

**CITY OF HOUSTON, TEXAS**  
**REQUIRED PENSION SYSTEM SUPPLEMENTARY INFORMATION**  
**June 30, 1999**

**Firemen's Pension System Supplementary Information (unaudited)**

Schedule of Funding Progress (millions)

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Plan Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (Surplus UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Projected Annual Covered Payroll (c)</b>	<b>UAAL as Percentage of Covered Payroll ((b-a)/c)</b>
July 1, 1993	762.8	758.6	(4.2)	101%	119.5	(3)
July 1, 1994	831.7	793.0	(38.7)	105%	120.1	(32)
July 1, 1995	912.4	852.3	(60.1)	107%	127.0	(47)
July 1, 1996	1,024.5	989.3	(35.2)	104%	131.6	(27)
July 1, 1997	1,183.8	1,128.2	(55.6)	105%	142.0	(39)
July 1, 1998	1,347.4	1,271.4	(76.0)	106%	149.0	(51)

Schedule of Employer Contributions (millions)

<b>Year Ended June 30</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>	<b>Annual Required Contribution as a % of Base Pay</b>
1994	17.7	100%	16.0%
1995	17.6	100%	14.9%
1996	18.8	100%	15.4%
1997	20.3	100%	15.4%
1998	21.7	100%	15.4%
1999	24.0	100%	15.4%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as to the latest actuarial valuation follows:

Valuation date	July 1, 1998
Actuarial cost method	Entry age normal cost
Amortization Method	Level percent of payroll Aggregate actuarial cost closed
Remaining amortization period	25 years
Asset valuation method	5 year smoothed market
Actuarial assumptions:	
Investment rate of return	8.5%
Payroll growth rate, attributable entirely to inflation	5.0%
Annual increase attributable to seniority/merit	1%
Post retirement benefit increase	3%

**CITY OF HOUSTON, TEXAS**  
**REQUIRED PENSION SYSTEM SUPPLEMENTARY INFORMATION**  
**June 30, 1999**

**Municipal Pension System Supplementary Information (unaudited)**

Schedule of Funding Progress (millions)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (Surplus UAAL) (b-a)	Funded Ratio (a/b)	Projected Annual Covered Payroll (c)	UAAL as Percentage of Covered Payroll ((b-a)/c)
July 1, 1992	608.5	765.3	156.8	80%	314.7	50
July 1, 1993	660.6	840.3	179.7	79%	340.2	53
July 1, 1994	713.7	886.7	173.0	80%	366.6	47
July 1, 1995	770.2	963.7	193.5	80%	378.5	51
July 1, 1996	857.3	1,042.5	185.1	82%	367.6	50
July 1, 1998	1,095.6	1,240.1	144.5	88%	397.7	36

Schedule of Employer Contributions (millions)

Year Ended June 30	Annual Required Contribution	Percentage Contributed	Annual Required Contribution as a % of Base Pay
1994	31.6	98.4%	9.3
1995	32.2	100.0%	9.2
1996	33.5	97.0%	9.1
1997	33.5	100.0%	9.1
1998	33.5	100.0%	9.3
1999	33.5	100.0%	9.1

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as to the latest actuarial valuation follows:

Valuation date	July 1, 1998
Actuarial cost method	Entry age
Amortization Method	Level percent of payroll Aggregate actuarial cost closed amortization period ending December 31, 2002
Remaining amortization period	25 years
Asset valuation method	5 year smoothed market
Actuarial assumptions:	
Investment rate of return	8.5%
Payroll growth rate, attributable entirely to inflation	5.0%
Projected salary increases	5.5%

**CITY OF HOUSTON, TEXAS**  
**REQUIRED PENSION SYSTEM SUPPLEMENTARY INFORMATION**  
**June 30, 1999**

**Police Officer's Pension System Supplementary Information (unaudited)**

Schedule of Funding Progress (millions)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (Surplus UAAL) (b-a)	Funded Ratio (a/b)	Projected Annual Covered Payroll (c)	UAAL as Percentage of Covered Payroll ((b-a)/c)
July 1, 1993	857.5	936.7	79.1	92%	159.3	50
July 1, 1994	947.5	984.5	37.0	96%	162.1	23
July 1, 1995	1,038.3	1,000.4	(37.8)	104%	174.8	(22)
July 1, 1996	1,168.1	1,199.7	31.7	97%	182.3	17
July 1, 1998	1,329.5	1,258.2	(71.4)	106%	187.1	(38)
July 1, 1999	1,518.0	1,549.3	(31.2)	98%	196.3	(16)

Schedule of Employer Contributions (millions)

Year Ended June 30	Annual Required Contribution	Percentage Contributed	Annual Required Contribution as a % of Base Pay
1994	29.980	100.0%	19.0%
1995	29.929	100.0%	18.0%
1996	31.563	100.0%	18.4%
1997	29.503	100.0%	16.2%
1998	30.564	100.0%	16.8%
1999	30.645	100.0%	16.8%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. The actuarial valuation performed as of July 1, 1998 was adopted by the Board of Trustees for funding purposes effective July 1, 1999. Additional information as to the latest actuarial valuation follows:

Valuation date	July 1, 1998
Actuarial cost method	Entry age
Amortization Method	Level percent of payroll Aggregate actuarial cost closed amortization period ending December 31, 2022
Remaining amortization period	24.5 years
Asset valuation method	5 year smoothed market
Actuarial assumptions:	
Investment rate of return	8.5%
Payroll growth rate, attributable entirely to inflation	4.5%
Annual cost of living adjustment	2/3 of Consumer Price Index 3.0% minimum, 8% maximum
Projected salary increases	4.5-9.5%