

Huron-Clinton Metropolitan Authority

Comprehensive Annual Financial Report
Year Ended December 31, 2017



SUBMITTED TO THE
HURON-CLINTON METROPOLITAN AUTHORITY
BOARD OF COMMISSIONERS
BRIGHTON, MICHIGAN

Timothy J. McCarthy - Chairman - Governor Appointee
Robert W. Marans - Vice Chairman - Washtenaw County
Jaye Quadrozzi - Treasurer - Oakland County
Bernard Parker - Secretary - Wayne County
Steven A. Williams - Livingston County
Kurt L. Heise - Governor Appointee
John Paul Rea - Macomb County

Prepared by the Huron-Clinton Metropolitan Authority
Finance Department

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INTRODUCTORY SECTION



HURON-CLINTON metroparks

Administrative Office | 13000 High Ridge Drive | Brighton, MI 48114-9058
1-800-477-2757 • www.metroparks.com

June 1, 2018

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

State law requires that all local governmental units, including authorities such as the Huron-Clinton Metropolitan Authority, publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Huron-Clinton Metropolitan Authority for the fiscal year ended December 31, 2017. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. GASB 34 requires that management provide a narrative introduction, overview, and analysis to accompany the Basic Financial Statements in the form of a Management's Discussion & Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The financial reporting entity of the Huron-Clinton Metropolitan Authority includes all funds of the Huron-Clinton Metropolitan Authority. The Authority is a special district form of government operating independently of all other governmental agencies. It provides a full range of recreational activities in the five-county region including Wayne, Macomb, Oakland, Washtenaw, and Livingston Counties (Counties).

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION, AND OUTLOOK

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

[Delhi](#) | [Dexter-Huron](#) | [Hudson Mills](#) | [Huron Meadows](#) | [Indian Springs](#) | [Kensington](#)
[Lake Erie](#) | [Lower Huron](#) | [Lake St. Clair](#) | [Oakwoods](#) | [Stony Creek](#) | [Willow](#) | [Wolcott Mill](#)

Board of Commissioners

Kurt L. Heise
Governor Appointee

Stevens E. Williams
Livingston County

Bernard Parker
Wayne County

Robert W. Marans
Washtenaw County

John Paul Rea
Macomb County

Timothy J. McCarthy
Governor Appointee

Jaye Quadrozzi
Oakland County

The governing body of the Huron-Clinton Metropolitan Authority is a seven member Board of Commissioners. Two Commissioners serve as representatives at large and are appointed by the Governor of Michigan for four-year terms. The other five commissioners are appointed by their respective county Board of Commissioners and they serve a six-year staggered term. Public meetings of the Board of Commissioners are held on the second Thursday of each month. The Board of Commissioners is responsible for setting policy, adopting the budget, setting fees, approving contracts, land acquisition and expenditures, planning of new parks and facilities, and appointing the Director.

The Director is responsible for carrying out the policies of the Board of Commissioners, for overseeing the day-to-day operations of the park system, hiring all full time employees, and approving all purchase commitments of the Authority. The CFO is responsible for maintaining all financial accounting records, collecting all revenues due, investing all funds, issuing payment vouchers for goods, services and payrolls, maintaining property/casualty insurances and serves as the Pension Plan Trustee and Retiree Health Trust Plan Administrator.

The Authority's main endeavor is to provide a variety of quality recreational opportunities through the development of natural resources along the Huron and Clinton Rivers for the benefit of the 4.4 million citizens of the five-county park district located in southeastern Michigan. Since its inception, the Authority has created thirteen Metroparks covering nearly 25,000 acres within the 1,600 square mile watershed area of the Huron and Clinton Rivers. The Authority, named after the two longest rivers within its boundaries, is a dynamic and changing organization striving to provide its services while minimizing disruption to existing land use.

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

The Metroparks range in size from 53 acres at Delhi Metropark to over 4,400 acres at Stony Creek Metropark. The larger Metroparks are designed to accommodate crowds of 35,000 or more on peak use days. In 2017, the Metropark system provided recreation for 7.3 million park visitors.

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

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

The economic climate of the regions in Southeast Michigan continues to stabilize and regain strength in its 7th year of recovery. Unemployment levels are falling, but still holding on average above the national rate. Wages and salaries continue to trend growth at a rate faster than the national average. Southeast Michigan saw home rates rise and finally reach back to the 2007 levels, just slightly below prerecession levels. With growth continuing to be steady in the housing markets and values, we anticipate our tax base on property tax will continue to hold strong and see growth.

MAJOR INITIATIVES

The Authority's staff, following directions from the Board of Commissioners and the Director, has been involved in a variety of capital projects throughout the year. These projects reflect the Authority's ongoing commitment to providing quality public recreational facilities and services in a well-maintained and safe environment to the citizens of Southeast Michigan. The major activities and accomplishments during 2017 included:

1. At various locations throughout the Metroparks, fiber optic lines were installed to improve the IT infrastructure and connectivity. The cost for this improvement totaled \$1,029,000. Improved connectivity was essential for implementation of several management initiatives including a time and attendance system, merchant services functionality and point of sale equipment.
2. The west beach front at Lake St. Clair was enhanced through redevelopment of the children's play area. This project resulted in complete removal of the existing, outdated play equipment and installation of new equipment, walks and surfacing. In addition a shelter/gathering spot has been added enhancing the use of the area for families and groups.
3. Also at Lake St. Clair, \$800,000 was expended to develop open waterways through the Black Creek Marsh. This work which was funded through NOAA (National Oceanic and Atmospheric Administration) and GLC (Great Lakes Commission) is intended to improve fish spawning habitat in the Lake St. Clair watershed as well as enhancing water based recreation in the Black Creek March. This was primarily accomplished through dredging and development of small pond areas and channels within the existing marshlands.
4. Redevelopment of the boat launch facility at Stony Creek Metropark commenced during 2017. This work which is anticipated to cost in excess of \$4 million when completed encompasses two separate projects. The first will rework the boat launch ramps themselves including replacement of skid piers. \$281,000 was expended on this work in 2017. The other component will remove the existing comfort station which is not in compliance with current accessibility standards. This facility will be replaced by Stony Creek Landing. The Landing is an expanded facility which includes food service, enhanced restrooms with showers as well as a patio area overlooking Stony Creek Lake. \$417,000 was expended on the initial development of this project in the fall of 2017.

5. At Lake St. Clair the pool and squirt zone backwash connection revised to improve environmental impact and comply with current standards. This work re-routed the discharge which dates back to the original pool development in the 1950's to change the flow for these facilities from the existing storm drain connections to the sanitary sewer.
6. Lake Erie's Great Wave facility received an update with the installation of spray toys on the pool deck. This new features include a dump bucket, water cannons, and ground spray features and will improve the play value at the pool for users of all ages.
7. Outdated vault latrines were replaced with modern pre-fabricated units at some of the remoter areas of Kensington and Stony Creek. These facilities are a big improvement for areas that do not have easy access to utilities precluding development of class A type facilities. These projects totaled a combined \$302,000.
8. Lower Huron Maintenance building was the latest decommissioned and removed underground fuel storage tanks. The replacement tanks are above ground. The cost of this project totaled \$157,000.
9. 2017 saw the demolition of three facilities. Stony Creek Baypoint Beach Bathhouse/Food Service, Kensington Maple Beach Bathhouse/Food Service and Wolcott Golf Course Starter/Maintenance Building. The beach facilities were oversized/outdated and did not meet current needs. Wolcott Golf Course was closed as the cost to continue to operate the facility could no longer be supported. 2018 will see replacement comfort stations at both Kensington and Stony Creek beaches.

In total, the Authority invested in park facilities to the extent of nearly \$7.5 million, as work was performed on 54 individual projects. These capitalized projects will help ensure that Metropark facility offerings to our public are in good working order and relevant to today's recreational interests. The vast majority of the 2017 capital improvement expenditures continue to relate to the 3-R's (repair, renovate and replace). Due to the age of the Metropark facilities, it is essential that these types of projects continue to be the primary focus.

FINANCIAL INFORMATION

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

FEDERAL FINANCIAL ASSISTANCE

The Authority received Federal financial assistance during 2017 related to the Black Creek Marsh restoration at Lake St. Clair Metropark and also the habitat restoration at Wolcott Mill Metropark. The receipt of these funds will require the independent auditor to issue a Single Audit Report.

BUDGET

The annual budget serves as the foundation for the Huron-Clinton Metropolitan Authority's financial planning and control. The Authority employs a Five-Year Plan for long-range financial planning, which provides general guidance for each year's annual budget. This Five-Year Plan is updated annually. The annual budget process is multi-faceted, involving all units of the Authority. The Authority's Planning, Engineering, and Natural Resources Departments, in conjunction with park operating units, develop capital improvement, equipment, major maintenance, and minor project listings that are reviewed and finalized by mid-September.

All park operating units are required to submit park operation budget requests to the CFO's office near the end of September. The CFO utilizes these requests, along with capital budget requests, as the starting point for developing a proposed General Fund budget. The CFO conducts budget review meetings and presents the proposed budget at a public hearing and then to the Board of Commissioners at the November Board meeting. The appropriated budget is a line item budget prepared by fund, category (i.e., capital improvements, park operations), department/park (i.e., Lake St. Clair, Kensington), sub-department/activity (i.e., golf course, regulatory), and object (i.e., full time wages, utilities). The Director is authorized to make budgetary transfers between line item appropriations. All General Fund budget amendments are approved by the Board of Commissioners on a monthly basis. The Authority maintains an encumbrance accounting system and a work order (project accounting) system for capital construction type projects to assist in maintaining budgetary control.

LONG-TERM FINANCIAL PLANNING

The Huron-Clinton Metropolitan Authority employs a Five-Year Community Recreation Plan as well as a rolling Five-Year Plan. The current Community Recreation Plan covers recreational development for the period from 2018 through 2022. Long term financial planning for the Metroparks system is provided by the rolling Five-Year Plan which is updated and approved by the Board annually. The development of the Five-Year Plan is a planning process that is a joint effort involving the general public, park staff, administrative office staff, planning staff, natural resource staff, engineering staff, interpretive staff, police staff, and the Board of Commissioners. Due to the continued fiscal constraints and the large amount of aging infrastructure within the Metropark system, an emphasis continues to be placed on renovation/redevelopment/restoration type projects rather than new park developments.

The Board of Commissioners and staff have developed the current Five-Year Plan in order to position the Authority to work towards a model of fiscal sustainability. Recognizing the paradigm shift in tax revenue as well as the capital need of aging facilities, roads and other infrastructure, the current five-year plan focuses on these issues:

- Continuation of high standards of maintenance and service levels for existing park operations.
- Increased funding for major maintenance projects at an average of \$ 2.32 million annually.
- Maintenance of a functional fleet of equipment plus equipping new facilities.
- Funding the redevelopment of major assets based on established criteria.
- Funding for the continuation of reconstructing/resurfacing of Authority roads, parking lots, and hike/bike trails.
- Maintaining contributions to the Authority's Retiree Health Care Trust Fund and Pension Trust Fund.

The current Five-Year Plan provides general guidance for the development of the Authority's annual budget each year. Adjustments are made to the Five-Year Plan as dictated by ongoing economic conditions.

DEBT

The Authority has not issued any bonded debt. The Authority's Enabling Act restricts debt issues to revenue bonds. Throughout the history of the Metroparks, it has never been felt beneficial to issue revenue bonds as a means of financing recreational facilities.

OTHER INFORMATION

Independent Audit

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

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

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Huron-Clinton Metropolitan Authority for its comprehensive annual financial report for the year

ended December 31, 2016. This was the fourteenth consecutive year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

The preparation of this comprehensive annual financial report is a major undertaking and I want to acknowledge the extraordinary efforts of our Finance Department, and especially Chief Accountant Rebecca Baaki and Internal Auditor Molly Goike. Their assistance was absolutely essential and appreciated in submitting this report.

The input and guidance from our independent auditors, Yeo & Yeo, was also appreciated to direct us through the compilation of our comprehensive annual financial report.

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

Respectfully submitted,

Rebecca Franchock

Huron-Clinton Metropolitan Authority
GFOA Certificate of Achievement
December 31, 2017



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

Huron-Clinton Metropolitan Authority
Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

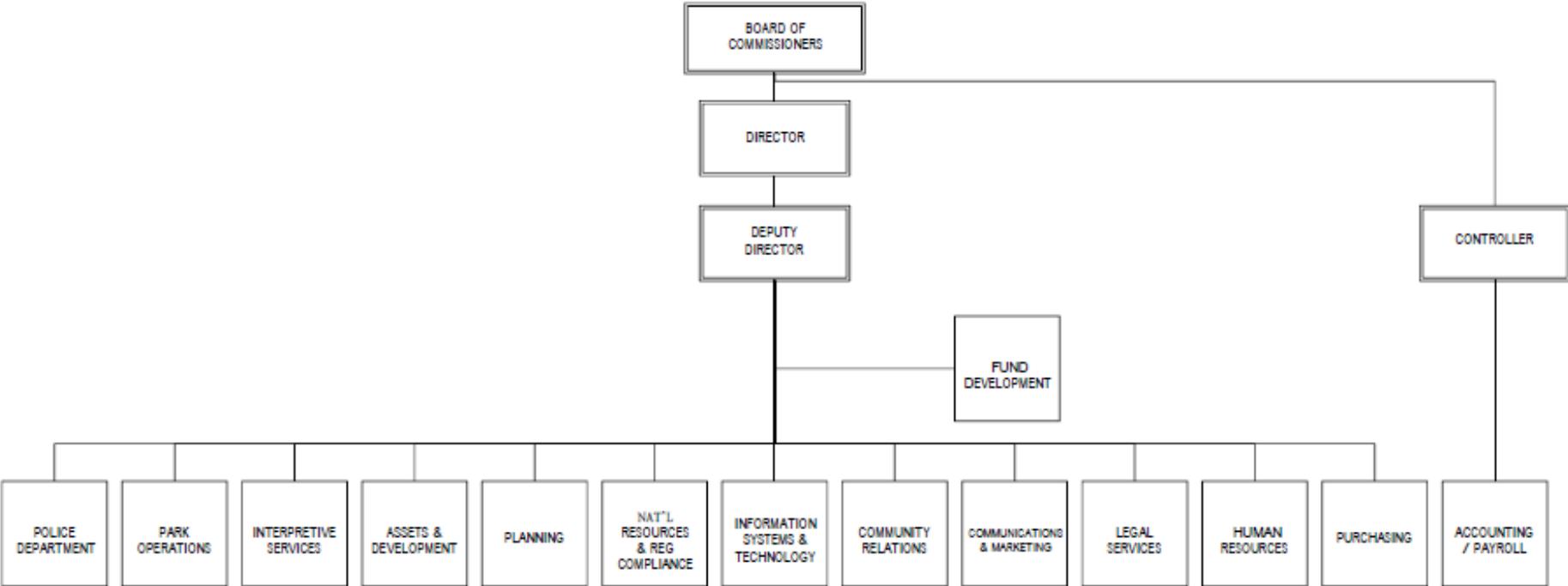
December 31, 2016

Christopher P. Morill

Executive Director/CEO

Huron-Clinton Metropolitan Authority
Organization Chart
December 31, 2017

HCMA FUNCTIONAL ORGANIZATION CHART



Huron-Clinton Metropolitan Authority
List of Officials
December 31, 2017

Unit – Title

Name of Official

Administrative Staff

Acting Director
Deputy Director
Chief Financial Officer
Supervisor of Budget and Payroll
Supervisor of Accounting
Chief of Natural Resources
Chief of Police
Director of Development
Information Technology Manager
Interpretive Services Manager
Manager of Engineering
Manager of Human Resources
Manager of Planner
Supervising Field Engineer
Supervising Design Engineer

Michael Reese
David B. Kirbach
Vacant
Rebecca L. Franchock
Rebecca J. Baaki
Ryan Cotton
Michael Reese
Julie Hein
Robert Rudolph
Jennifer Hollenbeck
Michael A. Brahm-Henkel
Randy Rossman
Nina Kelly
Jim Soraghan
Laura L. Martin

EASTERN DISTRICT

District Park Superintendent
District Maintenance Supervisor
District Interpretive Supervisor
Park Operations Manager - Stony Creek, Wolcott Mill Metroparks
Park Operations Manager - Lake St. Clair Metropark

Michael G. Lyons
Mark V. Lietaert
Julie C. Champion
Gary G. Hopp
Joseph Hall

WESTERN DISTRICT

District Park Superintendent
District Maintenance Supervisor
District Interpretive Supervisor
Park Operations Manager - Kensington, Indian Springs Metroparks
Park Operations Manager - Hudson Mills, Dexter-Huron, Delhi and
Huron Meadows Metroparks

Jeff Brown
Adam Haberkorn
Victoria Sluder
Eric J. Koppin

Jerome M. Cyr

SOUTHERN DISTRICT

District Park Superintendent
District Maintenance Supervisor
District Interpretive Supervisor
Park Operations Manager - Lower Huron, Willow, Oakwoods
Metroparks
Park Operations Manager - Lake Erie Metropark

James W. Pershing
Joseph B. Jolly
Kevin J. Arnold

Jeffrey W. Schuman
Jeffrey D. Linn

FINANCIAL SECTION



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Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Huron-Clinton Metropolitan Authority, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Huron-Clinton Metropolitan Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Huron-Clinton Metropolitan Authority, as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension schedules and other post-employment benefit schedules, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Huron-Clinton Metropolitan Authority's basic financial statements. The introductory section, statistical section, and other supplementary information, as identified in the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The other supplementary information, as identified in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, as identified in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section, which are the responsibility of management, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2018 on our consideration of the Huron-Clinton Metropolitan Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Huron-Clinton Metropolitan Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Huron-Clinton Metropolitan Authority's internal control over financial reporting and compliance.

Yeo & Yeo, P.C.

Auburn Hills, MI
June 1, 2018

Huron-Clinton Metropolitan Authority

Management's Discussion and Analysis

December 31, 2017

As management of the Huron-Clinton Metropolitan Authority, we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Huron-Clinton Metropolitan Authority for the year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, the financial statements, and the notes to the financial statements.

Financial Highlights

The assets of the Authority exceeded its liabilities and deferred inflows at the end of 2017 by \$224,200,247 (net position). Of this amount, \$26,607,090 (unrestricted net position) may be used to meet the Authority's ongoing obligations to provide park and recreation services to the citizens of the five-county Metropark system.

The Authority's total net position increased by \$427,356.

Authority General Fund revenues of approximately \$52 million were less than the expected 2017 final budget targets by \$763,276 (1.5 percent).

Authority General Fund operating expenditures of approximately \$55 million were under amended 2017 budget amounts by \$14,791,964 (21.2 percent).

Overview of the Financial Statements

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

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

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

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

Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017

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

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

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

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

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

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

Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Authority's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Authority uses a fiduciary fund to account for (1) its single employer, defined benefit pension plan, which accumulates resources for pension benefit payments to qualified Authority employees, and (2) its Retiree Health Care Plan and Trust, which accumulates resources for health care benefit payments to qualified Authority retirees. These funds are based on the Plan's December 31 fiscal year ends.

The Defined Benefit Pension Plan is administrated by a third party. An actuarial valuation determines the funding required annually. Under GASB Statement No. 68, the net pension liability as of December 31, 2017 totaled \$18,946,852, which was a decrease of \$4,266,472 from December 31, 2016. The Authority contributed \$2,996,209 for this period.

The Authority established the Retiree Health Care Plan Trust in October 2005 for the exclusive purpose of prefunding retiree healthcare benefits for eligible retirees and spouses.

The Retiree Health Care Plan and Trust was established October 1, 2005 pursuant to Section 115 of the Internal Revenue Code of 1986 and under the authority of the Public Employee Health Care Fund Investment Act, Public Act 149 of 1999. It provides funding for eligible retiree and spousal health care, life and dental benefits. An actuarial valuation is required every two years and the last valuation was done as of December 31, 2016. Additional work was performed as of December 31, 2017 in accordance with GASB 74 which determined other post-employment benefits (OPEB) liability to be \$38,621,826. At the end of the Plan's twelfth fiscal year, the actuarial value of Trust assets totaled \$28,911,807 (74.9 percent) and net OPEB liability totaled \$9,710,019. The Authority exceeded the funding required by the Annual Required Contribution (ARC) by transferring \$2,149,330 from the General Fund to the Retiree Health Care Trust for the Plan year ended December 31, 2017. This created an asset of \$4,958,576.

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

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

Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Huron-Clinton Metropolitan Authority, assets exceeded liabilities and deferred inflows by \$224,200,247 at the close of the year.

By far the largest portion of the Authority's net position (88 percent) reflects its investment in capital assets (i.e., land, buildings, infrastructure, roads, park improvements, vehicles, and equipment). The Authority uses these capital assets to provide park and recreation services to citizens; consequently, these assets are *not* available for future spending.

The Authority does not have any bonded debt.

	Net Position	
	Governmental Activities	
	2017	2016
Current and other assets	\$ 81,258,752	\$ 81,383,372
Capital assets, net	197,243,195	194,722,125
Total assets	278,501,947	276,105,497
Deferred outflows of resources	5,008,332	7,280,957
Long-term liabilities	21,688,045	26,018,454
Other liabilities	3,805,727	3,244,216
Total liabilities	25,493,772	29,262,670
Deferred inflows of resources	33,816,260	30,350,893
Net position		
Net investment in capital assets	197,243,195	194,722,125
Restricted	349,962	311,705
Unrestricted	26,607,090	28,739,061
Total net position	\$ 224,200,247	\$ 223,772,891

Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017

A portion of the Authority's net position is restricted. Amounts have been restricted for future maintenance or construction of the Lake St. Clair Marina facility, per grant requirements. In addition, per contract requirements with an outside party, amounts have been restricted related to the Hudson Mills canoe livery. The unrestricted net position may be used to meet the Authority's ongoing obligations for park and recreation facilities and services to citizens and creditors.

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

The Authority's net position increased by \$427,356 during the current year.

	Change in Net Position Governmental Activities	
	2017	2016
Program revenues		
Park charges for services	\$ 19,692,340	\$ 20,130,849
Operating grants	1,377,190	162,112
General revenues		
Property taxes	30,645,350	29,249,583
Oil and gas royalties	93,838	111,839
Donations	32,483	44,744
Interest	484,795	307,934
Gain on sale of capital assets	-	240,325
Miscellaneous	-	339,905
Total revenues	52,325,996	50,587,291
Expenses		
Recreation and culture	51,898,640	49,554,752
Change in net position	427,356	1,032,539
Net position		
Beginning of year	223,772,891	222,740,352
End of year	\$ 224,200,247	\$ 223,772,891

Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017

Governmental Activities

Governmental activities increased the Authority's net position by \$427,356, as total 2017 operating revenues of \$52.3 million exceeded total expenditures of \$51.9 million.

Change in Net Position

The change in net position for 2017 is approximately \$0.6 million less than the change in net position for 2016.

Financial Analysis of the Government's Funds

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

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

As of the end of the current year, the Authority's governmental funds reported a combined ending fund balance of \$42,603,228, a decrease of \$2,923,634 compared to 2016. Approximately 43 percent of this total amount (\$18.3 million) constitutes "unassigned" fund balance. Approximately 2 percent of this total amount (\$1.0 million) is considered nonspendable. Approximately 1 percent of the total amount (\$0.3 million) is considered restricted. Approximately 28 percent of this total amount (\$12.1 million) is considered assigned. The remainder of fund balance (\$10.8 million) is "committed" to indicate that it is not available for new spending because it has already been committed for: (1) capital improvement projects-\$4.7 million, (2) future land purchases-\$5.4 million, and (3) health insurance rate stabilization funds-\$0.7 million.

The general fund is the primary operating fund of the Authority. At the end of the current year, unassigned fund balance of the general fund was \$18,280,129 while total fund balance was \$37,878,390. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to expenditures. The Authority's goal is to maintain the unassigned fund balance at a minimum of 5% of general fund expenditures, and at year end the unassigned fund balance was 33.2% of general fund operating expenditures of \$55 million. The Board of Commissioners has approved a systematic buildup of fund balance with the knowledge of our declining tax revenue.

The fund balance of the Authority's general fund decreased by \$3,053,071.

**Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017**

The following paragraphs present a summary of general fund revenues, which totaled \$51,973,889 for 2017, an overall increase of \$1,442,687 from 2016. Revenues by source were as follows:

Revenues	2017 Amount	Percent of Total	2016 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Property taxes	\$ 30,658,374	59.0%	\$ 29,246,499	\$ 1,411,875	4.8%
Park charges for services	19,340,845	37.2%	20,130,849	(790,004)	-3.9%
Interest	449,196	0.9%	287,928	161,268	56.0%
Grants	284,871	0.5%	76,182	208,689	273.9%
Donations	245,687	0.5%	130,674	115,013	88.0%
Proceeds from sale of capital assets	643,421	1.2%	319,165	324,256	101.6%
Other revenue	351,495	0.7%	339,905	11,590	3.4%
Totals	\$ 51,973,889	100.0%	\$ 50,531,202	\$ 1,442,687	2.9%

The Authority's millage rate remained 0.2146 mills in 2017. Taxable values increased marginally from the prior year which contributed to the \$1.4 million (4.8 percent) increase in 2017 property tax collections. We expect "taxable values" to continue to moderately rise as the real estate market stabilizes.

The \$19,340,845 of 2017 park operating revenues were under the 2017 budget goal of \$19,798,139 by \$457,294 (2.3 percent). This represented a \$790,004 (3.9 percent) decrease from 2016 revenues. The Authority's two leading sources of revenue are tolling and golf.

Interest income derived from investments in Certificates of Deposits and U.S. Agency issues increased to \$449,196 in 2017. This was a 56 percent increase from 2016 interest income.

The Authority recognized \$284,871 in grant revenue in 2017. This amount increased \$208,689 from 2016.

Other revenues increased \$11,590 from 2016.

**Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017**

General fund expenditures were \$55,026,960 for 2017, an increase of \$5,852,383 from 2016's expenditures. A detailed breakdown of expenditures by major category is as follows:

Expenditures	2017 Amount	Percent of Total	2016 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Capital improvements	\$ 7,523,357	13.7%	\$ 4,159,886	\$ 3,363,471	80.9%
Equipment	2,801,066	5.1%	3,089,427	(288,361)	-9.3%
Land acquisition	10,900	0.0%	5,056	5,844	115.6%
Major maintenance	2,270,033	4.1%	1,926,210	343,823	17.8%
Administrative office	9,122,348	16.6%	7,371,706	1,750,642	23.7%
Park operations	33,299,256	60.5%	32,622,292	676,964	2.1%
Totals	\$ 55,026,960	100.0%	\$ 49,174,577	\$ 5,852,383	11.9%

Capital improvement outlays cover both the design and construction costs associated with capital improvement projects that exceed the Authority's \$10,000 capitalization limit and develop or add to a capital asset. Engineering, Planning and other staff time that is directly related to the design or construction of these projects is included in the cost of the capital improvement. Throughout 2017, the Authority spent nearly \$7.5 million on capital improvement projects within the Metropark system. This was a 3.4 million dollar increase compared with the amount spent in 2016. The vast majority of 2017 projects continue to relate to the 3-R's type projects (repair, renovate and replace) in accordance with the Board of Commissioner approved revised Five-Year Plan. These projects enhanced the Authority's recreational facilities offered the public in terms of park roads, hike/bike trails, parking lots, buildings, utilities, landscaping, golf courses, and other improvements. Many of the more significant 2017 capital improvement projects have been previously highlighted under the MAJOR INITIATIVES section of this report.

Equipment having an individual value in excess of \$5,000 is capitalized. During 2017, a total of \$2,801,066 was spent equipping the Metroparks system, down from the 2016 amount of \$3,089,427. Auto and truck acquisitions totaled approximately \$885,000. Heavy equipment (mowers, tractors, golf cars, etc.) purchases accounted for approximately \$1,795,000. \$88,000 of purchases related to other equipment such as a two snowmakers, a voyageur canoe and inflatable aquatic equipment.

The final area of capital expenditures relates to land acquisition in which \$10,900 was spent in 2017.

The Authority classifies all non-recurring repair/maintenance-type projects that exceed \$10,000 as Major Maintenance expenses. These projects do not substantially improve or alter an existing facility and, therefore, are not capitalized. During 2017, Metropark facilities were renovated with 95 separate projects at a cost of \$2,270,033.

**Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017**

Administration Office expenses reflect the cost of running the Authority's centralized Administrative Office, which ran \$9,122,348 in 2017, up 23.7 percent from 2016. This covers the cost of 67 full time equivalent employees, materials, supplies and outside consultants utilized in managing the entire Metroparks system.

The direct operating costs associated with operating and maintaining the 13 Metroparks to serve 7.3 million visitors consumed \$33.3 million of Authority funds. Comparing this \$33.3 million of park operating costs to 2016 expenditures of \$32.6 million shows that overall park operating costs increased by \$676,964 (2.1 percent). Personnel related costs, which comprise 74 percent of park operating expenses, increased from \$22,684,000 to \$24,484,000 - up \$1,800,000 (7.9 percent). As discussed earlier, an increase in full time equivalents is the primary cause of the increase. The other 27 percent of park operating expenditures relate to material/supply/outside contractual services, which incurred \$8,814,000 of expenses, down \$407,000 (4.8 percent). Some areas of operations that incurred decreases include: operating supplies and utilities.

The capital projects fund is utilized by the Authority to record supplemental major maintenance projects that are non-recurring expenditures to repair/replace existing Metropark infrastructure that is deemed critical to park operations. Funds for these projects are provided from oil/gas revenue. During 2017, \$93,838 of royalty payments were received, with generated investment income totaling \$35,599. At the end of the current year, total fund balance committed in the capital projects fund was \$4,724,838.

The fund balance of the Authority's capital projects fund increased by \$129,437.

The following paragraph presents a summary of capital projects fund revenues, which totaled \$129,437 for 2017, an overall decrease of \$2,408 from 2016. Revenues by source were as follows:

Revenues	2017 Amount	Percent of Total	2016 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Oil and gas royalties	\$ 93,838	72.5%	\$ 111,839	\$ (18,001)	747.5%
Interest	35,599	27.5%	20,006	15,593	-647.5%
Totals	<u>\$ 129,437</u>	<u>100.0%</u>	<u>\$ 131,845</u>	<u>\$ (2,408)</u>	<u>100.0%</u>

The revenues from oil and gas royalty payments at Kensington Metropark decreased by \$18,001 from 2016 levels. Interest income derived from investments in money market funds and U.S. Agency issues increased, rising from \$20,006 to \$35,599 in 2017 as interest rates began to rise slightly.

Capital Project fund expenditures were \$0 for 2017, the same as 2016.

Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017

General Fund Budgetary Highlights

Over the course of the year, the Authority's Board of Commissioners amended the budget to account for changes made necessary due to unanticipated events or situations requiring increased expenditures for operations or capital activities.

The original General Fund budget anticipated a \$10,810,796 use of fund balance, while the final amended budget increased this to \$17,455,180. The actual change in fund balance for the 2017 fiscal year was a decrease of \$3,053,071.

During the year, general fund revenues were under final budgetary estimates in total by \$763,276. Park operating revenues fell short of the budgeted target of \$19,798,139 by \$457,294. This was offset by \$530,191 more of interest and other revenues than the budget anticipated.

Park operation and administrative expenditures were significantly less than anticipated by approximately \$3,405,663. Major maintenance expenditures were less than projected, coming in approximately \$2,228,888 under final budget projections. This is due to some projects being delayed or deemed not necessary at this time. Capital expenditures were under budget by approximately \$9,157,413, resulting mainly from capital improvement projects that were in progress or carried over and re-budgeted at year end.

Capital Assets and Debt Administration

Capital assets. The Authority's investment in capital assets for its governmental-type activities as of December 31, 2017 amounted to \$197,243,195 (net of accumulated depreciation). This investment in capital assets includes land, land improvements (golf courses, etc.), buildings, roads, bridges, sewer/water systems, park facilities, and equipment. The total increase in the Authority's investment in capital assets (net of depreciation) for the year totaled \$2,521,070 (1.3 percent).

Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017

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

• Spray Pad Surfacing	Lake St. Clair	\$ 352,279
• Spray Pad Revisions	Indian Springs	289,427
• Bank Stabilization (Rip Rap)	Willow	149,968
• Dryvit Building Surface Replacement	Lake St. Clair	106,282
• Emergency Culvert Repairs-Front Nine	Willow Golf	88,178
• Epoxy Paint Pool	Lake St. Clair	87,557

	Capital Assets (Net of Depreciation) Governmental Activities	
	2017	2016
Land	\$ 46,961,099	\$ 46,950,199
Land improvements	34,087,411	34,778,070
Construction in progress	6,072,246	2,327,832
Buildings	33,795,716	34,899,831
Equipment	9,386,632	8,140,313
Other improvements	37,120,900	36,618,685
Infrastructure	29,819,191	31,007,195
Total capital assets, net	<u>\$ 197,243,195</u>	<u>\$ 194,722,125</u>

Additional information on the Authority's capital assets can be found in Note 6 in the Notes to Financial Statements.

Long-term debt. The Authority has recognized \$3,768,959 in accrued compensated absences.

The Authority has no bonded debt or capital leases.

Additional information on the Authority's long-term debt can be found in Note 7 in the Notes to the Financial Statements.

Huron-Clinton Metropolitan Authority
Management's Discussion and Analysis
December 31, 2017

Economic Factors and Next Year's Budget and Rates

The following factors guided the preparation of the Authority's 2018 Budget:

- Property tax revenues were based on a rolled back millage rate of .2140 mills. The 2018 Budget was based on "net" tax levy revenues of \$31.1 million after factoring out estimated captured tax revenues from tax abatement programs and adding in an anticipated reimbursement for Personal Property Taxes from the State. This represents a 4.1 percent increase from the 2017 original budget.
- Fees and charges rates were held stable. Increases in grant revenues is expected to finance three specific projects.
- Increase spending in capital equipment and major maintenance, several new administrative positions, as well as 2017 updates to the 2016-2020 Five-Year Capital Project Plan.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

Huron-Clinton Metropolitan Authority
Statement of Net Position
December 31, 2017

	Governmental Activities
Assets	
Current assets	
Cash and cash equivalents	\$ 8,442,303
Investments	23,010,386
Receivables, net	29,993,129
Due from other units of government	879,115
Inventories	380,926
Prepaid items	674,947
Total current assets	<u>63,380,806</u>
Noncurrent assets	
Investments	12,919,370
Net other post-employment benefit asset	4,958,576
Capital assets not being depreciated	87,120,756
Capital assets, net of accumulated depreciation	<u>110,122,439</u>
Total noncurrent assets	<u>215,121,141</u>
 Total assets	 278,501,947
Deferred Outflows of Resources	
Deferred amount relating to net pension liability	<u>5,008,332</u>
 Total assets and deferred outflows of resources	 <u>283,510,279</u>

See Accompanying Notes to the Financial Statements

Huron-Clinton Metropolitan Authority
Statement of Net Position
December 31, 2017

	Governmental Activities
Liabilities	
Current	
Accounts payable	\$ 1,859,161
Accrued and other liabilities	644,468
Unearned revenue	274,332
Compensated absences due within one year	1,027,766
Total current liabilities	3,805,727
Noncurrent liabilities	
Compensated absences due in more than one year	2,741,193
Net pension liability	18,946,852
Total noncurrent liabilities	21,688,045
Total liabilities	25,493,772
Deferred Inflows of Resources	
Property taxes levied for a subsequent period	29,946,151
Deferred amount relating to net pension liability	3,870,109
Total deferred inflows of resources	33,816,260
Total liabilities and deferred inflows of resources	59,310,032
Net Position	
Investment in capital assets	197,243,195
Restricted for	
Lake St. Clair Marina	342,563
Hudson Mills Canoe Livery	7,399
Unrestricted	26,607,090
Total net position	\$ 224,200,247

See Accompanying Notes to the Financial Statements

Huron-Clinton Metropolitan Authority
Statement of Activities
For the Year Ended December 31, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Primary government				
Governmental activities				
Recreation and culture	\$ 51,898,640	\$ 19,692,340	\$ 1,377,190	\$ (30,829,110)
General revenues				
Property taxes				30,645,350
Investment earnings				484,795
Donations				32,483
Oil and gas royalties				93,838
				31,256,466
Total general revenues				
				427,356
Change in net position				
				223,772,891
Net position - beginning of year				
				\$ 224,200,247
Net position - end of year				

See Accompanying Notes to the Financial Statements

Huron-Clinton Metropolitan Authority
Governmental Funds
Balance Sheet
December 31, 2017

	General	Capital Projects	Total
Assets			
Cash and cash equivalents	\$ 3,732,141	\$ 4,710,162	\$ 8,442,303
Investments	35,929,756	-	35,929,756
Receivables			
Property taxes, net	29,752,631	-	29,752,631
Accounts receivable	225,822	14,676	240,498
Due from other units of government	879,115	-	879,115
Inventories	380,926	-	380,926
Prepaid items	674,947	-	674,947
	<u>\$ 71,575,338</u>	<u>\$ 4,724,838</u>	<u>\$ 76,300,176</u>
Total assets			

See Accompanying Notes to the Financial Statements

Huron-Clinton Metropolitan Authority
Governmental Funds
Balance Sheet
December 31, 2017

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
Liabilities			
Accounts payable	\$ 1,859,161	\$ -	\$ 1,859,161
Accrued and other liabilities	644,468	-	644,468
Unearned revenue	<u>274,332</u>	<u>-</u>	<u>274,332</u>
Total liabilities	<u>2,777,961</u>	<u>-</u>	<u>2,777,961</u>
Deferred Inflows of Resources			
Unavailable revenue	972,836	-	972,836
Property taxes levied for a subsequent period	<u>29,946,151</u>	<u>-</u>	<u>29,946,151</u>
Total deferred inflows of resources	<u>30,918,987</u>	<u>-</u>	<u>30,918,987</u>
Fund Balances			
Non-spendable			
Inventories	380,926	-	380,926
Prepaid items	674,947	-	674,947
Restricted	349,962	-	349,962
Committed	6,083,467	4,724,838	10,808,305
Assigned	12,108,959	-	12,108,959
Unassigned	<u>18,280,129</u>	<u>-</u>	<u>18,280,129</u>
Total fund balances	<u>37,878,390</u>	<u>4,724,838</u>	<u>42,603,228</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 71,575,338</u>	<u>\$ 4,724,838</u>	<u>\$ 76,300,176</u>

See Accompanying Notes to the Financial Statements

Huron-Clinton Metropolitan Authority
Governmental Funds
Reconciliation of Fund Balances of Governmental Funds
to Net Position of Governmental Activities
December 31, 2017

Total fund balances for governmental funds	\$ 42,603,228
Total net position for governmental activities in the statement of net position is different because:	
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds.	110,122,439
Capital assets not being depreciated used in governmental activities are not financial resources and therefore are not reported in the funds.	87,120,756
Long-term receivables are not available to pay for current period expenditures and are therefore deferred inflows of resources in the governmental funds.	972,836
Long-term assets are not applicable to the current period and are not reported in the funds. Net other post employment asset	4,958,576
Deferred outflows (inflows) of resources. Deferred inflows of resources resulting from net pension liability	(3,870,109)
Deferred outflow of resources resulting from net pension liability	5,008,332
Long-term liabilities applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Compensated absences	(3,768,959)
Net pension liability	<u>(18,946,852)</u>
Net position of governmental activities	<u>\$ 224,200,247</u>

See Accompanying Notes to the Financial Statements

Huron-Clinton Metropolitan Authority
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2017

	General	Capital Projects	Total
Revenues			
Property taxes	\$ 30,658,374	\$ -	\$ 30,658,374
Oil and gas royalties	-	93,838	93,838
Operating grants	284,871	-	284,871
Donations	245,687	-	245,687
Charges for services	19,340,845	-	19,340,845
Interest income	449,196	35,599	484,795
Other revenue	351,495	-	351,495
	<u>51,330,468</u>	<u>129,437</u>	<u>51,459,905</u>
Total revenues			
Expenditures			
Current			
Operating			
Park operations	33,299,256	-	33,299,256
Major maintenance	2,270,033	-	2,270,033
Administrative offices	9,122,348	-	9,122,348
Total operating	44,691,637	-	44,691,637
Capital outlay			
Capital improvements	7,523,357	-	7,523,357
Equipment	2,801,066	-	2,801,066
Land acquisition	10,900	-	10,900
Total capital outlay	10,335,323	-	10,335,323
Total expenditures	55,026,960	-	55,026,960
Excess (deficiency) of revenues over expenditures	(3,696,492)	129,437	(3,567,055)
Other financing sources			
Proceeds from sale of capital assets	643,421	-	643,421
Net change in fund balance	(3,053,071)	129,437	(2,923,634)
Fund balance - beginning of year	40,931,461	4,595,401	45,526,862
Fund balance - end of year	<u>\$ 37,878,390</u>	<u>\$ 4,724,838</u>	<u>\$ 42,603,228</u>

See Accompanying Notes to the Financial Statements

Huron-Clinton Metropolitan Authority
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017

Net change in fund balances - total governmental funds \$ (2,923,634)

Total change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation expense	(6,174,844)
Capital outlay	9,504,904
Net book value of disposed capital assets	(808,990)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.

Change in unavailable revenue	866,091
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Expenses are recorded when incurred in the statement of activities.

Net change in compensated absences	48,252
Net other post employment benefit asset	673,670

The statement of net position reports the net pension liability and related deferred outflows and inflows of resources. However, the amount recorded on the governmental funds equals actual pension contributions.

Change in net pension liability	4,266,472
Net change in the deferred inflows of resources related to the net pension liability	(2,751,940)
Net change in the deferred outflows of resources related to the net pension liability	<u>(2,272,625)</u>

Change in net position of governmental activities **\$ 427,356**

Huron-Clinton Metropolitan Authority
Fiduciary Funds
Statement of Net Position
December 31, 2017

Assets

Investments	
Equity mutual funds	\$ 45,072,458
Fixed income mutual funds	37,698,137
Collective investment trust	5,854,543
Receivables	154,695
Prepays	<u>123,469</u>
Total assets	<u>88,903,302</u>

Liabilities

Vouchers payable	<u>94,155</u>
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Net Position

Restricted for pension benefits	59,897,339
Restricted for other post-employment benefits	<u>28,911,808</u>
Total net position	<u>\$ 88,809,147</u>

See Accompanying Notes to the Financial Statements

Huron-Clinton Metropolitan Authority
Fiduciary Funds
Statement of Changes in Net Position
For the Year Ended December 31, 2017

Additions

Investment earnings	
Interest	\$ 1,822,341
Net increase in fair value of investments	<u>9,146,286</u>
Total investment earnings	10,968,627
Contributions	
Employer	5,145,539
Plan members	<u>88,895</u>
Total contributions	<u>5,234,434</u>
Total additions	<u>16,203,061</u>
Deductions	
Benefits	5,844,169
Administrative expenses	<u>357,836</u>
Total deductions	<u>6,202,005</u>
Change in net position	10,001,056
Net position - beginning of year	<u>78,808,091</u>
Net position - end of year	<u><u>\$ 88,809,147</u></u>

See Accompanying Notes to the Financial Statements

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
December 31, 2017

Note 1 - Summary of Significant Accounting Policies

Reporting entity

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

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority's more significant accounting policies are described below.

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

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in activities) report information on all of the nonfiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with

a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. This includes all taxes, contributions, and oil and gas royalties and shows how governmental functions are either self-financing or supported by *general revenues*.

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

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
December 31, 2017

are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Authority reports the following major governmental funds:

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

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

In addition, the Authority reports pension and other post-employment benefit trust funds, which account for the Authority's single employer, defined benefit pension plan and other post-employment benefits plan. These plans accumulate resources for pension benefit and other post-employment benefit payments to qualified Authority employees. The funds are based on the Plans' December 31 fiscal year ends.

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

Assets, liabilities, and net position or equity

Deposits and investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value based. Certificate of deposits are stated at cost which approximates fair value.

Receivables and payables – In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of a lending/borrowing arrangement outstanding at the end of the fiscal year is referred to as “advances to/from other funds.”

Property tax receivables are shown as net of allowance for uncollectible amounts. The Authority considers all accounts receivable to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded. Property tax receivables are shown net of an allowance for uncollectible amounts of \$85,000. Property taxes are levied on each December 1st on the taxable valuation of property as of the preceding December 31st. Taxes are considered delinquent on March 1st of the following year, at which time penalties and interest are assessed.

The 2016 taxable valuation of the Authority totaled \$139,807,659,201, on which ad valorem taxes consisted of 0.2146 mills for operating purposes. This resulted in \$30,658,374 for operating expenses, exclusive of any Michigan Tax Tribunal or Board of Review adjustments.

Inventories and prepaid items – Inventories are valued at average cost. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future fiscal years. For such payments in governmental funds the Authority follows the consumption method, and they therefore are presented as prepaid items in both government-wide and fund financial statements.

Unearned revenue – The Authority has recorded unearned revenue in the fund financial statements and government-wide financial statements equaling the amount of pledged revenue from park patrons and cash received in advance of being earned/used for the

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
December 31, 2017

subsequent year's activities.

Capital assets – Capital assets, which include property, buildings, equipment, other improvements and infrastructure (roads, bridges, paved pathways, and water/sewer lines), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 for equipment and \$10,000 for all other assets, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are reported at acquisition value.

The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations the government values these capital assets at the estimated fair value of the item at the date of its donation.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings	30 to 50 years
Equipment	3 to 25 years
Other improvements	15 to 60 years
Infrastructure	15 to 50 years

Compensated absences – The Authority allows employees to earn annual leave benefits and sick leave termination bonuses based, in part, on length of service. Annual leave is fully vested when earned and sick leave termination bonuses vest upon completion of ten years of service. Upon termination, employees are paid their accumulated sick leave termination bonuses and annual leave depending upon the

nature of separation (death, retirement, or termination). All vacation pay is accrued when incurred in the government-wide fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Pensions and other post-employment benefit (OPEB) costs – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from Plan's fiduciary net position have been determined on the same basis as they are reported to the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The Authority receives actuarially-based calculations to compute the annual required contributions (ARC) necessary to fund the obligations over the remaining amortization periods. In the governmental funds, pension and OPEB costs are recognized as contributions are made. For government-wide statements, the Authority reports the full accrual cost equal to the current year contributions, adjusted for interest and "adjustment to the ARC" on the beginning of the year underpaid amount, if any.

Deferred outflows of resources – A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period. The Authority reports deferred outflows of resources as a result of pension earnings. This amount is the result of a difference between what the plan expected to earn from plan investments and what is actually earned. This amount will be amortized over the next five years and included in pension expense. Changes in assumptions and experience differences relating to the net pension liability are deferred and amortized over the expected remaining services lives of the employees and retirees in the plan.

Huron-Clinton Metropolitan Authority
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December 31, 2017

Deferred inflows of resources – A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period. For governmental funds this includes unavailable revenue in connection with receivables for revenues that are not considered available to liquidate liabilities of the current period. The Authority reports deferred inflows of resources as a result of pension earnings. This amount is the result of a difference between what the plan expected to earn from the plan investments and what the plan actually earned. This amount will be amortized over the next five years and included in pension expense. Changes in assumptions and experience differences relating to the net pension liability are deferred and amortized over the expected remaining services lives of the employees and retirees in the plan.

Fund Balance – In the fund financial statements, governmental funds report fund balance in the following categories:

Non-spendable – assets that are not available in a spendable form.

Restricted – amounts that are legally imposed or otherwise required by external parties to be used for a specific purpose.

Committed – amounts constrained on use imposed by the government's highest level of decision-making, its Board of Commissioners. A fund balance commitment may be established, modified, or rescinded by a resolution of the Board of Commissioners.

Assigned – amounts intended to be used for specific purposes, as determined by Board of Commissioners. Residual amounts in governmental funds other than the general fund are automatically assigned by their nature.

Unassigned – all other resources; the remaining fund balances

after non-spendable, restrictions, commitments and assignments.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the government's policy is to consider restricted funds spent first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts could be used, the government's policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Adoption of New Accounting Standards

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* addresses the other postemployment benefit plans (OPEB) – defined benefit and defined contribution – administered through trusts. This Statement will improve the financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by OPEB plans that are administered through trusts. This information will enhance the transparency by providing information about measures of net OPEB liabilities and explanations of how and why those liabilities changed from year to year. Statement No. 74 is effective for the fiscal year ending December 31, 2017.

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
December 31, 2017

Upcoming Accounting and Reporting Changes

In addition, the Governmental Accounting Standards Board has released the following Statements.

Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined OPEB plans, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee services. It also requires additional note disclosures and required supplementary information. Statement No. 75 is effective for the fiscal year ending December 31, 2018.

Statement No. 84, *Fiduciary Activities* improves the guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The criteria generally is on (1) is the government controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally will report fiduciary activities that are not held in a trust or similar arrangement that meets specific criteria. The requirements of this Statement are effective for the fiscal year ending December 31, 2020.

Statement No. 85, *Omnibus 2017* addresses practice issues that were identified during implementation and application of certain GASB Statements. This statement covers issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits), which is effective for the fiscal year ending March 31, 2018.

The Authority is evaluating the impact that the above GASBs will have on its financial reporting.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary information

The Authority is subject to the budgetary control requirements of the Uniform Budgeting Act (P.A. 621 of 1978, as amended). A budget for the general fund is adopted, on a basis consistent with generally accepted accounting principles (GAAP), and is adopted on a category level. An operating budget including major maintenance, park operations, and general administration categories lapses at year end.

Capital outlay budgets including engineering and general planning, capital improvements, equipment, and land acquisition categories do not lapse at year-end.

No later than the December regular meeting, the Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following January 1. Public hearings are held to obtain taxpayer comments and the budget is legally enacted through passage of an ordinance prior to January 1.

The governing body must approve the budget and amendments, including supplemental appropriations at the category level. The Authority's management can transfer appropriations between line items within a category without governing body approval.

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
December 31, 2017

Note 3 - Deposits and Investments

In accordance with Michigan Compiled Laws, the Authority's general fund and capital project funds are authorized to invest in the following investment vehicles:

- a) Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
- b) Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation (FDIC) or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation (FSLIC) or a credit union which is insured by the National Credit Union Administration (NCUA), but only if the bank, savings and loan association, or credit union is eligible to be a depository of surplus funds belonging to the State under section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being Section 21.145 and 21.146 of the Michigan Compiled Laws.
- c) Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.
- d) The United States government or federal agency obligations repurchase agreements.
- e) Bankers' acceptances of United States banks.
- f) Mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan.

In addition, the Michigan Public Employees Retirement Systems' Investment Act, Public Act 314 of 1965, as amended, authorizes the Authority's Pension Trust Fund and Other Post-Employment Benefit Trust Fund to invest in stocks, government and corporate securities, mortgages, real estate, and various other investment instruments, subject to certain limitations. The Authority's Board of Commissioners is responsible for recommending to the Authority the investment policies and strategies, and retaining/monitoring the various investment managers, trustees, advisors, actuaries and other fiduciaries utilized by the Funds. The Authority is responsible for approving the recommendations of the Board of Commissioners. All investment decisions are subject to Michigan law and the investment policy established by the Authority's Board of Commissioners.

At year end the government's deposits and investments were reported in the financial statements in the following categories:

	Cash and Cash Equivalents	Investments	Total
Governmental activities	\$ 8,442,303	\$ 35,929,756	\$ 44,372,059
Fiduciary funds	-	88,625,138	88,625,138
Total	\$ 8,442,303	\$ 124,554,894	\$ 132,997,197

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
December 31, 2017

The breakdown between deposits and investments is as follows:

	Primary Government	Fiduciary Funds	Total
Bank deposits (checking, savings accounts, and money markets)	\$ 8,406,053	\$ -	\$ 8,406,053
Investments in securities, mutual funds, and similar vehicles	35,929,756	88,625,138	124,554,894
Petty cash and cash on hand	<u>36,250</u>	<u>-</u>	<u>36,250</u>
	<u>\$ 44,372,059</u>	<u>\$ 88,625,138</u>	<u>\$ 132,997,197</u>

As of year end, the Authority had the following investments:

Investment	Fair Value	Average S & P Rating	Weighted Average Maturity
U.S. agencies	\$ 12,919,370	AA+	0.96
Certificates of deposit	23,010,386	Not rated	0.90
Equity mutual funds	45,072,459	Not rated	N/A
Fixed income mutual funds	37,698,137	B+ to AA-	13.79
Collective investment funds	<u>5,854,542</u>	Not rated	N/A
	<u>\$ 124,554,894</u>		

Interest rate risk – State law limits the allowable investments and the maturities of some of the allowable investments as identified in the above list of authorized investments. The Authority’s investment policy does not have specific limits in excess of State law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk – State law limits investments to specific government

securities, certificates of deposit and bank accounts with qualified institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments above. Incompliance with State law, the Authority’s investment policy limits investments to the top two ratings issued by nationally recognized statistical rating organizations. As of December 31, 2017, the Authority’s investments were within these guidelines.

The investment policy adopted by the Board of Commissioners, in accordance with Public Act 196 of 1997, is in accordance with statutory authority.

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

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
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Custodial credit risk - deposits – In the case of deposits, this is the risk that in the event of bank failure, the government’s deposits may not be returned to it. The government does not have a policy for custodial credit risk. As of year end, \$8,879,882 was exposed to custodial credit risk because it was uninsured and uncollateralized.

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

Note 4 - Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Authority has the following recurring fair value measurements as of December 31, 2017:

- Equity and fixed income mutual funds of \$82.77 million are valued using quoted market prices (Level 1 inputs)
- U.S. agency securities and collective investment funds of \$18.77 million are valued as described below (Level 2 inputs).

Following is a description of the valuation methodologies used for

instruments measured at fair value on a recurring basis and recognized in the accompanying financial statements, as well as the general classification of such instruments pursuant to the valuation hierarchy.

The investments in U.S. agencies are valued based on prices obtained by the investment custodian from independent quotation bureaus that use computerized valuation formulas to calculate current values. The collective investment funds are valued based on a net asset value that is obtained by the investment advisor from the funds.

The collective investment funds are subject to a quarterly redemption process that requires 65 days pre-notification. Funds are redeemable at NAV. There is also a 10% holdback on final payments under which the amount is held in escrow until completion of the fund’s audit.

Note 5 - Receivables

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

Primary government	
Taxes	\$ 29,752,631
Accrued interest and other	<u>240,498</u>
	<u>\$ 29,993,129</u>

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
December 31, 2017

Note 6 - Capital Assets

Capital assets activity of the governmental activities for the current year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 46,950,199	\$ 10,900	\$ -	\$ 46,961,099
Land improvements	34,778,070	65,455	756,114	34,087,411
Construction-in-progress	2,327,832	5,635,156	1,890,742	6,072,246
Total capital assets not being depreciated	84,056,101	5,711,511	2,646,856	87,120,756
Capital assets being depreciated				
Buildings	58,029,009	512,240	1,243,381	57,297,868
Equipment	23,173,933	2,801,065	1,745,421	24,229,577
Other improvements	61,033,256	2,397,776	1,003,621	62,427,411
Infrastructure	60,286,454	729,168	192,986	60,822,636
Total capital assets being depreciated	202,522,652	6,440,249	4,185,409	204,777,492
Less accumulated depreciation for				
Buildings	23,129,178	1,133,224	760,250	23,502,152
Equipment	15,033,620	1,471,181	1,661,856	14,842,945
Other improvements	24,414,571	1,692,454	800,514	25,306,511
Infrastructure	29,279,259	1,877,985	153,799	31,003,445
Total accumulated depreciation	91,856,628	6,174,844	3,376,419	94,655,053
Net capital assets being depreciated	110,666,024	265,405	808,990	110,122,439
Governmental activities capital assets, net	\$ 194,722,125	\$ 5,976,916	\$ 3,455,846	\$ 197,243,195

All depreciation expense is charged to recreation and culture on the statement of activities.

Note 7 - Long-Term Debt

Accrued compensated absences amounted to \$3,768,959 at year-end. Of this amount, \$1,027,766 is expected to be paid in the following year.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	\$ 3,817,211	\$ 995,108	\$ 1,043,360	\$ 3,768,959	\$ 1,027,766

Note 8 - Risk Management

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Authority has purchased commercial insurance for all claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Note 9 - Employee Retirement System

Defined benefit pension plan

Plan description – The Plan is a single-employer contributing defined benefit pension plan covering all of the Authority's full-time employees hired prior to January 1, 2013. Plan members are required to contribute 1% to the Plan. The Plan's fiscal year end is December 31.

The Plan is included as a pension trust fund in the Authority's primary government financial statements and a stand-alone financial report of the Plan has not been issued. The Plan is administered by the Authority's Pension Committee as appointed by the Authority's Board of Commissioners. Benefit provisions and contribution requirements are established and may be amended by the Board of Commissioners.

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

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

Employees covered by benefit terms – At the December 31, 2017 valuation date, the following employees, which is closed to new members, were covered by benefit terms:

Inactive employees or beneficiaries	
currently receiving benefits	165
Inactive employees entitled to, but not	
yet receiving benefits	18
Active employees	<u>135</u>
	<u><u>318</u></u>

Investment Policy – The Authority maintains an investment policy for the Plan which permits 5% to 40% of Pension Trust Fund assets to be invested in high quality fixed income securities, 15% to 50% in equity

type securities and 25% to 60% in guaranteed rate of return contracts.

Equity investments and bonds are reported at fair value. Investments for which market quotations are not readily available are valued at their fair values as determined by the custodian under the direction of the Authority’s Pension Committee. The investments of the pension trust fund are not federally insured.

Contributions – The annual required contribution for the current period was determined as part of the December 31, 2016 actuarial valuation using the individual entry age actuarial cost method. Benefits are funded on a level percentage of earnings from each participant’s date of participation to assumed retirement date. The effects of plan amendments and changes in assumptions are amortized over 30 years. Smoothed asset value spreads the difference between the assumed return and the actual investment return over a five (5) year period and was used to determine the actuarial value of assets. The amortization methods used are either 30-year, level percent of payroll dollar method or a 5-year level dollar method depending on participation in the 2013 early retirement window or not, where the effect of plan amendment and changes in assumptions are amortized over 30 years on a closed basis. The remaining amortization periods as of December 31, 2017 were 23.75 and 0.75 years. Gains and losses are not separately amortized but reduce or increase the amortization balances and payments.

Net pension liability – The employer’s net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
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Actuarial assumptions – The total pension liability in the December 31, 2017, annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 3.50%

Salary increases: 3.69% - 7.25% including inflation.

Investment rate of return: 6.75%

Mortality: RP-2014 Generational Mortality Table for males and females, extended via cubic spline. This table is adjusted backwards to 2006 with the MP-2014 scale, resulting in a base year of 2006 with future mortality improvements assumed each year using scale MP-2015.

The actuarial assumptions used in December 31, 2017 valuation were based on results of an actuarial experience study dated September 26, 2016.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study.

Projected Cash Flows – Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. 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. The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future

real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target Allocation	Long-term expected real rate of return
US Large Cap Fundamental Equity	5.00%	9.13%
US Large Cap Index	14.00%	8.00%
US Small Cap Equity	2.00%	10.15%
US Small/Mid Cap Equity Index	4.00%	8.00%
World Equity ex-US	15.00%	9.33%
Emerging Markets Equity	2.00%	9.67%
Core Fixed Income	20.00%	6.54%
Limited Duration Bonds	12.00%	5.65%
US High Yield	2.00%	7.82%
Emerging Markets Debt	3.00%	8.75%
Diversified Short Term Fixed Income	4.00%	5.89%
Dynamic Asset Allocation	6.00%	10.32%
Multi-Asset	3.00%	6.50%
Structured Credit	3.00%	10.52%
Private Real Estate	5.00%	7.30%
	100.00%	

Discount rate – The discount rate used to measure the total pension liability is 6.75%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers.

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Changes in Net Pension Liability

Total Pension Liability

Service cost	\$ 966,866
Interest on the total pension liability	5,089,192
Difference between expected and actual experience	(6,338)
Benefit payments and refunds	<u>(4,235,075)</u>
Net change in total pension liability	1,814,645
Total pension liability - beginning	<u>77,029,545</u>
Total pension liability - ending (a)	<u>\$ 78,844,190</u>

Plan Fiduciary Net Position

Employer contributions	\$ 2,996,209
Employee contributions	88,475
Pension plan net investment income (loss)	7,487,987
Benefit payments and refunds	(4,235,075)
Pension plan administrative expense	<u>(256,479)</u>
Net change in plan fiduciary net position	6,081,117
Plan fiduciary net position - beginning	<u>53,816,221</u>
Plan fiduciary net position - ending (b)	<u>59,897,338</u>

Net pension liability (a-b) \$ 18,946,852

Plan fiduciary net position as a percentage of total pension liability	75.97%
Covered employee payroll	\$ 9,259,465
Net pension liability as a percentage of covered employee payroll	204.62%

employer's net pension liability would be using a discount rate that is 1% point lower (5.75%) or 1% higher (7.75%) than the current rate.

	<u>1% Increase</u>	<u>Current discount rate</u>	<u>1% Decrease</u>
Net pension liability	<u>\$ 28,002,490</u>	<u>\$ 18,946,852</u>	<u>\$ 11,273,431</u>

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions – For the year ended December 31, 2017 the employer recognized pension expense of \$3,754,301. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>	<u>Total to amortize</u>
Differences in experience	\$ -	\$ 540,377	\$ (540,377)
Differences in assumptions	3,244,375	-	3,244,375
Net difference between projected and actual earnings on pension plan investments	<u>1,763,957</u>	<u>3,329,732</u>	<u>(1,565,775)</u>
Total	<u>\$ 5,008,332</u>	<u>\$ 3,870,109</u>	<u>\$ 1,138,223</u>

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended,	
2018	\$ 1,115,353
2019	1,192,416
2020	(388,622)
2021	<u>(780,924)</u>
	<u>\$ 1,138,223</u>

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the employer, calculated using the discount rate of 6.75%, as well as what the

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Note 10 - Other Post-employment Benefits

Plan description – On October 1, 2005, the Authority established the Retiree Health Care Plan & Trust (the “Plan and Trust”) with a fiscal year ending December 31. This Plan and Trust was created under the authority of the Public Employee Health Care Fund Investment Act, Public Act 149 of 1999 (MCL 38.1211 et seq.), and constitutes a governmental trust pursuant to Section 115 of the Internal Revenue Code of 1986, as amended. The activity of the Plan and Trust has been recorded in the Authority’s Other Post-Employment Benefit Trust Fund in the Authority’s primary government financial statements and a stand-alone financial report of the Plan has not been issued. The Plan is a single-employer defined benefit plan and is administered by the Authority’s Retiree Health Care Plan & Trust Committee as appointed by the Authority’s Board of Commissioners. Benefit provisions and contribution requirements are established and may be amended by the Board of Commissioners. The Plan and Trust was established to allow for the Authority’s funding of retiree health care benefits, an essential governmental function. The Plan and Trust was created for the exclusive purpose of providing health care, dental, and optical insurance benefits or such other benefits approved by the Authority for the welfare of certain retirees and spouses eligible to receive a retirement benefit. Substantially all of the Authority’s employees hired prior to January 1, 2009 may become eligible for these benefits when they retire, after attaining 10 years of credited service. Effective January 1, 2009, employees hired on or after January 1, 2009 are not covered under the Retiree Health Care Plan and Trust, but are covered under the Retirement Health Savings Plan.

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

The Plan and Trust’s financial statements are prepared using the accrual basis of accounting. The Authority’s contributions to the Plan

and Trust are recognized in the period that the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investments are reported at fair value, as indicated by quoted market prices as of December 31, 2017. Shares of mutual funds are valued at the net asset value of the shares held by the Plan and Trust at December 31, 2017.

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

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

The entry age actuarial cost method was used to prepare the most recent actuarial valuation dated December 31, 2017. Other significant assumptions were as follows: (a) investments are assumed to earn 6.75% per year, (b) health care costs are assumed to increase at an annual rate of 9% in year 1, reduced by 0.75% each year for the next three years and 0.50%-0.75% each year for the following six years

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until an ultimate rate of 3.50% is reached in the tenth year and beyond of which the rates include a 3.50% inflation assumption, (c) compensation is assumed to increase 3.50% per year and (d) active member population was assumed to remain constant. The unfunded liability is being amortized as a level dollar over a closed period of 24.75 years.

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

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

Funding Progress – The accompanying schedules of employer contributions present trend information about the amounts contributed to the plan by employers in comparison to the ARC, an amount that is actuarially determined in accordance with the parameters of GASB Statement 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years.

The Authority’s computed contribution and actual funding is summarized as follows:

Annual required contribution	\$ 1,415,660
Interest on net OPEB asset	(289,231)
Adjustment to annual required contribution	<u>349,232</u>
Annual OPEB cost	1,475,661
Contribution made	<u>(2,149,330)</u>
Change in net OPEB asset	(673,669)
Net OPEB (asset), beginning of year	<u>(4,284,907)</u>
Net OPEB (asset), end of year	<u><u>\$ (4,958,576)</u></u>

The Authority’s annual OPEB cost, percentage of annual OPEB cost contributed and the net OPEB obligation (asset) for the last three (3) years were as follows:

Fiscal year ending	Annual OPEB cost	Actual contribution	Percentage of annual OPEB cost contributed	Net OPEB (asset)
12/31/2015	\$ 958,049	\$ 1,200,000	125.2%	\$ (4,333,946)
12/31/2016	953,063	904,023	94.9%	(4,284,907)
12/31/2017	1,475,661	2,149,330	145.7%	(4,958,576)

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The current funding progress of the plan as of December 31, 2017, the date of the most recent actuarial valuation, is as follows:

Actuarial accrued liabilities (AAL)	\$ 36,819,142
Actuarial value of plan assets	25,072,686
Unfunded actuarial accrued liability (UAAL)	<u>\$ 11,746,456</u>
Funded ratio	68.1%
Covered payroll (active plan members)	\$ 9,252,828
UAAL as a percentage of covered payroll	126.95%

Plan membership – At December 31, 2017, the plan membership, which is closed to new members, consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	154
Inactive plan members entitled to, but not yet receiving benefit payments	-
Active plan members	<u>144</u>
	<u>298</u>

Asset allocation targets for investments in the trust are:

Asset class	Target Allocation	Long-term expected real rate of return
U.S. Large Cap Fundamental Equity	4.00%	9.13%
U.S. Large Cap Index	15.00%	8.00%
U.S. Small/Mid Cap Equity Index	6.00%	8.00%
World Equity ex-U.S.	15.00%	9.33%
Emerging Markets Equity	2.00%	9.67%
Core Fixed Income	20.00%	6.54%
Limited Duration Bonds	13.00%	5.65%
U.S. High Yield	2.00%	7.82%
Emerging Markets Debt	4.00%	8.75%
Diversified Short Term Fixed Income	7.00%	5.89%
Dynamic Asset Allocation	6.00%	10.32%
Multi-Asset	3.00%	6.50%
Private Real Estate	<u>3.00%</u>	7.30%
	100.0%	

Rate of return – For the year ended December 31, 2017, the annual money-weighted rate of return on investments, net of investment expense, was 13.31%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Net OPEB liability – the components of the net OPEB liability as of December 31, 2017 were as follows:

Total OPEB liability	\$ 38,621,826
Plan fiduciary net position	<u>(28,911,807)</u>
Net OPEB liability	<u>\$ 9,710,019</u>

Plan fiduciary net position as a percentage of the total OPEB liability is 74.86%.

Huron-Clinton Metropolitan Authority
Notes to the Financial Statements
December 31, 2017

Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	3.50%
Salary increases	3.69% to 7.25%, average, including inflation
Investment rate of return	6.75%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	9.0%, decreasing .55% per year to a rate of 3.5% in year 10

Mortality rates were based on the RP-2014 Generational Mortality Table for males and females, extended via cubic spline. This table is adjusted backwards to 2006 with the MP-2014 scale, resulting in a base year of 2006 with future mortality improvements assumed each year using scale MP-2015.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the period September 28, 2016.

Discount rate – The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Authority contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the net OPEB liability of the Authority, as well as what the Authority’s net OPEB liability would be if it were

calculated using a discount rate that is 1% lower (5.75%) or 1% higher (7.75%) than the current discount rate.

	1% decrease	Current discount rate	1% increase
Net OPEB liability	<u>\$ 14,696,870</u>	<u>\$ 9,710,019</u>	<u>\$ 5,576,089</u>

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the net OPEB liability of the Authority, as well as what the Authority’s net OPEB liability would be if were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% decrease	Healthcare cost trend rates	1% increase
Net OPEB liability	<u>\$ 5,496,359</u>	<u>\$ 9,710,019</u>	<u>\$ 14,621,265</u>

Huron-Clinton Metropolitan Authority
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December 31, 2017

Note 11 - Financial Statements for Individual Pension and Other Post-employment Benefits

Combining Financial Information - The combining financial information of the Authority's pension trust fund and the post-employment benefit trust fund, as of and for the year ended December 31, 2017, is as follows:

	Pension Trust Fund	Other Post-Employment Benefit Trust Fund	Total
Assets			
Investments			
Equity mutual funds	\$ 30,807,390	\$ 14,265,068	\$ 45,072,458
Fixed income mutual funds	24,055,704	13,642,433	37,698,137
Collective investment trust	5,004,543	850,000	5,854,543
Receivables	97,419	57,276	154,695
Prepays	-	123,469	123,469
 Total assets	 <u>59,965,056</u>	 <u>28,938,246</u>	 <u>88,903,302</u>
Liabilities			
Vouchers payable	<u>67,717</u>	<u>26,438</u>	<u>94,155</u>
Net Position			
Restricted for pension benefits	59,897,339	-	59,897,339
Restricted for other post-employment benefits	-	28,911,808	28,911,808
 Total net position	 <u>\$ 59,897,339</u>	 <u>\$ 28,911,808</u>	 <u>\$ 88,809,147</u>

	Pension Trust Fund	Post-Employment Benefit Trust Fund	Total
Additions			
Investment earnings			
Interest and dividends	\$ 1,198,032	\$ 624,309	\$ 1,822,341
Net increase in fair value of investments	6,289,955	2,856,331	9,146,286
 Total investment earnings	 <u>7,487,987</u>	 <u>3,480,640</u>	 <u>10,968,627</u>
Contributions			
Employer	2,996,209	2,149,330	5,145,539
Plan members	88,475	420	88,895
 Total contributions	 <u>3,084,684</u>	 <u>2,149,750</u>	 <u>5,234,434</u>
 Total additions	 <u>10,572,671</u>	 <u>5,630,390</u>	 <u>16,203,061</u>
Deductions			
Benefit payments	4,235,075	1,609,094	5,844,169
Administrative expenses	256,478	101,358	357,836
 Total deductions	 <u>4,491,553</u>	 <u>1,710,452</u>	 <u>6,202,005</u>
 Change in net position	 6,081,118	 3,919,938	 10,001,056
Net position - beginning of year	<u>53,816,221</u>	<u>24,991,870</u>	<u>78,808,091</u>
Net position - end of year	<u>\$ 59,897,339</u>	<u>\$ 28,911,808</u>	<u>\$ 88,809,147</u>

Note 12 - Retirement Health Savings Plan

On August 1, 2005, the Huron-Clinton Metropolitan Authority Board of Commissioners established the Huron-Clinton Retirement Health Savings Plan (Savings Plan) by resolution. Employees hired after January 1, 2009, who are covered under a collective bargaining agreement with the Authority, must contribute 1.0% of their base wage. The Authority contributes a 1.0% match on behalf of these employees. Employees who are not covered under a collective bargaining agreement with the Authority must contribute 1.5% of their base wage. There is no matching contribution provided on behalf of these employees. Total contributions for 2017 by participants and the

Huron-Clinton Metropolitan Authority
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Authority amounted to \$45,161 and \$45,087, respectively.

The savings plan is a defined contribution plan administered by the International City/County Management Association - Retirement Corporation (ICMA-RC). The legal basis for the Savings plan comes from several private letter rulings obtained by ICMA-RC from the Internal Revenue Service and Treasury regulation 301.7701-1[a][3]. Employees must be over the age of 21 to participate in the Savings Plan.

Note 13 - Retirement Plans

The Huron-Clinton Metropolitan Authority Board of Commissioners has established the Huron-Clinton 401 Governmental Money Purchase Plan & Trust (401 Plan) for full time employees hired after December 31, 2012. Eligible employees must contribute 1.0% of their base wage, and the Authority contributes a 6.0% match. Total contributions for 2017 by participants and the Authority amounted to \$40,490 and \$242,942, respectively.

On December 5, 2013, the Huron-Clinton Metropolitan Authority Board of Commissioners established the Huron-Clinton Alternative Pension Program (Alternative Plan) by resolution, which became effective January 1, 2014 for part-time and seasonal employees working 600 hours or less per year. These seasonal employees must contribute 6.0% of their base wage. The Authority contributes a 1.5% match on behalf of these employees. Total contributions for 2017 by participants and the Authority amounted to \$121,249 and \$30,312, respectively.

The 401 Plan and Alternative Plan are defined contribution plans administered by the International City/County Management Association - Retirement Corporation (ICMA-RC). The legal basis for the Alternative Plan comes from several private letter rulings obtained by ICMA-RC from the Internal Revenue Service and Treasury regulation 301.7701-1[a][3].

Note 14 - Fund Balances – Governmental Funds

In the fund financial statements, the governmental funds report fund balances as follows:

	General Fund	Capital Projects	Total
Nonspendable			
Inventories	\$ 380,926	\$ -	\$ 380,926
Prepays	674,947	-	674,947
Restricted			
Lake St. Clair Marina	342,563	-	342,563
Hudson Mills Canoe Livery	7,399	-	7,399
Committed			
Land	5,395,244	-	5,395,244
Capital projects	-	4,724,838	4,724,838
Rate stabilization fund	688,223	-	688,223
Assigned			
Compensated absences	3,768,959	-	3,768,959
Black creek marsh restoration encumbrances	184,000	-	184,000
Boat launch site redevelopment encumbrances	956,000	-	956,000
Subsequent budgeted use of fund balance	7,200,000	-	7,200,000
Unassigned	<u>18,280,129</u>	<u>-</u>	<u>18,280,129</u>
Total Fund Balances	<u>\$ 37,878,390</u>	<u>\$ 4,724,838</u>	<u>\$ 42,603,228</u>

Note 15 - Tax Abatements

Municipalities within the Authority's boundaries entered into property tax abatement agreements with local businesses under several programs as authorized under Public Act 381 of 1996, as amended (PA 381), and Public Act 198 of 1974, as amended (PA 198).

PA 381 (Brownfield Redevelopment Abatement) allows abatements to encourage the purchase and revitalization of properties in which redevelopment or reuse may be complicated by the presence or perception of contamination. Revitalizing and redeveloping these properties protects the environment, reuses existing infrastructure, minimizes urban sprawl and creates economic opportunities.

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PA198 (Industrial Property Tax Abatement) allows abatements to encourage Michigan manufacturers to build new plants, expand existing plants, renovate aging plants, or add new machinery and equipment. High technology operations are also eligible for the abatement. Once approved the firm pays an Industrial Facilities Tax (IFT), instead of property taxes, which reflects the abatement savings. The exemption covers only the specific project that is the subject of the application. Any buildings and equipment that existed prior to the construction of a new facility are not exempt. Likewise, any structures or equipment added after completion of the project are fully taxable. The IFT on new plant and non-industrial personal property is computed at half the local property mileage rate, resulting in a reduction of property taxes of approximately 50%. For an obsolete plant or machinery that is being replaced or restored, the IFT is frozen at the assessed value of the plant prior to improvement, resulting in a 100% exemption from property tax on the value of the improvements. A speculative building would be eligible for a reduction in property taxes of approximately 50%. Commercial personal property will receive an automatic reduction of 12 mills for local school on their property tax bill.

PA 328 (Personal Property Tax Relief in Distressed Communities) allows eligible distressed communities to abate taxes on new investments made by eligible commercial businesses that reduce unemployment, promote economic growth, and increase capital investment. Neighborhood Enterprise Zone designation would qualify a community as eligible for the PA 328 exemption. Eligible projects include manufacturing, mining, research and development, wholesale trade, and office operations. Retail businesses and casinos are not eligible. Abatements reduce property taxes by the full millage rate. The law does not specify a maximum or a minimum number of years to be abated.

A PILOT is a payment in lieu of taxes (also sometimes abbreviated

"PILT"), made to compensate a local government for some or all of the tax revenue that it loses because of the nature of the ownership or use of a particular piece of real property.

For the fiscal year ended December 31, 2017, the Authority experienced reduced property taxes totaling \$1,010,023 under these programs.

Note 16 - Contingent Liabilities

The Authority is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and its attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Authority.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, such as the Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures, which may be disallowed by the grantor, cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

Huron-Clinton Metropolitan Authority
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
Revenues				
Property taxes	\$ 29,932,724	\$ 30,658,374	\$ 30,658,374	\$ -
Operating grants	802,990	1,133,805	284,871	(848,934)
Donations	229,475	232,926	245,687	12,761
Charges for services	19,781,593	19,798,139	19,340,845	(457,294)
Interest income	250,000	250,000	449,196	199,196
Other revenue	20,500	20,500	351,495	330,995
Total revenues	<u>51,017,282</u>	<u>52,093,744</u>	<u>51,330,468</u>	<u>(763,276)</u>
Expenditures				
Current				
Operating				
Park operations	34,265,859	35,360,471	33,299,256	(2,061,215)
Major maintenance	4,082,813	4,498,921	2,270,033	(2,228,888)
Administrative offices	9,317,387	10,466,796	9,122,348	(1,344,448)
Total operating	<u>47,666,059</u>	<u>50,326,188</u>	<u>44,691,637</u>	<u>(5,634,551)</u>
Capital outlay				
Capital improvements	11,017,919	16,005,520	7,523,357	(8,482,163)
Equipment	3,414,100	3,476,316	2,801,066	(675,250)
Land acquisitions	-	10,900	10,900	-
Total capital outlay	<u>14,432,019</u>	<u>19,492,736</u>	<u>10,335,323</u>	<u>(9,157,413)</u>
Total expenditures	<u>62,098,078</u>	<u>69,818,924</u>	<u>55,026,960</u>	<u>(14,791,964)</u>
Excess (deficiency) of revenues over expenditures	<u>(11,080,796)</u>	<u>(17,725,180)</u>	<u>(3,696,492)</u>	<u>14,028,688</u>
Other financing sources				
Proceeds from sale of capital assets	270,000	270,000	643,421	373,421
Net change in fund balance	<u>(10,810,796)</u>	<u>(17,455,180)</u>	<u>(3,053,071)</u>	<u>14,402,109</u>
Fund balance - beginning of year	40,931,461	40,931,461	40,931,461	-
Fund balance - end of year	<u>\$ 30,120,665</u>	<u>\$ 23,476,281</u>	<u>\$ 37,878,390</u>	<u>\$ 14,402,109</u>

Huron-Clinton Metropolitan Authority
Required Supplementary Information
Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios

Fiscal year ended December 31,	2017	2016	2015	2014
Total Pension Liability				
Service cost	\$ 966,866	\$ 1,030,377	\$ 962,488	\$ 1,004,715
Interest on the total pension liability	5,089,192	4,899,597	4,862,474	4,726,571
Difference between expected and actual experience	-	(6,336)	(1,445,906)	109,029
Changes of assumptions	(6,338)	6,025,667	-	-
Benefit payments and refunds	<u>(4,235,075)</u>	<u>(3,970,452)</u>	<u>(3,831,448)</u>	<u>(4,057,900)</u>
Net change in total pension liability	1,814,645	7,978,853	547,608	1,782,415
Total pension liability - beginning	<u>77,029,545</u>	<u>69,050,692</u>	<u>68,503,084</u>	<u>66,720,669</u>
Total pension liability - ending (a)	<u>\$ 78,844,190</u>	<u>\$ 77,029,545</u>	<u>\$ 69,050,692</u>	<u>\$ 68,503,084</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 2,996,209	\$ 2,700,000	\$ 4,500,000	\$ 3,100,000
Employee contributions	88,475	111,649	101,817	107,492
Pension plan net investment income (loss)	7,487,987	4,008,761	(667,117)	2,225,505
Benefit payments and refunds	(4,235,075)	(3,970,452)	(3,831,448)	(4,057,900)
Pension plan administrative expense	<u>(256,479)</u>	<u>(275,660)</u>	<u>(201,301)</u>	<u>(73,710)</u>
Net change in plan fiduciary net position	6,081,117	2,574,298	(98,049)	1,301,387
Plan fiduciary net position - beginning	<u>53,816,221</u>	<u>51,241,923</u>	<u>51,339,972</u>	<u>50,038,585</u>
Plan fiduciary net position - ending (b)	<u>\$ 59,897,338</u>	<u>\$ 53,816,221</u>	<u>\$ 51,241,923</u>	<u>\$ 51,339,972</u>
Net pension liability (a-b)	<u>\$ 18,946,852</u>	<u>\$ 23,213,324</u>	<u>\$ 17,808,769</u>	<u>\$ 17,163,112</u>
Plan fiduciary net position as a percentage of total pension liability	75.97%	69.86%	74.21%	74.95%
Covered employee payroll	\$ 9,259,465	\$ 9,706,228	\$ 10,067,888	\$ 10,418,891
Net pension liability as a percentage of covered employee payroll	204.62%	239.16%	176.89%	164.73%

Note: Data will be added as information is available until 10 years of such data is available.

Huron-Clinton Metropolitan Authority
Required Supplementary Information
Retirement System
Schedule of Employer Contributions

Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2014	\$ 3,029,289	\$ 3,100,000	\$ (70,711)	10,418,891	29.75%
12/31/2015	3,474,587	4,500,000	(1,025,413)	10,067,888	44.70%
12/31/2016	2,449,953	2,700,000	(250,047)	9,706,228	27.82%
12/31/2017	2,996,208	2,996,209	(1)	9,259,465	32.36%

Note: Data will be added as information is available until 10 years of such data is available.

Huron-Clinton Metropolitan Authority
Required Supplementary Information
Retirement System
Schedule of Investment Returns

<u>Fiscal Year</u> <u>Ended</u> <u>December 31,</u>	<u>Annual</u> <u>Return % *</u>
2014	4.43%
2015	-1.68%
2016	7.33%
2017	13.40%

* Annual money-weighted rate of return, net of investment expenses

Note: Data will be added as information is available until 10 years of such data is available.

Huron-Clinton Metropolitan Authority
Required Supplementary Information
Other Post-employment Benefits
Schedule of Changes in Net OPEB Liability and Related Ratios

Fiscal year ended December 31,	<u>2017</u>
Total OPEB Liability	
Service cost	\$ 458,291
Interest	2,446,452
Changes of benefit terms	623,336
Differences between expected and actual experience	(116,301)
Benefit payments	<u>(1,609,094)</u>
Net change in total OPEB liability	1,802,684
Total OPEB liability - beginning	<u>36,819,142</u>
Total OPEB liability - ending (a)	<u>\$ 38,621,826</u>
Plan Fiduciary Net Position	
Employer contributions	\$ 2,149,330
Employee contributions	420
Net investment income (loss)	3,480,640
Benefit payments and refunds	(1,609,094)
Administrative expense	<u>(101,359)</u>
Net change in plan fiduciary net position	3,919,937
Plan fiduciary net position - beginning	<u>24,991,870</u>
Plan fiduciary net position - ending (b)	<u>\$ 28,911,807</u>
Net OPEB liability (a-b)	<u>\$ 9,710,019</u>
Plan fiduciary net position as a percentage of total OPEB liability	74.86%
Covered employee payroll	\$ 8,866,219
Net OPEB liability as a percentage of covered employee payroll	109.52%

*GASB Statement No. 74 was implemented for the fiscal year ended December 31, 2017 and does not require retroactive implementation.

Note: Data will be added as information is available until 10 years of such data is available.

Huron-Clinton Metropolitan Authority
Required Supplementary Information
Other Post-employment Benefits
Schedule of Funding Progress and Employer Contributions

Actuarial Valuation Year	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	Actual Contribution as a % of Covered Payroll
10/1/2006	\$ 5,715,974	\$ 41,991,647	\$ 36,275,673	13.61%	\$ 14,252,470	254.52%
10/1/2009	6,697,411	40,700,314	34,002,903	16.46%	14,203,220	239.40%
10/1/2011	13,821,223	35,839,538	22,018,315	38.56%	13,809,019	159.45%
10/1/2013	19,443,143	31,585,955	12,142,812	61.56%	11,171,076	108.70%
12/31/2014	24,605,958	30,924,610	6,318,652	79.57%	10,418,891	60.65%
12/31/2016	25,072,686	36,819,142	11,746,456	68.10%	9,252,828	126.95%

Period Ended	Annual Required Contribution	Actual Annual Contribution	Percent Contributed
September 30, 2009	\$ 3,368,724	\$ 2,957,740	88%
September 30, 2010	3,354,066	3,374,190	101%
September 30, 2011	2,485,145	3,377,312	136%
September 30, 2012	2,461,036	2,586,549	105%
September 30, 2013	1,432,112	2,530,542	177%
December 31, 2014	356,231	2,429,495	682% ⁽¹⁾
December 31, 2015	916,266	1,200,308	131%
December 31, 2016	904,023	904,023	100%

⁽¹⁾ The Authority changed its plan year in 2014 from a September 30 year end to December 31. Contributions for the fifteen (15) month period were well in excess of the annual required contribution (ARC) because the Authority had previously recognized the ARC a year ahead of the schedule provided by actuaries. Going forward, annual required contributions compared to the ARC are expected to normalize at more historically comparable levels.

Huron-Clinton Metropolitan Authority
Required Supplementary Information
Other Post-employment Benefits
Schedule of Employer Contributions

Actuarial Valuation Date	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2017	\$ 1,415,660	\$ 2,149,330	\$ (733,670)	8,866,219	24.24%

Note: Data will be added as information is available until 10 years of such data is available.

Huron-Clinton Metropolitan Authority
Required Supplementary Information
Other Post-employment Benefits
Schedule of Investment Returns

Fiscal Year Ended December 31,	Annual Return % *
<u>2017</u>	<u>13.31%</u>

* Annual money-weighted rate of return, net of investment expenses

Note; Data will be added as information is available until 10 years of such data is available.

Huron-Clinton Metropolitan Authority
Notes to Required Supplementary Information
December 31, 2017

Note 1 – Other Post-employment Benefit Plan

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Significant methods and assumptions were as follows:

Actuarial Valuation Frequency:	Every two years
Latest valuation date	December 31, 2016
Actuarial cost method	Individual Entry Age
Amortization method	Level dollar
Remaining amortization period	24.75 years
Asset valuation method	N/A - plan is not prefunded
Actuarial assumptions:	
Investment rates of return	6.75%
Projected salary increases	3.50%
Inflation	3.50% - 9.00%

2016. The updated assumptions increased measured Retirement Plan liabilities by \$6,025,667.

The assumed annual rate of investment return, net of all expenses, was lowered from 7.25% to 6.75%.

The assumed rate of inflation was lowered from 3.75% to 3.50%.

The assumed rate of salary increases was lowered from a range of 4.00% to 8.75%, including inflation, to a range of 3.69% to 7.25%, including inflation.

Note 2 – Retirement System

Changes of benefit terms – There were no changes of benefit terms during fiscal year 2017.

Changes in assumptions – The 2017 valuation reflects updated assumptions from the Experience Study dated September 28, 2016. The Pension Committee of the Huron-Clinton Metropolitan Authority Employees' Retirement Plan approved the changes on November 10,

OTHER SUPPLEMENTARY INFORMATION

Huron-Clinton Metropolitan Authority
Fiduciary Funds
Combining Statement of Net Position
December 31, 2017

	Pension Trust Fund	Other Post-Employment Benefit Trust Fund	Total
Assets			
Investments			
Equity mutual funds	\$ 30,807,390	\$ 14,265,068	\$ 45,072,458
Fixed income mutual funds	24,055,704	13,642,433	37,698,137
Collective investment trust	5,004,543	850,000	5,854,543
Receivables	97,419	57,276	154,695
Prepays	-	123,469	123,469
	<u>59,965,056</u>	<u>28,938,246</u>	<u>88,903,302</u>
Liabilities			
Vouchers payable	67,717	26,438	94,155
Net Position			
Restricted for pension benefits	59,897,339	-	59,897,339
Restricted for other post-employment benefits	-	28,911,808	28,911,808
	<u>59,897,339</u>	<u>28,911,808</u>	<u>88,809,147</u>
Total net position	<u>\$ 59,897,339</u>	<u>\$ 28,911,808</u>	<u>\$ 88,809,147</u>

Huron-Clinton Metropolitan Authority
Fiduciary Funds
Combining Statement of Changes in Net Position
For the Year Ended December 31, 2017

	Pension Trust Fund	Other Post-Employment Benefit Trust Fund	Total
Additions			
Investment earnings			
Interest and dividends	\$ 1,198,032	\$ 624,309	\$ 1,822,341
Net increase in fair value of investments	<u>6,289,955</u>	<u>2,856,331</u>	<u>9,146,286</u>
Total investment earnings	7,487,987	3,480,640	10,968,627
Contributions			
Employer	2,996,209	2,149,330	5,145,539
Plan members	<u>88,475</u>	<u>420</u>	<u>88,895</u>
Total contributions	<u>3,084,684</u>	<u>2,149,750</u>	<u>5,234,434</u>
Total additions	<u>10,572,671</u>	<u>5,630,390</u>	<u>16,203,061</u>
Deductions			
Benefit payments	4,235,075	1,609,094	5,844,169
Administrative expenses	<u>256,478</u>	<u>101,358</u>	<u>357,836</u>
Total deductions	<u>4,491,553</u>	<u>1,710,452</u>	<u>6,202,005</u>
Change in net position	6,081,118	3,919,938	10,001,056
Net position - beginning of year	<u>53,816,221</u>	<u>24,991,870</u>	<u>78,808,091</u>
Net position - end of year	<u>\$ 59,897,339</u>	<u>\$ 28,911,808</u>	<u>\$ 88,809,147</u>

STATISTICAL SECTION (UNAUDITED)

Huron-Clinton Metropolitan Authority
Statistical Section - Table of Contents
For the Year Ending December 31, 2017

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

Contents

Page

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

6 - 1

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

6 - 5

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

6 - 11

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

6 - 14

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Huron-Clinton Metropolitan Authority
Net Position by Component
Last Ten Fiscal Years
(Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	\$188,282,018	\$195,042,991	\$195,093,978	\$194,800,234	\$194,403,024	\$195,125,395	\$195,936,628	\$193,545,863	\$194,722,125	\$197,243,195
Restricted	-	-	-	37,709	90,430	138,856	185,995	259,201	311,705	349,962
Unrestricted	29,526,477	29,396,377	33,118,763	34,227,707	36,140,736	38,675,137	41,440,497	28,935,288	28,739,061	26,607,090
Total governmental activities net position	<u>\$217,808,495</u>	<u>\$224,439,368</u>	<u>\$228,212,741</u>	<u>\$229,065,650</u>	<u>\$230,634,190</u>	<u>\$233,939,388</u>	<u>\$237,563,120</u>	<u>\$222,740,352</u>	<u>\$223,772,891</u>	<u>\$224,200,247</u>

Huron-Clinton Metropolitan Authority
Changes in Net Position
Last Ten Fiscal Years
(Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Recreation and culture	\$ 45,095,061	\$ 44,629,146	\$ 45,570,182	\$ 43,671,297	\$ 41,656,918	\$ 41,586,621	\$ 41,891,795	\$ 46,117,042	\$ 49,554,752	\$ 51,898,640
Capital projects	1,783,776	1,794,155	1,134,337	1,486,892	1,930,912	292,196	-	-	-	-
Capital outlay	15,245	-	-	-	-	-	-	-	-	-
Total expenses	46,894,082	46,423,301	46,704,519	45,158,189	43,587,830	41,878,817	41,891,795	46,117,042	49,554,752	51,898,640
Program revenues										
Charges for services	14,480,210	13,764,068	14,715,827	14,151,725	15,027,250	14,519,872	16,316,176	17,893,737	20,130,849	19,692,340
Operating grants and contributions	4,325	78,358	7,598	33,359	234,463	19,100	61,745	453,429	162,112	1,377,190
Capital grants and contributions	497,259	1,951,190	309,893	318,053	175,075	2,031,530	153,869	-	-	-
Total program revenue	14,981,794	15,793,616	15,033,318	14,503,137	15,436,788	16,570,502	16,531,790	18,347,166	20,292,961	21,069,530
General revenues										
Property taxes	35,788,569	35,782,192	34,452,805	30,640,135	28,293,295	27,680,762	28,167,025	28,406,715	29,249,583	30,645,350
Oil and gas royalties	832,032	440,623	436,028	368,959	595,017	297,536	239,740	57,890	111,839	93,838
Donations	91,929	101,219	57,065	110,423	127,231	167,123	87,407	101,638	44,744	32,483
Investment earnings	1,598,806	863,140	474,515	324,511	161,587	217,455	289,002	363,548	307,934	484,795
Miscellaneous	208,335	73,384	24,161	28,460	513,164	27,567	97,013	987,949	339,905	-
Gain on sale of capital assets	-	-	-	35,473	29,288	223,069	43,551	192,480	240,325	-
Total general revenues	38,519,671	37,260,558	35,444,574	31,507,961	29,719,582	28,613,512	28,923,738	30,110,220	30,294,330	31,256,466
Total revenues	53,501,465	53,054,174	50,477,892	46,011,098	45,156,370	45,184,014	45,455,528	48,457,386	50,587,291	52,325,996
Change in net position	\$ 6,607,383	\$ 6,630,873	\$ 3,773,373	\$ 852,909	\$ 1,568,540	\$ 3,305,197	\$ 3,563,733	\$ 2,340,344	\$ 1,032,539	\$ 427,356

Huron-Clinton Metropolitan Authority
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$ 3,992,208	\$ 2,500,709	\$ 1,268,203	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	23,793,951	24,970,045	29,812,797	-	-	-	-	-	-	-
Nonspendable	-	-	-	228,747	232,363	534,899	498,779	1,018,633	1,069,422	1,055,873
Restricted	-	-	-	37,709	90,430	138,856	185,995	259,201	311,705	349,962
Committed	-	-	-	13,394,338	13,334,981	12,907,536	9,401,861	9,873,636	10,011,796	6,083,467
Assigned	-	-	-	-	15,526,682	11,990,064	11,846,371	10,074,807	15,908,505	12,108,959
Unassigned	-	-	-	18,200,790	5,014,458	10,323,181	14,747,179	18,348,559	13,630,033	18,280,129
Total General Fund	\$ 27,786,159	\$ 27,470,754	\$ 31,081,000	\$ 31,861,584	\$ 34,198,914	\$ 35,894,536	\$ 36,680,185	\$ 39,574,836	\$ 40,931,461	\$ 37,878,390
Capital Projects Fund										
Reserved	\$ 465,314	\$ 33,834	\$ 280,642	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	5,661,713	6,370,316	6,458,797	-	-	-	-	-	-	-
Committed	-	-	-	6,087,728	4,780,236	4,804,776	4,481,442	4,463,556	4,595,401	4,724,838
Total Capital Projects Fund	\$ 6,127,027	\$ 6,404,150	\$ 6,739,439	\$ 6,087,728	\$ 4,780,236	\$ 4,804,776	\$ 4,481,442	\$ 4,463,556	\$ 4,595,401	\$ 4,724,838

Note: GASB 54 became effective and was implemented in 2011. Prior period amounts were not restated.

Huron-Clinton Metropolitan Authority
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Property taxes	\$ 36,053,277	\$ 35,953,354	\$ 34,528,432	\$30,691,073	\$ 28,384,628	\$ 27,662,759	\$28,125,677	\$28,503,130	\$ 29,246,499	\$ 30,658,374
Oil and gas royalties	832,032	440,623	436,028	368,959	595,017	297,536	239,740	57,890	111,839	93,838
Charges for services	14,480,210	13,764,068	14,715,827	14,151,725	15,027,250	14,519,872	16,316,176	17,893,737	20,130,849	19,340,845
Operating grants	4,325	78,358	7,598	33,359	234,463	19,100	61,745	217,896	76,182	284,871
Capital grants	497,259	1,951,190	309,893	318,053	175,075	2,031,530	153,869	-	-	-
Donations	91,929	101,219	57,065	110,423	127,231	167,123	87,407	337,171	130,674	245,687
Interest	1,598,806	863,140	474,515	324,511	161,587	217,455	289,002	363,548	307,934	484,795
Miscellaneous	208,335	73,384	24,161	28,460	513,164	27,567	97,013	987,949	339,905	351,495
Proceeds from sale of capital assets	382,240	280,543	411,926	126,880	204,213	223,069	43,551	192,480	319,165	643,421
Total revenues	54,148,413	53,505,879	50,965,445	46,153,443	45,422,628	45,166,011	45,414,180	48,553,801	50,663,047	52,103,326
Expenditures										
Park operations	32,609,363	32,062,270	32,131,822	31,717,979	29,706,692	28,829,491	29,119,023	31,518,622	32,622,292	33,299,256
Major maintenance	1,783,776	1,794,155	1,134,337	1,428,877	1,553,104	921,509	1,435,517	1,786,274	1,926,210	2,270,033
Administrative offices	6,659,575	6,958,695	7,088,861	7,075,619	7,538,185	6,990,592	7,640,052	7,516,737	7,371,706	9,122,348
Capital improvements	7,399,751	9,304,704	4,682,325	4,271,032	4,422,355	5,143,506	5,261,964	3,307,434	4,159,886	7,523,357
Equipment	1,910,491	1,821,169	1,972,142	965,066	1,170,104	1,531,932	1,225,463	1,370,378	3,089,427	2,801,066
Land acquisitions	624,843	1,603,169	10,423	565,997	2,350	28,819	269,846	177,591	5,056	10,900
Total Expenditures	50,987,799	53,544,162	47,019,910	46,024,570	44,392,790	43,445,849	44,951,865	45,677,036	49,174,577	55,026,960
Net change in fund balance	\$ 3,160,614	\$ (38,283)	\$ 3,945,535	\$ 128,873	\$ 1,029,838	\$ 1,720,162	\$ 462,315	\$ 2,876,765	\$ 1,488,470	\$ (2,923,634)
Debt service as a percentage of noncapital expenditures	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Huron-Clinton Metropolitan Authority
Governmental Activities Tax Revenue by Source
Last Ten Fiscal Years
(Unaudited)

<u>Year</u>	<u>Property Tax</u>
2008	\$ 36,053,277
2009	35,953,354
2010	34,528,432
2011	30,691,073
2012	28,384,628
2013	27,662,759
2014	28,125,677
2015	28,406,715
2016	29,249,583
2017	30,645,350

Huron-Clinton Metropolitan Authority
Taxable and Assessed Values of Property
Last Ten Fiscal Years
(Unaudited)

Year	Real Property (a)		Personal Property (a)		Taxable Value	State Equalized Value	Estimated Market Value (b)	Percent Change in Market Value
	Taxable Value	State Equalized Value	Taxable Value	State Equalized Value				
2008	\$ 159,738,926,654	\$ 198,062,887,036	\$ 14,144,190,957	\$ 14,179,192,525	\$ 173,883,117,611	\$ 212,242,079,561	\$ 424,484,159,122	2.4%
2009	159,805,335,088	190,072,799,884	13,834,646,241	13,895,283,284	173,639,981,329	203,968,083,168	407,936,166,336	-3.9%
2010	154,220,925,617	171,635,829,603	13,979,514,883	13,966,280,994	168,200,440,500	185,602,110,597	371,204,221,194	-9.0%
2011	138,988,195,205	149,496,027,195	13,021,305,792	13,034,781,334	152,009,500,997	162,530,808,529	325,061,617,058	-12.4%
2012	130,162,996,751	136,807,421,204	12,360,397,169	12,378,691,878	142,523,393,920	149,186,113,082	298,372,226,164	-8.2%
2013	123,811,211,186	128,820,235,807	12,562,799,230	12,573,994,972	136,374,010,416	141,394,230,779	282,788,461,558	-5.2%
2014	122,943,107,230	129,773,753,961	13,126,543,590	13,159,608,616	136,069,650,820	142,933,362,577	285,866,725,154	1.1%
2015	123,996,465,352	135,715,141,261	12,839,179,302	12,888,111,844	136,835,644,654	148,603,253,105	297,206,506,210	4.0%
2016	127,299,266,119	147,549,827,757	13,328,310,313	13,339,823,672	140,627,576,432	160,889,651,429	321,779,302,858	8.3%
2017	129,731,372,431	158,080,403,922	10,932,474,841	10,951,448,476	140,663,847,272	169,031,852,398	338,063,704,796	5.1%

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

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

Source: Livingston, Macomb, Oakland, Washtenaw, and Wayne County Assessing and Equalization Departments.

Huron-Clinton Metropolitan Authority
Taxable Valuations by County
Last Ten Fiscal Years
(Unaudited)

<u>Year</u>	<u>Livingston</u> <u>County</u>	<u>% of</u> <u>Total</u>	<u>Macomb</u> <u>County</u>	<u>% of</u> <u>Total</u>	<u>Oakland</u> <u>County</u>	<u>% of</u> <u>Total</u>	<u>Washtenaw</u> <u>County</u>	<u>% of</u> <u>Total</u>	<u>Wayne</u> <u>County</u>	<u>% of</u> <u>Total</u>	<u>Total</u> <u>Taxable Value</u>	<u>Total</u> <u>%</u>
2008	\$ 8,793,696,047	5.1%	\$ 31,862,669,926	18.3%	\$ 64,719,908,597	37.2%	\$ 15,510,438,244	8.9%	\$ 52,996,404,797	30.5%	\$ 173,883,117,611	100.0%
2009	8,825,074,848	5.1%	31,812,886,490	18.3%	64,728,962,196	37.3%	15,650,088,801	9.0%	52,622,968,994	30.3%	173,639,981,329	100.0%
2010	8,572,010,718	5.1%	31,010,555,286	18.4%	62,411,551,405	37.1%	15,271,517,551	9.1%	50,934,805,540	30.3%	168,200,440,500	100.0%
2011	7,953,592,697	5.2%	27,895,119,373	18.4%	55,081,707,586	36.3%	14,496,599,262	9.5%	46,582,482,079	30.6%	152,009,500,997	100.0%
2012	8,195,851,938	5.8%	25,840,445,900	18.1%	50,798,540,257	35.7%	14,083,128,684	9.9%	43,605,427,141	30.6%	142,523,393,920	100.0%
2013	7,482,442,287	5.5%	24,255,702,728	17.8%	49,235,953,993	36.2%	13,976,296,665	10.2%	41,423,614,473	30.4%	136,374,010,146	100.0%
2014	7,571,057,139	5.6%	24,113,941,897	17.7%	49,235,110,306	36.3%	14,210,463,343	10.4%	40,939,078,135	30.1%	136,069,650,820	100.0%
2015	7,682,984,917	5.6%	24,563,858,227	18.0%	50,048,650,087	36.7%	14,496,462,571	10.6%	40,043,688,852	29.3%	136,835,644,654	100.0%
2016	8,053,582,840	5.7%	25,475,376,698	18.1%	51,895,341,437	37.0%	14,925,676,802	10.6%	40,277,598,655	28.6%	140,627,576,432	100.0%
2017	8,193,575,309	5.8%	25,264,565,701	18.0%	52,786,202,473	37.6%	15,257,429,398	10.8%	39,162,074,391	27.8%	140,663,847,272	100.0%

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

Source: Livingston, Macomb, Oakland, Washtenaw, and Wayne County Assessing and Equalization Departments.

Huron-Clinton Metropolitan Authority
Property Tax Rates (Per \$1,000 of Value)
Last Ten Fiscal Years
(Unaudited)

<u>Year</u>	<u>Authority Millage Rate (a)</u>
2008	0.2146
2009	0.2146
2010	0.2146
2011	0.2146
2012	0.2146
2013	0.2146
2014	0.2146
2015	0.2146
2016	0.2146
2017	0.2146

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

Source: Livingston, Macomb, Oakland, Washtenaw, and Wayne County Assessing and Equalization Departments.

Huron-Clinton Metropolitan Authority
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

<u>Year</u>	<u>Initial Tax Levy (a)</u>	<u>Current Year Tax Collections (b)</u>	<u>Percent of Current Year Taxes Collected</u>	<u>Prior Years Tax Receivable Balances</u>	<u>Prior Years Tax Receivable Collections (b)</u>	<u>Percent of Prior Years Taxes Collected</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections (c)</u>	<u>Outstanding Tax Receivable Balances At Year End</u>
2008	\$ 35,889,988	\$ 36,102,100	100.6%	\$ 1,126,712	\$ 42,025	3.7%	\$ 36,144,125	97.6%	\$ 891,926
2009	35,875,236	36,085,090	100.6%	891,926	(130,847)	-14.7%	35,954,243	97.8%	774,623
2010	34,594,391	34,777,802	100.5%	774,623	(249,370)	-32.2%	34,528,432	97.6%	446,996
2011	31,348,452	31,179,480	99.5%	121,434	(230,372)	-189.7%	30,949,108	98.3%	239,058
2012	30,311,637	29,158,227	96.2%	63,840	(238,136)	-373.0%	28,920,092	95.2%	110,914
2013	29,093,937	28,015,682	96.3%	53,383	(209,270)	-392.0%	27,806,412	95.4%	136,760
2014	28,950,466	28,419,636	98.2%	93,563	37,629	40.2%	28,457,265	98.0%	193,154
2015	29,147,709	28,155,589	96.6%	193,154	265,079	137.2%	28,420,668	96.9%	155,578
2016	29,956,861	29,330,025	97.9%	155,578	42,697	27.4%	29,372,722	97.5%	175,541
2017	30,002,724	33,389,306	111.3%	175,541	128,223	73.0%	33,517,529	111.1%	178,721

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

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

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

Source: Huron-Clinton Metropolitan Authority and various County collection records.

Huron-Clinton Metropolitan Authority
Principal Property Taxpayers
Current and Ten Years Ago
(Unaudited)

Taxpayer	2017			2008		
	Taxable Value (a)	Rank	Percent of Total Authority Taxable Value	Taxable Value (a)	Rank	Percent of Total Authority Taxable Value
Detroit Edison	\$2,139,865,556	1	1.52%	\$1,956,899,113	3	1.13%
Ford Motor Company	963,527,172	2	0.68%	2,203,935,659	1	1.27%
Consumers Energy	611,165,320	3	0.43%	311,577,615	5	0.18%
General Motors	456,262,387	4	0.32%	1,982,010,138	2	1.14%
ITC	403,191,524	5	0.29%	-	-	-
Marathon Oil Company	344,060,160	6	0.24%	157,376,388	10	0.09%
Michigan Consolidated Gas	307,291,512	7	0.22%	-	-	-
Enbridge Energy	278,157,911	8	0.20%	-	-	-
Vanguard Health Systems- Hospitals	277,429,414	9	0.20%	-	-	-
MGM Grand Detroit LLC	207,731,800	10	0.15%	157,376,388	9	0.09%
Daimler/Chrysler	-	-	-	1,539,859,670	4	0.89%
United States Steel	-	-	-	213,766,632	7	0.12%
AT&T	-	-	-	178,681,161	8	0.10%
Pfizer Global	-	-	-	287,447,930	6	0.17%
Total Ten Largest Taxpayers	<u>\$5,988,682,756</u>		<u>4.25%</u>	<u>\$8,988,930,694</u>		<u>5.18%</u>

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

Source: Livingston, Macomb, Oakland, Washtenaw, and Wayne County Assessing and Equalization Departments.

Huron-Clinton Metropolitan Authority
Demographic and Economic Statistics
(Unaudited)

Total Population by County (a)

Year	Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
1940	26,725	107,638	254,068	80,810	2,015,623	2,484,864
1950	38,233	184,961	396,001	134,606	2,435,235	3,189,036
1960	38,233	405,804	690,259	172,440	2,666,297	3,973,033
1970	58,967	626,204	907,871	234,103	2,670,368	4,497,513
1980	100,289	694,600	1,011,793	264,748	2,337,891	4,409,321
1990	115,645	717,400	1,083,592	282,937	2,111,687	4,311,261
2000	156,951	788,149	1,194,156	322,895	2,061,162	4,523,313
2010	180,967	840,978	1,202,362	344,791	1,820,584	4,389,682
2013	182,402	845,197	1,213,406	348,560	1,804,507	4,394,072
2014	183,264	849,344	1,220,798	351,454	1,790,078	4,394,938
2015	184,591	854,689	1,229,503	354,092	1,778,969	4,401,844
2016	185,841	859,703	1,235,215	358,082	1,767,593	4,406,434

Number of Households by County (b)

Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
69,763	338,893	496,727	138,672	669,412	1,713,467

Household Income by County (b)

Income	Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
Less than \$10,000	2,120	18,965	25,310	9,824	84,634	140,853
\$10,000 to \$14,999	1,689	14,125	17,749	5,631	45,653	84,847
\$15,000 to \$24,999	4,440	35,443	39,207	11,962	84,613	175,665
\$25,000 to \$34,999	4,654	35,061	39,366	12,474	73,711	165,266
\$35,000 to \$49,999	8,236	47,876	59,013	17,046	89,652	221,823
\$50,000 to \$74,999	12,684	65,294	83,991	22,244	109,721	293,934
\$75,000 to \$99,999	11,315	44,975	64,519	16,427	69,076	206,312
\$100,000 to \$149,999	14,095	49,801	83,755	21,743	68,674	238,068
\$150,000 to \$199,999	6,066	17,097	39,155	10,295	23,529	96,142
\$200,000 or more	4,464	10,256	44,662	11,026	20,149	90,557

Median Household Income (b)

Livingston	Macomb	Oakland	Washtenaw	Wayne
\$76,764	\$55,951	\$69,850	\$62,484	\$42,043

Huron-Clinton Metropolitan Authority
Demographic and Economic Statistics
(Unaudited)

Ethnicity by County (a)												
Ethnicity	Livingston		Macomb		Oakland		Washtenaw		Wayne		Total	
White	179,295	96.48%	711,089	82.71%	937,568	75.90%	264,906	73.98%	940,071	53.18%	3,032,929	68.83%
Black or African American	921	0.50%	91,582	10.65%	170,742	13.82%	42,970	12.00%	694,872	39.31%	1,001,087	22.72%
American Indian & Alaska Nat	449	0.24%	2,136	0.25%	3,268	0.26%	1,076	0.30%	5,950	0.34%	12,879	0.29%
Asian	1,751	0.94%	30,459	3.54%	80,680	6.53%	30,582	8.54%	52,168	2.95%	195,640	4.44%
Native Hawaiian/Other Pacific	81	0.04%	224	0.03%	207	0.02%	151	0.04%	329	0.02%	992	0.02%
Other Race	526	0.28%	4,116	0.48%	9,390	0.76%	3,054	0.85%	32,715	1.85%	49,801	1.13%
Two or More Races	2,818	1.52%	20,097	2.34%	33,360	2.70%	15,343	4.28%	41,488	2.35%	113,106	2.57%
	<u>185,841</u>		<u>859,703</u>		<u>1,235,215</u>		<u>358,082</u>		<u>1,767,593</u>		<u>4,406,434</u>	

Age by County (a)												
Age	Livingston		Macomb		Oakland		Washtenaw		Wayne		Total	
under 5	9,453	5.09%	47,529	5.53%	68,130	5.52%	18,568	5.19%	115,454	6.53%	259,134	5.88%
5 through 9	10,821	5.82%	51,405	5.98%	74,219	6.01%	18,743	5.23%	115,168	6.52%	270,356	6.14%
10 through 14	13,800	7.43%	54,665	6.36%	79,556	6.44%	20,356	5.68%	121,234	6.86%	289,611	6.57%
15 through 19	13,444	7.23%	53,839	6.26%	80,087	6.48%	31,850	8.89%	119,717	6.77%	298,937	6.78%
20 through 24	10,379	5.58%	54,366	6.32%	72,466	5.87%	47,015	13.13%	127,678	7.22%	311,904	7.08%
25 through 34	18,853	10.14%	107,115	12.46%	153,031	12.39%	50,295	14.05%	225,877	12.78%	555,171	12.60%
35 through 44	22,572	12.15%	109,954	12.79%	159,762	12.93%	41,831	11.68%	220,359	12.47%	554,478	12.58%
45 through 54	31,417	16.91%	129,420	15.05%	188,161	15.23%	44,932	12.55%	245,231	13.87%	639,161	14.51%
55 through 59	15,018	8.08%	63,176	7.35%	93,929	7.60%	21,439	5.99%	126,390	7.15%	319,952	7.26%
60 through 64	12,806	6.89%	54,383	6.33%	79,927	6.47%	20,177	5.63%	106,506	6.03%	273,799	6.21%
65 through 74	16,979	9.14%	73,865	8.59%	107,043	8.67%	25,689	7.17%	136,814	7.74%	360,390	8.18%
75 through 84	7,641	4.11%	39,474	4.59%	52,645	4.26%	11,874	3.32%	71,978	4.07%	183,612	4.17%
85 and over	2,658	1.43%	20,512	2.39%	26,259	2.13%	5,313	1.48%	35,187	1.99%	89,929	2.04%
	<u>185,841</u>		<u>859,703</u>		<u>1,235,215</u>		<u>358,082</u>		<u>1,767,593</u>		<u>4,406,434</u>	

Data from 2011-2015 American Community Survey 5-Year Estimates:

(a) ACS Demographic and Housing Estimates (DP05)

(b) Selected Economic Characteristics (DP03)

Huron-Clinton Metropolitan Authority
Principal Employers
Current and Ten Years Ago
(Unaudited)

Employer	2017			2007		
	Employees	Rank	Percentage of Total Region Employment	Employees	Rank	Percentage of Total Region Employment
Ford Motor Company	44,655	1	7.1%	56,695	3	9.5%
FCA US LLC (formerly Chrysler)	32,481	2	6.2%	58,000	2	9.6%
General Motors	31,399	3	7.9%	80,407	1	14.0%
University of Michigan Hospitals	30,835	4	15.2%	49,078	4	19.1%
Beaumont Health System	25,264	5	4.1%	-	-	-
US Government/Postal Service	19,759	6	3.7%	28,179	5	8.0%
Ilitch Companies	15,931	7	2.3%	-	-	-
Henry Ford Health System	15,112	8	2.5%	16,093	7	2.2%
Rock Ventures	13,445	9	1.9%	-	-	-
Trinity Health	10,267	10	4.1%	-	-	-
Detroit Public Schools	-	-	-	14,913	9	1.8%
Oakwood healthcare, Inc	-	-	-	15,899	8	1.9%
Ascension Michigan (formerly St. John)	-	-	-	21,780	6	3.5%
City of Detroit	-	-	-	13,554	10	1.6%
	<u>239,148</u>		<u>55.0%</u>	<u>354,598</u>		<u>71.2%</u>

Sources: Crain's Detroit Business, Michigan Department of Technology, Management, and Budget, Livingston, Macomb, Oakland, Washtenaw, and Wayne County annual financial statements.

Huron-Clinton Metropolitan Authority
Full-Time Equivalent Employees by Location
Last Ten Fiscal Years
(Unaudited)

Location	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Administrative Office	67	58	53	50	53	54	56	51	52	52
Lake St. Clair Metropark	57	56	53	51	57	55	55	59	64	65
Kensington Metropark	97	96	88	82	80	81	85	95	100	98
Lower Huron Metropark	89	94	88	83	84	85	86	94	91	92
Hudson Mills Metropark	29	29	29	28	32	35	33	34	36	35
Stony Creek Metropark	63	63	56	53	55	53	55	58	61	59
Lake Erie Metropark	45	44	43	45	48	48	47	51	53	53
Wolcott Mill Metropark	18	23	20	16	16	19	20	21	22	25
Indian Springs Metropark	23	24	25	24	22	22	24	26	26	25
Huron Meadows Metropark	12	12	12	11	11	12	14	17	18	17
Total	<u><u>500</u></u>	<u><u>499</u></u>	<u><u>467</u></u>	<u><u>443</u></u>	<u><u>458</u></u>	<u><u>464</u></u>	<u><u>475</u></u>	<u><u>506</u></u>	<u><u>523</u></u>	<u><u>521</u></u>

Huron-Clinton Metropolitan Authority
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

	2017	2016	2015*	2014	2013	2012	2011	2010	2009	2008
Number of Regional Parks	13	13	13	13	13	13	13	13	13	13
Vehicle Count	2,921,824	2,947,885	2,859,720							
Estimated Attendance***	7,304,560	7,369,713	7,149,300	7,939,916	8,420,298	8,866,125	8,434,169	9,203,225	9,174,119	8,917,076
Land (acres)										
All Land ****	24,508	24,521	24,521							
Encumbered for Recreation	14,761	14,761	14,761							
Leased for Farming	491	595	595							
Leased for Recreation	450	450	450							
Leased for Utilities	24	24	24							
General Grounds Maintenance - Acres Mowed Annually	3,691	3,691	3,099	3,099	2,261	2,261	2,281	2,694	2,699	2,807
Trails (miles)										
Nature/Hiking	59	58	58							
Paved/Shared Use	90	84	84							
Equestrian	36	36	36							
Cross Country Ski	64	64	64	81	80	80	80	75	75	66
Mountain Biking	19	19	19							
Maintenance Paths	81	81	81							
Aquatic Facilities										
Aquatic Centers **	5									
Spray Pads**	2	4	4	4	4	4	4	4	4	4
Pools **		4	4	4	4	4	4	4	4	5
Beaches	5	5	5	5	5	5	5	5	5	5
Boat Launches	50	50	50	46	44	44	44	44	44	44
Boat Rental Facilities-Metropark operated	4	6	6	5	6	6	6	5	5	5
Boat Rental Facilities-Concessionaire operated	2									
Fishing Platforms	16	16	16							
Marinas - Number of Boat Slips	393	393	393	498	509	509	553	553	505	564
Winter Facilities										
Ice Skating Areas	4	4	4							
Sledding Areas	8	8	8							
Infrastructure										
Buildings	484	489	489							
Roads (miles)	68	68	68							
Parking Spaces	19,332	19,332	19,332							

Huron-Clinton Metropolitan Authority
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

	2017	2016	2015*	2014	2013	2012	2011	2010	2009	2008
Great Lakes Shoreline (miles)	14	14	14							
Inland Lakes (acres)	3,634	3,634	3,634							
Recreation Facilities										
Regulation 18 Hole Courses	7	8	8	8	8	8	8	8	8	8
Number of Golf Rounds	176,231	190,527	191,605	169,157	182,333	187,868	184,837	204,839	206,271	221,338
Par 3 Courses	1	2	2	2	2	2	2	2	2	2
Number of Golf Rounds	4,249	14,025	14,257	12,971	17,238	19,829	17,879	24,858	32,920	30,915
Number of Foot Golf Rounds	784									
Driving Ranges	5	6	6	6	5	5	5	5	5	5
Disc Golf Courses	5	5	5							
Disc Golf Holes	135	135	135	126	123	123	120	120	123	120
Playgrounds	77	78	78	51	50	50	49	45	45	45
Picnic Shelters	86	87	87	91	91	91	92	87	86	84
Picnic Areas		70	70	88	88	89	90	85	85	85
Tennis Courts	8	9	9	8	8	8	8	8	8	8
Pickelball Courts	3									
Basketball Courts	15	15	15	18	19	19	19	19	19	18
Sand Volleyball Courts	39	38	38							
Baseball Fields	22	28	28							
Interpretive Centers										
Environmental Discovery Center	1	1	1	1	1	1	1	1	1	1
Farm Centers	2	2	2	2	2	2	2	2	2	2
Grist Mill	1	1	1	1	1	1	1	1	1	1
Nature Centers	6	6	6	6	6	6	6	6	6	6
Mobile Metropark	3	3	1	1	1	1	1	1	1	1
Number of Visitors	1,487,666	1,470,541	1,382,962	1,459,000	1,549,800	1,657,759	1,681,737	1,761,071	1,757,499	1,608,000
Number of Interpretive Programs	5,553	5,520	7,580	7,175	7,478	9,706	10,181	10,106	10,458	10,261
Special Event Facilities	6	6	6							
Excursion Boat	1	1	1	1	1	1	1	1	1	1
Public Safety										
Number of Patrol Vehicles	36	36	36	36	36	39	39	37	37	33
Number of Law Violations										
Arrests	50	25	30	24	20	19	13	28	41	58
Traffic Violations	193	333	295	225	221	175	232	305	366	461
Other Violations	82	129	167	75	49	56	129	120	148	160

Huron-Clinton Metropolitan Authority
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

	2017	2016	2015*	2014	2013	2012	2011	2010	2009	2008
Land (acres) Developed				4,890	5,800	5,800	5,800	5,800	5,800	5,800
Land (acres) Undeveloped				18,960	18,355	18,355	18,355	18,310	18,310	18,055
Land (acres) Under Recreational Lease to Other Agencies				1,045	600	600	600	600	600	600
Number of Buildings Maintained				320	321	321	321	319	319	315
Square Footage of Buildings Maintained				703,120	705,395	705,395	703,120	697,520	697,520	700,475
Equestrian Trails - Number of Miles				53	53	53	53	53	53	29
Hike/ Bike Trails (paved) - Number of Miles of Paved Trails				66	61	61	61	55	55	54
Miles of Shoreline				94	94	94	94	100	100	100
Nature Trails - Number of Miles				75	75	75	75	56	56	53
Outdoor Dance Centers				2	2	2	2	1	1	1
Parking Lots - Square Yards Maintained				768,191	768,191	796,191	794,691	833,428	833,428	833,428
Road System - Number of Lane Miles Maintained				165	162	162	162	166	166	166
Skate Parks				1	1	1	1	1	1	1
Ice Skating Rinks				7	7	7	7	9	9	9
Sledding/Toboggan Hills				19	19	18	18	18	18	18

* During the year ending December 31, 2015 the Authority's Planning Department developed a comprehensive Vision Plan which included new statistical areas of focus that will be monitored and maintained on a go forward basis. For this reason, certain categories and areas of statistical reporting have changed from previous years reporting. Consistency among categories has been maintained where available.

** During the year ending December 31, 2017 the Authority's Planning Department reevaluated the aquatic facility categories reported. It was concluded to present a new category of Aquatic Center which may include multiple types of facilities previously reported separately.

*** Estimated attendance based on standard multiplier applied to actual vehicle count

**** Based on land acquisition records, including undeveloped parkway land outside park boundaries

Huron-Clinton Metropolitan Authority
Metropark General Governmental Expenditures by Type
Last Ten Fiscal Years
(Unaudited)

Year	Capital Improvements	Equipment	Land Acquisition	Major Maintenance	General Administration	Park Operations	Capital Projects Fund	Total
2008	\$ 7,103,917	\$ 1,910,491	\$ 624,843	\$ 1,043,507	\$ 6,659,575	\$ 32,609,363	\$ 1,036,103	\$ 50,987,799
2009	9,347,177	1,821,169	1,603,169	1,442,499	6,958,695	32,062,270	309,183	53,544,162
2010	4,494,392	1,972,142	10,423	1,131,938	7,088,861	32,131,822	190,332	47,019,910
2011	3,456,892	965,066	565,997	1,106,658	7,075,619	31,717,979	1,078,344	45,966,555
2012	2,491,443	1,170,104	2,350	1,553,104	7,538,185	29,706,692	1,930,912	44,392,790
2013	5,068,491	1,531,932	28,820	704,328	6,990,592	28,829,491	292,196	43,445,850
2014	4,879,504	1,225,463	269,846	1,435,517	7,640,052	29,119,023	382,460	44,951,865
2015	3,212,855	1,370,378	177,591	1,786,274	7,516,737	31,518,622	94,579	45,677,036
2016	4,159,886	3,089,427	5,056	1,926,210	7,371,706	32,622,292	-	49,174,577
2017	7,523,357	2,801,066	10,900	2,270,033	9,122,348	33,299,256	-	55,026,960

Huron-Clinton Metropolitan Authority
Metropark General Governmental Expenditures by Park
Last Ten Fiscal Years
(Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total (a)
Capital Improvements											
Administrative Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,070	\$ 45,000	\$ -	\$ 112,999	\$ 88,600	\$ 261,669
Lake St. Clair Metropark	1,890,068	3,070,170	779,453	164,896	501,752	3,388,101	247,053	252,381	1,236,529	3,877,088	15,407,491
Kensington Metropark	1,973,343	3,907,319	991,397	2,417,637	275,844	123,195	2,008,956	452,571	299,491	727,346	13,177,099
Dexter-Delhi Metropark	46,363	45,269	21,066	129,214	25,859	14,659	34,885	-	-	-	317,315
Lower Huron/Willow/Oakwoods Metropark	622,687	1,213,040	842,785	274,389	269,893	516,245	66,796	156,782	51,322	593,005	4,606,944
Hudson Mills Metropark	662,669	103,637	324,848	158,655	97,746	525,153	303,410	110,901	36,544	56,897	2,380,460
Stony Creek Metropark	1,024,385	216,901	344,335	135,328	1,182,503	125,936	237,809	1,405,205	1,820,937	1,361,602	7,854,941
Lake Erie Metropark	166,028	221,474	714,069	118,017	36,280	55,787	351,366	27,186	223,999	408,973	2,323,179
Wolcott Mill Metropark	229,612	110,013	29,399	14,417	35,032	78,544	60,035	389,335	363,060	230,446	1,539,893
Indian Springs Metropark	411,705	373,191	312,175	41,265	37,288	167,628	325,956	371,525	15,005	155,170	2,210,908
Huron Meadows Metropark	61,807	86,163	134,865	3,074	29,246	58,173	1,198,238	46,969	-	24,230	1,642,765
Cost Share Other Agencies	15,250	-	-	-	-	-	-	-	-	-	15,250
Total	7,103,917	9,347,177	4,494,392	3,456,892	2,491,443	5,068,491	4,879,504	3,212,855	4,159,886	7,523,357	51,737,914
Equipment											
Central Pool Equipment	145,325	56,383	167,493	274,595	107,813	172,763	630,121	231,321	313,470	157,070	2,256,354
Lake St. Clair Metropark	217,608	97,496	236,282	113,685	213,150	109,896	142,484	206,783	235,466	275,544	1,848,394
Kensington Metropark	282,956	288,600	453,310	140,575	318,761	230,212	149,257	207,324	585,804	613,122	3,269,921
Lower Huron/Willow/Oakwoods Metropark	397,155	485,485	188,961	260,665	132,884	94,976	69,759	139,967	497,397	742,245	3,009,494
Hudson Mills Metropark	185,257	133,418	85,560	40,422	12,656	117,115	82,700	36,814	156,368	29,781	880,091
Stony Creek Metropark	143,396	131,759	282,333	67,235	257,776	282,583	46,107	332,084	634,571	511,883	2,689,727
Willow/Oakwoods Metroparks	218,333	272,597	72,601	189,437	57,047	32,710	1,320	-	-	-	844,045
Lake Erie Metropark	113,109	147,267	111,636	16,638	1,250	358,709	10,558	66,180	316,289	221,945	1,363,581
Wolcott Mill Metropark	131,732	60,477	19,071	22,966	8,906	11,095	35,050	41,751	169,864	86,887	587,799
Indian Springs Metropark	161,696	304,666	77,778	28,285	94,408	91,409	17,537	85,280	78,549	62,471	1,002,079
Huron Meadows Metropark	132,257	115,618	349,718	-	22,500	63,174	41,890	22,874	101,649	100,118	949,798
Total	1,910,491	1,821,169	1,972,142	965,066	1,170,104	1,531,932	1,225,463	1,370,378	3,089,427	2,801,066	17,857,238
Land Acquisition											
Lake St. Clair Metropark	-	-	-	-	-	19,456	72,859	177,591	5,056	-	274,962
Kensington Metropark	-	-	-	-	-	2,950	-	-	-	-	2,950
Wolcott Mill Metropark	2,950	5,650	8,400	287,884	2,350	6,414	196,737	-	-	-	510,385
Indian Springs Metropark	252,544	1,593,769	23	273,813	-	-	-	-	-	-	2,120,149
Huron Meadows	212,524	2,800	2,000	-	-	-	-	-	-	10,900	228,224
Other Metroparks	156,825	950	-	4,300	-	-	250	-	-	-	162,325
Total	624,843	1,603,169	10,423	565,997	2,350	28,820	269,846	177,591	5,056	10,900	3,298,995

Huron-Clinton Metropolitan Authority
Metropark General Governmental Expenditures by Park
Last Ten Fiscal Years
(Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total (a)
Major Maintenance											
Administrative Office - Engineering/ General Planning	\$ 73,215	\$ 179,437	\$ 69,367	\$ 166,374	\$ 76,319	\$ 90,486	\$ 74,754	\$ 8,044	\$ 17,116	\$ 43,718	\$ 798,830
Lake St. Clair Metropark	90,431	129,104	37,271	177,368	67,827	170,388	226,800	198,938	180,587	733,523	2,012,237
Kensington Metropark	142,425	169,523	101,468	321,623	127,031	31,511	282,058	411,571	421,900	159,149	2,168,259
Lower Huron/Willow/Oakwoods Metropark	353,661	378,249	89,350	160,134	429,468	38,958	454,770	338,346	252,139	497,763	2,992,838
Hudson Mills Metropark	75,829	235,922	55,458	19,178	338,736	-	38,651	42,342	129,663	53,080	988,859
Stony Creek Metropark	148,948	164,651	570,546	83,260	236,918	38,138	228,158	269,969	634,683	212,106	2,587,377
Lake Erie Metropark	59,798	185,613	76,122	110,656	125,456	248,430	4,250	17,962	91,900	91,547	1,011,734
Wolcott Mill Metropark	54,086	-	-	40,458	45,053	18,572	126,076	264,173	111,436	132,151	792,005
Indian Springs Metropark	45,114	-	6,632	26,645	48,053	63,979	-	99,502	71,109	346,996	708,030
Huron Meadows Metropark	-	-	125,724	964	58,243	3,866	-	135,427	15,677	-	339,901
Total	1,043,507	1,442,499	1,131,938	1,106,658	1,553,104	704,328	1,435,517	1,786,274	1,926,210	2,270,033	14,400,070
General Administration											
Administrative Office	6,659,575	6,958,695	7,088,861	7,075,619	7,538,185	6,990,592	7,640,052	7,516,737	7,371,706	9,122,348	73,962,370
Park Operations											
Lake St. Clair Metropark	4,070,235	4,064,908	3,951,050	3,784,910	3,500,206	3,518,212	3,476,787	3,955,554	4,045,798	4,193,050	38,560,710
Kensington Metropark	6,542,370	6,443,579	6,529,008	6,486,029	6,163,819	5,942,347	6,009,375	6,487,747	6,792,494	6,936,915	64,333,683
Lower Huron/Willow/Oakwoods Metropark	6,150,938	5,422,245	5,790,454	5,740,732	5,370,279	5,314,881	5,241,451	5,954,585	6,142,630	6,388,626	57,516,821
Dexter/Delhi/Hudson Mills Metroparks	2,616,276	2,794,242	2,747,588	2,981,726	2,741,822	2,463,982	2,444,480	2,531,077	2,525,080	2,493,050	26,339,323
Stony Creek Metropark	4,179,179	4,195,573	4,230,227	4,058,406	3,959,094	3,816,608	3,896,686	4,450,218	5,041,688	4,907,561	42,735,240
Lake Erie Metropark	3,571,164	3,591,422	3,425,448	3,379,534	3,356,082	3,393,851	3,313,518	3,366,875	3,263,730	3,696,984	34,358,608
Wolcott Mill Metropark	1,824,048	1,737,968	1,755,269	1,775,100	1,604,023	1,398,932	1,548,474	1,645,858	1,790,519	1,537,099	16,617,290
Indian Springs Metropark	2,094,248	2,116,133	2,194,572	2,052,636	1,844,228	1,825,913	1,924,048	2,018,613	1,972,292	2,048,351	20,091,034
Huron Meadows Metropark	1,058,438	1,144,033	1,199,291	1,055,361	837,024	855,213	943,075	1,079,578	1,022,826	1,074,884	10,269,723
Central Warehouse/Garage/Other	502,467	552,167	308,915	403,546	330,115	299,552	321,129	28,517	25,235	22,736	2,794,379
Total	32,609,363	32,062,270	32,131,822	31,717,979	29,706,692	28,829,491	29,119,023	31,518,622	32,622,292	33,299,256	313,616,810
Capital Projects Fund											
Kensington Metropark	-	19,580	152,040	716,501	1,712,310	53,180	-	-	-	-	2,653,611
Lower Huron Metropark	238,677	(83,175)	-	-	-	-	-	-	-	-	155,502
Stony Creek Metropark	-	17,771	33,752	361,844	218,602	239,016	382,460	94,579	-	-	1,348,024
Oakwoods Metropark	797,426	355,007	4,540	-	-	-	-	-	-	-	1,156,973
Total	1,036,103	309,183	190,332	1,078,344	1,930,912	292,196	382,460	94,579	-	-	5,314,110
Total Expenditures	\$ 50,987,799	\$ 53,544,162	\$ 47,019,910	\$ 45,966,555	\$ 44,392,790	\$ 43,445,850	\$ 44,951,865	\$ 45,677,036	\$ 49,174,577	\$ 55,026,960	\$480,187,507

(a) Includes General Fund and Capital Projects Fund.

Huron-Clinton Metropolitan Authority
Metropark General Governmental Revenue by Source
Last Ten Fiscal Years
(Unaudited)

Year	Property Tax	Park Operations	Interest	Grants	Gifts	Miscellaneous	Other Financing Sources	Capital Projects Fund	Total (a)
2008	\$ 36,053,277	\$ 14,480,210	\$ 1,386,929	\$ 501,584	\$ 91,929	\$ 208,335	\$ 382,240	\$ 1,073,328	\$ 54,177,832
2009	35,953,354	13,764,068	717,457	2,029,548	101,219	73,384	280,543	586,306	53,505,879
2010	34,528,432	14,715,827	384,922	317,491	57,065	24,161	411,926	525,621	50,965,445
2011	30,691,073	14,151,725	266,837	351,412	110,423	28,460	126,880	426,633	46,153,443
2012	28,384,628	15,027,250	133,184	409,538	127,231	513,164	204,213	623,420	45,422,628
2013	27,662,759	14,519,872	198,255	2,050,630	167,123	27,567	223,069	316,736	45,166,011
2014	28,125,677	16,316,176	277,461	215,614	87,407	97,013	43,551	251,281	45,414,180
2015	28,503,130	17,893,737	344,745	217,896	337,171	987,949	192,480	76,693	48,553,801
2016	29,246,499	20,130,849	287,928	76,182	130,674	339,905	319,165	131,845	50,663,047
2017	30,658,374	19,340,845	449,196	284,871	245,687	351,495	643,421	129,437	52,103,326

(a) Includes General Fund and Capital Projects Fund.

Huron-Clinton Metropolitan Authority
Metropark Operating Revenues by Park
Last Ten Fiscal Years
(Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Lake St. Clair Metropark	\$ 1,608,432	\$ 1,605,390	\$ 1,767,070	\$ 1,639,040	\$ 1,677,510	\$ 1,605,222	\$ 1,753,366	\$ 2,161,319	\$ 2,461,013	\$ 2,315,553	\$ 18,593,915
Kensington Metropark	2,743,827	2,608,246	2,896,630	2,802,315	2,959,722	3,007,259	3,481,846	3,996,669	4,552,476	4,741,963	33,790,953
Lower Huron Metropark	1,317,792	1,236,339	1,496,553	1,544,161	1,577,205	1,299,958	1,465,153	2,682,224	3,071,759	2,760,379	18,451,523
Dexter/Delhi/Hudson Mills Metroparks	955,416	964,219	969,111	887,294	826,820	867,709	964,791	1,044,048	1,082,519	1,116,862	9,678,789
Stony Creek Metropark	2,358,584	2,334,081	2,514,918	2,535,163	2,846,775	2,989,230	3,362,441	3,574,513	4,153,817	4,091,310	30,760,832
Willow/ Oakwoods Metroparks	1,328,555	1,004,439	1,131,561	804,158	1,028,790	931,113	1,064,566	-	-	-	7,293,182
Lake Erie Metropark	1,641,958	1,601,021	1,576,391	1,572,925	1,553,867	1,395,317	1,521,141	1,627,750	1,772,447	1,668,012	15,930,829
Wolcott Mill Metropark	603,100	485,383	471,291	469,845	588,431	534,381	539,505	558,710	625,982	297,922	5,174,550
Indian Springs Metropark	933,591	895,761	870,566	811,109	904,808	953,775	1,079,093	1,122,183	1,237,868	1,107,336	9,916,090
Huron Meadows Metropark	816,058	822,933	807,926	760,210	702,974	689,334	773,048	856,215	910,351	905,093	8,044,142
Resident House/Land Leases											
Other	163,998	185,012	177,489	170,522	190,986	198,093	195,165	-	-	-	1,281,265
Administrative Office	8,899	21,244	36,321	154,983	169,355	48,481	116,061	270,106	262,617	336,415	1,424,482
Total	\$ 14,480,210	\$ 13,764,068	\$ 14,715,827	\$ 14,151,725	\$ 15,027,243	\$ 14,519,872	\$ 16,316,176	\$ 17,893,737	\$ 20,130,849	\$ 19,340,845	\$ 160,340,552

Huron-Clinton Metropolitan Authority
Metropark Operating Revenues by Type
Last Ten Fiscal Years
(Unaudited)

Type of Revenue	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Food Service (b)	\$ 951,338	\$ 814,336	\$ 803,573	\$ 778,782	\$ 730,059	\$ 774,520	\$ 1,201,877	\$ -	\$ -	\$ -	\$ 6,054,485
Aquatic	1,364,533	1,112,798	1,418,185	1,572,314	1,508,333	1,317,560	1,443,720	2,010,251	2,156,789	1,763,802	15,668,285
Dockage/ Boat Storage	405,316	373,705	390,105	396,478	371,748	366,101	362,701	383,575	394,197	372,635	3,816,561
Boat Rentals	266,152	273,220	275,897	326,887	338,251	357,399	389,421	460,095	476,722	436,904	3,600,947
Excursion Boat	40,037	37,532	38,555	44,441	44,668	49,598	49,634	44,102	17,098	55,502	421,167
Cross Country Skiing	27,255	41,744	45,513	55,021	26,076	48,047	86,234	62,642	32,959	37,810	463,301
Toll Collection	4,621,742	4,796,269	5,690,581	5,358,278	5,722,407	5,547,951	6,991,270	7,471,802	9,167,954	9,452,371	64,820,625
Sundries (b)	135,387	120,056	125,336	104,699	119,669	115,538	109,392	-	-	-	830,077
Games/Equipment Rental (b)	53,525	41,141	38,712	4,375	17,463	28,875	32,390	-	-	-	216,481
Activity Center	97,396	120,408	122,608	132,997	145,918	123,194	127,407	210,988	245,014	114,004	1,439,934
Shelter Reservations	310,195	320,730	342,550	338,830	351,044	405,270	369,415	373,751	377,988	313,010	3,502,783
Golf Course	5,491,384	4,930,968	4,636,348	4,041,661	4,518,659	4,332,837	4,137,391	5,345,559	5,695,553	5,033,276	48,163,636
Adventure/ Disc Golf	93,736	187,062	202,599	172,470	183,330	185,184	167,969	221,241	211,653	205,616	1,830,860
Special Events	29,997	21,141	25,760	48,829	41,301	83,653	56,331	157,462	220,531	102,998	788,003
Resident House/Land/Leases	112,178	118,857	107,025	113,597	131,925	137,138	127,157	131,640	130,127	136,301	1,245,945
Livestock Sales (b)	80,887	52,685	49,695	96,137	135,185	96,875	104,436	-	-	-	615,900
Hay Rides (b)	48,917	38,047	37,794	37,803	34,612	42,069	48,301	-	-	-	287,543
Site Location Fee (b)	35,133	29,155	18,785	24,980	16,269	30,760	38,244	-	-	-	193,326
Interpretive	179,196	177,548	184,658	217,775	252,338	268,279	257,623	603,271	635,268	717,556	3,493,512
Intergovernmental (b)	-	-	-	-	-	-	-	206,713	197,395	200,946	605,054
Miscellaneous (b)	118,619	136,780	155,911	136,454	115,851	42,020	145,239	106,265	70,521	115,187	1,142,847
Other Park Revenues (a)	17,287	19,886	5,637	148,918	222,138	167,004	70,024	104,380	101,080	282,927	1,139,281
Total	\$ 14,480,210	\$ 13,764,068	\$ 14,715,827	\$ 14,151,725	\$ 15,027,243	\$ 14,519,872	\$ 16,316,176	\$ 17,893,737	\$ 20,130,849	\$ 19,340,845	\$ 160,340,552

(a) Other Park Revenues include camping, trackless train, and mobile stage.

(b) During the year ended December 31, 2015 the Authority revised their chart of accounts and reporting classifications.

Certain types of operating revenues were consolidated into new or existing operating classifications. As such some historical comparisons are not available.