	<u>2</u>	<u>-</u>	<u>2</u>
Total revenues	<u>63,015</u>	<u>-</u>	<u>63,015</u>
<b>Expenditures</b>			
Current			
Community and economic development	<u>57,438</u>	<u>-</u>	<u>57,438</u>
Deficiency of revenues over expenditures	5,577	-	5,577
Fund balance/net position - beginning of year	<u>661</u>	<u>-</u>	<u>661</u>
Fund balance/net position - end of year	<u><u>\$ 6,238</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,238</u></u>

## STATISTICAL SECTION

**Financial Trends** – These schedules contain trend information to assist the reader in understanding how the City's financial performance and wellbeing have changed over time.

**Revenue Capacity** – These schedules contain information to assist the reader in assessing the factors affecting the City's ability to generate its property taxes.

**Debt Capacity** – These schedules present information to assist the reader in assessing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

**Demographic and Economic Information** – These schedules offer demographic and economic indicators to assist the reader in understanding the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

**Operating Information** – These schedules contain information about the City's operations and resources to assist the reader in understanding how the City's financial information relates to the services the City provides and the activities it performs.

**City of Saginaw**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**As of June 30,**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities:</b>										
Net investment in capital assets	\$ 43,056,592	\$ 42,480,896	\$ 41,522,452	\$ 40,458,812	\$ 38,106,561	\$ 39,535,326	\$ 39,958,554	\$ 41,636,968	\$ 43,667,352	\$ 45,792,805
Restricted	4,552,729	4,772,251	7,177,028	7,871,497	3,278,435	3,312,310	2,975,993	3,090,661	3,126,039	3,198,365
Unrestricted	<u>(38,431,452)</u>	<u>(42,695,487)</u>	<u>(50,040,252)</u>	<u>(147,334,573)</u>	<u>(160,903,354)</u>	<u>(157,782,540)</u>	<u>(324,809,606)</u>	<u>(316,790,177)</u>	<u>(345,111,175)</u>	<u>(339,371,321)</u>
Total net position	<u>9,177,869</u>	<u>4,557,660</u>	<u>(1,340,772)</u>	<u>(99,004,264)</u>	<u>(119,518,358)</u>	<u>(114,934,904)</u>	<u>(281,875,059)</u>	<u>(272,062,548)</u>	<u>(298,317,784)</u>	<u>(290,380,151)</u>
<b>Business Type Activities:</b>										
Net investment in capital assets	73,202,779	76,740,286	78,362,788	78,165,624	77,851,628	76,444,510	76,711,180	77,898,874	81,044,715	83,713,133
Unrestricted	<u>40,146,861</u>	<u>39,911,213</u>	<u>37,878,295</u>	<u>(2,697,609)</u>	<u>12,708,301</u>	<u>(4,919,731)</u>	<u>(29,187,695)</u>	<u>(27,661,886)</u>	<u>(38,464,014)</u>	<u>(45,837,654)</u>
Total net position	<u>113,349,640</u>	<u>116,651,499</u>	<u>116,241,083</u>	<u>75,468,015</u>	<u>90,559,929</u>	<u>71,524,779</u>	<u>47,523,485</u>	<u>50,236,988</u>	<u>42,580,701</u>	<u>37,875,479</u>
<b>Primary government in total:</b>										
Net investment in capital assets	116,259,371	119,221,182	119,885,240	118,624,436	115,958,189	115,979,836	116,669,734	119,535,842	124,712,067	129,505,938
Restricted	4,552,729	4,772,251	7,177,028	7,871,497	3,278,435	3,312,310	2,975,993	3,090,661	3,126,039	3,198,365
Unrestricted	<u>1,715,409</u>	<u>(2,784,274)</u>	<u>(12,161,957)</u>	<u>(150,032,182)</u>	<u>(148,195,053)</u>	<u>(162,702,271)</u>	<u>(353,997,301)</u>	<u>(344,452,063)</u>	<u>(383,575,189)</u>	<u>(385,208,975)</u>
Total net position	<u>\$ 122,527,509</u>	<u>\$ 121,209,159</u>	<u>\$ 114,900,311</u>	<u>\$ (23,536,249)</u>	<u>\$ (28,958,429)</u>	<u>\$ (43,410,125)</u>	<u>\$ (234,351,574)</u>	<u>\$ (221,825,560)</u>	<u>\$ (255,737,083)</u>	<u>\$ (252,504,672)</u>

Note: The City adopted GASB No. 34 during fiscal year 2002-03 and began reporting a government-wide statement of net position.  
Source: City's Annual Comprehensive Financial Report



**City of Saginaw**  
**Changes in Governmental Net Position**  
**Last Ten Years**  
**(Accrual basis of accounting)**  
**(Amounts expressed in thousands)**  
**Fiscal Year Ended June 30,**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental activities:										
General government	\$ 5,321	\$ 4,247	\$ 4,047	\$ 3,058	\$ 7,434	\$ 3,425	\$ 6,274	\$ 4,089	\$ 11,738	\$ 7,294
Administration	3,835	2,082	2,785	2,925	2,939	2,334	2,641	2,763	2,945	2,762
Public Safety	31,454	28,578	26,475	25,630	34,732	21,859	25,523	21,104	41,033	24,444
Highways and streets	-	-	-	5,982	7,748	6,629	6,114	5,316	9,092	5,711
General services	13,006	14,917	13,854	8,392	9,510	9,475	7,413	8,035	9,322	7,921
Community services	1,847	1,588	1,789	1,788	2,536	1,502	1,868	1,894	2,296	1,762
Economic development	10,791	10,063	2,801	3,190	3,156	2,491	2,768	2,898	2,423	3,247
Interest on long-term debt	-	2	2	8	81	64	164	245	82	161
Total governmental activities expenses	<u>66,254</u>	<u>61,477</u>	<u>51,753</u>	<u>50,973</u>	<u>68,136</u>	<u>47,779</u>	<u>52,765</u>	<u>46,344</u>	<u>78,931</u>	<u>53,302</u>
Business-type activities:										
Sewer	19,008	20,260	21,636	20,220	13,549	33,792	20,571	20,824	24,875	22,567
Water	14,566	14,559	15,838	15,747	10,328	25,952	15,819	15,876	23,405	22,985
Boat Launch	-	-	-	-	28	30	29	27	18	13
Total business-type activities expenses	<u>33,574</u>	<u>34,819</u>	<u>37,474</u>	<u>35,967</u>	<u>23,905</u>	<u>59,774</u>	<u>36,419</u>	<u>36,727</u>	<u>48,298</u>	<u>45,565</u>
Total primary government expenses	<u>\$ 99,828</u>	<u>\$ 96,296</u>	<u>\$ 89,227</u>	<u>\$ 86,940</u>	<u>\$ 92,041</u>	<u>\$ 107,553</u>	<u>\$ 89,184</u>	<u>\$ 83,071</u>	<u>\$ 127,229</u>	<u>\$ 98,867</u>

**City of Saginaw**  
**Changes in Governmental Net Position**  
**Last Ten Years**  
**(Accrual basis of accounting)**  
**(Amounts expressed in thousands)**  
**Fiscal Year Ended June 30,**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Program Revenues</b>										
Governmental activities:										
Charges for services										
General government	\$ 1,878	\$ 3,240	\$ 3,783	\$ 2,077	\$ 1,867	\$ 1,786	\$ 1,833	\$ 2,118	\$ 2,110	\$ 2,633
Administration	2,305	1,233	1,071	2,672	2,739	2,252	2,692	3,719	2,558	2,660
Public safety	775	785	657	516	544	555	1,181	1,344	1,598	3,934
Highways and streets	-	-	-	193	291	898	120	104	64	44
General services	3,821	3,812	3,630	3,909	3,792	4,094	3,975	3,850	4,133	4,301
Community services	782	800	671	665	630	793	326	360	380	338
Economic development	941	875	316	340	20	51	35	106	94	54
Operating grants and contributions	13,018	14,121	10,307	9,953	10,122	10,145	11,585	11,869	10,913	14,729
Capital grants and contributions	-	-	66	32	-	103	-	28	4	1
Total governmental activities program revenues	<u>23,520</u>	<u>24,866</u>	<u>20,501</u>	<u>20,357</u>	<u>20,005</u>	<u>20,677</u>	<u>21,747</u>	<u>23,498</u>	<u>21,854</u>	<u>28,694</u>
Business-type activities:										
Charges for services										
Sewer	22,474	22,283	20,646	20,864	20,363	20,037	20,742	20,221	19,819	19,101
Water	16,611	15,554	15,440	15,049	15,874	17,750	19,028	18,314	19,377	19,589
Boat Launch	-	-	-	-	23	23	24	12	28	32
Operating grants and contributions	-	119	-	-	-	-	-	-	-	36
Capital grants and contributions	-	-	-	-	-	1,678	386	489	598	48
Total business-type activities program revenues	<u>39,085</u>	<u>37,956</u>	<u>36,086</u>	<u>35,913</u>	<u>36,260</u>	<u>39,488</u>	<u>40,180</u>	<u>39,036</u>	<u>39,822</u>	<u>38,806</u>
Total primary government program revenues	<u>\$ 62,605</u>	<u>\$ 62,822</u>	<u>\$ 56,587</u>	<u>\$ 56,270</u>	<u>\$ 56,265</u>	<u>\$ 60,165</u>	<u>\$ 61,927</u>	<u>\$ 62,534</u>	<u>\$ 61,676</u>	<u>\$ 67,500</u>
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (42,734)	\$ (36,611)	\$ (31,252)	\$ (30,616)	\$ (48,131)	\$ (27,102)	\$ (31,018)	\$ (22,846)	\$ (57,077)	\$ (24,608)
Business-type activities	<u>5,511</u>	<u>3,137</u>	<u>(1,388)</u>	<u>(54)</u>	<u>12,355</u>	<u>(20,286)</u>	<u>3,761</u>	<u>2,309</u>	<u>(8,476)</u>	<u>(6,759)</u>
Total primary government net expense	<u>\$ (37,223)</u>	<u>\$ (33,474)</u>	<u>\$ (32,640)</u>	<u>\$ (30,670)</u>	<u>\$ (35,776)</u>	<u>\$ (47,388)</u>	<u>\$ (27,257)</u>	<u>\$ (20,537)</u>	<u>\$ (65,553)</u>	<u>\$ (31,367)</u>

**City of Saginaw**  
**Changes in Governmental Net Position**  
**Last Ten Years**  
**(Accrual basis of accounting)**  
**(Amounts expressed in thousands)**  
**Fiscal Year Ended June 30,**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes	\$ 7,419	\$ 6,458	\$ 6,767	\$ 6,757	\$ 6,701	\$ 6,510	\$ 6,533	\$ 7,169	\$ 6,547	\$ 6,657
Income taxes	12,533	12,257	12,309	12,252	12,625	13,213	13,723	14,119	13,783	14,140
Unrestricted grants and contributions	8,117	7,766	8,089	8,483	8,768	9,309	9,651	10,324	9,472	11,195
Unrestricted investment earnings	438	347	400	404	516	497	503	808	685	458
Miscellaneous	86	91	55	313	69	84	21	94	250	43
Gain on disposal of capital assets	1	88	46	3	13	3	7	97	61	-
Transfers	-	14	22	141	-	102	55	48	23	52
Total governmental activities	<u>28,594</u>	<u>27,021</u>	<u>27,688</u>	<u>28,353</u>	<u>28,692</u>	<u>29,718</u>	<u>30,493</u>	<u>32,659</u>	<u>30,821</u>	<u>32,545</u>
Business -type activities:										
Unrestricted investment earnings	10	29	65	55	193	22	50	336	236	37
Miscellaneous	782	150	935	1,019	1,469	1,331	592	116	606	2,069
Transfers	-	(14)	(22)	(141)	-	(102)	(55)	(48)	(23)	(52)
Total business-type activities	<u>792</u>	<u>165</u>	<u>978</u>	<u>933</u>	<u>1,662</u>	<u>1,251</u>	<u>587</u>	<u>404</u>	<u>819</u>	<u>2,054</u>
Total primary government	<u>\$ 29,386</u>	<u>\$ 27,186</u>	<u>\$ 28,666</u>	<u>\$ 29,286</u>	<u>\$ 30,354</u>	<u>\$ 30,969</u>	<u>\$ 31,080</u>	<u>\$ 33,063</u>	<u>\$ 31,640</u>	<u>\$ 34,599</u>
<b>Change in Net Position</b>										
Governmental activities	\$ (14,140)	\$ (9,590)	\$ (3,564)	\$ (2,263)	\$ (19,439)	\$ 2,616	\$ (525)	\$ 9,813	\$ (26,256)	\$ 7,937
Business-type activities	<u>6,303</u>	<u>3,302</u>	<u>(410)</u>	<u>879</u>	<u>14,017</u>	<u>(19,035)</u>	<u>4,348</u>	<u>2,713</u>	<u>(7,657)</u>	<u>(4,705)</u>
Total primary government	<u>\$ (7,837)</u>	<u>\$ (6,288)</u>	<u>\$ (3,974)</u>	<u>\$ (1,384)</u>	<u>\$ (5,422)</u>	<u>\$ (16,419)</u>	<u>\$ 3,823</u>	<u>\$ 12,526</u>	<u>\$ (33,913)</u>	<u>\$ 3,232</u>

Note: The City adopted GASB No. 34 during fiscal year 2002-03 and began reporting a government-wide statement of net position.  
Source: City's Annual Comprehensive Financial Report

**City of Saginaw**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**  
**(Amounts expressed in thousands)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Fund:</b>										
Non-spendable	\$ 240	\$ 212	\$ 166	\$ 259	\$ 243	\$ 245	\$ 148	\$ 219	\$ 245	\$ 304
Restricted	10	10	332	111	15	63	135	19	19	1,671
Assigned	-	-	-	-	-	-	364	2,716	813	3,850
Committed	-	-	-	-	-	-	66	142	149	1,012
Unassigned	998	46	1,029	1,533	2,294	3,960	6,007	7,194	7,865	8,621
<b>Total General Fund</b>	<b>\$ 1,248</b>	<b>\$ 268</b>	<b>\$ 1,527</b>	<b>\$ 1,903</b>	<b>\$ 2,552</b>	<b>\$ 4,268</b>	<b>\$ 6,720</b>	<b>\$ 10,290</b>	<b>\$ 9,091</b>	<b>\$ 15,458</b>
<b>All other governmental funds:</b>										
Non-spendable	\$ 2,870	\$ 2,853	\$ 2,981	\$ 2,809	\$ 2,875	\$ 3,082	\$ 3,049	\$ 3,088	\$ 3,260	\$ 3,333
Restricted	2,213	2,312	4,011	3,704	4,659	3,651	3,762	4,841	5,715	6,378
Committed	-	-	-	-	-	1,915	2,204	1,575	853	58
Assigned	286	157	151	134	158	160	164	161	189	325
Unassigned	(2,904)	(1,863)	(1,017)	(867)	(1,186)	(325)	(394)	(228)	(556)	(405)
<b>Total all other governmental funds</b>	<b>\$ 2,465</b>	<b>\$ 3,459</b>	<b>\$ 6,126</b>	<b>\$ 5,780</b>	<b>\$ 6,506</b>	<b>\$ 8,483</b>	<b>\$ 8,785</b>	<b>\$ 9,437</b>	<b>\$ 9,461</b>	<b>\$ 9,689</b>

Note: The City adopted GASB No. 34 during fiscal year 2002-03 and began reporting a government-wide statement of net position.

Source: City's Annual Comprehensive Financial Report

**City of Saginaw**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**  
**(Amounts expressed in thousands)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenue</b>										
General operating property taxes	\$ 7,088	\$ 6,122	\$ 6,442	\$ 6,436	\$ 6,392	\$ 6,480	\$ 6,503	\$ 7,158	\$ 6,530	\$ 6,636
Special assessments	(25)	158	36	-	-	-	-	-	-	-
City income tax	12,533	12,257	12,309	12,252	12,625	13,218	13,728	14,123	13,783	14,140
State shared revenues	11,422	11,747	12,456	12,452	12,757	13,706	14,995	15,634	15,477	17,500
Licenses, permits, and fees	5,777	5,498	5,584	4,570	5,415	5,783	6,125	6,184	7,044	7,640
Fines, penalties, and forfeitures	741	600	550	443	434	398	315	256	248	221
Grants, donations, and contributions	11,799	14,871	8,912	8,886	8,351	8,479	8,639	10,286	6,861	11,201
Interest on loans and investments	475	401	420	404	514	504	504	810	679	472
Rents and privileges	79	93	78	87	86	704	688	680	685	662
Sale of materials and services	2,635	2,089	1,554	1,754	1,246	-	-	3	27	19
Sale of land	78	-	-	-	-	-	-	-	-	-
Loan repayments	282	55	53	167	32	34	29	49	35	35
Miscellaneous	-	385	267	354	479	1,502	908	1,157	1,022	3,247
Total revenue	<u>52,884</u>	<u>54,276</u>	<u>48,661</u>	<u>47,805</u>	<u>48,331</u>	<u>50,808</u>	<u>52,434</u>	<u>56,340</u>	<u>52,391</u>	<u>61,773</u>
<b>Expenditures</b>										
General government	4,589	4,196	3,993	3,118	4,602	4,595	4,675	5,789	5,942	6,971
Administration	2,657	2,699	2,792	3,010	2,652	2,395	2,756	2,698	2,713	2,704
Public safety	27,414	25,493	22,784	23,365	22,463	22,529	22,364	22,648	23,437	24,306
Highway and streets	3,913	3,503	3,476	4,089	4,591	4,425	5,167	5,225	5,312	3,760
General services	6,813	6,965	6,497	7,009	6,766	6,581	6,523	6,617	6,817	7,018
Community services	1,598	1,589	1,753	1,755	1,848	1,758	1,690	1,807	1,694	1,670
Economic development	9,277	10,014	2,698	3,163	2,548	2,609	2,632	2,401	2,258	3,203
Capital outlay	1,708	1,412	1,496	2,947	4,988	4,185	3,604	5,724	4,510	5,297
Debt service										
Principal	-	5	6	66	119	151	528	605	835	781
Interest and other fees	-	2	2	8	42	65	157	138	167	156
Total expenditures	<u>57,969</u>	<u>55,878</u>	<u>45,497</u>	<u>48,530</u>	<u>50,619</u>	<u>49,293</u>	<u>50,096</u>	<u>53,652</u>	<u>53,685</u>	<u>55,866</u>
Excess of revenues over (under) expenditures	(5,085)	(1,602)	3,164	(725)	(2,288)	1,515	2,338	2,688	(1,294)	5,907

**City of Saginaw**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**  
**(Amounts expressed in thousands)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Other financing sources (uses)</b>										
Proceeds from installment contract	\$ 100.00	\$ -	\$ 695.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sale of capital assets	-	40	-	-	-	-	4	26	38	83
Insurance recoveries	-	2	-	-	1	-	-	-	-	-
Transfers in	2,023	2,946	1,156	1,197	776	894	1,136	1,180	2,091	1,067
Transfers (out)	(1,196)	(1,371)	(1,091)	(1,038)	(761)	(778)	(1,069)	(1,132)	(2,058)	(1,015)
Issuance of debt	-	-	-	596	3,693	95	345	1,461	48	553
Total other financing sources (uses)	<u>927</u>	<u>1,617</u>	<u>760</u>	<u>159</u>	<u>3,709</u>	<u>211</u>	<u>416</u>	<u>1,535</u>	<u>119</u>	<u>688</u>
Net change in fund balances	<u>\$ (4,158)</u>	<u>\$ 15</u>	<u>\$ 3,924</u>	<u>\$ (566)</u>	<u>\$ 1,421</u>	<u>\$ 1,726</u>	<u>\$ 2,754</u>	<u>\$ 4,223</u>	<u>\$ (1,175)</u>	<u>\$ 6,595</u>
Debt service as a percentage of noncapital expenditures	- %	0.01%	0.02%	0.16%	0.35%	0.48%	1.47%	1.55%	2.04%	1.85%

Note: The City adopted GASB No. 34 during fiscal year 2002-03 and began reporting a government-wide statement of net position.

Source: City's Annual Comprehensive Financial Report

**City of Saginaw**  
**Revenue By Source**  
**Last Ten Fiscal Years**  
(Accrual basis of accounting)

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<u>Fiscal Year</u>	<u>Property Taxes</u>
2012	\$ 7,087,879
2013	6,121,874
2014	6,664,472
2015	6,436,153
2016	6,392,254
2017	6,480,061
2018	6,502,708
2019	7,157,750
2020	6,530,373
2021	6,635,921

**City of Saginaw**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(Amounts expressed in thousands)**

Fiscal Year Ended June 30,	Real Property				Personal Property	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Assessed Value	Assessed Value as a Percentage of Actual Value
	Residential	Commercial	Industrial	Agriculture					
2012	\$ 352,600	\$ 93,167	\$ 30,490	\$ 119	\$ 97,508	\$ 573,884	14.2290	\$ 1,147,768	50.00%
2013	334,664	85,274	29,259	38	93,911	543,146	14.5637	1,086,292	50.00%
2014	318,230	79,682	27,781	40	88,335	514,068	14.8830	1,028,136	50.00%
2015	305,201	77,454	27,295	82	87,578	497,610	14.8830	995,220	50.00%
2016	292,296	78,215	25,238	83	82,509	478,341	14.8830	956,680	50.00%
2017	290,189	82,188	25,435	93	72,434	470,339	14.8830	940,678	50.00%
2018	293,393	77,344	25,641	96	71,811	468,285	14.8830	936,570	50.00%
2019	293,773	74,821	26,000	96	69,196	463,886	14.8830	927,772	50.00%
2020	283,965	77,233	25,866	95	67,318	454,477	14.8830	908,954	50.00%
2021	301,839	75,119	25,035	71	68,974	471,038	14.8830	942,076	50.00%

Note: Property in the City is reassessed annually. The City assesses property at approximately 50 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of taxable value.

Source: City of Saginaw Assessor's Office  
Reference: City of Saginaw 2020  
Assessing Division Statistics /Page 1 & 2



**City of Saginaw**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

Fiscal Year (1) (2)	City of Saginaw				Overlapping Rates						Total Direct & Overlapping Rates
	Operating Millage	Rubbish Millage	Police & Fire Millage	Total City Millage	School District	Public Libraries	Delta College	Intermediate School	Saginaw Transit	County	
2012	6.7290	0.0000	7.5000	14.2290	29.3000	3.9947	2.0427	2.0872	3.0000	8.5192	63.1728
2013	7.0637	0.0000	7.5000	14.5637	29.3000	3.9947	2.0427	2.0872	3.0000	8.5192	63.5075
2014	7.3830	0.0000	7.5000	14.8830	29.3000	3.9947	2.0427	2.0872	3.0000	8.3007	63.6083
2015	7.3830	0.0000	7.5000	14.8830	29.3000	3.9947	2.0427	2.0872	3.0000	8.4468	63.7544
2016	7.3830	0.0000	7.5000	14.8830	29.3000	3.9947	2.0427	2.0872	3.0000	8.7805	64.0881
2017	7.3830	0.0000	7.5000	14.8830	29.3000	3.9947	2.0427	2.0872	3.0000	8.8111	64.1187
2018	7.3830	0.0000	7.5000	14.8830	29.3000	3.9947	2.0427	2.0872	3.0000	8.816	64.1236
2019	7.3830	0.0000	7.5000	14.8830	29.3000	3.9947	2.0427	2.0872	3.0000	10.3704	65.6780
2020	7.3830	0.0000	7.5000	14.8830	31.6000	3.9447	2.0427	3.0872	3.0000	9.508	68.0656
2021	7.3830	0.0000	7.5000	14.8830	29.2000	3.9947	2.0427	3.0872	3.0000	10.3891	66.5967

Source: City of Saginaw Assessor's Office

(1) Rates reduced to comply with the Headlee Amendment.

(2) This is the year in which the tax is levied. 2003 refers to the 2002 tax collection, 2004 refers to the 2003 tax collection, and so on.

Reference: City of Saginaw 2021

Assessing Division Statistics/Page 68

**City of Saginaw**  
**Principal Property Taxpayers**

<u>Taxpayer</u>	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Consumers Energy	\$ 38,857,685	1	8.25%	\$ 20,000,380	1	3.49%
Linear Motion	4,879,300	2	1.04%	5,435,261	5	0.95%
General Motors, LLC	4,392,803	3	0.93%	12,479,400	2	2.17%
Community Hospital Services	3,851,800	4	0.82%			
Spectrum/Charter Communications	3,466,200	5	0.74%	6,224,000	4	1.08%
HC II 1015 S Washington Ave LLC	2,896,200	6	0.61%			
Equiland, LLC	2,746,900	7	0.58%			
Roco Bancraft	2,589,445	8	0.55%			
Hausbeck Pickle Company	2,486,971	9	0.53%	3,396,272	9	0.59%
Downtown Area Development, LLC	1,833,895	10	0.39%			
TRW Integrated Chassis Systems				6,549,600	3	1.14%
General Motors Corporation				4,399,236	6	0.77%
Means Industries				4,233,004	7	0.74%
CMI Schneible Company				3,549,300	8	0.62%
Corvus Nodular Interest II, LLC				3,371,270	10	0.59%
Totals	<u>\$ 68,001,199</u>		<u>14.44%</u>	<u>\$ 69,637,723</u>		<u>12.13%</u>

Source: City of Saginaw Assessor's Office

**City of Saginaw**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years*	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 7,022,671	\$ 7,010,636	99.83%	\$ 11,390	\$ 7,022,026	99.99%
2013	6,901,651	6,861,236	99.41%	14,770	6,876,006	99.63%
2014**	6,848,972	6,770,877	98.86%	16,173	6,787,050	99.10%
2015**	6,678,759	6,609,227	98.96%	6,002	6,615,229	99.05%
2016	6,457,334	6,388,770	98.94%	6,364	6,395,134	99.04%
2017	6,348,827	6,281,078	98.93%	9,558	6,290,636	99.08%
2018	6,328,992	6,255,866	98.84%	5,769	6,261,635	98.94%
2019	6,295,484	6,220,040	98.80%	5,130	6,225,170	98.88%
2020	6,183,308	6,128,211	99.11%	5,122	6,133,333	99.19%
2021	6,288,500	5,343,827	84.98%	5,786	5,349,613	85.07%

Source: City Treasurer's Office/Assessor's Office

\*Column has been updated and now agrees to what has been subsequently collected for only that Tax Year.

\*\*FY14 and FY15 have been adjusted to remove the special assessments.

**City of Saginaw**  
**Ratios of Outstanding Debt**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business Type Activities						Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Installment Purchase Contracts	Energy Efficiency Loan	Capital Leases	Revenue Bonds	Bond Premium	Deferred Bond Refunding Chg	Bond Discount	Installment Purchase Contracts	General Obligation Bonds			
2012	\$ -	\$ -	\$ 100,000	\$ -	\$ 20,870,000	\$ -	\$ -	\$ (86,159)	\$ -	\$ 28,170,711	\$ 49,054,552	6.59%	\$ 966
2013	-	-	94,435	-	19,410,000	-	-	(80,746)	-	24,217,673	43,641,362	5.92%	868
2014	-	694,872	88,729	-	18,615,000	-	-	(75,333)	-	20,680,307	40,003,575	5.50%	803
2015	-	1,230,594	82,879	457,007	17,815,000	-	-	(69,920)	-	17,398,415	36,913,975	5.04%	748
2016	3,692,946	1,117,736	76,881	34,992	16,905,000	-	-	(64,507)	-	16,563,849	38,326,897	5.14%	782
2017	3,692,946	1,001,119	70,744	90,806	31,870,000	3,130,886	(500,761)	-	-	14,280,310	53,636,050	7.45%	1,102
2018	3,348,571	1,195,091	63,921	63,942	30,370,000	2,968,944	(474,860)	-	-	11,984,685	49,520,294	6.71%	1,025
2019	3,004,368	2,240,264	57,974	213,669	28,735,000	2,807,001	(448,958)	-	73,149	9,688,034	46,370,501	6.95%	964
2020	2,645,573	1,918,594	51,360	113,892	27,070,000	2,645,059	(423,057)	-	63,865	7,818,954	41,904,240	5.21%	871
2021	2,283,078	2,137,182	44,564	75,626	37,260,000	5,953,759	(397,155)	-	54,159	6,881,347	54,292,560	N/A	1,228

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Statistical Table Number for personal income and population data.

N/A - Personal income and per capita for 2021 not yet available

**City of Saginaw**  
**Ratios of Outstanding Debt**  
**Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Less: Self Supporting	Total	Percentage of Estimate Actual Taxable Value of Property	Per Capita (1)
2012	\$ 28,170,711	\$ -	\$ -	\$ 28,170,711	4.91%	\$ 555
2013	24,217,673	-	-	24,217,673	4.46%	481
2014	20,680,307	-	-	20,680,307	4.02%	415
2015	17,398,415	-	-	17,398,415	3.50%	353
2016	20,256,795	-	-	20,256,795	4.23%	414
2017	17,973,256	-	-	17,973,256	3.82%	369
2018	15,333,256	-	-	15,333,256	3.27%	317
2019	12,692,402	-	-	12,692,402	2.74%	264
2020	10,464,527	-	-	10,464,527	2.30%	N/A
2021	9,164,425	-	-	9,164,425	1.95%	N/A

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Taxable value provided by the City of Saginaw Assessor's Office.

(1) See Statistical Table Number for personal income and population data.

**City of Saginaw**  
**Direct and Overlapping Governmental Activities Debt**

Governmental Unit	Debt Outstanding	Estimated % Applicable	Estimated Share of Overlapping Debt
Direct debt - City of Saginaw	\$ 4,540,450	100.00%	<u>\$ 4,540,450</u>
Indirect debt:			
Saginaw County	7,360	100.00%	7,360
Multi-Authority	-	100.00%	<u>-</u>
Total indirect debt			<u>7,360</u>
Overlapping debt:			
Saginaw School District	125,450,000	56.72%	71,155,240
Saginaw County	150,520,589	8.32%	12,523,313
Saginaw ISD	-	8.62%	-
Delta Community College	<u>-</u>	3.82%	<u>-</u>
Total overlapping debt			<u>83,678,553</u>
Total direct and overlapping debt			<u>\$ 88,226,363</u>

Sources: Debt outstanding and estimate share of overlapping debt provided by Municipal Advisory Council of Michigan.

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

**City of Saginaw**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(Amounts expressed in thousands)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 57,377	\$ 54,311	\$ 51,403	\$ 49,753	\$ 47,826	\$ 47,034	\$ 46,829	\$ 46,829	\$ 45,448	\$ 47,104
Total net debt applicable to limit	<u>4,444</u>	<u>7,465</u>	<u>7,973</u>	<u>7,157</u>	<u>9,384</u>	<u>7,837</u>	<u>7,054</u>	<u>7,898</u>	<u>6,805</u>	<u>4,548</u>
Legal debt margin	<u>\$ 52,933</u>	<u>\$ 46,846</u>	<u>\$ 43,430</u>	<u>\$ 42,596</u>	<u>\$ 38,442</u>	<u>\$ 39,197</u>	<u>\$ 39,775</u>	<u>\$ 38,931</u>	<u>\$ 38,643</u>	<u>\$ 42,556</u>
Total net debt applicable to the limit as a percentage of debt limit	7.75%	13.74%	15.51%	14.39%	19.62%	16.66%	15.06%	16.87%	14.97%	9.65%

**Legal Debt Margin Calculation for Fiscal Year 2020**

Assessed valuation, December 31, 2020	\$ 471,038
Debt limit (10% of assessed valuation) (1)	47,104
Total amount of debt applicable to debt limit:	<u>4,548</u>
Legal Debt Margin	<u>\$ 42,556</u>

**Limitations on Borrowing**

(1) Act 279, Public Acts of Michigan, 1909, as amended, and provisions of the City Charter state that net bonded indebtedness of the City shall not exceed 10 percent of the City's Assessed valuation.

Bonds which are not required to be included in this computation of net indebtedness, according to said Act 279, are:

- A. Special Assessment Bonds
- B. Mortgage Bonds
- C. Motor Vehicle Highway Fund Bonds
- D. Revenue Bonds
- E. Bonds issued, or contracts or assessment obligation, incurred to comply with an order of the Water Resources Commission or a court of competent jurisdiction
- F. Other obligations incurred for water supply, sewage, drainage or refuse disposal projects necessary to protect the public health by abating pollution.

**City of Saginaw**  
**Pledged Revenue Coverage**  
**Last Ten Fiscal Years**

Water System Revenue Bonds

Fiscal Year	Operating Revenue (1)	Operating Expenses (2)(3)	Net Available Revenue	Debt Service		Total	Coverage
				Principal (4)	Interest		
2012	\$ 16,683,411	\$ 11,190,078	\$ 5,493,333	\$ 300,000	\$ 439,130	\$ 739,130	7.43
2013	15,564,405	11,119,751	4,444,654	725,000	878,370	1,603,370	2.77
2014	15,463,059	12,149,854	3,313,205	735,000	855,020	1,590,020	2.08
2015	15,055,952	12,014,333	3,041,619	800,000	820,270	1,620,270	1.88
2016	15,882,547	6,713,747	9,168,800	910,000	799,743	1,709,743	5.36
2017	17,759,149	11,989,067	5,770,082	1,465,000	1,276,229	2,741,229	2.10
2018	19,081,693	12,499,508	6,582,185	1,500,000	1,440,531	2,940,531	2.24
2019	18,377,741	12,774,757	5,602,984	1,635,000	1,382,506	3,017,506	1.86
2020	19,697,463	13,158,815	6,538,648	1,665,000	1,319,080	2,984,080	2.19
2021	20,941,269	14,624,070	6,317,199	1,220,000	1,277,860	2,497,860	2.53

Note: Details regarding City of Saginaw's outstanding debt can be found in the notes to the financial statements.

Change from 2012 to 2013 represents Series 2011 Water Supply Revenue Bond.

(1) Includes interest earnings.

(2) Net of depreciation expense.

(3) Net of pension expense.

(4) 2017 Principal does not include the amount paid by the refunding of the 2008 bond.



**City of Saginaw**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Population (1)	Personal Income	Per Capita (1) Personal Income	School Enrollment (3)	Unemployment Rate (2)
2012	50,790	737,470,800	14,520	7,691	15.30%
2013	50,303	727,079,562	14,454	7,355	16.10%
2014	49,844	732,058,828	14,687	7,737	13.90%
2015	49,347	746,472,069	15,127	6,880	10.40%
2016	48,984	719,917,848	14,697	6,356	8.5%
2017	48,677	738,332,736	15,168	6,044	8.3%
2018	48,323	667,630,568	13,816	5,802	8.7%
2019	48,115	804,145,995	16,713	5,401	8.9%
2020	44,202	(4)	(4)	5,216	23.9%
2021	(4)	(4)	(4)	5,187	12.1%

Data Sources:

(1) American FactFinder, U.S. Census Bureau

(2) Michigan Labor Market Information, Data Explorer

(3) Michigan School Data.org

(4) Not available

**City of Saginaw  
Principal Employers  
2021 and 2012**

2021				2012			
<u>Employer</u>	<u>Percentage of Employees (1) Rank Total Employment</u>			<u>Employer</u>	<u>Percentage of Employees (1) Rank Total Employment</u>		
Covenant Medical Center	5,145	1	6.03%	Covenant Medical Center	4,560	1	5.40%
Ascension Health Ministry	1,750	2	2.05%	St Marys of Michigan	2,506	2	2.97%
Defense Finance & Accounting Service	1,073	3	1.26%	General Motors	2,357	3	2.79%
General Motors	985	4	1.15%	School Dist City of Saginaw	1,428	4	1.69%
Nexteer Automotive Corporation	586	5	0.69%	Nexteer Steering Solutions	951	5	1.13%
State of Michigan	521	6	0.61%	Saginaw County	930	6	1.10%
CMU Medical Education Partners	425	7	0.50%	US Gov't Def Fin & Acct Serv	916	7	1.08%
School District of the City of Saginaw	686	8	0.80%	State of Michigan	736	8	0.87%
Saginaw County	842	9	0.99%	TRW Integrated Chassis Systems	586	9	0.69%
City of Saginaw	525	10	0.62%	City of Saginaw	582	10	0.69%
Great Lakes Bay Health Centers	514	11	0.60%	US MN Postal Data	498	11	0.59%
Totals	<u>13,052</u>		<u>15.30%</u>		<u>16,050</u>		<u>18.99%</u>
Total Employment (2)	85,294			Total Employment (2)	84,513		

Data Sources:

(1) City of Saginaw Income Tax Department

(2) Michigan Labor Market Information, Data Search/County-December 2020

2021 Data - Income Tax Year Ending 12-31-20

2012 Data - Income Tax Year Ending 12-31-11

**City of Saginaw**  
**Full-time Equivalent City of Saginaw Employees by Function**  
**Last Ten Fiscal Years**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government	26	26	23	24	31	28	29	30	29	30
Fiscal services	27	28	30	36	29	29	28	29	30	30
Public safety										
Police	139	136	93	89	89	90	90	92	94	95
Fire	67	58	36	53	52	52	52	39	39	40
Highways and streets	26	19	19	18	18	21	23	26	27	26
General services	46	49	56	53	53	59	58	56	59	49
Community services	18	20	20	19	19	20	20	26	26	23
Economic development	7	11	7	7	7	7	7	7	7	7
Parking system	1	-	-	-	-	-	2	2	2	2
Water	61	61	61	61	61	63	64	68	68	79
Sewer	84	88	88	89	88	87	86	88	88	91
<b>Total</b>	<b>503</b>	<b>497</b>	<b>433</b>	<b>448</b>	<b>447</b>	<b>458</b>	<b>460</b>	<b>463</b>	<b>469</b>	<b>472</b>

Source: City of Saginaw Annual Budget

**City of Saginaw**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
Elections										
Number of registered voters	40,599	40,211	38,855	37,134	36,756	36,165	35,482	35,897	36,009	36,805
<b>Public Safety</b>										
Police Department										
Number of citations issued	6,414	6,970	2,582	3,602	3,276	3,691	3,773	3,439	2,433	1,337
Number of complaints filed	8,638	7,953	7,354	6,715	9,034	8,800	8,689	8,568	8,642	6,385
Number of calls for service	44,737	57,625	52,198	47,729	52,024	49,244	28,300	46,218	47,933	46,478
Number of DUI offenses	-	69	49	39	59	43	39	26	79	66
Fire Department										
Number of emergency runs	1,898	2,429	4,034	4,126	3,154	3,400	4,526	3,819	3,403	2,985
<b>Recreated and Culture</b>										
Park acreage maintained	308	308	308	308	308	308	308	308	308	308
Special events	53	53	66	72	71	45	44	41	6	8
Shelter rentals	58	15	25	28	33	23	6	5	-	3
Block parties	15	16	9	14	15	8	8	11	1	-
Street trees planted	-	177	43	106	79	72	3	11	10	41
Street trees trimmed	178	596	456	922	270	677	689	1,034	290	300
Street trees removal	432	417	329	679	378	357	341	285	422	620
<b>Community and Economic Development</b>										
Housing units rehabilitated	12	3	4	3	6	19	21	15	18	35
Basic needs	11	9	14	15	23	19	21	12	16	28
<b>Sewer System</b>										
Sanitary and storm sewer (miles)	303.9	303.9	303.9	303.9	303.9	303.9	303.9	303.9	303.9	306.0
Daily average treatment (million gallons)	20.1	22.9	19.6	21.6	22.9	23.8	23.4	25.8	25.1	16.2
Maximum daily capacity (million gallons)	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0
<b>Water System</b>										
Miles of water mains	419.7	420.0	411.0	411.0	411.0	411.0	411.0	411.0	411.0	411.0
Daily average consumption (million gallons)	19.5	20.0	18.1	17.0	17.3	17.9	17.3	17.2	17.1	17.1
Maximum daily treatment (million gallons)	31.3	32.3	27.2	23.7	26.3	27.3	25.4	27.1	27.7	29.3
<b>Cemetery</b>										
Interments	353	386	326	366	337	345	344	309	305	383
Grave sales	252	145	153	266	260	228	248	238	225	321
Foundations set	243	149	199	209	229	225	241	236	259	347
<b>Marina</b>										
Boat launch	1	1	1	1	1	1	1	1	1	1

Source: Various city departments.

Not all historical information is available. This table will continue to be populated as more information becomes available.

**City of Saginaw**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	74	72	70	73	62	47	44	43	43	40
Fire										
Stations	4	4	4	4	4	4	3	3	2	3
Vehicles	21	19	18	25	24	22	23	23	19	19
Public Works										
Streets (miles)										
Major	96	96	96	96	96	96	96	96	96	96
Local	182	182	182	182	182	182	183	183	183	183
State highways	36	36	36	36	36	36	36	36	36	36
Recreation and culture										
Park Areas	45	45	45	45	45	45	45	45	45	45

Source: Various city departments.

Note: No capital asset indicators are available for the general government and economic development functions.

Not all historical information is available. This table will continue to be populated as more information becomes available.