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

2008

FISCAL YEAR ENDED JUNE 30

COMPREHENSIVE ANNUAL FINANCIAL REPORT

NYCERS
NYC Employees' Retirement System

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, 2008

Prepared by:	**The Finance Division of the New York City Employees' Retirement System**
	Michael A. Goldson, Director, Finance
Executive Director:	**Diane D'Alessandro**
Actuary:	**Robert C. North, Jr., Chief Actuary**
Custodian of Funds:	**William C. Thompson, Jr., Comptroller of the City of New York**
Headquarters Address:	**335 Adams Street, Suite 2300 Brooklyn, N.Y. 11201-3724**

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NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

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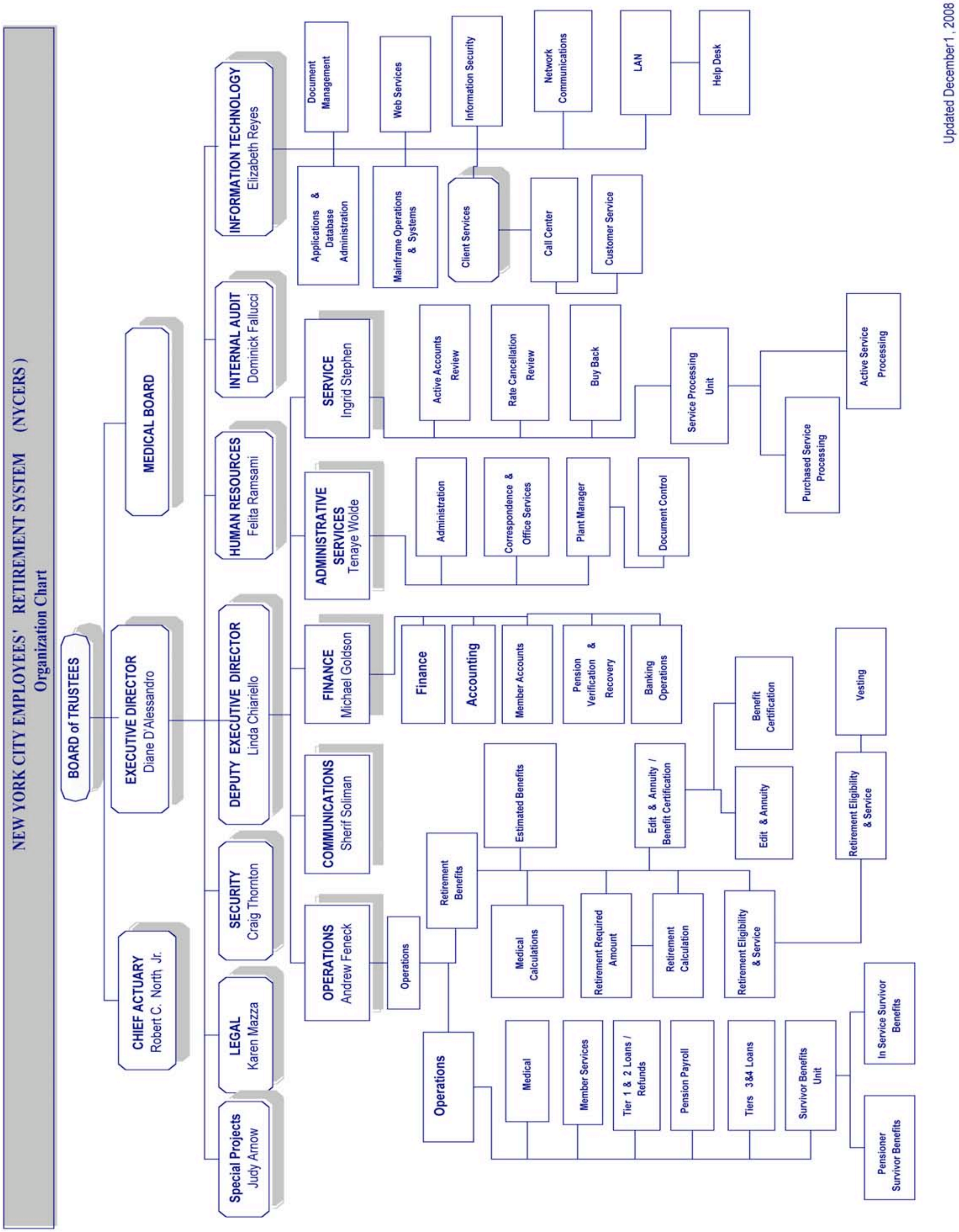
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Certificate of Achievement for Excellence in Financial Reporting

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, 2007

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
NYC Employees' Retirement System

December 22, 2008

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, 2008. 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 objective of a system of internal accounting control is 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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

MAILING ADDRESS:
335 ADAMS STREET,
SUITE 2300
BROOKLYN,NY 11201-3724

WWW.NYCERS.ORG
CALL CENTER: (347) 643-3000

CUSTOMER SERVICE:
340 JAY STREET,
MEZZANINE LEVEL
BROOKLYN,NY 11201-3724

The internal accounting controls of the *Plan* are adequate to assure the above objectives. 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, 2007. 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 22 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, 2008 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

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, 2006, the date of the *Plan's* most recent actuarial valuation, the *Plan's* membership included 178,741 members in active pay status, 128,863 retirees and beneficiaries receiving benefits, 7,302 terminated vested members who are not yet receiving benefits, and 29,119 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 a District Attorney's 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 New York City Transit Authority, the 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 Housing Development Corporation, the City University of New York, the New York City School Construction Authority, the New York City Municipal Water Finance 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 160.**

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 Credited 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 Basic 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 2008 totaled $359,813,000. Due to the depreciation in the fair value of the *Plan's* domestic and international investment portfolios, contributions and investment income for fiscal year 2008 decreased a total of $8,136,144,000 from that of fiscal year 2007. The Table of Revenue by Source on **page 174** 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*, and refunds of contributions to terminated members comprise the major expenses. The Table of Benefit Expenses by Type on **page 175** and the Table of Changes in Plan Net Assets on **page 176** 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 advantage of a well-funded plan is that the participants can look at the assets that are irrevocably committed to the payment of benefits. The goal is to fund members' future retirement benefits over their working career. As of June 30, 2006, the *Plan*'s most recent actuarial valuation date, the *Plan's* funded ratio, which is the ratio of Actuarial Asset Value to Actuarial Accrued Liability, has increased from 99.7% to 99.8%. 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. 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 New York State Retirement and Social Security Law (RSSL) sets forth the criteria for permissible equity investments. The *Plan's* Board of Trustees adopts investment policies. 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 current policy target mix consists of 41% in Domestic Equities, 18% in an International Equity Fund, 30% in Domestic Fixed Income, and 11% in Alternative Investments.

As mentioned in the Revenue section above, during 2008 the *Plan* experienced depreciation in the value of the investment portfolio. In fiscal year 2008, the net depreciation in the investment portfolio was $3,111,023,000, versus net appreciation of $4,858,163,000 in fiscal year 2007. For the one-year period ended June 30, 2008, the *Plan's* rate of return on investments was a negative 4.96%. While this was a disappointing result when compared to the prior few years, it was, in fact, better than NYCERS' custom benchmark return of negative 5.44%. 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 105 and 106** list the *Plan's* major domestic equity and long-term bond holdings.

ECONOMIC CONDITIONS

The economy in fiscal year 2008 was dominated by the national housing slump, which triggered a chain reaction in the financial markets that has seriously undermined the nation's economic health. Although U.S. Gross Domestic Product grew 2.4% in fiscal year 2008, compared to 2% in fiscal year 2007, most of the growth was attributable to net export demand and tax rebates, factors which are not likely to repeat during fiscal year 2009. Despite serious impediments to economic growth, the City's economy, as measured by Gross City Product, managed to grow 2.4% in fiscal year 2008, down from its 3.4% growth rate in fiscal year 2007.

The systemic risk elevation in global financial markets that first became apparent in the latter half of calendar year 2007, continued in calendar year 2008, and accelerated in September 2008. This led to significant financial institution stresses and failures, and world-wide government interventions. This market downturn was driven by the collapse of the sub-prime mortgage markets and the credit crisis in capital markets.

The equity markets have been particularly impacted by the current market conditions, which have had a negative effect on the market value of NYCERS' assets. Despite this decline in market values, the system continues to have sufficient liquidity, in terms of both current income and liquid assets to continue paying benefits through the foreseeable future. City contributions to the pension plans are based upon actuarial valuations and calculations that consist of many factors, including investment returns on the assets. Therefore, in the event that the asset values do not recover by the end of the City's fiscal year ending June 30, 2009, the amounts the City is required to contribute to the pension plans will increase in the future.

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 Statistical 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	Michael A. Goldson
Executive Director	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 (8.25% 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, that 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

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, **and**

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

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 and Accidental Disability Benefits for Tier 1 and Tier 2 Uniformed Sanitation Members with more than 20 years of Allowable Service).

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 Tier 1 or Tier 2 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.

Final Compensation

The average compensation earned during:

- the five-year period immediately preceding the member's retirement date, <u>or</u>
- 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.

Member 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 Housing Development Corporation
- City University of New York
- NYC School Construction Authority
- Municipal Water Finance 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 Required Amount; 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
- 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
- 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 NYC Employees' Retirement System

TIER 1

TRANSIT 20-YEAR RETIREMENT PLAN (T-20) TRANSIT 20-YEAR NON-CONTRIBUTORY RETIREMENT PLAN (20N/C)

SERVICE RETIREMENT BENEFIT

- Participants may retire at age 50 with 20 or more years of Transit Operating Service (TOS)
- The Service Retirement Benefit is:
  - First 20 years of TOS: 50% of Final Salary, plus
  - Each year of TOS above 20: 1.5% x Final Compensation x TOS rendered on or after 07/01/68, plus
  - Each year of other service: 1% x Final Compensation x years of other service, plus
  - Pension for Increased-Take-Home-Pay (ITHP), plus
  - Pension for members prior to 07/01/70 who elected to make voluntary contributions.

VESTED RETIREMENT BENEFIT

- If 55 with less than 20 years of TOS, may switch to the Age 55 1/100 Plan and retire with immediate payability

DISABILITY RETIREMENT BENEFIT

- Ordinary: Must have ten or more years of Credited Service
- Accidental: No minimum service but disability resulted from an on-the-job accident
  - Ordinary: Less than age 50: 2.5% x Final Compensation x TOS up to 20; plus 1.5% x Final Compensation x TOS above 20 rendered on or after 07/01/68; plus 1% x Final Compensation x all other service. If 20 or more years of TOS and age 50, benefit equals Service Retirement Benefit
  - Accidental: Pension of 75% of Final Compensation; plus a pension based on the ITHP; plus an annuity based on any Accumulated Deductions; less 100% of Workers' Compensation payments
- 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
- Accidental: 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 the 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 Required Amount, 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) and an Annuity for Excess Contributions

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
- 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
- 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

NYCERS NYC Employees' Retirement System

TIER 1

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 Required Amount 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) and an Annuity for Excess Contributions

VESTED RETIREMENT BENEFIT

- 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: 1% x Final Compensation; plus
- For each year of Allowable Sanitation Service rendered after July 2, 1965: .5% x 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
- 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
- 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 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
- 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

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; plus
  - A Pension for excess ITHP and an Annuity for Excess Contributions

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
- 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

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 years of Allowable Service: 1.7% of Final Salary; plus
  - A Pension for excess ITHP and an Annuity for Excess Contributions

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
- 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
- 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; plus
  - A Pension for excess ITHP and an Annuity for Excess Contributions

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
- 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

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
  - For years other than the first 20 years of ACS: 1.67% of the Average Compensation, plus
  - a Pension for excess Increased-Take-Home-Pay (ITHP) and an Annuity for Excess Contributions, plus
  - 75% x 1.67% x Final Compensation x Credited Service 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
- 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
- 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
NYC Employees' Retirement System

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) and an Annuity based on Excess Contributions

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. Retirees are eligible for a Post-Retirement Death Benefit.
- 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. Retirees are eligible for a Post-Retirement Death Benefit.
- 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

NYCERS NYC Employees' Retirement System

TIER 2

AGE 55 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 excess Increased-Take-Home-Pay (ITHP) and an Annuity based on Excess Contributions

VESTED RETIREMENT

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

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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

AGE 55 IMPROVED INCREASED SERVICE FRACTION PLAN (ISF-I)

SERVICE RETIREMENT BENEFIT

- Participants may retire at age 55 with twenty-five or more years of Credited Service
- The Service Retirement Benefit is:
  - 1.53% x Final Average Salary 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 BENEFIT

- 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. Retirees are eligible for a Post-Retirement Death Benefit.
- Accidental: 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

NYCERS NYC Employees' Retirement System

TIER 2

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

SERVICE RETIREMENT BENEFIT

- Participants may retire after completing 20 of Allowable Correction Service (ACS)
- The Service Retirement Benefit is:
  - First 20 years of ACS: 50% of Final Average Salary (FAS), plus
  - Each year of ACS after 20: 1.67% x Average Compensation (or FAS if the comp period is less than 3 years) x the years of ACS in excess of 20, plus
  - Each year of Credited Service: 75% x 1.67% x Final Compensation x Credited Service, plus
  - A pension based on excess Increased-Take-Home-Pay (ITHP) and an Annuity for Excess Contributions

VESTED RETIREMENT BENEFIT

- Need at least five but less than 20 years of ACS; payable when member would have reached 20 years of ACS
- Vested Retirement Benefit is:
  - 2.5% x FAS x the years of ACS, plus
  - 75% x 1.67% x Final Compensation x Credited Service on or after 10/01/51

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; 1.67% x Average Compensation x years of ACS in excess of 20; plus ITHP; plus Accumulated Deductions; less 100% Workers' Compensation
- 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))
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to a Designated 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
- 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

MODIFIED ONE PERCENT RETIREMENT PLAN (1/100) TRANSIT ONLY

SERVICE RETIREMENT BENEFIT

- Participants may retire at age 62 with an unreduced benefit or at age 55 with a reduced benefit regardless of the amount of Credited Service attained
- The Service Retirement Benefit is:
  - For each year of Credited Service 1% of Final Compensation; plus
  - A Pension based on Increased-Take-Home-Pay (ITHP), plus
  - An Annuity based on Accumulated Member Contributions

VESTED RETIREMENT BENEFIT

- There is no provision for vesting

DISABILITY RETIREMENT BENEFIT

- 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 age 62, the ordinary disability retirement benefit equals the service retirement benefit
  - If you have not attained the age of 62, the ordinary disability retirement benefit will be 2 x 1/100 for each year of service you would have completed upon reaching age 62 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)
- Ordinary: Need more than 90 days of service; benefit equal to three years' salary lump sum
- Accidental: 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 the 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 NYC Employees' Retirement System

TIER 2

MODIFIED TRANSIT 20-YEAR RETIREMENT PLAN (T-20)

SERVICE RETIREMENT BENEFIT

- Participants may retire at age 55 with 25 or more years of Transit Operating Service (TOS) but may retire with a reduced benefit as early as age 50 with at least 20 years of TOS.
- The Service Retirement Benefit is:
  - First 20 years of TOS: 50% of Final Average Salary (FAS), plus
  - Each year of TOS above 20: 1.5% x Final Compensation x years of TOS on or after 07/01/68, plus
  - Each year of other service: 1% x Final Compensation x years of other service
- The Reduced Service Retirement Benefit is:
  - 2% x FAS x credited service (exclusive of any benefit provided on account of member contributions)

VESTED RETIREMENT BENEFIT

- Members may switch to the Modified Age 55 1/100 Plan and retire with immediate payability (See Modified 1/100 Plan)

DISABILITY RETIREMENT BENEFIT

- Ordinary: Must have ten or more years of Credited Service
- Accidental: No minimum service but disability resulted from an on-the-job accident
  - Ordinary: Less than age 55 and less than 25 years of TOS: 2.5% x Final Compensation x TOS up to 20; plus 1.5% x Final Compensation x TOS above 20 rendered on or after 07/01/68; plus 1% x Final Compensation x all other service. If 25 or more years of TOS and age 55, benefit equals Service Retirement Benefit
  - Accidental: Pension of 75% of Final Compensation; plus a pension based on the ITHP; plus an annuity based on any Accumulated Deductions; less 100% of Workers' Compensation payments
- 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)
- Ordinary: Need more than 90 days of service; benefit equal to three years' salary lump sum
- Accidental: 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 the 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
  - For years other than the first 20 years of ACS: 1.67% of the Average Compensation, plus
  - a Pension for excess Increased-Take-Home-Pay (ITHP) and an Annuity based on Excess Contributions, 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
NYC Employees' Retirement System

TIER 2

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
  - For years other than the first 20 years of ACS: 1.67% of the Average Compensation, plus
  - a Pension for excess Increased-Take-Home-Pay (ITHP) and an Annuity based on Excess Contributions, 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

MODIFIED SANITATION 20-YEAR RETIREMENT PLAN (S-20)

SERVICE RETIREMENT

- Participants may retire with 25 years of Allowable Sanitation Service or with a reduced benefit after 20 years
- The Service Retirement Benefit is:
  - First 20 years of Allowable Sanitation Service: 50% of Final Average Salary (FAS), plus
  - 1.5% x Final Compensation x Allowable Sanitation Service after first 20 years, plus
  - 1% x Final Compensation x all other service, plus
  - A Pension based on excess Increased-Take-Home-Pay (ITHP) and an Annuity based on Excess Contributions
- The Reduced Service Retirement Benefit is:
  - Same as above except employer portion of the benefit cannot exceed 2% x FAS x years of Credited Service

VESTED RETIREMENT

- Need at least 5, but less than 20 years of Allowable Sanitation Service; payable when member would have reached 20 years of such service
- 2.5% x FAS x each year of Allowable Sanitation Service; plus
- 1% x Final Compensation x each year of Credited Service

DISABILITY RETIREMENT BENEFIT

- Ordinary: Need 5 or more years of Credited Service;
- Accidental: No minimum service, but disability resulted from an on-the-job accident
- Disability Retirement Benefit:
  - Ordinary: Less than 10 years of Allowable Sanitation Service: 1/3 of FAS; 10 - 20 years: 50% of FAS; more than 25 years: Benefit = Service Retirement Benefit
  - Accidental: 75% of FAS; plus ITHP; plus Accumulated Deductions, plus if more than 25 years of Allowable Sanitation Service, 1% x Average Compensation x years in excess of 20, plus .5% x Average Compensation x years of Allowable Sanitation Service in excess of 20
- 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)
- An Accidental Death Benefit (resulted from an accident on-the-job) payable to an Eligible Beneficiary(ies)
- Ordinary: Need more than 90 days of service; benefit equal to 3 years' salary lump sum; plus Accumulated Deductions
- Accidental: 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 the 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

NYCERS NYC Employees' Retirement System

TIER 2

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
  - 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 excess Increased-Take-Home-Pay (ITHP) and an Annuity for Excess Contributions
  - 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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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

TIER 2

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 32): 1.70% x Final Average Salary (FAS)
  - A Pension for excess Increased-Take-Home-Pay (ITHP) and an Annuity for Excess Contributions

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
- 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. Retirees are eligible for a Post-Retirement Death Benefit.
- 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, up to a maximum of 32 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
  - A Pension for excess Increased-Take-Home-Pay (ITHP) and an Annuity for Excess Contributions

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 Final Salary 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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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

NYCERS
NYC Employees' Retirement System

TIER 2

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) for the first 25 years, 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)
  - A Pension for excess ITHP and an Annuity for Excess Contributions

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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 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) for the first 25 years, 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)
  - A Pension for excess ITHP and an Annuity for Excess Contributions

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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
- 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 2

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) for the first 25 years, 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)
  - A Pension for excess ITHP and an Annuity for Excess Contributions

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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/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) for the first 25 years, 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)
  - A Pension for excess ITHP and an Annuity for Excess Contributions

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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

NYCERS NYC Employees' Retirement System

TIER 2

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) for the first 25 years, 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)
  - A Pension for excess ITHP and an Annuity for Excess Contributions

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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 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) for the first 25 years, 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)
  - A Pension for excess ITHP and an Annuity for Excess Contributions

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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

NYCERS
NYC Employees' Retirement System

TIER 2

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.

Note: 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 from the date 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 from the date 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 salary lump sum; 2-3 years of service = 2 years' salary lump sum; 3 or more years of service = 3 years' salary lump sum. A return of Basic Member Contributions included. Retirees are eligible for a Post-Retirement Death Benefit.
- 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' salary 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

NYCERS NYC Employees' Retirement System

TIER 3

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 NYC Employees' Retirement System

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

NYCERS NYC Employees' Retirement System

TIER 3

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 from the date 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 from the date 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. Retirees are eligible for a Post-Retirement Death Benefit.
- 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. Retirees are eligible for a Post-Retirement Death Benefit.
- 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

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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

SANITATION 30-YEAR RETIREMENT PLAN (SA-30)

SERVICE RETIREMENT

- May retire at age 55 with 30 or more years of Credited Service
- The Service Retirement Benefit is:
  - With 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 in the Basic 62/5 Plan

DISABILITY RETIREMENT

- Ordinary - must have ten or more years of Credited Service, unless disabilty resulted from accident sustained on-the-job
- Accidental - no minimum service, but disability resulted from an on-the-job accident
- Ordinary: 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
- Accidental: 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: Need more than 90 days of service; benefit equal to three years' salary lump sum, plus Accumulated Deductions
- Accidental: 50% of salary payable
- Death Benefit for Vested Members: Need at least 10 years of Credited Service; 50% of the 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

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 (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. Retirees are eligible for a Post-Retirement Death Benefit.
- 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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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

NYCERS NYC Employees' Retirement System

TIER 4

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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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)
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- 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). Retirees are eligible for a Post-Retirement Death Benefit.
- 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 from the date 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 from the date 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 a joint-and-survivor option. The pensioner receives a reduced monthly lifetime benefit under a 100%, or 50% joint-and-survivor option. If the beneficiary dies before the pensioner, the pensioner's benefit "pops-up," that is, it automatically becomes the Maximum Retirement Allowance.

LEGISLATION
(July 1, 2007 – June 30, 2008)

Laws of 2007

Chapter 182 – enacted 7/3/2007

This law allows employees of the NYC Parks Department in the title of Climber and Pruner who were laid off on or after July 1, 1991 and who returned to service prior to July 1, 1995 to buy-back the period of time they were laid off. Eligible members shall be deemed to have been in continuous service for the layoff period provided it did not exceed 25 months in duration. To effectuate the buy-back, members are required to pay the Basic Member Contributions required of them had they been in service and if they are in a Chapter 96 plan, the Additional Member Contributions required under such plan.

Chapter 214 – enacted 7/3/2007

This law amends the World Trade Center (WTC) law to provide that members who repaired, cleaned or rehabilitated City-owned vehicles contaminated by debris at the WTC site, regardless of whether the vehicles were tended to at the WTC site, are deemed to have participated in WTC rescue, recovery or cleanup operations. Such members would still have to meet other pre-qualifying criteria set forth in the WTC law.

Chapter 349 – enacted 7/18/2007

This law allows members in the following titles to elect to participate in the Automotive Workers 25-Year/Age 50 retirement plan (AUT 25):

Senior Stationary Engineer, Stationary Engineer, Auto Mechanic (Diesel), Auto Electrician, Auto Machinist, Machinist or Machinist Helper

Members in the aforementioned titles may file a duly executed application with NYCERS within 270 days after the enactment of this law in order to become a participant in this retirement plan. Employees in the aforementioned titles were first given the opportunity to elect the Automotive Workers 25-Year/Age 50 Retirement Plan pursuant to Chapter 681 of the Laws of 2003. This law affords them another opportunity to join the plan.

Chapter 379 – enacted 7/26/2007

This law allows current and former members of the Transport Workers Union, Local 100 who had an accumulated balance of additional member contributions made in accordance with the Transit 25-Year/Age 55 Retirement Plan on December 16, 2005 to apply for a refund of such contributions. Former members include retirees (if retired after 12/16/2005) and those who were promoted to supervisory titles represented by another public employee union.

Chapter 495 – enacted 8/1/2007

This law extends the deadline for eligible members to file the Notice of Participation required by the World Trade Center Law. For eligible members, except Tier 3 Correction Officers, the deadline to file is no later than June 14, 2009. For Tier 3 Correction Officers, the deadline to file is no later than June 13, 2009. The law is retroactive to June 14, 2007.

Chapter 496 – enacted 8/1/2007

This law authorizes public retirement systems to reproduce all or any part of paper records by any computerized process which accurately produces a digital image of such paper records. Once the paper records have been reproduced, examined and placed in easily accessible files, the retirement systems are further authorized to dispose of, or destroy, the originals. The law also authorizes representatives of public retirement systems to certify the authenticity of the records reproduced and authorizes the systems to charge for copies of such records as provided by law.

Chapter 625 – enacted 8/28/2007

This law raises the maximum benefit cap for Tier 2 members of the New York State and Local Police and Fire Retirement System and Tier 2 NYCERS District Attorney Investigators to 32 years from 30 years. This law takes effect immediately.

Chapter 627 – enacted 8/28/2007

This law allows the favorable tax treatment, as authorized by Section 414(h) of the Internal Revenue Code, of payroll deductions towards the purchase of previous service or military service. Such payroll deductions would be eligible for employer pick-up, or Federal tax-deferred status, like payroll deductions toward required Basic or Additional Member Contributions, etc. The law takes effect at the beginning of the first payroll period following sixty (60) days after at least one of the retirement systems covered by this act shall receive an IRS ruling stating the authorization of the favorable tax treatment of such payroll deductions.

Chapter 637 – enacted 8/28/2007

This law allows the following types of service to count as service in the uniformed force of the New York City Fire Department for retirement eligibility and benefit purposes (such prior service must immediately precede service in the uniformed force of the New York City Fire Department):

- Allowable EMT Service
- Allowable Peace Officer Service (as defined in Section 2.10 of the Criminal Procedure Law)
- Service as a Sheriff, Deputy Sheriff, Marshal, or D.A. Investigator
- Service in any position specified in Appendix A of the agreement dated October 27, 2005 among the City of New York, the Uniformed Firefighters' Association and the Uniformed Fire Officers' Association.

Laws of 2008

Chapter 76 – enacted 5/13/2008

Chapter 76 of the Laws of 2008 increases the special accidental death benefit payable under Section 208-f of the NYS General Municipal Law by 3%. The beneficiaries of the following NYCERS members are covered: Correction Officers, Housing and Transit Police, Emergency Medical Technicians and certain members of the Triborough Bridge and Tunnel Authority. The benefit is payable to the widow or widower, or in the event the widow or widower is deceased, the benefit is payable to the children of the deceased under 18 years of age or under 23 if the child is a student.

Chapter 115 – enacted 6/17/2008

This law provides for the takeover of the Board of Directors of the New York City Off-Track Betting Corporation (NYC OTB) to comprise five appointees of the NYS Governor; previously, appointments to the five-member board were made by the Mayor of the City of New York. NYC OTB remains a public benefit corporation and will continue wagering operations in OTB parlors located in the City of New York. A summary of the law's pension-related provisions is as follows:

- All incumbent employees of NYC OTB remain employees of NYC OTB
- All incumbent employees who are NYCERS members will continue to have the same rights, privileges, obligations and status pertaining to NYCERS membership
- All future employees of NYC OTB will be eligible for NYCERS membership
- Employment by NYC OTB shall constitute City service for the purposes of chapter one of title thirteen of the Administrative Code of the City of New York.
- NYC OTB shall retain all personnel, payroll and associated employee records and shall ensure NYCERS has access to such records for retirement purposes consistent with current records retention requirements.

Chapter 133 – enacted 6/30/2008

The Patriot Plan allows NYCERS to suspend a member's obligation to repay a pension loan while the member is on active military duty. The maximum rate of interest NYCERS can charge such member is six percent. The Patriot Plan was originally enacted in 2003 and was extended a few times since its enactment. Chapter 133 extends the provision of the Patriot Plan applicable to pension loan suspension for an additional two years, until July 1, 2010.

PART 2

FINANCIAL SECTION

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Deloitte.

Deloitte & Touche LLP
Two World Financial Center
New York, NY 10281-1414
USA

Tel: +1 212 436 2000
Fax: +1 212 436 5000
www.deloitte.com

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, 2008 and 2007, 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 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, 2008 and 2007, and the changes in plan 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"). This supplementary information is the responsibility of Plan management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of such 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, Schedule 1, Schedule 2, and Schedule 3, listed in the table of contents are required by the GASB. The required supplemental information is the responsibility of the management of the Plan. Such 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 Introductory, Investment, Actuarial, Statistical Sections, and Schedule 4 – Funded Status Based on Entry Age Actuarial Cost Method within the Financial Section are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Plan. This supplementary information is the responsibility of Plan management. The Introductory, Investment, Actuarial, Statistical Sections, and Schedule 4 – Funded Status Based on Entry Age Actuarial Cost Method have not been subjected to the auditing procedures applied in our audits of the basic financial statements and, accordingly, we express no opinion on it.

Deloitte & Touche LLP

October 28, 2008

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2008 AND 2007

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, 2008 and 2007. 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.

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 for benefits have decreased by $2.8 billion (7%) from $42.5 billion as of June 30, 2007 to $39.7 billion at June 30, 2008. Net assets held in trust had increased by $5.2 billion (14%) from $37.3 billion as of June 30, 2006 to $42.5 billion at June 30, 2007. Increase in value of the Plan's equity holdings, both domestic and international, was the main reason that had caused the increases in net assets in fiscal year 2007. The decrease in those same sectors was the primary reason for the decline in plan net assets during fiscal 2008.

Plan Net Assets
June 30, 2008, 2007 and 2006
(In thousands)

	2008	2007	2006
Cash	$ 6,124	$ 6,833	$ 902
Receivables for investment securities sold	1,037,583	1,198,474	1,271,479
Receivables for member loans	828,779	828,450	846,688
Receivables for accrued earnings	246,581	239,344	224,272
Investments at fair value	45,258,849	49,946,540	43,987,714
Other assets	240,002	10,414	10,715
Total assets	47,617,918	52,230,055	46,341,770
Accounts payable	105,530	295,981	127,735
Payables for investment securities purchased	2,059,698	2,207,869	2,366,823
Accrued benefits payable	218,272	341,026	165,159
Amount due to Variable Supplements Funds	4,243	4,304	3,228
Due to other retirement systems	589	360	518
Payables for securities lending transactions	5,512,760	6,866,186	6,390,143
Total Liabilities	7,901,092	9,715,726	9,053,606
Net assets held in trust for pension benefits	$ 39,716,826	$ 42,514,329	$ 37,288,164

The cash balances of $6.1 million on June 30, 2008 and $6.8 million on June 30, 2007 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.

Receivables for investment securities sold amounted to $1.0 billion as of June 30, 2008, a decrease of $161 million (13%) from $1.2 billion at June 30, 2007, which was 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.

Fair value of investments at June 30, 2008 was $45.3 billion, a decrease of $4.7 billion (9%) from that of the June 30, 2007 investment value of $49.9 billion. This was primarily the result of declines in both the domestic and international equity markets.

Fair value of investments at June 30, 2007 was $49.9 billion, an increase of $6.0 billion (14%) over the June 30, 2006 investment value of $44.0 billion. This was the result of appreciation in both the domestic and international equity markets.

Other Assets increased $230 million from $10 million in fiscal year 2007 to $240 million in fiscal year 2008. The increase was due to $230 million being due from MTA-NYC Transit that wasn't paid until July 03, 2008.

Payables on purchases of investment securities amounted to $2.0 billion as of June 30, 2008, a decrease of $148 million (7%) from $2.2 billion at June 30, 2007. 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 $2.2 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.

Accrued benefits payable at June 30, 2008 amounted to $218 million, a decrease of $123 million (36%) from the $341 million benefits payable at June 30, 2007. The decrease was primarily due to having processed a great number of the one-time member contribution refunds that were due to certain Transit Authority members.

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 Amalgamated Transit Union and the Transport Workers' Union, as well as an increase in the amounts due to survivors of deceased members.

Changes in Plan Net Assets
Years Ended June 30, 2008, 2007 and 2006
(In thousands)

	2008	2007	2006
Additions:			
Member contributions	$ 366,144	$ 351,073	$ 341,643
Employer contributions	1,874,242	1,471,030	1,024,358
Investment earnings:			
Interest and dividend income	1,293,415	1,890,697	983,131
Net appreciation in fair value of investments	(3,111,023)	4,858,163	2,472,910
Net securities lending income	49,259	20,134	19,039
Investment expenses	(115,320)	(98,137)	(69,381)
Net investment income	(1,883,669)	6,670,857	3,405,699
Other income	3,096	2,997	2,937
Total additions	359,813	8,495,957	4,774,637
Deductions:			
Benefits payments and withdrawals	3,096,632	3,216,188	2,962,223
Payments to other retirement systems	5,129	4,301	4,799
Transfers due to Variable Supplements Funds	8,556	7,608	5,479
Administrative expenses	46,999	41,695	40,291
Total deductions	3,157,316	3,269,792	3,012,792
Net (decrease) increase	$ (2,797,503)	$ 5,226,165	$ 1,761,845

Employer contributions increased $403 million (27%), from $1.5 billion in fiscal year 2007 to $1.9 billion in fiscal year 2008 as a result of the changes in actuarial assumptions and methodology that became effective in fiscal year 2007.

Employer contributions increased $447 million (44%), from $1.0 billion in fiscal year 2006 to $1.5 billion in fiscal year 2007 as a result of the changes in actuarial assumptions and methodology that first became effective, with respect to employer contribution payments, in fiscal year 2007.

One reason for the increase is the treatment of Administrative and Investment Expenses under the 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 fiscal year 2005 (pre-OYLM) and since fiscal year 2005 expenses were paid in fiscal year 2007 under OYLM, no expense component was included in the fiscal year 2007 employer contribution. These expenses accounted for approximately $94 million of the increase in the fiscal year 2007 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 fiscal year 2001, fiscal year 2002, and fiscal year 2003. Under OYLM, these losses are being phased-in over six years. This accounted for approximately $301 million of the increase in the fiscal year 2007 contribution.

A third reason is payroll. Under the actuarial funding method, the normal cost should remain constant each year as a percentage of payrolls. Thus, an increase in payroll increases the employer contribution. This accounted for approximately $26 million of the increase in the fiscal year 2007 contribution.

The remaining $26 million balance of the increase in the fiscal year 2007 contribution of $447 million includes refinements in data and other actuarial experience.

Net investment income for the fiscal year ended June 30, 2008 totaled -$1.9 billion, compared to income of $6.7 billion in fiscal year 2007. This $8.6 billion decrease in investment income is primarily the result of investment depreciation, primarily in domestic and international equities.

Net investment income for the fiscal year ended June 30, 2007 totaled $6.7 billion, compared to income of $3.4 billion in fiscal year 2006. This $3.3 billion increase in investment income is the result of investment appreciation in fiscal year 2007 being $4.9 billion, as compared to $2.5 billion in fiscal year 2006. Besides the domestic and international equities sectors experiencing substantial appreciation, the Private Equity sector also performed well.

Investment expenses for fiscal year 2008 were $115 million, compared to $98 million in fiscal year 2007. The large increase was primarily due to increased investments in the Private Equity and Private Real Estate sectors.

Investment expenses for fiscal year 2007 were $98 million, compared to $69 million in fiscal year 2006. 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 fiscal year ended June 30, 2008 totaled $3.1 billion, a $120 million (4%) decrease from the $3.2 billion of fiscal year 2007. The reason for the decrease was that withdrawals in fiscal year 2007 had greatly increased due to the one-time refunds of $151 million in member contributions to certain Transit Authority members.

Benefit payments and withdrawals for the fiscal year ended June 30, 2007 totaled $3.2 billion, a $254 million (9%) increase from the $3 billion of fiscal year 2006. Besides retirement payments to new retirees and cost-of-living increases to most current retirees, legislation allowed for the one-time refunds of $151 million in members' contributions to certain Transit Authority members.

Administrative expenses increased $5 million (13%) from $42 million in fiscal year 2007 to $47 million in fiscal year 2008. The increase was primarily due to additional IT expenses related to replacing the current legacy database with DB2, a more modern database, along with designing a new Document Imaging & Workflow System that would be compatible with DB2. This is a multi-year project.

Investments — The table below summarizes the NYCERS investment allocation.

Investment Summary
June 30, 2008, 2007, and 2006
(In thousands)

Type of investment (Fair value)	**2008**	**2007**	**2006**
Short-term investments	$ 892,860	$ 1,014,848	$ 598,656
U.S. Government securities	5,214,593	5,776,241	5,080,495
U.S. Corporate securities	5,317,742	4,929,967	4,556,793
Yankee bonds	166,408	150,206	194,255
U.S. equity securities	16,685,061	20,042,675	18,205,425
International equity investment fund	7,078,803	8,011,972	6,926,833
Private equity	2,884,600	1,834,205	845,814
Domestic equity mutual fund	91,572	126,994	99,299
Mortgage mutual fund	149,123	105,823	55,652
Promissory notes	20,171	14,594	6,551
Treasury Inflation Protected securities mutual fund	1,255,161	1,089,407	1,047,045
Securities lending collateral	5,502,755	6,849,608	6,370,896
Total	$ 45,258,849	$ 49,946,540	$ 43,987,714

Investment Performance — Investment performance results for fiscal year 2008 were generally consistent with related benchmarks. Domestic equities returned (12.84)%, which was just short of the Russell 3000 benchmark of (12.68)%. Domestic fixed income securities returned (.42)%, better than the Lehman U.S. Aggregate Bond Index of (1.02)%. International equity holdings returned (7.07)%, significantly higher than the MSCI EAFE index of (8.86)%.

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.

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NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

STATEMENTS OF PLAN NET ASSETS
JUNE 30, 2008 AND 2007
(In thousands)

	2008	2007
ASSETS:		
Cash	$ 6,124	$ 6,833
Receivables:		
Investment securities sold	1,037,583	1,198,474
Member loans	828,779	828,450
Accrued interest and dividends	246,581	239,344
Total receivables	2,112,943	2,266,268
INVESTMENTS, at fair value (Notes 2 and 3):		
Short-term investments:		
U.S. treasury bills	-	10,087
Commercial paper	255,107	501,123
Short-term investment fund	582,288	503,338
U.S. government agency discount notes	52,090	300
Certificates of Deposit	3,375	-
Debt securities:		
U.S. government	5,214,593	5,776,241
Corporate	5,317,742	4,929,967
Yankee bonds	166,408	150,206
Private equity	2,884,600	1,834,205
Equities - domestic	16,685,061	20,042,675
Mutual funds:		
International equity	7,078,803	8,011,972
Domestic equity	91,572	126,994
Mortgages	149,123	105,823
Treasury inflation protected securities	1,255,161	1,089,407
Promissory notes	20,171	14,594
Collateral from securities lending	5,502,755	6,849,608
Total investments	45,258,849	49,946,540
OTHER ASSETS	240,002	10,414
Total assets	47,617,918	52,230,055
LIABILITIES:		
Accounts payable	105,530	295,981
Payables for investment securities purchased	2,059,698	2,207,869
Accrued benefits payable (Note 2)	218,272	341,026
Amount due to Variable Supplements Funds	4,243	4,304
Due to other retirement systems	589	360
Securities lending (Note 2)	5,512,760	6,866,186
Total liabilities	7,901,092	9,715,726
PLAN NET ASSETS HELD IN TRUST FOR BENEFITS (A schedule of funding progress for the Plan is presented on Schedule 1)	$ 39,716,826	$ 42,514,329

See notes to financial statements.

STATEMENTS OF CHANGES IN PLAN NET ASSETS
YEARS ENDED JUNE 30, 2008 AND 2007
(In thousands)

	2008	2007
ADDITIONS:		
Contributions:		
Member contributions	$ 366,144	$ 351,073
Employer contributions	1,874,242	1,471,030
Total contributions	2,240,386	1,822,103
Investment income (Note 2):		
Interest income	693,211	709,213
Dividend income	600,204	1,181,484
Net (depreciation) appreciation in fair value of investments	(3,111,023)	4,858,163
	(1,817,608)	6,748,860
Less:		
Investment expenses	115,320	98,137
Net (loss) income	(1,932,928)	6,650,723
Securities lending transactions:		
Securities lending income	306,700	396,142
Less: Securities lending fees	257,441	376,008
Net securities lending income	49,259	20,134
Net investment (loss) income	(1,883,669)	6,670,857
Other:		
Other income	3,096	2,997
Total additions	359,813	8,495,957
DEDUCTIONS:		
Benefit payments and withdrawals (Note 1)	3,096,632	3,216,188
Payments to other retirement systems	5,129	4,301
Transfers due to Variable Supplements Funds	8,556	7,608
Administrative expenses	46,999	41,695
Total deductions	3,157,316	3,269,792
(DECREASE) INCREASE IN PLAN NET ASSETS	(2,797,503)	5,226,165
PLAN NET ASSETS HELD IN TRUST FOR BENEFITS:		
Beginning of year	42,514,329	37,288,164
End of year	$ 39,716,826	$ 42,514,329

See notes to financial statements.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007

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, 2006 and June 30, 2005, the dates of the Plan's most recent actuarial valuations, the Plan's membership consisted of:

	2006	2005
Retirees and beneficiaries receiving benefits	128,863	127,714
Terminated vested members not yet receiving benefits	7,302	6,775
Other inactives *	29,119	29,717
Active members receiving salary	178,741	175,332
Total	344,025	339,538

* 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, 2006 and June 30, 2005 are the dates used for calculating fiscal years 2008 and 2007 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 10th 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 10th 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 Alternative Investment funds ("ALTINVF"). The IIF are private funds of publicly traded securities 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. The investment managers determine fair value using the last available quoted price for each security owned, adjusted by any contributions to or withdrawals from the fund during the period. The ALTINVF are investments for which exchange quotations are not readily available and are valued at estimated fair value, as determined in good faith by the General Partner (GP). These investments are initially valued at cost with subsequent adjustments that reflect third party transactions, financial operating results, and other factors deemed relevant by the GP. Fair value is determined by plan management based on information provided by the various GPs after review by an independent consultant and the custodian bank for the fund.

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 $2.5 billion of Federal National Mortgage Association securities, which represents 6.3% 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, 2008, 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. As of June 30, 2008, the maturities of the investments which were made with the cash collateral exceeded, by approximately 30 days, the maturities of the securities loaned. As of June 30, 2008, the market value of securities on loan is $5,348 million. 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 fiscal year 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. The Plan has received the following payments as partial settlements from parties involved in the initial purchase of the impaired security: $5.6 million in August 2004, $308 thousand in November 2004, $895 thousand in March 2005, $4 thousand in October 2005, $978 thousand in January 2006, $1 million in February 2006, $442 thousand in May 2006, $273 thousand in June 2006, $5.3 million in August 2006, $797 thousand in September 2006, $806 thousand in December 2006, $1.1 million in March 2007, $2 thousand in October 2007, and $302 thousand in May 2008. As of June 30, 2008, the Plan has recouped approximately $20 million of the original $30 million loss.

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.

Recently Implemented Accounting Pronouncements — 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 Plan has adopted the requirements of Statement No. 50 effective for their fiscal year ended June 30, 2008.

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									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short term	Not Rated	Total
June 30, 2008										
U.S. Government	0.00 %	- %	- %	- %	- %	- %	- %	- %	0.00 %	0.00%
Corporate bonds	15.74	6.18	14.08	15.77	12.89	13.90	1.98	0.06	3.49	84.09%
Yankee Bonds	0.01	0.27	1.40	0.86	0.06	-	-	-	0.02	2.62%
Short-term:										
Commercial Paper	4.03	-	-	-	-	-	-	-	-	4.03%
Certificates of Deposit	-	-	0.05	-	-	-	-	-	-	0.05%
Pooled Funds	-	-	-	-	-	-	-	0.00	9.21	9.21%
U.S. Treasuries	-	-	-	-	-	-	-	-	0.00	0.00%
U.S. Agencies	-	-	-	-	-	-	-	-	-	-
Percent of Rated Portfolio	19.78 %	6.45 %	15.53 %	16.63 %	12.95 %	13.90 %	1.98 %	0.06 %	12.72 %	100.00 %

	AAA	AA	A	BBB	BB	B	CCC & Below	Short term	Not Rated	Total
June 30, 2007										
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 %

* 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, 2008	**Fair Value**	**Less than one year**	**One to five years**	**Six to ten years**	**More than ten years**
U.S Government	45.00%	0.89%	0.73%	6.78%	36.60%
Corporate	45.87%	0.67%	15.53%	13.29%	16.38%
Yankee Bonds	1.43%	0.01%	0.32%	0.44%	0.66%
Short Term:					
Commercial Paper	2.20%	2.20%	0.00%	0.00%	0.00%
Pooled Funds	5.02%	5.02%	0.00%	0.00%	0.00%
Certificates of Deposit	0.03%	0.00%	0.00%	0.00%	0.03%
US Agencies	0.45%	0.45%	0.00%	0.00%	0.00%
Percent of Rated Portfolio	100.00%	9.24%	16.58%	20.51%	53.67%

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 %

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, 2008	**AAA**	**AA**	**A**	**BBB**	**BB**	**B**	**CCC & Below**	**Short term**	**Not Rated**	**Total**
Government	$ 50,016		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 50,016
Corporate	1,019,862	814,581	342,039	-	-	-	-	574,141	11,893	2,762,516
Yankee	-	-	-	-	-	-	-	-	-	-
Short-term:										
Commercial Paper	-	-	10,669	-	-	-	-	-	-	10,669
Pooled Funds	522,022	-	-	-	-	-	-	-	-	522,022
Repurchase Agreements	-	-	44,118	-	-	-	-	-	-	44,118
Certificates of Deposit	-	217,897	11,661	-	-	-	-	767,267	-	996,825
Bank notes	7,926	516,971	168,960	-	-	-	-	301,368	-	995,225
Other	-	2,499	2,787	-	-	-	-	3,559	112,519	121,364
Total	$ 1,599,826	$ 1,551,948	$ 580,234	$ -	$ -	$ -	$ -	$ 1,646,335	$ 124,412	$ 5,502,755
Percent of Securities Lending Portfolio	29.07 %	28.20 %	10.54 %	- %	- %	- %	- %	29.92 %	2.26 %	100.00 %

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 %

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

June 30, 2008	Fair Value	Less than one year	One to five years	Six to ten years	More than ten years
Government	$ 50,016	$ -	$ 50,016	$ -	$ -
Corporate	2,762,516	898,003	1,864,513	-	-
Yankee	-	-	-	-	-
Short-term:					
Commercial Paper	10,669	10,669	-	-	-
Pooled Funds	522,022	522,022	-	-	-
Repurchase Agreements	44,118	44,118	-	-	-
Certificates of Deposits	996,825	767,459	229,366	-	-
Bank notes	995,225	313,722	681,503	-	-
Other	121,364	121,364	-	-	-
Total	$ 5,502,755	$ 2,677,357	$ 2,825,398	$ -	$ -
Percent of Securities Lending Portfolio	100.00 %	48.65 %	51.35 %	- %	- %

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 %	0.00 %	0.00 %

4. DUE TO VARIABLE SUPPLEMENTS FUNDS (VSFS)

The Administrative Code of New York (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 2008 and 2007 to the TPOVSF. With respect to the benefits payable from HPSOVSF, for fiscal years 2008 and 2007, the Plan incurred expenses of approximately $2.9 million and $2.7 million, respectively. With respect to the benefits payable from TPSOVSF, for fiscal years 2008 and 2007, the Plan incurred expenses of approximately $3.2 million and $2.8 million, respectively. With respect to the benefits payable to HPOVSF for fiscal years 2008 and 2007, the Plan incurred expenses of approximately $2.4 million and $2.1 million, respectively.

With respect to the COVSF, for fiscal year 2008, 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, 2008. For fiscal year 2007, 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, 2007.

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.

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-fourth 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 10th 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, 2006 (Lag) actuarial valuation was used to determine the Fiscal Year 2008 Employer Contribution. There were no changes in actuarial assumptions and methods from the prior actuarial valuation.

The actuarial assumptions and methods used in the June 30, 2005 (Lag) actuarial valuation were unchanged from those used in the June 30, 2004 (Lag) actuarial valuation.

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 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 equals 103% of its preceding annual payment.

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.

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).

The UIR for fiscal years 2000 to 2004 under the revised AAVM was set equal to the UIR under the prior AAVM.

For determining employer contributions 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 prior AAVM, any UIR for fiscal years 2000 through 2004 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 of the Laws of 2000 ("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 of the Laws of 2002 ("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 of the Laws of 2006 ("Chapter 152/06") eliminated the ten-year phase-in. All actuarial liabilities attributable to Chapter 125/00 are now recognized in the actuarial valuation.

Statutory Contributions for fiscal years 2008 and 2007 were equal to the amounts calculated by the Actuary.

Funded Status and Funding Progress – One measure of the funded status of the Plan as of June 30, 2006, the most recent actuarial valuation date, based on the Frozen Initial Liability Actuarial Cost Method, the plan's funding method, is as follows (dollar amounts in thousands):

Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
$38,367,102	$38,431,319	$64,217	99.8%	$10,128,689	0.6%

A schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits under the Plan's Actuarial Cost Method.

An additional schedule of funding progress, presented as supplementary information following the notes to the financial statements, presents multiyear trend information about whether actuarial values of plan assets are increasing or decreasing over time relative to AALs for benefits under the Entry Age Actuarial Cost Method.

Additional information as of the latest actuarial valuation follows:

Valuation Date	June 30, 2006 (Lag)
Actuarial Cost Method	Frozen Initial Liability
Amortization Method	
Initial Unfunded	Increasing Dollar
ERI	Level Dollar
Remaining Amortization Period	
Initial Unfunded	NA
ERI	1
Asset Valuation Method	6-Year Smoothed Market
Actuarial Assumptions	
Projected Salary Increases *	In general, merit and promotion increases plus assumed general wage increases of 3.0% per year.
Investment Rate of Return *	8.0% per annum
COLAs *	1.3% per annum

* Developed assuming a long-term Consumer Price Inflation assumption of 2.5% per annum.

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, 2008 and June 30, 2007 is $828.8 million and $828.4 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 2008, the total non-investment expenses attributable to the Plan were approximately $51.9 million, of which $47.0 million was paid from the assets of the Plan and $4.9 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 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. Investment expenses charged to the investment earnings of the Plan, exclusive of fees related to securities lending transactions, amounted to approximately $115.3 million and $98.1 million for the fiscal years ended June 30, 2008 and 2007, 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
2009	$ 3,586,075
2010	3,710,974
2011	4,085,669
2012	4,085,669
2013	4,085,669
2014 - 2018	21,889,763
2019 - 2020	7,936,838

Rent expense, under the lease agreement, for the fiscal years ended June 30, 2008 and 2007, was approximately $3.7 million and $3.6 million respectively.

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 2008 and 2007, 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 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 of the Laws of 2006 ("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 (only significant laws included) — 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 105 of the Laws of 2005 states that a member killed in the U.S. Armed Forces on and after June 14, 2005 is deemed a Line-of-Duty death while on active payroll.

Chapter 133 of the Laws of 2005 continued the valuation and other interest rates for one year to June 30, 2006 from June 30, 2005.

Chapter 477 of the Laws of 2005 extends service credit of up to one year for each period of Correction Officer leave-of-absence due to child care to include Tier III members.

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.

Chapter 711 of the Laws of 2006 revised the retirement allowance of Tier II DA Investigator members for service beyond 20 years.

Chapter 734 of the Laws of 2006 refunds certain frozen Additional Member Contributions to certain participants of the Transit 55/25 Program employed in a job title which is or was represented by the Amalgamated Transit Union.

Chapter 5 of the Laws of 2007 amended Chapter 445/06 to clarify the World Trade Center accidental disability benefits payable to retirees who die in the first 25 years of retirement. It also amended Chapter 445/06 to include World Trade Center deaths as presumptive accidental death benefits in the Line-of-Duty.

Chapter 214 of the Laws of 2007 extends the World Trade Center Accidental Disability and Accidental Death benefits provisions to cover certain Handlers and Repairers of motor vehicles or equipment contaminated by such disaster.

Chapter 349 of the Laws of 2007 is a Reopener of the 25/50 Automotive Members Retirement Program.

Chapter 379 of the Laws of 2007 refunds certain frozen Additional Member Contributions to certain participants of the Transit 55/25 Program employed in a job title which was or is represented by the Transport Workers Union, Local 100.

Chapter 489 of the Laws of 2008 expanded and redefined the eligibility provisions of the accidental disability and accidental death benefits that arise in connection with the World Trade Center attack on September 11, 2001.

10. SUBSEQUENT EVENTS

The systemic risk elevation in global financial markets that first became apparent in the latter half of 2007 continued in 2008 and accelerated in September 2008 with significant financial institution stresses and failures and world-wide government interventions. This market downturn was dominated by the collapse of the sub-prime mortgage markets and the credit crisis in capital markets.

The equity markets have been particularly impacted by the current market conditions, which have had a negative effect on the market value of the Plan's assets.

Despite this decline in market values the systems continue to have sufficient liquidity, in terms of both current income and liquid assets to continue paying benefits through the foreseeable future.

City contributions to the pension plans are based upon actuarial valuations and calculations that consist of many factors, including, investment returns on the assets. Therefore, in the event that the asset values do not recover by the end of the City's fiscal year ending June 30, 2009, the amounts the City is required to contribute to the pension plans will increase in the future.

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Schedule 1

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS
(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)
2006 (Lag)	$38,367,102	$38,431,319	$ 64,217	99.8%	$10,128,689	0.6%
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

* Based on the Frozen Initial Liability Actuarial Cost Method.

Reflects revised actuarial assumptions and methods based on experience review.

** 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 methods and more recent information on labor contract settlements.

Notes:

A. 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 (or "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 June 30, 2000 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).

The UIR for fiscal years 2000 to 2004 under the revised AAVM was set equal to the UIR under the prior AAVM.

SCHEDULE 1

(Schedule of Funding Progress continued from the previous page)

The prior 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 (or 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
(In thousands)

Fiscal Year Ended June 30	Annual Required Contribution (ARC)	Percentage of ARC Contributed
2008	$ 1,874,242	100.0%
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

Under the requirements of Governmental Accounting Standards Board Statement Number 25 ("GASB 25"), as amended by GASB Statement No. 50 ("GASB 50"), 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).

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 278/02 which provides for a ten-year phase-in of the additional actuarial liabilities attributable to Chapter 125/00.

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 after 2005, the Statutory Contribution equals the ARC.

Schedule 3

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF ACTUARIAL METHODS AND ASSUMPTIONS

The information presented in the required supplementary schedules was determined as part of the actuarial valuations as of June 30, 2006 (Lag) and June 30, 2005 (Lag). These actuarial valuations were used to determine Employer Contributions for Fiscal Years 2008 and 2007, respectively. Additional information as of the last two actuarial valuations follows:

	June 30, 2006 (Lag) [1]	**June 30, 2005 (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	1 year for 2002 ERI (Part A only).[3]	2 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. Chapter 69 of the Laws of 2002 established a UAAL as of June 30, 2003 for an ERI. The UAAL is being amortized on a level basis over a period of five years beginning Fiscal Year 2004.

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

Schedule 4

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUPPLEMENTARY INFORMATION (UNAUDITED)
FUNDED STATUS BASED ON ENTRY AGE ACTUARIAL COST METHOD
(In Thousands)

This Schedule is being provided by the Actuary for the Plan to improve the transparency and decision usefulness of this financial report.

The Actuarial Cost Method ("ACM") used to develop the funding requirements for the Plan is the Frozen Initial Liability ("FIL") ACM. Under this ACM, following establishment of any Initial Unfunded Actuarial Accrued Liabilities ("UAAL"), actuarial gains and losses are financed over the working lifetimes of active participants and are not identified as separate UAAL.

The funding status and funding progress information provided in this Schedule has been prepared using the Entry Age ACM where the Actuarial Present Value ("APV") of any obligations of the Plan not provided by the APV of Future Contributions (Employer and Employee), as determined under the Entry Age ACM, equals the Actuarial Accrued Liability ("AAL"). Under the Entry Age ACM, the UAAL equals the AAL minus the Actuarial Value of Assets.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) – Entry Age (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2006 (Lag)	38,367,102	46,602,030	8,234,928	82.3	10,128,689	81.3
June 30, 2005 (Lag)	39,692,426	44,881,300	5,188,874	88.4	9,670,786	53.7
June 30, 2004 (Lag)	$40,638,628	$43,010,221	$2,371,593	94.5%	$9,361,186	25.3%

Note: Actuarial assumptions used are those shown in Schedule 3.

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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; 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 41% 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 11% 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.

- 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.

REPORT ON INVESTMENT ACTIVITY AND POLICIES

- 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*.

Investment Accounting

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 quoted market value on the last trading day of the period, except for the International Investment funds (the "IIF") and Alternative Investment funds (the "ALTINVF").

The IIF are private funds of publicly traded securities 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. The investment managers determine fair value using the last available quoted price for each security owned adjusted by any contributions to or withdrawals from the fund during the period. The ALTINVF are Investments for which exchange quotations are not readily available and are valued at estimated fair value as

REPORT ON INVESTMENT ACTIVITY AND POLICIES

determined in good faith by the General Partner (GP). These investments are initially valued at cost with subsequent adjustments that reflect third party transactions, financial operating results and other factors deemed relevant by the GP. Fair value is determined by plan management based on information provided by the various GP's after review by an independent consultant and the custodian bank for the fund.

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.

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.

REPORT ON INVESTMENT ACTIVITY AND POLICIES

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 2008, the fair value of the investment portfolio depreciated $3.1 billion. This is compared to several consecutive years of appreciation: $4.9 billion in 2007, $2.5 billion in 2006, and $2.1 billion in 2005, $3.9 billion in 2004, and $193 million in 2003. These increases are in contrast with 2002 and 2001, when the fair value of the investment portfolio depreciated significantly - $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
2008	(430)	443	87
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

For 2008, since the sum of investment income (-$1.8 billion) and employer/employee contributions ($2.2 billion) resulted in a small positive revenue amount, each component represents a large percentage of the total net revenue. It is important that, in the long term, 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. 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 grow along with the rest of the national and international economies.

The total fair value of the Plan's investment portfolio as of June 30, 2008 was $45,258,849,000, which included Collateral from Securities Lending of $5,502,755,000. This is shown in detail in the Investment Summary on page 102**,** and is consistent with the Statement of Plan Net Assets on page 71. However, the portfolio percentages that are used below and in the Asset Allocation

REPORT ON INVESTMENT ACTIVITY AND POLICIES

charts on pages 103 and 104 are based on $39,756,094,000, which is net of the Securities Lending Collateral.

The total return on *Plan* assets during 2008 was -4.96%.

Domestic Equities, which comprise 42.2% of the total portfolio, returned -12.84%, which was comparable to the Russell 3000 benchmark of -12.68%. Blackrock, BGI, and Amalgamated passively manage 82% of the domestic equity portfolio. The remaining 18% is actively managed by 63 managers with varying investment approaches, such as specializations 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 17.8% of the total portfolio, and it contributed a return of -7.07%. This was significantly higher than the MSCI EAFE index of -10.61%.

The U.S. Long-term Fixed Income segment, externally managed and constituting 32.7% of the portfolio, returned 6.45% on the total segment, which consists of two main components. The Structured Managed Program returned 6.94%, as compared to the NYC Core Plus Five Index of 7.67%, and the Enhanced Yield component returned 0.11%, compared to the Citigroup BB & B index of -1.09%.

The Short-Term Investment return has decreased to 4.51% from last year's return of 5.41%.

The *Plan's* Targeted Investment segment returned 7.52%.

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

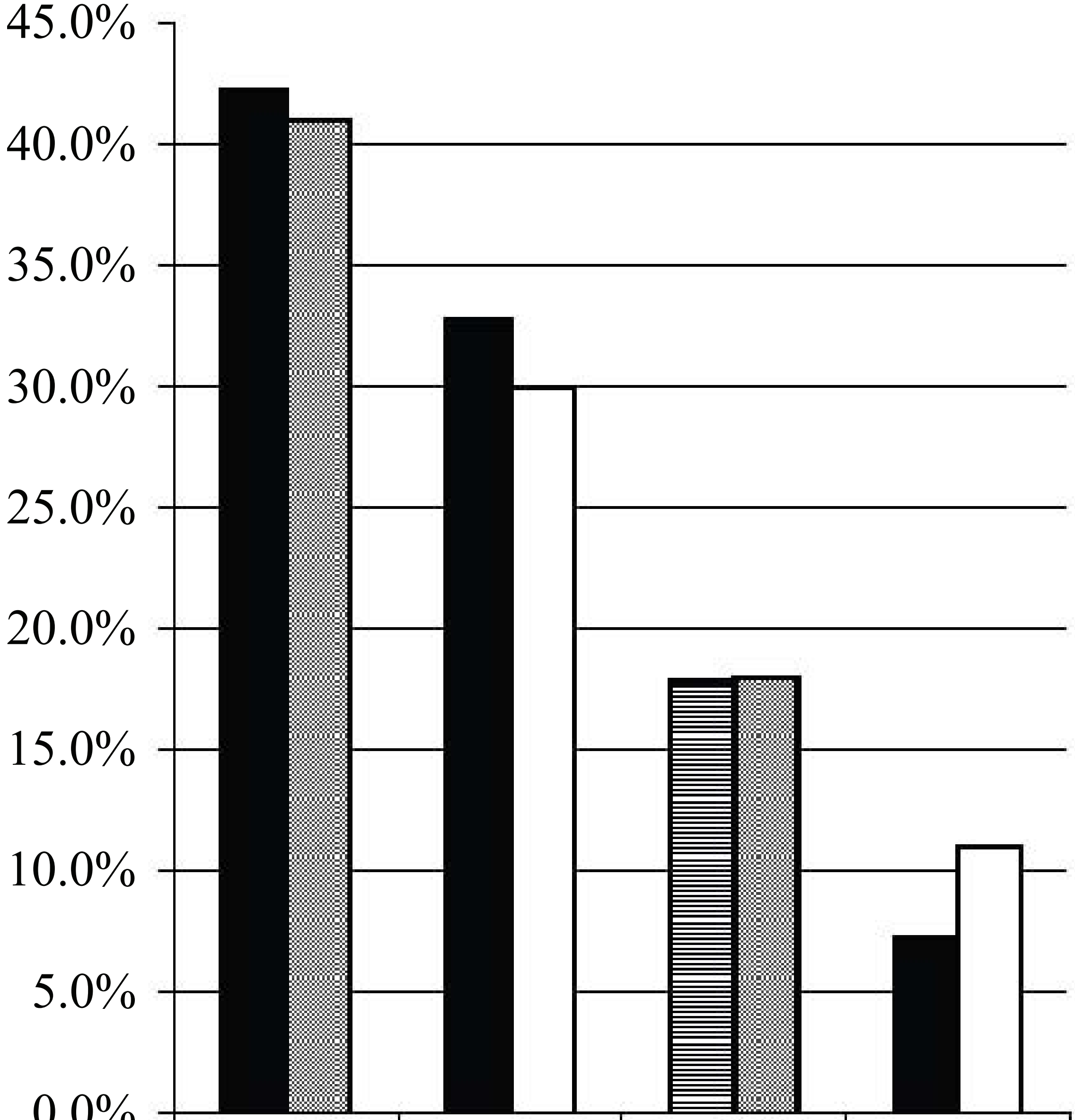
INVESTMENT SUMMARY AS OF JUNE 30, 2008

(in thousands of dollars)

Type of Investment		Market Value as of June 30, 2008	Percent of Total Market Value
Short Term Investments		**$892,860**	**2.0%**
Fixed Income Debt Securities - Long Term			
	U.S. Government	5,214,593	11.5%
	Corporate	5,317,742	11.7%
	Yankee (Int'l)	166,408	0.4%
Total Fixed Income Debt Securities- Long Term		**10,698,743**	**23.6%**
Total Fixed Income		**11,591,603**	**25.6%**
Private Equity Holdings		**2,884,600**	**6.4%**
Equities - domestic		**16,685,061**	**36.9%**
Mutual Funds:			
	International equity	7,078,803	15.6%
	Domestic equity	91,572	0.2%
	Mortgages	149,123	0.3%
	TIPS	1,255,161	2.8%
Total Mutual Funds		**8,574,659**	**18.9%**
Promissory Notes		**20,171**	**0.00%**
Collateral From Securities Lending		**5,502,755**	**12.2%**
Total Investments		**45,258,849**	**100.0%**

New York City Employees' Retirement System

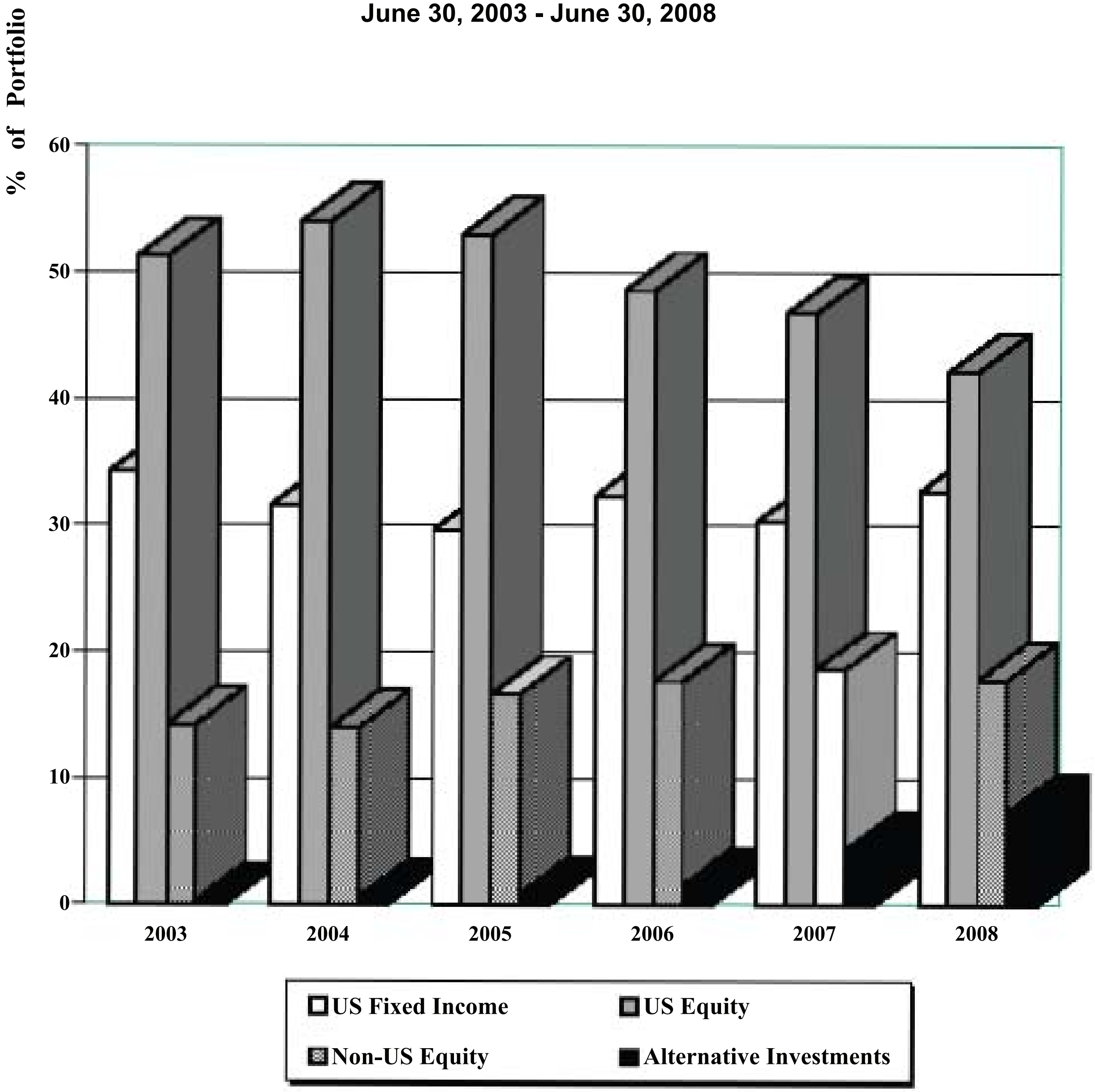
ASSET ALLOCATION AND POLICY MIX



	U.S. Equity	U.S. Fixed Income	Int'l Equities	Alternative Investments
Asset Mix	42.2%	32.7%	17.8%	7.3%
Policy Mix	41.0%	30.0%	18.0%	11.0%

(as of June 30, 2008)

ASSET ALLOCATION
Six-Year History
June 30, 2003 - June 30, 2008



List of Largest Equity Holdings
(at Fair Value)
June 30, 2008

	Shares	Security	Fair Value	Percent of Domestic Equities
1	6,268,012	Exxon Mobil Corporation	552,399,898	3.31%
2	10,925,459	General Electric Corporation	291,600,501	1.75%
3	9,469,652	Microsoft Corporation	260,510,127	1.56%
4	2,528,323	Chevron Corporation	250,632,659	1.50%
5	6,873,899	AT&T Inc.	231,581,657	1.39%
6	3,401,659	Johnson & Johnson	218,862,740	1.31%
7	3,436,719	Procter & Gamble Company	208,986,882	1.25%
8	1,615,582	International Business Machines Corporation	191,494,934	1.15%
9	1,876,553	Conoco Phillips	177,127,838	1.06%
10	2,920,201	Wal Mart Stores Inc.	164,115,296	0.98%
11	967,629	Apple Inc.	162,019,800	0.97%
12	6,505,850	Cisco Systems Inc.	151,326,071	0.91%
13	4,298,079	JP Morgan Chase & Corporation	147,332,370	0.88%
14	7,988,841	Pfizer Inc.	139,565,052	0.84%
15	6,425,989	Intel Corporation	138,030,244	0.83%
16	5,489,416	Bank America Corporation	137,878,343	0.83%
17	1,269,713	Schlumberger Limited	136,405,268	0.82%
18	256,146	Google Inc.	134,840,377	0.81%
19	3,704,083	Verizon Communications Inc.	131,124,538	0.79%
20	2,940,831	Hewlett Packard Company	130,014,139	0.78%
21	2,459,162	Coca-Cola Company	127,827,241	0.77%
22	6,825,466	Citigroup Inc.	117,632,356	0.71%
23	1,761,394	PepsiCo Inc.	112,007,044	0.67%
24	2,551,467	Merck & Company Inc.	96,164,791	0.58%
25	4,539,729	Oracle Corporation	95,334,309	0.57%
26	3,985,879	Wells Fargo & Company	94,664,626	0.57%
27	1,763,991	Abbott Laboratories	93,438,603	0.56%
28	1,797,762	Philip Morris International Inc.	88,791,465	0.53%
29	3,267,464	American International Group Inc.	87,353,356	0.52%
30	946,169	Occidental Petroleum Corporation	85,022,746	0.51%
31	479,549	Goldman Sachs Group Inc.	83,873,120	0.50%
32	1,803,806	Qualcomm Inc.	80,034,872	0.48%
33	621,291	Monsanto Company	78,556,034	0.47%
34	1,354,389	Mc Donalds Corporation	76,143,750	0.46%
35	1,563,115	Wyeth	74,966,995	0.45%
36	1,177,633	United Technologies Company	72,659,956	0.44%
37	802,876	Exelon Company	72,226,725	0.43%
38	2,259,584	Disney Walt Company	70,499,021	0.42%
39	1,680,612	CVS Caremark Corporation	66,501,817	0.40%
40	4,317,374	Time Warner Inc.	63,897,135	0.38%
			$ 5,693,444,696	**34.12%**

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

LIST OF LARGEST BOND HOLDINGS
(By Fair Value)
June 30, 2008

	Security Description		Fair value	Percent of Long Term Fixed Income
1	FNMA Securities	$	2,497,227,854	23.34%
2	Federal Home Loan Corp.	$	1,210,863,672	11.32%
3	U.S. Treasury Securities	$	995,633,242	9.31%
4	GNMA Securities	$	280,855,877	2.63%
5	J.P. Morgan Chase & Subsidiaries	$	136,022,836	1.27%
6	Federal Home Loan Banks	$	115,694,463	1.08%
7	CWALT Inc.	$	114,231,983	1.07%
8	Community / Economic Development Bonds	$	94,183,393	0.88%
9	Citigroup & Subsidiaries	$	90,106,175	0.84%
10	Wells Fargo Inc.	$	82,400,542	0.77%
11	Morgan Stanley & subsidiaries	$	72,317,087	0.68%
12	Bank America Corp.	$	67,800,989	0.63%
13	Structured Asset Securities Corp.	$	65,913,456	0.62%
14	Goldman Sachs Group	$	61,095,776	0.57%
15	Ford Motor Company	$	53,604,630	0.50%
16	AT&T & Subsidiaries	$	53,304,394	0.50%
17	General Electric Company	$	50,807,919	0.47%
18	European Investment Bank	$	48,772,783	0.46%
19	Lehman Brothers	$	48,382,379	0.45%
20	Bear Stearns Inc.	$	47,027,587	0.44%
21	Merrill Lynch & Company	$	45,712,466	0.43%
22	Tennessee Valley Authority	$	41,153,261	0.38%
23	Italy Government	$	38,251,144	0.36%
24	Daimler Chrysler North America	$	34,305,087	0.32%
25	Brazil Government	$	33,765,593	0.32%
26	Chesapeake Energy Corp.	$	32,994,955	0.31%
27	HCA-Healthcare Company	$	31,959,500	0.30%
28	HSBC Bank	$	29,757,631	0.28%
29	Volkswagen Credit Auto Master	$	29,103,618	0.27%
30	Mexico Government	$	29,034,945	0.27%
31	Georgia Pacific Company	$	28,227,130	0.26%
32	IndyMac Bank	$	28,099,877	0.26%
33	Qwest Corp & Subsidiaries	$	27,756,225	0.26%
34	Credit Suisse Inc.	$	27,660,498	0.26%
35	Wachovia Corp.	$	27,216,399	0.25%
36	NRG Energy Inc.	$	25,805,844	0.24%
37	Resolution Funding Corp.	$	25,482,346	0.24%
38	CIT Group Inc.	$	24,870,820	0.23%
39	British Telecommunications	$	24,629,149	0.23%
40	Residential Funding Mortgage	$	24,534,230	0.23%
		$	**6,796,567,755**	**63.53%**

This table lists the issuers of NYCERS' 40 largest long term fixed income securities. For most issuers, the amount shown is comprised of multiple securites 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, 2008	Fees
Fees Paid Out of Investment Income		
Investment Managers' Fees:		
Fixed Income Managers		
Advent (Convertible Bonds)	126.01	51,000.00
Blackrock (Corporate)	525.32	253,927.78
Blackrock (Mortgage)	923.88	441,014.85
Fischer, Francis, Trees & Watts (Yankee)	327.86	222,648.60
Lehman Brothers (Gov't)	796.57	127,928.24
Lehman Brothers (Mortgage)	1,000.72	303,862.42
Loomis Sayles (Enhanced Yield)	477.61	1,907,939.08
Lord Abbett & Co. (Convertible Bonds)	128.16	50,907.00
Pacific Investment Mgmt. Co. (Gov't)	381.33	287,505.22
Pacific Investment Mgmt. Co. (Mortgage)	995.61	677,047.41
Progress Fixed Emerging Managers	76.20	335,176.66
Prudential (Corporate)	365.37	149,873.62
Prudential Investments (Yankee)	330.40	135,262.33
SEIX (Enhanced Yield)	467.13	707,348.61
Shenkman Capital Management (Enhanced Yield)	476.28	1,626,816.83
State Street Bank and Trust Co. (Gov't)	240.28	54,964.21
T. Rowe Price (Corporate)	484.95	301,458.78
T. Rowe Price (Enhanced Yield)	484.83	1,480,731.73
Taplin Canida & Habacht (Corporate)	538.96	497,300.09
TCW Zasset Mgmt. (Mortgage)	931.98	1,037,105.26
Victory (Convertible Bonds)	126.77	52,000.00
Total Fixed Income Managers	**10,206.22**	**10,701,818.72**
Domestic Equity Managers		
Amalgamated Bank of NY (S & P 500 Index)	3,582.04	51,516.48
Ariel Capital (Mid Cap)	0.16	459,333.88
Ariel Capital (Small Cap)	91.00	322,360.17
Attucks Assett Management (Value)	181.40	716,126.61
Barclay Global Investors (Russell 3000 Index)	5,047.86	256,090.23
Bivium Capital Partners, LLC (Mid Cap)	44.14	173,481.79
BlackRock (Russell 3000)	5,123.28	110,328.00
Capital Prospects LLC	42.62	297,314.06
Chicago Equity Partners (Mid Cap)	60.22	126,315.20
Emerald Advisors (Small Cap)	33.44	129,119.15
F.I.S. Fund Mgmt.	138.66	902,889.97
Franklin Portfolio Associates (Mid Cap)	58.59	182,934.60
Gabelli Asset Mgmt. (Small Cap)	53.26	500,571.88
Navellier & Assoc. Inc. (Small Cap)	66.63	257,338.67
New Amsterdam	-	117,423.45
RAFI Enhanced Small Co.	471.34	84,600.00
RAFI Enhanced Large Co.	1,019.29	91,736.00
Rothschild Asset Mgmt. (Mid Cap)	112.42	630,810.19
Total Progress Trust	235.70	1,499,885.46
VTL S&P 500	232.70	22,934.00
Walden Asset Mgmt	47.53	49,743.96
Wells Capital Mgmt. (Small Cap)	77.59	347,201.76
Total Domestic Equities	**16,719.87**	**7,330,055.51**

SCHEDULE OF FEES PAID TO INVESTMENT ADVISORS AND CONSULTANTS

	Assets under Management (in millions) As of June 30, 2008	Fees
Private Equity Investments		
Aisling Capital II	3.60	115,828.51
Allegra Capital Patners IV	6.29	218,150.00
Ampersand 2006	11.17	499,964.00
Apollo Investment Fund V	48.31	-
Apollo Investment Fund VI	72.59	-
Apollo Investment Fund VII	6.87	643,735.00
Ares Copr Opportunities	31.90	245,706.49
Ares Copr Opportunities Fund II	37.66	828,220.18
Arsenal Capital Partners II	6.96	313,333.00
Aurora Equity Capital Partners III	25.94	557,499.00
Avenue Special Situations Fd V	33.47	1,125,000.00
Avista Capital Partners	39.47	-
BDCM Opportunity Fund	28.26	246,022.85
BDCM Opportunity Fund II	9.07	436,707.27
Blackstone Capital Partnerrs IV	27.78	-
Blackstone Capital Partnerrs V	66.87	656,199.00
Blackstone Mezz. Partners II	15.89	177,738.00
Carlyle Partners III	14.11	102,635.00
Carlyle Partners V	14.54	607,660.88
Carpenter Community Bancfund	0.82	181,918.00
Catterton Partners VI	22.62	611,606.00
CCMP Capital Investors II	6.72	393,221.00
Celtic Pharmaceutical Holdings LP	17.71	276,093.00
Craton Equity Investors	0.38	-
Cypress Merchant Bank Partners II	17.93	227,869.00
Erasmus NYC Growth Fund	38.46	800,000.00
Ethos Private Equity Fund V	19.23	623,604.23
Fairview Capital Partners	11.83	-
Fairview Capital Partners II	1.80	-
FDG Capital Partners	8.51	68,250.56
FDG Capital Partners II	13.87	443,219.75
First Reserve Fd XI	28.73	304,000.00
Fourth Cinven Fund	37.56	-
FS Equity Partners V	14.61	367,312.00
FT Ventures Fund III	8.80	450,000.00
GF Capital	2.26	233,333.40
GI Partners Fund II	28.40	69,847.00
GSC Recovery III	13.03	375,000.00
Halyard Capital II	10.53	260,449.00
HM Capital Sector Perform Fund	11.47	196,896.50
InterMedia Partners VII	15.20	437,500.00
JP Morgan Investment Management	9.37	-
Landmark Equity Partners XI	26.95	542,360.00
Landmark Fund XIII	31.05	312,500.00
Lehman Brothers MB Fund III	27.67	196,445.58
Lehman Brothers Partners IV	2.64	1,261,988.30
Lincolnshire Equity Fund III	18.37	794,134.00
Markstone Capital Partners	25.44	800,000.00
Midocean Partners III	18.18	547,719.00

SCHEDULE OF FEES PAID TO INVESTMENT ADVISORS AND CONSULTANTS

	Assets under Management (in millions) As of June 30, 2008	Fees
Private Equity Investments (continued)		
Montreux Equity Partners IV	4.22	354,255.24
New Mountain Partners	7.69	79,124.00
New Mountain Partners II	40.42	482,130.00
New Mountain Partners III	10.98	1,477,064.00
Newspring Venture II LP.	4.40	400,000.00
Paladin Homeland Security	13.25	-
PCGAM Clean Energy & Tech Fund	9.60	-
Perseus Partners VII	6.60	354,888.00
Pine Brook Capital Partners	8.53	257,871.00
Prism Venture Partners V-A L.P.	15.36	623,895.00
Psilos Group Ptnrs III	14.02	875,000.00
Quadrangle Capital Partners II	33.53	849,168.00
Quaker BioVentures II L.P.	1.80	498,918.00
Relativity Fund	3.40	140,226.91
Ripplewood Partners 11	11.66	15,097.64
RRE Ventures III-A, L.P.	21.66	500,000.00
RRE Ventures IV	10.71	875,000.00
SCP Private Equity Partners II L.P.	15.59	325,139.15
SCP Vitalife Partners II L.P.	3.00	456,514.98
Shamrock Capital	62.02	982,788.00
Silver Lake Partners II, L.P.	23.81	231,577.00
Silver Lake Partners III	7.05	711,117.00
Snow Phipps & Guggenheim	5.57	298,894.00
Solera Partners	19.74	388,885.00
Tailwind Capital Partners, L.P. Contingent	5.53	300,000.00
Terra Firma Cap III - Contingent	26.27	809,942.40
Thomas H Lee Equity Fund VI	25.17	205,210.00
Thomas McNerney Partners	10.18	-
Thomas McNerney Partners II	5.88	-
US Power Fund II	51.35	1,213,868.00
US Power Fund III	27.19	411,606.00
Vista Equity Partners III	10.86	526,217.00
Vitruvian Partners	4.60	39,357.54
VS&A Comm Partners III	17.89	149,572.67
VSS Comm Partners IV	18.15	374,156.00
Yucaipa American Alliance Fund	64.79	583,494.00
Yucaipa American Alliance Fund II	29.37	-
Yucaipa Corp Initiative II	4.71	-
Total Private Equity Managers	**1,647.41**	**33,340,642.03**

SCHEDULE OF FEES PAID TO INVESTMENT ADVISORS AND CONSULTANTS

	Assets under Management (in millions) As of June 30, 2008	Fees
Private Real Estate Managers		
American Value Partners Fd. III	2.25	1,039,381.72
AMB Alliance Fd II	27.90	219,752.00
Apollo Real Estate Fund V	18.05	817,827.40
Blackstone Real Estate Partners IV	28.46	326,705.00
Blackstone Real Estate Partners VI	43.54	1,879,167.00
Canyon Johnson Urban Fund	1.80	52,416.00
Canyon Johnson Urban Fund II	20.82	800,000.00
Carlyle Partners R.P. Fund V	9.26	489,013.00
Capri urban Investors	10.81	-
Colony Realty Partners GP II, LP	19.71	300,000.00
Heitman Aerica RE Trust	59.24	279,831.00
JPMC SP Fund	103.98	761,144.33
JPMC SS Fund	101.30	1,327,154.54
Lehman Rep III	10.00	-
Metro Workforce Housing Fund, LLC.	1.57	370,000.00
Prisa	105.64	467,576.29
Prudential Prisa II	83.05	294,003.43
RREEF America II, Inc	102.50	360,790.62
RREEF America III, Inc	89.31	794,073.50
The City Investment Fund	164.00	2,300,347.00
Tishman Speyer/Citigroup	52.88	(134,764.87)
UBS Trumball Property Fund (TPF)	104.12	1,070,218.02
Urban America II	8.92	312,500.00
Westbrook Real Estate VII, L.P.	6.92	1,052,881.00
Total Private Real Estate Equity Managers	**1,176.05**	**15,180,016.98**
International Equity Fund Managers		
Acadian (Emerging Markets)	320.50	1,576,448.00
Acadian (Value)	411.14	1,442,380.00
Alliance (Value)	398.72	1,092,646.57
Baillie Gifford Overseas Ltd.(Emerging Markets)	368.87	2,639,367.23
Baillie Gifford Overseas Ltd.(Growth)	425.47	633,829.56
Barclays Global Investor (Passive)	1,320.88	145,021.86
Capital Guardian Trust Co. (Core)	0.03	1,548,953.71
DFA (Emerging Markets)	308.15	1,906,792.46
GE MTA	416.75	335,814.00
Martin Currie (Growth)	430.00	519,020.42
Mondrian Investment Partners Ltd.	423.49	1,743,734.00
Oechsle Int'l Advisors (Growth)	0.89	722,523.79
Philadelphia International (Core)	548.39	1,606,799.68
PIM Atlanta Life	14.36	68,120.81
PIM John Hsu	14.36	70,170.93
PIM Strategic Global Adv	14.59	69,897.28
Pyramis MTA (Growth')	423.19	255,259.00
Sprucegrove (Value)	399.57	916,772.59
State Street (Emerging Markets)	336.56	2,095,690.96
T.Rowe Price (Growth)	3.14	930,243.83
Total International Equity Fund Managers	**6,579.04**	**20,319,486.68**

SCHEDULE OF FEES PAID TO INVESTMENT ADVISORS AND CONSULTANTS

Callan Consultants, Inc.			361,000.00
Callan Consultants (Emerging Markets)			299,502.50
Foster, Pepper, & Shefelman PLLC (Legal Consultant)			31,505.75
Independent Fiduciary Services (Special Project)			11,400.00
Morgan, Lewis, & Bockius LLP (Legal Consultant)			49,129.21
Nixon Peabody, LLP (Legal Consultant)			37,218.00
Pacific Corporate Group (PCG)			1,972,801.00
Pryor Cashman Sherman & Flynn LLP (Legal Consultant)			13,727.50
The Townsend Group			249,533.32
Total Consultant Fees			**3,025,817.28**
Total Fees FY 2008	**37,823.05**	**$**	**92,245,516.99**

SCHEDULE OF BROKERS' COMMISSIONS

For Fiscal Year Ended June 30, 2008

Brokerage Firm	Number of Shares Traded		Total Commissions
Abel Noser Corporation	516,920	$	5,807
ABG Securities	754,060		8,873
ABN AMRO Securities LLC	64,826,809		124,585
Access Securities Inc.	22,815		684
Adams, Harkness & Hill Inc.	71,821		2,665
Agora Cor de Titul e Val Mob	38,000		338
Alpha Brokerage	42,700		5,038
American Technology Research	1,064		43
Ameritrade Inc.	666,420		749
Arden Partners Limited	223,605		2,967
Arnhold & Bleichroeder Inc.	13,900		432
Assent LLC	3,500		35
Avian Securities Inc.	95,067		4,753
Avondale Partners LLC	60,889		2,531
Baird Robert W & Company	945,890		49,477
Banc of America Securities	1,671,979		14,630
Banca Akros Spa, Milan	39,187		1,606
Banco Bilbao Vizcaya Argentaria	18,300		494
Banco Espanol de Credito - Madrid	84,594		4,034
Banco Espirito Santo de Investimento SA - Lisbon	72,916		577
Banco Portugues de Investimento SA	10,900		356
Banco Santander	3,695,933		66,710
Bancoval - Madrid	3,315		267
Bank Austria Creditanstalt - Vienna	193,471		9,409
Bank Vontobel AG - Zurich	180,760		15,153
Barclays Global Investors	52,776,011		19,803
Barrington Research Associates Inc.	203		10
Baypoint Trading LLC	230,646		6,548
Bears Stearns & Company	19,491,772		144,145
Berean Capital Inc.	368,859		10,543
Berenberg Bank - Hamburg	9,400		707
Blair William & Company LLC	434,786		17,489
Bloomberg Tradebook	368,081		9,445
BMO Nesbitt Burns Corporation	127,320		4,666
BNP Paribas	6,257,825		55,343
Bank of New York	9,484,865		153,166
BOE Securities Inc/Broadcort Capital	68,127		2,586
Boenning & Scattergood Inc.	18,472		758
Brean Murray Foster Securities	2,850		143
Broadcort Capital Corp.	52,075		2,083
Brockhouse and Cooper Inc.	4,363,025		32,745
Brown Brothers Harriman & Company	87,920		2,845
B-Trade Services LLC	571,748		12,753
Buckingham Research Group Inc.	219,170		9,863

SCHEDULE OF BROKERS' COMMISSIONS

For Fiscal Year Ended June 30, 2008

Brokerage Firm	Number of Shares Traded		Total Commissions
Cabrera Capital Markets	1,226,936	$	42,076
CAI Cheuvreux Nordic AB	42,400		2,218
Calyon Securities	2,986,016		30,362
Cantor, Fitzgerald & Company Inc.	3,366,922		68,101
Capital Institutional Services - Equities	6,206,947		84,453
Caris and Company Inc.	59,842		2,432
Carnegie Bank	60,975		6,996
Cazenove and Company Ltd.	2,408,542		13,070
Chapdelaine Institutional	26,012		1,301
Charles Stanley and Company Ltd. - London	777,868		1,520
Cheevers & Company Inc.	167,842		5,917
China Intl Cap Corp HK Securities Ltd.	496,422		7,164
CIBC World Markets Corporation	388,840		13,920
Citation Group	464,802		18,133
Citigroup Global Markets Inc.	77,794,600		486,266
CLSA Securities	8,393,105		103,359
Collins Stewart & Company - London	698,852		2,084
Concordia SA CVMCC	200		6
Cowen & Company LLC	338,680		12,478
Craig - Hallum	131,037		5,387
Credit Agricole Cheuvreux	1,755,531		61,912
Credit Lyonnais Securities	2,539,200		92,182
Credit Suisse First Boston	103,090,006		542,188
Cuttone & Company Inc.	298,800		7,470
D Carnegie AB	487,531		2,736
Daishin Securities Company Ltd.	374,380		3,611
Daiwa Securities	1,520,026		28,314
Danske Bank AS - Copenhagen	42,600		1,902
Davenport & Company LLC	35,800		1,432
Davidson D.A. & Company	93,300		4,153
Davy Stockbrokers - Dublin	446,335		12,562
DBS Vickers - Hong Kong	31,186		347
Dematteo Monness LLC	19,519		781
Deutsche Bank	119,505,183		584,684
Dexia Securities - France	45,692		2,451
Direct Trading Institutional	331,016		6,024
Divine Capital Markets LLC	283,615		9,325
Donaldson Lufkin & Jenrette	19,330		870
Dougherty Company	33,697		1,335
Dresdner Kleinwort Wasserstein Securities	3,672,295		85,861
E*Trade Securities	68,955		4,362
Edgetrade Inc.	11,000		113
Emp Research Partners LLC	4,400		176

SCHEDULE OF BROKERS' COMMISSIONS

For Fiscal Year Ended June 30, 2008

Brokerage Firm	Number of Shares Traded		Total Commissions
Erste Bank Oesterre Sparkassen AG	41,623	$	3,362
Euromobiliare Sim Spa - Milan	54,720		1,663
Evolution Beeson Gregory Ltd. - London	401,191		3,444
Exane Ltd.	278,034		29,513
Execution Ltd. - Hong Kong	77,000		494
Fator - Doria Atherino SA CV	10,015,497		768
Fidelity Capital Markets	133,651		3,669
Fidentiis Equities	74,725		7,395
Finsettle Services (Pty) Ltd.	285,646		10,587
Firefly Capital Inc - Equities	10,480		105
First Albany Corporation	49,100		1,255
First Analysis Securities Corporation	54,686		1,916
First Clearing LLC	15,291		619
Fortis Investment Services	29,432		2,520
Fox-Pitt Kelton Inc.	822,343		9,256
FPK Nominees Ltd.	230,795		6,658
Fred, Albert & Company LLC	1,900		76
Friedman, Billings & Ramsey	319,019		12,609
FRS Securities LLC	11,478		410
Futuretrade Securities LLC	583,104		11,662
Gardner Rich & Company	782,332		23,182
Goldman Sachs & Company	43,503,617		475,568
Goodbody Stockbrokers - Dublin	146,018		3,975
Goodmorning Shinhan Securities - Seoul	44,500		10,268
Greentree Brokerage Services	8,950		448
Griffiths McBurney - Canada	50,700		1,976
G-Trade Services Ltd.	2,127,221		33,391
Guzman & Company	2,900,821		56,537
Hibernia Southcoast Capital	36,239		1,714
Hong Kong & Shanghai Banking Corporation Ltd.	362,853		1,669
Howard Weil Incorporated	54,140		2,707
HSBC Securities Inc.	59,849,251		122,163
ICAP Corporates LLC	13,125		525
ING Financial Services	286,383		66,989
Instinct Clearing Services Inc.	18,887,924		184,236
Institutional Services	64,300		2,572
Intermonte Securities SIM - Milano	165,092		8,103
Investec Securities - London	1,306,389		18,483
Investment Bank Athens	27,082		2,208
Investment Technology Group	7,873,416		144,837
ISI Group Inc.	441,317		19,657
ITG Inc.	993,424		4,688
IVY Securities Inc.	72,700		2,888
IXIS Securities	16,400		1,378

SCHEDULE OF BROKERS' COMMISSIONS

For Fiscal Year Ended June 30, 2008

Brokerage Firm	Number of Shares Traded	Total Commissions
J B Were & Son - Melbourne	60,600	$ 723
JMP Securities	167,864	6,536
Jackson Partners & Associates Inc.	508,800	17,948
Janco Partners Inc.	61,000	2,368
Janney Montgomery Scott Inc.	117,299	3,844
Jefferies & Company Inc.	2,551,409	89,726
Johnson Rice & Company	352,160	15,894
Jonestrading Institutional Services LLC	930,728	19,485
JP Morgan Chase Bank	26,512,514	312,571
KAS Bank NV - Amsterdam	430	86
Kaupthing Singer and Friedlander	5,300	16
KBC Financial Products Inc. - London	326,625	13,000
Keefe Bruyette & Woods Inc.	442,836	11,731
Kempen & Company NV - Amsterdam	2,241	59
Kepler Equities	451,362	23,001
Keybanc Capital Markets	136,133	5,990
KGI Securities Ltd. - Hong Kong	21,403	632
Kim Eng Securities - Hong Kong	2,108,900	15,349
King, CL & Associates	647,033	28,546
Knight Securities	861,256	18,183
Kotak Securities - Mumbai	119,892	11,199
Labranche Financial Services LLC	342,500	12,125
Ladenburg Thalman & Company	2,612	104
Lambright Financial Securities	130,897	3,802
Lazard Freres & Company	226,081	3,398
Leerink Swann and Company	172,778	7,707
Legent Clearing Corp.	144,100	2,738
Lehman Brothers	35,337,402	387,444
Lek Securities Corp.	2,175	44
Liquidnet Inc.	2,826,329	60,001
Lisbon Brokers Sociedade Corretora	8,719	84
Longbow Securities LLC	4,870	195
Loop Capital Markets LLC	659,938	20,344
Lynch Jones & Ryan Inc.	4,696,501	65,236
Macquarie Securities	25,102,436	128,092
Magna Securities Corporation	16,207,949	46,957
Mainfirst Bank AG - Frankfurt	126,778	12,874
Man Financial Limited - London	93,601	2,849
Mediobanca-Banca - Milan	28,400	886
Melvin Securities LLC	1,702,184	24,919
Merrill Lynch	188,975,876	813,476
Merriman Curhan Ford & Company	99,375	3,310
Merrion Capital Group - Dublin	33,842	983
Midwest Research Securities	211,933	8,447
Midwood Securities	3,950	158

SCHEDULE OF BROKERS' COMMISSIONS

For Fiscal Year Ended June 30, 2008

Brokerage Firm	Number of Shares Traded		Total Commissions
Miller Tabak & Company LLC	304,800	$	3,210
Mischler Financial Group Inc.	3,141		112
Mitsubishi Securities	28,492		1,075
Mizuho Securities	1,077,495		26,840
MM Warburg Company - Hamburg	7,605		1,949
Monument Derivatives Ltd. - London	28,752		535
Morgan Keegan & Company Inc.	1,156,189		23,311
Morgan Stanley & Company	34,534,488		346,568
MR Beal & Company	2,310,302		56,640
Multitrade Securities LLC	28,389		1,198
Natexis Bleichroeder - New York	1,054,318		26,499
National Financial Services Corp.	448,276		14,561
NBC Clearing Services	45,282		894
NCB Stockbrokers Limited	85,398		2,101
Needham & Company	140,400		6,456
Nesbitt Burns Securities Inc.	46,492		835
Nessuah Zannex Ltd. - Ramat Gan	954,257		8,510
Next Generation Equity Research	2,005		80
Nomura Securities International Inc.	2,939,312		54,852
Nordea Bank	16,600		2,132
Numis Securities Limited - London	348,695		6,984
Nutmeg Securities	21,119		698
NYFIX Transaction Services	292,705		4,395
NZB Neue Zuercher Bank - Zurich	8,395		1,497
Oddo et Cie - Paris	75,456		7,742
O'Neil, William & Company	106,685		4,569
Oppenheimer & Company Inc.	336,020		13,928
Opstock Securities Helsinki	4,200		66
Oriel Securities Ltd. - London	80,109		1,869
Pacific American Securities	648,284		23,632
Pacific Crest Securities	74,989		3,013
Pacific Growth Equities LLC	21,700		836
Pali Capital LLC	100		4
Panmure Gordon and Company Limited	161,742		1,959
Parel - Paris	120,982		7,487
Penson Financial Services Inc	255,325		9,445
Pereire-Tod Ltd. - London	64,000		398
Pershing & Company	6,577,561		87,447
Pickering Energy Partners Inc.	14,056		659
Pipeline Trading Systems LLC	426,924		8,538
Piper Jaffray & Company	408,982		16,173
Podesta & Company	22,800		374
Pulse Trading LLC	19,613		220
Punk, Ziegel & Knoell	9,810		444
Rabo Securities NV - Amsterdam	17,187		1,347

SCHEDULE OF BROKERS' COMMISSIONS

For Fiscal Year Ended June 30, 2008

Brokerage Firm	Number of Shares Traded		Total Commissions
Raymond, James & Associates Inc.	473,470	$	20,278
RBC Capital Markets Corp.	290,121		10,077
Redburn Partners LLP	99,822		3,752
Renaissance Capital Ltd.	77,882		3,457
Ridge Clearing & Outsourcing	6,048,186		3,805
Robert Van Securities	29,200		1,168
Rochdale Securities Corp.	61,900		1,548
Rodman & Renshaw LLC	4,000		160
Roth Capital Partners LLC	104,304		4,647
Royal Bank of Canada - Toronto	17,500		521
Salomon Brothers International Ltd.	748,728		21,629
Sampo Bank PLC	29,100		362
Samsung Securities Company Ltd. - Seoul	171,785		15,771
Sanders Morris Mundy	15,650		583
Sandgrain Securities Inc.	991		50
Sandler O'Neill & Partners L.P.	63,200		2,385
Sanford C Bernstein & Company LLC	3,038,509		92,696
SBC-Warburg - London	9,594,413		39,000
SBK-Brooks Investment Corp.	6,270		225
Scotia McLeod Inc.	8,742		361
Scott & Stringfellow Inc.	204,991		8,360
SG Americas Securities LLC	12,462,784		123,135
Shinko Securities Company Ltd. - Tokyo	3,541		308
Sidoti & Company LLC	260,165		11,476
SinoPac Securities - Taiwan	29,599,828		48,833
Sis Sega Intersettle AG - Zurich	880		1,094
Skandinaviska Enskilda Banken	105,290		2,621
Societe Generale	2,077,633		43,901
Soleil Securities Corp.	71,464		3,127
Southwest Securities Inc.	10,921		546
Stanford Group Company	42,743		1,744
State Street Bank and Trust Company	6,284,990		68,929
Stephens Inc.	2,579,436		10,866
Sterne Agee & Leach Inc.	17,970		689
Stifel Nicholaus & Company Inc.	655,082		26,701
Suntrust Capital Markets	461,960		20,716
Svenska Handelsbanken	535,294		9,179
The Benchmark Company LLC	33,000		1,127
The Williams Capital Group L.P.	6,041,515		133,043
Thinkequity Partners LLC	207,656		9,356
Thomas Weisel Partners LLC	354,408		11,509
Tir Securities Incorporate - New York	2,167,042		1,735
Tisco Securities Company Ltd. - Bangkok	1,136,500		4,804
Toronto Dominion Bank - Toronto	4,014		99
Toussaint Capital Partners LLC	37,900		948

SCHEDULE OF BROKERS' COMMISSIONS
For Fiscal Year Ended June 30, 2008

Brokerage Firm	Number of Shares Traded		Total Commissions
U.S. Clearing Corp	489,916	$	16,443
UBS Securities LLC	40,232,388		441,185
Uob Kay Hian Ltd.	714,400		3,484
Vandham Securities Corp.	271,525		6,960
Wachovia Securities Capital Market	238,429		8,402
Warburg - New York	8,547		263
Wave Securities	58,400		628
Warburg Dillon Read LLC - New York	235,215		2,295
Wedbush Morgan Securities Inc.	206,478		8,867
Weeden & Company	1,870,659		31,604
Wells Fargo Investments LLC	1,594		64
Westdeutsche Landesbank - Duesseldorf	2,000		261
Westminster Research	40,550		1,622
Wood and Company Securities - Prague	15,971		2,082
Woori Investment Securities Company Ltd.	292,333		32,417
Yamner & Company Inc.	249,966		3,088
Yorkton Securities - Toronto	35,200		1,382
Yuanta Core Pacific Securities	179,000		9,139
Total	1,163,677,911	$	8,790,672

New York City Employees' Retirement System

SCHEDULE OF INVESTMENT RESULTS
TIME-WEIGHTED RATES OF RETURN

	Year Ended June 30					
	2008	**2007**	**2006**	**3 Years**	**5 Years**	**10 Years**
Total Portfolio	(4.96)	18.39	9.83	7.31	9.44	5.43
Managed by Outside Advisors						
Domestic Equities Segment	(12.84)	20.02	9.45	4.61	8.27	3.39
Domestic Russell 3000 Index	(12.68)	20.08	9.57	4.73	8.38	3.51
International Equities Fund Segment	(7.07)	31.69	26.87	15.79	17.96	7.47
MSCI EAFE Index	(10.61)	27.00	26.56	12.84	16.66	5.83
Domestic Fixed Income Segment	6.45	7.07	(0.05)	4.44	4.72	5.90
Structured Managed Program	6.94	6.58	(1.07)	4.08	4.23	5.96
NYC Core Plus Five Index	7.67	6.33	(1.36)	4.14	4.18	5.93
Enhanced Yield	0.11	11.05	3.79	4.88	6.59	4.95
Citigroup BB & B Index	(1.09)	10.73	3.95	4.41	6.48	4.87
In - House Portfolio						
Short Term Investments	4.51	5.41	4.34	4.75	3.50	4.30
Targeted Investments	7.52	6.60	2.89	5.65	5.54	6.31

New York City Employees' Retirement System

SCHEDULE OF INVESTMENT EXPENSES

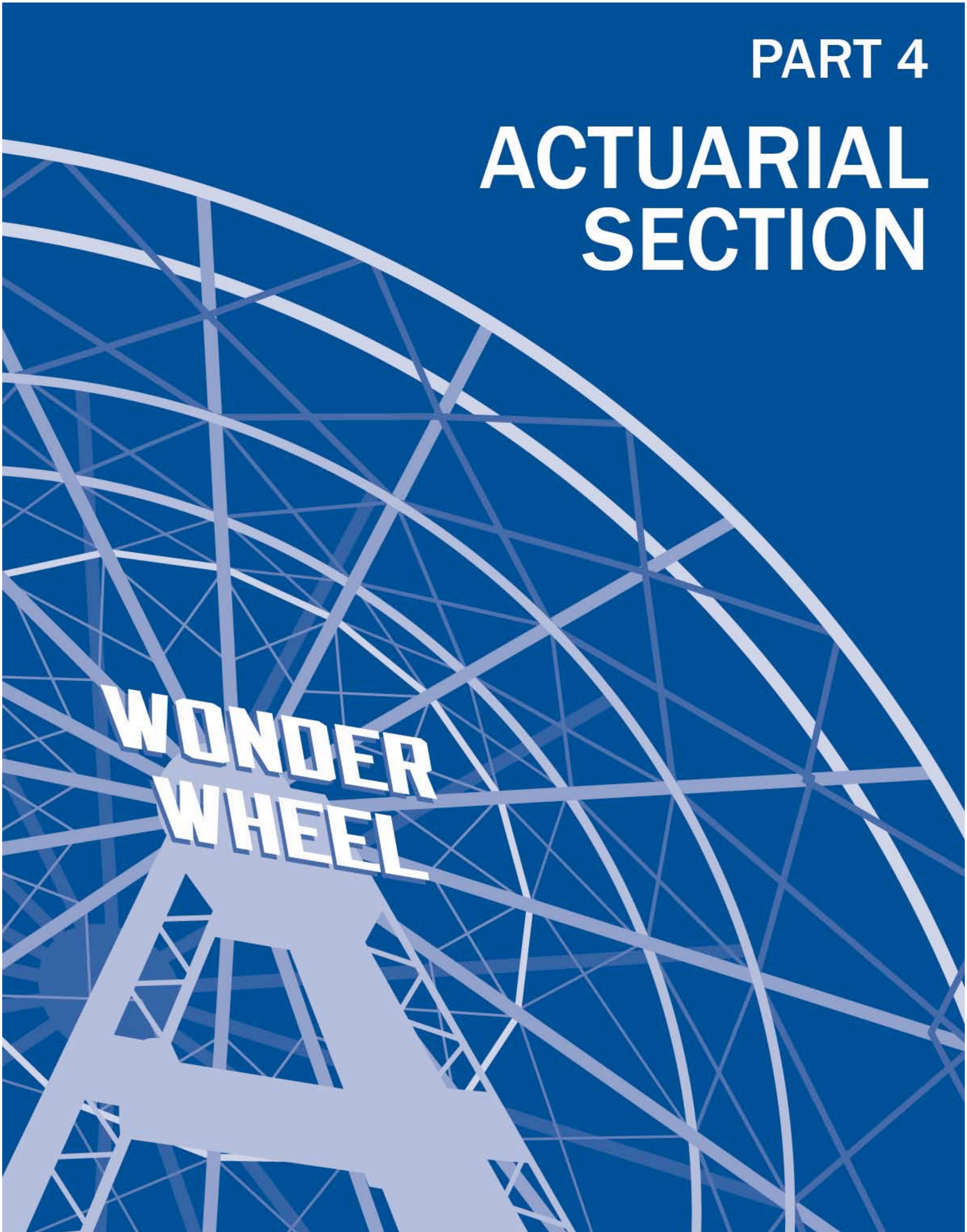
For Fiscal Year Ended June 30, 2008

Investment Expenses Paid from the Investment Earnings of the Plan :

Fees Paid to Investment Advisors for FY 2008 Services		**$89,219,700**
See Table of Fees Paid to Investment Advisors on Page 107		
Fees Paid to Investment Consultants :		
Callan Consultants - General Consulting	361,000	
Callan Consultants - Emerging Markets	299,503	
Foster, Pepper, & Shefelman PLLC (Legal)	31,506	
Independent Fiduciary Services (Special Project)	11,400	
Morgan, Lewis, & Bockius LLP (Legal)	49,129	
Nixon Peabody (Legal)	37,218	
Pacific Corporate Group	1,972,801	
Pryor Cashman Sherman & Flynn LLP (Legal)	13,728	
The Townsend Group - Real Estate	249,533	
Total Investment Consultant Fees		**3,025,817**
Private Equity Organizational Cost		**16,420,330**
Real Estate Partnership Organizational Cost		**1,630,591**
Foreign Taxes Withheld		**3,430,626**
Miscellaneous Investment Expenses		**1,592,500**
Total Investment Expenses Paid Directly by the Plan		**115,319,564**
Fee Expenses Related to Securities Lending Transactions		**257,441,178**
Total Investment Expenses and Fees Paid Directly by the Plan		**372,760,742**
Investment Expenses paid by the NYC Comptroller as custodian of the funds of the Plan:		
Custodial Services	2,100,076	
Other Financial Services	111,415	
Publications	10,600	
Total Investment Expenses Paid by the NYC Comptroller's Office		**2,222,091**
Total Investment Expenses and Fees		**$374,982,833**

PART 4

ACTUARIAL SECTION



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The City of New York

OFFICE OF THE ACTUARY

75 PARK PLACE • 9TH FLOOR
NEW YORK, NY 10007
(212) 442-5775 • FAX: (212) 442-5777

ROBERT C. NORTH, JR.
CHIEF ACTUARY

December 11, 2008

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, 2008

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, 2006 (Lag) actuarial valuation to determine Fiscal Year 2008 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 2008 were equal to the Annual Required Contributions as defined under Governmental Accounting Standards Board ("GASB") Statement Number 25 ("GASB 25") as amended by GASB Statement No. 50 ("GASB 50").

The Annual Required Contributions were computed in accordance with GASB 25 as amended by GASB 50 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, 2006 (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, 2005 (Lag) actuarial valuation that was used to determine Fiscal Year 2007 Employer Contributions to the Plan.

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, 2006 (Lag) actuarial valuation is included in this CAFR. A summary of the census data used in the June 30, 2005 (Lag) actuarial valuation of the Plan is available in the June 30, 2007 CAFR.

Funded Status

The Funded Status of the Plan is 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. Included in this Other Measures of Funded Status discussion is information consistent with the disclosure expectations of GASB 50.

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 and with GASB 50 which was adopted for financial reporting purposes beginning Fiscal Year 2008.

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 as amended by GASB 50, 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, 2006 (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, 2006 (Lag) Actuarial Valuation.
- Number of Active Members by Occupational Position and Age as of June 30, 2006 (Lag) Actuarial Valuation.
- Number of Active Members by Occupational Position and Years of Service as of June 30, 2006 (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 presented elsewhere in this CAFR, please do not hesitate to contact Mr. John R. Gibney, Jr. or me.

I, Robert C. North, Jr., am the Chief Actuary for the New York City Retirement Systems. I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,

Robert C. North, Jr.

Robert C. North, Jr., FSA,
MAAA
Chief Actuary

Att.

RCN/sb

cc: Ms. D. D'Alessandro
Ms. J.A. Flood
Mr. J.R. Gibney
Mr. M.A. Goldson
Mr. J.D. Hartman
Mr. E. Hue
Mr. S.S. Krasner
Mr. D. Lester
Mr. J.A. Petrovic

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2006 (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 by certain occupational groups are shown in Tables 1A and 1B.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (LAG) ACTUARIAL VALUATION
(Cont'd)

(4) Active Service tables by certain occupational groups 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 for Other Than Death or Disability or Retirement 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 by certain occupational groups. 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 of members. 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 under the Entry Age Actuarial Cost Method as of June 30, 1999 but with the UAAL not less than $0.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (LAG) ACTUARIAL VALUATION
(Cont'd)

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.

All outstanding components of the UAAL are being amortized over fixed 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.

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.

Note: Because the UAAL is small, 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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (LAG) ACTUARIAL VALUATION
(Cont'd)

(9) One-Year Lag Methodology uses a June 30, 2006 (Lag) valuation date to determine Fiscal Year 2008 Employer Contributions.

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, 2006 is reduced by the value of salary projected to be paid during Fiscal Year 2007.

- Salary for Determining Employer Contributions.

  Salary used to determine the employer Normal Cost is the salary projected to be paid during Fiscal Year 2008 to members on payroll at June 30, 2006.

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

  The PVFNC at June 30, 2006 is reduced by the discounted value of the Fiscal Year 2007 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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (LAG) ACTUARIAL VALUATION
(Cont'd)

The revised AAVM 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.

AAVM in effect for the June 30, 2006 (Lag) actuarial valuation is unchanged from the AAVM used in the June 30, 2005 (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 of 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 annual 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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (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:

		Dual Assumptions[1][2]				
Group	**Baseline Assumption[3]**	**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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (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	0.1209%	0.0677%	0.1151%	0.0677%
45	0.3925	0.1185	0.1966	0.1185
50	0.6640	0.2205	0.2781	0.2205
55	1.0351	0.3840	0.6901	0.3840
60	1.3866	0.7143	1.0416	0.7143
65	2.1971	1.1649	1.4900	1.1649
70	3.1053	1.7416	2.2892	1.7416
75	4.2868	2.8009	3.4415	2.8009
80	7.2749	4.6138	5.1995	4.6138
85	10.8977	7.2110	8.4060	7.2110
90	16.5712	12.2729	13.7899	12.2729
95	24.6685	19.4640	20.5460	19.4640
100	32.8097	28.6331	30.1977	28.6331
105	49.9036	47.3182	49.9036	47.3182
110	100.0000	100.0000	100.0000	100.0000

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (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		HP and TP		Sanitation and Correction Officers	
Age	**Males**	**Females**	**Males**	**Females**	**Males**	**Females**
40	2.3055%	3.1297%	.1477%	.0817%	1.1527%	1.5649%
45	2.5505	3.2009	.2292	.1545	1.2753	1.6005
50	2.7639	3.2720	.4574	.2788	1.3820	1.6360
55	3.2012	3.3431	.8307	.5040	1.7607	1.8387
60	3.7649	3.4142	1.2209	.8895	2.2590	2.0485
65	4.4364	3.5556	1.6693	1.3978	2.8837	2.3111
70	5.3787	4.0596	2.7024	2.1653	3.7651	2.8417
75	6.8150	5.1494	3.9342	3.5260	5.1113	3.8621
80	9.0925	7.0032	6.0431	5.6527	7.2749	5.6025
85	12.2138	9.4462	9.9811	9.2358	10.8977	8.0293
90	16.8444	13.0674	16.4676	15.1220	16.5712	12.2729
95	24.6685	19.4640	23.8006	22.8306	24.6685	19.4640
100	32.8097	28.6331	36.7152	34.8130	32.8097	28.6331
105	49.9036	47.3182	62.8438	59.5880	49.9036	47.3182
110	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (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	
	General*						
	Males	Females	Males	Females	All	Males	Females
20	0.02%	0.01%	0.10%	0.05%	0.00%	0.040%	0.020%
25	0.02	0.01	0.10	0.05	0.00	0.040	0.020
30	0.02	0.01	0.10	0.05	0.00	0.040	0.020
35	0.02	0.01	0.15	0.05	0.00	0.050	0.025
40	0.02	0.01	0.20	0.10	0.00	0.060	0.030
45	0.02	0.01	0.30	0.20	0.00	0.110	0.055
50	0.02	0.01	0.40	0.30	0.00	0.160	0.080
55	0.02	0.01	0.50	0.40	0.00	0.210	0.105
60	0.02	0.01	0.50	0.40	0.00	0.260	0.130
65	0.02	0.01	0.50	0.40	0.00	0.320	0.160
70	NA	NA	NA	NA	NA	NA	NA
	Transit Operating*						
20	0.02%	0.02%	0.10%	0.10%	.01%	0.040%	0.020%
25	0.02	0.02	0.10	0.10	.01	0.040	0.020
30	0.02	0.02	0.10	0.10	.01	0.040	0.020
35	0.02	0.02	0.15	0.15	.01	0.050	0.025
40	0.02	0.02	0.20	0.20	.01	0.060	0.030
45	0.02	0.02	0.25	0.25	.01	0.110	0.055
50	0.02	0.02	0.30	0.30	.01	0.160	0.080
55	0.02	0.02	0.40	0.40	.01	0.210	0.105
60	0.02	0.02	0.50	0.50	.01	0.260	0.130
65	0.02	0.02	0.60	0.60	.01	0.320	0.160
70	NA	NA	NA	NA	NA	NA	NA
	MTA Bridges and Tunnels*						
20	0.02%	0.02%	0.03%	0.04%	.01%	0.040%	0.020%
25	0.02	0.02	0.04	0.04	.01	0.040	0.020
30	0.03	0.02	0.05	0.05	.01	0.040	0.020
35	0.05	0.02	0.08	0.06	.01	0.050	0.025
40	0.07	0.02	0.21	0.14	.01	0.060	0.030
45	0.08	0.02	0.36	0.30	.01	0.110	0.055
50	0.09	0.02	0.49	0.45	.01	0.160	0.080
55	0.10	0.02	0.50	0.50	.01	0.210	0.105
60	0.10	0.02	0.50	0.50	.01	0.260	0.130
65	0.10	0.02	0.50	0.50	.01	0.320	0.160
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."

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (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	0.20%	0.20%	0.20%	0.20%	0.01%	0.040%	0.020%
25	0.20	0.20	0.20	0.20	0.01	0.040	0.020
30	0.20	0.20	0.30	0.30	0.01	0.040	0.020
35	0.20	0.20	0.40	0.40	0.01	0.050	0.025
40	0.20	0.20	0.50	0.50	0.01	0.060	0.030
45	0.25	0.25	0.60	0.60	0.01	0.110	0.055
50	0.30	0.30	0.80	0.80	0.01	0.160	0.080
55	0.35	0.35	1.00	1.00	0.01	0.210	0.105
60	0.50	0.50	1.25	1.25	0.01	0.260	0.130
65	0.90	0.90	1.50	1.50	0.01	0.320	0.160
70	NA	NA	NA	NA	NA	NA	NA
Correction Officers							
20	0.05%	0.05%	0.10%	0.10%	0.01%	0.040%	0.020%
25	0.10	0.10	0.10	0.10	0.01	0.040	0.020
30	0.15	0.15	0.20	0.20	0.01	0.040	0.020
35	0.20	0.20	0.30	0.30	0.01	0.050	0.025
40	0.30	0.30	0.45	0.45	0.01	0.060	0.030
45	0.40	0.40	0.65	0.65	0.01	0.110	0.055
50	0.50	0.50	0.90	0.90	0.01	0.160	0.080
55	0.60	0.60	1.50	1.50	0.01	0.210	0.105
60	0.70	0.70	3.00	3.00	0.01	0.260	0.130
63	NA	NA	NA	NA	NA	NA	NA

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 3

Withdrawals for Other Than Death or Disability or Retirement

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

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 3

(Cont'd)

Withdrawals for Other Than Death or Disability or Retirement

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

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (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") such as under Chapter 96 of the Laws of 1995.

(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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (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
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

(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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2006 (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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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 Retirement 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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

CONTRIBUTIONS
(Cont'd)

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 elect 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-fourth 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-fourth 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. Beginning July 1, 1970, no contributions are required from members who elected 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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

CONTRIBUTIONS
(Cont'd)

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 of salary. At present, the reduction is two and one-half percentage of salary for Sanitation and Correction members and two percentage of salary 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, there are certain Additional Member Contributions ranging from 1.85% to 7.46% required for improved early retirement benefits.

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 $1,874,242,487 for the Fiscal Year ended June 30, 2008.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

TABULATIONS OF MEMBERSHIP AND BENEFICIARIES

The Board maintains 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 Plan 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
2006 (Lag)	4,201,503	23,929,616	14,277,635	38,367,102	100	100	72

Also, see following "SOLVENCY TEST - NOTES."

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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) Employer Financed Portion of Active Members' Benefits.

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

This comparative summary allocates 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. The most recent change in assumptions and methods occurred in the June 30, 2004 (Lag) valuation used to compute the employer contribution for Fiscal Year 2006. 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. For the valuation dates appearing in the table, the Actuarial Interest Rate and General Wage Increase assumptions were all equal to 8.00% per annum and 3.00% per annum, respectively.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS

On-Going Funding of the Plan

Under the basic equation of pension funding, Contributions plus Investment Earnings equal 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 each 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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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

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. The most recent such changes occurred during Fiscal Year 2006.

These 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), (3) revised methodologies for smoothing changes in Employer Contributions due to Plan experience and (4) introduction of the One-Year Lag Methodology. 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 absorb some variability of Employer Contributions, help provide financial security for the Plan and its participants and reasonable intergenerational budget equity for taxpayers.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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 different perspectives of the financial condition of the Plan and comparisons amongst these Other Measures of Funded Status can provide greater insights.

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 on 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 a particular point in time.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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.

Definition of and Comments on Obligations

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 significantly 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 FIL ACM amortizes 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"), beginning with Fiscal Year 2008, the EAAL is a required disclosure for Public Pension Plans that determine employer contributions using the Aggregate ACM.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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

The Entry Age ACM is a common utilized ACM for funding Public Pension Plans.

The Projected Benefit Obligation ("PBO") is defined as the proportion of APV of all future benefits attributed by the Plan 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 annual 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").

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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 June 30	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)***	MVABO Equivalent Discount Yield (per Annum)	MVABO Weighted Average Duration (Years)
1999	$40,936.0	$40,936.0	$40,936.0	$30,147.6	$27,741.3	$24,233.2	$29,754.6	6.0%	10.8
2000	42,824.0	42,393.6	42,418.7	34,797.5	31,910.5	28,997.5	35,572.3	6.0	11.2
2001	37,251.8	43,015.4	43,087.6	36,654.3	33,471.2	30,173.2	38,378.9	5.7	11.0
2002	32,842.0	43,561.1	43,619.9	38,905.2	35,474.9	32,346.4	40,851.3	5.7	10.4
2003	31,524.7	42,056.0	42,244.1	40,423.5	36,924.1	33,990.8	48,897.3	4.6	11.4
2004	34,177.3	40,088.2	40,236.3	42,063.6	38,340.8	35,249.0	45,583.8	5.5	10.8
2004 (Lag)	34,177.3	40,638.6	40,786.7	43,010.2	39,178.9	35,081.1	45,435.8	5.5	10.9
2005 (Lag)	35,526.3	39,692.4	39,797.1	44,881.3	40,817.7	36,492.6	55,431.5	4.2	12.7
2006 (Lag)	37,288.2	38,367.1	38,431.3	46,602.0	42,408.8	37,979.0	49,778.8	5.4	11.7
2007 (Lag)##	42,514.3	38,925.7	38,959.1	48,788.8	44,497.8	39,960.3	53,387.6	5.2	11.7

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 annual yields derived from U.S. Treasury Spot Rates as published by the U.S. Department of the Treasury Office of Thrift Supervision in its Selected Asset and Liability Price Tables. Also shown are the related MVABO Equivalent Discount Yield and the MVABO Weighted Average Duration.

The June 30, 2007 (Lag) figures are preliminary and are generally based on the same census data, actuarial assumptions and methods used to develop published, preliminary Fiscal Year 2009 employer contributions.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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	82	80	90	88	101	98	75
6/30/07 (Lag)[#]	100	80	87	87	96	97	106	80

[#] 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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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.

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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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

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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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
6/30/08	1,874,242,487	1,874,242,487	19.001

(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.

Beginning Fiscal Year 2006, the Statutory Contributions were computed using a One-Year Lag Actuarial Valuation Methodology in accordance with Chapter 152/06 which also 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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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[1]	53,493	5.3[2]
6/30/05 (Lag)	175,332	9,670,785,683	55,157	3.1
6/30/06 (Lag)	178,741	10,128,688,853	56,667	2.7
6/30/07 (Lag)[3]	180,482	10,756,258,093	59,597	5.2

(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.

(2) Increase from June 30, 2003.

(3) Preliminary.

PARTICIPATING EMPLOYERS

	June 30, 2006 (Lag) [1]		June 30, 1998 [1]	
Employer	**Number of Employees**	**Annual Payroll**	**Number of Employees**	**Annual Payroll**
City of New York	91,308	$ 5,128,870,035	86,419	$3,549,709,650
NYC Transit Authority	39,046	2,461,942,151	36,068	1,749,146,206
NYC Housing Authority	11,945	599,131,773	12,799	455,495,557
NYC Health and Hospitals Corporation	29,594	1,609,729,493	24,293	967,017,827
MTA Bridges and Tunnels	1,662	111,900,794	1,205	68,836,394
NYC Off-Track Betting Corporation	1,135	42,638,264	1,209	37,387,559
NYC School Construction Authority	46	4,100,251	49	3,299,316
NYC Housing Development Corporation	59	5,166,381	7	393,678
NYC Residential Mortgage Insurance Corporation [2]	0	0	5	394,132
City University of New York	3,923	163,459,418	3,374	102,073,608
New York State	13	770,220	31	1,375,033
NYC Municipal Water Authority	10	980,073	2	87,293
Total	178,741	$10,128,688,853	165,461	$6,935,216,253

[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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

NUMBER AND SALARY OF ACTIVE MEMBERS BY OCCUPATIONAL POSITION AS OF JUNE 30, 2006 (LAG) ACTUARIAL VALUATION[1]

Occupation – Main Groups	Number	Annual Payroll	Average Annual Salary
Other	124,643	$ 6,576,371,009	$52,762
Transit Operating Positions	35,741	2,207,815,885	61,773
MTA Bridges and Tunnels	1,662	111,900,794	67,329
Uniform Sanitation	7,640	559,575,962	73,243
Transit and Housing Police Forces[2]	0	0	0
Uniform Correction Force	9,055	673,025,203	74,326
Total	178,741	$10,128,688,853	$56,667

[1] The number of members (Number) and their corresponding salaries (Annual Payroll) include only those who were on the payroll as of June 30, 2006.

[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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

NUMBER OF ACTIVE MEMBERS
BY OCCUPATIONAL POSITION AND AGE
AS OF JUNE 30, 2006 (LAG) ACTUARIAL VALUATION[1]

Age	Total	Other	Transit Operating	MTA Bridges & Tunnels	Sanitation	Housing & Transit Police[2]	Correction
Under 20	22	19	1	0	2	0	0
20 - 24	1,571	1,002	167	18	283	0	101
25 - 29	7,159	5,092	718	107	733	0	509
30 - 34	12,095	8,066	1,882	201	1,005	0	941
35 - 39	20,140	12,745	4,104	244	1,232	0	1,815
40 - 44	30,271	18,891	6,767	277	1,483	0	2,853
45 - 49	33,381	22,948	7,169	305	1,129	0	1,830
50 - 54	31,416	22,541	6,759	249	1,068	0	799
55 - 59	24,117	18,266	4,977	176	510	0	188
60 - 64	12,816	10,212	2,359	68	162	0	15
65 - 69	4,199	3,475	683	10	29	0	2
70 - 74	1,554	1,386	155	7	4	0	2
Total	178,741	124,643	35,741	1,662	7,640	0	9,055

[1] Member count for this schedule represents only members receiving salary as of June 30, 2006.

[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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

NUMBER OF ACTIVE MEMBERS
BY OCCUPATIONAL POSITION AND YEARS OF SERVICE
AS OF JUNE 30, 2006 (LAG) ACTUARIAL VALUATION[1]

Years of Service	Total	Other	Transit Operating	MTA Bridges & Tunnels	Sanitation	Housing & Transit Police[2]	Correction
Under 5	39,614	31,106	4,605	583	1,720	0	1,600
5 - 9	42,101	28,388	9,405	397	2,085	0	1,826
10 - 14	29,163	22,018	5,283	157	883	0	822
15 - 19	33,243	19,997	7,244	246	1,808	0	3,948
20 - 24	19,580	12,336	5,533	181	811	0	719
25 - 29	9,512	6,111	2,968	64	264	0	105
30 - 34	3,890	3,339	438	28	53	0	32
35 - 39	1,335	1,075	239	5	14	0	2
40 - 44	303	273	26	1	2	0	1
Total	178,741	124,643	35,741	1,662	7,640	0	9,055

[1] Member count for this schedule represents only members receiving salary as of June 30, 2006.

[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.

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

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%	$15,750	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
6/30/06(Lag)	6,457	194,343,590	5,382	95,257,483	128,789	2,775,133,979	3.7	21,548	2.8

[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, 2006 (Lag)

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

ACTIVE VALUATION AS OF JUNE 30, 2006

GROUP: ALL

TIER: ALL GENDER: M&F

AGE	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & UP	ALL YEARS
NUMBERS:										
UNDER 20	19	1	2	0	0	0	0	0	0	22
20 TO 24	1,474	91	3	0	2	0	1	0	0	1,571
25 TO 29	5,650	1,498	10	1	0	0	0	0	0	7,159
30 TO 34	6,548	4,893	635	19	0	0	0	0	0	12,095
35 TO 39	6,595	7,499	4,090	1,916	38	1	1	0	0	20,140
40 TO 44	5,959	8,057	6,255	8,068	1,846	84	2	0	0	30,271
45 TO 49	5,098	7,198	6,310	8,217	5,058	1,487	13	0	0	33,381
50 TO 54	4,005	5,736	5,097	6,416	5,554	3,608	951	49	0	31,416
55 TO 59	2,596	4,183	3,645	4,633	4,040	2,645	1,831	537	7	24,117
60 TO 64	1,219	2,058	2,099	2,710	2,182	1,191	736	518	103	12,816
65 TO 69	350	710	755	914	623	345	251	157	94	4,199
70 & UP	101	177	262	349	237	151	104	74	99	1,554
TOTAL	39,614	42,101	29,163	33,243	19,580	9,512	3,890	1,335	303	178,741
SALARIES (IN THOUSANDS):										
UNDER 20	583	46	92	0	0	0	0	0	0	721
20 TO 24	53,219	5,010	128	0	168	0	34	0	0	58,560
25 TO 29	229,885	74,880	356	35	0	0	0	0	0	305,155
30 TO 34	297,252	259,896	34,279	898	0	0	0	0	0	592,325
35 TO 39	312,571	410,909	234,561	124,948	2,522	58	71	0	0	1,085,640
40 TO 44	287,499	441,394	363,990	534,106	122,485	5,931	135	0	0	1,755,540
45 TO 49	252,255	395,512	377,283	527,113	326,533	95,221	808	0	0	1,974,725
50 TO 54	200,377	317,685	303,361	397,940	357,972	244,059	59,021	3,337	0	1,883,751
55 TO 59	131,993	227,298	210,836	273,872	248,309	170,094	123,051	34,492	383	1,420,328
60 TO 64	61,157	107,301	119,630	153,048	127,267	72,687	47,905	34,405	7,284	730,684
65 TO 69	18,025	37,621	42,971	51,246	35,854	20,332	16,108	9,936	6,222	238,316
70 & UP	4,772	8,661	13,882	18,037	12,679	8,179	5,749	4,296	6,689	82,945
TOTAL	1,849,588	2,286,213	1,701,369	2,081,242	1,233,789	616,561	252,882	86,468	20,578	10,128,689
AVERAGE SALARIES:										
UNDER 20	30,682	46,409	45,993	0	0	0	0	0	0	32,789
20 TO 24	36,105	55,058	42,742	0	84,122	0	33,670	0	0	37,275
25 TO 29	40,688	49,986	35,579	34,527	0	0	0	0	0	42,625
30 TO 34	45,396	53,116	53,983	47,278	0	0	0	0	0	48,973
35 TO 39	47,395	54,795	57,350	65,213	66,365	58,286	70,519	0	0	53,905
40 TO 44	48,246	54,784	58,192	66,201	66,351	70,608	67,466	0	0	57,994
45 TO 49	49,481	54,947	59,791	64,149	64,558	64,035	62,148	0	0	59,157
50 TO 54	50,032	55,384	59,518	62,023	64,453	67,644	62,062	68,109	0	59,962
55 TO 59	50,845	54,338	57,842	59,113	61,463	64,308	67,204	64,232	54,756	58,893
60 TO 64	50,170	52,139	56,994	56,475	58,326	61,030	65,089	66,419	70,714	57,013
65 TO 69	51,500	52,987	56,916	56,068	57,550	58,933	64,177	63,289	66,194	56,755
70 & UP	47,248	48,934	52,986	51,682	53,500	54,162	55,283	58,059	67,562	53,375
TOTAL	46,690	54,303	58,340	62,607	63,013	64,819	65,008	64,770	67,913	56,667

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

APPENDIX B

CENSUS DATA FOR PENSIONERS

AS OF JUNE 30, 2006 (Lag)

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM
PENSIONER VALUATION AS OF JUNE 30, 2006

SUMMARY BY CAUSE AND SEX — ALL FILES (ALL BENEFITS)

	MALE			FEMALE			BOTH MALE & FEMALE		
AGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
ACCIDENTAL DISABILITY:									
UNDER 30	0	0	0	0	0	0	0	0	0
30 TO 34	10	238,618	23,862	3	75,417	25,139	13	314,035	24,157
35 TO 39	63	2,128,119	33,780	12	350,004	29,167	75	2,478,123	33,042
40 TO 44	222	7,917,443	35,664	39	1,160,401	29,754	261	9,077,844	34,781
45 TO 49	246	9,461,151	38,460	48	2,384,225	49,671	294	11,845,376	40,290
50 TO 54	310	11,270,007	36,355	39	1,305,126	33,465	349	12,575,133	36,032
55 TO 59	536	18,518,333	34,549	23	849,265	36,925	559	19,367,598	34,647
60 TO 64	677	20,073,726	29,651	30	837,966	27,932	707	20,911,692	29,578
65 TO 69	482	14,476,087	30,033	25	520,005	20,800	507	14,996,092	29,578
70 TO 74	318	8,693,301	27,337	22	590,353	26,834	340	9,283,654	27,305
75 TO 79	273	6,907,278	25,301	18	419,222	23,290	291	7,326,500	25,177
80 TO 84	182	4,525,497	24,865	22	341,538	15,524	204	4,867,035	23,858
85 TO 89	71	1,581,456	22,274	6	332,847	55,475	77	1,914,303	24,861
90 & UP	18	375,053	20,836	5	82,295	16,459	23	457,348	19,885
TOTAL	3,408	106,166,069	31,152	292	9,248,664	31,674	3,700	115,414,733	31,193
ORDINARY DISABILITY:									
UNDER 30	0	0	0	0	0	0	0	0	0
30 TO 34	2	30,293	15,147	1	31,295	31,295	3	61,588	20,529
35 TO 39	49	718,792	14,669	31	415,461	13,402	80	1,134,253	14,178
40 TO 44	240	3,703,494	15,431	110	1,547,893	14,072	350	5,251,387	15,004
45 TO 49	472	7,437,461	15,757	204	2,598,024	12,735	676	10,035,485	14,845
50 TO 54	785	12,109,209	15,426	332	4,552,349	13,712	1,117	16,661,558	14,916
55 TO 59	1,249	19,914,413	15,944	505	6,649,340	13,167	1,754	26,563,753	15,145
60 TO 64	1,351	22,052,785	16,323	539	6,731,221	12,488	1,890	28,784,006	15,230
65 TO 69	924	14,450,861	15,639	418	4,598,262	11,001	1,342	19,049,123	14,195
70 TO 74	507	7,301,277	14,401	201	2,075,705	10,327	708	9,376,982	13,244
75 TO 79	356	5,305,309	14,903	94	752,175	8,002	450	6,057,484	13,461
80 TO 84	231	3,540,234	15,326	65	592,491	9,115	296	4,132,725	13,962
85 TO 89	86	1,189,984	13,837	28	199,835	7,137	114	1,389,819	12,191
90 & UP	14	168,350	12,025	26	246,727	9,490	40	415,077	10,377
TOTAL	6,266	97,922,462	15,628	2,554	30,990,778	12,134	8,820	128,913,240	14,616
SERVICE RETIREMENT:									
UNDER 30	0	0	0	1	1,686	1,686	1	1,686	1,686
30 TO 34	0	0	0	0	0	0	0	0	0
35 TO 39	3	78,760	26,253	1	31,200	31,200	4	109,960	27,490
40 TO 44	351	12,270,737	34,959	105	3,449,090	32,848	456	15,719,827	34,473
45 TO 49	906	30,338,230	33,486	348	11,365,375	32,659	1,254	41,703,605	33,256
50 TO 54	2,237	77,763,252	34,762	373	11,337,251	30,395	2,610	89,100,503	34,138
55 TO 59	5,996	210,021,592	35,027	2,183	56,412,713	25,842	8,179	266,434,305	32,575
60 TO 64	10,288	335,117,874	32,574	4,891	115,102,602	23,534	15,179	450,220,476	29,661
65 TO 69	12,103	334,574,748	27,644	6,624	128,954,316	19,468	18,727	463,529,064	24,752
70 TO 74	10,276	250,816,126	24,408	5,603	93,998,904	16,777	15,879	344,815,030	21,715
75 TO 79	9,146	207,832,788	22,724	5,329	78,596,264	14,749	14,475	286,429,052	19,788
80 TO 84	7,413	159,399,386	21,503	4,944	62,726,464	12,687	12,357	222,125,850	17,976
85 TO 89	4,170	78,233,489	18,761	3,641	38,199,505	10,491	7,811	116,432,994	14,906
90 & UP	1,845	31,854,672	17,265	2,449	24,936,159	10,182	4,294	56,790,831	13,226
TOTAL	64,734	1,728,301,654	26,699	36,492	625,111,529	17,130	101,226	2,353,413,183	23,249

EXCL UNMATCHED RECORDS

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM
PENSIONER VALUATION AS OF JUNE 30, 2006

SUMMARY BY CAUSE AND SEX — ALL FILES (ALL BENEFITS)

	MALE			FEMALE			BOTH MALE & FEMALE		
AGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
ACCIDENTAL DEATH:									
UNDER 30	0	0	0	2	65,814	32,907	2	65,814	32,907
30 TO 34	0	0	0	0	0	0	0	0	0
35 TO 39	0	0	0	6	281,031	46,839	6	281,031	46,839
40 TO 44	0	0	0	2	62,482	31,241	2	62,482	31,241
45 TO 49	0	0	0	5	110,005	22,001	5	110,005	22,001
50 TO 54	0	0	0	8	191,374	23,922	8	191,374	23,922
55 TO 59	0	0	0	12	253,812	21,151	12	253,812	21,151
60 TO 64	1	55,088	55,088	8	135,438	16,930	9	190,526	21,170
65 TO 69	0	0	0	16	267,254	16,703	16	267,254	16,703
70 TO 74	0	0	0	10	168,050	16,805	10	168,050	16,805
75 TO 79	0	0	0	10	226,389	22,639	10	226,389	22,639
80 TO 84	0	0	0	8	102,691	12,836	8	102,691	12,836
85 TO 89	0	0	0	9	132,774	14,753	9	132,774	14,753
90 & UP	0	0	0	13	270,701	20,823	13	270,701	20,823
TOTAL	1	55,088	55,088	109	2,267,815	20,806	110	2,322,903	21,117
OTHER BENEFICIARIES:									
UNDER 30	46	418,706	9,102	76	766,269	10,082	122	1,184,975	9,713
30 TO 34	30	253,926	8,464	47	573,735	12,207	77	827,661	10,749
35 TO 39	58	473,159	8,158	86	886,750	10,311	144	1,359,909	9,444
40 TO 44	68	486,959	7,161	126	1,301,752	10,331	194	1,788,711	9,220
45 TO 49	70	621,921	8,885	184	1,615,358	8,779	254	2,237,279	8,808
50 TO 54	78	554,887	7,114	273	3,334,745	12,215	351	3,889,632	11,082
55 TO 59	82	610,263	7,442	435	6,189,033	14,228	517	6,799,296	13,151
60 TO 64	90	684,356	7,604	734	12,056,430	16,426	824	12,740,786	15,462
65 TO 69	73	598,896	8,204	991	13,831,426	13,957	1,064	14,430,322	13,562
70 TO 74	81	596,945	7,370	1,343	19,227,842	14,317	1,424	19,824,787	13,922
75 TO 79	93	748,256	8,046	2,085	27,448,172	13,165	2,178	28,196,428	12,946
80 TO 84	98	758,562	7,740	2,713	30,637,475	11,293	2,811	31,396,037	11,169
85 TO 89	90	598,229	6,647	2,661	27,843,928	10,464	2,751	28,442,157	10,339
90 & UP	186	1,564,806	8,413	2,036	20,387,134	10,013	2,222	21,951,940	9,879
TOTAL	1,143	8,969,871	7,848	13,790	166,100,049	12,045	14,933	175,069,920	11,724
ALL PENSIONERS AND BENEFICIARIES:									
UNDER 30	46	418,706	9,102	79	833,769	10,554	125	1,252,475	10,020
30 TO 34	42	522,837	12,449	51	680,447	13,342	93	1,203,284	12,939
35 TO 39	173	3,398,830	19,646	136	1,964,446	14,444	309	5,363,276	17,357
40 TO 44	881	24,378,633	27,672	382	7,521,618	19,690	1,263	31,900,251	25,258
45 TO 49	1,694	47,858,763	28,252	789	18,072,987	22,906	2,483	65,931,750	26,553
50 TO 54	3,410	101,697,355	29,823	1,025	20,720,845	20,215	4,435	122,418,200	27,603
55 TO 59	7,863	249,064,601	31,676	3,158	70,354,163	22,278	11,021	319,418,764	28,983
60 TO 64	12,407	377,983,829	30,465	6,202	134,863,657	21,745	18,609	512,847,486	27,559
65 TO 69	13,582	364,100,592	26,808	8,074	148,171,263	18,352	21,656	512,271,855	23,655
70 TO 74	11,182	267,407,649	23,914	7,179	116,060,854	16,167	18,361	383,468,503	20,885
75 TO 79	9,868	220,793,631	22,375	7,536	107,442,222	14,257	17,404	328,235,853	18,860
80 TO 84	7,924	168,223,679	21,230	7,752	94,400,659	12,178	15,676	262,624,338	16,753
85 TO 89	4,417	81,603,158	18,475	6,345	66,708,889	10,514	10,762	148,312,047	13,781
90 & UP	2,063	33,962,881	16,463	4,529	45,923,016	10,140	6,592	79,885,897	12,119
TOTAL	75,552	1,941,415,144	25,696	53,237	833,718,835	15,661	128,789	2,775,133,979	21,548

EXCL UNMATCHED RECORDS

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PART 5

STATISTICAL SECTION

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New York City Employees' Retirement System

CASH RECEIPTS AND DISBURSEMENTS
Fiscal Year Ended June 30, 2008

(in thousands)

Cash Balance July 1, 2007	**$6,833**
Receipts:	
Members' Contributions	366,473
Employers' Contributions	1,644,201
Members' Loan Payments	304,766
Interest and Dividends	1,603,152
Investments Redeemed	82,959,761
Miscellaneous	3,134
Total Cash Receipts	**$86,881,487**
Total Cash Available	**$86,888,320**
Disbursements:	
Benefit Payments and Withdrawals	3,235,890
Transfers to Other Retirement Systems	13,516
Loans to Members	312,336
Investments Purchased	82,991,546
Investment Expenses	121,976
Administrative Expenses	46,082
Miscellaneous	160,850
Total Cash Disbursements	**$86,882,196**
Cash Balance June 30, 2008	**$6,124**

New York City Employees' Retirement System

TABLE OF REVENUE BY SOURCE
Fiscal Years Ended 1999 through 2008
(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 **
2008	$ 366,144	-	$ 366,144	$ 1,874,242	$ (1,883,669)	$ 3,096	$ 359,813	18.5
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

* 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, differs from that as of June 30, 2004 to compute fiscal year 2005 employer contributions due to changes in actuarial assumptions and utilizing recent information received concerning labor contract settlements.

New York City Employees' Retirement System

TABLE OF BENEFIT EXPENSES BY TYPE
Fiscal Years 1999 through 2008

(in thousands of dollars)

FISCAL YEAR ENDED JUNE 30	TOTAL RETIREMENT BENEFITS	TOTAL DEATH BENEFITS	OTHER	CHANGE IN ACCRUED BENEFITS PAYABLE	TOTAL BENEFIT PAYMENTS
2008	$ 2,983,004	$ 90,415	$ 3,834	$ (122,753)	$ 2,954,500
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

New York City Employees' Retirement System

TABLE OF CHANGES IN PLAN NET ASSETS
Fiscal Years 1999 through 2008

(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	
2008	359,813	2,954,500	142,132	13,685	46,999	3,157,316	(2,797,503)
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	2,240,986	893,776
1999	5,401,878	1,997,946	29,892	3,868	19,688	2,051,394	3,350,484

TABLE OF BENEFITS PAID
Fiscal Years 1999 through 2008
(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
2008	$ 2,983,004	$ 279,754	45,882	$ 142,132	$ 67,699	$ 22,716
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

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, many retirees selected options which *reduced* the maximum benefit.

The last two tables - retirement payments by type - on the other hand, reflect the profiles of the entire retiree population and the types 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 2002 – 2007

	Years of Credited Service									
YEAR OF RETIREMENT	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
2007										
AVG. RETIREMENT ALLOW.	0	$5,504	$10,442	$14,656	$31,827	$34,878	$45,406	$52,715	$66,660	$32,103
% OF SALARY BASE	0	12	21	28	46	53	66	77	101	50
FINAL AVERAGE SALARY	0	$45,867	$49,724	$52,343	$69,189	$65,808	$68,797	$68,461	$66,000	$64,206
NO. OF RETIREES INCLUDED	0	229	300	403	1,597	1,224	401	397	91	4,642
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	$ 25,332	$ 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

New York City Employees' Retirement System

SERVICE RETIREMENT EXPERIENCE
TABLE OF AVERAGE RETIREMENT ALLOWANCE BY AGE AND YEARS OF SERVICE
Calendar Year 2007

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				$ 5,556	1	19	$ 4,903	59	11	$ 5,885	86	12	$ 5,787	60	12	$ 4,881	23	12
10-14.9	$ 17,281	3	34	11,259	3	28	8,661	33	18	9,880	113	20	11,152	104	21	11,017	44	21
15-19.9	25,788	12	40	13,286	8	30	12,113	50	24	13,827	176	29	15,513	120	28	15,937	37	29
20-24.9	38,436	503	49	39,434	205	50	29,588	174	43	26,056	414	44	24,778	237	43	25,049	64	44
25-29.9	35,687	41	52	42,575	166	54	35,172	434	52	33,023	382	52	31,508	165	53	30,055	36	54
30-34.9	62,024	1	62	47,459	55	64	46,202	175	64	45,192	112	67	42,157	45	70	37,819	13	71
35-39.9				50,080	22	75	51,477	203	77	53,501	129	77	57,083	34	78	59,288	9	80
40 & Over							54,437	11	86	58,643	37	89	62,388	21	99	90,332	22	129
Summary	$ 37,892	560	49	$ 41,324	460	54	$ 35,757	1,139	54	$ 28,703	1,449	49	$ 24,921	786	44	$ 27,759	248	50

New York City Employees' Retirement System

SERVICE RETIREMENT EXPERIENCE
TABLE OF DISTRIBUTION OF RETIREMENT ALLOWANCE BY AGE
Calendar Year 2007

Allowance Range	Under 50	50-54	55-59	60-64	65-69	70 & Older	TOTAL
$1,999 or Less			2	2	1	1	6
2,000-3,999		3	28	30	19	9	89
4,000-5,999		1	28	43	22	13	107
6,000-7,999		1	26	56	40	11	134
8,000-9,999		1	21	66	48	19	155
10,000-11,999	1	5	21	63	42	14	146
12,000-13,999		2	35	66	48	14	165
14,000-15,999	2	1	30	66	61	20	180
16,000-17,999	1	4	26	71	38	17	157
18,000-19,999	3	8	23	69	55	15	173
20,000-21,999	5	7	27	71	49	10	169
22,000-23,999	3	6	36	82	31	8	166
24,000-25,999	4	8	38	51	32	8	141
26,000-27,999	2	5	47	74	26	5	159
28,000-29,999	6	16	47	64	28	6	167
30,000-31,999	13	14	58	65	28	13	191
32,000-33,999	44	26	54	48	29	7	208
34,000-35,999	120	38	52	51	27	3	291
36,000-37,999	129	56	46	49	23	6	309
38,000-39,999	74	34	59	36	21	4	228
$40,000 or More	153	224	435	326	118	45	1,301
TOTAL	560	460	1,139	1,449	786	248	4,642

New York City Employees' Retirement System

SERVICE RETIREMENT EXPERIENCE
TABLE OF DISTRIBUTION OF RETIREMENT ALLOWANCE BY YEARS OF SERVICE
Calendar Year 2007

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		6								6
2,000 - 3,999		77	9	3						89
4,000 - 5,999		69	34	4						107
6,000 - 7,999		48	60	26						134
8,000 - 9,999		13	62	76	4					155
10,000 - 11,999		6	50	69	21					146
12,000 - 13,999		4	24	56	74	7				165
14,000 - 15,999		3	21	39	89	28				180
16,000 - 17,999		1	16	28	69	41	2			157
18,000 - 19,999		1	11	30	63	62	5	1		173
20,000 - 21,999			6	22	71	54	13	3		169
22,000 - 23,999			2	11	57	70	22	4		166
24,000 - 25,999		1	3	11	51	53	13	9		141
26,000 - 27,999				7	56	62	17	17		159
28,000 - 29,999			1	8	42	87	17	11	1	167
30,000 - 31,999			1	4	57	93	18	15	3	191
32,000 - 33,999				1	92	81	12	22		208
34,000 - 35,999					187	75	14	14	1	291
36,000 - 37,999				2	205	65	16	19	2	309
38,000 - 39,999				3	129	69	15	9	3	228
$40,000 or More				3	330	377	237	273	81	1,301
TOTAL	-	229	300	403	1,597	1,224	401	397	91	4,642

New York City Employees' Retirement System

TABLE OF BENEFIT EXPERIENCE: ORDINARY DISABILITY RETIREMENT
Calendar Years 1998 through 2007

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
2007	437	53	17	$ 52,520	$ 18,382	35
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

TABLE OF BENEFIT EXPERIENCE: ACCIDENTAL DISABILITY RETIREMENT*
Calendar Years 1998 through 2007

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
2007	94	47	NOT APPLICABLE	$ 63,856	$ 47,892	75
2006	111	46		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

*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 1999 through 2008

Fiscal Year Ended June 30	New Pensioners	Terminated Pensioners	Net Change	Total Number	Percentage Change
2008	5,444	3,812	1,632	142,341	1.16
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)

New York City Employees' Retirement System

TABLE OF ACTIVE MEMBERS
Fiscal Years 1999 through 2008

Fiscal Year Ended June 30	Number of Entrants During Year	Number of Withdrawals During Year	Net Change	Total Membership	Percentage Change
2008	14,180	13,876	304	230,431	0.13
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

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

RETIRED MEMBERS BY TYPE OF BENEFIT
AS OF JUNE 30, 2008

Benefit Types	Number Of Retirees*	Service	Disability (Non-Duty)	Disability and Deaths (Duty)
Single Life	71,890	62,632	5,934	3,324
Joint and Survivor	26,713	25,268	1,175	270
Lump Sum or Term Certain	16,781	14,534	1,908	339
Advanced payments – no option selected yet	2,074	1,838	228	8
Surviving Annuitants	15,612	13,625	1,757	230
Total	133,070	117,897	11,002	4,171

* Includes retirees and beneficiaries who received a retirement payment on the pensioners' payroll as of June 30, 2008. 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 1999 through 2008

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
2008	104,272	$ 2,548,136,556	9,245	$ 141,456,288	3,941	$ 117,703,056	15,612	$ 202,543,632	133,070	$ 3,009,839,532
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

New York City Employees' Retirement System

Summary of Administrative Expenses
Fiscal Year Ended June 30, 2008

Expenses Incurred Directly by NYCERS			
Personal Services			
Employee Compensation	$ 28,309,967		
Temporary Personnel Services	34,460	$	**28,344,427**
Professional Services			
Medical Board & Medical Consultants	628,425		
Steno for Medical & Trustees' Board	61,693		
Data Processing Consultants	5,539,937		
Other Consultants	171,690		**6,401,744**
Communication:			
Printing	225,839		
Postage	496,480		
Telephone	274,997		**997,316**
Rentals:			
Office & Storage Space	4,138,211		**4,138,211**
Other:			
Office and Data Processing Equipment	1,873,918		
Equipment Maintenance	496,758		
Facilities Services	940,783		
Office Supplies & Services	1,471,447		
Software, Licenses & Support	904,810		
Depreciation	1,430,000		**7,117,716**
Total Direct NYCERS' Expenses			**46,999,415**
Expenses Incurred by Other City Agencies:			
Office of the Comptroller	2,168,906		
Law Department	792,525		
Office of Management and Budget	198,432		
Financial Information Services	1,551,958		
Office of Payroll Administration	217,197		
Total NYCERS' Expenses Incurred by the City of New York			**4,929,018**
Total Administrative Expenses			**51,928,433**

New York City Employees' Retirement System

SCHEDULE OF PAYMENTS TO CONSULTANTS
For Fiscal Year Ended June 30, 2008

Firm	Nature of Services	Fee
A. V. Services Inc.	Computer services	$ 7,331
Acoustic Dimensions Inc.	Consultant services	2,050
Anacomp	Computer services	(12,500) *
Aron, Milton	Consultant services	25,359
Avaya Inc.	Telecommunication services	687,085
Bottomline Technologies	Consultant services	(3,485) *
Cobbs Mill Consulting LLC	Computer services	1,200
Comsys Services LLC	Computer services	122,082
COPI	Computer services	10,908
Crenades, Margaret	Computer services	10,500
En Technologies Corp	Computer services	13,251
enChoice	Imaging system design	1,609,278
Hunter Green Associates	Computer services	141,825
IBM Corporation	Computer services	1,786,919
IPLogic, Inc.	Computer services	7,500
L. R. Wechsler Ltd	Computer services	300,000
Net @ Work	Accounting software support	44,236
Neurodevelopement Associates Inc.	Computer services	93,600
Parson Consulting LLC	Audit and review services	67,800
Pay Wise Inc.	Computer services	40,451
Q-Matic Corp.	Consultant services	68,539
Safend	Computer services	1,800
Script Logic	Computer services	2,494
Syska Hennessy	Construction services	11,427
Tag Solutions	Computer services	24,208
US Tech Solutions	Computer services	125,465
Vignette Corporation	Computer services	261,749
XYANT Technology Inc	Computer services	223,330
Zaidman, Margaret	Computer services	34,463
ZeroChaos Lock Box	Computer services	2,763
Total		$ 5,711,627

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

* Credit in fiscal year 2008 represents an overestimate of expenses recorded in fiscal year 2007.