

New York City
Police Pension Fund
A Pension Trust Fund of the City of New York
Comprehensive Annual Financial Report
for the fiscal years ended
June 30, 2016 and June 30, 2015

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Comprehensive Annual Financial Report

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June 30, 2016 and June 30, 2015

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Comprehensive Annual Financial Report
A Pension Trust Fund of the City of New York
For the Fiscal Year Ended June 30, 2016**

Prepared by:

Accounting and Legal Divisions under the direction of Kevin Holloran, Executive Director, New York City Police Pension Fund

Actuary:

Sherry S. Chan

Custodian of Funds:

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

Headquarters Address:

233 Broadway, 25th Floor
New York, New York 10279

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New York City

Police Pension Fund

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



Introductory Section

Part I

fiscal year ended

June 30, 2016

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
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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, 2015

Executive Director/CEO



New York City Police Pension Fund

233 Broadway
New York, NY 10279
(212) 693-5100

Kevin Holloran
Executive Director

December 12, 2016

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, 2016. 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 are included.

The independent auditor’s report on the financial statements for fiscal year ended June 30, 2016 by the accounting firm of Mark Paneth LLP is included in the financial section of this CAFR. The audit was conducted in accordance with generally accepted auditing standards.

Background of the Funds

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 New York Police Department 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.

Board meetings are held every month with special meetings called by the Board Chairman or requested by a quorum of members whose combined votes are at least seven.

Major Initiatives

The New York City Police Pension Fund (“PPF”) received corpus funding in 2001 to improve service to our active and retired members. Corpus funding has enabled the Plan to establish a new headquarters and initiate major upgrades to its computer infrastructure and capabilities. Over the past fourteen years, PPF has implemented many Information Technology enhancements. The latest accomplishments

include:

- **Project Finished - Centralized Data Storage with EMC VNX 5300** – In parallel with our move to server virtualization, we centralized our disk storage into a single 95 TB Storage Array Network (SAN) device. This technology provides PPF with fast tiered disk storage and expansion as needed. We have mirror images of all our disks at the Staten Island disaster recovery site and in our Manhattan headquarters at real-time speeds.
- **Project Finished – Disaster Recovery Enhancements** – We completed enhancements to our Staten Island disaster recovery site and have switched the roles. The disaster recovery location is now our main computer site, with extensive secondary systems that includes on-site generators to keep the Fund operational under all conditions. Our Manhattan headquarters now maintain a mirror image of the servers and disk information and will be the secondary location from which our business will be run.
- **In Progress – Replacing the Agency Desktop Computers** – During Fiscal Year 2017 we will replace our desktop computers at headquarters and the disaster recovery site. Our current Microsoft Windows 7 computers are over 6 years old. The new desktops will run Windows 10 and Office 2013 software.

Investments

Investment policy is subject to approval of the Board of Trustees. The operations of the Fund 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 is the Treasurer of the Fund. In addition, the Fund employs several independent investment consultants as investment advisors. The Fund also utilizes a number of investment managers to administer long-term debt and equity portfolios. Investment managers are regularly reviewed against performance and adherence to guidelines. Four main factors influence the philosophy of the Board of Trustees: Risk-Tolerance, Returns, Diversification, and Liquidity. The investment policy adopted is designed to minimize risks while maintaining a competitive yield. The policy uses a strategic implementation of assets, diversified in a broad array of instruments to limit concentration risks. As of June 30, 2016, the New York City Police Qualified Pension Fund policy mix consisted of the following categories; Domestic Equity 35.7%, NYC Core plus five 17.1%, International Equities 9.5% , Emerging Markets 5.9%, Enhanced Yields 4.0%, Private Real Estate and Equities 11.8% and others 16.0% . With \$33.6 billion in Portfolio Asset Allocation under management as of June 30, 2016, the Total Portfolio Returns was 1.44 % , slightly below the policy benchmark of 2.06 % . For the 3 years trailing, the return was 7.54%, slightly below the policy benchmark of 7.57%. The investment section includes a discussion on financial information of investment activities, investment policy, safeguards, strategies and yield information of the Fund. Various charts, schedules and a consolidated performance report are also provided.

Financial Highlights

The combined financial statements of the Police Pension Funds (“the Fund”) for Fiscal Year 2016 show that total net position restricted for benefits increased by \$0.153 billion or 0.44%, to \$35.3 billion over the prior fiscal year. In Fiscal Year 2015 the increase was \$0.886 billion or 3%, to \$35.2 billion compared to Fiscal Year 2014. The \$35.3 billion reported as of June 30, 2016 represents a combined total which includes net restricted amounts held for benefits under the New York City Police Qualified Pension Fund (“QPP”), the Police Superior Officers’ Variable Supplements Fund (“PSOVSF”) and the Police Officers’ Variable Supplements Fund (“POVSF”) for \$33.5 billion, \$0.5 billion and \$1.3 billion, respectively. During Fiscal Year 2016, the Fund reported growth in earnings from interest and securities lending, while investment expenses ended slightly lower. Dividend income dropped while benefits paid to members rose. The increase reported in the net depreciation was mainly due to a decline in net investment income. Also, the QPP recorded \$590 million in total transferable earnings (“SKIM”) due to

the PSOVSF and the POVSF for Fiscal Year 2015. Separately, the Office of the Actuary advised that it made a downward revision in the SKIM for Fiscal Year 2014. Pending finalization, a part of this SKIM was approved by the Board of Trustees and transferred from the QPP to the above variable supplements funds. The QPP was recently refunded a total of \$326 million in SKIM overpayments, based on the revision.

The following table lists selected accounts from financial statements for the past two fiscal years, along with percentage changes of balances reported (in thousands):

Description	FY2016	FY2015	% change
Member Contributions	\$249,921	\$241,102	3.66
Employer Contributions	2,393,940	2,309,619	3.65
Interest Income	433,009	402,092	7.69
Dividend Income	484,994	730,243	(33.58)
Net Investment Income	403,534	1,098,220	(63.26)
Benefits Paid & Withdrawals	2,882,223	2,749,775	4.82

Funding

The Fund's primary financial objective is to ensure that the level of funding from member and employer contributions and income from investments, support benefits payment obligations. A review of the QPP assets gives an indication of the current fiscal health and the income potential from investments. It also gives participants reasonable 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 prepared by the Office of the Actuary, Plan Fiduciary Net Position as a Percentage of Total Pension Liability was 69.4% and 73.9% as of June 30, 2016 and 2015, respectively.

Economic Conditions

The national economy, as measured by real Gross Domestic Product (GDP), grew by 1.7% in Fiscal Year 2016 compared to 2.7% in Fiscal Year 2015, according to the Bureau of Economic Analysis. The national housing market continued to improve and labor market gains were made. From most accounts the financial market had a fairly successful year. Meanwhile, New York City's economy grew with the Gross City Product (GCP) up 3.1% in Fiscal Year 2016. Developments in the global economy again created concern and uncertainty as to whether the national economy would be negatively impacted.

The moderate expansion noted in the national economy during Fiscal Year 2016 was driven by strong consumer spending for most of the year supported by income gains, the Commerce Department noted. The housing market improved and real estate prices rose. Mortgage rates remained low while lending practices in general were still considered tight. Based on the Bureau of Labor Statistics the labor market improved and as of June a decline in the unemployment rate from 5.3% to 4.9% was reported. Despite a 4.3% decline in corporate profits, evidence of stock market volatility and lagging concerns about a possible adverse impact from the British vote to exit the European Union (EU), the financial market performed well. Short-term interest rates remained low with the Federal Reserve (the Fed) intermittent revision in the benchmark interest rate falling within the 0.25 to 0.50 % range.

The City anticipated moderate economic growth, continued job creation and a further decline in the unemployment rate for Fiscal Year 2016. Keeping this in mind, the Comptroller's Office has since indicated the economy continued to improve. Residential home prices in Manhattan and Brooklyn rose and the Manhattan commercial real estate vacancy rate declined. Wall Street profits and bonus payments declined and personal income tax withholdings, an indicator of paycheck income trends,

reached 3.1% in the first quarter of the fiscal year. The unemployment rate fell to 5.3% by June 2016, the lowest since 2008. Also, the City added 98,100 private sector jobs. Growth in low wage jobs remained dominant but, recent trends in the composition of new jobs suggest the prospects for the return of higher wage jobs appear good. While the local economy is improving, the 3.1% growth in the GCP for Fiscal Year 2016 was slightly lower than the GCP reported for Fiscal Year 2015.

Global economic growth slowed in some countries caused by developments such as the British withdrawal from the EU, the Greek debt crisis and, the Chinese currency devaluation, as well as a decline in exports. The Fed indicated, last year, that the national economy would experience moderate growth, a further decline in the unemployment rate and that the inflation objective would be met. Risks to the economy diminished sufficiently to allow, for the first time in seven years, a quarter percentage point increase in the benchmark interest rate. But, in June 2016 after reaching the lowest unemployment level since the recession, the September job numbers fell short of estimates, resulting in a slight rise in the unemployment rate. The Fed has since acknowledged a shortfall in the targeted inflation rate, adding that there is growth in US economic activity and the labor market is strengthening. In a recent press release, the Fed reiterated its stance on monetary policy: to remain accommodative, supporting further improvement in labor market conditions and a return to two percent inflation. With the new administration taking office in January 2017, many economists forecast a boost in US economic growth, higher interest rates and a rise in inflation.

Financial and Budgetary Controls

The management of the Fund is responsible for establishing and maintaining an internal control structure, designed to ensure that the 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 the assets of the Fund are safeguarded and the financial statements are free from any material misstatements. The Fund also maintains budgetary controls. An annual examination of internal controls is performed in accordance with the City Comptroller's Directive #.1. The latest study and evaluation does not disclose any 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.

Acknowledgements/Other

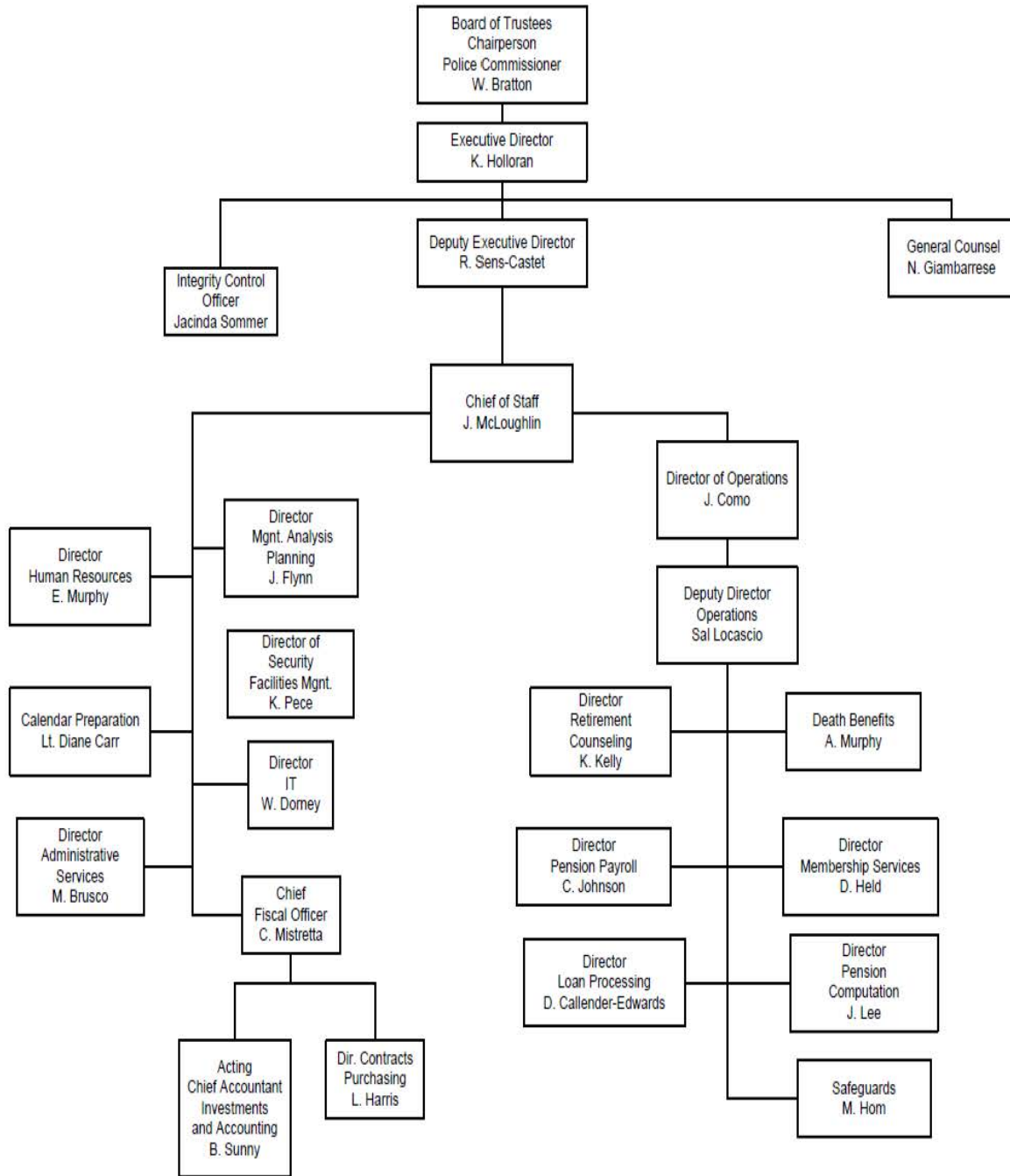
The compilation of this CAFR reflects the efforts of the management and staff of the New York City Police Pension Fund. I thank them for their assistance in this endeavor. I also thank the Office of the Actuary, the Office of the Comptroller and the investment advisors of the Plan for the data and other information provided during the preparation of this report. Our CAFR is intended to provide sufficient and reliable information that serves 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 was achieved.

Very truly yours,



Kevin Holloran
Executive Director

NYC POLICE PENSION FUND



New York City

Police Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York



Summary Plan Descriptions

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SUMMARY PLAN DESCRIPTION

**New York City Police Pension Fund
Tier 2 Members**

New York City Police Pension Fund

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Lou Turco

President—LBA

Roy T. Richter

President—CEA



Kevin Holloran

Executive Director

Robert-Sens Castet

Deputy Executive Director



Introduction

This booklet is called the Tier 2 Summary Plan Description (SPD). It is published by the New York City Police Pension Fund (NYCPPF, PPF, Fund), and is intended to summarize all of the provisions relating to the retirement plan, programs and other benefits offered to members employed by the New York City Police Department (NYPD), whose membership date is between July 1, 1973 and June 30, 2009. Laws affecting the plan can be enacted in any given year, which may result in inaccuracies within this SPD. In the event of a conflict between the contents of this booklet and any applicable law and/or rules, including, but not limited to, the Administrative Code of the City of New York (NYCAC), the New York State Retirement and Social Security Law (RSSL), and the Rules of NYCPPF, the applicable Law or Rule will govern.

About PPF

In 2001, legislation provided Corpus Funding for the Pension Fund to begin operations in September, 2002 at its new location at 233 Broadway in New York City. The PPF is governed by the Board of Trustees. The Comptroller of the City of New York is Custodian of the funds of the System, and by delegation of the Board of Trustees, has the power to invest those funds. The Executive Director is the chief administrative officer of the agency. The Chief Actuary for the City of New York provides actuarial services to the PPF. The Office of Corporation Counsel provides legal services to the Fund.

NYCPPF is a defined benefit plan. PPF manages the Fund's invested assets and pays out benefits according to formulas set forth in New York State and New York City laws. In general, Tier 2 members are governed by Title 13 of the NYCAC, the Rules of the Fund and certain other applicable statutes.

How to Contact PPF

At PPF, protecting and securing the privacy of member data is a top priority. That is why before taking action on private and confidential pension matters, a personal visit to our office, a written and signed (in some cases notarized) communication, or a judicial subpoena is required. PPF staff does not respond to telephone or e-mail inquiries relating to private member information because the identity of the caller or e-mail writer cannot be confirmed.

To communicate with PPF by fax, members are advised to identify a specific staff member in advance and to send the fax directly to the staff member using the fax number specified. Always retain copies of the fax and fax receipt.



For answers to questions of a **general** nature concerning retirement and pensions, please call PPF at (212) 693-5100; or visit the Pension Fund at 233 Broadway, 19th Floor, New York, New York 10279.

The Fund will respond promptly and completely to pension questions. PPF's ongoing mission is to provide excellent service to every member.

Serving the Finest Online



Members can also find the answers to many questions quickly and conveniently by visiting the PPF website: www.nyc.gov/nycppf. A host of information can be found there regarding benefits, recent pension legislation, and frequently asked questions. In the Forms and Publications area, forms may be downloaded for most changes members wish to make, such as beneficiary, guardian, and buyback applications for active members and retiree forms for change of address, direct deposit and Municipal Credit Union deduction actions, among others.

The Fund is also now on Facebook! Members, their beneficiaries, and fans of the Fund can "like" us on Facebook at www.facebook.com/nycppf.



In person and online, PPF is proud to be serving the FINEST.

Membership

Uniformed members of the New York City Police Department with membership dates between July 1, 1973 and June 30, 2009 are considered Tier 2 members. Contributions to the Fund are made while employed with the NYPD in accordance with the "Contributions" section. Membership in the Fund ceases upon withdrawal of contributions.

Credited Service

Credited service is classified as Allowable Police Service or other credited service. Members may buy back any missing service under Chapter 552, as described below.

Allowable Police Service

Twenty years of Allowable Police Service are required for Service Retirement. Allowable Police Service includes:

- ✓ All service rendered as a uniformed member of the NYC Police Department.
- ✓ Credit for service rendered as a uniformed member of the NYC Fire Department.
- ✓ Credit for service rendered while a member of the New York City Employees' Retirement System uniformed force service immediately preceding appointment as a uniformed member of the New York City Police Department. Such uniformed service includes: service in the Housing Police Department, Transit Police Department, Department of Correction, Sanitation Department, and as an Emergency Medical Technician (EMT).
- ✓ Credit for uniformed service rendered while a member of the New York State Employees' Retirement System or New York State Police and Fire Retirement System.
- ✓ Credit for service as a Peace Officer in accordance with New York State Criminal Procedure Law §2.10
- ✓ Service in the United States Military
 - Members may be entitled to receive up to five years of credited service for military service. To be eligible, the member must have been a member of a city retirement system upon entering military service and immediately returned to city service upon discharge. Upon request, the Police Pension Fund will provide members with information about other circumstances that may be eligible for military service credit.
 - Under Chapter 548 of the Laws of 2000, members may purchase up to three (3) years of certain wartime military service performed prior to appointment.
 - Under Chapter 606 of the Laws of 2000, members may purchase up to four years of combined military service and service as a police officer in a foreign country for the United States Government.
- ✓ Up to one year for each authorized Child Care Leave purchased pursuant to Chapter 594 of the Laws of 2000.

Other Credited Service

Other credited service is any service other than Allowable Police Service. This service counts as additional service credit beyond the required twenty years and will provide an additional monetary benefit.

Other credited service includes membership service rendered while a member in a non-uniformed position. In addition, uniformed service credit that does not immediately precede uniformed service in the New York City Police Department is considered to be Other Credited Service.

Please note buybacks and transfers must be completed within prescribed time limits. For further information please contact Membership Services at (212) 693-5850.

Retroactive Military Seniority (RMS)

Retroactive Military Seniority (RMS) is awarded to a member after being appointed to the NYPD from a special list, retroactive to the date the member would have been appointed had the member not been serving in the military. Members who receive RMS from the Department of Citywide Administrative Services (DCAS) receive pension credit retroactive to the date awarded by DCAS.

Upon receipt of a letter from DCAS stating the member has RMS, the member is immediately entitled to the same rights, privileges and obligations as if he had served continuously in such position from the date of his appointment. A member's membership date will be adjusted to reflect the RMS Date (RMSD) found in the letter from DCAS; the member's tier and contribution rate are also adjusted accordingly. Members with RMS must, however, make pension contributions that were missed during the period between the RMSD and appointment to the NYPD. Contributions must be completed within the repayment period prescribed by law; the maximum repayment period is the time from the RMSD to the NYPD appointment multiplied by 3, up to a maximum of 5 years. Once contributions are completed within the repayment period, the Pension Fund is required to credit the member's contribution account with the interest that would have credited during this period.

Tier 2 members may elect to not make their contributions, forgoing the interest the Fund would have paid, thereby creating a shortage in their contribution account. If a shortage exists in the contribution account at the time of retirement, the pension will be offset by an actuarial equivalent to the shortage. Payments must be completed by the end of the repayment period, which is calculated as time from the RMSD to the NYPD appointment multiplied by 3, up to a maximum of 5 years.

Members may also elect to make voluntary contributions, i.e., the ITHP Waiver, and/or 50% Additional Contributions, as if they were made during the RMS period. The Fund is responsible for interest on such voluntary contributions. Members who make this election must elect to participate in one or both programs for the entire RMS period.

Please note a member cannot receive RMS and credit for the same military service through a buyback. Members who have already completed a military buyback for time covering the RMS period, will receive a refund for the buyback or the Fund will credit the money toward the RMS payment.

Inquiries regarding eligibility for RMS pension credit should be submitted in writing to the Police Pension Fund, attention Membership Services, 233 Broadway, 19th Floor, New York, New York 10279. General questions may be directed to the Membership Services division at (212) 693-6860.

Prior Transit and Housing Service

Former Transit and Housing Police Officers who became members of the Police Pension Fund Article II due to the 1995 merger, or a rollover, maintain their eligibility based on their original dates of membership in NYCERS. Members should contact Membership Services at (212) 693-5850 to verify membership dates with NYCERS versus their appointment dates.

Transfer of Service

Members with a previous membership in New York City or State public retirement system may be eligible to transfer their prior service to PPF. Members transferring uniformed Police or Fire time, Peace Officer status or EMT time will be granted allowable police service provided the application for such credited service was made within prescribed time limits and such credited service was properly transferred to PPF.

Members should discuss potential transfers with PPF, as well as a representative from the former retirement system to determine eligibility.

Prior State of New York service may be transferred to PPF for up to seven years from the termination of state service, after which point the member must purchase the time to obtain service credit or a pension benefit, as permitted by law. All properly transferred state time is uniformed time. Please note that the New York State Teachers' Retirement System does not allow system-to-system transfers; such prior time must be purchased. Members should initiate the transfer process with PPF Membership Services.

Prior City of New York service may be transferred to PPF for up to one year from termination of city service, after which point the member must purchase the time to obtain service credit or a pension benefit, as permitted by law. Members should initiate the transfer process with the former retirement system.

Under Chapter 498 of the Laws of 2005, active members who properly transferred City or State time that immediately preceded appointment to the NYPD may count this time as uniformed time, provided it is considered to have peace officer status under New York State Criminal Procedure Law § 2.10 or is service as a NYC Emergency Medical Technician (EMT). This law is not retroactive, and it will impact a member's contribution rate. Members who wish to have this time count as uniformed time must ask the Police Pension Fund's Membership Services Unit for application assistance. This time, if properly transferred to the New York City Police Pension Fund as an active member, shall be credited as uniformed time.

To receive credit for this time, PPF members must have had a preceding membership in either NYCERS or the Board of Education Retirement System. See Operations Order 13, dated 03/06/2006, found on the Police Pension Fund website.

Buyback Information

There are several statutory provisions that allow for the purchase of prior service. Some of these buybacks merely grant service credit that will provide an additional monetary benefit at retirement, while others may count toward the number of years necessary to reach Service Retirement. However, those that grant such service credit as "allowable" police service, typically must be immediately preceding the NYPD service (including service in the uniformed transit police force, the housing police force, uniformed corrections force or the uniformed force of the Department of Sanitation).

Prior Service, Chapter 646, Laws of 1999

Chapter 646 allows PPF members with former membership in a New York City or State public retirement system to receive credited service by repaying contributions that system refunded (if any) with interest.

Service purchased pursuant to Chapter 646 can either be non-uniformed service, which increases the pension's value but does not change the retirement date, or it can be uniformed service, which changes the retirement date. Both types of service change the contribution rate and may cause a shortage due to the rate change.

Former Police Pension Fund members with a lapse in service also can buy back time under Chapter 646. See Operations Order 2-25, c.s. dated 12/11/2002, found on the PPF website.

Military Service, Chapter 548, Laws of 2000

Chapter 548 allows former members of the Armed Forces of the United States during certain periods of conflict or in certain combat areas to buy back their military service as uniformed time. See Operations Order 73-1, c.s. dated 07/17/2001, found on the PPF website.

Prior Service, Chapter 552, Laws of 2000

Chapter 552 allows members to buy back previous service while employed by New York City, State or political subdivisions of the State prior to becoming a member of the Police Pension Fund. Service bought back under Ch. 552 can be uniformed or non-uniformed service, but only uniformed service will change the retirement date. The contribution rate under Chapter 552 always is unchanged. See Operations Order 2-24, c.s. dated 12/11/2002, found on the PPF website.

Child Care, Chapter 594, Laws of 2000

Chapter 594 allows members who were on leave without pay for purposes of authorized child care leave to purchase uniformed credited service. A member must file an application not later than ninety (90) days from the final date of the leave. See Operations Order 11, dated 1/22/01, found on the Police Pension Fund website.

Bosnia Bill, Chapter 606, Laws of 2000

Chapter 606 permits PPF members to purchase police duty rendered on behalf of the U. S. Government that is located in a foreign country (e.g., Bosnia). When such police service is combined with qualifying military service under Chapter 606, a maximum of four years of service may be purchased. See Operations Order 35, dated 05/21/2001, found on the Police Pension Fund website.

Contributions

Tier 2 members contribute a certain percentage of pensionable earnings. Pensionable earnings consist of: base salary, overtime, night differential, holiday pay, worked vacation, portal to portal and allowable longevity. These contributions, and the interest earned, are deposited in the Annuity Savings Fund (ASF). The contribution rate is a percentage assigned based on the member's age at appointment. This contribution rate when multiplied by a member's pensionable earnings and the applicable interest rate creates the required amount. For instance, the required amount is the amount that needs to be in a member's ASF at retirement for the member to be entitled to full pension benefits.

Essential Contributions

The member and the City of New York each contribute a portion of the contribution rate. This arrangement increases member take-home pay (ITHP) because the City relieves the member from paying the full required contribution rate. Currently, the City assumes 5% of member contributions, effectively reducing the required contribution rate by 5%. The member is responsible for contributing the remaining percentage, which is deducted each pay period.

Member contributions and the interest they earn are known as accumulated contributions. The Tier 2 rate of interest is currently 8.25%. A member's accumulated contributions must equal the required amount to be eligible for a full Service Retirement pension benefit.

Per IRS Code § 414(h), member contributions made on or after December 1, 1989, are not subject to federal taxation, but are subject to state and local income taxes. Member contributions made before December 1, 1989 are subject to federal, state and local taxation. ASF interest earned is federally taxable, regardless of when it was earned.

Contribution Rates

This chart shows current rates by age at appointment and how the three contribution rate types relate to one another:

Age at Appointment	Required Rate	=	City/ITHP Rate	+	Member Rate
17	8.55%		5.00%		3.55%
18	8.40%		5.00%		3.40%
19	8.20%		5.00%		3.20%
20	8.05%		5.00%		3.05%
21	7.85%		5.00%		2.85%
22	7.65%		5.00%		2.65%
23	7.50%		5.00%		2.50%
24	7.30%		5.00%		2.30%
25	7.15%		5.00%		2.15%
26	6.95%		5.00%		1.95%
27	6.80%		5.00%		1.80%
28	6.65%		5.00%		1.65%
29	6.45%		5.00%		1.45%
30	6.30%		5.00%		1.30%
31	6.15%		5.00%		1.15%
32	6.00%		5.00%		1.00%
33	5.85%		5.00%		0.85%
34	5.65%		5.00%		0.65%
35	5.50%		5.00%		0.50%
36	5.35%		5.00%		0.35%
37	5.20%		5.00%		0.20%
38	5.05%		5.00%		0.05%
39	4.90%		5.00%		0.00%
40	4.75%		5.00%		0.00%

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Voluntary Employee Contributions

Waive ITHP

To increase pension contributions a member may waive ITHP. By waiving ITHP, the member agrees to contribute 100% of the contribution rate; contributions assumed by the City still remain in effect when a member waives ITHP. *For example*, a member with a required rate of 7.5% who waives ITHP will have 12.5% contributed to his pension: 7.5% by the member and 5% by the City.

50% Additional

Members may make additional contributions equal to 50% of the required rate by participating in 50% Additional. Contributions made in the 50% Additional program are after-tax funds; accordingly, these contributions may be withdrawn tax-free at retirement.

Stop or Reinstate Member Contributions

If necessary, a member may also stop contributing the member portion. Even if a member stops making pension contributions, the City will continue making the ITHP contribution. **It is important to note that stopping member contributions will create a shortage in the ASF account; if that shortage is not repaid it will result in a lower pension upon retirement.** See the "Shortages" section for further information.

Members may only stop member contributions until earnings for the year reach the level upon which FICA (Social Security) taxes are no longer imposed. If and when a member's earnings reach that level, member contributions are automatically reinstated.

A member may reinstate member contributions at any time.

Example: In March, 2012, a member with 17 years of service, decided to stop member contributions. Later that year, when this officer's earnings for the year reached \$110,100, the member contribution was automatically reinstated. (Note: In 2012, \$110,100 was the earnings level above which the FICA tax was no longer imposed.)

Member Contributions While on Military Leaves

Members may take military leaves with or without pay during their career with the NYPD. The City of New York recently reached a settlement with the United States Attorney's Office in Goodman, et al. v. City of New York, et al., which became effective March 17, 2014. At issue was the calculation of pensionable earnings and member contributions for members on active duty military leaves from the NYPD.

The case was brought pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. §§ 4301–35 (“USERRA”) by a class of retired NYPD officers 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, PPF 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.

Who is Affected by this Settlement Agreement?

Any PPF member who completed military leaves after September 11, 2001.

PPF will be recalculating the retired class member’s pension in accordance with the settlement agreement. Class members will be notified in writing when their pensions have been recalculated; all recalculations must be completed by March 17, 2015. Class members would have received a settlement notice, and must not have filed an opt out with the Court.

Active PPF members who performed Active Military Service and returned to NYPD service between September 11, 2001 and March 17, 2014 may voluntarily elect to have their pensionable earnings recalculated. Such members may schedule a counseling session with a military advisor by contacting Membership Services at (212) 693-6860 and/or complete PPF Form 86: Recalculation Request, which is available at www.nyc.gov/nycppf.

Active PPF members who return to the NYPD from Active Military Service on or after March 18, 2014 must have their pensionable earnings calculated pursuant to the agreement.

What Does the Calculation Entail?

For each period of time when a member performed active military service after September 11, 2001, PPF will determine how much compensation the member would have earned, but for the period of military service. For example, the member may ordinarily have earned overtime or night-shift differential compensation, but missed the opportunity to do so because of military obligations. Military service begins on the day a member begins his or her leave from the NYPD for the purposes of military service; this may include use of annual leave and/or compensatory time. The military service is deemed completed on the day before the member returns to the NYPD.

To determine the amount of earnings a member would have earned, PPF will average any additional differential payments and overtime the member earned during the 12 months immediately preceding his or her active military service. PPF will then add the base pay to the imputed earnings to reach the pensionable earnings for the military leave. Members are responsible for making additional pension contributions to the Fund.

Individuals Whose Membership with PPF Has Ceased

Uniformed NYPD employees who went on military leaves between September 11, 2001 and March 17, 2014, but are no longer members of PPF because of a transfer to another system or withdrawal of member contributions are not entitled to recalculation. If a former member transferred to another public retirement system, he or she should make an application to the new retirement system to be recalculated in accordance with the statutory requirements of USERRA. Please note that active membership also ceases by death or retirement; however, deceased or retired members who are eligible for pension recalculation were identified as class members of the Goodman case.

Excess Contributions/Refund of Excess

A member with twenty or more years of service and no shortage may make an application for a refund of any excess funds in the member's account. If no refund request is made by the time of retirement, the pension will be increased by the actuarial value of the excess.

A refund of excess is the return of any funds in a member's account above the amount required on the member's 20th anniversary. **All taxable distributions are subject to a 20% withholding tax as of January 1, 1993.** The withholding tax is credited toward the payment of the tax on the distribution. **Members under the age of 59 ½ are also subject to a 10% penalty on the distribution;** however, if a member is retiring from the service, the age for the 10% penalty is reduced from 59 ½ to age 50. Members retiring are eligible to roll over a taxable distribution into an IRA, thereby avoiding the 20% withholding and 10% penalties.

A member who requests a refund of excess will receive a 1099 from the Comptroller's Office at the end of the year for the distribution.

Refund of Contributions upon Separation From The Fund

If a member separates from the Fund for reasons other than retirement (resignation, termination, or death) a request for a refund of accumulated contributions plus interest may be made. If contributions are left with the Fund, the money will continue to earn interest for a maximum of five years from the date of separation. After this time, the contributions will no longer accrue interest and will be refunded. If a member has a taxable outstanding loan balance, a Form 1099-R will be generated at the end of the separation year.

For further information on refunds, please refer to the Fund's website (www.nyc.gov/nycppf) or call (212) 693-5100 for assistance.

Loans

Overview

To be eligible to take a pension loan, a member must have three years of continuous service. The maximum allowable loan for members with less than ten years, including any outstanding loans, cannot exceed 50% of accumulated contributions, or \$10,000; for members with over ten years of uniformed service, the maximum allowable loan is 90% of accumulated contributions, plus interest.

Qualified members may borrow up to \$50,000 maximum including Pension Fund and Deferred Compensation Plan loans. Amounts in excess of \$50,000 will be considered taxable distributions and are subject to Federal taxes and penalties.

Loans are issued in multiples of \$10.00 with a minimum amount of \$100. Members are limited to holding 10 outstanding loans at one time, and no more than two new loans may be granted during any 12-month period, unless previously paid in full.

Repayments are automatically deducted from salary checks in the amount specified by the member, but in no event less than 2% of the bi-weekly gross check. Payments may not exceed 10% of the bi-weekly gross check without written authorization from the member. Repayment on all loans must occur prior to a member's 63rd birthday. Members must appear in person at the Pension Fund if they desire to repay loans prior to termination.

Loans with a repayment schedule of five years (130 payments) or less are treated as separate loans for purposes of repayment, tax liability and tracking. Loans being repaid with a term of five years or more will be combined, resulting in a single repayment on the combined loan. If there is a prior loan outstanding, a new loan will have a separate repayment schedule unless the consolidated loan will be repaid in full by the original repayment date.

Why Pension Loans Cause Shortages

A pension loan causes a shortage even if the loan is repaid. The interest on a member's ASF account is 8.25%, whereas the interest on a pension loan 4.0%. Accordingly, making regular pension contributions during the loan repayment period, or even fully repaying the loan, does not prevent the shortage from occurring because the loan is repaid at 4.25 percentage points lower than what the borrowed funds would have earned in the account.

When a member's ASF account falls below the required amount there is a shortage in the account. If not repaid, a shortage will reduce the member's pension at retirement.

The Police Pension Fund recommends that members carefully evaluate whether taking a pension loan is the best option.

Loan Repayment and Insurance

Members may repay a loan in full or in part at any time; the minimum partial payment is \$500. Additionally, members may change the loan payment amount during the months of May and November.

If a member dies prior to retirement, loans with a combined balance up to \$25,000 are insured, subject to how long each loan has been outstanding, as follows:

Days Loan Outstanding	Percentage of Loan Insured
Less than 30 days	0%
30-59 days	25%
60-89 days	50%
90 or more days	100%

Deferred Compensation Plan Loans

The NYC Deferred Compensation Loan Program (DCLP) works in conjunction with Loans taken at the Police Pension Fund.

The maximum DCLP loan is the lesser of:

- 50% of a participant's DCP account balance; or
- \$50,000, reduced by the highest outstanding principal at the Police Pension Fund during the 12-month period ending on the date of the proposed DCLP loan.

Police Pension Fund members seeking a DCP loan must have the Police Pension Fund certify their highest outstanding PPF loan balance during the above period. NYC Deferred Compensation will not issue a loan if the combined PPF/DCP loan balance exceeds the \$50,000 DCLP maximum.

For more information visit www.nyc.gov/nycppf and click the Loan Services link, then click the Deferred Compensation Loans link.

Loan Taxability

A pension loan will be taxed when the member borrows taxable contributions (i.e., 414(h) contributions made after December 1, 1989) and:

- **For members with 10 years or more of uniformed service:**
 - The cumulative loan principal is greater than \$50,000; or
 - The term of repayment exceeds five years.
- **For members with over three years but under 10 years of uniformed service:**
 - The loan exceeds the greater of 50% of accumulated deductions or \$10,000; or
 - The term of repayment exceeds five years.

The taxable portion of a loan is the portion of the principal consisting of untaxed contributions and associated interest. A member under the age of 59 ½ will incur an additional 10% penalty on the taxable loan amount.

If you borrow previously taxed contributions, the loan is not considered a taxable distribution and is therefore not subject to the maximum five-year repayment term above. Previously taxed contributions include 50% Additional contributions and contributions made before December 1, 1989.

An IRS Form 1099-R is issued if taxable contributions are borrowed. The Fund sends a 1099-R to the address listed on the member's loan application unless an address change is requested in writing to: The New York City Police Pension Fund, 233 Broadway, New York, NY 10279 (attention: Loan Services Unit).

Example: A member with an outstanding loan of \$34,997 (Loan 1) requests a new loan (Loan 2) of \$15,000 to be repaid in five years with 130 payments of \$127.15. These loans may not be combined. When the member starts to repay Loan 2, there will now be two outstanding loans and the following payments will be made each pay period:

	Payment	Number of Payments	Current Principal
Loan 1	\$135.98	326	\$64,997
Loan 2	\$127.15	130	\$15,000

Principal Residence Exception

Internal Revenue Code §72(p)(2)(B)(ii) provides an exception to the five-year rule mentioned in "Loan Taxability" above, if the loan is used to purchase a principal residence. If it can be demonstrated that the loan falls within this exception, the IRS will allow deferral of the tax payable on the loan. PPF is required by law to send an IRS Form 1099-R for this loan.

To establish the right to this exception, the IRS requires documentation of the residence purchase. Documentation examples may include: the HUD-1 Settlement Statement, an Affidavit of Occupancy, the Deed of Trust, Mortgage Terms/Note and the Home Insurance Policy. Members wishing to use this exception should consult a tax professional to ensure the appropriate documentation is provided.

Taxability of the Final Withdrawal

A member may elect to withdraw up to 90% of the required amount at retirement. This is called the final withdrawal (sometimes called the "final loan"). The final withdrawal can consist of both taxable and/or non-taxable funds. The final withdrawal will also create a shortage.

The portion of the final withdrawal made up of taxable contributions is subject to federal tax withholding at 20%. Taxable contributions withdrawn are also subject to a possible 10% tax penalty for members younger than 50.

Any portion of the final withdrawal that is made up of tax-free funds may pass directly to you tax-free. Contributions made before December 1, 1989, lump sum contributions made to pay off a shortage, and/or 50% Additional contributions are all made using post-tax funds; accordingly, these contributions may be withdrawn tax-free at retirement.

Members have the option of choosing a direct rollover for the final withdrawal. By choosing a direct rollover, the Fund will make the payment of a final withdrawal directly to the IRA or employer's plan selected by the member. Part of the payment can be made to an IRA or employer's plan with the remainder paid directly to the member.

Members also have the option of receiving the entire payment directly; however, if any taxable money is paid directly to the member, the Fund will withhold 20% of the taxable amount as federal withholding taxes. Members may want to consult a professional tax adviser to assist in making this decision. Questions regarding direct rollovers may be directed to the Pension Fund's Retirement Counseling Unit at (212) 693-5733.

At retirement, the Police Pension Fund provides every retiree with the tax-free/taxable breakdown of their ASF contributions as well as the tax-free/taxable composition of the final withdrawal and any outstanding pension loans, as applicable.

Pension Shortages

Shortage Causes

A shortage occurs whenever a member's ASF balance falls below its required amount. If a member's ASF balance is higher than the required amount, the ASF has an excess. There are four possible causes of a shortage in your ASF:

1. Pension loan

This creates a shortage because loans are repaid at 4% interest, whereas the ASF earns 8.25% interest. Accordingly, the ASF does not earn the additional 4.25% the loan principal would have earned had it stayed in the member's account (8.25% minus 4% = 4.25%). The lost interest creates a shortage, even if the member repays the loan before retirement and continues to make pension contributions.

2. Insufficient member contributions

A shortage may be created anytime a member stops pension contributions. Some members choose to stop making pension contributions and contribute to the NYC Deferred Compensation Plan; by doing so, the member may have a pension shortage at retirement.

3. Service transfers and most buybacks

With service transfers and most service buybacks, the required rate must be adjusted to the rate corresponding to the member's age at the start of the service transferred or purchased, creating a shortage. PPF will inform members of any change in the required amount.

Example: A member appointed on January 9, 1996 at age 24 (7.30% required rate) purchased three years of uniformed service (January 1, 1991 to December 31, 1993), which changes the membership date to January 1, 1991. As the member was 19 years old on January 1, 1991, the new required contribution rate becomes 8.20%. Because the member was contributing at a lower rate before the buyback occurred, the member now has a shortage.

4. Contract settlement

Receiving back pay from a contract settlement can also create a shortage. At the time a member receives back pay, member contributions are deposited into the ASF account. However, the ASF account did not earn the interest on these contributions while the contract was being settled. Since interest earned on contributions is part of a member's required amount, a shortage may occur.

Effects of a Shortage

If a member has a shortage that has not been repaid prior to retirement, the pension will be reduced by the actuarial value of the shortage. When a member has a pension shortage, the member is given the opportunity to pay back the shortage before retirement. Shortages may be caused in any number of ways, as described above.

Example: A 45-year-old member retires for Service with a \$50,000 shortage. To create the actuarial value of this shortage, it is multiplied by the age-driven actuarial factor (per thousand dollars of shortage) of \$81.78, resulting in a pension reduction of \$4,088 per year.

Reducing a Shortage

Members can reduce or eliminate a shortage in any of the following ways:

1. **Waive ITHP**

By waiving ITHP, the member agrees to contribute 100% of the required rate; contributions assumed by the City still remain in effect when a member waives ITHP. City ITHP does not appear on your pay stub, but City ITHP plays a major role in funding your pension. Waiving ITHP can help decrease a shortage and may even result in an account excess.

2. **Choose 50% Additional**

Choosing 50% Additional has similar benefits to waiving ITHP, but 50% Additional contributions are made from after-tax income rather than pre-tax income. Reducing a shortage by choosing 50% Additional may result in ASF funds that can be withdrawn tax-free at retirement.

3. **Lump Sum Contribution**

A member may also eliminate a shortage by making a lump sum payment. The Fund will only accept a lump sum payment of \$500 or more. This may be done at any time either in person or by mail. The member must request a shortage evaluation at the time of the payment and submit a personal check to the Membership Services Unit payable to the New York City Police Pension Fund. This payment is then credited to the member's ASF account. **Note:** Members may only make lump sum contributions if a shortage exists in the ASF account.

Effect of the Final Withdrawal

At retirement, a member may take a final withdrawal (sometimes called a "final loan"). Members may withdraw up to 90% of their required amount, as well as some or all of their excess, if applicable. Taking a final withdrawal has the same effect as creating a shortage; therefore the member's pension will be reduced for the life of the pension. Having an outstanding loan balance at the time of retirement may also have the effect of creating a shortage.

Retirement

Applicants for Service Retirement should call the Retirement Counseling Unit at the Fund at (212) 693-5733 for an appointment three to four weeks before filing for retirement. Filing for retirement must be done in person at least ten days prior to the start of terminal leave and at least 30 days prior to the retirement date. Patrol Guide Procedure 205-42 authorizes that an administrative tour be granted to members appearing at PPF to file for retirement.

Pension checks are mailed to the home address on file with the Fund unless a member requests otherwise. Members may have pension payments directly deposited to any bank upon the submission of an Electronic Funds Transfer (EFT) Form. Change of address forms and EFT forms are available on the Fund's website (www.nyc.gov/nycppf). It is the member's responsibility to keep address information current with the Fund, even after retirement.

Procedures for all members applying for retirement

Property Receipt—Discontinuance of Service (PD 520-013)

This form must be completed and signed by the Commanding Officer of the member's permanent command, or an officer at least a rank above the member within the command, and delivered by the member to the PPF's Retirement Counseling Unit. The field, "Next Scheduled Tour After Leaves, Except Terminal Leave" must be filled out on this form. The date in this field is the starting date of terminal leave. All NYPD equipment listed on the Property Receipt (PD-520-013) must be turned in at the member's command. A member appearing at PPF for retirement must be in possession of his shield and identification card.

Firearms

Members who are New York City residents and wish to obtain a New York City Pistol License must submit a notarized NYPD Handgun License Application (PD-643-041) to be delivered in person to the NYPD License Division, Room 110, 1 Police Plaza (8:30 a.m. to 3:00 p.m., Monday-Friday). The Application should be submitted two weeks prior to the member's scheduled appointment for retirement processing, otherwise the member may be subject to vouchering firearms until the permit is processed.

To obtain the Handgun License Application, visit www.nyc.gov/nypd, and select "Permits" at the left of the page. Additionally, complete the "Acknowledgement of Person Agreeing to Safeguard Firearms" and, if necessary, "Affidavit of Co-habitant." Questions regarding the Handgun License Application should be directed to the License Division at (646)610-5536. Members who are not New York City residents must provide a copy of the Property Clerk Invoice (PD 521-141) for all firearms listed on the NYPD Force Record Card.

If the member is not returning to work, a copy of the Handgun License Application must be provided to PPF before the retirement process begins. In all other cases, a copy of this form must be provided before terminal leave begins. If terminal leave is waived, PPF requires the form before the retirement date. For questions regarding firearm licenses outside New York City, please contact the relevant county or municipality.

Health Insurance Information

Members, and in some cases beneficiaries, may be eligible for health benefits from the City of New York. Members appointed on or before December 27, 2001 need at least five years of credited service; members appointed on or after December 28, 2001 need at least ten years of credited service. Please note members who retire on an Accidental Disability Retirement are eligible for health benefits immediately; members who retire on an Ordinary Disability Retirement need at least five years of credited service to be eligible for health benefits.

Health benefits are only available to a person actually collecting a pension. For example, a member who vests with 10 years of service and does not collect a retirement allowance until what would have been the member's 20th anniversary is not eligible for health benefits until the Fund begins to disburse the retirement allowance. Members should contact Employee Health Benefits at the NYC Office of Labor Relations at 40 Rector Street, New York, NY 10006 or (212) 306-7390 for further information regarding health benefits.

For health insurance purposes, the following information must be provided when a member appears at the Fund to retire:

- ✓ GHI, HIP or other health plan card;
- ✓ Spouse's date of birth and Social Security Number;
- ✓ Date of marriage;
- ✓ Dates of birth and Social Security Numbers of dependent children;
- ✓ If spouse is employed and has health insurance, bring pertinent information (name of employer, health plan, and policy number).

Counseling Process

During the counseling process at the PPF, members are advised regarding health insurance, pension options, employment restrictions, withholding tax and other important retirement issues. The member's retirement date will be set, and questions unique to the member's situation will be answered. In addition, estimates for both final pension and pre-finalization pension will be provided.

Estimate of Final Pension

An applicant for retirement will receive a pension estimate after meeting with a retirement counselor—this is only an estimate. Any additional overtime, night differential and worked vacation earned between the estimated retirement date and the actual retirement date will be included at finalization. Any difference in monthly average earnings between the retirement processing date and the finalization date will be disbursed as a retroactive payment.

Terminal Leave

Members are entitled to take all accrued time and terminal leave after the last day on active duty. All accrued time must be used prior to the start of terminal leave. During terminal leave, members remain on the active payroll. Terminal leave will not be granted if a member has charges pending with the Police Department.

Application Withdrawal

A member being processed for Vested or Service Retirement may withdraw the retirement application while it is still pending by appearing at the Fund in person at least one business day prior to the scheduled retirement date. Any terminal or annual leave used prior to withdrawal of the retirement application may not be restored; however, unused terminal leave may be used toward a future retirement. A member must work 30 days after withdrawing an application for retirement to be eligible for annual leave in the next calendar year.

Final Average Salary

- **Members appointed before July 1, 2000**—Final average salary is the greater of pensionable earnings in one of the following periods:
 - Final 12 months immediately preceding the retirement date; or
 - Average of the final 36 months immediately preceding the retirement date; or
 - Average of the best three consecutive calendar years.
- **Members appointed on or after July 1, 2000**—Final average salary is defined as pensionable earnings in the final 12 months of service.

Pensionable Earnings

Pensionable earnings are made up of salary, overtime, night shift differential, worked vacation and allowable longevity. If the final 12 months immediately preceding the retirement date are used to calculate final average salary, pensionable earnings may not exceed 120% of the previous 12 months' pensionable earnings. If the average of the final 36 months immediately

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preceding the retirement date or average of the best three consecutive calendar years is used to calculate the final average salary, no single year's pensionable earnings may exceed 120% of the average of the two previous years' pensionable earnings.

A member's uniform allowance, Fair Labor Standards Act (FLSA) payments and excluded longevity are not pensionable earnings. After 20 years of service, longevity is pensionable only at the 5- and 10-year levels. After 25 years of service, full longevity is pensionable.

Vested Retirement

A member "vests" after five years of uniformed service and becomes eligible for pension benefits. The member may apply for Vested Retirement at any point between "vesting" and eligibility for Service Retirement. The application for Vested Retirement must be filed at the Police Pension Fund at least 30 days before discontinuance of active police service.

A Vested Retirement Pension starts on the earliest date the member would have been able to retire for Service. Vested retirees are not entitled to terminal leave before separation from service, Variable Supplements Fund payments or the Reserve for Increased Take-Home Pay.

Note: New York State service may not be counted for vesting purposes until after the completion of five years of New York City uniformed service.

A Vested Retirement pension benefit is as follows:

$1/40 \times \text{final average salary} \times \text{years of uniformed service}$

plus

$75\% \times 1/60\text{th} \times \text{last five-year average earnings}$
 $\times \text{years (to the day) of all prior non-uniform service}$

plus

Annuity value of ASF in excess of the required amount

less

Annuity value of ASF balance shortage

A member decides to vest at age 36 with 10 years of uniformed service, a final average salary of \$46,705 (which excludes longevity of \$4,745), final 12-month earnings of \$51,450 and five-year average earnings of \$49,800. The member also has a shortage of \$54,000 and two years of non-uniform prior city service. The Vested benefit is calculated as follows:

$$\begin{aligned}
 &1/40 \times \$46,705 \times 10.0 = \$11,676 \\
 &\quad \text{plus} \\
 &75\% \times 1/60 \times \$49,800 \times 2.0 = \$1,245 \\
 &\quad \text{less} \\
 &\text{Annuity value of } \$54,000 = (\$4,460)
 \end{aligned}$$

Annual Vested Retirement Pension = \$8,461

Health benefits note: Health benefits stop on the vested separation date, but vested retirees become eligible to receive health benefits beginning on their 20th anniversary. However, the credited service required in order to receive health benefits varies by appointment date.

Service Retirement

Members are eligible for Service Retirement upon completion of 20 years of Allowable Police Service. The application for Service Retirement must be filed at the Police Pension Fund at least 30 days before discontinuance of active police service.

A Service Retirement pension benefit is as follows:

50% of final average salary
 plus
 1/60th of total earnings after the 20th anniversary
 plus
 75% x 1/60th x average earnings for the last five years x
 number of years (to the day) of all prior non-uniform service
 plus
 Annuity value of City ITHP contributions after the 20th anniversary
 plus
 Annuity value of ASF in excess of the required amount
 less
 Annuity value of ASF shortage

A member elects to retire at age 44 with 23 years of uniformed service, a final average salary of \$63,288, \$141,233 in total earnings after the 20th anniversary and average earnings of \$50,379 over the last five years. The member also has a shortage of \$69,120 and two years of non-uniform prior service. The Service benefit is calculated as follows:

$$\begin{aligned} &50\% \times \$63,288 = \$31,644 \\ &\quad \text{plus} \\ &1/60 \times \$141,223 = \$2,354 \\ &\quad \text{plus} \\ &75\% \times 1/60 \times \$50,379 \times 2.0 = \$1,260 \\ &\quad \text{plus} \\ &\text{Annuity value of City ITHP contributions} = \$235 \\ &\quad \text{less} \\ &\text{Annuity value of } \$69,120 = (\$5,600) \end{aligned}$$

Annual Service Retirement Pension = \$29,893

Termination

Pursuant to Chapter 514 of the Laws of 2011, if a member is dismissed from the NYPD, for any reason other than a felony conviction, and the member has at least 20 years of Allowable Police Service, the member will be deemed to have retired as of the date of his dismissal and will suffer no loss of rights or benefits from the PPF. If a member is convicted of a felony, the member may forfeit any right to a retirement benefit. This law applies only to members who are terminated after September 23, 2011.

Variable Supplements Fund

Members who **retire for Service** on or after October 1, 1968 are eligible to receive an annual statutorily defined Variable Supplements Fund (VSF) payment in addition to regular pension payments. The VSF is prorated based upon the number of full months of retirement. The annual VSF benefit for 2011 and every year thereafter is \$12,000. ***Vested members and members who retire for Ordinary or Accident Disability are not eligible for VSF benefits.***

VSF DROP (Deferred Retirement Option Plan)

In addition to the annual VSF benefit discussed above, members who continue on active duty beyond the 20th anniversary, and ultimately retire for Service, may be entitled to the VSF DROP (Deferred Retirement Option Plan), also known as the "Banked Variable." The VSF DROP was designed to retain experienced members of the NYPD by guaranteeing a lump sum payment upon retirement for each year the member remains in active service beyond the member's twentieth police anniversary. Accrued VSF DROP funds are eligible for rollover, subject to IRS regulations.

The VSF DROP is not payable to members who die in active service or retire for a disability.

VSF Payment Schedule

VSF payments and VSF DROP payments will be made or credited on or about December 15th of the retirement year. Members who retire in the month of December are not eligible for a prorated VSF for the month; however, if the member is eligible for the VSF DROP, it will not be paid until December of the following year.

Disability Retirement

An application for Ordinary or Accident Disability may be made by a member who is incapacitated from performing the duties of a police officer.

A disability application may be filed by the member or a legally authorized person acting on the member's behalf, or by a committee or conservator duly appointed by a court of competent jurisdiction; or by the Police Commissioner.

Applications for ODR and ADR are made at the Medical Division, 1 Lefrak City Plaza, 59-17 Junction Boulevard, Corona, New York, 11368. Applicants will be notified of the time to appear before the Medical Board for examination.

After the examination, the Medical Board will report to the NYCPPF Board of Trustees with a recommendation for approval or disapproval of the disability application. After the Board of Trustees meeting, members are informed of the decision and other necessary information.

If a member has 20 years or more of allowable police service, the application for Ordinary Disability Retirement may be withdrawn and the member may retire for Service, provided the Police Pension Fund Board of Trustees has not made a final disability determination. The application withdrawal request must be sent in writing to the Executive Director of the Police Pension Fund. This request also requires the approval of the Chairman of the Police Pension Fund Board of Trustees.

Note: Under either Ordinary Disability or Accident Disability Retirement, a member may choose either the Maximum Retirement Allowance or a pension option to provide for a beneficiary upon the death of the member.

Ordinary Disability Retirement (ODR)

Members are eligible to apply for an Ordinary Disability Pension regardless of age or years of uniformed service. To be granted an Ordinary Disability Retirement, a member must be found to be physically or mentally unable to perform regular job duties by the Medical Board. If the Medical Board finds the member to be disabled, the Police Pension Fund Board of Trustees then makes the final determination for or against Ordinary Disability Retirement.

The ODR benefit is calculated differently depending on a member's length of credited service.

<p>Member with less than ten years of credited service:</p> <p>Pension equal to 33 1/3% of final average salary plus An annuity based on ASF balance in excess of required amount less Annuity value of any shortage</p> <p>Member with ten or more years of credited service:</p> <p>Pension equal to 50% of final average salary plus An annuity based on ASF balance in excess of required amount less Annuity value of any shortage</p>

Member with twenty or more years of credited service:

Pension equal to (years of all credited service) /40 x final average
salary
plus
An annuity based on ASF balance in excess of required amount
less
Annuity value of any shortage

A member retires on an Ordinary Disability at age 44. The member has 21 years of uniformed service, two years of non-uniformed service, a final average salary of \$63,288 and \$69,120 shortage. The Ordinary Disability benefit is calculated as follows:

$$23 \text{ (yr.)} / 40 \times \$63,288 = \$36,391$$

less

$$\text{Annuity value of } \$69,120 \quad (\$5,917)$$

$$\text{Annual Ordinary Disability Retirement Pension} = \$30,474$$

Accident Disability Retirement (ADR)

Members are eligible to apply for an Accident Disability Pension regardless of age or years of uniformed service. In order to be granted Accident Disability Retirement, the Medical Board must find the member to be physically or mentally unable to perform police duties as the result of an accident sustained in the line of duty. If the member is found to be disabled in this way, the Police Pension Fund Board of Trustees then makes the final determination regarding ADR. An ADR pension becomes effective after the last day a member is on the active NYPD payroll.

An ADR pension benefit is as follows:

75% of final average salary
plus
1/60th of total earnings after the 20th anniversary
plus
Annuity value of ITHP Reserve Account
plus
Annuity value of ASF account balance

A member retires on an Accident Disability at age 44 with 23 years of uniformed service. The member has a final average salary of \$63,288, total earnings after the 20th anniversary of \$141,233 and an ASF balance of \$23,040. The ADR pension is calculated as follows:

$$\begin{array}{r} 75\% \times \$63,288 = \$47,466 \\ \text{plus} \\ 1/60 \times \$141,223 = \$2,354 \\ \text{plus} \\ \text{Annuity value of ITHP reserve account} = \$4,854 \\ \text{plus} \\ \text{Annuity value of } \$23,040 = \$1,972 \end{array}$$

Annual Accident Disability Retirement Pension = \$56,646

World Trade Center Disability Law

Chapter 489 of the Laws of 2008 enables active and retired Police Pension Fund members who were active members during the World Trade Center rescue, recovery or clean-up operations, to receive an Accident Disability Pension if determined to be permanently disabled as a result of such participation. A Notice of Participation must have been filed by September 11, 2010 to preserve eligibility for this disability law.

2009 Taxability Change

Pension benefits are non-taxable for members who retired on ADR before January 1, 2009.

Members who retired on ADR on or after January 1, 2009 are subject to taxation on the following portions of the Accident Disability Pension:

- ✓ The portion of the pension that is attributable to member contributions under IRC § 414 (h) and accumulated interest on all member contributions; and
- ✓ ITHP attributable to years after 20 years of service; and
- ✓ The additional 1/60th benefit for years after 20 years of service.

All other pensions (Service, Ordinary Disability and Vested) are subject to the Internal Revenue Code, but are exempt from New York City, New York State and Social Security taxes.

Members are required to ensure that federal income taxes are withheld from their pensions. The tax laws of all states are different and subject to change; when relocating after retirement, the Fund recommends researching the state's tax laws, or consulting a tax professional.

Cost of Living Adjustments (COLA)

A retiree becomes eligible for Cost of Living Adjustments (COLA) at age 62 if retired for at least five years, or at age 55 if retired for at least ten years, and all disability retirees are eligible for COLA after being retired for five years. The COLA amount is calculated at $\frac{1}{2}$ the Federal Consumer Price Index (CPI), with the minimum amount being 1% and the maximum being 3%.

Spouses collecting a benefit under a joint and survivor option may also be eligible to receive COLA; however, the beneficiary receives 50% of the amount that the member/retiree would have received.

The COLA amount is applied to the first \$18,000 of the retirement allowance, or to the full retirement allowance if less than \$18,000. COLA payments to Service retirees are subtracted from their VSF payments until attainment of age 62, after which point the retiree will receive both the full COLA and full VSF payments.

Pension Options

Through a pension option, a member may elect to receive a smaller retirement allowance while alive in order to provide a benefit for a beneficiary upon the member's death. There are nine options that provide such benefits; a member may elect one at the time of retirement. Each option has a cost, determined by the member's age and the beneficiary's age at the time of the member's retirement. Option selection is generally irrevocable.

To receive the Maximum benefit and yet still provide for a beneficiary, commercial life insurance policies or annuities should be considered.

Maximum Retirement Allowance

The Maximum Retirement Allowance is the highest pension to which a member is entitled by law. Under the Maximum Retirement Allowance, the pension ceases upon the member's death, and no further pension payments may be made to any survivors.

Option Two—100% Joint and Survivor

Upon the member's death, the designated beneficiary receives 100% of the member's total monthly benefit for the rest of his or her life. Only one beneficiary may be named and may not be changed. If the beneficiary predeceases the member, pension payments continue at the reduced rate unchanged; a new beneficiary may not be named and benefits cease upon the death of the member.

Note: Option 4-2 below has the same beneficiary and payment structure as Option 2, 100% Joint and Survivor, except that Option 4-2 allows the pension to revert to the Maximum Retirement Allowance should the beneficiary predecease the member.

Option Three—50% Joint and Survivor

Upon the member's death, the designated beneficiary receives 50% of the total monthly benefit for the rest of his or her life upon the death of the member. Only one beneficiary may be named, and that beneficiary may not be changed. If the beneficiary predeceases the member, pension payments continue at the reduced rate unchanged; a new beneficiary may not be named and all benefits cease upon the death of the member.

Note: Option 4-3 below has the same beneficiary and payment structure as Option 3, 50% Joint and Survivor, except that Option 4-3 allows the pension to revert to the Maximum Retirement Allowance should the beneficiary predecease the member.

Option 4—Lump Sum

Upon the member's death, the designated beneficiary, or beneficiaries, will receive a specific amount (lump sum), determined at the time of finalization. More than one beneficiary may be designated, and such beneficiaries can be changed at any time.

Option 4—Annuity

Upon the member's death, the designated beneficiary receives a retirement allowance specified by the member payable for the life of the designated beneficiary. Only one beneficiary may be named, and that beneficiary may not be changed. If the beneficiary predeceases the member, pension payments continue at the reduced rate unchanged; a new beneficiary may not be named and all benefits cease upon the death of the member.

Note: Option 4-4 below has the same beneficiary and payment structure as Option 4, Annuity, except that Option 4-4 allows the pension to revert to the Maximum Retirement Allowance should the beneficiary predecease the member.

Option 4-2—100% Joint and Survivor with “Pop-Up”

Upon the member's death, the designated beneficiary receives 100% of the member's total monthly benefit for the rest of his or her life. Only one beneficiary may be named and may not be changed. If the beneficiary predeceases the member, pension payments revert to the Maximum Retirement Allowance.

Option 4-3—50% Joint and Survivor with “Pop-Up”

Upon the member's death, the designated beneficiary receives 50% of the member's total monthly benefit for the rest of his or her life. Only one beneficiary may be named and may not be changed. If the beneficiary predeceases the member, pension payments revert to the Maximum Retirement Allowance.

Option 4-4—Annuity with “Pop-Up”

Upon the member's death, the designated beneficiary receives a retirement allowance specified by the member payable for the life of the designated beneficiary. Only one beneficiary may be named, and that beneficiary may not be changed. If the beneficiary predeceases the member, pension payments revert to the Maximum Retirement Allowance.

Option 5—Five Year Certain

If a member elects this option, the benefit is payable to the retiree for life; however, if the member dies within 5 years of retirement, the benefit is only payable to the designated beneficiary until the 5th anniversary of the member's retirement. For example, a member may elect this option and live for 15 years after retirement, upon the member's death the benefit would cease and not be payable to a beneficiary. Conversely, if a member died one year after retirement, under this option the benefit would be payable to the beneficiary for 4 more years.

Option 6—Ten Year Certain

If a member elects this option, the benefit is payable to the retiree for life; however, if the member dies within 10 years of retirement, the benefit is only payable to the designated beneficiary until the 10th anniversary of the member's retirement. For example, a member may elect this option and live for 25 years after retirement, upon the member's death the benefit would cease and not be payable to a beneficiary. Conversely, if a member died 3 years after retirement, under this option the benefit would be payable to the beneficiary for 7 more years.

Pre-finalization Pension

After retirement, members will receive a monthly pension of approximately 90% of their estimated final pension. Full monthly pension payments will not be received until the benefit is certified by the Chief Actuary of the City of New York. Upon certification by the Actuary, a pension is considered finalized. After finalization, members begin to receive full monthly pension payments. Any retroactive adjustments are included in the first full pension payment.

Tier 2 SPD April 2014

Note: Members considering choosing an option may wish to withhold more than 10% from the pre-finalization pension because choosing an option results in a pension lower than the Maximum Retirement Allowance because of the cost of the option.

Finalization Requirement

A pension cannot be finalized unless either the Maximum Retirement Allowance or a pension option is selected. The Fund will send three notices for option selection; if no response is received after the third notice, the Fund will finalize the pension at the Maximum Retirement Allowance. Finalization is generally irrevocable.

Reinstatement to the NYPD

Before the 20th Anniversary

If a member separates from service before becoming eligible for Service Retirement and subsequently rejoins the NYPD as a uniformed member the member will maintain all membership rights and credited service earned prior to separation from service, as long as the member did not withdraw any contributions upon separation.

After the 20th Anniversary

If, after Service Retirement, a member rejoins the NYPD the pension stops and an active membership begins in the Police Pension Fund. The member will receive a new Tax ID number upon reinstatement. The member will receive a new required rate based on age at reinstatement and start pension contributions as any new PPF member would.

Note: If a member reinstates at age 39 and older, the member contribution rate will be negated by the ITHP unless ITHP is waived and/or the member participates in 50% Additional. The required rate for members 39 and older is less than the 5.0% the City assumes with ITHP.

A reinstated member must work at least five years after reinstatement before the new service and the prior service from the earlier retirement may be combined for purposes of retiring on a recalculated pension.

If a member qualifies for the full value of a recalculated pension, a member must first repay to the Police Pension Fund all pension funds received prior to reinstatement. Any prior pension amount not repaid at the time of the member's second retirement will be actuarially deducted from the recalculated pension.

If the member retires for a second time before completing five years of uniformed service after reinstatement, the pension will be the original pension, adjusted for additional 1/60th and ITHP values.

Retiree Employment Restrictions

NYCPPF retirees must comply with post-retirement earnings restrictions to ensure any portion of the retirement allowance is not jeopardized. All PPF retirees are subject to post-retirement limitations and reemployment restrictions. Violations of any of these laws and/or rules may jeopardize some or all of the retirement allowance. Members are encouraged to consult with PPF prior to accepting any post-retirement employment.

According to §1117 of the New York City Charter, a pension must be suspended or forfeited for retirees employed by New York State or any of its political subdivisions unless the pension, plus the job's salary or compensation, is less than \$1,800 per year. However, sections 211 and 212 of the RSSL may enable service retirees to earn higher amounts.

Service and Vested Retirees-Under 65

Section 211: Waiver Required

RSSL Section 211 enables New York State or any of its political subdivisions to hire retirees who possess certain qualifying skills; however, such an employer needs to obtain a Section 211 Waiver on behalf of the employee. It is the retiree's responsibility to ensure the employer obtains the 211 Waiver and it remains in force throughout the employment period. The NYS Civil Service Commission and the NYC Department of Citywide Administrative Services (DCAS) are among the entities empowered to grant a Section 211 Waiver.

Section 211(a) – Earnings Cap

If the position's salary or compensation is over \$30,000 and the position is with a former employer (except the NYC Dept. of Education), the maximum salary or compensation the non-disability retiree may receive is calculated as follows:

Basis: **Current salary at retirement rank** (salary = base salary + all overtime types + uniform allowance + worked vacation)
Less: **Retirement allowance**
Equals: **Maximum annual earnings (rounded to the next highest \$500)**

The Police Pension Fund will suspend the retirement allowance if the retiree earns more than the maximum annual earnings.

Section 211(b) – No Earnings Cap

If the position the non-disability retiree seeks is not with a former employer, the retiree may be hired with no earnings limitations. However, the employer must obtain a Section 211 Waiver on behalf of the employee.

Section 212: Earnings Cap

Under RSSL Section 212, a non-disability retiree under 65 years of age may be employed by New York State or any of its political subdivisions without prior approval of the New York State Civil Service Commission or DCAS. However, the employee's annual salary or compensation must be equal to, or less than, an amount determined by the New York State Legislature (currently \$30,000). A retired PPF member must notify the Executive Director of NYCPPF in writing if he intends to exercise this right. If the retiree's earnings exceed the state-established limit, PPF will suspend the pension benefit.

Retirees Age 65 and Over

In the calendar year in which a non-disability retiree attains age 65, and every year thereafter, the retiree has no restrictions on earnings paid by New York State or any of its political subdivisions.

Public Benefit Corporations

Section 1117 of the New York City Charter does not apply to Public Benefit Corporations (PBCs), so all retirees may work for such corporations with no earnings limitations.

The following are some common PBCs, including but not limited to:

- ✦ Metropolitan Transportation Authority
- ✦ New York City Housing Authority
- ✦ New York City Transit Authority
- ✦ New York City Dormitory Authority
- ✦ New York City School Construction Authority
- ✦ New York City Convention Operating Corporation
- ✦ New York City Health and Hospitals Corporation
- ✦ New York/New Jersey Port Authority
- ✦ New York State Urban Development Corporation
- ✦ Waterfront Commission of New York Harbor

Safeguards

Before the 20th Anniversary

Before the 20th anniversary, Ordinary Disability or Accident Disability retirees are not governed by Section 1117 of the New York City Charter. Accordingly, such retirees may earn more than \$1,800.00 per year when employed by New York State or any of its political subdivisions or a public benefit corporation.

However, New York City Administrative Code § 13-254 limits the earnings of pre-20th anniversary disability retirees. Maximum earnings are defined as follows:

Base: Current salary* at next highest rank (immediately above retirement rank)
Less: Pension portion of the retirement allowance
Equals: Maximum annual earnings

**Salary is defined as base pay plus overtime, uniform allowance for rank at retirement and worked vacation.*

The Police Pension Fund will suspend the pension portion of the retirement allowance if the retiree earns more than the maximum annual earnings.

After the 20th Anniversary

After the 20th anniversary, disability retirees are governed by Section 1117 of the New York City Charter (i.e., the retirement allowance pension portion plus the job's salary or compensation must be less than \$1,800.00 per year). RSSL §§ 211 and 212 do not apply to disability retirees after the 20th anniversary as per RSSL § 210.

Note: If a disability retiree becomes an employee of New York State or any of its political subdivisions after the 20th anniversary, PPF will suspend the pension portion of the member's retirement allowance; however disability retirees may be employed by public benefit corporations and non-public organizations with no earnings limitations after the 20th anniversary.

Second Retirement System Membership

A retiree may not join another New York State retirement system as an active member while receiving a pension from the Police Pension Fund. If a retiree does so, the pension portion of the retirement allowance will be suspended; when active membership in the second retirement system ends, pension portion payments will resume.

Active Member Death Benefits

This section describes death benefits available to beneficiaries following the death of an active member. Whenever such a death occurs, the Police Pension Fund Death Benefits staff is available to meet upon request with the designated beneficiary/ies to explain all available benefits.

Payments for All Deaths

The following payments are made in the event of an active member's death, regardless of the cause of death:

- Refund of accumulated contributions, which includes pension loan insurance, if applicable;
- Payment of unpaid salary;
- Payment of worked vacation and lost time, if any

Ordinary Death Benefit (non-line-of-duty, under 20)

This death benefit will be paid provided the member was in service for 90 days or more at the time of death and the member was a salaried PPF member at the time of death.

If the deceased member had under 20 years of service, and the death was not in the line of duty, the beneficiary will receive a lump sum payment equal to three times the member's final years earnings, rounded up to the nearest \$1,000.

Death Gamble Benefit (non-line-of-duty, over 20)

The Death Gamble applies to active members with over 20 years of service and to members retired for Service awaiting finalization of their pension benefit. Under the Death Gamble, members are presumed to have taken Service Retirement the day before they died. The beneficiary of a Death Gamble may receive this benefit either as a lump sum payment of the member's pension reserve accounts or as an annuity for life.

Accidental Death Benefit

An application must be made to the Medical Board to determine whether a member's death was the result of an accident sustained in the line of duty. If the Police Pension Fund Board of Trustees ratifies an affirmative determination from the Medical Board, an Accidental Death Benefit is paid.

The Accidental Death Benefit consists of four parts:

1. A lump sum equal to the member's accumulated deductions and any insured loan amount paid to the designated beneficiary(ies), or to the member's estate if no designation is on file.
2. A lump sum payment of the balance in the member's ITHP reserve account.
3. A New York City-paid pension based on 50% of the member's determined salary. This benefit is paid to the spouse; if there is no surviving spouse, or if the surviving spouse dies before any child of the member attains the age of 18 years, or is a full-time student before such child attains the age of 23 years, then the benefit is paid to such a child (or children) under such age until every such child dies or attains such age. If the member has no surviving spouse or qualifying child, then the benefit is paid to a dependent father or mother for life.
4. A Special Accidental Death benefit (SADB). This is a New York State-paid pension equal to the member's final year's salary, less the New York City-paid pension and Social Security benefits. The SADB is payable to the surviving spouse or dependent child/children at the time of your death. The SADB is not payable to dependent parents, and it may be increased periodically by the New York State Legislature. Effective September 1, 2000, any Cost of Living Adjustment (COLA) received on the New York City-paid 50% pension must be subtracted from the Special Accidental Death Benefit.

Vested Death Benefit

The Vested separation period begins on the date a member leaves police service after vesting and ends on the member's 20th anniversary. A Vested Death Benefit is available to beneficiaries of members who die during the Vested separation period.

The benefit varies with the member's length of allowable police service prior to Vested Separation:

- If the member had less than ten years of service upon vested separation and dies before the 20th anniversary, the beneficiary will receive only the remaining accumulated contributions.
- If the member had ten or more years of service upon vested separation and dies before the 20th anniversary, the beneficiary is entitled to one-half the Ordinary Death Benefit that would have been payable upon the member's separation from uniformed police service.

Beneficiaries

All members designate a beneficiary (or beneficiaries) for Death Benefits when joining the PPF; however, whenever a member's social condition changes (e.g., marriage, separation, divorce), the beneficiary designation should be updated.

Reviewing beneficiary designations regularly is well worth the time and effort; doing so protects both assets and heirs. Tax filing and open enrollment periods are recommended times to do this. Major life events, e.g., marriage, remarriage, divorce, birth, adoption and death, often create the need to update beneficiaries.

Checking Your Beneficiary

To obtain beneficiary information, either visit PPF in person or mail a request to the New York City Police Pension Fund, 233 Broadway, 19th Floor, New York, New York, 10279, attention: Membership Services Unit. Due to privacy concerns, telephone and e-mail requests are not permitted.

Changing Line Organization Beneficiaries

Whenever checking beneficiary information with the PPF, remember to also contact the appropriate line organization at the address and number listed below to obtain beneficiary information in those records, as well:

<i>Police Officers</i>	Patrolmen's' Benevolent Association (PBA)	212-349-7560
<i>Sergeants</i>	Sergeants' Benevolent Association (SBA)	212-431-6555
<i>Detectives</i>	Detectives' Endowment Association (DEA)	212-587-1000
<i>Lieutenants</i>	Lieutenants' Benevolent Association (LBA)	212-964-7500
<i>Captains & above</i>	Captains Endowment Association (CEA)	212-791-8292

Changing Beneficiaries

The PPF Change of Beneficiary Form is available on the PPF website. The form must be notarized and may be mailed to: New York City Police Pension Fund, 233 Broadway, 19th Floor, New York, New York, 10279, attention: Membership Services Unit. Questions may be directed to Membership Services at 212-693-5850.

Changing Health Insurance Dependents (Active Members)

To change the dependents on health insurance by mail or in person, please contact the NYPD Health Insurance Section, 51 Chambers Street, 3rd Floor, New York, New York 10007 or call 646-610-5122 for information.

Changing Deferred Compensation Plan Beneficiaries

If enrolled in the NYC Deferred Compensation Plan, call 212-306-7760 for information about updating Plan Beneficiaries. Information is also available at www.nyc.gov/OLR. Click on Forms and Downloads and download the Beneficiary Distribution Guide/Form.

Guide for Surviving Beneficiaries

There are few situations in life more stressful than the loss of a loved one; there are no words of comfort at such a difficult time. This section is designed to aid the survivors of PPF members by providing a checklist of who to contact upon the death of a PPF member or retiree, and the information that is required. There are four calls to make:

1. NYPD Operations Unit

Survivors should call NYPD Operations at 646-610-5580, located at NYPD Headquarters, 1 Police Plaza, New York, New York 10038. Pall bearers may be requested at that time and are available for all five City boroughs, Long Island, Westchester, Rockland, Orange and Putnam counties.

2. NYC Police Pension Fund

Please notify PPF in writing at 233 Broadway, 19th Floor, New York, NY 10279, attention: Death Benefits Unit or by telephone at 212-693-5619/5919. Please have the following information available at the time of the phone call: the first, middle and last name of the deceased; the date of death; Social Security Number of the deceased; name of the next of kin; and name, address and phone number of the executor or executrix of the estate, if applicable.

The Fund will need (prompt receipt will expedite the ability to make payments):

- ✓ A certified copy of the death certificate;
- ✓ A copy of the paid funeral bill;
- ✓ A copy of the marriage certificate, if applicable; and
- ✓ A copy of the beneficiary's Social Security card.

3. Member's line organization

Contact the appropriate line organization below, and ask about a possible life insurance policy and whether any continuing optional benefits are available:

PBA	125 Broad St.	11th Floor	212-349-7560
DEA	26 Thomas St.		212-587-1000
SBA	35 Worth St.	First and second floor	212-431-6555
LBA	233 Broadway	Suite 1801	212-964-7500
CEA	233 Broadway	Suite 1801	212-791-8292

4. Health Benefits Program (Retired Members)

Contact the NYC Employee Health Benefits to request the appropriate health benefits forms. This office is located at 40 Rector Street, 3rd Floor, New York, NY 10006 and can be reached at 212-513-0470.

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SUMMARY PLAN DESCRIPTION

New York City Police Pension Fund
Tier 3 Members

New York City Police Pension Fund

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Mayor

William J. Bratton

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Kevin Holloran

Executive Director

Robert-Sens Castet

Deputy Executive Director



Introduction

This booklet is called the Tier 3/Tier 3 Revised Plan Member (also known as Tier 6) Summary Plan Description (SPD). It is published by the New York City Police Pension Fund (NYCPPF, PPF, Fund), and is intended to summarize all of the provisions relating to the retirement plan, programs and other benefits offered to members employed by the New York City Police Department (NYPD) who became police officers on or after July 1, 2009. Members appointed on or after April 1, 2012 are considered Tier 3 Revised Plan Members, also known as Tier 6¹.

Laws affecting the plan can be added to or changed at any time, which may result in inaccuracies within this SPD. In the event of a conflict between the contents of this booklet and any applicable law and/or rules, including, but not limited to, the Administrative Code of the City of New York (NYCAC), the New York State Retirement and Social Security Law (RSSL), and the Rules of NYCPPF, the applicable Law or Rule will govern.

About PPF

In 2001, legislation provided Corpus Funding for the Pension Fund to begin operations in September 2002 at its new location at 233 Broadway in New York City. The PPF is governed by the Board of Trustees. The Comptroller of the City of New York is Custodian of the funds of the System, and by delegation of the Board of Trustees, has the power to invest those funds. The Executive Director is the chief administrative officer of the agency. The Chief Actuary for the City of New York provides actuarial services to the PPF. The Office of Corporation Counsel provides legal services to the Fund.

NYCPPF is a defined benefit plan, meaning that a specific benefit is provided at retirement in amounts that are paid either on a fixed-dollar basis or as a percentage of compensation. PPF manages the Fund's invested assets and pays out benefits according to formulas set forth in New York State and City laws. In general, Tier 3 members are governed by Article 14 of the RSSL, the NYCAC, the Rules of the Fund and certain other applicable statutes.

How to Contact PPF

At PPF, protecting and securing the privacy of member data is a top priority. That is why before taking action on private and confidential pension matters, a personal visit to our office, a written and signed (in some cases notarized) communication, or a judicial subpoena is required. PPF staff does not respond to telephone or e-mail inquiries relating to private member information because the identity of the caller or e-mail writer cannot be confirmed.

To communicate with PPF by fax, members are advised to identify a specific staff member in advance and to send the fax directly to the staff member using the fax number specified. Always retain copies of the fax and fax receipt.

¹ Collectively, this SPD applies to Tier 3 members—those members hired between July 1, 2009 and March 31, 2012, and Tier 3 Revised Plan members (also known as Tier 6—those members hired on or after April 1, 2012).



For answers to questions of a **general** nature concerning retirement and pensions, please call PPF at (212) 693-5100; or visit the Pension Fund at 233 Broadway, 19th Floor, New York, New York 10279.

The Fund will respond promptly and completely to pension questions. PPF's ongoing mission is to provide excellent service to every member.

Serving the Finest Online



Members can also find the answers to many questions quickly and conveniently by visiting the PPF website: www.nyc.gov/nycppf. A host of information can be found there regarding benefits, recent pension legislation, and frequently asked questions. Forms may be downloaded for most changes members wish to make, such as beneficiary, guardian, and buyback applications for active members and retiree forms for change of address, direct deposit and Municipal Credit Union deductions, among other forms.

The Fund is also now on Facebook! Members, their beneficiaries, and fans of the Fund can "like" us on Facebook at www.facebook.com/nycppf.



In person and online, PPF is proud to be serving the FINEST.

Membership

Uniformed members of the New York City Police Department appointed on or after July 1, 2009 are subject to Article 14 of the RSSL, also known as Tier 3. Contributions to the Fund must be made while employed with the NYPD. Membership in the Fund ceases upon withdrawal of contributions.

Members appointed on or after April 1, 2012 have a different Final Average Salary calculation; these members may also be referred to as Tier 6. All other benefits remain the same.

Credited Service

Participation in the PPF is mandatory for uniformed employees hired on or after July 1, 2009. A member will not receive retirement credit for any day not on the payroll, *e.g.*, suspended without pay leave. Military service with the federal government may be credited pursuant to New York State Military Law §243, the Uniformed Services Employment and Reemployment Rights Act (USERRA), and RSSL §1000.

Prior Service Credit²

A member is eligible to obtain service credit for any New York State Police and Fire time, or service with the New York City Fire Department. This credited service may count toward the requirements for vesting and retirement.

Transfer to New York City Police Pension Fund

A member may transfer to the NYCPPF from another public retirement system within the State of New York. In Tier 3, transferring prior City or State service, other than Police or Fire time, does not provide any additional monetary benefit, nor does it change your Service Retirement eligibility date. However, members with a membership in a New York public pension fund that began prior to July 1, 2009 will become Tier 2 members of the PPF upon completion of a proper transfer. Before deciding whether to transfer service from another pension system, an eligible member should speak with Membership Services at (212) 693-5850.

Buyback of Prior Service

- **Chapter 646 of the Laws of 1999** amends RSSL § 645, which allows for the purchase of prior service in another retirement system even though that membership has ceased. Chapter 646 may allow for a Tier change or Tier reinstatement. A member who may be eligible to purchase service under this provision should contact Membership Services at (212) 693-5850 for further information.
- **Chapter 548 of the Laws of 2000** adds RSSL Article 20 and provides service credit to members of public retirement systems for military service rendered during periods of military conflict. Members who may be eligible should contact Membership Services.
- **Chapter 552 of the Laws of 2000** allows members the ability to purchase any prior service rendered before becoming a member of the Fund, or any other New York State or New York City retirement system, but there may not be any advantage to doing so. For further information regarding Chapter 552 buybacks contact Membership Services.

Retroactive Military Seniority (RMS)

Retroactive Military Seniority (RMS) is awarded to a member after being appointed to the NYPD from a special list, retroactive to the date the member would have been appointed had the member not been serving in the military. Members who receive RMS from the Department of Citywide Administrative Services (DCAS) receive pension credit retroactive to the date awarded by DCAS. Upon receipt of a letter from DCAS stating the member has RMS, the member is immediately entitled to the same rights, privileges and obligations as if he had served continuously in such position from the date of his appointment.

A member's membership date will be adjusted to reflect the RMS Date (RMSD) found in the letter from DCAS; the member's tier and contribution rate are also adjusted accordingly.

² Please be advised this is the PPF's current understanding of the applicable laws regarding prior service credit. Such laws, and their interpretation, may be subject to change. Please contact the Fund before initiating a transfer for buyback for advice regarding prior service.

Members with RMS must, however, make pension contributions that were missed during the period between the RMSD and appointment to the NYPD.

Contributions must be completed within the repayment period prescribed by law; the maximum repayment period is the time from the RMSD to the NYPD appointment multiplied by 3, up to a maximum of 5 years. Once contributions are completed within the repayment period, the City is required to credit the member's contribution account with the interest that would have credited during this period.

Members may pay for this time in a lump sum payment or enroll in bi-weekly payroll deductions. Please note Tier 3 members may not retire with a shortage; accordingly, RMS payments must be completed prior to retirement. Additionally, payments must be completed by the end of the repayment period, which is calculated as the number of years from the RMS date to the NYPD appointment date multiplied by 3, up to a maximum of 5 years.

Please note a member cannot receive RMS and credit for the same military service through a buyback. Members who have already completed a Chapter 548 buyback for the same time will receive a refund for the buyback or the City will credit the money toward the RMS payment.

Inquiries regarding eligibility for RMS pension credit should be submitted in writing to the Police Pension Fund, attention Membership Services, 233 Broadway, 19th Floor, New York, New York 10279. General questions may be directed to the Membership Services division at (212) 693-6860.

Contributions

Contributions to the New York City Police Pension Fund are mandatory for all members, but are not required after 25 years. The contribution required by law is 3% of pensionable earnings. Pensionable earnings consist of: base salary, overtime, night differential, holiday pay, worked vacation, portal to portal and allowable longevity. Member contributions will be deducted from pay before taxes are deducted.

Member contributions and the interest they earn are known as accumulated contributions. The Tier 3 rate of interest is currently 5%. A member's accumulated contributions must equal the required amount (the 3% contribution rate plus statutory interest) to be eligible for a pension.

Longevity

For members with at least 20 years of credited service, but less than 25 years of credited service, the salary at the 10-year longevity level will be used in pension computations and for computation of the earnings cap. For members with 25 or more years of credited service, the salary at the 20-year longevity level will be used in computations.

ITHP

ITHP stands for "Increased Take Home Pay" and relates to the increase in a member's take home pay due to the City paying a portion of the required rate by making the contribution on the member's behalf. If applied to Tier 3, this would effectively eliminate any contribution being made by the member. As this case is still pending, Tier 3 members will continue to make the 3% contributions until and unless the decision is ultimately upheld. The Fund will keep members up-to-date on developments in the litigation.

Member Contributions While on Military Leaves

Members may take military leaves with or without pay during their career with the NYPD. The City of New York recently reached a settlement with the United States Attorney's Office in Goodman, et al. v. City of New York, et al., which became effective March 17, 2014. At issue was the calculation of pensionable earnings and member contributions for members on active duty military leaves from the NYPD.

The case was brought pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. §§ 4301–35 ("USERRA") by a class of retired NYPD 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, PPF 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.

Who is Affected by this Settlement Agreement?

Any PPF member who completed military leaves after September 11, 2001.

PPF will be recalculating the retired class member's pension in accordance with the settlement agreement. Class members will be notified in writing when their pensions have been recalculated; all recalculations must be completed by March 17, 2015. Class members would have received a settlement notice, and must not have filed an opt out with the Court.

Active PPF members who performed Active Military Service and returned to NYPD service between September 11, 2001 and March 17, 2014 may voluntarily elect to have their pensionable earnings recalculated. Such members may schedule a counseling session with a

military advisor by contacting Membership Services at (212) 693-6860 and/or complete PPF Form 86: Recalculation Request, which is available at www.nyc.gov/nycppf.

Active PPF members who return to the NYPD from Active Military Service on or after March 18, 2014 must have their pensionable earnings calculated pursuant to the agreement.

What Does the Calculation Entail?

For each period of time when a member performed active military service after September 11, 2001, PPF will determine how much compensation the member would have earned, but for the period of military service. For example, the member may ordinarily have earned overtime or night-shift differential compensation, but missed the opportunity to do so because of military obligations. Military service begins on the day a member begins his or her leave from the NYPD for the purposes of military service; this may include use of annual leave and/or compensatory time. The military service is deemed completed on the day before the member returns to the NYPD.

To determine the amount of earnings a member would have earned, PPF will average any additional differential payments and overtime the member earned during the 12 months immediately preceding his or her active military service. PPF will then add the base pay to the imputed earnings to reach the pensionable earnings for the military leave. Members are responsible for making additional pension contributions to the Fund.

Individuals Whose Membership with PPF Has Ceased

Uniformed NYPD employees who went on military leaves between September 11, 2001 and March 17, 2014, but are no longer members of PPF because of a transfer to another system or withdrawal of member contributions are not entitled to recalculation. If a former member transferred to another public retirement system, he or she should make an application to the new retirement system to be recalculated in accordance with the statutory requirements of USERRA. Please note that active membership also ceases by death or retirement; however, deceased or retired members who are eligible for pension recalculation were identified as class members of the Goodman case.

Refunds

A member may withdraw any excess funds within six months of appointment or at the time of retirement. Excess created by errors of the Fund will be returned upon identification.

If a member separates from the Fund for reasons other than retirement (resignation, termination, or death) a request for a refund of accumulated contributions plus interest may be made. If contributions are left with the Fund, the money will continue to earn interest for a maximum of five years from the date of separation. For further information on refunds, please refer to the Fund's website, www.nyc.gov/nycppf, or call 212-693-5100 for assistance.

Withdrawal of Contributions

Contributions may be withdrawn until a member has 10 years of credited service. After 10 years of service, contributions may not be withdrawn and members will receive a vested retirement benefit. In the event of a resignation or dismissal, a member who is not vested or entitled to any other benefit under Tier 3 may withdraw accumulated contributions.

Shortages

A shortage occurs when a member's pension account balance falls below the required amount. Members are responsible for any account shortages; there is no actuarial offset if a member has a shortage at retirement. Unfortunately, a member will not be permitted to retire with a shortage.

Shortages may occur because of delays in contract settlements. Retroactive pay from a contract settlement does not include the interest that would have been earned on these contributions. Interest earned on contributions is part of a member's required amount; therefore, a shortage can occur.

The Fund will notify any member with a shortage prior to retirement. Members may opt to make a lump sum payment(s) or biweekly payroll deductions to reduce any shortage.

Loans

There is no provision in Tier 3 that allows a member to take loans.

Retirement

When a member decides to retire, there is no statutory minimum time period by which the member must file before retiring. However, it is recommended that applicants for Service Retirement call the Retirement Counseling Unit at the PPF at (212) 693-5733 for an appointment three to four weeks before filing for retirement.

Filing for retirement should be done in person at least 10 days prior to the start of terminal leave. Patrol Guide Procedure 205-42 authorizes members to take an administrative tour to appear at the Fund to file for retirement.

Pension checks are mailed to the home address on file with the Fund unless a member requests otherwise. Members may have pension payments directly deposited to any bank upon the submission of an Electronic Funds Transfer (EFT) Form. Change of address forms and EFT forms are available at the Fund and on the website (www.nyc.gov/nycppf under "Forms"). It is the member's responsibility to keep address information current with the Fund, even after retirement.

Procedures for all members applying for retirement

Property Receipt—Discontinuance of Service (PD 520-013)

This form must be completed and signed by the Commanding Officer of the member's permanent command, or an officer at least a rank above the member within the command, and delivered by the member to the PPF's Retirement Counseling Unit. The field, "Next Scheduled Tour After Leaves, Except Terminal Leave" must be filled out on this form. The date in this field is the starting date of terminal leave. All NYPD equipment listed on the Property Receipt (PD-520-013), must be turned in at the member's command. A member appearing at PPF for retirement must be in possession of his shield and identification card.

Firearms

Members who are New York City residents and wish to obtain a New York City Pistol License must submit a notarized NYPD Handgun License Application (PD-643-041) to be delivered in person to the NYPD License Division, Room 110, 1 Police Plaza (8:30 a.m. to 3:00 p.m., Monday-Friday). The Application should be submitted two weeks prior to the member's scheduled appointment for retirement processing, otherwise the member may be subject to vouchering firearms until the permit is processed.

To obtain the Handgun License Application, visit www.nyc.gov/nypd, and select "Permits" at the left of the page. Additionally, complete the "Acknowledgement of Person Agreeing to Safeguard Firearms" and, if necessary, "Affidavit of Co-habitant." Questions regarding the Handgun License Application should be directed to the License Division at (646)610-5536. Members who are not New York City residents must provide a copy of the Property Clerk Invoice (PD 521-141) for all firearms listed on the NYPD Force Record Card.

If the member is not returning to work, a copy of this form must be provided to PPF before the retirement process begins. In all other cases, a copy of this form must be provided before terminal leave begins. If terminal leave is waived, PPF requires the form before the retirement date. For questions regarding firearm licenses outside New York City, please contact the relevant county or municipality.

Health Insurance Information

Members, and in some cases their beneficiaries, may be eligible for health benefits from the City of New York. A member needs at least 10 years of credited service to be eligible for health benefits upon retirement.

Health benefits are only available to a person actually collecting a pension.

For example, a member who vests with 10 years of service and does not collect a retirement allowance until what would have been the member's 22nd anniversary is not eligible for health benefits until the Fund begins to disburse the retirement allowance. Likewise, a member who retires with 22 years of service and elects to defer payment of the pension until what would have been 25 years for escalation purposes would not be eligible to receive health benefits until collection of the pension benefit.

Members should contact Employee Health Benefits at the NYC Office of Labor Relations at 40 Rector Street, New York, NY 10006 or (212) 306-7390 for further information regarding health benefits.

For health insurance purposes, the following information must be provided when a member appears at the Fund to retire:

- ✓ GHI, HIP or other health plan card;
- ✓ Spouse's date of birth and Social Security Number;
- ✓ Date of marriage;
- ✓ Dates of birth and Social Security Numbers of dependent children;
- ✓ If spouse is employed and has health insurance, bring pertinent information (name of employer, health plan, and policy number).

Counseling Process

During the counseling process at the PPF, members are advised regarding health insurance, pension options, employment restrictions, withholding tax and other important retirement issues. The member's retirement date will be set, and questions unique to the member's situation will be answered. In addition, estimates for both final pension and pre-finalization pension will be provided.

Estimate of Final Pension

An applicant for retirement will receive a pension estimate after meeting with a retirement counselor—this is only an estimate. Any additional overtime, night differential and worked vacation earned between the estimated retirement date and the actual retirement date will be included at finalization. Any difference in monthly average earnings between the retirement processing date and the finalization date will be disbursed as a retroactive payment.

Terminal Leave

Members are entitled to take all accrued time and terminal leave after the last day on active duty. All accrued time must be used prior to the start of terminal leave. During terminal leave, members remain on the active payroll.

Application Withdrawal

A member being processed for Vested or Service Retirement may withdraw the retirement application while it is still pending by appearing at PPF in person at least one business day prior to the scheduled retirement date. Any terminal or annual leave used prior to withdrawal of the retirement application may not be restored; however, unused terminal leave may be used toward a future retirement. A member must work 30 days after withdrawing an application for retirement to be eligible for annual leave in the next calendar year.

Final Average Salary

Members appointed between July 1, 2009 and March 31, 2012: Final average salary (FAS) is the average wages earned by a member during any 3 consecutive calendar years or 36 months immediately preceding the member's retirement date that provides the highest average wage. If the wages earned during any year included in the period exceeds the average of the prior two years by more than 10%, the amount in excess of 10% shall be excluded.

Members appointed on or after April 1, 2012: FAS is the average wages earned by a member during any 5 consecutive calendar years or 60 months immediately preceding the member's retirement date that provide the highest average wage. If the wages earned during any year included in the period exceeds the average of the prior four years by more than 10%, the amount in excess of 10% shall be excluded. Additionally, if the last five years produce the highest average wage, and the member was on a leave of absence without pay (e.g. suspension) at any time during the five year period, that time will be excluded from the calculation and the same period of time immediately preceding the five year period will be included for the final average salary.

Social Security Offset

A member's service, vested, or disability benefit is reduced, pursuant to statute, by 50% of the member's primary Social Security retirement or disability benefit. This reduction occurs either at age 62, or at such time the member becomes eligible to receive Social Security Disability benefits, whichever occurs first. The payment will not be reduced if the Social Security benefit increases after separation from service.

Even though the reduction occurs at either 62, or upon eligibility for Social Security Disability benefits, the Social Security Offset is determined at the time of the member's retirement. All public earnings up to the point of retirement from the NYPD will be factored into the calculation of the Offset.

Mandatory Retirement

A member must separate from uniformed service upon turning 62 years old. The separation must occur regardless of whether the member is eligible for a Normal Service Retirement.

- Members appointed between July 1, 2009 and March 31, 2012: The retirement benefit may be calculated the same as Early Service Retirement, or the member may be entitled to a Vested benefit. This Vested benefit will be reduced 1/15th for each year that a member's early retirement age is in excess of age 60, as described in the Vested Retirement section. Members who must retire for mandatory retirement and do not have 20 years of service are not eligible for the VSF.
- Members appointed on or after April 1, 2012: If a member attains mandatory retirement age and does not have enough service credit for an Early Service Retirement, the member must take a Vested Retirement. Accordingly, if a member reaches age 62 with less than 20 years of NYPD service, the member is not eligible for the VSF.

Vested Retirement

After five years of uniformed service a member is eligible for vested retirement benefits. Vested retirees are not entitled to terminal leave before separation from service, nor eligible for Variable Supplement Fund payments.

A member may elect to receive the Vested benefit early, if the member attains age 55 prior to reaching the 20th anniversary; otherwise the member must wait until the 20th anniversary to begin collecting the Vested retirement benefit. Should the member receive the Vested benefit before attaining the 20th anniversary, the benefit will be reduced by 1/30th for each year the benefit commenced before the 20th anniversary.

A member is appointed to the NYPD at age 37, resigns and vests with 10 years at age 47. The member may elect to take the Vested benefit at either age 55, with what would have been 18 years of service, or age 57 at what would have been 20 years of service.

If the member defers collection until age 57 there will be no reduction; however, if the member elects to receive the Vested benefit at age 55, the benefit will be reduced 1/30th for each of the two years prior to the 20th anniversary date.

Therefore, if the Vested benefit would be \$30,000 for 10 years of service, the Fund would multiply that by 28/30 to allow for the reduction and the benefit would be \$28,000 a year.

Conversely, if the member is appointed at age 25, completes 10 years of service at 35 and resigns, the member would not be able to collect until age 45 because the law allows for what would have been 20 years of service or age 55, whichever comes first.

While a member may collect a Vested benefit upon attainment of the 20th anniversary of NYPD service, or age 55 with a possible reduction, it is not required. A member may decide to defer payment of the vested pension benefit until 22 years and one month or more, up to 25 years, to be eligible for annual escalation.

For the member appointed at age 25 and resigned with 10 years of vested service at age 35, the benefit may be deferred for any amount of time between ages 47 and 50 to receive either full or partial escalation benefits depending on the deferral period. See the Escalation section of this SPD for an explanation of how appropriate escalation is calculated.

The vested pension benefit is as follows:

2.1% of the final average salary x years of credited service
-minus-
50% of primary Social Security benefit commencing at 62

A member is age 37, separates from service and decides to vest with 10 years of credited service and a final average salary of \$82,000. The member chooses to collect the pension benefit at what would have been the 20th year of service. The Vested retirement calculation is as follows:

2.1% of FAS per year of credited service
 $(0.021 \times 82000) \times 10 = \$17,220$

The member will receive an annual pension benefit of \$17,220 from age 47 through age 62. At age 62, the pension benefit is reduced as follows:

Reduce by 50% of the Primary Social Security Retirement benefit

$(0.50 \times 6096) = \$3,048^*$

At age 62 the member will receive an adjusted annual pension benefit of \$14,172.

**Example based on set of compensation assumptions*

Early Service Retirement

A member is eligible for Early Service Retirement after the completion of 20 years of uniformed service. Only members appointed between July 1, 2009 and March 31, 2012 are eligible to retire for Early Service if they reach mandatory retirement age with less than 20 years of credited service.

An Early Service Retirement pension benefit is as follows:

2.1% of FAS x years of credited service (for first 20 years)

-plus-

1/3% of FAS for each month in excess of 20 years

[total benefit not in excess of 50% of FAS]

-entire benefit above less-

50% of primary Social Security benefit commencing at 62

A member elects to retire at age 44 with 20 years and one month of credited service and a final average salary of \$84,000. The member begins collecting immediately. The Early Service Retirement is calculated as follows:

2.1% of FAS per year of credited service

$$(0.021 \times 84000) \times 20 = \$35,280$$

PLUS

1/3% of final average salary per month in excess of 20 years

$$(.00333 \times 84000) \times 1 = \$280$$

The member receives an annual pension benefit of \$35,560 from age 44 through age 62. At age 62, the pension benefit is reduced as follows:

Reduce by 50% of the Primary Social Security Retirement benefit*

$$(0.50 \times 11724) = \$5,862$$

At 62 the member will receive an adjusted annual pension benefit of \$29,698.

**Example based on set of compensation assumptions*

Normal Service Retirement

A member is eligible to retire for Service without reduction upon the completion of 22 years of uniformed service.

The Normal Service Retirement benefit is:

50% of FAS

-less-

50% of primary Social Security benefit commencing at 62

A member decides to retire at age 46 with 22 years of credited service and a final average salary of \$89,000. The member elects payment immediately. The Normal Service Retirement calculation is as follows:

50% of FAS

$$(0.50 \times 89000) = \$44,500$$

The member will receive an annual pension benefit of \$44,500 from age 46 through age 62. At age 62, the pension benefit is reduced as follows:

Reduce by 50% of the Primary Social Security Retirement benefit

$$(0.50 \times 13044) = \$6,522^*$$

At age 62 this member will receive an adjusted annual pension benefit of \$37,978.

**Example based on set of compensation assumptions*

Disability Retirement

An application for Ordinary or Accident Disability may be made by a member who is incapacitated from performing the duties of a police officer. To apply for ODR or ADR, a member must sign a waiver of the statutory presumptions. A determination of disability should be made by the Medical Board regardless of any statutory presumptions (except the World Trade Center presumption).

A disability application may be filed by the member or a legally authorized person acting on the member's behalf, or by a committee or conservator duly appointed by a court of competent jurisdiction; or by the Police Commissioner.

Applications for ODR and ADR are made at the Medical Division, 1 Lefrak City Plaza, 59-17 Junction Boulevard, Corona, New York, 11368. Applicants will be notified of the time to appear before the Medical Board for examination.

After the examination, the Medical Board will report to the NYCPPF Board of Trustees with a recommendation for approval or disapproval of the disability application. After the Board of Trustees meeting, members are informed of the decision and other necessary information.

Ordinary Disability Retirement (ODR)

To be eligible for Ordinary Disability Retirement, a member must be in active service and have at least five years of credited service, but not yet be eligible for a Normal Service Retirement benefit. To retire for ODR a member must also be eligible to receive primary Social Security disability benefits. If a member is also found to be disabled by the Medical Board, ODR benefits commence on or after receipt of primary Social Security disability benefits.

The Ordinary Disability Retirement benefit is the greater of:

33 1/3 % of FAS

-or-

2% of FAS x years of credited service

(not to exceed maximum years for computing service retirement)

-either benefit above, less-

50% of primary Social Security Disability benefit

A member has 15 years of credited service and is 41 years old at the time of retirement for Ordinary Disability. The member is eligible for primary Social Security Disability benefits and has a final average salary of \$84,000. The member begins collecting at the time of retirement. ODR is calculated as:

The greater of: 33 1/3 % of FAS (0.33333 x 84000) = \$28,000

-or-

2% FAS per years of credited service (0.02 x 84000) x 15 = \$25,200

-less-

50% of Primary Social Security Disability benefits*

(0.500 x 21972) = 10,986

This member will receive an annual pension benefit of \$17,014 and is entitled to full escalation each year after retirement.

**Example based on set of compensation assumptions*

Accident Disability Retirement (ADR)

To be eligible for ADR, a member must be in active service and be physically or mentally incapacitated for the performance of duty as the natural and proximate result of an accident

sustained in active service and not caused by the member's own willful negligence. Vested members are not eligible to apply for ADR benefits under WTC laws until they reach their 20th anniversary and are collecting retirement benefits. Receipt of ADR is not conditioned on eligibility for, or receipt of, primary Social Security benefits. Accordingly, payment of a benefit from the Fund will commence after approval by the PPF Board of Trustees.

ADR pensions are generally not subject to taxation. All other pensions (Normal Service, Early Service, Ordinary Disability and Vested) are subject to Federal tax, but are exempt from New York City, New York State and Social Security taxes. The tax laws of all states are different and subject to change; if relocating after retirement, the Fund recommends researching the state's tax laws, or consulting a tax professional.

The Accident Disability Retirement benefit is calculated as:

50% of FAS

-less-

50% of the primary Social Security Disability benefits.

A member has 15 years of credited service and is 41 years old at the time of retirement for accidental disability. The member is not eligible for Social Security Disability benefits, and has a final average salary of \$84,000. The member is collecting benefits immediately upon retirement. The ADR calculation is as follows:

50% of FAS

$$(0.50 \times 84000) = \$42,000$$

This member will receive an annual pension benefit of \$42,000 and is entitled to full escalation each year after retirement.

At age 62, their pension benefit is reduced as follows:

Reduce by 50% of the Primary Social Security disability benefit*

$$(0.50 \times 8988) = \$4,494$$

**Example based on set of compensation assumption*

Escalation

Service, vesting and disability retirement benefits, as well as survivor benefits, may be subject to annual escalation.

Full Escalation Date

The full escalation date is calculated as follows for different retirement types:

- **Vested and Service Pensions:** The first day of the month after a member would have completed 25 years of service.
- **Disability Pensions:** The first day of the month following the day on which a disability retiree first becomes eligible for ODR/ADR.
- **Death Benefits:** The first day of the month following the day on which a beneficiary first becomes eligible for a death benefit paid as other than a lump sum.

If a member first begins receiving benefits on the same date as the full escalation date, the Full Escalation will be calculated as a 3% increase of current annual pension, or the Cost-of-Living Index increase of current annual pension, whichever is less.

Partial Escalation

Partial escalation is calculated on benefits that commence prior to the member's full escalation date. A member will receive $1/36^{\text{th}}$ of the full escalation rate for each month the benefit starts after the 22nd police anniversary.

A member who retires with 22 years of service and chooses to collect the pension at the time of retirement will receive no escalation during retirement.



A member who retires for Service with 24 years of service and chooses to collect the pension at the time of retirement will receive reduced annual escalation as follows:

The lesser of 3% or COLA

-less-

$$12 \text{ months} \times 1/36^{\text{th}} = 12/36 = 1/3$$

The annual Escalation will be 2/3 of 3% or COLA (whichever is less).



A member who retires with 25 years of service will receive full escalation.

Deferred Benefit for Escalation - 22 years of service or less

A member who retires for Early Service or Vests with less than 20 years of credited service may choose to defer the retirement benefit for the purpose of becoming eligible for annual escalation. The pension benefit would then be calculated as follows:

$2\% \times \text{FAS} \times \text{each year of credited service}$ <p style="text-align: center;">-less -</p> $50\% \text{ of the Primary Social Security Benefit at age 62}$
--

If a member chooses the above option, the member will receive the escalation rate in effect at the time of collecting the benefit.

A member chooses to vest with 10 years of service, a final average salary of \$82,000 and payability of the retirement allowance at what would have been the 23rd year of service:

Deferred Pension Benefit:

$$0.02 \times 82000 \times 10 = \$16,400$$

-less-

50% of the Primary Social Security Benefit at age 62

Annual Escalation:

$$\text{Deferred Payment to 24 months prior to full escalation} = 12/36 = 1/3$$

The annual Escalation will be 1/3 of 3% or COLA (whichever is less)

A member who chooses to retire early with 20 years of service, a final average salary of \$84,000 and payability of the retirement benefits at what would have been the member's 24th year of service:

Deferred Pension Benefit:

$$0.02 \times 84000 \times 20 = \$33,600$$

-less-

50% of the Primary Social Security Benefit at age 62

Annual Escalation:

$$\text{Deferred Payment to 12 months prior to full escalation} = 24/36 = 2/3$$

The annual Escalation will be 2/3 of 3% or COLA (whichever is less)

Deferred Benefit for Escalation – Normal Service Retirement

A Normal Service retiree with less than 25 years of service may choose to defer the retirement benefit for the purpose of becoming eligible for full escalation.

A member who retires with 24 years of service, a final average salary of \$91,000 and chooses to collect the pension at what would have been the 25th year of service:

Normal Service Retirement Benefit:

$$0.50 \times 91000 = \$45,500$$

-less-

50% of the Primary Social Security Benefit at age 62

Annual Escalation:

Deferred benefit until full escalation date = no reduction

The annual Escalation will be 3% or COLA (whichever is less)

Variable Supplements Fund

Members who **retire for Service, with at least 20 years of credited police service**, on or after October 1, 1968 are eligible to receive an annual statutorily defined Variable Supplements Fund (VSF) payment in addition to regular pension payments. The VSF is prorated based upon the number of full months of retirement. The annual VSF benefit for 2011 and every year thereafter is \$12,000. ***Vested members and members who retire for Ordinary or Accident Disability are not eligible for VSF benefits.***

VSF DROP (Deferred Retirement Option Plan)

In addition to the annual VSF benefit discussed above, members who continue on active duty beyond the 20th anniversary, and ultimately retire for Service, may be entitled to the VSF DROP (Deferred Retirement Option Plan), also known as the "Banked Variable." The VSF DROP was designed to retain experienced members of the NYPD by guaranteeing a lump sum payment upon retirement for each year the member remains in active service beyond the member's Early Service Retirement Eligibility Date (20 years). Accrued VSF DROP funds are eligible for rollover, subject to IRS regulations.

The VSF DROP is not payable to members who die while in active service or who are terminated from the NYPD.

VSF Payment Schedule

VSF payments and VSF DROP payments will be made or credited on or about December 15th of the retirement year. Members who retire in the month of December are not eligible for a prorated VSF for the month; however, if the member is eligible for the VSF DROP, it will not be paid until December of the following year.

Options

A member may elect to receive a smaller retirement allowance while alive in order to provide a continued benefit for someone else upon the member's death. There are five options that provide such benefits; a member may elect one. Each option has a cost, determined by the member's age and the beneficiary's age at the time of the member's retirement.

Members will be presented with the estimated cost at or before the time of retirement. A member will be required to choose the option within 30 days of the retirement date or the maximum retirement allowance will be granted. In the case of disability retirements, a member may elect to change any prior option selection within 30 days of approval of the disability benefits by the PPF Board.

- **Maximum Retirement Allowance:** The Maximum Retirement Allowance is the highest pension to which a member is entitled by law. Under the Maximum Retirement Allowance, the pension ceases upon the member's death, and no further pension payments may be made to any survivors.
- **Option one—100% Joint and Survivor:** Upon the member's death, the designated beneficiary receives 100% of the member's total monthly benefit for the rest of his or her life. Only one beneficiary may be named and may not be changed. If the beneficiary predeceases the member, pension payments continue at the reduced rate unchanged; a new beneficiary may not be named and benefits cease upon the death of the member.
- **Option two—Annuity:** Upon the member's death, the designated beneficiary receives a retirement allowance of ninety percent or less (but not less than ten percent) payable for the life of the designated beneficiary. Only one beneficiary may be named, and that beneficiary may not be changed. If the beneficiary predeceases the member, pension payments continue at the reduced rate unchanged; a new beneficiary may not be named and all benefits cease upon the death of the member.

- **Option three—5 Year Certain:** If a member elects this option, the benefit is payable to the retiree for life; however, if the member dies within 5 years of retirement, the benefit is only payable to the designated beneficiary until the 5th anniversary of the member's retirement. For example, a member may elect this option and live for 15 years after retirement, upon the member's death the benefit would cease and not be payable to a beneficiary. Conversely, if a member died one year after retirement, under this option the benefit would be payable to the beneficiary for 4 more years.
- **Option four—10 Year Certain:** If a member elects this option, the benefit is payable to the retiree for life; however, if the member dies within 10 years of retirement, the benefit is only payable to the designated beneficiary until the 10th anniversary of the member's retirement. For example, a member may elect this option and live for 25 years after retirement, upon the member's death the benefit would cease and not be payable to a beneficiary. Conversely, if a member died 3 years after retirement, under this option the benefit would be payable to the beneficiary for 7 more years.
- **Option five—Joint and Survivor with "Pop-up":** Upon the member's death, a retirement allowance in an amount equal to either 50% or 100% of the member's retirement allowance shall be paid for life to the designated beneficiary. If the beneficiary pre-deceases the member, the retirement allowance "pops up" or reverts to the Maximum Retirement Allowance, as if no retirement option was selected.

Reinstatement

Before Service Retirement Eligibility

Return with five years and member contributions not withdrawn

Pursuant to New York City Administrative Code (NYC AC) § 13-240, if member contributions have not been withdrawn and the member returns to service within five years of the separation date, membership with the Fund has not ceased. Accordingly, the prior service must be automatically credited to the member. The member's required contribution rate would continue to be based on the member's original tier and appointment date.

Return with five years and member contributions are withdrawn

Tier 3 to Tier 3

To receive credit for the prior NYPD time if contributions have been withdrawn, the member must purchase the prior service through a Chapter 646 or Chapter 552 buyback. Members who are rehired and would obtain an equated date between July 1, 2009 and March 31, 2012 have to complete a Chapter 646 to be considered Tier 3 instead of Tier 3 Revised. A Chapter 552 buyback would not move a member from the Tier 3 Revised Plan to Tier 3.

Tier 3 to Tier 2

If a member resigned while Tier 2 was in effect and reinstated after Tier 3 was enacted (July 1, 2009) that member would have to complete a Chapter 646 buyback to tier reinstate pursuant to New York State Retirement and Social Security Law (RSSL) § 645. The member's contribution rate would be governed by RSSL § 645.

After Service Retirement

If, after Service Retirement, a member rejoins the NYPD (i.e., reinstates as a uniformed member), the pension stops and an active membership begins in the Police Pension Fund; the member will receive a new Tax ID Number. A reinstated member must work at least five years after reinstatement before the new service and the prior service from the earlier retirement may be combined for purposes of retiring on a recalculated pension or receiving escalation benefits.

Retiree Employment Restrictions

NYCPPF retirees must comply with post-retirement earnings restrictions to ensure any portion of the retirement allowance is not jeopardized. All PPF retirees are subject to post-retirement limitations and reemployment restrictions. Violations of any of these laws and/or rules may jeopardize some or all of the retirement allowance. Members are encouraged to consult with PPF prior to accepting any post-retirement employment.

According to §1117 of the New York City Charter, a pension must be suspended or forfeited for retirees employed by New York State or any of its political subdivisions unless the pension, plus the job's salary or compensation, is less than \$1,800 per year. However, sections 211 and 212 of the RSSL may enable service retirees to earn higher amounts.

Service and Vested Retirees-Under 65

Section 211: Waiver Required

RSSL Section 211 enables New York State or any of its political subdivisions to hire retirees who possess certain qualifying skills; however, such an employer needs to obtain a Section 211 Waiver on behalf of the employee. It is the retiree's responsibility to ensure the employer obtains the 211 Waiver and it remains in force throughout the employment period. The NYS Civil Service Commission and the NYC Department of Citywide Administrative Services (DCAS) are among the entities empowered to grant a Section 211 Waiver.

Section 211(a) – Earnings Cap

If the position's salary or compensation is over \$30,000 and the position is with a former employer (except the NYC Dept. of Ed.), the maximum salary or compensation the non-disability retiree may receive is calculated as follows:

Basis: **Current salary at retirement rank** (salary = base salary + all overtime types + uniform allowance + worked vacation)

Less: **Retirement allowance**

Equals: **Maximum annual earnings**

The Police Pension Fund will suspend the retirement allowance if the retiree earns more than the maximum annual earnings.

Section 211(b) – No Earnings Cap

If the position the non-disability retiree seeks is not with a former employer, the retiree may be hired with no earnings limitations. However, the employer must obtain a Section 211 Waiver on behalf of the employee.

Section 212: Earnings Cap

Under RSSL Section 212, a non-disability retiree under 65 years of age may be employed by New York State or any of its political subdivisions without prior approval of the New York State Civil Service Commission or DCAS. However, the employee's annual salary or compensation must be equal to, or less than, an amount determined by the New York State Legislature (currently \$30,000). A retired PPF member must notify the Executive Director of NYCPPF in writing if he intends to exercise this right. If the retiree's earnings exceed the state-established limit, PPF will suspend the retirement allowance.

Retirees Age 65 and Over

In the calendar year in which a non-disability retiree attains age 65, and every year thereafter, the retiree has no restrictions on retirement earnings paid by New York State or any of its political subdivisions.

Public Benefit Corporations

Section 1117 of the New York City Charter does not apply to Public Benefit Corporations (PBCs), so all retirees may work for such corporations with no earnings limitations.

The following are some common PBCs, including but not limited to:

- ✦ Metropolitan Transit Authority
- ✦ New York City Housing Authority
- ✦ New York City Transit Authority
- ✦ New York City Dormitory Authority
- ✦ New York City School Construction Authority
- ✦ New York City Convention Operating Corporation
- ✦ New York City Health and Hospitals Corporation
- ✦ New York/New Jersey Port Authority
- ✦ New York State Urban Development Corporation
- ✦ Waterfront Commission of New York Harbor

Safeguards

If a disability retiree becomes ineligible for primary Social Security benefits before reaching age 65, the retirement benefits from the Fund shall cease. If the disability benefit is not conditioned on receipt of Social Security Disability benefits, but the retiree engages in employment or business activity that would render the retiree ineligible for primary Social Security Disability benefits, the benefit from the Fund will also cease.

If the disability retiree is found to be ineligible for disability benefits but is otherwise eligible for City employment, the retiree will be placed on a preferred eligible list with the City of New York. The disability benefit will continue until the retiree is offered a civil service position from the preferred eligible list, at which time the disability benefit shall cease.

Death Benefits

In Service

To be eligible for an Ordinary Death Benefit, a member needs to have completed ninety (90) days of uniformed service with the NYPD.

The Ordinary Death Benefit is calculated as follows:

3 x member's salary raised to the next highest multiple of \$1,000

-plus-

a return of the member's accumulated contributions

The Ordinary Death Benefit is paid to a beneficiary designated by the member. Members may designate multiple beneficiaries.

Any death benefits paid, except for the Accidental Death Benefit, are in lieu of all other statutory death benefits.

Vested But Not Yet Collecting

A vested member who dies prior to payability is entitled to 50% of an ordinary death benefit.

Accidental Death

An accidental death benefit is payable to an eligible beneficiary if the member dies before the effective date of retirement as the natural and proximate result of an accident sustained in the performance of duty, not caused by the member's own willful negligence.

The application for Accidental Death Benefits must be filed within two years of the death of the member.

Eligible beneficiaries are dictated by statute, payable in the following hierarchy:

1. A surviving spouse who has not renounced survivorship rights in a separation agreement, until remarriage; or
2. Surviving children until age 25; or
3. Dependent parents; or
4. Any other person qualified as a dependent on the final tax return of the member until such person reaches age 21.

In the event that a class of eligible beneficiaries consists of more than one person, the benefit will be divided equally.

The benefit is paid as follows:

A New York City-paid pension based on 50% of final average salary

-plus-

Special Accidental Death benefit (SADB): A New York State-paid pension equal to the member's final year's salary, less the New York City-paid pension, less the Social Security benefits.

If an Accidental Death Benefit payment to an eligible beneficiary does not exceed what an Ordinary Death Benefit would have been, a lump sum payment of the difference between the Ordinary Death Benefit and what was paid as an Accidental Death Benefit will be paid to the last eligible beneficiary listed above.

If there are no eligible beneficiaries, the death benefit will be converted to an Ordinary Death Benefit and the Fund will pay the designated beneficiary on file.

Beneficiaries

All members designate a beneficiary (or beneficiaries) for Death Benefits when joining the PPF; however, whenever a member's social condition changes (e.g., marriage, separation, divorce), the beneficiary designation should be updated.

Reviewing beneficiary designations regularly is well worth the time and effort; doing so protects both assets and heirs. Tax filing and open enrollment periods are recommended times to do this. Major life events, e.g., marriage, remarriage, divorce, birth, adoption and death, often create the need to update beneficiaries.

Checking Your Beneficiary

To obtain beneficiary information, either visit PPF in person or mail a request to the New York City Police Pension Fund, 233 Broadway, 19th Floor, New York, New York, 10279, attention: Membership Services Unit. Due to privacy concerns, telephone and e-mail requests are not permitted.

Changing Line Organization Beneficiaries

Whenever checking beneficiary information with the PPF, remember to also contact the appropriate line organization at the address and number listed below to obtain beneficiary information in those records, as well:

<i>Police Officers</i>	Patrolmen's Benevolent Association (PBA)	212-349-7560
<i>Sergeants</i>	Sergeants' Benevolent Association (SBA)	212-431-6555
<i>Detectives</i>	Detectives' Endowment Association (DEA)	212-587-1000
<i>Lieutenants</i>	Lieutenants' Benevolent Association (LBA)	212-964-7500
<i>Captains & above</i>	Captains Endowment Association (CEA)	212-791-8292

Changing Beneficiaries

The PPF Change of Beneficiary Form is available on the PPF website. The form must be notarized and may be mailed to: New York City Police Pension Fund, 233 Broadway, 19th Floor, New York, New York, 10279, attention: Membership Services Unit. Questions may be directed to Membership Services at 212-693-5850.

Changing Health Insurance Dependents

To change the dependents on health insurance by mail or in person, please contact the NYPD Health Insurance Section, 51 Chambers Street, 3rd Floor, New York, New York 10007 or call 646-610-5122 for information.

Changing Deferred Compensation Plan Beneficiaries

If enrolled in the NYC Deferred Compensation Plan, call 212-306-7760 for information about updating Plan Beneficiaries. Information is also available at www.nyc.gov/OLR. Click on Forms and Downloads and download the Beneficiary Distribution Guide/Form.

Guide for Surviving Beneficiaries

There are few situations in life more stressful than the loss of a loved one; there are no words of comfort at such a difficult time. This section is designed to aid the survivors of PPF

members by providing a checklist of who to contact upon the death of a PPF member or retiree, and the information that is required. There are four calls to make:

1. NYPD Operations Unit

- Survivors should call NYPD Operations at 646-610-5580, located at NYPD Headquarters, 1 Police Plaza, New York, New York 10038. Pall bearers may be requested at that time and are available for all five City boroughs, Long Island, Westchester, Rockland, Orange and Putnam counties.

2. NYC Police Pension Fund

- Please notify PPF in writing at 233 Broadway, 19th Floor, New York, NY 10279, attention: Death Benefits Unit or by telephone at 212-693-5619/5919. Please have the following information available at the time of the phone call: the first, middle and last name of the deceased; the date of death; Social Security Number of the deceased; name of the next of kin; and name, address and phone number of the executor or executrix of the estate, if applicable.
- The Fund will need:
 - ✓ A certified copy of the death certificate;
 - ✓ A copy of the paid funeral bill;
 - ✓ A copy of the marriage certificate, if applicable; and
A copy of the beneficiary's Social Security card. Prompt receipt of these items will expedite the Fund's ability to make payments to any beneficiaries.

3. Member's line organization

- Contact the appropriate line organization below, and ask about a possible life insurance policy and whether any continuing optional benefits are available:

PBA	125 Broad St.	11th Floor	212-349-7560
DEA	26 Thomas St.		212-587-1000
SBA	35 Worth St.	First and second floor	212-431-6555
LBA	233 Broadway	Suite 1801	212-964-7500
CEA	233 Broadway	Suite 1801	212-791-8292

4. Health Benefits Program

- Contact the NYC Health Benefits Program to request the appropriate health benefits forms. This Program is located at 40 Rector Street, 3rd Floor, New York, NY 10006 and can be reached at 212-513-0470.

New York City

Police Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York



Financial Section

Part II

fiscal year ended

June 30, 2016

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Marks Paneth LLP
685 Third Avenue
New York, NY 10017
P 212.503.8800
F 212.370.3759
markspaneth.com

New York
New Jersey
Pennsylvania
Washington, DC

M A R K S P A N E T H
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT

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

Report on the Combining Financial Statements

We have audited the accompanying combining statements of fiduciary net position of the New York City Police Fund, New York City Police Officers' Variable Supplements Fund, and New York City Police Department Police Superior Officers' Variable Supplements Fund, which collectively comprise the New York City Police Pension Funds (the "Funds"), a fiduciary fund of the City of New York, as of June 30, 2016, and the related combining statements of changes in fiduciary net position for the year then ended, and the related notes to the combining financial statements, which collectively comprise the Funds' basic combining financial statements as listed in the table of contents.

Management's Responsibility for the Combining Financial Statements

Management is responsible for the preparation and fair presentation of these combining 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 combining financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these combining financial statements based on our audit. We conducted our audit 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 combining financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combining financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combining 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 combining 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 combining financial statements.

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

Opinions

In our opinion, the combining financial statements referred to above present fairly, in all material respects, the combining fiduciary net position of the Funds as of June 30, 2016, and the changes in combining fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Prior Period Financial Statements

The combining financial statements of the New York City Police Pension Funds as of June 30, 2015 and for the year then ended, were audited by other auditors whose report, dated October 29, 2015, expressed unmodified opinions on those financial statements.

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 combining financial statements. Such information, although not a part of the basic combining financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic combining 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 combining financial statements, and other knowledge we obtained during our audit of the basic combining 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 audit was conducted for the purpose of forming an opinion on the basic combining 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 combining financial statements.

The Additional Supplementary information (Schedules of Investment Expenses and Administrative Expenses) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic combining financial statements. Such information has been subjected to the auditing procedures, applied in the audit of the basic combining 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 combining financial statements or to the basic combining financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the Additional Supplementary Information is fairly stated, in all material respects, in relation to the 2016 basic combining 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 combining financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Marks Paneth LLP

October 31, 2016
(except for the Other Supplementary Information,
as to which the date is December 22, 2016)

**NEW YORK CITY POLICE PENSION FUNDS
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2016 and 2015**

This narrative discussion and analysis of the New York City Police Pension Funds ("POLICE" or the "Funds"), provides an overview of the Funds' combining financial activities for the Fiscal Years ended June 30, 2016 and 2015. It is meant to assist the reader in understanding the Funds' combining financial statements by providing an overall review of the combining 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' combining financial statements.

The Funds administer: 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 – Qualified Pension Plan ("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 Combining Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Funds' basic combining financial statements. The basic combining 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 Combining 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 Combining Statements of Changes in Fiduciary Net Position** — presents the results of activities during the fiscal 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 Combining Financial Statements** — provide additional information that is essential to a full understanding of the data provided in the combining 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 includes the management discussion and analysis and information after the notes to combining financial statements.

NEW YORK CITY POLICE PENSION FUNDS
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2016 and 2015

FINANCIAL HIGHLIGHTS

The Funds' net position restricted for benefits increased by \$153.4 million, or .44% to \$35.3 billion in Fiscal Year 2016 compared to Fiscal Year 2015, and increased by \$885.9 million, or 3% to \$35.2 billion in Fiscal Year 2015 compared to Fiscal Year 2014. The Funds' net position restricted for benefits increased in Fiscal Years 2016 and 2015 due to a net increase in assets and the continued growth of the national economy.

Changes in Fiduciary Net Position
Years Ended June 30, 2016, 2015 and
2014

(In thousands)

	2016	2015	2014
Additions:			
Member contributions	\$ 249,921	\$ 241,102	\$ 228,783
Employer contributions	2,393,940	2,309,619	2,320,910
Net investment income	403,534	1,098,220	5,147,483
Litigation income	2,970	1,042	1,363
Net receipts from other retirement systems	<u>3,786</u>	<u>3,574</u>	<u>5,548</u>
Total additions	<u>\$ 3,054,151</u>	<u>\$ 3,653,557</u>	<u>\$ 7,704,087</u>
Deductions:			
Benefit payments and withdrawals	2,882,223	2,749,775	2,691,609
Administrative expenses	<u>18,478</u>	<u>17,903</u>	<u>17,450</u>
Total deductions	<u>2,900,701</u>	<u>2,767,678</u>	<u>2,709,059</u>
Net increase in net position	153,450	885,879	4,995,028
Net position restricted for benefits			
Beginning of year	<u>35,158,529</u>	<u>34,272,650</u>	<u>29,277,622</u>
End of year	<u>\$ 35,311,979</u>	<u>\$ 35,158,529</u>	<u>\$ 34,272,650</u>

During Fiscal Year 2016, member contributions increased by 3.6% to \$249.9 million as compared to Fiscal Year 2015 contributions of \$241.1 million. In accordance with the pension plan requirements, certain members, under certain conditions, may elect to increase their member deduction. This increase in 2016 was primarily due to more members electing to increase their member deduction. During Fiscal Year 2015, member contributions increased by 5% to \$241.1 million as compared to Fiscal Year 2014 contributions of \$228.8 million.

Employer contributions received in Fiscal Year 2016 were \$2.39 billion, an increase of 3.7% from Fiscal Year 2015 contributions of \$2.31 billion primarily due to a change in the post-retirement mortality rates and an increase in the amortization payment of the 2010 initial unfunded liability offset by a net actuarial gain.

NEW YORK CITY POLICE PENSION FUNDS
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2016 and 2015

In Fiscal Year 2015, the contributions were \$2.31 billion, a decrease of 5% from Fiscal Year 2014 contributions of \$2.32 billion, primarily due an actuarial gain.

Benefit payments and withdrawals were \$2.88 billion, \$2.75 billion, and \$2.69 billion for the Fiscal Years ended June 30, 2016, 2015, and 2014, respectively. The increases are primarily due to an increase in the number of retirees.

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 2016, the Funds incurred \$18.5 million; in Fiscal Year 2015, the Funds incurred \$17.9 million; and in Fiscal Year 2014, the Funds incurred \$17.5 million in administrative expenses.

FIDUCIARY NET POSITION

In Fiscal Year 2016, the Funds experienced a .44% increase in the combined net position restricted for benefits due to a net increase in assets compared to Fiscal Year 2015, which noted a 3% increase from Fiscal Year 2014.

Fiduciary Net Position
June 30, 2016, 2015 and 2014
(In thousands)

	2016	2015	2014
Cash	\$ 118,867	\$ 52,320	\$ 50,387
Receivables	989,308	840,998	923,534
Investments — at fair value	35,677,344	36,224,220	35,190,377
Collateral from securities lending	3,078,231	2,792,751	3,745,971
Other assets	<u>16,104</u>	<u>14,879</u>	<u>13,678</u>
Total assets	<u>39,879,854</u>	<u>39,925,168</u>	<u>39,923,947</u>
Accounts payable and other liabilities	1,489,644	1,973,888	1,904,505
Securities Lending	<u>3,078,231</u>	<u>2,792,751</u>	<u>3,746,792</u>
Total liabilities	<u>4,567,875</u>	<u>4,766,639</u>	<u>5,651,297</u>
Net position restricted for benefits	<u>\$ 35,311,979</u>	<u>\$ 35,158,529</u>	<u>\$ 34,272,650</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.

**NEW YORK CITY POLICE PENSION FUNDS
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2016 and 2015**

INVESTMENT SUMMARY

Investment Summary
June 30, 2016
(In thousands)

Investments — At fair value:	QPP	PSOVSF	POVSF	Combined
Short term investments:				
U.S. treasury bills and agencies	\$ 293,310	\$ 258	\$ 4,551	\$ 298,119
Commercial paper	75,098	1,903	10,803	87,804
Short-term investment fund	464,188	2,045	5,710	471,943
Debt securities:				
U.S. government and agencies	4,148,786	71,705	185,812	4,406,303
Corporate other	2,721,403	48,075	136,700	2,906,178
Equity securities	6,180,793	-	-	6,180,793
Alternative investments	6,382,258	-	-	6,382,258
Collective trust funds:				
International equity	5,402,281	114,821	338,978	5,856,080
Domestic equity	5,803,115	210,014	612,597	6,625,726
Mortgage debt security	302,440	-	-	302,440
Treasury inflation protected securities	1,503,457	-	-	1,503,457
Fixed income	656,243	-	-	656,243
Collateral from securities lending	<u>2,945,709</u>	<u>35,508</u>	<u>97,014</u>	<u>3,078,231</u>
Total Investments	<u>\$36,879,081</u>	<u>\$484,329</u>	<u>\$1,392,165</u>	<u>\$38,755,575</u>

NEW YORK CITY POLICE PENSION FUNDS
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2016 and 2015

Investment Summary
June 30, 2015
(In thousands)

Investments — At fair value:	QPP	PSOVSF	POVSF	Combined
Short term investments:				
U.S. treasury bills and agencies	\$ 682,955	\$ 34,477	\$ 30,997	\$ 748,429
Commercial paper	481,829	4,202	4,752	490,783
Short-term investment fund	681,410	1,636	5,433	688,479
Discount notes	426,708	-	-	426,708
Debt securities:				
U.S. government and agencies	7,074,891	176,510	371,413	7,622,814
Equity securities	6,668,018	-	-	6,668,018
Alternative investments	5,770,380	-	-	5,770,380
Collective trust funds:				
International equity	5,411,168	188,394	430,625	6,030,187
Domestic equity	4,989,666	308,588	642,058	5,940,312
Mortgage debt security	242,754	-	-	242,754
Treasury inflation protected securities	953,550	-	-	953,550
Fixed income	641,806	-	-	641,806
Collateral from securities lending	<u>2,678,845</u>	<u>43,750</u>	<u>70,156</u>	<u>2,792,751</u>
Total Investments	<u>\$ 36,703,980</u>	<u>\$ 757,557</u>	<u>\$ 1,555,434</u>	<u>\$ 39,016,971</u>

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 2016 and 2015 gained 2.14% and 7.29%, respectively. Also in 2016, the European, Australian, and Far East international index lost 10.24%, and in 2015 gained 6.11%. In Fiscal Year 2016, the less-developed international market gained 12.05%, and in Fiscal Year 2015 gained 2.95%. The returns of the Funds have been consistent with the broad market trend. For the three-year period ended June 30, 2016, the overall rate of return on investments was a gain of 7.54 %, for the five-year period the overall rate of return was a gain of 7.08%, and for the ten-year period there was a gain of 6.15%.

NEW YORK CITY POLICE PENSION FUNDS
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2016 and 2015

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 Comptroller of the City of New York. Collectively, the investments utilize twenty-three domestic equity managers, seventeen international equity managers, eighteen hedge fund managers, fifty-nine private real estate managers, eighty-two real estate equity manager, four infrastructure managers, one hundred seventy-three private equity investments managers, and sixty-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 by 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 the Acting Chief Accountant, New York City Police Pension Fund, 233 Broadway, 25th Floor, New York, NY 10279.

NEW YORK CITY POLICE PENSION FUNDS
COMBINING STATEMENTS OF FIDUCIARY NET POSITION
JUNE 30, 2016
(In thousands)

	QPP	PSOVSF	POVSF	Eliminations	Funds
ASSETS:					
Cash	\$ 118,153	\$ 863	\$ 1,851	\$ -	\$ 118,867
Receivables:					
Investment securities sold	575,823	26,453	65,948	-	668,224
Member loans (Note 6)	251,861	-	-	-	251,861
Transferrable earnings due from/to QPP to/from Variable Supplements Funds	326,195	260,000	330,000	(916,195)	-
Accrued interest and dividends	66,102	804	2,317	-	69,223
Total receivables	<u>1,219,981</u>	<u>287,257</u>	<u>398,265</u>	<u>(916,195)</u>	<u>989,308</u>
INVESTMENTS — At fair value (Notes 2 and 3):					
Short-term investments:					
Commercial paper	75,098	1,903	10,803	-	87,804
Short-term investment fund	464,188	2,045	5,710	-	471,943
U.S. treasury bills and agencies	293,310	258	4,551	-	298,119
Discount notes	-	-	-	-	-
Debt securities:					
U.S. government and agency	4,148,786	71,705	185,812	-	4,406,303
Corporate and other	2,721,403	48,075	136,700	-	2,906,178
Equity securities	6,180,793	-	-	-	6,180,793
Alternative investments	6,382,258	-	-	-	6,382,258
Collective trust funds:					
Fixed income	656,243	-	-	-	656,243
Domestic equity	5,803,115	210,014	612,597	-	6,625,726
International equity	5,402,281	114,821	338,978	-	5,856,080
Mortgage debt security	302,440	-	-	-	302,440
Treasury inflation protected securities	1,503,457	-	-	-	1,503,457
Collateral from securities lending	2,945,709	35,508	97,014	-	3,078,231
Total investments	<u>36,879,091</u>	<u>484,329</u>	<u>1,392,165</u>	<u>-</u>	<u>38,755,575</u>
OTHER ASSETS	16,104	-	-	-	16,104
Total assets	<u>38,231,319</u>	<u>772,449</u>	<u>1,792,281</u>	<u>(916,195)</u>	<u>39,879,854</u>
LIABILITIES:					
Accounts payable	260,836	6,273	12,289	-	279,398
Payable for investment securities purchased	837,047	19,764	48,023	-	904,834
Accrued benefits payable	115,117	113,709	76,586	-	305,412
Transferrable earnings due from/to QPP to/from Variable Supplements Funds	590,000	75,444	250,751	(916,195)	-
Securities lending (Note 2)	2,945,709	35,508	97,014	-	3,078,231
Total liabilities	<u>4,748,709</u>	<u>250,698</u>	<u>484,663</u>	<u>(916,195)</u>	<u>4,567,875</u>
NET POSITION RESTRICTED FOR BENEFITS:					
Benefits to be provided by QPP	33,482,610	-	-	-	33,482,610
Benefits to be provided by VSF	-	521,751	1,307,618	-	1,829,369
Total net position restricted for benefits	<u>\$ 33,482,610</u>	<u>\$ 521,751</u>	<u>\$ 1,307,618</u>	<u>\$ -</u>	<u>\$ 35,311,979</u>

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

NEW YORK CITY POLICE PENSION FUNDS
COMBINING STATEMENTS OF FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2015
(In thousands)

	GPP	PSOVSF	POVSF	Eliminations	TOTAL Funds
ASSETS:					
Cash	\$ 46,152	\$ 1,141	\$ 3,027	\$ -	\$ 52,320
Receivables:					
Investment securities sold	461,115	13,300	46,598	-	521,013
Member loans (Note 6)	256,268	-	-	-	256,268
Transferrable earnings due from GPP to Variable Supplements Funds	-	362,000	459,000	(821,000)	-
Accrued interest and dividends	60,370	1,028	2,299	-	63,697
Total receivables	<u>777,773</u>	<u>376,328</u>	<u>507,897</u>	<u>(821,000)</u>	<u>840,998</u>
INVESTMENTS — At fair value (Notes 2 and 3):					
Short-term investments:					
Commercial paper	481,629	4,202	4,752	-	490,783
Short-term investment fund	681,410	1,636	5,433	-	688,479
U.S. treasury bills and agencies	682,955	34,477	30,997	-	748,429
Discount notes	-	-	-	-	-
Securities purchased under agreements to resell	-	-	-	-	-
Discount Notes	426,708	-	-	-	426,708
Debt securities:					
U.S. government and agency	7,074,891	176,510	371,413	-	7,622,814
Corporate and other	-	-	-	-	-
Equity securities	6,668,018	-	-	-	6,668,018
Alternative investments	5,770,380	-	-	-	5,770,380
Collective trust funds:					
Fixed income	641,806	-	-	-	641,806
Domestic equity	4,989,666	308,588	642,058	-	5,940,312
International equity	5,411,168	188,394	430,625	-	6,030,187
Mortgage debt security	242,754	-	-	-	242,754
Treasury inflation protected securities	953,550	-	-	-	953,550
Promissory notes	-	-	-	-	-
Collateral from securities lending	2,678,845	43,750	70,156	-	2,792,751
Total investments	<u>36,703,980</u>	<u>757,557</u>	<u>1,555,434</u>	<u>-</u>	<u>39,016,971</u>
OTHER ASSETS	<u>14,879</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,879</u>
Total assets	<u>37,544,784</u>	<u>1,135,026</u>	<u>2,066,358</u>	<u>(821,000)</u>	<u>39,925,168</u>
LIABILITIES:					
Accounts payable	233,964	-	-	-	233,964
Payable for investment securities purchased	1,347,025	25,776	72,623	-	1,445,424
Accrued benefits payable	107,977	110,878	75,645	-	294,500
Transferrable earnings due from GPP to Variable Supplements Funds	821,000	-	-	(821,000)	-
Securities lending (Note 2)	2,678,845	43,750	70,156	-	2,792,751
Total liabilities	<u>5,188,811</u>	<u>180,404</u>	<u>218,424</u>	<u>(821,000)</u>	<u>4,766,639</u>
NET POSITION RESTRICTED FOR BENEFITS:					
Benefits to be provided by GPP	32,355,973	-	-	-	32,355,973
Benefits to be provided by VSF	-	954,622	1,847,934	-	2,802,556
Total net position restricted for benefits:	<u>32,355,973</u>	<u>954,622</u>	<u>1,847,934</u>	<u>-</u>	<u>35,158,529</u>

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

NEW YORK CITY POLICE PENSION FUNDS
COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2016
(In thousands)

	QPP	PSOVSF	POVSF	Eliminations	TOTAL Funds
ADDITIONS:					
Contributions:					
Member contributions	\$ 249,921	\$ -	\$ -	\$ -	\$ 249,921
Employer contributions	2,393,940	-	-	-	2,393,940
Total contributions	2,643,861	-	-	-	2,643,861
Investment income (Note 2):					
Interest income	416,038	5,041	11,930	-	433,009
Dividend income	449,480	10,007	25,507	-	484,994
Net appreciation in fair value of investments	<u>(85,518)</u>	<u>(122,997)</u>	<u>(170,921)</u>	-	<u>(379,436)</u>
Total investment income	780,000	(107,949)	(133,484)	-	538,567
Less investment expenses	<u>156,155</u>	<u>179</u>	<u>437</u>	-	<u>156,771</u>
Net income	623,845	(108,128)	(133,921)	-	381,796
Securities lending transactions:					
Securities lending income	21,896	386	967	-	23,249
Securities lending fees	<u>1,423</u>	<u>25</u>	<u>63</u>	-	<u>1,511</u>
Net securities lending income	20,473	361	904	-	21,738
Net investment income	644,318	(107,767)	(133,017)	-	403,534
Net receipts from other retirement systems	3,786	-	-	-	3,786
Reimbursement of benefit payments from QPP	-	-	-	-	-
Transferrable earnings to QPP from Variable Supplements Funds	326,195	-	-	(326,195)	-
Litigation income	2,693	130	147	-	2,970
Total additions	<u>3,620,853</u>	<u>(107,637)</u>	<u>(132,870)</u>	<u>(326,195)</u>	<u>3,054,151</u>
DEDUCTIONS:					
Benefit payments and withdrawals (Note 1)	2,475,738	249,790	156,695	-	2,882,223
Amounts transferred to Variable Supplements Funds	-	-	-	-	-
Transferrable earnings from QPP to Variable Supplements Funds	-	75,444	250,751	(326,195)	-
Administrative expenses	<u>18,478</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,478</u>
Total deductions	<u>2,494,216</u>	<u>325,234</u>	<u>407,446</u>	<u>(326,195)</u>	<u>2,900,701</u>
NET INCREASE IN NET POSITION	1,126,637	(432,871)	(540,316)	-	153,450
NET POSITION RESTRICTED FOR BENEFITS					
Beginning of year	<u>32,355,973</u>	<u>954,622</u>	<u>1,847,934</u>	<u>-</u>	<u>35,158,529</u>
End of year	<u>\$33,482,610</u>	<u>\$521,751</u>	<u>\$1,307,618</u>	<u>\$-</u>	<u>\$35,311,979</u>

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

NEW YORK CITY POLICE PENSION FUNDS
COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2015
(In thousands)

	QPP	PSOVSF	POVSF	Eliminations	Funds
ADDITIONS:					
Contributions:					
Member contributions	\$ 241,102	\$ -	\$ -	\$ -	\$ 241,102
Employer contributions	<u>2,309,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,309,619</u>
Total contributions	<u>2,550,721</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,550,721</u>
Investment income (Note 2):					
Interest income	392,792	2,020	7,280	-	402,092
Dividend income	703,701	7,443	19,099	-	730,243
Net appreciation in fair value of investments	<u>96,151</u>	<u>9,173</u>	<u>34,438</u>	<u>-</u>	<u>139,762</u>
Total investment income	1,192,644	18,636	60,817	-	1,272,097
Less investment expenses	<u>(192,099)</u>	<u>(122)</u>	<u>(288)</u>	<u>-</u>	<u>(192,509)</u>
Net income	1,000,545	18,514	60,529	-	1,079,588
Securities lending transactions:					
Securities lending income	19,209	194	524	-	19,927
Securities lending fees	<u>(1,248)</u>	<u>(13)</u>	<u>(34)</u>	<u>-</u>	<u>(1,295)</u>
Net securities lending income	<u>17,961</u>	<u>181</u>	<u>490</u>	<u>-</u>	<u>18,632</u>
Net investment income	1,018,506	18,695	61,019	-	1,098,220
Net receipts from other retirement systems	3,574	-	-	-	3,574
Reimbursement of benefit payments from QPP	-	313	-	(313)	-
Transferrable earnings from QPP to Variable					
Supplements Funds	-	260,000	330,000	(590,000)	-
Litigation income	<u>990</u>	<u>37</u>	<u>25</u>	<u>-</u>	<u>1,042</u>
Total additions	3,573,781	279,045	391,044	(590,313)	3,653,557
DEDUCTIONS:					
Benefit payments and withdrawals (Note 1)	2,360,484	237,246	152,045	-	2,749,775
Amounts transferred to Variable					
Supplements Funds	313	-	-	(313)	-
Transferrable earnings from QPP to Variable					
Supplements Funds	590,000	-	-	(590,000)	-
Administrative expenses	17,903	-	-	-	17,903
Total deductions	<u>2,968,700</u>	<u>237,246</u>	<u>152,045</u>	<u>(590,313)</u>	<u>2,767,678</u>
NET INCREASE IN NET POSITION	605,081	41,799	238,999	-	885,879
NET POSITION RESTRICTED FOR BENEFITS					
Beginning of year	31,750,892	912,823	1,608,935	-	34,272,650
End of year	<u>\$ 32,355,973</u>	<u>\$ 954,622</u>	<u>\$ 1,847,934</u>	<u>\$ -</u>	<u>\$35,158,529</u>

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

**NEW YORK CITY POLICE PENSION FUNDS
NOTES TO COMBINING FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2016 AND 2015**

1. PLAN DESCRIPTION

The City of New York ("City") maintains a number of pension plans 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 separate pension system or fund are a separate Public Employee Retirement System ("PERS") with a separate oversight body and are financially independent of the others.

POLICE administers the New York City Police Pension Funds, 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- Qualified Pension Plan ("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 Detectives, and Sergeants through Deputy Chiefs) 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").

**NEW YORK CITY POLICE PENSION FUNDS
NOTES TO COMBINING FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2016 AND 2015**

Board 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, 2014 and 2013, the dates of the QPP's most recent completed actuarial valuations, the QPP's membership consisted of:

	2014	2013
Retirees and beneficiaries receiving benefits	48,212	46,950
Terminated vested members not yet receiving benefits	572	715
Other inactives*	1,369	1,287
Active members receiving salary	<u>34,402</u>	<u>34,775</u>
Total	<u>84,555</u>	<u>83,727</u>

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

At June 30, 2015 and 2014, the dates of the VSFs' most recent actuarial valuations, the PSOVSF and POVSF membership consisted of:

	PSOVSF		POVSF	
	2015	2014	2015	2014
Retirees currently receiving payments	18,029	17,608	12,367	12,251
Active members**	<u>12,273</u>	<u>12,198</u>	<u>22,162</u>	<u>22,204</u>
Total	<u>30,302</u>	<u>29,806</u>	<u>34,529</u>	<u>34,455</u>

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

NEW YORK CITY POLICE PENSION FUNDS
NOTES TO COMBINING FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2016 AND 2015

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 the following pension tiers: Tier 1, Tier 2, Tier 3, and Tier 6 (Tier 3 Modified). 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 ts 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.

**NEW YORK CITY POLICE PENSION FUNDS
NOTES TO COMBINING FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2016 AND 2015**

- 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% 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, 2016, is as follows:

		TIER 1	TIER 2	TIER 3	Total
Required Amounts	\$	65,842	\$ 1,262,213,272	\$ 57,710,194	\$ 1,319,989,308
Account Balances	\$	564,624	\$ 2,755,844,679	\$ 59,837,940	\$ 2,816,247,243
Outstanding Loans	\$	-	\$ 234,695,422	\$ -	\$ 234,695,422

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") 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 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

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after April 1, 2012. In most New York State PERS, including the QPP, these changes are sometimes referred to as Tier 6 or Tier 3 Modified.

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

- A Normal Service Retirement Benefit is earned after completion of 22 years of uniformed service.
- An Early Service Retirement Benefit 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/Tier 3 Modified 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/Tier 3 Modified 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:

- 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.

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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.

- 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:

- 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.
- 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

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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 — 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.

Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Equivalents — Cash equivalents consist of financial instruments with original maturity dates of three months or less.

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.

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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' agent lends the following types of securities: short-term securities, common stocks, 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, 2016 and 2015, 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 the Securities Lending Agent to indemnify the Funds. In the situation when a borrower goes into default, the Agent will liquidate the collateral to purchase replacement securities. Any shortfall before the replacement securities cost and the collateral value is covered by the Agent. 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 by the securities lending agent using approved Lender's Investment guidelines. The weighted average maturity is 252 days. The securities lending program in which the Funds participate only allows pledging or selling securities in the case of borrower default.

GASB Statement No. 28, *Accounting and Financial Reporting for Securities Lending Transactions*, requires that securities loaned as assets and related liabilities be reported in the 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 fair value and the value as of June 30, 2016 and 2015 was \$2.9 billion and \$2.6 billion, respectively for the QPP, \$34.6 million and \$42.8 million respectively for the PSOVSF, and \$94.4 million and \$68.7 million, respectively for the POVSF. Cash collateral received related to securities lending as of June 30, 2016 and 2015 was \$2.9 billion and \$2.7 billion, respectively for the QPP, \$35.5 million and \$43.8 million, respectively for the PSOVSF, and \$97.0 million and \$70.2 million, respectively for the POVSF.

New Accounting Standards Adopted — In Fiscal Year 2015, POLICE adopted Government Accounting Standards Board ("GASB") Statement No. 72, *Fair Value Measurement and Application*. GASB 72 requires the Funds to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach or income approach. GASB 72 establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs

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are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. GASB 72 also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that was used for the fair value measurements. There was no material impact on the Funds' financial statements as a result of the implementation of GASB 72.

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 2016 and 2015 included securities in the following categories:

	2016	2015
U.S. Equity	35.7%	35.2%
Core U.S. Fixed	17.1	17.6
EAFE Markets	9.5	10.0
Private Equities	6.9	6.8
Emerging Market	5.9	5.7
Enhanced Yield Bonds	4.0	4.0
Real Assets	4.9	4.2
Hedge Funds	3.9	3.7
REITS	0.6	0.5
TIPS	4.5	2.9
Opportunistic Fixed	2.8	2.6
Cash	1.0	3.4
Bank Loans	1.7	1.7
ETI'	1.1	1.0
Convertible Bonds	0.4	0.7
Total	<u>100.0%</u>	<u>100.0%</u>

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

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Credit Risk — Portfolios, other than U.S. Government and related portfolios, have credit rating limitations. Investment Grade portfolios are limited to mostly ratings of BBB and above except that they are also permitted a 10% maximum exposure to BB & B rated securities. While non-investment grade managers are primarily invested in BB & B rated securities, they can also invest up to 7% of their portfolio in securities rated CCC. Non-rated securities are considered to be non-investment grade. The quality ratings of the Funds' investments, by percentage of the rated portfolio, as described by nationally recognized statistical rating organizations, at June 30, 2016 and 2015, are as follows:

Investment Type*	Moody's Quality Ratings									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short term	Not Rated	Total
June 30, 2016										
U.S. Government	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
Corporate bonds	2.00	2.95	13.99	32.59	14.79	11.17	4.35	-	7.05	88.89
Yankee bonds	-	-	-	-	-	-	-	-	-	-
Short-term:										
Commercial paper	-	-	-	-	-	-	-	1.80	-	1.80
Pooled funds	-	-	-	-	-	-	-	8.12	-	8.12
U.S. Treasuries/Agencies	-	-	-	-	-	-	-	1.19	-	1.19
Percent of related portfolio	<u>2.00%</u>	<u>2.95%</u>	<u>13.99%</u>	<u>32.59%</u>	<u>14.79%</u>	<u>11.17%</u>	<u>4.35%</u>	<u>11.11%</u>	<u>7.05%</u>	<u>100.00%</u>
June 30, 2015										
U.S. Government	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%
Corporate bonds	1.42	2.35	11.97	25.86	11.32	10.89	3.16	-	6.40	73.37
Yankee bonds	-	-	-	-	-	-	-	-	-	-
Short-term:										
Commercial paper	-	-	-	-	-	-	-	8.57	-	8.57
Pooled funds	-	-	-	-	-	-	-	9.46	-	9.46
U.S. Treasuries/Agencies	-	-	-	-	-	-	-	8.60	-	8.60
	<u>1.42%</u>	<u>2.35%</u>	<u>11.97%</u>	<u>25.86%</u>	<u>11.32%</u>	<u>10.89%</u>	<u>3.16%</u>	<u>26.63%</u>	<u>6.40%</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.

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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 1.24 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, 2016 and 2015 are as follows:

Years to Maturity

Investment Type June 30, 2016	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	39.79 %	0.56 %	3.70 %	7.09 %	28.44 %
Corporate bonds	53.51	1.30	16.60	21.73	13.88
Yankee bonds					
Short term:					
Commercial paper	1.09	1.09	-	-	-
Pooled fund	4.89	4.89	-	-	-
U.S. Treasuries/Agencies	-	-	-	-	-
Discount Notes	0.72	0.72	-	-	-
Percent of rated portfolio	<u>100.00 %</u>	<u>8.56 %</u>	<u>20.30%</u>	<u>28.82 %</u>	<u>42.32 %</u>

Investment Type June 30, 2015	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	41.76 %	0.07 %	8.54 %	5.71 %	27.44 %
Corporate bonds	42.73	1.39	11.69	18.52	11.13
Yankee bonds					
Short term:					
Commercial paper	4.99	4.99	-	-	-
Pooled fund	5.51	5.51	-	-	-
U.S. Treasuries/Agencies	-	-	-	-	-
Discount Notes	5.01	5.01	-	-	-
Percent of rated portfolio	<u>100.00 %</u>	<u>16.97 %</u>	<u>20.23 %</u>	<u>24.23 %</u>	<u>38.57 %</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.

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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, 2016 and 2015 are as follows (amounts in thousands of U.S. dollars):

Trade Currency	June 30, 2016 Market Value	June 30, 2015 Market Value
Euro Currency	\$ 1,142,122	\$ 1,223,334
Japanese Yen	743,161	753,360
British Pound Sterling	648,041	746,956
Hong Kong Dollar	555,495	608,571
South Korean Won	328,725	300,758
Swiss Franc	340,232	367,688
Taiwan New Dollar	238,143	257,296
Indian Rupee	212,471	185,347
Australian Dollar	150,525	151,532
Brazilian Real	126,458	125,070
South African Rand	138,347	142,415
Swedish Krona	92,594	102,632
Malaysian Ringgit	60,366	55,695
Mexican Nuevo Peso	69,687	70,363
Singapore Dollar	52,156	67,360
Thai Baht	59,242	53,783
Canadian Dollar	48,048	56,002
Indonesian Rupiah	54,854	42,024
Danish Krone	70,343	59,488
Polish Zloty	32,349	36,492
Chilean Peso	20,832	18,267
Norwegian Krone	28,215	32,294
Philippines Peso	31,809	24,143
Turkish Lira	37,709	26,343
Hungarian Forint	6,509	8,285
Colombian Peso	9,853	8,802
Egyptian Pound	6,068	11,339
Czech Koruna	5,208	5,635
Qatar Rial	14,618	15,984
Kuwait Dinar	5,304	5,504
UAE Dirham	12,710	9,205
Israeli Shekel	10,872	10,409
Pakistan Rupee	4,655	2,419
Moroccan Dirham	2,579	2,426
Peruvian Nuevo Sol	1,594	1,369
Renminbi Yuan	699	(3)
Botswana Pula	1,281	1,136
Croatia Kuna	2,579	2,482
Jordanian Dinar	2,102	2,651
Kenyan Shilling	2,113	2,488
Mauritius Rupee	2,228	2,465
New Zealand Dollar	6,520	4,847
Nigerian Naira	1,446	2,290
Omani Rial	2,349	2,514
Romanian Leu	2,536	2,487
Russian Ruble	1,659	782
Ghana Cedi	557	515
Tunisian Dinar	898	880
Total	<u>\$ 5,389,051</u>	<u>\$ 5,614,164</u>

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Securities Lending Transactions:

Credit Risk — The quality ratings of investments held as collateral for Securities Lending by the Funds' at June 30, 2016 and 2015, are as follows (in thousands):

Investment Type and Fair Value of Securities Lending Transactions (In Thousands)	S&P Quality Ratings									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short Term	Not Rated	Total
	June 30, 2016									
Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-	-	-	-	-	-
Yankee	-	-	-	-	-	-	-	-	-	-
Short-term:										
Repurchase Agreements	-	-	-	-	-	-	-	-	-	-
Reverse Repurchase Agreements	-	-	-	-	-	-	-	-	2,674,356	2,674,336
Certificate of deposits	-	-	-	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-	-	-	-
Money Market Funds	88,790	-	-	-	-	-	-	-	-	88,790
Bank notes	-	-	-	-	-	-	-	-	8,039	8,039
U.S. Treasury	-	-	-	-	-	-	-	-	-	-
U.S. agency	-	-	-	-	-	-	-	-	-	-
Time deposit	-	-	-	-	-	-	-	-	-	-
Cash	-	-	-	-	-	-	-	-	306,057	306,057
Uninvested	-	-	-	-	-	-	-	-	989	989
Total	<u>\$ 88,790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,989,441</u>	<u>\$ 3,078,231</u>
Percent of securities lending portfolio	<u>2.88 %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>97.12 %</u>	<u>100.00 %</u>

Investment Type and Fair Value of Securities Lending Transactions (In Thousands)	S&P Quality Ratings									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short Term	Not Rated	Total
	June 30, 2015									
Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-	-	-	-	-	-
Yankee	-	-	-	-	-	-	-	-	-	-
Short-term:										
Commercial paper	-	-	-	-	-	-	-	-	-	-
Certificate of deposits	-	-	-	-	-	-	-	-	-	-
Master notes	-	-	-	-	-	-	-	-	-	-
Repurchase agreements	-	-	-	-	-	-	-	-	-	-
Reverse repurchase agreements	-	-	-	-	-	-	-	-	2,200,243	2,200,243
Money market funds	107,175	-	-	-	-	-	-	-	-	107,175
Bank notes	-	-	-	-	-	-	-	-	209,731	209,731
U.S. treasury	-	-	-	-	-	-	-	-	-	-
U.S. agency	-	-	-	-	-	-	-	-	-	-
Time deposit	-	-	-	-	-	-	-	-	-	-
Cash	-	-	274,781	-	-	-	-	-	-	274,781
Uninvested	-	-	-	-	-	-	-	-	821	821
Total	<u>\$ 107,175</u>	<u>\$ -</u>	<u>\$ 274,781</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,410,795</u>	<u>\$ 2,792,751</u>
Percent of securities lending portfolio	<u>3.84 %</u>	<u>- %</u>	<u>9.84 %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>86.32 %</u>	<u>100.00 %</u>

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Interest Rate Risk — The lengths of investment maturities (in years) of the collateral for Securities Lending held by the Funds at June 30, 2016 and 2015, are as follows:

Investment Type (In Thousands)	Investment Maturities (in years)				
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
June 30, 2016					
U.S. government	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-
Yankee bonds	-	-	-	-	-
Short-term:					
Repurchase agreements	-	-	-	-	-
Reverse repurchase agreements	2,674,356	2,674,356	-	-	-
Certificate of deposits	-	-	-	-	-
Commercial paper	-	-	-	-	-
Money Market Funds	88,790	88,790	-	-	-
Bank Notes	8,039	8,039	-	-	-
U.S. Treasury	-	-	-	-	-
U.S. Agencies	-	-	-	-	-
Time Deposit	-	-	-	-	-
Cash	304,166	304,166	-	-	-
Uninvested	2,880	2,880	-	-	-
Total	\$ 3,078,231	\$ 3,078,231	\$ -	\$ -	\$ -
Percent of securities lending portfolio	100.00%	100.00%	- %	- %	- %
	Investment Maturities (in years)				
(In Thousands)	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
June 30, 2015					
U.S. government	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-
Yankee bonds	-	-	-	-	-
Short-term:					
Commercial paper	-	-	-	-	-
Repurchase agreements	-	-	-	-	-
Reverse repurchase agreements	2,200,243	2,200,243	-	-	-
Certificate of deposits	-	-	-	-	-
Bank notes	-	-	-	-	-
Master notes	-	-	-	-	-
Money market funds	107,175	107,175	-	-	-
Bank Notes	209,731	209,731	-	-	-
U.S. Agencies	-	-	-	-	-
U.S. Treasury	-	-	-	-	-
Time deposit	-	-	-	-	-
Cash	274,781	274,781	-	-	-
Uninvested	821	821	-	-	-
Total	\$ 2,792,751	\$ 2,792,751	\$ -	\$ -	\$ -
Percent of securities lending portfolio	100.00%	100.00%	%	- %	- %

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Rate of Return — For the years ended June 30, 2016 and 2015, the annual money-weighted rate of return on investments, net of investment expense, for the Funds were as follows:

	2016	2015
QPP	1.18 %	3.83 %
PSOVSF	(1.06)%	5.16 %
POVSF	(0.33)%	6.34 %

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

In Fiscal Year 2015, the Funds adopted GASB Statement No. 72 ("GASB 72"), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements.

The Funds categorize its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Funds have the following recurring fair value measurements as of June 30, 2016 and June 30, 2015:

**GASB 72 Disclosure
(In thousands)**

	2016			
	Level One	Level Two	Level Three	Total
INVESTMENTS — At fair value				
Short-term investments:				
Commercial paper	\$ -	\$ 87,804	\$ -	\$ 87,804
Short-term investment fund	-	471,943	-	471,943
U.S. treasury bills	-	298,119	-	298,119
Debt securities:				
U.S. government and agencies	-	4,298,339	107,964	4,406,303
Corporate and other	-	2,906,178	-	2,906,178
Equity securities	6,180,793	-	-	6,180,793
Alternative investments	-	-	4,859,262	4,859,262
Mutual funds - international equity	-	-	-	-
Collective trust funds:				
International equity	5,748,930	107,150	-	5,856,080
Fixed income	3,866	103,503	548,874	656,243
Domestic equity	6,624,356	1,370	-	6,625,726
Mortgage debt security	-	56,392	246,048	302,440
Treasury inflation protected securities	-	1,503,457	-	1,503,457
Collateral from securities lending	-	3,078,231	-	3,078,231
Total investments at fair value	\$ 18,557,945	\$ 12,912,486	\$ 5,762,148	\$ 37,232,579
Alternative investments valued at net asset value				1,522,996
Total investments				\$ 38,755,575

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**GASB 72 Disclosure
(In thousands)**

	2015			Total
	Level One	Level Two	Level Three	
INVESTMENTS — At fair value				
Short-term investments:				
Commercial paper	\$ -	\$ 490,783	\$ -	\$ 490,783
Short-term investment fund	-	688,479	-	688,479
U.S. treasury bills	-	748,429	-	748,429
Discount notes	-	426,708	-	426,708
Debt securities:				
U.S. government and agencies	-	7,517,825	104,989	7,622,814
Equity securities	6,666,485	1,533	-	6,668,018
Alternative investments	-	-	5,770,380	5,770,380
Collective trust funds:				
International equity	6,021,359	1,380	7,448	6,030,187
Fixed income	-	108,200	533,606	641,806
Domestic equity	5,940,312	-	-	5,940,312
Mortgage debt security	-	242,754	-	242,754
Treasury inflation protected securities	-	953,550	-	953,550
Collateral from securities lending	-	2,792,751	-	2,792,751
Total investments	\$ 18,628,156	\$ 13,972,392	\$ 6,416,423	\$ 39,016,971

Equity and Fixed Income Securities

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets issued by pricing vendors for these securities. Debt and equity securities classified in Level 2 of the fair value hierarchy are valued using prices determined by the use of matrix pricing techniques maintained by the various pricing vendors for these securities. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Debt and equity securities classified in Level 3 are securities whose stated market price is unobservable by the market place, many of these securities are priced by the issuers or industry groups for these securities. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources by our custodian bank. Debt and equity securities held in Collective Trust Funds are held in those funds on behalf of the pension system and there is no restriction on the use and or liquidation of those assets for the exclusive benefit of the funds participants.

Alternative Investments

Alternative investments include private equity, real estate, opportunistic fixed income and infrastructure investments. These 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. The assets in our alternative investment program are classified as Level 3 assets. A more detailed explanation of the Level 3 valuation methodologies follows:

Investments in non-public equity securities are valued by the GP using one or more valuation methodologies outlined in ASC 820, depending upon the availability of data required by each

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methodology. In some cases, the GP may use multiple approaches to estimate a valuation range. For the immediate time period following a transaction, the determination of fair value for equity securities, in which no liquid trading market exists, can generally be approximated based on the transaction price (absent any significant developments). Thereafter, or in the interim, if significant developments relating to such portfolio company or industry occur which may suggest a material change in value, the GP should value each investment by applying generally accepted valuation methods including: (1) the market approach (such as market transaction and comparable public company multiples, which are based on a measurement of the company's historical and projected financial performance with typical metrics including enterprise value/latest 12 months EBITDA or projected fiscal year EBITDA) or (2) the income or discounted cash flow approach.

In the market approach, valuation multiples that are relevant to the industry and company in the investments held should be considered and relied upon. Valuation multiples should be assessed and may be adjusted on a go-forward basis based on the business risk associated with the subject company in which the investment is held. In addition, the implied entry multiples should be considered as benchmarks in valuing unlisted equity. In circumstances where no financial performance metrics are available, the GP should rely on other non-financial related metrics applicable to relevant progress from the original investment date to the valuation date. In the income or discounted cash flow approach, forecasted cash flows that may be generated by the subject company are discounted to present value at an appropriate discount rate. These methodologies can be utilized to determine an enterprise value ("Enterprise Valuation Methodologies") from which net debt is subtracted to estimate equity value.

The determination of fair value using these methodologies should take into consideration a range of factors, including but not limited to, the price at which the investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance and financing transactions subsequent to the acquisition of the investment. Because of the subjective nature of estimated fair value of the private investments, such value may differ significantly from the values that would have been used had a ready market existed for these investments. These financial instruments have been classified as Level 3 in the fair value hierarchy.

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 Comptroller.

For Fiscal Year 2016, the excess earnings of the QPP, inclusive of prior year's cumulative deficiencies, are estimated to be equal to \$0 and, therefore, no transfer of assets is required from the QPP to the VSFs.

For Fiscal Year 2015, the excess earnings of the QPP, inclusive of prior year's cumulative deficiencies, are estimated to be equal to \$590 million and, therefore, a liability and transfer of \$330 million to POVSF and a liability and transfer of \$260 million to PSOVSF has been reported by the QPP as of and for the year ended June 30, 2015, respectively.

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For Fiscal Year 2014, the excess earnings of the QPP, inclusive of prior year's cumulative deficiencies, were estimated to be equal to \$2,310 million and, therefore, a liability and transfer of \$1,290 million to POVSF and a liability and transfer of \$1,020 million to PSOVSF has been reported by the QPP as of and for the year ended June 30, 2014, respectively. However, during Fiscal Year 2016, the excess earnings estimate for Fiscal Year 2014 were finalized and revised downward to \$910.2 million for POVSF and \$842.6 million for PSOVSF. The total decrease of \$557.2 million was recognized by the QPP and the VSF's during the period.

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 insufficient PSOVSF assets to pay benefits due in December 2013, PSOVSF received approximately \$231.0 million from the QPP during Fiscal Year 2014.

The amounts shown below 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, 2015 and June 30, 2014, follows:

	POVSF		PSOVSF	
	2015	2014	2015	2014
	(In millions)			
Accumulated benefit obligation ¹ for:				
Retirees currently receiving benefits	\$ 1,473.4	\$ 1,459.8	\$ 2,203.6	\$ 2,160.3
Active members	<u>521.0</u>	<u>515.2</u>	<u>1,146.7</u>	<u>1,133.9</u>
Total accumulated benefit obligation ^{2,3}	1,994.4	1,975.0	3,350.3	3,294.2
Net position held in trust for benefits ⁴	<u>1,847.9</u>	<u>1,608.9</u>	<u>954.6</u>	<u>912.8</u>
Unfunded accumulated benefit obligation	<u>\$ 146.5</u>	<u>\$ 366.1</u>	<u>\$ 2,395.7</u>	<u>\$ 2,381.4</u>

¹ Based on actuarial assumptions adopted by the Board of Trustees of the QPP during Fiscal Year 2016.

² The June 30, 2015 and the June 30, 2014 ABOs for POVSF decreased by approximately \$26.8 million and \$25.3 million, respectively, and the June 30, 2015 and the June 30, 2014 ABOs for PSOVSF decreased by approximately \$39.2 million and \$38.9 million, respectively, compared to those projected prior to the enactment of Chapters 119/95, 390/98 and 125/00.

**NEW YORK CITY POLICE PENSION FUNDS
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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, 2015 and the June 30, 2014 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, 2015 and June 30, 2014, respectively:

	June 30, 2015	June 30, 2014
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 2016.	Tables adopted by the Board of Trustees during Fiscal Year 2016.
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 Auto Cola 2.5% per annum for Escalation.	1.5% per annum Auto Cola 2.5% per annum for Escalation.
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.

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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/Tier 3 Modified 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, 2016, based on an actuarial valuation as of June 30, 2014 was \$2,393.9 million and the Statutory Contribution for the year ended June 30, 2015, based on an actuarial valuation as of June 30, 2013 was \$2,309.6 million. The Statutory Contributions for Fiscal Years 2016 and 2015 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, 2016 and 2015 for the Funds were as follows:

	(in thousands)			
June 30, 2016	QPP	POVSF	PSOVSF	TOTAL
Total pension liability*	\$ 45,507,890	\$ 2,008,699	\$ 3,624,157	\$ 51,140,746
Fiduciary net position**	<u>33,482,610</u>	<u>1,384,204</u>	<u>635,460</u>	<u>35,502,274</u>
Employers' net pension liability	<u>\$ 12,025,280</u>	<u>\$ 624,495</u>	<u>\$ 2,988,697</u>	<u>\$ 15,638,472</u>
Fiduciary net position as a percentage of the total pension liability	73.58 %	68.01 %	17.53 %	69.42 %
	(in thousands)			
June 30, 2015	QPP	POVSF	PSOVSF	TOTAL
Total pension liability*	\$ 42,756,202	\$ 1,928,314	\$ 3,524,526	\$ 48,209,042
Fiduciary net position**	<u>32,355,973</u>	<u>1,923,579</u>	<u>1,065,500</u>	<u>35,345,052</u>
Employers' net pension liability	<u>\$ 10,400,229</u>	<u>\$ 4,735</u>	<u>\$ 2,459,026</u>	<u>\$ 12,863,990</u>
Fiduciary net position as a percentage of the total pension liability	75.68 %	99.75 %	30.23 %	73.32 %

* Includes liabilities from Special Accidental Death Benefits pursuant to Section 208-f of the General Municipal Law.

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

Fiscal 2015 disclosures pertaining to the System's total and net pension obligations and pension expenses have been restated to reflect the full actuarially determined obligation for Special Accidental Death Benefits ("SADB") in the opening balances. Previously reported amounts excluded that obligation, based on the New York State ("State") law General Municipal Law Section 208-f (e) requiring the State to reimburse the City for those benefits. Beginning with Fiscal 2009 and for every year since, the State has adopted budgets that override this law, and reimbursed the City for less than the cost of SADB. Moreover, in accordance with new GASB standards adopted by the City in 2014, the liability should have been reported regardless of the State's reimbursement obligation. The net effects of changes to the 2015 disclosures is an additional \$351.3 million for total pension liability (approximately 0.7%) and net pension liabilities (approximately 2.7%) and \$37.8 million in additional pension expense. Management believes the effects of the adjustment are not material in relation to the financial statement liability.

Actuarial Methods and Assumptions

The total pension liability as of June 30, 2016 and 2015 were determined by actuarial valuations as of June 30, 2014 and June 30, 2013, respectively, that were rolled-forward to develop 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 Auto COLA, 2.5% per annum Escalation.

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 is conducted every two years.

The most recently completed study was published by Gabriel Roeder Smith & Company ("GRS") dated October 2015 and analyzed experience for Fiscal Years 2010 through 2013. GRS made recommendations with respect to the actuarial assumptions and methods based on their analysis.

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Based, in part, on the GRS Report, on published studies of mortality improvement, and on input from the City's outside consultants and auditors, the Actuary proposed, and the Boards of Trustees of the POLICE adopted, new post-retirement mortality tables for use in determining employer contributions beginning in Fiscal Year 2016. The new tables of post-retirement mortality are based primarily on the experience of the POLICE (the Base Tables) and the application of Mortality Improvement Scale MP-2015, published by the Society of Actuaries in October 2015 (the Valuation Tables). Scale MP-2015 replaced Mortality Improvement Scale AA.

In addition, beginning in Fiscal Year 2016, the Actuary revised the Actuarial Asset Valuation Method to constrain the Actuarial Asset Value to be within a 20% corridor of the Market Value of Assets.

The previously completed studies were published by The Hay Group ("Hay"), dated December 2011 and by The Segal Company ("Segal"), dated November 2006. Hay analyzed experience for Fiscal Years 2006 through 2009 and made recommendations with respect to the actuarial assumptions and methods based on their analysis. Segal analyzed experience for Fiscal Years 2002 through 2005 and made recommendations with respect to the actuarial assumptions and methods based on their analysis.

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.

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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 real rates of return (i.e., expected returns, net of investment expenses 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 real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate Of Return
U.S. Public Market Equities	34.00%	6.60%
International Public Market Equities	10.00%	7.00%
Emerging Public Market Equities	6.00%	7.90%
Private Market Equities	7.00%	9.90%
Fixed Income	32.00%	2.70%
Alternative Investments	<u>11.00%</u>	4.00%
Total	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. 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.

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The following presents the net pension liability of the Employer as of June 30, 2016, 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:

Net Pension Liability — June 30, 2016	1% Decrease (6.0%)	Discount Rate (7.0%) (in thousands)	1% Increase (8.0%)
QPP	\$ 17,134,958	\$ 12,025,280	\$ 7,786,284
POVSF	822,024	624,495	455,729
PSOVSF	3,386,550	2,988,697	2,658,084
Total	\$ 21,343,532	15,638,472	10,900,097

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, 2016 and 2015, is \$251.8 million and \$256.3 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 2016 and 2015.

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 New York City 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 \$4,585,439 and \$5,954,750 in Fiscal Years 2016 and 2015, 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 2016, total non-investment expenses attributable to the QPP were approximately \$23.1 million, of which \$18.5 million were paid from the assets of the QPP and \$4.6 million were paid by The City on behalf of the QPP. In Fiscal Year 2015, total non-investment expenses attributable to the QPP were approximately \$23.8 million, of which \$17.9 million were paid from the assets of the QPP and \$5.9 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 \$156 million in 2016 and \$193 million in 2015.

**NEW YORK CITY POLICE PENSION FUNDS
NOTES TO COMBINING FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2016 AND 2015**

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
2017	\$ 2,051,154
2018	2,051,154
2019	2,051,154
2020	2,051,154
2021	2,216,116
2022 to 2025	8,878,968
2026	2,439,692
2027 to 2030	9,778,104
2031	52,570

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 current rental payments required under this lease are as follows:

Fiscal Years Ending June 30,	Amount
2017	\$ 355,110
2018	355,780
2019	361,422
2020	362,645
2021	370,675
2022	372,032
2023	381,275
2024	382,017
2025	14,782

10. CONTINGENT LIABILITIES AND OTHER MATTERS

Contingent Liabilities — The Funds have claims pending against them and have been named as defendant in lawsuits and also have 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 2016 and 2015, certain events described below took place which, in the opinion of POLICE management, could have the effect of increasing benefits to members

**NEW YORK CITY POLICE PENSION FUNDS
NOTES TO COMBINING FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2016 AND 2015**

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.

In October 2015 the independent actuarial auditor, Gabriel, Roeder, Smith & Company (GRS), issued a report on their NYC Charter-mandated actuarial experience studies for the four-year and ten-year periods ended June 30, 2013 (the GRS Report).

Based, in part, on the GRS Report, on published studies of mortality improvement, and on input from the City's outside consultants and auditors, the Actuary proposed, and the Boards of Trustees of the POLICE adopted, new post-retirement mortality tables for use in determining employer contributions beginning in Fiscal Year 2016. The new tables of post-retirement mortality are based primarily on the experience of the POLICE (the Base Tables) and the application of Mortality Improvement Scale MP-2015, published by the Society of Actuaries in October 2015 (the Valuation Tables). Scale MP-2015 replaced Mortality Improvement Scale AA.

In addition, beginning in Fiscal Year 2016, the Actuary revised the Actuarial Asset Valuation Method to constrain the Actuarial Asset Value to be within a 20% corridor of the Market Value of Assets.

New York State Legislation (only significant laws included)

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.

**NEW YORK CITY POLICE PENSION FUNDS
NOTES TO COMBINING FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2016 AND 2015**

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.

Chapter 427 of the Laws of 2014 allows members who were deployed on military service between September 11, 2001 and January 1, 2006 and did not receive their full salary from the New York City Police Department to obtain full pension credit without making pension contributions.

Chapter 548 of the Laws of 2000 created New York State Retirement and Social Security Law ("RSSL") § 1000, which allowed former members of the Armed Forces of the United States during certain periods of conflict or in certain combat areas to buy back their military service as uniformed time. On May 31, 2016, Chapter 41 of the Laws of 2016 was enacted, amending RSSL §1000 by removing the specified periods of time, medal requirements, and theaters of operation in which military service would have to have been rendered for a pre-membership service purchase. Members need only have been honorably discharged from the military to be eligible to purchase pre-membership service credit pursuant to RSSL § 1000. This law is not retroactive and does not permit retired members to purchase service credit.

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.

SCHEDULE 1

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)

June 30, 2016	<u>QPP*</u>	<u>POVSF</u>	<u>PSOVSF</u>	<u>TOTAL</u>
Total pension liability:				
Service cost	\$ 1,241,707	\$ 53,626	\$ 45,283	\$ 1,340,615
Interest	3,059,499	136,591	245,309	3,441,399
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	216,334	13,273	3,854	233,461
Changes of assumptions	709,886	32,650	52,144	794,680
Benefit payments and withdrawals	(2,475,738)	(155,754)	(246,959)	(2,878,451)
Net change in total pension liability	2,751,888	80,385	99,631	2,931,704
Total pension liability — beginning	42,756,202	1,928,314	3,524,526	48,209,042
Total pension liability — ending (a)	45,507,890	2,008,699	3,624,157	51,140,746
Plan fiduciary net position:				
Employer contributions	2,393,940	-	-	2,393,940
Member contributions	249,921	-	-	249,921
Net investment income	644,318	(133,017)	(107,767)	403,534
Benefit payments and withdrawals	(2,475,738)	(155,754)	(246,959)	(2,878,451)
Administrative expenses	(18,478)	-	-	(18,478)
Other	6,479	147	130	6,756
Net change in plan fiduciary net position	800,442	(288,624)	(354,596)	157,222
Accrued Transfers from POLICE to POVSF and PSOVSF	326,195	(250,751)	(75,444)	-
Plan fiduciary net position — beginning	32,355,973	1,923,579	1,065,500	35,345,052
Plan fiduciary net position — ending (b) **	33,482,610	1,384,204	635,460	35,502,274
Employer's net pension liability — ending (a)-(b)	\$ 12,025,280	\$ 624,495	\$ 2,988,697	\$ 15,638,472
Plan fiduciary net position as a percentage of the total pension liability	73.58%	68.91%	17.53%	69.42%
Covered-employee payroll	\$ 3,540,326	n/a	n/a	\$ 3,540,326
Employer's net pension liability as a percentage of covered-employee payroll	339.67%	n/a	n/a	441.72%

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 final Funds' fiduciary net position.

** Includes liabilities from Special Accidental death benefits pursuant to Section 208-F of the General Municipal Law.

SCHEDULE 1 (CONTINUED)

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)

June 30, 2015	QPP*	POVSF	PSOVSF	TOTAL
Total pension liability:				
Service cost	\$ 1,227,570	\$ 54,502	\$ 43,736	\$ 1,325,808
Interest	2,875,649	131,185	238,391	3,245,225
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(213,409)	(13,154)	11,145	(215,418)
Changes of assumptions	-	-	-	-
Benefit payments and withdrawals	(2,360,484)	(151,333)	(234,967)	(2,746,784)
Net change in total pension liability	1,529,326	21,200	58,305	1,608,831
Total pension liability — beginning	44,226,876	1,907,114	3,466,221	49,600,211
Total pension liability — ending (a)	45,756,202	1,928,314	3,524,526	51,209,042
Plan fiduciary net position:				
Employer contributions	2,309,619	-	-	2,309,619
Member contributions	241,102	-	-	241,102
Net investment income	1,018,508	61,019	18,695	1,098,220
Benefit payments and withdrawals	(2,360,484)	(151,333)	(234,967)	(2,746,784)
Administrative expenses	(17,903)	-	-	(17,903)
Reimbursement of Ben. Payments to PSOVSF from QPP	(313)	-	313	-
Other	4,554	25	37	4,616
Net change in plan fiduciary net position	1,195,081	(90,289)	(215,922)	888,870
Accrued Transfers from POLICE to POVSF and PSOVSF	(590,000)	330,000	260,000	-
Plan fiduciary net position — beginning	31,750,892	1,883,868	1,021,422	34,456,182
Plan fiduciary net position — ending (b) **	32,355,973	1,923,579	1,065,500	35,345,052
Employer's net pension liability — ending (a)-(b)	\$ 10,400,229	\$ 4,735	\$ 2,459,026	\$ 12,863,990
Plan fiduciary net position as a percentage of the total pension liability	75.88%	99.75%	30.23%	73.32%
Covered-employee payroll	\$ 3,512,778	n/a	n/a	\$ 3,512,778
Employer's net pension liability as a percentage of covered-employee payroll	296.07%	n/a	n/a	366.21%

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 final Funds' fiduciary net position.

** Includes liabilities from Special Accidental death benefits pursuant to Section 208-F of the General Municipal Law.

SCHEDULE 1 (CONTINUED)

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)

June 30, 2014	QPP	POVSF	PSOVSF	TOTAL
Total pension liability:				
Service cost	\$ 1,206,036	\$ 52,629	\$ 43,088	\$ 1,301,753
Interest	2,753,264	129,659	234,394	3,117,317
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	-	-	-
Changes of assumptions	-	-	-	-
Benefit payments and withdrawals	(2,305,609)	(147,153)	(229,461)	(2,682,223)
Net change in total pension liability	1,653,691	35,135	48,021	1,736,847
Total pension liability — beginning	39,259,678	1,871,979	3,418,199	44,549,856
Total pension liability — ending (a)	40,913,369	1,907,114	3,466,220	46,286,703
Plan fiduciary net position:				
Employer contributions	2,320,910	-	-	2,320,910
Member contributions	228,783	-	-	228,783
Net investment income	5,071,530	76,054	(101)	5,147,483
Benefit payments and withdrawals	(2,305,609)	(147,153)	(229,461)	(2,682,223)
Administrative expenses	(17,450)	-	-	(17,450)
Transfer to PSOVSF / from QPP	(231,024)	-	231,024	-
Other	6,811	80	20	6,911
Net change in plan fiduciary net position	5,073,951	(71,019)	1,482	5,004,414
Accrued Transfers from POLICE to POVSF and PSOVSF	(2,310,000)	1,290,000	1,020,000	-
Plan fiduciary net position — beginning	28,998,941	464,887	(60)	29,451,768
Plan fiduciary net position — ending (b) *	31,750,892	1,683,868	1,021,422	34,456,182
Employer's net pension liability — ending (a)-(b)	\$ 9,162,477	\$ 223,246	\$ 2,444,798	\$ 11,830,521
Plan fiduciary net position as a percentage of the total pension liability	77.61%	88.29%	29.47%	74.44%
Covered-employee payroll	\$ 3,420,312	n/a	n/a	\$ 3,420,312
Employer's net pension liability as a percentage of covered-employee payroll	267.88%	n/a	n/a	345.89%

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 final Funds' fiduciary net position.

SCHEDULE 2

NEW YORK CITY POLICE PENSION FUNDS
 REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 (In thousands)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined contribution	\$ 2,393,940	\$ 2,309,619	\$ 2,320,910	\$ 2,424,690	\$ 2,385,731	\$ 2,083,633	\$ 1,980,998	\$ 1,932,150	\$ 1,797,824	\$ 1,544,341
Contributions in relation to the actuarially determined contribution	2,393,940	2,309,619	2,320,910	2,424,690	2,385,731	2,083,633	1,980,998	1,932,150	1,797,824	1,544,341
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 3,540,326	\$ 3,512,778	\$ 3,420,312	\$ 3,459,889	\$ 3,448,784	\$ 3,252,729	\$ 3,097,484	\$ 2,946,698	\$ 2,797,429	\$ 2,788,324
Contributions as a percentage of covered-employee payroll	67.619%	65.749%	67.857%	70.080%	69.176%	64.058%	63.955%	65.570%	64.267%	55.388%

**NEW YORK CITY POLICE PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF EMPLOYERS CONTRIBUTIONS
(In thousands)**

Notes to Schedule:

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 2016 contributions were determined using an actuarial valuation as of June 30, 2014). The methods and assumptions used to determine the actuarially determined contributions are as follows:

Valuation Dates	June 30, 2014	June 30, 2013	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009- June 30, 2005
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Frozen Initial Liability ¹
Amortization method for Unfunded Actuarial Accrued Liabilities:						
Initial Unfunded	Increasing Dollar	Increasing Dollar	Increasing Dollar	Increasing Dollar	Increasing Dollar	NA ²
Post-2010 Unfunded	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	NA ²
Remaining amortization period:						
Initial Unfunded	18 years (closed)	19 years (closed)	20 years (closed)	21 years (closed)	22 years (closed)	NA ²
2011 Actuarial Gain/Loss	12 years (closed)	13 years (closed)	14 years (closed)	15 years (closed)	NA	NA ²
2012 Actuarial Gain/Loss	13 years (closed)	14 years (closed)	15 years (closed)	NA	NA	NA ²
2013 Actuarial Gain/Loss	14 years (closed)	15 years (closed)	NA	NA	NA	NA ²
2014 Actuarial Gain/Loss	15 years (closed)	NA	NA	NA	NA	NA ²
Actuarial Asset Valuation (AAV) Method	Modified six-year moving average of market values with a "Market Value Ratchet" 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 Ratchet" 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 Ratchet" 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 Ratchet" 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 Ratchet" 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 Ratchet" 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	7.0% per annum, net of investment expenses ³	7.0% per annum, net of investment expenses ³	6.0% per annum, gross of investment expenses ³
Post-retirement mortality	Tables adopted by Board of Trustees during Fiscal Year 2010	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 2012	Tables adopted by Board of Trustees during Fiscal Year 2006
Active service withdrawal, death, disability, service retirement	Tables adopted by Board of Trustees during Fiscal Year 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 2012	Tables adopted by Board of Trustees during Fiscal Year 2012	Tables adopted by Board of Trustees during Fiscal Year 2006 ⁴
Salary increases	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ⁵	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ⁵	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ⁵	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ⁵	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ⁵	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ⁵
Cost-of-Living Adjustments ⁶	1.5% per annum for Auto COLA, 2.5% per annum for Escalation.	1.5% per annum for Auto COLA, 2.5% per annum for Escalation.	1.5% per annum for Auto COLA, 2.5% per annum for Escalation.	1.5% per annum for Auto COLA, 2.5% per annum for Escalation.	1.5% per annum for Auto COLA, 2.5% per annum for Escalation.	1.3% per annum ⁴

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 (UAA) 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 UAA for the GFP 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 retiring benefits payable to Tier II active members.

⁵ As of the June 30, 2014 (Lag) valuation, the AAV is constrained to be no more than 20% from Market Value.

**NEW YORK CITY POLICE PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF INVESTMENT RETURNS
(In thousands)**

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

Fiscal Year Ended	QPP	PSOVSF	POVSF
June 30, 2016	1.18%	-1.06%	-0.33%
June 30, 2015	3.33%	5.16%	6.34%
June 30, 2014	17.693%	16.163%	19.444%

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

**NEW YORK CITY
POLICE PENSION FUND
INVESTMENT EXPENSES
JUNE 30, 2016**

	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
U.S. Equities		
Small Cap		
Small Cap Growth		
Brown AM-SCG	\$125.17	\$987,621.68
Total Small Cap Growth	\$125.17	\$987,621.68
Small Cap Value		
Ceredex	116.33	557,484.23
Dalton Greiner	117.33	601,774.35
Total Small Cap Value	\$233.66	\$1,159,258.58
Small Cap Core		
DFA	116.77	397,902.24
Total Small Cap Core	\$116.77	\$397,902.24
Fundamental Index Small Cap		
RAFI Enhanced Small Co.	113.91	208,744.25
Total Small Cap Active	\$589.51	\$2,753,526.75
Blackrock R2000 Growth	157.39	6,619.70
Blackrock R2000 Value	94.35	3,804.06
Total Small Cap Passive	\$251.74	\$10,423.76
Total Small Cap	\$841.25	\$2,763,950.51
Mid Cap		
Mid Cap Value		
Iridian Asset MCV	265.78	1,074,529.43
Total Mid Cap Value	\$265.78	\$1,074,529.43
Mid Cap Core		
Wellington Mgmt MCC	217.45	1,064,262.52
Total Mid Cap Core	\$217.45	\$1,064,262.52
Total Mid Cap Active	\$483.23	\$2,138,791.95

**NEW YORK CITY
POLICE PENSION FUND
INVESTMENT EXPENSES
JUNE 30, 2016**

	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
State Street GA S&P 400	\$181.81	\$19,320.42
Total Mid Cap Passive	181.81	19,320.42
Total Mid Cap	\$665.04	\$2,158,112.37
Russell 1000		
Russell 1000 Fundamental		
RAFI Enhanced Large Co.	271.05	328,942.24
VTL S&P 500	134.23	144,455.82
Total Russell 1000 Fundamental	\$405.28	\$473,398.06
Total Russell 1000 Active	\$405.28	\$473,398.06
Russell 1000 Growth Passive		
Blackrock R1000 Growth	2,726.61	107,096.75
Russell 1000 Value Passive		
Blackrock R1000 Value	2,824.76	105,544.08
Total Russell 1000 Value Passive	\$5,551.37	\$212,640.83
Total Russell 1000	\$5,956.65	\$686,038.89
Emerging Managers		
Attucks	38.13	269,390.20
Capital Prospects	45.23	367,303.90
P.I.M. Fund Mgmt	55.40	388,508.45
F.I.S. Fund Mgmt	49.35	378,182.28
Dom Equity Transition	740.21	0.00
Total Emerging Managers	\$928.32	\$1,403,384.83
Passive Russell 3000		
State Street Global Adv Russell 3000	3,593.84	236,055.00
Total Passive Equities	\$3,593.84	\$236,055.00
TOTAL U.S. EQUITIES	\$11,985.10	\$7,247,541.60

Additional Supplementary Information

NEW YORK CITY
POLICE PENSION FUND
INVESTMENT EXPENSES
JUNE 30, 2016

	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
EAFE Markets Equities		
Active		
Growth		
Baillie Gifford	\$458.32	\$1,201,944.64
Walter Scott EAFE Large Cap MTA	588.31	1,692,891.64
Total EAFE Growth	\$1,046.63	\$2,894,836.28
Value		
Causeway EAFE Large Cap MTA	432.85	1,622,465.62
Sprucegrove (New)	520.84	1,103,325.50
Total EAFE Value	\$953.69	2,725,791.12
Core		
REBAL-TRANSITION (Terminated)	0.32	0.00
Total EAFE Core	\$0.32	\$0.00
Small Cap		
Acadian EAFE Small Cap MTA	232.23	754,979.98
Pyramids EAFE Small Cap MTA	235.16	1,614,584.75
Total EAFE Small Cap	\$467.39	\$2,369,564.73
Total EAFE Active	\$2,468.03	\$7,990,192.13
Passive		
SSGA MSCI	509.68	92,957.02
Total Passive	\$509.68	\$92,957.02
SSGA EAFE Small Cap	87.06	43,552.99
Total EAFE Markets Equities	\$3,064.77	\$8,126,702.14
Global Fixed Income	0.00	63,574.22
LM Capital	0.00	63,574.22
NON-U.S. Environmental Managers		
Generation GE	124.89	2,409,229.33
Total NON-U.S. Environmental Managers	\$124.89	\$2,409,229.33
Total NON-U.S. Activist/Environmental	\$3,189.66	\$10,599,505.69

**NEW YORK CITY
POLICE PENSION FUND
INVESTMENT EXPENSES
JUNE 30, 2016**

	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
Emerging Markets		
Acadian	\$285.71	\$986,193.49
Baillie Gifford	268.99	1,457,685.72
DFA	273.84	1,161,377.42
Parametric EM	301.95	1,428,113.52
Total Active Emerging Markets	1,130.49	5,033,370.15
Blackrock EM	855.70	428,554.65
Total Passive Emerging Markets	\$855.70	\$428,554.65
 REITS		
SSGA REIT	190.33	175,662.32
TOTAL INTERNATIONAL EQUITIES	\$5,366.18	\$16,237,092.81
Hedge Funds		
Altimeter Partners	33.07	0.00
Blue Trend Fd	106.10	920,870.24
Brevan Howard LLP	58.60	1,199,039.49
Brevan Howard Opp	63.40	321,645.57
Caspian Select CF	64.72	667,805.37
CCP Quant Fd	69.62	685,619.29
D.E. Shaw Composite FD	148.87	3,604,006.00
Fir Tree Val Fd	54.94	1,260,259.16
Gotham Asset Management	36.57	335,298.34
Luxor Capital	114.11	1,023,761.45
Permal Asset Management	142.99	817,076.60
PerryCapital LP	43.83	707,425.39
Pharo Gaia Fund Ltd	41.67	0.00
Pharo Macro Fd Ltd	65.71	0.00
Smithwood Advisors	76.92	0.00
SRS Investment Management	80.96	768,035.35
Standard General	20.45	242,773.52
Turiya Fund LP	72.43	625,052.65
TOTAL HEDGE FUNDS	\$1,294.96	\$13,178,668.41
TOTAL PUBLIC MARKETS FEES	\$18,646.24	\$36,663,302.82

NEW YORK CITY
INVESTMENT EXPENSES
JUNE 30, 2016

	Police 6/30/16	Police Fees
	Asset Under MGMT	(
Private Equity Investments	(\$MMs))
ACON Equity Partners III LP	\$1.73	\$33,656.00
Aisling Capital II, LP	0.81	13,217.00
Aisling Capital III, L.P.	4.87	127,591.00
Altaris Health Partners III, L.P.	1.11	62,163.79
American Securities Partners VI, L.P.	58.08	703,517.00
American Securities Partners VII	0.00	0.00
Ampersand 2011 L.P.	16.29	137,908.25
Apollo Investment Fund V, L.P.	1.24	0.00
Apollo Investment Fund VI, L.P.	15.01	0.00
Apollo Investment Fund VII, L.P.	14.32	34,013.73
Apollo Investment Fund VIII	43.75	1,130,259.44
Ardian Secondary VI	45.92	295,265.00
Ares Corp. Opportunities Fund I, L.P.	3.49	-18,800.66
Ares Corp. Opportunities Fund II, L.P.	2.76	12,823.44
Ares Corp. Opportunities Fund III, L.P.	23.67	637,340.91
Ares Corp. Opportunities Fund IV, L.P.	40.13	804,866.42
Arlington Capital Partners II, L.P.	3.67	919,611.00
Arsenal Capital Partners II	8.22	88,359.77
ASF VII	3.43	7,234.00
ASF VII Side Car	0.00	0.00
Atlantic Equity Partners IV, L.P.	14.62	45,057.60
Aurora Equity Partners III, L.P.	1.73	978.00
Avista Capital Partners II, L.P.	28.03	519,757.00
Avista Capital Partners, L.P.	9.59	-4,898.00
AXA Secondary Fund V B L.P.	52.54	-223,769.00
BC European Capital IX	46.68	959,407.84
BDCM Opportunity Fund III, L.P.	20.52	189,214.00
Blackstone Capital Partners IV, L.P.	11.47	239,725.99
Blackstone Capital Partners V, L.P.	14.64	1,118,212.47
Blackstone Capital Partners VI, L.P.	32.96	414,972.86
Blackstone Mezzanine Partners II L.P.	0.33	4,761.00
Blue Wolf Capital Fund II, L.P.	13.47	0.00
Bridgepoint EUR V	5.64	668,597.64
Bridgepoint Europe III	7.31	0.00
Bridgepoint Europe IV	8.02	0.00

**NEW YORK CITY
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	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
Capital Partners PE Income Fund II, L.P.	\$1.37	\$32,454.98
Capital Partners PE Income Fund, L.P.	4.40	23,185.65
Carlyle Partners IV, L.P.	4.24	180,134.00
Carlyle Partners V, L.P.	23.18	1,205,400.00
Carlyle Partners VI, L.P.	32.04	1,084,424.00
Carpenter Community BancFund-A, L.P.	13.83	1,245,539.63
Catterton Partners VI, L.P.	14.80	175,656.00
CCMP Capital Investors II, L.P.	10.06	407,561.00
Celtic Pharmaceutical Holdings, L.P.	6.08	0.00
Centerbridge Cap III	3.05	231,910.00
Coller International Partners IV, L.P.	1.18	53,875.50
Coller International Partners V, L.P.	2.77	73,989.04
ComVest Investment Partners III, L.P.	9.64	0.00
ComVest Investment Partners IV, L.P.	21.61	213,734.00
Constellation Venture Capital III, L.P.	9.34	179,258.82
Corals 2007 Intl Momentum Fund, L.P.	2.30	0.00
Crestview Partners II, L.P.	16.91	271,734.00
CRESTVIEW PRTNR III	14.81	336,013.00
CS EMERG MGR FD/C Suisse EM DOM MGRS FD	46.05	590,401.11
CS NYCERS Emerging Manager Co-Inv, L.P.	0.00	184,854.91
CVC Capital Partners VI	28.11	3,417,232.93
CVC European Equity Partners III, L.P.	0.68	0.00
CVC European Equity Partners V, L.P.	14.74	2,287,875.21
Cypress Merchant Banking Ptnrs II, L.P.	0.07	100,000.00
EQT VI, L.P.	45.33	1,041,297.52
EQT VII	13.05	2,216,074.18
ERASMUS	1.55	0.00
Euro Choice II (Delaware) L.P.	1.99	0.00
Euro Choice III L.P.	9.79	161,159.48
Euro Choice IV L.P.	14.85	125,748.94
Falconhead Capital Partners II, L.P.	5.16	50,824.00
FdG Capital Partners II LP	1.25	161,030.60
FdG Capital Partners, L.P.	12.73	0.00
Fenway Partners Capital Fund III, L.P.	5.84	66,122.00

**NEW YORK CITY
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	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
First Reserve Fund XI, L.P.	\$1.69	\$0.00
First Reserve Fund XII, L.P.	6.63	125,929.00
FirstMark IV, L.P.	42.45	-205,284.66
FS Equity Partners V, L.P.	1.47	8,786.00
FS Equity Partners VI, L.P.	19.46	82,755.00
FTV IV, LP	5.02	0.00
FTVentures III, L.P.	7.21	0.00
GF Capital Private Equity Fund, L.P.	6.44	647,714.00
GI Partners Fund II	4.07	26,981.00
GI Partners Fund III	8.11	130,757.00
Gleacher Mezzanine Fund II, LP	0.36	447,470.26
Green Equity Investors VI	45.04	377,426.24
Grey Mountain Partners Fund III, LP	0.86	35,929.01
GSC Recovery III, L.P.	0.58	15,608.00
GSO Capital Opportunities Fund, L.P.	2.28	201,837.00
Highland Consumer Fund I	4.54	0.00
ICV Partners III, L.P.	2.80	45,507.55
Incline Equity Partners III, L.P.	1.40	17,411.26
Intermedia Partners VII, L.P.	12.39	149,202.35
JP Morgan Fleming, L.P.	24.25	433,386.67
Landmark Equity Partners XI, L.P.	2.25	0.00
Landmark Equity Partners XIII	3.53	0.00
Landmark Equity Partners XIV, L.P.	13.14	0.00
Landmark Equity Partners XV	27.50	0.00
Lee Equity Partners, L.P.	1.77	98,543.00
Levine Leichtman Capital Deep Value	3.15	0.00
Levine Leichtman Capital Partners IV LP	4.87	64,002.00
LEXINGTON CAP VIII	19.95	0.00
Lexington Capital Partners VII, L.P.	10.48	201,146.00
Lincolnshire Equity Fund II, L.P.	0.62	0.00
Lincolnshire Equity Fund III, L.P.	7.26	115,256.07
Lincolnshire Equity Fund IV, L.P.	6.74	49,909.77

Additional Supplementary Information

NEW YORK CITY
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	Police 6/30/16	
	Asset Under MGMT	Police Fees
	(\$MMs)	
Markstone Capital Partners, L.P.	\$0.49	\$0.00
Medica III Investments (Intl) L.P.	4.11	0.00
MidOcean Partners III, L.P.	32.80	461,311.00
Milestone Partners III, LP	7.24	-31,538.64
Mill City Capital II	0.68	38,425.64
Montreux Equity Partners IV L.P.	8.53	0.00
NB Co-Investment Partners LP	7.05	125,270.39
NB Strategic Co - Invest II, LP	53.12	1,102,344.56
New Mainstream Capital II	0.86	66,116.67
New Mountain Partners I, L.P.	0.33	0.00
New Mountain Partners II, L.P.	0.13	112,375.00
New Mountain Partners III, L.P.	36.81	2,107,574.00
NGN BioMed Opportunity II, L.P.	5.01	120,347.00
NorthBound Emerging Manager Custom Fd LP	14.43	54,827.00
Olympus Capital Asia III	17.63	373,938.04
Olympus Growth Fund VI, L.P.	17.34	535,639.00
Onex Partners III LP	12.58	142,491.00
Paladin Homeland Security Fund L.P.	4.59	222,222.00
Paladin III, L.P.	30.77	661,847.00
Palladium Equity Partners III, L.P.	12.81	247,925.20
Palladium Equity Partners IV	15.55	233,770.42
Patriot Partners II	1.72	74,092.02
PCG Clean Energy Tech Fund East, L.P.	17.88	0.00
Pegasus Partners IV, L.P.	8.51	357,047.00
Pegasus Partners V, L.P.	13.35	218,130.00
Permira IV	4.99	0.00
Perseus Partners VII, L.P.	0.24	0.00
Pine Brook Capital Partners	8.25	69,456.00
Platinum Equity Capital Partners III, LP	29.35	776,975.00
Prism Venture Partners V, L.P.	4.17	0.00
Psilos Group Partners III, L.P.	10.26	0.00
Quadrangle Capital Partners II, L.P.	5.77	407,705.00
Quaker BioVentures II, L.P.	8.23	95,097.00
Raine Partners II	2.16	318,472.00

**NEW YORK CITY
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	Police 6/30/16	
	Asset Under MGMT	Police Fees
	(\$MMs)	
Relativity Fund, L.P.	\$2.70	\$0.00
RiverstoneCarlyle Gbl Engy-Pwr Fd IV	7.36	66,030.00
RRE Ventures IV, L.P.	19.98	209,079.00
Scale Venture Partners III, LP	9.92	0.00
SCP Private Equity Partners II, L.P.	5.23	0.00
SCP Vitalife Partners II, L.P.	9.33	123,076.00
Siris Partners III	2.03	197,695.00
Snow Phipps Group, L.P.	5.92	81,618.17
Snow Phipps II, L.P.	17.03	401,773.41
Solera Partners, L.P.	1.93	50,017.00
Stellex Capital Management LP	1.46	166,496.00
Summit Partners Growth Equity VIII-A	67.52	1,369,303.00
Terra Firma Capital Partners III, L.P.	6.60	521,275.54
The Fourth Cinven Fund	1.26	111,269.24
Thomas, McNerney & Partners II, L.P.	5.22	13,333.00
Trident V, L.P.	41.00	516,856.23
Trilantic Capital Partners III, L.P.	0.43	26,192.20
Trilantic Capital Partners IV L.P.	14.48	1,425,431.33
Trilantic Capital Partners V L.P.	23.76	990,869.52
United States Power Fund III, L.P.	14.12	0.00
US Power Fund II	18.25	0.00
Valor Equity III	1.90	120,950.00
Vista Equity Partners Fund III, L.P.	9.04	17,750.00
Vista Equity Partners Fund IV, L.P.	87.05	1,056,780.00
VISTA EQUITY V	65.75	3,654,304.00
Vista Foundation Fund II, L.P.	4.23	111,020.00
Vista VI	8.90	94,677.00
VSS Communications Partners IV, L.P.	1.61	111,701.00
Warburg Pincus Private Equity XI, LP	77.74	405,360.14
Warburg Pincus XII	5.90	1,074,928.64
WCAS XII	8.91	0.00
Webster Capital III	2.49	51,005.00
Wellspring Capital Partners V, L.P.	24.27	284,796.00
Welsh, Carson, Anderson & Stowe XI, L.P.	14.52	0.00
Yucaipa American Alliance Fund I, L.P.	7.31	0.00
Yucaipa American Alliance Fund II, LP	53.78	208,974.00

**NEW YORK CITY
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	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
Yucaipa Corporate Initiatives Fund II LP	\$7.99	\$61,189.00
TOTAL PRIVATE EQUITY INVESTMENTS	\$2,301.84	\$50,524,415.23
Real Assets		
Private Real Estate		
AG Realty Fd VII (Global)	4.54	336,382.00
Almanac Re Sec VI	27.32	147,515.00
Almanac Re Sec VII	15.64	-60,176.00
Amer Value Ptnrs I, L.P.	4.01	0.00
ARA Asia Dragon Fd (Global)	0.01	0.00
Ares European RE Fund III	5.63	0.00
Ares RE FD V (fka Apollo RE Fund V)	2.65	-15,700.00
Artemis Co-Investment	5.26	0.00
Avanath Aff Housing II	4.12	171,986.30
Blackstone Europe IV	76.27	1,363,151.00
Blackstone Real Estate Ptnrs EU III	25.58	307,216.00
Blackstone Real Estate Ptnrs EU IV	4.31	0.00
Blackstone Real Estate Ptnrs VI	23.21	205,733.00
Blackstone Real Estate Ptnrs VII	101.96	1,141,243.00
Blackstone Real Estate VIII	39.54	1,043,362.00
Brookfield Strategic RE Ptnrs	67.11	598,823.00
Canyon Johnson Urban Fd II	1.00	-26,692.82
Canyon Johnson Urban Fd III	0.12	1,210,907.08
Carlyle Realty Fund VII	22.86	813,584.00
Carlyle Realty V	6.76	95,740.00
Carlyle Realty VI	23.79	1,681,556.00
City Investment Fund	0.20	0.00
Colony Investors VIII	3.99	0.00
Colony Realty Ptnrs II	5.52	0.00
DivCo West Fd III	18.88	0.00
DivCo West Fd IV	72.07	981,266.85
Emmes Asset Mgmt Co	39.88	338,755.24
Exeter Fund II L.P.	3.90	0.00
Fidelity RE Growth Fd III	2.37	0.00
H/2 Spec Opportunity Fd II	18.94	0.00
H/2 Spec Opportunity Fd III	23.23	0.00
Heitman America RE Trust	50.64	0.00
Hudson Separate Account	13.94	153,104.41

**NEW YORK CITY
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	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
Jamestown Premier Fund	\$7.04	\$10,640.93
JPM Strategic Prop Fd	106.84	505,574.93
JPM Special Sit Fd	18.85	142,846.75
KTR Ind Fd III	0.06	0.00
Lasalle US Property Fd	67.08	-30,559.97
Lone Star RE Fd III	64.13	0.00
MetLife Core Property	45.55	0.00
Metro Workforce Housing Fd	5.24	0.00
OCM Real Estate Opportunities Fd III	0.63	0.00
PRISA	27.33	132,546.28
PRISA II	79.93	428,713.74
PRISA III	71.80	450,180.25
Prologis Inc	12.26	0.00
Related Sep Acct	56.96	231,544.06
RREEF Amer. II	27.24	0.00
RREEF Amer. III	0.68	0.00
Silverpeak Legacy Ptnrs III (Global)	4.35	97,279.00
Stockbridge Real Estate Fund III	35.58	0.00
Taconic NYC Investmt Fd	18.13	0.00
Thor Urban Property Fd II	14.23	0.00
Tristan Euro Property	4.31	0.00
UBS Trumbull Property Fd	99.53	431,350.56
USAA Eagle RE Fund	25.86	0.00
Walton St REF VI (Global)	16.22	0.00
Westbrook RE Fund VII	3.43	43,681.00
Westbrook RE Fund VIII	6.86	132,145.00
TOTAL PRIVATE REAL ESTATE	\$1,535.37	\$13,063,698.59
 Infrastructure		
Brookfield Infr Fd II	39.70	627,250.50
First Reserve EIF II	7.09	412,288.00
IFM GL Infrastructure	64.09	3,366.42
Infrastructure-BIF III	4.66	157,135.20
TOTAL INFRASTRUCTURE	\$115.54	\$1,200,040.12
 TOTAL REAL ASSETS	 \$1,650.91	 \$14,263,738.71

Additional Supplementary Information

NEW YORK CITY
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	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
TOTAL EQUITY - PUBLIC & PRIVATE	\$3,952.75	\$64,788,153.94
Fixed Income Structured Program		
Government Treas/Agency Sector		
Blackrock	247.57	98,802.90
C/D Fail Float	1.48	0.00
CPC-PPAR (GNMA)	75.00	0.00
Total Sector	\$324.05	\$98,802.90
Mortgage Sector		
Blackrock	724.51	293,893.05
Goldman Sachs	325.67	405,450.64
Pyramis - Credit	201.27	302,775.61
State Street	423.57	175,464.36
Total Sector	\$1,675.02	\$1,177,583.66
Investment Grade Credit Sector		
Blackrock	619.20	335,043.34
Fischer Francis-Govt	247.80	272,600.07
Loomis Sayles	227.74	703,729.52
Prudential-Credit	671.24	458,515.21
Wellington	\$329.32	\$316,582.42
Total Sector	\$2,095.30	\$2,086,470.56
Total Structured Plus LM Capital		
Global Fixed Income		
GIA	36.75	94,865.94
Progressive Fixed Emerging Managers		
PIM-Hillswick	7.75	25,525.85
PIM-Integrity	6.84	13,059.47
PIM-New Century	20.40	89,006.97
PIM-Pugh CAP	23.64	78,129.16
PIM-Ramirez Asset	19.32	63,569.39
Total Progress Fixed Emerging Managers	\$77.95	\$269,290.84
Total Fixed Income Program	\$77.95	\$269,290.84

**NEW YORK CITY
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	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
Active TIPS Managers		
Blackrock	\$375.91	\$156,991.60
Total Active TIPS Managers	\$375.91	\$156,991.60
Passive TIPS Managers		
State Street	1,127.48	40,459.45
Total Passive TIPS Managers	\$1,127.48	\$40,459.45
Total TIPS Managers	\$1,503.39	\$197,451.05
Alternative Investment (Opportunistic) - Fixed Income		
Angelo Gordon Ct St Ptnrs	82.50	1,859,156.91
Ares Centre Street	85.58	772,197.82
Ave Euro Special Situations Fd	0.21	0.00
Ave Special Situations Fd V	0.22	0.00
Ave Special Situations Fd VI	22.28	337,761.00
Apollo Centre Street Partnership	103.60	483,414.93
Brightwood Capital Advisors III, LP	15.20	224,421.00
Contrarian Partnership, LP	38.06	293,736.14
Fortress Ptnrs LP	80.54	1,148,282.11
Golden Tree OD	111.09	736,785.04
Lone Star Fd VIII	37.31	756,277.30
Marathon Centre Street Partnership, L.P.	164.77	1,018,172.00
Oaktree Opp Fd IX	105.77	848,290.56
Oaktree Opp Fd IX LP	66.95	1,113,567.97
Torchlight Debt Oppy Fund III, LLC	4.65	86,315.90
Torchlight Debt Opp V	6.86	699,849.00
Total Alternative Investment (Opportunistic) - Fixed Income.	\$925.59	\$10,378,227.68
Enhanced Yield		
Fort Washington	126.88	240,838.83
Neuberger Berman-High Yield	542.59	255,129.92
Neuberger Berman-Mortgage	251.86	889,654.83
Oaktree	183.35	693,334.67
Stone Harbor	165.90	590,721.17
Security Lending	4.48	147,746.75
Shenkman	97.56	327,933.83

**NEW YORK CITY
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	Police 6/30/16 Asset Under MGMT (\$MMs)	Police Fees
Taplin Canida Habacht Credit	\$199.87	\$149,422.35
T. Rowe Price - Credit	919.23	986,430.99
T. Rowe Price - Credit	284.91	840,839.44
Total Enhanced Yield	\$2,776.63	\$5,122,052.78
Bank Loans		
Babson BL	226.18	766,988.28
Credit Suisse BL	117.49	462,912.18
Guggenheim BL	234.97	515,270.45
Total Bank Loans	\$578.64	\$1,745,170.91
Convertible Bonds		
Advent	110.10	557,113.98
High Yield Transition	0.02	0.00
Victory	109.60	314,107.00
Total Convertible Bonds	\$219.72	\$871,220.98
ETI Investments		
ACCESS RBC	0.00	142,602.06
AFL-CIO HOUSING INV TRUST	0.00	619,292.70
BOA-PPAR (FNMA)	0.00	
BOA-PPAR (GNMA)	0.00	
CCD-PPAR (FNMA)	0.00	
CCD-PPAR (GNMA)	0.00	
CFSB-PPAR (GNMA)	0.00	
CPC CONST FACILITY	0.00	
CPC-PPAR (FNMA)	0.00	
JPMC - PPAR (FNMA)	0.00	
LIIF-PPAR (FNMA)	0.00	
LIIF-PPAR (GNMA)	0.00	
NCBCI-PPAR (FNMA)	0.00	
NCBCI-PPAR (GNMA)	0.00	
NHS-PPAR (GNMA)	0.00	
Total ETI Investments	\$0.00	\$761,894.76
TOTAL INVESTMENT MANAGER EXPENSES	\$32,812.03	\$124,254,488.83

**NEW YORK CITY
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INVESTMENT EXPENSES
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Police Fees

Legal Fees

Blackstone Real Estate Partners VIII	\$8,425.00
Bryan Cave LLP	5,000.00
Cox, Castle & Nicholson	12,870.71
DAYPITNEY LLP	16,910.94
Foster, Pepper LLC	28,230.53
Morgan, Lewis & Bockius	49,365.65
Nixon Peabody	20,138.30
Orrick Herrington & Sutcliffe LLP	298.50
Pillsbury Winthrop Shaw Pittman LLP	74,985.05
Reinhart Boerner Van Deuren EQTY VII	23,941.32
Sadis & Goldberg LLP	17,600.00
Seward & Kissel LLP	9,814.27
Total Legal	\$267,580.27

Consultants

Aksia LLC	339,972.86
Courtland Partners LTD	109,010.29
Stepstone Group LP	904,750.00
Strategic Investment Solutions Inc	223,333.34
The Townsend Group	246,444.00
Wilshire Total	180,000.00
Total Consultants	\$2,003,510.49
Total Police FY 2016	\$126,525,579.59
Operating Expenses/Misc Exp	29,629,708.41
Total Investment Expenses, incurred by the Fund	\$156,155,288.00

Additional Supplementary Information

**NEW YORK CITY
POLICE PENSION FUND
Schedule Of Administrative Expenses (A)
June 30, 2016**

Salaries Paid to Plan Personnel	\$10,702,533	
Fringe Benefits Paid to Plan Personnel	2,499,934	
		13,202,467
Supplies and Materials	700,030	
Equipment and Furniture	741,146	
Office Services	2,831,778	
Maintenance and Repairs	42,408	
Contracts	960,286	
Total Overhead Expenses		5,275,648
Total Administrative Expenses		\$18,478,115

In addition \$4,585,439 of expenses were incurred 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)
June 30, 2016**

Salaries and Fringe Benefits Paid to Plan Personnel	\$13,202,467
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Professional Services:-

Administration	466,145
Trading and Investments	2,023,804
Management Division	56,642
Legal	503,729

Total Professional Services	3,050,320
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Communication and General Services:-

Printing and Computer Services	10,600
	15,823

Total Communication and General Services	
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Miscellaneous Expenses:	26,423
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F I S A	1,204,483
O P A	137,493
Office Management and Budget	166,720
Pension Overhead Expenses	5,275,648

Total Miscellaneous Expenses	6,784,344
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Total Administrative Expenses	\$23,063,554 *
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* This amount represents expenses incurred by the Fund and also by other City agencies. From these expenses, \$18,478,115 are incurred and paid by NYCPPF and the balance is incurred by other city agencies and paid by the City of New York on behalf of the Fund

New York City

Police Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York



Investment Section

Part III

fiscal year ended

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INVESTMENT REPORT

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 A1 or P1 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 2016 included securities from the following categories: U.S. Equities 35.7%, U.S. Core Plus five 17.1%, International Equities 9.5%, Emerging Markets 5.9%, Enhanced yield 4.0%, Private Real Estate 4.9%, Private Equities 6.9%, U.S. Treasury Inflation Protected Securities 4.5%, cash 1.0%, Hedge Funds 3.9%, Convertible Bonds 0.7%, REITS 0.6%, Opportunistic Fixed 2.8%, Bank Loans 1.7% & ETI 1.1%.

Results

Fiscal Year 2016 was a fairly good year for the securities industry and for the Police Pension Fund. The Consolidated Performance report prepared for the Fund through June 30, 2016 indicates the following portfolio returns; the Russell 3000 Index gained 2.14%, NYC Core Plus five gained 7.16%, The Europe, Australia and Far East international index lost 10.24% and the Emerging markets lost 12.05%. It is also noted that total investments of the Police Pension Fund during the year decreased from \$39,016,971 thousand to \$38,755,575 thousand. For the same period, total assets decreased from \$39,925,168 thousand to \$39,879,854 thousand, while net investment income decreased from \$1,098,220 thousand to \$403,534 thousand. Overall, the total portfolio of the Police Pension Fund investments returned 1.44% compared to the policy benchmark of 2.06%.

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.

**New York City
Police Pension Fund
June 30, 2016**

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

Fundamental Index Small Cap RAFI
Enhanced Small Co.
Blackrock R2000 Growth
Blackrock R2000 Value

Small/Mid Cap Growth
Timesquare Capital SMDG

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

Mid Cap Passive
State Street GA S&P 400

Russell 1000

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
Total Progress Trust

Passive Russell 3000

State Street

Developed Markets Equities Active Growth

Baillie Gifford
Walter Scott EAFE Large Cap MTA

Value
Causeway EAFE Large Cap MTA
Sprucegrove (New)

Small Cap

Acadian EAFE Small Cap MTA
Pyramis EAFE Small Cap MTA

Passive

SSGA
SSGA EAFE Small Cap

**NYC Activist / Environmental Strategie
Activist / Environmental Equity Strategies**

NON-U.S. Environmental Managers

Generation GE

Emerging Markets

Acadian
Baillie Gifford
DFA
Parametric
Blackrock Account

Hedge Funds

Permal Hedge Fund of Funds
Direct Hedge Funds
Altimeter Capital
Blue Trend Fd
Brevan Howard

**New York City
Police Pension Fund
June 30, 2016**

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

Brevan Howard Opp
Caspian Select CF
CCP Quant Fd
D.E. Shaw
Fir Tree Val Fd
Gotham Asset Management
Luxor Capital
Perry Capital
SRS Investment Management
Turiya Fund LP
Pharo Gaia Fd Ltd
Pharo Macro Fd Ltd
Smithwood Advisors
Standard General

Real Estate Equity Securities

SSGA REIT

Private Equity Investments

ACON Equity Ptnrs III
Aisling Capital II
Aisling Capital III
Altaris Health Partners III< L.P.
American Sec Ptnrs VI
Ampersand 2011 L.P.
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
ASF VII
ASF VII Side Car
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
Bridgepoint Europe V
Capital Ptnrs PE Income Fund, L.P.
Capital Ptnrs PE Income Fund II, L.P.
Carlyle Partners IV L.P.
Carlyle Ptnrs V, L.P.
Carlyle Ptnrs V, L.P.
Carpenter Community Bancfund
Catterton Partners VI
CCMP Capital Investors II
Celtic Pharm Hldgs, LP
Centerbridge Cap III
Coller International Ptnrs IV
Coller International Ptnrs V
Comvest Investment Ptnrs III
Comvest Investment Ptnrs IV
Constellation Ventures III
Corals 2007 Momentum Fund
CS Emerging Manager Co-Inv, L.P.
CS Emerging Manager Fund, L.P.
CVC Capital Partners VI
CVC European Equity Partners III, L.P.
CVC European Equity Partners V, L.P.
Cypress Merchant Banking Partners II, L.P.
EQT VI, L.P.
EQT VII, L.P.
Erasmus NYC Growth FD A
Falconhead Capl Ptnrs II
FdG Capl Ptnrs
FdG Capl Ptnrs II
Fenway Ptnrs Capital III
First Mark Fd IV
First Reserve Fd XI
First Reserve Fd XII
Fourth CINVEN Fd
FS Equity Ptnrs V
FS Equity Ptnrs VI
FT Ventures Fd III
FTV Capital IV
GI Ptnrs Fd II
GI Partners Fund III

**New York City
Police Pension Fund
June 30, 2016**

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

GF Capital	Palladium Eq Ptnrs IV
Gleacher Mezzanine Fd II	Patriot Partners II
Green Eq Inv VI	PCGAM Clean Energy & Tech Fund
Grey Mountain Partners Fund III	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
Intermedia Ptnrs VII	Prism Venture Ptnrs V-A
JP Morgan Investment Mgmt	Psilos Group Partners III
Landmark Equity Ptnrs XI	Quadrangle Cap Ptnrs II
Landmark Equity Ptnrs XV	Quaker Bioventures II
Landmark Equity Ptnrs XIV	Raine Partners II
Landmark Fd XIII	RRE Ventures IV
Lee Equity Ptnrs	Scale Venture Ptnrs III
Levine Leichtman DVF	SCP Priv Eq Ptnrs II
Levine Leichtman Cap Ptnrs IV	SCP Vitalife Partners II
Lexington Capital Ptnrs VII	Siris Partners III
Lexington Capital Ptnrs VIII	Snow Phipps Group
Lincolnshire Eq Fd II	Snow Phipps II
Lincolnshire Eq Fd III	Solera Ptnrs
Lincolnshire Eq Fd IV	Summit Partnern Gr EQ VIII
Euro Choice II (Delaware)	Stellex Capital Management LP
Euro Choice III	Summit Partners Growth Equity VII-A
Euro Choice IV	Terra Firma Cap III
Markstone Capital Ptnrs	Thomas McNerney Ptnrs II
Medica Mgmt III	Trident V L.P.
Midocean Eq Ptnrs III	Trilantic Capital Ptnrs
Milestone Partners III	Trilantic Capital Ptnrs III
Mill City Capital II	Trilantic Capital Ptnrs IV
Montreux Eq Ptnrs IV	US Power Fund II
NB Strategic Co-In Ptnrs II	US Power Fund III
NB Co-Inv. Partners	Valor Equity III
North Bound Emerging Mgr	Vista Equity Ptnrs III
New Main Stream Capital II	Vista Equity Ptnrs IV
New Mountain Ptnrs I	Vista Equity Ptnrs Fd II
New Mountain Ptnrs II	Vista Equity Ptnrs V
New Mountain Ptnrs III	VS&A Comm Ptnrs III
NGN Biomed Opportunity II	VSS Comm Ptnrs IV
Olympus Capital Asia III	WCAS XII
Olympus Growth Fund VI	Warburg Pincus XI
Onex Ptnrs III	Warburg Pincus XII
Paladin Homeland Security Fd	Wellspring Capital Ptnrs V
Paladin Fund III	Welsh, Carson, Anderson & Stowe XI
Palladium Eq Ptnrs III	Webster Capital III

**New York City
Police Pension Fund
June 30, 2016**

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

Yucaipa American Alliance Fd
Yucaipa American Alliance Fd II
Yucaipa Corp Initiative II

Private Real Estate

AG Realty Fd VII
Almanac Re Sec VI
Almanac Re Sec VI
Amer Value Ptnrs I
Apollo Europe III
Apollo Real Estate Fd V
ARA Asia Dragon Fd
Artemis Co-Investment
Avanth Aff Housing II
Blackstone Real Estate Ptnrs EU II
Blackstone Real Estate Ptnrs EU
Blackstone Real Estate Ptnrs IV
Blackstone Real Estate Ptnrs VI
Blackstone Real Estate Ptnrs VII
Blackstone Real Estate Ptnrs VIII
Brookfield Strategic RE Ptnrs
Canyon Johnson Urban Fd II
Canyon Johnson Urban Fd III
Carlyle R.P. Fd V
Carlyle Realty VI
Carlyle Realty VII
Colony Investors VIII
Colony Realty Ptnrs II
Divco West Fd III
Divco West Fd IV
Emmes Asset Mgmt Co
Exeter Fund II LP
Fidelity RE Growth Fd III
H/2 Spec Opportunity Fd II
H/2 Spec Opportunity Fd III
Heitman America Fd
Hudson Separate Account
Jamestown Premier Fund
JPM Strategic Prop Fd
JPM Special Sit Fd
KTR Ind Fd III
Lasalle US Property Fd
Lone Star RE Fd III
Met Life Core Property
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 II
Tristan European Property Inv
UBS Trumbull Property
USAA Eigel Real Estate Fund
Walton St RE VI
Westbrook RE Fd VII
Westbrook RE Fd VIII

Infrastructure

Brookfield Infr Fd II
First Reserve EIF II
IFM GL Infrastructure
Infrastructure-BIF III

Structured Program

Government Treas/Agency Sector

Blackrock
Fischer Francis
State Street

Mortgage Sector

Blackrock
Goldman Sachs
Neuberger Berman
Wellington

Investment Grade Credit Sector

Blackrock
Prudential
Prudential Privest
Pyramis
Taplin Canida
T. Rowe Price

Global Fixed Income

LM CAPITAL –MTA
GIA

**New York City
Police Pension Fund
June 30, 2016**

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

Progress Fixed Emerging Managers

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
Brightwood Capital Advisors
Fortress Ptnrs LP
Lone Star Fd VIII
Oaktree Opp Fd IX LP
Torchlight Investors
Angelo Gordon Ptnrs LP
Apollo Prtnrshp LP
Ares Center Street
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
CPC Facility
BOA-PPAR
BOA-PPAR 2013
CFSB-PPAR
CCD-PPAR
CCD-PPAR 2013
CPC-PPAR 2013
JPMC-PPAR
LIIF-PPAR
LIFF-PPAR 2013
NCBCI-PPAR
NCB-CI PPAR 2013
NHS-PPAR
TOTAL PPAR
Targeted Investment
GNMA
CPC-PPAR

Consultants

Aksia
Courtland Partners
Ernst & Young
Stepstone
Stepstone – Infrastructure
Strategic Investment Solution
The Townsend Group
WILSHIRE

Legal

Colon & Peguero
Corporation SVS Co
Cox, Castle & Nicholson
European Commercial RE Loans Gen Part.
Foster, Pepper
Morgan, Lewis & Bockius
Nixon Peabody
Pillsbury Winthrop Shaw Pittman
Orrick, Herrington & Sutcliffe
Reinhart boerner Van Deuren
Sadis & Goldberg
Seward & Kissel

Advisors

Citco Fund Services (Permal)
Citco Fund Svcs (Direct Fund Program)
City Plan LLC

Consolidated Performance Report

Through June 30, 2016



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	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2015	2014	2013	2012	2011	5 Year	10 Year	ITD	Inception Date	
SYSTEM RETURN SUMMARY															
5	POLICE-TOTAL PORTFOLIO - GROSS	33,592	100.00	2.02	1.44	3.76	0.47	7.60	16.66	13.01	0.83	7.08	6.15	8.47	07/01/1987
	POLICE - ESTIMATED INVESTMENT FEES			(0.05)	(0.23)	(0.11)	(0.23)	(0.26)							
	EST MANAGEMENT FEES - PUBLIC MARKET (ACCRUAL)			(0.03)	(0.12)	(0.06)	(0.13)	(0.14)							
	EST MANAGEMENT FEES - ALTERNATIVE MARKETS (CASH)			(0.02)	(0.11)	(0.05)	(0.10)	(0.12)							
	EST INCENTIVE FEES														
	EST OTHER FEES														
	EST FEE OFFSETS														
	POLICE-TOTAL PORTFOLIO - NET MGR			1.97	1.21	3.65	0.23	7.34							
	POLICE POLICY BENCHMARK			2.09	2.06	4.38	0.41	8.16	16.04	13.64	2.08	7.69	6.41		
	EXCESS RETURN			(0.12)	(0.85)	(0.73)	(0.18)	(0.81)	0.62	(0.63)	(1.25)	(0.61)	(0.26)		
EQUITY RETURN DETAIL															
18	POLICE-TOTAL EQUITY (INCLUDES PE & RA) - GROSS	22,601	67.28	1.58	(0.20)	2.88	0.67	8.27	24.57	15.84	(2.32)	8.16	6.00	7.07	04/01/2004
	ESTIMATED INVESTMENT FEES			(0.05)	(0.27)	(0.13)	(0.29)	(0.31)							
	EST MANAGEMENT FEES			(0.05)	(0.27)	(0.13)	(0.29)	(0.31)							
	EST INCENTIVE FEES														
	EST OTHER FEES														
	EST FEE OFFSETS														
	POLICE-TOTAL EQUITY (INCL PE & RA) - NET MGR			1.53	(0.47)	2.75	0.38	7.96							
26	POLICE-TOTAL DOMESTIC EQUITY - GROSS	11,986	35.68	2.52	1.08	3.59	0.03	11.42	34.93	16.78	(0.20)	11.18	7.36	10.86	12/01/1984
	ESTIMATED INVESTMENT FEES			(0.02)	(0.11)	(0.05)	(0.12)	(0.13)							
	POLICE-TOTAL DOMESTIC EQUITY - NET MGR			2.49	0.97	3.53	(0.10)	11.29							
	RUSSELL 3000 (DAILY)			2.63	2.14	3.62	0.48	12.56	33.55	16.42	1.03	11.60	7.40	10.93	
	EXCESS RETURN			(0.14)	(1.17)	(0.09)	(0.57)	(1.26)	1.38	0.37	(1.22)	(0.42)	(0.03)	(0.07)	
36	POLICE-TOTAL SMALL CAP ACTIVE - GROSS	590	1.75	4.05	(0.31)	5.89	(2.65)	3.34	43.40	18.99	(5.76)	9.21	7.86	7.86	04/01/2004
	ESTIMATED INVESTMENT FEES			(0.18)	(0.82)	(0.32)	(0.80)	(0.83)							
	POLICE-TOTAL SMALL CAP ACTIVE - NET MGR			3.89	(0.93)	5.57	(3.25)	2.71							
	RUSSELL 2000 (DAILY)			3.79	(8.73)	2.22	(4.41)	4.89	38.82	18.35	(4.18)	8.35	6.20	7.03	
	EXCESS RETURN			0.10	5.80	3.35	1.17	(2.18)	4.58	0.64	(1.58)	0.86	1.66	0.83	
46	POLICE-TOTAL SMALL CAP PASSIVE - GROSS	262	0.75	3.65	(7.80)	1.17	(3.56)	5.01						4.10	10/01/2013
	ESTIMATED INVESTMENT FEES			(0.00)	(0.00)	(0.00)	(0.00)	(0.00)							
	POLICE-TOTAL SMALL CAP PASSIVE - NET MGR			3.65	(7.81)	1.16	(3.57)	5.01							
	RUSSELL 2000 (DAILY)			3.79	(8.73)	2.22	(4.41)	4.89						4.02	
	EXCESS RETURN			(0.15)	(1.08)	(1.05)	0.85	0.11						0.09	

Consolidated Performance Report



STATE STREET

Through June 30, 2016

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2015	2014	2013	2012	2011	5 Year	10 Year	ITD	Inception Date	
EQUITY RETURN DETAIL															
58	POLICE-TOTAL MID CAP ACTIVE - GROSS	484	1.44	2.27	(3.20)	2.38	(0.20)	10.58	38.07	20.88	(3.50)	10.94	7.41	7.83	04/01/2004
	ESTIMATED INVESTMENT FEES			(0.11)	(0.47)	(0.24)	(0.50)	(0.55)							
	POLICE-TOTAL MID CAP ACTIVE - NET MGR			2.16	(3.68)	2.12	(0.70)	10.03							
	RUSSELL MIDCAP (DAILY)			3.18	0.58	5.50	(2.44)	13.22	34.78	17.28	(1.55)	10.90	8.07	9.18	
	EXCESS RETURN			(1.02)	(4.23)	(3.38)	1.74	(3.19)	3.31	3.58	(1.95)	0.03	(0.65)	(1.35)	
68	POLICE-TOTAL MID CAP PASSIVE - GROSS	182	0.54	3.20	0.61	7.12	(1.64)	10.10	33.39	17.74		10.53		10.96	02/01/2011
	ESTIMATED INVESTMENT FEES			(0.00)	(0.01)	(0.00)	(0.01)	(0.01)							
	POLICE-TOTAL MID CAP PASSIVE - NET MGR			3.20	0.60	7.12	(1.65)	10.09							
	S&P 400 MIDCAP INDEX (DAILY)			3.99	1.33	7.93	(2.18)	9.77	33.50	17.88		10.55		10.98	
	EXCESS RETURN			(0.80)	(0.73)	(0.81)	0.52	0.32	(0.11)	(0.14)		(0.02)		(0.02)	
78	POLICE-TOTAL RUSSELL 1000 ACTIVE - GROSS	405	1.21	2.35	2.89	5.43	(1.87)	10.98	41.42	15.50	0.19	11.71	7.80	7.85	04/01/2004
	ESTIMATED INVESTMENT FEES			(0.03)	(0.13)	(0.07)	(0.15)	(0.25)							
	POLICE-TOTAL RUSSELL 1000 ACTIVE - NET MGR			2.31	2.75	5.36	(2.01)	10.73							
	RUSSELL 1000 (DAILY)			2.54	2.93	3.74	0.92	13.24	33.11	16.42	1.50	11.88	7.51	7.63	
	EXCESS RETURN			(0.22)	(0.18)	1.62	(2.93)	(2.51)	8.31	(0.93)	(1.31)	(0.18)	0.29	0.22	
88	POLICE-TOTAL RUSSELL 1000 PASSIVE - GROSS	5,551	18.53	2.88	2.96	3.90	0.73	13.13						10.15	10/01/2013
	ESTIMATED INVESTMENT FEES			(0.00)	(0.00)	(0.00)	(0.00)	(0.00)							
	POLICE-TOTAL RUSSELL 1000 PASSIVE - NET MGR			2.88	2.96	3.89	0.73	13.13							
	RUSSELL 1000 (DAILY)			2.54	2.93	3.74	0.92	13.24						10.23	
	EXCESS RETURN			0.14	0.02	0.15	(0.19)	(0.11)						(0.08)	
98	POLICE-TOTAL RUSSELL 3000 - GROSS	3,504	10.70	2.58	2.20	3.63	0.51	12.81	33.67	18.35	1.08	11.84	7.46	11.06	12/01/1984
	ESTIMATED INVESTMENT FEES			(0.00)	(0.01)	(0.01)	(0.01)	(0.01)							
	POLICE-TOTAL RUSSELL 3000 - NET MGR			2.57	2.19	3.62	0.50	12.80							
	RUSSELL 3000 (DAILY)			2.03	2.14	3.02	0.48	12.50	33.55	10.42	1.03	11.00	7.40	10.88	
	EXCESS RETURN			(0.06)	0.05	(0.00)	0.02	0.04	0.12	(0.06)	0.05	0.04	0.06	0.13	
108	POLICE-TOTAL FUND OF FUNDS - GROSS	188	0.56	1.74	(8.80)	0.25	(5.52)	2.39	40.31					11.23	06/01/2012
	ESTIMATED INVESTMENT FEES			(0.19)	(0.70)	(0.38)	(0.72)	(0.78)							
	POLICE-TOTAL FUND OF FUNDS - NET MGR			1.55	(9.50)	(0.13)	(6.24)	1.62							
	RUSSELL 2000 (DAILY)			3.79	(6.73)	2.22	(4.41)	4.89	38.82					12.23	
	EXCESS RETURN			(2.24)	(2.77)	(2.34)	(1.83)	(3.28)	1.49					(0.99)	

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	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2015	2014	2013	2012	2011	5 Year	10 Year	ITD	Inception Date	
EQUITY RETURN DETAIL															
120	POLICE-TOTAL INTERNATIONAL - GROSS	5,177	15.41	(0.10)	(8.90)	0.94	(5.91)	(3.05)	14.06	16.48	(14.17)	0.23	2.02	5.97	11/01/1990
	ESTIMATED INVESTMENT FEES			(0.07)	(0.26)	(0.14)	(0.28)	(0.31)							
	EST MANAGEMENT FEES			(0.07)	(0.26)	(0.14)	(0.28)	(0.31)							
	EST INCENTIVE FEES														
	EST OTHER FEES														
	EST FEE OFFSETS														
	POLICE-TOTAL INTERNATIONAL - NET MGR			(0.17)	(9.16)	0.80	(6.19)	(3.36)							
	MSCI AC WORLD EX US (NET)			(0.64)	(10.24)	(1.02)	(5.66)	(3.87)	15.29	16.83	(13.71)	0.10	1.87		
	EXCESS RETURN			0.48	1.08	1.82	(0.53)	0.51	(1.23)	(0.35)	(0.47)	0.13	0.15		
130	POLICE-TOTAL DEVELOPED GROWTH ACTIVE - GROSS	1,047	3.12	1.30	(6.14)	0.08	(1.35)	(5.21)	26.26	19.52	(11.67)	3.46	3.97	6.80	04/01/2004
	ESTIMATED INVESTMENT FEES			(0.07)	(0.27)	(0.14)	(0.28)	(0.27)							
	POLICE-TOTAL DEVELOPED GROWTH ACTIVE - NET MGR			1.23	(6.41)	(0.06)	(1.63)	(5.48)							
	MSCI EAFE GROWTH			(0.15)	(4.80)	(2.22)	4.09	(4.43)	22.55	16.86	(12.11)	3.24	2.88	5.09	
	EXCESS RETURN			1.37	(1.61)	2.16	(5.72)	(1.05)	2.71	2.66	0.44	0.21	1.09	1.71	
140	POLICE-TOTAL DEVELOPED VALUE ACTIVE - GROSS	954	2.84	(0.97)	(11.55)	(2.96)	(6.01)	(3.82)	28.90	9.46	(11.07)	0.88	0.90	4.30	04/01/2004
	ESTIMATED INVESTMENT FEES			(0.07)	(0.25)	(0.14)	(0.26)	(0.26)							
	POLICE-TOTAL DEVELOPED VALUE ACTIVE - NET MGR			(1.04)	(11.80)	(3.10)	(6.28)	(4.08)							
	MSCI EAFE VALUE NET (DAILY)			(2.79)	(15.43)	(6.65)	(5.68)	(5.39)	22.95	17.69	(12.17)	0.05	0.21	3.54	
	EXCESS RETURN			1.75	3.63	3.55	(0.59)	1.31	5.95	(8.23)	1.11	0.83	0.70	0.76	
150	POLICE-TOTAL DEVELOPED SMALL CAP ACTIVE - GROSS	467	1.39	(2.22)	(1.33)	(1.74)	10.89	(4.79)						5.96	05/01/2013
	ESTIMATED INVESTMENT FEES			(0.12)	(0.49)	(0.24)	(0.55)	(0.48)							
	POLICE-TOTAL DEVELOPED SMALL CAP ACTIVE - NET MGR			(2.34)	(1.83)	(1.99)	10.34	(5.26)							
	S&P EPAC SMALL CAP USD NET			(2.79)	(4.78)	(3.28)	8.58	(3.43)						4.94	
	EXCESS RETURN			0.45	2.94	1.28	1.76	(1.83)						1.02	
160	POLICE-TOTAL DEVELOPED SMALL CAP PASSIVE - GROSS	87	0.26	(2.26)	(3.06)	(2.70)	9.88							1.51	02/01/2014
	ESTIMATED INVESTMENT FEES			(0.00)	(0.02)	(0.01)	(0.02)							(0.02)	
	POLICE-TOTAL DEVELOPED SMALL CAP PASSIVE - NET MGR			(2.26)	(3.08)	(2.71)	9.86							1.49	
	MSCI EAFE SMALL CAP NET (DAILY)			(2.80)	(3.67)	(3.18)	9.59							1.00	
	EXCESS RETURN			0.33	0.59	0.47	0.27							0.49	
170	POLICE-TOTAL DEVELOPED LARGE CAP PASSIVE - GROSS	510	1.52	(1.22)	(9.87)	(4.10)	(0.53)	(4.73)	23.10	17.54		1.98		2.35	02/01/2011
	ESTIMATED INVESTMENT FEES			(0.00)	(0.02)	(0.01)	(0.02)	(0.02)							
	POLICE-TOTAL DEVELOPED LARGE CAP PASSIVE - NET MGR			(1.23)	(9.89)	(4.11)	(0.54)	(4.75)							
	MSCI EAFE			(1.48)	(10.16)	(4.42)	(0.81)	(4.90)	22.78	17.32		1.68		2.03	
	EXCESS RETURN			0.24	0.28	0.31	0.27	0.15	0.32	0.22		0.30		0.32	

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	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2015	2014	2013	2012	2011	5 Year	10 Year	ITD	Inception Date
EQUITY RETURN DETAIL														
182	POLICE-TOTAL NON-U.S. ENVIRONMENTAL - GROSS	125	0.37	1.85	5.89	4.16	7.63	11.99	28.87	19.40	(7.77)	11.29	6.56	09/01/2008
	ESTIMATED INVESTMENT FEES			(0.14)	(0.57)	(0.28)	(0.58)	(0.61)						
	POLICE-TOTAL NON-U.S. ENVIRONMENTAL - NET MGR			1.51	5.31	3.88	7.04	11.39						
	MSCI WORLD INDEX			1.01	(2.78)	0.66	(0.87)	4.94	26.69	15.93	(5.54)	6.63	4.99	
	EXCESS RETURN			0.50	8.09	3.22	7.91	6.45	2.19	3.58	(2.23)	4.66	1.68	
192	POLICE-EMERGING MARKETS ACTIVE - GROSS	1,130	3.37	0.13	(12.02)	4.70	(14.20)	(0.62)	1.04	15.90	(20.17)	(3.49)	3.42	7.66
	ESTIMATED INVESTMENT FEES			(0.12)	(0.42)	(0.24)	(0.42)	(0.49)						
	POLICE-EMERGING MARKETS ACTIVE - NET MGR			0.01	(12.45)	4.46	(14.62)	(1.11)						
	MSCI EMERGING MARKETS			0.66	(12.05)	6.41	(14.92)	(2.19)	(2.80)	18.22	(18.42)	(3.78)	3.54	7.15
	EXCESS RETURN			(0.65)	(0.39)	(1.95)	0.30	1.08	3.64	(2.32)	(1.75)	0.29	(0.12)	0.52
202	POLICE-EMERGING MARKETS PASSIVE - GROSS	858	2.55	0.72	(12.02)	6.64	(14.86)	(2.23)	(1.97)	18.27		(3.72)	(3.78)	04/01/2011
	ESTIMATED INVESTMENT FEES			(0.01)	(0.05)	(0.03)	(0.05)	(0.06)						
	POLICE-EMERGING MARKETS PASSIVE - NET MGR			0.71	(12.07)	6.61	(14.91)	(2.29)						
	MSCI EMERGING MARKETS			0.66	(12.05)	6.41	(14.92)	(2.19)	(2.60)	18.22		(3.78)	(3.82)	
	EXCESS RETURN			0.05	(0.02)	0.20	0.00	(0.10)	0.63	0.04		0.07	0.06	

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	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2015	2014	2013	2012	2011	5 Year	10 Year	ITD	Inception Date
EQUITY RETURN DETAIL														
220	*POLICE-TOTAL HEDGE FUNDS - NET MGR HFRI FUND OF FUNDS COMPOSITE INDEX + 1% EXCESS RETURN	1,208	3.60	0.79 0.81 (0.02)	(3.69) (4.45) 0.75	(0.47) (2.09) 1.61	(1.65) 0.73 (2.39)	5.31 4.40 0.91	4.92 10.04 (5.12)	7.85 5.82 2.03	2.41 2.65 (0.23)		2.41 2.65 (0.23)	07/01/2011
230	*POLICE-TOTAL DIRECT HEDGE FUNDS - NET MGR HFRI FUND OF FUNDS COMPOSITE INDEX + 1% EXCESS RETURN	1,060	3.15	0.84 0.81 (0.17)	(3.63) (4.45) 0.82	(0.62) (2.09) 1.47	(1.34) 0.73 (2.07)	5.71 4.40 1.31	4.20 10.04 (5.84)	8.95 5.82 3.12			3.88 4.12 (0.44)	01/01/2012
240	*POLICE-TOTAL PERMAL HEDGE FUNDS - NET MGR HFRI FUND OF FUNDS COMPOSITE INDEX + 1% EXCESS RETURN	148	0.44	1.88 0.81 1.07	(3.83) (4.45) 0.61	0.58 (2.09) 2.67	(3.52) 0.73 (4.25)	3.12 4.40 (1.28)	7.74 10.04 (2.30)	5.05 5.82 (0.77)	1.81 2.65 (0.83)		1.81 2.65 (0.83)	07/01/2011

*Information provided by Alpha Frontier

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	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2015	2014	2013	2012	2011	5 Year	10 Year	ITD	Inception Date	
EQUITY RETURN DETAIL															
246	POLICE-TOTAL REAL ESTATE SECURITIES - GROSS	190	0.57	3.27	12.05	8.48	0.28	15.89	3.29				10.87	06/01/2012	
	ESTIMATED INVESTMENT FEES			(0.03)	(0.11)	(0.05)	(0.10)	(0.11)							
	POLICE-TOTAL REAL ESTATE SECURITIES - NET MGR			3.24	11.94	8.43	0.18	15.77							
	FTSE EPRA/NAREIT DEVEL. LIQUID			3.09	11.15	8.01	(0.51)	14.98	2.53				10.43		
	EXCESS RETURN			0.15	0.79	0.42	0.68	0.79	0.75				0.44		
256	POLICE-TOTAL PRIVATE EQUITY (TIME WEIGHTED)	2,302	6.85	0.70	5.99	2.86	11.70	14.94	9.65	11.60	14.23	10.41	10.39	12.66	04/01/2004
	NYC R3000 +3% LAGGED			1.72	2.65	8.88	2.49	21.24	24.53	35.20	5.55	14.57	11.33	12.11	
	EXCESS RETURN			(1.02)	3.34	(6.02)	9.21	(6.31)	(14.88)	(23.61)	8.68	(4.16)	(0.94)	0.55	
266	POLICE-TOTAL PRIVATE REAL ESTATE (TIME WEIGHTED)	1,535	4.57	2.87	13.89	6.17	16.65	18.00	14.02	14.67	20.18	14.98	4.99	7.96	04/01/2004
	NCREIF NFI-ODCE NET + 100 BP			2.16	11.90	4.41	15.08	12.56	14.02	10.88	16.09	12.77			
	EXCESS RETURN			0.72	1.99	1.76	1.57	5.44	(0.01)	3.78	4.09	2.22			
276	POLICE-TOTAL INFRASTRUCTURE (TIME WEIGHTED)	116	0.34	2.89	10.05	4.66	15.14	20.26					15.47	12/01/2013	
	CPI + 4%			1.84	5.10	2.79	4.72	4.70					4.99		
	EXCESS RETURN			1.05	4.96	1.87	10.42	15.55					10.47		

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	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2015	2014	2013	2012	2011	5 Year	10 Year	ITD	Inception Date	
FIXED INCOME RETURN DETAIL															
288	POLICE-TOTAL FIXED INCOME - GROSS	10,985	32.70	2.89	4.48	5.49	(0.17)	6.20	0.85	7.97	7.05	4.70	6.10	8.41	02/01/1980
	ESTIMATED INVESTMENT FEES			(0.03)	(0.14)	(0.07)	(0.12)	(0.14)							
	EST MANAGEMENT FEES			(0.03)	(0.14)	(0.07)	(0.12)	(0.14)							
	EST INCENTIVE FEES														
	EST OTHER FEES														
	EST FEE OFFSETS														
	POLICE-TOTAL FIXED INCOME - NET MGR			2.86	4.34	5.42	(0.29)	6.06							
296	POLICE-TOTAL STRUCTURED FIXED INCOME - GROSS	5,578	16.81	2.85	6.89	6.24	0.56	7.69	(1.99)	6.57	8.88	4.87	6.13	7.94	01/01/1985
	ESTIMATED INVESTMENT FEES			(0.02)	(0.08)	(0.04)	(0.07)	(0.09)							
	POLICE-TOTAL STRUCTURED FIXED INCOME - NET MGR			2.83	6.81	6.20	0.48	7.60							
	NYC - CORE PLUS FIVE			2.71	7.16	6.33	0.41	7.66	(2.79)	5.41	9.40	4.57	5.87		
	EXCESS RETURN			0.13	(0.36)	(0.13)	0.07	(0.06)	0.80	1.16	(0.53)	0.30	0.26		
306	POLICE-TOTAL CORE FIXED INCOME - GROSS	73	0.22	2.20	5.98	5.40	1.28	5.74	(1.20)	6.22	8.18	4.34		5.78	05/01/2009
	ESTIMATED INVESTMENT FEES			(0.05)	(0.22)	(0.11)	(0.20)	(0.17)							
	POLICE-TOTAL CORE FIXED INCOME - NET MGR			2.15	5.75	5.29	1.08	5.57							
	BARCLAYS AGGREGATE (DAILY)			2.21	6.00	5.31	0.55	5.97	(2.02)	4.21	7.84	3.78		4.66	
	EXCESS RETURN			(0.07)	(0.25)	(0.02)	0.53	(0.39)	0.82	2.01	0.34	0.58		1.12	
316	POLICE-TOTAL FIXED INCOME FUND OF FUND - GROSS	78	0.23	2.44	6.22	5.20	1.00	6.21	(1.58)					3.20	06/01/2012
	ESTIMATED INVESTMENT FEES			(0.09)	(0.36)	(0.18)	(0.35)	(0.36)							
	POLICE-TOTAL FIXED INCOME FUND OF FUND - NET MGR			2.35	5.86	5.02	0.65	5.85							
	BARCLAYS AGGREGATE (DAILY)			2.21	6.00	5.31	0.55	5.97	(2.02)					2.81	
	EXCESS RETURN			0.14	(0.15)	(0.29)	0.10	(0.12)	0.45					0.40	
326	POLICE-TOTAL TIPS - GROSS	1,503	4.48	1.74	4.35	6.29	(1.29)	3.52	(8.47)	7.17	13.52	2.79	4.86	4.31	06/01/2005
	ESTIMATED INVESTMENT FEES			(0.00)	(0.02)	(0.01)	(0.03)	(0.07)							
	POLICE-TOTAL TIPS - NET MGR			1.74	4.34	6.28	(1.32)	3.45							
	BARCLAYS GLOBAL INFLATION LINKED: US TIPS (DAILY)			1.71	4.35	6.24	(1.44)	3.64	(8.61)	6.98	13.56	2.63	4.75	4.16	
	EXCESS RETURN			0.03	(0.02)	0.04	0.12	(0.19)	0.14	0.19	(0.04)	0.16	0.11	0.15	
336	POLICE-TOTAL ENHANCED YIELD - GROSS	1,338	3.98	4.66	0.62	7.83	(3.94)	2.80	8.14	14.53	6.05	5.82	7.43	7.76	10/01/1994
	ESTIMATED INVESTMENT FEES			(0.09)	(0.34)	(0.18)	(0.33)	(0.35)							
	POLICE-TOTAL ENHANCED YIELD - NET MGR			4.57	0.28	7.64	(4.26)	2.45							
	CITIGROUP BB & B			4.97	0.83	8.15	(4.21)	2.78	6.17	14.45	6.58	5.63	6.18	6.89	
	EXCESS RETURN			(0.39)	(0.55)	(0.51)	(0.95)	(0.34)	1.97	0.07	(0.53)	0.19	1.26	0.88	

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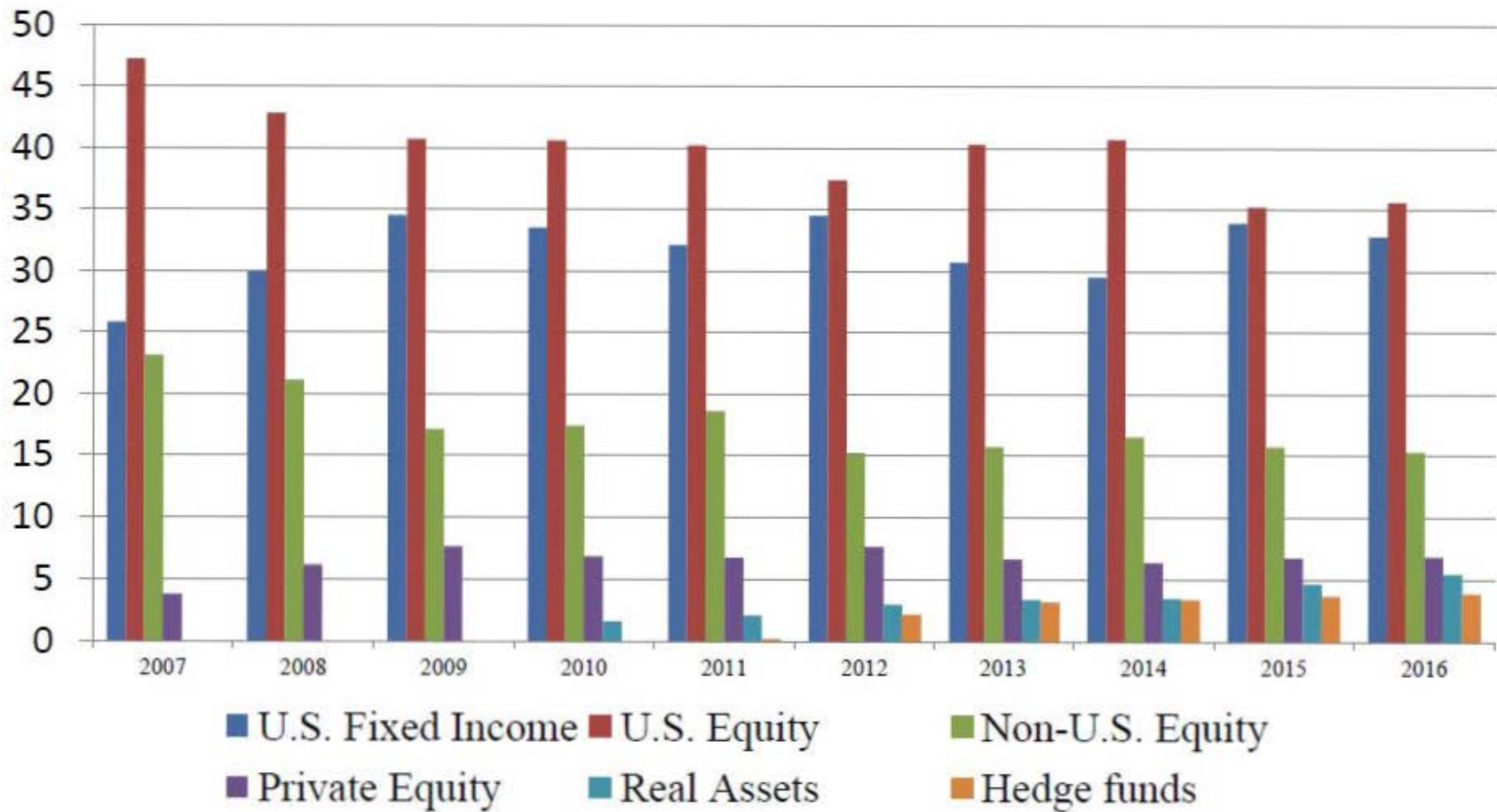


	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2015	2014	2013	2012	2011	5 Year	10 Year	ITD	Inception Date
FIXED INCOME RETURN DETAIL														
348	POLICE- TOTAL BANK LOANS - GROSS	579	1.72	2.60	2.05	3.79	1.80	2.76	6.54				4.33	12/01/2012
	ESTIMATED INVESTMENT FEES			(0.08)	(0.32)	(0.16)	(0.32)	(0.32)						
	POLICE-TOTAL BANK LOANS - NET MGR			2.52	1.73	3.63	1.49	2.44						
	CSFB LEVERAGED LOAN INDEX			2.86	0.03	4.23	(0.38)	2.06	8.15				3.55	
	EXCESS RETURN			(0.34)	0.80	(0.59)	1.87	0.38	0.39				0.78	
358	POLICE-TOTAL CONVERTIBLE BONDS - GROSS	220	0.65	2.58	(0.27)	2.59	(0.41)	9.44	16.96	11.69	(3.62)	6.23	6.44	07/01/2008
	ESTIMATED INVESTMENT FEES			(0.10)	(0.40)	(0.20)	(0.41)	(0.45)						
	POLICE-TOTAL CONVERTIBLE BONDS - NET MGR			2.48	(0.68)	2.38	(0.81)	8.99						
	BOFAML ALL CONVERTIBLE EX M AI (DAILY)			4.03	(5.10)	1.36	(2.89)	9.33	25.00	14.41	(3.42)	7.19	7.35	
	EXCESS RETURN			(1.54)	4.43	1.02	2.08	(0.34)	(8.04)	(2.72)	(0.20)	(0.96)	(0.91)	
368	POLICE-TOTAL OPPORTUNISTIC FIXED INCOME	926	2.76	4.34	(2.36)	1.29	(1.34)	8.86	17.15	22.48	(4.67)	5.93	7.87	10/01/2007
	10% ANNUAL RETURN			2.41	10.00	4.88	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
	EXCESS RETURN			1.93	(12.36)	(3.60)	(11.34)	(1.14)	7.15	12.48	(14.67)	(4.07)	(2.14)	
378	POLICE-TOTAL TARGETED INVESTMENTS (NO CASH)	377	1.12	2.38	11.18	6.29	4.04	8.06	2.22	6.32	6.47	6.12	6.74	12/01/1984
	POLICE CUSTOM BENCHMARK (NO CASH)			1.61	5.25	4.10	1.40	6.11	(1.66)	3.41	7.74	3.55	5.24	
	EXCESS RETURN			0.78	5.93	2.19	2.65	1.95	3.87	2.92	(1.27)	2.58	1.51	
CASH SUMMARY														
390	POLICE SHORT TERM - GROSS	313	0.93	0.26	0.70	0.63	0.47	0.23	0.21	0.40	0.43	0.44	1.63	04/01/1982
	ESTIMATED INVESTMENT FEES			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	POLICE SHORT TERM - NET MGR			0.26	0.70	0.63	0.47	0.23	0.21	0.40	0.43	0.44	1.63	
394	C/D - FAIL FLOAT EARNINGS	1	0.00											
396	SECURITY LENDING	4	0.01											

NYC POLICE PENSION FUND

ASSET ALLOCATION

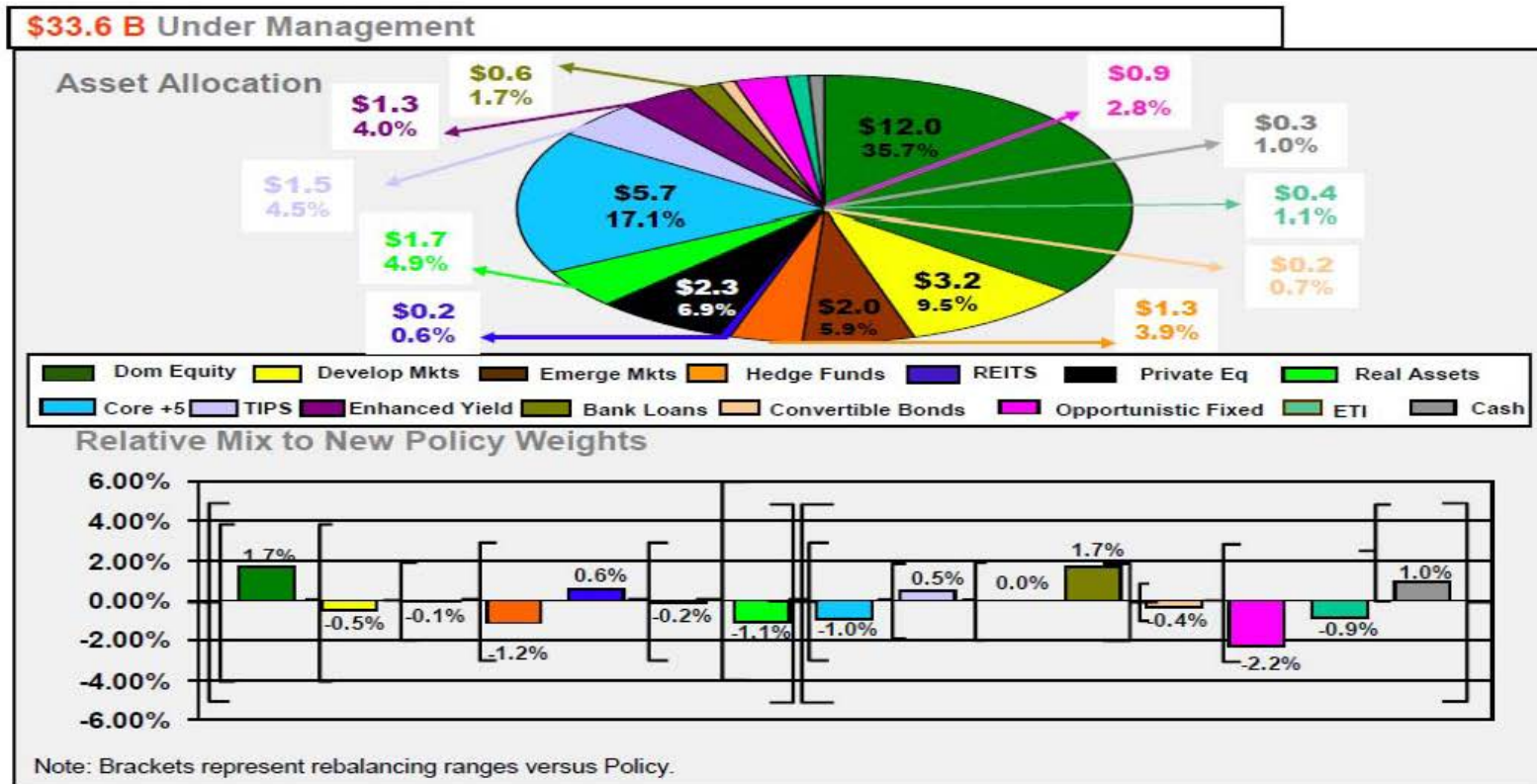
June 30, 2007 – June 30, 2016



Portfolio Asset Allocation: June 30, 2016

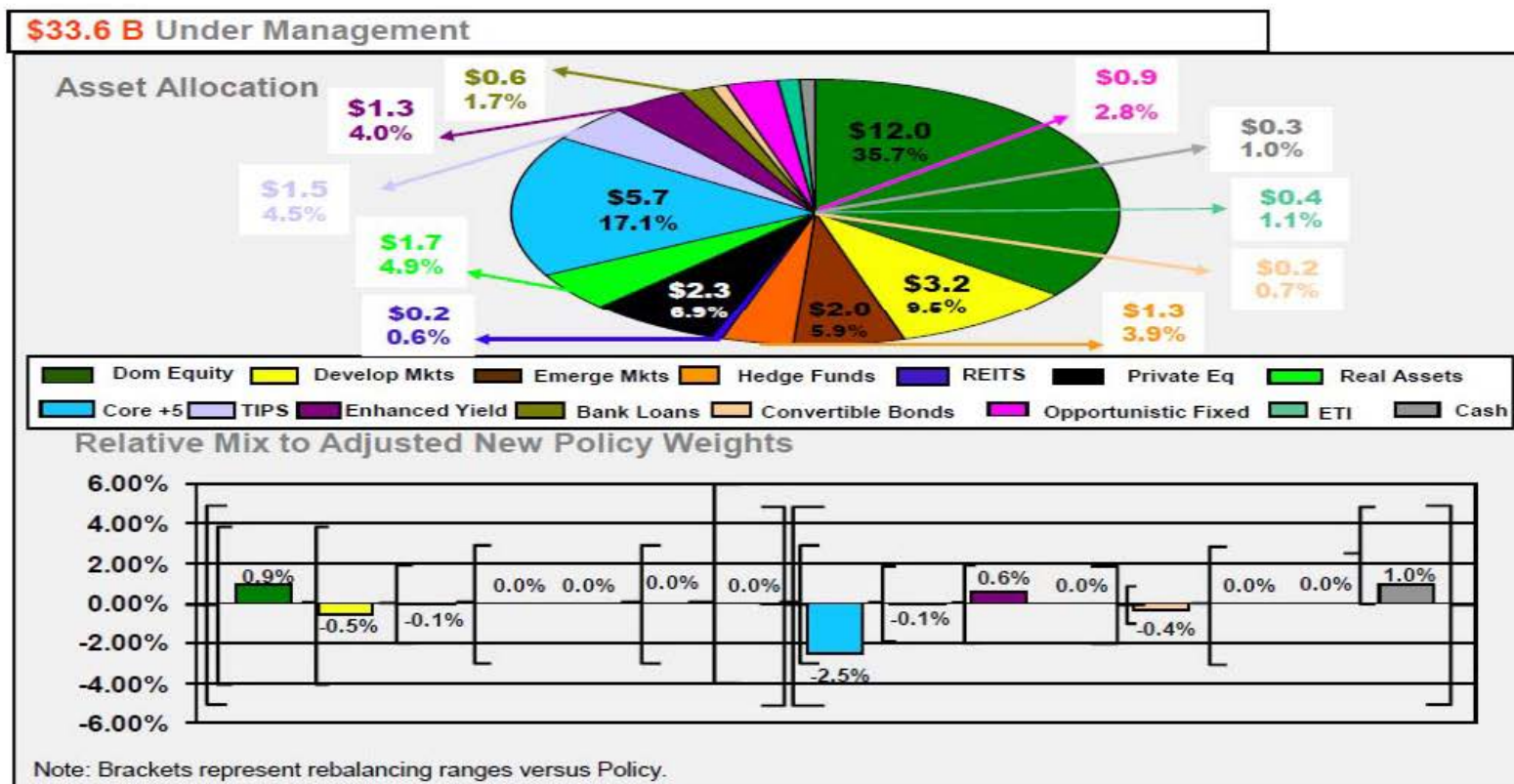


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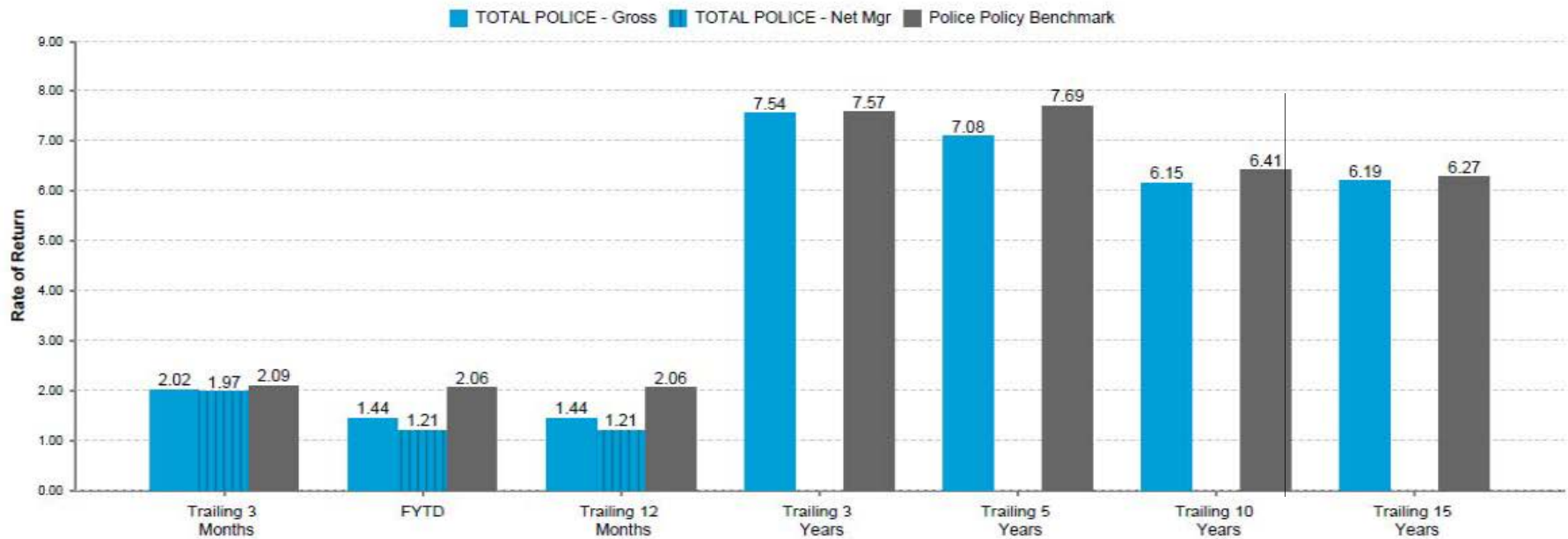
Total Portfolio Returns: June 30, 2016



Market Value (Billions)

\$33.6

TOTAL POLICE



	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL POLICE	6.7	6.4	7.1	7.7	10.2	11.1

**NEW YORK CITY
POLICE PENSION FUND
ASSET ALLOCATION SCHEDULE
06/30/2007 TO 06/30/2016**

	U.S Equity & Mortgages	Int'l Equity	Short term & Fixed	Int'l Fixed	Cash	Total
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%
6/30/2015	53.96%	16.62%	29.27%	-	0.14%	100.00%
6/30/2016	58.65%	16.36%	24.66%	-	0.33%	100.00%

**New York City
Police Pension Fund**

List of randomly selected 50 Fixed Asset Holdings as of June 30, 2016

Cusip	Security Description	Nominal Interest Rate	Maturity Date	Quantity	Fair Value	Par Value	Gain/Loss
'922URLI6	NYC CUSTOM STIF	0.43	31-Dec-30	4,795,993	\$4,795,993	\$4,795,993	\$ -
'912828RC6	US TREASURY N/B	2.13	15-Aug-21	1,651,380	1,740,274	1,714,950	25,324
'912810QX9	US TREASURY N/B	2.75	15-Aug-42	1,383,800	1,524,671	1,430,267	94,404
'912828SX9	US TREASURY N/B	1.13	31-May-19	1,164,500	1,178,788	1,158,341	20,447
'01F032674	FNMA TBA 30 YR 3.5	3.50	14-Jul-46	809,200	853,835	848,174	5,661
'01F030678	FNMA TBA 30 YR 3	3.00	14-Jul-46	595,000	617,473	610,712	6,761
'01F022477	FNMA TBA 15 YR 2.5	2.50	19-Jul-31	510,000	527,641	523,945	3,696
'21H032670	GNMA II TBA 30 YR 3.5	3.50	20-Jul-46	459,000	487,169	484,388	2,780
'01F040677	FNMA TBA 30 YR 4	4.00	14-Jul-46	336,600	360,889	359,899	990
'01F030470	FNMA TBA 15 YR 3	3.00	19-Jul-31	265,200	278,025	276,761	1,264
'064159HT6	BANK OF NOVA SCOTIA	1.65	14-Jun-19	200,600	201,804	200,588	1,216
'31418AYJ1	FNMA POOL MA1612	4.50	1-Oct-43	188,984	209,169	208,827	342
'3128M7QP4	FED HM LN PC POOL G05562	4.50	1-Jul-39	187,589	208,361	206,773	1,588
'26207UAF6	DRIVE AUTO RECEIVABLES TRUST	2.76	15-Jul-21	187,000	187,146	185,288	1,858
'831641EZ4	SMALL BUSINESS ADMINISTRATION	3.64	10-Sep-23	178,130	188,676	187,964	712
'3137BLWP9	FHLMC MULTIFAMILY STRUCTURED P	2.42	25-Jun-44	169,608	170,721	169,567	1,154
'03063XAG0	AMERICREDIT AUTOMOBILE RECEIVA	2.68	9-Oct-18	168,300	169,023	169,247	(224)
'36177PP66	GNMA II POOL 794944	5.50	20-Oct-35	166,327	186,318	184,520	1,799
'912828XB1	US TREASURY N/B	2.13	15-May-25	156,400	\$165,204	\$161,981	\$3,223

**New York City
Police Pension Fund**

List of randomly selected 50 Fixed Asset Holdings as of June 30, 2016

Cusip	Security Description	Nominal Interest Rate	Maturity Date	Quantity	Fair Value	Par Value	Gain/Loss
'26208AAE2	DRIVE AUTO RECEIVABLES TRUST	2.56	15-Jun-20	158,100	\$158,784	\$158,094	\$689
'912828N71	TSY INFL IX N/B	0.63	15-Jan-26	150,614	158,601	156,276	2,326
'36246LAE1	GS MORTGAGE SECURITIES TRUST	5.99	10-Aug-45	148,283	151,928	151,938	(9)
'12189TAR5	BURLINGTN NORTH SANTA FE	7.95	15-Aug-30	79,900	119,432	105,440	13,992
'82621TAA1	SIERRA AUTO RECEIVABLES SECURI	2.85	18-Jan-22	110,500	110,498	110,498	-
'05524WAG0	BAMLL DB TRUST	4.83	13-Apr-29	105,400	107,472	111,828	(4,357)
'03064XAF1	AMERICREDIT AUTOMOBILE RECEIVA	2.35	10-Dec-18	107,100	107,336	107,477	(140)
'912828SA9	TSY INFL IX N/B	0.13	15-Jan-22	104,214	106,212	103,239	2,973
'37953RAB5	GLOBAL CONTAINER ASSET LTD	3.30	5-Nov-28	107,100	105,793	106,380	(587)
'51817TAA0	LATAM AIR 2015 1 PTT A	4.20	15-Aug-29	105,251	96,252	102,494	(6,242)
'31402QVH1	FNMA POOL 735116	6.00	1-Dec-34	85,916	99,304	97,676	1,628
'966837AD8	WHOLE FOODS MARKET INC	5.20	3-Dec-25	86,700	93,479	86,926	6,553
'85771PAF9	STATOIL ASA	3.15	23-Jan-22	85,000	89,241	84,335	4,905
'38148LAE6	GOLDMAN SACHS GROUP INC	3.75	22-May-25	76,500	79,894	76,254	3,641
'80284CAF9	SANTANDER DRIVE AUTO RECEIVABL	2.57	15-Apr-21	78,200	79,043	78,405	638
'22545LAD1	CREDIT SUISSE MORTGAGE TRUST	5.31	15-Dec-39	78,541	78,670	88,002	(9,332)
'78403DAK6	SBA TOWER TRUST	2.88	15-Jul-46	78,200	78,273	78,200	73
'91087BAA8	UNITED MEXICAN STATES	3.60	30-Jan-25	73,100	76,390	74,050	2,339
'302616AG2	FRESB MULTI FAMILY MORTGAGE PAS	2.50	25-Jan-36	75,103	75,629	75,102	527
'26827EAA3	ECAF LTD	3.47	15-Jun-40	76,684	74,000	76,684	(2,684)
'563469UL7	MANITOBA (PROVINCE OF)	2.13	22-Jun-26	71,400	\$70,978	\$70,788	\$190

**New York City
Police Pension Fund**

List of randomly selected 50 Fixed Asset Holdings as of June 30, 2016

Cusip	Security Description	Nominal Interest Rate	Maturity Date	Quantity	Fair Value	Par Value	Gain/Loss
'31416WHY1	FNMA POOL AB1146	5.00	1-Jun-40	63,126	\$70,827	\$69,932	\$895
'71654QBH4	PETROLEOS MEXICANOS	4.88	18-Jan-24	68,000	68,938	63,512	5,426
'302154CB3	EXPORT IMPORT BANK KOREA	1.75	26-May-19	68,000	68,568	67,909	660
'037833BH2	APPLE INC	4.38	13-May-45	59,500	64,824	59,399	5,425
'00206RCQ3	AT+T INC	4.75	15-May-46	62,900	64,464	61,358	3,107
'26207YAE1	DRIVE AUTO RECEIVABLES TRUST	3.17	15-May-20	62,900	63,884	62,896	989
'31418NAR1	FNMA POOL AD0915	5.50	1-Dec-38	55,629	63,182	61,009	2,173
'31418MFD9	FNMA POOL AD0163	6.00	1-Nov-34	52,365	60,688	59,958	729
'46631QAD4	JP MORGAN CHASE COMMERCIAL MOR	5.79	12-Feb-51	57,083	59,265	64,058	(4,793)
'931427AF5	WALGREENS BOOTS ALLIANCE	3.30	18-Nov-21	56,100	\$58,829	\$56,435	\$2,394

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

**New York City
Police Pension Fund**

List of randomly selected 50 Equity Asset Holdings as of June 30, 2016

Cusip	Security Description	Nominal Interest Rate	Quantity	Fair Value	Par Value	Gain/Loss
'92343V104	VERIZON COMMUNICATIONS INC	-	544,413	\$30,400,003	\$25,285,992	\$5,114,011
'G1151C101	ACCENTURE PLC CL A	-	166,269	18,836,660	13,155,738	5,680,922
'09062X103	BIOGEN INC	-	58,351	14,110,378	14,513,573	(403,195)
'79466L302	SALESFORCE.COM INC	-	170,555	13,543,765	9,289,622	4,254,143
'887317303	TIME WARNER INC	-	137,718	10,127,772	11,518,831	(1,391,060)
'761713106	REYNOLDS AMERICAN INC	-	135,705	7,318,572	4,290,849	3,027,723
'256677105	DOLLAR GENERAL CORP	-	75,706	7,116,393	4,947,241	2,169,152
'67103H107	O REILLY AUTOMOTIVE INC	-	25,155	6,819,396	3,537,642	3,281,755
'247361702	DELTA AIR LINES INC	-	160,084	5,831,844	6,667,381	(835,537)
'40412C101	HCA HOLDINGS INC	-	55,288	4,257,714	4,080,621	177,093
'517834107	LAS VEGAS SANDS CORP	-	96,751	4,207,686	5,613,045	(1,405,359)
'339041105	FLEETCOR TECHNOLOGIES INC	-	24,359	3,486,520	2,956,714	529,806
'92345Y106	VERISK ANALYTICS INC	-	40,826	3,310,186	2,652,742	657,444
'N53745100	LYONDELLBASELL INDU CL A	-	40,849	3,039,983	3,104,210	(64,227)
'697435105	PALO ALTO NETWORKS INC	-	23,119	2,835,367	2,437,150	398,216
'81762P102	SERVICENOW INC	-	42,130	2,797,457	2,492,931	304,526
'12541W209	C.H. ROBINSON WORLDWIDE INC	-	37,636	2,794,507	2,248,615	545,892
'G47791101	INGERSOLL RAND PLC	-	34,228	2,179,642	2,097,930	81,712
'11133T103	BROADRIDGE FINANCIALSOLUTION	-	30,938	2,017,183	1,070,898	946,285
'254709108	DISCOVER FINANCIAL SERVICES	-	36,024	\$1,930,521	\$1,865,793	\$64,728

**New York City
Police Pension Fund**

List of randomly selected 50 Equity Asset Holdings as of June 30, 2016

Cusip	Security Description	Nominal Interest Rate	Quantity	Fair Value	Par Value	Gain/Loss
'550021109	LULULEMON ATHLETICA INC	-	25,815	\$1,906,712	\$1,721,531	\$185,181
'25754A201	DOMINO S PIZZA INC	-	13,421	1,763,282	956,280	807,002
457187102	INGREDION INC	-	13,461	1,742,015	1,544,336	197,679
'252131107	DEXCOM INC	-	21,850	1,733,365	1,726,747	6,617
'521865204	LEAR CORP	-	16,232	1,651,747	1,415,391	236,357
'582839106	MEAD JOHNSON NUTRITION CO	-	17,915	1,625,749	1,393,104	232,645
'G81276100	SIGNET JEWELERS LTD	-	18,989	1,564,857	2,184,622	(619,765)
'48238T109	KAR AUCTION SERVICES INC	-	36,530	1,524,778	1,356,899	167,879
'146229109	CARTER S INC	-	13,551	1,442,760	1,044,885	397,875
'25470F302	DISCOVERY COMMUNICATIONS C	-	57,619	1,374,206	2,023,295	(649,089)
'92927K102	WABCO HOLDINGS INC	-	14,004	1,282,317	1,216,052	66,264
'08579W103	BERRY PLASTICS GROUP INC	-	31,979	1,242,398	1,179,821	62,577
'58502B106	MEDNAX INC	-	17,056	1,235,350	925,250	310,099
'79546E104	SALLY BEAUTY HOLDINGS INC	-	39,588	1,164,272	1,088,883	75,389
'94946T106	WELLCARE HEALTH PLANS INC	-	10,829	1,161,776	1,123,568	38,208
'78467J100	SS+C TECHNOLOGIES HOLDINGS	-	41,119	1,154,624	1,301,041	(146,417)
'G4412G101	HERBALIFE LTD	-	19,588	\$1,146,500	1,197,380	(50,880)
'03076C106	AMERIPRISE FINANCIAL INC	-	12,697	1,140,842	1,436,668	(295,826)
'83001A102	SIX FLAGS ENTERTAINMENT CORP	-	18,614	1,078,686	694,574	384,112
'703395103	PATTERSON COS INC	-	22,233	\$1,064,721	\$1,046,838	\$17,883

**New York City
Police Pension Fund**

List of randomly selected 50 Equity Asset Holdings as of June 30, 2016

Cusip	Security Description	Nominal Interest Rate	Quantity	Fair Value	Par Value	Gain/Loss
'G3922B107	GENPACT LTD W/D	-	39,479	\$1,059,605	\$867,148	\$192,457
'847560109	SPECTRA ENERGY CORP	-	28,559	1,046,115	981,663	64,452
'82669G104	SIGNATURE BANK	-	8,308	1,037,877	1,034,414	3,462
'17243V102	CINEMARK HOLDINGS INC	-	28,182	1,027,498	880,564	146,934
'78486Q101	SVB FINANCIAL GROUP	-	10,149	965,753	1,344,456	(378,703)
'02043Q107	ALNYLAM PHARMACEUTICALS INC	-	17,281	958,941	1,191,740	(232,799)
'26969P108	EAGLE MATERIALS INC	-	12,399	956,592	851,225	105,366
'25470F104	DISCOVERY COMMUNICATIONS A	-	37,669	950,389	1,400,397	(450,008)
'465685105	ITC HOLDINGS CORP	-	19,768	925,543	687,747	237,797
'88023U101	TEMPUR SEALY INTERNATIONAL I	-	14,124	\$781,349	\$661,434	\$119,915

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

**New York City
Police Pension Fund**

List of randomly selected 50 Alternative Asset Holdings as of June 30, 2016

Cusip	Security Description	Nominal Interest Rate	Quantity	Fair Value	Par Value	Gain/Loss
'923ALSII0	801 815 EAST NEW YORK	-	3,101,430	\$3,722,029	\$3,101,430	\$620,599
'923ALXII9	788 FOX STREET	-	1,826,612	2,284,828	1,826,612	458,216
'923ALCII5	652 658 SOUTHERN BOULE	-	1,621,609	2,030,025	1,621,609	408,416
'923AMEII0	150 WEST 111TH STREET	-	1,623,953	2,028,284	1,623,953	404,330
'923APYII3	940 950 GATES AVENUE	-	1,152,989	1,578,498	1,152,989	425,509
'923AKVII4	488 + 490 ST. NICHOLAS	-	1,321,588	1,487,979	1,322,106	165,873
'923AMAII8	560 WEST 160TH STREET	-	1,021,012	1,390,246	1,021,012	369,233
'923ALUII5	1212 MARTIN LUTHER KING	-	855,409	1,096,648	855,409	241,240
'923ALVII3	433 441 DEWITT AVENUE	-	894,313	1,083,969	894,313	189,656
'923AQHII9	315 ECHO PLACE	-	766,849	1,048,019	766,849	281,170
'923AQEII6	300 PUTNAM AVENUE	-	634,278	893,812	634,278	259,534
'923ALBII7	227 EAST THIRD STREET	-	620,358	832,607	620,358	212,250
'923AMGII5	970PROSPECT AVENUE	-	598,018	807,242	598,019	209,223
'923AMMII2	2732 36 MARION AVENUE	-	539,766	708,036	539,766	168,271
'923ALMII3	361 EAST 138TH STREET	-	510,477	639,597	510,477	129,120
'923AKWII2	122 130 WEST 83RD STR	-	480,787	608,930	480,787	128,143
'923AKZII5	668 EAST 226TH STREET	-	458,042	613,330	458,042	155,288
'923ALHII4	168 02 UNION TURNPIKE	-	451,036	523,758	451,036	72,722
'923ALLII5	153 EAST 104TH STREET	-	404,795	516,157	404,795	111,362
'923ALTII8	563 WEST 159TH STREET	-	455,480	\$509,796	\$455,480	\$54,316

**New York City
Police Pension Fund**

List of randomly selected 50 Alternative Asset Holdings as of June 30, 2016

Cusip	Security Description	Nominal Interest Rate	Quantity	Fair Value	Par Value	Gain/Loss
'923ANCI3	2285 DAVIDSON AVENUE	-	319,779	\$418,717	\$319,779	\$98,937
'923ALDI3	800 EAST 160TH STREET	-	307,128	351,482	307,128	44,354
'923AQTI3	670 674 EAST 136TH STR	-	244,962	309,414	244,962	64,451
'923ALKI7	307 EAST 170TH STREET	-	233,490	307,544	233,490	74,054
'923ALJI0	1010 + 1011 RUTLAND ST	-	229,114	291,046	229,114	61,932
'144539AC7	CARRINGTON MORTGAGE LOAN TRUST	-	500,000	285,503	304,375	(18,872)
'923ALNII1	824 HOWARD AVENUE	-	218,037	271,824	218,037	53,788
'923AMWII0	136 WEST 168TH STREET	-	202,114	257,706	202,114	55,592
'923AQMI8	1138 WASHIGNTON AVENUE	-	189,581	255,762	189,581	66,180
'923AMCI4	588 HENRY STREET	-	197,305	251,443	197,305	54,137
'923AQNI6	201 EAST 165TH STREET	-	175,043	239,298	175,043	64,255
'923ALFI8	340 EAST 146TH STREET	-	178,882	206,990	178,882	28,107
'923ALAI9	2513 15 ADAM CLAYTON PO	-	149,300	206,012	149,300	56,711
'923AKUI6	600 WEST 133RD STREET	-	180,304	203,844	180,529	23,314
'923AQQI9	8216 5TH AVENUE	-	165,088	198,066	165,088	32,978
'923ALEI1	766 CAULDWELL AVENUE	-	140,205	176,930	140,205	36,725
'923AMTI7	519 5TH AVENUE	-	117,487	157,878	117,487	40,391
'923AQDI8	419 SARATOGA AVENUE	-	133,009	156,702	133,009	23,693
'923AQKI2	743 MACDONOUGH STREET	-	111,549	135,708	111,549	24,158
'923AQLI0	1098 BUSHWICK AVENUE	-	111,490	\$135,316	\$111,490	\$23,826

**New York City
Police Pension Fund**

List of randomly selected 50 Alternative Asset Holdings as of June 30, 2016

Cusip	Security Description	Nominal Interest Rate	Quantity	Fair Value	Par Value	Gain/Loss
'923ALQII4	972 ANDERSON AVENUE	-	111,573	\$132,538	\$111,572	\$20,966
'923AQPII1	653 COURTLANDT AVENUE	-	95,458	118,511	95,460	23,051
'923AQFII3	101 WALKER STREET	-	112,170	116,380	112,170	4,210
'37953RAB5	GLOBAL CONTAINER ASSET LTD	-	107,100	105,793	106,380	(587)
'923ALPII6	3202 THIRD AVENUE	-	82,669	104,517	82,669	21,849
'31402QVH1	FNMA POOL 735116	-	85,916	99,304	97,676	1,628
'923AJAI2	605 SUTTER AVENUE	-	83,705	99,067	83,705	15,362
'51817TAA0	LATAM AIR 2015 1 PTT A	-	105,251	96,252	102,494	(6,242)
'923AQSI5	1216 SOUTHERN BLVD.	-	67,900	91,906	67,900	24,007
'923AJVII6	1702 WOODBINE STREET	-	56,905	\$62,416	\$56,905	\$5,510

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

**New York City
Police Pension Fund**

List of randomly selected 50 Treasury Inflation Protected Securities as of June 30, 2016

Cusip	Security Description	Quantity	Fair Value	Par Value	Gain/Loss	Accrued Income
'912828TY6	FISCHER FRANCIS TREES & WATTS	34,720,000	\$35,539,045	\$34,383,966	\$1,155,078	\$72,058
'912828K74	FISCHER FRANCIS TREES & WATTS	21,280,000	22,246,750	21,880,332	366,419	160,185
'912810RQ3	T. ROWE PRICE ASSOCIATES, INC.	21,240,000	22,117,000	20,620,411	1,496,589	199,854
'912828Q78	BLACKROCK	21,105,000	21,469,483	21,142,281	327,202	48,891
'912810QZ4	FISCHER FRANCIS TREES & WATTS	14,320,000	16,880,273	13,324,135	3,556,137	168,427
'912828P38	BLACKROCK	16,215,000	16,712,801	16,370,380	342,421	118,494
'912810RP5	BLACKROCK	12,936,400	14,874,790	13,814,218	1,060,572	49,566
'912810RQ3	BLACKROCK	13,400,000	13,953,286	13,164,788	788,498	126,085
'912828N30	FISCHER FRANCIS TREES & WATTS	12,910,000	13,611,529	13,184,178	427,352	745
'912828Q29	BLACKROCK	13,025,000	13,212,690	12,956,728	255,962	49,111
'912828H86	BLACKROCK	12,945,000	13,206,877	12,714,934	491,944	81,084
'912810RN0	FISCHER FRANCIS TREES & WATTS	11,110,000	12,475,308	11,562,349	912,959	120,218
'912810RK6	BLACKROCK	11,345,000	11,811,620	10,705,843	1,105,777	106,749
'912810QN1	FISCHER FRANCIS TREES & WATTS	7,700,000	11,553,311	11,297,021	256,290	137,659
'912810QS0	BLACKROCK	8,590,000	11,204,882	10,335,003	869,879	121,239
'912810RG5	FISCHER FRANCIS TREES & WATTS	8,950,000	11,030,517	9,624,247	406,270	38,579
'912828XD7	FISCHER FRANCIS TREES & WATTS	10,170,000	10,577,614	10,085,536	492,078	16,151
'912828B66	FISCHER FRANCIS TREES & WATTS	9,510,000	10,497,804	9,633,347	864,457	98,431
'912828XB1	BLACKROCK	7,935,000	8,381,661	8,088,041	293,620	21,536
'912828QN3	FISCHER FRANCIS TREES & WATTS	7,150,000	7,866,430	7,692,893	173,537	28,537
'912810QY7	FISCHER FRANCIS TREES & WATTS	7,120,000	7,832,570	6,470,807	1,361,763	25,007
'912810RJ9	BLACKROCK	6,660,000	7,657,468	6,765,173	892,295	25,518
'912828WJ5	FISCHER FRANCIS TREES & WATTS	6,810,000	7,396,545	6,978,387	418,158	21,744
'912828XD7	BLACKROCK	6,840,000	7,114,147	6,820,323	293,824	10,863
'912828P46	BLACKROCK	7,300,000	\$7,382,125	\$7,330,388	\$51,737	\$43,366

**New York City
Police Pension Fund**

List of randomly selected 50 Treasury Inflation Protected Securities as of June 30, 2016

Cusip	Security Description	Quantity	Fair Value	Par Value	Gain/Loss	Accrued Income
'912810RM2	FISCHER FRANCIS TREES & WATTS	6,160,000	\$7,080,366	\$6,298,393	\$781,973	\$23,602
'912828M56	BLACKROCK	6,565,000	7,004,067	6,667,901	336,166	18,865
'912810PV4	STATE STREET	5,937,880	6,941,857	6,855,092	86,765	47,960
'912810QA9	STATE STREET	5,465,000	6,896,994	4,647,008	2,249,986	71,991
'912828VS6	FISCHER FRANCIS TREES & WATTS	6,170,000	6,684,084	6,112,014	572,070	58,056
'912810FG8	STATE STREET	4,630,000	6,546,727	5,938,267	608,460	91,487
'912810RM2	BLACKROCK	5,390,000	6,195,320	5,413,471	781,849	20,652
'912810QY7	BLACKROCK	5,585,000	6,143,947	5,165,449	978,497	19,616
'912810FT0	FISCHER FRANCIS TREES & WATTS	4,200,000	6,049,638	5,716,294	333,344	71,135
'912810PZ5	FISCHER FRANCIS TREES & WATTS	4,813,430	6,098,761	5,805,554	293,207	55,540
'912828XQ8	BLACKROCK	5,400,000	5,653,962	5,494,289	159,673	45,099
'912828R36	BLACKROCK	5,525,000	5,592,571	5,592,347	224	12,686
'912810QE1	STATE STREET	3,800,000	5,586,152	4,073,100	1,513,052	66,148
'912828UN8	FISCHER FRANCIS TREES & WATTS	4,950,000	5,184,729	4,992,305	192,424	37,261
'912810PT9	BLACKROCK	3,180,000	4,730,504	4,512,122	218,383	56,851
'912810PX0	FISCHER FRANCIS TREES & WATTS	3,250,000	4,714,645	4,122,676	591,969	18,679
'912810RS9	BLACKROCK	4,280,000	4,460,060	4,190,248	269,812	13,675
'912810QT8	BLACKROCK	3,740,000	4,416,566	4,096,305	320,261	14,927
'912828XQ8	FISCHER FRANCIS TREES & WATTS	4,190,000	4,387,056	4,213,732	173,323	34,993
'912810QK7	FISCHER FRANCIS TREES & WATTS	3,200,000	4,247,136	3,007,416	1,239,720	46,670
'912810RB6	BLACKROCK	3,460,000	3,890,735	3,593,534	297,201	12,705
'912828UN8	BLACKROCK	3,690,000	3,864,980	3,803,439	61,541	27,776
'912810RP5	BLACKROCK	3,210,000	3,690,986	3,560,730	130,256	12,299
'912810QQ4	BLACKROCK	2,505,000	3,576,864	3,286,638	290,226	13,997
'912828R51	BLACKROCK	3,310,000	\$3,327,973	\$3,317,117	\$10,856	\$2,453

**NEW YORK CITY
POLICE PENSION FUND
Investment Summary
June 30, 2016
(In Thousands)**

Type of Investments:	Fair Value	Percentage of Total Fair Value
Fixed Income:		
U.S Government Securities	\$7,312,481	20.50%
Corporate and other Mortgages debt securities	958,683	2.68%
Total Fixed Income	8,271,164	23.18%
Domestic Equities	12,806,519	35.90%
International Equities	5,856,080	16.41%
Treasury Inflation Protected Securities	1,503,457	4.21%
Alternative Investments	6,382,258	17.89%
Short-term Investments:		
Short-term Investments	471,943	1.32%
Commercial Paper	87,804	0.25%
Discount Notes & Treasury Bills	298,119	0.84%
Total Short-term	857,866	2.41%
Total Investments*	\$35,677,344	100.00%

*Security lending transactions of \$3,078,231 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, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
ABG SECURITIES LIMITED Total	\$ 12,829	\$ 218
ABLE NOSER Total	128,014	6,081
ACADEMY SECURITIES INC Total	24,517	490
AGORA CORDE TITUL E VAL MOB Total	347,039	2,414
ALBERT FRIED & COMPANY LLC Total	50,100	1,503
ALLEN & COMPANY LLC Total	5,172.00	207
AMERICAN PORTFOLIOS FINANIAL Total	1,110	55
ANCORA SECIRITIES INC Total	90,264	4,359
ANTIQUE STOCK BROKING LTD Total	37,901	174
AQEEL KARIM DHEDHI Total	11,851	163
AS LHV PANK Total	334,101	1,066
ASCENDIANT CAPITAL MARKETS, LLC Total	1,128	33
ATTIJARIWafa BANK Total	6,883	697
AUTONOMOUS Total	11,664	349
AVONDALE PARTNERS LLC Total	27,382	933
B.RILEY & CO., LLC Total	15,345	397
BAADER BANK AG Total	914	263
BANCO SANTANDER CENTRAL HISPANO Total	175,128	1,578
BANK J.VONTOBEL UND CO. AG Total	12,415	4,344
BARCLAYS BANK OF BOTSWANA LTD Total	153,991	579
BARCLAYS BANK PLC Total	7,963	51
BARCLAYS CAPITAL Total	3,526,581	39,062
BARCLAYS CAPITAL INC./LE Total	10,070,004	35,483
BARCLAYS CAPITAL LE Total	1,082,126	40,252
BARRINGTON RESEARCH ASSOCIATES Total	1,450	45
BARRINGTON RESEARCH ASSOCIATES INC. Total	15,541	721
BB&T SECURITIES, LLC Total	292,500	11,040
BLAYLOCK ROBERT VAN LLC Total	202,490	6,945
BLOOMBERG TRADEBOOK LLC Total	696,069	16,270
BLUEFIN RESEARCH PARTNER INC. Total	43,980	2,199
BMO CAPITAL MARKETS Total	210,302	7,280
BNP PARIBAS PEREGRINE SECURITIES Total	1,383	1,596
BNP PARIBAS PRIME BROKERAGE ACTING AGENT Total	2,412	72
BNP PARIBAS SECURITIES (ASIA) LTD. Total	999,187	2,768
BNP PARIBAS SECURITIES INDIA PRIVATE LIM Total	127,573	1,141
BNP PARIBAS SECURITIES SERVICE Total	2,869,094	4,776
BNP PARIBAS SECURITIES SERVICES Total	212,704	855
BNP PARIBAS SECURITIES SERVICES AUSTR BR Total	56,412	102
BNP PARIBAS SECURITIES SERVICES SA Total	3,577,567	5,188
BNY CONVERGEX EXECUTION SOLUTIONS LLC Total	\$ 65,412,282	\$ 76,475

**New York City
Police Pension Fund
Broker Commission Report**

Fiscal Year beginning July 1, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
BNY CONVERGEX LJR Total	\$ 127,803	\$ 2,598
BREAN CAPITAL LLC Total	119,205	1,633
BROADCORT CAPITAL (THRU ML) Total	40,936	1,343
BROADCORT CAPITAL CORP Total	430	8
BTIG, LLC Total	863,360	34,231
BUCKINGHAM RESEARCH GROUP INC Total	172,355	8,014
BURKE ANDQUICK PARTNERS LLC Total	282	9
CABRERA CAPITAL MARKETS Total	111,048	2,668
CACEIS BANK DEUTSCHLAND GMBH Total	10,060	3,251
CANACCORD GENUITY INC. Total	116,899	4,571
CANADIAN IMPERIAL BANK OF COMMERCE Total	103,628	1,943
CANTOR CLEARING SERVICES Total	34,400	688
CANTOR FITZGERALD + CO. Total	270,991	7,037
CANTOR FITZGERALD EUROPE Total	10,637	90
CANTOR FITZGERALD/CANTOR CLEARING SERV Total	2,316,194	8,767
CAPITAL INSTITUTIONAL SVCS INC EQUITIES Total	324,802	14,902
CELFIN CAPITAL SA CORREDORES DE BOLSA Total	12,008,873	1,379
CHEEVERS & CO. INC. Total	575,077	16,829
CHINA FORTUNE SECURITIES.,LTD Total	318,512	974
CHINA INTERNATIONAL CAPITAL CO Total	11,094,448	10,789
CHINA INTERNATIONAL CAPITAL CORPORA Total	35,524	40
CIBC WORLD MKTS INC Total	13,830	428
CIMB SECURITIES (HK) LTD. Total	27,901	59
CIMB-GK SECURITIES PTE.LTD. Total	20,058	158
CITATION GROUP Total	40,699	2,012
CITIBANK N.A. Total	34,541	1,337
CITIBANK OF COLOMBIA Total	735,887	1,728
CITICORP SECURITIES THAILAND LTD Total	30,530	75
CITIGROUP GBL MARKTET KOERA SECS LTD Total	4,389	776
CITIGROUP GLOBAL MARKETS AUSTRALIA PTY Total	71,743	142
CITIGROUP GLOBAL MARKETS INC Total	8,977,481	39,225
CITIGROUP GLOBAL MARKETS INC. Total	26,532,060	12,439
CITIGROUP GLOBAL MARKETS INDIA Total	785,043	1,020
CITIGROUP GLOBAL MARKETS LIMITED Total	5,340,703	46,945
CJS SECURITIES INC Total	8,590	429
CLSA AUSTRALIA PTY LTD Total	1,204,006	5,526
CLSA SECURITIES KOREA LTD. Total	47,640	4,054
CLSA SINGAPORE PTE LTD. Total	7,315,848	18,414
COMPASS POINT RESEARCH + TRADING, LLC Total	29,490	1,288
CONCEPT CAPITAL MARKETS,LLC Total	\$ 3,730	\$ 111

**New York City
Police Pension Fund
Broker Commission Report**

Fiscal Year beginning July 1, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
CONVERGEX EXECUTION SOLUTIONS LLC Total	\$ 1,600,804	\$ 62,668
CONVERGEX LLC Total	1,063,103	32,345
CORNERSTONE MACRO LLC Total	86,776	3,522
CORREVAL S.A. Total	58,101	499
COWEN AND COMPANY, LLC Total	701,741	29,470
CRAIG - HALLUM Total	139,946	4,947
CREDIBOLSA SOCIEDAD AGENTE Total	65,982	881
CREDIT LYONNAIS SECURITIES (ASIA) Total	9,542,395	5,101
CREDIT LYONNAIS SECURITIES (USA) INC Total	37,624	1,682
CREDIT LYONNAIS SECURITIES INDIA Total	2,517,933	27,928
CREDIT LYONNAIS SECURITIES(ASIA) Total	28,333,586	23,888
CREDIT RESEARCH + TRADING LLC Total	126,130	4,388
CREDIT SUISSE FIRST BOSTON Total	10,658,682	7,855
CREDIT SUISSE FIRST BOSTON (EUROPE) Total	20,810	8,503
CREDIT SUISSE SECS INDIA PRIVATE LTD Total	1,266,292	7,711
CREDIT SUISSE SECURITIES (EUROPE) LTD Total	7,197,013	52,409
CREDIT SUISSE SECURITIES (USA) LLC Total	55,542,588	106,545
CS FIRST BOSTON (HONG KONG) LIMITED Total	616,412	1,961
CSFB AUSTRALIA EQUITIES LTD Total	219,988	589
CSI US INSTITUTIONAL DESK Total	12,430	435
CUTTONE & CO. Total	3,800	133
D CARNEGIE AG Total	15,456	139
DAEWOO SECURITIES CO LTD Total	3,889	188
DAIWA SBCM EUROPE Total	56,651	1,960
DAIWA SECURITIES (HK) LTD. Total	574,195	972
DAIWA SECURITIES AMERICA INC Total	612,507	11,250
DAIWA SECURITIES COMPANY LTD Total	911	243
DANSKE BANK A.S. Total	588,141	5,995
DAVIDSON D.A. + COMPANY INC. Total	137,226	5,866
DAVY STOCKBROKERS Total	144,490	2,132
DBS VICKERS SECURITIES (SINGAPORE) Total	34,704	571
DEUTSCHE BANK AG LONDON Total	3,399,916	16,000
DEUTSCHE BANK SECURITIES INC Total	25,080,147	95,298
DEUTSCHE EQ IN PRVT LIM DB Total	1,885,491	14,170
DEUTSCHE MORGAN GRENFELL SECS Total	464,678	3,035
DEUTSCHE SECURITIES ASIA LIMITED Total	1,005,993	1,543
DOUGHERTY & COMPANY LLC Total	30,754	1,131
DOUGHERTY COMPANY Total	15,322	536
DOWLING & PARTNERS Total	7,900	395
DREXEL HAMILTON LLC Total	\$ 48,041	\$ 1,349

**New York City
Police Pension Fund
Broker Commission Report**

Fiscal Year beginning July 1, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
DSP MERRILL LYNCH LTD Total	\$ 1,075,024	\$ 12,841
ECOBANK GHANA Total	-	-
ERSTE BANK BEFEKTETESI RT. Total	226,695	6,053
EUROCLEAR BANK SA NV Total	173,237	710
EXANE S.A. Total	603,637	10,823
FBN SECURITIES INC Total	45,256	2,218
FBR CAPITAL MARKETS & CO. Total	203,320	7,688
FEDERATED MANAGED GROWTH + INCOME 17 A7 Total	200,994	1,506
FERRETTI GROUP INC Total	8,300	249
FIDELITY CAPITAL MARKETS Total	2,470	34
FIDELITY CLEARING CANADA ULC Total	134,372	2,687
FIG PARTNERS LLC Total	30,396	607
FINANCIAL BROKERAGE GROUP (FBG) Total	2,266,659	7,582
FIRST ANALYSIS SECURITIES CORP Total	11,318	380
FIRST NATIONAL BANK OF BOTSWANA Total	295,761	2,647
GABELLI & COMPANY Total	6,199	279
GOLDMAN SACHS (INDIA) Total	1,091,756	5,629
GOLDMAN SACHS + CO Total	68,555,962	165,464
GOLDMAN SACHS + CO INTL. Total	298	22
GOLDMAN SACHS INTERNATIONAL Total	2,354,993	23,486
GOODBODY STOCKBROKERS Total	245,757	1,293
GREENTREE BROKERAGE SERVICES INC Total	22,350	447
GUGGENHEIM CAPITAL MARKETS LLC Total	127,878	4,270
GUZMAN AND COMPANY Total	22,996	459
HEIGHT SECURITIES, LLC Total	15,247	533
HIBERNIA SOUTHCOAST CAPITAL INC Total	48,700	1,461
HONGKONG AND SHAGHAI BANKING CORPO Total	2,030,102	880
HONGKONG AND SHANGHAI BANKING CORP Total	1,396,738	4,346
HSBC BANK BRASIL SA BANCO MULTIPLO Total	28,675	7
HSBC BANK PLC Total	2,925,389	19,481
HSBC SECURITIES Total	3,290,052	3,177
HSBC SECURITIES (USA) INC. Total	3,260,379	4,026
HSBC SECURITIES INDIA HOLDINGS Total	682,378	2,557
IC SECURITIES (GH) LIMITED Total	450,229	1,512
ICAP DO BRASIL DTVM LTDA Total	2,244,994	6,787
ICBC FINCL SVCS, EQUITY CLEARANCE Total	3,213	19
ICHIYOSHI SECURITIES CO.,LTD. Total	47,143	131
ICICI BROKERAGE SERVICES Total	366,124	731
IM TRUST S.A. CORREDORES DE BOLSA Total	84,186	345
IMPERIAL CAPITAL LLC Total	\$ 2,163	\$ 64

**New York City
Police Pension Fund
Broker Commission Report**

Fiscal Year beginning July 1, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
INDUSTRIAL AND COMMERCIAL BANK Total	\$ 18,361	\$ 785
INSTINET Total	2,483,526	29,786
INSTINET AUSTRALIA CLEARING SRVC PTY LTD Total	940,557	1,567
INSTINET LLC Total	2,618,683	8,053
INSTINET PACIFIC LIMITED Total	38,035,238	19,572
INSTINET SINGAPORE SERVICES PT Total	5,330,476	6,759
INSTINET U.K. LTD Total	19,882,021	79,789
INTERCAPITAL SECURITIES LTD. Total	3,973	337
INTL FC STONE SECURITIES INC Total	21,401	1,070
INVESTEC BANK PLC Total	13,218,998	2,941
INVESTEC SECURITIES LTD Total	287,121	889
INVESTMENT TECHNOLOGY GROUP INC. Total	10,537,667	111,830
INVESTMENT TECHNOLOGY GROUP LTD Total	2,623,598	17,698
ISI GROUP INC Total	4,756,599	79,282
ITG AUSTRALIA LTD. Total	1,951,119	1,667
ITG CANADA Total	35,351	218
ITG INC Total	23,642	274
ITG INC. Total	197,014	1,898
ITG SECURITIES (HK) LTD Total	12,665,849	4,483
IVY SECURITIES, INC. Total	302,236	9,947
J P MORGAN INDIA PRIVATE LTD Total	160,990	122
J P MORGAN SECURITIES INC Total	1,285,252	1,762
J.P. MORGAN CLEARING CORP. Total	2,998,556	19,121
J.P. MORGAN SECURITIES (TAIWAN) LTD Total	3,340,000	1,332
J.P. MORGAN SECURITIES INC. Total	1,515,934	39,699
J.P. MORGAN SECURITIES LIMITED Total	12,256	158
J.P.MORGAN SECURITIES(FAR EAST)LTD SEOUL Total	60,780	3,867
JANNEY MONTGOMERY, SCOTT INC Total	82,722	2,068
JEFFERIES + COMPANY INC Total	2,436,361	33,590
JEFFERIES HONG KONG LIMITED Total	43,475	10
JEFFERIES INDIA PRIVATE LIMITED Total	796,230	2,585
JEFFERIES INTERNATIONAL LTD Total	25,487,059	15,588
JMP SECURITIES Total	56,871	2,253
JNK SECURITIES INC Total	5,698	184
JOH BERENBERG GOSSLER AND CO Total	188,625	5,436
JOHNSON RICE & COMPANY LLC Total	94,564	3,785
JOHNSON RICE + CO Total	8,760	260
JONESTRADING INSTITUTIONAL SERVICES LLC Total	455,966	9,612
JP MORGAN SECURITIES AUSTRALIA LTD Total	68,010	71
JP MORGAN SECURITIES PLC Total	\$ 5,355,993	\$ 29,612

**New York City
Police Pension Fund
Broker Commission Report**

Fiscal Year beginning July 1, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
JP MORGAN SECURITIES SINGAPORE Total	\$ 858,403	\$ 74
JPMORGAN CHASE BANK NA LONDON Total	46,557	223
JPMORGAN SECURITIES(ASIA PACIFIC)LTD Total	7,283,641	8,721
KB SECURITIES N V Total	149,754	2,067
KCG AMERICAS LLC Total	432,457	2,655
KEEFE BRUYETTE + WOODS INC Total	246,539	8,754
KEMPEN + CO N.V. Total	55,039	745
KEPLER EQUITIES PARIS Total	28,512	1,488
KEYBANC CAPITAL MARKETS INC Total	499,734	21,878
KING, CL,& ASSOCIATES, INC Total	3,656,990	108,413
KINGSWAY FINANCIAL SVCS GROUP LTD Total	342,223	702
KNIGHT EQUITY MARKETS L.P. Total	718,126	26,496
KNIGHT SECURITIES INTERNATIONAL Total	469,733	1,193
KOREA INVESTMENT AND SECURITIES CO., LTD Total	7,222	3,588
KOTAK SECURITIES LTD Total	619,017	6,801
LADENBURG THALMAN + CO Total	9,856	221
LARRAIN VIAL Total	2,845,248	872
LEERINK PARTNERS LLC Total	27,176	984
LEK SECURITIES CORP Total	11,000	550
LIQUIDNET EUROPE LIMITED Total	112,530	437
LIQUIDNET INC Total	8,099,925	160,295
LONGBOW SECURITIES LLC Total	21,995	860
LOOP CAPITAL MARKETS Total	19,715,167	177,976
LOOP CAPITAL MARKETS LLC Total	119,984	1,199
LUMINEX TRADING AND ANALYTICS LLC Total	6,324	15
M RAMSEY KING SECURITIES INC Total	46,189	1,374
M RAMSEY KING SECURITIES, INC. Total	938,168	13,286
MACQUARIE BANK LIMITED Total	13,261,810	24,149
MACQUARIE CAPITAL (USA) INC Total	19,577	409
MACQUARIE SEC NZ LTD Total	53,593	107
MACQUARIE SECURITIES (INDIA) PVT LTD Total	175,647	3,143
MACQUARIE SECURITIES (USA) INC Total	116,802	3,520
MACQUARIE SECURITIES LTD SEOUL Total	239,542	12,195
MAINFIRST BANK DE Total	102,323	2,782
MAXIM GROUP Total	39,562	1,561
MERRILL LYNCH Total	327,593	16,379
MERRILL LYNCH AND CO INC Total	3,440,927	6,817
MERRILL LYNCH CORREDORES DE BOLSA S.A. Total	570,166	5
MERRILL LYNCH INTERNATIONAL Total	51,886,959	123,954
MERRILL LYNCH PIERCE FENNER + SMITH INC Total	\$ 17,001,081	\$ 136,304

**New York City
Police Pension Fund
Broker Commission Report**

Fiscal Year beginning July 1, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
MERRILL LYNCH PIERCE FENNER AND S Total	\$ 9,377,538	\$ 18,543
MERRILL LYNCH PROFESSIONAL CLEARING CORP Total	92,154	4,152
MERRILL LYNCH, PIERCE FENNER SMITH Total	25,463	1,273
MILLER TABAK ROBERTS SECS LLC Total	1,845	73
MISCHLER FINANCIAL GROUP, INC-EQUITIES Total	163,998	2,092
MITSUBISHI UFJ SECURITIES Total	6,400	256
MITSUBISHI UFJ SECURITIES (USA) Total	8,578	317
MITSUBISHI UFJ SECURITIES INT PLC Total	11,188	1,651
MIZUHO CORPORATE BANK LTD HONG KONG BCH Total	5,409	49
MIZUHO SECURITIES ASIA LIMITED Total	155,414	2,678
MIZUHO SECURITIES USA INC Total	99,299	2,485
MIZUHO SECURITIES USA INC. Total	35,996	1,442
MKM PARTNERS LLC Total	88,532	3,849
MONNESS, CRESPI, HARDT & CO. INC Total	161,625	8,081
MONTROSE SECURITIES EQUITIES Total	609,896	20,889
MORGAN STANLEY AND CO INTERNATIONAL Total	119,032	9,343
MORGAN STANLEY AND CO INTL TAIPEI METRO Total	8,234,739	9,285
MORGAN STANLEY AND CO. INTERNATIONAL Total	4,621,072	21,481
MORGAN STANLEY ASIA LTD Total	513,460	1,612
MORGAN STANLEY CO INCORPORATED Total	29,055,546	156,435
MORGAN STANLEY H.K. SECURITIES LTD Total	169,200	75
MORGAN STANLEY INDIA COMPANY PVT LTD Total	951,725	3,746
NATIONAL FINANCIAL SERVICES CORP. Total	651,776	9,295
NATIXIS SECURITIES Total	124,233	3,333
NEEDHAM +COMPANY Total	46,766	1,539
NEEDHAM AND COMPANY LLC Total	139,344	5,330
NESBITT BURNS Total	79,852	1,802
NIGERIAN STOCK EXCHANGE,THE Total	79,981	397
NOBLE INTERNATIONAL INVESTMENTS INC. Total	13,631	383
NOMURA FINANCIAL ADVISORY + SEC INDIA Total	1,425,337	11,341
NOMURA FINANCIAL AND INVESTMENT Total	68,111	684
NOMURA SECURITIES CO LTD Total	651,242	310
NORDEA BANK FINLAND PLC Total	96,366	839
NORTH SOUTH CAPITAL LLC Total	28,622	1,032
NORTHLAND SECURITIES INC. Total	99,038	3,901
NUMIS SECURITIES LIMITED Total	124,190	417
O NEIL, WILLIAM AND CO. INC/BCC CLRG Total	20,424	612
ODDO ET CIE Total	4,559	372
OLIVETREE USA LLC Total	4,830	241
OPPENHEIMER + CO. INC. Total	\$ 450,425	\$ 21,148

**New York City
Police Pension Fund
Broker Commission Report**

Fiscal Year beginning July 1, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
ORD MINNETT LIMITED Total	\$ 16,391	\$ 35
PAREL Total	46,165	4,309
PAVILION GLOBAL MARKETS LTD Total	1,904,393	6,921
PEEL HUNTLLP Total	16,583	14
PENSERRA SECURITIES Total	2,263,868	54,240
PENSERRA SECURITIES LLC Total	294,887	1,962
PEP SERV NOMS Total	2,845	142
PERSHING LLC Total	8,511,943	41,071
PERSHING SECURITIES LIMITED Total	1,718,207	7,970
PICKERING ENERGY PARTNERS, INC Total	19,346	677
PIPER JAFFRAY Total	314,210	13,988
PIPER JAFFRAY LTD Total	9,975	498
PRIVREDNABANKA ZAGREB Total	-	-
RABOBANK NETHERLAND Total	1,159	16
RAYMOND JAMES AND ASSOCIATES INC Total	835,638	36,137
RBC CAPITAL MARKETS Total	1,193,730	32,084
RBC DOMINION SECURITIES INC. Total	182,737	3,862
REDBURN PARTNERS LLP Total	2,332,314	14,498
ROBERT W.BAIRD CO.INCORPORATE Total	971,512	38,651
ROSENBLATT SECURITIES LLC Total	5,832	143
ROTH CAPITAL PARTNERS LLC Total	27,412	1,071
ROYAL BANK OF CANADA EUROPE LTD Total	853,807	3,888
SALOMAN BROS Total	1,739	86
SAMSUNG SECURITIES CO LTD Total	343,918	8,451
SAMUEL A RAMIREZ & COMPANY INC Total	128,936	966
SANDLER ONEILL + PART LP Total	25,327	775
SANDLER ONEILL AND PARTNERS L.P. Total	23,774	808
SANFORD C. BERNSTEIN AND CO. LLC Total	4,150,331	15,594
SANFORD C. BERNSTEIN LTD Total	1,718,261	22,453
SANFORD CBERNSTEIN CO LLC Total	1,321,677	30,344
SANTANDER CENTRAL HISPANO BOLSA Total	827,598	2,665
SCOTIA CAPITAL (USA) INC Total	35,267	1,234
SEAPORT GROUP SECURITIES, LLC Total	125,753	2,386
SG AMERICAS SECURITIES LLC Total	1,102,227	4,609
SG ASIA SECURITIES (INOIA) PVT LTD Total	1,553,500	4,731
SG SECURITIES (LONDON) LTD. Total	3,559,499	1,279
SG SECURITIES HK Total	49,354,200	18,408
SHENYIN AND WANGUO SECURITIES CO. LTD Total	622,856	585
SIDOTI + COMPANY LLC Total	164,034	5,961
SKANDINAVISKA ENSKILDA BANKEN Total	\$ 16,744	\$ 189

**New York City
Police Pension Fund
Broker Commission Report**

Fiscal Year beginning July 1, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
SMBC NIKKO CAPITAL MARKETS LIMITED Total	\$ 128,636	\$ 5,930
SMBC NIKKO SECURITIES (HONK KONG) LTD Total	529,524	1,625
SOCIETE GENERALE LONDON BRANCH Total	7,150,306	17,324
SPARK CAPITAL ADVISORS (INDIA) PRIV LTD Total	33,166	151
SPEAR, LEEDS AND KELLOGG Total	273,097	5,402
STATE STREET BANK AND TRUST COMPANY Total	1,211,897	11,198
STATE STREET GLOBAL MARKETS Total	1,700	17
STATE STREET GLOBAL MARKETS, LLC Total	650,943	10,041
STEPHENS, INC. Total	376,378	16,324
STERNE AGEE & LEACH INC. Total	79,944	3,736
STIFEL NICOLAUS + CO INC Total	703,061	26,853
STIFEL, NICOLAUS AND COMPANY, INCORPORAT Total	8,050	402
STRATEGAS SECURITIES LLC Total	22,929	936
STUART FRANKEL + CO INC Total	24,558	979
STURDIVANT AND CO., INC. Total	360,430	18,021
SUNTRUST CAPITAL MARKETS INC Total	1,366	60
SUNTRUST CAPITAL MARKETS, INC. Total	437,696	16,033
TAIWAN DEPOSITORY CLEARING CORPORATION Total	1,651,040	2,796
TD SECURITIES (USA) LLC Total	1,400	14
TELSEY ADVISORY GROUP LLC Total	637,661	24,585
TERA MENKUL DEGERLER A.S. Total	254,529	219
THE HONGKONG AND SHANGHAI BANK Total	65,610	1,428
THE VERTICAL TRADING GROUP Total	5,904	190
TOPEKA CAPITAL MARKETS INC Total	1,548,634	23,737
TOPLINE SECURITIES PVT LTD. Total	3,630,148	7,778
TUNISIE VALEURS Total	26,733	558
UBS AG Total	22,767,511	32,760
UBS LIMITED Total	18,132,692	65,218
UBS SECURITIES ASIA LTD Total	20,022,966	27,310
UBS SECURITIES CANADA INC Total	236,469	1,058
UBS SECURITIES INDIA PRIVATE LTD Total	46,621	1,895
UBS SECURITIES LLC Total	6,459,390	42,418
UBS SECURITIES PTE.LTD Total	4,821,972	2,758
UBS SECURITIES PTE.LTD., SEOUL Total	45,221	11,303
UBS WARBURG AUSTRALIA EQUITIES Total	176,708	502
VANDHAM SECURITIES CORP Total	\$ 344	\$ 10

**New York City
Police Pension Fund
Broker Commission Report**

Fiscal Year beginning July 1, 2015

Report includes the following period: June 2016

Broker Name	Shares/Par Value	Base Commission
WEDBUSH MORGAN SECURITIES INC Total	\$ 534,766	\$ 13,517
WEEDEN + CO. Total	3,832,006	42,338
WELLS FARGO PRIME SERVICES, LLC Total	328,333	2,461
WELLS FARGO SECURITIES LLC Total	234,301	2,878
WELLS FARGO SECURITIES, LLC Total	721,869	22,204
WILLIAM BLAIR & COMPANY L.L.C Total	606,111	24,927
WILLIAMS CAPITAL GROUP LP (THE) Total	2,170,760	38,645
WOORI INVESTMENT SECURITIES Total	35,143	1,262
WUNDERLICH SECURITIES INC Total	103,169	4,332
WUNDERLICH SECURITIES INC. Total	100,365	4,019
XP INVESTIMENTOS CCTVM SA Total	295,425	1,736
YAMNER & CO INC (CLS THRU 443) Total	72,578	725
Grand Total	\$ 961,001,126	\$ 4,076,243

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New York City

Police Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York



Actuarial Section

Part IV

fiscal year ended

June 30, 2016

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OFFICE OF THE ACTUARY

255 GREENWICH STREET • 9TH FLOOR
NEW YORK, NY 10007
(212) 442-5775 • FAX: (212) 442-5777

SHERRY S. CHAN
CHIEF ACTUARY

December 20, 2016

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, 2016

Dear Members of the Board of Trustees:

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 by establishing 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, 2014 (Lag) actuarial valuation to determine Fiscal Year 2016 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 2016, the Actuarial Contributions to POLICE, are equal to those recommended by the Actuary of the New York City Pension Funds and Retirement Systems (the Actuary) and represent the Statutory Contributions.

During June 2012 the Governmental Accounting Standards Board (GASB) released two 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).

On October 11, 2016, the Actuary published the "GASB 67/68 Report for the City of New York and the New York City Retirement Systems For Fiscal Year Ended June 30, 2016" (the Fiscal Year 2016 GASB67/68 Report). Appendix D of the Fiscal Year 2016 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, 2014 (Lag) Actuarial Valuation." These actuarial assumptions and methods (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 2012 A&M were developed after reviewing the results of independent actuarial studies dated December 2011 by the 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 the Plan 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.

In October 2015 the independent actuarial auditor, Gabriel, Roeder, Smith & Company (GRS), issued a report on their NYC Charter-mandated actuarial experience studies for the four-year and ten-year periods ended June 30, 2013 (the GRS Report).

Based, in part, on the GRS Report, on published studies of mortality improvement, and on input from the City's outside consultants and auditors, the Actuary proposed, and the Board of Trustees of POLICE adopted, new post-retirement mortality tables for use in determining employer contributions beginning in Fiscal Year 2016. The new tables of post-retirement mortality are based primarily on the experience of POLICE (the Base Tables) and the application of Mortality Improvement Scale MP-2015, published by the Society of Actuaries in October 2015 (the Valuation Tables). Scale MP-2015 replaced Mortality Improvement Scale AA.

In addition, beginning in Fiscal Year 2016, the Actuary revised the Actuarial Asset Valuation Method to constrain the Actuarial Asset Value to be within a 20% corridor of the Market Value of Assets.

The 2012 A&M reflecting the above revisions is referred to as the "2016 A&M."

Tier III assumptions are applied to members hired on and after July 1, 2009 (i.e., Tier III and Tier III Revised (where Tier III Revised is also known as Tier 6 members)).

These actuarial assumptions and methods (2016 A&M) used for funding purposes meet the parameters set by the Actuarial Standards of Practice (ASOPs).

Benefits and Census Data

A summary of the benefits applicable to Plan members included in the June 30, 2014 (Lag) actuarial valuation is shown later in this Actuarial Section of the CAFR.

Census data is submitted by the Plan's administrative staff and by the employer's payroll facilities and is reviewed by the Office of the Actuary (OA) for consistency and reasonability.

A summary of the census data used in the June 30, 2014 (Lag) actuarial valuation is included in this CAFR. A summary of the census data used in the June 30, 2013 (Lag) actuarial valuation of the Plan is available in the June 30, 2015 CAFR.

Funded Status

The Funded Status of the Plan is usually expressed by the relationship of Assets to Liabilities.

With respect to the Funded Status of the Plan, included in the Actuarial Section of the CAFR is a schedule of Funded Status based on the Entry Age Actuarial Cost Method (Table 11).

Also included in the Actuarial Section of the CAFR is a Solvency Test (i.e., Comparative Summary of Aggregate Accrued Liabilities Funded by Actuarial Value of Assets) (Table 12) as prescribed by the Government Finance Officers Association (GFOA). This Solvency Test represents an alternative approach to describing progress toward funding objectives.

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

- Summary of Actuarial Assumptions and Methods in Effect for the June 30, 2014 (Lag) Actuarial Valuation.
- Active Member Valuation Data.
- Summary of Plan Membership.
- 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 Aggregate Accrued Liabilities Funded by Actuarial Value of Assets – Solvency Test.
- Summary of Plan Provisions.

The following items in the Financial Section of the CAFR were also prepared by the OA:

- Membership Data.
- Net Pension Liability.
- Actuarial Assumptions and Methods.
- Schedule of Changes in Employer's Net Pension Liability and Related Ratios.
- Schedule of Employer Contributions.

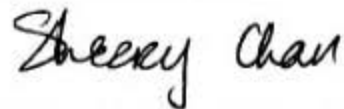
If you have any questions about any of the information in this Actuarial Section or any of the actuarial information presented elsewhere in this CAFR, please do not hesitate to contact Mr. Michael J. Samet, Mr. Edward Hue or me.

Board of Trustees
New York City Police Pension fund
December 20, 2016
Page 6

Acknowledgement of Qualification

I, Sherry S. Chan, am the Chief Actuary for, and independent of, the New York City Pension Funds and Retirement Systems. I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting 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. To the best of my knowledge, the results contained herein have been prepared in accordance with generally accepted actuarial principles and procedures and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

Respectfully submitted,



Sherry S. Chan, FSA, FCA, MAAA
Chief Actuary

SSC: mm

Att:

cc: Mr. Kevin Holloran - New York City Police Pension Fund
Mr. Edward Hue - New York City Office of the Actuary
Mr. Sam Runley - New York City Office of the Actuary
Mr. Michael Samet - New York City Office of the Actuary
Ms. Bavakutty Sunny - New York City Police Pension Fund

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NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2014 (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.

Also, in accordance with the Administrative Code of the City of New York (ACNY), 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.

The most recently completed study was published by Gabriel Roeder Smith & Company (GRS) dated October 2015 and analyzed experience for Fiscal Years 2010 through 2013. GRS made recommendations with respect to the actuarial assumptions and methods based on their analysis.

Based, in part, on the GRS Report, on published studies of mortality improvement, and on input from the City's outside consultants and auditors, the Actuary proposed, and the POLICE Board of Trustees adopted, new post-retirement mortality tables for use in determining employer contributions beginning in Fiscal Year 2016. The new tables of post-retirement mortality are based primarily on the experience of POLICE (the Base Tables) and the application of Mortality Improvement Scale MP-2015, published by the Society of Actuaries in October 2015 (the Valuation Tables). Scale MP-2015 replaced Mortality Improvement Scale AA.

In addition, beginning in Fiscal Year 2016, the Actuary revised the Actuarial Asset Valuation Method to constrain the Actuarial Asset Value to be within a 20% corridor of the Market Value of Assets.

The previously completed studies were published by The Hay Group (Hay), dated December 2011 and by The Segal Company (Segal), dated November 2006. Hay analyzed experience for Fiscal Years 2006 through 2009 and made recommendations with respect to the actuarial assumptions and methods based on their analysis. Segal analyzed experience for Fiscal Years 2002 through 2005 and made recommendations with respect to the actuarial assumptions and methods based on their analysis.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION (Cont'd)

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 withdrawing from Active Service due to Death or Disability, in Table 3 for members withdrawing from Active Service without employer-provided benefits or with Vested Benefits and in Table 4 for members retiring after eligibility for Service 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.
- (6) Overtime earnings are also used to estimate salaries at termination, retirement or death. Sample percentage increases from the base salary in the Baseline Overtime assumptions and the Dual Overtime assumptions (i.e., the assumption for overtime for the years included in the calculation of Final Salary or Final Average Salary) effective beginning with the June 30, 2010 (Lag) actuarial valuation are shown in Table 6.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION (Cont'd)

- (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 assumption is 1.5% per annum for Auto COLA and 2.5% per annum for escalation.
- (8) The valuation assumes a closed group of members.
- (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, 2014 (LAG) ACTUARIAL VALUATION (Cont'd)

- (10) One-Year Lag Methodology (Lag or OYLM) uses a June 30, XX-2 valuation date to determine Fiscal Year XX Employer Contributions.

The June 30, 2014 (Lag) actuarial valuation uses a June 30, 2014 valuation date to determine Fiscal Year 2016 Employer Contributions.

This methodology requires technical adjustments to certain components used to determine Fiscal Year 2016 Employer Contributions as follows:

- Present Value of Future Salary (PVFS)

The PVFS at June 30, 2014 is reduced by the value of salary projected to be paid during Fiscal Year 2015.

- Salary for Determining Employer Contributions

Salary used to determine the employer normal contribution is the salary projected to be paid during Fiscal Year 2016 to members on payroll at June 30, 2014.

- UAAL Payments

For determining the UAAL payments for Fiscal Year 2016, and to be consistent with OYLM, the UAAL as of June 30, 2014 is adjusted by the discounted value of employer normal contributions paid during Fiscal Year 2015 and the discounted value of the administrative expenses reimbursed during Fiscal Years 2015 and 2016.

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

Beginning with the June 30, 2012 (Lag) actuarial valuation, the Actuarial Asset Valuation Method (AAVM) recognizes investment returns greater or less than expected over a period of six years.

In accordance with this AAVM, actual Unexpected Investment Returns (UIR) are phased into the AAV at rates of 15%, 15%, 15%, 15%, 20% and 20% per year, respectively, (i.e., cumulative rates of 15%, 30%, 45%, 60%, 80% and 100%).

Beginning with the June 30, 2014 (Lag) actuarial valuation, the AAV is constrained to be within a 20% corridor of the Market Value.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION (Cont'd)

- (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) The APVB as of June 30, 2014, used to determine the Fiscal Year 2016 Employer Contributions, includes estimates of liabilities for World Trade Center (WTC) Post-Retirement Reclassifications.
- (14) As discussed herein, the actuarial assumptions and methods are unchanged from those used in the June 30, 2013 (Lag) actuarial valuation except for the adoption of revised post-retirement mortality Tables and a 20% corridor constraining the Actuarial Asset Value as described in sections (1) and (11) above, respectively.

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 1a				
Deaths among Service and Disability Pensioners				
Percentage of Pensioners Dying within Next Year				
Age	Service Pensioners		Disability Pensioners	
	Males	Females	Males	Females
40	0.0856%	0.0573%	0.1388%	0.0691%
45	0.1344	0.1002	0.2089	0.1305
50	0.1995	0.1938	0.3860	0.2646
55	0.5175	0.3406	0.6305	0.4865
60	0.7655	0.5317	0.9480	0.6255
65	1.1153	0.7739	1.3130	0.9356
70	1.8286	1.2155	2.2450	1.5714
75	3.0317	2.2554	3.6136	2.7691
80	5.0953	3.7065	5.9941	4.7161
85	8.4494	6.2035	10.0934	7.8681
90	14.2368	10.2717	17.3879	12.9631
95	22.7565	17.2618	26.1305	18.7612
100	31.4230	21.6851	34.2380	21.9277
105	37.5244	27.6686	37.7237	27.6686
110	100.0000	100.0000	100.0000	100.0000

Society of Actuaries Mortality Improvement Scale MP-2015 is applied to these rates.

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
(Cont'd)**

<p align="center">Table 1b Deaths among Beneficiaries Percentage of Beneficiaries Dying within Next Year</p>		
Age	Males	Females
20	0.0229%	0.0131%
25	0.0305	0.0183
30	0.0410	0.0265
35	0.0721	0.0505
40	0.0947	0.0687
45	0.2684	0.1202
50	0.4203	0.2512
55	0.8245	0.4448
60	1.0827	0.7377
65	1.4619	1.0274
70	1.9843	1.4161
75	2.9181	2.2280
80	5.3467	3.7564
85	8.2155	6.2437
90	14.2568	10.7174
95	22.8721	18.1287
100	31.4230	21.7021
105	37.5244	27.6686
110	100.0000	100.0000

Society of Actuaries Mortality Improvement Scale MP-2015 is applied to these rates.

NEW YORK CITY POLICE PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 2a					
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					
Age	Accidental Disability	Ordinary Disability	Ordinary Death		Accidental Death
			Males	Females	
20	0.150%	0.050%	0.040%	0.030%	0.010%
25	0.200	0.075	0.040	0.030	0.010
30	0.500	0.100	0.040	0.030	0.010
35	1.000	0.125	0.040	0.030	0.015
40	1.250	0.150	0.050	0.040	0.020
45	1.500	0.175	0.100	0.070	0.025
50	2.000	0.200	0.150	0.100	0.030
55	3.000	0.800	0.200	0.150	0.035
60	5.000	6.000	0.300	0.200	0.040

Table 2b					
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					
Age	Accidental Disability	Ordinary Disability	Ordinary Death		Accidental Death
			Males	Females	
20	0.300%	0.050%	0.040%	0.030%	0.010%
25	0.400	0.075	0.040	0.030	0.010
30	1.000	0.100	0.040	0.030	0.010
35	2.000	0.125	0.040	0.030	0.015
40	2.500	0.150	0.050	0.040	0.020
45	3.000	0.175	0.100	0.070	0.025
50	4.000	0.200	0.150	0.100	0.030
55	6.000	0.800	0.200	0.150	0.035
60	10.000	6.000	0.300	0.200	0.040

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
 IN EFFECT FOR THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
 (Cont'd)

Table 2c Withdrawals from Active Service (Due to Death or Disability) Tier III and Tier III Revised Members Percentage of Active Members Separating within Next Year					
Age	Accidental Disability	Ordinary Disability	Ordinary Death		Accidental Death
			Males	Females	
20	0.150%	0.050%	0.040%	0.030%	0.010%
25	0.200	0.075	0.040	0.030	0.010
30	0.500	0.100	0.040	0.030	0.010
35	1.000	0.125	0.040	0.030	0.015
40	1.200	0.150	0.050	0.040	0.020
45	1.300	0.175	0.100	0.070	0.025
50	1.500	0.200	0.150	0.100	0.030
55	2.000	0.800	0.200	0.150	0.035
60	3.000	6.000	0.300	0.200	0.040

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 3			
Withdrawals from Active Service			
Percentage of Active Members Withdrawing within Next Year			
Years of Service	All Tiers Withdrawal	Tier III and Tier III Revised Early Service Retirement	
		Reduced Retirement	Unreduced Before Full Escalation
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	0.30	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, 2014 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 4 Percentage of Eligible Active Members Retiring For Service With Unreduced Benefits within Next Year			
Age	Service Retirement Years of Service Since First Eligible		
	0-1	1-2	2+
40	60.00%	15.00%	10.00%
45	60.00	15.00	10.00
50	60.00	15.00	15.00
55	60.00	15.00	15.00
60	60.00	20.00	20.00
63	100.00	100.00	100.00

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 5 Salary Scale	
Years of Service	Assumed Annual Percentage Increases Within Next Year*
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, 2014 (LAG) ACTUARIAL VALUATION
 (Cont'd)

Table 6					
Overtime					
Years of Service	All Tiers Baseline	Tier I/II Dual Service	Tier I/II Dual Disability	Tier III/ Tier III Revised Dual Service	Tier III/ Tier III Revised Dual Disability
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

Valuation Date	Number	Annual Payroll ⁽¹⁾	Annual Average Pay	Percentage Increase (Decrease) in Average Pay
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) ⁽²⁾	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)	34,775	3,607,606,894	103,741	2.1
6/30/14 (Lag)	34,402	3,618,095,284	105,171	1.4

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

NEW YORK CITY POLICE PENSION FUND

As of the June 30, 2014 (Lag) and June 30, 2013 (Lag) actuarial valuations, the Plan's Membership consisted of:

Table 8		
SUMMARY OF PLAN MEMBERSHIP		
Group	June 30, 2014 (Lag)	June 30, 2013 (Lag)
Retirees and beneficiaries currently receiving benefits	48,212	46,950
Terminated vested members not yet receiving benefits	572	715
Other Inactives*	1,369	1,287
Active members	34,402	34,775
Total	84,555	83,727

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

NEW YORK CITY POLICE PENSION FUND

Table 9								
RETIRANTS AND BENEFICIARIES ADDED TO AND REMOVED FROM ROLLS								
	Added to Rolls		Removed from Rolls		Rolls end of Year			
Year Ended	Number	Annual Allowances ⁽¹⁾	Number	Annual Allowances	Number	Annual Allowances ⁽²⁾	% Increase in Annual Allowances	Average Annual Allowances
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
6/30/13	1,346	99,488,158	1,034	33,621,831	46,950	2,072,064,366	3.3	44,133
6/30/14	2,220	144,660,995	958	32,759,640	48,212	2,183,965,721	5.4	45,299

⁽¹⁾ 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.

⁽²⁾ 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.

NEW YORK CITY POLICE PENSION FUND

Table 10			
STATUTORY VS ACTUARIAL CONTRIBUTIONS			
(Dollar Amounts in Thousands)			
Fiscal Year Ended	Statutory Contribution⁽¹⁾	Actuarial Contribution	Employer Rate of Contribution⁽²⁾
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
6/30/15	2,309,619	2,309,619	65.749
6/30/16	2,393,940	2,393,940	67.619

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

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.

⁽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

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.

Table 11						
FUNDED STATUS BASED ON ENTRY AGE ACTUARIAL COST METHOD						
(Dollar Amounts in Thousands)						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) ⁽¹⁾ - Entry Age (b)	Unfunded AAL (UAAL) - Entry Age (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
June 30, 2014 (Lag) ⁽²⁾	\$29,212,981	\$44,384,022	\$15,171,041	65.8%	\$3,618,095	419.3%
June 30, 2013 (Lag) ⁽²⁾	29,087,154	43,900,094	14,812,940	66.3	3,607,607	410.6
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	71.9	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 investment expenses.

NEW YORK CITY POLICE PENSION FUND

**COMPARATIVE SUMMARY OF AGGREGATE ACCRUED LIABILITIES FUNDED
BY ACTUARIAL VALUE OF ASSETS**

Table 12

SOLVENCY TEST

(Dollar Amounts in Thousands)

As of June 30	Aggregate Accrued Liabilities for			Actuarial Value of Assets	Percentage of Aggregate Accrued Liabilities Funded by Actuarial Value of Assets		
	Accumulated Member Contributions	Current Retirants and Beneficiaries	Active Members' Employer Financed Portion		(A)	(B)	(C)
	(A)	(B)	(C)		(A)	(B)	(C)
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
2013 (Lag)	2,741,297	23,991,098	17,907,612	29,087,154	100	100	13
2014 (Lag)	2,978,441	26,373,360	15,820,520	29,212,981	100	99	0

Also, see following "SOLVENCY TEST - NOTES."

NEW YORK CITY POLICE PENSION FUND

COMPARATIVE SUMMARY OF AGGREGATE ACCRUED LIABILITIES FUNDED BY ACTUARIAL VALUE OF ASSETS

SOLVENCY TEST - NOTES

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

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

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

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

The values in the table are dependent upon census data, benefit levels (which have changed on occasion over the past years), and the actuarial assumptions and methods employed at each valuation date. The two most recent changes in assumptions and methods occurred in the June 30, 2014 (Lag) valuation used to compute the Employer Contributions for Fiscal Year 2016 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. 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. Prior to the June 30, 2010 (Lag) actuarial valuation, the Actuarial Interest Rate assumption was 8% per annum, gross of expenses.

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, 2014 (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, 2014.

DEFINITIONS

Accumulated Deductions - The total contributions made by a Tier I or Tier II member (i.e., a member joining prior to July 1, 2009) to his/her annuity savings account, with regular and special interest thereon.

Reserve for Increased Take Home Pay (ITHP) - For Tier I and Tier II members, 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 (ACNY), 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 - For Tier I and Tier II members, 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 20%, the amount in excess of 20% is excluded from the computation.

For a member who joined after June 30, 1973 and prior to July 1, 2009, Final Salary equals the salary earned during the one-year period prior to retirement or any three consecutive years which provide the highest average salary. If calculating the Final Salary using the one-year period prior to retirement, the salary in the one-year period prior to retirement cannot exceed 120% of the previous twelve months salary. If calculating the Final Salary using three consecutive calendar years, the salaries earned in any of these years cannot exceed the average of the salaries in the previous two years by more than 20%.

SUMMARY OF PLAN PROVISIONS
(Cont'd)

For a member who joined on and after July 1, 2009 and prior to April 1, 2012 (i.e., Tier III), Final Salary equals the average of the salaries earned in any three consecutive years which provide the highest average salary. The salary earned in any of these years cannot exceed the average of the salaries in the previous two years by more than 10%.

For a member who joined on or after April 1, 2012 (i.e., Tier 6, referred to herein as Tier III Revised), Final Salary equals the average of the salaries earned in any five consecutive years which provide the highest average salary. The salary earned in any of these years cannot exceed the average of the salaries in the previous four years by more than 10%.

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

For Tier I and Tier II members, 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. Tier I and Tier II 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 and Tier III Revised members.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS

(Cont'd)

BENEFITS

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

I. SERVICE RETIREMENT

- Tier I and Tier II Members

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

According to the member's election when joining 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.

Upon retirement after having become eligible for service retirement, 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) an annual pension for ITHP which is the actuarial equivalent of the reserve for ITHP, and
 - (ii) 1/60 of average salary for the period of service after the completion of the member's minimum required service for each year of such service.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS

(Cont'd)

- Tier III 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 on and after completing 20 years of police service. For Tier III members only, Early Service Retirement is also available upon attaining age 62. 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 the member's Final Salary if completed 10 or more years of City service, or $1/3$ of the member's Final Salary if completed less than 10 years of City service.

For Tier III and Tier III Revised members, in order to be eligible for ordinary disability retirement, 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: $33\frac{1}{3}\%$ 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, if any.

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 within such dates. 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 and Tier III Revised members who have incurred a line-of-duty disability, an accidental disability allowance is payable equal to 50% of Final Salary less 50% of the Social Security Disability Benefit attributable to City service, if any, less 100% of Workers' Compensation benefits, if any.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS (Cont'd)

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.

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.

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 and before July 1, 2009 is covered for a death benefit upon completion of 90 days of service. The amount of the death benefit is equal to three times the 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, if he had joined before July 1, 1973, or had retired on the day of his death, if he had joined after June 30, 1973 and before July 1, 2009, whichever is larger.

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

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS (Cont'd)

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 surviving spouse for life, or if there is no surviving spouse, to a child, or children until the attainment of age 18 or age 23 if a full-time student, or if there is no surviving spouse or child, to the dependent parents.

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

In addition, Section 208-f of the General Municipal Law (GML) provides for Special Accidental Death Benefits (SADB) to be paid to eligible beneficiaries of certain members who died as a natural and proximate result of an accident sustained in the performance of duty.

Under GML Section 208-f, the basic SADB is defined to equal:

- The salary of the deceased member at date of death (or, in certain instances, a greater salary based on rank or other status) (Final Salary),

Reduced by:

- Any accidental death benefit paid as adjusted by any Cost-of-Living Adjustment (COLA), and
- Any death benefit paid by Social Security to the deceased member's eligible beneficiaries.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS

(Cont'd)

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 and Tier III Revised 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 Early Retirement Age (ERA). For Tier III members, the ERA is at the completion of 20 years of police service or at attainment of age 62. For Tier III Revised members, the ERA is at the completion of 20 years of police service. Alternatively, both Tier III and Tier III Revised members may elect to have their benefit commence at age 55, if earlier than their ERA, subject to reduction. For both Tier III and Tier III Revised members, the benefit is derived in accordance with a formula based on years of police service and subject to a reduction of 50% of the Primary Social Security Benefit (based on City service) commencing at age 62.

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 until age 18, 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 or to Tier III Revised members.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS (Cont'd)

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 Consumer Price Index for all Urban Consumers (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 COLAs.

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 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 reducing the escalation rate 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 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% or less than -3% in the event of a decrease. Cost-of-living index changes are computed on a cumulative basis so that any increases or decreases not reflected in the benefit level are carried forward and applied in subsequent years.

Tier III 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 (i.e., Tier I), 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) 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.
- (c) 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.
- (d) With respect to members who join before July 1, 2009 (Tiers I and II), 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.

NEW YORK CITY POLICE PENSION FUND

SUMMARY OF PLAN PROVISIONS

(Cont'd)

- (e) With respect to members who join July 1, 2009 and later (i.e., Tier III and Tier III Revised members), a joint and survivor annuity under which payments will be made for the life of the member with a provision that at the death of the member, a retirement allowance of 90% or less (measured in increments of not less than 10%) will be continued for the life of such other person as the member shall have designated.
- (f) With respect to members who join July 1, 2009 and later (i.e., Tier III and Tier III Revised members), upon the member's death, a retirement allowance in an amount equal to 50% or 100% of that paid to the member will be paid to that person so designated. Upon the death of said person so nominated, prior to the death of the member, the member will receive in lieu of the retirement allowance then payable, an allowance equal in amount to that which would have been payable if no optional modification of the retirement allowance were in effect (i.e., the 50% or 100% Pop-Up Option).

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New York City

Police Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York



Statistical Section

Part V

fiscal year ended

June 30, 2016

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STATISTICAL SECTION OVERVIEW

Introduction

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 show 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 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

BENEFIT EXPENSES BY TYPE (In Thousands)

Benefits Payments

Fiscal Year	Service and Disability Retirement	Ordinary Death In Service	Payments for Death after Retirement	Line of Duty Deaths	Total
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
2015	2,735,399	4,181	4,371	5,824	2,749,775
2016	\$2,865,208	\$2,257	\$7,095	\$7,663	\$2,882,223

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
6/30/05 (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
6/30/13 (Lag)	30,405	42,230	3,262	31,692	12,072	54,231
6/30/14 (Lag)	31,610	43,412	3,172	31,926	12,244	55,499

**NEW YORK CITY
POLICE PENSION FUND
SCHEDULE OF CHANGES IN NET POSITION
June 30, 2016
(in thousands)**

<u>Year</u>	<u>Additions to Plan Net Position</u>					<u>Deductions from Plan Net Position</u>				
	<u>Member</u>	<u>Employer</u>	<u>Net Investment</u>	<u>Other</u>	<u>Total</u>	<u>Benefit</u>	<u>Other</u>	<u>Administrative</u>	<u>Total</u>	<u>Change in</u>
<u>Ended</u>	<u>Contributions</u>	<u>Contributions</u>	<u>Income (Loss)</u>	<u>Income</u>	<u>Additions</u>	<u>Payments</u>	<u>Payments</u>	<u>Expenses</u>	<u>Deductions</u>	<u>Net position</u>
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
2015	241,102	2,309,619	1,098,220	4,616	3,653,557	2,749,775	590,313	17,903	2,767,678	885,879
2016	249,921	2,393,940	403,534	6,756	3,054,151	2,882,223 *	326,195	18,478	2,900,701	153,450

The table offers a 10 year comparison for the operations of the Police Pension Fund

* Transfer to QPP (75,444+250,751) 326,195 is eliminated from the total

**NEW YORK CITY
POLICE PENSION FUND
SCHEDULE OF BENEFIT EXPENSES BY TYPE
June 30, 2016**

BENEFIT PAYMENTS *(in thousands)*

Fiscal Year 6/30	Service & Disability Retirement	Ordinary Death	Death Gamble Payments	Line of Duty Deaths	Total
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
2015	2,735,399	4,181	4,371	5,824	2,749,775
2016	\$2,865,208	\$2,257	\$7,095	\$7,663	\$2,882,223

**NEW YORK CITY
POLICE PENSION FUND**

**SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT
JUNE 30, 2014 (LAG)**

SERVICE RETIREMENT

<u>AGE</u>	<u>NUMBER</u>	<u>MALE BENEFITS</u>	<u>AVERAGE</u>	<u>NUMBER</u>	<u>FEMALE BENEFITS</u>	<u>AVERAGE</u>	<u>NUMBER</u>	<u>BOTH MALE & FEMALE BENEFITS</u>	<u>AVERAGE</u>
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	0	0	0	0	0	0	0	0	0
40 TO 44	1,088	57,734,703	53,065	256	11,554,163	45,133	1,344	69,288,866	51,554
45 TO 49	3,895	212,563,090	54,573	806	37,923,424	47,051	4,701	250,486,514	53,284
50 TO 54	5,766	284,929,740	49,415	1,287	56,943,661	44,245	7,053	341,873,401	48,472
55 TO 59	3,900	183,080,321	46,944	762	32,671,776	42,876	4,662	215,752,097	46,279
60 TO 64	2,206	97,409,703	44,157	260	10,446,345	40,178	2,466	107,856,048	43,737
65 TO 69	2,968	119,710,935	40,334	86	3,189,964	37,093	3,054	122,900,899	40,243
70 TO 74	3,632	129,037,270	35,528	80	2,846,193	35,577	3,712	131,883,463	35,529
75 TO 79	2,041	62,701,002	30,721	40	1,395,315	34,883	2,081	64,096,317	30,801
80 TO 84	1,233	34,483,698	27,967	20	565,590	28,280	1,253	35,049,288	27,972
85 TO 89	827	21,894,875	26,475	19	441,077	23,215	846	22,335,952	26,402
90 & UP	431	10,570,879	24,526	7	170,128	24,304	438	10,741,007	24,523
TOTAL	27,987	1,214,116,216	43,381	3,623	158,147,636	43,651	31,610	1,372,263,852	43,412

**NEW YORK CITY
POLICE PENSION FUND**

**SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT
JUNE 30, 2014 (LAG)**

ORDINARY DISABILITY (NON-DUTY) RETIREMENT

<u>AGE</u>	<u>NUMBER</u>	<u>MALE BENEFITS</u>	<u>AVERAGE</u>	<u>NUMBER</u>	<u>FEMALE BENEFITS</u>	<u>AVERAGE</u>	<u>NUMBER</u>	<u>BOTH MALE & FEMALE BENEFITS</u>	<u>AVERAGE</u>
UNDER 30	1	19,484	19,484	2	39,134	19,567	3	58,618	19,539
30 TO 34	15	414,253	27,617	4	101,960	25,490	19	516,213	27,169
35 TO 39	40	1,305,241	32,631	19	600,318	31,596	59	1,905,559	32,298
40 TO 44	170	5,942,562	34,956	71	2,281,792	32,138	241	8,224,354	34,126
45 TO 49	206	6,650,691	32,285	124	3,640,539	29,359	330	10,291,230	31,186
50 TO 54	187	5,268,883	28,176	119	3,180,209	26,724	306	8,449,092	27,611
55 TO 59	119	2,982,156	25,060	68	1,718,332	25,270	187	4,700,488	25,136
60 TO 64	121	3,852,154	31,836	24	566,584	23,608	145	4,418,738	30,474
65 TO 69	371	8,749,299	23,583	20	424,120	21,206	391	9,173,419	23,461
70 TO 74	484	12,941,952	26,740	12	263,913	21,993	496	13,205,865	26,625
75 TO 79	280	10,282,531	36,723	11	224,682	20,426	291	10,507,213	36,107
80 TO 84	296	12,744,306	43,055	8	261,459	32,682	304	13,005,765	42,782
85 TO 89	296	12,478,038	42,156	7	246,530	35,219	303	12,724,568	41,995
90 & UP	94	3,954,791	42,072	3	134,545	44,848	97	4,089,336	42,158
TOTAL	2,680	87,586,341	32,681	492	13,684,117	27,813	3,172	101,270,458	31,926

**NEW YORK CITY
POLICE PENSION FUND**

**SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT
JUNE 30, 2014 (LAG)**

ACCIDENTAL DISABILITY RETIREMENT

<u>AGE</u>	<u>MALE</u>			<u>FEMALE</u>			<u>BOTH MALE & FEMALE</u>		
	<u>NUMBER</u>	<u>BENEFITS</u>	<u>AVERAGE</u>	<u>NUMBER</u>	<u>BENEFITS</u>	<u>AVERAGE</u>	<u>NUMBER</u>	<u>BENEFITS</u>	<u>AVERAGE</u>
UNDER 30	9	470,241	52,249	0	0	0	9	470,241	52,249
30 TO 34	99	6,133,592	61,955	25	1,447,866	57,915	124	7,581,458	61,141
35 TO 39	228	15,511,248	68,032	43	2,570,295	59,774	271	18,081,543	66,722
40 TO 44	933	66,983,144	71,793	138	8,591,785	62,259	1,071	75,574,929	70,565
45 TO 49	1,683	118,392,438	70,346	279	17,077,837	61,211	1,962	135,470,275	69,047
50 TO 54	1,749	109,035,793	62,342	315	18,246,697	57,926	2,064	127,282,490	61,668
55 TO 59	1,061	61,761,946	58,211	161	8,585,668	53,327	1,222	70,347,614	57,568
60 TO 64	813	40,247,094	49,504	63	3,239,032	51,143	876	43,486,126	49,642
65 TO 69	1,604	70,855,493	44,174	40	1,447,228	36,181	1,644	72,302,721	43,980
70 TO 74	1,570	66,834,046	42,569	29	1,221,896	42,134	1,599	68,055,942	42,562
75 TO 79	695	30,064,141	43,258	10	412,479	41,248	705	30,476,620	43,229
80 TO 84	365	16,574,871	45,411	4	160,756	40,189	369	16,735,627	45,354
85 TO 89	239	10,283,690	43,028	6	261,163	43,527	245	10,544,853	43,040
90 & UP	82	3,086,597	37,641	1	27,794	27,794	83	3,114,391	37,523
TOTAL	11,130	616,234,334	55,367	1,114	63,290,496	56,814	12,244	679,524,830	55,499

**NEW YORK CITY
POLICE PENSION FUND**

**SERVICE OR DISABILITY
JUNE 30, 2014 (LAG)**

SURVIVORS OF DECEASED PENSIONERS UNDER SELECTED OPTIONS

<u>AGE</u>	<u>MALE</u>		<u>FEMALE</u>		<u>BOTH MALE & FEMALE</u>	
	<u>NUMBER</u>	<u>BENEFITS</u>	<u>NUMBER</u>	<u>BENEFITS</u>	<u>NUMBER</u>	<u>BENEFITS</u>
UNDER 30	7	196,081	7	142,075	14	338,156
30 TO 34	0	0	2	53,327	2	53,327
35 TO 39	1	13,585	2	123,833	3	137,418
40 TO 44	3	102,534	12	532,315	15	634,849
45 TO 49	6	180,839	29	875,574	35	1,056,413
50 TO 54	2	58,772	38	1,471,263	40	1,530,035
55 TO 59	1	29,182	35	1,088,055	36	1,117,237
60 TO 64	2	52,347	54	1,473,492	56	1,525,839
65 TO 69	1	32,543	82	2,179,213	83	2,211,756
70 TO 74	2	48,994	100	2,678,010	102	2,727,004
75 TO 79	0	0	104	2,564,918	104	2,564,918
80 TO 84	0	0	109	2,334,266	109	2,334,266
85 TO 89	0	0	92	1,519,098	92	1,519,098
90 & UP	0	0	143	1,354,952	143	1,354,952
TOTAL	25	714,877	809	18,390,391	834	19,105,268
				28,595		22,732
						24,154
						26,664
						45,806
						42,323
						30,183
						38,251
						31,034
						27,247
						26,648
						26,735
						24,663
						21,415
						16,512
						9,475

OTHER BENEFICIARIES:

**NEW YORK CITY
POLICE PENSION FUND**

**SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT
JUNE 30, 2014 (LAG)**

ACTUAL PERFORMANCE OF DUTY

<u>AGE</u>	<u>MALE</u>		<u>FEMALE</u>		<u>BOTH MALE & FEMALE</u>		<u>AVERAGE</u>
	<u>NUMBER</u>	<u>BENEFITS</u>	<u>NUMBER</u>	<u>BENEFITS</u>	<u>NUMBER</u>	<u>BENEFITS</u>	
ACCIDENTAL DEATH:							
UNDER 30	0	0	1	46,119	1	46,119	46,119
30 to 34	0	0	0	0	0	0	0
35 to 39	0	0	9	573,398	9	573,398	63,711
40 to 44	1	97,905	16	647,440	17	745,345	43,844
45 to 49	2	82,395	41	1,803,167	43	1,885,562	43,850
50 to 54	5	223,618	32	1,229,333	37	1,452,951	39,269
55 to 59	2	78,595	31	1,224,569	33	1,303,164	39,490
60 to 64	1	28,222	31	856,463	32	884,685	27,646
65 to 69	2	139,434	50	1,507,593	52	1,647,027	31,674
70 to 74	3	130,241	56	1,471,124	59	1,601,365	27,142
75 to 79	3	97,232	20	457,039	23	554,271	24,099
80 to 84	2	53,120	25	626,733	27	679,853	25,180
85 to 89	2	62,521	11	223,893	13	286,414	22,032
90 & UP	1	33,429	5	107,730	6	141,159	23,527
TOTAL	24	1,026,712	328	10,774,601	352	11,801,313	33,526

**NEW YORK CITY
POLICE PENSION FUND**

**SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT
JUNE 30, 2014 (LAG)**

ALL PENSIONERS AND BENEFICIARIES

<u>AGE</u>	<u>MALE NUMBER</u>	<u>BENEFITS</u>	<u>AVERAGE</u>	<u>FEMALE NUMBER</u>	<u>BENEFITS</u>	<u>AVERAGE</u>	<u>BOTH MALE & FEMALE</u>		
							<u>NUMBER</u>	<u>BENEFITS</u>	<u>AVERAGE</u>
Under 30	17	685,806	40,342	10	227,328	22,733	27	913,134	33,820
30 to 34	114	6,547,845	57,437	31	1,603,153	51,715	145	8,150,998	56,214
35 to 39	269	16,830,074	62,565	73	3,867,844	52,984	342	20,697,918	60,520
40 to 44	2195	130,860,848	59,618	493	23,607,495	47,885	2,688	154,468,343	57,466
45 to 49	5,792	337,869,453	58,334	1,279	61,320,541	47,944	7,071	399,189,994	56,455
50 to 54	7,709	399,516,806	51,825	1,791	81,071,163	45,266	9,500	480,587,969	50,588
55 to 59	5,083	247,932,200	48,777	1,057	45,288,400	42,846	6,140	293,220,600	47,756
60 to 64	3,143	141,589,520	45,049	432	16,581,916	38,384	3,575	158,171,436	44,244
65 to 69	4,946	199,487,704	40,333	278	8,748,118	31,468	5,224	208,235,822	39,861
70 to 74	5,691	208,992,503	36,723	277	8,481,136	30,618	5,968	217,473,639	36,440
75 to 79	3,019	103,144,906	34,165	185	5,054,433	27,321	3,204	108,199,339	33,770
80 to 84	1,896	63,855,995	33,679	166	3,948,804	23,788	2,062	67,804,799	32,883
85 to 89	1,364	44,719,124	32,785	135	2,691,761	19,939	1,499	47,410,885	31,628
90 & up	608	17,645,696	29,023	159	1,795,149	11,290	767	19,440,845	25,347
TOTAL	41,846	1,919,678,480	45,875	6,366	264,287,241	41,515	48,212	2,183,965,721	45,299

**NEW YORK CITY
POLICE PENSION FUND
June 30, 2016**

EXPENSE BY TYPE
(In Thousands)

Fiscal Year Ended 6/30	Benefit Payments	Administrative Expense	Other	Total	Contributions as a Percentage of Annual Covered Payroll
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
2015	2,749,775	17,903	590,313	2,767,678	65.7
2016	\$2,882,223	\$18,478	-	\$2,900,701	67.6

The table offers comparison for the expenses of the plan for the past 10 Years

Transfer to QPP (75,444+250,751) 326,195 is an elimination in the Statement.

**NEW YORK CITY
POLICE PENSION FUND
June 30, 2016**

REVENUE BY SOURCE
(In Thousands)

Fiscal Year Ended 6/30	Member Contributions	Employer Contributions	Net Investment Income/Loss	Other	Total	Employer Contributions as % of annual covered Payroll
2007	\$132,213	\$1,544,341	\$3,406,796	\$3,498	\$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
2015	241,102	2,309,619	1,098,220	4,616	3,653,557	65.7
2016	\$249,921	\$2,393,940	\$403,534	\$6,756	\$3,054,151	67.6

The table offers a comparison for the revenue sources of the Plan for the past 10 Years.

NEW YORK CITY POLICE PENSION FUND
 DATA USED IN THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
 FOR DETERMINING FINAL FISCAL YEAR 2016 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	1,027	2	0	0	0	0	0	0	0	1,029
25 TO 29	3,306	1,566	6	0	0	0	0	0	0	4,878
30 TO 34	1,218	3,975	942	3	0	0	0	0	0	6,138
35 TO 39	481	1,823	2,392	686	0	0	0	0	0	5,382
40 TO 44	52	680	1,279	2,036	1,341	1	0	0	0	5,389
45 TO 49	1	100	521	1,058	1,815	428	0	0	0	3,923
50 TO 54	2	6	48	317	477	423	177	0	0	1,450
55 TO 59	0	2	12	41	27	106	172	8	0	368
60 TO 64	1	1	2	6	2	10	29	6	9	66
65 TO 69	0	1	1	2	0	0	0	0	0	4
70 & UP	0	0	1	0	1	1	0	0	2	5
TOTAL	6,088	8,156	5,204	4,149	3,663	969	378	14	11	28,632

SALARIES (IN THOUSANDS):										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	56,393	125	0	0	0	0	0	0	0	56,518
25 TO 29	200,936	162,542	658	0	0	0	0	0	0	364,137
30 TO 34	73,299	428,121	108,003	296	0	0	0	0	0	609,718
35 TO 39	28,753	195,771	276,382	86,663	0	0	0	0	0	587,570
40 TO 44	3,380	73,098	146,148	253,650	181,771	140	0	0	0	658,188
45 TO 49	72	10,901	59,047	128,729	240,466	60,430	0	0	0	499,646
50 TO 54	235	677	5,345	37,850	60,441	59,097	26,285	0	0	189,931
55 TO 59	0	283	1,512	4,868	3,288	13,509	26,746	1,398	0	51,604
60 TO 64	125	142	264	841	348	1,337	4,098	844	1,519	9,517
65 TO 69	0	142	143	286	0	0	0	0	0	571
70 & UP	0	0	142	0	145	145	0	0	302	734
TOTAL *	363,193	871,803	597,645	513,185	486,458	134,658	57,129	2,241	1,821	3,028,133

AVERAGE SALARIES: **										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	54,911	62,655	0	0	0	0	0	0	0	54,926
25 TO 29	60,779	103,795	109,624	0	0	0	0	0	0	74,649
30 TO 34	60,180	107,703	114,652	98,702	0	0	0	0	0	99,335
35 TO 39	59,778	107,389	115,544	126,331	0	0	0	0	0	109,173
40 TO 44	64,994	107,497	114,268	124,583	135,549	140,128	0	0	0	122,135
45 TO 49	71,696	109,013	113,334	121,672	132,488	141,192	0	0	0	127,363
50 TO 54	117,624	112,915	111,352	119,402	126,710	139,709	148,503	0	0	130,987
55 TO 59	0	141,655	126,033	118,741	121,769	127,440	155,500	174,703	0	140,229
60 TO 64	124,750	141,655	132,162	140,141	173,922	133,692	141,305	140,594	168,830	144,200
65 TO 69	0	141,655	142,718	143,238	0	0	0	0	0	142,712
70 & UP	0	0	142,088	0	144,844	144,844	0	0	150,888	146,710
TOTAL	59,657	106,891	114,843	123,689	132,803	138,966	151,135	160,085	165,568	105,760

Note: Age is last birthday. Service is completed years.
 * Total may not add up due to rounding.
 ** Average based on unrounded salary.

NEW YORK CITY POLICE PENSION FUND
 DATA USED IN THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
 FOR DETERMINING FINAL FISCAL YEAR 2016 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	145	0	0	0	0	0	0	0	0	145
25 TO 29	616	270	0	0	0	0	0	0	0	886
30 TO 34	255	864	166	0	0	0	0	0	0	1,285
35 TO 39	124	457	604	124	0	0	0	0	0	1,309
40 TO 44	11	223	357	401	162	0	0	0	0	1,154
45 TO 49	0	16	165	202	243	36	0	0	0	662
50 TO 54	0	0	5	73	143	52	12	0	0	285
55 TO 59	1	0	1	11	5	8	13	1	0	40
60 TO 64	0	0	0	0	0	1	3	0	0	4
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	1,152	1,830	1,298	811	553	97	28	1	0	5,770

SALARIES (IN THOUSANDS):

UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	7,839	0	0	0	0	0	0	0	0	7,839
25 TO 29	37,184	27,740	0	0	0	0	0	0	0	64,924
30 TO 34	15,032	90,854	18,838	0	0	0	0	0	0	124,725
35 TO 39	7,442	47,939	68,115	15,340	0	0	0	0	0	138,836
40 TO 44	767	23,443	39,644	48,663	20,157	0	0	0	0	132,673
45 TO 49	0	1,698	18,302	24,134	30,867	4,731	0	0	0	79,732
50 TO 54	0	0	527	8,596	17,394	7,077	1,716	0	0	35,311
55 TO 59	128	0	129	1,325	605	1,037	2,031	141	0	5,395
60 TO 64	0	0	0	0	0	128	399	0	0	527
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 *	68,392	191,673	145,556	98,058	69,024	12,973	4,145	141	0	589,962

AVERAGE SALARIES: **

UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	54,061	0	0	0	0	0	0	0	0	54,061
25 TO 29	60,364	102,739	0	0	0	0	0	0	0	73,277
30 TO 34	58,951	105,155	113,483	0	0	0	0	0	0	97,062
35 TO 39	60,014	104,900	112,774	123,711	0	0	0	0	0	106,063
40 TO 44	69,700	105,125	111,049	121,353	124,424	0	0	0	0	114,968
45 TO 49	0	106,129	110,920	119,474	127,027	131,404	0	0	0	120,440
50 TO 54	0	0	105,495	117,757	121,640	136,105	142,962	0	0	123,899
55 TO 59	127,979	0	128,579	120,456	120,982	129,664	156,204	140,895	0	134,883
60 TO 64	0	0	0	0	0	127,917	133,033	0	0	131,754
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	59,368	104,740	112,138	120,910	124,816	133,745	148,046	140,895	0	102,246

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

* Total may not add up due to rounding.

** Average based on unrounded salary.

NEW YORK CITY POLICE PENSION FUND
 DATA USED IN THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
 FOR DETERMINING FINAL FISCAL YEAR 2016 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	1,172	2	0	0	0	0	0	0	0	1,174
25 TO 29	3,922	1,836	6	0	0	0	0	0	0	5,764
30 TO 34	1,473	4,839	1,108	3	0	0	0	0	0	7,423
35 TO 39	605	2,280	2,996	810	0	0	0	0	0	6,691
40 TO 44	63	903	1,636	2,437	1,503	1	0	0	0	6,543
45 TO 49	1	116	686	1,260	2,058	464	0	0	0	4,585
50 TO 54	2	6	53	390	620	475	189	0	0	1,735
55 TO 59	1	2	13	52	32	114	185	9	0	408
60 TO 64	1	1	2	6	2	11	32	6	9	70
65 TO 69	0	1	1	2	0	0	0	0	0	4
70 & UP	0	0	1	0	1	1	0	0	2	5
TOTAL	7,240	9,986	6,502	4,960	4,216	1,066	406	15	11	34,402

SALARIES (IN THOUSANDS):

UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	64,232	125	0	0	0	0	0	0	0	64,357
25 TO 29	238,121	190,282	658	0	0	0	0	0	0	429,060
30 TO 34	88,331	518,975	126,841	296	0	0	0	0	0	734,443
35 TO 39	36,195	243,710	344,498	102,003	0	0	0	0	0	726,406
40 TO 44	4,146	96,541	185,793	302,313	201,928	140	0	0	0	790,861
45 TO 49	72	12,599	77,349	152,863	271,334	65,161	0	0	0	579,378
50 TO 54	235	677	5,872	46,447	77,835	66,175	28,001	0	0	225,242
55 TO 59	128	283	1,641	6,193	3,893	14,546	28,777	1,539	0	57,000
60 TO 64	125	142	264	841	348	1,465	4,497	844	1,519	10,044
65 TO 69	0	142	143	286	0	0	0	0	0	571
70 & UP	0	0	142	0	145	145	0	0	302	734
TOTAL *	431,585	1,063,476	743,200	611,243	555,482	147,631	61,274	2,382	1,821	3,618,095

AVERAGE SALARIES: **

UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	54,805	62,655	0	0	0	0	0	0	0	54,819
25 TO 29	60,714	103,639	109,624	0	0	0	0	0	0	74,438
30 TO 34	59,967	107,248	114,477	98,702	0	0	0	0	0	98,941
35 TO 39	59,827	106,890	114,986	125,930	0	0	0	0	0	108,565
40 TO 44	65,815	106,911	113,565	124,051	134,350	140,128	0	0	0	120,871
45 TO 49	71,696	108,615	112,754	121,320	131,843	140,433	0	0	0	126,364
50 TO 54	117,624	112,915	110,799	119,094	125,541	139,315	148,151	0	0	129,822
55 TO 59	127,979	141,655	126,229	119,104	121,646	127,596	155,550	170,947	0	139,705
60 TO 64	124,750	141,655	132,162	140,141	173,922	133,167	140,529	140,594	168,830	143,489
65 TO 69	0	141,655	142,718	143,238	0	0	0	0	0	142,712
70 & UP	0	0	142,088	0	144,844	144,844	0	0	150,888	146,710
TOTAL	59,611	106,497	114,303	123,234	131,756	138,491	150,922	158,805	165,568	105,171

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

* Total may not add up due to rounding.

** Average based on unrounded salary.

NEW YORK CITY POLICE PENSION FUND
 DATA USED IN THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
 FOR DETERMINING FINAL YEAR 2016 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	9	470,241	52,249	0	0	0	9	470,241	52,249
30 TO 34	99	6,133,592	61,955	25	1,447,866	57,915	124	7,581,458	61,141
35 TO 39	228	15,511,248	68,032	43	2,570,295	59,774	271	18,081,543	66,722
40 TO 44	933	66,983,144	71,793	138	8,591,785	62,259	1,071	75,574,929	70,565
45 TO 49	1,683	118,392,438	70,346	279	17,077,837	61,211	1,962	135,470,275	69,047
50 TO 54	1,749	109,035,793	62,342	315	18,246,697	57,926	2,064	127,282,490	61,668
55 TO 59	1,061	61,761,946	58,211	161	8,585,668	53,327	1,222	70,347,614	57,568
60 TO 64	813	40,247,094	49,504	63	3,239,032	51,413	876	43,486,126	49,642
65 TO 69	1,604	70,855,493	44,174	40	1,447,228	36,181	1,644	72,302,721	43,980
70 TO 74	1,570	66,834,046	42,569	29	1,221,896	42,134	1,599	68,055,942	42,562
75 TO 79	695	30,064,141	43,258	10	412,479	41,248	705	30,476,620	43,229
80 TO 84	365	16,574,871	45,411	4	160,756	40,189	369	16,735,627	45,354
85 TO 89	239	10,283,690	43,028	6	261,163	43,527	245	10,544,853	43,040
90 & UP	82	3,086,597	37,641	1	27,794	27,794	83	3,114,391	37,523
TOTAL	11,130	618,234,334	55,367	1,114	63,290,466	56,814	12,244	679,524,830	55,499
ORDINARY DISABILITY:									
UNDER 30	1	19,484	19,484	2	39,134	19,567	3	58,618	19,539
30 TO 34	15	414,253	27,617	4	101,960	25,490	19	516,213	27,169
35 TO 39	40	1,305,241	32,631	19	600,318	31,596	59	1,905,559	32,298
40 TO 44	170	5,942,562	34,956	71	2,281,792	32,138	241	8,224,354	34,126
45 TO 49	206	6,650,691	32,285	124	3,640,539	29,359	330	10,291,230	31,186
50 TO 54	187	5,268,883	28,176	119	3,180,209	26,724	306	8,449,092	27,611
55 TO 59	119	2,982,156	25,060	68	1,718,332	25,270	187	4,700,488	25,136
60 TO 64	121	3,852,154	31,836	24	566,584	23,608	145	4,418,738	30,474
65 TO 69	371	8,749,299	23,583	20	424,120	21,206	391	9,173,419	23,461
70 TO 74	484	12,941,952	26,740	12	263,913	21,993	496	13,205,865	26,625
75 TO 79	280	10,282,531	36,723	11	224,682	20,426	291	10,507,213	36,107
80 TO 84	296	12,744,306	43,055	8	261,459	32,682	304	13,005,765	42,782
85 TO 89	296	12,478,038	42,156	7	246,530	35,219	303	12,724,568	41,995
90 & UP	94	3,954,791	42,072	3	134,545	44,848	97	4,089,336	42,158
TOTAL	1,680	87,586,341	32,681	492	13,684,117	27,813	3,172	101,270,458	31,926
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	0	0	0	0	0	0	0	0	0
40 TO 44	1,088	57,734,703	53,065	256	11,554,163	45,133	1,344	69,288,866	51,554
45 TO 49	3,895	212,563,090	54,573	806	37,923,424	47,051	4,701	250,486,514	53,284
50 TO 54	5,766	284,929,740	49,415	1,287	56,943,661	44,245	7,053	341,873,401	48,472
55 TO 59	3,900	183,080,321	46,944	762	32,671,776	42,876	4,662	215,752,097	46,279
60 TO 64	2,206	97,409,703	44,157	260	10,446,345	40,178	2,466	107,856,048	43,737
65 TO 69	2,968	119,710,935	40,334	86	3,189,964	37,093	3,054	122,900,899	40,243
70 TO 74	3,632	129,037,270	35,528	80	2,846,193	35,577	3,712	131,883,463	35,529
75 TO 79	2,041	62,701,002	30,721	40	1,395,315	34,883	2,081	64,096,317	30,801
80 TO 84	1,233	34,483,698	27,967	20	565,590	28,280	1,253	35,049,288	27,972
85 TO 89	827	21,894,875	26,475	19	441,077	23,215	846	22,335,952	26,402
90 & UP	431	10,570,879	24,526	7	170,128	24,304	438	10,741,007	24,523
TOTAL	27,987	1,214,116,216	43,381	3,623	158,147,636	43,651	31,610	1,372,263,852	43,412

NEW YORK CITY POLICE PENSION FUND
 DATA USED IN THE JUNE 30, 2014 (LAG) ACTUARIAL VALUATION
 FOR DETERMINING FINAL YEAR 2016 EMPLOYER CONTRIBUTIONS
 SUMMARY OF PENSIONERS BY CAUSE AND GENDER

	MALE			FEMALE			BOTH MALE & FEMALE		
	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAG.
ACCIDENTAL DEATH:									
UNDER 30	0	0	0	1	46,119	46,119	1	46,119	46,119
30 TO 34	0	0	0	0	0	0	0	0	0
35 TO 39	0	0	0	9	573,398	63,711	9	573,398	63,711
40 TO 44	1	97,905	97,905	16	647,440	40,465	17	745,345	43,844
45 TO 49	2	82,395	41,198	41	1,803,167	43,980	43	1,885,562	43,850
50 TO 54	5	223,618	44,724	32	1,229,333	38,417	37	1,452,951	39,269
55 TO 59	2	78,595	39,298	31	1,224,569	39,502	33	1,303,164	39,490
60 TO 64	1	28,222	28,222	31	856,463	27,628	32	884,685	27,646
65 TO 69	2	139,434	69,717	50	1,507,593	30,152	52	1,647,027	31,674
70 TO 74	3	130,241	43,414	56	1,471,124	26,270	59	1,601,365	27,142
75 TO 79	3	97,232	32,411	20	457,039	22,852	23	554,271	24,099
80 TO 84	2	53,120	26,560	25	626,733	25,069	27	679,853	25,180
85 TO 89	2	62,521	31,261	11	223,893	20,354	13	286,414	22,032
90 & UP	1	33,429	33,429	5	107,730	21,546	6	141,159	23,527
TOTAL	24	1,026,712	42,780	328	10,774,601	32,849	352	11,801,313	35,526
OTHER BENEFICIARIES:									
UNDER 30	7	196,081	28,012	7	142,075	20,296	14	338,156	24,154
30 TO 34	0	0	0	2	53,327	26,664	2	53,327	26,664
35 TO 39	1	13,585	13,585	2	123,833	61,917	3	137,418	45,806
40 TO 44	3	102,534	34,178	12	532,315	44,360	15	634,849	42,323
45 TO 49	6	180,839	30,140	29	875,574	30,192	35	1,056,413	30,183
50 TO 54	2	58,772	29,386	38	1,471,263	38,717	40	1,530,035	38,251
55 TO 59	1	29,182	29,182	35	1,088,055	31,087	36	1,117,237	31,034
60 TO 64	2	52,347	26,174	54	1,473,492	27,287	56	1,525,839	27,247
65 TO 69	1	32,543	32,543	82	2,179,213	26,576	83	2,211,756	26,648
70 TO 74	2	48,994	24,497	100	2,678,010	26,780	102	2,727,004	26,735
75 TO 79	0	0	0	104	2,564,918	24,663	104	2,564,918	24,663
80 TO 84	0	0	0	109	2,334,266	21,415	109	2,334,266	21,415
85 TO 89	0	0	0	92	1,519,098	16,512	92	1,519,098	16,512
90 & UP	0	0	0	143	1,354,952	9,475	143	1,354,952	9,475
TOTAL	25	714,877	28,595	809	18,390,391	22,732	834	19,105,268	22,908
ALL PENSIONERS AND BENEFICIARIES:									
UNDER 30	17	685,806	40,342	10	227,328	22,733	27	913,134	33,820
30 TO 34	114	6,547,845	57,437	31	1,603,153	51,715	145	8,150,998	56,214
35 TO 39	269	16,830,074	62,565	73	3,867,844	52,984	342	20,697,918	60,520
40 TO 44	2,195	130,860,848	59,618	493	23,607,495	47,885	2,688	154,468,343	57,466
45 TO 49	5,792	337,869,453	58,334	1,279	61,320,541	47,944	7,071	399,189,994	56,455
50 TO 54	7,709	399,516,806	51,825	1,791	81,071,163	45,266	9,500	480,587,969	50,588
55 TO 59	5,083	247,932,200	48,777	1,057	45,288,400	42,846	6,140	293,220,600	47,756
60 TO 64	3,143	141,589,520	45,049	432	16,581,916	38,384	3,575	158,171,436	44,244
65 TO 69	4,946	199,487,704	40,333	278	8,748,118	31,468	5,224	208,235,822	39,861
70 TO 74	5,691	208,992,503	36,723	277	8,481,136	30,618	5,968	217,473,639	36,440
75 TO 79	3,019	103,144,906	34,165	185	5,054,433	27,321	3,204	108,199,339	33,770
80 TO 84	1,896	63,855,995	33,679	166	3,948,804	23,788	2,062	67,804,799	32,883
85 TO 89	1,364	44,719,124	32,785	135	2,691,761	19,939	1,499	47,410,885	31,628
90 & UP	608	17,645,696	29,023	159	1,795,149	11,290	767	19,440,845	25,347
TOTAL	41,846	1,919,678,480	45,875	6,366	264,287,241	41,515	48,212	2,183,965,721	45,399