Public Libraries of Saginaw, Michigan
and Component Units

Financial Statements

June 30, 2024

YEO & YEO

BUSINESS SUCCESS
PARTNERS

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Independent Auditors' Report

Management and The Board
Public Libraries of Saginaw, Michigan and Component Units
Saginaw, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the blended component units, and each major fund of the Public Libraries of Saginaw, Michigan and Component Units (the Library), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, blended component units, and each major fund of the Library as of June 30, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Library, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Library's basic financial statements. The other supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and, other than the prior year information, was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 by us. In our opinion, based on our audit 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.

Prior Year Supplementary Information

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Library's basic financial statements for the year ended , which are not presented with the accompanying basic financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the blended component units and each major fund. That audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Library's basic financial statements as a whole. The Library information in the comparative other supplementary schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Library's basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Library information in the comparative supplementary schedules is fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Yeo & Yeo, P.C.

Saginaw, Michigan
October 16, 2024

This section of the financial report presents our discussion and analysis of the Public Libraries of Saginaw, Michigan and Component Units (Library) financial performance during the year ended June 30, 2024. It is meant to provide an overall review of the Library's financial activities and provide a look at its past and current financial position. Readers should also review the Library's financial statements, immediately following this section, to enhance their understanding of the Library's financial performance.

This financial report is presented in the format required by the Governmental Accounting Standards Board (GASB) in their Statement Number 34, issued in June of 2000. Certain comparative information is required to be contained in financial statements that are prepared according to GASB 34 guidelines.

Using this Annual Report

This annual report consists of the following four parts:

- Management's Discussion and Analysis (this section)
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

These statements are organized to help the reader understand the financial position of the Public Libraries of Saginaw, Michigan and Component Units as a whole. The Government-wide Financial Statements provide information about the activities of the Library as a whole. The fund financial statements provide the next level of detail, providing more detailed information about the Library's funds. 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 required supplemental information that supports and further explains the financial statements with a comparison of the Library's budget for the year.

Government-Wide Financial Statements

The Government-wide statements provide financial information of the Library as a whole. They report on the governmental activities of the Library, which includes most of the Library's basic services, including programming and technology. These activities are mostly funded by property taxes, penal fines and state shared revenue. The governmental activities also include the Library's component units, Hoyt Trust and Saginaw Public Libraries Foundation These statements use the full accrual basis of accounting, similar to private sector companies. There are two Government-wide statements: The Statement of Net Position and the Statement of Activities.

The **Statement of Net Position** includes all the assets and liabilities of the Library, whether short-term or long-term, and regardless of whether or not they are currently available. As a result, capital assets and long-term obligations of the Library are included in this statement.

The **Statement of Activities** accounts for current year revenues regardless of when cash is received or paid, consistent with the full accrual basis method of accounting. The intent of this statement is to summarize and simplify the user's analysis of the costs of various Library services.

When analyzed together, these two statements help the reader determine whether the Library is financially stronger or weaker as a result of the year's activities. Both statements report the Library's net position, which is the difference between the library's assets and deferred outflows and liabilities and deferred inflows. The change in net position is one way to measure the Library's financial health or position. Over time, increases and decreases in the Library's net position are an indicator of whether the Library's financial health is improving or deteriorating. However, the Library's goal is to provide services to our patrons not generate profits as in the private sector. As a result, other non-financial factors should be considered in assessing the overall health of the Library. Such factors would include the condition of the Library's building and the property tax base of the library.

Fund Financial Statements

The fund financial statements focus on providing more detailed information about the major funds of the Library and not on the Library as a whole, as reported in the Government-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 provide a detailed short-term view of the Library's operations and help in determining whether there are more or less financial resources available in the near future to finance the Library's programs and services provided.

In general, the fund financial statements have changed very little as a result of GASB 34 requirements and are comparable to prior year financial statements. The primary difference is that the Account Groups (General Fixed Assets and general Long-term Debt) are no longer reported.

Summary of Net Position

	2024	2023
Assets		
Current assets	$ 10,482,927	$ 8,868,003
Noncurrent assets	13,859,295	14,179,133
Total assets	24,342,222	23,047,136
Deferred outflows	302,080	530,417
Liabilities		
Current liabilities	178,919	89,064
Noncurrent liabilities	275,471	577,188
Total liabilities	454,390	666,252
Deferred inflows	737,209	1,054,487
Net Position		
Invested in capital assets	12,214,799	12,645,824
Restricted	3,723,527	2,772,690
Unrestricted	7,514,377	6,438,300
Total net position	$ 23,452,703	$ 21,856,814

The net position for the Library was $23,452,703 at June 30, 2024. Unrestricted net position will be used for funding future programming, capital improvements, material, technology upgrades, and for maintaining adequate cash flow to eliminate the need for borrowing.

Unrestricted net position are similar but not identical to fund balance. A reconciliation of the difference between the change in net position and a change in fund balance is included the basic financial statements.

Statement of Net Position Operating Results

	2024	2023
Revenues		
Program revenue		
Charge for services	$ 49,937	$ 77,056
Operating grants and contributions	776,919	808,425
Capital Grants and Contributions	40,039	205,100
General revenue		
Property tax	2,792,873	2,590,275
Personal property tax reimbursement	113,334	114,549
Penal fines	342,608	232,671
State aid - unrestricted	119,667	117,354
Interest and investment earnings	449,493	905,303
Other	107,841	29,904
Total revenues	4,792,711	5,080,637
Expenses		
Main Library	1,395,180	1,321,427
Zauel Library	714,030	663,098
Butman-Fish Library	541,558	646,184
Ruth Brady Wickes Library	89,567	156,614
Hoyt Trust	450,117	1,162,378
Saginaw Public Library Foundation	6,370	219,644
Total expenses	3,196,822	4,169,345
Change in net position	1,595,889	911,292
Net position, beginning of year	21,856,814	20,945,522
Net position - end of year	$ 23,452,703	$ 21,856,814

As shown, the net position for the Library increased by $1,595,889 during the year.

The *Statement of Activities* presented later in the government-wide financial statements provides greater detail on the Library's annual activity. As reported in the statement of activities, the cost of all government activities this year was $3.19 million. However, the amount that was ultimately financed by our taxpayers through property taxes was $2.79 million. Nearly 7% of the Library's revenue is from penal fines and 2% is from unrestricted state shared revenue.

Up until July 1, 2004, the Library levied 4 mills in property taxes on City of Saginaw, Kochville and Zilwaukee properties. Beginning July 1, 2004, we are able to levy only 3.9947 mills because of the Headlee Tax rollback.

Local Property Tax History

Fiscal Year Revenue	% of Revenue	Local Property Taxes
2024	58%	$ 2,792,873
2023	51%	2,590,275
2022	68%	2,783,936
2021	62%	2,537,941
2020	60%	2,484,153
2019	55%	2,509,034
2018	52%	2,503,990
2017	62%	2,497,373
2016	60%	2,564,867
2015	58%	2,582,115

Local property tax revenues in the table include the receipt of delinquent taxes from prior years.

Budgetary Highlights

Fund balance was not used to balance the budget in 2023-2024. There were no differences between the original budget and the final budget in total for revenues or expenditures for the year ended June 30, 2024. The total difference between the final budget and the actual revenues and expenditures are summarized as follows:

- The difference between the General Fund budgeted revenues and the actual revenues was $887,725 (favorable).
- The difference between the General Fund budgeted expenditures and the actual expenditures was $466,602 (favorable).

The Public Libraries of Saginaw's goal is to maintain and enhance the services that are provided to the public utilizing the most efficient and effective methods. The Library has a conservative and fiscally responsible budget for the fiscal year 2025 that will support the Library's activities and programs.

Budget Adjustments

Budget adjustments were made in February and June this year. A $29,000 reclassification from professional salaries to security guard service was made due to us outsourcing security to an outside security company. A clerical position was added at Hoyt in the technical services department and $8,000 was moved to salaries – clerical from pages. The director can authorize adjustments up to $3,000 between expenditure line-item accounts. All adjustments greater than $3,000 were Board approved.

Revenue Threats

Currently, management is not aware of any other significant changes in conditions that could have a significant effect on the financial position or results of activities of the Library in the near future. However, management continues to monitor items that may impact future receipts.

Requests for Information

This financial report is designed to provide a general overview for anyone interested in the Library's finances and to demonstrate the Library's accountability for the money it received. Questions concerning this report or requests for additional information should be addressed to:

Library Director
Public Libraries of Saginaw
505 Janes Avenue
Saginaw, MI 48607
(989) 755-9833

Public Libraries of Saginaw, Michigan and Component Units
Statement of Net Position
June 30, 2024

Assets	
Cash and cash equivalents	$ 5,076,973
Investments	4,962,870
Receivables	
Accounts	7,515
Taxes	69,520
Due from other units of government	342,202
Prepaid items	23,847
Assets held for sale	948,094
Capital assets not being depreciated	35,000
Capital assets, net of accumulated depreciation	12,179,799
Net pension asset - MERS	693,234
Net OPEB asset - MPSERS	3,168
Total assets	24,342,222
Deferred outflows of resources	
Pension related - MERS	223,037
Pension related - MPSERS	70,472
OPEB related - MPSERS	8,571
Total deferred outflows of resources	302,080
Liabilities	
Accounts payable	88,809
Payroll and other liabilities	67,986
Accrued compensated absences	22,124
Noncurrent liabilities	
Net pension liability - MPSERS	275,471
Total liabilities	454,390
Deferred inflows of resources	
Pension related - MPSERS	564,198
OPEB related - MPSERS	173,011
Total deferred inflows of resources	737,209
Net position	
Investment in capital assets	12,214,799
Restricted for:	
Saginaw Public Library Foundation	1,742,739
Zauel operations	1,284,386
Net pension asset - MERS	693,234
Net OPEB asset - MPSERS	3,168
Unrestricted	7,514,377
Total net position	$ 23,452,703

See Accompanying Notes to the Financial Statements

Public Libraries of Saginaw, Michigan and Component Units
Statement of Activities
For the Year Ended June 30, 2024

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
Main Library	$ 1,395,180	$ 48,267	$ 409,740	$ -	$ (937,173)
Zauel	714,030	1,670	359,663	-	(352,697)
Butman Fish	541,558	-	-	-	(541,558)
Ruth Brady Wickes	89,567	-	-	-	(89,567)
Hoyt Trust	450,117	-	-	40,039	(410,078)
Saginaw Public Library Foundation	6,370	-	7,516	-	1,146
Total governmental activities	3,196,822	49,937	776,919	40,039	(2,329,927)

General revenues	
Property taxes, levied for general purposes	2,792,873
Personal property tax reimbursement	113,334
Payment in lieu of taxes	52,212
Penal fines	342,608
State aid - unrestricted	119,667
Interest and investment earnings	449,493
Other	55,629
Total general revenues	3,925,816
Change in net position	1,595,889
Net position - beginning of year	21,856,814
Net position - end of year	$ 23,452,703

Public Libraries of Saginaw, Michigan and Component Units
Balance Sheet
General Fund
June 30, 2024

	General Fund	Blended Component Units: Hoyt Trust	Blended Component Units: Saginaw Public Libraries Foundation	Eliminating Entries	Total
Assets					
Cash and cash equivalents	$ 3,995,337	$ 1,019,147	$ 62,489	$ -	$ 5,076,973
Investments	1,830,465	1,452,155	1,680,250	-	4,962,870
Receivables					
Accounts	-	7,515	-	-	7,515
Taxes	69,520	-	-	-	69,520
Due from other units of government	342,202	-	-	-	342,202
Due from general fund	-	72,056	-	(72,056)	-
Prepaid items	22,280	1,567	-	-	23,847
MERS asset	693,234	-	-	-	693,234
Assets held by others	-	948,094	-	-	948,094
Capital assets, net of accumulated depreciation	-	10,006,469	-	-	10,006,469
Total assets	$ 6,953,038	$ 13,507,003	$ 1,742,739	$ (72,056)	$ 22,130,724
Liabilities					
Accounts payable	$ 78,794	$ 10,015	$ -	$ -	$ 88,809
Due to blended component units	72,056	-	-	(72,056)	-
Payroll and other liabilities	67,986	-	-	-	67,986
Total liabilities	218,836	10,015	-	(72,056)	156,795
Deferred inflows of resources					
Unavailable revenue					
Property taxes	69,520	-	-	-	69,520
Fund balances					
Non-spendable					
Prepaid items	22,280	1,567	-	-	23,847
MERS asset	693,234	-	-	-	693,234
Invested in capital assets	-	10,006,469	-	-	10,006,469
Restricted for					
Zauel operations	1,284,386	-	-	-	1,284,386
Saginaw Public Libraries Foundation	-	-	1,742,739	-	1,742,739
Committed for:					
Technology upgrade	634,960	-	-	-	634,960
Materials	298,763	-	-	-	298,763
Procurements and operations	389,450	-	-	-	389,450
Unassigned	3,341,609	3,488,952	-	-	6,830,561
Total fund balances	6,664,682	13,496,988	1,742,739	-	21,904,409
Total liabilities, deferred inflows of resources, and fund balances	$ 6,953,038	$ 13,507,003	$ 1,742,739	$ (72,056)	$ 22,130,724

Public Libraries of Saginaw, Michigan and Component Units
Reconciliation of the Balance Sheet of
the General Fund to the Statement of Net Position
June 30, 2024

Total fund balances	$	21,904,409
Total net position for governmental activities in the statement of net position is different because:		
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the fund.		
Property taxes		69,520
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.		
Those consist of:		
Land		35,000
Buildings and building improvements		2,266,115
Furniture and equipment		885,153
Leasehold improvements		3,722,578
Library books		834,094
Accumulated depreciation		(5,534,610)
Certain liabilities are not due and payable in the current period and are not reported in the fund.		
Compensated absences payable		(22,124)
Deferred outflows (inflows) of resources.		
Deferred outflow of resources resulting from net pension asset - MERS		223,037
Deferred outflow of resources resulting from net pension liability - MPSERS		70,472
Deferred inflow of resources resulting from net pension liability - MPSERS		(564,198)
Deferred outflow of resources resulting from net OPEB asset - MPSERS		8,571
Deferred inflow of resources resulting from net OPEB asset - MPSERS		(173,011)
Long-term liabilities (assets) that are not due and payable in the current period, and therefore, are not reported in the fund.		
Net pension liability - MPSERS		(275,471)
Net OPEB asset - MPSERS		3,168
Net position of governmental activities	$	23,452,703

Public Libraries of Saginaw, Michigan and Component Units

Statement of Revenues, Expenditures and Changes in Fund Balances

General Fund

For the Year Ended June 30, 2024

		Blended Component Units			
	General Fund	Hoyt Trust	Saginaw Public Libraries Foundation	Eliminating Entries	Total
Revenues					
Current local taxes	$ 2,887,598	$ -	$ -	$ -	$ 2,887,598
Interest on delinquent taxes	12,615	-	-	-	12,615
Payments in lieu of taxes	52,212	-	-	-	52,212
Personal property tax reimbursement	113,334	-	-	-	113,334
Delinquent taxes	2,090	-	-	-	2,090
Contract income	830,040	249,225	-	(357,107)	722,158
State aid	119,667	-	-	-	119,667
State aid - Unfunded Actuarial Accrued Liability (UAAL)	17,612	-	-	-	17,612
Contributions and gifts	47,245	40,039	7,516	-	94,800
Book fines and fees	12,857	-	-	-	12,857
Penal fines	424,608	-	-	-	424,608
Investment income	86,930	50,187	37,621	-	174,738
Unrealized and realized gain on investments	-	98,174	115,414	-	213,588
Change in value of assets held by others	-	61,167	-	-	61,167
Universal service fund	10,789	-	-	-	10,789
Processing data entry	37,080	-	-	-	37,080
Other revenue	27,228	-	-	-	27,228
Total revenues	4,681,905	498,792	160,551	(357,107)	4,984,141
Expenditures					
Main Library	1,787,330	-	-	(249,225)	1,538,105
Zauel	825,383	-	-	(107,882)	717,501
Butman Fish	567,646	-	-	-	567,646
Ruth Brady Wickes	93,861	-	-	-	93,861
Hoyt Trust	-	450,117	-	-	450,117
Saginaw Public Libraries Foundation	-	-	6,370	-	6,370
Total expenditures	3,274,220	450,117	6,370	(357,107)	3,373,600
Excess (deficiency) of revenues over (under) expenditures	1,407,685	48,675	154,181	-	1,610,541
Other financing sources (uses)					
Forgiveness of debt	-	3,202,987	-	(3,202,987)	-
Loss on debt forgiveness	(3,202,987)	-	-	3,202,987	-
Total other financing sources (uses)	(3,202,987)	3,202,987	-	-	-
Net change in fund balances	(1,795,302)	3,251,662	154,181	-	1,610,541
Fund balances - beginning of year	8,459,984	10,245,326	1,588,558	-	20,293,868
Fund balances - end of year	$ 6,664,682	$ 13,496,988	$ 1,742,739	$ -	$ 21,904,409

Public Libraries of Saginaw, Michigan and Component Units
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the General Fund to the Statement of Activities
For the Year Ended June 30, 2024

Net change in fund balances - general fund	$ 1,610,541
Total change in net position reported for governmental activities in the statement of activities is different because:	
General fund reports capital outlays and library books as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.	
Depreciation and amortization expense	(217,363)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the fund.	
Property taxes	40,570
Payment in lieu of taxes	(150,000)
Penal fines	(82,000)
Expenses are recorded when incurred in the statement of activities.	
Compensated absences	315
The statement of net position reports the net pension asset and deferred outflows of resources and deferred inflows related to the net pension asset and pension expense. However, the amount recorded in the general fund equals actual pension contributions.	
Net change in the deferrals of resources related to the net pension asset - MERS	(38,239)
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 in the general fund equals actual pension contributions.	
Net change in net pension liability - MPSERS	282,214
Net change in the deferrals of resources related to the net pension liability - MPSERS	70,360
The statement of net position reports the net OPEB asset and deferred outflows of resources and deferred inflows related to the net OPEB asset and OPEB expense. However, the amount recorded in the general fund equals actual OPEB contributions.	
Net change in net OPEB asset - MPSERS	22,671
Net change in the deferrals of resources related to the net OPEB asset - MPSERS	56,820
Change in net position of governmental activities	$ 1,595,889

See Accompanying Notes to the Financial Statements

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

The Public Libraires of Saginaw, Michigan and Component Units (the Library) is governed by an elected seven-member Board. The accompanying financial statements present the Library and its component units, entities for which the government is considered to be financially accountable. Although blended component units are legal separate entities, in substance, they are part of the Library's operations. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Library (see discussion below for description).

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all the nonfiduciary activities of the Library and its component units. Governmental activities are normally supported by taxes and inter-governmental revenue.

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

Component Units

The blended component units' columns in the financial statements include the financial data of the Library's two blended component units, Hoyt Trust and Saginaw Public Libraries Foundation. These unites have substantially the same board members as the Library. The component units are organized as not-for-profit corporations in which the Library is the sole corporate member, as identified in the blended component units' articles of incorporation or bylaws, and the component units are included in the financial reporting entity.

Hoyt Trust

The Hoyt Trust was established under the will of Jesse Hoyt in June of 1882. The endowment to the Hoyt Trust included money to construct the Hoyt Library. The funds of the Hoyt Trust are controlled by the Hoyt Trust Board and are reserved for the purpose of maintaining the Hoyt Library as a reference library per the terms of the will of Jesse Hoyt. By the 1920's the Hoyt Trust was no longer financially capable of supporting Hoyt Library services. The Hoyt Trust's inability to support the Hoyt Library led to the merger of Hoyt Library and the Public Libraries of Saginaw with the Public Libraries of Saginaw renting the Hoyt Library from the Hoyt Trust. Since that time the Trust has continued to provide modest financial support to the Hoyt Library.

The Library's financial statements include complete financial statements of the Hoyt Trust. Complete audited financial statements of the Hoyt Trust can be obtained from the administrative offices of the Public Libraries of Saginaw, Michigan at 505 Janes Street, Saginaw, Michigan 48607.

Saginaw Public Libraries Foundation

The Saginaw Public Libraries Foundation was created to provide a means of giving into posterity to the Public Libraries of Saginaw. This foundation raises money to be used to purchase books and other library materials as a supplement to the regular library materials budget. Only a portion of the earnings from the Foundation investments are used annually, allowing the principal to remain to generate earnings for future library materials support and services.

The Library's financial statements include complete financial statements of the Saginaw Public Libraries Foundation. The Foundation assets are held in trust at Tri-Star Trust. Complete audited financial statements of the Saginaw Public Library Foundation can be obtained from the administrative offices of the Public Libraries of Saginaw, Michigan at 505 Janes Street, Saginaw, Michigan 48607.

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

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

The Library reports only one fund as follows:

> The General Fund is used to record the operations of the Library which pertain to maintain and operating the Library. Included are all transactions related to the approved current operating budget.

Assets, Liabilities, and Net Position or Fund Balance
Deposits and investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value based on quoted market price. Certificate of deposits are stated at cost which approximates fair value.

Receivables and payables – All trade and property receivables are shown as net of allowance for uncollectible amounts.

Property taxes are assessed as of December 31st and the related taxes become a lien on March 1st of the following year. The Libraries' taxes are due in July with the final collection date of February 28 before they are added to the County tax rolls. The delinquent real property taxes of the Library are purchased by Saginaw County. These taxes have been recorded as revenue in the current year.

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

MERS asset – This amount represents refundable payments in excess of Annual Required Contributions.

Promises to give – Contributions are recognized when the donor makes a promise to give to the Library that is, in substance, unconditional. Contribution revenue from these promises to give is included in contributions and gifts under Hoyt Trust on the statement of revenue, expenditures and changes in fund balance. The Library considers the promises to give to be fully collectible; accordingly, no allowance for doubtful accounts is required.

The Library uses the income approach to value unconditional promises to give, in the aggregate on an annual basis, under the fair value option.

Assets held by others – These assets are held by the bank and are for the benefit of the Hoyt Trust. The Trust may petition for distribution of principal for special projects and renovations.

Capital assets - Purchased or constructed capital assets are reported in the applicable governmental activities column in the governmentwide financial statements. Capital assets are defined by the Library as assets with an initial individual cost of more than $5,000, except books which are capitalized annual as a group. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. The Library does not have infrastructure assets. Buildings, furniture and equipment, books, and leasehold improvements are depreciated using the straight-line method over the following useful lives:

Building and building improvements	20 to 50 years
Furniture and equipment	5 to 10 years
Leasehold improvements	20 to 50 years
Books	5 years

Deferred outflows of resources – A deferred outflow of resources represents a consumption of net assets by the Library that applies to future periods. The Library may report deferred outflows of resources as a result of the following:

- Pension and OPEB earnings which are 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 and OPEB expense.
- Changes in assumptions and experience differences relating to the net pension liability (asset) and net OPEB asset are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan.
- Pension and OPEB contributions made after the measurement date. This amount will reduce the net pension liability (asset) and net OPEB asset in the following year.
- Deferred amounts on bond refundings represent the difference between the reacquisition price and the net carrying amount of the prior debt. This amount is amortized over the life of the related debt.

Compensated absences – Sick days are earned by employees at the rate of one 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 of 90 days at half of their normal rate.

The liability for compensated absences reported in the government-wide financial statements consists of earned but unused accumulated vacation and sick leave benefits. The liability has been calculated based on the balances as of June 30, 2024 for those employees eligible for payout.

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

Pension - MPSERS – 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 (MPSERS) and additions to/deductions from MPSERS fiduciary net position have been determined on the same basis as they are reported by MPSERS.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB) – MPSERS – For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Michigan Public School Employees Retirement System (MPSERS) and additions to/deductions from MPSERS fiduciary net position have been determined on the same basis as they are reported by MPSERS. 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 represents an acquisition of net assets by the Library that applies to future periods. The Library may report deferred inflows of resources as a result of the following:

- Unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period.
- Lease revenue related to leases receivable which is being amortized to recognize lease revenue in a systematic and rational manner over the term of the lease.
- Pension and OPEB earnings which are 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 and OPEB expense.
- Changes in assumptions and experience differences relating to the net pension liability (asset) and net OPEB asset are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan.
- Deferred amounts on bond refundings represent the difference between the reacquisition price and the net carrying amount of the prior debt. This amount is amortized over the life of the related debt.

Fund Balances – In the fund financial statements, governmental funds report fund balances in the following categories:

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

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

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

Assigned – amounts intended to be used for specific purposes, as determined by the Library Board. 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 Library'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 Library's policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

Use of Estimates

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

Adoption of New Accounting Standard

Statement No. 100, *Accounting Changes and Error Corrections*, improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. More understandable, reliable, relevant, consistent and comparable information will be provided to financial statement users for making decisions or assessing accountability. Additionally, the display and note disclosure requirements will result in more consistent, decision useful, understandable and comprehensive information for users about accounting changes and error corrections.

Upcoming Accounting and Reporting Changes

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for the year ending June 30, 2025.

Statement No. 102, *Certain Risk Disclosures*, requires organizations to provide users of the financial statements with essential information about risks related to the organization's vulnerabilities due to certain concentrations or constraints. This statement is effective for the year ending June 30, 2025.

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing an organization's accountability while also addressing certain application issues. This statement includes changes to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statements of revenues, expenses, and changes in fund net position, major component unit information, and budgetary comparison information. This statement is effective for the year ending June 30, 2026.

The Library is evaluating the impact that the above GASB statements will have on its financial reporting.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

The Library is subject to the budgetary control requirements of the Uniform Budgeting Act (P.A. 2 of 1968, as amended). Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund. All annual appropriations lapse at fiscal year end.

The Board adopts appropriations utilizing the modified-accrual basis of accounting for the general fund. The appropriation level adopted by the Board is the level of control authorized under the Act. The Act requires expenditures to be budgeted on a functional basis. A library is not considered to be in violation of the Act if reasonable procedures are in use by the library detect violations.

The Library used these procedures in establishing the budgetary date reflected in the financial statements:

The Library Director submits to the Board a proposed budget by July 1 of each year. The budget includes proposed expenditures and the means of financing them.

A public hearing is conducted to obtain taxpayer comments.

The Library Director is authorized to transfer budgeted amounts between functions up to $3,000; however, any revisions that alter the total expenditures of any fund must be approved by the Board.

The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Budgeted amounts are as originally adopted, or as amended by the

Board throughout the year. The budget was amended at its June meeting.

Encumbrance accounting is employed in the General Fund.

Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Note 3 - Deposits and Investments

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

	General Fund	Component Units	Total
Cash and cash equivalents	$ 3,995,337	$ 1,081,636	$ 5,076,973
Investments	1,830,465	3,132,405	4,962,870
Assets held by others	-	948,094	948,094
Total	$ 5,825,802	$ 5,162,135	$10,987,937

The breakdown between deposits and investments is as follows:

	General Fund	Component Units	Total
Bank deposits (checking and savings accounts, money markets and certificates of deposit)	$3,994,727	$1,081,636	$ 5,076,363
Investments in securities, mutual funds and similar vehicles	1,830,465	3,132,405	4,962,870
Petty cash and cash on hand	610	-	610
Assets held by others	-	948,094	948,094
	$5,825,802	$5,162,135	$10,987,937

As of June 30, 2024, the Library's investments consisted of the following:

	Cost	Fair Value
Assets held by others	$ 633,722	$ 948,094

Credit risk – State statutes authorize the Library to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The Library is allowed to invest in U.S. Treasury or Agency obligations, U.S. government 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. The Library has no investment policy that would further limit its investment choices.

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

Custodial credit risk - deposits – In the case of deposits, this is the risk that in the event of bank failure, the Library's deposits may not be returned to it. The Library does not have a policy for custodial credit risk. As of year end, $4,557,606 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Note 4 - Fair Value Measurements

The Library categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The Library has the following recurring fair value measurements as of year end:

Investment Type	Level 1	Level 2
U.S. treasuries and agencies	$ -	$1,830,465
Mutual funds - equity	1,840,741	-
Mutual funds - fixed income	1,168,267	-
Mutual funds - balanced	123,397	-
Assets held by others	-	948,094
	$3,132,405	$2,778,559

Note 5 - Capital Assets

Capital assets activity of the Library for the current year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 35,000	$ -	$ -	$ 35,000
Capital assets being depreciated				
Buildings, additions and improvements	2,266,115	-	-	2,266,115
Hoyt building	10,683,064	-	-	10,683,064
Furniture and equipment	885,153	-	-	885,153
Leasehold improvements	3,722,578	-	-	3,722,578
Library books	834,094	-	-	834,094
Total capital assets being depreciated	18,391,004	-	-	18,391,004
Less accumulated depreciation for	5,780,180	431,025	-	6,211,205
Net capital assets being depreciated	12,610,824	(431,025)	-	12,179,799
Governmental activities net capital assets	$ 12,645,824	$ (431,025)	$ -	$ 12,214,799

Depreciation expense was charged to activities of the Library as follows:

Governmental activities	
Main library	$ 169,544
Zauel	10,868
Butman Fish	32,604
Ruth Brady Wickes	4,347
Total governmental activities	$ 217,363
Component Unit	
Hoyt Trust	$ 213,662

Note 6 - Tax Abatements

The Library receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions and Brownfield Redevelopment Agreements granted by the City Saginaw, Zilwaukee Township, and Kochville Township. 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, 2024, the Library's property tax revenue was not materially reduced under these programs.

Note 7 - Employee Retirement and Benefit Systems – MERS

Defined Benefit Pension Plan

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

Benefits provided – Benefits provided include plans with multipliers ranging from 1.50 to 2.25%. Vesting periods is 10 years. Normal retirement age is 60. Early retirement (unreduced) is 50 with 30 years of services and early retirement (reduced) is 50 with 25 years of service and 55 with 15 years of service. Final average compensation is calculated based on 3 years. Member contributions are 4.0%.

Employees covered by benefit terms – At the December 31, 2023 valuation date, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to, but not yet receiving benefits	11
Active employees	11
	31

Contributions – The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees. For the year ending June 30, 2024, employer contributions were $26,796.

Net pension asset – The employer's net pension asset was measured as of December 31, 2023, and the total pension liability used to calculate the net pension asset was determined by an annual actuarial valuation as of that date.

Actuarial assumptions – The total pension liability in the December 31, 2023 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement include: 1) Inflation 2.50%; 2) Salary increases 3.00% in the long-term; 3) Investment rate of return of 7.00%, net of investment expense, including inflation.

Although no specific price inflation assumptions are needed for the valuation, the 3.00% long-term wage inflation assumption would be consistent with a price inflation of 2.5%.

Mortality rates used were based on the Pub-2010 Mortality Tables. For disabled retirees, the regular mortality table is used with a 10-year set forward in ages to reflect the higher expected mortality rates of disabled members.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study.

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

Asset Class	Target Allocation	Target Allocation Gross Rate Of Return	Long-Term Expected Gross Rate of Return	Inflation Assumption	Long-term Expected Real Rate of Return
Global equity	60.00%	7.00%	4.20%	2.50%	2.70%
Global fixed income	20.00%	4.50%	0.90%	2.50%	0.40%
Private investments	20.00%	9.50%	1.90%	2.50%	1.40%
	100.00%		7.00%		4.50%

Discount rate – The discount rate used to measure the total pension liability is 7.18%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plans fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances as of June 30, 2023	$ 2,759,335	$ 3,405,717	$ (646,382)
Changes for the year			
Service cost	92,887	-	92,887
Interest on total pension liability	199,893	-	199,893
Experience differences	35,308	-	35,308
Employer contributions	27,913	-	27,913
Employee contributions	-	25,097	(25,097)
Net investment income (loss)	-	386,016	(386,016)
Benefit payments and refunds	(97,262)	(97,262)	-
Administrative expense	-	(8,260)	8,260
Net changes	258,739	305,591	(46,852)
Balances as of June 30, 2024	$ 3,018,074	$ 3,711,308	$ (693,234)

Sensitivity of the net pension asset to changes in the discount rate – The following presents the net pension asset of the employer, calculated using the discount rate of 7.18%, as well as what the employer's net pension asset would be using a discount rate that is 1% point lower (6.18%) or 1% higher (8.18%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Net pension liability	$ (246,766)	$ (693,234)	$ (1,057,009)

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions – For the year ended June 30, 2024 the employer recognized pension expense of ($6,781). The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Total to Amortize
Differences in experience	$ 17,654	$ 17,654
Differences in assumptions	13,956	13,956
Net difference between projected and actual earning on plan investments	177,988	177,988
Contributions subsequent to the measurement date*	13,439	-
Total	$ 223,037	$ 209,598

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension asset in subsequent years.

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

Year ended June 30,	
2025	$ 61,766
2026	63,068
2027	113,169
2028	(28,405)
	$ 209,598

Note 8 - Pension Plan – MPSERS

Plan Description

The Michigan Public School Employees' Retirement System (System or MPSERS) 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's pension plan was established by the State to provide retirement, survivor, and disability benefits to public school employees. In addition, the System's health plan provides all retirees with the option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act (1980 PA 300 as amended).

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 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 on the ORS website at www.michigan.gov/orsschools.

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 are determined by final average compensation, 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 plan member who leaves Michigan public school employment may request a refund of his or her member contributions to the retirement system account if applicable. 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
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, 2022 valuation will be amortized over an 16-year period beginning October 1, 2022 and ending September 30, 2038.

The schedule below summarizes pension contribution rates in effect for plan year ended September 30, 2023.

Pension Contribution Rates		
Benefit Structure	Member	Employer
Basic	0.0 - 4.0%	20.16%
Member Investment Plan	3.0 - 7.0%	20.16%
Pension Plus	3.0 - 6.4%	17.24%
Pension Plus 2	6.2%	19.95%
Defined Contribution	0.0%	13.75%

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At June 30, 2024, the Library reported a liability of $275,471 for its proportionate share of the MPSERS net pension liability. The net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 2022. The Library's proportion of the net pension liability was determined by dividing each employer's statutorily required pension contributions to the system during the measurement period by the percent of pension contributions required from all applicable employers during the measurement period. At September 30, 2023,

the Library's proportion was .0009 percent, which was a decrease of .0006 percent from its proportion measured as of September 30, 2022.

For the plan year ending September 30, 2023, the Library recognized pension expense of ($314,510) for the measurement period. For the reporting period ending June 30, 2024, the Library recognized total pension contribution expense of $28,573.

At June 30, 2024, the Library 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	Total to Amortize
Differences in experience	$ 8,696	$ (422)	$ 8,274
Differences in assumptions	37,328	(21,522)	15,806
Net difference between projected and actual earning on plan investments	-	(5,637)	(5,637)
Change in proportion and differences between employer contributions and proportionate share of contributions	-	(522,813)	(522,813)
Contributions subsequent to the measurement date*	24,448	(13,804)	-
Total	$ 70,472	$ (564,198)	$ (504,370)

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending 2025.

Contributions subsequent to the measurement date 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 ending June 30, 2025. The Library will offset the contribution expense in the year ended June 30, 2025, with the 147c supplemental income received subsequent to the measurement date which is included in the deferred inflows of resources. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows during the following plan years:

Year ended June 30,	
2024	$ (267,537)
2025	(154,830)
2026	(58,705)
2027	(23,298)
	$ (504,370)

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, 2022
- Actuarial Cost Method: Entry Age, Normal
- Wage inflation rate: 2.75%
- Investment Rate of Return

- MIP and Basic Plans: 6.00% net of investment expenses
- Pension Plus Plan: 6.00% net of investment expenses
- Pension Plus 2 Plan: 6.00% net of investment expenses

- Projected Salary Increases: 2.75% - 11.55%, including wage inflation at 2.75%
- Cost-of-Living Pension Adjustments: 3% Annual Non-Compounded for MIP members
- Mortality:
  - Retirees: RP-2014 Male and Female Healthy Annuitant Mortality Tables, scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010.
  - Active: PubT-2010 Male and Female Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

Assumption changes as a result of an experience study for the period 2017 through 2022 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2023 valuation. The total pension liability as of September 30, 2023, is based on the results of an actuarial valuation date of September 30, 2022, and rolled forward using generally accepted actuarial procedures, including the experience study.

Recognition period for liabilities is the average of the expected remaining service lives of all employees is 4.4406 years.

Recognition period for assets is 5 years.

Full actuarial assumptions are available in the 2023 MPSERS Annual Comprehensive Financial Report found on the ORS website at www.michigan.gov/orsschools.

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, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equity Pools	25.0%	5.8 %
Private Equity Pools	16.0	9.6
International Equity	15.0	6.8
Fixed Income Pools	13.0	1.3
Real Estate and Infrastructure Pools	10.0	6.4
Absolute Return Pools	9.0	4.8
Real Return/Opportunistic Pools	10.0	7.3
Short Term Investment Pools	2.0	0.3
	100.0%	

**Long-term rates of return are net of administrative expenses and 2.7% inflation.*

Rate of Return
For the plan year ended September 30, 2023, the annual money weighted rate of return on pension plan investment, net of pension plan investment expense, was 8.29%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate
A discount rate of 6.00% was used to measure the total pension liability (6.00% for the Pension Plus plan, 6.00% for the Pension Plus 2, hybrid plans provided through non-university employers only). This discount rate was based on the long-term expected rate of return on pension plan investments of 6.00% (6.00% for the Pension Plus plan, 6.00% for the Pension Plus 2 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.

Sensitivity of the Library's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
The following presents the Library's proportionate share of the net pension liability calculated using the discount rate of 6.00% (6.00% for the Pension plus plan, 6.00% for the Pension Plus 2 plan), as well as what the Library'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 higher:

1% Decrease	Current Discount Rate	1% Increase
$ 372,160	$ 275,471	$ 194,973

Michigan Public School Employees' Retirement System (MPSERS) Fiduciary Net Position
Detailed information about the pension plan's fiduciary net position is available in the separately issued MPSERS Annual Comprehensive Financial Report, available on the ORS website at www.michigan.gov/orsschools.

Payables to the Pension Plan
There were no significant payables to the pension plan that are not ordinary accruals to the Library.

Note 9 - Postemployment Benefits Other Than Pensions (OPEB) - MPSERS

Plan Description
The Michigan Public School Employees' Retirement System (System or MPSERS) 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's health plan provides all eligible retirees with the option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act (1980 PA 300 as amended).

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 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 on the ORS website at www.michigan.gov/orsschools.

Benefits Provided
Benefit provisions of the postemployment healthcare plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions. Retirees have the option of health coverage, which, through 2012, was funded on a cash disbursement basis. Beginning with fiscal year 2013, it is funded on a prefunded basis. The System has contracted to provide the comprehensive group medical, prescription drug, dental and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by the System with the balance deducted from the monthly pension of each retiree healthcare recipient. For members who first worked before July 1, 2008, (Basic, MIP-Fixed, and MIP Graded plan members) the subsidy is the maximum allowed by statute. To limit future liabilities of Other Postemployment Benefits, members who first worked on or after July 1, 2008 (MIP-Plus plan members) have a graded premium subsidy based on career length where they accrue credit towards their insurance premiums in retirement, not to exceed the maximum allowable by statute. Public Act 300 of 2012 sets the maximum subsidy at 80% beginning January 1, 2013; 90% for those Medicare eligible and enrolled in the insurances as of that date. Dependents are eligible for healthcare coverage if they meet the dependency requirements set forth in Public Act 300 of 1980, as amended.

Public Act 300 of 2012 granted all active members of the Michigan Public School Employees Retirement System, who earned service credit in the 12 months ending September 3, 2012 or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their retirement healthcare. Any changes to a member's healthcare benefit are effective as of the member's transition date, which is defined as the first day of the pay period that begins on or after February 1, 2013.

Under Public Act 300 of 2012, members were given the choice between continuing the 3% contribution to retiree healthcare and keeping the premium subsidy benefit described above, or choosing not to pay the 3% contribution and instead opting out of the subsidy benefit and becoming a participant in the Personal Healthcare Fund (PHF), a portable, tax-deferred fund that can be used to pay healthcare expenses in retirement. Participants in the PHF are automatically enrolled in a 2% employee contribution into their 457 account as of their transition date, earning them a 2% employer match into a 401(k) account. Members who selected this option stop paying the 3% contribution to retiree healthcare as of the day before their transition date, and their prior contributions were deposited into their 401(k) account.

Contributions
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 OPEB 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, 2022 valuation will be amortized over an 16-year period beginning October 1, 2022 and ending September 30, 2038.

The schedule below summarizes OPEB contribution rates in effect for plan year 2023.

OPEB Contribution Rates		
Benefit Structure	Member	Employer
Premium Subsidy	3.0%	8.07%
Personal Healthcare Fund (PHF)	0.0%	7.21%

Required contributions to the OPEB plan from the Library were $4,362 for the year ended September 30, 2023.

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

At June 30, 2024, the Library reported an asset of $3,168 for its proportionate share of the MPSERS net OPEB asset. The net OPEB asset was measured as of September 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation rolled forward from September 2022. The Library's proportion of the net OPEB asset was determined by dividing each employer's statutorily required OPEB contributions to the system during the measurement period by the percent of OPEB contributions required from all applicable employers during the measurement period. At September 30, 2023, the Library's proportion was .0006 percent, which was a decrease of .0004 percent from its proportion measured as of September 30, 2022.

For the plan year ending September 30, 2023, the Library recognized OPEB expense of ($78,744) for the measurement period. For the reporting period ending June 30, 2023, the Library recognized total OPEB contribution expense of $1,394.

At June 30, 2024, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total to Amortize
Differences in experience	$ -	$ (23,937)	$ (23,937)
Differences in assumptions	7,052	(849)	6,203
Net difference between projected and actual earning on plan investments	10	-	10
Change in proportion and differences between employer contributions and proportionate share of contributions	167	(148,225)	(148,058)
Contributions subsequent to the measurement date*	1,342	-	-
Total	$ 8,571	$ (173,011)	$ (165,782)

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension asset for the year ending 2025.

Contributions subsequent to the measurement date reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows during the following plan years:

Year ended June 30,		
2024	$	(63,296)
2025		(53,099)
2026		(27,342)
2027		(14,226)
2028		(5,770)
Thereafter		(2,049)
	$	(165,782)

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, 2022
- Actuarial Cost Method: Entry Age, Normal
- Wage inflation rate: 2.75%
- Investment Rate of Return: 6.00% net of investment expenses
- Projected Salary Increases: 2.75 – 11.55%, including wage inflation of 2.75%
- Healthcare Cost Trend Rate: Pre-65: 7.50% Year 1 graded to 3.5% Year 15; Post-65: 6.25% Year 1 graded to 3.5% Year 15
- Mortality:
  - Retirees: PubT-2010 Male and Female Mortality Tables, scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010.
  - Active: PubT-2010 Male and Female Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

Other Assumptions:

- Opt Out Assumption: 21% of eligible participants hired before July 1, 2008 and 30% of those hired after June 30, 2008 are assumed to opt out of the retiree health plan.
- Survivor Coverage: 80% of male retirees and 67% of female retirees are assumed to have coverages continuing after the retiree's death.
- Coverage Election at Retirement: 75% of male and 60% of female future retirees are assumed to elect coverage for 1 or more dependents.

Assumption changes as a result of an experience study for the period 2017 through 2012 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2013 valuation. The total OPEB liability as of September 30, 2023, is based on the results of an actuarial valuation date of September 30, 2022, and rolled forward using generally accepted actuarial procedures, including the experience study.

Recognition period for liabilities is the average of the expected remaining service lives of all employees is 6.5099 years.

Recognition period for assets is 5 years.

Full actuarial assumptions are available in the 2023 MPSERS Annual Comprehensive Financial Report found on the ORS website at www.michigan.gov/orsschools.

Long-Term Expected Return on Plan Assets
The long-term expected rate of return on OPEB 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 OPEB 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 OPEB plan's target asset allocation as of September 30, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equity Pools	25.0%	5.8 %
Private Equity Pools	16.0	9.6
International Equity	15.0	6.8
Fixed Income Pools	13.0	1.3
Real Estate and Infrastructure Pools	10.0	6.4
Absolute Return Pools	9.0	4.8
Real Return/Opportunistic Pools	10.0	7.3
Short Term Investment Pools	2.0	0.3
	100.0%	

**Long-term rates of return are net of administrative expenses and 2.7% inflation.*

Rate of Return
For the plan year ended September 30, 2023, the annual money weighted rate of return on OPEB plan investment, net of pension plan investment expense, was 7.94%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate
A discount rate of 6.00% was used to measure the total OPEB liability. This discount rate was based on the long-term expected rate of return on OPEB plan investments of 6.00%. 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 OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Library's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate
The following presents the Library's proportionate share of the net OPEB asset calculated using the discount rate of 6.00%, as well as what the Library's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher:

1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
$ 3,284	$ (3,168)	$ (8,712)

Sensitivity of the Library's Proportionate Share of the Net OPEB Asset to Healthcare Cost Trend Rate
The following presents the Library's proportionate share of the net OPEB asset calculated using assumed trend rates, as well as what the Library's proportionate share of net OPEB asset would be if it were calculated using a trend rate that is 1-percentage-point lower or 1- percentage-point higher:

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
$ (8,726)	$ (3,168)	$ 2,848

OPEB Plan Fiduciary Net Position
Detailed information about the OPEB plan's fiduciary net position is available in the separately issued 2023 MPSERS Annual Comprehensive Financial Report, available on the ORS website at www.michigan.gov/orsschools.

Payables to the OBEB Plan
There were no significant payables to the OPEB plan that are not ordinary accruals to the Library.

Note 10 - Eliminating Entries

All significant transactions between the Library and its component unit, Hoyt Trust, have been eliminated in the consolidated statements. These were for contractual payments that the Library owed the Hoyt Trust totaling $249,225. This results in a total contract income elimination of $357,107 on the statement of revenues, expenditures and changes in fund balance. There was also a due from general fund and due to component unit balance eliminated for $72,056. The forgiveness of debt for $3,202,987 was also eliminated.

Note 11 - Risk Management

The Library participated in a self-insurance program through the Middle Cities Association. This program provides substantially all the insurance needs of the Library including property, general liability, automobile, umbrella, and library commission legal liability. Payments made for the year ended June 30, 2024 were $38,932 for the governmental activities and $0 was paid from the component units. The contributions made by the Library fund the program at two times the expected claims. The possibility of additional claims does exist, but any liability to the Library would be immaterial due to the aggregate stop-loss coverage. There is also a possibility of a refund due the Library. Therefore, no contingent liabilities or assets have been recognized on the Library's financial statements for the year ended June 30, 2024. The Library uses a commercial carrier for its workers' compensation insurance. There have been no claims for commercial insurance for the last three years.

Public Libraries of Saginaw, Michigan and Component Units

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2024

	Budgeted Amounts			Actual Over (Under) Final Budget
	Original	Final	Actual	
Revenues				
Current local taxes	$ 2,300,000	$ 2,300,000	$ 2,887,598	$ 587,598
Interest on delinquent taxes	1,000	1,000	12,615	11,615
Payments in lieu of taxes	16,000	16,000	52,212	36,212
Personal property tax reimbursement	87,000	87,000	113,334	26,334
Delinquent taxes	4,000	4,000	2,090	(1,910)
Contract income	830,000	830,000	830,040	40
State aid	85,000	85,000	119,667	34,667
State aid - Unfunded Actuarial Accrued Liability (UAAL)	35,000	35,000	17,612	(17,388)
Contributions and gifts	109,900	109,900	47,245	(62,655)
Book fines and fees	11,000	11,000	12,857	1,857
Penal fines	230,000	230,000	424,608	194,608
Investment interest	10,000	10,000	86,930	76,930
Universal service fund	14,500	14,500	10,789	(3,711)
Processing data entry	37,080	37,080	37,080	-
Other revenue	23,700	23,700	27,228	3,528
Total revenues	3,794,180	3,794,180	4,681,905	887,725
Expenditures				
Main Library	2,111,400	2,111,400	1,787,330	(324,070)
Zauel	879,972	879,972	825,383	(54,589)
Butman Fish	636,550	636,550	567,646	(68,904)
Ruth Brady Wickes	112,900	112,900	93,861	(19,039)
Total expenditures	3,740,822	3,740,822	3,274,220	(466,602)
Excess (deficiency) of revenues over expenditures	53,358	53,358	1,407,685	1,354,327
Other financing sources (uses)				
Loss on debt forgiveness	-	-	(3,202,987)	(3,202,987)
Net change in fund balance	53,358	53,358	(1,795,302)	(1,848,660)
Fund balance - beginning of year	8,459,984	8,459,984	8,459,984	-
Fund balance - end of year	$ 8,513,342	$ 8,513,342	$ 6,664,682	$ (1,848,660)

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Municipal Employees Retirement System of Michigan
Schedule of Changes in Net Pension Asset and Related Ratios

Fiscal year ended June 30,	2024	2023	2022	2021	2020
Total pension liability					
Service cost	$ 92,887	$ 76,461	$ 81,522	$ 69,055	$ 81,898
Interest	199,893	191,383	192,623	171,333	157,158
Changes of benefit terms	-	-	-	-	-
Experience differences	35,308	(74,260)	(221,647)	(58,745)	48,306
Changes in assumptions	27,913	-	122,496	152,700	66,345
Benefit payments and refunds	(97,262)	(71,574)	(62,848)	(58,023)	(56,740)
Net change in total pension liability	258,739	122,010	112,146	276,320	296,967
Total pension liability - beginning	2,759,335	2,637,325	2,525,179	2,248,859	1,951,892
Total pension liability - ending (a)	$ 3,018,074	$ 2,759,335	$ 2,637,325	$ 2,525,179	$ 2,248,859
Plan fiduciary net position					
Employer contributions	$ -	$ 20,328	$ 24,655	$ 25,090	$ 24,391
Employee contributions	25,097	20,328	24,655	25,593	23,889
Net investment income (loss)	386,016	(428,495)	507,004	392,475	363,514
Benefit payments and refunds	(97,262)	(71,574)	(62,848)	(58,023)	(56,740)
Administrative expense	(8,260)	(7,386)	(5,503)	(6,108)	(6,266)
Net change in plan fiduciary net position	305,591	(466,799)	487,963	379,027	348,788
Plan fiduciary net position - beginning	3,405,717	3,872,516	3,384,553	3,005,526	2,656,738
Plan fiduciary net position - ending (b)	$ 3,711,308	$ 3,405,717	$ 3,872,516	$ 3,384,553	$ 3,005,526
Net pension asset (a-b)	$ (693,234)	$ (646,382)	$ (1,235,191)	$ (859,374)	$ (756,667)
Plan fiduciary net position as a percentage of total pension liability	122.97%	123.43%	146.83%	134.03%	133.65%
Covered payroll	$ 635,341	$ 548,504	$ 670,415	$ 627,769	$ 654,657
Net pension asset as a percentage of covered payroll	(109.11%)	(117.84%)	(184.24%)	(136.89%)	(115.58%)

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Municipal Employees Retirement System of Michigan
Schedule of Changes in Net Pension Asset and Related Ratios

Fiscal year ended June 30,	2019	2018	2017	2016	2015
Total pension liability					
Service cost	$ 48,609	$ 46,900	$ 48,087	$ 61,871	$ 60,210
Interest	139,433	132,752	132,012	115,439	103,705
Changes of benefit terms	96,499	-	-	3,608	3,241
Experience differences	(24,472)	(44,968)	(127,064)	(8,559)	-
Changes in assumptions	-	-	-	72,516	-
Benefit payments and refunds	(53,566)	(50,488)	(35,899)	(25,745)	(16,866)
Net change in total pension liability	206,503	84,196	17,136	219,130	150,290
Total pension liability - beginning	1,745,389	1,661,193	1,644,057	1,424,927	1,274,638
Total pension liability - ending (a)	$ 1,951,892	$ 1,745,389	$ 1,661,193	$ 1,644,057	$ 1,424,928
Plan fiduciary net position					
Employer contributions	$ 17,924	$ 12,246	$ -	$ 28,196	$ 70,939
Employee contributions	23,353	21,275	26,059	28,318	33,797
Net investment income (loss)	(110,570)	329,445	257,170	(35,171)	131,380
Benefit payments and refunds	(53,566)	(50,488)	(35,899)	(25,745)	(16,866)
Administrative expense	(5,435)	(5,212)	(5,072)	(5,017)	(4,867)
Net change in plan fiduciary net position	(128,294)	307,266	242,258	(9,419)	214,383
Plan fiduciary net position - beginning	2,785,032	2,477,766	2,235,508	2,244,927	2,030,545
Plan fiduciary net position - ending (b)	$ 2,656,738	$ 2,785,032	$ 2,477,766	$ 2,235,508	$ 2,244,928
Net pension asset (a-b)	$ (704,846)	$ (1,039,643)	$ (816,573)	$ (591,451)	$ (820,000)
Plan fiduciary net position as a percentage of total pension liability	136.11%	159.57%	149.16%	135.98%	157.55%
Covered payroll	$ 580,752	$ 559,002	$ 584,291	$ 757,301	$ 736,969
Net pension asset as a percentage of covered payroll	(121.37%)	(185.98%)	(139.75%)	(78.10%)	(111.27%)

See Accompanying Notes to the Required Supplementary Information

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Municipal Employees Retirement System of Michigan
Schedule of Employer Contributions

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	$ 70,939	$ 70,939	$ -	$ 738,147	9.61%
2016	28,196	28,196	-	750,567	3.76%
2017	-	-	-	569,922	0.00%
2018	12,246	12,246	-	568,693	2.15%
2019	17,924	17,924	-	592,319	3.03%
2020	25,319	25,319	-	645,258	3.92%
2021	24,322	24,322	-	604,266	4.03%
2022	25,090	25,090	-	728,898	3.44%
2023	24,602	24,602	-	602,984	4.08%
2024	26,796	26,796	-	662,351	4.05%

See Accompanying Notes to the Required Supplementary Information

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Schedule of the Library's Proportionate Share of the Net Pension Liability
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years (Measurement Date September 30th, of Each June Fiscal Year)

		2024	2023	2022	2021	2020
A.	Library's proportion of net pension liability (%)	0.00090%	0.00150%	0.00250%	0.00408%	0.00588%
B.	Library's proportionate share of net pension liability	$ 275,471	$ 557,685	$ 592,314	$ 1,402,187	$ 1,948,146
C.	Library's covered payroll	$ 78,383	$ 83,738	$ 152,594	$ 257,944	$ 396,808
D.	Library's proportionate share of net pension liability as a percentage of its covered payroll	351.44%	665.99%	388.16%	543.60%	490.95%
E.	Plan fiduciary net position as a percentage of total pension liability	65.91%	60.77%	72.60%	59.72%	60.31%

See Accompanying Notes to the Required Supplementary Information

Public Libraries of Saginaw, Michigan and Component Units

Required Supplementary Information

Schedule of the Library's Proportionate Share of the Net Pension Liability

Michigan Public School Employees Retirement Plan

Last 10 Fiscal Years (Measurement Date September 30th, of Each June Fiscal Year)

		2019	2018	2017	2016	2015
A.	Library's proportion of net pension liability (%)	0.00655%	0.00664%	0.00731%	0.00766%	0.00935%
B.	Library's proportionate share of net pension liability	$ 1,968,462	$ 1,721,318	$ 1,824,556	$ 1,870,730	$ 2,058,650
C.	Library's covered payroll	$ 460,451	$ 531,422	$ 583,558	$ 640,045	$ 795,892
D.	Library's proportionate share of net pension liability as a percentage of its covered payroll	427.51%	323.91%	312.66%	292.28%	258.66%
E.	Plan fiduciary net position as a percentage of total pension liability	62.36%	64.21%	63.27%	63.17%	66.20%

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Schedule of the Library's Pension Contributions
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years

		For the Years Ended June 30,				
		2024	2023	2022	2021	2020
A.	Statutorily required contributions	$ 28,573	$ 36,199	$ 50,104	$ 80,095	$ 116,966
B.	Contributions in relation to statutorily required contributions	28,573	36,199	50,104	80,095	116,966
C.	Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
D.	Library's covered payroll	$ 73,259	$ 81,960	$ 85,334	$ 178,654	$ 287,477
E.	Contributions as a percentage of covered payroll	39.00%	44.17%	58.72%	44.83%	40.69%

See Accompanying Notes to the Required Supplementary Information

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Schedule of the Library's Pension Contributions
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years

		For the Years Ended June 30,				
		2019	2018	2017	2016	2015
A.	Statutorily required contributions	$ 161,901	$ 171,289	$ 113,431	$ 116,481	$ 148,561
B.	Contributions in relation to statutorily required contributions	161,901	171,289	113,431	116,481	148,561
C.	Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
D.	Library's covered payroll	$ 415,241	$ 480,933	$ 596,730	$ 580,684	$ 690,035
E.	Contributions as a percentage of covered payroll	38.99%	35.62%	19.01%	20.06%	21.53%

See Accompanying Notes to the Required Supplementary Information

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Schedule of the Library's Proportionate Share of the Net OPEB (Asset) Liability
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years (Measurement Date September 30th, of Each June Fiscal Year)

		June 30,				
		2024	2023	2022	2021	2020
A.	Library's proportion of net OPEB liability (asset) (%)	0.00060%	0.00090%	0.00170%	0.00295%	0.00458%
B.	Library's proportionate share of net OPEB (asset) liability	$ (3,168)	$ 19,503	$ 26,449	$ 158,231	$ 328,953
C.	Library's covered payroll	$ 78,383	$ 83,738	$ 152,594	$ 257,944	$ 396,808
D.	Library's proportionate share of net OPEB liability (asset) as a percentage of its covered payroll	-4.04%	23.29%	17.33%	61.34%	82.90%
E.	Plan fiduciary net position as a percentage of total OPEB liability	105.04%	83.09%	87.33%	59.44%	48.46%

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Schedule of the Library's Proportionate Share of the Net OPEB (Asset) Liability
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years (Measurement Date September 30th, of Each June Fiscal Year)

		June 30,				
		2019	2018	2017	2016	2015
A.	Library's proportion of net OPEB liability (asset) (%)	0.00544%	0.00665%			
B.	Library's proportionate share of net OPEB (asset) liability	$ 432,495	$ 588,641			
C.	Library's covered payroll	$ 460,451	$ 531,422			
D.	Library's proportionate share of net OPEB liability (asset) as a percentage of its covered payroll	93.93%	110.77%			
E.	Plan fiduciary net position as a percentage of total OPEB liability	42.95%	36.39%			

See Accompanying Notes to the Required Supplementary Information

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Schedule of the Library's OPEB Contributions
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years

		For the Years Ended June 30,				
		2024	2023	2022	2021	2020
A.	Statutorily required contributions	$ 1,394	$ 7,411	$ 6,990	$ 14,889	$ 22,823
B.	Contributions in relation to statutorily required contributions	1,394	7,411	6,990	14,889	22,823
C.	Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
D.	Library's covered payroll	$ 73,259	$ 81,960	$ 85,334	$ 178,654	$ 287,477
E.	Contributions as a percentage of covered payroll	1.90%	9.04%	8.19%	8.33%	7.94%

See Accompanying Notes to the Required Supplementary Information

Public Libraries of Saginaw, Michigan and Component Units
Required Supplementary Information
Schedule of the Library's OPEB Contributions
Michigan Public School Employees Retirement Plan
Last 10 Fiscal Years

		For the Years Ended June 30,				
		2019	2018	2017	2016	2015
A.	Statutorily required contributions	$ 29,951	$ 34,120			
B.	Contributions in relation to statutorily required contributions	29,951	34,120			
C.	Contribution deficiency (excess)	$ -	$ -			
D.	Library's covered payroll	$ 415,241	$ 480,933			
E.	Contributions as a percentage of covered payroll	7.21%	7.09%			

Public Libraries of Saginaw, Michigan and Component Units
Other Supplementary Information
Schedule of Expenditures (Before Eliminating Entries)
Year Ended June 30, 2024
(With Summarized Comparative Totals for 2023)

	Year Ended June 30, 2024									
	Main	Zauel	Butman Fish	Ruth Brady Wickes	Hoyt Trust	Saginaw Public Libraries Foundation	Total Actual	Budget	Over (Under) Budget	June 30, 2023 Actual
Expenditures										
Salaries - professional and semi-professional	$ 619,256	$ 212,808	$ 227,224	$ 44,488	$ -	$ -	$ 1,103,776	1,154,490	$ (50,714)	1,101,893
Salaries - secretaries	106,940	84,462	78,195	-	-	-	269,597	272,500	(2,903)	254,487
Salaries - page	49,461	67,355	49,372	-	-	-	166,188	197,300	(31,112)	149,617
Salaries - substitute	11,738	14,768	10,982	2,912	-	-	40,400	43,200	(2,800)	50,619
Employee Benefits	250,233	44,427	56,506	3,734	-	-	354,900	480,110	(125,210)	341,104
Books and periodicals	104,638	126,811	45,178	7,011	-	-	283,638	335,740	(52,102)	287,713
Utilities and telephone	21,035	9,353	44,993	10,196	107,693	-	193,270	204,200	(10,930)	180,083
Supplies and materials	36,714	18,395	6,237	523	-	-	61,869	80,860	(18,991)	62,265
Repairs and maintenance	-	-	17,242	7,734	92,362	-	117,338	135,800	(18,462)	468,277
Programs	46,658	12,327	2,628	196	-	-	61,809	82,160	(20,351)	168,000
Contractual expenses	396,753	152,670	35,912	15,825	9,508	-	610,668	635,332	(24,664)	708,317
Professional and legal	33,830	9,900	-	-	7,074	6,350	57,154	75,300	(18,146)	50,322
Furniture and equipment	41,560	14,767	2,028	1,242	-	-	59,597	73,500	(13,903)	61,177
Insurance	-	1,165	-	-	10,000	-	11,165	10,700	465	-
Interest	-	-	-	-	-	-	-	350,000	(350,000)	171,844
Data processing	73,987	58,603	-	-	-	-	132,590	145,680	(13,090)	135,391
Miscellaneous	28,729	1,320	51	-	9,818	20	39,938	155,250	(115,312)	47,480
Depreciation	-	-	-	-	213,662	-	213,662	-	213,662	213,662
Loss on debt forgiveness	3,202,987	-	-	-	-	-	3,202,987	-	3,202,987	-
Change in MERS asset	(34,202)	(3,748)	(8,902)	-	-	-	(46,852)	-	(46,852)	588,809
Total expenditures	$4,990,317	$ 825,383	$ 567,646	$ 93,861	$ 450,117	$ 6,370	$ 6,933,694	$ 4,432,122	$ 2,501,572	$ 5,041,060

Public Libraries of Saginaw, Michigan and Component Units

Other Supplementary Information

General Fund (Excluding Zauel)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2024

(With Summarized Comparative Totals for 2023)

	Year Ended June 30, 2024			Year Ended June 30, 2023
	Budget	Actual	Over (Under) Final Budget	Actual
Revenues				
Current local taxes	$ 2,300,000	$ 2,887,598	$ 587,598	$ 2,652,407
Payment in lieu of taxes	16,000	52,212	36,212	16,056
Delinquent taxes	4,000	2,090	(1,910)	7,744
Personal property tax reimbursement	87,000	113,334	26,334	98,493
Interest on delinquent taxes	1,000	12,615	11,615	12,972
Federal grants	-	-	-	136,151
State aid	50,000	77,131	27,131	112,429
State aid - Unfunded Actuarial Accrued Liability (UAAL)	35,000	17,612	(17,388)	29,904
Local contributions	100,900	45,575	(55,325)	55,638
Charges for services	118,000	113,270	(4,730)	110,353
Book fines and fees	8,000	8,364	364	4,126
Fines and forfeitures	150,000	273,687	123,687	149,009
Investment income	10,000	86,930	76,930	53,775
Loan interest	-	-	-	181,260
Processing data entry	37,080	37,080	-	37,080
Universal service fund	9,000	10,789	1,789	-
Other revenue	14,100	17,981	3,881	23,025
Total revenues	2,940,080	3,756,268	816,188	3,680,422
Expenditures				
Main Library	2,111,400	1,787,330	(324,070)	2,434,907
Butman Fish	636,550	567,646	(68,904)	764,599
Ruth Brady Wickes	112,900	93,861	(19,039)	160,511
Total expenditures	2,860,850	2,448,837	(412,013)	3,360,017
Excess of revenues (deficiency) over expenditures	79,230	1,307,431	1,228,201	320,405
Other financing sources (uses)				
Loss on forgiveness of debt	-	(3,202,987)	3,202,987	-
Net change in fund balance	79,230	(1,895,556)	(1,974,786)	320,405
Fund balance - beginning of year	7,200,592	7,200,592	-	6,880,187
Fund balance - end of year	$ 7,279,822	$ 5,305,036	$ (1,974,786)	$ 7,200,592

Public Libraries of Saginaw, Michigan and Component Units

Other Supplementary Information

Schedule of Zauel Branch Revenues and Expenditures - Budget and Actual

Year Ended June 30, 2024

(With Summarized Comparative Totals for 2023)

	Year Ended June 30, 2024			Year Ended June, 30 2023
	Budget	Actual	Over (Under) Final Budget	Actual
Revenues				
Saginaw Township	$ 712,000	$ 716,770	$ 4,770	$ 597,552
State grants	35,000	42,536	7,536	4,925
Local contributions	9,000	1,670	(7,330)	11,972
Book fines and telefacsimile fees	3,000	4,493	1,493	4,077
Fines and forfeitures	80,000	150,921	70,921	82,175
Universal service fund	5,500	-	(5,500)	-
Other revenue	9,600	9,247	(353)	8,841
Total revenues	854,100	925,637	71,537	709,542
Expenditures				
Salaries - professional and semi-professional	228,000	212,808	(15,192)	206,758
Salaries - secretaries	84,500	84,462	(38)	83,012
Salaries - page	69,000	67,355	(1,645)	55,749
Salaries - substitute	15,000	14,768	(232)	12,978
Employee Benefits	70,850	44,427	(26,423)	46,839
Books and periodicals	134,200	126,811	(7,389)	129,613
Utilities and telephone	12,000	9,353	(2,647)	8,387
Supplies and materials	19,080	18,395	(685)	13,284
Programs	12,600	12,327	(273)	15,242
Contractual expenses	142,382	152,670	10,288	143,902
Professional and legal	10,400	9,900	(500)	10,502
Furniture and equipment	19,800	14,767	(5,033)	14,876
Insurance	1,300	1,165	(135)	-
Data processing	59,180	58,603	(577)	57,309
Miscellaneous	1,680	1,320	(360)	1,862
Change in MERS asset	-	(3,748)	(3,748)	94,209
Total expenditures	879,972	825,383	(54,589)	894,522
Excess of revenues (deficiency) over expenditures	$ (25,872)	$ 100,254	$ 126,126	$ (184,980)