

CITY OF HOUSTON

RETIREE MEDICAL UNFUNDED ACCRUED LIABILITIES

3/31/2016
(amount expressed in millions)

	<u>Date of Most Recent Measurement</u>	<u>Present Value of Benefits ⁽²⁾</u>	<u>Unfunded Accrued Liabilities</u>	<u>Annual OPEB Cost ⁽⁴⁾</u>
Entry Age Normal ⁽¹⁾	6/30/2015	\$3,437.7	\$2,068.1 ⁽³⁾	\$192.8

Note (1) Entry Age Normal is a cost method used to identify the value of benefits for the fiscal year 2015
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 07/01/2014.

Note (3) Based new plan provisions effective 07/01/2014.

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 \$28.8 million current fiscal year to date.
For FY2015 the City paid \$36.8 million for the retiree health insurance costs.