

United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 11-K

(MARK ONE)

Annual Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934 For the Fiscal Year ended December 31, 1998

or

Transition Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934 For the transition period from _____ to _____

Commission file number 333-63321

Saga Communications, Inc. Employees' 401(K) Savings and Investment Plan

(Full title of plan)

Saga Communications, Inc.
73 Kercheval Avenue
Grosse Pointe Farms, Michigan 48236

(Name of Issuer of Securities Held Pursuant to
Plan and Address of its Principal Executive Office)

Saga Communications, Inc.
Employees' 401(k) Savings and
Investment Plan

Financial Statements for the
Years ended December 31, 1998, 1997 and 1996,
Supplemental Schedules for the
Year ended December 31, 1998
with Report of Independent Auditors

Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan

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December 31, 1998 and 1997

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Report of Independent Auditors

Plan Administrator
Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan

We have audited the accompanying statements of assets available for plan benefits of Saga Communications, Inc. Employees' 401(k) Savings and Investment Plan as of December 31, 1998 and 1997 and the related statements of changes in assets available for plan benefits for each of the three years in the period ended December 31, 1998. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Plan at December 31, 1998 and 1997 and the changes in its net assets available for plan benefits for each of the three years in the period ended December 31, 1998, in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedules of assets held for investment purposes as of December 31, 1998 and reportable transactions for the year then ended are presented for purposes of complying with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, and are not a required part of the basic financial statements. The Fund Information in the statements of changes in assets available for plan benefits is presented for purposes of additional analysis rather than to present the changes in assets available for plan benefits of each fund. The supplemental schedules and Fund Information have been subjected to the auditing procedures applied in our audit of the 1998 basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the 1998 basic financial statements taken as a whole.

/s/ Ernst & Young LLP

May 14, 1999
Detroit, Michigan

Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan

Statement of Assets Available For Plan Benefits, with Fund Information

	Fund Information					
	Guaranteed Investment Fund	Saga Common Stock Fund	Vanguard Wellington Fund	Twentieth Century Ultra Investors Fund	Fidelity Investments Contrafund	CIGNA Stock Index Fund
December 31, 1998						
Assets						
Investments at fair value	\$961,135	\$703,066	\$ 517,436	\$1,016,388	\$1,430,119	\$695,195
Participant loans receivable						
	-----	-----	-----	-----	-----	-----
Contributions receivable	961,135 3,441	703,066 142,413	517,436 1,979	1,016,388 4,481	1,430,119 5,147	695,195 2,800
	-----	-----	-----	-----	-----	-----
Total assets available for benefits	\$964,576	\$845,479	\$ 519,415	\$1,020,869	\$1,435,266	\$697,995
	=====	=====	=====	=====	=====	=====
December 31, 1997						
Assets						
Investments at fair value	\$943,796	\$471,844	\$ 419,207	\$ 686,523	\$1,026,489	\$527,187
Participant loans receivable						
	-----	-----	-----	-----	-----	-----
Total assets available for benefits	\$943,796	\$471,844	\$ 419,207	\$ 686,523	\$1,026,489	\$527,187
	=====	=====	=====	=====	=====	=====
See accompanying notes.						

	Fund Information					
	Fidelity Growth and Income Portfolio Fund	INVESCO Total Return Fund	Warburg- Pincus Emerging Growth Fund	Warburg- Pincus International Equity Fund	Putnam Stock Growth Fund	CIGNA High Yield Bond Fund
December 31, 1998						
Assets						
Investments at fair value	\$302,379	\$479,049	\$189,565	\$68,147	\$14,809	\$2,591
Participant loans receivable						
	-----	-----	-----	-----	-----	-----
Contributions receivable	302,379 2,630	479,049 1,709	189,565 1,610	68,147 427	14,809 338	2,591 190
	-----	-----	-----	-----	-----	-----
Total assets available for benefits	\$305,009	\$480,758	\$191,175	\$68,574	\$15,147	\$2,781
	=====	=====	=====	=====	=====	=====
December 31, 1997						
Assets						
Investments at fair value	\$157,905	\$421,726	\$128,644	\$90,058	\$ 0	\$ 0
Participant loans receivable						
	-----	-----	-----	-----	-----	-----
Total assets available for benefits	\$157,905	\$421,726	\$128,644	\$90,058	\$ 0	\$ 0
	=====	=====	=====	=====	=====	=====
See accompanying notes.						

	Fund Information				
	Janus Fund	Janus World Wide Fund	Baron Asset Fund	Loan Fund	Total
December 31, 1998					
Assets					
Investments at fair value	\$42,896	\$23,442	\$6,799		\$6,453,016
Participant loans receivable				\$169,804	169,804
	-----	-----	-----	-----	-----
Contributions receivable	42,896 374	23,442 415	6,799 120	169,804 (2,089)	6,622,820 165,985
	-----	-----	-----	-----	-----

Total assets available for benefits	----- \$43,270 =====	----- \$23,857 =====	----- \$6,919 =====	----- \$167,715 =====	----- \$6,788,805 =====
December 31, 1997					
Assets					
Investments at fair value	\$ 0	\$ 0	\$ 0		\$4,873,379
Participant loans receivable				\$127,629	127,629
	-----	-----	-----	-----	-----
Total assets available for benefits	\$ 0	\$ 0	\$ 0	\$127,629	\$5,001,008
	=====	=====	=====	=====	=====

See accompanying notes.

Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan

Statement of Changes in Assets Available For Plan Benefits,
with Fund Information

Year ended December 31, 1998

	FUND INFORMATION					
	GUARANTEED INVESTMENT FUND	SAGA COMMON STOCK FUND	VANGUARD WELLINGTON FUND	TWENTIETH CENTURY ULTRA INVESTORS FUND	FIDELITY INVESTMENTS CONTRAFUND	CIGNA STOCK INDEX FUND
Additions:						
Employee contributions	\$118,997	\$151,851	\$ 81,801	\$ 166,416	\$ 182,909	\$ 93,452
Employer contributions		138,399				
Investment income:						
Interest	56,732					
Realized and unrealized appreciation in fair value		119,883	54,201	252,527	336,168	158,665
Loan principal and interest payments	10,306	3,104	1,649	16,013	16,292	3,038
New loans	(13,290)	(14,876)	(3,903)	(16,010)	(26,975)	(19,086)
Total additions	172,745	398,361	133,748	418,946	508,394	236,069
Deductions--employee withdrawals	(81,926)	(21,279)	(17,334)	(87,507)	(107,629)	(90,925)
Net additions before transfers	90,819	377,082	116,414	331,439	400,765	145,144
Net transfers among funds	(70,039)	(3,447)	(16,206)	2,907	8,012	25,664
Net additions/deductions after transfers	20,780	373,635	100,208	334,346	408,777	170,808
Assets available for plan benefits:						
Beginning of year	943,796	471,844	419,207	686,523	1,026,489	527,187
End of year	\$964,576	\$845,479	\$519,415	\$1,020,869	\$1,435,266	\$697,995

	FUND INFORMATION					
	FIDELITY GROWTH AND INCOME PORTFOLIO FUND	INVESCO TOTAL RETURN FUND	WARBURG- PINCUS EMERGING GROWTH FUND	WARBURG- PINCUS INTERNATIONAL GROWTH FUND	PUTNAM STOCK GROWTH FUND	CIGNA HIGH YIELD BOND FUND
Additions:						
Employee contributions	\$78,824	\$61,458	\$64,181	\$17,296	\$4,907	\$2,080
Employer contributions						
Investment income:						
Interest						
Realized and unrealized appreciation in fair value	58,292	58,015	11,222	2,412	1,252	23
Loan principal and interest payments	5,044	3,627	1,475	278	27	
New loans	(6,634)	(11,219)	(3,618)	(977)		
Total additions	135,526	111,881	73,260	19,009	6,186	2,103
Deductions--employee withdrawals	(10,733)	(48,373)	(21,547)	(3,094)		
Net additions before transfers	124,793	63,508	51,713	15,915	6,186	2,103
Net transfers among funds	22,311	(4,476)	10,818	(37,399)	8,961	678
Net additions/deductions after transfers	147,104	59,032	62,531	(21,484)	15,147	2,781
Assets available for plan benefits:						
Beginning of year	157,905	421,726	128,644	90,058		
End of year	\$305,009	\$480,758	\$191,175	\$68,574	\$15,147	\$2,781

	FUND INFORMATION				
	JANUS FUND	JANUS WORLD WIDE FUND	BARON ASSET FUND	LOAN FUND	TOTAL
Additions:					
Employee contributions	\$4,986	\$7,479	\$987	(\$2,089)	\$1,035,535
Employer contributions					138,399
Investment income:					
Interest				10,332	67,064
Realized and unrealized appreciation in fair value	5,844	1,147	809		1,060,460
Loan principal and interest payments	117	461		(61,431)	0
New loans				116,588	0
Total additions	10,947	9,087	1,796	63,400	2,301,458

Deductions--employee withdrawals				(23,314)	(513,661)
	-----	-----	-----	-----	-----
Net additions before transfers	10,947	9,087	1,796	40,086	1,787,797
Net transfers among funds	32,323	14,770	5,123		0
	-----	-----	-----	-----	-----
Net additions/deductions after transfers	43,270	23,857	6,919	40,086	1,787,797
Assets available for plan benefits:					
Beginning of year				127,629	5,001,008
	-----	-----	-----	-----	-----
End of year	\$43,270	\$23,857	\$6,919	\$167,715	\$6,788,805
	=====	=====	=====	=====	=====

See accompanying notes.

Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan

Statement of Changes in Assets Available For
Plan Benefits, with Fund Information

Year ended December 31, 1997

FUND INFORMATION

	GUARANTEED INVESTMENT FUND	SAGA COMMON STOCK FUND	VANGUARD WELLINGTON FUND	TWENTIETH CENTURY ULTRA INVESTORS FUND	FIDELITY INVESTMENTS CONTRAFUND	CIGNA STOCK INDEX FUND
Additions:						
Employee contributions	\$124,352	\$117,144	\$ 95,751	\$174,843	\$ 196,058	\$ 89,787
Investment income:						
Interest	58,008					
Realized and unrealized appreciation/(depreciation) in fair value		110,979	72,061	112,195	182,002	112,922
	58,008	110,979	72,061	112,195	182,002	112,922
Loan principal and interest payments	11,688	3,647	1,941	6,386	9,931	2,462
New loans	(14,936)	(3,981)	(6,779)	(32,931)	(33,641)	(9)
Total additions	179,112	227,789	162,974	260,493	354,350	205,162
Deductions--employee withdrawals	(58,236)	(37,769)	(6,889)	(33,314)	(52,127)	(21,986)
Net additions before transfers	120,876	190,020	156,085	227,179	302,223	183,176
Net transfers among funds	(72,390)	(611)	(17,216)	(2)	(7,528)	29,608
Net additions after transfers	48,486	189,409	138,869	227,177	294,695	212,784
Assets available for plan benefits:						
Beginning of year	895,310	282,435	280,338	459,346	731,794	314,403
End of year	\$943,796	\$471,844	\$419,207	\$686,523	\$1,026,489	\$527,187

FUND INFORMATION

	FIDELITY GROWTH AND INCOME PORTFOLIO FUND	INVESCO TOTAL RETURN FUND	WARBURG- PINCUS EMERGING GROWTH FUND	WARBURG- PINCUS INTERNATIONAL EQUITY FUND	LOAN FUND	TOTAL
Additions:						
Employee contributions	\$ 69,386	\$ 61,071	\$ 52,107	\$ 33,507		\$1,014,006
Investment income:						
Interest					\$ 6,846	64,854
Realized and unrealized appreciation/(depreciation) in fair value	22,606	81,962	14,416	(7,214)		701,929
	22,606	81,962	14,416	(7,214)	6,846	766,783
Loan principal and interest payments	1,954	3,935	51		(41,995)	0
New loans	(2,641)	(6,539)	(2,616)		104,073	0
Total additions	91,305	140,429	63,958	26,293	68,924	1,780,789
Deductions--employee withdrawals	(7,685)	(25,825)	(12,460)	(5,416)	(28,278)	(289,985)
Net additions before transfers	83,620	114,604	51,498	20,877	40,646	1,490,804
Net transfers among funds	30,772	214	25,788	11,365		0
Net additions after transfers	114,392	114,818	77,286	32,242	40,646	1,490,804
Assets available for plan benefits:						
Beginning of year	43,513	306,908	51,358	57,816	86,983	3,510,204
End of year	\$ 157,905	\$421,726	\$128,644	\$90,058	\$127,629	\$5,001,008

See accompanying notes.

Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan

Statement of Changes in Assets Available
For Plan Benefits, with Fund Information

Year ended December 31, 1996

	FUND INFORMATION					
	GUARANTEED INVESTMENT FUND	SAGA COMMON STOCK FUND	VANGUARD WELLINGTON FUND	TWENTIETH CENTURY ULTRA INVESTORS FUND	FIDELITY INVESTMENTS CONTRAFUND	CIGNA STOCK INDEX FUND
Additions:						
Employee contributions	\$133,974	\$ 74,753	\$78,499	\$138,338	\$179,330	\$68,047
Investment income:						
Interest	49,054	--	--	--	--	--
Realized and unrealized appreciation (depreciation) in fair value		78,158	36,908	55,757	123,563	61,718
	49,054	78,158	36,908	55,757	123,563	61,718
Loan principal and interest payments	11,799	2,479	3,609	4,206	6,863	1,811
New loans	(3,106)	(6,472)	(2,035)	(6,934)	(9,890)	(1,556)
Total additions	191,721	148,918	116,981	191,367	299,866	130,020
Deductions--employee withdrawals	(100,057)	(31,041)	(14,275)	(65,955)	(83,296)	(19,099)
Net additions before transfers	91,664	117,877	102,706	125,412	216,570	110,921
Net transfers among funds	81,626	10,738	(4,483)	1,830	277,824	203,482
Net additions after transfers	173,290	128,615	98,223	127,242	494,394	314,403
Assets available for plan benefits:						
Beginning of year	722,020	153,820	182,115	332,104	237,400	--
End of year	\$895,310	\$282,435	\$280,338	\$459,346	\$731,794	\$314,403

	FUND INFORMATION					
	FIDELITY GROWTH AND INCOME PORTFOLIO FUND	INVESCO TOTAL RETURN FUND	WARBURG- PINCUS EMERGING GROWTH FUND	WARBURG- PINCUS INTERNATIONAL EQUITY FUND	KEMPER U. S. MORTGAGE FUND	KEMPER TOTAL RETURN FUND
Additions:						
Employee contributions	\$32,248	\$57,228	\$31,937	\$11,499	--	--
Investment income:						
Interest	--	--	--	--	--	--
Realized and unrealized appreciation (depreciation) in fair value	2,953	35,930	2,504	1,191	\$244	\$735
	2,953	35,930	2,504	1,191	244	735
Loan principal and interest payments	191	4,053	15	--	--	--
New loans	-	(5,168)	(6)	--	--	--
Total additions	35,392	92,043	34,450	12,690	244	735
Deductions--employee withdrawals	(381)	(48,872)	--	(364)	(3,394)	(5,538)
Net additions before transfers	35,011	43,171	34,450	12,326	(3,150)	(4,803)
Net transfers among funds	8,502	263,737	16,908	45,490	(59,277)	(304,394)
Net additions after transfers	43,513	306,908	51,358	57,816	(62,427)	(309,197)
Assets available for plan benefits:						
Beginning of year	--	--	--	--	62,427	309,197
End of year	\$43,513	\$306,908	\$51,358	\$57,816	\$ --	\$ --

FUND INFORMATION	
KEMPER GROWTH	VANGUARD INDEX

	PORTFOLIO FUND	500 FUND	LOAN FUND	CONTRIBUTION RECEIVABLE	TOTAL

Additions:					
Employee contributions	--	--	--	\$ (21,590)	\$ 784,263
Investment income:					
Interest	--	--	\$ 6,253	--	55,307
Realized and unrealized appreciation (depreciation) in fair value	\$ (2,608)	\$ 2,016	--	--	399,069
	-----	-----	-----	-----	-----
	(2,608)	2,016	6,253	--	454,376
Loan principal and interest payments	--	--	35,026)	--	--
New loans	--	--	35,167	--	--
	-----	-----	-----	-----	-----
Total additions	(2,608)	2,016	6,394	(21,590)	1,238,639
Deductions--employee withdrawals	(14,129)	(1,173)	(9,676)	--	(397,250)
	-----	-----	-----	-----	-----
Net additions before transfers	(16,737)	843	(3,282)	(21,590)	841,389
Net transfers among funds	(291,568)	(250,415)	--	--	--
	-----	-----	-----	-----	-----
Net additions after transfers	(308,305)	(249,572)	(3,282)	(21,590)	841,389
Beginning of year	308,305	249,572	90,265	21,590	2,668,815
End of year	-----	-----	-----	-----	-----
	\$ --	\$ --	\$86,983	\$ --	\$3,510,204
	=====	=====	=====	=====	=====

Assets available for plan benefits:

Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan
Notes to Financial Statements
December 31, 1998

1. DESCRIPTION OF PLAN

The following brief description of Saga Communications, Inc. (the "Company") Employees' 401(k) Savings and Investment Plan (the "Plan") is provided for general information purposes only. Participants should refer to the summary plan description for more complete information.

GENERAL

The Plan is a defined contribution profit sharing plan established as of April 1, 1988 and amended July 1, 1993 to provide additional investment options, and includes, as participants, all employees who have completed one year of employment and reached the age of twenty-one. The Plan is administered by the Company and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan assets are held and investment transactions are executed by Connecticut General Life Insurance Company (the "Trustee").

CONTRIBUTIONS

Contributions to employees' accounts are effected through voluntary reductions in their compensation. Such reductions are, in turn, paid to the Plan by the Company. Annual contributions for each participant are subject to the participation and discrimination standards of Internal Revenue Code Section 401(k) (3).

ALLOCATIONS

Contributions to the Plan are allocated to participants' individual accounts on the date of receipt by the Trustee.

Interest earned on the Guaranteed Investment Fund is credited to each participant's account daily.

The account balance for mutual fund accounts are adjusted daily after the Trustee has computed income/loss on the fund. Such income/loss is credited or debited to each participant's account in the ratio which each such investment bears to the aggregate trust investment in the fund on the valuation date.

Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan
Notes to Financial Statements (continued)

1. DESCRIPTION OF PLAN (CONTINUED)

DISTRIBUTION

Participants or their beneficiaries may receive distributions of their account balances upon the earlier of reaching age 59-1/2, disability, death or termination of service, as defined in the Plan. Further, the Plan Administrator may permit a participant who experiences a qualified financial hardship, as defined, to receive a distribution or a portion of the participant's account balance. Such distributions are generally made in a lump sum.

VESTING

A participant's account balance is fully vested and nonforfeitable.

PLAN TERMINATION

Although the Company intends to continue the Plan indefinitely, it has reserved the right to amend or terminate the Plan at any time. If the Plan were to be terminated, the amount in each participant's account would remain fully vested as of the date of termination of the Plan. Plan funds would continue to be invested and would continue to be held in the custody of the Plan's Trustee if the Company maintained a successor Plan. The Plan's Trustee would pay the balance of each participant's Plan account in a lump sum at the earlier of age 59-1/2, disability, death or when employment with the Company is terminated.

If no successor plan is maintained by the Company, each participant shall receive a total distribution of his account balance.

ADMINISTRATIVE EXPENSES

Administrative expenses of the Plan are presently paid by the Company.

Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan
Notes to Financial Statements (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INVESTMENTS

The Plan's Guaranteed Investment Fund is fully benefit responsive and as such is stated at contract value as determined by Connecticut General Life Insurance Company. Contract value represents contributions, plus interest at the contract rate, less funds used to pay benefits. Interest rate resets are determined semi-annually based on market, and were 6.25%, 6.35% and 6.25% at December 31, 1998, 1997 and 1996, respectively. The average yield was 5.96%, 6.31% and 5.89% for the years ended December 31, 1998, 1997 and 1996, respectively. There are no restrictions on withdrawals or transfers from the fund. Investment in the common stock of Saga Communications is reported at fair value based on the market price as of the Plan's year-end. The fair values of mutual fund investments are based on net asset values as of the last business day of the plan year. The difference between cost and fair value is reflected in the statement of changes in net assets available for plan benefits as realized and unrealized appreciation or depreciation of investments.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated April 4, 1994, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. The Plan has been restated in its entirety subsequent to the issuance of the determination letter. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

Saga Communications, Inc.
Employees' 401(k) Savings and Investment Plan
Notes to Financial Statements (continued)

4. YEAR 2000 ISSUE (UNAUDITED)

The Company has determined that it will be necessary to take certain steps in order to ensure that the Plan's information systems are prepared to handle year 2000 dates. The Company is taking a two phase approach. The first phase addresses internal systems that must be modified or replaced to function properly. Both internal and external resources are being utilized to replace or modify existing software applications, and test the software and equipment for the year 2000 modifications. The Company anticipates substantially completing this phase of the project during the third quarter of 1999. Costs associated with modifying software and equipment are not estimated to be significant and will be paid by the Company.

For the second phase of the project, Plan management established formal communications with its third party service providers to determine that they have developed plans to address their own year 2000 problems as they relate to the Plan's operations. All third party service providers have indicated that they will be year 2000 compliant by early 1999. If modification of data processing systems of either the Plan, the Company, or its service providers are not completed timely, the year 2000 problem could have a material impact on the operations of the Plan. Plan management has not developed a contingency plan, because they are confident that all systems will be year 2000 ready.

SUPPLEMENTAL SCHEDULES

Saga Communications, Inc.
 Employees' 401(k) Savings and Investment Plan
 Employer ID # 38-2683519
 Plan # 001

Item 27(a)--Schedule of Assets Held For Investment Purposes

December 31, 1998

IDENTITY OF ISSUE, BORROWER LESSOR OR SIMILAR PARTY	DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE	COST	CURRENT VALUE
* Connecticut General Life Insurance Company	Guaranteed Investment Fund--16,967 units, 6.25% annual interest	\$961,135	\$961,135
* Connecticut General Life Insurance Company	Cigna Stock Index Fund--10,655 shares	421,965	695,195
* Connecticut General Life Insurance Company	Cigna High Yield Bond Fund--279 shares	2,568	2,591
Fidelity Investments	Fidelity Investments Contrafund--17,569 shares	867,444	1,430,119
Fidelity Investments	Fidelity Growth and Income Portfolio Fund--4,945 shares	224,085	302,379
Invesco Mutual Funds	Invesco Total Return Fund--12,173 shares	333,556	479,049
Twentieth Century Mutual Funds	Twentieth Century Ultra Investments Fund--18,950 shares	649,624	1,016,388
The Vanguard Group of Investment Companies	Vanguard Wellington Fund--12,191 shares	376,864	517,436
Warburg-Pincus Mutual Funds	Warburg-Pincus Emerging Growth Fund--3,907 shares	166,265	189,565
Warburg-Pincus Mutual Funds	Warburg-Pincus International Equity Fund--2,904 shares	69,723	68,147
Putnam Mutual Funds	Putnam Stock Growth Fund--1,076 shares	13,557	14,809
Janus Mutual Funds	Janus Fund--913 shares	37,053	42,896
Janus Mutual Funds	Janus Worldwide Fund--431 shares	22,294	23,442
Baron Mutual Funds	Baron Asset Fund--135 shares	5,991	6,799
* Saga Communications, Inc.	Saga Common Stock Fund--34,296 shares	432,691	703,066
* Participant loans receivable	Interest rates 8.0% to 10.0%	169,804	169,804
Total investments		\$4,754,619 =====	\$6,622,820 =====

*Party-in-interest.

Saga Communications, Inc.
 Employees' 401(k) Savings and Investment Plan
 Employer ID # 38-2683519
 Plan # 001

Item 27(a)--Schedule of Reportable Transactions

Year ended December 31, 1998

IDENTITY OF PARTY INVOLVED	DESCRIPTION OF ASSET (INCLUDING INTEREST RATE AND MATURITY IN CASE OF A LOAN)	PURCHASE PRICE	SELLING PRICE	LEASE RENTAL	EXPENSE INCURRED WITH TRANSACTION	COST OF ASSET	CURRENT VALUE OF ASSET ON TRANSACTION DATE	NET GAIN (LOSS)
Category iii) A series of transactions involving securities of the same issue, which when aggregated, involve an amount in excess of 5% of the current value of plan assets:								
Fidelity Investments	Fidelity Investments Contrafund							
	Purchases	\$218,964				\$218,964	\$218,964	
	Sales		\$154,670			105,459	154,670	\$49,211
Twentieth Century Mutual Funds	Twentieth Century Ultra Investments Fund							
	Purchases	199,102				199,102	199,102	
	Sales		124,979			88,785	124,979	36,194
*Connecticut General Life Insurance Company	Guaranteed Investment Fund							
	Purchases	137,720				137,720	137,720	
	Sales		177,113			177,113	177,113	0
	Cigna Stock Index Fund							
	Purchases	142,383				142,383	142,383	
	Sales		134,972			88,990	134,972	45,982

* party-in-interest.

There were no category i), ii) or iv) reportable transactions.

EXHIBIT INDEX

Exhibits

23(a) Consent of Ernst & Young LLP

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the administrator of the Plan has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

SAGA COMMUNICATIONS, INC.
EMPLOYEES' 401(K) SAVINGS AND
INVESTMENT PLAN

Date: June 25, 1999

/s/ Marcia K. Lobaito

Marcia K. Lobaito
Plan Administrator

Consent of Independent Auditors

We consent to the incorporation by reference in the Registration Statement (Form S-8) effective September 14, 1998 (Registration File No. 333-63321) pertaining to the Saga Communications, Inc. Employees 401(k) Savings and Investment Plan, and in the related Prospectus, of our report dated May 14, 1999 with respect to the financial statements and schedules of Saga Communications, Inc. Employees' 401(k) Savings and Investment Plan included in this Annual Report on Form 11-K for the year ended December 31, 1998.

/s/ Ernst & Young LLP

Ernst & Young LLP

Detroit, Michigan
June 24, 1999