CITY OF HOUSTON

RETIREE MEDICAL UNFUNDED ACCRUED LIABILITIES

9/30/2014
(amount expressed in millions)

	Date of Most Recent Valuation or Estimate	Present Value of Benefits [2]	Unfunded Accrued Liabilities	Annual OPEB Cost [4]
Entry Age Normal [1]	6/30/2013	$3,001.2	$2,089.8 [3]	$214.0

Note (1) Entry Age Normal is a cost method used to identify the value of benefits for the fiscal year 2012
Present Value of Benefits is a measure of total liability at the date of valuation
Both medical and life benefits are included.

Note (2) Total present value of all expected future benefits based on actuarial assumptions
and reflects new plan provisions effective 05/01/2013.

Note (3) Based on Aon Consulting's updated estimate to reflects new plan provisions effective 05/01/2013.

Note (4) The Annual OPEB (Other Post Employment Benefits) Cost is the actuarial calculated annual amount the City should
contribute to fund the unfunded accrued liabilities over 30 years remaining average expected working life.
The City currently funds on a "pay as you go" basis. The City has paid $10.0 million current fiscal year to date.
For FY2014 the City paid $38.6 million for the retiree health insurance costs.