

CITY OF HOUSTON

**PENSION FUND PAYMENTS AND
UNFUNDED LIABILITY SUMMARY**

1/31/2010

PAYMENTS

(amount expressed in thousands)

| | FY09 Actual | City Payment Rate | Employee Payment Rate | FY2010 | |
|--------------------------|------------------|-------------------------|-----------------------------|-------------------|------------------|
| | | | | Annual Payment | Year to Date |
| Firefighters Plan | | | | | |
| General Fd. & Other Fds. | \$ 70,886 | 29.4% | 9.00% | \$ 72,570 | \$ 43,464 |
| Total Firefighters Plan | 70,886 | | | 72,570 | 43,464 |
| Police Plan | | | | | |
| General Fd. & Other Fds. | 48,000 | Note 1 | 9.00% / 10.25% | 53,000 | 42,115 |
| Pension Bonds | 20,000 | | | 20,000 | 0 |
| Total Police Plan | 68,000 | | | 73,000 | 42,115 |
| Municipal Plan | | | | | |
| General Fund | 38,259 | Note 2 | 5% / None | 41,179 | 25,341 |
| Other Funds | 40,241 | Note 2 | 5% / None | 42,321 | 26,044 |
| Total Municipal Plan | 78,500 | | | 83,500 | 51,385 |
| Total All Three Plans | <u>\$217,386</u> | | | <u>\$229,070</u> | <u>\$136,964</u> |

UNFUNDED ACCRUED LIABILITY AND FUNDED STATUS

| | Date of Most Recent Valuation or Estimate | Unfunded Accrued Liability (\$ millions) | Assets as % of Liabilities |
|-------------------|---|--|----------------------------------|
| Firefighters Plan | 7/1/2008 | 135.4 | 96% |
| Police Plan | 7/1/2008 | 741.4 | 82% |
| Municipal Plan | 7/1/2008 | 986.0 | 70% |

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).

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 contribute none).