

**AGENDA**  
**Huron-Clinton Metropolitan Authority**  
**Board of Commission Meeting**  
**May 12, 2016 – 10:30 a.m.**  
**Willow Metropark – Food Bar Area**

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1. Chairman's Statement
2. Public Participation
3. Minutes – April 14, 2016 Regular Meeting
4. Approval – May 12, 2016 Full Agenda

**Consent Agenda**

5. **Approval – April 14, 2016 Consent Agenda**
  - a. Approval – April 2016 Financial Statements and Payment Registers
  - b. Approval – April 2016 Appropriation Adjustments **pg. 1**
  - c. Purchases
    1. Passenger Bus, Administrative Office **pg. 5**
    2. Transportation Services, Summer Fun at the Metroparks **pg. 7**
    3. Canopy Shade Structure, Lake Erie Metropark **pg. 9**
  - d. Update – Purchases over \$10,000 **pg. 11**
  - e. Approval – Promotional Event Sponsor, Cryderman and Associates **pg. 13**
  - f. Approval – First Amendment to the Retiree Health Care Trust Agreement **pg. 15**
  - g. Bids – Roadway Crack Filling, various locations **pg. 19**
  - h. Bids – Shingle Roof Repair, Indian Springs **pg. 21**
  - i. Bids – Hike-Bike Trail Crack Filing **pg. 23**

**Regular Agenda**

6. Legislative Report **pg. 25**
7. **Reports**
  - A. *Lake St. Clair Metropark*
    1. Approval – Change Order, Seawall Replacement Project **pg. 27**
  - B. *Wolcott Mill Metropark*
    1. Bids – Farm Center Tollbooth **pg. 29**
  - C. *Stony Creek Metropark*
    1. Bids – Inflatable Slide Utilities **pg. 33**
    2. Bids – Golf Course Above Ground Storage Tank Installation **pg. 35**
  - D. *Administrative Office*
    1. Report – 2015 Audited Financial Statements **pg. 39**
    2. Approval – 2016 Pension Plan Actuarial Valuation and Contribution **pg. 41**
    3. Approval – 2016 Retiree Health Care Trust Contribution **pg. 43**
    4. Approval – Internal Control Review/Audit Proposal **pg. 45**

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8. Closed Session
  - a. To consult with attorney regarding pending litigation.  
*Section 8 (e) of the Michigan Open Meetings Act. M.C.L. 15.268 (e)*
  - b. To consult with attorney regarding pending litigation  
*Section 8 (e) of the Michigan Open Meetings Act. M.C.L. 15.268 (e)*
9. Other Business
10. Staff Officer Update
11. Commissioner Comments
12. Motion to Adjourn

A combined Pension Committee and Retiree Health Care Trust meeting  
will take place prior to the Board meeting  
Thursday, May 12, 2016 – **9:00 a.m.**  
Willow Metropark – Food Bar Area

The next regular Board of Commissioners meeting will take place  
Thursday, May 12, 2016 – **10:30 a.m.**  
Willow Metropark – Food Bar Area



## HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
From: Rebecca Baaki, Chief Accountant  
Subject: Approval – April 2016 Appropriation Amendments  
Date: May 3, 2016

### **Action Requested: Motion to Approve**

That the Board of Commissioners' approve the April 2016 Appropriation Amendments as recommended by Director Phifer and Controller Franchock.

**Background:** The Metroparks ERP system provides a workflow process to facilitate departmental budget management. Requested transfers are initiated by Department staff and routed to the appropriate Department Head/District Superintendent for review and approval. Finance provides a final review of the approved requests to verify that they do not negatively affect the Fund Balance.

For the month of April, these transfers totaled \$154,228. These were primarily a result of funds that were transferred from the major maintenance and operations accounts to the administrative natural resource accounts. The result of this change can be seen in the attachment.

During the month, there were also amendments that affected the Fund Balance.

- \$1,019 was taken from Fund Balance to fund Foundation Supported projects. These projects were completed in 2015, however the parks asked for reimbursement in 2016.
- \$9,815 was taken from Fund Balance to cover the purchase of two ranger golf carts at Stony Creek.

**Attachment: April Appropriation Adjustments**



### April 2016 - Appropriation Adjustments

Function	Location	Increase	Decrease	Difference
Capital	Admin		\$ 12,000.00	\$ (12,000.00)
	Wolcott		4,850.00	(4,850.00)
	Total		\$ 16,850.00	\$ (16,850.00)
Major Maintenance	Lake St. Clair	\$ 3,034.00	\$ 6,068.00	\$ (3,034.00)
	Kensington	3,034.00	6,068.00	(3,034.00)
	Lower Huron	3,034.00	29,588.00	(26,554.00)
	Hudson Mills	3,034.00	6,068.00	(3,034.00)
	Stony Creek	3,034.00	6,068.00	(3,034.00)
	Lake Erie	3,034.00	19,968.00	(16,934.00)
	Wolcott	3,034.00	6,068.00	(3,034.00)
	Indian Springs	3,034.00	6,068.00	(3,034.00)
	Huron Meadows	3,034.00	6,068.00	(3,034.00)
	Total	\$ 27,306.00	\$ 92,032.00	\$ (64,726.00)
Operations	Kensington	\$ 5,540.00	\$ 8,540.00	\$ (3,000.00)
	Lower Huron	23,520.00	3,000.00	20,520.00
	Stony Creek		3,500.00	(3,500.00)
	Lake Erie	13,900.00		13,900.00
	Wolcott	4,850.00		4,850.00
	Indian Springs		3,000.00	(3,000.00)
	Total	\$ 47,810.00	\$ 18,040.00	\$ 29,770.00
Administration	Admin	\$ 79,112.00	\$ 27,306.00	\$ 51,806.00
	Total	\$ 79,112.00	\$ 27,306.00	\$ 51,806.00
<b>Grand Total</b>		<b>\$ 154,228.00</b>	<b>\$ 154,228.00</b>	<b>\$ -</b>





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Maria van Rooijen, Senior Buyer  
 Project No: ITB 16-031  
 Project Title: Administrative Office Passenger Vehicle  
 Location: Livingston County  
 Date: May 3, 2016

Bids Opened: Thursday, April 28 2016 at 10:00 a.m.

## Action Requested: Motion to Approve

That the Board of Commissioners' (1) award ITB 16-031 to the low responsive, responsible bidder, Transportation Equipment Sales Corp. in the amount of \$47,032.00; and (2) approve the fund transfer within the Capital Equipment account to cover the \$7,032 over budget amount as recommended by Senior Buyer Maria van Rooijen and staff

**Fiscal Impact:** This is a budgeted item in the 2016 Capital Equipment budget. However, it is \$7,032 over budget.

**Scope of Work:** Furnish and deliver a 15-person passenger bus.

**Background:** This is a new item for the Administrative Office. This will allow staff to transport visitors around to view other Metroparks or transport staff and visitors to meetings within the Metroparks or to other local agencies.

<u>Vendor</u>	<u>Location</u>	<u>Price</u>
Transportation Equipment Sales Corp.	Oregon, OH	\$47,032.00
Midwest Transit Equipment, Inc.	Marshall, MI	\$48,014.00
Jorgensen Ford Sales, Inc.	Detroit, MI	\$55,555.00
Shepard Bros., Inc.	Cincinnati, OH	\$55,556.00

Invitation for bids were posted on the Michigan Inter-Governmental website







# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Maria van Rooijen, Senior Buyer  
 Project No: ITB 16-032  
 Project Title: Transportation Services, Summer Fun at the Metroparks  
 Location: All Parks  
 Date: May 3, 2016

Bids Opened: Friday, April 29, 2016 at 10:00 a.m.

## Action Requested: Motion to Approve

That the Board of Commissioners' award ITB 16-032 to the low responsive, responsible bidder, Getaway Tours, Inc. in the amount of \$57,120.00 as recommended by Senior Buyer Maria van Rooijen and staff.

**Fiscal Impact:** Funds were approved at the April 14, 2016 Board meeting to cover expenses for Summer Fun at the Metroparks.

**Scope of Work:** To provide transportation for the Summer Fun at the Metroparks events starting June 30, 2016.

**Background:** The Metroparks will be hosting Summer Fun at the Metroparks events to showcase all the different activities and programs that an individual person, group or a family can do at the Metroparks. To encourage more participation in the program and awareness, the Metroparks is offering transportation with generic pickup sites.

\*A gratuity is not included in the low bid; it is at the Metroparks discretion.

<u>Vendor</u>	<u>Location</u>	<u>Price</u>
Getaway Tours, Inc.	Milan, MI	\$ 57,120.00
Blue Lakes Charters & Tours	Clio, MI	\$ 83,520.00
Executive Transportation Services	Milan, MI	\$139,392.00

Invitation for bids were posted on the Michigan Inter-Governmental website





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Maria van Rooijen, Senior Buyer  
 Project No: ITB 16-029  
 Project Title: Canopy Shade Structure  
 Location: Lake Erie Metropark, Wayne County  
 Date: May 3, 2016

Bids Opened: Wednesday, April 20, 2015 at 10:00 a.m.

## Action Requested: Motion to Approve

That the Board of Commissioners' (1) award ITB 16-029 to the low responsive, responsible bidder, JJ Company in the amount of \$52,430; and (2) approve the fund transfer from the Kensington Major Maintenance Account to the Lake Erie Capital Improvement account to cover the expense as recommended by Senior Buyer Maria van Rooijen and staff.

**Fiscal Impact:** This item is not budgeted. However, funds are currently available in Kensington Major Maintenance unallocated account for the road surface treatment from the Milford Road entrance to the Traffic Diamond project in the amount of \$260,000, which can be deferred until next year.

**Scope of Work:** Furnish, deliver and install replacement canopy shade structures at the pool and plaza area at Lake Erie Metropark.

**Background:** This upcoming season will be the 32<sup>nd</sup> season that the Lake Erie wave pool plaza has been open and the second time staff has replaced the canopy shade structures.

<u>Vendor</u>	<u>Location</u>	<u>Price</u>
JJ Company	Detroit, MI	\$52,430.00
Michigan Tent & Awning	Detroit, MI	\$55,008.80

Invitation for bids were posted on the Michigan Inter-Governmental website





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: George Phifer, Director  
 Subject: Update – Purchases over \$10,000  
 Date: May 3, 2016

## Action Requested: Motion to Receive and File

That the Board of Commissioners' receive and file the update for purchases over \$10,000, up to, and including \$25,000 as submitted by Director Phifer and staff.

**Background:** On May 9, 2013, the Board approved the updated financial policy requiring the Director to notify the Board of purchases exceeding \$10,000, up to, and including \$25,000.

The following list is purchases exceeding the \$10,000 threshold:

<u>Vendor</u>	<u>Description</u>	<u>Price</u>
Metro Environmental	Stony Creek Sewer Manhole Repairs	\$20,690.00
F.J. LaFontaine & Sons	Indian Springs Meadowlark Playground Pea Stone Removal	\$11,742.20





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: George Phifer, Director  
 Project Title: Approval – Promotional Event Sponsor, Cryderman and Associates  
 Location: Various Metroparks locations within  
 (Wayne, Oakland, Macomb, Livingston and Washtenaw Counties)  
 Date: May 12, 2016

## Action Requested: Motion to Approve

That the Board of Commissioners' (1) approve the contract with Greenwood Farms LLC in the amount of \$47,000 for hosting seventeen (17) parades and three (3) weekend events at Wolcott Farm during the 2016 Heritage Holidays programs as recommended by Director Phifer.

**Fiscal Impact:** This item is an unbudgeted item. However, funds are available in the Marketing budget (Professional Services) account in the amount of \$47,000.

**Scope of Work:** Provide and deliver a six (6) hitch horse and wagon, to be displayed at various events throughout the five counties and within the Metroparks as identified and approved by Director Phifer.

**Background:** The Metroparks host a variety of park special events throughout the calendar year. Several special events are also held in various communities throughout the five-county region, which surrounds the Metroparks. Staff is seeking to increase our presence at various events being held within and outside the Metroparks, while enhancing our exposure to the general public about what we have to offer.

Greenwood Farms LLC is known for having world Champion Clydesdales Horses. They offer a full complement of Clydesdales horses and wagon, for various events throughout the United States. Greenwood Farms LLC would send out a Hitch and a team of six employees, who will provide oversight of the horses along with the transportation. This will also include, clean up after the horses, equipment and loading for each parade and Metropark events.

Greenwood Farms will be part of several parades within and outside the Metroparks, that will be selected and approved by Metroparks staff. Having a hitch of Clydesdales horses on display at several events promoting the Metroparks, would offer a unique opportunity for our park users and the general public to experience possibly a once in a lifetime opportunity, to see this rare breed of horse.

<u>Vendor</u>	<u>Location</u>	<u>Price</u>
Greenwood Farms LLC	Richmond, MI	\$ 47,000







## HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
From: Rebecca L. Franchock, Controller  
Subject: Approval – First Amendment to the Retiree Health Care Trust Agreement  
Date: May 3, 2016

**Action Requested: Receive and File / Approve Resolution**

That the Board of Commissioners' approve the Resolution amending the Retiree Health Care Trust document as requested by Controller Franchock and staff.

**Fiscal Impact:** None.

**Background:** Pursuant to the recently amended/restated bylaws, the new Chief Financial Officer position has been created. Currently the Retiree Health Care Benefits Plan and Trust Agreement designates the Controller of the Authority as Plan Administrator unless another individual is appointed by the Board of Commissioners.

To properly reflect the new Chief Financial Officer position, the attached First Amendment to the Retiree Health Care Benefits Plan and Trust document revises the language to refer to the Chief Financial Officer in accordance with the current bylaws.

This First Amendment has been reviewed by our legal counsel, Mr. Kenneth Sachs of Miller Canfield.

**Attachment: First Amendment to the Retiree Health Care Benefits Plan and Trust Agreement**



**FIRST AMENDMENT TO THE  
HURON-CLINTON METROPOLITAN AUTHORITY  
RETIREE HEALTH CARE BENEFITS PLAN AND TRUST**

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**WHEREAS**, the Huron-Clinton Metropolitan Authority (the “Authority”) has deemed it necessary and desirable to amend the Huron-Clinton Metropolitan Authority Retiree Health Care Benefits Plan and Trust (the “Plan”) to modify the Plan’s definition of “Plan Administrator.”

**NOW, THEREFORE**, the Plan is hereby-amended effective as of \_\_\_\_\_, 2016, as follows:

**1. Plan Section (17) is hereby replaced in its entirety with the following:**

“(17) *Plan Administrator* means the person, persons, firm, corporation or insurance company or companies, appointed by the Authority to administer the Plan. The Plan Administrator shall be the Chief Financial Officer unless another individual is appointed, in writing, by the Authority. The Plan Administrator shall be responsible for the day-to-day operations of the Plan who shall carry out the directives of the Board of Trustees.”

**IN WITNESS WHEREOF**, Huron-Clinton Metropolitan Authority has caused this Amendment to be executed by its duly authorized officers and the corporate seal to be hereunto affixed this 12<sup>th</sup> day of May, 2016.

I hereby certify that the above is a true and correct copy of the Resolution adopted by the Huron-Clinton Metropolitan Authority on May 12, 2016.

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Director George Phifer





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Mike Brahm-Henkel, Manager of Engineering  
 Project No: 800-16-003  
 Project Title: Bids – Roadway Overband Crack Filing  
 Project Type: Major Maintenance and Operations  
 Location: Stony Creek, Kensington, Lower Huron, Willow, Lake Erie Metroparks,  
 Macomb, Oakland and Wayne County  
 Date: May 3, 2016

Bids Received: April 19, 2016

## Action Requested: Motion to Approve

That the Board of Commissioners' award Contract No. 800-16-003 to the low responsive, responsible bidder, K&B Asphalt Sealcoating, Inc. in the amount of \$31,250 as recommended by Manager of Engineering Mike Brahm-Henkel and staff.

**Fiscal Impact:** This is a 2016-budgeted project and \$3,750 under budget.

**Scope of Work:** The work includes furnishing all labor, equipment and materials necessary for roadway overband crack filling.

**Background:** As part of the pavement maintenance management program, cracks in the pavement surface are filled to help prevent the intrusion of water through the surface. This practice helps to prolong the life of the surface. Pricing is based on miles of roadway.

<u>Contractor</u>	<u>City</u>	<u>Amount</u>
K&B Asphalt Specialties	Clayton	\$ 31,250.00
Wolverine Sealcoating LLC	Jackson	\$ 35,902.00
Michigan Joint Sealing	Farmington Hills	\$ 48,085.00
Spartan Paving Inc.	Clarkston	\$ 52,150.00
Pavement Management LLC	Jackson	\$ 52,250.00
Scodeller Construction	Wixom	\$ 52,370.00
Carrs Outdoor Services, Inc.	Canton	\$ 57,750.00
Hutch Paving	Warren	\$204,400.00

Budget Amount for Contract Services and Administration	\$ 35,000.00
Work Order Amount	
Contract Amount – K&B Asphalt Specialties	\$ 31,250.00
Contract Administration	\$ 2,000.00
Total Proposed Work Order Amount	\$ 33,250.00

*This project was reported and publicly advertised in the following construction reporting outlets: MITN, Construction Association of Michigan, Reed Construction Data, Construction News Corporation, Construction News Service, HCMA Website, Builders Exchange of Michigan, McGraw Hill Dodge, Builders Exchange of Lansing and Central Michigan.*





# HURON-CLINTON METROPOLITAN AUTHORITY

5 - h  
Meeting of May 12, 2016

To: Board of Commissioners  
From: Mike Brahm-Henkel, Manager of Engineering  
Project No: 700-15-011  
Project Title: Bids – Roof Repairs and Replacements  
Project Type: Major Maintenance  
Location: Indian Springs and Stony Creek Metroparks, Oakland and Macomb Counties  
Date: May 3, 2016

Bids Received: April 21, 2016

## Action Requested: Motion to Approve

That the Board of Commissioners' award Contract No. 700-15-011 to the low responsive, responsible bidder, White Pine Building and Development in the amount of \$ \$56,817.00 as recommended by Manager of Engineering Mike Brahm-Henkel and staff.

**Fiscal Impact:** This project is \$13,183 under budget.

**Scope of Work:** The work includes furnishing all labor, equipment and materials necessary for the removal, repair, or installation of shingle roofing systems at various locations at Stony Creek and Indian Springs Metroparks.

**Background:** The work at Stony Creek will include the roof replacements at the Oak Grove and West Branch comfort station as well as the Oak Grove Picnic Shelter. Roof Repairs at Stony Creek will include the Nature Center and Golf Course Maintenance building.

Work at Indian Springs will include roof replacements to the Golf Maintenance and storage buildings. Repairs at Indian Springs will include Park Services and Park Office buildings.

The project is in response to the existing condition and preventative maintenance for building systems. White Pine Building and Development was the only respondent to our request for bids for this work.

<u>Contractor</u>	<u>City</u>	<u>Amount</u>
White Pine Building and Development	Shelby	\$56,817.00

### Budget Amount for Contract Services and Administration

Stony Creek	\$37,000.00
Indian Springs	\$33,000.00
Total	\$70,000.00

### Work Order Amount

Contract Amount – White Pine Building and Development	\$56,817.00
Contract Administration	\$ 3,000.00
Total Proposed Work Order Amount	\$59,817.00

## Bids – Roof Repairs and Replacements

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The following contractors obtained bidding documents but did not submit a proposal: Armstrong Enterprises, Inc., Pinckney; Crane Roofing, Pontiac; Great Lakes Roofing, Troy; Laduke Roofing Corp, Oak Park; Meridian Contracting, Washington; Optimum Contracting Solutions, Bloomfield Hills; Roof One, Pontiac; Schena Roofing and Sheet Metal, Chesterfield; Sleeves Consulting Services, Boulder City; Wendell's Remodeling, Inc., Royal Oak; White Pine Building Development. Shelby Twp.

*This project was reported and publicly advertised in the following construction reporting outlets: MITN, Construction Association of Michigan, Reed Construction Data, Construction News Corporation, Construction News Service, HCMA Website, Builders Exchange of Michigan, McGraw Hill Dodge, Builders Exchange of Lansing and Central Michigan.*





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Mike Brahm-Henkel, Manager of Engineering  
 Project No: 800-16-004  
 Project Title: Hike-Bike Trail Overband Crack Filing  
 Project Type: Major Maintenance and Operations  
 Location: Lake St. Clair, Indian Springs, Kensington, Hudson Mills, Lower Huron and Willow, Metroparks, Macomb, Oakland, Washtenaw and Wayne Counties  
 Date: May 3, 2016

Bids Received: April 19, 2016

## Action Requested: Motion to Approve

That the Board of Commissioners' award Contract No. 800-16-003 to the low responsive, responsible bidder, Wolverine Sealcoating LLC in the amount of \$24,000 as recommended by Manager of Engineering Mike Brahm-Henkel and staff.

**Fiscal Impact:** This project is at budget.

**Scope of Work:** The work includes furnishing all labor, equipment and materials necessary for hike-bike trail overband crack filling.

**Background:** Project was bid on a unit price basis per pound of joint sealant, with a total contract amount equal to the total proposed amount for contract services of \$24,000 for both parks combined. As part of the pavement maintenance management program, cracks in the pavement surface are filled to help prevent the intrusion of water through the surface, which helps to prolong the life of the surface.

<u>Contractor</u>	<u>City</u>	<u>Unit Price</u>	<u>Total lbs.</u>	<u>Amount</u>
Wolverine Sealcoating LLC	Jackson	\$1.14	21,048.00	\$24,000.00
K&B Asphalt Specialties	Clayton	\$1.20	19,998.00	\$24,000.00
Scodeller Construction	Wixom	\$1.20	19,998.00	\$24,000.00
Carrs Outdoor Services, Inc.	Canton	\$1.25	17,045.00	\$24,000.00
Pavement Management LLC	Jackson	\$1.60	15,000.00	\$24,000.00
Spartan Paving, Inc.	Clarkston	\$1.90	13,374.00	\$24,000.00
Michigan Joint Sealing	Farmington Hills	\$2.92	8,220.00	\$24,000.00
Hutch Paving	Warren	\$5.12	4687.50	\$24,000.00
Budget Amount for Contract Services and Administration			\$24,000.00	
Work Order Amount				
Contract Amount – Wolverine Sealcoating LLC			\$24,000.00	
Contract Administration			\$ 2,000.00	
Total Proposed Work Order Amount			\$26,000.00	

*This project was reported and publicly advertised in the following construction reporting outlets: MITN, Construction Association of Michigan, Reed Construction Data, Construction News Corporation, Construction News Service, HCMA Website, Builders Exchange of Michigan, McGraw Hill Dodge, Builders Exchange of Lansing and Central Michigan.*



GEORGE M. CARR, P.C.

ATTORNEY AND COUNSELOR

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Mr. John Hertel, Chairman  
Huron-Clinton Metropolitan Authority  
13000 High Ridge Drive  
Brighton, Michigan 48114-9058

May 3, 2016

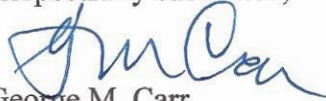
Dear Chairman Hertel:

Last week the House Judiciary Committee approved a 17 bill package updating and codifying law enforcement standards and law officer employment. HCMA supported the legislative package as proposed by the Michigan Commission on Law Enforcement Standards. When finished and signed by the Governor, these changes will bring the Authority's law enforcement agency up to equal status with others in the state. This will include grant eligibility and officer credentialing. The complete package of House and Senate bills is expected to be completed before the summer recess.

The appropriations process is grinding ahead with Flint Water and Detroit Public Schools dominating the debate. This afternoon the House Appropriations Committee moved additional DPS funding on a strict party line vote. The "sick-out" of DPS teachers because of inadequate funding for their salaries made for less money and more conditions from the Committee. Even the actual amount of additional funding to keep the DPS system running until October was in question. The Committee voted without any opinion or guidance from the State Treasurer on the fiscal adequacy of the package.

I will have a more complete review of legislative activity at the meeting next week.

Respectfully submitted,

  
George M. Carr



**HURON-CLINTON METROPOLITAN AUTHORITY**

To: Board of Commissioners  
From: Mike Brahm-Henkel, Manager of Engineering  
Project No: 502-15-662  
Project Title: Approval – Change Order, Seawall Replacement Project  
Project Type: Capital Improvement  
Location: Lake St. Clair, Metropark, Macomb County  
Date: May 3, 2016

**Action Requested: Motion to Approve**

That the Board of Commissioners' approve a future Change Order to the existing contract in the estimated amount of \$50,000 as recommended by Manager of Engineering Mike Brahm-Henkel and staff.

**Fiscal Impact:** This is an unbudgeted item. This item is being added due to unforeseen changes in the scope of work.

**Scope of Work:** The work includes additional sheet piling, tiebacks, whalers and associated connections.

**Background:** Soft soils were encountered while the contractor was driving sheeting along the curved portion of the seawall. The soft soils make it necessary to provide more support for the wall since the existing soils are unable to provide the appropriate resistive force. The issue was noticed during the driving process when the sheeting was being set in place with very little effort.

The consultant was contacted and as well as a geotechnical firm on possible solutions. Currently, the consultant Anderson, Eckstein, and Westrick (AEW) along with the geotechnical consultant are reanalyzing the current conditions and are in the process of updating their findings, estimates and recommendations.

In order to maintain progress on the construction project, authorization is being sought from the Board to authorize staff to complete this portion of the project in the estimated amount of up to \$50,000. If the changes were to exceed \$50,000, staff will bring the recommendation to the Board for approval.





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Mike Brahm-Henkel, Manager of Engineering  
 Project No: 509-16-129  
 Project Title: Wolcott Farm Tollbooth  
 Project Type: Capital Improvement  
 Location: Wolcott Mill Metropark, Macomb County  
 Date: May 3, 2016

Bids Received: April 26, 2016

## Action Requested: Motion to Approve

That the Board of Commissioners (1) award Contract No. 513-16-129 to the low responsive, responsible bidder Dave's Contracting, Inc. in the amount of \$62,000.00; and (2) authorize a \$6,073 transfer from the Wolcott Mill Unallocated Capital account to cover the cost of the project as recommended by Manager of Engineering Mike Brahm-Henkel and staff.

**Fiscal Impact:** This project is \$6,072.49 over budget. Funds are available in the Wolcott Mill Unallocated Capital account to cover the cost of the project.

**Scope of Work:** The contract will cover the installation of a prefabricated tollbooth, communication cable, electrical service, construction of a toll island, vehicle detection system as well as all labor, equipment and materials necessary to complete the work.

**Background:** Last year the existing parking lot and entrance road was upgraded and paved. As part of that project, an existing area was identified for the possible installation of a future tollbooth. After further staff discussion and review, a tollbooth was included in the 2016 budget to assist with collecting fees for park entry and special events.

Other elements to the project that are not included in this contract are the procurement of the prefabricated tollbooth and electrical supply cost from DTE. The cost for those items are listed below. The prefabricated tollbooth was ordered separately to help expedite the fabrication time, which is currently six to eight weeks.

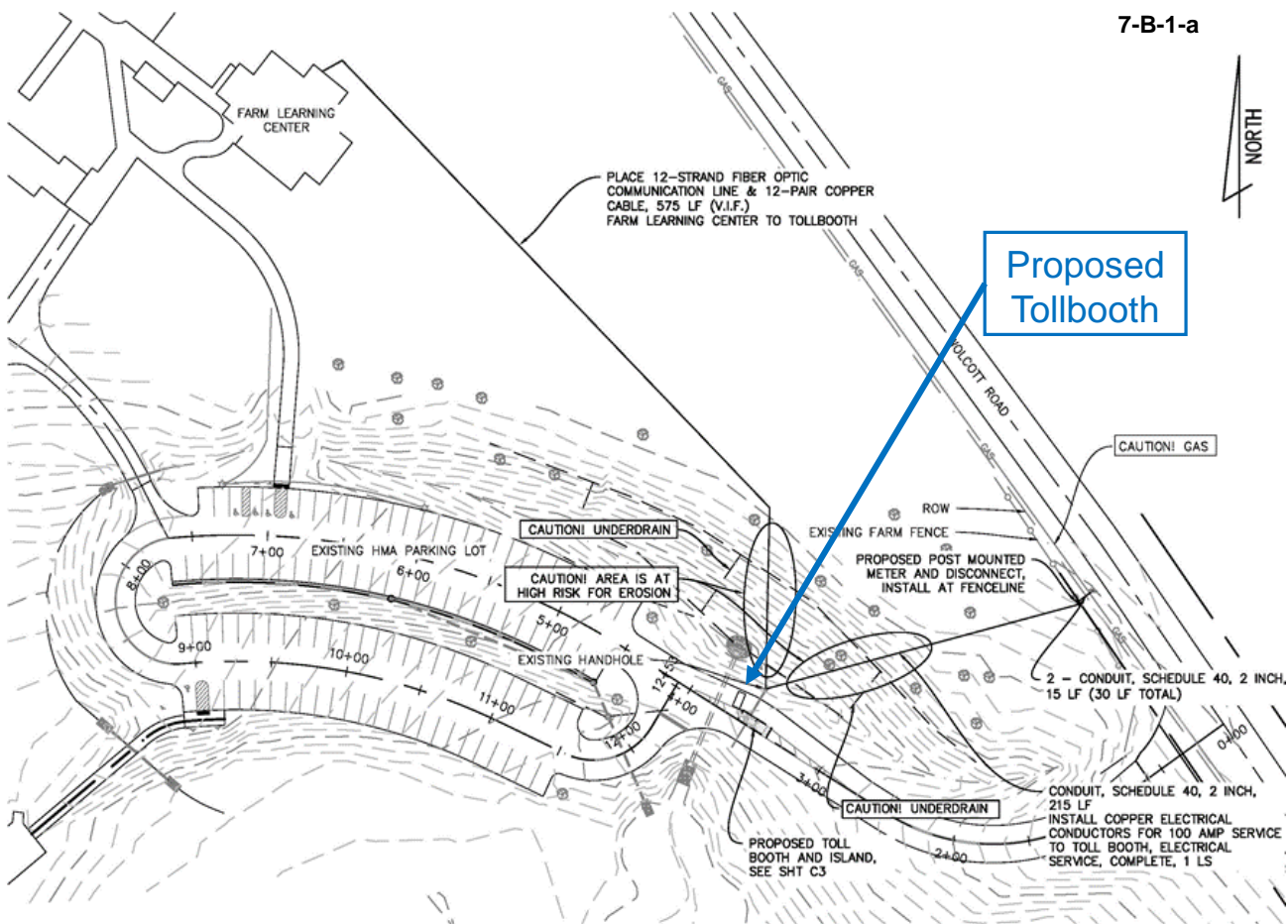
<u>Contractor</u>	<u>City</u>	<u>Amount</u>
Dave's Contracting Inc.	Dearborn	\$62,000.00
WCI Contracting, Inc.	Detroit	\$77,465.00
Budget Amount for Contract Services and Administration		\$80,000.00
Work Order Amount		
Contract Amount- Dave's Contracting		\$62,000.00
Prefabricated Tollbooth		\$16,288.63
DTE new service transformer, pole		\$ 4,783.86
Underground Service \$10/foot (estimate)		\$ 3,000.00
Contract Administration		\$ 4,000.00
Total Proposed Work Order Amount (Rounded)		\$90,073.00

*This project was reported and publicly advertised in the following construction reporting outlets: MITN, Construction Association of Michigan, Reed Construction Data, Construction News Corporation, Construction News Service, HCMA Website, Builders Exchange of Michigan, McGraw Hill Dodge, Builders Exchange of Lansing and Central Michigan.*

**Attachment: Tollbooth Location Diagram**

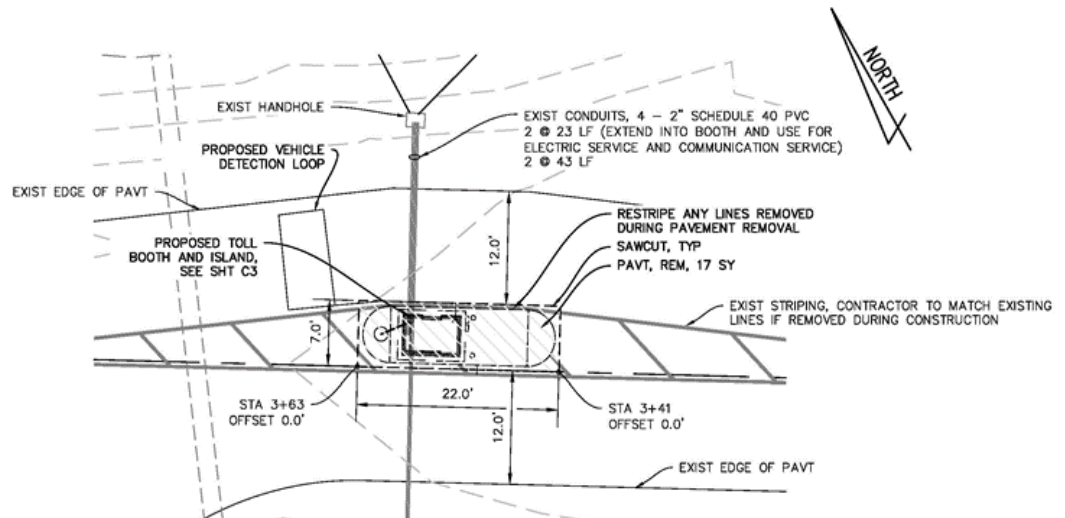






OVERALL SITE PLAN

SCALE 1"=60'



PAVEMENT REMOVAL PLAN

SCALE 1"=10'





To: Board of Commissioners  
From: Mike Brahm-Henkel, Manager of Engineering  
Project No: 509-16-533  
Project Title: Bids – Inflatable Slide Utilities  
Project Type: Capital Improvement  
Location: Stony Creek Metropark, Macomb County  
Date: May 2, 2016

Bids Received: April 19, 2016

**Action Requested: Motion to Approve**

That the Board of Commissioners' (1) award Contract No. 509-16-533 to the low responsive, responsible bidder, ILE Excavating, Inc. in the amount of \$39,775.00; and (2) approve the fund transfer from the Kensington Major Maintenance Account to the Stony Creek Capital Improvement account as recommended by Manager of Engineering Mike Brahm-Henkel and staff.

**Fiscal Impact:** This is an unbudgeted project. Funds are currently available in Kensington Major Maintenance unallocated account for the road surface treatment from the Milford Road entrance to the Traffic Diamond project in the amount of \$260,000, which can be deferred until next year.

**Scope of Work:** The work includes furnishing all labor, equipment and materials necessary for the installation of 597-lineal feet of 4-inch HDPE water main, tapping sleeve, gate valve, backflow preventer, blowout, distribution tree and restoration.

**Background:** The new larger inflatable water slide at Stony Creek will require a higher water volume supply than the previous existing single slide. The new slide requires six (6) three-quarter inch hoses. In order to supply the necessary volume of water the existing 8-inch water main will be tapped and the new 4-inch water main installed to the slide location. This is a municipal water main and iron and other minerals should not be an issue.

<u>Contractor</u>	<u>City</u>	<u>Amount</u>
ILE Excavating, Inc.	Canton	\$39,775.00
Ahern Contracting, Inc.	Chesterfield	\$50,910.00
Teltow Contracting, Inc.	Casco	\$51,499.37
Budget Amount for Contract Services and Administration		\$0.00
Work Order Amount		
Contract Amount – ILE Excavating, Inc.		\$39,775.00
Contract Administration		\$ 2,000.00
Total Proposed Work Order Amount		<u>\$41,775.00</u>

*This project was reported and publicly advertised in the following construction reporting outlets: MITN, Construction Association of Michigan, Reed Construction Data, Construction News Corporation, Construction News Service, HCMA Website, Builders Exchange of Michigan, McGraw Hill Dodge, Builders Exchange of Lansing and Central Michigan.*





To: Board of Commissioners  
From: Mike Brahm-Henkel, Manager of Assets and Development  
Project No: 509-16-530  
Project Title: Golf Course Above Ground Storage Tank (AST) Installation  
Project Type: Capital Improvement  
Location: Stony Creek Metropark, Macomb County  
Date: May 3, 2016

Bids Received: April 26, 2016

**Action Requested: Motion to Approve**

That the Board of Commissioners' (1) award Contract No. 509-16-530 to the low responsive, responsible bidder, Matzak Inc. in the amount of \$113,505.00; and (2) approve the \$19,105 transfer from the Kensington Major Maintenance Account to the Stony Creek Unallocated Maintenance account to cover the cost of the project as recommended by Manager of Engineering Mike Brahm-Henkel and staff.

**Fiscal Impact:** This is a 2106-budgeted project. However, the project is \$19,105 over the budgeted amount. Funds are currently available in Kensington Major Maintenance unallocated account for the road surface treatment from the Milford Road entrance to the Traffic Diamond project in the amount of \$260,000, which can be deferred until next year.

**Scope of Work:** The work includes furnishing all labor, equipment and materials necessary for the installation of a 1,000-gallon aboveground fuel storage tank, associated controls, dispensers, concrete pad, path construction to the tank, installation of a cart barn access path and restoration.

**Background:** The existing fleet of electric golf carts for Stony Creek golf course has been replaced with gas-powered carts. In order to accommodate the fueling of the 72 new carts, the installation of a fuel tank is required. There is an existing 1,000-gallon unleaded and diesel AST tank currently at the golf maintenance service area. However, the distance from the cart storage area to the maintenance building is approximately 0.60 mile making the use of that tank for fueling impractical.

Incorporated into this project are elements that were not in the original project scope. One addresses the need for grading and the installation of an asphalt pad at the back of the cart barn, which currently has drainage issues when washing carts. The other added an access path to the north side of the cart barn to facilitate the entrance of carts on the north side of the building. The entrance was changed due to the steep slope on the east side of the cart barn, which was a safety concern.

**Golf Course (AST) Installation**  
**Page 2**

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<b><u>Contractor</u></b>	<b><u>City</u></b>	<b><u>Amount</u></b>
Matzak, Inc.	Ray	\$113,505.00
Oscar W. Larson	Clarkston	\$119,950.00
James P. Contracting, Inc.	Washington	\$123,491.00

Budget Amount for Contract Services and Administration	\$ 94,400.00
Work Order Amount	
Contract Amount- Matzak, Inc.	\$ 113,505.00
Contract Administration	\$ 4,000.00
Total Proposed Work Order Amount (Rounded)	<u>\$ 117,505.00</u>

*This project was reported and publicly advertised in the following construction reporting outlets: MITN, Construction Association of Michigan, Reed Construction Data, Construction News Corporation, Construction News Service, HCMA Website, Builders Exchange of Michigan, McGraw Hill Dodge, Builders Exchange of Lansing and Central Michigan.*

**Attachment: Above Ground Storage Tank Location Diagram**









## HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Rebecca Franchock, Controller  
 Subject: Report – 2015 Audited Financial Statements  
 Date: May 3, 2016

### **Action Requested: Motion to Receive and File**

That the Board of Commissioners receive and file the 2015 Audited Financial Statements Report as recommended by Controller Franchock and staff.

**Summary:** The Authority's auditing firm, Abraham and Gaffney, has completed their audit of our 2015 accounting records, pension plan, retiree health care trust and related financial statements. Together with Abraham and Gaffney's Audited Financial Statements, staff compiled the Authority's 2015 Comprehensive Annual Financial Report, which is enclosed for review. Mr. James Frendt will review the 2015 Audited Financial Statements with the Board at the May 12, 2016 meeting.

**Background:** Staff is pleased to report that Abraham and Gaffney has issued an unqualified opinion, meaning the Audited Financial Statements present fairly the financial position of the governmental activities and each major fund of the Authority as of Dec. 31, 2015 in conformity with generally accepted accounting principles. Abraham and Gaffney conducted their audit following generally accepted auditing standards in order for them to obtain reasonable assurance that the Authority's financial statements are free of any material misstatements.

As reflected on the Government Wide Statement of Net Position, the Authority's total net position at \$222.7 million decreased by \$14.8 million from the 2014 net position of \$237.6 million. The primary reason for this reduction relates to the inclusion of the net pension liability due to the implementation of GASB 68. The total General Fund Balance is reported at \$39,575,000, an increase of \$2,895,000. The increase to Fund Balance is a result of timing delays with anticipated use of Fund Balance for Capital and Major Maintenance projects.

The 2015 Committed Fund Balance is at \$9,874,000 (\$9,402,000 in 2014). The 2015 Assigned Fund Balance is at \$10,075,000 (\$11,846,000 in 2014). The 2015 Unassigned Fund Balance stands at \$18,349,000 (\$14,747,000 in 2014). This level of Unassigned Fund Balance represents 40.3 percent of General Fund expenditures. The Statement of Revenues and Expenditures shows 2015 General Fund expenditures at \$45.6 million against revenues of \$48.3 million producing a surplus of \$2.7 million.

The Authority intends to submit this 2015 Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association Certificate of Excellence in Financial Reporting program. The Authority has received a Certificate of Achievement for the last 14 years and staff believes this 2015 report will continue to conform to the program requirements. This achievement would not be possible without the dedicated work efforts of the entire Finance Department.

### **Separate Attachment: 2015 Audited Financial Statements**





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Rebecca L. Franchock, Controller  
 Subject: Approval – 2016 Pension Plan Actuarial Valuation and Contribution  
 Date: May 3, 2016

## **Action Requested: Receive and File / Approve Contribution**

That the Board of Commissioners' (1) receive the Annual Actuarial Valuation and GASB Statement No. 67 and No. 68 Report; and (2) approve of the 2016 Pension Contribution at the budgeted amount of \$2.7 million. It is anticipated that the Pension Committee will review this report and recommend Board approval of the contribution.

**Fiscal Impact:** None.

**Background:** Gabriel, Roeder, Smith & Company (GRS) performed the actuarial valuation of the Authority's Pension Plan as of Dec. 31, 2015. The valuation results will be reviewed by the Pension Committee at their May 12, 2016 meeting prior to the Board meeting.

The actuarial valuation process calculates the required contribution to adequately fund the Authority's pension costs for the 153 active participants for the 2016 Pension Plan Year. Based on an update of employee census data for 2015 wage/service levels, plan benefits and asset values, GRS is recommending a contribution of \$2,449,953. This represents a decrease of \$267,312 (9.8 percent) from the contribution for the 12-month period ending Dec. 31, 2014 (\$2,717,265). With this contribution, the Funded Ratio will increase to 78.8 percent, an improvement of 4.8 percent.

During development of the 2016 budget it was anticipated that the annual required contribution would be \$2.7 million. In an effort to bolster the percentage funded ratio and leverage Metroparks assets by taking advantage of the investment options available to the pension system staff recommends that the full budgeted amount be contributed to the pension, allowing \$250,047 of additional funding. This additional funding will result in a Funded Ratio of 79.2 percent.

In addition, active participants in the plan contribute 1 percent of covered wages to the pension plan. This amounts to approximately \$103,000 annually. Historically, the Metroparks have not counted this amount as part of the annual required contribution and have instead treated it as additional funding.

The Pension Committee is expected to approve requesting the \$2.7 million contribution from the Board of Commissioners.

**Separate Attachment: HCMA Employees' Retirement Plan Annual Actuarial Valuation GASB 67 and GASB 68**





## HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
From: Rebecca L. Franchock, Controller  
Subject: 2016 Retiree Health Care Trust Contribution  
Date: April 22, 2016

**Action Requested: Receive and File / Approve Contribution**

That the Board of Commissioners' approve of the 2016 Retiree Health Care Trust contribution at the budgeted amount of \$904,023. It is anticipated that the Retiree Health Care Trust Board will review this report and recommend Board approval for this contribution.

**Fiscal Impact:** None.

**Background:** Governmental Accounting Standards Board (GASB) Statement #45 requires that an actuarial valuation be done at least every other year for other post-employment benefit plans (OPEB's). The actuarial valuation of the Authority's Retiree Health Care Trust was last performed as of Dec. 31, 2014 by Gabriel, Roeder, Smith & Company (GRS).

The actuarial valuation process calculates the required contribution to adequately fund the Authority's OPEB costs for the 159 active participants for the 2016 Plan Year. Based on the employee census data for 2014, plan benefits and asset values, GRS recommended a contribution of \$904,023. This represents a decrease of \$12,243 (1.3 percent) from the contribution for the 12-month period ending Dec. 31, 2015 (\$916,266). At the time of the valuation, Dec. 31, 2013 the funded ratio was 79.6 percent.

The Retiree Health Care Trust Board is expected to approve requesting the \$904,023 contribution from the full Board of Commissioners.





# HURON-CLINTON METROPOLITAN AUTHORITY

To: Board of Commissioners  
 From: Rebecca L. Franchock, Controller  
 Project No: RFP 16-027  
 Project Title: Approval – Internal Control Review Proposal  
 Date: May 3, 2016

Bids Opened: April 22, 2016

## Action Requested: Motion to Approve

That the Board of Commissioners' award FP-16-027 Internal Control Review/Audit Proposal to the low responsive, responsible bidder Plante Moran for the estimated amount between \$20,000 – \$23,000 as recommended by Controller Franchock and staff.

**Fiscal Impact:** This item is included in the 2016 General Fund Budget for \$25,000.

**Scope of Work:** Service requested has three phases: (1) Provide an assessment of the level of risk of all cash collection points, documentation of current procedures and associated internal controls, identify risks and provide recommendations to management; (2) Develop a rotational internal audit plan based on risk rating methodology developed; and (3) Design an internal audit plan to be utilized by Metroparks staff on a going forward basis following the rotational plan developed.

**Background:** During the development of the 2016 General Fund Budget the finance department sought and received Board approval to seek to leverage the expertise of an outside consultant to develop a “turn-key” internal audit program that would make use of best-practices and industry expertise. With the Metroparks programs being highly cash based with somewhat isolated locations throughout five counties the importance of internal controls, policies and procedures to safeguard the public assets cannot be underestimated.

To facilitate a solution, a Request for Proposal (RFP) was advertised and three responses were received. Based on both the cost and the quality of the solution being proposed staff recommends that Plante Moran be awarded the contract.

<u>Vendor</u>	<u>Price</u>
Plante Moran	\$20,000 – \$23,000
Rehmann Robson	\$23,000 Fixed Fee
Experis – Manpower Group	\$23,700 – \$24,400

Plante Moran is Michigan's largest certified public accounting firm and is recognized as an expert in the area of governmental accounting. They also have a large management consulting team of more than 110 professionals.

Recently they have performed numerous projects with local governments and municipalities and are very familiar with the unique operational characteristics and challenges faced in today's economic climate. In addition, the firm provides deep technical and industry expertise. As a consultant, Plante Moran can offer a degree of independence greater than any internal staff. In addition, Plante's “colleague partner” system means that their staff work more collaboratively than many other firms providing the Metroparks with an unmatched depth of knowledge without additional cost.

**Attachment: Plante Moran Internal Audit Services Proposal**





{ A competitive advantage. }

Huron-Clinton Metropolitan Authority | April 22, 2016

plante moran

audit • tax • consulting • wealth management

RFP #: 16-027

Internal Audit Plan

Due Date: April 22, 2016



April 22, 2016

Ms. Maria Van Rooijen  
Purchasing Agent  
Huron-Clinton Metropolitan Authority  
Purchasing Department  
13000 High Ridge Drive  
Brighton, Michigan 48114

Re: RFP# 16-027 Internal Audit Plan

Dear Ms. Van Rooijen:

Plante & Moran, PLLC (Plante Moran) is pleased to respond to your Request for Proposal (RFP # 16-027) to provide an Internal Audit Plan to the Huron-Clinton Metropolitan Authority (the HCMA). Based on the information provided by the HCMA, we believe we are ideally qualified to provide you with an internal audit plan and are excited for the opportunity to assist you.

Having performed numerous recent projects with local governments and municipalities, we are very familiar with the unique operational characteristics and challenges faced by municipalities in today's economic climate. Our vast municipal government experience combined with our deep technical internal audit expertise with respect to risk assessments, internal controls, and policies and procedures will provide the Huron-Clinton Metropolitan Authority with the utmost value. The following represents Plante Moran's key differentiators relative to the initiative the HCMA is undertaking:

- **Significant and recent experience** – we have assisted numerous municipalities and public entities with various consulting projects, including internal audits, risk assessments, and IT consulting engagements. Some of our recent experiences include:
  - Chicago Transit Authority
  - Hamilton County, OH
  - City of Detroit, MI
  - City of Alexandria, VA
  - St. Louis County, MO
  - City of Mesa, AZ
  - Broward County, FL
  - Marin County, CA
  - City of Chandler, AZ
  - City of Asheville, NC
  - Hampton Roads Sanitation District
  - City of Cleveland, OH
- **Providing deep technical and industry expertise** – Our Management Consulting team has been providing internal audit services for more than 65 years. Our team of more than 110 professionals averages more than 13 years of experience providing internal control consulting services. Further, we have worked with hundreds of municipal governments to help understand the Huron-Clinton Metropolitan Authority's risk environment and its control objectives. As accountants and advisors to over 400 government agencies, our Firm is well recognized as one of the leading providers of independent, objective advice.

- **Independence and confidence** – The Huron-Clinton Metropolitan Authority should be commended for its proactive stance to internal audit services – part of that is the level of independence of the consultant as it relates to the HCMA – because of our national scope of this type of work, we are able to be independent and provide expertise garnered from similar municipal governments our team has worked with in the past.
- **Colleague Partner System** – With Plante Moran, you don't just hear from the partner at the kick off and close meeting and you don't have just one partner at your disposal. We have a "One Firm-Firm" approach which means we work more collaboratively than our competitors. We share ideas and call on individuals with experience and expertise when and where it is needed; the added benefit is that this doesn't add cost to our projects, but it does add value.
- **Experienced Team** – Experienced project manager and day-to-day team who have been dedicated to providing internal audit consulting services to clients for an average of 13 years.
- **Ready to move** – We know that this is a significant undertaking and one of high priority to the HCMA. Within two weeks of selection, our team would like to visit the HCMA's offices, ensure expectations are aligned and obtain advanced documentation to finalize the budget and rates for the project.
- **Repeat Clients** – We have achieved a very high rate of repeat engagements with clients whom we had assisted in consulting projects, ranging from internal controls to technology assessment and planning projects as well as clients in which we have performed upfront ERP needs assessment and selection projects who have then retained us for implementation management assistance.

Our more than 90 year history has been built on long-term, trusting relationships. We commit to not only delivering the highest-level service, at a competitive cost while completing your engagement with a sense of urgency within the time period requested, but providing value beyond compliance. We are excited to meet with you to discuss our proposal.

If you have any questions concerning this proposal, please contact me by phone: 248-223-3273, or by email: [troy.snyder@plantemoran.com](mailto:troy.snyder@plantemoran.com). I look forward to hearing from you.

Sincerely,

**PLANTE & MORAN, PLLC**

Troy Snyder, CICA  
Lead Engagement Partner

Brian Camiller, CPA  
Senior Associate

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# Learn how your organization + our experience add up to...

A higher return on experience

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# The 30,000 foot view.

## FIRM INFORMATION

Founded in 1924, Plante & Moran, PLLC (Plante Moran) is one of the largest management consulting and public accounting firms in the United States having been in business for 90 years. Plante Moran operates as a partnership with a staff of over 2,000 persons organized into four major service areas: Management Consulting, Accounting and Auditing, Tax Consulting, and Personal Financial Planning Services. We currently have 23 offices with approximately 1000 staff members in Southeast Michigan from which the services for the Huron-Clinton Metropolitan Authority (the HCMA) will be provided.

Plante Moran takes great pride in the quality of services it provides to its clients. We have a rigorous set of quality controls designed to provide assurance that professional standards are followed and our clients receive a high quality product. Plante Moran takes equal pride in our people and our professional work environment. Some of the facts about our firm that we are proud of include:

- Our partnership group is comprised of 21% women, which is the highest percentage of female equity partners among the nation's largest public accounting firms, according to CPA Personnel Report, a national public accounting trade publication.
- Staff turnover rate is 13.2% which is significantly lower than that of other national public accounting firms.
- The firm has been named to Fortune Magazine's "100 Best Companies to Work for in America" for the last 18 years.

Today, Plante Moran's Management Consulting Services Group is a versatile, general purpose consulting organization consisting of more than 250 consulting professionals that has a proven track record in providing quality professional services. Our emphasis and commitment to management consulting has resulted in the extension of the consulting practice into all major aspects of administrative and policy issues of government organizations. Our Management Consulting Services Group is centrally organized and administered from our Southfield, Michigan office but our consultants are dispersed throughout the Region in our various offices. This arrangement enables us to provide very responsive and cost effective services to different geographic regions. It also enables us to centrally assemble multi-disciplinary teams of consulting professionals to serve client needs on particular projects.

During this period, Plante Moran has become a leader in providing services to governmental organizations. We presently work with well over 200 local and county governments. Our professionals have made substantial commitments to working with local, county and state government agencies. Our extensive experience with governmental clients has enabled us to assemble a project team that we believe is uniquely qualified to perform the proposed project.

#### ORGANIZATION – ENTERPRISE RISK SERVICES

The Enterprise Risk Services (ERS) team we have assembled to serve the Huron-Clinton Metropolitan Authority represents the very best Plante Moran has to offer and possesses the appropriate expertise to assess the design of your internal audit function and provide you with value added consulting services.

Because of the nature of the project, it is important to utilize experienced professionals on the engagement and our team has been structured accordingly with Partners, a Senior Manager, Manager and three experienced Consultants, with the average years of experience approaching 13 years. All of the professionals serving the Huron-Clinton Metropolitan Authority will carry professional credentials including, MBAs, CPAs, CIAs, CPIMs, and PMPs. Additionally, we have a pool of subject matter experts at multiple levels in the organization that we are able to draw expertise from at no added expense to the HCMA.

Plante Moran has the essential resources and expertise to serve its clients in all aspects of internal audit, assurance, regulatory compliance, forensics, IT controls and audit committee administration. The strength of our firm is drawn not only from our size, resources, and technical proficiencies, but also from the personal service approach we take in serving our clients. This combination provides you the benefits of a large firm with the personal attention and responsiveness of a smaller firm, something we refer to as the best of both worlds.

We have 110 professionals supporting Enterprise Risk Services (ERS) as follows:

- Twenty-seven individuals dedicated to the Internal Audit Practice
- Fifty-three to our Information Technology Practice
- Thirty to our Forensics and Valuation Services Practice
- All supported by 2,000 Plante Moran and professionals with skills often deployed on engagements as subject matter, industry or service experts

Our ERS team members are experienced in managing risk assessments, internal control evaluations, internal audits, client specific audits, regulatory compliance, enterprise risk management and other questions related to their operations. We have served clients in nearly every industry across the country and around the globe. Our clients range in size from \$65 million to \$8 billion in assets.

#### ORGANIZATION – GOVERNMENT CONSULTING SERVICES

Because of our broad governmental client base, we are able to devote the necessary time to specialize and thus provide maximum service. To assist us in this specialization, staff from our firm are members of numerous municipal government professional associations that have a focus on the application of technology for government including:

- Government Finance Officers Association (GFOA), an organization composed of finance directors with the goal of improving knowledge, skills and performance, while offering you the high quality support on which today's finance officer thrives.
- Public Technology Institute (PTI), a Non-Profit organization created by and for cities and counties that works with a core network of leading government officials to identify opportunities for technology research, share best practices, offer consultancies and pilot demonstrations, promote technology development initiatives and develop educational programming.

- **Government Management and Information Sciences (GMIS)**, an organization composed of municipal information technology directors with a primary goal to foster a unified effort among government entities to integrate and disseminate their respective research and design efforts in the area of automated information sciences.

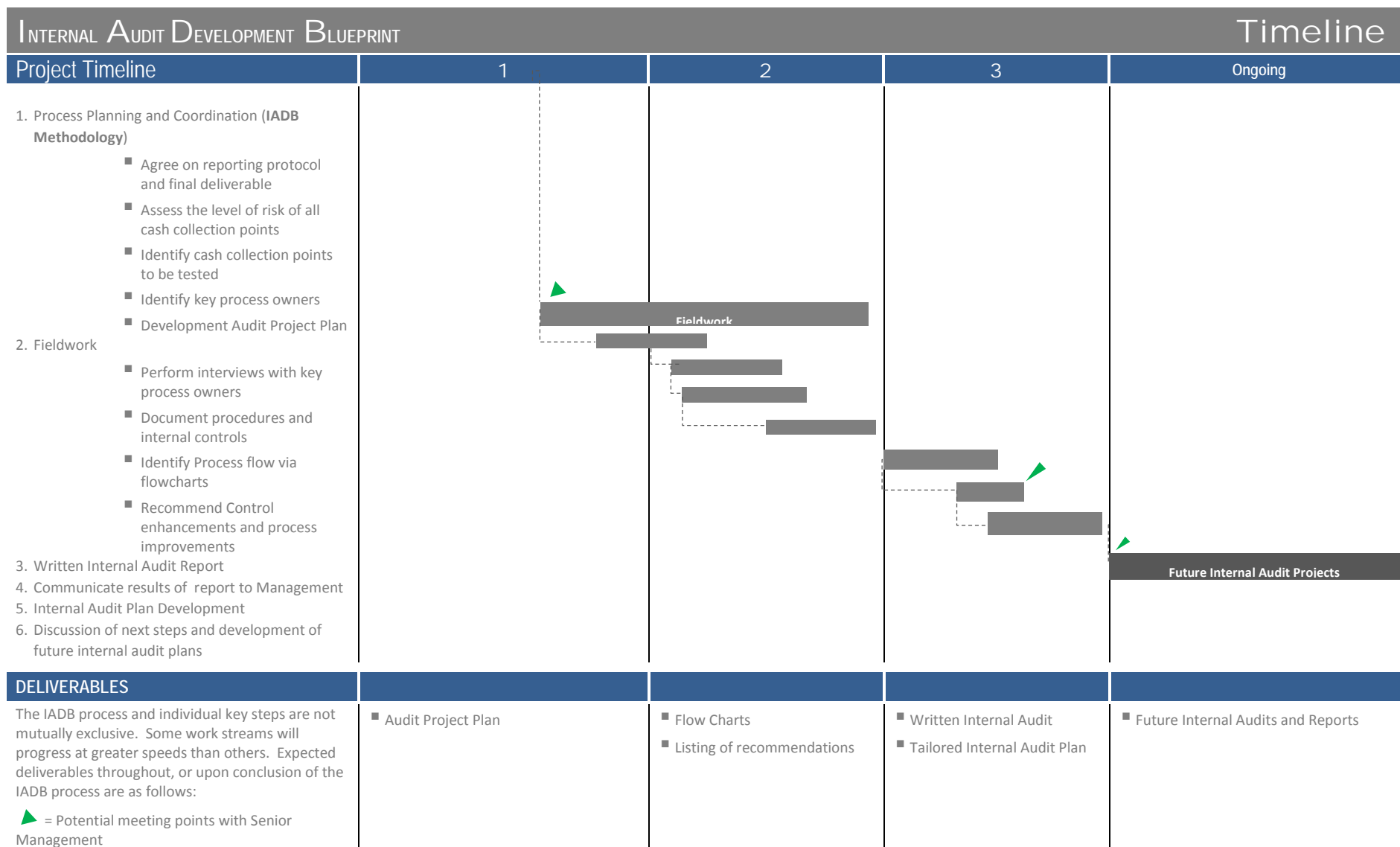
As a result of our continuing involvement with government organizations at all levels, we have acquired in-depth knowledge and experience in dealing with relevant technical, operational and procedural issues. This experience and knowledge, and our commitment to assure objectivity and a high level of independence, are fundamental to our proven and consistent ability to meet the needs of our governmental clients.

- To assure responsiveness to the needs of our clients, our consulting staff strives to maintain a high level of understanding of, and sensitivity to, the key issues that affect the operations of government organizations. At the current time, such issues include:
- Increasing pressure to improve service despite shrinking budgets and diminishing resources
- Reduced state and local budgets
- Increasing competition from the private sector
- Lack of staff training that would be instrumental in organizational change
- Significant pressures from public interest groups
- Increased legislative involvement in budgeting, appropriating, and disbursing of funds
- Emerging awareness of the need to measure the benefits as well as the costs of services (i.e., cost effectiveness as well as cost efficiency)
- Privatization of services to achieve more effective services at a lower cost

Our professional staff, through training and experience, assists our clients in developing strategies for effectively coping with these, and other key management issues.



## PROJECT APPROACH & TIMELINE



## ENGAGEMENT TEAM

### EXPERIENCED LEADERS AND INDUSTRY SPECIALISTS.

#### MORE PARTNER INVOLVEMENT AT A COMPARABLE PRICE

Your engagement will include significant partner and senior-level involvement. Our colleague partner approach ensures at least two partners serve HCMA. As a result, our clients receive more diverse, expert, and well-rounded thinking. We are committed to helping you solve your increasingly difficult day-to-day challenges and most complex issues. Our colleague partner approach is a contributing factor to our standout client service ranking from existing clients.

#### OUR TEAM SERVING YOU



TROY SNYDER, CICA  
PARTNER, ERS – SOUTHFIELD, MI

Troy has over twenty-five years of experience with Big 4 and large regional accounting / consulting firms and has a proven track record of quality results in growing a governance, risk and compliance advisory practice. His professional experience includes being a Senior Manager with Deloitte in Computer Assurance Services in the Ohio Valley Region, a Partner with Ernst & Young in Technology & Security Risk Services in the Pacific Southwest Region, and a Partner with SingerLewak / Premier Alliance in Enterprise Risk Services also in the Pacific Southwest Region. Troy recently moved from California to Michigan and is now a Partner with Plante Moran in Enterprise Risk Services in the Southfield office. Troy is focused on internal audit value creation, SOX compliance, increasing effectiveness and efficiency, and delivering exceptional client service. Troy Snyder is originally from Cincinnati, Ohio and graduated from Ohio University in Athens. He is also a Certified Internal Control Auditor.



JACK KRISTAN, CPA, CIA, MBA  
SENIOR MANAGER, ENTERPRISE RISK SERVICES

Jack is a Senior Manager on the Plante Moran Enterprise Risk Services Team with 13 years of global Sarbanes Oxley, Internal Audit and Finance experience. He manages implementations and recurring management testing of SOX for global manufacturing, healthcare and real estate clients. In addition to his experience with SOX, Jack leads risk assessments, annual audit plans, internal audit engagements, Foreign Corrupt Practices Act Reviews and other consulting assignments.



BRAD RUMMEL, CPA  
MANAGER, ENTERPRISE RISK SERVICES

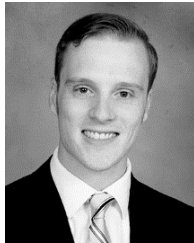
Brad has more than 11 years of accounting and audit expertise developed in various public accounting, corporate finance, and internal audit roles. In addition, Brad has several years of experience reviewing the operational processes, financials and controls for governmental and local municipalities. Brad has a solid understanding of both financial and operational audits, annual and quarterly reporting requirements, GAAP and GAAS, Evaluation of Internal Controls under Sarbanes Oxley, International Financial Reporting Standards (IFRS), and Statutory Accounting.

## ENGAGEMENT TEAM (CONTINUED)



EVAN MIRBACH, CPA  
SENIOR CONSULTANT

Evan is in our Enterprise Risk Practices Group, which provides internal audit and Sarbanes Oxley (SOX) services for both private and SEC companies in a variety of industries. Evan has more than two (2) years of experience of account reconciliation and analysis, with several service providers as well as Tier 1 Auto Suppliers, assisting with account reconciliations and data discrepancy. His experience includes implementing internal controls in multi-departmental companies as well as using financial and operational metrics to validate his findings. Evan has experience reviewing financial data to create dynamic dashboards and scorecards in MS Excel. Evan has served as the key point of contact on various projects, communicating results and findings effectively and efficiently. Evan has a Bachelor of Arts in Economics from Michigan State University as well as a Master of Science in Accounting from Walsh College.



STEPHEN GRASSI, CPA  
CONSULTANT

Stephen Grassi is a staff consultant in Plante Moran's enterprise risk services practice. Stephen has worked on various engagements conducting process assessments for procedures such as order to cash and purchase to pay. Further, Stephen has also done Sarbanes Oxley and internal audit work for multiple clients, including a biomedical device company. Stephen has a strong knowledge of data analytics within both Excel and IDEA. Stephen received his Bachelor of Science in accounting from Oakland University and is a Certified Public Accountant.



JOSH PAD, CPA  
CONSULTANT

As a member of our financial support services team, Josh serves a wide variety of clients with various financial and accounting project needs. Josh has experience working on SOX Compliance, Internal Audit Assistance, Accounting and Financial Function Merger and Integration and Monthly Accounting Closing and Financial Reporting

## PROFESSIONAL FEES

# Fair and square.

### A STRAIGHTFORWARD, TRANSPARENT APPROACH

We estimated the number of hours we expect to spend on this project and provide a summary for your consideration below:

	PROJECT MILESTONE	ESTIMATED HOURS
Project Management	Project Initiation	15 – 20 Hours
	Finalize Detailed Project Plan	
	Establish Collaboration Center	
	Schedule and Moderate Status Meetings	
Business Process Assessment	Review Documentation	100 – 140 hours
	Conduct Walkthroughs	
	Document As-is Process	
	Conduct Visioning Sessions	
	Compile Results	
	Prepare Final Report	
	Design Internal Audit Plan to be executed by HCMA	
Estimated Fee Range		\$ 20,000 - \$23,000

### FEE GUARANTY:

- You will not be charged for routine phone calls or consultation.
- You will not be charged for travel time or expenses.
- Our fees will be invoiced monthly as the work is performed and are payable within 30 days.

## REFERENCES

### CHICAGO TRANSIT AUTHORITY

Andrell Holloway  
Chief Internal Auditor  
567 W. Lake Street – 8<sup>th</sup> FL  
Chicago, IL 60661  
(312) 681-3762  
[Aholloway@transitchicago.com](mailto:Aholloway@transitchicago.com)

### INTERNAL AUDIT CO-SOURCING

Work in conjunction with the CTA Internal Audit team on various projects including: User Acceptance Testing of their new Transit Fare system, Supply Chain audit of their automotive and rail parts warehouse, special investigations of fraud, and implementation of a bus/ train driver operating system. Additional assistance with IT procedures as requested.

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### CITY OF DETROIT

Michael Jamison  
Deputy Finance Director  
Coleman A. Young Municipal Ctr  
2 Woodward Ave., Suite 1200  
Detroit, MI 48226  
Office: 313-224-3821  
[jamisonm@detroitmi.gov](mailto:jamisonm@detroitmi.gov)

### FINANCE TRANSFORMATION AND INTERNAL CONTROLS REVIEW

Assessed the design and operating effectiveness of the internal controls within the finance and treasury departments. Developed internal control documentation and made recommendations to strengthen the overall control environment. Assisted management with the redesign of operating processes to work more efficiently and effective.

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### VILLAGE OF FRANKLIN PARK, IL

Ron Heller  
Comptroller  
Village of Franklin Park, IL  
9500 Belmont Ave,  
Franklin Park, IL 60131  
847-671-8223  
[Rheller@voftp.com](mailto:Rheller@voftp.com)

### ASSURANCE SERVICES

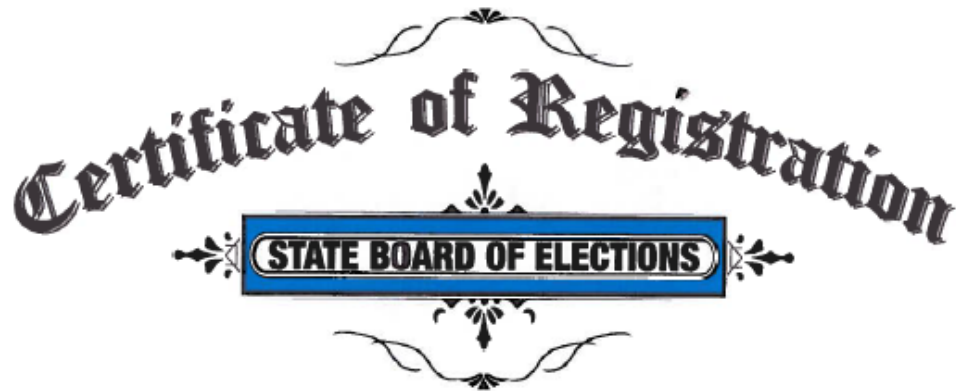
Financial statement audit

# Representative client list.

The list below is a public sector representative client list with management consulting relevant client experience. In addition, our Government Assurance client roster includes over 370 governmental entities, 200 public school districts, 80 colleges and universities, and 560 not-for-profit entities across the country. This list can be made available upon request:

Client Names		
Chicago Transit Authority, IL	Broward County, FL	Cook County Public Guardian, IL
Central Ohio Transit Authority (COTA), OH	City of North Miami Beach, FL	County of Sumner, TN
City of Palo Alto, CA	Town of Hempstead, NY	Dane County, WI
Horry County, SC	Borough of State College, PA	Detroit Water & Sewerage Department, MI
Village of Park Forest, IL	Cape Fear Public Utility Authority, NC	Horry County, SC
City of Arvada, CO	City of Alexandria, VA	Mid-America Regional Council (MARC)
City of Fayetteville, AR	City of Ann Arbor, MI	Muskegon County, MI
City of Baton Rouge, LA	City of Asheville, NC	Shelby Township, MI
City of Long Beach, CA	City of Asheville, NC	St. Louis County, MO
Clarke County, VA	City of Casper, WY	Town of Jupiter, FL
City of Palo Alto, CA	City of Chandler, AZ	Town of Jupiter, FL
City of Ft. Lauderdale, FL	City of Cleveland, OH	Village of Mt. Prospect, IL
St. Lucie County, FL	City of Cooper City, FL	Waukesha County, WI
City of Dublin, OH	City of Corpus Christi, TX	
Village of Elk Grove, IL	City of Detroit, MI	
City of Bend, OR	City of East Lansing, MI	
Village of Fox Lake, IL	City of Elgin, IL	
City of Pinellas Park, FL	Village of Franklin Park, IL	
Village of Woodridge, IL	City of Greenville, NC	
Huron Clinton Metropolitan Authority	City of Kalamazoo, MI	
City of Pueblo, CO	City of Livonia, MI	
Village of Northbrook, IL	City of Mesa, AZ	
City of Flint, MI	City of Miramar, FL	
City of Grand Rapids, MI	City of North Las Vegas, NV	
New Braunfels Utilities, TX	City of Oakland Park, FL	
City of Columbia, MO	City of Owensboro, KY	

# Certificates.



**Registration No. 13860**

**Plante & Moran, PLLC**

P.O. Box 307

Southfield MI 48037-0307

Information for this business last updated on:

Thursday, October 16, 2014

Certificate produced on Thursday, October 16, 2014 at 3:09 PM



{Thank You!}

plante moran

audit • tax • consulting • wealth management

**For more information contact:**

Troy Snyder, Partner  
248-223-3273  
[troy.snyder@plantemoran.com](mailto:troy.snyder@plantemoran.com)  
[plantemoran.com](http://plantemoran.com)





**HURON-CLINTON METROPOLITAN  
AUTHORITY**

**#:** RFP 16-027  
**TITLE:** Internal Audit  
**ISSUE DATE:** April 7, 2016

**PROPOSAL DUE DATE:** **April 22, 2016, 2:00 pm** (prevailing Eastern Time)

**LOCATION:** Huron-Clinton Metropolitan Authority  
Purchasing Department  
13000 High Ridge Drive  
Brighton, Michigan 48114  
(810) 227-2757

**PUBLIC OPENING:** **April 22, 2016, 2:00 pm** (prevailing Eastern Time)

**LOCATION:** Huron-Clinton Metropolitan Authority  
Purchasing Department  
13000 High Ridge Drive  
Brighton, Michigan 48114  
(810) 227-2757

**DESCRIPTION:** The Huron-Clinton Metropolitan Authority ("HCMA") is soliciting bids for an internal audit plan to be used by all Metroparks staff.

A copy of the complete Invitation for Bids or Request for Proposals document may also be obtained from the Purchasing Department, 13000 High Ridge Drive, Brighton, Michigan 48114.

**RESPONSE TO BID CAN BE MADE ONLINE AT BIDNET. Your completed bid can be uploaded back onto bidnet. Any problems contact BIDNET.**

HCMA is committed to an affirmative Action Program to ensure that all citizens have the opportunity for the equality of treatment in service and employment.

**BIDDERS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE REQUEST FOR BIDS DOCUMENT.**

Direct all inquiries to Maria Van Rooijen, Purchasing Agent.

Email: [maria.vanrooijen@metroparks.com](mailto:maria.vanrooijen@metroparks.com)

THIS BID IS OFFERED BY: Plante Moran PLLC

## INSTRUCTIONS TO BIDDERS

### 1. GENERALLY:

- A. All entities submitting a proposal in response to this Invitation for Bids or Request for Proposals (each a "Bidder" or collectively, the "Bidders") must carefully read and thoroughly comply with these Instructions to Bidders, the Special Terms and Conditions, the Internal Control Review Specifications, the Offer and Agreement Form, the Vendor Registration Sheet, and the Bidder Disclosure Statement (together, the "ITB/RFP"), the Huron-Clinton Metropolitan Authority Standard Terms and Conditions for Contracts for Services of \$25,000 or Less attached hereto as Exhibit A and made a part hereof (the "HCMA Standard Terms and Conditions form"), and any addendums to the ITB/RFP. The contractual agreement between HCMA and the Bidder (the "Contract") shall consist of:
  - 1. This ITB/RFP;
  - 2. The Bidder's proposal, including all attachments and accompanying documents;
  - 3. The HCMA Standard Terms and Conditions form; and
  - 4. Written orders for changes in the Bidder's proposal issued after the execution of and in accordance with the Contract.
- B. Proposals shall include all applicable licensing, permitting, regulatory, import and other fees and costs applicable to the Contract.
- C. The Bidder's proposal shall not contain any condition purporting to limit the Bidder's liability for damages, actual, consequential or otherwise, to the price of the contract, and any such condition shall be null, void, and of no force or effect.
- D. The Bidder and its subcontractors shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, national origin, marital status or handicap. The Bidder shall take affirmative action to ensure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age, national origin, marital status or handicap. Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection of training, including apprenticeship. Breach of this covenant may be regarded as a material breach of contract.
- E. Bidder shall comply with all Federal, State, and municipal laws, rules and regulations in the performance of the contract and in the employment of persons, and shall obtain all necessary licenses and permits and pay all fees, taxes and other charges required thereby, and furnish, upon the HCMA's request, evidence of compliance with any law and the payment of any fee, tax or charge. Bidder will defend, indemnify and hold harmless the HCMA against any and all claims, charges, liens, garnishments and levies arising out of Bidder's failure to comply as required by this paragraph.

### 2. BID SUBMISSION:

- A. Bids received after the day and time designated will not be accepted and will be returned to the Bidder that submitted the late bid.
- B. All bids submitted in response to this invitation shall become the property of the HCMA and be a matter of public record available for review. Bidders are advised that after the date and time set for the opening of bids, all proposals and information submitted with their bid will constitute public records subject to disclosure under the Michigan Freedom of Information Act.
- C. Submit bids on [www.govbids.com](http://www.govbids.com) then MITN.
- D. Each bid shall include a description of the Bidder, the state in which the Bidder is licensed to do business (if other than Michigan), and shall include the names, resumes, and experience of the personnel to be assigned to this project. HCMA at its reasonable discretion may require further information from the Bidder, including detailed financial information. Bidder shall promptly provide this information at HCMA's request.
- E. Any alternate bids that are submitted may be considered in the sole discretion of HCMA.
- F. \_\_\_\_\_. If checked, bids must be accompanied by a bid deposit in the amount of \_\_\_\_% of the bid price. The bid deposit of the successful Bidder will be held until the contract has been duly executed by HCMA. The amount of the bid deposit may be forfeited to HCMA as liquidated damages upon the refusal or neglect of the Bidder to proceed. Bid deposits of unsuccessful bidders will be returned by HCMA within forty-five (45) days after the date set for bid opening.

- G. Bidders are solely responsible for any and all costs to prepare their bid, including, but not limited to, any site visits and engineering analysis.
3. **PREPARATION OF BIDS:** The bid shall be signed on the OFFER AND AGREEMENT FORM page. Bidder shall include the full name and address of the Bidder on the VENDOR REGISTRATION SHEET. HCMA is exempt from Federal Excise and State Sales Taxes, and such taxes shall not be included in bid prices.
  4. **SIGNATURES:** All bids, notifications, claims and statements must be signed by an individual authorized to bind the Bidder. Any individual signing a bid document certifies, under penalty of perjury, that he or she has the legal authorization to bind the Bidder.
  5. **REJECTION OR WITHDRAWAL:** Submission of additional terms, conditions or agreements with the bid document is grounds for deeming a bid non-responsive and may result in bid rejection. The HCMA reserves the right to reject any or all bids, to decide whether to waive any informalities and minor irregularities defects in bids, and to negotiate with any bidder. Bids may be withdrawn by giving written notice to HCMA, attention Purchasing Department prior to the date and time set for bid opening. Bids are an irrevocable offer and may not be withdrawn within 90 days after the public opening date.
  6. **AWARD:** Unless otherwise specified in this ITB/RFP, the HCMA reserves the right to accept a bid in whole or in part, and to award by item or by group, whichever the HCMA deems to be in its best interest. Any Bidder who is in default to the HCMA at the time of submittal of the bid shall have his/her bid rejected. The HCMA reserves the right to clarify any contractual terms with the concurrence of the Bidder; however, any substantial non-conformity in the offer, as determined by the HCMA, shall be deemed non-responsive and the offer rejected.  
  
In evaluating bids, the HCMA shall consider the qualifications of the Bidders, and where applicable, location, operating costs, delivery time, maintenance requirements, performance data, and guarantees of materials and equipment. In addition, the HCMA may conduct such investigations as HCMA deems necessary, including those to assist in the evaluation of a Bid and to establish the responsibility, qualifications and financial ability of the Bidders to fulfill the Contract.
  7. **CONTRACT:** A response to an ITB/RFP is an offer to contract with the HCMA based upon the terms, conditions, and specifications contained in this ITB/RFP and the HCMA Standard Terms and Conditions form. All of the terms and conditions of the Contract are contained in the ITB/RFP unless any of the terms and conditions is modified by an ITB/RFP Amendment, a Contract Amendment, or by mutually agreed terms and conditions in the Contract documents.
  8. **CONTRACT COMPLIANCE/AFFIRMATIVE ACTION PROGRAM:** The HCMA is committed to a Contract Compliance/Affirmative Action Program to ensure that all citizens have the opportunity for the equality of treatment in service and employment.
  9. **BID RESULTS:** Bidders interested in receiving a tabulation of this ITB/RFP must include a self-addressed stamped envelope with bid. A bid tabulation will be on file and available for review after Contract award in the HCMA Purchasing Department.
  10. **CHANGES AND ADDENDA TO BID DOCUMENTS:** Every change or addendum issued in relation to the ITB/RFP document will be on file in the HCMA Purchasing Department. In addition, to the extent possible, copies will be mailed to each person registered as having received a set of bid documents. It shall be the Bidder's responsibility to make inquiry as to changes or addenda issued. All such changes or addenda shall become part of the Contract and all Bidders shall be bound by such addenda. Information on all changes or addenda issued will be available at the HCMA Purchasing Department.
  11. **SPECIFICATIONS:** Unless otherwise stated by the Bidder, the bid will be considered as being in accordance with the HCMA applicable standard specifications and any special specifications outlined in the Bid document. References to a particular trade name, manufacturer's catalogue, or model number are made for descriptive purposes to guide the Bidder in interpreting the requirements of the HCMA, and should not be construed as excluding bids on other types of materials, equipment and supplies. However, the Bidder, if awarded a Contract, will be required to furnish the particular item referred to in the specifications or description unless departure or substitution is clearly noted and described in the bid. The HCMA reserves the right to determine if equipment/product being bid is an acceptable alternate. All goods shall be new unless otherwise so stated in the

bid. Any unsolicited alternate bid, or any changes, insertions, or omissions to the terms and conditions, specifications, or any other requirements of this bid, may be considered non-responsive. The HCMA reserves the right to disregard any conflicting terms and conditions submitted by the Bidder and hold the Bidder to the submitted bid price. The HCMA strongly discourages the submittal of anything that is not specifically requested in this solicitation.

12. **DELIVERY:** Bids shall include all charges for delivery, packing, crating, containers, and other shipping-related expenses. Prices bid will be considered as being based on F.O.B. Delivered, freight included, if applicable.
13. **INTERPRETATION OF BID AND/OR CONTRACT DOCUMENTS:** All inquiries shall be made within a reasonable time prior to the date and time fixed for the bid opening in order that a written response in the form of an addendum, if required, can be processed before the bids are opened. (Inquiries received that are not made in a timely fashion may or may not be considered).
14. **CURRENCY:** Prices calculated by the Bidder shall be stated in U.S. dollars.
15. **PRICING:** Prices shall be stated in units of quantity specified in the ITB/RFP Document. In case of discrepancy in computing the amount of the bid, the unit price bid will govern.
16. **VENDOR EVALUATION:** Experience with the HCMA and past work performance shall be taken into consideration when HCMA is evaluating responsibility of the vendor
17. **NOTICE TO PROCEED/PURCHASE ORDER:** The successful Bidder may not commence work under this Contract until authorized to do so by the HCMA Purchasing Department.
18. **CERTIFICATION:** By signature in the offer section of the Offer and Acceptance page, Bidder certifies:
  - A. The submission of the offer did not involve collusion or other anti-competitive practices.
  - B. The Bidder has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer.
  - C. The Bidder hereby certifies that the individual signing the bid is an authorized agent for the Bidder and has the authority to bind the Bidder to the Contract.
  - D. The Bidder hereby certifies that the firm will abide by the COPELAND ANTI-KICKBACK ACT, Title 18, U.S.C. June 25, 1948, Section 874, and Kickbacks from Public Employees.
  - E. The Bidder shall be deemed to have certified that it is not an "Iran-Linked Business" as defined in Act 517, Public Acts of Michigan, 2012, being MCL 129.311 et. seq.
19. The successful bidder will be required to sign the HCMA Standard Service agreement attached to the RFP.

## **SPECIAL TERMS AND CONDITIONS**

1. **PAYMENT:** Payment shall be made monthly, or at the end of each project within 30 days of the submittal of a correct invoice for work performed. Some payments will be by p card/procurement card. Terms defining payment in the proposal supersede this clause.
2. **TERM AND RENEWAL:** The term of the Contract shall commence on the first of the month following award, unless otherwise identified herein or a different date is required and specified by HCMA. The Contract shall remain in effect for a period of one (1) year, unless terminated, canceled or extended as otherwise provided herein. The Bidder agrees that the HCMA shall have the right, upon mutual consent, to renew the Contract for up to two (2) additional one-year periods. In the event that the HCMA exercises such right, all terms, conditions and provisions of the original Contract shall remain the same and apply during the renewal period with the exception of price, as explained in section 3.
3. **PRICE ADJUSTMENT:** For contracts with terms of more than one (1) year, the HCMA may review a fully documented request for a price increase only after the Contract has been in effect for one (1) year. A price increase adjustment shall only be considered at the time of a Contract renewal and shall be a factor in the renewal review process. The HCMA shall determine whether the requested price increase or an alternate option is in the best interest of the HCMA.
4. **QUANTITIES:** In the case of Annual Requirements Contracts, the HCMA reserves the right to increase or decrease the estimated quantity as best fits its needs, and the HCMA does not guarantee maximums or minimums. The HCMA also reserves the right to spot-bid unusually large one-time quantities or to buy outside of this Contract if extenuating circumstances exist.
5. **CONSENT TO REPRESENTATION OF MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.:** By submission of a proposal, the Bidder consents to the representation of the HCMA by Miller, Canfield, Paddock and Stone, P.L.C. Miller, Canfield, Paddock and Stone, P.L.C. represents the HCMA as general counsel and will not represent the bidder in conjunction with the Contract.
6. By signing this ITB/RFP document, Bidder agrees that the Contract shall be governed by the "HURON-CLINTON METROPOLITAN AUTHORITY STANDARD TERMS AND CONDITIONS FOR CONTRACTS FOR SERVICES OF \$25,000 OR LESS," attached hereto as Exhibit A.

## Internal Control Review Specifications

The HCMA is issuing this ITB/RFP to assess the internal control procedures over its cash collection points, develop an internal audit plan, and design a program to be used internally by the HCMA.

**Services Requested:** The selected independent firm will gain access to our internal financial information and systems design. The project will be executed in three phases:

**Phase 1:** You are responsible to assess the level of risk of all cash collection points, document the procedures, associated internal controls, identify risks, and provide recommendations to management.

**Phase 2:** You will develop a rotational internal audit plan, based on the risk rating methodology developed.

**Phase 3:** You will design an internal audit plan, which will be utilized by our staff to execute on the prescribed internal audit plan.

**Submission Process:** Your response to this ITB/RFP should be submitted by April 22, 2016, if you would like to be considered for this project. Your written reply should clearly address the following:

- Background of your organization (years in operation, form of incorporation, state in which the organization is licensed to do business (if not Michigan), headquarters location, etc.)
- Experience in the industry and with internal controls
- Background of the proposed team (biographies, credentials, size of the practice group)
- Primary contact's information, authorized to submit the response
- Approach to this project
- References (3)
- Expected Timeline
- Expected Fees

You may present multiple options or approaches, if you see fit. Additional materials such as examples may be submitted as an appendix to your response.

The successful low bidder shall prepare a written report (in addition to the deliverables described for each phase above) upon completion of the assessment that is to be addressed to the HCMA Board of Commissioners. Your fee estimate should include the cost, plus any estimated expenses. We anticipate the work will be performed during the latter half of the month of July, 2016 and the final report issued by September, 2016. Your submission should include three references from similar projects, preferably for governmental clients.

**Selection:** An internal review process, which will include an informal phone discussion with finalists, is expected to be completed and firms notified of our decision by May 13, 2016.

Key factors in our decision are:

- Ability to meet the needs of HCMA in terms of deliverables and timing
- Experience in internal controls and internal audit
- Governmental experience, particularly parks and recreation departments
- Overall costs

### Background Information:

The HCMA is a regional park system serving Livingston, Macomb, Oakland, Washtenaw and Wayne Counties. It was created by Act 147 of Public Acts of Michigan 1939, as amended. Named after the two longest rivers within its boundaries, the HCMA's main purpose is to benefit the residents of Southeastern Michigan by providing recreational opportunities, preserving the natural environment and educating the public about the culture and natural resources along the Huron and Clinton Rivers. Picnicking, nature study, hike-bike trails, scenic drives, golf, aquatic, interpretive and summer and winter sports are provided at most parks. The Metroparks are designed primarily for day use, although group and rustic family camping is available. Since its inception, the HCMA has created thirteen Metroparks covering nearly 25,000 acres within the five county region. Most Metroparks are 1,000 or more acres. All are located on water, such as a river or lake. Most five-county residents are less than a half hour's drive from their favorite Metroparks. The larger Metroparks are designed to accommodate crowds of 35,000 or more on peak use days and annual attendance is estimated at eight million visits for the system as a whole.

### THE PARKS

Metropark	Acreage	County	District	Amenities
Delhi	53	Washtenaw	Western	Fishing, Picnic Shelters, Play Areas,
Dexter-Huron	122	Washtenaw	Western	Fishing, Picnic Shelters
Hudson Mills	1,549	Washtenaw	Western	Fishing, Picnic Shelters, Play Areas, Trails, Water Slide, X-Country Skiing
Huron Meadows	1,540	Livingston	Western	Fishing, Golf, Picnic Shelters, Play Areas, X-Country Skiing
Indian Springs	2,215	Oakland	Western	Equestrian Trails, Golf, Group Rental Facility, Interpretive, Picnic Shelters, Play Areas, Sledding, Spray Park, Trails
Kensington	4,481	Oakland & Livingston	Western	Boating, Equestrian Trails, Farm & Natural Interpretive, Fishing, Golf, Ice Skating, Picnic Shelters, Play Areas, X-Country Skiing, Sledding, Spray Park, Trails
Lake Erie	1,607	Wayne	Southern	Boating, Fishing, Golf, Interpretive, Play Areas, Ice Skating, X-Country Skiing, Sledding, Trails, Wave Pool
Lake St. Clair	770	Macomb	Eastern	Boating, Fishing, Golf, Group Rental Facility, Interpretive, Play Areas, Pool, Sledding, Spray Park, Trails
Lower Huron	1,258	Wayne	Southern	Fishing, Golf, Pool, Spray Park, Picnic Shelters, Trails
Oakwoods	1,756	Wayne	Southern	Interpretive, Trails
Stony Creek	4,461	Macomb & Oakland	Eastern	Boating, Fishing, Golf, Group Rental Facility, Interpretive, Water Slide, Ice Skating, X-Country Skiing, Sledding, Trails
Willow	1,531	Wayne	Southern	Boating, Fishing, Golf, Pool, Sledding, Trails
Wolcott Mill	2,625	Macomb	Eastern	Equestrian Trails, Farm & Historic Mill, Golf

## ORGANIZATION STRUCTURE

### Board of Commissioners

The governing body of the HCMA is a seven member Board of Commissioners. Two Commissioners, who serve as representatives at large, are appointed by the Governor of Michigan and represent the HCMA region at large. The remaining five Commissioners each represent one of the five member counties and are appointed by the Board of Commissioners of each member county. The Board of Commissioners regularly scheduled Board Meetings are held the second Thursday of each month. Winter meetings are held at the HCMA principal office (13000 High Ridge Drive, Brighton, MI 48114). Summer meetings are held at various Metroparks throughout the system. Public notice of all meetings of the Board of Commissioners is given and posted as required in Act 267, Public Acts of Michigan, 1976, or other applicable State law.

The Board of Commissioners elect a Chairman, a Vice-Chairman, a Secretary and a Treasurer at the annual meeting of the Board of Commissioners (June). The term of each office is for one (1) year, expiring at the time of the following annual meeting of the Board of Commissioners or until their successors are elected.

### Staff Officers:

George Phifer  
Vacant

Director  
Chief Financial Officer (CFO)

### Core Management Team

The HCMA core management team consists of functional Department Heads and District Park Superintendents. Park operations have been divided into three geographical districts, Eastern, Western and Southern. Each Department Head, District Park Superintendent and Human Resources Manager reports to the Director for direction and guidance. The Controller reports to the Chief Financial Officer.

### Executive Office

Rebecca Franchock  
Randy Rossman

Controller  
Human Resources Manager

### Department Head/District Park Superintendents

Michael Lyons  
Kimberly Jarvis  
James Pershing  
Vacant  
Molly Bell  
Paul Muelle  
Nina Kelly  
Michael Brahm-Henkel  
Michael Reese  
Jennifer Hollenbeck

Eastern District Superintendent  
Western District Superintendent  
Southern District Superintendent  
Information Technology Department  
Fund Development Department  
Natural Resources Department  
Planning Department  
Engineering Department  
Police Department  
Interpretive Services Department



#### Revenue Collection Facilities

Primary funding is derived from a quarter mill levy (reduced to .2146) which generates in excess of \$28 million of the \$45 million annual revenue. The majority of the remaining funds are generated by park operations.

There are over 70 separate locations throughout the parks where cash transactions take place. The attached spreadsheet identifies locations as well as current control processes.

It is anticipated that the successful bidder would not review each location but would review a representative sample of the various locations. At a minimum it is expected that one of the district cash offices and front counter operations would be reviewed as well as representative locations for each of the major revenue generating categories of tolling, golf, marina, interpretive and aquatics facilities.

Huron-Clinton Metroparks Cash Handling Locations					
Park	Location	Current Cash Control *	Season Begin	Season End	Annual Sales
Administrative Office	Front Desk	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	10,000
Hudson Mills	AC Food Bar	Cash Register	1-Jan	31-Dec	7,500
Hudson Mills	Golf Course - Food	Point of Sale	1-Mar	30-Nov	52,000
Hudson Mills	Golf Course - Golf	Point of Sale	1-Mar	30-Nov	346,000
Hudson Mills	Park Office	Cash Register	1-Jan	31-Dec	240,000
Hudson Mills	Police Toll Bag	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	6,000
Hudson Mills	PSA Toll Bag	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	100
Hudson Mills	Rip Slide	Cash Box-Prenumbered Tickets/Permits	30-May	5-Sep	34,000
Hudson Mills	Toll Booths	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	400,000
Huron Meadows	Golf Course - Food	Point of Sale	1-Jan	31-Dec	90,000
Huron Meadows	Golf Course - Golf/Ski	Point of Sale	1-Jan	31-Dec	717,000
Huron Meadows	PSA Toll Bag	Cash Box-Prenumbered Tickets/Permits	30-May	5-Sep	100
Huron Meadows	Tolling Attendant	Cash Box-Prenumbered Tickets/Permits	1-Aug	30-Nov	40,000
Indian Springs	EDC	Cash Register	1-Jan	31-Dec	74,000
Indian Springs	Golf Course-Food	Point of Sale	1-Mar	30-Nov	112,000
Indian Springs	Golf Course-Golf	Point of Sale	1-Mar	30-Nov	574,000
Indian Springs	Park Office	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	53,000
Indian Springs	Police Toll Bag	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	200
Indian Springs	Toll Booth	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	212,000
Kensington	3 Toll Booth locations	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	1,936,600
Kensington	Boat Rental	Cash Register	30-May	5-Sep	290,300
Kensington	Disc golf	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	78,900
Kensington	Farm center	Cash Register	1-Jan	31-Dec	113,400
Kensington	Farm Grille	Cash Register	1-Jan	31-Dec	47,800
Kensington	Golf Course - Food	Point of Sale	1-Mar	30-Nov	144,000
Kensington	Golf Course - Golf	Point of Sale	1-Mar	30-Nov	731,800
Kensington	Golf Course - Golf/Ski	Point of Sale	1-Dec	1-Mar	18,400
Kensington	Nature center	Cash Register	1-Jan	31-Dec	31,800
Kensington	Park office	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	540,000
Kensington	Splash & Blast	Cash Register	30-May	5-Sep	252,200
Lake Erie Metropark	Food Bar	Cash Register	Memorial Day	Labor Day	55,000
Lake Erie Metropark	Front Office / Toll Booth	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	536,600
Lake Erie Metropark	Golf Course	Point of Sale	1-Apr	31-Oct	637,000
Lake Erie Metropark	Marina	Cash Register	15-Apr	31-Oct	164,000
Lake Erie Metropark	Museum	Cash Register	1-Jan	31-Dec	12,000
Lake Erie Metropark	Pool	Cash Register	Memorial Day	Labor Day	219,500
Lake Erie Metropark	Police Toll Bag	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	1,000
Lake St Clair	Beach Shop	Cash Register	Memorial Day	Labor Day	22,000
Lake St Clair	Front Desk	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	145,000
Lake St Clair	Marinas	Point of Sale	March	November	22,000
Lake St Clair	Mini Golf	Cash Register	Memorial Day	30-Sep	35,700
Lake St Clair	Nature Center	Cash Register	1-Jan	31-Dec	21,000
Lake St Clair	Par 3/Foot Golf	Cash Register	1-Apr	Varies	55,700
Lake St Clair	Pool	Cash Register	Memorial Day	Labor Day	224,495
Lake St Clair	Tolls	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	1,282,578
Lake St Clair	Train	Other	Memorial Day	Labor Day	11,998
Lower Huron	Par-3 /FootGolf	Cash Register	15-Apr	15-Oct	34,500
Lower Huron	Park Office	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	146,600
Lower Huron	Toll Booth #1	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	268,800
Lower Huron	Toll Booth #2	Cash Box-Prenumbered Tickets/Permits	Memorial Day	Labor Day	71,900
Lower Huron	Toll Booth #3	Cash Box-Prenumbered Tickets/Permits	15-Apr	15-Oct	54,400
Lower Huron	Toll Booth #4	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	78,300
Lower Huron	Turtle Cove/Foodservice	Point of Sale	Memorial Day	Labor Day	137,600
Lower Huron	Turtle Cove/Ticket room	Point of Sale	Memorial Day	Labor Day	774,200
Lower Huron	Police Toll Bag	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	1,000
Oakwoods	Nature Center	Cash Register	1-Jan	31-Dec	45,600
Oakwoods	Toll Booth #9	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	22,700
Stony Creek	Baypoint Beach	Cash Register	Memorial Weekend	Labor Day	1,000
Stony Creek	Boat Rental	Cash Register	15-May	15-Sep	176,000
Stony Creek	Campground Wood	Other	15-May	21-Oct	5,000
Stony Creek	Disc Golf	Cash Box-Prenumbered Tickets/Permits	15-Apr	15-Oct	64,000
Stony Creek	Eastwood Beach	Cash Register	Memorial Weekend	Labor Day	188,000
Stony Creek	Front Desk	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	212,000
Stony Creek	Nature Center	Cash Register	1-Jan	31-Dec	30,000
Stony Creek	Regulation Golf	Point of Sale	1-Apr	15-Nov	904,000
Stony Creek	Tolls	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	1,900,000
Willow	Food Bar	Cash Register	Memorial Day	Labor Day	28,500
Willow	Golf Course	Point of Sale	15-Mar	15-Nov	625,800
Willow	Pool	Cash Register	Memorial Day	Labor Day	77,700
Willow	Toll Booth #7	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	151,400
Willow	Toll Booth #8	Cash Box-Prenumbered Tickets/Permits	1-Jan	31-Dec	127,800
Willow	Washago Pond	Cash Register	1-May	15-Sep	6,300
Wolcott Mill	Regulation Golf	Point of Sale	1-Apr	15-Nov	320,000

**OFFER AND AGREEMENT FORM**

**TO THE HURON-CLINTON METROPOLITAN AUTHORITY:**

The undersigned hereby offers and agrees to furnish the material or service in compliance with all terms, scope of work, conditions, specifications, and amendments in the Contract.

The undersigned hereby states, under penalty of perjury, that all information provided is true, accurate, and complete and states that he/she has HCMA to submit this proposal, which will result in a binding Contract if accepted by the Huron-Clinton Metropolitan HCMA.

We acknowledge receipt of the following addendum(s): Exhibit A, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.

**I certify, under penalty of perjury, that I have the legal authorization to bind the firm hereunder:**

Plante & Moran, PLLC

\_\_\_\_\_  
Company Name

27400 Northwestern HWY.  
\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

Southfield MI 48304  
\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
City State Zip

Troy Snyder  
\_\_\_\_\_  
Signature of Person Authorized to Sign

Troy Snyder  
\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

Partner, Plante Moran, PLLC  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

For clarification of this offer, contact:

Name: Troy Snyder

Phone: 248-352-2500

Fax: 248-352-0018

**VENDOR REGISTRATION SHEET**

Project Name: Internal Audit-Cash Controls \_\_\_\_\_

Product Trade Name: N/A

1. Plante & Moran, PLLC \_\_\_\_\_  
Firm Name

Troy Snyder 248-352-2500  
Contact Name Phone

2. 27400 Northwestern HWY. Southfield, MI 48034  
Address/City/State/Zip

(248) 352 - 2500 (248) 352- 0018 Oakland  
Telephone Fax Number County

3. \_\_\_\_\_  
Name and address of Headquarters/Home Office, if different from above.

4. Is your business incorporated in Michigan? Yes ☒ No ☐

5. If not, has your business obtained a Certificate of Authority to transact business or conduct affairs in Michigan from the Michigan Department of Licensing and Regulatory Affairs?

Yes ☐ No ☐

6. If you answered "no" to both 4 and 5, please explain:

7. What is main function of your business? (Be specific.)

Accounting, Consulting, Tax services

8. Year established 1924

9. Company ownership (if any) Partnership

10. Personnel in development and support, full time and total. 2,300

11. Is the firm Minority Owned? No \_\_\_\_\_

12. Please include a copy of your current business license. Refer to Appendix B within the proposal.

Troy Snyder  
Authorized Signature

\_\_\_\_\_  
Partner, PLLC  
Position Title

**BIDDER DISCLOSURE STATEMENT**

***Disclosure of Familial Relationship***

The Bidder hereby represents and warrants, except as provided below, that no familial relationship exists between the owner(s) or any employees of the Bidder and any HCMA official or HCMA employee.

List and describe any familial relationships: None Noted

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***Disclosure of Substantial Interest in Business***

The Bidder hereby represents and warrants, except as provided below, that no HCMA official or HCMA employee or their immediate family has any substantial interest in the Bidder's business.

List and describe any substantial interest held by a HCMA official, City employee, or their immediate family in Bidder's business:

None Noted

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I certify and swear that to the best of my knowledge, information and belief the above information is true, accurate, and complete.

Signed: Tray Snyder

Title: Partner, Plante Moran PLLC

Bidder: Plante Moran PLLC

Dated: April 22, 2016

**Exhibit A**

**HURON-CLINTON METROPOLITAN AUTHORITY  
STANDARD TERMS AND CONDITIONS  
FOR CONTRACTS FOR SERVICES OF \$25,000 OR LESS**

This provisions of these Terms and Conditions (the "T&Cs") of Huron-Clinton Metropolitan Authority ("HCMA") shall apply to all contracts, purchase orders, agreements, or other arrangements with any contractor (a "Contractor") for the provision of services with a value of \$25,000 or less (an "Agreement"), notwithstanding any statement or provision in the Agreement to the contrary. By entering into an Agreement with HCMA, the Contractor agrees to abide by these Terms and Conditions.

**A. INDEMNIFICATION, RELEASE, LIMITATION OF LIABILITY AND DISCLAIMER OF WARRANTIES.**

1. **Indemnification and Release.** Contractor shall indemnify and hold HCMA harmless from any and all Claims (as defined below) which are incurred by or asserted against HCMA by any person or entity from the negligent acts, performances, errors, or omissions of Contractor or Contractor's Employees, including, without limitation, all Claims relating to injury or death of any person or damage to any property.

The indemnification rights contained in these T&Cs are in excess and over and above any valid and collectible insurance rights/policies. During the term of the Agreement, if the validity or collectability of the Contractor's insurance is disputed by the insurance company, the Contractor shall indemnify HCMA for all claims asserted against the HCMA and if the insurance company prevails, the Contractor shall indemnify the HCMA for uncollectable amounts.

Contractor shall have no rights against HCMA for any indemnification (e.g., contractual, equitable, or by implication), contribution, subrogation, and/or any other right to be reimbursed by HCMA except as expressly provided herein.

Contractor waives and releases all actions, liabilities and damage including any subrogated rights it may have against HCMA based upon any Claim brought against HCMA.

The term "Claims" means any alleged losses, claims, complaints, demands for relief or damages, suits, causes of action, proceedings, judgments, deficiencies, liability, penalties, litigation, costs, and expenses, including, but not limited to, reimbursement for reasonable attorney fees, witness fees, court costs, investigation expenses, litigation expenses, amounts paid in settlement, and/or other amounts or liabilities of any kind which are imposed on, incurred by, or asserted against HCMA, or for which the HCMA may become legally and/or contractually obligated to pay, whether based upon any alleged violation of the federal or the state constitution, any federal or state statute, rule, regulation, or any alleged violation of federal or state common law, whether any such claims are brought in law or equity, tort, contract, or otherwise, and/or whether commenced or threatened.

2. **Limitation of Liability.** Neither Party shall be liable to the other for any amounts representing loss of profit, loss of business, or other incidental, consequential or punitive damages of the other Party under this Agreement.
3. **Disclaimer of Warranties.** HCMA MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, WHETHER EXPRESS OR IMPLIED BY OPERATION OF LAW INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED. WITHOUT LIMITING THE GENERALITY OF THE RIGHTS OF THE HCMA, IN NO EVENT SHALL THE AUTHORITY'S AGGREGATE LIABILITY UNDER OR RELATING TO THE AGREEMENT AT ANY TIME EXCEED THE TOTAL AMOUNT PAID TO THE HCMA AS PROVIDED HEREIN.

**B. DISPUTE RESOLUTION.** Unless the Parties agree otherwise, any claims, disputes or other matters in controversy arising out of or related to the Agreement shall be subject to mediation as provided herein as a condition precedent to litigation:

1. The Party bringing a claim shall give notice to the other Party and, in writing, propose a meeting within fourteen (14) days after the claim arises in which to discuss and attempt to resolve the claim.
2. In the event the meeting between the Parties to resolve the claim does not resolve the dispute or does not take place within said fourteen (14) day period, the Parties shall designate, by mutual agreement, an independent mediator who shall convene a meeting of the parties within a period of fourteen (14) days of the later of the initial meeting between the parties or the date notice was given pursuant to subparagraph (1) above. The mediator shall render his or her decision within fourteen (14) days of said meeting. The Parties may, by mutual written agreement, extend the time periods required under this subparagraph.
3. The purpose of mediation is to attempt to resolve the dispute between the Parties. The mediator shall not be empowered with the authority to render a binding opinion or award.
4. In the event the independent mediator's attempt to resolve the dispute between the Parties fails, then each Party will be free to any claims at law in a court of competent jurisdiction.
5. During the pendency of this alternative dispute resolution process, the Parties agree that any statute of limitations applicable to all claims that are the subject of this process shall be tolled.

- C. **INSURANCE:** The Contractor, or any of their sub-Contractors, shall not commence work under this contract until they have obtained the insurance required under this paragraph, and shall keep such insurance in force during the entire life of this contract. All coverage shall be with insurance companies licensed and admitted to do business in the State of Michigan and acceptable to HCMA. The requirements below should not be interpreted to limit the liability of the Contractor. All deductibles and SIR's are the responsibility of the Contractor.

The Contractor and any sub-Contractor shall procure and maintain the following insurance coverage:

1. Worker's Compensation Insurance including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Michigan.
2. Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$1,000,000 per occurrence and aggregate. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included.
3. Automobile Liability including Michigan No-Fault Coverages, with limits of liability not less than \$1,000,000 per occurrence, combined single limit for Bodily Injury, and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.
4. Liquor Liability Insurance for events where alcohol is served, coverage with limits of liability not less than \$4,000,000 per occurrence and aggregate.
5. Professional Liability, for contracts where professional services are rendered, in an amount not less than \$1,000,000 per occurrence and \$1,000,000 aggregate. If this policy is claims made form, then the contractor shall be required to keep the policy in force, or purchase "tail" coverage, for a minimum of 3 (three) years after the termination of this agreement.
6. Limits of Liability referenced above may be obtained with primary policies or by the use of primary policies and umbrella coverage.
7. Additional Insured: Commercial General Liability, Automobile Liability, and Liquor Liability as described above, shall include an endorsement stating the following shall be *Additional Insureds*: HCMA, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming HCMA as additional insured, coverage afforded is considered to be primary and any other insurance HCMA may have in effect shall be considered secondary and/or excess.
8. Cancellation Notice: All policies, as described above, shall include an endorsement stating that it is understood and agreed Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be sent to: HCMA, attention Executive Director.
9. Proof of Insurance Coverage: The Contractor shall provide HCMA, at the time that the contracts are returned by him/her for execution, a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above shall be furnished, if so requested.
10. Commercial Property Insurance: The Contractor shall be responsible for obtaining and maintaining insurance covering their equipment and personal property against all physical damage.
11. General Insurance Conditions: The aforementioned insurance shall be endorsed, as applicable, and shall contain the following terms, conditions:
  - a. The insurance company(s) issuing the policy(s) shall have no recourse against the HCMA for subrogation, premiums, deductibles, or assessments under any form;
  - b. All policies shall be endorsed to provide a written waiver of subrogation in favor of HCMA
  - c. If any of the above coverages expire during the term of this contract, the Contractor shall deliver renewal certificates and endorsements to (Your Entity) at least ten (10) days prior to the expiration date.

D. **TERMINATION, AMENDMENTS.**

1. Termination. HCMA may terminate and/or cancel the Agreement (or any part thereof) at any time during the term, any renewal, or any extension of the Agreement, upon thirty (30) days written notice to the Contractor, for any reason, including convenience without incurring obligation or penalty of any kind. HCMA may immediately terminate the Agreement for cause upon notice to Contractor if Contractor is in breach of the Agreement. The notice of breach shall include a statement of the facts that cause HCMA to believe Contractor is in breach of the Agreement. The effective date for termination or cancellation shall be clearly stated in the written notice.

HCMA's sole obligation in the event of termination is for payment for actual Services rendered by the Contractor before the effective date of termination. Under no circumstances shall the HCMA be liable for any future loss of income, profits, any consequential damages or any loss of business opportunities, revenues, or any other economic benefit Contractor may have realized but for the termination and/or cancellation of the Agreement. HCMA shall not be obligated to pay Contractor any cancellation or termination fee if the Agreement is cancelled or terminated as provided herein.

Contractor may terminate and/or cancel the Agreement (or any part thereof) at any time upon ninety (90) days written notice to HCMA, if HCMA defaults in any obligation contained herein, and within the ninety (90) notice period the HCMA has failed or has not attempted to cure any such default. The effective date of termination and/or cancellation and the specific alleged default shall be clearly stated in the written notice.



2. Agreement Modifications or Amendments. Any modifications, amendments, recessions, waivers, or releases to the Agreement must be in writing and agreed to by the Parties. Unless otherwise agreed, the modification, amendment, recession, waiver, or release shall be signed by a lawfully authorized employee of Contractor and HCMA.

**E. CONTRACTOR'S REPRESENTATIONS, WARRANTIES AND COVENANTS.**

1. Organization and Good Standing. The Contractor is duly organized, validly existing and in good standing under the laws of the State of Michigan, has all requisite power and authority to own, operate and lease its properties and is duly authorized to do business in the State of Michigan.
2. Power and Authority. The Contractor has all requisite power to enter into the Agreement and to carry out and perform its obligations hereunder. All action required on the part of the Contractor and its officers, and agents for the authorization, execution and delivery of the Agreement and the performance by the Contractor of its obligations hereunder have been taken. The Agreement when executed and delivered, shall constitute the legal and binding obligations of the Contractor in accordance with its terms, subject to (a) judicial principles respecting election of remedies or limiting the availability of specific performance, injunctive relief and other equitable remedies and (b) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect generally relating to or affecting creditors' rights.
2. No Conflict or Breach. The execution, delivery and performance by the Contractor of its obligations under the Agreement will not result in any violation of, be in conflict with or constitute a default under, in any material respect, any material instrument, mortgage, deed of trust, loan, contract, commitment, judgment, decree, order or obligation binding upon the Contractor or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of its properties or assets.
3. No Debarment, Pending Governmental Action or Record of Violations. The Contractor has not been debarred by either the federal, state or any local unit of government from providing services, nor is it currently the subject of any debarment or similar proceedings. The Contractor has no record of violation of any federal, state or local government's procurement, contracting or ethics rules.
4. Conflicts; No Undue or Improper Influence or Inducement. The Contractor represents and warrants that it has disclosed in writing any existing conflicts of interest involving HCMA, and that it will disclose in writing to HCMA any conflicts that arise during the term of the Agreement. The Contractor represents and warrants that it has not, and will not, offer to HCMA or any of HCMA's employees any unlawful inducement, prohibited benefit, or improper incentive to enter into this or any other agreement with HCMA.
5. Performance of Services; Compliance with Law. The Services will be performed in a diligent manner in accordance with industry practices, by individuals of suitable training, skill, and licensure if appropriate. The Contractor's actions and performance of the Services throughout the term of the Agreement shall be in full compliance with all applicable federal, state and local laws, rules, regulations and standards, including all laws applicable to HCMA's operations or to which HCMA is otherwise bound. The Contractor has, and will maintain throughout the term of the Agreement, all licenses, permits, authorizations and approvals necessary for the lawful conduct of its business. No representation or warranty of the Contractor contained in the Agreement contains any untrue statement of material fact or omits to state a material fact necessary to make the statements and facts contained herein not misleading.
6. Full Knowledge of Service Expectations and Attendant Circumstances. Contractor warrants that before entering into the Agreement, it had a full opportunity to review the proposed services, and review all HCMA requirements and/or expectations under the Agreement. The Contractor is responsible for being adequately and properly prepared to execute the Agreement. Contractor has satisfied itself in all material respects that it will be able to perform all obligations under the Agreement as specified herein.

**F. GENERAL PROVISIONS**

1. Taxes. The Contractor shall pay its own local, state and federal taxes, including without limitation, social security taxes, and unemployment compensation taxes. HCMA shall not be liable to or required to reimburse the Contractor for any federal, state and local taxes or fees of any kind.
2. Contractor Employees. Contractor shall solely control, direct, and supervise all Contractor Employees with respect to all Contractor obligations under the Agreement. Contractor will be solely responsible for and fully liable for the conduct and supervision of any Contractor's Employee. All employees of Contractor assigned to work under the Agreement may, at the HCMA's discretion, be subject to a security check and clearance by HCMA.

The term "Contractor Employee" means without limitation, any employees, officers, directors, members, managers, trustees, volunteers, attorneys, and representatives of Contractor, and also includes any licensees, concessionaires, associate researcher, independent sub-Contractor, Contractor's suppliers, subsidiaries, joint ventures or partners, and/or any such persons, successors or predecessors, employees, (whether such persons act or acted in their personal, representative or official capacities), and/or any and all persons acting by, through, under, or in concert with any of the above. "Contractor Employee" shall also include any person who was a Contractor Employee at any time during the term of this Agreement but, for any reason, is no longer employed, appointed, or elected in that capacity.

3. Independent Contractor. The Contractor's relationship to the HCMA is that of an Independent Contractor. Nothing in the Agreement is intended to establish an employer-employee relationship between HCMA and either the Contractor or any Contractor Employee. All Contractor Employees assigned to provide services under the Agreement by the Contractor shall, in all cases, be deemed employees of the Contractor and not employees, agents or sub-Contractor of HCMA.
4. Non Exclusive Agreement. No provision in the Agreement limits, or is intended to limit, in any way the Contractor's right to offer and provide its Services to the general public, other business entities, municipalities, or governmental agencies



during or after the term of the Agreement. Similarly, the Agreement is a non-exclusive agreement and the HCMA may freely engage other persons to perform the same work that the Contractor performs. Except as provided in the Agreement, the Agreement shall not be construed to guarantee the Contractor or any Contractor Employee any number of fixed or certain number or quantity of hours or services to be rendered to HCMA.

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PARK	MONTHLY VEHICLE ENTRIES			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Lake St Clair	22,705	22,459	22,133	3%
Wolcott Mill	4,598	4,842	5,006	-8%
Stony Creek	44,236	35,037	33,716	31%
Indian Springs	6,527	7,150	6,279	4%
Kensington	56,346	64,503	59,002	-5%
Huron Meadows	6,658	7,002	6,121	9%
Hudson Mills	16,238	17,659	18,600	-13%
Lower Huron/Willow/Oakwoods	41,261	39,260	38,438	7%
Lake Erie	18,302	34,063	20,395	-10%
Monthly TOTALS	216,871	231,975	209,691	3%

MONTHLY TOLL REVENUE			
Current	Previous	Prev 3 Yr Avg	Change from Average
\$ 115,219	\$ 78,967	\$ 76,280	51%
\$ 229,036	\$ 199,828	\$ 171,434	34%
\$ 32,209	\$ 30,968	\$ 25,814	25%
\$ 246,433	\$ 215,854	\$ 182,542	35%
\$ 4,655	\$ 4,958	\$ 4,065	15%
\$ 47,694	\$ 48,572	\$ 49,395	-3%
\$ 82,455	\$ 63,505	\$ 55,322	49%
\$ 76,517	\$ 141,962	\$ 83,487	-8%
\$ 834,218	\$ 784,614	\$ 648,340	29%

PARK	Y-T-D VEHICLE ENTRIES			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Lake St Clair	69,411	70,592	68,485	1%
Wolcott Mill	16,285	10,467	10,353	57%
Stony Creek	103,449	85,423	85,560	21%
Indian Springs	16,210	15,219	13,878	17%
Kensington	169,546	168,875	158,440	7%
Huron Meadows	19,761	20,906	19,654	1%
Hudson Mills	42,980	40,579	42,910	0%
Lower Huron/Willow/Oakwoods	128,331	111,306	109,139	18%
Lake Erie	40,905	34,063	33,123	23%
Monthly TOTALS	606,878	557,430	541,541	12%

Y-T-D TOLL REVENUE			
Current	Previous	Prev 3 Yr Avg	Change from Average
\$ 258,134	\$ 214,296	\$ 191,065	35%
\$ 535,994	\$ 434,071	\$ 389,200	38%
\$ 84,393	\$ 67,396	\$ 61,646	37%
\$ 631,468	\$ 493,112	\$ 437,987	44%
\$ 25,358	\$ 34,361	\$ 27,299	-7%
\$ 140,939	\$ 124,255	\$ 122,600	15%
\$ 195,606	\$ 148,409	\$ 128,005	53%
\$ 182,800	\$ 141,962	\$ 126,785	44%
\$2,054,692	\$ 1,657,862	\$1,484,587	38%

PARK	MONTHLY PARK REVENUE			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Lake St Clair	\$ 165,578	\$ 169,900	\$ 117,282	41%
Wolcott Mill	\$ 44,580	\$ 45,643	\$ 42,440	5%
Stony Creek	\$ 365,875	\$ 303,918	\$ 297,019	23%
Indian Springs	\$ 93,770	\$ 74,896	\$ 70,510	33%
Kensington	\$ 360,605	\$ 324,246	\$ 283,801	27%
Huron Meadows	\$ 57,965	\$ 53,800	\$ 47,837	21%
Hudson Mills	\$ 81,560	\$ 81,360	\$ 96,236	-15%
Lower Huron/Willow/Oakwoods	\$ 140,328	\$ 111,789	\$ 105,423	33%
Lake Erie	\$ 133,777	\$ 120,573	\$ 129,930	3%
Y-T-D TOTALS	\$ 1,444,038	\$ 1,286,125	\$ 1,190,478	21%

Y-T-D PARK REVENUE			
Current	Previous	Prev 3 Yr Avg	Change from Average
\$ 363,069	\$ 345,758	\$ 265,797	37%
\$ 67,107	\$ 79,831	\$ 72,687	-8%
\$ 736,158	\$ 604,277	\$ 582,034	26%
\$ 181,503	\$ 131,976	\$ 132,019	37%
\$ 863,890	\$ 720,633	\$ 637,642	35%
\$ 107,093	\$ 108,688	\$ 93,312	15%
\$ 201,170	\$ 188,766	\$ 199,099	1%
\$ 276,275	\$ 215,244	\$ 196,555	41%
\$ 268,307	\$ 214,412	\$ 222,049	21%
\$3,064,572	\$ 2,609,586	\$2,401,194	28%

District	Y-T-D Vehicle Entries by Management Unit			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Eastern	189,145	166,482	164,398	15%
Western	248,497	245,579	234,881	6%
Southern	169,236	145,369	142,262	19%

Y-T-D Total Revenue by Management Unit			
Current	Previous	Prev 3 Yr Avg	Change from Average
1,166,334	1,029,866	920,518	27%
1,353,656	1,150,063	1,062,072	27%
544,582	429,656	418,604	30%

GOLF THIS MONTH	MONTHLY ROUNDS			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Wolcott Mill	835	689	471	77%
Stony Creek	1,903	2,106	1,856	3%
Indian Springs	1,597	1,598	1,297	23%
Kensington	2,087	2,239	1,954	7%
Huron Meadows	1,804	1,956	1,646	10%
Hudson Mills	962	1,024	947	2%
Willow	1,657	1,607	1,067	55%
Lake Erie	1,622	1,594	1,211	34%
Total Regulation	12,467	12,813	10,449	19%
LSC Par 3	366	282	316	16%
LSC Foot Golf	41	5	2	2360%
L. Huron Par 3	350	192	211	66%
L. Huron Foot Golf	43	22	7	486%
Total Golf	13,267	13,314	10,985	21%

GOLF Y-T-D	GOLF ROUNDS Y-T-D			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Wolcott Mill	863	689	471	83%
Stony Creek	2,066	2,106	1,856	11%
Indian Springs	1,804	1,598	1,297	39%
Kensington	2,389	2,239	1,954	22%
Huron Meadows	2,141	1,956	1,646	30%
Hudson Mills	1,088	1,024	947	15%
Willow	1,657	1,612	1,068	55%
Lake Erie	1,783	1,594	1,211	47%
Total Regulation	13,791	12,818	10,450	32%
LSC Par 3	382	286	319	20%
LSC Foot Golf	45	5	2	2600%
L. Huron Par 3	350	192	211	66%
L. Huron Foot Golf	43	22	7	486%
Total Golf	14,611	13,323	10,990	33%

AQUATICS THIS MONTH	PATRONS THIS MONTH			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Lake St. Clair	0	0	0	-
Stony Creek Rip Slide	0	0	0	-
KMP Splash	0	0	0	-
Hudson Mills Rip Slide	0	0	0	-
Lower Huron	0	0	0	-
Willow	0	0	0	-
Lake Erie	0	0	0	-
TOTALS	0	0	0	-

AQUATICS Y-T-D	PATRONS Y-T-D			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Lake St. Clair	0	0	0	-
Stony Creek Rip Slide	0	0	0	-
KMP Splash	0	0	0	-
Hudson Mills Rip Slide	0	0	0	-
Lower Huron	0	0	0	-
Willow	0	0	0	-
Lake Erie	0	0	0	-
TOTALS	0	0	0	-

MONTHLY REVENUE			
Current	Previous	Prev 3 Yr Avg	Change from Average
\$ 21,945	\$ 15,162	\$ 10,246	114%
\$ 56,317	\$ 53,430	\$ 76,280	-26%
\$ 37,140	\$ 34,975	\$ 34,554	7%
\$ 46,573	\$ 38,075	\$ 46,789	0%
\$ 45,744	\$ 41,546	\$ 39,017	17%
\$ 17,980	\$ 16,672	\$ 31,267	-42%
\$ 45,728	\$ 37,570	\$ 40,013	14%
\$ 42,568	\$ 29,643	\$ 51,156	-17%
\$ 313,996	\$ 267,072	\$ 329,322	-5%
\$ 2,332	\$ 1,844	\$ 1,819	28%
\$ 294	\$ 35	\$ 35	740%
\$ 2,415	\$ 1,261	\$ 1,459	66%
\$ 309	\$ 144	\$ 48	544%
\$ 319,346	\$ 270,356	\$ 332,683	-4%

GOLF REVENUE Y-T-D			
Current	Previous	Prev 3 Yr Avg	Change from Average
\$ 22,593	\$ 15,162	\$ 10,246	120%
\$ 60,569	\$ 53,430	\$ 81,382	-26%
\$ 41,782	\$ 34,975	\$ 34,554	21%
\$ 53,130	\$ 38,075	\$ 46,789	14%
\$ 53,356	\$ 41,546	\$ 39,017	37%
\$ 20,299	\$ 16,672	\$ 31,267	-35%
\$ 48,217	\$ 37,679	\$ 40,050	20%
\$ 46,494	\$ 29,643	\$ 51,198	-9%
\$ 346,440	\$ 267,181	\$ 334,503	4%
\$ 2,378	\$ 1,866	\$ 1,838	29%
\$ 322	\$ 35	\$ 35	820%
\$ 2,415	\$ 1,261	\$ 1,459	66%
\$ 309	\$ 144	\$ 48	544%
\$ 351,864	\$ 270,487	\$ 337,882	4%

MONTHLY REVENUE			
Current	Previous	Prev 3 Yr Avg	Change from Average
\$ -	\$ -	\$ -	-
\$ -	\$ -	\$ -	-
\$ 800	\$ 800	\$ 533	50%
\$ -	\$ -	\$ -	-
\$ -	\$ -	\$ -	-
\$ -	\$ -	\$ -	-
\$ -	\$ -	\$ -	-
\$ 800	\$ 800	\$ 533	50%

REVENUE Y-T-D			
Current	Previous	Prev 3 Yr Avg	Change from Average
\$ -	\$ -	\$ -	-
\$ -	\$ -	\$ -	-
\$ 2,290	\$ 2,050	\$ 1,283	78%
\$ -	\$ -	\$ -	-
\$ -	\$ -	\$ -	-
\$ -	\$ -	\$ -	-
\$ -	\$ -	\$ -	-
\$ 2,290	\$ 2,050	\$ 1,283	78%

PARK	Seasonal Activities this Month			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Lake St. Clair				
Welsh Center	2	1	4	-50%
Shelters	41	0	0	-
Boat Launches	232	10	47	394%
Marina	0	0	0	-
Mini-Golf	0	0	0	-
Wolcott				
Activity Center	7	9	10	-30%
Stony Creek				
Disc Golf Daily	1,969	2,206	2,155	-9%
Disc Golf Annual	42	46	30	42%
Total Disc Golf	2,011	2,252	2,184	-8%
Shelters	62	68	61	1%
Boat Rental	0	0	0	-
Boat Launches	21	150	97	-78%
Indian Springs				
Shelters	8	1	3	167%
Event Room	5	0	576	-99%
Kensington				
Disc Golf Daily	2,181	5,165	3,676	-41%
Disc Golf Annual	34	95	61	-44%
Total Disc Golf	2,215	5,260	3,737	-41%
Shelters	47	64	73	-36%
Boat Rental	0	0	0	-
Huron Meadows				
Shelters	5	6	4	25%
Hudson Mills				
Disc Golf Daily	736	1,582	1,493	-51%
Disc Golf Annual	22	59	45	-51%
Total Disc Golf	758	1,641	1,537	-51%
Shelters	17	18	20	-15%
Canoe Rental	0	0	0	-
Lower Huron / Willow / Oakwoods				
Shelters	38	41	36	5%
Lake Erie				
Shelters	9	27	19	-52%
Boat Launches	2,692	2,651	2,057	31%
Marina	0	0	0	-

Monthly Revenue			
Current	Previous	Prev 3 Yr Avg	Change from Average
\$ 1,825	\$ 6,400	\$ 2,800	-35%
\$ 9,275	\$ 7,850	\$ 9,842	-6%
\$ -	\$ -	\$ -	-
\$ 28	\$ -	\$ 26	8%
\$ -	\$ -	\$ -	-
\$ 1,000	\$ 2,100	\$ 2,200	-55%
\$ 5,907	\$ 6,618	\$ 5,040	17%
\$ 2,230	\$ 2,080	\$ 1,390	60%
\$ 8,137	\$ 8,698	\$ 6,430	27%
\$ 13,935	\$ 13,500	\$ 12,233	14%
\$ -	\$ 5	\$ 2	-
\$ -	\$ -	\$ -	-
\$ 1,000	\$ 600	\$ 733	36%
\$ 10,200	\$ 2,170	\$ 3,227	216%
\$ 6,543	\$ 10,561	\$ 7,403	-12%
\$ 1,770	\$ 4,614	\$ 2,933	-40%
\$ 8,313	\$ 15,175	\$ 10,336	-20%
\$ 12,525	\$ 14,425	\$ 15,608	-20%
\$ -	\$ -	\$ -	-
\$ 1,000	\$ 1,200	\$ 800	25%
\$ 2,208	\$ 4,746	\$ 3,513	-37%
\$ 1,190	\$ 2,870	\$ 2,120	-44%
\$ 3,398	\$ 7,616	\$ 5,633	-40%
\$ 3,400	\$ 3,600	\$ 3,950	-14%
\$ -	\$ -	\$ -	-
\$ 8,500	\$ 8,800	\$ 7,717	10%
\$ 1,800	\$ 5,900	\$ 4,000	-55%
\$ -	\$ -	\$ -	-
\$ 11,345	\$ 22,861	\$ 13,065	-13%

PARK	Seasonal Activities Y-T-D			
	Current	Previous	Prev 3 Yr Avg	Change from Average
Lake St. Clair				
Welsh Center	8	14	14	-44%
Shelters	91	0	0	-
Boat Launches	250	10	48	424%
Marina	0	0	0	-
Mini-Golf	0	0	0	-
Wolcott				
Activity Center	28	28	30	-6%
Stony Creek				
Disc Golf Daily	2,493	2,553	2,479	1%
Disc Annual	92	69	53	75%
Total Disc Golf	2,585	2,622	2,531	2%
Shelters	155	156	149	4%
Boat Rental	0	0	0	-
Boat Launches	21	155	99	-79%
Indian Springs				
Shelters	18	14	15	17%
Event Room	19	250	743	-97%
Kensington				
Disc Golf Daily	3,931	5,456	3,819	3%
Disc Annual	109	132	86	27%
Total Disc Golf	4,040	5,588	3,905	3%
Shelters	152	215	196	-23%
Boat Rental	0	0	0	-
Huron Meadows				
Shelters	11	12	10	6%
Hudson Mills				
Disc Golf Daily	1,775	2,129	2,076	-15%
Disc Annual	85	112	92	-8%
Total Disc Golf	1,860	2,241	2,168	-14%
Shelters	42	50	47	-11%
Canoe Rental	0	0	0	-
Lower Huron / Willow / Oakwoods				
LH Shelters	118	111	112	5%
Lake Erie				
Shelters	26	27	36	-28%
Boat Launches	3,936	2,651	2,335	69%
Marina	0	0	0	-

Seasonal Revenue Y-T-D			
Current	Previous	Prev 3 Yr Avg	Change from Average
\$ 6,475	\$ 16,850	\$ 9,217	-30%
\$ 22,825	\$ 24,425	\$ 26,375	-13%
\$ -	\$ -	\$ -	-
\$ 28	\$ -	\$ 26	8%
\$ -	\$ -	\$ -	-
\$ 6,500	\$ 7,200	\$ 7,800	-17%
\$ 7,479	\$ 11,658	\$ 7,137	5%
\$ 4,900	\$ 5,140	\$ 2,987	64%
\$ 12,379	\$ 16,798	\$ 10,124	22%
\$ 30,810	\$ 31,300	\$ 30,767	0%
\$ -	\$ 5	\$ 2	-
\$ -	\$ -	\$ -	-
\$ 3,000	\$ 2,700	\$ 3,033	-1%
\$ 33,300	\$ 16,210	\$ 19,340	72%
\$ 11,793	\$ 10,852	\$ 7,591	55%
\$ 5,855	\$ 6,494	\$ 4,143	41%
\$ 17,648	\$ 17,346	\$ 11,734	50%
\$ 39,535	\$ 48,200	\$ 42,473	-7%
\$ -	\$ -	\$ -	-
\$ 2,200	\$ 2,400	\$ 2,133	3%
\$ 5,325	\$ 6,387	\$ 4,862	10%
\$ 4,555	\$ 5,400	\$ 4,387	4%
\$ 9,880	\$ 11,787	\$ 9,249	7%
\$ 8,400	\$ 10,000	\$ 9,417	-11%
\$ -	\$ -	\$ -	-
\$ 25,925	\$ 24,500	\$ 23,667	10%
\$ 5,700	\$ 5,900	\$ 7,000	-19%
\$ -	\$ -	\$ -	-
\$ 25,257	\$ 22,861	\$ 24,914	1%

INTERPRETIVE FACILITIES									
PARK	Monthly Patrons Served					YTD Patrons Served			
	(total program participants and non-program visitors)					(total program participants and non-program visitors)			
	Current	Previous	Prev 3 Yr Avg	Change from Average		Current	Previous	Prev 3 Yr Avg	Change from Average
Lake St Clair	14,211	22,176	12,129	17%		27,376	52,576	26,651	3%
Wolcott Mill	3,237	5,727	2,988	8%		10,625	11,233	7,286	46%
Wolcott Farm	9,144	35,982	15,042	-39%		15,819	49,302	21,707	-27%
Stony Creek	17,465	29,415	15,627	12%		56,564	74,759	43,774	29%
Eastern Mobile Center	2,140	0	2,140	0%		2,216	0	2,216	0%
Indian Springs	6,559	18,210	8,256	-21%		19,145	44,296	21,147	-9%
Kens NC	23,350	56,394	26,581	-12%		76,136	139,159	71,765	6%
Kens Farm	44,815	83,893	42,903	4%		80,133	146,357	75,497	6%
Western Mobile Center	2,278	5,461	2,580	-12%		7,318	18,317	8,545	-14%
Hudson Mills	2,736	8,061	3,599	-24%		12,943	30,996	14,646	-12%
Oakwoods	14,099	22,594	12,231	15%		48,955	69,165	39,373	24%
Lake Erie	9,900	13,324	7,741	28%		26,368	48,063	24,810	6%
Southern Mobile Center	731	0	731	0%		731	0	731	0%
Totals	150,665	301,237	152,548	-1%		384,329	684,223	358,149	7%

PARK	Monthly Revenue				YTD Revenue			
	Current	Previous	Prev 3 Yr Avg	Change from Average	Current	Previous	Prev 3 Yr Avg	Change from Average
Lake St Clair	\$ 2,724	\$ 1,223	\$ 1,855	47%	\$ 8,750	\$ 5,388	\$ 5,941	47%
Wolcott Mill	\$ 1,640	\$ 641	\$ 989	66%	\$ 4,373	\$ 4,285	\$ 3,941	11%
Wolcott Farm	\$ 17,045	\$ 19,556	\$ 18,427	-8%	\$ 25,580	\$ 26,116	\$ 23,507	9%
Wagon Rides	\$ 2,200	\$ 5	\$ 1,016	116%	\$ 2,787	\$ 30	\$ 1,172	138%
Livestock/Produce	\$ 750	\$ 4,833	\$ 5,678	-87%	\$ 5,274	\$ 13,372	\$ 14,601	-64%
FARM TOTAL	\$ 19,995	\$ 24,394	\$ 25,122	-20%	\$ 33,641	\$ 39,518	\$ 39,279	-14%
Stony Creek	\$ 1,057	\$ 1,583	\$ 1,455	-27%	\$ 7,597	\$ 7,002	\$ 7,139	6%
Indian Springs	\$ 4,149	\$ 2,395	\$ 3,420	21%	\$ 8,062	\$ 6,452	\$ 9,753	-17%
Kens NC	\$ 2,143	\$ 1,262	\$ 1,529	40%	\$ 9,865	\$ 5,482	\$ 5,187	90%
Kens Farm	\$ 4,709	\$ 7,596	\$ 7,210	-35%	\$ 24,921	\$ 23,483	\$ 22,701	10%
Wagon Rides	\$ 4,232	\$ 4,102	\$ 3,806	11%	\$ 7,048	\$ 12,064	\$ 8,625	-18%
Livestock/Produce	\$ 865	\$ 1,958	\$ 1,321	-34%	\$ 1,979	\$ 9,571	\$ 8,017	-75%
FARM TOTAL	\$ 9,806	\$ 13,656	\$ 12,337	-21%	\$ 33,948	\$ 45,118	\$ 39,343	-14%
Mobile Center	\$ 663	\$ 1,953	\$ 1,623	-59%	\$ 1,079	\$ 9,915	\$ 7,352	-85%
Hudson Mills	\$ 824	\$ 764	\$ 1,480	-44%	\$ 5,973	\$ 6,700	\$ 6,646	-10%
Oakwoods	\$ 921	\$ 509	\$ 865	7%	\$ 3,803	\$ 3,251	\$ 3,327	14%
Lake Erie	\$ 1,041	\$ 4,988	\$ 2,178	-52%	\$ 3,257	\$ 4,988	\$ 3,074	6%
Totals	\$ 44,964	\$ 53,368	\$ 52,854	-15%	\$ 120,348	\$ 138,098	\$ 130,980	-8%

BREAKDOWN OF ATTENDANCE	ON-SITE Programs and Attendance			
	CURRENT YEAR		PREVIOUS YEAR	
	Programs	Attendance	Programs	Attendance
Lake St Clair	96	2,042	60	1,923
Wolcott Mill	9	450	7	264
Wolcott Farm	76	4,429	66	6,416
Stony Creek	43	1,098	45	959
Eastern Mobile Center				
Indian Springs	46	2,188	122	3,993
Kens NC	25	838	31	1,037
Kens Farm	240	6,272	212	5,288
Western Mobile Center				
Hudson Mills	4	122	11	302
Oakwoods	30	661	18	422
Lake Erie	20	767	18	1,061
Southern Mobile Center				
Totals	589	18,867	590	21,665

BREAKDOWN OF ATTENDANCE	OTHER VISITORS (Non-programs)	
	Current	Previous
Lake St Clair	12,146	8,405
Wolcott Mill	2,787	2,229
Wolcott Farm	4,665	6,711
Stony Creek	16,155	15,345
Indian Springs	3,729	5,118
Kens NC	22,512	26,208
Kens Farm	38,543	36,864
Hudson Mills	2,500	2,500
Oakwoods	13,116	8,716
Lake Erie	8,979	1,165
Totals	125,132	113,261

OFF-SITE Programs and Attendance			
CURRENT YEAR		PREVIOUS YEAR	
Programs	Attendance	Programs	Attendance
2	23	5	121
-	-	-	-
2	50	1	900
3	212	3	370
6	2,140	-	-
17	642	12	984
-	-	6	646
-	-	1	1,062
44	2,278	57	3,109
4	114	3	518
4	322	2	145
3	154	-	-
8	605	-	-
93	6,540	90	7,855

"ON-SITE" - Statistics includes both programs offered to the public and programs offered to school and scout groups.

"OFF-SITE" - Statistics includes outreach programs at schools, special events such as local fairs, or outdoor related trade shows.

"OTHER VISITORS" - Represents patrons to interpretive centers who visit to view exhibits, walk trails, and generally just enjoy the outdoors.





**HURON-CLINTON METROPOLITAN AUTHORITY  
EMPLOYEES' RETIREMENT PLAN**

**ANNUAL ACTUARIAL VALUATION AND GASB STATEMENTS NO. 67  
AND NO. 68 PLAN REPORTING AND ACCOUNTING SCHEDULES  
DECEMBER 31, 2015**

March 18, 2016

Huron-Clinton Metropolitan Authority  
Employees' Retirement Plan  
Brighton, Michigan

**Re: Huron-Clinton Metropolitan Authority Employees' Retirement Plan Actuarial Valuation  
as of December 31, 2015**

Ladies and Gentlemen:

The results of the December 31, 2015 Annual Actuarial Valuation of the Huron-Clinton Metropolitan Authority Employees' Retirement Plan are presented in this report.

This report was prepared at the request of the Authority and is intended for use by the Authority and those designated or approved by the Authority. This report may be provided to parties other than the Authority only in its entirety and only with the permission of the Authority.

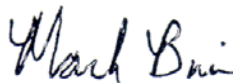
The purpose of the valuation is to measure the Plan's funding progress, to determine the employer contribution rate for the fiscal year ending December 31, 2016, and to provide actuarial information in connection with applicable Governmental Accounting Standards Board (GASB) Statements.

Mark Buis and James D. Anderson are experienced in performing valuations for public retirement systems, are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

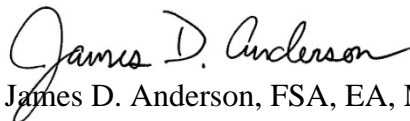
Please see the following page for additional disclosures required by the Actuarial Standards of Practice.

To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Huron-Clinton Metropolitan Authority Employees' Retirement Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

Respectfully submitted,



Mark Buis, FSA, FCA, EA, MAAA



James D. Anderson, FSA, EA, MAAA

MB/JDA:mrbb

## **ADDITIONAL DISCLOSURES REQUIRED BY ACTUARIAL STANDARDS OF PRACTICE**

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuary's assignment, the actuary did not perform an analysis of the potential range of such future measurements.

This report should not be relied on for any purpose other than the purpose described in the primary communication. Determinations of the financial results associated with the benefits described in this report in a manner other than the intended purpose may produce significantly different results.

The signing actuaries are independent of the plan sponsor.

The valuation was based upon information furnished by the Authority, concerning Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the Authority.

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## **A. BASIC DATA**

Data necessary for the valuation was provided to us by the Authority for employees who are covered under the Plan as of December 31, 2015. Table 4 sets forth a distribution of the 153 active employees. In addition, there are 151 retirees and beneficiaries and 16 terminated vested employees included in this valuation. This compares with 159 active participants, 150 retirees and beneficiaries, and 18 terminated vested employees valued in the previous valuation of December 31, 2014.

## **B. PLAN PROVISIONS**

This valuation is based on the provisions of the Plan as of December 31, 2015 which are summarized in Table 5.

Plan funding is provided through a combination of Authority contributions and income from invested assets. The December 31, 2015 actuarial value of assets is developed in Table 2. The actuarial value of assets is \$54,429,972 as of the valuation date.

## **C. VALUATION RESULTS**

As indicated above, the more detailed results of our valuation are presented in Table 1. In Section A of the table, we show the number of covered employees, total annual earnings, average annual pension for current retirees and beneficiaries, actuarial accrued liability and normal cost based on the Plan in effect on December 31, 2015.

Section B contains the calculation of the recommended contribution on a closed 30-year funding basis. This funding basis amortizes the effect of Plan improvements, gains and losses, and changes in assumptions over 30 years with 25.75 years remaining as of the valuation date. Gains and losses are not separately amortized. Increases in liability associated with the 2012 and 2013 Early Retirement Windows were amortized over 5 years. The recommended contribution based on the December 31, 2015 valuation is \$2,449,953 a decrease of \$267,312 from the 2014 valuation result.

### **C. VALUATION RESULTS (CONCLUDED)**

One way in which the Plan's experience impacts the cost is the effect on the unfunded accrued liability. This is referred to as the experience gain or loss for the year. There was a net gain to the plan of \$836,943, as shown in Table 3. The primary source of the gain was additional employer contributions made for the year ending December 31, 2015.

For the plan year ending December 31, 2015, the return on the market value of assets was (1.68)%. Asset gains or losses are not recognized immediately in the funding value of assets, but rather are spread equally over a 5-year period.

Table 7 has been prepared to show a comparison of the December 31, 2015 valuation results with the results from the prior valuation. The recommended contribution developed in the December 31, 2014 valuation for the Fiscal Year ending December 31, 2015 was \$2,717,265. The recommended contribution for the Fiscal Year ending December 31, 2016 equals \$2,449,953. The funded status has increased from 74.03% last year to 78.83%.

The Pension Committee of the Huron-Clinton Metropolitan Authority Employees' Retirement Plan confirms that the Plan provides for payment of the required employer contribution as described in Section 20m of Michigan Public Act No. 728.

We also note that GASB Statement Nos. 67 and 68 are effective for the fiscal years beginning after June 15, 2013, and June 15, 2014. This information is shown in the Appendix of this report.

# TABLE 1

## SUMMARY OF RESULTS

### A. Basic Data, Unfunded Actuarial Accrued Liability and Annual Normal Cost as of December 31, 2015

1. Active Participants	
(a) Number	153
(b) Total Annual Earnings	\$10,067,888
(c) Average Annual Earnings	\$ 65,803
2. Retired Participants	
(a) Number	151
(b) Average Annual Pension	\$ 25,833
3. Actuarial Accrued Liability	
(a) Active Participants	\$29,633,175
(b) Retirees	38,264,832
(c) Terminated with Vested Rights	1,152,685
(d) Total	69,050,692
4. Actuarial Value of Assets as of December 31, 2015*	\$54,429,972
5. Unfunded Actuarial Accrued Liability on December 31, 2015	\$14,620,720
(a) Portion due to 2012 Early Retirement Window	529,492
(b) Portion due to 2013 Early Retirement Window	109,719
(c) Remaining portion	13,981,509
6. Funded Ratio	78.8%

### B. Determination of Recommended Contribution

1. Annual Normal Cost	\$ 962,488
2. Amortization Payment	\$ 1,487,465
(a) Portion due to 2012 Early Retirement Window	276,030
(b) Portion due to 2013 Early Retirement Window	39,574
(c) Remaining portion (25.75 years)	\$ 1,171,861
3. Expected Seasonal Employee Payouts	0
4. Recommended Contribution **	\$ 2,449,953

\* See Table 2.

\*\* Please note that this is the total recommended contribution and should be reduced by any expected member contributions to determine the amount of employer contribution.



**TABLE 2**  
**DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS**

<b>Year Ended December 31:</b>	<b>2014#</b>	<b>2014**</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
A. Funding Value Beginning of Year	\$45,492,667	\$47,924,387	\$50,712,814				
B. Market Value End of Year	49,126,418	51,339,972	51,241,923				
C. Market Value Beginning of Year	46,860,139 *	49,126,418	51,339,972				
D. Non-Investment Net Cash Flow	(1,070,620)	1,881,642	770,369				
E. Investment Income							
E1. Market Total: B - C - D	3,336,899	331,912	(868,418)				
E2. Amount for Immediate Recognition (7.25%)	3,259,408	862,573	3,704,605				
E3. Amount for Phased-in Recognition: E1 - E2	77,491	(530,661)	(4,573,023)				
F. Phased-In Recognition of Investment Income							
F1. Current Year: 0.20 x E3	15,498	(26,533)	(914,605)				
F2. First Prior Year	43,170	3,875	156,790	\$(914,605)			
F3. Second Prior Year	95,514	10,793	0	156,790	\$(914,605)		
F4. Third Prior Year	128,797	23,879	0	0	156,790	\$(914,605)	
F5. Fourth Prior Year	(40,048)	32,199	0	0	0	156,792	\$(914,603)
F6. Total Recognized Investment Gain	242,932	44,212	(757,816)	(757,816)	(757,816)	(757,814)	(914,603)
G. Funding Value End of Year: A + D + E2 + F6	47,924,387	50,712,814	54,429,972				
H. Difference Between Funding & Market Value	1,202,031	627,158	(3,188,049)	(2,430,233)	(1,672,417)	(914,603)	0
I. Recognized Funding Value Rate of Return	7.79 %	1.86 %	5.77 %				
J. Recognized Market Value Rate of Return	7.20%	0.66%	(1.68)%				

# Valuation date September 30<sup>th</sup>.

\* Beginning year assets were changed to reflect adjusted assets received.

\*\* Adjusted for 3 month valuation.

**TABLE 3**

**DERIVATION OF ACTUARIAL GAIN (LOSS)**

Actual experience will usually not coincide exactly with assumed experience. It is expected that gains and losses will cancel each other over a period of years, but sizable year-to-year fluctuations are common. Detail on the derivation of the experience gain (loss) is shown below.

<b>Year Ended December 31:</b>	<b>2015</b>
(1) UAAL* at start of year (December 31, 2014)	\$ 17,790,270
(2) Employer normal cost from last valuation	1,004,317
(3) Actual employer contributions	4,500,000
(4) Interest accrual:	1,163,076
(5) Expected UAAL before changes: (1) + (2) - (3) + (4)	15,457,663
(6) Change from benefit improvements / Early Retirement Window	0
(7) Change from revised actuarial assumptions/methods	0
(8) Expected UAAL after changes: (5) + (6) + (7)	15,457,663
(9) Actual UAAL at end of year (December 31, 2015)	14,620,720
(10) Gain (loss): (8) - (9)	836,943
(11) Gain (loss) as percent of actuarial accrued liabilities at start of year (\$68,503,084)	1.2%

\* *Unfunded actuarial accrued liability.*

**TABLE 4****DISTRIBUTION OF PARTICIPANTS AS OF DECEMBER 31, 2015**

<b>Attained Age</b>	<b>Years of Service to Valuation Date</b>							<b>Totals</b>	
	<b>0-4</b>	<b>5-9</b>	<b>10-14</b>	<b>15-19</b>	<b>20-24</b>	<b>25-29</b>	<b>30 Plus</b>	<b>No.</b>	<b>Valuation Payroll</b>
30-34		3						3	\$ 180,461
35-39		6	4	1				11	747,767
40-44	1	2	10	9	2			24	1,581,853
45-49		4	4	10	8	2		28	1,806,974
50-54		2	6	4	5	8	4	29	1,889,592
55-59	2	3	5	6	8	8	12	44	2,909,972
60	1		1	1		1	1	5	345,547
61				1	2	1		4	270,527
63							1	1	88,444
64						1		1	65,624
65			1					1	60,195
66							1	1	60,466
68							1	1	60,466
<b>Totals</b>	<b>4</b>	<b>20</b>	<b>31</b>	<b>32</b>	<b>25</b>	<b>21</b>	<b>20</b>	<b>153</b>	<b>\$10,067,888</b>

Average Age: 50.47

Average Age at Hire: 31.34

Approximate No. Fully Vested: 129

Percentage of Females in Total: 27%

Average Projected Retirement Age: 61.6

**TABLE 4**

**DISTRIBUTION OF PARTICIPANTS AS OF DECEMBER 31, 2015  
(CONCLUDED)**

***A. Retired Participants (and Beneficiaries)***

<b>Age Group</b>	<b>Males</b>	<b>Females</b>	<b>Total</b>	<b>Annual Pension Being Paid</b>
Under 50	1	1	2	\$ 38,985
50-54	3	2	5	76,149
55-59	8	4	12	316,318
60-64	31	9	40	1,276,852
65-69	32	13	45	1,100,213
70-74	17	2	19	493,529
75-79	9	6	15	408,750
80-84	2	2	4	69,977
85-89	2	4	6	71,541
Over 89	2	1	3	48,449
<b>Total</b>	<b>107</b>	<b>44</b>	<b>151</b>	<b>\$3,900,763</b>

***B. Terminated Vested Participants***

<b>Age Group</b>	<b>Males</b>	<b>Females</b>	<b>Total</b>	<b>Annual Pension Being Paid at 65</b>
Under 50	1	1	2	\$ 34,528
50-54	3	3	6	106,346
55-59	3	2	5	59,145
60-64	1	2	3	37,333
<b>Total</b>	<b>8</b>	<b>8</b>	<b>16</b>	<b>\$237,352</b>

## TABLE 5

### SUMMARY OF PLAN PROVISIONS

1. **Effective Date:** October 1, 1952 (as amended and restated effective January 1, 1998, and as of October 1, 2013).
  
2. **Eligibility for Participation:** Full-time employees who have attained age 21 and completed one year of service become participants on the October 1 anniversary date following completion of these requirements. Seasonal Employees become participants on date of hire. The Plan was closed to new entrants effective January 1, 2013 and to Seasonal Employees effective January 1, 2014.
  
3. **Normal Retirement:** Age 65. Monthly normal retirement benefit equal to 2.0% of highest consecutive five-year average August 1 monthly earnings in last 10 years times service. Effective January 1, 1998, accrual changed from 1.9% to 2.0%.  
  
Benefits normally payable for life subject to the following:
  - (a) Minimum of \$279.41 per month, reduced by 1/25 for each year of service less than 25 at retirement.
  - (b) Maximum of 71% of final five-year average monthly earnings. Effective January 1, 1998, maximum percentage changed from 67% to 71%.
  
4. **Delayed Retirement:** Employee may voluntarily delay Normal Retirement but not past age 70. Benefit is calculated the same as Normal Retirement.
  
5. **Early Retirement:** Age 55, 10 years of service. Accrued benefit reduced ½ of 1% for each month prior to Normal Retirement. If employee has 25 or more years of service at Early Retirement, Accrued Benefit reduced by ½ of 1% for each month by which retirement precedes age 60. Early retirement reductions are applied prior to the 71% maximum.
  
6. **Disability Retirement:** Accrued Benefit (without actuarial reduction), but reduced by the amount of any benefits received through an insured LTD Plan.

**TABLE 5**

**SUMMARY OF PLAN PROVISIONS**

**(CONTINUED)**

**7. Death Benefit:** A death benefit equal to the 50% joint and survivor 10-year certain option has been added for employees with 25 years of credited service as of each October 1<sup>st</sup>. If the spouse dies before the expiration of the guaranteed period, such payment will be continued to a designated beneficiary who must be a legal dependent of the employee at the time of death. In the event there is not a spouse at time of death, a 50% benefit would be payable to a legal dependent for a period not to exceed 10 years or until the dependent reaches age 25 whichever comes first. Employees with 25 years of credited service as of October 1, 1994 had a one-time option of waiving this Pension Plan death benefit.

**8. Joint and Survivor Option Increase:** For employees who elect the joint annuity option, if the spouse dies before the retired employee, the joint annuity retirement benefit will revert to the life only option.

**9. Vesting:** Accrued Benefit payable at age 65 adjusted by the following vesting table:

<b>Full Years of Continuous Service</b>	<b>Vested Interest in Accrued Benefit</b>
Less than 1	None
1 but less than 2	10%
2 but less than 3	20
3 but less than 4	30
4 but less than 5	40
5 but less than 6	50
6 but less than 7	60
7 but less than 8	70
8 but less than 9	80
9 but less than 10	90
10 or more	100

**10. Options:** Prior to retirement or termination, a Participant may elect an optional method of payment that is the actuarial equivalent of the Normal Benefit.

**TABLE 5**  
**SUMMARY OF PLAN PROVISIONS**  
**(CONCLUDED)**

- 11. Calculation of Lump Sums:** The lump sum option will be calculated based on the 1984 Unisex Pension Mortality Table and an interest rate of 8.0%. This provision was effective as contracts were approved by the bargaining units as follows:
- (a) Park Superintendent/Department Head and Policy Officers Association of Michigan Units February 10, 1994
  - (b) Supervisory and Professional Units – March 10, 1994
  - (c) Non-Supervisory Unit – July 14, 1994
- The calculation of seasonal employee lump sum benefits would also be calculated based on the Pension Plan's actuarial interest rate assumption.
- 12. Lump Sum Eligibility:** The lump sum option is not available for employees hired after January 1, 1994.
- 13. Significant Changes:** Other than the Plan closure for Seasonal Employees, there are no significant changes in regular Plan provisions since the last valuation. There was a one-time change allowing members to retire under an Early Retirement Window in 2012 and another one-time change allowing members to retire under an Early Retirement Window in 2013.

**TABLE 6****ACTUARIAL ASSUMPTIONS, METHODS AND DATA**

- 1. Mortality:** The RP2000 Mortality Table for males and females projected to 2017. This is a static mortality table, however the rates include expected improvements in mortality to 2017. A ten-year set-forward is used for disabled retirees.
- 2. Interest:** 7.25% compounded annually.
- 3. Expenses:** No loading; to be met directly.
- 4. Withdrawal:** The rates at the following illustrative ages indicate the withdrawal rates assumed:

<u>Age</u>	<u>Rates of Withdrawal</u>
	<u>Male or Female</u>
25	7.40%
35	3.40%
45	1.40%
55	0.20%
57	NIL

- 5. Salary Scale:** Final average earnings were estimated from present earnings based on the assumption that future compensation will increase by a base wage inflation of 3.75% per year and a merit and seniority portion as shown in the table below:

<u>Service</u>	<u>% Increase</u>
1	5.00 %
2	5.00 %
3	4.50 %
4	4.00 %
5	3.50 %
6	3.00 %
7	2.50 %
8	2.00 %
9	1.50 %
10	1.00 %
11	0.50 %
12+	0.25 %



**TABLE 6****ACTUARIAL ASSUMPTIONS, METHODS AND DATA  
(CONTINUED)****6. Retirement Age:**

The rates at the following illustrative ages indicate the retirement rates assumed:

<b>Age</b>	<b>Rates of Retirement</b>	
	<b>Less than 25 Years of Service</b>	<b>25 or More Years of Service</b>
55	1%	1%
56	1	5
57	1	10
58	1	10
59	5	20
60	12	20
61	12	20
62	12	30
63	20	40
64	25	50
65	30	60
66	60	50
67	100	100

**7. Rates of Disability:**

Disability Rates were as follows:

<b>Sample Ages</b>	<b>% of Active Members Becoming Disabled within Next Year</b>
	<b>Male or Female</b>
25	0.00%
30	0.06%
35	0.08%
40	0.12%
45	0.23%
50	0.52%
55	1.07%
60	3.35%

**TABLE 6**

**ACTUARIAL ASSUMPTIONS, METHODS AND DATA**

**(CONCLUDED)**

<b>8. Funding Method:</b>	Individual Entry Age Actuarial Cost Method. Benefits are funded on a level dollar.
<b>9. Asset Method:</b>	Smoothed asset value that spreads market value gains and losses over a 5-year period.
<b>10. Data:</b>	This actuarial valuation has been prepared based upon employee data compiled by the Employer. The actuary has no reason to believe that this data is not complete and accurate and knows of no further information that is essential to the preparation of the actuarial valuation, although no independent audit of the data has been performed by the actuary.
<b>11. Amortization of the Unfunded Actuarial Accrued Liability:</b>	<p>The unfunded actuarial accrued liability (excluding the amount attributable to the Early Retirement Window) was amortized over a 25.75-year period, declining to 20 years, as a level dollar.</p> <p>The unfunded actuarial accrued liability attributable to the Early Retirement Window in 2012 was amortized over a 5-year period as a level dollar, starting with the October 1, 2012 valuation.</p> <p>The unfunded actuarial accrued liability attributable to the Early Retirement Window in 2013 was amortized over a 5-year period as a level dollar, starting with the October 1, 2013 valuation.</p>
<b>12. Loads for Optional Forms of Payment:</b>	1.0% for pop-up options of current retirees electing a J&S option. 17.0% for non-spouse beneficiaries of a non-duty death participant.

**TABLE 7**  
**COMPARISON OF 2014 AND 2015 RESULTS**

Item for Comparison	2014 Results	2015 Results
1. Active Participants		
(a) Number	159	153
(b) Total Annual Earnings	\$10,418,891	\$10,067,888
(c) Average Annual Earnings	65,528	65,803
2. Retired Participants		
(a) Number	150	151
(b) Average Annual Pension	25,250	25,833
3. Actuarial Accrued Liability		
(a) Active Participants	\$28,899,956	\$29,633,175
(b) Retirees	37,594,626	38,264,832
(c) Terminated with Vested Rights	2,008,502	1,152,685
(d) Total	\$68,503,084	\$69,050,692
4. Actuarial Value of Assets	\$50,712,814	\$54,429,972
5. Actuarial Value of Assets as a Percentage of the Actuarial Accrued Liability	74.03%	78.83%
6. Unfunded Actuarial Accrued Liability	\$17,790,270	\$14,620,720
(a) Portion due to 2012 Early Retirement Window <sup>1</sup>	760,236	529,492
(b) Portion due to 2013 Early Retirement Window <sup>2</sup>	140,515	109,719
(c) Remaining Portion <sup>3</sup>	16,889,519	13,981,509
7. Annual Normal Cost	\$ 1,004,715	\$ 962,488
8. Expected Seasonal Employee Payouts	\$ 0	\$ 0
9. Recommended Contribution on Funding Basis at the Beginning of the Plan Year		
(a) Dollar Amount	\$ 2,717,265	\$ 2,449,953

<sup>1</sup> UAAL attributable to Early Retirement Window amortized over 5 years, starting with the October 1, 2012 valuation.

<sup>2</sup> UAAL attributable to Early Retirement Window amortized over 5 years, starting with the October 1, 2013 valuation.

<sup>3</sup> UAAL not attributable to Early Retirement Window amortized over 25.75 years this year, and 26.75 years last year.

**TABLE 8**

**PRESENT VALUE OF ACCRUED BENEFITS**  
**AS OF DECEMBER 31, 2015**

Actives*	\$22,189,009
Retirees	38,264,832
Vested	<u>1,152,685</u>
 Total	 \$61,606,526

\* *Based on benefit service and salary as of the valuation date.*

**TABLE 9**  
**SCHEDULE OF FUNDING PROGRESS**

<b>Valuation Date</b>	<b>Actuarial Value of Assets (AVA)</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded Actuarial Accrued Liability (UAAL) (3) - (2)</b>	<b>Funded Ratio (2) / (3)</b>	<b>Annual Covered Payroll</b>	<b>UAAL as % of Payroll (4) / (6)</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>
October 1, 2006	\$33,131,710	\$44,726,567	\$11,594,857	74.08%	\$13,573,781	85.42%
October 1, 2007	35,652,382	50,330,548	14,678,166	70.84%	14,166,942	103.61%
October 1, 2008	37,743,805	53,367,499	15,623,694	70.72%	14,399,783	108.50%
October 1, 2009	39,334,862	55,596,422	16,261,560	70.75%	14,265,682	113.99%
October 1, 2010	40,754,922	58,938,351	18,183,429	69.15%	14,234,287	127.74%
October 1, 2011	42,456,045	60,578,588	18,122,543	70.08%	13,809,019	131.24%
October 1, 2012	43,992,245	64,836,490	20,844,245	67.85%	12,232,592	170.40%
October 1, 2013	45,492,667	66,307,795	20,815,128	68.61%	11,171,076	186.33%
December 31, 2014	50,712,814	68,503,084	17,790,270	74.03%	10,418,891	170.75%
December 31, 2015	54,429,972	69,050,692	14,620,720	78.83%	10,067,888	145.22%

**TABLE 10****SCHEDULE OF ANNUAL REQUIRED CONTRIBUTIONS**

<b>Fiscal Year Ending</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed*</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
9/30/2007	\$1,608,568	100%
9/30/2008	1,897,605	100%
9/30/2009	1,981,249	100%
9/30/2010	2,024,612	100%
9/30/2011	2,146,504	100%
9/30/2012	2,315,472	100%
9/30/2013	2,579,654	100%
9/30/2014	3,029,289	100%
12/31/2014	757,322	100%
12/31/2015	2,717,265	100%
12/31/2016	2,449,953	

\* 100% indicates at least 100%.

**This information is presented in draft form for review by the Plan's auditor. Please let us know if there are any items that the auditor changes so that we may maintain consistency with the Plan's financial statements.**

# TABLE 10

## SCHEDULE OF ANNUAL REQUIRED CONTRIBUTIONS (CONCLUDED)

<b>Valuation Date:</b>	December 31, 2015
<b>Actuarial Cost Method:</b>	Entry Age
<b>Amortization Method:</b>	
<ul style="list-style-type: none"> <li>• <i>Non-Early Retirement Window</i></li> </ul>	30-year, level dollar. The unfunded actuarial accrued liability not attributable to the Early Retirement Window is amortized over 30 years, declining to 20 years. Effective for the October 1, 2013 valuation, the amortization method is changed from level percent of payroll to level dollar amortization.
<ul style="list-style-type: none"> <li>• 2012 Early Retirement Window</li> </ul>	5-year, level dollar The total unfunded actuarial accrued liability attributable to the 2012 Early Retirement Window is amortized over 5 years, declining to 0 years.
<ul style="list-style-type: none"> <li>• 2013 Early Retirement Window</li> </ul>	5-year, level dollar The total unfunded actuarial accrued liability attributable to the 2013 Early Retirement Window is amortized over 5 years, declining to 0 years.
<b>Remaining Amortization Period:</b>	
<ul style="list-style-type: none"> <li>• <i>Non-Early Retirement Window</i></li> <li>• 2012 Early Retirement Window</li> <li>• 2013 Early Retirement Window</li> </ul>	25.75 years 1.75 years 2.75 years
<b>Asset Valuation Method:</b>	Smoothed asset value that spreads the difference between the assumed return and the actual investment return over a 5-year period.
<b>Actuarial Assumptions:</b>	
<ul style="list-style-type: none"> <li>⊕ Investment rate of return</li> <li>⊕ Projected salary increases*</li> <li>* Includes wage inflation at</li> <li>⊕ Cost-of-living adjustments</li> </ul>	7.25% 4.00% - 8.75% 3.75% None

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## **APPENDIX I**

### ACCOUNTING DISCLOSURES

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## **INFORMATION REQUIRED BY GASB STATEMENTS NO. 67 AND NO. 68**

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The Governmental Accounting Standards Board Statement No. 67 (GASB Statement No. 67) contains certain requirements regarding the accounting and disclosure of financial information. In addition to disclosing the plan's fiduciary net position, retirement systems are also required to disclose information regarding the plan's total pension liability, net pension liability, and change in net pension liability from the prior year. In actuarial terms, these are the plan's actuarial accrued liability and unfunded actuarial accrued liability on a market value of asset basis. Similarly, GASB Statement No. 68 establishes standards for state and local government employers (as well as non-employer contributing entities) to account for and disclose the net pension liability, pension expense, and other information associated with providing retirement benefits to their employees (and former employees) on their basic financial statements. This section of the report contains information that is part of the Retirement plan's disclosure requirements under these accounting standards.

### **Determination of the Total Pension Liability**

The total pension liability shown in this subsection is also shown as of the last date of the pension plan's fiscal year, December 31, 2015.

A Single Discount Rate of 7.25% was used to measure the total pension liability. This Single Discount Rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### **Measurement Statement of Net Pension Liability**

The net pension liability is to be measured as the total pension liability, less the amount of the pension plan's fiduciary net position. As of the plan year ending December 31, 2015, the net pension liability is \$17,808,769. If a Single Discount Rate that is one percent lower was used, the net pension liability would have been \$25,410,267. Similarly, if a Single Discount Rate that was one percent higher was used, the net pension liability would have been \$11,300,123.

# EXECUTIVE SUMMARY

## AS OF DECEMBER 31, 2015

	<b>2015</b>
Actuarial Valuation Date	December 31, 2015
Measurement Date of the Net Pension Liability	December 31, 2015
Employer's Fiscal Year Ending Date (Reporting Date)	December 31, 2015

### Membership

Number of	
- Retirees and Beneficiaries	151
- Inactive, Nonretired Members	16
- Active Members	153
- Total	320
Covered Payroll	\$ 10,067,888

### Net Pension Liability

Total Pension Liability	\$ 69,050,692
Plan Fiduciary Net Position	51,241,923
Net Pension Liability	\$ 17,808,769
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	74.21%
Net Pension Liability as a Percentage of Covered Payroll	176.89%

### Development of the Single Discount Rate

Single Discount Rate	7.25%
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate*	3.57%
Last year ending December 31 in the 2016 to 2115 projection period for which projected benefit payments are fully funded	2099

<b>Total Pension Expense</b>	<b>\$ 2,759,054</b>
------------------------------	---------------------

### Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 1,141,312
Changes in assumptions	-	0
Net difference between projected and actual earnings on pension plan investments	3,527,915	0
Total	\$ 3,527,915	\$ 1,141,312

\* Based on the Bond Buyer 20-Bond Index of general obligation municipal bonds as of December 31, 2015 (i.e., the weekly rate closest to but not later than the Measurement Date).

**PENSION EXPENSE UNDER GASB STATEMENT NO. 68**  
**FISCAL YEAR ENDED DECEMBER 31, 2015**

**A. Expense**

1. Service Cost	\$	962,488
2. Interest on the Total Pension Liability		4,862,474
3. Current-Period Benefit Changes		0
4. Employee Contributions (made negative for addition here)		(101,817)
5. Projected Earnings on Plan Investments (made negative for addition here)		(3,742,777)
6. Pension Plan Administrative Expense		201,301
7. Other Changes in Plan Fiduciary Net Position		0
8. Recognition of Outflow (Inflow) of Resources due to Liabilities		(304,594)
9. Recognition of Outflow (Inflow) of Resources due to Assets		881,979
<b>10. Total Pension Expense</b>	<b>\$</b>	<b>2,759,054</b>

**STATEMENT OF OUTFLOWS AND INFLOWS  
ARISING FROM THE CURRENT REPORTING PERIOD  
FISCAL YEAR ENDED DECEMBER 31, 2015**

**A. Outflows (Inflows) of Resources due to Liabilities**

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$ (1,445,906)
2. Assumption Changes (gains) or losses	\$ -
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years }	4.7470
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	\$ (304,594)
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	\$ -
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	<u>\$ (304,594)</u>
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	\$ (1,141,312)
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	\$ -
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	<u>\$ (1,141,312)</u>

**B. Outflows (Inflows) of Resources due to Assets**

1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	\$ 4,409,894
2. Recognition period for Assets {in years }	5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	\$ 881,979
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$ 3,527,915

**STATEMENT OF OUTFLOWS AND INFLOWS**  
**ARISING FROM THE CURRENT AND PRIOR REPORTING PERIODS**  
**FISCAL YEAR ENDED DECEMBER 31**

**A. Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense**

	<b>Outflows of Resources</b>	<b>Inflows of Resources</b>	<b>Net Outflows of Resources</b>
1. Due to Liabilities	\$ -	\$ 304,594	\$ (304,594)
2. Due to Assets	881,979	-	881,979
<b>3. Total</b>	<b>\$ 881,979</b>	<b>\$ 304,594</b>	<b>\$ 577,385</b>

**B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense**

	<b>Outflows of Resources</b>	<b>Inflows of Resources</b>	<b>Net Outflows of Resources</b>
1. Differences between expected and actual experience	\$ -	\$ 304,594	\$ (304,594)
2. Assumption Changes	-	-	0
3. Net Difference between projected and actual earnings on pension plan investments	881,979	-	881,979
<b>4. Total</b>	<b>\$ 881,979</b>	<b>\$ 304,594</b>	<b>\$ 577,385</b>

**C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Net Deferred Outflows of Resources</b>
1. Differences between expected and actual experience	\$ -	\$ 1,141,312	\$ (1,141,312)
2. Assumption Changes	-	-	0
3. Net Difference between projected and actual earnings on pension plan investments	3,527,915	-	3,527,915
<b>4. Total</b>	<b>\$ 3,527,915</b>	<b>\$ 1,141,312</b>	<b>\$ 2,386,603</b>

**D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses**

<b>Year Ending December 31</b>	<b>Net Deferred Outflows of Resources</b>
2016	\$ 577,385
2017	577,385
2018	577,385
2019	654,448
2020	-
Thereafter	0
<b>Total</b>	<b>\$ 2,386,603</b>

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**CURRENT PERIOD**  
**FISCAL YEAR ENDED DECEMBER 31, 2015**

**A. Total Pension Liability**

1. Service Cost	\$ 962,488
2. Interest on the Total Pension Liability	4,862,474
3. Changes of benefit terms	0
4. Difference between expected and actual experience of the Total Pension Liability	(1,445,906)
5. Changes of assumptions	0
6. Benefit payments, including refunds of employee contributions	(3,831,448)
7. Net change in Total Pension Liability	\$ 547,608
8. Total Pension Liability – Beginning	68,503,084
9. Total Pension Liability – Ending	<u><u>\$ 69,050,692</u></u>

**B. Plan Fiduciary Net Position**

1. Contributions – employer	\$ 4,500,000
2. Contributions – employee	101,817
3. Net investment income	(667,117)
4. Benefit payments, including refunds of employee contributions	(3,831,448)
5. Pension Plan Administrative Expense	(201,301)
6. Other	-
7. Net change in Plan Fiduciary Net Position	\$ (98,049)
8. Plan Fiduciary Net Position – Beginning	51,339,972
9. Plan Fiduciary Net Position – Ending	<u><u>\$ 51,241,923</u></u>

**C. Net Pension Liability**

\$ 17,808,769

**D. Plan Fiduciary Net Position as a Percentage  
of the Total Pension Liability**

**74.21%**

**E. Covered-employee Payroll**

**\$ 10,067,888**

**F. Net Pension Liability as a Percentage  
of Covered-employee Payroll**

**176.89%**

# SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

## SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION LIABILITY AND RELATED RATIOS MULTIYEAR

### Last 10 Fiscal Years (which may be built prospectively)

Fiscal year ending December 31,	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Total Pension Liability</b>										
Service Cost	\$ 962,488	\$ 1,004,715								
Interest on the Total Pension Liability	4,862,474	4,726,571								
Benefit Changes	-	-								
Difference between expected and actual experience of the Total Pension Liability	(1,445,906)	109,029								
Assumption Changes	-	-								
Benefit Payments and Refunds	(3,831,448)	(4,057,900)								
<b>Net Change in Total Pension Liability</b>	<b>547,608</b>	<b>1,782,415</b>								
<b>Total Pension Liability - Beginning</b>	<b>68,503,084</b>	<b>66,720,669</b>								
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 69,050,692</b>	<b>\$ 68,503,084</b>								
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	\$ 4,500,000	\$ 3,100,000								
Employee Contributions	101,817	107,492								
Pension Plan Net Investment Income	(667,117)	2,225,505								
Benefit Payments and Refunds	(3,831,448)	(4,057,900)								
Pension Plan Administrative Expense	(201,301)	(73,710)								
Other	-	-								
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(98,049)</b>	<b>1,301,387</b>								
<b>Plan Fiduciary Net Position - Beginning</b>	<b>51,339,972</b>	<b>50,038,585</b>								
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 51,241,923</b>	<b>\$ 51,339,972</b>								
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>17,808,769</b>	<b>17,163,112</b>								
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>74.21 %</b>	<b>74.95 %</b>								
<b>Covered-Employee Payroll</b>	<b>\$ 10,067,888</b>	<b>\$ 10,418,891</b>								
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	<b>176.89 %</b>	<b>164.73 %</b>								

Notes to Schedule:

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE EMPLOYERS' NET PENSION LIABILITY**  
**MULTIYEAR**

**Last 10 Fiscal Years (which may be built prospectively)**

<b>FY Ending December 31,</b>	<b>Total Pension Liability</b>	<b>Plan Net Position</b>	<b>Net Pension Liability</b>	<b>Plan Net Position as a % of Total Pension Liability</b>	<b>Covered Payroll</b>	<b>Net Pension Liability as a % of Covered Payroll</b>
2006			-			
2007			-			
2008			-			
2009			-			
2010			-			
2011			-			
2012			-			
2013			-			
2014	\$68,503,084	\$51,339,972	\$17,163,112	74.95%	\$10,418,891	164.73%
2015	69,050,692	51,241,923	17,808,769	74.21%	10,067,888	176.89%



## SCHEDULE OF CONTRIBUTIONS MULTIYEAR

### Last 10 Fiscal Years (which may be built prospectively)

<u>FY Ending December 31,</u>	<u>Actuarially Determined Contribution*</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll**</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2006					
2007					
2008					
2009					
2010					
2011					
2012					
2013					
2014	\$ 3,029,289	\$ 3,100,000	\$ (70,711)	\$ 10,418,891	29.75%
2015*	3,474,587	4,500,000	(1,025,413)	10,067,888	44.70%

\* Includes contributions for short plan year October 1, 2014 – December 31, 2014.

## SCHEDULE OF INVESTMENT RETURNS MULTIYEAR

### Last 10 Fiscal Years (which may be built prospectively)

<u>FY Ending December 31,</u>	<u>Annual Return<sup>1</sup></u>
2006	
2007	
2008	
2009	
2010	
2011	
2012	
2013	
2014	4.43 %
2015	(1.68)%

<sup>1</sup> Annual money-weighted rate of return, net of investment expenses.

## ASSET ALLOCATION

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Large Cap Fundamental Equity	4.00%	9.13%
US Large Cap Index	13.00%	8.00%
US Small Cap Equity	1.00%	10.16%
US Small/Mid Cap Equity Index	3.00%	8.00%
World Equity ex-US	13.00%	9.40%
Emerging Markets Equity	4.00%	9.66%
Core Fixed Income	13.00%	6.54%
Limited Duration Bonds	12.00%	5.60%
US High Yield	3.00%	7.67%
Emerging Markets Debt	5.00%	8.75%
Diversified Short Term Fixed Income	9.00%	5.84%
Short Term Corporate Fixed Income	3.00%	4.90%
Dynamic Asset Allocation	6.00%	10.32%
Multi-Asset	6.00%	7.10%
Structured Credit	3.00%	10.22%
Private Real Estate	2.00%	7.53%
<b>Total</b>	100.00%	

The figures in the above table were supplied by the Huron-Clinton Metropolitan Authority Employees' Retirement Plan's investment consultant. Gabriel, Roeder, Smith & Company does not provide investment advice.

## CALCULATION OF THE SINGLE DISCOUNT RATE

GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects: (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits); and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.57%; and the resulting SDR is 7.25%.

The tables in this section provide background for the development of the SDR.

The **Projection of Contributions** table shows the development of expected contributions in future years. Normal Cost contributions for future hires are not included (nor are their liabilities).

Expected Contributions are developed based on the following:

- Member Contributions for current members
- Normal Cost contributions for current members
- Unfunded Liability contributions for current and future members

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

The **Present Values of Projected Benefit Payments** table shows the development of the SDR. It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

Results in this section of the report are not rounded, and are shown as dollar amounts without the additional digits.

## SENSITIVITY OF THE NET PENSION LIABILITY TO THE SINGLE DISCOUNT RATE ASSUMPTION

### Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. This Single Discount Rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	<b>Current Single Discount Rate Assumption</b>		
	<b>1% Decrease 6.25%</b>	<b>7.25%</b>	<b>1% Increase 8.25%</b>
Total Pension Liability	\$ 76,652,190	\$ 69,050,692	\$ 62,542,046
Plan Fiduciary Net Position	51,241,923	51,241,923	51,241,923
Net Pension Liability/(Asset)	\$ 25,410,267	\$ 17,808,769	\$ 11,300,123

# SINGLE DISCOUNT RATE DEVELOPMENT

## PROJECTION OF CONTRIBUTIONS

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost and Expense Contributions	UAL Contributions	Total Contributions
0	\$ 10,067,888				
1	9,922,112	\$ -	\$ 962,488	\$ 1,487,465	\$ 2,449,953
2	9,665,088	-	935,219	1,643,381	2,578,600
3	9,424,523	-	909,984	1,408,382	2,318,367
4	9,138,967	-	881,095	1,465,822	2,346,916
5	8,805,709	-	848,217	1,465,822	2,314,039
6	8,402,979	-	806,818	1,465,822	2,272,640
7	7,968,834	-	761,388	1,465,822	2,227,210
8	7,540,173	-	716,166	1,465,822	2,181,987
9	7,113,730	-	671,344	1,465,822	2,137,166
10	6,710,697	-	630,318	1,465,822	2,096,140
11	6,315,791	-	590,951	1,465,822	2,056,773
12	5,885,197	-	547,486	1,465,822	2,013,308
13	5,443,229	-	503,567	1,465,822	1,969,389
14	5,018,213	-	461,895	1,465,822	1,927,717
15	4,591,921	-	420,721	1,465,822	1,886,543
16	4,153,446	-	379,070	1,465,822	1,844,892
17	3,707,647	-	337,140	1,465,822	1,802,962
18	3,258,177	-	295,026	1,465,822	1,760,848
19	2,824,427	-	254,313	1,465,822	1,720,135
20	2,404,716	-	215,091	1,465,822	1,680,913
21	1,987,028	-	176,100	1,465,822	1,641,922
22	1,610,009	-	141,206	1,465,822	1,607,028
23	1,286,984	-	111,555	1,465,822	1,577,377
24	1,003,471	-	85,624	1,465,822	1,551,446
25	763,661	-	64,029	1,465,822	1,529,851
26	565,412	-	46,362	1,185,658	1,232,020
27	411,237	-	32,756	315,144	347,900
28	293,264	-	22,550	315,144	337,694
29	206,103	-	15,170	315,144	330,315
30	142,461	-	10,042	315,144	325,186
31	94,872	-	6,376	-	6,376
32	62,933	-	3,999	-	3,999
33	41,526	-	2,516	-	2,516
34	24,870	-	1,443	-	1,443
35	13,581	-	772	-	772
36	5,942	-	326	-	326
37	2,581	-	142	-	142
38	880	-	49	-	49
39	-	-	-	-	-
40	-	-	-	-	-
41	-	-	-	-	-
42	-	-	-	-	-
43	-	-	-	-	-
44	-	-	-	-	-
45	-	-	-	-	-
46	-	-	-	-	-
47	-	-	-	-	-
48	-	-	-	-	-
49	-	-	-	-	-
50	-	-	-	-	-

# SINGLE DISCOUNT RATE DEVELOPMENT

## PROJECTION OF CONTRIBUTIONS (CONCLUDED)

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost and Expense Contributions	UAL Contributions	Total Contributions
51	-	-	-	-	-
52	-	-	-	-	-
53	-	-	-	-	-
54	-	-	-	-	-
55	-	-	-	-	-
56	-	-	-	-	-
57	-	-	-	-	-
58	-	-	-	-	-
59	-	-	-	-	-
60	-	-	-	-	-
61	-	-	-	-	-
62	-	-	-	-	-
63	-	-	-	-	-
64	-	-	-	-	-
65	-	-	-	-	-
66	-	-	-	-	-
67	-	-	-	-	-
68	-	-	-	-	-
69	-	-	-	-	-
70	-	-	-	-	-
71	-	-	-	-	-
72	-	-	-	-	-
73	-	-	-	-	-
74	-	-	-	-	-
75	-	-	-	-	-
76	-	-	-	-	-
77	-	-	-	-	-
78	-	-	-	-	-
79	-	-	-	-	-
80	-	-	-	-	-
81	-	-	-	-	-
82	-	-	-	-	-
83	-	-	-	-	-
84	-	-	-	-	-
85	-	-	-	-	-
86	-	-	-	-	-
87	-	-	-	-	-
88	-	-	-	-	-
89	-	-	-	-	-
90	-	-	-	-	-
91	-	-	-	-	-
92	-	-	-	-	-
93	-	-	-	-	-
94	-	-	-	-	-
95	-	-	-	-	-
96	-	-	-	-	-
97	-	-	-	-	-
98	-	-	-	-	-
99	-	-	-	-	-
100	-	-	-	-	-

# SINGLE DISCOUNT RATE DEVELOPMENT

## PROJECTION OF PLAN FIDUCIARY NET POSITION

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.25%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
1	\$ 51,241,923	\$ 2,449,953	\$ 3,973,195	\$ 3,660,788	\$ 53,379,469
2	53,379,469	2,578,600	4,177,403	3,813,069	55,593,736
3	55,593,736	2,318,367	4,383,171	3,957,006	57,485,938
4	57,485,938	2,346,916	4,593,008	4,087,734	59,327,581
5	59,327,581	2,314,039	4,791,744	4,213,004	61,062,880
6	61,062,880	2,272,640	5,065,814	4,327,578	62,597,284
7	62,597,284	2,227,210	5,321,520	4,428,097	63,931,071
8	63,931,071	2,181,987	5,560,059	4,514,690	65,067,690
9	65,067,690	2,137,166	5,795,133	4,587,126	65,996,849
10	65,996,849	2,096,140	5,998,257	4,645,795	66,740,526
11	66,740,526	2,056,773	6,183,895	4,691,698	67,305,102
12	67,305,102	2,013,308	6,405,829	4,723,177	67,635,758
13	67,635,758	1,969,389	6,587,671	4,739,109	67,756,584
14	67,756,584	1,927,717	6,766,144	4,740,028	67,658,185
15	67,658,185	1,886,543	6,924,660	4,725,782	67,345,851
16	67,345,851	1,844,892	7,060,353	4,696,822	66,827,211
17	66,827,211	1,802,962	7,183,397	4,653,345	66,100,121
18	66,100,121	1,760,848	7,292,996	4,595,227	65,163,200
19	65,163,200	1,720,135	7,380,588	4,522,731	64,025,477
20	64,025,477	1,680,913	7,445,235	4,436,546	62,697,701
21	62,697,701	1,641,922	7,492,354	4,337,216	61,184,485
22	61,184,485	1,607,028	7,487,652	4,226,432	59,530,293
23	59,530,293	1,577,377	7,437,238	4,107,243	57,777,675
24	57,777,675	1,551,446	7,348,201	3,982,426	55,963,346
25	55,963,346	1,529,851	7,215,346	3,854,849	54,132,700
26	54,132,700	1,232,020	7,046,995	3,717,516	52,035,242
27	52,035,242	347,900	6,848,719	3,541,023	49,075,447
28	49,075,447	337,694	6,615,160	3,334,393	46,132,374
29	46,132,374	330,315	6,353,452	3,130,079	43,239,315
30	43,239,315	325,186	6,069,950	2,930,246	40,424,798
31	40,424,798	6,376	5,772,477	2,725,434	37,384,131
32	37,384,131	3,999	5,465,329	2,515,840	34,438,641
33	34,438,641	2,516	5,151,248	2,313,425	31,603,334
34	31,603,334	1,443	4,838,166	2,118,978	28,885,589
35	28,885,589	772	4,523,267	1,933,133	26,296,228
36	26,296,228	326	4,217,398	1,756,282	23,835,438
37	23,835,438	142	3,916,704	1,588,578	21,507,454
38	21,507,454	49	3,619,300	1,430,388	19,318,591
39	19,318,591	-	3,331,183	1,281,955	17,269,364
40	17,269,364	-	3,053,079	1,143,291	15,359,575
41	15,359,575	-	2,786,074	1,014,341	13,587,843
42	13,587,843	-	2,530,632	894,988	11,952,199
43	11,952,199	-	2,287,169	785,075	10,450,105
44	10,450,105	-	2,055,901	684,410	9,078,614
45	9,078,614	-	1,837,244	592,765	7,834,135
46	7,834,135	-	1,631,598	509,864	6,712,401
47	6,712,401	-	1,439,220	435,390	5,708,571
48	5,708,571	-	1,260,497	368,978	4,817,052
49	4,817,052	-	1,095,676	310,213	4,031,589
50	4,031,589	-	944,770	258,642	3,345,460



# SINGLE DISCOUNT RATE DEVELOPMENT

## PROJECTION OF PLAN FIDUCIARY NET POSITION (CONCLUDED)

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Investment Earnings at 7.25%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)=(a)+(b)-(c)+(d)
51	\$ 3,345,460	\$ -	\$ 807,685	\$ 213,780	\$ 2,751,555
52	2,751,555	-	684,291	175,116	2,242,380
53	2,242,380	-	574,358	142,116	1,810,139
54	1,810,139	-	477,403	114,232	1,446,968
55	1,446,968	-	392,774	90,916	1,145,110
56	1,145,110	-	319,781	71,631	896,960
57	896,960	-	257,605	55,855	695,210
58	695,210	-	205,261	43,092	533,042
59	533,042	-	161,721	32,886	404,206
60	404,206	-	125,986	24,818	303,038
61	303,038	-	97,028	18,515	224,524
62	224,524	-	73,831	13,648	164,342
63	164,342	-	55,494	9,938	118,786
64	118,786	-	41,188	7,145	84,742
65	84,742	-	30,173	5,069	59,638
66	59,638	-	21,805	3,547	41,381
67	41,381	-	15,524	2,447	28,303
68	28,303	-	10,887	1,664	19,081
69	19,081	-	7,518	1,116	12,679
70	12,679	-	5,108	737	8,308
71	8,308	-	3,417	481	5,372
72	5,372	-	2,251	309	3,430
73	3,430	-	1,461	197	2,166
74	2,166	-	935	124	1,355
75	1,355	-	592	77	840
76	840	-	372	48	515
77	515	-	232	29	312
78	312	-	143	18	187
79	187	-	88	10	109
80	109	-	54	6	62
81	62	-	32	3	33
82	33	-	19	2	16
83	16	-	11	1	6
84	6	-	6	0	-
85	-	-	3	-	-
86	-	-	2	-	-
87	-	-	1	-	-
88	-	-	1	-	-
89	-	-	0	-	-
90	-	-	0	-	-
91	-	-	0	-	-
92	-	-	0	-	-
93	-	-	0	-	-
94	-	-	0	-	-
95	-	-	-	-	-
96	-	-	-	-	-
97	-	-	-	-	-
98	-	-	-	-	-
99	-	-	-	-	-
100	-	-	-	-	-

# SINGLE DISCOUNT RATE DEVELOPMENT

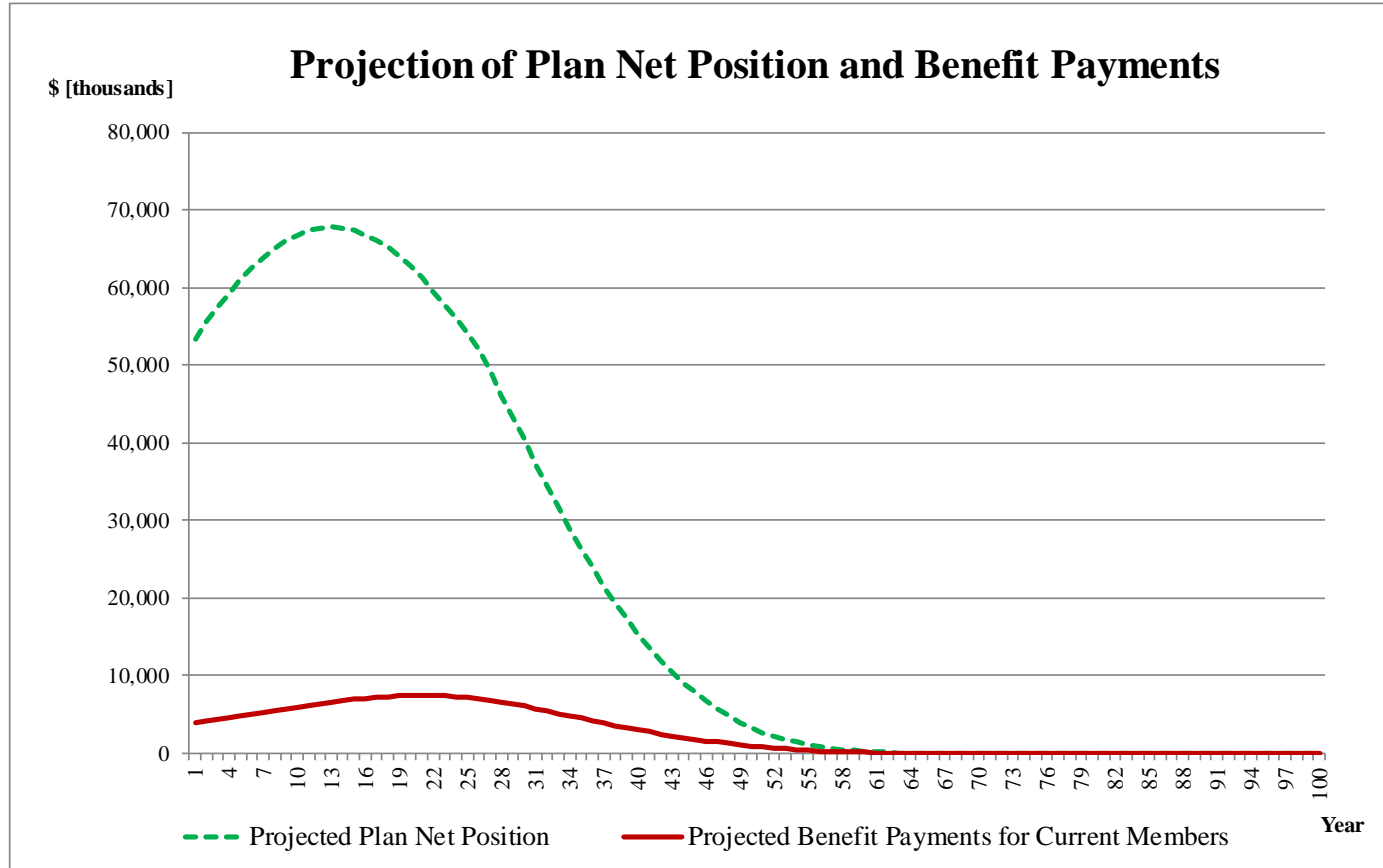
## PRESENT VALUES OF PROJECTED BENEFIT PAYMENTS

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf ^((a)-.5)	(h)=(c)/(1+sdr)^(a-.5)
1	\$ 51,241,923	\$ 3,973,195	\$ 3,973,195	\$ -	\$ 3,836,553	\$ -	\$ 3,836,553
2	53,379,469	4,177,403	4,177,403	-	3,761,061	-	3,761,061
3	55,593,736	4,383,171	4,383,171	-	3,679,554	-	3,679,554
4	57,485,938	4,593,008	4,593,008	-	3,595,064	-	3,595,064
5	59,327,581	4,791,744	4,791,744	-	3,497,081	-	3,497,081
6	61,062,880	5,065,814	5,065,814	-	3,447,181	-	3,447,181
7	62,597,284	5,321,520	5,321,520	-	3,376,395	-	3,376,395
8	63,931,071	5,560,059	5,560,059	-	3,289,271	-	3,289,271
9	65,067,690	5,795,133	5,795,133	-	3,196,586	-	3,196,586
10	65,996,849	5,998,257	5,998,257	-	3,084,968	-	3,084,968
11	66,740,526	6,183,895	6,183,895	-	2,965,449	-	2,965,449
12	67,305,102	6,405,829	6,405,829	-	2,864,220	-	2,864,220
13	67,635,758	6,587,671	6,587,671	-	2,746,412	-	2,746,412
14	67,756,584	6,766,144	6,766,144	-	2,630,133	-	2,630,133
15	67,658,185	6,924,660	6,924,660	-	2,509,791	-	2,509,791
16	67,345,851	7,060,353	7,060,353	-	2,385,988	-	2,385,988
17	66,827,211	7,183,397	7,183,397	-	2,263,468	-	2,263,468
18	66,100,121	7,292,996	7,292,996	-	2,142,660	-	2,142,660
19	65,163,200	7,380,588	7,380,588	-	2,021,813	-	2,021,813
20	64,025,477	7,445,235	7,445,235	-	1,901,652	-	1,901,652
21	62,697,701	7,492,354	7,492,354	-	1,784,323	-	1,784,323
22	61,184,485	7,487,652	7,487,652	-	1,662,661	-	1,662,661
23	59,530,293	7,437,238	7,437,238	-	1,539,829	-	1,539,829
24	57,777,675	7,348,201	7,348,201	-	1,418,549	-	1,418,549
25	55,963,346	7,215,346	7,215,346	-	1,298,743	-	1,298,743
26	54,132,700	7,046,995	7,046,995	-	1,182,695	-	1,182,695
27	52,035,242	6,848,719	6,848,719	-	1,071,719	-	1,071,719
28	49,075,447	6,615,160	6,615,160	-	965,194	-	965,194
29	46,132,374	6,353,452	6,353,452	-	864,344	-	864,344
30	43,239,315	6,069,950	6,069,950	-	769,954	-	769,954
31	40,424,798	5,772,477	5,772,477	-	682,723	-	682,723
32	37,384,131	5,465,329	5,465,329	-	602,700	-	602,700
33	34,438,641	5,151,248	5,151,248	-	529,664	-	529,664
34	31,603,334	4,838,166	4,838,166	-	463,843	-	463,843
35	28,885,589	4,523,267	4,523,267	-	404,339	-	404,339
36	26,296,228	4,217,398	4,217,398	-	351,512	-	351,512
37	23,835,438	3,916,704	3,916,704	-	304,382	-	304,382
38	21,507,454	3,619,300	3,619,300	-	262,256	-	262,256
39	19,318,591	3,331,183	3,331,183	-	225,062	-	225,062
40	17,269,364	3,053,079	3,053,079	-	192,329	-	192,329
41	15,359,575	2,786,074	2,786,074	-	163,645	-	163,645
42	13,587,843	2,530,632	2,530,632	-	138,593	-	138,593
43	11,952,199	2,287,169	2,287,169	-	116,792	-	116,792
44	10,450,105	2,055,901	2,055,901	-	97,886	-	97,886
45	9,078,614	1,837,244	1,837,244	-	81,562	-	81,562
46	7,834,135	1,631,598	1,631,598	-	67,536	-	67,536
47	6,712,401	1,439,220	1,439,220	-	55,546	-	55,546
48	5,708,571	1,260,497	1,260,497	-	45,360	-	45,360
49	4,817,052	1,095,676	1,095,676	-	36,763	-	36,763
50	4,031,589	944,770	944,770	-	29,557	-	29,557

# SINGLE DISCOUNT RATE DEVELOPMENT

## PRESENT VALUES OF PROJECTED BENEFIT PAYMENTS (CONCLUDED)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^(a)-.5	(g)=(e)*vf^(a)-.5	(h)=-((c)/(1+sdr)^(a-.5))
51	\$ 3,345,460	\$ 807,685	\$ 807,685	\$ -	\$ 23,560	\$ -	\$ 23,560
52	2,751,555	684,291	684,291	-	18,611	-	18,611
53	2,242,380	574,358	574,358	-	14,565	-	14,565
54	1,810,139	477,403	477,403	-	11,288	-	11,288
55	1,446,968	392,774	392,774	-	8,659	-	8,659
56	1,145,110	319,781	319,781	-	6,574	-	6,574
57	896,960	257,605	257,605	-	4,937	-	4,937
58	695,210	205,261	205,261	-	3,668	-	3,668
59	533,042	161,721	161,721	-	2,695	-	2,695
60	404,206	125,986	125,986	-	1,957	-	1,957
61	303,038	97,028	97,028	-	1,406	-	1,406
62	224,524	73,831	73,831	-	997	-	997
63	164,342	55,494	55,494	-	699	-	699
64	118,786	41,188	41,188	-	484	-	484
65	84,742	30,173	30,173	-	330	-	330
66	59,638	21,805	21,805	-	223	-	223
67	41,381	15,524	15,524	-	148	-	148
68	28,303	10,887	10,887	-	97	-	97
69	19,081	7,518	7,518	-	62	-	62
70	12,679	5,108	5,108	-	39	-	39
71	8,308	3,417	3,417	-	25	-	25
72	5,372	2,251	2,251	-	15	-	15
73	3,430	1,461	1,461	-	9	-	9
74	2,166	935	935	-	5	-	5
75	1,355	592	592	-	3	-	3
76	840	372	372	-	2	-	2
77	515	232	232	-	1	-	1
78	312	143	143	-	1	-	1
79	187	88	88	-	0	-	0
80	109	54	54	-	0	-	0
81	62	32	32	-	0	-	0
82	33	19	19	-	0	-	0
83	16	11	11	-	0	-	0
84	6	6	6	1	0	0	0
85	-	3	-	3	-	0	0
86	-	2	-	2	-	0	0
87	-	1	-	1	-	0	0
88	-	1	-	1	-	0	0
89	-	0	-	0	-	0	0
90	-	0	-	0	-	0	0
91	-	0	-	0	-	0	0
92	-	0	-	0	-	0	0
93	-	0	-	0	-	0	0
94	-	0	-	0	-	0	0
95	-	-	-	-	-	-	-
96	-	-	-	-	-	-	-
97	-	-	-	-	-	-	-
98	-	-	-	-	-	-	-
99	-	-	-	-	-	-	-
100	-	-	-	-	-	-	-
Totals					\$ 76,706,424	\$ -	\$ 76,706,424



**GASB STATEMENT NO. 67 SUPPLEMENTARY INFORMATION**  
**SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS**  
**USED TO DETERMINE CONTRIBUTION RATES**

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is provided below:

**Valuation Date:** December 31, 2015

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Dollar
Remaining Amortization Period	25.75 years
Asset Valuation Method	5-Year Smoothed Market
Wage Inflation	3.75%
Salary Increases	4.0% to 8.75% including inflation
Investment Rate of Return	7.25% (net of administrative expenses)
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2000 Mortality Table for males and females projected to 2017.

**Other Information:**

Notes N/A



# HURON-CLINTON METROPOLITAN AUTHORITY

**Late Addition**

To: Board of Commissioners  
From: George Phifer, Director  
Subject: Report – Wayne County Tax Increment Taxing Authorities  
Date: May 6, 2016

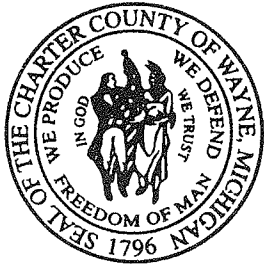
**Action Requested: Motion to Receive and File**

That the Board of Commissioners' receive and file the Wayne County Tax Increment Taxing Authorities report as recommended by Director Phifer and staff.

**Fiscal Impact:** Unknown at this time.

**Background:** Attached is a copy of the March 16, 2016 letter from Wayne County Executive Warren Evans sent to the Metroparks and a Jan. 22, 2016 letter sent to Wayne County Community College regarding Wayne County's effort to end the improper capture of expenditures of taxes by tax increment financing authorities (TIFAs, DDAs, LDFAs, Brownfield Districts etc.).

**Attachments: Letters from Wayne County**



Warren C. Evans  
Wayne County Executive

March 16, 2016

George Phifer  
Director  
Huron-Clinton Metroparks  
13000 High Ridge Drive  
Brighton, MI 48114

Dear Director Phifer:

I write to confirm our discussion in which Huron-Clinton Metroparks (HCMA) agreed to pay 2% of the costs and attorneys fees expended by Wayne County in the County's future efforts to remedy any improper capture and expenditure of taxes by any tax increment financing authority (i.e. TIFAs, DDAs, LDFAs or Brownfield Districts) in Wayne County. However, the HCMA share of costs and fees will only come from amounts collected by these County efforts. If Wayne County's efforts result in no additional tax revenue to HCMA, HCMA will owe nothing to Wayne County for these efforts.

As you may know, Wayne County, after difficult negotiations extending over a period of six years, recently reached agreement with the Brownstown Township DDA that will reduce that DDA's capture and expenditure of Wayne County, WCCCD and HCMA taxes. In the four fiscal years from 2015 through 2018 this agreement will result in at least \$ 1.8 million of additional taxes distributed to Wayne County, WCCCD and HCMA, that otherwise would have gone to the Brownstown Township DDA. If property values increase significantly, that number will be larger. The Huron-Clinton Metroparks share of this additional tax revenue will be approximately \$36,000, which is about 2% of the amount recovered. This unanticipated benefit for HCMA resulted from significant cost and attorney fees expended by Wayne County. Wayne County is not requesting any reimbursement for costs and fees related to the Brownstown Township settlement. Going forward, however, we appreciate your willingness to share, pro rata, in the costs and attorney fees expended to make sure no other Tax Increment Financing Authority in Wayne County is improperly capturing and expending our tax revenue.

Thank you for your cooperation in this matter.

Sincerely yours,

Warren C. Evans  
Wayne County Executive

EXECUTIVE OFFICE

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Warren C. Evans  
Wayne County Executive

March 16, 2016

George Phifer  
Director  
Huron-Clinton Metroparks  
13000 High Ridge Drive  
Brighton, MI 48114

Dear Director Phifer:

I write to confirm our discussion in which Huron-Clinton Metroparks (HCMA) agreed to pay 2% of the costs and attorneys fees expended by Wayne County in the County's future efforts to remedy any improper capture and expenditure of taxes by any tax increment financing authority (i.e. TIFAs, DDAs, LDFAs or Brownfield Districts) in Wayne County. However, the HCMA share of costs and fees will only come from amounts collected by these County efforts. If Wayne County's efforts result in no additional tax revenue to HCMA, HCMA will owe nothing to Wayne County for these efforts.

As you may know, Wayne County, after difficult negotiations extending over a period of six years, recently reached agreement with the Brownstown Township DDA that will reduce that DDA's capture and expenditure of Wayne County, WCCCD and HCMA taxes. In the four fiscal years from 2015 through 2018 this agreement will result in at least \$ 1.8 million of additional taxes distributed to Wayne County, WCCCD and HCMA, that otherwise would have gone to the Brownstown Township DDA. If property values increase significantly, that number will be larger. The Huron-Clinton Metroparks share of this additional tax revenue will be approximately \$36,000, which is about 2% of the amount recovered. This unanticipated benefit for HCMA resulted from significant cost and attorney fees expended by Wayne County. Wayne County is not requesting any reimbursement for costs and fees related to the Brownstown Township settlement. Going forward, however, we appreciate your willingness to share, pro rata, in the costs and attorney fees expended to make sure no other Tax Increment Financing Authority in Wayne County is improperly capturing and expending our tax revenue.

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Sincerely yours,

Warren C. Evans  
Wayne County Executive

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# HURON-CLINTON METROPOLITAN AUTHORITY

**LATE ADDITION**

To: Board of Commissioners  
 From: Rebecca L. Franchock, Controller  
 Subject: Approval – IRS Defined Plan Corrective Contribution  
 Date: May 10, 2016

## Action Requested: Receive and File / Approve Contribution

That the Board of Commissioners' approve the Defined Contribution Plan corrective contribution (with interest to be calculated based on the IRS's recommended interest rate) related to an error in the original ICMA-RC Defined Contribution plan as presented by Controller Franchock and staff.

**Fiscal Impact:** Funds were not budgeted for this payment. This expense will be charged to the Fringe Liability account. Any adjustment needed should be able to be covered from within operations.

**Background:** Recently the Metroparks received notification that the IRS required the 401(a) Money Purchase Plan and Trust (Defined Contribution Pension Plan) agreement to be restated. During the process of preparing the restatement it was found that the original document had a material error with regard to the definition of eligibility.

The original agreement indicated, "All full-time employees are eligible." The document should have stated, "All full-time employees hired on or after January 2, 2013 are eligible."

The remedy to this error was reviewed with our legal counsel, Ken Sachs and Steve Mann of Miller Canfield. It is their recommendation that the Metroparks make a contribution with interest to be calculated based on the IRS's recommended interest rate to avoid negatively impacting the plan on behalf of the impacted employees.

George Phifer	\$ 3,519.65
Rebecca Franchock	\$17,011.80
Sandra Burns	\$16,068.23
Shawn Athayde	\$ 9,896.02
Carol Stone	\$ 9,902.73
<b>Total</b>	<b>\$56,398.42</b>