Metropolitan Transportation Authority Retiree Welfare Benefits Plan (“Other Postemployment Benefits Plan” or “OPEB Plan”)

(A Fiduciary Component Unit of the Metropolitan Transportation Authority)

Financial Statements as of and for the
Years Ended December 31, 2019 and 2018
Supplemental Schedules, and
Independent Auditors’ Report

METROPOLITAN TRANSPORTATION AUTHORITY
OTHER POST EMPLOYMENT BENEFITS PLAN

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INDEPENDENT AUDITORS' REPORT

To the Board of Managers of the
Metropolitan Transportation Authority Retiree Welfare Benefits Plan

Report on the Financial Statements

We have audited the accompanying statements of plan net position of the Metropolitan Transportation Authority Retiree Welfare Benefits Plan (the "Plan") as of December 31, 2019 and 2018, and the related statements of changes in plan net position for the years then ended, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan'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 Plan'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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the Plan net position as of December 31, 2019 and 2018, and the respective changes in Plan net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America requir that the Management's Discussion and Analysis on pages 3 through 10, the Schedule of Changes in Employers' Net OPEB Liability and Related Ratios on page 36, the Schedule of Employer Contributions on page 37 and the Schedule of Investment Returns on page 38 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.

Deloitte & Touche LLP

July 22, 2020

The purpose of the Metropolitan Transportation Authority ("MTA") Retiree Welfare Benefits Plan ("Other Postemployment Benefits Plan" or "OPEB Plan" or the "Plan") and the related Trust Fund is to provide a vehicle for the MTA organization to set aside funds to assist it in providing health and other welfare benefits to eligible retirees and their beneficiaries. The Plan and the Trust Agreement are exempt from federal income taxation under Section 115(1) of the Code. The MTA is not required by law or contractual agreement to provide funding for the Plan, other than the "pay-as-you-go" cost of providing current benefits to current eligible retirees, spouses and dependents ("Pay-Go").

This management's discussion and analysis of the Plan's financial performance provides an overview of the Plan's financial activities for the years ended December 31, 2019 and 2018. It is meant to assist the reader in understanding the Plan's financial statements by providing an overall review of the financial activities during the year and the effects of significant changes. This discussion and analysis may contain opinions, assumptions, or conclusions by the MTA's management that should not be considered a replacement for, and is intended to be read in conjunction with, the Plan's financial statements which begin on page 11.

Overview of Basic Financial Statements

The following discussion and analysis is intended to serve as an introduction to the financial statements. The basic financial statements are:

- **The Statements of Plan Net Position** — presents the financial position of the Plan at year end. It provides information about the nature and amounts of resources with present service capacity that the Plan presently controls (assets), consumption of net assets by the Plan that is applicable to a future reporting period (deferred outflow of resources), present obligations to sacrifice resources that the Plan has little or no discretion to avoid (liabilities), and acquisition of net assets by the Plan that is applicable to a future reporting period (deferred inflow of resources) with the difference between assets/deferred outflow of resources and liabilities/deferred inflow of resources being reported as net position. Investments are shown at fair value. All other assets and liabilities are determined on an accrual basis.

- **The Statements of Changes in Plan Net Position** — present the results of activities during the year. All changes affecting the assets and liabilities of the Plan are reflected on an accrual basis when the activity occurred regardless of the timing of the related cash flows. In that regard, changes in the fair values of investments are included in the year's activity as net appreciation/(depreciation) in fair value of investments.

- **The Notes to Financial Statements** — provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes present information about the Plan's accounting policies, significant account balances and activities, material risks, obligations, contingencies, and subsequent events, if any.

- **Required Supplementary Information** as required by the Governmental Accounting Standards Board ("GASB") is presented after the management discussion and analysis, the statement of Plan net position, the statement of changes in Plan net position and the notes to the combined financial statements.

The accompanying financial statements of the Plan are presented in conformity with accounting principles generally accepted in the United States of America as prescribed by the GASB.

Financial Highlights

Plan Net Position
December 31, 2019, 2018, and 2017
(Dollars in thousands)

				Amount of Change		Percentage Change	
	2019	2018	2017	(2019 - 2018)	(2018 - 2017)	(2019 - 2018)	(2018 - 2017)
ASSETS:							
Investments	$ 414,929	$ 351,538	$ 370,596	$ 63,391	$ (19,058)	18.0 %	(5.1)%
Receivables and other assets	20	14	7	6	7	42.9	100.0
TOTAL ASSETS	414,949	351,552	370,603	63,397	(19,051)	18.0	(5.1)
LIABILITIES:							
Benefits payable and accrued expenses	122	172	251	(50)	(79)	(29.1)	(31.5)
TOTAL LIABILITIES	122	172	251	(50)	(79)	(29.1)	(31.5)
PLAN NET POSITION HELD IN TRUST FOR OTHER POSTEMPLOYMENT BENEFITS	$ 414,827	$ 351,380	$ 370,352	$ 63,447	$ (18,972)	18.1 %	(5.1)%

Plan net position is held in trust for the payment of future benefits to members and beneficiaries. The assets of the Plan exceeded its liabilities by $414.8 million, $351.4 million, and $370.4 million as of December 31, 2019, 2018, and 2017, respectively. The net increase in 2019 is primarily a result of net appreciation on fair value of investments held offset by investment fees whereas the decrease in 2018 is primarily a result of net depreciation on fair value of investments held and investment fees charged to the Plan.

Changes in Plan Net Position
For the Years Ended December 31, 2019, 2018, and 2017
(Dollars in thousands)

				Amount of Change		Percentage Change	
	2019	**2018**	**2017**	**(2019 - 2018)**	**(2018 - 2017)**	**(2019 - 2018)**	**(2018 - 2017)**
ADDITIONS:							
Total investment income/(loss)	$ 65,430	$ (17,227)	$ 49,231	$ 82,657	$ (66,458)	479.8 %	(135.0)%
Less:							
Investment expenses	1,783	1,689	1,861	94	(172)	5.6	(9.2)
Net investment income/(loss)	63,647	(18,916)	47,370	82,563	(66,286)	436.5	(139.9)
Add:							
Employer contributions	660,539	616,638	579,893	43,901	36,745	7.1	6.3
Implicit rate subsidy contribution	70,138	74,484	71,101	(4,346)	3,383	(6.5)	4.8
Total additions	794,324	672,206	698,364	122,118	(26,158)	18.1	(3.7)
DEDUCTIONS							
Benefit payments	660,539	616,638	579,893	43,901	36,745	7.1	6.3
Implicit rate subsidy payments	70,138	74,484	71,101	(4,346)	3,383	(6.5)	4.8
Administrative expenses	200	56	-	144	56	257.1	-
Total deductions	730,877	691,178	650,994	39,699	40,184	5.7	6.2
Net increase/(decrease) in Plan net position	63,447	(18,972)	47,370	82,419	(66,342)	434.4	(140.1)
PLAN NET POSITION HELD IN TRUST FOR OTHER POSTEMPLOYEMENT BENEFITS							
Beginning of year	351,380	370,352	322,982	(18,972)	47,370	(5.1)	14.7
End of year	$ 414,827	$ 351,380	$ 370,352	$ 63,447	$ (18,972)	18.1 %	(5.1)%

The Plan’s net position held in trust increased by $63.4 million during 2019 and decreased by $19.0 million during 2018. In 2019, the Plan’s net appreciation in fair market values were $65.4 million and the investment fees were $1.8 million. In 2018, the Plan’s net depreciation in the fair market value was $17.3 million with investment fees of $1.7 million.

Investments

The table below summarizes the Plan's investment measured at fair value – net asset values.

December 31, 2019 **(Dollars in thousands)**	**Fair Value**	**Allocation**
Type of Investments		
Investment measured at the NAV	$ 414,929	100.00 %
	$ 414,929	100.00 %

December 31, 2018 **(Dollars in thousands)**	**Fair Value**	**Allocation**
Type of Investments		
Investment measured at the NAV	$ 351,538	100.00 %
	$ 351,538	100.00 %

Economic Factors

Market Overview and Outlook – 2019

In 2019 international markets turned cautiously optimistic, in contrast to 2018, when stocks were buffeted by uncertainty surrounding United States ("U.S.")-China trade negotiations. Equity markets ended a remarkable 2019 rally on a strong note, with major stock indexes reaching new all-time highs. Among growth assets, global equities outperformed high yield and emerging market debt. The U.S. dollar weakened broadly, most significantly against the Swiss franc, British pound and emerging market currencies. Equity, bond and currency volatility continued to ease in December to historically low levels. Investors favored riskier assets following declining trade tensions and easing geo-political headwinds. United Kingdom ("UK") and emerging markets, specifically China, Russia and Latin American, led the December rally, while the U.S. along with other developed markets lagged the Morgan Stanley Capital International All Country World Index ("MSCI ACWI"). Developed markets outperformed emerging markets overall in 2019.

The global economy slowed in 2019 and is now growing below trend. This was primarily driven by the trade war weighing on capital spending and the lagging effect from monetary tightening in 2018. While monetary policies were generally left unchanged in December-- which partly accounts for the stellar returns to both equities and bonds in 2019—further impetus to economic growth may have to come from fiscal measures: policy makers have recently paused easing efforts to evaluate the effect of prior rate cuts, and officials have indicated that monetary policy may have reached its limits. They are therefore considering greater use of fiscal tools to manage business cycles and to support economic growth. A recession in the U.S. appears unlikely in the near term while low interest rates and tame inflation levels continue to power higher equity valuations

Geo-political risks faded after the U.S. and China reached a preliminary trade agreement. Also, Brexit uncertainties fell after Prime Minister Boris Johnson's Conservative Party obtained a solid majority in Parliament. The UK parliament has passed a withdrawal agreement and will start the exit process at the end of January 2020. Markets looked past the political turmoil in the U.S., where a deeply divided House of Representatives passed two articles of impeachment against President Trump. However, macroeconomic stress related to tighter financial conditions in Argentina, geo-political tensions in Iran, and social unrest in Hong Kong, Venezuela, Libya, and Yemen still persisted. Additionally, climate concerns took center stage amid extreme weather around the globe, and protests against the political establishment reverberated through Hong Kong, Lebanon, Chile, Ecuador and many other places.

While current market dynamics may appear to favor equities over fixed income, one should be cognizant that valuations have been trending higher, creating limited attractive investment opportunities. To this end, many long-term forecasts for investment return, encompassing a 10-year time horizon, remain relatively muted. To prepare portfolios for this new decade, it may be essential for investors to start the year with a renewed emphasis on strategic asset allocation, heeding geo-political and portfolio risks to ensure that their investment horizon and governance structure are aligned with portfolio mission statements and return objectives. Even if the investment landscape encourages risk taking, uncertainties remain, making it critical for investors to reassess and rebalance their portfolio holdings considering their robust gains in 2019.

Macro Themes

- Asset allocation and portfolio implementation.
- Late stage of a market cycle.
- China's complex transition into a service and consumption-oriented economy from the manufacturing behemoth.
- The backlash against globalization—expressed through populism and trade wars—is here to stay.

- Central banks permanent interventions have created a new normal, where accommodative monetary policies and fiscal debt growth appear to exist in perpetuity, supporting equities relative to fixed income.

United States

2019 represented a triumphant year the U.S. capital markets compared to 2018 underperformance. Accommodative monetary policies, falling interest rates and subdued inflation helped investors not only to meet their return objectives, but, in many instances, to exceed them. Adding to this impressive string of wins: the U.S. economy completed a calendar decade without a recession—a historical first. While investors would love more of the same, it is unlikely this period of windfall gains and low market volatility will persist for the next decade.

Large Cap stocks were strongly positive, with the S&P 500 and Russell 1000 indices posting returns of (+31.5%) and (+31.3%), respectively. Small Cap and Mid Cap indices underperformed large cap. Small Cap, as measured by the Russell 2500 Index, returned (+27.6%). The Russell Mid Cap Index measured by the Russell 2000 Index lagged the Small Cap and posted a return of (+25.4%). Of note, growth-oriented investments outperformed the value counterpart with the Russell 1000 Growth (+36.2%) outpacing the Russell 1000 Value (+26.4%).

Fixed income securities markets ended 2019 in the black, reversing declines experienced in 2018. Treasuries returned (+14.8%) for the year, with the assets strongest quarter coming in the first and second quarters of 2019. Municipal credit posted a return of (+7.5%) while the Bloomberg Barclays High Yield Index gained (+14.3%) in 2019. Spreads on high-yield credit narrowed for most part of 2019, but segments in the high-yield and bank loan markets showed signs of stress towards the end of 2019. On the other hand, the S&P LSTA Leveraged Loan Index returned (+10.6%) during the same period.

International Developed

International equity markets posted very strong results in 2019 and lagged behind U.S. equity markets, returning (+26.5%) as measured by the MSCI. In U.S. dollars, both Europe and Japan equities posted positive performance in 2019 with MSCI Europe returning (+23.7%) and MSCI Japan returning (+19.5%). Very strong returns in Europe were driven by the global positive market performance during 2019 unlike 2018 when Europe returned (-14.9%). The Small Cap portion of international developed markets posted even stronger returns in 2019, (+24.9%) compared with 2018, (-17.9%).

Fixed income markets in Europe and Japan are largely centered on government bonds, with corporate and asset-backed issuance making up a fraction of the overall markets. Global Treasuries were positive in 2019, following a negative year in 2018.

Emerging Markets

Emerging markets posted very strong returns in 2019, with performance lower than both U.S. and international developed markets across equity and debt. The broad MSCI emerging markets index returned (+18.3%) for the year. Emerging markets gained sharply in December, driven by hopes that the People's Bank of China will continue to ease its monetary policy to support growth.

The bond markets of emerging markets performed well in 2019 compared to its underperformance in 2018. Both hard currency and local currency bond posted a very strong year in performance. Hard currency bonds, which are predominately issued in U.S. dollars, returned (+12.6%) in 2019. Local currency bonds, which are issued in the local currency, returned (+13.5%) for the year.

Commodities

The Bloomberg Commodity Index rose (+7.7%) for the year while the New York Mercantile Exchange West Texas Index Crude Spot rose (+35.3%) and Midstream energy ended the year up more than (+24.0%). Residential gas prices in the Midwest are forecast to be nearly (+8.0%) higher this winter than last, and prices in the South and West are seen about (+5.0%) and (+3.0%) higher, respectively, while Northeast prices are forecast to decline (6.0%), helped by relatively low global prices for Liquefied Natural Gas and lower household natural gas consumption. The overall slight decline in heating expenses is aided by generally declining commodity prices.

Market Outlook
Central banks and governments have demonstrated, to varying degrees, their willingness to administer monetary and fiscal stimulus. That accommodative stance should continue in 2020. The U.S. Federal Reserve has already signaled its intention to keep interest rates on hold, providing more certainty for businesses. The re-convergence of U.S. interest rates with other developed markets will reduce upward pressure on the dollar. In addition, the impact of looser monetary policy, combined with a better trade backdrop, could spur the necessary investment and reform to fuel increased labor force participation and renewed productivity improvements.

Political risk, both at national and international levels, remains the great unknown. The long-term path of U.S.-China trade and cooperation is uncertain. A damaging "no-deal Brexit" is not entirely off the table. Tensions in the Middle East could risk sparking full-blown conflict. At the same time, 2020 primaries and Presidential elections in the U.S. will create uncertainty and could cause volatility as markets react to the policies and promises of the various candidates. Notwithstanding all of this, however, the current improvement in geo-political backdrop as compared with 2018, together with stimulus measures should support a modest acceleration in global growth in 2020. That growth, in turn, should lead to a moderate increase in demand for oil, putting a floor under the price, especially when global demand is met with sensible supply-side control from Organization of the Petroleum Exporting Countries.

Many analysts continue to believe emerging markets offer the most investment value, especially following the recent truce in trade relations between the U.S. and China. Furthermore, the opportunities for active management and excess returns appear more abundant in emerging economies. As a result, investors may be encouraged to overweight emerging market equities relative to developed market stocks. They may also opt to reduce exposure to high-yield and return-seeking credit in 2020, since market returns do not offer adequate compensation for the risk they hold. Safe-haven fixed income for instance, Treasuries and core bonds, despite low yields—remain vital for balancing risks within a diversified portfolio.

Impact of Covid-19
Covid-19 has continued to spread at a rapid pace around the world and has now been declared a global pandemic by the World Health Organization. This has caused a severe shock to the global economy pushing it into a deep and far reaching recession. Financial markets have responded with a huge drop in equities values, a rise in credit spreads and a flight to the safety of governments bonds.

In anticipation of the economic growth fallout, Standards & Poor's Global ratings lowered its forecast for global growth to just (+0.4%) this year and predicts a rebound to (+) in 2021. According to Bloomberg, the current second Quarter Gross Domestic Product average estimate of (-11.2%) annualized would be the worst post World War II quarter on record. However, worldwide central banks and governments announced fiscal and monetary rescue packages to soften the economic impact of the virus and the associated business disruptions. Geo-political tensions such as the trade war issues between the U.S. and China have moved into the background.

The Covid-19 outbreak has resulted in a significant decline in ridership and vehicle crossings. The decline in ridership and vehicle crossings have caused a material impact on the Metropolitan Transportation Authority's ("MTA") results of operations, financial position, and cash flows in fiscal 2020. In response to the adverse conditions, the MTA has secured funding under the "Coronavirus Aid, Relief and Economic Security Act" or "CARES Act"; received State of New York authorization to increase debt issuing capacity, including $10 billion in deficit bonds; received State of New York authorization to use the Central Business District Tolling lockbox monies to fund COVID-19 operating costs; and has been granted flexibility to apply existing FTA grant program proceeds to operating costs or other purposes to address COVID-19 impacts. In addition, the volatility and uncertainty of the financial market have negatively affected the investment earnings of retirement plans. Although the long-term impact of the Covid-19 outbreak on the financial market is still unpredictable, it could have a negative impact on the market value of the Plan in future years.

Contact Information

This financial report is designed to provide a general overview of the Metropolitan Transportation Authority Other Postemployment Benefits Plan's finances. Questions concerning any data provided in this report or requests for additional information should be directed to the Comptroller, Metropolitan Transportation Authority, 2 Broadway, 16th Floor, New York, NY 10004.

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METROPOLITAN TRANSPORTATION AUTHORITY
OTHER POSTEMPLOYMENT BENEFITS PLAN

STATEMENTS OF PLAN NET POSITION
AS OF DECEMBER 31, 2019 AND 2018
(In thousands)

	2019	**2018**
ASSETS:		
Investments measured at fair value - net asset value	$414,929	$351,538
Interest receivable	20	14
Total assets	414,949	351,552
LIABILITIES:		
Benefits payable and accrued expenses	122	172
Total liabilities	122	172
PLAN NET POSITION HELD IN TRUST FOR OTHER POSTEMPLOYMENT BENEFITS	$414,827	$351,380

See notes to financial statements.

METROPOLITAN TRANSPORTATION AUTHORITY
OTHER POSTEMPLOYMENT BENEFITS PLAN

STATEMENTS OF CHANGES IN PLAN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(In thousands)

	2019	2018
ADDITIONS:		
Net realized and unrealized gains/(loss)	$ 60,104	$ (22,591)
Dividends	5,077	5,203
Interest	249	161
Total investment income/(loss)	65,430	(17,227)
Less:		
Investment expenses	1,783	1,689
Net investment income /(loss)	63,647	(18,916)
Add:		
Employer contributions	660,539	616,638
Implicit rate subsidy contribution	70,138	74,484
Total additions	794,324	672,206
DEDUCTIONS:		
Benefit Payments	660,539	616,638
Implicit rate subsidy payments	70,138	74,484
Administrative expenses	200	56
Total deductions	730,877	691,178
Net increase / (decrease) in Plan net position	63,447	(18,972)
PLAN NET POSITION HELD IN TRUST FOR OTHER POSTEMPLOYMENT BENEFITS:		
Beginning of year	351,380	370,352
End of year	$ 414,827	$ 351,380

See notes to financial statements.

1. BACKGROUND AND ORGANIZATION

The Metropolitan Transportation Authority ("MTA") Retiree Welfare Benefits Plan ("Other Postemployment Benefits Plan" or "OPEB Plan" or the ("Plan") and the related Trust Fund was established effective January 1, 2009 for the exclusive benefit of The MTA Group's retired employees and their eligible spouses and dependents, to fund some of the OPEB benefits provided in accordance with the MTA's Group's various collective bargaining agreements and MTA policies. The MTA Group is comprised of the following current and former agencies:

- MTA New York City Transit
- MTA Long Island Rail Road
- MTA Metro-North Railroad
- MTA Bridges and Tunnels
- MTA Headquarters ("MTAHQ")
- MTA Long Island Bus
- MTA Staten Island Railway
- MTA Bus Company
- MTA Capital Construction

The Trust is tax exempt in accordance with Section 115 of the Internal Revenue Code. The Plan is classified as a single employer plan for Governmental Accounting Standards Board ("GASB") Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* ("GASB 74") purposes.

The MTA is not required by law or contractual agreement to provide funding for the Plan, other than the "pay-as-you-go" amount necessary to provide the current benefits to current eligible retirees, spouses and dependents (Pay-Go).

GASB 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* prescribes uniform financial reporting standards for other postemployment benefits ("OPEB") plans of all state and local governments. OPEB refers to postemployment benefits other than pension benefits and includes postemployment healthcare benefits which are covered under The MTA OPEB plan.

Plan Administration – The Other Postretirement Plan is administered by the Board of Managers, which is comprised of:

(a) the persons holding the following positions:
   (i) the Chairman of the MTA;
   (ii) the MTA Chief Financial Officer; and
   (iii) the MTA Director of Labor Relations.

(b) Designation of Others – Any member of the Board of Managers, serving as such by virtue of holding a position described in (a) of this section, may, by written authorization filed with the Secretary, designate another individual, not then a member, to serve in that member's stead, in accordance with procedures established with the approval of the Executive Director of the MTA. Any such authorization may be revoked by the designating member at any time in writing filed in the same manner.

Postemployment benefits are part of an exchange of salaries and benefits for employee services rendered. Most OPEB have been funded on a pay-as-you-go basis and have been reported in financial statements when the promised benefits are paid.

OPEB Funding - During 2012, MTA funded $250 million into a Trust allocated between MTA Headquarters and MTA New York City Transit and funded an additional $50 million during 2013 allocated between MTA Long Island Rail Road and MTA Metro-North Railroad. There have been no further contributions made to the Trust. Since the amount of benefits paid during 2019 exceeds the current market value of assets, a depletion date is assumed to occur immediately. Therefore, the discount rate is set equal to the municipal bond index. MTA elected the Bond Buyer 20-Bond GO Index. As a result, the discount rates as of December 31, 2019 and December 31, 2018 are 2.74% and 4.10%, respectively.

Blended and Age-adjusted Premium (in thousands)	**2019 Retirees**	**2018 Retirees**
Total blended premiums	$660,539	$616,638
Employment payment for retiree healthcare	70,138	74,484
Retiree Contributions	-	-
Net Payments	$730,677	$691,122

The $70,138 and $74,484 employer payments for retiree healthcare shown in the preceding table are cash payments in the years 2019 and 2018, respectively. Based on the premium rate structure of NYSHIP, it is part of the employers' payments for active-employee healthcare benefits; and reflects the higher costs among retirees than actives. The $70,138 and $74,484, therefore, are not payments for active-employee benefits; rather, but represents benefit payment for healthcare coverage for the years 2019 and 2018 for retirees.

Significant Changes - House of Representatives ("H.R.") Bill 1865 Further Consolidated Appropriations Act, 2020 repealed the Cadillac tax on health plans. This change decreased the liability by $742 million as of the valuation date using a discount rate of 4.10%.

2. PLAN DESCRIPTION, ELIGIBILITY AND MEMBERSHIP INFORMATION

The benefits provided by the MTA Group include medical, pharmacy, dental, vision, life insurance and a Medicare supplemental plan. The different types of benefits provided vary by MTA agency and relevant collective bargaining agreements. Certain benefits are provided upon retirement. "Retirement" is defined by the applicable pension plan. Certain MTA Group agencies provide benefits to certain former employees if separated from service within 5 years of attaining retirement eligibility. Employees of the MTA Group are members of the following pension plans: the MTA Defined Benefit Pension Plan ("MTADBPP"), the MTA

Long Island Rail Road Plan for Additional Pensions, the Metro-North Cash Balance Plan, the Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA") Pension Plan, the New York City Employees' Retirement System ("NYCERS") and the New York State and Local Employees' Retirement System ("NYSLERS"). Certain represented employees of Metro-North Railroad participate in the Thrift Plan for Employees of MTA, its Subsidiaries and Affiliates ("401(k) Plan"). Eligible employees of the MTA Group may elect to join the New York State Voluntary Defined Contribution Plan ("VDC").

The MTA Group participates in the New York State Health Insurance Program ("NYSHIP"), and provides medical and prescription drug benefits, including Medicare Part B reimbursements, to many of its retirees. NYSHIP offers a Preferred Provider Organization ("PPO") plan and several Health Maintenance Organization ("HMO") plans. However, represented MTA New York City Transit employees, other MTA New York City Transit former employees who retired prior to January 1, 1996 or January 1, 2001, MTA Staten Island Railway represented employees as of March 1, 2010, June 1, 2010 or January 1, 2013 depending on the union and MTA Bus Company represented employees do not participate in NYSHIP. These benefits are provided through a self-insured health plan, a fully insured health plan or an HMO.

The MTA is a participating employer in NYSHIP. The NYSHIP financial report can be obtained by writing to NYS Department of Civil Service, Employee Benefits Division, Alfred E. Smith Office Building, 805 Swan Street, Albany, NY 12239.

GASB 74 requires employers to perform periodic actuarial valuations to determine annual accounting costs, and to keep a running tally of the extent to which these amounts are over or under funded. The valuation must be performed at least biennially. The most recent biennial valuation was performed with a valuation date of July 1, 2019. The total number of plan participants as of July 1, 2019 receiving retirement benefits was approximately 47 thousand.

Plan Eligibility — Generally, to qualify for benefits under the Plan, a former employee of The MTA must:

- have retired, be receiving a pension (except in the case of the 401(k) Plan and the New York State VDC), and have at least 10 years of credited service as a member of NYCERS, NYSLERS, the MTADBPP, the MaBSTOA Pension Plan, the 401(k) Plan or the VDC and have attained a minimum age requirement (unless within 5 years of commencing retirement for certain members); provided, however, a represented retired employee may be eligible only pursuant to the relevant collective bargaining agreement.

- Surviving Spouse and Other Dependents:

  (i) Lifetime coverage is provided to the surviving spouse (not remarried) or domestic partner and surviving dependent children to age 26 of retired managers and certain non-represented retired employees.

  (ii) Represented retired employees must follow the guidelines of their collective bargaining agreements regarding continued health coverage for a surviving spouse or domestic partner and surviving dependents. For represented employees of MTA New York City Transit and MTA Staten Island Railway retiring on or after May 21, 2014 for TWU Local 100, September 24, 2014 for ATU Local 726, October 29, 2014 for ATU Local 1056, March, 25, 2015 for TCU and December 16, 2015 for UTU and ATDA, surviving spouse coverage continues until spouse is eligible for Medicare.

  (iii) Lifetime coverage is provided to the surviving spouse (not remarried) or domestic partner and surviving dependents of retired uniform members of the MTA Police Department.

(iv) Lifetime coverage is provided to the surviving spouse (not remarried) or domestic partner and surviving dependent children to age 26 of uniformed members of the MTA Police Department whose death was sustained while in performance of duty.

Benefits are established and amended by the MTA, except to the extent that they have been established by collective bargaining agreement.

Plan Membership — As permitted under GASB 74, the Plan has elected to use July 1, 2019, as the valuation date of the OPEB actuarial valuation. The Plan's combined membership consisted of the following at July 1, 2019 and July 1, 2017, the date of the most recent OPEB actuarial valuation:

	July 1, 2019	July 1, 2017
Active Plan members	73,588	72,047
Inactive Plan members currently receiving Plan benefit payments	46,994	45,330
Inactive Plan members entitled to but not yet receiving benefit payments	186	254
Total number of participating employees	120,768	117,631

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The Plan's financial statements are prepared on the accrual basis of accounting under which deductions are recorded when the liability is incurred and revenues are recognized in the accounting period in which they are earned. Employer contributions are recognized when paid in accordance with the terms of the Plan. Additions to the Plan consist of employer contributions and net investment income. Investment purchases and sales are recorded as of trade date.

The financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America, as prescribed by Government Accounting Standards Board ("GASB").

New Accounting Standards Adopted – The Plans adopted GASB Statement No. 84, *Fiduciary Activities.* This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

A fiduciary component unit, when reported in the fiduciary fund financial statements of a primary government, should combine its information with its component units that are fiduciary component units and aggregate that combined information with the primary government's fiduciary funds. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. There was no material impact on the Program's financial statements as a result of the implementation of GASB Statement No. 84.

GASB Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance,* provides temporary relief to government and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides that first became effective for periods beginning after June 15, 2018 and later. GASB Statement No. 95 is effective immediately. The adoption of this Statement had no impact on the Plan's financial statements. However, the Plan did update the required year of adoption for GASB Statement No. 92. Refer to Accounting Standards Issued but Not Yet Adopted for further details.

Recent Accounting Pronouncements — Not yet adopted but currently being reviewed

GASB Statement No.	GASB Accounting Standard	MTA Welfare Benefits Plan Required Year of Adoption
92	*Omnibus 2020*	2022

Investments — The Plan's investments are those which are held in the Trust. Investments are reported on the statements of plan net position at fair value based on quoted market prices or Net Asset Value, which is determined to be a practical expedient for measuring fair value. Investment income, including changes in the fair value of investments, is reported on the Statements of changes in Plan net position during the reporting period.

Benefit Payments — The Plan Sponsor makes direct payments of insurance premiums for healthcare benefits to OPEB Plan members or beneficiaries. Payments made directly to the insurers by the Plan Sponsor which bypass the trust are treated as additions and deductions from the Plan's net position. Additionally, premium payments on behalf of retirees have been adjusted to reflect age-based claims cost.

Administrative Expenses — Administrative expenses of the Plan are paid for by the Plan.

4. INVESTMENTS

Investment Policy – The Plan's policy statement is issued for the guidance of fiduciaries, including the members of the Board of Managers, during the course of investing the assets of the Trust. The investments of the Trust will be made for the exclusive benefit of the Plan participants and their beneficiaries. Policy guidelines may be amended by the Board of Managers upon consideration of the advice and recommendations of investment professionals.

In order to have a reasonable probability of achieving the target return at an acceptable risk level, the Board has adopted the asset allocation policy outlined below. The actual asset allocation will be reviewed on, at least, annually. The following was the Board of Managers adopted asset allocation policy as at December 31, 2019.

Asset Class	Target Allocation (%)	Policy Benchark
Global Equity	35.0	MSCI ACWI
Fixed Income	18.0	Manager Specific
Global Asset Allocation*	30.0	50% World Equity/ 50% Citigroup WGBI unhedged
Absolute Return	12.0	Manager Specific
Real Assets	5.0	Manager Specific
Total	100.0	

* The Global Asset Allocation managers will invest across numerous liquid asset classes including: stocks, bonds, commodities, TIPS and REITs.

Investment Objective — The investment objective of the Plan is to achieve the actuarial return target with an appropriate risk position.

Investment Guidelines — The Committee of the MTA Retiree Welfare Benefits Plan is in the process of creating investment guidelines with the Plan's investment advisor ("NEPC") that will address and execute investment management agreements with professional investment management firms to manage the assets of the Plan. However, the Committee of the MTA Retiree Welfare Benefits Plan allows the Plan to follow the Investment Guidelines established by the Board of Managers of Pensions for the MTA Defined Benefit Pension Plan.

Credit Risk — At December 31, 2019 and 2018 the following credit quality rating has been assigned by a nationally recognized rating organization:

	2019		2018	
Quality Rating	Fair Value	Percentage of Fixed Income Portfolio	Fair Value	Percentage of Fixed Income Portfolio
AAA	$ 45,811,863	26.11 %	$ 20,278,622	12.32 %
AA	16,151,651	9.20	19,107,945	11.61
A	14,159,173	8.07	6,172,007	3.75
BBB	15,574,742	8.88	18,148,858	11.03
BB	13,456,019	7.67	7,043,718	4.28
B	3,303,554	1.88	7,515,217	4.57
CCC	673,589	0.38	1,548,821	0.94
Not Rated	24,259,798	13.82	37,690,173	22.90
Credit risk debt securities	133,390,389	76.01	117,505,361	71.40
U.S. Government bonds	42,093,760	23.99	47,059,433	28.60
Total fixed income securities	175,484,149	100.00 %	164,564,794	100.00 %
Other securities not rated — equity, international funds and foreign corporate bonds	239,445,245		186,973,564	
Total investments	$ 414,929,394		$ 351,538,358	

Interest Rate Risk — Interest rate risk is the risk that changes in interest rates that will affect the fair value of an investment. Duration is a measure of sensitivity to interest rate risk. The greater the duration of a bond or portfolio of bonds, the greater its price volatility will be in response to a change in interest rate risk and vice versa. Modified duration is an indicator of bond price's sensitivity to a parallel 100 basis point change in interest rates.

	2019		2018	
Investment Fund	Fair Value	Duration	Fair Value	Duration
Allianz Structured Alpha	$ 23,540,148	0.13	$ 19,946,008	0.13
Baird Aggregate Bond Fund	37,499,321	5.87	26,964,426	5.87
Bridgewater Pure Alpha Major Markets Fund	13,181,218	(3.42)	13,922,247	(7.10)
Bridgewater All Weather Fund	45,835,342	5.60	39,301,664	8.30
GAM Unconstrained Bond Fund	-	-	5,847,591	0.10
Pimco All Asset Fund	36,898,507	4.40	32,883,226	3.41
State Street Real Asset Non-Lending Fund	15,141,135.61	4.67	-	-
Wellington Diversified Inflation Hedge Fund	-	-	14,004,652	0.40
Wellington Blended Emerging Markets Debt Fund	15,738,791	6.44	15,676,047	5.44
Wellington Opportunistic Investment Fund	19,388,978	5.80	27,903,228	1.40
Investments with duration	207,223,441		196,449,088	
Portfolio modified duration		4.25		3.21
Investments with no duration reported	207,705,953		155,089,270	
Total investments	$ 414,929,394		$ 351,538,358	

Credit Risk — For investments, custodial credit risk is the risk that in the event of the failure of the Trustee Bank, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to credit risk if the securities are uninsured and are not registered in the name of the Trust.

Concentration of Credit Risk — The Plan places no limit on the amount the Trust may invest in any one issuer of a single issue. Individual investments held by the Plan that represents 5.0% or more of the Plan's net assets available for benefits at December 31, 2019 and 2018 is as follows:

	2019		2018	
Issuer	% of Total Investments	of Total Investments	% of Total Investments	of Total Investments
Artisan Global Opportunities Fund	16 %	$ 66,215,152	14 %	$ 48,703,546
Dreyfus Global Stock Fund	14	59,542,188	13	45,931,005
Hexavest World Equity Fund	12	50,222,157	12	41,550,013
Bridgewater All Weather Fund	11	45,835,342	11	39,301,664
PIMCO All Asset Fund	9	36,898,507	9	32,883,226
Wellington Opportunities Investment Fund **	-	-	8	27,903,229
Baird Aggregate Bond Fund	9	37,499,321	8	26,964,426
Allianz Structured Alpha Fund	6	23,540,148	6	19,946,008
Wellington Blended Emerging Markets Fund	5	19,388,978	*	*

* Amounts did not meet the 5.0% threshold, in the current year and thus are not shown.
** No longer included in portfolio

Foreign Currency Risk — Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. Some of the Plan's investment managers will have foreign currency exposure through holdings of foreign securities, currency derivatives or private investments whose revenue will be non-USD based. The Plan's foreign currency exposures as of December 31, 2019 and 2018 is as follows:

Foreign Currency Holdings in US $	December 31, 2019	December 31, 2018
Argentine Peso	$ 134,304	$ 257,246
Asia ex Japan	714,336	939,508
Australian Dollar	4,563,089	2,325,107
Bermudian Dollar	-	167,419
Brazilian Cruzeiro Real	3,617,541	2,564,109
Canadian Dollar	1,005,600	2,343,303
Chilean Peso	336,808	440,572
Colombian Peso	302,558	581,350
Croatia Kuna	-	136,068
Chinese Yuan Renminbi	2,199,597	2,080,702
Czech Republic Koruna	334,359	379,664
Danish Krone	3,817,459	3,013,341
Dominican Peso	103,316	3,288
Egyptian Pound	314,883	194,987
Euro	19,395,092	25,299,785
Ghanaian Cedi	-	23,514
Great Britain Pound Sterling	17,398,569	17,872,933
Hong Kong Dollar	10,342,612	8,395,606
Hungarian Forint	518,878	706,468
Iceland Krona	313,202	558,065
Indian Rupee	2,988,547	2,181,171
Indonesia Rupiah	2,569,146	1,324,838
Israeli Shekel	105,033	296,203
Japanese Yen	13,137,118	12,587,155
Kazakhstan Tenge	14,759	13,153
Malaysian Ringgit	472,608	487,897
Mauritian Rupee	-	111,613
Mexican New Peso	1,444,613	967,953
New Zealand Dollar	210,221	(589,369)
Norwegian Krone	158,823	724,443
Pakistani Rupee	-	312
Peruvian Nuevo Sol	242,437	342,236
Philippine Peso	157,638	215,305
Polish Zloty	445,447	811,638
Qatar Riyal	6,355	6,464
Romanian Leu	194,558	258,975
Russian Federation Rouble	3,294,566	1,266,540
Saudi Riyal	14,041	-
Singapore Dollar	453,960	689,388
South African Rand	1,553,549	1,215,085
South Korean Won	3,208,043	1,659,753
Swedish Krona	579,480	902,973
Swiss Franc	10,172,713	9,937,130
Taiwanese New Dollar	1,337,877	429,289
Thai Baht	627,568	685,044
Turkish Lira	283,541	395,304
Ukrainian Hryvnia	89,292	23,018
UAE Dirham	1,332	9,757
Uruguayan Peso	3,690	6,577
Total	$ 109,179,158	$ 105,242,880

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In year 2015, the MTA Retiree Welfare Benefits Plan adopted GASB Statement No. 72 ("GASB 72"), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements. For the years ended December 31, 2019 and 2018, the Plan reported all of its investments at Net Asset Value ("NAV") and thus fair value leveling measurement was not required.

Investments measured at NAV

	December 31, 2019	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Equity Securities:				
Commingled international equity funds	$ 50,222,157	$ -	Daily	None
International equity mutual funds	125,757,340	-	Daily, monthly	None
Total equity investments measured at the NAV	175,979,497	-		
Debt Securities				
Commingled debt funds	72,627,090		Daily, monthly, quarterly	None
Mutual funds	16,334,205		Daily	None
Total debt investments measured at the NAV	88,961,295	-		
Absolute return:				
Directional	23,540,148	-	Monthly	3-60 days
Global macro	13,181,218	-	Monthly	3-30 days
Global tactical asset allocation	36,898,507	-	Daily, monthly	3-30 days
Risk parity	45,835,342	-	Monthly	3-30 days
Total absolute return measured at the NAV	119,455,215	-		
Real assets				
Commingled commodities fund	15,141,136	-	Not eligible	N/A
Total real assets measured at the NAV	15,141,136	-		
Short term investments measured at the NAV	15,392,251			
Total investments measured at the NAV	$ 414,929,394	$ -		

Investments measured at NAV

	December 31, 2018	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Equity Securities:				
Commingled international equity funds	$ 41,550,013	$ -	Daily	None
International equity mutual funds	94,634,551	-	Daily, monthly	None
Total equity investments measured at the NAV	136,184,564	-		
Debt Securities				
Commingled debt funds	48,488,064		Daily, monthly, quarterly	None
Mutual funds	11,293,409		Daily	None
Total debt investments measured at the NAV	59,781,473	-		
Absolute return:				
Directional	19,946,008	-	Monthly	3-60 days
Global macro	13,922,247	-	Monthly	3-30 days
Global tactical asset allocation	60,786,454	-	Daily, monthly	3-30 days
Risk parity	39,301,664	-	Monthly	3-30 days
Total absolute return measured at the NAV	133,956,373	-		
Real assets				
Commingled commodities fund	14,004,652	-	Not eligible	N/A
Total real assets measured at the NAV	14,004,652	-		
Short term investments measured at the NAV	7,611,296			
Total investments measured at the NAV	$ 351,538,358	$ -		

5. NET OPEB LIABILITY

The components of the net OPEB liability of the Plan for the years ended December 31, 2019 and 2018 were as follows (in thousands):

	December 31, 2019	December 31, 2018
Total OPEB liability	$ 21,531,473	$ 19,933,888
Fiduciary net position	414,827	351,380
Net OPEB liability	21,116,646	19,582,508
Fiduciary net position as a percentage of the total OPEB liability	1.93%	1.76%

The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB Statement No.74. Covered payroll is based on salary information provided as of the valuation date.

Additional Important Actuarial Valuation Information

	2019	2018
Valuation date	July 1, 2019	July 1, 2017
Measurement date	December 31, 2019	December 31, 2018
Reporting date	December 31, 2019	December 31, 2018
Actuarial cost method	Entry Age Normal	Entry Age Normal
Normal cost increase factor	4.50%	4.50%

Discount Rate – 2.74% per annum as of December 31, 2019 (Bond Buyer General Obligation 20-Bond Municipal Bond Index) and 4.10% per annum as of December 31, 2018.

	2019	2018
Discount rate	2.74%	4.10%
Long-term expected rate of return, net of investment expense	5.75%	6.50%
Bond Buyer General Obligation 20-Bond Municipal Bond Index	2.74%	4.10%

The Plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the Plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payments, to the extent that the Plan's fiduciary net position is not projected to be sufficient.

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

The following presents the net OPEB liability of the Authority, calculated using the discount rate of 2.74 percent; as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.74 percent) or 1-percentage point higher (3.74 percent) than the current rate:

2019
(in thousands)

	1% Decrease 1.74%	Current Discount Rate 2.74%	1% Increase 3.74%
Net OPEB liability	$24,232,661	$21,116,646	$18,552,646

The following presents the net OPEB liability of the Authority, calculated using the current healthcare cost trend rates as well as what the Authority's net OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

2019
(in thousands)

	1% Decrease	* Current Trend Rate	1% Increase
Net OPEB liability	$18,031,859	$21,116,646	$25,019,480

* See Health Care Cost Trend Rates table on page 32 of report.

The following presents the net OPEB liability of the Authority, calculated using the discount rate of 4.10 percent; as well as what the Authority's net OPEB would be if it were calculated using a discount rate that is 1-percentage point lower (3.10 percent) or 1-percentage point higher (5.10 percent) than the current rate:

2018
(in thousands)

	1% Decrease 3.10%	Current Discount Rate 4.10%	1% Increase 5.10%
Net OPEB liability	$22,402,766	$19,582,508	$17,257,324

The following presents the net OPEB liability of the Authority, calculated using the current healthcare cost trend rates as well as what the Authority's net OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

2018
(in thousands)

	1% Decrease	* Current Trend Rate	1% Increase
Net OPEB liability	$16,727,628	$19,582,508	$23,171,172

* See Health Care Cost Trend Rates table on page 31 of report.

Calculation on Money-Weighted Rate of Return

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the middle of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

	Net External Cash Flows	Periods Invested	Period Weight	Cash Flows With Interest
Beginning Value - January 1, 2019	$351,380,483	12.00	1.00	$415,045,130
Monthly net external cash flows:				
January	(16,696)	11.50	0.96	(19,590)
February	(16,696)	10.50	0.88	(19,330)
March	(16,696)	9.50	0.79	(19,043)
April	(16,696)	8.50	0.71	(18,791)
May	(16,696)	7.50	0.63	(18,542)
June	(16,696)	6.50	0.54	(18,266)
July	(16,696)	5.50	0.46	(18,025)
August	(16,696)	4.50	0.38	(17,786)
September	(16,696)	3.50	0.29	(17,522)
October	(16,696)	2.50	0.21	(17,290)
November	(16,696)	1.50	0.13	(17,061)
December	(16,696)	0.50	0.04	(16,807)
Ending Value - December 31, 2019				$414,827,077
Money-Weighted Rate of Return	18.12%			

2018 Schedule of Calculations of Money-Weighted Rate of Return

	Net External Cash Flows	Periods Invested	Period Weight	Net External Cash Flows With Interest
Beginning Value - January 1, 2018	$370,352,332	12.00	1.00	$351,435,005
Monthly net external cash flows:				
July	(4,664)	11.50	0.96	(4,435)
August	(4,664)	10.50	0.88	(4,454)
September	(4,664)	9.50	0.79	(4,475)
October	(4,664)	8.50	0.71	(4,494)
November	(4,664)	7.50	0.63	(4,512)
December	(4,664)	6.50	0.54	(4,534)
January	(4,664)	5.50	0.46	(4,553)
February	(4,664)	4.50	0.38	(4,572)
March	(4,664)	3.50	0.29	(4,594)
April	(4,664)	2.50	0.21	(4,613)
May	(4,664)	1.50	0.13	(4,632)
June	(4,664)	0.50	0.04	(4,654)
Ending Value - December 31, 2018				$351,380,483
Money-Weighted Rate of Return	-5.11%			

Calculation on Long-Term Expected Rate of Return

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of December 31, 2019 and 2018.

SCHEDULE OF LONG TERM EXPECTED RATE OF RETURN FOR 2019

Asset Class	Index	Target Allocation*	Long-Term Expected Arithmetic Real Rate of Return
US Cash	BAML 3-Month Treasury Bill	3.50%	0.04%
US Core Fixed Income	Barclays Aggregate	13.00%	1.51%
US Inflation-Indexed Bonds	Barclays US TIPS	4.00%	0.71%
Emerging Market Bonds	JPM EMBI Plus	5.00%	3.36%
Global Equity	MSCI ACWI NR	42.00%	5.28%
Commodities	Dow Jones UBS	3.50%	2.79%
Hedge Funds - MultiStrategy	HFRI: Fund Wtd Composite	29.00%	3.26%
Assumed Inflation - Mean			2.50%
Assumed Inflation - Standard Deviation			1.65%
Portfolio Nominal Mean Return			5.92%
Portfolio Standard Deviation			9.27%
Long-Term Expected Rate of Return selected by MTA			5.75%

* Based on March 2014 Investment Policy

SCHEDULE OF LONG TERM EXPECTED RATE OF RETURN FOR 2018

Asset Class	Index	Target Allocation*	Long-Term Expected Arithmetic Real Rate of Return
US Core Fixed Income	Barclays Aggregate	13.00%	2.03%
Global Bonds	Citi WGBI	15.00%	41.00%
Emerging Market Bonds	JPM EMBI Plus	5.00%	3.76%
Global Equity	MSCI ACWI NR	35.00%	5.65%
Non-US Equity	MSCI ACWI xUS NR	15.00%	6.44%
Global REITS	FTSE EPRA/NAREIT Developed	5.00%	5.80%
Hedge Funds - MultiStrategy	HFRI: Fund Wtd Composite	12.00%	3.28%
Assumed Inflation - Mean			2.50%
Assumed Inflation - Standard Deviation			1.65%
Portfolio Nominal Mean Return			6.65%
Portfolio Standard Deviation			10.39%
Long-Term Expected Rate of Return selected by MTA			6.50%

* Based on March 2014 Investment Policy

6. OPEB ACTUARIAL COSTS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive OPEB 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 of benefit costs between the employer and plan members to that point. The MTA may not be obligated to provide the same types or levels of benefits to retirees in the future.

Actuarial Assumptions - The non-healthcare assumptions described below were adopted by the Authority based on experience analyses covering the period from January 1, 2006 – December 31, 2011 dated July 24, 2013 for members of the MaBSTOA Pension Plan and dated June 5, 2014 for members of the MTA DB Plan, in addition to a postretirement mortality study covering the period from January 1, 2011 – January 1, 2016 dated August 10, 2017. In addition, demographic assumptions are based on those used in the most recent NYCERS or NYSLRS actuarial valuations for MTA employees participating in these city-wide or state-wide pension plans.

Actuarial Cost Method — In accordance with GASB 74, the Entry Age Normal cost method was used for determining service costs and the actuarial accrued liability. Costs are determined as a level percent of pay.

Census data was collected as of July 1, 2019, which is the valuation date. Liabilities as of December 31, 2019 were determined using roll-forward methods, assuming no liability gains and losses. Past and future normal costs were assumed to increase 4.5% per year.

Changes since Prior Valuation — The discount rate has been changed from 4.10% as of December 31, 2018 to 2.74% as of December 31, 2019 due to changes in the applicable municipal bond index.

Certain actuarial assumptions have been updated to reflect the 2019 Experience Study for members participating in the MTA DB Plan and MaBSTOA pension plan and to reflect those used in the NYCERS June 30, 2017 Lag Valuation for members participating in NYCERS.

Various healthcare assumptions have been updated since the prior valuation including the per capita claim costs assumption, health cost trend assumptions.

The coverage election rates for the self-insured medical plans were revised as follows:

- For MTA Bus, the percentage electing Aetna Basic was decreased from 90% to 80% and the percentage electing Aetna Select was increased from 10% and 20%.
- For those electing a Medicare Advantage Plan, the percentage electing Aetna Option 1 was decreased from 67% to 60% and the percentage electing Aetna Option 2 was increased from 33% to 40%.

In addition, the dependent coverage assumption was reduced from 45% to 35% for female eligible members participating in NYSHIP and from 35% to 25% for female eligible members participating in self-insured programs administered by NYC Transit.

Inflation Rate — 2.5% per annum compounded annually.

Per Capita Claim Costs (“PCCC”) — For members that participate in NYSHIP, Empire PPO plan premium rates paid by Participating Agencies for 2017 were adjusted to reflect differences by age in accordance with Actuarial Standard of Practice No. 6. Premiums paid by Participating Agencies differ based on Medicare-eligible status whereas premiums paid by Participating Employers do not. The age adjustments were based on manual rates developed from Milliman’s Commercial Rating Structures and Ages 65 and Over Health Cost Guidelines® (HCGs), Empire PPO plan design information, and actuarial judgment. Pre and post-65 NYSHIP premium rates were adjusted separately to be consistent with the way in which demographic factors were developed. These per capita costs may be loaded to account for Agency specific coverage election assumptions. The Medicare Part B premium is not included. For spouses and beneficiaries under age 65, the age-adjusted premiums shown below are increased by 15% to reflect the additional cost of covered children. This load base on the total number of dependent children (3,900) for all MTA Agencies participating in NYSHIP multiplied by the 2019 per member cost per child ($322 per month) divided by expected age-adjusted cost for spouses under age 65.

Age Adjusted Monthly NYSHIP Empire PPO Premiums

Age Group	Males	Females	Age Group	Males	Females
<50	1,233.93	1,806.06	65 - 69	512.44	485.49
50 - 54	1,377.74	1,532.73	70 - 74	559.87	512.93
55 - 59	1,486.47	1,524.02	75 - 79	592.24	529.31
60 - 64	1,795.04	1,712.76	80 - 84	600.37	531.45
			85+	585.08	523.89

For the self-insured medical and pharmacy plan administered by MTA New York City Transit, PCCCs were determined for 2019 based upon a combination of MTA claim experience, MTA census data, MTA plan design information, manual rates from the Milliman Commercial Rating Structures and Ages 65 and Over Health Cost Guidelines® (“HCGs”), and actuarial judgment.

MTA and the carrier provided Milliman with summarized medical (Aetna Basic and Aetna Select plans) and pharmacy claim experience (Employer Group Waiver Plan (“EGWP”) and non-EGWP plans), split between those eligible and not eligible for Medicare, for covered retirees of MTA Bus Company, MTA New York City Transit, and MTA Staten Island Railway for 2019. In addition, the MTA provided associated premium rates for each of the plans. Enrollment data was based on covered members provided by MTA as of the valuation date. Milliman used the HCGs to develop PCCC relativity factors that varied by benefit, age and gender. Finally, per capita costs were adjusted by an administrative load. Administrative costs were provided on a per contract basis by MTA and were $42.89 per month for Aetna Basic under 65, $45.50 for Aetna Select and $26.16 for Aetna Basic 65 and over.

EGWP PCCCs are based on the premium equivalents provided reflecting the Medicare subsidies available to this plan. Relativity factors varying by age and gender are based on Medicare slopes developed by Milliman.

In addition, PCCCs were developed for the Aetna Medicare plans based on the premium equivalents provided and reflecting relativity factors by age and gender based on Medicare slopes developed by Milliman. The following charts detail the monthly 2019 PCCCs used in this valuation.

Monthly Medical Per Capita Claim Cost

Age Group	Male Retirees	Female Retirees	Male Spouses	Female Spouses
		Aetna Basic		
Child	n/a	n/a	257.61	257.61
<50	859.95	1,292.86	581.24	726.83
50-54	964.60	1,093.52	696.21	814.57
55-59	1,037.79	1,074.21	796.23	877.62
60-64	1,257.26	1,209.43	998.03	991.30
65-69	175.03	185.04	175.03	185.04
70-74	211.76	210.41	211.76	210.41
75-79	246.67	232.79	246.67	232.79
80-84	278.57	265.41	278.57	265.41
85+	343.61	325.88	343.61	325.88
		Aetna Select		
Child	n/a	n/a	277.27	277.27
<50	918.85	1,391.77	619.98	780.93
50-54	1,021.19	1,171.38	736.18	871.72
55-59	1,094.72	1,145.84	839.19	935.54
60-64	1,321.35	1,283.08	1,048.29	1,051.10
		Aetna Medicare Option 1		
65-69	184.91	184.14	184.91	184.14
70-74	190.94	192.02	190.94	192.02
75-79	205.47	198.36	205.47	198.36
80-84	216.29	207.01	216.29	207.01
85+	232.67	223.55	232.67	223.55
		Aetna Medicare Option 2		
65-69	156.76	156.11	156.76	156.11
70-74	161.82	162.73	161.82	162.73
75-79	174.01	168.05	174.01	168.05
80-84	183.10	175.31	183.10	175.31
85+	196.85	189.19	196.85	189.19

Monthly Pharmacy Per Capita Claim Cost

Age Group	Male Retirees	Female Retirees	Male Spouses	Female Spouses
		Basic Rx Plan		
Child	n/a	n/a	51.81	51.81
<50	220.57	287.01	147.93	160.05
50-54	227.54	253.44	163.33	187.99
55-59	245.09	268.68	187.29	218.88
60-64	275.29	288.91	217.92	236.21
65-69	296.39	272.19	296.39	272.19
70-74	317.27	284.08	317.27	284.08
75-79	328.31	285.26	328.31	285.26
80-84	321.42	275.25	321.42	275.25
85+	276.16	228.39	276.16	228.39
		EGWP Rx Plan		
65-69	246.13	217.19	246.13	217.19
70-74	219.74	191.12	219.74	191.12
75-79	207.02	177.44	207.02	177.44
80-84	196.84	159.95	196.84	159.95
85+	177.13	131.02	177.13	131.02

Monthly Medicare Part B premiums were assumed to be $135.5 for 2019 and $134 for 2018.

Premium rates for dental and vision benefits were used as provided by the Agencies.

Health Cost Trend — The healthcare trend assumption is based on the Society of Actuaries-Getzen Model version 2019 utilizing the baseline assumptions included in the model, except inflation of 2.5% for medical and pharmacy benefits. Additional adjustments apply based on percentage of costs associated with administrative expenses, aging factors, healthcare reform provisions including changes due to the H. R. 1865 (December 2019), separately for NYSHIP and self-insured benefits administered by MTA New York City Transit. Long -term trend increases are 3.5% for dental and vision benefits and 4.5% for Medicare Part B reimbursements but not more than projected medical and pharmacy trends. The self-insured trend is applied directly for represented employees of MTA New York City NYC Transit, MTA Staten Island Railway and MTA Bus Company. The following lists illustrative rates for the NYSHIP and self-insured trend assumptions (amounts are in percentages).

Health Care Cost Trend Rates

Fiscal Year	NYSHIP		TBTA No Rx		Self-Insured	
	< 65	>=65	< 65	>=65	< 65	>=65
2019 to 2020	6.8	5.9	6.2	4.0	6.5	5.1
2020 to 2021	6.2	5.7	5.8	4.0	6.1	5.1
2021 to 2022	5.7	5.4	5.5	4.6	5.6	5.1
2022 to 2023	5.1	5.1	5.1	5.1	5.1	5.1
2023 to 2024	5.1	5.1	5.1	5.1	5.1	5.1
2024 to 2025	5.0	5.0	5.0	5.0	5.0	5.0
2025 to 2026	5.0	5.0	5.0	4.9	5.0	5.0
2026 to 2027	4.9	4.9	4.9	4.9	4.9	4.9
2027 to 2028	4.8	4.8	4.8	4.8	4.8	4.8
2028 to 2029	4.8	4.8	4.8	4.8	4.8	4.8
2038 to 2039	4.9	4.9	4.9	4.9	4.9	4.9
2048 to 2049	5.0	5.0	5.0	5.0	5.0	5.0
2058 to 2059	4.8	4.8	4.8	4.8	4.8	4.8
2068 to 2069	4.4	4.4	4.4	4.4	4.4	4.4
2078 to 2079	4.0	4.0	4.0	4.0	4.0	4.0
2088 to 2089	4.0	4.0	4.0	4.0	4.0	4.0
2098 to 2099	4.0	4.0	4.0	4.0	4.0	4.4

For purposes of applying the Entry Age Normal cost method, the healthcare trend prior to the valuation date are based on the ultimate rates, which are 4.0% for medical and pharmacy costs.

Participation — The table below summarizes the census data provided by each Agency utilized in the preparation of the actuarial valuation. The table shows the number of active and retired employees by Agency and provides a breakdown of the coverage elected and benefits offered to current retirees.

OPEB Participation By Agency as at July 1, 2019

	MTA New York City Transit	MTA Long Island Rail Road	MTA Metro-North Rail Road	MTA Bridges & Tunnels	MTAHQ	MTA Long Island Bus *	MTA Staten Island Railway	MTA Bus Company	Total
Active Members									
Number	51,454	7,719	6,773	1,350	1,957	N/A	328	4,007	73,588
Average Age	48.6	44.8	44.8	48.0	46.0	N/A	41.7	48.0	48.2
Average Service	12.8	12.7	11.8	14.8	12.3	N/A	9.9	11.5	13.4
Retirees									
Single Medical Coverage	13,967	714	470	561	258	95	34	979	17,078
Employee/Spouse Coverage	18,800	1,998	1,138	775	539	168	82	765	24,265
Employee/Child Coverage	1,145	104	76	46	22	17	3	30	1,443
No Medical Coverage	841	2,441	1,547	83	15	316	33	278	5,554
Total Number	34,753	5,257	3,231	1,465	834	596	152	2,052	48,340
Average Age of Retiree	72.2	70.1	71.1	70.6	66.3	69.6	66.5	71.3	71.5
Total Number with Dental	8,601	979	675	469	773	49	49	160	11,755
Total Number with Vision	32,166	979	675	469	773	49	119	1,761	36,991
Total No. with Supplement	26,522	2,019	438	875	-	448	112	1,488	31,902
Average Monthly Supplement Amount (Excluding Part B Premium)	$ 32	$ 239	$ 100	$ 215	$-	N/A	$ 70	$ 25	$ 50
Total No. with Life Insurance	7,722	4,883	841	434	746	494	117	1,883	17,120
Average Life Insurance Amount	$ 2,450	#######	######	######	######	######	######	#######	$ 9,215

* MTA LI Bus had 111 vestees as of date of valuation

Coverage Election Rates — The majority of members participating in NYSHIP are assumed to elect coverage in the Empire PPO plan. For certain agencies (MTA New York City Transit, MTA Bridges and Tunnels and MTA Staten Island Railway) a percentage of the membership is assumed to elect NYSHIP HIP plan and for the MTA Metro-North Railroad a percentage is assumed to elect ConnectiCare, an HMO plan.

Dependent Coverage - Spouses are assumed to be the same age as the employee/retiree. 80% of male and 35% of female eligible members participating in NYSHIP are assumed to elect family coverage upon retirement and 65% of male and 25% of female eligible members participating in self-insured programs administered by MTA New York City Transit are assumed to cover a dependent. Actual coverage elections for current retirees are used. Under age 65 spouses of over age 65 retirees are assumed to have elected the Aetna Select plan if the retiree elected Aetna Option 1 or Option 2. If a current retiree's only dependent is a child, eligibility is assumed for an additional 7 years from the valuation date.

Demographic Assumptions:

Mortality — Preretirement and postretirement health annuitant rates are projected on a generational basis using Scale AA. As a generational table, it reflects mortality improvements both before and after the measurement date. The post-retirement mortality assumption is based on an experience analysis covering the period from January 1, 2011 to December 31, 2015 for the MTA-sponsored pension plans.

Preretirement — RP-2000 Employee Mortality Table for Males and Females with blue-collar adjustments. No blue-collar adjustments were used for management members of MTAHQ.

Postretirement Healthy Lives — 95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with Blue Collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females. No blue-collar or percentage adjustments were used for management members of MTAHQ.

Postretirement Disabled Lives — RP-2014 Disabled mortality table for males and females.

Vestee Coverage — For members that participate in NYSHIP, Vestees (members who have terminated employment, but are not yet eligible to retire) are eligible for NYSHIP benefits provided by the Agency upon retirement, but must maintain NYSHIP coverage at their own expense from termination to retirement. Vestees are assumed to retire at first eligibility and would continue to maintain NYSHIP coverage based on the following percentages. This assumption is based on the Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 45/75 Valuation report provided to Participating Employers of NYSHIP. These percentages were also applied to current vestees based on age at valuation date.

Age at Termination	Percent Electing
< 40	0 %
40–43	5
44	20
45–46	30
47–48	40
49	50
50–51	80
52+	100

7. TRUSTEE, CUSTODIAL AND OTHER PROFESSIONAL SERVICES

The Plan and the Trust are administered by the MTA, including the day-to-day administration of the health insurance program. JP Morgan Chase, the trustee and custodian makes payments to health insurers and to welfare funds for retiree benefits, and reimbursements of retiree Medicare Part B premiums, as directed by the MTA. The MTA OPEB Committee is advised by NEPC with respect to the investment of Plan assets. Actuarial services were provided to the Plan by Milliman Inc.

8. SUBSEQUENT EVENTS

On March 25, 2020, Allianz Global Investors U.S. LLC ("AllianzGI), managing member of AllianzGI Structured Alpha 1000 LLC (the "Fund"), informed the Plan that it was in the best interest of its investors to terminate the Fund and pursue an orderly liquidation program. AllianzGI stated that the Fund suffered signifcant losses due to the severe and tumultuous market volatility as a result, in part, of the coronavirus pandemic. No redemptions were permitted after the announcement of the Fund closure. The Plan lost nearly all of its investment. Fund investors will receive a pro-rata distribution of the remaining assets after accounting for Fund expenses and liabilities. So far, the Fund has returned $644,124. The Plan is exploring all options to recover its losses.

MTA Capital Construction Company has been renamed MTA Construction and Development Company, was pursuant to an amendment to Public Authorities Law Section 1266(5).and will be reported as such in the future.

On March 25, 2020, the MTA OPEB Board approved the liquidation of the Trust investment portfolio to meet current OPEB expenses. The liquidation amounted to $336 million which was transferred out of the Trust to the MTA operating account to effect OPEB expense payments. As of May 31, 2020, the balance in the OPEB Trust cash account was $1.7 million.

The COVID-19 pandemic during 2020 has significantly disrupted financial markets, economies and other events subsequent to December 31, 2019. As noted in the risk and uncertainties note, investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

The actuarial present value of plan benefits is reported based on certain assumptions pertaining to interest rates and employee demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the value of plan benefits.

Subsequent to December 31, 2019, the impact to the Plan of the COVID-19 pandemic during 2020 has resulted in significant reductions in values to many investments of the Plan. It has also significantly decreased interest rates and could impact employee demographics which could change assumption utilized in the future for the actuarial present value of plan benefits.

While management of the Plan currently expects to be able to continue to meet immediate contribution requirements, the long-term impact of the effects of the COVID-19 pandemic to the Plan and Plan sponsor as well as any relief from regulatory authorities are currently not known. The extent of the adverse impact of the COVID-19 pandemic on the Plan's net assets available for benefits and actuarial present value of plan benefits cannot be reasonably estimated at this time.

The Covid-19 outbreak has resulted in a significant decline in ridership and vehicle crossings. The decline in ridership and vehicle crossings have caused a material impact on the MTA's results of operations, financial position, and cash flows in fiscal 2020. In response to the adverse conditions, the MTA has secured funding under the "Coronavirus Aid, Relief and Economic Security Act" or "CARES Act"; received State of New York authorization to increase debt issuing capacity, including $10 billion in deficit bonds; received State of New York authorization to use the Central Business District Tolling lockbox monies to fund COVID-19 operating costs; and has been granted flexibility to apply existing FTA grant program proceeds to operating costs or other purposes to address COVID-19 impacts. In addition, the volatility and uncertainty of the financial market have negatively affected the investment earnings of retirement plans. Although the long-term impact of the Covid-19 outbreak on the financial market is still unpredictable, it could have a negative impact on the market value of the Plan in future years.

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REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE I

METROPOLITAN TRANSPORTATION AUTHORITY
OTHER POSTEMPLOYMENT BENEFITS PLAN

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN THE EMPLOYERS' NET OPEB LIABILITY AND RELATED RATIOS
(in thousands)

		2019	2018	2017
Total OPEB liability:				
Service cost	$	928,573	1,011,981	876,723
Interest		840,532	758,494	757,860
Changes of benefit terms		-	8,543	24,446
Differences between expected and actual experience		247,871	(569,165)	(44,082)
Changes of assumptions		311,286	(1,964,746)	921,007
Benefit payments and withdrawals		(730,677)	(691,122)	(650,994)
Net change in total OPEB liability		1,597,585	(1,446,015)	1,884,960
Total OPEB liability – beginning		19,933,888	21,379,903	19,494,943
Total OPEB liability – ending (a)		21,531,473	19,933,888	21,379,903
Plan fiduciary net position:				
Employer contributions		730,677	691,122	650,994
Member contributions		-	-	-
Net investment income		63,647	(18,916)	47,370
Benefit payments and withdrawals		(730,677)	(691,122)	(650,994)
Administrative expenses & Transfer to investments		(200)	(56)	-
Net change in plan fiduciary net position		63,447	(18,972)	47,370
Plan fiduciary net position – beginning		351,380	370,352	322,982
Plan fiduciary net position – ending (b)		414,827	351,380	370,352
Employer's net OPEB liability – ending (a)-(b)	$	21,116,646	19,582,508	21,009,551
Plan fiduciary net position as a percentage of the total OPEB liability		1.93%	1.76%	1.73%
Covered payroll	$	5,608,536	5,394,332	5,041,030
Employer's net OPEB liability as a percentage of covered payroll		376.51%	363.02%	416.77%

In accordance with GASB No. 74, paragraph 39, such information was not readily available for periods prior to 2017.

METROPOLITAN TRANSPORTATION AUTHORITY
OTHER POSTEMPLOYMENT EMPLOYMENT

SCHEDULE II

Required Supplementary Information (Unaudited)
Schedule of Employer Contributions
(in thousands)

Fiscal Year Ending December 31	Actuarially Determined Contribution	* Actual Employer Contribution	Contribution Deficiency (Excess)		Covered Payroll	Actual Contribution as a % of Covered Payroll
2009	N/A	$ -	N/A		$ -	N/A
2010	N/A	-	N/A		-	N/A
2011	N/A	-	N/A		-	N/A
2012	N/A	-	N/A		-	N/A
2013	N/A	-	N/A		-	N/A
2014	N/A	-	N/A		-	N/A
2015	N/A	-	N/A		-	N/A
2016	N/A	-	N/A		-	N/A
2017	N/A	650,994	N/A	**	5,041,030	12.91%
2018	N/A	691,122	N/A		5,394,332	12.81%
2019	N/A	730,677	N/A		5,608,536	13.03%

* Actual Employer Contribution includes the implicit rate of subsidy adjustment.

** In accordance with GASB No. 74, paragraph 39, such information was not readily available for periods prior to 2017.

METROPOLITAN TRANSPORTATION AUTHORITY **SCHEDULE III**
OTHER POSTEMPLOYMENT PLAN

Required Supplementary Information (Unaudited)
Schedule of Investment Returns

The following table displays annual money-weighted rate of return, net of investment expense.

Fiscal Year Ending December 31	Net Money-Weighted Rate of Return
2009	N/A
2010	N/A
2011	N/A
2012	N/A
2013	N/A
2014	N/A
2015	N/A
2016	N/A
2017	14.67%
2018	-5.11%
2019	18.12%

In accordance with GASB No. 74, paragraph 39, such information was not readily available for periods prior to 2017.