

**School District of the City of Saginaw
Saginaw, Michigan**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

For the Fiscal Year Ended June 30, 2017

Prepared by:

Department of Fiscal and Support Services

This page intentionally left blank

**Members of the Board of Education and Administration
of the
School District of the City of Saginaw
Saginaw, Michigan
For the Fiscal Year Ended June 30, 2017**

Board of Education

Rudy Patterson
President

Jason Thompson
Secretary

Mattie Thompson
Vice President

Kim Hamilton
Treasurer

Ruth Ann Knapp
Trustee

Tamara McRae
Trustee

Joyce Seals
Trustee

Administration

Nathaniel B. McClain
Superintendent

Tamara M. Johnson
Executive Director of Financial Services

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016

Table of Contents

	<u>Page Number</u>
<u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	i - v
Organizational Chart	vi
ASBO Certificate of Excellence	vii
<u>FINANCIAL SECTION</u>	
Independent Auditors' Report	1 -1
Management Discussion and Analysis	2 -1
Basic Financial Statements	3 - 1
District-wide Financial Statements	
Statement of Net Position	3 - 2
Statement of Activities	3 - 4
Fund Financial Statements	
Balance Sheet - Governmental Funds	3 - 5
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	3 - 7
Statement of Revenues, Expenditures and Changes in Fund Balances	
Governmental Funds	3 - 8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	3 - 9
Fiduciary Fund	
Statement of Fiduciary Net Position	3 - 10
Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds	3 - 11
Notes to Financial Statements	3 - 12

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016

Table of Contents

(Continued)

	<u>Page Number</u>
Required Supplementary Information	4 - 1
Budgetary Comparison Schedule - General Fund	4 - 2
Schedule of the School District's Proportionate Share of the Net Pension Liability	4 - 8
Schedule of the School District's Contributions Michigan Public School Employees Retirement Plan	4 - 9
Other Supplementary Information	5 - 1
Combining Balance Sheet - Nonmajor Governmental Funds	5 - 2
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	5 - 3
Special Revenue Funds	6 - 1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	6 - 2
Capital Project Funds	7 - 1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	7 - 2
Debt Service Funds	8 - 1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	8 - 2
Fiduciary Funds	9 - 1
Statement of Changes in Assets and Liabilities - Agency Funds	9 - 2
Schedule of Changes in Due To Student and Other Groups - Agency Funds	9 - 3

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016

Table of Contents

(Continued)

<u>STATISTICAL SECTION (Unaudited)</u>	<u>Page Number</u>
Financial Trends	10-1
Net Position by Component - Last Ten Fiscal Years	10-2
Expenses, Program Revenues, and Net (Expense)/ Revenue - Last Ten Fiscal Years	10-3
General Revenues and Total Change in Net Position - Last Ten Fiscal Years	10-4
Fund Balances, Governmental Funds - Last Ten Fiscal Years	10-5
Governmental Funds Revenues - Last Ten Fiscal Years	10-6
Governmental Funds Expenditures and Debt Service Ratio - Last Ten Fiscal Years	10-7
Other Financing Sources and Uses and Net Change in Fund Balances, Governmental Funds - Last Ten Fiscal Years	10-8
Revenue Capacity	11-1
Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	11-2
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	11-3
Principal Property Tax Payers - Current Year and Nine Years Ago	11-4
Property Tax Levies and Collections - Last Ten Fiscal Years	11-5
Debt Capacity	12-1
Outstanding Debt by Type - Last Ten Fiscal Years	12-2
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	12-3
Direct and Overlapping Governmental Activities Debt	12-4
Legal Debt Margin Information - Last Ten Fiscal Years	12-5
Demographic and Economic Information	13-1
Demographic and Economic Statistics - Last Ten Calendar Years	13-2
Principal Employers - Current Year and Nine Years Ago	13-3
Full-time-Equivalent District Employees by Type - Last Nine Fiscal Years	13-4
Operating Information	14-1
Operating Statistics - Last Ten Fiscal Years	14-2
School Building Information - Last Ten Fiscal Years	14-3

INTRODUCTORY SECTION



550 Millard Street
Saginaw, Michigan 48607-1193
(989) 399-6500
Fax (989) 399-6529



Nathaniel B. McClain, Superintendent

December 20, 2017

To the Citizens and Employees of the School District of the City of Saginaw and the President and Members of the Board of Education:

INTRODUCTION

The Comprehensive Annual Financial Report of the School District of the City of Saginaw for the year ended June 30, 2017 is submitted herewith.

Guided by the Board of Education's commitment to public accountability, detailed financial information relating to the fiscal operation of the school district is presented in this report prepared by the school district's Finance Division. Responsibility for the completeness and fairness of the data presented and all accompanying disclosures rests with the Executive Director of Financial Services.

The report has been prepared following generally accepted accounting principles in the United States of America. We believe the data presented are accurate in all material respects and clearly reflect the

financial position and the results of operations of the school district. All disclosures necessary to enable the reader to gain an understanding of the school district's financial activities have been included. The school district has also issued, under a separate cover, a Single Audit Report. This report contains a schedule of Federal Financial Assistance received by the school district and is not a required part of the Basic Financial Statements.

The Comprehensive Annual Financial Report is presented in three sections:

- *Introductory section* – Introduces the reader to the report and includes this transmittal letter, the District's organizational chart and prior year recognition for excellence in financial reporting.
- *Financial section* – Consists of the independent auditor's report, management's discussion and analysis, the basic financial statements, and supplemental information.
- *Statistical and other information section* - includes selected financial and demographic information, generally presented on a multi-year basis.

BOARD OF EDUCATION

Rudy Patterson, President Mattie Thompson, Vice President Jason Thompson, Secretary Kim Hamilton, Treasurer
Tamara McRae, Trustee Ruth Ann Knapp, Trustee Joyce Seals, Trustee

MANAGEMENT’S DISCUSSION AND ANALYSIS

Generally Accepted Accounting Principles in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management’s discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District’s MD&A can be found immediately following the report of the independent auditors.

REPORTING ENTITY

The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board (GASB) for determining the various governmental organizations to be included in the reporting entity. The reporting entity consists of the legal entity, the School District of the City of Saginaw. The school district serves the entire City of Saginaw, plus the City of Zilwaukee, and sections of both Buena Vista and Kochville Townships.

The School District of the City of Saginaw Board of Education (Board) is the basic level of government that has oversight responsibility and control over all activities related to public school education in the City of Saginaw. Under provisions of GASB, the Board is considered the primary government, since it is a special purpose entity that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Fiscally independent means that the Board may, without the approval or consent of another governmental entity, modify its own budget, levy its own taxes or set rates or charges, issue bonded debt, and designate management. The Board also has no component units, defined by GASB as other legally separate organizations for which the elected Board members are financially accountable. There are no other primary governments for which the Board has a significant relationship.

The School District provides a comprehensive educational program for students in pre-kindergarten through grade 12. Extensive additional educational programs are incorporated into the general education structure. Among those offered are birth through age five education and prekindergarten, special education, career and technical education, gifted and talented education, bilingual education, and compensatory education.

ECONOMIC CONDITIONS AND OUTLOOK

The School District of the City of Saginaw is located 110 miles north of Detroit. Saginaw is an industrial community that was once heavily reliant on the auto industry. The Economic Development Office of the City of Saginaw has been making efforts to attract industry to the area through a heavy reliance on tax abatements. The district is substantially reliant on the future economic changes in the State of Michigan and the Saginaw community. The district is committed to maintaining priority programs in light of a changing state financial base.

Michigan has transformed its funding of public education from the old principle of property wealth determining the level of support for education in a given district to a state-wide diversified tax base and a leveling of funds for all districts. Discrepancies that existed prior to the finance reform have narrowed under the new system. As a result, the financial health of school districts in Michigan is now reliant on the performance of the state’s economy. Under the current system, the state collects a statewide property tax of eighteen mills on residential property and six mills on all industrial and commercial property. Because of the change, many communities have resorted to granting tax abatements to attract commercial and industrial growth. These tax abatements have had a negative financial impact on the support services provided to the district. The state also collects six cents sales tax in support of education along with a number of transfer and use taxes whose proceeds are dedicated to the school aid fund. The state in turn redistributes the funds to local school districts on a per student

foundation grant basis. With the heavy reliance on State funding, the district has experienced a tightening of its cash flow, and investment income has declined. Receivables from other governmental units has increased significantly since 1997-98 due to the State reducing the monthly payouts during the year and deferring receipt of those funds by the district to July and August, thus causing a reduced cash flow and opportunity to invest these funds.

The current foundation increases for a district are gauged to the annual rate of inflation and factored upward or downward based on a district's relationship to the set median funding range for the State of Michigan. This method of funding has slowed the growth in educational expenditures to a rate equal to the level of inflation in any given year. The process has brought all districts in the State up in funding to a minimum base foundation of \$7,511 per student.

The district's foundation allowance for 2016-17 was set at this minimum amount of \$7,511 per pupil. Under the current funding system, over 70% of the district's General Fund revenues come from the State. This means that the district has less control over the revenues coming into the district. If the State continues to have financial problems, the district will continue to see a diminishing level of revenues and will have to adjust spending accordingly. In addition, the district's enrollment has been declining. The district's State Aid blended membership for the 2016-17 school year was 6,116.40. In accordance with enrollment trends, the 2017-18 budget is based on a blended membership count of 5,816.40.

MAJOR INITIATIVES

Fiscal year 2016-17 completed the twenty second year under the revised funding formula of the State of Michigan. The district, as it changed from a heavy reliance on local property taxes as a major source of revenues, to the new State foundation method of funding has continued to decrease in size. The Board of Education has continued to work to meet the goals outlined in its Comprehensive Strategic Plan. The student outcomes remain the district's primary focus and the

strategies and recommendations designed to restructure the district to better prepare today's students continue to advance. The primary focus of the District is to give the necessary support to those schools that currently have priority status and provide resources and guidance to prevent others from being added to the list. The school district has now completed its twenty first year of this comprehensive plan and a number of new strategies and recommendations have been implemented which has resulted in the restructuring of Saginaw Schools to better prepare our students for the future. The mission statement of the strategic plan reads as follows:

The School District of the City of Saginaw, in partnership with parents, students, businesses and the community, are committed to and responsible for ensuring:

- 1. the highest level of academic achievement and career planning for all students,*
- 2. the highest performing organizational structure at all levels, and*
- 3. a safe and effective learning environment for all students*

We fundamentally believe that:

- 1. Every student is unique, valuable and capable of learning.*
- 2. Every student graduates from high school understanding that learning is life-long in order to compete and contribute successfully in a global society.*
- 3. The responsibility of education is shared among all members of the community*
- 4. Appreciating the diversity of student's backgrounds, abilities, and interests are integral to the success of each student*
- 5. Every family/parent involved in his or her child's education is an integral part of each student's success.*

To this end, the district is committed to offering the best human and professional development programs for all employees. The District accepts responsibility for maintaining a service orientation, open communication among all segments of the community, and a high level of fiscal management.

At the heart of the strategic plan are the student outcomes that are designed to help see district graduates become: academic achievers who are self-directed learners; complex thinkers; effective communicators; individual and group problem solvers; strong interpersonal relaters; collaborative workers; creative quality producers; and community contributors. Student achievement continues to be the district's primary goal. Because of sound fiscal management practices, the district has been able to continue its strong emphasis on basic skills while promoting programs that prepare the students for a rapidly changing society. The district has made a major commitment to upgrading instructional materials, equipping facilities, and introducing technology into the schools in order to provide the best possible learning environment for students.

The district's aging buildings continue to undergo preventative maintenance to keep them compatible with the educational program. Window improvements, relighting, new boilers, insulated roof replacements, and energy management programs have helped the district minimize increased energy costs over the years. In the fall of 2004 citizens of the school district approved a \$70,000,000 bond proposal to upgrade the district's facilities. The bonds were to be sold in three series. The first series, for \$22,300,000, was sold in 2004. Renovations were completed at three elementary schools, and construction of a new elementary school was completed. The second series, for \$28,160,000 was sold in June of 2006 and were used to construct a new middle school. The third series for \$19,540,000 was sold in June of 2008 and was used to renovate an elementary and K-8 school and a grade 6-12 school for gifted and talented students. The district currently operates sixteen sites. Although we have completed some capital improvements and built two new facilities recently with

bond funds, most of our structures are older. The District continues to upgrade and maintain buildings and components of the buildings including technology infrastructure and security. An evaluation of the District's infrastructure has been completed. A schedule of necessary maintenance projects will be completed in the near future. More specific information pertaining to our facilities is located in the statistical section of this report.

The day-to-day operation of the district is led by an administrative team that has a strong commitment to quality programs and services, improved student learning, and adherence to sound fiscal management practices.

INTERNAL ACCOUNTING CONTROLS

Management of the school district is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the school district 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 structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1. the cost of 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.

As a recipient of federal, state, and county financial assistance, the school district also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those problems. This internal control structure is subject to periodic evaluation by management and the internal accounting staff of the school district. As a part of the school district's single audit, tests have been made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the school district has complied with applicable laws and regulations.

BUDGETING CONTROLS

The school district uses a site-based budgeting process to effectively allocate resources and obtain the maximum benefit for each dollar spent. Under this process, each school receives an annual allocation based upon student counts. Schools and departments must justify expenditures within their allocation. All expenditures must support and encourage increased student achievement, maintain the integrity of the school or department's Quality Plan, and focus on the goals and measures of the District's Strategic Plan. Individual buildings are allowed to make site-based decisions in planning the use of their resources in meeting their Quality Plan goals. This process has enabled the district to successfully address today's educational challenges while making the best use of each dollar available.

Budgets are approved annually for the following funds: general fund, food service fund, debt service fund, and the capital projects fund. The Executive Director of Financial Services has the authority to approve transfers within function codes. Changes across function codes require Board approval. There are usually two budget revisions that take place to obtain this approval throughout the fiscal year.

The district's budgetary controls and system of internal accounting was designed to adequately safeguard assets and provide reasonable assurances of proper recording of financial transactions. We believe that these objectives have been achieved. The report has been audited by Yeo & Yeo - P.C., independent auditors whose opinion is included as part of this report. Their opinion is unmodified. Annual financial reporting to the State of Michigan follows accounting requirements as stated in the State Accounting Manual. These requirements are consistent with generally accepted accounting principles in the United States of America.

AWARDS

The financial reporting program of the district has earned the Association of School Business Officials "Certificate of Excellence in Financial Reporting" for the fiscal years ended June 30, 1987 through

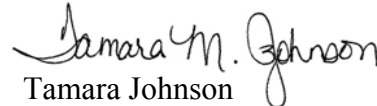
June 30, 2016. This is an achievement that is of great pride to the district's administrative team and a tribute to the support of the Board in adopting high standards of excellence in our financial reporting. Publication of this report completes the financial reporting process for the 2016-17 fiscal year.

ACKNOWLEDGMENTS

We want to thank the community for its continued support of the School District of the City of Saginaw. Over the years, the community has demonstrated its commitment to the school district and its students by providing the means necessary to offer quality educational programs and services.

We also thank the members of the Board of Education for continued guidance and support throughout this past year and commend the personnel from the Finance Division and the administrative staff for their continued efforts in managing the district's fiscal resources. Copies of this report are available for public distribution upon request to the Finance Office.

Sincerely,



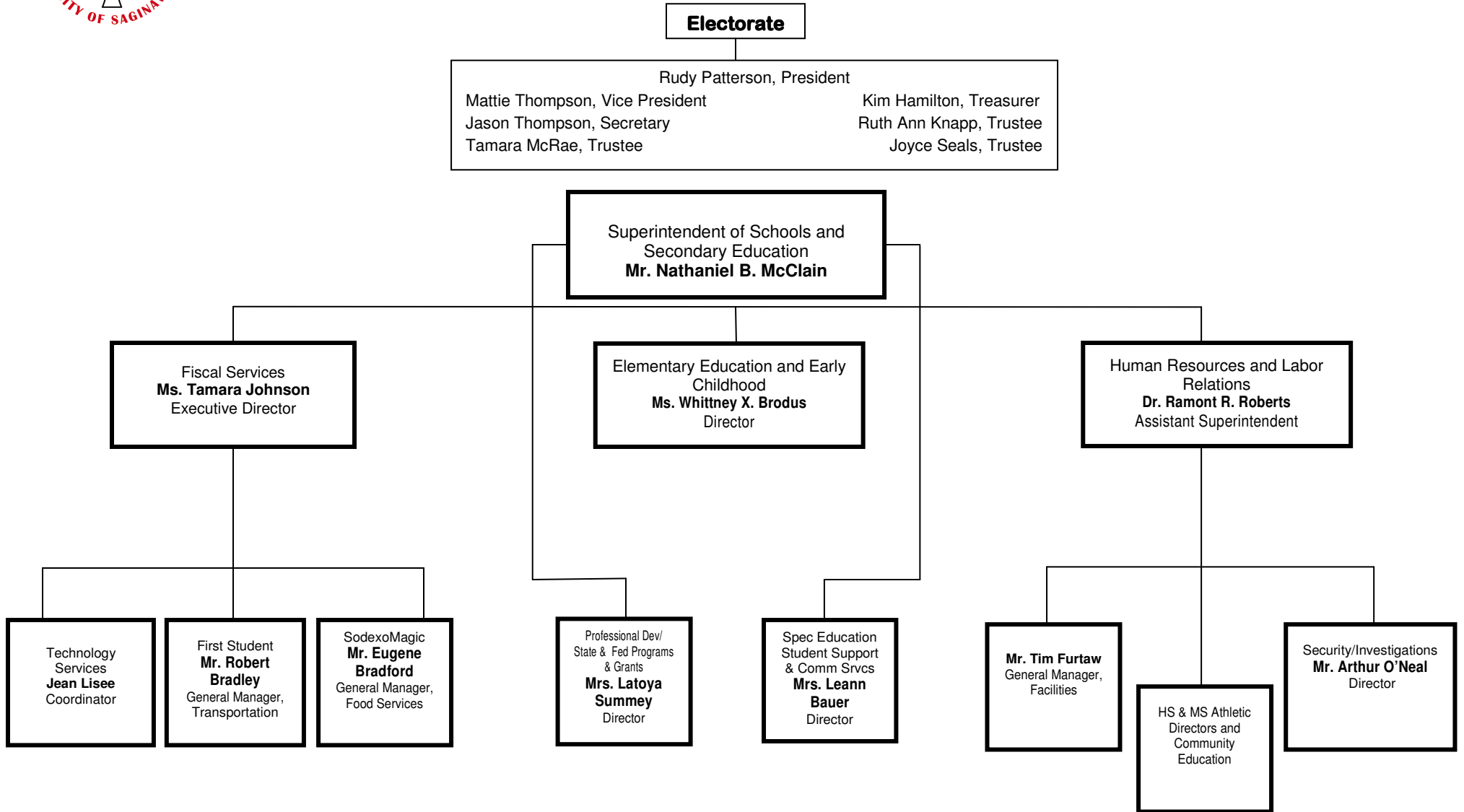
Tamara Johnson
Executive Director of Fiscal Services



2016-2017 School District of the City of Saginaw

ADMINISTRATIVE ORGANIZATIONAL CHART -- OPERATION AND MANAGEMENT SYSTEM

550 Millard Street Saginaw, Michigan 48607 Phone: (989) 399-6500 www.spsd.net





**The Certificate of Excellence in Financial Reporting
is presented to**

School District of the City of Saginaw

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE
Executive Director

This page intentionally left blank

FINANCIAL SECTION





800.968.0010 | yeoandyeo.com

Independent Auditors' Report

To Management and the Board of Education
School District of the City of Saginaw
Saginaw, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of the City of Saginaw, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District of the City of Saginaw as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Adoption of New Accounting Standards

As described in Note 1 to the financial statements, during the year ended June 30, 2017, the School District adopted GASB Statement No. 77, *Tax Abatement Disclosures*. Our opinions are not modified with respect to this matter.

Other Matters:

Required Supplementary Information

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

Other Supplementary Information

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

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

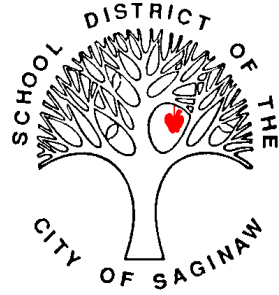
The Introductory Section and Statistical Section, which are the responsibility of management, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2017 on our consideration of the School District of the City of Saginaw's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School District of the City of Saginaw's internal control over financial reporting and compliance.

Yeo & Yeo, P.C.

Saginaw, Michigan
December 20, 2017



MANAGEMENT DISCUSSION and ANALYSIS

School District of the City of Saginaw
Management Discussion and Analysis
Year Ended June 30, 2017

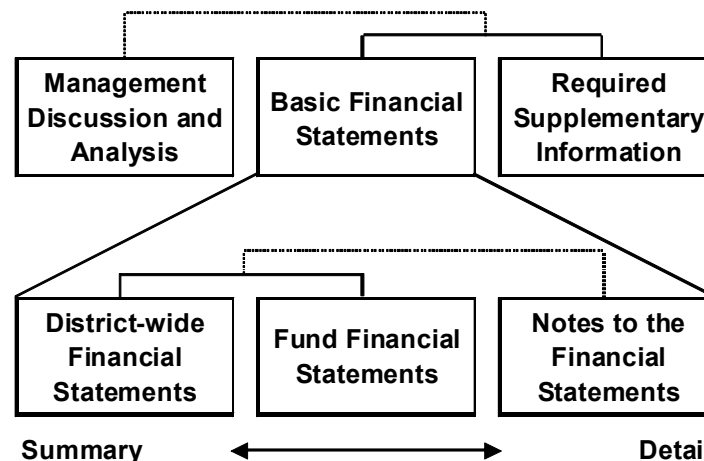
The discussion and analysis of the School District of the City of Saginaw’s financial performance provides an overall review of the School District’s financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to provide, in layman’s terms, a look at the district’s performance and past and current position. Readers should also review the notes to the financial statements, and financial statements to enhance their understanding of the district’s financial performance.

This reporting model was adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management Discussion and Analysis (MD&A) – for State and Local Governments issued in June of 2000.

Overview of the Financial Statements

This annual report consists of three parts: management discussion and analysis (this section), the basic financial statements, and required supplementary information. The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the district’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
School District of the City of Saginaw
Organization of Annual Financial Report



The basic financial statements include two kinds of statements that present different views of the district.

District-wide Financial Statements

The district-wide financial statements are full accrual basis statements and provide information about the district’s *overall* financial status. They are used to help determine whether or not the District is better off or worse off as the result of the year’s activities. The *Statement of Net position* reports all of the district’s assets and liabilities, both short-term and long-term, regardless if they are “currently available” or not. Capital assets and long-term obligations of the district are reported in this statement. All of the current year’s revenues and expenditures are accounted for in the *Statement of Activities* regardless of when cash is received or paid.

School District of the City of Saginaw

Management Discussion and Analysis

Year Ended June 30, 2017

The two district-wide statements report the district's *net position* and how they have changed. Net position – the difference between the district's assets and liabilities – is one way to measure the district's financial health or position.

- Over time, increases or decreases in the district's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, you need to consider additional non-financial factors such as changes in the district's property tax base, the quality of the education provided, and the condition of District's buildings.

In the district-wide statements, the district's activities are classified as governmental activities. This includes most of the District's basic services, such as regular and special education, food service, athletics, transportation, and administration. Property taxes and state aid finance most of these services.

Fund Financial Statements

The fund financial statements focus on individual parts of the district, reporting the district's operations in more detail than the district-wide statements. The fund level statements are reported on a *modified accrual basis*. Only those assets that are "*measurable*" and "*currently available*" are reported. Liabilities are recognized to the extent they are normally expected to be paid with current financial resources.

The fund statements are formatted to comply with the legal requirements of the Michigan Department of Education's "Accounting Manual." In the State of Michigan, the district's major instructional and instructional support activities are reported in the *General Fund*. Additional activities are reported in their relevant funds including: *Special Revenue Funds for Food Service*, *Debt Service Funds*, *Capital Project Funds*, and *Fiduciary Funds*.

In the fund financial statements, capital asset purchases are reported as expenditures in the year of acquisition. No asset is reported. The issuance of debt is recorded as a financial resource. The current year's payments of principal and interest on long-term obligations are recorded as expenditures. Future year's debt obligations are not recorded.

Financial Analysis of the District as a Whole

The net position of the district at June 30, 2017 amounted to a deficit of \$59.6 million. Figure A-2 shows a condensed breakdown of the net position.

The largest portions of the District's net position reflect investment in capital assets (e.g., land, buildings and improvements, and furniture and equipment), less any related debt used to acquire those assets that is still outstanding, and the net position relative to the bond issues. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves would not be used to liquidate these liabilities. The remaining net position (deficit) represent resources that are subject to external restrictions on how they may be used.

School District of the City of Saginaw
Management Discussion and Analysis
Year Ended June 30, 2017

Figure A-2
Condensed Statement of Net Position
(in millions)

	June 30, 2017	June 30, 2016	Change
Current assets	\$ 32.2	\$ 34.2	\$ (2.0)
Noncurrent assets	62.5	63.9	(1.4)
Total assets	<u>94.7</u>	<u>98.1</u>	<u>(3.4)</u>
Deferred outflows	12.5	9.2	3.3
Current liabilities	19.2	24.7	(5.5)
Noncurrent liabilities	136.9	135.1	1.8
Total liabilities	<u>156.1</u>	<u>159.8</u>	<u>(3.7)</u>
Deferred inflows	10.7	13.1	(2.4)
Net position			
Net investment			
in capital assets	10.5	10.8	(0.3)
Restricted	1.1	0.2	0.9
Unrestricted	(71.2)	(76.6)	5.4
Total net position	<u>\$ (59.6)</u>	<u>\$ (65.6)</u>	<u>\$ 6.0</u>

The net position of the District increased by \$6.0 million in the current year due to a decrease of \$6.0 million in total liabilities and deferred outflows.

Figure A-3
Condensed Statement of Activities
(in millions)

	June 30, 2017	June 30, 2016	Difference
Revenues			
Program revenues			
Charges for services	\$ 0.5	\$ 0.5	\$ (0.0)
Operating grants/contri	30.1	34.0	(3.9)
General revenues			
Property taxes	10.4	10.3	0.1
State formula aid	38.3	39.0	(0.7)
Other	0.4	0.2	0.2
Total revenues	<u>79.7</u>	<u>84.0</u>	<u>(4.3)</u>
Expenses			
Instruction	40.5	43.7	(3.2)
Support services	25.7	24.6	1.1
Community services	0.5	0.4	0.1
Food services	4.6	4.8	(0.2)
Interest on long-term debt	2.4	2.0	0.4
Total expenses	<u>73.7</u>	<u>75.5</u>	<u>(1.8)</u>
Change in net position	6.0	8.5	(2.5)
Net position - July 1	(65.6)	(74.1)	8.5
Net position - June 30	<u>\$ (59.6)</u>	<u>\$ (65.6)</u>	<u>\$ 6.0</u>

School District of the City of Saginaw

Management Discussion and Analysis

Year Ended June 30, 2017

Figure A-3 shows the breakdown of this change. The Statement of Activities presented later in the district-wide financial statements, provides greater detail on the District's annual activity. The total cost of the District's governmental activities for the year was \$73.7 million. Those activities are primarily funded by grants and contributions which totaled \$30.1 million and \$38.3 million of state aid was also used to fund programs. Direct services charges to the users of activities totaled \$0.5 million. The remaining "public benefit" portion was paid for with other funding sources include property taxes of \$10.4 million and other sources of \$0.4 million.

A substantial portion (48%) of the District's revenues are received from state formula aid. This means that the financial stability of the District rests primarily with the economic health of the State of Michigan.

55% of the District's resources are spent on instruction and 35% are spent on pupil support services.

Financial Analysis of the District's Funds

The financial performance of the district as a whole is reflected in its governmental funds as well. The combined governmental funds equity increased by \$3.33 million during the 2016-17 fiscal year. The primary reasons for the increase in fund balance are:

Factors Increasing Fund Equity

- ◆ *Revenue* – Tax revenue came in higher than budgeted for the 2016-17 fiscal year. There also was an unexpected payment made from the ISD for the Medicaid Outreach program.
- ◆ *Arthur Eddy Bond* – The Arthur Eddy bond was paid off during the 2015-16 school year; therefore, this was an expense that did not need to be considered for the 2016-17 school year.

- ◆ *Employee Benefit Plans* – Benefit plans for some employees were restructured to provide premium decreases while the district continues to evaluate benefit programs on a continuous basis.
- ◆ *Staffing* – There were many vacancies at different periods throughout the 2016-17 school year. These vacancies occurred in both ancillary and instructional positions. Although this is not an ideal situation academically, it does result in lower costs for the District.
- ◆ *Unemployment costs* – This year the District changed the timing of the unemployment payment. No payment for unemployment was made in the 2016-17 fiscal year. This payment will now be paid as it is billed, rather than when the expenditure is incurred.
- ◆ *Food Service* – There was a substantial increase in equity in the food service fund for the 2016-17 fiscal year. The fund increased by \$0.8 million.

Factors Decreasing Fund Equity

- ◆ *State aid funding* - The State of Michigan continues to experience severe economic constraints. State funding for school districts has not kept pace with inflation.
- ◆ *Enrollment* – The district's blended count for state aid funding purposes decreased by 295 FTEs, continuing a downward trend over the past ten years.
- ◆ *State aid loan* – In order to meet cash flow needs the district had to borrow \$7.0 million during the 2016-17 fiscal year.

General Fund Highlights

The Uniform Budget Act of the State of Michigan requires that the local Board of Education approve the original budget for the upcoming

School District of the City of Saginaw
Management Discussion and Analysis
Year Ended June 30, 2017

fiscal year prior to July 1, the start of the fiscal year. As a matter of practice, the District amends its budget periodically during the school year. These revisions are made in order to deal with unexpected changes in revenues and expenditures. The following analysis describes the reasons for the difference in the budgeted expenditure and actual results during the year. Amounts are expressed to the nearest million.

Revenues – There was an \$8.1 million General Fund budget to actual variance during this fiscal year. Much of this was due to the method used to budget the federal revenues. Other factors include:

- ◆ The *local source* revenues came in \$0.1 million higher than budgeted due to local property taxes coming in higher than expected.
- ◆ The *state source* revenues were \$2.0 million less than budgeted primarily due to deferring At Risk funds and funds not used in the GSRP grant which does not end until September 30th.
- ◆ The *federal source* revenues were \$6.4 million less than budgeted. This was due to the budgeting of the entire grant which would not have been received by the end of the fiscal year for grants such as Title I and Title II part A.

Expenditures – Actual expenditures were under budget by \$10.7 million in the total General Fund. The significant changes by functional category are as follows:

- ◆ The *instruction* budget was under budget by \$5.8 million due to inability to staff positions, payout for retirees less than anticipated and the method of budgeting used for the federal funds.
- ◆ The *supporting services* expenditures were under budget by \$4.6 million. This is primarily due to the budgeting of the Instructional Staff Category area which, again, ties to the budgeting method of

the grant funds. There were some vacancies that could not be filled that account for the differences in other areas such as pupil services and staff services.

- ◆ The *community services* category is under budget by \$0.3 million due to the budgetary method for grant funds.

The other financing uses expenditures were close to the budgeted amounts and mainly consist of transfers to cover other funds including the transfers out to the debt service fund.

Major Fund Highlights

The 2017 Refunding Bond Debt Service Fund is presented as a major fund in the financial statements. The District continues to spend the bond proceeds on projects deemed necessary to improve facilities. The proceeds are spent in accordance with the original bond issuance.

On May 2, 2017, the School District issued general obligation bonds of \$15,735,000 (par value) with an interest rate of 4.00% to 5.00% to advance refund term bonds with an interest rate of 4.00% to 5.00% and a par value of \$17,230,000. The term bonds mature on May 1, 2038.

**School District of the City of Saginaw
Management Discussion and Analysis
Year Ended June 30, 2017**

Capital Asset and Debt Administration

Capital Assets – By the end of 2017, the district had invested \$108.8 million (before depreciation) in a broad range of capital assets, including land, buildings and improvements, and other vehicles, and furniture and equipment. This amount represents an increase from last year. This increase is primarily due to reroofing projects during the year. More detailed information about capital assets can be found in the Notes to the financial statements.

The District's capital projects funds are used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring major equipment necessary for providing educational programs for all students within the District.

The District had no significant construction in progress related to school building renovations and new construction at the end of the 2016-17 fiscal year.

The District's capital assets at year end are outlined in statement of net position and described in the notes to basic financial statements.

Building Fund Series III - This fund is used to account for the proceeds of the third series of bonds issued as part of the \$70,000,000 in bonds approved by the District's voters. The proceeds were used to construct a new middle school and provide security enhancements at two high schools and other various projects within the scope of the bond.

Debt Administration – On August 3, 2004 the taxpayers of the District approved a \$70,000,000 bond for improvement of the District's facilities. The bonds were issued in three series.

- ◆ The first series was issued in October of 2004 for \$22,130,000.
- ◆ In December 2014, the 2004 series was defeased by refunding bonds. This should result in an economic gain to the

taxpayers of \$1.6 million over the remaining life of the bond through 2034.

- ◆ The second series was issued in June of 2006 for \$28,160,000. The bonds mature in 2036.
- ◆ In June of 2008, the third series were issued for \$19,540,000. The bonds mature in 2038. All three series are paid for through an annual debt service tax levy.

More detailed information about the district's long-term debt is presented in the notes to the financial statements.

The district currently holds a Standard & Poor's "BBB" rating on its bonded debt.

Under State statute, the District is legally restricted from incurring long-term bonded debt in excess of 15% of the assessed value of taxable property within the school district. At June 30, 2017 the District's net bonded debt of \$53.1 million was well below the legal limit of approximately \$100 million.

Other Considerations

The District conforms to the pronouncements of GASB (Governmental Accounting Standards Board) which apply to all state and local governmental entities. The Governmental Accounting Standards Board ("The GASB") has issued Statement No. 77, Tax Abatement Disclosures. Statement No. 77 requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for the fiscal year ending June 30, 2017.

School District of the City of Saginaw
Management Discussion and Analysis
Year Ended June 30, 2017

Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined OPEB plans, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee services. It also requires additional note disclosures and required supplementary information. Statement No. 75 is effective for the fiscal year ending June 30, 2018.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Statement No. 81 is effective for the fiscal year ending June 30, 2018.

Statement No. 83, *Certain Asset Retirement Obligations* establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The requirements of this Statement are effective for the fiscal year ending June 30, 2019.

Statement No. 84, *Fiduciary Activities* improves the guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The focus of the criteria includes the following: (1) is the government controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The four fiduciary funds that should be reported, if applicable are: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally will report fiduciary activities that are not held in a trust

or similar arrangement that meets specific criteria. The requirements of this Statement are effective for the fiscal year ending June 30, 2020.

Statement No. 85, *Omnibus 2017* addresses practice issues that were identified during implementation and application of certain GASB Statements. This statement covers issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits), which is effective for the fiscal year ending June 30, 2018.

Statement No. 86, *Certain Debt Extinguishment Issues* is to improve consistency in accounting and financial reporting for in-substance defeasance of debt. The statement provides uniform guidance for derecognizing debt that is defeased in substance, regardless of how cash and other monetary assets placed in an irremovable trust for the purpose of extinguishing that debt were acquired. The effective date is for the fiscal year ending June 30, 2018.

The School District is evaluating the impact that the above GASBs will have on its financial reporting.

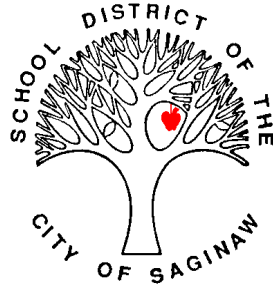
Economic Factors and Next Year's Budget and Rates

One of the most important factors when setting the District's budget is the uncertainty of the State's financial outlook. The state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The blended count for the 2017 fiscal year is 10 percent and 90 percent of the February 2017 and September 2016 student counts, respectively. The 2017-18 budget was adopted in June 2017, based on an estimate of students that will be enrolled in September 2017 and February 2018. Once the final student count and related per pupil funding is validated, state law requires the District to amend the budget if actual District resources are not sufficient to fund original appropriations. Any reduction could result in further budget cuts.

School District of the City of Saginaw
Management Discussion and Analysis
Year Ended June 30, 2017

Requests for Information

This financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Executive Director of Financial Services, School District of the City of Saginaw, 550 Millard Street, Saginaw, Michigan, 48607-1193, (989) 399-6521.



BASIC FINANCIAL STATEMENTS

School District of the City of Saginaw
Statement of Net Position
June 30, 2017

	Governmental Activities
Assets and Deferred Outflows of Resources	
Current Assets	
Cash	\$ 19,848,842
Accounts receivable	61,395
Due from other governmental units	12,206,322
Inventory	57,187
Total Current Assets	32,173,746
Non-Current Assets	
Capital assets not being depreciated	
Land	5,607,492
Capital assets - net of accumulated depreciation	
Buildings and additions	97,479,969
Equipment and furniture	4,621,506
Buses and other vehicles	1,069,085
Less: accumulated depreciation	(46,294,200)
Total Non-Current Assets	62,483,852
Total Assets	94,657,598
Deferred Outflows of Resources	
Deferred amount relating to net pension liability	11,747,607
Deferred amount on refunding	732,669
Total Deferred Outflows of Resources	12,480,276
Total Assets and Deferred Outflows of Resources	107,137,874

See Accompanying Notes to the Financial Statements

School District of the City of Saginaw
Statement of Net Position
June 30, 2017

	Governmental Activities
Liabilities and Deferred Inflows of Resources	
Current Liabilities	
Accounts payable	\$ 2,918,550
Due to other governmental units	1,908,290
State aid anticipation note	7,084,000
Accrued payroll and related liabilities	4,940,988
Unearned revenue	813,572
Current portion of debt	1,160,000
Accrued interest	372,000
Total Current Liabilities	19,197,400
 Non-Current Liabilities	
Compensated absences	704,739
Debt due in more than one year	51,876,859
Net pension liability	84,239,093
Total Non-Current Liabilities	136,820,691
Total Liabilities	156,018,091
 Deferred Inflows of Resources	
Deferred amount relating to net pension liability	10,728,520
 Net Position	
Net investment in capital assets	10,483,502
Restricted for:	
Food service	1,091,660
Unrestricted:	
Unrestricted (deficit)	(71,183,899)
Total Net Position	\$ (59,608,737)

See Accompanying Notes to the Financial Statements

School District of the City of Saginaw
Statement of Activities
Year Ended June 30, 2017

Functions/Programs	Program Revenues			Governmental	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Activities Net (Expense) Revenue and Changes in Net Position
Governmental Activities					
Instruction	\$ 40,532,324	\$ 154,409	\$ 17,514,878	\$ -	\$ (22,863,037)
Supporting services	25,747,116	31,080	7,121,307	-	(18,594,729)
Community services	518,870	173,344	174,197	-	(171,329)
Food services	4,572,746	100,408	5,294,196	-	821,858
Interest and other charges	2,351,777	-	-	-	(2,351,777)
Total Governmental activities	\$ 73,722,833	\$ 459,241	\$ 30,104,578	-	(43,159,014)
General Revenues					
					6,867,241
					3,566,147
					38,313,236
					5,956
					349,647
					49,102,227
					5,943,213
					(65,551,950)
					\$ (59,608,737)

See Accompanying Notes to the Financial Statements

School District of the City of Saginaw
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Major	Nonmajor	Total Governmental Funds
		Debt Service Fund	Other Governmental Funds	
		2017 Refunding Bond Fund		
Assets				
Cash	\$ 17,714,820	\$ -	\$ 2,134,022	\$ 19,848,842
Accounts receivable	58,154	-	3,241	61,395
Due from other governmental units	11,946,101	-	260,221	12,206,322
Inventory	57,187	-	-	57,187
Total assets	<u>\$ 29,776,262</u>	<u>\$ -</u>	<u>\$ 2,397,484</u>	<u>\$ 32,173,746</u>
Liabilities				
Accounts payable	\$ 2,098,472	\$ -	\$ 763,078	\$ 2,861,550
State aid anticipation note	7,084,000	-	-	7,084,000
Due to other governmental units	1,908,290	-	-	1,908,290
Accrued payroll and related liabilities	4,940,988	-	-	4,940,988
Unearned revenue	813,572	-	-	813,572
Total liabilities	<u>16,845,322</u>	<u>-</u>	<u>763,078</u>	<u>17,608,400</u>

See Accompanying Notes to the Financial Statements

School District of the City of Saginaw
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Major	Nonmajor	Total Governmental Funds
		Debt Service Fund	Other Governmental Funds	
		2017 Refunding Bond Fund		
Fund Balance				
Non-spendable				
Inventory	\$ 57,187	\$ -	\$ -	\$ 57,187
Restricted				
Food service	-	-	1,169,401	1,169,401
Debt service	-	-	161,165	161,165
Capital projects	-	-	303,840	303,840
Unassigned	12,873,753	-	-	12,873,753
Total fund balance	<u>12,930,940</u>	<u>-</u>	<u>1,634,406</u>	<u>14,565,346</u>
Total liabilities and fund balance	<u>\$ 29,776,262</u>	<u>\$ -</u>	<u>\$ 2,397,484</u>	<u>\$ 32,173,746</u>

See Accompanying Notes to the Financial Statements

School District of the City of Saginaw
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position
June 30, 2017

Total Fund Balances - Governmental Funds		\$ 14,565,346
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Land	\$ 5,607,492	
Buildings and improvements	97,479,969	
Furniture and other equipment	4,621,506	
Buses and other vehicles	1,069,085	
Less: accumulated depreciation	<u>(46,294,200)</u>	62,483,852
Deferred outflows (inflows) of resources		
Deferred outflows of resources resulting from debt refunding	732,669	
Deferred outflows of resources resulting from net pension liability	11,747,607	
Deferred inflows of resources resulting from net pension liability	<u>(10,728,520)</u>	1,751,756
Certain liabilities are not due and payable in the current period and are not reported in the funds		
Unemployment		(57,000)
Interest on long-term debt		(372,000)
Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities		
Bonds payable	(47,610,000)	
Bond premium	(5,525,904)	
Bond discount	99,045	
Compensated absences	(704,739)	
Net pension liability	<u>(84,239,093)</u>	<u>(137,980,691)</u>
Total Net Position - Governmental Activities		\$ <u>(59,608,737)</u>

See Accompanying Notes to the Financial Statements

School District of the City of Saginaw
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2017

	General Fund	Major	Nonmajor	Total Governmental Funds
		Debt Service Fund	Other Governmental Funds	
		2017 Refunding Bond Fund		
Revenues				
Local sources	\$ 7,631,507	\$ 1,183,760	\$ 2,504,035	\$ 11,319,302
Intermediate sources	613,634	-	-	613,634
State sources	50,125,449	-	187,913	50,313,362
Federal sources	12,313,465	-	5,106,283	17,419,748
Total revenues	<u>70,684,055</u>	<u>1,183,760</u>	<u>7,798,231</u>	<u>79,666,046</u>
Expenditures				
Current:				
Instruction	40,054,733	-	-	40,054,733
Supporting services	26,379,757	-	-	26,379,757
Community services	537,251	-	-	537,251
Food services	-	-	4,562,704	4,562,704
Capital outlay	-	-	946,018	946,018
Debt services				
Principal	-	340,000	1,025,000	1,365,000
Interest	-	843,260	1,644,846	2,488,106
Bond issuance cost	-	164,549	-	164,549
Bank fees	-	500	1,150	1,650
Total expenditures	<u>66,971,741</u>	<u>1,348,309</u>	<u>8,179,718</u>	<u>76,499,768</u>
Excess (deficiency) of revenues over expenditures	<u>3,712,314</u>	<u>(164,549)</u>	<u>(381,487)</u>	<u>3,166,278</u>
Other financing sources (uses)				
Face value of debt issued	-	15,735,000	-	15,735,000
Payments to escrow agent	-	(17,506,987)	-	(17,506,987)
Premium on debt issued	-	1,936,536	-	1,936,536
Total other financing sources (uses)	<u>-</u>	<u>164,549</u>	<u>-</u>	<u>164,549</u>
Net change in fund balance	3,712,314	-	(381,487)	3,330,827
Fund balance - July 1	9,218,626	-	2,015,893	11,234,519
Fund balance - June 30	<u>\$ 12,930,940</u>	<u>\$ -</u>	<u>\$ 1,634,406</u>	<u>\$ 14,565,346</u>

See Accompanying Notes to the Financial Statements

School District of the City of Saginaw
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2017

Net change in fund balances - total governmental funds	\$ 3,330,827
Total change in net position reported for governmental activities in the statement of activities differs because: Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capitalized capital outlay	412,740
Depreciation	(1,822,956)
Expenses are recorded when incurred in the statement of activities.	
Compensated absences	13,894
Interest	(28,000)
Unemployment	(17,000)
The statement of net position reports the net pension liability and deferred outflows of resources and deferred inflows related to the net pension liability and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.	
Net change between actual pension contributions and the cost of benefits earned net of employee contributions	2,995,000
Net change in the deferrals of resources related to the net pension liability	2,378,471
Net change in net pension liability	(2,850,742)
Bond and note proceeds and capital leases are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are recorded as liabilities and amortized in the statement of activities. When debt refunding occurs, the difference in the carrying value of the refunding debt and the amount applied to the new debt is reported the same as regular debt proceeds or repayments, as a financing source or expenditure in the governmental funds. However, in the statement of net position, debt refunding may result in deferred inflows of resources or deferred outflows of resources, which are then amortized in the statement of activities.	
Proceeds from issuance of debt	(15,735,000)
Premium on issuance of debt	(1,936,536)
Repayments of long-term debt	18,595,000
Change in deferred amount on debt refunding	250,182
Amortization of premium	368,488
Amortization of discount	(11,155)
Change in net position of governmental activities	\$ 5,943,213

See Accompanying Notes to the Financial Statements

School District of the City of Saginaw
Statement of Fiduciary Net Position
June 30, 2017

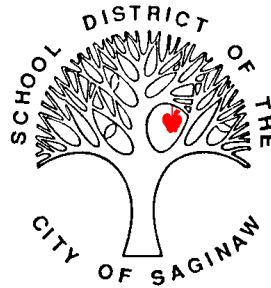
	Private Purpose Trust Funds	Agency Fund
Assets		
Cash	\$ 564,956	\$ 519,258
Investments	1,477,139	-
Loans receivable	22,012	-
	2,064,107	\$ 519,258
Total assets	2,064,107	\$ 519,258
Liabilities		
Accounts payable	-	\$ 21,507
Due to student and other groups	-	497,751
	-	497,751
Total liabilities	-	\$ 519,258
Net position		
Assets held for scholarships and loans	\$ 2,064,107	

See Accompanying Notes to the Financial Statements

School District of the City of Saginaw
Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds
Year Ended June 30, 2017

	<u>Private Purpose Trust Funds</u>
Additions	
Local sources	<u>\$ 42,642</u>
Deductions	
Scholarships and awards	<u>29,642</u>
Change in net position	13,000
Net position - July 1	<u>2,051,107</u>
Net position - June 30	<u><u>\$ 2,064,107</u></u>

This page intentionally left blank



NOTES TO THE FINANCIAL STATEMENTS

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

NOTE 1 - Summary of Significant Accounting Policies

The accounting policies of the School District of the City of Saginaw (School District) conform to accounting principles generally accepted in the United States of America as applicable to Governmental units. The following is a summary of the School District's significant accounting policies:

Reporting Entity

The School District is governed by an elected seven-member Board of Education. The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various Governmental organizations to be included in the reporting entity. These criteria include significant operational financial relationships that determine which of the Governmental organizations are a part of the School District's reporting entity, and which organizations are legally separate component units of the School District. The School District has no component units.

District-wide Financial Statements

The School District's basic financial statements include both district-wide (reporting for the district as a whole) and fund financial statements (reporting the School District's major funds). The district-wide financial statements categorize all nonfiduciary activities as either Governmental or business type. All of the School District's activities are classified as Governmental activities.

The statement of net position presents Governmental activities on a consolidated basis, using the economic resources measurement focus and accrual basis of accounting. This method recognizes all long-term assets and receivables as well as long-term debt and obligations. The School District's net position is reported in three parts (1) net investment in capital assets, (2) restricted net position, and (3) unrestricted net position. The School District first utilizes restricted resources to finance qualifying activities.

The statement of activities reports both the gross and net cost of each of the School District's functions. The functions are also supported by general District revenues (property taxes and certain intergovernmental revenues). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function and include charges for those programs and operating grants.

The net costs (by function) are normally covered by general revenue (property taxes, state sources and federal sources, interest income, etc.). The School District does not allocate indirect costs. In creating the district-wide financial statements the School District has eliminated interfund transactions.

The district-wide focus is on the sustainability of the School District as an entity and the change in the School District's net position resulting from current year activities.

Fund Financial Statements

Separate financial statements are provided for Governmental funds and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Major individual Governmental funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

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

Property taxes, unrestricted state aid, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the School District.

Fiduciary fund statements also are reported using the economic resources measurement focus and the accrual basis of accounting.

The School District reports the following major governmental funds:

General Fund – The General Fund is used to record the general operations of the School District pertaining to education and those operations not required to be provided for in other funds.

General fund expenditures are classified in accordance with the latest edition of the Accounting Manual for Michigan School Districts, issued by the Michigan Department of Education, as follows:

Instruction includes the activities dealing directly with the teaching of pupils or the interaction between pupils and teachers. Teaching may be provided through some other approved medium, such as television, telephone, radio, and correspondence. Included here are the activities of aides, assistants of any type, and supplies and materials which assist directly in the instructional process.

Supporting services are those services which provide administrative, technical (such as guidance and health), and logistical support to facilitate and enhance instruction and, to a lesser degree, community services. Supporting services exist as adjuncts for the fulfillment of the objectives of instruction, rather than as entities within themselves.

Community services consist of those activities that are not directly relatable to providing education for pupils in a school system. These include services provided by the school system for the community as a whole or some segment of the community, such as community recreation programs, programs of custody and care of children, civic activities, and community welfare activities.

Other transactions consist of conduit-type (outgoing transfers) payments to other school districts or administrative units in the state or in another state not identified in the above classifications. Interfund transfers consist of transfers from one fund to another fund within the School District.

Debt Service Funds – The 2017 Refunding Bond Debt Service Fund is used to record tax and interest revenue and the payment of interest, principal, and other expenditures on long-term debt by bond and note issues.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

The school district reports the following funds as non-major governmental funds:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes. They are used to segregate the transaction of particular activities from regular revenue and expenditure accounts. The School District maintains full control of these Funds. The special revenue fund maintained by the School District, as mandated by the State of Michigan, is the Food Service fund.

Capital Project Funds are used to account for the acquisition of capital assets of major capital projects not being financed by propriety or nonexpendable trust funds. Building Fund Series 3 consists of those activities that are directly relatable to expenditures of the Series 3 Bonds and the related capital costs for construction.

Debt Service Funds are used to record tax and interest revenue and the payment of interest, principal, and other expenditures on long-term debt by bond and note issues.

The following debt service funds were used during the year:

2014 Refunding Bond Fund
2016 Refunding Bond Fund

Fiduciary Funds are used to account for assets held by the School District in a trustee capacity or as an agent. The fiduciary fund types used by the School District are the Private Purpose Trust Funds, and Agency Funds.

Private Purpose Trust Funds are used to account for funds entrusted to the School District and the funds may only be used for specific purposes. They are accounted for in essentially the same manner as the governmental fund types, using similar measurement focus and basis of accounting. The School District maintains the Scholarship Fund. The Scholarship Fund is used to account for funds entrusted to the School District for scholarship loans and awards when the principal and interest of the trust may be spent, and for the receipt of investment earnings transferred from the Scholarship Endowment Fund for payment of scholarship loans and awards. The Scholarship Fund contains three separate private purpose trust funds which include the General Scholarship Fund, the Saginaw High School Alumni Memorial Scholarship Fund, and the Treanor Trust.

Agency Funds are used to account for assets held by the School District as an agent, are custodial in nature (assets equal liabilities), and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. The School District maintains pooled accounts, but maintains agency funds which are used to account for the transactions of student clubs and organizations, and other groups.

Assets, Liabilities and Net Position or Equity

Outstanding amounts owed between funds are classified as “due from/to other funds”. These amounts are caused by transferring revenues and expenses between funds to get them into the proper reporting fund. These balances are paid back as cash flow permits.

Property tax receivables are shown net of an allowance for uncollectible amounts. The School District considers all accounts receivable to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

Property taxes collected are based upon the approved tax rate for the year of levy. For the fiscal year ended June 30, 2017, the rates are as follows per \$1,000 of assessed value.

General Fund	
Non-principal residence exemption	18.0000
Commercial personal property	6.0000
Debt Service Fund	5.3000

School property taxes are assessed and collected in accordance with enabling state legislation by cities and townships within the School District's boundaries. Approximately 69% of the School District's tax roll lies within the City of Saginaw.

The property tax levy runs from July 1 to June 30. Property taxes become a lien on the first day of the levy year and are due on or before September 14 or February 14. Collections are forwarded to the School District as collected by the assessing municipalities. Real property taxes uncollected as of March 1 are purchased by the County of Saginaw and remitted to the School District by May 15.

Due From/To Other Governmental Units – Consists of amounts due to and from federal, state and local governmental units.

Investments – Investments are stated at fair value. Certificates of deposit are stated at cost which approximates fair value.

Inventories – Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. General Fund inventory consists of various instructional and custodial supplies, furniture, and gasoline.

Capital Assets – Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their acquisition value at the date of donation. The School District defines capital assets as assets with an initial individual cost in excess of \$5,000. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. The School District does not have infrastructure assets. Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Buildings and additions	15-50 years
Equipment and furniture	5-20 years
Buses and other vehicles	7-15 years

Deferred Outflows of Resources – A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period.

For district-wide financial statements, the School District reports deferred outflows of resources as a result of pension earnings. This amount is the result of a difference between what the plan expected to earn from plan investments and what is actually earned. This amount will be amortized over the next four years and included in pension expense. Changes in assumptions relating to the net pension liability are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan. The School District also reported deferred outflows of resources for pension contributions made after the measurement date. This amount will reduce the net pension liability in the following year. The School District also reports deferred amounts on refunding on the district-wide statements. The amounts represent the difference between the reacquisition price and the net carrying amount of the prior debt.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

Compensated Absences – Sick days are earned by most employees at the rate of one day per month. Unlimited unused sick days may be accumulated by an employee. Retiring employees who meet certain age and years of service requirements are paid for accumulated sick days to a maximum number of days and at a rate determined by their job category. There is no contractual provision for payment of unused vacation.

The liability for compensated absences reported in the District-wide financial statements consists of unpaid, accumulated sick leave balances. The liability has been calculated using the termination method, in which leave amounts for employees who currently are eligible to receive termination payments are included. The amount reported is salary related and includes no fringe benefits, since the amount of said benefits would be immaterial.

Long-term Obligations – In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the 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 during the current period.

In the School District's fund financial statements, the face amount of the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses.

Pension – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Michigan Public School Employees Retirement System (MPERS) and additions to/deductions from MPERS fiduciary net position have been determined on the same basis as they are reported

by MPERS. 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.

Deferred Inflows of Resources – A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period. For governmental funds this includes unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

For district-wide financial statements, the School District reports deferred inflows of resources as a result of pension earnings. This amount is the result of a difference between what the plan expected to earn from the plan investments and what the plan actually earned. This amount will be amortized over the next four years and included in pension expense. Changes in assumptions relating to the net pension liability are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan. Deferred inflows of resources also includes revenue received relating to the amounts included in the deferred outflows for payments related to MPERS Unfunded Actuarial Accrued Liabilities (UAAL) Stabilization defined benefit pension statutorily required contributions.

Fund Balance – Restrictions of fund balance are created to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures. Specific restrictions of the fund balance accounts are summarized below.

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

Inventory - Created to indicate the portion of fund balance represented by inventories is not available for appropriation and expenditure.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

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

Restricted for food service - Created to restrict the use of all resources received for the payment on the school district's food service program.

Restricted for debt service - Created to restrict the use of all resources received for the payment on the school district's long-term debt.

Restricted for capital projects - Created to restrict the use of all resources received by the Capital Projects Funds. This money is earmarked for major capital purchases.

Committed – amounts that have been formally set aside by the Board of Education for specific purposes. A fund balance commitment may be established modified, or rescinded by a resolution of the Board of Education.

Assigned – amounts intended to be used for specific purposes, as determined by the Board of Education. Residual amounts in governmental funds other than the general fund are automatically assigned by their nature.

Unassigned – all other resources; the remaining fund balances after non-spendable, restrictions, commitments and assignments.

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

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

Other

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

Economic Dependency - The school district received approximately 70% of their General Fund revenue from the Michigan Department of Education. Due to the significance of this revenue source, the school district is considered to be economically dependent of the Michigan Department of Education.

Concentrations - Substantially all of the school district's employees work under collective bargaining agreements. Substantially all of the contracts agreements expired prior to yearend. Currently, the school district is preparing to negotiate those contacts.

Eliminations and Reclassifications

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

Adoption of New Accounting Standards

Statement No. 77, *Tax Abatement Disclosures* requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for the fiscal year ending June 30, 2017.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

Upcoming Accounting and Reporting Changes

Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined OPEB plans, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee services. It also requires additional note disclosures and required supplementary information. Statement No. 75 is effective for the fiscal year ending June 30, 2018.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Statement No. 81 is effective for the fiscal year ending June 30, 2018.

Statement No. 83, *Certain Asset Retirement Obligations* establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The requirements of this Statement are effective for the fiscal year ending June 30, 2019.

Statement No. 84, *Fiduciary Activities* improves the guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The focus of the criteria includes the following: (1) is the government controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The four fiduciary funds that should be reported, if applicable are: (1) pension (and other employee benefit) trust funds, (2) investment trust funds,

(3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally will report fiduciary activities that are not held in a trust or similar arrangement that meets specific criteria. The requirements of this Statement are effective for the fiscal year ending June 30, 2020.

Statement No. 85, *Omnibus 2017* addresses practice issues that were identified during implementation and application of certain GASB Statements. This statement covers issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits), which is effective for the fiscal year ending June 30, 2018.

Statement No. 86, *Certain Debt Extinguishment Issues* is to improve consistency in accounting and financial reporting for in-substance defeasance of debt. The statement provides uniform guidance for derecognizing debt that is defeased in substance, regardless of how cash and other monetary assets placed in an irremovable trust for the purpose of extinguishing that debt were acquired. The effective date is for the fiscal year ending June 30, 2018.

The School District is evaluating the impact that the above GASBs will have on its financial reporting.

NOTE 2 - Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and state law for the General and Special Revenue Funds. All annual appropriations lapse at fiscal year end, thereby cancel all encumbrances. These appropriations are reestablished at the beginning of the year.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body is the function level. State law requires the School District to have its budget in place by July 1. A district is not considered in violation of the law if reasonable procedures are in use by the School District to detect violations.

Budgeted amounts are as originally adopted or as amended by the Board of Education throughout the year. Individual amendments were not material in relation to the original appropriations.

Excess of Expenditures over Appropriations

During the year, the School District incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated, as follows:

<u>Function</u>	<u>Final Budget</u>	<u>Amount of Expenditures</u>	<u>Budget Variances</u>
Food Service Fund	4,510,579	4,562,704	52,125

District-Wide Deficits

The School District has an unrestricted net position deficit for District-Wide activities in the amount of \$71,183,899 as of June 30, 2017. There are no other governmental funds with a deficit.

Compliance – Bond Proceeds

The Capital Projects Funds include capital project activities funded with bonds issued after May 1, 1994. The following is a summary of the revenue and expenditures in the Building Fund Series I, Building Fund Series II, and Building Fund Series III from the inception of the funds through the current fiscal year:

	<u>Building Fund Series III</u>
Revenues	\$ 25,412,624
Expenditures	<u>25,108,784</u>
	<u>\$ 303,840</u>

NOTE 3 - Deposits and Investments

The School District's deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>	<u>Total Primary Government</u>
Cash	\$ 19,848,842	\$ 1,084,214	\$ 20,933,056
Investment	<u>-</u>	<u>1,477,139</u>	<u>1,477,139</u>
	<u>\$ 19,848,842</u>	<u>\$ 2,561,353</u>	<u>\$ 22,410,195</u>

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

The breakdown between deposits and investments for the School District is as follows:

Deposits (checking, savings accounts, money markets, certificates of deposit)	\$22,296,768
Investments	106,253
Petty cash and cash on hand	<u>7,175</u>
Total	<u>\$22,410,196</u>

As of yearend, the School District had the following investments:

Investment	Fair Value
Equity Mutual Funds	\$ 65,899
Fixed Income Mutual Funds	<u>40,354</u>
	<u>\$ 106,253</u>

Interest rate risk – The School District does not have a formal investment policy to manage its exposure to fair value losses arising from changes in interest rates.

Credit risk – State statutes authorize the School District to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have an office in Michigan; the School District is allowed to invest in U.S. Treasury or Agency obligations, U.S. District repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The School District has no investment policy that would further limit its investment choices.

Concentration of credit risk – The School District has no policy that would limit the amount that may be invested with any one issuer.

Custodial credit risk – deposits – In the case of deposits, this is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk. As of year end, \$22,350,842 of the School District's bank balance of \$22,855,672 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial credit risk – investments – For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of year end, none of the district's investments were exposed to custodial credit risk.

Certain investments were donated to the School District to be used to generate income to award scholarships to worthy students. Individual scholarship provisions specify how the investments and related income may be used.

Certain endowments and funds raised for scholarships are directly deposited with the Saginaw Community Foundation and the school district has no rights to the principal investments.

NOTE 4 - Fair Value Measurements

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

The School District has the following recurring fair value measurements as of June 30, 2017:

- Equity and fixed income securities of \$106,253 are valued using quoted market prices (Level 1 inputs)

NOTE 5 - Due From Other Governmental Units

Due from other governmental units consists of the following:

Federal grants	\$ 3,009,030
State aid	8,563,164
Other	<u>634,128</u>
	<u>\$ 12,206,322</u>

All balances are deemed current and will be received in the following year.

NOTE 6 - Capital Assets

A summary of the changes in governmental capital assets is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 5,607,492	\$ -	\$ -	\$ 5,607,492
Capital assets being depreciated				
Buildings and additions	97,085,304	394,665	-	97,479,969
Equipment and furniture	4,610,331	11,175	-	4,621,506
Buses and other vehicles	<u>1,062,185</u>	<u>6,900</u>	<u>-</u>	<u>1,069,085</u>
Total capital assets being depreciated	<u>102,757,820</u>	<u>412,740</u>	<u>-</u>	<u>103,170,560</u>
Less accumulated depreciation for				
Buildings and additions	39,897,297	1,722,529	-	41,619,826
Equipment and furniture	3,572,449	96,446	-	3,668,895
Buses and other vehicles	<u>1,001,498</u>	<u>3,981</u>	<u>-</u>	<u>1,005,479</u>
Total accumulated depreciation	<u>44,471,244</u>	<u>1,822,956</u>	<u>-</u>	<u>46,294,200</u>
Net capital assets being depreciated	<u>58,286,576</u>	<u>(1,410,216)</u>	<u>-</u>	<u>56,876,360</u>
Net capital assets	<u>\$ 63,894,068</u>	<u>\$ (1,410,216)</u>	<u>\$ -</u>	<u>\$ 62,483,852</u>

Depreciation expense was charged to activities of the School District as follows:

Governmental activities	
Depreciation expense	
Instruction	\$ 1,586,691
Support services	224,504
Community services	1,719
Food services	<u>10,042</u>
Total governmental activities	<u>\$ 1,822,956</u>

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

Construction Contracts

As of year end, the School District did not have any significant construction contracts in progress.

NOTE 7 - Unearned Revenue

Governmental funds also report unearned revenue in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the components of unearned revenue are as follows:

	<u>Unearned</u>
Grant payments received prior to meeting all eligibility requirements	
At-Risk	\$ 522,249
Trig	187,491
Other	103,832
Total	\$ 813,572

NOTE 8 - State Aid Anticipation Note

The School District issues state aid anticipation notes in advance of state aid collections, depositing the proceeds in the General Fund. These notes are necessary because the School District receives state aid from October through the following August for its fiscal year ending June 30th.

Short-term debt activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Proceeds</u>	<u>Repayments</u>	<u>Ending Balance</u>
State aid anticipation note	\$ 12,156,700	\$ 7,084,000	\$ 12,156,700	\$ 7,084,000

NOTE 9 - Long-Term Debt

The School District issues bonds, notes, and other contractual commitments to provide for the acquisition and construction of major capital facilities and the acquisition of certain equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the School District. Other long-term obligations include compensated absences, claims and judgments, termination benefits, compensated absences and certain risk liabilities.

Long-term obligation activity is summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due Within One Year</u>
General obligation bonds	\$ 50,470,000	\$ 15,735,000	\$ 18,595,000	\$ 47,610,000	\$ 1,160,000
Bond premium	3,957,856	1,936,536	368,488	5,525,904	-
Bond discount	(110,200)	-	(11,155)	(99,045)	-
Compensated absences	718,633	150,913	164,807	704,739	-
Total	\$ 55,036,289	\$ 17,822,449	\$ 19,117,140	\$ 53,741,598	\$ 1,160,000

General obligation bonds payable at year end, consist of the following:

\$14,525,000 Series 2014 refunding bond due in annual installments of \$450,000 to \$1,200,000 through May 1, 2034, interest at 3.70% to 5.00%	\$ 13,525,000
\$18,865,000 Series 2016 refunding bond due in annual installments of \$515,000 to \$1,395,000 through May 1, 2036, interest at 4.00% to 5.00%	18,350,000
\$15,735,000 Series 2017 refunding bond due in annual installments of \$310,000 to \$2,120,000 through May 1, 2038, interest at 4.00% to 5.00%	<u>15,735,000</u>
Total general obligation bonded debt	\$ 47,610,000

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

Future principal and interest requirements for general obligation bonded debt are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 1,160,000	\$ 2,290,611	\$ 3,450,611
2019	1,530,000	2,246,368	3,776,368
2020	1,595,000	2,179,619	3,774,619
2021	1,665,000	2,110,018	3,775,018
2022	1,750,000	2,030,119	3,780,119
2023 - 2027	10,155,000	8,747,593	18,902,593
2028 - 2032	12,860,000	6,035,813	18,895,813
2033 - 2037	14,775,000	2,630,501	17,405,501
2038	2,120,000	106,000	2,226,000
Total	<u>\$ 47,610,000</u>	<u>\$ 28,376,642</u>	<u>\$ 75,986,642</u>

The general obligation bonds are liquidated from the Debt Service Funds. As of year end, these funds had \$161,165 of available fund balance remaining to pay this debt. Future debt and interest will be payable from future tax levies.

The total interest expenditure paid during the fiscal year was \$2,488,106.

Compensated Absences

Accrued compensated absences at year end consist of \$704,739 of accrued and earned sick time benefits. The entire amount is considered long-term as the amount expended each year is expected to be offset by sick time earned for the year.

Advance Refunding

On May 2, 2017, the School District issued general obligation bonds of \$15,735,000 (par value) with an interest rate of 4.00% to 5.00% to advance refund term bonds with an interest rate of 4.00% to 5.00% and a par value of \$17,230,000. The term bonds mature on May 1, 2038. The general obligation bonds were issued at a premium and after paying issuance costs of \$164,549, the net proceeds were \$17,506,987. The net proceeds from the issuance of the general obligation bonds were deposited with an escrow agent to provide debt service payments until the term bonds mature. The advance refunding met the requirements of an in-substance debt defeasance and the term bonds were removed from the School District's financial statements.

As a result of the advance refunding, the School District reduced its total debt service requirements by \$1,678,540, which resulted in an economic gain of \$1,179,036.

Deferred Amount on Refunding

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$276,987. This amount is reported in the accompanying statement of net position as a deferred outflow of resources and is being charged to activities through fiscal year 2038. Activity in the current year is presented below:

	Beginning Balance	Additions	Reductions	Ending Balance
Deferred amount on refunding	<u>\$ 482,487</u>	<u>\$ 276,987</u>	<u>\$ 26,805</u>	<u>\$ 732,669</u>

Defeased Debt

In prior years, the School District has defeased various bonds issued by creating separate irrevocable trust funds. New debt has been issued and the net proceeds of each refunding were placed in separate special escrow accounts and invested in securities of the U.S.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

Government and its agencies. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the refunded bonds are considered to be defeased. Accordingly, the trust account assets and liability for the defeased bonds are not included in the School District's financial statements.

As of year end, the amount of defeased debt outstanding but removed from the School District's financial statements is as follows:

2004 Issue Refunded	\$ 14,025,000
The final payment date is May 1, 2034	
2008 Issue Refunded	\$ 16,875,000
The final payment date is May 1, 2018	

NOTE 10 - Risk Management

The School District participates in a Municipal Risk Retention Pool Program through the Middle Cities Risk Management Trust. This program provides substantially all the insurance needs of the School District, including property, general liability, automobile and umbrella. The contributions made by the School District fund the program at rates predicated on expected losses, excess insurance premium contribution and administration costs, including appropriate state assessment. The possibility of additional claims exists but the amount of liability to the School District would be immaterial by the time the aggregate stop-loss coverage is triggered. There also is a possibility of a refund due the School District. Therefore, neither contingent liabilities nor assets have been recognized on the School District's financial statements. For each of the past three years, there have been no changes to the coverage and there have been no insurance settlements which exceed insurance coverage.

The School District is subject to the Michigan Employment Security Act and has elected to pay unemployment claims on a direct self-insured basis. Under this method, the School District must reimburse the Employment Commission for all benefits charged against the School District. The school district's General Fund reported \$40,000 of unemployment compensation expense for the year ended June 30, 2016. In addition, \$57,000 has been accrued in the district-wide financial statements for known claims incurred from January to June, 2017, and is payable in fiscal year 2017-18.

Amounts received or receivable from grantor agencies are subjected to audit and adjustment by grantor agencies, principally the federal District. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time although the School District expects such amounts, if any, to be immaterial. A separate report on federal compliance has been issued for the period ended June 30, 2017.

NOTE 11 - Pension Plans and Post-Employment Benefits

Plan Description

The Michigan Public School Employees' Retirement System (MPERS) is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (State), originally created under Public Act 136 of 1945, recodified, and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the board's authority to promulgate or amend the provisions of the System. The board consists of twelve members - eleven appointed by the Governor and the State Superintendent of Instruction, who serves as an ex-officio member.

The System is administered by the Office of Retirement Services (ORS) within the Michigan Department of Technology, Management & Budget. The Department Director appoints the Office Director, with

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

whom the general oversight of the System resides. The State Treasurer serves as the investment officer and custodian for the System.

The System's financial statements are available at www.michigan.gov/mpsers-cafr.

Benefits Provided

Benefit provisions of the defined benefit pension plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan. Depending on the plan option selected, member retirement benefits for DB plan members are determined by final average compensation and years of service, and a pension factor ranging from 1.25 percent to 1.50 percent. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members.

A DB member or Pension Plus plan member who leaves Michigan public school employment may request a refund of his or her member contributions to the retirement system account. A refund cancels a former member's rights to future benefits. However, returning members who previously received a refund of their contributions may reinstate their service through repayment of the refund upon satisfaction of certain requirements.

Contributions and Funding Status

Employers are required by Public Act 300 of 1980, as amended, to contribute amounts necessary to finance the coverage of active and retired members. Contribution provisions are specified by State statute and may be amended only by action of the State Legislature.

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each

individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2016 valuation will be amortized over a 20 year period for the plan's 2016 fiscal year. The schedule below summarizes pension contribution rates in effect for fiscal year 2016.

Pension Contribution Rates		
<u>Benefit Structure</u>	<u>Member</u>	<u>Employer</u>
Basic	0.0 - 4.0%	18.95%
Member Investment Plan	3.0 - 7.0	18.95%
Pension Plus	3.0 - 6.4	17.73%
Defined Contribution	0.0	14.56%

Required contributions to the pension plan from the School District were \$7,581,942 for the year ending September 30, 2016.

Net Pension Liability

June 30, 2017, the School District reported a liability of \$84,239,093 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 30, 2015. The School District's proportionate share of the net pension liability was based on statutorily required contributions in relation to all employers' statutorily required contributions for the measurement period. At September 30, 2016, the School District's proportionate share percent was 0.3376 percent, which was an increase of 0.0044 percent since the prior measurement date.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

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

For the year ended June 30, 2017, the School District recognized total pension expense of \$5,423,748. The School District's actual contributions for the years ended June 30, 2017, 2016, and 2015 and were approximately \$5,500,000, \$5,600,000, and \$5,300,000, respectively.

At June 30, 2017, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,049,842	\$ (199,649)
Changes in assumptions	1,317,012	-
Net difference between projected and actual earnings on pension plan investments	1,400,053	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,042,727	(7,923,382)
Employer contributions subsequent to the measurement date	6,937,973	(2,605,489)
	\$ 11,747,607	\$ (10,728,520)

\$6,937,973 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. \$2,605,489 reported as

deferred inflows of resources relating to pensions resulting from employer contributions subsequent to the measurement date are 147c revenues received that will be recognized in the year ended June 30, 2018 when the related payments reduce the net pension liability. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan Year Ending September 30	Amount:
2017	\$ (1,941,913)
2018	(2,052,061)
2019	221,985
2020	458,592
Total	\$ (3,313,397)

Actuarial 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 actuarial 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.

Additional information as of the latest actuarial valuation follows:

Summary of Actuarial Assumptions:

- Valuation Date: September 30, 2015
- Actuarial Cost Method: Entry Age, Normal
- Wage inflation rate: 3.5%
- Investment Rate of returns:
 - MIP and Basic Plans (Non-Hybrid): 8.0%

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

- Pension Plus Plan (Hybrid): 7.0%
- Projected Salary Increases: 3.5-12.3%, including wage inflation at 3.5%
- Cost-of-Living Pension Adjustments: 3% Annual Non-Compounded for MIP Members
- Healthcare Cost Trend Rate: 7.5% Year 1 graded to 3.5% Year 12
- Mortality: RP-2000 Combined Healthy Life Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA (for men, 140% of the table rates for ages 0-79, 133% of the table rates for ages 80-84, and 121.8% of the table rates for ages over 84 were used and for women, 96% of the table rates were used).

Assumption changes as a result of an experience study for the periods 2007 through 2012 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2014 valuation. The total pension liability as of September 30, 2016, is based on the results of an actuarial valuation date of September 30, 2015, and rolled forward using generally accepted actuarial procedures, including the experience study. The recognition period for liabilities is the average of the expected remaining service lives of all employees in years: (4.6273 for non-university employers). The recognition period for assets in years is 5.0000. Full actuarial assumptions are available in the 2016 MPSERS Comprehensive Annual Financial Report (CAFR) (www.michigan.gov/mpsers-cafr).

Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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. Best estimates of arithmetic real rates of return for

each major asset class included in the pension plan's target asset allocation as of September 30, 2016, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return*
Domestic Equity Pools	28.0 %	5.9
Alternative Investment Pools	18.0	9.2
International Equity	16.0	7.2
Fixed Income Pools	10.5	0.9
Real Estate and Infrastructure Pools	10.0	4.3
Absolute Return Pools	15.5	6.0
Short Term Investment Pools	2.0	0.0
	100.0%	

*Long term rate of return does not include 2.1% inflation

Discount Rate

A discount rate of 8.0% was used to measure the total pension liability (7.0% for the Pension Plus plan, a hybrid plan). This discount rate was based on the long-term expected rate of return on pension plan investments of 8.0% (7.0% for the Pension Plus plan). The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially-determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School District's proportionate share of the net pension liability, calculated using a discount rate of 8.0% (7.0% for the Hybrid Plan), as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease (Non-Hybrid/Hybrid)* 7.0% / 6.0%	Current Single Discount Rate Assumption (Non-Hybrid/Hybrid)* 8.0% / 7.0%	1% Increase (Non-Hybrid/Hybrid)* 9.0% / 8.0%
<u>\$ 108,478,749</u>	<u>\$ 84,239,093</u>	<u>\$ 63,802,733</u>

*Non-university employers, the Basic plan and the Member Investment Plan (MIP) are non-hybrid plans. Pension Plus is a hybrid plan, with a defined benefit (pension) component and a defined contribution (DC) component.

Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued MPERS CAFR. See the 2016 MPERS CAFR (www.michigan.gov/mpers-cafr).

Payables to the Pension Plan

There were no significant payables to the pension plan that are not ordinary accruals to the district.

Post-Employment Benefits

In addition to the pension benefits described above, state law requires the School District to provide post-employment healthcare benefits for eligible retirees and beneficiaries through the Michigan Public School Employees Retirement System (MPERS).

The 2012 Retirement Reform included changes to retiree healthcare benefits. New employees hired after the effective date who elect this benefit are enrolled in the defined contribution Personal Healthcare Fund. This establishes a portable tax-deferred account in which the participant contributes up to 2% of their salary, and receives up to a 2% employer match. These funds can be used to pay for healthcare expenses in retirement.

Employees working prior to the enactment of the 2012 Retirement Reform have two options: (a) the Personal Healthcare Fund, or (b) the defined benefit Premium Subsidy benefit.

Employees electing the defined benefit Premium Subsidy benefit contribute 3% of their compensation, and the employer contributes an actuarially determined percent of payroll for all participants. Upon retirement members receive a premium subsidy towards health, dental and vision insurance. The subsidy is a percent of the premium cost, with the percentage varying based on several factors.

For the periods July 1, 2016 through September 30, 2016, and October 1, 2016 through June 30, 2017, the employer contribution rate ranged from 6.40% to 6.83% and 5.69% to 5.91%, respectively.

The School District's actual contributions match the required contributions for the years ended June 30, 2017, 2016, and 2015 and were approximately \$1,779,812, \$1,627,079, and \$1,856,525, respectively.

Unfunded Accrued Liability

During the year ending June 30, 2017, the School District had contributions in the amount of \$3,575,040 to the MPERS. This amount represents the additional employer contributions attributed to the unfunded accrued actuarial liability (UAAL) rate, which was approximately 11.7% for the year ending June 30, 2017.

School District of the City of Saginaw
Notes to the Financial Statements
June 30, 2017

NOTE 12 - Contingent Liabilities

Amounts received or receivable from grantor agencies are subjected to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time although the School District expects such amounts, if any, to be immaterial. A separate report on federal compliance has been issued for the year ended June 30, 2017.

performance the past few years, the District no longer needs to borrow against its state aid and did not participate in the fiscal year 2018 borrowing.

NOTE 13 - Tax Abatements

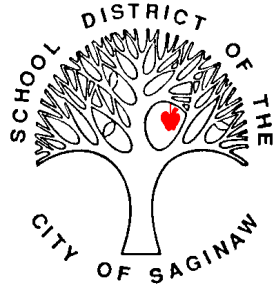
The School District receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions and Brownfield Redevelopment Agreements granted by the City of Saginaw. Industrial facility exemptions are intended to promote construction of new industrial facilities, or to rehabilitate historical facilities; Brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties

For the fiscal year ended June 30, 2017, the School District's property tax revenues were reduced by \$294,159 under these programs.

There are no significant abatements made by the School District.

NOTE 14 - Subsequent Event

The District was required to repay the remaining balance and accrued interest on the State Aid Anticipation Note on August 21, 2017. Due to a bank error, the wire transfer was not processed until after the close of business on the due date, but was made that day. The Michigan Department of Treasury considered the payment late even after being provided all the facts including correspondence from the bank admitting that it was their error, and issued a default notice on September 13, 2017. Fortunately, due to the District's financial



**REQUIRED
SUPPLEMENTARY
INFORMATION**

School District of the City of Saginaw
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
Revenue from local sources				
General property taxes	\$ 6,500,000	\$ 6,500,000	\$ 6,663,908	\$ 163,908
Penalties and interest on delinquent taxes	30,000	30,000	203,333	173,333
Transportation	25,000	25,000	31,080	6,080
Earnings on investments	7,500	7,500	5,956	(1,544)
Athletic event revenue	82,500	82,500	80,336	(2,164)
Community service fees	97,500	97,500	93,008	(4,492)
Rental income	200,000	200,000	154,409	(45,591)
Grants	-	120,838	71,070	(49,768)
Miscellaneous	89,700	423,400	328,407	(94,993)
Total local sources	<u>7,032,200</u>	<u>7,486,738</u>	<u>7,631,507</u>	<u>144,769</u>
Revenue from state sources				
Grants - unrestricted				
State school aid	37,995,544	38,958,074	38,313,236	(644,838)
Grants - restricted				
At Risk	3,255,488	3,570,330	3,163,910	(406,420)
Unfunded actuarial accrued liability	3,978,463	3,978,463	3,978,463	-
Special education headlee obligation	1,409,734	1,409,734	1,409,734	-
Great start readiness program	2,566,477	2,784,548	2,206,147	(578,401)
Adult education	168,925	168,925	148,967	(19,958)
Technology reediness	251,697	251,697	133,619	(118,078)
Vocational education	111,067	111,067	111,067	-
Renaissance zones	90,612	90,612	90,612	-
Other state revenue	792,029	829,408	569,694	(259,714)
Total state sources	<u>50,620,036</u>	<u>52,152,858</u>	<u>50,125,449</u>	<u>(2,027,409)</u>

School District of the City of Saginaw
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
Revenue from federal sources				
Grants restricted				
Title I cluster	\$ 9,587,733	\$ 11,786,376	\$ 8,015,717	\$ (3,770,659)
Title II part A cluster	3,588,946	3,588,946	1,466,625	(2,122,321)
Special education - IDEA cluster	1,819,665	1,819,665	1,693,374	(126,291)
Safe schools healthy students	879,448	879,448	610,084	(269,364)
Carl Perkins	462,988	462,988	450,329	(12,659)
Other federal revenues	187,381	192,568	77,336	(115,232)
Total federal sources	<u>16,526,161</u>	<u>18,729,991</u>	<u>12,313,465</u>	<u>(6,416,526)</u>
Revenue from intermediate sources				
Special education	<u>376,249</u>	<u>381,628</u>	<u>613,634</u>	<u>232,006</u>
Total revenues	<u>74,554,646</u>	<u>78,751,215</u>	<u>70,684,055</u>	<u>(8,067,160)</u>

**School District of the City of Saginaw
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2017**

	Budgeted Amounts		Actual	(Over) Under Final Budget
	Original	Final		
Instruction				
Basic programs				
Elementary	\$ 13,672,492	\$ 13,898,620	\$ 13,336,956	\$ 561,664
Middle school	3,221,414	3,262,911	3,021,542	241,369
Senior high school	6,772,811	6,772,673	6,444,816	327,857
Other basic programs	3,566,327	3,511,433	2,801,778	709,655
Summer school	1,368,866	1,368,866	674,774	694,092
Total basic programs	<u>28,601,910</u>	<u>28,814,503</u>	<u>26,279,866</u>	<u>2,534,637</u>
Added needs				
Special education	6,000,046	6,797,801	6,176,617	621,184
Compensatory education	8,280,738	8,280,738	5,711,871	2,568,867
Vocational education	1,515,619	1,919,717	1,835,792	83,925
Total added needs	<u>15,796,403</u>	<u>16,998,256</u>	<u>13,724,280</u>	<u>3,273,976</u>
Continuing education - basic				
Basic	55,681	57,218	47,432	9,786
Secondary	4,391	4,391	3,155	1,236
Total continuing education - basic	<u>60,072</u>	<u>61,609</u>	<u>50,587</u>	<u>11,022</u>
Total instruction	<u>44,458,385</u>	<u>45,874,368</u>	<u>40,054,733</u>	<u>5,819,635</u>

School District of the City of Saginaw
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual	(Over) Under Final Budget
	Original	Final		
Supporting services				
Pupil services				
Truancy	\$ 887,521	\$ 738,680	\$ 590,246	\$ 148,434
Guidance services	1,245,711	1,147,641	1,042,161	105,480
Health services	148,531	207,571	171,558	36,013
Psychological services	239,783	243,108	246,872	(3,764)
Speech pathology audiology	572,958	662,308	621,168	41,140
Social work services	998,790	819,999	700,081	119,918
Teacher consultant	137,562	137,562	93,227	44,335
Other pupil services	368,538	382,857	378,833	4,024
Total pupil services	<u>4,599,394</u>	<u>4,339,726</u>	<u>3,844,146</u>	<u>495,580</u>
Instructional staff				
Improvement of instruction	4,328,126	4,823,994	2,633,892	2,190,102
Library	165,817	179,227	157,732	21,495
Audio visual	30,047	16,826	15,450	1,376
Technology assisted instruction	420,544	435,572	217,770	217,802
Supervision direction	485,104	1,660,705	1,174,312	486,393
Academic student assessment	130,447	145,198	38,983	106,215
Other instructional staff	1,500	1,500	199	1,301
Total instructional staff	<u>5,561,585</u>	<u>7,263,022</u>	<u>4,238,338</u>	<u>3,024,684</u>
General administration				
Board of education	330,233	608,500	533,067	75,433
Executive administration	347,542	347,542	336,628	10,914
Total general administration	<u>677,775</u>	<u>956,042</u>	<u>869,695</u>	<u>86,347</u>
School administration				
Office of the principal	<u>3,836,923</u>	<u>3,565,367</u>	<u>3,453,597</u>	<u>111,770</u>

**School District of the City of Saginaw
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2017**

	Budgeted Amounts		Actual	(Over) Under Final Budget
	Original	Final		
Supporting services (continued)				
Business services				
Fiscal services	\$ 709,311	\$ 757,018	\$ 698,350	\$ 58,668
Internal services	71,095	71,095	62,497	8,598
Other business services	852,223	742,223	721,567	20,656
Total business services	<u>1,632,629</u>	<u>1,570,336</u>	<u>1,482,414</u>	<u>87,922</u>
Building operations				
Operation and maintenance of plant	7,275,229	6,800,621	6,510,310	290,311
Security	456,903	1,059,685	942,257	117,428
Total building operations	<u>7,732,132</u>	<u>7,860,306</u>	<u>7,452,567</u>	<u>407,739</u>
Pupil transportation services	<u>2,863,596</u>	<u>2,942,043</u>	<u>2,836,922</u>	<u>105,121</u>
Central services				
Planning, research, development and evaluation	147,599	142,695	135,993	6,702
Informational services	141,332	143,396	116,203	27,193
Staff services	598,147	704,110	519,840	184,270
Data processing services	681,326	781,476	873,488	(92,012)
Technology services	128,885	128,885	127,275	1,610
Other central services	10	10	8	2
Total central services	<u>1,697,299</u>	<u>1,900,572</u>	<u>1,772,807</u>	<u>127,765</u>
Other supporting services	<u>513,210</u>	<u>588,897</u>	<u>429,271</u>	<u>159,626</u>
Total supporting services	<u>29,114,543</u>	<u>30,986,311</u>	<u>26,379,757</u>	<u>4,606,554</u>

**School District of the City of Saginaw
 Budgetary Comparison Schedule - General Fund
 Year Ended June 30, 2017**

	Budgeted Amounts		Actual	(Over) Under Final Budget
	Original	Final		
Community services				
Direction	\$ 718,797	\$ 143,864	\$ 111,696	\$ 32,168
Activities	-	551,953	401,191	150,762
Non-public school pupils	-	106,438	24,364	82,074
Site improvement services	-	3,412	-	3,412
Total community services	<u>718,797</u>	<u>805,667</u>	<u>537,251</u>	<u>268,416</u>
 Total expenditures	 <u>74,291,725</u>	 <u>77,666,346</u>	 <u>66,971,741</u>	 <u>10,694,605</u>
 Net change in fund balance	 262,921	 1,084,869	 3,712,314	 2,627,445
 Fund balance - July 1	 <u>9,218,626</u>	 <u>9,218,626</u>	 <u>9,218,626</u>	 <u>-</u>
 Fund balance - June 30	 <u>\$ 9,481,547</u>	 <u>\$ 10,303,495</u>	 <u>\$ 12,930,940</u>	 <u>\$ 2,627,445</u>

School District of the City of Saginaw
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years (Measurement Date September 30th)

	June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
A. School District's proportion of net pension liability (%)	0.33764%	0.33320%	0.39104%							
B. School District's proportionate share of net pension liability	\$ 84,239,093	\$ 81,388,351	\$ 86,133,407							
C. School District's covered-employee payroll	\$ 28,574,617	\$ 28,692,229	\$ 33,112,983							
D. School District's proportionate share of net pension liability as a percentage of its covered-employee payroll	294.80%	283.66%	260.12%							
E. Plan fiduciary net position as a percentage of total pension liability	63.27%	63.17%	66.20%							

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

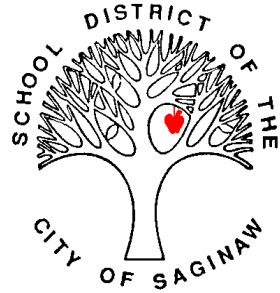
School District of the City of Saginaw
Required Supplementary Information
Schedule of the School District's Contributions
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years

	For the Years Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
A. Statutorily required contributions	\$ 5,537,476	\$ 5,633,322	\$ 6,073,153							
B. Contributions in relation to statutorily required contributions	<u>5,537,476</u>	<u>5,633,322</u>	<u>6,073,153</u>							
C. Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>							
D. School District's covered-employee payroll	\$ 29,221,665	\$ 28,336,074	\$ 28,034,423							
E. Contributions as a percentage of covered-employee payroll	18.9%	19.9%	21.7%							

Notes: Benefit Changes - There were no changes of benefit terms in 2017. Changes in Assumptions - There were no changes of benefit assumptions in 2017.

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

This page intentionally left blank



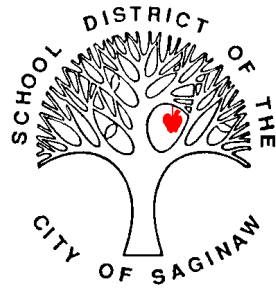
**OTHER
SUPPLEMENTARY
INFORMATION**

School District of the City of Saginaw
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2017

	Special Revenue Fund	Capital Project Fund	Debt Service Funds		Total Nonmajor Governmental Funds
	Food Service Fund	Building Fund Series 3	2014 Refunding Bond Fund	2016 Refunding Bond Fund	
Assets					
Cash	\$ 1,669,017	\$ 303,840	\$ 161,165	\$ -	\$ 2,134,022
Accounts receivable	3,241	-	-	-	3,241
Due from other governments	260,221	-	-	-	260,221
Total assets	<u>\$ 1,932,479</u>	<u>\$ 303,840</u>	<u>\$ 161,165</u>	<u>\$ -</u>	<u>\$ 2,397,484</u>
Liabilities					
Accounts payable	<u>\$ 763,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 763,078</u>
Fund Balance					
Restricted					
Food service	1,169,401	-	-	-	1,169,401
Debt service	-	-	161,165	-	161,165
Capital projects	-	303,840	-	-	303,840
Total fund balance	<u>1,169,401</u>	<u>303,840</u>	<u>161,165</u>	<u>-</u>	<u>1,634,406</u>
Total liabilities, deferred inflows or resources and fund balance	<u>\$ 1,932,479</u>	<u>\$ 303,840</u>	<u>\$ 161,165</u>	<u>\$ -</u>	<u>\$ 2,397,484</u>

School District of the City of Saginaw
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended June 30, 2017

	Special Revenue Fund	Capital Project Fund	Debt Service Funds		Total Nonmajor Governmental Funds
	Food Service Fund	Building Fund Series 3	2014 Refunding Bond Fund	2016 Refunding Bond Fund	
Revenues					
Local sources	\$ 100,408	\$ -	\$ 881,800	\$ 1,521,827	\$ 2,504,035
State sources	187,913	-	-	-	187,913
Federal sources	5,106,283	-	-	-	5,106,283
Total revenues	<u>5,394,604</u>	<u>-</u>	<u>881,800</u>	<u>1,521,827</u>	<u>7,798,231</u>
Expenditures					
Education					
Food services	4,562,704	-	-	-	4,562,704
Capital projects	-	946,018	-	-	946,018
Debt retirement					
Principal	-	-	510,000	515,000	1,025,000
Interest	-	-	638,669	1,006,177	1,644,846
Bank fees	-	-	500	650	1,150
Total expenditures	<u>4,562,704</u>	<u>946,018</u>	<u>1,149,169</u>	<u>1,521,827</u>	<u>8,179,718</u>
Net change in fund balance	831,900	(946,018)	(267,369)	-	(381,487)
Fund balance - July 1	<u>337,501</u>	<u>1,249,858</u>	<u>428,534</u>	<u>-</u>	<u>2,015,893</u>
Fund balance - June 30	<u>\$ 1,169,401</u>	<u>\$ 303,840</u>	<u>\$ 161,165</u>	<u>\$ -</u>	<u>\$ 1,634,406</u>



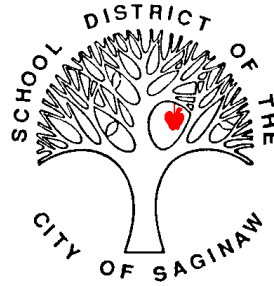
SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes.

Food Service Fund - This fund is used to account for activities related to operation of cafeterias in the district's school buildings, providing nourishing breakfasts, lunches, and snacks to students in all grades.

School District of the City of Saginaw
Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2017

	Food Service Fund		
	Final Budget	Actual Amounts	Variance Positive (Negative)
Revenues			
Local sources	\$ 82,090	\$ 100,408	\$ 18,318
State sources	132,291	187,913	55,622
Federal sources	4,578,750	5,106,283	527,533
Total revenues	<u>4,793,131</u>	<u>5,394,604</u>	<u>601,473</u>
Expenditures			
Salaries	19,938	20,270	(332)
Employee benefits	7,301	6,697	604
Contracted services	1,610,150	1,682,989	(72,839)
Food cost	2,873,190	2,852,748	20,442
Total expenditures	<u>4,510,579</u>	<u>4,562,704</u>	<u>(52,125)</u>
Net change in fund balance	282,552	831,900	549,348
Fund balance - July 1	<u>337,501</u>	<u>337,501</u>	-
Fund balance - June 30	<u>\$ 620,053</u>	<u>\$ 1,169,401</u>	<u>\$ 549,348</u>



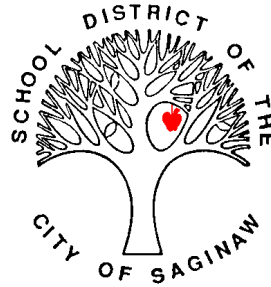
CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Building Fund - Series 3 - This fund is used to account for the proceeds of the third series of bonds issued as part of the \$70,000,000 in bonds approved by the District's voters. The proceeds will be used to construct a new middle school and provide security enhancements at two high schools.

**School District of the City of Saginaw
Capital Project Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2017**

	Nonmajor Fund		
	Building Fund - Series 3		
	Final Budget	Actual Amounts	Variance Positive (Negative)
Revenues			
Local sources			
Earnings on investments	\$ 1,500	\$ -	\$ (1,500)
Expenditures			
Capital outlay			
Building renovations	946,018	946,018	-
Net change in fund balance	(944,518)	(946,018)	(1,500)
Fund balance - beginning of year	1,249,858	1,249,858	-
Fund balance - end of year	<u>\$ 305,340</u>	<u>\$ 303,840</u>	<u>\$ (1,500)</u>



DEBT SERVICE FUNDS

Debt Service Funds are used to record tax and interest revenue and operating transfers in, and the payment of interest, principal and other expenditures on long-term bonded debt by bond issues.

2014 Refunding Bond Fund - This fund is used to account for the payment of principal and interest on bonds issued to renovate elementary school buildings.

2016 Refunding Bond Fund - This fund is used to account for the payment of principal and interest on bonds issued to renovate school buildings and construct one new middle school.

2017 Refunding Bond Fund - This fund is used to account for the payment of principal and interest on bonds issued for construction of Saginaw Arts and Science Academy and Zilwaukee and improvements to Arthur Hill High School and Saginaw High School.

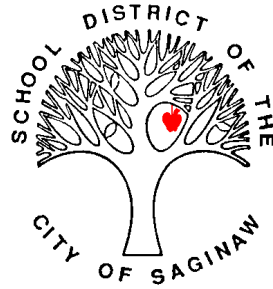
School District of the City of Saginaw
Debt Service Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2017

	<u>Nonmajor Fund</u>			<u>Nonmajor Fund</u>		
	<u>2004 Bond Fund/2014 Refunding Bond Fund</u>			<u>2006 Bond Fund/2016 Refunding Bond Fund</u>		
	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues						
Local sources						
Property Tax	\$ 887,722	\$ 860,560	\$ (27,162)	\$ 1,528,515	\$ 1,521,827	\$ (6,688)
Penalties and Interest	20,000	21,240	1,240	-	-	-
Total local sources	<u>907,722</u>	<u>881,800</u>	<u>(25,922)</u>	<u>1,528,515</u>	<u>1,521,827</u>	<u>(6,688)</u>
 Total revenues	 <u>907,722</u>	 <u>881,800</u>	 <u>(25,922)</u>	 <u>1,528,515</u>	 <u>1,521,827</u>	 <u>(6,688)</u>
Expenditures						
Debt retirement						
Principal	510,000	510,000	-	515,000	515,000	-
Interest	638,669	638,669	-	1,012,515	1,006,177	6,338
Issuance costs	-	-	-	-	-	-
Bank fees	750	500	250	1,000	650	350
Total expenditures	<u>1,149,419</u>	<u>1,149,169</u>	<u>250</u>	<u>1,528,515</u>	<u>1,521,827</u>	<u>6,688</u>
Other financing sources (uses)						
Face value of debt issued	-	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(241,697)	(267,369)	(25,672)	-	-	-
Fund balance - July 1	<u>428,534</u>	<u>428,534</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - June 30	<u>\$ 186,837</u>	<u>\$ 161,165</u>	<u>\$ (25,672)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

School District of the City of Saginaw
Debt Service Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2017

	<u>Major Fund</u>			<u>Total</u>		
	<u>2008 Bond Fund/2017 Refunding Bond Fund</u>					
	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues						
Local sources						
Property Tax	\$ 1,183,763	\$ 1,183,760	\$ (3)	\$ 3,600,000	\$ 3,566,147	\$ (33,853)
Penalties and Interest	-	-	-	20,000	21,240	1,240
Total local sources	<u>1,183,763</u>	<u>1,183,760</u>	<u>(3)</u>	<u>3,620,000</u>	<u>3,587,387</u>	<u>(32,613)</u>
 Total revenues	<u>1,183,763</u>	<u>1,183,760</u>	<u>(3)</u>	<u>3,620,000</u>	<u>3,587,387</u>	<u>(32,613)</u>
Expenditures						
Debt retirement						
Principal	340,000	340,000	-	1,365,000	1,365,000	-
Interest	843,263	843,260	3	2,494,447	2,488,106	(6,341)
Bond issuance cost	164,549	164,549	-	164,549	164,549	-
Bank fees	500	500	-	2,250	1,650	(600)
Total expenditures	<u>1,348,312</u>	<u>1,348,309</u>	<u>(3)</u>	<u>4,026,246</u>	<u>4,019,305</u>	<u>(6,941)</u>
Other financing sources (uses)						
Face value of debt issued	15,735,000	15,735,000	-	15,735,000	15,735,000	-
Payments to escrow agent	(17,506,987)	(17,506,987)	-	(17,506,987)	(17,506,987)	-
Premium on debt issued	1,936,536	1,936,536	-	1,936,536	1,936,536	-
Total other financing sources (uses)	<u>164,549</u>	<u>164,549</u>	<u>-</u>	<u>164,549</u>	<u>164,549</u>	<u>-</u>
 Net change in fund balance	-	-	-	(241,697)	(267,369)	(25,672)
Fund balance - July 1	-	-	-	428,534	428,534	-
Fund balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,837</u>	<u>\$ 161,165</u>	<u>\$ (25,672)</u>



FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the School District in a trustee or agent capacity. The School District presently maintains the following Fiduciary Funds:

Private Purpose Trust Funds - Accounts for funds entrusted to the School District for scholarship loans and awards to worthy students when the principal and interest of the trust may be spent.

Agency Funds - Account for the amounts held by the District as fiscal agent.

School District of the City of Saginaw
Agency Funds
Statement of Changes in Assets and Liabilities
Year Ended June 30, 2017

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2017</u>
Assets				
Cash	\$ 425,619	\$ 540,892	\$ 447,253	\$ 519,258
Liabilities				
Accounts payable	\$ 17,279	\$ 447,253	\$ 443,025	\$ 21,507
Due to student and other groups	408,340	540,892	451,481	497,751
Total liabilities	\$ 425,619	\$ 988,145	\$ 894,506	\$ 519,258

School District of the City of Saginaw
Agency Funds
Schedule of Changes in Due to Student and Other Groups
Year Ended June 30, 2017

	Balance June 30, 2016	Additions	Reductions	Balance June 30, 2017
Student Groups				
Senior High Schools				
Arthur Hill	\$ 66,431	\$ 54,677	\$ 58,998	\$ 62,110
Saginaw	26,015	33,495	27,480	32,030
Middle Schools				
Thompson	5,505	5,380	3,794	7,091
Elementary Schools				
Arthur Eddy	2,736	1,109	877	2,968
Chester Miller	9,874	13,237	10,521	12,590
Handley	49,504	45,634	46,241	48,897
Henry Doerr	204	545	1,679	(930)
Herig	791	20,844	15,976	5,659
Jessie Loomis	4,558	3,965	6,279	2,244
Jessie Rouse	1,871	3,031	3,400	1,502
Kempton	1,607	20,947	19,339	3,215
Merrill Park	9,393	11,944	12,657	8,680
Stone	2,353	11,370	11,198	2,525
Zilwaukee	8,415	8,174	8,236	8,353
Subtotal carried forward	<u>189,257</u>	<u>234,352</u>	<u>226,675</u>	<u>196,934</u>

(Continued)

School District of the City of Saginaw
Agency Funds
Schedule of Changes in Due to Student and Other Groups
Year Ended June 30, 2017

	Balance June 30, 2016	Additions	Reductions	Balance June 30, 2017
Subtotal brought forward	\$ 189,257	\$ 234,352	\$ 226,675	\$ 196,934
Adult and Other Schools				
Alternative High School	9,895	-	8	9,887
Saginaw Career Complex	30,064	34,445	39,163	25,346
Saginaw Arts and Sciences Academy	71,356	148,260	137,377	82,239
Total due to student groups	<u>300,572</u>	<u>417,057</u>	<u>403,223</u>	<u>314,406</u>
Other Groups				
21st century	8,709	-	7	8,702
Bus garage	8,503	546	631	8,418
SCRIPTS	886	2,664	-	3,550
FEMA	18,740	-	16	18,724
Parent resource	305	-	-	305
Project SOAR	5	-	-	5
Saginaw AAU sports	77	-	-	77
Social work	446	-	-	446
Special education	1	-	-	1
Special events	719	327	-	1,046
Special needs - district-wide	49,605	110,298	36,844	123,059
Staff development center	19,772	10,000	10,760	19,012
Total due to other groups	<u>107,768</u>	<u>123,835</u>	<u>48,258</u>	<u>183,345</u>
Total due to student and other groups	<u>\$ 408,340</u>	<u>\$ 540,892</u>	<u>\$ 451,481</u>	<u>\$ 497,751</u>

This page intentionally left blank

STATISTICAL SECTION



This part of the Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the District's overall financial health.

The statistical section is organized into the following main categories

- Financial Trends
- Revenue Capacity
- Debt Capacity
- Demographic and Economic Information
- Operating Information

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



FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	\$ 16,902,879	\$ 35,710,299	\$ 34,258,089	\$ 33,881,253	\$ 33,674,362	\$ 33,181,278	\$ 15,441,776	\$ 11,819,708	\$ 10,826,270	\$ 10,483,502
Restricted	27,518,382	747,818	388,873	255,720	16,465	12,724	67,914	235,910	236,396	1,091,660
Unrestricted (deficit)	<u>(7,407,326)</u>	<u>(2,520,085)</u>	<u>(2,025,870)</u>	<u>(2,859,594)</u>	<u>(6,271,033)</u>	<u>(7,680,705)</u>	<u>(5,338,358)</u>	<u>(86,148,386)</u>	<u>(76,614,616)</u>	<u>(71,183,899)</u>
Total primary government net position	<u>\$ 37,013,935</u>	<u>\$ 33,938,032</u>	<u>\$ 32,621,092</u>	<u>\$ 31,277,379</u>	<u>\$ 27,419,794</u>	<u>\$ 25,513,297</u>	<u>\$ 10,171,332</u>	<u>\$ (74,092,768)</u>	<u>\$ (65,551,950)</u>	<u>\$ (59,608,737)</u>

Note: The District adopted GASB 68 and 71 in 2015, prior years were not restated to reflect this change.

Source: School District of the City of Saginaw

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Expenses, Program Revenues, and Net (Expense)/ Revenue
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities:										
Instruction	\$ 60,486,582	\$ 59,533,239	\$ 56,372,937	\$ 54,512,264	\$ 58,845,621	\$ 52,384,909	\$ 60,841,111	\$ 43,509,102	43,698,431	40,532,324
Supporting services										
Pupil personnel services	7,218,435	7,679,005	6,588,111	6,056,180	6,066,557	4,319,410	3,970,045	3,382,251	3,727,967	3,751,955
Instructional training	6,911,213	6,873,607	3,196,965	5,533,064	6,055,369	6,655,725	4,607,186	3,602,260	3,595,050	4,136,694
Board of Education	396,410	471,344	310,681	258,057	358,643	311,139	270,822	241,577	246,257	520,283
Executive administration	337,864	330,404	359,048	338,542	406,003	369,443	394,227	396,475	327,064	328,555
School administration	6,066,237	5,530,293	5,393,360	5,715,993	5,486,988	5,069,657	4,914,473	3,924,642	3,312,665	3,370,773
Fiscal services	1,021,764	951,101	1,046,520	966,919	680,058	655,844	667,175	734,943	650,808	681,602
Business services	1,490,212	1,574,894	1,916,762	1,784,229	1,189,001	1,712,655	1,154,985	978,050	721,520	765,261
Operation and maintenance of plant	10,192,432	9,598,970	9,340,451	8,929,339	7,544,050	6,922,006	7,852,426	6,920,784	6,539,421	6,354,179
Security	1,519,175	1,617,828	1,495,283	1,385,769	1,195,883	924,759	1,057,741	992,160	940,631	919,660
Pupil transportation services	2,541,468	2,663,829	2,162,586	2,108,014	2,404,041	2,453,470	2,519,069	2,965,851	2,646,175	2,768,887
Central services	4,138,793	2,831,981	2,259,373	2,058,870	1,719,475	1,847,733	1,816,843	1,500,610	1,445,132	1,730,291
Athletics	1,032,935	994,090	877,008	846,969	986,188	758,603	539,287	453,540	430,395	418,976
Total supporting services	42,866,938	41,117,346	34,946,148	35,981,945	34,092,256	32,000,444	29,764,279	26,093,143	24,583,085	25,747,116
Community services	684,844	655,016	1,667,596	435,617	215,781	314,166	236,293	390,671	391,597	518,870
Food services	4,417,989	4,407,443	3,837,247	3,619,645	5,166,446	5,319,233	5,126,282	4,967,777	4,773,967	4,572,746
Interest on long term debt	2,496,816	2,983,382	3,045,700	2,866,040	3,096,198	2,822,812	2,727,813	2,585,377	2,048,347	2,351,777
Total primary government expenses	110,953,169	108,696,426	99,869,628	97,415,511	101,416,302	92,841,564	98,695,778	77,546,070	75,495,427	73,722,833
Program Revenues										
Governmental activities:										
Charges for services	486,618	461,764	779,221	1,226,525	998,853	739,415	351,126	290,370	520,888	459,241
Operating grants and contributions	27,835,222	31,963,486	30,436,936	30,254,693	37,111,295	32,628,482	25,712,946	26,212,515	34,012,121	30,104,578
Total primary government program revenues	28,321,840	32,425,250	31,216,157	31,481,218	38,110,148	33,367,897	26,064,072	26,502,885	34,533,009	30,563,819
Net (Expense)/Revenue										
Total primary government net expense	\$ (82,631,329)	\$ (76,271,176)	\$ (68,653,471)	\$ (65,934,293)	\$ (63,306,154)	\$ (59,473,667)	\$ (72,631,706)	\$ (51,043,185)	\$ (40,962,418)	\$ (43,159,014)

Source: School District of the City of Saginaw

SCHOOL DISTRICT OF THE CITY OF SAGINAW
General Revenues and Total Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net (Expense)/Revenue										
Total primary government net expense	\$ (82,631,329)	\$ (76,271,176)	\$ (68,653,471)	\$ (65,934,293)	\$ (63,306,154)	\$ (59,473,667)	\$ (72,631,706)	\$ (51,043,185)	\$ (40,962,418)	\$ (43,159,014)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property taxes - operating	8,839,595	7,698,530	7,680,983	6,906,069	6,788,727	6,523,364	6,712,609	6,667,198	6,652,409	6,867,241
Property taxes - debt retirement	3,768,002	3,653,689	3,536,938	3,238,506	4,196,419	3,945,373	3,826,878	3,669,636	3,631,727	3,566,147
State aid-unrestricted	64,127,478	61,020,701	55,533,167	53,843,063	48,083,676	46,969,255	45,671,645	42,768,778	38,992,500	38,313,236
Investment earnings	1,467,123	364,774	329,852	320,893	131,624	23,873	2,673	2,603	10,784	5,956
Miscellaneous	1,724,497	457,579	255,591	282,049	248,123	350,100	1,075,936	434,196	215,816	349,647
Total primary government	<u>79,926,695</u>	<u>73,195,273</u>	<u>67,336,531</u>	<u>64,590,580</u>	<u>59,448,569</u>	<u>57,811,965</u>	<u>57,289,741</u>	<u>53,542,411</u>	<u>49,503,236</u>	<u>49,102,227</u>
Change in Net Position										
Total primary government	<u>\$ (2,704,634)</u>	<u>\$ (3,075,903)</u>	<u>\$ (1,316,940)</u>	<u>\$ (1,343,713)</u>	<u>\$ (3,857,585)</u>	<u>\$ (1,661,702)</u>	<u>\$ (15,341,965)</u>	<u>\$ 2,499,226</u>	<u>\$ 8,540,818</u>	<u>\$ 5,943,213</u>

Source: School District of the City of Saginaw

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Nonspendable*	\$ 796,702	\$ 507,093	\$ 203,133	\$ 161,269	\$ 344,032	\$ 193,517	\$ 300,165	\$ 53,474	\$ 57,823	\$ 57,187
Unassigned* (deficit)	<u>1,165,947</u>	<u>601,807</u>	<u>63,508</u>	<u>(1,579,254)</u>	<u>(5,444,781)</u>	<u>(6,350,592)</u>	<u>(4,463,342)</u>	<u>3,009,829</u>	<u>9,160,803</u>	<u>12,873,753</u>
Total general fund (deficit)	<u>\$ 1,962,649</u>	<u>\$ 1,108,900</u>	<u>\$ 266,641</u>	<u>\$ (1,417,985)</u>	<u>\$ (5,100,749)</u>	<u>\$ (6,157,075)</u>	<u>\$ (4,163,177)</u>	<u>\$ 3,063,303</u>	<u>\$ 9,218,626</u>	<u>\$ 12,930,940</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ 5,787	\$ 5,483	\$ 4,655	\$ 4,574	\$ -	\$ -	\$ -
Restricted*	27,518,382	24,460,277	14,918,844	7,582,717	5,204,643	3,690,652	1,905,788	2,275,192	2,015,893	1,634,406
Assigned*	-	196,051	213,192	93,946	-	-	-	-	-	-
Unassigned (deficit)	-	-	186,365	(244,231)	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 27,518,382</u>	<u>\$ 24,656,328</u>	<u>\$ 15,318,401</u>	<u>\$ 7,438,219</u>	<u>\$ 5,210,126</u>	<u>\$ 3,695,307</u>	<u>\$ 1,910,362</u>	<u>\$ 2,275,192</u>	<u>\$ 2,015,893</u>	<u>\$ 1,634,406</u>

Note: * Prior to GASB 54 in 2011, restricted amounts were listed as reserved and assigned amounts were listed as designated

Source: School District of the City of Saginaw

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Federal sources:										
Federal grants	\$ 15,402,131	\$ 19,951,623	\$ 18,393,285	\$ 19,885,214	\$ 22,278,053	\$ 17,021,716	\$ 10,952,567	\$ 10,745,925	\$ 14,956,298	\$ 12,313,465
Food services	<u>3,633,338</u>	<u>3,790,372</u>	<u>3,484,170</u>	<u>3,546,997</u>	<u>4,661,276</u>	<u>5,038,675</u>	<u>4,654,288</u>	<u>4,498,119</u>	<u>4,672,788</u>	<u>5,106,283</u>
Total federal sources	<u>19,035,469</u>	<u>23,741,995</u>	<u>21,877,455</u>	<u>23,432,211</u>	<u>26,939,329</u>	<u>22,060,391</u>	<u>15,606,855</u>	<u>15,244,044</u>	<u>19,629,086</u>	<u>17,419,748</u>
State sources:										
State grants	72,263,963	67,599,145	62,297,285	59,095,568	56,948,944	56,413,577	55,173,870	53,429,764	52,767,418	50,125,449
Debt service	-	340,911	340,897	340,902	1,022,638	340,881	-	-	-	-
Food services	<u>207,841</u>	<u>575,004</u>	<u>527,793</u>	<u>502,111</u>	<u>129,635</u>	<u>168,444</u>	<u>138,491</u>	<u>141,741</u>	<u>125,846</u>	<u>187,913</u>
Total state sources	<u>72,471,804</u>	<u>68,515,060</u>	<u>63,165,975</u>	<u>59,938,581</u>	<u>58,101,217</u>	<u>56,922,902</u>	<u>55,312,361</u>	<u>53,571,505</u>	<u>52,893,264</u>	<u>50,313,362</u>
Local sources:										
Property taxes	8,877,089	7,729,568	7,659,057	6,937,649	6,716,202	6,549,859	6,493,360	6,641,130	6,717,705	6,867,241
Food Service	382,611	363,165	317,511	259,342	38,694	96,262	114,398	95,916	67,065	100,408
Athletics	73,916	87,052	130,371	105,534	85,426	108,374	131,846	89,858	88,143	80,336
Capital projects	629,583	(41,041)	43,840	217,750	17,411	10,979	7,247	6,388	1,479	-
Debt service	3,846,694	3,697,042	3,542,214	3,238,506	4,209,581	3,978,241	3,838,438	3,690,226	3,704,577	3,587,387
Investment earnings	758,848	362,462	280,736	103,143	114,213	23,596	2,673	2,603	10,784	5,956
Gifts and grants	139,012	59,370	146,656	93,901	73,786	113,024	8,253	-	88,503	71,070
Tuition and rent	19,500	300	331,339	861,649	874,733	65,122	153,489	310,499	330,482	247,417
Miscellaneous	<u>174,529</u>	<u>477,514</u>	<u>99,733</u>	<u>178,946</u>	<u>165,135</u>	<u>705,451</u>	<u>1,091,075</u>	<u>247,237</u>	<u>232,200</u>	<u>359,487</u>
Total local sources	<u>14,901,782</u>	<u>12,735,432</u>	<u>12,551,457</u>	<u>11,996,420</u>	<u>12,295,181</u>	<u>11,650,908</u>	<u>11,840,779</u>	<u>11,083,857</u>	<u>11,240,938</u>	<u>11,319,302</u>
Intermediate sources:										
Special Education	<u>1,867,771</u>	<u>649,872</u>	<u>926,673</u>	<u>726,964</u>	<u>154,425</u>	<u>614,444</u>	<u>465,375</u>	<u>165,744</u>	<u>393,768</u>	<u>613,634</u>
Total revenues	<u>\$ 108,276,826</u>	<u>\$ 105,642,359</u>	<u>\$ 98,521,560</u>	<u>\$ 96,094,176</u>	<u>\$ 97,490,152</u>	<u>\$ 91,248,645</u>	<u>\$ 83,225,370</u>	<u>\$ 80,065,150</u>	<u>\$ 84,157,056</u>	<u>\$ 79,666,046</u>

Source: School District of the City of Saginaw

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Current:										
Instruction	\$ 58,398,087	\$ 56,986,507	\$ 54,196,999	\$ 53,291,997	\$ 56,560,881	\$ 50,009,374	\$ 44,248,687	\$ 39,199,139	\$ 43,710,623	\$ 40,054,733
Supporting services										
Pupil personnel services	7,218,435	7,679,005	6,588,111	6,080,108	5,983,656	4,262,932	3,621,031	3,133,442	3,838,798	3,844,146
Instructional training, media, and curriculum	6,137,337	5,452,061	3,086,540	5,533,064	5,972,621	6,568,701	4,202,158	3,337,267	3,701,931	4,238,338
Board of Education	396,410	471,344	310,681	258,057	353,742	307,071	247,013	223,806	253,578	533,067
Executive administration	337,864	330,404	359,048	338,542	400,455	364,613	359,570	367,309	336,788	336,628
School administration	6,066,237	5,530,293	5,393,360	5,715,993	5,412,007	5,003,371	4,482,431	3,635,933	3,411,150	3,453,597
Fiscal Services	1,021,764	951,101	1,046,520	966,919	1,172,753	1,690,262	1,053,448	906,102	742,971	784,064
Business services	1,490,212	1,574,894	1,916,762	1,784,229	670,765	647,269	608,522	680,878	670,157	698,350
Central Services	4,138,793	2,831,981	2,259,373	2,058,870	1,695,978	1,823,574	1,657,120	1,390,221	1,488,096	1,772,807
Pupil transportation services	2,541,468	2,663,829	2,162,586	2,108,014	2,371,189	2,421,391	2,297,612	2,747,674	2,724,846	2,836,922
Operation and maintenance	10,192,432	9,598,970	9,340,451	8,929,339	7,440,959	6,831,500	7,162,102	6,411,670	6,733,838	6,510,310
Security	1,519,175	1,617,828	1,495,283	1,385,769	1,179,541	951,894	964,753	919,174	968,596	942,257
Athletics	1,032,935	994,090	877,008	846,969	972,712	748,684	491,877	438,176	443,191	429,271
Total supporting services	42,093,062	39,695,800	34,835,723	36,005,873	33,626,378	31,621,262	27,147,637	24,191,652	25,313,940	26,379,757
Community services	629,477	599,649	1,612,229	380,250	160,414	258,800	230,596	364,249	405,415	537,251
Food services	4,382,315	4,371,769	3,801,574	3,583,972	5,130,773	5,296,140	4,851,987	4,624,780	4,764,108	4,562,704
Capital outlay	16,324,255	2,966,158	9,356,273	7,475,348	2,250,176	1,516,574	1,847,382	48,959	551,498	946,018
Debt service										
Principal	2,280,000	1,765,172	1,843,023	1,936,503	2,589,602	2,190,388	1,950,000	1,510,000	1,470,000	1,365,000
Interest	2,223,816	2,971,382	3,054,700	2,984,040	3,081,198	2,834,812	2,738,813	2,533,311	2,021,698	2,488,106
Payments to escrow agent	-	-	-	-	-	-	-	15,686,299	21,460,847	-
Bond issuance costs	-	-	-	-	-	-	-	131,662	163,860	164,549
Miscellaneous	725	1,725	1,225	1,001	1,587	92,440	1,315	1,750	2,750	1,650
Total primary government expenses	<u>\$ 126,331,737</u>	<u>\$ 109,358,162</u>	<u>\$ 108,701,746</u>	<u>\$ 105,658,984</u>	<u>\$ 103,401,009</u>	<u>\$ 93,819,790</u>	<u>\$ 83,016,417</u>	<u>\$ 88,291,801</u>	<u>\$ 99,864,739</u>	<u>\$ 76,499,768</u>
Debt service as a percentage of noncapital expenditures	4.1%	4.5%	4.9%	5.0%	5.6%	5.4%	5.8%	4.6%	3.5%	5.1%

Notes: This schedule includes all data from the Statement of Revenues, Expenditures, and Changes in Fund Balances.

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Other Financing Sources and Uses and Net Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Excess of revenues over (under) expenditures	\$ (18,054,911)	\$ (3,715,803)	\$ (10,180,186)	\$ (9,564,808)	\$ (5,910,857)	\$ (2,571,145)	\$ 208,953	\$ (8,226,651)	\$ (15,707,683)	\$ 3,166,278
Other Financing Sources (Uses)										
Transfers in	2,024,979	4,241,435	4,630,631	660,909	700,864	782,053	851,690	669,240	-	-
Transfers out	(2,024,979)	(4,241,435)	(4,630,631)	(660,909)	(700,864)	(782,053)	(851,690)	(669,240)	-	-
Proceeds from issuance of bonds	19,540,000	-	-	-	-	-	-	14,525,000	18,865,000	15,735,000
Payments to escrow agent	-	-	-	-	-	-	-	-	-	(17,506,987)
Premium on issuance of bonds	-	-	-	-	-	-	-	1,421,447	2,738,707	1,936,536
Discount on issuance of bonds	-	-	-	-	-	-	-	(128,486)	-	-
Total other financing sources (uses)	<u>19,540,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,817,961</u>	<u>21,603,707</u>	<u>164,549</u>
Net change in fund balances	<u>\$ 1,485,089</u>	<u>\$ (3,715,803)</u>	<u>\$ (10,180,186)</u>	<u>\$ (9,564,808)</u>	<u>\$ (5,910,857)</u>	<u>\$ (2,571,145)</u>	<u>\$ 208,953</u>	<u>\$ 7,591,310</u>	<u>\$ 5,896,024</u>	<u>\$ 3,330,827</u>

Source: School District of the City of Saginaw



REVENUE CAPACITY

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Taxable Value				Estimated Actual Value	Total Direct Rate*
	City of Saginaw	City of Zilwaukee	Kochville Township	Total		
2007-08	721,640,702	44,717,040	175,606,032	941,963,774	1,883,927,548	18.0000
2008-09	739,172,861	43,430,467	167,058,884	949,662,212	1,899,324,424	18.0000
2009-10	628,758,288	44,337,034	178,973,639	852,068,961	1,704,137,922	18.0000
2010-11	555,914,271	44,045,694	177,086,811	777,046,776	1,554,093,552	18.0000
2011-12	525,673,847	44,681,216	172,847,017	743,202,080	1,486,404,160	18.0000
2012-13	494,068,537	44,726,586	160,646,711	699,441,834	1,398,883,668	18.0000
2013-14	465,586,387	42,679,004	160,614,323	668,879,714	1,337,759,428	18.0000
2014-15	445,128,521	42,560,584	167,948,179	655,637,284	1,311,274,568	18.0000
2015-16	456,021,469	42,417,707	174,745,561	673,184,737	1,346,369,474	18.0000
2016-17	448,428,692	41,195,206	170,935,181	660,559,079	1,321,118,158	18.0000

Note: Total actual value is estimated by doubling the taxable value.

* Per \$1,000 of taxable value.

Source: Taxable values provided by City of Saginaw, City of Zilwaukee and Kochville Township

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of taxable value)

Fiscal Year	District Direct Rates			Overlapping Rates			
	Operating Millage	Debt Millage	Total	City of Saginaw	City of Zilwaukee	Kochville Township	State of Michigan
2008	18.0000	3.9000	21.9000	34.0200	13.3400	1.0000	6.0000
2009	18.0000	3.9000	21.9000	36.6650	13.3370	1.0000	6.0000
2010	18.0000	3.9000	21.9000	36.6650	13.3370	1.0000	6.0000
2011	18.0000	3.9000	21.9000	36.6650	13.3370	1.0000	6.0000
2012	18.0000	5.3000	23.3000	36.6650	13.3370	1.0000	6.0000
2013	18.0000	5.3000	23.3000	36.6650	13.3370	1.0000	6.0000
2014	18.0000	5.3000	23.3000	38.1083	13.3370	1.0000	6.0000
2015	18.0000	5.3000	23.3000	38.1083	13.3370	1.0000	6.0000
2016	18.0000	5.3000	23.3000	38.1083	13.3370	1.0000	6.0000
2017	18.0000	5.3000	23.3000	38.1083	13.3370	1.0000	6.0000

Note: City of Saginaw rates are used in this schedule because their portion of the School District's assessed valuation is the largest. Comparative rates are provided for the City of Zilwaukee, and Kochville Township. The rates were provided by the Saginaw County Equalization Department.

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Principal Property Tax Payers
Current Year and Nine Years Ago
(Unaudited)

Tax Payer	2017			2008		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Consumers Energy Company	\$ 30,143,686	1	4.56%	\$ 16,880,912	2	1.79%
Linear Motion LLC	5,587,957	2	0.85%	5,212,624	5	0.55%
General Motors LLC	4,191,479	3	0.63%	38,509,523	1	4.09%
Charter Communications II	3,406,100	4	0.52%	NA		0.00%
Menard LLC	3,050,584	5	0.46%	N/A		0.00%
Hausbeck Pickle Co.	3,029,688	6	0.46%	N/A		0.00%
Community Hospital Services	3,019,605	7	0.46%	N/A		0.00%
Riverfront Medical Realty LLC	2,999,051	8	0.45%	N/A		0.00%
AT&T Services Inc.	1,929,600	9	0.29%	N/A		0.00%
Meredith Corp	1,927,412	10	0.29%	N/A		0.00%
Delphi Corporation	N/A		0.00%	14,809,244	3	1.57%
Enterprise Automotive	N/A		0.00%	5,804,400	4	0.62%
CMI-Schneible Co.	N/A		0.00%	4,157,000	6	0.44%
Machining Enterprises	N/A		0.00%	4,105,900	7	0.44%
Corvus Nodular Interests II, LLC	N/A		0.00%	3,564,841	8	0.38%
SSP Associates Inc.	N/A		0.00%	3,517,860	9	0.00%
Housing Urban Dev.	N/A		0.00%	3,113,416	10	0.33%
Totals	<u>\$ 59,285,162</u>		<u>8.97%</u>	<u>\$ 99,675,720</u>		<u>8.01%</u>

Note: The above assessed valuations were provided by the City of Saginaw Assessing Division.

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Property Tax Levies and Collections
Last Ten Fiscal Years
(dollar amounts expressed in thousands) (Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	12,646	12,142	96.01%	-	12,142	96.01%
2009	11,363	11,326	99.67%	-	11,326	99.67%
2010	11,136	11,065	99.36%	-	11,065	99.36%
2011	10,083	10,043	99.60%	-	10,043	99.60%
2012	10,985	10,806	98.37%	-	10,806	98.37%
2013	10,546	10,425	98.85%	-	10,425	98.85%
2014	10,375	10,306	99.33%	-	10,306	99.33%
2015	10,387	10,258	98.76%	-	10,258	98.76%
2016	10,289	10,337	100.47%	-	10,337	100.47%
2017	10,250	10,230	99.80%	-	10,230	99.80%

Note: The School District maintained a debt service levy from 2008-2011 of 3.9000 mills and from 2012-2016 of 5.3000 mills.



DEBT CAPACITY

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Outstanding Debt by Type
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Other Bonds</u>	<u>Durant Bonds</u>	<u>Net Premium (Discount/Costs)</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income*</u>	<u>Per Capita**</u>
2008	62,790,000	4,055,000	1,989,687	(48,875)	68,785,812	4.42%	1,223
2009	61,840,000	3,510,000	1,719,516	(47,203)	67,022,313	4.74%	1,309
2010	60,845,000	2,945,000	1,436,493	(45,531)	65,180,962	4.34%	1,247
2011	59,795,000	2,355,000	1,139,990	(43,859)	63,246,131	4.70%	1,235
2012	58,630,000	1,745,000	325,388	202,608	60,902,996	4.39%	1,189
2013	57,340,000	1,170,000	-	193,406	58,703,406	4.21%	1,156
2014	55,990,000	570,000	-	184,204	56,744,204	4.08%	1,128
2015	54,050,000	-	-	1,228,270	55,278,270	4.00%	1,109
2016	50,470,000	-	-	3,847,656	54,317,656	3.79%	1,101
2017	47,610,000	-	-	5,426,859	53,036,859	3.75%	1,083

Note: Details of the Districts outstanding debt can be found in the notes to the financial statements
The Durant general obligation bonds are paid directly by the State of Michigan.
Percentage of Personal Income has been revised to reflect revised personal income figures issued by the U.S. Department of Commerce
The District did not have any serial bonds or capital leases during the periods presented
The District did not have any serial bonds or capital leases during the periods presented

* Personal income data can be found on page 13-2 Demographic and Economic Statistics
** Population information can be found on page 13-2 Demographic and Economic Statistics

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property *	Per Capita
2008	62,790,000	752,452	62,037,548	3.26%	1,078
2009	61,840,000	747,818	61,092,182	3.24%	1,086
2010	60,845,000	436,996	60,408,004	3.18%	1,179
2011	59,795,000	(244,231)	60,039,231	3.52%	1,148
2012	58,630,000	16,465	58,613,535	3.77%	1,145
2013	57,340,000	-	57,340,000	3.86%	1,129
2014	55,990,000	-	55,990,000	4.00%	1,113
2015	54,050,000	239,405	53,810,595	4.02%	1,080
2016	50,050,000	428,534	49,621,466	3.78%	1,006
2017	47,610,000	161,165	47,448,835	3.52%	969

Note: Details of the Districts outstanding debt can be found in the notes to the financial statements
Percentage of Personal Income has been revised to reflect revised personal income figures issued by the U.S. Department of Commerce

* Property values can be found on page 11-2 Assessed and Estimated Actual Value of Taxable Property
- Population information can be found on page 13-2 Demographic and Economic Statistics

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Direct and Overlapping Governmental Activities Debt
As of June 30, 2017

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt *</u>
City of Saginaw	\$ 9,710,444	100.00%	\$ 9,710,444
Kochville Township	4,742,760	89.53%	4,245,719
County of Saginaw	71,203,845	13.77%	9,804,769
Saginaw I.S.D.	1,020,000	13.84%	141,168
Subtotal, overlapping debt			23,902,100
School District of the City of Saginaw direct debt			53,036,859
Total direct and overlapping debt			<u>\$ 76,938,959</u>

Note: The Durant general obligation bonds are paid directly by the State of Michigan and, thus, are not represented above.

*Overlapping debt is calculated as the issuer's proportionate share of the debt of other local governmental units that overlap it (the issuer is located either wholly or partly within the geographic limits of the other units) or underlie it (the other units are located within the geographic limits of the issuer). The debt is generally apportioned based upon relative assessed property values.

Overlapping debt amounts are provided by the Municipal Advisory Council of Michigan.

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	State Equalized Value (SEV)*	Debt Limit**	Total Debt***	Less Debt Not Subject to Limit	Net Debt Subject to Limit	Legal Debt Margin	Net Debt Subject to Limit as % of Debt Limit
2007-08	941,963,774	141,294,566	68,785,812	6,044,687	62,741,125	78,553,441	44%
2008-09	949,662,212	142,449,332	67,022,313	5,229,516	61,792,797	80,656,535	43%
2009-10	852,068,961	127,810,344	65,180,962	4,381,493	60,799,469	67,010,875	48%
2010-11	777,046,776	116,557,016	63,246,131	3,494,990	59,751,141	56,805,875	51%
2011-12	743,202,080	111,480,312	60,902,996	2,070,388	58,832,608	52,647,704	53%
2012-13	699,441,834	104,916,275	58,703,406	1,170,000	57,533,406	47,382,869	55%
2013-14	668,879,714	100,331,957	56,744,204	570,000	56,174,204	44,157,753	56%
2014-15	655,637,284	98,345,593	55,278,270	-	55,278,270	43,067,323	56%
2015-16	673,184,737	100,977,711	54,317,656	-	54,317,656	46,660,055	54%
2016-17	660,559,079	99,083,862	53,036,859	-	53,036,859	46,047,003	54%

* SEV information can be found on page 11-2 Assessed and Estimated Actual Value of Taxable Property

** Debt limit is equal to 15% of SEV

*** Outstanding debt information can be found on page 12-2 Outstanding Debt by Type



DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Demographic and Economic Statistics
Last Ten Calendar Years
(Unaudited)

<u>Calendar Year</u>	<u>Population*</u>	<u>Personal Income**</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate***</u>
2007	56,263	1,554,659,216	27,632	12.30%
2008	51,218	1,415,255,776	27,632	14.40%
2009	52,285	1,502,618,615	28,739	21.80%
2010	51,224	1,344,425,104	26,246	17.50%
2011	51,230	1,385,822,730	27,051	9.70%
2012	50,790	1,393,931,550	27,445	10.20%
2013	50,303	1,391,280,374	27,658	8.70%
2014	49,844	1,380,728,644	27,701	8.70%
2015	49,347	1,433,481,003	29,049	5.50%
2016	48,984	1,414,217,064	28,871	4.80%

Note: Information was not available for the current year at the time of this report, therefore, the previous 10 years are shown.

* Data provided by Saginaw Future Inc. as quoted from American Community Survey (3 yr estimate/US Census Bureau)

** Per capita income for the city of Saginaw was unavailable, median income was used

*** Data provided by the Michigan Employment Security Commission

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

<u>Employer</u>	<u>Type of Business</u>	<u>2017</u>			<u>2008</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Nexteer Automotive (Delphi)	Automotive	4,820	1	14.44%	3,873	2	12.42%
Covenant Health Care	Medical	4,512	2	13.52%	4,129	1	13.24%
St. Mary's of Michigan	Medical	1,800	3	5.39%	2,200	3	7.05%
Morley Companies	Display, Interactive Services, Travel	1,750	4	5.24%	N/A	N/A	0.00%
Meijer	Department Store	1,425	5	4.27%	825	8	2.65%
Saginaw Valley State University	Education	1,071	6	3.21%	924	7	2.96%
Hemlock Semiconductor Corp.	Polycrystalline silicon	1,000	7	3.00%	1,460	4	4.68%
Frankenmuth Bavarian Inn	Restaurant, Hotel	940	8	2.82%	1,000	6	3.21%
Aleda E. Lutz Veteran Medical Ctr	Medical	904	9	2.71%	750	9	2.40%
County of Saginaw	Government	676	10	2.03%	N/A	N/A	0.00%
School District of the City of Saginaw	Education	N/A		0.00%	1,390	5	4.46%
Zehnder's of Frankenmuth	Restaurant	N/A		0.00%	725	10	2.32%
	Subtotal	<u>18,898</u>		<u>56.62%</u>	<u>17,276</u>		<u>55.40%</u>
	All others	<u>14,476</u>		<u>43.38%</u>	<u>13,910</u>		<u>44.60%</u>
	Total	<u><u>33,374</u></u>		<u><u>100.00%</u></u>	<u><u>31,186</u></u>		<u><u>100.00%</u></u>

Note: Nexteer Automotive purchased Delphi Automotive Systems.

Source: Saginaw Future Inc. and Michigan Economic Development Corporation

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Full-time-Equivalent District Employees by Type
Last Ten Fiscal Years

	Full-time-Equivalent Employees as of June 30										Change
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2008-2017
Supervisory											
Instructional administrators	10	9	4	4	4	3	2	2	3	3	(7)
Noninstructional administrators	8	10	9	9	7	7	7	7	5	5	(3)
Supervisors of instruction	2	2	2	2	2	2	2	3	2	2	-
Principals	25	17	21	21	21	18	16	16	16	16	(9)
Assistant principals	16	11	9	14	12	10	10	3	4	4	(12)
Total supervisory	61	49	45	50	46	40	37	31	30	30	(31)
Instruction											
Early childhood teachers	14	8	10	10	16	19	17	16	20	20	6
Special education teachers	151	130	100	99	97	87	82	80	85	87	(64)
General elementary teachers	233	208	200	193	146	130	130	130	136	140	(93)
General secondary teachers	223	195	169	159	170	138	138	132	138	138	(85)
Adult education teachers	2	-	-	-	-	-	-	-	-	-	(2)
Aides	180	152	136	140	148	138	129	142	137	141	(39)
Total instruction	803	693	615	601	577	512	496	500	516	526	(277)
Student Services											
Guidance counselors	15	8	8	8	7	7	7	7	7	7	(8)
Librarians	6	4	5	5	5	5	5	5	5	5	(1)
Social workers	19	19	11	12	10	10	8	7	7	7	(12)
Psychologists	8	7	6	6	9	5	5	4	2	2	(6)
Parent educators	7	5	3	5	5	5	5	5	5	5	(2)
Total student services	55	43	33	36	36	32	30	28	26	26	(29)
Support and Administrators											
Clerical/ secretarial	73	59	44	46	39	37	29	24	23	25	(48)
Custodians	114	83	68	71	-	1	1	-	-	-	(114)
Cafeteria	70	55	58	56	-	2	2	2	-	-	(70)
Paraprofessionals	31	33	25	24	20	13	10	9	9	9	(22)
Educational support group	123	95	90	99	99	58	54	51	61	61	(62)
Transportation	74	63	49	48	48	2	1	1	-	-	(74)
Total support and administrators	485	388	334	344	206	113	97	87	93	95	(390)
Total	1,404	1,173	1,027	1,031	865	697	660	646	665	677	(727)

Note: In 2012 Custodial and Cafeteria Services were outsourced to service organizations.



OPERATING INFORMATION

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time

SCHOOL DISTRICT OF THE CITY OF SAGINAW
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Net Expenditures and Other Financing Uses	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals
2008	10,080	126,331,737	12,533	0.97%	623	16.18	77.54%
2009	9,970	109,358,162	10,969	-12.48%	541	18.43	78.40%
2010	9,302	108,701,746	11,686	6.54%	479	19.42	75.63%
2011	8,904	105,658,984	11,866	1.54%	461	19.31	74.11%
2012	8,540	103,401,009	12,108	2.04%	429	19.91	80.69%
2013	8,113	93,819,790	11,564	-4.49%	374	21.69	80.69%
2014	7,695	83,016,417	10,788	-6.71%	367	20.97	80.29%
2015	7,425	88,420,287	11,908	10.38%	358	20.74	72.12%
2016	6,959	99,864,739	14,350	20.51%	379	18.36	73.27%
2017	6,760	94,006,755	13,906	-3.09%	385	17.56	75.43%

Note: Includes general, special revenue, debt service and capital project funds.
Transfers between Governmental Funds are eliminated to more accurately reflect expenditures and other uses.
2014-2015 Supplemental Nutrition reported in the Spring 2015 Membership.
2014-2015 and 2015-2016 include other financing uses from the refunding of general bonded debt.
* District participated in the Community Eligibility Provision (formerly Community Eligibility Option)
Under this program all students are provided free meals

SCHOOL DISTRICT OF THE CITY OF SAGINAW
School Building Information - Last Ten Fiscal Years
(Unaudited)

School	Fiscal Year										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Elementary											
Arthur Eddy (1955)											
Square feet	89,570	89,570	89,570	89,570	89,570	89,570	89,570	89,570	89,570	89,570	89,570
Capacity	622	622	622	622	622	622	622	622	622	622	622
Enrollment	476	432	384	258	308	306	-	468	485	428	
Chester Miller (1963)											
Square feet	34,367	34,367	34,367	34,367	34,367	34,367	34,367	34,367	34,367	34,367	34,367
Capacity	404	404	404	404	404	404	404	404	404	404	404
Enrollment	282	336	302	362	349	353	355	323	350	339	
Coulter (1971)											
Square feet	39,373	39,373	39,373	39,373	39,373	39,373	39,373	39,373	39,373	39,373	39,373
Capacity	343	343	343	343	343	343	343	343	343	343	343
Enrollment	135	146	145	167	-	-	-	-	-	-	-
Edith Baillie (1967)											
Square feet	38,312	38,312	38,312	38,312	38,312	38,312	38,312	38,312	38,312	38,312	38,312
Capacity	522	522	522	522	522	522	522	522	522	522	522
Enrollment	-	-	-	-	-	-	-	-	-	-	-
Emerson (1967)											
Square feet	47,421	47,421	47,421	47,421	47,421	47,421	47,421	47,421	47,421	47,421	47,421
Capacity	612	612	612	612	612	612	612	612	612	612	612
Enrollment	-	-	-	-	-	-	-	-	-	-	-
Fuerbringer (1931)											
Square feet	29,919	29,919	29,919	29,919	29,919	29,919	-	-	-	-	-
Capacity	462	462	462	462	462	462	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-	-
Handley (1929)*^											
Square feet	113,889	119,344	119,344	119,344	119,344	119,344	119,344	119,344	119,344	119,344	119,344
Capacity	1,210	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459
Enrollment	388	420	426	447	452	428	432	496	449	480	
Heavenrich (1961)											
Square feet	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595	45,595
Capacity	612	612	612	612	612	612	612	612	612	612	612
Enrollment	339	301	310	292	283	403	414	-	-	-	-

SCHOOL DISTRICT OF THE CITY OF SAGINAW
School Building Information - Last Ten Fiscal Years
(Unaudited)

School	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Herig (1973)										
Square feet	52,044	52,044	52,044	52,044	52,044	52,044	52,044	52,044	52,044	52,044
Capacity	475	475	475	475	475	475	475	475	475	475
Enrollment	338	383	395	370	380	423	428	420	425	435
Houghton (1956)										
Square feet	61,443	61,443	61,443	61,443	61,443	61,443	61,443	61,443	61,443	61,443
Capacity	704	704	704	704	704	704	704	704	704	704
Enrollment	342	348	325	283	256	337	387	-	-	-
Jerome (1976)										
Square feet	42,450	42,450	42,450	42,450	42,450	42,450	42,450	42,450	42,450	42,450
Capacity	402	402	402	402	402	402	402	402	402	402
Enrollment	270	288	250	257	232	-	-	-	-	-
Jessie Loomis (1931)										
Square feet	57,300	57,300	57,300	57,300	57,300	57,300	57,300	57,300	57,300	57,300
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	354	393	377	426	403	459	451	445	432	386
Jessie Rouse (1955)										
Square feet	49,850	49,850	49,850	49,850	49,850	49,850	49,850	49,850	49,850	49,850
Capacity	452	452	452	452	452	452	452	452	452	452
Enrollment	239	287	280	239	284	303	314	338	313	287
John Moore (1963)										
Square feet	28,267	28,267	28,267	28,267	28,267	28,267	28,267	28,267	28,267	28,267
Capacity	358	358	358	358	358	358	358	358	358	358
Enrollment	-	-	-	-	-	-	-	-	-	-
Jones (1960)										
Square feet	34,093	34,093	34,093	34,093	34,093	34,093	34,093	34,093	34,093	34,093
Capacity	492	492	492	492	492	492	492	492	492	492
Enrollment	-	-	-	-	-	-	-	-	-	-
Kempton (1962)										
Square feet	46,082	46,082	46,082	46,082	46,082	46,082	46,082	46,082	46,082	46,082
Capacity	425	425	425	425	425	425	425	425	425	425
Enrollment	394	440	405	433	453	432	440	399	412	395

SCHOOL DISTRICT OF THE CITY OF SAGINAW
School Building Information - Last Ten Fiscal Years
(Unaudited)

School	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Longfellow (1965)										
Square feet	58,736	58,736	58,736	58,736	58,736	58,736	58,736	58,736	58,736	58,736
Capacity	582	582	582	582	582	582	582	582	582	582
Enrollment	191	180	308	175	185	-	-	-	-	-
Merrill Park (1960)										
Square feet	39,932	39,932	39,932	39,932	39,932	39,932	39,932	39,932	39,932	39,932
Capacity	552	552	552	552	552	552	552	552	552	552
Enrollment	279	311	319	269	254	289	283	273	309	319
Morley (1936)										
Square feet	34,025	34,025	34,025	34,025	34,025	34,025	-	-	-	-
Capacity	462	462	462	462	462	462	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Nelle Haley (1957)										
Square feet	33,778	33,778	33,778	33,778	33,778	33,778	33,778	33,778	33,778	33,778
Capacity	492	492	492	492	492	492	492	492	492	492
Enrollment	-	-	-	-	-	-	-	-	-	-
Salina (1958)										
Square feet	43,774	-	-	-	-	-	-	-	-	-
Capacity	492	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Stone (1970)										
Square feet	52,935	52,935	52,935	52,935	52,935	52,935	52,935	52,935	52,935	52,935
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	300	290	268	233	205	263	283	326	391	374
Webber (1966)										
Square feet	44,933	44,933	44,933	44,933	44,933	44,933	44,933	44,933	-	-
Capacity	662	662	662	662	662	662	662	662	-	-
Enrollment	256	-	-	-	-	-	-	-	-	-
Zilwaukee (1925)										
Square feet	49,195	49,195	49,195	49,195	49,195	49,195	49,195	49,195	49,195	49,195
Capacity	507	507	507	507	507	507	507	507	507	507
Enrollment	373	354	319	341	432	400	399	277	267	321

SCHOOL DISTRICT OF THE CITY OF SAGINAW
School Building Information - Last Ten Fiscal Years
(Unaudited)

School	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Middle										
Central ('83)Ruben Daniels Middle										
Square feet	128,150	128,150	128,150	128,150	128,150	128,150	128,150	128,150	128,150	128,150
Capacity	982	982	982	982	982	982	982	982	982	982
Enrollment	399	331	474	402	444	458	454	454	-	-
North (1922)*										
Square feet	113,889	113,889	113,889	113,889	113,889	113,889	-	-	-	-
Capacity	1,210	1,210	1,210	1,210	1,210	1,210	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
South (1922)^										
Square feet	119,344	-	-	-	-	-	-	-	-	-
Capacity	1,459	-	-	-	-	-	-	-	-	-
Enrollment	760	-	-	-	-	-	-	-	-	-
Webber (1922)/ K-8 (2008)°										
Square feet	139,310	139,310	139,310	139,310	139,310	139,310	139,310	139,310	139,310	139,310
Capacity	1,504	1,504	1,504	1,504	1,504	1,504	1,504	1,504	1,504	1,504
Enrollment	333	395	-	-	-	-	-	-	-	-
W.E. Thompson (2009)										
Square feet	-	145,807	145,807	145,807	145,807	145,807	145,807	145,807	145,807	145,807
Capacity	-	900	900	900	900	900	900	900	900	900
Enrollment	-	943	731	633	572	530	532	599	533	482
High										
Arthur Hill (1940)										
Square feet	276,344	276,344	276,344	276,344	276,344	276,344	276,344	276,344	276,344	276,344
Capacity	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286
Enrollment	1,429	1,431	1,301	1,117	1,036	973	945	1,103	864	760
Saginaw High (1954)										
Square feet	270,044	270,044	270,044	270,044	270,044	270,044	270,044	270,044	270,044	270,044
Capacity	2,018	2,018	2,018	2,018	2,018	2,018	2,018	2,018	2,018	2,018
Enrollment	1,089	955	805	681	611	651	615	768	567	538

* In 2007 and 2008 North Middle School was used as an elementary school for students displaced from the former Handley building which was demolished in 2006

^ In 2009, South Middle School was used renamed Handley and used for elementary purpose

° In 2008 Webber Middle School began servicing students in grades K-8 and was then demolished in 2016

SCHOOL DISTRICT OF THE CITY OF SAGINAW
School Building Information - Last Ten Fiscal Years
(Unaudited)

School	Fiscal Year										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Other											
Saginaw Career Complex (1972)											
Square feet	204,335	204,335	204,335	204,335	204,335	204,335	204,335	204,335	204,335	204,335	204,335
Capacity	950	950	950	950	950	950	950	950	950	950	950
Enrollment	788	754	647	505	566	602	562	492	445	439	
Ruben Daniels (SASA) (1965)											
Square feet	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	528	538	693	722	668	664	646	688	626	574	
Longstreet (1953)											
Square feet	46,940	46,940	46,940	46,940	46,940	46,940	46,940	46,940	46,940	46,940	46,940
Capacity	375	375	375	375	375	375	375	375	375	375	375
Enrollment	-	-	-	-	-	-	-	-	-	-	-
Hillier Education Center (1992)											
Square feet	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916
Capacity	75	75	75	75	75	75	75	75	75	75	75
Enrollment	45	32	30	15	-	-	-	-	-	-	-

Source: School District of the City of Saginaw

This page intentionally left blank