HURON-CLINTON METROPOLITAN AUTHORITY, MICHIGAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED December 31, 2011

SUBMITTED TO THE
HURON-CLINTON METROPOLITAN AUTHORITY
BOARD OF COMMISSIONERS

Anthony V. Marrocco - Chairman - Macomb County
John E. La Belle - Vice Chairman - Livingston County
John P. McCulloch - Treasurer - Oakland County
John C. Hertel - Secretary - Governor Appointee
Harry E. Lester - Wayne County
Robert W. Marans - Washtenaw County
Timothy J. McCarthy - Governor Appointee

Prepared by the Huron-Clinton Metropolitan Authority
Controller's Department

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Huron-Clinton Metropolitan Authority, Michigan
Comprehensive Annual Financial Report
For the Year Ended December 31, 2011

TABLE OF CONTENTS

Huron-Clinton Metropolitan Authority, Michigan

TABLE OF CONTENTS – Continued

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Huron-Clinton Metropolitan Authority, Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

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May 1, 2012

To the Board of Commissioners, Director and Citizens of the Huron-Clinton Metropolitan Authority Park District:

State law requires that all local governmental units, including authorities such as the Huron-Clinton Metropolitan Authority, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Huron-Clinton Metropolitan Authority for the fiscal year ended December 31, 2011. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management.

The financial reporting entity of the Huron-Clinton Metropolitan Authority includes all funds of the Huron-Clinton Metropolitan Authority. The Authority is a special district form of government operating independently of all other governmental agencies. It provides a full range of recreational activities in the five-county region surrounding the city of Detroit.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

The Huron-Clinton Metropolitan Authority was sanctioned by Public Act 147 of Public Acts 1939. This Act provided for the incorporation of the Huron-Clinton Metropolitan Authority to permit the counties of Livingston, Macomb, Oakland, Washtenaw and Wayne to join in a metropolitan district for planning, promoting and/or acquiring, constructing, owning, developing, maintaining and operating, either within or without their limits, parks, connecting drives and/or limited access highways; to provide for the assessment, levy and collection of property taxes on both real and personal properties located within its boundaries. A referendum was held on November 5, 1940 on the proposed Huron-Clinton Metropolitan Authority. The citizens of the five-county district approved the creation of the Huron-Clinton Metropolitan Authority.

The governing body of the Huron-Clinton Metropolitan Authority is a seven member Board of Commissioners. Two Commissioners, who serve as representatives at large, are appointed by the Governor of Michigan and serve four-year terms. Each of the five member counties, through their respective Board of Commissioners, appoints a Commissioner to serve a six-year staggered term. Public meetings of the Board of Commissioners are held on the second Thursday of each month. The Board of Commissioners is responsible, among other things, for setting policy, adopting the budget, setting fees, approving contracts, land acquisition and expenditures, planning of new parks and facilities and appointing four staff officers – Director, Deputy Director, Executive Secretary and Controller.

Board of Commissioners
John C. Hertel, Governor Appointee | John E. La Belle, Livingston County | Harry E. Lester, Wayne County | Robert W. Marans, Washtenaw County | Anthony V. Marrocco, Macomb County | Timothy J. McCarthy, Governor Appointee | John P. McCulloch, Oakland County

The Director is responsible for carrying out the policies of the Board of Commissioners, for overseeing the day-to-day operations of the park system, hiring all full time employees and approving all purchase commitments of the Authority. The Deputy Director oversees all park operations/activities. The Executive Secretary keeps minutes of all Board of Commissioner meetings, is the official custodian of all records of the Authority, coordinates the recording of all property owned by the Authority and certifies all payment vouchers prior to approval by the Board of Commissioners. The Controller is responsible for maintaining all financial accounting records of the Authority, collecting all revenues due the Authority, investing all Authority funds, issuing payment vouchers for goods, services and payrolls, maintaining property/casualty insurances and serves as the Pension Plan Trustee and Retiree Health Trust Plan Administrator.

Named after the two longest rivers within its boundaries, the Authority's main endeavor is to provide a variety of recreational opportunities through the development of natural resources along the Huron and Clinton Rivers for the benefit of the 4.4 million citizens of the five-county park district located in southeastern Michigan. Since its inception, the Authority has created thirteen Metroparks covering nearly 25,000 acres within the 1,600 square mile watershed area of the Huron and Clinton Rivers. These Metroparks have been developed on the best natural resources available, considering population trends and changing needs within the district with a minimum disruption of existing land use. The Authority is a dynamic and changing organization striving to provide new facilities and better service, but the basic philosophy of utilizing the best natural resource areas possible to provide a broad range of regional outdoor activities has not changed. This was the widely understood reason and purpose of establishing the organization and has been carefully followed by its Board of Commissioners throughout its history.

The characteristics of the Metroparks are different from recreation supplied by most other units of government or by the private sector. Generally, Metroparks are fairly large in size and offer a blend of natural resources such as lake, river, woods or wildlife area with constructed facilities that provide for more intensive recreational pursuits such as swimming, golfing, bicycling, cross-country skiing or other outdoor recreation. These Metroparks are within an hour's drive for most of the residents of the region and are considered "day use" parks.

The Metroparks range in size from 53 acres at Delhi Metropark to over 4,400 acres at Stony Creek Metropark. The larger Metroparks are designed to accommodate crowds of 35,000 or more on peak use days. In 2011, the Metropark system provided recreation for 8.4 million park visitors.

The Authority's centralized Administrative Office coordinates the development and operation of all thirteen Metroparks. The following departments are housed at the Administrative Office: (1) Executive; (2) Controller; (3) Engineering; (4) Planning; (5) Human Resources; (6) Graphic Design; (7) Communications/Marketing; (8) Purchasing; (9) Information Systems; (10) Community Relations; (11) Police; and (12) Interpretive Services.

The day-to-day administration, operation and maintenance of each Metropark is coordinated through three district park managers. These district park managers oversee all on-site park activities, operations and maintenance of buildings, roads and grounds.

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the local economic environment in which the Huron-Clinton Metropolitan Authority operates.

The modest and uneven economic recovery which started to take hold in 2010 continued into 2011 at about the same pace. This recovery is precarious as problems persisted throughout 2011 brought about by: (1) the tsunami in Japan, (2) military conflicts and regime changes in the Middle East, (3) the sovereign debt crisis in Europe, (4) a downgrade of the U.S. government's debt rating, and (5) a likely recession in Europe.

Michigan's prolonged economic distress finally started to ease two years after the official end of the recession (2009). Remarkably, southeast Michigan has survived the bankruptcy of two of the largest employers, General Motors and Chrysler. Michigan's economic recovery is forecasted to be a slow one which will take many years to restore lost jobs and property values.

One of the first indicators of an economic recovery is the trend in unemployment rates. Unfortunately, Michigan had the highest annual unemployment rate in the nation from 2006 to 2009, as it pushed into double digits by the end of 2009 (13.3%). This trend started to turn around in the spring of 2010. The decline in the jobless rate continued and by the end of December 2011, it fell to 9.3%. Although high by historical standards, this is the first time it's been in single digits in three years. This is one of the first steps on the road to economic recovery in Michigan.

Hiring will be critical in generating a rebound in real estate housing values. The Metropark system has not escaped the adverse impact of the drop in property values. Two-thirds of the annual revenues are generated by the Authority's property tax levy. The magnitude of job losses in southeast Michigan from 2007 to 2009 created a significant increase in home foreclosures. With a large supply of homes on the market vastly exceeding demand, there was a dramatic drop in real estate values. The property assessed values used to determine the Authority's tax revenues lag real estate values by approximately two years. This means that the real estate market decline in 2008 and 2009 has impacted Authority tax revenues in 2010 and 2011. Authority tax revenues declined by $1.4 million in 2010 and another $3.8 million in 2011. The number of foreclosures in the five-county Metropark district is still high by historical levels, but they are dropping below the record levels experienced in the past three years. As the jobless rate improves and housing foreclosures decline, the negative impact on Authority tax revenues is expected to moderate. This is reflected in 2012 budgeted Authority tax revenues, which are projected to drop by a smaller amount – $1.8 million.

Given all these variables in the Metroparks' local economy, it is felt that southeast Michigan will remain a busy recreational playground due to the economy, natural features and water resources. The Metropark system, which encompasses nearly 25,000 acres offering an unprecedented wide variety of recreational activities in well maintained and safe settings, will continue to play an important role in providing public recreational opportunities. The Metroparks' adherence to long term financial planning and living within its means while maintaining responsible fund balance amounts has created a park system that will continue to provide top notch public recreational opportunities for our residents. The Metropark system will continue to enhance the overall quality of life for the citizens of southeast Michigan. It is expected that residents will continue to seek quality recreational opportunities close to home at their 13 Metroparks.

A recent report by the Southeast Michigan Council of Governments (SEMCOG), the regional planning agency, indicates that there will be a major shift in the age mix of the population served by the Metropark system. It is predicted that over one-third of the population in southeast Michigan will be over 55 by year 2030. The 2010 United States Census Bureau counts show that the five-county population stands at 4,390,000 residents. The Authority hopes to serve more of these residents as they age.

MAJOR INITIATIVES

The Authority's staff, following directions from the Board of Commissioners and the Authority's Director, has been involved in a variety of capital projects throughout the year. These projects reflect the Authority's ongoing commitment to providing quality public recreational facilities and services in a well-maintained and safe environment to the citizens of southeast Michigan. Many of these projects relate to the Authority's emphasis of the Five-Year Plan on replacing/renovating worn out, outdated recreation facilities. The major activities and accomplishments during 2011 included:

1. Replacement of the Golf Starter Building at Kensington Metropark was started in early 2011 with expenditures for the year totaling $1,521,000. This in-progress project removed the old starter building and replaced it with a new 4,500 square foot building, plaza, walks, landscaping and utilities. This project will be completed and available for public use in the spring of 2012.

2. A 1.1 mile Hike/Bike Trail Connector between the Milford Township bike trail spur and the main eight mile loop trail around Kent Lake at Kensington Metropark was started in 2011. 2011 expenditures on this trail totaled $487,000.

3. The parking lot at Delhi Metropark was reconstructed at a cost of $119,000.

4. New picnic shelters were constructed at Willow (2) and Lake Erie (1) for $109,000.

5. A large portion of the Hike/Bike Trail at Oakwoods Metropark was reconstructed for $147,000.

6. Underground communication cables were replaced at Metro Beach, Hudson Mills, Willow and Lake Erie for $207,000.

7. Construction has commenced on a new Play Area at Stony Creek Metropark with $47,000 expended by year end.

8. The Wolcott Mill tailrace is being reconstructed in a joint project with the Road Commission for Macomb County at a cost of $58,000.

9. In total, the Authority invested in park facilities to the extent of nearly $3.1 million, as work was done on 40 individual projects. These capitalized projects will help ensure that Metropark facility offerings to our public are in good working order and relevant to today's recreational interests. The vast majority of the 2011 capital improvement expenditures continue to relate to 3-R's-type projects (repair, renovate and replace). Due to the age of the Metropark facilities, it is essential that these types of projects continue to be the primary focus of capital improvement expenditures.

10. The Planning and Engineering Departments worked on many other projects that will be let for construction in 2012. The main “in progress” improvement projects are:

a. Reconstruction of the main parking lot at Metro Beach Metropark;
b. Dexter Hike/Bike Trail connector;
c. Redevelopment of East Boardwalk at Metro Beach Metropark;
d. Martindale Beach parking lot reconstruction at Kensington Metropark;
e. Replacement of boat launch piers at Stony Creek and Kensington Metroparks.

11. During 2011, a total of $965,000 was spent equipping the Metropark system. Heavy equipment purchases accounted for $288,000 of expenditures, while auto and truck acquisitions totaled $432,000.

12. The Authority was successful in increasing public land holdings – 20 acres at Wolcott Mill Metropark and 30 acres at Indian Springs Metropark. A total of $566,000 was expended for land acquisition in 2011.

13. Under the Authority’s Capital Projects Fund–Supplemental Major Maintenance, final engineering designs were completed for: (1) the decommissioning and replacement of the park sewage treatment plant at Kensington Metropark, a $2.4 million project, and (2) the replacement of main park water/sewer lines at Stony Creek Metropark. The engineering work on these two projects incurred $183,000 of expenditures in 2011. Construction started on both of these projects in 2011, with $562,000 spent on the Kensington sewage treatment plant replacement and $12,000 spent on the Stony Creek water line project. A third major project was at Stony Creek Metropark, which involved the relining and repairs to the sanitary sewer lines at a cost of $322,000.

14. Major repairs to Authority buildings, roadways, hike/bike trails, irrigation systems, bridges and walkways ran $1,107,000 during 2011 for 37 projects.

15. The Authority established the Retiree Health Care Plan and Trust effective October 1, 2005. The Authority transferred $3,380,000 from the General Fund to the Retiree Health Trust during the Plan year ended September 30, 2011. This contribution represents the second consecutive year the Authority exceeded the Annual Required Contribution (ARC) amount. The Plan and Trust was established for the exclusive purpose of enabling the Authority to pre-fund retiree health care benefits for eligible retirees and spouses. The Trust expended $960,000 for retiree health and dental benefits for the Plan Year ended September 30, 2011.

16. Finally, but certainly not least, the direct operation and maintenance of the Authority’s 13 Metroparks were funded at a level of service that continued to offer the public quality recreational experiences in well-maintained and safe environments. A total of $31.7 million was expended on providing park maintenance and recreational services to 8.4 million park visitors in 2011.

FINANCIAL INFORMATION

Management of the Authority is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Authority are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

FEDERAL FINANCIAL ASSISTANCE

The Authority did not receive any Federal financial assistance during 2011 that required the independent auditor to issue a Single Audit Report.

BUDGET

The annual budget serves as the foundation for the Huron-Clinton Metropolitan Authority's financial planning and control. The Authority employs a Five-Year Plan for long-range financial planning, which provides general guidance for each year's annual budget. 2011 represented the fourth year of the Authority's Five-Year Plan covering the years 2008 to 2012. In July 2009, the Board of Commissioners approved a revision to the Authority's Five-Year Plan for years 2011 to 2012, with further revisions made in May 2010. The annual budget process is multi-faceted, involving all units of the Authority. The Authority's Planning and Engineering Departments, in conjunction with park operating units, develops capital improvement and major maintenance project listings that are costed out by the end of September. These project listings are reviewed and finalized by mid-October. After a complete inspection of Authority equipment during September, the equipment budget is developed. Equipment budget requests are reviewed and finalized by the end of October. All park operating units of the Huron-Clinton Metropolitan Authority are required to submit park operation budget requests to the Controller's office near the end of October. The Controller utilizes these requests, along with capital budget requests, as the starting point for developing a proposed General Fund budget. The Controller conducts budget review meetings and presents the proposed budget to the Board of Commissioners at the December Board meeting. A public hearing on the proposed budget is conducted prior to the December Board meeting. The appropriated budget is a line item budget prepared by fund, category (i.e., capital improvements, park operations), department/park (i.e., Metro Beach, Kensington), sub-department/activity (i.e., golf course, regulatory) and object (i.e., full time wages, utilities). The Director is authorized to make budgetary transfers between line item appropriations. All budgetary appropriation transfers by category are approved by the Board of Commissioners on a quarterly basis. Budget-to-actual comparisons are provided in this report for the General Fund and Capital Projects Fund. The Authority maintains an encumbrance accounting system and a work order system for capital construction type projects to assist in maintaining budgetary control.

The Board of Commissioners has also established a Capital Projects Fund called the Supplemental Major Maintenance Fund to account for all oil/gas royalty revenues. These revenues are restricted for accomplishing large infrastructure repairs (over $200,000) within the Metropark system. Infrastructure repair projects are evaluated on a project-by-project basis and on the basis of need. These projects require Board of Commission approval.

LONG-TERM FINANCIAL PLANNING

The Huron-Clinton Metropolitan Authority employs a Five-Year Regional Recreation Plan to provide long term recreational and financial planning for the Metropark system. In 2007, a new Five-Year Plan covering the years 2008 to 2012 was approved by the Board of Commissioners. The development of the Five-Year Plan is a planning process that is a joint effort involving the general public, park staff, Administrative Office staff, Planning staff, Engineering staff and the Board of Commissioners. The cornerstone of this Five-Year Plan is a Park User/Non-User Survey of the five-county area, which was conducted by Market Strategies, Inc. The Authority's Administrative Staff developed a preliminary Five-Year Plan, which was reviewed at a special workshop meeting held by the Board of Commissioners. After much discussion and further meetings, the financial projection section of the Authority's Five-Year Plan was approved in May 2007. Due to the large amount of aging infrastructure within the Metropark system, the new Five-Year Plan continues to emphasize renovation/redevelopment/restoration type projects rather than new park developments. Eighty percent of the anticipated capital improvement funds for the next five years will be allocated to these types of projects.

Due to the economic downturn and the impact on residential and commercial/industrial real estate values in southeast Michigan for Authority tax revenues for 2011 to 2012, the Authority's Board of Commissioners and staff revised the May 2007 approved Five-Year Plan. In order to position the Authority to be as recession resistant as possible, the Board of Commissioners, in July 2009, approved a "revised" Five-Year Plan covering 2011 to 2012. The "revised" Five-Year Plan was further updated in May 2010 as a result of 2011 and 2012 tax revenue declines being greater than forecasted in the July 2009 revision. The general intent of the Authority's updated revised Five-Year Plan is to attempt to engineer a "soft" landing during this economic downturn. The revised Five-Year Plan: (1) defers a number of planned capital improvement projects and (2) builds up the Authority's Reserve for Future Contingencies account in an attempt to offset anticipated material tax revenue declines in future years. The revised Five-Year Plan represents a balanced plan that attempts to address these issues:

- Maintenance of present high standards of maintenance and service levels for existing park operations.
- Continuation of funding for major maintenance projects at an average of $1.15 million annually.
- Maintenance of a functional fleet of equipment plus equipping new facilities.
- Funding the replacement of major facilities at: (1) Kensington Golf Starter Building, (2) Stony Creek Eastwood Beach Play Area, (3) Huron Meadows Park Service Area Complex, and (4) Stony Creek Boat Rental Facility.
- Funding the redevelopment of: (1) Metro Beach's East Boardwalk area to include a new Comfort Station/Picnic Shelter, (2) Kensington's Maple Beach Bathhouse/Food Service areas, and (3) Stony Creek's Eastwood Beach Buildings.
- Funding for the continuation of reconstructing/resurfacing of Authority roads, parking lots and hike/bike trails.
- Funding the Authority's portion of a hike/bike trail connection from Hudson Mills to the Village of Dexter.
- Maintaining contributions to the Authority's Retiree Health Care Trust Fund and Pension Trust Fund.

The updated revised Five-Year Plan will provide general guidance for the development of the Authority's annual budgets each year. Adjustments are made to the Five-Year Plan as dictated by ongoing economic conditions.

GENERAL FUND BALANCE

In keeping with fiscally responsible budgeting practices, the Authority actively funds a Reserve for Future Contingency account to set aside funds to meet unanticipated/underbudgeted expenditures, emergencies and/or revenue shortfalls. The Authority's goal is to maintain this account at 5 percent of the general fund budget appropriations as a minimum. Due to current economic conditions and the significant property tax declines, the Authority's Board of Commissioners has approved a systematic build-up of the Reserve account in anticipation of future tax revenue declines.

At the end of 2011, these unassigned funds totaled $18.2 million, an increase of $3.9 million (28%) from 2010's level. The $18.2 million represents 46% of 2011 annual operating expenditures of $39.9 million.

CAPITAL PROJECTS FUND

The Authority utilizes a Capital Projects Fund to record supplemental major maintenance projects that are non-recurring expenditures to repair/replace existing Metropark infrastructure. As designated by the Authority's Board of Commissioners, oil/gas royalty revenues are earmarked to fund these large projects.

During 2011, $369,000 of royalty payments were received, with generated investment income totaling $58,000. The major projects in 2011 were the final engineering design for: (1) decommissioning and replacement of the park sewage treatment plant at Kensington Metropark, and (2) replacement of main park water/sewer lines at Stony Creek Metropark. Engineering costs ran $183,000 with actual construction costs at $574,000. A third project involved the relining and repairs to the sanitary sewer lines at Stony Creek Metropark for $322,000.

At the end of 2011, the amount committed for future supplemental major maintenance projects stood at $4.0 million.

FIDUCIARY FUNDS

The Authority maintains a single employer, defined benefit pension plan, which is reported in the Pension Trust Fund based on its September 30 fiscal year end. An actuarial study determines the funding required by the Authority to meet its future benefit obligations. For the Plan year ended September 30, 2011 the Authority's recommended contribution was $2,146,504, which was contributed by the Authority. In the most recent Actuarial Valuation Report for the September 30, 2011 Plan year, the total estimated actuarial accrued liability was $60,579,000. Total actuarial value of Plan assets at this time was $42,456,000. One method of assessing the financial strength of a pension plan is to determine the percentage of liabilities that has been funded. This percentage for the Authority's Plan at September 30, 2011 was 70.1 percent, compared to 69.2 percent one year earlier.

The Authority established a Retiree Health Care Plan and Trust effective October 1, 2005. This Plan and Trust constitutes a governmental trust pursuant to Section 115 of the Internal Revenue Code of 1986. It was created under the authority of the Public Employee Health Care Fund Investment Act, Public Act 149 of 1999. The Plan and Trust was established to allow for the Authority's funding of eligible retiree and spouse health care benefits. An actuarial valuation was performed as of October 1, 2011 with the total estimated actuarial accrued liability of the Authority postemployment health benefits established at $35,840,000. At the end of the Plan's sixth fiscal year, the actuarial value of Trust assets totaled $13,821,000. This creates an unfunded actuarial accrued liability of $22,019,000.

DEBT

The Authority has not issued any bonded debt. The Authority's Enabling Act restricted debt issues to only revenue bonds. Over the years, the Authority has never felt it necessary to issue revenue bonds as a means of financing recreational facilities. Rather, the Authority has always operated on a "pay-as-you-go" basis, meaning no Authority taxes or revenues have been utilized to service debt issues.

OTHER INFORMATION

Independent Audit

State statute requires an annual audit by an independent certified public accountant. The accounting firm of Rehmann Robson was selected by the Board of Commissioners. The audit is conducted in accordance with generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. The audit will meet the requirements set forth by State statute and will include tests of the accounting records of the Authority and other procedures necessary for Rehmann Robson to express an opinion on the financial statements.

The auditor's report on the financial statements, required supplementary information and supplemental schedules are included in the **FINANCIAL SECTION** of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Huron-Clinton Metropolitan Authority for its comprehensive annual financial report for the year ended December 31, 2010. This was the ninth consecutive year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

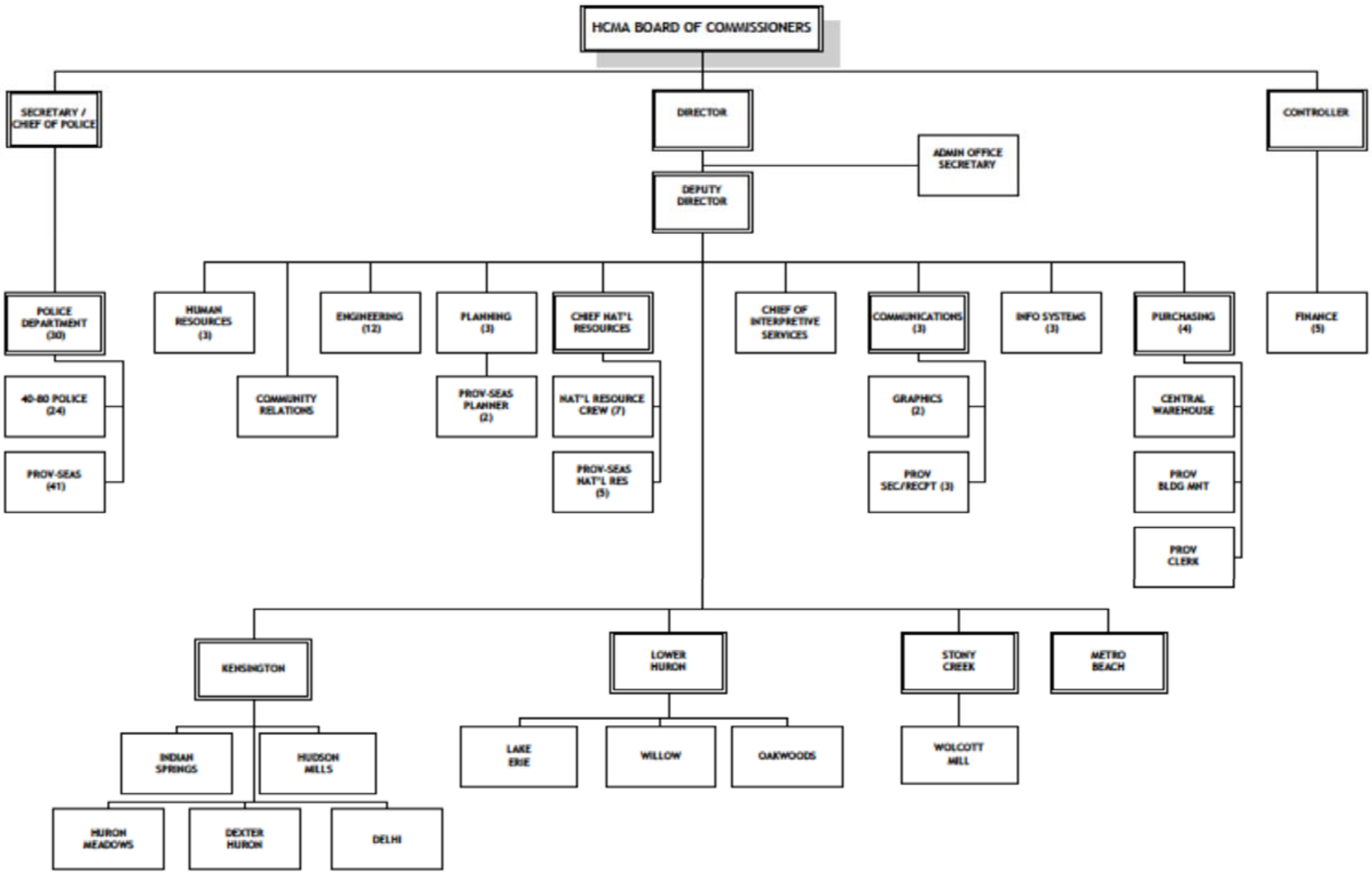
The preparation of this comprehensive annual financial report on a timely basis was a major undertaking for the Authority's Controllers Department. In particular, the extra efforts of Chief Accountant Rebecca Franchock, Accountant Tamara Torongo and Secretary Karen George were absolutely essential. The guidance from our independent auditors, Rehmann Robson, was also necessary to direct us through the compilation of our comprehensive annual financial report. These extra efforts are much appreciated.

Finally, without the leadership and support of the Board of Commissioners, preparation of this report would not have been possible.

Respectfully submitted,

David L. Wahl
Controller

HURON-CLINTON METROPOLITAN AUTHORITY
2011 TABLE OF ORGANIZATION



HURON-CLINTON METROPOLITAN AUTHORITY, MICHIGAN
2011
PRINCIPAL OFFICERS

UNIT - TITLE	NAME OF OFFICIAL
Administrative Staff	
Director	David C. Moilanen
Deputy Director	Gregory J. Almas
Executive Secretary-Chief of Police	George Phifer
Controller	David L. Wahl
Supervising Graphic Designer	LaChelle Barton
Information Systems Manager	Nolan L. Clark
Chief Planner	Susan H. Nyquist
Supervising Park Planner	James A. Kropp
Chief Accountant	Rebecca L. Franchock
Chief Engineer	Michael A. Arens
Supervising Field Engineer	Thomas R. Asiala
Chief of Natural Resources	Paul J. Muelle
Purchasing Manager	Scott W. Michael
Chief of Interprative Services	C. Michael George
Community Relations Administrator	Jack C. Liang
Chief of Communications	Denise H. Semion
EASTERN DISTRICT	
Metro Beach Metropark	
District Park Manager	Michael G. Lyons
Park Operations Manager	Thomas J. Knuth
Maintenance Supervisor	Mark V. Lietaert
Stoney Creek and Wolcott Mill	
District Park Manager	Michael G. Lyons
Park Operations Manager	Gary G. Hopp
Maintenance Supervisor	David B. Kirbach
WESTERN DISTRICT	
Kensington Metropark	
District Park Manager	Kimberly A. Jarvis
Park Operations Manager	Jeffrey D. Linn
Maintenance Supervisor	Scott J. Strudgeon
Hudson Mills, Dexter-Huron, Delhi,	
District Park Manager	Kimberly A. Jarvis
Park Operations Manager	Jerome M. Cyr
Maintenance Supervisor	Charles E. McDiarmid
SOUTHERN DISTRICT	
Lower Huron, Willow and Oakwoods	
District Park Manager	Kimberly A. Jarvis
Park Operations Manager	Jeffrey D. Linn
Maintenance Supervisor	Scott J. Strudgeon
Lake Erie Metropark	
District Park Manager	James W. Pershing
Park Operations Manager	Tonja M. Jolly
Maintenance Supervisor	Joseph B. Jolly

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

May 1, 2012

To the Board of Commissioners
Huron-Clinton Metropolitan Authority
Brighton, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Huron-Clinton Metropolitan Authority (the "Authority"), as of and for the year ended December 31, 2011, (except for the Pension and Other Employee Benefit Trust Funds which are as of and for the year ended September 30, 2011) which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Huron-Clinton Metropolitan Authority, as of December 31, 2011, (except for the Pension and Other Employee Benefit Trust Funds which are as of and for the year ended September 30, 2011) and the respective changes in financial position thereof and the budgetary comparisons of the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated May 1, 2012, on our consideration of the Huron-Clinton Metropolitan Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the Pension Trust and Other Postemployment Benefit Trust Fund information on pages 62 to 63 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Rehmann Robson

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the Huron-Clinton Metropolitan Authority, we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Huron-Clinton Metropolitan Authority for the year ended December 31, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, the financial statements and the notes to the financial statements.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the end of 2011 by $229,065,650 (net assets). Of this amount, $34,265,416 (unrestricted net assets) may be used to meet the Authority's ongoing obligations to provide park and recreation services to the citizens of the five-county Metropark system.
- The Authority's total net assets increased by $852,909.
- The emphasis of the Authority's revised Five-Year Plan is to renovate, reconstruct and replace worn out, outdated recreational facilities. 2011 capital improvement expenditures reflect this emphasis as indicated by the following projects:

1. The replacement of the Golf Starter Building at Kensington Metropark was started in early 2011 with expenditures for the year totaling $1,521,000;
2. The parking lot at Delhi Metropark was reconstructed at a cost of $119,000;
3. The Hike/Bike Trail at Oakwoods Metropark was reconstructed for $147,000;
4. Underground communication cables were replaced at Metro Beach, Hudson Mills, Willow and Lake Erie Metroparks for $207,000;
5. Under the Authority's Capital Projects Fund, a $2.4 million contract was let for the decommissioning and replacement of the park sewage treatment plant at Kensington Metropark. 2011 expenditures totaled $562,000;
6. Under the Authority's Capital Projects Fund, the sanitary sewer lines serving Stony Creek Metropark were relined and repaired at a cost of $322,000.

- Not only were existing Metropark facilities renovated, but new recreational facilities were added, with the following 2011 capital improvement expenditures:

1. A 1.2 mile Hike/Bike Trail Connector between Kensington Metropark's main loop trail and the Milford Township spur was started in 2011 with $487,000 of expenditures;
2. Three new picnic shelters were added at Willow (2) and Lake Erie (1) Metroparks at a cost of $109,000;
3. Construction commenced on a new $0.6 million play area at Stony Creek Metropark-Eastwood Beach.

- Repairs and renovation of Authority infrastructure continued to be a high priority. Major repairs to Authority buildings, roadways, hike/bike trails, irrigation systems, bridges and walkways ran $1.1 million during 2011.
- Authority public land holdings were increased by 50 acres acquired at Wolcott Mill and Indian Springs Metroparks at a cost of $566,000.
- The Authority continued to meet the actuarially determined Pension Plan contribution of $2,147,000 for the Plan year ended September 30, 2011.
- The Authority established the Retiree Health Care Plan and Trust in October 2005 for the exclusive purpose of prefunding retiree health care benefits for eligible retirees and spouses. The Authority exceeded the funding required by the Annual Required Contribution (ARC) by transferring $3,380,000 from the General Fund to the Retiree Health Care Trust for the Plan year ended September 30, 2011. This eliminated the liability for other postemployment benefits and created a $697,000 asset.
- Authority General Fund revenues at $45.6 million fell short of 2011 final budget targets by $0.17 million (0.4 percent).
- Authority General Fund operating expenditures at $39.9 million were under amended 2011 budget amounts by $3.6 million (8.2 percent).

Management's Discussion and Analysis

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Authority's finances in a manner similar to private-sector business.

The *statement of net assets* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *statement of activities* presents information showing how the Authority's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result only in cash flows in future years (i.e., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Authority that are principally supported by taxes and program revenues. The sole governmental activity of the Authority consists of providing regional park and recreation services in the five-county metropolitan Detroit area. The Authority is a single purpose governmental agency.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Authority can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Authority maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General and Capital Projects funds, each of which are considered to be major funds.

Management's Discussion and Analysis

The Authority adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided herein to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Authority's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Authority uses a fiduciary fund to account for (1) its single employer, defined benefit pension plan, which accumulates resources for pension benefit payments to qualified Authority employees, and (2) its Retiree Health Care Plan and Trust, which accumulates resources for health care benefit payments to qualified Authority retirees. These funds are based on the Plan's September 30 fiscal year ends.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This information is limited to a schedule concerning the Authority's progress in funding its obligation to provide pension benefits to its employees.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Huron-Clinton Metropolitan Authority, assets exceeded liabilities by $229,065,650 at the close of the year.

By far the largest portion of the Authority's net assets (85 percent) reflect its investment in capital assets (i.e., land, buildings, infrastructure, roads, park improvements, vehicles and equipment). The Authority uses these capital assets to provide park and recreation services to citizens; consequently, these assets are *not* available for future spending.

The Authority does not have any bonded debt.

	Net Assets	
	Governmental Activities	
	2011	2010
Current and other assets	$ 69,603,132	$ 70,756,633
Capital assets, net	194,800,234	195,093,978
Total assets	264,403,366	265,850,611
Long-term liabilities	3,543,666	3,911,381
Other liabilities	31,794,050	33,726,489
Total liabilities	35,337,716	37,637,870
Net assets:		
Invested in capital assets,	194,800,234	195,093,978
Unrestricted	34,265,416	33,118,763
Total net assets	$ 229,065,650	$ 228,212,741

Management's Discussion and Analysis

No portion of the Authority's net assets represent resources that are subject to external restrictions on how they may be used. The *unrestricted net assets* may be used to meet the Authority's ongoing obligations for park and recreation facilities and services to citizens and creditors.

At the end of the current year, the Authority is able to report a positive balance in net assets. The same situation held true for the prior fiscal year.

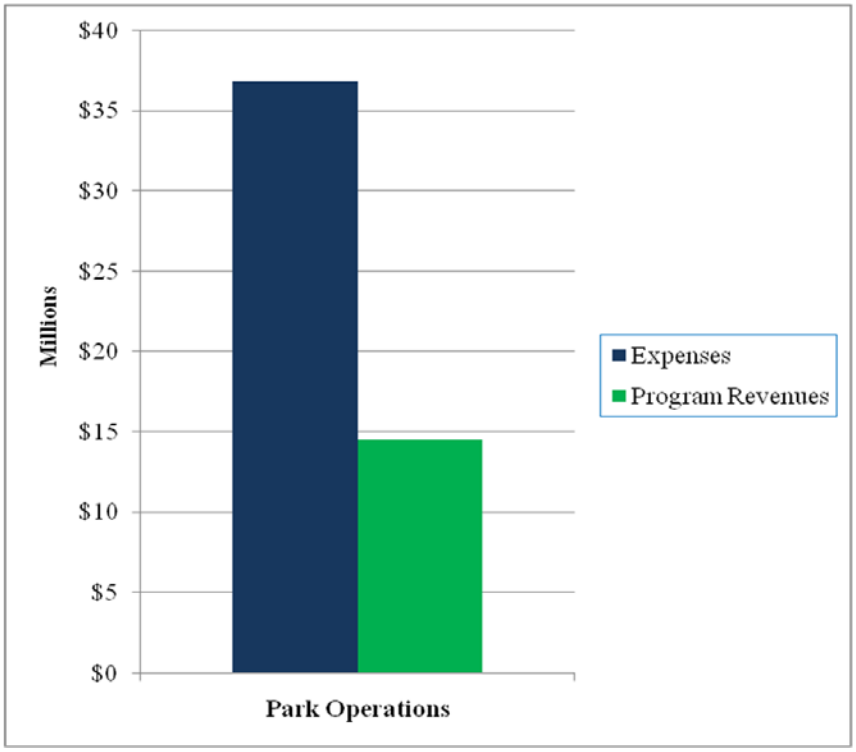
The Authority's net assets increased by $852,909 during the current year. Nearly all of this increase represents a reduction in Authority liabilities.

	Change in Net Assets	
	Governmental Activities	
	2011	2010
Program revenues:		
Park charges for services	$ 14,151,725	$ 14,715,827
Operating grants	33,359	7,598
Capital grants	318,053	309,893
General revenues:		
Property taxes	30,640,135	34,452,805
Oil and gas revenues	368,959	436,028
Donations	110,423	57,065
Interest	324,511	474,515
Proceeds (loss) from sale of capital assets	35,473	(588,209)
Miscellaneous	28,460	24,161
Total revenues	46,011,098	49,889,683
Expenses:		
Park operations	36,850,721	37,664,243
Administrative office	5,335,077	5,800,274
Major maintenance	1,486,892	1,134,337
General engineering / planning	1,485,499	1,517,456
Total expenses	45,158,189	46,116,310
Change in net assets	852,909	3,773,373
Net assets:		
Beginning of year	228,212,741	224,439,368
End of year	$ 229,065,650	$ 228,212,741

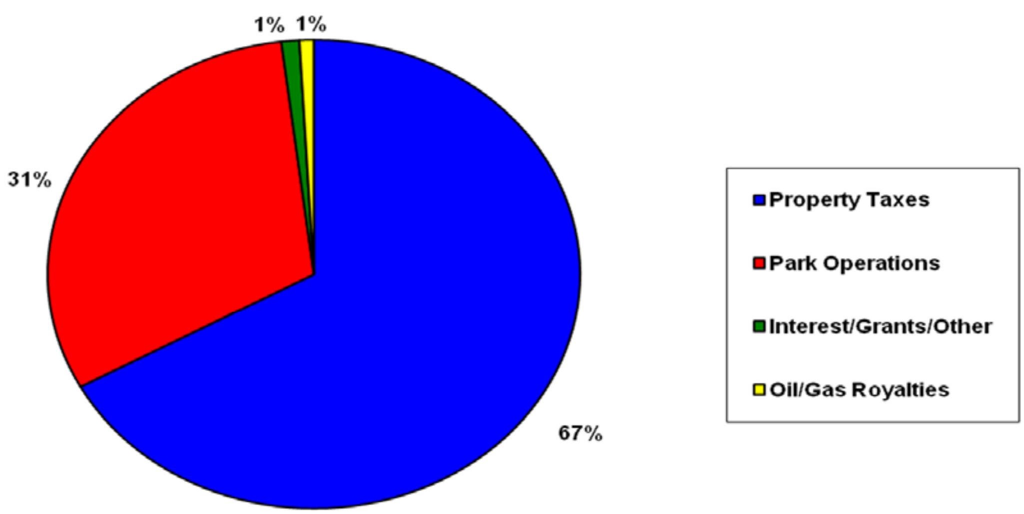
Governmental activities. Governmental activities increased the Authority's net assets by $852,909, as total 2011 revenues of $46.0 million exceeded total operating expenses of $45.1 million by $0.9 million. These excess funds are used for Authority capital outlays and retained in the Authority's unassigned fund balance.

The change in net assets for 2011 is almost $3 million less than the change in net assets for 2010. This is due to the decrease in property tax revenue caused by the decreases in property assessed values.

2011 Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



Management's Discussion and Analysis

Financial Analysis of the Government's Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Authority's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Authority's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of the current year, the Authority's governmental funds reported a combined ending fund balance of $37,949,312, an increase of $128,873 compared to 2010. Approximately 48 percent of this total amount ($18.2 million) constitutes "*unassigned" fund balance*. Approximately .6% of this total amount ($229 thousand) is considered nonspendable. The remainder of fund balance ($19.5 million) is "*committed*" to indicate that it is not available for new spending because it has already been committed for: (1) capital improvement projects under contract, (2) equipment purchases on order, (3) engineering and consulting work under contract, (4) operating supplies inventory for consumption in park operations, and (5) a contingency fund for uninsured insurance claims.

The general fund is the primary operating fund of the Authority. At the end of the current year, unassigned fund balance of the general fund was $18,200,790, while total fund balance was $31,861,584. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 41 percent of total general fund expenditures.

The fund balance of the Authority's general fund increased by $780,584.

The following paragraphs present a summary of general fund revenues, which totaled $45,726,810 for 2011, an overall decrease of $4,713,014 from 2010. Revenues by source were as follows:

Revenue	2011 Amount	Percent of Total	2010 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Property Taxes	$ 30,691,073	67.1%	$ 34,528,432	$ (3,837,359)	-11.1%
Park Operations	14,151,725	30.9%	14,715,827	(564,102)	-3.8%
Interest	266,837	0.6%	384,922	(118,085)	-30.7%
Grants	351,412	0.8%	317,491	33,921	10.7%
Donations	110,423	0.2%	57,065	53,358	93.5%
Proceeds (loss) from sale of capital assets	126,880	0.3%	411,926	(285,046)	-69.2%
Miscellaneous	28,460	0.1%	24,161	4,299	17.8%
Totals	$ 45,726,810	100.0%	$ 50,439,824	$ (4,713,014)	-9.3%

Management's Discussion and Analysis

The Authority's millage rate continued to be rolled back to .2146 mills in 2011, local community captured taxes (DDA's, TIFA's, Brownfields, etc.) remained the same and "taxable values" continued on a downward spiral. The impact of the downturn in southeast Michigan's residential/ commercial/industrial market continued to negatively impact the Authority's "taxable value" numbers, which were established based on real estate data from October 1, 2008 to September 30, 2009. There is about a two year lag between market value declines and impact on "taxable values." The 2011 impact of these issues translated into a $3.8 million (11.1 percent) drop in 2011 property tax collections. This is the largest single year decline in property taxes in the history of the Authority, both in dollar and percentage terms. "Taxable values" are expected to continue to decline for the next several years until the real estate market stabilizes.

The $14,152,000 of 2011 park operating revenues fell short of 2011 Budget goal of $14,499,000 by $347,000 (2.4 percent). The $14,152,000 generated in 2011 represented a $564,000 (3.8 percent) decline from 2010 revenues. The nature of Authority park operating revenue activities are largely predicated on weather patterns. After good winter weather to start 2011, spring weather was cool and wet through the end of May. The poor spring weather was reflected in the Authority's two leading sources of revenue – tolling and golf. Tolling experienced a $333,000 (6 percent) decline and golf fell $594,000 (13 percent) from 2010 levels. Golf revenues were not only hurt by poor spring weather, the decline was exacerbated by: (1) excessive flooding damages at Willow Metropark Golf Course, (2) temporary starter facilities at Kensington Metropark Golf Course, and (3) continued poor economic conditions. Fortunately, the hottest July weather on record pushed aquatic facility revenues up $127,000 (9 percent) over 2010 levels. In addition, interpretive programs, watercraft rentals, livestock/crop sales and special event revenues all experienced growth over 2010 levels, which helped offset the declines in tolling and golf revenues.

Interest income derived from investments in Certificates of Deposit and U.S. Agency issues fell further to $267,000 in 2011. This was a $118,000 (31 percent) drop from 2010 interest income, as interest rates fell to historic low levels.

The Authority recognized $351,000 in grant revenues in 2011. The two main State of Michigan Department of Natural Resources grants that produced the majority of these funds were: (1) $174,000 for the construction of the 1.1 mile hike/bike trail connecting the Authority's main loop trail at Kensington Metropark to the Milford trail, and (2) $110,000 for the successful land acquisition of 30 acres at Indian Springs Metropark. Another $34,000 was received from the Department of Natural Resources Waterways grant associated with the reconstruction of the South Marina at Metro Beach Metropark.

General fund expenditures were $44,946,226 for 2011, a decrease of $1,883,352 from 2010's expenditures. A detailed breakdown of expenditures by major category is as follows:

Expenditure	2011 Amount	Percent of Total	2010 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Engineering / Planning	$ 444,112	1.0%	$ 591,541	$ (147,429)	-24.9%
Capital Improvements	3,012,780	6.7%	3,902,851	(890,071)	-22.8%
Equipment	965,066	2.1%	1,972,142	(1,007,076)	-51.1%
Land Acquisition	565,997	1.3%	10,423	555,574	5330.3%
Major Maintenance	1,164,673	2.6%	1,131,938	32,735	2.9%
General Administration	5,590,120	12.4%	5,571,405	18,715	0.3%
General Planning and Engineering	1,485,499	3.3%	1,517,456	(31,957)	-2.1%
Park Operations	31,717,979	70.6%	32,131,822	(413,843)	-1.3%
Totals	$ 44,946,226	100.0%	$ 46,829,578	$ (1,883,352)	-4.0%

Engineering and Planning Department expenses are divided between capital outlays and general operating expenditures (non-capitalized). The capitalized engineering and planning expenditures reflect expenses incurred on specific capital projects while they are planned and designed, prior to the awarding of a construction contract. These costs totaled $444,000 in 2011, down from 2010's levels as there was less outside consulting work on major capital improvement projects. The non-capitalized general planning and engineering operating expenditures reflect planning and engineering expenses of a general nature that are not specifically tied to a capital improvement project. These expenditures include general planning studies, conceptual studies, community relations, Administrative Office overhead personnel, departmental fringe benefits and leave time. These expenses totaled $1,485,000 in 2011, compared to $1,517,000 in 2010.

Capital improvement outlays cover construction projects that exceed the Authority's $10,000 capitalization limit. Throughout 2011, the Authority spent nearly $3.1 million on 40 separate capital improvement projects within the Metropark system. This represents a decrease from 2010 expenditures of $3.9 million. The $3.1 million level of expenditures represents the second consecutive year that capital improvement expenditures have fallen below the $6.0 million mark. The vast majority of 2011 projects continue to relate to the 3-R's type projects (repair, renovate and replace) in accordance with the Board of Commissioner approved revised Five-Year Plan. These projects enhanced the Authority's recreational facilities offered the public in terms of park roads, hike/bike trails, parking lots, buildings, utilities, landscaping, golf courses and other improvements. Many of the more significant 2011 capital improvement projects have been previously highlighted under the **MAJOR INITIATIVES** section of this report.

Equipment having an individual value in excess of $1,000 is capitalized. During 2011 a total of $965,000 was spent equipping the Metropark system, down significantly from 2010's level due to not replacing any golf car fleets in 2011. Heavy equipment (mowers, tractors, golf cars, etc.) purchases accounted for $288,000 of equipment expenditures. Auto and truck acquisitions totaled $432,000.

The final area of capital expenditures relates to land acquisition, where $566,000 was spent in 2011 for the acquisition of 20 acres at Wolcott Mill Metropark and 30 acres at Indian Springs Metropark.

The Authority classifies all non-recurring repair/maintenance-type projects that exceed $10,000 as Major Maintenance expenses. These projects do not substantially improve or alter an existing facility and, therefore, are not capitalized. During 2011, Metropark facilities were renovated with 37 separate projects at a cost of $1,164,000.

General Administration expenses reflect the cost of running the Authority's centralized Administrative Office, which ran $5,590,000 in 2011, up slightly (0.3 percent) from 2010. This covers the cost of 27 full time employees, 140 retired employees (health care benefits contribution), materials, supplies and outside consultants utilized in managing the entire Metropark system. Personnel costs dropped slightly to $4,547,000, down $26,000 (0.6 percent) from 2010 levels. Outlays for materials/supplies/outside consulting services associated with the operation of the Administrative Office increased slightly to $1,043,000.

Management's Discussion and Analysis

The direct operating costs associated with operating and maintaining the 13 Metroparks to serve 8.4 million visitors consumed $31.7 million of Authority funds. Comparing this $31.7 million of park operating costs to 2010 expenditures of $32.1 million shows that overall park operating costs fell by $0.4 million (1.3 percent). Personnel related costs, which comprise 78 percent of park operating expenses, dropped from $24,781,000 to $24,626,000 – down $155,000 (0.6 percent). Noteworthy factors to highlight related to 2011 personnel expenditures include: (1) a net decline of $258,000 (2.4 percent) in full time wages as a 2.0 percent across-the-board wage increase was more than offset by continued consolidation of positions through attrition, which lead to not filling another six positions in 2011, (2) part time wages were reduced by $373,000 (6.4 percent) due largely to lower staffing levels resulting from the poor 2011 weather patterns, (3) a $245,000 increase in employee benefits from increased severance payouts, (4) a $186,000 increase in employee group insurance costs, (5) overtime costs for full and part time employees fell $65,000, and (6) a net increase in Social Security, pension and retiree health trust contributions totaled $110,000. The other 22 percent of park operating expenditures relate to material/supply/outside contractual services, which incurred $7,092,000 of expenses, down $259,000 (3.5 percent). Significant factors contributing to this decline include: (1) utility costs declined by $106,000 (7.7 percent), (2) small tools and minor equipment expenditures fell $122,000 (25.3 percent), (3) supplies/materials/outside contractors to repair park facilities dropped $111,000 (18.3 percent), (4) outside professional services were reduced $63,000 due mainly to not having the Detroit Symphony concerts, and (5) chemicals and employee uniform costs dropped a combined $45,000. Partially offsetting these expenditure reductions was a $188,000 (31.2 percent) increase in gasoline/diesel fuel costs needed to run Authority park operating equipment.

The capital projects fund is utilized by the Authority to record supplemental major maintenance projects that are non-recurring expenditures to repair/replace existing Metropark infrastructure. At the end of the current year, fund balance committed for encumbrances and capital appropriations of the capital projects fund was $2,060,125, while total fund balance was $6,087,728.

The fund balance of the Authority's capital projects fund decreased by $651,711.

The following paragraph presents a summary of capital projects fund revenues, which totaled $426,633 for 2011, an overall decrease of $98,988 from 2010. Revenues by source were as follows:

Revenue	2011 Amount	Percent of Total	2010 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Oil and Gas Royalties	$ 368,959	86.5%	$ 436,028	$ (67,069)	-15.4%
Interest	57,674	13.5%	89,593	(31,919)	-35.6%
Totals	$ 426,633	100.0%	$ 525,621	$ (98,988)	-18.8%

The revenues from oil and gas royalty payments at Kensington Metropark fell by $67,000 from 2010 levels as production was decreased. Interest income derived from investments in money market funds and U.S. Agency issues continued to decline, falling from $90,000 to $58,000 in 2011 as interest rates remain at historically low levels.

Management's Discussion and Analysis

Capital project fund expenditures were $1,078,344 for 2011, a significant increase from 2010's expenditures of $190,332. Breakdown of expenditures by major category is as follows:

Expenditure	2011 Amount	Percent of Total	2010 Amount	Amount of Increase (Decrease)
Major Maintenance	$ 322,219	29.9%	$ 2,399	$ 319,820
Engineering / Planning	-	0.0%	187,933	(187,933)
Capital Improvements	756,125	70.1%	-	756,125
Totals	$ 1,078,344	100.0%	$ 190,332	$ 888,012

Two significant projects were put under contract in 2011: (1) the decommissioning of Kensington Metropark's sewage treatment plant and connecting into Milford Township sewer line had expenditures of $717,000, and (2) the replacement of the main water line serving Stony Creek Metropark incurred $40,000 of expenditures. A third major project involved the relining and repairs to the sanitary sewer lines at Stony Creek Metropark which incurred expenditures of $322,000.

General Fund Budgetary Highlights

Over the course of the year, the Authority's Board of Commissioners revised the Authority budget several times. These budget amendments fall into three categories:

- Increases in appropriations to prevent overruns for capital or operating expenditures.
- Amendments made shortly after the beginning of the year to reflect carryover capital appropriations.
- Amendments made to increase expenditure budgets for events that were not properly anticipated when the budget was compiled.

Differences between the original budget and the final amended budget were generally minor with the following exception:

- The $3.3 million increase in capital expenditures budget relates mainly to capital improvement appropriations ($2.8 million), equipment appropriations ($0.4 million) that were carried over from 2010 and $0.1 million of land acquisition grant reimbursements that were appropriated.

During the year, general fund revenues fell short of final budgetary estimates in total by $165,500, mainly because of park operation revenues. All operating and capital expenditure categories were well within amended budgeted amounts.

Capital expenditures were under budget by $12,886,556, resulting mainly from: (1) capital improvement projects that were in progress at year end totaling $1.3 million, (2) capital improvement projects that were carried over and rebudgeted for 2012 totaling $5.3 million, and (3) $5.4 million designated for future land acquisitions.

Management's Discussion and Analysis

Capital Asset and Debt Administration

Capital assets. The Authority's investment in capital assets for its governmental-type activities as of December 31, 2011 amounted to $194,800,234 (net of accumulated depreciation). This investment in capital assets includes land, land improvements (golf courses, etc.), buildings, roads, bridges, sewer/water systems, park facilities and equipment. The total decrease in the Authority's investment in capital assets (net of depreciation) for the year was a minimal decrease of $294,000 (0.2 percent).

Major capital asset events during the current year included the following:

· Golf Starter Building Replacement*	Kensington	1,521,000
· Milford Bike Trail Connector*	Kensington	487,000
· Parking Lot Reconstruction	Delhi	119,000
· Hike/Bike Trail Reconstruction	Oakwoods	147,000
· Underground Communication Cables	Metro Beach, Hudson Mills, Willow, Lake Erie	207,000
· Land Acquisition	Wolcott Mill, Indian Springs	566,000
· Autos/Trucks	All Parks	432,000
· Heavy Equipment	All Parks	288,000

* Denotes construction in progress

	Capital Assets (Net of Depreciation)	
	Governmental Activities	
	2011	2010
Land	$ 46,464,306	$ 45,898,309
Land improvements	33,743,141	33,491,825
Construction in progress	3,141,842	4,232,632
Buildings	36,912,695	47,123,654
Equipment	8,962,234	9,984,928
Other Improvements	40,068,612	28,019,686
Infrastructure	25,507,404	26,342,944
Total capital assets, net	$ 194,800,234	$ 195,093,978

Additional information on the Authority's capital assets can be found in note 7 in the Notes to Financial Statements.

Long-term debt. The Authority has recognized $4,628,062 in accrued compensated absences.

The Authority has no bonded debt or capital leases.

Additional information on the Authority's long-term debt can be found in note 8 in the Notes to Financial Statements.

Management's Discussion and Analysis

Economic Factors and Next Year's Budget and Rates

The following factors guided the preparation of the Authority's 2012 Budget:

- The Board of Commissioners approved a July 2009 revised Five-Year Plan for 2011 to 2012 and updated the Plan in May 2010 providing general guidance on the allocation of Authority funds, both capital and operational.

- Property tax revenues were based on a rolled back millage rate of .2146 mills. The 2012 Budget was based on "net" tax levy revenues of $29.1 million after factoring out estimated captured tax revenues from tax abatement programs. This decline in tax revenues reflects a continuing decline in real estate taxable values in the Authority's five-county tax district, although at a slower rate than in 2011.

Requests for Information

This financial report is designed to provide a general overview of the Huron-Clinton Metropolitan Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Controller, Huron-Clinton Metropolitan Authority, 13000 High Ridge Drive, Brighton, Michigan, 48114-9058.

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HURON-CLINTON METROPOLITAN AUTHORITY, MICHIGAN

Statement of Net Assets and
Governmental Funds Balance Sheet
December 31, 2011

	General Fund	Capital Projects	Total	Adjustments	Statement of Net Assets
Assets					
Cash and cash equivalents	$ 559,880	$ 1,763,314	$ 2,323,194	$ -	$ 2,323,194
Investments	32,316,594	4,309,488	36,626,082	-	36,626,082
Property taxes receivable, net	29,267,695	-	29,267,695	-	29,267,695
Accounts receivable	26,330	48,485	74,815	-	74,815
Supplies inventory	228,747	-	228,747	-	228,747
Due from other governmental units	345,270	-	345,270	-	345,270
Internal receivables	33,559	-	33,559	(33,559)	-
Other assets	39,952	-	39,952	-	39,952
Net other postemployment benefit asset	-	-	-	697,377	697,377
Capital assets, not being depreciated	-	-	-	83,349,289	83,349,289
Capital assets, net of accumulated depreciation	-	-	-	111,450,945	111,450,945
Total assets	**$ 62,818,027**	**$ 6,121,287**	**$ 68,939,314**	**195,464,052.0**	**264,403,366.0**
Liabilities					
Accounts payable	$ 771,180	$ -	$ 771,180	-	771,180
Accrued payroll and benefits payable	669,893	-	669,893	-	669,893
Internal payables	-	33,559	33,559	(33,559)	-
Deferred / unearned revenue	29,375,240	-	29,375,240	(246,789)	29,128,451
Other liabilities	140,130	-	140,130	-	140,130
Noncurrent liabilities:					
Due within one year	-	-	-	1,084,396	1,084,396
Due after one year	-	-	-	3,543,666	3,543,666
Total liabilities	**$ 30,956,443**	**$ 33,559**	**$ 30,990,002**	**4,347,714**	**35,337,716**
Fund balances/net assets					
Fund balances					
Nonspendable	228,747	-	228,747	(228,747)	-
Committed:					
Encumbrances	980,135	1,924,133	2,904,268	(2,904,268)	-
Loss contingencies	311,742	-	311,742	(311,742)	-
Capital appropriations	12,140,170	135,992	12,276,162	(12,276,162)	-
Supplemental major maintenance	-	4,027,603	4,027,603	(4,027,603)	-
Unassigned	18,200,790	-	18,200,790	(18,200,790)	-
Total fund balances	31,861,584	6,087,728	37,949,312	(37,949,312)	-
Total liabilities and fund balances	**$ 62,818,027**	**$ 6,121,287**	**$ 68,939,314**		
Net assets					
Invested in capital assets				194,800,234	194,800,234
Unrestricted				34,265,416	34,265,416
Total net assets				**$ 229,065,650**	**$ 229,065,650**

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

Reconciliation of the Statement of Net Assets and Governmental Funds Balance Sheet
December 31, 2011

Fund balance - total governmental funds	$ 37,949,312
When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the Authority as a whole.	
Cost of capital assets	266,042,821
Accumulated depreciation	(71,242,587)
Since governmental funds recognize revenue on the modified accrual basis of accounting, the proceeds on sale of land under a land contract sale is not recognized as revenue in the governmental funds until it is "available." However, in the statement of activities, the sale of the land is recognized in revenue.	74,731
Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets are offset by deferred revenues in the governmental funds and thus are not included in fund balance.	172,058
Long-term liabilities applicable to the Authority's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities both current and long-term are reported in the statement of net assets.	
Compensated absences	(4,628,062)
Other postemployment benefit asset	697,377
Net assets - total governmental activities	**$ 229,065,650**

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

HURON-CLINTON METROPOLITAN AUTHORITY, MICHIGAN

Statement of Activities and Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2011

	General Fund	Capital Projects	Total	Adjustments	Statement of Activities
Expenditures/expenses					
Park operating					
Operations	$ 31,717,979	$ -	$ 31,717,979	$ 5,132,742	$ 36,850,721
Major maintenance	1,164,673	322,219	1,486,892	-	1,486,892
Administrative offices	5,590,120	-	5,590,120	(255,043)	5,335,077
General planning and engineering	1,485,499	-	1,485,499	-	1,485,499
Total current operating	39,958,271	322,219	40,280,490	4,877,699	45,158,189
Capital outlay					
Engineering and planning	444,112	-	444,112	(444,112)	-
Capital improvements	3,012,780	756,125	3,768,905	(3,768,905)	-
Equipment	965,066	-	965,066	(965,066)	-
Land acquisitions	565,997	-	565,997	(565,997)	-
Total capital outlay	4,987,955	756,125	5,744,080	(5,744,080)	-
Total expenditures/expenses	44,946,226	1,078,344	46,024,570	(866,381)	45,158,189
Program revenues					
Park charges for services	14,151,725	-	14,151,725	-	14,151,725
Operating grants	33,359	-	33,359	-	33,359
Capital grants	318,053	-	318,053	-	318,053
Total program revenues	14,503,137	-	14,503,137	-	14,503,137
Net program expense					30,655,052
General revenues					
Property taxes	30,691,073	-	30,691,073	(50,938)	30,640,135
Oil and gas royalties	-	368,959	368,959	-	368,959
Donations	110,423	-	110,423	-	110,423
Interest	266,837	57,674	324,511	-	324,511
Proceeds (gain) from sale of capital assets	126,880	-	126,880	(91,407)	35,473
Miscellaneous	28,460	-	28,460	-	28,460
Total general revenues	31,223,673	426,633	31,650,306	(142,345)	31,507,961
Net change in fund balances	780,584	(651,711)	128,873	(128,873)	-
Change in net assets	-	-	-	852,909	852,909
Fund balance/net assets, beginning of year	31,081,000	6,739,439	37,820,439	190,392,302	228,212,741
Fund balance/net assets, end of year	**$ 31,861,584**	**$ 6,087,728**	**$ 37,949,312**	**$ 191,116,338**	**$ 229,065,650**

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

Reconciliation of the Statement of Activities and Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the year ended December 31, 2011

Net change in fund balances - total governmental funds	$	128,873
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense		
Capital outlay expense		5,744,080
Current year depreciation		(5,948,506)
Book basis in assets sold		(89,318)
Since governmental funds recognize revenue on the modified accrual basis of accounting, the proceeds on sale of land under a land contract are not recognized as revenue in the governmental funds until they are "available." However, in the statement of activities, the sale of the land is recognized in revenue.		(2,089)
Because some property taxes will not be collected for several months after the Authority's fiscal year end, they are not considered as "available" revenues in the governmental funds. Similarly, some property taxes may ultimately be uncollectable and an allowance for these collectibles has been established in the statement of activities.		(50,938)
Because some expenses will not be paid using current financial resources, they are not included in the governmental funds. However, the liability results in an expense in the statement of activities.		
Change in accrual for compensated absences		179,368
Change in other postemployment benefit asset		891,439
Change in net assets of governmental activities	**$**	**852,909**

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

HURON-CLINTON METROPOLITAN AUTHORITY, MICHIGAN

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	$ 31,348,452	$ 30,691,072	$ 30,691,073	$ 1
Park operations	14,383,800	14,499,400	14,151,725	(347,675)
Interest	250,000	250,000	266,837	16,837
Operating grants	-	-	33,359	33,359
Capital grants	300,000	300,000	318,053	18,053
Donations	-	-	110,423	110,423
Miscellaneous	25,000	25,000	28,460	3,460
Total revenues	46,307,252	45,765,472	45,599,930	(165,542)
Expenditures				
Operating				
Major maintenance	2,438,000	2,505,100	1,164,673	1,340,427
Administrative offices	6,203,300	5,962,500	5,590,120	372,380
General planning and engineering	1,448,400	1,560,808	1,485,499	75,309
Park operations	32,629,600	33,524,200	31,717,979	1,806,221
Total operating	42,719,300	43,552,608	39,958,271	3,594,337
Capital				
Engineering and planning	719,200	665,420	444,112	221,308
Capital improvements	6,927,000	9,668,303	3,012,780	6,655,523
Equipment	1,114,500	1,521,038	965,066	555,972
Land acquisitions	5,920,000	6,009,765	565,997	5,443,768
Total capital	14,680,700	17,864,526	4,987,955	12,876,571
Total expenditures	57,400,000	61,417,134	44,946,226	16,470,908
Revenues (under) over expenditures before other financing sources	(11,092,748)	(15,651,662)	653,704	16,305,366
Other financing sources				
Proceeds from sale of capital assets	150,000	150,000	126,880	(23,120)
Net change in fund balances	(10,942,748)	(15,501,662)	780,584	16,282,246
Fund balance, beginning of year	31,081,000	31,081,000	31,081,000	-
Fund balance, end of year	**$ 20,138,252**	**$ 15,579,338**	**$ 31,861,584**	**$ 16,282,246**

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

Statement of Fiduciary Net Assets
Pension and Other Employee Benefit Trust Funds
September 30, 2011

Assets		
Cash and cash equivalents	$	2,437,898
Investments, fair value		
Immediate participation contracts		2,779,739
Mutual funds		34,788,160
Guaranteed investment contracts		12,181,853
Total investments		49,749,752
Net assets held in trust for pension and postemployment benefits	**$**	**52,187,650**

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

HURON-CLINTON METROPOLITAN AUTHORITY, MICHIGAN

Statement of Changes in Fiduciary Net Assets
Pension and Other Employee Benefit Trust Funds
For the Year Ended September 30, 2011

Additions		
Contributions		
Employer contributions	$	5,470,366
Medicare subsidy		55,834
Total contributions		5,526,200
Investment income (expense):		
Net increase in fair value of investments		419,558
Interest		960,664
Investment expense		(83,103)
Net investment income		1,297,119
Total additions		**6,823,319**
Deductions		
Benefits		3,114,439
Net increase for the year		**3,708,880**
Net assets held in trust for pension and postemployment benefits, beginning of year		48,478,770
Net assets held in trust for pension and postemployment benefits, end of year	**$**	**52,187,650**

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

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NOTES TO FINANCIAL STATEMENTS

Notes To Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Huron-Clinton Metropolitan Authority ("the Authority") was created in 1939 as a special district form of government to provide recreational facilities and services to residents of Livingston, Macomb, Oakland, Washtenaw, and Wayne Counties. The Authority is governed by a Board of Commissioners, which consists of a Commissioner appointed by the Board of Commissioners from each of the five participating counties, and two Commissioners appointed by the Governor of Michigan. Principal funding for the Authority is derived from a property tax levy assessed in each of the five participating counties.

The Authority has determined that no entities should be consolidated into its basic financial statements as component units. The criteria for including a component unit include entities for which the government is considered to be financially accountable. Therefore, the reporting entity consists only of the primary government.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of the interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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.

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

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, as are the fiduciary fund financial statements. 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 government 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.

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

The Authority reports the following major governmental funds:

The general fund is the Authority's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The capital projects fund is used to record supplemental major maintenance projects of the Authority, which are nonrecurring expenditures to repair or replace existing park facilities. As designated by the Authority, oil and gas revenues received are earmarked to fund these projects.

In addition, the government reports the following fund types:

The pension and other employee benefit trust funds account for the Authority's single employer, defined benefit pension plan and other postemployment benefits, which accumulate resources for pension benefit and other postemployment benefit payments to qualified Authority employees. The Funds are based on the Plans' September 30th fiscal year ends.

As a general rule the effect of interfund activity has been eliminated from the government wide financial statements.

Amounts reported as program revenues include: (1) charges to park customers, and (2) capital and operating grants. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes along with oil and gas royalties.

Assets, Liabilities and Equity

Deposits and Investments

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the government to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances, and mutual funds composed of otherwise legal investments. The State's Pension Investment Act, as amended, authorizes the pension trust fund to invest in common stocks, real estate, and various other investment instruments, subject to certain limitations.

Investments are stated at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have established market values are reported at estimated fair value as determined by the custodians. Cash deposits are reported at carrying amounts, which reasonably approximates fair value.

Unrealized appreciation or depreciation on pension trust fund investments due to changes in fair value is recognized each year.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds".

All property tax receivables are shown net of an allowance for uncollectible amounts. The allowance is estimated based upon the original year of the assessment and uses a graduated percentage ranging from 10 to 100 percent of the balance outstanding.

Real and personal property taxes are levied on December 1 on the taxable value of property located in the Counties as of the preceding December 31 (lien date). Taxable values are established annually by municipalities and are equalized by the Counties and State at 50 percent of estimated current market value or less. The Authority's operating tax rate for the 2010 levy (2011 property tax revenue) was .2146 mills. Taxes are receivable on the levy date and become delinquent on March 1 the following year. Property tax revenues are recognized as revenues in the operating year in which the levy is intended to fund to the extent that that they are measurable and available, and collected within sixty days after year end.

Inventories and Prepaid Items

Inventory maintained by the General Fund is valued at average cost. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed.

Certain payments made to vendors are for services applicable to future accounting periods and are included as other asset items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, buildings, equipment, other improvements and infrastructure (e.g., roads, bridges, paved pathways and water/sewer lines), are reported in the Statement of Net Assets column in the basic financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than $1,000 for equipment and $10,000 for all other assets, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. No such interest expense was incurred during the current fiscal year.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30 - 50
Infrastructure	15 - 50
Other improvements	15 - 60
Equipment	3 - 25

Compensated Absences

The Authority allows employees to earn annual leave benefits and sick leave termination bonuses based, in part, on length of service. Annual leave is fully vested when earned and sick leave termination bonuses vest upon completion of ten years of service. Upon termination, employees are paid their accumulated sick leave termination bonuses and annual leave depending upon the nature of separation (death, retirement, or termination). All vacation pay is accrued when incurred in the government-wide fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets.

Fund Equity

Governmental funds report *nonspendable fund balance* for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. *Restricted fund balance* is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. *Committed fund balance* is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Commissioners. A formal resolution of the Board of Commissioners is required to establish, modify, or rescind a fund balance commitment. The Authority currently has no *assigned fund balance* as the Board of Commissioners has not yet given authority for the making of such assignments; assigned fund balances are neither restricted nor committed. Unassigned fund balance is the residual classification for the general fund.

When the government incurs an expenditure for purposes for which various fund balance classifications can be used, it is the government's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

2. BUDGETARY INFORMATION

A budget for the General Fund is adopted, on a basis consistent with generally accepted accounting principles (GAAP), and is adopted on a category level. An operating budget including major maintenance, park operations and general administration categories lapses at year end. Capital outlay budgets including engineering and general planning, capital improvements, equipment and land acquisition categories do not lapse at year-end.

Adoption and amendments of budgets used by the Authority are governed by Public Act 621. The governing body must approve the budget and amendments, including supplemental appropriations at the category level. The Authority's management can transfer appropriations between line items within a category without governing body approval.

3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

During the year ended December 31, 2011, the Authority incurred no expenditures that were in excess of the budgetary amounts.

4. DEPOSIT AND INVESTMENTS

Summary of Deposit and Investment Balances

Following is a reconciliation of deposit and investment balances as of December 31, 2011 and as of September 30, 2011 for the Pension and Other Employee Benefit Trust Funds:

	Deposits	Investments	Other	Total
Government - wide financial statement captions				
Cash and cash equivalents	$ 2,295,944	$ -	$ 27,250	$ 2,323,194
Investments	23,251,728	13,300,000	74,354	36,626,082
Fiduciary fund financial statement captions				
Cash and pooled investments	2,437,898	-	-	2,437,898
Investments	-	49,749,752	-	49,749,752
Total	$ 27,985,570	$ 63,049,752	$ 101,604	$ 91,136,926

The amounts included in the "Other" category above represent petty cash, change funds, and accrued interest.

Statutory Authority

The Authority is authorized by statute to invest surplus funds in the following:

Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.

Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.

Commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after the date of purchase.

Bankers' acceptances of United States banks.

Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.

Mutual funds registered under the Investment Company Act of 1940, limited to mutual fund securities whose intention is to maintain a net asset value of $1.00 per share.

Notes To Financial Statements

External investment pools as authorized by Public Act 20 as amended through December 31, 1997.

In additions, the trust funds can invest in common stock, real estate, and various other investments.

The Board of Commissioners is authorized to designate depositories for the Authority’s funds, and to determine that the funds are invested in accordance with State of Michigan statutory authority.

The Authority's deposits are in accordance with statutory authority.

The Authority’s investments are categorized below to give an indication of the level of risk assumed by the entity at December 31, 2011.

	Rating				
	AAA	AA-	A	NR	Total
U.S. Agencies	$ 13,300,000	$ -	$ -	$ -	$ 13,300,000
Guaranteed Interest Contracts	-	2,338,067	9,843,786	-	12,181,853
Immediate Participation Contract	-	2,779,739	-	-	2,779,739
Mutual Funds	-	-	-	34,788,160	34,788,160
Total	$ 13,300,000	$ 5,117,806	$ 9,843,786	$ 34,788,160	$ 63,049,752

Investment and Deposit Risk

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified in the above list of authorized investments. The Authority’s investment policy does not have specific limits in excess of State law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At year-end, maturities of the Authority's debt securities were as follows:

		Investment maturities (fair value by years)			
	Fair Value	Less Than 1	1 - 5	6 - 10	Over 10
U.S. agencies	$ 13,300,000	$ -	$ 13,300,000	$ -	$ -
Guaranteed Interest Contracts	12,181,853	7,497,170	4,684,682	-	-
	$ 25,481,853	$ -	$ 17,984,682	$ -	$ -

Credit Risk. State law limits investments to specific government securities, certificates of deposit and bank accounts with qualified institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments above. In compliance with State law, the Authority's investment policy limits investments to the top two ratings issued by nationally recognized statistical rating organizations. The Authority's investment policy does not have specific limits in excess of state law on investment credit risk. As of December 31, 2011, the Authority's investments in corporate bonds and corporate asset-backed securities were within these guidelines.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. State law does not require and the Authority does not have a policy for deposit custodial credit risk. As of year-end, $25,812,495 of the Authority's bank balance of $28,842,937 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk – Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the Authority does not have a policy for investment custodial credit risk. On the investments listed above, there is no custodial credit risk, as these investments are either uninsured, unregistered, and held by a counterparty in the Authority's name or are uncategorized as to credit risk.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in the list of authorized investments above. The Authority's investment policy does not have specific limits in excess of state law on concentration of credit risk. The investments that exceed 5 percent of the Authority's total investments are in mutual funds, investment pools, and US Agencies securities. All investments held at year-end are reported above.

5. RECEIVABLES

Receivables as of year-end for the governmental activities in the aggregate, are as follows:

Taxes	$ 29,267,695
Accounts receivable	74,815
Due from grants	270,539
Due from other governments, current	2,214
Due from other governments, non-current	72,517
	$ 29,687,780

Taxes receivable consist of the 2011 levy to be received in 2012 as well as delinquent personal property taxes. They are shown net of the allowance for doubtful accounts of $1,283,000.

The current and non-current amount due from other governments is a receivable from a municipality for land sold by the Authority on a land contract sale. This amount is receivable over 25 years.

Notes To Financial Statements

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	Unavailable
Taxes receivable	$ 29,250,224
Due from other governments, current	2,214
Due from other governments, non-current	72,517
Deferred operating revenue	50,285
Total deferred revenue for governmental funds	$ 29,375,240

6. INTERFUND RECEIVABLES AND PAYABLES

Due to	Due from Capital Projects
General fund	$ 33,559

The outstanding balance between funds results mainly from the time lag between the dates that: (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Notes To Financial Statements

7. CAPITAL ASSETS

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land	$ 45,898,309	$ 565,997	$ -	$ -	$ 46,464,306
Land improvements	33,491,825	-	-	251,316	33,743,141
Construction in progress	4,232,632	3,586,751	(10,726)	(4,666,815)	3,141,842
	83,622,766	4,152,748	(10,726)	(4,415,499)	83,349,289
Capital assets, being depreciated:					
Buildings	51,101,978	-	-	3,350,312	54,452,290
Equipment	23,867,557	965,067	(527,175)	-	24,305,449
Other improvements	56,568,186	626,265	(158,479)	438,006	57,473,978
Infrastructure	45,854,634	-	(20,000)	627,181	46,461,815
	177,392,355	1,591,332	(705,654)	4,415,499	182,693,532
Less accumulated depreciation for:					
Buildings	(16,520,882)	(1,018,713)	-	-	(17,539,595)
Equipment	(13,882,629)	(1,918,169)	457,583	-	(15,343,215)
Other improvements	(16,005,942)	(1,557,903)	158,479	-	(17,405,366)
Infrastructure	(19,511,690)	(1,453,721)	11,000	-	(20,954,411)
	(65,921,143)	(5,948,506)	627,062	-	(71,242,587)
Total capital assets being depreciated, net	111,471,212	(4,357,174)	(78,592)	4,415,499	111,450,945
Governmental activities capital assets, net	$ 195,093,978	$ (204,426)	$ (89,318)	$ -	$ 194,800,234

Depreciation expense was charged to functions/programs of the Authority as follows:

Governmental activities	
Park operations	$ 5,868,293
Administrative offices	80,213
Total depreciation expense - governmental activities	$ 5,948,506

8. LONG-TERM DEBT

Accrued compensated absences amounted to $4,628,062 at year-end. Of this amount $1,084,396 is expected to be paid in the following year.

Long-term liability activity for the year ended December 31, 2011, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Compensated absences	$ 4,807,430	$ 848,205	$ (1,027,573)	$ 4,628,062	$ 1,084,396

9. OTHER INFORMATION

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and distribution of assets; errors and omissions; injuries to employees and natural disasters. The Authority carries commercial insurance to cover any potential claims associated with these risks and has had no claims that exceeded the insurance coverage during the past three years.

Contingent Liabilities

The Authority has received state grants for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowance under terms of the grants, management believes that any required reimbursements would not be material.

The Authority is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Authority's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the Authority.

Notes To Financial Statements

Other Postemployment Benefits

Plan Description - On October 1, 2005, the Authority established the Retiree Health Care Plan & Trust (the "Plan and Trust") with a fiscal year ending September 30. This Plan and Trust was created under the authority of the Public Employee Health Care Fund Investment Act, Public Act 149 of 1999 (MCL 38.1211 et seq.), and constitutes a governmental trust pursuant to Section 115 of the Internal Revenue Code of 1986, as amended. The activity of the Plan and Trust has been recorded in the Authority's Postemployment Benefit Trust Fund in the Authority's primary government financial statements and a stand-alone financial report of the Plan has not been issued. The Plan is a single-employer defined benefit plan and is administered by the Authority's Retiree Health Care Plan & Trust Committee as appointed by the Authority's Board of Commissioners. Benefit provisions and contribution requirements are established and may be amended by the Board of Commissioners. The Plan and Trust was established to allow for the Authority's funding of retiree health care benefits, an essential governmental function. The Plan and Trust was created for the exclusive purpose of providing health care, dental, and optical insurance benefits or such other benefits approved by the Authority for the welfare of certain retirees and spouses eligible to receive a retirement benefit. Substantially all of the Authority's employees may become eligible for these benefits when they retire, after attaining 10 years of credited service. Effective January 1, 2009, employees hired on or after January 1, 2009 are not covered under the Retiree Health Care Plan and Trust, but are covered under the Retirement Health Savings Plan.

The Plan and Trust's fiscal year is September 30, however, the actuarial valuation of the funded status of the Plan and Trust is performed as of October 1 of every other year. As of October 1, 2011, (date of the most recent actuarial valuation), membership consisted of:

Retirees and beneficiaries currently receiving benefits	128
Terminated vested employees entitled to benefits but not receiving them yet	-
Active employees covered by the plan	217
Total	**345**

Investments - The Authority maintains an investment policy for the Plan and Trust which permits 5% to 40% of Plan and Trust assets to be invested in high quality fixed income securities, 15% to 50% in equity type securities and 25% to 60% in guaranteed rate of return contracts.

Summary of Significant Accounting Policies

Basis of Accounting - The Plan and Trust's financial statements are prepared using the accrual basis of accounting. The Authority's contributions to the Plan and Trust are recognized in the period that the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments - Investments are reported at fair value, as indicated by quoted market prices as of September 30, 2011. Shares of mutual funds are valued at the net asset value of the shares held by the Plan and Trust at September 30, 2011.

Notes To Financial Statements

Funding Policy - The Authority contributes to the Plan and Trust an amount consistent with the actuarial valuations and calculations made by the Actuary for the Plan and Trust to result in a pre-funded plan. The Authority reserves the right to fund these health care benefits on a pay-as-you-go basis and the right to provide such lesser amount as the Authority determines. Qualified beneficiaries shall contribute those amounts required for additional coverage as optioned by such qualified beneficiaries, required by an applicable collective bargaining agreement, and otherwise determined by the Trustees.

Annual OPEB Cost and Net OPEB Obligation - The Authority's annual cost of providing other postemployment benefits (OPEB) is calculated based on the annual required contribution (ARC) to the employer. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities or funding excess over a period not to exceed 30 years.

The following table shows the components of the Authority's OPEB cost, the amount actually contributed to the Plan, and changes in the Authority's net OPEB obligation (asset) for the year ended December 31, 2011:

Annual required contribution	$ 2,485,145
Interest on net OPEB obligation	(14,069)
Adjustment to annual required contribution	15,480
Annual OPEB cost	2,486,556
Contributions made	(3,377,995)
Decrease in net OPEB obligation	(891,439)
Net OPEB obligation, beginning of year	194,062
Net OPEB asset, end of year	**$ (697,377)**

The Authority's annual OPEB cost, percentage of annual OPEB cost contributed and the net OPEB obligation for the last three years were as follows:

Three-Year Trend Information				
Year Ended	**Annual OPEB Cost**	**Actual Contribution**	**Percentage of Annual OPEB Cost Contributed**	**Net OPEB Obligation (Asset)**
12/31/2011	$ 2,486,556	$ 3,377,995	135.9%	$ (697,377)
12/31/2010	3,348,543	3,375,138	100.8%	194,062
12/31/2009	3,360,898	3,438,302	102.3%	220,657

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions regarding the probability of the occurrence of events in the future. Examples of such assumptions include future employment and retirement patterns, mortality, investment rate returns and health care inflation. These assumptions are subject to continual revision as actual results are measured against past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The accompanying schedules of employer contributions present trend information about the amounts contributed to the plan by employers in comparison to the ARC, an amount that is actuarially determined in accordance with the parameters of GASB Statement 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Projections of benefits for financial reporting purposes are based on the substantive 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 cost sharing between the employer and plan members to that point. The actuarial methods and assumptions used to prepare each valuation are designed to reduce short-term volatility in the value of actuarial accrued assets and liabilities, consistent with the long-term perspective of the calculations.

The entry age actuarial cost method was used to prepare the most recent actuarial valuation dated October 1, 2011. Other significant assumptions were as follows: (a) investments are assumed to earn 7.25% per year, (b) health care costs are assumed to increase at an annual rate of 9% in year 1, reduced by 0.75% each year for the next three years and 0.50% each year for the following six years until an ultimate rate of 3.75% is reached in the tenth year and beyond, (c) compensation is assumed to increase 3.75% per year and (d) active member population was assumed to remain constant. The unfunded liability is being amortized as a dollar level over a closed period of 30 years.

Funded Status and Progress - The funded status of the Plan and Trust as of October 1, 2011, the date of the most recent actuarial valuation, is as follows:

Actuarial accrued liability (AAL)	(1)	$ 35,839,538	
Actuarial value of assets	(2)	13,821,223	
Unfunded AAL (UAAL)	(3)	$ 22,018,315	(1) - (2)
Funded ratio	(4)	38.6%	(2) / (1)
Covered payroll	(5)	$ 13,809,019	
UAAL as % of covered payroll	(6)	159.4%	(3) / (5)

Effective January 1, 2009 the Retiree Health Care Plan and Trust was closed to new entrants; therefore, the annual required contribution is no longer allowed to be calculated assuming an increasing active payroll.

Defined Benefit Pension Plan

The following brief description of the Huron-Clinton Metropolitan Authority's Employee's Retirement Plan (The Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

Notes To Financial Statements

Plan Description - The Plan is a single-employer noncontributory defined benefit pension plan covering substantially all of the Authority's full-time employees. The Plan's fiscal year end is September 30, however, the actuarial valuation of the funded status of the Plan is performed as of October 1 of each year. The Plan is included as a pension trust fund in the Authority's primary government financial statements and a stand-alone financial report of the Plan has not been issued. The Plan is administered by the Authority's Pension Committee as appointed by the Authority's Board of Commissioners. Benefit provisions and contribution requirements are established and may be amended by the Board of Commissioners.

Eligibility - The Plan provides eligible participants with retirement benefits as well as disability benefits. All retirement benefits fully vest after ten years of credited service, with partial vesting granted for service less than ten years. Employees who retire at age 65 are entitled to an annual retirement benefit, payable monthly in an amount equal to 2% of the highest consecutive five year average monthly earnings in the last ten years of service, with a maximum monthly benefit of 71% of the final average monthly earnings. Employees may retire at age 60 with an unreduced benefit only if they have 25 or more years of service at early retirement. Employees retiring at age 55 with ten years credited service are entitled to receive a reduced monthly retirement benefit.

At October 1, 2011 the Plan participants consisted of:

Retirees and beneficiaries currently receiving benefits, terminated vested not receiving benefits and long term disabled employees	121
Current employees -	
Fully vested	164
Partially vested	51
Total	**336**

Investments - The Authority maintains an investment policy for the Plan which permits 5% to 40% of Pension Trust Fund assets to be invested in high quality fixed income securities, 15% to 50% in equity type securities and 25% to 60% in guaranteed rate of return contracts.

Required Contributions - The Authority's funding policy provides for annual employer contributions at actuarially determined rates to fund the increase in prior service liabilities on a level percent of payroll over a thirty-year period. Employer contribution rates are determined using the Entry Age actuarial cost method. Employees are not required to contribute to the Plan.

Summary of Significant Accounting Policies

Basis of Accounting - The Plan's financial statements are prepared using the accrual basis of accounting. The Authority's contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The administrative costs are financed through investment earnings.

Method Used to Value Investments - Equity investments and bonds are reported at fair value. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Authority's Pension Committee. The investments of the Pension Trust Fund are not federally insured.

Annual Pension Cost and Net Pension Obligation - The Authority's annual pension cost and net pension obligation to the Huron-Clinton Metropolitan Authority Employees Retirement Trust for the current year was as follows:

Annual required contribution	$ 2,146,504
Contributions made	(2,146,504)
Increase (decrease) in net pension obligation	-
Net pension obligation, beginning of year	-
Net pension obligation, end of year	**$ -**

The annual required contribution for the current year was determined as part of the October 1, 2011 actuarial valuation using the individual entry age actuarial cost method. Benefits are funded on a level percentage of earnings from each participant's date of participation to assumed retirement date. The effects of plan improvements and changes in assumptions are amortized over 30 years. The actuarial assumptions included: (a) 7.25% investment rate of return on the investment, compounded annually, and (b) projected salary increases of 3.75% per year compounded annually. There is no assumption for cost of living or inflationary adjustments or post-retirement benefit increases. Smoothed asset value that spreads the difference between the assumed return and the actual investment return over a five (5) year period was used to determine the actuarial value of assets. The amortization method used is a 30-year, level percent of payroll method where the effect of plan improvements and changes in assumptions are amortized over 30 years on an open end basis. Gains and losses are not separately amortized but reduce or increase the amortization balances and payments.

Concentration of Risk - The Authority has investments in individual organizations that each represents an amount of 5% or more of total plan net assets. These organizations are as follows:

Organization	Investment Type	Percent
Hartford Life	Guaranteed Investment Contract	19%
Principal Life Insurance	Guaranteed Investment Contract	6%

Trend Information

Three-Year Trend Information			
Years Ended December 31,	Annual Pension Cost (APC)	Percentage Contributed	Net Pension Obligation
12/31/2011	$ 2,146,504	100%	$ -
12/31/2010	2,024,612	100%	-
12/31/2009	1,981,249	100%	-

Funded Status and Funding Progress - The funded status of the Plan as of October 1, 2011, the date of the most recent actuarial valuation, is as follows:

Actuarial accrued liability (AAL)	(1)	$ 60,578,588	
Actuarial value of assets	(2)	42,456,045	
Unfunded AAL (UAAL)	(3)	$ 18,122,543	(1) - (2)
Funded ratio	(4)	70.1%	(2) / (1)
Covered payroll	(5)	$ 13,809,019	
UAAL as % of covered payroll	(6)	131.2%	(3) / (5)

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Combining Financial Information - The combining financial information of the Authority's Pension Trust Fund and the Post-Employment Benefit Trust Fund, as of and for the year ended September 30, 2011, is as follows:

	Pension Trust Fund	Post-Employment Benefit Trust Fund	Total
Assets			
Cash and cash equivalents	$ 841	$ 2,437,057	$ 2,437,898
Investments, fair value			
Immediate participation contracts	2,779,739	-	2,779,739
Mutual funds	26,770,143	8,018,017	34,788,160
Guaranteed investment contracts	9,843,786	2,338,067	12,181,853
Total investments	39,393,668	10,356,084	49,749,752
Net assets held in trust for benefits	**$ 39,394,509**	**$ 12,793,141**	**$ 52,187,650**

	Pension Trust Fund	Post-Employment Benefit Trust Fund	Total
Additions			
Contributions:			
Employer contribution	$ 2,146,504	$ 3,323,862	$ 5,470,366
Medicare subsidy	-	55,834	55,834
Total contributions	2,146,504	3,379,696	5,526,200
Investment income (expense):			
Net increase (decrease) in fair value of investments	728,826	(309,268)	419,558
Interest	601,538	359,126	960,664
Investment expense	(76,605)	(6,498)	(83,103)
Net investment income	1,253,759	43,360	1,297,119
Total additions	3,400,263	3,423,056	6,823,319
Deductions			
Benefits	2,153,952	960,487	3,114,439
Net increase for the year	1,246,311	2,462,569	3,708,880
Net assets held in trust for benefits beginning of year	38,148,198	10,330,572	48,478,770
Net assets held in trust for benefits end of year	**$ 39,394,509**	**$ 12,793,141**	**$ 52,187,650**

Retirement Health Savings Plan

On August 1, 2005, the Huron-Clinton Metropolitan Authority Board of Commissioners established the Huron-Clinton Retirement Health Savings Plan (the "Savings Plan") by resolution. The Savings Plan is a defined contribution plan administered by the International City/County Management Association - Retirement Corporation ("ICMA-RC"). The legal basis for the Savings Plan comes from several private letter rulings obtained by ICMA-RC from the Internal Revenue Service and Treasury regulation 301.7701-1[a][3]. Participation is mandatory for all employees hired after January 1, 2009, as well as collective bargaining exempt employees, as defined in the Plan Adoption Agreement. Employees must be over the age of 21 to participate in the Savings Plan.

Employees hired after January 1, 2009, who are covered under a collective bargaining agreement with the Authority, must contribute 1% of their base wage. The Authority contributes a 1% match on behalf of these employees. Employees who are not covered under a collective bargaining agreement with the Authority must contribute 1.5% of their base wage. There is no matching contribution provided on behalf of these employees. On December 31, 2011, there were 15 members of the Savings Plan. Total contributions for 2011 by participants and the Authority amounted to $13,101 and $3,068, respectively.

■ ■ ■ ■ ■

REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information

Defined Benefit Pension Trust Fund Information

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
10/1/2011	$ 42,456,045	$ 60,578,588	$ 18,122,543	70.1%	$ 13,809,019	131.2%
10/1/2010	40,754,922	58,938,531	18,183,609	69.15%	14,234,287	127.75%
10/1/2009	39,334,862	55,596,422	16,261,560	70.75%	14,265,682	113.99%
10/1/2008	37,743,805	53,367,499	15,623,694	70.72%	14,399,783	108.50%
10/1/2007	35,652,382	50,330,548	14,678,166	70.84%	14,166,942	103.61%
10/1/2006	33,131,710	44,726,567	11,594,857	74.08%	13,573,781	85.42%
10/1/2005	30,982,940	41,782,635	10,799,695	74.15%	13,218,446	81.70%
10/1/2004	28,731,536	39,038,186	10,306,650	73.60%	12,766,133	80.73%
10/1/2003	26,457,537	38,101,864	11,644,327	69.44%	12,679,185	91.84%
10/1/2002	24,764,521	35,293,506	10,528,985	70.17%	11,891,095	88.55%

Schedule of Contributions From the Employer

Year Ended September 30,	Annual Required Contributions	Percentage Contributed
2011	$ 2,146,504	100.0%
2010	2,024,612	100.0%
2009	1,981,249	100.0%
2008	1,897,605	100.0%
2007	1,608,568	100.0%
2006	1,535,961	100.0%
2005	1,481,046	100.0%
2004	1,565,484	100.0%
2003	1,428,188	100.0%
2002	1,296,200	100.0%

HURON-CLINTON METROPOLITAN AUTHORITY, MICHIGAN

Required Supplementary Information

Defined Benefit Other Postemployment Benefit Trust Trend Information

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
10/1/2011	$ 13,821,223	$ 35,839,538	$ 22,018,315	38.56%	$ 13,809,019	159.45%
10/1/2009	6,697,411	40,700,314	34,002,903	16.46%	14,203,220	239.40%
10/1/2006	5,715,974	41,991,647	36,275,673	13.61%	14,252,470	254.52%

Schedule of Contributions From the Employer

Year Ended September 30,	Annual Required Contributions	Percentage Contributed
2011	$ 2,485,145	135.93%
2010	3,354,066	100.63%
2009	3,368,724	102.07%
2008	2,444,000	87.80%
2007	2,444,000	31.57%

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SUPPLEMENTARY INFORMATION

Combining Statement of Fiduciary Net Assets
Pension and Other Employee Benefit Trust Funds
September 30, 2011

	Pension Trust Fund	Postemployment Benefit Trust Fund	Total
Assets			
Cash and cash equivalents	$ 841	$ 2,437,057	$ 2,437,898
Investments, fair value			
Immediate participation contracts	2,779,739	-	2,779,739
Mutual funds	26,770,143	8,018,017	34,788,160
Guaranteed investment contracts	9,843,786	2,338,067	12,181,853
Total investments	39,393,668	10,356,084	49,749,752
Net assets held in trust for benefits	**$ 39,394,509**	**$ 12,793,141**	**$ 52,187,650**

HURON-CLINTON METROPOLITAN AUTHORITY, MICHIGAN

Combining Statement of Changes in Fiduciary Net Assets
Pension and Other Employee Benefit Trust Funds
For the Year Ended September 30, 2011

	Pension Trust Fund	Postemployment Benefit Trust Fund	Total
ADDITIONS			
Contributions:			
Employer contributions	$ 2,146,504	$ 3,323,862	$ 5,470,366
Medicare subsidy	-	55,834	55,834
Total contributions	2,146,504	3,379,696	5,526,200
Investment income (expense):			
Net increase (decrease) in fair value of investments	728,826	(309,268)	419,558
Interest	601,538	359,126	960,664
Investment expense	(76,605)	(6,498)	(83,103)
Net investment income	1,253,759	43,360	1,297,119
Total additions	3,400,263	3,423,056	6,823,319
DEDUCTIONS			
Benefits	2,153,952	960,487	3,114,439
Net increase for the year	1,246,311	2,462,569	3,708,880
Net assets held in trust for benefits beginning of year	38,148,198	10,330,572	48,478,770
Net assets held in trust for benefits end of year	**$ 39,394,509**	**$ 12,793,141**	**$ 52,187,650**

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STATISTICAL SECTION

Statistical Section Table of Contents

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

HURON-CLINTON METROPOLITAN AUTHORITY

Net Assets by Component

2003 through 2011
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets net of related debt	$ 150,423,317	$ 158,442,986	$ 162,087,500	$ 175,741,636	$ 184,254,738	$ 188,282,018	$ 195,042,991	$ 195,093,978	$ 194,800,234
Unrestricted	33,824,105	33,503,930	32,851,552	27,468,449	26,946,374	29,526,477	29,396,377	33,118,763	34,265,416
Total governmental activities net assets	$ 184,247,422	$ 191,946,916	$ 194,939,052	$ 203,210,085	$ 211,201,112	$ 217,808,495	$ 224,439,368	$ 228,212,741	$ 229,065,650

Additional years have not been provided due to the implementation of GASB Statement No. 34 in 2003.

HURON-CLINTON METROPOLITAN AUTHORITY

Changes in Net Assets
2003 through 2011
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Park operating									
Operations	$ 30,947,826	$ 31,851,971	$ 36,525,959	$ 34,409,197	$ 35,992,485	$ 38,260,911	$ 37,595,703	$ 38,252,452	$ 36,850,721
Major maintenance	551,473	440,111	760,249	693,405	761,662	1,783,776	1,794,155	1,134,337	1,486,892
Administrative office	4,696,832	4,973,413	5,911,474	5,408,260	5,618,808	5,578,554	5,724,151	5,800,274	5,335,077
General planning/engineering	1,095,749	1,042,024	1,306,680	1,095,958	1,166,449	1,255,596	1,309,292	1,517,456	1,485,499
Total operating	37,291,880	38,307,519	44,504,362	41,606,820	43,539,404	46,878,837	46,423,301	46,704,519	45,158,189
Capital outlay									
Capital improvements	-	227,572	-	14,908	-	15,245	-	-	-
Debt service									
Interest	9,642	6,809	3,742	667	-	-	-	-	-
Total expenses	37,301,522	38,541,900	44,508,104	41,622,395	43,539,404	46,894,082	46,423,301	46,704,519	45,158,189
Revenues									
Program revenues									
Park charges for services	12,869,032	12,868,520	13,247,181	12,814,635	13,807,794	14,480,210	13,764,068	14,715,827	14,151,725
Operating grants	35,322	39,533	25,853	78,989	59,890	4,325	78,358	7,598	33,359
Capital grants	504,052	51,154	32,600	-	-	497,259	1,951,190	309,893	318,053
Total program	13,408,406	12,959,207	13,305,634	12,893,624	13,867,684	14,981,794	15,793,616	15,033,318	14,503,137
General revenues									
Property taxes	29,131,788	30,126,243	31,460,809	32,650,984	34,481,626	35,788,569	35,782,192	34,452,805	30,640,135
Oil and gas royalties	1,126,795	857,794	946,594	767,856	646,865	832,032	440,623	436,028	368,959
Donations	95,528	102,379	43,756	128,136	306,885	91,929	101,219	57,065	110,423
Interest	1,140,703	1,386,833	1,506,083	2,003,680	2,174,904	1,598,806	863,140	474,515	324,511
Miscellaneous	100,833	750,904	237,364	1,449,148	52,467	208,335	73,384	24,161	28,460
Proceeds/gain from sale of capital assets	6,884,900	58,034	-	-	-	-	-	-	35,473
Total revenues	51,888,953	46,241,394	47,500,240	49,893,428	51,530,431	53,501,465	53,054,174	50,477,892	46,011,098
Changes in net assets	$ 14,587,431	$ 7,699,494	$ 2,992,136	$ 8,271,033	$ 7,991,027	$ 6,607,383	$ 6,630,873	$ 3,773,373	$ 852,909

Additional years have not been provided due to the implementation of GASB Statement No. 34 in 2003.

HURON-CLINTON METROPOLITAN AUTHORITY

Fund Balances of Governmental Funds

2003 through 2011
(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
General fund									
Reserved	$ 7,551,555	$ 6,159,551	$ 3,905,434	$ 7,953,899	$ 3,384,116	$ 3,992,208	$ 2,500,709	$ 1,268,203	$ -
Unreserved	12,792,290	20,331,494	21,569,922	17,088,644	21,249,235	23,793,951	24,970,045	29,812,797	-
Nonspendable	-	-	-	-	-	-	-	-	228,747
Committed	-	-	-	-	-	-	-	-	13,432,047
Unassigned	-	-	-	-	-	-	-	-	18,200,790
Total general fund	$ 20,343,845	$ 26,491,045	$ 25,475,356	$ 25,042,543	$ 24,633,351	$ 27,786,159	$ 27,470,754	$ 31,081,000	$ 31,861,584
Capital projects fund									
Reserved	$ -	$ 88,198	$ -	$ 884,522	$ 344,255	$ 465,314	$ 33,834	$ 280,642	$ -
Unreserved	5,498,496	6,089,802	6,445,420	5,068,823	5,774,966	5,661,713	6,370,316	6,458,797	-
Committed	-	-	-	-	-	-	-	-	6,087,728
Total capital projects fund	$ 5,498,496	$ 6,178,000	$ 6,445,420	$ 5,953,345	$ 6,119,221	$ 6,127,027	$ 6,404,150	$ 6,739,439	$ 6,087,728

Additional years have not been provided due to the implementation of GASB Statement No. 34 in 2003.
Fund Balance for 2011 reflects implementation of GASB Statement No. 54. Prior years have not been restated.

HURON-CLINTON METROPOLITAN AUTHORITY

Changes in Fund Balances of Governmental Funds

2003 through 2011
(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues									
Property taxes	$ 29,014,371	$ 30,081,579	$ 31,398,443	$ 32,597,201	$ 34,547,937	$ 36,053,277	$ 35,953,354	$ 34,528,432	$ 30,691,073
Oil and gas royalties	1,126,795	857,794	946,594	767,856	646,865	832,032	440,623	436,028	368,959
Donations	95,528	102,379	43,756	128,136	306,885	91,929	101,219	57,065	110,423
Interest	1,140,703	1,386,833	1,506,083	2,003,680	2,174,904	1,598,806	863,140	474,515	324,511
Miscellaneous	35,833	750,904	202,364	1,517,962	52,467	208,335	73,384	24,161	28,460
Park charges for services	12,869,032	12,868,520	13,247,181	12,814,635	13,807,794	14,480,210	13,764,068	14,715,827	14,151,725
Operating grants	35,322	39,533	25,853	78,989	59,890	4,325	78,358	7,598	33,359
Capital grants	504,052	51,154	32,600	-	-	497,259	1,951,190	309,893	318,053
Proceeds from sale of capital assets	312,540	7,504,896	479,627	533,977	259,564	382,240	280,543	411,926	126,880
Total revenues	45,134,176	53,643,592	47,882,501	50,442,436	51,856,306	54,148,413	53,505,879	50,965,445	46,153,443
Expenditures									
Operations	26,790,021	27,545,339	28,506,499	29,616,888	30,885,676	32,609,363	32,062,270	32,131,822	31,717,979
Major maintenance	551,473	440,111	760,249	693,405	761,662	1,783,776	1,794,155	1,134,337	1,486,892
Administrative office	4,610,912	4,874,199	5,166,242	5,337,720	5,470,820	5,403,979	5,649,403	5,571,405	5,590,120
General planning and engineering	1,095,749	1,042,024	1,022,421	1,068,791	1,164,439	1,255,596	1,309,292	1,517,456	1,485,499
Engineering and planning	760,409	930,994	1,154,185	920,868	889,436	1,188,328	831,574	779,474	444,112
Capital improvements	9,236,618	8,742,035	7,258,425	10,993,199	9,908,634	6,211,423	8,473,130	3,902,851	3,768,905
Equipment	1,823,479	2,222,627	2,164,707	2,497,008	3,006,105	1,910,491	1,821,169	1,972,142	965,066
Land acquisition	1,841,433	975,639	2,554,122	213,825	12,850	624,843	1,603,169	10,423	565,997
Debt service	43,920	43,920	43,920	25,620	-	-	-	-	-
Total expenditures	46,754,014	46,816,888	48,630,770	51,367,324	52,099,622	50,987,799	53,544,162	47,019,910	46,024,570
Net changes in fund balance	$ (1,619,838)	$ 6,826,704	$ (748,269)	$ (924,888)	$ (243,316)	$ 3,160,614	$ (38,283)	$ 3,945,535	$ 128,873
Debt service as a percentage of noncapital expenditures	.133%	.129%	.124%	.07%	0%	0%	0%	0%	0%

Governmental Activities Tax Revenue by Source

2002 through 2011
(modified accrual basis of accounting)

Year	Property Tax
2002	$ 27,462,221
2003	$ 29,014,371
2004	$ 30,081,579
2005	$ 31,398,443
2006	$ 32,597,201
2007	$ 34,547,937
2008	$ 36,053,277
2009	$ 35,953,354
2010	$ 34,528,432
2011	$ 30,691,073

HURON-CLINTON METROPOLITAN AUTHORITY

Taxable and Assessed Values of Property

2002 through 2011
(unaudited)

	Real Property (a)		Personal Property (a)		Total Real & Personal Property (a)			
Year	Taxable Value (b)	State Equalized Value (c)	Taxable Value (b)	State Equalized Value (c)	Taxable Value (b)	State Equalized Value (c)	Estimated Market Value (d)	Percent Change in Market Value
2002	$ 110,952,502,028	$ 137,336,675,397	$ 17,642,940,700	$ 17,651,873,912	$ 128,595,442,728	$ 154,988,549,309	$ 309,977,098,618	9.3%
2003	119,139,081,597	152,697,255,169	17,611,381,854	17,620,429,268	136,750,463,451	170,317,684,437	340,635,368,874	9.0%
2004	126,175,847,034	165,094,594,200	17,002,280,522	17,052,094,000	143,178,127,556	182,146,688,200	364,293,376,400	6.9%
2005	134,302,160,747	175,187,056,008	17,056,837,498	17,161,548,265	151,358,998,245	192,348,604,273	384,697,208,546	5.6%
2006	142,839,814,996	184,862,351,990	14,385,774,754	14,441,075,293	157,225,589,750	199,303,427,283	398,606,854,566	3.6%
2007	151,907,265,806	193,100,496,537	14,150,671,245	14,156,614,158	166,057,937,051	207,257,110,695	414,514,221,390	4.0%
2008	159,738,926,654	198,062,887,036	14,144,190,957	14,179,192,525	173,883,117,611	212,242,079,561	424,484,159,122	2.4%
2009	159,805,335,088	190,072,799,884	13,834,646,241	13,895,283,284	173,639,981,329	203,968,083,168	407,936,166,336	-3.9%
2010	150,361,575,249	171,958,407,737	13,582,295,324	13,966,280,994	167,858,300,140	185,924,688,733	371,849,377,466	-8.8%
2011	147,936,990,584	149,698,116,141	10,266,641,138	10,271,285,250	158,203,631,722	159,969,401,391	319,938,802,782	-14.0%

(a) Property value information represents the combined totals of Livingston, Macomb, Oakland, Washtenaw, and Wayne counties. These counties are the member counties of the Metropark district.

(b) The State of Michigan passed a Property Tax Reform measure in 1994 which changed the basis of property taxes. Authority tax millage rates were applied to "Taxable Values" rather than "State Equalized Values" effective with the Authority's tax year 1996. Includes Single Business Tax inventory value of $2,497,402,508 for years 2001 through 2005; this amount was eliminated by State legislation for 2006 and after.

(c) Includes Single Business Tax inventory value of $2,497,402,508 for years 2001 through 2005; this amount was eliminated by State legislation for 2006 and after.

(d) Total estimated market value is based on two times State Equalized Value figures.

HURON-CLINTON METROPOLITAN AUTHORITY

Taxable Values by County (a)

2002 through 2011
(unaudited)

Year	Livingston County	% of Total	Macomb County	% of Total	Oakland County	% of Total	Washtenaw County	% of Total	Wayne County	% of Total	Total Taxable Value (b)	Total %
2002	$ 5,623,065,571	4.4%	$23,061,440,253	17.9%	$48,133,921,225	37.4%	$10,574,832,135	8.2%	$41,202,183,544	32.0%	$128,595,442,728	100.0%
2003	6,121,696,309	4.5%	24,565,093,998	18.0%	51,171,954,926	37.4%	11,470,389,517	8.4%	43,421,328,701	31.8%	136,750,463,451	100.0%
2004	6,620,481,408	4.6%	25,932,336,788	18.1%	53,657,077,357	37.5%	12,112,746,088	8.5%	44,855,485,915	31.3%	143,178,127,556	100.0%
2005	7,175,532,243	4.7%	27,339,641,757	18.1%	56,463,682,219	37.3%	12,946,069,847	8.6%	47,434,072,179	31.3%	151,358,998,245	100.0%
2006	7,757,534,921	4.9%	28,602,726,523	18.2%	58,862,866,940	37.4%	13,693,361,327	8.7%	48,309,100,039	30.7%	157,225,589,750	100.0%
2007	8,348,502,046	5.0%	30,373,918,359	18.3%	62,133,415,235	37.4%	14,629,742,407	8.8%	50,572,359,004	30.5%	166,057,937,051	100.0%
2008	8,793,696,047	5.1%	31,862,669,926	18.3%	64,719,908,597	37.2%	15,510,438,244	8.9%	52,996,404,797	30.5%	173,883,117,611	100.0%
2009	8,825,074,848	5.1%	31,812,886,490	18.3%	64,728,962,196	37.3%	15,650,088,801	9.0%	52,622,968,994	30.3%	173,639,981,329	100.0%
2010	8,571,993,641	5.1%	30,887,921,462	18.4%	62,394,172,225	37.2%	15,312,121,625	9.1%	50,692,091,187	30.2%	167,858,300,140	100.0%
2011	7,953,001,626	5.2%	27,773,360,899	18.3%	55,051,446,346	36.3%	14,496,599,262	9.6%	46,288,742,665	30.5%	151,563,150,798	100.0%

(a) Property tax levies are not collected directly by Huron-Clinton Metropolitan Authority. Authority property tax levies are collected by local communities within the five county park districts and are forwarded to each County Treasurer who distributes the Authority's tax levy to the park district. Accordingly, individual taxpayer records are not maintained by Huron-Clinton Metropolitan Authority.

(b) Includes Single Business Tax inventory value of $2,497,402,508 for years 2001 through 2005; this amount was eliminated by State legislation for 2006 and after.

HURON-CLINTON METROPOLITAN AUTHORITY

Property Tax Rates

(per $1,000 of value)
2002 through 2011

Year	Authority Millage Rate (a)
2002	0.2186
2003	0.2170
2004	0.2161
2005	0.2154
2006	0.2146
2007	0.2146
2008	0.2146
2009	0.2146
2010	0.2146
2011	0.2146

(a) Huron-Clinton Metropolitan Authority operates in five different counties encompassing many different townships, cities, and school districts. Huron-Clinton Metropolitan Authority does not collect any taxes on behalf of any other governmental entity.

HURON-CLINTON METROPOLITAN AUTHORITY

Property Tax Levies and Collections
2002 through 2011
(unaudited)

Year	Initial Tax Levy (a)	Current Year Tax Collections (b)	Percent of Current Year Taxes Collected	Prior Years Tax Receivable Balances	Prior Years Tax Receivable Collections (b)	Percent of Prior Years Taxes Collected	Total Tax Collections	Percent of Total Tax Collections (c)	Outstanding Tax Receivable Balances At Year End
2002	$ 28,123,451	$ 27,391,832	97.4%	$ 459,577	$ 62,188	13.5%	$ 27,454,020	96.1%	$ 675,715
2003	29,691,333	28,906,808	97.4%	675,715	107,369	15.9%	29,014,177	95.5%	793,132
2004	30,959,524	30,092,971	97.2%	793,132	(4,541)	-0.6%	30,088,430	94.8%	881,795
2005	32,594,188	31,344,360	96.2%	881,795	61,193	6.9%	31,405,553	93.8%	1,001,161
2006	33,740,612	32,550,725	96.5%	1,001,161	34,311	3.4%	32,585,036	93.8%	1,121,945
2007	35,636,033	34,444,016	96.7%	1,121,945	15,467	1.4%	34,459,483	93.7%	1,126,713
2008	35,889,988	36,102,100	100.6%	1,126,712	42,025	3.7%	36,144,125	97.6%	891,926
2009	35,875,236	36,085,090	100.6%	891,926	(130,847)	-14.7%	35,954,243	97.8%	774,623
2010	34,594,391	34,777,802	100.5%	774,623	(249,370)	-32.2%	34,528,432	97.6%	446,996
2011	31,348,452	31,179,480	99.5%	121,434	(230,372)	-189.7%	30,949,108	98.3%	239,058

(a) Initial tax levy amounts exclude Industrial, Commercial, Downtown Development Authority, Tax Incremental Financing Authority tax abatement properties, Board of Review, and State Tax Tribunal adjustments.

(b) Tax collection amounts are net of refunds ordered by Boards of Review and the State Tax Tribunal.

(c) Compares total tax collections to initial tax levy and prior years tax receivable balances at year end.

HURON-CLINTON METROPOLITAN AUTHORITY

Principal Property Taxpayers
Current Year and Nine Years Ago

	2011			2002		
Taxpayer	Taxable Value (a)	Rank	Percent of Total Authority Taxable Value	Taxable Value (a)	Rank	Percent of Total Authority Taxable Value
Ford Motor Company	$ 2,338,807,412	1	1.39%	$ 3,000,257,649	1	1.45%
Detroit Edison Corp.	2,017,146,298	2	1.20%	1,725,533,289	4	2.52%
General Motors Corp.	1,903,205,642	3	1.13%	1,910,820,705	3	1.47%
Daimler/Chrysler/Cerberus	1,584,442,815	4	0.94%	2,032,281,189	2	1.72%
Consumers Power/Energy	353,575,884	5	0.21%	311,515,922	7	0.25%
MGM Grand Detroit LLC	296,307,555	6	0.18%	-	-	-
United States Steel	225,026,607	7	0.13%	-	-	-
Michigan Consolidated Gas	161,806,839	8	0.10%	418,837,413	6	0.16%
Marathon Oil/Ashland Petroleum	151,186,066	9	0.09%	-	-	-
McKinley Associates	139,357,335	10	0.08%	-	-	-
Visteon	-	-	-	484,834,741	5	0.43%
National Steel	-	-	-	249,953,406	8	0.34%
Twelve Oaks/Taubman, et.al	-	-	-	194,725,167	9	0.24%
Pfizer Global	-	-	-	187,490,830	10	0.18%
Total Ten Largest Taxpayers	$ 9,170,862,453		5.45%	$10,516,250,311		8.76%

(a) Taxable values include Industrial Facility Act 198 properties and Commercial Facility Act 255 properties. Taxable values have been combined if the taxpayer has locations in more than one county.

HURON-CLINTON METROPOLITAN AUTHORITY

Demographic Statistics

Total Population by County (a)

Year	Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
1940	26,725	107,638	254,068	80,810	2,015,623	2,484,864
1950	38,233	184,961	396,001	134,606	2,435,235	3,189,036
1960	38,233	405,804	690,259	172,440	2,666,297	3,973,033
1970	58,967	626,204	907,871	234,103	2,670,368	4,497,513
1980	100,289	694,600	1,011,793	264,748	2,337,891	4,409,321
1990	115,645	717,400	1,083,592	282,937	2,111,687	4,311,261
2000	156,951	788,149	1,194,156	322,895	2,061,162	4,523,313
2010	180,967	840,978	1,202,362	344,791	1,820,584	4,389,682

Number of Households by County (b)

Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
67,265	330,322	481,040	134,161	690,943	1,703,731

Household Income by County (b)

Income	Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
Less than $10,000	1,564	16,841	21,981	9,960	92,221	142,567
$10,000 to $14,999	1,514	14,229	16,449	5,715	48,855	86,762
$15,000 to $24,999	3,394	31,627	39,238	12,388	99,816	186,463
$25,000 to $34,999	4,483	35,120	43,722	13,577	93,954	190,856
$35,000 to $49,999	7,263	48,613	64,281	18,493	119,059	257,709
$50,000 to $74,999	12,925	70,908	97,196	24,139	144,208	349,376
$75,000 to $99,999	10,083	44,675	69,248	16,365	81,981	222,352
$100,000 to $149,999	9,838	35,966	69,671	15,960	62,511	193,946
$150,000 to $199,999	2,361	6,981	23,826	4,467	13,796	51,431
$200,000 or more	1,906	4,542	25,778	4,401	12,225	48,852

Median Household Income (a)

Livingston	Macomb	Oakland	Washtenaw	Wayne
$ 72,090	$ 55,638	$ 67,669	$ 59,126	$ 42,463

Ethnicity by County (a)

Ethnicity	Livingston		Macomb		Oakland		Washtenaw		Wayne		Total	
White	175,015	96.71%	717,973	85.37%	928,912	77.26%	256,880	74.50%	951,936	52.29%	3,030,719	69.04%
Black or African American	809	0.45%	72,723	8.65%	164,078	13.65%	43,767	12.69%	737,943	40.53%	1,019,320	23.22%
American Indian & Alaska Native	707	0.39%	2,646	0.31%	3,376	0.28%	1,174	0.34%	6,991	0.38%	14,894	0.34%
Asian	1,424	0.79%	25,063	2.98%	67,828	5.64%	27,109	7.86%	45,915	2.52%	167,339	3.81%
Native Hawaiian/Other Pacific	76	0.04%	179	0.02%	254	0.02%	128	0.04%	404	0.02%	1,041	0.02%
Other Race	659	0.36%	4,760	0.57%	11,584	0.96%	4,159	1.21%	33,541	1.84%	54,703	1.25%
Two or More Races	2,277	1.26%	17,634	2.10%	26,330	2.19%	11,574	3.36%	43,854	2.41%	101,669	2.32%
	180,967		840,978		1,202,362		344,791		1,820,584		4,389,686	

Age by County (b)

Age	Livingston		Macomb		Oakland		Washtenaw		Wayne		Total	
under 5	11,385	7.19%	51,140	6.47%	80,332	6.71%	20,207	6.23%	152,029	7.38%	315,093	6.96%
5 through 9	12,853	8.11%	53,971	6.82%	85,912	7.18%	20,288	6.25%	174,188	8.46%	347,212	7.67%
10 through 14	13,495	8.52%	54,131	6.84%	85,790	7.17%	19,774	6.09%	162,863	7.91%	336,053	7.42%
15 through 19	11,520	7.27%	48,906	6.18%	74,472	6.22%	28,079	8.65%	138,839	6.74%	301,816	6.66%
20 through 24	6,774	4.28%	45,187	5.71%	61,024	5.10%	38,704	11.93%	128,839	6.26%	280,528	6.19%
25 through 34	19,587	12.36%	115,495	14.60%	175,677	14.68%	53,631	16.53%	302,533	14.70%	666,924	14.73%
35 through 44	30,398	19.19%	132,614	16.77%	210,922	17.63%	50,171	15.46%	318,915	15.49%	743,021	16.41%
45 through 54	25,086	15.83%	109,340	13.83%	181,327	15.15%	43,941	13.54%	270,890	13.16%	630,585	13.92%
55 through 59	8,486	5.36%	40,489	5.12%	62,835	5.25%	13,965	4.30%	91,085	4.42%	216,860	4.79%
60 through 64	5,643	3.56%	31,588	3.99%	42,892	3.58%	9,282	2.86%	70,200	3.41%	159,605	3.52%
65 through 74	7,422	4.68%	55,925	7.07%	70,176	5.87%	14,046	4.33%	129,191	6.28%	276,760	6.11%
75 through 84	4,442	2.80%	40,006	5.06%	48,725	4.07%	9,155	2.82%	91,764	4.46%	194,092	4.29%
85 and over	1,336	0.84%	12,037	1.52%	16,404	1.37%	3,245	1.00%	27,398	1.33%	60,420	1.33%
	158,427		790,829		1,196,488		324,488		2,058,734		4,528,970	

(a) Data from 2010 U.S. Census

(b) Data from U.S. Census - American Fact Finder 2011

HURON-CLINTON METROPOLITAN AUTHORITY

Full-time Equivalent Authority Employees by Location

2010 through 2011

	2010	2011
Location		
Administrative Office	32	30
Engineering/Planning	19	20
Metro Beach Metropark	59	56
Kensington Metropark	95	85
Lower Huron Metropark	53	48
Hudson Mills Metropark	34	34
Stony Creek Metropark	58	55
Willow/Oakwoods Metroparks	41	39
Lake Erie Metropark	51	49
Wolcott Mill Metropark	21	21
Indian Springs Metropark	26	24
Huron Meadows Metropark	17	15
Total	506	476

HURON-CLINTON METROPOLITAN AUTHORITY

Capital Asset Statistics by Function / Program
2010 through 2011

	2011	2010
Number of Regional Parks	13	13
Acres		
Developed	5,800	5,800
Undeveloped	18,355	18,310
Under Recreational Lease to Other Agencies	600	600
Total	24,755	24,710
Attendance	8,434,169	9,203,225
Basketball Courts	19	19
Boat Launch Ramps	44	44
Boat/Canoe Rental Facilities	6	5
Buildings		
Number of Buildings Maintained	321	319
Square Footage of Buildings Maintained	703,120	697,520
Cross Country Ski Trails - Number of Miles	80	75
Disc Golf		
Courses	5	5
Holes	120	120
Equestrian Trails - Number of Miles	53	53
Excursion Boat	1	1
General Grounds Maintenance - Acres Mowed Annually	2,281	2,694
Golf Courses		
Regulation 18 Hole Courses	8	8
Number of Golf Rounds	184,837	204,839
Par 3 Courses	2	2
Number of Golf Rounds	17,879	24,858
Driving Ranges	5	5
Ice Skating Rinks - Outdoor	7	9

HURON-CLINTON METROPOLITAN AUTHORITY

Capital Asset Statistics by Function / Program
2010 through 2011

	2011	2010
Interpretive Centers		
Environmental Discovery Center	1	1
Farm Centers	2	2
Grist Mill	1	1
Nature Centers	6	6
Mobile Metropark	1	1
Number of Visitors	1,681,737	1,761,071
Number of Interpretive Programs	10,181	10,106
Hike/Bike Trails (paved) - Number of Miles of Paved Trails	61	55
Marinas - Number of Boat Slips	553	553
Miles of Shoreline	94	94
Nature Trails - Number of Miles	56	56
Outdoor Dance Centers	2	1
Number of Patrol Vehicles	39	37
Number of Law Violations		
Arrests	13	28
Traffic Violations	232	305
Other Violations	129	120
Parking Lots - Square Yards Maintained	794,691	789,594
Picnicking		
Number of Picnic Areas	90	90
Number of Picnic Shelters	90	90
Play Areas/Tot Lots	46	45
Road System - Number of Lane Miles Maintained	162	166
Skate Parks	1	1
Sledding/Toboggan Hills	18	18
Swimming		
Beaches	5	5
Pools	4	4
Spray Pads	4	4
Tennis Courts	8	8

HURON-CLINTON METROPOLITAN AUTHORITY

Metropark General Governmental Expenditures by Type (a)
2002 through 2011
(Unaudited)

Year	Engineering & Planning	Capital Improvements	Equipment	Land Acquisition	Major Maintenance	General Administration	General Planning & Engineering	Park Operations	Capital Projects Fund	Debt Service	Total
2002	$ 1,292,158	$ 5,859,604	$ 2,103,987	$ 1,084,834	$ 158,918	$ 4,000,801	$ 1,005,208	$ 26,364,199	$ 170,733	$ 43,920	$ 42,084,362
2003	757,854	8,954,353	1,823,479	1,841,433	542,773	4,610,912	1,095,749	26,790,021	293,520	43,920	46,754,014
2004	853,857	8,530,468	2,222,627	975,639	440,111	4,874,199	1,042,024	27,545,339	288,704	43,920	46,816,888
2005	1,015,643	6,525,798	2,164,707	2,554,122	760,249	5,166,242	1,022,421	28,506,499	871,169	43,920	48,630,770
2006	723,530	9,663,892	2,497,008	213,825	693,405	5,337,720	1,068,791	29,616,888	1,526,645	25,620	51,367,324
2007	769,138	9,264,959	3,006,105	12,850	761,662	5,470,820	1,164,439	30,885,676	763,973	-	52,099,622
2008	1,124,337	5,979,580	1,910,491	624,843	1,043,507	5,403,979	1,255,596	32,609,363	1,036,103	-	50,987,799
2009	790,872	8,556,305	1,821,169	1,603,169	1,442,499	5,649,403	1,309,292	32,062,269	309,183	-	53,544,161
2010	591,541	3,902,851	1,972,142	10,423	1,131,938	5,571,405	1,517,456	32,131,822	190,332	-	47,019,910
2011	444,112	3,070,795	965,066	565,997	1,106,658	5,590,120	1,485,499	31,717,979	1,078,344	-	46,024,570

(a) Includes General and Capital Projects Funds.

Metropark General Governmental Expenditures by Type (a)

2002 through 2011
(Unaudited)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
Engineering and Planning											
Metro Beach Metropark	$ 100,111	$ 21,695	$ 37,887	$ 90,856	$ 29,396	$ 169,151	$ 226,443	$ 191,717	$ 31,768	$ 65,865	$ 964,889
Kensington Metropark	61,770	70,753	306,915	145,424	122,709	244,555	566,445	166,182	279,487	115,197	2,079,437
Lower Huron Metropark	84,205	59,998	76,990	444,519	356,315	140,359	35,809	23,493	21,066	9,869	1,252,623
Dexter/Delhi/Hudson Mills Metroparks	62,081	38,589	35,760	58,317	10,620	24,912	16,261	60,523	41,147	124,485	472,695
Stony Creek Metropark	20,795	43,914	53,965	104,522	88,882	82,984	88,833	99,341	99,128	67,909	750,273
Willow/Oakwoods Metroparks	56,027	51,935	18,789	9,120	18,741	18,783	78,671	141,979	34,167	18,280	446,492
Lake Erie Metropark	87,912	75,474	52,883	36,914	23,094	18,949	26,634	48,925	43,245	20,793	434,823
Wolcott Mill Metropark	26,423	55,579	72,134	21,944	18,118	12,990	27,361	13,440	13,032	14,417	275,438
Indian Springs Metropark	788,055	338,525	195,367	98,067	39,969	44,893	41,539	16,818	17,533	4,752	1,585,518
Huron Meadows Metropark	4,779	1,392	3,167	5,960	15,686	11,562	16,341	28,454	10,968	2,545	100,854
Total	1,292,158	757,854	853,857	1,015,643	723,530	769,138	1,124,337	790,872	591,541	444,112	8,363,042
Capital Improvements											
Administrative Office	52,200	-	18,997	-	-	-	-	-	-	-	71,197
Metro Beach Metropark	768,261	810,665	126,665	202,995	65,937	579,934	1,663,625	2,878,453	747,685	99,031	7,943,251
Kensington Metropark	1,192,857	253,106	149,361	1,986,107	2,360,510	718,955	1,406,898	3,741,137	711,910	2,302,440	14,823,281
Dexter-Delhi Metropark	-	226,024	-	-	-	9,360	10,554	21,776	-	119,345	387,059
Lower Huron Metropark	169,844	608,307	443,517	176,055	2,374,332	6,786,970	284,454	100,187	386,464	25,856	11,355,986
Hudson Mills Metropark	422,943	258,237	81,661	40,756	49,281	89,457	646,408	43,114	283,701	34,170	1,949,728
Stony Creek Metropark	449,660	401,809	207,697	835,754	3,567,273	612,747	935,552	117,560	245,207	67,419	7,440,678
Willow/Oakwoods Metroparks	281,140	835,059	628,575	132,920	238,977	14,716	259,562	970,874	422,154	230,253	4,014,230
Lake Erie Metropark	563,620	790,485	1,373,495	1,053,897	309,228	14,763	139,394	172,549	670,824	97,224	5,185,479
Wolcott Mill Metropark	526,726	186,269	409,822	382,150	343,871	42,869	202,251	96,573	16,367	-	2,206,898
Indian Springs Metropark	1,193,345	4,541,755	5,048,973	1,688,696	307,415	288,883	370,166	356,373	294,642	36,513	14,126,761
Huron Meadows Metropark	189,008	42,637	41,705	26,468	32,159	97,693	45,466	57,709	123,897	529	657,271
Cost Share Other Agencies	50,000	-	-	-	14,909	8,612	15,250	-	-	-	88,771
Total	5,859,604	8,954,353	8,530,468	6,525,798	9,663,892	9,264,959	5,979,580	8,556,305	3,902,851	3,012,780	70,250,590

(continued)

HURON-CLINTON METROPOLITAN AUTHORITY

Metropark General Governmental Expenditures by Type (a)

2002 through 2011
(Unaudited)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
Equipment											
Administrative Office	$ 108,946	$ 42,060	$ 166,333	$ 139,760	$ 96,951	$ 77,084	$ -	$ 24,615	$ 27,166	$ 80,967	$ 763,882
Central Pool Equipment	150,918	72,746	42,402	28,726	9,364	123,749	145,325	31,768	140,327	193,628	938,953
Metro Beach Metropark	289,259	211,863	253,728	127,354	157,643	179,688	217,608	97,496	236,282	113,685	1,884,606
Kensington Metropark	341,587	373,116	387,659	460,615	337,725	439,613	282,956	288,600	453,310	140,575	3,505,756
Lower Huron Metropark	149,880	93,438	139,166	59,829	164,618	37,796	178,822	212,888	116,360	71,228	1,224,025
Hudson Mills Metropark	199,324	229,657	131,460	65,252	326,217	224,144	185,257	133,418	85,560	40,422	1,620,711
Stony Creek Metropark	194,702	93,402	110,187	175,402	219,227	1,014,991	143,396	131,759	282,333	67,235	2,432,634
Willow/Oakwoods Metroparks	249,450	181,343	157,162	213,683	499,262	275,013	218,333	272,597	72,601	189,437	2,328,881
Lake Erie Metropark	169,408	129,613	366,267	196,337	234,135	377,222	113,109	147,267	111,636	16,638	1,861,632
Wolcott Mill Metropark	122,295	61,677	70,006	256,663	125,892	67,964	131,732	60,477	19,071	22,966	938,743
Indian Springs Metropark	102,836	214,273	246,294	129,416	185,499	151,405	161,696	304,666	77,778	28,285	1,602,148
Huron Meadows Metropark	25,382	120,291	151,963	311,670	140,475	37,436	132,257	115,618	349,718	-	1,384,810
Total	2,103,987	1,823,479	2,222,627	2,164,707	2,497,008	3,006,105	1,910,491	1,821,169	1,972,142	965,066	20,486,781
Land Acquisition											
Kensington Metropark	2,000	4,000	3,200	-	-	-	-	-	-	-	9,200
Hudson Mills Metropark	-	-	-	-	-	-	-	-	-	-	-
Lake Erie Metropark	12,238	-	-	-	-	-	-	-	-	-	12,238
Wolcott Mill Metropark	678,140	1,823,989	968,439	2,553,622		11,850	2,950	5,650	8,400	287,884	6,340,924
Indian Springs Metropark	125,019	-	4,000	500	213,825	1,000	252,544	1,593,769	23	273,813	2,464,493
Huron Meadows	239,483	154	-	-	-	-	212,524	2,800	2,000	-	456,961
Other Metroparks	27,954	13,290	-	-	-	-	156,825	950	-	4,300	203,319
Total	1,084,834	1,841,433	975,639	2,554,122	213,825	12,850	624,843	1,603,169	10,423	565,997	9,487,135
Major Maintenance											
Administrative Office - Engineering/ General Planning	8,578	41,930	14,471	31,961	52,128	38,154	73,215	179,437	69,367	166,374	675,615
Metro Beach Metropark	-	104,111	66,940	39,450	213,324	63,025	90,431	129,104	37,271	177,368	921,024
Kensington Metropark	20,000	20,314	65,732	177,996	106,745	219,079	142,425	169,523	101,468	321,623	1,344,905
Lower Huron Metropark	25,434	30,588	-	54,396	-	-	24,032	11,674	78,736	19,678	244,538
Hudson Mills Metropark	13,946	-	-	23,739	12,486	30,038	75,829	235,922	55,458	19,178	466,596
Stony Creek Metropark	42,128	87,756	183,943	129,910	113,320	175,530	148,948	164,651	570,546	83,260	1,699,992
Willow Metropark	-	40,130	69,180	96,297	68,959	85,355	329,629	157,656	10,614	96,960	954,780
Oakwoods Metropark	-	14,096	-	22,378	-	-	-	208,919	-	43,496	288,889
Lake Erie Metropark	24,168	132,829	-	169,882	41,393	81,453	59,798	185,613	76,122	110,656	881,914
Wolcott Mill Metropark	-	71,019	39,845	14,240	36,825	32,032	54,086	-	-	98,471	346,518
Indian Springs Metropark	24,665	-	-	-	11,080	-	45,114	-	6,632	26,645	114,136
Huron Meadows Metropark	-	-	-	-	37,145	36,996	-	-	125,724	964	200,829
Total	158,918	542,773	440,111	760,249	693,405	761,662	1,043,507	1,442,499	1,131,938	1,164,673	8,139,735

(continued)

HURON-CLINTON METROPOLITAN AUTHORITY

Metropark General Governmental Expenditures by Type (a)

2002 through 2011
(Unaudited)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
General Administration											
Administrative Office	$ 4,000,801	$ 4,610,912	$ 4,874,199	$ 5,166,242	$ 5,337,720	$ 5,470,820	$ 5,403,979	$ 5,649,403	$ 5,571,405	$ 5,590,120	$ 51,675,601
General Planning/Engineering	1,005,208	1,095,749	1,042,024	1,022,421	1,068,791	1,164,439	1,255,596	1,309,292	1,517,456	1,485,499	11,966,475
Park Operations											
Metro Beach Metropark	3,499,164	3,576,481	3,660,261	3,705,877	3,855,113	3,912,779	4,070,235	4,064,908	3,951,050	3,784,910	38,080,778
Kensington Metropark	5,360,464	5,305,731	5,538,977	5,616,835	5,826,464	6,131,556	6,542,370	6,443,579	6,529,008	6,486,029	59,781,013
Lower Huron Metropark	1,894,862	1,965,033	2,007,223	2,156,031	2,331,405	2,398,765	3,088,809	2,715,389	2,864,790	2,835,583	24,257,890
Dexter/Delhi/Hudson Mills Metroparks	2,284,270	2,320,032	2,315,986	2,469,310	2,618,337	2,536,332	2,616,276	2,794,242	2,747,588	2,981,726	25,684,099
Stony Creek Metropark	3,052,824	2,959,248	3,107,493	3,106,486	3,276,287	4,116,165	4,179,179	4,195,573	4,230,227	4,058,406	36,281,888
Willow/Oakwoods Metroparks	2,840,245	2,908,505	2,944,874	3,008,507	2,947,233	2,944,961	3,062,129	2,706,856	2,925,664	2,905,149	29,194,123
Lake Erie Metropark	3,308,262	3,315,965	3,308,038	3,442,800	3,571,218	3,509,711	3,571,164	3,591,422	3,425,448	3,379,534	34,423,562
Wolcott Mill Metropark	1,567,083	1,512,385	1,557,867	1,674,284	1,738,010	1,754,438	1,824,048	1,737,968	1,755,269	1,775,100	16,896,452
Indian Springs Metropark	1,394,297	1,437,469	1,738,209	1,889,840	1,974,781	1,962,749	2,094,248	2,116,133	2,194,572	2,052,636	18,854,934
Huron Meadows Metropark	969,319	1,018,664	1,039,036	1,027,218	1,048,674	1,072,271	1,058,438	1,144,033	1,199,291	1,055,361	10,632,305
Central Warehouse/Garage/Other	193,409	470,508	327,375	409,311	429,366	545,949	502,467	552,167	308,915	403,545	4,143,012
Total	26,364,199	26,790,021	27,545,339	28,506,499	29,616,888	30,885,676	32,609,363	32,062,270	32,131,822	31,717,979	298,230,056
Debt Service											
Principal	31,662	34,278	37,111	40,178	24,953	-	-	-	-	-	168,182
Interest	12,258	9,642	6,809	3,742	667	-	-	-	-	-	33,118
	43,920	43,920	43,920	43,920	25,620	-	-	-	-	-	201,300
Capital Projects Fund											
Metro Beach Metropark	21,616	77,841	-	-	-	-	-	-	-	-	99,457
Kensington Metropark	7,434	8,700	-	(7,000)	-	-	-	19,580	152,040	756,125	936,879
Lower Huron Metropark	141,683	206,979	37,462	130,277	1,474,985	672,466	238,677	(83,175)	-	-	2,819,354
Stony Creek Metropark	-	-	-	-	-	-	-	17,771	33,752	322,219	373,742
Oakwoods Metropark	-	-	-	-	51,660	91,507	797,426	355,007	4,540	-	1,300,140
Lake Erie Metropark	-	-	39,675	747,892	-	-	-	-	-	-	787,567
Cost Share Other Agencies	-	-	211,567	-	-	-	-	-	-	-	211,567
Total	170,733	293,520	288,704	871,169	1,526,645	763,973	1,036,103	309,183	190,332	1,078,344	6,528,706
Total Expenditures	$ 42,084,362	$ 46,754,014	$ 46,816,888	$ 48,630,770	$ 51,367,324	$ 52,099,622	$ 50,987,799	$ 53,544,162	$ 47,019,910	$ 46,024,570	$ 485,329,420

(a) Includes General Fund and Capital Projects Fund.

HURON-CLINTON METROPOLITAN AUTHORITY

Metropark General Governmental Revenues by Source (a)
2002 through 2011

Year	Property Tax	Park Operations	Interest	Grants	Gifts	Miscellaneous	Other Financing Sources	Capital Projects Fund	Total
2002	$27,462,221	$11,785,643	$ 732,523	$ 377,185	$ 97,011	$ 66,494	$ 280,663	$ 829,971	$41,631,711
2003	29,014,371	12,869,032	1,076,798	539,374	95,528	35,833	312,540	1,190,700	45,134,176
2004	30,081,579	12,868,520	1,276,419	90,687	102,379	750,904	7,504,896	968,208	53,643,592
2005	31,398,443	13,247,181	1,328,532	58,453	43,756	187,920	479,627	1,138,589	47,882,501
2006	32,597,201	12,814,635	1,736,966	78,989	128,136	1,517,962	533,977	1,034,570	50,442,436
2007	34,547,937	13,807,794	1,891,920	59,890	306,885	52,467	259,564	929,849	51,856,306
2008	36,053,277	14,480,210	1,386,929	501,584	91,929	208,335	382,240	1,073,328	54,177,832
2009	35,953,354	13,764,068	717,457	2,029,548	101,219	73,384	280,543	586,306	53,505,879
2010	34,528,432	14,715,827	384,922	317,491	57,065	24,161	411,926	525,621	50,965,445
2011	30,691,073	14,151,725	266,837	351,412	110,423	28,460	126,880	426,633	46,153,443

(a) Includes General Fund and Capital Projects Fund.

Metropark Operating Revenues by Park

2002 through 2011

Park	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
Metro Beach Metropark	$ 1,616,428	$ 1,718,995	$ 1,706,641	$ 1,776,918	$ 1,678,727	$ 1,683,188	$ 1,608,432	$ 1,605,390	$ 1,767,070	$ 1,639,040	$ 16,800,829
Kensington Metropark	2,293,457	2,521,970	2,541,331	2,512,743	2,466,744	2,719,304	2,743,827	2,608,246	2,896,630	2,802,315	26,106,567
Lower Huron Metropark	423,839	464,404	473,366	479,665	477,587	455,934	1,317,792	1,236,339	1,496,553	1,544,161	8,369,640
Dexter/Delhi/Hudson Mills Metroparks	1,042,725	1,134,599	1,127,649	1,111,870	1,013,139	966,415	955,416	964,219	969,111	887,294	10,172,437
Stony Creek Metropark	1,240,385	1,471,936	1,494,395	1,531,285	1,524,353	2,381,566	2,358,584	2,334,081	2,514,918	2,535,163	19,386,666
Willow/Oakwoods Metroparks	1,095,755	1,212,974	1,173,863	1,285,544	1,280,234	1,289,490	1,328,555	1,004,439	1,131,561	804,158	11,606,573
Lake Erie Metropark	1,786,017	1,771,019	1,701,452	1,864,892	1,777,956	1,703,153	1,641,958	1,601,021	1,576,391	1,572,925	16,996,784
Wolcott Mill Metropark	470,568	504,944	505,481	590,325	584,720	607,896	603,100	485,383	471,291	469,845	5,293,553
Indian Springs Metropark	910,526	956,387	975,859	955,438	953,005	961,002	933,591	895,761	870,566	811,109	9,223,244
Huron Meadows Metropark	813,112	985,539	1,026,133	951,820	912,367	867,706	816,058	822,933	807,926	760,210	8,763,804
Resident House/Land Leases Other	89,597	79,297	127,010	129,258	135,285	159,827	163,998	185,012	177,489	170,522	1,417,295
Administrative Office	3,234	46,968	15,340	57,423	10,518	12,313	8,899	21,244	36,321	154,983	367,243
Total	$ 11,785,643	$ 12,869,032	$ 12,868,520	$ 13,247,181	$ 12,814,635	$ 13,807,794	$ 14,480,210	$ 13,764,068	$ 14,715,827	$ 14,151,725	$ 134,504,635

Metropark Operating Revenues by Type

2002 through 2011
(Unaudited)

Type of Revenue	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
Food Service	$ 696,657	$ 797,981	$ 814,600	$ 857,018	$ 825,334	$ 825,921	$ 951,338	$ 814,336	$ 803,573	$ 778,782	$ 8,165,539
Bathhouse/Pools/Lockers	573,402	433,924	364,197	549,641	535,703	718,952	1,364,533	1,112,798	1,418,185	1,572,314	8,643,649
Dockage/Boat Storage	468,450	436,286	457,255	449,014	429,671	418,323	405,316	373,705	390,105	396,478	4,224,603
Boat Rentals	185,010	175,735	188,323	216,580	212,216	234,121	266,152	273,220	275,897	326,887	2,354,142
Excursion Boat	21,927	21,602	26,202	28,157	27,503	30,867	40,037	37,532	38,555	44,441	316,823
Cross Country Skiing	11,954	11,859	33,734	31,277	1,929	10,526	27,255	41,744	45,513	55,021	270,811
Toll Collection	3,668,567	4,674,213	4,666,289	4,732,695	4,636,860	4,735,495	4,621,742	4,796,269	5,690,581	5,358,278	47,580,990
Sundries	165,816	140,319	137,190	150,577	133,270	138,831	135,387	120,056	125,336	104,699	1,351,481
Games/Equipment Rental	61,762	66,053	42,178	68,045	57,314	54,693	53,525	41,141	38,712	4,375	487,798
Activity Center	43,735	42,590	55,950	55,950	75,005	74,030	97,396	120,408	122,608	132,997	820,669
Reserved Picnics	241,093	252,117	255,985	254,985	281,353	301,071	310,195	320,730	342,550	338,830	2,898,908
Golf Course	5,230,150	5,283,738	5,294,569	5,247,066	4,994,534	5,626,147	5,491,384	4,930,968	4,636,348	4,041,661	50,776,564
Adventure/Disc Golf	43,041	45,538	52,090	45,635	46,406	47,215	93,736	187,062	202,599	172,470	935,793
Special Events	96,000	86,041	62,595	118,680	40,320	58,342	29,997	21,141	25,760	48,829	587,705
Resident House/Land/Leases	50,578	79,296	85,487	84,369	90,180	106,774	112,178	118,857	107,025	113,597	948,340
Livestock Sales	47,253	43,607	54,936	55,712	73,329	66,471	80,887	52,685	49,695	96,137	620,711
Hay Rides	35,854	44,568	52,497	47,728	42,587	43,621	48,917	38,047	37,794	37,803	429,416
Site Location Fee	13,750	17,800	9,600	15,510	25,170	16,990	35,133	29,155	18,785	24,980	206,873
Interpretive		97,047	90,314	120,157	161,041	181,254	179,196	177,548	184,658	217,775	1,408,989
Miscellaneous	119,596	106,896	110,395	107,570	110,363	101,279	118,619	136,780	155,911	136,454	1,203,865
Other Park Revenues (a)	11,048	11,822	14,134	10,816	14,548	16,870	17,287	19,886	5,637	148,917	270,965
Total	$ 11,785,643	$ 12,869,032	$ 12,868,520	$ 13,247,181	$ 12,814,635	$ 13,807,794	$ 14,480,210	$ 13,764,068	$ 14,715,827	$ 14,151,725	$ 134,504,634

(a) Other Park revenues include overnight parking, Environmental Discovery Center and trackless train.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

May 1, 2012

To the Board of Commissioners
Huron-Clinton Metropolitan Authority
Brighton, Michigan

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of *Huron-Clinton Metropolitan Authority* (the "Authority"), as of and for the year ended December 31, 2011, which collectively comprise the Authority's financial statements, and have issued our report thereon dated May 1, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Commissioners, and, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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