

**MINUTES
PUBLIC HEARING – 2018 BUDGET
BOARD OF COMMISSIONERS MEETING
HURON-CLINTON METROPOLITAN AUTHORITY
THURSDAY, DECEMBER 14, 2017**

The Budget Hearing of the Huron-Clinton Metropolitan Authority's Board of Commissioners was on Thursday, Dec. 14, 2017 at the Administrative Offices, 13000 High Ridge Drive, Brighton, MI 48114. The hearing convened in pursuance to a legal notice placed in the Detroit Free Press and Detroit News.

Commissioners Present:	Robert W. Marans Bernard Parker Kurt Heise Steven Williams John Paul Rea
Staff Leadership:	
Acting Director	Michael Reese
Deputy Director	David Kirbach
Supervisor of Budgeting/Payroll	Rebecca Franchock
Absent:	
Commissioner	Timothy J. McCarthy
Commissioner	Jaye Quadrozzi

1. Call or Order

Vice Chairman Marans called the Dec. 14, 2017 Public Hearing for the 2018 Budget to order at 10:32am.

2. Vice Chairman's Statement

Commissioner Marans said Commissioner McCarthy had a previous engagement and Commissioner Quadrozzi was in Texas and would not be attending the meeting.

3. Review of 2018 Budget

Supervisor of Budgeting and Payroll Rebecca Franchock reviewed the 2018 Budget highlighting anticipated revenue (\$53.7 million), anticipated expenditures (\$60.9 million) and anticipated property tax revenue (\$31.2 million) as well as projected expenditures for major maintenance and capital improvement projects. Ms. Franchock also said the planned use of the Fund Balance was projected at \$2.8 million for 2018.

Ms. Franchock said tax revenue was the largest source of income for the Metroparks, that there is a perpetual millage, which would be reduced to .2140 in 2018. The other top revenue generators include tolling (nearly half of operating revenue), golf and aquatics. She said grants, interest and miscellaneous funding provides the remaining revenue for the parks.

Ms. Franchock said the largest source of expenditures for the system is administrative office operating expenses, with increased expenditures for positions that have not been filled along with outside services for marketing and engineering. She also reviewed expenses for both capital improvement and major maintenance projects.

Ms. Franchock summarized the 2018 budget and said projected revenue was at \$53.7 million, projected expenditures was at \$60.9 million with the Fund Balance projected to be at \$27.8 million, a reduction of approximately \$3-4 million, which continues the downward trend that began in 2017.

Discussion: Commissioner Parker said he was concerned with using the Fund Balance and said the Metroparks should operate within its means. He requested staff bring an amended budget to the Board for approval with reduced expenditures and no more than a 10 percent reduction of Fund Balance, with cuts coming out of the administrative and operations budget.

Commissioner Marans said the Fund Balance was reduced last year (2017) and asked what the history was over the last several years. Ms. Franchock said the Fund Balance was reduced by \$5.9 million in 2017 and had not been reduced much in recent years. She said the Fund Balance increased until 2016 and that the Fund Balance began to drop in 2017.

4. Public Participation

None.

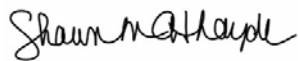
5. Motion to Close Public Hearing

Motion by Commissioner Rea, support from Commissioner Heise that the Board of Commissioners' close the public hearing on the 2018 Budget.

Motion carried unanimously.

The public hearing on the 2018 Budget adjourned at 10:50 a.m.

Respectfully submitted,



Shawn Athayde
Recording Secretary