Financial Statements and Report of
Independent Certified Public Accountants

Port of Houston Authority
Restated Retirement Plan

July 31, 2013 and 2012

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Pension and Benefits Committee
Port of Houston Authority Restated Retirement Plan
Port Commission of the Port of Houston Authority of
Harris County, Texas

We have audited the accompanying financial statements of the Port of Houston Authority Restated Retirement Plan (the "Plan") which comprise the statements of plan net assets available for benefits as of July 31, 2013 and 2012, and the related statements of changes in plan net assets for the years ended July 31, 2013 and 2012, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Port of Houston Authority Restated Retirement Plan net assets available for benefits as of July 31, 2013 and 2012, and changes therein for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Required supplementary information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress and contributions on pages 5-7 and 19-21, respectively, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This required supplementary information is the responsibility of management. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. These limited procedures consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Grant Thornton LLP

Houston, Texas
January 27, 2014

Port of Houston Authority Restated Retirement Plan

MANAGEMENT'S DISCUSSION AND ANALYSIS
July 31, 2013 and 2012
(Unaudited)

As management of the Port of Houston Authority of Harris County, Texas (the "Authority"), we offer readers of the Port of Houston Authority Restated Retirement Plan's (the "Plan") financial statements this narrative overview and analysis of the financial activities of the Plan for the fiscal years ended July 31, 2013 and 2012.

FINANCIAL HIGHLIGHTS

Net assets of the Plan at July 31, 2013, 2012 and 2011 were $151,454,771, $129,522,543, and $123,763,457, respectively. These net assets are restricted for the payment of future employee pension benefits. Overall, the financial position of the Plan has improved for the fiscal year ended July 31, 2013.

The Plan's net assets increased by $21,932,228, $5,759,086, and $18,006,195 for the fiscal years ended July 31, 2013, 2012, and 2011, respectively. The increase in net assets from 2012 to 2013 and 2011 to 2012 results primarily from net appreciation in plan net assets providing a net unrealized gain for the periods.

The Plan assets had a net appreciation in fair value of $18,172,176, $2,452,941, and $12,130,548 for the fiscal years ended July 31, 2013, 2012, and 2011, respectively. The net increase in fair value from 2012 to 2013 consisted primarily of unrealized gains in equity investments while the increase from 2011 to 2012 reflects appreciation in fixed income investments.

Additions to the Plan are made primarily through contributions from the Authority. These contributions totaled $9,870,470, $8,132,756, and $10,808,796 for the years ended July 31, 2013, 2012, and 2011, respectively. The increase in contributions from 2012 to 2013 relates primarily to the effect of the actuarial loss incurred in the prior plan year which raised the required contributions, while the decrease from 2011 to 2012 relates primarily to lower amortization of the unfunded actuarial accrued liability ("UAAL").

Investment returns consist of interest, dividend income, and net appreciation (depreciation) in fair value of investments. The following is a detail of the asset allocation and rate of return for the years ended July 31, 2013, 2012, and 2011:

	2013	2012	2011
Asset allocation:			
Domestic and foreign equities	56%	57%	57%
Fixed income investments	35	36	38
Master Limited Partnerships	5	3	2
Cash and cash equivalents	4	4	3
Rate of return	15.90%	4.03%	13.65%

Benefit payments are the primary expense of the Plan. Such payments totaled $8,683,315, $7,380,312, and $6,744,219 for the years ended July 31, 2013, 2012, and 2011, respectively. The increases in benefit payments from 2012 to 2013 and 2011 to 2012 related to the increase in the number of retirees and beneficiaries receiving benefits. Other expenses of the Plan include administrative expenses, which totaled $258,920, $263,159, and $240,970 for the years ended July 31, 2013, 2012, and 2011, respectively. The changes in administrative expenses across the time periods presented result from the use of various service providers on an as-needed basis.

Net assets, the excess of contributions and investment income over benefit payments and administrative and investment expenses, are accumulated by the Plan in order to meet future pension benefit obligations. Soundness in the funding of the Plan is sought through maintaining suitable reserves in the retirement annuity reserve account.

The latest annual actuarial valuation of the Plan, as of August 1, 2013, reflects the actuarial value of Plan assets of $151,454,771. The actuarial accrued liability for future Plan benefits is $150,380,102. Any changes in the UAAL are to be amortized over a period of not more than 30 years from the date of the valuation. Based on the current annual amortization of the UAAL and related interest, the equivalent single amortization period is two years.

Table 1
Statements of Plan Net Assets

	2013	2012	2011
ASSETS:			
Cash and cash equivalents	$ 6,225,886	$ 5,658,207	$ 3,513,424
Investments	145,109,812	123,610,431	119,901,532
Accounts receivable	-	53,641	-
Accrued investment income	367,884	308,548	416,146
Total assets	151,703,582	129,630,827	123,831,102
LIABILITIES:			
Accrued administrative and investment expenses	248,811	108,284	67,645
Total liabilities	248,811	108,284	67,645
Net assets held in trust for pension benefits	$ 151,454,771	$ 129,522,543	$ 123,763,457

Table 2
Condensed Statements of Changes in Plan Net Assets

	2013	2012	2011
ADDITIONS:			
Contributions	$ 9,870,470	$ 8,132,756	$ 10,808,796
Net investment income	21,003,993	5,269,801	14,182,588
Total additions	30,874,463	13,402,557	24,991,384
DEDUCTIONS:			
Benefit payments	8,683,315	7,380,312	6,744,219
Administrative expenses	258,920	263,159	240,970
Total deductions	8,942,235	7,643,471	6,985,189
Net increase	$ 21,932,228	$ 5,759,086	$ 18,006,195

Port of Houston Authority Restated Retirement Plan

STATEMENTS OF PLAN NET ASSETS
As of July 31, 2013 and 2012

	2013	2012
ASSETS:		
Cash and cash equivalents	$ 6,225,886	$ 5,658,207
Investments	145,109,812	123,610,431
Accounts receivable	-	53,641
Accrued investment income	367,884	308,548
Total assets	151,703,582	129,630,827
LIABILITIES:		
Accrued administrative and investment expenses	248,811	108,284
NET ASSETS - HELD IN TRUST FOR PENSION BENEFITS (See Schedule of Funding Progress)	$ 151,454,771	$ 129,522,543

The accompanying notes are an integral part of these financial statements.

Port of Houston Authority Restated Retirement Plan

STATEMENTS OF CHANGES IN PLAN NET ASSETS
As of July 31, 2013 and 2012

	2013	2012
ADDITIONS:		
Employer contributions	$ 9,870,470	$ 8,132,756
Investment income:		
Net appreciation in fair value	18,172,176	2,452,941
Interest	1,593,225	1,548,784
Dividends	1,872,404	1,600,178
Other	36,112	243,697
Total investment income	21,673,917	5,845,600
Investment expenses	(669,924)	(575,799)
Net investment income	21,003,993	5,269,801
Total additions	30,874,463	13,402,557
DEDUCTIONS:		
Retirement benefits	8,683,315	7,380,312
Administrative expenses	258,920	263,159
Total deductions	8,942,235	7,643,471
NET INCREASE	21,932,228	5,759,086
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:		
Beginning of year	129,522,543	123,763,457
End of year	$ 151,454,771	$ 129,522,543

The accompanying notes are an integral part of these financial statements.

The following brief description of the Port of Houston Authority Restated Retirement Plan (the "Plan") is provided for general informational purposes only. Reference should be made to the Plan document for more complete information.

General - The Plan is a single-employer noncontributory defined benefit pension plan sponsored and administered by the Port of Houston Authority of Harris County, Texas (the "Authority" or the "Plan Sponsor"). Three members of the Port Commission of the Authority ("the Commission") represent the Pension and Benefits Committee ("Committee") for the Plan. The Authority controls and manages the operation and administration of the Plan. The Commission maintains the authority to amend the Plan provisions and the investment policy as necessary. Compass Bank serves as the trustee of the Plan.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Measurement focus refers to the definition of the resource flows measured.

The Plan is subject to the pronouncements of the Governmental Accounting Standards Board ("GASB"). The Plan is maintained on the full accrual basis of accounting and the economic resources measurement focus. All economic resources, including financial assets and related liabilities, both current and long term, and the changes therein are reported in the Plan's financial statements. Revenues, including contributions, are recognized when earned, and expenses are recognized when the underlying transaction or event occurs, regardless of the timing of related cash flows.

2. New Accounting Pronouncements

In June 2012, GASB issued Statement No. 67, *Financial Reporting for Pension Plans* (an amendment of GASB Statement No. 25). The objective of this Statement is to improve financial reporting by state and local governmental pension plans. By requiring defined benefit pension plans to present two financial statements, a statement of fiduciary net position and a statement of changes in fiduciary net position, this Statement establishes financial reporting standards for separately issued financial reports and sets criteria to measure the net pension liability of employers and nonemployer contributions for benefits provided through the pension plan.

The provisions of Statement 67 are effective for financial statements with fiscal years beginning after June 15, 2013. Given the funded status of the Plan (Note D), the Plan Administrator does not anticipate a material impact on the financial statements and will engage the Plan Actuary and the Authority's financial management to ensure reporting requirements of the new statement are met.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

3. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated Plan benefits and changes therein at the date of the financial statements. Actual results could differ from these estimates.

4. Risks and Uncertainties

The Plan utilizes various investment securities, including U.S. government securities, corporate debt instruments, money market funds and corporate stock. Investment securities, in general, are exposed to various risks such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

5. Cash and Cash Equivalents

Cash and short-term investments with original maturities of three months or less when purchased are considered cash equivalents.

6. Investment Valuation and Income Recognition

Investments are stated at fair value. If available, quoted market prices are used to value investments. In the case of any unlisted asset, the Trustee will determine the market value utilizing pricing obtained from independent pricing services. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

7. Administrative and Investment Expenses

The Plan's expenses are paid by the Plan as provided in the Plan document.

8. Payment of Benefits

Cash payments to participants for benefits are recorded upon distribution.

NOTE B – PLAN DESCRIPTION

1. Contributions

Contributions to provide benefits under the Plan are made solely by the Authority. The Authority's funding policy is to make cash contributions to the Plan in amounts computed by the Plan's independent actuary using the entry age normal cost method and includes amortization of the unfunded accrued liability over an equivalent single amortization period. This method and the actuarial assumptions referred to in the note to the required supplementary information have been designed to provide sufficient funds to pay benefits as they become payable under the Plan.

2. Eligibility

All permanent, full-time employees with one year of service are eligible for the Plan. Employees become vested after five continuous years of service, as defined by the Plan. Fully vested employees are entitled to pension benefits upon retirement. There is no partial vesting of benefits.

On July 24, 2012, the Commission took action to maintain the Plan for eligible Authority employees hired through July 31, 2012, closing the Plan to employees hired after that date. Employees hired on or after August 1, 2012 will participate in a Defined Contribution retirement benefit plan, which will be operated and administered separately from this Plan.

3. Benefit Payments

The Plan provides for normal retirement benefits upon reaching the age of 65 and has provisions for early retirement, death, and disability benefits. Benefits under the Plan are determined based on a final pay formula. Generally, the final pay formula is calculated as a percentage of earnings multiplied by years of credited service with certain adjustments, as provided in the Plan. Participants may elect to receive their pension benefits from various forms of single life or joint and survivor annuities. Certain participants may receive a lump sum payment. Cost-of-living adjustments are provided at the discretion of the Commission.

4. Participant Data

The number of participants consisted of the following at August 1, 2013 and 2012, the date of the two latest actuarial valuations:

	2013	2012
Retirees and beneficiaries receiving payments	481	434
Terminated vested participants not yet receiving benefits	196	182
Disabled participants	8	8
Active participants	494	535
Total	1,179	1,159

NOTE C – INVESTMENTS

In accordance with the Plan's amended investment policy adopted on January 24, 2012 and revised January 22, 2013, the Plan is allowed to invest in cash equivalents, fixed income securities, equity securities, and guaranteed investment contracts. The Plan's cash equivalents may be invested in investment grade commercial paper, money market mutual funds, Treasury bills, U.S. government agency bonds, and short-term investment funds. The investment strategy of the Plan is to preserve principal while emphasizing relative total return versus the liability growth rate and to maintain sufficient income or liquidity in order to pay monthly benefits.

The Plan's cash and cash equivalents and investments are held by a bank-administered trust fund. Fair values of these assets at July 31, 2013 and 2012 are as follows:

	2013	2012
Fixed income investments	$ 52,334,191	$ 45,057,718
Money market funds	6,225,886	5,658,207
Equity investments:		
Domestic	61,557,516	56,039,688
Foreign	24,035,658	17,561,613
Total equity investments	85,593,174	73,601,301
Other (Foreign convertible securities and Domestic LLPs and LLCs)	7,182,447	4,951,412
Total	$ 151,335,698	$ 129,268,638

The Plan's investments during the year ended July 31, 2013 and 2012 (including realized gains and losses on investments) appreciated in total value as follows:

	2013	2012
Fixed income investments	$ (1,705,261)	$ 2,058,751
Equity investments	19,877,437	394,190
Total	$ 18,172,176	$ 2,452,941

During the year ended July 31, 2013 and 2012, interest and dividends earned and other income on the Plan's investments amounted to $3,501,741 and $3,392,659, respectively.

NOTE C – INVESTMENTS – Continued

As of July 31, 2013 and 2012, the Plan had the following investments in its fixed income accounts:

	2013		2012	
Investment Type	Fair value	Percentage of total	Fair value	Percentage of total
U.S. treasuries	$ 8,787,406	16.79 %	$ 9,684,775	21.49 %
U.S. government agencies	16,755,363	32.02	18,989,204	42.15
Corporate obligations	18,961,701	36.23	9,972,251	22.13
Mutual fund	7,558,572	14.44	6,411,488	14.23
Municipal obligations	271,149	0.52	-	-
	$ 52,334,191	100.00 %	$ 45,057,718	100.00 %

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, financial statements are required to address credit risk, concentration of credit risk, interest rate risk, and foreign currency risk of investments.

1. **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize this risk, the Plan's Statement of Investment Policy does not allow any fixed income securities below the rating of B, and no more than 20% in bonds rated below investment grade. U.S. Treasuries and U.S. government agency bonds are rated Aaa/AA+/AAA by Moody's Investors' Service, Standard and Poor's and Fitch Ratings, respectively. The Plan's investments in corporate obligations have credit ratings that range from B1/B+/B+ up to Aaa/AAA/AAA.

2. **Concentration of Credit Risk**

Concentration of credit risk exists when investments are concentrated in one issuer. The Plan's investment policy limits the amount that may be invested in any one issuer.

As of July 31, 2013 and 2012, the Plan had the following investments in excess of 5% of investments:

	2013	2012
Meridian Growth Fund Inc. (Cusip 589619105)	$ -	$ 15,961,756
Cohen & Steers Inst Realty Shares (Cusip 19247U106)	7,646,908	7,058,844
Loomis Sayles Inst High Inc (Cusip 543495600)	7,558,572	6,411,488
Total	$ 15,205,480	$ 29,432,088

NOTE C – INVESTMENTS – Continued

3. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the Plan's investments. Duration is a measure of interest rate risk and measures a bond's price sensitivity to a 100-basis-point change in interest rates. The greater the duration of a bond, or a portfolio of bonds, the greater its price volatility will be in response to a change in interest rates. A duration of 8 would mean that, given a 100-basis-point change up or down in rates, a bond's price would move up or down by 8%.

The following table details the U.S. dollar holdings and their duration by fund manager as of July 31, 2013 and 2012:

	Smith Affiliated		Smith Graham		Trevor Stewart		
	Fair value	Duration in years	Fair value	Duration in years	Fair value	Duration in years	Total fair value
2013							
U.S. Treasuries	$ 4,582,288	9.81	$ 4,205,118	6.93	$ -	-	$ 8,787,406
U.S. government agency bonds	10,745,108	3.93	6,010,255	3.44	-	-	16,755,363
Corporate obligations	7,458,331	7.06	11,503,370	5.65	-	-	18,961,701
Municipal obligations	271,149	10.45	-	-	-	-	271,149
Total fair value	$ 23,056,876		$ 21,718,743		$ -		$ 44,775,619
Portfolio average duration		6.18		5.29		-	
2012							
U.S. Treasuries	$ 2,388,048	11.71	$ 3,367,063	12.19	$ 3,929,664	4.94	$ 9,684,775
U.S. government agency bonds	6,001,047	3.17	10,728,332	2.68	2,259,825	8.81	18,989,204
Corporate obligations	2,236,035	7.19	6,000,716	6.71	1,735,500	3.05	9,972,251
Total fair value	$ 10,625,130		$ 20,096,111		$ 7,924,989		$ 38,646,230
Portfolio average duration		5.93		5.48		5.63	

4. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Plan holds investments in American Depository Receipts ("ADRs") which have currency risk; however, they are not included in foreign currency as they are denominated in U.S. dollars and accounted for at fair market value. The Plan had indirect exposure to foreign currency risk of $26,136,565 and $19,312,310, through its investments in foreign stock and convertible securities as of July 31, 2013 and 2012, respectively.

NOTE D – FUNDED STATUS

The funded status of the Plan as of the most recent valuation date, including the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial accrued liability, the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll, and the ratio of the unfunded actuarial liability to annual covered payroll is as follows:

Actuarial valuation date	Actuarial value of Plan assets	Actuarial accrued liability entry age (AAL)	Funding excess	Funded ratio	Covered payroll	UAAL as a percentage of covered payroll
	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
August 1, 2013	151,454,771	150,380,102	(1,074,669)	100.7	33,689,999	(3.2)

Actuarial assumptions as of the Plan years ended July 31, 2013 and 2012, is as follows:

	2013	2012
Valuation date	August 1, 2012	August 1, 2012
Actuarial cost method	Entry age normal	Entry age normal
Equivalent single amortization period	2 years	2 years
Asset valuation method	Market value	Market value
Amortization method	Level dollar method (closed basis)	Level dollar method (closed basis)
Actuarial assumptions:		
Investment rate of return	7.25%	7.25%
Projected salary increases	3.0 to 7.5%	3.0 to 7.5%
Inflation	2.50%	2.75%
Cost-of-living adjustment	None	None

The effect of Plan amendments on accumulated plan benefits is recognized during the year in which such amendments become effective. Effective August 1, 2010, the Plan was amended for actuarial assumption changes in the withdrawal rates, retirement rates, salary scale, expense load on normal cost, and investment rate assumption. The Plan was also amended for an enhanced early retirement window effective January 2013.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial valuations of plan assets is decreasing or increasing over time relative to the actuarial accrued liability for benefits.

NOTE E – PLAN TERMINATION

Although it has not expressed any intention to do so, the Commission and the Authority have the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the Plan provisions. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of plan benefits to the participants in an order of priority determined in accordance with the Plan document and the Internal Revenue Code.

REQUIRED SUPPLEMENTARY INFORMATION

(Unaudited)

Port of Houston Authority Restated Retirement Plan

SCHEDULE OF FUNDING PROGRESS - UNAUDITED
As of July 31, 2013

Actuarial valuation date		Actuarial value of Plan assets	Actuarial accrued liability entry age (AAL)	Unfunded AAL (UAAL)	Funded ratio	Covered payroll	UAAL as a percentage of covered payroll
		(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
August 1, 2008		$ 96,724,229	$ 117,731,407	$ 21,007,178	82.2 %	$ 32,270,226	65.1%
August 1, 2009		93,179,637	122,093,307	28,913,670	76.3	32,695,393	88.4
August 1, 2010		105,870,699	128,583,531	22,712,832	82.3	34,938,502	65.0
August 1, 2011		123,763,457	132,494,966	8,731,509	93.4	35,570,719	24.5
August 1, 2012		129,522,543	139,259,442	9,736,899	93.0	35,081,902	27.8
August 1, 2013	*	151,454,771	150,380,102	(1,074,669)	100.7	33,689,999	(3.2)

* Includes effect of January 2013 early retirement window

Port of Houston Authority Restated Retirement Plan

SCHEDULE OF EMPLOYER CONTRIBUTIONS - UNAUDITED
For the year ended July 31, 2013

	Annual required contribution	Percentage contributed
Year Ended July 31:		
2008	$ 3,929,348	100 %
2009	7,357,368	100
2010	9,857,308	100
2011	10,808,796	100
2012	8,132,756	100
2013	9,870,470	100

The accompanying note is an integral part of this required supplementary information.

Port of Houston Authority Restated Retirement Plan

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
For the year ended July 31, 2013

SCHEDULE INFORMATION

The information on the required schedules was computed as part of the actuarial valuations for the dates as indicated. Additional information as of the latest actuarial valuation follows:

	2013
Valuation date	August 1, 2013
Actuarial cost method	Entry age normal
Amortization method	Level dollar method (closed basis)
Equivalent single amortization period of the unfunded liabilities	2 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	3.0% to 7.5%
Inflation	2.50%
Cost-of-living adjustment	None