Metropolitan Transit Authority of Harris County, Texas

Employees' Deferred Compensation Plan Annual Financial Statements

Years Ended December 31, 2020 and 2019

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Metropolitan Transit Authority of Harris County, Texas
Employees' Deferred Compensation Plan

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McConnell
Jones

Independent Auditor's Report

To the Participants and Management of
Metropolitan Transit Authority Employees' Deferred Compensation Plan

Report on the Basic Financial Statements

We have audited the accompanying basic financial statements of the Metropolitan Transit Authority Employees' Deferred Compensation Plan (the "Plan"), which comprise the Statements of Fiduciary Net Position as of December 31, 2020 and 2019, and the related Statements of Changes in Fiduciary Net Position for the years then ended, and the related Notes to the basic financial statements.

Management's Responsibility for the Basic Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic 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 basic 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 basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the statements of fiduciary net position of the Plan as of December 31, 2020 and 2019, and statements of changes in fiduciary net position therein for the years then ended, in accordance with US GAAP.

Other Matters

Required Supplementary Information

US GAAP requires that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the Plan's basic financial statements. Such information, although not a part of the Plan's 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 Plan's 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 US GAAS, 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 Plan's basic financial statements, and other knowledge we obtained during our audit of the Plan's 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.

McConnell & Jones LLP

Houston, Texas
January 31, 2022

Metropolitan Transit Authority of Harris County, Texas
Employees' Deferred Compensation Plan

Management's Discussion and Analysis (Unaudited)

December 31, 2020 and 2019

Management's Discussion and Analysis (Unaudited)

This discussion and analysis section provide an overview of the performance of the Metropolitan Transit Authority (METRO) Employees' Deferred Compensation Plan (Plan) and should be read in conjunction with the basic financial statements and other information found in this report.

The Plan is a single employer, deferred compensation plan which is designed to assist full-time employees defer their salary to save for retirement in future years. The Plan became effective for full-time employees on January 1, 1989. Employees become eligible to participate in the Plan on the date on which the employee first performs an hour of service for METRO. During the last three calendar years, participant counts has increased to 4,664 for 2020, 4,449 for 2019 and 4,206 for 2018.

Employees can contribute into the Plan through salary reductions up to the Internal Revenue Code (IRC) 402(g) limits. The Plan also allows catch-up contributions for employees who are aged 50 or over. For 2020, these limits were $19,500 and $6,500, respectively. Employee contributions and their earnings are tax-deferred. Contributions from the employees are deposited into individual employee accounts, maintained by a third-party record-keeper, either weekly or semi-weekly depending on the related payroll cycle.

METRO also offers a 401(a) defined contribution plan (401(a) DC Plan) for new full-time employees not covered by the collective bargaining agreement hired after September 30, 2007 and September 30, 2012 for those covered by the agreement. This pension plan also includes employees who were participants of METRO's Union and Non-Union Pension Plans (Pension Plans) but changed status from union position to a non-union or vice versa after the Pension Plans closed for new employees. METRO matches up to four (4) percent of employee's compensation based on their contributions to their Deferred Compensation Plan account.

This match also encourages participants of the 401(a) DC Plan to contribute to their Deferred Compensation account in addition to deferring income taxation on retirement savings.

The discussion and analysis provide additional information regarding the activities of the Plan. For additional financial information or any questions, please contact the Office of the Controller, Metropolitan Transit Authority of Harris County, Texas, P.O. Box 61429 Houston, Texas 77208-1429.

Financial Highlights

The summary of fiduciary net position and changes in fiduciary net position lists the additions and deductions that when netted equals the total assets/fiduciary net position. The values and related changes during the last three plan years consist of:

Management's Discussion and Analysis (Unaudited)

December 31, 2020 and 2019

	2020	2019	2018
Summary of fiduciary net position:			
Assets:			
Investments, at fair value	$ 123,289,879	$ 111,646,772	$ 92,544,508
Notes receivable from participants	6,619,908	6,825,615	6,259,244
Total assets / fiduciary net position	$ 129,909,787	$ 118,472,387	$ 98,803,752
Changes in fiduciary net position:			
Additions:			
Investment Income/(loss)			
Net appreciation/(depreciation) in fair value of investments	$ 8,236,960	$ 11,429,971	$ (11,108,235)
Interest and dividend income	6,594,803	6,624,429	7,025,821
Total investment gain/(loss)	14,831,763	18,054,400	(4,082,414)
Contributions from participants	11,294,336	11,702,904	9,838,915
Interest on notes receivable from participants	416,687	389,193	348,946
Total additions	26,542,786	30,146,497	6,105,447
Deductions:			
Benefit payments	(14,957,266)	(10,354,434)	(8,246,745)
Administrative expenses	(148,120)	(123,428)	(100,237)
Total deductions	(15,105,386)	(10,477,862)	(8,346,982)
Changes in fiduciary net position	11,437,400	19,668,635	(2,241,535)
Beginning of the year	118,472,387	98,803,752	101,045,287
End of the year	$ 129,909,787	$ 118,472,387	$ 98,803,752

Active employees elect the amount or percentage of their salary/wages to contribute to their deferred compensation account each pay period which totaled $11.3 million for 2020 and $11.7 million for 2019. The 2020 decrease primarily relates to eligible employees contributing less into their accounts due to loss of wages and medical expenses because of the COVID-19 virus. Benefit payments increased during 2020 by $4.6 million or 44.5 percent and by $2.1 million or 25.6 percent during 2019. The changes in 2020 in the benefit payment amounts were primarily due to 1,300 participants taking a CARES Act withdrawal. For 2019 and 2018, the withdrawal amounts relate to the number of participants terminating employment with METRO and transferring their balances to other retirement accounts.

Total assets / plan fiduciary net position increased during 2020 by 11.4 million or 9.7 percent and increased during 2019 by 19.7 million or 19.9 percent. The changes over the last three years in total assets/plan fiduciary net position generally relates to investment returns which were driven by significant changes in market conditions, contributions and offset by withdrawals.

Participants loan activity

The loan activity consists of new loans, interest, payments and defaulted loans that when netted equals the ending balance. New loans issued decreased by $804 thousand or 17.7 percent and distributed loans decreased by $308 thousand or 44.1 percent in 2020. The change in new loans was primarily due to loans maturing or defaulting and participants taking a CARES Act withdrawal instead of a new loan. The changes in distributed loans were due to a decrease in participant loan defaults.

The following table presents information of participant loans during plan years ending December 31, 2020, 2019 and 2018:

	2020	2019	2018
Beginning balance – January 1st	$ 6,825,615	$ 6,259,244	$ 6,531,251
New loans issued	3,741,955	4,546,140	3,558,352
Interest assessed	416,687	389,193	348,946
Loan payments	(3,974,549)	(3,671,526)	(3,501,988)
Distributed loans	(389,800)	(697,436)	(677,317)
Ending balance – December 31st	$ 6,619,908	$ 6,825,615	$ 6,259,244

Fund Performance

The investment line-up that participants can invest consists of forty mutual funds and one guaranteed interest fund. Each fund has its own investment objectives and strategies. The funds also provide an asset allocation strategy designed to meet their individual investment goals and strategies. The investment returns generally followed the related markets during the last three years. The following table provides a three-year comparison of investment returns:

		2020		2019		2018	
Investment Name	**Ticker**	**Annual Return**	**Market Benchmark**	**Annual Return**	**Market Benchmark**	**Annual Return**	**Market Benchmark**
Target retirement date funds							
Great-West Lifetime 2015 Fund Inst	MXNYX	11.47%	N/A	15.53%	N/A	-4.03%	N/A
Great-West Lifetime 2020 Fund Inst	MXAKX	11.72%	N/A	16.80%	N/A	-4.58%	N/A
Great-West Lifetime 2025 Fund Inst	MXQBX	12.67%	N/A	18.43%	N/A	-5.41%	N/A
Great-West Lifetime 2030 Fund Inst	MXAYX	12.99%	N/A	20.52%	N/A	-6.41%	N/A
Great-West Lifetime 2035 Fund Inst	MXTBX	13.84%	N/A	22.58%	N/A	-7.56%	N/A
Great-West Lifetime 2040 Fund Inst	MXBGX	14.01%	N/A	24.18%	N/A	-8.39%	N/A
Great-West Lifetime 2045 Fund Inst	MXWEX	14.33%	N/A	25.14%	N/A	-9.00%	N/A
Great-West Lifetime 2050 Fund Inst	MXBSX	14.30%	N/A	25.28%	N/A	-9.21%	N/A
Great-West Lifetime 2055 Fund Inst	MXZHX	14.33%	N/A	25.19%	N/A	-9.42%	N/A
Great-West International Value Inst	MXJVX	10.21%	7.82%	22.43%	20.01%	-15.30%	-13.79%

Metropolitan Transit Authority of Harris County, Texas
Employees' Deferred Compensation Plan

Management's Discussion and Analysis (Unaudited)

December 31, 2020 and 2019

Investment Name	Ticker	2020 Annual Return	2020 Market Benchmark	2019 Annual Return	2019 Market Benchmark	2018 Annual Return	2018 Market Benchmark
International stock funds							
American Funds New Perspective R6	RNPGX	33.81%	7.82%	30.48%	20.01%	-5.56%	-13.79%
American Funds New World R6	RNWGX	25.30%	7.82%	28.03%	20.01%	-11.97%	-13.79%
Franklin Mutual International R6	FIMFX	N/A	7.82%	14.89%	20.01%	-17.40%	-13.79%
MFS International Growth R6	MGRDX	15.82%	7.82%	27.31%	20.01%	-8.79%	-13.79%
Franklin Mutual Global Discovery R6	FMDRX	-4.27%	7.82%	24.80%	20.01%	-10.67%	-13.79%
Oppenheimer International Growth I	OIGIX	N/A	7.82%	29.16%	20.01%	-19.22%	-13.79%
Vanguard Total Intl Stock Index Admiral	VTIAX	11.28%	7.82%	21.51%	20.01%	-14.43%	-13.79%
Specialty funds							
Nuveen Real Estate Securities I	FARCX	-6.12%	N/A	25.56%	N/A	-5.51%	N/A
Franklin Gold & Precious Metals Adv.	FGADX	43.99%	N/A	51.87%	N/A	-17.89%	N/A
MFS Technology R6	MTCLX	46.56%	N/A	36.23%	N/A	1.94%	N/A
Vanguard Real Estate Index Adm	VGSLX	-4.65%	N/A	28.94%	N/A	-5.95%	N/A
Domestic stock funds							
Columbia Small Cap Index A	NMSAX	10.92%	19.96%	22.30%	25.52%	-8.95%	-11.01%
Janus Henderson Venture N	JVTNX	31.81%	19.96%	30.98%	25.52%	-6.46%	-11.01%
Undiscovered Mgrs Behavioral Value R6	UBVFX	3.62%	19.96%	23.34%	25.52%	-15.20%	-11.01%
Ariel Appreciation Fund	CAAPX	7.36%	13.66%	24.60%	26.20%	-13.99%	-11.08%
Janus Enterprise Fund T	JAENX	20.15%	13.66%	35.06%	26.20%	-1.05%	-11.08%
Vanguard Mid Cap Index Admiral	VIMAX	18.24%	13.66%	31.03%	26.20%	-9.23%	-11.08%
Columbia Contrarian Core Instl 3	COFYX	22.44%	18.40%	33.08%	31.49%	-8.81%	-4.38%
Columbia Dividend Income Adv	CVIRX	7.77%	18.40%	28.17%	31.49%	-4.41%	-4.38%
Great-West S&P 500 Index Fund Inv	MXVIX	17.77%	18.40%	30.84%	31.49%	-4.89%	-4.38%
Pioneer Fundamental Growth K	PFGKX	27.51%	18.40%	34.40%	31.49%	-0.20%	-4.38%
Balanced funds							
American Funds American Balanced R6	RLBGX	11.22%	N/A	19.55%	N/A	-2.42%	N/A
Fidelity Puritan	FPURX	20.56%	N/A	21.25%	N/A	-4.16%	N/A
Bond funds							
BlackRock High Yield Bond Portfolio K	BRHYX	5.93%	7.51%	15.58%	8.72%	-2.76%	0.01%
Columbia US Government Mortgage Instl	CUGYX	N/A	7.51%	6.97%	8.72%	2.11%	0.01%
Columbia Quality Income Instl 3	CUGYX	6.14%	7.51%	N/A	8.72%	N/A	0.01%
JPMorgan Global Bond Opportunities R6	GBONX	7.92%	7.51%	10.73%	8.72%	-1.74%	0.01%
Metropolitan West Total Return Bond Pl	MWTSX	9.18%	7.51%	9.23%	8.72%	0.29%	0.01%
MFS Emerging Markets Debt R6	MEDHX	8.11%	7.51%	14.17%	8.72%	-4.91%	0.01%
Vanguard Inflation-Protected Secs Adm	VAIPX	10.96%	7.51%	8.16%	8.72%	-1.39%	0.01%
Vanguard Interm-Term Investment-Grade	VFIDX	10.41%	7.51%	10.49%	8.72%	-0.47%	0.01%
Vanguard Total Bond Market Index Adm	VBTLX	7.72%	7.51%	8.71%	8.72%	-0.03%	0.01%
Interest fund							
Great-West Guaranteed Interest Fund	N/A	1.50%	N/A	1.75%	N/A	1.80%	N/A

Plan Fees

The Plan charges fees to participants' account for investment management, advisory and record-keeping services that are directly offset from the investment funds' earnings. The fees vary by investment fund and are calculated based on the fund's daily asset value. According to the Fee Disclosure Report provided by Empower as of December 31, 2020 and 2019, the estimated fees were as follows:

December 31, 2020

Service	Annual Estimate	Estimated Average Cost Per Participant	Estimated Percentage of Total Assets
Payments to Investment Providers	$ 527,853	$ 113.00	0.41%
Payments to Recordkeeper	218,325	47.00	0.17%
Payments to Others	89,871	19.00	0.07%
Total Payment Estimate	$ 836,049	$ 179.00	0.65%

December 31, 2019

Service	Annual Estimate	Estimated Average Cost Per Participant	Estimated Percentage of Total Assets
Payments to Investment Providers	$ 473,027	$ 106.00	0.40%
Payments to Recordkeeper	239,874	54.00	0.20%
Payments to Others	86,494	19.00	0.07%
Total Payment Estimate	$ 799,395	$ 179.00	0.67%

For a copy of the complete Fee Disclosure Report, please contact the Plan Administrator, Metropolitan Transit Authority of Harris County, Texas, P.O. Box 61429, Houston, Texas 77208-1429.

BASIC FINANCIAL STATEMENTS

Metropolitan Transit Authority of Harris County, Texas
Employees' Deferred Compensation Plan

Statements of Fiduciary Net Position
December 31, 2020 and 2019

	2020	2019
Assets:		
Investments, at fair value	$ 123,289,879	$ 111,646,772
Notes receivable from participants	6,619,908	6,825,615
Total assets	129,909,787	118,472,387
Fiduciary net position:		
Restricted for pensions	$ 129,909,787	$ 118,472,387

The accompanying notes are an integral part of the Plan's financial statements.

Metropolitan Transit Authority of Harris County, Texas
Employees' Deferred Compensation Plan

Statements of Changes in Fiduciary Net Position
Years Ended December 31, 2020 and 2019

	2020	2019
Additions:		
Investment income:		
Interest and dividend income	$ 6,594,803	$ 6,624,429
Net appreciation in fair value of investments	8,236,960	11,429,971
Total investment income	14,831,763	18,054,400
Contributions from Participants	11,294,336	11,702,904
Interest on notes receivable from participants	416,687	389,193
Total additions	26,542,786	30,146,497
Deductions:		
Benefit payments	(14,957,266)	(10,354,434)
Administrative expenses	(148,120)	(123,428)
Total deductions	(15,105,386)	(10,477,862)
Changes in fiduciary net position	11,437,400	19,668,635
Fiduciary net position – restricted for pensions:		
Beginning of the year	118,472,387	98,803,752
End of the year	$ 129,909,787	$ 118,472,387

The accompanying notes are an integral part of the Plan's financial statements.

Metropolitan Transit Authority of Harris County, Texas
Employees' Deferred Compensation Plan

Notes to the Basic Financial Statements

December 31, 2020 and 2019

1. DESCRIPTION OF THE PLAN

The following description of Metropolitan Transit Authority (METRO) Deferred Compensation Plan (the "Plan" or "457(b) account") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a single employer, employees' deferred compensation plan that is an eligible governmental plan within the meaning the Internal Revenue Code (the "IRC") 457(e)(l)(a). The Plan is not covered by the Employee Retirement Income Security Act of 1974.

Eligibility

The Plan was established to assist METRO's full-time employees to defer their salary to save for retirement into future years. The Plan became effective for full-time employees on January 1, 1989. New full-time employees become eligible to participate in the Plan on the date on which the employee first performs an hour of service for METRO.

The following table presents information of Plan participants during plan years ended December 31, 2020 and 2019:

Participants	2020	2019
Participants – January 1st	4,449	4,206
Less: Terminated participants who removed funds	213	353
Add: New participants	428	596
Participants – December 31st	4,664	4,449

Contributions by Participants

Contributions to the Plan participants 457(b) account are only made by employees through salary deferment based on previous employee authorizations. The employee elects the amount of deferral and the date when deferrals start. Participants can revoke or change deferral amounts anytime.

Participants of the 401(a) defined contribution plan (401(a) DC Plan) are encouraged to contribute to their 457(b) account. Only METRO contributes to the participants 401(a) DC Plan account. The 401(a) DC Plan includes METRO's match up to four (4) percent of the employee's compensation based on their contribution to their 457(b) account. The employees' contributions are deposited into the employee's 457(b) individual account during the normal weekly or bi-weekly payroll cycle. Terminated employees can remain in the Plan but can no longer contribute to their account.

Participants' Accounts

Each participant has an individual 457(b) account which tracks contributions made by employees, investments they purchased/sold and related fees. Participants control how funds in their accounts are invested in the available investment line-up and can allocate contributions between 40 investment options established under the Plan.

Vesting

The Participants are immediately vested in their contributions.

Participant Loans

The Plan permits participant loans. Only active employees may request a Plan loan but must have a minimum account balance of $2,000 to be eligible. The minimum loan amount is $1,000 with a maximum amount of $50,000 or 50 percent of account balance whichever is less. If a participant has an outstanding loan, the maximum loan amount available must be reduced by the highest loan balance during the past 12 months. A participant may have up to two loans at one time if the loan repayments are submitted via payroll deduction and are identified separately. A loan origination fee of $50 is deducted from the loan amount.

The loans are secured by the balance in the participant's account. Two types of loans are available: (1) general purpose loan with a term of one to five years and (2) a principal residence loan with a term of six to fifteen years. Loans bear interest at a fixed rate equal to 2 percent over the Prime Rate published in the Wall Street Journal on the first business day of the month before the loan is originated for the life of the loan.

Plan Administration and Fees

METRO is the Plan Administrator with the general administration and record keeping services provided by Empower Retirement, a subsidiary of Great-West Life & Annuity Insurance Company. Fees associated with administration, recording keeping, money managers and discretionary managed account services are paid from the participants' accounts.

Payment of Benefits

A participant's deferred compensation account balance is available upon severance from METRO's service, attainment of age 70 and a half, or death. Plan participants age 65 and older are eligible to take distributions, without penalty, from their 457(b) accounts while still in service with METRO. A participant may elect to receive: 1) a single lump sum amount equal to the value of their account, 2) a partial lump-sum payment of a specified amount, with the balance payable in installment payments for a period of years, 3) annuity payments payable either monthly, quarterly, or annually over a period not exceeding the life expectancy of the participant, or, in certain circumstances, the joint life expectancy of the participant and a "designated beneficiary" (as defined in the Internal Revenue Code (Code), or 4) installment payments for a period of years. Upon termination from METRO, or attainment of age 70 and a half, funds may be rolled over into an eligible retirement plan (as defined in the Code), or an IRA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Plan are presented in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP) established by the Governmental Accounting Standards Board (GASB).

Basis of Accounting

The Plan's financial statements are prepared using the accrual basis of accounting. Employee contributions are reported when deducted from their payroll check, while investment income (net of investment and administrative fees) is reported when earned. Payments made to participants upon termination or retirement are reported when paid.

Investment Policy

The Plan's investment policy is focused on providing resources for participants to save for retirement. Participants can choose among 40 funds that cover a wide range of investment strategies and customize their investment portfolio based on their personal risk tolerance levels and financial goals. To assist participants, implement and monitor their long-term investment strategy, online administrative and investment tools are provided by the Plan's record-keeper and service provider Empower Retirement, previously known as Great-West Life & Annuity Insurance Company.

Investment Valuation

The Plan's investments are stated at fair value which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Participants Accounts and Income Recognition

Changes in the value of Participant's account relate to contributions by the participant, interest, dividends, investments sales and change in market value. Purchases and sales of securities are recorded on a trade-date basis. Dividends are processed the evening of the execution date and recorded with a drop date on the next business day. Interest is credited to participant-guaranteed accounts based on the rate communicated by Empower. Share values of mutual funds are received from the National Security Clearing Corporation, Interactive Data Corporation, or the mutual fund company.

Use of Estimates

The preparation of Plan's financial statements in conformity with U.S GAAP requires management to make certain estimates and assumptions that affect amounts reported in the Plan's financial statements. Actual results could differ from those estimates.

3. CUSTODIAL CREDIT RISK

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of their investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan, and are held by either the counterparty or the counterparty trust department. All Plan's investments are held by the individual mutual funds and guaranteed funds' asset custodians in the Plan's name and therefore, are not exposed to custodial credit risk.

4. FAIR VALUE MEASUREMENTS

The Plan categorizes its fair value hierarchy as established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. In determining fair value, the Plan utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value.

Following is a description of the valuation methodologies used for assets measured at fair value:

Investments disclosed as Level 1 includes individual mutual funds and those that invest in multiple mutual funds (fund to funds) when the underlying fund is actively traded on a nationally recognized stock exchange.

Investments disclosed as Level 2 represents funds invested in Great-West Guaranteed Interest Funds and Great-West Guaranteed Certificate Funds (collectively, "Funds") whose investment value represents contributions made by participants to the Funds, plus earnings, less participant withdrawals and administrative expenses.

All investments are recorded at their net asset value (unit value) and calculated daily after the close of the current trading day by each mutual fund. This value is used to calculate the daily ending investment balance for each participant and to price investment transactions settling at the end of the day.

The following tables set forth by level, within the fair value hierarchy, a summary of the Plan's investments measured at fair value as of December 31, 2020 and December 31, 2019:

2020 Fair Value Measurement Based on Reporting Hierarchy

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Domestic stock funds	$ 32,410,441	$ -	$ -	$ 32,410,441
International stock funds	8,647,291	-	-	8,647,291
Balanced fund	7,509,717	-	-	7,509,717
Target retirement date funds	39,653,236	-	-	39,653,236
Specialty funds	6,100,588	-	-	6,100,588
Bond funds	10,246,432	-	-	10,246,432
Great-West Guaranteed Certificate Funds	-	1,061		1,061
Great-West Guaranteed Interest Funds	-	18,721,113	-	18,721,113
Total investments, at fair value	$ 104,567,705	$ 18,722,174	$ -	$123,289,879

2019 Fair Value Measurement Based on Reporting Hierarchy

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Domestic stock funds	$ 30,374,637	$ -	$ -	$ 30,374,637
International stock funds	7,023,176	-	-	7,023,176
Balanced fund	6,962,929	-	-	6,962,929
Target retirement date funds	36,343,273	-	-	36,343,273
Specialty funds	4,867,714	-	-	4,867,714
Bond funds	9,378,239	-	-	9,378,239
Great-West Guaranteed Certificate Funds	-	1,729		1,729
Great-West Guaranteed Interest Funds	-	16,695,075	-	16,695,075
Total investments, at fair value	$ 94,949,968	$ 16,696,804	$ -	$ 111,646,772

5. UNALLOCATED PLAN ASSET ACCOUNT

Settlement payments and other amounts received by the Plan and the record-keeper cannot quickly transfer to a participant's account are transferred to an unallocated plan asset account within the Plan until the record-keeper determine where the funds should be transferred. On December 31, 2020 and 2019, the Plan's unallocated Plan asset account balance was $59,352 and $58,476, respectively.

6. TERMINATED PARTICIPANTS

As of December 31, 2020 and 2019, the Plan had 1,225 and 1,071 terminated participants who had account balances totaling $34,766,572 and $30,175,844, respectively. These participants no longer contribute to their account and their balances are adjusted only for fees, investment earnings and withdrawals.

7. RELATED PARTY TRANSACTIONS

The costs of administering the Plan are paid with the monthly administrative fee charged to participant accounts, an annualized asset-based fee assessed to the Plan's investment funds, and interest earned on assets held in the Plan's custodial account which is administered by the Plan's custodian.

8. INCOME TAX STATUS

The Plan has not obtained a determination letter from the Internal Revenue Service since METRO adopted a pre-approved prototype plan from Great-West Retirement Services and has not made any extensive modifications to such prototype plan. The Plan Administrator believes that the Plan complies with the applicable requirements of the Internal Revenue Code and, therefore, qualifies as a tax-favored Plan.

9. PLAN TERMINATION

METRO as Plan Sponsor has the right to amend, suspend, or terminate the Plan if the amounts of the Participant's balances are not affected. METRO also has the right to add or eliminate any investment option, in whole or in part.

10. RISKS AND UNCERTAINTIES

The Plan provides for participant directed investments that are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments and the level of uncertainty related to the changes in the value of investments, it is at least reasonably possible, that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the Statements of Fiduciary Net Position and the Statements of Changes in Fiduciary Net Position.

11. SUBSEQUENT EVENTS

The Plan's management has evaluated subsequent events through January 31, 2022; the date the Plan's financial statements were available to be issued. No changes were made, or are necessary to be made, to the Plan's financial statements, because of this evaluation.