

AGENDA

COUNTY SERVICES COMMITTEE

111 S. Michigan Ave., Room 200, Saginaw MI 48602

Wednesday, November 6, 2024 - 4:00 p.m.

Members: Michael Webster – Chair, Dennis Krafft – Vice-Chair, Denny Harris, Gerald Little, Christopher Boyd

Others: Administrator, Finance Director, Civil Counsel, Board Staff, *Media*

- I. Call to order
- II. Welcome
- III. Correction/Approval of Minutes **October 2, 2024 - Attached**)
- IV. Public Comment (*Speakers limited to 3 minutes*)
- V. Agenda
 1. **Annette Rummel, President/CEO, Saginaw County Convention & Visitors Bureau**, re:
 - **11-19-1** Submitting its 2023 Audited Financial Statements (*receive & file*) and its proposed 2025 Budget for approval
 2. **Mary Catherine Hannah, County Administrator**, re:
 - **11-19-2** Submitting new County Policy #414 - “Use of County Grounds and Facilities Policy” for review and approval
 3. Any other matters to come before the committee
- VI. Miscellaneous
- VII. Adjournment

MINUTES

COUNTY SERVICES COMMITTEE

111 S. Michigan Ave., Room 200, Saginaw MI 48602

Wednesday, October 2, 2024 - 4:00 p.m.

Present: Michael Webster – Chair, Dennis Krafft – Vice-Chair, Denny Harris, Gerald Little, Christopher Boyd
Others: Vanessa Guerra, Mary Catherine Hannah, Koren Thurston, Dave Gilbert, Jaime Ceja, Darcie Totten, Donovan Monte Gomez, Liz Gooch, Bill Azelton, Judi Lincoln, Kevin Murphy, Katharine Tessin, Suzy Koeplinger, Renee Sharkey, and Catherine Hicks

- I. Call to order ---**Webster @ 4:00 p.m.**
- II. Welcome
- III. Correction/Approval of Minutes (**September 4, 2024**)
---**Moved by Boyd, seconded by Krafft, to approve. Motion carried.**
- IV. Public Comment (*Speakers limited to 3 minutes*)
 - (1) **Donovan Monte Gomez addressed the committee and, among other things, believes that the Saginaw County Board of Commissioners should have an interactive social media page. He spoke of his complaints concerning Ottawa County and the Mental Health Authority.**
 - (2) **Bill Azelton, Board of Canvassers, spoke of their role to certify election results and told the County Services Committee there is no cause for concern, the election will go smoothly and be certified in a timely manner. The committee thanked him for his assurance.**
- V. Agenda
 1. **Hon. Patrick J. McGraw, Chief Judge Probate Court**, re:
 - **10-15-5** Requesting an increase in pay for the bipartisan members of the Board of Canvassers who play a significant role in ensuring Michigan Election Law is complied with by our 30 jurisdictions.
---**Judge McGraw, Chair of the Election Commission, communicated that the work required of the canvassers drastically increased because of Michigan Election Law. Canvassers are now required to canvass 76 precincts connected to the Early Vote Center, 76 precincts from election day, and 56 absentee ballot counting board precincts throughout the county which adds to the number of days required of them. He requested an increase of \$100 for up to 3 hours and \$200 for anything over 3 hours, believing that paying an adequate wage will help protect Saginaw County against the refusal of certifying election results as has happened in other Michigan counties.**
---**Moved by Boyd, seconded by Krafft, to approve. Motion carried.**
(Board Report)
 2. **Liz Gooch, Deputy Equalization Director**, re:
 - **10-15-6** Requested approval of the 2024 Saginaw County Apportionment Report, along with the Millage Report and Estimated Tax Revenue Report
---**Moved by Krafft, seconded by Harris, to approve. Motion carried.**
(Board Report)

3. **INFORMATIONAL COMMUNICATION (Received & Filed in Committee)**

- **10-15-7** Timothy Novak, Saginaw County Treasurer, submitted the Foreclosing Governmental Unit Report of Real Property Foreclosure Sales Report.
---Moved by Krafft, seconded by Little, to receive & file. Motion carried.

4. **JoAnn Crary, President, Saginaw Future**, re:

- **10-15-11** Submitted its fourth quarter report (July 1, 2024 – Sept. 30, 2024) and requested \$10,977 in performance-based funding pursuant to the Fourth Amendment of the Saginaw County and Saginaw Future Services Agreement and the performance bonus of \$50,000 for a total payment of \$60,977
***---Moved by Boyd, seconded by Krafft, to approve. Motion carried.
(Board Report)***

5. Any other matters to come before the committee ***---None***

VI. Miscellaneous ***---None***

VII. Adjournment ***---Moved by Krafft, seconded by Harris, to adjourn. Motion carried; time being 4:30 p.m.***

Respectfully Submitted,
Michael Webster, Committee Chair
Suzy Koeplinger, Committee Clerk

September 3, 2024

Honorable Judge Christopher Boyd, Chairman of the County Board of Commissioners
Honorable Michael Webster, Chairman of the County Services Committee
Saginaw County Governmental Center
111 South Michigan Avenue
Saginaw, Michigan 48602

11-19-1

Dear Commissioners Boyd and Webster:

Enclosed is the final copy of the 2023 audit. I will provide a copy of the proposed 2025 budget once it has been approved by the Saginaw County Convention & Visitors Bureau Board of Directors in the upcoming week.

If it meets with your approval, I wish to present these documents during your November 6, 2024, meeting of the Saginaw County - County Service Committee as directed by our Management Agreement and, if appropriate, for your committee to grant approval of these documents. The documents would then be forwarded to the County of Saginaw's Board of Commissioners for their review and consideration. I am also prepared to present a PowerPoint presentation to provide additional information.

Thank you for considering this request. Please feel free to contact me at (989) 752-7164 or on my cellular telephone at (989) 245-1223 should you require any additional information.

Sincerely,



Annette Rummel
President/CEO

SAGINAW COUNTY BOC
SEP 3 '24 AM 10:49

c.c. Honorable Richard Spitzer, Saginaw County Board of Commissioner
Ms. Suzy Koeplinger, Board Coordinator
Ms. Ann Bruzewski, Vice President



**SAGINAW COUNTY CONVENTION
AND VISITORS BUREAU, INC.
Saginaw County, Michigan**

**FINANCIAL STATEMENTS
December 31, 2023**



**Gardner | Provenzano
Thomas & Luplow**

CHARTERED PUBLIC ACCOUNTANTS

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**Gardner | Provenzano
Thomas & Luplow**

CERTIFIED PUBLIC ACCOUNTANTS

Frederick C. Gardner
Giacamo Provenzano
Heather A. Thomas
Brett A. Luplow

INDEPENDENT AUDITOR'S REPORT

April 29, 2024

To the Board of Directors
Saginaw County Convention
and Visitors Bureau, Inc.
Saginaw, Michigan

Opinion

We have audited the accompanying financial statements of the Saginaw County Convention and Visitors Bureau (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Saginaw County Convention and Visitors Bureau as of December 31, 2023 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Saginaw County Convention and Visitors Bureau, Inc. 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 opinion.

To the Board of Directors
Saginaw County Convention
and Visitors Bureau, Inc.
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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Saginaw County Convention and Visitors Bureau, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's report that includes our opinion. 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 collusions, 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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.

To the Board of Directors
Saginaw County Convention
and Visitors Bureau, Inc.
Page Three

- 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 Saginaw County Convention and Visitors Bureau, Inc.'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Saginaw County Convention and Visitors Bureau, Inc.'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.

Report on Summarized Comparative Information

We have previously audited the Saginaw County Convention & Visitors Bureau, Inc.'s 2022 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated May 11, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hardman, Provenzano, Thomas & Luplow

Certified Public Accountants

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	2023	2022
<u>Assets</u>		
Current assets		
Cash	\$ 532,511	\$ 842,731
Accommodation tax receivable	470,797	553,440
Accounts receivable	-	4,427
Prepaid expenses	7,721	7,510
Deposit	-	800,000
Beneficial interest in assets held by others	192,620	260,901
Total current assets	1,203,649	2,469,009
Noncurrent assets		
Vehicles	161,539	141,409
Office equipment	290,933	303,250
Right to use asset - office space	168,548	168,548
Less accumulated depreciation and amortization	(395,371)	(350,152)
Fixed assets, net	225,649	263,055
Total assets	\$ 1,429,298	\$ 2,732,064
<u>Liabilities and net assets</u>		
Liabilities		
Current liabilities		
Accounts payable	\$ 515	\$ 500
Due to Great Lakes Bay Regional CVB	776,095	1,085,899
Right to use office lease payable, due within one year	58,243	56,157
Total current liabilities	834,853	1,142,556
Long-term liabilities		
Right to use office lease payable, due in more than one year	-	58,243
Total liabilities	834,853	1,200,799
Net assets		
Without donor restrictions		
Designated	150,000	150,000
Undesignated	444,445	1,381,265
Total net assets	594,445	1,531,265
Total liabilities and net assets	\$ 1,429,298	\$ 2,732,064

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

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>Without Donor Restrictions 2023</u>	<u>Without Donor Restrictions 2022</u>
Operating activities		
Saginaw County accommodation tax	\$ 1,909,403	\$ 2,033,140
Other income	10,100	-
Total support and revenue	<u>1,919,503</u>	<u>2,033,140</u>
 Expenses		
Advertising and promotion	2,614,902	2,437,864
Management and general	<u>234,028</u>	<u>208,796</u>
Total expenses	<u>2,848,930</u>	<u>2,646,660</u>
 Change in net assets from operating activities	<u>(929,427)</u>	<u>(613,520)</u>
 Nonoperating activities		
Interest income	5,300	5,183
(Loss) on disposal of fixed assets	(47,664)	-
Unrealized gain (loss) on investments held by others	<u>34,971</u>	<u>(60,196)</u>
Change in net assets from nonoperating activities	<u>(7,393)</u>	<u>(55,013)</u>
 Change in net assets	(936,820)	(668,533)
 Net assets - beginning of year	<u>1,531,265</u>	<u>2,199,798</u>
 Net assets - end of year	<u>\$ 594,445</u>	<u>\$ 1,531,265</u>

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

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(With Summarized Comparative Information for 2022)

	Current Year			Prior Year
	Program Activity	Supporting Activity	Total Expenses	Total Expenses
	Advertising and Promotion	Management and General	2023	2022
Salaries and wages	\$ -	\$ 41,500	\$ 41,500	\$ 35,250
Fringe benefits	-	16,820	16,820	15,757
Payroll taxes	-	3,387	3,387	2,910
Total salary and related expenses	-	61,707	61,707	53,917
Great Lakes Bay Regional CVB	1,347,085	-	1,347,085	1,425,370
Advertising	96	-	96	228,636
Economic development	466,948	-	466,948	775,000
Sales and service	773	-	773	8,858
Bid fees	800,000	-	800,000	-
Outside services	-	-	-	3,750
Legal and accounting	-	7,070	7,070	7,050
Postage	-	764	764	491
Equipment and maintenance	-	1,189	1,189	1,254
Stationary and supplies	-	9,594	9,594	11,030
Dues and subscriptions	-	5,580	5,580	19,956
Meetings	-	3,791	3,791	1,689
Telephone and internet	-	4,173	4,173	5,016
Insurance	-	7,844	7,844	2,560
Management fees	-	1,926	1,926	2,797
Travel	-	43	43	592
Miscellaneous	-	849	849	198
Interest on lease agreement	-	3,243	3,243	5,252
Amortization	-	56,183	56,183	56,183
Depreciation	-	70,072	70,072	37,061
Total functional expenses	<u>\$ 2,614,902</u>	<u>\$ 234,028</u>	<u>\$ 2,848,930</u>	<u>\$ 2,646,660</u>

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

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Operating activities		
Increase (decrease) in net assets	\$ (936,820)	\$ (668,533)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	126,255	93,244
Change in market value of investments held by others	68,281	57,811
Loss on disposal of fixed assets	47,664	-
Changes in operating assets and liabilities which provided (used) cash:		
Accommodation tax receivable	82,643	(63,327)
Accounts receivable	4,427	(3,875)
Prepaid expenses	(211)	-
Deposit	800,000	(800,000)
Change in lease liability due to cash payments	(56,157)	(54,149)
Accounts payable	15	-
Due to Great Lakes Bay Regional CVB	(309,804)	330,489
Net cash provided (used) by operating activities	(173,707)	(1,108,340)
Investing activities		
Purchase of fixed assets	(136,513)	(78,643)
Net cash provided (used) by investing activities	(136,513)	(78,643)
Net increase (decrease) in cash and cash equivalents	(310,220)	(1,186,983)
Cash and cash equivalents at beginning of year	842,731	2,029,714
Cash and cash equivalents at end of year	\$ 532,511	\$ 842,731
Interest paid	\$ 3,243	\$ 5,252

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

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1--Nature of Activities and Significant Accounting Policies

Nature of Activities and Concentration of Revenue Source

The Saginaw County Convention and Visitors Bureau, Inc. (the "Bureau") is a nonprofit organization which derives substantially all of its operating revenue from accommodation taxes collected from hotel and motel facilities in Saginaw County. Its activities and resulting operating costs involve promoting overnight tourism for Saginaw County.

Basis of Presentation

The financial statements of the Bureau have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1--Summary of Significant Accounting Policies (continued)

Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

The Bureau had no contribution revenue during either of the years ended December 31, 2023 or 2022. All operating revenue derives from accommodation taxes.

Measure of Operations

The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Bureau's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates

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

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1--Nature of Activities and Significant Accounting Policies (continued)

Cash and Cash Equivalents

Cash consists of commercial checking and savings accounts maintained in federally insured financial institutions located in Saginaw County. Deposits for the commercial checking and savings accounts are insured by Federal Depository Insurance up to \$250,000. At December 31, 2023, the Bureau bank balances totaled \$537,432. The Bureau had uninsured bank balances of \$54,044 at December 31, 2023. Management believes that the Bureau is not exposed to any significant interest rate or other financial risk on this account.

Cash and cash equivalents include all monies in banks and highly liquid investments with a maturity of three months or less. There were no cash equivalents at December 31, 2023 and 2022.

Accounts Receivable

Management of the Bureau considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been provided.

Functional Allocation of Expenses

The direct costs of providing the Bureau's program and supporting services have been reported on a functional basis in the statement of activities. There were no indirect costs that required allocation during the year ended December 31, 2023.

Income Taxes

The Bureau is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code and is also exempt from similar state and local taxes. The Bureau is classified as an organization that is not a private foundation. Accordingly, no provision for income taxes is included in the accompanying financial statements.

Leases

The Saginaw County Convention and Visitors Bureau is a lessee for a noncancelable lease of office space. The Bureau recognizes a lease liability and an intangible right-to-use lease asset in the financial statements.

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1--Nature of Activities and Significant Accounting Policies (continued)

At the commencement of a lease, the Bureau initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the Bureau determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Bureau uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Organization generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the noncancelable period of the lease.

The Bureau monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Date of Management's Review

Subsequent events were evaluated through April 29, 2024, which is the date the financial statements were available to be issued.

Advertising

All advertising costs are expensed as incurred.

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 2--Noncurrent Assets

The Bureau's vehicle, equipment, and leasehold improvements are stated at cost. Expenditures in excess of \$500 for new acquisitions and renewals and betterments which increase the productive capacity or prolong service lives of equipment are capitalized. Maintenance and repairs which do not enhance the value or extend the useful life are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Depreciation expense for the year ended December 31, 2023 and 2022 was \$70,072 and \$37,061, respectively.

Noncurrent assets consist of the following:

	2023	2022
Vehicles	\$ 161,539	\$ 141,409
Office equipment	290,933	303,250
Right to use asset - office space	168,548	168,548
Less: accumulated depreciation	(283,005)	(293,969)
Less: accumulated amortization	(112,366)	(56,183)
 Net fixed assets	 \$ 225,649	 \$ 263,055

Leased assets are amortized over their estimated useful lives. Amortization expense for each of the years ended December 31, 2023 and 2022 was \$56,183.

NOTE 3--Leases

The Bureau leases its office facility under an agreement with SSP Associates, Inc. The lease agreement expires in December 2024. At the end of the lease term, the Bureau has the option of renewing the lease for an additional five year period at the terms of the original lease agreement adjusted by the change in the Consumer Price Index.

Future commitments under this lease agreement are as follows:

Year ending	
December 31	
2024	\$ 59,400

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 4--Related Party Transactions

In January 2011, the Saginaw County Convention and Visitors Bureau entered into a marketing partnership with the Bay County Convention and Visitors Bureau, and the Midland County Convention and Visitors Bureau to form the Great Lakes Bay Regional Convention and Visitors Bureau (GLBRCVB). The partnership allowed those organizations to combine their resources under the direction of the Great Lakes Bay Regional Convention and Visitors Bureau to more effectively market the Great Lakes Bay Region to potential overnight visitors. Under terms of the agreement, the SCCVB provides the GLBRCVB 75 percent of the accommodation tax received to fund the GLBRCVB's marketing programs and operating expenses.

The activity between the SCCVB and the GLBRCVB is summarized below.

	Expense Year ended 12/31/23	Expense Year ended 12/31/22
Accommodation tax revenue transferred to the GLBRCVB:	<u>\$ 1,347,085</u>	<u>\$ 1,425,370</u>
	Due to GLBRCVB at 12/31/23	Due to GLBRCVB at 12/31/22
Amounts due to the GLBRCVB:	<u>\$ 776,095</u>	<u>\$ 1,085,899</u>

NOTE 5--Accommodations Tax

Accommodations taxes are collected by Saginaw County and are expended as required according to the Accommodations Tax Ordinance.

NOTE 6--Economic Dependence

The Bureau receives a substantial amount of its support from accommodation tax revenue. If a significant reduction in the level of this funding were to occur, the Bureau's programs and activities may be affected.

NOTE 7--Reserve Fund with the Saginaw Community Foundation

During the fiscal year ended September 30, 2007, the Saginaw County Convention and Visitors Bureau transferred assets totaling \$150,000 to the Saginaw Community Foundation (the "Foundation") for the purpose of creating a reserve fund. This amount of assets without donor restrictions has been designated by the Board of Directors of the Bureau for unforeseen emergency cash flow needs.

SAGINAW COUNTY CONVENTION AND VISITORS BUREAU, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 7--Reserve Fund with the Saginaw Community Foundation (continued)

The Foundation maintains legal ownership of the agency fund and administers and preserves the fund. Because this is a reserve fund, the ability to draw from the fund's principal is a negotiated and necessary element of this fund. The Bureau has the ability to draw from the fund's principal under specific conditions. If circumstances require the Bureau to draw down the principal, a repayment strategy is required to be submitted by the Bureau to the Foundation along with a request to draw down the principal of the fund. A request for principal will require two signatures: that of both the Chief Executive Officer of the Bureau and the President and Chief Executive Officer of the Foundation.

The Saginaw Convention and Visitors Bureau recognizes these assets held by the Saginaw Community Foundation in the Statement of Financial Position as beneficial interest in assets held by others. The market value of these assets at the Saginaw Community Foundation at December 31, 2023 is \$192,620 and \$260,901 at December 31, 2022.

NOTE 8--Liquidity and Availability of Financial Assets

The following reflects the Bureau's financial assets as of the balance sheet date, reduced by amounts not available for general use.

	<u>2023</u>	<u>2022</u>
Assets at year end	\$ 1,429,298	\$ 2,732,064
Less those not available for general expenditures within one year:		
Prepaid expenses	(7,721)	(7,510)
Noncurrent assets, net	(225,649)	(263,055)
Assets available to meet general expenditures within one year	<u>\$ 1,195,928</u>	<u>\$ 2,461,499</u>

SCCVB

3-Year Proposed Budget

INCOME	2027 BUDGET	2026 BUDGET	2025 BUDGET	2024 BUDGET	ACCOUNT #
<u>Assessments</u>					
Interest Income	\$2,121,800	\$2,060,000	\$2,000,000	\$2,550,000	1500
Other Income	\$100	\$100	\$100	\$100	1520
Unrealized Gain (Loss)	\$0	\$0	\$0	\$0	1525
TOTAL INCOME	\$2,121,900	\$2,060,100	\$2,000,100	\$2,550,100	1521

EXPENSE	2027 BUDGET	2026 BUDGET	2025 BUDGET	2024 BUDGET	ACCOUNT #
<u>Administrative</u>					
Overhead	\$75,829	\$73,288	\$71,295	\$68,790	
TOTAL EXPENSES	\$218,135	\$144,330	\$211,640	\$200,800	
	\$293,964	\$217,618	\$282,935	\$269,590	

MARKETING	2027 BUDGET	2026 BUDGET	2025 BUDGET	2024 BUDGET	ACCOUNT #
<u>Marketing GLBR</u>					
Marketing Other	\$1,591,350	\$1,545,000	\$1,500,000	\$1,912,500	
TOTAL MARKETING	\$25,000	\$25,000	\$25,000	\$274,000	
	\$1,616,350	\$1,570,000	\$1,525,000	\$2,186,500	

TOURISM	2027 BUDGET	2026 BUDGET	2025 BUDGET	2024 BUDGET	ACCOUNT #
<u>Tourism</u>					
TOTAL TOURISM	\$211,586	\$272,482	\$192,165	\$94,010	
	\$211,586	\$272,482	\$192,165	\$94,010	

CRISIS MITIGATION FUND	2027 BUDGET	2026 BUDGET	2025 BUDGET	2024 BUDGET	ACCOUNT #
Crisis Mitigation Fund	\$0	\$0	\$0	\$0	
TOTAL CRISIS MITIGATION FUND	\$0	\$0	\$0	\$0	

TOTAL INCOME	\$2,121,900	\$2,060,100	\$2,000,100	\$2,550,100	
TOTAL EXPENSES	\$2,121,900	\$2,060,100	\$2,000,100	\$2,550,100	
BALANCED BUDGET	\$0	\$0	\$0	\$0	

ADMINISTRATIVE

CATEGORY	ACCOUNT #	2027 BUDGET	2026 BUDGET	2025 BUDGET	2024 BUDGET	
WAGE/SALARY/BENEFITS	Salaries	1685 \$	49,955 \$	48,500 \$	47,500 \$	46,000 \$
	Payroll Taxes FICA	1693 \$	3,822 \$	3,710 \$	3,634 \$	3,519 \$
	Unemployment	1694 \$	242 \$	242 \$	242 \$	242 \$
	Retirement	1680 \$	1,499 \$	1,455 \$	1,425 \$	1,380 \$
	Health/Life/Disability Insurance	1645 \$	19,324 \$	18,404 \$	17,528 \$	16,693 \$
	Identity Theft	1646 \$	107 \$	107 \$	107 \$	107 \$
	Medical Reimbursement	1677 \$	250 \$	250 \$	250 \$	250 \$
	Worker's Compensation Insurance	1735 \$	531 \$	520 \$	510 \$	500 \$
	Penalties	1672 \$	100 \$	100 \$	100 \$	100 \$
	TOTAL STAFF		\$ 75,829	\$ 73,288	\$ 71,295	\$ 68,791
BUILDING + EQUIPMENT	Auto Expense	1610 \$	70,000 \$	- \$	70,000 \$	70,000 \$
	Lease-Building	1652 \$	65,340 \$	65,340 \$	65,340 \$	60,000 \$
	Equipment Lease	1632 \$	- \$	- \$	- \$	- \$
	Equipment Repair/Maintenance	1634 \$	15,000 \$	15,000 \$	15,000 \$	15,000 \$
	Equipment Purchase	1635 \$	10,000 \$	8,000 \$	8,000 \$	6,000 \$
	Depreciation Expense	1620 \$	- \$	- \$	- \$	- \$
	Content Insurance/Umbrella	1614 \$	3,400 \$	3,300 \$	3,200 \$	3,100 \$
	Telephone	1695 \$	750 \$	750 \$	750 \$	750 \$
	Office Supplies	1666 \$	10,000 \$	9,000 \$	8,000 \$	6,000 \$
	Postage	1675 \$	1,000 \$	1,000 \$	1,000 \$	1,000 \$
	Internet Connection Costs	2650 \$	5,000 \$	5,000 \$	5,000 \$	5,000 \$
	Personal Property Tax	1673 \$	- \$	- \$	- \$	- \$
	Gain/Loss on Sale of Assets	1899 \$	- \$	- \$	- \$	- \$
	TOTAL ADMINISTRATIVE		\$ 180,490	\$ 107,390	\$ 176,290	\$ 166,850

CONTRACTED SERVICES	Accounting	1600	\$	4,200	\$	3,900	\$	3,600	\$	3,300
	Audit	1607	\$	4,245	\$	4,040	\$	3,850	\$	3,850
	Director & Officer Liability Insurance	1615	\$	3,900	\$	3,900	\$	3,900	\$	3,900
	Management Fee SCF	1636	\$	3,000	\$	3,000	\$	3,000	\$	3,000
	Legal Fees	1654	\$	1,000	\$	1,000	\$	1,000	\$	1,000
	TOTAL CONTRACTED SERVICES		\$	16,345	\$	15,840	\$	15,350	\$	15,050
	MEMBERSHIPS/OTHER	Education	1630	\$	1,000	\$	1,000	\$	1,000	\$
Membership/Administrative	1625	\$	16,000	\$	16,000	\$	15,000	\$	14,000	
Meetings Administrative	1643	\$	3,500	\$	3,300	\$	3,200	\$	3,100	
Travel & Mileage	1720	\$	300	\$	300	\$	300	\$	300	
Miscellaneous	1660	\$	500	\$	500	\$	500	\$	500	
TOTAL MEMBERSHIPS/OTHER		\$	21,300	\$	21,100	\$	20,000	\$	18,900	
TOTAL ADMINISTRATION			\$	293,964	\$	217,618	\$	282,935	\$	269,591

MARKETING

CATEGORY		ACCOUNT #	2027 BUDGET	2026 BUDGET	2025 BUDGET	2024 BUDGET
MARKETING	Marketing GLBRCVB	4601	\$ 1,591,350	\$ 1,545,000	\$ 1,500,000	\$ 1,912,500
MARKETING	OTHER					
	TOTAL MAREKTING GLBRCVB		\$ 1,591,350	\$ 1,545,000	\$ 1,500,000	\$ 1,912,500
	Advertising	4605	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
	Outdoor Advertising	4686	\$ -	\$ -	\$ -	\$ 249,000
	Champion/VFR Program	6692	\$ -	\$ -	\$ -	\$ -
	Reputation Management		\$ -	\$ -	\$ -	\$ -
	Sales Missions	4688	\$ -	\$ -	\$ -	\$ -
	TOTAL MARKETTING OTHER		\$ 25,000	\$ 25,000	\$ 25,000	\$ 274,000
	TOTAL MARKETTING		\$ 1,616,350	\$ 1,570,000	\$ 1,525,000	\$ 2,186,500

TOURISM DEVELOPMENT PROJECTS

CATEGORY	ACCOUNT #	2027 BUDGET	2026 BUDGET	2025 BUDGET	2024 BUDGET	
TOURISM	Tourism Development Projects	1628 \$	211,586 \$	272,482 \$	192,165 \$	94,010 \$
	TOTAL TOURISM DEVELOPMENT PROJECTS	\$	211,586 \$	272,482 \$	192,165 \$	94,010 \$
Crisis Mitigation Fund						
TOTAL CRISIS MITIGATION FUND	\$	- \$	- \$	- \$	- \$	- \$
TOTAL DEVELOPMENT PROGRAMS		\$	211,586 \$	272,482 \$	192,165 \$	94,010 \$

NOTES: SUPPORTING INFORMATION

Assessment Notes

Assessments are calculated using the STR report, Tourism Economics Data, and Inflation Rates

Salary Information

The cost of living in Michigan is 3% lower than the national average. Housing is 14% lower than the national average, while utilities are 2% lower. When it comes to basic necessities such as food and clothing, groceries are around 1% higher than in the rest of the country, while clothing costs 1% higher.

Last year, inflation ran at 8.1 percent. This year inflation is projected to slow to 4.9 percent. However, this only means that prices are rising at a slower pace. Over the two years, inflation will rise by 13.4 percent. By 2026, while price rises are projected by the Government to settle down to 2 percent annually (a manageable and desirable level), prices will have risen by 21 percent over the five-year period. Of course, within this mix there will be some products or services where prices actually fall back. For instance, energy products have fallen by 6 percent since their high point in October 2022. Still, non-energy prices have continued to rise. Inflation's legacy will be a drag on household living standards for years to come.

Marketing

25% of income is retained by the SCCVB for operations and Saginaw County specific marketing efforts, 75% of total income goes to the GLBRCVB

Tourism

Economic development projects

2026

Using a 3% growth rate

2026

Gross wages will have to rise by 5 percent each year between 2023 and 2025 to match inflation by 2025. Even if this were achieved, this would only bring employees back to 2021 levels in real terms. A number of years of income growth will have been lost.

2025

Using a 3% growth rate

2025

Gross wages will have to rise by 5 percent each year between 2023 and 2025 to match inflation by 2025. Even if this were achieved, this would only bring employees back to 2021 levels in real terms. A number of years of income growth will have been lost.

2024

If we are projecting a shortfall of 3-4% of \$2,550,000 in 2023, we will use a 3-4% annual growth rate. $\$2,447,800 \times 4\% = \$2,550,000$ (rounded up)

2024

2023

As we enter into Q4 we are projecting a shortfall of 3-4% in assessments, giving us approximately \$2,447,800

2023

In 2023 the cost of living increased 4%, the 2024 projected increase will be another 3%. In order to keep the employees purchasing ability level a minimum of 7% should be applied to their wage level. A merit increase in wage level should also be established

2022 Salary was \$38,000, approximately 1% increase from 2022 to 2023

2025 NOTES: SUPPORTING INFORMATION

<p>Salary/Wages</p>	<p>Destination Ambassador's starting wages \$35,000-\$45,000 and is dependent upon experience/education</p>	<p>Gross wages will have to rise by 5 percent each year between 2023 and 2025 to match inflation by 2025. Even if this were achieved, this would only bring employees back to 2021 levels in real terms. A number of years of income growth will have been lost</p>	<p>For 2025 a 3% cost of living increase is recommended for the 1 Destination Ambassador for Saginaw</p>
<p>Lease/Building</p>	<p>The SCCVB Board approved to extend the lease agreement for 515 Commerce Tower for five additional years in November of 2023. The new lease will expire December 2029</p>		



County of Saginaw

**COUNTY
SERVICES**

111 South Michigan Avenue
Saginaw, MI 48602

Mary Catherine Hannah
County Administrator

11-19-2

October 30, 2024

Michael Webster, Chairman
County Services Committee
111 S. Michigan Avenue
Saginaw, MI 48602

SAGINAW COUNTY BOC
OCT 30 '24 PM4:13

Dear Chair Webster,

I request that the County Services Committee approve the new "Use of County Grounds & Facilities Policy".

Attached is the proposed policy 414, Use of County Grounds & Facilities Policy. With the addition of the new Saginaw County Animal Care and Control building the County has gained a valuable resource in the training/conference room. Animal Control has had numerous requests to use the room for meetings and/or training from our city, township and village police departments as well as internal departments. This policy sets clear guidelines for use of County grounds and facilities.

I will be at the November 6th County Services Committee meeting should you or other Commissioners have any questions.

Sincerely,


Mary Catherine Hannah
County Administrator

Category: 400
Number: 414

Subject: Use of County Grounds & Facilities

1. **PURPOSE:** To provide guidelines for use of county grounds and facilities in a fair and equitable manner while retaining the ability to maintain them in a good condition. When using county grounds and/or facilities, the below listed procedures must be followed. This policy specifically does not cover property under the care and control of the Saginaw County Parks & Recreation Commission. Please refer to Saginaw County Parks & Recreation for the policies and rules regarding the use of those grounds/facilities.
2. **AUTHORITY:** The Saginaw County Board of Commissioners.
3. **APPLICATION:** Use of county grounds and/or facilities for non-county business purposes/special events requires approval of the Board of Commissioners; this authority is delegated to the County Administrator/CAO, and/or an agent designated by the same, to review and approve requests.
 - 3.1 An Application and/or Rules for Use of County Property form will be obtained from the Administrator's, or designated Agent's, Office and must be signed by responsible party to acknowledge responsibility for the payment of any damages that might occur to lawn/buildings/facilities during designated event(s).
 - 3.2 A pre-event meeting between the County Administrator, Maintenance Director, and Department Head primarily responsible for the space/facilities used and the party responsible for the event, to inspect the grounds and determine the placement of any equipment may be required.
 - 3.3 No events will be allowed after regular business hours at the following buildings unless provisions have been made for building security with the Saginaw County Sheriff's Office:

County Administration building, 111 S. Michigan Avenue
Juvenile Detention building, 3360 Hospital Road
 - 3.4 No animals or vehicles are allowed on the lawn or sidewalks.
 - 3.5 Nothing will be placed on the lawn that could be harmful to grass or trees.
 - 3.6 Nothing is to be staked or driven into the grounds.

- 3.7 Ropes and/or barricades will not be placed where they could be hazardous.
 - 3.8 The buildings and lawns are not to be enclosed or roped off during the workday.
 - 3.9 The parking lots are to be opened during the work week and are not to be closed off.
 - 3.10 The grounds will be cleaned after each use or arrangements will be made to cover the cost of cleaning.
 - 3.11 Upon request of the County, an insurance liability policy will be required.
 - 3.12 Any group using County grounds and causing damages may be required to reimburse the County for the cost of said damages.
 - 3.13 The County Administrator or designated agent, in the exercise of their discretion, may grant variances from these rules and requirements for cause shown on a case-by-case basis.
 - 3.14 The Board may establish reasonable fees for the use of the grounds, facilities or space.
 - 3.15 All requests will be reviewed and approved by the County Administrator or Designated Agent.
4. APPEAL: In the event that any requesting person/organization is denied use of facilities or grounds, the applicant can appeal the decision to the Chair of the Board of Commissioners.
 5. ADMINISTRATOR/LEGAL COUNSEL REVIEW: The Administrator has determined that this policy as submitted to the Board of Commissioners contains the necessary substance in order to carry out the purpose of the policy. County Civil Counsel has determined that this policy as submitted contains content that appears to be legal activities of the Saginaw County Board of Commissioners.

APPROVED AS TO SUBSTANCE:
Saginaw County Administrator

APPROVED AS TO LEGAL CONTENT:
Saginaw County Civil Counsel

ADOPTED: