

Pension Review Board

P.O. Box 13498, Austin, TX 78711 • FAX: (512) 463-1882 • (800) 213-9425 or (512) 463-1736

INVESTMENT RETURNS AND ASSUMPTIONS REPORT

PRB-1000U

Annual Update Form

Retirement System Profile:

| | |
|---|---------------------|
| <u>Port of Houston Authority Restated Retirement Plan</u> | <u>713-670-2555</u> |
| System Name | Phone Number |
| <u>Ramon Yi</u> | <u>ryi@poha.com</u> |
| Report Contact Name (Please Print) | E-Mail Address |

Actual Rate of Return

(Most Recent Fiscal Year)

| Fiscal Year End (MM/DD/YYYY) | Net Return (Percent) | Gross Return (Percent) | Gross Return Methodology |
|---------------------------------|-------------------------|---------------------------|------------------------------------|
| 07/31/2014 | 9.74% | 10.43% | Not Net of Administrative Expenses |

Gross Return Methodology - In the last column, please indicate the methodology used to calculate each gross return presented as either: The Gross Return is not net of administrative expenses (indicated by “not net of administrative expenses”); or The Gross Return is net of administrative expenses (indicated by “net of administrative expenses”)

Actuarial Assumed Rate of Return

(Most Recent Actuarial Valuation)

| Valuation Date (MM/DD/YYYY) | Assumed Return (Percent) | Assumed Return Methodology |
|--------------------------------|-----------------------------|----------------------------|
| 07/31/2014 | 7.00% | Net of All Expenses |

Assumed Return Methodology - In the last column, please indicate the methodology underlying each assumed rate of return as either: The return is net of all expenses (indicated by “net of all expenses”); the return is net of investment fees only (indicated by “net of investment expenses only”); or, “Other”. If “Other”, please describe methodology used.

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LONG-TERM RATES OF RETURN

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Annualized Rolling Rate of Return Information

Please check the appropriate box for the methodology used to calculate the rates of return requested in the following section:

Arithmetic Mean Geometric Mean (Time-Weighted Return) Internal Rate of Return

| Most Recent | 1-Year Period | 3-Year Period | 10-Year Period | 30-Year or Since Inception Period |
|---------------|---------------|---------------|----------------|-----------------------------------|
| Rolling Gross | 10.43% | 10.60% | 8.29% | 7.18% |
| Rolling Net | 9.74% | 9.90% | 7.58% | 6.75% |

*If the system's inception date is less than 30 years from the report date, please enter the inception date:

Date of Inception (MM/DD/YYYY)

RETURNS AND ASSUMPTIONS – ADDITIONAL COMMENTS

Please use this page to provide any additional information or commentary that may help clarify information provided in the previous form.

None

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RETURNS AND ASSUMPTIONS – UNAVAILABLE INFORMATION

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Please list any unavailable information requested in this form in the text box below, including an explanation of why the information is unavailable. Completion of this form fulfills the requirements stated in Section 802.108 (c) of Texas Government Code.

None

By checking this box, I certify that the information provided is accurate based on the methodology used; and that the retirement system for which this form is being provided agrees to a timely submission of the unavailable information if it becomes available.

CERTIFICATION

I certify that, as an official representative of the retirement system for which this report is being presented, I have the authority to provide the requested information, and that I have verified, to the best of my knowledge, that the information presented is complete, as far as indicated, and accurate. (Note: By typing your name below, you are signing this document.)

Ramon Yi 1/12/15
First Authorizing Signature Date

713-670-2555
First Authorizer Phone Number

Thomas J. Heidt 1/12/15
Second Authorizing Signature Date

713-670-2550
Second Authorizer Phone Number

Managing Director, Finance and Administration
Title of First Authorizer

ryi@poha.com
First Authorizer Email

heidt@poha.com
Second Authorizer Email

Deputy Executive Director, Finance and Admin
Title of Second Authorizer

Information provided in this document may be based on methodologies assumed to be reasonable by the reporting entity. The information provided herein may be unaudited and is considered the best approximation of the plan at the time of submission.