Saginaw Charter Township, Michigan

Year Ended March 31, 2020

Comprehensive Annual Financial Report

Prepared by: Fiscal Services Department

SAGINAW CHARTER TOWNSHIP, MICHIGAN

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INTRODUCTORY SECTION

SAGINAW CHARTER TOWNSHIP, MICHIGAN

PRINCIPAL TOWNSHIP OFFICIALS

For the Year Ended March 31, 2020

TOWNSHIP BOARD

Timothy J. Braun
Supervisor

Shirley M. Wazny - Clerk
Florence P. Connolly
Jon R. Howell

Steven G. Gerhardt - Treasurer
Lori L. Gorney
James S. Kelly

James Wickman
Township Manager

Heather M. J. Kuebler, CPA
Director of Fiscal Services

David J. Kern
Director of Assessing

Stephen M. King
Director of Community Development

Jim I. Peterson
Fire Chief

Donald F. Pussehl, Jr.
Police Chief

Herbert L. Grunwell, III
Director of Public Services

Mark T. Mahlberg
Township Attorney

Saginaw Charter Township

4980 Shattuck Rd. P.O. Box 6400, Saginaw, MI 48608-6400
989.791-9800 989.791-9815 (fax)

September 24, 2020

To the Saginaw Charter Township Board:

State law requires that all local governments, subject to certain size criteria, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in conformity with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to those requirements, we hereby issue the comprehensive annual financial report for the Saginaw Charter Township for the fiscal year ended March 31, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Rehmann Robson, Certified Public Accountants, has issued an unmodified (“clean”) opinion on the Township’s financial statements for the year ended March 31, 2020. The independent auditors’ report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and it should be read in conjunction with it.

Profile of the Government

The management of the Township is overseen by a Board of Trustees composed of seven members and a professional Manager. Saginaw Charter Township is the second largest governmental unit in Saginaw County, Michigan, with a population of 40,840 (2010 U.S. Census). Saginaw Township is a residential, retail, and medical community with a few small light industrial areas. It serves the Great Lakes Bay Region of Saginaw, Bay City, and Midland.

Saginaw Township is a full service community in that it provides many services to its residents including police, fire, sanitation, water, planning and zoning, indoor and outdoor recreation, refuse collection, library and general administrative services.

Local Economy

The economy is improving in Saginaw Township as reflected in rising real estate values and revitalized new construction and ongoing rehabilitation of commercial properties. Single family home sales are continuing rise after rebounding from several down years. The Township strives to keep its neighborhoods, both retail and residential, as viable and livable places for its many residents. Relying on community Core Values (see on the following page), we have focused on a variety of community and economic initiatives to maintain neighborhood stability while fostering growth and re-investment within our boundaries.

Saginaw Charter Township received significant commercial and residential investment in fiscal year 2019-20, with approximately $17 million in total permitted building projects. The Township Building Department issued a total of 411 building permits for various projects completed during the year. Several significant projects were started or completed during the fiscal year, the opening of Blue Thumb Distribution at 2650 Schust Road, which revitalized a 127,000 square foot building on a nearly 8-acre site in the heart of Saginaw Township's Cardinal Square business district. Two large storage facilities invested in over 200,000 square feet of vacant commercial buildings, and the United Association Local 85 made serval site improvements on a 2.8 acre lot that features a 17,500 square foot building.

Long-term Financial Planning

Saginaw Charter Township continues to refine and update its financial forecast model to address changes and trends identified. By reviewing the potential outcomes available, the Township can position itself to maintain current levels of service. The Board continues to identify areas where costs can be reduced, as well as examine future sources of revenue to ensure financial stability. In the fiscal year ended March 31, 2010, the Township completed a water and sewer rate study to develop a long-term rate plan. The study is updated annually based upon capital replacement, maintenance and adjusted water rates from the City of Saginaw. This plan will help to ensure the viability of the water and sewer utilities.

Relevant Financial Policies

The accounting policies of the Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to government units. There were no policies that had a significant or unusual impact on the current period’s financial statements.

Major Initiatives

There is continued interest toward enhancing our viability and quality of life in Saginaw Charter Township. Our vision remains the same:

- A planned community identified with pride and excellence in living, medical care, regional/local shopping and recreational activities;

- Where the quality of life is desirable and safe;

- Where government is unobtrusive and economical yet effective and efficient in the management of land, infrastructure, services and recreation; and

- A community which serves as a model for innovation and regional cooperation, with its focus on the future.

The Core Values

In 2005 the Township Board established a set of core community values. These core values form the nucleus by which all Township Departments carry out their activities and programs:

- Providing for a Safe Community,

- Promoting a Neat, Clean, Attractive Community with Beautiful neighborhoods,

- Providing Quality of Life Opportunities

- Maintaining a Professionally Well Run, Efficient Government…One that Provides High Quality Services to its Residents.

Saginaw Charter Township's activities are focused within the context of the above four core values. The underlying objective is to maintain the community as a quality living environment. To date, we believe that maintenance of the core values has helped to keep the Township a model of stability at a time when other communities are showing the strain of a tight economy.

Activities in 2019-2020 included such projects as:

- Updating of the Saginaw Township Master Plan.

- Refurbishment of Township Fire Station 1 including a generator, overhead door replacement, apparatus room painting, and floor refinish.

- Purchase of a new 750-gallon pump truck for Fire Station 1.

- Renovation of Township Hall's HVAC system.

- Completion of the Barnard Road (Shattuck to McCarty) watermain replacement project.

- Edgewood Road sewer project completed.

The Coming Year

As the Michigan economy continues to show signs of improvement, Saginaw Charter Township continues to maintain its services and infrastructure. One can expect to see:

- Remodel of the Saginaw Township Police Department and Fire Department Headquarters.

- Sidewalk replacement and repair connecting neighborhoods and the rail trail.

- Continued work on revitalizing our commercial corridors through planning and zoning.

- Continued water transmission system improvements and monitoring programs.

Financial Management

The Township Board is responsible for establishing and maintaining internal control designed to ensure that the assets of the Township are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control 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 a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgeting Control

The Township maintains budgetary control with the objective to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Township Board of Trustees. Activities of the general and special revenue funds are included in the annual appropriation budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by activity in the general fund and at the fund level for special revenue funds. The Township also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end and are re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the Township continues to meet its responsibility for sound financial management.

Independent Audit

The Michigan Uniform Accounting and Budgeting Act requires an annual audit by independent certified public accountants. The accounting firm of Rehmann Robson was selected by the Saginaw Charter Township Board of Trustees to perform the Township's annual audit. The auditor's report on the financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Accounting Systems and Reports

The Township's accounting records for traditional governmental operations; i.e., general fund, special revenue funds, and capital project funds, are maintained on a modified accrual basis of accounting. As a result, the more significant revenues such as property taxes, intergovernmental revenues and investment earnings are recognized as earned and other revenues are generally recognized only when received. Expenditures are recorded when incurred and encumbrances placed when purchase orders are issued. Employees' accumulated unused annual leave is also recognized on the modified accrual basis.

Budgetary control is maintained by an annual allotment system. Allotments, or appropriation, balances are encumbered by the simultaneous issuance and recording of purchase orders. Purchase orders that exceed allotted balances are not released until additional appropriations or appropriate budgetary adjustments are made available.

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

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Saginaw Charter Township for its comprehensive annual financial report for the fiscal year ended March 31, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a report of one year only. We believe that our current comprehensive annual 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

Appreciation is extended to the Fiscal Services Department and various employees throughout the Township responsible for financial management and reporting. Their adherence to following the law, utilizing proper accounting methods and eliminating waste from processes has greatly improved the efficiency and accountability of the entire Township.

Respectfully submitted,

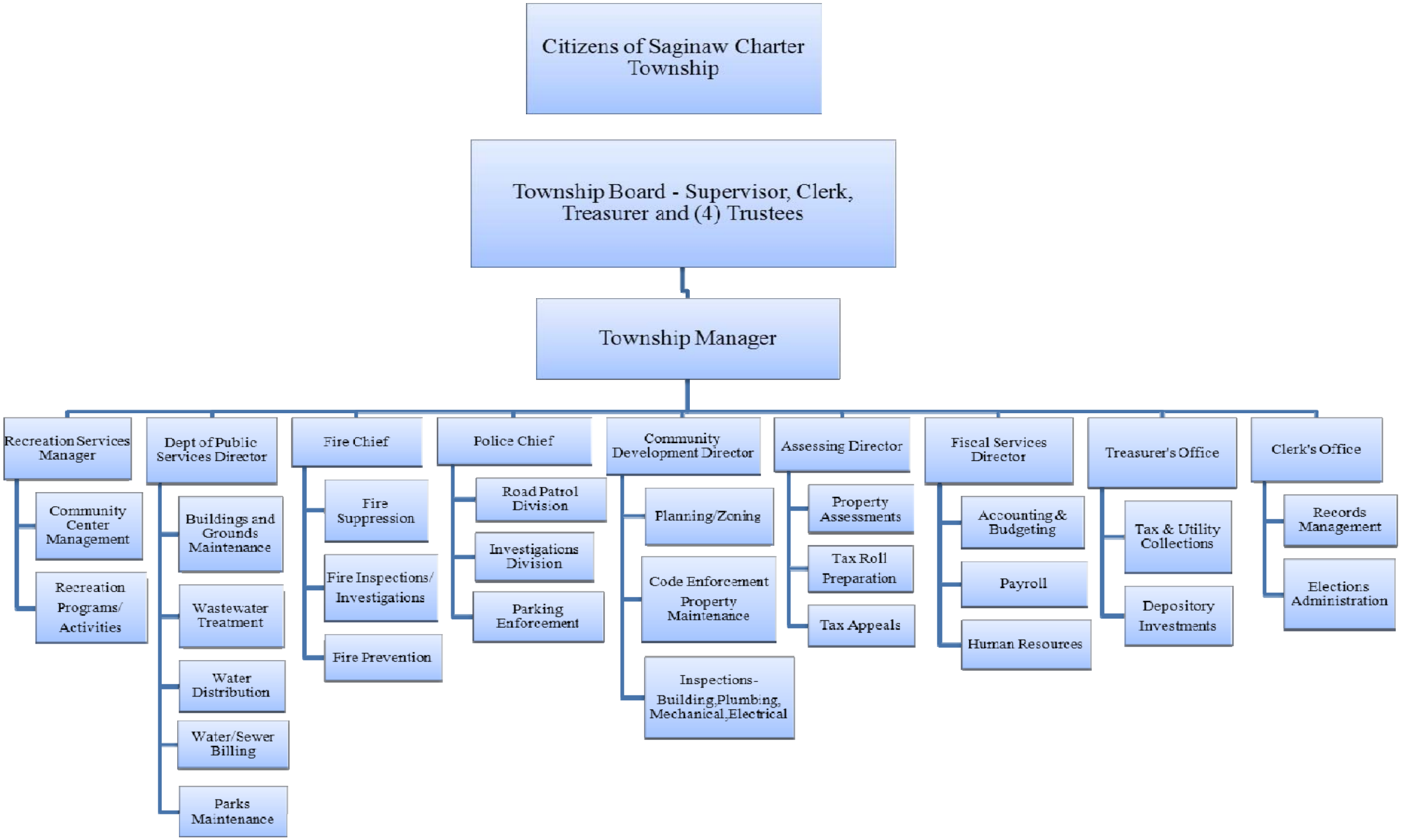
James Wickman
Township Manager

Heather Kuebler

Heather Kuebler, CPA
Director of Fiscal Services

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Table of Organization



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Saginaw Charter Township
Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

March 31, 2019

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

This section is composed of the following:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Combining and Individual Fund Financial Statements and Schedules

Rehmann

Rehmann Robson

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INDEPENDENT AUDITORS' REPORT

September 24, 2020

Members of the Township Board of
Saginaw Charter Township
Saginaw, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of *Saginaw Charter Township, Michigan* (the "Township"), as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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, each major fund, and the aggregate remaining fund information of the Township as of March 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the general fund and each major special revenue fund, for the year then ended in 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 and the schedules for the pension and other postemployment benefits plans, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

Rehmann Robson LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of Saginaw Charter Township, Michigan, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended March 31, 2020. We encourage readers to consider the information presented here in conjunction with the additional information that is furnished in the financial statements and notes to the financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the Township exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $71,974,874 (net position). Of this amount, $17,288,542 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Township's governmental funds reported a combined ending fund balance of $13,049,884, an increase of $1,080,079 in comparison with the prior year. Approximately 50 percent of this total amount, or $6,519,596, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was $6,519,596 or 88 percent of total general fund expenditures and transfers out.
- The Township's total bonded debt increased by $23,833 during the current fiscal year. This includes additions of $583,000, net of $559,167 in principal payments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to 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 Township's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all of the Township's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between 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 Township 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).

Both of the government-wide financial statements distinguish functions of the Township 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 Township include general government, public safety, public works, highway and streets, community development, and recreation and culture. The business-type activities of the Township include sewer and water operations.

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 Township, 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 Township can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental 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 Township maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, fire protection, police, and garbage and rubbish collection funds, each 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 Township adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements or schedules have been provided herein to demonstrate compliance with those budgets.

Proprietary Funds. The Township maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Township uses enterprise funds to account for its water and sewer operations. *Internal service funds* are an accounting device used to accumulate and allocate cost internally among the Township's various functions. The Township uses internal service funds to account for its self-insurance operations for employees healthcare coverage and property and liability coverage. Because both of these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer and water operations, both of which are considered to be major funds of the Township. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information includes this management's discussion and analysis and the schedules for the Township's pension and other postemployment benefit plans.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $71,974,874 at the close of the most recent fiscal year.

The largest portion of the Township's net position (67 percent) reflects its investment in capital assets (e.g., land, construction in progress, land improvements, buildings and improvements, plants and mains, equipment, and vehicles), less any related debt used to acquire those assets that is still outstanding. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Township's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets						
Current and other assets	$16,081,846	$14,245,500	$15,025,746	$14,884,551	$31,107,592	$29,130,051
Capital assets, net	12,560,163	12,428,831	41,809,583	42,486,919	54,369,746	54,915,750
	28,642,009	26,674,331	56,835,329	57,371,470	85,477,338	84,045,801
Deferred outflows of resources	1,859,994	2,557,529	212,518	146,201	2,072,512	2,703,730
Liabilities						
Long-term debt	1,441,182	912,110	6,369,866	6,977,695	7,811,048	7,889,805
Other liabilities	5,058,917	5,017,862	1,550,151	1,517,466	6,609,068	6,535,328
	6,500,099	5,929,972	7,920,017	8,495,161	14,420,116	14,425,133
Deferred inflows of resources	990,938	1,038,733	163,922	227,355	1,154,860	1,266,088
Net position						
Net investment in capital assets	12,560,163	12,428,831	35,728,229	35,813,491	48,288,392	48,242,322
Restricted	6,397,940	4,841,751	-	-	6,397,940	4,841,751
Unrestricted	4,052,863	4,992,573	13,235,679	12,981,664	17,288,542	17,974,237
Total net position	$23,010,966	$22,263,155	$48,963,908	$48,795,155	$71,974,874	$71,058,310

At the end of the current fiscal year, the Township is able to report positive balances in all of the categories of net position for the government as a whole, as well as positive balances for its separate governmental and business-type activities.

In governmental activities, current and other assets and restricted net position increased from the prior year by $1,836,346 and $1,556,189, respectively. The increase in current and other assets is mainly due to an increased cash balance of approximately $1 million and the addition of two special assessment projects, adding approximately $900,000 of special assessments receivable. The police fund continues to build its fund balance as planned in the 15-year millage proposal. A 5.5 mill levy is expected to sustain the department until 2028. Net investment in capital assets increased from the prior year by $131,332. This increase is attributed to the Township Hall improvement projects, Fire Station One remodel and other capital purchases, less annual depreciation expense.

Management's Discussion and Analysis

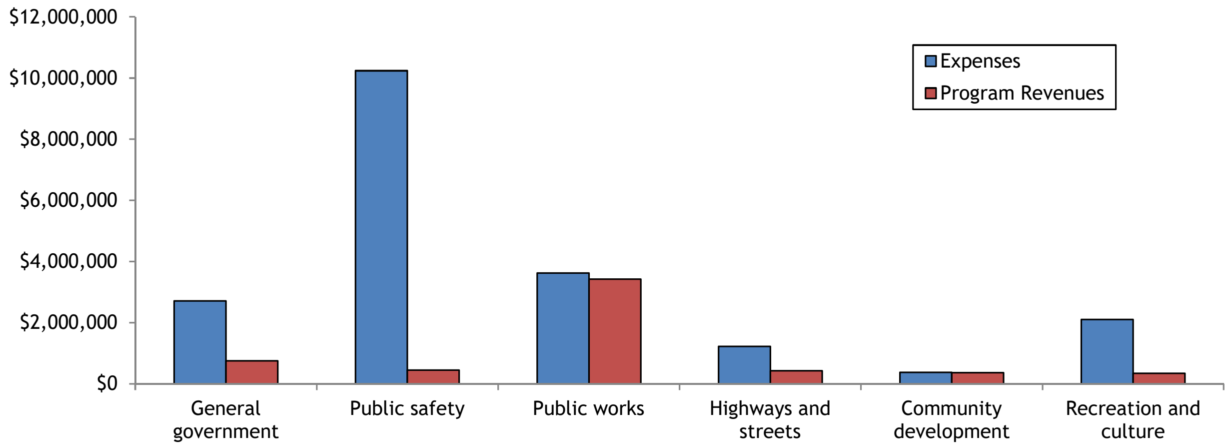
The following condensed financial information was derived from the government-wide statement of activities and reflects how the Township's net position changed during the fiscal year:

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Program revenues						
Charges for services	$ 5,630,023	$ 4,755,587	$ 12,770,845	$ 12,724,785	$18,400,868	$17,480,372
Operating grants and contributions	109,348	119,752	-	-	109,348	119,752
Capital grants and contributions	-	-	67,277	-	67,277	-
General revenues						
Property taxes	10,402,657	10,274,255	-	-	10,402,657	10,274,255
Grants and contributions not restricted to specific programs	3,829,120	3,791,255	-	-	3,829,120	3,791,255
Unrestricted investment earnings	192,397	138,780	101,383	109,172	293,780	247,952
Franchise taxes	717,141	730,615	-	-	717,141	730,615
Miscellaneous	130,530	210,461	-	-	130,530	210,461
Total revenues	21,011,216	20,020,705	12,939,505	12,833,957	33,950,721	32,854,662
Expenses						
General government	2,703,779	2,442,534	-	-	2,703,779	2,442,534
Public safety	10,239,639	9,239,730	-	-	10,239,639	9,239,730
Public works	3,619,052	2,871,108	-	-	3,619,052	2,871,108
Highways and streets	1,218,721	1,102,729	-	-	1,218,721	1,102,729
Community development	378,160	371,848	-	-	378,160	371,848
Recreation and culture	2,104,054	2,104,783	-	-	2,104,054	2,104,783
Sewer	-	-	6,365,158	6,627,595	6,365,158	6,627,595
Water	-	-	6,405,594	5,879,273	6,405,594	5,879,273
Total expenses	20,263,405	18,132,732	12,770,752	12,506,868	33,034,157	30,639,600
Change in net position	747,811	1,887,973	168,753	327,089	916,564	2,215,062
Net position:						
Beginning of year	22,263,155	21,343,390	48,795,155	48,720,339	71,058,310	70,063,729
Restatement	-	(968,208)	-	(252,273)	-	(1,220,481)
End of year	$ 23,010,966	$ 22,263,155	$ 48,963,908	$ 48,795,155	$ 71,974,874	$ 71,058,310

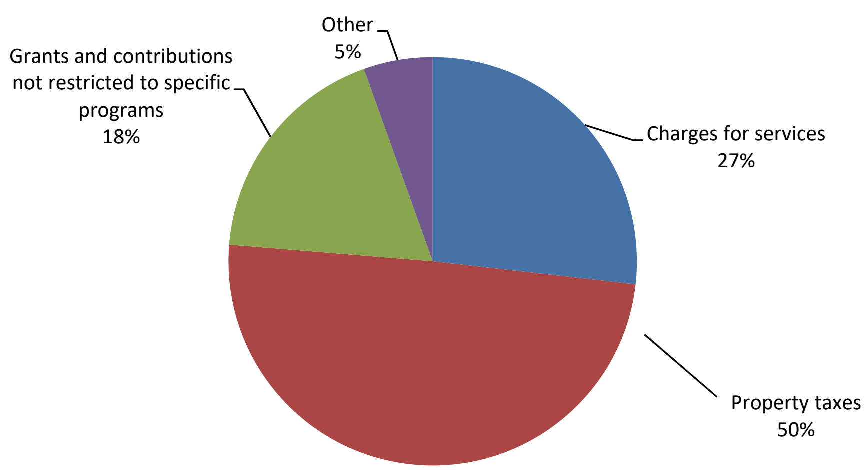
Governmental activities. Governmental activities increased the Township's net position by $747,811, which is a reduction of approximately $1 million from the prior year. Revenues increased by $990,511 which mainly consists of the $874,436 increase in charges for service due to two new special assessments for repaving projects and increased collections for garbage collection service. Expenses for governmental activities increased by $2,130,673. Public works increased by approximately $750,000, mainly due to two special assessment projects being completed in the current year, compared to one in the prior year. Public safety increased by approximately $1,000,000, due to increased capital improvement projects and staffing costs.

Overall, expenses increased by 12 percent.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



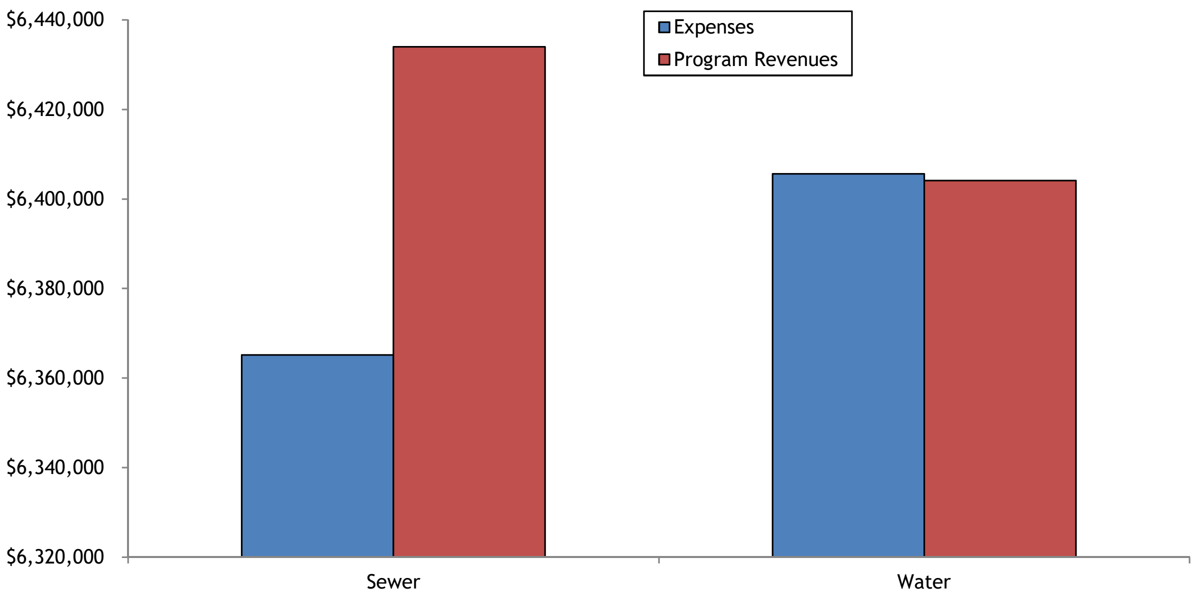
Management's Discussion and Analysis

Business-type activities. In the later part of 2009, the Township completed the first comprehensive study of utility rates in approximately 20 years. Prior rate adjustments were made "as needed" to keep pace with basic operating expenses. The goal of the study was to keep rates as low as possible for all customers, yet generate the revenues required to meet anticipated operations, maintenance, capital, and debt requirements. The sewer fund had an excess of cash that would be useful in moderating the impact of anticipated rate increases in future years. The cash position in the water fund was not as strong and needed to be improved. The revised rate structures should enable the Township to meet immediate cash needs and establish reserves to ensure financial stability in both funds.

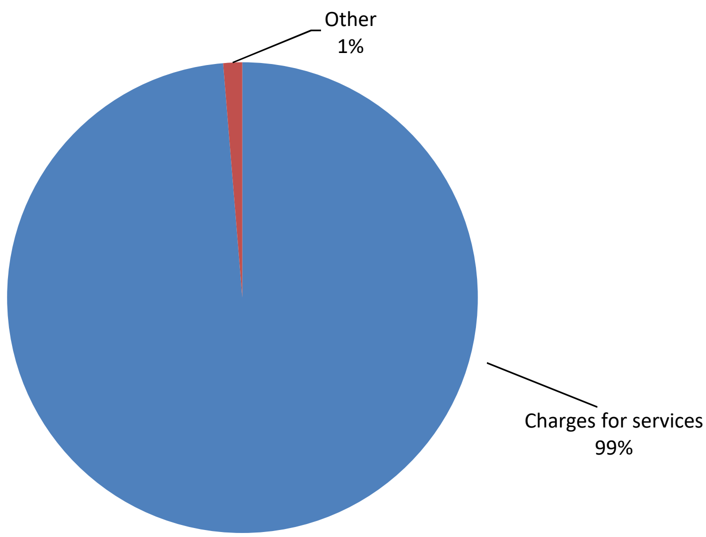
Business-type activities increased the Township's net position by $168,753. The water activity added $75,081 to net position compared to prior year increase of $592,560. This decrease is mainly due to increased water supply rates. Net position was increased by $171,634 due to sewer fund operations compared to the prior year reduction of $299,838. This swing of approximately $470,000 is mainly due to decreased depreciation expense from prior year of approximately $360,000.

Capital investments in the water fund include completion of construction on the 2018 watermain replacement project in the southeast district and Barnard Road.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the Township's governmental funds reported combined ending fund balances of $13,049,884, an increase of $1,080,079 in comparison with the prior year. Approximately 50 percent of this total amount ($6,519,596) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is not available for new spending because it is either in a nonspendable form ($73,652), restricted ($5,817,347), committed ($343,862) or assigned ($295,427).

The general fund is the chief operating fund of the Township. At the end of the current fiscal year, unassigned fund balance of the general fund was $6,519,596, and total fund balance was $6,660,461. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents approximately 101 percent of total general fund expenditures.

The fund balance of the Township's general fund increased by $27,981 during the current fiscal year compared to a prior year increase of $449,531. This decrease from prior year can be attributed to an increase in expenditures related to the Township Hall HVAC project. General fund revenues remained fairly consistent.

Management's Discussion and Analysis

The fire protection fund has a total fund balance of $713,378, which increased by $1,522 during the year. The Township has authority to levy 2.5 mills for fire protection and the current levy is 1.8 mills for the fiscal year ending March 31, 2020. 1.35 mills are dedicated for fire protection operations, while .45 mills are used for capital investment. Strict adherence to the budget has allowed revenues to keep pace with operational costs.

The police fund has a total fund balance of $2,829,345, which increased by $1,308,925 during the year. The police fund remains on track, building a fund balance as designed in the 2014 millage request approved by the voters. The fund balance builds in the early years of the levy that will sustain a consistent level of service as costs increase throughout the life of the levy. By securing support for this request, the Township has ensured funding to provide police services to the community for the remaining life of the millage levy, expiring in 2028.

The garbage and rubbish collection fund has a total fund balance of $1,672,776, fairly consistent with previous year, with a decrease of only $16,799 during the year compared to a prior year decrease of $73,555. In 2015 the Township, as part of the Mid-Michigan Waste Authority, entered into a seven year agreement with Waste Management of Michigan for collection services. Since that time there has been a substantial increase in the cost of disposing of recycled items, accounting for the decrease in fund balance during fiscal 2020. Stricter quality standards have been imposed, increasing the cost of supplying recyclable items to the resale market. A slight increase in collection fees from $150 to $164 in December 2019 assisted in offsetting these increases.

Proprietary Funds. The Township's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of the water and sewer funds at the end of the year amounted to $24,152,214 and $24,865,148, respectively. The water fund had an increase in net position for the year of $75,081 and the sewer fund had an increase in net position for the year of $171,634. Other factors concerning the finances of these two funds have already been addressed in the discussion of the Township's business-type activities.

General Fund Budgetary Highlights

Over the course of the year, the Township amended the budget to take into account various events occurring during the year. In the General Fund differences between the original and final amended budgets for expenditures were relatively minor with the exception of the amendments for Town Hall improvement projects.

The Township takes an active role in monitoring department needs and budget requests throughout the fiscal year. The Township will continue to find ways to reduce costs and yet provide essential services, allowing for favorable budgetary results.

Town Hall improvement costs came in significantly less than budgeted for due to higher anticipated costs and project not being fully completed in FY20 as anticipated.

Capital Asset and Debt Administration

Capital Assets. The Township's investment in capital assets as of March 31, 2020, amounted to $54,369,746 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, building and improvements, plants and mains, equipment, and vehicles.

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

- Township Hall HVAC system replacement
- Fiscal services office remodel
- Fire Station One remodel
- Completion of 2018 watermain replacement projects
- Completion of Barnard Road (Shattuck to McCarty) watermain project
- Completion of Edgewood Road sewer project
- Purchased four new vehicles for the police department
- Purchased one new vehicle for the fire department

	Capital Assets (Net of Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	$ 1,167,744	$ 1,167,752	$ 283,260	$ 283,260	$ 1,451,004	$ 1,451,012
Construction in progress	558,484	-	104,596	1,074,519	663,080	1,074,519
Land improvements	1,775,403	1,922,837	20,647	22,167	1,796,050	1,945,004
Buildings and improvements, plants and mains	6,713,297	6,665,758	40,630,751	40,234,405	47,344,048	46,900,163
Equipment	376,685	449,151	377,193	456,436	753,878	905,587
Vehicles	1,968,550	2,223,333	393,136	416,132	2,361,686	2,639,465
Total capital assets, net	$12,560,163	$12,428,831	$41,809,583	$42,486,919	$54,369,746	$54,915,750

Additional information on the Township's capital assets can be found in Note 5 to the financial statements.

Debt Administration. At the end of the current fiscal year, the Township had total long-term debt outstanding of $7,811,048. Of this amount, $6,764,393 represents bonds secured solely by specified revenue sources (i.e., revenue bonds and special assessments), and $1,046,655 represents accrued compensated absences.

	Long-term Debt					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Bonds payable	$ 583,000	$ -	$ 5,873,241	$ 6,432,408	$ 6,456,241	$ 6,432,408
Bond premiums	-	-	308,152	396,196	308,152	396,196
Compensated absences	858,182	912,110	188,473	200,103	1,046,655	1,112,213
Total debt	$ 1,441,182	$ 912,110	$ 6,369,866	$ 7,028,707	$ 7,811,048	$ 7,940,817

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the Township is $137,385,480. As of March 31, 2020, the Township had no outstanding general obligation debt.

Additional information on the Township's long-term debt can be found in Note 7 to the financial statements.

Management's Discussion and Analysis

Economic Factors and Next Year's Budget and Rates

The following factors were considered in preparing the Township's budget for the 2020-2021 fiscal year:

- The March 2020 unemployment rate for Saginaw County, which includes the Township, was 4.3 percent, which is a decrease of 1 percent from a year ago. The Township rate was 2.3 percent. The State average was 4.3 percent and the National rate was 4.4 percent.
- The Township is comprised principally of residential areas with several key commercial corridors. There is a stable business base.
- Inflationary trends in the region compare favorably to national indices.

Requests for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Township Fiscal Services Department, 4980 Shattuck Rd, Saginaw, Michigan 48603.

BASIC FINANCIAL STATEMENTS

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Net Position

March 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investment pool	$ 16,397,179	$ 6,239,427	$ 22,636,606
Receivables	2,813,392	5,234,369	8,047,761
Internal balances	(3,217,403)	3,217,403	-
Inventory	27,571	232,854	260,425
Prepaid items and other assets	61,107	101,693	162,800
Capital assets not being depreciated	1,726,228	387,856	2,114,084
Capital assets being depreciated, net	10,833,935	41,421,727	52,255,662
Total assets	28,642,009	56,835,329	85,477,338
Deferred outflows of resources			
Deferred charge on bond refunding	-	100,039	100,039
Deferred pension amounts	1,386,642	-	1,386,642
Deferred OPEB amounts	473,352	112,479	585,831
Total deferred outflows of resources	1,859,994	212,518	2,072,512
Liabilities			
Accounts payable	477,241	529,088	1,006,329
Accrued liabilities	347,262	57,363	404,625
Unearned revenue	3,310	328,445	331,755
Long-term debt:			
Due within one year	687,486	710,705	1,398,191
Due in more than one year	753,696	5,659,161	6,412,857
Net pension liability, due in more than one year	1,557,739	-	1,557,739
Net other postemployment benefit liability, due in more than one year	2,673,365	635,255	3,308,620
Total liabilities	6,500,099	7,920,017	14,420,116
Deferred inflows of resources			
Deferred pension amounts	301,103	-	301,103
Deferred OPEB amounts	689,835	163,922	853,757
Total deferred inflows of resources	990,938	163,922	1,154,860
Net position			
Net investment in capital assets	12,560,163	35,728,229	48,288,392
Restricted for:			
Debt service	583,020	-	583,020
Fire protection	713,378	-	713,378
Police	2,829,345	-	2,829,345
Garbage and rubbish collection	1,672,776	-	1,672,776
Fire improvement	597,685	-	597,685
Arts in public places	1,736	-	1,736
Unrestricted	4,052,863	13,235,679	17,288,542
Total net position	$ 23,010,966	$ 48,963,908	$ 71,974,874

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Activities
For the Year Ended March 31, 2020

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities:					
General government	$ 2,703,779	$ 754,598	$ -	$ -	$ (1,949,181)
Public safety	10,239,639	337,715	109,348	-	(9,792,576)
Public works	3,619,052	3,418,918	-	-	(200,134)
Highways and streets	1,218,721	421,873	-	-	(796,848)
Community development	378,160	359,771	-	-	(18,389)
Recreation and culture	2,104,054	337,148	-	-	(1,766,906)
Total governmental activities	20,263,405	5,630,023	109,348	-	(14,524,034)
Business-type activities:					
Sewer	6,365,158	6,413,052	-	20,944	68,838
Water	6,405,594	6,357,793	-	46,333	(1,468)
Total business-type activities	12,770,752	12,770,845	-	67,277	67,370
Total primary government	$ 33,034,157	$ 18,400,868	$ 109,348	$ 67,277	$ (14,456,664)

continued...

Statement of Activities
For the Year Ended March 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Changes in net position			
Net (expense) revenue	$ (14,524,034)	$ 67,370	$ (14,456,664)
General revenues:			
Property taxes	10,402,657	-	10,402,657
Grants and contributions not restricted to specific programs	3,829,120	-	3,829,120
Unrestricted investment earnings	192,397	101,383	293,780
Franchise taxes	717,141	-	717,141
Miscellaneous	130,530	-	130,530
Total general revenues	15,271,845	101,383	15,373,228
Change in net position	747,811	168,753	916,564
Net position, beginning of year	22,263,155	48,795,155	71,058,310
Net position, end of year	$ 23,010,966	$ 48,963,908	$ 71,974,874

concluded

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Balance Sheet

Governmental Funds
March 31, 2020

	General Fund	Special Revenue Funds: Fire Protection	Special Revenue Funds: Police	Special Revenue Funds: Garbage and Rubbish Collection
Assets				
Cash and investment pool	$ 5,827,889	$ 665,006	$ 6,363,591	$ 1,497,679
Accounts receivable	137,889	-	82,881	1,124
Taxes receivable	84,268	60,240	265,945	89,345
Special assessments receivable	72,972	-	-	-
Due from other funds	329,470	-	-	-
Due from other governmental units	613,755	-	-	-
Inventory	27,571	-	-	-
Prepaids	26,374	6,831	4,951	-
Advance to other funds	7,500	-	-	90,000
Advance to Mid Michigan Waste Authority	-	-	-	144,100
Total assets	$ 7,127,688	$ 732,077	$ 6,717,368	$ 1,822,248
Liabilities				
Accounts payable	$ 159,846	$ 2,635	$ 50,536	$ 149,103
Accrued liabilities	184,001	16,064	139,810	369
Deposits payable	5,240	-	-	-
Due to other funds	150	-	177	-
Unearned revenue	-	-	-	-
Advance from other funds	-	-	3,697,500	-
Total liabilities	349,237	18,699	3,888,023	149,472
Deferred inflows of resources				
Unavailable revenue - special assessments	72,972	-	-	-
Unavailable revenue- state	45,018	-	-	-
Total deferred inflows of resources	117,990	-	-	-
Fund balances				
Nonspendable	61,445	6,831	4,951	-
Restricted	-	706,547	2,824,394	1,672,776
Committed	-	-	-	-
Assigned	79,420	-	-	-
Unassigned	6,519,596	-	-	-
Total fund balances	6,660,461	713,378	2,829,345	1,672,776
Total liabilities, deferred inflows of resources, and fund balances	$ 7,127,688	$ 732,077	$ 6,717,368	$ 1,822,248

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

Nonmajor Governmental Funds	Total
$ 1,157,064	$ 15,511,229
842	222,736
20,078	519,876
1,234,470	1,307,442
8,345	337,815
5,483	619,238
-	27,571
425	38,581
-	97,500
-	144,100
$ 2,426,707	$ 18,826,088
$ -	$ 362,120
7,018	347,262
-	5,240
8,345	8,672
2,950	2,950
-	3,697,500
18,313	4,423,744
1,234,470	1,307,442
-	45,018
1,234,470	1,352,460
425	73,652
613,630	5,817,347
343,862	343,862
216,007	295,427
-	6,519,596
1,173,924	13,049,884
$ 2,426,707	$ 18,826,088

Reconciliation

Fund Balances of Governmental Funds
To Net Position of Governmental Activities
March 31, 2020

Fund balances - total governmental funds	$ 13,049,884
Amounts reported for *governmental activities* in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets not being depreciated	1,726,228
Capital assets being depreciated, net	10,833,935
Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current expenditures. Those assets (i.e., receivables) are offset by deferred inflows of resources in the governmental funds and, therefore, are not included in fund balance.	
Deferred special assessments	1,307,442
Unavailable revenue - state	45,018
Certain pension and other postemployment benefit amounts, such as the net pension and OPEB liabilities and deferred amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.	
Net pension liability	(1,557,739)
Net OPEB liability	(2,673,365)
Deferred outflows related to the net pension liability	1,386,642
Deferred outflows related to the net OPEB liability	473,352
Deferred inflows related to the net pension liability	(301,103)
Deferred inflows related to the net OPEB liability	(689,835)
Internal service funds are used by management to charge the costs of certain insurances to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
Net position of governmental activities accounted for in internal service funds	798,235
Net position allocated to business-type activities from governmental activities internal service funds	53,454
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Special assessment bonds payable	(583,000)
Compensated absences	(858,182)
Net position of governmental activities	$ 23,010,966

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended March 31, 2020

		Special Revenue Funds		
	General Fund	Fire Protection	Police	Garbage and Rubbish Collection
Revenues				
Property taxes	$ 1,687,371	$ 1,620,985	$ 7,041,446	$ -
Licenses and permits	750,871	-	28,029	-
Intergovernmental -				
State sources	3,802,994	-	33,129	-
Charges for services	299,884	6,653	81,177	2,142,764
Fines and forfeits	100,063	-	-	-
Special assessments	451,670	-	-	-
Interest	87,634	3,702	51,745	15,382
Other	240,190	61,767	271,532	-
Total revenues	7,420,677	1,693,107	7,507,058	2,158,146
Expenditures				
Current:				
General government	2,850,270	-	-	-
Public safety	449,010	1,661,224	6,716,467	-
Highway and streets	1,175,116	-	-	-
Public works	171,431	-	-	2,174,945
Community development	-	-	-	-
Recreation and culture	1,814,869	-	-	-
Capital outlay	-	30,361	377,912	-
Debt service -				
Interest expense	-	-	35,754	-
Bond issuance costs	-	-	-	-
Total expenditures	6,460,696	1,691,585	7,130,133	2,174,945
Revenues over (under) expenditures	959,981	1,522	376,925	(16,799)
Other financing sources (uses)				
Transfers in	-	-	932,000	-
Transfers out	(932,000)	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	(932,000)	-	932,000	-
Net change in fund balances	27,981	1,522	1,308,925	(16,799)
Fund balances, beginning of year	6,632,480	711,856	1,520,420	1,689,575
Fund balances, end of year	$ 6,660,461	$ 713,378	$ 2,829,345	$ 1,672,776

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

Nonmajor Governmental Funds	Total
$ 540,326	$ 10,890,128
359,551	1,138,451
-	3,836,123
9,186	2,539,664
-	100,063
435,712	887,382
26,286	184,749
13,077	586,566
1,384,138	20,163,126
-	2,850,270
-	8,826,701
-	1,175,116
1,206,135	3,552,511
382,851	382,851
7,197	1,822,066
590,023	998,296
-	35,754
22,482	22,482
2,208,688	19,666,047
(824,550)	497,079
-	932,000
-	(932,000)
583,000	583,000
583,000	583,000
(241,550)	1,080,079
1,415,474	11,969,805
$ 1,173,924	$ 13,049,884

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Reconciliation

Net Changes in Fund Balances of Governmental Funds
To Change in Net Position of Governmental Activities
For the Year Ended March 31, 2020

Net change in fund balances - total governmental funds	$ 1,080,079
Amounts reported for *governmental activities* in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital assets purchased/constructed	1,137,911
Depreciation	(961,765)
Loss on disposal of capital assets	(44,814)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to subsequent fiscal years.	
Change in unavailable revenue	840,442
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduced long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Issuance of special assessment debt	(583,000)
Internal service funds are used by management to charge the costs of certain insurances to individual funds. The change in the internal service funds net position is reported with governmental activities.	
Change in net position from governmental activities accounted for in internal service funds	(296,129)
Change in net position from governmental activities accounted for in internal service funds charged to business-type activities	77,962
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.	
Change in the accrual of compensated absences	53,928
Change in the net OPEB liability and related deferred amounts	203,248
Change in net pension liability and related deferred amounts	(760,051)
Change in net position of governmental activities	$ 747,811

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Property taxes	$ 1,643,394	$ 1,643,394	$ 1,687,371	$ 43,977
Licenses and permits	750,200	750,200	750,871	671
Intergovernmental -				
State sources	3,641,300	3,702,034	3,802,994	100,960
Charges for services	308,050	308,050	299,884	(8,166)
Fines and forfeits	105,000	105,000	100,063	(4,937)
Special assessments	535,700	535,700	451,670	(84,030)
Interest	10,000	60,000	87,634	27,634
Other	191,971	225,371	240,190	14,819
Total revenues	7,185,615	7,329,749	7,420,677	90,928
Expenditures				
Current:				
General government				
Township board	41,234	54,542	49,504	(5,038)
Township supervisor	21,862	23,291	22,490	(801)
Township manager	223,130	232,533	221,265	(11,268)
Fiscal services	232,295	267,816	265,635	(2,181)
Elections/clerk	188,821	202,470	195,837	(6,633)
Data processing	78,405	114,575	94,911	(19,664)
Assessors	353,715	367,751	353,130	(14,621)
Township attorney	111,000	156,000	126,689	(29,311)
Board of review	3,230	3,230	2,223	(1,007)
Treasurer's office	134,903	145,318	145,165	(153)
Township property	291,336	1,190,790	875,998	(314,792)
Motor vehicle - equipment pool	108,300	108,300	87,029	(21,271)
Less: administration reimbursement	(787,000)	(787,000)	(870,701)	(83,701)
Other	1,395,581	1,335,176	1,281,095	(54,081)
Total general government	2,396,812	3,414,792	2,850,270	(564,522)
Public safety				
Parking enforcement	21,853	21,853	21,669	(184)
Housing inspection	46,080	56,080	46,718	(9,362)
Planning	407,079	447,277	380,623	(66,654)
Total public safety	475,012	525,210	449,010	(76,200)

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SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Highway and streets				
Department of public services	$ 516,917	$ 532,136	$ 496,742	$ (35,394)
Sidewalks	101,500	14,500	12,675	(1,825)
Road construction and resurfacing	155,950	305,950	234,940	(71,010)
Street lighting	500,000	500,000	430,759	(69,241)
Total highway and streets	1,274,367	1,352,586	1,175,116	(177,470)
Public works				
Drains - public benefit	184,307	184,307	171,431	(12,876)
Recreation and culture				
Parks and recreation	855,372	862,688	764,587	(98,101)
Center courts	277,047	277,047	266,728	(10,319)
Library	790,698	790,698	783,554	(7,144)
Total recreation and culture	1,923,117	1,930,433	1,814,869	(115,564)
Total expenditures	6,253,615	7,407,328	6,460,696	(946,632)
Revenues over (under) expenditures	932,000	(77,579)	959,981	1,037,560
Other financing uses				
Transfers out	(932,000)	(932,000)	(932,000)	-
Net change in fund balance	-	(1,009,579)	27,981	1,037,560
Fund balance, beginning of year	6,632,480	6,632,480	6,632,480	-
Fund balance, end of year	$ 6,632,480	$ 5,622,901	$ 6,660,461	$ 1,037,560

concluded

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Fire Protection Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Property taxes	$ 1,635,815	$ 1,635,815	$ 1,620,985	$ (14,830)
Charges for services	8,600	8,600	6,653	(1,947)
Interest	2,000	2,000	3,702	1,702
Other	39,600	39,600	61,767	22,167
Total revenues	1,686,015	1,686,015	1,693,107	7,092
Expenditures				
Current:				
Public safety:				
Salaries and wages	749,915	749,915	737,715	(12,200)
Contractual services	1,000	1,000	1,000	-
Volunteer firefighters	438,100	438,100	434,380	(3,720)
Supplies	67,800	79,300	74,904	(4,396)
Services	80,000	80,000	102,799	22,799
Gas and oil	16,000	16,000	12,765	(3,235)
Insurance	52,500	52,500	49,243	(3,257)
Public utilities	79,200	79,200	75,212	(3,988)
Repairs and maintenance	103,000	103,000	106,001	3,001
Education and training	28,000	28,000	22,113	(5,887)
Computer expense	2,000	8,000	8,444	444
Worker's compensation insurance	40,000	48,000	47,643	(357)
Less worker's compensation dividend	(10,000)	(10,000)	(10,995)	(995)
Total public safety	1,647,515	1,673,015	1,661,224	(11,791)
Capital outlay	38,500	38,500	30,361	(8,139)
Total expenditures	1,686,015	1,711,515	1,691,585	(19,930)
Net change in fund balance	-	(25,500)	1,522	27,022
Fund balance, beginning of year	711,856	711,856	711,856	-
Fund balance, end of year	$ 711,856	$ 686,356	$ 713,378	$ 27,022

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Police Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Property taxes	$ 7,104,850	$ 7,104,850	$ 7,041,446	$ (63,404)
Licenses and permits	28,000	28,000	28,029	29
Intergovernmental -				
State sources	22,980	22,980	33,129	10,149
Charges for services	14,600	90,181	81,177	(9,004)
Interest	13,000	20,000	51,745	31,745
Other	163,800	223,800	271,532	47,732
Total revenues	7,347,230	7,489,811	7,507,058	17,247
Expenditures				
Current:				
Public safety:				
Salaries and wages	5,626,732	5,691,463	5,714,496	23,033
Supplies	558,325	559,125	552,177	(6,948)
Services	35,884	35,884	34,746	(1,138)
Contractual services	1,000	1,000	1,000	-
Gas and oil	80,000	80,000	80,875	875
Insurance	113,000	116,050	119,479	3,429
Public utilities	19,480	19,480	19,328	(152)
Repairs and maintenance	119,800	119,800	114,240	(5,560)
Education and training	20,000	20,000	15,410	(4,590)
Worker's compensation insurance	75,000	85,000	84,079	(921)
Less worker's compensation dividend	(18,000)	(18,000)	(19,363)	(1,363)
Total public safety	6,631,221	6,709,802	6,716,467	6,665
Capital outlay	334,980	361,940	377,912	15,972
Debt service:				
Interest expense	35,754	35,754	35,754	-
Total expenditures	7,001,955	7,107,496	7,130,133	22,637
Revenues over expenditures	345,275	382,315	376,925	(5,390)
Other financing sources				
Transfers in	932,000	932,000	932,000	-
Net change in fund balance	1,277,275	1,314,315	1,308,925	(5,390)
Fund balance, beginning of year	1,520,420	1,520,420	1,520,420	-
Fund balance, end of year	$ 2,797,695	$ 2,834,735	$ 2,829,345	$ (5,390)

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

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Garbage and Rubbish Collection Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Charges for services	$ 1,953,450	$ 1,953,450	$ 2,142,764	$ 189,314
Interest	4,500	4,500	15,382	10,882
Total revenues	1,957,950	1,957,950	2,158,146	200,196
Expenditures				
Current:				
Public works:				
Salaries and wages	15,008	15,008	12,785	(2,223)
Sanitation collection	2,226,250	2,226,250	2,126,461	(99,789)
Supplies	-	-	792	792
Other	67,000	67,000	34,907	(32,093)
Total expenditures	2,308,258	2,308,258	2,174,945	(133,313)
Net change in fund balance	(350,308)	(350,308)	(16,799)	333,509
Fund balance, beginning of year	1,689,575	1,689,575	1,689,575	-
Fund balance, end of year	$ 1,339,267	$ 1,339,267	$ 1,672,776	$ 333,509

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Net Position
Proprietary Funds
March 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Fund
Assets				
Current assets:				
Cash and investment pool	$ 2,322,965	$ 3,916,462	$ 6,239,427	$ 885,950
Accounts receivable	1,734,118	3,117,106	4,851,224	-
Special assessment receivable, current portion	-	20,961	20,961	-
Advance to other funds, current portion	300,000	500,000	800,000	-
Due from other funds	-	150	150	-
Inventory	232,854	-	232,854	-
Prepaids	390	101,303	101,693	22,526
Total current assets	4,590,327	7,655,982	12,246,309	908,476
Noncurrent assets:				
Special assessment receivable, net of current portion	-	362,184	362,184	-
Advance to other funds, net of current portion	1,050,000	1,750,000	2,800,000	-
Capital assets not being depreciated	134,773	253,083	387,856	-
Capital assets being depreciated, net	19,215,101	22,206,626	41,421,727	-
Total noncurrent assets	20,399,874	24,571,893	44,971,767	-
Total assets	24,990,201	32,227,875	57,218,076	908,476
Deferred outflows of resources				
Deferred charge on bond refunding	-	100,039	100,039	-
Deferred OPEB amounts	40,598	71,881	112,479	-
Total deferred outflows of resources	40,598	171,920	212,518	-
Liabilities				
Current liabilities:				
Accounts payable	330,129	168,889	499,018	109,881
Accrued liabilities	20,194	37,169	57,363	-
Deposits payable	1,000	-	1,000	-
Due to other governmental units	-	29,070	29,070	-
Due to other funds	119,235	210,058	329,293	-
Unearned revenue	10,885	317,560	328,445	360
Current portion of bonds payable	-	553,707	553,707	-
Current portion of accrued compensated absences	60,505	96,493	156,998	-
Total current liabilities	541,948	1,412,946	1,954,894	110,241
Noncurrent liabilities:				
Bonds payable, net of current portion	45,000	5,582,686	5,627,686	-
Accrued compensated absences, net of current portion	3,184	28,291	31,475	-
Net other postemployment benefit liability	229,287	405,968	635,255	-
Total noncurrent liabilities	277,471	6,016,945	6,294,416	-
Total liabilities	819,419	7,429,891	8,249,310	110,241
Deferred inflows of resources				
Deferred OPEB amounts	59,166	104,756	163,922	-
Net position				
Net investment in capital assets	19,304,874	16,423,355	35,728,229	-
Unrestricted	4,847,340	8,441,793	13,289,133	798,235
Total net position	$ 24,152,214	$ 24,865,148	49,017,362	$ 798,235
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities			(53,454)	
Net position of business-type activities			$ 48,963,908	

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

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds
For the Year Ended March 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Fund
Operating revenues				
Charges for services	$ 6,319,154	$ 6,349,063	$ 12,668,217	$ 2,912,531
Special assessments	-	5,031	5,031	-
Other	38,639	58,958	97,597	-
Total operating revenues	6,357,793	6,413,052	12,770,845	2,912,531
Operating expenses				
Wages and benefits	907,447	1,684,230	2,591,677	-
Administration	108,701	202,877	311,578	363,816
Professional services	40,517	216,613	257,130	-
Supplies	59,869	236,504	296,373	-
Property and liability claims	-	-	-	89,844
Other services and charges	112,421	112,257	224,678	-
Insurance	35,996	82,906	118,902	2,762,648
Utilities	37,241	377,586	414,827	-
Cost of goods sold	3,874,123	1,745,339	5,619,462	-
Repairs and maintenance	443,330	397,200	840,530	-
Education and training	4,208	935	5,143	-
Depreciation	754,314	1,068,568	1,822,882	-
Total operating expenses	6,378,167	6,125,015	12,503,182	3,216,308
Operating income (loss)	(20,374)	288,037	267,663	(303,777)
Nonoperating revenues (expenses)				
Interest revenue	52,129	49,254	101,383	7,648
Interest expense	(3,007)	(186,601)	(189,608)	-
Total nonoperating revenues (expenses)	49,122	(137,347)	(88,225)	7,648
Income (loss) before capital contributions	28,748	150,690	179,438	(296,129)
Capital contributions	46,333	20,944	67,277	-
Change in net position	75,081	171,634	246,715	(296,129)
Net position, beginning of year	24,077,133	24,693,514		1,094,364
Net position, end of year	$ 24,152,214	$ 24,865,148		$ 798,235
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities			(77,962)	
Change in net position of business-type activities			$ 168,753	

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Cash Flows

Proprietary Funds
For the Year Ended March 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Funds
Cash flows from operating activities				
Cash received from customers	$ 6,177,461	$ 6,164,250	$ 12,341,711	$ -
Cash received from employees and retirees	-	-	-	212,561
Cash received from interfund services	-	-	-	2,699,970
Cash payments to employees	(969,565)	(1,552,425)	(2,521,990)	-
Cash payments to suppliers for goods and services	(4,661,722)	(3,690,304)	(8,352,026)	(2,950,715)
Net cash provided by (used in) operating activities	546,174	921,521	1,467,695	(38,184)
Cash flows from capital and related financing activities				
Acquisition of capital assets	(1,055,762)	(89,784)	(1,145,546)	-
Principal paid on long-term debt	(42,500)	(516,667)	(559,167)	-
Interest and fiscal charges paid on long-term debt	(3,007)	(219,508)	(222,515)	-
Net cash used in capital and related financing activities	(1,054,936)	(805,015)	(1,859,951)	-
Cash flows from investing activities				
Interest received	52,129	49,254	101,383	7,648
Net increase (decrease) in cash and investment pool	(456,633)	165,760	(290,873)	(30,536)
Cash and investment pool, beginning of year	2,779,598	3,750,702	6,530,300	916,486
Cash and investment pool, end of year	$ 2,322,965	$ 3,916,462	$ 6,239,427	$ 885,950
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	$ (20,374)	$ 288,037	$ 267,663	$ (303,777)
Adjustments to reconcile operating income (loss) to net cash provided by (used) operating activities:				
Depreciation	754,314	1,068,568	1,822,882	-
Change in operating assets and liabilities that provided (used) cash:				
Accounts receivable	(169,518)	(305,535)	(475,053)	-
Special assessments receivable	-	20,962	20,962	-
Due from other funds	345	(12)	333	-
Inventory	9,192	-	9,192	-
Prepaids	305	(100,593)	(100,288)	187,825
Deferred outflows related to OPEB	(27,576)	(49,856)	(77,432)	-
Accounts payable	35,125	(16,631)	18,494	77,768
Accrued liabilities	5,031	10,295	15,326	-
Due to other governmental units	-	(12,601)	(12,601)	-
Due to other funds	(959)	35,783	34,824	-
Unearned revenue	(10,200)	-	(10,200)	-
Accrued compensated absences	(5,509)	869	(4,640)	-
Net OPEB liability	1,306	20,360	21,666	-
Deferred inflows related to OPEB	(25,308)	(38,125)	(63,433)	-
Net cash provided by operating activities	$ 546,174	$ 921,521	$ 1,467,695	$ (38,184)

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Fiduciary Net Position
Fiduciary Funds
March 31, 2020

	Retiree Health Trust	Tax Collection Custodial Fund
Assets		
Cash and cash equivalents	$ -	$ 88,361
Investments - MERS total market portfolio	4,596,129	-
Due from others	-	99,564
Total assets	4,596,129	187,925
Liabilities		
Due to others	-	31,448
Due to other governmental units	-	156,477
Total liabilities	-	187,925
Net position restricted for retiree healthcare	$ 4,596,129	$ -

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

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended March 31, 2020

	Retiree Health Trust	Tax Collection Custodial Fund
Additions		
Contributions:		
Employer	$ 360,000	$ -
Current premium contributions	335,428	-
Total contributions	695,428	-
Investment income:		
Net depreciation in fair value of investments	(290,769)	-
Taxes collected for other governments	-	61,195,627
Total additions	404,659	61,195,627
Deductions		
Retiree healthcare premium payments	335,428	-
Administration	8,521	-
Payments of taxes to other governments	-	61,195,627
Total deductions	343,949	61,195,627
Change in net position	60,710	-
Net position, beginning of year	4,535,419	-
Net position, end of year	$ 4,596,129	$ -

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

NOTES TO FINANCIAL STATEMENTS

Notes To Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Saginaw Charter Township (the "Township") conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant policies:

Reporting Entity

Saginaw Charter Township is a municipal corporation governed by an elected Board. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Township.

Discretely Presented Component Units

The Retiree Health Trust - The Retiree Health Trust is considered a fiduciary component unit. The Township created a trust to account for the accumulation of resources to be used for certain health cost for retirees. The Trust meets the criteria of a fiduciary component unit because the trust is considered a legally separate entity. The Trust does not have a separate Board. Because the Township makes contributions to the Trust it is considered to have a financial burden/benefit.

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. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

The government reports the following major governmental funds:

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

The *fire protection special revenue fund* accounts for the separate voted millage and related operation of the fire department.

The *police special revenue fund* accounts for the separate voted millage and the related operation of the police department.

The *garbage and rubbish collection special revenue fund* accounts for separate charges for service and the related operation of garbage and rubbish collection.

The government reports the following major proprietary funds:

The *water enterprise fund* accounts for the activities of the Township's water distribution system.

The *sewer enterprise fund* accounts for the activities of the Township's sewage disposal and treatment system.

Additionally, the Township reports the following fund types:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than capital projects.

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.

Internal service funds account for health benefits and risk management services provided to other departments or agencies of the government on a cost reimbursement basis.

The *custodial funds* are custodial in nature and report fiduciary activities that are held on behalf of other entities or individuals, including tax collections, but the resources are not held in a trust or equivalent arrangement.

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 government's water and sewer functions and various other functions of the government. 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 enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Equity

Deposits and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the government to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, banker's acceptances, and mutual funds composed of otherwise legal investments.

Investments are reported at fair value or amortized cost.

Receivables and Payables

All receivables and payables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The Township expects to receive all outstanding receivable balances, therefore, no allowance was considered necessary as of March 31, 2020.

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

Inventory and Prepaids

Inventory maintained by the general fund and water enterprise fund is valued at cost using the first-in, first-out method. Inventory of expendable supplies in other funds have not been recorded and the amount of any such inventory is not considered material. The cost value of such expendable supplies was recorded as an expenditure at the time of purchase.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Items are recorded as prepaid at the time of payment if the Township is to receive a future benefit. Prepaids in governmental funds are accounted for using the consumption method.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure such as water and sewer systems, are reported in the governmental and business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation. The governmental activities have no infrastructure assets.

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

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. Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

	Years
Land improvements	20-30
Buildings and improvements	20-50
Water / sewer plants and mains	5-40
Equipment	5-20
Vehicles	5-20

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to one or more future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Township reports deferred outflows of resources related to its pension and OPEB plans. The Township also reports a deferred outflow related to a bond refunding.

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.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township reports deferred inflows of resources related to its pension and OPEB plans. The governmental funds also report unavailable revenues, which arise only under a modified accrual basis of accounting, from special assessments receivable and state revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund Equity

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees (the government's highest level of decision-making authority). A formal resolution of the Board of Trustees is required to establish, modify, or rescind a fund balance commitment. The Township reports assigned fund balance for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Trustees by resolution has delegated the authority to assign fund balance to the Fiscal Services Director. Unassigned fund balance is the residual classification for the general fund. In other funds, the unassigned classification should be only used to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

Pensions and OPEB

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The Township utilizes various investment instruments which are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect the amounts reported in the financial statements.

2. BUDGETARY INFORMATION

Comparisons to budget are presented for the general and special revenue funds as required by generally accepted accounting principles. The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to March 31, the Township Manager submits to the Township Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted to obtain taxpayer comments.

2. The budget is legally enacted through passage of a resolution on or before March 31.

3. Budgets for the general and special revenue funds are legally adopted on a basis consistent with generally accepted accounting principles (GAAP). The budget is adopted at the activity level for the general fund and the fund level for special revenue funds. Expenditures are reported using the administrative detail for informational purposes.

4. Adoption and amendments of all budgets used by the Township are governed by Michigan Public Act 621, which was complied with during the year ended March 31, 2020. Any amendment of the original budget must meet the requirements of Public Act 621. The Township amended its budget for the year ended March 31, 2020.

5. The Township Board must approve amendments to the budget for changes in activities which exceed $1,500 in the general fund. Management can amend appropriations in the budget between activities for amounts less than $1,500 without the approval of the Board. Changes in total expenditures in the special revenue funds must be approved by the Township Board.

Budgeted amounts are as originally adopted, or as amended by the Township Board. Encumbered appropriations lapse at year-end and amounts are reappropriated for expenditures to be incurred in the next fiscal year.

For the year ended March 31, 2020, the Township's incurred expenditures in excess of the amounts appropriated, as follows:

	Total Appropriations	Amount of Expenditures	Budget Variance
Police special revenue fund:			
Public safety	$ 6,709,802	$ 6,716,467	$ 6,665
Capital outlay	361,940	377,912	15,972

Notes To Financial Statements

3. DEPOSITS AND INVESTMENTS

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

Statement of net position	
Cash and investment pool	$ 22,636,606
Statement of fiduciary net position	
Cash and cash equivalents	88,361
Investments - MERS Total Market Portfolio	4,596,129
Total	$ 27,321,096
Deposits and investments	
Bank deposits	$ 18,274,247
Investments	9,045,399
Cash on hand	1,450
Total	$ 27,321,096

The Township chooses to disclose its investments by specifically identifying each. As of March 31, 2020, the Township had the following investments:

	Maturity	Fair Value/ Amortized Cost	S&P Rating
MBIA Michigan Class Pool	N/A	$ 4,449,270	AAAm
MERS Total Market Portfolio	N/A	4,596,129	Not rated
Total		$ 9,045,399	

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified below. The Township's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Michigan Class investment had a carrying amount equal to its amortized cost of $4,449,270 at year end. The weighted average maturity of this investment was 48 days.

Credit Risk. State law limits investments to specific government securities, certificates of deposit and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments in the summary of significant accounting policies. The Township's investment policy does not have specific limits in excess of state law on investment credit risk. Credit risk ratings for Michigan Class Pool are noted above. The MERS Total Market Portfolio is not rated.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. State law does not require and the Township does not have a policy for deposit custodial credit risk. As of year end $16,666,506 of the Township's bank balance of $19,338,615 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township 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 Township does not have a policy for investment custodial credit risk. The MERS total market pool and Michigan Class investments above are held in the counterparty's trust department in the Township's name, so are not exposed to custodial credit risk.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified below. The Township's investment policy does not have specific limits in excess of state law on concentration of credit risk.

The Township Board is authorized to designate depositories for Township funds, and to determine that the funds are invested in accordance with State of Michigan statutory authority. The Township's deposits are in accordance with statutory authority.

The MBIA Michigan Class and MERS total market pools operate in accordance with appropriate state laws and regulations.

Fair Value Measurement

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

Investment Type	Level 1	Level 2	Level 3	Total Fair Value
MERS Total Market Portfolio	$ 4,596,129	$ -	$ -	$ 4,596,129
Investments carried at amortized cost				4,449,270
				$ 9,045,399

4. RECEIVABLES

Receivables of the primary government are as follows:

	Governmental Activities	Business-type Activities
Taxes	$ 519,876	$ -
Accounts	222,736	4,851,224
Special assessments:		
Due within one year	144,202	20,961
Due after one year	1,163,240	362,184
Due from other governmental units	619,238	-
Advance to Mid Michigan Waste Authority, due in more than one year	144,100	-
	$ 2,813,392	$ 5,234,369

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not earned. At the end of the current fiscal year, the Township has recorded $1,307,442 of deferred inflows of resources for special assessments receivable and $45,018 related to reimbursements.

5. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2020, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental Activities					
Capital assets not being depreciated:					
Land	$ 1,167,752	$ -	$ (8)	$ -	$ 1,167,744
Construction in progress	-	558,484	-	-	558,484
	1,167,752	558,484	(8)	-	1,726,228
Capital assets being depreciated:					
Land improvements	7,087,915	17,320	-	-	7,105,235
Buildings and improvements	12,442,608	337,794	-	-	12,780,402
Equipment	1,207,585	25,030	-	-	1,232,615
Vehicles	5,481,401	199,283	(200,250)	-	5,480,434
	26,219,509	579,427	(200,250)	-	26,598,686
Less accumulated depreciation for:					
Land improvements	(5,165,078)	(164,754)	-	-	(5,329,832)
Buildings and improvements	(5,776,850)	(290,255)	-	-	(6,067,105)
Equipment	(758,434)	(97,496)	-	-	(855,930)
Vehicles	(3,258,068)	(409,260)	155,444	-	(3,511,884)
	(14,958,430)	(961,765)	155,444	-	(15,764,751)
Total capital assets being depreciated, net	11,261,079	(382,338)	(44,806)	-	10,833,935
Governmental activities capital assets, net	$ 12,428,831	$ (382,338)	$ (44,814)	$ -	$ 12,560,163

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Business-type Activities					
Capital assets not being depreciated:					
Land	$ 283,260	$ -	$ -	$ -	$ 283,260
Construction in progress	1,074,519	969,754		(1,939,677)	104,596
	1,357,779	969,754	-	(1,939,677)	387,856
Capital assets being depreciated:					
Land Improvements	22,800	-	-	-	22,800
Buildings, plants and mains	90,489,651	100,464	-	1,939,677	92,529,792
Equipment	1,878,561	23,795	(15,770)	-	1,886,586
Vehicles	1,183,701	51,533	(46,570)	-	1,188,664
	93,574,713	175,792	(62,340)	1,939,677	95,627,842
Less accumulated depreciation for:					
Land improvements	(633)	(1,520)	-	-	(2,153)
Buildings, plants and mains	(50,255,246)	(1,643,795)	-	-	(51,899,041)
Equipment	(1,422,125)	(103,038)	15,770	-	(1,509,393)
Vehicles	(767,569)	(74,529)	46,570	-	(795,528)
	(52,445,573)	(1,822,882)	62,340	-	(54,206,115)
Total capital assets being depreciated, net	41,129,140	(1,647,090)	-	1,939,677	41,421,727
Business-type activities capital assets, net	$ 42,486,919	$ (677,336)	$ -	$ -	$ 41,809,583

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

Depreciation of governmental activities by function	
General government	$ 119,233
Public safety	519,401
Public works	44,059
Highways and streets	43,605
Recreation and culture	235,467
	$ 961,765

Depreciation of business-type activities by function	
Water	$ 754,314
Sewer	1,068,568
	$ 1,822,882

6. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

The composition of interfund balances as of March 31, 2020, was as follows:

	Due from Other Funds	Due to Other Funds
General fund	$ 329,470	$ 150
Police fund	-	177
Nonmajor governmental funds	8,345	8,345
Water fund	-	119,235
Sewer fund	150	210,058
	$ 337,965	$ 337,965

The above balances generally resulted from a time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

The composition of interfund advances as of March 31, 2020, was as follows:

	Advance from Other Funds	Advance to Other Funds
General fund	$ -	$ 7,500
Police fund	3,697,500	-
Garbage and rubbish collection fund	-	90,000
Water fund	-	1,350,000
Sewer fund	-	2,250,000
	$ 3,697,500	$ 3,697,500

The water, sewer and garbage and rubbish collection funds made advances to the police fund during fiscal year ending March 31, 2018 to be used as discretionary contributions by the police fund into the MERS pension plan. These advances are scheduled to be repaid in annual installments of $410,000 through December, 2027 with interest charged at 1.0%. The general fund advance to the police fund was for cashflow related to Golfside and is scheduled to be repaid 2021.

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The interfund transfer from the general fund to the police fund was used to subsidize those operations.

7. LONG-TERM DEBT

Long-term debt activity for the year ended March 31, 2020, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental Activities					
Direct placement:					
Bonds payable	$ -	$ 583,000	$ -	$ 583,000	$ 36,000
Compensated absences	912,110	748,405	(802,333)	858,182	651,486
Total governmental activities activities	$ 912,110	$ 1,331,405	$ (802,333)	$ 1,441,182	$ 687,486
Business-type Activities					
Direct placement:					
Bonds payable	$ 5,982,408	$ -	$ (469,167)	$ 5,513,241	$ 419,685
Bonds payable	450,000	-	(90,000)	360,000	90,000
Bond premium	352,174	-	(44,022)	308,152	44,022
	6,784,582	-	(603,189)	6,181,393	553,707
Compensated absences	193,113	224,529	(229,169)	188,473	156,998
Total business-type activities	$ 6,977,695	$ 224,529	$ (832,358)	$ 6,369,866	$ 710,705

Governmental activities

Bonds payable at March 31, 2020, are comprised of the following individual issue:

2019 Special Assessment Bonds (Limited Tax General Obligation) due in semi-annual installments of $36,000 to $52,000 through May 1, 2032 plus interest charged at 2.20%.	$ 583,000

Governmental bond debt service requirements to maturity for the direct placement obligations are as follows:

Year Ended March 31,	Principal	Interest
2021	$ 36,000	$ 10,720
2022	51,000	11,473
2023	52,000	10,340
2024	51,000	9,207
2025	51,000	8,085
2026-2030	246,000	23,980
2031-2032	96,000	2,112
	$ 583,000	$ 75,917

For the governmental activities, the compensated absences are generally liquidated by the general, fire protection, and police funds.

Business-type activities

Bonds payable at March 31, 2020, are comprised of the following individual issues:

Direct placement obligations	
2017 Capital Improvement Bonds due in annual installments of $280,000 to $465,000 through May 1, 2028 plus interest charged at 4.00%.	$ 3,350,000
2010 NWUA Sewage Disposal System Improvement Bonds. The Township participated, as a member of the NWUA, in a pump station improvement program. To finance this project $4,450,000 in bonds were issued by the NWUA. The Township has a contract with NWUA for the cost of the construction attributable to its 3 year average flow. For the year ended March 31, 2020, the Township's share was $481,165, plus their portion of the flow (49.93%), based on the 3 year average. Prorata share of annual installments varies from approximately $65,000 to $133,000 through May 1, 2041, with interest at 3.00%.	2,073,241
2010 Capital Improvement Bonds due in an annual installment of $90,000 through November 1, 2020 plus interest charged at 4.35%.	90,000
Total direct placement obligations	5,513,241
Non-direct placement obligations	
2008 Special Assessment Bonds due in annual installments of $90,000 through May 1, 2023, plus interest ranging from 4.35% to 4.90%.	360,000
Total installment debt	5,873,241
Bond premium	308,152
Total bonds payable	$ 6,181,393

The Township has pledged future water and sewer customer revenues, net of specified operating expenses, to repay the $5.5 million in bonds payable, excluding special assessment bonds, recorded in business-type activities. The bonds are payable solely from the water and sewer customers net revenues and are payable through 2041. Annual principal and interest payments on the bonds are expected to require less than 50 percent of net revenues. The total principal and interest remaining to be paid on the bonds is $6,897,251. Principal and interest paid for the current year and total customer net revenues were $469,167, $209,181 and $6,462,306, respectively.

Notes To Financial Statements

Business-type bond debt service requirements to maturity for the long-term obligations, excluding compensated absences, are as follows:

	Direct Placement Obligations		Non-Direct Placement Obligations	
Year Ended March 31,	Principal	Interest	Principal	Interest
2021	$ 419,685	$ 193,186	90,000	15,142
2022	348,019	176,036	90,000	10,913
2023	345,853	162,818	90,000	6,592
2024	448,687	147,614	90,000	2,205
2025	449,355	130,348	-	-
2026-2030	2,220,624	368,877	-	-
2031-2035	538,481	145,886	-	-
2036-2040	609,334	58,914	-	-
2041	133,203	334	-	-
	$ 5,513,241	$ 1,384,013	$ 360,000	$ 34,852

8. BENEFIT PLANS

Defined Contribution Pension Plan

The Saginaw Charter Township Municipal Government Employees Pension Plan is a defined contribution pension plan, which is held in trust and covers 72 full-time employees, over the age of 18, employed with the Township for more than four months. The Plan is administered by a third-party. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Defined contribution pension cost to the Township for the fiscal year ending March 31, 2020, was $745,888, which represented 15 percent of current year covered payroll. Defined contribution pension cost to the employees was $167,421. Contributions to the plan are recognized when due and payable. Plan provisions and contribution rates are set for union employees by contract and for non-union employees by resolution of the Township Board under the Township’s Pension Ordinance. The Township contributes 15 percent of covered payroll, while employees are required to contribute 2 percent. Employees may make voluntary contributions not to exceed 25 percent of total wages.

The Township’s contributions for each employee are fully vested after five years for non-union/police union employees and 10 years for Union Local 406 employees. Unvested benefits forfeited by employees who leave employment early are used to reduce future Township contributions. At March 31, 2020, assets of the defined contribution plan were valued at $24,045,573.

Defined Benefit Pension Plan

Plan Description. As of April 1, 2010, members of the police union must enroll in the Municipal Employees Retirement System of Michigan (MERS) defined benefit pension. For police union employees participating in the Township's defined benefit pension plan, the plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. Public Act 427 of 1984, as amended, establishes and amends the benefit provisions of the participants in MERS. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided. Pension benefits are calculated as final average compensation (based on a 5 year period) and multiplier of 2.00/2.50 (new/old members) percent. Participants are considered to be fully vested in the plan after 10/6 (new/old members) years. Normal retirement age is 60 with early retirement at age 55/50 (new/old members) with 25 years of service.

Employees Covered by Benefit Terms. At December 31, 2019, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	31
Inactive employees entitled to but not yet receiving benefits	10
Active employees	42
Total membership	83

Contributions. The Township is required to contribute at an actuarially determined rate; the current rate is 15% of annual covered payroll. The Township's contribution is capped at 15%. If the actuarially determined rate is higher than the cap, the difference is paid by the employees. Employees are currently required to contribute 10% to the Plan. The contribution requirements of the Township are established and may be amended by the MERS Retirement Board. The contribution requirements of plan members, if any, are established and may be amended by the Township depending on the MERS contribution program adopted by the Township.

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

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00% in the long-term
Investment rate of return	7.35%, net of administrative and investment expenses, including inflation

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

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

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

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

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equity	60.0%	5.25%	3.15%
Global fixed income	20.0%	1.25%	0.25%
Private investments	20.0%	7.25%	1.45%
	100.0%		
Inflation			2.50%
Administrative expenses netted above			0.25%
Investment rate of return			7.60%

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

Changes in Net Pension Liability

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	$ 20,717,871	$ 18,748,743	$ 1,969,128
Changes for the year:			
Service cost	359,135	-	359,135
Interest	1,555,535	-	1,555,535
Differences between expected and actual experience	(201,814)	-	(201,814)
Changes in assumptions	823,488	-	823,488
Employer contributions	-	432,705	(432,705)
Employee contributions	-	325,460	(325,460)
Net investment income	-	2,533,418	(2,533,418)
Benefit payments, including refunds of employee contributions	(1,295,599)	(1,295,599)	-
Administrative expense	-	(43,646)	43,646
Other changes	300,204	-	300,204
Net changes	1,540,949	1,952,338	(411,389)
Balances at December 31, 2019	$ 22,258,820	$ 20,701,081	$ 1,557,739

Changes in Assumptions. The MERS Retirement Board adopted a reduction in the investment rate of return assumption from 7.75% to 7.35%, effective with the December 31, 2019 valuation first impacting 2021 contributions. The Board has also changed the assumed wage inflation from 3.75% to 3.00%, with the same effective date.

The net pension liability is expected to be liquidated by the police special revenue fund.

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

	1% Decrease (6.6%)	Current Discount Rate (7.6%)	1% Increase (8.6%)
Township's net pension liability	$ 4,247,220	$ 1,557,739	$ (683,073)

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

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

For the year ended March 31, 2020, the Township recognized pension expense of $984,829. The Township reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	$ 73,501	$ 301,103	$ (227,602)
Changes in assumptions	907,917	-	907,917
Net difference between projected and actual earnings on pension plan investments	282,271	-	282,271
	1,263,689	301,103	962,586
Contributions subsequent to the measurement date	122,953	-	122,953
Total	$ 1,386,642	$ 301,103	$ 1,085,539

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 pension liability for the year ending March 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended March 31,	Amount
2021	$ 440,732
2022	256,305
2023	317,678
2024	(155,743)
2025	103,614
Total	$ 962,586

Payable to the Pension Plan. At March 31, 2020, the Township did not have any outstanding payables for contributions to the pension plan.

Notes To Financial Statements

9. OTHER POSTEMPLOYMENT BENEFITS

Saginaw Township administers a single-employer defined benefit postemployment healthcare plan, the Retiree Health Trust. A separately issued financial report of the plan has not been prepared.

Employees Covered by Benefit Terms. At the April 1, 2019 valuation date, plan membership consisted of the following:

Retirees and beneficiaries receiving benefits	69
Active plan members	101
Total	170

The Township provides postemployment health care benefits in accordance with a Township resolution as follows:

Department of Public Services (DPS) Union

Eligibility - Any retiree who has attained age 55 with 25 years of continuous service.

Medical benefits - The Township will reimburse 50% of the premium, not to exceed $7,000 for retiree and spousal coverage, or $3,500 for employees retiring between age 55 and 60 after 20 years of service, $8,000 for retiree and spousal coverage, or $4,000 for employees retiring between age 60 and 62 after 25 years of service, or $9,000 for retiree and spousal coverage, or $4,500 for employees retiring between age 62 and 65 after 25 years of service for pre-65 coverage. For post-65, retirees get a per person premium reimbursement ($1,529 at January 1, 2020) increasing each year with the CPI. In the alternative, retirees shall have the option of receiving an annual cash payment of $1,000 until the retiree reaches age 65.

Dental benefits - The Township will reimburse 50% of the premium for a single or double coverage until age 65.

Police Department Union

Eligibility - Any retiree who has applied for a MERS annuity.

Medical benefits - The retiree has to pay 100% of the premium between the ages of 50 and 52. After age 52, the Township provides health insurance for single or double coverage at no cost to the retiree until age 65. Beginning April 1, 2014, employees retiring will begin paying a monthly copay of $25 for single and $40 for double coverage. If an employee selects the Community Blue 1 plan the copay is $125. For post-65, retirees get a per person premium reimbursement ($1,529 at January 1, 2020) increasing each year with the CPI. In the alternative, retirees shall have the option of receiving an annual cash payment of $1,000 for single and $2,000 for double until the retiree reaches age 65.

Dental benefits - The retiree has to pay 100% of the premium between the ages of 50 and 52. After age 52, the Township provides dental insurance for single or double coverage at no cost to the retiree until age 65.

Nonunion employees

Eligibility - Any retiree who has attained age 55 with 20 years of service.

Medical benefits - The Township will reimburse 50% of the premium, not to exceed $7,000 for retiree and spousal coverage, or $3,500 for employees retiring between age 55 and 60 after 25 years of service, $8,000 for retiree and spousal coverage, or $4,000 for employees retiring between age 60 and 62 after 30 years of service, or $9,000 for retiree and spousal coverage, or $4,500 for employees retiring between age 62 and 65 after 30 years of service for pre-65 coverage. For post-65, retirees get a per person premium reimbursement ($1,529 at January 1, 2020) increasing each year with the CPI. In the alternative, retirees shall have the option of receiving an annual cash payment of $1,000 until the retiree reaches age 65.

Dental benefits - The Township will reimburse 50% of the premium for a single or double coverage until age 65.

Changes in Net OPEB Liability

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

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at March 31, 2019	$ 7,503,921	$ 4,535,419	$ 2,968,502
Changes for the year:			
Service cost	154,851	-	154,851
Interest	449,609	-	449,609
Changes in benefits	134,389	-	134,389
Difference between expected and actual experience	-	-	-
Changes in assumptions	(2,593)	-	(2,593)
Employer contributions	-	695,428	(695,428)
Net investment income	-	(290,769)	290,769
Benefit payments, including refunds of employee contributions	(335,428)	(335,428)	-
Administrative expenses	-	(8,521)	8,521
Net changes	400,828	60,710	340,118
Balances at March 31, 2020	$ 7,904,749	$ 4,596,129	$ 3,308,620

Changes in Benefits. In August 2019, the Township's maximum reimbursement structure for DPS and Non-Union members changed. This change has been reflected in the total OPEB liability reported at March 31, 2020.

Changes in Assumptions. In 2020, estimated annual claim costs were rolled forward from the prior valuation based on the medical trend rate assumptions. The mortality assumptions have been updated based upon the most recent mortality study issued by the Society of Actuaries. To reflect the provisions of the Secure Act, the excise tax provision has been removed from the trend assumption.

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

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

Retirement rates for active employees— Rates were based on years of service and ranged from 5% to 40%. At age 75 the retirement rate is assumed 100%.

Spousal election rates— 75% of future retirees are assumed to elect two-person coverage.

Retirees participating in the Plan— 100% of current employees are expected to participate in the Plan at retirement.

Mortality— RP-2014 Mortality Tables (Healthy Annuitant, Employee, and Disabled, as appropriate) projected back to 2006 base year using Projection Scale MP-2014 (male and female, as appropriate) with generational projection using Projection Scale MP-2018.

Turnover— Turnover rates ranging from 2.2% to 19.6%, depending on years of service, were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Healthcare cost trend rate— The expected rate of increase in healthcare insurance premiums was based on projections by the "Getzen" model published by the Society of Actuaries. Rates used were as follows:

	Annual Trend Rates	
Year	Medical	Dental
2020	5.00%	5.00%
2021	5.00%	5.00%
2022	5.00%	5.00%
2023	5.00%	5.00%
2030	5.10%	5.00%
2040	5.70%	5.00%
2050	5.40%	5.00%
2060	5.30%	5.00%
2070	4.50%	4.50%
2080	4.50%	4.50%
Ultimate (2081)	4.40%	4.40%

Health and dental insurance premiums— 2019 health insurance premiums for retirees were used as the basis for calculation of the present value of total benefits to be paid.

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

Based on the historical and expected returns of the Township's long-term investment portfolio, a discount rate of 6.00 percent was used (same percentage that was used in the prior valuation).

Investments

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

Rate of Return. For the year ended March 31, 2020, the annual money-weighted rate of return on investments, net of investment expense, was -6.33 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
US Short Bonds	3.7%	0.79%	0.03%
US Long Bonds	3.7%	2.47%	0.09%
US Municipal Bonds	2.6%	1.09%	0.03%
US High Yield Bonds	6.1%	3.18%	0.19%
Emerging Markets Bonds	7.8%	3.41%	0.27%
US Equity Market	19.5%	4.61%	0.90%
Non-US Equity	19.6%	6.13%	1.20%
Emerging Markets Equity	11.5%	8.03%	0.92%
Private Equity	25.5%	9.47%	2.41%
	100.0%		
Inflation			2.50%
Risk adjustment			-2.54%
Investment rate of return			6.00%

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

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

1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
$ 4,138,665	$ 3,308,620	$ 2,596,888

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the net OPEB liability of the Township, calculated using the healthcare cost trend rate of 5.0%, as well as what the Township's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower (4.0%) or 1% higher (6.0%) than the current rate:

1% Decrease (4.0%)	Current Trend Rate (5.0%)	1% Increase (6.0%)
$ 2,481,798	$ 3,308,620	$ 4,299,497

For the governmental activities, the OPEB liability is generally liquidated by the general, fire protection, and police funds.

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

For the year ended March 31, 2020, the Township recognized OPEB expense of $373,105. The Township reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	$ -	$ 841,021	$ (841,021)
Changes in assumptions	-	12,736	(12,736)
Net difference between projected and actual earnings on pension OPEB investments	585,831	-	585,831
Total	$ 585,831	$ 853,757	$ (267,926)

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

Year Ended March 31,	Amount
2021	$ (91,720)
2022	(91,720)
2023	(91,719)
2024	7,446
2025	(213)
Total	$ (267,926)

Payable to the OPEB Plan. At March 31, 2020, the Township did not have any outstanding payables for contributions to the OPEB plan.

10. RISK MANAGEMENT

Generally Accepted Accounting Principles (GAAP) requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. A summary of the Township's self-insurance is as follows.

Health Benefit - The Township initiated a self-insurance health benefit package August 10, 1981. As of March 31, 2020, the maximum aggregate health liability to the Township was $2,473,935. Amounts above this are covered by an insurance policy. In addition, insurance was purchased for individual health claims which have a $100,000 per person deductible. Life insurance premiums, short-term disability benefits of 70% of compensation, police early-retiree health insurance and medigap premium reimbursement are also paid by this fund. Assets of this plan of $741,404 are recorded in the health benefit internal service fund. Accounts payable and accrued liabilities of $28,858 represent unpaid medical invoices which are incurred but not reported as of March 31, 2020, and are expected to be paid in the next year.

The changes in the claims liability for the years ended March 31, 2020 and 2019, are as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Year Liability
2019	$ 77,330	$ 2,232,508	$ 2,277,725	$ 32,113
2020	32,113	2,402,648	2,405,903	28,858

The Township is exposed to various risks of loss related to torts; theft of, damage to, and distribution of assets; errors and omissions; injuries to employees and natural disasters. The Township carries commercial insurance to cover any potential claims associated with these risks and has had no claims that exceeded the insurance coverage during the past three years.

Property and Liability - Saginaw Charter Township entered into a Joint Exercise of Powers Agreement with the Michigan Municipal Risk Management Authority (MMRMA) on July 19, 1985. Net position of $86,049 represents the Township's excess cash which is recorded in the MMRMA self insurance internal service fund.

The changes in the claims liability for the years ended March 31, 2020 and 2019, are as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Year Liability
2019	$ 26,524	$ 21,213	$ 47,737	$ -
2020	-	146,712	65,689	81,023

Currently, the Township self-insures the first $100,000 for each liability claim. After the first $100,000 and up to $15,000,000, the Michigan Municipal Risk Management Authority (MMRMA) is responsible for the claims. Each property claim is subject to a $1,000 deductible, paid by the Township. A stop loss coverage through the MMRMA protects the Township from aggregate liability claims exceeding $210,000. The revenues for this fund's operation are reimbursements from various funds. The funds are charged for general liability insurance based on number of employees, previous claims, number of vehicles and other pertinent information. Losses, damages and administrative expenses are all paid from this fund.

There were no significant reductions in insurance coverage from the prior year and there were no insurance settlements exceeding insurance coverage in any of the past three years for either the health benefit or property and liability insurance.

11. PROPERTY TAXES

Township property taxes are attached as an enforceable lien on property as of December 1 and recorded in the Township ledgers as receivables as of that date. Township taxes are levied December 1 and are due without penalty on or before February 14. The December tax bills include the Township's own property taxes, special assessments and taxes billed on behalf of Saginaw County.

Real property and special assessment taxes not collected as of March 1 are turned over to Saginaw County for collection, which advances the Township 100% for those delinquent taxes. Collection of delinquent personal property taxes remains the responsibility of the Township Treasurer.

Property taxes levied in December of each year and collected within sixty days after the fiscal year-end are recognized as revenue in that fiscal year.

The Township acts as a collection agent for Saginaw County, Saginaw Intermediate Schools, Delta College and Saginaw Charter Township Community Schools for property taxes.

Taxes collected on behalf of the educational institutions and Saginaw County are turned over to the districts and the County following collection and are accounted for in designated custodial funds.

Notes To Financial Statements

12. COMMITMENTS AND CONTINGENCIES

In the normal course of its activities, the Township is a party to various legal actions. After taking into consideration legal counsel's evaluation of pending actions, the Township is of the opinion that the potential claims not covered by insurance will not have a material effect on the financial statements.

In addition, the Township has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowance under terms of the grants, management believes that any required reimbursements would not be material.

As of March 31, 2020, the Township had an outstanding commitment for the construction of a new engine pumper for the Fire Department Station One in the approximate amount of $530,000.

As of March 31, 2020, the Township had an outstanding commitment related to the Township Hall HVAC project in the approximate amount of $64,000.

As of March 31, 2020, the Township had an outstanding commitment related to the Water main improvement projects in the approximate amount of $105,000.

13. NET INVESTMENT IN CAPITAL ASSETS

The composition of net investment in capital assets as of March 31, 2020, was as follows:

	Governmental Activities	Business-type Activities
Capital assets:		
Capital assets not being depreciated	$ 1,726,228	$ 387,856
Capital assets being depreciated, net	10,833,935	41,421,727
	12,560,163	41,809,583
Related debt:		
Bonds payable, including related premiums	-	6,181,393
Deferred charge on refunding	-	(100,039)
	-	6,081,354
Net investment in capital assets	$ 12,560,163	$ 35,728,229

14. FUND BALANCES - GOVERNMENTAL FUNDS

The Township classifies fund balances based primarily on the extent to which it is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Detailed information on fund balances of governmental funds is as follows:

	General Fund	Fire Protection	Police	Garbage and Rubbish Collection	Nonmajor Governmental Funds	Total
Nonspendable						
Inventory	$ 27,571	$ -	$ -	$ -	$ -	$ 27,571
Prepaids	26,374	6,831	4,951	-	425	38,581
Advance to other funds	7,500	-	-	-	-	7,500
	61,445	6,831	4,951	-	425	73,652
Restricted						
Fire protection	-	706,547	-	-	-	706,547
Police	-	-	2,824,394	-	-	2,824,394
Garbage and rubbish collection	-	-	-	1,672,776	-	1,672,776
Fire improvement	-	-	-	-	597,685	597,685
Art in public places	-	-	-	-	1,736	1,736
Debt service	-	-	-	-	14,209	14,209
	-	706,547	2,824,394	1,672,776	613,630	5,817,347
Committed						
Special assessments	-	-	-	-	343,862	343,862
Assigned						
Center courts/library	79,420	-	-	-	-	79,420
Building capital projects	-	-	-	-	78,501	78,501
Parks	-	-	-	-	12,027	12,027
Community development	-	-	-	-	125,479	125,479
	79,420	-	-	-	216,007	295,427
Unassigned	6,519,596	-	-	-	-	6,519,596
Total fund balances - governmental funds	$ 6,660,461	$ 713,378	$ 2,829,345	$ 1,672,776	$ 1,173,924	$13,049,884

Notes To Financial Statements

15. FUND RECLASSIFICATIONS

The Township implemented the provisions of GASB Statement No. 84, *Fiduciary Activities,* during the current year. The implementation of this new standard resulted in the current tax, delinquent tax, and jeopardy tax agency funds being reclassified to the tax collection custodial fund. The clearing account, private finance construction, and contractors' retainage agency funds were combined with the general fund.

16. SUBSEQUENT EVENTS

On April 27, 2020 the Township Board approved a contract for a sewer overflow basin improvements project in the approximate amount of $130,000, an oxidation ditch rotor repair/replacement project in the approximate amount of $210,000, and a watermain improvement project in the approximate amount of $670,000.

On July 13, 2020 the Township Board approved the purchase of four Ford Interceptor utility vehicles in the total amount of approximately $140,000.

On September 14, 2020 the Township Board approved the Fire Hydrant Replacement Project in the approximate amount of $150,000.

On September 14, 2020 the Township Board approved the Repaving Project for Barnard Road in the approximate amount of $205,000.

17. CORONAVIRUS (COVID-19)

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

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REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of Changes in the Township's Net Pension (Asset) Liability and Related Ratios

	Year Ended March 31,				
	2020	2019	2018	2017	2016
Total pension liability					
Service cost	$ 359,135	$ 399,179	$ 361,761	$ 395,376	$ 406,867
Interest	1,555,535	1,568,309	1,512,100	1,599,971	1,531,237
Changes in benefits	-	198,624	1,468	(2,541,688)	-
Difference between expected and actual experience	(201,814)	(199,389)	96,128	175,247	-
Changes in assumptions	823,488	-	-	1,108,393	-
Benefit payments, including refunds of employee contributions	(1,295,599)	(1,275,587)	(1,224,430)	(1,130,184)	(1,028,871)
Other changes	300,204	(15,329)	(37,553)	(35,516)	(19,688)
Net change in total pension liability	1,540,949	675,807	709,474	(428,401)	889,545
Total pension liability, beginning of year	20,717,871	20,042,064	19,332,590	19,760,991	18,871,446
Total pension liability, end of year	22,258,820	20,717,871	20,042,064	19,332,590	19,760,991
Plan fiduciary net position					
Employer contributions	432,705	412,369	7,185,148	357,488	322,586
Employee contributions	325,460	275,104	355,369	271,458	234,135
Net investment income (loss)	2,533,418	(779,762)	1,633,170	1,286,251	(179,018)
Benefit payments, including refunds of employee contributions	(1,295,599)	(1,275,587)	(1,224,430)	(1,130,184)	(1,028,871)
Administrative expense	(43,646)	(38,880)	(25,710)	(25,411)	(26,326)
Net change in plan fiduciary net position	1,952,338	(1,406,756)	7,923,547	759,602	(677,494)
Plan fiduciary net position, beginning of year	18,748,743	20,155,499	12,231,952	11,472,350	12,149,844
Plan fiduciary net position, end of year	20,701,081	18,748,743	20,155,499	12,231,952	11,472,350
Township's net pension (asset) liability	$ 1,557,739	$ 1,969,128	$ (113,435)	$ 7,100,638	$ 8,288,641
Plan fiduciary net position as a percentage of total pension liability	93.0%	90.5%	100.6%	63.3%	58.1%
Covered payroll	$ 2,884,702	$ 2,585,256	$ 2,320,068	$ 2,079,587	$ 2,055,071
Township's net pension (asset) liability as a percentage of covered payroll	54.0%	76.2%	-4.9%	341.4%	403.3%

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

GASB 68 was implemented in fiscal year 2016. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of the Township's Net Pension (Asset) Liability

Fiscal Year Ended March 31,	Total Pension Liability	Plan Net Position	Net Pension (Asset) Liability	Plan Net Position as Percentage of Total Pension Liability	Covered Payroll	Net Pension (Asset) Liability as Percentage of Covered Payroll
2016	$ 19,760,991	$ 11,472,350	$ 8,288,641	58.1%	$ 2,055,071	403%
2017	19,332,590	12,231,952	7,100,638	63.3%	2,079,587	341%
2018	20,042,064	20,155,499	(113,435)	100.6%	2,320,068	-5%
2019	20,717,871	18,748,743	1,969,128	90.5%	2,585,256	76%
2020	22,258,820	20,701,081	1,557,739	93.0%	2,884,702	54%

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

Note: GASB 68 was implemented in fiscal year 2016. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Changes in Benefits. In 2019, amounts reported as changes in benefits resulted in primarily from the employee contributions for all divisions changing from 19.18% to 10.00%. In 2018, amounts reported as changes in benefits resulted in primarily from the employee contributions for all divisions changing from 19.27% to 19.18%. In 2017, amounts reported as changes in benefits resulted from the following changes for Division 20 (Pol Dept): benefit multiplier changed from 2.50% multiplier (80% max) to bridged multiplier: 2.50% multiplier (80% max) frozen FAC; to 2.00% multiplier (80% max), plan closed to new hires, established bridged benefit date of 02/28/2015, employee contributions changed from 19.92% to 19.27%, non standard compensation definition and day of work defined as 8 hours a day for group employees. In 2017, Division 2 (Emp. hired after 3/15) was created leading to changes in benefits as well.

Changes in Assumptions. In 2020, the MERS Retirement Board adopted a reduction in the investment rate of return assumption from 7.75% to 7.35%, effective with the December 31, 2019 valuation first impacting 2021 contributions. The Board has also changed the assumed wage inflation from 3.75% to 3.00%, with the same effective date. In 2017, amounts reported as changes in assumptions resulted in primarily from adjustments to the mortality table to reflect longer lifetimes, decreases in the assumed rate of return and changes in asset smoothing.

Required Supplementary Information

MERS Agent Multiple-Employer Defined Benefit Pension Plan

Schedule of Contributions

Fiscal Year Ended March 31,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Covered Payroll
2016	$ 322,525	$ 336,723	(14,198)	$ 2,283,884	14.7%
2017	308,731	367,954	(59,223)	2,423,270	15.2%
2018	341,273	7,196,587	(6,855,314)	2,643,913	272.2%
2019	385,148	413,798	(28,650)	2,788,344	14.8%
2020	58,320	443,113	(384,793)	2,954,088	15.0%

Note: GASB 68 was implemented in fiscal year 2016. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to Schedule of Contributions

Valuation date	Actuarially determined contribution rates are calculated as of December 31, which is 15 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates (2020, based on the 12/31/2017 actuarial valuation):

Actuarial cost method	Entry-age normal
Amortization method	Level percent of payroll
Remaining amortization period	21 years
Asset valuation method	Open; 5-year smooth market
Inflation	2.50%
Salary increases	3.75% in the long-term
Investment rate of return	7.75%
Retirement age	Age 60
Mortality	50% Female/50% Male blend of the RP-2014 Healthy Annuitant Mortality Tables with rates multiplied by 105%, the RP-2014 Employee Mortality Tables, and the RP-2014 Juvenile Mortality Tables

Required Supplementary Information
Postemployment Healthcare Plan - Retiree Health Trust

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

	Year Ended March 31,		
	2020	2019	2018
Total OPEB liability			
Service cost	$ 154,851	$ 216,047	$ 203,818
Interest	449,609	507,605	486,333
Changes in benefits	134,389	66,779	-
Difference between expected and actual experience	-	(1,331,411)	-
Changes in assumptions	(2,593)	(16,811)	-
Benefit payments, including refunds of employee contributions	(335,428)	(359,420)	(336,596)
Net change in total OPEB liability	400,828	(917,211)	353,555
Total OPEB liability, beginning of year	7,503,921	8,421,132	8,067,577
Total OPEB liability, end of year	7,904,749	7,503,921	8,421,132
Plan fiduciary net position			
Employer contributions	695,428	695,420	628,596
Net investment income (loss)	(290,769)	47,531	352,462
Benefit payments, including refunds of employee contributions	(335,428)	(359,420)	(336,596)
Administrative expense	(8,521)	(9,383)	(8,942)
Net change in plan fiduciary net position	60,710	374,148	635,520
Plan fiduciary net position, beginning of year	4,535,419	4,161,271	3,525,751
Plan fiduciary net position, end of year	4,596,129	4,535,419	4,161,271
Township's net OPEB liability	$ 3,308,620	$ 2,968,502	$ 4,259,861
Plan fiduciary net position as a percentage of total OPEB liability	58.1%	60.4%	49.4%
Covered payroll	$ 6,802,597	$ 6,581,935	$ 6,697,233
Township's net OPEB liability as a percentage of covered payroll	48.6%	45.1%	63.6%

Notes:
GASB 74 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Required Supplementary Information

Postemployment Healthcare Plan - Retiree Health Trust

Schedule of the Township's Net OPEB Liability

Fiscal Year Ended March 31,	Total OPEB Liability	Plan Net Position	Net OPEB Liability	Plan Net Position as Percentage of Total Pension Liability	Covered Payroll	Net Pension Liability as Percentage of Covered Payroll
2018	$ 8,421,132	$ 4,161,271	$ 4,259,861	49.4%	$ 6,697,233	63.6%
2019	7,503,921	4,535,419	2,968,502	60.4%	6,581,935	45.1%
2020	7,904,749	4,596,129	3,308,620	58.1%	6,802,597	48.6%

Note: GASB 74 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Changes in Benefits. In August 2019, the Township's maximum reimbursement structure for DPS and Non-Union members changed. This change has been reflected in the total OPEB liability reported at March 31, 2020. For 2019, amounts reported as changes in benefits resulted in primarily from the Township reimbursement of the premium for retiree and spousal coverage increasing from $2,750 to $3,000 for DPS and Non-Union Divisions, post-65 retirees premium reimbursement increasing from $1,417 to $1,502 for all divisions, as well as dental benefits being added to the plan.

Changes in Assumptions. In 2020, estimated annual claim costs were rolled forward from the prior valuation based on the medical trend rate assumptions. The mortality assumptions have been updated based upon the most recent mortality study issued by the Society of Actuaries. To reflect the provisions of the Secure Act, we have removed the excise tax provision from the trend assumption. In 2019, amounts reported as changes in assumptions resulted in primarily from estimated annual claim costs were rollforward from the prior valuation based on the medical trend rate assumptions and the mortality assumptions were updated based upon the most recent mortality student issued by the Society of Actuaries.

Required Supplementary Information
Postemployment Healthcare Plan - Retiree Health Trust

Schedule of Contributions

Fiscal Year Ending March 31,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Covered Payroll
2018	$ 744,991	$ 628,596	$ 116,395	$ 6,697,233	9.4%
2019	345,893	695,420	(349,527)	6,581,935	10.6%
2020	369,405	695,428	(326,023)	6,802,597	10.2%

Note: GASB 74 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to Schedule of Contributions

Valuation Date	Actuarially determined contribution rates are calculated as of March 31, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Individual Entry-Age Normal Actuarial Cost Method - Level Percent of Pay
Amortization method	Level percent of payroll
Remaining amortization period	29 years
Asset valuation method	Market value of assets
Health care inflation rates	5.00% (changing each year starting 2030 until the rate reaches 4.40%)
Salary increases	2.50% in the long-term
Investment rate of return	6.00%
Retirement age	Age-based table of rates that are specific to the type of eligibility condition, which are based on retirement income replacement.
Mortality	RP-2014 Mortality Tables (Healthy Annuitant, Employee, and Disabled, as appropriate) projected back to 2006 base year using Projection Scale MP-2014 (male and female, as appropriate) with generational projection using Projection Scale MP-2018.

Required Supplementary Information

Postemployment Healthcare Plan - Retiree Health Trust

Schedule of Investment Returns

Fiscal Year Ended March 31,	Annual Rate of Return*
2018	9.59%
2019	1.13%
2020	-6.33%

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

Note: GASB 74 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

These financial statements provide a more detailed view of the "Basic Financial Statements" presented in the preceding subsection.

Combining statements are presented when there is more than one fund of a given fund type. Individual fund statements are presented when there is only one fund of a given type. They are also necessary to present budgetary comparisons.

GENERAL FUND

The general fund accounts for all revenues and expenditures used to finance the traditional services associated with Township government, which are not accounted for and reported in other funds. In the Township these services include elections, data processing, motor pool, parks, public services, library and general administration services, and any other activity for which a special or capital projects fund has not been created.

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues

Budget and Actual - General Fund

For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Property taxes				
Operating	$ 1,203,144	$ 1,203,144	$ 1,199,900	$ (3,244)
Administration fee	426,000	426,000	472,934	46,934
Interest and penalties on delinquent taxes	14,250	14,250	14,537	287
Total property taxes	1,643,394	1,643,394	1,687,371	43,977
Licenses and permits				
Ordinance 229 fees-business	25,900	25,900	25,625	(275)
Mobile home fees	4,100	4,100	4,565	465
Peddler's permits	2,300	2,300	2,540	240
Miscellaneous	600	600	1,000	400
Franchise taxes	717,300	717,300	717,141	(159)
Total licenses and permits	750,200	750,200	750,871	671
Intergovernmental - State sources				
Sales tax - constitutional	3,500,000	3,560,734	3,659,677	98,943
Sales tax - statutory	141,300	141,300	143,317	2,017
Total intergovernmental - State sources	3,641,300	3,702,034	3,802,994	100,960
Charges for services				
Recreation fees	257,500	257,500	257,415	(85)
Sales	2,450	2,450	3,137	687
Administration fees	3,000	3,000	1,030	(1,970)
Zoning fees	6,700	6,700	7,350	650
Site review fees	9,000	9,000	2,107	(6,893)
Weed cutting	500	500	395	(105)
Other	28,900	28,900	28,450	(450)
Total charges for services	308,050	308,050	299,884	(8,166)
Fines and forfeits				
Parking	20,000	20,000	20,584	584
Circuit court	84,000	84,000	77,319	(6,681)
Ordinance	1,000	1,000	2,160	1,160
Total fines and forfeits	105,000	105,000	100,063	(4,937)
Special assessments				
Street lighting	495,700	495,700	421,873	(73,827)
Other	40,000	40,000	29,797	(10,203)
Total special assessments	535,700	535,700	451,670	(84,030)
Interest	10,000	60,000	87,634	27,634
Other				
Vehicles and equipment	1,585	1,585	8,772	7,187
Rent	84,286	84,286	76,810	(7,476)
Donations-private sources	1,600	1,600	6,046	4,446
Other miscellaneous	104,500	137,900	148,562	10,662
Total other	191,971	225,371	240,190	14,819
Total revenues	$ 7,185,615	$ 7,329,749	$ 7,420,677	$ 90,928

Schedule of Expenditures

Budget and Actual - General Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
General government				
Township board				
Fees and per diem	$ 20,400	$ 20,908	$ 20,909	$ 1
Supplies	9,400	9,400	10,263	863
Dues and conferences	11,434	24,234	18,332	(5,902)
Total township board	41,234	54,542	49,504	(5,038)
Township supervisor				
Salaries and wages	20,168	20,672	20,667	(5)
Miscellaneous	1,694	2,619	1,823	(796)
Total township supervisor	21,862	23,291	22,490	(801)
Township manager				
Salaries and wages	210,610	220,013	209,076	(10,937)
Supplies	1,400	1,400	1,369	(31)
Contractual service	5,000	5,000	-	(5,000)
Education and training	5,150	5,150	7,304	2,154
Miscellaneous	970	970	3,516	2,546
Total township manager	223,130	232,533	221,265	(11,268)
Fiscal services				
Salaries and wages	230,560	260,636	255,271	(5,365)
Supplies	250	1,000	4,592	3,592
Education and training	1,385	1,385	1,237	(148)
Miscellaneous	100	4,795	4,535	(260)
Total fiscal services	232,295	267,816	265,635	(2,181)
Elections/clerk				
Elections:				
Salaries and wages	70,453	77,053	87,052	9,999
Supplies	10,175	10,175	6,696	(3,479)
Computer services and maintenance	500	500	40	(460)
Education and training	200	200	126	(74)
Equipment	800	800	-	(800)
Miscellaneous	800	800	620	(180)
Clerk:				
Salaries	89,593	93,967	87,737	(6,230)
Supplies	4,000	6,675	6,577	(98)
Contractual services	8,200	8,200	4,491	(3,709)
Education and training	3,900	3,900	2,478	(1,422)
Equipment repairs	200	200	-	(200)
Miscellaneous	-	-	20	20
Total elections/clerk	188,821	202,470	195,837	(6,633)

continued...

Schedule of Expenditures
Budget and Actual - General Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
General government (continued)				
Data processing				
Consultant services	$ 47,900	$ 80,900	$ 68,912	$ (11,988)
Repairs and maintenance	11,875	11,875	10,218	(1,657)
Supplies	3,300	3,300	1,911	(1,389)
Internet services	12,830	16,000	13,870	(2,130)
Equipment	2,500	2,500	-	(2,500)
Total data processing	78,405	114,575	94,911	(19,664)
Assessors				
Salaries and wages	314,650	325,286	325,150	(136)
Supplies	20,550	20,550	17,971	(2,579)
Contractual services	240	240	240	-
Miscellaneous	12,500	12,500	3,600	(8,900)
Repairs and maintenance	500	500	-	(500)
Education and training	5,275	5,275	2,838	(2,437)
Equipment	-	3,400	3,331	(69)
Total assessors	353,715	367,751	353,130	(14,621)
Township attorney	111,000	156,000	126,689	(29,311)
Board of review				
Fees and per diem	2,880	2,880	1,680	(1,200)
Miscellaneous	350	350	543	193
Total board of review	3,230	3,230	2,223	(1,007)
Treasurer's office				
Salaries	130,098	136,838	138,578	1,740
Supplies	1,575	1,575	827	(748)
Repairs and maintenance	300	300	-	(300)
Education and training	1,630	1,630	1,568	(62)
Equipment	800	4,475	3,956	(519)
Miscellaneous	500	500	236	(264)
Total treasurer's office	134,903	145,318	145,165	(153)
Township property				
Salaries	27,796	31,000	31,173	173
Postage	40,000	40,000	42,060	2,060
Operating supplies	14,480	14,480	13,681	(799)
Telephone	14,560	14,560	15,403	843
Insurance	60,000	60,000	58,758	(1,242)
Public utilities	40,000	40,000	37,054	(2,946)
Repairs and maintenance	93,500	988,500	676,080	(312,420)
Equipment	750	2,000	1,742	(258)
Miscellaneous	250	250	47	(203)
Total township property	291,336	1,190,790	875,998	(314,792)

continued...

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Schedule of Expenditures

Budget and Actual - General Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
General government (concluded)				
Motor vehicle - equipment pool				
Supplies	$ 15,000	$ 15,000	$ 7,382	$ (7,618)
Gas and oil	25,000	25,000	25,085	85
Repairs and maintenance	13,000	13,000	2,958	(10,042)
Insurance	28,000	28,000	26,068	(1,932)
Equipment	25,000	25,000	23,477	(1,523)
Miscellaneous	2,300	2,300	2,059	(241)
Total motor vehicle - equipment pool	108,300	108,300	87,029	(21,271)
Less: administration reimbursement	(787,000)	(787,000)	(870,701)	(83,701)
Other				
Social security - township share	177,053	182,404	168,414	(13,990)
Health insurance - cash benefit	10,800	10,800	16,028	5,228
Hospitalization insurance	528,455	528,455	489,048	(39,407)
Life insurance	9,282	9,282	9,282	-
Disability insurance	35,661	35,661	35,633	(28)
Retirement contribution	346,130	346,130	338,156	(7,974)
Retiree health	158,880	158,880	159,626	746
Unemployment compensation	1,000	1,000	69	(931)
Workmen's compensation insurance	31,600	31,600	37,266	5,666
Less: workmen's compensation dividend	(8,000)	(8,000)	(8,564)	(564)
Miscellaneous	104,720	38,964	36,137	(2,827)
Total other	1,395,581	1,335,176	1,281,095	(54,081)
Total general government	2,396,812	3,414,792	2,850,270	(564,522)
Public safety				
Parking enforcement				
Salaries	17,003	17,003	17,042	39
Supplies	250	250	162	(88)
Miscellaneous	4,350	4,350	4,465	115
Equipment	250	250	-	(250)
Total parking enforcement	21,853	21,853	21,669	(184)
Housing inspection				
Salaries	16,080	16,080	15,674	(406)
Services-maintenance	30,000	40,000	31,044	(8,956)
Total housing inspection	46,080	56,080	46,718	(9,362)

continued...

Schedule of Expenditures
Budget and Actual - General Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Public safety (concluded)				
Planning				
Planning department:				
Salaries and wages	$ 290,709	$ 322,932	$ 319,592	$ (3,340)
Operating supplies	30,400	30,400	3,889	(26,511)
Contractual services	43,850	43,850	35,232	(8,618)
Development plan	31,200	31,200	8,677	(22,523)
Education and training	6,000	6,000	4,189	(1,811)
Miscellaneous	3,000	8,775	5,965	(2,810)
Zoning board of appeals:				
Wages	1,260	1,260	555	(705)
Education and training	660	2,860	2,354	(506)
Miscellaneous	-	-	170	170
Total planning	407,079	447,277	380,623	(66,654)
Total public safety	475,012	525,210	449,010	(76,200)
Highway and streets				
Department of public services				
Salaries	478,387	484,586	448,661	(35,925)
Operating supplies	19,800	23,300	24,654	1,354
Contractual services	16,980	22,500	21,367	(1,133)
Education and training	750	750	1,531	781
Miscellaneous	1,000	1,000	529	(471)
Total department of public services	516,917	532,136	496,742	(35,394)
Sidewalks				
Repairs	100,000	13,000	12,345	(655)
Miscellaneous	1,500	1,500	330	(1,170)
Total sidewalks	101,500	14,500	12,675	(1,825)
Road construction and resurfacing				
County Road Commission	155,950	305,950	234,940	(71,010)
Street lighting	500,000	500,000	430,759	(69,241)
Total highway and streets	1,274,367	1,352,586	1,175,116	(177,470)
Public works				
Drains - public benefit				
Storm water authority	113,307	113,307	113,553	246
Drains-at-large	71,000	71,000	57,878	(13,122)
Total public works	184,307	184,307	171,431	(12,876)

continued...

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Schedule of Expenditures

Budget and Actual - General Fund
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Recreation and culture				
Parks and recreation				
Salaries	$ 439,647	$ 446,038	$ 432,101	$ (13,937)
Officials	60,000	60,000	43,186	(16,814)
Operating supplies	56,325	56,325	30,893	(25,432)
Contractual services	3,350	3,350	11,922	8,572
Public utilities	52,500	52,500	47,796	(4,704)
Repairs and maintenance - equipment	236,700	236,700	191,014	(45,686)
Miscellaneous	5,650	6,575	7,335	760
Education and training	1,200	1,200	340	(860)
Total parks and recreation	855,372	862,688	764,587	(98,101)
Center courts				
Salaries	135,487	135,487	130,766	(4,721)
Operating supplies	15,300	15,300	22,260	6,960
Contractual services	2,684	2,684	2,562	(122)
Public utilities	75,876	75,876	61,905	(13,971)
Repairs and maintenance	47,500	47,500	49,230	1,730
Miscellaneous	200	200	5	(195)
Total center courts	277,047	277,047	266,728	(10,319)
Library				
Salaries - maintenance	26,198	26,198	27,530	1,332
Supplies - operating	7,000	7,000	7,587	587
Services - Public Libraries of Saginaw	707,000	707,000	707,000	-
Public utilities	30,000	30,000	24,879	(5,121)
Repairs and maintenance	20,500	20,500	16,558	(3,942)
Total library	790,698	790,698	783,554	(7,144)
Total recreation and culture	1,923,117	1,930,433	1,814,869	(115,564)
Total expenditures	$ 6,253,615	$ 7,407,328	$ 6,460,696	$ (946,632)

concluded

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for revenues derived from specific taxes or other "earmarked" revenue sources. The Township utilizes the following special revenue funds:

Community Development - This fund was established in April 2000 to comply with regulations issued for compliance with PA 245 of Michigan Public Acts of 1999. It accounts for the revenues and expenditures for construction site plan review, inspection, and construction code enforcement.

Fire Improvement - This fund was established in 1983 to purchase fire equipment, construct fire stations and other major capital outlay. Funding is currently received from the fire protection tax levy.

Art in Public Places - This fund is used to account for private donations received to fund an annual art show and display art works throughout the year at the township office.

Capital Project Funds

Building Capital Improvement - This fund was established in 2009 to receive transfers from the general, fire and police funds. The fund accounts for renovations made to various Township buildings.

Parks - This fund was established to construct park improvements from the proceeds of the sale of property adjacent to the Harvey Randall Wickes Recreational Complex.

Special Assessment Revolving - This fund was established by the 1985-86 budget resolution to receive transfers from the general fund consisting of balances on closed out water and sewer special assessment debt service funds. These monies are used to finance construction of public improvements supported by special assessments.

Debt Service Fund

Special Assessment - This fund was established in fiscal year 2019-20 to account for the collection of special assessment principal and interest payments designated for repayment of special assessment debt issued.

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Combining Balance Sheet
Nonmajor Governmental Funds
March 31, 2020

	Special Revenue Funds		
	Community Development	Fire Improvement	Art In Public Places
Assets			
Cash and investment pool	$ 131,655	$ 577,607	$ 4,686
Accounts receivable	842	-	-
Taxes receivable	-	20,078	-
Special assessments receivable	-	-	-
Due from other funds	-	-	-
Due from other governmental units	-	-	-
Prepaids	425	-	-
Total assets	$ 132,922	$ 597,685	$ 4,686
Liabilities			
Accrued liabilities	$ 7,018	$ -	$ -
Due to other funds	-	-	-
Unearned revenue	-	-	2,950
Accrued liabilities	7,018	-	2,950
Deferred inflows of resources			
Unavailable revenue - special assessments	-	-	-
Fund balances			
Nonspendable	425	-	-
Restricted	-	597,685	1,736
Committed	-	-	-
Assigned	125,479	-	-
Total fund balances	125,904	597,685	1,736
Total liabilities, deferred inflows of resources and fund balances	$ 132,922	$ 597,685	$ 4,686

Capital Projects Funds			Debt Service	
Building Capital Improvement	Parks	Special Assessment Revolving	Special Assessment	Total
$ 78,501	$ 12,027	$ 346,724	$ 5,864	$ 1,157,064
-	-	-	-	842
-	-	-	-	20,078
-	-	665,659	568,811	1,234,470
-	-	-	8,345	8,345
-	-	5,483	-	5,483
-	-	-	-	425
$ 78,501	$ 12,027	$ 1,017,866	$ 583,020	$ 2,426,707
$ -	$ -	$ -	$ -	$ 7,018
-	-	8,345	-	8,345
-	-	-	-	2,950
-	-	8,345	-	18,313
-	-	665,659	568,811	1,234,470
-	-	-	-	425
-	-	-	14,209	613,630
-	-	343,862	-	343,862
78,501	12,027	-	-	216,007
78,501	12,027	343,862	14,209	1,173,924
$ 78,501	$ 12,027	$ 1,017,866	$ 583,020	$ 2,426,707

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds
For the Year Ended March 31, 2020

	Special Revenue Funds		
	Community Development	Fire Improvement	Art In Public Places
Revenues			
Property taxes	$ -	$ 540,326	$ -
Licenses and permits	359,551	-	-
Charges for services	-	-	208
Special assessments	-	-	-
Interest	2,637	4,507	43
Other	220	12,857	-
Total revenues	362,408	557,690	251
Expenditures			
Current:			
Public works	-	-	-
Community development	382,851	-	-
Recreation and culture	-	-	7,197
Debt service:			
Bond issuance costs	-	-	-
Capital outlay	-	583,373	-
Total expenditures	382,851	583,373	7,197
Revenues over (under) expenditures	(20,443)	(25,683)	(6,946)
Other financing sources (uses)			
Bond proceeds	-	-	-
Net change in fund balances	(20,443)	(25,683)	(6,946)
Fund balances, beginning of year	146,347	623,368	8,682
Fund balances, end of year	$ 125,904	$ 597,685	$ 1,736

Capital Projects Funds			Debt Service	
Building Capital Improvement	Parks	Special Assessment Revolving	Special Assessment	Total
$ -	$ -	$ -	$ -	$ 540,326
-	-	-	-	359,551
8,978	-	-	-	9,186
-	-	421,523	14,189	435,712
1,103	181	17,795	20	26,286
-	-	-	-	13,077
10,081	181	439,318	14,209	1,384,138
-	-	1,206,135	-	1,206,135
-	-	-	-	382,851
-	-	-	-	7,197
-	-	22,482	-	22,482
6,650	-	-	-	590,023
6,650	-	1,228,617	-	2,208,688
3,431	181	(789,299)	14,209	(824,550)
-	-	583,000	-	583,000
3,431	181	(206,299)	14,209	(241,550)
75,070	11,846	550,161	-	1,415,474
$ 78,501	$ 12,027	$ 343,862	$ 14,209	$ 1,173,924

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Community Development
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Licenses and permits	$ 401,000	$ 401,000	$ 359,551	$ (41,449)
Interest	450	450	2,637	2,187
Other	180	180	220	40
Total revenues	401,630	401,630	362,408	(39,222)
Expenditures				
Community development:				
Current:				
Salaries and wages	298,740	312,934	302,166	(10,768)
Supplies	1,250	1,250	1,212	(38)
Contractual services	53,550	53,550	42,724	(10,826)
Repairs and maintenance	800	800	605	(195)
Training and education	2,675	2,675	1,715	(960)
Office equipment	-	1,750	1,555	(195)
Miscellaneous	39,000	39,000	32,874	(6,126)
Total expenditures	396,015	411,959	382,851	(29,108)
Net change in fund balance	5,615	(10,329)	(20,443)	(10,114)
Fund balance, beginning of year	146,347	146,347	146,347	-
Fund balance, end of year	$ 151,962	$ 136,018	$ 125,904	$ (10,114)

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual
Fire Improvement
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Property taxes	$ 544,588	$ 544,588	$ 540,326	$ (4,262)
Interest	500	500	4,507	4,007
Other	10,000	10,000	12,857	2,857
Total revenues	555,088	555,088	557,690	2,602
Expenditures				
Capital outlay	603,000	603,000	583,373	(19,627)
Net change in fund balance	(47,912)	(47,912)	(25,683)	22,229
Fund balance, beginning of year	623,368	623,368	623,368	-
Fund balance, end of year	$ 575,456	$ 575,456	$ 597,685	$ 22,229

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Art in Public Places
For the Year Ended March 31, 2020

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Charges for services	$ 1,960	$ 1,960	$ 208	$ (1,752)
Interest	15	15	43	28
Other	4,500	4,500	-	(4,500)
Total revenues	6,475	6,475	251	(6,224)
Expenditures				
Current:				
Recreation and culture	7,775	7,775	7,197	(578)
Net change in fund balance	(1,300)	(1,300)	(6,946)	(5,646)
Fund balance, beginning of year	8,682	8,682	8,682	-
Fund balance, end of year	$ 7,382	$ 7,382	$ 1,736	$ (5,646)

INTERNAL SERVICE FUNDS

The Township uses the following internal service funds:

Health Benefit - This fund was created in 1981 to account for the receipt of revenues from the various operating funds of the Township to be used for payment of employee health benefits, short-term disability income, and third party processing costs and reinsurance.

MMRMA Self Insurance - This fund receives contributions from the other Township funds for property and liability self insurance and is used to account for transactions made on behalf of the Township by the Michigan Municipal Risk Management Authority.

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Combining Statement of Net Position
Internal Service Funds
March 31, 2020

	Health Benefit	MMRMA Self Insurance	Total
Assets (all current)			
Cash and investment pool	$ 718,878	$ 167,072	$ 885,950
Prepaids	22,526	-	22,526
Total assets	741,404	167,072	908,476
Liabilities (all current)			
Accounts payable	28,858	81,023	109,881
Unearned revenue	360	-	360
Total liabilities	29,218	81,023	110,241
Net position			
Unrestricted	$ 712,186	$ 86,049	$ 798,235

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended March 31, 2020

	Health Benefit	MMRMA Self Insurance	Total
Operating revenues			
Charges for services	$ 2,599,738	$ 312,793	$ 2,912,531
Operating expenses			
Administration	-	363,816	363,816
Property and liability claims	-	89,844	89,844
Health insurance benefit claims	2,762,648	-	2,762,648
Total operating expenses	2,762,648	453,660	3,216,308
Operating income (loss)	(162,910)	(140,867)	(303,777)
Nonoperating revenues			
Interest revenue	1,101	6,547	7,648
Change in net position	(161,809)	(134,320)	(296,129)
Net position, beginning of year	873,995	220,369	1,094,364
Net position, end of year	$ 712,186	$ 86,049	$ 798,235

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended March 31, 2020

	Health Benefit	MMRMA Self Insurance	Total
Cash flows from operating activities			
Cash received from employees and retirees	$ 212,561	$ -	$ 212,561
Cash received from interfund services	2,387,177	312,793	2,699,970
Cash payments to suppliers for goods and services	(2,578,078)	(372,637)	(2,950,715)
Net cash provided by (used in) operating activities	21,660	(59,844)	(38,184)
Cash flows from investing activities			
Interest received	1,101	6,547	7,648
Net increase (decrease) in cash and investment pool	22,761	(53,297)	(30,536)
Cash and investment pool, beginning of year	696,117	220,369	916,486
Cash and investment pool, end of year	$ 718,878	$ 167,072	$ 885,950
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	$ (162,910)	$ (140,867)	$ (303,777)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Change in operating assets and liabilities that provided (used) cash:			
Prepaids	187,825	-	187,825
Accounts payable	(3,255)	81,023	77,768
Net cash provided by (used in) operating activities	$ 21,660	$ (59,844)	$ (38,184)

STATISTICAL SECTION

Statistical tables differ from the financial statements because they usually cover more than one year and may present non-accounting data. These tables reflect social and economic data, financial trends and the fiscal capability of the Township.

Statistical Section Table of Contents

This part of the Township's Comprehensive Annual Financial Report presents detailed information to assist the user in understanding what the financial statements, note disclosures and required supplementary information say about the overall economic condition of Saginaw Charter Township.

		Page
Financial Trends **Tables 1-4**	These schedules contain trend information to help the reader understand and evaluate how the Township's financial condition, performance and well-being have changed over time.	104-113
Revenue Capacity **Tables 5-9**	These schedules contain information to help the reader assess the Township's ability to generate its most significant local revenue source, the property tax.	114-122
Debt Capacity **Tables 10-13**	These schedules present information to help the reader assess the affordability of the Township's current levels of outstanding debt and its ability to issue additional debt in the future.	123-127
Demographic and Economic Information **Table 14-15**	These schedules present various demographic and economic indicators to help the reader understand the environment within which the Township operates and how they affect the Township's financial activities.	128-129
Operating Information **Tables 16-18**	These schedules contain information about the Township's operations and resources to help the reader understand how the information in the Township's financial report relates to the services the Township provides and the activities it performs.	130-135

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year.

Net Position by Component

Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014
Governmental activities				
Net investment in capital assets	$ 11,423,393	$ 11,194,476	$ 12,050,162	$ 12,332,959
Restricted	-	-	5,309,504	4,066,819
Unrestricted (deficit)	12,896,395	12,379,500	4,636,419	4,008,643
Total governmental activities net position	24,319,788	23,573,976	21,996,085	20,408,421
Business-type activities				
Net investment in capital assets	39,982,111	39,710,508	39,336,705	38,486,362
Unrestricted	9,010,974	8,454,692	8,911,212	9,189,951
Total business-type activities net position	48,993,085	48,165,200	48,247,917	47,676,313
Primary government				
Net investment in capital assets	51,405,504	50,904,984	51,386,867	50,819,321
Restricted	-	-	5,309,504	4,066,819
Unrestricted	21,907,369	20,834,192	13,547,631	13,198,594
Total primary government net position	$ 73,312,873	$ 71,739,176	$ 70,244,002	$ 68,084,734

Table 1
Unaudited

2015	2016	2017	2018	2019	2020
$ 11,971,309	$ 12,535,467	$ 12,026,817	$ 12,721,806	$ 12,428,831	$ 12,560,163
4,212,572	5,914,023	8,040,255	3,703,035	4,841,751	6,397,940
5,611,231	(2,270,339)	(377,256)	4,918,549	4,992,573	4,052,863
21,795,112	16,179,151	19,689,816	21,343,390	22,263,155	23,010,966
37,959,130	37,055,679	36,255,061	36,050,315	35,813,491	35,728,229
9,718,693	11,448,886	12,077,712	12,670,024	12,981,664	13,235,679
47,677,823	48,504,565	48,332,773	48,720,339	48,795,155	48,963,908
49,930,439	49,591,146	48,281,878	48,772,121	48,242,322	48,288,392
4,212,572	5,914,023	8,040,255	3,703,035	4,841,751	6,397,940
15,329,924	9,178,547	11,700,456	17,588,573	17,974,237	17,288,542
$ 69,472,935	$ 64,683,716	$ 68,022,589	$ 70,063,729	$ 71,058,310	$ 71,974,874

Changes in Net Position

Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014
Expenses				
Governmental activities				
General government	$ 2,800,950	$ 2,580,093	$ 2,926,236	$ 2,909,911
Public safety	8,027,261	7,727,872	8,080,467	8,293,347
Public works	1,936,945	1,976,678	1,616,090	1,793,059
Highway and streets	1,091,335	1,178,305	1,007,096	1,542,996
Community development	435,413	432,308	435,179	410,085
Recreation and culture	885,427	1,785,970	2,061,903	1,448,412
Total governmental activities expenses	15,177,331	15,681,226	16,126,971	16,397,810
Business-type activities:				
Sewer	5,549,570	6,174,723	5,833,084	6,240,183
Water	4,921,684	4,960,007	5,247,437	5,338,405
Total business-type activities expenses	10,471,254	11,134,730	11,080,521	11,578,588
Total primary government expenses	25,648,585	26,815,956	27,207,492	27,976,398
Program Revenues				
Governmental activities:				
Charges for services:				
General government	433,741	409,128	379,741	346,813
Public safety	232,665	200,198	215,901	221,780
Public works	1,586,100	1,589,300	1,591,170	1,597,724
Highways and streets	510,255	512,470	481,598	497,732
Community development	329,229	378,994	385,524	361,747
Recreation and culture	463,708	424,211	403,289	391,857
Operating grants and contributions	391,243	237,287	367,713	571,155
Total governmental activities program revenues	3,946,941	3,751,588	3,824,936	3,988,808
Business-type activities:				
Charges for services:				
Sewer	4,547,499	4,929,566	5,488,665	5,664,342
Water	4,965,184	5,005,409	5,335,282	5,304,823
Capital grants and contributions	238,052	401,829	216,507	155,792
Total business-type activities program revenues	9,750,735	10,336,804	11,040,454	11,124,957
Total primary government program revenues	13,697,676	14,088,392	14,865,390	15,113,765

Table 2
Unaudited

2015	2016	2017	2018	2019	2020
$ 2,288,834	$ 2,330,484	$ 2,043,268	$ 2,052,181	$ 2,442,534	$ 2,703,779
8,453,387	8,969,486	7,037,309	9,261,442	9,239,730	10,239,639
1,839,469	1,965,834	1,949,376	2,407,270	2,871,108	3,619,052
1,095,794	1,411,497	1,127,782	1,144,157	1,102,729	1,218,721
487,366	460,305	486,745	400,651	371,848	378,160
2,059,299	2,031,047	2,051,003	2,010,978	2,104,783	2,104,054
16,224,149	17,168,653	14,695,483	17,276,679	18,132,732	20,263,405
6,341,458	6,299,380	6,457,734	6,552,273	6,627,595	6,365,158
5,071,970	5,271,567	5,851,044	6,055,724	5,879,273	6,405,594
11,413,428	11,570,947	12,308,778	12,607,997	12,506,868	12,770,752
27,637,577	28,739,600	27,004,261	29,884,676	30,639,600	33,034,157
665,733	731,223	654,849	698,720	729,802	754,598
270,258	264,572	232,647	242,490	305,125	337,715
1,599,655	1,920,248	1,943,342	2,273,002	2,395,787	3,418,918
445,762	453,167	402,405	437,312	495,667	421,873
391,297	399,139	429,103	434,275	470,662	359,771
376,686	365,870	366,555	368,056	358,544	337,148
264,073	216,932	117,016	110,652	119,752	109,348
4,013,464	4,351,151	4,145,917	4,564,507	4,875,339	5,739,371
6,008,509	5,716,178	5,886,653	6,242,080	6,264,581	6,413,052
5,216,657	5,282,624	6,140,901	6,339,841	6,460,204	6,357,793
60,159	292,350	54,669	344,528	-	67,277
11,285,325	11,291,152	12,082,223	12,926,449	12,724,785	12,838,122
15,298,789	15,642,303	16,228,140	17,490,956	17,600,124	18,577,493

Changes in Net Position

Last Ten Fiscal Years
(accrual basis of accounting)

	2011	2012	2013	2014
Net (expense)/revenue				
Governmental activities	$ (11,230,390)	$ (11,929,638)	$ (12,302,035)	$ (12,409,002)
Business-type activities	(720,519)	(797,926)	(40,067)	(453,631)
Total primary government net expense	(11,950,909)	(12,727,564)	(12,342,102)	(12,862,633)
General revenues				
Governmental activities:				
Property taxes	6,393,806	6,391,591	6,422,463	6,406,329
Grants and contributions not restricted to specific programs	2,712,958	3,054,233	2,973,296	3,025,985
Unrestricted investment earnings	86,497	88,779	61,473	34,195
Franchise taxes	642,824	667,437	696,824	729,752
Miscellaneous	129,127	234,017	53,814	62,736
Transfers - internal activities	218,739	213,832	218,000	229,856
Total governmental activities	10,183,951	10,649,889	10,425,870	10,488,853
Business-type activities:				
Unrestricted investment earnings	21,926	14,649	9,152	8,260
Gain on sale of capital assets	-	51,551	-	-
Miscellaneous	61,251	44,445	76,457	66,206
Transfers - internal activities	(218,739)	(213,832)	(218,000)	(229,856)
Total business-type activities	(135,562)	(103,187)	(132,391)	(155,390)
Total primary government	10,048,389	10,546,702	10,293,479	10,333,463
Change in net position				
Governmental activities	(1,046,439)	(1,279,749)	(1,876,165)	(1,920,149)
Business-type activities	(856,081)	(901,113)	(172,458)	(609,021)
Total primary government	$ (1,902,520)	$ (2,180,862)	$ (2,048,623)	$ (2,529,170)

Table 2
Unaudited

2015	2016	2017	2018	2019	2019
$ (12,210,685)	$ (12,817,502)	$ (10,549,566)	$ (12,712,172)	$ (13,257,393)	$ (14,524,034)
(128,103)	(279,795)	(226,555)	318,452	217,917	67,370
(12,338,788)	(13,097,297)	(10,776,121)	(12,393,720)	(13,039,476)	(14,456,664)
9,466,064	9,772,762	9,807,748	10,008,190	10,274,255	10,402,657
3,282,325	3,213,789	3,364,047	3,502,225	3,791,255	3,829,120
19,427	14,204	30,839	67,039	138,780	192,397
771,698	785,718	773,358	736,719	730,615	717,141
57,892	61,596	84,239	51,573	210,461	130,530
-	-	-	-	-	-
13,597,406	13,848,069	14,060,231	14,365,746	15,145,366	15,271,845
25,855	43,885	42,572	69,114	109,172	101,383
-	-	12,191	-	-	-
103,758	96,498	-	-	-	-
-	-	-	-	-	-
129,613	140,383	54,763	69,114	109,172	101,383
13,727,019	13,988,452	14,114,994	14,434,860	15,254,538	15,373,228
1,386,721	1,030,567	3,510,665	1,653,574	1,887,973	747,811
1,510	(139,412)	(171,792)	387,566	327,089	168,753
$ 1,388,231	$ 891,155	$ 3,338,873	$ 2,041,140	$ 2,215,062	$ 916,564

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2011	2012	2013	2014
General fund				
Reserved	$ 398,662	$ -	$ -	$ -
Unreserved	4,112,543	-	-	-
Nonspendable	-	3,700,339	257,463	221,839
Assigned	-	106,716	106,841	106,947
Unassigned	-	4,673,788	5,151,361	5,089,006
Total general fund	$ 4,511,205	$ 8,480,843	$ 5,515,665	$ 5,417,792
All other governmental funds				
Reserved	$ 1,982	$ -	$ -	$ -
Unreserved:				
Special revenue funds	7,423,689	-	-	-
Capital projects funds	776,986	-	-	-
Nonspendable	-	145,053	154,465	155,410
Restricted	-	7,306,732	5,155,039	4,066,214
Committed	-	-	-	-
Assigned	-	17,998	22,557	59,795
Total all other governmental funds	$ 8,202,657	$ 7,469,783	$ 5,332,061	$ 4,281,419

The Township implemented GASB 54 in 2012.

Table 3
Unaudited

2015	2016	2017	2018	2019	2020
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
215,751	233,197	215,184	176,173	53,907	61,445
111,941	112,016	112,016	112,091	34,975	79,420
5,333,621	5,106,154	5,209,857	5,894,685	6,543,598	6,519,596
$ 5,661,313	$ 5,451,367	$ 5,537,057	$ 6,182,949	$ 6,632,480	$ 6,660,461
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
4,379	83,903	102,918	60,676	15,759	12,207
4,212,572	5,836,495	7,943,412	2,648,099	4,538,317	5,817,347
923,174	954,071	979,983	791,854	550,161	343,862
1,001,717	1,005,757	1,005,937	120,296	233,088	216,007
$ 6,141,842	$ 7,880,226	$ 10,032,250	$ 3,620,925	$ 5,337,325	$ 6,389,423

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

	2011	2012	2013	2014
Revenues				
Property taxes	$ 7,427,816	$ 7,073,901	$ 6,877,313	$ 6,880,790
Licenses and permits	1,033,842	1,108,323	1,144,719	1,151,056
Intergovernmental:				
Federal sources	99,256	5,026	63,216	363,723
State sources	2,719,524	3,122,439	3,108,758	3,139,771
Charges for services	2,010,531	1,988,686	1,978,825	1,973,572
Fines and forfeits	169,642	138,013	132,716	124,829
Special assessments	756,597	754,237	589,511	578,407
Interest	68,311	67,250	49,446	27,151
Other	798,618	685,647	466,727	412,712
Total revenues	15,084,137	14,943,522	14,411,231	14,652,011
Expenditures				
Current:				
General government	1,492,652	1,533,323	1,571,657	1,915,867
Public safety	7,542,536	7,349,964	8,964,704	7,587,756
Highway and streets	1,038,134	1,126,167	950,162	1,488,464
Public works	1,926,136	1,970,081	1,606,263	1,789,871
Community development	435,413	432,308	435,179	410,085
Recreation and culture	1,761,792	1,778,803	1,777,236	1,719,565
Other	1,136,221	1,060,244	1,096,630	1,118,780
Capital outlay	-	-	-	-
Debt service:				
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	15,332,884	15,250,890	16,401,831	16,030,388
Revenues over (under) expenditures	(248,747)	(307,368)	(1,990,600)	(1,378,377)
Other financing sources (uses)				
Transfers in	1,933,097	2,141,402	2,235,270	2,114,130
Transfers out	(1,714,358)	(1,927,570)	(2,017,270)	(1,884,274)
Bond proceeds	-	-	-	-
Total other financing sources (uses)	218,739	213,832	218,000	229,856
Net change in fund balances	$ (30,008)	$ (93,536)	$ (1,772,600)	$ (1,148,521)
Debt service as a percentage of noncapital expenditures	0%	0%	0%	0%

Table 4
Unaudited

2015	2016	2017	2018	2019	2020
$ 9,889,748	$ 10,206,759	$ 10,249,332	$ 10,742,782	$ 10,742,782	$ 10,890,128
1,223,704	1,245,303	1,262,504	1,262,117	1,262,117	1,138,451
32,846	-	-	-	-	-
3,338,768	3,244,259	3,385,226	3,649,152	3,800,702	3,836,123
1,999,074	2,308,549	2,316,441	2,307,960	2,307,960	2,539,664
107,680	109,496	103,192	108,380	108,380	100,063
549,221	518,028	482,783	873,421	734,246	887,382
13,730	9,536	25,143	130,887	130,887	184,749
509,355	580,414	399,920	537,345	676,520	586,566
17,664,126	18,222,344	18,224,541	19,612,044	19,763,594	20,163,126
1,000,725	2,024,392	2,294,986	2,311,944	2,518,948	2,850,270
8,265,739	8,841,810	8,275,014	8,639,029	8,638,520	8,826,701
1,043,195	1,361,756	1,123,632	1,094,607	1,095,116	1,175,116
1,792,915	1,924,023	1,935,617	2,828,254	2,828,254	3,552,511
487,366	460,305	486,745	371,848	371,848	382,851
1,795,401	2,050,363	1,838,623	1,831,079	1,831,079	1,822,066
1,174,835	31,257	32,160	35,003	35,003	-
-	-	-	239,041	239,041	998,296
-	-	-	39,854	39,854	35,754
-	-	-	-	-	22,482
15,560,176	16,693,906	15,986,777	17,390,659	17,597,663	19,666,047
2,103,950	1,528,438	2,237,764	2,221,385	2,165,931	497,079
1,029,050	999,000	990,380	932,000	932,000	932,000
(1,029,050)	(999,000)	(990,380)	(932,000)	(932,000)	(932,000)
-	-	-	-	-	583,000
-	-	-	-	-	583,000
$ 2,103,950	$ 1,528,438	$ 2,237,764	$ 2,221,385	$ 2,165,931	$ 1,080,079
0%	0%	0%	0%	0%	0%

Table 5
Unaudited

Governmental Activities Tax Revenue by Year

Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax
2011	$ 7,763,719
2012	7,176,785
2013	6,974,447
2014	6,978,344
2015	9,466,064
2016	9,772,762
2017	9,807,748
2018	10,008,190
2019	10,274,255
2020	10,402,657

Assessed Value and Taxable Value of Property

Last Ten Fiscal Years

Fiscal Year Ended March 31,	Agricultural	Commercial	Industrial	Residential	Developmental
2011	$ 409,500	$ 401,094,600	$ 7,170,900	$ 877,396,800	$ 7,882,500
2012	409,500	345,909,300	6,875,700	849,326,400	7,805,300
2013	411,800	354,302,100	6,905,900	810,471,200	7,696,500
2014	2,877,000	349,310,600	6,895,200	810,783,000	2,481,300 (2)
2015	2,960,200	338,933,900	7,002,100	822,132,200	2,393,100
2016	2,989,100	339,571,900	7,082,200	835,736,900	2,202,100
2017	3,059,500	341,526,900	7,354,700	850,733,500	2,202,100
2018	5,221,700	366,769,600	6,770,900	871,298,000	-
2019	5,126,200	377,967,900	6,584,000	875,525,400	-
2020	5,651,200	395,051,700	7,204,400	940,386,200	-

Source: Saginaw Charter Township Assessing Department

(1) Assessed values as of 3/31.
(2) A number of parcels were reclassified resulting in this change.

Table 6
Unaudited

Personal	Total Assessed Value (1)	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Value as a Percentage of Assessed Value
$ 76,203,800	$ 1,370,158,100	5.4155	$ 1,309,287,298	95.56%
74,659,100	1,284,985,300	5.4155	1,258,139,759	97.91%
73,049,600	1,252,837,100	5.4155	1,225,459,905	97.81%
74,969,600	1,247,316,700	5.4155	1,221,384,667	97.92%
70,686,400	1,244,107,900	7.9311	1,217,378,338	97.85%
72,088,100	1,259,670,300	8.1311	1,221,402,095	96.96%
72,129,600	1,277,006,300	8.1311	1,223,170,035	95.78%
71,543,200	1,321,603,400	8.2311	1,233,116,036	93.30%
71,122,800	1,336,326,300	8.2311	1,262,076,777	94.44%
71,945,000	1,420,238,500	8.2311	1,314,301,372	92.54%

Property Tax Rates

Direct and Overlapping Governments

Last Ten Fiscal Years

	Saginaw Charter Township (Direct)				Overlapping Rates
Fiscal Year	Operating Millage (1)	Police Millage (1)	Fire Special Assessment	Total Township Millage	Saginaw County Operating
2011	0.9311	2.9844	1.5000	5.4155	7.7284
2012	0.9311	2.9844	1.5000	5.4155	8.5192
2013	0.9311	2.9844	1.5000	5.4155	8.5192
2014	0.9311	2.9844	1.5000	5.4155	8.3007
2015	0.9311	5.5000	1.5000	7.9311	8.4468
2016	0.9311	5.5000	1.7000	8.1311	8.7805
2017	0.9311	5.5000	1.7000	8.1311	8.8111
2018	0.9311	5.5000	1.8000	8.2311	8.8160
2019	0.9311	5.5000	1.8000	8.2311	9.3704
2020	0.9311	5.5000	1.8000	8.2311	9.5080

Source: Saginaw Charter Township Assessing Department

(1) Rates reduced to comply with the Headlee Amendment, except for year 2015 for Police Millage, as voters approved a new levy that was not reduced by Headlee

Non-homestead School Operating Millage	
2011	18.0000
2012	18.0000
2013	18.0000
2014	18.0000
2015	18.0000
2016	18.0000
2017	18.0000
2018	18.0000
2019	18.0000
2020	18.0000

The above millage rates apply only to non-homestead properties, and therefore are not included in the Total Direct and Overlapping Rates column above.

Source: Saginaw Charter Township Assessing Department

Table 7
Unaudited

Overlapping Rates				Total Direct & Overlapping Rates
Inter-mediate Schools	Delta Community College	State Education Tax	Saginaw Twp Schools Debt	
2.0872	2.0427	6.0000	2.4000	25.67380
2.0872	2.0427	6.0000	2.8000	26.86460
2.0872	2.0427	6.0000	2.8000	26.86460
2.0872	2.0427	6.0000	2.8000	26.64610
2.0872	2.0427	6.0000	2.9000	29.40780
2.0872	2.0427	6.0000	2.9000	29.94150
2.0872	2.0427	6.0000	2.9000	29.97210
2.0872	2.0427	6.0000	2.9000	30.07700
3.0872	2.0427	6.0000	2.9000	31.63140
3.0872	2.0427	6.0000	2.9000	31.76900

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Principal Property Taxpayers

March 31, 2020 and Nine Years Ago

	2020		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Consumers Energy	$ 29,370,411	1	2.23%
JG Saginaw LLC / Fashion Square Mall Realty	14,824,899	2	1.13%
Lawndale & Lakeview Partners	7,510,200	3	0.57%
LPC Partners LC/Morley Companies	7,422,343	4	0.56%
Bre DDR BR West Valley MI LLC	6,373,700	5	0.48%
Wellspring Lutheran Services	5,451,325	6	0.41%
T Green Acres MI / Galileo Green Acres Shopping Center	5,124,800	7	0.39%
WCG Country Ridge LLC	4,590,200	8	0.35%
Louis J Eyde Family LLC-Castleway Phase Apts	4,448,981	9	0.34%
Waterside Apartments	4,302,252	10	0.33%
Wal-Mart Property		N/A	
Menard, Inc.		N/A	
Sears Roebuck & Company		N/A	
Galileo Fashion Corner LLC		N/A	
Fox Glen Apartments		N/A	
Bank of America		N/A	
Totals	$ 89,419,111		6.79%

Source: Saginaw Charter Township Assessing Department

Table 8

Unaudited

2011		
Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
$ 16,954,500	2	1.29%
22,084,700	1	1.69%
	N/A	
	N/A	
7,028,810	3	0.54%
	N/A	
3,496,000	10	0.27%
	N/A	
	N/A	
	N/A	
5,213,000	4	0.40%
4,705,500	5	0.36%
4,300,800	6	0.33%
3,733,200	7	0.29%
3,675,200	8	0.28%
3,620,000	9	0.28%
$ 74,811,710		5.73%

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year Ended March 31,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy: Amount	Collected within the Fiscal Year of the Levy: Percentage of Levy	Delinquents Purchased by County Treasurer
2010	$ 7,272,678	$ 6,907,491	94.98%	$ 350,142
2011	6,990,027	6,632,776	94.89%	339,798
2012	6,694,063	6,412,986	95.80%	273,621
2013	6,524,397	6,254,941	95.87%	262,562
2014	6,494,644	6,248,789	96.21%	235,556
2015	9,520,062	9,150,191	96.11%	361,137
2016	9,780,292	9,355,631	95.66%	404,255
2017	9,799,523	9,373,768	95.66%	387,800
2018	9,997,793	9,625,376	96.28%	356,658
2019	10,237,415	9,857,722	96.29%	366,574
2020	10,398,108	10,015,060	96.32%	383,048

Source: Saginaw Charter Township Treasurer

(1) This information is not yet available.
Saginaw County reimburses the Township for all delinquent real property tax.
Delinquent personal property tax, interest, and penalty is collected in subsequent years.

Table 9
Unaudited

	Total Collections to Date	
Collections in Subsequent Years	Amount	Percentage of Levy
$ 14,554	$ 7,272,187	99.99%
16,407	6,988,981	99.99%
4,604	6,691,211	99.96%
3,527	6,521,030	99.95%
7,193	6,491,538	99.95%
6,055	9,517,383	99.97%
13,785	9,773,671	99.93%
14,655	9,776,223	99.76%
13,834	9,995,868	99.98%
8,101	10,232,397	99.95%
(1)	(1)	(1)

Table 10
Unaudited

Direct and Overlapping Debt

As of March 31, 2020

Governmental Unit	Debt Outstanding	Percentage Applicable to Saginaw Twp	Share of Overlapping Debt
Direct			
Township of Saginaw	$ 6,764,393	100.00%	$ 6,764,393
Less debt payable from enterprise revenues	(6,181,393)	100.00%	(6,181,393)
Less debt supported with special assessments	(583,000)	100.00%	(583,000)
Net tax supported debt	-		-
Overlapping (1)			
Saginaw Township Schools	26,700,000	100.00%	26,700,000
Saginaw County	129,942,565	24.85%	32,290,727
Saginaw Intermediate School District	355,000	25.19%	89,425
TOTAL	$ 156,997,565		$ 59,080,152

(1) Sources: Debt outstanding and estimated 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 Township. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Saginaw Charter Township. 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.

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Legal Debt Margin Information
Last Ten Fiscal Years

	2011	2012	2013	2014
Legal debt limit	$ 137,015,810	$ 128,498,530	$ 125,283,710	$ 124,731,670
Total net debt applicable to limit	-	-	-	-
Legal debt margin	$ 137,015,810	$ 128,498,530	$ 125,283,710	$ 124,731,670
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Note: Under state finance law Saginaw Charter Township's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Table 11
Unaudited

2015	2016	2017	2018	2019	2020
$ 124,410,790	$ 125,967,030	$ 127,700,630	$ 132,160,340	$ 133,632,630	$ 137,385,480
-	-	-	-	-	-
$ 124,410,790	$ 125,967,030	$ 127,700,630	$ 132,160,340	$ 132,160,340	$ 137,385,480
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2020

State equalized value of real property	1,302,026,000
State equalized value of personal property	71,828,800
Total state equalized value	1,373,854,800
Debt limit (10% of total state equalized value)	137,385,480
Debt applicable to limit	-
Legal debt margin	$ 137,385,480

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Table 12

Unaudited

Pledged-Revenue Coverage

Last Ten Fiscal Years

	Sewer Fund Revenue Bonds						
Fiscal Year	Operating Revenue (1)	Operating Expenses (2)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Total	Coverage
2011	$ 4,680,026	$ 3,524,506	$ 1,155,520	$ 685,665	$ 359,184	$ 1,044,849	1.11
2012	5,040,527	4,020,255	1,020,272	743,294	404,691	1,147,985	0.89
2013	5,807,393	3,977,324	1,830,069	701,241	334,319	1,035,560	1.77
2014	5,759,277	4,400,969	1,358,308	370,038	319,168	689,206	1.97
2015	6,101,671	4,407,527	1,694,144	482,173	301,936	784,109	2.16
2016	5,782,970	4,426,261	1,356,709	495,700	284,494	780,194	1.74
2017	5,916,511	4,737,296	1,179,215	497,133	265,562	762,695	1.55
2018	6,287,257	4,867,776	1,419,481	296,200	151,735	447,935	3.17
2019	6,330,252	4,998,797	1,331,455	400,702	184,463	585,165	2.28
2020	6,462,306	5,056,447	1,405,859	426,667	152,855	579,522	2.43

(1) Total operating revenues including interest and excluding capital contributions

(2) Total operating expenses exclusive of depreciation but including transfer to the general fund for administration

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

	Governmental Activities	Business-type Activities					
Fiscal Year Ended March 31,	Special Assessment Bonds	Revenue Bonds	Special Assessment Bonds	Installment Purchase	Total	Debt as a Percentage of Personal Income	Debt Per Capita
2011	$ -	$ 10,135,790	$ 1,135,000	$ -	$ 11,270,790	0.18%	$ 275.97
2012	-	9,508,024	1,050,000	315,687	10,873,711	0.17%	266.25
2013	-	8,916,948	965,000	243,602	10,125,550	0.15%	247.93
2014	-	8,523,561	880,000	169,214	9,572,775	0.14%	234.40
2015	-	8,087,965	795,000	92,450	8,975,415	0.14%	219.77
2016	-	7,592,795	710,000	13,234	8,316,029	0.12%	203.62
2017	-	7,077,984	625,000	-	7,702,984	0.11%	188.61
2018	-	6,835,856	540,000	-	7,375,856	0.10%	180.60
2019	-	6,334,582	450,000	-	6,784,582	(1)	166.13
2020	583,000	5,821,393	360,000	-	6,181,393	(1)	151.36

See the schedule of Demographic and Economic Statistics on table 14 for personal income and population data.

(1) This information is not yet available.

Table 14

Unaudited

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate (5)
2011	40,840	$ 6,328,820	$ 31,822	4,979	5.60%
2012	40,840	6,418,545	32,359	4,862	4.70%
2013	40,840	6,465,883	32,855	4,788	4.50%
2014	40,840	6,655,431	34,086	4,721	4.50%
2015	40,840	6,926,110	35,828	4,697	3.30%
2016	40,840	7,069,810	36,722	4,717	2.90%
2017	40,840	7,158,836	37,286	4,731	2.90%
2018	40,840	7,394,256	38,754	4,677	3.20%
2019	40,840	(6)	(6)	4,803	2.90%
2020	40,840	(6)	(6)	4,864	2.30%

Data Sources:

(1) Population is an estimate as of March 31, of fiscal year with the exception of 2011-2020 which reflects the actual 2010 census.

(2) Amounts expressed in thousands

(3) Bureau of Economic Analysis, U.S. Department of Commerce - Saginaw - Saginaw Township North, MI

(4) Local school district

(5) U.S. Department of Labor Bureau of Labor Statistics Data - Unemployment rate information is a yearly average not seasonally adjusted.

(6) This information is not yet available.

Table 15
Unaudited

Principal Employers

2020 and Nine Years Ago

Employer	2020 Employees	2020 Rank	2011 Employees	2011 Rank
Morley Companies	3,600	1	900	1
Saginaw Intermediate School District	690	2	575	3
HealthSource Saginaw	650	3	422	6
Consumers Energy	525	4	450	4
Saginaw Twp Community Schools	521	5	672	2
Wal-Mart Supercenter	316	6	320	7
Kroger Co of Michigan #738	244	7		n/a
Training & Treatment Innovations, Inc.	244	8		n/a
United Parcel Service	215	9	215	10
Covenant Healthcare	200	10		n/a
AT&T		n/a	425	5
Saginaw Control & Engineering		n/a	237	8
JC Penney Corporation		n/a	235	9
Totals	7,205		4,451	

Source:
Saginaw Future, Inc.
Saginaw Township Clerk's Office

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Full-time Equivalent Township Employees by Function
Last Ten Fiscal Years

	Full-time Equivalent Employees as of March 31,			
	2011	2012	2013	2014
Function				
General government	21.5	20.5	21.0	22.0
Public safety	101.5	97.8	98.0	98.0
Public works	38.0	38.3	39.0	39.0
Community development	3.0	3.0	3.0	3.0
Recreation and culture	6.0	5.5	6.0	6.0
Total	170.0	165.0	167.0	168.0

Source: Saginaw Township Fiscal Services

Table 16
Unaudited

Full-time Equivalent Employees as of March 31,					
2015	2016	2017	2018	2019	2020
21.0	21.0	22.0	20.0	21.0	21.0
97.0	93.0	93.0	93.0	93.0	89.0
39.0	39.0	38.0	38.0	38.0	37.0
3.0	3.0	3.0	2.0	2.0	2.0
6.0	6.0	6.0	6.0	6.0	6.0
166.0	162.0	162.0	159.0	160.0	155.0

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Operating Indicators by Function
Last Ten Fiscal Years

	2011	2012	2013	2014
Function				
Public safety				
Police				
Number of traffic accidents	1,020	951	913	998
Number of traffic offenses issued	5,751	4,157	4,352	3,167
Fire				
Number of alarms	727	807	703	719
Completed inspections	1,761	1,256	1,159	1,489
Community development				
Permits issued	268	293	328	310
Code enforcement complaints	5,464	5,887	5,701	5,607
General government				
Fiscal services				
Number of W-2's processed	457	431	420	401
Number of accounts payable checks processed	4,255	4,255	4,396	3,984
Clerk's office				
Number of licensed businesses	1,758	1,732	1,732	1,679
Elections				
Number of registered voters	31,735	31,748	31,988	31,768
Treasurer's office				
Average number of sewer/water bills per month	4,821	4,833	4,867	4,890
Number of tax bills - two billings/year	15,812	15,898	16,059	15,656
Recreation and culture				
Number of programs	71	70	70	74
Number of participants	10,350	9,885	9,460	9,620
Sewer				
Average daily sewage treatment -millions of gallons per day	3.951	5.363	4.454	4.592
Water				
Number of active customers	14,578	14,645	14,672	14,744
Number of gallons sold (000 omitted)	1,375,565	1,313,516	1,411,236	1,289,933

Source: Applicable Township Departments

Table 17

Unaudited

2015	2016	2017	2018	2019	2020
997	942	1,098	1,016	930	1,014
2,324	2,318	1,767	2,569	1,692	2,208
751	736	749	734	659	668
1,569	1,656	1,607	1,402	1,255	1,405
334	273	316	418	424	414
5,929	4,683	5,322	5,585	4,444	5,235
396	384	380	358	349	345
3,999	3,992	3,989	3,636	3,928	3,684
1,638	1,633	1,619	1,587	1,595	1,609
31,193	31,443	31,517	31,629	32,237	33,323
4,895	4,878	4,920	4,943	4,966	4,995
15,425	15,434	15,373	15,364	15,169	15,229
78	75	75	79	77	77
9,520	9,400	9,275	9,615	9,648	9,525
4.968	5.946	4.749	4.650	4.790	5.684
14,744	14,814	14,871	14,939	15,000	15,070
1,181,309	1,161,659	1,262,619	1,235,732	1,218,720	1,138,212

SAGINAW CHARTER TOWNSHIP, MICHIGAN

Capital Asset Statistics by Function

Last Ten Fiscal Years

	2011	2012	2013	2014
Function				
Public safety				
Police				
Station	1	1	1	1
Patrol vehicles	20	20	20	20
Fire				
Admin. office/stations	1/3	1/3	1/3	1/3
Fire fighting vehicles	10	10	10	10
Recreation and culture				
Parks	13	13	13	13
Recreation center	1	1	1	1
Library	1	1	1	1

Source: Saginaw Township Fiscal Services

Table 18
Unaudited

2015	2016	2017	2018	2019	2020
1	1	1	1	1	1
20	20	20	20	20	20
1/3	1/3	1/3	1/3	1/3	1/3
10	10	11	12	11	11
13	13	13	13	13	13
1	1	1	1	1	1
1	1	1	1	1	1