

**Huron-Clinton Metropolitan Authority  
Brighton, Michigan**

Comprehensive Annual Financial Report  
Year Ended December 31, 2016



SUBMITTED TO THE  
HURON-CLINTON METROPOLITAN AUTHORITY  
BOARD OF COMMISSIONERS

John C. Hertel - Chairman - Governor Appointee  
Timothy J. McCarthy - Vice Chairman - Governor Appointee  
Robert W. Marans - Treasurer - Washtenaw County  
Jaye Quadrozzi - Secretary - Oakland County  
Steven A. Williams - Livingston County  
Bernard Parker - Wayne County  
Anthony V. Marrocco - Macomb County

Prepared by the Huron-Clinton Metropolitan Authority  
Finance Department

Huron-Clinton Metropolitan Authority  
 Comprehensive Annual Financial Report  
 Year Ended December 31, 2016

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## **INTRODUCTORY SECTION**

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May 31, 2017

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, 2016. 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

John C. Hertel  
Governor Appointee

John E. La Belle  
Livingston County

Bernard Parker  
Wayne County

Robert W. Marans  
Washtenaw County

Anthony V. Marrocco  
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, Deputy Director, and CFO.

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

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

The characteristics of the Metroparks are different from recreation supplied by most other units of government or by the private sector. Generally, Metroparks are fairly large in size and offer a blend of natural resources such as lake, river, woods, or wildlife area with constructed facilities that provide for more intensive recreational pursuits such as swimming, golfing, bicycling, cross-country skiing or other outdoor recreation. These Metroparks are within an hour's drive for most of the residents of the region and are 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 2016, the Metropark system provided recreation for 7.4 million park visitors.

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

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

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

## MAJOR INITIATIVES

The Authority's staff, following directions from the Board of Commissioners and the Director, has been involved in a variety of capital projects throughout the year. These projects reflect the Authority's ongoing commitment to providing quality public recreational facilities and services in a well-maintained and safe environment to the citizens of Southeast Michigan. The major activities and accomplishments during 2016 included:

1. At Stony Creek Metropark Golf Course, the cart path was restored and being completed in 2016 for a total of \$1,418,729. This project includes complete replacement of all cart paths on the golf course at Stony Creek. The project was initiated due to the existing poor condition of the old cart paths that were replaced.
2. Reconstruction and replacement of the seawall at Lake St. Clair Metropark was completed at a cost of \$1,108,000 in 2016 and a total amount of \$1,177,000. The seawall was failing causing the existing surface behind the wall to settle and the existing deadmen were rusted through. This was normal aging causing the damage that was repaired.
3. Road reconstruction, repairs, and new overlays were completed in two parks totaling \$951,000. Kensington Metropark major road repairs and overlay totaling \$513,000 and Stony Creek repairs were \$438,000. These improvement included were necessary to improve the failing roadway surface. There were sections that were crushed and reshaped, others were repaired and overlaid.
4. Two underground storage tanks were removed and replaced with above ground storage tanks during 2016. At Stony Creek Metropark Golf Course an above ground storage tank was needed and added as part of the project. The process incurred \$135,000 expense and at Lower Huron the cost was \$34,000 in 2016, with the remainder of the expense occurring in 2017 totaling \$120,164. This project had a total cost of \$173,000 (\$71,000 was spent in 2015 and \$102,000 in 2016). Lower Huron was a clean close, where no remedial work was required.
5. At Wolcott Mill Metropark, a new tollbooth was constructed for a total cost of \$101,000. This was built at the request of the park to capture special events revenue and sell passes for the Metropark, as there was no toll booth structure that existed.
6. At Stony Creek Metropark, the new inflatable slide was installed and had its first season in 2016. As part of the install, a new water line as well as new electrical service was brought to the pool location. The slide proved to be a huge success and is one of the main attractions at Eastwood Beach.
7. The Administrative Office parking lot expansion was \$85,000. Parking was often unavailable to the public, visitors, and staff due to more activity and employees at the office. With the increase of more staff, more pool cars were needed for staff to perform work at park locations.
8. As of December Lake St. Clair Metropark was just beginning its project of modifying the pool discharge to sanitary sewer instead of storm drain. The discharge was originally flowing to storm drain when it was installed in the 1950s. The new regulatory requirements mandate discharge to the sanitary sewer.
9. The Lake Erie Metropark wave pool was in need of upgrades to serve community needs. A small spray pad was installed to service the younger children that visit this park. There were a new bucket structure, water cannons and other features added totaling a cost of \$230,000, with \$10,000 of this expensed in 2016 and the remainder in 2017.



In total, the Authority invested in park facilities to the extent of nearly \$4.2 million, as work was performed on 45 individual projects. These capitalized projects will help ensure that Metropark facility offerings to our public are in good working order and relevant to today's recreational interests. The vast majority of the 2016 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 2016 that required the independent auditor to issue a Single Audit Report.

## **BUDGET**

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

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

## LONG-TERM FINANCIAL PLANNING

The Huron-Clinton Metropolitan Authority employs a Five-Year Community Recreation Plan as well as a rolling Five-Year Plan. The current Community Recreation Plan covers recreational development for the period from 2013 through 2017. Long term financial planning for the Metropark system is provided by the rolling Five-Year Plan which is updated and approved by the Board annually. The development of the Five-Year Plan is a planning process that is a joint effort involving the general public, park staff, administrative office staff, planning staff, natural resource staff, engineering staff, interpretive staff, police staff, and the Board of Commissioners. Due to the continued fiscal constraints and the large amount of aging infrastructure within the Metropark system, an emphasis continues to be placed on renovation/redevelopment/restoration type projects rather than new park developments.

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

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

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

## DEBT

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

## OTHER INFORMATION

### **Independent Audit**

State statute requires an annual audit by an independent certified public accountant. The accounting firm of Abraham and Gaffney 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 Abraham and Gaffney 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, 2015. This was the thirteenth consecutive year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

## Acknowledgements

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

The input and guidance from our independent auditors, Abraham and Gaffney, 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,

***Michelle Cole***

Michelle Cole, Chief Financial Officer



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, 2015**

Executive Director/CEO

Huron-Clinton Metropolitan Authority

2016

Principal Officials

**Unit - Title**

**Name of Official**

**Administrative Staff**

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

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

**EASTERN DISTRICT**

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

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

**WESTERN DISTRICT**

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

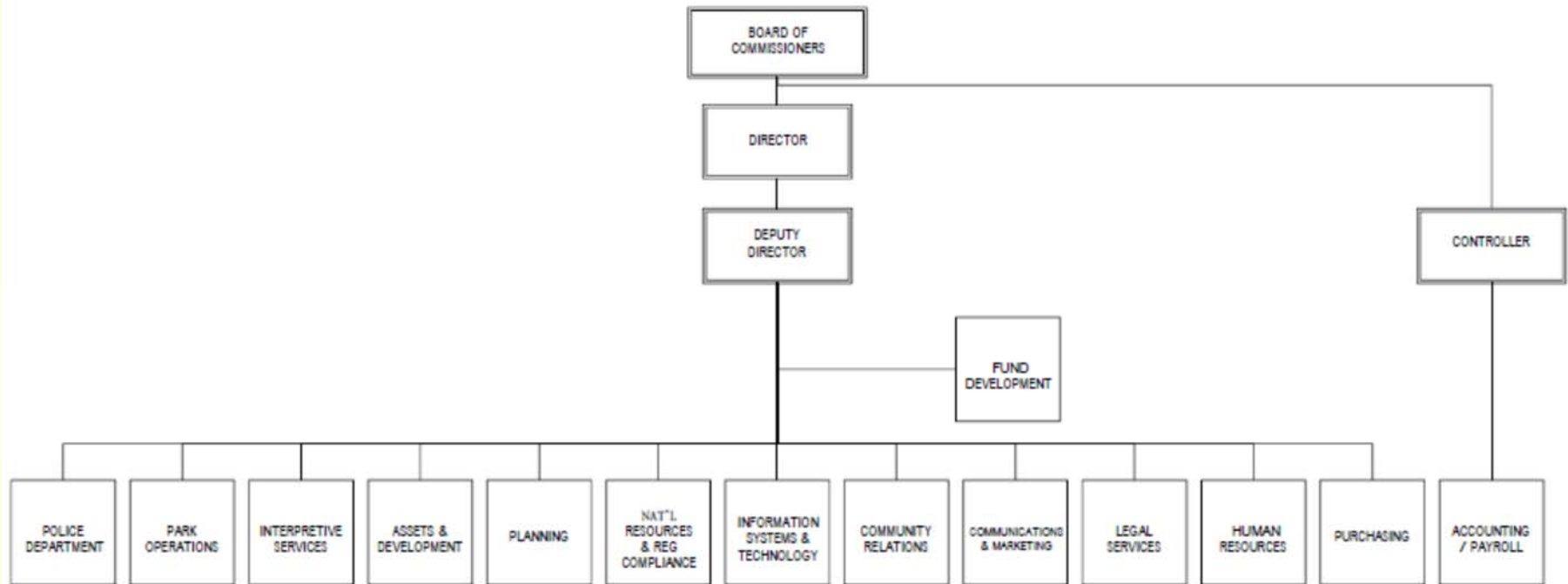
Jeff Brown  
Adam Haberkorn  
Victoria Sluder  
Eric J. Koppin  
  
Jerome M. Cyr

**SOUTHERN DISTRICT**

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

James W. Pershing  
Joseph B. Jolly  
Kevin J. Arnold  
  
Jeffrey W. Schuman  
Jeffrey D. Linn

## HCMA FUNCTIONAL ORGANIZATION CHART



## **FINANCIAL SECTION**

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Principals

Dale J. Abraham, CPA  
Steven R. Kirinovic, CPA  
Aaron M. Stevens, CPA  
Eric J. Glashouwer, CPA  
Alan D. Panter, CPA  
William I. Tucker IV, CPA



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INDEPENDENT AUDITOR'S REPORT

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Huron-Clinton Metropolitan Authority (the Authority), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the 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 the Huron-Clinton Metropolitan Authority, as of December 31, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Change in Accounting Principles**

As discussed in Note O to the financial statements, the Authority implemented GASB Statement No. 72, *Fair Value Measurement and Application*, during the year. As a result, the Authority has applied fair value to certain investments and disclosures related to all fair value measurements. Our opinions are not modified with respect to this matter.

As discussed in Note O to the financial statements, the Authority implemented GASB Statement No. 77, *Tax Abatement Disclosures*. The statement improves financial reporting through the disclosure of information about the nature and magnitude of tax abatements that are not consistently or comprehensively reported to the public at present.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Huron-Clinton Metropolitan Authority's basic financial statements. The introductory section, combining fiduciary fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fiduciary fund financial statements are the responsibility of management and were derived from and relate 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 combining fiduciary fund financial statements are fairly stated, in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

*Abraham & Gaffney, P.C.*

ABRAHAM & GAFFNEY, P.C.  
Certified Public Accountants

May 31, 2017

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Huron-Clinton Metropolitan Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

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, 2016. 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 2016 by \$223,772,891 (net position). Of this amount, \$28,739,061 (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 \$1,032,539. Operating revenue overall grew by just over 13 percent in 2016 primarily driven by excellent weather conditions throughout the year, as well as a sixteen percent increase in the 2016 annual permit rate which went on sale in the third quarter.

The Authority did not acquire any parcels of land in 2016.

Authority General Fund revenues of approximately \$50.2 million were less than the expected 2016 final budget targets by \$364,709 (0.7 percent).

Authority General Fund operating expenditures of approximately \$41.9 million were under amended 2016 budget amounts by \$2,820,562 (6.3 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 similar to private-sector business.

The *statement of net position* presents information on all of 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 result only in cash flows in future years (i.e., earned but unused vacation leave).

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

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

Huron-Clinton Metropolitan Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

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

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

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

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

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

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, 2016 totaled \$23,213,324, which was an increase of \$5,404,555 from December 31, 2015. The Authority contributed \$2,700,000 for this period, which was \$250,047 more than the actuarially determined contribution of \$2,449,953.

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

The Retiree Health Care Plan and Trust was established October 1, 2005 pursuant to Section 115 of the Internal Revenue Code of 1986 and under the authority of the Public Employee Health Care Fund Investment Act, Public Act 149 of 1999. It provides funding for eligible retiree and spousal health care, life and dental benefits. An actuarial valuation is required every two years and the last valuation was done as of December 31, 2016 which determined estimated actuarial accrued liability to be \$36,819,142. At the end of the Plan's ninth fiscal year, the actuarial value of Trust assets totaled \$25,072,686 (68.1 percent) and unfunded actuarial accrued liability totaled \$11,746,456. The Authority met the funding required by the Annual Required Contribution (ARC) by transferring \$904,023 from the General Fund to the Retiree Health Care Trust for the Plan year ended December 31, 2016. This created an asset of \$4,284,906.

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

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

Huron-Clinton Metropolitan Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

**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 \$223,772,891 at the close of the year.

By far the largest portion of the Authority's net position (87 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.

This table has been restated from last year to reflect the net pension liability that is required to be recorded as a result of a change in accounting principles as described in Note N.

	Net Position	
	Governmental Activities	
	2016	2015
Current and other assets	\$ 81,383,372	\$ 80,230,826
Capital assets, net	194,722,125	193,545,863
<b>Total assets</b>	<b>276,105,497</b>	<b>273,776,689</b>
Deferred outflows of resources	7,280,957	3,527,915
Long-term liabilities	26,018,454	20,760,968
Other liabilities	3,244,216	3,640,111
<b>Total liabilities</b>	<b>29,262,670</b>	<b>24,401,079</b>
Deferred inflows of resources	30,350,893	30,163,173
Net position		
Net investment in capital assets	194,722,125	193,545,863
Restricted	311,705	259,201
Unrestricted	28,739,061	28,935,288
<b>Total net position</b>	<b>\$ 223,772,891</b>	<b>\$ 222,740,352</b>

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 \$1,032,539 during the current year.

Huron-Clinton Metropolitan Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

	Change in Net Position Governmental Activities	
	2016	2015
Program revenues		
Park charges for services	\$ 20,130,849	\$ 17,893,737
Operating grants	162,112	453,429
Capital grants	-	-
General revenues		
Property taxes	29,249,583	28,406,715
Oil and gas royalties	111,839	57,890
Donations	44,744	101,638
Interest	307,934	363,548
Gain on sale of capital assets	240,325	192,480
Miscellaneous	339,905	987,949
<b>Total revenues</b>	<b>50,587,291</b>	<b>48,457,386</b>
Expenses		
Recreation and culture	49,554,752	46,117,042
<b>Change in net position</b>	<b>1,032,539</b>	<b>2,340,344</b>
Restated net position		
Beginning of year	222,740,352	220,400,008
<b>End of year</b>	<b>\$ 223,772,891</b>	<b>\$ 222,740,352</b>

**Governmental Activities**

Governmental activities increased the Authority's net position by \$1,032,539, as total 2016 operating revenues of \$50.59 million exceeded total expenditures of \$49.55 million.

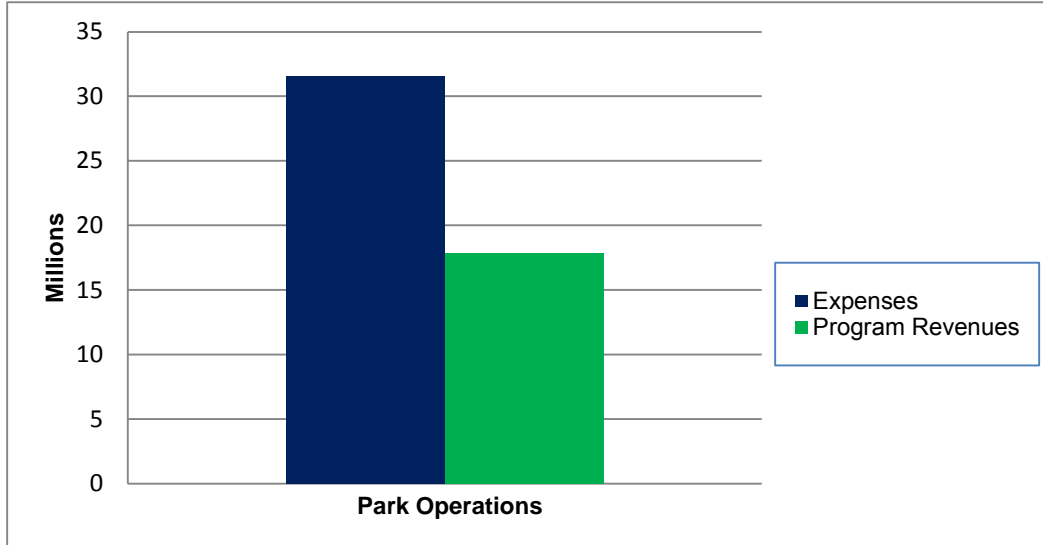
**Change in Net Position**

The change in net position for 2016 is approximately \$1.3 less than the change in net position for 2015. Park charges for services increased \$2.2 million due to fee increases and increased usage. In addition, property tax values continued to slowly increase with economic improvements. These revenue increases were offset by reductions in operating grants and Huron Clinton Metropark Foundation support due to project timing.

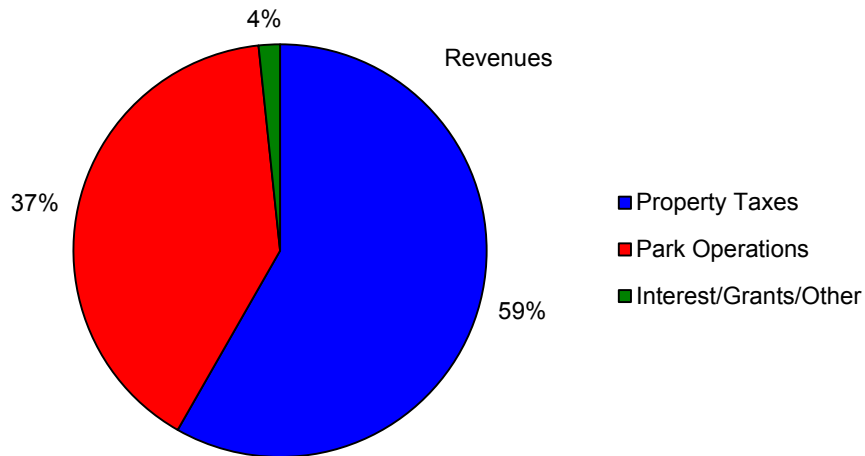


Huron-Clinton Metropolitan Authority  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 December 31, 2016

**2016 Expenses and Program Revenues - Governmental Activities**



**Revenues by Source - Governmental Activities**



**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.

Huron-Clinton Metropolitan Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

As of the end of the current year, the Authority's governmental funds reported a combined ending fund balance of \$45,526,862, an increase of \$1,488,470 compared to 2015. Approximately 30 percent of this total amount (\$13.6 million) constitutes "unassigned" fund balance. Approximately 2 percent of this total amount (\$1.07 million) is considered nonspendable. Approximately 0.6 percent of the total amount (\$0.3 million) is considered restricted. Approximately 35 percent of this total amount (\$15.9 million) is considered assigned. The remainder of fund balance (\$14.6 million) is "committed" to indicate that it is not available for new spending because it has already been committed for: (1) capital improvement projects-\$8.0 million, (2) a contingency fund for uninsured insurance claims-\$0.5 million, (3) future land purchases-\$5.4 million, and (4) health insurance rate stabilization funds-\$0.7 million.

The general fund is the primary operating fund of the Authority. At the end of the current year, unassigned fund balance of the general fund was \$13,630,033 while total fund balance was \$40,931,461. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to expenditures. The Authority's goal is to maintain the unassigned fund balance at a minimum of 5% of general fund expenditures, and at year end the unassigned fund balance was 27.8% of general fund operating expenditures of \$49.17 million. The Board of Commissioners has approved a systematic buildup of fund balance with the knowledge of our declining tax revenue.

The fund balance of the Authority's general fund increased by \$1,356,625.

The following paragraphs present a summary of general fund revenues, which totaled \$50,531,202 for 2016, an overall increase of \$2,054,094 from 2015. Revenues by source were as follows:

Revenues	2016 Amount	Percent of Total	2015 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Property taxes	\$ 29,246,499	57.9%	\$ 28,503,130	\$ 743,369	2.6%
Park charges for services	20,130,849	39.8%	17,893,737	2,237,112	12.5%
Interest	287,928	0.6%	344,745	(56,817)	-16.5%
Grants	76,182	0.2%	217,896	(141,714)	-65.0%
Donations	130,674	0.3%	337,171	(206,497)	-61.2%
Proceeds from sale of capital assets	319,165	0.6%	192,480	126,685	65.8%
Miscellaneous	339,905	0.7%	987,949	(648,044)	-65.6%
<b>Totals</b>	<b>\$ 50,531,202</b>	<b>100.0%</b>	<b>\$ 48,477,108</b>	<b>\$ 2,054,094</b>	<b>4.2%</b>

The Authority's millage rate remained .2146 mills in 2016. Taxable values increased marginally from the prior year which contributed to the \$0.7 million (2.6 percent) increase in 2016 property tax collections. We expect "taxable values" to continue to moderately rise as the real estate market stabilizes.

The \$20,130,849 of 2016 park operating revenues were above the 2016 budget goal of \$19,149,622 by \$981,227 (5.1 percent). This represented a \$2,237,112 (12.5 percent) increase from 2015 revenues. The Authority's two leading sources of revenue are tolling and golf. From 2015 levels, tolling experienced a \$1.7 million increase and golf increased \$0.4 million.

Interest income derived from investments in Certificates of Deposits and U.S. Agency issues decreased to \$287,928 in 2016. This was a 16.5 percent decrease from 2015 interest income.

The Authority recognized \$76,182 in grant revenue in 2016. This amount decreased 141,714 from 2015 which is a result of project timing and completion.

Huron-Clinton Metropolitan Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

Miscellaneous revenues decreased \$648,044 from 2015. In the previous year, the Authority received a significant refund from their primary health insurance provider as a result of rate increase analysis. These amounts were committed per formal action by the Commission to be used to help offset future rate increases and provide a stable health insurance trend for both employer and employee costs.

General fund expenditures were \$49,174,577 for 2016, an increase of \$3,592,120 from 2015's expenditures. A detailed breakdown of expenditures by major category is as follows:

Expenditures	2016 Amount	Percent of Total	2015 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Capital improvements	\$ 4,159,886	8.5%	\$ 3,212,855	\$ 947,031	29.5%
Equipment	3,089,427	6.3%	1,370,378	1,719,049	125.4%
Land acquisition	5,056	0.0%	177,591	(172,535)	-97.2%
Major maintenance	1,926,210	3.9%	1,786,274	139,936	7.8%
Administrative office	7,371,706	15.0%	7,516,737	(145,031)	-1.9%
Park operations	32,622,292	66.3%	31,518,622	1,103,670	3.5%
Totals	<u>\$ 49,174,577</u>	<u>100.0%</u>	<u>\$ 45,582,457</u>	<u>\$ 3,592,120</u>	<u>7.9%</u>

Capital improvement outlays cover both the design and construction costs associated with capital improvement projects that exceed the Authority's \$10,000 capitalization limit and develop or add to a capital asset. Engineering, Planning and other staff time that is directly related to the design or construction of these projects is included in the cost of the capital improvement. Throughout 2016, the Authority spent nearly \$4.2 million on capital improvement projects within the Metropark system. This was a 0.9 million dollar increase compared with the amount spent in 2015. The vast majority of 2016 projects continue to relate to the 3-R's type projects (repair, renovate and replace) in accordance with the Board of Commissioner approved revised Five-Year Plan. These projects enhanced the Authority's recreational facilities offered the public in terms of park roads, hike/bike trails, parking lots, buildings, utilities, landscaping, golf courses, and other improvements. Many of the more significant 2016 capital improvement projects have been previously highlighted under the MAJOR INITIATIVES section of this report.

Equipment having an individual value in excess of \$5,000 is capitalized. During 2016, a total of \$3,089,427 was spent equipping the Metropark system, up from the 2015 amount of \$1,370,378. Auto and truck acquisitions totaled approximately \$1,512,942. Heavy equipment (mowers, tractors, golf cars, etc.) purchases accounted for approximately \$1,170,023. \$406,462 of purchases related to other equipment such as a pontoon boat, inflatable slide and logging water system.

The final area of capital expenditures relates to land acquisition in which \$5,056 was spent in 2016. This amount represented final costs associated with the 2015 purchase of a parcel of land at Lake St. Clair Metropark which was partially grant funded by the National Oceanic and Atmospheric Administration.

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 2016, Metropark facilities were renovated with 85 separate projects at a cost of \$1,926,210.

Administration Office expenses reflect the cost of running the Authority's centralized Administrative Office, which ran \$7,371,706 in 2016, down 1.9 percent from 2015. This covers the cost of 58 full time equivalent employees, 156 retirement group benefit participants, materials, supplies and outside consultants utilized in managing the entire Metropark system. Decreases in liability insurance costs were offset by increases in payroll and fringes with increase in number of employees.

Huron-Clinton Metropolitan Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

The direct operating costs associated with operating and maintaining the 13 Metroparks to serve 7.3million visitors consumed \$32.6 million of Authority funds. Comparing this \$32.6 million of park operating costs to 2015 expenditures of \$31.5 million shows that overall park operating costs increased by \$1.1 million (3.5 percent). Personnel related costs, which comprise 73 percent of park operating expenses, increased from \$23,435,000 to \$23,737,000 - up \$302,536 (1.3 percent). As discussed earlier, an increase in full time equivalents is the primary cause of the increase. The other 27 percent of park operating expenditures relate to material/supply/outside contractual services, which incurred \$8,885,000 of expenses, up \$801,000 (10 percent). Some areas of operations that incurred increases include: operating and maintenance supplies.

The capital projects fund is utilized by the Authority to record supplemental major maintenance projects that are non-recurring expenditures to repair/replace existing Metropark infrastructure that is deemed critical to park operations. Funds for these projects are provided from oil/gas revenue. During 2016, \$111,839 of royalty payments were received, with generated investment income totaling \$20,006. At the end of the current year, total fund balance committed in the capital projects fund was \$4,595,401.

The fund balance of the Authority's capital projects fund increased by \$131,845.

The following paragraph presents a summary of capital projects fund revenues, which totaled \$131,845 for 2016, an overall increase of \$55,152 from 2015. Revenues by source were as follows:

Revenues	2016 Amount	Percent of Total	2015 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Oil and gas royalties	\$ 111,839	84.8%	\$ 57,890	\$ 53,949	97.8%
Interest	20,006	15.2%	18,803	1,203	2.2%
<b>Totals</b>	<b>\$ 131,845</b>	<b>100.0%</b>	<b>\$ 76,693</b>	<b>\$ 55,152</b>	<b>100.0%</b>

The revenues from oil and gas royalty payments at Kensington Metropark increased by \$53,949 from 2015 levels as production was increased. Interest income derived from investments in money market funds and U.S. Agency issues increased, rising from \$18,803 to \$20,006 in 2016 as interest rates continue to remain steady.

Capital Project fund expenditures were \$0\$ for 2016, a decrease from 2015 expenditures of \$94,579. Breakdown of expenditures by major category is as follows:

Expenditures	2016 Amount	Percent of Total	2015 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
Capital improvements	\$ -	100.0%	\$ 94,579	\$ (94,579)	-100.0%

2016 did not include any projects that met criteria for supplemental major maintenance funding. 2015 expenditures related to final construction of a sewer system project at Stony Creek.

**General Fund Budgetary Highlights**

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

Huron-Clinton Metropolitan Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

The original General Fund budget anticipated a \$4,487,732 use of fund balance, while the final amended budget increased this to \$6,655,801. The actual change in fund balance for the 2016 fiscal year was an increase of \$1,356,625.

During the year, general fund revenues were under final budgetary estimates in total by \$363,944. Park operating revenues exceeded the budgeted target of \$19,149,622 by \$981,227. This overage however, was offset by \$1,329,932 less of operating grant and donation revenues than the budget anticipated.

Park operation and administrative expenditures were significantly less than anticipated by approximately \$1,926,881. Major maintenance expenditures were less than projected, coming in approximately \$894,000 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 \$5,556,000, resulting mainly from capital improvement projects that were in progress or carried over and re-budgeted at year end.

**Capital Assets and Debt Administration**

**Capital assets.** The Authority's investment in capital assets for its governmental-type activities as of December 31, 2016 amounted to \$194,722,125 (net of accumulated depreciation). This investment in capital assets includes land, land improvements (golf courses, etc.), buildings, roads, bridges, sewer/water systems, park facilities, and equipment. The total increase in the Authority's investment in capital assets (net of depreciation) for the year totaled \$1,176,262 (0.6 percent).

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

• Seawall Reconstruction	Lake St. Clair	1,176,688
• Boat Dry Storage Lot Construction	Stony Creek	370,096
• Underground to Aboveground Storage Tank	Stony Creek	134,977
• Rip Slide Utilities	Stony Creek	103,729
• Tollbooth Installation at Farm	Wolcott	101,375

	Capital Assets (Net of Depreciation) Governmental Activities	
	2016	2015
Land	\$ 46,950,199	\$ 46,942,913
Land improvements	34,778,070	34,758,542
Construction in progress	2,327,832	586,649
Buildings	34,899,831	35,991,976
Equipment	8,140,313	6,445,748
Other improvements	36,618,685	36,557,403
Infrastructure	31,007,195	32,262,632
Total capital assets, net	<u>\$ 194,722,125</u>	<u>\$ 193,545,863</u>

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

Huron-Clinton Metropolitan Authority  
MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2016

**Long-term debt.** The Authority has recognized \$3,817,211 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 F in the Notes to the Financial Statements.

**Economic Factors and Next Year's Budget and Rates**

The following factors guided the preparation of the Authority's 2017 Budget:

- Property tax revenues were based on a rolled back millage rate of .2146 mills. The 2017 Budget was based on "net" tax levy revenues of \$30 million after factoring out estimated captured tax revenues from tax abatement programs. This represents a 3.1 percent increase from the 2016 original budget.
- A full year of fee increases as well as grant revenues expected to finance three specific projects.
- Increase spending in capital equipment and major maintenance, several new administrative positions, as well as 2017 updates to the 2016-2020 Five-Year Capital Project Plan.

**Requests for Information**

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

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## **BASIC FINANCIAL STATEMENTS**



Huron-Clinton Metropolitan Authority

STATEMENT OF NET POSITION

December 31, 2016

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 9,390,331
Investments	14,919,826
Receivables, net	29,270,659
Due from other governments	23,061
Inventories	260,191
Prepays	<u>809,231</u>
Total current assets	54,673,299
Noncurrent assets	
Investments	22,425,167
Net other post-employment benefits asset	4,284,906
Capital assets not being depreciated	84,056,101
Capital assets being depreciated, net	<u>110,666,024</u>
Total noncurrent assets	<u>221,432,198</u>
TOTAL ASSETS	276,105,497
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources related to pensions	7,280,957
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable and accrued payroll benefits payable	2,011,229
Other liabilities	122,836
Unearned revenue	98,070
Current portion of compensated absences	<u>1,012,081</u>
Total current liabilities	3,244,216
Noncurrent liabilities	
Noncurrent portion of compensated absences	2,805,130
Net pension liability	<u>23,213,324</u>
Total noncurrent liabilities	<u>26,018,454</u>
TOTAL LIABILITIES	29,262,670
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources related to pensions	1,118,169
Property taxes levied for a subsequent period	<u>29,232,724</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>30,350,893</u>
<b>NET POSITION</b>	
Investment in capital assets	194,722,125
Restricted for Lake St. Clair Marina	299,719
Restricted for Hudson Mills Canoe Livery	11,986
Unrestricted	<u>28,739,061</u>
TOTAL NET POSITION	<u>\$ 223,772,891</u>

See accompanying notes to financial statements.

Huron-Clinton Metropolitan Authority

STATEMENT OF ACTIVITIES

Year Ended December 31, 2016

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Recreation and culture	<u>\$ 49,554,752</u>	<u>\$ 20,130,849</u>	<u>\$ 162,112</u>	\$ (29,261,791)
General revenues				
Property taxes				29,249,583
Oil and gas royalties				111,839
Investment earnings				307,934
Donations				44,744
Gain on sale of capital assets				240,325
Miscellaneous				<u>339,905</u>
Total general revenues				<u>30,294,330</u>
Change in net position				1,032,539
Net position, beginning of year				<u>222,740,352</u>
Net position, end of year				<u>\$ 223,772,891</u>

See accompanying notes to financial statements.

Huron-Clinton Metropolitan Authority

Governmental Funds

BALANCE SHEET

December 31, 2016

	General Fund	Capital Projects	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,820,156	\$ 4,570,175	\$ 9,390,331
Investments	37,344,993	-	37,344,993
Receivables			
Property taxes, net	29,118,972	-	29,118,972
Accounts receivable	133,798	17,889	151,687
Due from other governmental units	23,061	-	23,061
Due from other funds	-	7,337	7,337
Inventories	260,191	-	260,191
Prepays	809,231	-	809,231
<b>TOTAL ASSETS</b>	<b><u>\$ 72,510,402</u></b>	<b><u>\$ 4,595,401</u></b>	<b><u>\$ 77,105,803</u></b>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,506,485	\$ -	\$ 1,506,485
Accrued payroll and benefits payable	504,744	-	504,744
Other liabilities	122,836	-	122,836
Due to other funds	7,337	-	7,337
Unearned revenue	98,070	-	98,070
<b>TOTAL LIABILITIES</b>	<b>2,239,472</b>	<b>-0-</b>	<b>2,239,472</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	106,745	-	106,745
Property taxes levied for a subsequent period	29,232,724	-	29,232,724
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>29,339,469</b>	<b>-0-</b>	<b>29,339,469</b>
<b>FUND BALANCES</b>			
Nonspendable	1,069,422	-	1,069,422
Restricted	311,705	-	311,705
Committed	10,011,796	4,595,401	14,607,197
Assigned	15,908,505	-	15,908,505
Unassigned	13,630,033	-	13,630,033
<b>TOTAL FUND BALANCES</b>	<b><u>40,931,461</u></b>	<b><u>4,595,401</u></b>	<b><u>45,526,862</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b><u>\$ 72,510,402</u></b>	<b><u>\$ 4,595,401</u></b>	<b><u>\$ 77,105,803</u></b>

See accompanying notes to financial statements.

Huron-Clinton Metropolitan Authority

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION

December 31, 2016

**Total fund balances - governmental funds** \$ 45,526,862

Amounts reported for the governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.

The cost of capital assets is	\$ 286,578,753	
Accumulated depreciation is	<u>(91,856,628)</u>	
Capital assets, net		194,722,125

Long-term receivables are not available to pay for current period expenditures and are therefore deferred inflows of resources in the governmental funds.	106,745
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Governmental funds report actual pension expenditures for the fiscal year, whereas governmental activities will recognize the net pension liability as of the measurement date. In addition, resources related to the changes of assumptions, differences between expected and actual experience, and differences between projected and actual pension plan investment earnings will be deferred over time in the government-wide financial statements. These amounts consist of:

Deferred outflows of resources to pensions	7,280,957
Deferred inflows of resources related to pensions	(1,118,169)

Long-term assets are not receivable in the current period and therefore are not reported in the governmental funds balance sheet.

Long-term assets at year-end consist of:

Net other post-employment benefits asset	4,284,906
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.

Long-term liabilities at year-end consist of:

Net pension liability	(23,213,324)
Compensated absences	<u>(3,817,211)</u>

**Net position of governmental activities** \$ 223,772,891

Huron-Clinton Metropolitan Authority

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended December 31, 2016

	General Fund	Capital Projects	Total
<b>REVENUES</b>			
Property taxes	\$ 29,246,499	\$ -	\$ 29,246,499
Oil and gas royalties	-	111,839	111,839
Park charges for services	20,130,849	-	20,130,849
Operating grants	76,182	-	76,182
Donations	130,674	-	130,674
Interest	287,928	20,006	307,934
Other	339,905	-	339,905
<b>TOTAL REVENUES</b>	<b>50,212,037</b>	<b>131,845</b>	<b>50,343,882</b>
<b>EXPENDITURES</b>			
Current			
Operating			
Park operations	32,622,292	-	32,622,292
Major maintenance	1,926,210	-	1,926,210
Administrative offices	7,371,706	-	7,371,706
<b>Total operating</b>	<b>41,920,208</b>	<b>-0-</b>	<b>41,920,208</b>
Capital outlay			
Capital improvements	4,159,886	-	4,159,886
Equipment	3,089,427	-	3,089,427
Land acquisitions	5,056	-	5,056
<b>Total capital outlay</b>	<b>7,254,369</b>	<b>-0-</b>	<b>7,254,369</b>
<b>TOTAL EXPENDITURES</b>	<b>49,174,577</b>	<b>-0-</b>	<b>49,174,577</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>1,037,460</b>	<b>131,845</b>	<b>1,169,305</b>
<b>OTHER FINANCING SOURCES</b>			
Proceeds from sale of capital assets	319,165	-	319,165
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,356,625</b>	<b>131,845</b>	<b>1,488,470</b>
Fund balances, beginning of year	39,574,836	4,463,556	44,038,392
Fund balances, end of year	<u>\$ 40,931,461</u>	<u>\$ 4,595,401</u>	<u>\$ 45,526,862</u>

See accompanying notes to financial statements.

Huron-Clinton Metropolitan Authority

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2016

**Net change in fund balances - total governmental funds** **\$ 1,488,470**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 7,248,791	
Net book value of disposed capital assets	(78,840)	
Depreciation expense	<u>(5,993,689)</u>	
Excess of capital outlay over depreciation expense and related items		1,176,262

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, but rather are deferred to the following fiscal year.

Net change in unavailable revenue		3,084
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Some items reported in the statement of activities do not result in the use of or provide current financial resources and therefore are reported differently than in the governmental funds. These activities consist of:

(Increase) in net pension liability	(5,404,555)	
Decrease in compensated absences	42,133	
Decrease in deferred inflows related to pensions	23,143	
Increase in deferred outflows related to pensions	3,753,042	
(Decrease) in net other post-employment benefit asset	<u>(49,040)</u>	
		<u>(1,635,277)</u>

<b>Change in net position of governmental activities</b>		<b><u><u>\$ 1,032,539</u></u></b>
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Huron-Clinton Metropolitan Authority

Fiduciary Funds

STATEMENT OF NET POSITION

December 31, 2016

ASSETS	
Investments at fair value	\$ 78,686,727
Receivables	65,457
Prepays	<u>139,390</u>
TOTAL ASSETS	<u>\$ 78,891,574</u>
LIABILITIES	
Vouchers payable	\$ 83,483
NET POSITION	
Restricted for pension benefits	53,816,221
Restricted for other post-employment benefits	<u>24,991,870</u>
TOTAL NET POSITION	<u>78,808,091</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 78,891,574</u>

See accompanying notes to financial statements.

Huron-Clinton Metropolitan Authority

Fiduciary Funds

STATEMENT OF CHANGES IN NET POSITION

Year Ended December 31, 2016

ADDITIONS	
Investment income	
Interest and dividends	\$ 1,625,981
Net increase in fair value of investments	<u>4,113,566</u>
Net investment income	5,739,547
Contributions	
Employer	3,604,023
Employee	<u>116,366</u>
Total contributions	<u>3,720,389</u>
TOTAL ADDITIONS	9,459,936
DEDUCTIONS	
Benefit payments	5,482,459
Administrative expense	<u>390,820</u>
TOTAL DEDUCTIONS	<u>5,873,279</u>
CHANGE IN NET POSITION	3,586,657
Net position, beginning of year	<u>75,221,434</u>
Net position, end of year	<u>\$ 78,808,091</u>

See accompanying notes to financial statements.



## **NOTES TO FINANCIAL STATEMENTS**

Huron-Clinton Metropolitan Authority  
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

1. Reporting Entity

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

2. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The statement of activities presents the direct functional expenses of the primary government and the program revenues that support them. Direct expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues are associated with specific functions and include charges to park customers and grants and contributions that are restricted to meeting the operational or capital requirements of that function. Revenues that are not required to be presented as program revenues are general revenues. This includes all taxes, contributions, and oil and gas royalties and shows how governmental functions are either self-financing or supported by general revenues.

FUND FINANCIAL STATEMENTS

The fund financial statements present the Authority's individual major funds. 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.

The Authority reports the following major governmental funds:

- a. The General Fund is the Authority's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- b. The Capital Projects Fund is used to record supplemental major maintenance projects of the Authority, which are nonrecurring expenditures to repair or replace existing park facilities. As designated by the Authority, oil and gas revenues received are earmarked to fund these projects.

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

3. Measurement Focus

The government-wide and fiduciary fund financial statements are presented using the economic resources measurement focus, similar to that used by business enterprises or not-for-profit organizations. Because another measurement focus is used in the governmental fund financial statements, reconciliations to the government-wide financial statements are provided that explain the differences in detail.

All governmental funds are presented using the current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance.

4. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when they become susceptible to accrual (when they become both "measurable" and "available to finance expenditures of the current period"). The length of time used for "available" for purposes of revenue recognition in the governmental fund financial statements is sixty (60) days. Revenues that are considered measurable but not available are recorded as receivable and unavailable revenue. Significant revenues susceptible to accrual are special assessments and certain intergovernmental revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for interest on long-term debt which is recorded when due.

All government-wide financial statements and pension and other post-employment benefit (OPEB) trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

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

5. Budgets and Budgetary Accounting

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

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

6. Cash, Cash Equivalents, and Investments

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

6. Cash, Cash Equivalents, and Investments - Concluded

Investments are stated at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amounts, which reasonably approximates fair value.

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

7. Receivables

Receivables consist of amounts due related to charges for services, property taxes, grants, and other amounts owed to the Authority at year-end. All property taxes receivable are shown net of an allowance for uncollectible amounts. The allowance is estimated based upon the original year of the assessment and uses a graduated percentage ranging from 10 to 100 percent of the balance outstanding.

8. Property Tax

Real and personal property taxes are levied on December 1, on the taxable value of property located in the Counties as of the preceding December 31, (lien date). Taxable values are established annually by municipalities and are equalized by the Counties and State at 50 percent of estimated current market value or less. The Authority's operating tax rate for the 2015 levy (2016 property tax revenue) was 0.2146 mills. Taxes are receivable on the levy date and become delinquent on March 1 the following year. Property tax revenues are recognized as revenues in the operating year in which the levy is intended to fund to the extent that they are measurable and available, and collected within sixty days after year end. The total taxable value for the 2015 levy for property within the Authority was \$139,632,523,469.

9. Inventories

Inventory maintained by the general fund is valued at average cost. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed. Nonspendable fund balances have been recorded in the applicable funds to indicate that inventories are not currently available, spendable components of fund balance.

10. Prepays

Prepays consist of amounts paid in the current year that pertain to the following fiscal year and are accounted for using the consumption method. Nonspendable fund balances have been recorded in the applicable funds to indicate that prepaids are not currently available, spendable components of fund balance.

11. Unearned Revenue

The Authority has recorded unearned revenue in the fund financial statements and government-wide financial statements equaling the amount of pledged revenue from park patrons and cell phone tower lease revenue for the subsequent year's activities.

12. Compensated Absences

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONCLUDED**

13. Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of financial position or balance sheet will, when applicable, report separate sections for deferred outflows of resources and deferred inflows of resources. *Deferred outflows of resources*, a separate financial statement element, represents a consumption of net position or fund balance, respectively, that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. *Deferred inflows of resources*, a separate financial statement element, represents an acquisition of net position or fund balance, respectively, that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Authority has several items that qualify for reporting in these categories. These items correspond the Authority's net pension liability and are related to differences between expected and actual experience, changes in assumptions, and differences between projected and actual pension plan investment earnings. These amounts are deferred and recognized as an outflow or inflow of resources in the period to which they apply. The Authority also reports unavailable revenue in the governmental funds and Statement of Net Position, which is related to delinquent personal property taxes and property taxes levied in the current period which are intended to be revenue in the subsequent period.

14. Capital Assets

Capital assets, which include property, buildings, equipment, other improvements and infrastructure (e.g., roads, bridges, paved pathways and water/sewer lines), are reported in the statement of net position in the basic 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 fair value at the date of donation.

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

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

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

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

15. Comparative Data

Comparative data has not been presented in the accompanying financial statements since their inclusion would make the statements unduly complex and difficult to read.

Huron-Clinton Metropolitan Authority

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE B: CASH, CASH EQUIVALENTS, AND INVESTMENTS**

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

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

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

Deposits

A reconciliation of cash, cash equivalents, and investments as shown in the basic financial statements to the Authority's deposits and investments is as follows:

	<u>Primary Government</u>
Statement of Net Position	
Cash and cash equivalents	\$ 9,390,331
Investments	37,344,993
Statement of Fiduciary Net Position	
Investments	<u>78,686,727</u>
Total	<u><u>\$ 125,422,051</u></u>

Huron-Clinton Metropolitan Authority  
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE B: CASH, CASH EQUIVALENTS, AND INVESTMENTS - CONTINUED**

Deposits - Concluded

	<u>Primary Government</u>
Deposits and investments	
Checking and Savings	\$ 9,354,229
Certificates of Deposit	24,436,005
Investments, at fair value	
U.S. agencies	12,908,990
Mutual funds	74,172,712
Collective investment funds	4,514,015
Cash on hand	<u>36,100</u>
Total	<u>\$ 125,422,051</u>

Custodial credit risk for deposits is the risk of loss by failure of the depository bank (or credit union). The Authority has no specific policy on custodial credit risk for investments. Deposits of the Authority are at federally insured banks located in the State of Michigan with all accounts maintained in the name of the Authority. As of December 31, 2016, the Authority's accounts were insured by the FDIC, FSLIC, or NCUA for \$2,032,694 and the amount of \$32,955,559 was uninsured and uncollateralized.

Due to significantly higher cash flow at certain periods during the year, the amount the Authority held as cash and cash equivalents increased significantly. As a result, the amount of uninsured and uncollateralized cash and cash equivalents were substantially higher at these peak periods than at year-end.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is also established which requires an entity to maximize the use of observable and minimize the use of unobservable inputs. There are three (3) levels of inputs that may be used to measure fair value:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3: Prices determined using significant unobservable inputs. Unobservable inputs may be used in situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period). Unobservable inputs reflect the organization's own assumptions about the factors market participants would use in pricing an investment, and would be based on the best information available.

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

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

Huron-Clinton Metropolitan Authority  
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE B: CASH, CASH EQUIVALENTS, AND INVESTMENTS - CONTINUED**

Fair Value Measurements - Concluded

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

The Agency had the following fair value measurements as of December 31, 2016:

INVESTMENT TYPE	Level 1	Level 2	Level 3	Fair Value	Moody's/ S & P Rating
<b>PRIMARY GOVERNMENT</b>					
U.S. Agencies	\$ -	\$ 12,908,990	\$ -	\$ 12,908,990	Aaa/AA+
<b>PENSION TRUST FUND</b>					
Equity Mutual Funds	26,713,977	-	-	26,713,977	N/R
Fixed Income Mutual Funds	22,599,822	-	-	22,599,822	N/R
Collective Investment Funds	-	4,514,015	-	4,514,015	N/R
<b>TOTAL PENSION TRUST FUND</b>	<b>49,313,799</b>	<b>4,514,015</b>	<b>-0-</b>	<b>53,827,814</b>	
<b>RETIREMENT HEALTH TRUST FUND</b>					
Money Market Funds	210	-	-	210	N/R
Equity Mutual Funds	12,687,645	-	-	12,687,645	N/R
Fixed Income Mutual Funds	12,171,058	-	-	12,171,058	N/R
<b>TOTAL PENSION TRUST FUND</b>	<b>24,858,913</b>	<b>-0-</b>	<b>-0-</b>	<b>24,858,913</b>	
<b>TOTAL REPORTING ENTITY</b>	<b>\$ 74,172,712</b>	<b>\$ 17,423,005</b>	<b>\$ -0-</b>	<b>\$ 91,595,717</b>	

Credit Risk

State law limits investments to specific government securities, certificates of deposit and bank accounts with qualified institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments above. Incompliance with State law, the Authority's investment policy limits investments to the top two ratings issued by nationally recognized statistical rating organizations. As of December 31, 2016, the Authority's investments were within these guidelines.

The Authority's investments are categorized below to give an indication of the level of credit risk per Moody's Investors Service assumed at December 31, 2016.

	U.S. Agencies	Mutual and Collective Investment Funds	Total
Aaa	\$ 12,908,990	\$ -	\$ 12,908,990
Not Rated	-	78,686,727	78,686,727
<b>Total</b>	<b>\$ 12,908,990</b>	<b>\$ 78,686,727</b>	<b>\$ 91,595,717</b>



Huron-Clinton Metropolitan Authority  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2016

**NOTE B: CASH, CASH EQUIVALENTS, AND INVESTMENTS - CONCLUDED**

Interest Rate Risk

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

At year end, maturities of the Authority's investments were as follows:

	<u>U.S. Agencies</u>	<u>Mutual and Collective Investment Funds</u>	<u>Total</u>
1 to 5 years	\$ 12,908,990	\$ -	\$ 12,908,990
No maturity	<u>-</u>	<u>78,686,727</u>	<u>78,686,727</u>
Total fair value	<u>\$ 12,908,990</u>	<u>\$ 78,686,727</u>	<u>\$ 91,595,717</u>

Custodial Credit Risk

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

Concentration of Credit Risk

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

**NOTE C: INTERFUND RECEIVABLES AND PAYABLES**

Amounts appearing as interfund payables and receivables arise from two types of transactions. One type of transaction is where a fund will pay for a good or service that at least a portion of the benefit belongs to another fund. The second type of transaction is where one fund provides a good or service to another fund. Balances at the end of the year are for transfers that have not cleared as of the balance sheet date, which were used to fund capital projects activities.

Due to Capital Projects Fund from:	
General Fund	<u>\$ 7,337</u>

Huron-Clinton Metropolitan Authority  
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE D: RECEIVABLES**

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

Property taxes, net	\$ 29,118,972
Accounts receivable	<u>151,687</u>
	<u><u>\$ 29,270,659</u></u>

Taxes receivable consist of the 2016 levy to be received in 2017 as well as delinquent personal property taxes. They are shown net of an allowance for doubtful accounts of \$60,000.

**NOTE E: CAPITAL ASSETS**

Capital asset activity for the governmental activities for the year ended December 31, 2016, was as follows:

	Balance Jan. 1, 2016	Additions/ Reclassifications	Deletions/ Reclassifications	Balance Dec. 31, 2016
<b>Governmental Activities</b>				
Capital assets, not being depreciated				
Land	\$ 46,942,913	\$ 7,286	\$ -	\$ 46,950,199
Land improvements	34,758,542	19,528	-	34,778,070
Construction-in-progress	<u>586,649</u>	<u>2,233,654</u>	<u>(492,471)</u>	<u>2,327,832</u>
Subtotal	82,288,104	2,260,468	(492,471)	84,056,101
Capital assets being depreciated				
Buildings	57,990,161	39,858	(1,010)	58,029,009
Equipment	21,670,108	3,089,427	(1,585,602)	23,173,933
Other improvements	59,591,536	1,678,852	(237,132)	61,033,256
Infrastructure	<u>59,623,147</u>	<u>672,657</u>	<u>(9,350)</u>	<u>60,286,454</u>
Subtotal	198,874,952	5,480,794	(1,833,094)	202,522,652
Less accumulated depreciation for				
Buildings	(21,998,185)	(1,131,020)	27	(23,129,178)
Equipment	(15,224,360)	(1,330,121)	1,520,861	(15,033,620)
Other improvements	(23,034,133)	(1,613,243)	232,805	(24,414,571)
Infrastructure	<u>(27,360,515)</u>	<u>(1,919,305)</u>	<u>561</u>	<u>(29,279,259)</u>
Subtotal	<u>(87,617,193)</u>	<u>(5,993,689)</u>	<u>1,754,254</u>	<u>(91,856,628)</u>
Net capital assets being depreciated	<u>111,257,759</u>	<u>(512,895)</u>	<u>(78,840)</u>	<u>110,666,024</u>
Capital assets, net	<u><u>\$ 193,545,863</u></u>	<u><u>\$ 1,747,573</u></u>	<u><u>\$ (571,311)</u></u>	<u><u>\$ 194,722,125</u></u>

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

Huron-Clinton Metropolitan Authority  
 NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE F: LONG-TERM DEBT**

Accrued compensated absences amounted to \$3,817,211 at year-end. Of this amount, \$1,012,081 is expected to be paid in the following year.

Long-term liability activity for the year ended December 31, 2016, was as follows:

	Balance Jan. 1, 2016	Additions	Deletions	Balance Dec. 31, 2016	Amounts Due Within One Year
Compensated absences	\$ 3,859,344	\$ 599,118	\$ 641,251	\$ 3,817,211	\$ 1,012,081

**NOTE G: RETIREMENT SYSTEM**

Defined Benefit Pension Plan

Plan Description

The Plan is a single-employer contributing defined benefit pension plan covering all of the Authority's full-time employees hired prior to January 1, 2013. Plan members are required to contribute 1% to the Plan. The Plan's fiscal year end is December 31. The Plan is included as a pension trust fund in the Authority's primary government financial statements and a stand-alone financial report of the Plan has not been issued. The Plan is administered by the Authority's Pension Committee as appointed by the Authority's Board of Commissioners. Benefit provisions and contribution requirements are established and may be amended by the Board of Commissioners.

Benefits Provided

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

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

Plan membership consisted of the following at December 31, 2016 (the date of the most recent actuarial valuation available):

Inactive employees or beneficiaries receiving benefits	156
Inactive employees entitled to but not yet receiving benefits	17
Active employees	144
Total	317

Huron-Clinton Metropolitan Authority  
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE G: RETIREMENT SYSTEM - CONTINUED**

Investment Policy

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

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

Contributions

The annual required contribution for the current period was determined as part of the December 31, 2015 actuarial valuation using the individual entry age actuarial cost method. Benefits are funded on a level percentage of earnings from each participant's date of participation to assumed retirement date. The effects of plan amendments and changes in assumptions are amortized over 30 years. Smoothed asset value spreads the difference between the assumed return and the actual investment return over a five (5) year period and was used to determine the actuarial value of assets. The amortization methods used are either 30-year, level percent of payroll dollar method or a 5-year level dollar method depending on participation in the 2012 and 2013 early retirement window or not, where the effect of plan amendment and changes in assumptions are amortized over 30 years on a closed basis. The remaining amortization periods as of December 31, 2016 were 25.75, 1.75, and 2.75 years. Gains and losses are not separately amortized but reduce or increase the amortization balances and payments.

Net Pension Liability

The Authority's net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
<u>Changes in Net Pension Liability</u>			
Balances at December 31, 2015	\$ 69,050,692	\$ 51,241,923	\$ 17,808,769
Changes for the Year			
Service cost	1,030,377	-	1,030,377
Interest on total pension liability	4,899,597	-	4,899,597
Difference between expected and actual experience	(6,336)	-	(6,336)
Changes in assumptions	6,025,667	-	6,025,667
Employer contributions	-	2,700,000	(2,700,000)
Employee contributions	-	111,649	(111,649)
Net investment income	-	4,008,761	(4,008,761)
Benefit payments, including employee refunds	(3,970,452)	(3,970,452)	-0-
Administrative expense	-	(275,660)	275,660
Net changes	<u>7,978,853</u>	<u>2,574,298</u>	<u>5,404,555</u>
Balances as of December 31, 2016	<u>\$ 77,029,545</u>	<u>\$ 53,816,221</u>	<u>\$ 23,213,324</u>

Huron-Clinton Metropolitan Authority  
 NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE G: RETIREMENT SYSTEM - CONTINUED**

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

For the year ended December 31, 2016, the employer recognized pension expense of \$4,328,370. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ -	\$ 841,592
Differences in assumptions	4,635,021	-
Net difference between projected and actual earnings on pension plan investments	2,645,936	276,577
Total	\$ 7,280,957	\$ 1,118,169

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

Year Ending	Pension Expense
2017	\$ 1,897,425
2018	1,897,425
2019	1,974,488
2020	393,450

Actuarial Assumptions

The total pension liability in the December 31, 2016, annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 3.50%

Salary increases: 3.69% - 7.25% including inflation.

Investment rate of return: 6.75%

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

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

Discount Rate

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

Huron-Clinton Metropolitan Authority

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE G: RETIREMENT SYSTEM - CONCLUDED**

Projected Cash Flows

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

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

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

Sensitivity of Net Pension Liability

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.75%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is one percent lower or one percent higher.

	1% Decrease Rate 5.75%	Current Discount Rate 6.75%	1% Increase Rate 7.75%
Net pension liability	<u>\$ 32,249,645</u>	<u>\$ 23,213,324</u>	<u>\$ 15,572,120</u>

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE H: OTHER POST-EMPLOYMENT BENEFITS**

Plan Description

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

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

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

Investments are reported at fair value, as indicated by quoted market prices as of December 31, 2016. Shares of mutual funds are valued at the net asset value of the shares held by the Plan and Trust at December 31, 2016.

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

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

The entry age actuarial cost method was used to prepare the most recent actuarial valuation dated December 31, 2016. Other significant assumptions were as follows: (a) investments are assumed to earn 6.75% per year, (b) health care costs are assumed to increase at an annual rate of 9% in year 1, reduced by 0.75% each year for the next three years and 0.50%-0.75% each year for the following six years until an ultimate rate of 3.50% is reached in the tenth year and beyond of which the rates include a 3.50% inflation assumption, (c) compensation is assumed to increase 3.50% per year and (d) active member population was assumed to remain constant. The unfunded liability is being amortized as a level dollar over a closed period of 24.75 years.

Huron-Clinton Metropolitan Authority  
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE H: OTHER POST-EMPLOYMENT BENEFITS - CONTINUED**

Plan Description - Concluded

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. As of December 31, 2016, the date of the most recent actuarial valuation, membership consisted of:

Retirees and beneficiaries currently receiving benefits	154
Terminated vested employees entitled to benefits but not receiving them yet	20
Active employees covered by the plan	144
	318

Funding Policy

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

Funding Progress

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

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

Annual required contribution	\$ 904,023
Interest on net OPEB asset	(314,211)
Adjustment to annual required contribution	363,251
Net OPEB cost	953,063
Contributions made	(904,023)
Change in net OPEB (asset)	49,040
Net OPEB (asset) - Beginning of year	(4,333,946)
Net OPEB (asset) - End of year	\$ (4,284,906)



Huron-Clinton Metropolitan Authority  
 NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE H: OTHER POST-EMPLOYMENT BENEFITS - CONCLUDED**

Funding Progress - Concluded

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

<u>Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2014	\$ 375,217	176%	\$ -
2015	958,049	125%	-
2016	953,063	95%	-

The current funding progress of the plan as of December 31, 2016, the date of the most recent actuarial valuation, is as follows:

Actuarial value of assets	\$ 25,072,686
Actuarial accrued liability (AAL) (entry age)	36,819,142
Unfunded AAL	11,746,456
Funded ratio	68.1%
Covered payroll	\$ 9,252,828
UAAL as percentage of covered payroll	126.9%

**NOTE I: RETIREMENT HEALTH SAVINGS PLAN**

On August 1, 2005, the Huron-Clinton Metropolitan Authority Board of Commissioners established the Huron-Clinton Retirement Health Savings Plan (Savings Plan) by resolution. Employees hired after January 1, 2009, who are covered under a collective bargaining agreement with the Authority, must contribute 1.0% of their base wage. The Authority contributes a 1.0% match on behalf of these employees. Employees who are not covered under a collective bargaining agreement with the Authority must contribute 1.5% of their base wage. There is no matching contribution provided on behalf of these employees. Total contributions for 2016 by participants and the Authority amounted to \$40,412 and \$31,555, 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 J: RETIREMENT PLANS**

In addition, the Huron-Clinton Metropolitan Authority Board of Commissioners has established the Huron-Clinton 401 Governmental Money Purchase Plan & Trust (401 Plan) for full time employees hired after December 31, 2012. Eligible employees must contribute 1.0% of their base wage, and the Authority contributes a 6.0% match. Total contributions for 2016 by participants and the Authority amounted to \$27,004 and \$162,274, respectively.

On December 5, 2013, the Huron-Clinton Metropolitan Authority Board of Commissioners established the Huron-Clinton Alternative Pension Program (Alternative Plan) by resolution, which became effective January 1, 2014 for part-time and seasonal employees working 600 hours or less per year. These seasonal employees must contribute 6.0% of their base wage. The Authority contributes a 1.5% match on behalf of these employees. Total contributions for 2016 by participants and the Authority amounted to \$125,466 and \$31,384, respectively.

Huron-Clinton Metropolitan Authority

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE J: RETIREMENT PLANS - CONCLUDED**

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 K: FINANCIAL STATEMENTS FOR INDIVIDUAL PENSION AND OTHER POST-EMPLOYMENT BENEFIT FUNDS**

*Combining Financial Information* - The combining financial information of the Authority's pension trust fund and the post-employment benefit trust fund, as of and for the year ended December 31, 2016, is as follows:

	Pension Trust Fund	Other Post-Employment Benefit Trust Fund	Total
<b>ASSETS</b>			
Investments at fair value	\$ 53,827,814	\$ 24,858,913	\$ 78,686,727
Receivables	48,286	17,171	65,457
Prepays	-	139,390	139,390
<b>TOTAL ASSETS</b>	<b>\$ 53,876,100</b>	<b>\$ 25,015,474</b>	<b>\$ 78,891,574</b>
<b>LIABILITIES</b>			
Vouchers payable	\$ 59,879	\$ 23,604	\$ 83,483
<b>NET POSITION</b>			
Restricted for pension benefits	53,816,221	-	53,816,221
Restricted for other post-employment benefits	-	24,991,870	24,991,870
<b>TOTAL NET POSITION</b>	<b>53,816,221</b>	<b>24,991,870</b>	<b>78,808,091</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 53,876,100</b>	<b>\$ 25,015,474</b>	<b>\$ 78,891,574</b>
<b>ADDITIONS</b>			
Investment income			
Interest and dividends	\$ 1,064,064	\$ 561,917	\$ 1,625,981
Net increase in fair value of investments	2,944,697	1,168,869	4,113,566
<b>Net investment income</b>	<b>4,008,761</b>	<b>1,730,786</b>	<b>5,739,547</b>
Contributions			
Employer	2,700,000	904,023	3,604,023
Employee	111,649	4,717	116,366
<b>Total contributions</b>	<b>2,811,649</b>	<b>908,740</b>	<b>3,720,389</b>
<b>TOTAL ADDITIONS</b>	<b>6,820,410</b>	<b>2,639,526</b>	<b>9,459,936</b>
<b>DEDUCTIONS</b>			
Benefit payments	3,970,452	1,512,007	5,482,459
Administrative expense	275,660	115,160	390,820
<b>TOTAL DEDUCTIONS</b>	<b>4,246,112</b>	<b>1,627,167</b>	<b>5,873,279</b>
<b>CHANGE IN NET POSITION</b>	<b>2,574,298</b>	<b>1,012,359</b>	<b>3,586,657</b>
Net position, beginning of year	51,241,923	23,979,511	75,221,434
<b>Net position, end of year</b>	<b>\$ 53,816,221</b>	<b>\$ 24,991,870</b>	<b>\$ 78,808,091</b>

Huron-Clinton Metropolitan Authority

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE L: RISK MANAGEMENT**

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

**NOTE M: FUND BALANCES - GOVERNMENTAL FUNDS**

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

*Nonspendable* - assets that are not available in a spendable form such as inventory or prepaid expenditures. It also includes funds that are legally or contractually required to be maintained intact.

*Restricted* - restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments.

*Committed* - amounts constrained on use imposed by formal action of the government's highest level of decision making authority, the Board of Commissioners. A formal resolution of the Board of Commissioners is required to establish, modify, or rescind a fund balance commitment.

*Assigned* - amounts intended to be used for specific purposes, but are not restricted or committed. The Board of Commissioners has delegated the authority to assign fund balance to the Authority's controller.

*Unassigned* - all other resources; the remaining fund balance after nonspendable, restrictions, commitments, and assignments. This class only occurs in the General Fund, except for cases of negative fund balances. Negative fund balances are always reported as unassigned, no matter which fund the deficit occurs in.

Details of fund balance classification as of December 31, 2016 are as follows:

	General Fund	Capital Projects	Total
Nonspendable			
Inventories	\$ 260,191	\$ -	\$ 260,191
Prepays	809,231	-	809,231
Restricted			
Lake St. Clair Marina	299,719	-	299,719
Hudson Mills Canoe Livery	11,986	-	11,986
Committed			
Land	5,395,244	-	5,395,244
Legal claims	507,185	-	507,185
Capital projects	3,381,840	4,595,401	7,977,241
Rate stabilization fund	727,527	-	727,527
Assigned			
Compensated absences	3,817,211	-	3,817,211
Outstanding year end encumbrances	1,291,294	-	1,291,294
Subsequent budgeted use of fund balance	10,800,000	-	10,800,000
Unassigned	13,630,033	-	13,630,033
<b>TOTAL FUND BALANCES</b>	<b>\$ 40,931,461</b>	<b>\$ 4,595,401</b>	<b>\$ 45,526,862</b>

Huron-Clinton Metropolitan Authority

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE N: TAX ABATEMENTS**

Municipalities within the Authority's boundaries entered into property tax abatement agreements with local businesses under the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption) (IFT) PA 198 of 1974, as amended. The IFT on a new plant and non-industrial property, such as some high-tech personal property, is computed at 50% of the property tax bill for new property. For rehabilitation properties, the taxable values can be frozen.

In addition, municipalities within the Authority's boundaries entered into property tax abatement agreements with local businesses under the Michigan Brownfield Redevelopment Act, PA 381 of 1996 (Brownfield), as amended. PA 381 authorizes and permits the use of school and local tax increment financing to help reduce the burden of Brownfield related costs when redeveloping affected properties.

Also, municipalities within the Authority's boundaries entered into property tax abatement agreements with local businesses under the New Personal Property Exemption, PA 328 of 1998, as amended (PA 328). PA 328 affords a 100% property tax exemption for specific businesses located within eligible distressed communities. This exemption is for all new personal property placed in a district that has been established by the local unit of government.

A PILOT is a **payment in lieu of taxes** (also sometimes abbreviated "PILT"), made to compensate a local government for some or all of the tax revenue that it loses because of the nature of the ownership or use of a particular piece of real property.

For the year ended December 31, 2016, the Authority's property tax revenue for general operations was reduced by \$418,240 under these programs. Provisions to recapture taxes depend on the individual agreements.

The following table breaks down the Authority's tax abatements by County and program:

<u>County</u>	<u>IFT</u>	<u>Brownfield</u>	<u>PA 328</u>	<u>PILOT</u>	<u>Total</u>
Washtenaw	\$ 25,254	\$ 8,643	\$ -	\$ -	\$ 33,897
Livingston	8,199	-	-	-	8,199
Wayne	146,277	57,498	-	-	203,775
Macomb	42,412	1,214	-	-	43,626
Oakland	28,479	14,729	61,409	24,126	128,743
	<u>\$ 250,621</u>	<u>\$ 82,084</u>	<u>\$ 61,409</u>	<u>\$ 24,126</u>	<u>\$ 418,240</u>

**NOTE O: CHANGES IN ACCOUNTING PRINCIPLES**

GASB Statement No. 72, *Fair Value Measurement and Application*, was implemented during the year. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB Statement No. 77, *Tax Abatement Disclosures*, was implemented during the year. The Statement improves financial reporting through the disclosure of information about the nature and magnitude of tax abatements that are not consistently or comprehensively reported to the public at present.

Huron-Clinton Metropolitan Authority

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

**NOTE P: CONTINGENT LIABILITIES**

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

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

**NOTE Q: UPCOMING ACCOUNTING PRONOUNCEMENTS**

In June 2015, the GASB issued Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*. The statement will establish accounting and financial reporting requirements related to other post-employment benefit plans and specify the required approach to measuring the OPEB liability of employers. The statement also enhances accountability and transparency through revised note disclosures and required supplementary information (RSI). The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. This statement will be effective for the Authority's 2017 fiscal year.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*. The statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*. The Statement requires governments providing other post-employment benefits (OPEB) to recognize their unfunded OPEB obligations as a liability for the first time, and to more comprehensibly and comparably measure the annual costs of OPEB benefits. The statement also enhances accountability and transparency through revised note disclosures and required supplementary information (RSI). The Authority is currently evaluating the impact this standard will have on the financial statements when adopted during the 2018 fiscal year.

In March 2016, the GASB issued Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, No. 73*. The statement addresses issues regarding (1) the presentation of Payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted during the Authority's 2018 fiscal year.

**REQUIRED SUPPLEMENTARY INFORMATION**

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Huron-Clinton Metropolitan Authority

General Fund

BUDGETARY COMPARISON SCHEDULE

Year Ended December 31, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 29,021,860	\$ 29,413,244	\$ 29,246,499	\$ (166,745)
Park charges for services	18,940,304	19,149,622	20,130,849	981,227
Operating grants	1,107,990	1,107,990	76,182	(1,031,808)
Donations	335,050	428,798	130,674	(298,124)
Interest	225,000	225,000	287,928	62,928
Miscellaneous	11,000	252,092	339,905	87,813
<b>TOTAL REVENUES</b>	<b>49,641,204</b>	<b>50,576,746</b>	<b>50,212,037</b>	<b>(364,709)</b>
<b>EXPENDITURES</b>				
Current				
Operating				
Park operations	32,251,965	33,141,555	32,622,292	519,263
Major maintenance	3,538,620	2,819,891	1,926,210	893,681
Administrative offices	7,161,925	8,779,324	7,371,706	1,407,618
<b>Total operating</b>	<b>42,952,510</b>	<b>44,740,770</b>	<b>41,920,208</b>	<b>2,820,562</b>
Capital outlay				
Capital improvements	8,267,626	9,580,311	4,159,886	5,420,425
Equipment	3,208,800	3,221,210	3,089,427	131,783
Land acquisitions	-	8,656	5,056	3,600
<b>Total capital outlay</b>	<b>11,476,426</b>	<b>12,810,177</b>	<b>7,254,369</b>	<b>5,555,808</b>
<b>TOTAL EXPENDITURES</b>	<b>54,428,936</b>	<b>57,550,947</b>	<b>49,174,577</b>	<b>8,376,370</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(4,787,732)</b>	<b>(6,974,201)</b>	<b>1,037,460</b>	<b>8,011,661</b>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from sale of capital assets	300,000	318,400	319,165	765
<b>NET CHANGE IN FUND BALANCE</b>	<b>(4,487,732)</b>	<b>(6,655,801)</b>	<b>1,356,625</b>	<b>8,012,426</b>
Fund balance, beginning of year	39,574,836	39,574,836	39,574,836	-0-
Fund balance, end of year	<u>\$ 35,087,104</u>	<u>\$ 32,919,035</u>	<u>\$ 40,931,461</u>	<u>\$ 8,012,426</u>



Huron-Clinton Metropolitan Authority

Retirement System

SCHEDULE OF CHANGES IN THE AUTHORITY'S NET PENSION LIABILITY AND RELATED RATIOS

Last Three Calendar Years (ultimately ten calendar years will be displayed)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability			
Service Cost	\$ 1,030,377	\$ 962,488	\$ 1,004,715
Interest	4,899,597	4,862,474	4,726,571
Difference between expected and actual experience	(6,336)	(1,445,906)	109,029
Changes of assumptions	6,025,667	-	-
Benefit payments including employee refunds	<u>(3,970,452)</u>	<u>(3,831,448)</u>	<u>(4,057,900)</u>
Net Change in Total Pension Liability	7,978,853	547,608	1,782,415
Total Pension Liability, beginning	<u>69,050,692</u>	<u>68,503,084</u>	<u>66,720,669</u>
Total Pension Liability, ending	<u>\$ 77,029,545</u>	<u>\$ 69,050,692</u>	<u>\$ 68,503,084</u>
Plan Fiduciary Net Position			
Contributions-employer	\$ 2,700,000	\$ 4,500,000	\$ 3,100,000
Contributions-employee	111,649	101,817	107,492
Net Investment income	4,008,761	(667,117)	2,225,505
Benefit payments including employee refunds	(3,970,452)	(3,831,448)	(4,057,900)
Administrative expense	<u>(275,660)</u>	<u>(201,301)</u>	<u>(73,710)</u>
Net Change in Plan Fiduciary Net Position	2,574,298	(98,049)	1,301,387
Plan Fiduciary Net Position, beginning	<u>51,241,923</u>	<u>51,339,972</u>	<u>50,038,585</u>
Plan Fiduciary Net Position, ending	<u>\$ 53,816,221</u>	<u>\$ 51,241,923</u>	<u>\$ 51,339,972</u>
Employer Net Pension Liability	<u>\$ 23,213,324</u>	<u>\$ 17,808,769</u>	<u>\$ 17,163,112</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	69.86%	74.21%	74.95%
Covered Employee Payroll	\$ 9,706,228	\$ 10,067,888	\$ 10,418,891
Employer's Net Pension Liability as a percentage of covered employee payroll	239.16%	176.89%	164.73%

Huron-Clinton Metropolitan Authority

Retirement System

SCHEDULE OF AUTHORITY CONTRIBUTIONS

Last Three Calendar Years (ultimately ten calendar years will be displayed)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 2,449,953	\$ 3,474,587	\$ 3,029,289
Contributions in relation to the actuarially determined contribution	<u>2,700,000</u>	<u>4,500,000</u>	<u>3,100,000</u>
Contribution deficiency (excess)	<u>\$ (250,047)</u>	<u>\$ (1,025,413)</u>	<u>\$ (70,711)</u>
Covered Employee Payroll	\$ 9,706,228	\$ 10,067,888	\$ 10,418,891
Contributions as a percentage of covered employee payroll	27.82%	44.70%	29.75%

Huron-Clinton Metropolitan Authority

Retirement System

SCHEDULE OF INVESTMENT RETURNS

Last Three Calendar Years (ultimately ten calendar years will be displayed)

	<u>Annual money-weighted rate of return, net of investment expense</u>
2014	4.43%
2015	-1.68%
2016	7.33%

Huron-Clinton Metropolitan Authority

Retiree Medical Benefits

SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS

Year Ended December 31, 2016

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Overfunded) Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of Covered Payroll ((b-a)/c)
10/1/2006	\$ 5,715,974	\$ 41,991,647	\$ 36,275,673	13.6%	\$ 14,252,470	254.5%
10/1/2009	6,697,411	40,700,314	34,002,903	16.5%	14,203,220	239.4%
10/1/2011	13,821,223	35,839,538	22,018,315	38.6%	13,809,019	159.4%
10/1/2013	19,443,143	31,585,955	12,142,812	61.6%	11,171,076	108.7%
12/31/2014	24,605,958	30,924,610	6,318,652	79.6%	10,418,891	60.6%
12/31/2016	25,072,686	36,819,142	11,746,456	68.1%	9,252,828	126.9%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Period Ended	Annual Required Contributions	Percentage Contributed
September 30, 2009	\$ 3,368,724	88%
September 30, 2010	3,354,066	101%
September 30, 2011	2,485,145	136%
September 30, 2012	2,461,036	105%
September 30, 2013	1,432,112	177%
December 31, 2014	356,231	682% <sup>(1)</sup>
December 31, 2015	916,266	131%
December 31, 2016	904,023	100%

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

Huron-Clinton Metropolitan Authority

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Year Ended December 31, 2016

**NOTE A: OTHER POST-EMPLOYMENT BENEFIT PLAN**

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

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

**NOTE B: RETIREMENT SYSTEM**

Changes of benefit terms: There were no changes of benefit terms during fiscal year 2016.

Changes in assumptions: The 2016 valuation reflects updated assumptions from the Experience Study dated September 28, 2016. The Pension Committee of the Huron-Clinton Metropolitan Authority Employees' Retirement Plan approved the changes on November 10, 2016. The updated assumptions increased measured Retirement Plan liabilities by \$6,025,667.

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

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

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

## **OTHER SUPPLEMENTARY INFORMATION**

Huron-Clinton Metropolitan Authority

Fiduciary Funds

COMBINING STATEMENT OF NET POSITION

December 31, 2016

	Pension Trust Fund	Other Post-Employment Benefit Trust Fund	Total
<b>ASSETS</b>			
Investments at fair value	\$ 53,827,814	\$ 24,858,913	\$ 78,686,727
Receivables	48,286	17,171	65,457
Prepays	-	139,390	139,390
	<u>53,876,100</u>	<u>25,015,474</u>	<u>78,891,574</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 53,876,100</u></b>	<b><u>\$ 25,015,474</u></b>	<b><u>\$ 78,891,574</u></b>
<b>LIABILITIES</b>			
Vouchers payable	\$ 59,879	\$ 23,604	\$ 83,483
<b>NET POSITION</b>			
Restricted for pension benefits	53,816,221	-	53,816,221
Restricted for other post-employment benefits	-	24,991,870	24,991,870
	<u>53,816,221</u>	<u>24,991,870</u>	<u>78,808,091</u>
<b>TOTAL NET POSITION</b>	<b><u>53,816,221</u></b>	<b><u>24,991,870</u></b>	<b><u>78,808,091</u></b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b><u>\$ 53,876,100</u></b>	<b><u>\$ 25,015,474</u></b>	<b><u>\$ 78,891,574</u></b>

Huron-Clinton Metropolitan Authority

Fiduciary Funds

COMBINING STATEMENT OF CHANGES IN NET POSITION

Year Ended December 31, 2016

	Pension Trust Fund	Other Post-Employment Benefit Trust Fund	Total
<b>ADDITIONS</b>			
Investment income			
Interest and dividends	\$ 1,064,064	\$ 561,917	\$ 1,625,981
Net increase in fair value of investments	<u>2,944,697</u>	<u>1,168,869</u>	<u>4,113,566</u>
Net investment income	4,008,761	1,730,786	5,739,547
Contributions			
Employer	2,700,000	904,023	3,604,023
Employee	<u>111,649</u>	<u>4,717</u>	<u>116,366</u>
Total contributions	<u>2,811,649</u>	<u>908,740</u>	<u>3,720,389</u>
TOTAL ADDITIONS	6,820,410	2,639,526	9,459,936
<b>DEDUCTIONS</b>			
Benefit payments	3,970,452	1,512,007	5,482,459
Administrative expense	<u>275,660</u>	<u>115,160</u>	<u>390,820</u>
TOTAL DEDUCTIONS	<u>4,246,112</u>	<u>1,627,167</u>	<u>5,873,279</u>
CHANGE IN NET POSITION	2,574,298	1,012,359	3,586,657
Net position, beginning of year	<u>51,241,923</u>	<u>23,979,511</u>	<u>75,221,434</u>
Net position, end of year	<u>\$ 53,816,221</u>	<u>\$ 24,991,870</u>	<u>\$ 78,808,091</u>



**STATISTICAL SECTION  
(UNAUDITED)**

Huron-Clinton Metropolitan Authority

STATISTICAL SECTION

Year Ended December 31, 2016

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

<b>Contents</b>	<b><u>Page</u></b>
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	37
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	41
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	47
Operating Information	
<i>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.</i>	49

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

Huron-Clinton Metropolitan Authority

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(UNAUDITED)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	\$ 184,254,738	\$ 188,282,018	\$ 195,042,991	\$ 195,093,978	\$ 194,800,234	\$ 194,403,024	\$ 195,125,395	\$ 195,936,628	\$ 193,545,863	\$ 194,722,125
Restricted	-	-	-	-	37,709	90,430	138,856	185,995	259,201	311,705
Unrestricted	26,946,374	29,526,477	29,396,377	33,118,763	34,227,707	36,140,736	38,675,137	41,440,497	28,935,288	28,739,061
Total governmental activities net position	<u>\$ 211,201,112</u>	<u>\$ 217,808,495</u>	<u>\$ 224,439,368</u>	<u>\$ 228,212,741</u>	<u>\$ 229,065,650</u>	<u>\$ 230,634,190</u>	<u>\$ 233,939,388</u>	<u>\$ 237,563,120</u>	<u>\$ 222,740,352</u>	<u>\$ 223,772,891</u>

Huron-Clinton Metropolitan Authority

CHANGES IN NET POSITION

LAST TEN YEARS

(UNAUDITED)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Recreation and culture	\$ 42,777,742	\$ 45,095,061	\$ 44,629,146	\$ 45,570,182	\$ 43,671,297	\$ 41,656,918	\$ 41,586,621	\$ 41,891,795	\$ 46,117,042	\$ 49,554,752
Capital projects	761,662	1,783,776	1,794,155	1,134,337	1,486,892	1,930,912	292,196	-	-	-
Capital outlay	-	15,245	-	-	-	-	-	-	-	-
Total expenses	<u>43,539,404</u>	<u>46,894,082</u>	<u>46,423,301</u>	<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>
Program revenues										
Charges for services										
General government	13,807,794	14,480,210	13,764,068	14,715,827	14,151,725	15,027,250	14,519,872	16,316,176	17,893,737	20,130,849
Operating grants and contributions	59,890	4,325	78,358	7,598	33,359	234,463	19,100	61,745	453,429	162,112
Capital grants and contributions	-	497,259	1,951,190	309,893	318,053	175,075	2,031,530	153,869	-	-
Total program revenue	<u>13,867,684</u>	<u>14,981,794</u>	<u>15,793,616</u>	<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>
General revenues										
Property taxes	34,481,626	35,788,569	35,782,192	34,452,805	30,640,135	28,293,295	27,680,762	28,167,025	28,406,715	29,249,583
Oil and gas royalties	646,865	832,032	440,623	436,028	368,959	595,017	297,536	239,740	57,890	111,839
Donations	306,885	91,929	101,219	57,065	110,423	127,231	167,123	87,407	101,638	44,744
Interest	2,174,904	1,598,806	863,140	474,515	324,511	161,587	217,455	289,002	363,548	307,934
Miscellaneous	52,467	208,335	73,384	24,161	28,460	513,164	27,567	97,013	987,949	339,905
Gain on sale of capital assets	-	-	-	-	35,473	29,288	223,069	43,551	192,480	240,325
Total general revenues	<u>37,662,747</u>	<u>38,519,671</u>	<u>37,260,558</u>	<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>
Total revenues	<u>51,530,431</u>	<u>53,501,465</u>	<u>53,054,174</u>	<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>
Change in net position	<u>\$ 7,991,027</u>	<u>\$ 6,607,383</u>	<u>\$ 6,630,873</u>	<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>

Huron-Clinton Metropolitan Authority  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Reserved	\$ 3,384,116	\$ 3,992,208	\$ 2,500,709	\$ 1,268,203	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	21,249,235	23,793,951	24,970,045	29,812,797	-	-	-	-	-	-
Nonspendable	-	-	-	-	228,747	232,363	534,899	498,779	1,018,633	1,069,422
Restricted	-	-	-	-	37,709	90,430	138,856	185,995	259,201	311,705
Committed	-	-	-	-	13,394,338	13,334,981	12,907,536	9,401,861	9,873,636	10,011,796
Assigned	-	-	-	-	-	15,526,682	11,990,064	11,846,371	10,074,807	15,908,505
Unassigned	-	-	-	-	18,200,790	5,014,458	10,323,181	14,747,179	18,348,559	13,630,033
Total General Fund	<u>\$ 24,633,351</u>	<u>\$ 27,786,159</u>	<u>\$ 27,470,754</u>	<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>
Capital Projects Fund										
Reserved	\$ 344,255	\$ 465,314	\$ 33,834	\$ 280,642	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	5,774,966	5,661,713	6,370,316	6,458,797	-	-	-	-	-	-
Committed	-	-	-	-	6,087,728	4,780,236	4,804,776	4,481,442	4,463,556	4,595,401
Total Capital Projects Fund	<u>\$ 6,119,221</u>	<u>\$ 6,127,027</u>	<u>\$ 6,404,150</u>	<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>

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

Huron-Clinton Metropolitan Authority

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(UNAUDITED)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues</b>										
Property taxes	\$ 34,547,937	\$ 36,053,277	\$ 35,953,354	\$ 34,528,432	\$ 30,691,073	\$ 28,384,628	\$ 27,662,759	\$ 28,125,677	\$ 28,503,130	\$ 29,246,499
Oil and gas royalties	646,865	832,032	440,623	436,028	368,959	595,017	297,536	239,740	57,890	111,839
Park operations	13,807,794	14,480,210	13,764,068	14,715,827	14,151,725	15,027,250	14,519,872	16,316,176	17,893,737	20,130,849
Operating grants	59,890	4,325	78,358	7,598	33,359	234,463	19,100	61,745	217,896	76,182
Capital grants	-	497,259	1,951,190	309,893	318,053	175,075	2,031,530	153,869	-	-
Donations	306,885	91,929	101,219	57,065	110,423	127,231	167,123	87,407	337,171	130,674
Interest	2,174,904	1,598,806	863,140	474,515	324,511	161,587	217,455	289,002	363,548	307,934
Miscellaneous	52,467	208,335	73,384	24,161	28,460	513,164	27,567	97,013	987,949	339,905
Proceeds from sale of capital assets	259,564	382,240	280,543	411,926	126,880	204,213	223,069	43,551	192,480	319,165
Total revenues	51,856,306	54,148,413	53,505,879	50,965,445	46,153,443	45,422,628	45,166,011	45,414,180	48,553,801	50,663,047
<b>Expenditures</b>										
Park operations	30,885,676	32,609,363	32,062,270	32,131,822	31,717,979	29,706,692	28,829,491	29,119,023	31,518,622	32,622,292
Major maintenance	761,662	1,783,776	1,794,155	1,134,337	1,428,877	1,553,104	921,509	1,435,517	1,786,274	1,926,210
Administrative offices	6,635,259	6,659,575	6,958,695	7,088,861	7,075,619	7,538,185	6,990,592	7,640,052	7,516,737	7,371,706
Capital improvements	10,798,070	7,399,751	9,304,704	4,682,325	4,271,032	4,422,355	5,143,506	5,261,964	3,307,434	4,159,886
Equipment	3,006,105	1,910,491	1,821,169	1,972,142	965,066	1,170,104	1,531,932	1,225,463	1,370,378	3,089,427
Land acquisitions	12,850	624,843	1,603,169	10,423	565,997	2,350	28,819	269,846	177,591	5,056
Total Expenditures	52,099,622	50,987,799	53,544,162	47,019,910	46,024,570	44,392,790	43,445,849	44,951,865	45,677,036	49,174,577
Net change in fund balance	<u>\$ (243,316)</u>	<u>\$ 3,160,614</u>	<u>\$ (38,283)</u>	<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>
Debt service as a percentage of noncapital expenditures	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Huron-Clinton Metropolitan Authority

GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE

LAST TEN FISCAL YEARS

(UNAUDITED)

<u>Year</u>	<u>Property Tax</u>
2007	\$ 34,547,937
2008	36,053,277
2009	35,953,354
2010	34,528,432
2011	30,691,073
2012	28,384,628
2013	27,662,759
2014	28,125,677
2015	28,406,715
2016	29,249,583

Huron-Clinton Metropolitan Authority  
TAXABLE AND ASSESSED VALUES OF PROPERTY  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Year	Real Property (a)		Personal Property (a)		Taxable Value (b)	State Equalized Value	Estimated Market Value (c)	Percent Change in Market Value
	Taxable Value (b)	State Equalized Value	Taxable Value (b)	State Equalized Value				
2007	\$ 151,907,265,806	\$ 193,100,496,537	\$ 14,150,671,245	\$ 14,156,614,158	\$ 166,057,937,051	\$ 207,257,110,695	\$ 414,514,221,390	4.0%
2008	159,738,926,654	198,062,887,036	14,144,190,957	14,179,192,525	173,883,117,611	212,242,079,561	424,484,159,122	2.4%
2009	159,805,335,088	190,072,799,884	13,834,646,241	13,895,283,284	173,639,981,329	203,968,083,168	407,936,166,336	-3.9%
2010	154,220,925,617	171,635,829,603	13,979,514,883	13,966,280,994	168,200,440,500	185,602,110,597	371,204,221,194	-9.0%
2011	138,988,195,205	149,496,027,195	13,021,305,792	13,034,781,334	152,009,500,997	162,530,808,529	325,061,617,058	-12.4%
2012	130,162,996,751	136,807,421,204	12,360,397,169	12,378,691,878	142,523,393,920	149,186,113,082	298,372,226,164	-8.2%
2013	123,811,211,186	128,820,235,807	12,562,799,230	12,573,994,972	136,374,010,416	141,394,230,779	282,788,461,558	-5.2%
2014	122,943,107,230	129,773,753,961	13,126,543,590	13,159,608,616	136,069,650,820	142,933,362,577	285,866,725,154	1.1%
2015	123,996,465,352	135,715,141,261	12,839,179,302	12,888,111,844	136,835,644,654	148,603,253,105	297,206,506,210	4.0%
2016	127,299,266,119	147,549,827,757	13,328,310,313	13,339,823,672	140,627,576,432	160,889,651,429	321,779,302,858	12.6%

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

(b) The State of Michigan passed a Property Tax Reform measure in 1994 which changed the basis of property taxes. Authority tax millage rates were applied to "Taxable Values" rather than "State Equalized Values" effective with the Authority's tax year 1996. Includes Single Business Tax inventory value of \$2,497,402,508 for years 2002 through 2005; this amount was eliminated by State legislation for 2006 and after. The millage rate for 2015 remained at 0.2146.

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

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



Huron-Clinton Metropolitan Authority  
TAXABLE VALUATIONS BY COUNTY  
LAST TEN FISCAL YEARS  
(UNAUDITED)

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
2007	\$ 8,348,502,046	5.0%	\$ 30,373,918,359	18.3%	\$ 62,133,415,235	37.4%	\$ 14,629,742,407	8.8%	\$ 50,572,359,004	30.5%	\$ 166,057,937,051	100.0%
2008	8,793,696,047	5.1%	31,862,669,926	18.3%	64,719,908,597	37.2%	15,510,438,244	8.9%	52,996,404,797	30.5%	173,883,117,611	100.0%
2009	8,825,074,848	5.1%	31,812,886,490	18.3%	64,728,962,196	37.3%	15,650,088,801	9.0%	52,622,968,994	30.3%	173,639,981,329	100.0%
2010	8,572,010,718	5.1%	31,010,555,286	18.4%	62,411,551,405	37.1%	15,271,517,551	9.1%	50,934,805,540	30.3%	168,200,440,500	100.0%
2011	7,953,592,697	5.2%	27,895,119,373	18.4%	55,081,707,586	36.3%	14,496,599,262	9.5%	46,582,482,079	30.6%	152,009,500,997	100.0%
2012	8,195,851,938	5.8%	25,840,445,900	18.1%	50,798,540,257	35.6%	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	37.0%	14,925,676,802	10.6%	40,277,598,655	28.6%	140,627,576,432	100.0%

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

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

Huron-Clinton Metropolitan Authority

PROPERTY TAX RATES  
(PER \$1,000 OF VALUE)

LAST TEN FISCAL YEARS

(UNAUDITED)

<u>Year</u>	<u>Authorized Millage Rate (a)</u>
2007	0.2146
2008	0.2146
2009	0.2146
2010	0.2146
2011	0.2146
2012	0.2146
2013	0.2146
2014	0.2146
2015	0.2146
2016	0.2146

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

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

Huron-Clinton Metropolitan Authority  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)

Year	Initial Tax Levy (a)	Current Year Tax Collections (b)	Percent of Current Year Taxes Collected	Prior Years Tax Receivable Balances	Prior Years Tax Receivable Collections (b)	Percent of Prior Years Taxes Collected	Total Tax Collections	Percent of Total Tax Collections ©	Outstanding Tax Receivable Balances at Year End
2007	\$ 35,636,033	\$ 34,444,016	96.7%	\$ 1,121,945	15,467	1.4%	\$ 34,459,483	93.7%	\$ 1,126,713
2008	35,889,988	36,102,100	100.6%	1,126,712	42,025	3.7%	36,144,125	97.6%	891,926
2009	35,875,236	36,085,090	100.6%	891,926	(130,847)	-14.7%	35,954,243	97.8%	774,623
2010	34,594,391	34,777,802	100.5%	774,623	(249,370)	-32.2%	34,528,432	97.6%	446,996
2011	31,348,452	31,179,480	99.5%	121,434	(230,372)	-189.7%	30,949,108	98.3%	239,058
2012	30,311,637	29,158,227	96.2%	63,840	(238,136)	-373.0%	28,920,092	95.2%	110,914
2013	29,093,937	28,015,682	96.3%	53,383	(209,270)	-392.0%	27,806,412	95.4%	136,760
2014	28,950,466	28,419,636	98.2%	93,563	37,629	40.2%	28,457,265	98.0%	193,154
2015	29,147,709	28,155,589	96.6%	193,154	265,079	137.2%	28,420,668	96.9%	155,578
2016	29,956,861	29,330,025	97.9%	155,578	42,697	27.4%	29,372,722	97.5%	175,541

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

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

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

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

Huron-Clinton Metropolitan Authority  
 PRINCIPAL PROPERTY TAXPAYERS (UNAUDITED)  
 CURRENT YEAR AND TEN YEARS AGO

Taxpayer	2016			2007		
	Taxable Value (a)	Rank	Percent of Total Authority Taxable Value	Taxable Value (a)	Rank	Percent of Total Authority Taxable Value
Detroit Edison Corp.	\$ 1,954,961,551	1	1.41%	\$ 1,802,470,637	3	1.15%
Ford Motor Company	1,147,793,063	2	0.94%	2,393,192,433	1	1.52%
Chrysler/Daimler/Cerberus	724,043,667	3	0.64%	1,794,000,258	4	1.14%
General Motors Corp.	651,019,932	4	0.52%	1,804,553,341	2	1.15%
Marathon Oil Company	529,925,386	5	0.47%	-	-	-
Consumers Energy	520,997,514	6	0.28%	311,127,553	7	0.20%
Enbridge Energy	258,914,614	7	0.26%	-	-	-
Michigan Consolidated Gas	254,410,254	8	0.24%	466,316,277	6	0.30%
Vanguard Health Systems-Hospitals	236,396,820	9	0.17%	-	-	-
International Transmission	214,688,532	10	0.15%	-	-	-
Visteon	-	-	-	634,321,686	5	0.40%
National Steel	-	-	-	286,516,730	8	0.18%
Auto Alliance International	-	-	-	271,551,112	9	0.17%
Pfizer Global	-	-	-	246,546,810	10	0.16%
<b>Total Ten Largest Taxpayers</b>	<b>\$ 6,493,151,333</b>		<b>5.08%</b>	<b>\$ 10,010,596,837</b>		<b>6.37%</b>

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

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

Huron-Clinton Metropolitan Authority

DEMOGRAPHIC STATISTICS

(UNAUDITED)

Total Population by County (a & b)

Year	Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
1940	26,725	107,638	254,068	80,810	2,015,623	2,484,864
1950	38,233	184,961	396,001	134,606	2,435,235	3,189,036
1960	38,233	405,804	690,259	172,440	2,666,297	3,973,033
1970	58,967	626,204	907,871	234,103	2,670,368	4,497,513
1980	100,289	694,600	1,011,793	264,748	2,337,891	4,409,321
1990	115,645	717,400	1,083,592	282,937	2,111,687	4,311,261
2000	156,951	788,149	1,194,156	322,895	2,061,162	4,523,313
2010	180,967	840,978	1,202,362	344,791	1,820,584	4,389,682
2012	181,678	841,769	1,207,097	346,010	1,822,469	4,399,023
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

Number of Households by County (b)

Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
68,980	336,379	493,489	138,067	667,275	1,704,190

Household Income by County (b)

Income	Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
Less than \$10,000	2,168	19,870	26,372	10,705	86,311	145,426
\$10,000 to \$14,999	1,590	15,287	18,287	5,462	46,310	86,936
\$15,000 to \$24,999	4,585	36,084	40,393	12,235	86,176	179,473
\$25,000 to \$34,999	4,897	35,336	39,878	12,681	74,745	167,537
\$35,000 to \$49,999	8,350	47,537	59,411	17,213	89,735	222,246
\$50,000 to \$74,999	12,767	64,811	85,151	22,013	108,327	293,069
\$75,000 to \$99,999	11,502	44,823	63,752	16,303	68,142	204,522
\$100,000 to \$149,999	13,735	47,736	81,666	21,686	66,893	231,716
\$150,000 to \$199,999	5,572	16,159	36,993	9,770	22,623	91,117
\$200,000 or more	3,814	8,736	41,586	9,999	18,013	82,148

Median Household Income (b)

Livingston	Macomb	Oakland	Washtenaw	Wayne
\$75,204	\$54,582	\$67,465	\$61,003	\$41,210

Ethnicity by County (b)

Ethnicity	Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
White	177,908	711,052	938,156	262,252	948,947	3,038,315
Black or African American	873	87,934	170,706	42,750	701,169	1,003,432
American Indian & Alaska Native	448	2,293	3,312	952	5,998	13,003
Asian	1,678	29,616	77,073	29,879	51,675	189,921
Native Hawaiian/Other Pacific	100	158	194	125	270	847
Other Race	622	4,735	8,179	3,200	30,755	47,491
Two or More Races	2,962	18,901	31,883	14,934	40,155	108,835
	<u>184,591</u>	<u>854,689</u>	<u>1,229,503</u>	<u>354,092</u>	<u>1,778,969</u>	<u>4,401,844</u>

Age by County (b)

Age	Livingston	Macomb	Oakland	Washtenaw	Wayne	Total
under 5	9,431	47,109	68,151	18,711	115,957	259,359
5 through 9	11,066	51,959	75,183	19,277	116,231	273,716
10 through 14	14,199	55,080	80,706	20,051	123,715	293,751
15 through 19	13,609	54,337	80,642	31,087	123,445	303,120
20 through 24	9,932	53,629	70,312	45,348	129,032	308,253
25 through 34	18,446	104,866	150,151	49,817	221,937	545,217
35 through 44	23,145	111,760	162,275	42,215	226,144	565,539
45 through 54	31,858	130,868	191,285	45,518	251,041	650,570
55 through 59	15,073	61,796	92,380	21,801	125,782	316,832
60 through 64	11,938	53,258	79,230	19,496	105,976	269,898
65 through 74	16,088	70,382	101,503	24,135	131,404	343,512
75 through 84	7,195	39,549	52,414	11,258	72,937	183,353
85 and over	2,611	20,096	25,271	5,378	35,368	88,724
	<u>184,591</u>	<u>854,689</u>	<u>1,229,503</u>	<u>354,092</u>	<u>1,778,969</u>	<u>4,401,844</u>

(a) Data from American Community Survey 5-Year Estimates: ACS Demographic and Housing Estimates (DP05)

(b) Data from American Community Survey 5-Year Estimates: Selected Economic Characteristics (DP05)

Huron-Clinton Metropolitan Authority

PRINCIPAL EMPLOYERS

2016 and 2006

(UNAUDITED)

Employer	2016			2006		
	Employees	Rank	Percentage of Total Region Employment	Employees	Rank	Percentage of Total Region Employment
Ford Motor Company	43,880	1	2.4%	60,828	1	3.0%
FCA US LLC	33,173	2	1.8%	33,929	3	1.7%
General Motors	32,379	3	1.8%	50,430	2	2.5%
Beaumont Health System	21,893	4	1.2%	12,227	9	0.6%
U.S. Government	18,784	5	1.0%	14,446	7	0.7%
U of M Hospitals	18,191	6	1.0%	-	-	-
Ilitch Companies	15,931	7	0.9%	-	-	-
Henry Ford Health System	15,076	8	0.8%	-	-	-
Rock Ventures	13,445	9	0.7%	-	-	-
University of Michigan	10,877	10	0.6%	15,877	6	0.8%
Trinity Health	-	-	-	10,702	10	0.5%
City of Detroit	-	-	-	17,151	5	0.8%
Detroit Public Schools	-	-	-	18,639	4	0.9%
U of M Hospitals	-	-	-	12,267	8	0.6%
	<u>223,629</u>		<u>12.3%</u>	<u>246,496</u>		<u>12.1%</u>

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

Huron-Clinton Metropolitan Authority  
 FULL-TIME EQUIVALENT EMPLOYEES BY LOCATION  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

Location	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Administration Office	58	53	50	53	54	56	51	52	52	52
Lake St. Clair Metropark	56	53	51	57	55	55	59	64	65	65
Kensington Metropark	96	88	82	80	81	85	95	100	98	101
Lower Huron Metropark	94	88	83	84	85	86	94	91	92	87
Hudson Mills Metropark	29	29	28	32	35	33	34	36	35	34
Stoney Creek Metropark	63	56	53	55	53	55	58	61	59	60
Lake Erie Metropark	44	43	45	48	48	47	51	53	53	56
Wolcott Mill Metropark	23	20	16	16	19	20	21	22	25	24
Indian Springs Metropark	24	25	24	22	22	24	26	26	25	27
Huron Meadows Metropark	12	12	11	11	12	14	17	18	17	18
Total	<u>499</u>	<u>467</u>	<u>443</u>	<u>458</u>	<u>464</u>	<u>475</u>	<u>506</u>	<u>523</u>	<u>521</u>	<u>524</u>

Huron-Clinton Metropolitan Authority

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(UNAUDITED)

	2016	2015*	2014	2013	2012	2011	2010	2009	2008	2007
Number of Regional Parks	13	13	13	13	13	13	13	13	13	13
Vehicle Count	2,947,885	2,859,720								
Estimated Attendance**	7,369,713	7,149,300	7,939,916	8,420,298	8,866,125	8,434,169	9,203,225	9,174,119	8,917,076	9,065,729
Land (acres)										
Developed			4,890	5,800	5,800	5,800	5,800	5,800	5,800	5,800
Undeveloped			18,960	18,355	18,355	18,355	18,310	18,310	18,055	18,044
Under Recreational Lease to Other Agencies			1,045	600	600	600	600	600	600	600
All Land ***	24,521	24,521								
Encumbered for Recreation	14,761	14,761								
Leased for Farming	595	595								
Leased for Recreation	450	450								
Leased for Utilities	24	24								
General Grounds Maintenance - Acres Mowed	3,691	3,099	3,099	2,261	2,261	2,281	2,694	2,699	2,807	2,982
Trails (miles)										
Nature/Hiking	58	58								
Paved/Shared Use	84	84								
Equestrian	36	36								
Cross Country Ski	64	64	81	80	80	80	75	75	66	59
Mountain Biking	19	19								
Maintenance Paths	81	81								
Aquatic Facilities										
Pools	4	4	4	4	4	4	4	4	5	4
Beaches	3	3	5	5	5	5	5	5	5	5
Spray Pads	4	4	4	4	4	4	4	4	4	3
Boat Launches	50	50	46	44	44	44	44	44	44	44
Boat Rental Facilities	6	6	5	6	6	6	5	5	5	5
Fishing Platforms	12	12								
Marinas - Number of Boat Slips	393	393	498	509	509	553	553	505	564	564
Winter Facilities										
Ice Skating Rinks			7	7	7	7	9	9	9	9
Sledding/Toboggan Hills			19	19	18	18	18	18	18	18
Ice Skating Areas	4	4								
Sledding Areas	6	6								



Huron-Clinton Metropolitan Authority

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM - CONTINUED

LAST TEN FISCAL YEARS

(UNAUDITED)

	2016	2015*	2014	2013	2012	2011	2010	2009	2008	2007
Infrastructure										
Number of Buildings Maintained			320	321	321	321	319	319	315	318
Square Footage of Buildings Maintained			703,120	705,395	705,395	703,120	697,520	697,520	700,475	700,724
Buildings	489	489								
Roads (miles)	68	68								
Parking Spaces	20,480	20,480								
Great Lakes Shoreline (miles)	14	14								
Inland Lakes (acres)	3,634	3,634								
Recreation Facilities										
Regulation 18 Hole Courses	8	8	8	8	8	8	8	8	8	8
Number of Golf Rounds	190,527	191,605	169,157	182,333	187,868	184,837	204,839	206,271	221,338	231,599
Par 3 Courses	2	2	2	2	2	2	2	2	2	2
Number of Golf Rounds	14,025	14,257	12,971	17,238	19,829	17,879	24,858	32,920	30,915	31,546
Driving Ranges	6	6	6	5	5	5	5	5	5	5
Disc Golf Courses	5	5								
Disc Golf Holes	135	135	126	123	123	120	120	123	120	120
Playgrounds	78	78	51	50	50	49	45	45	45	45
Picnic Shelters	87	87	91	91	91	92	87	86	84	83
Picnic Areas	70	70	88	88	89	90	85	85	85	85
Tennis Courts	9	9	8	8	8	8	8	8	8	8
Basketball Courts	15	15	18	19	19	19	19	19	18	18
Sand Volleyball Courts	38	38								
Baseball Fields	28	28								
Interpretive Centers										
Environmental Discovery Center	1	1	1	1	1	1	1	1	1	1
Farm Centers	2	2	2	2	2	2	2	2	2	2
Grist Mill	1	1	1	1	1	1	1	1	1	1
Nature Centers	6	6	6	6	6	6	6	6	6	6
Mobile Metropark	3	1	1	1	1	1	1	1	1	1
Number of Visitors	1,470,541	1,382,962	1,459,000	1,549,800	1,657,759	1,681,737	1,761,071	1,757,499	1,608,000	1,636,410
Number of Interpretive Programs	5,520	7,580	7,175	7,478	9,706	10,181	10,106	10,458	10,261	9,696
Special Event Facilities	6	6								

Huron-Clinton Metropolitan Authority

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM - CONCLUDED

LAST TEN FISCAL YEARS

(UNAUDITED)

	2016	2015*	2014	2013	2012	2011	2010	2009	2008	2007
Excursion Boat	1	1	1	1	1	1	1	1	1	1
Public Safety										
Number of Patrol Vehicles	36	36	36	36	39	39	37	37	33	32
Number of Law Violations										
Arrests	25	30	24	20	19	13	28	41	58	40
Traffic Violations	333	295	225	221	175	232	305	366	461	493
Other Violations	129	167	75	49	56	129	120	148	160	168
Equestrian Trails - Number of Miles			53	53	53	53	53	53	29	29
Hike/ Bike Trails (paved) - Number of Miles of Paved			66	61	61	61	55	55	54	54
Miles of Shoreline			94	94	94	94	100	100	100	100
Nature Trails - Number of Miles			75	75	75	75 *	56	56	53	53
Outdoor Dance Centers			2	2	2	2	1	1	1	2
Parking Lots - Square Yards Maintained			768,191	768,191	796,191	794,691	833,428	833,428	833,428	814,428
Road System - Number of Lane Miles Maintained			165	162	162	162	166	166	166	166
Skate Parks			1	1	1	1	1	1	1	1

\* 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.

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

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

Huron-Clinton Metropolitan Authority

METROPARK GENERAL GOVERNMENTAL EXPENDITURES BY TYPE

LAST TEN FISCAL YEARS

(UNAUDITED)

Year	Capital Improvements	Equipment	Land Acquisition	Major Maintenance	General Administration	Park Operations	Capital Projects Fund	Total
2007	\$ 10,034,097	\$ 3,006,105	\$ 12,850	\$ 761,662	\$ 6,635,259	\$ 30,885,676	\$ 763,973	\$ 52,099,622
2008	7,103,917	1,910,491	624,843	1,043,507	6,659,575	32,609,363	1,036,103	50,987,799
2009	9,347,177	1,821,169	1,603,169	1,442,499	6,958,695	32,062,269	309,183	53,544,161
2010	4,494,392	1,972,142	10,423	1,131,938	7,088,861	32,131,822	190,332	47,019,910
2011	3,514,907	965,066	565,997	1,106,658	7,075,619	31,717,979	1,078,344	46,024,570
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	28,819	704,328	6,990,592	28,829,491	292,196	43,445,849
2014	4,879,504	1,225,463	269,846	1,243,362	7,640,052	29,119,023	574,615	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

Huron-Clinton Metropolitan Authority

METROPARK GENERAL GOVERNMENTAL EXPENDITURES BY TYPE - CONTINUED

LAST TEN FISCAL YEARS

(UNAUDITED)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
<b>Capital Improvements</b>											
Administrative Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,070	\$ 45,000	\$ -	\$ 112,999	\$ 173,069
Lake St. Clair Metropark	749,085	1,890,068	3,070,170	779,453	164,896	501,752	3,388,101	247,053	252,381	1,236,529	12,279,488
Kensington Metropark	963,510	1,973,343	3,907,319	991,397	2,417,637	275,844	123,195	2,008,956	452,571	299,491	13,413,263
Dexter-Delhi Metropark	149,719	46,363	45,269	21,066	129,214	25,859	14,659	34,885	-	-	467,034
Lower Huron/Willow/Oakwoods Metropark	6,820,469	622,687	1,213,040	842,785	274,389	269,893	516,245	66,796	156,782	51,322	10,834,408
Hudson Mills Metropark	114,369	662,669	103,637	324,848	158,655	97,746	525,153	303,410	110,901	36,544	2,437,932
Stony Creek Metropark	695,731	1,024,385	216,901	344,335	135,328	1,182,503	125,936	237,809	1,405,205	1,820,937	7,189,070
Lake Erie Metropark	33,712	166,028	221,474	714,069	118,017	36,280	55,787	351,366	27,186	223,999	1,947,918
Wolcott Mill Metropark	55,859	229,612	110,013	29,399	14,417	35,032	78,544	60,035	389,335	363,060	1,365,306
Indian Springs Metropark	333,776	411,705	373,191	312,175	41,265	37,288	167,628	325,956	371,525	15,005	2,389,514
Huron Meadows Metropark	109,255	61,807	86,163	134,865	3,074	29,246	58,173	1,198,238	46,969	-	1,727,790
Cost Share Other Agencies	8,612	15,250	-	-	-	-	-	-	-	-	23,862
<b>Total</b>	<b>10,034,097</b>	<b>7,103,917</b>	<b>9,347,177</b>	<b>4,494,392</b>	<b>3,456,892</b>	<b>2,491,443</b>	<b>5,068,491</b>	<b>4,879,504</b>	<b>3,212,855</b>	<b>4,159,886</b>	<b>54,248,654</b>
<b>Equipment</b>											
Central Pool Equipment	200,833	145,325	56,383	167,493	274,595	107,813	172,763	630,121	231,321	313,470	2,300,117
Lake St. Clair Metropark	179,688	217,608	97,496	236,282	113,685	213,150	109,896	142,484	206,783	235,466	1,752,538
Kensington Metropark	439,613	282,956	288,600	453,310	140,575	318,761	230,212	149,257	207,324	585,804	3,096,412
Lower Huron/Willow/Oakwoods Metropark	312,809	397,155	485,485	188,961	260,665	132,884	94,976	69,759	139,967	497,397	2,580,058
Hudson Mills Metropark	224,144	185,257	133,418	85,560	40,422	12,656	117,115	82,700	36,814	156,368	1,074,454
Stony Creek Metropark	1,014,991	143,396	131,759	282,333	67,235	257,776	282,583	46,107	332,084	634,571	3,192,835
Lake Erie Metropark	377,222	113,109	147,267	111,636	16,638	1,250	358,709	10,558	66,180	316,289	1,518,858
Wolcott Mill Metropark	67,964	131,732	60,477	19,071	22,966	8,906	11,095	35,050	41,751	169,864	568,876
Indian Springs Metropark	151,405	161,696	304,666	77,778	28,285	94,408	91,409	17,537	85,280	78,549	1,091,013
Huron Meadows Metropark	37,436	132,257	115,618	349,718	-	22,500	63,174	41,890	22,874	101,649	887,116
<b>Total</b>	<b>3,006,105</b>	<b>1,910,491</b>	<b>1,821,169</b>	<b>1,972,142</b>	<b>965,066</b>	<b>1,170,104</b>	<b>1,531,932</b>	<b>1,225,463</b>	<b>1,370,378</b>	<b>3,089,427</b>	<b>18,064,292</b>
<b>Land Acquisition</b>											
Lake St. Clair Metropark	-	-	-	-	-	-	19,456	72,859	177,591	5,056	274,962
Kensington Metropark	-	-	-	-	-	-	2,950	-	-	-	2,950
Wolcott Mill Metropark	11,850	2,950	5,650	8,400	287,884	2,350	6,414	196,737	-	-	522,235
Indian Springs Metropark	1,000	252,544	1,593,769	23	273,813	-	-	-	-	-	2,121,149
Huron Meadows	-	212,524	2,800	2,000	-	-	-	-	-	-	217,324
Other Metroparks	-	156,825	950	-	4,300	-	-	250	-	-	162,325
<b>Total</b>	<b>12,850</b>	<b>624,843</b>	<b>1,603,169</b>	<b>10,423</b>	<b>565,997</b>	<b>2,350</b>	<b>28,820</b>	<b>269,846</b>	<b>177,591</b>	<b>5,056</b>	<b>3,300,945</b>

Huron-Clinton Metropolitan Authority

METROPARK GENERAL GOVERNMENTAL EXPENDITURES BY TYPE - CONCLUDED

LAST TEN FISCAL YEARS

(UNAUDITED)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
<b>Major Maintenance</b>											
Administrative Office - Engineering/ General Planning	\$ 38,154	\$ 73,215	\$ 179,437	\$ 69,367	\$ 166,374	\$ 76,319	\$ 90,486	\$ 74,754	\$ 8,044	\$ 17,116	\$ 793,266
Lake St. Clair Metropark	63,025	90,431	129,104	37,271	177,368	67,827	170,388	226,800	198,938	180,587	1,341,739
Kensington Metropark	219,079	142,425	169,523	101,468	321,623	127,031	31,511	282,058	411,571	421,900	2,228,189
Lower Huron/Willow/Oakwoods Metropark	85,355	353,661	378,249	89,350	160,134	429,468	38,958	454,770	338,346	252,139	2,580,430
Hudson Mills Metropark	30,038	75,829	235,922	55,458	19,178	338,736	-	38,651	42,342	129,663	965,817
Stony Creek Metropark	175,530	148,948	164,651	570,546	83,260	236,918	38,138	228,158	269,969	634,683	2,550,801
Lake Erie Metropark	81,453	59,798	185,613	76,122	110,656	125,456	248,430	4,250	17,962	91,900	1,001,640
Wolcott Mill Metropark	32,032	54,086	-	-	40,458	45,053	18,572	126,076	264,173	111,436	691,886
Indian Springs Metropark	-	45,114	-	6,632	26,645	48,053	63,979	-	99,502	71,109	361,034
Huron Meadows Metropark	36,996	-	-	125,724	964	58,243	3,866	-	135,427	15,677	376,897
<b>Total</b>	<b>761,662</b>	<b>1,043,507</b>	<b>1,442,499</b>	<b>1,131,938</b>	<b>1,106,660</b>	<b>1,553,104</b>	<b>704,328</b>	<b>1,435,517</b>	<b>1,786,274</b>	<b>1,926,210</b>	<b>12,891,699</b>
<b>General Administration</b>											
Administrative Office	6,635,259	6,659,575	6,958,695	7,088,861	7,075,619	7,538,185	6,990,592	7,640,052	7,516,737	7,371,706	71,475,281
<b>Park Operations</b>											
Lake St. Clair Metropark	3,912,779	4,070,235	4,064,908	3,951,050	3,784,910	3,500,206	3,518,212	3,476,787	3,955,554	4,045,798	38,280,439
Kensington Metropark	6,131,556	6,542,370	6,443,579	6,529,008	6,486,029	6,163,819	5,942,347	6,009,375	6,487,747	6,792,494	63,528,324
Lower Huron/Willow/Oakwoods Metropark	5,343,726	6,150,938	5,422,245	5,790,454	5,740,732	5,370,279	5,314,881	5,241,451	5,954,585	6,142,630	56,471,921
Dexter/Delhi/Hudson Mills Metroparks	2,536,332	2,616,276	2,794,242	2,747,588	2,981,726	2,741,822	2,463,982	2,444,480	2,531,077	2,525,080	26,382,605
Stony Creek Metropark	4,116,165	4,179,179	4,195,573	4,230,227	4,058,406	3,959,094	3,816,608	3,896,686	4,450,218	5,041,688	41,943,844
Lake Erie Metropark	3,509,711	3,571,164	3,591,422	3,425,448	3,379,534	3,356,082	3,393,851	3,313,518	3,366,875	3,263,730	34,171,335
Wolcott Mill Metropark	1,754,438	1,824,048	1,737,968	1,755,269	1,775,100	1,604,023	1,398,932	1,548,474	1,645,858	1,790,519	16,834,629
Indian Springs Metropark	1,962,749	2,094,248	2,116,133	2,194,572	2,052,636	1,844,228	1,825,913	1,924,048	2,018,613	1,972,292	20,005,432
Huron Meadows Metropark	1,072,271	1,058,438	1,144,033	1,199,291	1,055,361	837,024	855,213	943,075	1,079,578	1,022,826	10,267,110
Central Warehouse/Garage/Other	545,949	502,467	552,167	308,915	403,546	330,115	299,552	321,129	28,517	25,235	3,317,592
<b>Total</b>	<b>30,885,676</b>	<b>32,609,363</b>	<b>32,062,270</b>	<b>32,131,822</b>	<b>31,717,980</b>	<b>29,706,692</b>	<b>28,829,491</b>	<b>29,119,023</b>	<b>31,518,622</b>	<b>32,622,292</b>	<b>311,203,229</b>
<b>Capital Projects Fund</b>											
Kensington Metropark	-	-	19,580	152,040	716,501	1,712,310	53,180	-	-	-	2,653,611
Lower Huron Metropark	672,466	238,677	(83,175)	-	-	-	-	-	-	-	827,968
Stony Creek Metropark	-	-	17,771	33,752	361,844	218,602	239,016	382,460	94,579	-	1,348,024
Oakwoods Metropark	91,507	797,426	355,007	4,540	-	-	-	-	-	-	1,248,480
<b>Total</b>	<b>763,973</b>	<b>1,036,103</b>	<b>309,183</b>	<b>190,332</b>	<b>1,078,345</b>	<b>1,930,912</b>	<b>292,196</b>	<b>382,460</b>	<b>94,579</b>	<b>-</b>	<b>6,078,083</b>
<b>Total Expenditures</b>	<b>\$ 52,099,622</b>	<b>\$ 50,987,799</b>	<b>\$ 53,544,162</b>	<b>\$ 47,019,910</b>	<b>\$ 45,966,559</b>	<b>\$ 44,392,790</b>	<b>\$ 43,445,850</b>	<b>\$ 44,951,865</b>	<b>\$ 45,677,036</b>	<b>\$ 49,174,577</b>	<b>\$ 477,262,183</b>

Huron-Clinton Metropolitan Authority

METROPARK GENERAL GOVERNMENTAL REVENUES BY SOURCE

LAST TEN FISCAL YEARS

(UNAUDITED)

Year	Property Tax	Park Operations	Interest	Grants	Gifts	Miscellaneous	Other Financing Sources	Capital Projects Fund	Total <sup>(a)</sup>
2007	\$ 34,547,937	\$ 13,807,794	\$ 1,891,920	\$ 59,890	\$ 306,885	\$ 52,467	\$ 259,564	\$ 929,849	\$ 51,856,306
2008	36,053,277	14,480,210	1,386,929	501,584	91,929	208,335	382,240	1,073,328	54,177,832
2009	35,953,354	13,764,068	717,457	2,029,548	101,219	73,384	280,543	586,306	53,505,879
2010	34,528,432	14,715,827	384,922	317,491	57,065	24,161	411,926	525,621	50,965,445
2011	30,691,073	14,151,725	266,837	351,412	110,423	28,460	126,880	426,633	46,153,443
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

(a) Includes General Fund and Capital Projects Fund.

Huron-Clinton Metropolitan Authority

METROPARK OPERATING REVENUES BY PARK

LAST TEN FISCAL YEARS

(UNAUDITED)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Lake St. Clair Metropark	\$ 1,683,188	\$ 1,608,432	\$ 1,605,390	\$ 1,767,070	\$ 1,639,040	\$ 1,677,510	\$ 1,605,222	\$ 1,753,366	\$ 2,161,319	\$ 2,461,013	\$ 17,961,550
Kensington Metropark	2,719,304	2,743,827	2,608,246	2,896,630	2,802,315	2,959,722	3,007,259	3,481,846	3,996,669	4,552,476	31,768,294
Lower Huron Metropark	455,934	1,317,792	1,236,339	1,496,553	1,544,161	1,577,205	1,299,958	1,465,153	2,682,224	3,071,759	16,147,078
Dexter/Delhi/Hudson Mills Metroparks	966,415	955,416	964,219	969,111	887,294	826,820	867,709	964,791	1,044,048	1,082,519	9,528,342
Stony Creek Metropark	2,381,566	2,358,584	2,334,081	2,514,918	2,535,163	2,846,775	2,989,230	3,362,441	3,574,513	4,153,817	29,051,088
Willow/ Oakwoods Metroparks	1,289,490	1,328,555	1,004,439	1,131,561	804,158	1,028,790	931,113	1,064,566	-	-	8,582,672
Lake Erie Metropark	1,703,153	1,641,958	1,601,021	1,576,391	1,572,925	1,553,867	1,395,317	1,521,141	1,627,750	1,772,447	15,965,970
Wolcott Mill Metropark	607,896	603,100	485,383	471,291	469,845	588,431	534,381	539,505	558,710	625,982	5,484,524
Indian Springs Metropark	961,002	933,591	895,761	870,566	811,109	904,808	953,775	1,079,093	1,122,183	1,237,868	9,769,756
Huron Meadows Metropark	867,706	816,058	822,933	807,926	760,210	702,974	689,334	773,048	856,215	910,351	8,006,755
Resident House/Land Leases Other	159,827	163,998	185,012	177,489	170,522	190,986	198,093	195,165	-	-	1,441,092
Administrative Office	12,313	8,899	21,244	36,321	154,983	169,355	48,481	116,061	270,106	262,617	1,100,380
<b>Total</b>	<b>\$ 13,807,794</b>	<b>\$ 14,480,210</b>	<b>\$ 13,764,068</b>	<b>\$ 14,715,827</b>	<b>\$ 14,151,725</b>	<b>\$ 15,027,243</b>	<b>\$ 14,519,872</b>	<b>\$ 16,316,176</b>	<b>\$ 17,893,737</b>	<b>\$ 20,130,849</b>	<b>\$ 154,807,501</b>

Huron-Clinton Metropolitan Authority  
**METROPARK OPERATING REVENUES BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Type of Revenue	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Food Service (b)	\$ 825,921	\$ 951,338	\$ 814,336	\$ 803,573	\$ 778,782	\$ 730,059	\$ 774,520	\$ 1,201,877	\$ -	\$ -	\$ 6,880,406
Aquatic	718,952	1,364,533	1,112,798	1,418,185	1,572,314	1,508,333	1,317,560	1,443,720	2,010,251	2,156,789	14,623,435
Dockage/ Boat Storage	418,323	405,316	373,705	390,105	396,478	371,748	366,101	362,701	383,575	394,197	3,862,249
Boat Rentals	234,121	266,152	273,220	275,897	326,887	338,251	357,399	389,421	460,095	476,722	3,398,165
Excursion Boat	30,867	40,037	37,532	38,555	44,441	44,668	49,598	49,634	44,102	17,098	396,532
Cross Country Skiing	10,526	27,255	41,744	45,513	55,021	26,076	48,047	86,234	62,642	32,959	436,017
Toll Collection	4,735,495	4,621,742	4,796,269	5,690,581	5,358,278	5,722,407	5,547,951	6,991,270	7,471,802	9,167,954	60,103,749
Sundries (b)	138,831	135,387	120,056	125,336	104,699	119,669	115,538	109,392	-	-	968,908
Games/Equipment Rental (b)	54,693	53,525	41,141	38,712	4,375	17,463	28,875	32,390	-	-	271,174
Activity Center	74,030	97,396	120,408	122,608	132,997	145,918	123,194	127,407	210,988	245,014	1,399,960
Shelter Reservations	301,071	310,195	320,730	342,550	338,830	351,044	405,270	369,415	373,751	377,988	3,490,844
Golf Course	5,626,147	5,491,384	4,930,968	4,636,348	4,041,661	4,518,659	4,332,837	4,137,391	5,345,559	5,695,553	48,756,507
Adventure/ Disc Golf	47,215	93,736	187,062	202,599	172,470	183,330	185,184	167,969	221,241	211,653	1,672,459
Special Events	58,342	29,997	21,141	25,760	48,829	41,301	83,653	56,331	157,462	220,531	743,347
Resident House/Land/Leases	106,774	112,178	118,857	107,025	113,597	131,925	137,138	127,157	131,640	130,127	1,216,418
Livestock Sales (b)	66,471	80,887	52,685	49,695	96,137	135,185	96,875	104,436	-	-	682,371
Hay Rides (b)	43,621	48,917	38,047	37,794	37,803	34,612	42,069	48,301	-	-	331,164
Site Location Fee (b)	16,990	35,133	29,155	18,785	24,980	16,269	30,760	38,244	-	-	210,316
Interpretive	181,254	179,196	177,548	184,658	217,775	252,338	268,279	257,623	603,271	635,268	2,957,210
Intergovernmental (b)	-	-	-	-	-	-	-	-	206,713	197,395	404,108
Miscellaneous (b)	101,279	118,619	136,780	155,911	136,454	115,857	42,020	145,239	106,265	70,521	1,128,945
Other Park Revenues (a)	16,870	17,287	19,886	5,637	148,918	222,138	167,004	70,024	104,380	101,080	873,224
<b>Total</b>	<b>\$ 13,807,794</b>	<b>\$ 14,480,210</b>	<b>\$ 13,764,068</b>	<b>\$ 14,715,827</b>	<b>\$ 14,151,725</b>	<b>\$ 15,027,250</b>	<b>\$ 14,519,872</b>	<b>\$ 16,316,176</b>	<b>\$ 17,893,737</b>	<b>\$ 20,130,849</b>	<b>\$ 154,807,508</b>

(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.