NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM &
NEW YORK CITY PUBLIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

COMPREHENSIVE ANNUAL FINANCIAL REPORT

2007

FISCAL YEAR ENDED JUNE 30

NYCERS
Retirement and Benefits

A PENSION TRUST FUND OF THE CITY OF NEW YORK

THE NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

AND

NEW YORK CITY PUBLIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

BROOKLYN, NEW YORK

A PENSION TRUST FUND OF THE CITY OF NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Prepared by:	**The Finance Division of the** **New York City Employees' Retirement System**
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NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

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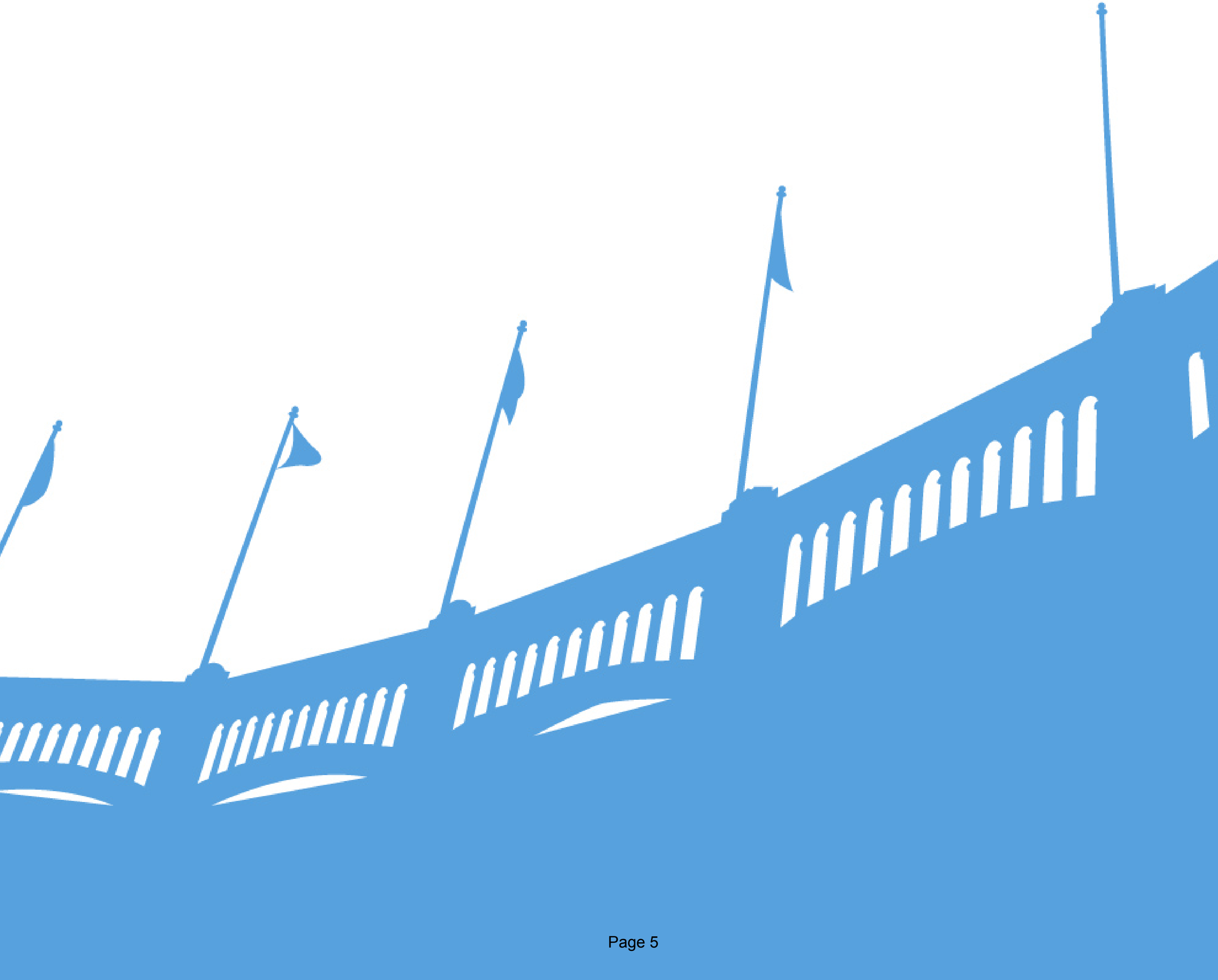

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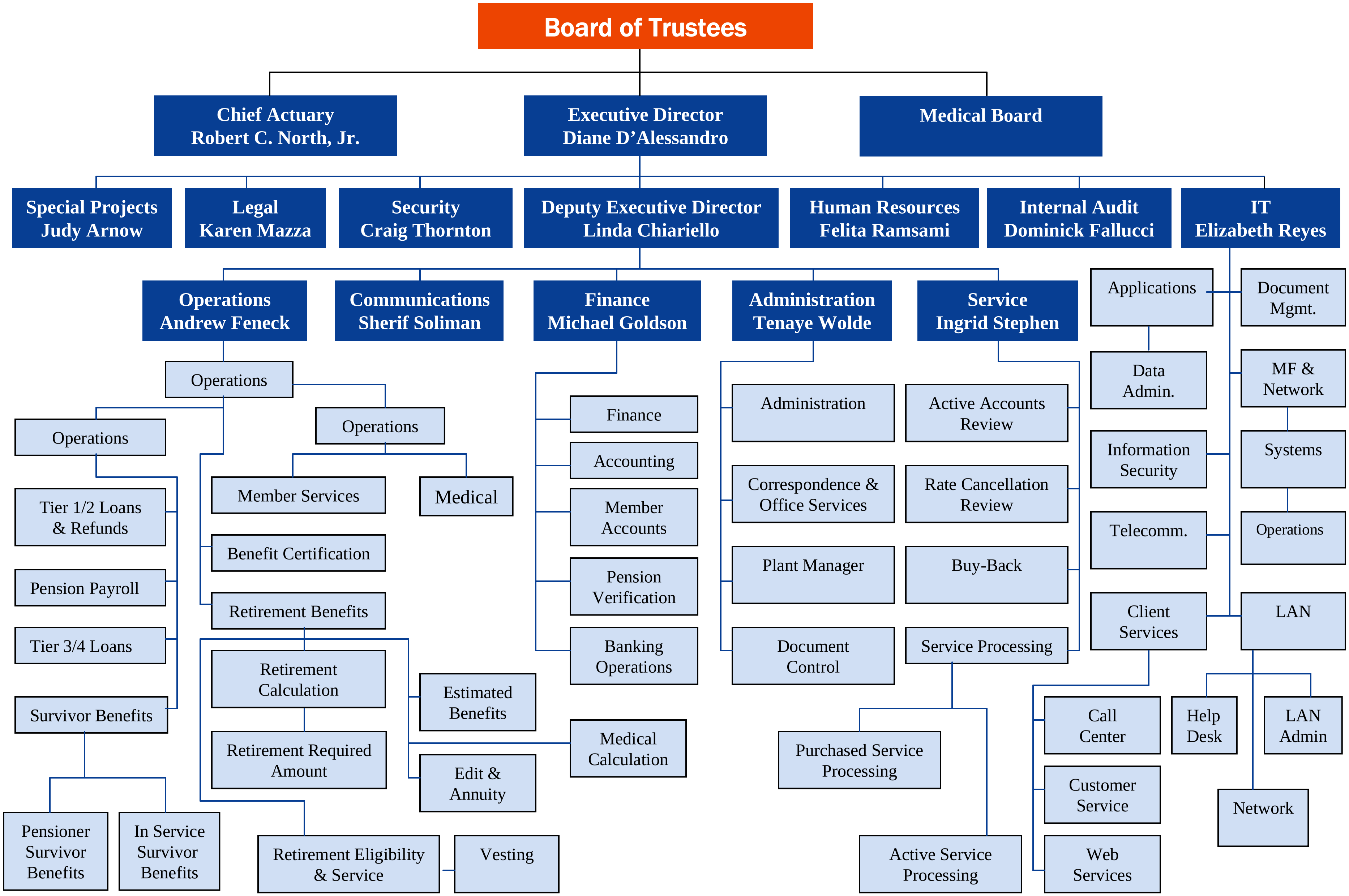
BOARD OF TRUSTEES

New York City Employees' Retirement System (NYCERS) Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

New York City Employees' Retirement System & Group Life Insurance Plan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

President

Executive Director

NYCERS
Retirement and Benefits

December 27, 2007

Board of Trustees
New York City Employees' Retirement System
335 Adams Street
Brooklyn, 11201-3724

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the New York City Employees' Retirement System and the New York City Public Employees' Group Life Insurance Plan (Plan) for the fiscal year ended June 30, 2007. The CAFR consists of five sections. The Introductory Section contains this Letter of Transmittal, the Administrative Organization, the Certificate of Achievement for Excellence in Financial Reporting, and the Summary of Plan Provisions. The Financial Section contains the opinion of the independent certified public accountant, the Management Discussion and Analysis (MD&A), the financial statements of the Plan and other required supplementary financial information and tables. The MD&A provides an overview of the current year's financial activity with an analysis of the effects of any significant changes from the prior year. The Investment Section contains a report on investment policies and activity, investment results, and various investment schedules. The Actuarial Section contains the Plan's actuarial certification letter and various actuarial tables. The Statistical Section contains various statistical tables consisting of significant data pertaining to the Plan.

ACCOUNTING SYSTEM AND REPORTS

This CAFR has been prepared in conformity with principles of governmental accounting and reporting, promulgated by the Governmental Accounting Standards Board, and is the responsibility of the Plan's management. The accrual basis of accounting is used to record assets and liabilities, and revenue and expenses. Revenues for the system are taken into account when earned without regard to date of collection, and expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made. Investments are valued at fair value.

The management of the Plan is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments made by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition. It should also assure that transactions are executed in accordance with management's authorization, and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles.

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The internal accounting controls of the system are adequate to assure the above objective. There have been no irregularities that would have a material effect on the financial statements. The supporting schedules and statistical tables also fairly reflect the status and operations of the system.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to NYCERS for its CAFR for the fiscal year ended June 30, 2006. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The Plan has received this certificate for the last 21 years.

A Certificate of Achievement is valid for a period of one year only. We believe our CAFR for the fiscal year ended June 30, 2007 continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ADMINISTRATION
THE SYSTEM

NYCERS was established by an act of the legislature of the State of New York under Chapter 427 of the laws of 1920. Chapter 427 created a retirement system in accordance with sound actuarial principles. The governing statutes are contained in the New York State Retirement and Social Security Law (RSSL), and the New York City Administrative Code. The head of the retirement system is the Board of Trustees. The system became operational on October 1, 1920 with 13,331 original members. As of June 30, 2005, the date of the Plan's most recent actuarial valuation, the Plan's membership included 175,332 members in active pay status, 127,714 retirees and beneficiaries receiving benefits, 6,775 terminated vested members who are not yet receiving benefits, and 29,717 members who are no longer on payroll, but not otherwise classified.

MEMBERSHIP

Membership in NYCERS is available to all New York City employees who are not eligible to participate in the New York City Teachers' Retirement System, the New York City Police Pension Fund, the New York City Fire Department Pension Fund, or the New York City Board of Education Retirement System.

All persons holding permanent civil service positions in the competitive or labor class are required to become members of the system six months after their date of appointment, but may voluntarily elect to join the system prior to their mandated membership date. All other eligible employees have the option of joining the system upon appointment or at anytime thereafter.

All members who joined NYCERS prior to July 1, 1973 are Tier 1 members.

All members who joined NYCERS on or after July 1, 1973, but prior to July 27, 1976, and Investigator Members employed in any District Attorney Office who joined, or join, NYCERS after July 1, 1973, are Tier 2 members subject to Article 11 of the RSSL.

All members of the uniformed force of the NYC Department of Correction who joined, or join, NYCERS on or after July 27, 1976 are Tier 3 members subject to Article 14 of the RSSL.

All members who joined, or join, NYCERS on or after July 27, 1976, with the exception of members of the uniformed force of the Department of Correction and Investigator Members employed in a District Attorney's office, are Tier 4 members subject to Article 15 of the RSSL.

EMPLOYERS

The Plan is a cost sharing, multiple employer Public Employee Retirement System. In addition to the various departments of the City of New York, members of NYCERS are also employed by the MTA New York City Transit Authority, the MTA Triborough Bridge and Tunnel Authority, the New York City Housing Authority, the New York City Health and Hospitals Corporation, the New York City Off-Track Betting Corporation, the New York City Residential Mortgage Insurance Corporation, the New York City Housing Development Corporation, the City University of New York, the New York City School Construction Authority, the Municipal Water Authority, and certain employees in departments of the State of New York which had formerly been New York City departments. A table listing these employers and their respective participating employees may be found on page 155.

CONTRIBUTIONS

The benefits of the system are financed by employer and employee contributions, and from earnings on the invested funds of the system.

As of July 1, 1970, Tier 1 and Tier 2 Transit operating-force employees enrolled in the Transit 20-Year Plan are non-contributory. For all other Tier 1 and Tier 2 members, contributions are dependent upon the member's age and retirement plan elected. For Tier 3 and Tier 4 members, contributions are 3% of wages for the earlier of the first ten years of service, or the tenth anniversary of membership, regardless of age. Certain Tier 2 and Tier 3 members who are uniformed Correction Officers and certain other members of Tier 2 and Tier 4 in the Improved Plan programs are required to make Additional Member Contributions in addition to their normal member contributions.

Employer contributions are determined annually by the Chief Actuary of the system.

REVENUES

The funds needed to finance retirement benefits are accumulated through the collection of employer and employee contributions, and through income on investments. Contributions and investment income for fiscal year 2007 totaled $8,495,957,000, an increase of $3,721,320 from that of fiscal year 2006. This was primarily the result of the appreciation in the fair value of the Plan's domestic and international investment portfolios, as well as dividend and capital gain distributions from the international and private equity segments. The Table of Revenue by Source on page 168 shows figures for the last 10 years.

EXPENSES

The primary expense of a retirement system relates to the purpose for which it is created: namely, the payment of benefits. Consequently, recurring monthly retirement benefit payments and death benefit payments prescribed by the Plan, as well as refunds of contributions to terminated members comprise the major expenses. The Table of Benefit Expenses by Type on page 169 and the Table of Changes in Plan Net Assets on page 170 show the details of the different expenses over the last 10 years.

FUNDING

The bottom line for a retirement system is the level of funding. The better the level of funding, the larger the ratio of assets accumulated, giving the participants a higher degree of assurance that their pension benefits are secure. The goal is to fund members' future retirement benefits over their working careers. The Plan's funded ratio, which is the ratio of Actuarial Asset Value to Actuarial Accrued Liability, has increased from 99.6% to 99.7%. Please refer to the Actuarial section for details concerning the actuarial methods and assumptions used in determining the required funding.

INVESTMENTS

The investment portfolio must be regarded as a major contributor to the system. As mentioned in the Revenue section above, during 2007 the Plan continued to experience appreciation in the value of its investment securities. The Administrative Code of the City of New York authorizes the investment of Plan assets subject to the terms, conditions, limitations and restrictions imposed by law for investments by savings banks. The RSSL establishes the criteria for permissible equity investments. The current policy target mix consists of 47.5% in Domestic Equities, 18% in an International Equity fund, 30% in Domestic Fixed Income, and 4.5% in Alternative investments. Further details concerning the criteria for the Plan's investments, policies, investment performance and other investment tables may be found in the Investment Section. Although this CAFR does not list the thousands of investments which the Plan holds, such information is available upon request. The tables on pages 101 and 102 list the Plan's major domestic equity and long-term bond holdings.

ECONOMIC CONDITIONS

Using the measure of the Gross Domestic Product (GDP), the U.S. economy grew at a rate of 2.1 % during fiscal year 2007. The growth rates during the year were gradually declining from fiscal year 2006 as the growth in the housing market tapered off, creating cutbacks in the construction industry and dampening consumer spending that had been fueled by the increases in homeowners' equity. The continual increases in the price of oil also served to dampen the national economy.

Using a comparable Comptroller's Gross City Product (GCP), the City's economy grew 3.3% during fiscal 2007. City payroll jobs rose 57,000 (1.6%), with all of the job growth occurring in the private sector. The City's economy expanded primarily on the strength of the financial sector, which contributed both higher employee earnings and additional employment opportunities. The tourism industry also did very well during 2007.

PROFESSIONAL SERVICES

The opinion of the independent certified public accounting firm on the Plan's financial statements is included in this CAFR. The Comptroller of the City of New York is the Custodian of the Plan's assets and provides investment services through independent advisors, who are listed in the Investment Section's Schedule of Fees paid to Investment Advisors. Other consultant services are shown in the Financial Section's Schedule of Payments to Consultants. Actuarial services are provided to the Plan by the Chief Actuary employed by the Board of Trustees. The City's Corporation Counsel provides legal services to the Plan.

ACKNOWLEDGMENTS

The compilation of this CAFR reflects the combined effort of NYCERS' staff, under the leadership of the Board of Trustees. It is intended to provide complete and reliable information as a basis for making management decisions, as a means of determining compliance with legal provisions, and as a means for determining responsible stewardship for the assets contributed by the members and their employers.

On behalf of the Board of Trustees, I would like to take this opportunity to express my gratitude to the staff, the advisors, and to the many people who have worked diligently to assure the continued successful operation of the system.

Respectfully submitted,

Diane D'Alessandro
Executive Director

Michael A. Goldson
Director, Finance

SUMMARY OF PLAN PROVISIONS

GLOSSARY OF TERMS

Accumulated Deductions

The total of all contributions made by members, **plus** interest earned on such contributions (8¼% for Tiers 1 and 2; 5% for Tiers 3 and 4), compounded annually.

Active Service

Service rendered while the employee is on the payroll and being paid by the City of New York or a *Participating Employer*.

Additional Member Contributions (AMCs)

Contributions that are made by members in addition to the basic member contributions of 3% of *Wages*, and are required to be paid each payroll period by *Participants* in any one of the *Special Programs* described in this document. The AMC percentages differ in each *Special Program* and all *AMC's* are maintained in the Retirement Reserve Fund.

Allowable Correction Service

Service as a member rendered in the uniformed-force of the New York City (NYC) Department of Correction or any of the following:

- Another uniformed-force (such as NYC Housing Police, NYC Transit Police or NYC Department of Sanitation) immediately prior to becoming a member of the uniformed-force of the NYC Department of Correction
- The uniformed-force of the NYC Police or Fire Departments immediately prior to becoming a member of the uniformed-force of the NYC Department of Correction, if service was transferred to NYCERS pursuant to Section 43 of the RSSL

Allowable Sanitation Service

Credited Service rendered in any of the following:

- Uniformed-force of the NYC Department of Sanitation
- Another uniformed-force (such as NYC Housing Police, NYC Transit Police or NYC Department of Correction) immediately prior to becoming a member of the uniformed-force of the NYC Department of Sanitation
- The uniformed-force of the NYC Police or Fire Departments immediately prior to becoming a member of the uniformed-force of the NYC Department of Sanitation, if service was transferred to NYCERS pursuant to Section 43 of the RSSL

Allowable Service as a Dispatcher Member

- service rendered by a member of NYCERS while employed by the City of New York as a Fire Alarm Dispatcher, Supervising Fire Alarm Dispatcher, levels 1 and 2, Director of Dispatch Operations or Deputy Director of Dispatch Operations, **<u>and</u>**

All service in the following NYC Civil Service titles:

- Chief Fire Alarm Dispatcher, Administrative Fire Alarm Dispatcher, Bus Operator (Transit), Train Dispatcher (Transit), Firefighter, Police Officer, Correction Officer, Fire Marshal, Probation Officer, Police Communications Technician, Supervising Police Communications Technician, Principal Police Communications Technician, Police Administrative Aide, Senior Police Administrative Aide, Emergency Medical Technician, Advanced Emergency Medical Technician, Emergency Medical Service Specialist, levels 1 and 2, Fire Prevention Inspector, Fire Protection Inspector, Senior Fire Prevention Inspector, Principal Fire Prevention Inspector, Associate Fire Protection Inspector, County Detective, Detective (NYPD), Detective Investigator, Senior Detective Investigator, Deputy Sheriff, Senior Deputy Sheriff, Inspector of Fire Alarm Boxes, Radio Operator, Radio Repair Technician, Supervisor of Radio Repair Operations, Taxi and Limousine Inspector, Senior Taxi and Limousine Inspector, MTA Bridge and Tunnel Officer, **and** A member of NYCERS who is employed by the City of New York in a title whose duties require the supervision of employees whose Civil Service title is included above.

Allowable Service as an EMT Member

- all service rendered by a member of NYCERS while employed by the City of New York or the NYC Health & Hospitals Corporation in a title whose duties are those of an Emergency Medical Technician (EMT), or Advanced EMT (AEMT) or in a title whose duties require the supervision of employees whose duties are those of an EMT or AEMT, **and**
- all service while employed by the City of New York or the New York City Health & Hospitals Corporation in the title Motor Vehicle Operator.

Allowable Service as a Special Officer

Available to all **peace officer members** who are: *special officers* of any rank and are employed by a mayoral agency of the City of New York or by NYC Health & Hospitals Corporation, or *special officers* of any rank employed by the NYC Housing Authority or Board of Education; Parking Control Specialists employed by the NYC Department of Transportation; School Safety Agents of any rank employed by the NYC Police Department or Board of Education; Campus Peace Officers of any rank employed by the City University of New York, Taxi & Limousine Inspector of any rank employed by the NYC Taxi & Limousine Commission, Urban Park Ranger, or Associate Urban Park Ranger.

Allowable Service in the Transit Authority

Credited Service rendered in the operating-force of the NYC Transit Authority and some managerial service.

Annuity

Payments made to Tiers 1 and 2 retirees derived from their *Accumulated Deductions*

Average Compensation (Tier 1 and 2 only)

The average of compensation earned from the completion of 20 years of Allowable Correction Service to the date of retirement (also applies to Tier 2 DA Investigators)

Basic Tier 4 Plan (62/5 Plan)

Benefits available to Tier 4 members, excluding the benefits that are available only to *Participants* in one of the *Special Programs* described in this document. A *Participant* in one of the *Special Programs* who does not meet all of the qualifications for a benefit in his or her *Special Program* may still qualify for a benefit under the *Basic Tier 4 Plan*. *Participants* in *Special Programs* are still always eligible for other Basic Tier 4 benefits that are not provided for in their Program such as Survivor Benefits, Disability Retirement Benefits, etc.

Career Pension Plan Position

Any position in City service other than a Transit operating-force position, a position in the uniformed-force of the NYC Department of Sanitation, or the uniformed-force of the NYC Department of Correction.

Career Pension Plan Qualifying Service

Includes:

- *Membership Service* rendered in a *Career Pension Plan Position*
- Transferred Service from another New York State public employee retirement system
- 20-Year plan, uniformed-force and Transit operating-force service rendered on or after July 1, 1973 while a member of NYCERS

Correction Officer

A member of the uniformed force of the NYC Department of Corrections in one of these covered titles: Officer below the rank of Captain; Correction Captain; Asst. Deputy Warden (Warden Correction Level I); Deputy Warden; Deputy Warden-in-Command (Warden Correction Level II); Warden; Deputy Chief (Warden Correction Level III); Chief of Department (Warden Correction).

Credited Service

Includes:

- Service rendered while a member of NYCERS, and
- Service rendered while a member of another retirement system within New York City or New York State and transferred to NYCERS, and
- Service purchased under applicable laws and rules for buy-back, which can include:
- Membership Reinstatement Service
- Military Service
- Union Leave Service

Designated Beneficiary

Any person designated by a member, by filing a properly completed form with NYCERS, to receive a survivor benefit upon the death of the member in *Active Service*.

Eligible Beneficiary

A person who is eligible to be paid an Accidental Death Benefit, in the following order of priority:

- a surviving spouse who has not remarried (A surviving spouse of a uniformed worker of the NYC Department of Sanitation may subsequently remarry and still retain the Accidental Death Benefit.)
- dependent child - up to age 18 for Tiers 1 and 2 members
- dependent child - up to age 25 for Tiers 3 and 4 members
- dependent parents, or
- for Tiers 3 and 4 members only, any person up to age 21 who qualified as a dependent on the member's final Federal income tax return.
- Anyone you name as your beneficiary for your Ordinary Death Benefit

An *Eligible Beneficiary* must make application for an Accidental Death Benefit and NYCERS' Medical Board and Board of Trustees must approve the application.

In the event that a class of Eligible Beneficiaries consists of more than one person (for example, two or more children under the age of 25), benefits will be divided equally among such persons.

Final Average Salary (FAS)

The greater of the average annual *Wages* earned during any three consecutive calendar-year periods, or the final 36 months immediately preceding the member's retirement date.

But, if the salary earned during any year included in the calculation of the member's *FAS* exceeds the specific limits for Tier 2, Tier 3 or Tier 4 members, the amount in excess of such limits is excluded from the computation. For members who did not work full-time, or who had absences without pay in the 36 months immediately preceding their retirement, the period used in computing the *FAS* will be greater than three years.

Final Compensation

The average compensation earned during:

- the five-year period immediately preceding the member's retirement date, or
- any consecutive five calendar-year period prior to the member's retirement date that would provide him or her with the greatest average compensation.

Where the period used to determine *Final Compensation* is the period which immediately precedes the date of retirement, any month or months (not in excess of 12) during which the member was on authorized leave of absence at partial pay or without pay are excluded and an equal number of months immediately preceding the five-year period shall be substituted in lieu thereof to provide *Credited Service* totaling five **calendar** years.

Final Salary (Tier 1 Members)

For members of the uniformed forces of the departments of Sanitation and Correction who joined the retirement system prior to July 1, 1973:
the annual rate of salary earnable on the day before the date of retirement.

For all others:
the salary earnable in the year ending on the day before the date of retirement or alternatively, the average annual compensation during any three calendar years designated by the member, if in a Career-Pension-Plan Position.

Tier 1 members with a membership date after 6/17/71 may be subject to certain limits if their Final Salary exceeds that of the prior year by more than 20%.

Increased Take Home Pay (ITHP)

Contributions for Tier 1 and Tier 2 members that are contributed by their employer equal to 2% of the members' gross salaries; 2.5% for Correction Officers.

Members' Contribution Accumulation Fund (MCAF)

An account maintained for each Tier 3 and Tier 4 member into which the "basic" contributions of 3% of *Wages* deducted from the member's paycheck each payroll period are deposited, **plus** interest earned on such contributions at the rate of 5%, compounded annually.

Membership Service

Service rendered after joining NYCERS - includes all service while on the payroll of the City of New York or a *Participating Employer* and *Military Service*.

Minimum Accumulation

The amount of normal contributions accumulated with interest to the earliest date for service retirement, less the amount of the reserve for *Increased-Take-Home-Pay* on such date. For a member in the *Career Pension Plan*, the amount of normal contributions is accumulated to the date on which he or she either completed or could have completed 25 years of *Career-Pension-Plan* qualifying service.

Participant

Any member of NYCERS who elects or is required to participate in one of the *Special Programs* described in this document.

- **FOR THE 25-YEAR EARLY RETIREMENT PLAN (55/25 PLAN) AND THE AGE-57 RETIREMENT PLAN (57/5 PLAN):**

An *Eligible Position* is **ANY** position in City service **EXCEPT**:

- Any position held by a *Transit Authority Member* eligible to participate in the 25-Year and Age-55 Retirement Program (whether or not such a Member is a *Participant* in that Program*)
- Any position in the uniformed forces of the NYC departments of Correction and Sanitation
- The positions of Bridge & Tunnel Officer, Bridge and Tunnel Sergeant, Bridge and Tunnel Lieutenant, Assistant Bridge and Tunnel Maintainer, Bridge and Tunnel Maintainer, Senior Bridge and Tunnel Maintainer, and Laborer with the MTA Bridges and Tunnels Division (formerly TBTA).
- Any positions in the Division of Housing and Urban Renewal
- Any position in the Unified Court System
- Any teaching position with the City University of New York (CUNY)
- Investigators employed in District Attorneys' offices

* The exception is any Transit Authority Member who was enrolled in the 57/5 Plan prior to enactment of Chapter 10 of the laws of 2000, and thereafter elected to remain a *Participant* in that Plan.

- **FOR THE DISPATCHER 25-YEAR PLAN:**

A position while employed by the City of New York as a Dispatcher Member as a Fire Alarm Dispatcher, Supervising Fire Alarm Dispatcher, levels 1 and 2, Director of Dispatch Operations or Deputy Director of Dispatch Operations.

- **FOR THE EMT 25-YEAR PLAN:**

A position while employed by the City of New York or the New York City Health and Hospitals Corporation as an EMT Member in a title whose duties are those of an Emergency Medical Technician (EMT), or Advanced Emergency Medical Technician (AEMT), or in a title whose duties require the supervision of employees whose duties are those of an EMT or AEMT.

- **FOR THE MTA BRIDGES & TUNNELS 50/20 PLAN:** (formerly TBTA)

A position as a Bridge & Tunnel Officer, Sergeant or Lieutenant in a non-managerial position.

- **FOR THE SANITATION 20-YEAR PLAN:**
  A position in the uniformed-force of the NYC Department of Sanitation.

- **FOR THE TRANSIT 25/55 PLAN:**
  A member employed in the NYC Transit Authority Operating-Force and some managers.

- **FOR THE POLICE COMMUNICATIONS (911) OPERATOR 25-YEAR PLAN:**
  Employed by the NYC Police Department in the title of Police Communications Technician, Supervising Police Communications Technician, or Principal Police Communications Technician.

- **FOR THE SPECIAL OFFICER 25-YEAR PLAN:**
  The Special Officer 25-Year Program is available **ONLY** to peace officers employed as Special Officers by a mayoral agency of the City of New York, the NYC Health and Hospitals Corporation or the NYC Housing Authority (NYCHA); Parking Control Specialists employed by the NYC Department of Transportation; School Safety Agents employed by the NYC Police Department or NYC Board of Education; Campus Peace Officers employed by the City University of New York, Taxi & Limousine Inspectors employed by the NYC Taxi & Limousine Commission, Urban Park Ranger or Associate Urban Park Ranger.

- **FOR THE AUTOMOTIVE SERVICE WORKER PLAN:**
  The Automotive Service Worker Plan is available to those employed by the City of New York as a Senior Automotive Service Worker, Automotive Service Worker, Auto Body Worker, Auto Mechanic, Marine Maintenance Mechanic or Oil Burner Specialist, Supervisor of Mechanics, Senior Stationary Engineer, Stationary Engineer, Auto Mechanic (diesel), Auto Electrician, Auto Machinist, Machinist, or Machinist Helper.

- **FOR THE DEPUTY SHERIFF 25-YEAR PLAN:**
  A position employed by the City of New York as a Deputy Sheriff level one, Deputy Sheriff level two, Supervising Deputy Sheriff or Administrative Sheriff.

Participating Employer

In addition to the City of New York, members of NYCERS are also employed by the following Participating Employers:

- NYC Transit Authority
- MTA Bridges & Tunnels (formerly TBTA)
- NYC Housing Authority
- NYC Health & Hospitals Corporation
- NYC Off Track Betting Corporation
- NYC Rehabilitation Mortgage Insurance Corporation
- NYC Housing Development Corporation
- City University of New York
- NYC School Construction Authority
- Municipal Water Authority
- Departments of the State of New York which had formerly been departments of the City of New York, where members of NYCERS are still employed

Physically-Taxing Position

A position in City service included on the Official List of *Physically-Taxing Positions* promulgated and maintained by the NYC Office of Labor Relations.

Members in *Physically-Taxing Positions* who are *Participants* in the Age-55-Improved-Benefit-Retirement Plan, the 25-Year Early Retirement Plan or the Age-57 Retirement Plan are required to pay a higher percentage of *Wages* as *Additional Member Contributions*, and are eligible for retirement as early as age 50, if they have 25 or more years of service in *Physically-Taxing Positions*.

Primary Social Security Benefit

The benefit payable to a covered employee at age 62 or later, under the Federal Social Security Program, exclusive of any family benefits, calculated as provided in Section 511(c) of Article 14 of the Retirement and Social Security Law.

Reserve for Increased-Take-Home-Pay (ITHP)

For some Tier 1 and Tier 2 members, an amount which at the time of death or retirement is equal to the accumulation of the contributions for *ITHP*, **plus** interest earned thereon.

CAREER PENSION PLAN (PLAN A)

SERVICE RETIREMENT

- Participants may retire: at age 55 with 25 or more years of Career Pension Plan (CPP) Qualifying Service; at age 50 with 25 or more years of physically-taxing service; with 20 or more years of CPP service, but benefits payable when member would have completed 25 years of service or reached age 55 (age 50 for physically-taxing)
- The Service Retirement Benefit is:
  - For the first 25 years of CPP Qualifying Service: 2.20% of Final Salary; less Minimum Accumulation; plus Accumulated Deductions; plus
  - For all years other than the first 25 years of CPP Qualifying Service: 1.20% of Final Salary (years prior to 07/01/68); plus 1.70% of Final Salary (years after 06/30/68); plus
  - A Pension for excess Increased-Take-Home-Pay (ITHP) and an Annuity for Excess Contributions

VESTED RETIREMENT

- Must withdraw from Plan A and switch to Plan B (See Plan B)

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x Final Salary for each year after June 30, 1968; 1.20% x Final Salary for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- A Presumptive Death Benefit (Death Gamble): If eligible for Service Retirement at time of death, payable to a Designated Beneficiary(ies)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Gamble: The greater of the Ordinary Death Benefit or Pension Reserve
- Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

FIFTY-FIVE YEAR INCREASED SERVICE FRACTION PLAN (PLAN B)

SERVICE RETIREMENT

- Participants may retire at age 55 with benefits payable immediately
- The Service Retirement Benefit is:
  - For each year of Credited Service prior to July 1, 1968: 1.20% of Final Salary; plus
  - For each year of Credited Service after June 30, 1968: 1.53% of Final Salary; plus
  - a Pension for Increased-Take-Home-Pay (ITHP); plus
  - Annuity of Accumulated Deductions

VESTED RETIREMENT

- Eligible with at least five years of service; benefit payable at age 55
- Vested Retirement Benefit is calculated the same as the Service Retirement Benefit

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x Final Salary for each year after June 30, 1968; 1.20% x Final Salary for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; If eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- A Presumptive Death Benefit (Death Gamble): If eligible for Service Retirement at time of death, payable to a Designated Beneficiary(ies)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Gamble: The greater of the Ordinary Death Benefit or Pension Reserve
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

NYCERS Retirement and Benefits

TIER 1

TRANSIT 20-YEAR RETIREMENT PLAN (T-20)

SERVICE RETIREMENT

- Participants may retire at age 50 with 20 or more years of Transit Operating-Force Service
- The Service Retirement Benefit is:
  - For the first 20 years: 50% of Final Salary, less Minimum Accumulation, plus Accumulated Deductions; plus
  - For each year of such service rendered prior to July 1, 1968: 1% of Final Compensation; plus
  - For each year of such service rendered on or after June 30, 1968: 1½% of Final Compensation, plus a Pension for Increased-Take-Home-Pay (ITHP); plus
  - An annuity for excess contributions

VESTED RETIREMENT

- If at least age 55 with less than 20 years of Transit Operating Force Service, members may switch to the Age 55 One Percent Plan and retire with immediate payability (See 1/100 Plan)

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x Final Salary for each year after June 30, 1968; 1.20% x Final Salary for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- A Presumptive Death Benefit (Death Gamble): If eligible for Service Retirement at time of death, payable to a Designated Beneficiary(ies)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Gamble: The greater of the Ordinary Death Benefit or Pension Reserve
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

SANITATION 20-YEAR RETIREMENT PLAN (S-20)

SERVICE RETIREMENT

- Participants may retire with 20 or more years of Allowable Sanitation Service
- The Service Retirement Benefit is:
  - For the first 20 years of Allowable Service: 50% of Final Salary, less Minimum Accumulation, plus Accumulated Deductions
  - For each year of service (other than the first 20) prior to July 3, 1965: 1% of Final Compensation; plus
  - For each year of service (other than the first 20) after July 2, 1965: 1½% of Final Compensation, plus
  - a Pension for excess Increased-Take-Home-Pay (ITHP)

VESTED RETIREMENT

- Must have five or more years of Allowable Sanitation Service, but less than 20; payable the date the member would have reached 20 years if he/she had not discontinued service
- For each year of Allowable Service: 2 ½% of Final Salary; plus
- For years other than Allowable Service: 1% of Final Compensation

DISABILITY RETIREMENT

- Ordinary - must have five or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: If 10 or more years of Allowable Service – 50% of Final Salary; If less than 10 years – 1/3 of Final Salary; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Salary; plus ITHP; plus Accumulated Deductions; plus if more than 20 years of Allowable Service, 1% x Average Compensation x years in excess of 20; plus ½% x Average Compensation x years in excess of 20 rendered on or after July 1, 1967
- Heart Presumption: Diseases of the heart resulting in disability presumed accidental; accidental benefit payable
- Members may file for benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- A Presumptive Death Benefit (Death Gamble): If eligible for Service Retirement at time of death, payable to a Designated Beneficiary(ies)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP
  - Death Gamble: The greater of the Ordinary Death Benefit or Pension Reserve
  - Vested member death benefit payable
  - Heart Presumption: Death due to heart ailment presumed accidental; accidental death benefit payable
  - Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

SANITATION 25-YEAR PLAN (S-25)

SERVICE RETIREMENT

- Participants may retire with 25 or more years of Allowable Sanitation Service
- The Service Retirement Benefit is:
  - For the first 25 years of Allowable Service: 50% of Final Salary, less Minimum Accumulation, plus Accumulated Deductions
  - For each year of service (other than the first 20) prior to July 3, 1965: 1% of Final Compensation; plus
  - For each year of service (other than the first 20) after July 2, 1965: 1½% of Final Compensation; plus
  - a Pension for excess Increased-Take-Home-Pay (ITHP)

VESTED RETIREMENT

- Must have five or more years of Allowable Sanitation Service, but less than 25; benefit payable when member would have reached 25 years if he/she had not discontinued service
- For each year of Allowable Service: 2 ½% of Final Salary; plus
- For years other than Allowable Service: 1% of Final Compensation

DISABILITY RETIREMENT

- Ordinary - must have five or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: If 10 or more years of Allowable Service – 50% of Final Salary; If less than 10 years – 1/3 of Final Salary; If eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Salary; plus ITHP; plus Accumulated Deductions
- Heart Presumption: Diseases of the heart resulting in disability presumed accidental; accidental benefit payable
- Members may file for benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- A Presumptive Death Benefit (Death Gamble): If eligible for Service Retirement at time of death, payable to a Designated Beneficiary(ies)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP
- Death Gamble: The greater of the Ordinary Death Benefit or Pension Reserve
- Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Death due to heart ailment presumed accidental; accidental death benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

AGE 55 ONE-PERCENT RETIREMENT PLAN (1/100)

SERVICE RETIREMENT

- Participants may retire at age 55 irrespective of the amount of Credited Service attained by such age
- The Service Retirement Benefit is:
  - For each year of Credited Service: 1% of Final Compensation; plus
  - A Pension for Increased-Take-Home-Pay (ITHP); plus
  - An Annuity for Accumulated Member Contributions

VESTED RETIREMENT

- There is no provision for vesting

DISABILITY RETIREMENT

- If you have contributed the required amount and your application is approved, you will be entitled to an ordinary disability retirement benefit calculated as follows:
  - If you have attained the age of 55, your ordinary disability retirement benefit will equal your service retirement benefit
  - If you have not attained the age of 55, your ordinary disability retirement benefit will be 2 x 1/100 for each year of service you would have completed upon reaching age 55 for eligibility for service retirement x Final Compensation, up to 25% of Final Compensation; or, if greater
  - 2 x 1/100 for each year of actual service you have completed to date x Final Compensation
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- A Presumptive Death Benefit (Death Gamble): If eligible for Service Retirement at time of death, payable to a Designated Beneficiary(ies)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Gamble: The greater of the Ordinary Death Benefit or Pension Reserve
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

NYCERS Retirement and Benefits

TIER 1

DISPATCHERS 25-YEAR RETIREMENT PLAN (D-25)

SERVICE RETIREMENT

- Participants may retire after 25 years of Allowable Service as a Dispatcher Member
- The Service Retirement Benefit is:
  - For the first 25 years of Allowable Service: An Annuity (the actuarial equivalent of the member's required contributions), plus a Pension for Increased-Take-Home-Pay (ITHP), plus a Pension, which when added to the Annuity and Pension for ITHP equals 55% of Final Salary; plus
  - For each year beyond the first 25 years of Allowable Service: 1.70% of Final Salary

VESTED RETIREMENT

- Must have five or more years of Allowable Service as a Dispatcher Member, but less than 25
- Payability Date: The date the member would have reached 25 years if he/she had not discontinued service
- Vested Benefit: For each year of Allowable Service as a Dispatcher Member: 2.2% of Final Salary

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x Final Salary for each year after June 30, 1968; 1.20% x Final Salary for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- A Presumptive Death Benefit (Death Gamble): If eligible for Service Retirement at time of death, payable to a Designated Beneficiary(ies)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Gamble: The greater of the Ordinary Death Benefit or Pension Reserve
- Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

EMERGENCY MEDICAL TECHNICIAN (EMT) 25-YEAR RETIREMENT PLAN (E-25)

SERVICE RETIREMENT

- May retire after 25 years of Allowable Service as an EMT Member
- The Service Retirement Benefit is:
  - For the first 25 years of Allowable Service: An Annuity (the actuarial equivalent of the member's required contributions), plus a Pension for Increased-Take-Home-Pay (ITHP), plus a Pension, which when added to the Annuity and Pension for ITHP equals 55% of Final Salary; plus
  - For each year beyond the first 25: 1.7% of Final Salary

VESTED RETIREMENT

- Need five or more years of Allowable Service, but less than 25; payable when member would have reached 25 years
- For each year of Allowable Service: 2.2% of Final Salary

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental - no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x Final Salary for each year after June 30, 1968; 1.20% x Final Salary for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit=Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation
- Heart Presumption: Heart ailments resulting in disability presumed line-of-duty; accidental benefit payable
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed line-of-duty; accidental benefit payable
- Members may file for benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- A Presumptive Death Benefit (Death Gamble): If eligible for Service Retirement at time of death, payable to a Designated Beneficiary(ies)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Gamble: The greater of the Ordinary Death Benefit or Pension Reserve
- Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Death due to heart ailment presumed line-of-duty; accidental benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

SPECIAL OFFICER 25-YEAR RETIREMENT PLAN (SPO)

SERVICE RETIREMENT

- Participants may retire after 25 years of Allowable Service as a Special Officer Member
- The Service Retirement Benefit is:
  - For the first 25 years of Allowable Service: An Annuity (the actuarial equivalent of the member's required contributions), plus a Pension for Increased-Take-Home-Pay (ITHP), plus a Pension, which when added to the Annuity and Pension for ITHP equals 55% of Final Salary; plus
  - For each year beyond the first 25 years of Allowable Service: 1.70% of Final Salary

VESTED RETIREMENT

- Must have five or more years of Allowable Service as a Special Officer Member, but less than 25
- Payability Date: The date the member would have reached 25 years if he/she had not discontinued service
- Vested Benefit: For each year of Allowable Service: 2.2% of Final Salary

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x Final Salary for each year after June 30, 1968; 1.20% x Final Salary for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- A Presumptive Death Benefit (Death Gamble): If eligible for Service Retirement at time of death, payable to a Designated Beneficiary(ies)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Gamble: The greater of the Ordinary Death Benefit or Pension Reserve
- Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

20-YEAR PLAN FOR CORRECTION OFFICERS (P-20)

SERVICE RETIREMENT

- Participants may retire with 20 or more years of Allowable Correction Service (ACS) regardless of age
- The Service Retirement Benefit is:
  - First 20 years of ACS: 50% of Final Salary, plus
  - an Annuity based on excess contributions, plus
  - For years other than the first 20 years of ACS: 1.67% of the Average Compensation, plus
  - a Pension for Increased-Take-Home-Pay (ITHP), plus
  - 75% x 1.67% x Final Compensation for each year on or after 09/30/51
  - 55% x 1.67% x Final Compensation x Credited Service prior to 10/1/51

VESTED RETIREMENT

- Need at least five years but less than 20 years of ACS; payable when member would have reached 20 years of ACS
- The Vested Retirement Benefit is:
  - 2.5% x Final Salary x Years of ACS up to 20 years, plus
  - 75% x 1.67% x Final Compensation x Credited Service on or after 09/30/51, plus
  - 55% x 1.67% x Final Compensation x Credited Service prior to 10/1/51

DISABILITY RETIREMENT

- Ordinary: If less than 10 years of ACS - 1/3 of Final Salary; more than 10, but less than 20 - 50% of Final Salary; more than 20 - 2.5% x Final Salary x Credited Service
- Accidental: 75% of Final Salary; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Heart Presumption: Diseases of the heart resulting in disability presumed accidental; accidental benefit payable
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed accidental; accidental benefit payable
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary: lump sum of ITHP; plus lump sum of Accumulated Deductions; plus if less than 10 years of service - six months of Earnable Salary; 10 or more years - 12 months of Earnable Salary; 20 or more years - 24 months of Earnable Salary
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- A special accidental death benefit is also paid to certain beneficiaries defined in law based upon a priority order
- Vested Members: With 10 or more years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Diseases of the heart resulting in death presumed accidental; 50% of salary payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

NYCERS Retirement and Benefits

TIER 1

TIER 1 RETIREMENT OPTIONS

SELECTION OF BENEFITS WITHOUT OPTIONAL MODIFICATION (MAXIMUM RETIREMENT ALLOWANCE)

If a member upon retirement does not elect one of the options below, his or her benefit will be paid as a Maximum Retirement Allowance payable in monthly installments throughout his or her life, with all payments ceasing at death.

OPTION 1:
UNMODIFIED AND MODIFIED INITIAL RESERVE

Option 1 provides the pensioner with a reduced monthly lifetime allowance. If the pensioner dies before his or her payments equal the total value of the initial reserve set aside to provide his or her benefits on the date of retirement, the balance is paid to the designated beneficiary(ies) in either a lump-sum or monthly payments. More than one beneficiary may be named and the beneficiary(ies) may be changed at any time.

OPTION 2:
100% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives 100% of the reduced allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 3:
50% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives 50% of the reduced allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTIONS 4-2 AND 4-3:
POP-UP JOINT-AND-SURVIVOR OPTIONS

These pop-up options are variations of Options 2 and 3. The pensioner receives a reduced monthly lifetime allowance under either a 100% or 50% joint-and-survivor arrangement, but if the beneficiary dies before the pensioner, the pensioner's benefit "pops-up," that is, it automatically becomes the Maximum Retirement Allowance.

OPTION 4:
LUMP-SUM PAYMENT

The pensioner receives a reduced monthly lifetime allowance with the provision that when he or she dies, the beneficiary receives a limited lump-sum payment specified by the pensioner at the time he or she chose this option. More than one beneficiary can be named and the beneficiary(ies) can be changed at any time.

NOTE: A pensioner may elect to receive any form of payment that is the actuarial equivalent of his or her Maximum Retirement Allowance, as certified by NYCERS' Chief Actuary and approved by the Board of Trustees.

MODIFIED CAREER PENSION PLAN (PLAN C)

SERVICE RETIREMENT

- Participants may retire at age 62, or 55 on a reduced basis, with 25 years of Career Pension Plan Qualifying Service
- The Service Retirement Benefit is:
  - 55% of your Final Average Salary (FAS), plus

  For all years other than the first 25:
  - 1.7% x FAS x years after June 30, 1968, plus
  - 1.2% x FAS x years before July 1, 1968, plus
  - A Pension based on excess Increased-Take-Home-Pay (ITHP), plus
  - An Annuity based on excess contributions, if any

VESTED RETIREMENT

- Plan C members must switch to Plan D to become eligible for a Vested Retirement Benefit (See Plan D)

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service
- Accidental – no minimum service requirement, but disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

MODIFIED INCREASED SERVICE FRACTION PLAN (PLAN D)

SERVICE RETIREMENT

- Participants may retire at age 62, or 55 on a reduced basis, with five or more years of Credited Service
- The Service Retirement Benefit is:
  - 1.53% x Final Average Salary (FAS) x years of service after June 30, 1968, plus
  - 1.20% x FAS x years of service before July 1, 1968, plus
  - a Pension based on Increased-Take-Home-Pay (ITHP), plus
  - An Annuity based on Accumulated Deductions

VESTED RETIREMENT

- Need a minimum of five years of Credited Service
- Payability Date: Age 62 on an unreduced basis or age 55 on a reduced basis
- Vested Retirement Benefit is the same as the Service Retirement Benefit

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service
- Accidental – no minimum service requirement, but disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

MODIFIED IMPROVED BENEFIT RETIREMENT PROGRAM (CPP-I)

SERVICE RETIREMENT

- Participants may retire at age 55, or age 50 in a physically-taxing position, with 25 years of Career Pension Plan Qualifying Service
- The Service Retirement Benefit is:
  - First 25 years of Career Pension Plan Qualifying Service: 55% of Final Average Salary (FAS), plus
  - 1.7% x FAS x years of service after June 30, 1968, plus
  - 1.2% x FAS x years of service before July 1, 1968, plus
  - a Pension based on Increased-Take-Home-Pay (ITHP), plus
  - an Annuity based on excess contributions, if any

VESTED RETIREMENT

- Plan CPP-I members must switch to Plan D to become eligible for a vested retirement (See Plan D)

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service
- Accidental – no minimum service requirement, but disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions (basic and employee portion of Additional Member Contributions)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

20-YEAR PLAN FOR CORRECTION MEMBERS BELOW THE RANK OF CAPTAIN (CI-20)

SERVICE RETIREMENT

- Participants may retire with 20 or more years of Allowable Correction Service (ACS) regardless of age (Benefit limited to 30 years)
- The Service Retirement Benefit is:
  - First 20 years of ACS: 50% of Final Average Salary (FAS), plus
  - an Annuity based on excess contributions, plus
  - For years other than the first 20 years of ACS: 1.67% of the Average Compensation, plus
  - a Pension for Increased-Take-Home-Pay (ITHP), plus
  - 75% x 1.67% x Final Compensation for each year on or after 09/30/51
  - 55% x 1.67% x Final Compensation x Credited Service prior to 10/1/51

VESTED RETIREMENT

- Need at least five years but less than 20 years of ACS; benefit payable when member would have reached 20 years of ACS
- The Vested Retirement Benefit is:
  - 2.5% x FAS x years of ACS up to 20 years, plus
  - 75% x 1.67% x Final Compensation x Credited Service on or after 09/30/51, plus
  - 55% x 1.67% x Final Compensation x Credited Service prior to 10/1/51

DISABILITY RETIREMENT

- Ordinary: If less than 10 years of ACS - 1/3 of FAS; more than 10, but less than 20 - 50% of FAS; more than 20 - 2.5% x FAS x Credited Service
- Accidental: 75% of FAS; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Heart Presumption: Diseases of the heart resulting in disability presumed accidental; accidental benefit payable
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed accidental; accidental benefit payable
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit: Need more than 90 days of service; benefit equal to three years salary lump sum, plus a return of Accumulated Deductions (basic and additional)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- A special accidental death benefit is also paid to certain beneficiaries defined in law based upon a priority order
- Vested Members: With 10 or more years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Diseases of the heart resulting in death presumed accidental; accidental benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

NYCERS Retirement and Benefits

20-YEAR PLAN FOR CORRECTION MEMBERS ABOVE THE RANK OF CAPTAIN (CP-20)

SERVICE RETIREMENT

- Participants may retire with 20 or more years of Allowable Correction Service (ACS) regardless of age
- The Service Retirement Benefit is:
  - First 20 years of ACS: 50% of Final Average Salary (FAS), plus
  - an Annuity based on excess contributions, plus
  - For years other than the first 20 years of ACS: 1.67% of the Average Compensation, plus
  - a Pension for Increased-Take-Home-Pay (ITHP), plus
  - 75% x 1.67% x Final Compensation for each year on or after 09/30/51
  - 55% x 1.67% x Final Compensation x Credited Service prior to 10/1/51
  - Benefit limited to 30 years

VESTED RETIREMENT

- Need at least five years but less than 20 years of ACS; payable when member would have reached 20 years of ACS
- The Vested Retirement Benefit is:
  - 2.5% x FAS x Years of ACS up to 20 years, plus
  - 75% x 1.67% x Final Compensation x Credited Service on or after 09/30/51, plus
  - 55% x 1.67% x Final Compensation x Credited Service prior to 10/1/51

DISABILITY RETIREMENT

- Ordinary: If less than 10 years of ACS - 1/3 of FAS; more than 10, but less than 20 - 50% of FAS; more than 20 - 2.5% x FAS x Credited Service
- Accidental: 75% of FAS; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Heart Presumption: Diseases of the heart resulting in disability presumed accidental; accidental benefit payable
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed accidental; accidental benefit payable
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit: Need more than 90 days of service; benefit equal to three years salary lump sum, plus a return of Accumulated Deductions (basic and additional)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- A special accidental death benefit is also paid to certain beneficiaries defined in law based upon a priority order
- Vested Members: With 10 or more years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Diseases of the heart resulting in death presumed accidental; accidental benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

20-YEAR RETIREMENT PLAN FOR UNIFORMED SANITATION MEMBERS (SI-20)

SERVICE RETIREMENT

- Participants may retire with 20 or more years of Allowable Sanitation Service regardless of age
- The Service Retirement Benefit is:
  - First 20 years of Allowable Sanitation Service: 50% of Final Average Salary (FAS), plus
  - an Annuity based on excess contributions
  - Other than the first 20 years of such service: 1.5% of Final Compensation, plus
  - For each year of all other Credited Service: 1% of Final Compensation, plus
  - a Pension based on Increased-Take-Home-Pay (ITHP)
  - Benefit limited to 30 years

VESTED RETIREMENT

- Need at least five years but less than 20 years of Allowable Sanitation Service; benefit payable when member would have reached 20 years of such service
- The Vested Retirement Benefit is:
  - 2.5% x FAS x each year of Allowable Sanitation Service, plus
  - 1% x Final Compensation x each year of Credited Service

DISABILITY RETIREMENT

- Ordinary - must have five or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: If 10 or more years of Allowable Sanitation Service – 50% of FAS; If less than 10 years – one-third of FAS; If eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of FAS; plus ITHP; plus Accumulated Deductions
- Heart Presumption: Diseases of the heart resulting in disability presumed accidental; accidental benefit payable
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit: Need more than 90 days of service; benefit equal to three years salary lump sum, plus a return of Accumulated Deductions (basic and additional)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Diseases of the heart resulting in death presumed accidental; accidental benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

20-YEAR, AGE-50 RETIREMENT PLAN FOR TBTA OFFICERS, SERGEANTS & LIEUTENANTS (2050I)

SERVICE RETIREMENT

- Participants may retire with 20 or more years of Allowable Service at age 50
- The Service Retirement Benefit is:
  - For the first 20 years of Allowable Service: 50% of Final Average Salary (FAS), plus
  - For each additional year Allowable Service (up to a maximum of 30 years): 1.5% x FAS

VESTED RETIREMENT

- Participants may retire as early as age 55 with an unreduced benefit similar to Plan D (See Plan D)
- The earliest age a member may retire depends on the years of Allowable Service he/she has

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; If eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions, basic and additional (if less than 15 years of service)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

25-YEAR RETIREMENT PLAN FOR DISTRICT ATTORNEY INVESTIGATORS (25IDA)

SERVICE RETIREMENT

- Participants are allowed to retire with 25 or more years of Credited Service regardless of age
- The Service Retirement Benefit is:
  - For the first 25 years of Credited Service: 55% x Final Salary, plus
  - For each additional year (up to a maximum of 30): 1.70% x Final Average Salary (FAS)

VESTED RETIREMENT

- Need at least 15 but less than 25 years of Credited Service
- Benefit payable when member could have completed 25 years such service or at age 55
- The Vested Retirement Benefit is:
  - 2.20% x FAS x each year of Credited Service

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

20-YEAR RETIREMENT PLAN FOR DISTRICT ATTORNEY INVESTIGATORS (20IDA)

SERVICE RETIREMENT

- Participants may retire with credit for 20 or more years of Allowable Investigator of District Attorneys' Offices (IDA) Service
- The Service Retirement Benefit is:
  - For the first 20 years of Allowable IDA Service: 50% of Final Salary, plus
  - For each additional year of Allowable IDA Service (after completion of the 20 years): 1/60th of Average Compensation, plus
  - 75% x 1/60th x Final Compensation x Credited Service on or after September 30, 1951, plus
  - 55% x 1/60th x Final Compensation x Credited Service prior to October 1, 1951

VESTED RETIREMENT

- Need at least 5 but less than 20 years of Allowable IDA Service
- Benefit payable when member could have reached 20 years of such service
- Vested Retirement Benefit is: 2.5% of FAS for each year of Allowable IDA Service

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions, basic and additional (if less than 15 years of service)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

25-YEAR RETIREMENT PLAN FOR DISPATCHERS (DIS-I)

SERVICE RETIREMENT

- Participants may retire with 25 or more years of Allowable Service as a Dispatcher Member
- The Service Retirement Benefit is:
  - An Annuity (the actuarial equivalent of contributions for the first 25 years of Allowable Service), plus
  - A Pension for Increased-Take-Home-Pay (ITHP), plus
  - A Pension, which when added to the Annuity and ITHP equals 50% of Final Average Salary (FAS), plus
  - 2% of FAS for each year beyond the first 25 years of Allowable Service (not to exceed five years)

VESTED RETIREMENT

- There is no vesting provision in this plan

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions, basic and additional (if less than 15 years of service).
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

25-YEAR RETIREMENT PLAN FOR EMERGENCY MEDICAL TECHNICIANS (EMT-I)

SERVICE RETIREMENT

- Participants may retire with 25 or more years of Allowable Service as an EMT Member
- The Service Retirement Benefit is:
  - An Annuity (the actuarial equivalent of contributions for the first 25 years of Allowable Service), plus
  - A Pension for Increased-Take-Home-Pay (ITHP), plus
  - A Pension, which when added to the Annuity and ITHP equals 50% of Final Average Salary (FAS), plus
  - 2% of FAS for each year beyond the first 25 years of Allowable Service (not to exceed five years)

VESTED RETIREMENT

- There is no vesting provision in this plan

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Heart Presumption: Diseases of the heart resulting in disability presumed line-of-duty; accidental benefit payable
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed line-of-duty; accidental benefit payable
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions, basic and additional (if less than 15 years of service)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Heart Presumption: Diseases of the heart resulting in death presumed line-of-duty; accidental benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

25-YEAR RETIREMENT PLAN FOR NYC DEPUTY SHERIFFS (DSH-I)

SERVICE RETIREMENT

- Participants may retire after having credit for 25 or more years of Credited Service regardless of age
- The Service Retirement Benefit is:
  - An Annuity (the actuarial equivalent of contributions for the first 25 years of Credited Service), plus
  - A Pension for Increased-Take-Home-Pay (ITHP), plus
  - A Pension, which when added to the Annuity and ITHP equals 55% of Final Average Salary (FAS), plus
  - 1.7% of FAS for each year beyond the first 25 years of Credited Service (not to exceed five years)

VESTED RETIREMENT

- There is no provision for vesting

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions, basic and additional (if less than five years of service).
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

25-YEAR/AGE-50 RETIREMENT PLAN FOR AUTOMOTIVE WORKERS (AUT-I)

SERVICE RETIREMENT

- Participants with 25 or more years of Credited Service may retire at age 50
- The Service Retirement Benefit is:
  - An Annuity (the actuarial equivalent of contributions for the first 25 years of Credited Service), plus
  - A Pension for Increased-Take-Home-Pay (ITHP), plus
  - A Pension, which when added to the Annuity and ITHP equals 50% of Final Average Salary (FAS), plus
  - 2% of FAS for each year beyond the first 25 years of Credited Service (not to exceed five years)

VESTED RETIREMENT

- There is no vesting provision in this plan

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions, basic and additional (if less than five years of service)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

25-YEAR RETIREMENT PLAN FOR SPECIAL OFFICERS (SPO-I)

SERVICE RETIREMENT

- Participants may retire with 25 or more years of Allowable Service as a Special Officer regardless of age
- The Service Retirement Benefit is:
  - An Annuity (the actuarial equivalent of contributions for the first 25 years of Allowable Service), plus
  - A Pension for Increased-Take-Home-Pay (ITHP), plus
  - A Pension, which when added to the Annuity and ITHP equals 50% of Final Average Salary (FAS), plus
  - 2% of FAS for each year beyond the first 25 years of Allowable Service (not to exceed five years)

VESTED RETIREMENT

- There is no provision for vesting

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions, basic and additional (if less than 15 years of service)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

25-YEAR RETIREMENT PLAN FOR POLICE COMMUNICATION OPERATORS (911)

SERVICE RETIREMENT

- Participants with 25 or more years of Credited Service may retire regardless of age
- The Service Retirement Benefit is:
  - An Annuity (the actuarial equivalent of contributions for the first 25 years of Credited Service), plus
  - A Pension for Increased-Take-Home-Pay (ITHP), plus
  - A Pension, which when added to the Annuity and ITHP equals 50% of Final Average Salary (FAS), plus
  - 2% of FAS for each year beyond the first 25 years of Credited Service (not to exceed five years)

VESTED RETIREMENT

- There is no provision for vesting

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service; Accidental – no minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: 1.53% x FAS for each year after June 30, 1968; 1.20% x FAS for each year before July 1, 1968; plus ITHP; plus Accumulated Deductions; if eligible for service retirement, benefit = Service Retirement Benefit
  - Accidental: 75% of Final Compensation; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation payments
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of Accumulated Deductions, basic and additional (if less than five years of service)
- Accidental Death Benefit: A Pension equal to 50% of Final Compensation; plus a lump sum of Accumulated Deductions; plus a lump sum of ITHP; less 100% Workers' Compensation
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

TIER 2 RETIREMENT OPTIONS

SELECTION OF BENEFITS WITHOUT OPTIONAL MODIFICATION (MAXIMUM RETIREMENT ALLOWANCE)

If a member, upon retirement, does not elect one of the options listed below, his or her benefit will be paid as a Maximum Retirement Allowance payable in monthly installments throughout his or her life, with all payments ceasing at death.

OPTION 1:
RETURN OF ANNUITY RESERVE

Option 1 provides the pensioner with a reduced monthly lifetime allowance. If the pensioner dies before the *Annuity* portion of his or her payments equal the total value of the *Annuity* reserve set aside to pay his or her *Annuity* on the date of retirement, the balance is paid to the designated beneficiary in either a lump sum or monthly payments. Option 1 cannot be elected for the *ITHP* or *Pension* portions of the retirement allowance. More than one beneficiary may be named and the beneficiary(ies) may be changed at any time.

OPTION 2:
100% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives 100% of the reduced monthly allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 3:
50% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives 50% of the reduced monthly allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTIONS 4-2 AND 4-3:
POP-UP JOINT-AND-SURVIVOR OPTIONS

These options are variations of Options 2 and 3. The pensioner receives a reduced monthly lifetime allowance under either a 100% or 50% joint-and-survivor arrangement, but if the beneficiary dies before the pensioner, the pensioner's benefit "pops-up," that is, it automatically becomes the Maximum Retirement Allowance.

OPTION 4:
LUMP-SUM PAYMENT

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary(ies) receives a limited lump-sum payment specified by the pensioner at the time he or she chose this option. More than one beneficiary can be named and the beneficiary(ies) can be changed at any time.

<u>NOTE</u>: A pensioner may elect to receive any form of payment that is the actuarial equivalent of their Maximum Retirement Allowance, as certified by NYCERS' Chief Actuary and approved by the Board of Trustees.

OPTION 5 (FIVE-YEAR CERTAIN)

The pensioner receives a reduced monthly lifetime allowance. If the pensioner dies within five years of retirement, the reduced monthly retirement allowance will be paid to the surviving designated primary beneficiary for the unexpired balance of the five-year period. If the designated primary beneficiary predeceases the pensioner, the balance of the payments due for the remainder of the five-year period is continued to the pensioner's designated contingent beneficiary. If none exists, it is paid in a lump-sum to the estate of the pensioner.

Should a designated primary beneficiary also die, after having started to receive payments under this option selection, the balance will be paid in a lump-sum to the designated contingent beneficiary. If none exists, the lump-sum balance will be paid to the estate of the primary beneficiary.

OPTION 6 (TEN-YEAR CERTAIN)

The pensioner receives a reduced monthly lifetime allowance. If the pensioner dies within ten years of retirement, the reduced monthly retirement allowance will be paid to the surviving designated primary beneficiary for the unexpired balance of the ten-year period. If the designated primary beneficiary predeceases the pensioner, the balance of the payments due for the remainder of the ten-year period is continued to the pensioner's designated contingent beneficiary. If none exists, it is paid in a lump-sum to the estate of the pensioner.

Should a designated primary beneficiary also die, after having started to receive payments under this option selection, the balance will be paid in a lump-sum to the designated contingent beneficiary. If none exists, the lump-sum balance will be paid to the estate of the primary beneficiary.

RETIREMENT PLAN FOR GENERAL MEMBERS

SERVICE RETIREMENT

- May retire with an unreduced benefit at age 62 and as early as age 55, with a reduced benefit
- Service Retirement Benefit is:
  - Less than 20 years of Credited Service: 1.67% x each year of Credited Service x Final Average Salary (FAS)
  - 20 or more years of Credited Service: 2% x each year of Credited Service x FAS
- Benefit is reduced by 50% of your Primary Social Security Benefit (PSSB) beginning at age 62
- Post-retirement escalations depending on age you retire

VESTED RETIREMENT

- A member with five or more years of Credited Service at age 62 may receive an unreduced vested retirement benefit or the member may elect to receive a reduced benefit prior to age 62, as early as age 55
- Benefit calculation same as service retirement benefit calculation

DISABILITY RETIREMENT

- May receive an Ordinary Disability Benefit (ODB) or Accidental Disability Benefit (ADB)
- ODB: If you have at least five years of service and deemed disabled by the Social Security Administration the ODB is equal to the greater of one-third of FAS or 2% x Credited Service x FAS (reduced by 50% of the PSSB & 100% of Workers' Compensation Payments)
- ADB: Eligible if your disability is deemed to be the result of an accidental injury sustained in the performance of duty. The benefit is 60% of FAS minus 50% of the PSSB and 100% of Workers' Compensation Payments.
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year last posted salary in lump sum; 2-3 years of service = 2 years last posted salary in lump sum; 3 or more years of service = 3 years last posted salary in lump sum. A return of Basic Member Contributions included.
- Accidental Death Benefit: 50% of FAS payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

UNIFORMED CORRECTION FORCE 25 - YEAR PLAN

SERVICE RETIREMENT

- Correction Officers appointed after July 27, 1976 can retire after 25 years of Credited Service without regard to age, and without a benefit reduction due to retirement prior to age 62
- The Service Retirement Benefit is 50% of your Final Average Salary (FAS)

VESTED RETIREMENT

- There is no Vesting provision with this plan, however, members may vest under the basic Tier 3 vesting provisions (See Retirement Plan for General Members)

DISABILITY RETIREMENT

- May receive an Ordinary Disability Benefit (ODB), special disability benefit, performance of duty disability benefit or Accidental Disability Benefit (ADB)
- ODB: See "Retirement Plan for General Members"
- Special Disability Benefit (RSSL §507-a): Eligible with 10 or more years of Credited Service. The Benefit is equal to one-third of your FAS or 1.67% x each year of Credited Service x FAS. If eligible for service retirement, the benefit will be equal to the service retirement benefit if greater.
- Performance of Duty Disability Benefit: Eligible if your disability is deemed to be the result of an accidental injury sustained in the performance of duty, by an act of an inmate; 75% of FAS payable.
- ADB: See "Retirement Plan for General Members"
- Heart Presumption: Diseases of the heart resulting in disability presumed line-of-duty;75% of FAS payable
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed line-of-duty; 75% of FAS payable
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit: members with more than 90 days of service will receive a death benefit equal to three years of last posted salary in lump sum, plus a return of Basic Member Contributions
- Accidental Death Benefit: 50% of FAS payable
- A special accidental death benefit is also paid to certain beneficiaries defined in law based upon a priority order
- Heart Presumption: Diseases of the heart resulting in death presumed accidental; accidental benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

UNIFORMED CORRECTION OFFICER 20 - YEAR RETIREMENT PLAN (CO-20)

SERVICE RETIREMENT

- May retire with 20 or more years of Credited Service or Allowable Correction Service (ACS) (type of service you need depends on when you became a member), without regard to age.
- The Service Retirement Benefit is:
  - For the first 20 years of Credited Service or ACS: 50% of FAS
  - For all years of Credited Service or ACS, other than the first 20 years of such service, 1.67% x years of service x FAS (not to exceed 30 years)

VESTED RETIREMENT

- Must have at least five years of Credited Service or ACS, but less than 20 years of such service
- Benefit payable on the earliest date the member could have retired with 20 years of Credited Service or ACS
- The Vested Retirement Benefit is: 2.5% x years of service x FAS

DISABILITY RETIREMENT

- May receive an Ordinary Disability Benefit (ODB), special disability benefit, performance of duty disability benefit or Accidental Disability Benefit (ADB)
- ODB: See "Retirement Plan for General Members"
- Special Disability Benefit: Eligible with 10 or more years of Credited Service; benefit = 1/3 of FAS or 1.67% x each year of Credited Service x FAS. If eligible for service retirement, benefit = service retirement benefit.
- Performance of Duty Disability: Eligible if your disability is deemed to be the result of an injury sustained in the performance of duty by an act of an inmate; 75% of FAS payable
- ADB: See "Retirement Plan for General Members"
- Heart Presumption: Diseases of the heart resulting in disability presumed line-of-duty; 75% of FAS payable
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed line-of-duty; 75% of FAS payable
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit: members with more than 90 days of service will receive a death benefit equal to three years salary lump sum, plus a return of accumulated deductions, basic and additional
- Accidental Death Benefit: 50% of FAS payable
- A special accidental death benefit is also paid to certain beneficiaries defined in law based upon a priority order
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Diseases of the heart resulting in death presumed accidental; accidental benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

CORRECTION CAPTAIN 20 - YEAR RETIREMENT PLAN (CC-20)

SERVICE RETIREMENT

- May retire with 20 or more years of Credited Service or Allowable Correction Service (ACS) (type of service you need depends on when you became a member), without regard to age.
- The Service Retirement Benefit is:
  - For the first 20 years of Credited Service or ACS: 50% of FAS
  - For all years of Credited Service or ACS, other than the first 20 years of such service, 1.67% of FAS times the years of such service (not to exceed 30 years)

VESTED RETIREMENT

- Must have at least five years of Credited Service or ACS, but less than 20 years of such service
- Benefit payable on the earliest date the member could have retired with 20 years of Credited Service or ACS
- The Vested Retirement Benefit is: 2.5% x years of service x FAS

DISABILITY RETIREMENT

- May receive an Ordinary Disability Benefit (ODB), special disability benefit, performance of duty disability benefit or Accidental Disability Benefit (ADB)
- ODB: See "Retirement Plan for General Members"
- Special Disability Benefit: Eligible with 10 or more years of Credited Service; benefit = 1/3 of FAS or 1.67% x each year of Credited Service x FAS. If eligible for service retirement, benefit = service retirement benefit.
- Performance of Duty Disability Benefit: Eligible if your disability is deemed to be the result of an injury sustained in the performance of duty by an act of an inmate; 75% of FAS payable
- ADB: See "Retirement Plan for General Members"
- Heart Presumption: Diseases of the heart resulting in disability presumed line-of-duty; 75% of FAS payable
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed line-of-duty; 75% of FAS payable
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit: members with more than 90 days of service will receive a death benefit equal to three years salary lump sum, plus a return of accumulated deductions, basic and additional
- Accidental Death Benefit: 50% of FAS payable
- A special accidental death benefit is also paid to certain beneficiaries defined in law based upon a priority order
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Diseases of the heart resulting in death presumed accidental; accidental benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

NYCERS Retirement and Benefits

TIER 3

UNIFORMED CORRECTION FORCE 20 - YEAR RETIREMENT PLAN (CF-20)

SERVICE RETIREMENT

- May retire with 20 or more years of Allowable Correction Service (ACS), without regard to age
- The Service Retirement Benefit is:
  - For the first 20 years of ACS: 50% of Final Average Salary (FAS)
  - For all years of ACS other than the first 20 years of such service: 1.67% of FAS times years of such service (not to exceed 30 years)

VESTED RETIREMENT

- Must have at least five years of ACS, but less than 20 years of such service
- Benefit payable on the earliest date the member could have retired with 20 years of ACS
- The Vested Retirement Benefit is: 2.5% of FAS for each year of ACS

DISABILITY RETIREMENT

- May receive an Ordinary Disability Benefit (ODB), special disability benefit, performance of duty disability benefit or Accidental Disability Benefit (ADB)
- ODB: See "Retirement Plan for General Members"
- Special Disability Benefit: Eligible with 10 or more years of Credited Service; benefit = 1/3 of FAS or 1.67% x each year of Credited Service x FAS. If eligible for service retirement, benefit = service retirement benefit.
- Performance of Duty Disability Benefit: Eligible if your disability is deemed to be the result of an injury sustained in the performance of duty by an act of an inmate; 75% of FAS payable
- ADB: See "Retirement Plan for General Members"
- Heart Presumption: Diseases of the heart resulting in disability presumed line-of-duty; 75% of FAS payable
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed line-of-duty; 75% of FAS payable
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit: members with more than 90 days of service will receive a death benefit equal to three years salary lump sum, plus a return of accumulated deductions, basic and additional
- Accidental Death Benefit: 50% of FAS payable
- A special accidental death benefit is also paid to certain beneficiaries defined in law based upon a priority order
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Diseases of the heart resulting in death presumed accidental; accidental benefit payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

TIER 3 RETIREMENT OPTIONS

SELECTION OF BENEFITS WITHOUT OPTIONAL MODIFICATION (MAXIMUM RETIREMENT ALLOWANCE)

If a member, upon retirement, does not elect one of the options listed below, his or her benefit will be paid as a Maximum Retirement Allowance, payable in monthly installments throughout his or her life, with all payments ceasing at death.

OPTION 1:
100% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime benefit. When the pensioner dies, the surviving beneficiary receives the same reduced monthly benefit for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 2:
OTHER JOINT-AND-SURVIVOR OPTIONS

The pensioner receives a reduced monthly lifetime benefit. When the pensioner dies, the surviving beneficiary receives a benefit of 90% or less (amount depends on the pensioner's choice, in increments of not less than 10%) of the pensioner's reduced monthly benefit for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 3:
FIVE-YEAR CERTAIN

The pensioner receives a reduced monthly lifetime benefit. If the pensioner dies within five years of retirement, the reduced monthly retirement benefit will continue to be paid to the surviving designated primary beneficiary for the unexpired balance of the five-year period. If the designated primary beneficiary predeceases the pensioner, the balance of the payments due for the unexpired balance of the five-year period is continued to the pensioner's contingent beneficiary or, if none exists, is paid in a lump-sum to the estate of the pensioner. Should a designated primary beneficiary who has started to receive payments die before the unexpired balance of the five-year period, the balance of the payments for the unexpired balance of the five-year period is paid in a lump-sum to the designated contingent beneficiary or, if none exists, to the estate of the primary beneficiary.

OPTION 4:
TEN-YEAR CERTAIN

The pensioner receives a reduced monthly lifetime benefit. If the pensioner dies within 10 years of retirement, the reduced monthly retirement benefit will continue to be paid to the surviving designated primary beneficiary for the unexpired balance of the 10-year period. If the designated primary beneficiary predeceases the pensioner, the balance of the payments due for the unexpired balance of the 10-year period is continued to the pensioner's contingent beneficiary or, if none exists, is paid in a lump-sum to the estate of the pensioner. Should a designated primary beneficiary who has started to receive payments die before the unexpired balance of the 10-year period, the balance of the payments for the unexpired balance of the 10-year period is paid in a lump-sum to the designated contingent beneficiary or, if none exists, to the estate of the primary beneficiary.

Members who retire on or after November 21, 1992 are eligible to elect Option 5, the *Pop-Up* Option.

OPTION 5:
POP-UP OPTION

The Pop-Up Option is a variation of Options 1 and 2. The pensioner receives a reduced monthly lifetime benefit under a 100%, 90% or less (amount depends on the pensioner's choice, in increments of not less than 10%) joint-and-survivor selection. If the beneficiary dies before the pensioner, the pensioner's benefit "pops-up," that is, it automatically becomes the Maximum Retirement Allowance.

BASIC 62/5 PLAN

SERVICE RETIREMENT

- May retire at age 62 with five or more years of Credited Service
- May retire as early as age 55, but with a penalty
- The Service Retirement Benefit is:
  - Less than 20 years of Credited Service: 1.67% x each year of Credited Service x Final Average Salary (FAS)
  - Between 20 and 30 years of Credited Service: 2% x each year of Credited Service x FAS
  - More than 30 years of Credited Service: 2% x each year for first 30 years of Credited Service x FAS, plus 1.5% x each year of Credited Service in excess of 30 years x FAS

VESTED RETIREMENT

- Need a minimum of five years of Credited Service, two of which must be Membership Service
- Payability Date: Age 62
- Benefit calculation same as service retirement benefit calculation

DISABILITY RETIREMENT

- Eligiblity: Must have ten or more years of Credited Service, unless disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

55/25 PLAN – CHAPTER 96 OF THE LAWS OF 1995

SERVICE RETIREMENT

- May retire at age 55 with at least 25 years of Credited Service
- The Service Retirement Benefit is:
  - Between 25 and 30 years of Credited Service: 2% x each year of Credited Service x FAS
  - More than 30 years of Credited Service: 2% x each year for first 30 years of Credited Service x FAS, plus 1.5% x each year of Credited Service in excess of 30 years x FAS

VESTED RETIREMENT

- There is no vesting provision under this plan
- Members always retain the right to vest under the basic 62/5 plan
- Benefit calculation same as service retirement benefit calculation

DISABILITY RETIREMENT

- Eligiblity: Must have ten or more years of Credited Service, unless disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions - basic and employee portion (50%) of Additional Member Contributions
- Accidental Death Benefit: 50% of salary payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

57/5 PLAN – CHAPTER 96 OF THE LAWS OF 1995

SERVICE RETIREMENT

- May retire at age 57 with five or more years of Credited Service
- The Service Retirement Benefit is:
  - Less than 20 years of Credited Service: 1.67% x each year of Credited Service x Final Average Salary (FAS)
  - Between 20 and 30 years of Credited Service: 2% x each year of Credited Service x FAS
  - More than 30 years of Credited Service: 2% x each year for first 30 years of Credited Service x FAS, plus 1.5% x each year of Credited Service in excess of 30 years x FAS

VESTED RETIREMENT

- Need a minimum of five years of Credited Service, two of which must be Membership Service
- Payability Date: Age 57
- Benefit calculation same as service retirement benefit calculation

DISABILITY RETIREMENT

- Eligiblity: Must have ten or more years of Credited Service, unless disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions – basic and employee portion (50%) of Additional Member Contributions (AMCs)
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

UNIFORMED SANITATION 20-YEAR RETIREMENT PLAN (SA-20)

SERVICE RETIREMENT

- May retire after 20 years of Allowable Sanitation Service, without regard to age
- The Service Retirement Benefit is:
  - For the first 20 years of Allowable Sanitation Service: 50% of Final Average Salary (FAS)
  - For all years of Allowable Sanitation Service in excess of the first 20: 1.5% of Final Compensation x years of such service; plus
  - For each year of Credited Service, other than Allowable Sanitation Service: 1% of Final Compensation

VESTED RETIREMENT

- Must have five or more years of Allowable Sanitation Service but less than 20
- Payability Date: The date you would have reached 20 years if you had not discontinued service
- Vested Benefit: For each year of Allowable Sanitation Service: 2.5% of FAS; plus
- For each year of Credited Service other than Allowable Sanitation Service: 1% of Final Compensation

DISABILITY RETIREMENT

- Ordinary Disability: Must have ten or more years of Credited Service: Benefit equals the greater of 1/3 of FAS or 1.67% x each year of Credited Service
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Accidental Disability: Disabled because of a natural or proximate result of an accident sustained on-the-job; benefit equal to 75% of FAS
- Heart Presumption: Heart ailment presumed accidental; member eligible for benefit of 75% of FAS
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit: Need at least 90 days of service; benefit equal to three years salary lump sum, plus accumulated deductions - basic and additional
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Heart ailment presumed accidental; 50% of salary payable
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

TRANSIT 25 - YEAR / AGE - 55 RETIREMENT PLAN (T2555)

SERVICE RETIREMENT

- May retire at age 55 with credit for 25 or more years of Allowable Service in the Transit Authority
- The Service Retirement Benefit is:
  - For the first 25 years of Allowable Service in the Transit Authority, 50% of Final Average Salary (FAS), plus
  - For each additional year beyond the first 25 (to a maximum of 30 years of such service), 2% of FAS, plus
  - For each additional year in excess of 30 years of such service, 1½% of FAS

VESTED RETIREMENT

- A Participant with at least 25 years of Allowable Service, but has not attained age 55, is eligible for a Vested Retirement Benefit which becomes payable on his or her 55th birthday and calculated the same as the service retirement benefit
- A participant with at least five years of Allowable or Credited Service, but less than 25, can vest under the Basic 62/5 Plan

DISABILITY RETIREMENT

- Eligiblity: Must have ten or more years of Credited Service, unless disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit: members with more than 90 days of service will receive a death benefit equal to three years of last posted salary in lump sum
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY 20 - YEAR / AGE - 50 RETIREMENT PLAN (TBTA-20/50)

SERVICE RETIREMENT

- May retire with 20 or more years of Credited Service and as early as age 50
- The Service Retirement Benefit is:
  - 50% of your Final Average Salary (FAS) for the first 20 years of Credited Service, plus
  - 1.5% of your FAS for each year of Credited Service in excess of 20
  - Benefit limited to 30 years

VESTED RETIREMENT

- Must have at least five years but less than 20 years of Credited Service
- Payable on the earliest date the member could have retired for service
- 2.5% of your FAS for each year of Credited Service

DISABILITY RETIREMENT

- Eligiblity: Must have ten or more years of Credited Service, unless disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions – basic and additional (if less than 15 years of service)
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met
- A special accidental death benefit is also paid to certain beneficiaries defined in law based upon a priority order

DISPATCHER 25 - YEAR RETIREMENT PLAN (DIS-25)

SERVICE RETIREMENT

- May retire for service with 25 or more years of Allowable Service as a Dispatcher Member, regardless of age
- The Service Retirement Benefit is:
  - 50% of your Final Average Salary (FAS) for the first 25 years of Allowable Service, plus
  - 2% of your FAS for each year of Allowable Service in excess of 25
  - Benefit limited to 30 years

VESTED RETIREMENT

- Must have at least five years but less than 25 years of Allowable Service
- Payable on the date the member would have completed 25 years of Allowable Service
- 2% of your FAS for each year of Allowable Service

DISABILITY RETIREMENT

- Eligiblity: Must have ten or more years of Credited Service, unless disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions – basic and additional (if less than 15 years of service)
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

EMERGENCY MEDICAL TECHNICIAN 25-YEAR RETIREMENT PLAN (EMT-25)

SERVICE RETIREMENT

- Participants may retire for service with 25 or more years of Allowable Service as an EMT Member, regardless of age
- The Service Retirement Benefit is:
  - 50% of your Final Average Salary (FAS) for the first 25 years of Allowable Service, plus
  - 2% of your FAS for each year of Allowable Service in excess of 25
  - Benefit limited to 30 years

VESTED RETIREMENT

- Must have at least five years but less than 25 years of Allowable Service
- Payable on the date the member would have completed 25 years of Allowable Service
- 2% of your FAS for each year of Allowable Service

DISABILITY RETIREMENT

- Ordinary Disability: Must have ten or more years of Credited Service; Benefit equals the greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Line-of-Duty Disability: Disabled because of an injury sustained in the performance of duty; benefit equal to 75% of FAS
- Heart Presumption: Heart ailment presumed line-of-duty; benefit equals 75% of FAS
- HAT Presumption: HIV, tuberculosis or hepatitis resulting in disability presumed line-of-duty; benefit equals 75% of FAS
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions – basic and additional (if less than 15 years of service)
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Heart Presumption: Heart ailment presumed accidental; 50% of salary payable
- A special accidental death benefit is also paid to certain beneficiaries defined in law based upon a priority order
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

NYCERS Retirement and Benefits

TIER 4

NYC DEPUTY SHERIFFS 25 - YEAR RETIREMENT PLAN (DSH25)

SERVICE RETIREMENT

- May retire if they have credit for 25 or more years of Credited Service, without regard to age
- The Service Retirement Benefit is:
  - For the first 25 years of Credited Service: 55% of Final Average Salary (FAS), plus
  - 1.7% of FAS for each year of Credited Service in excess of 25
  - Benefit limited to 30 years

VESTED RETIREMENT

- Must have at least five, but less than 25 years of Credited Service
- Payable on the date the Participant would have completed 25 years of Credited Service
- 2.2% of your FAS for each year of Credited Service

DISABILITY RETIREMENT

- Ordinary Disability: Must have ten or more years of Credited Service and are deemed physically or mentally incapacitated
- Ordinary Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Accidental Disability: Disabled because of a natural or proximate result of an accident sustained on-the-job; benefit equal to 75% of Final Compensation
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions - basic and additional (if less than 15 years of service)
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

AUTOMOTIVE SERVICE WORKERS 25 - YEAR / AGE - 50 RETIREMENT PLAN (AUT-25)

SERVICE RETIREMENT

- May retire for service with 25 or more years of Credited Service, at age 50
- The Service Retirement Benefit is:
  - 50% of Final Average Salary (FAS) for the first 25 years of Credited Service, plus
  - An additional 2% of FAS for each year in excess of 25
  - Benefit limited to 30 years

VESTED RETIREMENT

- Must have at least five but less than 25 years of Credited Service
- Payable on the date the member reaches at least age 50 AND would have completed 25 years of Credited Service
- 2% of your FAS for each year of Credited Service

DISABILITY RETIREMENT

- Eligiblity: Must have ten or more years of Credited Service, unless disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions - basic and additional (if less than five years of service)
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

SPECIAL OFFICER 25 - YEAR RETIREMENT PLAN (SPO-25)

SERVICE RETIREMENT

- May retire for service with 25 or more years of Allowable Service as a Special Officer, regardless of age
- The Service Retirement Benefit is:
  - 50% of your Final Average Salary (FAS) for the first 25 years of Allowable Service, plus
  - 2% of your FAS for each year of Allowable Service in excess of 25
  - Benefit limited to 30 years

VESTED RETIREMENT

- Must have at least five years but less than 25 years of Allowable Service
- Payable on the date the member would have completed 25 years of Allowable Service
- 2% of your FAS for each year of Allowable Service

DISABILITY RETIREMENT

- Eligiblity: Must have ten or more years of Credited Service, unless disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions - basic and additional (if less than 15 years of service)
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

POLICE COMMUNICATIONS (911) TECHNICIANS 25 YEAR RETIREMENT PLAN (PCT 25)

SERVICE RETIREMENT

- May retire for service with 25 or more years of Credited Service, regardless of age
- The Service Retirement Benefit is:
  - 50% of your Final Average Salary (FAS) for the first 25 years of Credited Service, plus
  - 2% of your FAS for each year of Credited Service in excess of 25
  - Benefit limited to 30 years

VESTED RETIREMENT

- Must have at least five years but less than 25 years of Credited Service
- Payable on the date the member would have completed 25 years of Credited Service
- 2% of your FAS for each year of Credited Service

DISABILITY RETIREMENT

- Eligiblity: Must have ten or more years of Credited Service, unless disability resulted from an accident sustained on-the-job
- Disability Retirement Benefit: The greater of 1/3 of FAS or 1.67% x each year of Credited Service x FAS
- If eligible for Service Retirement, the benefit equals the Service Retirement Benefit if greater than above
- Members may file for disability benefits in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

DEATH BENEFITS

- An Ordinary Death Benefit (need not have been on-the-job) payable to a Designated Beneficiary(ies) (member's designation)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies) (defined in law)
- Ordinary Death Benefit (Plan 2): 1-2 years of service = 1 year salary lump sum; 2-3 years of service = 2 years salary lump sum; 3 or more years of service = 3 years salary lump sum, plus a return of accumulated deductions - basic and additional (if less than five years of service)
- Accidental Death Benefit: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of death benefit in force at time of separation from service
- Eligible Beneficiaries may file for accidental death benefits if member's death deemed in connection with the World Trade Center tragedy on 9/11/01 provided certain criteria is met

TIER 4 OPTIONS

SELECTION OF BENEFITS WITHOUT OPTIONAL MODIFICATION (MAXIMUM RETIREMENT ALLOWANCE)

If a member, upon retirement, does not elect one of the options listed below, his or her benefit will be paid as a Maximum Retirement Allowance payable in monthly installments throughout his or her life, with all payments ceasing at death.

OPTION 1:
100% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives the same reduced monthly allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 2:
OTHER JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives a lifetime benefit of 25%, 50% or 75% of the pensioner's reduced monthly benefit, depending on the pensioner's choice. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 3:
FIVE-YEAR CERTAIN

The pensioner receives a reduced monthly lifetime benefit. If the pensioner dies within five years of retirement, the reduced monthly retirement benefit will be paid to the surviving designated beneficiary(ies) for the unexpired balance of the five-year period. If the pensioner's designated beneficiary predeceases the pensioner, the balance of the payments due for the unexpired balance of the five-year period is paid in a lump-sum to the pensioner's contingent beneficiary(ies) or, if none exists, to the estate of the pensioner. Should a designated primary beneficiary also die, after having started to receive payments, the balance will be paid in a lump-sum to the designated contingent beneficiary(ies). If none exists, the lump-sum balance is paid to the estate of the primary beneficiary.

OPTION 4:
TEN-YEAR CERTAIN

The pensioner receives a reduced monthly lifetime benefit. If the pensioner dies within 10 years of retirement, the reduced monthly retirement benefit will be paid to the surviving designated beneficiary(ies) for the unexpired balance of the ten-year period. If the pensioner's designated beneficiary predeceases the pensioner, the balance of the payments due for the unexpired balance of the ten-year period is paid in a lump-sum to the pensioner's contingent beneficiary(ies) or, if none exists, to the estate of the pensioner. Should a designated primary beneficiary die before the unexpired balance of the ten-year period, the balance of the payments for the unexpired balance of the ten-year period is paid in a lump-sum to the designated contingent beneficiary(ies) or, if none exists, to the estate of the primary beneficiary.

Members who retire on or after November 21, 1992 are eligible to elect Option 5, the *Pop-Up* Option.

OPTION 5:
POP-UP OPTION

The Pop-Up Option is a variation of Options 1 and 2. The pensioner receives a reduced monthly lifetime benefit under a 100%, 75%, 50% or 25% joint-and-survivor selection. If the beneficiary dies before the pensioner, the pensioner's benefit "pops-up," that is, it automatically becomes the Maximum Retirement Allowance.

L E G I S L A T I O N
(July 1, 2006 – June 30, 2007)

Laws of 2006

Chapter 152 - enacted 7/7/06
This law extends the expiration date of the actuarial interest rates used to determine employer contributions as well as interest rates applicable to members' ITHP accounts to June 30, 2009. The law also institutes a one-year lag methodology to provide greater budgetary certainty for participating employers in New York City retirement systems and eliminates the phase-in of employer costs required to fund the Cost Of Living Adjustment (COLA) legislation enacted in 2000.

Chapter 225 - enacted 7/26/06
This law amends Section 651 of the Retirement & Social Security Law which provides for a reduction of the retirement age for TBTA officers, sergeants or lieutenants (with at least one competitive appointment), bridge and tunnel maintainer titles or TBTA laborers for each year of covered employment by extending the covered period to employment performed on or before December 31, 2008 (previously the covered period ended on 12/31/06).

Chapter 445 - enacted 8/14/06
Chapter 445 of the laws of 2006 amends the World Trade Center (WTC) Presumption Law enacted in 2005 to provide line-of-duty death benefits to the statutory beneficiaries of eligible members who die from illnesses or diseases contracted as a result of their participation in WTC rescue, recovery or cleanup operations. This law also amends the accidental disability provisions for Tier 3 Correction Officers (Section 507-c of the Retirement and Social Security Law) to include the disability provisions of the WTC Presumption Law and as a result, extended the deadline to file the Notice of Participation for such officers to August 14, 2008.

Chapter 491 - enacted 8/16/06
This law extends the expiration date of the Sanitation Heart Bill to July 1, 2007. The Sanitation Heart Bill provides a presumption that diseases of the heart contracted by uniformed Sanitation workers resulting in either disability or death were incurred in the performance and discharge of duties, thereby conferring a disability allowance equal to three-quarters of final average salary (of final salary for Tiers 1 & 2) or a line-of-duty death benefit, respectively.

Chapter 652 - enacted 9/13/06
This law extends the option of electing an annuity to a Tier 2 member or, upon the member's death, to his or her beneficiary. Currently, only Tier 1 members may elect to receive death benefits in the form of an annuity.

Chapter 697 - enacted 9/13/06

This law permits Carpenters and Supervisory Carpenters who were laid off because of economy measures on or after June 1, 1991 and who returned to service prior to July 1, 1993 to purchase credit for the period of time they were laid off. Eligible Carpenters and Supervisory Carpenters are required to contribute an amount equal to the ordinary member contributions that they would have paid during the layoff period as if they had actually been in service during such period.

Chapter 711 - enacted 9/13/06

This law corrects certain technical errors in the District Attorney Investigator (DAI) 20-year retirement plan enacted in 2004. Specifically, this law allows prior non-investigator service to count as creditable service beyond the required 20-year minimum. The law also clarifies the calculation for both investigator and non-investigator service for credited service beyond the 20-year minimum.

Chapter 713 - enacted 9/13/06

This law permits retired Police Officers, Correction Officers, Deputy Sheriffs and Fire Marshals, who are appointed to the office of New York City Marshal, to collect their full pension while receiving compensation as a New York City Marshal.

Chapter 734 - enacted 9/13/06

This law allows members of the Amalgamated Transit Union (ATU) to apply for a refund of their accumulated additional member contributions made in accordance with the 25 year/age 55 NYC Transit retirement plan enacted in 1994. ATU Transit Operating Members who, on December 28, 2005, had an accumulated balance of additional member contributions at NYCERS, are eligible to apply for a refund of such contributions.

Laws of 2007

Chapter 5 – enacted 3/13/07

This law amends Chapter 445 of the Laws of 2006, which provided line-of-duty death benefits to the statutory beneficiaries of eligible members/retirees who die from illnesses or diseases contracted as a result of participation in WTC rescue, recovery or cleanup operations. The enactment of Chapter 5 eliminates the gaps in coverage and other ambiguities found in Chapter 445. The following is a brief description of the law's provisions:

- Includes retirees in the special accidental death benefit provisions of Section 208-f of the General Municipal Law.
- Includes active members in the accidental death benefit provisions of the Retirement & Social Security Law and Administrative Code of the City of New York.
- Clarifies that ALL members/retirees must have met the underlying criteria of the WTC Presumptive Disability Law (pre-employment physical examination, participated in rescue, recovery or cleanup operations for a minimum of forty hours, filed a timely Notice of Participation) OR, for retirees only, would have met the criteria if not already retired on an accidental disability.
- Clarifies eligible beneficiaries who successfully apply and are awarded death benefits under this law shall relinquish their rights to prospective benefits payable under a service or disability retirement benefit, including any post-retirement death benefits, since the retiree's death.

Chapter 39 – enacted 5/29/07

Chapter 39 of the Laws of 2007 increases the special accidental death benefit by 3% or more for deaths that occurred in 2007 or earlier for Correction Officers, Housing and Transit Police, EMTs and TBTA members. The benefit is payable to the widow or widower or the children of the deceased under 18 years of age or under 23 if the child is a student, if the widow or widower is deceased. This law takes effect on July 1, 2007.

PART 2
FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the
New York City Employees' Retirement System

We have audited the accompanying statements of Plan net assets of the New York City Employees' Retirement System (the "Plan") as of June 30, 2007 and 2006, and the related statements of changes in Plan net assets for the years then ended. These financial statements are the responsibility of the Plan's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the respective financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets of the Plan as of June 30, 2007 and 2006, and the changes in its net assets for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the financial statements, but is supplementary information required by the Governmental Accounting Standards Board (GASB). We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such supplemental information is the responsibility of the management of the Plan. Such 2007, 2006, 2005, 2004, 2003 and 2002 information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole. The supplemental information for the year ended June 30, 2001 was not subjected to auditing procedures applied in the audit of the basic 2001 financial statements by other auditors whose report dated October 30, 2001, stated that they expressed no opinion on it.

The supplemental information included in the Introductory, Investment, Actuarial and Statistical sections is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the Plan. Such additional information has not been subjected to the auditing procedures applied in our audits of the basic financial statements and, accordingly, we express no opinion on it.

As discussed in Note 5 to the financial statements, the Plan changed the actuarial valuation methodology to be used in calculating employer contributions beginning with fiscal year 2006.

Deloitte + Touche LLP

October 30, 2007

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2007 AND 2006

This narrative discussion and analysis of New York City Employees' Retirement System's ("NYCERS" or the "Plan") financial performance provides an overview of the Plan's financial activities for the fiscal years ended June 30, 2007 and 2006. It is meant to assist the reader in understanding NYCERS' financial statements by providing an overall review of the financial activities during the two years and the effects of significant changes, as well as a comparison with the prior year's activity and results. This discussion and analysis is intended to be read in conjunction with the Plan's financial statements, which begin on page 67.

OVERVIEW OF BASIC FINANCIAL STATEMENTS

The following discussion and analysis are intended to serve as an introduction to the plan's basic financial statements. The basic financial statements are:

- **The Statement of Plan Net Assets —** presents the financial position of the Plan at fiscal year end. It indicates the assets available for payment of future benefits and any current liabilities that are owed as of the statement date. Investments are shown at fair value. All other assets and liabilities are determined on an accrual basis.

- **The Statement of Changes in Plan Net Assets** — presents the results of activities during the year. All changes affecting the assets and liabilities of the Plan are reflected on an accrual basis when the activity occurred, regardless of the timing of the related cash flows. In that regard, changes in the fair values of investments are included in the year's activity as net appreciation (depreciation) in fair value of investments.

- **The Notes to Financial Statements** — provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes present information about the Plan's accounting policies, significant account balances and activities, material risks, obligations, contingencies, and subsequent events, if any.

Other information — As required by the Governmental Accounting Standards Board ("GASB"), is presented after the Notes to the Financial Statements.

The financial statements are prepared in accordance with GASB Pronouncements.

Financial Highlights — NYCERS' net assets held in trust have increased by $5.2 billion (14%) from $37.3 billion as of June 30, 2006 to $42.5 billion at June 30, 2007. Net assets held in trust had increased by $1.8 billion (5%) from $35.5 billion as of June 30, 2005 to $37.3 billion at June 30, 2006. Increase in value of the Plan's equity holdings, both domestic and international, was the main reason that caused the increases in net assets in both fiscal years 2007 and 2006. This continues the upward trend that started in fiscal year 2004, after experiencing decreases in net assets during the previous three years.

Plan Net Assets
June 30, 2007, 2006 and 2005
(In thousands)

	2007	2006	2005
Cash	$ 6,833	$ 902	$ 285,074
Receivables for investment securities sold	1,198,474	1,271,479	960,808
Receivables for member loans	828,450	846,688	845,508
Receivables for accrued earnings	239,344	224,272	212,497
Investments at fair value	49,946,540	43,987,714	41,891,285
Other assets	10,414	10,715	14,535
Total assets	52,230,055	46,341,770	44,209,707
Accounts payable	295,981	127,735	428,829
Payables for investment securities purchased	2,207,869	2,366,823	1,816,742
Accrued benefits payable	341,026	165,159	139,328
Amount due to Variable Supplements Funds	4,304	3,228	2,675
Due to other retirement systems	360	518	307
Payables for securities lending transactions	6,866,186	6,390,143	6,475,507
Total Liabilities	9,715,726	9,053,606	8,863,388
Net assets held in trust for pension benefits	$ 42,514,329	$ 37,288,164	$ 35,346,319

The cash balances of $6.8 million on June 30, 2007 and $902 thousand on June 30, 2006 are relatively small since the Plan's practice is to fully invest its cash balances in most of its bank accounts on a daily basis. A typical benefit payment account would show an overdrawn balance since funds are deposited as outstanding benefit checks are presented to the banks for payments each day. These overdrawn balances made up the main component of accounts payable.

The cash balance of $285.1 million on June 30, 2005 was far greater than the subsequent two years since there were a number of cash receipts received too late in the day to invest the proceeds.

Receivables on sales of investment securities amounted to $1.2 billion as of June 30, 2007, a decrease of $73 million (6%) from $1.3 billion at June 30, 2006. Although trades typically do not settle until a few days after trade dates, sales of investment securities are reflected on trade dates. These receivables are the result of those timing differences, and are, therefore, of no significance.

Receivables on sales of investment securities amounted to $1.3 billion as of June 30, 2006, an increase of $311 million (32%) from $961 million at June 30, 2005. Although trades typically do not settle until a few days after trade dates, sales of investment securities are reflected on trade dates. These receivables are the result of those timing differences, and are, therefore, of no significance.

Fair value of investments at June 30, 2007 was $49.9 billion, an increase of $5.9 billion (14%) over the June 30, 2006 investment value of $44 billion. As noted in the Financial Highlights section, both domestic and international equity markets experienced favorable results during this past year.

Fair value of investments at June 30, 2006 was $44 billion, an increase of $695 2.1 billion (5%) over the June 30, 2005 investment value of $41.9 billion. This was the result of appreciation in both the domestic and international equity markets.

Payables on purchases of investment securities amounted to $2.2 billion as of June 30, 2007, a decrease of $159 million (7%) from $2.4 billion at June 30, 2006. Although trades typically do not settle until a few days after trade dates, purchases of securities are reflected on trade dates. These payables are the result of those timing differences, and are, therefore, of no significance.

Payables on purchases of investment securities amounted to $2.4 billion as of June 30, 2006, an increase of $550 million (30%) from $1.8 billion at June 30, 2005. Although trades typically do not settle until a few days after trade dates, purchases of securities are reflected on trade dates. These payables are the result of those timing differences, and are, therefore, of no significance.

Accrued benefits payable at June 30, 2007 amounted to $341 million, an increase of $175 million (106%) from the $165 million benefits payable at June 30, 2006. The increase was primarily due to legislation which provides for member contribution refunds of $151 million to certain Transit Authority members who are members of the Transport Workers' Union.

Accrued benefits payable at June 30, 2006 amounted to $165 million, an increase of $26 million (19%) from the $139 million benefits payable at June 30, 2006. The increase was primarily due to legislation which provides for member contribution refunds of $13 million to certain Transit Authority members who are members of the Amalgamated Transit Union, as well as an increase in the amounts due to survivors of deceased members.

Changes in Plan Net Assets
Years Ended June 30, 2007, 2006 and 2005
(In thousands)

	2007	2006	2005
Additions:			
Member contributions	$ 351,073	$ 341,643	$ 310,847
Employer contributions	1,471,030	1,024,358	822,763
Investment earnings:			
Interest and dividend income	1,890,697	983,131	1,002,344
Net appreciation in fair value of investments	4,858,163	2,472,910	2,097,024
Net securities lending income	20,134	19,039	24,373
Investment expenses	(98,137)	(69,381)	(46,108)
Net investment income	6,670,857	3,405,699	3,077,633
Other income	2,997	2,937	33,327
Total additions	8,495,957	4,774,637	4,244,570
Deductions:			
Benefits payments and withdrawals	3,216,188	2,962,223	2,843,288
Payments to other retirement systems	4,301	4,799	10,020
Transfers due to Variable Supplements Funds	7,608	5,479	4,963
Administrative expenses	41,695	40,291	37,307
Total deductions	3,269,792	3,012,792	2,895,578
Net increase	$ 5,226,165	$ 1,761,845	$ 1,348,992

Employer contributions increased $447 million (44%), from $1.0 billion in FY2006 to $1.5 billion in FY2007 as a result of a change in actuarial assumptions.

One reason for the increase is the treatment of Administrative and Investment Expenses under One-Year Lag Methodology ("OYLM"). These expenses are now reimbursed two years after they are incurred, with two years' interest. Since 2004 expenses were paid in FY05 (pre-OYLM) and since FY05 expenses were paid in FY07 under OYLM, no expense component was included in the FY06 employer contribution. These expenses accounted for approximately $94 million of the increase in the FY07 contribution.

A second reason for the increase is the phase-in under the Actuarial Asset Valuation Method ("AAVM") of asset losses. These losses occurred primarily during FY01, FY02, and FY03. Under OYLM, these losses are being phased-in over six years. This accounted for approximately $301 million of the increase in the FY07 contribution.

A third reason is payroll. Under the actuarial funding method, the normal cost should remain constant each year as a percentage of payroll. Thus, an increase in payroll increases the employer contribution. This accounted for approximately $26 million of the increase in the FY07 contribution.

The remaining $26 million balance of the increase in the FY07 contribution includes refinements in data and other actuarial experience.

Employer contributions increased $201.6 million (25%), from $822.8 million in FY2005 to $1.0 billion in FY2006. Besides adhering to other statutory requirements, the Actuary uses a modified 6 year average of plan asset values to determine employer contribution requirements. During the 1990s through fiscal year 2000, the Plan had generally experienced large appreciation in value on its assets, equities in particular. However, equity driven declines in the fiscal years 2001, 2002 and 2003 have brought the average down to such an extent that the employers' share needs to be increased. In addition, there had been legislation in 2000 which has improved benefits for retirees and members.

Net investment income for the year ended June 30, 2007 totaled $6.7 billion, compared to income of $3.4 billion in FY2006. This $3.3 billion increase in investment income is partly the result of investment appreciation, primarily in domestic and international equities, in FY2007 being $2.4 billion, as compared to only $376 million in FY2006. In addition, dividends and capital distributions from the International Equity Fund and the Private Equity sectors also increased.

Net investment income for the year ended June 30, 2006 totaled $3.4 billion, compared to income of $3.1 billion in FY2005. This $328 million increase in investment income is the result of investment appreciation FY2006 being $2.5 billion, as compared to $2.1 billion in FY2005.

Investment expenses for FY 2007 were $98 million, compared to $69 million in FY 2006. The large increase was primarily due to increased investments in the Private Equity and Private Real Estate sectors.

Investment expenses for FY 2006 were $69.4 million, compared to $46.1 million in FY 2005. The large increase was due to increased investments in the Private Equity and Private Real Estate sectors, as well as the Plan paying more of its investment expenses directly, instead of the NYC Comptroller's Office incurring those expenses on the Plan's behalf.

Benefit payments and withdrawals for the year ended June 30, 2007 totaled $3.2 billion, a $254 million (9%) increase from the $3.0 billion of FY2006. In addition to the normal increases in retirement payments to new retirees and cost-of-living increases to most current retirees, there was legislation which provides for member contribution refunds of $151 million to certain Transit Authority members who are members of the Transport Workers' Union.

Benefit payments and withdrawals for the year ended June 30, 2006 totaled $3.0 billion, a $119 million (4%) increase from the $2.8 billion of FY2005. Retirement payments to new retirees and cost-of-living increases to most current retirees made up the main component of the increase in benefit distributions for FY2006.

Investments — The table below summarizes the NYCERS investment allocation.

Investment Summary
June 30, 2007, 2006, and 2005
(In thousands)

Type of investment (Fair value)	**2007**	**2006**	**2005**
Short-term investments	$ 1,014,848	$ 598,656	$ 1,189,835
U.S. Government securities	5,776,241	5,080,495	5,040,943
U.S. Corporate securities	4,929,967	4,556,793	4,547,346
Yankee bonds	150,206	194,255	204,842
U.S. equity securities	20,042,675	18,205,425	17,220,762
International equity investment fund	8,011,972	6,926,833	6,241,384
Private equity	1,834,205	845,814	535,760
Domestic equity mutual fund	126,994	99,299	-
Mortgage mutual fund	105,823	55,652	56,092
Promissory notes	14,594	6,551	7,588
Treasury Inflation Protected securities mutual fund	1,089,407	1,047,045	392,215
Securities lending collateral	6,849,608	6,370,896	6,454,518
Total	$ 49,946,540	$ 43,987,714	$ 41,891,285

Investment Performance — Investment performance results for FY2007 were generally consistent with related benchmarks. Domestic equities returned 20.02%, which was just short of the Russell 3000 benchmark of 20.08%. Domestic fixed income securities returned 7.07%, better than the NYC Core Plus Five benchmark of 6.33%. International equity holdings returned 31.69%, significantly higher than the MSCI EAFE index of 27.00%.

Contact information — This financial report is designed to provide a general overview of The New York City Employees' Retirement System's finances. Questions concerning any data provided in this report or requests for additional information should be directed to John D. Hartman, Deputy Director of Finance, New York City Employees' Retirement System, 335 Adams Street, Suite 2300, Brooklyn, NY 11201-3724.

NEW YORK CITY EMPLOYEE'S RETIREMENT SYSTEM

STATEMENTS OF PLAN NET ASSETS
JUNE 30, 2007 AND 2006
(In thousands)

	2007	2006
ASSETS:		
Cash	$ 6,833	$ 902
Receivables:		
Investment securities sold	1,198,474	1,271,479
Member loans	828,450	846,688
Accrued interest and dividends	239,344	224,272
Total receivables	2,266,268	2,342,439
INVESTMENTS, at fair value (Notes 2 and 3):		
Short-term investments:		
U.S. treasury bills	10,087	14,271
Commercial paper	501,123	357,190
Short-term investment fund	503,338	184,509
U.S. government agency discount notes	300	42,686
Debt securities:		
U.S. government	5,776,241	5,080,495
Corporate	4,929,967	4,556,793
Yankee bonds	150,206	194,255
Private equity	1,834,205	845,814
Equities - domestic	20,042,675	18,205,425
Mutual funds:		
International equity	8,011,972	6,926,833
Domestic equity	126,994	99,299
Mortgages	105,823	55,652
Treasury inflation protected securities	1,089,407	1,047,045
Promissory notes	14,594	6,551
Collateral from securities lending	6,849,608	6,370,896
Total investments	49,946,540	43,987,714
OTHER ASSETS	10,414	10,715
Total assets	52,230,055	46,341,770
LIABILITIES:		
Accounts payable	295,981	127,735
Payables for investment securities purchased	2,207,869	2,366,823
Accrued benefits payable (Note 2)	341,026	165,159
Amount due to Variable Supplements Funds	4,304	3,228
Due to other retirement systems	360	518
Securities lending (Note 2)	6,866,186	6,390,143
Total liabilities	9,715,726	9,053,606
PLAN NET ASSETS HELD IN TRUST FOR BENEFITS (A schedule of funding progress for the Plan is presented on Schedule 1)	$ 42,514,329	$ 37,288,164

See notes to financial statements.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

STATEMENTS OF CHANGES IN PLAN NET ASSETS
YEARS ENDED JUNE 30, 2007 AND 2006
(In thousands)

	2007	2006
ADDITIONS:		
Contributions:		
Member contributions	$ 351,073	$ 341,643
Employer contributions	1,471,030	1,024,358
Total contributions	1,822,103	1,366,001
Investment income (Note 2):		
Interest income	709,213	647,336
Dividend income	1,181,484	335,795
Net appreciation in fair value of investments	4,858,163	2,472,910
	6,748,860	3,456,041
Less:		
Investment expenses	98,137	69,381
Net income	6,650,723	3,386,660
Securities lending transactions:		
Securities lending income	396,142	268,429
Less: Securities lending fees	376,008	249,390
Net securities lending income	20,134	19,039
Net investment income	6,670,857	3,405,699
Other:		
Other income	2,997	2,937
Total additions	8,495,957	4,774,637
DEDUCTIONS:		
Benefit payments and withdrawals (Note 1)	3,216,188	2,962,223
Payments to other retirement systems	4,301	4,799
Transfers due to Variable Supplements Funds	7,608	5,479
Administrative expenses	41,695	40,291
Total deductions	3,269,792	3,012,792
INCREASE IN PLAN NET ASSETS	5,226,165	1,761,845
PLAN NET ASSETS HELD IN TRUST FOR BENEFITS:		
Beginning of year	37,288,164	35,526,319
End of year	$ 42,514,329	$ 37,288,164

See notes to financial statements.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2007 AND 2006

1. PLAN DESCRIPTION

The City of New York (the "City") maintains a number of pension systems providing benefits for employees of its various agencies (as defined within New York State ("State") statutes and City laws). The City's five major actuarially-funded pension systems are the New York City Employees' Retirement System (the "Plan"), the Teachers' Retirement System of the City of New York - Qualified Pension Plan ("TRS"), the New York City Board of Education Retirement System - Qualified Pension Plan ("BERS"), the New York City Police Pension Fund ("POLICE") and the New York City Fire Pension Fund ("FIRE"). Each pension system is a separate Public Employee Retirement System ("PERS") with a separate oversight body and is financially independent of the others.

The Plan is a cost-sharing, multiple-employer PERS. The Plan provides a pension benefit for employees of the City and various related employers not covered by the City's four other main pension systems. The employers (collectively, the "Employer"), in addition to the City, principally include five authorities, four public benefit corporations, the City University of New York and the State. Substantially, all employees of the City not covered by one of the other four pension systems are covered by the Plan. Permanent employees become Plan members within six months of their employment and may elect to become members earlier. All other employees may become members at their option.

The Plan functions in accordance with existing State statutes and City laws. It combines features of a defined benefit pension plan with those of a defined contribution pension plan. Contributions are made by the Employer and the members.

In June 1991, the Governmental Accounting Standards Board ("GASB") issued Statement No. 14, *The Financial Reporting Entity*. The definition of the reporting entity is based primarily on the notion of financial accountability. In determining financial accountability for legally separate organizations, the Plan considered whether its officials appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or if there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Plan. The Plan also considered whether there are organizations that are fiscally dependent on it. It was determined that there are no component units of the Plan.

The Plan is included in the Pension and Other Employee Benefit Trust Funds section of the City's Comprehensive Annual Financial Report ("CAFR").

At June 30, 2005 and June 30, 2004, the dates of the Plan's most recent actuarial valuations, the Plan's membership consisted of:

	2005	2004
Retirees and beneficiaries receiving benefits	127,714	127,345
Terminated vested members not yet receiving benefits	6,775	5,888
Other inactives *	29,717	29,425
Active members receiving salary	175,332	174,997
Total	339,538	337,655

* Represents members who are no longer on payroll but not otherwise classified.

Under the One-Year Lag Methodology ("OYLM") in effect for Fiscal Years beginning 2006, the actuarial valuation determines the Employer Contribution for the second following Fiscal Year. June 30, 2005 and June 30, 2004 are the dates used for calculating Fiscal Year 2007 and 2006 Employer Contributions, respectively.

The Plan provides three main types of retirement benefits: service retirements, ordinary disability retirements (non-job-related disabilities) and accident disability retirements (job-related disabilities) to members who are in different "Tiers". The members' Tier is generally determined by the date of membership in the Plan.

The service retirement benefits provided by the Plan for employees who joined before July 1, 1973 ("Tier 1") fall into four categories according to the level of benefits provided and the years of service required. Three of the four categories provide annual benefits of 50% to 55% of "final salary" (as defined within State statutes and City laws) after 20 or 25 years of service, with additional benefits equal to a specified percentage per year of service (currently 1.2% to 1.7%) of "final salary" payable for years in excess of the 20-year or 25-year minimum. These benefits are reduced on an actuarial basis for any loans with unpaid balances outstanding at the date of retirement. These benefits are increased, where applicable, by an annuity attributable to member contributions in excess of the required amount and by any benefits attributable to the Increased-Take-Home-Pay ("ITHP") contributions accumulated after the 25th year of member's qualifying service. ITHP represents amounts contributed by the City in lieu of members' own contributions. These amounts reduce the contributions that members would have to make to the Plan during their service and thereby increase their take-home pay. Members have the choice of waiving their ITHP reduction, which would reduce their take-home pay, but provide them with additional benefits upon retirement.

The fourth category has no minimum service requirement and instead provides an annual benefit for each year of service equal to a specified percentage (currently 0.7% to 1.53%) of "final salary."

The State Constitution provides that the pension rights of public employees are contractual and shall not be diminished or impaired. In 1973, 1976 and 1983, amendments made to the State Retirement and Social Security Law ("RSSL") modified certain benefits for employees joining the Plan on or after the effective date of such amendments.

Members who joined after July 1, 1973 and before July 27, 1976 ("Tier 2") have provisions similar to Tier 1, except that the eligibility for retirement and the salary base for benefits are different and there is a limitation on the maximum benefit. This maximum benefit limitation was subsequently eliminated under Chapter 574 of the Laws of 2000 for all Tier 2 members who retired after December 8, 2000.

Members who joined the Plan on or after July 27, 1976 and prior to September 1, 1983 ("Tier 3") were mandated into Tier 4, but could elect to remain in Tier 3. Tier 3 requires member contributions of 3.0% of salary for a period not to exceed 30 years, has benefits reduced by one half of the primary Social Security benefit attributable to service with the Employer, and provides for an automatic annual cost of living escalator in pension benefits of not more than 3.0%. Effective October 1, 2000, these members are not required to make contributions after the 10^{th} anniversary of their membership date or completion of ten years of credited service, whichever is earlier.

Members who joined the Plan on or after September 1, 1983 ("Tier 4") must make basic contributions of 3.0% of salary until termination of service. Effective October 1, 2000, these members, except for certain Transit Authority employees, are not required to make contributions after the 10^{th} anniversary of their membership date or completion of ten years of credited service, whichever is earlier. Effective December 2000, certain Transit Authority members make basic contributions of 2.0% of salary in accordance with Chapter 10 of the Laws of 2000. Certain members also make additional member contributions. The annual benefit is 1.67% of "final average salary" per year of service for members with less than 20 years of service, 2% of "final average salary" per year of service for members with 20 to 30 years, plus 1.5% of "final average salary" per year of service for service in excess of 30 years.

The Plan also provides death benefits and certain retirees also receive supplemental benefits.

Subject to certain conditions, members generally become fully vested as to benefits upon the completion of 5 years of service.

During the Spring 2000 session, the State Legislature approved and the State Governor ("Governor") signed laws that provide automatic Cost-of-Living Adjustments ("COLA") for certain retirees and beneficiaries (Chapter 125 of the Laws of 2000), additional service credits for certain Tier 1 and Tier 2 members and reduced member contributions for certain Tier 3 and Tier 4 members (Chapter 126 of the Laws of 2000).

Subsequent legislation, affecting members of Tiers 2, 3 and 4, has created various improved early retirement benefit programs under which eligible employees may elect to pay additional contributions. Members first employed after the effective date of such legislation are mandated into these programs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PLAN ASSET MATTERS

Basis of Accounting — The Plan uses the accrual basis of accounting where the measurement focus is on the flow of economic resources. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred. Contributions from members are recognized when the employers makes payroll deductions from Plan members. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investment Valuation — Investments are reported at fair value. Securities purchased pursuant to agreements to resell are carried at the contract price, exclusive of interest, at which the securities will be resold. Fair value is defined as the closing market value on the last trading day of the period, except for the Short-Term Investment Fund ("STIF", a money market fund), International Investment fund ("IIF") and Private Equity ("PE"). The IIF and PE are private funds which are managed by various investment managers on behalf of the Plan. Fair value is determined by Plan management based on information provided by the various investment managers.

Purchases and sales of securities are reflected on the trade date.

Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned on an accrual basis.

The Plan has investments of $2.7 billion of Federal National Mortgage Association securities and $2.3 billion of U.S. Treasury securities. These holdings represent 6.3% and 5.2% respectively of the Plan net assets held in trust for pension benefits.

Income Taxes — Income earned by the Plan is not subject to Federal income tax.

Accounts Payable — Accounts payable is principally comprised of amounts owed to the Plan's banks for overdrawn bank balances. The Plan's practice is to fully invest the cash balances of most bank accounts on a daily basis. Overdrawn balances result primarily from outstanding benefit checks that are presented to the banks for payment on a daily basis and these balances are routinely settled each day.

Securities Lending Transactions — State statutes and Board policies permit the Plan to lend its investments to broker-dealers and other entities for collateral, with a simultaneous agreement to return the collateral for the same securities in the future. The Plan's custodian lends the following types of securities: short-term securities, common stock, long-term corporate bonds, U.S. Government and U.S. Government agencies' bonds, asset-backed securities and international equities and bonds held in collective investment funds. In return, it receives collateral in the form of cash and U.S. Treasury and U.S. Government agency securities at 100 percent to 105 percent of the principal plus accrued interest for reinvestment. At June 30, 2007, management believes the Plan had no credit risk exposure to borrowers because the amounts the Plan owed the borrowers equaled or exceeded the amounts the borrowers owed the Plan. The contracts with the Plan custodian require borrowers to indemnify the Plan if the borrowers fail to return the securities and if the collateral is inadequate to replace the securities loaned or fail to pay the Plan for income distributions by the securities' issuers while the securities are on loan. All securities loans can be terminated on demand within a period specified in each agreement by either the Plan or the borrowers. Cash collateral is invested in the lending agents' short-term investment pools, which have a weighted average maturity of 90 days. The underlying fixed income securities have an average maturity of ten years.

During Fiscal Year 2003, the value of certain underlying securities became impaired because of the credit failure of the issuer. Accordingly, the carrying amount of the collateral reported in the Plan's statement of plan net assets for FY 2003 was reduced by $30 million to reflect this impairment and reflect the net realizable value of the securities purchased with collateral from securities lending transactions. In May 2004, the Plan received $2.2 million from a distribution in bankruptcy proceedings from the defaulted issuer. In August 2004, November 2004, March 2005, October 2005, February 2006, May 2006, June 2006, September 2006, December 2006, and March 2007 the Plan received $5.6 million, $308 thousand, $895 thousand, $4 thousand, $1 million, $442 thousand, $273 thousand, $797 thousand, $806 thousand, and $1.1 million respectively, as partial settlements from parties involved in the initial purchase of the impaired security.

The securities lending program in which the Plan participates only allows pledging or selling securities in the case of borrower default.

GASB Statement No. 28, Accounting and Financial Reporting for Securities Lending Transactions, requires that securities loaned as assets and related liabilities be reported in the statements of plan net assets. Cash received as collateral on securities lending transactions and investments made with that cash are reported as assets. Securities received as collateral are also reported as assets if the government entity has the ability to pledge or sell them without a borrower default. Accordingly, the Plan recorded the investments purchased with the cash collateral as collateral from securities lending with a corresponding liability for securities lending.

Pronouncement Issued But Not Yet Effective — In May, 2007, GASB issued Statement No. 50 *Pension* Disclosures, an amendment of GASB Statements No. 25 and No. 27. The Statement establishes and modifies requirements related to financial reporting by pension plans and by employers that provide defined benefit and defined contribution pensions. The Statement more closely aligns the financial reporting requirements for pensions with those for Other Postemployment Benefits (OPEB) and consequently, enhances information disclosed in notes to financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. The reporting changes required by Statement No. 50 amend applicable note disclosure and RSI requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 27, Accounting for Pensions by State and Local Governmental Employers, to conform with requirements of Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, and No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The Statement is intended to improve the transparency and decision usefulness of reported information about pensions by state and local governmental plans and employers.

The requirements of Statement No. 50 are effective for periods beginning after June 15, 2007, except for requirements related to the use of the entry age actuarial cost method for the purpose of reporting a surrogate funded status and funding progress of plans that use the aggregate actuarial cost method, which are effective for periods for which the financial statements and RSI contain information resulting from actuarial valuations as of June 15, 2007, or later. While earlier application of the Statement is encouraged, the Plan has not completed the task of evaluating the impact of Statement No. 50 on its financial statements.

3. INVESTMENTS AND DEPOSITS

The Comptroller of The City of New York (the "Comptroller") acts as an investment advisor to the Plan. In addition, the Plan employs an independent investment consultant as an investment advisor. The Plan utilizes several investment managers to manage the long-term debt and equity portfolios. The managers are regularly reviewed, with regard to both their investment performance and their adherence to investment guidelines.

Concentration of Credit Risk — The legal requirements for Plan investments are as follows:

a. Fixed income, equity and other investments may be made as permitted by New York State RSSL §§ 176-178(a) and Banking Law § 235, the New York City Administrative Code, and the Legal Investments for New York Savings Banks list as published by The New York State Banking Department, subject to Note 3(b).

b. Investments up to 25% of total pension fund assets may be made in instruments not expressly permitted by the State RSSL.

Bank of New York ("BONY") is the primary custodian for substantially all of the securities of the Plan.

Cash deposits are insured by the Federal Deposit Insurance Corporation for up to $100,000 per Plan member and are, therefore, fully insured.

Credit Risk — Portfolios other than U.S. Government and related portfolios have credit rating limitations. Investment Grade portfolios are limited to mostly ratings of BBB and above except that they are also permitted a 10% maximum exposure to BB & B rated securities. While Non Investment grade managers are primarily invested in BB & B rated securities, they can also invest up to 7% of their portfolio in securities rated CCC. Non rated securities are considered to be non-investment grade. The quality ratings of investments, by percentage of the rated portfolio, as described by nationally recognized statistical rating organizations, are as follows:

Investment Type*	S&P Quality Ratings								
June 30, 2007	**AAA**	**AA**	**A**	**BBB**	**BB**	**B**	**CCC & Below**	**Short term**	**Not Rated**	**Total**
U.S. Government	16.55 %	- %	- %	- %	- %	- %	- %	- %	0.03 %	16.58 %
Corporate bonds	12.94	6.48	13.19	14.30	9.53	15.32	3.11	-	1.94	76.81
Yankee Bonds	0.04	0.11	1.04	0.63	0.51	-	-	-	-	2.33
Short-term:										
Commercial Paper	0.21	-	-	-	-	-	-	-	-	0.21
Pooled Funds	-	-	-	-	-	-	-	3.70	-	3.70
U.S. Treasuries	-	-	-	-	-	-	-	-	0.37	0.37
U.S. Agencies	-	-	-	-	-	-	-	-	-	-
Percent of Rated Portfolio	29.74 %	6.59 %	14.23 %	14.93 %	10.04 %	15.32 %	3.11 %	3.70 %	2.34 %	100.00 %

June 30, 2006	**AAA**	**AA**	**A**	**BBB**	**BB**	**B**	**CCC & Below**	**Short term**	**Not Rated**	**Total**
U.S. Government	20.85 %	- %	- %	- %	- %	- %	- %	0.01 %	- %	20.86 %
Corporate bonds	10.68	4.23	14.58	11.99	8.57	14.55	1.45	-	1.87	67.92
Yankee Bonds	0.17	0.57	0.68	0.91	0.48	0.03	-	-	0.01	2.85
Short-term:										
Commercial Paper	-	-	-	-	-	-	-	4.60	0.67	5.27
Pooled Funds	-	-	-	-	-	-	-	-	2.70	2.70
U.S. Treasuries	0.21	-	-	-	-	-	-	-	-	0.21
U.S. Agencies	-	-	-	-	-	-	-	0.19	-	0.19
Percent of Rated Portfolio	31.91 %	4.80 %	15.26 %	12.90 %	9.05 %	14.58 %	1.45 %	4.80 %	5.25 %	100.00 %

* U.S. Treasury Bonds, Notes and Treasury-inflation protected securities are obligations of the U.S. government or explicitly guaranteed by the U.S. government and therefore not considered to have credit risk and are not included above.

Custodial Credit Risk — Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held by either the counterparty or the counterparty's trust department or agent but not in the Plan's name.

Consistent with the Plan's investment policy, the investments are held by the Plan's custodian and registered in the Plan's name.

All of the Plan's deposits are insured and or collateralized by securities held by a financial institution separate from the Plan's depository financial institution.

All of the Plan's securities are held by the Plan's custodial bank in the Plan's name.

Interest Rate Risk — Interest rate risk is the risk that the fair value of investments could be adversely affected by the change in interest rates. Duration limits are used to control the portfolios exposure to interest rate changes. Duration is limited to a range of -1 to .75 years. Duration range is a measure of the overall portfolio, while statements of the stated maturity reflect the specific maturities of the individual securities held. The lengths of investment maturities (in years), as shown by the percent of the rated portfolio, are as follows:

Years to Maturity Investment Type		**Investment Maturities**			
June 30, 2007	**Fair Value**	**Less than one year**	**One to five years**	**Six to ten years**	**More than ten years**
U.S Government	51.74 %	0.61 %	1.75 %	7.99 %	41.39 %
Corporate	44.45	0.63	14.58	15.02	14.22
Yankee Bonds	1.35	0.04	0.51	0.25	0.55
Short Term:					
Commercial Paper	0.12	0.12	-	-	-
Pooled Funds	2.13	2.13	-	-	-
US Treasuries	0.21	0.21	-	-	-
US Agencies	-	-	-	-	-
Percent of Rated Portfolio	100.00 %	3.74 %	16.84 %	23.26 %	56.16 %
June 30, 2006	**Fair Value**	**Less than one year**	**One to five years**	**Six to ten years**	**More than ten years**
U.S Government	48.54 %	1.20 %	1.85 %	6.55 %	38.94 %
Corporate	43.90	1.07	18.00	12.74	12.09
Yankee Bonds	1.88	0.05	0.75	0.33	0.75
Short Term:					
Commercial Paper	3.39	3.39	-	-	-
Pooled Funds	1.74	1.74	-	-	-
US Treasuries	0.14	0.14	-	-	-
US Agencies	0.41	0.41	-	-	-
Percent of Rated Portfolio	100.00 %	8.00 %	20.60 %	19.62 %	51.78 %

Securities Lending Transactions:

Credit Risk – The quality ratings of investments held as collateral for Securities Lending are as follows:

Investment Type and Fair Value of Securities Lending Transactions (In thousands)	S&P Quality Ratings									
June 30, 2007	**AAA**	**AA**	**A**	**BBB**	**BB**	**B**	**CCC & Below**	**Short term**	**Not Rated**	**Total**
Government	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Corporate	734,367	636,303	472,870	-	-	-	-	490,599	13,830	2,347,969
Yankee	-	-	-	-	-	-	-	39,849	-	39,849
Short-term:										
Commercial Paper	-	28,064	-	-	-	-	-	181,644	-	209,708
Pooled Funds	846,518	-	-	-	-	-	-	-	-	846,518
Repurchase Agreements	-	40,429	-	-	-	-	-	18,844	585,184	644,457
Certificates of Deposits	-	664,208	218,728	-	-	-	-	585,264	-	1,468,200
Bank notes	16,102	549,589	343,660	-	-	-	-	236,043	-	1,145,394
Other	-	6,963	-	-	-	-	-	140,550	-	147,513
Total	$ 1,596,987	$ 1,925,556	$ 1,035,258	$ -	$ -	$ -	$ -	$ 1,692,793	$ 599,014	$ 6,849,608
Percent of Securities Lending Portfolio	23.32 %	28.11 %	15.11 %	- %	- %	- %	- %	24.71 %	8.75 %	100.00 %

June 30, 2006	**AAA**	**AA**	**A**	**BBB**	**BB**	**B**	**CCC & Below**	**Short term**	**Not Rated**	**Total**
Government	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,854	$ -	$ 2,854
Corporate	543,632	445,678	840,479	-	-	-	-	171,490	16,216	2,017,495
Yankee	-	-	-	-	-	-	-	40,616	-	40,616
Short-term:										-
Commercial Paper	-	32,440	-	-	-	-	-	313,241	-	345,681
Pooled Funds	641,478	-	-	-	-	-	-	-	-	641,478
Repurchase Agreements	-	-	74,688	-	-	-	-	21,642	1,197,789	1,294,119
Certificates of Deposits	-	841,860	204,541	-	-	-	-	55,700	-	1,102,101
Bank notes	6,019	473,317	350,850	-	-	-	-	51,084	-	881,270
Other	-	11,962	-	-	-	-	-	33,320	-	45,282
Total	$ 1,191,129	$ 1,805,257	$ 1,470,558	$ -	$ -	$ -	$ -	$ 689,947	$ 1,214,005	$ 6,370,896
Percent of Securities Lending Portfolio	18.70 %	28.33 %	23.08 %	- %	- %	- %	- %	10.83 %	19.06 %	100.00 %

Interest Rate Risk — The lengths of investment maturities (in years) of the collateral for Securities Lending are as follows:

Years to Maturity Investment Type (In thousands)	**Investment Maturities**				
June 30, 2007	**Fair Value**	**Less than one year**	**One to five years**	**Six to ten years**	**More than ten years**
Government	$ -	$ -	$ -	$ -	$ -
Corporate	2,347,969	553,360	1,794,609	-	-
Yankee	39,849	16,409	23,440	-	-
Short-term:					
Commercial Paper	209,708	209,708	-	-	-
Pooled Funds	846,518	846,518	-	-	-
Repurchase Agreements	644,457	644,457	-	-	-
Certificates of Deposits	1,468,200	597,193	871,007	-	-
Bank notes	1,145,394	228,717	916,677	-	-
Other	147,513	140,920	6,593	-	-
Total	$ 6,849,608	$ 3,237,282	$ 3,612,326	$ -	$ -
Percent of Securities Lending Portfolio	100.00 %	47.26 %	52.74 %	- %	- %

June 30, 2006	**Fair Value**	**Less than one year**	**One to five years**	**Six to ten years**	**More than ten years**
Government	$ 2,854	$ 2,854	$ -	$ -	$ -
Corporate	2,017,495	309,560	1,707,935	-	-
Yankee	40,616	15,905	24,711	-	-
Short-term					
Commercial Paper	345,681	345,681	-	-	-
Pooled Funds	641,478	641,478	-	-	-
Repurchase Agreements	1,294,119	1,294,119	-	-	-
Certificates of Deposits	1,102,101	68,022	1,034,079	-	-
Bank notes	881,270	28,140	853,130	-	-
Other	45,282	44,399	883	-	-
Total	$ 6,370,896	$ 2,750,158	$ 3,620,738	$ -	$ -
Percent of Securities Lending Portfolio	100.00 %	43.17 %	56.83 %	- %	- %

4. DUE TO VARIABLE SUPPLEMENTS FUNDS (VSFS)

The ACNY provides that the Plan maintains the Housing Police Superior Officers' Variable Supplements Fund ("HPSOVSF"), the Housing Police Officers' Variable Supplements Fund ("HPOVSF"), the Transit Police Superior Officers' Variable Supplements Fund ("TPSOVSF") and the Transit Police Officers' Variable Supplements Fund ("TPOVSF"). In addition, Chapter 657 of the Laws of 1999 established the Correction Officers' Variable Supplements Fund ("COVSF") and the Correction Captains' and Above Variable Supplements Fund ("CCAVSF"). Chapter 255 of the Laws of 2000 ("Chapter 255/00") combined the COVSF and the CCAVSF into an amended Correction Officers' Variable Supplements Fund (referred to herein as "COVSF").

Excess earnings are defined as the amount by which earnings on equity investments of the Plan exceed what the earnings would have been had such funds been invested at a yield comparable to that available from fixed income securities, less any cumulative deficiencies of prior years' excess earnings that fell below the yield of fixed income investments. The ACNY further provides that the Plan transfer to the VSFs certain excess earnings on equity investments of the Plan, if any.

Due to the merging of Housing and Transit Police into The City's Police Department, there are no active members of the Housing and Transit Police; therefore, excess earnings on equity investments from the Plan, if any, are not expected to be transferred to the Housing and Transit Police VSFs.

However, with the passage of Chapter 255/00, the Plan is required to transfer assets to the Housing and Transit Police VSFs whenever the assets of these VSFs are not sufficient to pay benefits. No such transfer of assets was required on account of benefits payable for Fiscal Years 2007 and 2006 to the TPOVSF. With respect to the benefits payable from HPSOVSF, for Fiscal Years 2007 and 2006, the Plan incurred expenses of approximately $2.7 million and $2.2 million, respectively. With respect to the benefits payable from TPSOVSF, for Fiscal Years 2007 and 2006, the Plan incurred expenses of approximately $2.8 million and $2.3 million, respectively. With respect to the benefits payable to HPOVSF for Fiscal Years 2007 and 2006, the Plan incurred expenses of approximately $2.1 million and $1.1 million, respectively.

With respect to the COVSF, for Fiscal Year 2007, the excess earnings of the Plan, inclusive of prior years' cumulative deficiencies, are estimated to be equal to zero and, therefore, no transfer will be due from the Plan to the COVSF as of June 30, 2007. For Fiscal Year 2006, the excess earnings of the Plan, inclusive of prior years' cumulative deficiencies were equal to zero and, therefore, no transfer was due from the Plan to the COVSF as of June 30, 2006.

5. CONTRIBUTIONS AND ACTUARIAL ASSUMPTIONS

The financial objective of the Plan is to fund members' retirement benefits during their active service and to establish Employer contribution rates which, expressed as a percentage of annualized covered payroll, will remain approximately level from year to year. Under current law, the Employer contributes statutorily-required contributions ("Statutory Contributions") that together with Member Contributions and investment income would ultimately be sufficient to accumulate assets to pay benefits when due.

Actuarial Change — The changes in actuarial assumptions and methods effective Fiscal Year 2006 resulted in approximately a $376 million decrease in Employer Contributions for Fiscal Year 2006 and an increase in Employer Contributions for future Fiscal Years.

Member Contributions — Members who joined prior to July 27, 1976 contribute by salary deductions on the basis of a normal rate of contribution that is assigned by the Plan at membership. The member normal rate, which is dependent upon age and actuarial tables in effect at the time of membership, is determined so as to provide approximately one-third of the service retirement allowance at the earliest age for service retirement. For age at membership equal to 20 the member normal rate ranges between 5.80% and 9.10%. For age at membership equal to 40 the member normal rate ranges between 4.30% and 4.80%.

Members who joined on or after July 27, 1976 are mandated to contribute 3.0% of salary during all years of coverage except for Department of Correction members who contribute 3.0% for not more than 30 years. Effective October 1, 2000, certain members are not required to make contributions after the 10^{th} anniversary of their membership date or completion of ten years of credited service, whichever is earlier. In addition, certain members who are Tier 2 or Tier 3 corrections officers and certain other Tier 2 and Tier 4 members contribute additional amounts ranging from 1.85% to 7.46% for improved early retirement benefits.

Employer Contributions — Statutory Contributions to the Plan, determined by the Plan's Chief Actuary of the Office of the Actuary (the "Actuary") in accordance with State statutes and City laws, are generally funded by the Employer within the appropriate fiscal year.

The June 30, 2005 (Lag) actuarial valuation was used to determine the Fiscal Year 2007 Employer Contribution. There were no changes in actuarial assumptions and methods from the prior actuarial valuation.

The June 30, 2004 (Lag) actuarial valuation used to determine the Fiscal Year 2006 Employer Contribution was based on revised actuarial assumptions and methods proposed by the Actuary. Where required, the Board of Trustees of the Plan adopted those changes to the actuarial assumptions that required Board approval and the State Legislature and Governor enacted Chapter 152 of the Laws of 2006 ("Chapter 152/06") to provide for those changes in actuarial assumptions and methods that required legislation, including the continuation of the Actuarial Interest Rate ("AIR") assumption of 8.0% per annum.

Chapter 152/06 established the One-Year Lag Methodology to determine the Fiscal Year 2006 Employer Contribution using a June 30, 2004 valuation date. This methodology requires technical adjustments to certain components used to determine the Fiscal Year 2006 Employer Contributions.

Chapter 152/06 also eliminated the use of the ten-year phase-in of Chapter 278 of the Laws of 2002 ("Chapter 278/02") for funding the additional actuarial liabilities created by the benefits provided by Chapter 125 of the Laws of 2000 ("Chapter 125/00").

The Frozen Initial Liability Actuarial Cost Method is utilized by the Actuary to calculate the contributions from the Employer. Under this actuarial cost method, the Initial Liability was reestablished by the Entry Age Actuarial Cost Method as of June 30, 1999, but with the Unfunded Actuarial Accrued Liability ("UAAL") not less than zero. The excess of the Actuarial Present Value ("APV") of projected benefits of members as of the valuation date, over the sum of the Actuarial Asset Value ("AAV") plus UAAL, if any, and the APV of future employee contributions, is allocated on a level basis over the future earnings of members who are on the payroll as of the valuation date. Actuarial gains and losses are reflected in the employer normal contribution rate.

Chapter 85/00 reestablished the UAAL and eliminated the Balance Sheet Liability ("BSL") for actuarial purposes as of June 30, 1999. The schedule of payments toward the reestablished UAAL provides that the UAAL, if any, be amortized over a period of 11 years beginning Fiscal Year 2000, where each annual payment after the first equals 103% of its preceding annual payment.

Chapter 86 of the Laws of 2000 established the UAAL as of June 30, 2001 for an Early Retirement Incentive. This UAAL was amortized on a level basis over a period of 5 years beginning Fiscal Year 2002.

Chapter 69 of the Laws of 2002 established the UAAL as of June 30, 2003 for an Early Retirement Incentive (Part A only). This UAAL is being amortized on a level basis over a period of 5 years beginning Fiscal Year 2004.

The APV of projected benefits includes the obligations of the Plan to the HPOVSF, the HPSOVSF, the TPOVSF, the TPSOVSF and the COVSF (referred to collectively as the NYCERS VSFs), which are recognized through the Liability Valuation Method.

Under this method the APV of Future SKIM from the Plan to the NYCERS VSFs is included directly as an actuarial liability of the Plan. SKIM is all or a portion of the excess earnings on equity securities of the Plan which are transferable to the NYCERS VSFs. The APV of Future SKIM is computed as the excess, if any, of the APV of benefits of each individual NYCERS VSF offset by the AAV of that individual NYCERS VSF, respectively.

For the June 30, 2004 (Lag) actuarial valuation, the Actuarial Asset Valuation Method ("AAVM") was changed to a method which reset the AAV to Market Value (i.e., "Market Value Restart") as of June 30, 1999. As of each June 30 thereafter the AAVM recognizes investment returns greater or less than expected over a period of six years.

Under this revised AAVM, any (i.e., Unexpected Investment Returns ("UIR")) for Fiscal Years 2000 and later are phased into the AAV beginning the following June 30 at a rate of 15%, 15%, 15%, 15%, 20% and 20% per year (or cumulative rates of 15%, 30%, 45%, 60%, 80% and 100% over a period of six years).

These revised averaging factors were applied against the UIR computed under the prior five-year AAVM used for Fiscal Years 2000 to 2004.

The revised AAV was utilized for the first time in the June 30, 2004 (Lag) actuarial valuation to determine the Fiscal Year 2006 Employer Contribution in conjunction with the One-Year Lag Methodology and the revised economic and non-economic assumptions.

For Fiscal Years 2000 through 2005 inclusive, the AAVM was changed as of June 30, 1999 to reflect a market basis for investments held by the Plan. This AAVM recognized expected investment returns immediately and phased in UIR.

Under this AAVM, any UIR for Fiscal Years 2000 through 2005 inclusive were phased into the AAV beginning the following June 30 at a rate of 10%, 15%, 20%, 25% and 30% per year (i.e., cumulative rates of 10%, 25%, 45%, 70% and 100% over a period of five years).

Chapter 125/00 provided eligible retirees and eligible beneficiaries with increased Supplementation as of September 2000 and with automatic Cost-of-Living Adjustments ("COLA") beginning September 2001. Chapter 125/00 also provided for a five-year phase-in schedule for funding the additional actuarial liabilities created by the benefits provided by this law. Chapter 278/02 required the Actuary to revise the methodology and timing for determining the Statutory Contributions on account of the additional actuarial liabilities attributable to the benefits provided under Chapter 125/00 by extending the phase-in period for funding these liabilities from five years to ten years.

The impact of the ten-year phase-in of Chapter 278/02 was to postpone funding of the additional actuarial liabilities attributable to Chapter 125/00 resulting in greater Employer Contributions in later years.

Chapter 152/06 eliminated the ten-year phase-in. All actuarial liabilities attributable to Chapter 125/00 are now recognized in the actuarial valuations.

Statutory Contributions for Fiscal Years 2007 and 2006 were equal to the amounts calculated by the Actuary.

6. MEMBER LOANS

In general, members are permitted to borrow up to 75% of their own contributions, including accumulated interest. The balance of member loans receivable at June 30, 2007 and June 30, 2006 is $828.4 million and $846.7 million, respectively.

7. RELATED PARTIES

The Comptroller has been appointed by law as custodian for the assets of the Plan. Securities are held by certain banks under custodial agreements with the Comptroller. The Comptroller also provides cash receipt and cash disbursement services to the Plan. Actuarial services are provided to the Plan by the Office of the Actuary employed by the Boards of Trustees of the City's main pension systems. The City's Corporation Counsel provides legal services to the Plan. Other administrative services are also provided by the City. The aforementioned services are provided by employees or officers of the City who may also be participants in the Plan.

8. ADMINISTRATIVE AND INVESTMENT EXPENSES

Chapter 593 of the Laws of 1996, effective July 1, 1997, authorized the Board of Trustees to draw upon Plan assets to pay the administrative expenses incurred by the Plan. Prior to that year, the City had directly paid all Plan administrative expenses. Under Chapter 593/96, both the administrative and investment expenses were billed to the participating employers in the following year. Under Chapter 152 of the Laws of 2006, those expenses are billed in the second following fiscal year. In Fiscal Year 2007, the total non-investment expenses attributable to the Plan were approximately $47.0 million, of which $41.7 million was paid from the assets of the Plan and $5.3 million was incurred on behalf of the Plan by other City agencies, primarily the Comptroller's Office and the Financial Information Services Agency. In Fiscal Year 2006, the total non-investment expenses attributable to the Plan were approximately $46.2 million, of which $40.3 million was paid from the assets of the Plan and $5.9 million were incurred on behalf of the Plan by other City agencies, primarily the Comptroller's Office and the Financial Information Services Agency. Investment expenses charged to the investment earnings of the Plan, exclusive of fees related to securities lending transactions, amounted to approximately $98.14 million and $69.4 million for the years ended June 30, 2007 and 2006, respectively.

During Fiscal Year 2000, the Plan entered into a new lease agreement to rent office space. The agreement expires in 2020, with options to renew the agreement through 2030. The future minimum rental payments required under this operating lease are as follows:

Fiscal Year Ending	Minimum Rental Payments
2008	$ 3,586,075
2009	3,586,075
2010	3,710,974
2011	4,085,669
2012	4,085,669
2013 - 2017	21,440,096
2018 - 2020	12,472,174

Rent expense for the Fiscal Years ended June 30, 2007 and 2006, was approximately $3.6 million for each year.

9. CONTINGENT LIABILITIES AND OTHER MATTERS

Contingent Liabilities — The Plan has a number of claims pending against it and has been named as a defendant in a number of lawsuits and also has certain other contingent liabilities. Management of the Plan, on the advice of legal counsel, believes that such proceedings and contingencies will not have a material effect on the Plan's net assets or changes in the Plan's net assets. Under the State statutes and City laws that govern the functioning of the Plan, increases in the obligations of the Plan to members and beneficiaries ordinarily result in increases in the obligations of the Employers to the Plan.

Other Matters — During Fiscal Years 2007 and 2006, certain events described below took place which, in the opinion of Plan management, could have the effect of increasing benefits to members and/or their beneficiaries and therefore would increase the obligations of the Plan. The effect of such events has not been fully quantified. However, it is the opinion of Plan management that such developments would not have a material effect on the Plan net assets held in trust for pension benefits or cause changes in the Plan net assets held in trust for pension benefits.

Actuarial Audit — Pursuant to Section 96 of the New York City Charter, studies of the actuarial assumptions used to value liabilities of the five actuarially-funded New York City Retirement Systems ("NYCRS") are conducted every two years. The most recent study was published by The Segal Company ("Segal") dated November 2006 and analyzed experience for Fiscal Years 2002 through 2005. Segal made recommendations with respect to the actuarial assumptions and methods based on their analysis. The actuary is reviewing these recommendations.

Revised Actuarial Assumptions and Methods — In accordance with the ACNY and with appropriate practice, the *Boards* of Trustees of the five actuarially-funded NYCRS are to periodically review and adopt actuarial assumptions as proposed by the Actuary for use in the determination of Employer Contributions.

Based upon a review of an October 2003 experience study by Gabriel, Roeder, Smith & Company ("GRS"), the Actuary issued an August 29, 2005 Report entitled "Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and After July 1, 2005 for the New York City Employees' Retirement System" ("August 2005 Report"). Where required, the Board of Trustees of the Plan adopted those changes to actuarial assumptions that required Board approval and the State Legislature and the Governor enacted Chapter 152/06 to provide for those changes to the actuarial assumptions and methods that required legislation, including the AIR assumption of 8.0% per annum.

The changes in actuarial assumptions and methods effective Fiscal Year 2006 results in somewhat lesser Employer Contributions for Fiscal Years 2006 and 2007 and increased Employer Contributions for future Fiscal Years.

New York State Legislation — Chapter 104 of the Laws of 2005, as amended by Chapter 93 of the Laws of 2005, created a presumptive eligibility for accidental disability in connection with the World Trade Center attack on September 11, 2001.

Chapter 152/06 provided for the changes in actuarial assumptions and methods that require legislation, including the continuation of the AIR assumption of 8.0% per annum and continuation of the current Frozen Initial Liability ("FIL") Actuarial Cost Method and the existing Unfunded Actuarial (Accrued) Liability ("UAL"). In addition, Chapter 152/06 provides for elimination of the use of the ten-year phase-in of Chapter 278/02 for funding the additional actuarial liabilities created by the benefits provided by Chapter 125/00.

Chapter 445 of the Laws of 2006 created a presumptive eligibility for accidental death benefits in connection with the World Trade Center attack on September 11, 2001.

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Schedule 1

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS (UNAUDITED)
(IN CONFORMITY WITH THE PLAN'S FUNDING METHOD)
(In thousands)

	(1)	(2)	(3)	(4)	(5)		(6)
Actuarial Valuation Date June 30	Actuarial Asset Value (AAV)	Actuarial Accrued Liability (AAL)*	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll		UAAL as a Percentage of Covered Payroll
	(A)	(A) & (B)	(C)(2)-(1)	(1)÷(2)			(3)÷(5)
2005 (Lag)	$ 39,692,426	$ 39,797,144	$ 104,718	99.7%	$ 9,670,786		1.1%
2004 (Lag)	40,638,628	40,786,673	148,045	99.6	9,361,186	**	1.6
2004	40,088,213	40,236,258	148,045	99.6	9,157,412		1.6
2003	42,055,984	42,244,146	188,162	99.6	8,807,619		2.1
2002	43,561,103	43,619,936	58,833	99.9	8,901,110		0.7
2001	43,015,355	43,087,570	72,215	99.8	8,515,270		0.8

* Based on the Frozen Initial Liability Actuarial Cost Method.

** The annualized covered payroll under the One-Year Lag Methodology used for the Fiscal Year 2006 Employer Contribution differs from that as of June 30, 2004 to compute Fiscal Year 2005 Employer Contribution due to changes in actuarial assumptions and more recent information on labor contract settlements.

Notes:

A. The AAVM in use for the June 30, 2004 (Lag) and later actuarial valuations resets the AAV to Market Value (i.e., "Market Value Restart") as of June 30, 1999. As of each June 30 thereafter the AAVM recognizes investment returns greater or less than expected over a period of six years.

Under this revised AAVM, actual UIR for Fiscal Years 2000, 2001, etc., are phased into the AAV beginning June 30, 2000, 2001, etc., at rates of 15%, 15%, 15%, 15%, 20%, and 20% per year (i.e., cumulative rates of 15%, 30%, 45%, 60%, 80% and 100% over a period of six years).

These revised averaging factors were applied against the UIR computed under the prior five-year AAVM used for Fiscal Years 2000 to 2004.

The revised AAV was utilized for the first time in the June 30, 2004 (Lag) actuarial valuation to determine the Fiscal Year 2006 Employer Contribution in conjunction with the One-Year Lag Methodology and the revised economic and non-economic assumptions in accordance with the August 2005 Report.

SCHEDULE 1

(Schedule of Funding Progress continued from the previous page)

As of June 30, 1999, the economic and non-economic assumptions were revised due to experience review. The AAVM was changed as of June 30, 1999 to reflect a market basis for investments held by the Plan and was made as one component of an overall revision of actuarial assumptions and methods as of June 30, 1999.

Under the AAVM used for the June 30, 1999 to June 30, 2004 actuarial valuations, any UIR for Fiscal Years 2000 and later were phased into the AAV beginning the following June 30 at a rate of 10%, 15%, 20%, 25% and 30% per year (i.e., cumulative rates of 10%, 25%, 45%, 70% and 100% over a period of five years).

B. To effectively assess the funding progress of the Plan, it is necessary to compare the AAV and the AAL calculated in a manner consistent with the Plan's funding method over a period of time. The AAL is the portion of the Actuarial Present Value of pension plan benefits and expenses which is not provided for by future Employer normal costs and future Member Contributions.

C. The UAAL is the excess of the AAL over the AAV. This is the same as the unfunded frozen AAL, which is not adjusted from one actuarial valuation to the next to reflect actuarial gains and losses.

(Schedule of Funding Progress Concluded)

Schedule 2

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)
(In thousands)

Fiscal Year Ended June 30	Annual Required Contribution (ARC)	Percentage of ARC Contributed
2007	$ 1,471,030	100.0%
2006	1,024,358	100.0
2005	1,020,380	80.6
2004	542,229	57.3
2003	197,824	54.6
2002	105,660	100.0

Under the requirements of Governmental Accounting Standards Board Statement Number 25 ("GASB 25"), the Annual Required Contribution ("ARC") is determined through an actuarial valuation reflecting all liabilities of the Plan. The Employer Contribution to the Plan is determined in accordance with statute (i.e., Statutory Contribution). For Fiscal Years 2005, 2004 and 2003, the difference between the ARC and the Statutory Contribution is the consequence of Chapter 278/02 which phased-in over 10 years the additional actuarial liabilities attributable to the benefits provided by Chapter 125/00 (i.e., automatic COLA). For Fiscal Years 2002 and 2001, the difference between the ARC and the Statutory Contribution is the consequence of Chapter 125/00 which phased-in over 5 years the additional actuarial liabilities attributable to this law.

The Statutory Contributions of $822.8 million, $310.6 million and $108.0 million for Fiscal Years 2005, 2004 and 2003, respectively, were computed in accordance with Chapter 125/00 which provides for a five-year phase-in of the additional actuarial liabilities attributable to Chapter 125/00 and Chapter 278/02 which extended the phase-in period for funding these liabilities from five years to ten years.

Chapter 152/06 eliminated the use of the ten-year phase-in of Chapter 278/02 for funding the additional actuarial liabilities created by the benefits provided by Chapter 125/00. For Fiscal Years 2007 and 2006, the Statutory Contribution equals the ARC.

Schedule 3

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF ACTUARIAL METHODS AND ASSUMPTIONS (UNAUDITED)

The information presented in the required supplementary schedules was determined as part of the actuarial valuations as of June 30, 2005 (Lag) and June 30, 2004 (Lag). These actuarial valuations were used to determine Employer Contributions for Fiscal Years 2007 and 2006, respectively. Additional information as of the last two actuarial valuations follows:

	June 30, 2005 (Lag) [1]	**June 30, 2004 (Lag)** [1]
Actuarial cost method	Frozen Initial Liability.[2]	Frozen Initial Liability.[2]
Amortization method for Unfunded Actuarial Accrued Liabilities	Level dollar for UAAL attributable to 2002 (Part A only) Early Retirement Incentive ("ERI"). All outstanding components of UAAL are being amortized over closed periods.[3]	Level dollar for UAAL attributable to 2002 (Part A only) Early Retirement Incentive ("ERI"). All outstanding components of UAAL are being amortized over closed periods.[3]
Remaining amortization period	2 years for 2002 ERI (Part A only).[3]	1 year for 2000 ERI and 3 years for 2002 ERI (Part A only).[3]
Actuarial asset valuation method	Modified 6-year moving average of market values with a "market value restart" as of June 30, 1999.	Modified 6-year moving average of market values with a "market value restart" as of June 30, 1999.
Actuarial assumptions:		
Investment rate of return	8.0% per annum.[4]	8.0% per annum.[4]
Post-retirement mortality	Tables adopted by Board of Trustees during Fiscal Year 2006.	Tables adopted by Board of Trustees during Fiscal Year 2006.
Active service: withdrawal, death, disability, service retirement	Tables adopted by Board of Trustees during Fiscal Year 2006.	Tables adopted by Board of Trustees during Fiscal Year 2006.
Salary increases	In general, merit and promotion increases plus assumed general wage increases of 3.0% per year.[4]	In general, merit and promotion increases plus assumed general wage increases of 3.0% per year.[4]
Cost-of-Living adjustments	1.3% per annum.[4]	1.3% per annum.[4]

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1 Under the One-Year Lag Methodology, the actuarial valuation determines the Employer Contribution for the second following Fiscal Year.

2 Under this Actuarial Cost Method, the Initial Liability was reestablished as of June 30, 1999 by the Entry Age Actuarial Cost Method but with the UAAL not less than $0. The financial results using this Frozen Initial Liability Actuarial Cost Method differ minimally from those that would be produced using the Aggregate Actuarial Cost Method.

3 In conjunction with Chapter 85/00, there is an amortization method. However, the June 30, 1999 UAAL for the Plan equaled $0 and no amortization period was required. There is an amortization period used if there is a UAAL.

4 Developed assuming a long-term Consumer Price Inflation assumption of 2.5% per year.

Other supplementary information
Schedule 4

New York City Employees' Retirement System

SUMMARY OF ADMINISTRATIVE EXPENSES
Fiscal Year Ended June 30, 2007

Expenses Incurred Directly By NYCERS		
Personal Services		
Employee Compensation	$ 27,036,490	
Temporary Personnel Services	86,729	**$ 27,123,219**
Professional Services		
Medical Board & Medical Consultants	641,229	
Steno for Medical & Trustees' Board	61,196	
Data Processing Consultants	1,692,845	
Other Consultants	282,523	**2,677,793**
Communication		
Printing	260,290	
Postage	409,076	
Telephone	385,867	**1,055,233**
Rentals		
Office & Storage Space	4,095,064	
Data Processing	1,108,838	**5,203,902**
Other		
Office & Data Processing Equipment	1,011,228	
Equipment Maintenance	1,139,873	
Facilities Services	414,503	
Office Supplies & Services	1,639,491	
Depreciation	1,430,000	**5,635,095**
Total Direct NYCERS' Expenses		**41,695,242**
Expenses Incurred By Other City Agencies		
Office of the Comptroller	2,047,553	
Law Department	704,349	
Office of Management and Budget	199,880	
Financial Information Services	2,137,822	
Office of Payroll Administration	201,947	
Total NYCERS' Expenses Incurred By The City Of New York		**5,291,551**
Total Administrative Expenses		**$ 46,986,793**

Other supplementary information-Schedule 5

New York City Employees' Retirement System

SCHEDULE OF PAYMENTS TO CONSULTANTS
For Fiscal Year Ended June 30, 2007

Firm	Nature of Services	Fee
Anacomp	Computer services	$ 49,155
Aron, Milton	Consultant services	48,160
Bottom Line Technologies	Computer services	21,990
Comsys Services	Computer services	108,046
COPI	Computer services	21,317
Forrester Research Inc.	Computer services	9,080
Gartner	Computer services	24,715
Hunter Green Associates	Computer services	110,508
IBM Corp.	Computer services	398,935
Info-Tech Research Group	Computer services	990
IP Logic Inc.	Computer services	21,975
Mainline Information Systems	Computer services	93,604
Mancini, Duffy	Architectural Services	35,685
Parson Consulting Company	Review of check handling security	24,960
Protiviti, Inc.	Security analysis	120,804
Provaliant Retirement LLC	Computer services	93,600
Syska Hennessy Group	Construction Services	2,637
US Tech Solutions	Computer services	97,590
Vignette Corporation	Imaging system design	424,450
William Saffady	Consultant services	27,000
Xyant Technology Inc.	Computer services	216,890
Zaidman, Margaret	Consultant services	23,363
Total		$ 1,975,454

Those readers desiring information on fees paid to investment professionals should refer to the Schedule of Fees Paid to Investment Advisors and Consultants.

Other supplementary information
Schedule 6

New York City Employees' Retirement System

SCHEDULE OF INVESTMENT EXPENSES
Fiscal Year Ended June 30, 2007

Investment Expenses Paid from the Investment Earnings of the Plan:		
Fees Paid to Investment Advisors for FY2007 Services		**$77,906,836**
See Table of Fees Paid to Investment Advisors on Page 103		
Fees Paid to Investment Consultants		
Callan Associates – General Consulting	371,584	
Callan Associates – Emerging Markets	242,278	
Foster, Pepper & Shefelman LLC (Legal)	96,100	
Morgan, Lewis & Bockius, LLP (Legal)	80,653	
Nixon Peabody, LLP (Legal)	87,864	
Orrick, Herrington & Sutcliffe LLP (Legal)	29,583	
Pacific Corporate Advisors	1,451,176	
Pryor, Cashman, Sherman & Flynn LLP (Legal)	6,213	
The Townsend Group – Real Estate	251,654	
Total Investment Consultant Fees		**2,617,105**
Other miscellaneous investment expenses		**17,612,600**
Total Investment Expenses Paid Directly by the Plan		**98,136,541**
Fee Expenses Related to Securities Lending Transactions		**376,008,203**
Total Investment Expenses and Fees Paid Directly by the Plan		**474,144,744**
Investment Expenses Paid by the NYC Comptroller as Custodian of the Funds of the Plan:		
Custodial Services	1,510,221	
Other Financial Services	116,574	
		1,626,795
Total Investment Expenses and Fees		**$475,771,539**

PART 3
INVESTMENT SECTION

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REPORT ON INVESTMENT ACTIVITY AND POLICIES

Investment Policies and Objectives

The purpose of the New York City Employees' Retirement System is to provide to its members the benefits to which they are legally entitled. The funds necessary to finance these benefits are accumulated through the contributions of the members and participating employers, and the investment earnings of the *Plan*.

The Plan's Board of Trustees adopts investment policies. The Board is composed of eleven members: the Mayor's representative who is the chairperson; the City Comptroller; the Public Advocate; the heads of the three unions with the largest number of participating employees, which are District Council 37-AFSCME, Transport Workers Union Local 100, and the International Brotherhood of Teamsters, Local 237; and the five Borough Presidents. The Board creates the overall investment philosophy under which the *Plan's* funds are invested and, in defining the investment objectives, develops a framework under which specific objectives are established with regard to allocating the assets of the *Plan* among the various investment types. The following is a brief outline of the *Plan's* philosophy and objectives:

- In order for the *Plan* to meet its responsibility of providing its members with their legal entitlements to retirement and other benefits, the level of investment risk should be prudent and not jeopardize the *Plan's* financial stability. The *Plan's* assets must be protected from severe adverse market conditions and wide fluctuations in investment results.

- Since higher investment returns are generally associated with a certain amount of risk, it is reasonable and justified to assume a moderate level of risk in order to strengthen long term results.

- Diversification reduces the overall portfolio risk. This is achieved by allocating funds among different asset categories and then, within each category, having a broad representation of industries and companies. The bulk of the portfolio is in a very wide variety of domestic stocks and bonds. The Policy Mix consists of 47.5% in U.S. Equities, 18% in an International Investment Equity Investment Fund involving only New York City pension plans, 30% in U. S. Fixed Income, and 4.5% in Alternative Investments, which include private equity and real estate investments. Public equity investments are allocated among passive, emerging markets, and approaches that focus on companies of various size capitalizations. Fixed income bonds are primarily allocated among government, government guaranteed mortgage-backed, and corporate securities. The Plan also invests a portion of its fixed income allocation in inflation-linked Treasury securities. Private Equity investments have expanded and broadened in scope to include international ventures as well as domestic. The intent of further diversification is to reduce the Plan's concentration in U.S. equity securities.

REPORT ON INVESTMENT ACTIVITY AND POLICIES

- Since retirement benefits are paid on a monthly basis, and other benefits such as loans, refunds and death benefits are paid weekly, the liquidity of the portfolio must be considered. The cash flow from employer contributions, dividends and interest must be structured so that benefits can be paid in a timely manner. A portion of the portfolio is kept in short term investments to assure that this is so.

- Striving for long term results is the most reasonable objective for an institution such as a retirement system that is accumulating resources for liabilities that are primarily due in the distant future.

- Where the return is comparable to the risk, economically targeted investments (ETIs) in New York City are increasing. With the *Plan* financing the underlying mortgages of both low income and middle income housing in the City, many city residents have benefited from the increased access to affordable housing, as well as from the economic effect of the construction industry jobs that have been created. These targeted investments have resulted in the creation or rehabilitation of housing units and other properties, primarily in lower and moderate-income neighborhoods. Additional investments have also been made in the AFL-CIOs Housing Investment Trust and other Community Development organizations which also focus on meeting the needs for affordable housing in New York City. As part of this ETI program, the Plan has made additional capital commitments to a private equity fund whose investments are in businesses that create jobs and promote economic development in New York City.

- Investments are only made in accordance with the governing statutes of the New York City Administrative Code and the New York State Retirement and Social Security Law.

- The Board also determines the criteria used in evaluating the investment advisors. While the Board does utilize an investment consultant to provide technical support in the evaluation of asset mix and of its investment advisors, the Board members themselves take a very active role in determining the direction that the *Plan* is taking towards achieving its objectives. In addition, as well as being a Board member, the City Comptroller is the custodian of the funds of the Plan and oversees all of the City's pension trust funds. The Comptroller's Office is the avenue by which the Board's directives are implemented. It manages the actual flow of funds to the investment advisors, and it assures that the investments recommended by the advisors meet the legal restrictions for plan investments. It also does its own performance analysis of individual advisors and of the different investment categories. The Comptroller is responsible for cash management related to the *Plan*, and provides various cash receipts and cash disbursement services to the *Plan*.

REPORT ON INVESTMENT ACTIVITY AND POLICIES

Investment Accounting

Investments are valued at fair value. Traded securities are stated at the last reported sales price on a national securities exchange, on the last business day of the fiscal year. Securities purchased pursuant to agreements to resell are carried at the contract price, exclusive of interest, at which the securities will be resold.

Purchases and sales of securities are recorded on the trade date.

Dividend income is recorded on the ex-dividend date. Interest income is accrued as earned.

Investment Criteria

The criteria for non-equity investments are as follows.

Fixed income investments may be made only in U.S. Government securities, securities of government agencies backed by the U.S. Government, securities of companies rated BBB or better by both Standard & Poor's Corporation and Moody's Investors' Service, or any bond on the list of Legal Investments for New York Savings Banks, published annually by the New York State Banking Department.

Short-term investments may be made only in the following instruments:

> U.S. Government securities or government agencies' securities fully guaranteed by the U.S. Government.
>
> Commercial paper rated A1 or P1 or F1 by Standard & Poor's Corporation or Moody's Investors' Service, or Fitch, respectively.
>
> Repurchase agreements collateralized in a range of 100% to 102% of matured value, purchased through primary dealers of U.S. Government securities.
>
> Investments in banker's acceptances, certificates of deposit, and time deposits are limited to banks with worldwide assets in excess of $50 billion that are rated within the highest categories of the leading bank rating services and selected regional banks which are also rated within the highest categories.

The criterion for equity investments is that they may consist only of those stocks that meet the qualifications of the NY State Retirement and Social Security Law, the New York State Banking Law, and the New York City Administrative Code.

In addition, investments of up to 25.0% of total pension fund assets may be made in instruments not specifically covered by the NY State Retirement and Social Security Law.

REPORT ON INVESTMENT ACTIVITY AND POLICIES

No investment in any one corporation may represent more than either 2% of the Plan net assets or 5% of the corporation's total outstanding issues.

Cash deposits are insured by the Federal Deposit Insurance Corporation for a maximum of $100,000 per plan member and are, therefore, fully insured.

Investment Returns

The Plan's returns on investments have generally been consistent with the broad market trends. Throughout most of the last ten years, investment earnings have constituted, by far, the largest component of total Plan revenue. The following table illustrates this fact. During 2007 the fair value of the investment portfolio appreciated $4.9 billion as compared to $2.5 billion in 2006 and $2.1 billion in 2005, $3.9 billion in 2004. In contrast, appreciation in 2003 was only $193 million. During 2002 and 2001, the fair value of the investment portfolio depreciated $4.2 billion and $4.7 billion respectively, resulting in negative investment income for those years.

Percentage of Total Revenue

Fiscal Year	Investment Income	Employer Contributions	Employee Contributions
2007	79	17	4
2006	74	19	7
2005	73	20	7
2004	88	6	6
2003	73	7	20
2002	(116)	12	4
2001	(113)	3	10
2000	90	2	8
1999	91	3	6
1998	93	3	4

It is important that, in the long run, the value of the *Plan's* investment portfolios continue to grow, and continue to generate increased income, in order that the funding of the *Plan* not become a burden to its participating employers. From 1996 to 2003, the Plan's participating employers were able to reduce their contributions due to the appreciation of its equity holdings. This is of vital importance, as municipal employers are striving to contain costs. Having a retirement system that is largely self-sufficient, in terms of the revenue stream being generated by its investments, allows the employer to use those savings to meet other needs of its constituents. We believe that we have a strong diversified investment portfolio that, in the long run, will continue to grow along with the rest of the national and international economies.

REPORT ON INVESTMENT ACTIVITY AND POLICIES

The total fair value of the Plan's investment portfolio as of June 30, 2007 was $49,946,540,000, which included Collateral from Securities Lending of $6,849,608,000. This is shown in detail in the Investment Summary on page 98**,** and is consistent with the Statement of Plan Net Assets on page 67. However, the portfolio percentages that are used below and in the Asset Allocation charts on pages 99 and 100 are based on $43,096,932,000, which is net of the Securities Lending Collateral.

The total return on *Plan* assets during 2007 was 18.39%.

Domestic Equities, which comprise 46.8% of the total portfolio, returned 20.02%, which was comparable to the Russell 3000 benchmark of 20.08%. Merrill Lynch, BGI, and Amalgamated passively manage 92% of the domestic equity portfolio. The remaining 8% is actively managed by 40 managers with varying investment approaches, such as specializing in value, growth, small capitalization stocks, or emerging markets.

The International Equity portfolio is externally managed as part of a fund that only includes NYC retirement systems as shareholders. It makes up 18.6% of the total portfolio, and it contributed a return of 31.69%. This was significantly higher than the EAFE index of 27.00%.

The U.S. Long-term Fixed Income segment, externally managed and constituting 30.3% of the portfolio, returned 7.07% on the total segment, which consists of two main components. The Structured Managed Program returned 6.58%, as compared to the NYC Core Plus Five Index of 6.33%, and the Enhanced Yield component returned 11.05%, compared to the Citigroup BB & B index of 10.73%.

The Short-Term Investment return has increased to 5.41% from last year's return of 4.34%.

The *Plan's* Targeted Investment segment returned 6.60%.

All investment results are time-weighted rates of return that are reported gross of fees.

Listings of the Plan's investment securities are available upon request.

The Finance Division of the *Plan* has prepared this Report on Investment Activity and Policies. It is based on the investment policies of the *Plan's* Board of Trustees, New York State regulations governing the *Plan*, documents provided by the NYC Comptroller as the custodian of the Plan, and the *Plan's* internal documents.

New York City Employees' Retirement System

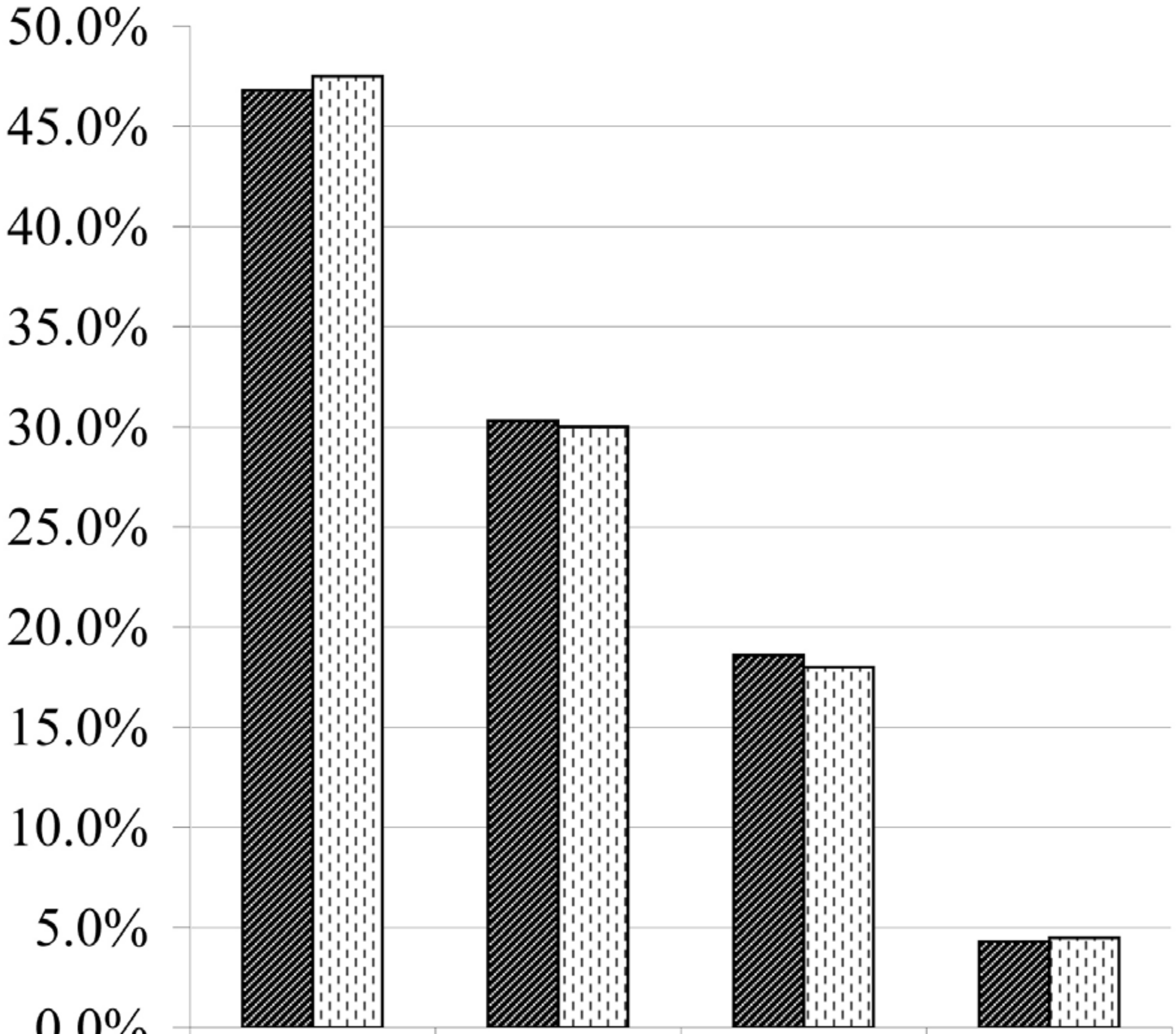
INVESTMENT SUMMARY AS OF JUNE 30, 2007

(in thousands of dollars)

Type of Investment	Market Value as of June 30, 2007	Percent of Total Market Value
Short Term Investments	**$ 1,014,848**	**2.0%**
Fixed Income Debt Securities - Long Term		
U.S. Government	5,776,241	11.6%
Corporate	4,929,967	9.9%
Yankee	150,206	0.3%
Total Fixed Income Debt Securities- Long Term	**10,856,414**	**21.8%**
Total Fixed Income	**11,871,262**	**23.8%**
PRIVATE EQUITY	**1,834,205**	**3.7%**
EQUITIES - DOMESTIC	**20,042,675**	**40.1%**
MUTUAL FUNDS:		
International Equity	8,011,972	16.0%
Domestic Equity	126,994	0.3%
Mortgages	105,823	0.2%
Treasury Inflation Protected securities	1,089,407	2.2%
Total Mutual Funds	**9,334,196**	**18.7%**
Promissory Notes	**14,594**	**0.0%**
Collateral from Securities Lending	**6,849,608**	**13.7%**
Total Investments	**$ 49,946,540**	**100.0%**

New York City Employees' Retirement System

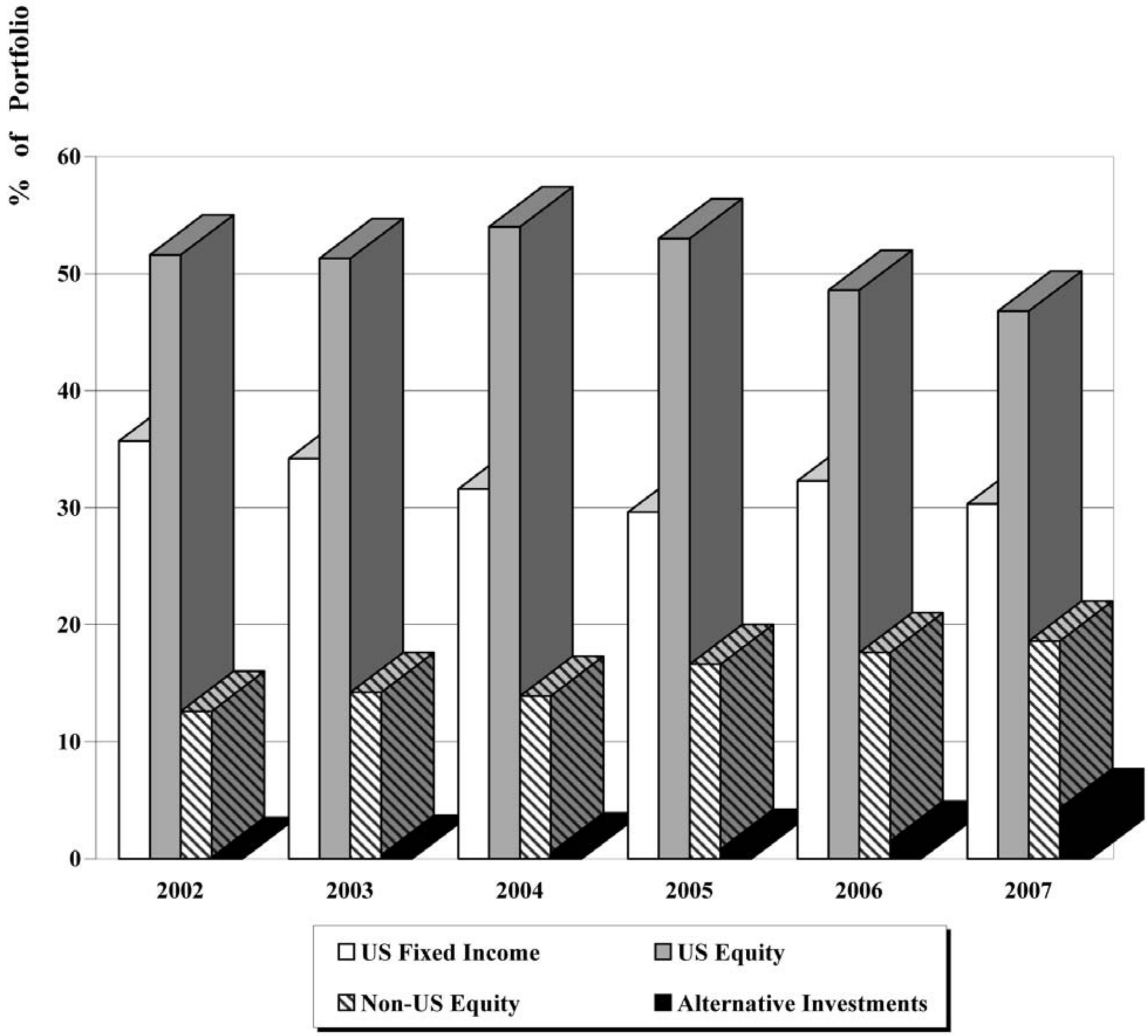
ASSET ALLOCATION AND POLICY MIX



	U.S. Equity	U.S. Fixed Income	Int'l Equities	Alternative Investments
Asset Mix	46.8%	30.3%	18.6%	4.3%
Policy Mix	47.5%	30.0%	18.0%	4.5%

(as of June 30, 2007)

ASSET ALLOCATION
June 30, 2002 - June 30, 2007



LIST OF LARGEST EQUITY HOLDINGS
(at Fair Value)
June 30, 2007

	Shares	Security		Fair Value	Percent of Domestic Equities
1	6,507,178	Exxon Mobil Corporation	$	545,822,091	2.72%
2	11,735,014	General Electric Corporation		449,216,336	2.24%
3	7,147,931	AT&T Inc.		296,639,137	1.48%
4	5,735,356	Citigroup Inc.		294,166,409	1.47%
5	9,508,623	Microsoft Corporation		280,219,120	1.40%
6	5,126,834	Bank America Corporation		250,650,914	1.25%
7	3,594,777	Procter & Gamble Company		219,964,405	1.10%
8	2,464,011	Chevron Corporation		207,568,287	1.04%
9	8,072,083	Pfizer Inc.		206,403,162	1.03%
10	3,336,025	Johnson & Johnson		205,565,861	1.03%
11	7,110,946	Cisco Systems Inc.		198,039,846	0.99%
12	3,968,543	JP Morgan Chase & Corporation		192,275,908	0.96%
13	2,642,612	American International Group Inc.		185,062,118	0.92%
14	1,701,926	International Business Machines Corporation		179,127,712	0.89%
15	2,305,902	Altria Group Inc.		161,735,966	0.81%
16	6,685,568	Intel Corporation		158,849,096	0.79%
17	1,891,028	ConocoPhillips		148,445,698	0.74%
18	2,925,327	Coca-Cola Company		143,068,975	0.71%
19	3,415,603	Verizon Communications Inc.		140,620,376	0.70%
20	265,307	Google Inc.		138,856,378	0.69%
21	3,101,495	Hewlett Packard Company		138,388,707	0.69%
22	2,822,842	Wal Mart Stores Inc.		135,806,929	0.68%
23	3,856,665	Wells Fargo & Company		135,638,908	0.68%
24	2,174,700	PepsiCo Inc		130,502,548	0.65%
25	2,503,872	Merck & Company Inc		124,692,826	0.62%
26	1,010,381	Apple Inc.		123,306,897	0.62%
27	2,222,050	Wachovia Corporation		113,880,063	0.57%
28	1,324,362	Schlumberger Limited		112,491,308	0.56%
29	1,233,585	Morgan Stanley Company		103,473,110	0.52%
30	471,975	Goldman Sachs Group Inc.		102,300,581	0.51%
31	4,612,155	Time Warner Inc.		98,399,330	0.49%
32	3,416,101	Comcast Corporation		95,992,531	0.48%
33	1,749,671	Abbott Laboratories		93,694,882	0.47%
34	4,614,789	Oracle Corporation		90,957,491	0.45%
35	944,603	Boeing Company		90,833,024	0.45%
36	2,294,852	Home Depot Inc.		90,302,426	0.45%
37	1,557,583	Wyeth		89,311,809	0.45%
38	1,016,859	Merrill Lynch & Company Inc		84,989,075	0.42%
39	1,186,289	United Technologies Corporation		84,143,479	0.42%
40	1,938,183	Qualcomm Inc.		84,097,760	0.42%
				6,725,501,478	**33.56%**

A full list of the Plan's securities is available upon request.

LIST OF LARGEST BOND HOLDINGS
(By Fair Value)
June 30, 2007

	Security Description		Fair Value	Percent of Long Term Fixed Income
1	FNMA Securities	$	2,697,296,016	22.58%
2	U.S. Treasury Securities		2,272,213,829	19.02%
3	Federal Home Loan Corp.		1,528,368,942	12.79%
4	GNMA Securities		251,274,970	2.10%
5	J.P. Morgan Chase & Subsidiaries		110,100,179	0.92%
6	Citigroup & Subsidiaries		86,685,692	0.73%
7	Goldman Sachs Group		85,481,076	0.72%
8	CWALT Inc.		75,043,386	0.63%
9	Community / Economic Development Bonds		72,780,877	0.61%
10	AT&T & Subsidiaries		68,476,781	0.57%
11	Ford Motor Company		65,268,180	0.55%
12	Morgan Stanley & Subsidiaries		65,153,886	0.55%
13	General Electric Company		63,433,712	0.53%
14	General Motors & Subsidiaries		59,742,345	0.50%
15	European Investment Bank		54,396,527	0.46%
16	Household Finance Corp.		52,977,965	0.44%
17	Wells Fargo Inc.		47,882,411	0.40%
18	Bank America Corp.		47,401,823	0.40%
19	United Mexican States		45,798,378	0.38%
20	Wachovia Corp.		42,342,643	0.35%
21	Merrill Lynch & Company		42,151,655	0.35%
22	Structured Asset Securities Corp.		41,604,453	0.35%
23	MBNA Inc.		39,844,733	0.33%
24	Time Warner Inc.		36,422,372	0.30%
25	Sallie Mae Corp.		34,859,685	0.29%
26	PEMEX Project & Funding		32,811,274	0.27%
27	Lehman Brothers		30,025,345	0.25%
28	Sprint Capital Corp.		29,362,285	0.25%
29	HCA Healthcare Company		28,873,900	0.24%
30	Comcast Corp.		27,399,956	0.23%
31	Qwest Corp. & Subsidiaries		26,687,843	0.22%
32	Daimler Chrysler North America		26,685,410	0.22%
33	Georgia Pacific Company		25,487,541	0.21%
34	Resolution Funding Corp.		24,435,541	0.20%
35	Washington Mutual		24,277,551	0.20%
36	NRG Energy Inc.		23,992,969	0.20%
37	Wal-Mart Inc.		23,596,535	0.20%
38	Bear Stearns Inc.		23,174,081	0.19%
39	Freeport McMoran Copper & Gold		22,711,238	0.19%
40	Tennessee Valley Authority		22,407,220	0.19%
		$	**8,378,931,205**	**70.11%**

This table lists the issuers of NYCERS' 40 largest long term fixed income securities. For most issuers, the amount shown is comprised of multiple securities with various maturity dates and interest rates.

SCHEDULE OF FEES PAID TO INVESTMENT ADVISORS AND CONSULTANTS

	Assets under Management (in millions) As of June 30, 2007	Fees
Fees Paid Out of Investment Income		
Investment Managers' Fees:		
Fixed Income Managers		
BlackRock (Corporate)	$ 533.06	$ 251,558.00
BlackRock (Mortgages)	918.47	389,525.00
Cypress (Gov't)	38.64	167,922.99
EH Williams Capital Mgmt (Enhanced Yield)	43.34	180,831.71
Fischer, Francis, Trees & Watts (Yankee)	328.75	160,636.00
High Yield Transition (Enhanced Yield)	0.14	-
Lincoln Capital Management Co. (Gov't)	874.73	101,223.00
Lincoln Capital Management Co. (Mortgages)	993.58	286,748.00
Loomis, Sayles & Company (Enhanced Yield)	489.15	1,883,698.00
Pacific Investment Management Co. (Gov't)	422.76	455,561.00
Pacific Investment Management Co. (Mortgages)	992.09	1,064,503.00
Prudential (Corporate)	373.92	295,411.71
Prudential Investments (Yankee)	333.99	192,577.00
SEIX (Enhanced Yield)	465.30	688,809.00
Shenkman Capital Management (Enhanced Yield)	473.18	1,580,423.00
State Street Bank & Trust Co. (Gov't)	266.95	52,153.00
T. Rowe Price (Corporate)	495.90	295,608.00
T. Rowe Price (Enhanced Yield)	483.60	1,551,320.16
Taplin, Canida & Habacht (Corporate)	578.27	501,998.00
TCW Asset Mgmt. (Mortgages)	916.10	918,341.00
Total Fixed Income Managers	**10,021.93**	**11,018,847.57**
Domestic Equity Managers		
Aeltus (Enhanced S&P 500)	-	89,640.00
Amalgamated Bank of NY (S&P 500 Index)	1,514.07	49,752.00
Ariel Capital (Mid Cap)	184.81	482,765.00
Ariel Capital (Small Cap)	121.37	321,106.00
Barclay Global Investors (Russell 3000 Index)	8,647.41	263,558.00
Chicago Equity Partners (Mid Cap)	70.98	139,937.00
Emerald Advisors (Small Cap)	40.10	146,813.00
F.I.S. Funds Mgmt.	174.69	1,055,006.00
Franklin Portfolio Associates (Mid Cap)	67.04	191,113.00
Gabelli Asset Mgmt. (Small Cap)	65.44	494,380.00
J.P. Morgan Invest. Mgmt. Inc. (Value)	-	7,812.00
Merrill Lynch Asset Mgmt. (Russell 3000 Index)	8,661.79	107,303.00
Merrill Lynch Asset Mgmt. (Value)	-	51,460.64
Navellier & Assoc. Inc. (Small Cap)	76.20	265,188.00
New Amsterdam (Mid Cap)	99.08	241,901.00
Progress Investment Management Co.	358.08	1,708,538.00
Relational Investors X L.P.	126.99	935,350.00
Rothschild Asset Mgmt. (Mid Cap)	130.10	633,378.00
Shamrock Capital	33.10	851,322.00
Wells Capital Mgmt (Small Cap)	92.51	372,075.00
West Peak Investment Advisors (Value)	-	35,016.00
Zevenbergen Capital, Inc. (Large Cap)	-	83,410.00
Total Domestic Equities	**20,463.76**	**8,526,823.64**

SCHEDULE OF FEES PAID TO INVESTMENT ADVISORS AND CONSULTANTS

	Assets under Management (in millions) As of June 30, 2007	Fees
Private Equity Investments		
Aisling Capital II, L.P.	$ 1.47	$ 140,000.00
Allegra Capital Partners	4.96	-
AMB Alliance Fund III	25.00	130,876.00
Apollo Investment Fund V	31.35	220,606.00
Apollo Investment Fund VI	27.30	-
Ares Corporate Opportunities	43.83	227,829.45
Ares Corporate Opportunities II	20.19	777,497.00
Arsenal Capital Partners Qualified	2.09	202,559.22
Aurora Equity Partners lll	27.07	654,099.00
Avista Cap Partners LP	19.09	1,148,527.34
BDCM OPP Fund	21.18	272,809.00
BDCM OPP Fund II	5.15	437,162.00
Blackstone IV	34.26	131,460.00
Blackstone Mezz. Partners II	6.58	208,970.00
Blackstone V	41.96	498,455.00
Carlyle Partners	27.20	200,000.00
Catterton Partners VI, L.P.	12.96	992,500.00
CCMP Capital Investors 11, L.P.	6.97	144,832.00
Celtic Pharm Holdings	8.06	-
Clayton, Dubilier & Rice VII	30.20	152,502.00
Cypress Merchant Bank	27.52	206,205.00
Erasmus NYC Growth Fund	29.18	798,484.85
Ethos Private Equity Fund V	2.83	515,452.00
FDG Capital Partners	10.05	129,165.00
FDG Capital Partners II	14.19	502,442.66
First Reserve Fund XI,	2.84	259,726.00
Fourth Cinven Fund	17.27	216,872.54
FS Equity Partners V	16.41	298,390.00
FT Ventures Fund III	5.25	290,984.00
GI Ptnrs Fund ll, LP	24.19	8,692.00
GSC Recovery Fund III, L.P.	(0.17)	312,500.00
InterMedia Partners VII	10.82	437,500.00
J.P. Morgan Fleming, L.P. - Contingent	-	77,841.13
J.P. Morgan Invest. Mgmt. Inc.	6.82	602,696.71
JPMC SP Fund	95.02	538,761.00
JPMC SS Fund	100.65	852,643.00
Landmark Equity Partners XI	20.69	469,793.00
Landmark Fund XIII	19.07	250,000.00
Lehman Bros. MB Fund III	25.65	295,829.06
Lehman Bros. MB Fund IV	-	321,781.00
Lincolnshire Equity Fund II	5.41	-
Lincolnshire Equity Fund III	13.77	825,000.00
Markstone Capital Partners	21.89	800,000.00
Midocean Partners lll	16.16	1,240,614.00
Montreux Equity Partners IV	4.46	125,000.00
New Mountain Partners	9.40	51,166.00
New Mountain Partners II	31.21	784,093.00
New York/ Fairview Emerging Managers Fund	8.37	237,600.00

SCHEDULE OF FEES PAID TO INVESTMENT ADVISORS AND CONSULTANTS

	Assets under Management (in millions) As of June 30, 2007	Fees
Private Equity Investments (continued)		
Paladin Homeland Security Fund (NY City)	$ 10.15	$ 300,000.00
Palladium EQ Partners III	5.54	300,000.00
Prisa	86.00	510,827.00
Prism Venture Partners V	11.43	655,764.00
Prudential Prisa 11	28.30	-
Quadrangle Capital Partners ll	15.65	976,582.00
Ripplewood Partners II	13.13	175,711.00
RRE Ventures	1.56	875,000.00
RRE Ventures III	22.25	500,000.00
RREEF Amer II, Inc	85.18	552,518.00
SCP Private Equity Partners	15.89	324,565.00
Silver Lake Partners ll, L.P.	28.57	546,759.00
Silver Lake Partners lll, L.P.	-	67,179.00
Solera Partners	15.18	457,701.00
Solera Partners , L.P. - Contingent	-	113,789.00
Terra Firma Capital Partners III	-	763,067.00
Thomas H. Lee Equity Fund VI	14.03	207,572.00
Thomas McNerney Partners	12.16	320,567.00
Thomas McNerney Partners ll	3.13	625,000.00
U.S. Power Fund ll	39.42	713,446.00
UBS Resa	98.50	717,409.00
Urban America II	3.56	312,500.00
VS & A Fund Management Corp.	17.18	146,180.00
VSS Comm Partners IV	7.68	578,682.00
Yucaipa American Alliance Fund I	66.52	1,515,547.00
Total Private Equity Managers	1,536.83	30,246,280.96

SCHEDULE OF FEES PAID TO INVESTMENT ADVISORS AND CONSULTANTS

	Assets under Management (in millions) As of June 30, 2007	Fees
Private Real Estate Managers		
Apollo Real Estate FD V, L.P.	$ 10.54	$ 375,001.00
Blackstone RE	26.05	311,212.00
Canyon Johnson	1.27	49,906.00
Canyon Johnson Urban FD II	15.16	650,000.00
City Investment Fund	140.86	2,814,064.00
Colony Realty Partners II, L.P.	10.37	300,000.00
Heitman America RE Trust	34.43	43,845.00
Tishman Speyer	141.20	705,409.00
Total Private Real Estate Managers	**379.88**	**5,249,437.00**
International Equity Fund Managers		
Acadian	373.82	1,474,346.00
Baillie Gifford Overseas Ltd.	428.03	2,373,775.00
Barclay's Global Investor, (Passive)	1,469.58	134,875.00
Capital Guardian Trust Company	1,046.97	3,897,150.00
Clemente	0.09	-
DFA	415.10	1,797,969.00
General Electric Investment	638.61	1,297,365.00
Invista Capital Mgmt/BK of NY	0.25	-
Mondrian	1,136.90	3,009,132.00
Oechsle Int'l Advisors/BK of NY	441.07	1,745,241.00
Putnam Advisory Co./BK of NY	1.37	
SpruceGrove Inv. Mgmt. Ltd/BK of NY	1,085.50	2,067,123.00
State Street Bank & Trust Co.	388.38	1,953,861.00
T. Rowe Price-Fleming/BK of NY	586.45	2,519,723.00
Transition EAFE	0.03	-
Total International Equity Fund Managers	**8,012.15**	**22,270,560.00**
Treasury Inflation Protected Securities		
Blackrock	208.66	141,525.00
PIMCO	608.50	439,787.00
State Street	272.25	13,575.00
Total TIPS Managers	**1,089.41**	**594,887.00**
Consultants		
Callan Consultants (Emerging Markets)		242,278.33
Callan Consultants (General Consultant)		371,583.33
Foster, Pepper & Shefelman PLLC (Legal Consultant)		96,100.00
Morgan, Lewis & Bockius, LLP (Legal Consultant)		80,653.16
Nixon Peabody, LLP (Legal Consultant)		87,863.92
Orrick, Herrington & Sutcliffe LLP (Legal Consultant)		29,583.06
Pacific Corporate Advisors, Inc.		1,451,176.00
Pryor Cashman Sherman & Flynn LLP (Legal Consultant)		6,213.00
The Townsend Group		251,654.00
Total Consultant Fees		**2,617,104.80**
Total Fees FY 2007	**$ 41,503.96**	**80,523,940.97**

SCHEDULE OF BROKERS' COMMISSIONS
For Fiscal Year Ended June 30, 2007

Brokerage Firm	Number of Shares Traded		Total Commissions
Abel Noser Corporation	268,717	$	3,734
ABG Securities New York	6,410		611
ABN AMRO Securities	132,271,169		139,163
Access Securities Inc.	171,100		4,372
Adams, Harkness & Hill Inc.	31,784		1,032
ADP Clearing and Outsourcing	283,046		6,463
Affin-Uob Securities Sdn Bhd, Kuala Lumpur	51,076		127
American Technology Research, Inc.	400		16
Arnhold & Bleichroeder Inc.	7,400		222
Assent LLC	36,385		364
Avian Securities Inc.	159,587		7,979
Avondale Partners	81,100		3,816
Baird Robert W & Company	284,957		11,001
Banc America Securities	30,458,618		172,145
Banco Santander	2,502,183		19,605
Bank Austria Creditanstalt - Vienna	3,153,195		62,210
Bank of New York Brokerage Inc.	5,359,230		112,830
Bank Vontobel AG - Zurich	27,460		8,884
Baypoint Trading	57,604		884
Bear Stearns & Company	28,679,651		152,537
Berean Capital, Inc.	127,100		4,994
Berenberg Bank, Hamburg	11,254		276
Blackwatch Brokerage Inc.	5,500		220
Blair William & Company	501,292		19,902
Blaylock & Partners	10,025		401
BlueFin Research Partners, Inc.	300		12
BMO Nesbitt Burns Corporation	97,306		3,670
BNP Paribas	5,510,985		28,826
BOE Securities Inc.	45,110		1,730
Boenning & Scattergood Inc.	31,950		1,424
Brean Murray Foster Securities	11,500		570
Broadcort Capital Corporation	92,000		4,600
Brockhouse & Cooper Inc.	5,668,713		29,387
Brown Brothers Harriman & Company	39,470		1,167
B-Trade Services	1,150,188		25,090
Buckingham Research Group Inc	54,650		2,420
Cabrera Capital Markets	865,481		33,884
Caja Madrid Bolsa - Madrid	38,532		993
Calyon Securities	4,536,899		16,842
Cantor, Fitzgerald & Company	3,276,273		36,952
Capital Institutional Services - Equities	1,238,865		49,233
Cazenove & Company	2,290,388		17,229
Chapdelaine Institutional Equities	112,735		5,637
Charles Schwab & Company	790		24
Cheevers & Company	168,947		6,692
China International Capital Company - Hong Kong	2,260,722		4,799

SCHEDULE OF BROKERS' COMMISSIONS
For Fiscal Year Ended June 30, 2007

Brokerage Firm	Number of Shares Traded	Total Commissions
CIBC World Markets Corp.	917,570	$ 25,650
Citation Group	558,842	22,794
Citigroup Global Markets Inc.	27,530,517	237,739
CLSA Securities	15,145,223	88,890
Collins Stewart Inc.	198,323	868
Craig-Hallum Capital Group LLC.	89,000	3,480
Credit Agricole SA	641,210	31,355
Credit Lyonnais Securities	4,042,036	6,523
Credit Suisse First Boston Inc.	137,814,722	394,980
Cuttone & Company Inc.	1,900	48
D Carnegie AB, Stockholm	7,826	662
Daiwa Securities - London	457,044	16,310
Davenport & Company	5,390	270
Davidson D.A. & Company	12,790	546
Davis, Mendel & Regenstein, Inc.	20,640	1,032
Davy Stockbrokers - Dublin	455,077	7,995
DBS Vickers - Hong Kong	116,266	748
Dematteo Monness LLC	25,389	1,016
Deutsche Bank Securities Inc.	57,984,515	315,011
Direct Trading Institutional, L.P.	72,489	1,333
Divine Capital Markets	519,597	14,376
Donaldson, Lufkin & Jenrette Inc.	73,300	3,299
Dougherty & Company	53,500	2,349
Dresdner Kleinwort Wasserstein	1,250,398	31,084
Dundee Securities Corporation - Toronto	17,701	666
E*Trade Securities	300,460	4,663
ECL Unpublished Client AC	154,991	6,124
EdgeTrade Inc.	45,800	683
Edwards, A.G., & Songs Inc.	114,610	4,237
Egnatia Securities SA - Greece	36,579	2,698
Euroclear Bank SA/NV - Belgium	12,189	549
Exane, Paris	109,163	5,436
Execution Ltd. - Hong Kong	276,054	1,264
Fidelity Capital Markets	115,500	2,999
Fidentiis Equities	65,864	1,224
Finsettle Services (Pty) Ltd	1,946,361	16,304
First Albany Corporation	220,977	6,993
First Analysis Securities Corp.	25,700	1,067
First Clearing	9,400	376
Fortis Investment Services	84,626	1,311
Fox-Pitt, Kelton Inc.	433,844	2,645
Francis P. Maglio & Company Inc	54,000	995
Frank Russell SEC/Broadcort Capital Clearing	2,000	60
Freimark Blair & Company	21,482	644
Friedman, Billings, Ramsey Group Inc.	281,305	11,685
FutureTrade Securities	22,113	434

SCHEDULE OF BROKERS' COMMISSIONS
For Fiscal Year Ended June 30, 2007

Brokerage Firm	Number of Shares Traded	Total Commissions
G.K Goh Stockbrokers Pte Ltd.	97,340	$ 295
Gardner Rich & Company	276,470	9,298
GFI Securities	2,500	88
Goldman Sachs & Company	41,159,290	360,741
Goodbody Stockbrokers - Dublin	70,461	836
Greentree Brokerage Services	8,660	173
Griswold Company	40,800	816
GRW Capital Corporation	10,200	510
G-Trade Services Ltd.	2,906,527	31,734
GunnAllen Financial	5,500	275
Guzman & Company	1,416,510	29,274
Haynes A.H. & Company Inc.	61,660	2,466
Hibernia Southcoast Capital	31,500	1,043
Hongkong & Shanghai Banking Corporation Ltd.	2,609	168
Howard Weil Inc.	19,460	973
HSBC Securities Inc.	36,336,607	76,970
HVB Capital Markets Inc.	271,539	9,315
ING, Financial Services	441,181	8,639
Instinet Corporation	39,934,203	137,544
Institutional Services	173,200	6,928
Intermonte securities SIM - Milan	430,334	7,008
Intersecurities Inc.	31,900	1,595
Investec Securities - London	1,086,397	10,159
Investment Technology Group	27,914,207	548,229
ISI Group Inc.	416,787	18,812
Ivy Securities Inc.	28,340	1,011
Jackson Partners & Associates	1,592,660	56,638
Janco Partners Inc.	45,176	1,823
Janney Montgomery Scott Inc.	97,450	3,944
Jeffries & Company Inc.	2,418,432	50,330
JMP Securities	120,614	4,772
Johnson Rice & Company	183,400	8,164
Jones & Associates Inc.	281,200	9,400
Jones Trading Institutional Services LLC	334,873	9,778
JP Morgan Securities Inc.	39,956,166	207,127
Kaufman Brothers	6,200	310
KBC Financial Products - UK, London	5,888	908
Keefe Bruyette & Woods Inc.	264,970	10,613
Kempen & Company - NV, Amsterdam	25,403	2,185
Kepler Equities Frankfurt Branch	187,128	5,791
KeyBanc Capital Markets	70,580	2,527
Kim Eng Securities - Hong Kong	52,596	980
King, CL & Associates	1,760,379	77,253
Knight Securities	794,035	15,017
Labranche Financial Services Inc.	514,275	15,801
Lambright Financial Solutions	30,900	1,010

SCHEDULE OF BROKERS' COMMISSIONS

For Fiscal Year Ended June 30, 2007

Brokerage Firm	Number of Shares Traded	Total Commissions
Lazard Freres & Company LLC	25,500	$ 315
Leerink Swann & Company	192,847	8,033
Legent Clearing Corp.	108,000	2,160
Lehman Brothers Inc.	39,258,310	200,811
Liquidnet Inc.	2,475,998	59,161
Loop Capital Markets	358,025	11,559
Lynch Jones & Ryan Inc.	2,948,409	65,464
M.R. Beal & Company	300,627	12,768
Macquarie Securities Ltd.	64,568,980	83,386
Magna Securities Corp.	893,422	30,655
Maxim Group	9,050	453
Mediobanca Banca - Milan	3,987	95
Melvin Securities	100,891	3,890
Merrill Lynch	764,970,424	608,939
Merriman Curhan Ford & Company	95,130	3,837
Midwest Research Securities	176,200	3,990
Miller Tabak Hirsch & Company	353,990	3,540
Mitsubishi UFJ Securities - Hong Kong	3,950	428
Mizuho Securities	56,563	3,300
Morgan Keegan & Company Inc.	493,144	21,675
Morgan Stanley & Company	45,222,640	283,412
Nandra Group, Inc.	8,590	344
Natexis Bleichroeder Inc - New York	2,207,807	26,004
National Financial Services Corp.	479,537	10,607
NCB Broking Nominees Ltd.	36,948	904
NCB Stockbrokers Ltd.	78,293	2,280
Needham & Company	179,500	7,462
Nessuah Zannex Ltd. - Ramat Gan	1,290,632	16,608
Neuberger Berman	3,283	131
Nomura Securities Company	3,752,439	28,232
Numis Securities Limited - London	178,063	4,357
Nutmeg Securities	113,757	2,942
NYFIX Transaction Services	239,900	3,549
O'Neil, William & Company	99,045	4,952
Oppenheimer & Company	162,960	7,107
Pacific American Securities	518,753	14,185
Pacific Crest Securities	33,400	1,343
Pacific Growth Equities	38,919	1,300
Pali Capital, LLC	2,200	88
Penson Financial Services, Inc.	334,586	5,502
Pershing & Company	4,899,264	44,051
Pipeline Trading Systems	95,200	1,904
Piper Jaffray & Company	391,959	14,060
Prudential Equity Group	252,008	8,864
Pulse Trading LLC	2,300	46
Punk, Ziegel & Knoell	13,800	690

SCHEDULE OF BROKERS' COMMISSIONS
For Fiscal Year Ended June 30, 2007

Brokerage Firm	Number of Shares Traded	Total Commissions
Rabo Securities NV	51,728	$ 2,262
Raymond James & Associates	298,455	12,542
RBC Capital Markets Corp.	117,550	3,385
RBC Dain Rauscher Inc.	2,200	88
RBC Dominion Securities Corp.	4,770	191
Renaissance Capital Ltd	92,170	2,592
Robbins & Henderson, LLC.	650	26
Robert Van Securities	84,480	3,379
Rochdale Securities Corp.	62,100	1,553
Rodman & Renshaw, LLC	3,821	151
Rosenblatt Securities Inc.	91,100	1,822
Roth Capital Partners	60,550	2,881
Ryan & Beck Company	117,700	4,531
SBS Financial Group	7,200	144
Salomon Brothers International Ltd	11,553	446
Samsung Securities Company Ltd - Seoul	397,568	63,910
Samuel A Ramirez & Company Inc.	60,600	1,212
Sandler O'Neill & Partners LP	79,706	3,460
Sanford C Bernstein & Company	2,270,623	48,745
Santander Central Hispano Bolsa	57,978	1,457
SBC Warburg, London	14,312,805	19,828
SBK-Brooks Investment Corp.	149,800	5,668
Schonfeld Securities	492,949	8,021
Scott & Stringfellow Inc.	108,477	4,398
SG Cowen & Company	3,771,722	20,498
SG Securities	31,249,826	60,081
SGST Securities Ltd - London	37,213	870
Shenyin & Wanguo Securities Ltd.	40,374	77
Sidler & Company	79,110	3,956
Sidoti & Company	198,995	8,996
SinoPac Securities - Taiwan	3,701,187	3,382
Societe Generale	2,085,393	45,876
Soleil Securities Corp.	64,170	2,492
Standford Group Company	36,800	1,291
State Street Brokerage Services Inc.	231,996	4,290
Stephens Inc.	68,300	2,959
Sterne, Agee & Leach, Inc	61,750	3,159
Stifel, Nicolaus & Company	449,177	17,695
Stuart Frankel & Company	671	17
SunTrust Capital Markets Inc.	331,606	14,591
Svenska Handelsbanken - Stockholm	35,625	1,538
Tender Offer	2,252,058	101
The Benchmark Company	13,700	548
The Williams Capital Group	7,972,450	145,646
ThinkEquity Partners	216,393	9,014
Thomas Weisel Partners	474,426	15,497

SCHEDULE OF BROKERS' COMMISSIONS

For Fiscal Year Ended June 30, 2007

Brokerage Firm	Number of Shares Traded		Total Commissions
TISCO Securities Ltd	29,605,730	$	6,680
Toussaint Capital Partners, LLC	3,000		60
UBS Securities	73,240,261		319,296
UOB Kay Hian Ltd - Hong Kong	6,869,509		7,579
Upline International - Casablanca	641		299
US Clearing Corp.	301,434		10,571
Vandham Securities Corp.	330,689		10,866
Wachovia Securities Capital Markets	686,390		14,689
Warburg Dillon Read, LLC	350,610		2,791
Wave Securities	271,660		3,301
Wedbush Morgan Securities, Inc.	195,773		6,387
Weeden & Company	1,544,231		28,923
Wells Fargo Investments	14,775		481
Westminster Research Associates	18,190		572
Williams Capital Group	404,414		6,719
Winterflood Securities Ltd	2,291		1
Wood & Company Securities - Prague	242,621		13,977
Woori Investment & Securities Company	136,271		5,155
WR Hambrecht & Company	35,200		1,716
Total	**1,810,891,232**	**$**	**6,646,367**

SCHEDULES OF INVESTMENT RESULTS
TIME-WEIGHTED RATES OF RETURN

	Year Ended June 30			June 30, 2007		
	2007	**2006**	**2005**	**3 Years**	**5 Years**	**10 Years**
Total Portfolio	18.39	9.83	9.22	12.41	11.42	8.04
Managed by Outside Advisors						
Domestic Equity Segment	20.02	9.45	7.91	12.34	11.45	7.49
Domestic Russell 3000 Index	20.08	9.57	8.06	12.45	11.53	7.62
International Equities Fund Segment	31.69	26.87	14.00	23.97	18.27	8.96
MSCI EAFE Index	27.00	26.56	13.65	22.26	17.73	7.66
Domestic Fixed Income Segment	7.07	(0.05)	8.31	5.04	6.05	6.46
Structured Managed Program	6.58	(1.07)	8.21	4.50	5.21	6.49
NYC Core Plus Five Index	6.33	(1.36)	8.20	4.31	4.91	6.32
Enhanced Yield	11.05	3.79	9.76	8.16	10.99	6.23
Citigroup BB & B Index	10.73	3.95	10.15	8.23	11.05	6.21
In-House Portfolio						
Short Term Investments	5.41	4.34	2.24	3.99	2.97	4.45
Targeted Investments	6.60	2.89	6.18	5.21	5.51	6.54

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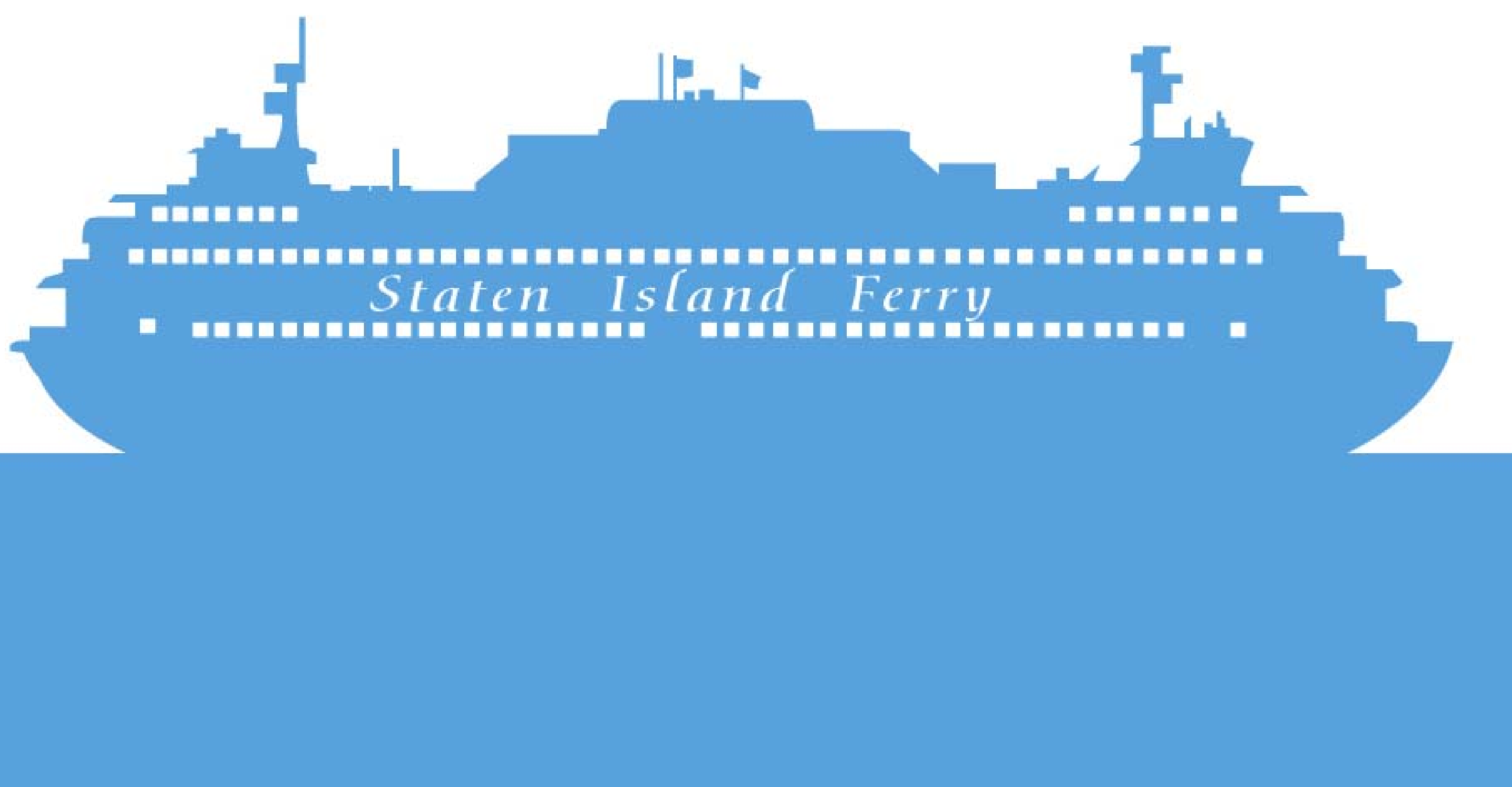
PART 4
ACTUARIAL SECTION



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The City of New York

OFFICE OF THE ACTUARY

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ROBERT C. NORTH, JR.
CHIEF ACTUARY

December 6, 2007

Board of Trustees
New York City Employees'
Retirement System
335 Adams Street, Suite 2300
Brooklyn, NY 11201-3751

Re: Actuarial Information for the Comprehensive Annual Financial Report ("CAFR") for the Fiscal Year ended June 30, 2007

Dear Members:

The financial objective of the New York City Employees' Retirement System (the "Plan") is to fund members' retirement benefits during their active service and to establish employer normal contribution rates that, expressed as a percentage of active member annualized covered payroll, would remain approximately level over the future working lifetimes of those active members and, together with member contributions and investment income, would ultimately be sufficient to accumulate assets to pay benefits when due.

An actuarial valuation of the Plan is performed annually as of the second June 30 preceding each fiscal year to determine the Employer Contributions to be paid for that fiscal year (i.e., June 30, 2005 (Lag) actuarial valuation to determine Fiscal Year 2007 Employer Contributions).

Under current law, Employers are required to contribute statutorily-required contributions ("Statutory Contributions")

and these contributions are generally funded by Employers within the appropriate fiscal year.
Statutory Contributions for Fiscal Year 2007 were equal to the Annual Required Contributions as defined under Governmental Accounting Standards Board Statement Number 25 ("GASB 25").

The Annual Required Contributions were computed in accordance with GASB 25 and are consistent with generally accepted actuarial principles.

Actuarial Assumptions and Methods

Provided in this Actuarial Section of the CAFR is a "Summary of Actuarial Assumptions and Methods in Effect for the June 30, 2005 (Lag) Actuarial Valuation." These actuarial assumptions and methods were first employed in the June 30, 2004 (Lag) actuarial valuation that was used to determine Fiscal Year 2006 Employer Contributions to the Plan.

These actuarial assumptions and methods are unchanged from those employed in the June 30, 2004 (Lag) actuarial valuation that was used to determine Fiscal Year 2006 Employer Contributions to the Plan.

After reviewing the results of an independent actuarial study dated October 2003 prepared by Gabriel, Roeder, Smith & Company ("GRS") in accordance with Section 96 of the New York City Charter, the Actuary issued an August 29, 2005 Report entitled "Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and After July 1, 2005 for the New York City Employees' Retirement System" ("August 2005 Report").

Where required, the Board of Trustees of the Plan adopted those changes in actuarial assumptions that required Board approval and the State Legislature and the Governor enacted Chapter 152/06 to provide for those changes to the actuarial assumptions and methods that required legislation, including the Actuarial Interest Rate ("AIR") of 8.0% per annum.

Benefits and Census Data

A summary of the benefits available under the Plan is shown earlier in the Introductory Section of the CAFR.

Census data are submitted by the Plan's administrative staff, by the employers' payroll facilities and by the Comptroller of the City of New York, and are reviewed by the Office of the Actuary ("OA") for consistency and reasonability.

A summary of the census data used in the June 30, 2005 (Lag) actuarial valuation is included in this CAFR. A summary of the census data used in the June 30, 2004 (Lag) actuarial valuation of the Plan is available in the June 30, 2006 CAFR.

Funded Status

The Funded Status of the Plan is usually expressed in various relationships of Assets to Liabilities.

With respect to the Funded Status of the Plan, included in the Financial Section of the CAFR is a Schedule of Funding Progress (Schedule 1).

Included in the Actuarial Section of the CAFR is a Solvency Test (i.e., Comparative Summary of Actuarial Values and Percentages Covered by Actuarial Value of Assets) as prescribed by the Government Finance Officers Association ("GFOA"). This Solvency Test represents an alternative approach to describing progress toward funding objectives.

In addition to the Schedule of Funding Progress and the Solvency Test, included for informational purposes in the Actuarial Section of the CAFR (following the Solvency Test) is an Additional Discussion of Plan Funding and Other Measures of Funded Status that provides different comparisons between the Assets and Liabilities of the Plan.

Presentation Style and Sources of Information

The actuarial information herein is being presented in a manner believed to be consistent with the requirements of the GFOA and, where applicable, with GASB 25 which was adopted for financial reporting purposes beginning Fiscal Year 1995.

The Additional Discussion of Plan Funding and Other Measures of Funded Status represents additional information provided by the Actuary to assist those users who desire alternative analyses.

As prescribed by GASB 25, included in the Financial Section of the CAFR are the following schedules prepared by the OA:

- Schedule of Funding Progress.
- Schedule of Employer Contributions.
- Schedule of Actuarial Assumptions and Methods.

The following schedules in the Actuarial Section of the CAFR were prepared by the OA:

- Summary of Actuarial Assumptions and Methods in Effect for the June 30, 2005 (Lag) Actuarial Valuation.

- Comparative Summary of Actuarial Values and Percentages Covered by Actuarial Value of Assets – Solvency Test.

- Additional Discussion of Plan Funding and Other Measures of Funded Status.

- Statutory vs. Annual Required Contributions.

- Active Member Valuation Data.

- Participating Employers.

- Number and Salary of Active Members by Occupational Position as of June 30, 2005 (Lag) Actuarial Valuation.

- Number of Active Members by Occupational Position and Age as of June 30, 2005 (Lag) Actuarial Valuation.

- Number of Active Members by Occupational Position and Years of Service as of June 30, 2005 (Lag) Actuarial Valuation.

- Retirants and Beneficiaries Added to and Removed from Rolls.

The following information and schedules in other sections of the CAFR were prepared by the OA:

- Summary of Plan Membership.

- Schedule of Participating Employers.

If you have any questions about any of the information in this Actuarial Section or any of the actuarial information elsewhere in this CAFR, please do not hesitate to contact Mr. John R. Gibney, Jr. or me.

Respectfully submitted,

Robert C. North, Jr., F.S.A.
Chief Actuary

cc: Ms. D. D'Alessandro
Mr. J.R. Gibney
Mr. E. Hue
Mr. S.S. Krasner
Mr. J.A. Petrovic

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION

(1) Based upon a review of an October 2003 experience study by Gabriel, Roeder, Smith & Company ("GRS"), the Actuary issued an August 29, 2005 Report entitled "Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and After July 1, 2005 for the New York City Employees' Retirement System" ("August 2005 Report"). Where required, the Board of Trustees of the Plan adopted those changes to actuarial assumptions that required Board approval and the State Legislature and the Governor enacted Chapter 152 of the Laws of 2006 ("Chapter 152/06") to provide for those changes to the actuarial assumptions and methods that required legislation, including the Actuarial Interest Rate ("AIR") assumption of 8.0% per annum.

Chapter 152/06 provided for the changes in actuarial assumptions and methods that require legislation, including the continuation of the AIR assumption of 8.0% per annum and continuation of the current Frozen Initial Liability ("FIL") Actuarial Cost Method and the existing Unfunded Actuarial Accrued Liability ("UAAL"). In addition, Chapter 152/06 provided for elimination of the use of the ten-year phase-in of Chapter 278 of the Laws of 2002 ("Chapter 278/02") for funding the additional actuarial liabilities created by the benefits provided by Chapter 125 of the Laws of 2000 ("Chapter 125/00").

(2) The investment rate of return assumption is 8.0% per annum.

(3) The mortality tables for service and disability pensioners were developed from an experience study of the Plan's pensioners. Sample probabilities are shown in Tables 1A and 1B.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

(4) Active service tables are used to estimate various withdrawals from active service. Sample probabilities are shown in Table 2 for members withdrawing from active service due to Death or Disability, in Table 3 for members withdrawing from active service without employer-provided benefits or with Vested Benefits, and in Table 4 for members withdrawing from active service for Service Retirement.

(5) Salary Scales are used to estimate salaries at termination, retirement or death. Sample percentage increases are shown in Table 5. The Salary Scales include a General Wage Increase ("GWI") assumption of 3.0% per annum.

(6) The economic assumptions (i.e., the assumed investment return rate, GWI rate and Cost-of-Living Adjustments ("COLA") rate) were developed assuming a long-term Consumer Price Inflation ("CPI") assumption of 2.5% per annum. The COLA assumption is 1.3% per annum.

(7) The valuation assumes a closed group. Salaries of members on the valuation date are assumed to increase in accordance with the Salary Scales.

(8) The Frozen Initial Liability Actuarial Cost Method is utilized by the Plan's Actuary to calculate the contributions from the employers. Under this Actuarial Cost Method, the Initial Liability was reestablished by the Entry Age Actuarial Cost Method as of June 30, 1999 but with the UAAL not less than $0.

Under this method, the excess of the Actuarial Present Value ("APV") of projected benefits of members as of the valuation date, over the sum of the Actuarial Asset Value ("AAV") plus UAAL, if any, and APV of future employee contributions, is allocated on a level basis over the future earnings of members who are on payroll as of the valuation date. Actuarial gains and losses are reflected in the employer normal contribution rate.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

All outstanding components of the UAAL are being amortized over closed periods.

Chapter 85 of the Laws of 2000 ("Chapter 85/00") reestablished the UAAL and eliminated the Balance Sheet Liability ("BSL") for actuarial purposes as of June 30, 1999.

The schedule of payments toward the reestablished UAAL provides that the UAAL, if any, be amortized over a period of 11 years beginning Fiscal Year 2000, where each annual payment after the first annual payment equals 103% of its preceding annual payment.

However, the initial UAAL as of June 30, 1999 equaled $0 and no amortization period was required. There is an amortization period for the UAAL established after that date.

Chapter 86 of the Laws of 2000 established the UAAL as of June 30, 2001 for an Early Retirement Incentive. This UAAL is being amortized on a level basis over a period of five years beginning Fiscal Year 2002.

Chapter 69 of the Laws of 2002 established the UAAL as of June 30, 2003 for an Early Retirement Incentive (Part A only). This UAAL is being amortized on a level basis over a period of five years beginning Fiscal Year 2004.

(9) One-Year Lag Methodology uses a June 30, 2005 (Lag) valuation date to determine Fiscal Year 2007 Employer Contributions.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

This methodology requires technical adjustments to certain components used to determine Fiscal Year 2006 Employer Contributions as follows:

- Present Value of Future Salary ("PVFS")

  The PVFS at June 30, 2005 is reduced by the value of salary projected to be paid during Fiscal Year 2006.

- Salary for Determining Employer Contributions

  Salary used to determine the employer Normal Cost is the salary projected to be paid during Fiscal Year 2007 to members on payroll at June 30, 2005.

- Present Value of Future Normal Costs ("PVFNC")

  The PVFNC at June 30, 2005 is reduced by the discounted value of the Fiscal Year 2006 Employer Contribution (after offsetting for any UAAL payments).

(10) Beginning with the June 30, 2004 (Lag) actuarial valuation, the Actuarial Asset Valuation Method ("AAVM") was changed to a method which reset the AAV to Market Value (i.e., "Market Value Restart") as of June 30, 1999. As of each June 30 thereafter the AAVM recognizes investment returns greater or less than expected over a period of six years.

Under this revised AAVM, any Unexpected Investment Returns ("UIR") for Fiscal Years 2000 and later are phased into the AAV beginning the following June 30 at a rate of 15%, 15%, 15%, 15%, 20% and 20% per year (or cumulative rates of 15%, 30%, 45%, 60%, 80% and 100% over a period of six years).

These revised averaging factors were applied against the UIR computed under the prior five-year AAVM used for Fiscal Years 2000 to 2004.

The revised AAV was utilized for the first time in the June 30, 2004 (Lag) actuarial valuation to determine the Fiscal Year 2006 Employer Contribution in conjunction with the One-Year Lag Methodology and the revised economic and noneconomic assumptions.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

The AAVM in effect for the June 30, 2005 (Lag) actuarial valuation is unchanged from the AAVM used in the June 30, 2004 (Lag) actuarial valuation.

(11) The obligations of the Plan to the Correction Officers' Variable Supplements Fund ("COVSF") are recognized through the Liability Valuation Method.

Under this method the APV of Future SKIM from the Plan to the COVSF is included directly as an actuarial liability to the Plan. SKIM is all or a portion of the excess earnings on equity securities of the Plan which are transferable to the COVSF. The APV of Future SKIM is computed as the excess, if any, of the APV of benefits of the COVSF offset by the AAV of the COVSF.

(12) Chapter 125/00 provided eligible retirees and eligible beneficiaries with increased Supplementation as of September 2000 and with automatic Cost-of-Living Adjustments ("COLA") beginning September 2001.

Chapter 125/00 also provided for a five-year phase-in schedule for funding the additional actuarial liabilities created by the benefits provided by this law. Chapter 278/02 required the Actuary to revise the methodology and timing for determining the Statutory Contributions on account of the additional actuarial liabilities attributable to the benefits provided under Chapter 125/00 by extending the phase-in period for funding these liabilities from five years to ten years.

Chapter 152/06 eliminated the use of the ten-year phase-in of Chapter 278/02 for funding the additional actuarial liabilities created by Chapter 125/00.

(13) The salary data was adjusted to reflect overtime earnings. See Table following Item 14.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

(14) A Dual Overtime assumption (i.e., a Baseline Overtime assumption for most years and a separate overtime assumption for the years included in the calculation of Final Salary or Final Average Salary) was introduced as of June 30, 1995. The following table summarizes the overtime assumptions currently in use:

Group	Baseline Assumption[3]	Dual Assumptions[1][2]				
		Tier I Service[4]	Other Service[4]	Tier I Disability	Other Disability	Other Benefits
General	4%	4%	4%	4%	4%	4%
Transit	8%	16%	12%	6%	6%	8%
MTABT[5]	20%	24%	22%	10%	16%	20%
Sanitation[6]	20%	24%	22%	10%	16%	20%
Corrections[7]	12%	16%	14%	6%	10%	12%

---

(1) Overtime earned on an ongoing basis during a member's career plus or minus an adjustment to estimate the account of overtime earned in the year before retirement used to determine benefits.

(2) Comparable adjustments to these percentages would be made for benefits calculated using salary computed over different averaging periods.

(3) Overtime earned on an ongoing basis during a member's career. Baseline Overtime is included in "Salary Base for Pensions."

(4) Applies to both unreduced and reduced Service Retirements.

(5) MTA Bridges and Tunnels ("MTABT," formerly TBTA) amounts shown are for employees with 20 years of service. Baseline Overtime assumption equals 0% at zero years of service increasing uniformly to a maximum of 20% at 20 and more years of service. Dual Overtime assumption (i) equals Baseline Overtime assumption plus 4% for Tier I and plus 2% for Tier II, III and IV Service Retirees and (ii) Baseline Overtime assumption multiplied by 50% for Tier I and by 80% for Tier II, III and IV Disability Retirees.

(6) Amounts shown are for employees with 20 years of service. Baseline Overtime assumption equals 10% at zero years of service increasing uniformly to a maximum of 20% at 20 and more years of service. Dual Overtime assumption equals (i) Baseline Overtime assumption plus 4% for Tier I and plus 2% for Tier II, III and IV Service Retirees and (ii) Baseline Overtime assumption multiplied by 50% for Tier I and by 80% for Tier II, III and IV Disability Retirees.

(7) Amounts shown are for employees with 20 years of service. Baseline Overtime assumption equals 6% at zero years of service increasing uniformly to a maximum of 12% at 20 and more years of service. Dual Overtime assumption equals (i) Baseline Overtime assumption plus 4% for Tier I and plus 2% for Tier II, III and IV Service Retirees and (ii) Baseline Overtime assumption multiplied by 50% for Tier I and by 80% for Tier II, III and IV Disability Retirees. Amount shown in Table VI for Tier II Disability is rounded to nearest percent.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

TABLE 1A

Deaths among Service Pensioners

(Percentage of Pensioners Dying within Next Year)

	All Except Housing Police and Transit Police		Housing Police and Transit Police ("HP and TP")	
Age	**Males**	**Females**	**Males**	**Females**
40	.1209%	.0677%	.1151%	.0677%
50	.6640	.2205	.2781	.2205
60	1.3866	.7143	1.0416	.7143
70	3.1053	1.7416	2.2892	1.7416
80	7.2749	4.6138	5.1995	4.6138
90	16.5712	12.2729	13.7899	12.2729
100	32.8097	28.6331	30.1977	28.6331
110	100.0000	100.0000	100.0000	100.0000

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

TABLE 1B

Deaths among Disability Pensioners

(Percentage of Pensioners Dying within Next Year)

	All Except HP and TP, Sanitation and Correction Officers		Housing Police And Transit Police		Sanitation and Correction Officers	
Age	**Males**	**Females**	**Males**	**Females**	**Males**	**Females**
40	2.3055%	3.1297%	.1477%	.0817%	1.1527%	1.5649%
50	2.7639	3.2720	.4574	.2788	1.3820	1.6360
60	3.7649	3.4142	1.2209	.8895	2.2590	2.0485
70	5.3787	4.0596	2.7024	2.1653	3.7651	2.8417
80	9.0925	7.0032	6.0431	5.6527	7.2749	5.6025
90	16.8444	13.0674	16.4676	15.1220	16.5712	12.2729
100	32.8097	28.6331	36.7152	34.8130	32.8097	28.6331
110	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

TABLE 2

Withdrawals from Active Service (Due to Death or Disability)

(Percentage of Eligible Active Members Separating within Next Year)

Age	Accident Disability Retirement		Ordinary Disability Retirement		Accidental Death	Ordinary Death	
	Males	Females	Males	Females	All	Males	Females
General*							
20	.02%	.01%	.10%	.05%	--	.040%	.020%
25	.02	.01	.10	.05	--	.040	.020
30	.02	.01	.10	.05	--	.040	.020
35	.02	.01	.15	.05	--	.050	.025
40	.02	.01	.20	.10	--	.060	.030
45	.02	.01	.30	.20	--	.110	.055
50	.02	.01	.40	.30	--	.160	.080
55	.02	.01	.50	.40	--	.210	.105
60	.02	.01	.50	.40	--	.260	.130
65	.02	.01	.50	.40	--	.320	.160
70	NA	NA	NA	NA	NA	NA	NA
Transit Operating*							
20	.02%	.02%	.10%	.10%	.01%	.040%	.020%
25	.02	.02	.10	.10	.01	.040	.020
30	.02	.02	.10	.10	.01	.040	.020
35	.02	.02	.15	.15	.01	.050	.025
40	.02	.02	.20	.20	.01	.060	.030
45	.02	.02	.25	.25	.01	.110	.055
50	.02	.02	.30	.30	.01	.160	.080
55	.02	.02	.40	.40	.01	.210	.105
60	.02	.02	.50	.50	.01	.260	.130
65	.02	.02	.60	.60	.01	.320	.160
70	NA	NA	NA	NA	NA	NA	NA
MTA Bridges and Tunnels*							
20	.02%	.02%	.03%	.04%	.01%	.040%	.020%
25	.02	.02	.04	.04	.01	.040	.020
30	.03	.02	.05	.05	.01	.040	.020
35	.05	.02	.08	.06	.01	.050	.025
40	.07	.02	.21	.14	.01	.060	.030
45	.08	.02	.36	.30	.01	.110	.055
50	.09	.02	.49	.45	.01	.160	.080
55	.10	.02	.50	.50	.01	.210	.105
60	.10	.02	.50	.50	.01	.260	.130
65	.10	.02	.50	.50	.01	.320	.160
70	NA	NA	NA	NA	NA	NA	NA

* Assumed to retire immediately at age 70. See Tabulations of Membership and Beneficiaries for definition of "General."

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

TABLE 2

(Cont'd)

Withdrawals from Active Service (Due to Death or Disability)

(Percentage of Eligible Active Members Separating within Next Year)

Age	Accident Disability Retirement		Ordinary Disability Retirement		Accidental Death	Ordinary Death	
	Sanitation						
	Males	Females	Males	Females	All	Males	Females
20	.20%	.20%	.20%	.20%	.01%	.040%	.020%
25	.20	.20	.20	.20	.01	.040	.020
30	.20	.20	.30	.30	.01	.040	.020
35	.20	.20	.40	.40	.01	.050	.025
40	.20	.20	.50	.50	.01	.060	.030
45	.25	.25	.60	.60	.01	.110	.055
50	.30	.30	.80	.80	.01	.160	.080
55	.35	.35	1.00	1.00	.01	.210	.105
60	.50	.50	1.25	1.25	.01	.260	.130
65	.90	.90	1.50	1.50	.01	.320	.160
70	NA	NA	NA	NA	NA	NA	NA
	Correction Officers						
20	0.05%	0.05%	.10%	.10%	.01%	.040%	.020%
25	0.10	0.10	.10	.10	.01	.040	.020
30	0.15	0.15	.20	.20	.01	.040	.020
35	0.20	0.20	.30	.30	.01	.050	.025
40	0.30	0.30	.45	.45	.01	.060	.030
45	0.40	0.40	.65	.65	.01	.110	.055
50	0.50	0.50	.90	.90	.01	.160	.080
55	0.60	0.60	1.50	1.50	.01	.210	.105
60	0.70	0.70	3.00	3.00	.01	.260	.130
63	NA	NA	NA	NA	NA	NA	NA

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 3

Withdrawals from Active Service

Percentage of Active Members Withdrawing within Next Year

General Employees

Years of Service	Probability of Withdrawal
0	10.00%
5	4.50
10	3.00
15	2.50
20	2.00
25	2.00
30	2.00
35	2.00
40	2.00

Transit Employees

Years of Service	Probability of Withdrawal: Males	Probability of Withdrawal: Females
0	12.00%	15.00%
5	3.00	4.00
10	2.50	3.50
15	2.00	3.00
20	1.50	2.50
25	1.50	2.50
30	1.50	2.50
35	1.50	2.50

MTABT Employees

Years of Service	Probability of Withdrawal
0	5.00%
5	3.00
10	2.50
15	2.00
20	2.00
25	2.00
30	2.00
35	2.00

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 3

(Cont'd)

Withdrawals from Active Service

Percentage of Active Members Withdrawing within Next Year

Sanitation Employees

Years of Service	Probability of Withdrawal
0	6.00%
5	1.50
10	1.00
15	1.00
20	1.00
25	1.00
30	1.00
35	1.00

Correction Employees

Years of Service	Probability of Withdrawal
0	10.00%
5	4.00
10	3.00
15	2.50
20	2.00
25	2.00
30	2.00
35	2.00

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

TABLE 4

Withdrawals from Active Service (For Service Retirement)

(Percentage of Eligible Active Members Retiring)

		With Unreduced Service Retirement Benefits					
		Members Not Electing ORP[1]			Members Electing ORP[1]		
		Years of Service Since First Elig.			Years of Service Since First Elig.		
Age	With Reduced Benefits[2]	1	2	Ultimate	1	2	Ultimate
			General[3]				
50	2.00%	20.00%	15.00%	15.00%	60.00%	40.00%	20.00%
55	2.00	20.00	15.00	15.00	60.00	40.00	20.00
60	5.00	20.00	15.00	15.00	60.00	40.00	20.00
65	0.00	25.00	25.00	25.00	60.00	60.00	60.00
70	NA	100.00	100.00	100.00	100.00	100.00	100.00
			Transit Operating[3]				
50	2.00%	25.00%	20.00%	15.00%	60.00%	40.00%	20.00%
55	2.00	25.00	20.00	15.00	60.00	40.00	20.00
60	5.00	30.00	20.00	20.00	60.00	40.00	20.00
65	0.00	60.00	60.00	60.00	60.00	60.00	60.00
70	NA	100.00	100.00	100.00	100.00	100.00	100.00
			MTA Bridges and Tunnels[3]				
50	0.00%	30.00%	20.00%	10.00%	60.00%	40.00%	20.00%
55	2.00	30.00	20.00	10.00	60.00	40.00	20.00
60	5.00	30.00	20.00	20.00	60.00	40.00	20.00
65	0.00	60.00	60.00	60.00	60.00	60.00	60.00
70	NA	100.00	100.00	100.00	100.00	100.00	100.00

(1) Optional Retirement Programs ("ORP") under Chapter 96 of the Laws of 1995, Chapter 529 of the Laws of 1994 and Chapter 472 of the Laws of 1995 for General, Transit Operating and MTABT, respectively.

(2) Applicable only for certain Tier II and Tier IV members prior to eligibility for unreduced Service Retirement benefits.

(3) Assumed to retire immediately at age 70.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

TABLE 4

(Cont'd)

Withdrawals from Active Service (For Service Retirement)

(Percentage of Eligible Active Members Retiring)

		With Unreduced Service Retirement Benefits					
		Members Not Electing ORP[1]			Members Electing ORP[1]		
		Years of Service Since First Elig.			Years of Service Since First Elig.		
Age	With Reduced Benefits[2]	1	2	Ultimate	1	2	Ultimate
Sanitation[3]							
40	0.00%	40.00%	20.00%	15.00%	60.00%	40.00%	20.00%
45	0.00	40.00	20.00	15.00	60.00	40.00	20.00
50	2.00	40.00	20.00	15.00	60.00	40.00	20.00
55	2.00	40.00	20.00	15.00	60.00	40.00	20.00
60	5.00	40.00	20.00	20.00	60.00	40.00	20.00
65	0.00	60.00	60.00	60.00	60.00	60.00	60.00
70	NA	100.00	100.00	100.00	100.00	100.00	100.00
Correction Officers[3]							
40	0.00%	32.00%	10.00%	5.00%	60.00%	40.00%	20.00%
45	0.00	40.00	15.00	10.00	60.00	40.00	20.00

(1) Optional Retirement Programs ("ORP") under Chapter 547 of the Laws of 1992, Chapter 936 of the Laws of 1990 and Chapter 631 of the Laws of 1993 for Sanitation and Correction (Officers and Captains), respectively.

(2) Applicable only for certain Tier II and Tier IV members prior to eligibility for unreduced Service Retirement benefits.

(3) Sanitation assumed to retire immediately at age 70 and Correction Officers at age 63.

TABLE 4

(Cont'd)

Withdrawals from Active Service (For Service Retirement)

(Percentage of Eligible Active Members Retiring)

		With Unreduced Service Retirement Benefits					
		Members Not Electing ORP[1]			Members Electing ORP[1]		
		Years of Service Since First Elig.			Years of Service Since First Elig.		
50	2.00	40.00	20.00	15.00	60.00	40.00	20.00
55	2.00	40.00	25.00	15.00	60.00	40.00	20.00
60	5.00	40.00	25.00	20.00	60.00	40.00	20.00
63	NA	100.00	100.00	100.00	100.00	100.00	100.00

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2005 (LAG) ACTUARIAL VALUATION (Cont'd)

TABLE 5

Salary Scales

Assumed Annual Percentage Increases in Coming Year*

Years of Service	General	Transit Operating	Sanitation	Correction Officers	MTA Bridges And Tunnels
0	8.00%	18.00%	8.00%	13.00%	10.50%
5	5.50	4.00	3.50	3.50	4.00
10	5.00	4.00	5.00	5.00	4.00
15	4.50	4.00	5.00	5.00	4.00
20	4.50	4.00	5.00	5.00	4.00
25	4.50	4.00	5.00	5.00	4.00
30	4.50	4.00	5.00	5.00	4.00
35	4.50	4.00	5.00	5.00	4.00
40	4.50	4.00	5.00	5.00	4.00
45	4.50	4.00	5.00	5.00	4.00

* Salary Scales include a General Wage Increase assumption of 3.0% per annum.

CONTRIBUTIONS

The benefits of the System are financed by member and employer contributions and from investment earnings of the System.

A. Member Contributions

A member of Article 15 (Coordinated Plan) is mandated to contribute 3% of salary during all years of coverage. Effective October 1, 2000, these members, except for certain Transit Authority employees, are not required to make contributions after the 10th anniversary of their membership date or completion of ten years of credited service, whichever is earlier. A member of Article 14 (currently only Correction Officers) is mandated to contribute 3% of salary for not more than thirty years. Effective October 1, 2000, these members are not required to make contributions after the 10th anniversary of their membership date or completion of ten years of credited service, whichever is earlier. This is in addition to the Social Security contribution. Should a member die, resign or be otherwise terminated from city-service prior to completing five years of credited service, all of the members' contributions with 5% interest will be refunded for Article 14 members and Article 15 members upon request, or may be left on deposit for a maximum period of 5 years earning interest, so that the member retains membership.

All other members contribute by salary deductions on the basis of a rate of contribution which is assigned by the System at the time they select their plan. This rate, which is dependent upon the member's age and plan as well as the tables in effect for such purpose, is determined so as to provide an annuity of approximately one-quarter of the service retirement allowance at the earliest age for service retirement in those contributory plans for which a fixed number of years of service is required for service retirement, except that in the case of the career pension plan, the rates of members' contributions are determined so as to provide an annuity of approximately one-third of the benefit on account of the first 25 years of service. In plans which permit retirement for service at age 55 regardless of the number of years of service earned, the rate of contribution is calculated so as to provide an annuity equal to 1% of final compensation for each year of service at the earliest age for service retirement. For such plans, the contribution rate for members who enter at age 55 or over is the rate applicable to a member entering at age 54. Beginning July 1, 1970, no contributions are required from members who elect the Transit 20-Year Plan.

Member contributions are accumulated with interest in individually maintained accounts. Except under Articles 14 and 15, upon retirement the amount so credited (i.e., accumulated deductions) is used to purchase an annuity on the basis of the tables adopted by the Board of Trustees ("Board"). Upon death, the accumulated deductions are paid to the beneficiary and on termination of employment other than by death or retirement, the accumulated deductions are returned to the member.

Beginning July 1960, on a year-to-year basis, the members' contribution rates of certain categories of members were reduced by an Increased-Take-Home-Pay ("ITHP") rate equal to either two, two and one half, four or five percentage points. At present, the reduction is two and one-half percentage points for Sanitation and Correction members and two percentage points for all others except for (1) members in transit operating positions who, beginning July 1, 1970, were not required to contribute to the System, and (2) members in the Coordinated-Escalator and Coordinated Retirement plans. In general, the retirement and death benefits payable to, or on account of members, are supplemented by the reserve for ITHP, accumulated from City contributions equal to the ITHP rate times salary, so that the total benefit is equal to the benefit which would have been paid if the members' rate of contribution had not been reduced. However, the reserve for ITHP is not payable upon the death of a member who joins after June 30, 1973.

In addition to the member contributions described previously, certain members make additional contributions ranging from 1.85% to 7.46% for improved early retirement benefits.

Effective October 1, 2000, Tier 3 and 4 members are not required to make basic required contributions after the 10th anniversary of their membership date or completion of ten years of credited service, whichever is earlier.

B. Employer Contributions

The Frozen Initial Liability Actuarial Cost Method of funding is utilized by the Plan's Actuary to calculate the contributions required of the employers.

Employer contributions are accrued by the Plan and are funded by the employers on a current basis. The contributions amounted to $1,471,029,609 for the Fiscal Year ended June 30, 2007.

TABULATIONS OF MEMBERSHIP AND BENEFICIARIES

The Board maintains in the office of the Executive Director of the retirement system complete records of every member of the retirement system. Some of the information is obtained from payrolls which show each member's salary and contributions, status, title, leave of absence and cessation of service. Records are maintained in numerical order according to the register number of each member. Valuation records were prepared from these records and each year they are updated to reflect terminations, additions and changes in status and salary.

For recent actuarial valuations, members are separated into six groups, namely: (1) General (for calculation purposes, these are further subdivided into physically-taxing and non-physically-taxing groups), (2) Transit Operating positions, (3) MTA Bridges and Tunnels members, (4) Sanitation members, (5) members of the Housing and Transit Police Forces, and (6) members of the Correction Force.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

COMPARATIVE SUMMARY OF ACTUARIAL VALUES AND PERCENTAGES
COVERED BY ACTUARIAL VALUE OF ASSETS

SOLVENCY TEST
(Dollar amounts in thousands)

	Aggregate Accrued Liabilities for						
As of June 30	Accumulated Member Contributions (A)	Current Retirants and Beneficiaries (B)	Active Members' Employer Financed Portion (C)	Actuarial Value of Assets (D)	Percentage of Actuarial Values Covered by Actuarial Value of Assets (A)	(B)	(C)
1999	$2,313,739	$16,293,576	$ 9,133,979	$40,936,024	100%	100%	100%
2000	2,526,740	19,113,627	10,270,090	42,393,627	100	100	100
2001	2,696,547	19,913,567	10,861,052	43,015,355	100	100	100
2002	3,582,800	20,347,229	11,544,915	43,561,103	100	100	100
2003	3,661,929	22,208,613	11,053,574	42,055,984	100	100	100
2004	3,816,154	22,602,440	11,922,201	40,088,213	100	100	100
2004 (Lag)	3,816,154	22,602,440	12,760,288	40,638,628	100	100	100
2005 (Lag)	4,011,511	23,194,237	13,611,941	39,692,426	100	100	92

Also, see following "SOLVENCY TEST - NOTES."

COMPARATIVE SUMMARY OF ACTUARIAL VALUES AND PERCENTAGES COVERED BY ACTUARIAL VALUE OF ASSETS

SOLVENCY TEST - NOTES

The ultimate test of financial soundness in a retirement system is its ability to pay all of its promised benefits when due. The retirement system's progress in accumulating assets to pay all promised benefits can be measured by comparing the Actuarial Value of Assets of the retirement system with the Aggregate Accrued Liabilities for:

(A) Accumulated Member Contributions;
(B) Current Retirants and Beneficiaries; and
(C) Active Members' Employer Financed Portion.

The Aggregate Accrued Liabilities are the APV of projected benefits produced by the projected benefit attribution approach prorated on service. The Aggregate Accrued Liabilities were calculated in accordance with Governmental Accounting Standards Board Statement No. 5 ("GASB 5").

This comparative summary allocated assets as if they were priority groups, somewhat similar to (but not identical to) the priority categories of Section 4044 of the Employee Retirement Income Security Act of 1974 ("ERISA").

The values in the table are dependent upon census data, benefit levels (which have changed on occasion over the past years), and the actuarial assumptions and methods employed at each valuation date. These underlying bases can be found within the Comprehensive Annual Financial Report for each respective year.

To fully evaluate trends in financial soundness, changes in assumptions need to be evaluated. The economic assumptions used in the actuarial calculations include the following:

Valuation Date (June 30)	Assumed Annual Rate of Return On Investments	Assumed General Wage Increase
1999	8.00%	3.0%
2000	8.00%	3.0%
2001	8.00%	3.0%
2002	8.00%	3.0%
2003	8.00%	3.0%
2004	8.00%	3.0%
2004 (Lag)	8.00%	3.0%
2005 (Lag)	8.00%	3.0%

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS

<u>On-Going Funding of the Plan</u>

Under the basic equation of pension funding, Contributions plus Investment Earnings pay for Benefits plus Expenses.

There are three major sources for financing those Benefits and Expenses paid from the Plan.

First, Member Contributions are established by statute and paid as percentages of member salaries.

Second, Investment Earnings reflect the rates of return achieved on the amounts of assets held in different asset classes in the Trust.

Third, Employer Contributions are determined by actuarial methodology to finance the Benefits payable by the Plan that are not provided by either Member Contributions or Investment Earnings and for the Administrative and Investment Expenses of the Plan.

This actuarial methodology includes demographic and certain tabular assumptions recommended by the Actuary and adopted by the Board of Trustees, and certain economic assumptions and financing methods recommended by the Actuary, supported by the Board of Trustees and, where required, enacted into law by the New York State Legislature and Governor.

Employer Contributions are particularly responsive to Investment Earnings and increase (decrease) on a smoothed basis whenever Investment Earnings are less (more) than expected.

For example, during Fiscal Years 2001 to 2003, the Assets of the Plan decreased because they earned less than expected. Consequently, over the following several years, the actuarial methodology responds by increasing Employer Contributions in order to bring the overall financial status of the Plan back into balance.

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS (Cont'd)

Due to Investment Earnings between Fiscal Years 2001 and 2003 being substantially less than anticipated, the increases in Employer Contributions to the Plan over the following few Fiscal Years are significant.

The New York City Charter requires an independent actuary to conduct an experience review of the Plan every two years. The Actuary utilizes this information and regularly proposes changes in actuarial assumptions and methods, most recently during Fiscal Year 2006.

These most recent changes, approved by the Board of Trustees and implemented during Fiscal Year 2006, include (1) updated demographic assumptions, (2) full recognition of all Obligations of the Plan (i.e., removing the statutory phase-in of certain liabilities) and (3) revised methodologies for smoothing changes in Employer Contributions due to Plan experience. Together, these changes further enhance the long-term financial integrity of the Plan.

The ongoing process of actuarial rebalancing and periodic reviews of actuarial assumptions and methods by the Actuary and the Board of Trustees, coupled with a financially responsible, long-duration employer like the City of New York (the "City") and other participating Employers that can afford some variability of Employer Contributions, help provide financial security for the Plan and its participants and reasonable intergenerational budget equity for taxpayers.

With the City and other participating Employers that have always paid and are expected to continue to pay the statutorily-required Employer Contributions as calculated by the Actuary and approved by the Board of Trustees, changes in Employer Contributions represent the source for rebalancing the basic equation of pension funding.

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS (Cont'd)

Other Measures of Funded Status

Measures of Funded Status of the Plan are determined at specific points in time and are usually expressed in various relationships of Assets to Obligations. Assets as percentages of Obligations are referred to as Funded Ratios.

Comparisons of Funded Ratios over time can provide insight into the long-term financial trend of the Plan.

The Other Measures of Funded Status presented herein provide somewhat different insights into the financial condition of the Plan and comparisons amongst these Other Measures of Funded Status can provide even more.

As noted, there are multiple, possible definitions of the Plan's Assets and Obligations. Some of these definitions of and comments on Assets and Obligations are set forth immediately hereafter. Additional observations about the meanings and usefulness of and the relationships amongst certain of the Funded Ratios are provided following the table of Funded Ratios.

Definition of and Comments on Assets

With respect to Assets, both Market Value of Assets ("MVA") and the Actuarial Value of Assets (or Actuarial Asset Value ("AAV")) are used to determine Funded Ratios.

In the case of the Plan, the AAVM currently in use provides for smoothing of the MVA by phasing any Unexpected Investment Returns (i.e., Investment Earnings greater or less than those expected under the actuarial assumption of 8.0% of AAV each year) into the AAV over a period of six years.

The advantage of using MVA is that it represents the tradable value of the Assets of the Plan at any point in time.

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS (Cont'd)

The advantage of using AAV is that it is smoothed to remove the volatility of MVA. The disadvantage of AAV is that it is not the tradable value of Assets in the marketplace and, therefore, does not show the volatility of the Assets.

<u>Definition of and Comments on Obligations</u>

With respect to Obligations, the Actuarial Accrued Liability ("AAL") under any particular Actuarial Cost Method ("ACM") is that portion of the APV of projected benefits which is not provided by normal costs (employer and employee).

With respect to the Plan, where the ACM is the Frozen Initial Liability ("FIL") ACM, the AAL mathematically can be recast as the Unfunded AAL ("UAAL") plus the AAV. To the extent that the UAAL does not change much year to year, then the related AAL remains relatively consistent in value with the AAV each year.

With respect to the ongoing funding of the Plan, the use of the FIL ACM provides for amortizing actuarial gains and losses over the future working lifetimes of active employees. As used by the Plan, the FIL ACM generally results in funding that is more conservative (i.e., greater Employer Contributions) than that of most other Public Pension Plans.

The Entry Age Accrued Liability ("EAAL") is defined as the APV of projected benefits less the sum of the APV of future employee contributions and the APV of future employer entry age normal costs.

The EAAL is a required disclosure in accordance with Governmental Accounting Standards Board ("GASB") Statement Number 43 ("GASB 43") and GASB Statement Number 45 ("GASB 45") for Other Post-Employment Benefits ("OPEB") under certain ACM.

In accordance with GASB Statement Number 50 ("GASB 50"), when effective, the EAAL will be a required disclosure for certain Public Pension Plans that utilize the Aggregate ACM.

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS (Cont'd)

The Entry Age ACM is the most-commonly utilized ACM for funding Public Pension Plans.

The Projected Benefit Obligation ("PBO") is defined as the APV of all benefits attributed by the Plan's benefit formula to employee service rendered prior to the valuation date. The PBO was required reporting under GASB Statement Number 5 ("GASB 5") prior to its replacement by GASB 25 and GASB 27.

The Accumulated Benefit Obligation ("ABO") is determined in the same manner as the PBO but without assuming future salary increases.

The Market Value Accumulated Benefit Obligation ("MVABO") is determined in the same manner as an ABO using the same actuarial assumptions except that projected benefit payments are discounted using the expected yields on U.S. Treasury securities of like duration. The MVABO is sometimes described as a Mark-to-Market measure of Obligations or a Market Value of Liabilities ("MVL).

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS (Cont'd)

Table of Asset and Obligation Values

The following table presents the values of Assets and Obligations used to calculate alternative Funded Ratios.

Component Measures of Funded Status

(Dollar Amounts in Millions)

Valuation Date	Market Value of Assets (MVA)	Actuarial Asset Value (AAV)[#]	Actuarial Accrued Liability (AAL)*	Entry Age Accrued Liability (EAAL)**	Projected Benefit Obligation (PBO)**	Accumulated Benefit Obligation (ABO)**	Market Value Accumulated Benefit Obligation (MVABO)***
6/30/99	$40,936.0	$40,936.0	$40,936.0	$30,147.6	$27,741.3	$24,233.2	$29,754.6
6/30/00	42,824.0	42,393.6	42,418.7	34,797.5	31,910.5	28,997.5	35,572.3
6/30/01	37,251.8	43,015.4	43,087.6	36,654.3	33,471.2	30,173.2	38,378.9
6/30/02	32,842.0	43,561.1	43,619.9	38,905.2	35,474.9	32,346.4	40,851.3
6/30/03	31,524.7	42,056.0	42,244.1	40,423.5	36,924.1	33,990.8	48,897.3
6/30/04	34,177.3	40,088.2	40,236.3	42,063.6	38,340.8	35,249.0	45,583.8
6/30/04 (Lag)	34,177.3	40,638.6	40,786.7	43,010.2	39,178.9	35,081.1	45,435.8
6/30/05 (Lag)	35,526.3	39,692.4	39,797.1	44,881.3	40,817.7	36,492.6	55,431.5
6/30/06 (Lag)[##]	37,288.2	38,367.1	38,431.3	46,478.8	42,390.5	37,960.7	49,760.6

[#] The AAV used for the June 30, 1999 to June 30, 2004 actuarial valuations assumes the AAV was reset to MVA as of June 30, 1999. As of each June 30 thereafter, the AAV recognizes Investment Returns greater or less than expected over a period of five years (six years beginning with the June 30, 2004 (Lag) actuarial valuation).

* Calculated in accordance with the Actuarial Cost Method (i.e., Frozen Initial Liability) and actuarial assumptions used for determining Employer Contributions.

** Calculated based on actuarial assumptions used for determining Employer Contributions.

*** Calculated based on actuarial assumptions used for determining Employer Contributions except that projected benefit payments are discounted using U.S. Treasury Spot Rates as published by the Department of the Treasury Office of Thrift Supervision in its Selected Asset and Liability Price Tables. The Obligations shown here are more precisely determined and differ modestly from the amounts shown in prior years. The average, annual discount yields as of June 30, 1999, 2000, 2001, 2002, 2003, 2004, 2004 (Lag), 2005 (Lag) and 2006 (Lag) equal approximately 6.0%, 6.0%, 5.7%, 5.7%, 4.6%, 5.5%, 5.5%, 4.2% and 5.4%, respectively and the durations of the Obligations as of June 30, 1999, 2000, 2001, 2002, 2003, 2004, 2004 (Lag), 2005 (Lag) and 2006 (Lag) equal approximately 10.8 years, 11.2 years, 11.0 years, 10.4 years, 11.4 years, 10.8 years, 10.9 years, 12.7 years and 11.7 years, respectively.

[##] The June 30, 2006 (Lag) figures are preliminary and are generally based on the same census data, actuarial assumptions and methods used to develop published, preliminary Fiscal Year 2008 employer contributions.

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS (Cont'd)

Table of Funded Ratios

The following table presents alternative Funded Ratios comparing Assets to Obligations, including: (1) AAV divided by AAL, (2) AAV divided by EAAL, (3) MVA divided by EAAL, (4) AAV divided by PBO, (5) MVA divided by PBO, (6) AAV divided by ABO, (7) MVA divided by ABO and (8) MVA divided by MVABO.

Funded Ratios

Valuation Date	AAV/AAL	AAV/EAAL	MVA/EAAL	AAV/PBO	MVA/PBO	AAV/ABO	MVA/ABO	MVA/MVABO
6/30/99	100%	136%	136%	148%	148%	169%	169%	138%
6/30/00	100	122	123	133	134	146	148	120
6/30/01	100	117	102	129	111	143	123	97
6/30/02	100	112	84	123	93	135	102	80
6/30/03	100	104	78	114	85	124	93	64
6/30/04	100	95	81	105	89	114	97	75
6/30/04 (Lag)	100	94	79	104	87	116	97	75
6/30/05 (Lag)	100	88	79	97	87	109	97	64
6/30/06 (Lag)[#]	100	83	80	91	88	101	98	75

[#] Preliminary.

Comments on Funded Ratios and Funding Methodology

With respect to the different Funded Ratios shown in the preceding table, the ratio of AAV/AAL is from the Schedule of Funding Progress (Schedule 1) presented in the Financial Section of this CAFR.

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS (Cont'd)

Due to the mathematics of the FIL ACM where AAL equals AAV plus UAAL, the AAV/AAL Funded Ratios tend to remain relatively constant from year to year and provide limited insight into the ongoing financial performance of the Plan.

The Other Measures of Funded Status shown in the preceding table provide different relationships between the Assets and Obligations of the Plan and are designed to offer additional insight into the Funded Status of the Plan that the Actuary believes useful to some users.

The ratios of AAV/EAAL reflect information that will be a required disclosure for certain Public Pension Plans that utilize the Aggregate ACM. This requirement currently exists for certain OPEB plans under GASB 43 and GASB 45.

The ratios of AAV/PBO present information that was previously required under GASB 5 and is a comparable but somewhat different representation of the information shown in the Solvency Test presented earlier in this Section of the CAFR.

The ratios of MVA/MVABO provide information on Funded Status that is (1) independent of the asset allocation of the Plan, (2) exclusive of any advance recognition of expected asset risk premia (e.g., equity risk premium) and (3) absent any smoothing of asset values.

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS (Cont'd)

Inherent in its design, the MVA/MVABO Funded Ratio is expected to be volatile due to the impact of asset gains and losses without smoothing and the impact of changes in interest rates in the economy. Such volatility is a reflection of markets and can provide useful disclosure information. However, such volatility is not consistent with the needs of budgeting. Those budgeting needs are met by the actuarial assumptions and FIL ACM currently in use to determine Employer Contributions.

Comparing the MVA/EAAL to AAV/EAAL, MVA/PBO to AAV/PBO or MVA/ABO to AAV/ABO provides an opportunity to evaluate the degree of smoothing provided by the Actuarial Asset Valuation Method.

Comparing Funded Ratios based on the same Assets (i.e., MVA or AAV) but different definitions of Obligations (e.g., EAAL versus PBO versus ABO) provides an opportunity to evaluate the differences in those different definitions of Obligations.

Comparing AAV/PBO with AAV/ABO provides insight into the impact of expected salary growth on the value of benefits earned to date.

Comparing MVA/ABO with MVA/MVABO provides an opportunity to compare the impact of alternative interest rates on discounting the ABO.

It should also be noted that Measures of Funded Status are best examined with more consideration of their trends over time than their values at any given point in time.

Finally, over time, it should be noted that as the City and other participating Employers pay into the Plan the actuarially-determined Employer Contributions, all Funded Ratios can be expected to increase from their current levels.

STATUTORY VS. ANNUAL REQUIRED CONTRIBUTIONS

Fiscal Year Ended	Statutory Contribution[1]	Annual Required Contribution	Employer Rate of Contribution[2]
6/30/00	$ 68,619,745	$ 68,619,745	.915%
6/30/01	100,024,692	100,024,692	1.271
6/30/02	105,660,069	105,660,069	1.241
6/30/03	107,992,496	197,823,998	1.213
6/30/04	310,589,074	542,229,450	3.526
6/30/05	822,763,025	1,020,379,985	8.985
6/30/06*	1,024,358,175	1,024,358,175	11.142
6/30/07**	1,471,029,609	1,471,029,609	15.556

(1) Generally, represents employer contributions made for the current fiscal year. This figure includes overpayments in prior fiscal years and excludes overpayments made during the current fiscal year. Equals total employer contributions accrued for the current fiscal year.

The Statutory Contributions for Fiscal Years 2003 through 2005 were computed in accordance with Chapter 125/00 which provided for a five-year phase-in of the additional actuarial liabilities attributable to Chapter 125/00 and Chapter 278/02 which extended the phase-in period for funding these liabilities from five years to ten years.

The Statutory Contributions for Fiscal Years 2006 and 2007 were computed in accordance with Chapter 152/06 which eliminated the use of ten-year phase-in of Chapter 278/02 for funding the additional actuarial liabilities attributed to Chapter 125/00.

(2) The employer rates of contribution equal the statutory contributions as percentages of the salaries of members who were on payroll or projected to be on payroll (under One-Year Lag Methodology) as of the preceding June 30th increased to reflect overtime earnings and adjusted, where applicable, to be consistent with collective bargaining agreements estimated to be achieved.

* Based on June 30, 2004 (Lag) Actuarial Valuation.

** Based on June 30, 2005 (Lag) Actuarial Valuation.

ACTIVE MEMBER VALUATION DATA

Valuation Date	Number	Annual Payroll	Average Annual Salary	Percentage Increase in Average Salary
6/30/99	169,458	$7,501,387,761	$44,267	5.6%
6/30/00	171,013	7,871,003,496	46,026	4.0
6/30/01	174,199	8,515,269,538	48,882	6.2
6/30/02	177,511	8,901,110,489	50,144	2.6
6/30/03	173,434	8,807,618,852	50,784	1.3
6/30/04	174,997	9,157,412,418	52,329	3.0
6/30/04 (Lag)	174,997	9,361,185,982*	53,493	5.3**
6/30/05 (Lag)	175,332	9,670,785,683	55,157	3.1

* The annualized covered payroll under the One-Year Lag Methodology used for the Fiscal Year 2006 Employer Contributions differs from that as of June 30, 2004 to compute Fiscal Year 2005 Employer Contributions due to changes in actuarial assumptions and more recent information on labor contract settlements.

** Increase from June 30, 2003.

PARTICIPATING EMPLOYERS

Employer	June 30, 2005 (Lag)[1] Number of Employees	June 30, 2005 (Lag)[1] Annual Payroll	June 30, 1997[1] Number of Employees	June 30, 1997[1] Annual Payroll
City of New York	88,679	$4,854,799,924	85,362	$3,449,942,849
NYC Transit Authority	38,731	2,376,403,612	35,527	1,718,639,598
NYC Housing Authority	12,316	593,757,176	12,628	439,319,827
NYC Health and Hospitals Corporation	28,686	1,522,177,817	24,168	936,741,602
MTA Bridges and Tunnels	1,670	109,930,269	1,236	69,486,070
NYC Off-Track Betting Corporation	1,148	42,583,744	1,224	37,239,697
NYC School Construction Authority	48	4,122,482	30	1,965,394
NYC Housing Development Corporation	54	4,623,117	9	509,139
NYC Residential Mortgage Insurance Corporation[2]	0	0	2	102,823
City University of New York	3,976	160,599,302	3,339	97,473,947
New York State	13	747,017	34	1,466,997
NYC Water Municipal Authority	11	1,041,223	1	38,668
Total	175,332	$9,670,785,683	163,560	$6,752,926,611

(1) The Number of Employees and their corresponding salaries (Annual Payroll) includes only those who were on the payroll as of June 30.

(2) On July 31, 1992, Chapter 702 of the Laws of 1992 was enacted and created the New York City Residential Mortgage Insurance Corporation (the **new** "REMIC") as a subsidiary of the New York City Housing Development Corporation ("HDC"). It became effective January 27, 1993. The **new** REMIC assumes all of the obligations of the New York City **Rehabilitation** Mortgage Insurance Corporation (the old "REMIC") which dissolved on that date.

NUMBER AND SALARY OF ACTIVE MEMBERS BY OCCUPATIONAL POSITION AS OF JUNE 30, 2005 (LAG) ACTUARIAL VALUATION[1]

Occupation	Number	Annual Payroll	Average Annual Salary
Other	121,854	$6,221,869,949	$51,060
Transit Operating Positions	35,333	2,126,743,791	60,191
MTA Bridges and Tunnels	1,670	109,930,269	65,827
Uniform Sanitation	7,473	540,078,526	72,271
Transit and Housing Police Forces[2]	0	0	0
Uniform Correction Force	9,002	672,163,148	74,668
Total	175,332	$9,670,785,683	$55,157

(1) The number of members (Number) and their corresponding salaries (Annual Payroll) include only those who were on the payroll as of June 30, 2005.

(2) During April 1995 the Housing and Transit Police forces were merged into the New York City Police Department and most Housing and Transit Police members of NYCERS were transferred to the New York City Police Pension Fund.

NUMBER OF ACTIVE MEMBERS BY OCCUPATIONAL POSITION AND AGE AS OF JUNE 30, 2005 (LAG) ACTUARIAL VALUATION[1]

Age	Total	Other	Transit Operating	MTA Bridges & Tunnels	Sanitation	Housing & Transit Police[2]	Correction
20 – 24	1,403	994	149	22	197	0	41
25 – 29	6,789	4,938	694	117	641	0	399
30 – 34	11,858	7,766	2,013	211	934	0	934
35 – 39	20,734	12,999	4,367	237	1,133	0	1,998
40 – 44	31,030	19,392	6,882	287	1,492	0	2,977
45 – 49	32,950	22,857	6,978	292	1,090	0	1,733
50 – 54	30,463	21,611	6,587	255	1,252	0	758
55 – 59	22,981	17,381	4,726	171	556	0	147
60 – 64	11,871	9,496	2,164	56	143	0	12
65 – 69	3,868	3,184	640	14	29	0	1
70 – 74	1,385	1,236	133	8	6	0	2
Total	175,332	121,854	35,333	1,670	7,473	0	9,002

(1) Member count for this schedule represents only members receiving salary as of June 30, 2005.

(2) During April 1995 the Housing and Transit Police forces were merged into the New York City Police Department and most Housing and Transit Police members of NYCERS were transferred to the New York City Police Pension Fund.

NUMBER OF ACTIVE MEMBERS
BY OCCUPATIONAL POSITION AND YEARS OF SERVICE
AS OF JUNE 30, 2005 (LAG) ACTUARIAL VALUATION[1]

Years of Service	Total	Other	Transit Operating	MTA Bridges & Tunnels	Sanitation	Housing & Transit Police[2]	Correction
Under 5	39,738	31,149	5,190	633	1,382	0	1,384
5 – 9	37,665	25,693	8,045	303	1,789	0	1,835
10 – 14	30,835	23,257	5,622	189	897	0	870
15 – 19	34,456	20,373	7,566	243	2,123	0	4,151
20 – 24	19,450	11,662	5,880	199	1,070	0	639
25 – 29	7,345	4,880	2,176	70	132	0	87
30 – 34	4,238	3,562	554	29	60	0	33
35 – 39	1,323	1,025	275	3	18	0	2
40 – 44	282	253	25	1	2	0	1
Total	175,332	121,854	35,333	1,670	7,473	0	9,002

(1) Member count for this schedule represents only members receiving salary as of June 30, 2005.

(2) During April 1995 the Housing and Transit Police forces were merged into the New York City Police Department and most Housing and Transit Police members of NYCERS were transferred to the New York City Police Pension Fund.

RETIRANTS AND BENEFICIARIES ADDED TO AND REMOVED FROM ROLLS

Fiscal Year Ended	Added to Rolls		Removed from Rolls		Rolls End of Year		% Increase In Annual Allowances	Average Annual Allowances	% Increase In Average Annual Allowances
	Number	Annual Allowances	Number	Annual Allowances	Number[1]	Annual Allowances[1]			
6/30/99	3,981	$147,379,109	4,539	$52,202,024	121,880	$1,919,632,538	5.2%	$15,70	5.7%
6/30/00	5,289	115,346,545	4,408	54,394,949	122,761	1,980,584,134	3.2	16,134	2.4
6/30/01	6,016	362,105,133	4,819	60,066,235	123,958	2,282,623,032	15.2	18,414	14.1
6/30/02	4,188	138,015,691	4,669	73,179,634	123,477	2,347,459,089	2.8	19,011	3.2
6/30/03	9,162	262,015,975	4,614	73,188,882	128,025	2,536,286,182	8.0	19,811	4.2
6/30/04[2]	4,205	148,280,745	4,885	78,618,501	127,345	2,605,948,426	2.7	20,464	3.3
6/30/05 (Lag)	6,274	161,299,370	5,905	91,199,924	127,714	2,676,047,872	2.7	20,953	2.4

(1) Number at End of Year and Annual Allowances include all those and only those retirants on pension payroll for amounts actually paid and are not adjusted for anticipated changes due to finalization of benefit calculation or contract settlements.

(2) Same amounts apply for June 30, 2004 (Lag) actuarial valuation.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

APPENDIX A

CENSUS DATA FOR ACTIVE MEMBERS

AS OF JUNE 30, 2005 (Lag)

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM
ACTIVE VALUATION AS OF JUNE 30, 2005

TIER: ALL GENDER:M&F

AGE	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40&UP	UNKNOWN	ALL YEARS
NUMBERS:											
UNDER 20	6	-	-	-	-	-	-	-	-	-	6
20 TO 24	1,330	67	-	-	-	-	-	-	-	-	1,397
25 TO 29	5,450	1,322	17	-	-	-	-	-	-	-	6,789
30 TO 34	6,458	4,501	866	33	-	-	-	-	-	-	11,858
35 TO 39	6,637	6,911	4,745	2,379	62	-	-	-	-	-	20,734
40 TO 44	6,233	7,298	6,828	8,729	1,880	62	-	-	-	-	31,030
45 TO 49	5,347	6,438	6,410	8,370	5,147	1,220	18	-	-	-	32,950
50 TO 54	4,052	4,951	5,165	6,416	5,644	2,875	1,279	81	-	-	30,463
55 TO 59	2,658	3,621	3,735	4,663	3,892	1,966	1,873	563	10	-	22,981
60 TO 64	1,182	1,794	2,041	2,636	2,033	879	737	466	103	-	11,871
65 TO 69	305	617	783	887	580	238	226	153	79	-	3,868
70 & UP	80	145	245	343	212	105	105	60	90	-	1,385
UNKNOWN	-	-	-	-	-	-	-	-	-	-	-
	39,738	37,665	30,835	34,456	19,450	7,345	4,238	1,323	282	-	175,332
SALARIES (IN THOUSANDS):											
UNDER 20	233	-	-	-	-	-	-	-	-	-	233
20 TO 24	46,215	3,439	-	-	-	-	-	-	-	-	49,654
25 TO 29	216,408	64,549	778	-	-	-	-	-	-	-	281,735
30 TO 34	286,656	232,881	46,352	1,903	-	-	-	-	-	-	567,792
35 TO 39	306,514	370,460	263,475	153,964	3,926	-	-	-	-	-	1,098,339
40 TO 44	293,952	389,511	384,169	562,321	120,038	4,295	-	-	-	-	1,754,286
45 TO 49	258,679	346,811	373,019	516,818	320,586	74,961	1,097	-	-	-	1,891,971
50 TO 54	198,481	269,498	296,200	385,687	360,312	191,049	76,072	4,969	-	-	1,782,268
55 TO 59	129,418	191,920	207,335	265,035	232,417	124,622	120,148	35,672	698	-	1,307,265
60 TO 64	57,658	90,013	112,055	143,128	114,894	53,286	45,041	29,629	7,022	-	652,726
65 TO 69	16,111	31,567	42,724	47,600	32,576	13,737	14,010	9,742	5,107	-	213,174
70 & UP	3,465	6,826	12,529	17,036	10,843	5,633	5,639	3,320	6,052	-	71,343
UNKNOWN	-	-	-	-	-	-	-	-	-	-	-
	1,813,790	1,997,475	1,738,636	2,093,492	1,195,592	467,583	262,007	83,332	18,879	-	9,670,786
AVERAGE SALARIES:											
UNDER 20	38,897	-	-	-	-	-	-	-	-	-	38,897
20 TO 24	34,748	51,334	-	-	-	-	-	-	-	-	35,544
25 TO 29	39,708	48,827	45,786	-	-	-	-	-	-	-	41,499
30 TO 34	44,388	51,740	53,525	57,678	-	-	-	-	-	-	47,883
35 TO 39	46,183	53,604	55,527	64,718	63,325	-	-	-	-	-	52,973
40 TO 44	47,161	53,372	56,264	64,420	63,850	69,276	-	-	-	-	56,535
45 TO 49	48,378	53,869	58,193	61,747	62,286	61,444	60,910	-	-	-	57,419
50 TO 54	48,984	54,433	57,348	60,113	63,840	66,451	59,477	61,345	-	-	58,506
55 TO 59	48,690	53,002	55,511	56,838	59,717	63,389	64,148	63,360	69,867	-	56,885
60 TO 64	48,779	50,174	54,902	54,298	56,515	60,621	61,115	63,582	68,176	-	54,985
65 TO 69	52,820	51,162	54,564	53,663	56,167	57,721	61,992	63,677	64,649	-	55,112
70 & UP	43,324	47,072	51,136	49,666	51,149	53,648	53,710	55,334	67,243	-	51,511
UNKNOWN	-	-	-	-	-	-	-	-	-	-	-
TOTAL	45,644	53,033	56,385	60,758	61,470	63,660	61,823	62,987	66,950	-	55,157

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

APPENDIX B

CENSUS DATA FOR PENSIONERS

AS OF JUNE 30, 2005 (Lag)

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM
PENSIONER VALUATION AS OF JUNE 30, 2005

SUMMARY BY CAUSE AND SEX

ALL FILES

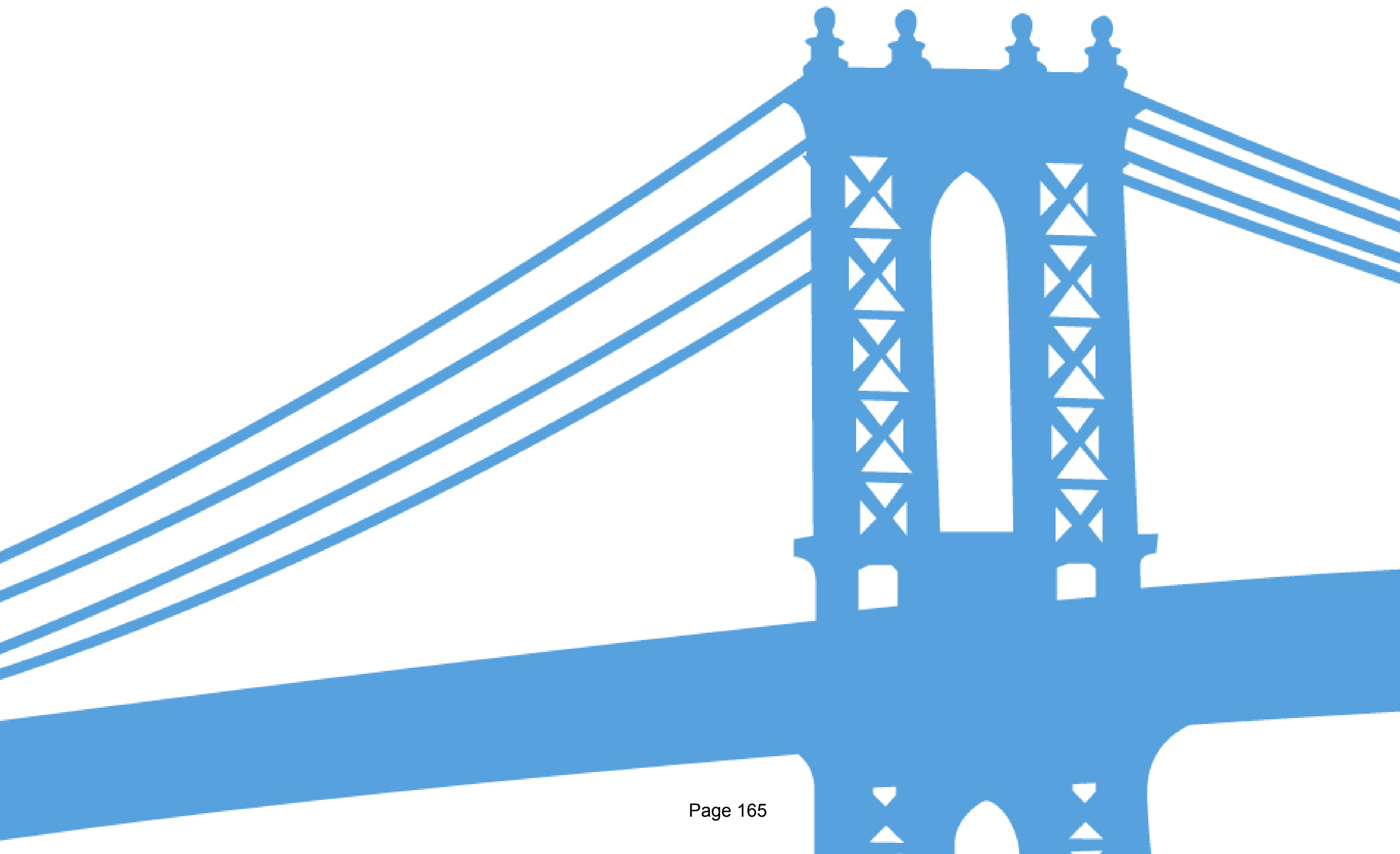
AGE	MALE NUMBER	MALE BENEFITS	MALE AVERAGE	FEMALE NUMBER	FEMALE BENEFITS	FEMALE AVERAGE	BOTH MALE & FEMALE NUMBER	BOTH MALE & FEMALE BENEFITS	BOTH MALE & FEMALE AVERAGE
ACCIDENTAL DISABILITY:									
UNDER 30	1	27,405	27,405	0	0	0	1	27,405	27,405
30 TO 34	14	437,532	31,252	0	0	0	14	437,532	31,252
35 TO 39	78	2,701,721	34,637	17	506,301	29,782	95	3,208,022	33,769
40 TO 44	210	8,006,121	38,124	38	1,291,254	33,980	248	9,297,375	37,489
45 TO 49	221	8,269,307	37,418	43	1,557,041	36,210	264	9,826,348	37,221
50 TO 54	303	10,568,150	34,878	33	1,183,567	35,866	336	11,751,717	34,975
55 TO 59	588	18,321,506	31,159	22	529,335	24,061	610	18,850,841	30,903
60 TO 64	653	18,793,660	28,780	29	809,207	27,904	682	19,602,867	28,743
65 TO 69	444	12,974,676	29,222	27	676,677	25,062	471	13,651,353	28,984
70 TO 74	314	8,504,336	27,084	24	572,554	23,856	338	9,076,890	26,855
75 TO 79	276	7,438,222	26,950	14	294,380	21,027	290	7,732,602	26,664
80 TO 84	165	4,214,660	25,543	25	490,512	19,620	190	4,705,172	24,764
85 TO 89	64	1,482,273	23,161	6	93,582	15,597	70	1,575,855	22,512
90 & UP	16	353,082	22,068	3	63,606	21,202	19	416,688	21,931
TOTAL	**3,347**	**102,092,651**	**30,503**	**281**	**8,068,016**	**28,712**	**3,628**	**110,160,667**	**30,364**
ORDINARY DISABILITY:									
UNDER 30	0	0	0	0	0	0	0	0	0
30 TO 34	4	63,787	15,947	2	47,613	23,807	6	111,400	18,567
35 TO 39	61	886,201	14,528	33	459,819	13,934	94	1,346,020	14,319
40 TO 44	262	3,965,997	15,137	126	1,712,541	13,592	388	5,678,538	14,635
45 TO 49	508	7,649,536	15,058	186	2,471,212	13,286	694	10,120,748	14,583
50 TO 54	779	11,830,016	15,186	325	4,245,184	13,062	1,104	16,075,200	14,561
55 TO 59	1,269	19,982,126	15,746	467	6,074,127	13,007	1,736	26,056,253	15,009
60 TO 64	1,290	20,604,820	15,973	547	6,565,829	12,003	1,837	27,170,649	14,791
65 TO 69	869	13,093,949	15,068	346	3,670,284	10,608	1,215	16,764,233	13,798
70 TO 74	487	6,898,325	14,165	181	1,721,695	9,512	668	8,620,020	12,904
75 TO 79	358	5,271,614	14,725	101	785,832	7,781	459	6,057,446	13,197
80 TO 84	223	3,210,131	14,395	65	611,776	9,412	288	3,821,907	13,271
85 TO 89	78	1,038,620	13,316	26	189,130	7,274	104	1,227,750	11,805
90 & UP	8	84,901	10,613	29	272,526	9,397	37	357,427	9,660
TOTAL	**6,196**	**94,580,023**	**15,265**	**2,434**	**28,827,568**	**11,844**	**8,630**	**123,407,591**	**14,300**
SERVICE RETIREMENT:									
UNDER 30	0	0	0	0	0	0	0	0	0
30 TO 34	0	0	0	0	0	0	0	0	0
35 TO 39	4	112,563	28,141	3	91,404	30,468	7	203,967	29,138
40 TO 44	365	11,918,958	32,655	109	3,279,639	30,088	474	15,198,597	32,065
45 TO 49	853	27,439,656	32,168	295	8,742,713	29,636	1,148	36,182,369	31,518
50 TO 54	2,145	73,427,917	34,232	333	9,369,179	28,136	2,478	82,797,096	33,413
55 TO 59	6,330	221,406,137	34,977	2,384	61,394,053	25,753	8,714	282,800,190	32,454
60 TO 64	10,346	327,054,318	31,612	4,748	107,814,023	22,707	15,094	434,868,341	28,811
65 TO 69	11,795	315,311,995	26,733	6,277	117,242,715	18,678	18,072	432,554,710	23,935
70 TO 74	10,052	238,916,505	23,768	5,578	89,586,195	16,061	15,630	328,502,700	21,017
75 TO 79	9,448	209,469,652	22,171	5,385	76,691,876	14,242	14,833	286,161,528	19,292
80 TO 84	7,309	151,560,836	20,736	5,086	60,669,408	11,929	12,395	212,230,244	17,122
85 TO 89	3,942	70,339,875	17,844	3,610	36,410,392	10,086	7,552	106,750,267	14,135
90 & UP	1,817	31,102,557	17,118	2,313	23,129,548	10,000	4,130	54,232,105	13,131
TOTAL	**64,406**	**1,678,060,969**	**26,054**	**36,121**	**594,421,145**	**16,456**	**100,527**	**2,272,482,114**	**22,606**

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM PAGE: 2
PENSIONER VALUATION AS OF JUNE 30, 2005

SUMMARY BY CAUSE AND SEX ALL FILES

AGE	MALE NUMBER	MALE BENEFITS	MALE AVERAGE	FEMALE NUMBER	FEMALE BENEFITS	FEMALE AVERAGE	BOTH MALE & FEMALE NUMBER	BOTH MALE & FEMALE BENEFITS	BOTH MALE & FEMALE AVERAGE
ACCIDENTAL DEATH:									
UNDER 30	1	33,361	33,361	7	189,026	27,004	8	222,387	27,798
30 TO 34	0	0	0	2	66,099	33,050	2	66,099	33,050
35 TO 39	0	0	0	3	59,078	19,693	3	59,078	19,693
40 TO 44	1	24,203	24,203	3	99,867	33,289	4	124,070	31,018
45 TO 49	0	0	0	3	59,186	19,729	3	59,186	19,729
50 TO 54	0	0	0	9	241,106	26,790	9	241,106	26,790
55 TO 59	0	0	0	11	302,073	27,461	11	302,073	27,461
60 TO 64	1	55,088	55,088	11	238,446	21,677	12	293,534	24,461
65 TO 69	0	0	0	13	200,442	15,419	13	200,442	15,419
70 TO 74	0	0	0	10	153,429	15,343	10	153,429	15,343
75 TO 79	0	0	0	9	212,150	23,572	9	212,150	23,572
80 TO 84	0	0	0	9	121,063	13,451	9	121,063	13,451
85 TO 89	0	0	0	10	160,892	16,089	10	160,892	16,089
90 & UP	0	0	0	9	127,976	14,220	9	127,976	14,220
TOTAL	**3**	**112,652**	**37,551**	**109**	**2,230,833**	**20,466**	**112**	**2,343,485**	**20,924**
OTHER BENEFICIARIES:									
UNDER 30	182	1,821,687	10,009	89	898,650	10,097	271	2,720,337	10,038
30 TO 34	39	326,168	8,363	42	468,973	11,166	81	795,141	9,817
35 TO 39	44	346,489	7,875	76	740,707	9,746	120	1,087,196	9,060
40 TO 44	59	433,892	7,354	116	1,092,478	9,418	175	1,526,370	8,722
45 TO 49	61	425,345	6,973	184	1,764,570	9,590	245	2,189,915	8,938
50 TO 54	77	537,390	6,979	247	2,973,387	12,038	324	3,510,777	10,836
55 TO 59	82	583,814	7,120	452	6,439,476	14,247	534	7,023,290	13,152
60 TO 64	83	598,879	7,215	686	10,368,929	15,115	769	10,967,808	14,262
65 TO 69	66	520,553	7,887	975	13,600,388	13,949	1,041	14,120,941	13,565
70 TO 74	79	513,985	6,506	1,351	18,543,117	13,725	1,430	19,057,102	13,327
75 TO 79	87	744,118	8,553	2,180	26,824,205	12,305	2,267	27,568,323	12,161
80 TO 84	96	644,936	6,718	2,820	30,619,822	10,858	2,916	31,264,758	10,722
85 TO 89	79	462,873	5,859	2,612	26,343,734	10,086	2,691	26,806,607	9,962
90 & UP	77	419,752	5,451	1,876	18,595,698	9,912	1,953	19,015,450	9,737
TOTAL	**1,111**	**8,379,881**	**7,543**	**13,706**	**159,274,134**	**11,621**	**14,817**	**167,654,015**	**11,315**
ALL PENSIONERS AND BENEFICIARIES:									
UNDER 30	184	1,882,453	10,231	96	1,087,676	11,330	280	2,970,129	10,608
30 TO 34	57	827,487	14,517	46	582,685	12,667	103	1,410,172	13,691
35 TO 39	187	4,046,974	21,642	132	1,857,309	14,071	319	5,904,283	18,509
40 TO 44	897	24,349,171	27,145	392	7,475,779	19,071	1,289	31,824,950	24,690
45 TO 49	1,643	43,783,844	26,649	711	14,594,722	20,527	2,354	58,378,566	24,800
50 TO 54	3,304	96,363,473	29,166	947	18,012,423	19,021	4,251	114,375,896	26,906
55 TO 59	8,269	260,293,583	31,478	3,336	74,739,064	22,404	11,605	335,032,647	28,870
60 TO 64	12,373	367,106,765	29,670	6,021	125,796,434	20,893	18,394	492,903,199	26,797
65 TO 69	13,174	341,901,173	25,953	7,638	135,390,506	17,726	20,812	477,291,679	22,933
70 TO 74	10,932	254,833,151	23,311	7,144	110,576,990	15,478	18,076	365,410,141	20,215
75 TO 79	10,169	222,923,606	21,922	7,689	104,808,443	13,631	17,858	327,732,049	18,352
80 TO 84	7,793	159,630,563	20,484	8,005	92,512,581	11,557	15,798	252,143,144	15,960
85 TO 89	4,163	73,323,641	17,613	6,264	63,197,730	10,089	10,427	136,521,371	13,093
90 & UP	1,918	31,960,292	16,663	4,230	42,189,354	9,974	6,148	74,149,646	12,061
TOTAL	**75,063**	**1,883,226,176**	**25,089**	**52,651**	**792,821,696**	**15,058**	**127,714**	**2,676,047,872**	**20,953**

PART 5
STATISTICAL SECTION



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New York City Employees' Retirement System

CASH RECEIPTS AND DISBURSEMENTS
Fiscal Year Ended June 30, 2007
(in thousands)

Cash balance July 1, 2006	$902
Receipts:	
Members' Contributions	350,066
Employers' Contributions	1,461,803
Members' Loan Payments	298,405
Interest and Dividends	1,902,842
Investments Redeemed	75,047,337
Miscellaneous	158,724
Total Cash Receipts	$79,219,177
Total Cash Available	$79,220,079
Disbursements:	
Benefit Payments and withdrawals	3,014,804
Transfers to other retirement systems	10,990
Loans to members	302,479
Investments Purchased	75,759,944
Investments Expenses	84,756
Administrative Expenses	40,273
Miscellaneous	
Total Cash Disbursements	$79,213,246
Cash balance June 30, 2007	$6,833

New York City Employees' Retirement System

TABLE OF REVENUE BY SOURCE
Fiscal Years Ended 1998 through 2007
(in thousands of dollars)

Fiscal Year Ended June 30	Gross Member Contributions	Member Loans *	Net Member Contributions	Employer Contributions	Net Investment Income	Other Income	Total	Employer Contributions As a Percentage Of Annual Covered Payroll **
2007	$351,073	-	$ 351,073	$ 1,471,030	$ 6,670,857	$ 2,997	$ 8,495,957	15.2
2006	341,643	-	341,643	1,024,358	3,405,699	2,937	4,774,637	11.2
2005	310,847	-	310,847	822,763	3,077,633	33,327	4,244,570	9.0
2004	298,263	-	298,263	310,589	4,811,766	10,194	5,430,812	3.5
2003	309,757	-	309,757	107,993	1,100,950	3,549	1,522,249	1.2
2002	326,443	-	326,443	105,660	(3,145,539)	2,758	(2,710,678)	1.2
2001	655,017	330,850	324,167	100,025	(3,530,307)	3,269	(3,102,846)	1.3
2000	632,015	315,615	316,400	68,620	3,743,905	0	4,128,925	.9
1999	583,937	277,931	306,006	145,663	4,950,209	0	5,401,878	2.1
1998	537,523	274,288	263,235	211,096	6,763,626	0	7,237,957	3.1

* During 2002, the Plan has changed its accounting treatment for loans. Previously, the members' contributions included loan repayments by the members, and the loans paid out were shown as a reduction of members' contribution accounts. As of 2002, the member accounts are not affected; and the outstanding loans are being shown as a member loan receivable in the Statement of Plan Net Assets.

The employer rates of contribution equal the employer contributions as percentages of the annual covered payroll of members who were on payroll as of the preceding June 30th, adjusted where applicable, to be consistent with collective bargaining agreements estimated to be achieved.

The annualized covered payroll under the One-Year Lag Methodology used for fiscal year 2006 employer contributions differ from that as of June 30, 2004 to compute fiscal year 2005 employer contributions due to changes in actuarial assumptions and more recent information on labor contract settlements.

New York City Employees' Retirement System

TABLE OF BENEFIT EXPENSES BY TYPE
Fiscal Years 1998 through 2007

(in thousands of dollars)

FISCAL YEAR ENDED JUNE 30	TOTAL RETIREMENT BENEFITS	TOTAL DEATH BENEFITS	OTHER	CHANGE IN ACCRUED BENEFITS PAYABLE	TOTAL BENEFIT PAYMENTS
2007	$ 2,914,609	$ 71,992	$ 1,837	$ 175,867	$ 3,164,305
2006	2,753,213	99,298	34,411	25,831	2,912,753
2005	2,667,860	96,992	38,221	(9,477)	2,793,596
2004	2,616,435	79,296	24,215	(44,773)	2,675,173
2003	2,499,828	84,932	66,810	64,688	2,716,258
2002	2,348,951	85,289	19,188	(61,454)	2,391,974
2001	2,223,630	85,683	0	63,334	2,372,647
2000	1,959,763	74,593	0	44,090	2,078,446
1999	1,909,765	95,117	(5)	(6,931)	1,997,946
1998	1,819,322	85,925	0	(4,949)	1,900,298

New York City Employees' Retirement System

TABLE OF CHANGES IN PLAN NET ASSETS
Fiscal Years 1998 through 2007

(in thousands of dollars)

Fiscal Year Ended June 30	Additions to Plan Net Assets per Table of Revenue by Source	Deductions from Plan Net Assets					Net Change in Plan Net Assets
		Benefit Payments per Table of Benefit Expenses by Type	Refunds	Payments To Other Pension Systems and Funds	Administrative Expenses	Total Deductions	
2007	$ 8,495,957	$ 3,164,305	$ 51,883	$ 11,909	$ 41,695	$ 3,269,792	$ 5,226,165
2006	4,774,637	2,912,753	49,470	10,278	40,291	3,012,792	1,761,845
2005	4,244,570	2,793,596	49,692	14,983	37,307	2,895,578	1,348,992
2004	5,430,812	2,675,173	45,363	22,044	35,559	2,778,139	2,652,673
2003	1,522,249	2,716,258	90,717	(1,526)	34,101	2,839,550	(1,317,301)
2002	(2,710,678)	2,391,974	121,400	15,995	31,548	2,560,917	(5,271,595)
2001	(3,102,846)	2,372,647	43,270	21,800	31,584	2,469,301	(5,572,147)
2000	4,128,925	2,078,446	39,922	99,373	23,245	3,235,149	893,776
1999	5,401,878	1,997,946	29,892	3,868	19,688	2,051,394	3,350,484
1998	7,237,957	1,900,298	29,714	2,718	14,750	1,947,480	5,290,477

TABLE OF BENEFITS PAID
Fiscal Years 1998 through 2007
(in thousands of dollars)

Fiscal Year	Retirement Allowances	Member Loans		Refunds	Death Benefits In Service	Death Benefits After Retirement
Ended June 30	Amount Paid	Amount Paid	No. Loans	Amount Paid	Amount Paid	Amount Paid
2007	$ 2,914,609$	$ 295,146	45,771	$ 51,883	$ 46,815	$ 25,177
2006	2,753,213	293,691	47,039	49,470	63,048	36,250
2005	2,667,860	273,890	48,770	49,692	64,772	32,220
2004	2,616,435	281,906	52,342	45,363	48,087	31,209
2003	2,499,828	278,295	53,747	81,882	57,912	35,915
2002	2,348,951	276,153	49,520	121,151	55,266	39,014
2001	2,223,630	330,850	54,521	43,270	51,530	42,271
2000	1,959,763	315,615	57,264	39,922	39,753	42,707
1999	1,909,765	277,931	55,644	29,892	48,538	52,947
1998	1,819,322	274,288	57,346	24,188	44,395	47,056

FOREWORD

In the following five tables detailing the retirement experience for service and disability retirees, a profile is provided of a substantial percentage of members who retired during the calendar year indicated. The benefits stated reflect the maximum benefit to which the retirees in question would have been entitled. This assures a common denominator for the statistics in the tables. However, in reality, most retirees selected options which *reduced* the maximum benefit.

The two tables of retirement payments by type, on the other hand, reflect the profiles of the entire retiree population and the type of options under which they are receiving benefits.

New York City Employees' Retirement System

TABLE OF AVERAGE ANNUAL BENEFIT PAYMENTS
SERVICE RETIREMENT EXPERIENCE – 6 YEAR HISTORY
Calendar Years 2001 – 2006

YEAR OF RETIREMENT	Years of Credited Service									
	0-4.9	5-9.9	10-14.9	15-19.9	20-24.9	25-29.9	30-34.9	35-39.9	40 and over	SUMMARY
2006										
AVG. RETIREMENT ALLOW.	0	$ 5,406	$ 10,187	$ 14,024	$ 31,267	$ 35,219	$ 45,506	$ 52,429	$ 66,490	$ 31,199
% OF SALARY BASE	0	12	20	29	47	53	67	77	99	50
FINAL AVERAGE SALARY	0	$ 45,050	$ 50,935	$ 48,359	$ 66,526	$ 66,451	$ 67,919	$ 68,090	$ 67,162	$ 62,398
NO. OF RETIREES INCLUDED	0	183	335	474	1,387	1,010	446	338	62	4,235
2005										
AVG. RETIREMENT ALLOW.	0	$ 5,323	$ 9,569	$ 13,949	$ 30,459	$ 33,866	$ 42,530	$ 48,364	$ 57,950	$ 29,626
% OF SALARY BASE	0	12	20	28	47	52	68	76	93	49
FINAL AVERAGE SALARY	0	$ 44,358	$ 47,845	$ 49,818	$ 64,806	$ 65,127	$ 62,544	$ 63,637	$ 62,312	$ 60,461
NO. OF RETIREES INCLUDED	0	172	387	479	1,564	797	594	292	58	4,343
2004										
AVG. RETIREMENT ALLOW.	0	$ 5,307	$ 8,674	$ 13,409	$ 30,196	$ 33,437	$ 42,304	$ 51,988	$ 65,482	$ 28,915
% OF SALARY BASE	0	12	19	28	47	52	66	76	96	48
FINAL AVERAGE SALARY	0	$ 44,225	$ 45,653	$ 47,889	$ 64,247	$ 64,302	$ 64,097	$ 68,405	$ 68,210	$ 60,240
NO. OF RETIREES INCLUDED	0	179	351	415	1,344	544	524	218	42	3,617
2003										
AVG. RETIREMENT ALLOW.	0	$ 4,937	$ 8,839	$ 13,165	$ 30,570	$ 35,504	$ 41,801	$ 51,788	$ 60,528	$ 29,128
% OF SALARY BASE	0	12	20	29	48	55	66	75	95	49
FINAL AVERAGE SALARY	0	$ 41,142	$ 44,195	$ 45,397	$ 63,688	$ 64,553	$ 63,335	$ 69,051	$ 63,714	$ 59,445
NO. OF RETIREES INCLUDED	0	141	302	299	933	419	472	146	32	2,744
2002										
AVG. RETIREMENT ALLOW.	0	$ 4,884	$ 8,624	$ 14,148	$ [illegible]	$ 33,134	$ 43,573	$ 52,926	$ 66,157	$ 30,937
% OF SALARY BASE	0	13	21	31	46	60	71	81	105	57
FINAL AVERAGE SALARY	0	$ 37,569	$ 41,067	$ 45,639	$ 55,070	$ 55,223	$ 61,370	$ 65,341	$ 63,007	$ 54,275
NO. OF RETIREES INCLUDED	0	209	711	813	1,673	1,612	2,008	544	100	7,670
2001										
AVG. RETIREMENT ALLOW.	0	$ 4,510	$ 7,871	$ 13,310	$ 27,657	$ 35,190	$ 43,799	$ 50,192	$ 60,376	$ 28,994
% OF SALARY BASE	0	13	20	31	47	60	68	78	94	52
FINAL AVERAGE SALARY	0	$ 34,692	$ 39,355	$ 42,935	$ 58,845	$ 58,650	$ 64,410	$ 64,349	$ 64,230	$ 55,758
NO. OF RETIREES INCLUDED	0	157	338	315	907	648	625	138	31	3,159

New York City Employees' Retirement System

SERVICE RETIREMENT EXPERIENCE
TABLE OF AVERAGE RETIREMENT ALLOWANCE BY AGE AND YEARS OF SERVICE
Calendar Year 2006

AGE AT RETIREMENT																		
	UNDER 50			50-54			55-59			60-64			65-69			70 AND OVER		
Years of Service	Average Allowance	No. of Retire-ments	% of Salary Base	Average Allowance	No. of Retire-ments	% of Salary Base	Average Allowance	No. of Retire-ments	% of Salary Base	Average Allowance	No. of Retire-ments	% of Salary Base	Average Allowance	No. of Retire-ments	% of Salary Base	Average Allowance	No. of Retire-ments	% of Salary Base
0-4.9																		
5-9.9							$5,659	26	11	$5,134	87	12	$5,672	54	12	$5,574	16	13
10-14.9	$15,806	2	29	$4,378	2	11	7,311	39	16	10,489	141	21	11,064	114	21	9,376	37	21
15-19.9	25,290	7	41	13,916	13	32	11,805	76	26	14,281	205	29	14,542	123	28	13,518	50	30
20-24.9	37,465	369	49	38,990	240	50	27,672	182	44	25,639	380	44	25,654	172	43	22,587	44	42
25-29.9	40,785	37	53	42,661	182	54	35,169	366	52	31,822	299	52	31,716	96	53	28,868	30	55
30-34.9				47,564	58	67	47,929	192	67	41,935	150	66	45,490	35	68	41,126	11	71
35-39.9				54,760	21	73	54,724	182	77	49,129	101	77	45,112	28	82	64,318	6	81
40 & Over							51,765	7	94	56,392	30	86	72,442	18	92	109,181	7	86
Summary	**$ 37,451**	**415**	**49**	**$ 41,124**	**516**	**54**	**$ 36,226**	**1,070**	**56**	**$ 26,601**	**1,393**	**47**	**$ 23,395**	**640**	**41**	**$ 22,758**	**201**	**45**

New York City Employees' Retirement System

SERVICE RETIREMENT EXPERIENCE
TABLE OF DISTRIBUTION OF RETIREMENT ALLOWANCE BY AGE
Calendar Year 2006

	AGE AT RETIREMENT						
Allowance Range	**Under 50**	**50-54**	**55-59**	**60-64**	**65-69**	**70 & Older**	**TOTAL**
$1,999 or Less						2	**2**
2,000-3,999		1	11	32	16	5	**65**
4,000-5,999		1	30	48	25	13	**117**
6,000-7,999		1	22	59	52	12	**146**
8,000-9,999		4	36	69	41	21	**171**
10,000-11,999		4	30	57	44	19	**154**
12,000-13,999	1	3	29	92	38	17	**180**
14,000-15,999		4	26	91	58	13	**192**
16,000-17,999		1	34	81	33	12	**161**
18,000-19,999	3	7	23	65	36	10	**144**
20,000-21,999	1	5	31	68	42	11	**158**
22,000-23,999	2	4	30	61	21	8	**126**
24,000-25,999	3	5	43	57	34	2	**144**
26,000-27,999	1	10	35	56	21	7	**130**
28,000-29,999	6	10	47	63	26	8	**160**
30,000-31,999	22	18	46	55	20	7	**168**
32,000-33,999	75	54	52	42	15	6	**244**
34,000-35,999	91	57	43	49	15	2	**257**
36,000-37,999	64	50	50	36	13	2	**215**
38,000-39,999	122	253	426	294	83	24	**1,202**
$40,000 or More	24	24	26	18	7		**99**
TOTAL	**415**	**516**	**1,070**	**1,393**	**640**	**201**	**4,235**

New York City Employees' Retirement System

SERVICE RETIREMENT EXPERIENCE
TABLE OF DISTRIBUTION OF RETIREMENT ALLOWANCE BY YEARS OF SERVICE
Calendar Year 2006

Allowance Range	0-4.9	5-9.9	10-14.9	15-19.9	20-24.9	25-29.9	30-34.9	35-39.9	40 & Over	TOTAL
$1,999 or Less		2								**2**
2,000 - 3,999		61	4							**65**
4,000 - 5,999		65	50	2						**117**
6,000 - 7,999		28	83	34	1					**146**
8,000 - 9,999		15	55	95	6					**171**
10,000 - 11,999		5	42	78	29					**154**
12,000 - 13,999		3	35	78	61	3				**180**
14,000 - 15,999		3	31	53	78	25	2			**192**
16,000 - 17,999		1	14	42	55	47	2			**161**
18,000 - 19,999			10	31	48	44	11			**144**
20,000 - 21,999			6	20	71	45	13	3		**158**
22,000 - 23,999			1	16	41	45	18	4	1	**126**
24,000 - 25,999			1	6	47	50	25	15		**144**
26,000 - 27,999			1	4	52	52	13	7	1	**130**
28,000 - 29,999				2	49	79	19	11		**160**
30,000 - 31,999				4	66	61	18	17	2	**168**
32,000 - 33,999			1	2	138	69	19	15		**244**
34,000 - 35,999			1	1	156	57	16	24	2	**257**
36,000 - 37,999				3	123	50	21	17	1	**215**
38,000 - 39,999				3	311	361	253	220	54	**1,202**
$40,000 or More					55	22	16	5	1	**99**
TOTAL		**183**	**335**	**474**	**1,387**	**1,010**	**446**	**338**	**62**	**4,235**

New York City Employees' Retirement System

TABLE OF BENEFIT EXPERIENCE: ORDINARY DISABILITY RETIREMENT
Calendar Years 1997 through 2006

YEAR	CASES ANALYZED	AVERAGE AGE	AVERAGE YEARS OF SERVICE	AVERAGE SALARY BASE	AVERAGE TOTAL RETIREMENT ALLOWANCE	AVERAGE TOTAL RETIREMENT ALLOWANCE AS A % OF AVERAGE SALARY BASE
2006	465	52	17	$ 52,009	$ 18,203	35
2005	490	53	18	50,072	18,026	36
2004	500	52	17	48,614	17,015	35
2003	428	52	16	47,914	16,770	35
2002	403	51	16	47,429	16,600	35
2001	453	50	16	43,933	15,816	36
2000	493	52	16	42,500	14,875	35
1999	415	51	16	43,676	16,597	38
1998	414	49	16	41,889	15,918	38
1997	77	51	23	41,632	21,482	52

TABLE OF BENEFIT EXPERIENCE: ACCIDENTAL DISABILITY RETIREMENT*
Calendar Years 1997 through 2006

YEAR	CASES ANALYZED	AVERAGE AGE	AVERAGE YEARS OF SERVICE	AVERAGE SALARY BASE	AVERAGE TOTAL RETIREMENT ALLOWANCE	AVERAGE TOTAL RETIREMENT ALLOWANCE AS A % OF AVERAGE SALARY BASE
2006	111	46	NOT APPLICABLE	$ 63,050	$ 46,657	74
2005	100	46		59,720	44,193	74
2004	86	45		58,529	42,141	72
2003	73	43		56,039	42,029	75
2002	48	41		55,697	40,102	72
2001	43	41		49,941	36,457	73
2000	14	51		58,339	49,005	84
1999	40	45		57,214	41,194	72
1998	11	51		54,186	44,974	83
1997	12	49		52,482	39,309	75

*It is to be noted that certain accidental disability benefits are reduced by amounts awarded by the Workers' Compensation Board of the N.Y. State Department of Labor.

New York City Employees' Retirement System

TABLE OF PENSIONERS AND BENEFICIARIES
Fiscal Years 1998 through 2007

Fiscal Year Ended June 30	New Pensioners	Terminated Pensioners	Net Change	Total Number	Percentage Change
2007	5,802	3,569	2,233	140,709	1.61
2006	5,394	3,111	2,283	138,476	1.68
2005	5,013	4,328	685	136,193	.51
2004	4,086	4,187	(101)	135,508	(.07)
2003	8,856	5,672	3,184	135,609	2.40
2002	4,232	3,150	1,082	132,425	.82
2001	6,212	4,115	2,097	131,343	1.62
2000	4,944	4,039	905	129,246	.71
1999	4,310	9,118	(4,808)	128,341	(3.61)
1998	3,899	7,562	(3,663)	133,149	(2.68)

New York City Employees' Retirement System

TABLE OF ACTIVE MEMBERS
Fiscal Years 1998 through 2007

Fiscal Year Ended June 30	Number of Entrants During Year	Number of Withdrawals During Year	Net Change	Total Membership	Percentage Change
2007	13,743	15,950	(2,207)	230,127	(.95)
2006	12,754	5,129	7,625	232,334	3.39
2005	10,397	11,816	(1,419)	224,709	(.63)
2004	9,894	10,974	(1,080)	226,128	(.48)
2003	10,881	13,716	(2,835)	227,208	(1.23)
2002	12,843	7,425	5,418	230,043	2.41
2001	15,582	13,270	2,312	224,625	1.04
2000	12,617	7,320	5,297	222,313	2.44
1999	12,698	7,618	5,080	217,016	2.40
1998	11,001	7,066	3,935	211,936	1.90

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

RETIRED MEMBERS BY TYPE OF BENEFIT
AS OF JUNE 30, 2007

Benefit Types	Number Of Retirees*	Service	Disability (Non-Duty)	Disability and Deaths (Duty)
Single Life	70,671	61,531	5,819	3,321
Joint and Survivor	27,067	25,604	1,185	278
Lump Sum or Term Certain	16,645	14,396	1,897	352
Advanced payments – no option selected yet	2,186	1,975	206	5
Surviving Annuitants	15,575	13,660	1,687	228
Total	132,144	117,166	10,794	4,184

* Includes retirees and beneficiaries who received a retirement payment on the pensioners' payroll as of June 30, 2007. These statistics do not include either suspended recipients or those who have died and the pension number has not yet been terminated from the roster since the cases are still open.

New York City Employees' Retirement System

Table of Retirement Benefits by Type
10 Year History

Fiscal Years 1998 through 2007

Year ended June 30	Age and Service		Disability (non-duty)		Disability (duty)		Surviving Beneficiaries		Totals	
	number of recipients	annualized benefits	number of recipients	annualized benefits	number of recipients	annualized benefits	number of recipients	annualized benefits	number of recipients	annualized benefits
2007	103,506	$ 2,461,915,740	9,107	$ 135,318,672	3,956	$ 113,492,071	15,575	$ 196,165,982	132,144	$ 2,906,892,465
2006	102,625	$ 2,378,419,392	8,969	$ 133,361,592	3,917	$ 110,503,836	15,502	$ 186,999,924	131,013	$ 2,809,284,744
2005	101,921	$ 2,288,601,642	8,786	$ 124,763,498	3,846	$ 105,608,405	15,311	$ 178,453,060	129,864	$ 2,697,426,605
2004	101,724	$ 2,230,650,993	8,588	$ 119,838,980	3,825	$ 102,764,472	15,262	$ 170,549,892	129,399	$ 2,693,805,337
2003	101,188	$ 2,159,162,758	8,423	$ 116,896,912	3,435	$ 100,007,789	14,979	$ 160,218,723	128,025	$ 2,536,286,182
2002	96,883	$ 1,980,699,337	8,268	$ 112,982,540	3,442	$ 98,640,449	14,884	$ 155,136,763	123,477	$ 2,347,459,089
2001	97,280	$ 1,921,851,169	8,049	$ 107,209,652	3,472	$ 97,929,609	15,157	$ 155,596,602	123,958	$ 2,282,587,032
2000	96,575	$ 1,680,667,117	7,869	$ 93,396,998	3,456	$ 81,692,349	14,861	$ 124,827,670	122,761	$ 1,980,584,134
1999	95,777	$ 1,628,577,045	7,562	$ 87,944,093	3,353	$ 76,414,984	15,188	$ 126,696,416	121,880	$ 1,824,455,453
1998	96,850	$ 1,562,166,481	7,290	$ 79,227,647	3,376	$ 72,354,827	14,922	$ 110,706,498	122,623	$ 1,787,386,099