

New York City Police Police Pension Funds

A Pension Trust Fund of the City of New York

Comprehensive Annual Financial Report

for the fiscal years ended

June 30, 2014 and June 30, 2013



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Police Pension Funds

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A Pension Trust Fund of the City of New York
For the Fiscal Year Ended June 30, 2014**

Prepared by:

Accounting and Legal Divisions under the direction of
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Actuary:

Robert C. North, Jr.

Custodian of Funds:

Scott M. Stringer, Comptroller of the City of New York

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**NEW YORK CITY POLICE PENSION FUNDS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 A PENSION TRUST FUND OF THE CITY OF NEW YORK
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New York City

Police Pension Funds

Comprehensive Annual Financial Report
A Pension Trust Fund of the City of New York



Introductory Section

Part I

fiscal year ended

June 30, 2014



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

New York City

Police Pension Fund, Subchapter 2

New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO



New York City Police Pension Fund

233 Broadway
New York, NY 10279

Kevin Holloran
Executive Director
(212) 693-5100

December 15, 2014

Board of Trustees
New York City Police Pension Fund
233 Broadway, 25th Floor
New York, New York 10279

Dear Members of the Board of Trustees:

I am pleased to present the Comprehensive Annual Financial Report (“CAFR”) of the New York City Police Pension Funds (“the Plan” or “Fund”); a pension trust fund of the City of New York, for the fiscal year ended June 30, 2014. Responsibility for accuracy of the data, the completeness and fairness of the presentation, including all disclosures, rest with the management of the Plan. To the best of the Plan’s knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the operations of the Plan. All disclosures necessary to enable the reader to gain an understanding of the financial activities of the Plan have been included.

The independent auditor’s report on the financial statements for Fiscal Year ended June 30, 2014 by the accounting firm of Deloitte & Touche, LLP is included in the financial section of this CAFR. The audit was conducted in accordance with generally accepted auditing standards.

Background of the Plan

The Plan was incorporated on March 1, 1940 and commenced business on March 29, 1940. This incorporation succeeded the Police Pension Fund Article 1, established for uniformed members of the NYPD prior to 1940. By legislation enacted in 1995, Article 1 was merged into the Plan.

The Plan is governed by a Board of Trustees consisting of twelve members. Voting rights are as follows: the Police Commissioner, a representative of the Mayor, the Comptroller and the Commissioner of Finance all have one and one-half votes each, four specified officers of the Patrolmen’s Benevolent Association have one vote each, and the presidents of the Detectives’ Endowment Association, the Sergeants Benevolent Association, the Lieutenants Benevolent Association and the Captains Endowment Association, have one half vote each.

Meetings of the Board are held every month but special meetings may be called by the Board Chairman or requested by a quorum of members with at least five votes combined.

Major Initiatives

The New York City Police Pension Fund (PPF) was granted corpus funding in 2001 to improve service to active and retired members. Corpus funding has enabled the Plan to establish a new headquarters and initiated major upgrades to its computer infrastructure and capabilities.

Over the past twelve years, the Plan has implemented many Information Technology (IT) enhancements. The following are some accomplishments for Fiscal Year 2014:

- **Centralized Data Storage with EMC VNX 5300** – In parallel with our move to server virtualization, we also centralized our disk storage into a single 80 TB Storage Array Network (SAN) device at headquarters. This technology provides PPF with fast tiered disk storage and inexpensive expansion as needed. It also allows us to easily replicate our data to the Telehouse disaster recovery site at real-time speeds.
- **Post-Sandy Disaster Recovery Teleport Enhancements** – We are in the final stages of completing our disaster recovery site enhancements to ensure that PPF continues to be ready for any future storm or disaster. We have identical 80 TB SAN disks at both headquarters and Telehouse that are synchronized at near real-time speeds over a fast 1 GB EPL telecommunication line. This allows the Telehouse site to be a backup site or run as our main computer facility. We are currently in the process of switching the roles between headquarters and the Teleport site. Long-term the Staten Island Teleport collocation computer room will be PPF's main computer room.
- **The next Windows Operating System** – During the past year we tested Windows 8 in our test lab to learn more about compatibility with our software programs for the next desktop hardware refresh. While it was compatible with our hardware and software the new interface was too difficult to deploy to our user base. During the same time Microsoft has realized the same fact and is working on Windows 10 which will contain an end user interface similar to Windows 7. PPF will continue to use Windows 7 and wait for Windows 10.
- **Document Image Management System** – PPF is moving towards a paperless office. Since April 2003, PPF has continued to upgrade and expand its usage of the Xerox DocuShare Document Image Management System.
 - ◇ Member Folders are imaged and stored within DocuShare which contains over 830,000 documents and 13 million pages. This allows staff to lookup a member's file within seconds from any desktop, provides easy copies and secure off-site backups.
 - ◇ Microfiche Converted to PDF Documents – PPF converts our historical microfiche films sheets into PDF documents. These documents were then added to our Xerox Archive DocuShare Image Management System which contains 135,000 TAXID folders and 6.7 million pages.
 - ◇ WTC 9/11 Document Image Management System – PPF stores 140,000 PDF documents containing over 1.2 million pages as part of the City's WTC 9/11 Verification project. To assist with WTC Verification, we processed these images with an OCR engine to index text with PDF files. Then the files were added to a Xerox DocuShare server to create a master index. Now it is possible to locate a document by Name, TAXID and Shield Number for information listed on computer-generated NYPD Roll Call documents and other forms.
 - ◇ In-house Archival Imaging – Member paper documents are scanned, archived and scheduled for destruction, which will be saved and preserved as electronic documents. To date 2091 PDFs and 611,552 pages have been archived.
 - ◇ Producing and distributing more than 36,000 Annual Pension Statements to all active NYPD members annually.
 - ◇ Created an agency repository within DocuShare for all agency documents non-member specific so that each unit can easily access agency information at their desktops. This includes historical documents dating into the 1970s.

Investments

Investment policy is subject to approval of the Board of Trustees. The operations of the Funds are governed by the Administrative Code of the City of New York and the State Retirement and Social Security Laws. The Comptroller of the City of New York acts as an Investment Advisor and the Treasurer of the Funds. In addition, the Funds employ several independent investment consultants as investment advisors. The Funds also utilize several investment managers to administer the long-term debt and the equity portfolios. The investment managers are regularly reviewed against performance and adherence to guidelines. Four main factors influence the philosophy of the Board of Trustees, namely; Risk-Tolerance, Returns, Diversification and Liquidity. Therefore, the investment policy adopted is designed to minimize risks while maintaining a competitive yield. The policy is implemented using a strategic implementation of assets, diversified in a broad array of instruments to limit concentration risks. As at June 30, 2014, the QPP policy mix consisted of the following categories; Domestic Equity 40.2%, Fixed Income 29.4%, NYC Core plus five 16.8%, Emerging Markets 6.1% and 7.5% among others. With \$34 billion in assets under management, total QQP investment returns for the current year was 17.74 %, slightly above the policy benchmark of 16.98%. For the 3 years trailing, the return was 10.07%, lower than the policy benchmark of 10.83%. The investment section includes a discussion on financial information of investment activities, investment policy, safeguards, strategies and yield information of the Funds and also provides various charts, schedules and a consolidated performance report.

Financial Highlights

The combined financial statements of the Funds for fiscal year 2014 show that Net Position Restricted For Pensions increased by \$5.0 billion or 17 % to \$ 34.2 billion, from the prior fiscal year. Net Position Restricted For Pensions for fiscal year 2013, increased by \$3.2 billion or 12%, to \$29.2 billion, compared to fiscal year 2012. The growth in fiscal year 2014 is based mainly on higher net investment income; supported by strong earnings from interest and dividends and a large increase in the net appreciation (fair values of investments) which more than offset benefit payments. The Funds accounted for \$2,310 million in total transferable earnings from the QPP to the PSOVSF and the POVSF. Also, in the current year the QPP transferred \$231million in cash to meet a pending payroll of PSOVSF.

The following table gives percentage changes and dollar amounts in thousands, of selected accounts from the past two years financial statements:

Description	FY 2014	FY'2013	% change
Member Contributions	228,783	229,675	(0.4)
Employer Contributions	2,320,910	2,424,690	(4.3)
Interest Income	378,344	381,627	(0.8)
Dividend Income	447,539	402,019	11.3
Net Investment Income	5,147,483	3,101,563	66.0
Benefit Payments & Withdrawals	2,691,609	2,530,634	6.4

Funding

The Funds primary financial objective is to ensure that the level of funding from Contributions and Investment Income support benefit payment obligations. A review of the QPP assets gives an indication of current fiscal health and the income potential from investments. It also gives participants a high level of assurance that

benefits will continue into the future. According to the Governmental Accounting Standards Board Statements (“GASB”) Nos.67 and 68, Schedule of Changes in Net Pension liability by the Actuary, Plan Fiduciary Net

Position as a Percentage of Total Pension Liability was 74.4% and 66.1% as of June 30, 2014 and 2013 respectively.

Economic Conditions

The national economy, as measured by real Gross Domestic Product (“GDP”), the output of goods and services produced by labor and property in the US, grew 2.5% in fiscal year 2014, compared to 1.8% in fiscal year 2013. Improvement in both the national housing and the labor markets were noted. The financial markets also had a successful year. The current year’s GDP results confirm that national economic growth has remained positive continues to improve. The City’s economy is also experiencing growth, as measured by change in real Gross City Product (“GCP”), grew 3.8% in fiscal year 2014, compared to 1.8% reported in fiscal year 2013. Conversely, the economies of some member countries in the European Union (“EU”) experienced low growth and remained burdened with high debt.

The national housing market is improving. Although some investors had to contend with slightly higher mortgage rates and tighter lending practices, house prices recovered and reports are that foreclosures and mortgage delinquencies are down. In addition, the national labor market continues to improve with a steady decline in the unemployment rate noted. The rate dropped from 7.2% in fiscal year 2013 to 5.9% by the end of fiscal year 2014. At its peak in October 2009, the unemployment rate stood at 10.0%. The financial markets performed well for most of the year and, in spite of intermittent market volatility strong gains from stocks and some commodities were noted. Gains from stocks pushed the market indices to record levels and some large corporations reported higher earnings each quarter. Meanwhile, the City’s real estate market has been improving. There are signs of some on-going construction activity although new housing permits issued to developers are still off pre-recession levels. And, compared to the other boroughs, residential property values in Manhattan and Brooklyn have strengthened. Commercial property valuations for Manhattan office buildings are also rising. The City’s unemployment rate is declining which tend to speak well to the local labor market conditions. It is interesting to note that the unemployment rate fell from 8.9%, one year ago, to 7.7% as of June 2014. Although still above the national rate, this was the lowest in five years. Also, personal income tax withholdings, an indicator of paycheck income trends grew 6.6% this year and private sector employment in the City rose by 95,400 or 2.8 %. Job growth, led by the healthcare, educational, professional and business services was strong. The City experienced a 3.1% GCP growth for the second Quarter of 2014 and from further reports, there was a surge in venture capital investments, the local real estate market continued to strengthen and more private sector jobs were added in the third quarter.

Aside from this, the economies of certain member countries of the EU and the Global financial markets continued to experience slow growth and high levels of debt. The EU has had to cut its growth forecast because of a lack of internal investments and political tensions existing in the region. Although the threat of a financial crisis has receded, in view of the above, potential risks to our economy remain. However, the Federal Reserve (the Fed) continues to monitor movements in the national economy and is kept informed of developments abroad. The Fed recently ended the bond buying stimulus program, Quantitative Easing, stating that there was substantial improvement in the outlook for the domestic labor market and that considerable economic progress has been made since national recovery efforts began. In a recent statement, the Fed appears

to fully support the above, pointing to the rise in employment of 7.5 million jobs, the GDP growth experienced in almost every quarter, the recapitalized banking system and the improved financial standing of larger corporations.

Financial and Budgetary Controls

The management of the Funds is responsible for establishing and maintaining an internal control structure designed to ensure that assets are protected from loss, theft, or misuse and that preparation of financial statements conforms to Generally Accepted Accounting Principles (GAAP). The cost of a control should not exceed the benefits derived and therefore the objective is to provide reasonable rather than absolute assurance that assets of the Funds are safeguarded and the financial statements are free from any material misstatements. The Funds also maintain budgetary controls. An annual examination of internal controls is performed in accordance with the City Comptroller's Directive no. 1. The latest study and evaluation disclosed no material weakness. Also, the Audit Committee of the City of New York, which includes experts in Accounting and Municipal Finance from the private sector, oversees the independent audit process.

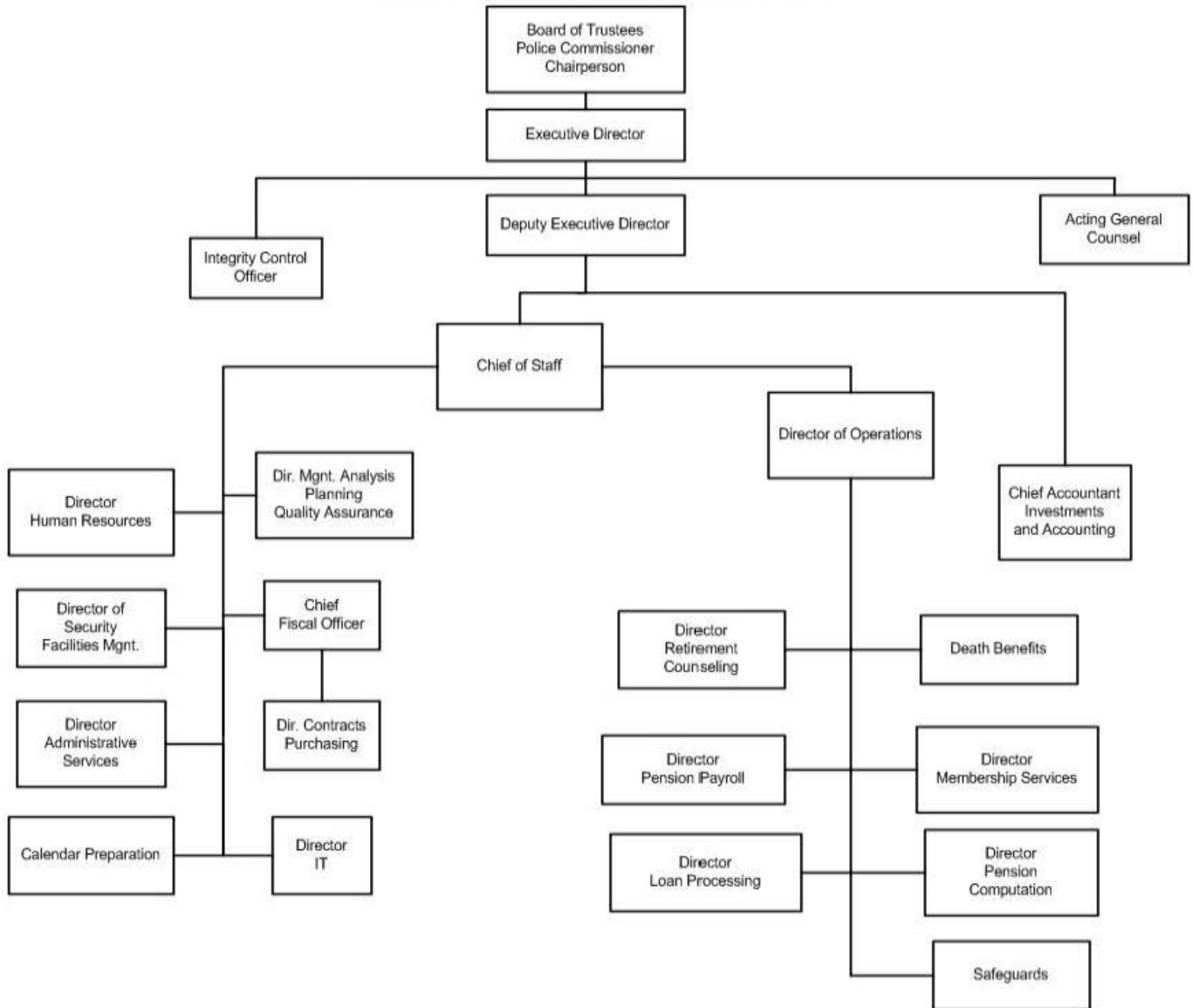
The compilation of this CAFR is a reflection of the hard work and dedication of the management and staff of the New York City Police Pension Fund. I thank them for their efforts and cooperation in this endeavor. I also thank the office of the City Actuary, the Comptroller's Office and the investment advisors of the Plan for the data and other information provided during the preparation of this report. This CAFR is intended to provide sufficient and reliable information that will help serve, as a basis for management decision making, in determining compliance with legal requirements and as a means of indicating stewardship of the assets of the Plan. I am confident that this goal has been achieved.

Very truly yours,



Kevin Holloran,
Executive Director

NYC POLICE PENSION FUND



New York City

Police Pension Funds

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York



Financial Section

Part II

fiscal year ended

June 30, 2014

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the
New York City Police Pension Funds:

Report on the Financial Statements

We have audited the accompanying combined statements of fiduciary net position of the New York City Police Pension Funds, which are comprised of the New York City Police Fund, New York City Police Department Police Officers' Variable Supplements Fund, and New York City Police Department Police Superior Officers' Variable Supplements Fund (collectively, the "Funds") as of June 30, 2014 and 2013, and the related combined statements of changes in fiduciary net position for the years then ended, and the related notes to the combined financial statements, which collectively comprise the Funds' basic combined financial statements as listed in the table of contents.

Management's Responsibility for the Combined Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these combined 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 combined financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined fiduciary net position as of June 30, 2014 and 2013, and the combined changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 2 to the combined financial statements, in 2014, the Funds adopted Governmental Accounting Standards Board ("GASB") Statement No. 67, *Financial Reporting for Pension Funds – an Amendment of GASB Statement No. 25*. Our opinion is not modified with respect to this matter.

As discussed in Note 2, in 2014, as a result of an analysis performed by management, management determined that it was preferable to present the Police Pension Funds financial statements on a combined basis for presentation purposes. Therefore, the Funds will no longer report on an individual plan basis and will report the Funds on a combined basis. As a result, the Funds 2013 financial statements were restated to conform to this change. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule 1, Schedule 2 and Schedule 3, as listed in the table of contents, be presented to supplement the basic combined financial statements. Such information, although not a part of the basic combined financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic combined financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic combined financial statements, and other knowledge we obtained during our audit of the basic combined financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the basic combined financial statements. The Introductory Section, Additional Supplementary Information, Investment Section, Actuarial Section, and Statistical Section, as listed in the foregoing table of contents, are presented for the purpose of additional analysis and are not a required part of the basic combined financial statements.

The Additional Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic combined financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic combined financial statements or to the basic combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion the Additional Supplementary Information is fairly stated, in all material respects, in relation to the basic combined financial statements taken as a whole.

The Introductory Section, Investment Section, Actuarial Section, and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic combined financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Deloitte & Touche LLP

October 29, 2014

NEW YORK CITY POLICE PENSION FUNDS

MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2014 AND 2013

This narrative discussion and analysis of the New York City Police Pension Funds (“POLICE” or the “Funds”), provides an overview of the Funds’ combined financial activities for the Fiscal Years ended June 30, 2014 and 2013. It is meant to assist the reader in understanding the Funds’ combined financial statements by providing an overall review of the combined financial activities during the years and the effects of significant changes, as well as a comparison with the prior years’ activity and results. This discussion and analysis is intended to be read in conjunction with the Funds’ combined financial statements.

The Funds administer: the New York City Pension Fund, Tiers 1, 2, and 3, in conjunction with the establishment of an administrative staff separate from the New York City Police Department, in accordance with Chapter 292 of the Laws of 2001 (QPP) as set forth in the Administrative Code of the City of New York (“ACNY”) § 13-214.1; the Police Superior Officers’ Variable Supplements Fund (“PSOVSF”), as set forth in ACNY § 13-278; and the Police Officers’ Variable Supplements Fund (“POVSF”), as set forth in ACNY § 12-268.

Overview of Basic Combined Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Funds’ basic combined financial statements. The basic combined financial statements, which are prepared in accordance with Governmental Accounting Standards Board (“GASB”) pronouncements and include the financial statements of each of the Funds, are:

- **The Combined Statements of Fiduciary Net Position** - presents the financial position of the Funds at fiscal year end. It provides information about the nature and amounts of resources with present service capacity that the Funds presently control (assets), consumption of net assets by the Funds that is applicable to a future reporting period (deferred outflow of resources), present obligations to sacrifice resources that the Funds have little or no discretion to avoid (liabilities), and acquisition of net assets by the Funds that is applicable to a future reporting period (deferred inflow of resources) with the difference between assets/deferred outflow of resources and liabilities/deferred inflow of resources being reported as net position. Investments are shown at fair value. All other assets and liabilities are determined on an accrual basis.
- **The Combined Statements of Changes in Fiduciary Net Position** - presents the results of activities during the year. All changes affecting the assets/deferred outflow and liabilities/deferred inflow of the Funds 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 Combined Financial Statements** - provide additional information that is essential to a full understanding of the data provided in the combined financial statements. The notes present information about the Funds’ accounting policies, significant account balances and activities, material risks, obligations, contingencies and subsequent events, if any.

Required Supplementary Information - as required by the GASB is presented after the notes to combined financial statements.

In 2014, the Funds adopted GASB Statement No. 67, *Financial Reporting for Pension Funds*. Implementation of GASB Statement No. 67 did not impact the combined fiduciary net position of the Funds, however, certain changes to note disclosures and required supplementary information have been incorporated to comply with the new standard.

FINANCIAL HIGHLIGHTS

The Funds' net position restricted for benefits increased by \$5 billion, or 17% to \$34.3 billion in Fiscal Year 2014 compared to Fiscal Year 2013, and increased by \$3.2 billion, or 12% to \$29.3 billion in Fiscal Year 2013 compared to Fiscal Year 2012. The Funds' combined net position restricted for benefits increased in Fiscal Years 2014 and 2013 due to the significant increase in the fair value of investments and the continued growth of the national economy.

Changes in Combined Fiduciary Net Position Years ended June 30, 2014, 2013, and 2012 (in thousands)

Additions:	2014	2013	2012
Member contributions	\$ 228,783	\$ 229,675	\$ 216,172
Employer contributions	2,320,910	2,424,691	2,385,731
Net investment income	5,147,483	3,101,563	236,006
Litigation income	1,363	1,559	483
Net receipts from other retirement systems	<u>5,548</u>	<u>4,559</u>	<u>5,069</u>
Total additions	<u>7,704,087</u>	<u>5,762,047</u>	<u>2,843,461</u>
Deductions:			
Benefit payments and withdrawals	2,691,609	2,530,634	2,445,919
Administrative expenses	17,450	17,548	16,578
Total deductions	<u>2,709,059</u>	<u>2,548,182</u>	<u>2,462,497</u>
Net Increase in Net Position Restricted for Benefits	\$ <u>4,995,028</u>	\$ <u>3,213,865</u>	\$ <u>380,964</u>

During Fiscal Year 2014, member contributions decreased by 0.4% to \$ 228.8 million as compared to Fiscal Year 2013 contributions of \$229.7 million. In accordance with the pension plan requirements, certain members, under certain conditions, may elect to decrease their member deduction. This decrease in 2014 was primarily due to more members electing to decrease their member deduction. During Fiscal Year 2013, member contributions increased by 6% to \$229.7 million as compared to Fiscal Year 2012 contributions of \$216.1 million.

Employer contributions received in Fiscal Year 2014 were \$2.32 billion, a decrease of 4% from Fiscal Year 2013 contributions of \$2.42 billion, which was primarily due to the net result of actuarial gains and losses. Employer contributions received in Fiscal Year 2013 were \$2.42 billion, an increase of 1.6% over Fiscal Year 2012 contributions of \$2.39 billion, which was primarily due to the net result of actuarial gains and losses.

Benefit payments and withdrawals were \$2.69 billion, \$2.53 billion, and \$2.45 billion for the Fiscal Years ended June 30, 2014, 2013, and 2012, respectively. The increases are primarily due to the additional pension benefits costs.

In Fiscal Year 2002, Chapter 292 of the New York State Laws of 2001 provided the Funds with corpus funding for administrative expenses. In Fiscal Year 2014, the Funds incurred \$17.4 million; in Fiscal Year 2013, the Funds incurred \$ 17.5 million; and in Fiscal Year 2012, the Funds incurred \$16.6 million in administrative expenses.

COMBINED FIDUCIARY NET POSITION

In Fiscal Year 2014 the Funds experienced a 17% increase in their combined net position restricted for benefits due to an increase in fair value of investments compared to Fiscal Year 2013, which noted a 12% increase from 2012.

Fiduciary Net Position

June 30, 2014, 2013, and 2012
(in thousands)

	2014	2013	2012
Cash	\$ 50,387	\$ 18,157	\$ 23,700
Receivables	923,534	1,462,596	1,008,325
Investments, at fair value	35,190,377	30,444,566	26,880,530
Collateral from securities lending	3,745,971	3,222,140	2,279,063
Other assets	13,678	12,697	193,665
Total assets	<u>39,923,947</u>	<u>35,160,156</u>	<u>30,385,283</u>
Accounts payable and other liabilities	1,904,505	2,655,436	2,037,505
Payables for securities lending transactions	3,746,792	3,227,098	2,284,021
Total liabilities	<u>5,651,297</u>	<u>5,882,534</u>	<u>4,321,526</u>
Net Position Restricted for Benefits	<u>\$ 34,272,650</u>	<u>\$ 29,277,622</u>	<u>\$ 26,063,757</u>

Receivables and payables related to investment securities are primarily generated through the timing of differences between the trade and settlement dates for investment securities purchased or sold.

INVESTMENT SUMMARY

Investment Summary

June 30, 2014

(In thousands)

Investments - At fair value:	QPP	PSOVSF	POVSF	Combined
Short term investments:				
U.S. treasury bills and agencies	\$ 642,188	\$ 40	\$ 17,919	\$ 660,147
Commercial paper	146,312	-	2,753	149,065
Short-term investment fund	491,145	17	2,168	493,330
Discount notes	-	-	-	-
Debt securities:				
U.S. government and agency	2,824,945	-	73,355	2,898,300
Corporate and other	4,108,798	-	46,723	4,155,521
Promissory notes	-	-	-	-
Equity securities	7,882,275	-	-	7,882,275
Alternative investments	5,411,415	-	-	5,411,415
Mutual funds - International equity	-	-	-	-
Collective trust funds:				
International equity	5,794,509	-	10	5,794,519
Domestic equity	5,685,263	-	264,084	5,949,347
Mortgage debt security	207,025	-	-	207,025
Treasury inflation protected securities	969,643	-	-	969,643
Fixed income	619,790	-	-	619,790
Collateral from securities lending	3,704,504	-	41,467	3,745,971
	<u>\$ 38,487,812</u>	<u>\$ 57</u>	<u>\$ 448,479</u>	<u>\$ 38,936,348</u>

Investment Summary
June 30, 2013
(In thousands)

Investments - At fair value:	QPP	PSOVSF	POVSF	Combined Funds
Short term investments:				
U.S. treasury bills	\$ 137,235	\$ -	\$ 2,895	\$ 140,130
Commercial paper	258,612	181	-	258,793
Short-term investment fund	563,187	70	15,121	578,378
Discount notes	56,072	-	-	56,072
Securities purchased under agreements to resell	-	-	933	933
Debt securities:				
U.S. government and agency	3,279,722	-	96,924	3,376,646
Corporate and other	3,473,915	-	41,684	3,515,599
Promissory notes	5,563	-	-	5,563
Equity securities	11,491,706	-	334,411	11,826,117
Alternative investments	4,444,724	-	-	4,444,724
Mutual funds - International equity	-	-	-	-
Collective trust funds:				
International equity	4,670,297	5	26	4,670,328
Domestic equity	-	-	-	-
Mortgage debt security	153,114	-	-	153,114
Treasury inflation protected securities	853,546	-	-	853,546
Fixed income	564,623	-	-	564,623
Collateral from securities lending	3,174,158	-	47,982	3,222,140
	\$ 33,126,474	\$ 256	\$ 539,976	\$ 33,666,706

Due to the long-term nature of the Funds' liabilities, the assets are invested with a long-term investment horizon. Assets are invested in a diversified portfolio of capital market securities. Investments in these assets are expected to produce higher returns, but are also subject to greater volatility and may produce negative returns. For example, the Russell 3000 Index, a broad measure of the United States Stock market, in Fiscal Years 2014 and 2013 gained 25.22% and 21.46%, respectively. Also in 2014, the Europe, Australia, and Far East international index gained 23.57%, and in 2013, the Europe, Australia, and Far East international index gained 18.62%. In Fiscal Year 2014, the less-developed international market gained 14.31%, and in Fiscal Year 2013, the less-developed international market gained 3.23%. The returns of the Funds have been consistent with the broad market trend. For the three-year period ended June 30, 2014, the overall rate of return on investments was a gain of 10.07%, for the five-year period the overall rate of return was a gain of 13.33%, and for the ten-year period there was a gain of 7.70%.

Assets are invested long-term for the benefit of the Funds' participants and their beneficiaries. All investments are managed by registered investments advisors, pursuant to applicable laws and to guidelines issued by the City Comptroller. Collectively, the investments utilize thirty domestic equity managers, fifteen international managers, thirteen hedge fund managers, forty nine private real estate managers, one real estate equities manager, one hundred and fifty six private equity investments managers, and forty six fixed income managers. Assets are allocated in accordance with policy adopted periodically by the Funds' Boards of Trustees. The percentage in each category is determined based on a study indicating the probable rates of return and levels of risk for various assets' allocations. The actual allocation may vary from this policy mix as market values shift and as investments are added or terminated.

Contact information

This financial report is designed to provide a general overview of the New York City Police Pension Funds' finances. Questions concerning any data provided in this report or requests for additional information should be directed to Chief Accountant, New York City Police Pension Fund, 233 Broadway, 25th Floor, New York, NY 10279.

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NEW YORK CITY POLICE PENSION FUNDS

COMBINED STATEMENT OF FIDUCIARY NET POSITION

June 30, 2014

(In thousands)

	QPP	PSOVSF	POVSF	Eliminations	Combined Funds
ASSETS:					
Cash	\$ 45,733	\$ 1,347	\$ 3,307	\$ -	\$ 50,387
Receivables:					
Investment securities sold	581,149	1	25,846	-	606,996
Member loans (Note 6)	255,808	-	-	-	255,808
Transferrable earnings due from QPP to Variable Supplements Funds	-	1,020,000	1,290,000	(2,310,000)	-
Accrued interest and dividends	<u>59,897</u>	<u>17</u>	<u>816</u>	<u>-</u>	<u>60,730</u>
Total receivables	<u>896,854</u>	<u>1,020,018</u>	<u>1,316,662</u>	<u>(2,310,000)</u>	<u>923,534</u>
INVESTMENTS — At fair value (Notes 2 and 3):					
Short-term investments:					
Commercial paper	146,312	-	2,753	-	149,065
Short-term investment fund	491,145	17	2,168	-	493,330
U.S. treasury bills and agencies	642,188	40	17,919	-	660,147
Discount notes	-	-	-	-	-
Securities purchased under agreements to resell	-	-	-	-	-
Debt securities:					
U.S. government and agency	2,824,945	-	73,355	-	2,898,300
Corporate and other	4,108,798	-	46,723	-	4,155,521
Equity securities	7,882,275	-	-	-	7,882,275
Alternative investments	5,411,415	-	-	-	5,411,415
Collective trust funds:					
Fixed income	619,790	-	-	-	619,790
Domestic equity	5,685,263	-	264,084	-	5,949,347
International equity	5,794,509	-	10	-	5,794,519
Mortgage debt security	207,025	-	-	-	207,025
Treasury inflation protected securities	969,643	-	-	-	969,643
Promissory notes	-	-	-	-	-
Collateral from securities lending	<u>3,704,504</u>	<u>-</u>	<u>41,467</u>	<u>-</u>	<u>3,745,971</u>
Total investments	<u>38,487,812</u>	<u>57</u>	<u>448,479</u>	<u>-</u>	<u>38,936,348</u>
OTHER ASSETS	<u>13,678</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,678</u>
Total assets	<u>39,444,077</u>	<u>1,021,422</u>	<u>1,768,448</u>	<u>(2,310,000)</u>	<u>39,923,947</u>
LIABILITIES:					
Accounts payable	141,773	-	-	-	141,773
Payable for investment securities purchased	1,457,714	-	43,113	-	1,500,827
Accrued benefits payable	78,373	108,599	74,933	-	261,905
Transferrable earnings due from QPP to Variable Supplements Funds	2,310,000	-	-	(2,310,000)	-
Securities lending (Note 2)	<u>3,705,325</u>	<u>-</u>	<u>41,467</u>	<u>-</u>	<u>3,746,792</u>
Total liabilities	<u>7,693,185</u>	<u>108,599</u>	<u>159,513</u>	<u>(2,310,000)</u>	<u>5,651,297</u>
NET POSITION RESTRICTED FOR BENEFITS:					
Benefits to be provided by QPP	31,750,892	-	-	-	31,750,892
Benefits to be provided by VSF	<u>-</u>	<u>912,823</u>	<u>1,608,935</u>	<u>-</u>	<u>2,521,758</u>
Total net position restricted for benefits	<u>\$ 31,750,892</u>	<u>\$ 912,823</u>	<u>\$ 1,608,935</u>	<u>\$ -</u>	<u>\$ 34,272,650</u>

See notes to combined financial statements.

NEW YORK CITY POLICE PENSION FUNDS

COMBINED STATEMENT OF FIDUCIARY NET POSITION

June 30, 2013

(In thousands)

	QPP	PSOVSF	POVSF	Combined Funds
ASSETS:				
Cash	\$ 18,110	\$ 1	\$ 46	\$ 18,157
Receivables:				
Investment securities sold	1,101,260	-	26,182	1,127,442
Member loans (Note 6)	261,906	-	-	261,906
Accrued interest and dividends	<u>72,010</u>	<u>-</u>	<u>1,238</u>	<u>73,248</u>
Total receivables	<u>1,435,176</u>	<u>-</u>	<u>27,420</u>	<u>1,462,596</u>
INVESTMENTS — At fair value (Notes 2 and 3):				
Short-term investments:				
Commercial paper	258,612	181	-	258,793
Short-term investment fund	563,187	70	15,121	578,378
U.S. treasury bills	137,235	-	2,895	140,130
Discount notes	56,072	-	-	56,072
Securities purchased under agreements to resell	-	-	933	933
Debt securities:				
U.S. government and agency	3,279,722	-	96,924	3,376,646
Corporate and other	3,473,915	-	41,684	3,515,599
Equity securities	11,491,706	-	334,411	11,826,117
Alternative investments	4,444,724	-	-	4,444,724
Collective trust funds:				
Fixed income	564,623	-	-	564,623
International equity	4,670,297	5	26	4,670,328
Mortgage debt security	153,114	-	-	153,114
Treasury inflation protected securities	853,546	-	-	853,546
Promissory notes	5,563	-	-	5,563
Collateral from securities lending	<u>3,174,158</u>	<u>-</u>	<u>47,982</u>	<u>3,222,140</u>
Total investments	<u>33,126,474</u>	<u>256</u>	<u>539,976</u>	<u>33,666,706</u>
OTHER ASSETS	<u>12,697</u>	<u>-</u>	<u>-</u>	<u>12,697</u>
Total assets	<u>34,592,457</u>	<u>257</u>	<u>567,442</u>	<u>35,160,156</u>
LIABILITIES:				
Accounts payable	269,071	317	137	269,525
Payable for investment securities purchased	2,113,320	-	54,436	2,167,756
Accrued benefits payable	44,009	102,687	71,459	218,155
Securities lending (Note 2)	<u>3,179,116</u>	<u>-</u>	<u>47,982</u>	<u>3,227,098</u>
Total liabilities	<u>5,605,516</u>	<u>103,004</u>	<u>174,014</u>	<u>5,882,534</u>
NET POSITION RESTRICTED FOR BENEFITS:				
Benefits to be provided by QPP	28,986,941	-	-	28,986,941
Benefits to be provided by VSF	<u>-</u>	<u>(102,747)</u>	<u>393,428</u>	<u>290,681</u>
Total net position restricted for benefits	<u>\$ 28,986,941</u>	<u>\$ (102,747)</u>	<u>\$ 393,428</u>	<u>\$ 29,277,622</u>

See notes to combined financial statements.

NEW YORK CITY POLICE PENSION FUNDS

COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION YEAR ENDED JUNE 30, 2014 (In thousands)

	QPP	PSOVSF	POVSF	Eliminations	Combined Funds
ADDITIONS:					
Contributions:					
Member contributions	\$ 228,783	\$ -	\$ -	\$ -	\$ 228,783
Employer contributions	2,320,910	-	-	-	2,320,910
Total contributions	<u>2,549,693</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,549,693</u>
Investment income (Note 2):					
Interest income	374,192	3	4,149	-	378,344
Dividend income	441,568	8	5,993	-	447,569
Net appreciation in fair value of investments	4,369,202	36	65,899	-	4,435,137
Total investment income	5,184,962	47	76,041	-	5,261,050
Less investment expenses	<u>120,828</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>120,830</u>
Net income	<u>5,064,134</u>	<u>45</u>	<u>76,041</u>	<u>-</u>	<u>5,140,220</u>
Securities lending transactions:					
Securities lending income	8,412	-	31	-	8,443
Securities lending fees	(1,016)	(146)	(18)	-	(1,180)
Net securities lending income	<u>7,396</u>	<u>(146)</u>	<u>13</u>	<u>-</u>	<u>7,263</u>
Net investment income	5,071,530	(101)	76,054	-	5,147,483
Net receipts from other retirement systems	5,548	-	-	-	5,548
Reimbursement of benefit payments from QPP	-	231,024	-	(231,024)	-
Transferrable earnings from QPP to Variable Supplements Funds	-	1,020,000	1,290,000	(2,310,000)	-
Litigation income	1,263	20	80	-	1,363
Total additions	<u>7,628,034</u>	<u>1,250,943</u>	<u>1,366,134</u>	<u>(2,541,024)</u>	<u>7,704,087</u>
DEDUCTIONS:					
Benefit payments and withdrawals (Note 1)	2,305,609	235,373	150,627	-	2,691,609
Amounts transferred to Variable Supplements Funds	231,024	-	-	(231,024)	-
Transferrable earnings from QPP to Variable Supplements Funds	2,310,000	-	-	(2,310,000)	-
Administrative expenses	17,450	-	-	-	17,450
Total deductions	<u>4,864,083</u>	<u>235,373</u>	<u>150,627</u>	<u>(2,541,024)</u>	<u>2,709,059</u>
NET INCREASE IN NET POSITION	2,763,951	1,015,570	1,215,507	-	4,995,028
NET POSITION RESTRICTED FOR BENEFITS					
Beginning of year	<u>28,986,941</u>	<u>(102,747)</u>	<u>393,428</u>	<u>-</u>	<u>29,277,622</u>
End of year	<u>\$ 31,750,892</u>	<u>\$ 912,823</u>	<u>\$ 1,608,935</u>	<u>\$ -</u>	<u>\$ 34,272,650</u>

See notes to combined financial statements.

NEW YORK CITY POLICE PENSION FUNDS

COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2013

(In thousands)

	QPP	PSOVSF	POVSF	Eliminations	Combined Funds
ADDITIONS:					
Contributions:					
Member contributions	\$ 229,675	\$ -	\$ -	\$ -	\$ 229,675
Employer contributions	<u>2,424,691</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,424,691</u>
Total contributions	<u>2,654,366</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,654,366</u>
Investment income (Note 2):					
Interest income	376,436	466	4,365	-	381,267
Dividend income	393,640	602	7,777	-	402,019
Net appreciation in fair value of investments	<u>2,348,307</u>	<u>5,203</u>	<u>52,779</u>	<u>-</u>	<u>2,406,289</u>
Total investment income	3,118,383	6,271	64,921	-	3,189,575
Less investment expenses	<u>105,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,960</u>
Net income	<u>3,012,423</u>	<u>6,271</u>	<u>64,921</u>	<u>-</u>	<u>3,083,615</u>
Securities lending transactions:					
Securities lending income	20,593	31	424	-	21,048
Securities lending fees	<u>(3,016)</u>	<u>(6)</u>	<u>(78)</u>	<u>-</u>	<u>(3,100)</u>
Net securities lending income	<u>17,577</u>	<u>25</u>	<u>346</u>	<u>-</u>	<u>17,948</u>
Net investment income	3,030,000	6,296	65,267	-	3,101,563
Net receipts from other retirement systems	4,559	-	-	-	4,559
Reimbursement of benefit payments from QPP	-	8,169	-	(8,169)	-
Litigation income	<u>1,406</u>	<u>63</u>	<u>90</u>	<u>-</u>	<u>1,559</u>
Total additions	<u>5,690,331</u>	<u>14,528</u>	<u>65,357</u>	<u>(8,169)</u>	<u>5,762,047</u>
DEDUCTIONS:					
Benefit payments and withdrawals (Note 1)	2,157,547	225,922	147,165	-	2,530,634
Amounts transferred to Variable Supplements Funds	8,169	-	-	(8,169)	-
Administrative expenses	<u>17,548</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,548</u>
Total deductions	<u>2,183,264</u>	<u>225,922</u>	<u>147,165</u>	<u>(8,169)</u>	<u>2,548,182</u>
NET INCREASE (DECREASE) IN NET POSITION	3,507,067	(211,394)	(81,808)	-	3,213,865
NET POSITION (DEFICIENCY) RESTRICTED FOR BENEFITS					
Beginning of year	<u>25,479,874</u>	<u>108,647</u>	<u>475,236</u>	<u>-</u>	<u>26,063,757</u>
End of year	<u>\$ 28,986,941</u>	<u>\$ (102,747)</u>	<u>\$ 393,428</u>	<u>\$ -</u>	<u>\$ 29,277,622</u>

See notes to combined financial statements.

NEW YORK CITY POLICE PENSION FUNDS

NOTES TO COMBINED FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2014 AND 2013

1. PLAN DESCRIPTION

The City of New York (“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 Police Pension Funds (“POLICE” or “Funds”), the New York City Employees’ Retirement System (“NYCERS”), the Teachers’ Retirement System of the City of New York (“TRS”), the New York City Board of Education Retirement System (“BERS”), and the New York Fire Department Pension Funds (“FIRE”). Each pension system is a separate Public Employee Retirement System (“PERS”) with a separate oversight body and is financially independent of the others.

POLICE administers the New York City Police Pension Fund, Tiers 1, 2, and 3, in conjunction with the establishment of an administrative staff separate from the New York City Police Department, in accordance with Chapter 292 of the Laws of 2001 (“QPP”); as set forth in Administrative Code of the City of New York (“ACNY”) § 13-214.1, the Police Superior Officers’ Variable Supplements Fund (“PSOVSF”), as set forth in ACNY § 13-278; and the Police Officers’ Variable Supplements Fund (“POVSF”), as set forth in ACNY § 13-268.

The QPP is a single-employer pension plan. The QPP provides pension benefits for full-time uniformed employees of the New York City Police Department (“Employer”). All full-time uniformed employees of the New York City Police Department become members of the QPP upon employment. The QPP functions in accordance with existing State statutes and City laws, which are the basis by which benefit terms and Employer and member contribution requirements are established and amended. The QPP combines features of a defined benefit pension plan with those of a defined contribution pension plan, but is considered a defined-benefit pension plan for financial reporting purposes.

The PSOVSF and the POVSF (collectively, “VSFs”) operate pursuant to the provisions of Title 13, Chapter 2 of the ACNY and provide supplemental benefits to retired Police Superior Officers (including Sergeants or higher and Detectives) and retired Police Officers, respectively. To be eligible to receive benefits from the VSFs, Police Superior Officers or Police Officers must retire on or after October 1, 1968 with 20 or more years of credited service, and be receiving a service retirement benefit from the QPP. Under current law, the VSFs are not to be construed as constituting a pension or retirement system. Instead, they provide defined supplemental payments, other than pension or retirement system allowances, in accordance with applicable statutory provisions. While the City guarantees these payments, the New York State Legislature has reserved to itself and the State the right and power to amend, modify, or repeal the VSFs and the payments they provide. For financial reporting purposes, however, the VSFs are considered single-employer defined benefit pension plans.

POLICE is a fiduciary fund of the City and is included in the Pension and Other Employee Benefit Trust Funds section of the City’s Comprehensive Annual Financial Report (“CAFR”).

Boards of Trustees

The QPP Board of Trustees consists of twelve members. The Trustees and their voting rights are as follows: the City Police Commissioner, a representative of the Mayor, the Comptroller, and the Commissioner of Finance (one and one-half votes each); four specified officers of the Patrolmen’s Benevolent Association (one vote each); and the presidents of the Detectives’ Endowment Association, the Sergeants

Benevolent Association, the Lieutenants Benevolent Association, and the Captains Endowment Association (one-half vote each).

The PSOVSF Board of Trustees consists of seven members. The Trustees and their voting rights are as follows: the City Mayor, the Comptroller and the Commissioner of Finance (two votes each), and four representatives of the police superior officers' associations who are the four members of the QPP Board of Trustees (one vote each).

The POVSF Board of Trustees consists of five members each with one vote: the City Mayor, Comptroller, and Commissioner of Finance and two of the officers of the Patrolmen's Benevolent Association that are members of the QPP Board of Trustees.

Membership Data

At June 30, 2012 and 2011, the dates of the QPP's most recent actuarial valuations, the QPP's membership consisted of:

	2012	2011
Retirees and beneficiaries receiving benefits	46,638	45,755
Terminated vested members not yet receiving benefits	746	780
Other inactives*	1,358	1,643
Active members receiving salary	<u>34,240</u>	<u>33,705</u>
 Total	 <u>82,982</u>	 <u>81,883</u>

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

At June 30, 2013 and 2012, the dates of the VSFs' most recent actuarial valuations, the PSOVSF and POVSF membership consisted of:

	PSOVSF		POVSF	
	2013	2012	2013	2012
Retirees currently receiving payments	16,996	16,715	11,777	11,746
Active members**	<u>12,137</u>	<u>12,058</u>	<u>22,638</u>	<u>22,182</u>
 Total	 <u>29,133</u>	 <u>28,773</u>	 <u>34,415</u>	 <u>33,928</u>

** Represents the number of actively employed Police Superior Officers and Police Officers, respectively, as of the June 30 valuation dates.

Summary of Benefits

QPP

The New York State Constitution provides that the pension rights of public employees are contractual and shall not be diminished or impaired. In 1973, amendments were made to the New York State Retirement and Social Security Law ("RSSL") to modify certain benefits for employees joining the QPP on or after the effective date of such amendments. These amendments, which affect employees who joined the QPP on and after July 1, 1973, established certain benefit limitations relating to eligibility for retirement,

the salary base for benefits and maximum benefits. Recent laws, including but not limited to Chapter 372 of the Laws of 2000 which provides a revised definition of salary base to be used in the computation of certain benefits for Tier 2 members of the QPP and Chapter 589 of the Laws of 2001 which eliminated the Tier 2 maximum 30 years of service limitation, have lessened these limitations.

The QPP currently administers three pension tiers: Tier 1, Tier 2 and Tier 3. Membership is mandatory for uniformed employees of the New York City Police Department.

The QPP provides four main types of retirement benefits for all tiers: Vested Retirements, Service Retirements, Ordinary Disability Retirements (“ODR”) (non job-related disabilities) and Accident Disability Retirements (“ADR”) (job-related disabilities). Additionally, the QPP provides death benefits for all tiers.

Tier 1 is applicable to members appointed to the NYPD prior to July 1, 1973. Tier 2 is applicable to members appointed between July 1, 1973 and June 30, 2009. Benefits are generally the same for Tier 1 and Tier 2.

For Tier 1 and Tier 2 members, the QPP generally provides the following:

- A Vested Retirement Benefit is payable to Tier 1 and 2 members with at least five years of uniform service. Tier 1 and 2 members who commenced their membership with the QPP prior to February 4, 2000 must have 15 years of uniformed service to be eligible for a Vested retirement benefit. This benefit is generally comprised of a pension equal to 1/40 of their final average salary for every year of uniformed service and is reduced or increased based on the actuarial value of an account shortage or excess. The benefit can be increased for any purchased non-uniformed service.
- A Service Retirement Benefit provides an allowance of one-half of final average salary after 20 years or 25 years of credited service (as elected), with additional benefits equal to a specified percentage per year of service (currently approximately 1.67%) of actual earnings times the number of years of service in excess of the 20-year or 25-year minimum. These additional 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 eligibility for service retirement. ITHP represents amounts assumed by The City in lieu of members’ own contributions. These amounts reduce the contributions that members would have to make to the QPP 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 increase pension contributions made to the QPP.
- ODR benefits are contingent on the member’s amount of credited service. Members with less than ten years of credited service are entitled to a pension equal to 1/3 of their final average salary, members with 10-20 years of credited service are entitled to a pension equal to 50% of their final average salary; and members with 20 or more years of credited service are entitled to a pension equal to 1/40 of their final average salary for every year of credited service. All ODR benefits are either reduced for the annuity value of an account deficit, or increased for the annuity value of an account excess.
- An ADR benefit provides a pension of three-fourths of final salary plus an increment as described above based on years of service in excess of the 20-year or 25-year minimum plus an annuity based on the member’s contributions with accumulated interest and the amount accumulated under the ITHP program.

- Tier 1 and Tier 2 members have the right to make voluntary member contributions (“Voluntary Contributions”) in excess of their required member contributions (“Required Contributions”). Both the Voluntary Contributions and the Required Contributions are credited with interest at a statutory rate (currently 8.25 percent APR). At the time of retirement or refund of contributions, a member’s aggregate balance of actual Required Contributions and Voluntary Contributions, including statutory interest (“Actual Balance”), less the outstanding balance of any member loans (“Net Actual Contributions”), may exceed (“Excess of Contributions”) or fall short of (“Deficiency of Contributions”) the member’s Required Amount. The Required Amount is the sum of the Required Contributions which a member should have made during his or her first 20 years of credited service, plus statutory interest earnings thereon. The amount of the member’s retirement annuity or the refund of contributions that he or she is entitled to is increased by the actuarial value of any Excess of Contributions or reduced by any Deficiency of Contributions. The collective value of Required Amount, Actual Balance, and outstanding member loans, as of June 30, 2014, is as follows:

		Tier 1	Tier 2	Total
Required Amount	\$	202,556	\$ 1,293,823,901	\$ 1,294,026,457
Actual Balance	\$	1,293,159	\$ 2,403,436,097	\$ 2,404,729,256
Outstanding Loans	\$	722,339	\$ 237,499,561	\$ 238,221,900

Annuities attributable to member contributions are reduced on an actuarial basis for any loans with unpaid balances outstanding at the date of retirement.

Cost of Living Adjustments (“COLA”) benefits are automatically payable to members who are either: (1) at least age 62 and have been retired for at least 5 years or (2) at least age 55 and have been retired for at least 10 years. Additionally, COLA benefits are payable to members who retired for disability after being retired for 5 or more years and to beneficiaries receiving accidental death benefits who have been receiving them for at least 5 years. Beginning September 2001, COLA benefits equal 50% of the increase in the CPI-U based on the year ending March 31, rounded to the next higher .1% not less than 1% nor greater than 3% of the first \$18,000 of the sum of maximum pension allowance and prior COLA.

In June of 2009, the Governor vetoed legislation that would have extended Tier 2 to members hired after June 30, 2009. As a result of the Governor’s veto, QPP members hired on and after July 1, 2009 are covered under Tier 3, as governed by Article 14 of the RSSL. As a result of Chapter 18 of the Laws of 2012 there are certain limitations on Tier 3 benefits available to participants hired on and after April 1, 2012 in most New York State PERS, including the QPP. These changes are sometimes referred to as Tier 3 Revised.

For Tier 3 members, the QPP generally provides the following:

- A Normal Service Retirement is after completion of 22 years of uniformed service.
- An Early Service Retirement is payable upon completion of 20 years of uniformed service and is payable as a pension equal to 2.1% of final average salary plus 1/3% of final average salary for each month in excess of 20 years of uniformed service, such benefit not to exceed 50% of final average salary.
- A Vested Benefit payable to members with at least five years of uniformed service. The benefit is equal to 2.1% of final average salary for every year of uniformed service payable upon attainment of eligibility for early age, or 55.

- An ODR retirement allowance is payable to a member who has at least 5 years of service and is in receipt of Social Security Disability Benefits. An ODR benefit is 1/3 of final average salary or 2% of final average salary for each year of credited service, whichever is greater and does not exceed 50% of final average salary.
- An ADR retirement allowance is payable to a member who was disabled as the result of a line-of-duty accident not attributable to his own willful negligence. An ADR pension is 50% of a member's final average salary.

All of the above retirement allowances are reduced by one-half of the member's Social Security Benefit attributable to New York State public earnings at age 62, regardless of eligibility for Social Security, except for ODR retirees, in which case the Social Security Offset occurs immediately.

Tier 3 members are eligible for annual Escalation on the retirement allowance: (1) in full, if they have retired for service completing 25 or more years of police service (or elected to defer commencement of their benefit to that 25-year date) or on a reduced basis, by 1/36 for each month that their retirement precedes 25 years or (2) in full, if they have retired for disability or (3) in full, to their beneficiary for accidental death benefits. Escalation is determined from the change in the CPI-U based on the prior year ending December 31, not greater than 3% nor less than -3% in the event of a decrease. Tier 3 members, when eligible, receive the greater of the applicable increase from COLA or Escalation.

VSFs

VSF benefits are payable to members who retire for a Service pension, regardless of tier.

The PSOVSF provides a guaranteed schedule of supplemental benefits for Police Superior Officers who retire (or have retired) as Police Superior Officers on Service Retirement with at least 20 years of credited service as follows:

- a. For a Police Superior Officer hired before July 1, 1988, who retires from service as a Police Superior Officer on or after October 1, 1988, the annual benefit was \$5,000 in Calendar Year 1993. For those who retired during the Calendar 1993 the annual \$5,000 benefit was prorated.

The annual benefit increases \$500 each year thereafter to a maximum of \$12,000 in Calendar Year 2007 and thereafter.

For those who were members of the QPP prior to July 1, 1988, and who retire after Calendar Year 1993, the annual benefit payment is the scheduled amount described above prorated in the year of retirement and the full amount thereafter.

- b. For those who become members of the QPP on or after July 1, 1988, the annual supplemental benefit is \$2,500 for the first twelve months of retirement, which increases by \$500 each year until a maximum of \$12,000 is payable in the twentieth and later years of retirement. This was later modified by Chapter 444 of the Laws of 2001 ("Chapter 444/01") such that these members will receive the maximum \$12,000 benefit beginning Calendar Year 2008.

The POVSF provides a guaranteed schedule of supplemental benefits for Police Officers who retire (or have retired) as Police Officers on Service Retirement with at least 20 years of credited service as follows:

- a. For those who retired prior to July 1, 1988, the annual benefit was \$2,500 in Calendar Year 1988. For those who retired during Calendar Year 1988, the annual \$2,500 benefit payment was prorated. The

annual benefit increases \$500 each year thereafter to a maximum of \$12,000 in Calendar Year 2007 and thereafter.

For those who were members of the QPP prior to July 1, 1988 and who retire after Calendar Year 1988, the annual benefit payment is the scheduled amount described above prorated in the year of retirement and the full amount thereafter.

- b. For those who become members of the QPP on or after July 1, 1988, the annual supplemental benefit is \$2,500 for the first twelve months of retirement, which increases by \$500 each year until a maximum of \$12,000 is payable in the twentieth and later years of retirement. This was modified by Chapter 503 of the Laws of 1995 (“Chapter 503/95”) such that these members will receive the maximum \$12,000 benefit beginning Calendar Year 2008 and thereafter.

Chapter 503 of the Laws of 1995 (“Chapter 503/95”) amended the ACNY in relation to the transfer of assets, liabilities and administration of certain pension funds in the New York City Police Department. In addition, this law permits certain active employees with prior service credit before entering the QPP to utilize their original dates of hire for determining eligibility for benefits from the PSOVSF and POVSF.

In addition to the VSF benefits discussed earlier, Chapter 216 of the Laws of 2002 (“Chapter 216/02”) provides that all participants of the PSOVSF and POVSF who retire for service from the QPP on and after January 1, 2002, with more than 20 years of credited service are entitled to the Deferred Retirement Option Plan (“DROP”). The DROP, also known as “Banked Variable,” represents the VSF payments that the member would have received had he retired for service upon reaching eligibility. The DROP payment is an eligible distribution that may be rolled over pursuant to IRS regulations. Members who retired for a disability or die in active service are not eligible for the VSF DROP.

Any increase in the amount of ad-hoc cost-of-living increases (“Supplementation”) or automatic COLA payable from the QPP to a retiree of the PSOVSF under legislation enacted on or after January 1, 1993 or to a retiree of the POVSF under legislation enacted on or after January 1, 1988, will reduce benefits payable from the PSOVSF or POVSF to such retiree by an amount equal to such increase until the following date:

- For a retiree with a date of membership before July 1, 1988, the later of (a) the first day of the month following the month such retiree attains age 62 and (b) January 1, 2007.
- For a retiree with a date of membership on or after July 1, 1988, the later of: (a) the first day of the month following the month such retiree attains age 62 and (b) the earlier of: (1) the first day of the month following the 19th anniversary of such retiree’s date of retirement and (2) January 1, 2008.

Chapter 3 of the Laws of 2013 (“Chapter 3/13”) provides for the transfer of assets from the QPP to the PSOVSF and POVSF if assets of the PSOVSF and POVSF are insufficient to pay scheduled benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — In 2014, as a result of an analysis performed by management, management has determined that it is more preferable to present the POLICE pension funds financial statements on a combined basis for presentation purposes. Therefore, the Funds will no longer report on an individual plan basis and will report the Funds on a combined basis. As a result, the Funds 2013 financial statements were restated to conform to this change.

The Funds use 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 by the QPP when the employer makes payroll deductions from QPP members. Employer contributions are recognized when due and the employer has a legal obligation to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Funds.

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 quoted market value on the last trading day of the period, except for the Short-Term Investment Fund (“STIF”) (a money market fund), International Investment funds (“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 Funds. Fair value is determined by POLICE 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 POLICE management based on information provided by the various GPs after review by an independent consultant and the custodian bank for the Funds.

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 the accrual basis.

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

Accounts Payable — Accounts payable is principally comprised of amounts owed to the Funds’ banks for overdrawn bank balances. The Funds’ practice is to fully invest cash balances in 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.

Accrued Benefits Payable — Accrued benefits payable represents benefits due and unpaid by the Funds as of the fiscal year end.

Securities Lending Transactions — State statutes and Board policies permit the Funds to lend its investments to broker-dealers and other entities for collateral, for the same securities in the future with a simultaneous agreement to return the collateral in the form of cash, treasury and U.S. Government securities. The Funds’ custodian lends the following types of securities: short-term securities, common stock, long-term corporate bonds, U.S. Government and U.S. Government agency bonds, asset-backed securities and international equities and bonds held in collective investment funds. In return, the Funds receive collateral in the form of cash, U.S. Treasury and U.S. Government agency securities at 100% to 105% of the principal plus accrued interest for reinvestment. At June 30, 2014 and 2013, management believes that the Funds had no credit risk exposure to borrowers because the amounts the Funds owed the borrowers equaled or exceeded the amounts the borrowers owed the Funds. The contracts with the Funds’ custodian require borrowers to indemnify the Funds if the borrowers fail to return the securities and if the collateral is inadequate to replace the securities loaned or fail to pay the Funds 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 Funds or the borrowers. Cash collateral is invested in the lending agents’ short-term investment pools, which have a weighted average maturity of 189 days. The underlying fixed income securities, which comprise these pools, have an average

maturity of 10 years for QPP and POVSF. The securities lending program in which the Funds participate only allows pledging or selling securities in the case of borrower default.

During Fiscal Year 2003, the value of certain underlying securities held by the QPP became impaired because of the credit failure of the issuer. Accordingly, the carrying amount of the collateral reported in the QPP's statement of fiduciary net position for Fiscal Year 2003 was reduced by \$15 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 QPP received \$1.1 million from a distribution in bankruptcy proceedings from the defaulted issuer. In August 2005, the QPP received \$3.4 million as partial settlement from parties involved in the initial purchase of the impaired security. In the Fiscal Years ended June 30, 2006, 2007, 2008 and 2009, the QPP also received partial settlements of \$871 thousand, \$1.3 million, \$3.3 million, and \$1.2 thousand respectively, from the parties involved in the initial purchase of the impaired security. In Fiscal Years ended 2010, 2011, 2012 and 2013, the plan recouped \$0. In Fiscal Year 2014, the QPP recouped \$4.1 million from litigation settlements.

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 statement of plan net position. 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 Funds recorded the investments purchased with the cash collateral as collateral from securities lending with a corresponding liability for securities lending. Securities on loan are carried at market value and the value as of June 30, 2014 and 2013 was \$3.7 billion and \$3.2 billion, respectively for the QPP, and \$41.4 million and \$48.0 million, respectively for the POVSF. As of the date of the statements of fiduciary net position, the maturities of the investments made by the Funds with cash collateral, on average, exceed the maturities of the securities loans by approximately 30 days.

New Accounting Standard Adopted — In 2014, POLICE adopted Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Funds*. This Statement establishes financial reporting standards for state and local governmental defined benefit pension plans and defined contribution pension plans that are administered through trusts or equivalent arrangements in which: (1) contributions from employers and non-employer contributing entities to the pension plan and earnings on those contributions are irrevocable (2) pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms and (3) pension plan assets are legally protected from the creditors of employers, non-employer contributing entities, and the pension plan administrator. If the plan is a defined benefit pension plan, plan assets are also legally protected from creditors of the plan members. For defined benefit pension plans, this statement establishes standards of financial reporting for separately issued financial reports and specifies the required approach to measuring the pension liability of employers and non-employer contributing entities for benefits provided through the pension plan (the net pension liability), about which information is required to be presented. Distinctions are made regarding the particular requirements depending upon the type of pension plan administered. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Funds and Note Disclosures for Defined Contribution Funds*, and Statement No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements that meet the above criteria. The requirements of Statement No. 25 and Statement No. 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. Implementation of GASB Statement No. 67 did not impact the fiduciary net position of the Funds, however, certain changes to note disclosures and required supplementary information have been incorporated to comply with the new standard.

3. INVESTMENTS AND DEPOSITS

The Comptroller of the City of New York (the “Comptroller”) acts as an investment advisor to the Funds. In addition, the Funds employ several independent investment consultants as investment advisors. The Funds utilize 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.

Investment policy is approved by the respective Boards of Trustees of the Funds. The Funds’ investment policy is implemented using a strategic allocation of assets that meets their objectives, while working within the confines of the ACNY and the RSSL. The ACNY authorizes the investment in assets, except equities, subject to the terms, conditions, limitations and restrictions imposed by law for investment by Savings Banks. Equity investments may be made only in stocks that meet the qualifications of the State RSSL. Short-term investments may be made in U.S. Government securities or other securities fully guaranteed by the U.S. Government, commercial paper rated A1 or P1 or fully collateralized repurchase agreements. Investments up to 25% of total assets held by the Funds may be made in instruments not expressly permitted by the State RSSL.

The Funds do not possess an investment risk policy statement nor does it actively manage assets to specified risk targets. Rather, investment risk management is an inherent function of the asset allocation process. Assets are diversified over a broad range of asset classes and encompass multiple investment strategies aimed at limiting concentration risk. The asset allocation targeted for the Funds in fiscal years 2014 and 2013 included securities in the following categories:

	<u>2014</u>	<u>2013</u>
Domestic equities	40.2 %	39.8 %
Domestic fixed income	16.8	17.1
International equities	10.4	9.9
Emerging markets	6.1	5.9
Enhanced yield fixed income	4.0	4.8
Private real estate	3.6	3.3
Private equities	6.4	6.7
U.S. Treasury inflation protected securities	2.9	2.9
Hedge funds	3.4	3.2
Opportunistic fixed income	2.1	1.7
Bank loans	1.6	1.7
Cash	0.6	1.0
Other	<u>1.9</u>	<u>2.0</u>
Total	<u>100.00</u> %	<u>100.00</u> %

State Street is the primary custodian for substantially all of the securities of the Funds.

Concentrations — None of the Funds have any investments in any one entity that represent 5% or more of their fiduciary net position.

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 man-

agers 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 the Funds' investments, by percentage of the rated portfolio, as described by nationally recognized statistical rating organizations, at June 30, 2014 and 2013, are as follows:

Investment Type*	Moody's Quality Ratings									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short term	Not Rated	Total
June 30, 2014										
U.S. Government	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %
Corporate bonds	2.60	2.73	10.94	25.51	9.43	11.32	3.95	-	11.09	77.57
Yankee bonds	-	-	-	-	-	-	-	-	-	-
Short-term:										
Commercial paper	-	-	-	-	-	-	-	3.36	-	3.36
Pooled funds	-	-	-	-	-	-	-	7.32	-	7.32
U.S. Treasuries/Agencies	-	-	-	-	-	-	-	11.75	-	11.75
Discount Note	-	-	-	-	-	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-	-	-	-	-	-
Percent of related portfolio	<u>2.60 %</u>	<u>2.73 %</u>	<u>10.94 %</u>	<u>25.51 %</u>	<u>9.43 %</u>	<u>11.32 %</u>	<u>3.95 %</u>	<u>22.43 %</u>	<u>11.09 %</u>	<u>100.00 %</u>

Investment Type*	Moody's Quality Ratings									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short term	Not Rated	Total
June 30, 2013										
U.S. Government	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %
Corporate bonds	0.62	2.25	12.03	23.73	9.91	13.22	5.09	-	11.79	78.64
Yankee bonds	0.26	0.06	0.05	0.33	0.04	-	-	-	-	0.74
Short-term:										
Commercial paper	-	-	-	-	-	-	-	5.86	-	5.86
Pooled funds	-	-	-	-	-	-	-	10.08	-	10.08
U.S. Treasuries/Agencies	-	-	-	-	-	-	-	3.16	-	3.16
Discount Note	-	-	-	-	-	-	-	1.52	-	1.52
Percent of related portfolio	<u>0.88 %</u>	<u>2.31 %</u>	<u>12.08 %</u>	<u>24.06 %</u>	<u>9.94 %</u>	<u>13.22 %</u>	<u>5.09 %</u>	<u>20.63 %</u>	<u>11.79 %</u>	<u>100.00 %</u>

* 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 Funds 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 Funds and are held by either the counterparty or the counterparty's trust department or agent but not in the name of the Funds.

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

All of the Funds' deposits are insured by the Federal Deposit Insurance Corporation and collateralized by securities held by a financial institution separate from the Funds' depository financial institution.

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. In the investment grade core fixed income portfolios duration is limited to a range of one year shorter than the benchmark duration to 0.75 years longer than the duration of the benchmark indices. 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 Funds have no formal risk policy. The lengths of investment maturities (in years) of the Funds' investments, as shown by the percent of the rated portfolio, at June 30, 2014 and 2013 are as follows:

Years to Maturity

Investment Type June 30, 2014	Investment Maturities (in years)				
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S. Government	35.12 %	0.13 %	2.47 %	7.57 %	24.94 %
Corporate bonds	50.34	1.81	13.38	22.64	12.52
Yankee bonds	-	-	-	-	-
Short term:					
Commercial paper	2.18	2.18	-	-	-
Pooled fund	4.74	4.74	-	-	-
U.S. Treasuries/Agencies	7.62	7.62	-	-	-
Discount Notes	-	-	-	-	-
Percent of rated portfolio	<u>100.00 %</u>	<u>16.48 %</u>	<u>15.85 %</u>	<u>30.21 %</u>	<u>37.46 %</u>

Investment Type June 30, 2013	Investment Maturities (in years)				
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S. Government	43.18 %	0.91 %	1.46 %	6.08 %	34.73 %
Corporate bonds	44.69	1.80	11.42	21.94	9.53
Yankee bonds	0.41	0.02	0.21	0.06	0.12
Short term:					
Commercial paper	3.33	3.33	-	-	-
Pooled fund	5.73	5.73	-	-	-
U.S. Treasuries/Agencies	1.80	1.80	-	-	-
Discount Notes	<u>0.86</u>	<u>0.86</u>	-	-	-
Percent of rated portfolio	<u>100.00 %</u>	<u>14.45 %</u>	<u>13.09 %</u>	<u>28.08 %</u>	<u>44.38 %</u>

Foreign Currency Risk — Foreign currency risk is the risk that changes in the exchange rates will adversely impact the fair value of an investment. Currency risk is present in underlying portfolios that invest in foreign stock and/or bonds. The currency markets have proven to be good diversifiers in a total portfolio context; therefore, the Funds have numerous managers that invest globally. In general, currency exposure is viewed as a benefit for its diversification reasons and not as an inherent risk within the portfolio. The Funds have no formal risk policy.

In addition, the Funds have investments in foreign stocks and/or bonds denominated in foreign currencies. Foreign currency exposures of the Funds' investments as of June 30, 2014 and 2013 are as follows (amounts in U.S. dollars, in thousands):

Trade Currency	June 30, 2014	June 30, 2013
Euro Currency	\$ 1,132,899	\$ 572,109
Japanese Yen	582,179	432,107
British Pnd Sterling	660,431	428,913
Hong Kong Dollar	518,726	395,039
South Korean Won	379,564	263,084
Swiss Franc	343,469	220,436
New Taiwan Dollar	290,643	204,243
Indian Rupee	214,668	146,777
Australian Dollar	145,106	133,979
Brazilian Real	172,383	133,692
South African Rand	152,663	109,875
Swedish Krona	106,536	77,386
Malaysian Ringgit	68,683	70,515
Mexican Nuevo Peso	78,576	70,311
Singapore Dollar	76,717	57,650
Thai Baht	55,037	56,983
Canadian Dollar	67,280	51,152
Indonesian Rupiah	42,799	51,029
Danish Krone	57,521	33,094
Polish Zloty	38,503	29,159
Chilean Peso	18,668	19,964
Norwegian Krone	32,487	17,710
Philippines Peso	15,547	15,753
Turkish Lira	20,103	11,515
Hungarian Forint	11,499	11,284
Colombian Peso	11,289	10,087
Egyptian Pound	13,516	8,455
Czech Koruna	7,231	6,454
Qatar Rial	6,643	5,032
Kuwait Dinar	5,688	4,785
UAE Dirham	5,897	4,758
Israeli Shekel	6,343	4,240
Pakistan Rupee	2,829	2,601
Moroccan Dirham	2,813	2,204
Nuevo Sol	1,967	1,991
Renminbi Yuan	-	1,637
Argentina Peso	-	30
Botswana Pula	702	643
Croatina Kuna	2,694	2,600
Jordanian Dinar	2,763	2,384
Kazakhstan Tenge	-	277
Kenyan Shilling	2,570	2,433
Latvian Lats	-	328
Lithuanian Litas	33	357
Mauritius Rupee	2,622	1,405
New Zealand Dollar	1,828	952
Nigerian Naira	2,718	2,110
Rial Omani	2,825	2,414
Romanian Leu	2,660	-
Russian Ruble	-	498
Tunisian Dinar	897	933
Total	<u>\$ 5,369,215</u>	<u>\$ 3,683,367</u>

Securities Lending Transactions:

Credit Risk — The quality ratings of investments held as collateral for Securities Lending by the Funds' at June 30, 2014 and 2013, are as follows (in thousands):

June 30, 2014	AAA	AA	A	BBB	BB	B	Below	Term	Rated	Total
Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-	-	-	-	-	-
Yankee	-	-	-	-	-	-	-	-	-	-
Short-term:										
Commercial paper	-	-	-	-	-	-	-	-	-	-
Certificate of deposits	-	-	-	-	-	-	-	-	-	-
Master notes	-	-	-	-	-	-	-	-	-	-
Repurchase agreements	-	-	-	-	-	-	-	-	-	-
Reverse repurchase agreements	-	-	-	-	-	-	-	-	1,942,972	1,942,972
Money market funds	634,706	-	-	-	-	-	-	-	-	634,706
Bank notes	-	-	-	-	-	-	-	-	798,839	798,839
U.S. Treasury	-	-	-	-	-	-	-	-	-	-
U.S. Agency	-	-	-	-	-	-	-	-	-	-
Time Deposit	-	-	-	-	-	-	-	-	-	-
Cash	-	-	368,633	-	-	-	-	-	-	368,633
Uninvested	-	-	-	-	-	-	-	-	821	821
Total	\$ 634,706	\$ -	\$ 368,633	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,742,631	\$ 3,745,971
Percent of securities lending portfolio	16.94 %		9.84 %	- %	- %	- %	- %	- %	73.22 %	100.00 %

S&P Quality Ratings

June 30, 2013	AAA	AA	A	BBB	BB	B	CCC & Below	Short Term	Not Rated	Total
Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	438,863	941,982	553,812	-	-	-	-	-	26,748	1,961,405
Short-term:										
Commercial paper	-	-	214,300	-	-	-	-	-	-	214,300
Certificate of deposits	-	-	286,083	-	-	-	-	-	-	286,083
Master notes	-	-	-	-	-	-	-	-	-	-
Repurchase agreements	-	-	-	-	-	-	-	-	-	-
Reverse repurchase agreements	-	-	-	-	-	-	-	-	607,362	607,362
Time deposit	-	-	-	-	-	-	-	-	-	-
Money market funds	-	-	-	-	-	-	-	-	-	-
Bank notes	-	-	-	-	-	-	-	-	-	-
U.S. Agencies	-	-	-	-	-	-	-	-	182,028	182,028
U.S. Treasury	-	-	-	-	-	-	-	-	-	-
Uninvested	-	-	-	-	-	-	-	-	(29,038)	(29,038)
Total	\$ 438,863	\$ 941,982	\$ 1,054,195	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 787,100	\$ 3,222,140
Percent of securities lending portfolio	13.62 %	29.23 %	32.72 %	- %	- %	- %	- %	- %	24.43 %	100.00 %

Interest Rate Risk — The lengths of investment maturities (in years) of the collateral for Securities Lending held by the Funds at June 30, 2014 and 2013, are as follows (in thousands):

Years to Maturity

Investment Type June 30, 2014	Investment Maturities (in years)				
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S. government	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-
Yankee bonds	-	-	-	-	-
Short-term:					
Commercial paper	-	-	-	-	-
Repurchase agreements	-	-	-	-	-
Reverse repurchase agreements	1,942,972	1,942,972	-	-	-
Certificate of deposits	-	-	-	-	-
Bank notes	-	-	-	-	-
Master notes	-	-	-	-	-
Money market funds	634,706	634,706	-	-	-
Bank Notes	798,839	568,371	230,468	-	-
U.S. Agencies	-	-	-	-	-
U.S. Treasury	-	-	-	-	-
Time deposit	-	-	-	-	-
Cash	368,633	368,633	-	-	-
Uninvested	821	821	-	-	-
Total	<u>\$ 3,745,971</u>	<u>\$ 3,515,503</u>	<u>\$ 230,468</u>	<u>\$ -</u>	<u>\$ -</u>
Percent of securities lending portfolio	<u>100.00 %</u>	<u>93.85 %</u>	<u>6.15 %</u>	<u>- %</u>	<u>- %</u>

Investment Type June 30, 2013	Investment Maturities				
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S. government	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	1,961,405	1,070,874	890,531	-	-
Yankee bonds	-	-	-	-	-
Short-term:					
Commercial paper	214,300	214,300	-	-	-
Repurchase agreements	-	-	-	-	-
Reverse repurchase agreements	607,362	607,362	-	-	-
Certificate of deposits	286,083	286,083	-	-	-
Certificate of deposits - Floater	-	-	-	-	-
Bank notes	-	-	-	-	-
Master notes	-	-	-	-	-
Money market funds	-	-	-	-	-
U.S. Agencies	182,028	135,019	47,009	-	-
U.S. Treasury	-	-	-	-	-
Time deposit	-	-	-	-	-
Uninvested	(29,038)	(29,038)	-	-	-
Total	<u>\$ 3,222,140</u>	<u>\$ 2,284,600</u>	<u>\$ 937,539</u>	<u>\$ -</u>	<u>\$ -</u>
Percent of securities lending portfolio	<u>100.00 %</u>	<u>70.90 %</u>	<u>29.10 %</u>	<u>- %</u>	<u>- %</u>

Rate of Return—For the years ended June 30, 2014 and 2013, the annual money-weighted rate of return on investments, net of investment expense, for the Funds were as follows:

	2014	2013
QPP	17.693%	12.026%
PSOVSF	16.163%	6.238%
POVSF	19.444%	14.096%

The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts actually invested.

4. TRANSFERS TO VARIABLE SUPPLEMENTS FUNDS

The ACNY provides that the QPP transfer to the VSFs an amount equal to certain excess earnings on equity investments, limited to the unfunded Accumulated Benefit Obligation (“ABO”) for each VSF. Excess earnings are defined as the amount by which earnings on equity investments of the QPP exceed what those earnings would have been had such funds been invested at a yield comparable to that available from fixed-income securities (“Hypothetical Fixed Income Security Earnings”) less any cumulative deficiencies. The VSFs also receive credit for investment earnings on VSF assets.

The calculation of the Hypothetical Fixed Income Security Earnings requires the determination of the Hypothetical Interest Rate (“HIR”), which is computed by the City Comptroller.

For Fiscal Year 2014, the excess earnings of the QPP, inclusive of prior year’s cumulative deficiencies, are estimated to be equal to \$2.31 billion and, therefore, a liability and transfer of \$1.29 billion to POVSF and a liability and transfer of \$1.02 billion to PSOVSF has been reported by the QPP as of and for the year ended June 30, 2014, respectively.

For Fiscal Year 2013, the excess earnings of the QPP, inclusive of prior year’s cumulative deficiencies, are estimated to be equal to zero and, therefore, no transfer is expected to be due from the QPP to the VSFs as of June 30, 2013.

In addition, under Chapter 3 of the Laws of 2013, if the assets of the POVSF or PSOVSF are less than the amount required to pay the retirees’ guaranteed supplemental benefit payments, then an amount sufficient to pay such benefits shall be appropriated from the Contingent Reserve Fund of the QPP. As a result of expected insufficient PSOVSF assets to pay benefits due in and after December 2013 and 2012, PSOVSF received approximately \$231.0 million and \$8.2 million from the QPP during Fiscal Years 2014 and 2013, respectively.

The amounts shown on the following page as the ABO are the measure of the present value of scheduled supplemental benefits estimated to be payable in the future as a result of employee service-to-date. The ABO is calculated as the actuarial present value of credited projected benefits, prorated on service and is intended to help users assess the funded status of the VSFs on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due and make comparisons among variable supplements funds.

Actuarial valuations of the VSFs are performed annually as of June 30.

A comparison of the ABO as calculated by the Funds' Chief Actuary of the Office of the Actuary (the "Actuary") with the net position restricted for benefits for the POVSF and the PSOVSF as calculated by the Actuary as of June 30, 2013 and June 30, 2012, follows:

	POVSF		PSOVSF	
	2013	2012	2013	2012
	(In millions)			
Accumulated benefit obligation ¹ for:				
Retirees currently receiving benefits	\$1,373.4	\$1,375.8	\$2,059.7	\$2,039.7
Active members	<u>529.1</u>	<u>505.5</u>	<u>1,136.3</u>	<u>1,099.2</u>
Total accumulated benefit obligation ^{2, 3}	1,902.5	1,881.3	3,196.0	3,138.9
Net position held in trust for benefits ⁴	<u>393.4</u>	<u>475.2</u>	<u>(102.7)</u>	<u>108.6</u>
Unfunded accumulated benefit obligation	<u>\$1,509.1</u>	<u>\$1,406.1</u>	<u>\$3,298.7</u>	<u>\$3,030.3</u>

¹ Based on actuarial assumptions adopted by the Board of Trustees of the QPP during Fiscal Year 2012.

² The June 30, 2013 and the June 30, 2012 ABOs for POVSF decreased by approximately \$23.6 million and \$22.3 million, respectively, and the June 30, 2013 and the June 30, 2012 ABOs for PSOVSF decreased by approximately \$38.0 million and \$36.8 million, respectively, compared to those projected prior to the enactment of Chapters 119/95, 390/98 and 125/00.

³ These total ABOs have been reduced by accrued benefits payable. This basis of reporting the total ABO is consistent with that used to report net position restricted for benefits in these financial statements, but may differ from the bases used for other purposes.

⁴ See Note 2 for valuation of investments in the calculation of net position restricted for benefits.

For purposes of the June 30, 2013 and the June 30, 2012 actuarial valuations of the VSFs, Chapter 125/00 has been taken into account in the determination of the unfunded ABO relative to the Supplementation benefit increases that began Fiscal Year 2001 and to the automatic COLA benefits provided for Fiscal Year 2002 and each future year (Note 1).

Sections 13-270 and 13-280 of the ACNY provide that the Boards of Trustees of the POVSF and the PSOVSF shall adopt, upon the recommendation of the Actuary, actuarial assumptions as to interest rate, mortality of retirees and estimated number of active members of the QPP in service as of each June 30 who will retire for service with 20 or more years of service as Police Officers and Police Superior Officers, for use in making annual valuations of liabilities.

The following actuarial assumptions represent the recommendations of the Actuary that were used in the actuarial calculations to determine the preceding ABOs as of June 30, 2013 and June 30, 2012, respectively:

	June 30, 2013	June 30, 2012
Investment rate of return	7.0% per annum. ^{1, 2}	7.0% per annum. ^{1, 2}
Post-retirement mortality	Tables adopted by the Board of Trustees during Fiscal Year 2012.	Tables adopted by the Board of Trustees during Fiscal Year 2012.
Active service: withdrawal, death, disability	Tables adopted by the Board of Trustees during Fiscal Year 2012.	Tables adopted by the Board of Trustees during Fiscal Year 2012.
Service retirement	Tables adopted by the Board of Trustees during Fiscal Year 2012.	Tables adopted by the Board of Trustees during Fiscal Year 2012.
Percentage of all active POLICE members estimated to retire for service with 20 or more years of service as Police Officers	50%	50%
Percentage of all active Police Superior Officers estimated to retire for service with 20 or more years of service as Police Superior Officers	100%.	100%.
Cost-of-Living Adjustments ¹	1.5% per annum for Tier I and Tier II, 2.5% per annum for Tier III.	1.5% per annum for Tier I and Tier II, 2.5% per annum for Tier III.
Actuarial Asset Valuation Method	Fair Market Value.	Fair Market Value.

¹ Developed assuming a long-term Consumer Price Inflation assumption of 2.5% per year.

² Net of Investment Expenses.

5. QPP CONTRIBUTIONS

The financial objective of the QPP 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. The Employer contributes amounts that, together with Member Contributions and investment income are intended to ultimately be sufficient to accumulate assets to pay benefits when due.

Member Contributions — Tier 1 and Tier 2 members contribute by salary deductions on the basis of a normal rate of contribution, based on age and actuarial tables in effect at the time of membership. Member contribution rates are reduced by 5.0% under the ITHP program as defined earlier. Additionally, members may voluntarily increase their rates of contribution by 50% for the purpose of purchasing an additional annuity. Members are permitted to borrow up to 90% of their own contributions including accumulated interest.

Tier 3 members contribute 3.0% of pensionable earnings until attainment of 25 years of credited service.

Employer Contributions — Statutory Contributions to the QPP, determined by the Actuary in accordance with State statutes and City laws, are generally funded by the Employer within the appropriate fiscal year. The Statutory Contribution for the year ended June 30, 2014, based on an actuarial valuation as of June 30, 2012 was \$2,320,910 and the Statutory Contribution for the year ended June 30, 2013, based on an actuarial valuation as of June 30, 2011 was \$2,424,690. The Statutory Contributions for Fiscal Years 2014 and 2013 were equal to the Actuarial Contributions. Refer to the Schedule of Employer Contributions in the accompanying required supplementary information for more information on the actuarial methods and assumptions applied by the Actuary to determine the Statutory Contributions.

6. NET PENSION LIABILITY

The components of the net pension liability of the Employer at June 30, 2014 and 2013 for the Funds were as follows:

	(in thousands)	
	2014	2013
Total pension liability	\$ 46,286,703	\$ 44,549,856
Funds' fiduciary net position *	34,456,182	29,451,768
Employer's net pension liability	11,830,521	15,098,088
Funds' net position as a percentage	74.44%	66.11%

*Such amounts represent the preliminary Funds' fiduciary net position and may differ from the final Funds' fiduciary net position.

Actuarial Methods and Assumptions

The total pension liability as of June 30, 2014 and 2013 were determined by an actuarial valuation as of June 30, 2012 that was updated to roll forward the total pension liability to the respective fiscal year-end. The following actuarial assumptions were applied to all periods included in the measurement:

Projected Salary Increases	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per annum.
Investment Rate of Return	7.0% per annum, net of Investment Expenses.
COLAs	1.5% per annum for Tier I and Tier II, 2.5% per annum for Tier III.

The above assumptions were developed assuming a long-term Consumer Price Inflation assumption of 2.5% per annum.

Mortality tables for Service and Disability pensioners were developed from an experience study of the QPP and the predecessor QPP's pensioners. The mortality tables for beneficiaries were also developed from an experience review.

Pursuant to Section 96 of the New York City Charter, a study of the actuarial assumptions used to value liabilities of the Funds are conducted every two years.

The most recently completed study was published by The Hay Group (“Hay”) dated December 2011 and analyzed experience for Fiscal Years 2006 through 2009. Hay made recommendations with respect to the actuarial assumptions and methods based on their analysis.

The previously completed study was published by The Segal Company (“Segal”), dated November 2006 and analyzed experience for Fiscal Years 2002 through 2005. Segal made recommendations with respect to the actuarial assumptions and methods based on their analysis.

Currently, Gabriel, Roeder, Smith & Company (“GRS”) has been retained to study the actuarial assumptions for Fiscal Years 2010 through 2013.

The obligations of the QPP to the POVSF and the PSOVSF are recognized through the Liability Valuation Method. Under this method the actuarial present value (“APV”) of Future SKIM from the QPP to the POVSF and PSOVSF is included directly as an actuarial liability to the QPP. SKIM is all or a portion of the excess earnings on equity securities of the QPP which are transferable to the POVSF and PSOVSF. The APV of Future SKIM is computed as the excess, if any, of the APV of benefits of the POVSF and PSOVSF offset by the actuarial asset value of the POVSF and PSOVSF, respectively.

Expected Rate of Return on Investments

The long-term expected rate of return on the Funds’ investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation, best estimates of arithmetic real rates of return for each major asset class, portfolio component arithmetic real rates of return, and portfolio long-term average arithmetic real rate of return as of the June 30, 2012 actuarial valuation is summarized in the following table:

Asset Class	Target Allocation	Real Return Arithmetic Basis	Portfolio Component Arithmetic Real Rate of Return
U.S. Public Market Equities	34.0%	6.60%	2.24%
International Public Market Equities	10.0%	7.00%	0.70%
Emerging Public Market Equities	6.0%	7.90%	0.47%
Private Market Equities	7.0%	9.90%	0.69%
Fixed Income	32.0%	2.70%	0.86%
Alternative Investments	<u>11.0%</u>	4.00%	<u>0.44%</u>
Portfolio Long-term Average Arithmetic Rate of Return	<u>100.0%</u>	-	<u>5.40%</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.0% percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the rates applicable to the current Tier for each member and that City contributions will be made at rates as determined by the Actuary. Based on those assumptions, the Funds' fiduciary net position was projected to be available to make all projected future benefit payments of current active and non-active members. Therefore, the long-term expected rate of return on the Funds' investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability of the Employer as of June 30, 2014, calculated using the discount rate of 7.0%, as well as what the Employer's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	(in thousands)		
	1% Decrease (6.0%)	Current discount rate (7.0%)	1% Increase (8.0%)
Employer net pension liability—June 30, 2014	\$ 16,892,813	\$ 11,830,521	\$ 7,576,669

7. MEMBER LOANS

Tier 1 and 2 members are permitted to borrow up to 90% of their own contributions, including accumulated interest. Loans are repaid at the statutory interest rate of 4%. The balance of QPP member loans receivable at June 30, 2014 and 2013, is \$256 million and \$262 million, respectively. Upon termination of employment before retirement, certain members are entitled to refunds of their own contributions, including accumulated interest, less any loans outstanding. As a result of a review of all member accounts, there were no prior year loans due from retired or inactive employees that were deemed uncollectible in Fiscal Years 2014 and 2013.

8. RELATED PARTIES

Pursuant to statute and resolutions, the Comptroller has been appointed as custodian for the assets of the Funds. Securities are held by certain banks under custodial agreements with the Comptroller. The Comptroller also provides cash receipt and cash disbursement services to the Funds. Actuarial services are provided to the Funds by the Office of the Actuary. The City's Corporation Counsel provides legal services to the Funds. Other administrative services are also provided by The City. The aforementioned services may be provided by employees or officers of the City who may also be participants in the Funds. The cost of providing such services amounted to \$5,581,274 and \$6,307,130 in Fiscal Years 2014 and 2013, respectively.

9. ADMINISTRATIVE AND INVESTMENT EXPENSES

Chapter 292 of the Laws of 2001 provides Corpus Funding of administrative expenses for the QPP commencing July 1, 2001, and allows for the appointment of an executive director for the QPP. In Fiscal Year 2014, total non-investment expenses attributable to the QPP were approximately \$23.0 million, of which \$17.4 million were paid from the assets of the QPP and \$5.6 million were paid by The City on behalf of the QPP. In Fiscal Year 2013, total non-investment expenses attributable to the QPP were approximately \$23.8 million, of which \$17.5 million were paid from the assets of the QPP and \$6.3 million were paid by The City on behalf of the QPP. Investment expenses charged to the investment earnings of the QPP, exclusive of expenses relating to securities-lending transactions, amounted to approximately \$121 million in 2014 and \$106 million in 2013.

In July 2010, the QPP renegotiated its lease agreement to rent office space. The agreement will expire in Fiscal Year 2031. The future minimum rental payments required under this operating lease are as follows:

Fiscal Years Ending June 30,	Amount
2015	\$1,882,556
2016	\$2,047,528
2017	\$2,051,154
2018	\$2,051,154
2019 to 2023	\$10,757,908
2024 to 2028	\$11,768,228
2029 to 2031	\$4,941,622

Additionally, the QPP renegotiated its lease agreement to rent colocation space pursuant to its Disaster Recovery and Business Continuity Plan. The agreement was signed in February 2010 and terminates on July 14, 2024. The future minimum rental payments required under this lease are as follows:

Fiscal Years Ending June 30,	Amount
2015	\$154,600
2016	\$155,580
2017	\$159,240
2018	\$159,240
2019	\$160,250
2020	\$164,017
2021	\$164,017
2022	\$165,056
2023	\$168,938
2024	\$6,570

10. CONTINGENT LIABILITIES AND OTHER MATTERS

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

Other Matters — During Fiscal Years 2014 and 2013, certain events described below took place which, in the opinion of POLICE management, could have the effect of increasing benefits to members

and/or their beneficiaries and therefore would increase the obligations of the Funds. The effect of such events has not been fully quantified. However, it is the opinion of POLICE management that such developments would not have a material effect on the Funds' combined net position restricted for benefits or cause changes in the Funds' combined net position restricted for 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. Refer to Note 6 for the results of the most recent actuarial studies for POLICE.

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, in part, upon a review of the Segal and Hay studies, the Actuary issued a February 10, 2012 Report entitled “Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and After July 1, 2011 for the New York City Police Pension Fund” (“February 2012 Report”).

The Board of Trustees of the Funds adopted those changes to actuarial assumptions that require Board approval. The State Legislature and the Governor enacted Chapter 3/13 to provide for those changes to the actuarial assumptions and methods that require legislation, including the AIR assumption of 7.0% per annum, net of investment expenses.

New York State Legislation (only legislation enacted in the reporting period is included)

Chapter 18 of the Laws of 2012 placed certain limitations on Tier 3 benefits available to participants hired on and after April 1, 2012. These changes are sometimes referred to as Tier 3 Revised.

Chapter 3 of the Laws of 2013 (“Chapter 3/13”) implemented changes in the actuarial procedures for determining Employer Contributions beginning Fiscal Year 2012. In particular, Chapter 3/13 continued the OYLM, employed the Entry Age Actuarial Cost Method (“EAACM”), an Actuarial Interest Rate (“AIR”) assumption of 7.0% per annum, net of investment expenses and defined the amortization of Unfunded Actuarial Accrued Liabilities (“UAAL”). Also included in Chapter 3/13 is the requirement that POLICE transfers assets to the POVSF and PSOVSF whenever the assets of these VSFs are insufficient to pay benefits.

Chapter 55 of the Laws of 2013, while largely a budget bill, amends the retirement earnings limitations of Police Pension Fund retirees. This amendment allows a retired Police Pension Fund member to be employed after retirement, without earnings limitations, as a School Resource Officer.

Chapter 489 of the Laws of 2013 extended the Notice of Participation filing deadline to September 11, 2014 for vested members to file a sworn statement indicating participation in the Rescue, Recovery, and Clean-up Operations. This law also now allows vested members to apply for a WTC related Accident Disability Retirement prior to reaching their 20th anniversary of allowable police service.

Litigation

A settlement agreement reached between the City of New York and the United States Attorney's Office in Goodman, et al. v. City of New York, et al. became effective on March 17, 2014. This case was filed by the United States Attorney's Office for the Southern District of New York pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. §§ 4301–35 (“USERRA”). The plaintiffs were a class of retired New York City Police Department (“NYPD”) uniformed members of the service who performed active military service, while employed by the NYPD, on or after September 11, 2001. Active Military Service is defined as “active duty, active duty for training, initial active duty for training, inactive duty for training, full-time National Guard duty, a period for which a person is absent from a position of employment for the purpose of an examination to determine the fitness of the person to perform any such duty, and a period for which a person is absent from employment for the purpose of performing funeral honors duty.”

USERRA requires military service members' pensions—as well as employer and employee contributions to pension plans—to be computed based on the rate of compensation the employees would have received but for their periods of military service. Pursuant to the Settlement Agreement in the Goodman case, the QPP must impute, for purposes of pension calculations, overtime and night-shift differential compensation that members would have earned had they not taken military leaves during their careers with the NYPD.

The QPP is required by the Settlement to recalculate the pensionable earnings and retirement allowances for all class members. Active members who went on military leaves between September 11, 2001 and the effective date of the Settlement may voluntarily request a recalculation of their pensionable earnings. The QPP is required to compute pensionable earnings for all military leaves completed after the effective date in accordance with the Settlement.

* * * * *

NEW YORK CITY POLICE PENSION FUNDS

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND
RELATED RATIOS (in thousands)

	<u>2014</u>	<u>2013</u>
Total pension liability:		
Service cost	\$ 1,301,753	\$ 1,263,838
Interest	3,117,317	2,998,478
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	-	-
Benefit payments and withdrawals	<u>(2,682,223)</u>	<u>(2,525,475)</u>
Net change in total pension liability	1,736,847	1,736,841
Total pension liability – beginning	<u>44,549,856</u>	<u>42,813,015</u>
Total pension liability – ending (a)	<u>46,286,703</u>	<u>44,549,856</u>
Plan fiduciary net position:		
Employer contributions	2,320,910	2,424,691
Member contributions	228,783	229,675
Net investment income	5,147,483	3,101,563
Benefit payments and withdrawals	(2,682,223)	(2,525,475)
Administrative expenses	(17,450)	(17,548)
Other	<u>6,911</u>	<u>6,118</u>
Net change in plan fiduciary net position	5,004,414	3,219,024
Plan fiduciary net position – beginning	<u>29,451,768</u>	<u>26,232,744</u>
Plan fiduciary net position – ending (b) *	34,456,182	29,451,768
Employer's net pension liability – ending (a)-(b)	<u>\$ 11,830,521</u>	<u>15,098,088</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>74.44%</u>	<u>66.11%</u>
Covered-employee payroll	\$ 3,420,296	\$ 3,459,889
Employer's net pension liability as a percentage of covered-employee payroll	<u>345.89%</u>	<u>436.37%</u>

Note: Any factors that significantly affect trends in the amounts reported (e.g. changes in benefit terms, changes in size or composition of member population, or use of different assumptions) should be disclosed with this schedule.

Additionally, in accordance with GASB No. 67, paragraph 50, such information was not readily available for periods prior to 2013.

*Such amounts represent the preliminary Funds' fiduciary net position and may differ from the Funds' fiduciary net position.

SCHEDULE 2

NEW YORK CITY POLICE PENSION FUNDS

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Actuarially determined contribution	\$ 2,320,910	2,424,690	2,385,731	2,083,633	1,980,996	1,932,150	1,797,824	1,544,341	1,337,715	1,123,939
Contributions in relation to the actuarially determined contribution	<u>2,320,910</u>	<u>2,424,690</u>	<u>2,385,731</u>	<u>2,083,633</u>	<u>1,980,996</u>	<u>1,932,150</u>	<u>1,797,824</u>	<u>1,544,341</u>	<u>1,337,715</u>	<u>1,033,285</u>
Contribution deficiency (excess) \$	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>90,654</u>
Covered-employee payroll	\$ 3,420,296	3,459,889	3,448,784	3,252,729	3,097,484	2,946,698	2,797,429	2,788,324	2,750,632	2,460,730
Contributions as a percentage of covered-employee payroll	67.857%	70.080%	69.176%	64.058%	63.955%	65.570%	64.267%	55.386%	48.633%	41.991%

NEW YORK CITY POLICE PENSION FUNDS

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

Notes to Schedule:

With the exception of fiscal year 2005, the above actuarially determined contributions were developed using a One-Year Lag Methodology, under which the actuarial valuation determines the employer contribution for the second following fiscal year (e.g. Fiscal Year 2014 contributions were determined using an actuarial valuation as of June 30, 2012). The Fiscal Year 2005 employer contribution was determined using an actuarial valuation as of the immediate prior fiscal year (June 30, 2004). This change in methodology caused two actuarial valuations to be performed as of June 30, 2004. The methods and assumptions used to determine the actuarially determined contributions are as follows:

Valuation Dates	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009- June 30, 2004	June 30, 2004
Actuarial cost method	Entry Age	Entry Age	Entry Age	Frozen Initial Liability ¹	Frozen Initial Liability ¹
Amortization method for Unfunded Actuarial Accrued Liabilities:					
Initial Unfunded	Increasing Dollar	Increasing Dollar	Increasing Dollar	NA ²	NA ²
Post-2010 Unfundeds	Level Dollar	Level Dollar	Level Dollar	NA ²	NA ²
Remaining amortization period:					
Initial Unfunded	20 years (closed)	21 years (closed)	22 years (closed)	NA ²	NA ²
2011 Actuarial Loss	14 years (closed)	15 years (closed)	NA	NA ²	NA ²
2012 Actuarial Gain	15 years (closed)	NA	NA	NA ²	NA ²
Actuarial Asset Valuation (AAV) Method	Modified six-year moving average of market values with a "Market Value Restart" as of June 30, 2011. The June 30, 2010 AAV is defined to recognize Fiscal Year 2011 investment performance.	Modified six-year moving average of market values with a "Market Value Restart" as of June 30, 2011. The June 30, 2010 AAV is defined to recognize Fiscal Year 2011 investment performance.	Modified six-year moving average of market values with a "Market Value Restart" as of June 30, 2011. The June 30, 2010 AAV is defined to recognize Fiscal Year 2011 investment performance.	Modified six-year moving average of market values with "Market Value Restart" as of June 30, 1999.	Modified six-year moving average of market values with "Market Value Restart" as of June 30, 1999.
Actuarial assumptions:					
Assumed rate of return	7.0% per annum, net of investment expenses ³	7.0% per annum, net of investment expenses ³	7.0% per annum, net of investment expenses ³	8.0% per annum, gross of investment expenses ³	8.0% per annum, gross of investment expenses ³
Post-retirement mortality	Tables adopted by Board of Trustees during Fiscal Year 2012	Tables adopted by Board of Trustees during Fiscal Year 2012	Tables adopted by Board of Trustees during Fiscal Year 2012	Tables adopted by Board of Trustees during Fiscal Year 2006	Tables adopted by Board of Trustees during Fiscal Year 2000
Active service: withdrawal, death, disability, service retirement	Tables adopted by Board of Trustees during Fiscal Year 2012	Tables adopted by Board of Trustees during Fiscal Year 2012	Tables adopted by Board of Trustees during Fiscal Year 2012	Tables adopted by Board of Trustees during Fiscal Year 2006 ⁴	Tables adopted by Board of Trustees during Fiscal Year 2000
Salary increases	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per year. ³	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per year. ³	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per year. ³	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per year. ³	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per year. ³
Cost-of-Living Adjustments ²	1.5% per annum for Tiers I and II, 2.5% per annum for Tier III. ³	1.5% per annum for Tiers I and II, 2.5% per annum for Tier III. ³	1.5% per annum for Tiers I and II, 2.5% per annum for Tier III. ³	1.3% per annum ³	1.3% per annum ³

¹ 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 unfunded actuarial accrued liability (UAAL) not less than \$0. The financial results using this Frozen Initial Liability Actuarial Cost Method are the same as those that would be produced using the Aggregate Actuarial Cost Method.

² In conjunction with Chapter 85 of the Laws of 2000, there is an amortization method. However, the June 30, 1999 UAAL for the QPP equaled \$0 and no amortization period was required.

³ Developed using a long-term Consumer Price Inflation assumption of 2.5% per year.

⁴ In the June 30, 2009 actuarial valuation the tables adopted by the Board of Trustees during Fiscal Year 2006 were supplemented by additional assumptions adopted by the Board of Trustees during Fiscal Year 2011 for valuing benefits payable to Tier III active members.

NEW YORK CITY POLICE PENSION FUNDS

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF INVESTMENT RETURNS

The following table displays annual money-weighted rate of return, net of investment expense, for each of the Funds for each of the past two fiscal years:

Fiscal year ended	QPP	PSOVSF	POVSF
June 30, 2014	17.693%	16.163%	19.444%
June 30, 2013	12.026%	6.238%	14.096%

Note: In accordance with GASB No. 67, paragraph 50, such information was not readily available for periods prior to 2013.

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
U.S. Equities		
Active		
Small Cap		
Small Cap Growth		
Brown AM	\$107.87	\$955,050.16
Pier Capital		335,607.25
Total Small Cap Growth	107.87	1,290,657.41
Small Cap Value		
Ceredex	107.81	523,878.36
Dalton Greiner	120.41	600,135.11
Lord Abbett		261,607.17
Total Small Cap Value	228.22	1,385,620.64
Small Cap Core		
Daruma Asset Mgmt Small Cap	135.41	635,434.63
DFA	114.78	311,027.41
Total Small Cap Core	250.19	946,462.04
Fundamental Index Small Cap		
RAFI Enhanced Small Co.	112.82	141,904.99
Total Small Cap Active	699.09	
Blackrock R2000 Growth	206.81	8,000.00
Blackrock R2000 Value	147.71	8,000.00
Total Small Cap Passive	354.52	16,000.00
Total Small Cap	1,639.89	3,780,645.08
Small/Mid Cap Growth		
Timesquare Capital SMDG	138.04	1,069,812.00
Total Small/Mid Cap Growth	138.04	1,069,812.00
Small/Mid Cap Value		
Security Global Inv SMDV	119.79	635,095.51
Total Small/Mid Cap	257.83	1,704,907.51
Mid Cap	0.00	
Mid Cap Growth	0.00	
Frontier Capital MCG	276.10	1,002,506.06
Timesquare Capital MCG	155.03	805,031.00
Total Mid Cap Growth	431.13	1,807,537.06
Mid Cap Value		
Iridian Asset MCV	275.90	1,336,222.33
Systematic Financial MCV	206.12	801,859.30
Total Mid Cap Value	\$482.02	\$2,138,081.63

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
Mid Cap Core		
Wellington Mgmt MCC	\$207.57	\$897,585.58
Total Mid Cap Core	207.57	897,585.58
Total Mid Cap Active	1,120.72	4,843,204.27
State Street GA S&P 400	817.18	44,991.34
Total Mid Cap Passive	817.18	44,991.34
Total Mid Cap	1,937.90	4,888,195.61
Russell 1000		
Russell 1000 Growth		
Castleark Mgmt	105.44	331,551.45
Profit Investment Mgmt	55.64	202,141.91
Zevenbergen	263.14	540,103.77
Total Russell 1000 Growth	424.22	1,073,797.13
Russell 1000 Core		
Seizert Cap Ptnrs	85.89	230,667.85
Total Russell 1000 Core	85.89	230,667.85
Russell 1000 Fundamental		
RAFI Enhanced Large Co.	254.47	246,088.73
VTL S&P 500	122.14	127,599.44
Total Fundamental Russell 1000	376.61	373,688.17
Total Russell 1000 Active	886.72	1,678,153.15
Russell 1000 Growth Passive		
Blackrock R1000 Growth	2,646.40	22,000.00
Russell 1000 Value Passive		
Blackrock R1000 Value	2,684.34	21,200.00
Total Russell 1000 Passive	5,330.74	43,200.00
Total Russell 1000	6,217.46	1,721,353.15
Emerging Managers		
Attucks	41.73	261,113.60
Capital Prospects	48.43	349,693.99
F.I.S. Fund Mgmt	50.34	336,330.86
Total Progress Trust	59.91	293,122.00
EMOM Transition		
Total Emerging Managers	\$200.41	\$1,240,260.45

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
Passive		
Russell 3000		
BlackRock	\$0.00	\$34,628.51
State Street	3,953.56	238,590.05
Total Passive Equities	10,455.97	273,218.56
EAFE Markets Equities		
Active		
Growth		
Baillie Gifford	643.79	1,135,714.44
Pyramis Global Advisors (terminated)	0.00	
Walter Scott EAFE Large Cap MTA	500.27	556,095.80
Closed Accounts	0.00	
Total EAFE Growth	1,144.15	1,691,810.24
Value		
Causeway EAFE Large Cap MTA	444.52	1,034,852.53
Mondrian Investment Partners Ltd (terminated)	0.00	
Mondrian Investment Partners Ltd II (terminated)	0.00	
PIM Strategic Global Adv	0.00	
Sprucegrove	0.00	
Sprucegrove (New)	738.74	1,030,244.69
Transition-EAFE	0.00	
Closed Accounts	0.00	
Total EAFE Value	1,183.42	2,065,097.22
Core		
Capital Guardian MTA (terminated)	0.00	
Philadelphia (terminated)	0.00	
Thornburg (Teachers terminated)	168.75	654,237.93
Total EAFE Core	168.81	654,237.93
Small Cap		
Acadian EAFE Small Cap MTA	243.30	714,045.88
Pyramis EAFE Small Cap MTA	238.44	1,513,248.53
Total EAFE Small Cap	481.74	2,227,294.41
Transition-EAFE Rebalance	0.00	
Total Active	2,978.96	6,638,439.80
Passive		
SSGA	341.33	120,106.83
Closed Accounts	0.00	
Total Passive	341.33	120,106.83
SSGA EAFE Small Cap	89.93	
Total EAFE Markets Equities	\$3,410.21	\$6,758,546.63

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
Activist/Environmental Equity Strategies		
NON-U.S. Activist		
Governance For Owners	\$0.29	\$0.00
Total NON-U.S. Activist	0.29	0.00
Passive Global		
State Street Global	0.00	0.00
Total Passive Global	0.00	0.00
NON-U.S. Environmental Managers		
F&C SGE	0.00	0.00
Environmental Rebalance	0.00	0.00
Generation GE	105.78	505,377.31
Total NON-U.S. Environmental Managers	105.78	505,377.31
Total NON-U.S. Activist/Environmental	106.07	505,377.31
Total Developed-NON-US Activist/Environmental	3,516.28	7,263,923.94
Emerging Markets		
Acadian	376.04	1,161,237.00
Baillie Gifford	459.30	2,410,033.61
DFA	364.46	1,260,004.64
Eaton Vance	328.93	1,554,644.15
State Street Emg Mkts (terminated)		
Total Active Emerging Markets	1,528.75	6,385,919.40
Blackrock Account EM	547.39	
Total Passive Emerging Markets	547.39	
Emerging Markets Transition	0.00	
Total Emerging Markets	2,076.14	6,385,919.40
TOTAL INTERNATIONAL EQUITIES	5,592.42	13,649,843.34
Hedge Funds		
Total Permal Hedge Fund of Funds	169.17	1,036,261.86
Blue Trend Fd	65.18	1,217,224.00
Brevan Howard	58.30	1,201,896.61
Brevan Howard Opp	61.21	311,668.94
Brigade Lev Cap Str	78.26	-988,285.00
Carlson Blk DIA Fd	93.49	1,321,589.00
Caspian Select CF	73.36	698,362.00
CCP Quant Fd	47.75	694,529.00
D.E. Shaw	171.25	3,487,830.25
Fir Tree Val Fd	93.14	1,217,957.76
Luxor Capital	85.56	
Perry Capital	\$74.49	\$749,755.00

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
Pharo Macro Fd Ltd	\$61.24	\$1,107,600.21
Standard General	19.51	
Total Direct Hedge Funds	982.73	11,020,127.77
TOTAL HEDGE FUNDS	1,151.90	12,056,389.63
Real Estate Equity Securities		
Adelante Capital Management	0.00	0.00
European REIT MTA	0.00	0.00
MS REIT MTA	0.00	0.00
SSGA REIT	169.65	148,184.00
TOTAL REAL ESTATE EQUITY SECURITIES	169.65	148,184.00
Private Equity Investments		
ACON Equity Ptnrs III	0.81	71,994.00
Aisling Capital II	1.80	27,317.00
Aisling Capital III	5.48	827,317.00
Allegra Capital Ptnrs IV	0.00	
American Sec Ptnrs VI	31.64	616,202.00
Ampersand 2006	0.00	
Ampersand 2009	14.02	249,771.00
Apollo Investment Fd V	3.61	0.00
Apollo Investment Fd VI	33.75	0.00
Apollo Investment Fd VII	31.33	68,027.12
Apollo Investment Fd VIII	3.46	836,941.00
Ardian Capital	6.97	522,224.00
Ares Corp Opp	5.71	9,045.00
Ares Corp Opp Fd II	4.28	48,950.00
Ares Corp Opp Fd III	20.85	885,891.00
Ares Corp Opp Fd IV	11.51	748,612.00
Arlington Capital Partners III	10.53	757,657.00
Arsenal Capital Partners II	12.89	114,083.00
Atlantic Equity Ptnrs IV	13.68	25,776.00
Aurora Equity Capital Partners III	1.08	139,860.00
Avista Capital Partners	14.63	119,455.00
Avista Capital Partners II	39.08	0.00
AXA Secondary Fd V	57.10	800,000.00
BC EUR Cap IX	40.97	119,455.00
BDCM Opportunity Fd	0.00	0.00
BDCM Opportunity Fd II	0.00	0.00
BDCM Opportunity Fd III	15.86	274,404.00
Blackstone Capital Ptnrs IV	24.75	30,802.00
Blackstone Capital Ptnrs V	37.47	305,206.00
Blackstone Capital Ptnrs VI	18.37	354,949.00
Blackstone Mezz Ptnrs II	1.42	25,940.00
Blue Wolf Capital Fund II	12.17	380,899.00
Bridgepoint Europe III	\$8.88	\$88,599.00

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
Bridgepoint Europe IV	\$12.12	\$97,696.00
Capital Ptnrs	9.38	31,792.57
Capital Ptnrs II	0.48	40,910.00
Carlyle Ptnrs III	0.04	1,375.00
Carlyle Ptnrs IV	18.77	62,474.00
Carlyle Ptnrs V	44.04	41,430.00
Carlyle Ptnrs VI	11.54	435,288.00
Carpenter Community Bancfund	18.69	177,986.00
Catterton Partners VI	15.78	275,598.00
CCMP Capital Investors II	14.79	186,295.00
Clayton, Dubilier and Rice Fund VII	0.00	0.00
Clayton, Dubilier and Rice Fund VIII	0.00	0.00
Celtic Pharm Hldgs, LP	15.35	0.00
Co Invest Ptnrs Euro	0.00	0.00
Coller International Ptnrs IV	3.25	30,990.00
Coller International Ptnrs V	4.62	46,241.00
Comvest Investment Ptnrs III	5.87	113,352.00
Comvest Investment Ptnrs IV	29.54	636,277.00
Constellation Ventures III	8.76	749,829.00
Corals 2007 Momentum Fund	7.37	234,076.00
Craton Equity Investors	0.00	0.00
Credit Suisse EM Fd	4.55	621,124.52
Credit Suisse EM Co/Inv Fd	38.95	49,293.27
Crestview Ptnrs II	20.98	160,398.00
CVC Capital Ptnrs VI	0.35	0.00
CVC Euro Eq Ptnrs III	1.01	2,535.00
CVC Euro Eq Ptnrs V	25.84	497,781.00
Cypress Merch Bk Ptnrs II	6.10	221,294.00
DivCo West IV	16.20	0.00
DMR Mortgage Opportunity Fd	0.00	0.00
EQT VI	25.71	784,473.00
Erasmus NYC Growth FD	0.00	0.00
Erasmus NYC Growth FD A	1.55	0.00
Fairview Emerging Mgrs Fd	0.00	0.00
Fairview Ventures Fd III	0.00	0.00
Falconhead Capl Ptnrs II	5.79	26,471.00
FdG Capl Ptnrs	11.35	0.00
FdG Capl Ptnrs II	3.59	11,827.00
Fenway Ptnrs Capital III	7.89	33,061.00
First Mark Fd IV	32.17	147,772.00
First Reserve Fd XI	11.91	133,060.00
First Reserve Fd XII	16.13	166,121.00
Fourth CINVEN Fd	10.97	0.00
FS Equity Ptnrs V	4.66	452,688.00
FS Equity Ptnrs VI	22.08	300,000.00
FT Ventures Fd III	8.89	489,870.00
FTV Capital IV	\$1.65	\$219,717.00

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
GI Ptnrs Fd II	\$4.79	\$23,752.00
GI Partners Fund III	11.26	116,707.00
GF Capital	9.12	92,955.00
Gleacher Mezzanine Fd II	3.03	132,003.00
Green Eq Inv VI	18.56	619,137.00
GSC Recovery III	1.97	31,533.00
GSO Capital Opportunities Fd	6.33	100,470.00
Halyard Capital II	0.00	0.00
Highland Consumer Fd I	7.59	225,925.00
ICV Ptnrs III	0.79	68,491.00
Incline Eq Ptnrs III	0.50	24,404.00
Intermedia Ptnrs VII	18.87	92,895.00
JP Morgan Investment Mgmt	30.01	126,180.00
Landmark Equity Ptnrs XI	4.71	58,102.00
Landmark Equity Ptnrs XIV	18.86	272,500.00
Landmark Equity Ptnrs XV	10.40	670,000.00
Landmark Fd XIII	4.39	72,645.00
Lee Equity Ptnrs	15.51	64,469.00
Leeds Equity Ptnrs V	0.00	0.00
Levine Leichtman DVF	3.94	105,422.00
Levine Leichtman Cap Ptnrs IV	7.12	83,249.00
Lexington Capital Ptnrs VII	13.55	174,501.00
Lincolnshire Eq Fd II	0.71	0.00
Lincolnshire Eq Fd III	9.39	84,260.00
Lincolnshire Eq Fd IV	5.58	114,610.00
LODH Euro Choice II	10.44	174,960.00
LODH Euro Choice III	20.21	247,748.00
LODH Euro Choice IV	13.96	204,940.00
Markstone Capital Ptnrs	5.23	11,923.00
Medica Mgmt III	4.45	218,654.00
Midocean Eq Ptnrs III	36.15	210,196.00
Milestone Partners III	12.35	429,050.00
Montreux Eq Ptnrs IV	9.75	179,751.00
Nautic Ptnrs VI	0.00	0.00
NB Strategic Co-In Ptnrs II	27.71	600,000.00
Neuberger Berman Co-Inv Part	29.28	307,700.00
Neuberger Berman Emg Mgr	12.84	170,000.00
New Mountain Ptnrs	1.42	0.00
New Mountain Ptnrs II	1.04	1,733.00
New Mountain Ptnrs III	34.01	122,017.00
Newspring Venture II	7.16	0.00
NGN Biomed Opportunity II	5.29	104,872.00
Olympus Capital Asia III	17.73	255,992.00
Olympus Growth Fund VI	1.96	342,468.00
Onex Ptnrs III	14.71	159,137.00
Paladin Homeland Security Fd	11.38	276,488.00
Paladin Fund III	21.64	600,000.00
Palladium Eq Ptnrs III	\$27.27	\$46,584.00

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
Palladium Eq Ptnrs IV	\$5.44	\$479,033.00
PCGAM Clean Energy & Tech Fund	20.02	56,950.00
Pegasus Partners IV	11.37	156,768.00
Pegasus Partners V	10.83	635,801.00
Permira Fd IV	12.06	78,031.00
Perseus Ptnrs VII	3.63	62,084.00
Pine Brook Capital Ptnrs	13.52	140,115.00
Platinum Eq Cap Ptnrs III	11.57	0.00
Prism Venture Ptnrs IV	0.00	0.00
Prism Venture Ptnrs V-A	7.87	343,785.00
Psilos Group Partners III	10.53	224,267.00
Quadrangle Cap Ptnrs II	13.04	103,054.00
Quaker Bioventures II	10.17	221,601.00
Relativity Fd	2.98	52,631.00
Ripplewood Ptnrs II	0.00	0.00
Riverstone/Carlyle GLB EP IV	10.36	49,333.00
RLJ Equity Partners I	0.00	0.00
RRE Ventures III	0.00	0.00
RRE Ventures IV	21.21	324,655.00
Scale Venture Ptnrs III	15.26	181,032.00
SCP Priv Eq Ptnrs II	9.39	101,964.00
SCP Vitalife Partners II	11.69	202,267.00
Snow Phipps Group	6.39	383,299.00
Snow Phipps II	10.83	168,952.00
Solera Ptnrs	6.09	63,799.00
Starvest Partners II	0.00	0.00
Summit Partnern Gr EQ VIII	38.24	232,751.00
Tailwind Capital Partners	0.94	
Terra Firma Cap III	9.92	141,919.00
Thomas H Lee Equity Fd VI	0.00	0.00
Thomas McNerney Ptnrs	0.00	0.00
Thomas McNerney Ptnrs II	9.53	253,666.00
Trident V	35.22	594,429.00
Trilantic Capital Ptnrs V	8.03	351,962.00
Trilantic Capital Ptnrs III	0.83	4,924.00
Trilantic Capital Ptnrs IV	42.73	599,353.00
US Power Fund II	17.03	286,129.00
US Power Fund III	11.47	197,794.00
Vista Equity Ptnrs III	14.09	20,737.00
Vista Equity Ptnrs IV	67.86	401,920.00
Vista Foundation II FIS	0.96	124,668.00
Vitruvian Ptnrs	6.86	0.00
VS&A Comm Ptnrs III	0.62	0.00
VSS Comm Ptnrs IV	7.33	20,737.00
Warburg Pincus XI	36.15	501,920.00
Wellspring Capital Ptnrs V	7.07	0.00
Welsh, Carson, Anderson & Stowe XI	19.87	0.00
Yucaipa American Alliance Fd	\$16.39	\$144,309.00

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
Yucaipa American Alliance Fd II	\$70.00	\$811,320.00
Yucaipa Corp Initiative II	9.43	73,080.00
TOTAL PRIVATE EQUITY INVESTMENTS	\$2,170.84	\$32,737,933.48

PRIVATE REAL ESTATE

AG Realty Fd VII	11.49	126,642.00
Almanac Re Sec VI	28.91	515,903.00
Amer Value Ptnrs I	7.01	105,180.00
Apollo Europe III	24.34	348,676.88
Apollo Real Estate Fd V	2.40	32,027.00
ARA Asia Dragon Fd	4.73	0.00
Blackrock Carbon III	1.64	0.00
Blackstone Real Estate Ptnrs EU III	35.06	458,036.00
Blackstone Real Estate Ptnrs EU IV	22.43	174,479.17
Blackstone Real Estate Ptnrs IV	8.99	0.00
Blackstone Real Estate Ptnrs VI	57.67	469,541.00
Blackstone Real Estate Ptnrs VII	84.24	1,238,283.00
Brookfield Strategic RE Ptnrs	30.01	570,000.00
Canyon Johnson Urban Fd	0.00	0.00
Canyon Johnson Urban Fd II	5.98	162,251.82
Canyon Johnson Urban Fd III	10.29	140,405.16
Carlyle R.P. Fd V	6.61	182,432.00
Carlyle Realty VI	26.03	428,281.00
Capri Urban Investors	0.00	0.00
Colony Investors VIII	7.58	0.00
Colony Realty Ptnrs II	7.94	0.00
Divco West Fd III	85.61	491,439.00
Emmes Asset Mgmt Co	10.86	124,933.28
Fidelity RE Growth Fd III	6.84	113,299.00
H/2 Spec Opportunity Fd II	24.41	206,998.00
Heitman America Fd	39.61	151,372.00
Hudson (Separate Account)	3.01	17,452.00
JPM Strategic Prop Fd	84.82	788,233.44
JPM Special Sit Fd	14.76	205,941.67
KTR Ind Fd III	10.74	93,750.00
Lasalle US Property Fd	50.74	276,570.26
Lone Star RE Fd III	18.46	-148,100.36
Metro Workforce Housing Fd	6.33	0.00
OCM Real Estate Opportunities Fd III	1.73	13,754.00
PRISA	22.64	167,430.45
PRISA II	64.28	511,711.75
PRISA III	47.19	716,455.17
Prologis Targeted US Logistics Fd	9.16	61,704.00
RFM NYCRS Sand LLC	23.85	132,013.00
RREEF Amer. II	22.70	183,721.00
RREEF Amer. III	4.48	83,084.31
Silverpeak RE Ptnrs Fd III	5.38	128,522.00
Stockbridge Real Estate Fd	\$32.43	\$273,439.00

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/13	Police Fees
Taconic NY Inv Fd	\$11.78	\$162,277.00
The City Investment Fd	31.66	0.00
Thor Urban Property Fd II	16.82	251,960.00
Tishman Speyer/Citigroup	0.00	0.00
UBS Trumbull Property Fd	74.44	708,837.96
Urban America II	0.00	0.00
Walton St RE Fd VI	30.25	0.00
Westbrook RE Fd VII	9.46	77,582.00
Westbrook RE Fd VIII	32.85	407,080.00
TOTAL PRIVATE REAL ESTATE	\$973.43	\$11,153,597.96
 Infrastructure		
Brookfield Infr Fd II	0.00	641,194.52
TOTAL INFRASTRUCTURE	\$0.00	\$641,194.52
TOTAL REAL ASSETS		\$11,794,792.48
TOTAL EQUITY - PUBLIC & PRIVATE	\$20,099.16	\$44,532,725.96
 Government Treas/Agency Sector		
Blackrock	150.98	67,219.09
Fischer Francis	150.32	132,718.79
Pimco	308.49	179,327.72
State Street	152.15	74,796.04
Total Sector	\$761.94	\$454,061.64
 Mortgage Sector		
Blackrock	695.73	567,762.80
Blackrock Special Purpose Mortgage	0.00	
Goldman Sachs	155.36	48,062.00
Neuberger Berman	376.19	213,373.54
Pimco	676.19	447,591.33
Smith Breeden	0.00	
Wellington	168.66	172,440.18
Total Sector	\$2,072.12	\$1,449,229.85
 Investment Grade Credit Sector		
Barrow Hanley	0.00	
Blackrock	497.78	
Prudential	461.27	386,918.50
Prudential Privest	108.82	283,366.00
Pyramis	147.91	271,800.25
Taplin Canida	150.01	137,432.26
T. Rowe Price	643.70	893,988.83
Total Sector	\$2,009.48	\$1,973,505.84

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
Global Fixed Income		
LM CAPITAL -MTA	33.07	16,896.48
Total Global Fixed Income	\$33.07	\$16,896.48
Total Structured Program	\$5,588.07	\$3,876,797.33
Total Structured Plus LM Capital	\$5,621.14	\$3,893,693.81
Progress Fixed Emerging Managers		
Ambassador -Core Plus	17.80	
GIA	14.90	
Hillswick	7.07	
New Century Advisors -Core Plus	18.18	
Pugh Capital Mgmt -Core	14.38	
Total Progress Fixed Emerging Managers	\$72.33	\$0.00
Total Advisors	\$5,693.47	\$3,893,693.81
Active TIPS Managers		
Blackrock	192.72	113,564.77
Pimco	485.31	322,079.50
Total Active TIPS Managers	\$678.02	\$435,644.27
Passive TIPS Managers		
State Street	291.62	12,943.70
Total Passive TIPS Managers	\$291.62	\$12,943.70
Total TIPS Managers	\$969.64	
Ave Euro Special Situations Fd	0.62	0.00
Ave Special Situations Fd V	0.23	0.00
Ave Special Situations Fd VI	49.94	384,600.00
Fortress Ptnrs LP	40.21	378,057.00
Lone Star Fd VIII	46.70	482,647.00
Oaktree Opp Fd IX LP	46.91	(150,656.00)
Torchlight Investors	2.74	0.00
AG GECC LP	0.00	0.00
Total Fund Strategies	187.36	1,094,648.00
Angelo Gordon Ptnrs LP	77.80	0.00
Apollo Prtnrshp LP	89.83	(507,885.26)
Contrarian C A LLC	24.00	208,558.31
Goldentree OD MTA	97.47	613,940.27
Marathon OD	147.98	945,035.00
Oak Hill Ptnrs LP	100.87	513,610.23
Total Strategic Mandates	\$537.95	\$1,773,258.55
Total Opportunistic Fixed Income Managers	\$725.32	\$2,867,906.55

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police 6/30/2014	Police Fees
Enhanced Yield		
Fort Washington	\$127.51	\$245,552.01
Neuberger Berman	250.39	895,750.98
Oaktree	184.59	865,607.39
Penn	0.00	
Stone Harbor	171.19	602,931.00
Loomis Sayles	234.21	724,929.94
Shenkman	96.88	326,946.77
T. Rowe Price	277.58	828,988.83
T. Rowe MTA	0.00	
Total Enhanced Yield	\$1,342.36	\$4,490,706.92
Bank Loans		
Babson BL MTA	218.71	833,360.93
Credit Suisse BL MTA	218.44	543,844.61
Guggenheim BL MTA	110.31	508,116.81
Wells BL MTA	0.00	
Total Bank Loans	\$547.46	\$1,885,322.35
Convertible Bonds		
Advent	110.25	522,083.48
Victory	103.39	287,759.89
Total Convertible Bonds	\$213.65	\$809,843.37
Internal Management		
Access RBC	61.41	98,929.76
AFL-CIO Housing Inv Trust	118.27	445,000.00
BOA-PPAR	6.14	
BOA-PPAR 2013	0.54	
CFSB-PPAR	1.29	
CCD-PPAR	3.27	
CCD-PPAR 2013	0.63	
CPC-PPAR 2013	9.78	
JPMC-PPAR	1.60	
LIIF-PPAR	1.69	
LIIF-PPAR 2013	0.84	
NCBCI-PPAR	0.86	
NCBCI-PPAR 2013	0.08	
NHS-PPAR	0.63	
TOTAL PPAR	\$207.03	\$543,929.76
Targeted Investment	93.69	
FNMA	0.00	
GNMA	0.02	
CPC-PPAR	93.66	
Short Term Investments	0.00	
CPC - Term Loan	\$0.00	

Additional Supplementary Information
NYC Police Pension Fund
Investment Expenses
Year Ended June 30, 2014

	Police	Police Fees
	6/30/2014	
ETI Investments	\$300.71	\$543,929.76
Short Term	174.80	
Total Internal	\$475.51	\$543,929.76
TOTAL FIXED INCOME	\$9,967.41	\$14,491,402.76
Legal Fees		
Cox, Castle & Nicholson		53,032.78
Foster Pepper		18,862.05
Morgan Lewis & Backius		92,991.29
Nixon Peabody		66,109.49
Orrick, Herrington & Sutcliffe		3,000.00
Pillsbury Winthrop Shaw Pittman		23,130.14
Reinhart Boerner VanDeuren		11,533.50
Rivera & Colon		1,875.00
Sadis & Goldberg		3,017.73
Sewrd & Kissel		41,644.50
TOTAL LEGAL FEES		\$315,196.48
Consultant Fees		
Aksia		216,005.39
Courtlandt Partners		93,266.42
Ernst & Young (SR Batliboi & Co)		9,752.40
Nat'l Instit on Retirement Sec		1,680.00
Rodriguez Velazquez		568.59
Russin & Vecchi		359.98
Stepstone Group		806,000.00
Strategic Investment Solutions		251,250.00
Townsend Group		276,403.00
TOTAL CONSULTANT FEES		\$1,655,285.78
Advisor Fees		
Citco Fund Services (Permal)		55,233.28
Citco Fund Services (Direct Fund Program)		218,486.43
City Plan LLC		16,646.39
PriceWaterhouseCoopers		16,960.47
TOTAL ADVISOR FEES		\$307,326.57
Total Police FY 2014		\$101,213,522.85
Net Changes Due to accrued Expenses		\$19,614,491.15
Total Investment Expenses, incurred by the system		\$120,828,014.00

**NEW YORK CITY
POLICE PENSION FUND
SCHEDULE OF ADMINISTRATIVE EXPENSES (A)
YEAR ENDED JUNE 30, 2014**

Salaries and Fringe Benefits Paid to Plan Personnel **\$12,389,021**

Professional Services:

Administration	579,787
Trading and Investments	2,675,936
Management Division	42,759
Legal	497,694

Total Professional Services **3,796,176**

Communication and General Services:

Printing and Computer Services	10,600
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Total Communication and General Services **10,600**

Miscellaneous Expenses:

F I S A	1,276,502
O P A	113,075
Office Management and Budget	384,921
Pension overhead expenses	5,060,781

Total Miscellaneous Expenses **6,835,279**

Total Administrative Expenses **\$23,031,076** *

** This amount represents expenses incurred by the Fund and also by other City agencies. From these expenses, \$17,449,802 are incurred and paid by NYCPF and the balance is incurred by other city agencies and paid by the City of New York on behalf of the fund*

Additional Supplementary information

**NEW YORK CITY
POLICE PENSION FUND
SCHEDULE OF ADMINISTRATIVE EXPENSES (B)
YEAR ENDED JUNE 30, 2014**

Salaries Paid to Plan Personnel	10,069,024	
Fringe Benefits paid to plan personnel	2,319,997	
		12,389,021

Supplies and Materials	471,131	
Equipment and Furnitures	3,463,277	
Office Services	1,012,058	
Maintenance and Repairs	74,803	
Contracts	39,512	

Total over head Expenses		5,060,781
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Total Administrative Expenses		\$17,449,802
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In addition \$5,581,274 of expenses were incurred and paid by the City of New York on behalf of the fund

New York City

Police Pension Funds

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York



Investment Section

Part III

fiscal year ended

June 30, 2014

Investment Section

This section is prepared by management from data provided by the Investment Managers. The Comptroller administers the Fund's investments, subject to the management and control of the Board of Trustees. The Board of Trustees has the ultimate responsibility of ensuring that all the assets of the Fund are managed prudently, in compliance with the administrative code of the City of New York and the State Retirement Social Security Laws. The Board monitors and measures market and various other risk factors associated with investments. Independent investment consultants are employed as investment advisors to the Fund. Investment managers are utilized to manage long term debt and equity portfolios and seek to increase investment returns and provide greater safety for the assets of the Fund. The performance of the investment managers is reviewed frequently to insure that their activities in dealing securities are consistent with the best practices in the industry.

Investment Policy

Investment Policy is approved by the Board of Trustees. The New York City Comptroller is the Treasurer, Chief Custodian and Investment Advisor to the Board. The primary objective of the Board is to provide retirement and other benefits for its members.

The Board realizes that increasing investment returns will strengthen the Fund and significantly enhance benefits enjoyed by the members. Increased returns will further assure the safety of assets held in trust for pension benefits. The Investment Policy adopted by the Board of Trustees is one that minimizes credit and market risks while maintaining a competitive yield on the Fund's portfolio. All returns are time-weighted rates of return. For periods greater than one year, returns are analyzed.

Investment Philosophy

The investment philosophy of the Board is influenced by key factors that affect investment and strategy, i.e. Risk Tolerance, Returns, Diversification and Liquidity.

1-Risk Tolerance

The Board shall always act to assure that the level of investment risk in the portfolio will be prudent and not exceed levels that may jeopardize the primary objective.

2>Returns

The Board believes that over the long term there is a relationship between the level of investment risk taken and the rate of investment return realized. In order to enhance the level of returns, the assumption of a moderate level of risks is therefore reasonable and justified.

3-Diversification

The Board seeks diversification through investing in a broad array of instruments in order to reduce overall portfolio risks.

4-Liquidity

The system anticipates positive cash flow over the near and intermediate term. Liquidity requirements for payment of current and intermediate benefits will therefore not be an issue for the future.

Investment Objectives

The Board has adopted the following general investment objectives in order to enhance returns, provide greater benefits and ensure the safety of assets held in trust for benefits.

1. In recognition that obligations of the Fund will increase as a result of inflation, the Board seeks to maximize the total return on assets held in trust for pension benefits, while operating within the bounds of regulatory restrictions and prudent parameters of risk.
2. The Board also aims to protect the system from depreciation of assets during adverse market conditions and to attain a level of return that is competitive, not only with similar funds but also with the wider market. These results are attained through broad diversification, careful review of risks and emphasis on long term results.
3. The Board of Trustees, where possible and not in conflict with other provisions, is interested in increased economic activity in local communities. The Comptroller's Office has made substantial efforts to broaden the Pension Fund's activity in economically targeted investments in the City of New York. This will promote growth in communities while increasing returns. All existing targeted investments are guaranteed by government agencies and earn a rate of return commensurate with risk.

Asset Allocation

The Board's investment policy is implemented using a strategic allocation of assets that meet its objectives, while working within the confines of the Administrative Code of New York City and the State Retirement and Social Security Laws. The code authorizes the investment of Plan Assets, except equities, subject to the terms, conditions, limitations and restrictions imposed by law for investment by Savings Banks. The code imposes specific criteria for Plan investments. Fixed income investments may be made mostly in U.S. Government securities or agencies backed by the U.S Government, companies rated BBB or better by the Standard and Poor's Corporation or Moody's Investor's Services or in companies on the Legal Investments lists published by the New York State Banking Department.

Equity investments may be made only in stocks that meet the qualifications of the New York State Retirement and Social Security Laws. Short Term Investments may be made in U.S. Government Securities or other securities fully guaranteed by the Government, commercial paper rated AI or PI or fully collateralized repurchase agreements. Investments are made in a broad array of financial instruments; including domestic stocks, bonds and international securities, through a collective fund investment vehicle. Diversification of

investments provides greater security for the assets held in trust, enabling the Fund to become stronger and to meet its obligation. The policy mix targeted for the Fund in fiscal year 2014 included securities from the following categories: U.S. Equities 40.2%, U.S. Fixed Income (core) 16.8%, International Equities 10.4%, Emerging Markets 6.1%, Enhanced yield (Fixed Income) 4.0%, Private Real Estate 3.6%, Private Equities 6.4%, U.S. Treasury Inflation Protected Securities 2.9%, cash 0.6%, Hedge Funds 3.4%, Convertible Bonds 0.6%, REITS 0.5%, Opportunistic Fixed 2.0%, Bank Loans 1.6% & ETI .9%.

Results

Fiscal year 2014 was a good year for the securities industry and for the Police Pension Fund. The Consolidated Performance report prepared for the Fund through June 30, 2014 indicates the following portfolio returns; the Russell 3000 Index gained 25.22%, NYC Core Plus five gained 5.54%, The Europe, Australia and Far East international index gained 23.57% and the Emerging markets gained 14.31%. It is also noted that total investments of the Police Pension Fund during the year increased from \$33,666,706 thousand to \$38,936,348 thousand. For the same period, total assets increased from \$35,160,156 thousand to \$39,923,947 thousand, while net investment income increased from \$3,101,563 thousand to \$5,147,483 thousand. Overall, the total portfolio of the Police Pension Fund investments returned 17.74% compared to the policy benchmark of 16.98%.

Other Information

This section includes a list of the Police Pension Fund portfolio's largest investment holdings. A complete list of the portfolio's holdings can be obtained by writing to Kevin Holloran, Executive Director, New York City Police Pension Fund, 233 Broadway, New York, NY 10279.

NYC Pension Funds

Through June 30, 2014

Police

The following are Consultants and Advisors for the various investment types:

U.S. Equities

Small Cap Growth

Brown AM

Small Cap Value

Ceredex

Dalton Greiner

Small Cap Core

Daruma Asset Mgmt Small Cap

DFA

Wellington

Fundamental Index Small Cap

RAFI Enhanced Small Co.

Blackrock R2000 Growth

Blackrock R2000 Value

Small/Mid Cap Growth

Timesquare Capital SMDG

Small/Mid Cap Value

Security Global Inv SMDV

Mid Cap

Mid Cap Growth

Frontier Capital MCG

Timesquare Capital MCG

Mid Cap Value

Iridian Asset MCV

Systematic Financial MCV

Mid Cap Core

Wellington Mgmt MCC

State Street GA S&P 400

Russell 1000

Russell 1000 Growth

Castleark Mgmt

Profit Investment Mgmt

Zevenbergen

Russell 1000 Core

Seizert Cap Ptnrs

Russell 1000 Fundamental

RAFI Enhanced Large Co.

VTL S&P 500

Russell 1000 Growth Passive

Blackrock R1000 Growth

Russell 1000 Value Passive

Blackrock R1000 Value

Emerging Managers

Attucks

Capital Prospects

F.I.S. Fund Mgmt

Passive Russell 3000

State Street

Environmental Strategies

U.S. Environmental Managers

Walden Asset Mgmt

Developed Markets Equities Active

Growth

Baillie Gifford

Walter Scott EAFE Large Cap MTA

Value

Causeway EAFE Large Cap MTA

Sprucegrove

Sprucegrove (New)

PIM Cheswold Lane

PIM John Hsu

PIM Hanoverian Capital

PIM Strategic Global Adv

Core

Thornburg

NYC Pension Funds

Through June 30, 2014

Police

Small Cap

Acadian EAFE Small Cap MTA
Pyramis EAFE Small Cap MTA

Passive

SSGA
SSGA EAFE Small Cap

NYC Activist / Environmental Strategies

Activist/Environmental Equity Strategies

NON-U.S. Activist
Governance For Owners

NON-U.S. Environmental Managers

Generation GE

Global

Passive Global
State Street Global

Emerging Markets

Acadian
Baillie Gifford
DFA
Eaton Vance
Blackrock Account

Hedge Funds

Total Permal Hedge Fund of Funds
Direct Hedge Funds
Blue Trend Fd
Brevan Howard
Brevan Howard Opp
Brigade Lev Cap Str
Carlson Blk Dia Fd
Caspian Select CF
CCP Quant Fd
D.E. Shaw
Fir Tree Val Fd
Luxor Capital
Perry Capital

Pharo Macro Fd Ltd
Standard General

Real Estate Equity Securities

SSGA REIT

Private Equity Investments

ACON Equity Ptnrs III
Aisling Capital II
Aisling Capital III
American Sec Ptnrs VI
Ampersand 2009
Apollo Investment Fd V
Apollo Investment Fd VI
Apollo Investment Fd VII
Apollo Investment Fd VIII
Ardian Capital
Ares Corp Opp
Ares Corp Opp Fd II
Ares Corp Opp Fd III
Ares Corp Opp Fd IV
Arlington Capital Partners III
Atlantic Equity Ptnrs IV
Arsenal Capital Partners II
Aurora Equity Capital Partners III
Avista Capital Partners
Avista Capital Partners II
AXA Secondary Fd V
BC EUR Cap IX
BDCM Opportunity Fd III
Blackstone Capital Ptnrs IV
Blackstone Capital Ptnrs V
Blackstone Capital Ptnrs VI
Blackstone Mezz Ptnrs II
Blue Wolf Capital Fund II
Bridgepoint Europe III
Bridgepoint Europe IV
Capital Ptnrs
Capital Ptnrs II
Carlyle Ptnrs III
Carlyle Ptnrs IV
Carlyle Ptnrs V
Carlyle Ptnrs VI

NYC Pension Funds

Through June 30, 2014

Police

Carpenter Community Bancfund	Intermedia Ptnrs VII
Catterton Partners VI	JP Morgan Investment Mgmt
CCMP Capital Investors II	Landmark Equity Ptnrs XI
Celtic Pharm Hldgs, LP	Landmark Equity Ptnrs XV
Coller International Ptnrs IV	Landmark Equity Ptnrs XIV
Coller International Ptnrs V	Landmark Fd XIII
Comvest Investment Ptnrs III	Lee Equity Ptnrs
Comvest Investment Ptnrs IV	Levine Leichtman DVF
Constellation Ventures III	Levine Leichtman Cap Ptnrs IV
Corals 2007 Momentum Fund	Lexington Capital Ptnrs VII
Craton Equity Investors	Lincolnshire Eq Fd II
Credit Suisse EM Fd	Lincolnshire Eq Fd III
Credit Suisse EM Co/Inv Fd	Lincolnshire Eq Fd IV
Crestview Ptnrs II	LODH Euro Choice II
CVC Capital Partners VI	LODH Euro Choice III
CVC Euro Eq Ptnrs III	LODH Euro Choice IV
CVC Euro Eq Ptnrs V	Markstone Capital Ptnrs
Cypress Merch Bk Ptnrs II	Medica Mgmt III
DivCo West Fd IV	Midocean Eq Ptnrs III
EQT VI	Milestone Partners III
Erasmus NYC Growth FD A	Montreux Eq Ptnrs IV
Falconhead Capl Ptnrs II	NB Strategic Co-In Ptnrs II
FdG Capl Ptnrs	Neuberger Berman Co-Inv Part
FdG Capl Ptnrs II	Neuberger Berman Emg Mgr
Fenway Ptnrs Capital III	New Mountain Ptnrs
First Mark Fd IV	New Mountain Ptnrs II
First Reserve Fd XI	New Mountain Ptnrs III
First Reserve Fd XII	Newspring Venture II
Fourth CINVEN Fd	NGN Biomed Opportunity II
FS Equity Ptnrs V	Olympus Capital Asia III
FS Equity Ptnrs VI	Olympus Growth Fund VI
FT Ventures Fd III	Onex Ptnrs III
FTV Capital IV	Paladin Homeland Security Fd
GI Ptnrs Fd II	Paladin Fund III
GI Partners Fund III	Palladium Eq Ptnrs III
GF Capital	Palladium Eq Ptnrs IV
Gleacher Mezzanine Fd II	PCGAM Clean Energy & Tech Fund
Green Eq Inv VI	Pegasus Partners IV
GSC Recovery III	Pegasus Partners V
GSO Capital Opportunities Fd	Permira Fd IV
Highland Consumer Fd I	Perseus Ptnrs VII
ICV Ptnrs III	Pine Brook Capital Ptnrs
Incline Eq Ptnrs III	Platinum Eq Cap Ptnrs III

NYC Pension Funds

Through June 30, 2014

Police

Prism Venture Ptnrs V-A
Psilos Group Partners III
Quadrangle Cap Ptnrs II
Quaker Bioventures II
Relativity Fd
Riverstone/Carlyle GLB EP IV
RRE Ventures IV
Scale Venture Ptnrs III
SCP Priv Eq Ptnrs II
SCP Vitalife Partners II
Snow Phipps Group
Snow Phipps II
Solera Ptnrs
Summit Partnern Gr EQ VIII
Tailwind Capital Partners
Terra Firma Cap III
Thomas McNerney Ptnrs II
Trident V
Trilantic Capital Ptnrs
Trilantic Capital Ptnrs III
Trilantic Capital Ptnrs IV
US Power Fund II
US Power Fund III
Vista Equity Ptnrs III
Vista Equity Ptnrs IV
Vista Foundation Fd II FIS
Vitruvian Ptnrs
VS&A Comm Ptnrs III
VSS Comm Ptnrs IV
Warburg Pincus XI
Wellspring Capital Ptnrs V
Welsh, Carson, Anderson & Stowe XI
Yucaipa American Alliance Fd
Yucaipa American Alliance Fd II
Yucaipa Corp Initiative II

REAL ASSETS

Private Real Estate

AG Realty Fd VII
Almanac Re Sec VI
Amer Value Ptnrs I
Apollo Europe III

Apollo Real Estate Fd V
ARA Asia Dragon Fd
Blackrock Carbon III
Blackstone Real Estate Ptnrs EU III
Blackstone Real Estate Ptnrs EU IV
Blackstone Real Estate Ptnrs IV
Blackstone Real Estate Ptnrs VI
Blackstone Real Estate Ptnrs VII
Brookfield Strategic RE Ptnrs
Canyon Johnson Urban Fd II
Canyon Johnson Urban Fd III
Carlyle R.P. Fd V
Carlyle Realty VI
Colony Investors VIII
Colony Realty Ptnrs II
Divco West Fd III
Emmes Asset Mgmt Co
Fidelity RE Growth Fd III
H/2 Spec Opportunity Fd II
Heitman America Fd
Hudson Separate Account
JPM Strategic Prop Fd
JPM Special Sit Fd
KTR Ind Fd III
Lasalle US Property Fd
Lone Star RE Fd III
Metro Workforce Housing Fd
OCM Real Estate Opportunities Fd III
PRISA
PRISA II
PRISA III
Prologis Targeted US Logistics Fd
RFM NYCRS Sandy LLC
RREEF Amer. II
RREEF Amer. III
Silverpeak RE Ptnrs Fd III
Stockbridge Real Estate Fd
Taconic NY Inv Fd
The City Investment Fd
Thor Urban Property Fd II
UBS Trumbull Property Fd
Walton St RE Fd VI
Westbrook RE Fd VII

NYC Pension Funds

Through June 30, 2014

Police

Westbrook RE Fd VIII

Infrastructure

Brookfield Infr Fd II

Structured Program

Government Treas/Agency Sector

Blackrock
Fischer Francis
Pimco
State Street

Mortgage Sector

Blackrock
Blackrock Special Purpose Mortgage
Goldman Sachs
Neuberger Berman
Pimco
Wellington

Investment Grade Credit Sector

Barrow Hanley
Blackrock
Prudential
Prudential Privest
Pyramis
Taplin Canida
T. Rowe Price

Global Fixed Income

LM CAPITAL -MTA

Progress Fixed Emerging Managers

Ambassador -Core Plus
GIA
Hillswick
New Century Advisors -Core Plus
Pugh Capital Mgmt -Core

Active TIPS Managers

Blackrock
Pimco

Passive TIPS Managers

State Street

Opportunistic Fixed Income Strategies

Ave Euro Special Situations Fd
Ave Special Situations Fd V
Ave Special Situations Fd VI
Fortress Ptnrs LP
Lone Star Fd VIII
Oaktree Opp Fd IX LP
Torchlight Investors

Angelo Gordon Ptnrs LP
Apollo Prtnrshp LP
Contrarian C A LLC
Goldentree OD MTA
Marathon Centre Street Partnership, L.P.
Oak Hill Ptnrs LP

Enhanced Yield

Fort Washington
Neuberger Berman
Oaktree
Stone Harbor
Loomis Sayles
Shenkman
T. Rowe Price

Bank Loans

Babson BL
Credit Suisse BL
Guggenheim BL

Convertible Bonds

Advent
Victory

Internal Management

Access RBC
AFL-CIO Housing Inv Trust

NYC Pension Funds

Through June 30, 2014

Police

BOA-PPAR
BOA-PPAR 2013
CFSB-PPAR
CCD-PPAR
CCD-PPAR 2013
CPC-PPAR 2013
JPMC-PPAR
LIIF-PPAR
LIIF-PPAR 2013
NCBCI-PPAR
NCB-CI PPAR 2013
NHS-PPAR
TOTAL PPAR
Targeted Investment
 GNMA
 CPC-PPAR

Consolidated Performance Report



STATE STREET.

Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Wellington Mgmt. MCC	207.6	0.61	6.95	11.06	32.76	17.53			
TOTAL MID CAP CORE	207.6	0.61	6.95	11.06	32.76	17.53	23.40	9.65	
S&P 400 MIDCAP INDEX			4.33	7.50	25.24	15.26	21.67	10.50	10.02
<hr/>									
TOTAL ACTIVE MID CAP	1,120.7	3.31	5.04	8.96	30.61	17.46	22.21	9.07	
RUSSELL MIDCAP			4.97	8.67	26.85	16.09	22.07	10.43	9.11
<hr/>									
State St GA S&P 400	817.2	2.41	4.32	7.31	24.92	15.12			
TOTAL MID CAP PASSIVE	817.2	2.41	4.32	7.31	24.92	15.12			
S&P 400 MIDCAP INDEX			4.33	7.50	25.24	15.26	21.67	10.50	10.02
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TOTAL MID CAP	1,937.9	5.72	4.73	8.24	27.88	16.35	21.89	8.80	
RUSSELL MIDCAP			4.97	8.67	26.85	16.09	22.07	10.43	9.11
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RUSSELL 1000									
Castle Ark Mgmt - LCG	105.4	0.31	2.45	1.60	20.16	11.97	17.40		
Profit Inv Mgmt - LCG	55.6	0.16	5.14	7.04	26.99	18.30	18.84		
Zevenbergen ACG	263.1	0.78	4.73	4.15	35.62	15.43	21.19		
TOTAL RUSSELL 1000 GROWTH	424.2	1.25	4.21	3.87	30.29	14.88	18.70	7.89	3.78
RUSSELL 1000 GROWTH			5.13	6.31	26.92	16.26	19.24	8.20	3.07
RUSSELL 3000 GROWTH			4.86	5.98	26.75	16.11	19.34	8.27	3.27
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Selzer Capital Ptnrs - LCC	85.9	0.25	5.23	8.45	26.95	16.52	19.79		
TOTAL RUSSELL 1000 CORE	85.9	0.25	5.23	8.45	26.95	16.15	18.79		
RUSSELL 1000			5.12	7.27	25.35	16.63	19.25	8.19	4.80
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RAFI - LC Fundamental	254.5	0.75	5.24	8.21	26.03	18.32	21.66		
RUSSELL 1000			5.12	7.27	25.35	16.63	19.25	8.19	4.80
RUSSELL 1000 VALUE			5.10	8.28	23.81	16.92	19.23	8.03	5.93

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
VTL S&P 500 Fundamental	122.1	0.36	4.67	6.33	25.49	18.18	20.82		
S&P 500 INDEX			5.23	7.14	24.61	16.58	18.83	7.78	4.35
TOTAL FUNDAMENTAL RUSSELL 1000	376.6	1.11	5.06	7.59	25.86	18.27	21.06		
RUSSELL 1000			5.12	7.27	25.35	16.63	19.25	8.19	4.80
TOTAL RUSSELL 1000 ACTIVE	886.7	2.62	4.67	5.86	28.05	17.05	19.58	8.64	
RUSSELL 1000			5.12	7.27	25.35	16.63	19.25	8.19	4.80
Blackrock R1000 Value	2,684.3	7.92	5.09	8.26					
RUSSELL 1000 VALUE			5.10	8.28	23.81	16.92	19.23	8.03	5.93
Blackrock R1000 Growth	2,646.4	7.81	5.11	6.25					
RUSSELL 1000 GROWTH			5.13	6.31	26.92	16.26	19.24	8.20	3.07
TOTAL RUSSELL 1000 PASSIVE	5,330.7	15.73	5.10	7.24					
TOTAL RUSSELL 1000	6,217.5	18.34	5.04	7.04	29.72	17.55	19.89	8.79	
RUSSELL 1000			5.12	7.27	25.35	16.63	19.25	8.19	4.80
RUSSELL 3000									
State Street Global Adv R3000	3,953.6	11.66	4.86	6.92	25.19	16.45			
TOTAL RUSSELL 3000 PASSIVE	3,953.5	11.66	4.86	6.92	25.34	16.49	19.38	8.29	5.12
RUSSELL 3000			4.87	6.94	25.22	16.46	19.33	8.23	5.03
ATTUCKS MANAGERS									
Apex Capital - SCG	8.9	0.03	2.83	4.14	24.14	17.99	25.75		
GW Capital - SCC	8.4	0.02	3.32	5.45	22.32	12.69			
Lombardia Capital - SCV	7.9	0.02	3.51	3.80	22.50	15.95	21.06		

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Paradigm Asset Mgt - SCC	8.6	0.03	1.04	1.38	18.13	12.56	19.82		
Phocas Financial - SCV	7.9	0.02	5.42	7.39	33.97	17.36	22.76		
TOTAL ATTUCKS MANAGERS	41.7	0.12	3.16	4.35	23.89	15.21	21.59		
RUSSELL 2000			2.05	3.19	23.64	14.57	20.21	8.70	8.01
CAPITAL PROSPECTS MANAGERS									
AH Lisanti Capital Growth - SCG	4.6	0.01	(2.51)	(2.48)	23.52				
Benzott Capital Advisors - SCV	4.7	0.01	5.10	2.37	22.92				
Channing Cap Mgmt - SCV	5.2	0.02	2.12	5.04	28.43				
CWC Advisors - SCC	4.3	0.01	5.37	5.44	23.05				
High Pointe - R-2000	1.9	0.01	2.84	3.03	22.74				
Huber Cap Mgmt - SCV	5.1	0.02	5.36	2.68	22.66				
Lombardia - R-2000 Value	4.2	0.01	3.52	3.81	22.51				
Profit Inv Mgmt - SCC	4.6	0.01	5.70	4.04	27.36				
Quotient Investors - SCC	5.0	0.01	6.48	10.53	32.97				
Stephens Inv Mgmt - SCG	4.4	0.01	(0.86)	(2.38)	19.25				
Summit Creek Advisors - SCG	4.4	0.01	0.19	(0.67)	21.59				
TOTAL CAPITAL PROSPECTS MANAGERS	48.4	0.14	3.00	2.80	24.39				
RUSSELL 2000			2.05	3.19	23.64	14.57	20.21	8.70	8.01
PROGRESS MANAGERS									
Nichols Asset Mgmt - SCG	8.6	0.03	(0.93)	(1.78)	22.28	15.10			
Lombardia Cap Ptrns LLC - Small Value	10.8	0.03	4.82	6.81	27.00	16.51	21.60		
GW Capital Inc - SMID Value	10.9	0.03	3.29	5.47	22.26	16.98	22.16		
OMT Cap Mgmt - SMDG	4.4	0.01	(1.70)	(3.00)	16.86				
Huber Cap Mgmt - SCV	9.9	0.03	5.52	2.82	22.95				
Cardinal Cap Mgmt - SCV	4.8	0.01	5.09	8.49	28.73				

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Apex Cap Mgmt - SMDG	10.4	0.03	4.37	6.96	30.98				
TOTAL PROGRESS MANAGERS	59.9	0.18	3.24	3.98	24.75	14.44	20.38		
RUSSELL 2000			2.05	3.19	23.64	14.57	20.21	8.70	8.01
F.I.S. MANAGERS									
Channing Cap Mgmt - SCV	12.7	0.04	2.17	5.10	28.50				
EAM Investors - MCG	2.1	0.01	(7.50)	(5.87)	18.54				
Huber Cap Mgmt - SCV	5.4	0.02	5.40	2.72	22.68				
Nicholas Investment Partners - SCG	8.5	0.03	(0.11)	0.45	24.94				
Rice Hall James	7.1	0.02							
Piermont Capital	9.0	0.03							
Punch & Associates Inv Mgmt - SCC	5.5	0.02	1.02	0.68	25.29				
TOTAL F.I.S. MANAGERS	50.3	0.15	0.64	1.10	21.99				
RUSSELL 2000			2.05	3.19	23.64	14.57	20.21	8.70	8.01
TOTAL EMERGING MANAGERS	200.4	0.59	2.50	3.04	23.78				
RUSSELL 2000			2.05	3.19	23.64	14.57	20.21	8.70	8.01
RUSSELL 3000			4.87	6.94	25.22	16.46	19.33	8.23	5.03
TOTAL ACTIVE DOMESTIC EQUITY	3,164.8	9.34	3.89	5.85	27.79	16.44	20.22	8.76	3.83
TOTAL PASSIVE DOMESTIC EQUITY	10,456.0	30.85	4.84	6.98	25.15	16.23	19.22	8.22	5.41
TOTAL DOMESTIC EQUITY	13,620.8	40.19	4.62	6.71	25.68	16.22	19.47	8.34	5.19
RUSSELL 3000			4.87	6.94	25.22	16.46	19.33	8.23	5.03
INTERNATIONAL EQUITY									
DEVELOPED MARKETS									

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Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
GROWTH									
Baillie Gifford	643.8	1.90	1.60	0.64	26.44	9.50	15.41		
Walter Scott	500.3	1.48	5.49	2.88	15.99				
TOTAL DEVELOPED GROWTH	1,144.1	3.38	3.27	1.61	24.29	8.91	12.97	9.34	
MSCI EAFE GROWTH			3.45	3.56	20.33	7.68	12.22	7.09	3.51
VALUE									
Causeway	444.5	1.31	2.26	2.88	23.93				
Sprucegrove	738.7	2.18	4.21	6.38	22.45				
TOTAL DEVELOPED VALUE	1,183.4	3.49	3.47	5.04	23.00	7.76	11.17	6.99	
MSCI EAFE VALUE NET			4.73	6.01	26.86	8.46	11.24	6.71	5.53
CORE									
Thornburg	166.7	0.50	2.79	(1.14)	14.17	4.02	10.67		
TOTAL DEVELOPED CORE	168.8	0.50	2.79	(1.14)	14.16	3.70	10.03	6.24	
MSCI EAFE			4.09	4.78	23.57	8.10	11.77	6.93	4.59
SMALLCAP									
Acadian	243.3	0.72	3.91	8.93	34.78				
Pyramis	238.4	0.70	2.03	4.01	25.42				
TOTAL DEVELOPED SMALL CAP ACTIVE	481.7	1.42	2.97	6.44	29.98				
S&P EPAC SMALL CAP INDEX			2.53	6.43	29.60	9.81	15.20	9.57	8.35
TOTAL ACTIVE DEVELOPED EQUITY	2,979.0	8.79	3.27	3.56	23.73	7.51	11.78	7.09	4.97
MSCI EAFE			4.09	4.78	23.57	8.10	11.77	6.93	4.59
SSGA MSCI EAFE SMALL CAP INDEX	89.9	0.27	2.21						
TOTAL DEVELOPED SMALL CAP PASSIVE	89.9	0.27	2.21						
MSCI EAFE SMALL CAP NET			2.08	5.50	29.08	9.84	15.21	8.73	8.32

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
SSGA	341.3	1.01	4.23	5.08	23.87	8.45			
TOTAL PASSIVE DEVELOPED EQUITY	341.3	6.10	4.23	5.10	23.90	8.46	11.99	7.28	4.90
MSCI EAFE			4.09	4.78	23.57	8.10	11.77	6.93	4.59
TOTAL DEVELOPED EQUITY	3,410.2	10.06	3.34	3.69	23.40	7.66	11.80	7.12	4.91
MSCI EAFE			4.09	4.78	23.57	8.10	11.77	6.93	4.59
NON-U.S. ENVIRONMENTAL									
Generation GE	105.8	0.31	1.73	6.54	22.90	13.14	16.82		
TOTAL NON-U.S. ENVIRONMENTAL	105.8	0.31	1.73	6.54	22.90	13.14	14.39		
MSCI WORLD INDEX			4.86	6.18	24.05	11.81	14.99	7.25	4.18
TOTAL DEVELOPED ENVIRONMENTAL ACTIVIST	3,516.3	10.37	3.29	3.77	23.54	7.80	11.98	7.19	
MSCI EAFE			4.09	4.78	23.57	8.10	11.77	6.93	4.59
EMERGING MARKETS									
Acadian	376.0	1.11	7.62	8.70	16.26	2.36	12.37		
Baillie Gifford	459.3	1.36	10.19	9.24	23.25	2.93	11.59		
DFA	364.5	1.08	7.68	7.45	16.73	(1.93)	10.23		
EATON VANCE EM	328.9	0.97	6.35	6.87	16.43				
TOTAL ACTIVE EMERGING MARKETS	1,528.7	4.51	8.12	8.16	18.38	0.48	10.14	12.59	
MSCI EMERGING MARKETS			6.60	6.14	14.31	(0.39)	9.24	11.94	
Blackrock EM	547.4	1.62	6.61	5.98	14.56	(0.40)			
TOTAL PASSIVE EMERGING MARKETS	547.4	1.62	6.61	5.98	14.56	(0.40)			
MSCI EMERGING MARKETS			6.60	6.14	14.31	(0.39)	9.24	11.94	

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
TOTAL EMERGING MARKETS	2,076.1	6.13	7.72	7.58	17.35	0.23	10.03	12.53	10.79
MSCI EMERGING MARKETS			6.60	6.14	14.31	(0.39)	9.24	11.94	
TOTAL ACTIVE INTERNATIONAL EQUITY	4,613.8	13.61	4.79	5.11					
TOTAL PASSIVE INTERNATIONAL EQUITY	978.6	2.89	5.36	5.04					
TOTAL INTERNATIONAL EQUITY	5,592.4	16.50	4.89	5.15	21.24	4.93	10.74	7.54	5.30
MSCI AC WORLD ex US			5.03	5.56	21.75	5.73	11.11	7.75	
REITS									
CONY GT SSGA REIT	169.6	0.50	8.04	12.32	13.61				
TOTAL REAL ESTATE SECURITIES	169.6	0.50	8.04	12.32	13.61				
FTSE EPRA/NAREIT Devel.			7.85	11.87	12.79	9.13	16.23		
HEDGE FUNDS									
BLUE TREND FD	65.2	0.19	10.26	6.15	4.87				
BREVA HOWARD LP	58.3	0.17	(1.55)	(4.35)	(5.07)				
BREVA HOWARD OPP	61.2	0.18	(1.17)	(3.60)	(2.58)				
BRIGADE LEV CAP STR FD	78.3	0.23	3.43	5.26	9.67				
CARLSON DOUBLE BLK DIA FD	93.5	0.28	2.43	4.81	9.99				
CASPIAN SELECT CF	73.4	0.22	1.50	4.91	6.37				
CCP QUANT FD	47.8	0.14	4.87	(1.97)	(12.34)				
D.E. SHAW COMPOSITE FD	171.2	0.51	4.72	9.37	10.45				
FIR TREE VAL FD	93.1	0.27	0.69	0.25	9.36				
LUXOR CAPITAL	85.6	0.25							
PERRY CAPITAL LP	74.5	0.22	1.61	2.84	12.71				
PHARO MACRO FD	61.2	0.18	3.62	9.26	20.08				
STANDARD GENERAL	19.5	0.06							
TOTAL DIRECT HEDGE FUNDS	982.7	2.90	2.61	3.52	6.16				
HFRI FUND OF FUNDS COMP			1.72	2.54	8.62	4.31	5.27	4.45	5.64

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
PERMAL ASSET MANAGEMENT	169.2	0.50	0.46	1.82	3.33	4.26			
TOTAL PERMAL HEDGE FUNDS OF FUNDS	169.2	0.50	0.46	1.82	4.68	3.89			
HFRI FUND OF FUNDS COMP			1.72	2.54	8.62	4.31	5.27	4.45	5.64
TOTAL HEDGE FUNDS	1,151.9	3.40	2.27	3.25	5.97	4.26			
HFRI FUND OF FUNDS COMP			1.72	2.54	8.62	4.31	5.27	4.45	5.64
1 YEAR TREASURY BILL YIELD			1.06	2.11	4.32	4.30	4.51	6.07	6.79
PRIVATE EQUITY INVESTMENTS									
Acon Equity Partners III, L.P.	0.8	0.00							
Aisling Capital II, L.P.	1.8	0.01							
Aisling Capital III, L.P.	5.5	0.02							
Ardian Secondary VI	7.0	0.02							
Altaris Health Partners III, L.P.	0.2	0.00							
American Securities Partners VI, L.P.	31.6	0.09							
Ampersand 2011 L.P.	14.0	0.04							
Apollo Investment Fund V, L.P.	3.6	0.01							
Apollo Investment Fund VI, L.P.	33.8	0.10							
Apollo Investment Fund VII, L.P.	31.3	0.09							
Apollo Investment Fund VIII, L.P.	3.5	0.01							
Ares Corp L.P.	5.7	0.02							
Ares Corporate Opportunities Fund II, L.P.	4.3	0.01							
Ares Corporate Opportunities Fund III, L.P.	20.9	0.06							
Ares Corporate Opportunities Fund IV, L.P.	11.5	0.03							
Arlington Capital Partners II, L.P.	10.5	0.03							
Arsenal Capital Partners II, L.P.	12.9	0.04							
Atlantic Equity Partners IV, L.P.	13.7	0.04							
Aurora Equity Partners III, L.P.	1.1	0.00							

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Avista Capital Partners L.P.	14.6	0.04							
Avista Capital Partners II, L.P.	39.1	0.12							
AXA Secondary Fund V, L.P.	57.1	0.17							
BC European Capital IX, L.P.	41.0	0.12							
BDCM Opportunity FD III	15.9	0.05							
Blackstone Capital Partners IV, L.P.	24.8	0.07							
Blackstone Capital Partners V, L.P.	37.5	0.11							
Blackstone Capital Partners VI, L.P.	18.4	0.05							
Blackstone Mezzanine Fund II, L.P.	1.4	0.00							
Blue Wolf Capital Fund II L.P.	12.2	0.04							
Bridgepoint Europe III D, LP	8.9	0.03							
Bridgepoint Europe IV, LP	12.1	0.04							
Capital Partners Private Equity Income Fund, LP	9.4	0.03							
Capital Partners Private Equity Income Fund II, LP	0.5	0.00							
Carlyle Partners IV, L.P.	18.8	0.06							
Carlyle Partners V, L.P.	44.0	0.13							
Carlyle Partners VI, L.P.	11.5	0.03							
Carpenter Community BancFund, L.P.	18.7	0.06							
Catterton Partners VI, L.P.	15.8	0.05							
CCMP Capital Investors II	14.8	0.04							
Celtic Pharmaceutical Holdings L.P.	15.4	0.05							
Collier International Partners IV, L.P.	3.2	0.01							
Collier International Partners V, L.P.	4.6	0.01							
ComVest Investment Partners III, L.P.	5.9	0.02							
ComVest Investment Partners IV, L.P.	29.5	0.09							
Constellation Ventures III, L.P.	8.8	0.03							
Coral's 2007 Momentum Fund, L.P.	7.4	0.02							
CS EM MGR CO-INV/C Suisse Cust FD INV GR	4.6	0.01							
CS EMERG MGR FD/C Suisse EM DOM MGRS FD	38.9	0.11							

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Crestview Partners II, L.P.	21.0	0.06							
CVC Capital Partners VI, L.P.	0.4	0.00							
CVC European Equity Partners III, L.P.	1.0	0.00							
CVC European Equity Partners V, L.P.	25.8	0.08							
Cypress Merchant	6.1	0.02							
EQT VI (Global)	25.7	0.08							
Erasmus NYC Growth FD A	1.5	0.00							
Falconhead Capital Ptnrs II	5.8	0.02							
FDG	11.3	0.03							
FDG Cap Part II	3.6	0.01							
Fenway Ptnrs Capital III	7.9	0.02							
FirstMark Capital IV / Pequot PE Fund IV	32.2	0.09							
First Reserve Fund XI	11.9	0.04							
First Reserve Fund XII	16.1	0.05							
FS Equity Partners V (Freeman Spogli V)	4.7	0.01							
FS Equity Partners VI	22.1	0.07							
FT Ventures Fund III	8.9	0.03							
FTV Capital IV	1.6	0.00							
GI Partners Fund II LP	4.8	0.01							
GI Partners III	11.3	0.03							
GF Capital Private Equity Fund LP	9.1	0.03							
Gleacher Mezzanine Fd II LP	3.0	0.01							
GREEN EQ INV VI	18.6	0.05							
Grey MT Ptnrs Fund III	0.1	0.00							
GSC Recovery III	2.0	0.01							
GSO Capital OPP FD I	6.3	0.02							
Highland Consumer Fund I	7.6	0.02							
ICV PTNRS III	0.8	0.00							
INCLINE EQ PT 111	0.5	0.00							

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
InteMedia Partners VII LP	18.9	0.06							
JP Morgan Fleming	30.0	0.09							
Landmark Equity Partners XI	4.7	0.01							
Landmark Equity Partners XIV	18.9	0.06							
Landmark Equity Partners XV	10.4	0.03							
Landmark Fund XIII	4.4	0.01							
Lee Equity Partners	15.5	0.05							
Levine Leichtman DVF	3.9	0.01							
Levine Leichtman Capital Partners IV	7.1	0.02							
Lexington Cap Ptnrs VII	13.5	0.04							
Lincolnshire Equity Fund II	0.7	0.00							
Lincolnshire Equity Fund III LP	9.4	0.03							
Lincolnshire EQ FD IV	5.6	0.02							
Lombard Odier DH Euro Choice II-Delaware	10.4	0.03							
Lombard Odier DH EuroChoice III-Scotland	20.2	0.06							
Lombard Odier DH EUR IV (Global)	14.0	0.04							
Markstone Cap	5.2	0.02							
Medica Management III LP	4.4	0.01							
Midocean Partners III	36.1	0.11							
Milestone Partners III	12.4	0.04							
Montreux Equity Partners IV	9.8	0.03							
NB Strategic Co-Investment Partners Fund II LP	27.7	0.08							
NB Co-Investment Ptnrs	29.3	0.09							
NorthBound Emerging MG Custom Fund	12.8	0.04							
New Mountain Partners	1.4	0.00							
New Mountain Partners II LP	1.0	0.00							
New Mountain Ptnrs III LP	34.0	0.10							
NewSpring Growth Capital II	7.2	0.02							
NGN BIOMED Opportunity II	5.3	0.02							

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Olympus Capital Asia III	17.7	0.05							
Olympus Growth Fund VI	2.0	0.01							
Onex Partners III	14.7	0.04							
Paladin HMLD Sec	11.4	0.03							
Paladin Homeland Sec III	21.6	0.06							
Palladium Eq Parts III	27.3	0.08							
Palladium Eq Ptnrs IV	5.4	0.02							
PCG Clean Energy & Tech Fd East	20.0	0.06							
Pegasus Partners IV	11.4	0.03							
Pegasus Partners V	10.8	0.03							
Pemira Fund IV	12.1	0.04							
Perseus Patners VII	3.6	0.01							
Pine Brook CAP Partners	13.5	0.04							
PLATINUM EQ CAP PTNRS III	11.6	0.03							
Prism Venture Parts. V-A	7.9	0.02							
Psilos Group Ptnrs III	10.5	0.03							
Quadrangle iCap Ptnrs II	13.0	0.04							
Quaker BioVentures II	10.2	0.03							
Relativity Fund	3.0	0.01							
Riverstone/Carlyle Glbl Engy-Power Fd IV	10.4	0.03							
RRE Ventures Fund IV	21.2	0.06							
Scale Venture Partners III	15.3	0.05							
SCP	9.4	0.03							
SCP Vitalife Ptnrs II	11.7	0.03							
Snow Phipps & Guggenheim L.P.	6.4	0.02							
Snow Phipps Group II	10.8	0.03							
Solera Partners	6.1	0.02							
Summit Partners GR WQ VIII	38.2	0.11							
Tallwind Capital Partners	0.9	0.00							

Consolidated Performance Report



STATE STREET.

Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Terra Firma Capital Partners III, L.P.	9.9	0.03							
The Fourth Cliven Fund, L.P.	11.0	0.03							
Thomas, McNemey & Partners II, L.P.	9.5	0.03							
Trident V, L.P.	35.2	0.10							
Trilantic Capital Partners III, L.P.	0.8	0.00							
Trilantic Capital Partners IV, L.P.	42.7	0.13							
Trilantic Capital Partners V (North America), L.P.	8.0	0.02							
United States Power II LP	17.0	0.05							
United States Power Fund III LP	11.5	0.03							
Vista Foundation Fund II, L.P.	1.0	0.00							
Vista Equity Partners III, LLC	14.1	0.04							
Vista Equity Partners Fund IV	67.9	0.20							
Vitruvian Partners LLP	6.9	0.02							
VS & A Communications Partners, L.P.	0.6	0.00							
VSS Communications Partners IV, L.P.	7.3	0.02							
Warburg Pincus Private Equity XI, L.P.	36.2	0.11							
Wellspring Capital Partners V, L.P.	7.1	0.02							
Welsh, Carson, Anderson & Stowe XI, L.P.	19.9	0.06							
Yucalpa American Alliance Fd I	16.4	0.05							
Yucalpa American Alliance Fund II, L.P.	70.0	0.21							
yucalpa Corporate Initiative II, L.P.	9.4	0.03							
TOTAL PRIVATE EQUITY	2,154.6	6.36							
NYC R3000 +3% LAGGED									
REAL ASSETS									
PRIVATE REAL ESTATE									
AG Realty Fund VII (Global)	11.5	0.03							
Almanac Realty Securities VI, L.P.	28.9	0.09							

Consolidated Performance Report

Through June 30, 2014



STATE STREET.

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
American Value Partners Fund I, L.P.	7.0	0.02							
Ares European Real Estate Fund III, LP	24.3	0.07							
Ares Real Estate Fund V	2.4	0.01							
ARA Asia Dragon Fund	4.7	0.01							
Blackrock Carbon III	1.6	0.00							
Blackstone Europe IV	22.4	0.07							
Blackstone Real Estate Partners Europe III, L.P.	35.1	0.10							
Blackstone Real Estate Partners Europe IV, L.P.	9.0	0.03							
Blackstone Real Estate Partners Europe VI, L.P.	57.7	0.17							
Blackstone Real Estate Partners Europe VII, L.P.	84.2	0.25							
Brookfield Strategic Real Estate Partners L.P.	30.0	0.09							
Canyon-Johnson Urban Fund II, L.P.	6.0	0.02							
Canyon-Johnson Urban Fund III, L.P.	10.3	0.03							
Carlyle Realty Partners V, L.P.	6.6	0.02							
Carlyle Realty Partners VI, L.P.	26.0	0.08							
City Investment Fund	30.9	0.09							
Colony Investors VIII, L.P.	7.6	0.02							
Colony Realty Partners II, L.P.	7.9	0.02							
DivcoWest Fund III REIT, LLC	85.6	0.25							
DivcoWest Fund IV	16.2	0.05							
Emmes Interborough Fund LLC	10.9	0.03							
Fidelity Real Estate Growth Fund III, L.P.	6.8	0.02							
H/2 Special Opportunities II Ltd.	24.4	0.07							
Heltman America Real Estate Trust LP	39.6	0.12							
Hudson Sandy Manager, LLC	3.0	0.01							
JPMC Special Situations Fund	14.8	0.04							
JPMC Strategic Property Fund	84.8	0.25							
KTR Industrial Fund III LP	10.7	0.03							
LaSalle US Property Fund	50.7	0.15							

Consolidated Performance Report



Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Lone Star Real Estate Fund III, L.P.	18.5	0.05							
Metro Workforce Housing FD	6.3	0.02							
OCM Realty Opportunity Fund, LP	1.7	0.01							
PRISA	22.6	0.07							
PRISA II	64.3	0.19							
PRISA III	47.2	0.14							
ProLogis, Inc.	9.2	0.03							
RREEF America REIT II Corp.	22.7	0.07							
RREEF America REIT III Corp.	4.5	0.01							
Related Sep Acct	23.8	0.07							
Silverpeak Legacy Partners III, L.P.	5.4	0.02							
Stockbridge Real Estate Fund III, LP	32.4	0.10							
Taconic New York City Investment Fund LP	16.9	0.05							
Thor Urban Property Fund II, Inc.	18.5	0.05							
UBS Trumbull Property Fund LP	79.4	0.23							
Walton Street Real Estate Fund VI	28.9	0.09							
Westbrook Real Estate Fund VII, L.P.	5.6	0.02							
Westbrook Real Estate Fund VIII, L.P.	28.4	0.08							
TOTAL PRIVATE REAL ESTATE	1,198.3	3.54							
NCREIF NFI-ODCE NET + 1									
INFRASTRUCTURE									
Brookfield Infrastructure Fund II	15.9	0.05							
TOTAL INFRASTRUCTURE	15.9	0.05							
CPI + 4%									
TOTAL REAL ASSETS	1,214.2	3.58							
TOTAL EQUITY (INCLUDES PRIVATE EQUITY & REAL ASSETS)	23,903.5	70.53	4.59	6.63	22.33	12.06	16.05	8.08	

Consolidated Performance Report



Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Lone Star Real Estate Fund III, L.P.	18.5	0.05							
Metro Workforce Housing FD	6.3	0.02							
OCM Realty Opportunity Fund, LP	1.7	0.01							
PRISA	22.6	0.07							
PRISA II	64.3	0.19							
PRISA III	47.2	0.14							
ProLogis, Inc.	9.2	0.03							
RREEF America REIT II Corp.	22.7	0.07							
RREEF America REIT III Corp.	4.5	0.01							
Related Sep Acct	23.8	0.07							
Silverpeak Legacy Partners III, L.P.	5.4	0.02							
Stockbridge Real Estate Fund III, LP	32.4	0.10							
Taconic New York City Investment Fund LP	16.9	0.05							
Thor Urban Property Fund II, Inc.	18.5	0.05							
UBS Trumbull Property Fund LP	79.4	0.23							
Wallon Street Real Estate Fund VI	28.9	0.09							
Westbrook Real Estate Fund VII, L.P.	5.6	0.02							
Westbrook Real Estate Fund VIII, L.P.	28.4	0.08							
TOTAL PRIVATE REAL ESTATE	1,198.3	3.54							
NCREIF NFI-ODCE NET + 1									
INFRASTRUCTURE									
Brookfield Infrastructure Fund II	15.9	0.05							
TOTAL INFRASTRUCTURE	15.9	0.05							
CPI + 4%									
TOTAL REAL ASSETS	1,214.2	3.58							
TOTAL EQUITY (INCLUDES PRIVATE EQUITY & REAL ASSETS)	23,903.5	70.53	4.59	6.63	22.33	12.06	16.05	8.08	

Consolidated Performance Report



STATE STREET.

Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
T. Rowe Price - Credit	843.7	2.49	3.23	6.52	9.13	7.06	9.15	6.70	6.75
TOTAL INVESTMENT GRADE CREDIT	2,620.0	7.73	2.89	6.00	8.35	6.66	8.56	6.29	6.42
NYC - INVESTMENT GRADE			2.62	5.40	7.17	5.78	7.44	5.68	6.29
TOTAL STRUCTURED	5,588.1	16.49	2.78	5.41	6.35	5.14	6.56	5.93	6.39
NYC - CORE PLUS FIVE			2.60	5.08	5.54	4.56	5.64	5.61	6.15
LM Capital	33.1	0.10	2.26	4.13	5.39	4.49	6.10		
TOTAL CORE PLUS FIX INC	33.1	0.10	2.26	4.13	5.39	4.49	6.10		
BARCLAYS AGGREGATE			2.04	3.93	4.37	3.66	4.85	4.93	5.60
TOTAL STRUCTURED PLUS TOTAL CORE PLUS FIX INC	5,621.1	16.58	2.78	5.40	6.34	5.14	6.56	5.93	6.38
NYC - CORE PLUS FIVE			2.60	5.08	5.54	4.56	5.64	5.61	
PROGRESS FIXED									
AMBASSADOR	17.8	0.05	2.14	4.47	4.42				
GIA	14.9	0.04	2.77	5.02	7.13				
Hillswick	7.1	0.02	2.23	4.41	3.94				
NEW CENTURY	18.2	0.05	1.98	4.83	5.69				
PUGH CAP	14.4	0.04	2.37	4.46	5.34				
TOTAL PROGRESS FIXED	72.3	0.21	2.28	4.66	5.42				
BARCLAYS AGGREGATE			2.04	3.93	4.37	3.66	4.85	4.93	5.60
TIPS MANAGERS									
ACTIVE TIPS MANAGERS									
Blackrock TIPS	192.7	0.57	3.71	5.80	4.47	3.71	5.59		

Consolidated Performance Report



Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
PIMCO TIPS	485.3	1.43	3.65	5.83	4.51	3.97	5.76		
TOTAL ACTIVE TIPS MANAGERS	678.0	2.00	3.67	5.82	4.50	3.89	5.71		
PASSIVE TIPS MANAGERS									
State Street TIPS Passive	291.6	0.86	3.85	5.88	4.56	3.58	5.57		
TOTAL PASSIVE TIPS MANAGERS	291.6	0.86	3.85	5.88	4.56	3.58	5.57		
TOTAL TIPS MANAGERS	969.6	2.86	3.72	5.84	4.52	3.80	5.67		
BARCLAYS GLOBAL INFLATION			3.81	5.83	4.44	3.55	5.55	5.25	6.67
ENHANCED YIELD									
Loomis Sayles - High Yield	234.2	0.69	4.60	9.50	16.45	12.97	17.27	11.21	9.47
Oaktree - High Yield	184.6	0.54	1.80	4.82	11.20				
Neuberger Berman - High Yield	250.4	0.74	2.29	5.18	12.16				
Stone Harbor - High Yield	171.2	0.51	2.60	5.25	12.26				
T. Rowe Price - High Yield	277.6	0.82	2.30	5.36	11.60	8.83	12.40	8.58	
Fort Washington - High Yield	127.5	0.38	2.37	5.66	11.38				
Shenkman - High Yield	96.9	0.29	1.92	4.74	10.57	7.84	10.29	7.73	
TOTAL ENHANCED YIELD	1,342.4	3.96	2.64	5.92	12.46	9.69	13.08	8.90	7.57
CITIGROUP BB & B			2.27	5.31	10.91	9.15	12.21	7.50	6.66
CITIGROUP BB & B CAPPED			2.26	5.28	10.94	9.10	12.14	7.71	
BANK LOANS									
Babson BL	218.7	0.65	1.20	2.53	6.31				
Credit Suisse BL	218.4	0.64	1.27	2.41	5.94				
Guggenheim BL	110.3	0.33	1.06	2.53	7.24				
TOTAL BANK LOANS	547.5	1.62	1.20	2.48	6.35				
CSFB LEVERAGED LOAN INDEX			1.45	2.77	6.11	5.68	8.79	5.03	

Consolidated Performance Report



STATE STREET.

Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
CONVERTIBLE BONDS									
Advent Convertible Bonds	110.3	0.33	2.41	6.29	13.75	8.38	12.43		
BotA ML U.S. Convertible			2.01	5.98	11.12	7.51	11.74	5.52	4.74
Victory Convertible Bonds	103.4	0.31	5.06	9.22	21.07	10.84	12.59		
BotA ML US Invst Grade C			5.36	9.67	22.60	11.64	12.56	5.09	4.09
TOTAL CONVERTIBLE BONDS	213.6	0.63	3.68	7.69	17.17	9.22	12.80		
POLICE CUSTOM CONVERTIBLE			3.55	7.69	16.33	9.42	12.14		
BOFAML ALL CONVERTIBLE			5.08	9.70	24.91	13.00	16.66	7.91	7.25
OPPORTUNISTIC FIXED									
Avenue Europe Special Sit. Fund L.P.	0.6	0.00							
Avenue Special Situations Fund V L.P.	0.2	0.00							
Avenue Special Situations Fund VI L.P.	49.9	0.15							
Fortress Ctr St Ptnrs	40.2	0.12							
Lone Star Fd VIII	46.7	0.14							
Oaktree Opp Fd IX	46.9	0.14							
Torchlight Debt Oppy Fund III, LLC	2.7	0.01							
TOTAL FUND STRATEGIES	187.4	0.55							
10% ANNUAL RETURN									
JP MORGAN GLOBAL HIGH YIELD									
Angelo Gordon Ct St Ptnrs	77.8	0.23	3.89	7.80	9.96				
Apollo Centre Street Partnership LP	89.8	0.27	2.00	7.62	16.06				
Contrarian Partnership LP	24.0	0.07	2.02	6.90	10.08				
Golden Tree OD	97.5	0.29	2.25	5.99	11.90				
Marathon Centre Street Partnership LP	148.0	0.44	3.06	6.46	15.38				
Oak Hill Ctr St Ptnrs	100.9	0.30	2.33	4.93	8.24				

Consolidated Performance Report



STATE STREET.

Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
TOTAL STRATEGIC MANDATES	538.0	1.59	2.68	6.46	12.24				
10% ANNUAL RETURN			2.41	4.88	10.00	10.00	10.00	10.00	10.00
JP MORGAN GLOBAL HIGH YIELD			3.49	7.35	15.73	12.94	17.55		
TOTAL OPPORTUNISTIC FIXED	725.3	2.14	3.38	6.95	13.14	9.45	20.29		
10% ANNUAL RETURN			2.41	4.88	10.00	10.00	10.00	10.00	10.00
JP MORGAN GLOBAL HIGH YIELD			3.49	7.35	15.73	12.94	17.55		
ETI									
BOA - PPAR (GNMA)	6.1	0.02	3.97	8.90	4.12	5.81			
BOA - PPAR ETI MTA (FNMA)	0.5	0.00	4.38	9.78					
CCD - PPAR (GNMA)	3.3	0.01	5.22	9.84	13.62	10.90	10.39		
CCD - PPAR ETI MTA (FNMA)	0.6	0.00	4.40	9.32					
CFSB - PPAR (GNMA)	1.3	0.00	4.16	9.54	12.19	7.76	8.50		
CPC - PPAR (FNMA)	9.8	0.03	4.43	11.13					
CPC - PPAR (GNMA)	93.7	0.28	3.66	8.34	13.51	9.59	9.22	8.51	7.97
JPMC - PPAR (FNMA)	1.6	0.00	0.58	9.11					
LIIF - PPAR (GNMA)	1.7	0.00	3.34	6.89	10.16	7.98			
LIIF - PPAR (FNMA)	0.8	0.00	20.28	26.22					
NCBCI - PPAR (GNMA)	0.9	0.00	4.47	9.98	16.78	11.97			
NCB - CI PPAR (FNMA)	0.1	0.02	3.91	9.43					
NHS - PPAR (GNMA)	0.6	0.00	3.82	9.19	13.20	9.53	10.50		
TOTAL POLICE PPAR	121.0	0.36	3.82	8.68	13.34	9.50	9.17	8.49	7.96
GNMA PLUS 65BPS			2.46	4.47	5.44	3.46	4.96	5.70	6.21
FNMA PLUS 85bps			2.69	4.48	5.30	3.68	4.79	5.88	6.43
Access RBC	61.4	0.18	2.78	4.44	4.39	3.63	4.69		
Access RBC Benchmark			1.99	3.33	3.55	2.60	3.62		

Consolidated Performance Report



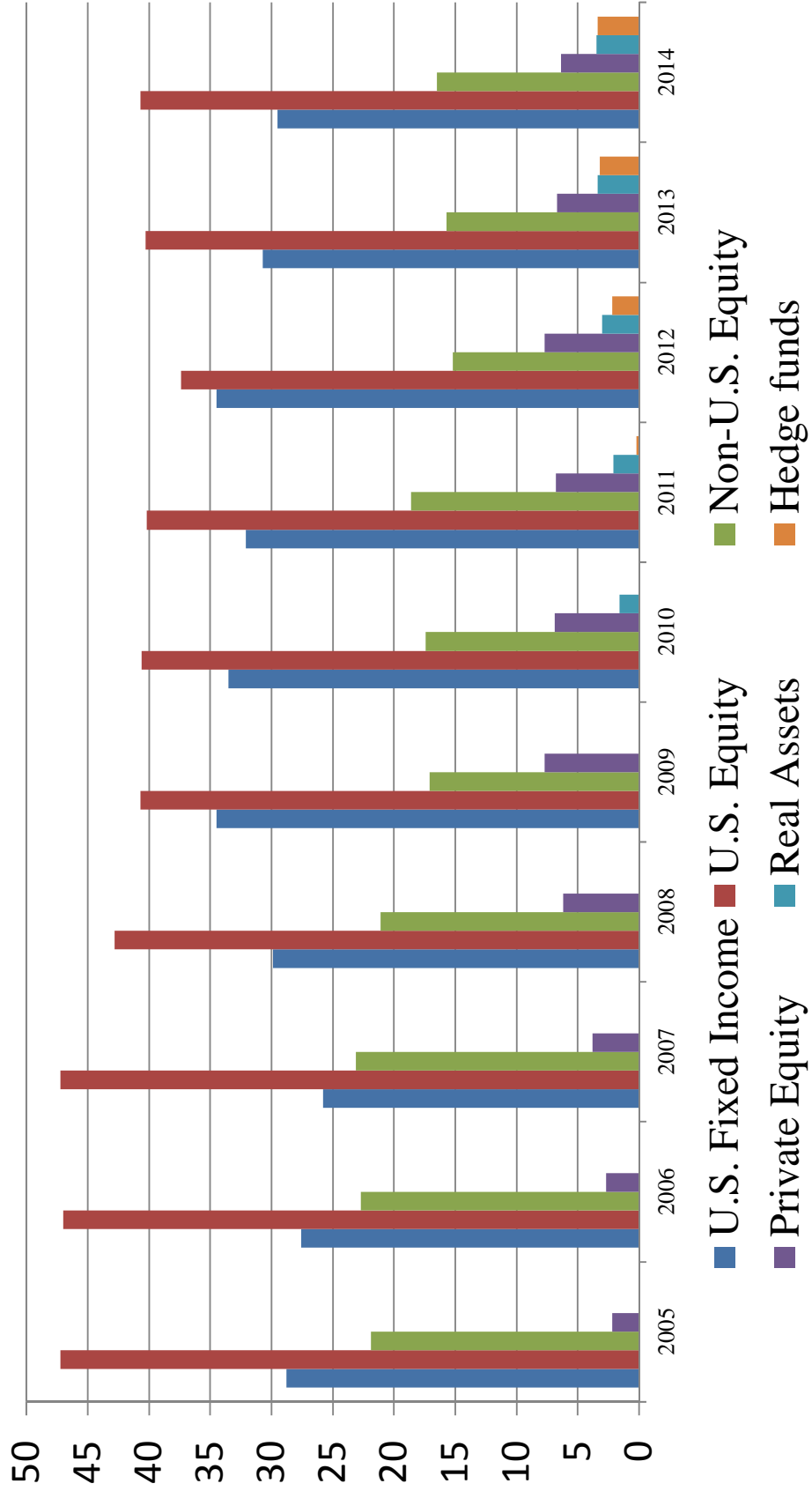
STATE STREET.

Through June 30, 2014

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
AFL-CIO Housing Investment Trust	118.3	0.35	2.40	4.19	4.45	3.60	4.52	4.94	
Barclays Aggregate			2.04	3.93	4.37	3.66	4.85	4.93	5.60
Targeted Investment	93.7	0.28	3.64	8.02	13.91	9.66	9.23	8.47	7.74
TOTAL ETI (W/O CASH)	300.7	0.89	3.04	5.59	7.81	5.94	6.34	6.56	6.82
POLICE CUSTOM BENCHMARK			2.20	4.02	4.68	3.40	4.63	5.20	5.83
Police Short Term	174.8	0.52	0.04	0.07	0.17	0.31	0.46	2.17	2.77
TOTAL FIXED INCOME (DOMESTIC & GLOBAL)	9,967.4	29.41	2.74	5.36	7.52	5.83	7.61	6.31	6.47
C/D - Fall Float Earnings	1.5	0.00	0.00	0.31	0.35	(0.80)	(1.05)	(1.24)	
Security Lendings	21.2	0.06							
TOTAL POLICE	33,893.6	100.00	4.04	6.24	17.74	10.07	13.33	7.70	5.83
POLICE POLICY BENCHMARK			3.92	6.54	16.98	10.83	13.90	7.77	5.78

NYC POLICE PENSION FUND ASSET ALLOCATION

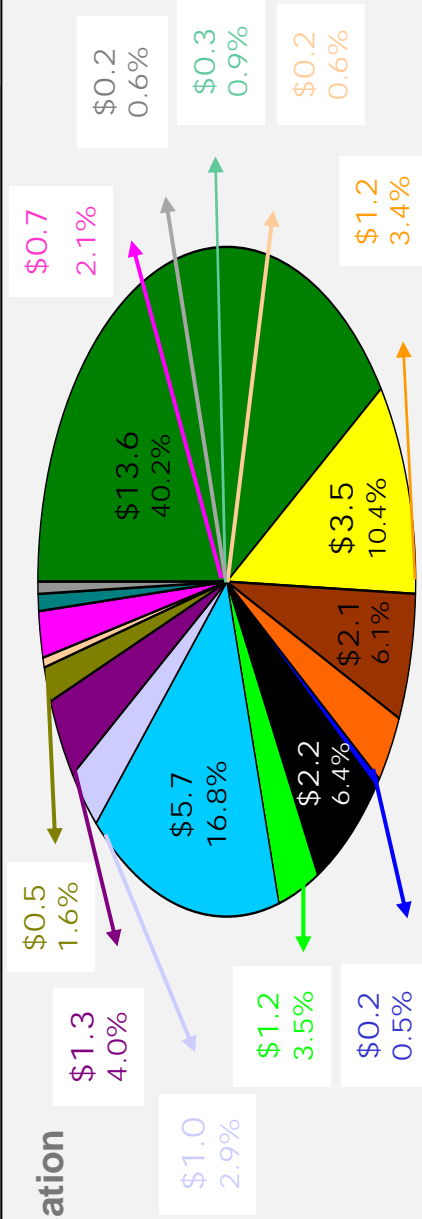
June 30, 2005 – June 30, 2014



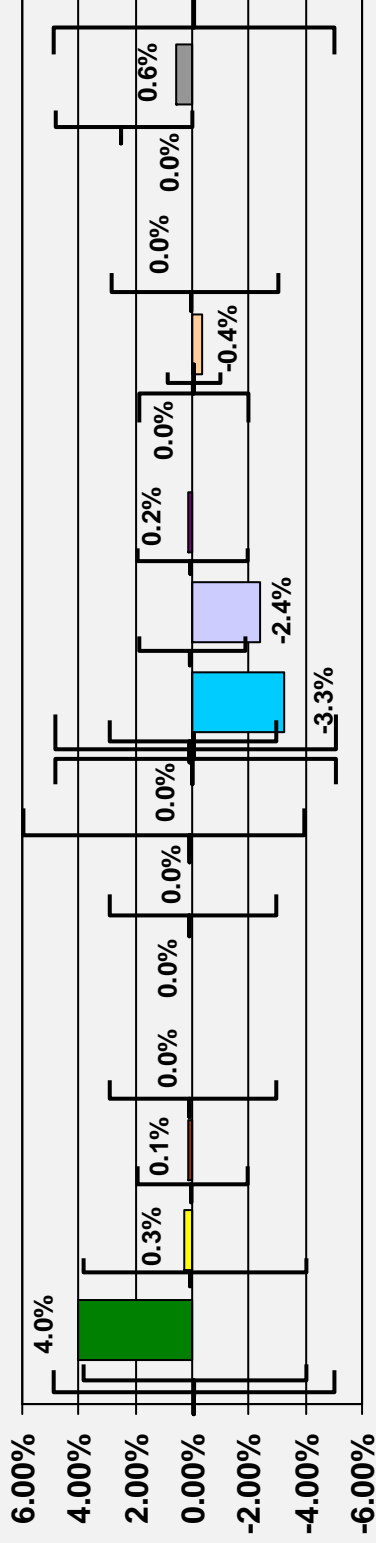
Portfolio Asset Allocation: June 30, 2014

\$33.9 B Under Management

Asset Allocation



Relative Mix to Adjusted New Policy Weights



Note: Brackets represent rebalancing ranges versus Policy.

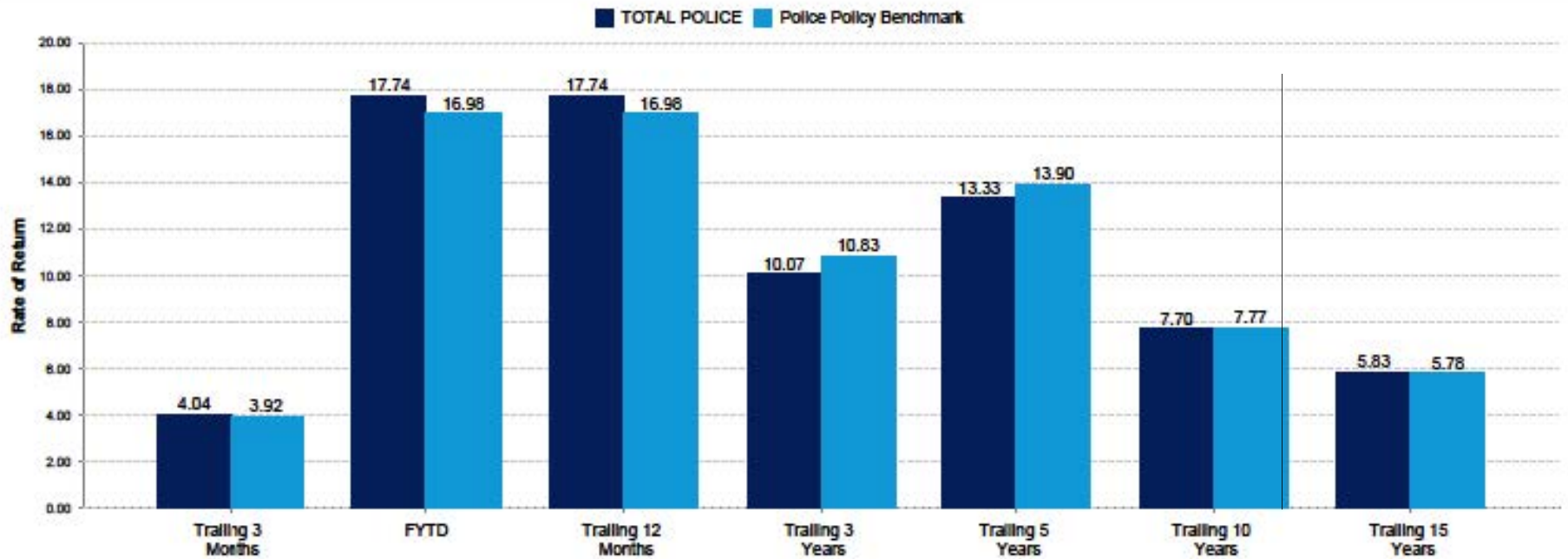
Total Portfolio Returns: June 30, 2014



Market Value (Billions)

\$33.9

TOTAL POLICE



	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL POLICE	8.0	8.3	13.3	9.4	10.1	11.0

NEW YORK CITY

POLICE PENSION FUND

ASSET ALLOCATION 06/30/2005 TO 06/30/2014

	U.S Equity & Mortgages	Int'l Equity	Short term & Fixed	Int'l Fixed	Cash	Total
6/30/2005	48.80%	21.84%	28.78%	0.58%	0.00%	100.00%
6/30/2006	48.21%	22.48%	28.56%	0.49%	0.26%	100.00%
6/30/2007	49.40%	22.97%	27.31%	0.31%	0.01%	100.00%
6/30/2008	50.35%	20.39%	29.13%	-	0.13%	100.00%
6/30/2009	49.46%	17.40%	32.97%	-	0.17%	100.00%
6/30/2010	49.90%	16.26%	33.76%		0.07%	100.00%
6/30/2011	50.63%	17.44%	31.89%		0.04%	100.00%
6/30/2012	51.90%	15.07%	32.88%		0.15%	100.00%
6/30/2013	58.44%	15.58%	25.92%		0.06%	100.00%
6/30/2014	59.70%	16.44%	23.71%		0.15%	100.00%

New York City Police Pension Fund
QPP Top 50 Fixed Asset Holdings
as of June 30, 2014

CUSIP Number	Security Name	Interest Rate	Maturity Date	Shares/Par Value	Base Market Value
'922URLI6	NYC CUSTOM STIF	0.02	12/31/2030	\$ 98,857,323.19	\$ 98,857,323.19
'01F032674	FNMA TBA 30YR SINGLE FAMILY JU	3.5	12/1/2099	86,400,000.00	88,938,432.00
'912796DH9	TREASURY BILL	0.01	7/10/2014	85,000,000.00	84,999,787.50
'912796DJ5	UNITED STATES TREASURY SEC	0	7/17/2014	85,000,000.00	84,999,345.50
'922URLI6	NYC CUSTOM STIF	0.02	12/31/2030	83,116,225.20	83,116,225.20
'922URLI6	NYC CUSTOM STIF	0.02	12/31/2030	82,817,876.15	82,817,876.15
'36179QGD7	GNMA II POOL MA1996	4	6/20/2044	67,500,000.00	72,358,650.00
'313589D34	FANNIE DISCOUNT NOTE	0	8/25/2014	62,900,000.00	62,896,855.00
'313385B21	FED HOME LN DISCOUNT NT	0	8/8/2014	58,000,000.00	57,998,260.00
'01F042673	FNMA TBA JUL 30 SINGLE FAM	4.5	12/1/2099	43,800,000.00	47,434,086.00
'912796BT5	TREASURY BILL	0.01	7/24/2014	47,000,000.00	46,999,327.90
'21H032670	GNMA II TBA JUL 30YR JUMBOS	3.5	12/1/2099	39,800,000.00	41,457,272.00
'912828WG1	US TREASURY N/B	2.25	4/30/2021	37,600,000.00	37,969,984.00
'313397ZU8	FREDDIE MAC DISCOUNT NT	0	7/25/2014	37,800,000.00	37,799,244.00
'313397Q87	FREDDIE MAC DISCOUNT NT	0	11/26/2014	36,000,000.00	35,991,000.00
'912796DE6	TREASURY BILL	0.01	7/3/2014	35,200,000.00	35,199,996.48
'912828A42	US TREASURY N/B	2	11/30/2020	34,075,000.00	34,056,258.75
'01F030470	FNMA TBA JUL 15YR SINGLE FAMIL	3	12/1/2099	31,000,000.00	32,201,250.00
'01F022477	FNMA TBA JUL 15YR	2.5	12/1/2099	31,000,000.00	31,489,180.00
'01F040677	FNMA TBA JUL 30YR SINGLE FAM	4	12/1/2099	28,780,000.00	30,542,775.00
'313589D34	FANNIE DISCOUNT NOTE	0	8/25/2014	30,000,000.00	29,998,500.00
'21H040673	GNMA II TBA JUL 30 4.0PCT	4	12/1/2099	27,700,000.00	29,643,432.00
'912828NT3	US TREASURY N/B	2.625	8/15/2020	26,410,000.00	27,483,038.30
'02R030673	FHLMC GOLD CONV	3	12/1/2099	27,700,000.00	27,325,496.00
'21H032670	GNMA II TBA JUL 30YR JUMBOS	3.5	12/1/2099	26,000,000.00	27,082,640.00
'912828V56	US TREASURY N/B	2.5	8/15/2023	26,400,000.00	26,556,816.00
'02R042678	FHLMC TBA JUL 30 GOLD SINGLE	4.5	12/1/2099	24,000,000.00	25,974,720.00
'01F032674	FNMA TBA 30YR SINGLE FAMILY JU	3.5	12/1/2099	24,960,000.00	25,693,324.80
'21H042679	GNMA II TBA JUL 30 4.5PCT	4.5	12/1/2099	23,000,000.00	25,113,930.00
'01F032674	FNMA TBA 30YR SINGLE FAMILY JU	3.5	12/1/2099	23,914,000.00	24,616,593.32
'912810RD2	US TREASURY N/B	3.75	11/15/2043	22,730,000.00	24,548,400.00
'01F040677	FNMA TBA JUL 30YR SINGLE FAM	4	12/1/2099	23,000,000.00	24,408,750.00
'01F050676	FNMA TBA JUL 30 SINGLE FAM	5	7/1/2099	21,930,000.00	24,352,607.10
'01F030470	FNMA TBA JUL 15YR SINGLE FAMIL	3	12/1/2099	23,000,000.00	23,891,250.00
'313397C82	FREDDIE MAC DISCOUNT NT	0	8/22/2014	23,700,000.00	23,699,052.00
'31417EWJ6	FNMA POOL AB7848	3	2/1/2043	23,406,012.72	23,149,716.88
'01F032674	FNMA TBA 30YR SINGLE FAMILY JU	3.5	12/1/2099	22,000,000.00	22,646,360.00
'922URLI6	NYC CUSTOM STIF	0.02	12/31/2030	21,187,267.64	21,187,267.64
'912828RR3	US TREASURY N/B	2	11/15/2021	21,000,000.00	20,737,500.00
'912810FG8	US TREASURY N/B	5.25	2/15/2029	16,000,000.00	20,510,080.00
'21H030674	GNMA II SINGLE FAMILY TBA	3	12/1/2099	20,000,000.00	20,187,600.00
'92343VBS2	VERIZON COMMUNICATIONS	6.4	9/15/2033	16,195,000.00	19,837,903.30
'02R040672	FHLMC GOLD TBA 30 YR TBA	4	12/1/2099	18,700,000.00	19,810,406.00
'3137EADB2	FREDDIE MAC	2.375	1/13/2022	19,780,000.00	19,741,033.40
'912828WR7	US TREASURY N/B	2.125	6/30/2021	19,580,000.00	19,576,867.20
'01F030686	FNMA CONV TBA 30YR	3	12/1/2099	19,500,000.00	19,215,105.00
'912828UB4	US TREASURY N/B	1	11/30/2019	19,910,000.00	19,138,487.50
'02R030673	FHLMC GOLD CONV	3	12/1/2099	19,000,000.00	18,743,120.00
'01F030678	FNMA TBA	3	12/1/2099	\$ 18,780,000.00	\$ 18,552,574.20

New York City Police Pension Fund
QPP Top 50 Equity Asset Holdings
as of June 30, 2014

CUSIP Number	Security Name	Shares/Par Value	Base Market Value
'922VQL904	DE SHAW COMPOSITE FUND, LLC	\$ 117,000.00	\$ 171,248,998.40
'ACI06VJW0	MARATHON CTR ST PARTNERSHIP	5,719,690.57	147,978,564.66
'922VQG905	CITY PLAN FUND, LLC	103,217.69	118,545,246.37
'923CXG908	AFL CIO HOUSING INV TRUST	104,066.38	118,272,582.19
'999990310	PRIVEST	4,319.12	115,299,481.98
'ACI06VJX8	OAK HILL CTR ST PARTNERSHIP	4,471,850.63	100,869,598.35
'037833100	APPLE INC	1,083,928.00	100,729,429.04
'911FAX903	DOUBLE BLACK DIAMOND LTD LIMIT	85,000.00	93,492,258.46
'922VQH903	FIR TREE INTL VALUE FD	81,078.49	93,135,071.86
'ACI06VHR3	APOLLO CENTRE ST PARTNERSHIP	14,854,885.05	89,830,980.80
'ACI013EM4	DIVCOWEST FUND III REIT LLC	64,231,685.52	85,606,705.83
'ACI08C7T0	LUXOR CAPITAL	87,000.00	85,555,800.00
'ACI006P15	JP MORGAN STR PROPERTY FD	36,890.31	84,824,936.01
'ACI01BY28	BLACKSTONE RE PARTNERS VII	67,631,130.00	84,240,862.11
'94599F981	UBS TRUMBULL PROPERTY FUND	755,004.66	79,429,660.50
'922VQD902	BRIGADE LEVERAGED CAPITAL	67,000.00	78,260,442.30
'ACI06VK08	AG CENTRE ST PARTNERSHIP	57,289.58	77,795,457.99
'30231G102	EXXON MOBIL CORP	771,982.00	77,723,147.76
'70399H922	PERRY PARTNERS LP	68,000.00	74,488,948.01
'922VQE900	CASPIAN SELECT CREDIT FUND	59,673.22	73,363,570.49
'98899C937	YUCAIPA AMERICAN ALLIANCE II	40,445,753.30	70,002,862.68
'975EFB902	VISTA EQUITY PARTNERS FUND IV,	64,838,218.00	67,855,918.34
'09699E916	BLUE TREND FUND	66,918.99	65,175,070.88
'74199B911	PRUDENTIALS PRISA II	23,040.32	63,840,236.28
'594918104	MICROSOFT CORP	1,484,918.00	61,921,080.60
'ACI05W1K4	PHARO MACRO FUND, LTD.	19,694.01	61,239,742.48
'922VQB906	BREVAN HOWARD SERIES L	64,000.00	61,207,437.89
'922VQC904	BREVAN HOWARD / DIRECT, LP	57,407.96	58,298,561.77
'988BKG904	BLACKSTONE RE VI	31,435,717.00	57,672,532.25
'ACI00HRS0	AXA SECONDARY FUND V, PL	36,827,229.00	56,807,413.82
'478160104	JOHNSON + JOHNSON	507,750.00	53,120,805.00
'ACI08B440	LASALLE US PROPERTY FUND	43,719,961.29	50,743,048.43
'922VQM902	CCP QUANTITATIVE FUND, LP	68,000.00	47,753,502.25
'369604103	GENERAL ELECTRIC CO	1,802,627.00	47,373,037.56
'979GF5906	PRUDENTIAL PRISA III	1,355,197.80	47,192,678.99
'ACI05JGB7	OAKTREE OPPORTUNITIES FUND IX,	19,624,513.27	46,911,790.61
'921ZN5904	LONE STAR FUND VIII	36,570,143.59	46,703,328.11
'949746101	WELLS FARGO + CO	858,415.00	45,118,292.40
'ACI00AOF3	AVENUE SPECIAL SITUATIONS VI	37,938.93	45,099,986.36
'166764100	CHEVRON CORP	342,166.00	44,669,771.30
'12999L986	CARLYLE PARTNERS V L.P.	32,563,576.00	43,484,943.50
'084670702	BERKSHIRE HATHAWAY INC CL B	329,026.00	41,641,530.56
'ACI00WK02	BC EUROPEAN CAPITAL IX, L.P	27,638,215.65	40,970,122.25
'45199J922	TRILANTIC CAPITAL PARTNERS IV	24,500,541.31	40,943,614.10
'ACI06VJ42	FORTRESS CNTRE ST PARTNERSHIP	32,889.68	40,206,524.99
'423079912	HEITMAN AMERICA REAL ESTATE TR	40,253.37	39,607,901.01
'46625H100	JPMORGAN CHASE + CO	683,731.00	39,396,580.22
'959RUT907	AVISTA CAP PARTNERS FD II LP	28,053,618.00	39,078,942.36
'979FZ5906	CREDIT SUISSE EM DOM MGRS FD	\$ 33,913,973.77	\$ 38,947,214.45

NEW YORK CITY		
POLICE PENSION FUND		
INVESTMENT SUMMARY		
YEAR ENDED JUNE 30, 2014		
Type of Investments:	Fair Value	Percentage of Total Fair Value
Fixed Income:		
Corporate Bonds	\$4,155,521,314	11.81%
U.S Government Securities	2,898,300,269	8.24%
Mortgages debt securities	826,814,843	2.35%
Total Fixed Income	7,880,636,426	22.40%
Promissory Notes	-	
Domestic Equities:	13,831,621,942	39.30%
International Equities:	5,794,519,184	16.47%
Treasury Inflation Protected Securities	969,643,498	2.76%
Alternative Investments	5,411,414,785	15.38%
Short-term Investments:		
Short-term Investments	493,329,847	1.40%
Commercial Paper	149,064,668	0.41%
Discount Notes & Treasury Bills	660,147,557	1.88%
Total Short-term	1,302,542,072	3.69%
Total Market Value*	\$ 35,190,377,906	100.00%
*Security lending transactions of \$3,745,970,720 not included in total.		
All returns are Time weighted rates of return.		
For periods greater than one year, returns are analyzed.		

New York City Police Pension Fund Broker Commission Report

Fiscal year beginning July 1, 2013

Report includes the following period: June 2014

Broker Name	POLICE Shares	POLICE Commission	POLICE Cents Per Share
ABEL NOSER CORPORATION Total	96,071	\$1,996.36	\$0.05
ABG SECURITIES LIMITED Total	15,184	800.36	0.05
ABG SECURITIES, OSLO Total	13,648	269.00	0.13
ACADEMY SECURITIES INC Total	58,461	1429.77	0.05
AGORA COR DE TITUL E VAL MOB Total	578,153	4474.03	0.03
ALBERT FRIED & COMPANY LLC Total	76,060	2293.80	0.03
AMERICAN PORTFOLIOS FINANIAL Total	328	13.12	0.04
ANCORA SECURITIES INC Total	38,049	1742.26	0.09
APEX CLEARING CORPORATION Total	1,670	16.70	0.01
AQUA SECURITIES L.P. Total	48,750	975.00	0.04
AROS SECURITIES AB Total	24,423	593.94	0.02
ARQAAM SECURITIES LLC Total	1,013,878	4080.49	0.00
AS LHV PANK Total	113,936	114.47	0.00
AUTREPAT-DIV RE Total	106	9.08	0.09
AVONDALE PARTNERS, LLC Total	24,529	936.34	0.08
B.RILEY & CO., LLC Total	36,137	1061.21	0.06
BAIRD ROBERT W & CO INC Total	301,889	11309.46	0.04
BANCO PACTUAL S.A. Total	167,081	3747.96	0.02
BANCO SANTANDER CENTRAL HISPANO Total	26,394	481.11	0.02
BANK OF NEW YORK BRUSSELS Total	10,666	1122.86	0.11
BARCLAYS BANK PLC Total	195,419	1009.43	0.01
BARCLAYS CAPITAL Total	4,046,062	28450.43	0.01
BARCLAYS CAPITAL INC Total	3,432	49.59	0.01
BARCLAYS CAPITAL INC./LE Total	85,409	2665.81	0.09
BARCLAYS CAPITAL LE Total	4,974,393	76208.40	0.08
BARCLAYS CAPITAL SECS LONDON Total	4,373,628	8673.47	0.15
BARRINGTON RESEARCH ASSOCIATES INC. Total	27,250	1222.75	0.09
BAY CRESTPARTNERS LLC Total	800	28.00	0.04
BAYPOINT TRADING LLC Total	265,042	11027.52	0.04
BB&T SECURITIES, LLC Total	611,505	22504.67	0.07
BELL POTTER SECURITIES LIMITED Total	21,722	99.64	0.00
BERENBERG BANK, HAMBURG Total	63,607	1932.54	0.00
BLAIR WILLIAM & COMPANY LLC Total	302,757	11244.99	0.08
BLAYLOCK & CO INC Total	142,144	3158.78	0.02
BLAYLOCK ROBERT VAN LLC Total	567,007	13938.56	0.02
BLOOMBERG TRADEBOOK Total	228,456	4170.72	0.02
BLOOMBERG TRADEBOOK LLC Total	882,725	22439.28	0.08
BMO CAPITAL MARKETS Total	193,381	6702.08	0.07
BMO NESBITT BURNS CORP Total	92,753	2650.76	0.03
BNP PARIBAS PEREGRINE SECS HK Total	5,289,432	9940.98	0.00
BNP PARIBAS PEREGRINE SECURITIES Total	6,551	1052.79	0.16
BNP PARIBAS PRIME BROKERAGE, INC. Total	6,823	\$272.90	\$0.04

New York City Police Pension Fund Broker Commission Report

Fiscal year beginning July 1, 2013

Report includes the following period: June 2014

Broker Name	POLICE Shares	POLICE Commission	POLICE Cents Per Share
BNP PARIBAS SECS SERVICES, LDN Total	13,100	\$2,282.70	\$0.33
BNP PARIBAS SECURITIES (ASIA) LTD. Total	1,382,368	4200.06	0.00
BNP PARIBAS SECURITIES CORP Total	8,197	289.90	0.04
BNP PARIBAS SECURITIES SERVICES Total	124,684	6122.32	0.13
BNY BROKERAGE INC Total	2,900	87.00	0.03
BNY CONVERGEX LJR Total	185,196	5,541.88	0.03
BNY DAVY SEC LTD Total	80,897	3235.89	0.04
BRADESCO S.A CTVM Total	13,602	480.27	0.04
BREAN CAPITAL LLC Total	138,809	4602.07	0.03
BREAN MURRAY, CARRET & CO., LLC Total	21,167	603.12	0.07
BROADCORT CAPITAL CORP-SUB OF Total	2,682	88.51	0.03
BROCHHOUSE COOPER Total	84,964	464.33	0.01
BROCKHOUSE AND COOPER MONTREAL CANA Total	631,344	2381.41	0.02
BTIG, LLC Total	709,473	25841.49	0.06
BUCKINGHAM RESEARCH GROUP INC Total	210,805	9099.25	0.09
CABRERA CAPITAL MARKETS Total	2,853,537	87965.53	0.06
CABRERA CAPITAL MARKETS LLC Total	1,117,702	3584.66	0.02
CALYON SECURITIES Total	1,059,904	9377.66	0.01
CANACCORD GENUITY INC Total	83,944	3370.60	0.04
CANACCORD NOMINEES LIMITED Total	2,241	15.60	0.00
CANACCORDGENUITY INC. Total	86,797	3423.26	0.04
CANADIAN DEPOSITORY FOR SEC TORONTO Total	1,295	49.48	0.04
CANADIAN DEPOSITORY FOR SECURITIES Total	24,546	923.80	0.04
CANADIAN IMPERIAL BANK OF COMMERCE Total	60,773	247.06	0.00
CANTOR FITZGERALD & CO Total	683,205	22678.53	0.10
CANTOR FITZGERALD & CO / CASTLEOAK SEC Total	89,655	2704.85	0.03
CANTOR FITZGERALD EUROPE Total	43,204	136.18	0.00
CANTOR FITZGERALD MIS BROKERS Total	50	1.00	0.02
CANTOR FITZGERALD/CANTOR CLEARING SERV Total	1,630,800	20969.65	0.01
CANTOR FITZGERALD/CASTLEOAK Total	84,396	2261.88	0.03
CANTOR FITZGERALD/CLEARING SVC Total	405,038	5510.58	0.03
CAP INSTL SVCS INC-EQUITIES Total	46,349	899.86	0.02
CAPITAL INSTITUTIONAL SVCS INC EQUITIES Total	165,554	2731.88	0.02
CAPITAL MARKETS BROKERS LIMITED Total	4,992,849	4414.72	0.00
CARNEGIE BANK A S COPENHAGEN Total	77,522	526.67	0.00
CELFIN CAPITAL SA CORREDORES DE BOL Total	278,500	1216.68	0.02
CENTRAL SECURITIES CLEARING SYSTEM Total	408,003	574.33	0.00
CHEEVERS & CO. INC. Total	2,002,410	56119.80	0.06
CHINA FORTUNE SECURITIES LTD Total	624,407	453.56	0.00
CHINA INTERNATIONAL CAPITAL CO Total	16,035,457	30938.92	0.00
CHINA INTL CAP CORP LIMITED Total	915,422	\$568.39	\$0.00

New York City Police Pension Fund Broker Commission Report

Fiscal year beginning July 1, 2013

Report includes the following period: June 2014

Broker Name	POLICE Shares	POLICE Commission	POLICE Cents Per Share
CIBC LONDON Total	277,112	\$10,667.18	\$0.04
CIBC WORLD MARKETS - TORONTO Total	10,264	188.40	0.04
CIBC WORLD MARKETS INC Total	16,939	677.56	0.04
CICC US SECURITIES INC Total	259,982	1713.55	0.03
CIMB SECURITIES (HK) LTD. Total	292,000	189.42	0.00
CIMB-GK SECURITIES PTE.LTD. Total	32,321	78.93	0.00
CITATION GROUP Total	726	23.96	0.03
CITIBANK N.A. NEW YORK Total	68,635	352.05	0.01
CITIBANK NA, LONDON Total	13,526	203.78	0.00
CITIGROUP GLOBAL MARKETS AUSTRALIA Total	5,316	75.06	0.01
CITIGROUP GLOBAL MARKETS INC Total	6,389,104	23112.78	0.13
CITIGROUP GLOBAL MARKETS INDIA PRV Total	301,764	371.84	0.00
CITIGROUP GLOBAL MARKETS KOREA SEC Total	4,861	502.19	0.09
CITIGROUP GLOBAL MARKETS LTD, LDN Total	1,207,851	8912.77	0.41
CITIGROUP GLOBAL MKTS INC, TAIPEI Total	28,162	57.72	0.00
CITIGROUPGLBL MARKET KOERA SECS LTD Total	18,595	991.07	0.05
CITIGROUPGLOBAL MARKETS AUSTRALIA PTY Total	214,872	129.40	0.00
CITIGROUPGLOBAL MARKETS INC. Total	14,936,381	49151.49	0.05
CITIGROUPGLOBAL MARKETS INDIA Total	131,585	189.47	0.00
CITIGROUPGLOBAL MARKETS LIMITED Total	9,384,568	36399.45	0.00
CJS SECURITIES INC. Total	35,180	1759.00	0.10
CLSA AUSTRALIA PTY LTD Total	5,090	19.51	0.00
CLSA LTD, HONG KONG Total	1,302,156	4454.06	0.07
CLSA SECURITIES KOREA Total	19,073	9895.71	4.58
CLSA SECURITIES KOREA LTD. Total	966	162.88	0.17
CLSA SINGAPORE PTE LTD Total	4,495,392	14027.57	1.46
COLLINS STEWART EUROPE LTD Total	11,284	78.75	0.00
COMMERZBANK AG, FRANKFURT Total	16,687	603.26	0.00
COMPASS POINT RESEARCH + TRADING, LLC Total	28,062	1335.28	0.10
CONCEPT CAPITAL MARKETS,LLC Total	3,053	91.59	0.03
CONVERGEX EXECUTION SOLUTIONS Total	718,165	22627.82	0.03
CONVERGEXEXECUTION SOLUTIONS LLC Total	1,748,365	54826.68	0.03
COWEN & CO LLC Total	142,033	6597.12	0.05
COWEN ANDCOMPANY, LLC Total	203,333	8623.08	0.04
CRAIG - HALLUM Total	327,354	10198.92	0.06
CREDIBOLSA SOCIEDAD AGENTE Total	82,430	674.00	0.01
CREDIT AGRICOLE Total	1,306,397	25003.16	0.02
CREDIT AGRICOLE SEC USA Total	11,284	78.75	0.00
CREDIT AGRICOLE SECURITIES USA INC Total	429,411	4293.15	0.04
CREDIT LYON SECS ASIA LTD, TAIPEI Total	2,952,043	13039.13	0.02
CREDIT LYONNAIS SECURITIES (ASIA) Total	414,891	5686.75	0.01
CREDIT LYONNAIS SECURITIES (USA) INC Total	1,511	\$4.07	\$0.00

New York City Police Pension Fund Broker Commission Report

Fiscal year beginning July 1, 2013

Report includes the following period: June 2014

Broker Name	POLICE Shares	POLICE Commission	POLICE Cents Per Share
CREDIT LYONNAIS SECURITIES INDIA Total	900,269	\$29,096.42	\$0.11
CREDIT LYONNAIS SECURITIES(ASIA) Total	10,170,304	8403.06	0.00
CREDIT AGRICOLE SEC USA Total	16,317	563.60	0.03
CREDIT AGRICOLE SECURITIES USA INC Total	429,411	4293.15	0.04
CREDIT LYON SECS ASIA LTD, TAIPEI Total	2,952,043	13039.13	0.02
CREDIT LYONNAIS SECURITIES (ASIA) Total	414,891	5686.75	0.01
CREDIT LYONNAIS SECURITIES (USA) INC Total	1,511	4.07	0.00
CREDIT LYONNAIS SECURITIES INDIA Total	900,269	29096.42	0.11
CREDIT LYONNAIS SECURITIES(ASIA) Total	10,170,304	8403.06	0.00
CREDIT RESEARCH + TRADING LLC Total	31,183	1343.86	0.08
CREDIT SUIS FST BOSTON (EUR), SEOUL Total	7,515	563.21	0.09
CREDIT SUISSE 1ST BOSTON CORP, NY Total	7,603,728	10141.05	0.03
CREDIT SUISSE FIRST BOSTON Total	1,481,085	16168.22	0.53
CREDIT SUISSE FIRST BOSTON (EUROPE) Total	65,740	7875.91	0.12
CREDIT SUISSE FIRST BOSTON HK Total	11,360,454	3978.66	0.05
CREDIT SUISSE FIRST BOSTON SA CTVM Total	3,892	1.17	0.00
CREDIT SUISSE FIRST BOSTON, LDN Total	142,800	546.78	0.01
CREDIT SUISSE SECS (MALAYSIA) Total	104,213	51.75	0.00
CREDIT SUISSE SECS (USA) LLC Total	349,452	14,036.63	0.07
CREDIT SUISSE SECS INDIA PRIVATE LTD Total	2,056,346	5,045.99	0.00
CREDIT SUISSE SECS USA LLC Total	2,503	100.12	0.04
CREDIT SUISSE SECURITIES (EUROPE) LTD Total	7,116,958	34040.19	0.01
CREDIT SUISSE SECURITIES (USA) LLC Total	65,016,677	114282.01	0.01
CS FIRST BOSTON (HONG KONG) LIMITED Total	2,495,632	4276.11	0.00
CS FIRST BOSTON INDIA SEC PTE LTD Total	869,724	2024.77	0.02
CSFB (EUROPE) LTD, LONDON Total	4,394	35.84	0.01
CSFB AUSTRALIA EQUITIES LTD Total	62,278	296.13	0.00
CSFB AUSTRALIA SECURITIES LTD, MEL Total	88,725	532.65	0.00
CSI US INSTITUTIONAL DESK Total	23,893	801.90	0.03
CUTTONE & CO. INC Total	2,724	95.34	0.07
DAEWOO SECURITIES CO LTD Total	3,810	333.66	0.09
Daiwa Total	3,249	136.72	0.04
DAIWA SECURITIES (HK) LTD. Total	560,856	2162.97	0.00
DAIWA SECURITIES AMERICA Total	173,993	5598.14	0.82
DAIWA SECURITIES AMERICA INC Total	875,829	6067.46	0.01
DAIWA SECURITIES SMBC HK LTD Total	590,538	1975.36	0.03
DAIWA SECURITIES SMBC INDIA PR Total	63,723	335.92	0.01
DANSKE BANK A.S. Total	12,051	465.28	0.04
DANSKE BANK AS COPENHAGEN Total	3,210	38.93	0.00
DAVENPORT AND COMPANY LLC Total	4,640	185.60	0.04
DAVIDSON D.A & CO INC NSCC Total	67,895	1783.65	0.03
DAVIDSON D.A. + COMPANY INC. Total	113,652	\$4,096.68	\$0.04

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DAVY STOCKBROKERS Total	134,620	\$2,148.90	\$0.02
DAVY STOCKBROKERS, DUBLIN Total	136,051	1504.19	0.01
DBS VICKERS SECURITIES (S) PTE LTD Total	94,808	728.77	0.02
DBS VICKERS SECURITIES (SINGAPORE) Total	33,300	1666.79	0.05
DEUTSCHE BANC SECURITIES INC. Total	18,640,109	93880.62	0.60
DEUTSCHE BANK AG Total	9,186	42.03	0.00
DEUTSCHE BANK AG, LONDON Total	919,733	7433.30	0.02
DEUTSCHE BANK ALEX BROWN Total	200	10.00	0.05
DEUTSCHE EQ IN PRVT LIM DB Total	119,185	11639.26	0.10
DEUTSCHE SECURITIES ASIA LTD Total	5,953,145	13215.73	0.09
DEUTSCHE SECURITIES ASIA LTD TAIPEI Total	77,252	2335.63	0.03
DEUTSCHE SECURITIES ASIA LTD, HK Total	149,803	118.07	0.00
DEUTSCHE SECURITIES KOREA CO, SEOUL Total	6,310	3283.83	0.52
DNB NOR MARKETS CUSTODY Total	5,647	85.80	0.02
DNB NOR MARKETS CUSTODY DNB NORBANK ASA Total	4,599	261.94	0.06
DONGWON SECURITIES Total	13,367	578.51	0.04
DOUGHERTY COMPANY Total	172,197	6255.52	0.07
DOWLING & PARTNERS Total	19,100	955.00	0.05
DREXEL HAMILTON LLC Total	29,558	978.41	0.07
DSP MERRILL LYNCH LTD Total	1,143,371	7047.33	0.01
DZ BANK AG DEUTSCHE ZENTRAL GENOSSE PLAT Total	3,021	201.76	0.07
EUROCLEARBANK SA NV Total	6,623	124.50	0.02
EVERCORE GROUP LLC Total	32,023	1,271.20	0.07
EXANE S.A. Total	650,504	10175.27	0.02
EXANE, PARIS Total	15,420	679.14	0.27
EXECUTION LIMITED Total	29,679	152.26	0.00
FATOR - DORIA ATHERINO S/A CV Total	766,211	8350.20	0.02
FBN SECURITIES INC Total	5,678	227.12	0.04
FIDELITY CAPITAL MARKETS Total	18,901	509.02	0.05
FIDELITY CLEARING CANADA Total	7,262	277.76	0.04
FIDELITY CLEARING CANADA ULC Total	25,451	527.24	0.06
FIG PARTNERS LLC Total	27,314	610.28	0.04
FINANCIALBROKERAGE GROUP (FBG) Total	57,693	4426.01	0.08
FIRST ANALYSIS SECURITIES CORP Total	31,749	1406.54	0.09
FIRST CLEARING, LLC Total	60,078	2323.56	0.04
FRANK RUSSELL SEC/BROADCORT Total	15	0.15	0.01
FRANK RUSSELL SEC/BROADCORT CAP CLEARING Total	270	2.70	0.01
FRED, ALBERT & CO LLC Total	10,925	327.75	0.03
FRIEDMAN, BILLINGS & RAMSEY Total	541,102	18984.32	0.07
G TRADE SERVICES LTD Total	17,064,672	25536.28	0.00
GABELLI & CO Total	5,010	\$200.40	\$0.08

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GFI SECURITIES LLC Total	1,120	\$ 39.20	\$ 0.04
GILFORD SEC Total	2,300	69.00	0.03
GLOBAL HUNTER SECURITIES Total	67,466	2527.11	0.07
GOLDMAN SACHS (INDIA) Total	612,969	4201.01	0.01
GOLDMAN SACHS (INDIA) SECURITIES Total	160,090	7786.49	0.05
GOLDMAN SACHS AND CO Total	14,273,285	74227.85	0.17
GOLDMAN SACHS CO CUST ISCC PO, NY Total	8,998	170.73	0.02
GOLDMAN SACHS CO, NY Total	4,068,209	7502.48	0.05
GOLDMAN SACHS EXECUTION & CL Total	138,014	2678.58	0.04
GOLDMAN SACHS INTERNATIONAL Total	2,590,115	48746.55	0.05
GOLDMAN SACHS INTL LONDON Total	4,905,299	13082.86	0.16
GOLDMAN SACHS INTL LTD Total	78,683	1190.07	0.02
GOODBODY STOCKBROKERS Total	8,767	115.09	0.01
GOODBODY STOCKBROKERS DUBLIN Total	60,246	864.48	0.08
GREEN STREET ADVISORS Total	6,000	300.00	0.05
GREENTREE BROKERAGE SERVICES Total	16,075	321.50	0.02
GREENTREEBROKERAGE SERVICES INC Total	43,024	860.48	0.02
G-TRADE SERVICES LTD Total	853,801	6494.37	0.20
GUGGENHEIM CAPITAL MARKETS LLC Total	62,994	2435.32	0.08
HEIGHT SECURITIES, LLC Total	6,810	238.35	0.07
HIBERNIA SOUTHCOAST CAPITAL Total	529	21.16	0.04
HIBERNIA SOUTHCOAST CAPITAL INC Total	59,959	2597.16	0.04
HONGKONG AND SHANGHAI BANKING CORP Total	4,859,474	2574.94	0.00
HSBC BANK BRASIL, SAO PAULO Total	33,206	185.92	0.01
HSBC BANK PLC (ALL U.K. OFFICES) Total	38,027	562.90	0.00
HSBC BANK PLC (JC HIB SETTLEMENT) Total	5,234,565	18,590.72	0.40
HSBC BANKBRASIL SA BANCO MULTIPLO Total	443,125	2,273.40	0.01
HSBC BANKPLC Total	12,784,327	45433.26	0.00
HSBC BROKERAGE USA Total	32,780	756.86	0.06
HSBC BROKERAGE (USA) INC Total	12,643	158.04	0.03
HSBC LTD SEOUL SECURITIES BRANCH Total	61,129	1895.01	0.03
HSBC MEXICO S A INSTITUCION Total	121,218	480.31	0.01
HSBC MEXICO S A INSTITUCION DE BANCA MLT Total	158,809	423.10	0.00
HSBC SEC INC NY USA Total	719,252	6650.47	0.03
HSBC SECS BROKERS(ASIA) LTD Total	604,698	653.28	0.00
HSBC SECURITIES Total	4,629,973	2626.95	0.00
HSBC SECURITIES (USA) INC. Total	6,838,772	897.21	0.00
HSBC SECURITIES (USA), INC. Total	7,503	153.71	0.02
HSBC SECURITIES ASIA LTD, TAIPEI Total	3,079,754	2587.93	0.00
HSBC SECURITIES INDIA HLDGS, MUMBAI Total	79,887	\$1,231.03	\$0.03

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HSBC SECURITIES INDIA HOLDINGS Total	151,363	\$6,281.60	\$0.04
HSBC SECURITIES USA INC Total	3,040,891	4544.78	0.01
ICAP DO BRASIL DTVM LTDA Total	739,649	2383.85	0.01
ICICI BROKERAGE SERVICES Total	829,220	3558.01	0.00
IM TRUST S.A. CORREDORES DE BOLSA Total	118,326	45.10	0.00
IMPERIAL CAPITAL LLC Total	24,512	769.45	0.06
ING BANK N V Total	2,705	107.41	0.04
INSTINET Total	2,634,225	24921.82	0.02
INSTINET AUSTRALIA CLEARING SRVC PTY LTD Total	14,646	50.48	0.00
INSTINET CLEARING SERVICES INC Total	1,640,583	30125.08	0.11
Instinet Europe Limited Londo Total	2,709,526	17400.83	0.43
INSTINET LLC Total	1,476,015	14075.35	0.04
INSTINET PACIFIC LTD Total	57,557,349	12636.77	0.00
INSTINET SINGAPORE SERVICES PT Total	345,857	1459.78	0.00
INSTINET SINGAPORE SERVICES PTE LTD Total	271,707	1400.93	0.01
INSTINET U.K. LTD Total	4,918,576	31283.19	0.01
INSTINET US EUROPE Total	1,994	346.66	0.00
INTERACCIONES CASA DE BOLSA MEXICO Total	41,541	325.96	0.01
INVESTEC BANK PLC Total	26,948	490.25	0.02
INVESTEC SECURITIES, LONDON (331) Total	72,182	1106.83	0.04
INVESTMENT TECHN GROUP, DUBLIN Total	283,569	5609.07	0.41
INVESTMENT TECHNOLOGY GROUP Total	2,440,999	36909.37	0.03
INVESTMENT TECHNOLOGY GROUP INC. Total	4,294,577	57706.49	0.03
INVESTMENT TECHNOLOGY GROUP LTD Total	1,452,840	13781.61	0.01
ISI GROUP, INC. Total	612,795	23646.97	0.08
ISLAND TRADER SECURITIES INC Total	900,435	34212.96	0.04
ITAU UNIBANCO SA Total	4,084	202.29	0.05
ITG AUSTRALIA LTD. Total	175,786	310.55	0.00
ITG CANADA Total	49,814	281.24	0.01
ITG CANADA CORP, TORONTO Total	7,915	95.04	0.05
ITG HOENIG LIMITED, HONG KONG Total	5,974,957	6,834.24	0.01
ITG INC. Total	488,205	3,279.50	0.05
ITG SECURITIES (HK) LTD Total	8,296,283	4879.86	0.00
IVY SECURITIES, INC Total	97,725	3133.01	0.03
IVY SECURITIES, INC. Total	197,881	6327.88	0.03
J P MORGAN CORREDORES DE BOLSA SPA Total	40,341	100.00	0.00
J P MORGAN INDIA PRIVATE LTD Total	541,082	7016.11	0.01
J.P. MORGAN CLEARING CORP. Total	2,397,498	26132.44	0.14
J.P. MORGAN SECURITES SINGAP PV LTD Total	169,883	454.13	0.00
J.P. MORGAN SECURITIES (TAIWAN) LTD Total	1,023,080	828.51	0.00
J.P. MORGAN SECURITIES INC. Total	2,167,661	\$54,212.61	\$0.08

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J.P. MORGAN SECURITIES LIMITED Total	5,046	\$9.63	\$0.00
J.P.MORGAN SECURITIES (FAR EAST) LT Total	53,210	1547.00	0.04
J.P.MORGAN SECURITIES(FAR EAST)LTD SEOUL Total	38,330	2665.76	0.07
JANNEY MONTGOMERY SCOTT INC. Total	96,016	4198.78	0.09
JEFFERIES AND COMPANIES INC JERSEY Total	692,323	3953.16	0.76
JEFFERIES LLC Total	1,144,261	27925.67	0.06
JEFFERIES+ COMPANY INC Total	1,345,779	25729.10	0.04
JEFFERIESINTERNATIONAL LTD Total	8,007,373	10176.89	0.00
JEFFRIES INTERNATIONAL LTD LONDON Total	584,424	2506.76	0.04
JMP SECURITIES Total	140,382	4931.15	0.07
JNK SECURITIES INC Total	20,884	912.36	0.08
JOH BERENBERG GOSSLER AND CO Total	74,161	3440.01	0.05
JOHNSON RICE & CO Total	66,712	2100.95	0.07
JONESTRADING INSTITUTIONAL SERVICES LLC Total	441,539	10050.41	0.05
JP MORGAN CHASE BANK Total	539,016	9615.97	0.06
JP MORGAN INDIA PRIVATE LTD, MUMBAI Total	246,762	10407.35	0.16
JP MORGAN SECS AUST LTD PID 2972 Total	50,078	3190.86	0.06
JP MORGAN SECS INC NEW YORK Total	480,911	2162.92	0.05
JP MORGAN SECS LTD (EQUITIES), LDN Total	17,961	326.49	0.02
JP MORGAN SECS LTD LONDON Total	596,574	7452.11	0.28
JP MORGAN SECURITIES (TAIWAN) LTD Total	1,495,343	1435.08	0.00
JP Morgan Securities Inc Total	865,695	13940.19	0.34
JP MORGANSECURITIES AUSTRALIA LTD Total	4,771	66.91	0.01
JP MORGANSECURITIES PLC Total	2,328,711	22827.12	0.01
JPMORGAN CHASE BANK NA Total	62,778	295.35	0.00
JPMORGAN CHASE BANK NA LONDON Total	4,231	6.38	0.00
JPMORGAN SECURIT (ASIA PACIFIC), HK Total	6,507,472	2950.96	0.01
JPMORGAN SECURITIES(ASIA PACIFIC)LTD Total	4,658,046	5629.22	0.00
KEEFE BRUYETTE & WOODS INC. Total	347,157	13206.74	0.13
KEEFE BRUYETTE AND WOOD LIMITED Total	13,962	690.98	0.14
KEMPEN + CO N.V. Total	5,326	222.11	0.04
KEPLER EQUITIES, PARIS Total	434,702	12224.08	0.16
KEYBANC CAPITAL MARKETS INC. Total	646,610	25637.69	0.12
KIM ENG SECS (THAILAND) PCL Total	443,128	6968.38	0.02
KIM ENG SECURITIES (HK) LTD. Total	472,665	2761.38	0.01
KING, CL, & ASSOCIATES Total	377,996	12840.78	0.03
KING, CL,& ASSOCIATES, INC Total	856,650	33620.55	0.04
KINGSWAY FINANCIAL SERVICES GP LTD Total	1,559,618	1196.98	0.00
Knight Capital Americas LLC Total	3,960	51.88	0.01
KNIGHT CLEARING SERVICES LLC Total	50,566	339.11	0.03
KNIGHT DIRECT LLC Total	23,916	\$119.75	\$0.01

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KNIGHT EQUITY MARKETS L.P. Total	534,155	\$25,214.55	\$0.11
KOTAK SECURITIES LTD Total	49,824	2126.88	0.04
KOTAK SECURITIES MUMBAI Total	80,958	3152.26	0.04
LADENBURG THALMAN & CO Total	619	12.38	0.04
LARRAIN VIAL Total	3,648	27.52	0.01
LAZARD FRERES & COMPANY Total	50,813	2392.83	0.05
LEERINK SWANN AND COMPANY Total	97,908	4033.66	0.08
LIBERUM CAPITAL LIMITED Total	48,204	205.12	0.00
LIQUIDNET ASIA LIMITED Total	45,579	128.71	0.01
LIQUIDNET INC Total	6,953,971	141040.01	0.04
LONGBOW SECURITIES LLC Total	97,439	4156.81	0.08
LOOP CAPITAL MARKETS Total	6,546,669	157733.69	0.06
LOOP CAPITAL MARKETS INC Total	896	17.92	0.02
LOOP CAPITAL MARKETS LLC Total	438,464	3316.44	0.05
LYNCH JONES & RYAN INC Total	121,778	3518.74	0.03
LYNCH JONES RYAN Total	300	6.00	0.02
MIMWARBURG Total	6,345	827.41	0.13
M RAMSEY KING SECURITIES, INC. Total	235,547	6942.16	0.09
M. RAMSEY KING SECURITIES Total	16,569	497.07	0.03
MACQUARIE BANK LIMITED Total	10,518,652	14667.41	0.03
MACQUARIE CAPITAL USA INC Total	12,193	326.49	0.03
MACQUARIE SECS USA INC Total	64,376	2927.44	0.05
MACQUARIE SECURITIES AUSTRALIA LTD Total	3,271	13.29	0.00
MACQUARIE SECURITIES LTD - SEOUL Total	50,642	2872.61	0.13
MACQUARIEBANK LIMITED Total	4,332,344	16894.29	0.00
MACQUARIECAPITAL (EUROPE) LTD Total	59,773	1198.09	0.02
MACQUARIECAPITAL (USA) INC Total	16,131	76.72	0.00
MACQUARIESEC NZ LTD Total	59,184	101.76	0.00
MACQUARIESECURITIES (INDIA) PVT LTD Total	134,721	5177.35	0.04
MACQUARIESECURITIES (USA) INC Total	57,621	1965.50	0.03
MAINFIRST BANK AG Total	4,385	1107.02	0.15
MAINFIRSTBANK DE Total	107,170	2542.00	0.02
MAXIM GROUP Total	83,103	3339.63	0.08
MERRILL LYNCH Total	98,899	1290.13	0.05
MERRILL LYNCH AND CO INC Total	118,195	325.45	0.00
MERRILL LYNCH AND CO INC NEW YORK Total	175,943	1648.48	0.01
MERRILL LYNCH CANADA INC Total	42,500	513.26	0.01
MERRILL LYNCH CO INC (AGS), NY Total	264,444	887.61	0.00
MERRILL LYNCH CORREDORES DE BOLSA S Total	6,229	63.50	0.01
MERRILL LYNCH FINANCE SA Total	37,139	105.33	0.00
MERRILL LYNCH INTERNATIONAL Total	28,246,508	\$89,442.44	\$0.00

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MERRILL LYNCH INTL LTD EQUIT SETTLE Total	4,887,129	\$28,555.64	\$1.02
MERRILL LYNCH PIERCE FENNER Total	670,072	25127.76	0.06
MERRILL LYNCH PIERCE FENNER + SMITH INC Total	938,327	24334.77	0.05
MERRILL LYNCH PIERCE FENNER AND S Total	5,097,533	36603.84	0.01
MERRILL LYNCH PIERCE FENNER Smith I Total	416,192	8607.25	0.39
MERRILL LYNCH PROFESSIONAL Total	52,303	2244.07	0.04
MERRILL LYNCH PROFESSIONAL CLEARING CORP Total	231,872	10294.11	0.04
MERRILL LYNCH SA CTVM, SAO PAULO Total	34,169	112.57	0.00
MERRILL LYNCH, PIERCE, FENNER, SMITH Total	1,062,762	8144.12	0.12
MERRILL LYNCH/JPM Total	1,083	21.66	0.02
MIDWOOD SECURITIES Total	46,438	1857.52	0.08
MILLER, TABAK, HIRSCH & CO Total	211	4.22	0.02
MIRABAUD SECURITIES LLP Total	37,061	695.74	0.02
MIRAE ASSET SECURITIES Total	126,273	16624.22	1.33
MISCHLER FINANCIAL GROUP, INC Total	22,972	784.85	0.03
MISCHLER FINANCIAL GROUP, INC-EQUITIES Total	49,811	1690.04	0.03
MITSUBISHI UFJ SECURITIES (USA) IN Total	3,246	240.85	0.00
MIZUHO INTERNATIONAL PLC Total	47,917	1041.40	0.02
MIZUHO INTERNATIONAL PLC, LDN Total	3,193	134.51	0.08
MIZUHO SECURITIES ASIA LIMITED Total	24,577	295.34	0.01
MIZUHO SECURITIES USA INC, NY Total	25,583	532.76	0.00
MIZUHO SECURITIES USA INC. Total	138,054	5925.07	0.12
MKM PARTNERS LLC Total	77,371	3340.39	0.09
MLV Total	120	2.40	0.02
MONNESS, CRESPI, HARDT & CO. INC Total	178,440	8922.00	0.10
MONTROSE SECURITIES EQUITIES Total	1,040,566	29823.98	0.06
MORGAN STANLEY Total	1,205,492	7304.22	0.23
MORGAN STANLEY & CO LLC Total	658,675	17023.03	0.22
MORGAN STANLEY AND CO INTL LTD, LDN Total	777,128	2015.90	0.01
MORGAN STANLEY AND CO INTL TAIPEI METRO Total	3,284,181	7943.15	0.00
MORGAN STANLEY AND CO INTL, SEOUL Total	327,590	16806.46	0.49
MORGAN STANLEY AND CO. INTERNATIONAL Total	3,349,397	27281.94	0.09
MORGAN STANLEY CO INC NEW YORK Total	14,877,014	43653.40	0.18
MORGAN STANLEY CO INCORPORATED Total	20,609,760	106714.04	0.03
MORGAN STANLEY CO INTL LTD TAIPEI Total	1,314,290	1524.62	0.00
MORGAN STANLEY DW ASIA HONG KONG Total	382,042	957.52	0.00
MORGAN STANLEY H.K. SECURITIES LTD Total	326,088	131.38	0.00
MORGAN STANLEY INDIA COMPANY PVT Total	16,356	497.08	0.03
MORGAN STANLEY INDIA COMPANY PVT LTD Total	276,160	1195.56	0.00
MORGAN STANLEY INTERNT L LTD Total	38,659	1932.97	0.20
MORGAN STANLEY SECURITIES LIMITED Total	555,663	\$801.54	\$0.00

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MORGAN STANLEY SECURITIES, LONDON Total	117,343	\$562.70	\$0.00
MR BEAL & COMPANY Total	174,103	4,899.38	0.06
National Financial Services LLC Total	273,804	7,513.88	0.06
NEEDHAM & CO Total	309,483	12504.54	0.08
NESBITT BURNS Total	499,386	9922.13	0.02
NESBITT BURNS INC TORONTO Total	193,131	3462.91	0.02
NOBLE INTERNATIONAL INVESTMENTS INC. Total	39,897	1488.91	0.07
NOMURA FINANCIAL AND INVESTMENT Total	113,523	524.54	0.00
NOMURA FINANCIAL AND INVESTMENT KOR Total	34,488	164.93	0.00
NOMURA SECURITIES CO LTD Total	709,425	252.75	0.00
NOMURA SECURITIES INTERNATIONAL INC Total	89,094	1680.65	0.02
NOMURA SECURITIES INTL INC NY Total	6,844	222.16	0.32
NORTH SOUTH CAPITAL LLC Total	2,825	113.00	0.08
NORTHLAND SECURITIES INC. Total	90,766	3472.66	0.08
NUMIS SECURITIES LIMITED Total	65,439	370.54	0.01
ODDO ET CIE Total	19,631	263.98	0.01
O'NEIL, WILLIAM & CO/BCC CLRG Total	1,000	30.00	0.03
OPPENHEIMER + CO. INC. Total	515,893	22820.64	0.13
PACIFIC CREST SECURITIES Total	399,049	16688.32	0.08
PAREL Total	196,610	5160.14	0.03
PAREL, PARIS Total	10,714	1371.40	0.16
PATERSONSSECURITIES LTD Total	100,957	35.55	0.00
PAVILION GLOBAL MARKETS LTD Total	366,712	2092.55	0.01
PENSERRA SECURITIES Total	408,437	15757.55	0.08
PERSHING LLC Total	635,215	19037.92	0.95
PERSHING SECURITIES LIMITED Total	2,221,883	8160.25	0.00
PERSHING SECURITIES LONDON Total	81,610	348.60	0.00
PICKERING ENERGY PARTNERS INC Total	740	25.90	0.04
PIPER JAFFRAY Total	363,770	14425.72	0.08
PIPER JAFFRAY & CO Total	175,922	7510.81	0.04
PIPER JAFFRAY LTD Total	4,929	246.44	0.05
PULSE TRADING LLC Total	1,237,037	15328.98	0.02
RAYMOND JAMES AND ASSOCIATES INC Total	972,633	37963.16	0.15
RBC CAPITAL MARKETS Total	824,754	27429.35	0.07
RBC CAPITAL MARKETS CORP Total	398	15.94	0.04
RBC CAPITAL MARKETS LLC Total	630,050	18567.63	0.03
RBC DOMINION SECURITIES INC. Total	11,880	444.44	0.04
RBC DOMINION SECURITIES TORONTO Total	6,519	248.46	0.08
RBS Asia Limited Total	6,967	10.96	0.00
REDBURN PARTNERS LLP Total	997,148	7729.09	0.01
RENAISSANCE MACRO SECURITIES, LLC Total	9,620	481.00	0.05
RESULT OF DEMERGER Total	8	4.61	1.22
ROBERT W.BAIRD CO.INCORPORATE Total	515,541	\$20,829.63	\$0.04

Broker Commission Report

Fiscal year beginning July 1, 2013

Report includes the following period: June 2014

Broker Name	POLICE Shares	POLICE Commission	POLICE Cents Per Share
ROSENBLATT SECURITIES LLC Total	37,715	1497.14	0.08
ROTH CAPITAL PARTNERS, LLC Total	32,032	1257.67	0.08
ROYAL BANK OF CANADA (AUSTRALIA) Total	54,483	176.77	0.00
ROYAL BANK OF CANADA EUROPE LTD Total	380,917	5,468.32	0.01
ROYAL BANK OF CANADA EUROPE LTD,LDN Total	128,057	2357.14	0.02
SAMSUNG SECURITIES CO LTD Total	121,503	14547.83	0.12
SAMSUNG SECURITIES CO LTD SEOUL Total	335,298	35012.06	0.65
SANDLER O'NEILL & PARTNERS LP Total	130,775	4249.75	0.06
SANFORD C BERNSTEIN AND CO LLC Total	4,324,747	48767.72	0.14
SANFORD C BERNSTEIN AND CO INC Total	1,394	29.76	0.02
SANFORD C. BERNSTEIN LONDON Total	1,887,187	9387.66	0.34
SANFORD C. BERNSTEIN LTD Total	1,056,110	18731.35	0.02
SANTANDER CENTRAL HISPANO BOLSA Total	396,110	1778.36	0.01
SCOTIA CAPITAL (USA) INC Total	53,297	1708.15	0.06
SG AMERICAS SECURITIES LLC Total	370,932	3042.94	0.09
SG ASIA SECURITIES (INDIA) PVT LTD Total	1,539,271	3758.09	0.02
SG ASIA SECURITIES (INOIA) PVT LTD Total	627,259	1598.98	0.00
SG COWEN SECURITIES CORP, NEW YORK Total	208,938	875.31	0.00
SG SECURITIES (HK) LIMITED Total	10,129,240	6746.30	0.00
SG SECURITIES (LONDON) LTD, TAIPEI Total	9,358,169	3594.26	0.00
SG SECURITIES (LONDON) LTD. Total	2,139,661	1147.14	0.00
SG SECURITIES HK Total	16,042,282	18254.31	0.00
SHENYIN AND WANGUO SECURITIES CO. LTD Total	893,706	596.24	0.00
SIDOTI & COMPANY, LLC Total	203,974	7716.11	0.08
SIMMONS & CO Total	4,230	148.05	0.04
SIMMONS +COMPANY INTERNATIONAL Total	46,520	2260.60	0.05
SKANDINAVISKA ENSKILDA BANKEN Total	3,014	23.81	0.00
SKANDINAVISKA ENSKILDA BANKEN LONDON Total	18,073	1218.49	0.07
SMBC NIKKO SECURITIES (HONK KONG) LTD Total	101,865	986.36	0.01
SOCIETE GENERALE BANK AND TRUST Total	4,706	1984.98	0.42
SOCIETE GENERALE LONDON BRANCH Total	3,525,619	19940.14	0.01
SOCIETE GENERALE LONDON BRANCH, LDN Total	1,966,336	8040.89	0.07
SOCIETE GENERALE PARIS ZURICH BRA Total	94,164	3355.76	0.04
SOCIETE GENERALE PARIS, ZURICH Total	1,185	3971.53	3.35
SOURCE CAPITAL GROUP, INC. Total	1,780	89.00	0.05
SSB CUSTODIAN Total	6,800	340.00	0.05
STANDARD BANK LONDON LIMITED Total	6,801	48.10	0.01
STANDARD CHARTERED BANK (HONG KONG) LIMI Total	308,246	2354.62	0.01
STATE STREET BANK AND TRUST CO Total	465	4.62	0.05
STATE STREET GLOBAL MARKETS Total	1,800	54.00	0.03
STATE STREET GLOBAL MARKETS, LLC Total	207,703	2545.58	0.04
STEPHEN M. FERRETTI INC. Total	21,700	\$651.00	\$0.06

New York City Police Pension Fund Broker Commission Report

Fiscal year beginning July 1, 2013

Report includes the following period: June 2014

Broker Name	POLICE Shares	POLICE Commission	POLICE Cents Per Share
STEPHENS, INC. Total	234,259	\$10,246.66	\$0.09
STERNE AGEE & LEACH INC. Total	317,028	12964.57	0.08
STIFEL NICHOLAUS & CO, INC Total	916,185	34675.37	0.27
STOCKBROKERS BOTSWANA LTD, GABORONE Total	53,284	597.02	0.01
STRATEGAS SECURITIES LLC Total	4,080	181.00	0.04
STRATEGASSECURITIES LLC Total	7,740	350.00	0.05
STUART FRANKEL & CO INC Total	43,405	1,736.20	0.08
STURDIVANT AND CO., INC. Total	299,210	14741.65	0.10
SUNTRUST CAPITAL MARKETS, INC. Total	353,650	12988.30	0.07
SVENSKA HANDELSBANKEN Total	4,117	271.74	0.07
TAIWAN DEPOSITORY AND CLEARING CORP Total	1,434,913	37549.80	0.10
TELSEY ADVISORY GROUP LLC Total	977,075	39482.46	0.04
TERA MENKUL DEGERLER A.S. Total	287,423	375.00	0.01
THE BENCHMARK COMPANY, LLC Total	20,163	735.91	0.07
THE HONGKONG AND SHANGHAI BANK Total	170,426	6562.13	0.04
THE WILLIAMS CAPITAL GROUP LP Total	1,050,931	21415.67	0.02
TOPEKA CAPITAL MARKETS INC. Total	72,549	2254.98	0.07
TROIKA DIALOG UK LIMITED Total	93,651	4517.62	0.05
U S BANCORP PIPER JAFFRAY INC Total	7,994	388.73	0.13
UBS AG Total	30,683,035	126734.53	0.02
UBS AG LONDON EQUITIES Total	8,047,564	24522.33	0.29
UBS SECURITIES ASIA LTD Total	9,454,137	27039.83	0.47
UBS SECURITIES AUSTRALIA LTD Total	6,026	362.98	0.00
UBS SECURITIES CANADA INC Total	307,426	2382.17	0.01
UBS SECURITIES INDIA PVT Total	36,392	493.57	0.03
UBS SECURITIES LLC Total	2,180,789	36141.06	0.08
UBS WARBURG AUSTRALIA EQUITIES Total	273,610	297.34	0.00
UBS WARBURG LLC Total	317,014	2304.64	0.01
UBS WARBURG LTD Total	199,972	6697.88	0.03
WARBURG DILLON READ SECURITIES CO Total	85,881	24.18	0.00
WEDBUSH MORGAN SECURITIES INC Total	148,484	6251.15	0.04
WEDBUSH SECURITIES INC Total	144,784	6427.27	0.04
WEEDEN & CO Total	3,781,724	56986.12	0.03
WELLS FARGO SECURITIES, LLC Total	674,175	24980.51	0.09
WILLIAM BLAIR & COMPANY L.L.C Total	381,858	15297.47	0.08
WILLIAMS CAPITAL GROUP LP (THE) Total	2,417,592	41293.62	0.02
WINTERFLOOD SECURITIES LTD Total	23,805	222.13	0.00
WOOD AND COMPANY Total	2,291,352	5331.78	0.00
WOORI INVESTMENT SECURITIES Total	7,236	165.97	0.02
WUNDERLICH SECURITIES INC. Total	87,576	4,030.67	0.09
YAMNER & CO INC (CLS THRU 443) Total	30,189	294.39	0.01
YAMNER & COMPANY, INC. Total	16,174	161.74	0.01
Grand Total	75,160,749	\$695,604.18	\$5.39

New York City

Police Pension Funds

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York



Actuarial Section

Part IV

fiscal year ended

June 30, 2014



OFFICE OF THE ACTUARY

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ROBERT C. NORTH, JR.
ACTING CHIEF ACTUARY

December 10, 2014

Board of Trustees
New York City Police Pension Fund
233 Broadway
New York, NY 10279

Re: Actuarial Information for the Comprehensive Annual Financial Report ("CAFR") for the Fiscal Year Ended June 30, 2014

Dear Members:

The financial objective of the New York City Police Pension Fund ("POLICE" or 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, are intended to 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, 2012 (Lag) actuarial valuation to determine Fiscal Year 2014 Employer Contributions) (the "Actuarial Contributions").

The funding policy of The City of New York (the "City") is to contribute statutorily-required contributions ("Statutory Contributions") and these contributions are generally funded by the City within the appropriate fiscal year.

For Fiscal Year 2014, the Actuarial Contributions to POLICE, are equal to those recommended by the Actuary for the New York City Retirement Systems (the "Actuary") and represent the Statutory Contributions.

During June 2012 the Governmental Accounting Standards Board ("GASB") released two new accounting standards for public pension plans, Statement No. 67 ("GASB67") and Statement No. 68 ("GASB68"), collectively "GASB67/68".

GASB67, *Financial Reporting for Pension Plans*, amends GASB Statement No. 25 ("GASB25") and is effective for financial statements for fiscal years beginning after June 15, 2013 (i.e., Fiscal Year 2014 for POLICE).

GASB68, *Accounting and Financial Reporting for Pensions*, amends GASB Statement No. 27 ("GASB27") and is effective for financial statements for fiscal years beginning after June 15, 2014 (i.e., Fiscal Year 2015 for the City of New York (the "City")).

The City decided to "early implement" and presented its Fiscal Year 2014 financial statements under the provisions of GASB68.

On October 16, 2014 the Actuary published the, "First Annual GASB 67/68 Report for the City of New York and the New York City Retirement Systems For Fiscal Year Ended June 30, 2014" (the "First GASB67/68 Report"). Appendix D of the First GASB67/68 Report contains information developed in accordance with GASB67 for POLICE.

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, 2012 (Lag) Actuarial Valuation." These actuarial assumptions and methods (the "2012 A&M") were first employed in the June 30, 2010 (Lag) actuarial valuation that was used to determine Fiscal Year 2012 Employer Contributions to the Plan.

These actuarial assumptions and methods are generally unchanged from those employed in the June 30, 2011 (Lag) actuarial valuation that was used to determine Fiscal Year 2013 Employer Contributions to the Plan.

These 2012 A&M were developed after reviewing the results of independent actuarial studies dated December 2011 by The Hay Group ("Hay") and November 2006 by The Segal Company ("Segal") in accordance with Section 96 of the New York City Charter, after which the Actuary issued a February 10, 2012 Report entitled "Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and After July 1, 2011 for the New York City Police Pension Fund" ("February 2012 Report").

The Board of Trustees of POLICE adopted those changes in actuarial assumptions that require Board approval. The State Legislature and the Governor enacted Chapter 3 of the Laws of 2013 ("Chapter 3/13") to provide for those changes to the actuarial assumptions and methods that require legislation, including the Actuarial Interest Rate ("AIR") assumption of 7.0% per annum, net of investment expenses.

Note: Tier III assumptions are applied to members hired on and after April 1, 2012 (i.e., "Tier III Revised members").

Benefits and Census Data

A summary of the benefits applicable to Plan members included in the June 30, 2012 (Lag) actuarial valuation is shown later in this Actuarial Section of the CAFR.

Census data are submitted by the Plan's administrative staff and by the employer's payroll facilities 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, 2012 (Lag) actuarial valuation is included in this CAFR. A summary of the census data used in the June 30, 2011 (Lag) actuarial valuation of the Plan is available in the June 30, 2013 CAFR.

Funded Status

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

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

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

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

Presentation Style and Sources of Information

The actuarial information herein is being presented in a manner believed to be consistent with the requirements of the GFOA, and, where applicable, GASB67.

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

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, 2012 (Lag) Actuarial Valuation.
- Active Member Valuation Data.
- Retirants and Beneficiaries Added to and Removed from Rolls.
- Statutory vs. Actuarial Contributions.
- Funded Status based on Entry Age Actuarial Cost Method.
- 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.
- Summary of Plan Provisions.

In addition, the following schedules were prepared by the OA:

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

The Summary of Plan Membership in the Financial Section of the CAFR was also prepared by the OA.

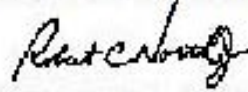
If you have any questions about any of the information in this Actuarial Section or any of the actuarial information presented elsewhere in this CAFR, please do not hesitate to contact Mr. John R. Gibney, Jr., Mr. Edward Hue or me.

Board of Trustees
New York City Police Pension Fund
December 10, 2014
Page 5

Acknowledgement of Qualification

A Statement of Actuarial Opinion ("SAO"), acknowledging the qualification of the Actuary to render the actuarial opinion contained herein, appears at the end of this Actuarial Section.

Respectfully submitted,



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

RCN/srh

Att.

cc: Mr. J.R. Gibney
Mr. K. Holloran
Mr. E. Hue
Mr. A. Papilsky
Mr. S.H. Rumley

400L&R:srh

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION

- (1) 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 recently completed study was published by The Hay Group ("Hay"), dated December 2011, and analyzed experience for Fiscal Years 2006 through 2009. Hay made recommendations with respect to the actuarial assumptions and methods based on their analysis.

The previously completed study was published by The Segal Company ("Segal"), dated November 2006, and analyzed experience for Fiscal Years 2002 through 2005. Segal made recommendations with respect to the actuarial assumptions and methods based on their analysis.

In accordance with the Administrative Code of the City of New York ("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, in part, upon a review of the Segal and Hay studies, the Actuary issued a February 10, 2012 Report entitled "Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and After July 1, 2011 for the New York City Police Pension Fund" ("February 2012 Report").

The Board of Trustees of POLICE adopted those changes to actuarial assumptions that require Board approval. The State Legislature and the Governor enacted Chapter 3 of the Laws of 2013 ("Chapter 3/13") to provide for those changes to the actuarial assumptions and methods that require legislation, including the Actuarial Interest Rate ("AIR") assumption of 7.0% per annum, net of investment expenses, the Entry Age Actuarial Cost Method and the amortization of Unfunded Actuarial Accrued Liabilities.

- (2) The investment rate of return assumption is 7.0% per annum, net of investment expenses.
- (3) The mortality tables for service and disability pensioners were developed from an experience study of the Plan's and the predecessor Plan's pensioners. Sample probabilities are shown in Table 1a. The mortality tables for beneficiaries were developed from experience review. Sample probabilities are shown in Table 1b.
- (4) Active Service tables are used to estimate various withdrawals from Active Service. Sample probabilities are shown in Tables 2a, 2b and 2c for members retiring and dying after eligibility for Service Benefits, in Tables 3a, 3b and 3c for members withdrawing from Active Service due to Death or Disability, and in Table 4 for members withdrawing from Active Service without employer-provided benefits or with Vested Benefits.
- (5) A Salary Scale is used to estimate salaries at termination, retirement or death. Sample percentage increases are shown in Table 5. The Salary Scale includes a General Wage Increase ("GWI") assumption of 3.0% per annum.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION (Cont'd)

- (6) Overtime earnings are also used to estimate salaries at termination, retirement or death. 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 the June 30, 1995 actuarial valuation. Sample percentage increases in the Baseline Overtime assumptions and the Dual Overtime assumptions effective beginning with the June 30, 2010 (Lag) actuarial valuation are shown in Table 6.
- (7) The economic assumptions (i.e., the assumed investment return rate, GWI rate and Cost-of-Living Adjustments ("COLA")) were developed assuming a long-term Consumer Price Inflation ("CPI") assumption of 2.5% per annum. The COLA assumption is 1.5% per annum for Tier I and Tier II members and 2.5% per annum for Tier III members.
- (8) The valuation assumes a closed group of members. Salaries of members on the valuation date are assumed to increase in accordance with the Salary Scale.
- (9) Beginning with the June 30, 2010 (Lag) actuarial valuation, the Entry Age Actuarial Cost Method ("EAACM") of funding is utilized by the Plan's Actuary to calculate the contribution required of the Employer.

Under this method, the Actuarial Present Value ("APV") of Benefits ("APVB") of each individual included in the actuarial valuation is allocated on a level basis over the earnings (or service) of the individual between entry age and assumed exit age(s). The employer portion of this APV allocated to a valuation year is the Employer Normal Cost. The portion of this APV not provided for at a valuation date by the APV of Future Employer Normal Costs or future member contributions is the Actuarial Accrued Liability ("AAL").

The excess, if any, of the AAL over the Actuarial Asset Value ("AAV") is the Unfunded Actuarial Accrued Liability ("UAAL").

Under this method, actuarial gains (losses), as they occur, reduce (increase) the UAAL and are explicitly identified and amortized.

Increases (decreases) in obligations due to benefit changes, actuarial assumption changes and/or actuarial method changes are also explicitly identified and amortized.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION (Cont'd)

- (10) One-Year Lag Methodology ("Lag" or "OYLM") uses a June 30, 2012 valuation date to determine Fiscal Year 2014 Employer Contributions.

This methodology requires technical adjustments to certain components used to determine Fiscal Year 2014 Employer Contributions as follows:

- Present Value of Future Salary ("PVFS").

The PVFS at June 30, 2012 is reduced by the value of salary projected to be paid during Fiscal Year 2013.

- Salary for Determining Employer Contributions.

Salary used to determine the employer normal contribution is the salary projected to be paid during Fiscal Year 2014 to members on payroll at June 30, 2012.

- UAAL Payments.

For determining the UAAL payments for Fiscal Year 2014, and to be consistent with OYLM, the UAAL as of June 30, 2012 is adjusted by the discounted value of employer normal contributions paid during Fiscal Year 2013 and the discounted value of the administrative expenses reimbursed during Fiscal Year 2013 and 2014.

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

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

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

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

The AAVM in effect for the June 30, 2009 (Lag) actuarial valuation was unchanged from the AAVM used in the June 30, 2008 (Lag) actuarial valuation.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION (Cont'd)

The concept in use for the AAVM for actuarial valuations on and after June 30, 2012 is the same as that in use for the June 30, 2009 (Lag) actuarial valuation.

In accordance with this AAVM, actual Unexpected Investment Returns ("UIR") for Fiscal Years 2012, 2013, etc. are phased into the Actuarial Asset Value ("AAV") beginning June 30, 2012, 2013, etc. at rates of 15%, 15%, 15%, 15%, 20% and 20% per year (i.e., cumulative rates of 15%, 30%, 45%, 60%, 80% and 100% over a period of six years).

The Actuary reset the Actuarial Asset Value to the Market Value of Assets ("MVA") as of June 30, 2011 (i.e., "Market Value Restart").

For the June 30, 2010 (Lag) actuarial valuation, the AAV is defined to recognize Fiscal Year 2011 investment performance. The June 30, 2010 AAV is derived as equal to the June 30, 2011 MVA, discounted by the AIR assumption (adjusted for cash flow) to June 30, 2010.

- (12) The obligations of the Plan to the Police Officers' Variable Supplements Fund ("POVSF") and the Police Superior Officers' Variable Supplements Fund ("PSOVSF") are recognized through the Liability Valuation Method.

Under this method, the APV of Future SKIM from the Plan to the POVSF and PSOVSF is included directly as an actuarial liability to the Plan. SKIM is all or a portion of the excess earnings on equity securities of the Plan which are transferable to the POVSF and PSOVSF. The APV of Future SKIM is computed as the excess, if any, of the APV of benefits of the POVSF and PSOVSF offset by the AAV of the POVSF and PSOVSF, respectively. Under the EAACM, a portion of the APV of Future SKIM is reflected in the APV of Future Normal Costs and a portion is reflected in the AAL.

- (13) Distinct male and female probabilities for mortality are used effective June 30, 1995.
- (14) The Actuarial Present Value of Future Benefits ("APVB") as of June 30, 2012, used to determine the Fiscal Year 2014 Employer Contributions, includes estimates of liabilities for:
- World Trade Center Post-Retirement Reclassifications.
- (15) As discussed herein, the actuarial assumptions and methods are generally unchanged from those used in the June 30, 2011 (Lag) actuarial valuation.

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 1a

Deaths among Service and Disability Pensioners

Percentage of Pensioners Dying within Next Year

Age	<u>Service Pensioners</u>		<u>Disability Pensioners</u>	
	Males	Females	Males	Females
40	.0924	.0493	.1479	.0595
45	.1344	.0845	.2089	.1101
50	.1614	.1468	.3124	.1945
55	.3691	.2484	.4636	.3832
60	.5939	.4636	.7467	.5537
65	.9973	.7467	1.1921	.9165
70	1.6666	1.1921	2.0462	1.5179
75	2.8155	2.0462	3.4074	2.5123
80	5.0522	3.4074	6.1261	4.4692
85	8.7037	6.1261	10.5553	7.8883
90	15.2121	10.5553	18.8609	13.5234
95	24.5417	18.5820	28.1805	20.1960
100	33.6045	23.1601	37.1685	23.4195
105	39.7886	29.3116	40.0000	29.3116
110	100.0000	100.0000	100.0000	100.0000

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 1b

Deaths among Beneficiaries

Percentage of Beneficiaries Dying within Next Year

<u>Age</u>	<u>Males</u>	<u>Females</u>
20	.02146	.01246
25	.0292	.0146
30	.0392	.0205
35	.0719	.0411
40	.1021	.0591
45	.2684	.1014
50	.3401	.1846
55	.5880	.3893
60	.8400	.7716
65	1.3072	1.1533
70	1.8086	1.5676
75	2.7100	2.2479
80	5.3016	3.7819
85	8.4627	6.3549
90	15.2335	11.5224
95	24.6664	19.5152
100	33.6045	23.1881
105	39.7886	29.3116
110	100.0000	100.0000

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 2a

Retirements and Deaths after Eligibility for Service Benefits

Tier I and Tier II Members Not Eligible for WTC Benefits

**Percentage of Eligible Active Members Retiring
Or Dying within Next Year**

Age	Service Retirement Years of Service Since First Eligible			Accident Disability Retirement	Ordinary Disability Retirement	Ordinary Death		Accidental Death
	0-1	1-2	2+			Males	Females	
40	60.00	15.00	10.00%	1.25%	.150%	.050%	.040%	.020%
45	60.00	15.00	10.00	1.50	.175	.100	.070	.025
50	60.00	15.00	15.00	2.00	.200	.150	.100	.030
55	60.00	15.00	15.00	3.00	.800	.200	.150	.035
60	60.00	20.00	20.00	5.00	6.000	.300	.200	.040
63	100.00	100.00	100.00	NA	NA	NA	NA	NA

Table 2b

Retirements and Deaths after Eligibility for Service Benefits

Tier I and Tier II Members Eligible for WTC Benefits

**Percentage of Eligible Active Members Retiring
Or Dying within Next Year**

Age	Service Retirement Years of Service Since First Eligible			Accident Disability Retirement	Ordinary Disability Retirement	Ordinary Death		Accidental Death
	0-1	1-2	2+			Males	Females	
40	60.00	15.00	10.00%	2.500%	.150%	.050%	.040%	.020%
45	60.00	15.00	10.00	3.000	.175	.100	.070	.025
50	60.00	15.00	15.00	4.000	.200	.150	.100	.030
55	60.00	15.00	15.00	6.000	.800	.200	.150	.035
60	60.00	20.00	20.00	10.000	6.000	.300	.200	.040
63	100.00	100.00	100.00	NA	NA	NA	NA	NA

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
 IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
 (Cont'd)

Table 2c

Retirements and Deaths after Eligibility for Service Benefits

Tier III Members

**Percentage of Eligible Active Members Retiring
 Or Dying within Next Year**

Age	Service Retirement Years of Service Since First Eligible			Accident Disability Retirement	Ordinary Disability Retirement	Ordinary Death		Accidental Death
	0-1	1-2	2+			Males	Females	
40	60.00	15.00	10.00%	1.200%	.150%	.050%	.040%	.020%
45	60.00	15.00	10.00	1.300	.175	.100	.070	.025
50	60.00	15.00	15.00	1.500	.200	.150	.100	.030
55	60.00	15.00	15.00	2.000	.800	.200	.150	.035
60	60.00	20.00	20.00	3.000	6.000	.300	.200	.040
63	100.00	100.00	100.00	NA	NA	NA	NA	NA

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 3a

Withdrawals from Active Service (Due to Death or Disability)

Tier I and Tier II Members Not Eligible for WTC Benefits

Percentage of Active Members Separating within Next Year

<u>Age</u>	<u>Accidental Disability</u>	<u>Ordinary Disability</u>	<u>Ordinary Death</u>		<u>Accidental Death</u>
			<u>Males</u>	<u>Females</u>	
20	.150%	.050%	.040%	.030%	.010%
25	.200	.075	.040	.030	.010
30	.500	.100	.040	.030	.010
35	1.000	.125	.040	.030	.015
40	1.250	.150	.050	.040	.020
45	1.500	.175	.100	.070	.025
50	2.000	.200	.150	.100	.030
55	3.000	.800	.200	.150	.035
60	5.000	6.000	.300	.200	.040

Table 3b

Withdrawals from Active Service (Due to Death or Disability)

Tier I and Tier II Members Eligible for WTC Benefits

Percentage of Active Members Separating within Next Year

<u>Age</u>	<u>Accidental Disability</u>	<u>Ordinary Disability</u>	<u>Ordinary Death</u>		<u>Accidental Death</u>
			<u>Males</u>	<u>Females</u>	
20	.300%	.050%	.040%	.030%	.010%
25	.400	.075	.040	.030	.010
30	1.000	.100	.040	.030	.010
35	2.000	.125	.040	.030	.015
40	2.500	.150	.050	.040	.020
45	3.000	.175	.100	.070	.025
50	4.000	.200	.150	.100	.030
55	6.000	.800	.200	.150	.035
60	10.000	6.000	.300	.200	.040

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 3c

Withdrawals from Active Service (Due to Death or Disability)

Tier III Members

Percentage of Active Members Separating within Next Year

<u>Age</u>	<u>Accidental Disability</u>	<u>Ordinary Disability</u>	<u>Ordinary Death</u>		<u>Accidental Death</u>
			<u>Males</u>	<u>Females</u>	
20	.150%	.050%	.040%	.030%	.010%
25	.200	.075	.040	.030	.010
30	.500	.100	.040	.030	.010
35	1.000	.125	.040	.030	.015
40	1.200	.150	.050	.040	.020
45	1.300	.175	.100	.070	.025
50	1.500	.200	.150	.100	.030
55	2.000	.800	.200	.150	.035
60	3.000	6.000	.300	.200	.040

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 4

Withdrawals from Active Service

Percentage of Active Members Withdrawing within Next Year

<u>Years of Service</u>	<u>All Tiers Withdrawal</u>	<u>Tier III Early Service Retirement</u>	
		<u>Reduced Retirement</u>	<u>Unreduced Before Full COLA</u>
0	4.00%	NA	NA
1	3.00	NA	NA
2	2.00	NA	NA
3	2.00	NA	NA
4	2.00	NA	NA
5	2.00	NA	NA
10	1.00	NA	NA
15	.30	NA	NA
20	NA	5.00%	NA
21	NA	2.00	NA
22	NA	NA	5.00%
23	NA	NA	2.00
24	NA	NA	2.00

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 5

Salary Scale

<u>Years of Service</u>	<u>Assumed Annual Percentage Increases Within Next Year*</u>
0	3.00%
5	36.00
10	5.00
15	4.50
20	4.00
25	3.50
30	3.50
35	3.50
40	3.50
45	3.50

* Salary Scale includes a General Wage Increase assumption of 3.0% per annum.

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 6

Overtime

<u>Years of Service</u>	<u>All Tiers Baseline</u>	<u>Tier I/II Dual Service</u>	<u>Tier I/II Dual Disability</u>	<u>Tier III Dual Service</u>	<u>Tier III Dual Disability</u>
0	15.00%	18.00%	8.00%	17.00%	12.00%
5	15.00	18.00	8.00	17.00	12.00
10	15.00	18.00	8.00	17.00	12.00
15	15.00	18.00	8.00	17.00	12.00
20	15.00	18.00	12.00	17.00	14.00
25	12.00	15.00	9.00	14.00	11.00
30	7.00	10.00	6.00	9.00	6.00
35	6.00	8.00	6.00	7.00	6.00
40	6.00	8.00	6.00	7.00	6.00
45	6.00	8.00	6.00	7.00	6.00

NEW YORK CITY POLICE PENSION FUND

ACTIVE MEMBER VALUATION DATA

<u>Valuation Date</u>	<u>Number</u>	<u>Annual Payroll⁽¹⁾</u>	<u>Annual Average Pay</u>	<u>Percentage Increase (Decrease) in Average Pay</u>
6/30/99	39,107	\$2,331,956,949	\$59,630	8.7%
6/30/00	40,451	2,465,681,677	60,955	2.2
6/30/01	38,827	2,500,130,264	64,392	5.6
6/30/02	36,536	2,496,249,037	68,323	6.1
6/30/03	35,841	2,433,897,222	67,908	(0.6)
6/30/04	35,049	2,460,750,037	70,209	3.4
6/30/04 (Lag)	35,049	2,757,661,899 ⁽²⁾	78,680	15.9 ⁽³⁾
6/30/05 (Lag)	35,324	2,812,930,169	79,632	1.2
6/30/06 (Lag)	35,194	2,816,928,536	80,040	0.5
6/30/07 (Lag)	34,956	2,961,649,327	84,725	5.9
6/30/08 (Lag)	35,337	3,095,903,827	87,611	3.4
6/30/09 (Lag)	35,608	3,261,118,111	91,584	4.5
6/30/10 (Lag) ⁽⁴⁾	34,597	3,464,096,750	100,127	9.3
6/30/11 (Lag)	33,705	3,480,066,072	103,251	3.1
6/30/12 (Lag)	34,240	3,478,153,934	101,582	(1.6)
6/30/13 (Lag) ⁽⁵⁾	34,775	3,524,803,978	101,360	(0.2)

⁽¹⁾ Annual Payroll was increased by a percentage to reflect overtime earnings, and, where applicable, adjusted to be consistent with collective bargaining agreements estimated to be achieved.

⁽²⁾ The annualized covered payroll under the One-Year Lag Methodology as of June 30, 2004 used for the Fiscal Year 2006 Employer Contributions differs from that used to compute Fiscal Year 2005 Employer Contributions due to changes in actuarial assumptions and updated information on labor contract settlements.

⁽³⁾ Increase from June 30, 2003.

⁽⁴⁾ Beginning with the June 30, 2010 (Lag) actuarial valuation, the annualized covered payroll is based on revised actuarial assumptions.

⁽⁵⁾ Preliminary.

NEW YORK CITY POLICE PENSION FUND

**BENEFIT EXPENSES BY TYPE
(In Thousands)**

Benefit Payments

Fiscal Year	Service and Disability Retirement	Ordinary Death In Service	Payments for Death after Retirement	Line of Duty Deaths	Total
1995	\$675,120	\$6,203	\$2,070	\$4,828	\$688,221
1996	729,956	9,503	3,528	459	743,446
1997	777,973	8,313	992	3,650	790,928
1998	827,670	5,901	1,319	3,913	838,803
1999	871,621	2,491	7,867	8,609	890,588
2000	883,069	3,537	4,137	5,586	896,329
2001	1,017,966	1,831	7,001	4,365	1,031,163
2002	1,101,569	5,143	1,574	8,449	1,116,735
2003	1,303,153	4,374	4,265	7,360	1,319,152
2004	1,386,332	5,317	5,771	7,968	1,405,388
2005	1,591,677	2,768	8,739	8,015	1,611,199
2006	1,902,400	3,220	4,940	8,528	1,919,088
2007	1,704,943	4,016	4,286	8,806	1,722,051
2008	1,779,292	2,793	2,837	8,734	1,793,656
2009	1,812,777	2,576	6,081	8,598	1,830,032
2010	1,899,416	2,258	1,689	7,968	1,911,331
2011	2,039,917	2,793	619	5,864	2,049,193
2012	2,071,124	1,945	3,870	6,967	2,083,906
2013	2,144,469	4,124	2,711	6,243	2,157,547

NEW YORK CITY POLICE PENSION FUND

RETIRANTS AND BENEFICIARIES ADDED TO AND REMOVED FROM ROLLS

Year Ended	Added to Rolls		Removed from Rolls		Rolls end of Year		% Increase In Annual Allowances	Average Annual Allowances
	Number	Annual Allowances⁽²⁾	Number	Annual Allowances	Number	Annual Allowances⁽¹⁾		
6/30/99	682	\$60,850,228	990	\$14,695,539	34,739	\$856,579,731	5.7%	\$24,658
6/30/00	832	41,398,525	935	15,698,156	34,636	882,280,100	3.0	25,473
6/30/01	1,582	169,140,021	973	16,481,363	35,245	1,034,938,758	17.3	29,364
6/30/02	2,916	108,830,413	898	19,684,195	37,263	1,124,084,976	8.6	30,166
6/30/03	1,942	86,819,507	945	21,085,545	38,260	1,189,818,938	5.8	31,098
6/30/04	2,058	103,277,524	866	19,894,055	39,452	1,273,202,407	7.0	32,272
6/30/05	2,716	137,875,353	1,036	25,654,051	41,132	1,385,423,709	8.8	33,682
6/30/06	2,330	131,918,392	988	25,047,689	42,474	1,492,294,412	7.7	35,134
6/30/07	2,268	123,856,605	1,011	26,869,025	43,731	1,589,281,992	6.5	36,342
6/30/08	1,541	92,191,424	982	27,012,317	44,290	1,654,461,099	4.1	37,355
6/30/09	1,025	89,094,934	1,030	30,086,313	44,285	1,713,469,720	3.6	38,692
6/30/10	1,355	110,403,824	1,006	29,554,813	44,634	1,794,318,731	4.7	40,201
6/30/11	2,142	141,323,253	1,021	30,315,285	45,755	1,905,326,699	6.2	41,642
6/30/12	1,893	133,158,449	1,010	32,287,109	46,638	2,006,198,039	5.3	43,016

⁽¹⁾ Allowances shown in table are those used in the actuarial valuation as of the Year Ended date and are not adjusted for anticipated changes due to finalization of benefit calculation or contract settlements.

⁽²⁾ Balancing Item – Amounts shown include changes due to benefit finalization, change in benefit type (e.g., Service to Accidental Disability), COLA increases and other changes.

NEW YORK CITY POLICE PENSION FUND

STATUTORY VS. ACTUARIAL CONTRIBUTIONS

(Dollar Amounts in Thousands)

Fiscal Year Ended	Statutory Contribution⁽¹⁾	Actuarial Contribution	Employer Rate of Contribution⁽²⁾
6/30/00	\$ 250,021	\$ 250,021	10.722%
6/30/01	413,156	543,758	16.756
6/30/02	534,476	636,481	21.378
6/30/03	625,379	821,387	25.053
6/30/04	811,978	917,731	33.361
6/30/05	1,033,285	1,123,939	41.991
6/30/06	1,337,715	1,337,715	48.633
6/30/07	1,544,341	1,544,341	55.386
6/30/08	1,797,824	1,797,824	64.267
6/30/09	1,932,150	1,932,150	65.570
6/30/10	1,980,996	1,980,996	63.955
6/30/11	2,083,633	2,083,633	64.058
6/30/12	2,385,731	2,385,731	69.176
6/30/13	2,424,690	2,424,690	70.080
6/30/14	2,320,910	2,320,910	67.857

⁽¹⁾ Represents total employer contributions accrued for fiscal year.

The Statutory Contributions for Fiscal Years 2001 and 2002 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.

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

Beginning Fiscal Year 2006, the Statutory Contributions were computed using a One-Year Lag 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.

Beginning Fiscal Year 2012, the Statutory Contributions were computed in accordance with Chapter 3/13.

⁽²⁾ The Employer Rate of Contribution equals the Statutory Contribution as a percentage 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 30 increased to reflect overtime earnings and adjusted, where applicable, to be consistent with collective bargaining agreements estimated to be achieved.

NEW YORK CITY POLICE PENSION FUND

FUNDED STATUS BASED ON ENTRY AGE ACTUARIAL COST METHOD

(Dollar Amounts in Thousands)

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

Prior to the June 30, 2010 (Lag) Actuarial Valuation, the Actuarial Cost Method ("ACM") used to develop the funding requirements for the Plan was 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.

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL)⁽¹⁾ — Entry Age (b)</u>	<u>Unfunded AAL (UAAL) — Entry Age (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll (b-a)/c)</u>
June 30, 2013 (Lag) ^{(2),(3)}	\$29,087,154	\$43,529,912	\$14,442,758	66.8%	\$3,524,804	409.7%
June 30, 2012 (Lag) ⁽²⁾	26,777,077	42,015,625	15,238,548	63.7	3,478,154	438.1
June 30, 2011 (Lag) ⁽²⁾	24,748,860	40,524,580	15,775,720	61.1	3,480,066	453.3
June 30, 2010 (Lag) ⁽²⁾	22,908,732	38,134,430	15,225,698	60.1	3,464,097	439.5
June 30, 2009 (Lag)	22,676,172	31,822,043	9,145,871	71.3	3,261,118	280.5
June 30, 2008 (Lag)	21,393,152	30,226,568	8,833,416	70.8	3,095,904	285.3
June 30, 2007 (Lag)	19,800,553	28,728,913	8,928,360	68.9	2,961,649	301.5
June 30, 2006 (Lag)	18,689,451	26,902,144	8,212,693	69.5	2,816,929	291.5

Note: This schedule is based on actuarial assumptions used for determining Employer Contributions.

⁽¹⁾ AAL includes the accrued liabilities attributable to the Variable Supplements Funds, net of their Actuarial Asset Values, if any.

⁽²⁾ Reflects revised actuarial assumptions and methods based on experience review, including an AIR assumption of 7.0% per annum, net of expenses.

⁽³⁾ Preliminary.

NEW YORK CITY POLICE PENSION FUND

**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	\$947,614	\$8,121,653	\$5,421,075	\$16,877,765	100%	100%	100%
2000	1,051,312	9,733,708	6,290,250	17,601,913	100	100	100
2001	1,163,665	10,245,495	6,688,974	18,141,670	100	100	100
2002	1,715,036	11,294,438	6,645,998	18,913,634	100	100	89
2003	1,805,279	12,020,762	6,512,726	18,781,359	100	100	76
2004	1,819,074	12,856,032	6,686,526	18,510,638	100	100	57
2004 (Lag)	1,819,074	12,934,032	7,691,232	18,735,134	100	100	52
2005 (Lag)	1,804,733	14,176,476	7,559,642	18,767,256	100	100	37
2006 (Lag)	1,628,376	15,866,403	7,627,823	18,689,451	100	100	16
2007 (Lag)	1,690,817	16,893,533	8,067,768	19,800,553	100	100	15
2008 (Lag)	1,841,590	17,590,712	8,429,458	21,393,152	100	100	23
2009 (Lag)	2,030,929	17,852,955	9,217,265	22,676,172	100	100	30
2010 (Lag)	2,180,671	20,639,838	16,892,925	22,908,732	100	100	1
2011 (Lag)	2,564,754	21,974,393	16,953,617	24,748,860	100	100	1
2012 (Lag)	2,456,478	23,181,744	17,191,876	26,777,077	100	100	7

Also, see following "SOLVENCY TEST - NOTES."

NEW YORK CITY POLICE PENSION FUND

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 Retirees and Beneficiaries; and
- (C) Active Members' Employer Financed Portion.

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

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

The values in the table are dependent upon census data, benefit levels (which have changed on occasion over the past years), and the actuarial assumptions and methods employed at each valuation date. The two most recent changes in assumptions and methods occurred in the June 30, 2004 (Lag) valuation used to compute the Employer Contributions for Fiscal Year 2006 and in the June 30, 2010 (Lag) valuation used to compute the Employer Contributions for Fiscal Year 2012. 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 shown in the table, the Actuarial Interest Rate and General Wage Increase assumptions were all equal to 8.0% per annum, gross of expenses and 3.0% per annum, respectively, through the June 30, 2009 (Lag) actuarial valuation. Beginning with the June 30, 2010 (Lag) actuarial valuation, the Actuarial Interest Rate assumption equals 7.0% per annum, net of investment expenses and the General Wage Increase assumption equals 3.0% per annum.

NEW YORK CITY POLICE PENSION FUND

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 pay for Benefits plus Expenses.

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

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

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

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

This actuarial methodology includes demographic and certain tabular assumptions proposed by the Actuary and adopted by the Board of Trustees, and certain economic assumptions and financing methods proposed 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 responded by increasing Employer Contributions in order to bring the overall financial status of the Plan back into balance.

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 two most recent such changes occurred during Fiscal Year 2006 and Fiscal Year 2012.

The most recent changes, approved by the Board of Trustees and implemented during Fiscal Year 2012, include: (1) updated demographic assumptions, (2) updated economic assumptions, (3) employing the Entry Age Actuarial Cost Method, (4) establishing Unfunded Actuarial Accrued Liabilities, their payment periods and payment methods, (5) resetting the Actuarial Asset Value to Market Value (i.e., "Market Value Restart") as of June 30, 2011 and (6) defining the AAV as of June 30, 2010 to recognize Fiscal Year 2011 investment performance.

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") that can afford some variability of Employer Contributions, help provide financial security for the Plan and its participants and reasonable intergenerational budget equity for taxpayers.

NEW YORK CITY POLICE PENSION FUND

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

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

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 Status over time provide insight into the evolving financial condition 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 prove insightful.

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

Definition of and Comments on Assets

With respect to Assets, both the 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 interest rate assumption used each year) into the AAV over a period of six years.

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

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 fair value of Assets in the marketplace and, therefore, does not show the volatility of the Assets.

NEW YORK CITY POLICE PENSION FUND

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

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 future normal costs (employer and employee).

With respect to the Plan, prior to Fiscal Year 2012, where the ACM was the Frozen Initial Liability ("FIL") ACM, the AAL mathematically can be recast as the Unfunded AAL ("UAAL") plus the AAV. To the extent that the UAAL does not change much year to year, then the related AAL remains relatively consistent in value with the AAV each year.

With respect to the ongoing funding of the Plan, the use of the FIL ACM provided for amortizing actuarial gains and losses over the future working lifetimes of active employees. As used by the Plan, the FIL ACM generally resulted 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 and is a required disclosure under Governmental Accounting Standards Board ("GASB") Statement Number 67 ("GASB67") and GASB Statement Number 68 ("GASB68").

The EAAL is also a required disclosure in accordance with GASB Statement Number 43 ("GASB 43") and GASB Statement Number 45 ("GASB 45") for Other Post-Employment Benefits ("OPEB") whose UAAL are determined under the Aggregate 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.

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

Beginning with the June 30, 2010 (Lag) actuarial valuation (i.e., Fiscal Year 2012 Employer Contributions), the Entry Age ACM is being used for the on-going funding of the Plan.

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

NEW YORK CITY POLICE PENSION FUND

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

The Accumulated Benefit Obligation ("ABO") is determined in a manner somewhat comparable to the PBO but using only salaries prior to the valuation date (i.e., assuming no future salaries or 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 POLICE PENSION FUND

**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)⁽¹⁾	Actuarial Accrued Liability (AAL)⁽²⁾	Entry Age Accrued Liability (EAAL)⁽³⁾	Projected Benefit Obligation (PBO)⁽⁴⁾	Accumulated Benefit Obligation (ABO)⁽⁵⁾	Market Value Accumulated Benefit Obligation (MVABO)⁽⁶⁾	MVABO Equivalent Discount Yield (Per Annum)	MVABO Weighted Average Duration (Years)
1999	\$16,877.8	\$16,877.8	\$16,877.8	\$13,633.7	\$14,490.3	\$12,565.9	\$15,614.2	6.0%	11.8
2000	17,813.4	17,601.9	17,601.9	16,102.9	17,075.3	15,229.3	18,967.9	6.0	12.4
2001	15,765.3	18,141.7	18,141.7	17,353.9	18,098.1	16,131.6	20,664.5	5.7	11.9
2002	14,504.9	18,913.6	18,913.6	19,566.3	19,655.5	17,679.5	22,300.3	5.8	11.1
2003	14,271.6	18,781.4	18,781.4	20,525.1	20,338.8	18,762.0	27,228.6	4.7	12.4
2004	16,136.7	18,510.6	18,510.6	21,856.2	21,361.6	19,595.3	25,437.8	5.6	11.6
2004 (Lag) ⁽⁷⁾	16,136.7	18,735.1	18,735.1	23,378.4	22,444.3	19,828.0	25,633.2	5.5	11.5
2005 (Lag)	17,240.1	18,767.3	18,767.3	24,853.0	23,540.9	21,022.5	32,217.0	4.2	13.6
2006 (Lag)	18,555.5	18,689.5	18,689.5	26,902.1	25,122.6	23,051.7	30,576.0	5.4	12.4
2007 (Lag)	21,905.5	19,800.6	19,800.6	28,728.9	26,652.1	24,463.8	33,115.4	5.2	12.5
2008 (Lag)	21,061.0	21,393.2	21,393.2	30,226.6	27,861.8	25,852.7	38,376.9	4.5	12.9
2009 (Lag)	17,424.1	22,676.2	22,676.2	31,822.0	29,101.1	27,038.9	41,810.3	4.2	12.9
2010 (Lag) ⁽⁸⁾	19,985.1	22,908.7	38,134.4	38,134.4	39,713.4	36,537.8	54,976.3	3.7	13.3
2011 (Lag)	24,748.9	24,748.9	40,524.6	40,524.6	41,492.8	39,124.1	56,277.2	4.1	13.0
2012 (Lag)	25,479.9	26,777.1	42,015.6	42,015.6	42,830.1	40,876.9	74,970.5	2.5	15.2
2013 (Lag) ⁽⁷⁾	28,986.9	29,087.2	43,529.9	43,529.9	44,382.1	42,379.6	68,006.8	3.3	13.9

See footnotes on next page.

NEW YORK CITY POLICE PENSION FUND

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

- ⁽⁶⁾ The AAV used for the June 30, 1999 to June 30, 2009 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). The AAV used for June 30, 2010 and after assumes the AAV was reset to MVA as of June 30, 2011 with the June 30, 2010 AAV defined to recognize Fiscal Year 2011 investment performance and the June 30, 2012 and after AAV recognizing Investment Returns greater or less than expected over a period of six years.
- ⁽⁷⁾ Calculated in accordance with the Actuarial Cost Method and actuarial assumptions used for determining Employer Contributions.
- ⁽⁸⁾ Calculated based on actuarial assumptions used for determining Employer Contributions. Prior to the June 30, 2010 (Lag) actuarial valuation, the ABO and PBO do not include accrued liabilities attributable to the Variable Supplements Funds, net of the AAV, if any.
- ⁽⁹⁾ 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 ("OTS") in its Selected Asset and Liability Price Tables. For June 30, 2012 and after, these Spot Yields are based on OTS methodology as provided by the U.S. Department of Treasury. Also shown are the related MVABO Equivalent Discount Yield and the MVABO Weighted Average Duration. Prior to the June 30, 2010 (Lag) actuarial valuation, the MVABO does not include accrued liabilities attributable to the Variable Supplements Funds, net of their AAV, if any.
- ⁽¹⁰⁾ Beginning with the June 30, 2004 (Lag) actuarial valuation, figures are based on the revised actuarial assumptions and methods used to develop Fiscal Year 2006 employer contributions.
- ⁽¹¹⁾ Beginning with the June 30, 2010 (Lag) actuarial valuation, figures are based on the revised actuarial assumptions and methods used to develop Fiscal Year 2012 employer contributions, including the EAACM and an AIR assumption of 7.0% per annum, net of investment expenses.
- ⁽¹²⁾ Preliminary.

NEW YORK CITY POLICE PENSION FUND

**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%	124%	124%	116%	116%	134%	134%	108%
6/30/00	100	109	111	103	104	116	117	94
6/30/01	100	105	91	100	87	112	98	76
6/30/02	100	97	74	96	74	107	82	65
6/30/03	100	92	70	92	70	100	76	52
6/30/04	100	85	74	87	76	94	82	63
6/30/04 (Lag)	100	80	69	83	72	94	81	63
6/30/05 (Lag)	100	76	69	80	73	89	82	54
6/30/06 (Lag)	100	69	69	74	74	81	80	61
6/30/07 (Lag)	100	69	76	74	82	81	90	66
6/30/08 (Lag)	100	71	70	77	76	83	81	55
6/30/09 (Lag)	100	71	55	78	60	84	64	42
6/30/10 (Lag)	60	60	52	58	50	63	55	36
6/30/11 (Lag)	61	61	61	60	60	63	63	44
6/30/12 (Lag)	64	64	61	63	59	66	62	34
6/30/13 (Lag)	67	67	67	66	65	69	68	43

NEW YORK CITY POLICE PENSION FUND

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

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.

Due to the mathematics of the FIL ACM where AAL equals AAV plus UAAL, the AAV/AAL Funded Ratios prior to Fiscal Year 2012 tended to remain relatively constant from year to year and provided 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 is now a required disclosure for certain Public Pension Plans that utilize the Aggregate ACM. This requirement also exists for certain OPEB plans under GASB 43 and GASB 45.

The ratio of MVA/EAAL is a required disclosure for certain Public Pension Plans under GASB67 and GASB68.

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 ACM in use to determine Employer Contributions.

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

NEW YORK CITY POLICE PENSION FUND

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

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.

Note: While the EAAL includes the AAL (net of AAV) for the Variable Supplements Funds where the ABO, PBO and MVABO do not, the difference due to this inconsistency is modest.

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 pays into the Plan the actuarially-determined Employer Contributions, all Funded Ratios can be expected to increase from their current levels.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS

This Summary of Plan Provisions is applicable to Plan members included in the June 30, 2011 (Lag) actuarial valuation.

Also, included in this Summary are the benefit provisions applicable to those members who join the Plan on and after July 1, 2011.

DEFINITIONS

Accumulated Deductions - The total contributions made by a member to his/her annuity savings account, with regular and special interest thereon.

Reserve for Increased Take Home Pay ("ITHP") - A reserve consisting of 2.5% or 5.0% of the member's salary, pursuant to the provisions of Section 13-226 of the Administrative Code of the City of New York ("Code"), accumulated with regular and additional interest.

Chapter 373 of the Laws of 2000 increased the ITHP contribution rate to 5.0% from 2.5% for certain members.

Minimum Accumulation - The amount of required contributions accumulated with interest to the earliest date for service retirement less the amount of the reserve for ITHP on such date.

Final Salary - For a member who joined prior to July 1, 1973, Final Salary equals the annual rate of salary earnable on the date of retirement. However, for members appointed on or after June 17, 1971 and on or before June 30, 1973, if the salary earned during the one-year period prior to retirement exceeds the previous one-year period prior to retirement by more than twenty percent, the amount in excess of twenty percent is excluded from the computation.

For a member who joined after June 30, 1973, Final Salary equals the salary earned during the one-year period prior to retirement or final three-year average salary immediately preceding the date of retirement. The salary cannot exceed 120% of the previous twelve months or the three consecutive calendar years used. The final year cannot exceed 120% of the average of the previous two years.

For a member who joined on and after July 1, 2009 (i.e., Tier III), Final Salary equals final three-year average salary immediately preceding the date of retirement.

For a member who joins on and after April 1, 2012 (i.e., referred to herein as Tier III Revised), Final Salary equals final five-year average salary immediately preceding the date of retirement.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS (Cont'd)

Variable Supplements Funds - The New York City Police Department maintains the Police Officers' Variable Supplements Fund ("POVSF") and the Police Superior Officers' Variable Supplements Fund ("PSOVSF"). These funds operate pursuant to the provisions of Title 13, Chapter 2 of the Administrative Code of the City of New York.

MEMBER CONTRIBUTIONS

Member contributions are made on the basis of a normal rate of contribution that is assigned by the Plan at the time of membership. The normal rate, which is dependent upon the member's age and the Plan at the time of membership, 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 date for service retirement. Members may voluntarily increase their rates of contribution by 50% for the purpose of purchasing an additional annuity.

Tier III members and Tier III Revised members contribute 3.0% of annual wages for a maximum of 25 years.

Contributions from members are recorded when the employer makes payroll deductions from Plan members. Members are permitted to borrow up to 90% of their own contributions including accumulated interest. These loans are accounted for as reductions in such member's contribution accounts.

Loans are not permitted for Tier III members or for Tier III Revised members.

BENEFITS

Briefly stated, the benefit provisions and the contribution provisions, of which account was taken in the valuation, are as follows:

I. SERVICE RETIREMENT

The service retirement allowance consists of two parts, a pension payable from City contributions and an annuity from member's contributions.

According to his election when he joined the Pension Fund, a member may retire from service after having completed 20 years of police service, or after having completed 25 years of police service, or at the attainment of age 55 regardless of years of service.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS

(Cont'd)

Upon retirement after having become eligible for service retirement Tier I and Tier II members receive an annual allowance which is the sum of (a) 50% of Final Salary, reduced by an annuity which is the actuarial equivalent of the Minimum Accumulation, (b) an annuity which is the actuarial equivalent of the Accumulated Deductions and (c) for all years of service other than the minimum required service:

- (i) 1/60 of average salary for the period of service after the completion of his minimum required service for each year of such service, and
- (ii) an annual pension for ITHP which is the actuarial equivalent of the reserve for ITHP less the reserve for ITHP at the minimum service date with interest to the date of retirement.

For Tier III members and Tier III Revised members, Normal Service Retirement is permitted after having completed 22 years of police service. An annual retirement allowance is payable equal to 50% of Final Salary and reduced, commencing at age 62, by 50% of the Primary Social Security Benefit attributable to all service with the City.

Early Service Retirement is available to Tier III members and Tier III Revised members on and after completing 20 years of police service or at attainment of age 62 with 5 years of service (ten years for Tier III Revised members). The allowance is based on police service.

II. ORDINARY DISABILITY RETIREMENT

An annual ordinary disability retirement allowance is paid upon the disablement of a member from causes other than accident in the actual performance of duty.

For Tier I and Tier II members who elected the 20 year plan, the annual ordinary disability retirement allowance is equal to 1/40 (1/50 for members who elected the 25 year plan) of Final Salary multiplied by the number of years of service, but not less than 1/2 of his Final Salary if he completed 10 or more years of City service, or 1/3 of his Final Salary if less than 10 years of City service.

For Tier III members and Tier III Revised members, a member must complete at least 5 years of City service and be eligible for Social Security Disability. The annual ordinary disability retirement allowance equals the greater of: 33- 1/3% of Final Salary or 2% of Final Salary times years of police service (not more than 22 years), less 50% of the Primary Social Security Disability Benefit (based on City service) and less 100% of Workers' Compensation benefits.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS (Cont'd)

III. ACCIDENTAL DISABILITY RETIREMENT

Upon the occurrence of disability caused by an accident in the actual performance of duty, a member is granted a retirement allowance. For Tier I and Tier II members the allowance consists of a pension equal to three-fourths of his Final Salary and, if he is eligible for service retirement, an additional increment of 1/60 of average salary from date of eligibility for service retirement to date of retirement for each year of service. An additional pension is paid which is the actuarial equivalent of the reserve for ITHP, as well as an annuity which is the amount which can be purchased with the member's Accumulated Deductions.

For Tier III members and Tier III Revised members who have incurred a line-of-duty disability, an accidental disability allowance is payable equal to 2% of Final Salary times years of police service projected at full Escalation date (not in excess of 22 years), less 50% of the Social Security Disability Benefit attributable to City service less 100% of Workers' Compensation benefits.

IV. ORDINARY DEATH BENEFIT

Upon the death of a member in active service from causes other than accident in the actual performance of duty, a benefit is paid to his estate or to such person as he shall have nominated.

With respect to a member who joined before July 1, 1973, the benefit is equal to the compensation earnable by the member in the six months immediately preceding his death and, if the total number of years of allowable service exceeds ten, then the benefit is equal to the compensation earnable by him during the twelve months immediately preceding death. In addition, the member's accumulated deductions, the reserve for ITHP, and the City's obligation on account of military service, if any, are paid to his estate or to his designated beneficiary.

A member who joins after June 30, 1973 is covered for a death benefit upon completion of 90 days of service. The amount of the death benefit is equal to three times member's salary raised to the next higher multiple of \$1,000. In addition, the member's accumulated deductions are payable.

The benefit payable on account of a member who at the time of his death, would have been eligible for service retirement is either the benefit described above or an amount equal to the reserve on the retirement allowance which would have been payable if he had retired on the day before his death, whichever is larger.

The Rules and Regulations adopted by the Board of Trustees in accordance with Chapter 581 of the Laws of 1970 provide that the first \$50,000 of each benefit on account of death in active service is payable from the group term life insurance plan. Only the amount in excess of \$50,000, if any, is payable by the Pension Fund.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS (Cont'd)

For Tier III members and Tier III Revised members who die after completing 90 days of service, a benefit is payable to the member's beneficiary equal to three times the member's salary, raised to the next highest multiple of \$1,000.

V. ACCIDENTAL DEATH BENEFIT

The benefit is payable upon the death of a member which occurs as the result of an accident sustained in the performance of duty.

For Tier I and Tier II members the accidental death benefit is a lump sum payment of the member's accumulated deductions and ITHP reserve plus an annual pension equal to one-half of the average salary in the five years immediately preceding death but not less than one-half the full salary of a first grade patrolman, payable to the widow for life, or if there is no widow, to a child, or children until the attainment of age 18 or age 23 if a full-time student, or if there is no widow or child, to the dependent parents.

The accidental death benefit for Tier III members and Tier III Revised members is an annual pension equal to 50% of Final Salary.

VI. TERMINATION OF EMPLOYMENT

A Tier I or Tier II member who either resigns or is dismissed receives a benefit equal to his Accumulated Deductions. At resignation with at least 5 years of service, the member may elect, in lieu of a return of his Accumulated Deductions, to receive a service retirement allowance reduced in proportion to his years of service. The allowance is deferred to the earliest date on which the member would have been eligible for service retirement had the member not resigned. Should a member with less than 10 years of service who elected to receive a vested retirement allowance die during the period of deferment, the benefit is the Accumulated Deductions. For a member who at resignation with at least 10 years of service, who elected to receive a deferred retirement allowance and dies before the attainment of his service retirement date, the benefit is one-half of the ordinary death benefit.

Tier III members and Tier III Revised members have similar rights to a refund of member contributions until 10 years of service. For Tier III members, on and after the completion of 5 years of service, in lieu of a refund, a vested deferred retirement allowance is payable at the date 20 years of police service would have been completed or at age 55, if earlier and elected by the member. For Tier III Revised members on and after ten years, in lieu of a refund, a vested deferred retirement allowance is payable at age 63. Benefits are derived in accordance with a formula based on years of police service and subject to a Primary Social Security Benefit (based on City service) reduction from age 62.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS (Cont'd)

VII. DEPENDENT BENEFIT

Upon the death of a member during active service or after retirement, a pension of \$600 per annum is payable to the widow until remarriage, to a child, or to the dependent parents provided that upon becoming a member, he had elected to make the additional contributions required for this benefit.

This benefit is not available to Tier III members or to Tier III Revised members.

VIII. AUTOMATIC COST-OF-LIVING ADJUSTMENTS ("COLA")

COLA benefits are payable to Tier I and Tier II members who are either (1) at least age 62 and have been retired for at least 5 years or (2) at least age 55 and have been retired for at least 10 years. Additionally, COLA benefits are payable to members who retired for disability after being retired for 5 or more years and to beneficiaries receiving accidental death benefits who have been receiving them for at least 5 years.

Beginning September 2001, COLA benefits equal 50% of the increase in the CPI-U based on the year ending March 31, rounded to the next higher .1%, not less than 1% nor greater than 3% of the first \$18,000 of the sum of the maximum pension allowance and prior COLA.

The COLA benefit is payable during the life of the retired member. One half of the amount is also payable after the member's death and during the life of the spouse beneficiary if such retired member had elected one of the options under the Code which provides that benefits are to be continued for the life of such spouse after the death of the retired member, and where the death of such retired member occurred or occurs more than thirty days after the effective date of the retirement of such member.

Tier III members and Tier III Revised members are eligible for annual Escalation on their retirement allowance (1) in full, if they have retired for service after completing 25 or more years of police service (or elected to defer commencement of their benefit to that 25-year date) or on a reduced basis, by 1/36 for each month that their retirement precedes 25 years or (2) in full, if they have retired for disability or (3) in full, to their beneficiary for accidental death benefits.

Escalation is paid in April and is determined from the change in the CPI-U based on the prior year ending December 31, not greater than 3% nor less than -3% in the event of a decrease.

Tier III members and Tier III Revised members, when eligible, receive the greater of the applicable increase from COLA or Escalation.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS (Cont'd)

IX. OPTIONS ON RETIREMENT

Upon retirement a member may elect to receive his basic retirement allowance payable in monthly installments throughout life with all payments ending at death. Alternatively, the member may elect to receive the actuarial equivalent in any one of the following optional forms:

- (a) With respect to members who joined prior to July 1, 1973, a cash refund allowance under which reduced payments will be made for the life of the member with a provision that, in case of death before such payments have equaled the present value of the retirement allowance at date of retirement, the balance shall be paid to the designated beneficiary or estate in a lump sum. With respect to members who joined after June 30, 1973, this option is only available with respect to the annuity benefit derived from the member's Accumulated Deductions.
- (b) With respect to members who join or joined after June 30, 1973, a five-year or ten-year certain and life thereafter allowance under which reduced payments will be made for the life of the member with a provision that, in case of death within the guarantee period, the benefit that would have been payable had the member survived shall continue to the designated beneficiary or estate for the balance of the guarantee period.
- (c) A joint and survivor allowance under which reduced payments will be made for the life of the member with a provision that at the death of the member the same payments or one-half of such payments shall be continued for the life of such other person as the member shall have designated.
- (d) For Tier I members, such other form of benefit which is the actuarial equivalent of the basic benefit as may be certified by the Actuary and approved by the Board of Trustees. By resolution, the Board of Trustees has approved an option under which reduced payments will be made for the life of the member with a provision that upon his death, a sum specified by the member at the time of retirement shall be paid to his designated beneficiary or estate.

NEW YORK CITY POLICE PENSION FUND
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2014
ACKNOWLEDGEMENT OF QUALIFICATION

I, Robert C. North, Jr., am the Acting 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.



Robert C. North, Jr., FSA, FSPA, FCA, MAAA, EA
Acting Chief Actuary
New York City Retirement Systems
December 10, 2014

New York City

Police Pension Funds

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York



Statistical Section

Part V

fiscal year ended

June 30, 2014

The Statistical Section

The objective of the statistical section is to reflect data that is necessary to fund members' retirement benefits during their active service together with members' employer's contributions and investment income that would be required to accumulate assets to pay various retirement benefits.

The statistical Section of the New York City Police Pension Fund's Comprehensive Annual Financial Report presents detailed information related to the financial statements, as well as highlights of the actuarial valuations. The data provided is a useful source in determining the fund's economic condition. The schedules are organized into four categories: Operating Information, Demographic and Economic Information, Financial Trend and Revenue Capacity.

Operating Information

The operating information gives users an indication of how the information in the financial statements relate to the activities of the fund. The schedule shows data on benefit ranges, years of credited service, types of retirement and options selected and the amount of monthly, annual or average benefit paid to each group of retirees and beneficiaries. The data is presented for the fiscal period or over a ten year period.

Demographic and Economic Information

The demographic and economic categories present data to give users an understanding of the environment in which the pension plan operates. This is done mainly through the breakdown of the population groups in the plan membership. The schedules present the number of members and beneficiaries grouped according to several indicators including average monthly or annual salaries or age participating in the pension plan, for the fiscal period or over a ten-year period.

Financial Trends

The schedules of trend data provide financial and actuarial data for the most current ten-year period. This data shows the changes in benefit types and changes in the plan's performance over time, as relates to revenues, received benefits and expenses paid and net assets.

Revenue Capacity

Revenue capacity information helps users evaluate the different sources of revenue for the plan. The schedules show the sources and the change in the level of revenues over time. The main sources of revenues for the plan are investment income and employer contributions.

NEW YORK CITY POLICE PENSION FUND
AVERAGE ANNUAL BENEFIT PAYMENT AMOUNTS

Valuation Date	Service Retirement Benefits		Ordinary (Non-Duty) Disability Benefits		Accidental (Duty) Disability Benefits	
	Number	Average Annual Allowance	Number	Average Annual Allowance	Number	Average Annual Allowance
6/30/98	18,793	\$21,446	4,141	\$23,110	9,322	\$31,835
6/30/99	18,622	22,971	4,109	24,159	9,403	33,365
6/30/00	18,689	23,821	4,056	24,249	9,478	34,069
6/30/01	19,423	27,489	4,021	28,155	9,611	38,308
6/30/02	21,394	28,346	3,986	28,466	9,837	39,019
6/30/03	22,416	29,324	3,943	28,571	10,021	39,852
6/30/04	23,504	30,556	3,923	28,856	10,282	40,941
6/30/04 (Lag)	23,504	30,556	3,923	28,856	10,282	40,941
6/30/05 (Lag)	25,086	32,177	3,894	29,092	10,522	42,126
6/30/06 (Lag)	26,290	33,613	3,857	29,512	10,823	43,654
6/30/07 (Lag)	27,497	34,809	3,776	29,886	11,041	45,017
6/30/08 (Lag)	27,990	35,721	3,691	30,033	11,253	46,240
6/30/09 (Lag)	27,890	36,867	3,601	30,391	11,494	47,996
6/30/10 (Lag)	28,184	38,290	3,538	30,769	11,645	49,793
6/30/11 (Lag)	29,247	39,766	3,454	31,231	11,815	51,341
6/30/12 (Lag)	30,119	41,205	3,346	31,468	11,948	52,806

NEW YORK CITY POLICE PENSION FUND

Schedule of Changes in Net Position June 30, 2014 (in thousands)

Year Ended	Additions to Plan Net Position					Deductions from Plan Net Position					Change in Net position
	Member Contributions	Employer Contributions	Net Investment Income (Loss)	Other Income	Total Additions	Benefit Payments	Other	Administrative Expenses	Total Deductions		
2005	\$119,575	\$1,033,285	\$1,572,983	\$2,442	\$2,728,285	\$1,610,795	\$405	\$13,670	\$1,624,870	\$1,103,415	
2006	144,574	1,337,715	1,761,568	3,860	3,247,717	1,918,477	612	13,279	1,932,368	1,315,349	
2007	132,213	1,544,341	3,406,796	3,498	5,086,848	1,722,052	1,119	14,791	1,737,962	3,348,886	
2008	143,755	1,797,824	(981,185)	4,008	964,402	1,793,656	-	15,205	1,808,861	(844,459)	
2009	211,559	1,932,150	(3,937,833)	3,759	(1,790,365)	1,830,032	-	16,580	1,846,612	(3,636,977)	
2010	222,711	1,980,066	2,283,072	3,060	4,488,909	1,911,331	-	16,518	1,927,849	2,561,060	
2011	206,859	2,084,563	4,535,097	2,561	6,829,080	2,049,193	-	16,141	2,065,334	4,763,746	
2012	216,172	2,385,731	224,044	5,552	2,831,499	2,083,906	-	16,577	2,100,484	731,015	
2013	229,675	2,424,691	3,101,563	6,118	5,762,047	2,530,634	8,169	17,548	2,548,182	3,213,865	
2014	\$228,783	\$2,320,910	\$5,147,483	\$6,911	\$7,704,087	\$2,691,609	\$2,541,024	\$17,450	\$2,709,059	\$4,995,028	

* Transfer to Police Superior Officers' Variable Supplements: Fund from the QPP was \$231,024 (in thousands) during fiscal year 2014. The transferable earnings payable from QPP to the Variable Supplements Funds (SWM) for fiscal year 2014 was \$2,310,000 (in thousands). \$2,541,024 (\$231,024 + \$2,310,000) is eliminated from the total.

**New York City
Police Pension Fund**

**Schedule of Benefit Expenses by Type
(in thousands)**

June 30, 2014

BENEFIT PAYMENTS

Fiscal Year 6/30	Service & Disability Retirement	Ordinary Death	Death Gamble Payments	Line of Duty Deaths	Total
2005	\$1,591,677	\$2,768	\$8,739	\$8,015	\$1,611,199
2006	1,902,400	3,220	4,940	8,528	1,919,088
2007	1,704,943	4,016	4,286	8,806	1,722,051
2008	1,779,292	2,793	2,837	8,734	1,793,656
2009	1,812,777	2,576	6,081	8,598	1,830,032
2010	1,899,416	2,258	1,689	7,968	1,911,331
2011	2,039,917	2,793	619	5,864	2,049,193
2012	2,071,124	1,945	3,870	6,967	2,083,906
2013	2,517,556	4,124	2,711	6,243	2,530,634
2014	\$2,678,498	\$3,825	\$3,316	\$5,970	\$2,691,609

NEW YORK CITY

POLICE PENSION FUND

SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT
JUNE 30, 2012 (LAG)

SERVICE RETIREMENT

AGE	<u>MALE</u>		<u>FEMALE</u>		<u>BOTH MALE & FEMALE</u>				
	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
UNDER 30	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
30 TO 34	0	0	0	0	0	0	0	0	0
35 TO 39	2	122,277	61,139	0	0	0	2	122,277	61,139
40 TO 44	1,173	63,464,418	54,104	243	11,859,969	48,806	1,416	75,324,387	53,195
45 TO 49	4,301	217,727,036	50,622	941	41,962,068	44,593	5,242	259,689,104	49,540
50 TO 54	5,232	245,082,789	46,843	1048	44,239,105	42,213	6,280	289,321,894	46,070
55 TO 59	2,791	123,271,767	44,168	563	23,132,168	41,087	3,354	146,403,935	43,651
60 TO 64	2,414	100,618,150	41,681	146	5,648,763	38,690	2,560	106,266,913	41,511
65 TO 69	3,603	136,573,980	37,906	87	3,037,509	34,914	3,690	139,611,489	37,835
70 TO 74	3,106	102,414,462	32,973	63	2,287,487	36,309	3,169	104,701,949	33,039
75 TO 79	1,774	51,305,640	28,921	42	1,340,746	31,923	1,816	52,646,386	28,990
80 TO 84	1,353	36,505,810	26,981	15	343,829	22,922	1,368	36,849,639	26,937
85 TO 89	797	19,932,634	25,010	17	384,759	22,633	814	20,317,393	24,960
90 & UP	403	\$9,662,168	\$23,976	5	\$125,077	\$25,015	408	\$9,787,245	\$23,988
Total	26,949	\$1,106,681,131	\$41,066	3,170	\$134,361,480	\$42,385	30,119	\$1,241,042,611	\$41,205

NEW YORK CITY

POLICE PENSION FUND

SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT
JUNE 30, 2012 (LAG)

ORDINARY DISABILITY (NON-DUTY) RETIREMENT

AGE	<u>MALE</u>		<u>FEMALE</u>		<u>BOTH MALE & FEMALE</u>				
	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
UNDER 30	3	\$62,640	\$20,880	2	\$33,262	\$16,631	5	\$95,902	\$19,180
30 TO 34	17	382,081	22,475	4	80,117	20,029	21	462,198	22,009
35 TO 39	50	1,642,933	32,859	26	864,764	33,260	76	2,507,697	32,996
40 TO 44	203	6,864,225	33,814	97	3,003,168	30,960	300	9,867,393	32,891
45 TO 49	207	6,028,012	29,121	136	3,693,550	27,158	343	9,721,562	28,343
50 TO 54	153	4,019,003	26,273	97	2,555,050	26,341	250	6,574,061	26,299
55 TO 59	89	2,131,652	23,951	47	1,113,522	23,692	136	3,245,174	23,862
60 TO 64	227	5,791,652	25,514	26	570,252	21,933	253	6,361,904	25,146
65 To 69	488	11,687,642	23,950	16	321,640	20,103	504	12,009,282	23,828
70 TO 74	395	11,345,733	28,723	8	172,943	21,618	403	11,518,676	28,582
75 TO 79	285	11,303,259	39,661	13	298,728	22,979	298	11,601,987	38,933
80 TO 84	394	16,574,692	42,068	4	142,381	35,595	398	16,717,073	42,003
85 TO 89	247	10,115,901	40,955	8	273,375	34,172	255	10,389,276	40,742
90 & UP	100	\$4,106,935	\$41,069	4	\$112,930	\$28,233	104	\$4,219,865	\$40,576
Total	2,858	\$92,057,160	\$32,210	488	\$13,235,690	\$27,122	3,346	\$105,292,850	\$31,468

NEW YORK CITY

POLICE PENSION FUND

SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT
JUNE 30, 2012 (LAG)

ACCIDENTAL DISABILITY RETIREMENT

AGE	<u>MALE</u>			<u>FEMALE</u>			<u>BOTH MALE & FEMALE</u>		
	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
UNDER 30	11	\$553,908	\$50,355	3	\$169,492	\$56,497	14	\$723,400	\$51,671
30 TO 34	67	4,111,200	61,361	19	1,045,708	55,037	86	5,156,908	59,964
35 TO 39	265	18,056,076	68,136	47	2,751,001	58,532	312	20,807,077	66,689
40 TO 44	1,173	79,932,601	68,144	162	9,775,569	60,343	1,335	89,708,170	67,197
45 TO 49	1,692	108,165,168	63,927	301	17,129,690	56,909	1,993	125,294,858	62,867
50 TO 54	1,484	86,879,284	58,544	252	13,550,318	53,771	1,736	100,429,602	57,851
55 TO 59	761	42,259,524	55,532	110	5,429,715	49,361	871	47,689,239	54,752
60 TO 64	1,189	53,643,288	45,116	41	1,720,062	41,953	1,230	55,363,350	45,011
65 TO 69	1,848	78,530,100	42,495	39	1,494,414	38,318	1,887	80,024,514	42,408
70 TO 74	1,194	50,400,574	42,212	19	779,326	41,017	1,213	51,179,900	42,193
75 TO 79	588	25,692,082	43,694	9	352,544	39,172	597	26,044,626	43,626
80 TO 84	382	16,877,884	44,183	6	270,618	45,103	388	17,148,502	44,197
85 TO 89	227	9,247,456	40,738	4	148,847	37,212	231	9,396,303	40,677
90 & UP	55	\$1,958,349	\$35,606	0	\$0	\$0	55	\$1,958,349	\$35,606
Total	10,936	\$576,307,494	\$52,698	1,012	\$54,617,304	\$53,970	11,948	\$630,924,798	\$52,806

New York City

Police Pension Fund

SERVICE OR DISABILITY

June 30, 2012(LAG)

SURVIVORS OF DECEASED PENSIONERS UNDER SELECTED OPTIONS

Age	<u>Male</u>		<u>Female</u>			<u>Both Male & Female</u>			
	Number	Benefits	Average	Number	Benefits	Average	Number	Benefits	Average
Other Beneficiaries:									
Under 30	7	196,086	28,012	8	171,635	21,454	15	367,721	24,515
30 to 34	1	13,585	13,585	1	23,767	23,767	2	37,352	18,676
35 to 39	0	0	0	3	124,528	41,509	3	124,528	41,509
40 to 44	2	65,280	32,640	16	586,755	36,672	18	652,035	36,224
45 to 49	7	193,800	27,686	29	887,823	30,615	36	1,081,623	30,045
50 to 54	3	83,310	27,770	34	1,345,567	39,576	37	1,428,877	38,618
55 to 59	2	52,131	26,066	40	1,032,013	25,800	42	1,084,144	25,813
60 to 64	0	0	0	55	1,589,675	28,903	55	1,589,675	28,903
65 to 69	2	52,089	26,045	86	2,343,845	27,254	88	2,395,934	27,227
70 to 74	0	0	0	77	2,023,293	26,277	77	2,023,293	26,277
75 to 79	0	0	0	97	2,272,919	23,432	97	2,272,919	23,432
80 to 84	0	0	0	120	2,274,060	18,951	120	2,274,060	18,951
85 to 89	0	0	0	96	1,370,956	14,281	96	1,370,956	14,281
90 & up	0	0	0	193	1,421,021	7,363	193	1,421,021	7,363
Total	24	656,281	27,345	855	17,467,857	20,430	879	18,124,138	20,619

New York City

Police Pension Fund

SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT

June 30, 20012(LAG)
Actual Performance of Duty

Age	<u>Male</u>			<u>Female</u>			<u>Both Male & Female</u>		
	Number	Benefits	Average	Number	Benefits	Average	Number	Benefits	Average
Accidental Death:									
Under 30	0	0	0	1	45,916	45,916	1	45,916	45,916
30 to 34	0	0	0	2	83,535	41,768	2	83,535	41,768
35 to 39	0	0	0	5	232,176	46,435	5	232,176	46,435
40 to 44	0	0	0	29	1,142,234	39,387	29	1,142,234	39,387
45 to 49	3	125,911	41,970	36	1,499,535	41,654	39	1,625,446	41,678
50 to 54	4	164,916	41,229	32	1,160,741	36,273	36	1,325,657	36,824
55 to 59	1	36,558	36,558	22	762,937	34,679	23	799,495	34,761
60 to 64	1	27,790	27,790	43	1,155,621	26,875	44	1,183,411	26,896
65 to 69	3	202,973	67,658	59	1,719,729	29,148	62	1,922,702	31,011
70 to 74	3	124,311	41,437	33	757,378	22,951	36	881,689	24,491
75 to 79	5	116,805	23,361	23	512,084	22,265	28	628,889	22,460
80 to 84	1	29,096	29,096	27	616,587	22,837	28	645,683	23,060
85 to 89	1	32,561	32,561	6	122,508	20,418	7	155,069	22,153
90 & up	1	32,997	32,997	5	108,743	21,749	6	141,740	23,623
Total	23	893,918	38,866	323	9,919,724	30,711	346	10,813,642	31,253

**New York City
Police Pension Fund**

**Schedule of Retired Members By Type of Benefit
June 30, 2012(LAG)**

ALL PENSIONERS AND BENEFICIARIES

	<u>Male</u>			<u>Female</u>			<u>Both Male & Female</u>		
	Age	Number	Benefits	Number	Benefits	Average	Number	Benefits	Average
Under 30	21	812,634	38,697	14	420,305	30,022	35	1,232,939	35,227
30 to 34	85	4,506,866	53,022	26	1,233,127	47,428	111	5,739,993	51,712
35 to 39	317	19,821,286	62,528	81	3,972,469	49,043	398	23,793,755	59,783
40 to 44	2551	150,326,524	58,928	547	26,367,695	48,204	3,098	176,694,219	57,035
45 to 49	6,210	332,239,927	53,501	1,443	65,172,666	45,165	7,653	397,412,593	51,929
50 to 54	6,876	336,230,102	48,899	1,463	62,850,789	42,960	8,339	399,080,891	47,857
55 to 59	3,644	167,751,632	46,035	782	31,470,355	40,243	4,426	199,221,987	45,012
60 to 64	3,831	160,080,880	41,786	311	10,684,373	34,355	4,142	170,765,253	41,228
65 to 69	5,944	227,046,784	38,198	287	8,917,137	31,070	6,231	235,963,921	37,869
70 to 74	4,698	164,285,080	34,969	200	6,020,427	30,102	4,898	170,305,507	34,770
75 to 79	2,652	88,417,786	33,340	184	4,777,021	25,962	2,836	93,194,807	32,861
80 to 84	2,130	69,987,482	32,858	172	3,647,475	21,206	2,302	73,634,957	31,987
85 to 89	1,272	39,328,552	30,919	131	2,300,445	17,561	1,403	41,628,997	29,671
90 & up	559	15,760,449	28,194	207	1,767,771	8,540	766	17,528,220	22,883
Total	40,790	1,776,595,984	43,555	5,848	229,602,055	39,262	46,638	2,006,198,039	43,016

**NEW YORK CITY
POLICE PENSION FUND**

June 30, 2014

EXPENSE BY TYPE

(In Thousands)

FY Ended 6/30	Benefit Payments (1)	<u>Administrative Expense</u>	Other	<u>Total</u>	Contributions as a Percentage of Annual Covered Payroll %
2005	\$1,610,795	\$13,670	\$405	\$1,624,870	41.9
2006	1,918,477	13,279	612	1,932,368	48.8
2007	1,720,932	14,791	1,119	1,736,842	55.8
2008	1,791,377	15,205	2,279	1,808,861	64.3
2009	1,827,541	16,580	2,491	1,846,612	65.6
2010	1,908,234	16,517	3,097	1,927,848	63.9
2011	2,045,129	16,141	4,064	2,065,334	64.1
2012	2,083,906	16,577	-	2,100,484	69.2
2013	2,530,634	17,548	8,169	2,548,182	70.1
2014	\$2,691,609	\$17,450 *	\$2,541,024	\$2,709,059	67.9

* Transfer to Police Superior Officers' Variable Supplements' Fund from the QPP was \$231,024, (in thousands) during fiscal year 2014. The transferable earnings payable from QPP to the Variable Supplements Funds (SKIM) for fiscal year 2014 was \$2,310,000 (in thousands) 2,341,024 (231,024+2,310,000) is eliminated from the total.

NEW YORK CITY

POLICE PENSION FUND

June 30, 2014

REVENUE BY SOURCE

(In Thousands)

Fiscal Year	Member	Employer	Net			Employer
Ended	Contributions	Contributions	Investment	Other	Total	Contributions as
6/30			Income/Loss			A Percentage of
						Annual Covered
						Payroll
2005	\$119,575	\$1,033,285	\$1,572,983	\$2,442	\$2,728,285	41.9
2006	144,574	1,337,715	1,761,568	3,860	3,247,717	48.8
2007	132,213	1,544,341	3,406,796	3,438	5,086,848	55.8
2008	143,755	1,797,824	(981,185)	4,009	964,403	64.3
2009	211,559	1,932,150	-3,937,833	3,759	-1,790,365	65.6
2010	222,711	1,980,066	2,283,072	3,060	4,488,909	63.9
2011	206,859	2,084,563	4,535,097	2,561	6,829,080	64.1
2012	216,172	2,385,731	224,044	5,552	2,831,499	69.2
2013	229,675	2,424,691	3,101,563	6,118	5,762,047	70.1
2014	\$228,783	\$2,320,910	\$5,147,483	\$6,911	\$7,704,087	67.9

**NEW YORK CITY POLICE PENSION FUND
DATA USED IN THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2014 EMPLOYER CONTRIBUTIONS**

MALES

AGE \ SVC	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & UP	ALL YEARS
NUMBER:										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	1,064	1	0	0	0	0	0	0	0	1,065
25 TO 29	3,177	1,744	0	0	0	0	0	0	0	4,921
30 TO 34	1,192	3,515	959	1	0	0	0	0	0	5,667
35 TO 39	427	1,535	2,414	897	0	0	0	0	0	5,273
40 TO 44	68	722	1,321	2,917	1,298	2	0	0	0	6,328
45 TO 49	5	104	456	1,354	1,266	552	0	0	0	3,737
50 TO 54	0	10	63	257	284	382	157	0	0	1,153
55 TO 59	2	1	11	21	12	107	117	11	0	282
60 TO 64	2	1	4	2	1	4	13	16	11	54
65 TO 69	0	2	0	1	0	0	0	0	0	3
70 & UP	0	0	0	0	1	0	0	1	2	4
TOTAL	5,937	7,635	5,228	5,450	2,862	1,047	287	28	13	28,487

SALARIES (IN THOUSANDS):										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	57,214	64	0	0	0	0	0	0	0	57,277
25 TO 29	195,515	159,534	0	0	0	0	0	0	0	355,050
30 TO 34	75,342	348,619	105,872	125	0	0	0	0	0	529,958
35 TO 39	27,183	152,189	271,566	111,838	0	0	0	0	0	562,776
40 TO 44	4,772	73,011	145,686	353,874	172,431	315	0	0	0	750,089
45 TO 49	513	10,737	50,727	158,788	163,635	76,620	0	0	0	461,020
50 TO 54	0	1,072	6,943	29,830	35,121	51,681	24,274	0	0	148,920
55 TO 59	251	139	1,354	2,449	1,629	13,866	17,795	1,734	0	39,218
60 TO 64	241	100	489	241	133	580	1,740	2,460	1,880	7,864
65 TO 69	0	272	0	141	0	0	0	0	0	413
70 & UP	0	0	0	0	142	0	0	142	359	643
TOTAL *	361,031	745,735	582,638	657,286	373,091	143,062	43,809	4,336	2,239	2,913,226

AVERAGE SALARIES: **										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	53,772	63,505	0	0	0	0	0	0	0	53,781
25 TO 29	61,541	91,476	0	0	0	0	0	0	0	72,150
30 TO 34	63,206	99,180	110,399	124,854	0	0	0	0	0	93,516
35 TO 39	63,659	99,146	112,496	124,680	0	0	0	0	0	106,728
40 TO 44	70,171	101,123	110,285	121,314	132,844	157,358	0	0	0	118,535
45 TO 49	102,683	103,236	111,242	117,273	129,254	138,805	0	0	0	123,366
50 TO 54	0	107,189	110,202	116,069	123,665	135,290	154,608	0	0	129,158
55 TO 59	125,457	138,864	123,119	116,626	135,732	129,590	152,088	157,628	0	139,069
60 TO 64	120,651	99,886	122,311	120,555	132,796	144,960	133,829	153,739	170,942	145,632
65 TO 69	0	135,870	0	140,948	0	0	0	0	0	137,563
70 & UP	0	0	0	0	141,990	0	0	141,990	179,510	160,750
TOTAL	60,810	97,673	111,446	120,603	130,360	136,640	152,644	154,847	172,260	102,265

Note: Age is last birthday. Service is completed years.

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** Average based on unrounded salary.

**NEW YORK CITY POLICE PENSION FUND
DATA USED IN THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2014 EMPLOYER CONTRIBUTIONS**

FEMALES

AGE \ SVC	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & UP	ALL YEARS
NUMBER:										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	165	0	0	0	0	0	0	0	0	165
25 TO 29	545	349	0	0	0	0	0	0	0	894
30 TO 34	256	809	228	0	0	0	0	0	0	1,293
35 TO 39	103	419	562	147	1	0	0	0	0	1,232
40 TO 44	14	189	382	525	140	0	0	0	0	1,230
45 TO 49	1	8	110	289	242	51	0	0	0	701
50 TO 54	1	0	6	79	79	38	10	0	0	213
55 TO 59	0	0	1	4	0	10	8	0	0	23
60 TO 64	0	0	0	0	0	1	1	0	0	2
65 TO 69	0	0	0	0	0	0	0	0	0	0
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	1,085	1,754	1,289	1,044	462	100	19	0	0	5,753

SALARIES (IN THOUSANDS):										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	8,938	0	0	0	0	0	0	0	0	8,938
25 TO 29	33,318	31,568	0	0	0	0	0	0	0	64,886
30 TO 34	15,792	78,134	24,303	0	0	0	0	0	0	118,229
35 TO 39	6,224	40,849	61,526	17,307	114	0	0	0	0	126,020
40 TO 44	946	16,406	41,142	60,764	17,142	0	0	0	0	136,399
45 TO 49	98	814	11,722	32,860	29,515	6,794	0	0	0	81,803
50 TO 54	119	0	664	8,776	9,183	4,991	1,619	0	0	25,353
55 TO 59	0	0	125	463	0	1,305	1,148	0	0	3,041
60 TO 64	0	0	0	0	0	120	142	0	0	262
65 TO 69	0	0	0	0	0	0	0	0	0	0
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL *	65,432	167,771	139,481	120,170	55,953	13,211	2,909	0	0	564,928

AVERAGE SALARIES: **										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	54,156	0	0	0	0	0	0	0	0	54,156
25 TO 29	61,133	90,453	0	0	0	0	0	0	0	72,579
30 TO 34	61,686	96,581	106,592	0	0	0	0	0	0	91,438
35 TO 39	60,430	97,492	109,477	117,733	113,873	0	0	0	0	102,289
40 TO 44	67,536	97,077	107,701	115,741	122,442	0	0	0	0	110,893
45 TO 49	98,434	101,778	106,559	113,702	121,961	133,224	0	0	0	116,696
50 TO 54	119,103	0	110,632	111,094	116,244	131,345	161,913	0	0	119,027
55 TO 59	0	0	124,745	115,743	0	130,475	143,525	0	0	132,203
60 TO 64	0	0	0	0	0	120,231	141,990	0	0	131,111
65 TO 69	0	0	0	0	0	0	0	0	0	0
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	60,306	95,651	108,208	115,106	121,111	132,105	153,122	0	0	98,197

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**NEW YORK CITY POLICE PENSION FUND
DATA USED IN THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2014 EMPLOYER CONTRIBUTIONS**

MALES AND FEMALES

AGE \ SVC	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & UP	ALL YEARS
NUMBER:										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	1,229	1	0	0	0	0	0	0	0	1,230
25 TO 29	3,722	2,093	0	0	0	0	0	0	0	5,815
30 TO 34	1,448	4,324	1,187	1	0	0	0	0	0	6,960
35 TO 39	530	1,954	2,976	1,044	1	0	0	0	0	6,505
40 TO 44	82	891	1,703	3,442	1,438	2	0	0	0	7,558
45 TO 49	6	112	566	1,643	1,508	603	0	0	0	4,438
50 TO 54	1	10	69	336	363	420	167	0	0	1,366
55 TO 59	2	1	12	25	12	117	125	11	0	305
60 TO 64	2	1	4	2	1	5	14	16	11	56
65 TO 69	0	2	0	1	0	0	0	0	0	3
70 & UP	0	0	0	0	1	0	0	1	2	4
TOTAL	7,022	9,389	6,517	6,494	3,324	1,147	306	28	13	34,240

SALARIES (IN THOUSANDS):										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	66,149	64	0	0	0	0	0	0	0	66,213
25 TO 29	228,833	191,102	0	0	0	0	0	0	0	419,935
30 TO 34	91,134	426,753	130,175	125	0	0	0	0	0	648,187
35 TO 39	33,407	193,038	333,092	129,145	114	0	0	0	0	688,796
40 TO 44	5,717	89,417	186,828	414,638	189,573	315	0	0	0	886,488
45 TO 49	612	11,551	62,448	191,648	193,150	83,415	0	0	0	542,823
50 TO 54	119	1,072	7,607	38,606	44,304	56,672	25,893	0	0	174,272
55 TO 59	251	139	1,479	2,912	1,629	15,171	18,944	1,734	0	42,258
60 TO 64	241	100	489	241	133	700	1,882	2,460	1,880	8,126
65 TO 69	0	272	0	141	0	0	0	0	0	413
70 & UP	0	0	0	0	142	0	0	142	359	643
TOTAL *	426,464	913,506	722,118	777,456	429,044	156,272	46,718	4,336	2,239	3,478,154

AVERAGE SALARIES: **										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	53,824	63,506	0	0	0	0	0	0	0	53,832
25 TO 29	61,481	91,305	0	0	0	0	0	0	0	72,216
30 TO 34	62,938	98,694	109,668	124,854	0	0	0	0	0	93,130
35 TO 39	63,032	98,791	111,926	123,702	113,873	0	0	0	0	105,887
40 TO 44	69,721	100,356	109,705	120,464	131,831	157,358	0	0	0	117,291
45 TO 49	101,975	103,132	110,332	116,645	128,083	138,333	0	0	0	122,312
50 TO 54	119,103	107,189	110,239	114,899	122,050	134,933	155,046	0	0	127,579
55 TO 59	125,457	138,864	123,254	116,485	135,732	129,666	151,549	157,628	0	138,551
60 TO 64	120,651	99,886	122,311	120,555	132,796	140,014	134,412	153,739	170,942	145,114
65 TO 69	0	135,870	0	140,948	0	0	0	0	0	137,563
70 & UP	0	0	0	0	141,990	0	0	141,990	179,510	160,750
TOTAL	60,733	97,295	110,805	119,719	129,075	136,244	152,673	154,847	172,260	101,582

Note: Age is last birthday. Service is completed years.

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NEW YORK CITY POLICE PENSION FUND
DATA USED IN THE JUNE 30, 2012 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2014 EMPLOYER CONTRIBUTIONS
SUMMARY OF PENSIONERS BY CAUSE AND GENDER

AGE	MALE			FEMALE			BOTH MALE & FEMALE		
	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
ACCIDENTAL DISABILITY:									
UNDER 30	11	553,908	50,355	3	169,492	56,497	14	723,400	51,671
30 TO 34	67	4,111,200	61,361	19	1,045,708	55,037	86	5,156,908	59,964
35 TO 39	265	18,056,076	68,136	47	2,751,001	58,532	312	20,807,077	66,689
40 TO 44	1,173	79,932,601	68,144	162	9,775,569	60,343	1,335	89,708,170	67,197
45 TO 49	1,892	108,185,188	63,927	301	17,129,690	56,909	1,993	125,314,878	62,867
50 TO 54	1,484	86,879,284	58,544	252	13,550,318	53,771	1,736	100,429,602	57,851
55 TO 59	761	42,259,524	55,532	110	5,429,715	49,361	871	47,689,239	54,752
60 TO 64	1,189	53,643,288	45,116	41	1,720,062	41,953	1,230	55,363,350	45,011
65 TO 69	1,848	78,530,100	42,495	39	1,494,414	38,318	1,887	80,024,514	42,408
70 TO 74	1,194	50,400,574	42,212	19	779,326	41,017	1,213	51,179,900	42,193
75 TO 79	588	25,692,082	43,694	9	352,544	39,172	597	26,044,626	43,626
80 TO 84	382	16,877,884	44,183	6	270,618	45,103	388	17,148,502	44,197
85 TO 89	227	9,247,456	40,738	4	148,847	37,212	231	9,396,303	40,677
90 & UP	55	1,958,349	35,606	0	0	0	55	1,958,349	35,606
TOTAL	10,936	576,307,494	52,698	1,012	54,617,304	53,970	11,948	630,924,798	52,806
ORDINARY DISABILITY:									
UNDER 30	3	62,540	20,880	2	33,262	16,631	5	95,902	19,180
30 TO 34	17	382,081	22,475	4	80,117	20,029	21	462,198	22,009
35 TO 39	50	1,642,933	32,859	26	864,764	33,260	76	2,507,697	32,996
40 TO 44	203	6,864,225	33,814	97	3,003,168	30,960	300	9,867,393	32,891
45 TO 49	207	6,028,012	29,121	136	3,693,550	27,158	343	9,721,562	28,343
50 TO 54	153	4,019,803	26,273	97	2,555,058	26,341	250	6,574,861	26,299
55 TO 59	89	2,131,652	23,951	47	1,113,522	23,692	136	3,245,174	23,862
60 TO 64	227	5,791,652	25,514	26	570,252	21,933	253	6,361,904	25,146
65 TO 69	488	11,687,642	23,950	16	321,640	20,103	504	12,009,282	23,828
70 TO 74	395	11,345,733	28,723	8	172,943	21,618	403	11,518,676	28,582
75 TO 79	285	11,303,259	39,661	13	298,728	22,979	298	11,601,987	38,933
80 TO 84	394	16,574,692	42,068	4	142,381	35,595	398	16,717,073	42,003
85 TO 89	247	10,115,901	40,955	8	273,375	34,172	255	10,389,276	40,742
90 & UP	100	4,106,935	41,069	4	112,930	28,233	104	4,219,865	40,576
TOTAL	2,858	92,057,180	32,210	488	13,235,690	27,122	3,346	105,292,870	31,468
SERVICE RETIREMENT:									
UNDER 30	0	0	0	0	0	0	0	0	0
30 TO 34	0	0	0	0	0	0	0	0	0
35 TO 39	2	122,277	61,139	0	0	0	2	122,277	61,139
40 TO 44	1,173	63,464,418	54,104	243	11,859,969	48,806	1,416	75,324,387	53,195
45 TO 49	4,301	217,727,036	50,622	941	41,962,068	44,593	5,242	259,689,104	49,540
50 TO 54	5,232	245,082,789	46,843	1,048	44,239,105	42,213	6,280	289,321,894	46,070
55 TO 59	2,791	123,271,767	44,168	563	23,132,168	41,087	3,354	146,403,935	43,651
60 TO 64	2,414	100,618,150	41,681	146	5,648,763	38,690	2,560	106,266,913	41,511
65 TO 69	3,603	136,573,980	37,906	87	3,037,509	34,914	3,690	139,611,489	37,835
70 TO 74	3,106	102,414,462	32,973	63	2,287,487	36,309	3,169	104,701,949	33,039
75 TO 79	1,774	51,305,640	28,921	42	1,340,746	31,923	1,816	52,646,386	28,990
80 TO 84	1,353	36,505,810	26,981	15	343,829	22,922	1,368	36,849,639	26,937
85 TO 89	797	19,932,634	25,010	17	384,759	22,633	814	20,317,393	24,960
90 & UP	403	9,662,168	23,976	5	125,077	25,015	408	9,787,245	23,988
TOTAL	26,949	1,106,661,131	41,066	3,170	134,361,480	42,385	30,119	1,241,042,611	41,205

NEW YORK CITY POLICE PENSION FUND
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 FOR DETERMINING FINAL FISCAL YEAR 2014 EMPLOYER CONTRIBUTIONS
 SUMMARY OF PENSIONERS BY CAUSE AND GENDER

AGE	MALE			FEMALE			BOTH MALE & FEMALE		
	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
ACCIDENTAL DEATH:									
UNDER 30	0	0	0	1	45,916	45,916	1	45,916	45,916
30 TO 34	0	0	0	2	83,535	41,768	2	83,535	41,768
35 TO 39	0	0	0	5	232,176	46,435	5	232,176	46,435
40 TO 44	0	0	0	29	1,142,234	39,387	29	1,142,234	39,387
45 TO 49	3	125,911	41,970	36	1,499,535	41,654	39	1,625,446	41,678
50 TO 54	4	164,916	41,229	32	1,160,741	36,273	36	1,325,657	36,824
55 TO 59	1	36,558	36,558	22	762,937	34,679	23	799,495	34,761
60 TO 64	1	27,790	27,790	43	1,155,621	26,875	44	1,183,411	26,896
65 TO 69	3	202,973	67,658	59	1,719,729	29,148	62	1,922,702	31,011
70 TO 74	3	124,311	41,437	33	757,378	22,951	36	881,689	24,491
75 TO 79	5	116,805	23,361	23	512,084	22,265	28	628,889	22,460
80 TO 84	1	39,094	39,094	27	646,887	23,927	28	646,882	23,060
85 TO 89	1	32,561	32,561	6	122,508	20,418	7	155,069	22,353
90 & UP	1	32,997	32,997	5	108,743	21,749	6	141,740	23,623
TOTAL	23	893,918	38,866	323	9,919,724	30,711	346	10,813,642	31,253
OTHER BENEFICIARIES:									
UNDER 30	7	196,086	28,012	8	171,635	21,454	15	367,721	24,615
30 TO 34	1	13,585	13,585	1	23,767	23,767	2	37,352	18,676
35 TO 39	0	0	0	3	124,528	41,509	3	124,528	41,509
40 TO 44	2	65,280	32,640	16	586,755	36,672	18	652,035	36,224
45 TO 49	7	193,800	27,686	29	887,823	30,615	36	1,081,623	30,045
50 TO 54	3	83,310	27,770	34	1,345,567	39,576	37	1,428,877	38,618
55 TO 59	2	52,131	26,066	40	1,032,013	25,800	42	1,084,144	25,813
60 TO 64	0	0	0	55	1,589,675	28,903	55	1,589,675	28,903
65 TO 69	2	52,089	26,045	86	2,343,845	27,254	88	2,395,934	27,227
70 TO 74	0	0	0	77	2,023,293	26,277	77	2,023,293	26,277
75 TO 79	0	0	0	97	2,272,919	23,432	97	2,272,919	23,432
80 TO 84	0	0	0	120	2,274,060	18,951	120	2,274,060	18,951
85 TO 89	0	0	0	96	1,370,956	14,281	96	1,370,956	14,281
90 & UP	0	0	0	193	1,421,021	7,363	193	1,421,021	7,363
TOTAL	24	656,281	27,345	855	17,467,857	20,430	879	18,124,138	20,619
ALL PENSIONERS AND BENEFICIARIES:									
UNDER 30	21	812,634	38,697	14	420,305	30,022	35	1,232,939	35,227
30 TO 34	85	4,506,866	53,022	26	1,233,127	47,428	111	5,739,993	51,712
35 TO 39	317	19,821,286	62,528	81	3,972,469	48,043	398	23,793,755	59,783
40 TO 44	2,551	150,326,524	58,928	547	26,367,695	48,204	3,098	176,694,219	57,035
45 TO 49	6,210	332,239,927	53,501	1,443	65,172,666	45,165	7,653	397,412,593	51,929
50 TO 54	6,876	336,230,102	48,899	1,463	62,850,789	42,960	8,339	399,080,891	47,857
55 TO 59	3,644	167,751,632	46,035	782	31,470,355	40,243	4,426	199,221,987	45,012
60 TO 64	3,831	160,080,880	41,786	311	10,684,373	34,355	4,142	170,765,253	41,228
65 TO 69	5,944	227,046,784	38,198	287	8,917,137	31,070	6,231	235,963,921	37,869
70 TO 74	4,898	164,285,080	34,965	200	6,020,427	30,102	4,898	170,305,507	34,770
75 TO 79	2,652	88,417,786	33,340	184	4,777,021	25,962	2,836	93,194,807	32,861
80 TO 84	2,130	69,987,482	32,858	172	3,647,475	21,206	2,302	73,634,957	31,987
85 TO 89	1,272	39,328,552	30,919	131	2,300,445	17,561	1,403	41,628,997	29,671
90 & UP	559	15,760,449	28,194	207	1,767,771	8,540	766	17,528,220	22,883
TOTAL	40,790	1,776,595,984	43,555	5,848	229,602,055	39,262	46,638	2,006,198,039	43,016