

# CITY OF HOUSTON

## RETIREE MEDICAL UNFUNDED ACCRUED LIABILITIES

5/31/2010  
(amount expressed in millions)

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	Date of Most Recent Valuation or Estimate	Present Value of Benefits <sup>(2)</sup>	Unfunded Accrued Liabilities	Annual OPEB Cost <sup>(3)</sup>
Entry Age Normal <sup>(1)</sup>	6/30/2009	\$4,231.0	\$3,096.0	\$270.0

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Note (1) Entry Age Normal is a cost method used to identify the value of benefits for the fiscal year 2009 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

Note (3) 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 \$53.9 million fiscal year to date. For FY2009 the City paid \$56.3 million for the health insurance costs.