
New York Fire Department Pension Funds



**Comprehensive Annual Financial Report
A Pension Trust Fund of The City of New York
For The Fiscal Years Ended
June 30, 2015 and June 30, 2014**

**Daniel A. Nigro
Fire Commissioner
and Chairperson of the Board of Trustees
City of New York**

New York Fire Department Pension Funds

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Comprehensive Annual Financial Report A Pension Trust Fund of The City of New York For Fiscal Years Ended June 30, 2015 and June 30, 2014

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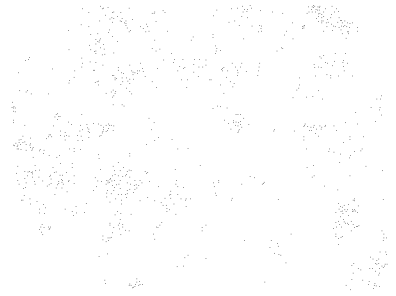
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New York Fire Department Pension Funds

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Comprehensive Annual Financial Report A Pension Trust Fund of the City of New York For Fiscal Years Ended June 30, 2015 and June 30, 2014

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Chairman of the Board:

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New York Fire Department Pension Funds

Comprehensive Annual Financial Report

A Pension Trust Fund of The City of New York



Introductory Section

Part I

Fiscal Year Ended June 30, 2015

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**New York Fire Department
Pension Funds**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

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FDNY

www.nyc.gov/fdny

Daniel A. Nigro
Fire Commissioner

December 8, 2015

TO: ALL MEMBERS OF THE NEW YORK FIRE DEPARTMENT PENSION FUNDS
RE: PENSION FUNDS COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR 2015

I hereby submit the New York Fire Department Pension Funds Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2015. This report accurately discloses the results of operations and the financial position of the Funds. The external auditors, Deloitte & Touche LLP, confirm in their Independent Auditors' Report on the financial condition of the Funds for Fiscal Year 2015 that we have adhered to and presented the financial statements in conformity with accounting principles generally accepted in the United States of America.

We are committed to managing the assets of the Funds efficiently, prudently and in full compliance with established Regulations and Laws, so as to promote growth and to provide retirement benefits for our members and their beneficiaries. We believe that educating members about their benefits and providing them with the best information available is the key to planning for a secure retirement. To meet this challenge, our professionals in the Pension Bureau conduct monthly retirement seminars. These seminars provide prospective retirees with comprehensive information on their pension benefits, so they may adequately plan and prepare for the future.

As Fire Commissioner and Chairperson of the Board of Trustees, I wish to extend our gratitude to all active and retired uniformed members for their continued service and dedication to the Fire Department and The City of New York.

Sincerely,

Daniel A. Nigro
Chairperson of the Board of Trustees

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F I R E D E P A R T M E N T
9 METROTECH CENTER, 6TH FLOOR BROOKLYN N. Y. 11201-3857

Mary E. Basso
Director
Bureau of Pension

December 8, 2015

TO: The Board of Trustees
New York Fire Department Pension Funds

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the New York Fire Department Pension Funds ("Fire" or the "Funds"), for the Fiscal Year ended June 30, 2015. Our CAFR, referred to as the New York Fire Department Pension Funds' CAFR, reports combined financial statements and disclosures for the New York Fire Department Pension Fund qualified pension plan (QPP) and two additional funds administered by Fire: the New York City Fire Department Firefighters' Variable Supplements Fund (FFVSF) and the New York City Fire Department Fire Officers' Variable Supplements Fund (FOVSF). Management is responsible for the preparation, accuracy and completeness of this presentation. We believe that the data in this report is a fair representation of the financial position and results of operations of the Funds and to the best of our knowledge the information is accurate and includes all required disclosures. Our report is organized into the Introductory, Financial, Investment, Actuarial and Statistical sections. Users of the financial statements are encouraged to review the Management's Discussion and Analysis (MD&A) presented in the financial section.

Profile of the Funds

The New York Fire Department Pension Fund, also known as The New York Fire Department Subchapter Two Pension Fund (formerly Article 1-B), was established pursuant to Local Law No. 53, enacted July 14, 1941. On that date, all participants covered under Article 1-A and subsequent appointees to the Fire Department were granted the option of membership in either Article 1-A or Subchapter Two, in accordance with the legislation. At that time, all members of the Article 1-A Fund became participants in the Fund established under Subchapter Two and, with one exception, all new appointees elected membership in the Subchapter Two Pension Fund.

Effective July 1, 1980, the Article 1-A Fund was terminated and its assets transferred to the Subchapter Two Pension Fund. Prior to July 1, 1980, each member contributed by salary deduction an amount determined to provide approximately 25% of the cost of their benefits, while the City contributed the remaining 75%. The total contributions under this arrangement proved inadequate to fund the benefits, and the Pension Fund became actuarially unsound.

Pursuant to an Increased-Take-Home-Pay (ITHP) provision established under Section 13-326 of the New York City Administrative Code, members' contributions were reduced by 2½ % of their earnings. The ITHP rate has since been increased from 2½ % to 5%, under the provisions of Chapter 373 of the Laws of 2000. Additional City funding made up the reduction in the amount of member contributions.

New state laws, effective July 1, 1980, July 1, 1981, and July 1, 1982, amended the benefit provisions of the Fund by establishing a new Plan known as the Improved Benefits Plan (IBP). The IBP provides increased benefits along with higher member and City contributions. The Original Plan (OP) was closed to new entrants on July 1, 1981. Membership in the IBP is mandatory for employees hired on or after that date. Members of the OP have the option, during specified time periods each year, to transfer to the IBP. The new laws were expected to correct the previous under-funding of the Pension Fund. The provisions of these laws increased City contributions each year to provide an amount deemed sufficient to cover benefits, excluding annuities and refunds from member contribution accounts. These contributions cover the normal cost of operation each year.

The Firefighters' Variable Supplements Fund (FFVSF) and the Fire Officers' Variable Supplements Fund (FOVSF) (collectively, the VSFs) operate pursuant to the provisions of Title 13, Chapter 3 of the ACNY and provide supplemental benefits to retired Firefighters and Wipers and Fire Officers, respectively. To be eligible to receive benefits from the VSFs, Firefighters and Wipers or Fire Officers must retire, on or after October 1, 1968, and be receiving a service retirement benefit from the QPP. The VSFs are not considered pension plans; they provide defined supplemental payments, other than pension or retirement system benefits.

Current Initiatives

Management's primary commitment is to deliver the highest level of services to members. Our plan is to ensure accurate and timely payment of benefits and supplemental payments to retirees and beneficiaries and to provide members with the best information available to plan for their retirement. An outline of our achievements during the past year exemplifies our dedication to these goals.

The number of members making use of our pension information system's (e-UPS) self-service portal continues to increase each year. The portal is available from the Fire Department intranet and may be accessed from computers at the firehouses. Members can download manuals and forms, view updated account details and get current estimates of their retirement benefits. The Annual Pension Statements are also distributed electronically and are now available months earlier than in prior years.

During Fiscal Year 2015, the pension managers and key personnel of our unit successfully completed the challenging task of processing over 900 new membership applications. The Bureau conducted a total of three classes for probationary firefighters hired by the Fire Department during the period. These firefighters have now become members of the pension system under the new Tier 3 modified (Tier 6) legislation.

The Retirement Counseling Unit advised many prospective retirees and processed retirement applications for over 580 members during Fiscal Year 2015. These applicants are now receiving 90% of their expected retirement benefit, pending finalization.

In addition, the Pension Payroll and Calculations Units finalized approximately 200 retirees and beneficiaries who were previously receiving 90% of their benefits. These retirees and beneficiaries are now receiving the full amount of their benefits.

Financial Information

Economic Conditions in Fiscal Year 2015 and Outlook for Fiscal Year 2016

A substantial amount of the Funds' financing is derived from investment activities; thus the state of the global economy and conditions in investment markets are always of great interest. The Bureau of Economic Analysis (BEA) reported that the U.S. economy, as measured by the change in real Gross Domestic Product (GDP), grew overall at the rate of 2.7% during Fiscal Year 2015. The most current Federal Reserve press release on Monetary Policy indicated that The Federal Reserve Open Market Committee has continued attempts to boost aggregate demand and promote growth in the economy by pursuing highly accommodative monetary policy actions. These actions include keeping the committee's holdings of longer-term Treasuries and Agency mortgage-backed securities at sizeable levels and holding the Federal Funds short-term interest rate at the target range between 0% and 0.25%. The labor market has also improved, showing solid job gains and declining unemployment. The current Bureau of Labor Statistics report disclosed that the unemployment rate had fallen from a high of 6.2% in July 2014 to 5.3% in June 2015.

The City's economy, as measured by change in real Gross City Product (GCP), grew by approximately 3.0% during Fiscal Year 2015. This pace of growth in GCP exceeded the 2.1% growth rate achieved in Fiscal Year 2014. As reported by the Comptroller's Office, the City's economy continued to strengthen in Fiscal Year 2015, private sector job creation remained strong and the unemployment rate fell to the lowest level since the financial crisis in 2008. Overall, the City added 114,600 private sector jobs. The City's unemployment rate also fell to 5.7%, a significant change from the 7.2% reported in Fiscal Year 2014.

The Comptroller' Office, in assessing international conditions and domestic fiscal policies, concluded that growth in the U.S. economy for Fiscal Year 2016 will be similar to the growth in the previous five years and will provide a favorable environment for growth in the City's economy. In spite of the recent financial turmoil in China and worldwide stock market volatility, the economic outlook for the City in 2016 remains moderately positive. Both the National and the City's economy continue to create jobs at a steady pace and the unemployment rate continues to fall. Additionally, as U.S. economy approaches long run goals of maximum employment and the targeted 2% inflation rate, the Federal Reserve anticipates ending current policy accommodation and normalizing U. S. interest rates.

Investments

The Comptroller of The City of New York is the designated custodian of the Funds' investment portfolio, subject to the direction, control and approval of the Boards of Trustees. The investment policy adopted by the Funds' Boards of Trustees is one that promotes growth through increasing returns. The strategy used to implement this policy is the allocation of assets, which are diversified into a broad array of instruments to minimize overall risk, maintain liquidity and generate competitive returns.

The Funds' portfolio is comprised largely of holdings in domestic, international, private equities and fixed income securities. For Fiscal Year 2015, Fire's QPP investment portfolio of approximately \$ 10.9 billion under management posted gains of 3.6 %, while the corresponding Policy Index posted gains of 4.2%. The FFVSF's investment portfolio of approximately \$ 494.0 million under management posted gains of 4.1 %, and the corresponding Policy Index posted gains of 3.5%. The FOVSF's investment portfolio of approximately \$305.2 million under management also posted gains of 4.1 %, while the corresponding Policy Index posted gains of 3.5%. A detailed discussion of our investment policy, activities and results is presented in the Investment Section of our report.

Funding

Adequate funding is essential to assure the financial soundness of a pension plan. If funding levels are adequate, the total amount of accumulated assets will be comparable to the total amount of benefit obligations of the Funds. The City's funding policy is to contribute statutorily-required contributions which, along with member contributions and investment income, will be ultimately sufficient to pay benefits when due. A well-funded plan gives members the assurance that the pension benefits promised are secure.

Fire's funded ratio, or 'Fiduciary Net Position as a Percentage of Total Pension Liability' is calculated in accordance with newly adopted Governmental Accounting Standards Board Statements Numbers 67 and 68. This funded ratio stands at 62.8% for Fiscal Year 2015, a reduction from 63.7% in the previous period (Net Pension Liability - Note 6 of Notes to Financial Statements). Funding is further addressed in the actuarial section of our report.

Accounting and Reporting

This report was prepared to conform to principles of governmental accounting and reporting as promulgated by the Governmental Accounting Standards Board (GASB) and according to guidelines adopted and published by the Government Finance Officer's Association of the United States and Canada (GFOA). The requirements of GASB Statement No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans," have been adhered to in determining the information in the financial statements.

The accrual basis of accounting is used to record all transactions executed by the Pension Funds. Under this method, revenue is recognized when earned and expenses are recognized when the funds incur an unconditional obligation to pay. The accrual basis of accounting provides a realistic picture of the financial activity and performance of the Pension Funds for each period.

Internal Control

The management of the Fire Pension Funds is responsible for establishing and maintaining an internal control structure, designed to ensure that the assets of the system are adequately safeguarded. Additionally, the control structure should ensure that all transactions are properly recorded to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The objective of internal control is to provide reasonable rather than absolute assurance that the financial statements are free of material misstatements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and also that the evaluation of costs and benefits requires estimates and judgments to be made by management.

Procedures that reinforce established controls are periodically reviewed and evaluated by management, the Internal Audit unit of the Fire Department and the New York City Comptroller's Office through its assessment of the Funds' Financial Integrity Compliance statement. In addition, independent certified public accountants audit the financial statements each year.

Independent Audit

The Fire Pension Funds are required to undergo an annual audit by independent certified public accountants in accordance with generally accepted auditing standards. The accounting firm of Deloitte & Touche was selected to perform the annual audits for the Fiscal Years ended June 30, 2010 through June 30, 2015. The Independent Auditor's Report for the Fiscal Years ended June 30, 2015 and 2014, on the general-purpose financial statements and schedules of historical information required by the Governmental Accounting Standard Board (GASB) is presented in the financial section of this report. The financial section also contains Management's' Discussion and Analysis (MD&A) with comparative data for Fiscal Years 2015, 2014 and 2013. The contents of this letter should be considered along with additional information contained in the MD&A.

Professional Services

The Comptroller of The City of New York provides investment services through independent advisors. The Chief Actuary of the City's pension systems provides actuarial services to the System, while the Corporation Counsel provides legal services to the System. The City of New York defrays the expenses associated with these services.

Other Information**Awards**

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the New York City Fire Department Subchapter Two Pension Fund, for its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for Fiscal Year 2015.

Acknowledgements

The timely preparation of this annual report represents the efforts of the management and staff of the Pension Accounting Unit, whom we commend for their hard work and dedication. Our report presents complete and reliable information to provide a basis for making management decisions, to comply with legal provisions and to assure responsible stewardship of the assets of the Funds.

I am very grateful to the Boards of Trustees for the guidance and support they provided during this period. I also wish to thank the Office of the Actuary and the Office of the Comptroller for the expertise and wide range of valuable information they provide for our unit year after year.

In closing, I wish to thank the managers and staff of the Pension Bureau, who have worked so diligently to assure the successful daily operations of the Fire Department Pension Fund.

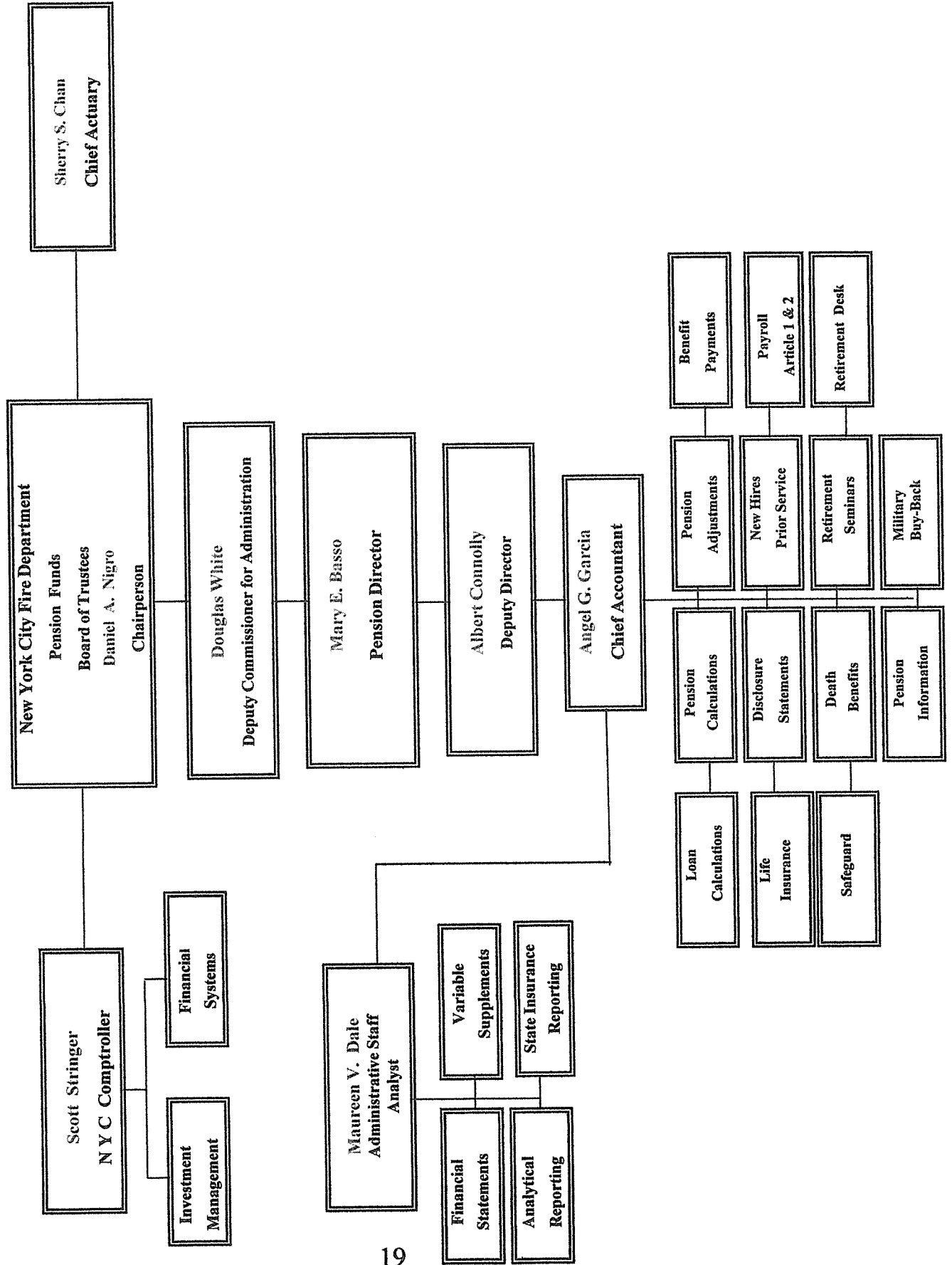
Respectfully submitted,



Mary E. Basso
Director of Pensions

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ADMINISTRATIVE ORGANIZATION



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MEMBERS OF THE BOARD OF TRUSTEES

As of June 30, 2015

Bill de Blasio	Mayor, City of New York.
Daniel A. Nigro	Fire Commissioner and Chairperson.
Scott M. Stringer	Comptroller, City of New York.
Jacques Jiha	Commissioner, of Finance.
Stephen J. Cassidy	President of the Uniformed Firefighters Association of Greater New York.
James M. Slevin	Vice-President of the Uniformed Firefighters Association of Greater New York.
Edward Brown	Treasurer of the Uniformed Firefighters Association of Greater New York.
John Kelly	Chairperson of the Board of Trustees Uniformed Firefighters Association of Greater New York.
James A. Lemonda	President of the Uniformed Fire Officers' Association of Greater New York.
Paul Ferro	Chiefs' Representative of the Uniformed Fire Officers' Association of Greater New York.
John Farina	Captains' Representative of the Uniformed Fire Officers' Association of Greater New York.
James J. McGowan	Lieutenants' Representative of the Uniformed Fire Officers' Association of Greater New York.
Thomas Phelan	Representative of the Uniformed Pilots' and Marine Engineers' Association of Greater New York.

PENSION SYSTEM ADMINISTRATION AND REPORTING

Douglas White
Deputy Commissioner for Administration

Mary E. Basso
Pension Director

Albert Connolly
Deputy Director

Angel G. Garcia
Chief Accountant

Maureen V. Dale
Deputy Chief Accountant

Summary Funds and Options Benefits

TIERS I & II

The Fire Department Pension Fund, Subchapter II, (the "Fund") is a corporation, separate from the Fire Department of The City of New York, your employer. All uniformed employees of the Department become members of the Fund upon appointment.

MEMBERSHIP

TIERS

Firefighters who became members of the Fund before July 1, 1973 are Tier 1 members. Firefighters who became members of the Fund on or after July 1, 1973 are Tier II members.

ORIGINAL PLAN – PRE-JULY 1, 1981 MEMBERS

Prior to July 1, 1981, all members of the Fund were enrolled in the "Original Plan". After the Fund was financially restructured in 1981, the "Original Plan" was closed to new entrants, and the "Improved Benefits Plan," which covers all firefighters hired on or after July 1, 1981, was adopted. It provides some increases in benefits, along with somewhat higher member and City contributions.

Although closed to new entrants, the "Original Plan" covered pre-7/1/81 members who had not elected to transfer to the "Improved Benefits Plan." Legislation enacted in 1986 permitted such transfers in June, July, and August of every year.

IMPROVED BENEFITS PLAN (IBP) – POST-JUNE 30, 1981 MEMBERS

All firefighters who become members of the Fire Department Pension Fund on or after July 1, 1981 are covered only by the "Improved Benefits Plan." Unless specifically stated otherwise, all information in this Summary Plan Description refers to members of the IBP only.

SUMMARY

<u>Date of Membership</u>	<u>Tier</u>	<u>Applicable Plan</u>
Pre-7/1/73	1	Original of Improved Benefits Plan
7/1/73-6/30/81	2	Original of Improved Benefits Plan
Post-6/30/81	2	Improved Benefits Plan

If your membership date or equated date is between June 17, 1971 and June 30, 1973, you are subject to the limitations on final salary imposed by the Kingston Law.

KINGSTON LAW LIMITATIONS

For all members of the Fund appointed between June 17, 1971 and June 30, 1973, the pensionable compensation for the final year of service is limited to 120% of the pensionable compensation for the year immediately preceding the final year. For example, a member's final year of service is July 6, 2009 through July 5, 2010. If between July 6, 2008 and July 5, 2009 the member earned \$90,000.00 in pensionable salary, holiday pay, night-shift differential, and overtime, the final year pensionable compensation cannot exceed \$108,000 (\$90,000 X 120%).

CONTRIBUTIONS**REQUIRED EMPLOYEE CONTRIBUTIONS**

Tier I and Tier II members contribute a percentage of all earnings through payroll deductions to a 20-year plan. Contribution rate is based on age at appointment. Member contributions earn interest, currently 8 ¼% per year. Contributions are required for the first twenty (20) years of allowable fire service. After 20 years, contributions will continue unless the member submits a written request to the Pension Bureau to discontinue the contributions.

Contributions and any interest earned are referred to as "accumulated deductions". The amount of accumulated deductions required to be in the member's account at any given time is referred to as the "minimum required contribution." The total minimum required contribution is determined on the member's 20th anniversary. Contributions made above the minimum required are referred to as "excess" contributions.

TAXATION

Contributions made before December 1989 were federally taxed. Regular contributions made since December 1989 are federally tax-deferred as per section 414(h) of the Internal Revenue Code, but are subject to state and local income taxation. Thus, upon retirement or termination, withdrawal of these contributions and interest earnings will be subject to federal taxation only. Members who are under the age 50 may be subject to an additional 10% Federal tax penalty and should consult a tax advisor before withdrawing excess contributions at retirement. Minimum required contributions may not be withdrawn except upon separation from service before retirement (i.e. resignation or termination).

VOLUNTARY EMPLOYEE CONTRIBUTIONS 50% INDICATOR

Members may make additional contributions equal to 50% of their required employee contributions on a voluntary basis. Since these contributions are not covered by section 414(h) of the Internal Revenue Code, they are subject to immediate federal, state and city income taxation. These additional contributions will also increase a member's excess contributions, which will provide an additional annuity, or may be withdrawn as a lump sum, at retirement.

ITHP WAIVER

The City of New York makes employer contributions to the Fund. The City of New York also pays a portion of employee contributions. These contributions are called "Increased-Take-Home-Pay" (ITHP) and currently equal 5% of gross salary. For example, assume an employee contribution rate of 7.3% of pay. With ITHP, the member contributes 2.3% (the "minimum required contribution") and the City contributes 5%.

Members may waive the ITHP and contribute at the full employee rate. These additional contributions are covered by section 414(h) of the Internal Revenue Code, and are therefore federally tax-deferred. Although this lowers take-home pay during employment, it results in either a greater annuity at retirement or a lump-sum return of any excess. For example, assume a contribution rate of 7.3% of pay, and the employee waives the ITHP. While the employee contributes 7.3% of pay, the City of New York continues to make ITHP contributions equal to 5%. Excess tax-deferred 414(h) contributions are taxable in the year withdrawn.

NOTE: From March 27, 1976 through September 30, 2000, the ITHP rate was 2.5%.

HOW TO REDUCE PAYROLL DEDUCTIONS (138-b REGULATIONS)

To increase take-home pay, required employee contributions may be reduced up to the amount of Social Security (FICA) contributions. If required contributions are less than FICA contributions, the member will not be making any pension contributions, thereby creating a deficit in his/her retirement account. For example, assume a member has a pension contribution rate of 7.5%. The required contribution rate is 2.5%, and the ITHP is 5%. Under the 138-B election, the member will not be making any pension contributions since his/her required contribution rate of 2.5% is less than the current Social Security rate of 6.2%. If the percentages change and the required contribution rate becomes greater than the FICA rate, the member would contribute the difference into the retirement account.

If the 138-B option is elected, Social Security benefits will not be affected. However, the value of the retirement allowance will be reduced because it is based in part on required employee contributions and the interest earned thereon. After maximum Social Security contributions have been reached during any calendar year, pension contributions will resume.

EXCESS CONTRIBUTIONS

At retirement, Service and Accidental Disability retirees can choose to take any excess contributions as either a lump-sum payment or as an additional annuity. Members retiring for Ordinary Disability are required to take a lump-sum payment of any excess. Members considering requesting a refund of excess contributions are reminded that withdrawal of 414(h) contributions and interest is subject to federal tax in the year withdrawn. In addition, members who are under age 50 at retirement may also be subject to an additional 10% Federal tax penalty and should consult a tax advisor prior to withdrawal. Retiring members may request a direct rollover of any taxable excess into a qualified plan such as the NYC Deferred Compensation/401K plans, or an IRA in order to defer payment of federal tax.

CREDITED SERVICE

Credited service is classified as uniformed service or non-uniformed service.

ALLOWABLE FIRE SERVICE

Twenty (20) years of allowable fire service are required for Service Retirement. Such service includes:

- All member service rendered as a uniformed member of The New York City Fire Department in the competitive class of the civil service.
- Credit for service rendered in the uniformed force of The New York City Police Department immediately preceding service in the uniformed force of the New York City Fire Department, provided application for such credited service is made within prescribed time limits and such credited service is transferred to the Fund.
- New York City Employees' Retirement System (NYCERS) uniformed force service rendered immediately before appointment as a uniformed member of The New York City Fire Department, provided application for such credited service is made within prescribed time limits and such credited service is transferred to the Fund. Uniformed service from NYCERS includes uniformed service in the Department of Correction, Sanitation as well as service as an Emergency Medical Technician (EMT) of Fire Alarm Dispatcher. It also includes all allowable Peace Officer service (as defined in Section 2.10 of the Criminal Procedure Law), service as Sheriff, Marshal, or D.A. Investigator, and any position specified in Appendix A of the agreement dated October 27, 2005 among The City of New York, the Uniformed Firefighters' Association and the Uniformed Fire Officers' Association.

Credit for any service rendered while a member of The New York State Policemen's and Firemen's Retirement System or the New York State & Local Retirement System, provided application for such credited service is made within prescribed time limits and such credited service is transferred to the Fund.

Credit for up to five (5) years of military service provided you were a member of a City retirement system at the time you entered military service and you immediately returned to City service upon discharge from the military.

Uniformed Services Employment & Reemployment Rights Act (USERRA) credit for members called off a Military Preferred List.

BUYBACK CREDIT

Chapter 548 of the Laws of 2000 allows members to purchase pension credit for up to three (3) years of certain wartime military service rendered prior to the commencement of the public employment. A member must have at least five (5) years of credited service to be eligible to receive credit under this law.

Chapter 646 of the Laws of 1999 – Tier Reinstatement: This law amends §645 of the RSSL and permits a member, who was previously a member of any New York public retirement system, to be deemed to have become a member of the current retirement system as of the original date of such previous ceased membership. If membership in the prior retirement system is based on certain designated law enforcement service, such service will be credited as “allowable” up-front service, towards the required 20-year period. For this purpose, such service shall include:

- a) Uniformed service in the police department, fire department or sanitation department of The City of New York or the State of New York or any agency or political subdivision thereof;
- b) Service as a peace officer as specified in §2.10 of the Criminal Procedure law (CPL); or
- c) Service in the title of sheriff, deputy sheriff, marshal district attorney investigator, or other State law enforcement positions. This benefit is available only where the member restores his or her refunded contribution balance with interest. In some cases, this may provide for a reinstatement of Tier status.

* Chapter 552 of the Laws of 2000 – Prior Service Credit: This law allows members who were eligible for membership in any of the New York State or New York City retirement systems, but did not become members of such system, to buy pension credit for the time that was eligible for membership. If membership in the prior retirement system is based on certain designated law enforcement service, such service will be credited as “allowable” up-front service. For this purpose, such service shall include:

- a) Uniformed service in the police department, fire department or sanitation department of the City of New York or the State of New York or any agency or political subdivision thereof;
- b) Service as a peace officer as specified in §2.10 of the Criminal Procedure Law (CPL); or
- c) Service in the title of sheriff, deputy sheriff, marshal, district attorney investigator, or other State law enforcement positions. Except for the service indicated above, all other service will be “Other Credited Service,” which counts as additional service credit after the completion of twenty (20) years in the fire pension system.

OTHER CREDITED SERVICE

Other Credited Service is any New York City service (except Teachers’ Retirement System service) which is not considered allowable credited service. It counts as additional service credit after completing the required twenty (20) years and includes service rendered while a member in a non-uniformed position with the New York City Employees’ Retirement System and membership in the Board of Education Retirement System. However, there is no credit for prior non-uniformed service for members who are granted an accidental disability pension. Uniformed service credit that does not immediately precede uniformed service in the New York City Fire Department is Other Credited Service. Time not transferred can be purchased as a buyback under Chapter 646 or Chapter 552. All such Other Credited Service must be applied for within the time limits prescribed by law and transferred to the Fire Department Pension Fund.

RETIREMENT PROCESS

SERVICE RETIREMENT

Members may retire for service (non-disability) after completing 20 years of uniformed service. To initiate Service Retirement, Form BP-165 must be submitted through the chain of command. The Retirement Counseling Unit must receive the form at least (30) days before the date on which the member wishes to retire and at least ten (10) days before the date on which usage of accrued and terminal leave begins.

WITHDRAWAL OF SERVICE RETIREMENT APPLICATION

If a member has begun to utilize terminal leave and decides to withdraw the application for retirement, the FDNY Medical Board must evaluate the member for a duty determination before he/she can return to full duty.

DISABILITY RETIREMENT

A member may apply either for ordinary disability (non-service connected) retirement or accidental disability (service connected) retirement, or both. Applications for service or non-service incurred disability retirement shall be submitted to the Fire Commissioner on Form BP-409 (2 copies). The following steps are necessary before disability retirement is considered.

STEP I: SUBMISSION OF APPLICATION***Member's Application for Disability Retirement:***

A member may initiate the disability retirement process by submitting Form BP-409, whether or not there has been an examination by a Bureau of Health Services (BHS) physician or by the BHS Medical Board. However, the BHS Medical Board is required to make a determination of the member's fitness for duty status prior to or during the disability pension application process. When any officer submits an application for disability retirement, vacation leaves, accrued and terminal leaves must begin immediately.

Depending upon the results of an initial examination by a medical officer at the Fire Department's Bureau of Health Services, the member will be referred to the BHS Medical Board, which is comprised of three or more FDNY medical officers. The BHS Medical Board makes fitness for duty determinations. The BHS Medical Board examines the member and may make one of the following determinations:

- a) Temporarily unfit for full duty. In this case, the member is placed on light duty or medical leave with an exception of being returned to full duty.
- b) Permanently unfit for full duty. This category is also known as REC/LSS (Recommended Limited Service Squad or Long Term Light Duty). Pursuant to Mayoral Directive 78-14, the member may remain on Light Duty for up to one year.
- c) Undetermined. This requires examination by the full BHS Medical Board at the monthly meeting of all medical officers.
- d) Full Duty.

Fire Commissioner's Application for Disability Retirement:

Pursuant to Mayoral Executive Order No. 78-14, the Fire Commissioner must apply for the disability retirement of any member found permanently unfit for full firefighting duty by the BHS Medical Board. Within thirty days of the BHS Medical Board's determination that a member is permanently unfit for full firefighting duty (REC/LSS), the transcript or minutes from the BHS Medical Board are forwarded to the Pension Bureau Retirement Desk. The Pension Bureau Retirement Desk is then required to file a Fire Commissioner's Application for Disability Retirement with the 1-B Medical Board.

STEP II: REVIEW OF APPLICATION BY THE 1-B MEDICAL BOARD

The 1-B Medical Board is composed of three physicians and is independent of both the Fire Department and the Pension Board of Trustees. The 1-B Medical Board meets weekly and is the sole authority in determining whether a member is disabled for retirement/pension purposes. In reviewing an application, the 1-B Medical Board addresses the following questions:

- a) Is the member disabled for retirement purposes?
- b) If the member is disabled for retirement purposes, is the disability due to a line-of-duty accident? (a.k.a. the *Causation* question). Please note that while the 1-B Medical Board's disability determination is binding upon the Pension Board of Trustees, it may only make recommendations with respect to the causation component.

The applicant has the right to submit any and all evidence in support of a disability retirement and the 1-B Medical Board must evaluate all of the evidence and report its conclusions and recommendations to the Pension Board of Trustees.

The 1-B Medical Board's recommendation on the cause of a disability for retirement purposes is based on a review of the relevant medical records contained in the member's medical chart (from the Bureau of Health Services) and any additional documents submitted by the member, including relevant CD-72s. Often, during its initial review of a case, the 1-B Medical Board may request that one of its impartial medical consultants evaluate the member. The medical consultant will be a specialist that deals with the member's specific medical condition. After its initial review, the 1-B Medical Board reaches one of the following conclusions:

- a) Disabled due to line-of-duty accident (Accidental Disability)
- b) Disabled due to non-line-of-duty condition (Ordinary Disability)
- c) Not Disabled for retirement purposes (Denied)
- d) Decision deferred until the 1-B Medical Board has evaluated the consultant's report or other additional evidence.

The 1-B Medical Board's certification of each is forwarded to the Board of Trustees for a final determination of the disability application.

STEP III: REVIEW BY THE BOARD OF TRUSTEES

The Board of Trustees consists of City and Union representatives, each with an equal number of votes. During its monthly meetings, the Board reviews the reports of the 1-B Medical Board, the relevant medical records and the relevant CD-72s. Although the Board of Trustees cannot change the 1-B Medical Board's decision on whether a member is permanently disabled from full duty, it can overrule the 1-B Medical Board's recommendation on causation. When the Board of Trustees cannot reach the vote necessary to pass a motion (7/12 or 14 votes) on the cause of the disability, the member will be retired for ordinary disability. This is based on a court case known as the "Schoeck Decision."

WITHDRAWAL OF DISABILITY RETIREMENT APPLICATION

If the Fire Commissioner applied for a member's disability retirement, only the Fire Commissioner can stop the process. If a member has applied for disability retirement, the member may stop the process by withdrawing the application. If the 1-B Medical Board's doctors have found the member disabled for retirement purposes, the member may not return to full duty. However, members found to be disabled by the 1-B Medical Board will be afforded the opportunity to request a reasonable accommodation as outlined in PAID 1/2000.

A request to withdraw a disability retirement application by the member shall be made on a letter-head report to the Fire Commissioner and processed through the chain of command. The report shall include:

NAME, RANK, UNIT, SOCIAL SECURITY NUMBER, REASON MEMBER SUBMITTED RETIREMENT APPLICATION, REASON FOR REQUESTING WITHDRAWAL, DATE(S) OF PREVIOUS RETIREMENT APPLICATIONS AND WITHDRAWAL REQUEST

Upon receipt of the request, the Bureau of Human Resources shall direct the member to the Bureau of Health Services for examination. The Fire Commissioner may elect to either withdraw or keep in effect the Fire Commissioner's application for retirement. An application to withdraw shall be denied for either of the following reasons:

The member is found unfit for any duty by the Fire Department BHS Medical Board or the member has had disability certified by the Board of Trustees prior to receipt of his/her withdrawal application.

If the application to withdraw is approved, member will be notified to report to the Bureau of Human Resources for clarification of duty status and suitable assignment.

RETIREMENT PROCEDURES FOR ALL RETIREES

During the retirement process, retirees will be advised regarding health insurance, pension options, post-retirement employment restrictions, withholding tax, and related issues. At this time, the member's projected retirement date will be determined, and an estimate of the final pension allowable, as well as the amount of the partial allowance, will be determined. NOTE: Health insurance is not provided for members with less than ten (10) years of service, retiring on an ordinary disability.

Members are generally entitled to take all vacation leave, accrued and terminal leave (normally one (1) day per four (4) completed months of service) after their last day on duty, and remain on the active payroll during this time. Terminal leave is not granted for vested separations. Under limited circumstances, service retirees and vested separations may submit a request for withdrawal of their retirement application before going off the payroll. To do so, the Retirement Counseling Unit must be notified at least ten (10) business days before the date on which the member is requesting a return to active status. (Note: Service retirees who have begun to utilize terminal leave must be evaluated by the FDNY Medical Board prior to return to full duty).

Upon retirement, a member must return all Department property and obtain a Property Release Form (BP-71) from the Bureau of Personnel. The retiree must forward a copy of the Property Release Form to the Pension Bureau before any pension checks are issued. In addition, a copy of the Property Release Form must also be forwarded to Uniformed Payroll for release of the final active paycheck.

TIERS I and II: SERVICE RETIREMENT ALLOWANCE

Members will be eligible to receive a retirement allowance after completing 20 years of allowable fire service.

The Service retirement allowance is calculated as follows:

50% of final salary
 plus
 $1/60^{\text{th}}$ x total earnings after your 20th anniversary
 plus
 $1/80^{\text{th}}$ x average annual earnings of the last 5 years x the years and days of other credited service, if applicable
 plus
 a pension based on the actuarial value of the ITHP contributions made after completion of 20 years of allowable fire service, together with the interest earned on those contributions
 plus
 an annuity based on any accumulations in excess of minimum required contributions remaining in the member's account at retirement, including interest earned on those contributions
 less
 the annuity value of any shortage in the member's account (shortages result from a contribution rate deficiency, prior loans, unpaid loans, and/or nonpayment of contributions).

TIERS I and II: DISABILITY RETIREMENT ALLOWANCE**ORDINARY DISABILITY RETIREMENT**

A member is eligible to receive an ordinary disability retirement allowance, regardless of age or years of credited service, provided the 1-B Medical Board and the Board of Trustees have found the member physically or mentally unable to perform his/her regular job duties.

An Ordinary Disability retirement allowance is calculated as follows:

years and days of all service, (uniformed and other credited service)
divided by 40 and multiplied by final salary
less
the annuity value of any shortages in the member's account (shortages result from prior
loans, unpaid loans, and/or nonpayment of contributions)
plus
a lump-sum return of any accumulated deductions in excess of the minimum required
contributions remaining in the account at retirement, including interest earned on these
contributions.

ACCIDENTAL DISABILITY RETIREMENT

There is no minimum service requirement for accidental disability retirement. The 1-B Medical Board must find a member physically (includes the presumptive Lung Law and the Heart/Cancer/Infectious Diseases/WTC Bills) or mentally unable to perform his/her regular job duties because of an accidental injury received in the line-of-duty. Such disability must not be the result of a member's own negligence.

An Accidental Disability retirement allowance is calculated as follows:

a pension equal to 75% of final salary
plus
 $1/60^{\text{th}}$ x total earnings after the member's 20th anniversary
plus
an additional pension based on the actuarial value of the ITHP reserve account as of the
effective date or retirement
plus
an annuity based on the actuarial value of accumulated deductions as of the effective date
of retirement
less
a deduction for the annuity value of any loan outstanding at time of retirement.

Notes:

For members retiring on or after January 1, 2009, accidental disability pensions are federally taxed on the 1/60th portion, ITHP over 20 years, and the annuity based on contributions attributed to 414H and interest. The balance of an accidental disability pension is Federally tax-free. However, the entire accidental disability is exempt from New York State and New York City Income Tax.

There is no credit for prior non-uniformed City service for IBP members granted an accidental disability pension.

TIERS I and II: OPTIONS**MAXIMUM RETIREMENT ALLOWANCE (NO OPTION)**

At retirement, a member may elect to receive the maximum retirement allowance. The maximum retirement allowance is the largest benefit that can be received. Payments are made throughout the retiree's lifetime and cease upon death. There are no survivor benefits under the maximum retirement allowance.

OPTIONS

An option is an election that provides a continued pension benefit or lump-sum payment to a beneficiary. When electing an option, the member accepts a reduced retirement allowance during his/her lifetime. The reduction is based on the option selected, age, and sometimes the age of the beneficiary. After certification by the Office of the Actuary, the pension is finalized. Once the member receives his/her full pension check, the option selected cannot be changed. There are four options available to Tier I members.

OPTION 1

Option 1 is available only to Tier 1 members appointed prior to July 1, 1973.

This option sets up an initial pension reserve. If the retiree dies before receiving payments equal to this total pension reserve (the reserve set aside to pay benefits over a retiree's lifetime), the difference between the total pension reserve and all payments received will be awarded to the beneficiary. This option may be selected for the annuity reserve, the pension reserve, or both. More than one beneficiary may be named, and the beneficiary (ies) may be changed at any time.

OPTION 2

Joint and 100% Survivor: The retiree receives a reduced monthly lifetime allowance. Upon the death of the retiree, this option allows the named beneficiary to receive 100% of the reduced pension allowance for life. Only one beneficiary may be named, and the designated beneficiary may not be changed once the option is in effect.

OPTION 3

Joint and 50% Survivor: The retiree receives a reduced monthly lifetime allowance. Upon the death of the retiree, this option allows the named beneficiary to receive 50% of the reduced pension allowance for life. Only one beneficiary may be named, and the designated beneficiary may not be changed once this option is in effect.

OPTION 4

Lump Sum: The retiree receives a reduced annual pension allowance for life with the provision that upon the death of the retiree, the beneficiary(ies) will receive a limited lump-sum payment specified by the retiree at the time the option is chosen. More than one beneficiary may be named and the beneficiary(ies) may be changed at any time;

Annuity: The retiree receives a reduced annual pension allowance for life with the provision that upon the death of the retiree, the beneficiary will receive a specified annual annuity, as pre-determined by the retiree. Only one beneficiary may be named, and the designated beneficiary may not be changed once the option is in effect.

“POP-UP” OPTION MODIFICATION

Under this option modification, if the named beneficiary predeceases the retiree, the retirement allowance reverts back to the maximum retirement allowance. The “Pop-up” may ONLY be applied to Option 2, Option 3, and Option 4 annuities. There is an extra cost for this option.

FIVE YEAR OR TEN-YEAR CERTAIN

The Five-Year or Ten-Year Certain Options are available only to Tier 2 members appointed after July 1, 1973.

FIVE-YEAR CERTAIN: The Retiree receives a reduced monthly lifetime allowance. If the retiree dies within five years of his /her retirement, the benefit is paid to the retiree’s beneficiary either in a lump sum or in monthly payments for the remainder of the five years.

TEN-YEAR CERTAIN: The Retiree receives a reduced monthly lifetime allowance. If the retiree dies within ten years of his /her retirement, the benefit is paid to the retiree’s beneficiary either in a lump sum or in monthly payments for the remainder of the ten years.

Should the beneficiary predecease the retiree, upon the death of the retiree, a lump sum will be paid to the estate of said retiree. The beneficiary may be changed at any time with this option.

Notes:

Fifty percent (50%) of any cost-of-living adjustments (COLAs) are paid to a spouse under Options 2 and 3, under Option 4 Annuity, and any “Pop-up” option, whose deceased spouse, if alive, would be eligible for a COLA benefit increase.

Under current tax laws, for the beneficiary(ies) of line-of-duty (accidental) disability retirees, all options are federally taxed on a portion of the pension that was taxable to the retiree, however, the total pension received under an option is exempt from New York State and New York City taxation.

TIERS I and II: SURVIVOR BENEFITS

Tier I survivor benefits are paid if a member dies before retirement, whether death occurs on or off the job.

There are two types of death benefits:

- Death Gamble Benefit – for ordinary (non-line-of-duty) deaths.
- Accidental Death Benefit (Line-of-Duty)

DEATH GAMBLE BENEFIT

For non-line-of-duty deaths, the benefit is computed as though the member had retired the day before his/her death. The designated beneficiary(ies) will be eligible to receive an amount equal to the reserve for the service retirement allowance that would have been payable had the member retired on the day before his/her death. If the beneficiary predeceases the member, this death benefit is paid to the member's estate.

ACCIDENTAL (LINE –OF-DUTY) DEATH BENEFIT

If the 1-B Medical Board determines that death is the result of an accidental injury received in the line of duty, an accidental death benefit will be paid as follows:

a pension equal to 50% of final compensation will be paid to a surviving spouse, to continue for life;

or

if there is no surviving spouse or if a surviving spouse dies before any eligible child attains 18 years of age (or, if a student, 23 years of age), then to such child or children under such age, until every such child dies or attains such age;

or

if there is no surviving spouse or eligible child under the age of 18 years (or 23 years, if a student), then to the member's dependent parent(s) to continue for life;

plus

a lump sum equal to the balance of the member's ITHP reserve account;

plus

a lump sum equal to the member's accumulated deductions/contributions will be paid to the designated beneficiary(ies)

plus

a Special Accidental Death benefit under Section 208-f of the General Municipal Law (State portion)

This Special Accidental Death benefit, when added to the 50% of final compensation pension paid by the City, and any Social Security Death benefits payable to a surviving spouse, equal to 100% of the member's final salary (final salary is defined as the last 12 months of earnings, and is never less than the full salary of a first-grade Firefighter). The Special Accidental Death benefit is increased from time to time by act of the New York State Legislature and is not payable to dependent parents. Effective September 1, 2000, any COLA (Cost of Living Adjustment) received on the 50% pension payable from the Fund shall be subtracted from the Special Accidental Death Benefit (State's portion).

BENEFICIARY DESIGNATION

Upon membership in the Fund, a beneficiary(ies) for the Life Insurance benefit and for Death Benefits is (are) elected. A member may change beneficiary(ies) at any time by filing the appropriate form(s) with the Pension Bureau. Please note that the beneficiary(ies) designated on the Death Benefits beneficiary form will receive this benefit in the event of the member's non-line-of-duty death. In the event of Accidental Death (Line-of-Duty), benefits will be paid to the appropriate beneficiary(ies) in accordance with the Administrative Code of the City of New York and other applicable sections of the law.

The special dividend is a dividend which is paid to the shareholders of a corporation in addition to the regular dividend. It is usually paid when a corporation has a large amount of cash on hand and wishes to distribute it to its shareholders. The special dividend is not taxable as a dividend for federal income tax purposes. However, it is taxable as a dividend for state income tax purposes. The special dividend is also not taxable as a dividend for estate tax purposes. The special dividend is also not taxable as a dividend for gift tax purposes.

The special dividend is a dividend which is paid to the shareholders of a corporation in addition to the regular dividend. It is usually paid when a corporation has a large amount of cash on hand and wishes to distribute it to its shareholders. The special dividend is not taxable as a dividend for federal income tax purposes. However, it is taxable as a dividend for state income tax purposes. The special dividend is also not taxable as a dividend for estate tax purposes. The special dividend is also not taxable as a dividend for gift tax purposes.

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Summary Funds Benefits

TIER III

This Summary Plan Description (SPD) summarizes the benefits provided by the New York City Fire Department Pension Fund, Subchapter II (the "Fire Pension Fund"), for Tier 3 members. Anyone who became a member of the Fire Pension Fund between July 1, 2009 and March 31, 2012 is a Tier 3 member. Those who become members of the Fire Pension Fund on or after April 1, 2012 are "modified Tier 3" members, also known as Tier 6. The main difference is that "Modified Tier 3" members have 5 year Final Average Salary (FAS) calculation upon retirement. Unless otherwise noted, the information presented in this SPD is applicable to both Tier 3 and Modified Tier 3 members, and will be collectively referred to as "Tier 3." This summary and any applicable laws, including, but not limited to, the Administrative Code of the City of New York (ACNY), the Retirement and Social Security Law (RSSL), and the rules of the Fire Pension Fund, the applicable Law or Rule will govern.

The Fire Pension Fund is a separate entity from the Fire Department of the City of New York (FDNY), your employer. All Uniformed employees of the Fire Department become members of the Fire Pension Fund upon appointment.

MEMBERSHIP

Uniformed members of the FDNY appointed on or after July 1, 2009 are subject to Article 14 of the RSSL, also known as Tier 3.

CONTRIBUTIONS

Members are required to contribute 3% of pensionable salary for the first 25 years of credited service (RSSL 517). Member contributions are federally tax-deferred as per section 414(h) of the Internal Revenue Code, but are subject to state and local income taxation.

MINIMUM REQUIRED AND INTEREST

Member contributions and any interest earned are referred to as accumulated contributions." The Tier 3 rate of interest on member contributions is currently 5%. The amount of accumulated contributions required to be in a member's account at any given time is referred to as the "minimum required." In order to be eligible for a benefit at retirement, a member must have the "minimum required" of accumulated contributions, which is equal to the 3% contribution rate plus the statutory interest earned.

DEFICITS

A deficit occurs when a member's pension account balance falls below the minimum required. Deficits may occur because of delays in contract settlements. Pension contributions on retroactive pay from a contract settlement do not include the interest that would have been earned on those contributions. Since interest earned on contributions is apart of a member's minimum required, a deficit can occur.

Members are not permitted to retire with a deficit, and are responsible for any account shortages. Members may opt to make a lump sum payment or bi-weekly payroll deductions to reduce and eliminate any deficit.

REFUNDS

Upon separation from the Fire Pension Fund for reasons other than retirement, such as resignation or termination, a written request for a refund of accumulated contributions plus interest may be made. If contributions are not withdrawn, the money will continue to earn interest for a maximum of five years from the date of separation.

WITHDRAWAL OF CONTRIBUTIONS

In the event of a resignation or termination, a member who is not vested or entitled to any other benefit under Tier 3 may withdraw accumulated contributions, and thereby terminate his or her Fire Pension Fund membership. A member, who separates from service as a vested member, but with less than 10 years of credited service, may also withdraw his or her accumulated contributions. A withdraw of contributions by such a vested member, however, will terminate all membership rights, include the right to receive a vested retirement benefit in the future. After 10 years of service, contributions may not be withdrawn and members will receive a vested retirement benefit.

LOANS

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

CREDITED SERVICE

Unless otherwise stated, "credited service" is defined as allowable Uniformed service. Participation in the Fire Pension Fund is mandatory for Uniformed employees hired on or after July 1, 2009. Members receive credit for all Uniformed service time while on active payroll, up to a maximum, of 22 years.

ALLOWABLE UNIFORMED SERVICE

Twenty-two (22) years of allowable Uniformed service are required for Normal Service Retirement, or twenty (20) years for Early Service Retirement. Such service includes:

All member service rendered as a Uniformed member of the New York City Fire Department in the competitive class of the civil service.

Credit for service rendered in the Uniformed force of the New York City Police Department acquired pursuant to applicable law.

Credit for any service rendered while a member of the New York State and Local Police and Fire Retirement System as a Police Officer or Firefighter.

Credit for military service acquired pursuant to applicable law.

PRIOR SERVICE CREDIT

A member may obtain prior credited service for any New York State Police or Fire Time, or for Uniformed service with the New York City Police Department, by filing for transfer or buy-back. This prior credit service counts toward the requirements for vesting and retirement.

MILITARY SERVICE CREDIT

Military service with the federal government may be credited pursuant to New York State Military Law 243, the federal Uniformed Services Employment and Reemployment Right Act (USERRA), and RSSL 1000. Members who join the Fire Pension Fund on or after April 1, 2012, and who wish to purchase credit for military service under RSSL 1000, pay an amount for such credit equal to the number of years of military credit being purchased multiplied by 6% of the compensation earned by the member during the 12 months of credited service immediately preceding the member's application to purchase such credit. Members who joined the Fire Pension Fund prior to April 1, 2012 and who wish to purchase credit for military service under RSSL 1000, pay an amount for such credit equal to the number of years of military credit being purchased multiplied by 3% of the compensation earned by the member during the 12 months of credited service immediately preceding the member's application to purchase such credit.

TRANSFER TO THE FIRE PENSION FUND

A member may transfer to the Fire Pension Fund from another public retirement system within the State of New York. In Tier 3, transferring prior City or State service, other than Uniformed Police or Fire service, 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 Fire Pension Fund upon completion of a proper transfer. Before deciding whether to transfer service from another pension system, eligible members should contact the Fire Pension Fund Administration Office at (718) 999-2300.

MEMORANDUM FOR THE RECORD

On 10/10/2019, the following information was received from the [redacted] regarding the [redacted] case.

The [redacted] advised that the [redacted] was [redacted] on [redacted] at [redacted].

The [redacted] further stated that the [redacted] was [redacted] by [redacted] on [redacted].

The [redacted] also mentioned that the [redacted] was [redacted] on [redacted] at [redacted].

The [redacted] is currently [redacted] at [redacted].

The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted].

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The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted].

The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted]. The [redacted] is currently [redacted] at [redacted].

New York Fire Department Pension Funds

Comprehensive Annual Financial Report

A Pension Trust Fund of The City of New York



Financial Section

Part II

Fiscal Years Ended June 30, 2015 and June 30, 2014

about 100,000 people in the area.

The area is a mix of residential and commercial.

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the
New York Fire Department Pension Funds:

Report on the Combining Financial Statements

We have audited the accompanying combining statements of fiduciary net position of the New York Fire Department Pension Fund, New York City Fire Department Firefighters' Variable Supplements Fund, and New York City Fire Department Fire Officers' Variable Supplements Fund, which collectively comprise the New York Fire Department Pension Funds (the "Funds"), a fiduciary fund of the City of New York, as of June 30, 2015 and 2014, and the related combining statements of changes in fiduciary net position for the years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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, 2015 and 2014, and the changes in combining fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 audits were 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 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 audits 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 by us and the other auditors. In our opinion the Additional Supplementary Information is fairly stated, in all material respects, in relation to the basic 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.

Deloitte & Touche LLP

October 29, 2015

NEW YORK FIRE DEPARTMENT PENSION FUNDS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) JUNE 30, 2015 AND 2014

This narrative discussion and analysis of the New York Fire Department Pension Funds' ("FIRE" or the "Funds") financial performance provides an overview of the Funds' combining financial activities for the Fiscal Years ended June 30, 2015 and 2014. 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.

FIRE administers the New York Fire Department, Subchapter Two Pension Fund, which is generally referred to as the New York Fire Department Pension Fund- Qualified Pension Plan ("QPP") - as set forth in the Administrative Code of The City of New York ("ACNY") Section 13-313.1. FIRE also administers the New York City Fire Department Firefighters' Variable Supplements Fund ("FFVSF") and the New York City Fire Department Fire Officers' Variable Supplements Fund ("FOVSF").

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 each 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 presented after the Notes to the Combining Financial Statements.

FINANCIAL HIGHLIGHTS

For Fiscal Year ended June 30, 2015, the Funds' net position restricted for benefits was at \$11.6 billion. This amount reflects an increase of \$221.2 million (1.9%) over the Funds' net position restricted for benefits in Fiscal Year 2014. The growth for Fiscal Year 2015 can be attributed to the fact that total contributions and net investment income exceeded total pension benefits paid. In addition, modest performance returns on the Funds' investment portfolio contributed to the overall positive net investment income reported for the period.

For Fiscal Year ended June 30, 2014, the Funds' net position restricted for benefits increased by \$1.6 billion (16.7%) to approximately \$11.4 billion, compared to the Funds' net position restricted for benefits in Fiscal Year 2013. The growth for Fiscal Year 2014 can be attributed to the excess of total contributions and net investment income over pension benefits paid. In addition, a net appreciation in the fair value of the Funds' investment portfolio resulted in a significant increase in the amount of net investment income reported for the period.

Changes in Fiduciary Net Position Years Ended June 30, 2015, 2014 and 2013 (In thousands)

	2015	2014	2013
Additions:			
Member contributions	\$ 108,582	\$ 108,859	\$ 104,816
Employer contributions	988,784	969,956	962,173
Net investment income	302,567	1,689,485	1,042,431
Other	41,201	39,980	38,965
Total	<u>1,441,134</u>	<u>2,808,280</u>	<u>2,148,385</u>
Deductions:			
Benefit payments and withdrawals	<u>1,219,890</u>	<u>1,171,329</u>	<u>1,136,004</u>
Net increase in net position	221,244	1,636,951	1,012,381
Net position restricted for benefits			
Beginning of year	<u>11,426,935</u>	<u>9,789,984</u>	<u>8,777,603</u>
End of year	<u>\$ 11,648,179</u>	<u>\$ 11,426,935</u>	<u>\$ 9,789,984</u>

For Fiscal Year ended June 30, 2015, member contributions were approximately \$108.6 million or a slight decrease of \$ 0.3 million (0.3%) compared to member contributions for Fiscal Year 2014.

For Fiscal Year ended June 30, 2014, member contributions were approximately \$108.9 million or an increase of \$4.1 million (3.9%) compared to member contributions for Fiscal Year 2013. Increases or decreases in member contributions are primarily due to changes in the number of active Plan members making voluntary contributions in addition to their required contributions and also changes in the average annual pay of Plan members.

Employer contributions are made on a statutory basis determined by the actuarial valuations performed as of June 30, 2013 and 2012 under One-Year Lag Methodology (“OYLM”). Employer contributions for Fiscal Year 2015 totaled approximately \$988.8 million, an increase of \$18.8 million (1.9%) compared to employer contributions for Fiscal Year 2014 primarily due to the net result of an actuarial gain. Employer contributions for Fiscal Year 2014 totaled approximately \$970.0 million, an increase of \$7.8 million (0.8%) compared to employer contributions for Fiscal Year 2013 primarily due to the net result of an actuarial gain.

For Fiscal Year ended June 30, 2015, the Funds had a net investment gain of \$302.6 million; this amount although positive was a decrease of 82.1% compared to the net investment gain of \$1,689.5 million recorded for Fiscal Year 2014. The net investment gain for Fiscal year 2015 was achieved despite of net depreciation in fair value of the QPP’s investment portfolio and can be attributed to the overall positive performance return on the combined portfolio of the Funds.

For Fiscal Year ended June 30, 2014, the Funds had a net investment gain of \$1,689.5 million; this amount was an increase of 62.1% compared to the net investment gain of \$1,042.4 million recorded for Fiscal Year 2013. The gain for Fiscal Year 2014 can be attributed to the overall net appreciation in fair value of the Funds’ investment portfolio.

Benefit payments and withdrawals recorded were \$1,219.9 million for the Fiscal Year ended June 30, 2015; this was an increase of 4.1% over benefit payments and withdrawals recorded for Fiscal Year 2014. Benefit payments and withdrawals recorded were \$1,171.3 million for the Fiscal Year ended June 30, 2014; this was an increase of 3.1% over benefit payments and withdrawals recorded for Fiscal Year 2013. Increases in benefit payments and withdrawals are primarily due to changes in the number of new retirees and the amount of payments made to beneficiaries. In addition, legislatively enacted cost of living increases for certain retirees and beneficiaries also serves to increase benefit payments each year.

For Fiscal Years 2015 and 2014, the FIRE QPP, in accordance with regulations of the ACNY transferred amounts to the VSF’s equal to certain excess earnings on equity investments limited to the unfunded Accumulated Benefit Obligation (“ABO”) of the Fund. The amounts paid were \$30 million and \$110 million to the FFVSF Fund for Fiscal Years 2015 and 2014, respectively, and \$10 million in each year to the FOVSF Fund. Such amounts have been eliminated in the system-wide presentation above.

FIDUCIARY NET POSITION

For Fiscal Year 2015, the Funds’ net position restricted for benefits increased by 1.9% to \$11.6 billion, compared to the net position restricted for benefits of \$11.4 billion in Fiscal Year 2014. The growth for Fiscal Year 2015 can be attributed to the fact that total contributions and net investment income exceeded total pension benefits paid. In addition, modest performance returns on the Funds’ investment portfolio contributed to the overall positive net investment income reported for the period.

For Fiscal Year 2014, the Funds’ net position restricted for benefits increased by 16.7% to \$11.4 billion, compared to the net position restricted for benefits of \$9.8 billion in Fiscal Year 2013. The growth for Fiscal Year 2014 can be attributed to the excess of total contributions and net investment income over pension benefits paid. In addition, a net appreciation in the fair value of the Funds’ investment portfolio resulted in a significant increase in the amount of net investment income reported for the year.

Outstanding member loans for Fiscal Year 2015 totaled \$29.1 million; this amount was an increase from member loans reported in Fiscal Year 2014. Outstanding member loans for Fiscal Year 2014 totaled \$28.4 million; this amount was a decrease from member loans reported in Fiscal Year 2013. Changes in member loans can be attributed to changes in the number and amounts of new loans disbursed and the amount of repayments received. Members are permitted to borrow up to 75% (for certain members up to 90%) of their required contributions, including accumulated interest.

Fiduciary Net Position
June 30, 2015, 2014 and 2013
(In thousands)

	2015	2014	2013
Cash	\$ 20,768	\$ 21,918	\$ 12,724
Receivables	237,528	285,111	426,095
Investments — at fair value	12,101,222	11,710,528	10,218,164
Collateral from securities lending	836,325	1,049,736	1,011,064
Other assets	<u>5,596</u>	<u>5,246</u>	<u>4,807</u>
Total assets	<u>13,201,439</u>	<u>13,072,539</u>	<u>11,672,854</u>
Accounts payable	74,829	45,805	115,261
Payables for investments purchased	592,027	502,688	705,244
Accrued benefits payable	50,079	46,669	47,872
Payables for securities lending transactions	<u>836,325</u>	<u>1,050,442</u>	<u>1,014,493</u>
Total liabilities	<u>1,553,260</u>	<u>1,645,604</u>	<u>1,882,870</u>
Net position restricted for benefits	<u>\$ 11,648,179</u>	<u>\$ 11,426,935</u>	<u>\$ 9,789,984</u>

The Funds' receivables and payables are primarily generated through the timing difference between the trade and settlement dates for investment securities purchased or sold.

Investment Summary
June 30, 2015
(In thousands)

Investments - At fair value:	QPP	FFVSF	FOVSF	Total Funds
Short term investments:				
U.S. treasury bills and agency	\$ 182,521	\$ -	\$ -	\$ 182,521
Commercial paper	300,618	3,602	3,151	307,371
Short-term investment fund	211,956	6,259	1,572	219,787
Discount notes		10,989	3,184	14,173
Debt securities:				
U.S. government and agency	2,463,809	88,272	53,983	2,606,064
Corporate and other				
Equity securities	1,943,618	-	-	1,943,618
Alternative investments	1,887,226	-	-	1,887,226
Collective trust funds:				
International equity	2,022,335	77,890	61,322	2,161,547
Domestic equity	1,516,030	273,828	161,871	1,951,729
Mortgage debt security	72,185	-	-	72,185
Treasury inflation protected securities	300,374	9,946	6,309	316,629
Fixed income	394,772	26,385	17,215	438,372
Collateral from securities lending	<u>795,944</u>	<u>22,251</u>	<u>18,130</u>	<u>836,325</u>
	<u>\$12,091,388</u>	<u>\$ 519,422</u>	<u>\$ 326,737</u>	<u>\$ 12,937,547</u>

Investment Summary
June 30, 2014
(In thousands)

Investments - At fair value:	QPP	FFVSF	FOVSF	Total Funds
Short term investments:				
U.S. treasury bills and agency	\$ 168,060	\$ 13,100	\$ 1,000	\$ 182,160
Commercial paper	168,171	500	4,423	173,094
Short-term investment fund	161,633	3,903	1,297	166,833
Debt securities:				
U.S. government and agency	859,362	42,211	31,539	933,112
Corporate and other	1,114,610	34,508	26,997	1,176,115
Equity securities	2,403,634	-	-	2,403,634
Alternative investments	1,761,800	-	-	1,761,800
Mutual funds - International equity	-	15,535	10,719	26,254
Collective trust funds:				
International equity	2,051,440	63,353	51,416	2,166,209
Domestic equity	1,516,964	226,046	162,466	1,905,476
Mortgage debt security	64,999	-	-	64,999
Treasury inflation protected securities	305,321	10,081	6,395	321,797
Fixed income	386,024	26,035	16,986	429,045
Collateral from securities lending	<u>990,167</u>	<u>33,011</u>	<u>26,558</u>	<u>1,049,736</u>
	<u>\$ 11,952,185</u>	<u>\$ 468,283</u>	<u>\$ 339,796</u>	<u>\$ 12,760,264</u>

The tables above summarize the Funds' investment portfolio including collateralized securities lending. Due to the long-term nature of the Funds' benefit obligations, the Funds' 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 posted gains of 7.3% in Fiscal Year 2015, compared to gains posted of 25.2% in Fiscal Year 2014. The investment results for Fiscal Year 2015 were generally consistent with related benchmarks, within asset classes. Overall, the most significant gains were posted within the equity asset classes during the fiscal year. FIRE QPP's investment portfolio posted gains of 3.5% for Fiscal Year 2015 compared to the gain of 17.4% for Fiscal Year 2014. For the three-year period ended June 30, 2015, the overall rate of return on the QPP's investment portfolio was 10.8%.

The FFVSF's investment portfolio posted gains of 4.1% for Fiscal Year 2015 compared to the gain of 17.7% for Fiscal Year 2014. For the three-year period ended June 30, 2015, the overall rate of return on the Plan's investment portfolio was 11.4%.

Similarly, the FOVSF's investment portfolio posted gains of 4.1% for Fiscal Year 2015 compared to the gain of 19.6% for Fiscal Year 2014. For the three-year period ended June 30, 2015, the overall rate of return on the Plan's investment portfolio was 12.0%.

CONTACT INFORMATION

This financial report is designed to provide a general overview of the New York Fire Department Pension Funds' finances. Questions concerning any data provided in this report or requests for additional information should be directed to Chief Accountant, New York Fire Department Pension Funds, 9 Metrotech Center, 6W-07-K, Brooklyn, NY 11201-3751.

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NEW YORK FIRE DEPARTMENT PENSION FUNDS

COMBINING STATEMENTS OF FIDUCIARY NET POSITION

JUNE 30, 2015

(In thousands)

	QPP	FFVSF	FOVSF	Eliminations	TOTAL Funds
ASSETS:					
Cash	\$ 8,375	\$ 11,750	\$ 643	\$ -	\$ 20,768
Receivables:					
Investment securities sold	178,385	6,383	3,867	-	188,635
Member loans (Note 6)	29,124	-	-	-	29,124
Accrued interest and dividends	18,568	743	458	-	19,769
Transferrable earnings due from QPP to Variable Supplements Funds	-	41,000	11,000	(52,000)	-
Due from QPP	-	-	15	(15)	-
Due from Variable Supplements Fund	-	-	32	(32)	-
Total receivables	<u>226,077</u>	<u>48,126</u>	<u>15,372</u>	<u>(52,047)</u>	<u>237,528</u>
INVESTMENTS — At fair value (Notes 2 and 3):					
Short-term investments:					
Commercial paper	300,618	3,602	3,151	-	307,371
Short-term investment fund	211,956	6,259	1,572	-	219,787
U.S. treasury bills and agencies	182,521	-	-	-	182,521
Discount notes	-	10,989	3,184	-	14,173
Debt securities:					
U.S. government and agency	-	88,272	53,983	-	142,255
Corporate and other	2,463,809	-	-	-	2,463,809
Promissory notes	-	-	-	-	-
Equity securities	1,943,618	-	-	-	1,943,618
Alternative investments	1,887,226	-	-	-	1,887,226
Mutual funds - international equity	-	-	-	-	-
Collective trust funds:					
International equity	2,022,335	77,890	61,322	-	2,161,547
Fixed income	394,772	26,385	17,215	-	438,372
Domestic equity	1,516,030	273,828	161,871	-	1,951,729
Mortgage debt security	72,185	-	-	-	72,185
Treasury inflation protected securities	300,374	9,946	6,309	-	316,629
Collateral from securities lending	795,944	22,251	18,130	-	836,325
Total investments	<u>12,091,388</u>	<u>519,422</u>	<u>326,737</u>	<u>-</u>	<u>12,937,547</u>
OTHER ASSETS					
	<u>5,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,596</u>
Total assets	<u>12,331,436</u>	<u>579,298</u>	<u>342,752</u>	<u>(52,047)</u>	<u>13,201,439</u>
LIABILITIES:					
Accounts payable	74,773	-	56	-	74,829
Payable for investment securities purchased	574,447	9,941	7,639	-	592,027
Accrued benefits payable (Note 1)	18,927	21,630	9,522	-	50,079
Payments Due to Variable Supplements Funds	15	32	-	(47)	-
Transferrable earnings due from QPP to Variable Supplements Funds	52,000	-	-	(52,000)	-
Securities lending (Note 2)	795,944	22,251	18,130	-	836,325
Total liabilities	<u>1,516,106</u>	<u>53,854</u>	<u>35,347</u>	<u>(52,047)</u>	<u>1,553,260</u>
NET POSITION RESTRICTED FOR BENEFITS:					
Benefits to be provided by QPP	10,815,330	-	-	-	10,815,330
Benefits to be provided by VSF	-	525,444	307,405	-	832,849
Total net position restricted for benefits	<u>\$10,815,330</u>	<u>\$525,444</u>	<u>\$307,405</u>	<u>\$ -</u>	<u>\$11,648,179</u>

See notes to combining financial statements.

NEW YORK FIRE DEPARTMENT PENSION FUNDS

COMBINING STATEMENTS OF FIDUCIARY NET POSITION

JUNE 30 2014

(In thousands)

	QPP	FFVSF	FOVSF	Eliminations	TOTAL Funds
ASSETS:					
Cash	\$ 9,801	\$ 11,591	\$ 526	\$ -	\$ 21,918
Receivables:					
Investment securities sold	225,735	7,769	2,979	-	236,483
Member loans (Note 6)	28,434	-	-	-	28,434
Accrued interest and dividends	18,907	755	532	-	20,194
Transferrable earnings due from QPP to Variable Supplements Funds	-	110,000	10,000	(120,000)	-
Total receivables	273,076	118,524	13,511	(120,000)	285,111
INVESTMENTS — At fair value (Notes 2 and 3):					
Short-term investments:					
Commercial paper	168,171	500	4,423	-	173,094
Short-term investment fund	161,633	3,903	1,297	-	166,833
U.S. treasury bills and agencies	168,060	13,100	1,000	-	182,160
Debt securities:					
U.S. government and agency	859,362	42,211	31,539	-	933,112
Corporate and other	1,114,610	34,508	26,997	-	1,176,115
Equity securities	2,403,634	-	-	-	2,403,634
Alternative investments	1,761,800	-	-	-	1,761,800
Mutual funds - international equity	-	15,535	10,719	-	26,254
Collective trust funds:					
International equity	2,051,440	63,353	51,416	-	2,166,209
Fixed income	386,024	26,035	16,986	-	429,045
Domestic equity	1,516,964	226,046	162,466	-	1,905,476
Mortgage debt security	64,999	-	-	-	64,999
Treasury inflation protected securities	305,321	10,081	6,395	-	321,797
Collateral from securities lending	990,167	33,011	26,558	-	1,049,736
Total investments	11,952,185	468,283	339,796	-	12,760,264
OTHER ASSETS	5,246	-	-	-	5,246
Total assets	12,240,308	598,398	353,833	(120,000)	13,072,539
LIABILITIES:					
Accounts payable	45,749	-	56	-	45,805
Payable for investment securities purchased	472,882	19,382	10,424	-	502,688
Accrued benefits payable (Note 1)	14,966	22,034	9,669	-	46,669
Transferrable earnings due from QPP to Variable Supplements Funds	120,000	-	-	(120,000)	-
Securities lending (Note 2)	990,873	33,011	26,558	-	1,050,442
Total liabilities	1,644,470	74,427	46,707	(120,000)	1,645,604
NET POSITION RESTRICTED FOR BENEFITS:					
Benefits to be provided by QPP	10,595,838	-	-	-	10,595,838
Benefits to be provided by VSF	-	523,971	307,126	-	831,097
Total net position restricted for benefits	\$10,595,838	\$523,971	\$307,126	\$ -	\$11,426,935

See notes to combining financial statements.

NEW YORK FIRE DEPARTMENT PENSION FUNDS

COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION YEAR ENDED JUNE 30, 2015

(In thousands)

	QPP	FFVSF	FOVSF	Eliminations	TOTAL Funds
ADDITIONS:					
Contributions:					
Member contributions	\$ 108,582	\$ -	\$ -	\$ -	\$ 108,582
Employer contributions	988,784	-	-	-	988,784
Total contributions	1,097,366	-	-	-	1,097,366
Investment income (Note 3):					
Interest income	115,571	4,297	2,906	-	122,774
Dividend income	227,390	7,138	4,500	-	239,028
Net appreciation/depreciation in fair value of investments	(8,490)	7,226	4,650	-	3,386
Total investment income	334,471	18,661	12,056	-	365,188
Less investment expenses	68,027	-	-	-	68,027
Net income	266,444	18,661	12,056	-	297,161
Securities lending transactions:					
Securities lending income	5,332	243	206	-	5,781
Securities lending fees	(346)	(16)	(13)	-	(375)
Net securities lending income	4,986	227	193	-	5,406
Net investment income	271,430	18,888	12,249	-	302,567
Net receipts from other retirement systems	40,737	--	-	-	40,737
Transferrable earnings from QPP to Variable Supplements Funds	-	30,000	10,000	(40,000)	-
Litigation income	464	-	-	-	464
Total additions	1,409,997	48,888	22,249	(40,000)	1,441,134
DEDUCTIONS:					
Benefit payments and withdrawals (Note 1)	1,150,505	47,415	21,970	-	1,219,890
Transferrable earnings from QPP to Variable Supplements Funds	40,000	-	-	(40,000)	-
Total deductions	1,190,505	47,415	21,970	(40,000)	1,219,890
NET INCREASE IN NET POSITION	219,492	1,473	279	-	221,244
NET POSITION RESTRICTED FOR BENEFITS					
Beginning of year	10,595,838	523,971	307,126	-	11,426,935
End of year	\$10,815,330	\$525,444	\$307,405	\$ -	\$11,648,179

See notes to combining financial statements.

NEW YORK FIRE DEPARTMENT PENSION FUNDS

COMBINING STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2014

(In thousands)

	QPP	FFVSF	FOVSF	Eliminations	TOTAL Funds
ADDITIONS:					
Contributions:					
Member contributions	\$ 108,859	\$ -	\$ -	\$ -	\$ 108,859
Employer contributions	969,956	-	-	-	969,956
Total contributions	1,078,815	-	-	-	1,078,815
Investment income (Note 3):					
Interest income	118,699	4,701	3,038	-	126,438
Dividend income	141,157	6,025	4,320	-	151,502
Net appreciation in fair value of investments	1,352,930	58,245	43,907	-	1,455,082
Total investment income	1,612,786	68,971	51,265	-	1,733,022
Less investment expenses	42,803	-	-	-	42,803
Net income	1,569,983	68,971	51,265	-	1,690,219
Securities lending transactions:					
Securities lending income	4,171	149	121	-	4,441
Securities lending loss	(4,896)	(81)	68	-	(4,909)
Securities lending fees	(245)	(12)	(9)	-	(266)
Net securities lending (loss) income	(970)	56	180	-	(734)
Net investment income	1,569,013	69,027	51,445	-	1,689,485
Net receipts from other retirement systems	39,581	-	-	-	39,581
Transferrable earnings from QPP to Variable Supplements Funds	-	110,000	10,000	(120,000)	-
Litigation income	399	-	-	-	399
Total additions	2,687,808	179,027	61,445	(120,000)	2,808,280
DEDUCTIONS:					
Benefit payments and withdrawals (Note 1)	1,099,162	50,425	21,742	-	1,171,329
Transferrable earnings from QPP to Variable Supplements Funds	120,000	-	-	(120,000)	-
Total deductions	1,219,162	50,425	21,742	(120,000)	1,171,329
NET INCREASE IN NET POSITION	1,468,646	128,602	39,703	-	1,636,951
NET POSITION RESTRICTED FOR BENEFITS					
Beginning of year	9,127,192	395,369	267,423	-	9,789,984
End of year	\$10,595,838	\$523,971	\$307,126	\$ -	\$11,426,935

See notes to combining financial statements.

NEW YORK FIRE DEPARTMENT PENSION FUNDS

NOTES TO COMBINING FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2015 AND 2014

1. PLAN DESCRIPTION

The City of New York (“The City”) maintains a number of pension systems providing benefits for employees of its various agencies (as defined within New York State (“State”) statutes and City laws). The City’s five major actuarially-funded pension systems are the New York Fire Department Pension Funds (“FIRE”), 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 City Police Pension Funds (“POLICE”). Each pension system is a separate Public Employee Retirement System (“PERS”) with a separate oversight body and is financially independent of the others.

FIRE administers the New York Fire Department, Subchapter Two Pension Fund, which is generally referred to as the New York Fire Department Pension Fund (“QPP”) as set forth in the Administrative Code of The City of New York (“ACNY”) Section 13-313.1. FIRE also administers the New York City Fire Department Firefighters’ Variable Supplements Fund (“FFVSF”) and the New York City Fire Department Fire Officers’ Variable Supplements Fund (“FOVSF”).

The QPP is a single-employer pension plan. The QPP provides pension benefits for full-time uniformed employees of the New York City Fire Department (the “Employer”). All full-time uniformed employees of the New York City Fire Department become members of the QPP upon appointment. 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 FFVSF and the FOVSF (collectively, the “VSFs”) operate pursuant to the provisions of Title 13, Chapter 3 of the ACNY and provide supplemental benefits to retired Firefighters and Wipers, and Fire Officers, respectively. To be eligible to receive benefits from the VSFs, Firefighters and Wipers, and Fire Officers must retire, on or after October 1, 1968, with 20 or more years of uniformed services 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.

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

Boards of Trustees

The QPP’s Board of Trustees consists of twelve members. The Trustees and their voting rights are as follows: the City Fire Commissioner, Mayor, Comptroller, and Commissioner of Finance (three votes each); the President, the Vice President, Treasurer, and Chairperson of the Board of Trustees of the Uniformed Firefighters Association of Greater New York (“UFA”) (two votes each); the President of the Uniformed Fire Officers’ Association of Greater New York (“UFOA”) and three elected members of the Executive Board of the UFOA, one of whom shall be an officer with rank above that of captain (one vote), one of whom shall be a captain (one vote) and one of whom shall be a lieutenant (one and one-half votes); and a representative of the Uniformed Pilots’ and Marine Engineers’ Association of Greater New York (one-half vote).

The FFVSF’s Board of Trustees consists of five members. The Trustees are as follows: the City Mayor, Comptroller, Commissioner of Finance, and two representatives of the UFA who are members of the QPP Board of Trustees with one vote each.

The FOVSF’s Board of Trustees consists of five members. The Trustees are as follows: the City Mayor, Comptroller, Commissioner of Finance, and two of the representatives of the UFOA who are members of the QPP Board of Trustees with one vote each.

Membership Data

At June 30, 2013 and June 30, 2012, the dates of the QPP’s most recent completed actuarial valuations, the QPP’s membership consisted of:

	2013	2012
Retirees and beneficiaries receiving benefits	\$ 16,807	\$ 16,917
Terminated vested members not yet receiving benefits	33	30
Other inactives *	17	12
Active members receiving salary	<u>10,182</u>	<u>10,267</u>
Total	<u>\$27,039</u>	<u>\$27,226</u>

* Represents members who are no longer on payroll but otherwise classified.

At June 30, 2014 and 2013, the dates of the VSFs’ most recent actuarial valuations, the FFVSF and FOVSF membership consist of:

	<u>FFVSF</u>		<u>FOVSF</u>	
	2014	2013	2014	2013
Retirees currently receiving payments	\$ 3,691	\$ 3,720	\$ 1,629	\$ 1,653
Active members**	<u>7,623</u>	<u>7,697</u>	<u>2,696</u>	<u>2,485</u>
Total	<u>\$11,314</u>	<u>\$11,417</u>	<u>\$4,325</u>	<u>\$4,138</u>

** Represents the number of actively employed firefighters and fire officers, respectively, as of the June 30 valuation dates.

Summary of Benefits

QPP

The New York State Constitution provides that the pension rights of public employees are contractual and shall not be diminished or impaired. In 1973, amendments were made to the New York State Retirement and Social Security Law ("RSSL") to modify certain benefits for employees joining the QPP on or after the effective date of such amendments. These amendments, which affect employees who joined the QPP on and after July 1, 1973, established certain benefit limitations relating to eligibility for retirement, the salary base for benefits and maximum benefits. Recent laws, including but not limited to Chapter 372 of the Laws of 2000 which provides a revised definition of salary base to be used in the computation of certain benefits for Tier 2 members of the QPP and Chapter 589 of the Laws of 2001 which eliminated the Tier 2 maximum 30 years of service limitation, have lessened these limitations.

The QPP currently administers the following pension tiers: Tier 1, Tier 2, Tier 3, and Tier 6 (Tier 3 Modified).

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

Tier 1 is applicable to members appointed to the FDNY 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 uniformed 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 also be increased for any purchased non-uniformed service.
- A Service retirement benefit, in both tiers, provides an allowance of one-half of "final salary" after 20 years or 25 years of uniformed service (as elected), with additional benefits equal to a specified percentage per year of service (currently approximately 1.67%) of "average salary" times the number of years of credited service in excess of the 20-year or 25-year minimum. Under the new program, these additional benefits are increased, where applicable, by an annuity attributable to employee contributions accumulated with interest with respect to service over the 20-year or 25-year minimum and an annuity attributable to the Increased-Take-Home-Pay ("ITHP") contributions accumulated after required member qualifying service. ITHP represents amounts contributed by The City in lieu of members' own contributions. These amounts reduce the contributions that the 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 and increase pension contributions made to the plan.

- An Ordinary Disability Retirement (“ODR”) benefit generally provides a pension equal to 1/40 of “final salary” times the number of years of service but not less than one-half of “final salary” if 10 or more years of service were completed, or one-third of “final salary” if less than 10 years of service were completed. Members of the Improved Benefits Plan with years of service in excess of 20 years receive the actuarial equivalent of their Annuity Savings Fund balance.
- An Accident Disability Retirement (“ADR”) benefit provides a pension of three-fourths of “final salary” plus an increment, as described above based on years of credited service in excess of the 20-years or 25-years minimum plus: (i) under the Original Plan, accumulated employee contributions without interest as a lump sum or an actuarially equivalent annuity, (ii) under the Improved Benefits Plan, an annuity based on the member’s contributions and ITHP contributions both of which are accumulated with interest.
- 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, 2015, is as follows:

	Tier 1	Tier 2	Total
Required amount	\$ 171,710	\$ 467,223,047	\$ 467,394,757
Actual balance	1,478,943	1,514,804,055	1,516,282,998
Outstanding loans	1,532	29,122,344	29,123,876

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 New York State Retirement and Social Security Law (“RSSL”). As a result of Chapter 18 of the Laws of 2012, there are certain limitations on Tier 3 benefits available to participants hired on and after April 1, 2012. In most New York State PERS, including the QPP, these changes are sometimes referred to as Tier 6 or Tier 3 Modified.

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

- A Normal Service Retirement benefit is payable 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 is 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 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 allowance is payable to a member who was disabled as the result of a line-of-duty accident not attributable to his own willful negligence. An ADR pension is 50% of a member's final average salary.

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

Tier 3 members are also eligible for annual escalation on the retirement allowance: (1) in full, if they have retired for Service after completing 25 or more years of uniformed 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 less than 3%. Tier 3 members, when eligible, receive the greater of the applicable increase from COLA or escalation.

VSFs

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

- For those Firefighters who retired from service as Firefighters before July 1, 1988, the annual supplemental 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. The 1988 benefits included any payments made under the prior program.

For those Firefighters hired before July 1, 1988 and who retire after Calendar Year 1988, the annual benefit payment is the scheduled amount as described above, prorated in the year of retirement and the full amount thereafter.

- For those who become members of QPP on or after July 1, 1988, the annual supplemental benefit is \$2,500 for the first 12 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 500 of the Laws of 1995 ("Chapter 500/95") such that these members will receive the maximum \$12,000 benefit beginning Calendar Year 2008 and thereafter.

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

- A Fire Officer hired before July 1, 1988, who retired from service as a Fire Officer on or after October 1, 1988, and prior to Calendar Year 1993 receives a defined schedule of benefits starting at \$5,000 payable in January 1994 for the Calendar Year 1993 payment. For those who retired during Calendar Year 1993, the annual \$5,000 benefit payment was prorated. The annual benefit increases \$500 each year thereafter to a maximum of \$12,000 for Calendar Year 2007 (payable by January 31, 2008) and thereafter.

For those who were members of QPP prior to July 1, 1988, and who retire after Calendar Year 1993, the annual benefit payment is the scheduled amount as 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 500 of the Laws of 1998 ("Chapter 500/98") such that these members will receive the maximum \$12,000 benefit beginning Calendar Year 2008 and thereafter.

Chapter 500/95 permitted 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 FFVSF and the FOVSF. In addition, this law permitted 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 FFVSF and the FOVSF.

Additionally, Chapter 216 of the Laws of 2002 ("Chapter 216/02") provides that participants of the VSFs who retire from the QPP on and after January 1, 2002 with more than 20 years of credited service are entitled to an additional one-time special lump sum payment, the Deferred Retirement Option Plan ("DROP"). The DROP also known as "Banked Variable" represents the amount the member would have received had he/she 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. Accumulated VSF DROP balances for Fiscal Year 2015 were \$61.8 million for FFVSF and \$106.5 million for FOVSF. Similarly, for Fiscal Year 2014 the balances were \$59.6 million for FFVSF and \$101.8 million for FOVSF.

Any increase in the amount of ad hoc cost-of-living increases ("Supplementation") or automatic Cost-of-Living Adjustments ("COLA") payable from the QPP to a retiree of the FFVSF under legislation enacted on or after July 1, 1988 or to a retiree of the FOVSF under legislation enacted on or after January 1, 1993, will reduce benefits payable from the FFVSF or FOVSF 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.

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.

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 FIRE 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 FIRE management based on information provided by the various GP’s after review by an independent consultant and the custodian bank for the fund.

Purchases and sales of securities are reflected on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned on an 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 represent either: (1) benefits due and unpaid by the Funds as of year end or (2) related to the VSFs, benefits deemed incurred and unpaid (an accrual for a portion of the current calendar year benefit) for the fiscal year end of June 30.

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, 2015 and 2014, 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 Fund’s 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 51.75 days. The securities lending program in which the Funds participate only allows pledging or selling securities in the case of borrower default.

During Fiscal Year 2003, the value of certain underlying securities became impaired because of the credit failure of the issuer. Accordingly, the carrying amount of the collateral reported in the QPP's statements of fiduciary net position for Fiscal Year 2003 was reduced by \$10 million to reflect this impairment and reflect the net realizable value of the securities purchased with collateral from securities lending transactions. In Fiscal Years 2004 through 2007, the QPP received \$2.6 million from distribution in bankruptcy proceedings from the defaulted issuers. During the same period, the QPP also received \$3.9 million from litigation settlements. For Fiscal Years 2008 and 2009, the QPP received securities totaling \$102.4 thousand from distributions in bankruptcy proceedings. There were no recoveries for the defaulted security in Fiscal Years 2013 and 2012. In Fiscal Year 2014 the QPP received \$2.7 million from litigation settlements. For Fiscal year 2015, the QPP received a distribution in bankruptcy proceedings of \$1.6 thousand dollars, the remaining loss of \$703.9 thousand dollars was written off during the period.

GASB Statement No. 28, *Accounting and Financial Reporting for Securities Lending Transactions*, requires that securities loaned as assets and related liabilities be reported in the statements of fiduciary 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, 2015 and 2014 was \$776.3 million and \$961.6 million, respectively for the QPP, \$21.8 million and \$31.8 million, respectively for the FFVSF, and \$17.7 million and \$24.4 million, respectively for the FOVSF. Cash collateral received related to securities lending as of June 30, 2015 and 2014 was \$795.9 million and \$990.1 million, respectively for the QPP, \$22.2 million and \$33.0 million, respectively for the FFVSF, and \$18.1 million and \$26.5 million, respectively for the FOVSF. As of the date of the statements of fiduciary net position, the maturities of the investments made with cash collateral on average exceed the maturities of the securities loans by approximately 30 days.

New Accounting Standards Adopted- In Fiscal Year 2015, FIRE 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 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 City Comptroller (the “Comptroller”) acts as an investment advisor to the Funds. In addition, the Funds employ an independent investment consultant as an investment advisor. 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.

The Boards of Trustees of the respective Funds set investment objectives to assure adequate accumulation of reserves and to protect the long term value of the assets. The Boards’ investment policy is implemented using a strategic allocation of assets that meet the objectives of the Funds, while working within the confines of the legislative guidelines. The guidelines dictate that fixed income, equity and other investments may be made permitted by the New York State Retirement and Social Security Laws (“RSSL”) and State Banking Law, the ACNY, and the Legal Investments for New York Savings Banks list as published by The New York State Banking Department. The Funds’ asset allocation policy is constructed to meet both short-term funding requirements and long-term pension obligations. Investments up to 25% of assets of 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 specific risk targets. Rather, investment risk management is an inherent function of our 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 year 2015 and 2014 included securities in the following categories:

	2015	2014
U.S. Equity	30.3 %	36.0 %
Core U.S. Fixed	21.9	17.0
EAFE Markets	10.0	10.0
Private Equities	6.0	6.0
Emerging Markets	6.5	6.0
Enhanced Yield Bonds	3.7	4.0
Private Real Estate	4.1	4.0
Hedge Funds	3.6	3.5
REITS	3.0	3.5
TIPS	5.0	3.0
Opportunistic Fixed	2.5	2.0
Cash	0.0	2.0
Bank Loans	1.7	2.0
ETI	0.7	0.5
Convertible Bonds	<u>1.0</u>	<u>0.5</u>
Total	<u>100.0 %</u>	<u>100.0 %</u>

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

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

Credit Risk — Portfolios other than U.S. Government and related portfolios have credit rating limitations. Investment Grade portfolios are limited to mostly ratings of BBB and above except that they are also permitted a 10% maximum exposure to BB & B rated securities. While non-investment grade 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 Funds' investments, by percentage of the rated portfolio, as described by nationally recognized statistical rating organizations, at June 30, 2015 and 2014 are as follows:

Investment Type*	Moody's Quality Ratings									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short term	Not Rated	Total
June 30, 2015										
U.S. Government Corporate bonds	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %
Short-term:	1.29	2.17	12.44	27.38	7.70	6.46	1.83	-	4.58	63.85
Commercial paper Pooled fund	-	-	-	-	-	-	-	16.52	-	16.52
U.S. Treasuries & Agencies Discount Notes	-	-	-	-	-	-	-	9.06	-	9.06
	-	-	-	-	-	-	-	10.57	-	10.57
	-	-	-	-	-	-	-	-	-	-
Percent of rated portfolio	<u>1.29 %</u>	<u>2.17 %</u>	<u>12.44 %</u>	<u>27.38 %</u>	<u>7.70 %</u>	<u>6.46 %</u>	<u>1.83 %</u>	<u>36.15 %</u>	<u>4.58 %</u>	<u>100.00 %</u>
Investment Type*	Moody's Quality Ratings									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short term	Not Rated	Total
June 30, 2014										
U.S. Government Corporate bonds	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %
Short-term:	1.96	3.20	10.95	27.97	6.58	7.90	1.92	-	10.74	71.22
Commercial paper Pooled fund	-	-	-	-	-	-	-	10.48	-	10.48
U.S. Treasuries & Agencies Discount Notes	-	-	-	-	-	-	-	7.27	-	7.27
	-	-	-	-	-	-	-	11.01	-	11.01
	-	-	-	-	-	-	-	0.02	-	0.02
Percent of rated portfolio	<u>1.96 %</u>	<u>3.20 %</u>	<u>10.95 %</u>	<u>27.97 %</u>	<u>6.58 %</u>	<u>7.90 %</u>	<u>1.92 %</u>	<u>28.78 %</u>	<u>10.74 %</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 their investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Funds and are held by either the counterparty or the counterparty's trust department or agent but not in the name of the Funds.

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

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

Interest Rate Risk — Interest rate risk is the risk that the fair value of investments could be adversely affected by the change in interest rates. Duration limits are used to control the portfolios exposure to interest rate changes. In the investment grade core Fixed Income portfolios duration is limited to a range of one year shorter than the benchmark duration to 0.75 years longer than the duration of the benchmark indices. Duration range is a measure of the overall portfolio, while statements of the stated maturity reflect the specific maturities of the individual securities held. The Funds have no formal risk policy. The lengths of investment maturities (in years) of the Funds' investments, as shown by the percent of the rated portfolio, at June 30, 2015 and 2014 are as follows:

Years to Maturity June 30, 2015	Investment Maturities				
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S. Government	43.25 %	0.15 %	6.74 %	5.22 %	31.14 %
Corporate bonds	36.24	1.34	10.08	13.71	11.11
Short-term:	-	-	-	-	-
Commercial paper	9.37	9.37	-	-	-
Pooled fund	5.14	5.14	-	-	-
U.S. Agencies	-	-	-	-	-
Discount notes	6.00	6.00	-	-	-
Percent of rated portfolio	<u>100.00 %</u>	<u>22.00 %</u>	<u>16.82 %</u>	<u>18.93 %</u>	<u>42.25 %</u>

Years to Maturity June 30, 2014	Investment Maturities				
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S. Government	36.10 %	0.27 %	2.06 %	7.32 %	26.45 %
Corporate bonds	45.51	3.80	12.26	16.80	12.65
Short-term:	-	-	-	-	-
Commercial paper	6.70	6.70	-	-	-
Pooled fund	4.65	4.65	-	-	-
U.S. Agencies	7.02	7.02	-	-	-
Discount notes	0.02	0.02	-	-	-
Percent of rated portfolio	<u>100.00 %</u>	<u>22.46 %</u>	<u>14.32 %</u>	<u>24.12 %</u>	<u>39.10 %</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 stocks and/or bonds. The currency markets have proven to be good diversifiers in a total portfolio context; therefore, the Funds have numerous managers that invest globally. In general, currency exposure is viewed as a benefit for its diversification reasons and not as an inherent risk within the portfolio. The Funds have no formal risk policy. In addition, the Funds have investments in foreign stocks and/or bonds and the Funds invest in foreign currencies. The Funds' combined foreign currency holdings as of June 30, 2015 and 2014 are as follows:

Trade Currency (in thousands)	June 30, 2015 Market Value	June 30, 2014 Market Value
Argentina Peso	\$ -	\$ 69
Australian Dollar	31,782	41,911
Austrian Shilling	-	120
Botswana Pula	425	220
Brazilian Real	43,599	57,840
British Pnd Sterling	232,258	225,750
Canadian Dollar	22,024	22,424
Chilean Peso	6,253	5,899
Colombian Peso	3,017	3,594
Croatian Dinar	928	2,665
Czech Koruna	2,000	2,595
Danish Krone	18,371	20,433
Egyptian Pound	4,963	4,727
Euro Currency	386,398	385,813
Greek Drachma	-	285
Hong Kong Dollar	227,865	187,608
Hungarian Forint	2,943	3,521
Indian Rupee	72,592	73,067
Indonesian Rupiah	14,335	14,250
Israeli Shekel	1,542	(1,766)
Japanese Yen	220,024	195,349
Jordanian Dinar	992	867
Ghana Cedi	192	-
Kenyan Shilling	931	806
Kuwait Dinar	2,058	1,784
Latvian Lats	-	10
Lithuanian Litas	-	21,599
Malaysian Ringgit	19,736	1,379
Mauritius Rupee	922	-
Mexican Peso	24,369	26,638
Moroccan Dirham	907	882
New Zealand Dollar	1,474	479
Nigerian Naira	856	853
Norwegian Krone	9,760	10,116
Omani Rial	940	886
Pakistan Rupee	904	887
Peruvian Nuevo Sol	512	797
Philippines Peso	8,312	5,310
Polish Zloty	12,650	12,515
Qatar Riyal	5,483	2,322
Renminbi Yuan	(1)	2,637
Romanian Leu	930	834
Russian Ruble	292	982
Singapore Dollar	19,366	24,658
South African Rand	50,371	49,557
South Korean Won	117,230	132,402
Swedish Krona	31,452	40,104
Swiss Franc	118,799	113,129
Taiwan New Dollar	97,237	99,678
Thai Baht	18,141	16,744
Tunisian Dinar	329	281
Turkish Lira	9,420	5,886
UAE Dirham	3,181	2,022
Totals	<u>\$ 1,849,064</u>	<u>\$ 1,823,418</u>

Securities Lending Transactions

Credit Risk — The quality ratings of investments held as collateral for securities lending by the Funds' at June 30, 2015 and 2014 are as follows:

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										
U.S. Government Corporate bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Short-term:										
Reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-
Money market	58,537	-	-	-	-	-	-	-	636,155	636,155
Bank notes	-	-	-	-	-	-	-	-	58,563	58,563
Cash	-	-	82,365	-	-	-	-	-	-	82,365
Uninvested	-	-	-	-	-	-	-	-	705	705
Total	\$ 58,537	\$ -	\$ 82,365	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 695,423	\$ 836,325
Percent of securities lending portfolio	7.00 %	- %	9.85 %	- %	- %	- %	- %	- %	83.15 %	100.00 %
June 30, 2014										
U.S. Government Corporate bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Short-term:										
Reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-
Money market	280,341	-	-	-	-	-	-	-	436,944	436,944
Bank notes	-	-	-	-	-	-	-	-	280,341	280,341
Cash	-	-	103,679	-	-	-	-	-	228,067	228,067
Uninvested	-	-	-	-	-	-	-	-	-	103,679
Total	\$ 280,341	\$ -	\$ 103,679	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 665,716	\$ 1,049,736
Percent of securities lending portfolio	26.71 %	- %	9.88 %	- %	- %	- %	- %	- %	63.42 %	100.00 %

Interest Rate Risk— The lengths of investment maturities (in years) of the collateral for securities lending held by the Funds' are as follows:

Years to Maturity
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, 2015					
U.S. Government	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-
Short-term:					
Reverse repurchase agreements	636,155	636,155	-	-	-
Money market	58,537	58,537	-	-	-
Bank notes	58,563	58,563	-	-	-
Cash	82,365	82,365	-	-	-
Uninvested	705	705	-	-	-
Total	\$ 836,325	\$ 836,325	\$ -	\$ -	\$ -
Percent of securities lending portfolio	100.00 %	100.00 %	- %	- %	- %
	Investment Maturities (in years)				
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
June 30, 2014					
U.S. Government	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	-	-	-	-	-
Short-term:					
Reverse repurchase agreements	436,944	436,944	-	-	-
Money market	280,341	280,341	-	-	-
Bank notes	228,067	138,505	89,562	-	-
Cash	103,679	103,679	-	-	-
Uninvested	705	705	-	-	-
Total	\$ 1,049,736	\$ 960,174	\$ 89,562	\$ -	\$ -
Percent of securities lending portfolio	100.00 %	91.47 %	8.53 %	- %	- %

Rate of return — For the years ended June 30, 2015 and 2014, the annual money weighted rate of return on investments, net of investment expense, for the Funds was as follows:

	2015	2014
QPP	3.28 %	17.51 %
FFVSF	4.13	18.03
FOVSF	4.02	19.57

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, 2015 and June 30, 2014:

GASB 72 Disclosure (In thousands)	2015			
	Level One	Level Two	Level Three	Total
INVESTMENTS — At fair value				
Short-term investments:				
Commercial paper	\$ -	\$ 307,371	\$ -	\$ 307,371
Short-term investment fund	-	219,787	-	219,787
U.S. treasury bills and agencies	-	182,521	-	182,521
Discount notes	-	14,173	-	14,173
Debt securities:				
U.S. government and agency	-	-	-	-
Corporate and other	-	2,604,892	1,172	2,606,064
Equity securities	1,942,802	816	-	1,943,618
Alternative investments	-	-	1,887,226	1,887,226
Collective trust funds:				
International equity	2,158,075	358	3,114	2,161,547
Fixed income	-	243,154	195,218	438,372
Domestic equity	1,951,729	-	-	1,951,729
Mortgage debt security	-	72,185	-	72,185
Treasury inflation protected securities	-	316,629	-	316,629
Collateral from securities lending	-	836,325	-	836,325
Total investments	<u>\$6,052,606</u>	<u>\$4,798,211</u>	<u>\$2,086,730</u>	<u>\$12,937,547</u>

GASB 72 Disclosure (In thousands)	2014			
	Level One	Level Two	Level Three	Total
INVESTMENTS — At fair value				
Short-term investments:				
Commercial paper	\$ -	\$ 173,094	\$ -	\$ 173,094
Short-term investment fund	-	166,833	-	166,833
U.S. treasury bills and agencies	-	182,160	-	182,160
Discount notes	-	-	-	-
Debt securities:				
U.S. government and agency	-	933,112	-	933,112
Corporate and other	-	1,176,115	-	1,176,115
Equity securities	2,262,895	2,511	138,228	2,403,634
Alternative investments	-	-	1,761,800	1,761,800
Mutual funds - international equity	-	26,254	-	26,254
Collective trust funds:				
International equity	2,165,282	920	7	2,166,209
Fixed income	-	243,270	185,775	429,045
Domestic equity	1,905,476	-	-	1,905,476
Mortgage debt security	-	64,999	-	64,999
Treasury inflation protected securities	-	321,797	-	321,797
Collateral from securities lending	-	1,049,736	-	1,049,736
Total investments	<u>\$6,333,653</u>	<u>\$4,340,801</u>	<u>\$2,085,810</u>	<u>\$12,760,264</u>

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 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. TRANSFER 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”) of the VSF. Excess earnings are defined as the amount by which earnings on equity investments of the QPP exceed what the 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 receives credit for investment earnings on their respective 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 2015, the excess earnings of the QPP, inclusive of prior year’s cumulative deficiencies, are estimated to be equal to \$40 million and, therefore, a liability and transfer of \$30 million to FFVSF and a liability and transfer of \$10 million to FOVSF has been reported by the QPP as of and for the year ended June 30, 2015, respectively.

For Fiscal Year 2014, the excess earnings of the QPP, inclusive of prior year’s cumulative deficiencies, are estimated to be equal to \$120 million and, therefore, a liability and transfer of \$110 million to FFVSF and a liability and transfer of \$10 million to FOVSF has been reported by the QPP as of and for the year ended June 30, 2014, respectively.

In addition, Chapter 583 of the Laws of 1989 states that if the assets of the FFVSF or FOVSF are less than the amount required to pay the retirees’ guaranteed scheduled annual supplemental benefit payments, then The City is required by law to fund the difference.

The amount shown below as the ABO is 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 FFVSF and the FOVSF as of June 30, 2014 and June 30, 2013, follows:

	FFVSF		FOVSF	
	2014 (In millions)	2013 (In millions)	2014 (In millions)	2013 (In millions)
Accumulated benefit obligation ¹ for:				
Retirees currently receiving benefits	\$ 363.1	\$ 370.2	\$ 154.1	\$ 157.8
Active employees	<u>168.2</u>	<u>161.6</u>	<u>165.4</u>	<u>157.7</u>
Total accumulated benefit obligation ^{2,3}	531.3	531.8	319.5	315.5
Plan net position held in trust for benefits ⁴	<u>524.0</u>	<u>395.4</u>	<u>307.1</u>	<u>267.4</u>
Unfunded accumulated benefit obligation	<u>\$ 7.3</u>	<u>\$ 136.4</u>	<u>\$ 12.4</u>	<u>\$ 48.1</u>

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

² The June 30, 2014 and the June 30, 2013 ABOs for FFVSF decreased by approximately \$2.3 million and \$2.4 million, respectively, and the June 30, 2014 and the June 30, 2013 ABOs for FOVSF decreased by approximately \$0.8 million and \$0.8 million, respectively, compared to those projected prior to the enactment of Chapters 119/95, 390/98 and 125/00.

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

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

For purposes of the June 30, 2014 and the June 30, 2013 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.

Sections 13-384 and 13-394 of the ACNY provide that the Boards of Trustees of the FFVSF and the FOVSF 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 Firefighters and Fire Officers, for use in making annual valuations of liabilities.

The following actuarial assumptions represent the recommendations of the Actuary and were used in the actuarial calculations to determine the preceding ABOs as of June 30, 2014 and June 30, 2013, respectively:

	June 30, 2014	June 30, 2013
Investment rate of return	7.0% per annum. ^{1, 2}	7.0% per annum. ^{1, 2}
Post-retirement mortality	Tables adopted by the Board of Trustees during Fiscal Year 2012.	Tables adopted by the Board of Trustees during Fiscal Year 2012.
Active service: withdrawal, death, disability	Tables adopted by the Board of Trustees during Fiscal Year 2012.	Tables adopted by the Board of Trustees during Fiscal Year 2012.
Service retirement	Tables adopted by the Board of Trustees during Fiscal Year 2012.	Tables adopted by the Board of Trustees during Fiscal Year 2012.
Percentage of all active FIRE members estimated to retire for service with 20 or more years of service as Firefighters	68 %	68 %
Percentage of all active Fire Officers estimated to retire for service with 20 or more years of service as Fire Officers	100 %	100 %
Cost-of-Living Adjustments ¹	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.
Actuarial Asset Valuation Method	Fair Market Value.	Fair Market Value.

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

² Net of Investment Expenses.

5. QPP CONTRIBUTIONS

The financial objective of the QPP is to fund members' retirement benefits during their active service and to establish Employer contribution rates which, expressed as a percentage of annualized covered payroll, will remain approximately level from year to year. The Employer contributes amounts that, together with member contributions and investment income, are intended to ultimately be sufficient to accumulate assets to pay benefits when due.

Member Contributions — Tier 1 and Tier 2 members contribute by salary deductions on the basis of a normal rate of contribution which is assigned by the QPP at membership. A member's normal rate is dependent upon age and actuarial tables in effect at the time of membership. These member contributions are reduced by 5.0% under the ITHP program.

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 and Tier 3 Modified members contribute 3.0% of salary until they have 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, 2015, based on an actuarial valuation as of June 30, 2013 was \$988.784 million and the Statutory Contribution for the year ended June 30, 2014, based on an actuarial valuation as of June 30, 2012 was \$969.956 million. The Statutory Contributions for Fiscal Years 2015 and 2014 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 net pension liability of the Employer at June 30, 2015 and 2014 for the Funds were as follows:

June 30, 2015	(in thousands)			TOTAL
	QPP	FFVSF	FOVSF	
Total pension liability	\$ 17,699,271	\$ 548,105	\$ 354,380	\$ 18,601,756
Fiduciary net position *	<u>10,815,330</u>	<u>547,074</u>	<u>316,927</u>	<u>11,679,331</u>
Employers' net pension liability	<u>\$ 6,883,941</u>	<u>\$ 1,030</u>	<u>\$ 37,454</u>	<u>\$ 6,922,425</u>
Fiduciary net position as a percentage of the total pension liability	<u>61.11 %</u>	<u>99.81 %</u>	<u>89.43 %</u>	<u>62.79 %</u>
June 30, 2014	(in thousands)			TOTAL
	QPP	FFVSF	FOVSF	
Total pension liability	\$ 17,076,313	\$ 551,300	\$ 352,879	\$ 17,980,492
Fiduciary net position *	<u>10,595,838</u>	<u>546,005</u>	<u>316,795</u>	<u>11,458,638</u>
Employers' net pension liability	<u>\$ 6,480,475</u>	<u>\$ 5,295</u>	<u>\$ 36,084</u>	<u>\$ 6,521,854</u>
Fiduciary net position as a percentage of the total pension liability	<u>62.05 %</u>	<u>99.04 %</u>	<u>89.77 %</u>	<u>63.73 %</u>

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

Actuarial Methods and Assumptions

The total pension liability as of June 30, 2015 and 2014 was determined by actuarial valuations as of June 30, 2013 and June 30, 2012 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,

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

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

The previously completed studies were published by The Hay Group ("Hay") dated December 2011 and 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 FFVSF and the FOVSF are recognized through the Liability Valuation Method. Under this method the actuarial present value ("APV") of Future SKIM from the QPP to the FFVSF and FOVSF 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 FFVSF and FOVSF. The APV of Future SKIM is computed as the excess, if any, of the APV of benefits of the FFVSF and FOVSF offset by the AAV of the FFVSF and FOVSF, respectively.

Expected Rate of Return on Investments

The long-term expected rate of return on the Funds' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment 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	32.00 %	6.60 %
International Public Market Equities	10.00	7.00
Emerging Public Market Equities	6.50	7.90
Private Market Equities	7.00	9.90
Fixed Income	34.50	2.70
Alternative Investments	<u>10.00</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 assumes that employee contributions will be made at the rates applicable to the current tier for each member and that Employer contributions will be made at rates as determined by the Actuary. Based on those assumptions, the Funds' fiduciary net position was projected to be available to make all projected future benefit payments of current active and non-active members. Therefore, the long-term expected rate of return on the Funds' investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability of the Employer for the Funds as of June 30, 2015, calculated using the discount rate of 7.0%, as well as what the Employer's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

(in thousands)	1% Decrease (6.0%)	Current discount rate (7.0%)	1% Increase (8.0%)
Employer net pension liability—June 30, 2015	<u>\$ 8,890,426</u>	<u>\$ 6,922,425</u>	<u>\$ 5,225,399</u>

7. MEMBER LOANS

Tier 1 and Tier 2 members are permitted to borrow up to 90% of their own accumulated contributions including accumulated interest. The balance of QPP member loans receivable at June 30, 2015 and 2014 is \$29.1 million and \$28.4 million, respectively. Members repay their loans at the statutory rate of 4% per annum. Upon termination of employment before retirement, certain members are entitled to refunds of their own contributions including, for new program members, accumulated interest less any loans outstanding. Certain prior year loans to retirees were removed from member loans receivables. Such balances should be reduced at the effective date of retirement as a result of payoff or future benefit reductions.

8. RELATED PARTIES

The Comptroller has been appointed by law as custodian for Fixed Annuity Program assets with revocable discretionary authority. Securities are held by certain banks under custodial agreements with the Comptroller. The Comptroller also provides cash receipt and cash disbursement services to the Funds.

Actuarial services are provided to the Funds by the Office of the Actuary employed by the Boards of Trustees of The City's main pension systems. The City's Corporation Counsel provides legal services to the Funds. Other administrative services are also provided by The City. The cost of providing such services amounted to \$2.6 million and \$1.9 million in Fiscal Years 2015 and 2014, respectively.

9. ADMINISTRATIVE AND INVESTMENT EXPENSES

There are no administrative expenses paid out of the Funds. Services, as set out in the note on "Related Parties" are provided by various City Agencies. The City of New York defrays the cost associated with these services. Investment expenses charged to the investment earnings of the QPP, exclusive of expenses relating to securities-lending transactions amounted to approximately \$68.0 million and \$42.8 million in 2015 and 2014, respectively.

10. CONTINGENT LIABILITIES AND OTHER MATTERS

Contingent Liabilities — The Funds have a number of claims pending against it and has been named as a defendant in a number of lawsuits. The Funds also have certain other contingent liabilities. Management of FIRE, on the advice of legal counsel, believes that such proceedings will not have a material effect on the Funds' net position or changes in Funds' net position. Under the existing 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 2015 and 2014, certain events described below took place which, in the opinion of FIRE management, could have the effect of increasing benefits to members and/or their beneficiaries. The effect of such events has not been fully quantified. However, it is the opinion of FIRE management that such developments would not have a material effect on the Funds' net position restricted for benefits or cause changes in Funds' 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 FIRE.

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 Fire Department Pension Fund" ("February 2012 Report").

The results of the GRS study are under review by the Actuary.

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

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

Chapter 105 of the Laws of 2005 states that a member killed in the US Armed Forces on and after June 14, 2005 is deemed a Line-of-Duty death while on active payroll.

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

Chapter 445 of the Laws of 2006 (“Chapter 445/06”) created a presumptive eligibility for accidental death benefits in connection with the World Trade Center attack on September 11, 2001.

Chapter 654 of the Laws of 2006 expanded presumptive eligibility for Line-of-Duty accidental disability and accidental death benefits to include strokes effective from January 1, 2002.

Chapter 713 of the Laws of 2006 provides that FIRE members retired from the Fire Marshall title who are appointed to the Office of NYC Marshall will have no reduction or suspension of retirement allowance.

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

Chapter 637 of the Laws of 2007 deems prior EMT service and service in certain other job titles as qualifying time for all pension purposes.

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

Chapter 211 of the Laws of 2009 continued the valuation and other interest rates for one year to June 30, 2010 from June 30, 2009.

Chapter 265 of the Laws of 2010 continued the valuation and other interest rates for one year to June 30, 2011 from June 30, 2010.

Chapter 180 of the Laws of 2011 continued the valuation and other interest rates for one year to June 30, 2012 from June 30, 2011.

Tier 3 – During June 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, FIRE members hired on and after July 1, 2009 are covered under Tier 3.

Chapter 18 of the Laws of 2012 placed certain limitations on the Tier 3 and Tier 4 benefits available to participants hired on and after April 1, 2012 in most New York State PERS, including FIRE.

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").

Chapter 489 of the Laws of 2013 extended the WTC Disability Laws to vested members.

* * * * *

NEW YORK FIRE DEPARTMENT 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	FOVSF	FFVSF	TOTAL
Total pension liability:				
Service cost	\$ 396,765	\$ 11,500	\$ 4,561	\$ 412,826
Interest	1,196,164	37,448	23,919	1,257,531
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	180,533	(4,324)	(4,862)	171,347
Changes of assumptions	-	-	-	-
Benefit payments and withdrawals	<u>(1,150,505)</u>	<u>(47,819)</u>	<u>(22,117)</u>	<u>(1,220,441)</u>
Net change in total pension liability	622,957	(3,195)	1,501	621,263
Total pension liability – beginning	<u>17,076,314</u>	<u>551,300</u>	<u>352,879</u>	<u>17,980,493</u>
Total pension liability – ending (a)	<u>17,699,271</u>	<u>548,105</u>	<u>354,380</u>	<u>18,601,756</u>
Plan fiduciary net position:				
Employer contributions	988,784	-	-	988,784
Member contributions	108,582	-	-	108,582
Net investment income	271,430	18,888	12,249	302,567
Benefit payments and withdrawals	(1,150,505)	(47,819)	(22,117)	(1,220,441)
Administrative expenses	-	-	-	-
Other	<u>41,201</u>	<u>-</u>	<u>-</u>	<u>41,201</u>
Net change in plan fiduciary net position	259,492	(28,931)	(9,868)	220,693
Accrued Transfers To/From VSF's	(40,000)	30,000	10,000	-
Plan fiduciary net position – beginning	<u>10,595,838</u>	<u>546,005</u>	<u>316,795</u>	<u>11,458,638</u>
Plan fiduciary net position – ending (b) *	<u>10,815,330</u>	<u>547,074</u>	<u>316,927</u>	<u>11,679,331</u>
Employer's net pension liability – ending (a)-(b)	<u>\$ 6,883,941</u>	<u>\$ 1,031</u>	<u>\$ 37,453</u>	<u>\$ 6,922,425</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>61.11 %</u>	<u>99.81 %</u>	<u>89.43 %</u>	<u>62.79 %</u>
Covered-employee payroll	\$ 1,111,744	n/a	n/a	\$ 1,111,744
Employer's net pension liability as a percentage of covered-employee payroll	<u>619.20 %</u>	<u>n/a</u>	<u>n/a</u>	<u>622.66 %</u>

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.

NEW YORK FIRE DEPARTMENT 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	FOVSF	FFVSF	TOTAL
Total pension liability:				
Service cost	\$ 397,037	\$ 11,403	\$ 4,471	\$ 412,911
Interest	1,153,702	37,757	23,818	1,215,277
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	-	-	-
Changes of assumptions	-	-	-	-
Benefit payments and withdrawals	(1,099,162)	(50,822)	(22,014)	(1,171,998)
Net change in total pension liability	451,577	(1,662)	6,275	456,190
Total pension liability – beginning	16,624,736	552,962	346,604	17,524,302
Total pension liability – ending (a)	17,076,313	551,300	352,879	17,980,492
Plan fiduciary net position:				
Employer contributions	969,956	-	-	969,956
Member contributions	108,859	-	-	108,859
Net investment income	1,569,013	69,027	51,445	1,689,485
Benefit payments and withdrawals	(1,099,162)	(50,822)	(22,014)	(1,171,998)
Administrative expenses	-	-	-	-
Other	39,980	-	-	39,980
Net change in plan fiduciary net position	1,588,646	18,205	29,431	1,636,282
Accrued Transfers To/From VSF's	(120,000)	110,000	10,000	-
Plan fiduciary net position – beginning	9,127,192	417,800	277,364	9,822,356
Plan fiduciary net position – ending (b) *	10,595,838	546,005	316,795	11,458,638
Employer's net pension liability – ending (a)-(b)	\$ 6,480,475	\$ 5,295	\$ 36,084	\$ 6,521,854
Plan fiduciary net position as a percentage of the total pension liability	62.05 %	99.04 %	89.77 %	63.73 %
Covered-employee payroll	\$ 1,102,396	n/a	n/a	\$ 1,102,396
Employer's net pension liability as a percentage of covered-employee payroll	587.85 %	n/a	n/a	591.61 %

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.

NEW YORK FIRE DEPARTMENT PENSION FUNDS

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially determined contribution	\$ 988,784	\$ 969,956	\$ 962,173	\$ 976,895	\$ 890,706	\$ 874,331	\$ 843,751	\$ 780,202	\$ 683,193	\$ 608,771
Contributions in relation to the actuarially determined contribution	<u>988,784</u>	<u>969,956</u>	<u>962,173</u>	<u>976,895</u>	<u>890,706</u>	<u>874,331</u>	<u>843,751</u>	<u>780,202</u>	<u>683,193</u>	<u>608,771</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	<u>\$ 1,111,744</u>	<u>\$ 1,102,396</u>	<u>\$ 1,129,921</u>	<u>\$ 1,149,423</u>	<u>\$ 1,057,243</u>	<u>\$ 1,059,911</u>	<u>\$ 1,013,661</u>	<u>\$ 944,463</u>	<u>\$ 916,582</u>	<u>\$ 872,490</u>
Contributions as a percentage of covered-employee payroll	88.940 %	87.986 %	85.154 %	84.990 %	84.248 %	82.491 %	83.238 %	82.608 %	74.537 %	69.774 %

NEW YORK FIRE DEPARTMENT PENSION FUNDS

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS

Notes to Schedule:

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

Valuation Dates	June 30, 2013	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009- June 30, 2004 (lag)
Actuarial cost method	Frozen Initial Liability ¹	Entry Age	Entry Age	Entry Age	Frozen Initial Liability ¹
Amortization method for Unfunded Actuarial Accrued Liabilities:					
Pre-2010 Unfunded	Increasing dollar ²		NA	NA	Increasing dollar ²
2010 Initial Unfunded	NA		Increasing Dollar	Increasing Dollar	NA
Post-2010 Unfunded	NA		Level Dollar	Level Dollar	NA
Remaining amortization period:					
Pre-2010 Unfunded	All outstanding components of reestablished UAAL are being amortized over an 11-year closed period beginning in Fiscal Year 2000 ²		NA	NA	All outstanding components of reestablished UAAL are being amortized over an 11-year closed period beginning in Fiscal Year 2000 ²
2010 Initial Unfunded	NA		21 years (closed)	22 years (closed)	NA
Post-2010 Unfunded	NA		15 years (closed)	NA	NA
Actuarial Asset Valuation (AAV) Method	Modified five-year moving average of market values with "Market Value Restart" as of June 30, 1999.	Modified six-year moving average of market values with a "Market Value Restart" as of June 30, 2011. The June 30, 2010 AAV is defined to recognize Fiscal Year 2011 investment performance.	Modified six-year moving average of market values with a "Market Value Restart" as of June 30, 2011. The June 30, 2010 AAV is defined to recognize Fiscal Year 2011 investment performance.	Modified six-year moving average of market values with a "Market Value Restart" as of June 30, 2011. The June 30, 2010 AAV is defined to recognize Fiscal Year 2011 investment performance.	Modified six-year moving average of market values with "Market Value Restart" as of June 30, 1999.
Actuarial assumptions:					
Assumed rate of return	8.0% per annum 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	8.0% per annum ³
Post-retirement mortality	Tables adopted by Board of Trustees during Fiscal Year 2000	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 2000	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
Salary increases	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ³	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ³	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ³	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ³	In general, merit and promotion increases plus assumed General Wage increases of 3.0% per year. ³
Cost-of-Living Adjustments ²	1.3% per annum ³	1.5% per annum for Tiers I and II, 2.5% per annum for Tier III. ³	1.5% per annum for Tiers I and II, 2.5% per annum for Tier III. ³	1.5% per annum for Tiers I and II, 2.5% per annum for Tier III. ³	1.3% per annum ³

1 Under this actuarial cost method, the Initial Liability was reestablished as of June 30, 1999, by the Entry Age Actuarial Cost Method but with the unfunded actuarial accrued liability (UAAL) not less than \$0. The financial results using this Frozen Initial Liability Actuarial Cost Method are the same as those that would be produced using the Frozen Entry Age Cost Method.

2 In conjunction with Chapter 85 of the Laws of 2000, there is an amortization method. It reestablished UAAL and eliminated BSL as of June 30, 1999. The schedule of payments toward the reestablished UAAL (referred to in the ACNY as the Fire Pension Fund ("FPF") 1999 UAAL and elsewhere as the UAAL) provides that the UAAL be amortized over a period of 11 years beginning Fiscal Year 2000, where each annual payment after the first equals 103% of its

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

NEW YORK FIRE DEPARTMENT PENSION FUNDS

SCHEDULE 3

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF INVESTMENT RETURNS

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

Fiscal year ended	QPP	FFVSF	FOVSF
June 30, 2015	3.28 %	4.13 %	4.02 %
June 30, 2014	17.511	18.027	19.565

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

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Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

	Average assets Under management (\$mms)	Schedule 4 Total Fees
U.S. Equities		
Brown AM	39.60	322,278
Ceredex	80.32	378,857
Dalton Greiner	52.23	290,935
Wellington	-	512,529
Blackrock R2000 Growth	14.59	1,799
Blackrock R2000 Value	3.10	1,396
Security Global Inv SMDV	76.66	444,304
Timesquare Capital MCG	178.41	1,034,900
Iridian Asset MCV	107.59	572,642
Wellington Mgmt MCC	110.77	
State Street GA S&P 400	33.60	5,973
Profit Investment Mgmt	-	179,122
Seizert Capital Partners	-	154,497
Blackrock R1000 Growth	764.12	26,421
Blackrock R1000 Value	734.21	31,793
Attucks	27.74	211,443
Capital Prospects	41.00	306,465
Total Progress Trust	104.71	706,501
State Street Russell 3K	977.52	68,071
TOTAL U.S. EQUITIES	3,346.17	5,249,926
INTERNATIONAL EQUITIES		
Baillie Gifford	204.15	500,304
Walter Scott EAFE Large Cap MTA	253.09	404,704
Causeway EAFE Large Cap MTA	229.34	671,409
Sprucegrove	199.70	428,224
Thornburg (Terminated)	0.25	114,492
Acadian EAFE Small Cap MTA	73.99	233,261
Pyramis EAFE Small Cap MTA	71.37	400,083
Passive		
SSGA EAFE Small Cap	27.18	4,773
SSGA MSCI	56.05	16,187
Passive Global		
Emerging Markets		
Acadian	117.57	414,407
Baillie Gifford	173.19	1,006,067
DFA	104.29	559,001

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

	Average assets Under management (\$mmS)	Schedule 4 Total Fees
Parametric (Eaton Vance)	112.16	607,983
Blackrock Account	181.91	109,060
TOTAL INTERNATIONAL EQUITIES	1,804.24	5,469,954
Hedge Funds		
Permal Hedge Fund of Funds	52.01	
Blue Trend Fd	22.39	962,203
Brevan Howard	20.82	414,454
Brevan Howard Opp	21.45	106,105
Brigade Lev Cap Str	25.59	831,946
Carlson Blk Dia Fd	30.64	636,064
Caspian Select CF	22.24	295,698
CCP Quant Fd	21.51	767,095
D.E. Shaw	43.08	607,906
Fir Tree Val Fd	29.84	481,408
Gotham Asset Management	11.23	62,761
Luxor Capital	26.02	1,582,937
Perry Capital	21.92	280,847
Pharo Macro Fd Ltd	18.82	837,962
SRS Investment Management	13.03	
Standard General	6.26	104,236
Turiya Fund LP		
TOTAL HEDGE FUNDS	386.85	7,971,624
Real Estate Equity Securities		
Adelante Capital Management	143.27	379,796
European REIT MTA	0.02	78,485
MS REIT MTA	196.77	722,166
Transition Accounts		
TOTAL REAL ESTATE EQUITY SECURITIES	340.06	1,180,446
TOTAL PUBLIC MARKETS FEES	5,877.32	19,871,949
Private Equity Investments		
ACON Equity Partners III LP	0.69	20,000
Aisling Capital II, LP	0.75	7,965
Aisling Capital III, L.P.	2.37	274,027
Altaris Health Partners III, L.P.	0.33	30,000
American Securities Partners VI, L.P.	17.86	117,603
Ampersand 2011 L.P.	7.20	100,050
Apollo Investment Fund V, L.P.	0.70	180,206

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

Schedule 4

	Average assets Under management (\$mms)	Total Fees
Apollo Investment Fund VI, L.P.	8.68	1,207,758
Apollo Investment Fund VII, L.P.	9.67	1,647,568
Apollo Investment Fund VIII	8.20	394,296
Ardian Capital	18.54	300,000
Ares Corporate Opportunities Fund I, L.P.	0.48	
Ares Corporate Opportunities Fund II, L.P.	1.01	42,656
Ares Corporate Opportunities Fund III, L.P.	9.25	81,076
Ares Corporate Opportunities Fund IV, L.P.	13.16	299,804
Arlington Capital Partners II, L.P.	1.91	10,239
Atlantic Equity Partners IV, L.P.	2.12	
Arsenal Capital Partners II	2.50	18,575
Aurora Equity Partners III, L.P.	0.42	43,136
Avista Capital Partners, L.P.	3.23	23,425
Avista Capital Partners II, L.P.	10.84	315,250
AXA Secondary Fund V B L.P.	29.19	400,000
BC European Capital IX	13.52	276,380
BDCM Opportunity Fund III, L.P.	9.78	104,146
Blackstone Capital Partners IV, L.P.	4.34	309,404
Blackstone Capital Partners V, L.P.	6.40	110,770
Blackstone Capital Partners VI, L.P.	7.20	125,051
Blackstone Mezzanine Partners II L.P.	0.26	1,793
Blue Wolf Capital Fund II, L.P.	2.47	31,984
Bridgepoint Europe III	2.62	24,673
Bridgepoint Europe IV	4.25	31,637
Capital Partners PE Income Fund, L.P.	1.50	44,818
Capital Partners PE Income Fund II, L.P.	0.50	23,928
Capital Point Partners	1.95	32,047
Carlyle Partners IV, L.P.	0.74	278,138
Carlyle Partners V, L.P.	7.18	454,228
Carlyle Partners VI, L.P.	6.77	247,636
Carpenter Community BancFund-A, L.P.	4.07	35,679
Catterton Partners VI, L.P.	3.55	(80,440)
CCMP Capital Investors II, L.P.	2.55	(166,255)
Celtic Pharmaceutical Holdings, L.P.	1.52	
Centerbridge Cap III	0.25	
Coller International Partners V, L.P.	1.83	41,065
ComVest Investment Partners IV, L.P.	14.87	26,494
Constellation Venture Capital III, L.P.	2.66	46,020

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

	Average assets Under management (\$mms)	Schedule 4 Total Fees
Crestview Partners II, L.P.	6.38	340,687
Crestview Partners III, L.P.	2.90	106,960
CS Emerging Manager Co-Inv, L.P.	0.37	
CS Emerging Manager Fund, L.P.	6.56	
CVC Capital Partners VI	2.25	398,109
CVC European Equity Partners III, L.P.	0.26	48,838
CVC European Equity Partners V, L.P.	9.05	25,910
Cypress Merchant Banking Partners II, L.P.	3.79	6,306
EQT VI, L.P.	14.17	208,500
Erasmus New York City Growth Fund IA	0.39	
New York Fairview Emerging Mgrs Fund (A)	5.43	22,398
Falconhead Capital Partners II, L.P.	1.54	
FdG Capital Partners, L.P.	4.46	
FdG Capital Partners II LP	0.45	(40,087)
Fenway Partners Capital Fund III, L.P.	1.82	11,020
FirstMark IV, L.P.	7.14	19,166
First Reserve Fund XI, L.P.	1.45	24,267
First Reserve Fund XII, L.P.	2.78	38,788
The Fourth Cinven Fund	1.09	14,438
FS Equity Partners V, L.P.	3.07	142,505
FS Equity Partners VI, L.P.	14.91	75,630
FTVentures III, L.P.	2.82	29,769
FTV IV, LP	1.62	48,969
GF Capital Private Equity Fund, L.P.	-	18,222
GI Partners Fund II	0.89	3,955
GI Partners Fund III	4.44	297,954
GF Capital	2.99	
Gleacher Mezzanine Fund II, LP	0.60	7,016
Green Equity Investors VI	15.99	50,681
Grey Mountain Partners Fund III, LP	0.42	17,151
GSO Capital Opportunities Fund, L.P.	1.79	(143,374)
Highland Consumer Fund I	1.55	39,465
ICV Partners III, L.P.	1.06	13,891
Incline Equity Partners III, L.P.	0.62	17,792
Intermedia Partners VII, L.P.	3.03	37,432
JP Morgan Fleming, L.P.	2.12	7,576
Landmark Equity Partners XI, L.P.	0.58	25,167
Landmark Equity Partners XIV, L.P.	8.24	136,229

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

Schedule 4

	Average assets Under management (\$mmS)	Total Fees
Landmark Equity Partners XV	9.86	260,000
Lee Equity Partners, L.P.	6.58	35,297
Levine Leichtman Capital Deep Value	1.17	
Levine Leichtman Capital Partners IV LP	2.45	352,451
Lexington Capital Partners VII, L.P.	6.11	74,357
Lexington Capital Partners VIII, L.P.	4.53	360,429
Lincolnshire Equity Fund II, L.P.	0.45	
Lincolnshire Equity Fund III, L.P.	2.63	30,127
Lincolnshire Equity Fund IV, L.P.	1.70	14,753
Euro Choice II (Delaware) L.P.	2.42	42,569
Euro Choice III L.P.	3.37	34,425
Euro Choice IV L.P.	4.83	44,776
Markstone Capital Partners, L.P.	1.47	1,272
Medica III Investments (Intl) L.P.	1.26	45,602
MidOcean Partners III, L.P.	8.54	318,555
Milestone Partners III, LP	2.18	10,384
Mill City Capital II	0.55	19,753
Montreux Equity Partners IV L.P.	5.14	104,148
NorthBound Emerging Manager Custom Fd LP	3.92	65,662
New MainStream Capital II	0.28	8,008
New Mountain Partners I, L.P.	0.24	
New Mountain Partners II, L.P.	0.13	102,147
New Mountain Partners III, L.P.	8.68	59,360
NGN BioMed Opportunity II, L.P.	2.59	48,575
Olympus Capital Asia III	4.85	71,585
Olympus Growth Fund VI, L.P.	2.02	227,989
Onex Partners III LP	4.90	(107,412)
Paladin Homeland Security Fund L.P.	2.24	47,732
Paladin III, L.P.	5.93	146,357
Palladium Equity Partners III, L.P.	7.46	992,398
Palladium Equity Partners IV	3.87	29,856
PCG Clean Energy Tech Fund East, L.P.	4.82	42,475
Pegasus Partners IV, L.P.	5.11	77,774
Pegasus Partners V, L.P.	4.52	
Permira IV	2.69	22,211
Perseus Partners VII, L.P.	0.16	26,304
Pine Brook Capital Partners	5.32	66,847
Platinum Equity Capital Partners III, LP	11.03	347,568

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

	Average assets Under management (\$mmS)	Schedule 4 Total Fees
Post Capital II	1.98	(698)
Prism Venture Partners V, L.P.	2.30	116,437
Psilos Group Partners III, L.P.	2.08	38,656
Raine Partners II	0.32	60,000
Relativity Fund, L.P.	0.58	
Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	4.26	19,148
RRE Ventures IV, L.P.	4.11	
Scale Venture Partners III, LP	6.75	96,590
SCP Private Equity Partners II, L.P.	5.04	53,200
SCP Vitalife Partners II, L.P.	4.42	55,109
Snow Phipps Group, L.P.	2.99	60,235
Snow Phipps II, L.P.	4.70	147,440
Summit Partners Growth Equity VIII-A	18.89	638,758
Terra Firma Capital Partners III, L.P.	2.77	
Thomas, McNerney & Partners II, L.P.	1.63	23,619
Trident V, L.P.	15.74	177,255
Trilantic Capital Partners III, L.P.	0.19	2,615
Trilantic Capital Partners IV L.P.	3.65	159,417
Trilantic Capital Partners V L.P.	2.99	70,897
US Power Fund II, L.P.	4.18	66,459
US Power Fund III, L.P.	4.33	46,475
Vista Equity Partners Fund III, L.P.	3.78	183,933
Vista Equity Partners Fund IV, L.P.	29.40	340,959
Vista Equity Partners Fund V, L.P.	17.70	483,826
Vista Foundation Fund II, L.P.	1.12	50,000
VS&A Communications Partners III, L.P.	-	
VSS Communications Partners IV, L.P.	0.65	9,740
Warburg Pincus Private Equity XI, LP	25.76	356,988
Webster Capital III	0.81	32,988
Wellspring Capital Partners V, L.P.	4.84	141,807
Welsh, Carson, Anderson & Stowe XI, L.P.	6.09	314,365
Yucaipa American Alliance Fund I, L.P.	2.85	33,256
Yucaipa American Alliance Fund II, LP	19.27	114,842
Yucaipa Corporate Initiatives Fund II LP	2.58	20,887
TOTAL PRIVATE EQUITY INVESTMENTS	743.65	17,503,696

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

	Average assets Under management (\$mmS)	Schedule 4 Total Fees
AG Realty Fd VII	4.68	499,025
Amer Value Ptnrs I	2.25	38,849
Apollo Europe III	5.23	1,108,480
ARA Asia Dragon Fd	2.68	22,188
Blackrock Carbon III	-	(2,649)
Blackstone Real Estate Ptnrs EU III	4.34	104,525
Blackstone Real Estate Ptnrs EU IV	11.98	328,919
Blackstone Real Estate Ptnrs IV	2.21	
Blackstone Real Estate Ptnrs VI	8.54	1,188,994
Blackstone Real Estate Ptnrs VII	30.11	1,465,896
Brookfield Strategic RE Ptnrs	14.26	142,500
Canyon Johnson Urban Fd II	2.76	45,744
Canyon Johnson Urban Fd III	3.21	262,040
Carlyle R.P. Fd V	1.96	81,070
Carlyle Realty VI	14.59	161,680
Carlyle Realty VII	1.39	
Colony Investors VIII	5.61	149,600
Colony Realty Ptnrs II	1.98	
DivCo West Fd III	11.68	3,305,963
DivCo West Fd IV	27.22	1,136,322
Emmes Asset Mgmt Co	4.16	65,998
H/2 Spec Opportunity Fd II	8.00	184,634
H/2 Spec Opportunity Fd III	3.17	133,842
Heitman America Fd	14.26	43,576
Hudson Separate Account	1.22	213,488
JPM Strategic Prop Fd	37.86	347,970
JPM Special Sit Fd	5.64	82,112
KTR Ind Fd III	0.32	711,361
Lasalle US Property Fd	36.91	192,630
Lone Star RE Fd III	13.66	181,210
Met Life Core Property	13.05	
Metro Workforce Housing Fd	2.35	
PRISA	8.34	43,321
PRISA II	23.97	137,876
Prologis Targeted US Logistics Fd	5.36	87,073
RFM NYCRCR Sandy LLC	5.97	134,077
REEF Amer. II	8.32	76,527

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

	Average assets Under management (\$mmS)	Schedule 4 Total Fees
RREEF Amer. III	1.13	19,381
Silverpeak RE Ptnrs Fd III	0.71	16,881
Stockbridge Real Estate Fd	19.49	134,603
Taconic NY Inv Fd	11.11	101,988
The City Investment Fd	2.64	84,081
Thor Urban Property Fd II	5.19	479,425
UBS Trumbull Property Fd	38.91	334,458
Walton St RE Fd VI	3.52	112,658
Westbrook RE Fd VIII	2.06	37,542
TOTAL PRIVATE REAL ESTATE	434.00	13,995,858
Infrastructure	-	
Brookfield Infr Fd II	7.17	147,750
First Reserve EIF II	0.43	97,707
IFM GL Infrastructure	10.00	
TOTAL INFRASTRUCTURE	17.60	245,457
TOTAL REAL ASSETS	451.60	14,241,315
TOTAL EQUITY - PUBLIC & PRIVATE	7,072.57	51,616,960
Fixed Income Structured Program		
Government Treas/Agency Sector		
Fischer Francis	113.96	70,497
State Street	114.17	29,150
Total Sector	228.13	99,647
Mortgage Sector		
Blackrock	329.23	98,210
Goldman Sachs	176.14	28,983
Neuberger Berman	311.19	67,434
Total Sector	816.56	194,627
Investment Grade Credit Sector		
Blackrock	187.58	79,221
Prudential	186.92	114,633
Prudential Privest	43.43	19,650
Taplin Canida	277.15	216,550
T. Rowe Price	278.36	287,889
Total Sector	973.44	717,943
Global Fixed Income		
LM CAPITAL -MTA	21.14	17,598
GIA	19.88	
Total Global Fixed Income	41.02	17,598

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

Schedule 4

	Average assets Under management (\$mms)	Total Fees
Total Structured Plus LM Capital	2,059.15	1,029,816
Total Progress Fixed Emerging Managers	28.13	96,773
Total Fixed Income Program	2,087.28	1,126,589
Active TIPS Managers		
Blackrock	113.46	71,832
Pimco	0.05	42,343
Total Active TIPS Managers	113.51	114,175
Passive TIPS Managers		
State Street	186.87	3,780
Total Passive TIPS Managers	186.87	3,780
Total TIPS Managers	300.38	117,955
Opportunistic Fixed Income Strategies		
Ave Euro Special Situations Fd	0.17	15,730
Ave Special Situations Fd V	0.05	14,798
Ave Special Situations Fd VI	11.45	199,562
Brightwood Capital Advisors	4.23	
Fortress Ptnrs LP	23.98	56,750
Oaktree Opp Fd IX LP	28.85	479,926
Torchlight Investors	1.97	289,191
Total Fund Strategies	70.70	1,055,957
Angelo Gordon Ptnrs LP	28.38	210,197
Apollo Prtnrshp LP	28.09	(100,304)
Ares Center Street	10.06	18,285
Contrarian C A LLC	7.60	52,217
Goldentree OD MTA	39.40	268,556
Marathon Centre Street Partnership, L.P.	57.19	332,945
Oak Hill Ptnrs LP	33.91	249,626
Total Strategic Mandates	204.63	1,031,522
Total Opportunistic Fixed Income Managers	275.33	2,087,479
Enhanced Yield	-	
Penn	113.72	388,714
Loomis Sayles	111.87	360,466
T. Rowe Price	184.28	579,630
Total Enhanced Yield	409.87	1,328,810
Bank Loans		
Babson BL	90.63	292,045
Guggenheim BL	91.73	353,260
Total Bank Loans	182.36	645,304

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

	Average assets Under management (\$mmS)	Schedule 4 Total Fees
Convertible Bonds		
Advent	53.97	273,653
Total Convertible Bonds	53.97	273,653
ETI Investments		
Access RBC	20.01	45,675
AFL-CIO Housing Inv Trust	42.47	180,556
Total ETI Investments	62.48	226,231
TOTAL FIXED INCOME	3,371.67	5,806,022
TOTAL INVESTMENT MANAGER EXPENSES	10,451.00	57,422,982
Consultants		
Aksia		101,680
Courtland Partners		25,147
Ernst and Young		3,192
New England Pension Consultants		354,932
Stepstone		533,000
Stepstone - Infrastructure		19,572
The Townsend Group		71,970
Total Consultants		1,109,493
Legal		
Bingham McCutchen		1,574
Colon & Peguero		1,243
Corporation Svs Co		43
Cox, Castle & Nicholson		4,074
European Commerical RE Loans General Partners		25,000
Foster, Pepper		3,131
Morgan, Lewis & Bockius		14,419
Nixon Peabody		48,669
Pillsbury Winthrop Shaw Pittman		12,258
Proskauer		7,019
Orrick, Herrington & Sutcliffe		628
Reinhart Boerner Van Deuren		3,868
Sadis & Goldberg		8,414
Seward & Kissel		2,421
Thomas, McNerny		2,888
Total Legal		135,647
Total Investment Management fees		58,668,122

Additional Supplementary Information
Schedule of Investment Expenses
For fiscal year June 30, 2015

Schedule 4

	Average assets Under management (\$mmS)	Total Fees
Other Miscellaneous expenses paid - BNY		
<i>Investment Organization Expense - Alt Fixed Income</i>		1,131,151
<i>Misc Expense - Alt Investment (Equity & Real Estate)</i>		49,708
<i>Operating Exp. - Alt Investment (Equity & Real Estate)</i>		3,986,146
<i>Operating Exp. - Equity</i>		158
<i>Operating Exp. - Fixed Income</i>		155,256
<i>Misc Expense- Alternative Investment Fixed Income</i>		173,355
<i>Misc Expense - International</i>		402,537
<i>Misc Expense - Fixed Income</i>		37,448
<i>Misc Expense - Mutual Fund Mortgages</i>		9
<i>Misc Expense - Mutual Fund TIPS</i>		548
<i>Misc Expense - Mutual Fund Equity</i>		208
<i>Misc Expense- Mutual Fund Fixed Income</i>		89
<i>Misc Expense- Alternative Investment Hedge Fund</i>		58
<i>FX Services Fees - Alt Equity</i>		6,065
<i>FX Services Fees - Alt Fixed Income</i>		22
<i>FX Services Fees - International</i>		15,699
<i>Tax Expense - International</i>		2,939,607
<i>Tax Expense - Mutual Fund Fixed Income</i>		1,203
<i>Tax Expense - Mutual Fund Equity</i>		3,583
<i>Security Lending Fee (3rd Party)</i>		431,040
<i>Subscription Fee</i>		25,443
Total other Miscellaneous expenses BNY		9,359,333
TOTAL INVESTMENT EXPENSES	\$ 10,451	\$ 68,027,455

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New York Fire Department Pension Funds

Comprehensive Annual Financial Report

A Pension Trust Fund of The City of New York



Investment Section

Part III

Fiscal Year Ended June 30, 2015

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INVESTMENT REPORT

This report is prepared by management on the basis of information provided by the investment managers of the New York Fire Department Pension Funds and the Comptroller of the City of New York. The Comptroller administers the Funds' investment portfolio subject to the direction and control of the Boards of Trustees of the respective fund. The Boards of Trustees are responsible for ensuring that assets of the Funds are managed efficiently and prudently, in full compliance with the Administrative code of the City of New York (ACNY) and the State Retirement and Social Security Laws, for the benefit of the Funds' membership.

Investment Policy

The Qualified Pension Fund's primary purpose is to provide retirement benefits for members and their beneficiaries, while the Variable Supplements' Funds provide supplemental payments other than pension benefits for eligible members. These benefits and payments are financed through the accumulation of employer and member contributions and investment earnings. The Boards of Trustees therefore set investment objectives to assure adequate accumulation of reserves and to protect the long term value of the assets. The Boards' overall philosophy on strategic factors, i.e. risk tolerance, returns, diversification and liquidity requirements determines the objectives of the investment policy adopted. Listed below is a brief outline of key objectives and philosophy:

- To assure that members and beneficiaries receive benefits now and in the future, the level of investment risk in the portfolio will be prudent and not exceed levels that may jeopardize objectives.
- To enhance portfolio returns moderate risk levels are assumed, since over the long term there is a relationship between the level of risk taken and the rate of return realized.
- To reduce portfolio risk through Diversification. This is achieved by investing in a broad array of investments and by allocating funds among many asset categories, industries and geographic locations.
- To maintain Liquidity requirements through the structuring of cash flows from contributions, investment income and short term investments; this assures timely payment of benefits.

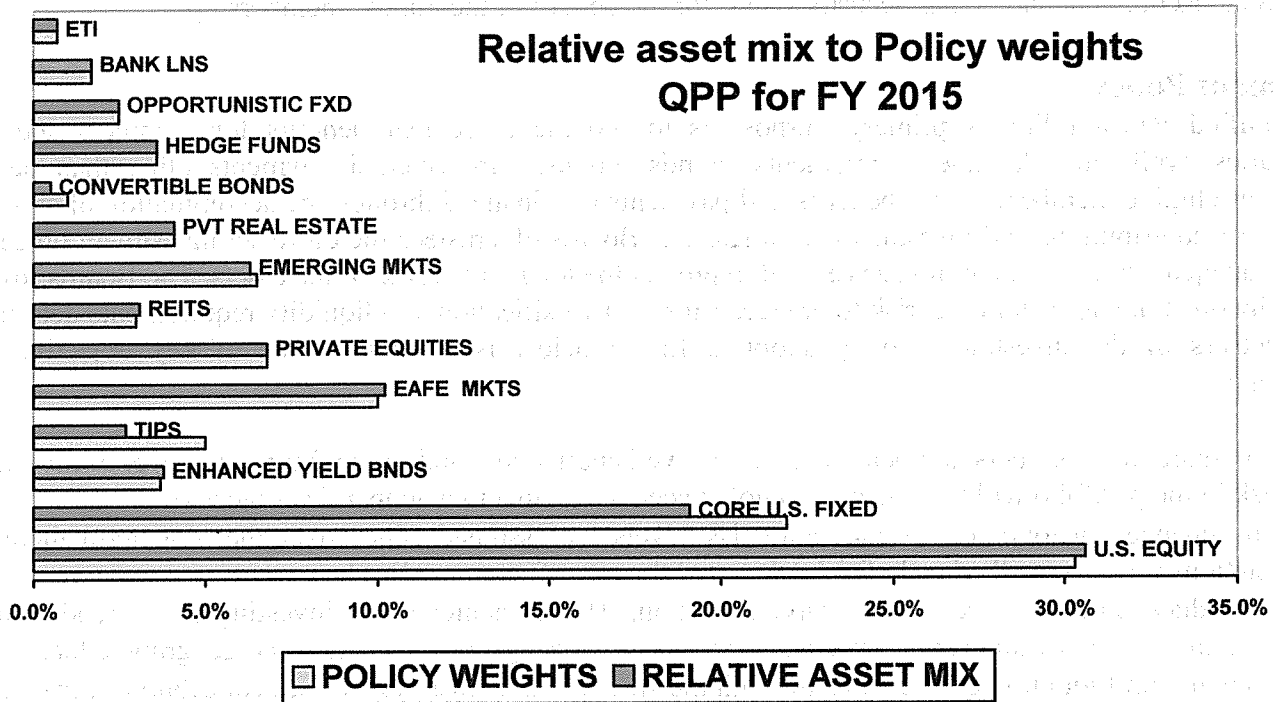
The Funds utilize several investment managers to manage the long term debt and equity portfolio. In addition, the Funds employ independent investment consultants as investment advisors. The Funds' managers are periodically reviewed for ongoing performance and adherence to investment guidelines.

Investment Criteria and Asset Allocation

The Boards' investment policies are implemented using a strategic allocation of assets that meet the objectives of the Funds, while working within the confines of the legislative guidelines. The guidelines dictate that Fixed income, equity and other investments may be made as permitted by The New York State Retirement and Social Security Laws (RSSL) §§ 176-178(a) and State Banking Law § 235, the New York City Administrative Code, and the Legal Investments for New York Savings Banks list as published by The New York State Banking Department, subject to Note 3, of Notes to the financial statements.

Additionally, up to 25% of the Funds' total assets may be invested in instruments not specifically covered by RSSL. The largest share of each portfolio is invested in equities, since equity investments provide superior returns over the long term, despite historical volatility.

Each fund’s asset allocation policy is constructed to meet both short-term funding requirements and long-term benefit obligations. Investments are therefore made in a broad array of financial instruments including domestic stocks, bonds and international securities through a collective fund investment vehicle. The percentages assigned each category of assets held in the Funds are determined based on the results of a study, which indicates the expected rates of return and levels of risk for various asset allocations. These allocations are reviewed periodically to address fluctuating market events and new investment opportunities.



The current policy mix implemented is comprised of items in the following major categories: U.S equity, Core U.S. fixed income, Enhanced yield bonds, Treasury inflation protected securities (TIPS), International equity(EAFE Markets), Private equities, Real estate investments trusts (REITS), Emerging markets, Private Real Estate investments, Convertible Bonds, Hedge Funds, Opportunistic Fixed, Bank loans and Economically Targeted Investments(ETI). The chart above shows a comparison of relative asset mix to policy weights for the QPP as at June 30, 2015.

Although the Funds’ assets are periodically re-balanced to keep in line with long term asset allocation objectives, actual allocation may vary from policy weights as market values shift and investments are added or terminated. As indicated in the chart, the Fund exceeded targeted allocations of U.S. equity, Enhanced Yield bonds, EAFE Markets, and Real Estate Investments Trusts by .3, .1, .2 and .1 percentage points respectively. Core U.S Fixed, TIPS, Emerging Markets and Convertible bonds fell below the current targeted allocations by approximately 2.8, 2.3, .2 and .5 percentage points respectively. All the remaining asset classes in the portfolio closely matched targeted allocations.

Actual asset allocation in effect on 6/30/2015 for QPP and the VSF’s is presented in the chart titled "Asset Allocation" (Exhibit 1a -1b). Changes in actual asset allocation for QPP over a period of ten years covering June 2006 through June 2015 are presented in an area graph showing the major categories and amount of assets held at the end of each fiscal period (Exhibit 1a).

Summary of Investment Results for fiscal year 2015

The Qualified Pension Fund posted a modest investment performance for the fiscal year ended June 2015. The return of 3.5 %¹ was reflective of the uncertainty and volatility experienced in financial markets, particularly during the final quarters of the fiscal period. The posted return fell short of the 4.1% gain posted by the Fund's policy benchmark and was well below the actuarial assumed rate of return at 7.0%, for the period. The QPP closed fiscal year 2015 with a net position restricted for pension benefits totaling \$10.8 billion.

The portfolio's gain for fiscal year ended June 30, 2015 was boosted by modest performances in the equity markets during the period. U.S. equities, the largest segment in the portfolio, were among the top performers, posting overall gains of 6.6%. This result was however below the 7.3% gain posted by the benchmark, the Russell 3000 index. For the quarter ended June 30, 2015, the overall group posted returns averaging 0.14% gain, exactly equal to the return on the Russell 3000 index.

International equities as a group were among the worst performers, most categories posted losses for the fiscal period. Investments for the group in the portfolio fell by 4.2%, although ahead of the benchmark, the MSCI AC world ex Index which fell by 5.3%. Total developed environmental activists markets equities lost 3.3%; this result was ahead of its benchmark, the MSCI EAFE index, which lost 4.2% over the same period. For the quarter ended June 30, 2015 the overall group posted a gain of approximately 1.0%.

The domestic fixed income composite portfolio was also among the lower performers of the asset classes, closing fiscal year 2015 with gains averaging 1.2%. The largest segment within this category, the structured or core investment grade fixed income group was among the better performers, posting gains of 1.9%. This return was below the 2.1% gain posted by its benchmark the New York City core plus 5 index. The Opportunistic Fixed Income group was also among the better performers in this category, posting gains of 2.2%, although underperforming its benchmark the New York City 10% Annual return index, with gains of 10%. Treasury Inflation Protected securities, among the worst performers in this category lost 1.6%, although slightly ahead of its benchmark the Barclays Capital Global inflation linked TIPS index which lost 1.7% for the period.

For the five-year period ended June 30, 2015, the QPP's annualized returns stood at 11.1 %, compared to the portfolio policy benchmark return at 12.0%.

Investment returns for the Variable supplements funds' were generally in line with results posted by the QPP. The Fire Fighters' Variable Supplements Fund, with assets under management of \$494.0 million posted overall gains of 4.1% for the period; this gain was ahead of the policy benchmark at 3.5%. The Fire Officers Variable Supplements Fund with assets under management of \$305.2 million also posted overall returns of 4.1% for the period, ahead of the policy benchmark with gains of 3.5%.

For the five year period ended June 30, 2015, the FFVSF's and the FOVSF 's annualized returns stood at 11.9% and 12.2% respectively, while the corresponding policy benchmarks returned 12.2%.

Schedule 1A-1C presents our Consolidated Performance Reports, displaying the percentage of portfolio market values and returns for the QPP and the Variable Supplements Funds'. The schedules include returns for each major investment asset class along with the returns for corresponding benchmarks through June 30, 2015.

The Funds' total investments including Collateral from securities lending rose from \$12,760.3 million to \$12,937.5 million, during fiscal year 2015. This change is depicted in **Exhibit 2**, a chart showing changes in total investment at market value over the ten fiscal periods between 2006 and 2015.

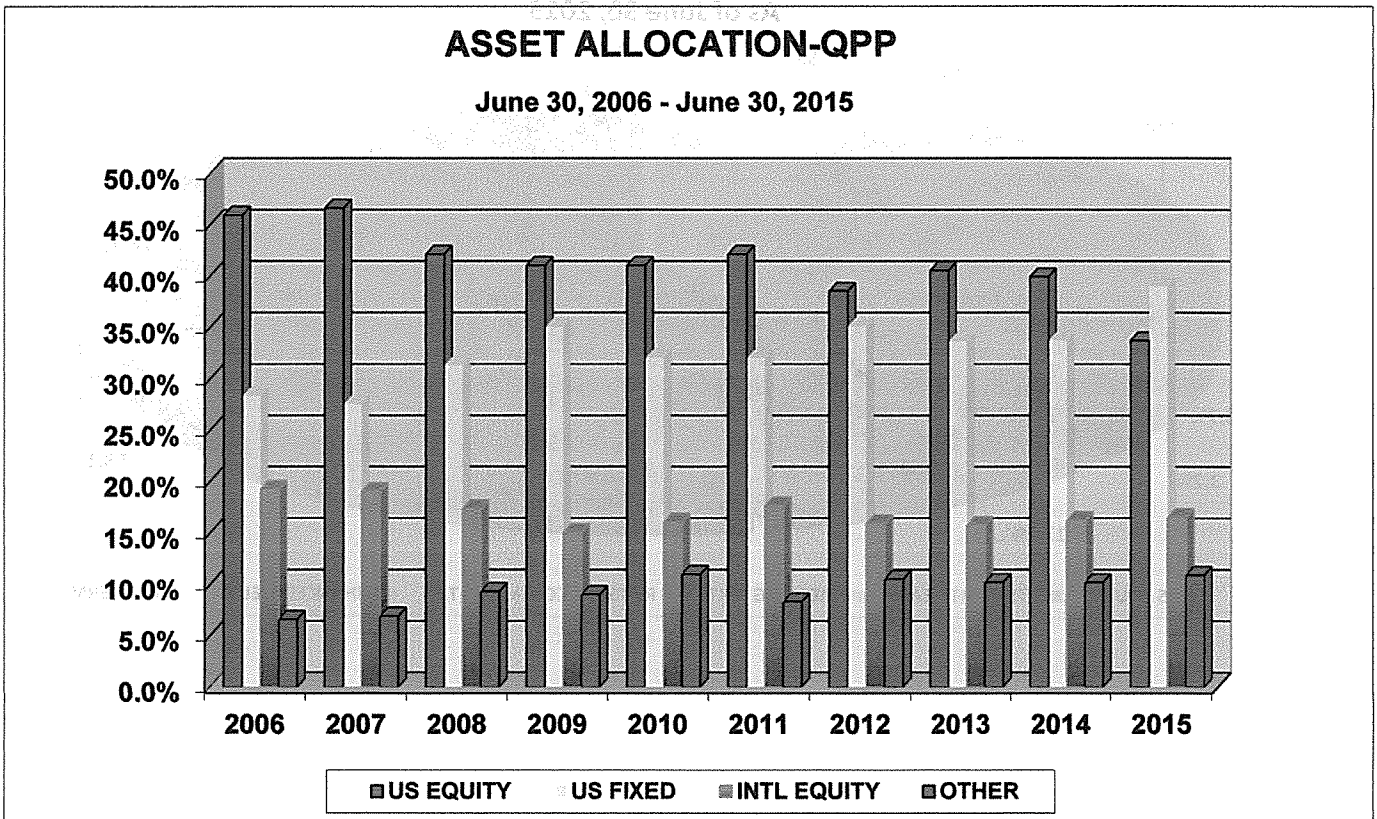
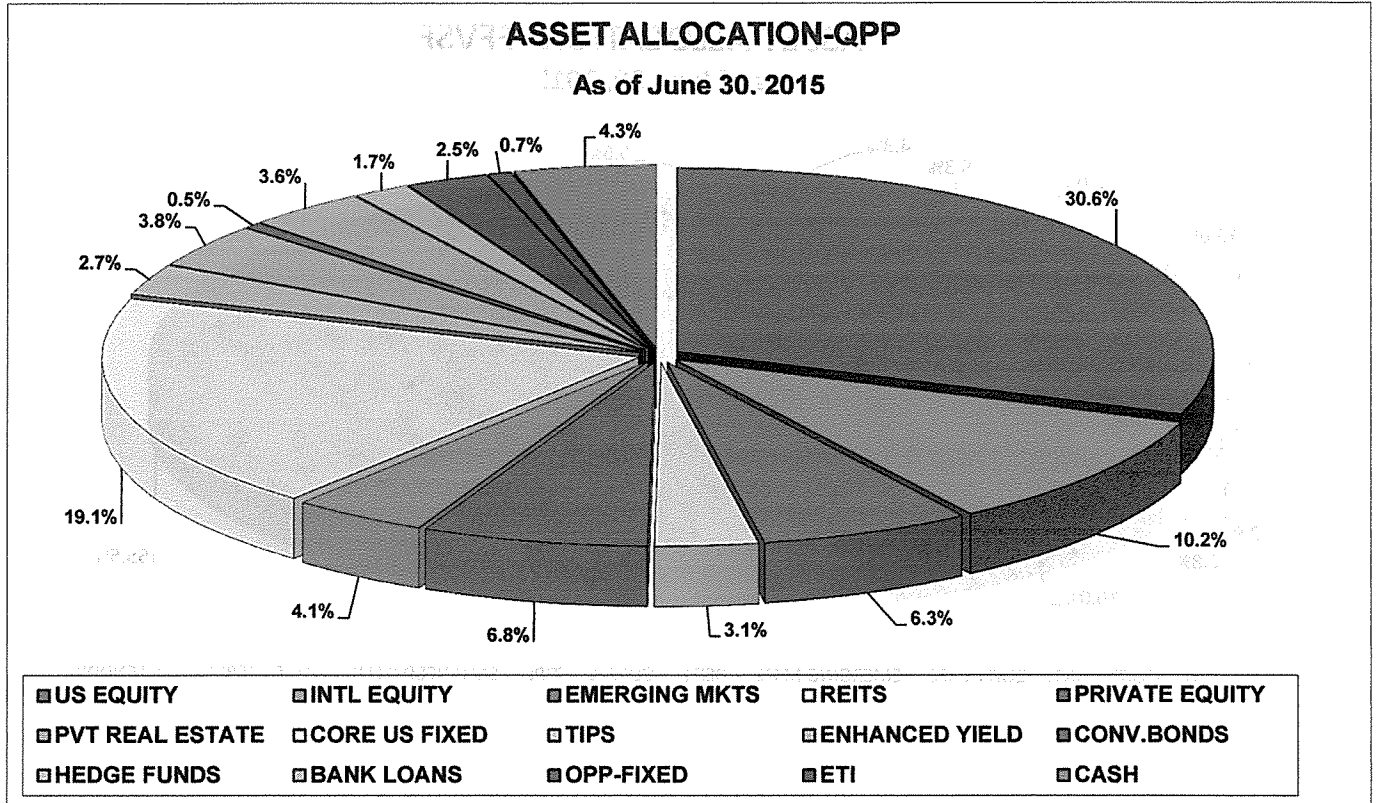
¹ Calculations on the rate of return for investments were prepared using a time -weighted rate of return, based on the market rate of return consistent with Global Investment Performance Standards (GIPS).

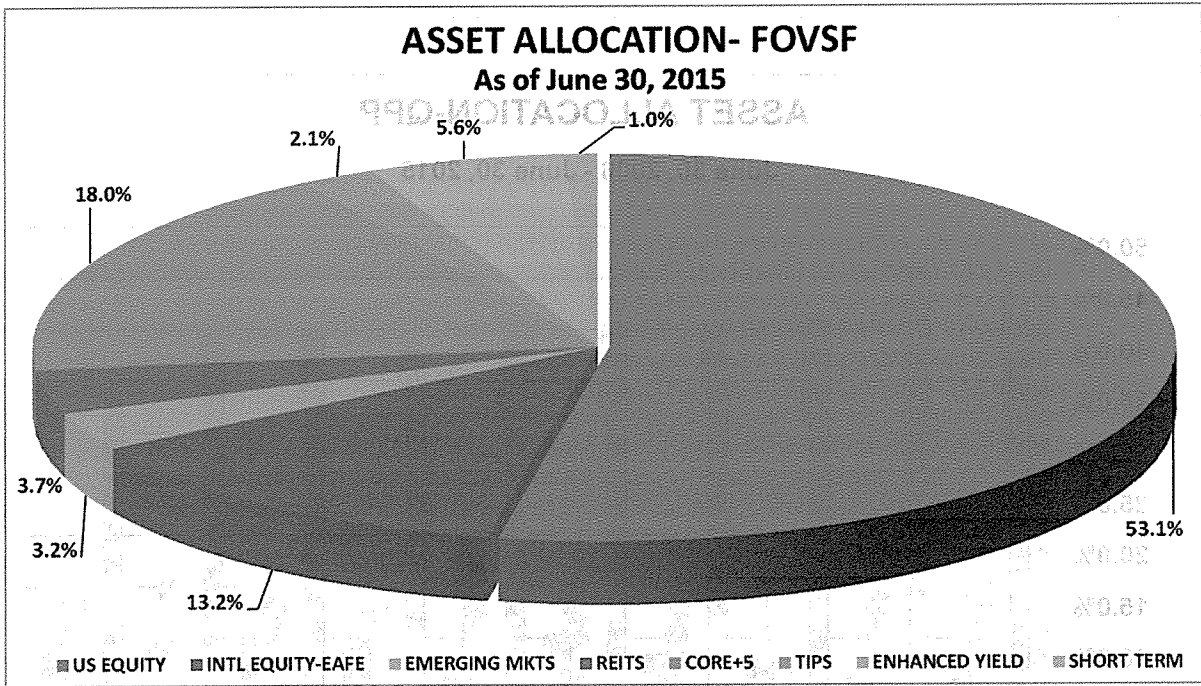
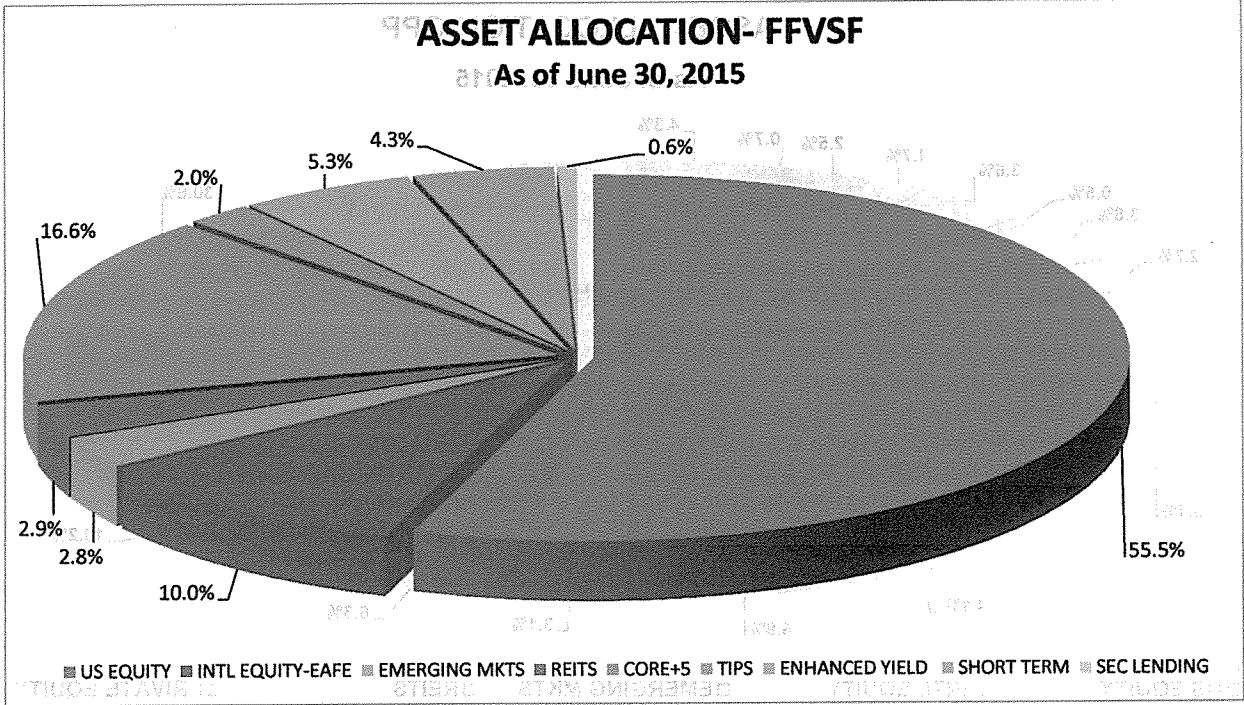
The Funds' Portfolio assets invested during fiscal year 2015 returned net gains of \$302.6 million. The overall gains were due mainly to modest performances by U.S. equities in the Funds' investment portfolio. Exhibit 3 shows a summary of the changes in investment income over the ten-year period 2006 through 2015.

Listings of the Fund's largest bonds, stocks and Alternative Investment holdings are presented in Schedule 2A, 3A & 4A respectively.

Fees and Brokers' commissions are calculated based on total assets under management for the period. Summaries of Brokers' commissions for investments traded are presented in schedule 5A.

The Summary of investments presented in Schedule 6A shows the overall market values of each major investment asset class in the Funds' portfolio, including short-term holdings and collateral from securities lending. The schedule also shows the percentage value of each category in relation to total investments in the Funds for fiscal year 2015.



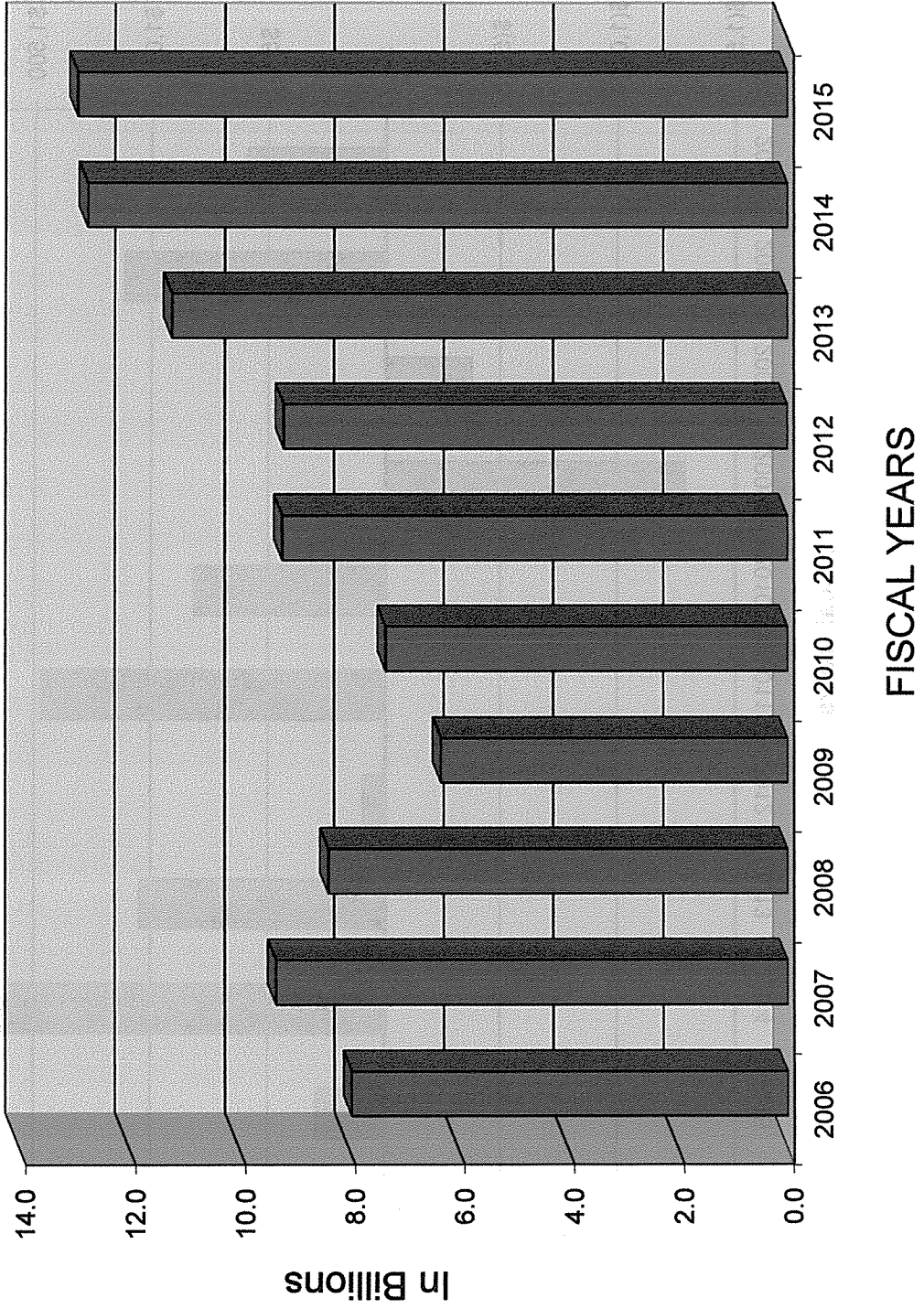


TOTAL INVESTMENTS

Fire Funds Combined

(At Market - Value)

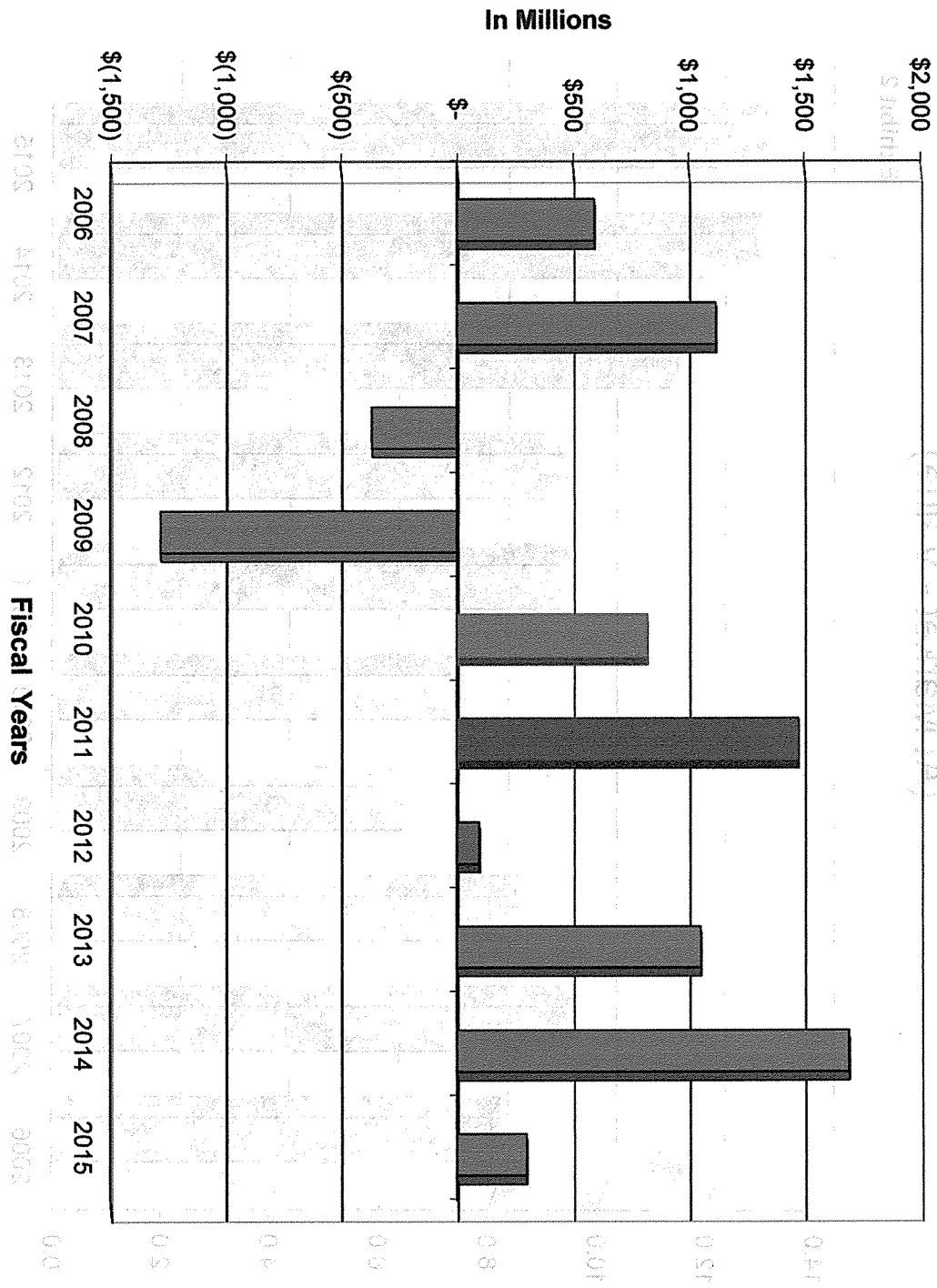
Exhibit 2



INVESTMENT INCOME

Fire Funds Combined

Exhibit 3



**Schedule of Portfolio Returns* Fire QPP
June 30, 2015**

Schedule 1a

Assets (\$MM)	% Total	Asset Class	3 Mos	YTD	1 YR	PRIOR YR	5 YRS	10 YRS
			Apr-15 Jun-15	Jan-15 Jun-15	Jul-14 Jun-15	Jul-13 Jun-14	Jul-10 Jun-15	Jul-05 Jun-15
3,346.00	30.62	U.S. Equities Russell 3000	0.14 0.14	2.42 1.94	6.59 7.29	11.05 12.56	17.47 17.54	8.01 8.15
1,804.00	16.50	Total International Equity MSCI AC WORLD EX US (Net) Benchmark	1.00 0.53	4.19 4.03	-4.17 -5.26	-3.45 -3.87	7.49 7.76	6.00 5.54
1,115.00	10.20	International Developed Environ activist MSCI EAFE	1.09 0.62	5.28 5.52	-3.28 -4.22	-5.07 4.90	9.50 9.54	5.60 5.12
689.00	6.30	International Emerging mkts MSCI Emerging mkts index	0.89 0.69	2.45 2.95	-5.73 -5.12	-0.96 -2.19	4.41 3.68	8.66 8.11
386.00	3.58	Total Hedge Funds HFRI Funds of funds composite index 1'	-1.5 0.45	1.91 3.21	4.15 5.00	5.97 4.40	n/a n/a	n/a n/a
340.00	3.11	Total Real Estate Equity Sec.(REITS) DJ US Select Real Estate Securities Inde	-9.22 -10.02	-4.38 -5.69	6.20 5.25	28.21 31.85	14.94 14.38	7.62 6.68
744.00	6.81	Private Equity NYC R3000+3% Lagged	6.23 2.55	7.76 8.71	13.73 15.71	15.81 21.24	13.32 18.68	11.36 13.01
434.00	3.97	Private Real Estate NCREIF NFI-ODCE NET+100BP	3.71 3.84	8.00 7.38	16.33 14.51	17.21 12.56	15.53 -	4.81 -
18.00	0.16	Infrastructure Real Estate CPI+ 4%	1.32 1.86	9.78 2.63	16.08 4.19	20.21 4.7	- -	- -
Fixed Income Segment								
2,018.00	18.47	Total Structured Program NYC Core Plus Five Index	-1.99 -2.21	-0.12 -0.37	1.88 2.08	7.66 7.66	4.59 3.98	5.30 5.00
410.00	3.75	Enhanced Yield Citigroup BB & B	0.35 0.26	2.97 2.74	-0.03 0.28	2.54 2.78	8.31 8.37	7.52 6.50
41.00	0.38	Total Core Fixed income Barclays Capital Aggregate bond index	-0.99 -1.68	0.72 -0.10	2.28 1.86	5.74 5.97	4.34 3.35	n/a n/a
28.00	0.26	Total Fixed income Funds of Funds Barclays Capital Aggregate	-1.62 -1.68	0.16 -0.10	1.64 1.86	6.21 5.97	n/a n/a	n/a n/a
300.00	2.75	Total Tips Managers Barclays Global Inflation linked US Tips	-1.01 -1.06	0.51 0.34	-1.62 -1.73	3.59 3.64	3.37 3.29	4.30 4.13
182.00	1.67	Total Bank Loans Credit Suisse FB Leveraged Loan index	1.05 0.79	3.42 2.87	3.71 2.15	2.82 2.06	n/a n/a	n/a n/a
54.00	0.49	Total Convertible Bonds BofA ML All Conv. Ex mandatory index	-0.66 0.73	2.49 3.72	1.41 3.37	5.16 9.33	9.06 12.86	n/a n/a
275.00	2.52	Total Opportunistic Fixed NYC 10% Annual return	-0.12 2.41	1.07 4.88	2.21 10.00	7.41 10.00	9.06 10.00	n/a n/a
73.00	0.66	Total Teachers Targeted- ETI (w/o cash) Fire custom Benchmark	-1.48 -1.23	0.57 0.18	2.84 2.10	6.90 5.75	3.67 3.20	4.65 4.33
474.00	4.30	State Street Short Term	0.19	0.19	0.37	0.31	0.36	2.02
10,927.00	100.00	Total Portfolio Policy Benchmark	0.03 -0.20	2.42 2.46	3.55 4.15	7.55 8.43	11.11 11.96	6.93 7.48

*Calculations on the rate of return for investments were prepared using a time weighted rate of return, based on the market rate of return consistent with Global Investment Performance Standards (GIPS).

Schedule of Portfolio Returns FFVSF*
June 30, 2015

Schedule 1b

Assets (\$MM)	% Total	Asset Class	3 Mos	YTD	1 YR	PRIOR YR	5 YRS	10 YRS
			Apr-15 Jun-15	Jan-15 Jun-15	Jul-14 Jun-15	Jul-13 Jun-14	Jul-10 Jun-15	Jul-05 Jun-15
274.00	55.41	U.S. Equities	0.16	1.93	7.22	12.42	17.49	8.14
		Russell 3000 Daily	0.14	1.94	7.29	12.56	17.54	8.15
50.00	10.02	Total International Developed Markets	1.07	5.25	-0.73	-6.76	8.24	4.97
		MSCI EAFE Benchmark	0.62	5.52	-4.22	-4.90	9.54	5.12
14.00	2.85	Total Emerging Markets	-3.89	-2.45	-9.37	-2.57	2.36	n/a
		MSCI Emerging Markets	0.69	2.95	-5.12	-2.19	3.68	n/a
14.00	2.89	Total Real Estate Equity Sec.(REITS)	-9.14	-4.75	6.14	31.2	14.85	n/a
		DJ US Select Real Estate Securities Index	-10.02	-5.69	5.25	31.85	14.38	n/a
82.00	16.59	Total structured Fixed Income	-2.08	-0.08	2.07	8.27	4.44	5.17
		NYC Core Plus Five Index	-2.21	-0.37	2.08	7.66	3.98	5.00
26.00	5.34	Total Enhanced yield	0.61	3.41	1.34	3.29	8.42	6.86
		Citigroup BB&B	0.26	2.74	0.28	2.78	8.37	6.50
10.00	2.00	Total Tips Managers	-1.03	1.01	-1.34	3.37	3.46	4.31
		Barclays Global Inflation linked US Tips index	-1.06	0.34	-1.73	3.64	3.29	4.13
21.00	4.30	Fire Fighters short term	n/a	n/a	n/a	n/a	n/a	n/a
3.00	0.60	Securities Lending	n/a	n/a	n/a	n/a	n/a	n/a
494.00	100.00	Total Portfolio	-0.55	1.55	4.08	8.40	11.94	7.37
		Policy Benchmark	-0.59	1.83	3.54	8.29	12.16	7.24

*Calculations on the rate of return for Investments were prepared using a time weighted rate of return, based on the market rate of return consistent with Global Investment Performance Standards (GIPS).

Schedule of Portfolio Returns FOVSF*
June 30, 2015

Assets (\$MM)	% Total	Asset Class	3 Mos	YTD	1 YR	PRIOR YR	5 YRS	10 YRS
			Apr-15 Jun-15	Jan-15 Jun-15	Jul-14 Jun-15	Jul-13 Jun-14	Jul-10 Jun-15	Jul-05 Jun-15
162.00	53.10	U.S. Equities	0.17	1.96	7.36	12.73	17.58	8.15
		Russell 3000/S&P500	0.14	1.94	7.29	12.56	17.54	8.09
40.20	13.20	Total International Developed Markets	0.68	6.54	-1.05	-6.55	8.43	4.01
		MSCI EAFE Benchmark	0.62	5.52	-4.22	-4.90	9.54	5.12
10.00	3.20	Total Emerging Markets	-3.90	-2.46	-9.37	-2.57	2.36	n/a
		MSCI Emerging Markets	0.69	2.95	-5.12	-2.19	3.68	n/a
11.30	3.70	Total Real Estate Equity Sec.(REITS)	-9.14	-4.75	6.14	31.2	14.79	n/a
		Morgan Stanley custom RESI index	-10.02	-5.69	5.25	31.85	14.38	n/a
55.00	18.00	Total structured Fixed Income	-1.94	0.25	2.63	8.38	4.97	5.72
		NYC Core Plus Five Index	-2.21	-0.37	2.08	7.66	3.98	5.00
17.00	5.60	Total Enhanced yield	0.61	3.41	1.34	3.29	8.49	6.89
		Citigroup BB&B	0.26	2.74	0.28	2.78	8.37	6.50
6.40	2.10	Total Tips Managers	-1.03	1.01	-1.34	3.37	3.46	4.33
		Barclays Global Inflation linked US Tips index	-1.06	0.34	-1.73	3.64	3.29	4.13
3.00	1.00	Fire Officers' short term	n/a	n/a	n/a	n/a	n/a	n/a
0.30	0.10	Securities Lending	n/a	n/a	n/a	n/a	n/a	n/a
305.20	100.00	Total Portfolio	-0.67	1.77	4.11	8.30	12.22	7.39
		Policy Benchmark	-0.59	1.83	3.54	8.29	12.16	7.20

*Calculations on the rate of return for Investments were prepared using a time weighted rate of return, based on the market rate of return consistent with Global Investment Performance Standards (GIPS).

List of 50 Largest Bond Holdings as of June 30, 2015

Schedule 2A

Cusip Number	Security Description	Maturity Date	Interest Rate	Par Value	Market Value
'36179RD71	GNMA II POOL MA2826	5/20/2045	3.5%	34,729,796	36,231,165
'21H032670	GNMA II TBA 30 YR 3.5	7/20/2045	3.5%	23,000,000	23,870,550
'912828NT3	US TREASURY N/B	8/15/2020	2.6%	19,850,000	20,757,145
'01F040669	FNMA TBA 30 YR 4	6/11/2045	4.0%	18,765,000	19,882,831
'01F040677	FNMA TBA 30 YR 4	7/14/2045	4.0%	18,405,000	19,499,729
'01F032674	FNMA TBA 30 YR 3.5	7/14/2045	3.5%	15,960,000	16,447,578
'02R040672	FHLMC TBA 30 YR 4	7/14/2045	4.0%	15,280,000	16,158,906
'01F032666	FNMA TBA 30 YR 3.5	6/11/2045	3.5%	15,150,000	15,630,407
'01F040677	FNMA TBA 30 YR 4	7/14/2045	4.0%	14,000,000	14,832,720
'01F030678	FNMA TBA 30 YR 3	7/14/2045	3.0%	14,835,000	14,779,665
'21H032670	GNMA II TBA 30 YR 3.5	7/20/2045	3.5%	13,785,000	14,306,762
'02R032679	FHLMC TBA 30 YR 3.5	7/14/2045	3.5%	13,300,000	13,682,375
'01F030678	FNMA TBA 30 YR 3	7/14/2045	3.0%	13,500,000	13,449,645
'01F030660	FNMA TBA 30 YR 3	6/11/2045	3.0%	13,325,000	13,289,689
'21H032670	GNMA II TBA 30 YR 3.5	7/20/2045	3.5%	12,150,000	12,609,878
'01F040628	FNMA TBA 30 YR 4	2/12/2045	4.0%	11,755,000	12,575,893
'01F040677	FNMA TBA 30 YR 4	7/14/2045	4.0%	11,850,000	12,554,838
'01F030488	FNMA TBA 15 YR 3	8/18/2030	3.0%	10,700,000	11,062,302
'912810RD2	US TREASURY N/B	11/15/2043	3.8%	9,770,000	10,989,687
'21H040673	GNMA II TBA 30 YR 4	7/20/2045	4.0%	10,350,000	10,968,413
'21H030674	GNMA II TBA 30 YR 3	7/20/2045	3.0%	10,125,000	10,220,681
'01F030678	FNMA TBA 30 YR 3	7/14/2045	3.0%	10,000,000	9,962,700
'01F022477	FNMA TBA 15 YR 2.5	7/16/2030	2.5%	9,495,000	9,609,984
'01F022477	FNMA TBA 15 YR 2.5	7/16/2030	2.5%	9,438,000	9,552,294
'912828D72	US TREASURY N/B	8/31/2021	2.0%	9,350,000	9,380,668
'02R040664	FHLMC TBA 30 YR 4	6/11/2045	4.0%	8,260,000	8,735,693
'01F042673	FNMA TBA 30 YR 4.5	7/14/2045	4.5%	8,000,000	8,648,720
'02R032679	FHLMC TBA 30 YR 3.5	7/14/2045	3.5%	8,370,000	8,610,638
'02R040672	FHLMC TBA 30 YR 4	7/14/2045	4.0%	8,120,000	8,587,062
'21H030674	GNMA II TBA 30 YR 3	7/20/2045	3.0%	8,000,000	8,075,600
'02R032661	FHLMC TBA 30 YR 3.5	6/11/2045	3.5%	7,835,000	8,069,345
'912810RG5	US TREASURY N/B	5/15/2044	3.4%	7,575,000	7,956,704
'01F030470	FNMA TBA 15 YR 3	7/16/2030	3.0%	7,480,000	7,749,355
'02R030673	FHLMC TBA 30 YR 3	7/14/2045	3.0%	7,500,000	7,455,150
'912828QN3	US TREASURY N/B	5/15/2021	3.1%	6,880,000	7,358,917
'02R030673	FHLMC TBA 30 YR 3	7/14/2045	3.0%	7,235,000	7,191,735
'02R030665	FHLMC TBA 30 YR 3	6/11/2045	3.0%	7,165,000	7,130,106
'01F022477	FNMA TBA 15 YR 2.5	7/16/2030	2.5%	7,000,000	7,084,770
'912828D56	US TREASURY N/B	8/15/2024	2.4%	7,020,000	7,057,838
'912828J50	US TREASURY N/B	2/29/2020	1.4%	6,907,400	6,847,513
'01F032674	FNMA TBA 30 YR 3.5	7/14/2045	3.5%	6,600,000	6,801,630
'01F050676	FNMA TBA 30 YR 5	7/14/2045	5.0%	6,000,000	6,628,140
'21H040681	GNMA II TBA 30 YR 4	8/20/2045	4.0%	6,200,000	6,561,212
'36179RF95	GNMA II POOL MA2892	6/20/2045	3.5%	6,000,000	6,259,380
'912828WY2	US TREASURY N/B	7/31/2021	2.3%	6,080,000	6,194,973
'912810RH3	US TREASURY N/B	8/15/2044	3.1%	6,050,000	6,059,922
'912828G87	US TREASURY N/B	12/31/2021	2.1%	5,925,000	5,971,274
'3138EPTM6	FNMA POOL AL6855	7/1/2037	5.0%	5,305,315	5,890,120
'912828VS6	US TREASURY N/B	8/15/2023	2.5%	5,708,300	5,831,371
'3138ENS91	FNMA POOL AL5943	6/1/2042	4.5%	5,348,379	5,792,188
'21H040673	GNMA II TBA 30 YR 4	7/20/2045	4.0%	5,425,000	5,749,144

A complete listing of our portfolio holdings is available from our office upon request

List of 50 Largest Stock Holdings as of June 30, 2015

Schedule 3A

Cusip Number	Security Description	Number of Shares	Market Value
'037833100	APPLE INC	245,649	30,810,526
'594918104	MICROSOFT CORP	345,045	15,233,737
'828806109	SIMON PROPERTY GROUP INC	86,733	15,006,544
'30231G102	EXXON MOBIL CORP	178,337	14,837,638
'478160104	JOHNSON + JOHNSON	118,334	11,532,832
'369604103	GENERAL ELECTRIC CO	429,779	11,419,228
'949746101	WELLS FARGO + CO	198,714	11,175,675
'084670702	BERKSHIRE HATHAWAY INC CL B	79,311	10,795,020
'46625H100	JPMORGAN CHASE + CO	158,327	10,728,238
'29476L107	EQUITY RESIDENTIAL	138,565	9,723,106
'742718109	PROCTER + GAMBLE CO/THE	115,840	9,063,322
717081103	PFIZER INC	262,625	8,805,816
'42217K106	HEALTH CARE REIT INC	128,105	8,407,531
'254687106	WALT DISNEY CO/THE	72,333	8,256,089
'92343V104	VERIZON COMMUNICATIONS INC	173,956	8,108,089
'30303M102	FACEBOOK INC A	92,325	7,918,254
'00206R102	AT+T INC	221,078	7,852,691
'166764100	CHEVRON CORP	80,810	7,795,741
'060505104	BANK OF AMERICA CORP	446,337	7,596,656
'375558103	GILEAD SCIENCES INC	62,662	7,336,467
'172967424	CITIGROUP INC	129,673	7,163,137
'78388J106	SBA COMMUNICATIONS CORP CL A	62,000	7,128,140
'023135106	AMAZON.COM INC	16,234	7,047,017
'018581108	ALLIANCE DATA SYSTEMS CORP	23,600	6,889,784
'58933Y105	MERCK + CO. INC.	120,517	6,861,033
'38259P508	GOOGLE INC CL A	12,289	6,636,552
'053484101	AVALONBAY COMMUNITIES INC	41,170	6,581,848
'191216100	COCA COLA CO/THE	166,694	6,539,406
'38259P706	GOOGLE INC CL C	12,522	6,517,826
'459200101	INTL BUSINESS MACHINES CORP	38,729	6,299,659
'458140100	INTEL CORP	202,343	6,154,262
'437076102	HOME DEPOT INC	55,184	6,132,598
'74340W103	PROLOGIS INC	164,343	6,097,125
'17275R102	CISCO SYSTEMS INC	218,013	5,986,637
'74460D109	PUBLIC STORAGE	32,135	5,924,730
'713448108	PEPSICO INC	62,947	5,875,473
'297178105	ESSEX PROPERTY TRUST INC	27,300	5,801,250
'101121101	BOSTON PROPERTIES INC	46,675	5,649,542
'92826C839	VISA INC CLASS A SHARES	83,520	5,608,368
'23918K108	DAVITA HEALTHCARE PARTNERS I	70,100	5,570,847
'68389X105	ORACLE CORP	135,169	5,447,311
'20030N101	COMCAST CORP CLASS A	90,505	5,442,971
'N63218106	NIELSEN NV	120,400	5,390,308
'91911K102	VALEANT PHARMACEUTICALS INTE	24,203	5,376,696
'81211K100	SEALED AIR CORP	103,820	5,334,272
'718172109	PHILIP MORRIS INTERNATIONAL	65,889	5,282,321
'G0177J108	ALLERGAN PLC	16,782	5,092,666
'38388F108	WR GRACE + CO	50,300	5,045,090
'126650100	CVS HEALTH CORP	48,100	5,044,728
'00287Y109	ABBVIE INC	74,690	5,018,421
'031162100	AMGEN INC	32,482	4,986,637

A complete listing of our portfolio holdings is available from our office upon request

Schedule of Broker's Commission QPP
For fiscal Year ended June 30, 2015

Schedule 4 A

Brokerage Firm	Number of Shares Traded	Commission Paid	Average Cost Per Share
ABEL NOSER CORPORATION Total	54,540	1,147	0.02
ABLE NOSER Total	21,522	247	0.01
ABN AMRO CLEARING BANK N.V. Total	5,487	238	0.04
ACADEMY SECURITIES INC Total	21,260	562	0.03
AGORA CORDE TITUL E VAL MOB Total	580,274	6,469	0.01
ALBERT FRIED & COMPANY LLC Total	61,100	1,833	0.03
ALLEN & COMPANY LLC Total	5,700	200	0.04
AMERICAN PORTFOLIOS FINANIAL Total	589	29	0.05
ANCORA SECIRITIES INC Total	35,200	1,730	0.05
AQEEL KARIM DHEDHI Total	400,979	3,454	0.01
AQUA SECURITIES LP Total	20,170	403	0.02
AROS SECURITIES AB Total	8,466	54	0.01
AUTREPAT-DIV RE Total	281	27	0.10
AVONDALE PARTNERS LLC Total	12,572	464	0.04
B.RILEY & CO., LLC Total	13,600	452	0.03
BAADER BANK AG Total	71,915	2,510	0.03
BANCO SANTANDER CENTRAL HISPANO Total	760,516	8,149	0.01
BANK J.VONTOBEL UND CO. AG Total	1,066	6,168	5.78
BANK OF NEW YORK Total	6,147	246	0.04
BANQUE PARIBAS Total	821	13	0.02
BARCLAYS BANK PLC Total	70,702	822	0.01
BARCLAYS CAPITAL Total	5,911,854	48,920	0.01
BARCLAYS CAPITAL INC Total	505	21	0.04
BARCLAYS CAPITAL INC./LE Total	1,040,379	6,424	0.01
BARCLAYS CAPITAL LE Total	532,858	19,664	0.04
BARRINGTON RESEARCH ASSOCIATES INC. Total	14,855	584	0.04
BB&T SECURITIES, LLC Total	133,621	4,819	0.04
BLAYLOCK ROBERT VAN LLC Total	823,692	16,747	0.02
BLOOMBERGTRADEBOOK LLC Total	192,478	3,858	0.02
BLUEFIN RESEARCH PARTNER INC. Total	5,200	260	0.05
BMO CAPITAL MARKETS Total	72,968	3,120	0.04
BNP PARIBAS PEREGRINE SECURITIES Total	1,959	302	0.15
BNP PARIBAS PRIME BROKERAGE ACTING AGENT Total	555	19	0.04
BNP PARIBAS PRIME BROKERAGE, INC. Total	3,715	74	0.02
BNP PARIBAS SECURITIES (ASIA) LTD. Total	8,823,178	29,988	0.00
BNP PARIBAS SECURITIES INDIA PRIVATE LIM Total	20,256	430	0.02
BNP PARIBAS SECURITIES SERVICE Total	96,125	1,987	0.02
BNP PARIBAS SECURITIES SERVICES Total	183,378	2,731	0.01
BNY CONVERGEX EXECUTION SOLUTIONS LLC Total	31,847,168	96,108	0.00
BNY CONVERGEX LJR Total	236,517	5,590	0.02
BRDESCO S.A CTVM Total	45,503	478	0.01
BREAN CAPITAL LLC Total	114,482	2,189	0.02
BROADCORTCAPITAL (THRU ML) Total	14,978	494	0.03
BTIG, LLC Total	356,268	14,828	0.04
BUCKINGHAM RESEARCH GROUP INC Total	167,458	6,294	0.04

**Schedule of Broker's Commission QPP
For fiscal Year ended June 30, 2015**

Schedule 4 A

Brokerage Firm	Number of Shares Traded	Commission Paid	Average Cost Per Share
BURKE ANDQUICK PARTNERS LLC Total	390	14	0.04
CABRERA CAPITAL MARKETS Total	557,052	13,659	0.02
CABRERA CAPITAL MARKETS LLC Total	804,172	1,125	0.00
CACEIS BANK DEUTSCHLAND GMBH Total	2,878	4,760	1.65
CALYON SECURITIES Total	919,589	8,741	0.01
CANACCORDGENUITY INC. Total	134,416	5,123	0.04
CANADIAN IMPERIAL BANK OF COMMERCE Total	14,816	820	0.06
CANTOR CLEARING SERVICES Total	6,800	136	0.02
CANTOR FITZGERALD & CO / CASTLEOAK SEC Total	14,619	440	0.03
CANTOR FITZGERALD + CO. Total	260,992	6,841	0.03
CANTOR FITZGERALD/CANTOR CLEARING SERV Total	3,002,939	12,524	0.00
CAPITAL INSTITUTIONAL SVCS INC EQUITIES Total	116,702	3,937	0.03
CAPITAL MARKETS BROKERS LIMITED Total	366,380	1,474	0.00
CELFIN CAPITAL SA CORREDORES DE BOLSA Total	86,547	330	0.00
CESKA SPORITELNA Total	22,254	613	0.03
CHEEVERS & CO. INC. Total	1,231,993	27,918	0.02
CHINA FORTUNE SECURITIES.,LTD Total	192,500	301	0.00
CHINA INTERNATIONAL CAPITAL CO Total	14,868,364	31,367	0.00
CIBC WORLD MKTS INC Total	18,598	681	0.04
CIMB SECURITIES (HK) LTD. Total	3,451,851	14	0.00
CITATION GROUP Total	28,348	1,372	0.05
CITIBANK OF COLOMBIA Total	57,758	70	0.00
CITICORP SECURITIES THAILAND LTD Total	15,326	59	0.00
CITIGROUPGLBL MARKET KOERA SECS LTD Total	18,021	2,146	0.12
CITIGROUPGLOBAL MARKETS AUSTRALIA PTY Total	2,191,880	5,588	0.00
CITIGROUPGLOBAL MARKETS INC Total	1,087,403	22,686	0.02
CITIGROUPGLOBAL MARKETS INC. Total	22,648,192	31,597	0.00
CITIGROUPGLOBAL MARKETS INDIA Total	149,211	4,181	0.03
CITIGROUPGLOBAL MARKETS LIMITED Total	12,036,281	72,067	0.01
CJS SECURITIES INC Total	19,770	784	0.04
CLSA AUSTRALIA PTY LTD Total	2,592,641	6,970	0.00
CLSA SECURITIES KOREA LTD. Total	1,475	121	0.08
CLSA SINGAPORE PTE LTD. Total	7,281,679	19,832	0.00
COMPASS POINT RESEARCH + TRADING, LLC Total	65,024	2,585	0.04
CONVERGEXEXECUTION SOLUTIONS LLC Total	1,252,677	45,183	0.04
CORNERSTONE MACRO LLC Total	3,565	178	0.05
CORREVAL S.A. Total	1,886,345	1,051	0.00
COWEN ANDCOMPANY, LLC Total	176,689	7,333	0.04
CRAIG - HALLUM Total	135,534	3,975	0.03
CREDIBOLSA SOCIEDAD AGENTE Total	92,436	441	0.00
CREDIT LYONNAIS SECURITIES (ASIA) Total	1,509,524	12,675	0.01
CREDIT LYONNAIS SECURITIES (USA) INC Total	37,775	1,967	0.05
CREDIT LYONNAIS SECURITIES INDIA Total	3,314,522	48,413	0.01
CREDIT LYONNAIS SECURITIES(ASIA) Total	26,855,000	18,037	0.00
CREDIT RESEARCH + TRADING LLC Total	54,135	2,265	0.04

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Brokerage Firm	Number of Shares Traded	Commission Paid	Average Cost Per Share
CREDIT SUISSE FIRST BOSTON Total	4,631,845	3,104	0.00
CREDIT SUISSE FIRST BOSTON (EUROPE) Total	4,410	2,369	0.54
CREDIT SUISSE LONDON BRANCH (GFX) Total	164,287	519	0.00
CREDIT SUISSE SECS INDIA PRIVATE LTD Total	1,585,969	6,612	0.00
CREDIT SUISSE SECURITIES (EUROPE) LTD Total	3,192,831	22,833	0.01
CREDIT SUISSE SECURITIES (USA) LLC Total	69,430,907	100,182	0.00
CS FIRST BOSTON (HONG KONG) LIMITED Total	511,107	4,295	0.01
CSFB AUSTRALIA EQUITIES LTD Total	46,263	340	0.01
CSI US INSTITUTIONAL DESK Total	34,857	1,230	0.04
CUTTONE & CO. Total	8,395	172	0.02
CUTTONE +CO, INC Total	11,250	233	0.02
D CARNEGIE AG Total	16,535	156	0.01
DAEWOO SECURITIES CO LTD Total	16,484	894	0.05
DAIWA SECURITIES (HK) LTD. Total	3,508,580	2,103	0.00
DAIWA SECURITIES AMERICA INC Total	2,542,549	14,214	0.01
DAIWA SECURITIES SB CAPITAL MARKETS Total	25,694	740	0.03
DAIWA SECURITIES SMBC INDIA PR Total	12,972	26	0.00
DANSKE BANK A.S. Total	35,889	130	0.00
DATABANK BROKERAGE LIMITED Total	371,313	4,149	0.01
DAVIDSON D.A. + COMPANY INC. Total	49,910	1,843	0.04
DAVY STOCKBROKERS Total	11,101,496	4,344	0.00
DBS VICKERS SECURITIES (SINGAPORE) Total	443,654	4,824	0.01
DEUTSCHE BANK AG LONDON Total	10,492,270	40,612	0.00
DEUTSCHE BANK ALEX BROWN Total	100	5	0.05
DEUTSCHE BANK SECURITIES INC Total	13,758,039	50,588	0.00
DEUTSCHE EQ IN PRVT LIM DB Total	158,021	10,981	0.07
DEUTSCHE MORGAN GRENFELL SECS Total	125,578	681	0.01
DEUTSCHE SECURITIES ASIA LIMITED Total	4,136,929	20,741	0.01
DOUGHERTYCOMPANY Total	84,698	3,133	0.04
DOWLING & PARTNERS Total	12,600	630	0.05
DREXEL HAMILTON LLC Total	80,922	2,411	0.03
DSP MERRILL LYNCH LTD Total	64,770	7,801	0.12
EUROCLEARBANK SA NV Total	768,342	2,918	0.00
EVERCORE GROUP LLC Total	1,655	71	0.04
EXANE S.A. Total	210,739	6,270	0.03
EXCHANGE OFFER (NON CASH) Total	304	11	0.04
FBN SECURITIES INC Total	5,259	254	0.05
FIDELITY CAPITAL MARKETS Total	1,903	51	0.03
FIDELITY CLEARING CANADA ULC Total	908,200	10,516	0.01
FIG PARTNERS LLC Total	11,455	229	0.02
FINANCIALBROKERAGE GROUP (FBG) Total	821,059	2,006	0.00
FIRST ANALYSIS SECURITIES CORP Total	18,089	782	0.04
FIRST CLEARING, LLC Total	11,000	440	0.04
FLOW CORRETORA DE MERCADORIAS LTDA. Total	72,822	817	0.01
FOKUS BANK ASA Total	109,628	165	0.00

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Brokerage Firm	Number of Shares Traded	Commission Paid	Average Cost Per Share
FRIEDMAN BILLINGS + RAMSEY Total	92,170	3,642	0.04
G TRADE SERVICES LTD Total	8,700,062	25,582	0.00
GLOBAL HUNTER SECURITIES Total	21,562	588	0.03
GOLDMAN SACHS (INDIA) Total	569,990	8,412	0.01
GOLDMAN SACHS + CO Total	15,271,518	79,875	0.01
GOLDMAN SACHS + CO INTL. Total	30,933	301	0.01
GOLDMAN SACHS INTERNATIONAL Total	7,066,117	37,770	0.01
GOODBODY STOCKBROKERS Total	133,716	2,655	0.02
GREEN STREET ADVISORS Total	733,776	28,081	0.04
GREEN STREET ADVISORS (UK) LTD Total	272,570	4,719	0.02
GREENTREEBROKERAGE SERVICES INC Total	38,381	768	0.02
GUGGENHEIM CAPITAL MARKETS LLC Total	103,880	3,648	0.04
HANOVER NOMINEES LIMITED Total	18,533	23	0.00
HANWHA SECURITIES SEOUL Total	6,737	117	0.02
HEIGHT SECURITIES, LLC Total	53,299	1,866	0.04
HIBERNIA SOUTHCOAST CAPITAL INC Total	21,225	1,042	0.05
HONGKONG AND SHAGHAI BANKING CORPO Total	2,513,258	2,180	0.00
HONGKONG AND SHANGHAI BANKING CORP Total	9,358,809	5,501	0.00
HSBC BANKBRASIL SA BANCO MULTIPLO Total	663,318	7,980	0.01
HSBC BANKPLC Total	430,535,028	46,659	0.00
HSBC BROKERAGE (USA) INC. Total	5,968	60	0.01
HSBC MEXICO S A INSTITUCION DE BANCA MLT Total	511,590	779	0.00
HSBC SECURITIES Total	544,509	486	0.00
HSBC SECURITIES (USA) INC. Total	1,201,995	2,843	0.00
HSBC SECURITIES (USA), INC. Total	9,863	395	0.04
HSBC SECURITIES INDIA HOLDINGS Total	4,638,003	2,826	0.00
ICAP DO BRASIL DTVM LTDA Total	743,737	5,988	0.01
ICBC FINCL SVCS, EQUITY CLEARANCE Total	12,790	344	0.03
ICICI BROKERAGE SERVICES Total	198,963	1,316	0.01
IM TRUST S.A. CORREDORES DE BOLSA Total	2,862,501	807	0.00
IMPERIAL CAPITAL LLC Total	5,256	263	0.05
INDUSTRIAL AND COMMERCIAL BANK Total	190	7	0.04
ING BANK N V Total	40,425	6,164	0.15
INSTINET Total	1,604,932	14,750	0.01
INSTINET AUSTRALIA CLEARING SRVC PTY LTD Total	153,254	1,497	0.01
INSTINET LLC Total	3,452,099	6,680	0.00
INSTINET PACIFIC LIMITED Total	25,192,577	6,703	0.00
INSTINET SINGAPORE SERVICES PT Total	176,299	900	0.01
INSTINET U.K. LTD Total	3,465,241	44,024	0.01
INTERCAPITAL SECURITIES LTD. Total	2,898	1,160	0.40
INTL TRADING INC. Total	14,005	140	0.01
INVESTEC BANK PLC Total	351,345	2,780	0.01
INVESTEC SECURITIES LTD Total	4,081	45	0.01
INVESTMENT TECHNOLOGY GROUP INC. Total	1,763,155	22,421	0.01
INVESTMENT TECHNOLOGY GROUP LTD Total	2,201,749	16,239	0.01

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Brokerage Firm	Number of Shares Traded	Commission Paid	Average Cost Per Share
ISI GROUPINC Total	572,313	19,075	0.03
ITG AUSTRALIA LTD. Total	77,342	412	0.01
ITG CANADA Total	30,001	268	0.01
ITG INC Total	12,906	68	0.01
ITG INC. Total	136,587	1,027	0.01
ITG SECURITIES (HK) LTD Total	26,807,896	8,159	0.00
IVY SECURITIES, INC. Total	793,417	29,809	0.04
J P MORGAN INDIA PRIVATE LTD Total	374,657	10,618	0.03
J P MORGAN SECURITIES INC Total	581,577	3,337	0.01
J.P. MORGAN CLEARING CORP. Total	2,215,897	23,124	0.01
J.P. MORGAN SECURITIES (TAIWAN) LTD Total	3,063,558	5,171	0.00
J.P. MORGAN SECURITIES INC. Total	752,711	25,918	0.03
J.P. MORGAN SECURITIES LIMITED Total	20,816	76	0.00
J.P.MORGAN SECURITIES(FAR EAST)LTD SEOUL Total	55,670	2,388	0.04
JANNEY MONTGOMERY, SCOTT INC Total	20,617	759	0.04
JEFFERIES+ COMPANY INC Total	7,471,271	56,359	0.01
JEFFERIESINDIA PRIVATE LIMITED Total	12,188	69	0.01
JEFFERIESINTERNATIONAL LTD Total	83,280,820	22,556	0.00
JM FINANCIAL INSTITUTIONAL SECURITIES PR Total	134,811	1,677	0.01
JMFINN CAPITAL MARKETS LIMITED Total	8,994	87	0.01
JMP SECURITIES Total	154,442	6,038	0.04
JNK SECURITIES INC Total	4,600	224	0.05
JOH BERENBERG GOSSLER AND CO Total	353,502	8,933	0.03
JOHNSON RICE + CO Total	19,189	655	0.03
JONESTRADING INSTITUTIONAL SERVICES LLC Total	573,717	7,621	0.01
JP MORGANSECURITIES AUSTRALIA LTD Total	146,206	982	0.01
JP MORGANSECURITIES PLC Total	2,942,458	29,114	0.01
JP MORGANSECURITIES SINGAPORE Total	2,350,357	494	0.00
JPMORGAN CHASE BANK N.A. LONDON Total	261,675	2,337	0.01
JPMORGAN CHASE BANK NA LONDON Total	11,002	17	0.00
JPMORGAN SECURITIES(ASIA PACIFIC)LTD Total	4,324,643	6,009	0.00
KB SECURITIES N V Total	17,022	390	0.02
KEEFE BRUYETTE + WOODS INC Total	168,414	6,287	0.04
KEMPEN + CO N.V. Total	11,880	104	0.01
KEPLER EQUITIES PARIS Total	33,944	865	0.03
KEYBANC CAPITAL MARKETS INC Total	345,687	13,924	0.04
KING, CL,& ASSOCIATES, INC Total	646,636	24,072	0.04
KINGSWAY FINANCIAL SVCS GROUP LTD Total	350,066	515	0.00
KNIGHT CLEARING SERVICES LLC Total	91,497	1,214	0.01
KNIGHT DIRECT LLC Total	7,601	38	0.01
KNIGHT EQUITY MARKETS L.P. Total	284,645	12,820	0.05
KOREA INVESTMENT AND SECURITIES CO., LTD Total	88,099	3,986	0.05
KOTAK SECURITIES LTD Total	303,217	10,282	0.03
LADENBURGTHALMAN + CO Total	79,812	2,377	0.03
LARRAIN VIAL Total	236,409	88	0.00

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Brokerage Firm	Number of Shares Traded	Commission Paid	Average Cost Per Share
LAZARD FRERES AND CO LLC Total	1,869	93	0.05
LEERINK SWANN AND COMPANY Total	29,544	1,110	0.04
LEK SECURITIES CORP Total	2,200	110	0.05
LIBERUM CAPITAL LIMITED Total	174,264	1,080	0.01
LIQUIDNETASIA LIMITED Total	44,782	31	0.00
LIQUIDNETEUROPE LIMITED Total	47,825	207	0.00
LIQUIDNETINC Total	1,419,069	41,639	0.03
LONGBOW SECURITIES LLC Total	8,000	320	0.04
LOOP CAPITAL MARKETS Total	4,774,243	127,309	0.03
LOOP CAPITAL MARKETS LLC Total	677,471	6,775	0.01
M RAMSEY KING SECURITIES INC Total	55,420	1,653	0.03
M RAMSEY KING SECURITIES, INC. Total	3,619,675	35,703	0.01
MACQUARIEBANK LIMITED Total	10,030,928	23,255	0.00
MACQUARIECAPITAL (EUROPE) LTD Total	124,400	996	0.01
MACQUARIECAPITAL (USA) INC Total	42,397	1,362	0.03
MACQUARIECAPITAL (USA) INC. Total	276,137	3,923	0.01
MACQUARIESECURITIES (INDIA) PVT LTD Total	12,240	4	0.00
MACQUARIESECURITIES (USA) INC Total	97,441	3,443	0.04
MACQUARIESECURITIES LIMITED Total	12,036	70	0.01
MACQUARIESECURITIES LTD SEOUL Total	53,836	14,845	0.28
MAINFIRSTBANK DE Total	152,641	4,619	0.03
MAXIM GROUP Total	47,018	2,250	0.05
MERRILL LYNCH Total	12,591	267	0.02
MERRILL LYNCH AND CO INC Total	3,373,837	7,698	0.00
MERRILL LYNCH INTERNATIONAL Total	23,642,599	126,642	0.01
MERRILL LYNCH PIERCE FENNER + SMITH INC Total	6,744,485	79,038	0.01
MERRILL LYNCH PIERCE FENNER AND S Total	2,500,740	8,940	0.00
MERRILL LYNCH PROFESSIONAL CLEARING CORP Total	53,311	2,276	0.04
MIDWOOD SECURITIES Total	2,571	103	0.04
MILLER TABAK + COMPANY, LLC Total	2,594	89	0.03
MIRAE ASSET SECURITIES Total	32,791	1,925	0.06
MISCHLER FINANCIAL GROUP, INC-EQUITIES Total	68,979	1,548	0.02
MITSUBISHI UFJ SECURITIES (USA) Total	110,519	1,125	0.01
MIZUHO INTERNATIONAL PLC Total	3,559	25	0.01
MIZUHO SECURITIES ASIA LIMITED Total	29,344	346	0.01
MIZUHO SECURITIES USA INC Total	111,088	3,364	0.03
MIZUHO SECURITIES USA INC. Total	6,021	211	0.04
MKM PARTNERS LLC Total	60,307	2,400	0.04
MONNESS, CRESPI, HARDT & CO. INC Total	50,510	2,526	0.05
MONTROSE SECURITIES EQUITIES Total	952,533	20,675	0.02
MORGAN STANLEY AND CO INTERNATIONAL Total	283,637	11,380	0.04
MORGAN STANLEY AND CO INTL TAIPEI METRO Total	7,568,069	5,692	0.00
MORGAN STANLEY AND CO. INTERNATIONAL Total	26,323,574	28,201	0.00
MORGAN STANLEY ASIA LTD Total	30,402	126	0.00
MORGAN STANLEY CO INCORPORATED Total	27,600,659	112,021	0.00

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Brokerage Firm	Number of Shares Traded	Commission Paid	Average Cost Per Share
MORGAN STANLEY H.K. SECURITIES LTD Total	506,664	65	0.00
MORGAN STANLEY INDIA COMPANY PVT LTD Total	268,343	1,659	0.01
MORGAN STANLEY SECURITIES LIMITED Total	563,558	2,900	0.01
NATIONAL FINANCIAL SERVICES CORP. Total	189,253	4,471	0.02
NATIONAL FINANCIAL SERVICES LLC Total	490	10	0.02
NATIXIS SECURITIES Total	545	31	0.06
NEEDHAM +COMPANY Total	120,843	4,619	0.04
NIGERIAN STOCK EXCHANGE,THE Total	60,905	261	0.00
NOBLE INTERNATIONAL INVESTMENTS INC. Total	4,344	103	0.02
NOMURA FINANCIAL ADVISORY + SEC INDIA Total	289,932	1,072	0.00
NOMURA FINANCIAL AND INVESTMENT Total	1,740	3	0.00
NOMURA SECURITIES CO LTD Total	428,582	171	0.00
NORDEA BANK FINLAND PLC Total	196,611	384	0.00
NORTHLANDSECURITIES INC. Total	28,728	968	0.03
OPPENHEIMER + CO. INC. Total	199,036	8,507	0.04
PACIFIC CREST SECURITIES Total	57,341	2,710	0.05
PAREL Total	51,777	4,370	0.08
PATERSONSSECURITIES LTD Total	10,350	46	0.00
PATRIA FINANCE AS Total	78,675	897	0.01
PAVILION GLOBAL MARKETS LTD Total	677,439	5,730	0.01
PEEL HUNTLLP Total	4,502	48	0.01
PENSERRA SECURITIES Total	519,682	16,939	0.03
PERSHING LLC Total	99,657,650	46,011	0.00
PERSHING SECURITIES LIMITED Total	474,961	6,405	0.01
PIPER JAFFRAY Total	239,496	10,533	0.04
PRIVREDNABANKA ZAGREB Total	12,363	210	0.02
RAFFERTY CAPITAL MARKETS LLC Total	12,866	450	0.04
RAYMOND JAMES AND ASSOCIATES INC Total	538,683	21,832	0.04
RBC CAPITAL MARKETS Total	763,115	25,668	0.03
RBC DOMINION SECURITIES Total	116,592	3,292	0.03
RBC DOMINION SECURITIES INC. Total	61,464	2,254	0.04
REDBURN PARTNERS LLP Total	2,419,509	11,032	0.00
RENAISSANCE MACRO SECURITIES, LLC Total	3,170	144	0.05
ROBERT W.BAIRD CO.INCORPORATE Total	639,603	24,048	0.04
ROSENBLATT SECURITIES LLC Total	615	25	0.04
ROTH CAPITAL PARTNERS LLC Total	23,985	1,191	0.05
ROYAL BANK OF CANADA (AUSTRALIA) Total	18,661	51	0.00
ROYAL BANK OF CANADA EUROPE LTD Total	2,103,746	7,002	0.00
SAMSUNG SECURITIES CO LTD Total	95,963	12,619	0.13
SANDLER ONEILL + PART LP Total	22,377	838	0.04
SANFORD C. BERNSTEIN AND CO. LLC Total	2,758,829	10,554	0.00
SANFORD C. BERNSTEIN LTD Total	1,401,366	19,125	0.01
SANFORD CBERNSTEIN CO LLC Total	507,228	13,185	0.03
SANTANDERCENTRAL HISPANO BOLSA Total	263,874	2,319	0.01
SCOTIA CAPITAL (USA) INC Total	31,469	1,154	0.04

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Brokerage Firm	Number of Shares Traded	Commission Paid	Average Cost Per Share
SCOTIA CAPITAL USA INC Total	380,948	771	0.00
SEAPORT GROUP SECURITIES, LLC Total	25,559	599	0.02
SG AMERICAS SECURITIES LLC Total	1,007,558	7,724	0.01
SG ASIA SECURITIES (INOIA) PVT LTD Total	2,698,757	4,966	0.00
SG SECURITIES (LONDON) LTD. Total	2,956,636	1,070	0.00
SG SECURITIES HK Total	40,878,197	13,371	0.00
SHENYIN AND WANGUO SECURITIES CO. LTD Total	80,794	353	0.00
SIDOTI + COMPANY LLC Total	165,274	6,660	0.04
SIMMONS +COMPANY INTERNATIONAL Total	36,390	1,567	0.04
SINOPAC SECURITIES CORPORATION Total	818,496	3,213	0.00
SIX SIS AG Total	22,245	794	0.04
SKANDINAVISKA ENSKILDA BANKEN LONDON Total	119,755	205	0.00
SMBC NIKKO SECURITIES (HONK KONG) LTD Total	40,931	744	0.02
SOCIETE GENERALE LONDON BRANCH Total	2,633,936	22,257	0.01
SOCIETE GENERALE MAROCAINE DE BANQUES Total	1,194	283	0.24
SOCIETE GENERALE PARIS ZURICH BRA Total	29,254	1,038	0.04
SPEAR, LEEDS AND KELLOGG Total	7,225	56	0.01
STANDARD CHARTERED BANK (HONG KONG) LIMI Total	5,888	110	0.02
STANDARD CHARTERED SECURITIES KOREA Total	313	13	0.04
STATE STREET BANK AND TRUST CO Total	3,142	116	0.04
STATE STREET GLOBAL MARKETS Total	170	5	0.03
STATE STREET GLOBAL MARKETS, LLC Total	219,380	3,752	0.02
STEPHEN M. FERRETTI INC. Total	2,600	78	0.03
STEPHENS,INC. Total	244,934	10,398	0.04
STERNE AGEE & LEACH INC. Total	126,383	5,416	0.04
STIFEL NICOLAUS + CO INC Total	620,275	24,947	0.04
STOCKBROKERS BOTSWANA LTD Total	643,684	3,082	0.00
STRATEGASSECURITIES LLC Total	1,500	45	0.03
STUART FRANKEL + CO INC Total	5,376	215	0.04
STURDIVANT AND CO., INC. Total	184,346	8,056	0.04
SUNTRUST CAPITAL MARKETS INC Total	1,068	53	0.05
SUNTRUST CAPITAL MARKETS, INC. Total	157,822	5,862	0.04
TAIWAN DEPOSITORY CLEARING CORPORATION Total	434,608	1,709	0.00
TELSEY ADVISORY GROUP LLC Total	307,624	12,562	0.04
TERA MENKUL DEGERLER A.S. Total	418,191	1,937	0.00
THE BENCHMARK COMPANY, LLC Total	11,505	548	0.05
THE HONGKONG AND SHANGHAI BANK Total	136,885	4,574	0.03
TOPEKA CAPITAL MARKETS INC Total	171,096	4,915	0.03
TOPEKA CAPITAL MARKETS INC. Total	12,236	356	0.03
TUNISIE VALEURS Total	88,221	813	0.01
UBS AG Total	29,663,780	49,701	0.00
UBS LIMITED Total	17,513,137	73,367	0.00
UBS SECURITIES ASIA LTD Total	7,164,065	13,485	0.00
UBS SECURITIES CANADA INC Total	192,445	1,214	0.01
UBS SECURITIES INDIA PRIVATE LTD Total	1,126,130	14,520	0.01

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UBS SECURITIES LLC Total	2,200,764	47,718	0.02
UBS SECURITIES PTE.LTD., SEOUL Total	12,618	2,604	0.21
UBS WARBURG AUSTRALIA EQUITIES Total	305,194	652	0.00
WARBURG DILLON READ SECURITIES CO Total	20,563	3	0.00
WEDBUSH MORGAN SECURITIES INC Total	139,385	5,004	0.04
WEEDEN + CO. Total	919,489	31,334	0.03
WELLS FARGO SECURITIES LLC Total	1,868	65	0.03
WELLS FARGO SECURITIES, LLC Total	675,359	22,050	0.03
WILLIAM BLAIR & COMPANY L.L.C Total	332,380	13,964	0.04
WILLIAMS CAPITAL GROUP LP (THE) Total	1,777,546	28,902	0.02
WOORI INVESTMENT SECURITIES Total	57,148	3,903	0.07
WUNDERLICH SECURITIES INC. Total	13,119	534	0.04
XP INVESTIMENTOS CCTVM SA Total	1,355,032	10,267	0.01
YAMNER & CO INC (CLS THRU 443) Total	82,350	824	0.01
ZANNEX SECURITIES Total	7,541	95	0.01
Grand Total	1,314,527,963	3,261,090	0.00

Investment Summary

Fire Funds Combined

Year Ended June 30, 2015
(Dollar amount in thousands)

	<u>Market Value</u>	<u>Percent of Total Market Value</u>
Type of Investment:		
Short Term Investments:		
Commercial paper	\$ 307,371	2.38%
Short Term Investments	219,787	1.70%
U.S. Treasury Bills	182,521	1.41%
Discount notes	14,173	0.11%
Total Short-Term	723,852	5.59%
Debt securities:		
U.S. Govt Securities and Agency	2,606,064	20.14%
Corporate and Other	-	0.00%
Promissory notes	-	0.00%
Total debt securities	2,606,064	20.14%
Equities Securities:	1,943,618	15.02%
Alternative investments	1,887,226	14.59%
Mutual funds-international equity	-	-
Collective trust funds:		
International Equity	2,161,547	16.71%
Fixed income	438,372	3.39%
Domestic equity	1,951,729	15.09%
Mortgage debt security	72,185	0.56%
Treasury Inflation -protected securities	316,629	2.45%
Total collective trust funds:	4,940,462	38.19%
Collateral from Securities Lending	<u>836,325</u>	<u>6.46%</u>
Total Market Value	<u><u>\$ 12,937,547</u></u>	<u><u>100.00%</u></u>

New York Fire Department Pension Funds

Comprehensive Annual Financial Report

A Pension Trust Fund of The City of New York



Actuarial Section

Part IV

Fiscal Year Ended June 30, 2015

Some of the most important things to do are to

make sure that you are always up to date on

and that you are always up to date on

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to make sure that you are always up to date on

to make sure that you are always up to date on

to make sure that you are always up to date on



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 15, 2015

Board of Trustees
New York Fire Department Pension Fund
9 Metrotech Center
Brooklyn, NY 11201-3857

Re: Actuarial Information for the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year
Ended June 30, 2015

Dear Members:

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

An actuarial valuation of the Plan is performed annually as of the second June 30 preceding each fiscal year to determine the Employer Contributions to be paid for that fiscal year (i.e., June 30, 2013 (Lag) actuarial valuation to determine Fiscal Year 2015 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 2015, the Actuarial Contributions to FIRE, based on the June 30, 2013 (Lag) actuarial valuation, are equal to those recommended by the Actuary for the New York City Retirement Systems (the Actuary) and represent the Statutory Contributions.

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

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

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

On October 2, 2015 the Actuary published the, "Second Annual GASB 67/68 Report for the City of New York and the New York City Retirement Systems For Fiscal Year Ended June 30, 2014" (the Second GASB67/68 Report). Appendix E of the Second GASB67/68 Report contains information developed in accordance with GASB67 for FIRE.

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, 2013 (Lag) Actuarial Valuation." These actuarial assumptions and methods (the 2012 A&M) were first employed in the June 30, 2010 (Lag) actuarial valuation that was used to determine Fiscal Year 2012 Employer Contributions to the Plan.

These actuarial assumptions and methods are generally unchanged from those employed in the June 30, 2012 (Lag) actuarial valuation that was used to determine Fiscal Year 2014 Employer Contributions to the Plan.

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

Note: Tier III assumptions are applied to members hired on and after April 1, 2012, (i.e., Tier 6 or Tier III Modified members).

Benefits and Census Data

A summary of the benefits applicable to Plan members included in the June 30, 2013 (Lag) actuarial valuation is shown earlier in the Introductory Section of the CAFR.

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

A summary of the census data used in the June 30, 2013 (Lag) actuarial valuation is included in this CAFR. A summary of the census data used in the June 30, 2012 (Lag) actuarial valuation of the Plan is available in the June 30, 2014 CAFR.

Funded Status

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

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

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

Presentation Style and Sources of Information

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

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

- Summary of Actuarial Assumptions and Methods in Effect for the June 30, 2013 (Lag) Actuarial Valuation.
- Active Member Valuation Data.
- Summary of Plan Membership.
- Retirants and Beneficiaries Added to and Removed from Rolls.
- Statutory vs. Annual Required Contributions.
- Funded Status Based on Entry Age Actuarial Cost Method.
- Comparative Summary of Actuarial Values and Percentages Covered by Actuarial Value of Assets – Solvency Test.
- Schedule of Funding Progress.
- Schedule of Employer Contributions.
- Schedule of Actuarial Assumptions and Methods.

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

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

Board of Trustees
New York Fire Department Pension Fund
December 4, 2015
Page 5

Acknowledgement of Qualification

I, Sherry S. Chan, am the Chief Actuary for the New York City Retirement Systems. I am an Associate 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, ASA, FCA, MAAA
Chief Actuary

SSC/srh

Att.

cc: Ms. Mary Basso - New York City Fire Pension Fund
Mr. Angel Garcia - New York City Fire Pension Fund
Mr. John Gibney - New York City Office of the Actuary
Mr. Edward Hue - New York City Office of the Actuary
Mr. Sam Rumley - New York City Office of the Actuary
Mr. Michael Samet - New York City Office of the Actuary
Ms. Lei Tian - New York City Fire Pension Fund

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NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION

- (1) Pursuant to Section 96 of the New York City Charter, studies of the actuarial assumptions used to value liabilities of the five actuarially-funded New York City Retirement Systems (NYCRS) are conducted every two years.

The most recently completed study was published by 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.

The results of the GRS study are under review by The Actuary.

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.

In accordance with the Administrative Code of the City of New York (ACNY) and with appropriate practice, the Boards of Trustees of the five actuarially-funded NYCRS are to periodically review and adopt actuarial assumptions as proposed by the Actuary for use in the determination of Employer Contributions.

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

The Board of Trustees of the Plan 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.

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION (Cont'd)

- (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 Tables 4a and 4b for members withdrawing from Active Service for Service Retirement.
- (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. A Dual Overtime assumption (i.e., a Baseline Overtime assumption for most years and a separate overtime assumption for the years included in the calculation of Final Salary or Final Average Salary) was introduced as of the June 30, 1995 actuarial valuation. Sample percentage increases in the Baseline Overtime assumptions and the Dual Overtime assumptions effective beginning with the June 30, 2010 (Lag) actuarial valuation are shown in Table 6.
- (7) The economic assumptions (i.e., the assumed investment return rate, GWI rate and Cost-of-Living Adjustments (COLA)) were developed assuming a long-term Consumer Price Inflation (CPI) assumption of 2.5% per annum. The 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. Salaries of members on the valuation date are assumed to increase in accordance with the Salary Scale.
- (9) Beginning with the June 30, 2010 (Lag) actuarial valuation, the Entry Age Actuarial Cost Method (EAACM) of funding is utilized by the Plan's Actuary to calculate the contribution required of the Employer.

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

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

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

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

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION (Cont'd)

- (10) One-Year Lag Methodology (Lag or OYLM) uses a June 30, 2013 valuation date to determine Fiscal Year 2015 Employer Contributions.

This methodology requires technical adjustments to certain components used to determine Fiscal Year 2015 Employer Contributions as follows:

- Present Value of Future Salary (PVFS)

The PVFS at June 30, 2013 is reduced by the value of salary projected to be paid during Fiscal Year 2014.

- Salary for Determining Employer Contributions.

Salary used to determine the employer normal contribution is the salary projected to be paid during Fiscal Year 2015 to members on payroll at June 30, 2013.

- UAAL Payments

For determining the UAAL payments for Fiscal Year 2015, and to be consistent with the OYLM, the UAAL as of June 30, 2013 is adjusted by the discounted value of employer normal contributions paid during Fiscal Year 2014.

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION (Cont'd)

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

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

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

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

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

The concept in use for the AAVM for actuarial valuations on and after June 30, 2013 is the same as that in use for the June 30, 2009 (Lag) actuarial valuation.

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

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

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

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION (Cont'd)

- (12) The obligations of the Plan to the Firefighters' Variable Supplements Fund (FFVSF) and the Fire Officers' Variable Supplements Fund (FOVSF) are recognized through the Liability Valuation Method.

Under this method, the APV of Future SKIM from the Plan to the FFVSF and FOVSF 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 FFVSF and FOVSF. The APV of Future SKIM is computed as the excess, if any, of the APV of benefits of the FFVSF and FOVSF offset by the AAV of the FFVSF and FOVSF, respectively. Under the EAACM, a portion of the APV of Future SKIM is reflected in the APV of Future Normal Costs and a portion is reflected in the AAL.

- (13) Distinct male and female probabilities for mortality are used effective June 30, 1995.
- (14) The Actuarial Present Value of Future Benefits (APVB) as of June 30, 2013, used to determine the Fiscal Year 2015 Employer Contributions, includes estimates of liabilities for:
- World Trade Center Post-Retirement Reclassifications.
- (15) As discussed herein, the actuarial assumptions and methods are generally unchanged from those of the June 30, 2012 (Lag) actuarial valuation.

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 1a

Deaths among Service and Disability Pensioners

Percentage of Pensioners Dying within Next Year

<u>Age</u>	<u>Service Pensioners</u>		<u>Disability Pensioners</u>	
	<u>Males</u>	<u>Females</u>	<u>Males</u>	<u>Females</u>
40	0.1167%	0.0532%	0.1997%	0.0595%
45	0.1555	0.0747	0.2427	0.1101
50	0.1851	0.1112	0.2907	0.1945
55	0.3410	0.1815	0.4170	0.3832
60	0.5096	0.4081	0.6538	0.5537
65	0.8721	0.6640	1.0885	0.9165
70	1.2401	0.9654	1.6834	1.5179
75	2.1980	1.4017	2.5814	2.5123
80	4.0910	2.5675	4.6502	4.4692
85	8.2212	4.4439	8.9563	7.8883
90	13.6044	8.3918	13.7694	13.5234
95	25.0224	15.9320	25.7915	20.1960
100	33.6045	23.1601	33.6045	23.4195
105	39.7886	29.3116	39.7886	29.3116
110	100.0000	100.0000	100.0000	100.0000

NEW YORK FIRE DEPARTMENT PENSION FUND

**SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
(Cont'd)**

Table 1b

Deaths among Beneficiaries

Percentage of Beneficiaries Dying within Next Year

<u>Age</u>	<u>Males</u>	<u>Females</u>
20	0.0214%	0.0124%
25	0.0292	0.0146
30	0.0392	0.0205
35	0.0719	0.0411
40	0.1021	0.0591
45	0.2684	0.1014
50	0.3401	0.1846
55	0.5880	0.3893
60	0.8400	0.7716
65	1.3072	1.1533
70	1.8086	1.5676
75	2.7100	2.2479
80	5.3016	3.7819
85	8.4627	6.3549
90	15.2335	11.5224
95	24.6664	19.5152
100	33.6045	23.1881
105	39.7886	29.3116
110	100.0000	100.0000

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2013 (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

<u>Age</u>	<u>Accidental Disability</u>	<u>Ordinary Disability</u>	<u>Ordinary Death</u>		<u>Accidental Death</u>
			<u>Males</u>	<u>Females</u>	
20	0.03%	0.01%	0.04%	0.03%	0.02%
25	0.03	0.01	0.04	0.03	0.02
30	0.15	0.05	0.04	0.03	0.02
35	0.60	0.10	0.04	0.03	0.02
40	1.30	0.15	0.05	0.04	0.02
45	2.00	0.20	0.10	0.07	0.05
50	3.50	0.30	0.15	0.10	0.10
55	5.00	1.00	0.20	0.15	0.20
60	15.00	6.00	0.30	0.20	0.30
63	NA	NA	NA	NA	NA

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
(Cont'd)

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

<u>Age</u>	<u>Accidental Disability</u>	<u>Ordinary Disability</u>	<u>Ordinary Death</u>		<u>Accidental Death</u>
			<u>Males</u>	<u>Females</u>	
20	0.05%	0.01%	0.04%	0.03%	0.02%
25	0.05	0.01	0.04	0.03	0.02
30	0.25	0.05	0.04	0.03	0.02
35	1.00	0.10	0.04	0.03	0.02
40	2.00	0.15	0.05	0.04	0.02
45	3.00	0.20	0.10	0.07	0.05
50	5.00	0.30	0.15	0.10	0.10
55	8.00	1.00	0.20	0.15	0.20
60	21.00	6.00	0.30	0.20	0.30
63	NA	NA	NA	NA	NA

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 2c

Withdrawals from Active Service (Due to Death or Disability)

Tier III Members

Percentage of Active Members Separating within Next Year

<u>Age</u>	<u>Accidental Disability</u>	<u>Ordinary Disability</u>	<u>Ordinary Death</u>		<u>Accidental Death</u>
			<u>Males</u>	<u>Females</u>	
20	0.03%	0.01%	0.04%	0.03%	0.02%
25	0.03	0.01	0.04	0.03	0.02
30	0.15	0.05	0.04	0.03	0.02
35	0.60	0.10	0.04	0.03	0.02
40	1.20	0.15	0.05	0.04	0.02
45	1.80	0.20	0.10	0.07	0.05
50	2.40	0.30	0.15	0.10	0.10
55	3.00	1.00	0.20	0.15	0.20
60	8.00	6.00	0.30	0.20	0.30
63	NA	NA	NA	NA	NA

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 3

Withdrawals from Active Service

Percentage of Active Members Withdrawing within Next Year

<u>Years of Service</u>	<u>All Tiers Withdrawal</u>	<u>Tier III Early Service Retirement</u>	
		<u>Reduced Retirement</u>	<u>Unreduced Before Full COLA</u>
0	2.00%	NA	NA
5	0.40	NA	NA
10	0.20	NA	NA
15	0.10	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 FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 4a

Withdrawals from Active Service (for Service Retirement)

Tier I and Tier II Members

Percentage of Eligible Active Members Retiring within Next Year

Years of Service Since First Eligible

<u>Age</u>	<u>0-1</u>	<u>1-2</u>	<u>2+</u>
40	10.00%	2.00%	2.00%
45	10.00	2.00	2.00
50	15.00	2.00	2.00
55	20.00	6.00	6.00
60	20.00	12.00	12.00
63	100.00	100.00	100.00

Table 4b

Withdrawals from Active Service (for Service Retirement)

Tier III Members - Unreduced with Full COLA

Percentage of Eligible Active Members Retiring within Next Year

Years of Service Since First Eligible

<u>Age</u>	<u>0-1</u>	<u>1-2</u>	<u>2+</u>
40	10.00%	2.00%	2.00%
45	10.00	2.00	2.00
50	15.00	2.00	2.00
55	20.00	6.00	6.00
60	20.00	12.00	12.00
63	100.00	100.00	100.00

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 5

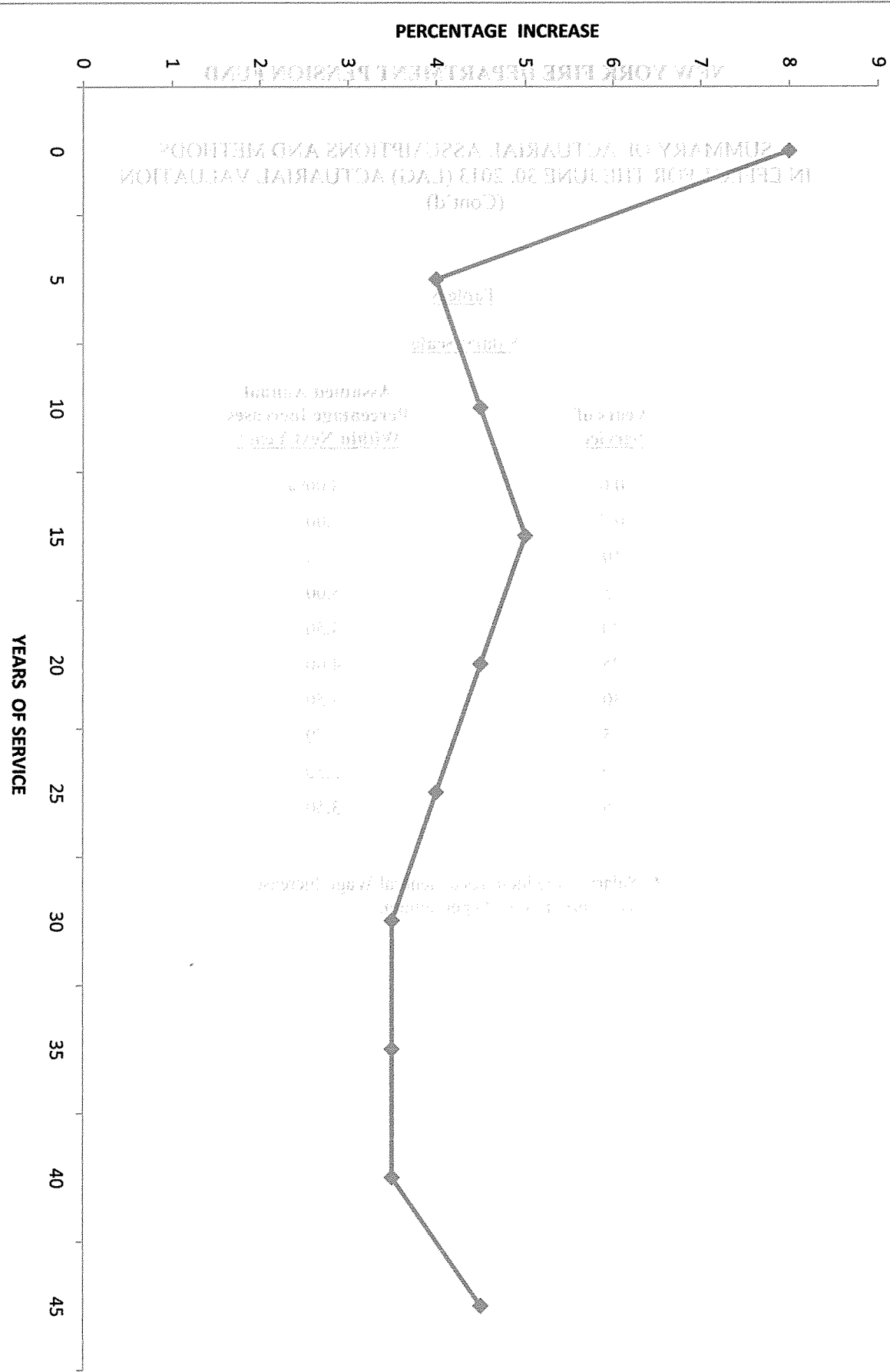
Salary Scale

<u>Years of Service</u>	<u>Assumed Annual Percentage Increases Within Next Year*</u>
0 0	8.00%
0 5	4.00
10	4.50
15	5.00
20	4.50
25	4.00
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.

SALARY SCALE

(From Table 5 Data)



NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 6

Overtime

<u>Years of Service</u>	<u>All Tiers Baseline</u>	<u>Tier I/II Dual Service</u>	<u>Tier I/II Dual Disability</u>	<u>Tier III Dual Service</u>	<u>Tier III Dual Disability</u>
0	15.00%	16.00%	15.00%	16.00%	15.00%
5	15.00	16.00	15.00	16.00	15.00
10	15.00	16.00	15.00	16.00	15.00
15	15.00	18.00	15.00	16.00	15.00
20	18.00	23.00	20.00	21.00	20.00
25	13.00	18.00	15.00	16.00	15.00
30	8.00	10.00	8.00	9.00	8.00
35	5.00	6.00	5.00	6.00	5.00
40	5.00	6.00	5.00	6.00	5.00
45	5.00	6.00	5.00	6.00	5.00

NEW YORK FIRE DEPARTMENT PENSION FUND

ACTIVE MEMBER VALUATION DATA

<u>Valuation Date</u>	<u>Number</u>	<u>Annual Payroll⁽¹⁾</u>	<u>Annual Average Pay</u>	<u>Percentage Increase (Decrease) in Average Pay</u>
6/30/99	11,477	\$729,726,243	\$63,582	5.6%
6/30/00	11,492	741,486,584	64,522	1.5
6/30/01	11,333	799,232,008	70,523	9.3
6/30/02	11,271	789,694,432	70,064	(0.7)
6/30/03	10,860	748,763,008	68,947	(1.6)
6/30/04	11,239	804,974,081	71,623	3.9
6/30/04 (Lag)	11,239	864,824,737 ⁽²⁾	76,948	11.6 ⁽³⁾
6/30/05 (Lag)	11,470	908,261,197	79,186	2.9
6/30/06 (Lag)	11,641	932,730,174	80,125	1.2
6/30/07 (Lag)	11,528	1,000,383,326	86,779	8.3
6/30/08 (Lag)	11,574	1,051,591,517	90,858	4.7
6/30/09 (Lag)	11,460	1,079,682,340	94,213	3.7
6/30/10 (Lag) ⁽⁴⁾	11,080	1,138,187,795	102,725	9.0
6/30/11 (Lag)	10,650	1,125,459,668	105,677	2.9
6/30/12 (Lag)	10,267	1,106,113,386	107,735	1.9
6/30/13 (Lag)	10,182	1,129,706,314	110,951	3.0
6/30/14 (Lag) ⁽⁵⁾	10,319	1,150,389,645	111,483	0.5

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

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

⁽³⁾ Increase from June 30, 2003.

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

⁽⁵⁾ Preliminary.

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF PLAN MEMBERSHIP

As of the June 30, 2013 (Lag) and June 30, 2012 (Lag) actuarial valuations, the Plan's Membership consisted of:

<u>Group</u>	<u>2013 (Lag)</u>	<u>2012 (Lag)</u>
Retirees and beneficiaries currently receiving benefits	16,807	16,917
Terminated vested members not yet receiving benefits	33	30
Other Inactives*	17	12
Active members	<u>10,182</u>	<u>10,267</u>
Total	<u>27,039</u>	<u>27,226</u>

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

NEW YORK FIRE DEPARTMENT PENSION FUND

RETRANTS AND BENEFICIARIES ADDED TO AND REMOVED FROM ROLLS

(Dollar Amounts in Thousands)

Year Ended	Added to Rolls		Removed from Rolls		Rolls End of Year		% Increase In Annual Allowances
	Number	Annual Allowances ⁽²⁾	Number	Annual Allowances	Number	Annual Allowances ⁽¹⁾	
6/30/99	524	\$40,336	558	\$9,525	16,146	\$457,102	7.2%
6/30/00	576	31,757	559	10,724	16,163	478,136	4.6
6/30/01	599	81,850	607	11,301	16,155	548,685	14.8
6/30/02	1,123	56,005	563	13,109	16,715	591,581	7.8
6/30/03	1,310	79,286	616	15,236	17,409	655,631	10.8
6/30/04	619	47,404	569	15,596	17,459	687,439	4.9
6/30/05	725	51,588	741	23,571	17,443	715,456	4.1
6/30/06	756	55,146	714	21,538	17,485	749,064	4.7
6/30/07	777	71,664	783	26,221	17,479	794,507	6.1
6/30/08	616	62,100	691	23,260	17,404	833,347	4.9
6/30/09	476	49,098	617	20,248	17,263	862,197	3.5
6/30/10	556	54,884	679	25,161	17,140	891,920	3.4
6/30/11	653	64,844	776	35,553	17,017	921,210	3.3
6/30/12	538	58,289	638	26,380	16,917	953,119	3.5
6/30/13	453	54,522	563	23,448	16,807	984,193	3.3

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

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

NEW YORK FIRE DEPARTMENT PENSION FUND

STATUTORY VS. ACTUARIAL CONTRIBUTIONS

(Dollar Amounts in Thousands)

Fiscal Year Ended	Statutory Contribution⁽¹⁾	Actuarial Contribution	Employer Rate of Contribution⁽²⁾
6/30/00	\$182,854	\$182,854	25.058%
6/30/01	241,311	298,897	32.544
6/30/02	302,318	346,220	37.826
6/30/03	316,967	389,502	40.138
6/30/04	392,693	427,660	52.446
6/30/05	489,508	518,398	60.810
6/30/06	608,771	608,771	69.774
6/30/07	683,193	683,193	74.537
6/30/08	780,202	780,202	82.608
6/30/09	843,751	843,751	83.238
6/30/10	874,331	874,331	82.491
6/30/11	890,706	890,706	82.248
6/30/12	976,895	976,895	84.990
6/30/13	962,173	962,173	85.154
6/30/14	969,956	969,956	87.986
6/30/15	988,784	988,784	88.940

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

The Statutory Contributions for Fiscal Years 2001 and 2002 were computed in accordance with Chapter 125/00 which provided for a five-year phase-in of the additional actuarial liabilities attributable to Chapter 125/00.

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

Beginning Fiscal Year 2006, the Statutory Contributions were computed using a One-Year Lag Methodology in accordance with Chapter 152/06 which also eliminated the use of ten-year phase-in of Chapter 278/02 for funding the additional actuarial liabilities attributable to Chapter 125/00.

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

⁽²⁾ The Employer Rate of Contribution equals the Statutory Contributions 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 FIRE DEPARTMENT PENSION FUND

FUNDED STATUS BASED ON ENTRY AGE ACTUARIAL COST METHOD

(Dollar Amounts in Thousands)

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

Prior to the June 30, 2010 (Lag) Actuarial Valuation, the Actuarial Cost Method (ACM) used to develop the funding requirements for the Plan was the Frozen Initial Liability (FIL) ACM. Under this ACM, following establishment of any Initial Unfunded Actuarial Accrued Liabilities (UAAL), actuarial gains and losses are financed over the working lifetimes of active participants and are not identified as separate UAAL.

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

<u>Valuation Date</u>	<u>Actuarial Value of Assets</u> (a)	<u>Actuarial Liability (AAL)⁽¹⁾ – Entry Age</u> (b)	<u>Unfunded AAL (UAAL) – Entry Age</u> (b-a)	<u>Funded Ratio</u> (a/b)	<u>Covered Payroll</u> (c)	<u>UAAL as a Percentage of Covered Payroll</u> (b-a)/c
June 30, 2014 (Lag) ^{(2),(3)}	\$9,808,854	\$17,700,868	\$7,892,014	55.4%	\$1,150,390	686.0%
June 30, 2013 (Lag) ⁽²⁾	9,144,587	17,003,722	7,859,135	53.8	1,129,706	695.7
June 30, 2012 (Lag) ⁽²⁾	8,520,769	16,358,108	7,837,339	52.1	1,106,113	708.5
June 30, 2011 (Lag) ⁽²⁾	7,955,668	15,808,930	7,853,262	50.3	1,125,460	697.8
June 30, 2010 (Lag) ⁽²⁾	7,392,656	15,349,598	7,956,942	48.2	1,138,188	699.1
June 30, 2009 (Lag)	7,304,758	12,864,974	5,560,216	56.8	1,079,682	515.0
June 30, 2008 (Lag)	6,942,992	12,313,206	5,370,214	56.4	1,051,592	510.7

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.
- (3) Preliminary.

NEW YORK FIRE DEPARTMENT PENSION FUND
COMPARATIVE SUMMARY OF ACTUARIAL VALUES AND PERCENTAGES
COVERED BY ACTUARIAL VALUE OF ASSETS
SOLVENCY TEST
(Dollar Amounts in Thousands)

Aggregate Accrued Liabilities for

As of June 30	Accumulated Member Contributions (A)	Current Retirees and Beneficiaries (B)	Active Members' Employer Financed Portion (C)	Actuarial Value of Assets (D)	(A)	(B)	(C)
					100%	Actuarial Value of Assets Covered by Actuarial Value of Assets	Percentage of Actuarial Values Covered by Actuarial Value of Assets
1999	\$370,092	\$4,005,134	\$2,117,282	\$6,179,799	100%	100%	85%
2000	396,418	4,773,314	2,267,706	6,388,132	100	100	54
2001	446,921	4,939,847	2,467,328	6,525,746	100	100	46
2002	496,972	5,457,660	2,357,209	6,612,273	100	100	28
2003	537,841	6,159,223	2,026,273	6,441,534	100	96	0
2004	582,691	6,474,286	2,115,777	6,185,754	100	87	0
2004 (Lag)	582,691	6,534,286	2,667,287	6,277,298	100	87	0
2005 (Lag)	582,259	6,740,143	2,832,468	6,169,209	100	83	0
2006 (Lag)	661,712	7,319,033	2,915,997	6,174,111	100	75	0
2007 (Lag)	724,622	7,672,323	3,145,238	6,459,130	100	75	0
2008 (Lag)	784,897	7,961,318	3,352,573	6,942,992	100	77	0
2009 (Lag)	864,004	8,188,720	3,525,921	7,304,758	100	79	0
2010 (Lag)	948,223	9,695,971	4,831,637	7,392,656	100	66	0
2011 (Lag)	1,037,070	9,949,809	4,872,536	7,955,668	100	70	0
2012 (Lag)	1,106,357	10,270,585	4,972,364	8,520,769	100	72	0
2013 (Lag)	1,182,541	10,535,634	5,180,594	9,144,587	100	76	0

Also, see following "SOLVENCY TEST - NOTES."

NEW YORK FIRE DEPARTMENT PENSION FUND

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

SOLVENCY TEST - NOTES

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

- (A) Accumulated Member Contributions;
- (B) Current 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, 2004 (Lag) valuation used to compute the Employer Contributions for Fiscal Year 2006 and in the June 30, 2010 (Lag) valuation used to compute the Employer Contributions for Fiscal Year 2012. These underlying bases can be found within the Comprehensive Annual Financial Report for each respective year.

To fully evaluate trends in financial soundness, changes in assumptions need to be evaluated. For the valuation dates shown in the table, the Actuarial Interest Rate and General Wage Increase assumptions were equal to 8.0% per annum, gross of expenses and 3.0% per annum, respectively, from the June 30, 1999 actuarial valuation through the June 30, 2009 (Lag) actuarial valuation. Beginning with the June 30, 2010 (Lag) actuarial valuation, the Actuarial Interest Rate assumption equals 7.0% per annum, net of investment expenses and the General Wage Increase assumption equals 3.0% per annum.

New York Fire Department Pension Funds
Comprehensive Annual Financial Report
A Pension Trust Fund of The City of New York



Appendix A
Census Data for Active Members
As of June 30, 2015

New York State Department of Environmental Conservation
Comprehensive Annual Financial Report
A portion of the Fund of the City of New York



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**NEW YORK FIRE DEPARTMENT PENSION FUND
DATA USED IN THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2015 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	49	0	0	0	0	0	0	0	0	49
25 TO 29	257	368	5	0	0	0	0	0	0	630
30 TO 34	151	1,414	431	2	0	0	0	0	0	1,998
35 TO 39	19	936	1,142	203	1	0	0	0	0	2,301
40 TO 44	1	190	847	700	174	0	0	0	0	1,912
45 TO 49	0	5	304	623	495	165	2	1	0	1,595
50 TO 54	0	1	19	178	338	361	118	0	0	1,015
55 TO 59	0	0	2	1	62	156	294	10	1	526
60 TO 64	0	1	0	3	0	11	42	35	11	103
65 TO 69	0	0	0	0	0	2	0	0	1	3
70 & UP	0	0	0	1	0	0	0	0	0	1
TOTAL	477	2,915	2,750	1,711	1,070	695	456	46	13	10,133

SALARIES (IN THOUSANDS):

UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	2,375	0	0	0	0	0	0	0	0	2,375
25 TO 29	13,748	37,424	483	0	0	0	0	0	0	51,656
30 TO 34	9,437	144,674	46,272	212	0	0	0	0	0	200,595
35 TO 39	1,231	96,910	123,349	23,334	105	0	0	0	0	244,929
40 TO 44	122	19,772	92,319	83,841	21,950	0	0	0	0	218,004
45 TO 49	0	565	33,242	74,227	63,539	21,866	226	121	0	193,787
50 TO 54	0	147	2,059	21,029	42,405	47,383	15,966	0	0	128,989
55 TO 59	0	0	281	108	7,173	18,818	41,353	1,387	207	69,327
60 TO 64	0	147	0	447	0	1,345	5,519	5,191	1,653	14,304
65 TO 69	0	0	0	0	0	301	0	0	211	513
70 & UP	0	0	0	150	0	0	0	0	0	150
TOTAL *	26,913	299,640	298,005	203,349	135,172	89,714	63,064	6,700	2,071	1,124,628

AVERAGE SALARIES: **

UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	48,472	0	0	0	0	0	0	0	0	48,472
25 TO 29	53,495	101,695	96,670	0	0	0	0	0	0	81,993
30 TO 34	62,494	102,316	107,359	106,240	0	0	0	0	0	100,398
35 TO 39	64,777	103,536	108,011	114,946	105,489	0	0	0	0	106,445
40 TO 44	122,005	104,061	108,995	119,773	126,149	0	0	0	0	114,019
45 TO 49	0	113,079	109,348	119,145	128,362	132,523	112,969	121,439	0	121,497
50 TO 54	0	147,381	108,359	118,138	125,458	131,256	135,304	0	0	127,083
55 TO 59	0	0	140,729	107,975	115,688	120,627	140,658	138,696	206,629	131,800
60 TO 64	0	147,381	0	149,153	0	122,310	131,408	148,327	150,251	138,870
65 TO 69	0	0	0	0	0	150,582	0	0	211,488	170,884
70 & UP	0	0	0	149,516	0	0	0	0	0	149,516
TOTAL	56,421	102,792	108,365	118,848	126,329	129,085	138,299	145,649	159,298	110,987

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

* Total may not add up due to rounding.

** Average based on unrounded salary.

**NEW YORK FIRE DEPARTMENT PENSION FUND
DATA USED IN THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2015 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	0	0	0	0	0	0	0	0	0	0
25 TO 29	3	0	0	0	0	0	0	0	0	3
30 TO 34	4	6	3	0	0	0	0	0	0	13
35 TO 39	2	9	8	1	0	0	0	0	0	20
40 TO 44	0	1	3	2	0	0	0	0	0	6
45 TO 49	0	0	0	2	0	0	0	0	0	2
50 TO 54	1	0	0	0	1	0	0	0	0	2
55 TO 59	0	0	0	0	0	0	0	0	0	0
60 TO 64	0	0	0	0	0	0	1	1	0	2
65 TO 69	0	0	1	0	0	0	0	0	0	1
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	10	16	15	5	1	0	1	1	0	49

AGE \ SVC	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & UP	ALL YEARS
SALARIES (IN THOUSANDS):										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	0	0	0	0	0	0	0	0	0	0
25 TO 29	146	0	0	0	0	0	0	0	0	146
30 TO 34	212	549	323	0	0	0	0	0	0	1,085
35 TO 39	190	934	841	102	0	0	0	0	0	2,066
40 TO 44	0	104	387	240	0	0	0	0	0	730
45 TO 49	0	0	0	270	0	0	0	0	0	270
50 TO 54	122	0	0	0	171	0	0	0	0	294
55 TO 59	0	0	0	0	0	0	0	0	0	0
60 TO 64	0	0	0	0	0	0	136	203	0	339
65 TO 69	0	0	148	0	0	0	0	0	0	148
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL*	671	1,587	1,699	611	171	0	136	203	0	5,078

AGE \ SVC	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & UP	ALL YEARS
AVERAGE SALARIES: **										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	0	0	0	0	0	0	0	0	0	0
25 TO 29	48,791	0	0	0	0	0	0	0	0	48,791
30 TO 34	53,124	91,569	107,646	0	0	0	0	0	0	183,450
35 TO 39	94,905	103,765	105,116	101,726	0	0	0	0	0	103,318
40 TO 44	0	103,890	128,843	119,788	0	0	0	0	0	121,666
45 TO 49	0	0	0	134,870	0	0	0	0	0	134,870
50 TO 54	122,464	0	0	0	171,357	0	0	0	0	146,911
55 TO 59	0	0	0	0	0	0	0	0	0	0
60 TO 64	0	0	0	0	0	0	135,700	203,180	0	169,440
65 TO 69	0	0	148,447	0	0	0	0	0	0	148,447
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	67,114	99,199	113,256	122,208	171,357	0	135,700	203,180	0	103,642

Note: Age is last birthday. Service is completed years.
* Total may not add up due to rounding.
** Average based on unrounded salary.

NEW YORK FIRE DEPARTMENT PENSION FUND
DATA USED IN THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2015 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	49	0	0	0	0	0	0	0	0	49
25 TO 29	260	368	5	0	0	0	0	0	0	633
30 TO 34	155	1,420	434	2	0	0	0	0	0	2,011
35 TO 39	21	945	1,150	204	1	0	0	0	0	2,321
40 TO 44	1	191	850	702	174	0	0	0	0	1,918
45 TO 49	0	5	304	625	495	165	2	1	0	1,597
50 TO 54	1	1	19	178	339	361	118	0	0	1,017
55 TO 59	0	0	2	1	62	156	294	10	1	526
60 TO 64	0	1	0	3	0	11	43	36	11	105
65 TO 69	0	0	1	0	0	2	0	0	1	4
70 & UP	0	0	0	1	0	0	0	0	0	1
TOTAL	487	2,931	2,765	1,716	1,071	695	457	47	13	10,182

SALARIES (IN THOUSANDS):

UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	2,375	0	0	0	0	0	0	0	0	2,375
25 TO 29	13,895	37,424	483	0	0	0	0	0	0	51,802
30 TO 34	9,649	145,224	46,595	212	0	0	0	0	0	201,680
35 TO 39	1,421	97,844	124,190	23,436	105	0	0	0	0	246,996
40 TO 44	122	19,876	92,705	84,081	21,950	0	0	0	0	218,734
45 TO 49	0	565	33,242	74,497	63,539	21,866	226	121	0	194,057
50 TO 54	122	147	2,059	21,029	42,576	47,383	15,966	0	0	129,283
55 TO 59	0	0	281	108	7,173	18,818	41,353	1,387	207	69,327
60 TO 64	0	147	0	447	0	1,345	5,655	5,395	1,653	14,642
65 TO 69	0	0	148	0	0	301	0	0	211	661
70 & UP	0	0	0	150	0	0	0	0	0	150
TOTAL *	27,584	301,227	299,704	203,960	135,344	89,714	63,200	6,903	2,071	1,129,706

AVERAGE SALARIES: **

UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	48,472	0	0	0	0	0	0	0	0	48,472
25 TO 29	53,441	101,695	96,670	0	0	0	0	0	0	81,836
30 TO 34	62,252	102,270	107,361	106,240	0	0	0	0	0	100,288
35 TO 39	67,646	103,539	107,991	114,881	105,489	0	0	0	0	106,418
40 TO 44	122,005	104,061	109,065	119,774	126,149	0	0	0	0	114,043
45 TO 49	0	113,079	109,348	119,195	128,362	132,523	112,969	121,439	0	121,514
50 TO 54	122,464	147,381	108,359	118,138	125,594	131,256	135,304	0	0	127,122
55 TO 59	0	0	140,729	107,975	115,688	120,627	140,658	138,696	206,629	131,800
60 TO 64	0	147,381	0	149,153	0	122,310	131,508	149,851	150,251	139,452
65 TO 69	0	0	148,447	0	0	150,582	0	0	211,488	165,275
70 & UP	0	0	0	149,516	0	0	0	0	0	149,516
TOTAL	56,641	102,773	108,392	118,858	126,371	129,085	138,293	146,873	159,298	110,951

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

* Total may not add up due to rounding.

** Average based on unrounded salary.

DATA SHEET FOR THE FIBER OPTIC NETWORK
 FOR THE FIBER OPTIC NETWORK FOR THE YEAR 2013

TABLE 1: SUMMARY

Category	Sub-Category	Item	Quantity	Unit	Value	Unit	Value	Unit	Value	Unit	Value
Fiber Optic Network	Fiber Optic Network	Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
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Fiber Optic Network	Fiber Optic Network	Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100
		Fiber Optic Network	100	km	100	km	100	km	100	km	100

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New York Fire Department Pension Funds
Comprehensive Annual Financial Report
A Pension Trust Fund of The City of New York



Appendix B
Census Data for Pensioners
As of June 30, 2015

stated that the information was not
reliable and that the information was
not to be used for any purpose.

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**NEW YORK FIRE DEPARTMENT PENSION FUND
 DATA USED IN THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
 FOR DETERMINING FINAL FISCAL YEAR 2015 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	0	0	0	0	0	0	0	0	0
30 TO 34	28	2,176,238	77,723	1	70,266	70,266	29	2,246,504	77,466
35 TO 39	101	7,782,950	77,059	0	0	0	101	7,782,950	77,059
40 TO 44	408	32,661,131	80,052	2	164,595	82,298	410	32,825,726	80,063
45 TO 49	840	69,957,695	83,283	1	103,212	103,212	841	70,060,907	83,307
50 TO 54	1,355	117,234,508	86,520	2	122,277	61,139	1,357	117,356,785	86,483
55 TO 59	1,776	152,367,292	85,792	8	664,636	83,080	1,784	153,031,928	85,780
60 TO 64	1,001	81,082,948	81,002	6	448,536	74,756	1,007	81,531,484	80,965
65 TO 69	856	60,105,846	70,217	0	0	0	856	60,105,846	70,217
70 TO 74	938	55,248,136	58,900	0	0	0	938	55,248,136	58,900
75 TO 79	962	47,795,705	49,684	1	65,974	65,974	963	47,861,679	49,701
80 TO 84	478	21,839,249	45,689	0	0	0	478	21,839,249	45,689
85 TO 89	247	10,743,261	43,495	0	0	0	247	10,743,261	43,495
90 & UP	83	3,602,580	43,405	0	0	0	83	3,602,580	43,405
TOTAL	9,073	662,597,539	73,030	21	1,639,496	78,071	9,094	664,237,035	73,041
ORDINARY DISABILITY:									
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	3	71,968	23,989	0	0	0	3	71,968	23,989
40 TO 44	1	13,590	13,590	0	0	0	1	13,590	13,590
45 TO 49	14	473,107	33,793	0	0	0	14	473,107	33,793
50 TO 54	20	549,889	27,494	0	0	0	20	549,889	27,494
55 TO 59	56	1,393,408	24,882	1	28,428	28,428	57	1,421,836	24,944
60 TO 64	45	1,531,974	34,044	0	0	0	45	1,531,974	34,044
65 TO 69	61	4,262,316	69,874	0	0	0	61	4,262,316	69,874
70 TO 74	183	10,663,198	58,269	0	0	0	183	10,663,198	58,269
75 TO 79	239	13,188,562	55,182	0	0	0	239	13,188,562	55,182
80 TO 84	210	10,542,072	50,200	0	0	0	210	10,542,072	50,200
85 TO 89	114	5,310,342	46,582	0	0	0	114	5,310,342	46,582
90 & UP	65	2,408,848	37,059	0	0	0	65	2,408,848	37,059
TOTAL	1,011	50,409,274	49,861	1	28,428	28,428	1,012	50,437,702	49,840
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	8	525,968	65,746	0	0	0	8	525,968	65,746
45 TO 49	76	4,436,233	58,371	0	0	0	76	4,436,233	58,371
50 TO 54	291	16,283,544	55,957	1	46,241	46,241	292	16,329,785	55,924
55 TO 59	639	34,657,088	54,236	4	182,074	45,519	643	34,839,162	54,182
60 TO 64	586	30,034,121	51,253	2	65,843	32,922	588	30,099,964	51,190
65 TO 69	737	35,096,250	47,620	0	0	0	737	35,096,250	47,620
70 TO 74	1,001	41,756,220	41,715	0	0	0	1,001	41,756,220	41,715
75 TO 79	973	35,850,703	36,846	1	34,220	34,220	974	35,884,923	36,843
80 TO 84	630	21,652,916	34,370	0	0	0	630	21,652,916	34,370
85 TO 89	355	11,284,654	31,788	0	0	0	355	11,284,654	31,788
90 & UP	183	5,618,866	30,704	0	0	0	183	5,618,866	30,704
TOTAL	5,479	237,196,563	43,292	8	328,378	41,047	5,487	237,524,941	43,289

**NEW YORK FIRE DEPARTMENT PENSION FUND
 DATA USED IN THE JUNE 30, 2013 (LAG) ACTUARIAL VALUATION
 FOR DETERMINING FINAL FISCAL YEAR 2015 EMPLOYER CONTRIBUTIONS
 SUMMARY OF PENSIONERS BY CAUSE AND GENDER**

AGE	MALE			FEMALE			BOTH MALE & FEMALE		
	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
ACCIDENTAL DEATH:									
UNDER 30	2	67,702	33,851	5	176,704	35,341	7	244,406	34,915
30 TO 34	0	0	0	0	0	0	0	0	0
35 TO 39	0	0	0	26	946,510	36,404	26	946,510	36,404
40 TO 44	0	0	0	67	2,526,466	37,708	67	2,526,466	37,708
45 TO 49	0	0	0	86	3,358,656	39,054	86	3,358,656	39,054
50 TO 54	0	0	0	109	4,384,404	40,224	109	4,384,404	40,224
55 TO 59	0	0	0	79	3,398,930	43,024	79	3,398,930	43,024
60 TO 64	3	109,462	36,487	59	2,320,660	39,333	62	2,430,122	39,196
65 TO 69	0	0	0	39	1,511,886	38,766	39	1,511,886	38,766
70 TO 74	0	0	0	55	1,729,642	31,448	55	1,729,642	31,448
75 TO 79	1	36,689	36,689	44	1,231,884	27,997	45	1,268,573	28,197
80 TO 84	0	0	0	25	621,358	24,854	25	621,358	24,854
85 TO 89	0	0	0	10	254,315	25,432	10	254,315	25,432
90 & UP	0	0	0	21	487,589	23,219	21	487,589	23,219
TOTAL	6	213,853	35,642	625	22,949,004	36,718	631	23,162,857	36,708
OTHER BENEFICIARIES:									
UNDER 30	0	0	0	4	255,032	63,758	4	255,032	63,758
30 TO 34	1	58,517	58,517	1	25,423	25,423	2	83,940	41,970
35 TO 39	0	0	0	0	0	0	0	0	0
40 TO 44	0	0	0	0	0	0	0	0	0
45 TO 49	0	0	0	4	227,140	56,785	4	227,140	56,785
50 TO 54	1	62,516	62,516	13	717,861	55,220	14	780,377	55,741
55 TO 59	0	0	0	12	436,663	36,389	12	436,663	36,389
60 TO 64	0	0	0	20	747,788	37,389	20	747,788	37,389
65 TO 69	0	0	0	33	1,224,215	37,097	33	1,224,215	37,097
70 TO 74	0	0	0	33	930,475	28,196	33	930,475	28,196
75 TO 79	0	0	0	48	1,086,528	22,636	48	1,086,528	22,636
80 TO 84	0	0	0	48	746,941	15,561	48	746,941	15,561
85 TO 89	0	0	0	92	962,828	10,466	92	962,828	10,466
90 & UP	0	0	0	273	1,348,613	4,940	273	1,348,613	4,940
TOTAL	2	121,033	60,517	581	8,709,507	14,991	583	8,830,540	15,147
ALL PENSIONERS AND BENEFICIARIES:									
UNDER 30	2	67,702	33,851	9	431,736	47,971	11	499,438	45,403
30 TO 34	29	2,234,755	77,061	2	95,689	47,845	31	2,330,444	75,176
35 TO 39	104	7,854,918	75,528	26	946,510	36,404	130	8,801,428	67,703
40 TO 44	417	33,200,689	79,618	69	2,691,061	39,001	486	35,891,750	73,851
45 TO 49	930	74,867,035	80,502	91	3,689,008	40,539	1,021	78,556,043	76,940
50 TO 54	1,667	134,130,457	80,462	125	5,270,783	42,166	1,792	139,401,240	77,791
55 TO 59	2,471	188,417,788	76,252	104	4,710,731	45,295	2,575	193,128,519	75,001
60 TO 64	1,635	112,758,505	68,965	87	3,582,827	41,182	1,722	116,341,332	67,562
65 TO 69	1,654	99,464,412	60,136	72	2,736,101	38,001	1,726	102,200,513	59,212
70 TO 74	2,122	107,667,554	50,739	88	2,660,117	30,229	2,210	110,327,671	49,922
75 TO 79	2,175	96,871,659	44,539	94	2,418,606	25,730	2,269	99,290,265	43,759
80 TO 84	1,318	54,034,237	40,997	73	1,368,299	18,744	1,391	55,402,536	39,829
85 TO 89	716	27,338,257	38,182	102	1,217,143	11,933	818	28,555,400	34,909
90 & UP	331	11,630,294	35,137	294	1,836,202	6,246	625	13,466,496	21,546
TOTAL	15,571	950,538,262	61,045	1,236	33,654,813	27,229	16,807	984,193,075	58,559

New York Fire Department Pension Funds

Comprehensive Annual Financial Report

A Pension Trust Fund of The City of New York



Statistical Section

Part V

Fiscal Year Ended June 30, 2015

Some of the most important work of the

people of the world is being done

in the field of human development

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and the world is a better place

because of it

and the world is a better place

The Statistical Section Narrative

The Statistical section of the New York City Fire 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 trends 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 schedules 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 the 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 revenues for the plan. The schedules show the sources and the changes in the level of revenues over time. The main sources of revenues for the plan are investment income and employer contributions.

TABLE OF BENEFIT EXPENSES BY TYPE

(In thousands)

FISCAL YEAR	Service Retirement Payments	Ordinary Disability Payments	Accidental Disability Payments	Payments for Death in Duty	Payments of		Death Benefits Lump Sum Payments	Other Benefits *	Total
					Deceased Service and Disability	Disability			
2006	\$ 254,777	\$ 62,603	\$ 402,335	\$ 20,639	\$ 8,707	\$ 4,944	\$ 46,970	\$ 800,975	
2007	253,902	61,397	449,918	20,727	8,563	3,539	73,431	871,477	
2008	248,262	59,685	495,662	21,174	8,564	2,339	79,539	915,225	
2009	249,084	58,392	524,425	51,974	14,353	4,219	26,006	928,453	
2010	244,502	56,905	552,814	54,069	14,426	3,454	28,603	954,773	
2011	240,312	55,019	587,885	55,488	13,723	1,279	29,768	983,474	
2012	239,786	53,002	621,698	57,614	13,923	1,353	50,213	1,037,589	
2013	237,294	51,273	659,243	59,888	14,646	1,371	112,289	1,136,004	
2014	239,234	49,456	681,196	61,951	5,592	11,354	122,546	1,171,329	
2015	241,393	47,378	709,488	63,918	5,652	12,038	140,023	1,219,890	

* This represents City Supplements and payments to firefighter fireofficers variable supplements fund.

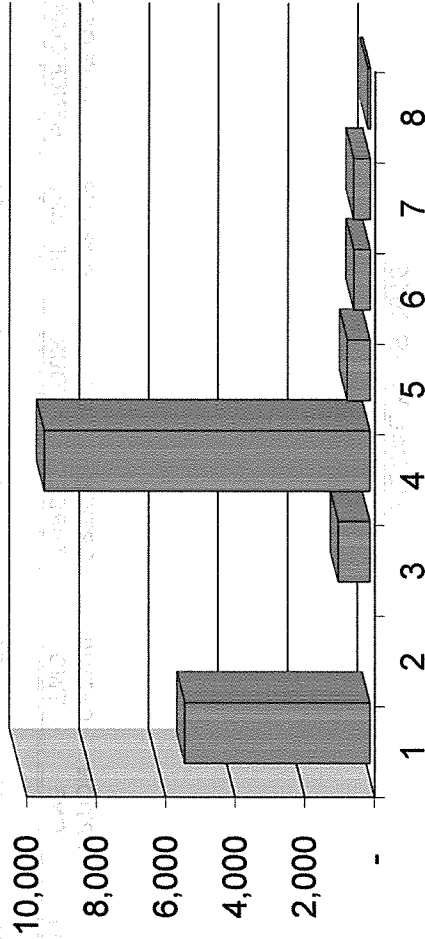
TABLE OF RETIRED MEMBERS AND BENEFICIARIES BY TYPE OF BENEFIT

FISCAL YEAR 2015

TOTAL NUMBERS RETIREEES AND BENEFICIARIES	SERVICE RETIREEES (1)	ORDINARY DISABILITY RETIREEES (1)	ACCIDENTAL DISABILITY RETIREEES (1)	LINE OF DUTY BENEFITS	SERVICE BENEFICIARIES	ACCIDENTAL BENEFICIARIES	ORDINARY BENEFICIARIES	OTHER BENEFITS (2)
17,261	5,312	905	9,366	654	470	476	78	-
1,219,890 \$	241,393 \$	47,378 \$	709,488 \$	63,918 \$	5,652 \$	10,245 \$	1,793 \$	140,023

ANNUAL PAYROLL AMOUNT
(in thousands)

RETIRED MEMBERS BY TYPE OF BENEFIT



SEE RETIREMENT BENEFIT BELOW

Type of Retirement

- 1 - Service retirement (20 yrs or over)
- 2 - Ordinary Disability (Non - Line of Duty)
- 3 - Accidental Disability (Line of Duty)
- 4 - Line of Duty benefits for surviving spouse
- 5 - Survivors of Service Retirees
- 6 - Survivors of Accidental Disability retirees
- 7 - Survivors of Ordinary Disability retirees

(1) Includes Maximum Allowance and Options.

(2) Includes City Supplements, Return of Contributions Vouchers and payments to FF, FO Variable Supplements Funds.

TABLE OF RETIRED MEMBERS AND BENEFICIARIES BY TYPE OF OPTION SELECTED *

FISCAL YEAR 2015

TOTAL NUMBER OF RETIREES AND BENEFICIARIES	MAXIMUM ALLOWANCE (1)	OPTION ONE	OPTION TWO	OPTION THREE	OPTION FOUR	POP - UP OPTION	LINE OF DUTY BENEFICIARIES (1)	BENEFICIARIES (1)	OTHER BENEFITS (2)
17,261	14,545	10	252	314	692	14	654	780	-

ANNUAL PAYROLL AMOUNT

\$ 1,219,890	\$ 923,320	\$ 422	\$ 13,422	\$ 17,630	\$ 50,143	\$ 819	\$ 63,918	\$ 10,193	\$ 140,023
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(1) Includes Subchapter I and II.

(2) Includes City Supplements, Return of Contributions Vouchers and payments to FF, FO Variable Supplement Funds.

Note: Option figures include Retirees and Beneficiaries.

New York Fire Department Pension Funds
Retired Members by Type of Benefit
As of June 30, 2015

Amount of Monthly Benefits	Number of Retired Members	Type of Retirement ^a							Option Selected ^b				POP - UPS	
		1	2	3	4	5	6	7	Unmodified	1	2	3		4
\$ 41,620	11	-	-	-	7	4	-	11	-	-	-	-	-	-
194,204	31	-	-	29	-	2	-	31	-	-	-	-	-	-
733,452	130	-	3	101	26	-	-	102	-	-	-	-	28	-
2,990,979	486	8	1	410	67	-	-	158	3	78	112	131	4	-
6,546,337	1,021	76	14	841	86	4	-	969	5	3	40	3	1	-
11,616,770	1,905	292	20	1,447	132	14	-	1,866	2	2	22	11	2	-
16,094,043	2,662	643	57	1,871	79	12	-	2,592	-	41	18	9	2	-
9,695,111	1,817	588	45	1,102	62	20	-	1,610	-	23	26	157	1	-
8,516,709	1,726	737	61	856	39	33	-	1,643	-	5	60	14	4	-
9,193,973	2,035	826	183	938	55	33	-	1,935	-	62	35	3	-	-
8,274,189	2,162	974	132	963	45	48	-	1,800	-	25	1	336	-	-
4,616,878	1,391	630	210	478	25	48	-	1,378	-	13	-	-	-	-
2,379,617	818	355	114	247	10	92	-	818	-	-	-	-	-	-
1,122,208	1,066	183	65	83	21	714	-	1,066	-	-	-	-	-	-
Total	17,261	5,312	905	9,366	654	1,024	-	15,979	10	252	314	692	14	-

^a Type of retirement:

- 1 - Service retirement
- 2 - Ordinary Disability
- 3 - Accidental Disability
- 4 - Line of Duty (Accidental Death)
- 5 - Beneficiaries (All)

^b

Option selected:

The following options reduce the retired member's monthly benefits

Option 1 - Provides a member with a retirement allowance payable for life which is less than the Maximum Allowance.

Option 2 - Provides a member with a reduced retirement allowance with the provision that upon his or her death the same allowance will continue to be paid to his or her beneficiary for life.

Option 3 - Provides a member with a retirement allowance reduce from the Maximum Allowance, with the provision that one half of the allowance will continue to be paid to the member's beneficiary for life.

Option 4 - This option provides, upon the member's death, payment of a specified benefit or benefits actuarially-sound and approved by the Actuary and the Board of Trustees.

POP - UP (refer to Option 4-2 and Option 4-3) These are called the "POP - UPS" because they are variations of Option 2 and 3 and provide that if the beneficiary predeceases the retiree, then the retirement allowance will "Pop - Up to the level of the Maximum Retirement Allowance.

Statistical Section

New York Fire Department Pension Funds
Average Benefit Payments
Last Ten Years

New York Fire Department Pension Funds

Exhibit 5

Retirement Effective Dates	Age Credited Service													
	Under 30	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80-84	85-89	90 & Up
Period 7/1/05 to 6/30/06														
Average monthly benefit	3,421	3,264	3,995	4,394	4,423	4,505	4,414	4,266	3,762	3,270	3,052	2,604	1,827	1,260
Average final salary	41,054	39,165	47,945	52,733	53,081	54,059	52,973	51,187	45,143	39,244	36,619	31,250	21,920	15,120
Number of retired members	7	59	208	584	1,401	1,814	1,524	1,959	2,612	2,515	1,649	1,290	998	865
Period 7/1/06 to 6/30/07														
Average monthly benefit	3,375	3,611	4,284	4,716	4,862	4,895	4,715	4,424	3,879	3,341	3,117	2,889	1,971	1,210
Average final salary	40,499	43,327	51,409	56,588	58,345	58,735	56,579	53,083	46,553	40,093	37,402	32,267	23,651	14,524
Number of retired members	8	59	229	638	1,420	1,981	1,570	1,900	2,570	2,482	1,643	1,283	902	794
Period 7/1/07 to 6/30/08														
Average monthly benefit	3,843	3,606	4,527	5,144	5,257	5,232	4,987	4,633	4,005	3,500	3,179	2,786	2,166	1,276
Average final salary	46,116	43,273	54,323	61,725	63,079	62,786	59,844	55,591	48,061	42,002	38,143	33,432	25,993	15,308
Number of retired members	7	45	232	618	1,304	2,154	1,639	1,749	2,388	2,590	1,745	1,290	854	789
Period 7/1/08 to 6/30/09														
Average monthly benefit	3,881	3,642	4,572	5,195	5,309	5,284	5,037	4,679	4,045	3,535	3,210	2,814	2,188	1,288
Average final salary	46,577	43,706	54,866	62,342	63,710	63,414	60,442	56,147	48,542	42,422	38,524	33,766	26,253	15,461
Number of retired members	7	43	234	629	1,306	2,230	1,734	1,823	2,270	2,585	1,739	1,266	816	764
Period 7/1/09 to 6/30/10														
Average monthly benefit	3,843	3,606	4,527	5,144	5,257	5,231	4,985	4,633	4,005	3,500	3,179	2,786	2,166	1,272
Average final salary	46,116	43,273	54,323	61,725	63,079	62,774	59,823	55,591	48,061	42,002	38,143	33,432	25,993	15,262
Number of retired members	7	45	232	618	1,304	2,155	1,640	1,749	2,288	2,466	1,745	1,290	854	787
Period 7/1/10 to 6/30/11														
Average monthly benefit	3,570	4,613	4,923	5,415	5,764	5,663	5,576	4,958	4,355	3,754	3,316	3,003	2,562	1,424
Average final salary	42,838	55,350	59,071	64,974	69,172	67,956	66,907	59,497	52,282	45,042	39,791	36,036	30,744	17,090
Number of retired members	11	52	206	517	1,162	2,254	1,916	1,674	2,014	2,602	1,994	1,220	799	748
Period 7/1/11 to 6/30/12														
Average monthly benefit	3,570	4,613	4,923	5,415	5,764	5,663	5,576	4,958	4,355	3,754	3,316	3,003	2,562	1,424
Average final salary	42,838	55,350	59,071	64,974	69,172	67,956	66,907	59,497	52,282	45,042	39,791	36,036	30,744	17,090
Number of retired members	11	52	206	527	1,180	2,002	2,315	1,694	2,033	2,448	2,001	1,364	854	717
Period 7/1/12 to 6/30/13														
Average monthly benefit	3,880	5,217	5,070	5,597	5,949	5,922	5,798	5,120	4,547	3,868	3,393	3,136	2,677	1,554
Average final salary	46,557	62,607	60,835	67,165	71,384	71,061	69,575	61,443	54,564	46,410	40,720	37,635	32,129	18,647
Number of retired members	17	50	187	522	1,291	2,167	2,074	1,750	1,908	2,361	2,085	1,369	763	720
Period 7/1/13 to 6/30/14														
Average monthly benefit	4,339	5,345	5,390	5,891	6,164	6,247	5,985	5,389	4,707	4,047	3,477	2,504	2,848	1,665
Average final salary	52,071	64,141	64,676	70,690	73,963	74,966	71,820	64,663	56,485	48,563	41,721	30,051	34,179	19,983
Number of retired members	10	28	153	506	1,092	1,955	2,366	1,633	1,861	2,361	2,161	1,302	828	661
Period 7/1/14 to 6/30/15														
Average monthly benefit	3,784	6,265	5,642	6,154	6,412	6,483	6,250	5,630	4,934	4,160	3,647	3,319	2,909	1,796
Average final salary	45,403	75,176	67,703	73,851	76,940	77,791	75,001	67,562	59,212	49,922	43,759	39,829	34,909	21,546
Number of retired members	11	31	130	486	1,021	1,792	2,575	1,722	1,726	2,210	2,269	1,391	818	625

Source: Office of the Actuary City of New York.
Lag 2012 for determining Final Fiscal Year 2015 Employer Contributions

New York Fire Department Pension Funds
Benefit and Refund Deductions from Net Position by Type
Last Ten Fiscal Years
(in thousands)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Exhibit 6
Type of Benefit:											
Age and service benefits:											
Retirees	254,777	253,902	248,262	249,084	244,502	240,312	239,786	308,667	239,234	241,393	
Survivors	5,290	4,926	4,666	10,212	10,040	5,990	5,847	5,776	5,592	5,652	
Death in service benefits	20,639	20,727	21,174	51,974	54,069	55,488	57,614	59,888	61,951	63,918	
Disability benefits:											
Retirees - duty	402,335	449,918	495,662	524,425	552,814	587,885	621,698	659,243	681,196	709,488	
Retirees - nonduty	62,603	61,397	59,685	58,392	56,905	55,019	53,002	51,273	49,456	47,378	
Survivors	3,417	3,637	3,898	4,141	4,386	1,279	1,353	1,371	1,716	1,793	
Total benefits	\$ 749,061	\$ 794,507	\$ 833,347	\$ 898,228	\$ 922,716	\$ 945,973	\$ 979,300	\$ 1,086,218	\$ 1,039,145	\$ 1,069,622	
Type of Refunds											
Death	4,944	3,539	2,339	4,219	3,454	7,733	8,076	8,870	9,638	10,245	
Other benefits	46,970	73,431	79,539	26,006	28,603	29,768	50,213	40,916	122,546	140,023	
Total refunds	\$ 51,914	\$ 76,970	\$ 81,878	\$ 30,225	\$ 32,057	\$ 37,501	\$ 58,289	\$ 49,786	\$ 132,184	\$ 150,268	
Total Benefits and Refunds	\$ 800,975	\$ 871,477	\$ 915,225	\$ 928,453	\$ 954,773	\$ 983,474	\$ 1,037,589	\$ 1,136,004	\$ 1,171,329	\$ 1,219,890	

Source Fire Department New York.

SCHEDULE OF AVERAGE ANNUAL BENEFIT PAYMENT AMOUNTS

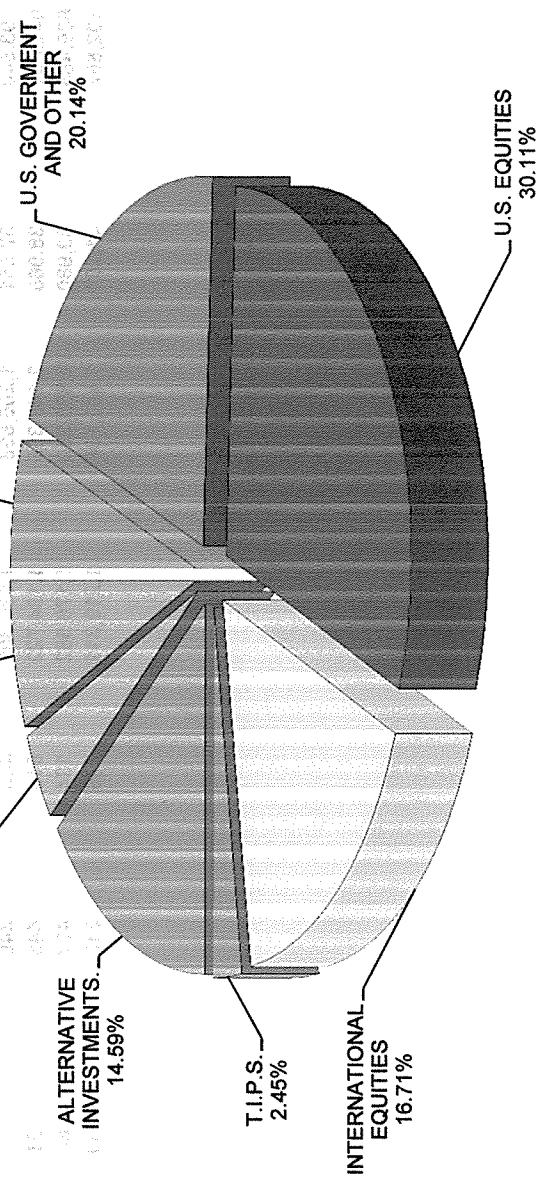
Fiscal Year	Service Retirement Benefits		Accidental (Duty) Disability Benefits		Ordinary (Non Duty) Disability Benefits		Survivor's Benefits *	
	Numbers	Average Annual Allowance	Number	Average Annual Allowance	Number	Average Annual Allowance	Number	Average Annual Allowance
2006 (Lag)	6,839	\$ 37,254	7,420	\$ 54,223	\$ 1,398.0	\$ 44,780	1,828	\$ 19,767
2007 (Lag)	6,606	38,435	7,816	57,564	1,339	45,853	1,718	17,208
2008 (Lag)	6,353	39,078	8,149	60,825	1,284	46,484	1,618	20,942
2009 (Lag)	6,194	39,908	8,331	63,286	1,217	47,398	1,521	19,782
2010 (Lag)	5,957	40,447	8,593	65,741	1,167	48,219	1,423	21,354
2011	5,837	41,170	8,712	67,480	1,110	49,557	1,414	49,144
2012	5,667	41,080	8,912	69,760	1,058	50,096	1,767	41,251
2013	5,487	43,247	9,064	72,723	1,010	50,765	1,703	44,571
2014	5,433	44,033	9,194	63,215	958	51,624	1,695	46,370
2015	5,312	45,443	9,366	75,751	905	52,351	1,678	48,632

* Includes World Trade Center Benefits

TOTAL INVESTMENTS FISCAL YEAR 2015 Fire Funds Combined

(At Market Value)

Investment Category	Value	Percentage
U.S. EQUITIES	30.11%	
U.S. GOVERNMENT AND OTHER	20.14%	
INTERNATIONAL EQUITIES	16.71%	
ALTERNATIVE INVESTMENTS	14.59%	
COLLAT. FROM SEC. LENDING	6.46%	
FIXED INC. AND MORTG SEC...	3.95%	
S/T INVEST.	5.59%	
T.I.P.S.	2.45%	



NEW YORK CITY FIRE PENSION FUNDS
 Schedule of Changes in Net Positions

(In thousands)

Year Ended	Additions to Funds Net Position					Deductions from Funds Net Position					Change in Net Position
	Member Contributions	Employer Contributions	Net Investment Income/(Loss)	Other Income	Total Additions	Benefit Payments	Refunds	Administrative Expenses	City Supplement and Parity	Total Deductions	
2006	76,548	608,771	590,395	28,971	1,304,685	800,552	-	413	10	800,975	503,710
2007	71,614	683,193	1,117,227	36,770	1,908,804	870,841	444	172	20	871,477	1,037,327
2008	75,974	780,202	(366,390)	40,103	529,889	914,569	418	200	38	915,225	(385,336)
2009	84,357	843,751	(1,282,917)	42,729	(312,080)	927,819	325	248	61	928,453	(1,240,533)
2010	89,223	874,331	818,201	34,990	1,816,745	953,990	510	237	36	954,773	861,972
2011	94,893	890,706	1,472,892	41,887	2,500,378	982,962	276	236	-	983,474	1,516,904
2012	98,494	976,895	93,548	37,661	1,206,598	1,036,806	443	340	21	1,037,589	169,009
2013	104,816	962,173	1,042,431	38,965	2,148,385	1,134,722	816	445	86	1,136,004	1,012,381
2014	108,859	969,956	1,689,485	39,980	2,808,280	1,170,582	184	477	86	1,171,329	1,636,951
2015	108,582	988,784	302,567	41,201	1,441,134	1,219,311	186	313	80	1,219,890	221,244

NEW YORK FIRE DEPARTMENT PENSION FUNDS

SCHEDULE OF REVENUES BY SOURCE

(in thousands)

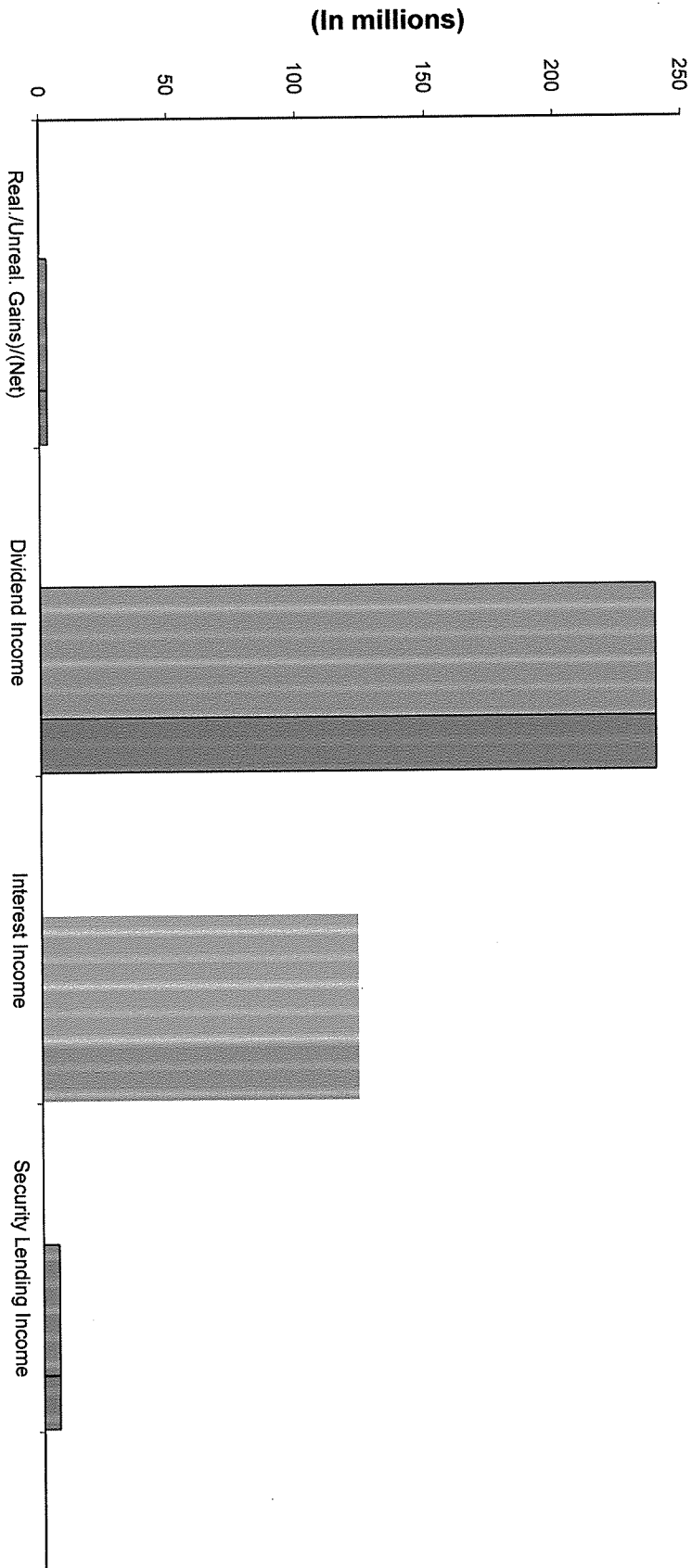
Fiscal Year Ended June 30	Member Contributions	Employer Contributions	Other Income/(Loss)	Interest and Dividends	Appreciation (Depreciation) In fair value of investments	Total	% of Annual Covered Payroll
2006	\$ 76,548	\$ 608,771	\$ 17,450	\$ 164,325	\$ 437,591	\$ 1,304,685	N/A
2007	71,614	683,193	21,868	185,836	946,293	1,908,804	N/A
2008	75,974	780,202	28,393	210,151	(564,831)	529,889	N/A
2009	84,357	843,751	30,545	187,040	(1,457,773)	(312,080)	N/A
2010	89,223	874,331	10,319	176,097	666,775	1,816,745	N/A
2011	94,893	890,706	17,668	192,667	1,304,444	2,500,378	N/A
2012	98,494	976,895	9,756	220,373	(98,920)	1,206,598	N/A
2013	104,816	962,173	6,469	255,805	819,122	2,148,385	N/A
2014	108,859	969,956	(3,557) *	277,940	1,455,082	2,808,280	N/A
2015	108,582	988,784	(21,420)	361,802	3,386	1,441,134	N/A

* Other Income/(loss) Included.

Source: Combined Statement of Changes in Fiduciary Net Position

INVESTMENT INCOME

Fire Funds Combined
Fiscal Year 2015



NEW YORK FIRE DEPARTMENT PENSION FUNDS

SCHEDULE OF EXPENSES BY TYPE

(in thousands)

Fiscal Year Ended June 30	Benefit		Administrative		Other		Total
	Payments	Refunds	Expenses	Payments	Payments		
2006	\$ 800,552	\$ -	\$ 413	\$ 10	\$ 800,975		\$ 800,975
2007	870,841	444	172	20	871,477		871,477
2008	914,569	418	200	38	915,225		915,225
2009	927,819	325	248	61	928,453		928,453
2010	953,990	510	237	36	954,773		954,773
2011	982,962	276	236	-	983,474		983,474
2012	1,036,806	443	340	-	1,037,589		1,037,589
2013	1,134,722	816	445	21	1,136,004		1,136,004
2014	1,170,582	184	477	86	1,171,329		1,171,329
2015	1,219,311	186	313	80	1,219,890		1,219,890

**Table of Compensation to
Administrative Officials and Commissions & Payments
To Brokers and Consultants
Fiscal Year Ended June 30, 2015**

<u>Official Plan Position</u>		<u>Salary or Allowance Paid</u>
Pension Fund Administrative Personnel	\$	1,783,694
Comptroller's Office Executive Management Costs		14,424
First Deputy Personal Service Cost		103,637
Financial Information Service Agency (FISA)		351,057
Office of Payroll Administration (OPA)		154,126
Deputy Comptroller Asset Management (Personal Service Cost)		717,023
Deputy Comptroller Asset Management (Outside Service Costs)		180,128
Administrative Support Cost		2,059
Office of Management and Budget		80,464
Legal Advisor		88,086
Investments Advisor		68,027,455 *
Securities Lending Fees		941,934 *
Total	\$	<u>72,444,087</u>

* Except for investment advisor and Securities Lending fees these expenses were charged to other City Agencies on behalf of the New York Fire Pension Funds.