



Huron-Clinton Metropolitan Authority

Comprehensive Annual Financial Report with Supplemental Information December 31, 2019

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

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

Huron-Clinton Metropolitan Authority

**Comprehensive Annual Financial Report
with Supplemental Information
December 31, 2019**

The Finance Department is responsible for the preparation
of this Comprehensive Annual Financial Report

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Introductory Section



June 15, 2020

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, 2019. 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 Chief Finance Officer 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, cycling, 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 2019, the Metropark system provided recreation for an estimated 5.9 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) Human Resources; (4) Engineering; (5) Planning; (6) Natural Resources; (7) Interpretive; (8) Communications/Marketing; (9) Purchasing; (10) Information Systems; (11) Fund Development and (12) 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.

Consumer confidence rose during 2019 extending the trend. Lower long-term inflation expectations and very low unemployment were also notable. There appeared to be low risk of a recession in the near future although some analysts expected the economy to slow in 2020. Michigan was ranked the number one state to do business in the Midwest and fifth nationally. The 9th year of recovery since the Great Recession resulted in growth in our tax base even with a

reduction to our millage rate. Median household incomes grew over 6% across the region although Wayne County median income remains approximately 45% lower than Livingston County.

MAJOR INITIATIVES

During 2019, the Authority's staff, worked with the Board of Commissioners and the Director to develop and implement a new approach to our grant application process. A greater number of projects were submitted, and applications were tailored to provide flexibility both in regard to funding source as well as funding level. This approach resulted in a record number of grant projects being approved for inclusion in the 2020 budget. In accordance with the Capital Project Fund approved by the Board of Commissioners in 2018, all open capital projects rolled forward into 2019 relatively seamlessly. The scope and type of projects that were worked on during 2019 are summarized below. 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:

1. At Lake St. Clair Metropark, \$345,000 was expended toward replacement of a major sanitary pump. An additional \$158,000 provided improvements to park storm water infrastructure. These projects both received funding from the SAW grant program.
2. The Black Creek shoreline at Lake St. Clair Metropark received an investment of \$133,000 to provide an accessible fishing platform as well as shoreline softening infrastructure.
3. The DNR Passport Grant program funded a portion of improvements to the interior exhibit space at Lake St. Clair Nature Center. \$14,000 of the \$61,000 project was spent in 2019.
4. Kensington Nature Center received additional improvements to the interior exhibit space with support from private donors. The amount expended on this project in 2019 was \$27,000.
5. Hudson Mills Metropark hike-bike trail loop received replacement bridges at a cost of \$223,000.
6. Stony Creek Metropark also benefitted from improvements to its storm and sanitary systems with funding from the SAW grant program. The Sanitary Force Main was repaired at a cost of \$401,000.
7. The largest project completed during 2019 was also at Stony Creek Metropark. This project rehabilitated the critical 26 Mile Road bridge and deck. This bridge is the only public entrance into and out of Stony Creek Metropark handling over 500,000 vehicles into and out of the park annually.

In total, the Authority invested in park facilities to the extent of nearly \$3.0 million, as work was performed on 38 individual capital 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 2019 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 did not receive any Federal financial assistance during 2019 that required the independent auditor to issue a Single Audit Report.

BUDGET

The annual budget serves as the foundation for the Huron-Clinton Metropolitan Authority's financial planning and control. The 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 in conjunction with the Director and Deputy Director 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 equipment, 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 to assist in guiding the direction of the Metroparks. The current Community Recreation Plan covers recreational development for the period from 2018 through 2022. 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 an effort to position the Authority to work towards a model of fiscal sustainability. Recognizing the paradigm shift in tax revenue as well as the capital needs 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.
- Adequate funding for major maintenance projects 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 to be 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 Plante Moran 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 Plante Moran 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, 2018. This was the fifteenth 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 Supervisor of Accounting Rebecca Baaki and Accountant Molly Goike. Their assistance was absolutely essential and very much appreciated in submitting this report.

The input and guidance from our independent auditors, Plante Moran, 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



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

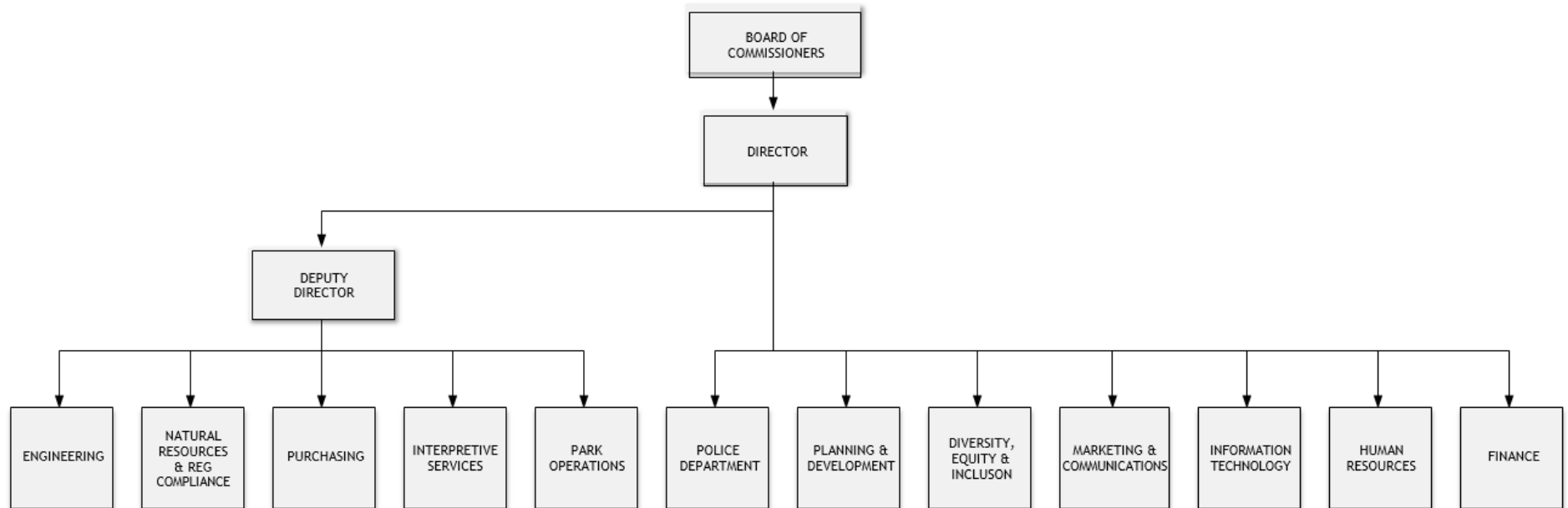
December 31, 2018

Christopher P. Morill

Executive Director/CEO

HCMA FUNCTIONAL ORGANIZATION CHART

December 31, 2019



Unit - Title

Name of Official

Administrative Staff

Director	Amy McMillan
Deputy Director	David Kirbach
Chief of Finance	Rebecca Franchock
Supervisor of Accounting	Rebecca Baaki
Chief of Natural Resources & Regulatory Compliance	Tyler Mitchell
Chief of Police	Michael Reese
Chief of Diversity, Equity and Inclusion	Artina Sadler
Chief of Marketing and Communications	Danielle Mauter
Chief of Information Technology	Robert Rudolph
Chief of Interpretive Services	Jennifer Jaworski
Chief of Engineering	Michael Henkel
Chief of Human Resources & Labor Relations	Randy Rossman
Chief of Planning & Development	Nina Kelly
Supervising Field Engineer	Jim Soraghan
Supervising Design Engineer	Laura Martin

Eastern District

District Park Superintendent	Michael Lyons
District Maintenance Supervisor	Mark Lietaert
District Interpretive Services Supervisor	Julie Champion
Park Operations Manager - Stony Creek and Wolcott Mill Metroparks	Gary Hopp
Park Operations Manager - Lake St Clair Metropark	Joseph Hall

Western District

District Park Superintendent	Jeffrey Brown
District Maintenance Supervisor	Adam Haberkorn
District Interpretive Services Supervisor	Victoria Taylor-Sluder
Park Operations Manager - Kensington and Indian Springs Metroparks	Eric Koppin
Park Operations Manager - Hudson Mills, Dexter-Huron, Delhi and Huron Meadows Metroparks	Tamra Bezzeg

Southern District

District Park Superintendent	Jerome Cyr
District Maintenance Supervisor	David Juchartz
District Interpretive Services Supervisor	Kevin Arnold
Park Operations Manager - Lower Huron, Willow, and Oakwoods Metroparks	Jeffrey Schuman
Park Operations Manager - Lake Erie Metropark	Jeffrey Linn

Financial Section

Independent Auditor's Report

To the Board of Commissioners
Huron-Clinton Metropolitan Authority

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 Huron-Clinton Metropolitan Authority (the "Authority") as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise 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.

Auditor's 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. 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 auditor's 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 Huron-Clinton Metropolitan Authority as of December 31, 2019 and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Commissioners
Huron-Clinton Metropolitan Authority

Other Matters

Required Supplemental 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 postemployment benefit schedules 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, which 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 supplemental 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 Information

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

The other supplemental information 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. Such 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 supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section schedules 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.

Plante & Moreau, PLLC

June 15, 2020

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, 2019. 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 2019 by \$214,100,804 (net position). Of this amount, \$21,598,437 (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 \$3,348,645.

Authority General Fund revenues of approximately \$55 million were more than the expected 2019 final budget targets by \$2,220,848 (4.2 percent).

Authority General Fund expenditures of approximately \$51 million were under amended 2019 budget amounts by \$5,194,375 (10.1 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 a 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).

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 three 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, Supplemental Major Maintenance 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.

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, 2019 totaled \$18,911,459, which was a decrease of \$6,254,630 from December 31, 2018. The Authority contributed \$3,400,000 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, 2018. Additional work was performed as of December 31, 2019 in accordance with GASB 74 which determined other post-employment benefits (OPEB) liability to be \$37,781,845. At the end of the Plan's fourteenth fiscal year, the actuarial value of Trust assets totaled \$31,499,012 (83.37 percent) and net OPEB liability totaled \$6,282,833. The Authority exceeded the funding required by the Annual Required Contribution (ARC) by transferring \$1,100,000 from the General Fund to the Retiree Health Care Trust for the Plan year ended December 31, 2019.

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.

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 \$214,100,804 at the close of the year.

By far the largest portion of the Authority's net position (90 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	
	2019	2018
	(in thousands)	
Assets		
Current and other assets	\$ 89,360,367	\$ 32,685,789
Capital assets, net	<u>192,106,043</u>	<u>194,826,998</u>
Total assets	281,466,410	227,512,787
Deferred Outflows of Resources	2,297,502	8,367,668
Liabilities		
Long-term liabilities outstanding	27,159,758	40,079,747
Other liabilities	<u>3,600,746</u>	<u>3,459,924</u>
Total liabilities	30,760,504	43,539,671
Deferred Inflows of Resources	<u>38,902,604</u>	<u>31,588,625</u>
Net Position		
Net investment in capital assets	192,106,043	194,826,998
Restricted	396,324	374,301
Unrestricted	<u>21,598,437</u>	<u>15,550,860</u>
Total net position	<u>\$ 214,100,804</u>	<u>\$ 210,752,159</u>

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 \$3,348,645 during the current year.

	Change in Net Position Governmental Activities	
	2019	2018
	(in thousands)	
Revenue		
Program revenue:		
Park charges for services	\$ 19,958,822	\$ 19,802,276
Operating grants	1,393,263	907,043
Capital grants	234,114	76,311
General revenue:		
Property taxes	31,272,479	31,675,974
Oil and gas royalties	60,956	95,652
Donations	82,536	19,065
Interest	1,298,111	785,931
Gain on sale of capital assets	160,318	-
Miscellaneous	1,001,867	791,122
Total revenue	55,462,466	54,153,374
Expenses		
Recreation and culture	52,113,821	52,932,867
Total expenses	52,113,821	52,932,867
(Decrease) Increase in Net Position	3,348,645	1,220,507
Net Position - Beginning of year	210,752,159	209,531,652
Net Position - End of year	\$ 214,100,804	\$ 210,752,159

Governmental Activities

Governmental activities increased the Authority's net position by \$3,348,645, as total 2019 operating revenues of \$55.5 million exceeded total expenditures of \$52.1 million.

Change in Net Position

The change in net position for 2019 is approximately \$2.1 million more than the change in net position for 2018.

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 \$54,325,112, an increase of \$5,884,967 compared to 2018. Approximately 46 percent of this total amount (\$25.0 million) constitutes "unassigned" fund balance. Approximately 2 percent of this total amount (\$0.9 million) is considered nonspendable. Approximately one percent of the total amount (\$0.4 million) is considered restricted. Approximately 12 percent of this total amount (\$6.6 million) is considered assigned. The remainder of fund balance (\$21.4 million) is "committed" to indicate that it is not available for new spending because it has already been committed for: (1) capital projects-\$9.6 million, (2) supplemental major maintenance-\$5.1 million, (3) future land purchases-\$5.5 million, and (4) health insurance rate stabilization funds-\$1.1 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 \$25,023,058 while total fund balance was \$39,621,945. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to revenues. The Authority's goal is to maintain the unassigned fund balance within a range of 25 to 30% of general fund revenues, and at year end the unassigned fund balance was 46% of general fund revenues of \$55 million. The Board of Commissioners has approved a systematic buildup of fund balance with the knowledge of our deferred infrastructure.

The fund balance of the Authority's general fund increased by \$3,417,430.

The following paragraphs present a summary of general fund revenues, which totaled \$54,781,532 for 2019, an overall increase of \$597,302 from 2018. Revenues by source were as follows:

Revenues	2019 Amount	Percent of Total	2018 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Property Tax	\$ 31,312,009	57.2%	\$ 31,675,974	\$ (363,965.00)	-1.1%
Park charges for services	19,896,506	36.3%	19,328,560	567,946	2.9%
Interest	1,016,519	1.9%	707,124	309,395	43.8%
Grants	1,191,797	2.2%	976,902	214,895	22.0%
Donations	202,516	0.4%	230,832	(28,316)	-12.3%
Proceeds from sale of capital assets	160,318	0.3%	473,716	(313,398)	-66.2%
Other revenue	1,001,867	1.8%	791,122	210,745	26.6%
Total	<u>\$ 54,781,532</u>	<u>100.0%</u>	<u>\$ 54,184,230</u>	<u>\$ 597,302</u>	<u>1.1%</u>

The Authority's millage rate declined to 0.2129 mills in 2019 from 0.2140. Property tax revenue decreased from the prior year due to a reduction in local stabilization payment from the State of Michigan. Although the millage rate declined, total property tax revenue exclusive of the stabilization payment increased. We expect taxable values to continue to rise triggering further roll-backs of the millage rate and mitigating recovery of property tax revenue generated.

The \$19,896,506 of 2019 park operating revenues exceeded the 2019 budget goal of \$19,704,924 by \$191,582 (1.0 percent). This represented a \$567,946 (2.9 percent) increase from 2018 revenues. Two leading sources of operating revenue are tolling and golf.

Interest income derived from investments in Certificates of Deposits and U.S. Agency issues increased to \$1,016,519 in 2019. This was a 43.8 percent increase from 2018 interest income.

The Authority recognized \$1,191,797 in intergovernmental revenue in 2019. This includes \$591,299 for the 2019 local stabilization – personal property tax reimbursement as well as \$583,669 for the LCSEA 2020 receivable amount.

Other revenues increased \$210,745 from 2018.

General fund expenditures were \$46,461,321 for 2019, a decrease of \$19,520 from 2018's expenditures. A detailed breakdown of expenditures by major category is as follows:

Expenditures	2019 Amount	Percent of Total	2018 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Equipment	\$ 1,960,795	4.2%	\$ 1,836,785	\$ 124,010	6.8%
Major maintenance	900,470	1.9%	2,546,141	(1,645,671)	-64.6%
Administrative office	9,641,369	20.8%	9,254,259	387,110	4.2%
Park operations	33,958,687	73.1%	32,843,656	1,115,031	3.4%
Total	<u>\$ 46,461,321</u>	<u>100.0%</u>	<u>\$ 46,480,841</u>	<u>\$ (19,520)</u>	<u>0.0%</u>

Equipment having an individual value in excess of \$5,000 is capitalized. During 2019 a total of \$1,960,795 was spent equipping the Metroparks system, up from the 2018 amount of \$1,836,785. Auto and truck acquisitions totaled approximately \$559,000. Heavy equipment (mowers, tractors, golf cars, etc.) purchases accounted for approximately \$1,038,000. \$248,000 of purchases related to other equipment such as a computer backup system, pontoon boat, two aerifiers, trailer and other equipment.

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 2019, major maintenance costs for various projects was \$900,470. A decrease of \$1,645,671 from 2018.

Administration Office expenses reflect the cost of running the Authority's centralized Administrative Office, which ran \$9,641,369 in 2019, up 4.2 percent from 2018. This covers the cost of 53 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 5.9 million visitors consumed \$34.0 million of Authority funds. Comparing this \$34.0 million of park operating costs to 2018 expenditures of \$32.8 million shows that overall park operating costs increased by \$1,115,031 (3.4 percent). Personnel related costs, which comprise 74 percent of park operating expenses, increased from \$24,147,604 to \$25,196,647 – up \$1,049,043 (4.3 percent). An increase of full time equivalents from 489 to 506 is the primary cause of the increase. The other 26 percent of park operating expenditures relate to material/supply/outside contractual services, which incurred \$8,762,030 of expenses, up \$66,007 (1.0 percent). This is primarily a result of an increase in tools and equipment costs as well as outside services.

The supplemental major maintenance 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 2019, \$60,956 of royalty payments were received, with generated investment income totaling \$104,514. At the end of the current year, total fund balance committed in the capital projects fund was \$5,064,767.

The fund balance of the Authority's supplemental major maintenance fund increased by \$165,470.

The following paragraph presents a summary of supplemental major maintenance fund revenues, which totaled \$165,470 for 2019, an overall decrease of \$8,989 from 2018. Revenues by source were as follows:

Revenues	2019 Amount	Percent of Total	2018 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Oil and gas royalties	\$ 60,956	0.1%	\$ 95,652	\$ (34,696)	-36.3%
Interest	<u>104,514</u>	<u>0.2%</u>	<u>78,807</u>	<u>25,707</u>	<u>32.6%</u>
Total	<u>\$ 165,470</u>	<u>0.3%</u>	<u>\$ 174,459</u>	<u>\$ (8,989)</u>	<u>-5.2%</u>

The revenues from oil and gas royalty payments at Kensington Metropark decreased by \$34,696 from 2018 levels. Interest income derived from investments in money market funds and U.S. Agency issues increased, rising from \$78,807 to \$104,514 in 2019 as interest rates rose during the year.

Supplemental Major Maintenance Project fund expenditures were \$0 for 2019, the same as 2018.

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 activities.

The original General Fund budget anticipated a \$2,533,505 use of fund balance, while the final amended budget increased this to \$3,908,111. The actual change in fund balance for the 2019 fiscal year was an increase of \$3,417,430.

During the year, general fund revenues were over final budgetary estimates in total by \$2,220,848. Park operating revenues exceeded the amended budgeted target of \$19,704,924 by \$191,582. This was augmented by \$816,519 more of interest and \$683,154 more of other revenues than the budget anticipated.

Park operation and administrative expenditures were significantly less than anticipated by approximately \$2,745,925. Major maintenance expenditures were also less than planned, coming in approximately \$2,268,239 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 \$180,211, the result of positive variance in pricing on capital equipment purchases.

Capital Assets and Debt Administration

Capital assets. The Authority's investment in capital assets for its governmental-type activities as of December 31, 2019 amounted to \$192,106,043 (net of accumulated depreciation). This investment in capital assets includes land, land improvements (golf courses, etc.), buildings, roads, bridges, sewer/water systems, park facilities, and equipment. The total decrease in the Authority's investment in capital assets (net of depreciation) for the year totaled \$2,720,956 (1.4 percent).

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

• 26 Mile Road Bridge and Deck Rehabilitation	Stony Creek	\$783,662
• Sanitary Sewer Rehabilitation	Stony Creek	401,186
• Sanitary Pump Replacement	Lake St. Clair	345,412
• Boat Launch Site Redevelopment	Stony Creek	223,231
• Stormwater Improvements	Lake St. Clair	157,853
• Black Creek Fishing Access	Lake St. Clair	109,119

	Capital Assets (Net of Depreciation)	
	Governmental Activities	
	2019	2018
Land	\$ 46,961,100	\$ 46,961,099
Land improvements	35,423,898	35,423,898
Construction in progress	1,304,006	4,218,624
Buildings	31,878,851	32,786,313
Equipment	9,725,756	9,594,314
Other improvements	37,599,292	36,400,652
Infrastructure	29,213,140	29,442,099
Total	<u>\$ 192,106,043</u>	<u>\$ 194,826,999</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 \$3,748,048 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.

Economic Factors and Next Year's Budget and Rates

The Metroparks general fund revenue is based on two main components, property tax revenue and operating revenue generated by user fees. Grant revenue provides periodic support for projects. Following the 2008 recession the Metroparks have worked to generate operating revenue to offset the resulting tax revenue loss. On average currently, forty percent of Metroparks revenue is generated from operations as opposed to thirty-three percent which had been the average previously. Tax revenue continues to slowly but steadily recovery.

Weather is always a factor on the \$19.7 million of budgeted park operations. Wet, cool early summer weather dampened use of aquatics and other facilities. As is often the case, once the weather improved demand for outdoor activities drove attendance and park operations revenue targets were met.

The following factors guided the preparation of the Authority's 2020 Budget:

- Property tax revenues were based on a rolled back millage rate of 0.2117 mills. Down from 0.2129 in 2019. The 2020 Budget was based on "net" tax levy revenues of \$33.0 million after factoring out estimated captured tax revenues from tax abatement programs. This represents a 3.5 percent increase from the 2019 amended budget.
- Fees and charges rates were held stable with the notable exception of annual permits which were increased.
- Capital equipment original budget reflected an increase of \$251,689 (12.5%) from the 2019 original budget.
- Major maintenance planned projects reflected an increase of \$831,047 (29.1%) from the 2019 original budget.

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, 2019

	Governmental Activities
Assets	
Cash and cash equivalents (Note 3)	\$ 4,049,714
Investments (Note 3)	50,279,247
Receivables (Note 5)	34,127,430
Inventory	264,442
Prepaid expenses and other assets	639,534
Capital assets: (Note 6)	
Assets not subject to depreciation	83,689,004
Assets subject to depreciation - Net	108,417,039
Total assets	281,466,410
Deferred Outflows of Resources	
Deferred pension costs (Note 10)	634,068
Deferred OPEB costs (Note 11)	1,663,434
Total deferred outflows of resources	2,297,502
Liabilities	
Accounts payable	544,252
Accrued liabilities and other	754,375
Unearned revenue	322,525
Noncurrent liabilities:	
Due within one year - Compensated absences (Note 8)	1,979,594
Due in more than one year:	
Compensated absences (Note 8)	1,768,454
Net pension liability (Note 10)	18,911,459
Net OPEB liability (Note 11)	6,282,833
Estimated insurance liabilities (Note 9)	197,012
Total liabilities	30,760,504
Deferred Inflows of Resources	
Property taxes levied for the following year	32,618,609
Deferred pension cost reductions (Note 10)	1,955,075
Deferred OPEB cost reductions (Note 11)	4,328,920
Total deferred inflows of resources	38,902,604
Net Position	
Net investment in capital assets	192,106,043
Restricted:	
Lake St. Clair Marina	380,638
Hudson Mills Canoe Livery	15,686
Unrestricted	21,598,437
Total net position	\$ 214,100,804

Huron-Clinton Metropolitan Authority

Statement of Activities

Year Ended December 31, 2019

	Program Revenue				Net (Expense)
	Charges for	Operating	Capital Grants	Revenue and	
	Services	Grants and	and	Changes in	
		Contributions	Contributions	Net Position	
Expenses				Governmental	
				Activities	
Functions/Programs -					
Primary government	<u>\$ 52,113,821</u>	<u>\$ 19,958,822</u>	<u>\$ 1,393,263</u>	<u>\$ 234,114</u>	\$ (30,527,622)
General revenue:					
Taxes					31,272,479
Oil and gas revenue					60,956
Investment earnings					1,298,111
Donations					82,536
Gain on sale of capital assets					160,318
Other miscellaneous income					<u>1,001,867</u>
Total general revenue					<u>33,876,267</u>
Change in Net Position					3,348,645
Net Position - Beginning of year					<u>210,752,159</u>
Net Position - End of year					<u>\$ 214,100,804</u>

Huron-Clinton Metropolitan Authority

Balance Sheet

December 31, 2019

	General Fund	Supplemental Major Maintenance Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash and cash equivalents (Note 3)	\$ 4,049,714	\$ -	\$ -	\$ 4,049,714
Investments (Note 3)	37,127,813	5,056,079	8,095,355	50,279,247
Receivables (Note 5)	33,982,198	8,688	136,544	34,127,430
Due from other funds (Note 7)	-	-	1,465,967	1,465,967
Inventory	264,442	-	-	264,442
Prepaid expenses and other assets	639,534	-	-	639,534
Total assets	\$ 76,063,701	\$ 5,064,767	\$ 9,697,866	\$ 90,826,334
Liabilities				
Accounts payable	\$ 503,072	\$ -	\$ 41,180	\$ 544,252
Due to other funds (Note 7)	1,465,967	-	-	1,465,967
Accrued liabilities and other	754,375	-	-	754,375
Unearned revenue	322,525	-	-	322,525
Total liabilities	3,045,939	-	41,180	3,087,119
Deferred Inflows of Resources				
Unavailable revenue	777,208	-	18,286	795,494
Property taxes levied for the following year	32,618,609	-	-	32,618,609
Total deferred inflows of resources	33,395,817	-	18,286	33,414,103
Fund Balances (Note 15)				
Nonspendable:				
Inventory	264,444	-	-	264,444
Prepays	639,504	-	-	639,504
Restricted	396,324	-	-	396,324
Committed	6,712,144	5,064,767	9,638,400	21,415,311
Assigned	6,586,471	-	-	6,586,471
Unassigned	25,023,058	-	-	25,023,058
Total fund balances	39,621,945	5,064,767	9,638,400	54,325,112
Total liabilities, deferred inflows of resources, and fund balances	\$ 76,063,701	\$ 5,064,767	\$ 9,697,866	\$ 90,826,334

Huron-Clinton Metropolitan Authority

Reconciliation of the Balance Sheet to the Statement of Net Position

December 31, 2019

Fund Balances Reported in Governmental Funds	\$ 54,325,112
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds:	
Cost of capital assets	296,446,482
Accumulated depreciation	<u>(104,340,439)</u>
Net capital assets used in governmental activities	192,106,043
Receivables that are not collected soon after year end are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds	795,494
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(3,748,048)
Pension benefits	(20,232,466)
Retiree healthcare benefits	(8,948,319)
Other long-term liabilities, such as claims and judgments, do not present a claim on current financial resources and are not reported as fund liabilities	<u>(197,012)</u>
Net Position of Governmental Activities	<u><u>\$ 214,100,804</u></u>

Huron-Clinton Metropolitan Authority

Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended December 31, 2019

	General Fund	Supplemental Major Maintenance Fund	Capital Projects Fund	Total Governmental Funds
Revenue				
Taxes	\$ 31,312,009	\$ -	\$ -	\$ 31,312,009
Oil and gas royalties	-	60,956	-	60,956
Intergovernmental	1,191,797	-	117,171	1,308,968
Charges for services	19,896,506	-	-	19,896,506
Interest income	1,016,519	104,514	177,078	1,298,111
Donations	202,516	-	30,157	232,673
Other revenue	1,001,867	-	73,500	1,075,367
Total revenue	54,621,214	165,470	397,906	55,184,590
Expenditures				
Current services - Operating:				
Park operations	33,958,687	-	-	33,958,687
Major maintenance	900,470	-	-	900,470
Administrative offices	9,641,369	-	-	9,641,369
Capital outlay	1,960,795	-	2,998,620	4,959,415
Total expenditures	46,461,321	-	2,998,620	49,459,941
Excess of Revenue Over (Under) Expenditures	8,159,893	165,470	(2,600,714)	5,724,649
Other Financing Sources (Uses)				
Transfers in	-	-	4,902,781	4,902,781
Transfers out	(4,902,781)	-	-	(4,902,781)
Sale of capital assets	160,318	-	-	160,318
Total other financing (uses) sources	(4,742,463)	-	4,902,781	160,318
Net Change in Fund Balances	3,417,430	165,470	2,302,067	5,884,967
Fund Balances - Beginning of year	36,204,515	4,899,297	7,336,333	48,440,145
Fund Balances - End of year	\$ 39,621,945	\$ 5,064,767	\$ 9,638,400	\$ 54,325,112

Huron-Clinton Metropolitan Authority

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

Year Ended December 31, 2019

Net Change in Fund Balances Reported in Governmental Funds	\$ 5,884,967
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	4,879,190
Depreciation expense	(6,440,375)
Net book value of assets disposed of	(1,159,770)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	117,558
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	264,087
Claims and similar costs that do not use current financial resources are not reported as expenditures in the governmental funds	(197,012)
Change in Net Position of Governmental Activities	<u>\$ 3,348,645</u>

Huron-Clinton Metropolitan Authority

Statement of Fiduciary Net Position

December 31, 2019

	Pension and OPEB Trust Funds
Assets	
Investments:	
Equity mutual funds	\$ 44,764,337
Fixed-income mutual funds	43,554,370
Collective investment trust	6,665,191
Accrued interest receivable	83,259
	<hr/>
Total assets	95,067,157
Liabilities - Vouchers payable	<hr/> 107,921
Net Position	
Restricted:	
Pension	63,460,224
Postemployment benefits other than pension	31,499,012
	<hr/>
Total net position	<hr/> \$ 94,959,236 <hr/>

Huron-Clinton Metropolitan Authority

Statement of Changes in Fiduciary Net Position

Year Ended December 31, 2019

	Pension and OPEB Trust Funds
Additions	
Investment income (loss):	
Interest and dividends	\$ 2,336,733
Net increase in fair value of investments	11,168,272
Investment-related expenses	<u>(404,653)</u>
Net investment income	13,100,352
Contributions:	
Employer contributions	4,500,000
Employee contributions	<u>91,165</u>
Total contributions	<u>4,591,165</u>
Total additions	17,691,517
Deductions - Benefit payments	<u>5,897,366</u>
Net Increase in Fiduciary Net Position	11,794,151
Net Position - Beginning of year	<u>83,165,085</u>
Net Position - End of year	<u><u>\$ 94,959,236</u></u>

December 31, 2019

Note 1 - Significant Accounting Policies

Accounting and Reporting Principles

Huron-Clinton Metropolitan Authority (the "Authority") follows accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies used by the Authority:

Reporting Entity

Huron-Clinton Metropolitan 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 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. In accordance with government accounting principles, there are no separate legal entities appropriate to be reported within these financial statements.

Fund Accounting

The Authority accounts for its various activities in several different funds in order to demonstrate accountability for how it spends certain resources; separate funds allow the Authority to show the particular expenditures for which specific revenue is used. The various funds are aggregated into two broad fund types:

Governmental Funds

Governmental funds include all activities that provide general governmental services that are not business-type activities. Governmental funds can include the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The Authority reports the following funds as "major" governmental funds:

- The General Fund is the Authority's primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.
- The Supplemental Major Maintenance 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 revenue received is earmarked to fund these projects.
- The Capital Projects Fund is used to account for capital improvement projects that result in the development of tangible assets. Funding is provided by the General Fund.

Fiduciary Funds

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts are not used to operate the Authority's programs. The Authority reports pension and other postemployment benefit trust funds, which account for the Authority's single-employer defined benefit pension plan and other postemployment benefits plan. These plans accumulate resources for pension benefit and other postemployment benefit payments to qualified authority employees. The funds are based on the plans' December 31 fiscal year ends.

December 31, 2019

Note 1 - Significant Accounting Policies (Continued)

Interfund Activity

During the course of operations, the Authority has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Authority has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree healthcare-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the Authority considers amounts collected within 60 days of year end to be available for recognition. Revenue not meeting this definition is classified as a deferred inflow of resources.

Fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue 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. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Taxes, unrestricted intergovernmental receipts, and other items not properly included among program revenue are reported instead as general revenue.

December 31, 2019

Note 1 - Significant Accounting Policies (Continued)

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.

Specific Balances and Transactions**Cash and Investments**

Cash and cash equivalents include 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.

Receivables and Payables

In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds."

All trade and property tax receivables are shown as net of allowance for uncollectible amounts.

Inventories and Prepaid Items

Inventories are valued at average cost. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements, when applicable.

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 Authority 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 recorded at estimated acquisition value at the date of donation.

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

<u>Asset Classification</u>	<u>Depreciable Life - Years</u>
Buildings	30 - 50
Equipment	3 - 25
Other improvements	15 - 60
Infrastructure	15 - 60

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

December 31, 2019**Note 1 - Significant Accounting Policies (Continued)**

The Authority reports deferred outflows related to changes in assumptions and experience differences. Changes in assumptions relating to the net pension and OPEB liabilities are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan. Experience differences relating to the net pension liability are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The Authority reports deferred inflows related to pension and OPEB, as well as property taxes. Differences between projected and actual earnings on pension and OPEB investments are amortized over the next five years and included in pension and OPEB expense. Experience differences relating to the net pension and OPEB liabilities are deferred and amortized over the expected remaining service lives of the employees and retirees in the plan.

Net Position Flow Assumption

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes.

The nonspendable fund balance component represents amounts that are not in spendable form or are legally or contractually required to be maintained intact. Restricted fund balance represents amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose. The Authority itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

- *Nonspendable* - Amounts that are not in spendable form or are legally or contractually required to be maintained intact
- *Restricted* - Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose
- *Committed* - Amounts that are constrained on use by the Authority's highest level of decision-making authority, its Board of Commissioners. A fund balance commitment may be established, modified, or rescinded by a resolution of the Board of Commissioners.

December 31, 2019

Note 1 - Significant Accounting Policies (Continued)

- *Assigned* - Amounts intended to be used for specific purposes, as determined by the Board of Commissioners. Residual amounts in governmental funds other than the General Fund are automatically assigned by their nature.
- *Unassigned* - Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

Property Tax Revenue

Property taxes are levied on each December 1 and become an enforceable lien at that time; the tax is based on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time penalties and interest are assessed.

The Authority's 2018 property tax revenue was levied and collectible on December 1, 2018 and is recognized as revenue in the year ended December 31, 2019 when the proceeds of the levy are budgeted and available for the financing of operations.

The 2018 taxable valuation of the Authority totaled \$150.2 billion (a portion of which is abated), on which taxes levied consisted of 0.2129 mills for operating purposes. This resulted in \$31.3 million for operating expenses, exclusive of any Michigan Tax Tribunal or board of review adjustments.

Pension

The Authority offers a defined benefit pension plan to its employees. The Authority records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose 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 Huron-Clinton Metropolitan Authority Employees' Retirement Plan and Trust and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension 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, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Other Postemployment Benefit Costs

The Authority offers retiree healthcare benefits to retirees. The Authority records a net OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Retiree Health Care Plan and Trust and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

December 31, 2019**Note 1 - Significant Accounting Policies (Continued)****Compensated Absences (Vacation and Sick Leave)**

It is the Authority's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Sick pay is accrued for the estimated amount that the Authority will pay upon employment termination; vacation pay is accrued when incurred. Both of these are reported in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year end. Generally, the funds that report each employee's compensation are used to liquidate the obligations.

Use of Estimates

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

Upcoming Accounting Pronouncement

In June 2017, the GASB issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2022.

Adoption of New Accounting Pronouncements

During the current year, the Authority adopted GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. There was no significant impact as a result of implementing this standard.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including June 15, 2020, which is the date the financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus a pandemic. First identified in late 2019 and now known as COVID-19, the outbreak has impacted thousands of individuals worldwide. In response, many countries have implemented measures to combat the outbreak that have impacted business operations. As of the date of issuance of the financial statements, the Authority's operations have not been significantly impacted, but the Authority holds significant investments that are subject to the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. No impairments were recorded as of the statement of net position date; however, due to significant uncertainty surrounding the situation, management continues to monitor the situation, and judgment regarding this could change in the future. In addition, while the Authority's results of operations, cash flows, and financial condition could be negatively impacted, the extent of the impact cannot be reasonably estimated at this time.

December 31, 2019

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and are adopted on a category level (i.e., park operations, major maintenance, administrative offices, equipment, and transfers out). All annual appropriations lapse at fiscal year end. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the Authority to have its budget in place by January 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. There were no significant amendments during the year.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g. purchase orders, contracts) are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

Excess of Expenditures Over Appropriations in Budgeted Funds

The Authority did not have significant expenditure budget variances.

Note 3 - Deposits and Investments

Deposits and investments are reported in the financial statements as follows:

	Governmental Activities	Fiduciary
Cash and cash equivalents	\$ 4,049,714	\$ -
Investments	50,279,247	94,983,898
Total deposits and investments	<u>\$ 54,328,961</u>	<u>\$ 94,983,898</u>

These amounts are classified into the following deposit and investment categories:

	Governmental Activities	Fiduciary Funds
Deposits with financial institutions	\$ 4,016,094	\$ -
Investments:		
Reported at cost:		
Short-term funds (2a7-like)	11,780,808	-
U.S. agency bonds	7,976,594	-
Certificates of deposit	28,532,707	-
U.S. Treasury	1,989,138	-
Reported at fair value:		
Equity mutual funds	-	44,764,337
Fixed-income mutual funds	-	43,554,370
Collective investment trust	-	6,665,191
Petty cash or cash on hand	33,650	-
Total	<u>\$ 54,328,991</u>	<u>\$ 94,983,898</u>

December 31, 2019**Note 3 - Deposits and Investments (Continued)**

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The pension trust fund and retiree healthcare fund are also authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate (if the trust fund's assets exceed \$250 million), debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

The Authority has designated 11 banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs, but not the remainder of state statutory authority, as listed above. The Authority's deposits and investments are in accordance with statutory authority.

There are no limitations or restrictions on participant withdrawals for the investment pools that are recorded at amortized cost.

The Authority's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a policy for custodial credit risk. At year end, the Authority had \$28,574,311 of bank deposits (certificates of deposit and checking and savings accounts). Of that amount, \$2,814,610 was covered by federal depository insurance, and the remainder was uninsured and uncollateralized. The Authority believes that, due to the dollar amounts of cash deposits and the limits of Federal Deposit Insurance Corporation (FDIC) insurance, it is impractical to insure all deposits. As a result, the Authority evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Custodial Credit Risk of Investments

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. The Authority does not have a policy for custodial credit risk. At year end, the Authority had no investment securities that were uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Authority's name.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Authority's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 270-day maturity.

December 31, 2019

Note 3 - Deposits and Investments (Continued)

At year end, the Authority had the following investments:

Investment	Carrying Value	Weighted-average Maturity (Years)
Primary Government		
U.S. Treasury	\$ 1,989,138	0.20
U.S. agency bonds	7,976,594	2.10
Fixed-income mutual funds	43,554,370	5.14

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Authority's investment policy abides by this limitation. At December 31, 2019, the Authority's investments were within these guidelines.

Investment	Carrying Value	Rating	Rating Organization
Primary Government			
U.S. agency bonds	\$ 7,976,594	Aaa	Moody's
U.S. Treasury	1,989,138	Aaa	Moody's
Equity mutual funds	44,764,337	Not rated	
Fixed-income mutual funds	43,554,370	Not rated	
Collective investment trust	6,665,191	Not rated	
Money market	1,881,780	Not rated	
Comerica J-Fund	11,780,808	Not rated	
Total	<u>\$ 118,612,218</u>		

Concentration of Credit Risk

The Authority places no limit on the amount it may invest in any one issuer. The Authority does not have any investments subject to concentration of 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 assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances whereby inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Authority has the following recurring fair value measurements as of December 31, 2019:

- Equity and fixed-income mutual funds of \$88,318,707 are valued using quoted market prices (Level 1 inputs).
- U.S. agency bonds and U.S. Treasury bills of \$9,965,732 are valued using independent quotation bureaus that use computerized valuation formulas to calculate current values (Level 2 inputs).

December 31, 2019

Note 4 - Fair Value Measurements (Continued)

Investments in Entities that Calculate Net Asset Value per Share

The Authority holds shares or interests in investment companies whereby the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

As of December 31, 2019, the Authority held \$6,665,191 of collective investment trusts valued at net asset value. The collective investment funds are subject to a quarterly redemption process that requires 65 days prenotification. Funds are redeemable at NAV. There is also a 10 percent 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 December 31, 2019 for the Authority in the aggregate are as follows:

	General Fund	Supplemental Major Maintenance Fund	Capital Projects Fund	Governmental Activities
Property taxes receivable - Net	\$ 32,286,820	\$ -	\$ -	\$ 32,286,820
Accrued interest receivable	160,103	-	14,121	174,224
Other receivables	274,784	8,688	4,047	287,519
Due from other governments	1,260,491	-	118,376	1,378,867
Total	<u>\$ 33,982,198</u>	<u>\$ 8,688</u>	<u>\$ 136,544</u>	<u>\$ 34,127,430</u>

December 31, 2019

Note 6 - Capital Assets

Capital asset activity of the Authority's governmental activities was as follows:

Governmental Activities

	Balance January 1, 2019	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2019
Capital assets not being depreciated:					
Land	\$ 46,961,100	\$ -	\$ -	\$ -	\$ 46,961,100
Land improvements	35,423,898	-	-	-	35,423,898
Construction in progress	4,218,624	(2,796,026)	1,026,097	(1,144,689)	1,304,006
Subtotal	86,603,622	(2,796,026)	1,026,097	(1,144,689)	83,689,004
Capital assets being depreciated:					
Buildings	57,410,603	8,887	209,390	-	57,628,880
Equipment	24,668,658	-	1,844,896	(886,503)	25,627,051
Other improvements	63,015,096	2,547,735	400,019	(435,515)	65,527,335
Infrastructure	62,332,770	239,404	1,402,038	-	63,974,212
Subtotal	207,427,127	2,796,026	3,856,343	(1,322,018)	212,757,478
Accumulated depreciation:					
Buildings	24,624,290	-	1,125,739	-	25,750,029
Equipment	15,074,344	-	1,695,121	(868,170)	15,901,295
Other improvements	26,614,444	-	1,749,114	(435,515)	27,928,043
Infrastructure	32,890,671	-	1,870,401	-	34,761,072
Subtotal	99,203,749	-	6,440,375	(1,303,685)	104,340,439
Net capital assets being depreciated	108,223,378	2,796,026	(2,584,032)	(18,333)	108,417,039
Net governmental activities capital assets	\$ 194,827,000	\$ -	\$ (1,557,935)	\$ (1,163,022)	\$ 192,106,043

Depreciation expense of \$6,440,375 for the year ended December 31, 2019 was charged to recreation and culture on the statement of activities.

Note 7 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

Receivable Fund	Payable Fund	Amount
Capital Projects Fund	General Fund	\$ 1,465,967

These balances result from the time lag between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Interfund transfers reported in the fund financial statements are composed of the following:

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Fund	Capital Projects Fund	\$ 4,902,781

The transfers from the General Fund to the Capital Projects Fund represent the use of unrestricted resources to finance capital project expenditures.

December 31, 2019

Note 8 - Long-term Obligations

Long-term debt activity for the year ended December 31, 2019 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Compensated absences	\$ 3,653,734	\$ 1,602,555	\$ (1,508,241)	\$ 3,748,048	\$ 1,979,594

Note 9 - 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 medical benefits. The Authority is partially insured for general claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Municipal Risk Management Authority (MMRMA) risk pool program operates as a claims servicing pool for amounts up to member retention limits and operates as a common risk-sharing management program for losses in excess of member retention amounts. Although premiums are paid annually to MMRMA that it uses to pay claims up to the retention limits, the ultimate liability for those claims remains with the Authority.

The Authority estimates the liability for general liability claims that have been incurred through the end of the fiscal year, including claims that have been reported, as well as those that have not yet been reported. Changes in the estimated liability for the current fiscal year was as follows:

Estimated liability - Beginning of year	\$ -
Estimated claims incurred, including changes in estimates	270,483
Claim payments	(73,471)
Estimated liability - End of year	<u>\$ 197,012</u>

Note 10 - Pension Plan

Plan Description

The Huron-Clinton Metropolitan Authority provides a monthly retirement benefit to employees who meet the eligibility requirements, including age and years of service. The benefits are provided through the Huron-Clinton Metropolitan Authority Employees' Retirement Plan and Trust, a single-employer plan administered by the pension committee.

Management of the plan is vested in the pension board, which consists of seven members - two commissioners at large, the chairman of the Board of Commissioners, the director of the Authority, the president of the Huron-Clinton Metropolitan Authority Employees' Association, the president of the Huron-Clinton Metropolitan Authority Rangers Union of the Police Officers Association of Michigan, and one member who is a retiree of the Authority who shall be appointed.

Benefits Provided

The plan provides retirement and disability benefits to full-time employees hired prior to January 1, 2013. All retirement benefits fully vest after 10 years of credited service, with partial vesting granted for service less than 10 years. Employees who retire at age 65 are entitled to an annual retirement benefit, payable monthly in an amount equal to 2 percent of the highest consecutive 5-year average monthly earnings in the last 10 years of service, with a maximum monthly benefit of 71 percent 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 10 years of credited service are entitled to receive a reduced monthly retirement benefit.

December 31, 2019

Note 10 - Pension Plan (Continued)

Benefit terms provide for annual cost of living adjustments to each employee's OPEB benefits subsequent to the employee's retirement date.

Benefit terms are generally established and amended by authority of the Board of Commissioners, generally after negotiations of these terms with the affected unions.

Employees Covered by Benefit Terms

The following members were covered by the benefit terms:

Date of member count	December 31, 2019
Inactive plan members or beneficiaries currently receiving benefits	167
Inactive plan members entitled to but not yet receiving benefits	17
Active plan members	124
Total employees covered by the plan	308

Contributions

State law requires public employers to make pension contributions in accordance with an actuarial valuation. The Authority hires an independent actuary for this purpose and annually contributes the amount determined to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees are required to contribute 1 percent of their base wage to the plan. The Authority's required contribution is determined after consideration of the required contribution rate of employees.

Net Pension Liability

The Authority has chosen to use the December 31 measurement date as its measurement date for the net pension liability. The December 31, 2019 fiscal year end reported net pension liability was determined using a measure of the total pension liability and the pension net position as of the December 31, 2019 measurement date. The December 31, 2019 measurement date total pension liability was determined by an actuarial valuation performed as of that date.

Changes in the net pension liability during the measurement year were as follows:

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at January 1, 2019	\$ 80,962,998	\$ 55,796,909	\$ 25,166,089
Changes for the year:			
Service cost	943,320	-	943,320
Interest	5,345,489	-	5,345,489
Differences between expected and actual experience	(395,673)	-	(395,673)
Contributions - Employer	-	3,400,000	(3,400,000)
Contributions - Employee	-	91,165	(91,165)
Net investment income	-	8,656,601	(8,656,601)
Benefit payments, including refunds	(4,484,449)	(4,484,449)	-
Net changes	1,408,687	7,663,317	(6,254,630)
Balance at December 31, 2019	<u>\$ 82,371,685</u>	<u>\$ 63,460,226</u>	<u>\$ 18,911,459</u>

The plan's fiduciary net position represents 77.0 percent of the total pension liability.

December 31, 2019

Note 10 - Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2019, the Authority recognized pension expense of \$3,952,949.

At December 31, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 170,983	\$ (281,377)
Changes in assumptions	463,085	-
Net difference between projected and actual earnings on pension plan investments	-	(1,673,698)
Total	<u>\$ 634,068</u>	<u>\$ (1,955,075)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date will reduce the net pension liability and, therefore, will not be included in future pension expense):

Years Ending December 31	Amount
2020	\$ (92,960)
2021	(511,278)
2022	267,999
2023	(984,768)
Total	<u>\$ (1,321,007)</u>

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using an inflation assumption of 3.50 percent, assumed salary increases (including inflation) of 3.69 to 7.25 percent, an investment rate of return (net of investment expenses) of 6.75 percent, and the RP-2014 mortality tables.

The actuarial assumptions used in the December 31, 2019 actuarial valuation date valuation were based on the results of an actuarial experience study for the period September 26, 2016.

Discount Rate

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make 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.

December 31, 2019

Note 10 - Pension Plan (Continued)

Investment Rate of Return

Best estimates of arithmetic real rates of return as of the December 31, 2019 measurement date for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. large-cap index	10.00 %	4.75 %
U.S. small-cap equity	2.00	5.65
U.S. small-/mid-cap equity index	3.00	4.75
World equity ex-U.S.	16.00	6.07
Emerging markets equity	2.00	6.42
Global low beta equities	5.00	4.33
Core fixed income	20.00	3.29
Limited-duration bonds	12.00	2.40
U.S. high yield	2.00	4.57
Emerging-markets debt	3.00	5.50
Diversified short-term fixed income	4.00	2.27
Dynamic asset allocation	5.00	7.07
Multiasset	3.00	3.21
Structured credit	3.00	6.02
Private equity	5.00	8.11
Private real estate	5.00	4.05

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Authority, calculated using the discount rate of 6.75 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (5.75%)	Current Discount Rate (6.75%)	1 Percentage Point Increase (7.75%)
Net pension liability of the plan	\$ 28,106,143	\$ 18,911,459	\$ 11,094,966

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in these financial statements. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the plan's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Note 11 - Other Postemployment Benefit Plan

Plan Description

The Authority provides OPEB for all employees who meet eligibility requirements. The benefits are provided through the Retiree Health Care Plan and Trust, a single-employer plan administered by the Retiree Health Care Plan and Trust committee.

December 31, 2019

Note 11 - Other Postemployment Benefit Plan (Continued)

The financial statements of the OPEB plan are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund).

Management of the plan is vested in the pension board, which consists of seven members - two commissioners at large, the chairman of the Board of Commissioners, the director of the Authority, the president of the Huron-Clinton Metropolitan Authority Employees' Association, the President of the Huron-Clinton Metropolitan Authority Rangers Union of the Police Officers Association of Michigan, and one member who is a retiree of the Authority who shall be appointed.

Benefits Provided

The Retiree Health Care Plan and Trust provides healthcare, dental, and vision benefits for retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the plan. 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.

Employees Covered by Benefit Terms

The following members were covered by the benefit terms:

	Retiree Health Care Plan and Trust
Date of member count	December 31, 2019
Inactive plan members or beneficiaries currently receiving benefits	175
Active plan members	128
Total plan members	303

Contributions

The Authority reserves the right to fund benefits on a pay-as-you-go basis. The board establishes contribution rates based on an actuarially determined rate per a funding valuation. For the year ended December 31, 2019, the Authority contributed \$1,100,000. Employees are not required to contribute to the plan.

Net OPEB Liability

The Authority has chosen to use the December 31 measurement date as its measurement date for the net OPEB liability. The December 31, 2019 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability and the OPEB net position as of the December 31, 2019 measurement date. The December 31, 2019 measurement date total OPEB liability was determined by an actuarial valuation performed as of December 31, 2018, which used update procedures to roll forward the estimated liability to December 31, 2019.

December 31, 2019

Note 11 - Other Postemployment Benefit Plan (Continued)

Changes in the net OPEB liability during the measurement year were as follows:

Changes in Net OPEB Liability	Increase (Decrease)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balance at January 1, 2019	\$ 39,742,748	\$ 27,368,175	\$ 12,374,573
Changes for the year:			
Service cost	411,122	-	411,122
Interest	2,643,627	-	2,643,627
Differences between expected and actual experience	(5,767,513)	-	(5,767,513)
Changes in assumptions	2,318,794	-	2,318,794
Contributions - Employer	-	1,254,016	(1,254,016)
Net investment income	-	4,443,754	(4,443,754)
Benefit payments, including refunds	(1,566,933)	(1,566,933)	-
Net changes	(1,960,903)	4,130,837	(6,091,740)
Balance at December 31, 2019	<u>\$ 37,781,845</u>	<u>\$ 31,499,012</u>	<u>\$ 6,282,833</u>

The plan's fiduciary net position represents 83.4 percent of the total OPEB liability.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the Authority recognized OPEB expense of \$342,666.

At December 31, 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (4,229,553)
Changes in assumptions	1,663,434	-
Net difference between projected and actual earnings on OPEB plan investments	-	(99,367)
Total	<u>\$ 1,663,434</u>	<u>\$ (4,328,920)</u>

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

Years Ending December 31	Amount
2020	\$ (875,293)
2021	(875,293)
2022	(393,506)
2023	(521,393)
Total	<u>\$ (2,665,485)</u>

December 31, 2019

Note 11 - Other Postemployment Benefit Plan (Continued)***Actuarial Assumptions***

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using an inflation assumption of 3.50 percent; assumed salary increases (including inflation) of 3.69 to 7.25 percent; an investment rate of return (net of investment expenses) of 6.75 percent; a healthcare cost trend rate of 8.25 percent, decreasing to an ultimate rate of 3.5 percent; and the RP-2014 mortality tables with the MP-2015 improvement scale. These assumptions were applied to all periods included in the measurement.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

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 active and inactive employees. 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.

Investment Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense 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 adding expected inflation. Best estimates of arithmetic real rates of return as of the December 31, 2019 measurement date for each major asset class included in the OPEB plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. large-cap index	15.00 %	4.75 %
U.S. small-/mid-cap equity index	6.00	4.75
World equity ex-U.S.	19.00	6.07
Emerging markets equity	2.00	6.42
Core fixed income	22.00	3.29
Limited-duration bonds	14.00	2.40
U.S. high yield	2.00	4.57
Emerging-markets debt	4.00	5.50
Diversified short-term fixed income	4.00	2.27
Dynamic asset allocation	6.00	7.07
Multiasset	3.00	3.21
Private real estate	3.00	4.05

December 31, 2019

Note 11 - Other Postemployment Benefit Plan (Continued)***Sensitivity of the Net OPEB Liability to Changes in the Discount Rate***

The following presents the net OPEB liability of the Authority, calculated using the discount rate of 6.75 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (5.75%)	Current Discount Rate (6.75%)	1 Percentage Point Increase (7.75%)
Net OPEB liability of the Retiree Health Care Plan and Trust	\$ 11,083,745	\$ 6,282,833	\$ 2,292,708

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the Authority, calculated using the healthcare cost trend rate of 8.25 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (7.25%)	Current Healthcare Cost Trend Rate (8.25%)	1 Percentage Point Increase (9.25%)
Net OPEB liability of the Retiree Health Care Plan and Trust	\$ 2,208,472	\$ 6,282,833	\$ 11,026,163

OPEB Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in these financial statements. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the plan's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Assumption Changes

The Authority's OPEB plan updated the healthcare trend assumptions from the previous valuation.

December 31, 2019

Note 12 - Pension and Other Employee Benefit Trust Funds

The following are condensed financial statements for the individual pension plans and postemployment healthcare plans:

	Pension Trust Fund	Retiree Health Care Trust Fund	Total
Statement of Net Position			
Equity mutual funds	\$ 29,096,681	\$ 15,667,656	\$ 44,764,337
Fixed-income mutual funds	28,711,456	14,842,914	43,554,370
Collective investment trusts	5,673,231	991,960	6,665,191
Other assets	55,048	28,211	83,259
Liabilities	(76,192)	(31,729)	(107,921)
Net position	\$ 63,460,224	\$ 31,499,012	\$ 94,959,236
Statement of Changes in Net Position			
Interest and dividends	\$ 1,539,970	\$ 796,763	\$ 2,336,733
Net increase in fair value of investments	7,398,169	3,770,103	11,168,272
Investment-related expenses	(281,541)	(123,112)	(404,653)
Employer contributions	3,400,000	1,100,000	4,500,000
Employee contributions	91,165	-	91,165
Benefit payments	(4,484,449)	(1,412,917)	(5,897,366)
Net change in net position	\$ 7,663,314	\$ 4,130,837	\$ 11,794,151

Note 13 - Retirement Health Savings Plan

On August 1, 2005, the Huron-Clinton Metropolitan Authority Board of Commissioners established the Huron-Clinton Retirement Health Savings Plan (the "Savings Plan") by resolution. Employees hired after January 1, 2009, who are covered under a collective bargaining agreement with the Authority, must contribute 1.0 percent of their base wage. The Authority contributes a 1.0 percent match on behalf of these employees. Employees who are not covered under a collective bargaining agreement with the Authority must contribute 1.5 percent of their base wage. There is no matching contribution provided on behalf of these employees. Total contributions for 2019 by participants and the Authority amounted to \$52,259 and \$52,229, 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 14 - Retirement Plans

The Huron-Clinton Metropolitan Authority Board of Commissioners has established the Huron-Clinton 401 Governmental Money Purchase Plan & Trust (the "401 Plan") for full time employees hired after December 31, 2012. Eligible employees must contribute 1.0 percent of their base wage, and the Authority contributes a 6.0 percent match. Total contributions for 2019 by participants and the Authority amounted to \$48,525 and \$291,154, respectively.

On December 5, 2013, the Huron-Clinton Metropolitan Authority Board of Commissioners established the Huron-Clinton Alternative Pension Program (the "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 percent of their base wage. The Authority contributes a 1.5 percent match on behalf of these employees. Total contributions for 2019 by participants and the Authority amounted to \$121,907 and \$30,477, respectively.

December 31, 2019

Note 14 - Retirement Plans (Continued)

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 15 - Fund Balance Constraints

The detail of the various components of fund balance is as follows:

	General Fund	Supplemental Major Maintenance Fund	Capital Projects Fund	Total
Nonspendable:				
Inventory	\$ 264,444	\$ -	\$ -	\$ 264,444
Prepays	639,504	-	-	639,504
Total nonspendable	903,948	-	-	903,948
Restricted:				
Lake St. Clair Marina	380,638	-	-	380,638
Hudson Mills Canoe Livery	15,686	-	-	15,686
Total restricted	396,324	-	-	396,324
Committed:				
Capital projects	-	5,064,767	9,638,400	14,703,167
Land	5,533,294	-	-	5,533,294
Rate stabilization fund	1,178,850	-	-	1,178,850
Total committed	6,712,144	5,064,767	9,638,400	21,415,311
Assigned:				
Subsequent year's budget	2,713,900	-	-	2,713,900
Encumbrances	124,523	-	-	124,523
Compensated absences	3,748,048	-	-	3,748,048
Total assigned	6,586,471	-	-	6,586,471
Unassigned	25,023,058	-	-	25,023,058
Total fund balance	\$ 39,621,945	\$ 5,064,767	\$ 9,638,400	\$ 54,325,112

Note 16 - Tax Abatements

The Authority receives reduced property tax revenue as a result of industrial facilities tax exemptions (PA 198 of 1974) and brownfield redevelopment agreements granted by cities, villages, and townships within the boundaries of the Authority. Industrial facility exemptions are intended to promote construction of new industrial facilities or to rehabilitate historical facilities; brownfield redevelopment agreements are intended to reimburse taxpayers that remediate environmental contamination on their properties; 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.

For the fiscal year ended December 31, 2019, the Authority's property tax revenue was reduced by \$1,322,336 under these programs.

Required Supplemental Information

Huron-Clinton Metropolitan Authority

Required Supplemental Information Budgetary Comparison Schedule General Fund

Year Ended December 31, 2019

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Taxes	\$ 31,813,000	\$ 31,903,308	\$ 31,312,009	\$ (591,299)
Intergovernmental	54,000	79,350	1,191,797	1,112,447
Charges for services	19,690,424	19,704,924	19,896,506	191,582
Other revenue	287,375	318,713	1,001,867	683,154
Interest income	200,000	200,000	1,016,519	816,519
Donations	92,855	194,071	202,516	8,445
Total revenue	52,137,654	52,400,366	54,621,214	2,220,848
Expenditures				
Current services -				
Operating:				
Park operations	35,620,092	35,777,304	33,958,687	1,818,617
Major maintenance	2,857,595	3,168,709	900,470	2,268,239
Administrative offices	9,633,053	10,568,677	9,641,369	927,308
Capital outlay	2,410,419	2,141,006	1,960,795	180,211
Total expenditures	50,521,159	51,655,696	46,461,321	5,194,375
Excess of Revenue Over Expenditures	1,616,495	744,670	8,159,893	7,415,223
Other Financing (Uses) Sources				
Transfers out	(4,400,000)	(4,902,781)	(4,902,781)	-
Sale of capital assets	250,000	250,000	160,318	(89,682)
Total other financing uses	(4,150,000)	(4,652,781)	(4,742,463)	(89,682)
Net Change in Fund Balance	(2,533,505)	(3,908,111)	3,417,430	7,325,541
Fund Balance - Beginning of year	36,204,515	36,204,515	36,204,515	-
Fund Balance - End of year	<u>\$ 33,671,010</u>	<u>\$ 32,296,404</u>	<u>\$ 39,621,945</u>	<u>\$ 7,325,541</u>

Huron-Clinton Metropolitan Authority

Required Supplemental Information Schedule of Changes in the Net Pension Liability and Related Ratios

	Last Six Fiscal Years					
	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 943,320	\$ 966,866	\$ 966,866	\$ 1,030,377	\$ 962,488	\$ 1,004,715
Interest	5,345,489	5,205,391	5,089,192	4,899,597	4,862,474	4,726,571
Differences between expected and actual experience	(395,673)	367,984	(6,338)	(6,336)	(1,445,906)	109,029
Changes in assumptions	-	-	-	6,025,667	-	-
Benefit payments, including refunds	(4,484,449)	(4,421,433)	(4,235,075)	(3,970,452)	(3,831,448)	(4,057,900)
Net Change in Total Pension Liability	1,408,687	2,118,808	1,814,645	7,978,853	547,608	1,782,415
Total Pension Liability - Beginning of year	80,962,998	78,844,190	77,029,545	69,050,692	68,503,084	66,720,669
Total Pension Liability - End of year	\$ 82,371,685	\$ 80,962,998	\$ 78,844,190	\$ 77,029,545	\$ 69,050,692	\$ 68,503,084
Plan Fiduciary Net Position						
Contributions - Employer	\$ 3,400,000	\$ 3,000,000	\$ 2,996,209	\$ 2,700,000	\$ 4,500,000	\$ 3,100,000
Contributions - Member	91,165	91,814	88,475	111,649	101,817	107,492
Net investment income (loss)	8,656,601	(2,503,594)	7,487,987	4,008,761	(667,117)	2,225,505
Administrative expenses	-	(267,216)	(256,479)	(275,660)	(201,301)	(73,710)
Benefit payments, including refunds	(4,484,449)	(4,421,433)	(4,235,075)	(3,970,452)	(3,831,448)	(4,057,900)
Net Change in Plan Fiduciary Net Position	7,663,317	(4,100,429)	6,081,117	2,574,298	(98,049)	1,301,387
Plan Fiduciary Net Position - Beginning of year	55,796,909	59,897,338	53,816,221	51,241,923	51,339,972	50,038,585
Plan Fiduciary Net Position - End of year	\$ 63,460,226	\$ 55,796,909	\$ 59,897,338	\$ 53,816,221	\$ 51,241,923	\$ 51,339,972
Authority's Net Pension Liability - Ending	\$ 18,911,459	\$ 25,166,089	\$ 18,946,852	\$ 23,213,324	\$ 17,808,769	\$ 17,163,112
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	77.04 %	68.92 %	75.97 %	69.86 %	74.21 %	74.95 %
Covered Payroll	\$ 8,981,404	\$ 9,013,973	\$ 9,259,465	\$ 9,706,228	\$ 10,067,888	\$ 10,418,891
Authority's Net Pension Liability as a Percentage of Covered Payroll	210.56 %	279.19 %	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 Supplemental Information Schedule of Pension Contributions

	Last Six Fiscal Years Years Ended December 31					
	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 2,707,763	\$ 2,655,734	\$ 2,996,208	\$ 2,449,953	\$ 3,474,587	\$ 3,029,289
Contributions in relation to the actuarially determined contribution	3,400,000	3,000,000	2,996,209	2,700,000	4,500,000	3,100,000
Contribution Excess	\$ 692,237	\$ 344,266	\$ 1	\$ 250,047	\$ 1,025,413	\$ 70,711
Covered Payroll	\$ 8,981,404	\$ 9,013,973	\$ 9,259,465	\$ 9,706,228	\$ 10,067,888	\$ 10,418,891
Contributions as a Percentage of Covered Employee Payroll	37.86 %	33.28 %	32.36 %	27.82 %	44.70 %	29.75 %

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

Notes to Schedule of Pension Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution amounts for fiscal year 2019 are calculated based upon the results of the December 31, 2019 actuarial valuation

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar
Remaining amortization period	22.75 years
Asset valuation method	Five-year smoothed market
Inflation	3.5 percent
Salary increase	3.69 to 7.25 percent, including inflation
Investment rate of return	6.75 percent, net of administrative expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
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

Huron-Clinton Metropolitan Authority

Required Supplemental Information Schedule of Pension Investment Returns

	Last Six Fiscal Years					
	Years Ended December 31					
	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return - Net of investment expense	15.53 %	(4.64)%	13.40 %	7.33 %	(1.68)%	4.43 %

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

Huron-Clinton Metropolitan Authority

Required Supplemental Information Schedule of Changes in the Net OPEB Liability and Related Ratios

	Last Two Fiscal Years	
	2019	2018
Total OPEB Liability		
Service cost	\$ 411,122	\$ 479,878
Interest	2,643,627	2,564,158
Differences between expected and actual experience	(5,767,513)	(174,627)
Changes in assumptions	2,318,794	-
Benefit payments, including refunds	(1,566,933)	(1,748,487)
Net Change in Total OPEB Liability	(1,960,903)	1,120,922
Total OPEB Liability - Beginning of year	39,742,748	38,621,826
Total OPEB Liability - End of year	\$ 37,781,845	\$ 39,742,748
Plan Fiduciary Net Position		
Contributions - Employer	\$ 1,254,016	\$ 1,692,133
Net investment income (loss)	4,443,754	(1,364,828)
Administrative expenses	-	(122,450)
Benefit payments, including refunds	(1,566,933)	(1,748,487)
Net Change in Plan Fiduciary Net Position	4,130,837	(1,543,632)
Plan Fiduciary Net Position - Beginning of year	27,368,175	28,911,807
Plan Fiduciary Net Position - End of year	\$ 31,499,012	\$ 27,368,175
Net OPEB Liability - Ending	\$ 6,282,833	\$ 12,374,573
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	83.37 %	68.86 %
Covered Payroll	\$ 8,981,404	\$ 9,013,973
Net OPEB Liability as a Percentage of Covered Payroll	69.95 %	137.28 %

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

Huron-Clinton Metropolitan Authority

Required Supplemental Information Schedule of OPEB Contributions

	Last Three Fiscal Years Years Ended December 31		
	2019	2018	2017
Actuarially determined contribution	\$ 1,086,078	\$ 1,395,565	\$ 1,415,660
Contributions in relation to the actuarially determined contribution	1,254,016	1,692,133	2,149,330
Contribution Excess	\$ 167,938	\$ 296,568	\$ 733,670
Covered Employee Payroll*	\$ 8,981,404	\$ 9,013,973	\$ 8,866,219
Contributions as a Percentage of Covered Employee Payroll	13.96 %	18.77 %	24.24 %

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

*The payroll of employees that are provided benefits through the OPEB plan

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of December 31, 2018, one year prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	22.75 years
Asset valuation method	Five-year smoothed market
Inflation	3.50 percent
Healthcare cost trend rates	8.25 percent initial, decreasing 0.5 percent per year to an ultimate rate of 3.50 percent
Salary increase	3.69 to 7.25 percent, including wage inflation
Investment rate of return	6.75 percent
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
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

Huron-Clinton Metropolitan Authority

Required Supplemental Information Schedule of OPEB Investment Returns

	Last Three Fiscal Years		
	Years Ended December 31		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return - Net of investment expense	16.85 %	(5.16)%	13.31 %

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

Other Supplemental Information

Huron-Clinton Metropolitan Authority

Other Supplemental Information Statement of Fiduciary Net Position Fiduciary Funds

December 31, 2019

	Pension and OPEB Funds		
	Retiree Health		Total
	Pension	Care Trust	
Assets			
Investments:			
Equity mutual funds	\$ 29,096,681	\$ 15,667,656	\$ 44,764,337
Fixed-income mutual funds	28,711,456	14,842,914	43,554,370
Collective investment trust	5,673,231	991,960	6,665,191
Accrued interest receivable	55,048	28,211	83,259
Total assets	63,536,416	31,530,741	95,067,157
Liabilities - Vouchers payable	76,192	31,729	107,921
Net Position	\$ 63,460,224	\$ 31,499,012	\$ 94,959,236

Huron-Clinton Metropolitan Authority

Other Supplemental Information Statement of Changes in Fiduciary Net Position Fiduciary Funds

Year Ended December 31, 2019

	Pension and OPEB Funds		
	Pension	Retiree Health Care Trust	Total
Additions			
Investment income (loss):			
Interest and dividends	\$ 1,539,970	\$ 796,763	\$ 2,336,733
Net increase in fair value of investments	7,398,169	3,770,103	11,168,272
Investment-related expenses	(281,541)	(123,112)	(404,653)
Net investment income	8,656,598	4,443,754	13,100,352
Contributions:			
Employer contributions	3,400,000	1,100,000	4,500,000
Employee contributions	91,165	-	91,165
Total contributions	3,491,165	1,100,000	4,591,165
Total additions	12,147,763	5,543,754	17,691,517
Deductions - Benefit payments	4,484,449	1,412,917	5,897,366
Net Increase in Fiduciary Net Position	7,663,314	4,130,837	11,794,151
Net Position - Beginning of year	55,796,910	27,368,175	83,165,085
Net Position - End of year	\$ 63,460,224	\$ 31,499,012	\$ 94,959,236

Statistical Section (Unaudited)

Statistical Section

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

The statistical section is organized into the following main categories:

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.

Revenue capacity

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

Demographic and economic information

These schedules help the reader understand the environment within which the government's financial activities take place.

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.

Net Position by Component

Last Ten Fiscal Years

December 31, 2019

	As of December 31,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities:										
Net investment in capital assets	\$ 195,093,978	\$ 194,800,234	\$ 194,403,024	\$ 195,125,395	\$ 195,936,628	\$ 193,545,863	\$ 194,722,125	\$ 197,243,195	\$ 194,826,998	\$ 192,106,043
Restricted	-	37,709	90,430	138,856	185,995	259,201	311,705	349,962	374,301	396,324
Unrestricted	33,118,763	34,227,707	36,140,736	38,675,137	41,440,497	28,935,288	28,739,061	26,607,090	15,550,860	21,598,437
Total net position	\$ 228,212,741	\$ 229,065,650	\$ 230,634,190	\$ 233,939,388	\$ 237,563,120	\$ 222,740,352	\$ 223,772,891	\$ 224,200,247	\$ 210,752,159	\$ 214,100,804

Fiscal year 2015 includes the implementation of GASB Statement 68, which required the recognition of deferred outflows of resources, net pension liabilities, and deferred inflows of resources related to the Authority's pension plan. The net effect of these changes decreased net position by \$17.2 million in fiscal year 2015. Prior years have not been restated to reflect the changes required by GASB Statement 68.

Fiscal year 2018 includes the implementation of GASB Statement 75, which required the recognition of deferred outflows of resources, net OPEB liabilities, and deferred inflows of resources related to the Authority's other post-employment benefit plan. The net effect of these changes decreased net position by \$14.7 million in fiscal year 2018. Prior years have not been restated to reflect the changes required by GASB Statement 75.

Changes in Net Position

Last Ten Fiscal Years

December 31, 2019

	As of December 31,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses:										
Recreation and culture	\$ 45,570,182	\$ 43,671,297	\$ 41,656,918	\$ 41,586,621	\$ 41,891,795	\$ 46,117,042	\$ 49,554,752	\$ 51,898,640	\$ 52,932,867	\$ 52,113,821
Capital projects	1,134,337	1,486,892	1,930,912	292,196	-	-	-	-	-	-
Total expenses	<u>46,704,519</u>	<u>45,158,189</u>	<u>43,587,830</u>	<u>41,878,817</u>	<u>41,891,795</u>	<u>46,117,042</u>	<u>49,554,752</u>	<u>51,898,640</u>	<u>52,932,867</u>	<u>52,113,821</u>
Program revenues:										
Charges for services	14,715,827	14,151,725	15,027,250	14,519,872	16,316,176	17,893,737	20,130,849	19,692,340	19,802,276	19,958,822
Operating grants and contributions	7,598	33,359	234,463	19,100	61,745	453,429	162,112	1,377,190	907,043	1,393,263
Capital grants and contributions	309,893	318,053	175,075	2,031,530	153,869	-	-	-	76,311	234,114
Total program revenue	<u>15,033,318</u>	<u>14,503,137</u>	<u>15,436,788</u>	<u>16,570,502</u>	<u>16,531,790</u>	<u>18,347,166</u>	<u>20,292,961</u>	<u>21,069,530</u>	<u>20,785,630</u>	<u>21,586,199</u>
General revenues:										
Property taxes	34,452,805	30,640,135	28,293,295	27,680,762	28,167,025	28,406,715	29,249,583	30,645,350	31,675,974	31,272,479
Oil and gas royalties	436,028	368,959	595,017	297,536	239,740	57,890	111,839	93,838	95,652	60,956
Donations	57,065	110,423	127,231	167,123	87,407	101,638	44,744	32,483	19,065	82,536
Investment earnings	474,515	324,511	161,587	217,455	289,002	363,548	307,934	484,795	785,931	1,298,111
Miscellaneous	24,161	28,460	513,164	27,567	97,013	987,949	339,905	-	791,122	1,001,867
Gain on sales of capital asset	-	35,473	29,288	223,069	43,551	192,480	240,325	-	-	160,318
Total general revenues	<u>35,444,574</u>	<u>31,507,961</u>	<u>29,719,582</u>	<u>28,613,512</u>	<u>28,923,738</u>	<u>30,110,220</u>	<u>30,294,330</u>	<u>31,256,466</u>	<u>33,367,744</u>	<u>33,876,267</u>
Total revenues	<u>50,477,892</u>	<u>46,011,098</u>	<u>45,156,370</u>	<u>45,184,014</u>	<u>45,455,528</u>	<u>48,457,386</u>	<u>50,587,291</u>	<u>52,325,996</u>	<u>54,153,374</u>	<u>55,462,466</u>
Change in net position	<u>\$ 3,773,373</u>	<u>\$ 852,909</u>	<u>\$ 1,568,540</u>	<u>\$ 3,305,197</u>	<u>\$ 3,563,733</u>	<u>\$ 2,340,344</u>	<u>\$ 1,032,539</u>	<u>\$ 427,356</u>	<u>\$ 1,220,507</u>	<u>\$ 3,348,645</u>

Fund Balances - Governmental Funds

Last Ten Fiscal Years

December 31, 2019

	As of December 31,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund:										
Reserved	\$ 1,268,203	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	29,812,797	-	-	-	-	-	-	-	-	-
Nonspendable	-	228,747	232,363	534,899	498,779	1,018,633	1,069,422	1,055,873	892,577	903,948
Restricted	-	37,709	90,430	138,856	185,995	259,201	311,705	349,962	374,301	396,324
Committed	-	13,394,338	13,334,981	12,907,536	9,401,861	9,873,636	10,011,796	6,083,467	6,599,869	6,712,144
Assigned	-	-	15,526,682	11,990,064	11,846,371	10,074,807	15,908,505	12,108,959	7,184,481	6,586,471
Unassigned	-	18,200,790	5,014,458	10,323,181	14,747,179	18,348,559	13,630,033	18,280,129	21,153,287	25,023,058
Total general fund	<u>\$ 31,081,000</u>	<u>\$ 31,861,584</u>	<u>\$ 34,198,914</u>	<u>\$ 35,894,536</u>	<u>\$ 36,680,185</u>	<u>\$ 39,574,836</u>	<u>\$ 40,931,461</u>	<u>\$ 37,878,390</u>	<u>\$ 36,204,515</u>	<u>\$ 39,621,945</u>
Supplemental Major Maintenance Fund										
Reserved	\$ 280,642	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	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	4,899,297	5,064,767
Total supplemental major maintenance fund	<u>\$ 6,739,439</u>	<u>\$ 6,087,728</u>	<u>\$ 4,780,236</u>	<u>\$ 4,804,776</u>	<u>\$ 4,481,442</u>	<u>\$ 4,463,556</u>	<u>\$ 4,595,401</u>	<u>\$ 4,724,838</u>	<u>\$ 4,899,297</u>	<u>\$ 5,064,767</u>
Capital Projects Fund										
Committed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,638,400
Total capital projects fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,638,400</u>

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

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

December 31, 2019

	As of December 31,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue										
Property taxes	\$ 34,528,432	\$ 30,691,073	\$ 28,384,628	\$ 27,662,759	\$ 28,125,677	\$ 28,503,130	\$ 29,246,499	\$ 30,658,374	\$ 31,675,974	\$ 31,312,009
Oil and gas royalties	436,028	368,959	595,017	297,536	239,740	57,890	111,839	93,838	95,652	60,956
Charges for services	14,715,827	14,151,725	15,027,250	14,519,872	16,316,176	17,893,737	20,130,849	19,340,845	19,328,560	19,896,506
Operating grants	7,598	33,359	234,463	19,100	61,745	217,896	76,182	284,871	1,048,213	1,308,968
Capital grants	309,893	318,053	175,075	2,031,530	153,869	-	-	-	-	-
Donations	57,065	110,423	127,231	167,123	87,407	337,171	130,674	245,687	249,106	232,673
Interest	474,515	324,511	161,587	217,455	289,002	363,548	307,934	484,795	785,931	1,298,111
Miscellaneous	24,161	28,460	513,164	27,567	97,013	987,949	339,905	351,495	791,122	1,075,367
Proceeds from sale of capital assets	411,926	126,880	204,213	223,069	43,551	192,480	319,165	643,421	473,716	160,318
Total revenue	<u>50,965,445</u>	<u>46,153,443</u>	<u>45,422,628</u>	<u>45,166,011</u>	<u>45,414,180</u>	<u>48,553,801</u>	<u>50,663,047</u>	<u>52,103,326</u>	<u>54,448,274</u>	<u>55,344,908</u>
Expenditures										
Park operations	32,131,822	31,717,979	29,706,692	28,829,491	29,119,023	31,518,622	32,622,292	33,299,256	32,843,656	33,958,687
Major maintenance	1,134,337	1,428,877	1,553,104	921,509	1,435,517	1,786,274	1,926,210	2,270,033	2,546,141	900,470
Administrative offices	7,088,861	7,075,619	7,538,185	6,990,592	7,640,052	7,516,737	7,371,706	9,122,348	9,254,259	9,641,369
Capital projects	4,682,325	4,271,032	4,422,355	5,143,506	5,261,964	3,307,434	4,159,886	7,523,357	2,130,516	4,959,415
Equipment	1,972,142	965,066	1,170,104	1,531,932	1,225,463	1,370,378	3,089,427	2,801,066	1,836,785	-
Land acquisitions	10,423	565,997	2,350	28,819	269,846	177,591	5,056	10,900	-	-
Total expenditures	<u>47,019,910</u>	<u>46,024,570</u>	<u>44,392,790</u>	<u>43,445,849</u>	<u>44,951,865</u>	<u>45,677,036</u>	<u>49,174,577</u>	<u>55,026,960</u>	<u>48,611,357</u>	<u>49,459,941</u>
Net change in fund balance	<u>\$ 3,945,535</u>	<u>\$ 128,873</u>	<u>\$ 1,029,838</u>	<u>\$ 1,720,162</u>	<u>\$ 462,315</u>	<u>\$ 2,876,765</u>	<u>\$ 1,488,470</u>	<u>\$ (2,923,634)</u>	<u>\$ 5,836,917</u>	<u>\$ 5,884,967</u>
Debt service as a percentage of noncapital expenditures	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Governmental Activities Tax Revenue by Source

Last Ten Fiscal Years

December 31, 2019

Year	Property Tax
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
2018	31,675,974
2019	31,312,009

Taxable and Assessed Values of Property

**Last Ten Fiscal Years
December 31, 2019**

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				
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	-9.00%
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%
2018	133,670,573,042	167,371,105,480	10,782,695,017	10,815,394,135	144,453,268,059	178,186,499,615	356,372,999,230	5.4%
2019	139,834,891,386	175,204,794,628	9,302,873,375	10,206,025,637	149,137,764,761	185,410,820,265	370,821,640,530	4.1%

(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.

Taxable Valuations by County

**Last Ten Fiscal Years
December 31, 2019**

Year	Livingston County	% of Total	Macomb County	% of Total	Oakland County	% of Total	Washtenaw County	% of Total	Wayne County	% of Total	Total Taxable Value	% of Total
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	36.2%	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	35.6%	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	36.1%	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	36.2%	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	36.6%	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	36.9%	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	37.5%	15,257,429,398	10.8%	39,162,074,391	27.8%	140,663,847,272	100.0%
2018	8,463,028,554	5.9%	25,997,372,246	18.0%	54,723,743,027	37.9%	15,807,731,211	10.9%	39,461,393,021	27.3%	144,453,268,059	100.0%
2019	8,878,491,771	6.0%	25,555,075,785	17.1%	57,302,006,431	38.4%	16,634,606,777	11.2%	40,767,583,997	27.3%	149,137,764,761	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
December 31, 2019**

Year	Authority
	Millage Rate (a)
2010	0.2146
2011	0.2146
2012	0.2146
2013	0.2146
2014	0.2146
2015	0.2146
2016	0.2146
2017	0.2146
2018	0.2141
2019	0.2129

(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.

Property Tax Levies and Collections

Last Ten Fiscal Years

December 31, 2019

Year	Initial Tax	Current Year Tax	Percent of Current Year	Prior Years Tax Receivable	Prior Years Tax Receivable	Percent of Prior Years	Total Tax	Percent of Total Tax	Outstanding Tax Receivable Balances
	Levy (a)	Collections (b)	Taxes Collected	Balances	Collections (b)	Taxes Collected	Collections	Collections (c)	At Year End
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%	28,920,091	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
2018	30,736,230	28,385,251	92.4%	178,721	57,299	32.1%	28,442,550	92.0%	1,752,480
2019	31,977,434	33,087,084	103.5%	1,752,480	1,956,282	111.6%	35,043,366	103.9%	75,771

(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.

Principal Property Tax Payers

Current and Nine Years Ago
December 31, 2019

Taxpayer	2019			2010		
	Taxable Value (a)	Rank	Percent of Total Authority Taxable Value	Taxable Value (a)	Rank	Percent of Total Authority Taxable Value
Detroit Edison	2,348,046,605	1	1.56%	2,046,214,133	1	1.22%
Ford Motor Company	866,596,182	2	0.58%	1,983,558,951	2	1.18%
Consumers Energy	748,038,494	3	0.50%	315,080,869	5	0.19%
ITC	476,433,607	4	0.32%	-	-	-
FCA Auburn Hills Owner LLC/Chrysler Corporation	423,256,453	5	0.28%	-	-	-
General Motors Corp.	412,455,816	6	0.27%	1,679,069,261	3	1.00%
Michigan Consolidated Gas	335,004,400	7	0.22%	-	-	-
Enbridge Energy	328,828,680	8	0.22%	-	-	-
Vanguard Health Systems- Hospitals	309,397,420	9	0.21%	-	-	-
Marathon Oil Company	227,345,300	10	0.15%	-	-	-
Daimler/Chrysler	-	-	-	1,182,670,373	4	0.70%
MGM Grand Detroit LLC	-	-	-	246,711,996	6	0.15%
United States Steel	-	-	-	223,027,845	7	0.13%
Pfizer Global	-	-	-	194,550,774	8	0.12%
Meijer, Inc.	-	-	-	168,712,974	9	0.10%
International Transmission	-	-	-	151,186,066	10	0.09%
Total Ten Largest Taxpayers	\$ 6,475,402,957		4.31%	\$ 8,190,783,242		4.88%

(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.

Year	Total Population by County (a)					Total
	Livingston	Macomb	Oakland	Washtenaw	Wayne	
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
2017	186,946	864,019	1,241,860	361,509	1,763,822	4,418,156
2018	188,482	868,704	1,250,843	365,961	1,761,382	4,435,372

Number of Households by County (b)					
Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
71,180	343,592	501,260	140,210	676,587	1,732,829

Income	Household Income by County (b)					Total
	Livingston	Macomb	Oakland	Washtenaw	Wayne	
Less than \$10,000	1,987	16,499	22,494	9,402	78,679	129,061
\$10,000 to \$14,999	1,587	12,731	16,242	5,418	40,678	76,656
\$15,000 to \$24,999	4,032	32,342	35,265	10,557	78,856	161,052
\$25,000 to \$34,999	4,592	33,439	36,633	10,408	73,805	158,877
\$35,000 to \$49,999	8,138	47,650	54,173	15,802	91,961	217,724
\$50,000 to \$74,999	12,173	64,567	81,731	23,083	111,924	293,478
\$75,000 to \$99,999	10,799	46,087	65,385	16,564	71,375	210,210
\$100,00 to \$149,999	14,796	55,509	89,016	23,371	75,669	258,361
\$150,000 to \$199,999	7,118	20,887	45,894	11,671	27,756	113,326
\$200,000 or more	5,958	13,881	54,427	13,934	25,884	114,084

Median Household Income (b)				
Livingston	Macomb	Oakland	Washtenaw	Wayne
\$80,897	\$60,466	\$76,387	\$69,434	\$45,321

Ethnicity by County (a)											
Ethnicity	Livingston		Macomb		Oakland		Washtenaw		Wayne		Total
White	181,591	96.34%	707,875	81.49%	941,026	75.23%	269,777	73.72%	937,396	53.22%	3,037,665
Black and African American	1,114	0.59%	99,265	11.43%	171,098	13.68%	43,099	11.78%	685,098	38.90%	999,674
American Indian & Alaska Nat	534	0.28%	2,525	0.29%	3,302	0.26%	1,202	0.33%	5,566	0.32%	13,129
Asian	1,730	0.92%	33,769	3.89%	90,212	7.21%	33,165	9.06%	57,380	3.26%	216,256
Native Hawaiian/Other Pacific	124	0.07%	346	0.04%	323	0.03%	189	0.05%	481	0.03%	1,463
Other Race	589	0.31%	5,005	0.58%	9,911	0.79%	2,635	0.72%	33,543	1.90%	51,683
Two or More Races	2,800	1.49%	19,919	2.29%	34,971	2.80%	15,894	4.34%	41,918	2.38%	115,502
	<u>188,482</u>		<u>868,704</u>		<u>1,250,843</u>		<u>365,961</u>		<u>1,761,382</u>		<u>4,435,372</u>
Age by County (a)											
Income	Livingston		Macomb		Oakland		Washtenaw		Wayne		Total
under 5	9,574	5.08%	47,677	5.49%	68,288	5.46%	18,283	5.00%	115,396	6.55%	259,218
5 through 9	11,010	5.84%	51,583	5.94%	72,015	5.76%	18,449	5.04%	113,925	6.47%	266,982
10 through 14	12,587	6.68%	52,621	6.06%	78,457	6.27%	20,528	5.61%	117,777	6.69%	281,970
15 through 19	13,174	6.99%	53,199	6.12%	78,608	6.28%	32,986	9.01%	114,745	6.51%	292,712
20 through 24	10,990	5.83%	54,621	6.29%	75,289	6.02%	48,545	13.27%	121,176	6.88%	310,621
25 through 34	19,614	10.41%	111,911	12.88%	160,104	12.80%	51,976	14.20%	236,886	13.45%	580,491
35 through 44	21,888	11.61%	107,149	12.33%	158,007	12.63%	41,902	11.45%	211,968	12.03%	540,914
45 through 54	30,388	16.12%	126,719	14.59%	183,224	14.65%	43,980	12.02%	236,245	13.41%	620,556
55 through 59	15,775	8.37%	64,004	7.37%	93,986	7.51%	21,393	5.85%	123,492	7.01%	318,650
60 through 64	13,506	7.17%	58,219	6.70%	83,983	6.71%	20,641	5.64%	110,818	6.29%	287,167
65 through 74	18,744	9.94%	79,795	9.19%	117,090	9.36%	28,793	7.87%	149,481	8.49%	393,903
75 through 84	8,564	4.54%	41,534	4.78%	55,478	4.44%	12,701	3.47%	74,424	4.23%	192,701
85 and over	2,668	1.42%	19,672	2.26%	26,314	2.10%	5,784	1.58%	35,049	1.99%	89,487
	<u>188,482</u>		<u>868,704</u>		<u>1,250,843</u>		<u>365,961</u>		<u>1,761,382</u>		<u>4,435,372</u>

Data from 2018 American Community Survey:

(a) ACS Demographic and Housing Estimates (DP05)

(b) Selected Economic Characteristics (DP03)

Principal Employers

Current and Ten Years Ago
December 31, 2019

Employer	2019			2010		
	Employees (a)	Rank	Percentage of Total Region Employment	Employees (a)	Rank	Percentage of Total Region Employment
Ford Motor Company	47,300	1	15.5%	40,893	1	15.20%
General Motors	36,714	2	12.0%	21,172	4	7.90%
FCA US LLC (formerly Chrysler)	34,601	3	11.3%	24,028	3	9.00%
University of Michigan Hospitals	33,225	4	10.9%	25,730	2	9.60%
Beaumont Health System	26,992	5	8.8%	13,694	8	5.10%
Henry Ford Health System	21,103	6	6.9%	15,277	7	5.70%
US Government	17,870	7	5.9%	15,479	6	5.80%
Rock Ventures	17,819	8	5.8%	-	-	-
Trinity Health	10,533	9	3.5%	-	-	-
City of Detroit	9,565	10	3.1%	13,352	9	5.00%
Ascension Michigan (formerly St. John)	-	-	-	-	-	-
Detroit Public Schools	-	-	-	15,904	5	0.06%
US Postal Service	-	-	-	12,832	10	4.80%
	<u>255,722</u>		<u>83.70%</u>	<u>198,361</u>		<u>68.16%</u>

(a) Employer information for Livingston County was unavailable as of the report letter date

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

Huron-Clinton Metropolitan Authority

Full-Time Equivalent Employees by Location

Last Ten Fiscal Years

December 31, 2019

Location	As of December 31,									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Administrative Office	51	56	54	53	50	53	58	67	65	51
Lake St. Clair Metropark	59	55	55	57	51	53	56	57	55	59
Kensington Metropark	95	85	81	80	82	88	96	97	94	95
Lower Huron Metropark	94	86	85	84	83	88	94	89	85	94
Hudson Mills Metropark	34	33	35	32	28	29	29	29	29	34
Stony Creek Metropark	58	55	53	55	53	56	63	63	59	58
Lake Erie Metropark	51	47	48	48	45	43	44	45	49	51
Wolcott Mill Metropark	21	20	19	16	16	20	23	18	18	21
Indian Springs Metropark	26	24	22	22	24	25	24	23	23	26
Huron Meadows Metropark	17	14	12	11	11	12	12	12	12	17
Total	506	475	464	458	443	467	499	500	489	506

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

December 31, 2019

	As of December 31,									
	2010	2011	2012	2013	2014	2015*	2016	2017	2018	2019
Number of Regional Parks	13	13	13	13	13	13	13	13	13	13
Vehicle Count						2,859,720	2,947,885	2,921,824	2,906,524	2,829,831
Estimated Attendance***	9,203,225	8,434,169	8,866,125	8,420,298	7,939,916	7,149,300	7,369,713	7,304,560	7,266,310	5,942,645
Land (acres)										
All Land ****						24,521	24,521	24,508	24,508	24,508
Encumbered for Recreation						14,761	14,761	14,761	14,761	14,761
Leased for Farming						595	595	491	491	491
Leased for Recreation						450	450	450	450	450
Leased for Utilities						24	24	24	24	24
General Grounds Maintenance - Acres Mowed Annually	2,694	2,281	2,261	2,261	3,099	3,099	3,691	3,691	3,691	3,691
Trails (miles)										
Nature/Hiking						58	58	59	59	59
Paved/Shared Use						84	84	90	90	90
Equestrian						36	36	36	36	91
Cross Country Ski	75	80	80	80	81	64	64	64	64	64
Mountain Biking						19	19	19	19	19
Maintenance Paths						81	81	81	81	81
Aquatic Facilities										
Aquatic Centers **								5	5	5
Spray Pads**	4	4	4	4	4	4	4	2	2	2
Pools **	4	4	4	4	4	4	4			
Beaches	5	5	5	5	5	5	5	5	5	5
Boat Launches	44	44	44	44	46	50	50	50	50	50
Boat Rental Facilities-Metropark operated	5	6	6	6	5	6	6	4	4	4
Boat Rental Facilities-Concessionaire operated								2	3	3
Fishing Platforms						16	16	16	16	16
Marinas - Number of Boat Slips	553	553	509	509	498	393	393	393	393	393
Winter Facilities										
Ice Skating Areas						4	4	4	4	4
Sledding Areas						8	8	8	8	8
Infrastructure										
Buildings						489	489	484	484	484
Roads (miles)						68	68	68	68	68
Parking Spaces						19,332	19,332	19,332	19,332	19,332

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

December 31, 2019

	As of December 31,									
	2010	2011	2012	2013	2014	2015*	2016	2017	2018	2019
Great Lakes Shoreline (miles)						14	14	14	14	14
Inland Lakes (acres)						3,634	3,634	3,634	3,634	3,634
Recreation Facilities										
Regulation 18 Hole Courses	8	8	8	8	8	8	8	7	7	7
Number of Golf Rounds	204,839	184,837	187,686	182,333	169,157	191,605	190,527	176,231	174,580	187,247
Par 3 Courses	2	2	2	2	2	2	2	1	1	1
Number of Golf Rounds	24,858	17,879	19,829	17,238	12,971	14,257	14,025	4,249	6,784	5,433
Number of Foot Golf Rounds								784	324	823
Driving Ranges	5	5	5	5	6	6	6	5	5	5
Disc Golf Courses						5	5	5	5	5
Disc Golf Holes	120	120	123	123	126	135	135	135	135	135
Playgrounds	45	49	50	50	51	78	78	77	77	77
Picnic Shelters	87	92	91	9	91	87	87	86	86	86
Picnic Areas	85	90	89	88	88	70	70			
Tennis Courts	8	8	8	8	8	9	9	8	4	4
Pickleball Courts								3	3	3
Basketball Courts	19	19	19	19	18	15	15	15	15	15
Sand Volleyball Courts						38	38	39	39	39
Baseball Fields						28	28	22	21	21
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	1	1	1	1	1	1	3	3	3	3
Number of Visitors	1,761,071	1,681,737	1,657,759	1,549,800	1,549,000	1,382,962	1,470,541	1,487,666	1,503,582	1,475,367
Number of Interpretive Programs	10,106	10,181	9,706	7,478	7,175	7,580	5,520	5,553	5,944	5,859
Special Event Facilities						6	6	6	6	6
Excursion Boat	1	1	1	1	1	1	1	1	1	1
Public Safety										
Number of Patrol Vehicles	37	39	39	36	36	36	36	36	36	37
Number of Law Violations										
Arrests	28	13	19	20	24	30	25	50	40	23
Traffic Violations	305	232	175	221	225	295	333	193	330	147
Other Violations	120	129	56	49	75	167	129	82	87	119

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

December 31, 2019

	As of December 31,									
	2010	2011	2012	2013	2014	2015*	2016	2017	2018	2019
Land (acres) Developed	5,800	5,800	5,800	5,800	4,890					
Land (acres) Undeveloped	18,310	18,355	18,355	18,355	18,960					
Land (acres) Under Recreational Lease to Other Agencies	600	600	600	600	1,045					
Number of Buildings Maintained	319	321	321	321	320					
Square Footage of Buildings Maintained	697,520	703,120	705,395	705,395	703,120					
Equestrian Trails - Number of Miles	53	53	53	53	53					
Hike/ Bike Trails (paved) - Number of Miles of Paved Trails	55	61	61	61	66					
Miles of Shoreline	100	94	94	94	94					
Nature Trails - Number of Miles	56	75	75	75	75					
Outdoor Dance Centers	1	2	2	2	2					
Parking Lots - Square Yards Maintained	833,428	794,691	796,191	768,191	768,191					
Road System - Number of Lane Miles Maintained	166	162	162	162	165					
Skate Parks	1	1	1	1	1					
Ice Skating Rinks	9	7	7	7	7					
Sledding/Toboggan Hills	18	18	18	19	19					

*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

Metropark General Governmental Expenditures by Type

Last Ten Fiscal Years

December 31, 2019

Year	Capital Improvements	Equipment	Land Acquisition	Major Maintenance	General Administration	Park Operations	Supplemental Major Maintenance Fund	Capital Projects Fund	Total
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
2018	-	1,836,785	-	2,546,141	9,254,259	32,843,656	-	2,130,516	48,611,357
2019	-	1,960,797	-	900,482	9,641,366	33,958,676	-	2,998,619	49,459,941

Metropark General Governmental Expenditures by Park

Last Ten Fiscal Years

December 31, 2019

	As of December 31,										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total (a)
Capital Projects Fund											
Administrative Office	\$ -	\$ -	\$ -	\$ 15,070	\$ 45,000	\$ -	\$ 112,999	\$ 88,600	\$ -	\$ -	\$ 261,669
Lake St. Clair Metropark	779,453	164,896	501,752	3,388,101	247,053	252,381	1,236,529	3,877,088	253,892	650,641	11,351,786
Kensington Metropark	991,397	2,417,637	275,844	123,195	2,008,956	452,571	299,491	727,346	231,173	95,991	7,623,601
Dexter-Delhi Metropark	21,066	129,214	25,859	14,659	34,885	-	-	-	-	-	225,683
Lower Huron/Willow/Oakwoods Metropark	842,785	274,389	269,893	516,245	66,796	156,782	51,322	593,005	93,124	333,065	3,197,406
Hudson Mills Metropark	324,848	158,655	97,746	525,153	303,410	110,901	36,544	56,897	40,895	256,645	1,911,694
Stony Creek Metropark	344,335	135,328	1,182,503	125,936	237,809	1,405,205	1,820,937	1,361,602	1,193,394	1,224,647	9,031,696
Lake Erie Metropark	714,069	118,017	36,280	55,787	351,366	27,186	223,999	408,973	34,586	238,350	2,208,613
Wolcott Mill Metropark	29,399	14,417	35,032	78,544	60,035	389,335	363,060	230,446	95,491	17,272	1,313,031
Indian Springs Metropark	312,175	41,265	37,288	167,628	325,956	371,525	15,005	155,170	4,674	-	1,430,686
Huron Meadows Metropark	134,865	3,074	29,246	58,173	1,198,238	46,969	-	24,230	183,287	182,009	1,860,091
Cost Share Other Agencies	-	-	-	-	-	-	-	-	-	-	-
Total	4,494,392	3,456,892	2,491,443	5,068,491	4,879,504	3,212,855	4,159,886	7,523,357	2,130,516	2,998,619	40,415,955
Equipment											
Central Pool Equipment	167,493	274,595	107,813	172,763	630,121	231,321	313,470	157,070	200,531	187,327	2,442,504
Lake St. Clair Metropark	236,282	113,685	213,150	109,896	142,484	206,783	235,466	275,544	134,871	179,720	1,847,881
Kensington Metropark	453,310	140,575	318,761	230,212	149,257	207,324	585,804	613,122	290,650	253,787	3,242,802
Lower Huron/Willow/Oakwoods Metropark	188,961	260,665	132,884	94,976	69,759	139,967	497,397	742,245	263,752	227,180	2,617,786
Hudson Mills Metropark	85,561	40,422	12,656	117,115	82,700	36,814	156,368	29,781	125,884	216,597	903,898
Stony Creek Metropark	282,333	67,235	257,776	282,583	46,107	332,084	634,571	511,883	340,088	288,048	3,042,708
Willow/Oakwoods Metroparks	72,601	189,437	57,047	32,710	1,320	-	-	-	-	-	353,115
Lake Erie Metropark	111,636	16,638	1,250	358,709	10,558	66,180	316,289	221,945	159,697	60,585	1,323,487
Wolcott Mill Metropark	19,071	22,966	8,906	11,095	35,050	41,751	169,864	86,887	128,129	146,422	670,141
Indian Springs Metropark	77,778	28,285	94,408	91,409	17,537	85,280	78,549	62,471	39,689	312,459	887,865
Huron Meadows Metropark	349,718	-	22,500	63,174	41,890	22,874	101,649	100,118	153,495	88,673	944,091
Total	2,044,744	1,154,503	1,227,151	1,564,642	1,226,783	1,370,378	3,089,427	2,801,066	1,836,786	1,960,797	18,276,277
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	8,400	287,884	2,350	6,414	196,737	-	-	-	-	-	501,785
Indian Springs Metropark	23	273,813	-	-	-	-	-	-	-	-	273,836
Huron Meadows	2,000	-	-	-	-	-	-	10,900	-	-	12,900
Other Metroparks	-	4,300	-	-	250	-	-	-	-	-	4,550
Total	10,423	565,997	2,350	28,820	269,846	177,591	5,056	10,900	-	-	1,070,983

Metropark General Governmental Expenditures by Park

Last Ten Fiscal Years

December 31, 2019

	As of December 31,										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total (a)
Major Maintenance											
Administrative Office - Engineering/General Planning	\$ 69,367	\$ 166,374	\$ 76,319	\$ 90,486	\$ 74,754	\$ 8,044	\$ 17,116	\$ 43,718	\$ 2,532	\$ -	\$ 548,710
Lake St. Clair Metropark	37,271	177,368	67,827	170,388	226,800	198,938	180,587	733,523	162,313	50,226	2,005,241
Kensington Metropark	101,468	321,623	127,031	31,511	282,058	411,571	421,900	159,149	1,087,154	317,919	3,261,384
Lower Huron/Willow/Oakwoods Metropark	89,350	160,134	429,468	38,958	454,770	338,346	252,139	497,763	564,178	311,445	3,136,551
Hudson Mills Metropark	55,458	19,178	338,736	-	38,651	42,342	129,663	53,080	95,746	20,237	793,091
Stony Creek Metropark	570,546	83,260	236,918	38,138	228,158	269,969	634,683	212,106	121,281	57,593	2,452,652
Lake Erie Metropark	76,122	110,656	125,456	248,430	4,250	17,962	91,900	91,547	216,278	18,869	1,001,470
Wolcott Mill Metropark	-	40,458	45,053	18,572	126,076	264,173	111,436	132,151	40,838	92,946	871,703
Indian Springs Metropark	6,632	26,645	48,053	63,979	-	99,502	71,109	346,996	210,853	31,235	905,004
Huron Meadows Metropark	125,724	964	58,243	3,866	-	135,427	15,677	-	44,968	-	384,869
Total	1,131,938	1,106,660	1,553,104	704,328	1,435,517	1,786,274	1,926,210	2,270,033	2,546,141	900,469	15,360,674
General Administration											
Administrative Office	7,088,861	7,075,619	7,538,185	6,990,592	7,640,052	7,516,737	7,371,706	9,122,348	9,254,289	9,641,366	79,239,755
Park Operations											
Lake St. Clair Metropark	3,951,050	3,784,910	3,500,206	3,518,212	3,476,787	3,955,554	4,045,798	4,193,050	4,220,224	4,244,286	38,890,077
Kensington Metropark	6,529,008	6,486,029	6,163,819	5,942,347	6,009,375	6,487,747	6,792,494	6,936,915	6,986,445	7,252,435	65,586,614
Lower Huron/Willow/Oakwoods Metropark	5,790,454	5,740,732	5,370,279	5,314,881	5,241,451	5,954,585	6,142,630	6,388,626	5,809,366	5,929,336	57,682,340
Dexter/Delhi/Hudson Mills Metroparks	2,747,588	2,981,726	2,741,822	2,463,982	2,444,480	2,531,077	2,525,080	2,493,050	2,737,335	2,595,250	26,261,390
Stony Creek Metropark	4,230,227	4,058,406	3,959,094	3,816,608	3,896,686	4,450,218	5,041,688	4,907,561	4,701,122	5,201,860	44,263,470
Lake Erie Metropark	3,425,448	3,379,534	3,356,082	3,393,851	3,313,518	3,366,875	3,263,730	3,696,984	3,755,286	3,809,592	34,760,900
Wolcott Mill Metropark	1,755,269	1,775,100	1,604,023	1,398,932	1,548,474	1,645,858	1,790,519	1,537,099	1,530,676	1,410,077	15,996,027
Indian Springs Metropark	2,194,572	2,052,636	1,844,228	1,825,913	1,924,048	2,018,613	1,972,292	2,048,351	2,013,440	2,356,437	20,250,530
Huron Meadows Metropark	1,199,291	1,055,361	837,024	855,213	943,075	1,079,587	1,022,826	1,074,884	1,067,884	1,132,929	10,268,074
Central Warehouse/Garage/Other	308,915	403,546	330,115	299,552	321,129	28,517	25,235	22,736	21,848	26,488	1,788,081
Total	32,131,822	31,717,980	29,706,692	28,829,491	29,119,023	31,518,631	32,622,292	33,299,256	32,843,626	33,958,689	315,747,502
Supplemental Major Maintenance Fund											
Kensington Metropark	152,040	716,501	1,712,310	53,180	-	-	-	-	-	-	2,634,031
Lower Huron Metropark	-	-	-	-	-	-	-	-	-	-	-
Stony Creek Metropark	33,752	361,844	218,602	239,016	382,460	94,579	-	-	-	-	1,330,253
Oakwoods Metropark	4,540	-	-	-	-	-	-	-	-	-	4,540
Total	190,332	1,078,345	1,930,912	292,196	382,460	94,579	-	-	-	-	3,968,824
Total Expenditures	\$ 47,092,512	\$ 46,155,996	\$ 44,449,837	\$ 43,478,560	\$ 44,953,185	\$ 45,677,045	\$ 49,174,577	\$ 55,026,960	\$ 48,611,358	\$ 49,459,941	\$ 474,079,971

(a) Includes General Fund and Capital Projects Fund.

Huron-Clinton Metropolitan Authority

Metropark General Governmental Revenue by Source

Last Ten Fiscal Years

December 31, 2019

Year	Property Tax	Park Operations	Interest	Grants	Gifts	Miscellaneous	Other Financing Sources	Supplemental Major Maintenance	Capital Projects Fund	Total (a)
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
2018	31,675,974	19,328,560	707,124	976,902	230,832	791,122	473,716	174,459	89,585	54,448,274
2019	31,312,009	19,896,506	1,016,519	1,191,797	202,516	1,001,867	160,318	165,470	397,906	55,344,908

(a) Includes General Fund and Capital Projects Fund.

Metropark Operating Revenues by Park

Last Ten Fiscal Years

December 31, 2019

	As of December 31,										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total (a)
Lake St. Clair Metropark	\$ 1,767,070	\$ 1,639,040	\$ 1,677,510	\$ 1,605,222	\$ 1,753,366	\$ 2,161,319	\$ 2,461,013	\$ 2,315,553	\$ 2,443,651	\$ 2,441,145	\$ 20,264,889
Kensington Metropark	2,896,630	2,802,315	2,959,722	3,007,259	3,481,846	3,996,669	4,552,476	4,741,963	4,523,073	4,818,987	37,780,940
Lower Huron Metropark	1,496,553	1,544,161	1,577,205	1,299,958	1,465,153	2,682,224	3,071,759	2,760,379	2,794,920	2,884,693	21,577,005
Dexter/Delhi/Hudson Mills Metroparks	969,111	887,294	826,820	867,709	964,791	1,044,048	1,082,519	1,116,862	1,111,316	1,138,216	10,008,686
Stony Creek Metropark	2,514,918	2,535,163	2,846,775	2,989,230	3,362,441	3,574,513	4,153,817	4,091,310	3,927,203	3,970,902	33,966,272
Willow/Oakwoods Metroparks	1,131,561	804,158	1,028,790	931,113	1,064,566	-	-	-	-	-	4,960,188
Lake Erie Metropark	1,576,391	1,572,925	1,553,867	1,395,317	1,521,141	1,627,750	1,772,447	1,668,012	1,764,715	1,775,506	16,228,071
Wolcott Mill Metropark	471,291	469,845	588,431	534,381	539,505	558,710	625,982	297,922	251,092	296,918	4,634,077
Indian Springs Metropark	870,566	811,109	904,808	953,775	1,079,093	1,122,183	1,237,868	1,107,336	1,184,415	1,149,175	10,420,328
Huron Meadows Metropark	807,926	760,210	702,974	689,334	773,048	856,215	910,351	905,093	899,953	958,854	8,263,958
Resident House/Land Leases Other											
Other	177,489	170,522	190,986	198,093	195,165	-	-	-	-	-	932,255
Administrative Office	36,321	154,983	169,355	48,481	116,061	270,106	262,617	336,415	428,222	462,103	2,284,664
Total	<u>\$14,715,827</u>	<u>\$ 14,151,725</u>	<u>\$ 15,027,243</u>	<u>\$ 14,519,872</u>	<u>\$ 16,316,176</u>	<u>\$ 17,893,737</u>	<u>\$ 20,130,849</u>	<u>\$ 19,340,845</u>	<u>\$19,328,560</u>	<u>\$ 19,896,499</u>	<u>\$ 171,321,333</u>

Metropark Operating Revenues by Type

Last Ten Fiscal Years

December 31, 2019

Type of Revenue	As of December 31,										Total (a)
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Food Service (b)	\$ 803,573	\$ 778,782	\$ 730,059	\$ 774,520	\$ 1,201,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,288,811
Aquatic	1,418,185	1,572,314	1,508,333	1,317,560	1,443,720	2,010,251	2,156,789	1,763,802	2,023,328	2,020,577	17,234,859
Dockage/Boat Storage	390,105	396,478	371,748	366,101	362,701	383,575	394,197	372,635	332,845	367,098	3,737,483
Boat Rentals	275,897	326,887	338,251	357,399	389,421	460,095	476,722	436,904	419,298	472,936	3,953,810
Excursion Boat	38,555	44,441	44,668	49,598	49,634	44,102	17,098	55,502	49,785	54,401	447,784
Cross Country Skiing	45,513	55,021	26,076	48,047	86,234	62,642	32,959	37,810	55,945	32,761	483,008
Toll Collection	5,690,581	5,358,278	5,722,407	5,547,951	6,991,270	7,471,802	9,167,954	9,452,371	8,936,788	9,294,165	73,633,567
Sundries (b)	125,336	104,699	119,669	115,538	109,392	-	-	-	-	-	574,634
Games/Equipment Rental (b)	38,712	4,375	17,463	28,875	32,390	-	-	-	-	-	121,815
Activity Center	122,608	132,997	145,918	123,194	127,407	210,988	245,014	114,004	227,522	180,211	1,629,863
Shelter Reservations	342,550	338,830	351,044	405,270	369,415	373,751	377,988	313,010	376,057	390,519	3,638,434
Golf Course	4,636,348	4,041,661	4,518,659	4,332,837	4,137,391	5,345,559	5,695,553	5,033,276	5,221,081	5,535,289	48,497,654
Adventure/Disc Golf	202,599	172,470	183,330	185,184	167,969	221,241	211,653	205,616	175,706	182,972	1,908,740
Special Events	25,760	48,829	41,301	83,653	56,331	157,462	220,531	102,998	16,501	125,721	879,087
Resident House/Land/Leases	107,025	113,597	131,925	137,138	127,157	131,640	130,127	136,301	224,469	163,905	1,403,284
Livestock Sales (b)	49,695	96,137	135,185	96,875	104,436	-	-	-	-	-	482,328
Hay Rides (b)	37,784	37,803	34,612	42,069	48,301	-	-	-	-	-	200,569
Site Location Fee (b)	18,785	24,980	16,269	30,760	35,244	-	-	-	-	-	126,038
Interpretive	184,658	217,775	252,338	268,279	257,623	603,271	635,268	717,556	650,706	614,741	4,402,215
Intergovernmental (b)	-	-	-	-	-	206,713	197,395	200,946	203,787	213,350	1,022,191
Miscellaneous (b)	155,911	136,454	115,851	42,020	145,239	106,265	70,521	282,927	276,914	124,324	1,456,426
Other Park Revenues (a)	5,637	148,918	222,138	167,004	70,024	104,380	101,080	115,187	137,828	123,529	1,195,725
Total	<u>14,715,817</u>	<u>14,151,726</u>	<u>15,027,244</u>	<u>14,519,872</u>	<u>16,313,176</u>	<u>17,893,737</u>	<u>20,130,849</u>	<u>19,340,845</u>	<u>19,328,560</u>	<u>19,896,499</u>	<u>171,318,325</u>

(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.