

**The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) Health Care (OPEB) Report**

|                                               |                                                                              |                                                                                                                                                                                                                                                                            |
|-----------------------------------------------|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enter Local Government Name                   | Ann Arbor Area Transportation Authority                                      | Instructions: For a list of detailed instructions on how to complete and submit this form, visit <a href="http://michigan.gov/LocalRetirementReporting">michigan.gov/LocalRetirementReporting</a> .                                                                        |
| Enter Six-Digit Municode                      | 817548                                                                       |                                                                                                                                                                                                                                                                            |
| Unit Type                                     | Authority                                                                    |                                                                                                                                                                                                                                                                            |
| Fiscal Year End Month                         | September                                                                    |                                                                                                                                                                                                                                                                            |
| Fiscal Year (four-digit year only, e.g. 2019) | 2020                                                                         | Questions: For questions, please email <a href="mailto:LocalRetirementReporting@michigan.gov">LocalRetirementReporting@michigan.gov</a> . Return this original Excel file. Do not submit a scanned image or PDF.                                                           |
| Contact Name (Chief Administrative Officer)   | John Metzinger                                                               |                                                                                                                                                                                                                                                                            |
| Title if not CAO                              | Deputy CEO Finance and Administration                                        |                                                                                                                                                                                                                                                                            |
| CAO (or designee) Email Address               | jmetzinger@theride.org                                                       |                                                                                                                                                                                                                                                                            |
| Contact Telephone Number                      | 734-794-1768                                                                 |                                                                                                                                                                                                                                                                            |
| OPEB System Name (not division) 1             | The Ann Arbor Area Transportation Authority Post-Retirement Health Care Plan | If your OPEB system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form. |
| OPEB System Name (not division) 2             |                                                                              |                                                                                                                                                                                                                                                                            |
| OPEB System Name (not division) 3             |                                                                              |                                                                                                                                                                                                                                                                            |
| OPEB System Name (not division) 4             |                                                                              |                                                                                                                                                                                                                                                                            |
| OPEB System Name (not division) 5             |                                                                              |                                                                                                                                                                                                                                                                            |

| Line      | Descriptive Information                                                                                          | Source of Data                                                                                                                                                             | System 1                          | System 2 | System 3 | System 4 | System 5 |
|-----------|------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------|----------|----------|----------|
| 1         | Is this unit a primary government (County, Township, City, Village)?                                             | Calculated                                                                                                                                                                 | NO                                | NO       | NO       | NO       | NO       |
| 2         | Provide the name of your retirement health care system                                                           | Calculated from above                                                                                                                                                      | The Ann Arbor Area Transportation |          |          |          |          |
| <b>3</b>  | <b>Financial Information</b>                                                                                     |                                                                                                                                                                            |                                   |          |          |          |          |
| 4         | Enter retirement health care system's assets (system fiduciary net position ending)                              | Most Recent Audit Report                                                                                                                                                   | 810,615                           |          |          |          |          |
| 5         | Enter retirement health care system's liabilities (total OPEB liability)                                         | Most Recent Audit Report                                                                                                                                                   | 1,264,744                         |          |          |          |          |
| 6         | Funded ratio                                                                                                     | Calculated                                                                                                                                                                 | 64.1%                             |          |          |          |          |
| 7         | Actuarially determined contribution (ADC)                                                                        | Most Recent Audit Report                                                                                                                                                   | 130,808                           |          |          |          |          |
| 7a        | Do the financial statements include an ADC calculated in compliance with <a href="#">Numbered Letter 2018-3?</a> | Most Recent Audit Report                                                                                                                                                   | YES                               |          |          |          |          |
| 8         | Governmental Fund Revenues                                                                                       | Most Recent Audit Report                                                                                                                                                   | 42,007,257                        |          |          |          |          |
| 9         | All systems combined ADC/Governmental fund revenues                                                              | Calculated                                                                                                                                                                 | 0.3%                              |          |          |          |          |
| <b>10</b> | <b>Membership</b>                                                                                                |                                                                                                                                                                            |                                   |          |          |          |          |
| 11        | Indicate number of active members                                                                                | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 240                               |          |          |          |          |
| 12        | Indicate number of inactive members                                                                              | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | -                                 |          |          |          |          |
| 13        | Indicate number of retirees and beneficiaries                                                                    | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 52                                |          |          |          |          |
| 14        | Provide the amount of premiums paid on behalf of the retirants                                                   | Most Recent Audit Report or Accounting Records                                                                                                                             | 61,831                            |          |          |          |          |
| <b>15</b> | <b>Investment Performance</b>                                                                                    |                                                                                                                                                                            |                                   |          |          |          |          |
| 16        | Enter actual rate of return - prior 1-year period                                                                | Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider                                                                                 | 4.82%                             |          |          |          |          |
| 17        | Enter actual rate of return - prior 5-year period                                                                | Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider                                                                                 | 7.47%                             |          |          |          |          |
| 18        | Enter actual rate of return - prior 10-year period                                                               | Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider                                                                                 | 7.39%                             |          |          |          |          |
| <b>19</b> | <b>Actuarial Assumptions</b>                                                                                     |                                                                                                                                                                            |                                   |          |          |          |          |
| 20        | Assumed Rate of Investment Return                                                                                | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 4.20%                             |          |          |          |          |
| 21        | Enter discount rate                                                                                              | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 4.20%                             |          |          |          |          |
| 22        | Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any               | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | Level Percent                     |          |          |          |          |
| 23        | Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any               | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 15                                |          |          |          |          |
| 24        | Is each division within the system closed to new employees?                                                      | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | No                                |          |          |          |          |
| 25        | Health care inflation assumption for the next year                                                               | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 6.50%                             |          |          |          |          |
| 26        | Health care inflation assumption - Long-Term Trend Rate                                                          | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 4.50%                             |          |          |          |          |
| <b>27</b> | <b>Uniform Assumptions</b>                                                                                       |                                                                                                                                                                            |                                   |          |          |          |          |
| 28        | Enter retirement health care system's actuarial value of assets using uniform assumptions                        | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 810,615                           |          |          |          |          |
| 29        | Enter retirement health care system's actuarial accrued liabilities using uniform assumptions                    | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 1,260,549                         |          |          |          |          |
| 30        | Funded ratio using uniform assumptions                                                                           | Calculated                                                                                                                                                                 | 64.3%                             |          |          |          |          |
| 31        | Actuarially Determined Contribution (ADC) using uniform assumptions                                              | Actuarial Funding Valuation used in Most Recent Audit Report                                                                                                               | 45,939                            |          |          |          |          |
| 32        | All systems combined ADC/Governmental fund revenues                                                              | Calculated                                                                                                                                                                 | 0.1%                              |          |          |          |          |
| <b>33</b> | <b>Summary Report</b>                                                                                            |                                                                                                                                                                            |                                   |          |          |          |          |
| 34        | Did the local government pay the retiree insurance premiums for the year?                                        | Accounting Records                                                                                                                                                         | YES                               |          |          |          |          |
| 35        | Did the local government pay the normal cost for employees hired after June 30, 2018?                            | Accounting Records                                                                                                                                                         | YES                               |          |          |          |          |
| 36        | Does this system trigger "underfunded status" as defined by PA 202 of 2017?                                      | <b>Primary government triggers:</b> Less than 40% funded AND greater than 12% ARC/Governmental fund revenues. <b>Non-Primary government triggers:</b> Less than 40% funded | NO                                | NO       | NO       | NO       | NO       |

|                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Requirements (For your information, the following are requirements of P.A. 202 of 2017)</b>                                                                  |
| Local governments must post the current year report on their website or in a public place                                                                       |
| The local government must electronically submit the form to its governing body.                                                                                 |
| Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years                   |
| Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years. |

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.