

# CITY OF HOUSTON

## PENSION FUND PAYMENTS AND UNFUNDED LIABILITY SUMMARY

12/31/2013

### PAYMENTS

(amount expressed in thousands)

|                          | FY2013           | FY 2014                 |                             |                   |                        |
|--------------------------|------------------|-------------------------|-----------------------------|-------------------|------------------------|
|                          |                  | City<br>Payment<br>Rate | Employee<br>Payment<br>Rate | Adopted<br>Budget | Year to Date<br>Actual |
| Firefighters Plan        |                  |                         |                             |                   |                        |
| General Fd. & Other Fds. | \$ 61,966        | 23.9%                   | 9.00%                       | \$ 61,592         | \$ 19,592              |
| Total Firefighters Plan  | <u>61,966</u>    |                         |                             | <u>61,592</u>     | <u>32,547</u>          |
| Police Plan              |                  |                         |                             |                   |                        |
| General Fd. & Other Fds. | 84,500           | Note 1                  | 9.00% /<br>10.25%           | 103,000           |                        |
| Pension Bonds            | <u>0</u>         |                         |                             | <u>0</u>          | 51,500                 |
| Total Police Plan        | <u>84,500</u>    |                         |                             | <u>103,000</u>    | <u>51,500</u>          |
| Municipal Plan           |                  |                         |                             |                   |                        |
| General Fund             | 47,555           | Note 2                  | 5% /<br>None                | 50,892            | 26,424                 |
| Other Funds              | 65,672           | Note 2                  | 5% /<br>None                | 74,613            | 38,025                 |
| Total Municipal Plan     | <u>113,227</u>   |                         |                             | <u>125,505</u>    | <u>64,449</u>          |
| Total All Three Plans    | <u>\$259,693</u> |                         |                             | <u>\$290,097</u>  | <u>\$148,496</u>       |

### UNFUNDED ACCRUED LIABILITY AND FUNDED STATUS

|                   | Date of Most<br>Recent Valuation<br>or Estimate | Unfunded<br>Accrued Liability<br>(\$ millions) | Assets<br>as %<br>of Liabilities |
|-------------------|---|--|----------------------------------|
| Firefighters Plan | 7/1/2012  | 489.6  | 87.0%                            |
| Police Plan       | 7/1/2012  | 858.7  | 81.9%                            |
| Municipal Plan    | 7/1/2012  | 1,622.7  | 59.1%                            |

Note 1: City contribution based on Meet and Confer Agreement with Houston Police Officers Pension System

(Agreement Between Houston Police Officers' Pension System and City of Houston,

Article II - Change in Member Contributions, September 18, 2004). The City committed to pay the flat amount of \$84.5 million in FY13.

Note 2: City contribution based on Meet and Confer Agreement with Houston Municipal Employees Pension System

(Fourth Amendment, June 27, 2007, Change in Member Contributions: effective January 1, 2008, new hires do not contribute).

The City committed to the greater of \$108.5M or 21.36% of payroll FY13.