

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

Enter Local Unit Name	Mass Transportation Authority	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting .
Enter Six-Digit Municode	257537	
Unit Type	Authority	
Fiscal Year End Month	September	
Fiscal Year (four-digit year only, e.g. 2019)	2019	
Contact Name (Chief Administrative Officer)	Kenneth Vavra	
Title if not CAO	CFO	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
CAO (or designee) Email Address	kvavra@mtaflint.org	
Contact Telephone Number	810-780-8847	
OPEB System Name (not division) 1	Flint Mass Transportation Authority Other Post Retirement Benefits	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 unit (County, Township, City, Village)?	Calculated	NO	NO	NO	NO	NO
2	Provide the name of your retirement health care system	Calculated from above	Flint Mass Transportation				
3 Financial Information							
4	Enter retirement health care system's assets (system fiduciary net position ending)	Most Recent Audit Report	1,133,355				
5	Enter retirement health care system's liabilities (total OPEB liability)	Most Recent Audit Report	2,493,716				
6	Funded ratio	Calculated	45.4%				
7	Actuarially determined contribution (ADC)	Most Recent Audit Report	219,628				
7a	Do the financial statements include an ADC calculated in compliance with Numbered Letter 2018-3?	Most Recent Audit Report	NO				
8	Governmental Fund Revenues	Most Recent Audit Report	56,963,556				
9	All systems combined ADC/Governmental fund revenues	Calculated	0.4%				
10 Membership							
11	Indicate number of active members	Most Recent Actuarial Funding Valuation	595				
12	Indicate number of inactive members	Most Recent Actuarial Funding Valuation	13				
13	Indicate number of retirees and beneficiaries	Most Recent Actuarial Funding Valuation	21				
14	Provide the amount of premiums paid on behalf of the retirees	Most Recent Audit Report or Accounting Records	26,690				
15 Investment Performance							
16	Enter actual rate of return - prior 1-year period	Most Recent Actuarial Funding Valuation or System Investment Provider	1.49%				
17	Enter actual rate of return - prior 5-year period	Most Recent Actuarial Funding Valuation or System Investment Provider					
18	Enter actual rate of return - prior 10-year period	Most Recent Actuarial Funding Valuation or System Investment Provider					
19 Actuarial Assumptions							
20	Assumed Rate of Investment Return	Most Recent Actuarial Funding Valuation	4.00%				
21	Enter discount rate	Most Recent Actuarial Funding Valuation	4.00%				
22	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Most Recent Actuarial Funding Valuation	Level Dollar				
23	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Most Recent Actuarial Funding Valuation	22				
24	Is each division within the system closed to new employees?	Most Recent Actuarial Funding Valuation	No				
25	Health care inflation assumption for the next year	Most Recent Actuarial Funding Valuation	4.00%				
26	Health care inflation assumption - Long-Term Trend Rate	Most Recent Actuarial Funding Valuation					
27 Uniform Assumptions							
28	Enter retirement health care system's actuarial value of assets using uniform assumptions	Most Recent Actuarial Funding Valuation					
29	Enter retirement health care system's actuarial accrued liabilities using uniform assumptions	Most Recent Actuarial Funding Valuation					
30	Funded ratio using uniform assumptions	Calculated					
31	Actuarially Determined Contribution (ADC) using uniform assumptions	Most Recent Actuarial Funding Valuation					
32	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
33 Summary Report							
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?	Primary unit triggers: Less than 40% funded AND greater than 12% ARC/Governmental fund revenues. Non-Primary unit triggers: Less than 40% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)

Local units must post the current year report on their website or in a public place

The local unit of government must electronically submit the form to its governing body.

Local units must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years

Local units 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 unit of government acknowledges that this report is complete and accurate in all known respects.

RESOLUTION

Resolution authorizing the General Manager to submit to the State of Michigan an Application for Waiver and Plan for the Mass Transportation Authority Other Post Employee Benefits Plan (OPEB) and authorize the additional funding of the plan in the amount of \$100,000 per year for the Fiscal Years 2019 through 2022.

WHEREAS, the State of Michigan enacted Public Act 202 of 2017, requiring all local units of government, with at least one retirement health benefit system, to report annually to the Michigan Department of Treasury the funded status of each retirement benefit plan; and

WHEREAS, the MTA reported its OPEB funding status to the Michigan Department of Treasury on March 23, 2018, and subsequently received a notice on April 12, 2018, informing the MTA that the OPEB plan was funded below the acceptable 40% level, which could trigger a designation by the State of underfunded status; and

WHEREAS, the Michigan Department of Treasury provides for the submission of an Application for Waiver and Plan within 45 days from the date of the notice, which will allow MTA to address the underfunding of the plan and avoid a designation of underfunded status; and

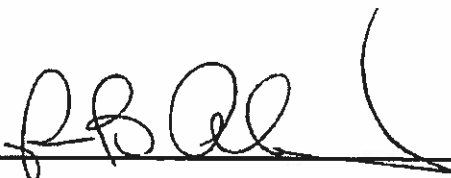
WHEREAS, the MTA proposes contributing to the OPEB fund the actuarial determined Annual Required Contribution (ARC) for the next four years plus an additional \$100,000 per year for the fiscal years 2019 through 2022, which would increase the healthcare account's funded ratio to approximately 84%; and

WHEREAS, the Application of Waiver and Plan must be approved by the local government's administrative officer and its governing body; and

NOW, THEREFORE BE IT RESOLVED that Edgar H. Benning, General Manager is authorized to submit to the State of Michigan an Application for Waiver and Plan for the Mass Transportation Authority Other Post Employee Benefits Plan (OPEB) and authorize the additional funding of the plan in the amount of \$100,000 per year for the Fiscal Years 2019 through 2022.

CERTIFICATION

The undersigned duly qualified and acting as a member of the Board of Directors of the Mass Transportation Authority certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Mass Transportation Authority held on April 19, 2018.



April 19, 2018