

ACTUARIAL VALUATION REPORT

AS OF JANUARY 1, 2011

December 9, 2011

Retirement Allowance Committee
MARTA / ATU Local 732
Employees Retirement Plan
Atlanta, Georgia

Actuarial Valuation as of January 1, 2011

Dear Committee Members:

Enclosed is our report on the Actuarial Valuation of the MARTA / ATU Local 732 Employees Retirement Plan for the Plan Year beginning January 1, 2011. The valuation results are based on the benefits in effect January 1, 2011, the participant census data submitted as of January 1, 2011, the financial information provided as of December 31, 2010 and the actuarial assumptions and methods described in this report. The participant data was provided by American Benefit Plan Administrators, Inc. We wish to acknowledge their help and cooperation in supplying us with that information. Financial information was extracted from the Audit Report prepared by Mauldin & Jenkins, LLC.

The purpose of the report is to present the Committee a picture of the financial condition of the MARTA / ATU Local 732 Employees Retirement Plan as of January 1, 2011 and to provide disclosure information to the Fund Auditor as well as governmental or other interested parties. Included in the presentation of the financial picture are the valuation results and development of the contribution requirements; the funded status of the Plan relating to the adequacy on an ongoing basis (FASB 35); a disclosure of the financial position (GASB 25 and 50) and the Net Pension Obligation (GASB 27) of the fund, and an analysis of Plan experience.

Sincerely,

J. Scott Haynsworth, A.S.A., M.A.A.A., E.A.
Principal

Harry S. Lutz, F.S.A., M.A.A.A., E.A.
Senior Actuary

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

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MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 1 - SUMMARY

HIGHLIGHTS

The results of the January 1, 2011 Actuarial Valuation indicate that the combined Employer and Employee Required Contributions are 10.29% of Payroll as compared with 11.05% for the prior valuation. At a minimum, the Employer and Employee Contributions must currently represent 4.48% and 2.45% respectively, of total pensionable pay for the Plan Year (6.93% in total) as specified in the Plan. Our initial projections indicate the required percentage will be pressured to increase over the next 5 years, as net asset losses are recognized with the smoothing method. However, significant asset gains such as those experienced in 2009 and 2010 will help to mitigate that effect.

The Total Required Contribution decreased 0.76% when expressed as a percentage of Covered Payroll. The decrease is primarily attributable to the decrease in covered members from the prior year associated with the workforce reductions. The Actuarial Value of Assets return was 5.0% in 2010 which is lower than the 7.5% assumed rate of return, reflecting the continuing delayed recognition of the investment losses incurred in 2008 through the smoothing method. This resulted in a 0.70% increase in the required percentage. Actuarial experience not related to investments was very favorable and decreased the required percentage by 1.46%. Actuarial experience includes the actual rates of mortality, disability, retirement and termination occurrences, the demographics of new entrants and who they replace in the Plan, the rate of conversion from temporary to total and permanent disability, and the workforce reduction in 2010 along with the actual salary increases of the Participants. Payroll of participants not expected to retire (Covered Payroll) decreased by 8.5% during the last year. The combination of all these factors resulted in a net decrease in the required percentage.

MARTA and ATU Local 732 recently finalized an increase in the contribution rates for both parties. The contribution rates will increase from 4.48% and 2.45% to 8.09% and 4.41% for MARTA and the participants respectively beginning in May 2011. Therefore the combined contribution rate of 12.5% should exceed the minimum required amount for 2012 of 10.28%. However, MARTA contributed an extra amount in 2010 necessary to ensure proper minimum funding under State law. Accordingly, because the Plan Document stipulates contributions be shared on an 11 to 6 ratio, MARTA and the union have also agreed to temporarily reduce the MARTA percentage for 2012 by approximately 2.0% to balance those ratios again.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 1 - SUMMARY

Plan Year Beginning	01/01/2011	01/01/2010
FUNDING LEVEL		
1. Applicable Payroll for the Current Plan Year	\$ 106,680,000	\$ 116,600,000
2. Development of Unfunded Actuarial Accrued Liabilities (UAAL)		
a. Actuarial Accrued Liabilities	\$ 468,650,000	\$ 457,060,000
b. Actuarial Value of Assets	461,400,000	454,140,000
c. UAAL	\$ 7,250,000	\$ 2,920,000
3. Amortization of UAAL midyear	\$ 490,000	\$ 190,000
% of Payroll	0.46%	0.17%
4. Normal Cost of Benefits at midyear	\$ 10,490,000	\$ 12,690,000
% of Payroll	9.83%	10.88%
5. Required Contribution as a Percent of Payroll	10.29%	11.05%
6. Development of the Required Contribution for the next Plan Year	For the 2012 Plan Year	
a. Projected Covered Payroll for Plan Year	\$ 108,590,000	
b. Expected Contributions for the Plan Year	\$ 11,170,000	

These calculations use a different measure of the Assets than the Market Value referred to as the Actuarial Value (AVA). The AVA smooths out some of the year to year volatility of the Market Value.

If the Market Value of Assets were used, the Plan would appear in a less favorable position with a Required Contribution percentage of 10.85% of Payroll compared to 13.41% for the prior year.

Some numbers have been rounded for ease of communication.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 1 - SUMMARY

Plan Year Beginning	01/01/2011	01/01/2010
FUNDED STATUS		
1. Present Value of Accumulated Plan Benefits	\$ 422,910,000	\$ 412,350,000
2. Market Value of Assets	452,530,000	412,530,000
3. Funding Percentage	107.0%	100.0%
4. Assumed Interest Rate	7.50%	7.50%

These calculations measure the liability of benefits on a termination basis, disregarding current interest rate differentials for terminal annuities, and assume no additional benefits are earned in future years.

INVESTMENT RETURNS

1. Market Value of Assets - One Year Rate of Return	13.6%	20.9%
Five Year Average Rate of Return	4.7%	
2. Actuarial Value of Assets - One Year Rate of Return	5.0%	10.2%
Five Year Average Rate of Return	5.4%	

Some numbers have been rounded for ease of communication.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 1 - SUMMARY

Plan Year Beginning	01/01/2011	01/01/2010
PARTICIPATION		
1. Active Employees		
Vested	1,719	1,826
Non-Vested	976	1,072
Total	2,695	2,898
2. Inactive Employees Receiving Benefits		
Number of Lives		
Normal & Early Retirees	1,152	1,063
Disability Retirees	236	225
Beneficiaries	169	171
Total	1,557	1,459
Average Annual Benefit		
Normal & Early Retirees	\$ 18,500	\$ 18,700
Disability Retirees	11,800	11,800
Beneficiaries	10,400	10,000
Combined Average	\$ 16,600	\$ 16,600
3. Terminated Vested Deferred		
Number of Lives	184	196
Average Annual Benefit	\$ 11,500	\$ 10,500

Some numbers have been rounded for ease of communication.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 1 - SUMMARY

CONTRIBUTIONS AND EXPENSES

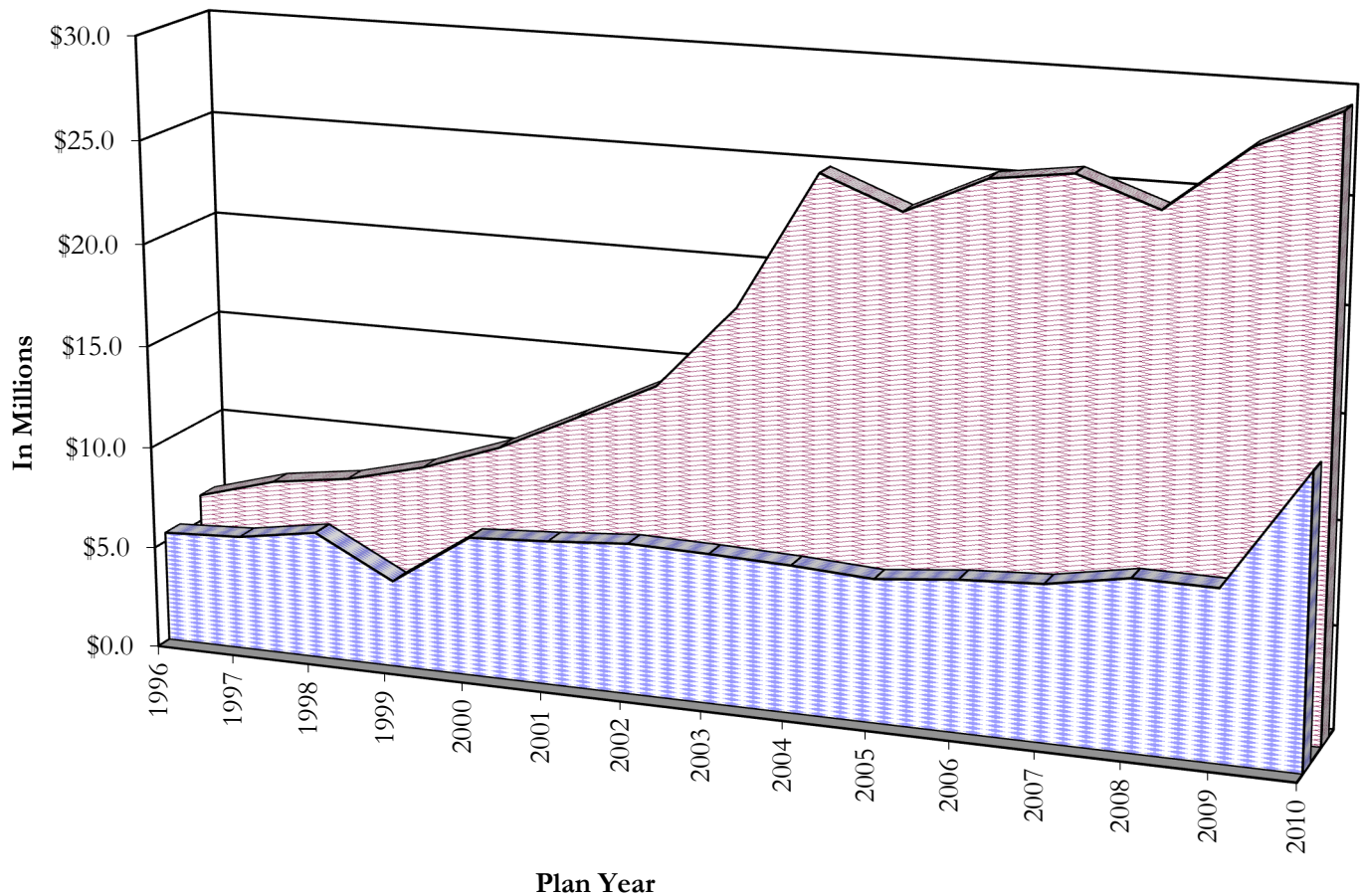
The primary sources of income for a pension plan are investment earnings and contributions. The primary forms of expense are benefit payments and operating expenses.

This is a "Mature Plan" where expenses exceed contributions. The additional funds necessary to cover expenses must be taken from investment returns and/or begin to draw on the principal invested.

Provided below is a graphical comparison of the historical differences in the actual annual contributions and the actual annual expenses.

Comparison of Contributions and Expenses

■ Annual Contributions ■ Annual Expenses



MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

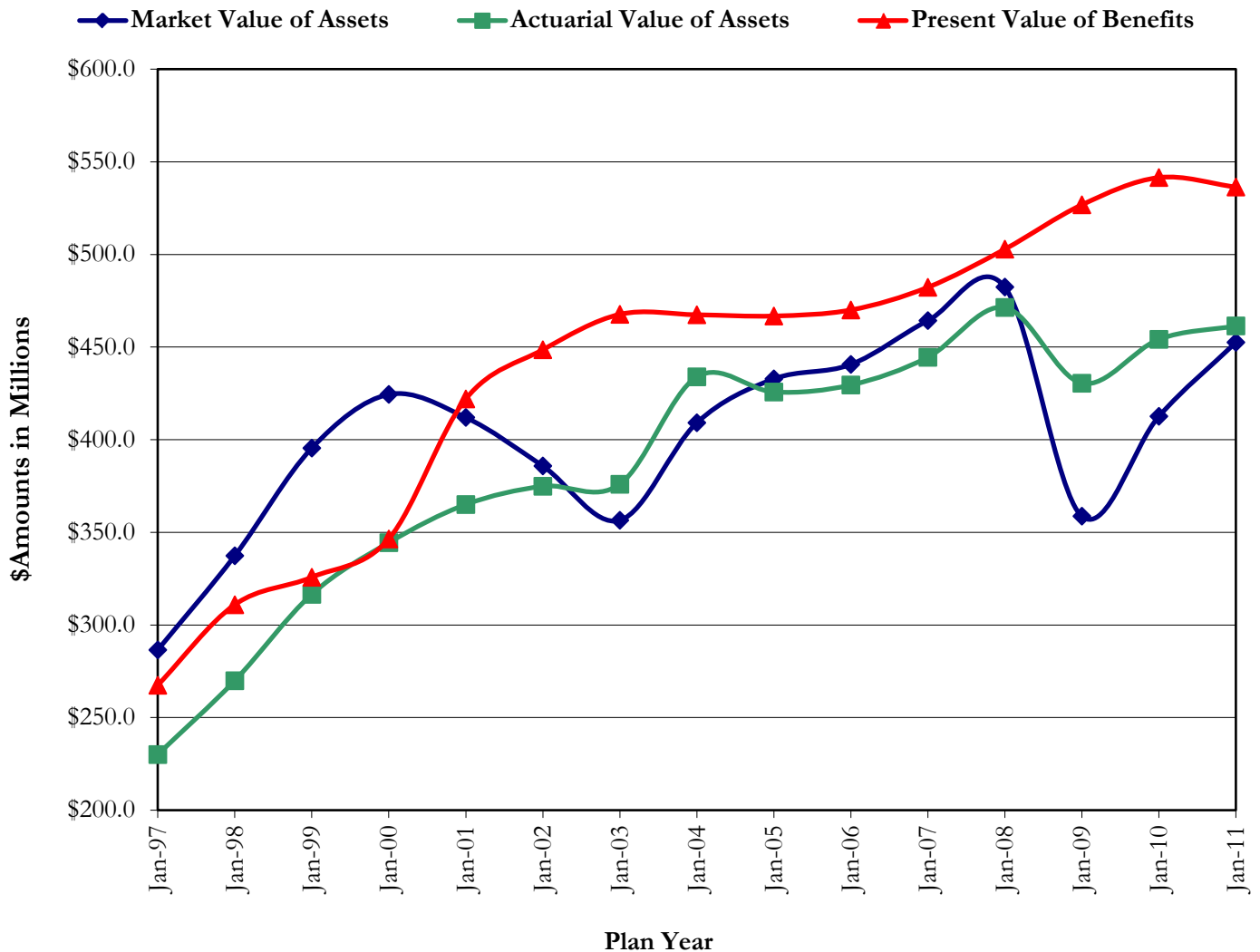
SECTION 1 - SUMMARY

ASSETS AND LIABILITIES

To determine the proper funding requirements of the Plan, a comparison is made between the Assets and the Present Value of Benefits. The portion of that difference allocated to the upcoming Plan Year is the required contribution commonly referred to as the Normal Cost. Investment returns above the assumed rate are used to help pay the difference and reduce the Annual Required Contribution.

Provided below is a graphical comparison of the historical differences in the Assets and the Present Value of Benefits. While year to year funding is measured using the Actuarial Value, the Market Value provides a more accurate assessment of the Plan's actual funded status over time.

Comparison of Assets and Liabilities



MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 2 – VALUATION RESULTS

In order to provide appropriate time for budgeting, the Total Required Contribution for the current Plan Year is based on the rate developed in the 2010 Actuarial Valuation or 11.05%. Accordingly, the 10.29% of Covered Payroll will apply to the 2012 Plan Year. Based on projected Covered Payroll for 2012 of about \$108.6 million, the total required contribution for the 2012 Plan Year is approximately \$11.2 million. The final requirement will be based on actual 2012 Pensionable Pay.

It is assumed that as long as the combined contributions made by MARTA and the Employees meet the 11.05% of payroll target the Plan will not generate a net Pension Obligation. However, because the rate was not increased for the entire Plan Year the Annual Required Contribution for 2010 and for 2011 must be determined based on actual Covered Payroll. The actual Annual Required Contribution (ARC) as outlined in the GASB disclosures for 2010 will be based on the 11.05% of 2011 Pensionable Payroll. The Plan faced complex funding issues during 2010, including the workforce reduction, a contractual total percentage of pay of 6.93% compared with the required 11.37%, and the lump sum contribution by MARTA in December 2010 to ensure State funding requirements were met. We have calculated the GASB funding information considering these factors and the material differences in payroll during the first and second halves of the year due to the workforce reduction. Because the mandated percentage was less than the required percentage and the Authority contributed an additional \$6 million in late 2010, the Plan has a Net Pension Asset for the first time of about \$1.4 million. This should be temporary and will likely be absorbed in 2011.

We also report on the progress of the funding of accrued benefits on the FASB 35 Statement of Accumulated Plan Benefits page. This display provides the Committee with an alternative view of the funding progress. The present values are obtained using long-range actuarial assumptions and are not indicative of the results that would be obtained if the plan actually terminated as of the valuation date. The Statement shows that the Market Value of Assets is 123.1% of the Present Value of Vested Accumulated Benefits and 107.0% of the Present Value of Total Accumulated Benefits. The displays on that page have been designed to facilitate the preparation of government forms and to supply the Plan's auditor with the information that is required to comply with financial accounting standards.

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 2 – VALUATION RESULTS

ACTUARIAL CERTIFICATION

The information and valuation results shown in this report are, to the best of my knowledge, complete and accurate, are determined in accordance with generally accepted actuarial principles and standards of practice, and are consistent with the precepts of the actuarial code of professional conduct. The results are based upon:

1. Employee census data as of January 1, 2011, submitted by American Benefit Plan Administrators, Inc. This data was not audited by us, but appears sufficient and reliable for purposes of the report.
2. Financial information as of December 31, 2010, submitted by Mauldin & Jenkins, LLC. This data was determined to be sufficient and reliable for purposes of the report.
3. Actuarial assumptions which are reasonably related to the experience of the Plan and to reasonable expectations, and which represent our firm's best estimate of anticipated experience under the Plan.
4. Actuarial methods as stated in the report and our firm's interpretation of Plan provisions as summarized in the report.

BHA CONSULTING LLC

J. Scott Haynsworth
Principal
Enrolled Actuary No. 11-06106

Date Signed

Under requirements imposed by the IRS, we inform you that any advice concerning one or more U.S. federal tax issues is not intended or written to be used, and cannot be used, for the purpose of (1) avoiding penalties under the Internal Revenue Code or (2) promoting, marketing or recommending to another party any transaction or tax-related matter addressed herein.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 2 - VALUATION RESULTS AS OF JANUARY 1, 2011

TOTAL REQUIRED CONTRIBUTION (ENTRY AGE NORMAL)

<u>A. Development of the Total Required Contribution</u>	<u>Counts</u>	<u>Results</u>
1. Actuarial Present Value of Benefits for:		
a. Inactive Participants Receiving Benefits	1,557	\$ 248,603,832
b. Vested Terminated Participants	184	5,456,550
c. Active Participants	2,695	282,313,039
d. Total: a. + b. + c.	4,436	\$ 536,373,421
2. Present Value of Future Normal Costs		67,719,361
3. Actuarial Accrued Liability: 1.d. - 2.		468,654,060
4. Actuarial Value of Assets		461,402,615
5. Unfunded Actuarial Accrued Liability (UAAL)		\$ 7,251,445
6. UAAL Amortization Payment (midyear)		490,484
7. Normal Cost of Benefits including administrative expenses (midyear)		10,486,436
8. 2011 Payroll of Participants not Expected to Retire during the Plan Year		106,684,664
9. Total Required Contribution Percentage		10.29%
<u>B. Development of Expected Contributions for 2012 Plan Year</u>		
1. Expected Participant Payroll for the 2012 Plan Year		\$ 108,587,200 *
2. Total Required Contribution for the 2012 Plan Year (midyear)		11,173,623 *
3. Total Required Contribution Percentage		10.29%

* To provide adequate time for budgeting increases in the required contribution, the results as a percentage of payroll in the current valuation will apply to the projected payroll of the subsequent Plan Year. The Total Required Contribution shall be based on actual Payroll for the Plan Year.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 2 - VALUATION RESULTS AS OF JANUARY 1, 2011

FASB 35 - STATEMENT OF ACCUMULATED BENEFITS

	<u>Counts</u>	<u>Results</u>
A. <u>Present Value of Accumulated Plan Benefits*</u>		
1. Vested Benefits by Participant Category		
a. Inactive Participants Receiving Benefits	1,557	\$ 248,603,832
b. Vested Terminated Participants	184	5,456,550
c. Vested Active Participants	1,719	113,564,488
d. Total: a. + b. + c.	3,460	367,624,870
2. Non-Vested Active Participants	976	55,284,902
3. Total Vested and Non-Vested Participants: 1.d. + 2.	4,436	422,909,772
4. Market Value of Assets		452,527,965
5. Vested Accumulated Benefits Ratio: 4. / 1.d.		123.1%
6. Total Accumulated Benefits Ratio: 4. / 3.		107.0%
B. <u>Statement of Changes in Accumulated Plan Benefits</u>		
1. Present Value of Accumulated Plan Benefits on January 1, 2010		\$ 412,345,942
2. Increase (Decrease) during the year attributable to:		
a. Plan Amendments		0
b. Changes in Actuarial Assumptions		0
c. Benefits Accumulated and Actuarial Experience (Gain)/Loss		9,435,170
d. Interest on Accumulated Plan Benefits at 7.5%		29,867,714
e. Benefits Paid		(28,739,054)
f. Net Change: a. + b. + c. + d. + e.		10,563,830
3. Present Value of Accumulated Plan Benefits on December 31, 2010: 1. + 2.f.		\$ 422,909,772

* The Present Values are calculated using a 7.5% assumption of net investment return.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 2 - VALUATION RESULTS AS OF JANUARY 1, 2011

ANALYSIS OF PLAN EXPERIENCE

<u>A. (Gain) or Loss in Investments</u>	<u>Results</u>
1. Actual Actuarial Value of Assets (AVA) as of January 1, 2010	\$ 454,137,043
2. Interest Adjustment to End of Year at 7.5%	34,060,278
3. Net Cash Flow	(15,251,349)
4. Interest Adjustment to End of Year at 7.5%	<u>(561,586)</u>
5. Expected AVA as of January 1, 2011: 1. + 2. + 3. + 4.	472,384,386
6. Actual AVA as of January 1, 2011	<u>461,402,615</u>
7. Investment (Gains) or Losses for the January 1, 2010 Plan Year: 5. - 6.	10,981,771

B. Change in Total Required Contribution as a Percentage of Payroll

1. Required Contribution Percentage for the 2010 and 2011 Plan Years	11.05%
2. Effect of Method Change	0.00%
3. Effect of Assumption Changes	0.00%
4. Effect of Actuarial Experience	-1.46%
5. Effect of Investment (Gains) or Losses	<u>0.70%</u>
6. Required Contribution Percentage for the 2012 Plan Year	10.29%

C. Development of Amortization of Unfunded Actuarial Accrued Liability

<u>Year</u>	<u>UAAL</u>	<u>Period</u>	<u>Amortization</u>	<u>Interest Rate</u>	<u>Payroll Growth</u>
2011	\$ 7,251,445	24	\$ 473,065	7.50%	3.00%

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 2 - VALUATION RESULTS AS OF JANUARY 1, 2011

GASB 25 AND 27 DISCLOSURE INFORMATION

A. Schedule of Funding Progress

Beginning with the 2009 Fiscal Year the Actuarial Cost Method was changed from the Frozen Entry Age to the Entry Age Normal. The Frozen Entry Age Method is required to demonstrate the systematic amortization of the frozen Unfunded Actuarial Accrued Liability. The new method separately identifies an Actuarial Accrued Liability and calculates a traditional UAAL.

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio
01/01/2007	444,445,443	441,976,577	101%
01/01/2008	471,360,803	469,095,663	100%
01/01/2009	430,448,670	442,137,067	97%
01/01/2010	454,137,043	457,061,665	99%
01/01/2011	461,402,615	468,654,060	98%

Valuation Date	Unfunded Actuarial Accrued Liability (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
01/01/2007	(2,468,866)	105,030,841	-2.4%
01/01/2008	(2,265,140)	108,030,686	-2.1%
01/01/2009	11,688,397	116,743,782	10.0%
01/01/2010	2,924,622	116,601,118	2.5%
01/01/2011	7,251,445	106,684,664	6.8%

B. Schedule of Required Contributions*

Plan Year	Annual Required Employer Contribution	Annual Employer Contribution	Percentage Contributed
2007	4,903,289	4,903,289	100%
2008	5,428,918	5,428,918	100%
2009	5,392,330	5,392,330	100%
2010	9,901,666	11,359,770	115%
2011	7,865,000 *		

* The Annual Required Employer Contribution cannot be less than the amount contributed based on the rate specified in the Plan, 4.48% until May 2011 then 8.09%. The amount for 2011 is estimated based on Percentage of Payroll and will be revised after the final payroll is determined.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 2 - VALUATION RESULTS AS OF JANUARY 1, 2011

GASB 25 AND 27 DISCLOSURE INFORMATION (CONT'D)

C. Net Pension Obligation Five Year Trend Information

<u>Plan Year</u>	<u>Annual Pension Cost (APC)</u>	<u>% of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
2007	4,903,289	100%	0
2008	5,428,918	100%	0
2009	5,392,330	100%	0
2010	9,901,666	115%	(1,458,104)
2011	7,870,488		

The Annual Required Employer Contribution cannot be less than the amount required based on the rates specified in the Plan, 4.48% until May 2011 then 8.09%.

GASB 50 DISCLOSURE INFORMATION

D. Alternate Schedule of Funding Progress

Beginning with the 2008 Fiscal Year the Funded Status will be required to be reported using the Entry Age Normal Cost Method if the Actuarial Cost Method used to develop the Annual Required Contribution does not directly compute the Actuarial Accrued Liability. This requirement is mandated by GASB 50. The information below is what would have been reported using the Entry Age Normal Cost Method.

<u>Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Funded Ratio</u>
01/01/2007	444,445,443	405,786,590	109.5%
01/01/2008	471,360,803	423,984,328	111.2%
01/01/2009	430,448,670	442,137,067	97.4%
01/01/2010	454,137,043	457,061,665	99.4%
01/01/2011	461,402,615	468,654,060	98.5%

<u>Valuation Date</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
01/01/2007	(38,658,853)	105,030,841	-36.8%
01/01/2008	(47,376,475)	108,030,686	-43.9%
01/01/2009	11,688,397	116,743,782	10.0%
01/01/2010	2,924,622	116,601,118	2.5%
01/01/2011	7,251,445	106,684,664	6.8%

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 3 – FINANCIAL INFORMATION

The financial section of the report shows the Market and Actuarial Values of the Assets of the pension fund as of December 31, 2010. The Actuarial Value of Assets is used for long-term funding for comparison with the Actuarial Accrued Liability of the Plan to calculate the Unfunded Actuarial Accrued Liability, which must be amortized in future years. The Market Value of Assets is used in comparison with the Present Value of Accumulated Plan Benefits to measure the financial stability and funding progress of the Fund. The financial information has been extracted from the audit as of December 31, 2010.

The approximate rate of net investment return for the 2010 Plan Year was 13.6% based on the Market Value of Assets and 5.0% based on the Actuarial Value of Assets compared to an assumed 7.5% rate. Net operating expenses for the Plan Year were \$540,855 in 2010 as compared to \$500,000 assumed. It should be pointed out that the 13.6% return coupled with a 20.9% return in 2009 still does not indicate a complete recovery from the negative 22.7% return from 2008. The actual 3 year annualized return is 2.0%, which is significantly less than the 7.5% net investment assumption.

To properly perform our duties for the Committee, we must sometimes discuss certain aspects of the investment process. Neither BHA Consulting LLC nor any of its employees are investment experts. We do not charge for, nor do we render, investment advice. The Committee should not consider us as operating in a fiduciary capacity regarding the investment process. We are available to answer any questions the Committee may have regarding this report.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 3 - FINANCIAL INFORMATION

PENSION FUND BALANCE *

	Market Value at		
	12/31/2010	12/31/2009	12/31/2008
<u>ASSETS</u>			
Short Term Investments	\$ 37,952,838	\$ 32,690,393	\$ 29,821,905
US Government Bonds and Notes	60,112,931	75,197,104	86,184,341
Corporate Bonds and Debentures	49,756,632	41,713,976	50,059,760
Common and Preferred Stocks	187,395,796	174,357,244	131,751,494
International Bonds and Equities	1,299	19,424,308	14,499,098
Mutual Funds	111,712,804	71,044,476	50,350,661
Asset Backed Securities	19,824,361	12,590,351	12,184,588
Municipal Bonds	229,190	1,558,547	1,696,759
Miscellaneous Investments	0	294,013	184,415
Due from Brokers	797,114	51,982	764,843
Accrued Interest and Dividends Receivable	1,131,355	1,289,933	1,584,155
Contributions Receivable	2,994	300,369	279,068
Total Assets	468,917,314	430,512,696	379,361,087
<u>LIABILITIES</u>			
Accounts Payable	\$ 543,595	\$ 413,840	\$ 452,444
Due to Non-Represented Plan	0	0	125,540
Due to Broker for Unsettled Trades	15,845,754	17,492,809	20,075,878
Total Liabilities	16,389,349	17,906,649	20,653,862
<u>PENSION FUND BALANCE</u>			
Net Assets Available for Benefits	\$ 452,527,965	\$ 412,606,047	\$ 358,707,225

ACTUARIAL VALUE

1. Market Value	\$ 452,527,965	
2. Deferred Gains / (Losses)	(8,874,650)	
3. Actuarial Value of Assets: 1. - 2.	\$ 461,402,615	102.0% of Market Value

* Financial information was extracted from Audit Reports prepared by Mauldin & Jenkins, LLC.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 3 - FINANCIAL INFORMATION

FLOW OF FUNDS *

(Market Value)

Plan Year Beginning January 1,

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Balance at the Beginning of the Plan Year</u>	\$ 412,531,497	\$ 358,707,225	\$ 482,382,536
Employer Contributions	11,359,770	5,392,330	5,428,918
Employee Contributions	2,668,790	2,846,988	2,842,722
Investment Income	9,773,148	10,835,522	13,499,093
Realized and Unrealized Gains/(Losses)	47,646,908	64,061,358	(118,737,437)
Miscellaneous Income	0	0	0
Total Additions	71,448,616	83,136,198	(96,966,704)
Benefits	28,739,054	26,884,699	23,771,096
Investment Expenses	2,172,239	1,909,275	2,302,008
Administrative Expenses	540,855	517,952	509,963
Transfers to Non-Represented Plan	0	0	125,540
Miscellaneous Expense	0	0	0
Total Disbursements	31,452,148	29,311,926	26,708,607
Additions Less Disbursements	39,996,468	53,824,272	(123,675,311)
<u>Balance at the End of the Plan Year</u>	\$ 452,527,965	\$ 412,531,497	\$ 358,707,225
Rate of Investment Return	13.6%	20.9%	-22.7%

* Financial information was extracted from Audit Reports prepared by Mauldin & Jenkins, LLC.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 3 - FINANCIAL INFORMATION

FLOW OF FUNDS

(Actuarial Value)

Plan Year Beginning January 1,

	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>Balance at the Beginning of the Plan Year</u>	\$ 454,137,043	\$ 430,448,670	\$ 471,360,803
Employer Contributions	11,359,770	5,392,330	5,428,918
Employee Contributions	2,668,790	2,846,988	2,842,722
Investment Income	9,773,148	10,835,522	13,499,093
Actuarial Investment Return	14,916,012	33,925,459	(35,974,259)
Miscellaneous Income	0	0	0
Total Additions	38,717,720	53,000,299	(14,203,526)
Benefits	28,739,054	26,884,699	23,771,096
Investment Expenses	2,172,239	1,909,275	2,302,008
Administrative Expenses	540,855	517,952	509,963
Transfers to Non-Represented Plan	0	0	125,540
Miscellaneous Expense	0	0	0
Total Disbursements	31,452,148	29,311,926	26,708,607
Additions Less Disbursements	7,265,572	23,688,373	(40,912,133)
<u>Balance at the End of the Plan Year</u>	\$ 461,402,615	\$ 454,137,043	\$ 430,448,670
Rate of Investment Return	5.0%	10.2%	-5.4%

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 3 - FINANCIAL INFORMATION

5 YEAR SMOOTHING OF INVESTMENT GAINS AND LOSSES

In order to minimize the year to year fluctuations in the Market Value of Assets, any excess or shortfall in the actual return compared to the assumed return during any Plan Year is allocated to the current Plan Year and in equal amounts to each of the next four successive Plan Years (20% each year). The Market Value of Assets are assumed to return 7.5% per year after consideration of net cash flows (contributions received, benefit payments made and expenses paid).

The adjusted Market Value shall be termed the "Actuarial Value", except that the amount can be no less than 80% nor any more than 120% of the Market Value, as of the determination date.

A. Development of Investment Gains and (Losses)

Plan Year Beginning January 1,	2010	2009	2008	2007
1. Actual MVA at BOY	\$ 412,531,497	\$ 358,707,225	\$ 482,382,536	\$ 464,279,970
2. Interest Adjustment to EOY	30,939,862	26,903,042	36,178,690	34,820,998
3. Net Cash Flows midyear	(15,251,349)	(19,163,333)	(16,134,959)	(18,080,504)
4. Interest Adjustment to EOY	(561,586)	(705,634)	(594,123)	(665,762)
5. Expected MVA at EOY	427,658,424	365,741,300	501,832,144	480,354,702
6. Actual Market Value at EOY	452,527,965	412,531,497	358,707,225	482,382,536
7. Gains or (Losses): 6. - 5.	24,869,541	46,790,197	(143,124,919)	2,027,834

B. Investment Gains or (Losses) to be Allocated in Future Plan Years

1. 80% of 2010 Gains or (Losses)	\$ 19,895,633
2. 60% of 2009 Gains or (Losses)	28,074,118
3. 40% of 2008 Gains or (Losses)	(57,249,968)
4. 20% of 2007 Gains or (Losses)	405,567
5. Deferred Gains or (Losses)	\$ (8,874,650)

C. Limit Adjustment to 20% of Market Value

1. Market Value Corridor: = A.6. x 20%	(90,505,593)
2. Deferred Gains or (Losses): Minimum of B.5 or C.1.	\$ (8,874,650)

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 3 - FINANCIAL INFORMATION

HISTORY OF NET INVESTMENT RETURNS AND OPERATING EXPENSES

Plan Year	Operating Expenses	<u>Rate of Investment Return</u>	
		Market Value	Actuarial Value
1989	N/A	17.3%	11.6%
1990	N/A	1.6%	9.0%
1991	N/A	21.4%	11.8%
1992	N/A	7.9%	10.3%
1993	N/A	9.5%	9.9%
1994	N/A	-0.2%	7.7%
1995	N/A	24.8%	11.0%
1996	N/A	12.9%	11.2%
1997	81,013	20.1%	18.0%
1998	88,104	18.0%	18.3%
1999	122,401	8.6%	10.4%
2000	401,828	-1.2%	8.2%
2001	408,378	-4.9%	4.4%
2002	447,011	-5.8%	2.2%
2003	419,615	18.1%	18.6%
2004	506,515	11.1%	2.9%
2005	457,980	5.7%	4.8%
2006	548,688	9.6%	7.8%
2007	484,967	8.0%	10.3%
2008	509,963	-22.7%	-5.4%
2009	517,952	20.9%	10.2%
2010	540,855	13.6%	5.0%
		Market Value	Actuarial Value
Most Recent Five (5) Year Average		4.7%	5.4%
Most Recent Ten (10) Year Average		4.6%	5.9%
Historical Twenty (20) Year Average		8.1%	8.7%

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

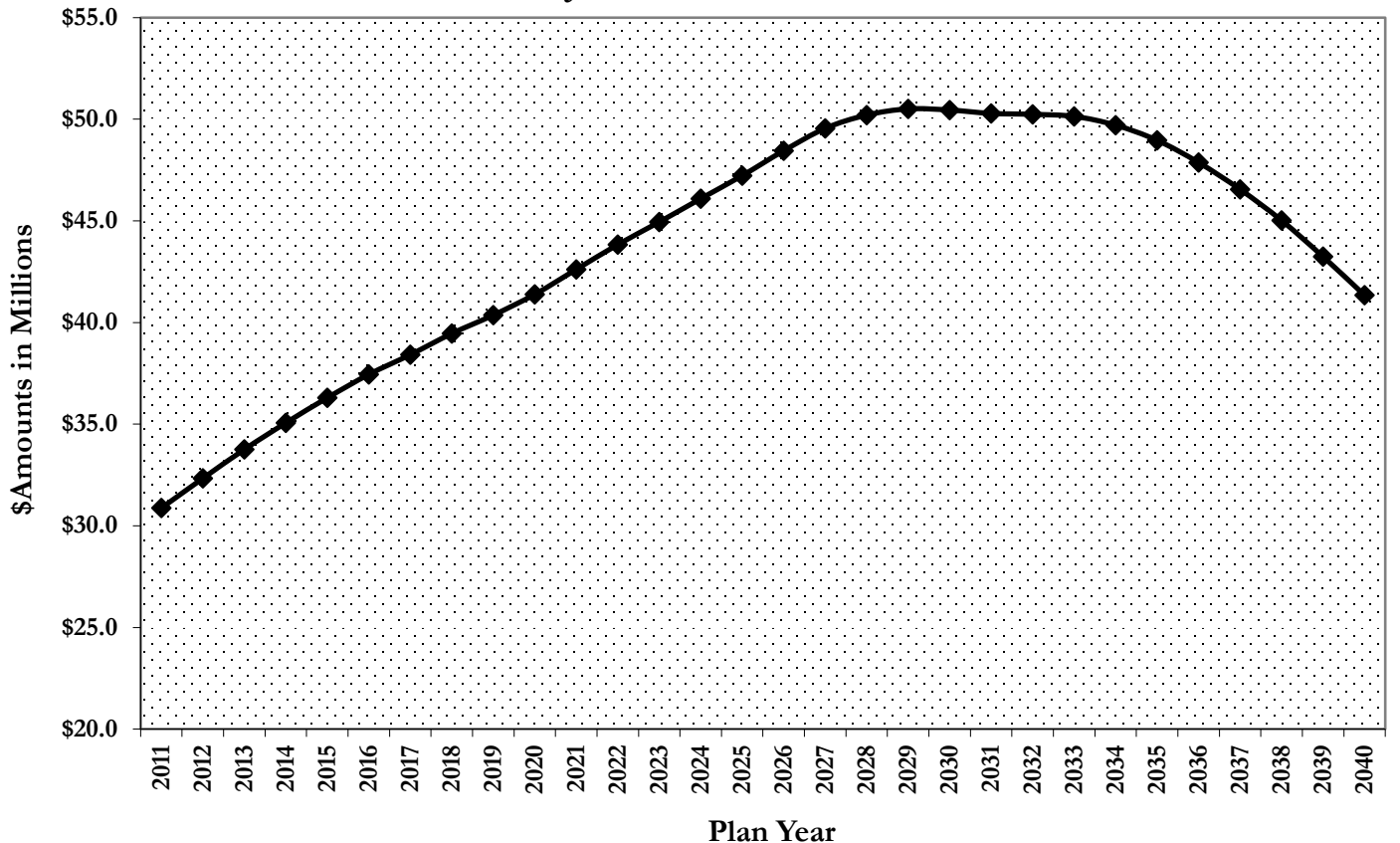
SECTION 3 - FINANCIAL INFORMATION

PROJECTION OF BENEFIT DISBURSEMENTS

YEAR	PROJECTED PAYMENT	YEAR	PROJECTED PAYMENT	YEAR	PROJECTED PAYMENT
2011	\$30,878,000	2021	\$42,609,000	2031	\$50,282,000
2012	32,336,000	2022	43,830,000	2032	50,236,000
2013	33,759,000	2023	44,940,000	2033	50,135,000
2014	35,064,000	2024	46,089,000	2034	49,703,000
2015	36,297,000	2025	47,221,000	2035	48,961,000
2016	37,445,000	2026	48,446,000	2036	47,869,000
2017	38,416,000	2027	49,546,000	2037	46,546,000
2018	39,457,000	2028	50,199,000	2038	45,020,000
2019	40,362,000	2029	50,504,000	2039	43,240,000
2020	41,383,000	2030	50,447,000	2040	41,344,000

To assist with cash flow planning, we have included in the valuation report a projection of anticipated benefit payments for each of the next 30 years. The projection is based upon the current Plan provisions and the population of known Plan Participants including Retirees and Beneficiaries, Active Participants, and Terminated Vested Participants.

PROJECTED PAYMENTS



MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 4 – CENSUS CHARACTERISTICS

The following comments will highlight certain trends in the census data described in this report based on the results of the January 1, 2011 Actuarial Valuation compared with the report as of January 1, 2010:

The number of active Participants has decreased from 2,898 to 2,695 since the last valuation. The average past service for active lives has increased from 9.4 years to 9.8 years, while the average age of active Participants has increased from 46.6 to 47.5 and the average pensionable pay has decreased from \$40,040 to \$39,728. Salary increases for continuing actives averaged 2.2% for the year which includes pay raises, increases in hours worked and compensation increases associated with a position change.

The number of retirees, including disability retirees, and beneficiaries receiving payments from the Fund has continued to increase from 1,459 to 1,557 since the last valuation. The average monthly benefit decreased slightly from \$1,384 a year ago to \$1,383 in the current year. The average age of Participants receiving benefits has increased from 66.0 to 66.3.

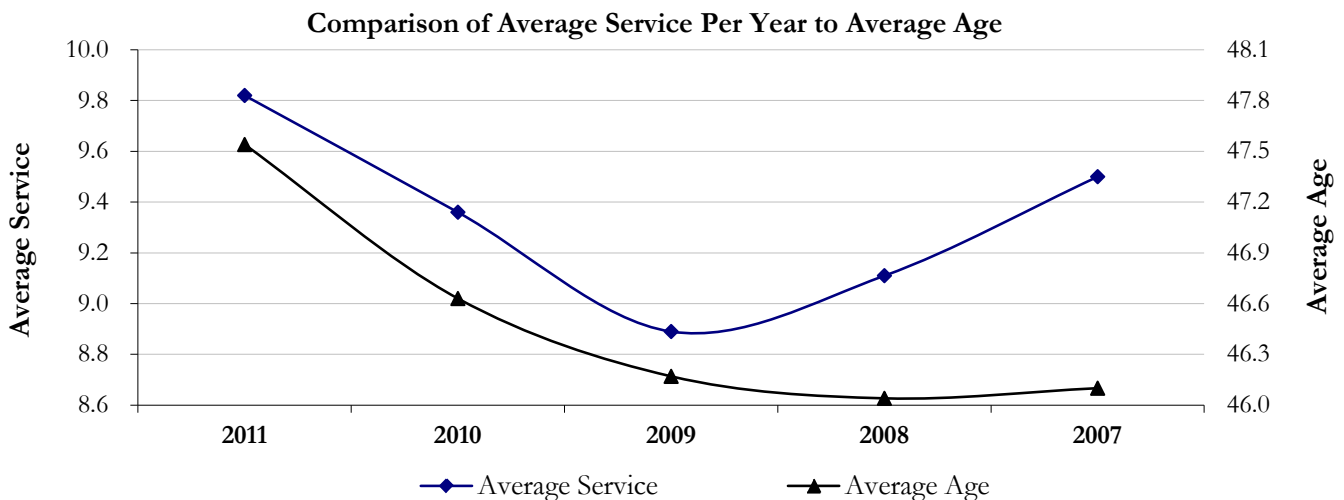
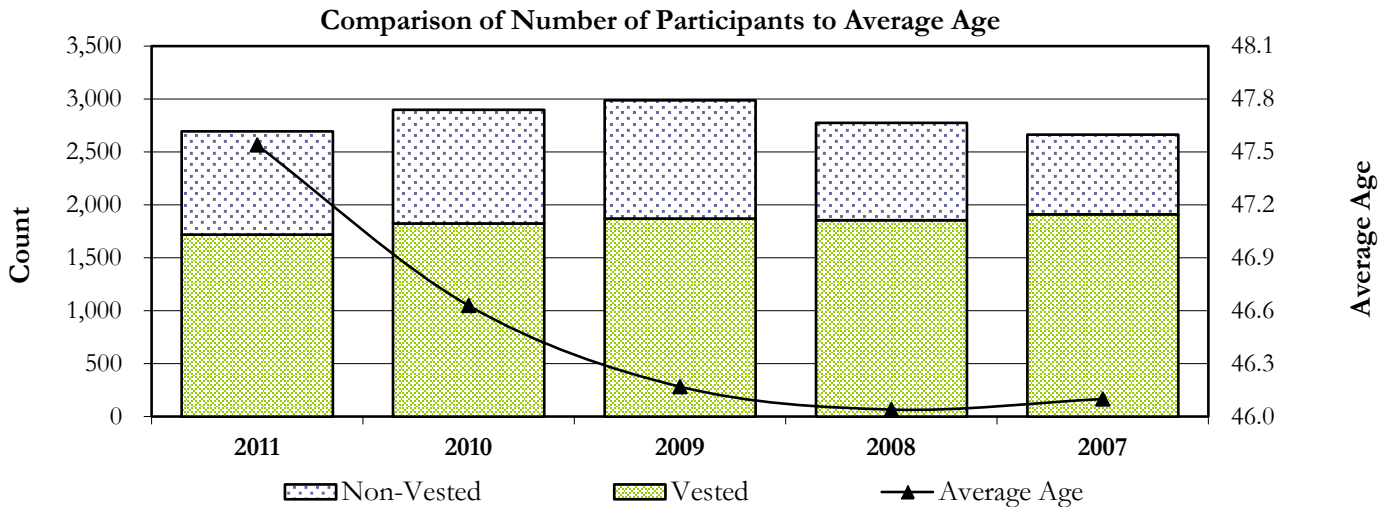
The number of Inactive Vested Participants has decreased from 196 to 184, while the average estimated monthly benefit has increased from \$875 to \$957 since the last valuation. The average age has decreased from 47.0 to 46.4 over the same period. This group includes 121 participants who transferred from this Plan to the MARTA Non-Represented Retirement Plan. Additionally, the benefits for those transferred participants are assumed to increase over time, and the rate wages are specified to increase in the applicable labor agreements.

MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 4 - CENSUS CHARACTERISTICS

ACTIVE PARTICIPANTS

Plan Year Beginning	01/01/2011	01/01/2010	01/01/2009	01/01/2008	01/01/2007
Vested	1,719	1,826	1,871	1,855	1,912
Non-Vested	976	1,072	1,116	921	752
Total Number of Lives	2,695	2,898	2,987	2,776	2,664
Average Age	47.5	46.6	46.2	46.0	46.1
Average Service	9.8	9.4	8.9	9.1	9.5
Average Annual Pay	\$ 39,728	\$ 40,040	\$ 38,927	\$ 38,836	\$ 39,104

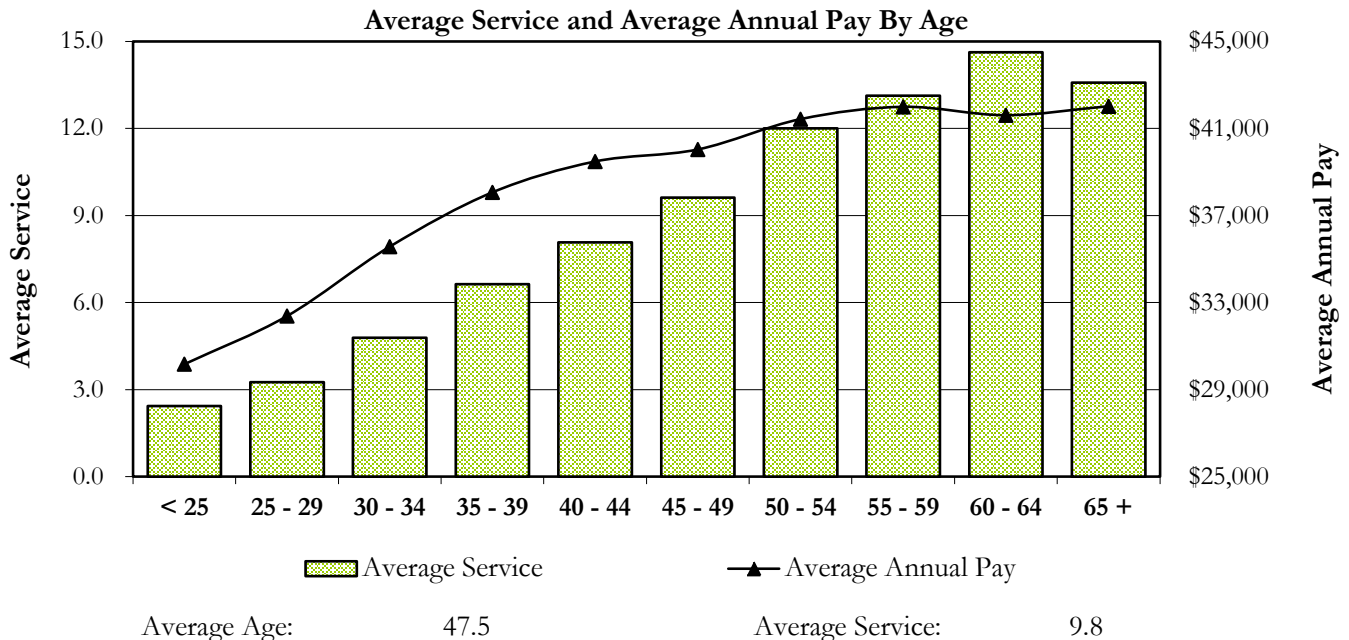


MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 4 - CENSUS CHARACTERISTICS

ACTIVE LIVES - AGE / SERVICE TABLE

Age	Service									Total	
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35+		
< 25	4	15									19
	\$25,829	\$31,325									\$30,168
25 - 29	16	86	13	1							116
	\$27,402	\$32,667	\$36,643	\$31,973							\$32,380
30 - 34	23	99	45	20							187
	\$27,994	\$34,392	\$39,741	\$40,703							\$35,567
35 - 39	26	124	69	75	10						304
	\$29,174	\$36,565	\$38,774	\$42,489	\$41,642						\$38,063
40 - 44	24	135	108	112	28	6					413
	\$30,932	\$36,918	\$40,618	\$42,096	\$43,268	\$44,378					\$39,481
45 - 49	42	118	115	126	66	19	11	1			498
	\$31,546	\$37,434	\$40,452	\$42,178	\$43,273	\$43,532	\$45,456	\$44,612			\$40,033
50 - 54	21	101	86	119	72	52	21	11			483
	\$32,395	\$38,638	\$41,254	\$41,718	\$42,737	\$45,803	\$45,204	\$45,986			\$41,426
55 - 59	14	85	67	82	67	54	33	8	2		412
	\$31,254	\$39,377	\$40,732	\$42,278	\$43,542	\$45,190	\$45,451	\$46,600	\$45,094		\$41,992
60 - 64	3	31	29	63	38	23	10	11	5		213
	\$32,522	\$36,846	\$39,801	\$41,530	\$43,711	\$43,149	\$46,201	\$46,419	\$45,161		\$41,607
65 +		9	9	13	6	9	1	2	1		50
		\$38,458	\$42,829	\$41,456	\$43,332	\$43,384	\$45,122	\$44,942	\$44,959		\$42,019
TOTAL	173	803	541	611	287	163	76	33	8		2695
	\$30,213	\$36,559	\$40,287	\$41,978	\$43,203	\$44,775	\$45,478	\$46,174	\$45,119		\$39,728



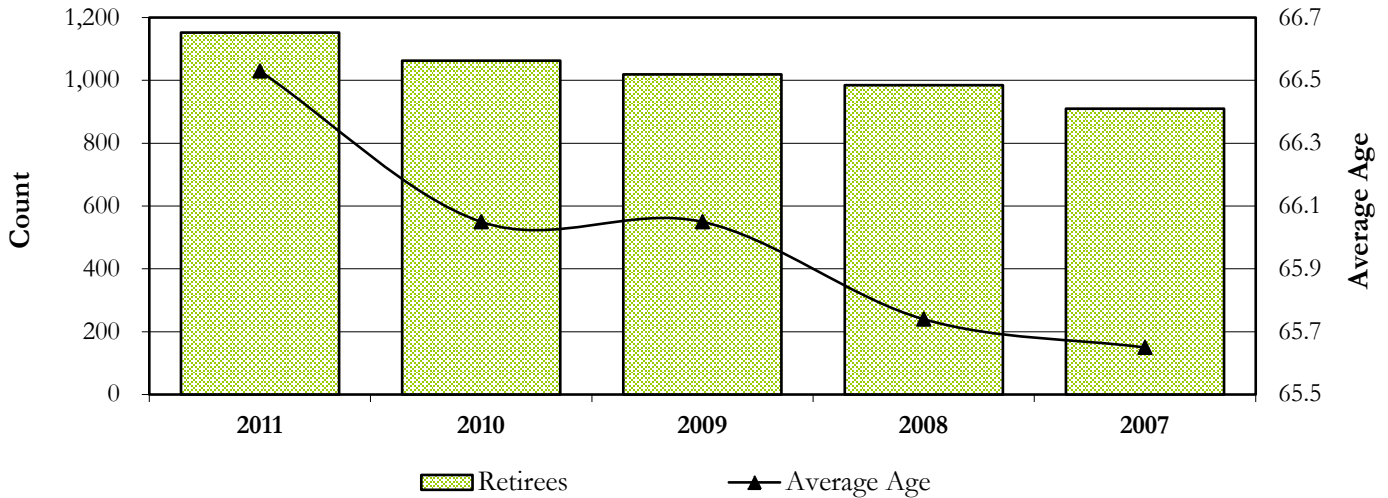
MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 4 - CENSUS CHARACTERISTICS

NORMAL AND EARLY RETIREES

Plan Year Beginning	01/01/2011	01/01/2010	01/01/2009	01/01/2008	01/01/2007
Number of Lives	1,152	1,063	1,019	985	910
Average Age	66.5	66.1	66.1	65.7	65.7
Average Age at Retirement	58.4	58.3	58.3	58.5	58.0
Average Annual Benefit	\$ 18,480	\$ 18,687	\$ 18,449	\$ 18,364	\$ 18,644

Comparison of Number of Normal and Early Retirees to Average Age



Comparison of Average Age at Retirement to Average Annual Benefit



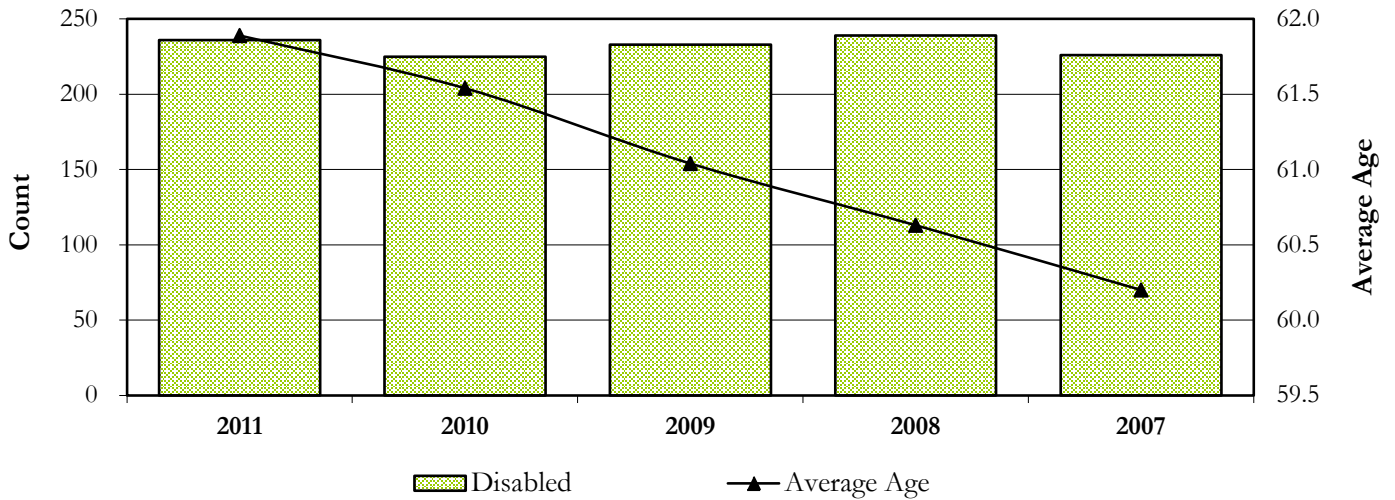
MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 4 - CENSUS CHARACTERISTICS

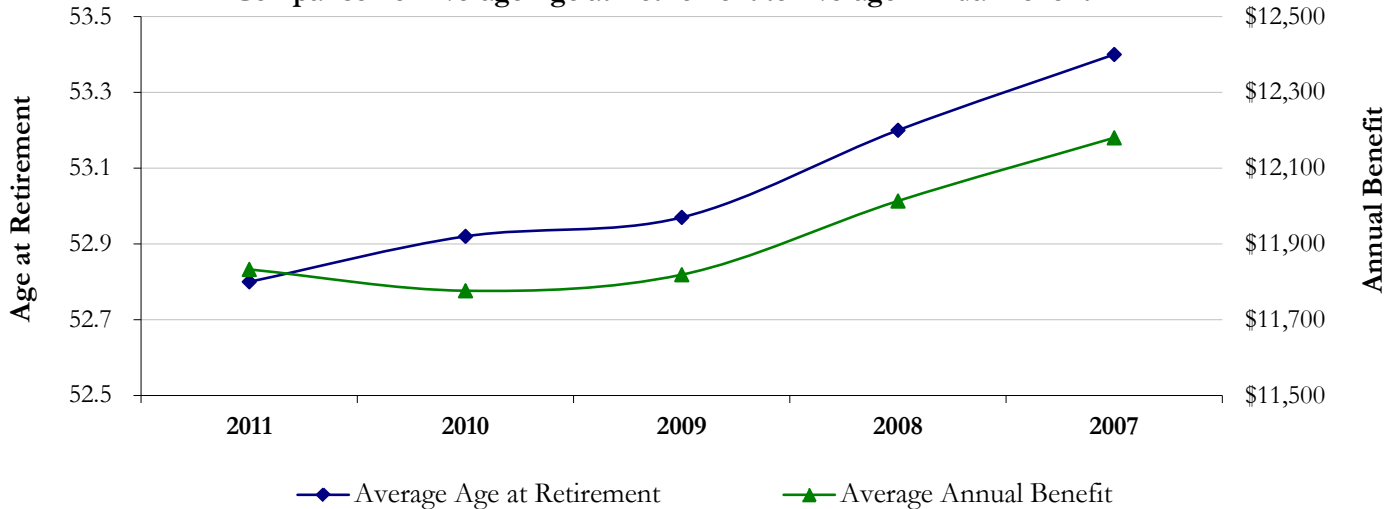
DISABLED RETIREES

Plan Year Beginning	01/01/2011	01/01/2010	01/01/2009	01/01/2008	01/01/2007
Number of Lives	236	225	233	239	226
Average Age	61.9	61.5	61.0	60.6	60.2
Average Age at Retirement	52.8	52.9	53.0	53.2	53.4
Average Annual Benefit	\$11,833	\$11,776	\$11,819	\$12,013	\$12,180

Comparison of Number of Disabled Retirees to Average Age



Comparison of Average Age at Retirement to Average Annual Benefit

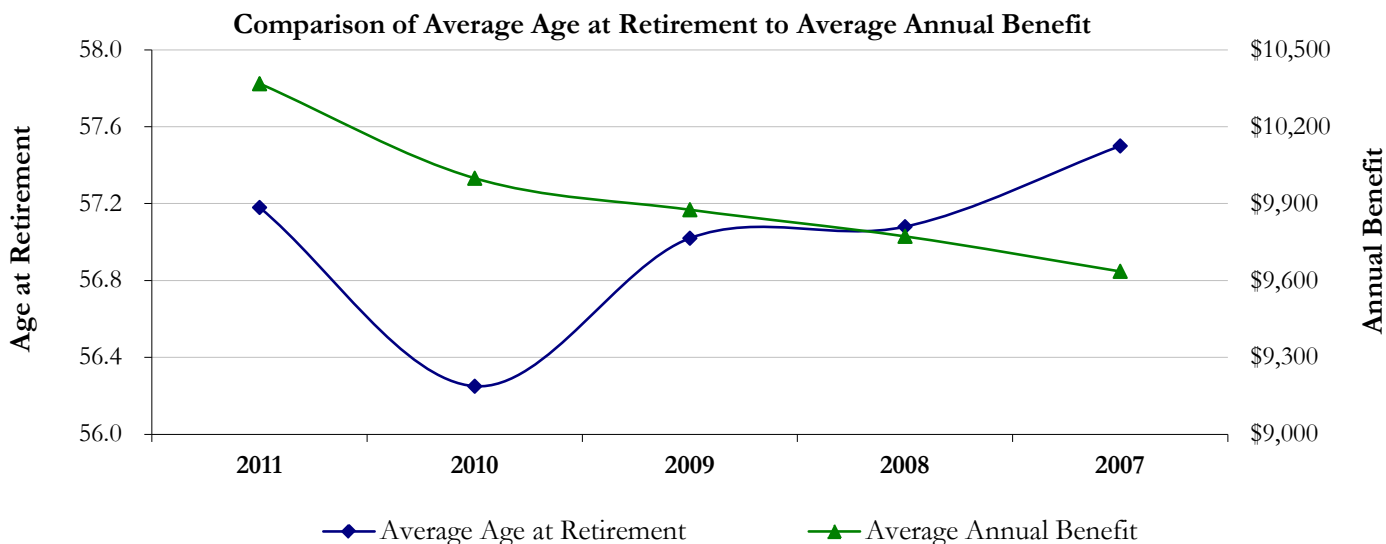
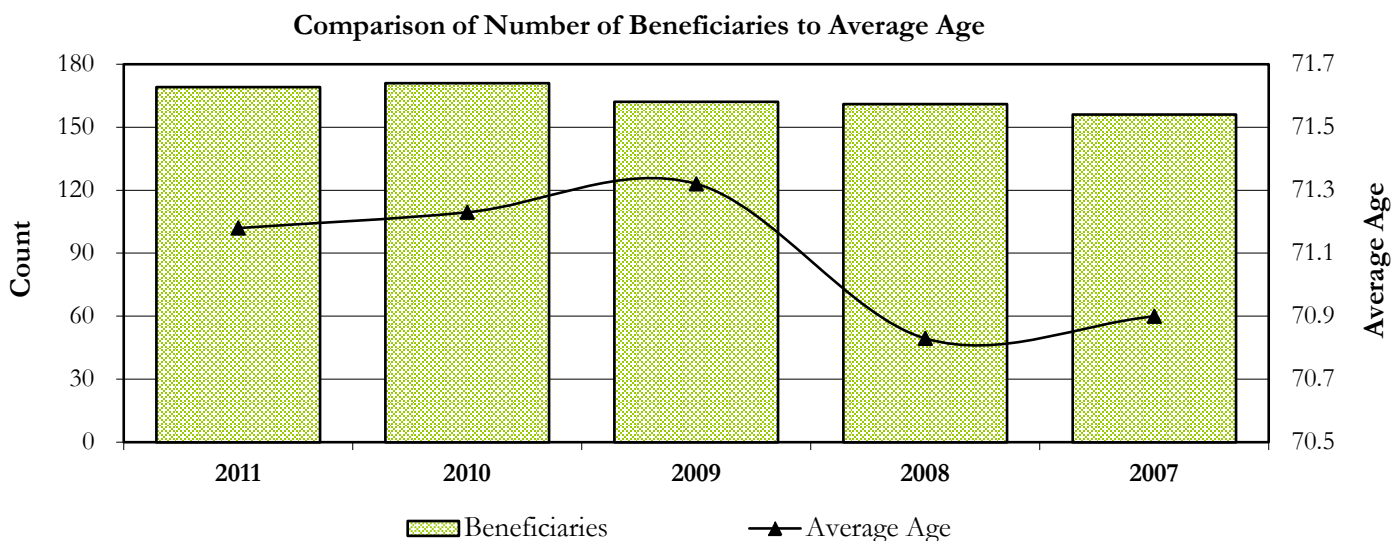


MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 4 - CENSUS CHARACTERISTICS

BENEFICIARIES

Plan Year Beginning	01/01/2011	01/01/2010	01/01/2009	01/01/2008	01/01/2007
Number of Lives	169	171	162	161	156
Average Age	71.2	71.2	71.3	70.8	70.9
Average Age at Retirement	57.2	56.3	57.0	57.1	57.5
Average Annual Benefit	\$ 10,368	\$ 9,999	\$ 9,876	\$ 9,773	\$ 9,636

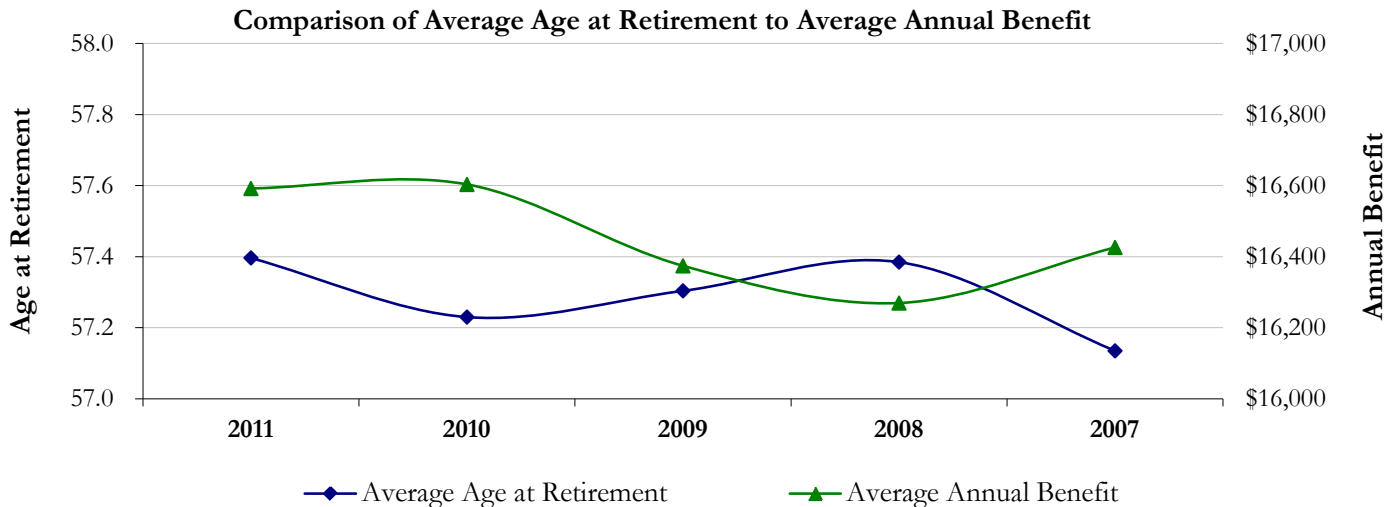
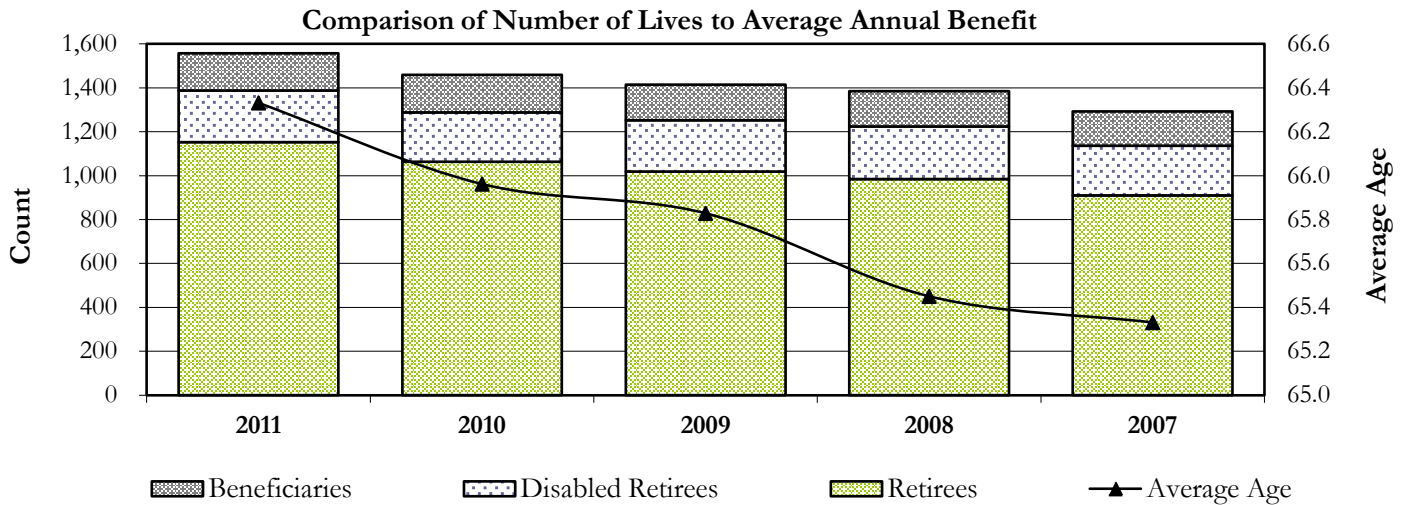


MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 4 - CENSUS CHARACTERISTICS

ALL INACTIVE EMPLOYEES RECEIVING BENEFITS

Plan Year Beginning	01/01/2011	01/01/2010	01/01/2009	01/01/2008	01/01/2007
Retirees	1,152	1,063	1,019	985	910
Disabled Retirees	236	225	233	239	226
Beneficiaries	169	171	162	161	156
Total Number of Lives	1,557	1,459	1,414	1,385	1,292
Average Age	66.3	66.0	65.8	65.4	65.3
Average Age at Retirement	57.4	57.2	57.3	57.4	57.1
Average Annual Benefit	\$ 16,592	\$ 16,603	\$ 16,374	\$ 16,269	\$ 16,426

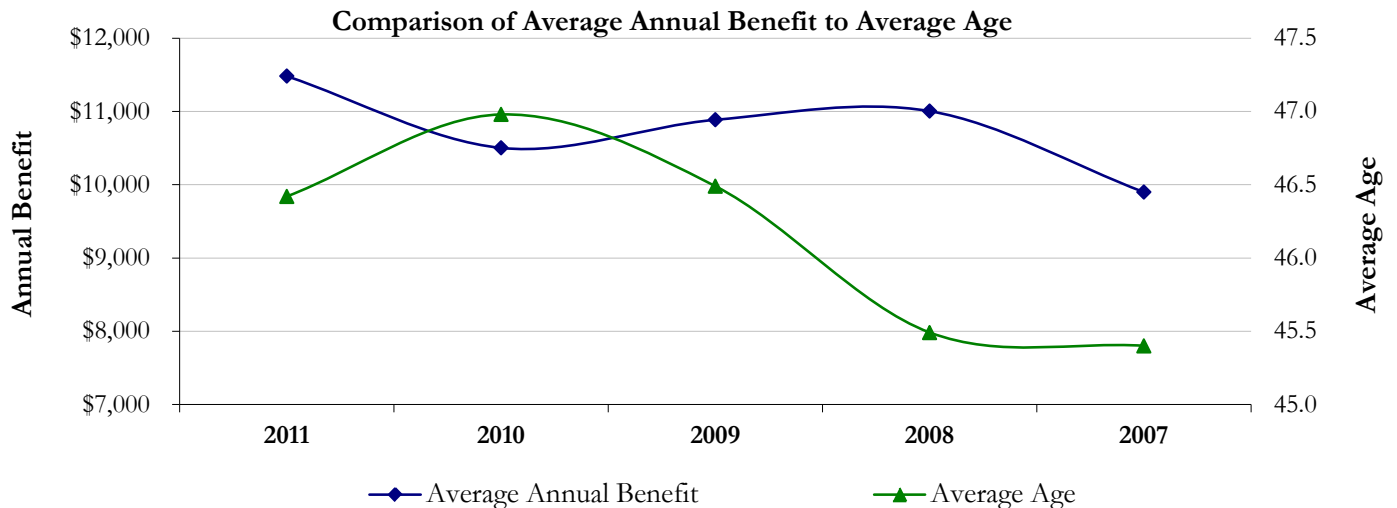
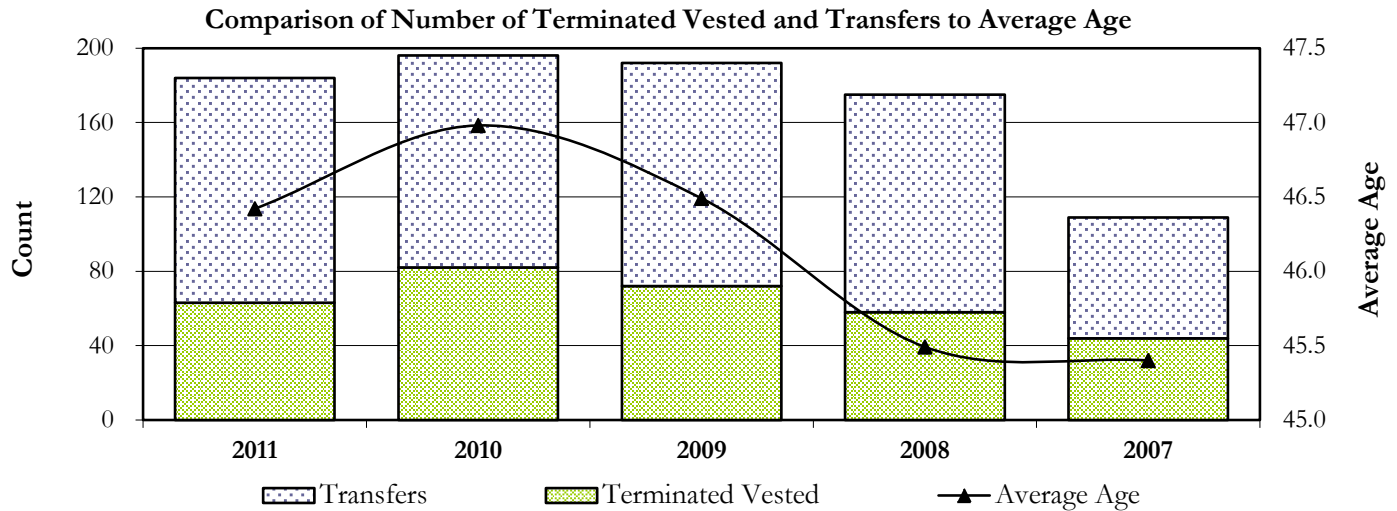


MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 4 - CENSUS CHARACTERISTICS

TERMINATED VESTED DEFERRED AND TRANSFERS

Plan Year Beginning	01/01/2011	01/01/2010	01/01/2009	01/01/2008	01/01/2007
Terminated Vested	63	82	72	58	44
Transfers	121	114	120	117	65
Total Number of Lives	184	196	192	175	109
Average Age	46.4	47.0	46.5	45.5	45.4
Average Annual Benefit	\$ 11,483	\$ 10,504	\$ 10,887	\$ 11,005	\$ 9,900



MARTA/ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 4 - CENSUS CHARACTERISTICS

CURRENT YEAR CENSUS DATA

<u>Plan Year Beginning</u>	<u>01/01/2011</u>	<u>01/01/2010</u>	<u>01/01/2009</u>	<u>01/01/2008</u>	<u>01/01/2007</u>
A. <u>New Active Participants</u>					
Count	128	145	375	328	365
Average Age	41.4	39.6	40.5	40.0	40.4
Average Annual Pay	\$ 26,557	\$ 28,988	\$ 29,155	\$ 28,035	\$ 26,369
B. <u>New Inactive Participants</u>					
Normal & Early Retirees					
Number	105	84	55	79	79
Average Age	59.4	59.5	57.8	58.2	59.0
Average Monthly Benefit	\$ 1,438	\$ 1,654	\$ 1,564	\$ 1,307	\$ 1,471
Average Partial Lump Sum	\$ 33,625	\$ 41,429	\$ 21,798	\$ 22,395	\$ 37,506
Disability Retirees					
Number	10	12	23	21	16
Average Age	54.0	53.6	51.6	53.2	52.9
Average Monthly Benefit	\$ 950	\$ 889	\$ 873	\$ 858	\$ 1,122
Beneficiaries					
Number	12	21	8	10	10
Average Age	63.4	72.5	66.9	62.5	61.8
Average Monthly Benefit	\$ 1,055	\$ 857	\$ 962	\$ 1,010	\$ 816
Total New Participants Receiving Benefits					
Number	127	117	86	110	105
Average Age	59.4	61.2	57.0	57.6	58.3
Average Monthly Benefit	\$ 1,363	\$ 1,432	\$ 1,323	\$ 1,194	\$ 1,355
Vested Terminations					
Number	9	43	28	29	16
Average Age	42.3	47.3	47.2	46.8	46.6
Average Monthly Benefit	\$ 802	\$ 552	\$ 692	\$ 532	\$ 877
Transfers					
Number	15	2	4	60	36
Average Age	41.8	50.7	52.9	43.9	42.3
Average Monthly Benefit	\$ 911	\$ 674	\$ 813	\$ 668	\$ 568
Avg. Proj. Monthly Benefit	\$ 1,435	\$ 1,062	\$ 1,147	\$ 1,198	\$ 1,033

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 5 – HISTORY AND PLAN PROVISIONS

PRINCIPAL PLAN DEFINITIONS

Average Highest Monthly Compensation: The average of the Participant's monthly compensation received during the three (3) highest complete years out of the last eight (8) prior to retirement.

Committee: The Plan is administered by six members, three appointed by the Employer and three appointed by the Union.

Compensation: Participant's compensation shall include wages, salary, bonuses, overtime pay, and vacation pay and is limited to the first 2,300 hours within the Plan Year.

Contribution Rate: At a minimum, Employees shall contribute 2.45% of Pensionable Earnings; the Employer shall contribute 4.48% of Pensionable Earnings. These rates were changed effective May 2011 to 4.41% and 8.09% respectively.

Credited Service: A Participant shall be credited with service calculated from date of hire to the nearest number of completed months.

Plan Year: The twelve (12) month period beginning January 1 and ending December 31.

Participant: An employee will become eligible to participate following the completion of two months of full time service. Service is granted from date of hire.

Points: The sum of a Participant's age and Credited Service both rounded down to the nearest number of years and completed months.

Vested Participant: A Participant who has earned five years of Pension Credit will be partially vested. Those with 10 or more years of credited service are fully vested. Vesting is based on the schedule below.

<u>Years of Credited Service</u>	<u>Vesting Percentage</u>
Less than 5	0%
Between 5 and 6	50%
Between 6 and 7	60%
Between 7 and 8	70%
Between 8 and 9	80%
Between 9 and 10	90%
10 or greater	100%

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 5 – HISTORY AND PLAN PROVISIONS

BENEFIT OUTLINE

<u>BENEFIT</u>	<u>ELIGIBILITY</u>	<u>AMOUNT</u>	<u>FORM</u>
<u>NORMAL</u>	Age 65 and 5 years of Credited Service.	Fewer than 25 years of Credited Service: 2.0% per year times Average Highest Monthly Earnings. 25 or more years of Credited Service: 2.4%* per year times Average Highest Monthly Earnings.	Monthly Benefit Payable for Life.
<u>MINIMUM</u>	Attainment of Normal Retirement.	Fewer than 25 years of Credited Service: \$650 reduced proportionately for less than 10 years of Credited Service. 25 or more years of Credited Service: \$85 per year of Credited Service.	Monthly Benefit Payable for Life.
<u>EARLY</u>	Attainment of 52 points. Plan provides for Unreduced Early upon attainment of 85 points or age 52 and 80 points.	Normal Pension, reduced by 3.0% times the total number of points less than 85, unless eligible for normal retirement.	Same as Normal.
<u>DISABILITY, TOTAL & PERMANENT</u>	5 Years of Credited Service (10 Years if Non-Service related).	Maximum of Normal Pension with no reduction for Early Retirement and \$1,000. Offset by outside earnings.	Monthly Benefit Payable for Life.
<u>DISABILITY, TEMPORARY</u>	5 Years of Credited Service (10 Years if Non-Service related).	\$1,000 (\$650 if Non-Service related).	Maximum of 36 months.

* Effective January 1, 2009 percentage changes to 2.44% with 27 years, 2.46% with 28 years, 2.48% with 29 years and 2.50% with 30 or more years.

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 5 – HISTORY AND PLAN PROVISIONS

BENEFIT OUTLINE

<u>BENEFIT</u>	<u>ELIGIBILITY</u>	<u>AMOUNT</u>	<u>FORM</u>
<u>VESTED</u>	Graded Schedule. 0% for less than 5 years of Credited Service, 50% for 5 years of service increased by 10% for each additional year up to 10 years.	Accrued Normal Pension or refund of Employee Contributions with interest of 5.0% per annum for less than 5 years of Credited Service.	Same as Normal or reduced for Early, if eligible.
<u>PRE-RETIREMENT DEATH</u>	Death of Active Participant who is not yet eligible for Early or Normal retirement.	Refund of Employee Contributions with interest of 5.0% per annum.	Single Lump Sum Death Benefit payable to Named Beneficiary.
<u>PRE-RETIREMENT SURVIVING SPOUSE</u>	Death of Vested Participant eligible for Early or Normal Retirement. a) attainment of 66 points or Normal Retirement Date but not yet 85 points. b) after attainment of 85 points.	As if Participant elected Joint and 100% Survivor Pension and died the next day. Not reduced for Early Retirement. In accordance with option selected by Participant prior to death or as a Joint and 100% Survivor Pension as stated above if no selection is made.	Monthly Benefit Payable to Spouse for Life. Spouse may elect Single Lump Sum Death Benefit instead. Monthly Benefit Payable in the form selected by the Participant prior to death. Spouse may elect Single Lump Sum Death Benefit.
<u>POST-DISABILITY DEATH</u>	Participant receiving disability benefit.	The excess of the Pre-Retirement Single Sum Death Benefit at date of disability over the total amount of disability payments received.	Single sum payment to Designated Beneficiary.
<u>POST-RETIREMENT DEATH</u>	Death of Participant receiving Normal, Early or Vested Benefit.	In accordance with option selected. Minimum of total contributions accumulated.	In accordance with option selected.
<u>JOINT AND SURVIVOR</u>	Normal or Early Retirement	Accrued Pension reduced for alternate option.	Joint and Survivor including five year Pop-Up provision.

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 5 – HISTORY AND PLAN PROVISIONS

HISTORICAL BENEFIT MODIFICATIONS

Effective Date: December 1, 1985	Increase the Minimum Normal Retirement Benefit from \$385 to \$450.
Effective Date: December 1, 1985	Increase the monthly benefit for all retirees receiving benefits as of June 22, 1984 by \$65.00 adjusted for benefits taken under an alternate form of payment.
Effective Date: May 19, 1989	Decrease the Employee Contribution Rate from 4.02% of Compensation to 3.09% of Compensation. Decrease the Employer Contribution Rate from 7.36% of Compensation to 5.66% of Compensation.
Effective Date: January 1, 1992	Decrease the Employee Contribution Rate from 3.09% of Compensation to 2.45% of Compensation. Decrease the Employer Contribution Rate from 5.66% of Compensation to 4.48% of Compensation.
Effective Date: January 1, 1992	Change the benefit formula for all future retirees to be 1.75% per year for total service less than 25 years and 2.0% per year for total service 25 years or greater.
Effective Date: January 1, 1992	Increase the monthly benefit for all retirees receiving a monthly benefit as of January 1, 1992 by 5.0% if the monthly benefit is less than \$500, by 4.0% for monthly benefits between \$500 and \$1,000 and by 3.0% for monthly benefits over \$1,000.
Effective Date: January 1, 1992	Employees retiring with ten years or more of continuous employment shall have accumulated personal paid time (PPT) and (sick leave) credited as time worked for pension benefit calculations.
Effective Date: January 1, 1993	Increase the monthly benefit for all retirees receiving a monthly benefit as of January 1, 1993 by 5.0% if the monthly benefit is less than \$500, by 4.0% for monthly benefits between \$500 and \$1,000 and by 3.0% for monthly benefits over \$1,000.
Effective Date: January 1, 1994	Increase the monthly benefit for all retirees receiving a monthly benefit as of January 1, 1994 by 5.0% if the monthly benefit is less than \$500, by 4.0% for monthly benefits between \$500 and \$1,000 and by 3.0% for monthly benefits over \$1,000.
Effective Date: January 1, 1995	Increase the monthly benefits beginning January 1, 1995 for all retirees receiving a monthly benefit as of January 1, 1994 by 4.0% if the monthly benefit is less than \$700, by 3.0% for monthly benefits between \$700 and \$1,400, and by 2.0% for monthly benefits over \$1,400.
Effective Date: January 1, 1995	Increase the benefit rate for future retirees with more than 31 years of service from 2.0% to 2.10%

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 5 – HISTORY AND PLAN PROVISIONS

HISTORICAL BENEFIT MODIFICATIONS

Effective Date: January 1, 1995	Reduce the period for determining average compensation from the highest 4 years out of the last 8 to the highest 3 years out of the last 8.
Effective Date: January 1, 1996	Increase the monthly benefits for all current retirees as of January 1, 1994 by 4.0% if the monthly benefit is less than \$700, by 3.0% for monthly benefits between \$700 and \$1,400, and by 2.0% for monthly benefits over \$1,400.
Effective Date: January 1, 1997	Increase the monthly benefits for all retirees receiving a monthly benefit as of January 1, 1994 by 4.0% if the monthly benefit is less than \$700, by 3.0% for monthly benefits between \$700 and \$1,400, and by 2.0% for monthly benefits over \$1,400.
Effective Date: October 17, 1997	If the total payments made prior to your demise are less than the value of your accumulated contributions with interest through your date of termination the balance will be paid in a lump sum to your beneficiary.
Effective Date: October 17, 1997	If you retire and elect a Joint and Survivor benefit form and your spouse dies within two years after you have begun receiving payments your future benefit payments will be increased to the amount you would have received if you had elected a Life Annuity when you retired.
Effective Date: January 1, 1998	Increase the benefit rate for future retirees with between 25 and 30 years of service from 2.0% to 2.05%.
Effective Date: January 1, 1998	Increase the monthly benefit for all retirees receiving benefits as of July 1, 1998 by 3.0% beginning January 1, 1998.
Effective Date: January 1, 1999	Increase the monthly benefit for all retirees receiving benefits as of July 1, 1999 by 3.0% beginning January 1, 1999.
Effective Date: January 1, 1999	Permit the Employer Contributions of 4.48% of Payroll to be suspended from January 1, 1999 to June 30, 1999.
Effective Date: January 1, 2000	Increase the monthly benefit for all retirees receiving benefits as of July 1, 1999 by 3.0% beginning January 1, 2000.
Effective Date: March 26, 2001	Increase the benefit rate for future retirees with fewer than 25 years of Credited Service from 1.75% to 2.0%. Increase the benefit rate for future retirees with 25 or more years of Credited Service from 2.05% to 2.4%.
Effective Date: March 26, 2001	Increase the minimum monthly benefit for future retirees with fewer than 25 years of Credited Service from \$450 to \$650. Increase the minimum monthly benefit for future retirees with 25 or more years of Credited Service from \$450 to \$85 per month per year of Credited Service.

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 5 – HISTORY AND PLAN PROVISIONS

HISTORICAL BENEFIT MODIFICATIONS

Effective Date: March 26, 2001	Increase the minimum disability benefit for future disabled retirees from \$450 to \$1,000 per month.
Effective Date: March 26, 2001	All disabled retirees beginning March 26, 2001 will no longer have benefits reduced for workers compensation settlements.
Effective Date: March 26, 2001	Increase the monthly benefit for all retirees receiving benefits by 5.0% beginning April 1, 2001, by 2.0% beginning April 1, 2002 and by 2.0% beginning April 1, 2003.
Effective Date: March 26, 2001	Provide each normal, early, or disability retiree and each beneficiary with a \$500 or \$300 additional payment respectively for all who are receiving benefits as of March 26, 2001.
Effective Date: July 2004	Provide each normal, early, or disability retiree who retired before March 26, 2001 with an additional \$500 payment.
Effective Date: August 2005	Provide each normal, early, or disability retiree who retired before March 26, 2001 with an additional \$500 payment.
Effective Date: November, 2006	Provide each normal, early, or disability retiree, with an additional \$700 payment or an additional \$350 payment for retirement before or after March 26, 2001.
Effective Date: July 1, 2007	Increase Temporary Disability to 36 months, eliminate 12-month, increase Eligibility Requirement for Non-Service-Related Disability to 10 years. Limit Maximum Temporary Disability Benefit to \$1,000 and \$650 for Service and Non- Service-Related Disability.
Effective Date: July 1, 2007	Permit purchase of part-time service at 1% of Final Average Earnings (up to 3 years) at retirement using partial lump sum distribution for a one time fee of 4% of FAE.
Effective Date: January 1, 2009	Increase the Benefit Service Percentage to 2.44% for 27 years of service, 2.46% for 28 years of service, 2.48% for 29 years of service and 2.50% for 30 years of service.
Effective Date: April 26, 2011	Increase the Employee Contribution Rate from 2.45% of Compensation to 4.41% of Compensation. Increase the Employer Contribution Rate from 4.48% of Compensation to 8.09% of Compensation.

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 6 – ACTUARIAL ASSUMPTIONS

1. Future Rate of Net Investment Return 7.5% compounded annually

2. Mortality Rates a. healthy RP 2000 Mortality with sex distinct rates and blue collar adjustment projected to 2007
- b. disabled 1983 Group Annuity Mortality with sex distinct rates

3. Withdrawal Rates – Sample Rates as shown	<u>Rate</u>			
	<u>Age</u>	<u><2 Years</u>	<u>2-4 Years</u>	<u>4+ Years</u>
	20	16.19%	10.86%	0.00%
	25	19.57%	13.11%	9.91%
	30	16.75%	10.39%	6.42%
	35	15.10%	8.43%	5.47%
	40	14.32%	7.92%	4.60%
	45	13.93%	7.24%	4.45%
	50	14.04%	6.81%	4.07%
	55	12.17%	5.98%	1.98%
	60	12.27%	6.00%	1.62%

4. Disability Rates – Sample Rates as shown	<u>Age</u>	<u>Rate</u>
	20	0.08%
	25	0.12%
	30	0.15%
	35	0.20%
	40	0.30%
	45	0.49%
	50	0.83%
	55	1.39%
	60	2.24%

5. Retirement Ages – Sample Rates as shown	<u>Age</u>	<u>Rate</u>
	52-54	4%
	55-59	6%
	60	10%
	61	20%
	62	50%
	63-64	20%
	65	100%

Overriding Assumption	50% at age 52 and 80 points and 25 years
(sample summary)	60% at age 58 and 80 points and 27 years
	70% at age 60 and 80 points and 27 years
	80% at age 63 and 80 points and 27 years
	100% at age 56 and 80 points and 30 years

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 6 – ACTUARIAL ASSUMPTIONS

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| 6. | Allowance for Administrative Expenses | \$500,000. |
| 7. | Salary Scale | 2.0% for 2011, 4.5% compounded annually thereafter. |
| 8. | Age of Participants with unrecorded dates of birth | Average age of Participants with recorded dates of birth and the same vested status. |
| 9. | Withdrawal Benefit | 90% of Employees are assumed to take a refund of contributions with interest; 10% are assumed to retain a deferred vested benefit if greater. |
| 10. | Sick Leave Credits | 1.5% load of Present Value of Benefits for Actives. |
| 11. | Minimum Compensation | All Participants are assumed to have annualized pay for the prior Plan Year of no less than \$28,000. |
| 12. | Actuarial Value of Assets | The differences in the expected return and the actual return are spread evenly over 5 years, adjusted if necessary to within 20% of Market Value. |
| 13. | Asset Valuation Method | The Actuarial Value of Assets is used for determining the contribution requirements. The Market Value of Assets is used for measuring the funded status of the Plan. |
| 14. | Actuarial Cost Method | Entry Age Normal. |
| 15. | Prior Year Pay Adjustment | Prior Year Pay is increased 3.0% over the prior Plan Year Pensionable Earnings. |
| 16. | Payroll Growth | Payroll Growth for amortization purposes is expected to be 3.0% annually. |
| 17. | Data Adjustment | 3.0% load of Present Value of Benefits to account for Data issues and Transfer Liabilities. |
| 18. | Disability Benefit Adjustment | Inactive Disability Benefits are increased 9.0% to account for conversion from Temporary to Total and Permanent Benefits. |
| 19. | Service-related Disabilities Incidence | 80% of disablements are assumed to be Service-related. |
| 20. | Temporary Disabilities Incidence | 20% of disablements are assumed to be Temporary (i.e., do not extend beyond 36 months). |

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 7 – SUPPLEMENTAL INFORMATION

PURPOSE OF REPORT

This Actuarial Valuation Report has been prepared for the Trustees as of the beginning of the current plan year. Its primary purpose is to determine and describe the financial status of the pension plan as of the valuation date. Other purposes of the report are to:

1. Determine whether the anticipated contributions for the current plan year are sufficient to fund the Plan;
2. Report on the progress of the funding of accrued benefits;
3. Provide information concerning the plan's Unfunded Vested Benefits (UVB), which are the primary basis for determining the liability in the event of a Plan termination;
4. Disclose certain actuarial information to the fund auditor so that he may comply with the requirements of FASB 35 and other standards of financial accounting;
5. Disclose certain actuarial information to the fund auditor so that he may comply with the requirements of GASB 25, GASB 27, GASB 50 and other standards of governmental accounting;
6. Summarize current plan experience through a series of statistical tables which display census and financial information. A review of such experience over a period of time will be used, in part, to justify changes in actuarial assumptions pertaining to future expected plan experience;
7. Provide enough statistical information and other details to enable other knowledgeable independent persons to determine the reasonableness of the valuation results and the reasonableness of the recommendations made; and
8. Provide a basis for calculating the costs of making any changes in plan provisions.

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 7 – SUPPLEMENTAL INFORMATION

ACTUARIAL VALUATION PROCEDURE

The actuarial valuation procedure begins by obtaining census and financial information from the plan administrator. Census information is obtained on current as well as past plan Participants. Each Participant is classified with respect to his status as an "active" or "inactive" plan Participant depending upon evidence of current participation. Each Participant is also classified with respect to his vested status using the eligibility requirements for vesting contained in the Plan.

An accrued or accumulated pension benefit is determined for each individual in accordance with the terms of the pension plan based on service to the valuation date. Future benefit accruals are determined using assumed levels of participation following the valuation date and actuarial assumptions regarding the age at retirement. Projected pension benefits are then determined for each individual. These benefits are the sum of accrued and future pension benefits. Calculations for the ancillary benefits such as disability, termination or death benefits follow the same procedure and take account of the various future payment dates.

An Actuarial Present Value of accrued benefits and projected benefits is calculated for each individual. A present value is the worth, as of the valuation date, of a future benefit or series of benefits based on a particular set of actuarial assumptions.

Actuarial assumptions are assumptions concerning the occurrence of future events affecting pension costs and consider such factors as mortality, withdrawal, disablement and retirement. The future rate of investment return and the value of the pension fund balance are considered as well as other relevant items. In selecting assumptions, the actuary takes account of the actual experience of the covered group to the extent information is available and applicable, but in recognition of the nature of a pension plan, the assumptions must reflect expected long term future trends rather than give undue weight to recent plan experience. Actuarial assumptions reflect the actuary's best judgment of future events affecting plan costs and, in the actuary's opinion, are reasonably related to the experience of the plan in the aggregate and, in combination, represent his best estimate of anticipated experience.

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 7 – SUPPLEMENTAL INFORMATION

GLOSSARY

Accrued Vested Benefits - Accrued Vested Benefits are the amounts of Vested Benefits earned to the date as of which the determination is made according to the Plan's vesting schedule based on service earned at that date. The Present Value of Accrued Vested Benefits is determined for purposes of financial reporting.

Accumulated Plan Benefits - Accumulated Plan Benefits are the benefits, whether vested or not, that have been earned by the individuals covered by the Plan to the date as of which the determination is made. The Present Value of Accumulated Plan Benefits, as of the valuation date, is determined for purposes of financial reporting. For that purpose it includes values for any death or disability benefits provided under the plan, even though not yet awarded.

Actuarial Accrued Liability - This entity is computed differently under different Actuarial Cost Methods. Generally, the Actuarial Accrued Liability represents the value of the portion of the Participants' anticipated retirement, termination and/or death and disability benefits accrued as of the valuation date.

Actuarial Assumptions - Actuarial Assumptions are the estimates of future events affecting pension costs. They include projections of mortality, withdrawals, disability, ages at retirement, rates of investment earnings, plan expenses, and other relevant items.

Actuarial Cost Method - The Actuarial Cost Method, sometimes called the "funding method", is a particular technique used by actuaries for establishing the amount of the annual actuarial cost of pension plan benefits (Normal Cost) and the related Unfunded Actuarial Accrued Liability. Ordinarily, the annual contribution to the plan is comprised of: (a) the Normal Cost, plus (b) a payment towards the Unfunded Actuarial Accrued Liability. The number of years from the valuation date until such time as the Actuarial Accrued Liability is fully funded (i.e. until the Unfunded Actuarial Accrued Liability is zero) is called the "funding period" or "amortization period".

Actuarial Gain or Loss - From one plan year to the next, if the experience of the Plan differs from that anticipated by the actuarial assumptions, an actuarial gain or loss occurs. For example, an actuarial gain would occur if the assets in the trust earned 12% for a year while the assumed rate of return used in the valuation was 6.50%.

Actuarial Value of Assets - Actuarial Value of Assets is the value of cash, investments, and other property belonging to a pension plan, as used by the actuary for the purpose of an actuarial valuation.

Entry Age Normal Actuarial Cost Method - A method under which the Present Value of Future Benefits of each individual included in the actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and the assumed age of benefit commencement. That portion of the Present Value of Future Benefits allocated to the current valuation year is called the Normal Cost. This amount is added along with administrative expenses for the year to the Amortization Payment required to pay off the Unfunded Actuarial Accrued Liability systematically over a fixed period to determine the Total Required Contribution for the Plan Year. The Plan's Actuarial Accrued Liability is equal to the portion of the Present Value of Future Benefits not provided for by the Present Value of Future Normal Costs.

MARTA / ATU LOCAL 732 EMPLOYEES RETIREMENT PLAN

SECTION 7 – SUPPLEMENTAL INFORMATION

GLOSSARY

Normal Cost - Computed differently under different Actuarial Cost Methods, the Normal Cost generally represents the value of the portion of the Participants' anticipated retirement, termination and/or death and disability benefits accrued during the current Plan Year.

Participant - A Participant is a person covered by a pension plan in accordance with its terms. "Active Participant" is a Participant who is active in covered employment. "Inactive Participant" is a Participant who is no longer active in covered employment. "Inactive Vested Participant" is an inactive Participant who holds a vested right to a deferred pension. It may also include a pensioner, unless the context indicates otherwise.

Present Value - Present Value is the value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of actuarial assumptions. It is a single sum. It reflects the time value of money (through discounts for investment yield) and the probabilities of payment (taking account of death, disability, withdrawal, and age at retirement, etc.).

Present Value of Accumulated Plan Benefits - Computed in accordance with the Financial Accounting Standards Board Statement No. 35, this quantity is determined independently from the plan's actuarial cost method. Basically, this is the present value of a Participant's accrued benefit as of the valuation date, assuming the Participant will earn no more credited service.

Present Value of Future Benefits - The Present Value of Future Benefits is the single sum amount which, if accumulated in a fund in accordance with the Actuarial Assumptions, would be sufficient to pay all benefits expected to be earned by present Participants for past and future service as they fall due. The fund would be exhausted upon disbursement of the last benefit payment.

Rate of Return - Rate of Return is the actual or expected investment income, including interest, dividends, and changes in capital values, as a percentage of a plan's average assets. The rate can be measured on various bases, e.g., an actuarial rate based on the Actuarial Value of Assets; a market rate based on the Market Value of Assets, etc.

Unfunded Actuarial Accrued Liability – An Unfunded Actuarial Accrued Liability is the excess of the Actuarial Accrued Liability over the Actuarial Value of Assets. It is adjusted from year to year to reflect Actuarial Gains or Losses, Plan Amendments, Assumption Changes, and Method Changes.

Vested Benefit - Vested Benefit is an earned benefit that is not cancelled if the Participant suffers a permanent break in service. A Vested Benefit is guaranteed for payment following the Participant's attainment of the Plan's specified retirement age, if the Participant has fulfilled certain conditions (such as meeting the graded 10 year schedule in this Plan). Consistent with the law, the exact requirements for such protection against forfeiture are defined in the Plan.

Sometimes the term "Vested Benefits" is used in the limited sense of "deferred benefits," that is, benefits to which a Participant is entitled, but payment of which will not begin before attainment of a later age. If used in that sense, the context will make it clear.